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PROCEEDINGS AND DEBATES OF THE 86th CONGRESS, SECOND SESSION

SENATE

THURSDAY, JUNE 23, 1960

(Legislative day of Wednesday, June 22, 1960)

The Senate met in executive session at 9:30 o'clock a.m., on the expiration of the recess, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God of all good life, we need the strength of Thy presence and the confidence of Thy guidance for in a labyrinth of days like these we so easily lose our way. If we look only at the confusion of the changing world about us we are filled with the terror of it all. Its ominous threats drive us to Thee, our God, with the despairing query, Who is sufficient for these things?

We confess that apart from Thee our anxieties blot out our assurance, our faith is subdued by doubt, and courage gives way to fear. But with Thee we can cry with Thy servant of old—"The Lord is my light and my salvation; of whom shall I be afraid? Though an host encamp against me my heart shall not fear; though war should rise against me, even then will I be confident." For the might of Thine arm we bless Thee; our God, our fathers' God. Amen.

THE JOURNAL

As in legislative session,

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 22, 1960, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

As in legislative session,

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

As in legislative session,

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Reorganization and International Organizations of the Committee on Government Operations; the Subcommittee on Public Health, Education, and Welfare of the Committee on the District of Columbia; and the Judiciary Subcommittee of the Committee on the District of Columbia were authorized to meet during the session of the Senate today.

LEGISLATIVE BUSINESS

As in legislative session,

Mr. MANSFIELD. Mr. President, I seek recognition under the unanimous-consent agreement.

The PRESIDENT pro tempore. The Senator from Montana may proceed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NEW INSIGHTS—NEW POLICIES

Mr. MANSFIELD. Mr. President, What I am about to say may precipitate some discussion. It may be subject to criticism. That is as it should be in this body. Above all, I hope that what I am about to say will bring forth persistent thought and deep soul-searching in others with responsibilities in these matters, even as such thought, on my own part, has led me to make these remarks.

I do not know the practice of others in similar circumstances. In my own case, I released these remarks for study 2 days ago and copies were made available at that time to the Department of State in order that the executive branch might not be caught unawares. After releasing a statement of this kind, many points which it contains appear, at the moment of delivery, to require clarification and elaboration. For the information of those who may have seen advance copies, I wish to state that while I shall not omit anything that is contained in the text, I shall, from time to time, elaborate and clarify certain of the points which it contains.

Just a few days ago, the wish was expressed in the Senate, in comment on the foreign policy-defense remarks of the distinguished Senator from Massachusetts [Mr. KENNEDY], for "more light" and "less generality." And a few days prior, the able Governor of the State of New York, Mr. Rockefeller, spoke of the inadequacy of a "question mark" for the needs of the Nation.

I would say to the Senate that we need both generalities and specifics. We need question marks as well as answers. But having raised the questions and discussed the generalities many times in the past, I should like, today, to address myself to certain possible answers and to many specifics in the international position of the Nation and the conduct of its foreign relations.

I note that this speech has already been referred to as a slashing attack on the administration. Let me say that I am not launching an attack on any person in this administration. I have never spoken in that fashion; I do not intend to start now. I have only the highest respect for the patriotism of the individuals who compose it. What I am trying to do is to provide a constructive critique of our policies and, particularly, their conduct, in the hope that it will be beneficial to the Nation.

Before proceeding, I ask unanimous consent that certain articles, editorials and other data which provided facts and ideas for these remarks, and which I now send to the desk, be printed at the conclusion of my statement.

The PRESIDENT pro tempore. Without objection, the request is agreed to.

(See exhibit 1.)

Mr. MANSFIELD. Something has gone wrong. That much, at least, is clear from the recent rapid succession of visible crises. First, there was the U–2 incident, then the summit collapsed and the withdrawal of the invitation to the President to travel to Russia and, most recently, the forced cancellation of the President's visit to Japan.

Recent events, especially in Japan, are a source of regret and concern. But we shall only intensify the difficulties by a hostile and intemperate reaction. Japan is going through an hour of great trial. We can best serve the cause of peace and our joint interests by exercising patience and restraint at this time. It is not for us to judge in anger and to talk of boycotts and retaliation

unless we seek to propel the Japanese nation in the direction of the Soviet orbit. It is for us to try to preserve the decent and cooperative relations which were born after the bitterness and exhaustion of World War II. It would be well for us to remember that Japan is critical to freedom and peace in the Far East. Unless its ties with this country are maintained the positions in Korea and Okinawa lose much of their meaning and the security of the entire Far East will be endangered.

In any event, little is to be gained at this time by angry speculation on what has gone wrong elsewhere either in Japan or in the Soviet Union. As for what has gone wrong in our own house, that is our business. It is the business of the President, the Senate, and the Congress. It is the business of the people of the United States.

If we are to understand what has gone wrong, we have got to go back to the point where the difficulty first became apparent. That point, Mr. President, is the U–2 incident. We have got to face the facts of that incident, honestly and bluntly. We have got to face them before they fade into the obscurity of time.

I have intentionally reserved this comment until the President has returned from the Orient and the Committee on Foreign Relations had completed its inquiry into the U–2 affair. But it is appropriate, now, to try to put the incident into perspective. Enough facts for that purpose are now public information.

It is possible to draw reasonable conclusions on the U–2 affair in terms of our national security and welfare, but it is not easy or painless to do so. The incident occurred in connection with the Soviet Russia and is, therefore, heavily charged with emotion. A natural tendency exists to describe the affair in the best possible light, to see its consequences in the most optimistic fashion. Moreover, delicate questions of national unity and national security are interwoven with the affair. We are compelled to measure what we say against possible misinterpretation. And, finally, Mr. President, the facts of the incident which occurred in May have more and more become confused with the fancies of November.

So, I repeat, Mr. President, it is neither easy nor painless to draw reasonable conclusions on this incident. Nevertheless, we must make the effort. As responsible officials, we owe that much to the people whom we represent. We owe it to the people whose lives and fortunes were cast into the incident. We must make the effort in order to gain new national insights. We must make the effort in order to recast both our policies and their administration for the greater security and welfare of the Nation.

I speak for myself and only for myself, as one Member of the Senate of the United States, in making these remarks. I should like to emphasize that the remarks are based solely on the public record, as it is to be found in various official statements, in the reports of the press, radio, and TV, and in the published hearings of the Committee on Foreign Relations.

There is more than enough information in this public record to reach reasonable conclusions. The American press and other communications facilities have performed an exceptional public service in connection with the coverage of the U–2 incident. In these past few weeks, we have seen and heard American journalism in breadth, in depth, and at its best.

I should also like to commend the able Senator from Arkansas [Mr. FULBRIGHT] for his contributions to our understanding of the U–2 affair. His chairmanship of the inquiry into the incident was exemplary in every way. Without jeopardizing security or unity, he saw to it in accord with the administration, that adequate and dispassionate information on these proceedings was made public.

IRRELEVANT QUESTIONS

Mr. President, it has seemed to me that our principal responsibility, as Senators, has been to try to understand the facts of the U–2 incident in the hope that out of the experience might come new and better ideas as to how to proceed more effectively in the future. I assume that all Senators, all officials, who are discussing this matter in public forums have had similar purposes in mind.

For that reason, Mr. President, I should like to deal first with what I believe are three extraneous questions which have been insinuated into the debate and discussion. If we permit ourselves to be sidetracked into matters such as these, we shall gain little of use to the Nation from the experience, despite the great price that has been paid for it.

IRRELEVANT QUESTION: WHY THE SUMMIT COLLAPSED?

The first is the question of why the summit collapsed. Since responsible officials of this Government have stated for the record that they expected little from the meeting long before it was torpedoed—and I agree with them—I can see little relevance in the question of who fired the tube. Indeed, if we are to go into such conjectural matters, we might find it far more profitable to ask why we agreed to go to the meeting in the first place. Why, indeed, should we have participated, if, U–2 or not, the summit was going to be of so little value?

For my part, I am prepared to accept what is apparently the thesis of this administration, that Mr. Khrushchev dealt the coup de grace to what was destined to be, in any event, a somewhat fruitless meeting.

IRRELEVANT QUESTION: SHOULD WE HAVE APOLOGIZED?

The second question which I regard as irrelevant to the discussion is whether we should have apologized to the Soviet Union in Paris. It is true that nations from time to time infringe the rights of other nations. Sometimes they apologize for these infringements and even pay damages. Sometimes they deny the infringements or, at any rate, do not apologize for them. As a nation, we are not an exception. We have done both. On occasion, we have ignored the complaints of others and on occasion we have apologized.

Oddly enough, during this administration, long before the question was posed after the events in Paris, I believe we had already apologized to the Soviet Union for an infringement. Oddly enough, it was an infringement which grew out of the flight of an American plane. I read to the Senate, in full, a dispatch in the New York Times, February 2, 1958, page 25:

U.S. APOLOGIZES ON JET FLIGHT

BERLIN, February 1.—The United States has apologized to the Soviet Union because a U.S. Air Force jet made an accidental flight over East Germany territory Thursday. A U.S. mission spokesman said the apology had been made in an oral exchange between the Soviet and U.S. members of the Air Safety Center, the Big Four body that controls air traffic to Berlin.

So, Mr. President, when the question is asked whether we should have apologized or expressed regrets, let no one associated with this administration throw up his hands in horror at the mere thought. This administration, apparently, has already apologized to the Soviet Union and to other nations—offhand I can think of Cuba—for infringements of one kind or another, and notably for plane flights.

It so happens, Mr. President, that I agree with the attitude which Mr. Eisenhower took in not apologizing to Mr. Khrushchev. I agree with it, in the light of the circumstances which prevailed at that time. I agree with it on the basis of the manner and place in which the demand was made. I agree with it on the basis of the publicly known facts. If the intrusion of the U–2 had been an accident—if it had been an oversight rather than an overflight—then, indeed, an apology or an expression of regret immediately after the incident had occurred might have been in order.

But these circumstances did not prevail. The explanations given out after the incident emphasized that neither an accident nor an oversight was involved. Further, the explanations indicated that we were pursuing some fixed policy in these flights, based upon national and free-world necessity. Finally, the worldwide impression was created and allowed to stand until the Paris meeting, that these flights would be continued. To have apologized in those circumstances would have had no meaning. It could have served only to subject us to worldwide ridicule. Therefore, I agree, on the basis of the known facts, with the President's decision not to apologize.

It is possible, of course, that all the facts have not been made public. It is conceivable that on the basis of all the facts, another course might have been indicated. After all the administration had a precedent, as noted in the New York Times dispatch that I have just quoted. It may be that there is still a feeling of doubt in the minds of some that we did take the right course. It may be this doubt which prompts some to continue to raise this question, this question of whether or not we should

have apologized in Paris. If that is the case, then I suggest those who are still perplexed should address the question to the administration. But if the question is addressed to the American people or to the candidates for the Presidency, it has no relevance to an understanding of the U–2 incident. By obscuring the facts of the incident, it will inhibit the Nation from understanding the incident and profiting from it.

EXTRANEOUS QUESTION: DO WE WANT ANOTHER PEARL HARBOR?

The third extraneous question, Mr. President, is whether or not we want another Pearl Harbor. This question has something in common with one which is asked in a famous play. Most Senators will remember the question from their childhood. The question is asked by Peter Pan, as Tinker Bell, the devoted but errant pixie lies desperately ill, its light flickering dimly. Peter Pan addresses the audience and asks whether or not they wish Tinker Bell to die. The response of the audience, through generations of children, has invariably been a resounding "no."

In the same fashion, Mr. President, I cannot conceive of any American in his right senses answering anything other than "no" to the question of whether or not we want another Pearl Harbor. But since this question has been raised, I am sure, not with any desire to appeal to an audience, but out of a deep concern for the security of the Nation, I shall take the time of the Senate to analyze it.

If the question is going to have more relevance to our understanding of the U–2 incident than Peter Pan's, it is necessary to determine what is inferred by it. After all, it is two decades since Pearl Harbor.

I assume, therefore, that the inference of the question is that the U–2 flight program was vital in preventing a catastrophic military attack on the security of this Nation. Secretary of Defense Gates, indeed, seems to have used the word "vital" to describe the kind of information which the flights were producing.

IMPORTANCE OF THE U–2 PROGRAM AND THE ILL-FATED U–2 FLIGHT

I am most anxious, Mr. President, that President Eisenhower decide and do what is "vital" for the security of this Nation. I have tried in the past, at all times, to give him my full support in such decisions and actions. It is his primary responsibility. National unity requires that he be supported in exercising this responsibility in vital matters.

All we may reasonably ask is that the President in fact does decide and that he does watch closely every aspect of these vital decisions. If the U–2 flights were "vital" to prevent another Pearl Harbor then they should have been made. But, equally, they should have been made under the continuous scrutiny of the President and the coordinated scrutiny of members of his Cabinet.

The facts in the public record show clearly, however, that while politically responsible officials knew generally of this program of U–2 overflights they did not subject them to continuous and coordinated scrutiny. The facts indicate that the control and timing of them was in the hands of various obscure employees of the bureaucracy. It is quite clear that Mr. Eisenhower did not push any button to set the particular ill-fated U–2 flight in motion, nor did Mr. Gates, nor Mr. Herter.

Since that is the case, Mr. President, we must question either the degree of attention which these officials were paying to their duties in vital matters or we must conclude that it is misleading to create the impression that these flights, in themselves, were vital. The word "vital," as the Senate knows, means essential to life. I have the highest respect for the President and the members of his Cabinet. I am sure none was negligent in his responsibilities. I can only assume, therefore, that while the flights were important, they were not regarded as really so important as to command the continuing attention of the politically responsible officials of the administration. I can only conclude that the word "vital" is too strong to use in describing their importance.

That such may be the case is indicated by the suspension of the flights by the President and his assurance to Mr. Khrushchev that they would not be resumed. Obviously, if they were vital to prevent another Pearl Harbor attack upon our security the President would never have made that decision.

The fact is, Mr. President, that the security of this Nation—any nation—in this uncertain and dangerous world is safeguarded not by any single factor but by many factors. These factors of security fall into two general categories: First, foreign policies, which should act to reduce the dangers and uncertainties which confront us abroad; and second, the total capacity of the Nation for defense. These categories include far more than intelligence operations and far, far more than any single intelligence operation such as the U–2 program. Our security depends on the morale and determination of the people of the Nation. It depends on the attitudes of peoples in the Communist nations as, for example, whether or not they are militant in their hostility to us or whether, persuaded that we intend them no harm, the militancy is tempered. It includes the state of trust and confidence which exists between ourselves and friendly peoples. Particularly, it includes the attitudes of those nations which stand firm and independent in their own right, but nevertheless are allied with us against common dangers. It includes the efficiency of our Defense Establishment, its weapons and its state of readiness. It includes our scientific creativity and our technical ingenuity. It includes—this base upon which our security stands—all these elements and many others.

It is in terms of all these elements that any reasonable evaluation of the U–2 program and the ill-fated flight in particular must be made, not in terms of the specter of a Pearl Harbor attack two decades ago. Even as an intelligence operation, without regard for the other factors on which our security depends, we must weigh the risks and cost of the U–2 flights against the availability from other sources of the kind of information which they produced. In this connection, I point out that much has been made of the fact that the U–2 flights obtained data on the location of Russian missile sites, submarine bases, and nuclear centers. That is clearly information of a most significant nature for the defense of the nation. But to illustrate that there are sources of information other than U–2 reconnaissance flights, even on such significant matters, even in countries which make a fetish of secrecy, I call to the attention of the Senate an article from the magazine Missile and Rockets. In an issue published early this year, it lists and pinpoints on a map 10 Soviet ICBM sites and 30 IRBM sites which were located from public sources in Europe and from technical journals. I ask unanimous consent that this article be printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. LONG of Hawaii in the chair). Without objection, it is so ordered.

(See exhibit 2.)

Mr. MANSFIELD. Mr. President, I also call to the attention of the Senate an article written by Harrison Salisbury and published in the New York Times September 30, 1954, and an article in the Bulletin of the Atomic Scientists, October 1959, written by Arnold Kranish. These articles reveal a great deal about certain Soviet atomic centers, and contain information on them which no aerial photograph could possibly supply. I ask unanimous consent that both articles be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. MANSFIELD. Mr. President, I also refer the Senate to the fuller treatment of this subject as it appears in a book by Mr. Kranish entitled "Atomic Energy in the Soviet Union"—Stanford University Press, 1959.

I call to the attention of the Senate the reference work, "Jane's Fighting Ships (1959–60)," which lists, with photographs, submarines of the Soviet Navy. Finally, I refer the Senate to the book "The Soviet Navy," edited by Comdr. M. G. Saunders, of the United Kingdom—Frederick A. Praeger, 1958. On pages 161–163 there is a detailed table of the location and capacity of shipyards throughout the Soviet Union, specializing in naval work. I ask unanimous consent that the table referred to be printed in the RECORD at the conclusion of my remarks, and I strongly recommend to those whose work may require a more detailed picture of the Soviet Navy the book edited by Commander Saunders.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. MANSFIELD. Mr. President, I do not wish to leave the impression that I believe these and similar publications are the equivalent in military value of the aerial films of Russia produced by the U–2 program. So far as I know, in

some respects, they may be more complete, more valuable; and in others less complete, less valuable. All I am trying to suggest, Mr. President, is that while obviously we cannot ignore the importance of secret intelligence operations, we must recognize equally that they are not always the only source and they are not necessarily always the best source of information. They are a part of or should be a part of a total pattern of defense which takes into consideration all aspects of foreign and defense policy.

I cannot bring myself to believe that anyone who raises the question, do we want another Pearl Harbor, seriously wishes to leave with this Senate or the people of the United States the impression that the CIA and, in particular, one aerial reconnaissance operation of the agency, alone, stands between us and a repetition of that catastrophe.

COST OF THE U–2 FLIGHT

On the basis of the public record we can assume that these flights produced information—probably very important information—for certain aspects of our military defense. On the basis of the public record, we know that they produced this information at an enormous price. And it is only in an information-to-cost ratio that they can be properly evaluated. I am talking, now, not of the monetary cost of the flights, which undoubtedly were high, but of the full cost, in terms of damage to the total pattern of the foreign and defense policies by which we seek to safeguard our security. It is difficult to estimate that cost, Mr. President, if for no other reason than that all the bills probably have not yet been submitted. On May 9, as the facts of the U–2 incident began to clarify, I stated in the Senate:

> The President has been undercut on the eve of a major international conference at a moment of world crisis. The worldwide adverse repercussions for the foreign policy of the United States have only begun but they will be heard loudly and ominously from Norway to Japan.

If we cannot measure the cost of this flight in any specific fashion, we can, nevertheless, gain some indication of it by observing the events which have transpired in the Nation and in the world since May 1, less than 2 months ago. Let me stress that there are many factors which explain each of the developments which I am about to list. Nevertheless, I know of no serious evaluation of the present international situation which would ignore the U–2 incident as one of the factors in each of them.

First. The collapse of the summit, whose value only the administration can estimate, since it was responsible for pursuing it.

Second. The intensification of anti-American sentiment, the cancellation of the President's visit, and the sprouting of seeds of deep opposition in Japan to the Japanese-United States Security Treaty.

Third. The shock at home and in many friendly nations at confirmation of the fact that we were engaged in activities which, theretofore, many tended to associate almost wholly with Soviet behavior.

Fourth. The embarrassment of certain nations allied with us, around the periphery of the Soviet Union and, in consequence, the institution by them of more stringent control over the use of their defense facilities by the United States.

Fifth. The intensification of the threat of war by accident or miscalculation, growing out of the order to Soviet military authorities to rocket the bases in surrounding nations from which unauthorized planes might intrude, and the restatement of our determination to fulfill our defense commitments to these nations.

Sixth. The strengthening of the hand of hard-line Communists within the Soviet Union and the Communist bloc, notably the Chinese Communists, against those in Communist countries who might believe it possible to live at least without military conflict, if not in harmony with us, on this globe grown so small.

Seventh. The partial resumption of the tactics of the cold war, thereby rendering more difficult all efforts to deal with international problems by rational negotiation.

Eighth. The intensification of pressure on the Congress for increased foreign aid appropriations, notably military aid, and increased defense spending in the light of the increased tensions flowing from the U–2 incident.

ORIGINS OF THE ILL-FATED U–2 FLIGHT

It is all very well for Mr. Eisenhower to assume personal responsibility for this costly program of overflights which contributed in greater or lesser degree to all of these developments. In an ultimate sense, he is responsible for everything that transpires in our relations with other nations. It would not be in keeping with his character to shirk that responsibility. Nevertheless, it is clear from the public record, as I have already noted, that not a single member of the Cabinet nor the President exercised any direct control whatsoever over the ill-fated U–2 flight at the critical moment at which it was launched. It ought to be made clear that this particular flight was apparently set in motion on the basis of a law passed in 1947, an Executive order issued about 7 years ago, and by what, apparently, was a routine clearance some weeks before the flight itself. If we can draw any conclusion from the public record, it is that this particular flight owes its origin more to bureaucratic inertia, lack of coordination and control, and insensitivity to its potential cost than it does to any conscious decision of politically responsible leadership.

Mr. KUCHEL. Mr. President, will my able friend yield?

The PRESIDING OFFICER (Mr. LONG of Hawaii in the chair.) Does the Senator from Montana yield to the Senator from California?

Mr. MANSFIELD. Yes, indeed.

Mr. KUCHEL. I wish to say that there is no Member of the Senate for whom I have more respect than I do for my counterpart, the able majority whip; and what he says is deserving of the most serious consideration by the Congress and by the country.

But I do believe that in the utterances he has just concluded, he may, by inadvertence, leave an implication which I know he does not wish to leave. In other words, as I understand the manner by which the intelligence operations of this Nation are carried on, is it not true that the President of the United States has taken the responsibility for the new, unique techniques which are used by American intelligence agencies such as overflights, to try to determine the aims and capabilities of potential aggressors?

Mr. MANSFIELD. That is his general responsibility; I have stated that. But, as I have said, in addition, the President did not—and neither did any member of the Cabinet—have personal and immediate responsibility for the flight which occurred. Of course he has general responsibility for all that occurs in that field. That is his responsibility under the Constitution. The Senator from California is correct.

Mr. KUCHEL. What I mean is—I say to my friend—that once a given type of unique intelligence techniques is approved by the President, then, in my view—and I ask the Senator from Montana whether he concurs—the Chief Executive of this country—plagued as he is with the whole myriad of crucial policy decisions—cannot, nor should he, be required to approve each instance in which that previously approved type of techniques is utilized. Does the Senator from Montana agree?

Mr. MANSFIELD. The Senator from California has a good and valid argument. But I would point out that the Chief Executive to whom he has referred, within less than 3 weeks from that date was supposed to attend a summit conference; and someone politically responsible should have been able to tie the two together, because I think the President was the big loser by what occurred. But if sufficient foresight had been used, he would have been protected.

Of course the President cannot know of every flight; it is an impossibility. But that particular flight was tied to a particular meeting in which the President was personally and directly involved—and, for that matter, so was the Nation.

LACK OF FIXED RESPONSIBILITY AND COORDINATION

That conclusion is reinforced by the confusion which surrounded the release of official explanations of the flight. At least three departments or agencies—Defense, State, and NASA, without adequate and continuing consultation, one with the other—contributed statements by way of explanation. Add to that the comments emanating from the White House. Add to that the CIA prompting from behind the scenes.

In that connection, I read from the Foreign Relations Committee hearings:

> Senator GORE. Who instructed your agency to make a statement?
>
> Mr. DRYDEN (NASA). We were instructed to answer questions.
>
> Senator GORE. By whom?

Mr. DRYDEN. By the CIA, who said that this had been coordinated with the State Department.

All this is public information.

Add to that the words of the Vice President, who, stepping into the matter at the 11th hour, tried to rescue the situation with speeches in New York.

Mr. President, we do not have to wait for Mr. Khrushchev to ask the question. We need to ask it ourselves: Who runs this administration in the vital matters of foreign policy and defense?

It is not a new question. The shocking disarray of departments, agencies, and subagencies through which this Nation tries to conduct the foreign relations and defense of the Nation, at best borders on a national disgrace, and at worst courts national disaster.

To bolster that statement, let me elaborate on the handling of the explanations of the ill-fated U–2 flight. In a rational administration of these affairs, once the plane was lost, all further public announcements should have come from one place—the State Department and, if necessary, after preliminaries, from the President. Actually, announcements or statements of one kind or another came from at least the following sources: First, the Defense Department; second, the State Department; third, the White House; fourth, NASA; fifth, the Vice President; sixth, the President; seventh, General White of the Air Force; and, since then, from many other spokesmen.

Let me allude, further, to a table in the report on the Vietnamese aid program which was issued earlier this year. It shows that over 50 separate executive departments, agencies, or subdivisions thereof work over or participate in some way in a relatively limited foreign policy matter, the presentation of the proposed annual aid program to Congress. How many become involved in the making and carrying out of more significant policies?

Further, there come to mind the following agencies which carry on, with a greater or lesser degree of independence, significant activities affecting foreign relations. The list could be expanded much further:

First. The State Department.

Second. The three branches and the Department of Defense.

Third. CIA.

Fourth. USIA.

Fifth. ICA.

Sixth. The National Security Council and various subdivisions and dependent bodies of the Council.

Seventh. Various offices in the White House.

Eighth. The Department of Agriculture.

Ninth. The Department of Commerce.

Tenth. NASA.

Eleventh. The Export-Import Bank.

Twelfth. The Treasury Department.

The State Department has no real overall control over these various operations; and, certainly, the President does not have the time. The White House staff may influence their operations, and possibly, too, some of the coordinating units of NSC, and, abroad, the Ambassadors. But, in general, it is pretty much of an agency free-for-all.

In a speech in the Senate during the closing days of the last session—September 4, 1959—the problem was alluded to in these terms and, I shall quote at length from my remarks at that time because they apply most directly to the U–2 incident:

> We—not others—determine for what purpose we have a State Department, an aid administration, a Central Intelligence Agency, an Information Service and a host of other agencies which carry on activities abroad on the basis of appropriations from public funds and on behalf of the entire Nation. We alone decide how they shall function.
>
> When I use the term "we," I mean, of course, the people of the United States. In matters of foreign relations, however, the responsibility for interpreting what we want and how we are to pursue it rests, in a theoretical sense, with the elected President, acting in some instances with the advice and consent of the elected Senate and in others with the concurrence of the elected Congress.
>
> That is the constitutional theory, Mr. President, but what is the fact? The fact is that the power to interpret the will of the nation in respect to our vast and complicated relations with the rest of the world has been diffused through the enormous labyrinth of the executive branch of the Government. The power to decide, in short, has been scattered and diluted to the point where it has become virtually impossible to use the public power effectively to bring about adjustments in policy and its administration at somewhere near the time that these adjustments are needed.
>
> In these circumstances, national interests frequently become so interwoven with bureaucratic interests and conflicts that we are less and less able to adjust the total needs of the Nation to the changing circumstances of the world. More and more we have a policy determined by executive agency accommodation and less and less by the leadership and decision of the responsible political officials of the administration and the Congress.
>
> I realize that this problem has been with the Nation for a long time. It is not amenable to easy solution. Nevertheless, Mr. President, we must deal with it, if responsible government in the field of foreign policy is not to degenerate into a catch phrase. We must stay with this problem—the President and the Congress—until it yields to rational solution.

And, I repeat now, almost a year later, that, indeed, we must stay with this problem until it yields to rational solution. That, in my opinion, is the most significant conclusion which can be drawn from the U–2 incident. In short, the most pressing need of this Government is a more effective, a more responsible and responsive system of administration of its foreign relations and its defense. And, at the same time, in the wake of the collapse of the summit we need to get straight, once and for all, that personal magnetism and the personal contacts of heads of states are not a substitute for policies continually attuned to the ever-changing realities of the world. I reach this conclusion notwithstanding the President's and Vice President's continued endorsement of summit conferences and personal diplomacy as reported in the New York Times, June 18, 1960, by Harrison Salisbury, and the Washington Star, June 19, 1960, by David S. Broder. I ask unanimous consent that these reports from the Times and the Star be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 5.)

Mr. MANSFIELD. Mr. President, the basic questions remain: Can we develop a more responsive, more responsible administrative system? Can we devise the new policies which are essential and keep them adjusted to ever-changing realities?

I am firmly convinced that to do so is in the "vital" interest of the freedom of this Nation. May I say that I use the word "vital" here advisedly, with full awareness of its literal meaning. In this connection, I wish to note the outstanding contribution that is already being made by the special committee under the chairmanship of the distinguished Senator from Washington [Mr. JACKSON] on the question of administration.

As the Senate knows, over the years, I have made suggestions—as one Senator, along with other Members of this body—both with regard to policy and its administration. Sometimes suggestions which I have made have entered into policy, in whole or part, and often they have not. In any event, I have tried to be constructive in the past. That is my intention, today, in setting forth additional and specific proposals on our policies and their administration.

The needed changes cannot be brought about by glittering generalities. All of us desire a durable peace. All of us wish to safeguard the Nation. All of us seek more efficient, effective, and responsible administration of the Nation's foreign and defense affairs. The problem is not to state and restate these generalities. The problem now is to set forth specifics which may act to bring us closer to these desired ends.

I am persuaded that the problem is primarily one of new ideas and of action on ideas. We need ideas on how to improve our policies and their administration. We need ideas set forth now; ideas to be amended; ideas to be adopted or rejected; but as of this moment, above all, ideas to be discussed.

I believe the thoughts which I am about to express contain some promise of a more effective, efficient, and responsible administration of our international affairs and our defense. I believe they may help to lead us to a more rational and secure position in the world than the position of quicksand on which we now stand. The Senate may find that they do not hold any such promise. Nevertheless, we must begin in earnest on this problem in its specifics and I shall present these thoughts, as a beginning, for whatever they may be worth.

POSSIBLE ADMINISTRATIVE CHANGES

The first set of suggestions which I lay before the Senate, Mr. President, deal with administrative changes in the conduct of foreign relations and aspects of defense. They are prompted by the U–2 incident and its handling, but they represent many years of study, experience, and

observation of the operation of this Government. I present the suggestions, at this time, in outline form, sufficient only to indicate the channels in which improvement might be sought. I will add to these outlines as I go along.

First. Consideration should be given to the dissolution of the National Security Council staff structure and the transfer of the functions of that body to the regular cabinet departments of the executive branch.

In that respect, Mr. President, I ask unanimous consent that a memorandum covering these points of fact, observations, and implications of the proposed change be incorporated in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE CHANGES

POINTS OF FACT

1. NSC established in 1947 by act of Congress.

2. Statutory members: President, Vice President, Secretary of State, three Defense Secretaries and Secretary of Defense, Director of Office of Civil and Defense Mobilization.

3. It is the body to which CIA is responsive.

4. Others are drawn into the meeting from time to time and the average attendance is 20 to 30 participants.

5. Further, an elaborate staff and committee structure has grown up, extending into the Departments and agencies (number unknown but it operates at various levels).

OBSERVATIONS

1. A body of 20 to 30 at the highest level of advice to the President on defense-foreign policy is too many for effectiveness.

2. Membership is weighted on military and defense side with consequent downgrading of foreign policy considerations.

3. More than the State Department, NSC is responsible for the policies we now pursue.

4. NSC has been charged with inertia and failing to sharpen the issues for decision by the President by the following experienced witnesses before the Jackson committee: Robert M. Lovett, James A. Perkins, George Kennan.

IMPLICATIONS OF PROPOSED CHANGE

1. Minimize the tendencies for agency staff to accommodate their views on lower level so as to come to the highest level already in agreement and thereby shut off debate and thought on the part of politically responsible leaders.

2. Reduce the number of agencies which put their fingers in the pie of every decision on foreign policy-defense and, hence, tend to dilute the decisions into inertia.

3. Eliminate a vast amount of interagency paperwork and a new and rapidly growing staff bureaucracy in the NSC setup.

4. Dissolution of the staff structure will reduce the importance of the National Security Council and bring about, probably, Presidential reliance on the proposed Inner Cabinet Council for advice, and result in his deciding major issues rather than decision by agency accommodation.

Mr. MANSFIELD. Second, the importance of the Cabinet as the principal source of advice to the President should be reasserted. Within the Cabinet, an Inner Council consisting of the Secretary of State and Secretary of Defense, under the chairmanship of the President, should meet on a continuing basis on all matters of critical importance to the peace and security of the Nation.

In that respect, I ask unanimous consent that a memorandum covering the points of fact, observations, and implications of the proposal be inserted in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE CHANGES

POINTS OF FACT

1. With the growth of the National Security Council and its staff, the Cabinet has lost significance as a place of discussion and advice to the President. Yet the Cabinet, under the President, is the most responsive and politically responsible body in the executive branch.

2. The Secretary of State is "the first among equals" in the Cabinet. In the National Security Council, however, this significance and influence is severely overshadowed by sheer numbers of participants, the Vice President, and the numerous military participants.

OBSERVATIONS

1. Reassertion of the Cabinet's importance should make policy more responsive to changing realities because it will be affected by men with less attachment to any particular bureaucratic structure, men, normally, more sensitive to the need for change.

2. It should give added impetus to foreign policy factors in the foreign policy-defense ratio.

3. It should help to strengthen the influence of all established departments of the Government against the host of "independent" agencies and Executive committees based on the White House which have grown up in recent years.

4. The Inner Cabinet Council should force a clear confrontation of the Secretary of Defense and the Secretary of State on a basis of equality before the President on the critical overlapping policy-defense questions and require the President to decide them.

IMPLICATIONS OF THE PROPOSAL

1. Shift of emphasis away from the National Security Council and, probably, eventual dissolution of that body.

2. Shift of emphasis away from the ever-growing White House staff.

3. Greater equalization of the consideration which is given to the principal pillars of security—foreign policy and defense.

4. Sharp reduction in the direct influence of a Vice President among the agencies and departments. (He would have to assert his influence only through his personal relationship with the President.)

5. Sharp reduction, in the decision-influencers and, hence, decision-delayers, decision-diluters and decision-confusers in the highest level of government.

Mr. MANSFIELD. Third, the function of the Vice President should be confined to that defined in the Constitution, which is to preside over the Senate and to such ceremonial functions as the President, with the concurrence of the Senate leadership, may assign from time to time to the Office.

In respect to this function, which I am sure some people are going to look upon as implying in some way or other that the present Vice President is involved, I believe it is entitled to further consideration, and I ask unanimous consent that an appropriate memorandum be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

POINTS OF FACT

1. Under the Constitution the Vice President's functions are:

(a) To preside over the Senate.

(b) To replace the President in the event of death, resignation or inability.

2. Various Vice Presidents have held or, been held, to these functions in various degrees of closeness.

3. By statute, the Vice President is a member of the National Security Council and by extra constitutional practice, Vice Presidents have played a role of greater or lesser importance in executive branch functions (that is, good-will trips abroad, ceremonial functions, participation in Cabinet meetings, etc.).

OBSERVATIONS

Mr. MANSFIELD. Now as to the observations concerning the Vice President.

First. The danger of a Vice President going beyond constitutional functions is that of his asserting authority and influence without responsibility. He contributes to Executive decisions, for better or for worse, without being answerable to the President and without being answerable to the people who elected him only to preside over the Senate and to stand by.

Second. Further, without responsibility, a Vice President can exert direct influence on decisions in the executive branch through his position on the National Security Council. This becomes especially pertinent with the second-term limitation on Presidential service. High civil servants with whom he is in constant contact on the National Security Council may react to his views on the assumption that he may soon, very well, be their boss.

Third. The Vice President comes between the Cabinet members and the President although the latter are in a direct line of responsibility.

Fourth. If the Vice President is going to fill executive functions, if he is going to be an assistant President rather than a replacement President, then his functions should be changed by constitutional amendment so that he will have the responsibility in a direct line under the President to go with the authority and influence and, at the same time, the Senate will be able to get a full-time presiding officer.

Fifth. It is one thing for a Vice President to sit in on Cabinet meetings and other executive activities in order to familiarize himself with the job of the Presidency, to prepare him if he should be called to it. It is another for him to exercise power and influence in decision-making without responsibility. That latter course is one of danger and confusion and disruption of the conduct of the affairs of the Government.

Now I wish to discuss the implications of the proposed change.

First. It will confine the Vice President to his constitutional functions, particularly if the National Security Council should be dissolved.

Second. It will not stop him from learning the President's duties by sitting in on executive meetings of one kind or another from time to time.

Third. It will not prevent him from performing ceremonial tasks for the President, provided the Senate leadership believes it is fitting, and that he can be spared.

Fourth. It will take one more hand out of the pot of policy decisions, and will help to clarify the line of responsibility and authority in the executive branch under the President.

I wish to state, Mr. President, that there is absolutely no personal implication to be given to the third suggestion. I believe it is simply something which merits serious consideration on constitutional grounds.

Mr. KUCHEL. Mr. President, will my friend yield?

Mr. MANSFIELD. I yield.

Mr. KUCHEL. I quite agree that we have a problem in this field. I am reminded, Mr. President, that at one of the White House conferences I was privileged to attend, the President said that every time a private bill with respect to one single, sole person came to the White House—and those came in droves—the President was required by law to affix his signature to such a private bill.

Mr. MANSFIELD. That is true even with respect to postmasters.

Mr. KUCHEL. The Senator is correct. Every time a postmaster is appointed in any area, large or small, across this entire Nation, the President is required to affix his signature to the appointment.

The President asked his aids, "Why cannot the bills which come to the White House, which are private in character, which have no opposition of any sort whatsoever, become law without my signature?" His aids advised the President that he should, in the custom of a century and a half, take the time to fashion his signature.

I am inclined to believe that the Senator speaks of something which, no matter what the partisan complexion of the next President of the United States may be, as Americans we need to consider carefully. We must devise means whereby we can divest the President of these ministerial responsibilities which are so time consuming, and also give to the President additional aids of high rank so that there can be, in a constitutional fashion, available to the President a maximum number of qualified people for delegation of powers and responsibilities.

Mr. MANSFIELD. The Senator is absolutely correct. Perhaps the answer would be a constitutional amendment which would make some sort of allowance for an assistant President, rather than a replacement President, as is the situation at the present time. I think the Senator is absolutely correct. I am glad he is looking at the matter, as always, from a nonpartisan point of view.

Mr. KUCHEL. I thank the Senator. May I make another comment?

Mr. MANSFIELD. Surely.

Mr. KUCHEL. I used to wonder, Mr. President, how a chief executive of our country could concern himself with all the problems which we face. The great State of Hawaii, the State represented by the present Presiding Officer (Mr. LONG of Hawaii), has problems which are of tremendous importance, upon which the President must pass judgment; yet those problems are parochial in nature. We have the same type of problems in California. The same is true with respect to the State of my friend from Montana.

The overriding question is peace or war—an honorable peace in the world and the defense of American liberty. That is the No. 1 area in which the President must, of course, make the policy decisions. To the extent that the area can be dealt with upon the basis of a maximum amount of time by the President, to that extent I think the cause of American representative government will be advanced.

Mr. MANSFIELD. The Senator is correct.

The independent status of all agencies with predominantly international functions—in particular, the International Cooperation Administration and the U.S. Information Service should be terminated promptly. The functions of these agencies and personnel should be fully incorporated into the Department of State, with due recognition of the contribution which the employees of these agencies have made and with due regard to their right to fair treatment. Any large-scale reductions in personnel which these mergers may entail should be brought about, primarily, through normal attrition and special adjustments in the retirement system, with personnel in the Department of State and in the agencies considered on the basis of equality.

Mr. President, in that respect I ask unanimous consent to have printed in the RECORD some points of fact, observations, and implications of the change suggested in the fourth possibility.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE CHANGES

POINTS OF FACT

1. The agencies do have independent status and their own administrative structure and their own bureaucratic interests.

OBSERVATIONS

1. The agencies can work at cross-purposes with policy although, in recent years, State Department control over policy has been more effective than in the past.

2. The independent status is duplicative of effort, and probably, projects overseas far more Americans than would otherwise be necessary.

3. The administrative and supervisory costs of three independent agencies (State, USIS, ICA) are greater than would be the case if they were fully and effectively integrated.

IMPLICATIONS OF CHANGE

1. It should tighten the control of the Secretary of State over two important arms of action in foreign relations.

2. It should tighten control of Ambassadors over the great preponderance of American civilian officials abroad.

3. It should reduce costs and personnel needs.

4. It should minimize wasteful and dangerous bureaucratic pressures for persisting in a particular line of policy or activity after a change is indicated by the facts.

5. It should give a greater measure of job security and status to USIS and ICA employees who are integrated into the Department of State.

6. It should minimize hardships and injustices which may grow out of integration by placing all employers—USIS, ICA and State—on an equal basis, for that purpose and by easing retirement provisions (i.e., let them retire after 20 years instead of 25 years' service or something of that nature).

Mr. MANSFIELD. Full control over all international policies and activities of agencies with predominantly domestic functions, such as the Atomic Energy Commission, the Department of Agriculture, the Department of Defense, and the Department of Commerce, should be lodged with the Department of State.

In that respect I ask unanimous consent to have printed at this point in the RECORD, some points of fact, some observations, and some implications of the proposed change.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE PROPOSALS

POINTS OF FACT

1. Many departments and agencies (i.e., Agriculture, AEC, Army, Air Force, Navy, Commerce) have international functions by law or by Executive assumption.

2. The degree of State Department control varies, over the policies which govern these functions and over the activities in their pursuit.

OBSERVATIONS

1. The problem which leads to the proposal is similar to that involving the independence of the ICA and the USIS. The difference is that the international functions of these other agencies are only a fraction of their total functions and, in many cases, are highly specialized.

2. Agencies and Departments tend to operate in the international realm on the basis of using the State Department when it is to their interests (i.e., to get a diplomatic status), by paying homage to the supremacy of Ambassadors abroad but at the same time, retaining the maximum of independence from actual State Department control. They get away with more or less, depending on the statutes, the degree of influence of their agencies in the executive branch and the situations at particular posts abroad.

3. If we are going to act, if not with one heart, at least in step, there has got to be some centralized and firm control over the policies and activities of the various agencies with significant functions in the international field and the logical place to lodge this authority is in the Secretary of State.

IMPLICATIONS OF THE CHANGE

1. A far greater influence of the Department of State over surplus agricultural disposals abroad, Export-Import Bank loans, trade fairs and promotions, cultural exchange programs of various kinds, military contacts, activities, and aid programs abroad, etc.

2. Possible reduction in agency representatives stationed abroad or traveling abroad.

3. Greater respect for the position of Ambassadors abroad by our own officials and by officials of foreign governments.

Mr. MANSFIELD. A drastic reduction in the major decision-making and, hence, decision-delaying personnel should be made in the hierarchy of the Department of Defense and in the three services and in the Department of State.

Mr. President, in that connection I ask unanimous consent to have printed at this point in my remarks some points of fact, some observations, and some implications of the proposed change.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE CHANGES

POINTS OF FACT

1. The following is contained in the Hickenlooper-Mansfield report on service at the United Nations (1958):

"Not infrequently, even a slight change in the phrase of a statement of an official position at the United Nations may call for clearance by any number of bureaus and offices scattered through various executive agencies and departments."

(Based on conversations with U.S. mission personnel and on actual experience in the handling of economic resolutions.)

2. From the New York Times (May 27, 1960), talking of George Kennon's testimony before Jackson committee: "we deplored what he called the 'contagion of bigness' in government and a growing tendency to use advisory committees in seeking policy decision. * * * The committee system produces 'endless compromises' and weak decisions, he said."

3. From Denver Post (May 22, 1960): "It now takes 557 boards, committees, councils, groups and other such collections to keep things moving at the Pentagon."

4. Number of employees at level of Assistant Secretary or higher in Department of State: in 1949, 8; in 1959, 15.

5. Same for Department of Defense (Army, Navy, and Air Force): in 1949, 13; in 1959, 27. (Of this increase, the jump in the Office of the Secretary of Defense was from one to nine.)

6. Employees in the Executive Office of the President increased from 1,167 in 1949 to 2,710 in 1959. Many of these have foreign policy and defense functions and, to the extent that they do, form part of the decision-making, decision-delaying process.

OBSERVATIONS

1. The objective of good administration is to bring matters before a responsible authority (i.e., the President or a Cabinet officer) for decision and, when the decision is made, to put it into effect as quickly, as economically, and as accurately as possible.

2. With regard to both State and Defense and throughout the executive branch, the hierarchy through which a matter passes to the point of decision and then to the point of execution is staggering.

(a) The U.N. quote above is a minor example.

(b) Some operations of the ICA program provide striking examples, with years sometimes elapsing as a result of the number of persons whose agreement must be obtained to put a simple contract or project into operation. The hearings on the Vietnam aid program contain many examples.

(c) With regard to Defense, we have Rickover's statement that he could produce a lot more efficiently with about 30 percent less supervision of the "brass" in the Pentagon.

(d) The Brookings report to the Committee on Foreign Relations on the formulation and administration of U.S. foreign policy shows layer upon layer of decisionmakers and, hence, decision-delayers in these matters in both State and Defense.

IMPLICATIONS OF PROPOSED CHANGE

Secretaries of State and Defense, adequately assisted from within and without the Departments, must undertake a rolled-up-sleeves job of consciously reducing the number of cooks if we are going to produce a good broth at a rational administrative cost. Bureaucratic interests are going to have to be subordinated to national interests. Bureaucratic entrenchment which blocks the way to effective national policies is going to have to be dealt with understandingly, patiently, but firmly.

The problem is to get as close to the core of the ball of string as possible, and the only way to do it is to try to unravel the string, not to add more layers to it.

Mr. MANSFIELD. Justification before the Congress of the military budget and the division of appropriations as among the services should be the exclusive responsibility of the Secretary of Defense and the civilian secretaries of each service. As a general practice, our highest military officers should be permitted to concentrate on the problems of military defense and should not be involved in the politics of budgeting or the process of appropriations.

Mr. President, once again I ask unanimous consent, in conjunction with the seventh suggestion, to be permitted to have printed in the RECORD some points of fact, some observations, and some implications of the proposed change.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

POINTS OF FACT

1. Presently, the Secretary of Defense, the three civilian Secretaries and all the highest ranking military figures in the Pentagon are drawn into appropriations hearings.

2. Military leaders are frequently more heard from and better known than the civilian Secretaries and, often, more influential.

OBSERVATIONS

1. Military leaders are deeply enmeshed in the appropriations process and, hence, deeply enmeshed in politics whether or not they realize it.

2. The principal of civilian control is weakened when military officials are permitted to overshadow civilian officials in matters of appropriations.

3. Military officials, whose interests are still, largely, in terms of their own branch, tend to give a dramatic and persuasive but unbalanced picture of the needs of their particular branch. This probably contributes heavily to defense costs. It is an invitation to waste, and to budgeting, and appropriating for each branch without an adequately integrated pattern of defense.

4. Effective public relations become increasingly a factor in the size of military appropriations.

IMPLICATIONS OF CHANGE

1. It should strengthen civilian control over the military departments.

2. It should compel a more rational approach to the cost factor in the Defense Establishment.

3. It should minimize the involvement of military leaders in politics.

4. It should reduce the factor of public relations in determining the military budget and military appropriations.

5. It should help to save money.

6. It should help to bring to the fore those men in the Armed Forces who are less concerned with public relations and more concerned with their professional military responsibilities and who understand best the role of the military in a civilian society.

Mr. MANSFIELD. The functions of the CIA in the gathering of nonclandestine intelligence information should be integrated into already existing intelligence branches of the Department of Defense and the Department of State in order to limit what, at present, appears to be a great duplication of effort. Further, intelligence-gathering operations by the Department of Defense should be confined to military matters and, by the Department of State to nonmilitary matters. Finally, a select committee of the two Departments should be established to evaluate and advise the President and the inner Cabinet council on all intelligence matters. CIA personnel who may be affected by this change should be treated on the same basis of fairness and equality, as already noted in connection with the proposed integration of the USIS and the ICA into the Department of State.

Mr. President, I ask unanimous consent, in connection with this suggested proposal, to have printed in the RECORD some points of fact, some observations and some implications as to the result of the proposed change.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

POINTS OF FACT

1. CIA, with an unknown number of employees and an unknown budget, is in the intelligence gathering, collating and evaluating business.

2. So is the Department of State, for its own purposes.

3. So is each branch of the armed services and probably the infrastructure of the Defense Department itself.

4. The cost of this work is generally estimated in the billions of dollars.

OBSERVATIONS

1. Although CIA classifies just about everything, it is not farfetched to assume that the bulk of its work consists of gathering and evaluating information from nonclandestine sources if for no other reason than that most usable information is in that form, even on Russia.

2. It is probable, therefore, that a part of the work of CIA people abroad consists of gathering the same statistics, the same data and information which is obtained by the State Department personnel (and probably USIS and ICA as well), and by the military attachés.

3. It is probable, too, that a part of CIA's work in Washington consists of gathering, translating, collating material from the same sources employed by the intelligence branches of State and the various intelligence branches of the Armed Forces, to which it adds material not readily available. Beyond its fact gathering and evaluating functions, it also has some undefined operating functions.

4. The duplication of effort in nonclandestine intelligence gathering is probably very extensive.

5. The problem which is posed is whether or not we cannot get that added information which CIA supplies into policy decisions and certain operations which it pursues, without the heavy and costly load of nonclandestine intelligence operations which it probably carries.

IMPLICATIONS OF THE CHANGE

1. It would shift what may well be the bulk of CIA's effort (legitimate intelligence

gathering) to the Department of State and the Defense Department where they were in the first place and where they still go on.

2. It would streamline CIA and confine it to matters other than the gathering of nonclandestine information.

3. It would move supervision of CIA from the amorphous National Security Council to the tight Inner Cabinet Council and put the necessary evaluating work of CIA under the same scrutiny.

4. It would put intelligence work in a reasonable perspective with regard to the total problem of national security rather than its present, in some ways, dominant and free-wheeling position.

5. It should reduce costs, personnel abroad and at home, engaged in intelligence work.

6. It should protect the interests of the bulk of CIA's employees by giving them a better status and equal treatment with State and Defense people engaged in similar types of legitimate activity.

Mr. MANSFIELD. A special joint committee of Congress on the CIA should be established on the pattern of the Joint Committee on Atomic Energy and should be kept as fully apprised as possible in relation to the national interest, of any remaining functions of the CIA.

Mr. President, I ask for no inclusion at this point in the RECORD, because I think my position is generally understood.

The Secretary of State should be assigned responsibility by the President for establishing and enforcing policies on public speeches and public pronouncements of all officials—military and civilian—of the executive branch which deal with questions involving our relations with other nations. And, in general, all executive branch personnel outside of the Department of State should avoid public remarks in these matters.

Mr. President, I ask unanimous consent, in conjunction with this proposal, to have printed in the RECORD some points of fact, some observations, and some implications of the change.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

POINTS OF FACT

1. Most departments and agencies have policies and procedures of clearance on public speeches and statements by their employees.

2. No interagency system exists to see to it that these speeches and statements conform to foreign policy or do not impede the administration of the policy.

3. Speeches of Defense Secretaries, military leaders and others frequently lap over into foreign policy.

OBSERVATIONS

1. No high-ranking official can make a speech without it being heard abroad. Sometimes these speeches help. Sometimes they hurt. A member of Mr. Truman's Cabinet (Henry Wallace) was compelled to resign because he made certain public remarks on foreign policy.

2. The important point is that officials in the executive branch whose functions are not in the realm of foreign policy, as a general rule, have no business to be talking about these matters. It may help their personal reputations or their agencies but that is not the test. The test is whether or not their remarks fit into policy and the particular problems of its administration at any given time. The person who by title and responsibility should make that judgment is the Secretary of State under the President. Since he has the responsibility, he ought to have the authority to see to it that statements anywhere in the executive branch conform to the needs of policy.

IMPLICATIONS OF CHANGE

1. Prevent a repetition of the confusion of the release of information on the ill-fated U–2 flight.

2. Impede a tendency, particularly on the part of high-ranking officials in departments other than State, to speak out for home consumption in ways which may tend to damage policy and make its administration more difficult.

Mr. MANSFIELD. The entire committee structure within the Department of Defense and the Department of State and among the departments and agencies of the executive branch, involved in foreign and defense affairs, should be reviewed from top to bottom, by a Presidential-congressional commission with a view to a drastic reduction of their numbers.

Mr. President, I ask unanimous consent that I may have printed in the RECORD at this point my interpretation covering points of fact, observations, and implications of the change as embodied in the 11th proposal.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

POINTS OF FACT

1. Much of the work within each department throughout the executive branch is done by decision after committee meetings.

2. The same is true of interdepartmental work.

3. The number of permanent and ad hoc committees which advise on decisions is unknown but it must be enormous.

OBSERVATIONS

1. Committees have a place in Government as they do in any other social undertaking.

2. In this Government, however, we have developed what amounts almost to a cult of the committee.

3. Anyone with any knowledge of how the Government operates knows that few questions of any consequence are decided by an executive without a prior committee meeting and that a great infrastructure of permanent committees exists within most departments and among departments. Some are probably necessary. Some are probably not.

4. Decisions by committee can be costly in that they involve the time of many employees.

5. Decision by committee can be slow.

6. Decision by committee can produce watering down where firmness and decisiveness is essential.

IMPLICATIONS OF THE CHANGE

1. The mere existence of a commission should act as a corrective to eliminate unnecessary committees.

2. Proposals of a commission after careful study might bring about far-reaching changes which would have the effect of reducing costs, increasing the speed and quality of decisions by putting responsibility more clearly on executives to decide without benefit of the committee crutch.

3. It should stop the cult of the committee without limiting the use of collective advice where that can be really helpful.

PROPOSALS IN POLICY

Mr. MANSFIELD. Mr. President, I shall discuss now proposals in policy. According to Webster's New Collegiate Dictionary, a proposal is defined as "a setting forth for consideration."

Let me outline next, Mr. President, certain suggestions relative to the content of foreign policies. Changes are required now more than ever, for the bubble of peace by public relations has burst and we need, promptly, to fill the void with new policies for peace. I shall confine my comments, today, to those aspects of policy which I believe to be most critical, the most urgent. If I do not make mention of the foreign aid program in these suggestions, it is because my views on this matter are well known. They are to be found in detail in a report issued this year by a Foreign Relations Subcommittee on the Aid Program in Vietnam, many of the conclusions of which have a far wider applicability than to that one nation. My views are also expressed in speeches to the Senate last year and in amendments offered at that time to the aid bill.

OVERFLIGHTS

The American Ambassador in Moscow should be instructed to invite consultations with his colleagues from those nations on the periphery of the Soviet Union and with officials of the Soviet foreign office with a view to clarifying the implications of the order to the Soviet military forces to rocket the bases from which planes may intrude into the Soviet Union. The need is to eliminate, at once, the possibility of a sudden ignition of massive nuclear conflict, by accident or inadvertence. This possibility is dangerously inherent in the Soviet military order and our response to it. By the same token we should clarify our own position on planes which may intrude, by accident or inadvertence, into the airspace of the United States.

This question is the most pressing matter facing the nations of the world today. Some international agreement on an accepted procedure for dealing with accidental overflights is essential and it is urgent. Until the fingers are removed from the hair triggers, we are not justified in assuming that a single human being in this country, in Russia, or anywhere in the world has a minimum degree of national security against sudden, inadvertent destruction. This problem, of border intrusions, is part and parcel of the whole question of surprise attack. If we can conceive of any greater or more futile disaster to mankind than a deliberate attack which ignited a nuclear war it would be an accidental and unnecessary attack which ignited a nuclear war.

DISARMAMENT AND NUCLEAR TESTING

It should be recognized by all concerned that there are not now and there are not likely to be any absolute, 100 percent guarantees of full-proof inspection of anything. Similarly, it should be recognized that total disarmament down to the level of sticks and stones in the circumstances in which the world finds itself is a fantasy. Therefore, the conferences on disarmament and nuclear testing should either be abandoned or the positions of all nations concerned in these matters should be revised, so that they are no longer wedded to absolutes that cannot rationally be met. If there

is to be any approach which offers hope of progress in this field, it must be one of weighing the risks of rational inspection coupled with the beginnings of international disarmament, on one hand, against the consequences of an uninterrupted, an intensifying and a spreading armament competition on the other and this approach must be accepted by all the participants.

BERLIN

Our policy should go beyond a mere holding of West Berlin and, apparently, a willingness to make concessions by limiting weapons and men in that half city. Our policy should embrace and advocate the neutralization and internationalization of all of Berlin—both Soviet and Western zones—on an interim basis, until it is once again the capital of a unified Germany. To that end we should seek, through diplomatic negotiations, United Nations control and policing of the entire city and routes of access, with the cost of the undertaking borne by the governments of both parts of Germany in appropriate shares.

FAR EAST

Congress should, in the next session, consider a substitute or a revision of the Formosa resolution of 1955 which would: (a) Alter the status of this resolution from an act of law into a resolution of congressional advice to the President, without force of law; and (b) make clear that, as far as congressional advice in this matter is concerned, it applies only to the defense of Formosa and the Pescadores by American military forces. One condition should be attached to this clarification. It is that the Chinese Communists shall not seek to hamper the peaceful adjustment of the military positions of the Chinese National Government outside Formosa and the Pescadores, positions which it may have been led to take on the assumption that the American commitment extended beyond these islands. I should like to note that this is not a new view but one which I have held since this resolution was the first considered. I had doubts then about its constitutional implication and vagueness. I still entertain the same doubts. I should like, also, to call to the attention of the Senate the views of the President on this matter as he expressed them in Formosa and to that end ask unanimous consent to include at the conclusion of my remarks an article by Harrison Salisbury in the New York Times, June 19, 1960.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 6.)

Mr. MANSFIELD. Mr. President, I imagine there will be some discussion about that particular proposal, and anticipating it, instead of inserting what I had to reinforce my suggestion, I will bring it to the attention of the Senate at this point.

As to the points of fact—

The Formosa resolution was unprecedented. It served to obscure the President's power to conduct foreign relations and command the Armed Forces and Congress' power to declare war.

It diluted the President's responsibility in these matters by appearing to make it dependent on an act of Congress. It diluted the power of Congress to declare war by appearing to delegate it.

It both bound the President to commit an act of war, if necessary, over Formosa and the Pescadores, and freed him from unilateral responsibility if he became involved in military operations anywhere in the Far East which he could relate in some fashion to the the defense of Formosa and the Pescadores and, hence, to this act of Congress.

OBSERVATIONS

It is one thing for the Congress—the Senate in particular—to advise the President by simple resolution; it is another to direct him by an act of Congress, as this resolution does, to follow a particular military foreign policy course.

That is not our responsibility under the Constitution. It is the responsibility of the President of the United States, and I wish to see any President continue to exercise it.

EFFECT OF THE PROPOSALS

First. It would convert the unprecedented act of Congress into a simple and common resolution of advice to the President in foreign and military affairs and, thereby, close a dangerous gap of possible irresponsibility.

Second. It would make clear and emphasize that as far as Congress takes any responsibility for what happens in the Formosa area, it takes the responsibility solely for advice, not directing the President as to what he should do in respect to Formosa and the Pescadores. That subject comes under the mutual security treaty with Chiang Kai-shek.

Third. It does not advise him either to support a holding or abandonment of Quemoy and Matsu but makes clear that what he does with respect to the offshore islands he does strictly on his own responsibility.

SPACE EXPLORATION

Fourth. We should begin now in diplomatic exploration, to seek to channel our efforts in space exploration into a joint program with the other NATO members. Our objective should be to marshal the full scientific and technical talents of the West and to spread the enormous costs of this enterprise. Ultimately, the world should act as a unit in the universe but the time to begin to move toward that goal is now and the logical place for us to begin is in concert with the NATO nations.

CHINA AND SOVIET RUSSIAN-CHINESE RELATIONS

Fifth. Windows of contact and legitimate firsthand observations should be opened on developments in China and along one of the most critical borders in the world, the Soviet and Chinese convergence in Outer Mongolia in central Asia. To that end, the possibilities of an exchange of missions with the Government of Outer Mongolia should be seriously explored. A renewal of efforts for the exchange of newsmen with China on a quid pro quo basis should be undertaken. A revision of trade restrictions with the Chinese mainland to bring them into line with those which apply to the Soviet Union should be considered. May I say, parenthetically, that these suggestions do not imply recognition by this country of Communist China. To the best of my knowledge we have never offered it nor have they sought it and there is nothing to indicate its desirability or even its possibility at this time.

PROPOSALS ON POLICY

In relation to the trade suggestion, I would like to point out the following facts:

First. A total embargo on U.S. trade with China is maintained. Nothing goes in directly and nothing comes into this country, not even chopsticks.

Second. Restrictions on our trade with Russia exist but a small and growing volume of trade, both ways, takes place. The list of embargoed items has been shrinking.

Third. Britain, Japan, West Germany, most of Europe, and other countries carry on a lively trade with China, although altogether, the volume does not equal that of the Soviet Union.

OBSERVATIONS

First. A technical case can be made for keeping a full embargo on trade with China and only a partial embargo on Russia, for the former has been voted an aggressor by the U.N. and the latter has not. But is this distinction valid, especially when it is now ignored by most U.N. members who carry on commerce with China?

Second. The embargo has had no perceptible, adverse effect on Chinese internal development; in fact, it may have intensified it by forcing them to become more self-reliant in many lines.

Third. The embargo affects adversely west coast shippers and certain exporters in this country without bringing any tangible political returns.

Fourth. The embargo has, at best, very limited bargaining power now and in any future negotiations with Peiping, particularly when there are so many other nations willing and anxious to trade.

Fifth. Commerce is one more window of contact, useful in somewhat the same fashion as newspaper exchanges. Its resumption is one step in the long, long road toward restoring contact with the Chinese people, a contact which could well be considered if the next generation is not going to face an ingrained hostility between ourselves and the Chinese which, unless it is tempered, may produce the conflict which we hope we can prevent with the Russians in this generation.

IMPLICATIONS OF THE PROPOSAL

The proposal suggests, merely, consideration of a revision of the trade restrictions with China. It does not urge ending them. But its effect should be to cause the administration to rethink and justify its position just as it has been caused, in part, to do with respect to the newsmen.

MIDDLE EAST

The Congress should consider a revision or substitute for the Eisenhower resolution on the Middle East which would: (a) Alter the present legal status of the resolution as an act of law to

that of a resolution of congressional advice to the President; and (b) make clear that, within the overall purpose of seeking to help nations in that region defend themselves against communism, our policies are now based squarely on the following premises:

First. Stabilization of existing frontiers, except as they may be altered by peaceful agreement;

Second. Dissolution of the refugee problem by the joint principle of repatriation, as practicable, and just compensation;

Third. Full freedom of passage of Suez now and a gradual reduction of the other practices of economic warfare in the area;

Fourth. Full support of the use of U.N. emergency forces for the safeguarding of the borders of any nation which fears for its security, with all U.N. members bearing reasonable portions of the cost of such operations;

Fifth. Internationalization of the holy places in Jerusalem, both Israeli and Jordanian;

Sixth. Efforts to control and reduce the flow of armaments to all nations of the Middle East, coupled with international guarantees of support to any nation which may be victimized by an act of aggression.

These principles are close to those which are contained or implied in our present policies. They favor neither Arab nor Israeli. They favor those who mean it when they talk of peace and are prepared to begin now to work for it. The important need is to spell out these principles, by a vigorous adherence to them not only in official public statements, but in diplomacy, in aid activities and in all other aspects of the conduct of our politics in the Middle East.

CUBA

Governor Muñoz-Marín, an outstanding citizen of this nation as well as Puerto Rico, one of the most respected leaders of the Western Hemisphere, should be requested to undertake a mission to Havana. If he is able to assume this responsibility, he should engage in frank discussions with Premier Castro and submit in private or public, as he deems desirable, his analysis of the present deplorable state of Cuban-American relations and his recommendations as to what may be done to improve them.

PERSONAL DIPLOMACY AND SUMMITS

A moratorium should be declared on official visiting and conferences of heads of state, particularly as this practice may involve nations with which we have major problems at issue. This moratorium should last at least until it is clear that specific problems have been prenegotiated to the brink of agreement. Further, we need to conserve the strength and time of the Secretary of State and, to that end, a greater use of Ambassadors, adequately instructed, is clearly indicated.

CONCLUDING COMMENTS

As I have already noted, Mr. President, the thoughts which I have expressed today touch, not upon all, by any means, but only upon the most immediate and the most pressing questions which confront us in our foreign relations. Nevertheless, I have set forth these thoughts, not without trepidation, not without a sense of my own inadequacies but, withal, with a recognition of my great responsibilities as a Senator of the United States.

For the matters with which I have dealt in these remarks are those in which no man can aspire to certain knowledge. They are matters of paramount importance to the people of the United States. They are matters which, when taken together, not only relate to the kind of life we shall have in this decade but matters which may well be critical in determining whether there shall be a recognizable civilized life, at all, for ourselves and for much of the human race.

Against this monumental background, questions of how soft or how tough we are in talking to the Russians or to any other people have little relevance to our survival or welfare or our security. How wise we are and how dedicated we may be to the interests of the Nation and to freedom, beyond all personal concern, are central to the problem which confronts us.

A looming shadow is on the Nation and on the world; a shadow cast by serious questions, too long deferred; a shadow cast by serious thought too long evaded. It is for this President and the next, Democrat or Republican, and for the Congress to recognize this shadow, to define its dimensions and to act to lift it. It must be lifted. It can be lifted. Let us, now, all of us, begin in earnest the work of lifting it.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JACKSON. Once again, as he has so many times in the past, the distinguished Senator from Montana has made a most generous contribution to the discussion of the problems of foreign policy. As always, it has been a forthright message. I wish especially to commend him for his emphasis on the importance of the decisionmaking process in foreign policy in the broad area of national security. I should like at this time particularly to mention the help he has given the Committee on National Policy Machinery. We have been trying to do a scholarly, objective and nonpartisan job in developing recommendations for the reform of our national policymaking process, and the Senator has backed us in our work and been most helpful to the committee.

Mr. President, this message today is part of a series of constructive contributions in the field of foreign policy by the Senator from Montana, the able assistant majority leader. I wish to commend him for his efforts in this all-important area, not only today, but all through the years that he has served both in the Senate and in the House of Representatives.

Mr. MANSFIELD. I thank the Senator. I appreciate his remarks very much.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. GREEN. Mr. President, I wish to express in a few words my gratitude for having had the privilege of listening to a very exceptional address from my fellow Senator, the Senator from Montana. He has made such an admirable contribution to the subject matter, which is of lasting importance to this Nation, that I feel it should receive the widest possible circulation. I, therefore, trust that it may be printed separately and receive distribution far beyond that of the CONGRESSIONAL RECORD.

He has dealt with all phases of the question he has discussed. That little single incident, the airplane with its occupant being shot down, has opened up a whole field of questions which will affect, perhaps, the history of the world. All of these questions have been touched upon and some of them discussed by my fellow Senator this morning.

As I have suggested, I hope that arrangements can be made for the widest possible circulation of the address outside of the limited circulation which the CONGRESSIONAL RECORD itself has, or that the newspapers will be able to give it.

Mr. MANSFIELD. Mr. President, I express my deep appreciation to the distinguished chairman emeritus of the Foreign Relations Committee. I assure him that I am touched by what he has said. I have valued his advice and counsel for as long as I have been a Member of the Senate. I know that he will still make many contributions to the welfare of our country in the months and years ahead.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. About the first thing I did when I woke this morning was to turn on the radio. I heard that the Senator from Montana [Mr. MANSFIELD] was to make a bitter political attack upon the administration today. It was rather difficult for me to believe that the Senator from Montana would take any such course as that, although I realized that what I heard was the interpretation of one man only.

The Senator from Montana has, from time to time, performed a very valuable service in this body by making observations and recommendations, with some of which I have not been in full agreement at all. Nevertheless, regardless of how anyone interprets the comments of the Senator from Montana concerning the U–2 incident, the summit collapse, and so forth, when we come to the latter part of his speech, beginning with possible administration changes, which are directed not only at this administration, but at the next administration, as well, regardless of which party may be in control, then, I think, he has submitted to the Senate much material which needs to be discussed and considered.

The Senator spoke relative to the handling of affairs by the Department of State. I do not regard the Department

of State as a partisan body. I would expect that the great majority of the officials in the Department of State came into office under previous administrations. I think that goes without saying.

However, suggestions for changing methods in the Department of State, suggestions in regard to disarmament, nuclear tests, Berlin, the Far East, Russian-Chinese relations, the Middle East, and so on, are matters which very properly are called to the attention of the Senate and the country, and which we must discuss.

Again, I decline to regard the talk by the Senator from Montana as a personal attack on anyone. I feel that we should not regard it in that light. It is an effort on the part of the Senator from Montana to improve international relations, to take a clear, long look at our handling of international affairs, and to adjust ourselves from time to time as the situation requires.

There are, of course, certain basic planks in any foreign policy which we may adopt. However, above those planks are many conditions and situations which must remain fluid, to be dealt with from time to time. We must not adopt a stick-in-the-mud attitude and say that simply because our foreign policy was so and so at such and such a time, it must remain so forever.

I do not think I agree with every proposal made by the Senator from Montana this morning; but I agree that in making these proposals, he has performed a valuable service.

Mr. MANSFIELD. Mr. President, I express, once again, my deepest thanks to the distinguished Senator from Vermont, who, I believe, is a little prejudiced in my favor. However, I am glad he is prejudiced that way instead of the other way. I assure him that I appreciate the spirit in which he interpreted the speech, because that is the way I intended it to be.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McGEE. Mr. President, I have long shared the sentiments of the Senator from Montana, and wish to do more than compliment him for the constructive criticisms he has shared with us this morning. He has done what has been long overdue in Congress, namely, to bring into the public light, in an official way, with the prestige which he commands, the questions which all Americans ought to be discussing openly and fearlessly. I have been unhappy about those who have sought to sweep under the rug what has happened in the last 2 months. To retreat behind the facade of unity is not always desirable. It fools no one, and we merely kid ourselves.

That these events have happened in a presidential year creates, I know, a very delicate situation. I think that what the Senator from Montana has succeeded in doing this morning is to prove that a crucial and objective examination of America's policy position can be done well and forthrightfully without political innuendo or overtones.

If I understand the Senator correctly—and I sat here through every syllable of the Senator's speech—one word hangs over it all. That word is "urgency"—the great urgency that we examine the questions which have been raised, because two consequences stemming from the sequence of events already threaten our policy position.

First, there has been a trend toward freezing the public mind at a new low level. That is, the candidates in both political parties have been forced to appear to run against Mr. Khrushchev rather than to run for a constructive American policy position. This is not good for the country; it is not good for the world; it is not good for the chances of peace.

I think the Senator's speech will unfreeze the public mind. If we will simply pursue the Senator's lead and open up the question, it will make for a much readier inclination on the part of the man in the street to accept this new position for debate.

The second consequence is, I think, a corollary to the first; namely, that the result of these events has been to step up the inclination of Congress to approve, almost without question, new increases in military appropriations. We do this not because they are wise, although I personally happen to think they were needed, but because many persons think this is a quick way to correct what went wrong in the preceding months. In my judgment, we may only be contributing further to what went wrong with our stance in international affairs by adding only to the military appropriations. What we in Congress give to the military now, we are taking away from nonmilitary programs.

The American image overseas, if I interpret the crises in Japan, Okinawa, and Paris correctly, has been overdrawn as far as the military aspects of policy are concerned. I believe we have no alternative to the massive military effort we have made, and must continue to make; but we have neglected the other side of the same image. That is the nonmilitary position which the people of the world would like to see from America.

One of the dangerous consequences of the present tendency in the Senate is to build up the military side more and more at the expense of the nonmilitary thinking. For that reason, the urgency of what the Senator from Montana has suggested today requires that we discuss this question frankly and openly.

I noticed in the Washington Post of today that Walter Lippmann, in his usual, perspicacious way, suggests that the President of the United States now has an opportunity, in the few months remaining in his term, to take control and to help to direct a massive reappraisal of what went wrong, and of what we must do, so that American foreign policy may follow a more certain course in the future.

Mr. President, I ask unanimous consent that Mr. Lippmann's article entitled "The Coming Reappraisal" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COMING REAPPRAISAL

(By Walter Lippmann)

In the short time remaining to him there is still one great work which the President is uniquely qualified to do. This is to promote and preside over the unavoidable reappraisal, which must in many ways—to use the words of John Foster Dulles—be agonizing. The uprising in Tokyo, which went far beyond mere rioting, and the highly significant demonstration in Okinawa, are unmistakable signs that we must appraise one of the main conceptions which has shaped our strategy. This is the theory that in order to contain the power of the Soviet Union and of Red China the United States must establish forward bases on the frontiers of the Communist orbit.

The strategical policy of encircling communism with military bases on the periphery was conceived immediately after the Second World War, in the late 1940's, when the United States still had a monopoly of the atom bomb and was not only invulnerable itself but irresistible on the offensive. In 1949 the Soviet Union broke the monopoly, and in the years that followed acquired a nuclear stockpile and the airplanes and missiles to carry nuclear bombs. Then the strategical policy of peripheral containment was bound to become increasingly unworkable. This meant that the time had come for a reappraisal of the strategical policy which rested on our lost monopoly.

The reappraisal was not made, and accordingly, the State Department and the Pentagon addressed themselves to the task of persuading and cajoling the peripheral countries to eschew neutralism in the cold war, to line up with us and against Russia and China, and to grant us military bases. A few countries, notably India, refused to participate. But all around the rim of Asia, encircling the Russian and the Chinese heartland, we made alliances and established bases.

To our surprise we found that as we established ourselves on this dangerous periphery, we became increasingly unpopular, and the more arms and money and personnel we pumped in, the more the masses of the people and the intellectuals to whom they listened became neutralist and anti-American and fellow traveling.

It was stupid of us to be surprised, and very stupid to allow ourselves to think that these ungrateful people would be loving and loyal if it were not for the Communists agitators from Moscow and Peking. We refused to look at the stark and dominating fact that once the Soviet Union had become a nuclear power, the peripheral countries were defenseless. They could not be defended by "massive retaliation" because neither our European allies in NATO nor Canada and ourselves in North America were in a position to defend them against Soviet counter-retaliation.

We may not like to say it out loud, or even to see it at all, but there is a profound weakness in a strategical policy which rests on bases that are indefensible. However much we may choose to ignore this brutal fact, the people of Japan are very much aware of it. So are the people of Okinawa, who could be knocked out with one hydrogen bomb. A policy which puts allies in such a position has to be reappraised. For bases are no good in a country which is terrified and in rebellion because of the danger they create.

Does a reappraisal of the obsolete strategical policy mean a retreat before the expansion of communism and abandonment of

our allies, and the withdrawal of American military power as a deterrent force inside Russia and China? The answer is that it need not mean any of these things, and it should not mean them if the reappraisal is penetrating and thorough, if the action that follows is bold and is wise.

Let us leave aside Europe where the situation is radically different because of the political and economic maturity and the inherent strength of the old nations. In Asia, in the presence of two Communist giants, the normal and natural policy of a non-Communist country is to be unalined in the cold war. As long as there exists a balance of power among the giants, this is the best defense of the small and the weak against conquest and against intimidation.

Neutralism, with American approval, makes also for good will and influence. India and Burma, and I think Egypt also, show that if we do not try to force these countries to become our military satellites, they will welcome our help and advice in their internal development and their resistance to communism.

Parallel with the evolution of our policy away from peripheral military containment, it is the task of the Pentagon to find substitutes for the obsolete and essentially indefensible peripherical bases. There is no real doubt that this can be done, and according to Mr. Louis Kraar, of the Wall Street Journal, who has been at Quantico for the recent meeting, the military planners are working on the problem.

Rome, as the saying goes, was not built in a day, and our outdated Asian strategy will not be revised in a day. The rebellion in Asia against our peripheral strategy is undoubtedly mounting. To give the State Department time to reappraise and revise and readjust its relations, and to give the Pentagon time to implement a new strategy, the most effective thing to do would be for the President to put himself at the head of the reappraising. This alone offers some hope of reducing the virulence of the rebellion, a virulence which has its roots in the terror of being the victim of a more horrible Hiroshima.

For obvious reasons the President is uniquely able to take the lead, and to make the reappraisal and revision his valedictory service to the Nation. It would be an act of magnanimity and statesmanship, and it would lift the task of reappraisal above the election campaign.

The alternative is a dreary one—to pretend with Mr. Hagerty that nothing has collapsed, to go along with Senator DIRKSEN and his nasty innuendoes. For if the President stands pat, and pretends that all would be well but for Mr. Khrushchev's bad manners and the agitators in Tokyo, he will be inviting new troubles as the American position in the Far East crumbles.

Mr. McGEE. Mr. President, the Senator from Montana alluded in his remarks to the great role of the press in this otherwise silent period when something went wrong. I ask unanimous consent to have printed in the RECORD following the Senator's remarks a collection of editorial comment by some of the leading members of the press concerning this incident.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 7.)

Mr. McGEE. Mr. President, I suggest that the press comments, together with the excellent suggestions made by the Senator from Montana, might well become the launching pad for the kind of massive reappraisal by the American people and the American lawmakers which Mr. Lippmann has suggested.

The time is running out. I seriously question how much time we have.

I think the urgency may even raise the question of whether it will be completely consistent with the urgent need for action, to absent ourselves from Washington, without respect to the national posture at this particular moment. I am not sure that the Communists will allow us our convenience and the dates which all of us, on both sides of the aisle, have in Los Angeles and Chicago. I hope this body will stand ready to forgo even those obligations, in order to bring to the fore, to the public gaze, and to our own attention, the serious implications in the remarks of the Senator from Montana as to the provocative suggestions he has offered as guidelines in exploring for solutions. Perhaps we should face up to these now, regardles of the pressures of time that encroach upon us.

It seems to me these are consequences of the remarks of the Senator from Montana this morning.

I thank him again for the contributions he has made.

The PRESIDING OFFICER (Mr. LUSK in the chair). The time available to the Senator from Montana, under the agreement, has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, notwithstanding the agreement which has been entered into, I be allowed to proceed for 5 additional minutes, and that then the agreement take effect.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I wish to thank the Senator from Wyoming for his remarks. I assure him that I appreciate very much what he has said.

I believe that through cooperation between the Congress and the Executive, we can face up to our problems, and can overcome them.

I express the hope that—as the Senator has said—everything else will be considered secondary to the welfare, the security, and the future of our country.

Mr. DIRKSEN subsequently said: Mr. President, I understand that, under a unanimous-consent request, a column entitled "The Coming Appraisal," written by Walter Lippmann, and published in the Washington Post of today, June 23, was ordered to be printed in the RECORD. The article contains one paragraph which I shall separately read into the RECORD. Mr. Lippmann says, with respect to the "The Coming Appraisal":

> The alternative is a dreary one—to pretend with Mr. Hagerty that nothing has collapsed, to go along with Senator DIRKSEN and his nasty innuendos.

Mr. President, I could, of course, undertake a point of personal privilege and discuss this subject at length, but I shall not do so.

I would not waste my time on the puerilities of Walter Lippmann. I am content to let the matter stand right there.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to join in the remarks concerning the speech made by the Senator from Montana. At all times he has brought to us sound logic concerning foreign affairs.

I, too, think we probably have refrained too much, in the past, from criticism of some of the actions of the administration in foreign affairs.

I believe it is our duty as Members of Congress, representing the people of the country, to express ourselves and let the public know what we believe.

I do not believe in throwing any barrier in the way of the State Department as it carries out its plans. But unless we, too, express ourselves, I fear that even the State Department will not know what we are thinking.

All of us will have to agree that we have gotten into a rut, so to speak, in regard to our foreign affairs. I well remember that I was told, when I was a boy, that when I was driving a buggy along a road I should keep the wheels out of the ruts, and, if I could, do a little work on the road, to help fill in the ruts.

So I believe that, as Senators, we need to do what we can to help fill in the ruts and let the State Department know when we believe it has gotten into a rut, if not on the wrong road, and that it needs to make plans.

In the past, the State Department has had plans; but we find that sometimes the plans are changed overnight, with the result that we do not know where we are going.

I always benefit by listening to the remarks of the Senator from Montana. He is an outstanding Member of the Senate, and I depend greatly upon him in regard to matters of foreign affairs, because he gives more attention to such matters than do many other Members of the Senate. Many of us must, of necessity, give our attention to other subjects; the work of the Senate has, perforce, to be divided among the various Members of the Senate. Therefore, certain Senators specialize on certain fields, and we depend upon them for counsel and advice as to those fields. Other Senators specialize on other fields.

I, for one, have always listened attentively to, and depended upon, what the Senator from Montana has said in regard to foreign affairs.

Today the Senator from Montana has done a most important piece of work for the Nation, in calling attention to just where we are.

The question we must consider in the days ahead is what we are going to do about this situation.

Mr. MANSFIELD. I thank the Senator from South Carolina.

As the Senator from South Carolina may recall, yesterday the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], indicated that he, too, is interested in new plans and new

policies; and I daresay that in the days and the weeks ahead, there will be a reassessment and a reevaluation of our foreign policy.

I agree with the Senator from South Carolina when he says, in effect—in line with the view of the late Senator Taft—that it is the duty of the opposition to oppose. But if we find fault with anything the administration does, I hope that we do not oppose for the sake of opposing, but that we oppose constructively and with the idea of being of assistance, because in foreign affairs certainly there should be no difference between us. If there were, we would pay a rather high price.

So I hope we will work together on the problems which I anticipate at the present time, and which no doubt will be with us in the days and the years to come.

The PRESIDING OFFICER. The additional time of the Senator from Montana has expired.

Mr. MANSFIELD. Mr. President, I ask that, notwithstanding the previous order, I may proceed for 3 additional minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ENGLE. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. ENGLE. I wish to compliment the Senator from Montana on one of the really great speeches I have heard here on the floor of the Senate. He has dealt constructively and in detail with an incident which has profoundly affected the foreign policy of our country.

We have never had a question as to whether we should go into the U–2 incident. The question has always been how we should go into the incident.

I agree with the Senator from Montana that the distinguished Senator from Arkansas [Mr. FULBRIGHT] has handled that matter with great restraint and with marked ability.

The Senator from Montana has placed his finger upon the two essential items with which we should deal. It seems to me that we, as the Congress, should not sit around and attempt to throw the blame at each other, on a partisan basis. Instead, we should try to examine the incident, in order to see what constructive developments to help America can be brought out of it.

The Senator from Montana has undertaken to do that. He said—and I agree with him—that there are two aspects of this problem: One is what can we do to bring about improvements on the functional side of our Government, so as to make it operate better.

The distinguished Senator from Washington [Mr. JACKSON], who was in the Chamber a few minutes ago, has been working on that problem, and commented on the contribution the distinguished Senator from Montana has made not only to his committee, but also by means of the specific and constructive suggestions he has made today.

The second is the matter of the formulation of basic policy.

I compliment the Senator from Montana on calling the roll of the various policy areas in which we should have some decisions; and it has occurred to me that one of the policy decisions we ought to consider is just how a democracy is to deal with the question of espionage, in an open society such as ours. That question was involved in the U–2 incident.

The Senator from Wyoming [Mr. MCGEE] has just now referred to an article written by Walter Lippmann, and published in today's newspapers, in which Mr. Lippmann raises the question of whether, as a basic policy matter, we should reassess the whole policy of containment and the validity of maintaining, throughout the world, bases on the periphery of the Communist empire, as we have done.

I also compliment the Senator from Montana on what he has had to say about our China and our Far East policy.

Mr. President, about a year ago I had occasion to use almost exactly the same words which have been uttered today by the distinguished Senator from Montana, when he declared that windows of contact and legitimate, firsthand observation should be opened on developments in China and along one of the most critical borders in the world; namely, the Soviet-Chinese convergence in Outer Mongolia and central Asia. He also referred to trade restrictions, and said that the removal of trade restrictions is one way to open the door and to give us more than the tiny keyhole which we have today in Hong Kong, through which we try to observe what is going on in a great area in which live more than one-fifth of the population of the world.

The speech the Senator from Montana has made today in this Chamber has been a great and a constructive one. I hope its contents will be studied carefully, not only by the Members of this body, but also by the press and by the public at large, throughout the United States.

Again I compliment the Senator from Montana on his contribution—as always, constructive and detailed—in this area.

Mr. MANSFIELD. I thank the Senator from California. I appreciate very much his remarks.

EXHIBIT 1

[From the Christian Science Monitor, June 21, 1960]

OPPOSITION'S PROBLEM

Washington dispatches report that Democrats in Congress are uncertain about how to deal with the postponement of the President's visit to Japan. Part of the press makes it appear that the chief concern of the "loyal opposition" is how to make election capital out of the incident. It is said that they hesitate to attack Mr. Eisenhower because they fear public sympathy for him in this experience would backfire on the attackers.

We cannot believe that any such calculations are uppermost in the thoughts of congressional leaders. In Washington in an election year it often seems that press and politicians look first for some partisan gain or loss in any development. But all responsible and patriotic opposition leaders must surely be thinking chiefly of ways to maintain or improve the effectiveness of American foreign policy. And they are aware that for the next 7 months that policy will be expressed primarliy through President Eisenhower.

That situation should not debar the Democrats from urging on him policies they believe wise. Indeed, it gives them an opportunity to offer suggestions—and support for military and economic programs which keep the Nation strong. Improvement of the mutual security system would be in order. But not the hamstringing of it on which some Democrats seem bent. And certainly any thoughtful Democrat will recognize not only that tearing down the President may be resented by the people but that it risks weakening the Nation's spokesman in the cold war.

The situation poses a real problem, perhaps a handicap, for the opposition. But there are still useful things for Democrats to do in foreign policy matters—as Senators JOHNSON, FULBRIGHT, and JACKSON and Speaker RAYBURN have demonstrated.

[From the Wall Street Journal, June 23, 1960]

ADDING MORE COOKS

The other day Governor Rockefeller said: "If any citizen imagines that our Department of State exercises sole and supreme authority in the operation of our foreign policy, this citizen is very much mistaken."

The remark was made to suggest ways to improve our policymaking machinery. There is, as the Governor said, evidence of its inadequacy: "We have seen this with the unfortunate U–2 incident. We have seen this with the unhappy fate of the President's plans to visit Japan."

Now there isn't much room for argument that the U–2 incident didn't exactly reflect the sort of sound and settled policy all of us would like to see. There wasn't even any policy as to what to do when we were caught; first we denied that the U–2 was an intelligence plane, then we admitted it was in a way that suggested to both our allies and the Russians that we planned to continue aerial reconnaissance, and then we said we wouldn't do it any more for the time being.

Nor is there very much doubt that the way matters turned out in Japan was not exactly the way we planned them. And Governor Rockefeller is quite right when he suggests that what is wrong is that policies are decided not only by the State Department but by a proliferation of other departments and agencies—Defense, the Central Intelligence Agency, the International Cooperation Administration, the U.S. Information Agency, and very often Treasury, Commerce, Labor, and Agriculture, along with innumerable interdepartmental agencies.

With all these people mixing in the gruel of foreign affairs, it's no wonder that the pot boils over from time to time. Even the National Security Council, which is responsible for reconciling the divergent views, ambitions, and prejudices of all these people, hasn't succeeded in doing so.

So there is the problem, ably defined by the Governor. But what is his solution?

What we need, he says, is a sort of superchief to handle all these matters and knock heads together when that becomes necessary. He would be called the "First Secretary" of the Government; he would be answerable only to the President; he would determine long-range policy, and coordinate the work of the various agencies of Government to see that it is carried out effectively. He would have the status of a Prime Minister, as it were, and he would outrank all Cabinet members.

Well, let's pause just a moment for purposes of identification. We already have a President who ranks with all Prime Min-

isters and all chiefs of state. We already have an officer of the Government whose duties ought to be to determine long-range policy and to coordinate the other arms of Government to see that it is carried out effectively. He is the Secretary of State.

It seems to us that all we have to do is to properly define the duties of the Secretary of State—who is already the ranking Cabinet member—and make him responsible for proper planning and proper coordination of activities of Defense, CIA, ICA, USIA that touch on affairs of state. That, of course, would not guarantee that policies would be successful, for the first requirement is that a foreign policy be sound and sensible. But neither would the creation of another needless Government department, with its vast bureaucracy, solve the problem at all.

If, as Mr. Rockefeller plainly suggests, too many cooks are spoiling the broth, it isn't going to help matters very much to add more cooks to prepare more dishes. All that really needs to be done is to hand the Secretary of State a few sound recipes and then run everybody else out of the kitchen.

[From the Baltimore (Md.) Evening Sun, May 23, 1960]

POLITICAL AFTERMATH

Should there be an investigation of the summit collapse? No one expects the Republicans in Congress to answer this question affirmatively, but some Democratic leaders are saying that their party, which has majorities in both House and Senate, should undertake one. Mr. Adlai Stevenson is the chief exponent of the plan and he suggested that Democrats do the job. Senator FULBRIGHT, of the Foreign Relations Committee, indicates that some sort of an inquiry will be held, but he is vague as to details. Senator LYNDON JOHNSON declares that he approves of what Mr. FULBRIGHT proposes but is also vague on details; however, he said he differs from Mr. Stevenson in several ways, and his general unwillingness to do anything to weaken the President's position before the rest of the world indicates that he would not put the inquiry on a partisan basis.

Inevitably, the question of responsibility for the U–2 flight and for the blundering explanations of and later justifications for this enterprise ought to be taken up with a view to restoring the chain of command of authority and thus making sure that matters so intimately connected with foreign policy are directly controlled by the President. This and the restoration of the shattered American prestige among our allies are tasks of urgent importance. But only the first can be furthered in any way by congressional investigation. The President alone can take the measures necessary to restore our prestige abroad, for as Senator JOHNSON has pointed out and as everyone ought to know, he alone has authority to conduct foreign policy.

The Stevenson proposal for an investigation has been attacked from the Republican side as well as questioned by Democrats. Actually it was offered in a responsible fashion and it dealt with an important question. However, he may have put too much emphasis on the partisan aspects of his proposal. Furthermore, it must be recognized that the political aftermath of the summit collapse is going to involve a great many more things than the simple question of the U–2 incident. The failure of the negotiations at Paris, which was probably foreordained in any event, is likely to deprive the Republicans of one-half of the peace and prosperity platform on which they had hoped to stand. But it is easily possible that the attacks Mr. Khrushchev made on Vice President NIXON and Mr. K.'s possible preference for a Democratic President would more than offset any losses the GOP might sustain from the spy plane affair.

And finally there is the question of what happens between now and November. The exact nature of the domestic situation which made Mr. Khrushchev want to wreck the conference he had himself initiated in his desire to relax international tensions remains to be disclosed. Events behind the Iron Curtain are likely to bulk much larger in the public mind by election day than what went on in the Central Intelligence Agency before the summit. Both parties are, thus, still at the mercy of coming events. The important thing is not that they ask or avoid an investigation but how they conduct themselves generally. Fortunately the disposition on both sides of the party line is toward soberness and responsible speech and action. Let us hope that this disposition continues.

[From the St. Louis Post-Dispatch, May 18, 1960]

A COLLAPSE OF UNDERSTANDING

The collapse of the summit talks is a severe blow to the worldwide hopes for a relaxation of East-West tensions, but it would be irresponsible to regard it as a fatal blow to peace. After the Paris fiasco as before, the basic facts of the world situation remain the same. The most portentous of them is the common destiny which gives all nations a stake in averting nuclear war and an unavoidable obligation to seek the settlement of international disputes by peaceful means.

There can be little question that the immediate cause of the collapse was a determination by Premier Khrushchev not to go through with a conference which he himself had so long and so indefatigably promoted. But it would be a mistake to suppose that this was the result of an inexplicable and malignant whim. Reasons lay behind his arrogant and insulting behavior at Paris, and our leadership desperately needs the wisdom that would come with a deep understanding of them. It is all too clear that not enough understanding has gone into our policymaking up to now.

Surely it was a disastrous miscalculation to suppose that aerial espionage could be conducted on the very eve of the summit conference. Even had the U–2 not been shot down, with such far-reaching consequences to the very heart of the Western alliance, its flight would have been detected and would have had its influence on Soviet policy at Paris. There was, then, a grave dereliction in permitting the flight even to be made. This was compounded by the series of blunders which placed our Nation first in the role of falsifier and then in the role of publicly proclaiming a policy of violating international law.

Throughout, whoever was at the controls revealed a total absence of comprehension of the position we were forcing Khrushchev into. We were undercutting him with the military and Stalinist forces who had never trusted his approaches toward an accommodation with the West. According to the Manchester Guardian his discussion of the U–2 incident before the Supreme Soviet was remarkable for its "calculated moderation." He made every effort to disassociate President Eisenhower from the venture and to leave the door open for the renunciation which Mr. Eisenhower declined to make until too late at the summit. By the time he reached Paris, however, Khrushchev's mood had become one of calculated immoderation, and one can only suppose that this was because the President had closed the door by proclaiming a policy of aerial surveillance. That error made Khrushchev's domestic political position untenable. He reacted as any politician would react by becoming as tough as his toughest critics.

Probably our misunderstandings went deeper and beyond the U–2 incident. Although they may have been doing so for bargaining purposes, our foreign policy spokesmen had been taking an increasingly severe line against a settlement of the Berlin question. Dr. Adenauer was publicly given what amounted to a veto over our Berlin and German policies. To Khrushchev's critics in Moscow and Peiping, these attitudes provided verification of their hostility to negotiation with the West. If they needed more, they could get it from the Pentagon-Atomic Energy Commission opposition to a nuclear testing treaty, and from the fact that immediately after the Soviets had accepted the principle of joint underground research tests, our Government came out with an ambiguous program which seemed for more unilateral than joint. This too may have been done for bargaining purposes, but it could be used by Soviet forces hostile to negotiation as evidence that the West did not sincerely want settlements.

Of course there is equal or even greater misunderstanding of Western motives in Russia. On balance, the responsibility for the Paris collapse is far more theirs than ours. But we shall profit little by blind recrimination. Since peace has to be pursued, we need to profit by our own mistakes, which we can do something about, whether the Soviets profit by theirs or not.

It is very difficult to escape the conclusion that a major factor in the situation has been the absence of hard, unremitting, intense attention to the problem by the President himself. There has been too much reliance on good will tours and not enough continuous leadership at the top. Waging peace—the single most important task any President could undertake—is not a part-time job to be intermittently carried on at the personality level, but a consuming responsibility which demands the best thought, the best foresight, the best understanding and vision our Nation can mobilize.

So the President's policy of working toward an accommodation with the Soviets has suffered a serious defeat. Yet the policy still is the only one that makes sense. Summit conferences are not the only way to negotiate, and we need to keep all the channels open for a resumption of negotiation when the time is right. Above all, we need to brace ourselves for calm, cool, intelligent, and responsible behavior during a renewed Berlin crisis if Khrushchev chooses to provoke one. There is every reason for the West to stand firm on its rights in Berlin, but there is no reason for premature resort to force. In addition to standing firm against unilateral abrogation of our rights, we should make clear our readiness to negotiate a new status for Berlin that would guarantee everybody's rights. Permitting the issue to be defined as a choice between the status quo and war would be another frightful miscalculation.

We believe the basic reason for the Paris collapse is a failure of the peace party in the Soviet Union and the peace party in the West to build bridges of understanding strong enough to support definitive action for peace. The bridges still need to be built. If there is a cold war party on each side that regards the present breach as a vindication and a triumph, the vast majority the world over must regard it as a temporary setback to be overcome by understanding and good will.

[From the Washington Daily News, May 17, 1960]

PRESIDENT REFUSES TO CALL IT QUITS—PEACE IS MORE IMPORTANT THAN WHAT MR. K. SAYS

(By R. H. Shackford)

PARIS, May 17.—With a colossal assist by American bungling, Nikita Khrushchev has used the U–2 spy plane episode to provoke an international crisis that will take years to resolve.

And the dreamworld of honest relaxation of tension which has prevailed since the Eisenhower-Khrushchev Camp David conference has turned into a nightmare.

Even so Mr. Eisenhower refuses to call it quits yet.

Caught in a trap, made by himself and his associates in the handling of the U–2 incident, the President has decided for another day or so to turn the other cheek to Khrushchev's insults, threats, and ultimatums—to ignore the fact that Khrushchev charged "treachery was the basis of his (Ike's) policy with regard to the Soviet Union."

Ike's attitude was authoritatively reported to be: "Peace is more important than what Khrushchev says."

But that was after the most unparalleled tongue-lashing ever delivered by one modern head of state to another—and then made public by Mr. K. Even Stalin used to abide by diplomatic niceties in face-to-face talks even though he ignored them in subsequent action.

But Mr. Eisenhower still more than anything else wants the summit conference to go on and has given blessings to President Charles de Gaulle and British Prime Minister Harold Macmillan to make extraordinary efforts to pacify Khrushchev sufficiently for at least a face-saving meeting.

One participant in yesterday's meeting congratulated Ike for his statesmanlike way of taking it and now says: "Having gone through yesterday, we must be big enough to put our pride in our pocket and go on."

EXTRA MILES

Mr. Eisenhower himself already has swallowed a lot of pride and has gone a great many "extra miles" with concessions to try to appease Khrushchev's anger and indignation on a subject never intended for discussion here—the U–2 case:

Ike announced abolition of such flights—No. 1 of Khrushchev's three demands—although a week ago such flights were being described as vital to national security and to safeguard all the free world against another Pearl Harbor.

Ike offered to set up a United Nations aerial surveillance plan to guard against surprise attack, a proposal Khrushchev immediately and arrogantly rejected. "Soviet airspace is sovereign," Mr. K. said, "and no one, I repeat, no one, will be permitted to fly over the Soviet Union."

Ike invited Khrushchev to a private tete-a-tete after a weekend of snubs by the Soviet leader and with no indication Khrushchev will agree unless Ike comes to him or publicly apoligizes.

Ike promised to stay in Paris long enough to let Khrushchev cool off in hopes the Russian will become reasonable enough to let the summit take place. This was after Ike told Khrushchev in yesterday's meeting that Khrushchev's sole intention in coming to Paris was to wreck and sabotage the conference.

Ike made no comment at all on Khrushchev's rude withdrawal of his invitation. The Soviet leader said it would be hypocritical for Ike to tour Russia while the United States is guilty of aggression against the Soviet Union.

DETERMINED

Just as Ike seems determined not to be the first to leave Paris, so apparently is Khrushchev. The onus of breaking up this grim gathering no one wants. Although Khrushchev showed no inclination for getting down to business, he also said, "I am willing to walk under the chestnut trees another few days during this Paris spring."

On the American side, nothing seems to be going according to plan. Last Thursday Ike sent orders to Defense Secretary Thomas S. Gates, Jr., and Gen. Nathan F. Twining, Chairman of the U.S. Joint Chiefs of Staff, to stop all flights over the Soviet Union.

He promised Khrushchev yesterday that they are not to be resumed.

Yet this decision was held secret during a crucial weekend of confusion on this very point, on the theory the announcement would make a big headline splash at the opening conference session and take the steam out of Khrushchev's charges.

BACKFIRED

The trouble was it backfired because Khrushchev got his word in first and his press officers got Khrushchev's version out to the world nearly 2 hours before Ike's decision to abolish the flights was produced by Presidential Press Secretary Jim Hagerty and his staff.

The decision to halt the U–2-type overflights of the Soviet Union was not even told to British and French allies here until Sunday—despite major concern among them and other allies that the United States was determined to continue the flights come hell or high water.

Another embarrassing aspect of a long series of embarrassments—last week Ike told his press conference, "we do not use our Army, Navy, or Air Force for this purpose (U–2 flights or intelligence gathering in general)." Yet the order to stop the U–2 flights went to the civilian and military Pentagon Chiefs—Messrs. Gates and Twining.

[From the Washington Post, May 19, 1960]

FIRST OF ALL

(By Walter Lippmann)

Amid the wreckage, and as we recover from the shock, the long work of rebuilding will have to begin. Where must it begin? It must begin at the point where the most critical damage has been done. Where is that point? It is not in what Mr. Khrushchev said or did to us. It is in what we did to ourselves. It is that we "first did help to wound ourselves."

The wound has been made by the series of blunders on the gravest matters in the highest quarters. These blunders have not only angered the Russians and wrecked the summit conference but, much worse than all that, they have cast doubt among our allies and among our own people on our competence to lead the Western alliance on the issues of peace and war. Mr. Khrushchev's harsh and intemperate language has produced a reaction and evoked sympathy for the plight of the President. But we must have no illusions about the depth and the extent of the loss of confidence in American leadership, in the judgment, sagacity, and political competence of the Government in Washington.

This is the damage to which we must address ourselves. We are a free people, and one of the blessings of a free society is that, unlike an unfree society, it provides a way to deal with error and correct mistakes. This is to investigate, to criticize, to debate, and then to demonstrate to the people and to the world that the lessons of the fiasco have been learned and will be applied.

In a situation like ours the damage to our prestige would be irreparable if we all rallied around the President and pretended to think that there was nothing seriously wrong. For that would prove to the world that the blunders will not be corrected but will be continued, and that our whole people are satisfied with bad government. It is the dissenters and the critics and the opposition who can restore the world's respect for American competence. We cannot do this by pretending that the incompetence does not exist.

These are hard words. But in what other words shall we describe the performance on Sunday night when the Secretary of Defense, who is in Paris as one of the President's advisers, ordered a worldwide alert of American combat forces? On Sunday night Mr. Macmillan and General de Gaulle were still struggling to find some way out of the affair of the spy plane. Yet this was the time chosen by the Secretary of Defense to stage a worldwide readiness exercise which, though not the last stage before actual war, is one of the preliminary stages to it.

Why Sunday of all days? This blunder was not the work of some forgotten colonel on a Turkish airfield. This was the work of the Secretary of Defense and of the President. The timing of the exercise was just a shade worse than sending off the U–2 on its perilous mission 2 weeks before the summit. The timing of the so-called exercise makes no sense whatever. For if the alert was concerned with a possible surprise attack, when in the name of commonsense could there be less danger of a surprise attack on the Western World than when Mr. K. in person was in Paris?

Unhappily, too, Secretary Gates' exercise was just about as incompetently administered at the top as was the affair of the spy plane. This time, it appears, the top people forgot to say anything about the exercise to their press officers who did not know what to say, and were not even in their offices, when the public was being frightened by the exercise.

A great government faced with a most formidable adversary, itself the leader, champion and mainstay of the non-Communist world, cannot be conducted in such a feckless and haphazard way. That is the damage that first must be repaired before we can begin to deal with the general international wreckage, and to regain our confidence in ourselves.

[From the New York Times, May 9, 1960]

CRISIS IN THE COLD WAR

When the Russians shot down an American observation plane far inside their frontiers on May 1 they inflicted on the United States a costly diplomatic defeat. In the cold war the guilty person is the one who gets caught—a Soviet spy on our soil, an American aviator in Russian air. Worse yet is the melancholy evidence that our right hand in Washington did not know what our left hand in Turkey or Pakistan was doing.

It is time to ask what the cold war, on the surface and underneath the surface (or in the air), is really like, where it is leading us and what we can do about it. Time hurries. It is only 7 days to the projected date of the summit conference.

COMPETITION AT TWO LEVELS

For the past decade and a half the cold war has proceeded consistently on the two levels, the public and the clandestine. Overtly each side maintains large armies equipped with the most destructive weapons known to modern science. Each side wages open propaganda war by words disseminated through every medium of communication and by deeds—including victories in sports competitions and in the race for space—intended to show the greatness and beneficence of each side. Finally, there is the economic struggle with its two aspects, one revolving about the standard of performance demonstrated by each nation's economy at home, and the other centering about competitive forays into individual commodity markets or in winning economic and political positions in underdeveloped countries.

What the plane incident did was to bring into the center of the stage the usually unpublicized underground struggle. Each side is omnivorously hungry for information about the other. To get that information secret agents are employed, telephone wires

are tapped, radio communications are recorded, radar screens are watched intently, planes violate national boundaries, "fishing vessels" show up at the other side's naval maneuvers, citizens of the other side are corrupted through every available means from ideological persuation to bribery and blackmail. Each side engages in activities as varied as operating radio stations that pretend to be something other than what they really are to smuggling prohibited literature into the enemy camp.

In the underground struggle the Soviet Union has many advantages and almost certainly carries on a much greater effort in terms of quantity than we do. Premier Khrushchev's words to the contrary last Saturday notwithstanding, the record shows that no consideration of morals or ethics stops Soviet intelligence, and even murder—including that of many individuals besides the late Leon Trotsky—is considered permissible.

The semimilitary discipline normal for all Soviet citizens means that every such citizen abroad is an actual or potential intelligence agent. The Communist Parties in the free world, as much past experience has shown, are fifth columns whose members and sympathizers are available for, and are used for, purposes ranging from information collection to overthrow of the legal government of their country. Numerous Soviet spies have been caught here and abroad in the past, and some of them are now in jails here. The pilot of the U–2 plane downed by the Soviet Union committed the same cardinal sin that they did—he got caught.

But from the broader national point, there are other serious questions raised by the plane incident. If Premier Khrushchev's account of the plane's mission is correct, then there was a serious American intelligence failure committed in not appreciating that a plane engaged in such a mission could be detected and downed by Soviet weapons.

But even more important, there was political stupidity involved. Intelligence activity is not an end in itself but an arm of policy for serving the national interest. It should have been obvious before the plane was sent that the timing of the mission—2 weeks before the summit conference—was such that the probable gain in information could not possibly measure up to the probable loss should the mission miscarry. We have the right to expect that changes will be made which will prevent such gross miscalculations again.

[From the Washington Post, May 25, 1960]

GETTING THE FACTS

Senator FULBRIGHT has set the right tone for the Foreign Relations Committee hearings on the collapse of the summit meeting. Responsible officials will testify in executive session, but public transcripts edited for security will be made available promptly as in the 1951 hearings on the firing of General MacArthur. Mr. FULBRIGHT will seek to avoid partisanship, and the inquiry will aim, not at demonstrating malfeasance, but at finding out exactly what happened and at reviewing the policies which influenced the events. This dispassionate prospectus reflects the calm approach called for by Majority Leader JOHNSON.

By no distortion of reasoning, we believe, could the happenings of the past several weeks be regarded as other than a serious setback to the United States. It is important to throw a spotlight on the contributory causes, and some of them go very far back. But at the same time it would be altogether too easy by oversimplification to paint an inherently gray situation in stark black and white. Some of the Democrats who view the problem with the clarity of 20–20 hindsight would do well to save part of their omniscience for use when a Democratic administration may be in power. Some of the Republicans who greet criticism with the tired cry of "appeasement" have learned nothing since Munich.

If there is any point in the hearings, it is to pinpoint mistakes in policy and blunders in execution so as to learn from them. But it will help keep the findings in perspective if there is recognition in advance that neither the whitewash brush nor the tar bucket will contribute to an accurate picture.

[From the New York Herald Tribune, May 25, 1960]

THE TWO DEBATES: U.N. AND UNITED STATES

Predictable though it was, the course of the United Nations Security Council's debate of the U–2 incident is none the less significant. It finds Soviet Russia, except for her own satellites, alone against the world. And it finds the Soviet representative, Mr. Gromyko, setting forth its case with equal portions of exaggeration and vituperation.

Mr. Lodge's calm and reasoned approach, which undoubtedly foreshadows the tone to be taken by President Eisenhower in his report to the people tonight, made a striking contrast to the Russian's phony fury.

Mr. Lodge's arraignment of the Soviets for their own espionage operations in this country helps to reduce the dispatch of the U–2 to its proper proportions. But, even without Mr. Lodge's enumeration of the Soviet spies caught in this country, the U–2 resolution presented by the Russians is a hollow device, and Mr. Gromyko knows it.

For the fact is that we have already halted the reconnaissance flights—indeed, we halted them before the summit talks were scheduled to start. Besides, Mr. Gromyko knows as well as anyone that development of orbiting satellites, such as the powerful Midas successfully launched yesterday at Cape Canaveral, will shortly make the U–2 obsolete as the spyglass as a reconnaissance tool.

But, like Khrushchev in Paris, Gromyko at the U.N. came not to negotiate with the United States but to insult it. The U.N. has witnessed many ironies in its 15 years, but few can match the spectacle of a dictatorship which has crushed liberty and taken life in so many lands seeking to brand this democratic nation as an aggressor.

If the tenor of the debate set by Gromyko at the U.N. holds little promise of future international progress, neither does the outburst of partisan accusation and recrimination in the U.S. Senate on Monday encourage hopes for a mature and responsible assessment of American policies and tactics.

A reexamination of the road that led to the summit and the road that leads from it is not only inevitable; it can also be beneficial. But it will be so only if partisan pressures are held to reasonable proportions and if each side respects the other's motives and integrity.

No one has stated this need more clearly or soberly than Governor Rockefeller. No one in commenting on the summit has displayed greater statesmanship and wisdom at a time when both are the order of the day.

Let us hope that Mr. Rockefeller's assertion that facts "must be neither exploited nor evaded," his call for "reason and courage and candor," and his reaffirmation of "our basic principles of policy" as personified by the President will all find an overwhelming response from both parties and all the people.

For as much may depend upon the debate within this country as upon the debate within the U.N.

[From the Wall Street Journal, May 16, 1960]

REFLECTIONS ON AN INCIDENT

The psychologists say that toward the major affairs of life we all have moments of ambivalence, that we can suffer all at once the mixed feelings of joy and anxiety.

If we can judge by the samplings of public opinion, and by our own feelings, Americans have had something of this same ambivalence in their reaction to the spy-plane incident. Pride, relief, uneasiness of mind, and even dismay, have been intermingled. Each of these emotions is understandable, and it is not easy to strike a balance among them.

The causes of pride are simply stated. Ever since sputnik the American people have had a vague but strong uneasiness that somehow we were falling behind the Russians in the struggle. There was not merely the concern over the scientific competition and basic military capabilities; there was also worry about intangibles, that we were soft, bungling, lacking in initiative, energy and alertness when compared with the ruthless, monolithic Communistic empire.

Then suddenly we learned that our defense forces were not so listless after all. Hearts were bound to leap with pride at the knowledge that an American reconnaissance plane had penetrated deep into Russian territory, and that furthermore this was but one of many. Here is tangible evidence that our Government is not "asleep at the switch," that our intelligence forces have diligence and the equipment and skills to apply it.

And not the least of our pleasure at events is the way in which this incident has shaken the Russians. For make no mistake about it, the fact that their vaunted defenses can be so readily penetrated is not something that Mr. Khrushchev and his colleagues can blithely dismiss.

Reflect for a moment on the dismay, and the fear, we would feel if we discovered that Russian planes had been flying over the United States for months undetected. This country would suffer a psychological trauma of major proportions; it would be a national scandal and heads would roll all over the place.

Something like this may be happening in Russia now. Because of that, Mr. Khrushchev's anguished outcries are not all tears and flapdoodle. His military men have a lot of explaining to do to him, and he has a lot of explaining to do to the Politburo and to the Russian people. Whatever posture Mr. Khrushchev puts to the world, his arrogance has been humbled.

That, in turn, is bound to have an effect on the affairs of the summit conference which begins this morning. For all that the spy-plane incident has given Mr. Khrushchev something to scream about, he cannot now be so cocksure. The repercussions of this affair are by no means all to Mr. Khrushchev's advantage in the realms of diplomacy.

In a world that everyone knows is perilous, there is comfort and reassurance in all this. Not only has our side scored on their side, but when this incident is added to our recent successes in space and under the sea we can feel less intimidated by Russian prowess and more confident in our state of preparedness.

As President Eisenhower put it, "no one wants another Pearl Harbor" and so we rejoice at anything that increases our knowledge of military forces that might launch a massive surprise attack in which survival would be the prize.

This being so, then, why should there be any cause for uneasiness over the events of the past 10 days?

It is not simply stated. For it stems from less readily apparent consequences, and in some cases not so much from immediate consequences as from anxieties about the future which have here been sowed.

Part of it, perhaps, comes from the performance put on by the State Department

that famous weekend. Either the State Department was ignorant of what was going on, which is quite possible, or else it had given no thought to anticipating that a plane might be caught and planning what it should do then. In either case, the Government of the United States was caught not only spying but lying. It did not make a pretty spectacle.

Part comes, perhaps, from the fact that the confusion extended all the way to the White House. It's very clear that although President Eisenhower had authorized the CIA to do "whatever is necessary" to obtain information, he was as surprised by this particular plane incident as everyone else.

But bureaucratic bungling is something to which, sadly, we have grown accustomed. The anxiety strikes much deeper. It comes precisely because we do all know this is a perilous world and that the prize in the next war will not be victory but survival. And for some of the older among us, because we do indeed remember Pearl Harbor.

Whatever mystery lies behind that naval disaster, it was no fault of military intelligence. We had the Japanese code; we knew what they were doing, even unto the hour. Besides, Pearl Harbor was no moment's inspiration of the Japanese; it came as the culmination of events in which our own mistakes played some small part.

The next world war, it if comes, can come as well from bungling as from design. An adventurous American, a trigger-happy Russian, a moment of panic—these can easily be the seeds of holocaust. And just because we can understand the panic that would come from Russian planes over Kansas City, we need have anxiety about American planes over Sverdlovsk.

It is all very true when we say we have "no aggressive intent" but it wholly misses the mark. For fate depends on some Russian with his hand on a button believing that that plane overhead is not on a warlike mission. It also misses the mark, though true enough, to see the hypocrisy of Mr. Khrushchev crying out against spies. We ourselves would see a difference between a Colonel Abel, spying in Brooklyn, and those planes over Kansas City.

So the uneasiness of mind has nothing to do with spying; we all accept the necessity for it and desire that it be done diligently. Mr. Khrushchev's self-righteous screams on that score can be dismissed for what they are. The concern is over an adventure which, by its very nature, risks bringing on the very thing against which it is supposed to be guarding.

Yet, even all this, we think, might be accepted as a hazard under different circumstances; anxiety has become a daily habit which we have learned to wear patiently. But it would be one thing to know that these risks were recognized, measured and accepted by the highest elective officers of the State into whose judgment we have put ourselves. It is quite another thing to feel that things are done by subordinates left free to do whatever is necessary.

Here is the Government of the United States engaging in an act that by its very nature must carry always the sparks of an explosion, and yet so far as anyone can see it was an act thought up, initiated, and carried out in secret not only from the enemy but from ourselves.

Their zeal is commendable; perhaps even their judgment in this case may be right. But if they have done this, unknown, what else is unknown? And if subordinate officers, not responsible to the people, are to have in the future a blank check to fill in as they please, who can know what demands their zeal may put upon the world tomorrow?

And there is one other matter. The strength of this country in the free world has always been that, unlike the Russians, we could be trusted not to do provocative things and that whatever our Government said was true. We hope that image is too strong to be shattered by any one incident, but we think it too precious to risk having it sullied.

So for our own part, we share the pride in discovering that here, in one more area, we are not being outdone by the Russians, and we do not hide our human satisfaction at the consternation that must now be wide among them.

And yet for all of that, we confess that in this incident we, too, have anxieties that will not down.

[From the New York Post, May 31, 1960]

POMP AND POLICY

(By Marquis Childs)

WASHINGTON.—The favorite script of the Eisenhower administration is the hero's return. Whether it is the President himself or Vice President NIXON we have seen the personal drama played out again and again of the hero who stands up to sticks and stones, insults, bad names, and then returns to the acclaim of a tumultuous welcome.

It is natural that the patriotism of Americans should respond to the fortitude of a leader who meets with adversity. But how much of the personal drama really means in relation to America's position in the world and to America's aims is something else again.

President Eisenhower's reception on his return from Paris and the efforts to enhance his role in the tragedy of the U–2 and the collapse of the summit have a familiar resemblance to the drama of NIXON's return from Latin America 2 years ago. NIXON had been stoned in Venezuela, spat upon in Uruguay, and denounced in Peru. When he returned to a highly organized reception at the airport, it was the President who directed the chorus of "Hail to the Conquering Hero." This was NIXON's assignment as the President returned from Paris.

NIXON said that his own trip had demonstrated that top priority must be given to Latin America.

It was well the trip was taken at that time, he said, for it brought out into the open the problems we faced before they could get worse.

There is little evidence that important steps have been taken to upgrade Latin America. Nothing like the recasting of American policy, which NIXON seemed to feel was essential, has occurred. When Alberto Lleras Camargo, President of Colombia, was here in April he made an eloquent plea for serious consideration of the economic and political pressures pushing in the direction of communism. As a true friend of the United States, he pointed out with all due tact that piecemeal, pat-on-the-back measures simply would not suffice.

The NIXON drama, while it gave a boost to the Vice President's stock in the polls and filled the headlines and the television screens, had no demonstrable effect on policy. The script was faithfully adhered to, with the Vice President ignoring the cautious advice of the experts and boldly invading centers of anti-American opposition. But it was an interior drama, enthralling for home consumption, while meaning little beyond our own shores. If anything, a case can be made that the situation in Latin America has worsened since the Vice President's visit.

All this is relevant to the President's proposed visit to Japan and the massive demonstrations being staged against the Japanese-American defense treaty. He can go as planned, arriving in Tokyo on June 19, the date the treaty is due to become effective. And, defying the fanatical leftwing opposition, he could probably return to Washington for another reception, more triumphal arches and Government workers dismissed to stand on the sidewalks to greet him.

Doubts are increasing, however, as to the wisdom of this course. The likelihood is for a postponement of the visit until after the elections in November. The President would have a valid reason to put off the trip in view of the complications growing out of the collapse of the summit.

The administration apparently feels under the necessity to cast recent events in such a way as to absolve the President of any blame for what went wrong. The account currently being given of what led to the collapse in Paris varies radically from what American reporters were being told as the events occurred.

The major effort seems to be to convince the public that the U–2 made no difference whatsoever to the outcome. Secretary of State Christian A. Herter's story is that Soviet policy had undergone a complete switch before May 1.

But this is not what we were told in Paris by briefers who presumably had authoritative knowledge. It was said quite plainly that if the U–2 had not occurred, the conference would have been held; as with many postwar conferences with Soviet Russia, it would have been harsh and even acrimonious, but it would in all likelihood have ended with a formula calling for another summit conference and the President would have made his visit to the Soviet Union.

This is, of course, an election year and the Democrats will try to exploit the U–2 and the collapse of the President's plans. But surely, even for the Eisenhower reputation, a little more candor would be helpful.

[From the New York Times, May 27, 1960]

A WORLD LEGAL CODE FOR FLIGHTS IN SPACE

(By Arthur Krock)

WASHINGTON, May 26.—U.S. satellites of the Midas and Samos type, designed as space sentries against surprise missile attacks on this country, in a year or two will make a retired Boy Scout of such kindred aerial observers as the U–2 airplane. And their advent has also emphasized the lack of a code of international law governing space.

The principal issues to be resolved in a world compact are these: At what height over a nation's territory does a flight, including one with the objective for which these satellites have been specially equipped, violate that nation's sovereignty under international law as now generally interpreted? What warning system can (in the words of Christoper Shawcross) be devised to "alert all whose territories, airlines, or shipping routes that might be endangered by errant aircraft or wild rockets?" And what agency can best devise a code of international law on these matters?

In his speech Tuesday the Ambassador of Italy to the United Nations, Egidio Ortona, suggested that this is the larger problem on which the U.N. should be concentrating instead of the nearly outmoded aerial espionage of the U–2 planes. The day before Ambassador Ortona spoke in New York a distinguished aviation pioneer, Grover Loening expressed the same idea to the U.N. Association of Greater Miami.

"The question of the legal ownership of the air over a nation and of the air space is quite different [he said], and to this the U.N. could quite well give great attention. The envelope of air moves around the earth in various ways, sometimes at high velocity * * * and beyond 50 miles we have space. This certainly cannot be interpreted as belonging to any person or nation because the earth itself leaves any position in space each day.

"The theory that national ownership goes from the ground to the zenith is utter nonsense, if only for the fact that the zenith changes with the movements of the planets.

Many of us who have studied the subject have arrived at the conclusion that 100,000 feet is the altitude at which and above which no national trespass is entailed."

The ground-to-zenith concept of national sovereignty was affirmed in the Chicago convention some years ago, to which the U.S. delegate was A. A. Berle. But, as pointed out by former U.S. Ambassador John C. Wiley, who lately has been giving close study to the problem of space law, the Soviet Union did not sign this convention, though it subscribed to the concept in its U–2 protest. Hence there is no world agreement on this and related issues which have become of paramount importance.

In Great Britain, Shawcross, who is active in the International Institute of the Law of Astronautics, has been sparking a lively discussion in the Times of London. The law of outer space, he wrote recently in that newspaper, is "jungle law" except for the regulation of radio telecommunications. And this situation holds the "appalling risks * * * of the accidental start of an uncalculated and incalculable nuclear war." He continued:

"It is, therefore, important that navigation in outer space be regulated as much as in the air space where national sovereignty is held supreme. * * * On the one hand is a lunatic rat-race for rocketry defense and space navigation. On the other the secrets of the universe—the real dimensions of time, space and motion—the 'invisible physical reality'."

The British barrister asserted that an international code of space law, including the space on, under, and above the high seas, "could quickly be agreed by international lawyers," and he suggested the topic as "high on the agenda for the summit meeting." But there was no summit meeting. However, there is a current session of the Security Council of the U.N., probably to be followed by a meeting of the General Assembly. So a broader forum attended by most of the nations is available, as Ambassador Ortona, Grover Loening, and others have been reminding a world confronted with a new problem the U.N. was designed to try to solve.

[From the New York Herald Tribune, May 11, 1960]

THE U–2, MR. K., AND AMERICAN OPINION

If it were not for the State Department's frank admission that reconnaissance flights by American aircraft over the Soviet Union are a matter of policy, Nikita Khrushchev's presummit trump card would have considerably less embarrassment value.

The Soviets have been discovering spies in their midst for so long that, in the absence of impartial observers, such accusations in themselves no longer command any respect. And the story of the U–2 is full of the kind of discrepancy which has accompanied them in the past.

Was the plane really knocked down by a rocket, for instance? If so, how were the pilot's equipment and the photographs he took so well preserved? A Soviet newspaper now says that the pilot, Francis Powers thinks the cause of the crash was an explosion in one of the engines.

Then the man who designed the U–2 affirms, after studying pictures of the crash, that the wreckage is not that of a U–2 at all. And the spy photographs—are they really of practical value? Mr. Khrushchev claims he has known all about these reconnaissance flights for years. Has he been unable, until now, to bring down an unarmed plane? If he has already done so, why did he wait to tell us?

It must be said that our Government has spread its own share of confusion. Mr. Herter's statement of Monday clearly says that surveillance of the Soviet Union by penetration has been carried out by American aircraft at various times. But we have just assured the Japanese that the U–2's based in Japan have never been used for overflight intelligence. The implication here—and also in the original disclaimer of knowledge about Powers' flight from Washington—is that he did or was made to do something illegal. Or has the State Department hastily reverted to the normal diplomatic convention of denying that spies exist when they get caught?

It is a pity that this business has committed us to a moral defense of spying. Espionage is of course defensible, particularly as far as the Soviet Union is concerned, and all that Mr. Herter says about the necessity for protecting the world with information obtained in this way is quite true. But we should not forget the indignation of innocence which greeted Mr. Khrushchev's original accusation last week, nor the fervor with which a number of men in Congress have since leaped to defend spying once the Government admitted it.

The flight of the U–2 was an incident which the cold war experts have taken in their stride. But for the general public it was a disquieting surprise. Part of our strength in the world lies in our belief, of which we seek to convince others, that our motives and methods are invariably pure.

If this is an illusion to diplomats and politicians, it is not yet one to the ordinary American, and the U–2 incident may tempt him to regard the question of his country's leadership in world affairs with apathy. It is possible of course to argue that no other nation has been so pure in acknowledging its espionage activity, but that argument will have to journey far in search of proponents.

A silver lining, however, is also to be found in Mr. Herter's statement. That is that the incident should emphasize to the world and to the summit meeting, the importance of removing the fear of instantaneous mass destruction through sudden attack. Disarmament remains the chief hope of the world. Perhaps the unfortunate flight of the U–2 will bring us a little nearer to that goal.

[From the New York Times, May 15, 1960]

WAR OF WORDS—SOVIET UNION REAPS A RICH HARVEST WITH THE U–2 PLANE INCIDENT

(By William J. Jorden)

WASHINGTON, MAY 14.—Two weeks ago Premier Khrushchev might well have been wondering what he could do between then and the summit meeting in Paris to strengthen his hand and weaken that of the West. But it is doubtful that even the fertile mind of the Soviet leader would have produced anything quite as good for his cause as what has actually happened. Whatever else the case of Francis G. Powers and his ill-fated flight across the Soviet Union may have done, it certainly provided Moscow with its most unexpected propaganda bonanza in years.

Propaganda warfare is, to a large extent, the result of the effort by nations to use events to influence, to frighten, to impress, or to convert others—to make oneself look as good as possible or another as bad as possible, or both. Mr. Khrushchev was handed on a silver platter an event of incalculable propaganda value, and he used it about as effectively as he could have.

In part, this skill is in the nature of the man himself. Another person in his position might not have done nearly so well with it. In part, too, the use to which the U–2 incident has been put by Moscow is made possible by the Soviet system itself.

CHOICE OF A FORUM

With his total control, Mr. Khrushchev could play the incident as best suited his purposes. To achieve maximum reporting of his initial dramatic announcement, for example, he chose to use the forum of the Supreme Soviet, the rubber-stamp Parliament, where he knew foreign diplomats would be listening and most of the foreign press corps would be crowded into the gallery.

He was also able, through his carefully worded announcement, to trap unsuspecting authorities in Washington into making premature and foolhardy statements.

Mr. Khrushchev's basic case was quite simple, as good propaganda usually is. The borders and airspace of a sovereign power had been rudely and illegally violated. That was something everyone could understand. In Moscow's place, any government in the world would have been incensed.

On that foundation, Mr. Khrushchev, his Foreign Minister, army officers, and the entire Soviet press and radio began to build the various campaigns that Moscow had decided should be pursued. One major campaign was to enlist the sympathy of the world for the Soviet Union as the innocent victim of aggression, the aggrieved party in a dastardly crime.

PROPAGANDA QUESTIONS

Next Moscow used the plane incident to show the United States in the worst possible light. What are we to think, asked the Soviet, of a nation that would launch this kind of warlike act on the very eve of a world conference in which that country has said it wants to find the way to peaceful settlements?

Mr. Khrushchev charged that the U–2 was based in Turkey, that it had flown from an air base in Pakistan on its final mission, and that it was heading for an air base in Norway. These countries were "playing with fire," he said. They could expect to be attacked if their territory continued to be used for these purposes by the United States. It was a warning to allies of the West and neutralists alike against the dangers of military ties with the United States.

Still another string in Mr. Khrushchev's propaganda bow concerned his audience at home. The affair, he said, showed up the aggressive intentions of the West. Too much relaxation could be dangerous. The situation called for strong military forces and for heightened vigilance.

In answer to Moscow's campaign, Washington floundered. There is no more complimentary word for it. One misstep followed another. The single propaganda answer to Mr. Khrushchev's charges was that Soviet secrecy itself was to blame.

Long after it was apparent that Washington was taking a bad propaganda licking, the administration finally passed down the word: "Stop talking in public about this affair."

Around the world, the reaction to the propaganda exchange was mixed—from neutral to bad, as far as Washington was concerned, with only a few bright spots of sympathy. To a great extent, the reaction was determined by the current status of relations between the country concerned and the United States.

In Cairo, the New York Times correspondent found Egyptians rather enjoying the embarrassment of the United States. The press and radio had been directed to take a neutral stand, but daily developments were reported under headlines anything but complimentary to Washington.

COMMUNIST FIELD DAY

In Djakarta and other Indonesian cities, the Communist press was having a field day with the incident and its aftermath. Even newspapers favorably inclined toward the West said the affair had damaged the reputation of the United States and given the Communists an unearned gift. One paper that had accepted Washington's original version of "accident" said ruefully: "We know better now."

The general feeling among Indians was that the plane incident had strengthened Khrushchev's hand in advance of the summit. There was some opinion, however, that Washington had salvaged something by its frank admission of responsibility. The consensus in the Indian capital seemed to be that neither side had gained a truly decisive edge in the bitter exchange but that both were playing with fire that could engulf the world.

The report that the plane had taken off from neighboring Pakistan struck a sensitive nerve in New Delhi, and reinforced opinion against any military pacts. There was some hope that the summit might produce an agreement to reduce secrecy and limit spying by all concerned.

PROBLEMS IN JAPAN

In Japan, the incident created new problems for the Government and for the United States. Socialists used the incident to bolster their argument that American bases on Japanese soil heightened chances of Japan's becoming involved in war not of its making. With the United States-Japan Security Treaty facing heavy weather in the Diet, Washington found it necessary to send off special reassurances that the U–2's based in Japan were not flying intelligence missions over the mainland of China or over Soviet territory.

In only a few places was the affair taken with unruffled calm. One was South Korea. The correspondent there found the people in Seoul so inured to espionage and to Communist propaganda, and so friendly to the United States that the incident caused little comment. If anything, it apparently was welcomed as evidence that the United States was keeping a closer watch on its big Communist adversary than many Koreans had thought.

A few places like Korea, and the restraint of most friendly governments, proved some salve for Washington's wounds. It helped, but only a little, to ease the pain of a clear defeat in the propaganda arena.

[From the Washington Post, June 6, 1960]

THE LESSONS OF U–2

Not enough attention has been paid to the exchanges between Messrs. Lodge and Gromyko over the planting of a listening device in the American Embassy at Moscow. Displaying the wooden replica of the Great Seal of the United States, received as a friendly gift from the Soviets, Lodge showed where the eagle had had a hidden bug in its beak. To which Gromyko made the scoffing reply: "What stage prop did that come from?"

It was evident enough that Lodge told the truth, but Gromyko evaded the consequences of denial or admission. Suppose, however, that he had followed the pattern set by the Eisenhower administration in dealing with the U–2 affair. The Soviet defense, strung out through several days, would have run about like this: "We did not do it. * * * We did it because we had to. * * * We've been doing such things for years and we're going to keep on doing them. * * * We have stopped the practice. * * * We are not going to do it any more."

If Gromyko had made that sort of reply, what would the American reaction have been? Would we have said: "What an admirable statement—so frank and honest."

Or would we have said: "What incredible stupidity."

Looking thus through two spyglasses, we may note one important difference between the bugged eagle and the U–2. The listening device in the Embassy violated the rules of common decency. The U–2 mission violated national sovereignty.

The world may some day rise to a level at which common decency will outweigh national sovereignty, but in the meantime we have to take it as it is.

It would have hazarded nothing except good will had Mr. Gromyko said, as he could have said with absolute truthfulness: "We've been violating the rules of common decency for years and we're going to keep on doing so."

But how different when we restate Mr. Eisenhower's position in terms of its implications in international law: "We've been violating Soviet national sovereignty for years and we're going to keep on doing so."

Once that was said—and in effect it was said—Khrushchev was backed up against the wall and had to fight his way out, which he proceeded to do, with words.

As long as the U–2 flights were successful they were harmless to Russia and useful to the United States—most useful in revealing that there was nothing to reveal. When the plane was shot down, Khrushchev still left the President an "out"—a disclaimer of personal responsibility. Instead, after an initial denial, Mr. Eisenhower accepted responsibility and the fat was in the fire.

Did Khrushchev offer that "out" so that Eisenhower could salvage the summit and his trip to Russia? Or was it a trap to make it appear that the CIA and the Pentagon are determining American policy?

The answer to that lies locked in K.'s round cranium, but let us assume that it was a trap. The U–2 affair then comes down to this: That under the President's direction, the CIA and the Pentagon adopted a form of espionage violating national sovereignty by aircraft invasion. Depending on world conditions, that might or might not be admissible, but under no circumstances was it admittable unless the intention was to renounce and apologize, which simply isn't done.

After our U–2 was shot down, the rules of the tough and illegal game we were playing demanded that we bluff it through, even by letting heads roll. That, it may be said, is impossible in a democracy governed by public opinion, and doubly impossible to such men as Eisenhower, Herter, Allen Dulles, and Lodge. If that is true, it just shows that we were in the wrong game or hideously inept in playing it. As a result, the Eisenhower administration first denied the undeniable, then admitted the unadmittable, and the whole edifice came tumbling down.

Let us revert now to that theory of a trap by Khrushchev, to make it appear that the CIA and the Pentagon are running espionage policy by themselves. Literally, of course, that is not true. Their policies are given an OK at the top. But how are decisions reached at the top? What is the system of coordination? How genuine is the Presidential leadership?

For the American people to learn the answers it is necessary to break through 7 years of silence by press and radio, 7 years of skillful coverup by the publicity brains of the White House. At bottom, the debacle at Paris was not due to the bad luck attending this particular U–2 flight, or the folly of its timing, or to the U–2 flights in general, or to espionage as a system. It was not due at bottom to the synthetic fury of Mr. Khrushchev or his demand for an apology after an apology had become impossible. The cause of it lies in these three factors which dominate the American political scene today:

1. The absence of Presidential leadership.

2. The lack of any effective system of coordination, below the Presidential level, as a substitute for leadership at the top.

3. The systematic concealment of this condition from the American people, by the combined effect of President Eisenhower's active personal qualities, his prestige as a war hero and five-star general, the skill of his entourage, the apathy of the Democratic leadership in Congress and the monolithic conservatism of the American press, radio, and financial community.

Mr. Khrushchev, it is evident, wants to resume negotiations with the next American President. So one question to be decided is whether the next President shall be somebody who is able both to repair the damage and stand up to Mr. Khrushchev, or somebody who calls that course appeasement and thereby gives an impression that he stands ready (purely in self-defense) to knock Mr. K.'s block off.

If the latter course is to be adopted, Congress should start at once to raise the extra $40 billion in taxes that 4 years of it will cost.

IRVING BRANT.

WASHINGTON.

[From the Northern Virginia Sun, June 7, 1960]

ONE OF OUR LEADERS WAS MISSING—LESSON OF FULBRIGHT HEARINGS

Now that the Fulbright hearings on the U–2 spy plane incident and the collapse of the summit talks have ended, it is generally agreed that they were a model of disinterested and constructive inquiry, especially considering the fact that they took place in an election year.

Particularly commendable is the practice, initiated in the MacArthur hearings in 1951 and revised by the Fulbright committee, of holding the hearings in secret session but immediately releasing the transcript after responsible officials have had an opportunity to delete those portions which are deemed vital to national security. This procedure worked well in both hearings, and ought to be used more often by Congress. This would be particularly appropriate in the case of the Foreign Relations and Armed Services Committees, which tend to hold most of their hearings in private.

From the Fulbright hearings, one must conclude that the principle source of confusion and shakiness in the handling of the U–2 incident was lack of leadership and central direction. The President simply was not around when the crucial decisions were made, and there was no other mechanism to supply central leadership in his absence.

For one thing, one of the agencies principally involved, the National Aeronautics and Space Agency (NASA) was not brought in on the true facts about the spy plane. Hence it was inevitable that NASA should release some disingenuous statements at the beginning of the U–2 affair.

Second, and more important, was the President's absence from Washington during the crucial weekend on which it was decided to admit the true nature of the U–2 flights. Secretary of State Herter returned to Washington on Friday from a grueling overseas trip, to find the handling of the U–2 incident already badly jumbled and his chief already departed for a weekend at Gettysburg. This meant that what may turn out to be one of the most significant foreign policy decisions of the Eisenhower administration was made without any opportunity for the President to hear the debates pro and con. The decision to admit the true nature of the U–2 flight apparently was made in Washington in his absence, with only his staff secretary present. Only a distallation of the debate that must have gone on that crucial Saturday was transmitted to him by telephone.

That the statement issued that day—admitting the spying nature of the U–2 flight but denying Washington's responsibility for it—was poorly thought out is demonstrated first by the fact that subsequently Washington did admit responsibility for it, and secondly that the President was later obliged, under unfavorable circumstances, to reverse the U–2 overflight policy at the summit in Paris.

As the Fulbright hearings ended, Premier Khrushchev in Moscow heaped the most bit-

ter and personal abuse upon President Eisenhower that many observers can remember ever coming from any chief of state. Among the things for which he ridiculed the President was his golf playing. This will doubtless have the effect of making it even more unlikely than ever that anyone in the United States will question the President's frequent absences from his desk, for fear they will be criticized for echoing the Khrushchev tirades.

If this is the result, it will be regrettable, because, as the U–2 incident demonstrates, one of the crucial deficiencies demonstrated of U.S. policymaking in this year 1960 has been the absence of the President's personal presence and attention at crucial moments of decision.

[From the Washington Star, June 1, 1960]

PRESIDENT'S ROLE

The Senate Foreign Relations Committee, without any display of politicking, is bringing the U–2 affair into a little clearer focus—even though this is being done in a negative rather than a positive way.

Take, for example, the matter of the timing of the ill-fated May 1 flight. After the plane had been shot down there was much criticism based on the assumption that the possible relation of this flight to the Paris summit meeting had not been foreseen and considered. This, however, apparently was not the case. The risks were weighed and the flight was undertaken, as the President reported, because the information sought might not have been available at a later time. Was the information sought important enough to justify the risk? No outsider can say, since CIA Director Allen Dulles declined to tell the committee what the U–2 pilot was after. This attitude supports the belief, however, that the information sought was of high importance, and it is significant that Senator FULBRIGHT, the committee chairman, has spoken in praise of the Dulles' testimony. He would hardly have done this if he thought the CIA head was trying to cover up his own ineptitude by declining to tell the committee what the U–2 pilot was looking for. Mr. Dulles' reason for remaining silent, no doubt, was that a disclosure on this point might have compromised other intelligence sources.

Still another question remains unanswered, or at least it has not been satisfactorily answered. Why did the President take personal responsibility for the U–2 program, especially after Mr. Khrushchev had tried to exonerate him? State Department officials have said it was necessary to tell the truth after it was learned that the pilot had been capture alive and had confessed. This is persuasive in the sense that it probably was necessary at that point to admit that the pilot was on an espionage mission. But it does not follow that it was also necessary for the President to assume personal responsibility, and we think it was a serious mistake for him to do so. If there was a good reason for doing this, it is to be hoped the committee will ascertain the reason and make it public. The indications are, however, that there was no good reason—that the assumption of personal responsibility by the President was simply a mistake in judgment.

[From the Christian Science Monitor, June 18, 1960]

A TIME FOR STEADINESS

When a ship is damaged, the captain's first move is to send a survey party to examine the injury. He does not try to assay the damage from the bridge or to decide on what repairs are required until he gets a report. The American people would do well to follow a similar course in connection with the postponement of the President's visit to Japan.

Too many public men have rushed into print with their guesses about the damage. The very haste to announce sweeping judgments—often contrary or plainly colored by partisanship—creates an impression of confusion and immaturity. We'd like to hear just one statesman say: "I don't know what the effects will be; much will depend on how steady we are—and how smart about bases. Meanwhile, let's keep our shirts on."

But there is one conclusion which seems already justified: Washington should never have got into a position—or allowed the Kishi government to put it in a position—where either to visit or not to visit would be damaging. In Tokyo the United States has a brilliant and determined envoy, Ambassador MacArthur. He apparently either underestimated the intensity of antitreaty feeling or overestimated the Kishi regime's ability to deal with it.

The President and his Washington advisers seem to have miscalculated also in not trying to separate his visit from internal politics. Students and Socialists have been quoted as saying they would welcome an Eisenhower visit once the treaty fight was out of the way.

We cannot agree with assumptions that no damage has been done. But we also see no gain in joining Moscow's chant proclaiming this a great victory. The Reds did block the visit. But we do not know yet how much democracy has been weakened in Japan or American influence reduced. Nor what gains the rest of the trip has scored. The damage survey party can hardly render a solid report before the treaty is ratified or rejected and we see which way public opinion crystallizes.

Pacificism has a stronger appeal to the Japanese than Americans—who were never starved or atomic bombed—can easily understand. The Communists play on it. But there are also strong Japanese elements who fear communism and recognize the advantages, both in freedom of trade, of close ties with the United States. They could react clearly against the loss of face Japan has suffered and against Moscow's virtual order to beat the treaty.

In Washington, nonpartisan reappraisal not merely of recent diplomatic courses but of the whole problem of bases abroad is in order. Dismayed handwringing is not. Any nation holding a position of world leadership is likely to encounter unpleasant situations. Foreseeing and preventing them is the first task; the second is to be so steady and clear in its own purposes that such incidents cannot throw it off stride or turn it aside.

EXHIBIT 2

[From Missiles and Rockets, Feb. 15, 1960]

RUSSIA'S BIG MISSILE BASES

(By James Baar and William E. Howard)

New information compiled by Missiles and Rockets indicates that today Russia has in combat readiness or under construction a minimum of 10 ICBM bases and 30 IRBM bases.

Moreover, the Soviets have missile plants in at least 17 cities—with perhaps as many as 5 turning out huge H-bomb-tipped T–3 ICBM's. They also are believed to have eight special rocket training schools for both launch crews and engineers.

The exact number of big missiles Russia has ready to shoot now is not specified in this new information, which comes entirely from unclassified sources considered extremely reliable.

However, the number of bases—many of which have been in existence 4 years—and the reputedly vast rocket manufacturing capability plainly indicate the Russians are building up a global striking force that is much greater than admitted by the Eisenhower administration.

Indeed, if the pattern for base building developed by the United States is applied (and there is no reason to believe the realities of logistic support much different for the Russians), the 10 Red ICBM bases could hold from 100 to 300 missiles; and the 30 IRBM bases from 300 to 600 missiles with ranges from 700 to 1,500 miles.

ALSO AIMED AT RED CHINA

As shown on the map [not printed in RECORD] ICBM bases are scattered from north of Moscow along a great arc dipping through the southern Soviet heartland and curving up to the northern Pacific coast. From these bases missiles can be launched over the top of the world or across the Pacific at the United States. They also could hit Australia.

IRBM bases are most heavily concentrated in western Russia and the northwest Siberian coast. There are 22 indicated in this region from which Russia could strike at Great Britain, all of Western Europe, North Africa, and the Middle East.

The remaining eight deployed in the Far East are tailored to strike not only at Alaska, Japan, Okinawa, and Formosa—but also at Red China. Bases at Omsk which has 3,000-mile TCBM's and Irkutsk are believed to be zeroed in on Peiping and other targets in Red China in obvious preparation for keeping Russia's restless Communist neighbors in line.

Because of complex strategic requirements, and undoubtedly for logistic reasons, the Russians are known to be "mixing" missiles at several bases. Some IRBM's are combined with ICBM's; so are test, R. & D. and satellite shots. Many IRBM bases—particularly those in the North—have antiaircraft missiles, too. And in the west, IRBM bases also house short-range tactical missiles (probably mobile) as well as air defense units for Moscow, Leningrad, Kiev, and other big cities.

FIRSTHAND ACCOUNTS

This first, comprehensive picture of Russia's missile buildup stems largely from accounts of former slave laborers and captive engineers and scientists who have been permitted to return to their homes in Western Europe. Many of these returnees actually worked on missile base construction jobs, or in missile plants.

They were permitted to leave the U.S.S.R. either through a bureaucratic slipup or deliberately. In any event, their individual observations have been pieced together in reports that have appeared over the past 6 years in Germany, French, and Italian newspapers and military and technical journals—some within the past few weeks.

Plotting of the sites was made possible through translations of these reports especially for M/R by Bernard W. Poirer, a foreign information analyst. Prior to publication, M/R checked and rechecked this information with several highly qualified experts. They assessed it as "accurate." They felt that the number of bases listed is actually extremely conservative.

There are indications, through paved highways and railroad spurs which seem to lead nowhere, that the Russians could be building several more launching bases than pinpointed here.

The Russians themselves have never published the location of one of their bases, although their newspapers do report frequently on U.S. missile activity. Their reluctance to even name satellite launch sites appears to confirm the general belief that these are also ICBM sites.

THE FOURTH COMMAND

Russia's army and air force are organized into a series of commands—ground forces (the Red army); air forces (DA); and air defense. Western experts are convinced that all strategic missiles are under a fourth highly secret command.

This command may be headed by a former commanding general of artillery, Marshal Varentsev, who dropped from sight several months ago—just about the time it was pretty well established that all development of long-range missiles has been carried out under control of army artillery officials.

There is one minor disagreement on this latter point. The Institute for Strategic Studies, a Ford Foundation sponsored group in England, reported in December that Soviet missiles have been organized under an engineer general. ISS said this official also has control over "all factories in which nuclear bombs are manufactured, all testing sites, all factories in which rockets and guided missiles are produced, and rocket and guided missile units."

Operational personnel for missiles, according to ISS, numbers 200,000 men. And ICBM's and IRBM's have been in service since July 1958. This agrees generally with M/R's findings.

ISS put the total number of Russian missile bases—with no breakdown as to type—at about 100. This figure was challenged by American officials queried by M/R. They hold that the ISS report probably reflects figures slanted by British intelligence for political reasons.

BRITISH OVERSTATEMENT?

The major reason: Britain feels that if there should be a nuclear conflict she would be caught in the middle and would die—win or lose. Hence, the British tend to overstate Russia's capability—to make the starting of an all-out war sound as foolhardy as possible.

Still, these U.S. officials do concede that much of the ISS report does agree with U.S. intelligence. To what extent or in what particulars, they cannot say, because of security.

It is axiomatic in every rocket tactician's handbook, however, that a nation's missile capability is only as good as the number of launchers it has to fire them from. Big rockets rolling off production lines are useless without bases. Thus, bases are one of the key factors in gaging Russia's missile protential—a consideration generally ignored in the current controversy over the missile gap.

BREAKING THE TABOO

Only recently was Central Intelligence Agency Director Allen W. Dulles reported to have told the Senate Space Committee that Russia would have 35 ICBM's "on launchers" by the end of June. His is the first actual reported reference to bases by an administration official. Dulles is also said to have admitted that even this figure was an estimate, which could be on either the low or high side.

The CIA Chief is further reported to have said the Soviets are expected to have between 140 and 200 ICBM's operational by mid-1961. And that the Russians probably have two factories producing ballistic missiles at present.

By June, this country is expected to have nine Atlas missiles in combat condition and by the middle of next year, if all proceeds on schedule, there will be four Atlas and one Titan squadron ready—totaling 45 ICBM's. The United States by then also should have three Polaris submarines capable of launching 48 1,200-mile-range, nuclear-tipped missiles.

This makes a total of 93 strategic missiles under U.S. control versus Dulles' estimated 140 to 200 Russian ICBM's. But if the Soviets risk war, Polaris missiles would not be involved in an ICBM strike to knock out U.S missile and SAC bomber retaliatory capability. So, the Soviet ICBM advantage will, by excluding Polaris, remain about 4 to 1.

EXPANDING TOTAL

The unclassified information made available to M/R indicates that the Soviets are expanding their ICBM bases today at a rapid pace. They are believed now to be constructing ICBM launchers in the mid-Kalinin area 90 miles north of Moscow. ICBM launch pads also are reported to be going in at Irkutsk near the Red China border. This base already has IRBM's and is situated near Lake Ozbaikal on a high plateau.

The oldest, and probably largest, ICBM installations are located in central and south central Russia. One at Kapustin Iar, 60 miles east-southeast of Stalingrad, is next to a spur of the Moscow-Astrakhan-Gudermes Railroad. This is also a satellite launching site where rockets can be fired eastward over the Caspian Sea.

A second combined ICBM-satellite launch site is at Aralsk near the Aral Sea. ICBM activity is reported at Alma-Ata to the east and to the south at Murgab Oasis, which lies 200 miles from the Iranian border.

Situated in the center of these three bases is the city of Tashkent (not shown on map), which is a missile manufacturing center and headquarters for a rocket training school. In addition, the city has one of the country's largest observatories (the sky is cloudless there most of the year) and is probably the prime satellite tracking and computation center.

Just east of the Urals is another ICBM installation at Magnitogorsk. This base also may have missiles pointed at Red China.

The three ICBM bases in the Soviet Far East—Anadyr, Okha, and Komsomolsk—are reported to be combined with IRBM's. Anadyr, the northernmost, is less than 600 miles from Nome, Alaska. Komsomolsk in the Amur River Valley, a heavily industrialized area, is about 1,000 miles from Tokyo and 1,300 miles from Peiping. Okha on Sakhalin Island is also a missile sea test site.

EYE TO EAST

Considerable activity is reported on the Kamchatka Peninsula stretching southward from Anadyr. Long-range missiles—possibly ICBM's but more likely 3,000-mile birds for China or Japan—are going in at Mil'kovo, which is between two rugged mountain ranges.

Russia's Far East missile lineup also includes two more IRBM bases on Sakhalin—at Korsakov on the southern end and at Terpeniye Bay midway up the island. Both are near naval installations. A naval base at Nikolaevsk on the mainland, a short distance from Okha, also has been converted into an IRBM site.

In northwestern Siberia, IRBM's are spotted at four sites within range of Scandinavia and Britain. The most distant—on the Taimyra Peninsula—has two IRBM bases along with radar early warning facilities and antiaircraft missiles. The Ozera and Ostrov bases are both on islands and also tied in with air defense.

RAILROAD LAUNCHER?

A base on the Kola Peninsula near Murmansk had been believed to house strictly IRBM's. But there is speculation that the Russians may have used a railroad catapult here to fire the recent shots into the Pacific. The possibility has been raised that the vehicle was a prototype of the T-4A Dynasoar type boost-glide rocket.

In western Russia new IRBM bases are reported under construction at Lada—near Kazan where there is another IRBM base—and at Kuressaare on the Estonian island of Saaremaa in the Baltic Sea.

Twin IRBM bases are located at Roslavl and Kirov north of Minsk and at Yelgava 25 miles southwest of Riga in Latvia.

The only IRBM base believed to be in a satellite country is at Seroc, 20 miles north of Warsaw, Poland. This base is within easy range of all European targets and RAF and SAC missile and bomber bases.

Bases clustered around Moscow and Leningrad presumably contain short-range ballistic missiles as well as IRBM's with London and Paris labels.

PLANTS AND SCHOOLS

The pattern of Soviet missile activity emerges in the distribution of reported rocket plants and training schools, as well as test sites.

Irkutsk, Kalinin, and Komsomolsk—ICBM bases—have manufacturing facilities. So do such IRBM areas as Kazan, Kiev, Riga, Omsk, Moscow, and Leningrad. Moscow, of course, is a well known seat of technical learning with the National Academy of Sciences unquestionably supplying most of the design, engineering, and scientific brainwork for the various programs.

Riga has one of the U.S.S.R.'s most advanced schools for rocketry. The Metallurgical and Astronautical Institute at Irkutsk is affiliated with the National Academy of Sciences.

It is considered likely that ICBM manufacture is conducted primarily at Irkutsk, Kosomolsk, and Kalinin, while somewhat lesser operations are underway at Tashkent and Severdlovsky, which is north of Magnitogorsk.

SOVIET ICBM BASES

FAR EAST

Anadyr (64°43′ N. 177°28′ E.) on northeast coast less than 600 miles from Nome, Alaska. This base also is believed to have IRBM's and antiaircraft missiles.

Okha (53°50′ N. 143° E.) on northern tip of Sakhalin Island in the Far East. Has IRBM's within range of Japan and missile sea test facilities.

Komsomolsk (50°30′ N. 137° E.) also IRBM's. Located in heavily industrialized Amur River valley about 1,000 miles NNW of Tokyo and 1,300 miles NE of Peiping.

Irkutsk (52°17′ N. 104°20′ E.) major rocket manufacturing center which is believed expanding present IRBM base to launch ICBM's.

WEST CENTRAL

Mid Kalinin (57°5′ N. 37°30′ E.) 90 miles north of Moscow possible ICBM site. Now has antiaircraft missiles.

Magnitogorsk (53°21′ N. 58°40′ E.) east of Ural Mountains in central Russia. Also has 3,000-mile TCBM's which could hit Red China or Japan.

Alma-Ata (43°15′ N. 77° E.) in south central Russia near China border.

Aralsk (47°20′ N. 62°5′ E.) near Aral Sea. Also believed to be satellite launching and missile test site.

Kapustin Iar (48°27′ N. 45°35′E.) 60 miles ESE of Stalingrad. Also satellite launching site.

Murgab Oasis (37°36′ N. 61°50′ E.) about 200 miles from the Iranian border. Also thought to be seat of extensive Kara Kum desert missile range.

SOVIET IRBM BASES

DEPLOYED TOWARD BRITAIN AND SCANDINAVIA

Kola (68°45′ N. 33° E.) on Kola Peninsula near Murmansk. Situated in rugged terrain.

Ust-Taimyra—two bases—(76°15′ N. 99° E.) Also radar and antiaircraft missiles.

Ostrov (69°25′ N. 48°29′ E.) on an island in Barents Sea.

Ozera (70°10′ N. 71°40′ E.) with radar post on north shore of Belyy Island.

DEPLOYED TOWARD EUROPE, NORTH AFRICA, AND THE MIDDLE EAST

Lada (54°39′ N., 45°8′ E.) 35 miles northnortheast of Saransk on Insar River.

Kuressaare (58°18′ N., 23°33′ E.) on Saaremaa Island in the Gulf of Riga.

Minsk (53°48′ N. 27°21′ E.), site is 20 miles west-southwest of site at western edge of Pripet Marshes.

Kiev (50°27′ N. 30°31′ E.). Within range of the central European gateway to Asia.

Seroc (52°35′ N. 20°55′ E.) 20 miles north of Warsaw, near junction of Bug and Narew Rivers. Only IRBM base in satellite country.

Riga (56°57′ N. 24°7′ E.). Also site of major missile production.

Kazan (55°47′ N. 49° E.). A major industrial center.

Bobruisk (53°10′ N. 29°14′ E.) in Pripet Marshes 100 miles southeast of Minsk.

Sovetsk (55°4′ N. 21°48′ E.) 30 miles northeast of Kaliningrad.

Samara (53°10′ N. 50°6′ E.) about 70 miles west of Buzuluk.

Roslavl/Kirov—two sites—(53°58′ N. 33°6′ E.) southeast of Smolensk.

Yelgava—two sites—(56°39′ N. 23°43′ E.) about 25 miles SW of Riga at important rail junction.

Luga (58°45′ N. 30°3′ E.) about 80 miles south of Leningrad.

Odessa (46°30′ N. 30°45′ E.).

FAR EAST—DEPLOYED TOWARD ALASKA, JAPAN, OKINAWA, AND RED CHINA

Anadyr (64°43′ N. 177°28′ E.) in inlet off Bering Sea less than 600 miles from Nome, Alaska.

Omsk (55° N. 73°20′ E.) probably has 3,000-mile TCBM's to hit far East.

Okha (53°40′ N. 143° E.) on northern end of Sakhalin Island.

Nikolaevsk (53°10′ N. 140°45′ E.) former naval base 20 miles from mouth of Amur River.

Korsakov (46°30′ N. 142°52′ E.) on Aniva Gulf at southern end of Sakhalin Island 750 miles from Tokyo and less than 1,500 miles from Okinawa.

Komsomolsk (50°30′ N. 137° E.).

Mil'kovo (54°35′ N. 158°44′ E.) on Kamchatka Peninsula. Probably has 3,000-mile TCBM's.

Irkutsk (52°17′ N. 104°20′ E.)

Terpeniye (49°20′ N. 143°45′ E.) near Poronaisk on Sakhalin Island.

SOVIET ROCKET TRAINING SCHOOLS

Riga (advanced rocketry).
Saratov (ballistics and astronautics).
Novosibirsk.
Kaluga.
Sverdkovsky.
Tashkent.
Ufa.
Irkutsk (metallurgical and astronautical institute).

MISSILE PLANT CENTERS

Irkutsk, Kharkov, Riga, Moscow, Kuibyshev, Tashkent, Kalinin, Kiev, Omsk, Leningrad, Saratov, Kazan, Ryninski, Novosibirsk, Komsomolsk, Sverdkovsky, Ufa.

ROCKET ENGINE DEVELOPMENT CENTERS

Irkutsk (STS),[1] Ilmen area, Kalinin, Kazan, Riga (STS), Omsk (STS), Novosibirsk, Kuibyshev, Kiev (STS), Tomsk (STS), Kapustin Iar (STS), and Peenemunde (STS).

SESSION SLATED ON MEDICAL ELECTRONICS IN SPACE WORK

LONDON.—The Third International Conference on Medical Electronics, to be held in Olympia, one of London's major exhibition halls, July 21–27, will include a session on medical electronics in space research.

Other subjects to be discussed include instrumentation for medicine and biology; isotopes and radiology; ultrasonics and microwave radiation; the respiratory system; the digestive systems, metabolism and biochemistry; the circulatory system; electronic aspects of sight, hearing and locomotion; and the motor and nervous systems.

The conference is being organized by the Institution of Electrical Engineers, Savoy Place, London, W.C. 2, which is inviting papers from all over the world. Simultaneous translation facilities will be provided, and there will be an international scientific exhibition.

[1] Static test stand.

RECOVERY PHASE STRESSED IN UNITED KINGDOM'S MAN-IN-SPACE WORK

LONDON.—Work is continuing on the "pyramid" project for a manned satellite at Armstrong Whitworth Aircraft, according to Dr. W. F. Hilton, head of the recently formed Astronautics Section of the Hawker Siddeley Advanced Projects Group.

Dr. Hilton discussed the project in a recent address before the Bristol Branch of the Royal Astronautical Society. He said he was currently concentrating on the recovery phase of the satellite program.

The "pyramid" effort was first outlined at the B.I.S. Commonwealth Spaceflight Symposium last August.

EXHIBIT 3

[From the New York Times, Sept. 30, 1954]

RUSSIA RE-VIEWED: ATOMIC SITES ARE DEDUCED—LOCATION OF SOME NUCLEAR-ENERGY WEAPONS CENTERS EVIDENT DESPITE SECRECY

(By Harrison E. Salisbury)

As in the United States, the most closely guarded secrets in the Soviet Union are those that relate to nuclear energy.

But, whereas the sites of the U.S. great nuclear fission and fusion plants are publicly known and announced, quite the reverse is true of Russia. Nothing has been publicly announced as to where Russia builds her nuclear bombs or even where she tests them. Nor is it known where her top atomic physicists have their laboratories.

In fact, the mystery that hangs over Soviet nuclear phenomena is of an opaqueness comparable to that with which the United States guarded the Manhattan project before Hiroshima.

In nearly 6 years of residence in Moscow the New York Times correspondent did not stumble, advertently or inadvertently, upon any Soviet nuclear bomb secrets. He did, however, arrive at certain deductions and conclusions by dint of applying ordinary common or garden-variety sense to some few known facts.

Thus, it is fairly certain that the Soviet Union is building a great nuclear plant, probably for the production of hydrogen bombs, in the remote eastern Siberian reaches of the Angara River, somewhere not far from the city of Irkutsk.

PLANTS' REGIONS INDICATED

It seems at least probable that Russia has a large atomic bomb works somewhere in the region of Novosibirsk, on the River Ob, in western Siberia, and that she is building in that vicinity a new, far larger installation.

It is possible that Russia's first and original nuclear plant is in the Moscow area itself, probably within 100 miles of the Kremlin.

It is almost certain that the big Soviet research centers for atomic nuclear problems are within a 50-mile radius of Moscow, possibly not far from a pleasant little suburban village called Zvenigorod.

Russia's testing area for fission bombs and hydrogen bombs quite possibly is a vast, uninhabited sandy desert, reminiscent of the U.S. testing ranges in Nevada, in the region north and west of the Aral Sea and extending to the Caspian.

It is not believed that Russia has carried out any underwater experimental explosions of nuclear weapons. Descriptive articles in the Soviet press of underwater effects of atomic bombs are believed to have been hypothetical reconstructions based on Soviet research and upon close reading of U.S. reports on such nuclear trials as were conducted at Bikini and elsewhere.

Another region in which nuclear energy plants quite possibly are centered is the Urals, where most of Russia's heaviest and most critically strategic military production has been situated since before World War II.

All of the foregoing statements are deductions made from publicly known facts, coupled in some cases with known facts about Soviet proclivities. For example, so strong was the tendency of the Stalin government to centralize in Moscow all important activities that it is virtually impossible to imagine that the initial experimental and production work on nuclear weapons took place anywhere except close to the Kremlin—regardless of the violation of commonsense security precautions.

The construction of a nuclear plant on the remote Angara River has been a logical deduction since August 1952, when the Soviet Government announced grandiose plans for tapping this enormous hydroelectric source flowing out of Lake Baikal. It is one of the world's greatest power sites, but it is thousands of miles from any industrial centers. So far as is known, only a nuclear plant could utilize power in such vast quantities as will be generated there and only security considerations would justify building such an installation in that desolate area. For security, it is almost a perfect locale, in the heart of the Eurasian Continent, at almost the most distant spot for intercontinental bombers.

INDUSTRY EXPANDS RAPIDLY

The deduction concerning Novosibirsk is based on similar calculations. This correspondent happens to be one of the few foreigners who have flown extensively over the Novosibirsk region in recent years and has actually seen the site of the enormous new dam that is being built south of the city on the River Ob.

Having seen Novosibirsk during World War II, he has some basis for comparison. If the enormous new industrial installations that have been put up or are under way at Novosibirsk are not for nuclear purposes, they certainly must be designed for something equally important and consequential.

The Soviet announced last summer that it had completed the first installation for the production of electric power through the use of nuclear reactors. However, the announcement included no details as to precise methods and gave no hint as to where the plant was situated. It is a safe assumption, however, that any such plant would be put up fairly close to Moscow.

The Russians made considerable propaganda with this announcement, contrasting their use of atomic energy for peaceful purposes with the U.S. employment of the power of atoms for military uses.

So far as science is concerned, the Russians have clamped much the same kind of blackout on nuclear physics as has the United States. For instance, not even the name of Russia's leading nuclear physicist, Peter Kapitza, has appeared in a journal of physics since soon after World War II. Other leading physicists publish only innocuous materials, although there seems to have been a little easing up on this score recently with the Moscow government's decision to carry out its first campaign of disseminating popular knowledge about the effects and mechanisms of atomic and hydrogen weapons.

In this situation, naturally, there has been no clue to the fate of the Italian physicist, Bruno Pontecorvo, who probably defected to Russia from Britain several years ago. But he might quite well be installed along with Russians such as Dr. Kapitza in some closed scientific community within 25 miles of Moscow and no one would be the wiser.

The popular press campaign in the Soviet Union about nuclear weapons and their effects, which was launched last spring after Premier Georgi M. Malenkov publicly stated

that war in a nuclear age would mean the destruction of world civilization (and not just the destruction of capitalist civilization), was the first sign of anything that might be called preparations for civil defense in Russia.

Russia has no special civil defense organization, no drills for evacuation, nothing whatever in that department. There is, actually, no particular need for such activities unless the Government wished to impress on the people ideas of the dangers and immediacy of war. All blocks and apartment houses already have ordinary duty organizations for such chores as snow shoveling and the like, units that, in case of danger of war, can easily be converted to civil defense.

However, the Government has carried out quietly and without announcement of its purpose a far more important and significant undertaking. It has recently completed what undoubtedly is the world's largest and safest air-raid shelter under the guise of building an addition to the Moscow subway system. The shelter is called a new "radius" of the subway. Actually, it has no transport purpose, merely paralleling existing lines. But it extends under the whole of the central part of the city at very great depth.

It is possible that, along with use of the existing subway links, a large percentage of Moscow's 6 million population could find space underground in case of attack.

But not one word of the civil defense side of this construction has appeared in the Soviet press.

Keeping pace with Soviet nuclear development has been the development of the Soviet jet aircraft industry, which has shown consistent ability to equal American techniques. In fact, the new four-engine swept-wing jet bomber demonstrated last May 1 for the first time seems to be equipped with engines of a strength and thrust markedly exceeding what U.S. planes use. To power a plane of similar size and range the United States has eight jets against the Soviet four.

In travels all over the Soviet Union in recent months, this correspondent seldom found a city of any size where the sound of jet aircraft was long absent. Patrols fly over Khabarovsk on the Amur River frontier all day long. Test flights of jetplanes almost always are overhead in Gorky on the Volga, apparently one of the new jet plane building centers. You see jet fighters parked on many fields across Siberia and there are squadrons, probably training units, in small central Asian cities.

RADAR NETWORK LACKING

In general, Soviet aviation has made great strides since its rather primitive state in World War II. Radar flying guides still are not installed on all civil airlines and it is to be doubted that there is any extensive radar defense warning network on Russia's Arctic frontier, although recent revelations of the extent of Soviet Arctic scientific stations and exploratory work suggest that steps may soon be taken to correct this deficiency.

Civil airplanes now fly at normal altitudes. No more are passengers frightened and thrilled with house-top flying and visual navigation as in wartime days. Safety-belts have not been introduced and engines are given only a perfunctory warm-up.

However, records are impressive as to the safety of Soviet civil aviation. In nearly 6 years this correspondent did not hear of a single plane crash. This does not mean none occurred, but the fact is that the day hardly goes by without flying trips by foreigners in and out of Russia on Soviet aircraft and, in the present era, foreigners are daily crisscrossing the country by air. If many crack-ups were occurring, foreigners would hardly fail to be involved, at least occasionally.

Apparently, one of the basic Russian safety factors is the fact that efforts are not made to maintain service through bad weather or poor flying conditions. If the field weathers in; if a snowstorm comes, the plane doesn't fly. If the passenger misses his appointment in Tomsk or Omsk, that's just too bad. At least he is alive.

The workhorse of the Soviet airlines is still the Douglas DC–3, which Russia was licensed to build before World War II and which was delivered to her in large numbers as part of wartime lend-lease.

Russia's own postwar civil aircraft, the Ilyushin–12, had poor payload characteristics and never was produced in large quantities. It has been used on 4 of the 5 Soviet international lines—to Helsinki, Berlin, Prague and Kabul—and occasionally on the long haul to Peiping.

Now the IL—12 is being replaced by the IL–15, which is described by American air specialists as a good, serviceable, two-motored plane.

No foreign airlines have been permitted to operate in the Soviet Union in recent years, not even such satellite lines as the Czechoslovak airways. While coordinated services have been established recently between the Soviet Aeroflot and Scandinavian Airlines and Aeroflot and Air France, the connecting points are beyond the Soviet frontier, in Helsinki and Prague.

In general, it may be said that the absence in the Soviet Union of any specific civil defense organization or of any signs of special civil defense preparations, with the exception of the big Moscow underground shelter, is not as significant as it might be in other countries.

In the first place, Russian life is so much more organized than American life that the framework exists on which civil defense can be quickly and efficiently organized. In addition, there is a permanent civilian quasi-military or paramilitary organization called Dosaav, which brings together many millions of Soviet citizens in activities useful in time of war, such as parachute jumping, rifle shooting, etc.

Moreover, the Soviet military, in general, is maintained in a somewhat more active state of alert than the American.

ANTIAIRCRAFT POSTS KEPT

To take one example, Moscow is encircled with batteries of antiaircraft guns, equipped with radar installations. A number of these installations date back to World War II and never were deactivated. A number of others were put in a little more than 3 years ago. They are close to the main highways and not far from the outskirts of Moscow—much closer to the city than one might think was militarily advisable in an age of atomic bombs.

This is typical of the general state of Soviet military preparations. Large active formations are maintained adjacent to the Soviet frontiers, and in the last 2 or 3 years an especially powerful air defense force has been set up to protect the Baku oilfields and the southern approaches to the Soviet Union through Iran and Turkey. The Baku military district is the only one of the Soviet home defense areas that is in charge of an air force marshal.

It is generally believed that the Soviet Air Force has an especially formidable concentration of jet fighters in the Baku region. While Baku is one of the cities opened to "free" travel by foreigners last year, in actual practice the Russians have shown the greatest sensitivity to visits there.

A number of persons have been refused permission to go to Baku. And some American visitors in Baku last summer were confined to a radius of about six blocks from their hotel. When they tried to go farther, police officers, obviously instructed to watch the visitors, politely but firmly turned them back toward their hotel.

[Bulletin of the Atomic Scientist, October 1959]

ATOMIC ENERGY IN THE U.S.S.R.

(By Arnold Kramish)

During the "thaw" of 1955, particularly marked by the nuclear conferences in Moscow and Geneva, a great deal of Soviet atomic energy data was revealed to the world for the first time, but as the months passed it became evident that the historical, planning, and administrative aspects of the U.S.S.R. atomic energy program were still regarded as classified. A Soviet counterpart to the famous Smyth report did not appear imminent. Nevertheless, scraps of information on Soviet attitudes toward nuclear research and the various planning efforts are available by diligent research through vast quantities of materials found in the U.S. Library of Congress and elsewhere. Would it be possible to reconstruct, on the basis of the meager information generally available, essentially a Soviet Smyth report for the enlightenment of the general public? A preliminary study indicated that it would be possible to produce three extensively referenced reports.[1] On the basis of these reports a narrative study was prepared for the general reader.[2]

EARLY ACTIVITIES

The very early interest of the Soviets in atomic energy is evident from the literature and culminated in the Special Committee for the Problem of Uranium in the spring of 1940 and the establishment of a State Fund for Uranium Metal. Whatever activities were under way were interrupted by Hitler's invasion in June 1941, and the program was not resumed until some time in 1943 after the victory of Stalingrad. Resumption of the program (and its subsequent direction) was not made without argument, and there are tantalizing references such as that of the foremost geologist, Alexander Fersman, who in 1943 wrote:

"Still timid attempts are made today to subdue the energy of the atom. The tremendous energy pent up in matter does not yet seem to all to be a real source of industrial power of the future, and heated scientific debates are even taking place about the unstable isotope of uranium. In all countries, perhaps particularly on account of the war, enormous research work is being done in that direction. Eleven special laboratories are working on this problem in America, and in our own country too it is being widely investigated. Perhaps not so soon, and yet perhaps tomorrow it may supply humanity with an absolutely new and immeasurable source of energy." [3]

This is the first of several indications that the program from 1943 on was not smooth and, as everywhere else, was subject to considerable internal discussion and realine-

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[1] M. J. Ruggles, and A. Kramish, The Soviet Union and the Atom: The Early Years, the Rand Corp., Research Memorandum RM–1711, Apr. 2, 1956.

A. Kramish, "The Soviet Union and the Atom: The 'Secret' Phase," the Rand Corp., Research Memorandum RM–1896, Apr. 11, 1957.

A. Kramish, "The Soviet Union and the Atom: Toward Nuclear Maturity," the Rand Corp., Research Memorandum RM–2163, Apr. 25, 1958.

[2] A Kramish, "Atomic Energy in the Soviet Union," Stanford University Press, to be published in November 1959.

[3] "Les Sciences Naturelles en U.S.S.R. Depuis," 25 Ans. Moscow, 1943.

ment for some time. Also, the reference to "eleven special laboratories" is interesting in view of the highly classified existence of the Manhattan project.

POSTWAR EFFORTS

The end of the war did not immediately bring the full-scale effort that might have been expected. The all-out effort seems to have started only in 1946 and accelerated sharply after the achievement of their first chain reaction in the spring of 1947.

Since 1955 many Western scientists have had contacts with their Russian counterparts, and a fair amount of fundamental Soviet work has been published. Consequently, there now exists a considerable amount of literature which enables technical comparison of fundamental research and atomic power programs. Perhaps it will also be useful as background information for the general reader and to those fortunate few who will visit Soviet research laboratories if they are acquainted with the general administrative and technical structure of the U.S.S.R. atomic energy program.

From before the end of World War II until 1953, the Soviet atomic energy program had been under the direction of General Boris Lvovich Vannikov who in turn was strictly controlled by Lavrenty Beria, head of the secret police until his arrest on June 26, 1953. For most of that period the atomic energy organization was known simply as the First Main Directorate of the Council of Ministers of the U.S.S.R.

It is a simple matter to trace the beginning of a general lessening of tensions within the Soviet atomic energy program to the very date of Beria's arrest. On that day, the atomic energy directorate was elevated to the status of a Ministry, i.e., the Ministry of Medium Machine Building, and put under the direction of Vyscheslav A. Malyshev. Vannikov was given the post of Malyshev's First Deputy. On February 28, 1955, Malyshev was promoted to the higher post of directing a number of Ministries for the Council of Ministers, and 3 months later became head of a new Committee for the Council of Ministers for New Technology.

With Malyshev's promotion, the Ministry of Medium Machine Building came under the control of Colonel General Avraamij Pavlovich Zavenyagin, a former deputy director of Beria's Ministry of Internal Affairs. Zavenyagin's industrial career had been most impressive; in the 1930's he had developed the Magnitogorsk Steel Combine in the Urals and other installations in Siberia. On New Year's Eve, 1956, Zavenyagin died at the age of 55 of coronary thrombosis. Vannikov eulogized the departed Minister on behalf of his fellow workers at the Ministry of Medium Machine Building. Zavenyagin's death marked the beginning of several organizational crises within the Soviet atomic energy program, for Malyshev, who exercised technical control on a higher level, had been afflicted with leukemia. Perhaps for political reasons or because of a lack of trust in the very competent Soviet medical specialists, a West German specialist was called in to treat Malyshev secretly. Under these peculiar circumstances, Malyshev died on February 20, 1957.

Upon Zavenyagin's death, Mikhail G. Pervukhin, technical and economic expert of the Presidium, took over the post of Minister of Medium Machine Building. Later, during the period of the "anti-state activities" of Malenkov, Molotov, and Kaganovich, Pervukhin was identified with the dissident group and was removed from most of his official positions, including that of Minister of Medium Machine Building.

ATOMIC ENERGY DEVELOPMENT

In the meantime, since April 18, 1956, with the increased emphasis on peaceful uses of atomic energy, a sector of the Medium Machine Building Ministry had been split off to form a Chief Directorate attached to the Council of Ministers for the Utilization of Atomic Energy (Glavatom). This Directorate was headed by Yefim Pavlovich Slavsk, and when Pervukhin was demoted Slavsky was elevated to the higher post of Minister of Medium Machine Building. Boris Vannikov remains as First Deputy Minister; on December 30, 1957, in honor of his 60th birthday, and for services to the Soviet State and Soviet Army for the "development of new techniques," he was awarded the Order of Lenin, the highest state honor.

Slavsky, a Ukrainian and a member of the Communist Party since 1918, is a graduate of the Moscow Institute of Nonferrous Metals and Gold. After successfully directing two important aluminum factories, he became Deputy Minister of nonferrous metals before transferring to atomic energy work. The individual who has replaced Slavsky as head of Glavatom is Vasily Semenovich Yemelyanov, also a long-time party member. Yemelyanov is a 1927 graduate of the Moscow Mining Academy and since 1935 has occupied various posts of administrative responsibility. During World War II, he was chairman of the committee of standards. During this period, to the present time, Yemelyanov, has managed to participate in metallurgical research projects and, in recent years, has published papers on a variety of atomic energy structural materials. Much of the later work has been performed at the Moscow Engineering Physics Institute, which has a significant role in the U.S.S.R. atomic energy program. Yemelyanov is fairly well known in the West, since for the past several years he has been the chief Soviet delegate to the International Atomic Energy Agency and to numerous international conferences. Yemelyanov's deputy is Dimitry Vasilevich Yefremov, who has held a number of important posts in the U.S.S.R. electrical equipment industry. In April 1959 he received a Lenin prize for his role as chief engineer of the 10-billion-volt synchrophasotron at Dubna.

Thus, the men who administer the Soviet atomic energy program characterize a unique breed of civil servants of the Soviet state. Developed over many decades, this high-level cadre of state servants is composed of hardened, devoted Communists combining technical, political, and administrative competence.

The actual sites where fissionable materials and nuclear weapons are manufactured must remain unknown until the Soviet leaders deign to tell the world of their locations. Now and then a hint does diffuse through the ferrous curtain to tell of some activity which might be connected with the production of fissionable materials. For example, in October 1957, listeners to the home service of Moscow Radio were treated to a report by a scientific observer who had just visited a field group of a geophysical laboratory of the Urals Branch of the U.S.S.R. Academy of Sciences. This group was located on the shore of Lake Miass and was involved in the extremely interesting and pertinent problem of disposal of radioactive wastes and their effects on water organisms, plants, et cetera. In the United States most of the similar work is conducted near the great manufacturing centers of Hanford and Oak Ridge, where quantities of fission products would be easily and readily available. Can we conclude that there is a fissionable materials production center near Lake Miass (in Chelyabinsk Province), or is this an unwarranted assumption? Probably we shall never know, for Lake Miass is in a highly restricted section of the U.S.S.R., strictly forbidden to foreign travel and, despite the concluding assertion of the commentator that this station is "devoted to the peaceful uses of atomic energy," no Westerner has ever been invited to it.

RESEARCH INSTITUTIONS

Meager information is available, however, on some of the installations which have developed the techniques and instrumentation for the secret manufacturing sites. Almost every higher technical institution, which includes the well-known ones such as the Institute of Physical Problems, the Lebedev Physics Institute, the Kurnakov Institute of General and Inorganic Chemistry, the Leningrad Physical-Technical Institute, the Ukrainian Physical-Technical Institute, and particularly the Radium Institute, has contributed to the atomic energy problem according to its particular talents. It was also necessary to set up several highly specialized new institutions to attack the atomic energy problem as their primary and sole responsibility. Some of these will be described.

The major research group is that headed by the dominant figure in the U.S.S.R. atomic energy program, Igor Vasilyevich Kurchatov, and at the end of the war it was simply designated by the name of Laboratory No. 2 of the Academy of Sciences. On Kurchatov's staff, at that time, were such well-known names as S. L. Sobolev, M. S. Kozodaev, I. K. Kikoin, and G. N. Flerov. Kurchatov's laboratory appears to have worked on practically every aspect of the Soviet atomic energy program. At an indeterminate date, approximately when the Soviets achieved their first atomic explosion, the title of Kurchatov's laboratory was changed to the Laboratory of Measuring Instruments (abbreviated LIP), which was obviously a cover name conveying no meaning at all. But the trend toward revealing the Laboratory's true function continued, and in the period after Stalin's death the name was changed again to the Moscow Physical Institute. In official parlance, "institute" usually implies broader responsibilities than "laboratory" so that this change indicates a new importance for Kurchatov's group. Finally, following the demise of Zavenyagin, Kurchatov's institute was given its proper appellation, the Institute of Atomic Energy (IAE).

Located in the western suburbs of Moscow, the Institute of Atomic Energy is almost a self-sufficient scientific community, having comfortable apartment accommodations for its staff members. It is divided into a number of specialized laboratories, including the much publicized Thermonuclear Laboratory of Lev Andreevich Artzimovich.

The research equipment at IAE includes a 1.5 meter-diameter cyclotron (completed in 1946), electromagnetic isotope separators, and radioactivity "hot labs" facilities. Also on the site are the important 15- to 20-megawatt Reactor for Physical and Technical Research (RFT) and the 3-megawatt shielding reactor which are being used for design studies on the large-scale atomic power plants. On November 23, 1957, a "swimming pool" type of reactor (cooled "IRT") came into operation at IAE. Similar to a number of reactors in the West, IRT operates at about 2 megawatts and has become a prototype for versatile research reactors to be built at other institutes.

OTHER INSTITUTES

IAE collaborates with the other atomic energy institutes and laboratories. One of the most important joint efforts for the Soviet peaceful power program was a joint enterprise by Kurchatov of IAE with Anatoly Petrovich Aleksandrov, Director of the Institute of Physical Problems during the time Kapitsa was in eclipse. Kurchatov and Aleksandrov are credited with the development, in the U.S.S.R., of the pressurized water-cooled atomic power reactor. Now that the directorship of his institute has been restored to Kapitsa, Aleksandrov has become the rector of Leningrad State University, and may be concerned with the construction of a large atomic powerplant which is planned near Leningrad, and with

the naval propulsion units he reported on at the Geneva Conference of 1958.

Another laboratory established for special purposes was A. I. Alikhanov's Thermotechnical Laboratory (south Moscow), which appears to have had tasks of a nature intermediate to that of Kurchatov's Institute, which was mainly atomic energy engineering, and the Dubna Institute which worked on almost pure research. The word, "thermotechnical," has a slight relationship to the major problems of Alikhanov's Institute, which initially were directed toward the development of reactors having highly thermalized neutron spectra, i.e., systems where the energy of the neutron is rapidly diminished, and toward thermalized neutron research. It should be emphasized, however, that this was not the sole function of the thermotechnical laboratory. Extensive field cosmic ray work has been transferred to other institutes after more specialized equipment relating to the atomic energy program became available. In addition to the neutron spectroscopy equipment, there is a heavy-water moderated research reactor which has been in operation since April 1949. Initially operated at a level of 500 kilowatts, it has recently been reconstructed to operate at 2 megawatts. This reactor served as a prototype for the research reactors sold to China and Yugoslavia. There is also a small cyclotron (magnet diameter of about 40 inches) on the premises.

As a model for the projected gigantic 50-Bev nuclear accelerator, V. V. Vladimirsky is building at the Thermotechnical Laboratory a 6- to 7-Bev "strong-focusing" synchophasotron (a most impressive energy for a model), which should be fully operative about 1960.

Beginning in 1959, Alikhanov has been referred to as the director of the Institute of Theoretical and Experimental Physics. As was the case for the Institute of Atomic Energy, this evidently denotes a higher status for the Thermotechnical Laboratory and, in name at least, finally recognizes the true function of Alikanov's group.

During the war, there existed, under the direction of Vannikov's Ministry of Munitions and therefore controlled by Beria, a secret institute called the Moscow Mechanical Institute (MMI) which specialized in training students in the technical arts which are an adjunct to modern warfare. After the war, atomic energy was included in the curriculum of the Moscow Mechanical Institute, and many of the prominent scientists from Kurchatov's and Alikhanov's laboratories and from other institutes became professors at MMI. Of course, training in nuclear physics continued at all of the public institutions such as Moscow State University, but it was not the specialized, directed sort of training that was given at MMI. At least until 1949, MMI included in its curricula such subjects as "Construction of Munitions," "Technology and Provision of Munitions," and "Technology and Provision of Rocket Armaments." There is no published information after 1949 which indicates that subjects such as rocket technology are still taught at that Institute, but it is possible that they still are. Atomic energy activities however, have continued to expand. And, in addition to its training functions, a large amount of essential atomic energy research has been done at the Institute. After 1953, when so many secret institutes were changing one cryptic title to another, the MMI became known as the Moscow Engineering Physics Institute (MIFI), and much of the less "sensitive" atomic energy work which is being performed at MIFI today is unclassified and available in open literature. A high-ranking administrator of the Academy of Sciences, D. Yu. Panov, has claimed that MIFI and the Massachusetts Institute of Technology are comparable institutions; an impressive comparison for a school so young.

The Director of MIFI since 1956 has been Ivan Ivanovich Novikov, a specialist in thermodynamics and nuclear energetics. Born in 1916, Novikov is still growing in stature. During 1954–56, he held the important post of deputy chief scientific secretary of the Presidium of the Academy of Sciences. He is chief editor of the Soviet atomic energy journal and recently was named director of the important new atomic energy institute in Siberia.

TRAINING FACILITIES

Moscow State University and Leningrad State University are the larger higher educational centers and are well equipped to train nuclear scientists and technicians.

At the former school, which is the largest educational establishment in the U.S.S.R., a research reactor using enriched uranium with ordinary water as moderator and coolant serves as a prototype for research reactors which are being provided to several of the Soviet bloc nations.

For Leningrad, which has a number of nuclear research and training institutes, a versatile high power research reactor of the water-moderated type has been provided. The reactor (coded VVR–M) is capable of producing radioisotopes of high specific activity and will be used for a wide range of reactor and irradiation studies.

Additionally, many of the regional institutes are receiving nuclear equipment. For example, the new Institute of Physics on the outskirts of Kiev is one of many centers which is being provided with small cyclotrons (which seem to have become stock items), experimental nuclear reactors, and radioisotope laboratories. Twelve miles northeast of Tashkent, at Kibrai, the Uzbek Academy of Sciences has established an Institute of Nuclear Physics having several special laboratories, and a reactor is being provided. Nuclear facilities, including a research reactor, have been installed for the institutes of the city of Sverdlovsk in the Urals. These are only a few of the nuclear research and training centers within the vast research complex of the Academy of Sciences of the U.S.S.R.

One of the intents of the Soviet security system in agreeing to relinquish information on some of the advanced research institutes is to give an impression that the existence of all of the Russian "atomic cities" is being released. There has never been the vaguest of public references in the Russian press to the huge scientific and industrial complexes which must be in existence to have permitted the Soviet Union to develop and manufacture its atomic and hydrogen bombs.

DUBNA

Presently the most publicized of Russian atomic installations is that which is located at the newly-named site of Dubna, north of Moscow, where the Moscow-Volga Canal meets the Volga River. The history of its establishment is as follows.

In early 1946 an early co-worker of Kurchatov's, Mikhail Grigorievich Meshcheryakov, was in the United States as a Soviet representative in the disarmament discussions. Following his return from the Pacific as a witness to the Bikini bomb tests, Meshcheryakov visited the Cyclotron Laboratory of the University of California at Berkeley. The accelerator work being conducted at Berkeley seemed to have impressed Meshcheryakov, and evidently this was instrumental in a decision to build a similar machine, but of greater power, in the USSR. The site selected was that of the village of Ivankovo, north of Moscow, and construction was started in 1947 on the 680-Mev. phosotron which the world suddenly learned of only in March 1955. Subsequently, the site name was changed to Bolshaya Volga, and later (about 1956) to Dubna.

Probably this change of name was coincidental with the decision to establish the Dubna site as the Eastern Institute for Nuclear Research, to be staffed by Soviet personnel and scientists of 11 Soviet bloc countries. During March 1956 a meeting was held toward the establishment of this institute. Evidently, the term "Eastern" was not acceptable to one or more of the delegate nations, and the title of the center emerged from that session several days later as the Joint Institute of Nuclear Research. The agreement establishing the institute provides that the laboratory which contained Meshcheryakov's gigantic 680-Mev. accelerator, previously known as the Institute of Nuclear Problems of the U.S.S.R., should be relegated to the status of the Laboratory of Nuclear Problems of the Joint Institute of Nuclear Research. Similarly, the name of the adjacent Electro-Physical Institute of Vladimir Veksler was to be changed to the High Energy Physics Laboratory, and the 10-Bev. accelerator was transferred to Joint Institute use. Evidently the two large accelerators were the only major pieces of equipment at the Dubna site. The articles of agreement further resolved that there should be established (a) a Laboratory of Theoretical Physics with a computing department and an electronic computing machine; (b) a Laboratory of Nuclear Problems with an experimental nuclear reactor having high-intensity neutron beams; (c) a cyclotron for accelerating multicharged ions of high atomic weight with helium (this cyclotron to be incorporated as part of the Laboratory of Nuclear Problems); (d) other unspecified laboratories and installations were to be established. Prof. Dmitry Ivanovich Blokhintsev, who is credited with the direction of the construction of the first Soviet atomic power station, has been named director of the Joint Institute.

With the establishment of the Joint Institute, Meshcheryakov relinquished his post as Director of the defunct Institute of Nuclear Problems, and a former deputy director of that Institute, V. P. Dzhelepov, took over as Director of the Laboratory of Nuclear Problems. Meshcheryakov continued to work as a member of Dzhelepov's group. Another leading member of the laboratory is Bruno M. Pontecorvo, who had defected from Britain in September 1950. Pontecorvo has been working at the Dubna site ever since his defection, and has published some creditable experimental work in Soviet journals. He is now a Soviet citizen and a Lenin prizewinner.

Veksler continued as the Director of the new High Energy Physics Laboratory. The Director of the Laboratory of Theoretical Physics is Academician N. N. Bogolubov, who has recently aroused worldwide interest in his new theory of phenomena which occur at temperatures close to absolute zero. The Director of the Laboratory of Neutron Physics is Ilya N. Frank, a corresponding member of the U.S.S.R. Academy of Sciences and a 1958 Nobel Laureate. On November 21, 1957, the Scientific Council of the Joint Institute recommended that a Nuclear Reactions Laboratory be set up, and Georgi Flerov who has pioneered in fission research was elected Director of that Laboratory. There is much evidence that the Joint Institute has been afflicted with many organizational difficulties. Much of this is undoubtedly due to the fact that the installation is not strictly a Soviet enclave. The role which the bloc states play at Dubna will be described in a later article by Anne Jonas.

OBNINSK AN ATOMIC CENTER

One city to which frequent reference has been made is, of course, Obninsk (near Maloyarslavets, about 120 kilometers southwest of Moscow), which is the site of the 5,000-kilowatt atomic power station which has been operating since the summer of 1954. Since that time Obninsk has become an expanding complex of nuclear laboratories of

increasing importance to the U.S.S.R. program. The scientific complex which has resulted is now known as the Institute of Physics of the Chief Directorate for the Utilization of Atomic Energy of the Council of Ministers (Glavatom). A number of experimental nuclear reactors have since been constructed at this institute, among them being a beryllium-moderated reactor and four or five plutonium-fueled fast reactors. An experimental mobile 2,000-kilowatt atomic power station is also being tested at this site. Certainly the associated experimental apparatus, chemical, and metallurgical facilities required to support the long-range reactor development program of the Institute of Physics of Glavatom must be extensive, and so the new city of Obninsk must be considered a major atomic center in the U.S.S.R.

In view of the extreme difficulty in obtaining information on the nuclear research and development organizations which were established in the Stalin period, it is a somewhat more pleasant task to be able to record the plans for an immense new scientific center in which atomic energy will play the dominant role. There have been established under the aegis of the Academy of Sciences of the U.S.S.R. at various times in the past numerous scientific institutes in the vast Siberian region. Institutes exist in cities such as Irkutsk, Yakutsk, and, more recently, a physics institute in the city of Krasnoyarsk.

On May 18, 1957, the Council of Ministers of the U.S.S.R. resolved to establish a Siberian Section of the Academy of Sciences of the U.S.S.R. and, more significantly, to construct an immense scientific city on the bank of the Ob River south of Novosibirsk. It is evident from the published plans and from the names of the individuals associated with this new city that this community will eventually represent the greatest and most diversified scientific collective in the world. Indeed, it will be unique, for it is difficult to name a similar installation anywhere. The new Siberian scientific center will not only provide a major nuclear research installation, but will include important institutes of other sciences which will, to the greatest extent possible, also use nuclear techniques in their research.

Initial construction started in 1958 at the 1,100-hectare (approximately 4¼ square miles) site with a 1958 budget of 290 million rubles, which corresponds roughly to $50 million. Clearly, this is an ambitious project. During 1958 first priority was given to the establishment of three institutes at the site.

CITY OF SCIENCE

The Nuclear Physics Institute (sometimes simply referred to as the Physics Institute) will be a branch of Kurchatov's Institute of Atomic Energy in Moscow and will have as its director, Artzimovich's protege, G. I. Budker. A core of 60 to 80 scientists, mainly young, will form the initial group. Budker's main interests are in the field of controlled thermonuclear energy problems, and it is the stated task of his new institute to work upon that problem. It will also work on nuclear accelerators utilizing new principles, and undoubtedly Budker's unorthodox ideas on relativistic accelerators will be tested at the Siberian Institute. The two other institutes which had first priority during 1958 are Academician Mikhail A. Lavrentyev's Hydrodynamics Institute which, among its other problems, is charged with investigating underground explosions, a subject which is of vital importance to the testing of atomic bombs and toward using nuclear explosions for construction purposes. The Hydrodynamics Institute is one of the few completed buildings, and the only building that Vice President NIXON was allowed to see when he visited the site in July 1959. The third institute is that of Geology and Geophysics which will investigate strategic mineral deposits in Siberia. Ten other institutes will be constructed at the site, two of them almost entirely concerned with atomic energy. They are the Thermo-Physics Institute and the Inorganic Chemistry Institute. The former institute will be directed by Ivan Ivanovich Novikov, the aforementioned director of the Moscow Engineering Physics Institute. His new institute is specifically charged with the problems of developing the utilization of atomic energy for power purposes. A branch of the Kurnakov Institute of General and Inorganic Chemistry in Moscow, the Institute of Inorganic Chemistry, will be charged with the investigation of chemical problems involved in the utilization of atomic energy. Because of this emphasis on nuclear energy and the charge to "conduct bold experiments in atomic physics," it is evident that, if the work of these institutes is to be effective, nuclear reactors and powerful accelerators will be built at the Siberian Center.

The remaining eight institutes are: the Institute of Mathematics and Computing Center which will be directed by S. L. Sobolev, a former associate of Kurchatov at Laboratory No. 2. Its task will be the development of computing machines and techniques and to provide computational assistance, including the solution of the complex problems involved in atomic energy. The Institute of Kinetics and Combustion Engineering will work on problems involving very high pressures and extremely high temperatures. The Institute of Automation and Electrometrics will develop new methods of measurement. The Institute of Theoretical and Applied Mechanics is charged with two major tasks, the first that of machine technology, and the second that of aerodynamics. The Institute of Economics and Statistics will perform tasks in connection with economic problems of Siberia, and will work in conjunction with Sobolev's institute on computing techniques. An Institute of High Tension Technology is to be established, but its functions have not been specified. The remaining two institutes will attack biological problems. They are the Institutes of Cytology and Genetics, and the Institute of Experimental Biology and Medicine.

FORERUNNER OF OTHER SCIENCE CITIES

It is specified that all of the institutes above wherever possible use isotopic research methods wherever applicable. This city, as yet unnamed, near Novosibirsk, is the forerunner of similar bases (but probably with less of a nuclear slant) to be established elsewhere. For example, in the period 1958–65, a new scientific city is to be established near Irkutsk. Later, cities near Krasnoyarsk and Vladivostok are being planned.

In 1956, there were revealed plans to construct a new city called "Akademgrad" (for "City of the Academy of Sciences"), on the picturesque high banks of the Oka not far from Serpukhov and 125 kilometers from Moscow. This description would place the city somewhat south of Serpukhov, at about Aleksin. Here would also be a complex of installations in which radioactive isotope laboratories would be built, although no institute devoted specifically to nuclear research has been mentioned. Eventually, 10,000 people would be living in Akademgrad. The present status of this project has not been publicized.

Near Alma-Ata there will be constructed by 1960 a small, 140-million ruble (approximately $25 million) installation for nuclear physics research. It will be under the control of the Kazakhstan Academy of Sciences. As in the case in the other scientific cities, workers will be housed on the site which will be approximately 2 square miles in area. Servicing the 15 small laboratories of the institute will be a nuclear research reactor and a cyclotron.

Thus, the U.S.S.R. eventually will literally be peppered with unique scientific communities, a phenomenon which almost constitutes a new social concept. However, the philosophy is not far different from that which has caused the Soviet Union in the past to establish other types of collectives—industrial and agricultural. The stated function of each of the scientific cities is to work on regional problems, as it is the stated function of, say, an agricultural collective. But the given tasks of the nuclear installations in the Novosibirsk scientific city and in the others transcend any regional problems.

Clearly, there are many reasons underlying the establishment of the new cities. Right after the war, for reasons of convenient contact or of obtaining required instrumentation and technical equipment immediately, it was necessary to carry out the bulk of atomic energy development work in the areas of initial large concentration of scientific and industrial resources, mainly in Moscow and Leningrad. It was also necessary to train vast numbers of young technicians and scientists at locales where qualified instructors and equipment were available. For an entire decade the newly trained scientists and newly constructed research equipment were increasingly concentrated at a few locations. The net effect of this is that the Moscow area, particularly, is bursting at its seams with scientific laboratories, scientists, and technicians. Thus, there is the problem of actual accommodation in Moscow. Also, the scientists are reluctant to forgo the amenities of a large city and are not eager to staff industrial complexes which have sprung up throughout the U.S.S.R. Of course, this situation is also true in many of the nonnuclear sciences and technologies.

But, despite the broad scope of the problems given the new cities, a strong aura of collectivism persists in their philosophy of formation. The new statutes of the Academy of Sciences of the U.S.S.R. emphasize cooperative work on major problems. An editorial in the May 1959 Herald of the Academy of Sciences of the U.S.S.R. defends the concept of planning and "the amalgamation of large collectives toward the solution of research problems" and points to accomplishments under that system such as Soviet outer space exploration. It is quite possible that the displacement of the new cities from older centers may encourage imaginative and independent thinking. It is just as possible, however, that the urgency of major problems assigned to these new cities may tend to inhibit thinking along lines which are not pertinent to the major tasks. In any event the new cities do form a new pattern which the West would do well to observe closely.

EXHIBIT 4

JANE'S FIGHTING SHIPS, 1959–60

SUBMARINES

Three atomic-powered type:

Displacement; 3,000 tons.

Dimensions; 328 by 33 by 20 feet.

Machinery; nuclear reactors and steam turbines. S.H.P.: 14,000=25 kts.

Notes: One atomic-powered submarine is nearing completion, another is in an advanced stage of construction, and a third is being assembled.

General notes: There are now about 500 submarines. Over half are of the large or intermediate oceangoing type. Another large type are reported to be armed with guided missiles. More of a medium type are being built. Most are known by numbers; some by names as well.

Some 50 submarines are under construction in Soviet dockyards. These include five different types, all fitted with snort as follows:

1. Large nuclear-powered type with a very long range.

2. Large guided-missile type with a high speed.

3. Oceangoing patrol type with a long range.

4. Minelaying type with a high speed.

5. Antisubmarine patrol type with a long range.

Fifty *Z* class: B–63, B–66. Large oceangoing type: B–71, B–72.

Displacement: 1,850 tons (standard); 2,250 tons (surface); 2,700 tons (submerged).

Dimensions: 310 by 28 by 17 feet.

Guns: 2—57 mm. in twin turret before conning tower; twin 25 mm. AA. on conning tower.

Tubes: 8—21 inch (6 forward, 2 aft). 24 torpedoes carried.

Mines: 40 (40 mines or 20 torpedoes.)

Machinery: Diesel-electric. Twin screws. Diesels: B.H.P.: 10,000=20 to 22 kts. (surface). Electric motors: H.P. 3,500=12 to 16 kts. (submerged).

Radius: 20,000 to 26,000 miles.

Complement: 70.

Notes: Large oceangoing type. General appearance very streamlined with complete row of rapid flooding holes along the casing. This class is stationed in the Baltic and Far East. The first of the class was laid down in 1951 and many were commissioned during 1952–59. All equipped with snort. 18 *Z* class submarines were constructed by Sudomekh Shipyard in 1952–55. Some *Z* class submarines are reported to be equipped with guided missiles. Others may be oilers. Mine capacity is alternative to torpedo capacity.

One hundred and twenty *W* class: Nos. 12, 25, 29, 66, 78, 179, and 261. Seagoing patrol type: *S–48, S–77, S–87, S–91, S–173, S–176, S–221, S–222,* and *S–333.*

Displacement: 1,050 tons (standard); 1,300 tons (surface); 1,600 tons (submerged).

Dimensions: 245 (o.a.) by 24 by 14 feet.

Guns: Some have 1—3.9 inch in probably retractable turret before conning tower; 1 light AA. Others 2—57mm; 2–25 mm.

Tubes: 8—21-inch (6 forward, 2 aft). 14 torpedoes carried.

Mines: 40 mines or 20 torpedoes.

Machinery: Diesel-electric. Twin screws. Diesels: B.H.P.: 4,000=16 to 17 kts. (surface).

Electric motors: H.P.: 2,500=13 to 16 kts. (submerged).

Radius: 13,000 to 16,500 miles.

Complement: 60.

Notes: Medium size class of long-range submarines built or under construction in yards throughout the Soviet Union. All streamlined. This group is subdivided into three types, the *W* class, the *WF* class, and the *W III* class. Stationed in considerable numbers in the Baltic, the North, the Black Sea, and the Far East. Equipped with snort. Fitted for minelaying. Some units are reported to be equipped with a special tank on deck for carrying guided missiles and with inclined missile launchers. Some carry one 3.9-inch deck gun.

Severyanya

Notes: Converted *W* class submarine fitted out for scientific research purposes.

Fifty *Q* class: Nos. 23 37, 45, and 47. Medium range type: Nos. 51, 62, 66, 68, 72, 75, and 98.

Displacement: 650 tons (standard), 800 tons (surface).

Dimensions: 180 (o.a.) ×21×14½ feet.

Guns: 2—25 mm. in gunhouse forward of conning tower.

Tubes: 6—21 inch.

Machinery: Diesel. 1 shaft. B.H.P.: 3,000=18 kts (surface). Electric motors. H.P.: 2,500=16 kts. (submerged).

Radius: 7,000 miles cruising range.

Complement: 40.

Notes: New medium range, single screw submarines, improved versions of the "Shch" class, see later page. Thirteen were constructed in 1955 by Sudornekh Shipyard, Leningrad.

Other submarine numbers reported are: 28, 34, 81, 125, 244, 752 and S 237.

Thirteen *K* class: *K–1, K–20, K–21, K–51, K–52, K–53, K–55, K–56, K–57, K–58, K–60, K–77, K–78.*

Displacement: 1,457 tons (surface); 2,062 tons (submerged).

Dimensions: 282 (pp.), 320 (o.a.) ×24×14 feet.

Guns: 2—4 inch, 2—45 mm. AA.

Tubes: 12—21 inch, 6 bow, 4 stern, 2 under deck (20 torpedoes carried).

Machinery: Diesels. B.H.P.: 8,400=18 to 22.5 kts. (surface); electric motors, H.P.: 2,400=10 kts. (submerged).

Oil fuel: 150 tons.

Radius: 10,000 miles at 9 kts.

Complement: 62.

Notes: Launched during 1939–43. Fitted for minelaying. Can carry 32 mines. This class can operate at great distances and for long periods.

EX-GERMAN TYPES

Type *XXI: N–27* (ex-*U–2529*), *N–28* (ex-*U–3035*), *N–29* (ex-*U–3041*), *N–30* (ex-*U–3515*), ex-*U–3538*, ex-*U–3539*, ex-*U–3540*, ex-*U–3541*, ex-*U–3542.*

Displacement: 1,280 tons (designed), 1,620 tons (surface), 2,100 tons (submerged).

Dimensions: 252⅝ ×21⅓×20⅓ feet.

Guns: 4—37mm. AA.

Tubes: 6—21 inch (23 torpedoes stowed).

Machinery: M.A.N. diesels. B.H.P.: 4,000= 15.5 kts. (surface). Electric motors. H.P.: 5,000=17.5 kts. (submerged).

Type *VII: S–81* (ex-*U–1057*), *S–82* (ex-*U–1058*), *S–83* (ex-*U–1064*), *S–84* (ex-*U–1305*).

Displacement: 595 tons (designed), 770 tons (surface), 1,070 tons (submerged).

Dimensions: 220×20×15½ feet.

Guns: 1—37mm. AA., 4—20mm. AA.

Tubes: 5—21 inch (14 torpedoes stowed).

Machinery: Diesels of varying types. B.H.P.: 2,800=17 kts. (surface). Electric motors. 2 shafts. H.P.: 750=7.6 kts. (submerged).

Oil fuel: 110 tons.

Radius: 6,500 miles at 12 kts.

Complement: 45.

Notes: Launched in 1942–43. First three were built by Germania, Kiel; 1305 by Flensburger Schiffbaugesellshaft.

Type *XXIII: N 31* (ex-*U 2353*).

Displacement: 233 tons (surface), 274 tons (submerged).

Dimensions: 114 x 11 x 12 feet.

Tubes: 2—21 inch (only 2 torpedoes stowed).

Machinery: 1 diesel. B.H.P.: 575=9.75 kts. (surface).

1 electric motor. H.P.: 580=12.5 kts. (submerged).

Oil fuel: 18 tons.

Radius: 1,350 miles at 9 kts.

Complement: 13.

General notes:

N 31 was built by Deutshe Werft, Hamburg, and launched in 1944. The hulls of German submarines which fell into Russian hands in 1945 have never been completed as the Russians themselves have completed so many of their own designs.

Sixty-nine *Shch* class: *Sh. 101, Sh. 102, Sh. 103, Sh. 104, Sh. 105, Sh. 106, Sh. 107, Sh. 108, Sh. 109, Sh. 110, Sh. 111, Sh. 112, Sh. 113, Sh. 114, Sh. 115, Sh. 116, Sh. 117, Sh. 118, Sh. 119, Sh. 120, Sh. 121, Sh. 122, Sh. 123, Sh. 124, Sh. 125, Sh. 126, Sh. 127, Sh. 128, Sh. 129, Sh. 130, Sh. 131, Sh. 132, Sh. 133, Sh. 134, Sh. 135, Sh. 136, Sh. 137, Sh. 138, Sh. 139, Sh. 141, Sh. 201, Sh. 203, Sh. 205, Sh. 207, Sh. 215, Sh. 305, Sh. 307, Sh. 309, Sh. 310, Sh. 318, Sh. 400, Sh. 401, Sh. 402, Sh. 403, Sh. 404, Sh. 407, Sh. 408, Sh. 410, Sh. 411, Sh. 412, Sh. 419, Sh. 422, Sh. 425, Sh. 426, Sh. 427, Sh. 428, Sh. 429, Sh. 430, Sh. 431.*

Displacement: 620 tons (surface), 738 tons (submerged).

Dimensions: 190¼ x 19½ x 13 feet.

Guns: 2—45 mm. AA., 2 M.G.

Tubes: 6—21 inch (10 torpedoes).

Machinery: Diesels. B.H.P.: 1,600=15.5 kts. (surface). Electric motors. H.P. 800= 8.5 kts (submerged).

Thirty-two *S* class: *S–4, S–9, S–12, S–13, S–14, S–15, S–16, S–17, S–18, S–19, S–20, S–21, S–22, S–23, S–24, S–25, S–26, S–33, S–35, S–36, S–51, S–52, S–53, S–54, S–55, S–56, S–101, S–102, S–103, S–104, S–137, S–139.*

Displacement: 780 tons (surface), 1,050 tons (submerged).

Dimensions: 256 × 21 × 13 feet.

Guns: 1—3 inch, 1—45 mm. AA.

Tubes: 6—21 inch.

Machinery: Diesels. B.H.P.: 4,200=20 kts. (surface). Electric motors. H.P.: 2,200=8.5 kts. (submerged).

Oil fuel: 105 tons.

Radius: 9,800 miles at 9 kts.

Complement: 50.

Notes: Launched: 1937–40. Boats of this class are in the Baltic, the Black Sea and the Far East. *S–50* was discarded in 1958.

Sixty-three *M V* type: *M–200, M–201, M–202, M–203, M–204, M–205, M–206, M–209, M–211, M–212, M–214, M–215, M–216, M–219, M–234, M–235, M–237, M–238, M–239, M–240, M–241, M–242, M–243, M–244, M–245, M–246, M–247, M–248, M–249, M–250, M–251, M–252, M–253, M–254, M–255, M–256, M–257, M–258, M–259, M–260, M–261, M–262, M–263, M–264, M–265, M–266, M–267, M–268, M–269, M–270, M–271, M–272, M–273, M–274, M–275, M–276, M–277, M–278, M–279, M–280, M–281, M–282, M–283.*

Displacement: 350 tons (surface) 420 tons (submerged).

Dimensions: 167⅓ × 16 × 12 feet.

Guns: 1—45 mm. AA., IMG.

Tubes: 2—21 inch.

Machinery: Diesels. B.H.P.: 1,000=13 kts. (surface). Electric motors H.P.: 800= 10 kts. (submerged).

Oil fuel: 21 tons.

Radius: 4,000 miles at 10 kts. (surface). 100 miles at 5 kts. (submerged).

Complement: 24.

Eighty-seven *M IV* type: *M–1, M–2, M–3, M–4, M–5, M–6, M–7, M–8, M–9, M–10, M–11, M–12, M–13, M–14, M–15, M–16, M–17, M–18, M–19, M–20, M–21, M–22, M–23, M–24, M–25, M–26, M–27, M–28, M–29, M–30, M–32, M–33, M–34, M–35, M–36, M–37, M–38, M–39, M–40, M–41, M–42, M–43, M–44, M–45, M–46, M–47, M–48, M–49, M–51, M–53, M–55, M–56, M–57, M–77, M–79, M–80, M–82, M–84, M–85, M–86, M–87, M–88, M–91, M–92, M–93, M–102, M–103, M–104, M–105, M–106, M–111, M–112, M–113, M–114, M–118, M–119, M–120, M–121, M–122, M–123, M–127, M–171, M–172, M–174, M–175, M–176, M–177.*

Displacement: 205 tons (surface), 256 tons (submerged).

Dimensions: 147⅔×11×9 feet.

Guns: 1—45 mm. AA.

Tubes: 2—21 inch.

Machinery: Diesels. B.H.P.: 800=13 kts. (surface). Electric motors, H.P.: 400=8 kts. (submerged).

Oil fuel: 18 tons.

Radius: 3,400 miles at 8 kts. (surface) 90 miles at 3 kts. (submerged).

Complement: 20

General notes:

Launched in 1939–44. All built on a mass-production basis, notably at Gorki, and sent to their assembly ports in sections. Can be easily transported by rail but have a very limited radius of action. Majority in reserve. Some discarded.

The *M* class in the Baltic were of five different designs as follows: *M I:* Nos. *71* et. seq.; *M II:* No. *77; MIII:* Nos. *79–96; M IV:* Nos. *102* et seq.; *M V:* Nos. *200* et seq. The *M I, M II,* and *M III* types are worn out and mostly scrapped.

Midget notes:

Midget submarines each manned by only one man were observed during Russian naval manoeuvres in Apr. 1957.

Soviet shipyards for warship construction

Designation	Location	Capacity	Remarks
Ordzhonikidze (Baltic Yard)	Leningrad	Naval dockyard; all types of ship up to 984 feet in length.	
Marti (ex-Societe Franco-Russe)	do	Heavy cruisers and below	
Sudomek	do	Submarines	Long specialized in submarine building.
Zhdanov (ex-Putilow Yard)	do	Destroyers and below	The gantry slip is no longer used.
Nevski	do	Fleet minesweepers	
Kanonerski	do	Merchant ships; warship repairs	Equipped with floating docks.
Kronstadt Naval	Kotlin Island	Naval base and arsenal (no building yard)	Drydocks and a 40,000-ton floating dock (ex-German).
Izhorski	Near Kolpino (Leningrad)	Escort destroyers and below	The building of this yard started in 1950. It is still expanding.
Tallin I	Naval Harbor, Tallin	Repair yard and store base (no building yard)	
Tallin II	Kopli Peninsula west of Tallin.	As for Tallin I	Newly built on the site of the former Estonian shipyard of Nobel & Lessner.
Muhlgraben Yard	Riga	Merchant ships and auxiliaries of medium size	Known as Schichau Yard during the Second World War.
Libau	Libau (Liepaja)	Repair yard and store base	
The former Lindenau Yard	Memel (Klaipeda)	Minesweepers	
The former German Schichau Yard	Kaliningrad (Konigsberg)	Predominantly a repair yard and supply base; building of destroyers under 1,500 tons.	Technical base for the naval units stationed at Pillau (Baltiisk).
No. 402	Severodvinsk	Cruisers, destroyers, and submarines	Combined building docks and workshops, covered and heated.
Krasnaya Kuznitza	Archangel Solombala	Principally merchant ships; also refitting work	
Glavryba	Murmansk	Minesweepers and below; building and repairs	Base for the northern fishing fleet.
Sevmorput	do	Technical and repair base for the arctic fleet	Being expanded.
Marti and North Yard	Nikolayev (Black Sea)	Ships of all types up to 885 feet in length	The North Yard builds destroyers and below.
Sevastopol	Sevastopol	Naval base and arsenal; building of small craft only.	There is a large drydock on the north shore of the inlet.
Odessa Yard	Odessa	Predominantly merchant ship repairs; building of small craft only.	
Komsomolsk Yard	Komsomolsk	Cruisers and below	The larger ships remain in an unfinished state until crossing the bar of the Amur River. They are then partially fitted out at Nikolayevsk in the Armur estuary before going to Vladivostok for completion.
Khabarovsk Yard	Khabarovsk (Amur)	Minesweepers-antisubmarine vessels and river warships up to 2,500 tons.	
Unknown	Sovietskaya Gavan	Refitting and repairing of destroyers and below	The building of this yard started after the war, and still continues.
Zavod Voroshilov Naval Dockyard	Vladivostok	Naval base and arsenal; repair and refitting work; building of small craft only.	
Krassnoye Sormovo	Gorki/Volga	Submarines and submarine sections, and river craft.	
Kolomenski Kuibyshev	Kolomna/Oka	Locomotives and diesel engines of all types	Submarine diesel engines built here.
Unknown	Perm	River gunboats and small craft	
Kherson Yard (I)	Kherson Dnieper	Tankers and merchant ships	
Kherson Yard (II)	Kherson Dnieper	Reinforced concrete floating docks	These are being sent to bases in Europe and the Far East. The biggest have a lifting capacity of about 15,000 tons.

Source: Comdr. Malcolm G. Saunders, RN. "The Soviet Navy." Frederick A. Praeger, publishers, New York, N.Y., pp. 161–163.

EXHIBIT 5

[From the New York Times, June 18, 1960]

PRESIDENT BACKS FUTURE SUMMITS—FEELS PERSONAL DIPLOMACY WILL GO ON DESPITE PARIS AND TOKYO SETBACKS

(By Harrison E. Salisbury)

Aboard U.S.S. "YORKTOWN," IN THE PACIFIC, Saturday, June 18.—President Eisenhower believes that summit conferences and personal Presidential diplomacy will continue despite the failure at Paris and the collapse of his Tokyo trip.

The President's views were made known to correspondents aboard the cruiser *St. Paul*, which is carrying the President and his party to Taiwan on his goodwill mission. The *St. Paul* skirted waters adjacent to Communist China under an escort of sea and air forces. The press party is on the aircraft carrier *Yorktown*.

The President thinks cancellation of his visit to Japan is ascribable to the Communists. He believes the Government of Premier Nobusuke Kishi was unable to control the situation because Japanese law does not give the police sufficient power to deal with violent demonstrations.

PRESIDENT'S VIEWS EXPLAINED

He believes that after a century of authoritarian government the Japanese are reluctant to grant their government adequate police powers.

The President believes that Communists, largely under the direction of Peiping, seized his Tokyo visit as a propaganda target. He likened this to Premier Khrushchev's utilizing the U–2 incident to wreck the summit conference.

General Eisenhower holds the view that Mr. Khrushchev wanted to wreck the summit conference. One reason why Mr. Khrushchev wanted to do so, the President believes, was that he did not want the President to visit the Soviet Union.

The President does not particularly like the concept of summit conferences. He feels that such meetings are restricted in time and the participants do not have sufficient opportunity to go deeply into any questions.

Nevertheless, there are several reasons why the President believes that such parleys will continue. One is that some of the leaders of the world—for instance, Mr. Khrushchev—insist on doing business only at the top level.

Another is that pressures exist in some countries for such meetings. In the President's view, the American people are more sophisticated about summit meetings than other people.

Still, he believes that benefits are to be achieved from personal Presidential diplomacy.

PRESIDENT SEEMS ISOLATED

Aboard the *St. Paul* the President appears somewhat isolated from world news sources, despite the most modern electronic media of communication available to him.

By last evening he had not had any report of world reaction to the Tokyo cancellation. However, he had asked the State Department to prepare for him a summary of this reaction. This is expected to be delivered to him at Taiwan.

The cancellation of the trip to Japan has not shaken the President's faith in the fundamental value of Presidential travel abroad. But the President believes future trips by himself are an academic question because of the short time remaining in his term.

The President appears to be in robust health despite the strain of nearly a week's travel. He sports a fine suntan. The fatigue that was apparent in his demeanor at the end of his stay in Manila and the dampening of his spirits when he first learned that the trip to Tokyo was off seem to have vanished.

Today he shows no sign of despondency over the Japanese development. One reason for this is that he regards the events as caused by circumstances over which he had no control.

There is no sign that the President feels any responsibility over the course of events either at the summit meeting or regarding the Japanese trip. He seems to believe that in both cases there was no other course that the United States could have followed.

HAGERTY'S VIEW CITED

The President's explanation of the situation in Japan closely parallels that offered by his press secretary, James C. Hagerty, who was besieged by rioting mobs as he arrived in Tokyo last week. It was Mr. Hagerty's belief that the Japanese police lacked the powers to handle such a situation. Nevertheless, this feeling was not permitted to interfere with White House determination to go to Japan.

The President gives no sign of feeling that errors of judgment might have been made either by Ambassador Douglas A. MacArthur 2d in Tokyo in assessing the situation or in the evaluations made by the State Department. So far as is known there has been no consultation between the President and Secretary of State Christian A. Herter in the 24 hours after the Japanese trip was called off. He did, of course, communicate to Mr. Herter his acquiescence to Japan's request for a postponement of his visit.

The President is believed to have been informed of a State Department study of recent evidences of conflict between Moscow and Peiping, particularly the sharp ideological dispute over the international situation

that was conducted in articles in which the two countries marked the anniversary of Lenin's death April 23.

He believes that there is tangible evidence that all is not well between Moscow and Peiping.

The President is of the opinion that there is a measurable difference of opinion between Mr. Khrushchev and Mao Tse-tung, Chinese Communist leader. He does not think this amounts up to major split now. But he does feel that any evidence of such differences is to the good for the West.

There has as yet been no decision on the final phase of the President's trip—his stay in Hawaii. If things are quiet in Washington he may spend 3 or 4 days in the 50th State. But he will make only a brief stopover if the situation demands his return.

The President's convoy on his voyage to Taiwan consisted of seven naval craft, including two aircraft carriers and four destroyers. A hundred planes were attached to the force. In support were the total resources of the 7th Fleet, the world's strongest peacetime naval force, with 125 ships and 500 planes.

The trip was made under sunny skies, the temperature was in the eighties. It was without incident. Late yesterday afternoon the President watched for 15 minutes while a helicopter conducted an antisubmarine sonar search of the area.

General Eisenhower wore a raw silk tweed sports jacket, gray slacks, white shirt, dark blue tie, and black loafers.

Such searches and flights by patrol planes continued throughout the voyage. The *St. Paul* was only 150 miles off the Chinese coast while the sonar demonstration was conducted.

[From the Washington Sunday Star, June 19, 1960]

NIXON SAYS POLICY SHIFT WOULD BE BIG MISTAKE

(By David S. Broder)

HOUSTON, TEX., June 18.—Vice President NIXON said today America could make no greater mistake than to change its foreign policy because the Communists succeeded in blocking President Eisenhower's visit to Japan.

But he called for an increase in the exchange programs with foreign nations as a result of the diplomatic disaster in Japan.

"We should step them up and do a more effective job," he said.

Mr. NIXON said it was "a tremendously disappointing thing to have the President, in effect, disinvited and have our country insulted this way."

But the long-term effects of the incident, he declared, depend on how the American and Japanese citizens react to the situation.

URGES NO CHANGE

"We would be playing into the hands of Mr. Khrushchev and the men in Peiping if we allowed this to change our policy toward Japan," he said.

Mr. NIXON added that the incident should not discourage future administrations, Democratic or Republican, from planning additional good will visits to Japan and other countries.

The Vice President made his first comments on the cancellation of the President's visit to Japan at a press conference at Houston's International Airport, opening a 24-hour visit to the city.

Though the visit was officially nonpartisan, local Republicans turned out an estimated 4,000 banner-waving enthusiasts to greet him.

Mr. NIXON told the press conference that unless the Democrats nominate Senator JOHNSON for President, "We expect to come into this State and give them the fight of their life," with a "reasonably good chance of winning." He conceded however, that his chance of carrying Texas against Senator JOHNSON would be "quite remote."

The Vice President said it was impossible to tell, 5 months ahead of the election, what effect the summit conference collapse and the cancellation of the Tokyo visit would have on Republican chances for victory.

But, he declared: "Our policies in the foreign area are sound. They command the very great support of most Democrats and Independents, as well as Republicans. I personally do not fear the foreign policy issue in this compaign and am ready to debate our record, as compared with that of the previous administration, with anyone."

In his assessment of the Japanese incident, which was described as a "diplomatic catastrophe" by the Houston Post this morning, Mr. NIXON stressed the importance of differentiating short-term and long-term effects.

He conceded it was "a deplorable incident," but insisted that "in the world today, we've got to expect such incidents." He said past good-will visits "have been notably successful." The blowup of this trip "should no more discourage us from planning future visits" than should the unfriendly reception he received in Venezuela in 1958, he said.

Mr. NIXON said he was "convinced that the majority of people in Japan are friendly to the United States," and warned against the temptation to retaliate against the Japanese by raising trade barriers against their goods.

He said the events of the past month required no change in America's military policy, because "that policy has been geared, not to meet individual crises, but for the long pull."

"We do not believe this incident changes our appraisal of the magnitude of the Communist threat or what we should do to counter it," he added.

He said the action of the House in increasing military foreign aid funds was a "very helpful" step in keeping free world defenses strong.

BACKS EXCHANGE PROGRAMS

The Vice President said the Japanese incident confirmed his belief that America should do more to reach students, intellectual leaders, and labor union officials through exchange programs, information programs and technical assistance projects.

Mr. NIXON and his wife arrived in Houston this afternoon on the first leg of a semipolitical swing through Texas, South Dakota, North Dakota, and Missouri.

An impressive number of Houstonians turned out in 90-degree weather to meet them. Mayor Lewis Cutrer, a Democrat, lent a nonpartisan tone to the proceeding by greeting Mr. NIXON as one who is "doing a fine job for the Nation and the peace of the world."

Mr. NIXON responded by declaring that in times of crisis, like the present, "we must all be Americans first and partisans second. We must not lose our nerve or stamina."

Several of the banners in the crowd that welcomed the Nixons boosted Senator GOLDWATER of Arizona for the Republican vice presidential nomination. Texas Republicans this week instructed their convention delegation to support him for the office.

Mr. NIXON declined to comment on Senator GOLDWATER's acceptability as a running mate, on the grounds that it would be improper for him to discuss Vice Presidents before he wins the Presidential nomination himself.

EXHIBIT 6

[From the New York Times, June 19, 1960]

PRESIDENT SAYS U.S. STAND ON QUEMOY IS UNCHANGED

(By Harrison E. Salisbury)

TAIPEI, TAIWAN, Sunday, June 19.—President Eisenhower and Generalissimo Chiang Kai-shek ended a discussion of the threat of world communism today. The two Presidents were reported to be in essential agreement.

The discussion took place against a background of rising violence in Asia that has attended General Eisenhower's Pacific mission of good will.

On the offshore Quemoy Islands, the Nationalist garrison counted 8 dead and 47 wounded today as Communist guns from the mainland ended their barrage. Peiping declared that it had resumed the shelling to show its contempt and scorn for President Eisenhower.

SHELLING IS CONDEMNED

President Eisenhower sharply condemned the bombardment. His press secretary, James C. Hagerty, said he was expressing the President's views in calling it a typical act of Communist aggression. The visitor assured his host that the U.S. position with respect to Communist aggression against the offshore island had not "changed an iota," Mr. Hagerty said. The press secretary declined to specify that position.

Essentially, the U.S. position is understood to be that the President shall be the judge whether an attack on the offshore islands constitutes a threat to Taiwan. Such a determination would bring the United States to the defense under terms of a joint resolution of Congress of 1955.

President Eisenhower arrived in Taipei yesterday morning and received one of the most tumultuous receptions of his career. More than 300,000 persons jammed the streets to welcome him and another 300,000 filled the huge plaza before the Government House to hear him speak.

But as has proved the case repeatedly during this tour, it was not the warm and friendly turnout that captured the headlines. It was the harsh note of violence that was injected by the shelling of the offshore islands and the new turbulence and crisis in Tokyo.

The rapidly moving Asian events provided an ominous counterpoint to the President's journey in the cause of international understanding. Increasingly his press secretary, Mr. James A. Hagerty, has been emphasizing the threat of communism, on which he has placed the blame for the unpleasant turn the President's mission has taken.

In this situation General Eisenhower turned to General Chiang for a mutual consultation on the manifestations of the Communist menace in Asia—overt aggression, surreptitious infiltration, and economic maneuvers.

CHIANG ADVANCE THESIS

President Chiang took the opportunity to advance his favorite thesis—that the Communist threat is based on a world conspiracy led by Soviet Imperialists who utilize their puppet, the Chinese Communists.

The Generalissimo told his guest in a toast at a state dinner last night that the Communist bloc was concentrating its threat in Asia, with the Chinese Communists as its chief agents. General Chiang reminded the President of the policy of liberation, which General Eisenhower had advocated 7 years ago.

This policy has been a cause of encouragement to all lovers of freedom in the world, he said.

"I am glad to inform your excellency that thanks to your great policy we have succeeded in building here on Taiwan a base for the eventual liberation of our people on the mainland," he continued.

President Eisenhower did not mention the liberation policy in his remarks. He declared that American solidarity with Nationalist China had been spelled out in many political, economic and cultural relationships and in their mutual defense treaty.

In greeting General Eisenhower as he landed at Pine Hill Airport from a helicopter

that had brought him from the cruiser *St. Paul*, General Chiang described the Eisenhower visit "a powerful demonstration of the lasting friendship between the Republic of China and the United States of America."

PRESIDENT RESPONDS

In response, President Eisenhower said he looked forward to "fruitful exchanges" with General Chiang.

"Our friendship, tested in war and in peace," he said, "is a real source of strength in our development of free world security."

Citing aspirations for a "world of freedom, just peace and friendship under the rule of law," President Eisenhower told the people of Taiwan that he brought them "the personal assurance of America's steadfast solidarity with you and your Government in the defense of these ideals and in the pursuit of our common aspirations."

Addressing the mass rally at Government House the President reiterated the U.S. policy of seeking peaceful solutions of international problems. But he promised the Chinese that this did not reflect the slightest lessening of the American determination to stand with Taiwan and America's other allies in the Pacific against any aggression.

The President emphasized that the United States did not recognize "the claim of the warlike and tyrannical Communist regime" to speak for the Chinese people nor to represent them in the United Nations.

Up to last night the President still had had only the sketchiest reports on world reaction to the cancellation of his Japanese visit.

The President was reported Friday to have asked Washington for a roundup of world reaction.

Until then, despite the fact that his floating White House aboard the cruiser *St. Paul* is equipped with the most modern communications equipment, he had received no comprehensive report on the stir caused by the Japanese fiasco.

Yesterday morning Mr. Hagerty was asked what the President's reaction was to the repercussions of the Tokyo cancellation. "Do you know what the world reaction is?" Mr. Hagerty asked.

"No," the correspondent replied.

"Well, neither do we," said Mr. Hagerty. He said only a few editorials had been received.

Last evening Mr. Hagerty was questioned again. He said only very sketchy reports had been received.

EXHIBIT 7

[From the New York Times, May 18, 1960]

PARIS—HOW TO MAKE A MOCKERY OF DIPLOMACY

(By James Reston)

PARIS, May 17—The summit meeting yesterday was a tragedy. Today it was a farce. Having argued for over 3 years that the only way to conduct international negotiations was at big splashy conferences of the heads of government, Nikita Khrushchev finally made a mockery today of the whole process of diplomatic summitry.

This may be the one solid achievement of the meeting in Paris: It has been such a fiasco that it may at last force a return to the quiet precise professional diplomacy of the past.

Khrushchev was at his roguish worst today. While Presidents Eisenhower and De Gaulle and Prime Minister Macmillan rushed around trying to give the conference at least a decent burial, the Soviet official went off to the country to chop trees and regale the peasants with tales of his grandchildren.

Even when the three Western chiefs gathered in the elaborate splendor of the Elysée Palace this afternoon to discuss the subject matter of the conference, they were so interrupted by trivial telephone calls from the Soviet Embassy about whether and on what terms Mr. Khrushchev would join them that they never got down to any matters of substance.

THE BROKEN TRADITION

This whole post-war process of summit diplomacy and this conference in particular have broken every rule of international negotiation established over several hundred years.

Careful preparation, privacy, precision and good faith were the hallmarks of the old diplomacy. The experience of many generations developed a language of understatement which enabled professional diplomats to communicate carefully worded warnings to one another in such a way as to avoid undue public excitement.

The Soviets, with their revolutionary zeal and fascination for propaganda, changed all this. They do not look on meetings of the heads of government as the end of a carefully prepared diplomatic procedure, but as the beginning. They are not for privacy except when it happens to suit their purpose. They are not precise. They do not indulge in understatement but overstatement and they clearly did not come to Paris to conciliate but to intimidate.

As a result, they have debased the diplomatic process and made fools of everybody, including themselves, and the tragedy of it all is that the Western leaders engaged in it against their own better judgment and their own publicly announced conditions.

President Eisenhower said he would never go to the summit under threats, but he not only did so in the face of Khrushchev's threat to kick the West out of Berlin if we did not accept the Soviet solution for Germany, but added the threat of aerial espionage on his own.

THE PERSONAL ELEMENT

The tragedy of Paris is not that the conference has failed—many international conferences have failed and disappeared without a splash—but that it has dramatized and magnified the failure by subjecting the heads of government, and particularly the President of the United States, to public humiliation.

This is why there is such a sense of despair here in the Palais Chaillot tonight. If all the blunders, all the awkward excuses, all the misleading statements and palpable falsehoods had been committed by underlings, then everybody could have looked to some higher authority for reason and correction.

But all the mistakes of the past month have been made in the names of the heads of government and dramatized by their presence here in Paris. Khrushchev is angry about the American spy plane over the Soviet Union not only because the authority of the Soviet Union has been defied but because Khrushchev's own authority and prestige have been affronted.

The President likewise is furious because he has been snubbed and, more important, because Khrushchev has been scornful of the American Presidency. This is the geometry of summitry. It inflames and envenoms every dispute, and if Paris has finally exposed its weakness, this will be at least one sad consolation.

[From the Washington Post, June 20, 1960]

RED SPLIT INFLUENCED TOKYO CRISIS

(By Drew Pearson)

Intelligence reports from the Far East give illuminating details on why it was necessary to cancel President Eisenhower's trip to Tokyo.

One important factor was the increasing policy difference between Premier Khrushchev in Moscow and Mao Tse-tung in Peking, and the effect it has had on the Japanese Student Federation.

Khrushchev, according to intelligence reports, has wanted to embarrass Eisenhower, but not harm him. Mao believes in violence. The Japanese Student Federation was split between the two.

At the airport demonstration against Jim Hagerty, the Khrushchev moderates were in control. That was why the rioting Japanese performed the amazing feat of keeping Hagerty prisoner for 70 minutes without touching him. It will be recalled that crowds got out of hand in Venezuela, spat on Vice President NIXON and almost mobbed him. But Hagerty wasn't physically threatened.

When some rioters got on the roof of Hagerty's car and started rocking it, student leaders stopped them.

Since then, the extremist or Mao wing of the Student Federation has been in control, and violence has been worse. It's reliably reported that Mao would like to see such violence against the President that he would be killed. Strategy behind this is to provoke the United States into war—which is what the extreme wing of the Chinese Reds really want.

(Note—This is why so many diplomats are concerned over Senator LYNDON JOHNSON'S attacks on Khrushchev and his defense of Eisenhower for the summit failure. For every attack on Khrushchev from responsible American leaders strengthens the hand of the Stalinist-Mao Tse-tung extremists.)

WHY FULBRIGHT SWITCHED

About 10 days before Eisenhower left for the Far East, astute Senator WILLIAM FULBRIGHT of Arkansas, chairman of the Foreign Relations Committee, publicly urged the President to call off his trip to Japan. It didn't leak out, but the reason FULBRIGHT later reversed himself was a private plea by Secretary of State Herter who convinced FULBRIGHT that the government of Premier Kishi would fall almost overnight if Eisenhower backed out.

Herter explained to Senators in a strictly secret session that cancellation would be the signal for Socialists to take over Japan because Kishi and his party would lose face. The future of democracy, Herter argued, would be in grave danger.

FULBRIGHT was impressed with the secret explanation and announced that he favored Ike's visit after all.

COSTLY CARAVAN

Presidential good-will trips are necessarily expensive. Eisenhower took 6 planes with him to South America, has 16 planes with him in the Far East.

First, Ike sent Press Secretary Jim Hagerty and Appointment Secretary Tom Stephens to Tokyo on one of his three special presidential jets. Later, Ike used his other two special jets to fly to the Far East himself. One jet flew across the Pacific empty, all cleaned up and ready for the President when he arrived. In addition, Ike ordered his propeller plane, the Columbine, to fly ahead of him to the Far East—just in case.

To carry his baggage, the President commandeered five huge C–130 flying boxcars. This is only three less than are assigned to support the entire composite air strike force. Piled into these flying boxcars was just about everything except the White House sink—White House limousines, including two Cadillacs, communications equipment, spare parts, fresh drinking water, medical equipment, and personal baggage.

In addition, six SC–54's and an SA–16 rescue craft accompanied the President. This, of course, was an important precaution. They were in addition to rescue squadrons already stationed in the Far East along the islands across the Pacific.

Meanwhile in Tokyo, the entire Marine helicopter squadron had been training for a

month chiefly for the purpose of taking the President around Tokyo. At least they got a chance to rescue Jim Hagerty.

BACKSTAGE IN TOKYO

When I was in Japan last winter the Tokyo police were exhausted from working overtime protecting the Japanese Diet from student riots. Fifteen hundred police were kept constantly alerted around the Diet while it debated the United States-Japanese military base treaty. Recently the rioting increased 500 percent. The Tokyo police must be almost ready to riot themselves.

[From the Washington Post, June 16, 1960]

UNITED STATES FUMBLES LED TO TOKYO RIOTS

(By Drew Pearson)

The tragedy of what happened in Japan regarding the Eisenhower visit is that it didn't have to happen. Few countries in the world have been more genuinely friendly to the United States than Japan. In the 15 years since the end of the war we have accomplished a miracle of converting the vanquished Japanese people from the bitterness of defeat to a partnership in peace.

Basically most of the Japanese people are still friendly. But between the screaming headlines and the screaming mobs, much of this friendship may be lost. Certainly few people outside Japan will know there are many pro-Americans in Japan.

The basic mistake behind all this was the Eisenhower administration's attempt to reverse what we had previously sold the Japanese—the outlawry of war. War, it is written into their constitution, is illegal. We wrote this constitution for them and now they believe it. And remembering the suffering of the last war, the horrors of Hiroshima, and the criticism of the war lords, they don't want to change it.

The Japanese-American military alliance, extending American military bases for 10 years, obviously risks Japanese involvement in any American war. It may nullify the constitution. U.S. newspaper headlines have given the impression that only Communists and Socialists are against the treaty. That is not true. When I was in Japan last winter, most of the press—and Japan has the largest newspapers in the world—were opposed. They wanted to continue friendship with the United States but without the risk of being involved in war.

U–2 FLIGHTS

Though this is the basic trouble, other factors contributed to the storm of opposition to Eisenhower's visit. They are:

Premier Kishi, as crazy about golf as Eisenhower, isn't popular. He is brusque, inconsiderate, unbending. He operates a big business administration, with a foreign minister who had to resign from 200 corporations in order to join the Cabinet.

U.S. Ambassador Douglas MacArthur II, nephew of the general, has failed to keep his ear tuned to Japanese public opinion. He has done a great job for the Kishi government, has hid his head in the sand regarding the people.

Failure at the summit led to the erosion of U.S. prestige in Asia. Though a great welcome was organized for Eisenhower when he returned from Paris, that welcome, plus the speeches of LYNDON JOHNSON and EVERETT DIRKSEN praising Eisenhower, had no effect in Japan. In the opinion of most Japanese, Eisenhower badly fumbled. On top of this, U–2 flights have been made from Japan, and this doubled the uproar against military bases.

The break between Khrushchev and Eisenhower unloosed Communist sentiment against Ike. Previously, the Camp David spirit prevailed. So in South America and Europe during Eisenhower visits, the Communists cheered. The Communist Party in Japan is very small but very vocal and since Paris it has done its best to embarrass Eisenhower.

Add all these factors together and you can see why a whole decade of American friendship may now go down the drain and the military alliance may never become effective.

L. B. J. AND SEGREGATION

Harry Golden, the Jewish humorist, called Senate Leader LYNDON JOHNSON off the Senate floor the other day to talk to him about desegregation.

"I have been telling my friends," Golden began, "that if you were nominated, I know you could be elected. I have been telling my friends that if you were elected, you as a southerner—and I don't care where you say you live, you are a southerner—would desegregate the South faster and better than any other person running for the Presidency."

Turning to a woman who accompanied him, Golden asked: "Do you like anybody outside your home to tell you what to do?"

Then back to JOHNSON, Golden, who lives in North Carolina, continued: "You take a man who is able, whom the southerners respect, who is one of their own, and you would see the South desegregated. Senator, I believe you would do more for the South and more for the Negro than any other person running for the Presidency."

"Harry, you're right," replied JOHNSON. "I am sensitive to the situation in the South, and I feel I can do a good job with my people."

[From the Washington Post and Times Herald, June 1, 1960]

A FAMILIAR SCRIPT IS PLAYED AGAIN

(By Marquis Childs)

The favorite script of the Eisenhower administration is the hero's return. Whether it is the President himself or Vice President NIXON, we have seen the personal drama played out again and again of the hero who stands up to sticks and stones, insults, bad names, and then returns to the acclaim of a tumultuous welcome.

It is natural that the patriotism of Americans should respond to the fortitude of a leader who meets with adversity. But how much the personal drama really means in relation to America's position in the world and to America's aims is something else again.

President Eisenhower's reception on his return from Paris and the efforts to enhance his role in the tragedy of the U–2 and the collapse of the summit have a familiar resemblance to the drama of NIXON's return from Latin America 2 years ago. NIXON had been stoned in Venezuela, spat upon in Uruguay and denounced in Peru. When he returned to a highly organized reception at the airport, it was the President who directed the chorus of Hail to the Conquering Hero. This was NIXON's assignment as the President returned from Paris.

NIXON said that his trip had demonstrated that top priority must be given to Latin America. It is well the trip was taken at this time, he was quoted as saying, for it brought out into the open the problems we face before they could get worse.

There is little evidence that important steps have been taken to upgrade Latin America. Nothing like the recasting of American policy, which NIXON seemed to feel was essential, has occurred.

The Nixon drama, while it gave a boost to the Vice President's stock in the polls and filled the headlines and the television screens, had no demonstrable effect on policy. The script was faithfully adhered to, with the Vice President ignoring the cautious advice of the experts and boldly invading centers of anti-American opposition. But it was an interior drama, enthralling for home consumption while meaning little beyond our own shores.

All this is relevant to the President's proposed visit to Japan and the massive demonstrations being staged against the Japanese-American defense treaty. He can go as planned, arriving in Tokyo on June 19, the date the treaty is due to become effective. And, defying the fanatical leftwing opposition, he could probably return to Washington for another reception, more triumphal arches and Government workers dismissed to stand on the sidewalk to greet him.

Doubts are increasing, however, as to the wisdom of this course. There remains a possibility of postponing the visit until after the elections in November. The President would have a valid reason to put off the trip in view of the complications growing out of the collapse of the summit and the stormy consequences in Congress of what has happened during the past month.

The administration apparently feels under the necessity to cast recent events in such a way as to absolve the President of any blame for what went wrong. The account currently being given of what led to the collapse in Paris varies radically with what American reporters were being told as the events occurred.

The major effort seems to be to convince the public that the U–2 made no difference whatsoever to the outcome. Secretary of State Herter's story is that Soviet policy had undergone a complete switch before May 1.

But this is not what we were told in Paris by briefers who presumably had authoritative knowledge. It was said quite plainly that if the U–2 had not occurred, the conference would have been held; as with many postwar conferences with Soviet Russia, it would have been harsh and even acrimonious; but it would in all likelihood have ended with a formula calling for another summit conference and the President would have made his visit to the Soviet Union.

This is, of course, an election year and the Democrats will try to exploit the U–2 and the collapse of the President's plans. But surely, even for the Eisenhower reputation, a little more candor would be helpful. We shall be told next that the Soviets invited Pilot Francis G. Powers to make his flight over Sverdlovsk so that Premier Nikita Khrushchev would have a fine excuse to torpedo the summit.

CHAPTER 1

[From the Washington Post, May 28, 1960]

If the administration's role after the U–2 incident really was fully coordinated, as Secretary Herter indicated in his testimony yesterday, then any mistakes in judgment take on a somewhat different significance. If the President was directly involved in the sequence of comments and responses, several points need further amplification.

Conceivably the acknowledgment of personal responsibility by the President may have been intended as a kind of backhanded assurance to Mr. Khrushchev that the U–2 flights were not haphazard or "aggressive"—though if so, the gambit failed. The assumption of Presidential responsibility for the false cover story and the contradictory statements that followed, however, makes the combination of ineptness and bad luck seem to result from deliberate decision. Was it then a calculated choice not to try to take advantage of the opportunity for a more graceful exit from the predicament?

Moreover, there remains a question why, when the overflights were called off, this was not made clear to the Russians immediately. Perhaps there was an assumption that when the intelligence cover was exposed the Russians would automatically have concluded that the operation had been halted. Nevertheless, the initial statements

were ambiguous; and at various stages there might have been a possibility of allaying Soviet fears and thereby avoiding a situation in which Mr. Khrushchev's hand may have been forced.

Mr. Herter was properly less certain about the precise reason why Mr. Khrushchev sabotaged the summit meeting. It is a very interesting piece of evidence that the Soviet Embassy had stopped the press run of the magazine USSR and removed references to the Eisenhower visit even before the United States acknowledged responsibility for the U–2. Yet the Soviet magazine New Times was still speaking hopefully of the summit meeting even after the acknowledgment, though with increasing skepticism about Berlin. There are other indications that the Russians may have expected almost to the eve of the Paris meeting to talk about the Berlin situation.

Perhaps the full record never will be known completely, for, documentary evidence apart, it is impossible to say exactly what went on in Mr. Khrushchev's mind. Mr. Herter mentioned as ancillary causes of the Soviet action the pressure on Mr. Khrushchev from domestic and Chinese sources as well as a conclusion that the Soviet formula on Berlin would not succeed. It is also distinctly possible that Mr. Khrushchev believed that American policy on Berlin had changed.

Inevitably any current assessments involve large amounts of hindsight. Fairness demands the recognition that what now seems relatively clear probably was highly unclear at the time to the officials who had to make the interpretations and recommend the decisions—though the impression still persists that in an effort to show that it was in complete control at all times the administration is exaggerating its own sure-footedness. At any rate, the first day of the hearings by the Senate Foreign Relations Committee demonstrated the value both of the inquiry and of the technique. No doubt it will be useful for the Russians themselves to know in detail what prompted the American course.

[From the Washington Post, May 26, 1960]

MILITARY WANTS MORE U–2 FLIGHTS

(By Drew Pearson)

(Drew Pearson's column today takes the form of a letter on the Paris summit conference to his daughter, Mrs. Dwight Whitney, in Los Angeles.)

MY DEAR DAUGHTER: I said that I would try to report to you further regarding some of the tragedies of the summit conference. Perhaps you saw that when President Eisenhower stopped in Portugal he gave a hint that he made some mistakes, and I have been hoping he would follow this up by telling about the mistakes. Because only by admitting our mistakes can we pick up the broken fragments of the start we had made toward better understanding and get back on the track toward peace.

The situation today may be similar to that when Russia launched its first sputnik and we realized that we had suffered a very real scientific defeat. At that time Mr. Eisenhower wanted to admit frankly and publicly that we had made serious mistakes, but his White House advisers argued to the contrary. They said this would be disastrous politically, would hurt the party at the next election. So Ike yielded and they covered things up.

I'm afraid the same thing is happening today.

The truth is that there was a lot of fault on our side, and some of the things Khrushchev said were all too accurate, even though he was very disagreeable and ill-tempered about it. One of them was the charge that Mr. Eisenhower was under the influence of our military. This was partly right.

AMAZING PHOTOS

For instance, our military people were determined to send the U–2 observation flights over Russia regardless of the summit conference. And even today after the U–2 disrupted the conference they would like to have them continued. These planes had penetrated deep inside Russia approximately 100 times during the past 4 years photographing virtually everything on the ground with fantastic clarity. The photographs pinpointed all of Russia's missile sites, airfields, atomic installations, and even provided close-ups of the big rocket engines that put Russian missiles into space.

These U–2 flights were able to fly so high—about 80,000 feet—that no Russian planes could reach them. In fact, one of them was sighted by the Russians in April and all sorts of efforts were made to knock it out of the sky. And although the Russians couldn't reach it they did know about these flights and were on the alert for the next one in May.

After this one was shot down we at first lied about it. Then we told the truth. Then we lied two more times. Everybody knows about the first lie, but not the other two. It's bad enough to lie when you're a private individual; but when a nation gets caught lying it harms its prestige and place of honor in the world.

TWO MORE LIES

The second lie came when it was announced in Paris that President Eisenhower had ordered no more U–2 flights over Russia and that this order had been given on May 12.

Actually the diplomats knew and the Russians knew that this order had not been given until Sunday, May 15. It was given only after Prime Minister Macmillan of England and President de Gaulle of France had pleaded with Mr. Eisenhower on Sunday morning to stop the flights in order to persuade Mr. Khrushchev to come back to the conference table.

Other people knew it besides the diplomats because Secretary Herter in a press conference had strongly indicated that the flights would continue; and because Vice President NIXON in a televised program given in New York and Washington over the weekend had said the spy flights were continuing. On Monday, May 16, when NIXON got the word from Paris he quickly reversed himself. In Syracuse, N.Y., he said just the opposite.

On top of this came our final lie. In announcing the end of these spy flights, it was stated in Paris that President Eisenhower had given the grounding order of May 12 to Secretary of Defense Gates and Gen. Nathan Twining of the Joint Chiefs of Staff. This was a military order.

Yet earlier the President had been careful to announce that these flights were purely civilian.

"We do not use the Army, Navy, or Air Force for this purpose," the President had announced on May 11, "first to avoid any possibility of the use of force in connection with these activities; and second because our military forces cannot be given latitude under broad directions but must be kept under strict control."

So the announcement in Paris that a military order had been given to stop these flights, showed that we had been lying again.

That's why many Americans in Paris felt humiliated that their country's affairs were so badly handled. That's also why a good frank confession of error as practiced by the Catholic Church might help us recover some of our lost prestige in the eyes of the world.

And you can tell your small boys what happens to people and to nations when they don't tell the truth.

Much love from

YOUR FATHER.

[From the Washington Post, May 29, 1960]

RULES FOR AUTOPSY

If some Republicans in Congress were not so intent on proving that the President won a great victory at Paris and that criticism of him is treason, there would be more chance of keeping the investigations that many Democrats have demanded within reasonable bounds. The sweeping accusation by the Democratic Advisory Council over the weekend about the fundamental lack of purpose and integrity of foreign policy was just as extreme as some of the Republican excuses. But to think that the issues associated with the U–2 incident will be soft-pedaled would be no more realistic than to expect that Mr. Khrushchev will forgo further exploitation of the affair.

Chairman FULBRIGHT of the Senate Foreign Relations Committee and Chairman JACKSON of the Subcommittee on National Policy Machinery are responsible men who understand the broad considerations of national interest. It will be very difficult, however, to avoid self-righteousness and partisanship in the inquiries. Unquestionably there is a legitimate political issue in the embarrassment the country has suffered. But political criticism or defense would be more solidly grounded if it were based upon findings arrived at as impartially as possible.

Apart from the manner in which the U–2 affair was handled, the Democrats would be foolish to become hypermoral about the overflights themselves. These were activities of the sort that no government likes to talk about publicly. But in view of the boasts of Soviet missile prowess concealed by the Iron Curtain, it may well be that any administration that did not take steps to inform itself would have been derelict. In any event, the Democrats would be well advised to tread cautiously in this area.

Likewise, it seems to us that it would be futile to debate whether President Eisenhower should have gone to Paris. The Democratic Advisory Council charges that Mr. Eisenhower assented to the summit meeting "in the full knowledge that no progress had been made" on outstanding differences with the Soviet Union. Whether or not summit meetings are useful as a concept is a reasonable question, but is scarcely a partisan issue. Democrats and Republicans alike had supported the conference at Paris.

What would be altogether warranted, we think, are inquiries into why the damaging series of official contradictions occurred after the U–2 was downed. Had the problem of what to do in such a contingency been fully thought out? Why did the administration not avail itself of the opportunity for a more graceful exit that Mr. Khrushchev had provided? Why was it necessary for the President to acknowledge personal responsibility? What were the deficiences in the chain of command? It would be wrong to pillory subordinate officials, but certainly the responsible political appointees should be asked for an accounting.

It would be even more useful for the investigations to look into the underlying causes of the slippage of American prestige over the last few years. How much did the passive acceptance of the missile gap and the seeming subordination of defense to the budget weaken the diplomatic position at Paris? How has the demonstrated lag in space vehicle development affected the confidence of others in the United States? To what extent were Soviet suspicions whetted by the vacillating stand on nuclear tests? These questions are not susceptible of conclusive answers, but expert evaluation would be highly pertinent.

Obviously all of this relates to presidential responsibility. There would not be much point in berating Mr. Eisenhower, who has suffered a personal blow in the national embarrassment. But the question of who, if anyone, has been minding the store has a

direct bearing upon the principles of policy and conduct which the investigations could distill for future reference. These inquiries will gain credibility in direct proportion to the degree to which they eschew narrow partisanship and mere second-guessing.

U–2 BRUTUS?

[From the Washington Post, May 23, 1960]

It is ironic that the United States will be on the defensive in the United Nations Security Council this afternoon in part because it told the truth. Perhaps no other big nation would have handled the affair of the espionage plane in the same way, even after the initial blunders and embarrassment.

There is a certain cynicism about intelligence operations. If the United States had taken advantage of the out allowed by Mr. Khrushchev, or had been concerned but evasive or had promised to investigate thoroughly instead of confirming the incident without disavowal for the future, it might have been spared the Soviet charge in the U.N. This, of course, is conjecture, for no one really knows the mind of the Kremlin. In retrospect, however, there was an alternative to telling an untruth, and that was to be noncommittal.

At any rate, the United States will be by no means defenseless. The flight was provocative, but the fact that this country has suspended such flights and issued orders against their resumption will be a mitigating factor in U.N. consideration. Moreover, the vast extent of the intelligence operations conducted by the Soviet Union and its Communist partners, if they do not disprove the Soviet charge, will tend at least to offset it.

West German sources report, for example, that the Bonn government has apprehended more than 500 Communist agents within the last few months. Some countries in Asia where cold war intelligence operations have been customary are inclined to avoid one-sided moral condemnation even though they do not like such activities.

Thus there is little likelihood that the Security Council will actually muster a majority for censure of the United States; and there is a strong argument that this country can advance for examining the root cause of this particular problem, which is the secrecy of the Iron Curtain. Yet it is by no means impossible that the Soviet Union will take the case to the General Assembly, where the reception may be somewhat less sympathetic.

We shall have to do our best to keep the matter in perspective, but it is not inconceivable that a vote in the Assembly could go against the United States. The necessity in such circumstances would be to keep our shirts on and to resist the demands of the domestic United Nations haters. The plain fact is that our own mistake has placed us in the predicament, hypocritical as the charge may be; and if our explanations fail to persuade we shall simply have to take our lumps.

[From the Washington Post, May 22, 1960]

CANADIAN AFFAIRS—U–2 INCIDENT HURT NEIGHBOR'S FAITH

(By G. V. Ferguson)

MONTREAL.—Hardly a day has passed since the Soviet Union announced that it had shot down a U.S. U–2 reconnaissance plane without questions being asked in the Canadian House of Commons.

After a Moscow broadcast had warned Canada not to give harborage to such planes and not to permit any U–2 flights from Canadian bases, External Affairs Minister Howard Green noted that no official Soviet statement or protest had been received. He considered the broadcast, he said, the unauthorized remark of a commentator.

The Canadian denials, nevertheless, have been unequivocal and complete. The trouble is that nobody is in a mood to believe them.

Canadian spokesmen have stated that there have been U–2 flights over Canada but not beyond Canadian air space. The planes, they said, were studying meteorology and radiation effects.

All flight plans were duly registered, and all planes bore U.S. Air Force markings and were flown by U.S. Air Force personnel, they said.

Other statements declared that U–2 planes did not carry enough fuel to take off from U.S. bases and penetrate Soviet air space after crossing Canada. Since no planes had taken off from Canadian bases, it was said, it was obvious that Canada was in no way involved.

But in the present temper of Canadians generally, these answers are all taken with a grain of salt. If such flights have taken place elsewhere, they could have happened here, is the barroom and tea-table gossip.

This, unfortunately, must be counted as one of the more permanent consequences of the U–2 incident. Statements emanating from Washington will henceforth be subjected to more critical analysis than the easy-going Canadians have hitherto applied to the words and deeds of their big neighbor.

Deeply dependent on the United States for their defense, they have liked to believe in the complete bona fides of administration statements. They will be henceforth somewhat suspicious, and also somewhat fearful. The reasoning is that it may be true that Canadian bases are not being used for underground purposes, but if the Russians believe they are, it won't make much difference in the results.

The good sense of the Canadian people will in due course assert itself, and the relative steadiness of both Government and opposition in Parliament will help a great deal. There will be little mischief making. But in some quarters, the question is being asked about the broad effect of the incident in countries less deeply friendly than Canada to the United States, and less committed to its leadership and alliance.

[From the Washington Post, May 20, 1960]

FACTS TO BE FACED

(By Joseph Alsop)

PARIS.—After the ugly scenes of the aborted summit meeting, it is wise to make up a sort of balance sheet of facts to be faced.

The first fact that needs facing, alas, is the grave loss of prestige and confidence that President Eisenhower has suffered. As Walter Lippmann has written, it is right that men of all parties should rally to the President, but it is also wrong to be self-deluding. The affair of the U–2 has caused America's greatest friends in the Western alliance to conclude that America's present leadership is bumbling and maladroit.

There is no use arguing about the justice or injustice of this conclusion. It is there, like the weather; and like the weather, it has to be taken into consideration.

The second fact to be faced is less painful to American self-esteem but decidedly more alarming. The leadership of the other great world bloc is even more dangerous and implacable than all but the worst of pessimists had imagined in their gloomiest moments.

After seeing Nikita S. Khrushchev do everything but froth at the mouth and chew the carpet at his incredible press conference, a great many observers in Paris began to use the grim adjective "Hitlerian." In this reporter's opinion, the adjective is misapplied. Khrushchev was intentionally making Hitler-like noises, in order to intimidate as Hitler intimidated. But those who know the man best believe that he was doing this from calculation, and not because he was carried away as the neurotic Hitler so often used to be.

But even if Khrushchev is not semi-lunatic, as Adolf Hitler was, the consolation is trifling. The character of his mental processes is not very important, after all, if he is capable of talking as he has talked and acting as he has threatened to act. The Khrushchev seen in Paris was no jolly, proverb-quoting, detente-seeking peasant. This man was a political carnivore, cheated of his prey.

As for the third and final fact to be faced, it flows directly from the second. A major effort to strengthen the military defenses of the West is now a matter of great urgency. This is clearly true, even although the incident of the U–2 has revealed a current balance of power that seems to be reasonably satisfactory.

There are two reasons why a strengthened defense effort is now urgent. On the one hand, no one who has watched Khrushchev's macabre and brutal performance in Paris can doubt that this man is capable of striking at the United States and the West with every bomb in his arsenal, if ever he believed he can do so with impunity. On the other hand, the military balance, though still apparently satisfactory, is plainly tilting in Krushchev's favor. Later on, therefore, he may come to believe it is safe to strike. This is what has to be averted at all costs.

The main things that need doing are the same things that were discussed during the debate on national defense at the beginning of the year. Appropriations are needed to inaugurate a maximum airborne alert of the Strategic Air Command's entire force of B–52 bombers. The airborne alert ought to begin now, and continue at full strength until the United States striking power in long-range guided missiles has been massively augmented.

Similarly the buildup of the long-range missiles ought to be increased in every way possible, and every dollar should be appropriated that can be used to speed the two reconnaissance satellite projects, Midas and Samos. In addition, the affair of the U–2 plainly proves the shortsightedness of the policymakers who have cut back production of the B–52–H bomber almost to zero.

Here is a bomber with the range, speed, and altitude characteristics that will allow it to imitate the U–2's performance. It can go almost where it will in the skies above the Soviet Union, just as the U–2 did for so long. It is not menaced, so far as is known, by improvements in the Soviet air defense system, whereas the B–52, flying at low speeds and at somewhat lower altitudes, may well be menaced later on.

It is hard to understand how any policymaker can have all but stopped production of the B–52–H bomber, with the example of the U–2 before his eyes. But this is what was done. And this is what should now be undone as far as possible.

More costly defense programs; still deeper distrust of the Kremlin; apologies needed for our own leadership's performance—they make an unpleasant list. But we have now been warned. It can be very dangerous indeed if the warning is ignored.

[From the Washington Post, May 19, 1960]

FIRST OF ALL

(By Walter Lippmann)

Amid the wreckage, and as we recover from the shock, the long work of rebuilding will have to begin. Where must it begin? It must begin at the point where the most critical damage has been done. Where is that point? It is not in what Mr. Khrushchev said or did to us. It is in what we did to ourselves. It is that we "first did help to wound ourselves."

The wound has been made by the series of blunders on the gravest matters in the highest quarters. These blunders have not only

angered the Russians and wrecked the summit conference but, much worse than all that, they have cast doubt among our allies and among our own people on our competence to lead the Western alliance on the issues of peace and war. Mr. Khrushchev's harsh and intemperate language has produced a reaction and evoked sympathy for the plight of the President. But we must have no illusions about the depth and the extent of the loss of confidence in American leadership, in the judgment, sagacity, and political competence of the Government in Washington.

This is the damage to which we must address ourselves. We are a free people, and one of the blessings of a free society is that, unlike an unfree society, it provides a way to deal with error and correct mistakes. This is to investigate, to criticize, to debate, and then to demonstrate to the people and to the world that the lessons of the fiasco have been learned and will be applied.

In a situation like ours the damage to our prestige would be irreparable if we all rallied around the President and pretended to think that there was nothing seriously wrong. For that would prove to the world that the blunders will not be corrected but will be continued, and that our whole people are satisfied with bad government. It is the dissenters and the critics and the opposition who can restore the world's respect for American competence. We cannot do this by pretending that the incompetence does not exist.

These are hard words. But in what other words shall we describe the performance on Sunday night when the Secretary of Defense, who is in Paris as one of the President's advisers, ordered a worldwide alert of American combat forces? On Sunday night Mr. Macmillan and General de Gaulle were still struggling to find some way out of the affair of the spy plane. Yet this was the time chosen by the Secretary of Defense to stage a worldwide readiness exercise which, though not the last stage before actual war, is one of the preliminary stages to it.

Why Sunday of all days? This blunder was not the work of some forgotten colonel on a Turkish airfield. This was the work of the Secretary of Defense and of the President. The timing of the exercise was just a shade worse than sending off the U–2 on its perilous mission 2 weeks before the summit. The timing of the so-called exercise makes no sense whatever. For if the alert was concerned with a possible surprise attack, when in the name of commonsense could there be less danger of a surprise attack on the Western World than when Mr. K. in person was in Paris?

Unhappily, too, Secretary Gates's exercise was just about as incompetently administered at the top as was the affair of the spy plane. This time, it appears, the top people forgot to say anything about the exercise to their press officers who did not know what to say, and were not even in their offices, when the public was being frightened by the exercise.

A great government faced with a most formidable adversary, itself the leader, champion, and mainstay of the non-Communist world, cannot be conducted in such a feckless and haphazard way. That is the damage that first must be repaired before we can begin to deal with the general international wreckage, and to regain our confidence in ourselves.

[From the Washington Post, May 16, 1960]

WHITE HOUSE AID IS INVESTIGATED

(By Jack Anderson)

(While Drew Pearson is covering the summit conference, his associate, Jack Anderson, is watching the Washington scene.)

Even as former President Truman's appointments secretary, Matt Connelly, was finally shut behind bars last week, the Democrats began investigating his successor, President Eisenhower's appointments secretary and White House prankster, Tom Stephens.

They want to know more about Stephens' connections with the Blue Ridge Gas Co., which won the right to distribute gas in Rockingham County, Va., after one of the lengthiest battles ever fought before the Federal Power Commission.

The Commission even refused to hear a competitor, Virginia Petroleum Jobbers Association, which asked to appear in opposition. The court of appeals later overruled the Commission and forced it to go through the hearings all over again. But the second verdict came out the same as the first.

BACKSTAGE INFLUENCE?

The Democrats have now heard that Stephens not only was a major stockholder and vice president of Blue Ridge but may have used his White House connections to influence Commissioner Frederick Stueck's vote.

Stueck told this column that he has talked occasionally with Stephens but denied that FPC matters were ever discussed.

During the time the Blue Ridge case was pending before the Commission, Stueck estimated he had been in touch with Stephens "a half dozen times." These contacts were "purely social," Stueck said.

He recalled that he had lunched with the White House aid, although he had no memory for the details. He was sure only that they had never met in either's office and had scrupulously avoided mentioning FPC business.

The publicity-shy Stephens got into politics through former Attorney General Herbert Brownell. Stephens handled undercover political assignments for the Dewey-Brownell political machine. This experience may explain why Stephens always fades out of the background when pictures are snapped around the White House.

IN AND OUT

After he joined President Eisenhower's staff, Stephens formally cut his ties with a hole-in-the-wall Washington law firm which suddenly began prospering. He went back to the law firm in 1955, but kept a desk in the White House. For several months, he operated out of both his law office and the White House.

Then in March 1958 he accepted reappointment as the President's appointments secretary and again divorced himself from his law firm. At the same time, he assertedly sold his interest in Blue Ridge to his law partner's mother.

The law partner, H. Douglas Weaver, who is also president of Blue Ridge, insisted to this column that Stephens made a clean break with both the law office and gas company. However, Democrats on the House Legislative Oversight Subcommittee intend to investigate for themselves as part of their probe of the Federal Power Commission.

Note—Born in Ireland and brought up in Brooklyn, Stephens is known inside the White House for his innocent mischief. He succumbed one day to an irresistible urge to wear one brown shoe and one black shoe to work. On another occasion, he brought a phony Chinese celebrity to the White House.

BEHIND THE U–2 STORY

The mystery has now been solved as to who put out the phony story that the U–2 spy plane disappeared after reporting an oxygen failure over Lake Van, Turkey.

The release was prepared in the State Department by Deputy Assistant Secretary Edwin M. J. Kretzann in a desperate effort to cover up the truth about our aerial espionage.

He knew that a powerful monitoring station in Turkey had tracked the spy plane 1,200 miles into Russia and had overheard the commands of the Russian fliers who finally intercepted it over Sverdlovsk.

Because it is an unwritten rule of international diplomacy never to admit espionage, however, he prepared the phony statement. Spokesmen for the Defense Department warned that the Russians might salvage the downed plane and even capture the pilot. Then they would be able to prove that the United States not only was spying but lying.

Kretzmann referred the decision to the White House where Press Secretary Jim Hagerty finally approved the phony statement. So far as this column can learn, Hagerty did not consult President Eisenhower but made the decision on his own responsibility.

Later the Defense Department's worst fears turned out to be all too well founded.

(Note—One reason the fake report fooled so many top officials is that two U–2 planes were involved in the May Day mission. The second U–2 was flying along the Soviet border as a decoy. For a while, many officials thought it was the second plane that had reported oxygen failure. Search flights from Adana, Turkey, even scoured the Lake Van area for a downed U–2.

[From the Washington Post, May 12, 1960]

UNITED STATES HEARD RUSSIANS CHASING U–2

(While Drew Pearson is en route to the summit conference his associate, Jack Anderson is covering the Washington scene.)

(By Jack Anderson)

The terse radio exchanges between the Russian pilots who shot down an American spy plane over Sverdlovsk, 1,200 miles inside Russia, were picked up by supersensitive listening devices in Turkey, it has now been learned.

The last words that crackled over the radio were one pilot's excited shout: "He's turning left." Then silence.

Despite the great distance, the Red fliers' conversation was overheard distinctly through monitoring equipment which Uncle Sam uses to keep an ear to the ground along the Soviet border.

From official reports that no longer can be considered secret, this column has pieced together the dramatic story of Francis Powers' fateful flight into Premier Khrushchev's arms.

Powers was on the lookout for a space spectacular which the Russians had hinted they might attempt on May Day. His course took him over the missile center from which they were expected perhaps to launch a man into space. As it turned out, Powers provided the May Day spectacular.

SOVIET TRAP?

Some officials suspect he was lured into a trap which the Russians had baited with their May Day hints. But although Uncle Sam was curious about what the Russians might be up to, surveillance of the missile center was only a small part of his assignment. He was supposed to complete a photo-reconnaissance mission through the heart of Russia from the Pakistan border to Sverdlovsk, then left over Murmansk to the Norwegian airbase at Budo.

The weather determined the course and timing of his mission more than the Soviet's May Day plans. The upper altitude had to be free of moisture, so his high-soaring jet plane wouldn't leave a vapor trail. He also wanted to avoid clouds which might obscure his camera's vision.

Conclusion: It is unlikely the Russians had any advance warning of his coming, though their vigil may have been sharper than usual on May Day.

Powers posed as a civilian pilot flying weather reconnaissance missions for the National Aeronautics and Space Administration out of Adana, Turkey. Not even his wife was permitted to know of his true work.

He took off from Adana, as Khrushchev reported, on April 27. He stayed at Peshawar, Pakistan, until the weather was right for his daring mission.

POISONED NEEDLE

His orders did not call for him to commit suicide in order to avoid capture. In fact, he carried a survival kit which was supposed to help him keep alive in case of mishap. It was true the kit included a poisoned needle, however, which he was expected to conceal and use only to escape torture.

Powers cruised across Russia in the thin, blue-black air above 75,000 feet. As he approached Sverdlovsk our monitors picked up excited Russian commands which indicated he had been detected.

Even as the Soviet interceptors gave chase the American trackers were not unduly alarmed. A U–2 spy plane had been spotted once before over Russia, but on its lofty course it had kept out of Soviet reach and had fled home safely.

The Soviets have planes which can soar far above 75,000 feet, but they can't maneuver at the same level as the light glider-like U–2.

The Russian shout "He's turning left," indicated Powers was calmly following his prescribed flight plan which called for a left wing over Sverdlovsk.

What happened thereafter can only be conjectured. Khrushchev's statement suggests a rocket fragment may have crippled Powers' plane. Or the motor may have stalled, forcing him to dive below 40,000 feet to start it again. The first Russian report claimed he was bagged around 30,000 feet.

STATE'S FABRICATION

The news that Powers might be down in Russia was flashed immediately to Washington. Only the topmost officials knew what Powers was doing over Russia. They got together last Sunday for a frantic hush-hush conference. The State Department representative wanted to fabricate the story that Powers had reported an oxygen failure on a weather flight over Lake Van, Turkey. The Defense Department argued it was senseless to deny what Khrushchev probably would be able to prove.

The decision was referred to the White House which approved the State Department plan. Whether President Eisenhower was personally consulted isn't known. Certainly he should have been.

In a desperate attempt to make the phony story stick, a report of an oxygen failure over Lake Van was circulated through normal channels, and search planes were sent from Adana to comb the lake area for the missing plane.

Not until Khrushchev revealed Russia had captured Powers complete with his survival kit and espionage equipment did Secretary of State Herter decide it would be better to confess the truth before matters got any worse.

[From the Washington Post, May 11, 1960]

UNITED STATES HAS TWO SECRETARIES OF STATE

(By Drew Pearson)

The dispatch of the American "observation" plane over the heart of the Soviet Union shortly before the summit conference highlights a situation which has plagued U.S. foreign policy ever since the war.

It is the fact that we have two Secretaries of State.

One is the official Secretary of State, Christian Herter. The other is Allen Dulles, head of the Central Intelligence Agency. In many cases, Secretary of State Herter has little idea what the supersecret arm of the U.S. Government, Central Intelligence, is doing. More than once Central Intelligence has severely disrupted U.S. foreign relations.

Last week, State Department and Pentagon officials were telling the truth—as far as they knew it—when they put out that phony alibi about pilot Powers having oxygen trouble over Lake Van. This is what they were told by the CIA, and they seemed so convinced the story was true that a good many newsmen, including this writer, believed them.

This was how the United States, on the verge of one of the most important international conferences in recent years, got caught, first spying, and then lying.

No country could have been put in a more humiliating position. And no country could have had its bargaining power at the Paris talks more neatly pulled out from under it.

NOTE.—All Premier Khrushchev has to do, to make his propaganda sockeroo devastatingly complete, is to take pilot Francis Powers to Paris and personally hand him back to President Eisenhower with the gesture: "We don't want him. We won't punish him because he was merely carrying out capitalistic orders. You can have him. But don't let him come our way again."

And since Khrushchev is one of the most skilled propaganda artists in five continents, he may well do this.

MAN TO OUTER SPACE

What Central Intelligence was up to was to spy on what secret stunt the Russians were going to pull just before the summit conference. It will be recalled that Russian scientists hit the moon just before Khrushchev came to the United States, and it has long been rumored that they would launch a man into space just before the summit.

The chief Russian missile center is northeast of the Caspian directly on the course taken by pilot Powers on his ill-timed flight. His telescopic cameras were supposed to pick up any sign of Soviet scientific activity which might surprise the world just before the summit.

In Washington, Central Intelligence is known as the hush-hush agency. It is also sacrosanct. Congress does not investigate it. Congress does not even try to get a breakdown on the use of its funds. Congressional appropriations committees are eagle-eyed with every penny spent for propaganda by the U.S. Information Agency, and Representative JOHN ROONEY of Brooklyn has even cut back that agency because it hasn't employed certain Voice of America personnel from Brooklyn.

Not so with Central Intelligence. It can afford to pay pilot Powers $2,500 a month and not be answerable to Congress. It can also afford to invest in the two gold wristwatches, seven ladies' rings, 500 rubles plus the gold French francs, which gave Khrushchev the opportunity of getting off that wisecrack about being wrapped in cellophane in the "cultured American way."

"Why," asked Khrushchev, "was all this necessary in the upper layers of the atmosphere? Maybe he was to have flown on to Mars (with those seven ladies' rings) to lead astray Martian ladies."

BACKSTAGE WITH CIA

No CIA personnel can ever admit they work for the CIA. Even in Washington they are anonymous. For some time Air Force planes used to make reconnaissance flights over Russia. But since the flight of military personnel over another country could be an act of war, this job was transferred to the CIA. When a plane flies over 50,000 feet, it's hard to spot. Powers' plane was flying at 65,000. But specially built cameras can take excellent photographs at this altitude. Experts who know how to read them can tell exactly what is going on 65,000 feet below. Modern spying long ago abandoned Mata Hari techniques. It now consists of long-range lenses, electronic listening devices, plus the poison needle—if you're caught. Powers had the needle but did not use it. Soviet planes have never been caught over the continental United States, but vapor trails have been picked up over Alaska, Iran and Canada. One reason Soviet planes don't try to spy on the United States is because every one of our bases is known, while very accurate aerial maps can be purchased from the U.S. Government. All the Soviet Embassy has to do is go down and buy them.

[From the Washington Evening Star, June 16, 1960]

NO TRIP TO TOKYO

The decision to postpone and probably abandon President Eisenhower's visit to Tokyo is both sensible and necessary. For the President could not have gone to the Japanese capital without running serious risk of physical injury, and, given the prevailing conditions, there is grave doubt that Prime Minister Kishi's political position would have been strengthened by an Eisenhower visit.

There is no denying that cancellation of the Eisenhower mission is a great triumph for the howling, Communist-led mobs that have taken over the streets of Tokyo. Moscow is gloating, and it has reason to gloat. For this is a serious blow to the free world and to its position in the Far East. One can only hope that Prime Minister Kishi, who has denounced the demonstrations as "obvious, premeditated violence planned by Communists," will be able to stay in power and that he will not be forced to yield in his determination to push the Japanese-American defense pact to final ratification.

It is necessary to face facts, however, and the significant fact in Tokyo seems to be that the Kishi government is either unable or unwilling to suppress the mobs. Restraint will never be effective when a government is dealing with frenzied hoodlums led by skilled Communist street fighters. Yet the report from Tokyo is that yesterday's rioting went on for 7 hours before the police, overwhelmed by the mobs and forbidden to use their revolvers, received orders to charge with tear gas—the first time in 8 years that the Japanese Government had permitted the use of gas.

The Kishi regime is talking bravely of "fighting this violence head on." And it may be true that the rioters constitute only a "small minority led by professional agitators." But small minorities, when sufficiently ruthless and determined, have taken over governments before, especially governments that are irresolute and unwilling to meet force with force. We may see this again in Japan, and, if so, it will be a great tragedy. But governments which will not act to save themselves cannot be rescued by good-will visits from the President of the United States.

[From the Washington Evening Star, June 15, 1960]

FAR EAST TRIP SEEN VITAL TO U.S. BASES CONCEPT

PARIS, June 15.—There is a growing awareness here that the real stakes involved in President Eisenhower's trip to the Far East are much greater than the simple spreading of international good will.

The series of crises that have shaken the outer perimeter of the free world in the past few months are hardly coincidental. Taken together, they do in fact, impose a compelling responsibility on the President to discover the causes and, if possible, to reverse the pattern before it is too late.

What is being threatened today, as at no time since the end of World War II, is the American concept of a peripheral military defense depending on foreign bases. There are a number of well-qualified observers in Europe who believe that this system, and with it the foundation of American political and economic foreign policy, is already in a

process of rapid disintegration. The need now, it is argued, is for a complete revision of policy.

So far as virtually all American leaders are concerned, this is unwelcome and dangerous talk. And yet the hard facts of recent developments in Korea and Japan, in Turkey and Pakistan, cannot be easily brushed aside.

This argument, to be sure, does not hold up when applied to well-integrated areas such as Western Europe. Where mutual security and political solidarity is an accepted fact, military commitments and tangible evidence of American military power are still a positive asset.

Where the argument does apply, however, and with growing force, is precisely on the exposed perimeter—in countries increasingly dominated by fear and irresolution and where comfortable doctrines of neutralism exert an ever-more-powerful appeal.

In such areas the pattern has been depressingly similar. Authoritarian government, sustained by the United States in return for military cooperation, face increasingly violent and bitter opposition which Communists in most cases have been quick to exploit. And in the resulting shuffle the interests of the United States are likely to be severely bruised—if not lost altogether.

In all cases, admittedly the issue of American bases or military pacts is not directly involved. It is not easy to draw exact parallels between the fate of an Adnan Menderes and a Syngman Rhee. There may also be a debatable connection between the unpopularity of a government and the extent of its cooperation in the matter of military bases. But, at least in the case of Japanese Prime Minister Kishi, the connection seems dramatically clear.

Although the political shakiness of the West's defense perimeter has been developing over a period of time, the situation has become critical since the U–2 incident and the breakdown of the summit conference. In his subsequent attacks Soviet Premier Khrushchev has turned his fire directly on the more exposed countries offering military facilities to the United States.

His threats of nuclear annihilation may not in all cases have produced the results that he hoped for. But they have certainly caused some serious second thoughts among our more vulnerable allies. If the impression of many observers is correct, it was not only the U–2 that was compromised on May 1, but the whole system of bases along with it.

No doubt, these impressions can be disputed. No doubt, too, many powerful arguments can be advanced for maintaining the peripheral defense system, despite its diminishing military value and its increasing political liabilities. But the problem of doing it over the next few years is something else altogether. And finding the answer will demand the best thinking that leaders of the next administration can produce.

[From the Washington Evening Star, June 8, 1960]

TIME FOR UNITED STATES TO STOP RETREATING—CRACKDOWN ON REDS AND BREAK IN TIES WITH SOVIET SUGGESTED AS STARTERS

(By David Lawrence)

The Communists are winning victory after victory, while the West seems to be retreating.

The Communists have forced a crisis in Japan and are intent on preventing President Eisenhower from visiting there. Success in keeping Mr. Eisenhower from going to Tokyo will be followed by intensified efforts also to keep him out of the Philippines and Korea.

Thus the propaganda battle to hurt the standing of the United States in the Far East goes on, even as the Communists have virtually seized control of the Government of Cuba—right at the doorstep of the United States.

The invasion of Cuba is the first step toward further takeover in Latin America.

Without firing a shot, the Communists are making headway in countries hitherto regarded as the military frontiers of the West.

Already in American there are suggestions that President Eisenhower had better not go to the Far East. This is exactly what the Communists want to see happen. An American President, officially invited to visit allied countries, would then appear, in effect, to be forbidden by Communist activity from carrying out his mission. The adverse effect of such a happening would, from a propaganda standpoint, be a serious blow to American prestige throughout the world.

Much of this decline has happened within the last 2 months. Korea has become weaker. Turkey has had a serious internal upset. Japan is torn by strife, with the Communists demonstrating openly against the government because it signed a security treaty permitting the United States to have a base there to fight Communist aggression.

All this has a military significance. Thus, by suspending U–2 flights, the United States has lost an important auxiliary activity. Not only can weather information no longer be obtained by flying at high altitudes over the Soviet Union, but also a vital means of detecting preparations for a surprise attack has been subtracted.

Official Washington, too, presents a sorry picture. The Senate Foreign Relations Committee has been meddling in the operation of foreign policy, which is not its constitutional function. Some curious statements, moreover, have been made by some of its members about the U–2 episode.

One of the most fantastic is the suggestion that the high officials of our Government should have publicly lied throughout on the U–2 flights or should have said nothing at all. But the same Members of Congress who offer this hindsight would have been the first to demand testimony from high officials as to what exactly did happen. If the high officials didn't tell the truth to the committee, they would have been guilty of perjury. If they refused to discuss it at all, the facts would have been obtained by the committee from lesser officials and the press would have been printing it day after day until confirmation had been obtained.

Under the circumstances, the administration had no choice but to tell the truth about the affair as soon as it became definitely established that Francis Powers had been captured and was alive. For it was immediately recognized that he would have been pressured into revealing enough facts to convict the American Government of telling untruths if it had decided to pursue a policy of evasion. So long as congressional committees and their chairmen insist on the right of public inquiry and the politicians urge such a course, no administration can afford to suppress the essential facts about any controversy, no matter how delicate a situation may be created in international relations.

A showdown seems to be approaching. How long can the United States continue to appear in retreat? How long can U–2 flights be suspended while the Soviets carry on espionage and an infiltration that weakens America's military position against the Communists?

A test may come in Cuba. Nikita Khrushchev is going there soon. If President Eisenhower is kept from visiting Japan, then the Soviet Premier should be discouraged from visiting Cuba. There are plenty of Cuban citizens who can do the discouraging if they are sure the American Government has a policy looking in that direction.

But even broader measures are necessary. A crackdown on Communists in every Western country would seem to be needed. This can be brought about more readily if diplomatic relations between the United States and the gangster regime in Moscow are cut off. This would stop the influx of Communist agents into the United States, and it would be a signal to Latin American countries to take similar measures.

If the West seems to the rest of the world to be showing the white feather while the Soviets are infiltrating or invading the countries allied to the West, it is only a question of time when America's military position will be correspondingly weakened and the United States will have to spend many more billions for a fortress America policy of unwanted isolation.

[From the Washington Evening Star, June 1, 1960]

PRESIDENT'S ROLE

The Senate Foreign Relations Committee, without any display of politicking, is bringing the U–2 affair into a little clearer focus—even though this is being done in a negative rather than a positive way.

Take, for example, the matter of the timing of the ill-fated May 1 flight. After the plane had been shot down there was much criticism based on the assumption that the possible relation of this flight to the Paris summit meeting had not been foreseen and considered. This, however, apparently was not the case. The risks were weighed and the flight was undertaken, as the President reported, because the information sought might not have been available at a later time. Was the information sought important enough to justify the risk? No outsider can say, since CIA Director Allen Dulles declined to tell the committee what the U–2 pilot was after. This attitude supports the belief, however, that the information sought was of high importance, and it is significant that Senator FULBRIGHT, the committee chairman, has spoken in praise of the Dulles' testimony. He would hardly have done this if he thought the CIA head was trying to cover up his own ineptitude by declining to tell the committee what the U–2 pilot was looking for. Mr. Dulles' reason for remaining silent, no doubt, was that a disclosure on this point might have compromised other intelligence sources.

Still another question remains unanswered, or at least it has not been satisfactorily answered. Why did the President take personal responsibility for the U–2 program, especially after Mr. Khrushchev had tried to exonerate him? State Department officials have said it was necessary to tell the truth after it was learned that the pilot had been captured alive and had confessed. This is persuasive in the sense that it probably was necessary at that point to admit that the pilot was on an espionage mission. But it does not follow that it was also necessary for the President to assume personal responsibility, and we think it was a serious mistake for him to do so. If there was a good reason for doing this, it is to be hoped the committee will ascertain the reason and make it public. The indications are, however, that there was no good reason—that the assumption of personal responsibility by the President was simply a mistake in judgment.

[From the Washington Evening Star, May 24, 1960]

SUMMIT FAILURE AN ELECTION ISSUE—KHRUSHCHEV VIEWED AS WANTING DEMOCRATIC PRESIDENT TO TALK TO

(By Constantine Brown)

Who killed Cock Robin in Paris? Was it the administration's blundering admission of U–2 espionage or was it the brutal Khrushchev tactics? This has already become an election issue.

The performance of the Red boss leads some observers to the conclusion that the power drunk Mr. Khrushchev intends to

choose next November an American President of his own liking. He was unequivocal at Paris when he said that he would have no further dealings with Mr. Eisenhower but left the door open for another summit next year.

At the same time Mr. Khrushchev announced that he will have no truck with Mr. NIXON, the only Republican candidate, whom he has contemptuously compared with a "goat in a cabbage patch." Hence, the inescapable conclusion that Mr. Khrushchev would talk only to a Democratic President.

The "crowbar and sledgehammer" speech by Adlai Stevenson in Chicago only 2 days after Mr. Khrushchev had insulted the United States in the person of our President must have been music to the Soviet Premier. It would not be surprising if the Kremlin saw in him a man who could be handled in a future summit, for Mr. Stevenson is by no means out of the presidential race.

Mr. Khrushchev's views on JOHN KENNEDY are uncertain although the young hopeful joined in the chorus that the administration had killed Cock Robin. According to reports from Moscow, the Soviet boss frowns on Senator LYNDON JOHNSON, whom he considers another "jingoist," presumably because of his Texas background.

Whatever Mr. Khrushchev's preference insofar as the personality of the Democratic candidate is concerned, there can be little doubt that he had the November elections in mind in his calculated brutality in Paris.

The American people have been sold a bill of goods by intensive propaganda of which both parties are guilty to different degrees that personal high-level conferences with the leader of a monolithic state can further world peace. The propaganda has been so skillfully conducted that the vast majority of our people actually believe that only by such "personal diplomacy" can peace become a reality.

Yet if we look at the record it is obvious that we lost out at every summit meeting. At Teheran, Yalta and Potsdam we yielded to Stalin.

The mirage of better relations with Russia prompted the British Government to seek other summit conferences after the Labor Party was ousted from office. Although the late Secretary of State John Foster Dulles advised President Eisenhower in 1955 that there could be no gain from another person-to-person encounter with the Kremlin leader, we yielded to Sir Anthony Eden's pressing demand to meet with Bulganin and Khrushchev at Geneva lest the Labor Party be returned to office.

The results of the Geneva summit were negative for the free world but served to strengthen the then shaky B & K team in Russia as well as in East Germany, Poland and Hungary where the serfs had become restless.

Finally under the illusion that relaxation could be achieved after Mr. Khrushchev had served an ultimatum on Berlin in November, 1958, Mr. Eisenhower agreed once more to hold another summit parley. It was to be one of a series which we were assured could possibly lead to peace. He agreed once more to participate in a tragic farce which would only help international communism.

The record of the last 17 years shows clearly that the free world can expect no advantage from personal diplomacy since it lost every time it met the Red dictators in secret conclaves. Despite this indisputable record, our political men do not seem to want to learn their lesson. Today when Mr. Khrushchev's calculated insults are still so fresh in our minds there is already talk among professional politicians to continue "at a more appropriate moment" these futilities known as summit conferences. They say that it is better to talk than to fight, without telling the propagandized public that there is another alternative—to answer the cold war with the cold shoulder.

The position of Mr. Khrushchev would be seriously endangered if the free world were to treat him and his regime as an outcast with whom there is no point in arguing.

[From the Washington Star, May 23, 1960]

KHRUSHCHEV GETS OFF THE HOOK—REPORTEDLY HIT AS SOFT ON CAPITALISM, HE GRASPED CHANCE TO RAGE AT UNITED STATES

(By Ralph McGill)

Reliable foreign sources here give substance to the belief that Nikita Khrushchev was, of all things, under pressure for being soft on capitalism. His semihysterical fury, his boorish brutality of speech, grew out of a feeling he had been betrayed.

He is too sophisticated an old revolutionist to be so aroused, but he was, Khrushchev had sold his associates the idea he could win concessions from the West. He knew, when he was here last summer, that U.S. planes were flying over Russia on a once-a-month schedule. As he has said, he almost brought it up at Camp David, where he and President Eisenhower spent a weekend. He did not. He went back home, say the foreign sources, convinced there would be no more of it until the summit session had succeeded or failed.

But to have a plane shot down and then to hear an announcement that the United States planned to continue these flights placed Khrushchev in a tight spot. He was suspect. He was soft on capitalism.

But he also is the man most popular with the people, so with his political future, and maybe his life, at stake, he reacted as expected. He reportedly told neutral representatives in France that President Eisenhower had double-crossed him and betrayed him. Gen. de Gaulle and Prime Minister Macmillan also had the same charge from the nearly apoplectic leader of communism who was suddenly in the posture of having been soft on capitalism.

This is one-half the story.

The other half also is a sad one. The fact the Russians were first in the United Nations with an appeal to the Security Council to rebuke the United States for a violation of Soviet borders is an example. The Soviets took the initiative. They hold it. The plausible U.S. open skies plan was 24 hours late reaching the U.N.

Official Washington is doing what it feels it must. It is rallying in support of the country. It is angry and grim because of Khrushchev's vulgar insults. But, while it is not saying so in public, it is a worried Washington.

There was first the official denial of any intelligence flight. There followed the statement that such flights had been made and an intimation that they would continue.

The Vice President went on the air in support of the President's position. But, almost at the same hour, the President was assuring our allies and Khrushchev that we would not make further flights. On the same Sunday night the Secretary of Defense ordered a national alert, which alarmed the whole Nation needlessly and thereby added another chapter to a story of needless folly.

There is no blinking the fact that the administration has shown alarming, incredible incompetence. No one seems to know what is going on. Vice President NIXON is privately embarrassed, but understands that events have made him a greater and more respected national figure.

What we badly need is a national debate on national security and foreign policy. It will be a real disservice to the Nation if the Congress decides not to say anything, but to present merely a solid front of support. We need to have an airing. Why were we so desperately haphazard and so destructive of our national credibility? Why did we play into the hands of Khrushchev at the moment of his crisis?

[From the Washington Star, May 20, 1960]

THE LID'S OFF

Some Democratic leaders, such as Senators LYNDON JOHNSON and MIKE MANSFIELD, have been wary of any direct political attack on the Eisenhower administration as a result of the Paris fiasco. Senator MANSFIELD, for example, has said that the handling of the U–2 incident might become a subject for congressional investigation "at the proper time, in closed session, without political motives and might well be delayed until next year." But this is a mood which is not apt to enjoy a long life.

Vice President NIXON is under fire for his disclosure of Russian spy activities while Mr. Khrushchev was in this country—a disclosure which we assume was not entirely devoid of partisanship. And Adlai Stevenson, making what was supposed to have been a minor speech in Chicago, has turned loose an all-out blast against the President and his administration's handling of the spy plane affair. He says the administration supplied Mr. Khrushchev with the "crowbar and the sledgehammer" which the Russian used to wreck the Paris conference, and he accuses the President, without specifying his evidence, of having "proudly" asserted that he was responsible for ordering the flight.

There is no reason to believe that the President ordered this particular flight, nor that he "proudly" asserted he was responsible for ordering any flight. Nevertheless, Mr. Stevenson is correct, we think, in his basic contention—that, especially in its public statements, the administration badly mishandled the U-2 matter.

This is not something that can be ignored or hushed up, especially in a campaign year. It would have become a partisan issue even if Mr. Stevenson had not given it the first push, and the partisanship will become more intense as the campaign moves along. But it is a dangerous issue, a knife that is quite capable of cutting both ways. Given the climate created by Mr. Khrushchev's outrageous abuse of Mr. Eisenhower, any excessive Democratic attack on the President is very likely to boomerang on the attacker—and men who are wise in the ways of politics know it.

[From the Washington Star, May 20, 1960]

FAILURE WORRIES WASHINGTON — NAGGING FEAR THAT WAR MIGHT COME AND THAT WE'RE NOT READY RISES

(By Ralph McGill)

It was a hot day with thunderstorms lurking in the huge towers of cumulus clouds. People walking past the Soviet Embassy on 16th Street stared at it and the Red flag flying over it, the golden color of the hammer and sickle moving in the languid convolutions of it.

A car drove up and a man, woman and child got out and went in. A car drove out of the side drive, with only a driver in it. It was very quiet. But one knew that somewhere inside there were messages being coded and decoded. Reports were going out of Washington: Reaction, taken from the newspapers, radio and television commentators. Quotes from Senators and Congressmen were radioed to Paris and Moscow.

Washington reflects every city and home in the Nation. There are bitterness, anger and disappointment. There is even some joy. Jozef Mlot-Mroz, for example, is glad. He is one of those beaten, gray, pathetic men who picket the White House now and then in behalf of the enslaved nations whose very names are unknown to most Americans. They always produce a qualm of guilt in those who pass by. Mr. Mlot-Mroz might have made real headlines had not the summit collapse buried him. He broke into the Washington monument after closing hours, climbed well up and draped 110 feet of black

cloth out of a window as a sign of mourning for the death of freedom. He was against the summit. A judge released him. Mr. Mlot-Mroz was a long time occupant of a concentration camp.

When told that Premier Khrushchev and President Eisenhower had exchanged angry accusations and the conference had not so much collapsed as it had failed even to meet, he rubbed his hands and smiled.

"Good, good," he said. "They get angry. Good. Soon they fight. Better now. Not later."

Mr. Mlot-Mroz's sentiment was not general. Not many persons want war. But all can be said that beneath all the anger and resentment which boils up because of Mr. Khrushchev's arrogance this is a sober city and a worried one. Everyone knows that while war is unlikely, it could come. And there is a nagging worry, that as usual, we are not ready. This may be the beginning of the third world war, even though it takes years to come, and may, of course, be avoided.

This is a time when there are the proper and natural demands for unity. But, beneath the surface there is great irritation with the administration, even on the part of many ranking Republicans. The most conservative charge there was incredible bungling in the handling of the U–2 case. It is generally believed Mr. Khrushchev went to Paris determined to be very tough. He has a number of factors troubling him at home. The army and party feel they cannot allow West Berlin to remain as it is. Some 300,000 officers and a million men have been demobilized and they have not been fitted into civilian life.

The U–2 was for him an unbelievable bit of luck. He could use it to flog the Americans.

But we continued to help. Senators point out that in the beginning Mr. Khrushchev himself suggested President Eisenhower knew nothing of it. It was, he said, the wicked Pentagon. But the President did know. And admitted it. He also said our original denial was false. He said, or seemed to say, the flights would continue. And then after the Vice President had supported him, denied it. George Allen, head of the U.S. Information Agency, wasn't even told of it.

There is bipartisan loyalty for the President. They admire him for keeping his temper. But, privately, they say he bungled badly and damaged the Nation's credibility.

Senator MIKE MANSFIELD already has proposed a Senate investigation. It will come later. "The blunders," he said, "and let us call a spade a spade—the blunders in the handling of it are something the Nation must face."

[From the Washington Star, May 16, 1960]

NEW IMAGES FOR PARIS "SHOW"—EISENHOWER APPEARS TO BE OUT OF FOCUS FOR THE FIRST TIME

(By Ralph McGill)

There are new Eisenhower-Khrushchev images for the Paris showing of the latest in cold war, coexistence fashions. And unhappily for the West, that of President Eisenhower is for the first time blurred and out of focus.

Nikita Khrushchev will be there with Communist officialdom remolded nearer to his heart's desire. The last of the old Molotov-Bulganin group was removed by the dismissal of Nikolai Mikhailov. Two or three others regarded as not in the Khrushchev mold were exiled to provincial posts. Without question he wanted no dissenting minds at home.

Once this reshuffling was accomplished he began to take a tougher line. There were to be, he said, revised Soviet proposals about Berlin and nuclear testing.

The image of President Eisenhower for years has been that of a man who was so far above the synicisms and deceits common to politics and diplomacy as to be unassailable. He took the high road. He was above party. He was a man of peace and good will. And in a very real sense, this image was true. It still is.

But the extreme bad luck of a reconnaissance flight which went wrong over Russia brought from him an honest admission typical of the man. Khrushchev himself has said that he did not believe Mr. Eisenhower knew of the flight. But Eisenhower's unquestionably uncomfortable and angry at the decision to risk a flight in the immediate presummit days, stubbornly ordered the truth. He himself had agreed to a general directive for such flights, but did not rule on each assignment.

This jarred the old image out of focus.

The President knows this. Since he is a sensitive man, he will be edgy, uncomfortable, and embarrassed. But he will set his jaw and see it through. He is, after all, an old soldier whose patrols have been driven back in other engagements.

The Soviets have been caught spying. Fuchs took secrets from our atomic center in Los Alamos. The Rosenbergs were in on the deal. Rudolph Abel, a Soviet agent, was caught redhanded operating in Brooklyn. But these were in the old pattern. They, too, embarrassed the Soviets. This makes it even more difficult for the President to fill the role of an offender.

The Russians, who are not without a sense of humor, are almost certainly aware of this and enjoying the huge discomfort of the Americans. To have caught their great rival in the cold war in an act of aggression and violation of international law, and thereby to shock and dismay all the Western allies, is a great coup. It would be interesting to hear Mr. Eisenhower's private comments.

The President also knows that he will hold a poor hand in the summit discussions. For the first time he goes to an international conference with the old image discounted.

It is serious business, but chiefly because the Soviets will be the better able to propose and argue tougher terms. It will be easier for Khrushchev to lay down the harsher terms he likely would have outlined without the propaganda plum which fell unexpectedly into his lap.

Khrushchev is a shrewd man. He is not unaware that Mr. Eisenhower said, after his reelection he planned to devote his major attention to world peace.

There is an election coming up. The Republicans twice swept to great triumphs because their nominee was judged to be the man who could bring an easing of world tensions. In Great Britain, Harold Macmillan routed the Labor Party with the slogan that a vote for the Tories was a ballot for peace. The GOP can't win in November if the world is in a new state of tension.

It will, therefore, be much more difficult to refuse to pay the price Mr. K. will put on Berlin and atomic test controls. He will hardly agree that the western sector of the one-time German capital continue as a West German city.

It will not be a pleasant session. Much of it will be unpleasant for a man with lots of "dutch" to take.

Results are likely to be few.

The best we can hope for is a continuation of the cold war and a better knowledge of how to fight it.

[From the Washington Star, May 14, 1960]

SITUATION SAME; ATTITUDE CHANGED—UNITED STATES HELD ON DEFENSIVE AT CONFERENCE, THOUGH OUR HANDS ARE NO DIRTIER

(By Ralph McGill)

A youngster, addicted to watching television westerns, perhaps best summed up the unhappy predicament of the United States in the aerial spy case.

"All of a sudden," he said, "we have become the bad guys instead of the good guys."

This precisely is what has happened. Mr. Khrushchev knows this. It explains the great relish with which he is exploiting the humiliation and embarrassment of this country, and the Eisenhower administration in particular.

We may be sure that Mr. Eisenhower is angry. His "dutch" shows in the decision to admit all; to say, yes, there have been penetration reconnaissance flights (against international law) and they have been made under general directives by the President. It may be assumed it was he who decided to brush aside all the usual fuzzy semantics of diplomatic fumbles and tell the whole truth.

The President could have remained silent and accepted the escape door opened by Mr. Khrushchev, who said that perhaps Mr. Eisenhower did not know about the flights and that some irresponsible general had made the decision.

Mr. Eisenhower slammed this door shut. He had issued directives covering such reconnaissance flights. He must have known the Russians knew the facts. It would be intolerable to go to the Paris summit meeting as a commander in chief who, by silence, confirmed the Soviet suggestion he knew nothing about the one flight that failed.

So Mr. Eisenhower will take his seat at the session with no false colors flying. But he will be there in a downgraded position. He will lead from weakness, and no amount of bluster or counterattack can change that fact.

It is not known whether Mr. Khrushchev is adept at any of the Russian folk dances. As an old sheepherder he probably is. He almost certainly went into a jubilant step or so when the news came to him that the American pilot had been forced down and captured. He already had toughened up his summit propaganda. And then the issue of the pilot gave him an unexpected ace in his already stacked deck.

The Premier's next step, as indicated by his threat to bomb U.S. bases in countries about the Soviet perimeter which permit intelligence flights, is to try and weaken, or destroy, NATO. He will have some success. We may expect the people in countries with such U.S. air sites to become increasingly hostile to them despite our proffer of retaliation if such an attack takes place.

The American posture at the summit will be, to say the least, strained.

We come into it with hands technically as clean as the Soviets. But we were caught in aggression. And we were trapped in violation of international law. The Soviets have managed with spies such as Fuchs and the Rosenbergs, to mention but two. Our own freedom of information and travel permits Communist agents to move about with relative ease. Our technical journals and newspapers are available.

Meanwhile, over every military man hangs the shadow of Pearl Harbor. Military intelligence must know as much as he can of what the enemy is doing. The U.S.S.R. is a tough intelligence to crack. Flights were the only way. So we took a chance. Because one was a failure, we had the great misfortune to be left naked in the world spotlight.

Mr. Eisenhower will be a restless, tense, unhappy man at the summit meeting. He will be on the defensive. He likely will go on the offensive, but all will know it to be a tactical maneuver. This will be his greatest diplomatic and personal test. For the first time he will be on the stage minus the popular aura of a man of "good will," which has been one of his great assets.

TROUBLE IN JAPAN

(By Walter Lippmann)

The cancellation of the President's visit to Japan, and his embarrassing experience

in Okinawa, stem from the refusal in Washington to look squarely at the U–2 affair and its significance.

The capture of the U–2 and the way the incident was handled in Washington compromised gravely the whole circle of American bases from Norway through Turkey and Pakistan to Okinawa and Japan. When we confessed, and indeed boasted, that for 4 years we had been using these bases for a secret and illegal operation against the Soviet Union, our allies were morally and legally defenseless against the threats of the Soviet Union. A small and exposed nation is bound to take such threats seriously, and although the threats may have been blunted they were not removed by the President's renunciation of aerial espionage. Thus the effect of the U–2 was to undermine our whole system of encircling bases. For it focused attention upon the fact that the bases had been secretly used for an operation which exposed the country containing the base to grave risk.

In the very days when the U–2 had become the occasion for Mr. Khrushchev's actions in Paris, the Kishi government was trying to have the new Japanese-American treaty ratified by Parliament. This treaty grants to us the base right in Japan for at least 11 years. A less auspicious moment for railroading the treaty through the Parliament can be hardly imagined than was the moment in which the summit conference collapsed. But Mr. Kishi, who was fighting not only for the treaty but for his own political life, did railroad the treaty through the Parliament in the face of a very large volume of public disapproval, by no means confined to the Communists.

The President was then called upon to decide whether instead of traveling to Tokyo from Moscow, as originally planned, he would go to Tokyo anyway and would arrive there on the day when Mr. Kishi's coup for the treaty was consummated. The President decided to go to Tokyo, to go despite the fact that the U–2 and the collapse at the summit had aroused great popular fears about the American base. The President chose to go despite the fact that after his quarrel with Mr. Khrushchev, his visit to Japan had ceased to be conciliatory and had become defiant. He chose to go despite the fact that the timing of the visit enabled Mr. Kishi to exploit for his own political purposes the President of the United States.

This was a wrong decision. After the collapse of the summit the right decision would have been to cancel all visits, and to remain in Washington on the grounds that the world situation required the full attention of the President for the purpose of strengthening the national position. This would have been an answer to Mr. Khrushchev's vituperations. It would have done much to restore the shaken confidence of our allies. And it would have spared the President the humilitation in the Far East which has been inflicted upon him and his office.

It can be said that the wrong decision was taken without any strong protest and criticism in Congress or in the press. That is true. The opposition had been virtually silent when the Republicans and Senator JOHNSON cried out that it was unpatriotic to inquire seriously into the causes of the U–2 disaster.

So the President and his advisers had a free hand to take the decision about the Far East. Unfortunately for them and for the country, they showed the same kind of bad judgment which had caused them to fumble the U–2 affair. In both cases they ignored the well-known conventions and the old wisdom of the art of diplomacy. In both cases they judged the immediate situation not objectively but wishfully.

Thus, in the affair of the U–2 they abandoned the ancient convention which is that a government never avows responsibility for espionage, much less attempts to justify it. In the affair of the Tokyo visit they ignored the conventions which protect a state visit. One of these conventions is that a visit by the head of a state is a visit to the whole nation and not to a political head of the government which happens to be in office. A state visit, therefore, should never be made to a country which is divided within itself on an issue in which the visiting head of state has a special interest. The very reasons which have been advanced on behalf of the visit are compelling arguments against it—that the treaty would fail if the President decided not to come to Tokyo and that Kishi would fall. This was a misuse of the institution of the state visit, and if the President and his advisers had known or had remembered the old rules of the diplomatic game, we would all be much better off today.

Furthermore, in their judgment of the immediate situation in the Far East and especially in Japan, they grossly underestimated the impact of Asian popular opinion of the U–2 and the renewed quarrel with Moscow. There is no use deluding ourselves, as Mr. Hagerty does, that the opposition to the treaty and to the President's visit was confined to a small minority of Communists incited and paid for by Peiping and Moscow. The preponderant opinion of any Asian country within the military reach of Russia and China is bound to be neutralist. When we urge them to be antineutralist, they respond by being anti-American, and it is a great error to act as if an antineutralist policy can rally popular support. In Tokyo mighty little has been heard recently from the alleged majority who are supposed to be for the treaty.

The treaty has nevertheless been ratified. But we must realize that we are not at the end of the story. It is a question whether the treaty can now be made to work against a mounting agitation. In fact, we have to ask ourselves whether a much greater disaster to our position in the Far East can be averted unless there is, as powerful Japanese newspapers are already demanding, a renegotiation of the treaty, and with it a reformulation of our Far Eastern policy.

[From the Washington Post, May 10, 1960]

THE SPY PLANE

(By Walter Lippmann)

In the muddle and mess of the affair of the spy plane there is one critical question of particular urgency and importance which needs to be dealt with. This is the official statement made with the President's approval that "it has been established that insofar as the authorities in Washington are concerned there was no authorization for such flight as described by Mr. Khrushchev." If this is true, then the command of very dangerous military missions is not securely and unquestionably in the hands of the responsible authorities in Washington, in the hands, that is to say, of the President, the Secretary of State, the Chiefs of Staff and the Director of Central Intelligence.

Who, then, has the authority? If the authority to order a deep penetration of Soviet territory with a military reconnaissance plane is in some headquarters command not in Washington, how do we know, how does the world know, that the authority to strike a blow is not also outside of Washington?

In denying that it authorized the flight, the administration has entered a plea of incompetence. For there can be no acceptable excuse for an unauthorized flight of this kind. The President cannot afford to let the question of where the responsibility to authorize such flights resides go by without an unequivocal answer. By word and by deed he must remove all doubt that the authority to command in these dangerous matters is in Washington and nowhere else. The honor, the self-respect and the self-confidence of the country demand it.

Although it is no doubt true that the President did not himself authorize this particular flight, it is no doubt true also that he knew such flights were being made. The general public was perhaps surprised to hear about them. But for the Russians and for many others among us there was no surprise at all.

Why, then, knowing that such flights were being made did the President fail to realize the risks of continuing them right up to the meeting at the summit? Is it because he was not paying sufficient attention? Is it because his closest advisers were not paying sufficient attention? It looks like that. It seems as if the country has been humiliated by absentmindedness in the highest quarters of the Government.

There is nothing shocking or novel, of course, in the disclosure that we have been spying on the Russians. They have been spying on us. Spying is in its very nature a dirty business, outside the law and outside the moral code. The only crime recognized in the spy business is to be caught, although this crime can be compounded by lying about it and then being caught in the lie itself.

In this affair, there is on the record as we know it serious prima facie evidence, not of unusual immorality but, of inefficiency. Why did not the President forbid all such flights when the summit meeting was agreed to? It is not enough to say that he did not authorize this flight. Why did he not forbid it?

There is reason to suspect, also, that whoever did authorize the flight and was responsible for preparing it was unaware that the Russians had developed a missile capable of knocking the plane down. The equipment carried by the pilot, the Soviet money and the poison needle, suggests that he was prepared for a forced landing through engine trouble perhaps, after which he would work his way across country, or failing that and having been caught would commit suicide.

What the pilot was not prepared for was to have his plane disabled by a Russian missile. For this meant that the Russians had him spotted. Under these circumstances, once his plane had been hit, his money and his poison needle were useless. If he had killed himself, if he had exploded his plane, there would still have been his corpse and the wreckage of the plane 1,200 miles inside the Soviet Union.

It was a failure of intelligence not to realize that the Soviets had a missile capable of knocking down so high flying a plane. It was inefficient not to take this possibility into account as a factor which greatly multiplied the risks of making such a flight on the eve of the summit meeting.

[From the Washington Post, May 10, 1960]

IRON CURTAINS ARE OBSOLETE

The title of this editorial seems to us the most appropriate conclusion from the bizarre episode of the American espionage plane brought down in the Soviet Union. Unquestionably the incident has had the momentary effect of damaging the prestige of the United States, of alarming or embarrassing the allies and of fueling Mr. Khrushchev's propaganda machine. This country was caught with jam on its hands. Yet the reason why the United States has been driven to such tactics, why such extreme measures are necessary to obtain information, is simply the existence of hermit states behind the Iron Curtain.

Accurate maps of the United States and of most free countries of the world are available for the asking. Detailed figures are published about the Armed Forces and the press carries stories about the location of missile bases and other military installations. But in the Communist states secrecy is all-encompassing and such subjects are matters only for speculation. With the advent of intercontinental missiles and the simultaneous downgrading of the effectiveness of warning systems, information of the sort gathered by the intelligence plane has become imperative for survival.

Private citizens initially may be repelled by the method, but they will understand upon reflection that intelligence operations are a necessary fact of contemporary life. Indeed, there is some ground for satisfaction in the deduction that such operations have been carried on successfully for several years, that they represent a high degree of technological proficiency and that they apparently have furnished, with allied cooperation, much valuable information to the free world.

No good purpose would have been served by attempting to deny the obvious situation or by attempting to blame it wholly on the Russians. Despite the embarrassment, we think that Secretary Herter was right to acknowledge the matter candidly when his hand was forced—though it is regrettable that one ancillary effect has been to expose the companion part played by British intelligence and to subject certain of the allies to uncomfortable pressure.

Unquestionably the operation was handled clumsily, particularly in the weird initial explanations—and here Mr. Khrushchev scored a point. The timing just in advance of the summit meeting also seemed bad, though as we understand it such photographic flights have been most feasible during only a limited part of the year (and the timing was no worse, in any event, than that of the episode of the British frogman who sought to gain information on the Soviet cruiser that brought Messrs. Khrushchev and Bulganin to England).

It is especially unfortunate, we think, to have the National Aeronautics and Space Agency tied up in the affair, for NASA does much valuable work not directly related to either the military or to intelligence. And, of course, the lamentable result of the exposure of such covers is to cast suspicion upon a great many activities that may be altogether innocent. Members of Congress ought to be wary, however, lest they compound the clumsiness and impair intelligence collection in the process.

At the same time, it ought to be noted that Mr. Khrushchev may have embellished the facts in his great propaganda play. There is some reason to think, for example, that the photograph of the downed plane published in the Soviet Union may have been doctored or faked. It is not certain, despite Mr. Khrushchev's claim, that the plane actually was hit by a new Soviet rocket; if it was, why was not more of the equipment destroyed? Moreover, the behavior of the pilot, Francis G. Powers, suggests that lack of oxygen may indeed have been a factor.

When these details are weighed along with certain other evidences of Soviet behavior, the outpouring of virtue from Moscow may be a trifle overdone—and this may become increasingly apparent to the outside world. The Soviet Union is known, for example, to have conducted overflights of its own over Alaska, Britain, Japan, Pakistan, and Turkey. Chinese planes have been seen over India. Soviet submarines and trawlers have come close to American shores and they have not, to repeat the euphemism, been checking on the weather.

And then there is the matter of direct espionage itself. Consider the ramifications of the spy ring operating while the Soviet Union and the United States were allied and exposed by the defection in Canada of a Soviet code clerk, Igor Gouzenko. Consider the Rosenberg case, or the more recent case involving Colonel Abel. Or consider the mammoth subversion apparatus fed from Moscow. These are not manufactured excuses; they are real. Whatever the activities of Americans, in other words, this is far from a one-sided business.

All such activities are provocative. Those conducted with aircraft, however, contain an exceptional element of danger, and for that reason the incident of the espionage plane is particularly serious. There is always the possibility that aerial excursions of this sort will trigger a clash through misunderstanding or even set off a major retaliatory attack.

In the circumstances the Russians have shown some degree of restraint. No doubt it is humiliating for the Kremlin hierachy to acknowledge that an American plane could have penetrated Soviet defenses so far; and the actual fact, that the overflights have been going on for several years, is even more humiliating. A considerable amount of annoyance on the part of Mr. Khrushchev, thus is understandable.

Yet Mr. Khrushchev has conspicuously avoided placing the blame directly upon President Eisenhower. The President probably did not know of this flight in advance, but unquestionably he is responsible for intelligence policy. Thus the Soviet approach seems to indicate a desire to save face on both sides, to make the most of the incident for propaganda purposes and to use it as a lever at the summit, but not to queer the summit meeting itself.

When all of these factors are evaluated, however, the root of the problem remains the Iron Curtain itself. This is a manifestation of the constant struggle between the open society and the closed corporation; the open society has little to fear from another open society. However distracting and distressing the present incident may be, it is bootless to talk about trust and confidence so long as one part of the world is walled off from the others.

Fortunately, there is reason to expect that with the perfection of Samos and other photographic space satellites, such information as that sought by the plane in this situation will become freely available to both sides. In that sense the Iron Curtain is already obsolescent, whether or not the full implications are immediately realized, and soon will become obsolete. Until this is recognized, however, the collection of intelligence by unorthodox methods is an unhappy necessity. We trust that American officials at the summit will talk with the utmost frankness about the intimate relationship between information and international confidence.

[From the Washington Post, May 12, 1960]

THE SPY BUSINESS

(By Walter Lippmann)

In the whirl of incidents following the capture of the spy plane the administration has ventured, perhaps the right word for it would be stumbled into an untenable policy which is entirely unprecedented in international affairs. Our position now seems to be that because it is so difficult to collect information inside the Soviet Union, it will henceforth be our avowed policy to fly over Soviet territory, using the territory of our allies as bases.

Although the intention here is to be candid and honest and also to make the best of a piece of very bad luck, the new policy—which seems to have been improvised between Saturday and Monday—is quite unworkable.

To avow that we intend to violate Soviet sovereignty is to put everybody on the spot. It makes it impossible for the Soviet Government to play down this particular incident because now it is challenged openly in the face of the whole world. It is compelled to react because no nation can remain passive when it is the avowed policy of another nation to intrude upon its territory. The avowal of such a policy is an open invitation to the Soviet Government to take the case to the United Nations, where our best friends will be grievously embarrassed. The avowal is also a challenge to the Soviet Union to put pressure on Pakistan, Turkey, Norway, Japan, and any other country which has usable bases. Our allies are put on the spot because they must either violate international law or disavow the United States.

Because the challenge has been made openly, it is almost impossible to deal with this particular incident by quiet diplomacy.

The reader will, I hope, have noticed that my criticism is that we have made these overflights an avowed policy. What is unprecedented about the avowal is not the spying as such but the claim that spying, when we do it, should be accepted by the world as righteous. This is an amateurish and naive view of the nature of spying.

Spying between nations is, of course, the universal practice. Everybody does it as best he can. But it is illegal in all countries, and the spy if caught is subject to the severest punishment. When the spying involves intrusion across frontiers by military aircraft, it is also against international law. Because spying is illegal, its methods are often immoral and criminal. Its methods include bribery, blackmail, perjury, forgery, murder, and suicide.

The spy business cannot be conducted without illegal, immoral, and criminal activities. But all great powers are engaged in the spy business, and as long as the world is as warlike as it has been in all recorded history there is no way of doing without spying.

All the powers know this and all have accepted the situation as one of the hard facts of life. Around this situation there has developed over many generations a code of behavior. The spying is never avowed and, therefore, the government never acknowledges responsibility for its own clandestine activities. If its agent is caught, the agent is expected to kill himself. In any event, he is abandoned to the mercies of the government that he has spied upon.

The spying is never admitted. If it can be covered successfully by a lie, the lie is told.

All this is not a pretty business, and there is no way of prettifying it or transforming it into something highly moral and wonderful. The cardinal rule, which makes spying tolerable in international relations, is that it is never avowed. For that reason it is never defended, and therefore the aggrieved country makes only as much of a fuss about a particular incident as it can make or as it chooses to make.

We should have abided by that rule. When Mr. K. made his first announcement about the plane, no lies should have been told. The administration should have said that it was investigating the charge and would then take suitable action. We should then have maintained a cool silence.

This would have left us, of course, with the unpleasant fact that our spy plane had been caught. What really compounded our trouble, and was such a humiliation to us, is that before we knew how much Mr. K. knew we published the official lie about its being a weather plane. Then finding ourselves trapped in this blatant and gratuitous lie, we have tried to extricate ourselves by rushing into the declaration of a new and unprecedented policy.

[From the Washington Post, May 13, 1960]

THE ELUSIVE TRUTH

Would it have been better for American policy, having been shot down in a diplomatic lie, to crash spectacularly in flames? Or was it better to bail out, figuratively speaking, and soften the descent with a confirmation of the painfully obvious truth? This was the dilemma Secretary Herter faced in the incident of the American espionage plane. We think that he made the right decision in acknowledging what Mr. Khrushchev, by a rather coy bait-and-hook technique, had made evident that he already knew.

The next question is whether the administration should have slapped its own wrist and promised that such deplorable events would not happen again. President Eisenhower and Secretary Herter chose not to be defensive in their defense. In justifying the surveillance flights as a necessary safeguard against surprise attack because of Soviet secrecy, they implied without saying so directly that the flights would continue.

But this in turn invited new problems. If the official statements did not in so many words make further overflights of Soviet territory an avowed policy, as charged by Walter Lippmann, certainly the policy has not been disavowed. Mr. Lippmann registered what seems to us an altogether valid criticism in saying that this puts everybody on the spot, particularly the allies whose bases have been used at the beginning or end of the overflights.

Not surprisingly, Mr. Khrushchev has made known his extreme annoyance at the implication. Continued rumbles from Moscow about "brinkmanship" indicates that he will attempt to force the United States to eat its words, perhaps as the price of validation of the invitation for Mr. Eisenhower to visit the Soviet Union. We hope in this connection that if there is to be any canceling the administration will let Mr. Khrushchev do it. Apart from that consideration, however, Mr. Khrushchev's perturbation at the thought of further overflights is understandable. One may suspect, indeed, that Mr. K. is not completely sure that he could catch the next one.

Here is an exquisitely tangled web. Mr. Khrushchev does not have to disavow subversion or Colonel Abel or the Rosenbergs or the wartime spy ring or the Trotsky murder or the two Soviet spies just expelled from Switzerland, because they have never been acknowledged in the first place. Everyone knows about them, but because of the doubletalk associated with espionage the Soviet Government is not confronted directly with them.

The United States, however, has found it necessary because of a lie that became increasingly implausible to tell at least part of the truth. If the administration were now to say that the whole idea of further flights were preposterous, no one would believe it. Everyone knows that they must and will continue. But because the public confirmation of a fact admitted only in private is offensive, the United States and its allies are now squirming very uncomfortably.

Despite its serious connotations, the situation is not without its amusing aspects. Honesty is still the best policy, it seems, but with the proviso that in diplomacy there is not too much of it. The moral, we suppose, is that if the cover doesn't fit it's bound to leak.

[From the Washington Post, May 13, 1960]

TIME FOR COMMONSENSE

(By Norman Cousins, editor, Saturday Review)

(An editorial from the forthcoming May 21 issue of Saturday Review)

An uneasiness is settling over America. It goes deep down. There is a feeling that we are undergoing a moral shrinkage in the eyes of the world community.

The bigness of our history seems to have been interrupted. The large image of America created by our past seems less clear than it was only a short while ago. And we are sensing a mood of disconnection—disconnection between what we stand for and what we do; disconnection between ourselves as individuals and those who speak and act for us as a nation.

It is natural for Americans to think of their country as a prime source of stability and responsibility in the world. We have traditionally interposed ourselves against hotheads and bullies in the international arena. We have denounced aggressors, instituted action to stamp out brush fires, and called for a code of responsible behavior for nations.

Only 3 years ago, in fact, the President dissociated the United States from the action of Great Britain and France in the attack on Suez. He properly declared that the United States could not observe a double standard in its foreign policy. We could not approve in our friends that which we denounced in our foes. World law meant obligations binding on all. This was the position we took when we went before the United Nations and supported the resolution against our friends.

Another question of right and wrong has now come up—but this time we ourselves are wrong.

We dispatched jet planes on military reconnaissance over Russian territory. In doing so, we took appalling risks.

The main danger of nuclear war today comes not from a definite policy by any nation to launch such a war, but from an act of carelessness or a hideous miscalculation.

An alien military reconnaissance plane taking photographs over any country—whether the Soviet Union or the United States or Great Britain or Pakistan or India or whatever—is a specific and volatile act of provocation that could ignite the war fuses. Our Armed Forces are constantly monitoring their radar screens and are prepared immediately to send jet planes in the direction of the Soviet Union if we should see any possible hostile object. Thus, precisely the same violation we committed, if carried on against us, would trigger our swiftest retaliatory measures.

In any case the plane incident is at the opposite end from the code of responsible international behavior and world law advocated by the President and the Secretary of State. It creates a strange atmosphere for a meeting of heads of government called for the purpose of reducing world tensions. It gives world communism its biggest propaganda boost in many years. It puts us in a harsh and damaging light before the world's peoples, whose good will and respect are more vital to our security than any reconnaissance photographs or even stockpiles of nuclear bombs.

Only a week ago the President sought to dramatize for the Nation the importance of maintaining a human fund of good will and respect, in connection with his proposals for economic aid. But we can't place a high value on world opinion about our economic policies and then disregard that same world opinion about our military policies.

Just as disturbing as the incident itself was the manner of our response. When it was announced that an American plane had been shot down, we made a false explanation that the plane had wandered off its course, and that the pilot had perhaps been in a daze. (If this statement had been true, consider its implications alongside the recent proposal by American military officials to keep hundreds of bombers in the air on a round-the-clock basis, fully loaded with nuclear explosives and within ready striking distance of the Soviet Union.)

Meanwhile, by way of compounding the damage, several Washington sources were quoted as saying that our only mistake was that we were caught. This is a curious definition of morality to come from a capital that only recently was making headlines with its investigation of rigged TV quiz shows.

An equally astounding comment was that, if only the pilot had chosen to go down with his ship, instead of bailing out, the United States might have been spared the embarrassment represented by the Soviet ability actually to produce the captain of the American plane. In other words, we are now calling on our soldiers to give their lives, not to serve our honor or our freedom, but to spare us the indignity of being caught in a lie.

In any event, the sense of fright and shock felt by the world over the incident was not allayed when it was demonstrated that the initial American explanation was untrue. In this connection, one thing is clear: the American people have not given leave to their government or any branch thereof to speak falsely in our name or make us look like fools.

Most serious of all is the later statement that the reconnaissance 1,000 miles inside the Soviet Union was carried out without knowledge of the White House or the State Department. What it means is that not all the major decisions having to do with war and peace are being made by those who are constitutionally entrusted with the responsibility. It means that the military has arrogated to itself powers intended for the President and the Congress.

No one doubts that the American military was attempting to serve the national security as it sees it. The location of our missile bases is a matter of common knowledge. We live in an open society. But very little is known about the Soviet bases. And there is the fear of surprise attack. It was for the purpose of reducing this danger, it is now officially stated, that the reconnaissance flights were authorized.

The danger, however, of a surprise attack against us may proceed more out of jitters caused by high-flying planes where they shouldn't be than by inadequate intelligence. Moreover, the best pictures in the world will not tell us whether the Soviet is about to spring a surprise attack—any more than Soviet pictures of American military sites can tell them when our bombers will go into operation. Only a knowledge of intentions can provide adequate information about lightning attack. The principal value of mapping is that it provides knowledge about what targets to hit. The Soviet knows this; we know this; other countries know this.

Meanwhile, the gravity of the situation has not produced in either government an appropriately sober recognition of the perils involved. Mr. Khrushchev puts a nuclear chip on his shoulder and says the Soviet may bomb bases from which our planes took off. Not to be outdone, the United States says it may continue its provocative flights and come to the defense of countries in which we maintain bases. The distance between nuclear threats and nuclear horror grows shorter by the minute.

Ultimatums and counterultimatums will not save the peace, but commonsense may. If we are really serious about wanting to reduce or eliminate the danger of a Soviet surprise attack, we should vigorously pursue the new Soviet offer to disarm. Instead of locating Soviet rocket sites, we ought to be locating the true nature of the Soviet intentions. At long last the Soviet claims it is now willing to accept inspection and controls as part of a comprehensive disarmament plan.

If we can get the Soviet to give up its capacity to wage surprise attacks, this will contribute much more to our security than a gallery of photographs showing every military installation in the Soviet Union. And if the Soviet offer to submit to controls is just a propaganda maneuver, it will be easy enough for us to unmask it as such. We can make counterproposals to give the United Nations the specific machinery for carrying out a program of effective disarmament under enforceable safeguards.

Let's test the policies of the Russians and not their tempers.

Here we get to the heart of the matter. The Atomic Energy Commission and certain military officials have made it clear that they are opposed to any program of disarmament—even if we could get the Russians to agree to everything we asked. One thing is certain, however, we are not going to get others to submit to controls and turn in their hardware unless we are prepared to do the same.

The result is an American policy of uncertainty and drift. The President speaks on a plane of important principle; but major parts of the Government go off in entirely different directions and act in violation of those principles.

Hence, the present feeling of uneasiness in the Nation, the feeling that things are going against the American grain. For when we lose ground in world opinion, we lose vital security. What does a nation do when it is wrong? The answer need not be obscure. We can admit it and face up to it. We can act promptly and resolutely to guard against a recurrence. And we can do the things that can restore both our pride and our station in the world.

We can identify ourselves mightily with the big ideas that are directed to the control of force in the world, and not with the exercise of force. Ideas calling for a United Nations with the responsible powers of world law, ideas concerned with the development of the world's resources for a more productive and healthier human commonwealth, ideas that serve freedom by dramatizing the moral imagination of freemen.

[From the Washington Post, May 15, 1960]

CANADIAN AFFAIRS—PLANE INCIDENT HITS CANADIANS PAINFULLY

(By G. V. Ferguson)

MONTREAL—Problems of air space have occupied Canadian minds more this past week than ever before as a result of Russian Premier Khrushchev's revelation that a United States reconnaissance plane had been shot down in the Soviet Union. If the Americans are systematically exploring the USSR, what are the Russians doing in the northern Canadian air?

The deep concern of External Affairs Minister Howard Green is obvious; his first reaction was that these deep reconnaissance flights might trigger an unexpected war.

The Toronto Star emphasizes this point: "As the State Department pointed out, and as Canadians know from experience, Soviet spies have been busy in the West ever since the war. But this kind of spying—by violating the other side's airspace—is dangerously provocative . . .

"Are we in the position that American military or intelligence underlings can provoke a war on their own? Canada, and other allies of the United States, should demand all necessary information and assurance on that score."

The Toronto Globe and Mail takes much the same line:

"The effect of the plane incident would be bad enough if it stood alone. Unfortunately, it fits a pattern, or what the Russians think is a pattern."

"In countries like Canada, where the United States is an old, familiar friend, these developments may not look particularly sinister; we may recognize them as examples of the old, familiar bureaucratic confusion in Washington in which the various departments work at cross-purposes with each other. In Russia—and for that matter among the 'uncommitted' peoples of Asia and Africa—they wear a different look. Mr. Khrushchev seems to have accepted them as evidence that the American have no intention of negotiating seriously."

This last point is expanded by the Quebec Telegraph Journal:

"What is urgent and demands immediate attention is that improvement in relations which alone is possible to remove the finger from the trigger. Unfortunately, we cannot see any likelihood that this will be achieved, for we can see no evidence that this is desired by those who make the decision. Indeed, there is good reason to suspect that the opposite is quite true, and that neither East nor West is particularly anxious to see any improvement in relations."

The French language newspaper La Presse has this to say:

"A spy caught red-handed is no peril to the peace of the world, but an airplane thrust into the heart of enemy countries can lead to atomic war. What would be the consequences if a Russian plane were caught flying over Chicago or Los Angeles?

"The incident may serve a useful purpose if it forces everyone to revise their so-called intelligence methods which might provoke a world war. Imbecility has limits, particularly when the survival of mankind is at stake."

Another French-language paper, LeDevoir, asks whether the incident may not bring the Russians to realize that they cannot maintain indefinitely the present lack of balance in intelligence methods. "Do they realize that peace, disarmament and efficient controls are all but inseparable and that collective security demands real guarantees? Without these, the armaments race will continue, and that means a race into the abyss."

The Ottawa Journal reminds its readers that everyone knew Russian planes are scouting the north and was hoping that our side was doing the same. It adds: "Nevertheless, this blunder in timing, deed, and propaganda must not blind us to the preponderant weight of the forces of wrong and darkness that are on the other side."

[From the Washington Post, May 17, 1960]

THE U–2 IN PARIS

(By Walter Lippmann)

As of Monday afternoon, eastern time, there is only the faintest chance that the summit meeting will not break up. It is certain that the President will not go to Russia, the invitation having been withdrawn. Thus the attempt to arrive at a truce in the cold war and to relax the tensions has, unless there is a diplomatic miracle, ended in a tragic fiasco.

The issue on which the conference has been disrupted is the flight of the U–2, or more precisely the position taken by the President and his administration. We must remember that when the plane was captured, Mr. Khrushchev opened the door to the President for a diplomatic exit from his quandary: he did not believe, said Mr. K., that Mr. Eisenhower was responsible for ordering the flight.

Undoubtedly Mr. K. knew that Mr. Eisenhower must have authorized the general plan of the flights but he preferred to let the President say what in fact was a sorry kind of truth, that he did not authorize this particular flight. The diplomatic answer would have been to say nothing at the time or at the most to promise an adequate investigation of the whole affair. Instead, Mr. Eisenhower replied that he was responsible, that such flights were necessary, and then he let the world think, even if he did not say so in exact words, that the flights would continue. This locked the door which Mr. Khrushchev had opened. It transformed the embarrassment of being caught in a spying operation into a direct challenge to the sovereignty of the Soviet Union.

This avowal, this refusal to use the convention of diplomacy was a fatal mistake. For it made it impossible for Mr. Khrushchev to bypass the affair. Had he done that, he would have been in a position of acknowledging to the world, to the Soviet people, to his critics within the Soviet Union, and to his Communist allies, that he had surrendered to the United States the right to violate Soviet territory. No statesman can live in any country after making such an admission.

The news from Paris on Monday shows that Mr. Eisenhower had already realized that his making an avowed policy of the flights was a crucial mistake which had to be corrected. On Saturday there was, it appears, a briefing of the correspondents to tell them that we had never meant to say that the flights would continue. On Sunday in a broadcast in this country Mr. George V. Allen said the same thing. And on Monday the President told Mr. Khrushchev that the flights over Russia have been suspended "and are not to be resumed." A week ago this might have sufficed to quiet down the affair.

The withdrawal was, however, late, and it may prove to have been too little. For during the past week the flight and the way it was handled have given the Soviet Government a rich opportunity to weaken the ring of America's Allies around Russia. Those who say that Mr. K. has seized upon the opportunity solely in order to make propaganda have not, I think, realized the gravity of the disaster which has befallen us. For the Soviet Union there is in this much more than propaganda. There is an instrument for disturbing if not disrupting the encircling alliance.

It would be wishful thinking to suppose that the Soviet Government will not seize this opportunity to push countries like Norway, Iran, Pakistan, Turkey and Japan into pledges and into measures which in some considerable degree neutralize them as American air bases. Morally and legally these allies of ours are defenseless against these Soviet demands.

The Soviet Government is at least as interested in neutralizing our allies around her borders as she is in neutralizing West Berlin. We dare not hope that the Soviet Government will not make the most of the opportunity which has so unexpectedly and so unnecessarily been opened up to her.

Before the affair of the plane, there had been, as Mr. Reston wrote on Monday from Paris, a strong indication that Mr. Khrushchev was very uneasy about the prospects of the summit meeting. I myself was one of those who talked to his personal emissary, Mr. Zhukov, when he came to Washington in April. The burden of Mr. Zhukov's complaint was that about March 15 American policy had suddenly hardened against a negotiation about the status of West Berlin, and that this was a reversal of the understanding given to Mr. K. by the President at Camp David.

Almost certainly, therefore, the affair of the plane offered Mr. K. an opportunity to make a diplomatic gain against the small encircling Allies from Norway to Japan. If he was stymied in Berlin he had the chance to recoup elsewhere. We have not heard the last of the troubles of the encircling Allies.

There is not much comfort for us in this. For our own blunders provided Mr. K. with his opportunity.

At this writing it is still conceivable that a way will be found to carry on in Paris. Let us hope so.

[From the Washington Post, May 17, 1960]

THE LONG SHADOW CAST BY A PLANE

(By Marquis Childs)

PARIS.—In the memory of veteran diplomats no international meeting has ever begun under such a shadow as darkens the summit here in Paris where the four heads of government are meeting. The cloud cover of suspicion, fear, and uncertainty is wellnigh impenetrable, and if it is broken even slightly by the time the conference ends it will be something of a miracle.

The climbers at the top—President Eisenhower, President de Gaulle, Prime Minister Khrushchev, and Prime Minister Macmillan—are all facing in different directions.

Since it is the plane incident and Khrushchev's exploitation of it that has largely altered the climate on the eve of the conference, it is important to see what this alteration really means. In private it is being widely said here that the diplomatic-negotiating faction in the American Government engaged in a long argument with the military intelligence faction over the degree of risk that could safely be taken in trying to pentrate the barrier of Soviet secrecy. As in other instances in the past, the President either could not or would not resolve the dispute and it came to a climatic end with the shooting down of the U–2 1,200 miles within the borders of the Soviet Union.

If the debate were public the military-intelligence faction would surely argue that the mosaic of photographs said to have been put together in 4 years of espionage flights justifies any risk. The zeal of this faction, including several State Department figures in important positions, knows no limits and it is strongly colored by a conviction of the need to prosecute the cold war without abatement. Their argument has validity as a hardboiled defense of an ugly necessity in a time of grave danger.

But what they entirely overlook are the political consequences of their acts, and it is here that the recent events must be weighed in relation to the summit and to America's standing in the world. In the view of this observer the political consequences can be appraised as follows:

1. The modest hope of agreeing at the summit on a new and limited objective in the disarmament talks, on a nuclear test agreement and perhaps even on an interim status for Berlin has been diminished. Whether hope has been eclipsed entirely we should soon know.

2. The French feel confirmed in their policy of refusing to submit their navy and air force to NATO control without agreement for full consultation on every phase of the alliance. The French press has printed inspired stories to the effect that the U–2 incident shows the perils to America's allies of failing to consult fully on all aspects of policy.

3. The strain on the alliance is evident in Great Britain despite the typical moderation in the foreign policy debate in the House of Commons. Macmillan is faced firmly in a hopeful direction, repeating the belief that if progress can be made on disarmament and nuclear testing a crisis over Berlin may be averted.

4. Ratification of the Japanese-American Defense Treaty has been put in jeopardy in Tokyo. Time magazine, by publishing details of U–2 flights from Japanese bases, has further accentuated Washington's troubles. The uneasiness in other allied capitals from which American planes operate is scarcely concealed.

So much in brief, for the consequences in the non-Communist world. The effect inside the Soviet Union must be a matter for Kremlinology—the kind of speculation that too often cancels itself out in theses long on conjecture and short on fact.

The commonest speculation here is that Khrushchev did want a relaxation of tensions; that he took speeches by Secretary of State Herter and Under Secretary Dillon and statements by De Gaulle as denials of the desire to resolve outstanding issues; that under challenge at home to show what in a practical way he was getting out of all the smiles and the talks, he seized on the plane episode and determined to make the most out of it to put the United States and the West in a hole.

But, like most Kremlinology, this is too pat. It leaves out of consideration the known fear, the almost pathological fear, of the Russians of an attack from the bases that ring the Soviet Union.

PICKING UP THE PIECES

[From the Washington Post, May 18, 1960]

If an apology from President Eisenhower actually would have saved an opportunity for constructive business at the summit meeting, it might have been worthwhile. But Mr. Khrushchev made that all but impossible by ostentatiously burning the bridges. He was not interested in satisfaction over the U–2 incident or assurance for the future; he was interested in discrediting the President and publicly humiliating the United States. He sought to place this country in a situation quite as untenable as that in which the administration's handling of the U–2 affair, by some analyses, had placed him in his relations at home.

Mr. Khrushchev's overbearing behavior seems to have alienated much of the sympathy to which he appealed in the espionage plane episode. This, however, does not minimize the seriousness of the chasm at Paris. If the Soviet leader now goes to East Germany with the idea of concluding a separate peace treaty, a new and more dangerous Berlin crisis may ensue. The treaty by itself would not necessarily make a conflict likely, but any attempt to curtail access to Berlin certainly would.

Whatever the outcome, the United States has suffered a grave erosion of confidence and faces new problems in relations with its free world friends, particularly its smaller allies. There can be no doubt that Mr. Khrushchev is using the U–2 affair to undermine the whole system of bases. Already Norway and Pakistan, which are in a sense innocent victims of the acknowledgment that their territory has been used in connection with aerial espionage, have protested to the United States. Turkey is under pressure and there is edginess in Japan, where the security treaty is up for ratification.

To see one's own country in such a predicament is distressing in the extreme. It is not pleasant to be branded, even technically and with extenuation, as an "aggressor." Hindsight shows that the administration should have handled matters differently even after the fact of the overflights was disclosed. By failing to seize the opportunity for a more graceful "out" and by implying that the violations would continue, this country may well have forced Mr. Khrushchev's hand. The administration acted more clumsily than a group of Cub Scouts when the tent collapsed. Had Mr. Khrushchev been content to rest with his initial strong protest without attempting to make the United States grovel, the domestic criticism of the administration would have been overwhelming.

But the self-examination and the excoriation of amateurishness and blunders can be carried too far. Constructive review must start with the existing dilemma. The United States committed and compounded an offense, but this need not have doomed the conference if Mr. Khrushchev had wanted to save it. There is an understandable repugnance at the provocation and deception that go with intelligence operations. It is part of the ritual that such operations must be disavowed, condemned and abhorred. But to say that this country handled its role maladroitly is not to say that the role itself was wrong.

Even though the particular flight was mistimed, it does not follow that the overflights were morally improper. They were different in degree from other intelligence operations, and perhaps on that account more objectionable. But they were essentially similar to what all large nations do, and they certainly were no more offensive than more conventional Soviet espionage or more provocative, by any logical test, than Soviet submarine surveillance. To regard them as in the same category with Mr. Khrushchev's threat on Berlin or the more flagrant acts of Soviet subversion would be to stand morality on its head.

Indeed, the explanation that such activities are made necessary by the Iron Curtain, although not the wisest for official use, is still the most accurate. Despite all the turmoil the issue is in some degree academic. The imminence of practical surveillance satellites surely means that an open world for observational purposes is looming, whether or not Mr. Khrushchev recognizes it.

Now, none of this makes any more promising the immediate outlook for relations between the Soviet Union and the West. All the king's horses and men could not put this shell together again. Mr. Khrushchev is being very optimistic in talking of another summit meeting in 6 or 8 months. Quite apart from his degradation of President Eisenhower, it may be a very long time—perhaps longer than Mr. Khrushchev himself will be in power—before anyone else in the West will find it feasible to consider another summit meeting. That is an especially sad aspect of the debacle at Paris.

For the moment the United States and its allies must heed the storm warnings. Mr. Khrushchev has been acting like a human hurricane, and the prudent course will be to batten down the hatches, particularly in respect of Berlin. For the longer run it would be wise for this country to examine, with a view to urgent correction, the reasons why its prestige has slipped during the last 5 years—among them the psychological negativism, insensitivity and loss of dynamism, the appearance of subordination of defense primacy to the budget, the refusal to acknowledge that we are in a vital contest in space. That would be much more in point than a binge of self-doubt over the U–2 affair.

[From the Washington Post, May 19, 1960]

IKE'S HOPES CRASHED WITH U–2

(By Drew Pearson)

It is apparent that a lot more than a former Air Force officer and some photos of Soviet airplanes came down with that U–2 plane May 1 flying 1,300 miles inside Russian borders. With it came down Ike's greatest ambition and, more important, mankind's hopes for better understanding and eventual world peace. Also gone aglimmering may be the Republican chances of electing a President in November.

Mr. Eisenhower's greatest ambition after 40 years as a military man was to go down in history as a builder of peace.

This became more and more apparent to those who talked to the President weekly at his legislative conferences in Washington and to Republican Party leaders. One of them confided shortly before the summit conference here that it was difficult to get the President to concentrate on domestic problems any more. When the subjects of water pollution, education, and taxes were raised in conferences Ike would listen impatiently and then change the subject to foreign aid or international problems.

When Thruston Morton, Republican national chairman, tried to persuade Mr. Eisenhower to take Vice President NIXON to the summit, he urged that NIXON go from its start to the finish. Ike flatly refused, finally compromised that NIXON come as a standby, all of which caused the frank GOP chairman to exclaim to friends: "This guy doesn't seem to know that we've got to win an election. All he's interested in is peace."

HOPES GO GLIMMERING

All this of course has now gone glimmering—both political hopes and personal peace hopes—gone with the flight of pilot Francis Gary Powers over Russia.

Regardless of the considerable fumbling of the Eisenhower administration there are two great things Ike has had as a salesman for peace. One is his background as a military man which made it possible for him to sell better relations with Russia to the isolationists and the GOP doubters as could few other American leaders.

Second, Ike has had the smile, the personality, the gestures that won millions of people to his support. The Spaniards have a word for this contagious charm "sympatico." Ike had it and used it effectively to win friends for the United States all over the world. Recently he confided to GOP leaders that he planned two more trips abroad following the scheduled, now canceled, trip through Russia before his term ended. He loved this type of international salesmanship and wanted to devote to it the rest of his months as President.

However, big dreams are sometimes upset by small details. And bad administration shows also that no man can serve as President of the United States on a part-time basis.

LOOSE ADMINISTRATION

For 7 years extremely efficient Press Secretary Jim Hagerty, plus a sympathetic American press, have been glossing over the fact that President Eisenhower doesn't know what is going on in a large part of his administration and that it is impossible for any man to be an effective President yet spend several days every week away relaxing at golf and almost every evening relaxing over a bridge table.

Franklin Roosevelt spent almost every night until 1 a.m. in private study. Mr. Truman knew the intimate details of government as few others in his administration. On the eve of such an important conference as the summit here, with great hopes for permanent peace at stake, they would have required that all flights over the Soviet Union be cleared with the White House. But the looseness of the Eisenhower administration permitted the left hand to do what the right hand knew not.

The tragedy of this great anticlimax to President Eisenhower's fine work for peace is that we have been posing as moral leaders of the world and as custodian of honesty and righteousness. We have caught many Soviet spies, but catching spies doesn't absolve us from getting caught spying. And once we were caught, all the Madison Avenue techniques which had been so effective in selling Mr. Eisenhower in election campaigns seemed to evaporate.

We have let the Russians outpropagandize us at every turn. Even here in Paris the Russians got the first headlines Monday by issuing their ultimatum before Hagerty, supposedly trained in the best newspaper and Madison Avenue techniques, could get his statement to the American press.

[From the Washington Post, May 20, 1960]

THE GRIM OUTLOOK AFTER THE SUMMIT

(By Marquis Childs)

PARIS.—With the end of negotiation between East and West—the ruin of the summit conference means scarcely less than that—the cold war warriors will try to take over both in the Soviet Union and the United States. The extent to which they succeed will be the measure of the danger in which the world now stands.

Of that peril there cannot be the least doubt. In a fall from the summit, where the Western Powers had until quite recently talked themselves into a strange and unreal complacency, it is hard to stop at a halfway point.

The faction in Washington that has consistently opposed any understanding with Soviet Russia, however limited, is well identified. It consists, on the one hand, of the hard-core anti-Communists who are convinced that the Communist system is so immoral, wicked and menacing to Western civilization that a policy that sanctions its existence is not acceptable. Somewhat less emotional but no less implacable are the men in the Atomic Energy Commission and the Pentagon who are convinced that America's policy must be one of strength pushed to a point at which in one way or another it will overwhelm the Soviet Union.

The danger inherent in these attitudes is evident enough. At its furthest limit are the Pentagon planners who prepare detailed papers to prove that the United States can absorb 40 million casualties in a nuclear war and yet emerge the eventual victor. They will now be pushing for more ready alerts, greater defense appropriations and an end to all contacts with the enemy to the east.

In the Communist bloc the faction convinced of the inevitability of the cold war is harder to define but it may be equally important in the equation of uncertainty and fear that we now confront. It is on the opposition of these elements that the best explanation of Prime Minister Khrushchev's violent and intractable behavior here in Paris may be found.

Little noticed outside the Communist bloc, a drumfire of attack on Khrushchev has grown louder in recent months. Coming in its purest form from Red China, the attack has centered in Khrushchev's heresy in the weird subterranean world of the Marxist-Leninist doctrine.

When President Eisenhower, at his press conference last week, not only accepted responsibility for the U–2 plane incident but seemed to be saying that he approved the continuance of such flights, Khrushchev was put in an extremely embarrassing position.

Whether, as satellite observers here insist, and some Westerners agree, Khrushchev waited until Sunday night for a sign that Eisenhower would voluntarily disavow the flights is perhaps now irrelevant. What is important is that Khrushchev was compelled to react with a violence that would prove to his critics that he had discovered the error of his ways.

After all, as the American Ambassador to Moscow, Llewellyn Thompson, confirmed in reports to Washington, the Soviet Premier was preparing for Eisenhower's visit to Russia in June such a welcome as rarely has been accorded a citizen, to say nothing of a foreigner. This was being done for a hero of peace whose halo had been fastened on under Khrushchev's direction. With the unmasking of this hero Khrushchev was driven to react in violence.

But propaganda and violence to one side, there is a large element of genuine fear in the Soviet reaction to the U–2 episode. To ignore this, to assume that the cold, calculating Soviets have made every move at Paris out of cold calculation, is to indulge in a kind of ostrichism especially dangerous for this moment.

The Russians seem to have been anxious up until now to deny nuclear weapons to the Red Chinese. But what if Peking, against the background of their rightness in the doctrinal dispute over communism versus capitalism, demands such weapons?

Once such weapons have spread throughout the two blocs, the chances of averting nuclear war are narrowed to a vanishing point. The boastful planners in Red China have proclaimed that they can absorb 200 million casualties in nuclear war and with their vast territory and vaster population they will be the only real survivor.

[From the Washington Post and Times Herald, May 20, 1960]

MR. EISENHOWER'S RETURN

When the country is in trouble there is a natural impulse to rally around the symbol of national unity. For that reason the welcome to President Eisenhower will be especially warm this afternoon when he arrives from Paris and Lisbon. Regardless of the reason for the debacle at Paris and the new tensions with the Soviet Union, we are all in the situation together.

Moreover, the President is a friendly, decent and honorable man who is genuinely distressed at what has happened. He has suffered a personal tragedy in the dashing of his hopes to make an historical record in the advancement of a just peace. He comported himself in Paris with dignity and restraint, by contrast with his vituperative and uncontrolled Soviet counterpart.

Yet, if it is possible to make a distinction, Mr. Eisenhower ought not to be greeted as a conquering hero. He did not conquer; he, and the country with him, suffered a humiliating rebuff. The mistakes of the Eisenhower administration, although they were by no means the whole or even basic cause of the breakdown, had some part in facilitating Mr. Khrushchev's bullyragging. The embarrassment which this country incurred in the eyes of its friends was in some degree allayed by Mr. Khrushchev's boorishness, but the damage was and is real and extensive.

There is, furthermore, the political angle. Mr. Eisenhower certainly did not make a political issue of the troubles at Paris, nor have most Democratic leaders sought to capitalize upon them. But there was a distinctly political overtone in the plan to have Vice President NIXON substitute for Mr. Eisenhower at the summit. And there was a highly offensive partisan angle to Mr. NIXON'S disclosure in what was inevitably a political speech that two Soviet spies had been apprehended in Massachusetts during Mr. Khrushchev's visit. If this information was properly released it belonged to the public in an official statement. It was not Mr. NIXON'S property to use casually in a partisan atmosphere. The welcome today ought not to be vehicle for boosting Mr. NIXON'S ambitions.

Now, when the country is still recovering from the shock to its pride and confidence, is probably not yet the time for a detailed autopsy of the events that led to the crash at Paris. But the desirable current demonstration of national unity and purpose must not deflect attention from the necessity to examine critically what went wrong and why. It is particularly important to inquire into the supervision and control of intelligence operations. And other aspects of national policy on which control has been lacking, such as the nuclear test approach, ought also to have intensive scrutiny.

It will be essential to carry out such examination in a nonpartisan spirit and without scapegoating, but no person or operation ought to be unaccountable. What has happened is in many senses a national failure that reflects upon all of us and for which we all in some degree share the blame. Good intentions plainly were not enough; and the worst thing of all would be to try to transform the setback into a public relations victory. It is imperative that we learn from our mishaps.

Thus the welcome today inevitably will have an uneasy and somewhat filtered quality. A demonstration of determination and

unity of fundamental purpose will be altogether in order; what would be out of place would be an appeal to chauvinism and to the refurbished self-righteousness of the unrepentant cold warriors. Mr. Eisenhower deserves to be greeted as the Chief Executive of the United States who tried to make the best of an unfortunate tangle to which his administration unintentionally contributed. But there ought to be a profound feeling of humility among the cheers.

[From the Washington Post, May 22, 1960]

TO SPY AND BE CAUGHT—AYE, THERE'S THE RUB

(By Cyril Dunn)

(The London Observer's new Washington correspondent views the American scene through British eyes.)

Those who blame the Americans for their handling of the "spy plane" affair might be nonplussed to learn how thoroughly they have been outdone through the past unhappy week by the Americans themselves.

The minority on this side of the Atlantic who deplore such humility call it "breast-beating" and wish it would stop.

Yet precise people will hesitate before defining this American examination of motives and performance as self-criticism. People here do not seem to identify themselves either with the Government or with the opposition in quite the same way as voters generally do in other democracies.

The slings and arrows of the past week have certainly been directed against the Republican administration and some of the high-sounding agencies which surround it. But they seem to have been treated as things apart, capable of acting in ways not at once accepted as typically American.

As the effects of the first shock subsided, the Central Intelligence Agency emerged from the mists of its own occupational reticence to stand as chief accused. Pilot Powers is now generally assumed to have been acting on direct orders from this secret service when he aimed his high-altitude jet across the Russian border.

It is therefore to the CIA that such harsh words as "bungling" and "blundering" have been applied. It is said that CIA heads will roll. The papers here have printed without rebuttal the icy comment of a "British diplomat" that if the Americans are going to behave like amateurs "they ought to stay out of the espionage game."

Strictures of this sort are bound to hurt, because the British are widely supposed in these parts to be masters of espionage as they once were of a cunning diplomacy. Indeed, when President Truman formed the CIA in 1946 the British secret service was the avowed model.

The charge is made here that Powers must have been ill trained as a secret agent because he allowed his country to be humiliated by this "dismal failure." Some Americans are also evidently troubled by the suspicion that Powers was not brave enough to destroy himself, his plane, and the proofs with which Khrushchev made so much hay. There is also universal skepticism about the "remarkable rocket" with which the Russians allegedly shot down the U–2 without damaging either Powers or his photographs.

For a number of reasons, people expressed themselves hesitantly on these themes. The pilot's wife has been shown on television as an unhappy young woman commanding sympathy. Moreover, to this nation of realists it sounds like nonsense to suggest that any man could kill himself just when he was saying "Thank God I'm alive" after parachuting down from the dizziest of heights.

In any event, the moral sense of the people has evidently been shocked by the discovery that any American can be ordered to commit suicide.

But above all, the CIA is being castigated for falling short by British standards. It is said that the British have been flying on similar high-spy missions for some time without being caught, whereas American planes have run themselves into Soviet border incidents 15 times in the last 10 years.

If precedent counts for anything, the Americans are perhaps being unjust to their secret agency, which cannot speak in convincing detail for itself. At meetings in and around the State Department last week, a vague figure has mixed with the great ones, like an undeclared detective keeping a discreet eye on the jewelry at a party.

This was Allen Dulles, brother to the late Secretary of State and now the elderly head of the Central Intelligence Agency.

Nobody could call Dulles an inexperienced amateur. He went into the espionage game in the First World War and has been at it off and on ever since. He has had abusive testimonials from such expert judges as the late Hitler and from the Russians themselves; Pravda once said of him that if he ever went to heaven he would sabotage the stars.

Nor does the CIA itself seem to have been slothful in the past. It gave the administration 24 hours' notice of the Russian sputnik launching, foretold Sir Anthony Eden's invasion of the Suez Canal and predicted the expectoratory attack on Vice President NIXON in South America. True, the Agency has been criticized in Congress, but for its way of interpreting the facts it gathered, not for any want of expertise in gathering them.

But the real target of American criticism has been the State Department itself. It is accused of ineptitude for allowing itself to be trapped into untruth and laying the United States open to Khrushchev's ponderous ridicule and the derision of the Supreme Soviet. Also, it is charged with giving the game away unnecessarily.

Once again the British model has been quoted to remind the State Department that Sir Anthony Eden refused, even under the severest pressures, fully to acknowledge the frogman, Commander Crabbe. But in most Americans, the Government seems to have excited emotions not far removed from horror and dismay because it lied to them.

Perhaps nobody will ever trace this lie back to its true origin, though the world's most persistence newspaper reporters are still doing their best. An elaborate fraud, intended to deceive many important Americans as well as the Russians, must necessarily have covered the spy plane's movement.

It is evident that officials of the National Aeronautical and Space Agency—which supposed itself to be in control of Powers and his jet—accepted the cover story as true. Indeed, its Press Office spent much of a recent fateful afternoon listing contradictions with the worthy idea of showing that it was Khrushchev who was not telling the truth.

This summary came out on the ticker as message No. 112 at 6:07 p.m. The State Department's "confession" followed as message No. 115 at 6:18 p.m. The NASA official is said to have suffered severe shock. And no wonder.

Correspondents also find it quite impossible to believe that their old friends, the press officers of the State Department, lied to them knowingly. But someone at the top must have been aware of the truth and yet withheld it.

It is suggested here that President Eisenhower and his aids might have become absentminded about a program of secret reconnaissance flights first generally authorized four years ago. It seems to be true that in the past the CIA has had some trouble in getting its reports read with close attention at the White House.

But it is still inconceivable that the President, at least, was not given the real facts about the plane as soon as Khrushchev announced that it had been shot down. If so, these facts were certainly not at once passed on to the American public.

Those who accept the need for a secret service may well ask why he should have done so. The President himself recognizes the need for evasiveness. Last November, when he was laying the cornerstone of the new CIA headquarters near here, he said the successes of this agency could not be advertised, nor its failure explained.

But most Americans evidently despise official secrecy in all its forms. When the President at his press conference rebuked the Russians for being secretive, he spoke for people who regard their right to know as something essential to a free society and who normally insist upon it beyond limits accepted even in other democracies.

Though officially undeclared, not even the use of the U–2 as a spy plane has been completely hidden. It was reported two years ago, at all events to a limited range of the young in heart, in the American magazine, Model Airplane News.

Americans may now be inclined to abandon some of their attitudes and adopt instead what they call the cynicism of the Old World. If they do, it seems unlikely that international tension will be very much relaxed. Nor, unhappily, should anyone suppose that Khrushchev has made any new friends here by the skill with which he set himself to make the United States look foolish.

[From the Washington Post, May 22, 1960]

ASSAYING OUR PART IN THE DEBACLE

(By William H. Stringer)

The unbridled words spoken at the Paris summit conference could, in past decades, have brought the world to the brink of war. Now humanity has always before it the threat of nuclear annihilation, and so it proceeds more cautiously.

But though war does not seem just around the corner, the falling out between East and West at Paris does register the lamentable failure of one kind of Western policy. That policy is the effort to bring the Soviet Union—Russia—gradually back into the "family of man."

The London Economist, commenting some months ago on Prof. Walt Whitman Rostow's doctrine concerning the stages of economic development among nations, noted that Professor Rostow declared that the Soviet Union now is entering the fifth and final stage—and has three choices before it.

It can embark on high mass consumption, it can pursue external power and aim for world domination, or it can seek to advance into enlarged human dignity and new freedoms for its peoples.

The Economist found thus a crucial task confronting the West in its relations with Moscow. On one hand, it said, the West, through military power and alliances, must make the choice of attempted world domination "so unattractive to the Russians as to be unattainable." On the other hand, "The West must strive to make a choice of a high consumption economy (and, if possible, of a freer society) as easy, as natural, and as face saving for Mr. Khrushchev as it can."

How has the West succeeded in this effort?

There were times when it seemed to be doing pretty well. President Eisenhower, talking with Premier Khrushchev at Camp David, made thoroughly clear to him that Berlin negotiations could not take place under threat and duress—"at the point of a gun." Simultaneously efforts at cultural exchange and cessation of nuclear testing went ahead.

Later, President de Gaulle seemed to have reached into the Soviet mind at Paris when he advised the Soviet Premier that Moscow could not have the reduction of world tensions that it professed to want, and Berlin, too. There seemed to be some degree of understanding there.

But how much consistent effort was there, in other arenas, to make the choice for Mr. Khrushchev as easy, as natural, and as face saving as possible? Was there need for the truculent tone of Under Secretary of State Douglas Dillon's speech a few weeks ago? In the U–2 spy-plane incident, was it advisable—after showing justification for such surveillance—to give the impression that the flights would continue?

It may be, of course, that Soviet policy would have shifted to a harder line without Western provocation. Certainly Premier Khrushchev has been under lengthy pressure in Moscow to abandon his policy of relaxation of tensions. The Stalinists behind Mikhail Suslov, the military faction already resenting Mr. Khrushchev's arms reductions, have argued that the United States was not to be trusted, and that only a policy of brute strength would serve Moscow's ultimate aims.

It is possible that Premier Khrushchev has had to veer his policy to accommodate these Neanderthals. Certainly the U–2 spy-plane incident would have played directly into their hands.

The West always must be suspicious, of course, of the argument that Premier Khrushchev is under dangerous pressure back home. Soviet officials themselves sometimes hint at these pressures, hoping to produce a Western concession by playing up the dire consequences that would ensue if Mr. Khrushchev had to succumb to the Stalinists. But certainly the pressures have been there.

What seems evident was that Premier Khrushchev was fashioning a policy, however tortuous and twisted, of coming to new terms with the West. And that now this policy has been laid aside, at least temporarily. Perhaps Mr. K. abandoned it without qualms when he saw that mere talks and foreign visits and a friendly face would not win his way at Berlin.

But it also would seem that if Washington and the West were attempting to make it as easy as possible for Mr. Khrushchev to carry his policy forward, then loud speeches and uncertain nuclear test-ban policies and militant posturing should have been no part of the Western policy. Here the policy of speaking softly—and distinctly and honorably—while carrying the usual big stick, would have been the better course.

[From the Washington Post, May 23, 1960]

SUMMIT AND POLITICS—FIASCO CAN'T POSSIBLY HELP GOP

(By Roscoe Drummond)

PARIS.—There can be no doubt that the brutal charade which we have witnessed in Paris, instead of a summit conference, will have a very direct bearing on the Presidential campaign.

What was intended to take place was a world's heavyweight peace conference. What actually took place was a diplomatic prizefight which was fought in the dressing room without a referee.

We do not yet know who really won—if anybody.

The Eisenhower administration and the Republican presidential nominee can't possibly be helped by this summit fiasco and could well be hurt quite seriously.

The administration campaign theme that the experienced Republicans are qualified above others to deal better with the Soviets was not borne out by the summit which never was.

At the moment there is still an instinctive rallying behind the President because of Khrushchev's egregious insults. But when the shock of verbal barrage has worn off, the question will begin to be seriously asked whether Mr. Eisenhower's courteous, low-voiced no-comment response was the best way to respond to an international bully.

Mr. Eisenhower and Secretary Herter may reasonably contend, as their spokesmen here did to the end, that if it weren't the spy plane incident, the Soviets would have found another pretext to have boycotted the meeting; that by giving Khrushchev unlimited rope, he has hung himself by his own tantrums and that the Western allies are more united because of Moscow's angry tactics.

But this optimistic view may not hold up. Certainly the Democratic leaders are not going to allow the administration to enjoy unchallenged the argument that it had no responsibility for giving some of the propaganda advantage to the Soviets and that this summit circus represented the most experienced way of dealing with the Kremlin.

Obviously, the administration critics will ask:

Why wasn't there sufficient prudence to suspend the U–2 flights at least 2 months before the summit?

Why was it wise for the President to wrap the U–2 reconnaissance missions in White House authority?

Was it wise for the President to take Khrushchev's brutal badgering, his personal invectives, his slurs, and belittling of the United States without answering back baldly, boldly, and warningly?

Most important of all: Won't the Soviets take the President's failure to answer back as a sure sign of personal and national weakness; be tempted to count on more of it in the coming months—and thus perilously miscalculate the realities?

Summit correspondents who have worked in Moscow and some officials within the American delegation fear that the United States by seeming too proud to talk back, has dangerously misled the Kremlin.

Events in the cold chill of the next few months will alone give the answer.

[From the Washington Post, May 23, 1960]

U–2, BRUTUS?

It is ironic that the United States will be on the defensive in the United Nations Security Council this afternoon in part because it told the truth. Perhaps no other big nation would have handled the affair of the espionage plane in the same way, even after the initial blunders and embarrassment.

There is a certain cynicism about intelligence operations. If the United States had taken advantage of the out allowed by Mr. Khrushchev, or had been "concerned" but evasive or had promised to "investigate thoroughly" instead of confirming the incident without disavowal for the future, it might have been spared the Soviet charge in the U.N. This, of course, is conjecture, for no one really knows the mind of the Kremlin. In retrospect, however, there was an alternative to telling an untruth, and that was to be noncommittal.

At any rate the United States will be by no means defenseless. The flight was provocative, but the fact that this country has suspended such flights and issued orders against their resumption will be a mitigating factor in U.N. consideration. Moreover, the vast extent of the intelligence operations conducted by the Soviet Union and its Communist partners, if they do not disprove the Soviet charge, will tend at least to offset it.

West German sources report, for example, that the Bonn government has apprehended more than 500 Communist agents within the last few months. Some countries in Asia where cold war intelligence operations have been customary are inclined to avoid one-sided moral condemnation even though they do not like such activities.

Thus there is little likelihood that the Security Council will actually muster a majority for censure of the United States; and there is a strong argument that this country can advance for examining the root cause of this particular problem, which is the secrecy of the Iron Curtain. Yet it is by no means impossible that the Soviet Union will take the case to the General Assembly, where the reception may be somewhat less sympathetic.

We shall have to do our best to keep the matter in perspective, but it is not inconceivable that a vote in the Assembly could go against the United States. The necessity in such circumstances would be to keep our shirts on and to resist the demands of the domestic United Nations-haters. The plain fact is that our own mistake has placed us in the predicament, hypocritical as the charge may be; and if our explanations fail to persuade, we shall simply have to take our lumps.

[From the Washington Post, May 24, 1960]

SUMMIT TALKS PUT OFF TOO LONG

(By Drew Pearson)

(Drew Pearson's column today takes the form of a letter of the summit conference written to his daughter, Mrs. Dwight Whitney, in Los Angeles.)

My Dear Daughter: I have been in Paris for a conference which carried the hopes of all mankind but which has dashed those hopes into irretrievable bits and pieces.

I can't write about it to your sons as I sometimes do, because they wouldn't understand it. And even if they could, I wouldn't want to depress them with my pessimism. But you, who have borne sons, and all the mothers whose sons may have to fight another war, should know what has happened and why.

During the past years I have watched a good many of the world's faltering steps toward peace—three of them here in Paris. When I was a young newspaperman and you were a cute 2-year-old baby I came to Paris when Secretary of State Kellogg signed the Kellogg-Briand Pact outlawing war.

That was in 1928, and only a couple of years later the Japanese warlords landed in Manchuria to start a small local conflict which gradually was to erode and spread into major war.

I came to Paris again when World War II was over to watch Jimmy Byrnes, then Secretary of State, try to write a treaty of peace. That was in 1946. Your first son was born that year, and I remember the hope I had, and that millions of others had, that he and other children would not grow up to fight another war; the hope that this treaty of peace would really bring peace.

That treaty was never written. Russia, then represented by a bitter old Bolshevik, Foreign Minister Molotov, rejected the terms.

HISTORY OF MISTAKES

But gradually, despite that failure, the world has moved toward peace. Little by little we have come to understand other countries better, including Russia. And this summit conference which has now failed, was to have written an important chapter in that understanding.

The chapter that has now been written, however, is a very black one, and I have been sitting here figuring out the moves that could have been made to have had it end in success rather than failure.

I think the first mistake was to postpone the summit conference. It was in September that Premier Khrushchev and President Eisenhower first decided at Camp David to hold a summit conference, and originally it was to be held in December. Then it was postponed and postponed. Finally, President de Gaulle set the date—May 16. And

he set it 8 months after the Camp David talks in order to give France time to explode its own atomic bomb.

Thus we used a warlike reason for postponing a conference to promote peace.

Another thing President Eisenhower forgot is that peace is very delicate and tender. It can be eroded by a lot of little mistakes just as a lot of little streams can wash away a beautiful garden. Like a garden, peace must be cared for every day. The weeds of bitterness and hate have to be pulled out. You can't go off and play golf or bridge, leaving the garden of peace to sharecroppers or tenant farmers.

IKE ABDICATED

This is what the President did, however. Mr. Eisenhower is sincerely a man of peace. I believe that more than anything else in life he wanted to build a peaceful world. But Mr. Eisenhower is not always well, is a little old, and sometimes a little lazy. He went off and left the garden of peace too much to others.

In fact he pretty much abdicated the leadership of the Western World to President de Gaulle. He left the question of Berlin almost entirely in the hands of De Gaulle and Chancellor Adenauer. He took their word that it would not come up at the Paris conference when actually it was certain to come up.

And he let his own subordinates, Under Secretary of State Dillon and Secretary Herter, deliver tirades against the Russians shortly before a conference in which he had to get along with the Russians; also despite an agreement at Camp David that leaders of both the United States and U.S.S.R. would refrain from critical speeches. They were busy planting weeds of bitterness in the garden of peace.

Finally, Ike came to Paris with little advance preparation for what was to be one of the most important conferences of the century. He relied on charm and the old Eisenhower smile to win over Mr. Khrushchev.

Then as you know, an observation plane which never should have been sent over Russia at this time, was shot down—another illustration of how isolated, unrelated incidents can erode and destroy the peace. When you're trying to build up peace you have to keep an eye on every possible incident; you can't let anything detract or destroy what you're aiming at. Unfortunately the President, with all his fine motives, was not alert to guard the great goal which he himself so cherished.

[From the Washington Post, May 25, 1960]

ON FOLK DANCING

PARIS.—America's friends in France, and throughout the whole Western alliance, have received the news of the impending congressional investigation of the U–2 case with a groan of resigned horror.

The horror has been tempered, to be sure, by the report that the investigation is to be conducted by Senator FULBRIGHT. The chairman of the Foreign Relations Committee has a well established reputation for moderation and good sense. He will, it is hoped, avoid the worst excesses of congressional inquiries into controversial matters in election years. But the question is still being asked, with a kind of damp discouragement:

"What on earth good can this do? Isn't the row in the U.N. enough?"

In happier days, this would not have mattered as much as it matters now. In the past, none of the Western allies doubted the superiority of American power. In the past, too, there were far fewer doubts about the good judgment of America's leaders. In that preiod no great harm was done, as a French diplomat put it to this reporter, "par les danses folkloriques de votre politique interieure"—"by the folk dances of your domestic politics."

In other words, while there was general confidence in America's strength and America's basic wisdom, we could afford to make fools of ourselves from time to time in our own peculiar way. But it cannot be too much emphasized that the remaining Western reserve of confidence in America—at least in Eisenhower's America—has now dropped well past the danger point. Anything which will cause a further drain on the reserve of confidence is genuinely dangerous, both to the world position of the United States and to the West.

Even after making full allowance for the prudence of Senator FULBRIGHT, it is hard to see how any investigation of the U–2 case can fail to cause such a drain on the reserve of confidence. The known facts themselves prove only too clearly, that further inquiry can do no good and may do much harm. These facts fall into two parts.

In part one, there are the facts concerning the U–2 overflights. The overflights were started more than 4 years ago. No sensible American can fail to admire the courage and good sense of his fellow citizens, as yet unnamed, who originated this project.

For 4 years and more, these flights continued without incident. Probably from the beginning, and quite certainly for at least 2 years, the masters of the Kremlin have known that American planes were overflying the Soviet Union at altitudes above the reach of the Soviet air defense system. Their radars told them the news, and so did their spies. At his monstrous Paris press conference, Nikita S. Khrushchev himself quite openly admitted that he knew about the American overflights when he met President Eisenhower at Camp David.

In all this time, the Soviets made no protest against the overflights because they could not do so without an appalling admission of weakness. They could not say, after all: "We know you're overflying our territory, and we can't stop you. But you must stop anyway."

After such a long record of success without hazard, the safety of the overflights was obviously taken for granted. This was perhaps an error of judgment on the eve of the summit. But it was not an unnatural error, on the order of not turning off the electricity to prevent short circuits when unusually flammable materials are temporarily in a house.

The Soviets captured the U–2, in any case, because some sort of quite unforeseeable mechanical failure caused the plane to lose about half its normal operating altitude, and thus to come within reach of the Soviet air defense system. Clearly, any needless airing of names and facts in this first, purely operational part of the U–2 story will be both fruitless and flatly contrary to sound precedent in matters having to do with that unpleasant necessity, espionage.

As for part II of the U–2 story, this is the part which contains the explanation of the American Government's reaction to the Soviet announcement that the U–2 and its pilot had been captured. The disclosure of the U–2 project, the public proof of the overflights, did the United States little harm and considerable compensating good abroad. But very great harm was done by the way the American Government reacted to this disclosure, with a series of ill-digested and contradictory statements.

It may be historically interesting to find out who prepared what draft of which statement. But public breast beating about the sudden maladroitness of our own diplomacy at a moment of acute international importance will certainly serve no practical purpose. It will also greatly increase the harm already done.

Just as the executive branch needs to learn that it does not always have to make a statement, the Congress should remember that it does not always have to make an investigation. Such, at any rate, is the prayer of our friends abroad.

[From the Washington Post, May 26, 1960]

THE ACCOUNTING

It was impossible not to sympathize with President Eisenhower last night as he recounted what must have been shattering personal experience in the national setback at Paris. His explanation of the events following the U–2 incident nevertheless seemed somewhat feeble and unsatisfying. His calmness in assessing the need for further efforts to improve relations with the Soviet Union was, by contrast, altogether praiseworthy.

Unquestionably Mr. Khrushchev had indeed long known of the U–2 flights and decided for reasons of his own to make a scene about this one. It probably also is true that Mr. Khrushchev had decided before going to Paris to break up the summit meeting, although Mr. Eisenhower's assertion that the administration "had no thought or indication that basic Soviet policies had turned about" is somewhat at variance with the implications of Mr. Khrushchev's Baku speech in April. Moreover it is possible that Mr. Khrushchev thought, despite the President's denial, that American policy itself had changed in emphasis.

What was curious about the explanation was its peculiarly subjective quality. If it is acknowledged that the surveillance flights themselves were a step of necessary prudence and that the timing of the particular illfated venture was reasonable though hazardous, it does not follow that Mr. Eisenhower needed to stress his direct personal responsibility for every part of the clumsy aftereffects. The same consideration holds for his emphasis on his personal approval of the military alert ordered from Paris—again a step of prudence, but one which should not be exaggerated.

Perhaps, after the President had once confirmed his knowledged, there was nothing to be lost in completing the explanation. But the effort involved Mr. Eisenhower in direct responsibility for a rather transparent lie. It was almost as if, by emphasizing his personal role in a situation that his subordinates and pure chance inevitably shaped, the President was hoping to demonstrate that he was in complete control at all times.

This sort of resolute digging-in was the most unsatisfactory part of the explanation. It left unanswered such questions as why the administration did not take advantage of the opportunity for a more graceful exit, why it did not try earlier to allay the Soviet misunderstanding that the flights would be continued and why the statements of various governmental agencies were not coordinated at the beginning. If the President was in full charge, then he must answer for the inadequacies.

Mr. Eisenhower put in a well-warranted plug for the performance of Prime Minister Macmillan and President de Gaulle at Paris. It is possible in all sincerity to commend him also for his own dignity under trying conditions. And his prescription for continued exploration of all means of accommodation with the Soviet Union in personal contacts, disarmament and nuclear test issues merits general applause.

In this connection the President's renewed plea for an open skies program under United Nations auspices has at least the virtue of being positive. Whether the Soviet Union will accept a U.N. surveillance system remains extremely doubtful, but the effort is worth making. The advent of Tiros and the new Midas satellite shows the inevitably of such inspection.

But none of this makes any less desirable a thorough and responsible review, not merely of chain-of-command defects in the recent episode, but also of the possible relationship of past defense, space and budget

policy to the events at Paris. Mr. Eisenhower's assumption of personal responsibility will shield nonpolitical subordinates, which is proper; but it ought not to inhibit Congress in seeking maximum information from top officials. Meanwhile any possibly disruptive effects of the inquiry could well be offset by a vigorous and affirmative congressional response to Mr. Eisenhower's plea for passage of an unimpaired mutual security appropriation.

[From the Washington Post, May 26, 1960]

THE SENATE INQUIRY

(By Walter Lippmann)

By joining the Democrats in voting for the kind of inquiry which Senator FULBRIGHT has proposed, the Republicans on the Senate Foreign Relations Committee have shown great good sense. They have brushed aside those who in their innocence and their ignorance have hoped they could silence the critics and shout down the opposition. In doing this the Republican Senators have acted in the best American tradition of public life, they have acted according to the principles and in the spirit so excellently described by Governor Rockefeller.

Had they failed to provide for a responsible and intelligent inquiry, the causes and the consequences of the fiasco would inevitably have become the subject of ruthless political demagogy. Not to inquire and not to debate the issues soberly and responsibly could mean only that the alley fighters would take charge of them. National unity and the public interest will be better served by the example of Governor Rockefeller than by the example of Senator DIRKSEN.

With Senator FULBRIGHT the chairman, the inquiry is in very good hands. It is a most difficult inquiry in that the big issues are unique. They have never before been posed publicly in this country or, so far as I know, in any other. To understand them clearly and to judge them accurately calls for a degree of sophistication and of worldliness which must seem cynical and immoral to those who are inexperienced in the dark and seamy side of international life.

All governments, at any rate all great powers, live a double life. In the one, which is avowed and public, they are the respectable husbands and fathers in the midst of a proud family. In the other, which is the various intelligence operations, they have a variety of mistresses and their illegitimate offspring which they support but do not acknowledge. In the open life they practice monogamy and in their hidden life they practice adultery. And the assumption and the hope is that the hidden life will never have to be discussed in the open life.

This was our situation, and indeed the situation of the Soviet Union, Great Britain and France, until the week before the summit meeting. Then the U–2 was unexpectedly brought down, substantial parts of the plane were unexpectedly recovered, and the pilot survived. There was no doubt that an American plane had been caught in the act of spying.

This posed a very embarrassing problem for the President and his advisers. Should they take the conventional way out, which Mr. Khrushchev offered them, which the State Department in its first thoughts wanted to take? This was to say that the flight of Powers had not been ordered in Washington. This would have been a half-truth. But it was the kind of conventional half-truth which all governments employ when they find themselves in such a jam. Conventionally, too, such a way out would be accompanied, as Senator KENNEDY has quite properly suggested, by a formal and perfunctory expression of regret.

In view of the fact that the President had made the initial error of not suspending such flights before the summit meeting, it was a fatal error to reject the conventional way out, to let the President avow that he had full responsibility and to argue that the flight was righteous and necessary, that by implication such flights would continue. This was an irreparable mistake. To be sure the half-truth would not have been flattering to the President, particularly because it would have fitted too neatly the world's picture of him as not attending wholly to his job. But there was no good way out of the consequences of this unlucky accident, and the way we did take was the most damaging of all.

The damage done by the policy of avowal was not confined to the effect on the summit conference. It is arguable that Mr. K. would have broken up the summit meeting, even without the U–2, over Berlin.

But what seems to me clear is that if the President had followed the conventions of the spy business, he would not find himself where he is today. He would not find himself committing this country solemnly and publicly before the world to the doctrine that it will not do any more aerial reconnaissance over any other nation's territory. Having avowed too much, the President has had to renounce much too much, much more than was necessary.

Unavoidably the affair raises a question which is political, although not necessarily partisan. I say this because if Governor Rockefeller were the Republican candidate, the question would not arise.

The question is this. The U–2 is a brilliant achievement in modern technology, and it has proved itself to be a marvelous instrument of intelligence. The question is whether the ultimate administration of this delicate and dangerous and most useful instrument is in competent hands, and whether in even graver matters which may have to be decided, the country can have confidence tht it is wisely and shrewdly and competently led.

[From the Washington Post, May 27, 1960]

WHO WAS RESPONSIBLE?—CHRONOLOGY OF U–2 INCIDENT TRACED IN TANGLED WEB OF SUMMIT DISPUTE

(By Chalmers M. Roberts)

Who was responsible for the incredible assortment of conflicting statements and contradictory assertions when the Eisenhower administration was confronted with the U–2 spy plane crisis?

This is the most immediate question in the tangled web of the U–2 affair and the subsequent collapse of the summit conference in Paris. What follows is a detailed examination of the facts about the administration's handling of the U–2 case.

It should be noted beforehand, however, that there are other important parts to the whole story: The apparent public hardening of American policy toward the Soviet Union prior to the U–2 affair; Soviet Premier Nikita S. Khrushchev's reaction to that hardening; Khrushchev's reactions to the American accounts of the U–2 case; and the internal Soviet pressures on Khrushchev, before and after the spy plane was downed, because of his year-old policy of trying to do business with President Eisenhower.

Whether or not Khrushchev would have scuttled the summit, had there been no U–2 incident, is not now clear; there are divided opinions in the administration on that. A good many diplomats do tend to agree with what President Eisenhower said to the congressional leaders yesterday—that Khrushchev may have scuttled the conference because he was under "pressure by the Stalinists," those in Moscow suspicious of any dealing with the West, "and the Chinese" Communists who have openly disagreed with Khrushchev's policies.

But that question is only indirectly related to the handling of the U–2 affair by the Eisenhower administration.

The chief figures in the U–2 drama in Washington were President Eisenhower, Secretary of State Christian A. Herter, Under Secretary C. Douglas Dillon, Central Intelligence Agency Chief Allen W. Dulles, and White House Press Secretary James C. Hagerty.

It is evident from the record that much of the confusion sprang from the fact that no one acted in supreme authority in directing the administration's actions.

Here is the chronological record as far as it is known today:

May 1: The U–2 flight of pilot Francis G. Powers took place on this date because of a clear weather forecast. That forecast also indicated that such good weather probably would not be repeated for some weeks; that is, until after the summit conference, then 2 weeks off. CIA officials say the equipment carried by Powers, including the tiny poison needle, is standard equipment carried by all Strategic Air Command crews. It is designed to help a crewman escape if downed in enemy territory. Powers never was ordered to use the needle to avoid capture; it was for use to avoid torture, if captured, according to CIA officials. The pistol was not for murdering Russians but for shooting small game, it is contended.

SECOND FLIGHT

The day of Powers' flight, there was a second U–2 flight from Turkey. This was a meteorological flight outside the Soviet Union, the kind of flight the National Aeronautics and Space Administration unwittingly thought all U–2's were making. NASA was, of course, the cover for the clandestine flights over the Soviet Union.

These penetrations of Soviet air space had been going on for 4 years with results highly gratifying to American intelligence officials. There had been a great many of these flights and the Powers mission was not the first designed to cross the Soviet Union. Others had succeeded when he failed.

So detailed were the photographs brought back by the U–2's that at one time the State Department's policy planning staff considered a proposal to show them to Khrushchev. The idea was to use them in an effort to break down his resistance to inspection and control for various disarmament schemes.

The proposal was rejected, however, partially on the grounds that Khrushchev already knew of the flights and that such a move might lead him to make such a public row that they would have to be discontinued.

CUTOFF PLANNED

CIA officials contend that there was to be a cutoff of U–2 flights before the summit, that the question was how much time constituted a margin of safety. Nevertheless, the Powers mission was permitted to take place 2 weeks before the summit. In his speech on Wednesday the President implied he fully approved of that.

Mr. Eisenhower said that, as to complaints over the timing of the flight so close to the summit, "there is no time when vigilance can be relaxed." By implication, he meant there was no reason to cancel the flight because of the impending conference with the Russians.

However, this has not always been the President's policy. In September 1956, in the midst of the Suez crisis, negotiations with the Russians as well as the Egyptians—the President did order a halt to the U–2 flights. Then he apparently wanted to avoid an incident which would make negotiation more difficult.

There is no evidence, however, that the President was aware beforehand of this particular flight or that either the State Department or the CIA thought his specific approval necessary. He had delegated authority for the flights, once having approved the

entire U–2 scheme following Soviet rejection of his "open skies" plan at the 1955 Geneva summit conference.

May 1–4: During this period the CIA and the State Department knew that Powers was missing; they hoped he had crashed and that pilot and plane had left no telltale evidence. The initial confusion over the missing plane, as to whether it was Powers or the legitimate meteorological flight in Turkey the same day, was soon cleared up. There is no evidence that the administration laid out any plan of how to handle the possible disclosures later made by Khrushchev.

MAY HAVE BEEN MISLED

The administration may have been misled into thinking Khrushchev would remain silent because of Soviet action over the expected visit to the United States of the boss of the Soviet Air Force, Air Marshal K. A. Vershinin.

On May 2 the Soviets asked for a 48-hour postponement of the announcement of the visit. But on May 4 they agreed to a joint United States-Soviet announcement and it was made that day. The visit was canceled on May 13 after Khrushchev's U–2 disclosure.

On May 3 it was announced from Istanbul, Turkey, that a single-engine Air Force plane was missing near Lake Van, not far from the Soviet border. It was described as a high altitude research plane belonging to NASA.

The report said the plane was one of two which had taken off from the U.S. base at Incrilik near Adana, Turkey, on a weather reconnaissance mission. The other plane returned safely but the pilot of the missing craft was said to have reported his oxygen equipment was out of order.

STANDARD STORY

This was the standard sort of cover story for the missing U–2, issued in the hopes that it would suffice. It was not known here whether Powers' U–2 went down or why. To this date, in fact, there is only Khrushchev's word that it was downed near Sverdlovsk, deep inside the Soviet Union.

May 5—Khrushchev announced to the Supreme Soviet in Moscow the bare details of the U–2 flight, deliberately (he said later) withholding information which would have let Washington know that Powers was alive and that much of his equipment had been captured intact. He set a trap into which the Eisenhower administration fell.

In his Wednesday speech, Mr. Eisenhower contended that the "covering statement," as he called it, was imperative "to protect the pilot, his mission and our intelligence processes at a time when the true facts were still undetermined."

On May 5 Secretary Herter was in Athens, en route home from a NATO foreign ministers conference in Turkey. In charge of the State Department was Under Secretary Dillon.

DILLON'S RESPONSIBILITY

Under the President's delegation of authority, it was Dillon's responsibility for what next occurred until Herter's return late on May 6. It was on May 5 and 6 that the administration allowed itself to be entangled in a series of lies about the U–2.

When newsmen went to Press Secretary Hagerty for comment on Khrushchev's speech, Hagerty was careful to say only that the President did not know of the news story about the speech.

News of the speech arrived here just after the President had left by helicopter for a National Security Council meeting at a secret hideout, part of a civil defense exercise. There is no evidence on whether the President at that meeting discussed what to do about the Khrushchev disclosure. The subsequent record indicates that he left it to Dillon and the State Department.

State Department spokesman Lincoln White, who received his instructions personally from Dillon, said that "it may be" that the plane Khrushchev referred to was the missing so-called NASA aircraft. It was also announced that the President had ordered an immediate inquiry into Khrushchev's accusation.

TROUBLE COMPOUNDED

This semi-lie was aggravated by NASA's press chief, Walter T. Bonney. Unaware that NASA was being used as a cover for the spy flights, Bonney said at a press conference that the plane was on a wholly peaceful mission. He gave details of the plane's Adana takeoff, its route within Turkey and the pilot's alleged report of his oxygen trouble. The administration's story thus was that a peaceful flight outside Soviet borders might have by accident transgressed the Soviet-Turkish border.

There is no evidence that the President or Dillon, or anyone else in authority in the administration, took charge of the whole affair and told NASA to say nothing. There have been subsequent hints from the White House, however, that some such order went out to NASA but was overlooked or disregarded. The record here is not clear.

May 6: In Moscow it was claimed the U–2 was shot down by a rocket on Khrushchev's personal order, but other details still were withheld. However, Soviet Foreign Minister Andrei Gromyko termed the American explanation nonsense.

FULL FACTS ASKED

The State Department said it was asking the full facts in Moscow. White, still acting under Dillon's orders, declared that there was absolutely no—no—deliberate attempt to violate the Soviet airspace. The lie thus was compounded.

Around dinnertime Herter arrived home from Greece to take charge of the State Department.

The strongest evidence that the handling of the U–2 affair was left by the President to the State Department—first to Dillon, then to Herter—comes from Vice President RICHARD M. NIXON. On a May 15 television show NIXON gave this explanation, putting part of the blame for the fumbling on the insistent demand of newsmen for the facts:

"Now, let's look at the problem with which our people in the State Department were confronted when this information developed. They did not know at the outset what the Soviet Union knew. They did not know that the pilot had been recovered and that they had obtained information from him or otherwise which made it imperative we acknowledge that these flights had taken place.

ALTERNATIVE QUESTION

"Now, some would say then, 'well, why then didn't we keep our mouths shut and say nothing and wait until we found out what they knew?'

"And here again we have the problem of the open society. We have newsmen in Washington. The newsmen descended upon the State Department and other officials in great numbers. They had a right to. And they asked for the information. What about this? And, so under the circumstances, it was felt the best thing to do was to engage in effect in what usually is engaged in where so-called espionage activities are undertaken, evasive actions—evasive actions, so as to protect the pilot in the event that he had been captured and also evasive actions so as to give the Soviet Union, Mr. Khrushchev, for example, an opportunity to accept the consequences of this flight without admitting as he has had to admit that it had been conducted for espionage purposes."

Later in the same program NIXON added that "they had to make a snap decision at the moment and it proved that—it turned out that that decision was wrong and in these kinds of activities, we, of course, want to try to avoid mistakes if we can."

REFERENCES MISSING

Nowhere in the 3½-hour television program did NIXON refer to any Presidential direction in the U–2 crisis, other than his approval of the flights some years earlier. Nor was there any reference to his own part in the affair. NIXON, of course, sits in the National Security Council.

NIXON did say that he was privy to the U–2 reconnaissance policy "and I do endorse it." He also said that "I knew about this flight."

On Friday afternoon, May 6, the President went to his Gettysburg, Pa., farm for a weekend of rest and golf. He did not return to Washington until Sunday, May 8 but he was in telephone communication with Herter during the weekend. Hagerty, who accompanied the President to Gettysburg, also talked by phone to Herter.

May 7: Khrushchev, in a second Moscow speech on the U–2, disclosed the pilot was alive and talking and that much of his equipment had been captured intact. Khrushchev showed the Supreme Soviet photos taken from the U–2 of Soviet military installations and he detailed the plane's equipment.

GENUINE INFORMATION

American officials, who received the speech in the morning, Washington time, knew Khrushchev was using information that was genuine and that some of it could have come only from Powers himself.

Khrushchev quoted Hagerty as saying that "the President, in his opinion, knew nothing about the incident involving the American plane. I fully admit (said Khrushchev) that the President did not know that a plane was sent beyond the Soviet frontier and did not return."

The Khrushchev speech resulted in a series of all-day conferences in which the chief figures were Herter, Dillon, Allen Dulles, and a number of lesser State Department officials, including Herter's adviser on Soviet affairs, Charles E. Bohlen.

Out of this came a unanimous decision to tell the truth—but not all the truth. The dinner-hour State Department statement said that the flight referred to by Khrushchev "was probably undertaken by an unarmed civilian U–2 plane."

FLIGHT JUSTIFIED

The flight was justified on the grounds of the need "to obtain information now concealed behind the Iron Curtain" to lessen the dangers of a surprise attack on the free world in general and the United States in particular.

On the critical issue of who was responsible for the flight, however, the statement lied. It said that "as a result of the inquiry ordered by the President it has been established that insofar as the authorities in Washington are concerned there was no authorization for any such flight as described by Mr. Khrushchev."

In making this statement, chiefly the decision of Secretary Herter, those involved were guided by a number of considerations. They felt that Khrushchev had the evidence and therefore an admission was essential despite the earlier lies. But they were trapped in a dilemma on the issue of responsibility. They decided it was best to avoid admitting any responsibility by President Eisenhower even at the cost of accepting the resultant impression that Washington's control was so lax that American pilots around the world could go off on their own on a mission that might provoke a war.

DULLES WILLING

During the State Department deliberations Allen Dulles made it clear that he, as head of CIA, was prepared to take full responsibility for the flight, that if the administration wanted to pin the blame on him to avoid blaming the President, he

would agree. But this idea was not accepted as being practical in view of Khrushchev's disclosures.

Herter read the draft statement on the phone to the President in Gettysburg. He approved it without changing a word.

In part, at least, Herter's decision to tell the lie that no one in Washington authorized the flight also was based in the slim hope that somehow Khrushchev would accept it. The Secretary and his aids had noted Khrushchev's acceptance of what he had taken as Hagerty's disclaimer of any Eisenhower responsibility.

May 8: While the world assessed the seemingly incredible American admission that the U–2 had indeed been on an espionage flight, President Eisenhower returned to Washington and met with Herter at the White House.

NOTES TO BRITAIN, FRANCE

The same day Khrushchev sent notes to Britain and France about the forthcoming summit conference. In them he complained about the U–2 but gave no indication it would be used to wreck the conference as was to be the case.

By now Hagerty was alarmed at the implications of the admission statement, implications that the President did not know what was going on. He was insistent to Herter that this should somehow be eliminated. It is not clear whether the President said the same thing to Herter directly but if he did there would seem to have been no reason for Hagerty to do so.

May 9: After another State Department conference, Herter put out a statement in his name saying that "penetration" by the U–2s of the Soviet Union had been going on for 4 years, that this had been done by Presidential orders "since the beginning of his administration" in order to gather intelligence. But Herter added that "specific missions of these unarmed civilian aircraft have not been subject to Presidential authorization." This, at last, appeared to be the truth.

UNAWARE OF IMPLICATION

This was the statement which left the implication that such U–2 flights would be continued over the Soviet Union. But there is reason to believe that none of those involved at State Department was conscious of any such implication when they drafted the statement. They took the view, shared by the CIA, that the U–2 setup now was "a blown agent" to be discarded, that other intelligence-gathering methods would continue, however.

Nonetheless the implication was there and neither State nor the White House did anything to correct it, until the President himself told Khrushchev in Paris a full week later that "these flights were suspended after the recent incident and are not to be resumed."

The President said Wednesday he wanted no public announcement until he met Khrushchev in Paris. American officials also claimed the flight suspension was ordered the previous Thursday, May 12, which is at cross-purposes with the claim that no implication of further flights was contained in Herter's May 9 statement.

NIXON UNAWARE

Indeed, NIXON in his May 15 television appearance seemed unaware that the flights had been canceled. He then said:

"The first responsibility of the President of the United States * * * is to protect the security of this country and of free peoples everywhere from the devastation that would result from a surprise attack. Now, that is why these flights were made in the first place. That is why an indication has been made that such activity may have to continue in the future."

Herter and Dulles appeared on May 9 before a specially arranged closed-door congressional leadership meeting. To at least some of those present Herter left the clear implication that the flights would continue.

May 10: The Soviet news agency, Tass, described Herter's statement as "a frank attempt to legalize and justify violation of the state frontiers of other nations for espionage purposes." A Soviet note to the United States, avoided blaming President Eisenhower personally but, in referring to the May 7 statement by State, said it did "not correspond to reality." It charged that the U–2 flights "are carried on with the sanction of the Government of the United States of America."

WELCOME DOUBTED

May 11: At an exhibition in Moscow of the U–2 wreckage and equipment, Khrushchev said Herter's May 9 statement made him doubt our earlier conclusion that the President himself did not know of the flights. He said he doubted the President would be welcome in Russia during his scheduled June visit there.

When asked whether the U–2 incident would come up at the summit conference, Khrushchev replied: "It is already the subject of worldwide discussion. Therefore I believe there is no need to put it on the discussion schedule at the summit conference."

The same day at his press conference here President Eisenhower took full responsibility for the U–2 flights, said nothing to counter the implication that they would continue, remarked that "no one wants another Pearl Harbor."

May 12–14: During this period Khrushchev went to Paris a day early, arriving on Saturday, May 14. Herter arrived on May 13 but there was no United States-Soviet contact. On the 13th the Soviet Union sent protest notes to Norway, Pakistan, and Turkey warning against further use of their territory for such missions as those of the U–2 which Khrushchev had claimed took off from Pakistan with the expectation of landing in Norway.

On the 12th the United States sent a note to Moscow which said the United States had "fully stated its position" about the U–2 incident in the May 9 Herter statement.

By now President Eisenhower's responsibility for the U–2 flights, if not for the specific Powers mission, had been firmly established on the public record.

May 15: The President arrived in Paris just before Khrushchev's call on French President de Gaulle. The President considered two possible moves in this final day before the summit conference was to open: To ask for a bilateral meeting with Khrushchev and to announce publicly that no more flights would be made.

But the President decided against either step. He did so chiefly on the basis of de Gaulle's report of the hard stand taken by Khrushchev in their talk that morning. His aides told him they deduced from Khrushchevs' words with de Gaulle that the Soviet leader had come to Paris bound by a prior Moscow decision by the ruling Presidium, that he therefore could not be swayed by either suggested Eisenhower move.

ALLEN STATEMENT

On this same day in Washington George V. Allen, Chief of the U.S. Information Agency, said on a television show that Herter "has not said that we are going to continue to fly" U–2 missions, that "he hasn't said one way or another." This statement surprised State Department officials who now say Allen was talking entirely on his own, that he had consulted nobody in advance.

May 16: At the only Paris confrontation between President Eisenhower and Khrushchev, the Soviet leader said the United States had "torpedoed" the conference. He demanded that the President apologize for the flights, call off further flights and punish those responsible for Powers' mission. These were the same demands of which he had informed de Gaulle the day before. He charged the President with making "treachery" the basis of his policy toward the Soviet Union.

To this the President responded by terming Khrushchev's demands an "ultimatum" which "would never be acceptable to the United States." He also told Khrushchev that U–2 flights had been suspended and would not be resumed. The two men parted in anger. The summit had collapsed before it had begun.

[From the Washington Post, May 31, 1960]

TODAY AND TOMORROW—ON PLAYING THE GAME

(By Walter Lippmann)

Dr. Gallup has begun asking questions on a subject which will be discussed all summer. It is who can "do the best job of dealing with Russia's leaders if he were President." As none of his pollsters has been to see me, I do not have to answer the question. But I do have to write this article before the Memorial Day weekend begins, and so I am venturing to ruminate on what is the job of dealing with the Russians.

Once his availability for President in American political terms has been established, among the first questions I would ask a candidate is whether he had ever played the game of chess. For chess is, as we know, the national game of Russia. It is the kind of game which in its basic intellectual requirements is remarkably like high strategic and political action. In chess the forces are at the beginning exactly equal and the problem is to move the pieces, anticipating and frustrating the moves of your opponent, so that you deploy superior force at the point of decision. No one can play chess without strong pieces, any more than a statesman can succeed without strong forces. But the game is to outwit your opponent by the way you move the pieces.

You cannot win a chess game by telling your opponent or the spectators that your own white pieces are obviously purer and nobler than his sinister black pieces. Nor can you win a chess game by being stubborn, which some confuse with being tough. When you are playing chess, you can feint and you can conceal your plan. But you cannot, as in the national game of poker, sweep the board by a big bluff. Nor is chess like our other national game, golf, where your opponent never interferes with your shot, where it would be discourteous of him to interfere with your shot, and where what you are trying for is a bloodless and mindless abstraction, something better or not much worse than par for the course.

There are among us many who think that dealing with the Russians is not like chess, which is a matching of forces and of wits, but rather like prize fighting, wrestling, or football. The best job, they feel, will be done by the man who has shown that he can talk back and that, to come back to chess, he will never move his pieces in any direction except forward. They misjudge the game that is being played. They misjudge the kind of struggle we are in.

What the struggle calls for is not stubbornness. Any fool can be stubborn. The struggle requires skill, shrewdness, sagacity, and imagination in seeing things as they are, and what can be made of them. The struggle cannot be won by absent and absent-minded men. It can be won only by men whose attention in all their waking hours is concentrated on the situation—as was Churchill's and Roosevelt's in conducting the war.

For myself, I do not visualize the job of dealing with the Russians as the job of meeting Mr. K. at Camp David or in Paris or in Moscow, and of engaging Mr.

K. in a debate. We shall not be looking for a candidate to go to the summit. For the job of dealing with the Russians does not mean going to the summit.

It means primarily, if I may put it that way, to stay in Washington, to stay in the White House in close and continual contact with the men who are responsible for the national defense, who are responsible for the maintenance and improvement of all the elements of American national power and for our foreign relations. Good intentions, sincerity, charm, and magnetism are, so to speak, only the adjectives, they are not the nouns and the verbs of government.

[From the Washington Post, June 1, 1960]

THE WASHINGTON MERRY-GO-ROUND—UNTRUTHS ON U–2 INCIDENT CONTINUE

(By Drew Pearson)

If you sat on the sidelines in Paris watching American statesmen in their frantic, sometimes humiliating attempts to get the summit conference back on the track, you got the distinct impression of confusion and deception.

And if you sit on the sidelines in the Senate watching American statesmen explain their actions in Paris, you get the impression that deception is leading to more deception; confusion to more confusion.

Most of all, you come to the conclusion that this administration, heterogeneous and undirected, did not know what it was doing before it went to Paris, or after it arrived in Paris—and still doesn't. In brief, you come to the conclusion that there is no boss.

You might brush this off and not worry about it on domestic matters, because this country is strong domestically. But the question of peace is involved, and this is too important to be ignored.

The key sentence summarizing the administration's floundering and deception was given in Senate testimony by Under Secretary of State Douglas Dillon.

"It took a major decision," he said, "to reach a decision * * * that we were going to tell the truth."

Even after that major decision to tell the truth was reached, the administration kept on telling untruths—even during its testimony before the Senate Foreign Relations Committee.

LIES TO SENATE

The administration had first lied to the world in stating, May 7, that the President didn't know anything about the U–2 flights, then stating, May 9 and 11, that he knew all about them. Then, having lied to the world the administration has now proceeded to lie to the Senate.

Secretary Herter said in his 5,000-word opening statement: "The decision not to suspend this program of flights as the summit meeting approached was a sound decision." But on cross-examination by Senators FULBRIGHT (Democrat, of Arkansas), and GORE (Democrat, of Tennessee). Herter admitted that no such decision not to suspend had been made.

"Was such a decision taken?" asked Chairman FULBRIGHT.

"That I can't tell you," replied the Secretary of State. "I was not a party to that."

"No positive decision was taken not to suspend them—is that correct?" asked FULBRIGHT.

"I think that is correct," replied Herter, despite his own opening statement to the contrary.

Later, Senator GORE clinched the matter.

"Did you participate in a conference or were you aware of a decision that the flights would not be discontinued?"

"I know of no conference at which that matter was discussed," replied the Secretary of State.

WORSE CONFUSION

If the Senators had known all that went on behind the scenes during the U–2 confusion, probably they would not be surprised at the continued confusion and the continued deception.

Here is part of the amazing story, which already has been denied and doubtless will be again, but which nevertheless officials who handled the papers say is true.

After the President had Jim Hagerty announce in Paris that he had suspended the U–2 flights on May 12 by an order to Secretary of Defense Gates and Gen. Nathan Twining, the Pentagon started looking for this order. They couldn't find it. Furthermore, neither Secretary Gates nor General Twining could remember it.

The Pentagon thought things had got all fouled up again, figured they must have misplaced the order. They went back to the White House for details as to just when the order was given and how.

White House officials then went back to the President. He explained that he had given the order verbally before the U–2 was shot down over Russia.

This of course is in direct contradiction to Secretary Herter's statement that a decision was made not to suspend this program. However, it may explain Herter's latest confusion in admitting to Senators that he did not know any such decision had actually been made.

At any rate, neither Secretary Gates nor General Twining could remember any oral order from the President suspending the U–2 flights. The President said he had made it at the National Security Council, so they checked the log of the Council. No such record could be found, nor is there any record of an order on May 12 suspending U–2 flights. This apparently was dreamed up in Paris after De Gaulle and Macmillan demanded that they cease.

All of which illustrates the confusion and lack of coordination with which the present administration limps along the precarious road toward hoped-for peace.

[From the Washington Post, June 2, 1960]

THE WASHINGTON MERRY-GO-ROUND—SENATORS MAY CALL HAGERTY ON U–2

(By Drew Pearson)

Never before has a White House press relations secretary been investigated by Congress—either under the Democrats or the Republicans. However, members of the Senate Foreign Relations Committee are seriously considering summoning the astute Mr. James Hagerty to see what role he played in the tragedy of Paris.

Already senatorial cross-examination has poked a series of incredulous questions at why the President of the United States personally should assume responsibility for spying. And some Senators suspect Jim Hagerty is the guilty party.

"Is the public assumption and responsibility for espionage by the head of a state the customary practice among nations?" Chairman J. W. FULBRIGHT of Arkansas incredulously asked Secretary of State Christian A. Herter.

"No," replied Herter, "the general practice has been to deny any personal responsibility whatever."

FULBRIGHT then cross-examined Herter at some length wanting to know why the Eisenhower administration had departed from long tradition and had the head of state, namely Mr. Eisenhower himself, take responsibility for the U–2 incident. Herter could give no satisfactory explanation.

"Was it not after the President said that he took full responsibility for these flights that Chairman Khrushchev became completely intransigent and wrecked the conference?" asked FULBRIGHT.

The Secretary of State gave a roundabout and rather evasive answer.

HAGERTY'S STRATEGY

Reason why Senators suspect Jim Hagerty had a hand in this unusual decision to have Mr. Eisenhower himself assume responsibility for the spy flights—which many believe clinched the wreckage of the conference—is Hagerty's tactics in the past.

Hagerty, without question the smartest press secretary in history, has had one all-important problem. It is to hide from the public the fact that Mr. Eisenhower is not really running his administration.

Though the public by this time has learned that the President spends a great deal of time away from his desk, Hagerty has built up the image of an executive who knows exactly what is going on regardless of absence and is at all times in alert command.

To that end, the unfailing Hagerty arranges for a battery of photographers to take pictures of Ike signing bills into law during golfing vacations. And he has batteries of Cabinet officers fly to Georgia, Gettysburg, and other vacation spots to confer with the President for a half hour or so before he goes out on the golf course.

Hagerty has also sent instructions to all press relations officials inside the Government to guard against any statement that would give any hint that the President does not know what's happening on any and every problem.

Finally, Hagerty has done a phenomenal job of briefing the President before every press conference, with the result that Ike has turned a chore that he hated into a definite public relations asset.

RESPONSIBLE FOR SPIES

All of Hagerty's shrewd public relations strategy fits into the picture which the President painted for himself at the fateful press conference of May 11 when he announced to the world that he was responsible for the spy flights and gave the impression they would continue.

This unquestionably was what caused Khrushchev to come to Paris with his jaw set against any meeting with Eisenhower unless he got an apology. Previous to this, Khrushchev had carefully exempted President Eisenhower from his criticism, had said he was sure his friend Eisenhower did not know about the U–2 flights.

And Secretary Herter, in the first admission that the spy flights had been undertaken, was also careful to exempt Mr. Eisenhower from knowledge or responsibility.

Then someone reversed all this. Someone had President Eisenhower stand up in the press conference and announce to the world that he knew all about the spy flights and that he was responsible—thus cutting the ground out from under any chance of a Paris reconciliation without the humiliation of an apology.

The reversal has all the earmarks of Hagerty's public relations strategy—the strategy of making Ike look as if he knew exactly what was going on in his administration.

Senators probing the tragedy of Paris don't really expect to get the real facts out of Hagerty or other White House officials. But they know Jim was in on part of the U–2 huddles; they know Ike made his historic statement at a press conference when Hagerty was in charge, and they may endeavor to see just how much of the real inside they can get from the smart public relations man whose zeal to protect the President was greater than his zeal for protecting peace.

[From the Washington Post, June 2, 1960]

TODAY AND TOMORROW—THE FULBRIGHT INQUIRY

(By Walter Lippmann)

The Senate inquiry into the U–2 affair has now done its main work. Thanks to the

highmindedness, the experience, and the sagacity of the committee's chairman, Senator FULBRIGHT, the work has been well done. It has brought out the relevant facts and the Senator has pointed out their significance.

The inquiry has shown that the nervous Nellies among us were wrong. It is possible in this democracy to conduct an inquiry into the causes of a national fiasco without giving aid and comfort to the adversary. We have been spared the humiliation of distrusting ourselves so much that we dared not inquire into our own mistakes.

In digesting the results, we must begin with the fact that the inquiry dealt with a question which has never before been investigated in this country or in any other country. The question was the competence of the President and his principal advisers in dealing with an entirely illegal and inherently clandestine operation which is, nevertheless, necessary to the security of the country.

Mr. FULBRIGHT defined the question accurately and sharply by declaring after Mr. Dulles had testified in executive session that in this affair the issue was not the clandestine work of the CIA but the overt decisions of the President and his advisers who make the policy which governs both the CIA and our diplomacy.

The inquiry has established the responsibility of the President and his advisers for the timing of the flight. They did not order the flight on May 1. But they had failed to cancel their orders, given previously, which authorized the flight that did take place on May 1. This flight was, as General de Gaulle said in his television address on Tuesday, "certainly and at the least ill timed."

The inquiry has established, too, that the critical period was the weekend from Friday afternoon, May 6, to Monday, May 9. During this weekend the administration issued two statements. One was on Saturday admitting that the U–2 was a spy plane but saying that "insofar as the authorities in Washington are concerned, there was no authorization of any such flight as described by Mr. Khrushchev." The second statement was on Monday saying that such flights were done under Presidential order, and implying—as all the world understood it—that they would be continued.

This was the lost weekend. These were the days when the U.S. Government not only avowed responsibility for spying, which was indubitably a violation of international law, but proclaimed that spying was a national policy which, so it was universally understood, would be adhered to. These two statements combined were not only altogether unprecedented in the history of international relations but they were altogether untenable, as is shown by the fact that the President had to renounce the policy publicly in the presence of Mr. Khrushchev at the tragic meeting in Paris.

It is important to take note of the human circumstances of this calamitous weekend. Secretary Herter had returned to Washington on Friday evening after 10 days of conferences in Iran, Turkey, and Greece. The U–2 affair was already in a very considerable mess when he returned, owing to the false cover statements issued by press agents who did not know what was going on.

Having returned on Friday evening, Mr. Herter had to deal with the mess on Saturday. Younger and stronger men than he who have been on long transatlantic air flights are not in prime condition the next morning.

Moreover, as the Secretary of State was returning to Washington, the President was leaving it. He was leaving for a weekend in Gettysburg. The two men did not meet face to face until the President returned to Washington on Sunday. The momentous decision to avow that the overflights were a national policy was taken after talks on the telephone to Gettysburg. Thus a Secretary of State, inevitably tired and rushed by events which happened in his absence, had to deal with a President who was absent in Gettysburg, and in no position to hear the whole argument which preceded the recommendation from Washington.

This is, I think, the crux of what the inquiry has established. The practical lessons of it are clear enough. On the bad timing of the flight, the President and the Secretary of State allowed the CIA too much leeway and thus forced upon it a responsibility which it was not competent to exercise. If we were going to go to the summit, there should have been no more flights, once the date of the conference was fixed. To be sure, there were a lot of things we would like to have known during the suspension of the flights. But now we have no summit meeting and also we have no flights.

On the handling of the accident, the first lesson is that all publicity and all cover statements and the like should always be retained rigorously in the hands of high officials who know what is going on. Spying is deception. But you cannot use dupes to deceive others and not risk bad results.

The second lesson is that the high officials should have been thoroughly indoctrinated long ago in the conventions and the practices which have always surrounded the black art of espionage. Manifestly the high officials, beginning with the President himself, were not indoctrinated. They were caught off balance and they improvised in a panic.

It will now be important to see whether or not various candidates show that they have learned something from this very expensive fiasco.

[From the Washington Post, June 4, 1960]

LOOSE REINS—U–2 HEARINGS DISCLOSE WEAKNESSES

(By Roscoe Drummond)

The thoroughly fairminded Fulbright committee hearing is revealing some grave shortcomings in the administration's handling of the U–2 plane incident, although one aspect of the President's conduct of the affair seems to me to be strengthened.

The most damaging disclosure is that there was never any considered, specific high-level examination of whether the U–2 flights should be suspended prior to the summit. This suggests a grievous oversight and a looseness of reins at the top of an operation which by any standard demanded close and continuous scrutiny.

The hearing has also revealed a gaping lack of coordination among the White House, the Central Intelligence Agency, and the National Aeronautics and Space Agency, and between the State Department and its official spokesman which resulted in contradictory and embarrassing public statements.

On the other hand, Mr. Eisenhower's reasons for telling the obvious but rarely admitted truth that the President is personally responsible for the Nation's undercover intelligence activities became more persuasive in light of the testimony before the Senate Foreign Relations Committee.

Understandably, Secretary Herter sought to put the best possible face upon the administration's handling of the whole matter. At the very outset of the inquiry Herter affirmed as one of his "central points" that "the decision not to suspend this program of flights as the summit meeting approached was a sound decision."

But the alert Senator FULBRIGHT was not deflected by the bland implication that the continuance of the flights represented a careful decision by those in authority. He pressed Herter to say who made the decision, and whether there was thorough consideration of summit consequences. The Secretary was forced to back away from his contention that the administration reviewed the flights in light of the summit.

The President's decision to take open responsibility for the flights was not casual; it was deliberate. Apparently Mr. Eisenhower felt with some reason that Khrushchev was simply baiting a trap for him in suggesting that the U–2 flights were being made without his knowledge and approval. He concluded that any such an out would not keep the Soviets from using the incident to explode the summit. He could see Khrushchev just waiting for such a disclaimer so he could come back with the argument that the U.S. warmongers in the Pentagon were an even greater peril to peace on the thus admitted ground that the President could not control their actions.

The administration can reasonably contend that since Khrushchev negotiated with the President at Camp David knowing that the U–2 flights were taking place, it was not the fact of the flights which caused him to refuse to negotiate at Paris.

But on balance it is clear that the administration's handling of the matter showed grave deficiencies and will be a legitimate aspect of campaign debate.

[From the Washington Post, June 9, 1960]

TODAY AND TOMORROW—MR. K. AND THE DEMOCRATS

(By Walter Lippmann)

Mr. Khrushchev's sustained fury against Mr. Eisenhower is more than a case of bad temper and bad manners. It is, it seems to me, a calculated campaign, addressed primarily to the Communist world. Its object is to destroy the image of President Eisenhower—of the benevolent Ike who is the bringer of peace to mankind—and to purge Mr. K. himself of his association with it.

The President's own image of himself has been that of the victorious general who became a peacemaker. Until May 16 this was also Mr. NIXON's and the Republican Party's image of the election campaign of 1960. The outlines were sketched in a year ago beginning with Mr. NIXON's visit to Moscow. The full picture was to be completed this month, when it would become incandescent with a triumphal tour of peace and good will to Moscow and to Tokyo.

To the making and the promotion of this image of Ike the peacemaker, Mr. K. has during the past year been a powerful contributor. The Soviet Union is at a point in its internal development where it has a vital interest in a detente. Mr. K. chose to base the tactics of his policy to achieve the detente on the belief that he could reach a personal understanding with Mr. Eisenhower. And, in the face of skepticism, criticism, and opposition from the orthodox Communists, he played Eisenhower as his trump card.

His prolonged fury against Mr. Eisenhower personally must be related directly to the size of his investment in the personality of Mr. Eisenhower. Mr. K. had done something which is most un-Marxist, something that no other Communist leader has ever done before. He had staked his prestige upon the personality of the anti-Communist head of an anti-Communist state, a deeply conservative general presiding over a highly capitalistic administration. After the U–2 affair—when the President had justified the overflights as necessary national policy—Mr. K. was in a position which is intolerable for a dictator. He had been made to look ridiculous, gullible, and weak, in the presence of the Communist world.

Accordingly, I do not share the view of those who say that the U–2 was merely a pretext, that the Western decision to stand pat in Berlin was the real reason why Mr. Khrushchev broke up the summit meeting. For him the U–2 affair was a far more serious threat to his power and his prestige than

would have been an inconclusive negotiation about Berlin followed by an agreement to continue the negotiation at another summit meeting. In my view, after the U–2 affair Mr. K. did not dare to negotiate with Mr. Eisenhower. He had been his chief sponsor to the Communist world, and without an enormous loss of face, he could not sit down with him and negotiate.

Strictly speaking, what Mr. K. has done is to break relations with President Eisenhower personally, and to suspend serious negotiations during his term of office. Mr. K. has done nothing about Berlin except to proclaim a moratorium good at least for another 8 months. He has refused to accept the President's personal assurance that the overflights are suspended. He has delivered an ultimatum to all our allies that he will attack any base from which an illegal flight takes off. He has focused his quarrel on Mr. Eisenhower personally and on his heir, Mr. NIXON.

Mr. Khrushchev's quarrel with the Republicans is embarrassing to the Democrats. For he has said that there can be no serious negotiation until there is a Democratic administration. No political party likes to be endorsed by a foreign government, least of all by a Communist government. No party likes to be endorsed during a propaganda campaign in which by the insults to the man, the office which he holds is defamed.

But the embarrassment of the Democrats at being preferred by Mr. K. is superficial and of no consequence. For the basic position—as defined by Stevenson, Kennedy, Symington, and in some measure by Johnson—is quite invulnerable to the charge that they are softer on communism and more appeasing than the Eisenhower Republicans. The thesis of the Democrats in this election is that the Eisenhower administration, because of a false economic philosophy, has been failing to meet the Soviet challenge in national defense and in all the main elements of national power.

The promise of the Democrats is that they intend to meet the Soviet challenge. They mean to increase the Nation's military power. They mean to invest more heavily in the Nation's vital and neglected public needs, in education and in the specialized training of scientists and technicians, in the advancement of research, in the protection of health, in the redevelopment of the cities, in the use of natural resources. To support all this, they intend to promote and encourage an increase in the rate of growth, which is now much too low, of the national production.

An administration which has that purpose will in relation to the rest of the world, primarily the Soviet Union and China, be able to negotiate from a position of growing strength. It is the weak, those whose relative power is declining, who find they must choose between surrrender and standing pat. The strong, having confidence in themselves and commanding respect, can negotiate. For to negotiate it is necessary to be firm, and it is necessary also to be flexible.

[From the Washington Post, June 17, 1960]

JAPAN'S TRAGIC HOUR

The cancellation of President Eisenhower's scheduled visit to Japan brought a general sense of relief in the free world. Under severe pressure from rioting mobs, the Kishi government was forced to the conclusion that the President's life might have been endangered. In these circumstances the Japanese Prime Minister had an obligation to ask the President not to come, and the President had an obligation to forgo that portion of his trip. This prudent response to Communist-led violence does not, however, mitigate the psychological victory that Moscow and Peiking have scored.

The upset of the Tokyo visit was an outcome, of course, of the U–2 incident and the collapse of the summit conference. The Communists are making maximum use of their power to embarrass President Eisenhower and to frustrate the common defense efforts of the free world. So far as world propaganda is concerned, the curtailment of the Eisenhower trip gives them a second major victory in the renewed cold war. And the effect of that victory is not likely to be substantially changed by the enthusiastic reception given to the President in the Philippines and the warm welcome anticipated in Formosa and Korea.

Nevertheless, the Communist victory up to this point is confined to the propaganda sphere. The basic objective of the Communist drive in Japan was to upset the Kishi regime and to defeat the American-Japanese security treaty. The rioters may yet succeed in driving Prime Minister Kishi out of power, but there is no indication that they can break up the United States-Japanese alliance.

The Prime Minister has said in no uncertain terms that he will remain in office until the treaty has been ratified and goes into effect. Authorities here believe that, if the Diet should then be dissolved for new elections, a safe majority for Japanese-American collaboration would be returned. Indeed, there is much feeling that the excesses of the antitreaty forces, as in the case of Mr. Khrushchev's brutish conduct at the summit conference, may stiffen the spines of the rank and file of Japanese.

It is one thing for howling fanatics to resort to so much violence that Tokyo becomes an unsafe place for a foreign guest of the Japanese Government. It would be quite another thing for these mobs to seize the reins of power or to change basic Japanese policy. Having yielded to violence for the sake of protecting Mr. Eisenhower, the Kishi regime now has the responsibility of demonstrating that it will not be intimidated into following the Communist line. Its prestige has been gravely tarnished. Japan can forgo a visit from the President of the United States, but it cannot let representative government be dominated by mobs without disastrous consequences. Fortunately, the Prime Minister's statement demonstrates that he is keenly aware of this danger.

From hindsight, it might have been better if President Eisenhower had canceled his entire trip to the Far East after the collapse of the summit had provoked a new explosion of hatred for himself and for everything American. It was unfortunate in any event that the trip coincided with proposed action of the upper house of the Diet on the treaty. That was a coincidence, however, the chief reason for the visit at this time being the centennial of Japanese-United States relations.

In any event, close and friendly relations between the two countries must be maintained. There seems to be a good deal of concern in Tokyo lest the cancellation of the trip be construed in this country as being unfriendly. Actually, the American people seem pleased that the Japanese took the initiative in removing the danger to the President. He could not have refused to go so long as the invitation stood and assurance for his safety continued to be given. Certainly there is no cause for any strained relations between Japan and the United States as a result of the incident.

On the contrary, this ruthless employment of violence should further alert both the Japanese and American peoples to their common danger. Without cooperation between these two highly developed industrial powers, Japan would be at the mercy of communism, and the hope of every Asian country for independence and freedom would be gravely impaired.

[From the Washington Post, June 17, 1960]

ALLIES GLUM, REDS EXULTANT—U.S. AND IKE PRESTIGE DEALT HEAVY BLOW

(By Murrey Marder, staff reporter)

A heavy world blow has been inflicted on U.S. prestige, on its diplomatic wisdom, and on the personal stature of President Eisenhower, by the forced cancellation of his trip to Tokyo.

The fact that official reaction from Western capitals was more charitable in comments on the blocked visit somewhat mitigated the damage. But behind the official statements, in Washington and other allied centers, there was glum headshaking over the propaganda boon to world communism.

There is a host of reasons available to explain that the Japanese situation is a peculiar one, in which the Communists were being credited—or blamed—for capitalizing on what was actually a minority opposition to the President's trip. The special circumstances in Japan, it is argued rightfully, do not necessarily mean the same thing would happen anywhere else in the free world.

Overriding all the explanations, however, there is one blunt, simple fact for the Communist propaganda machine to exult in: the President of the United States was barred, for "safety" reasons, from visiting a nation where democracy was created and nurtured by the United States.

The blow to the United States seem more wounding at the moment than even the sequence of events in the U–2 spy plane incident, leading into the summit conference fiasco of just a month ago. There, Soviet Premier Nikita S. Khrushchev's heavy-handed actions overshadowed, in the eyes of the U.S. allies, American diplomatic fumbling.

This time, so far, there is no compensating Soviet forcing move which can compensate for the damage.

The danger in the situation, as many Western diplomats privately see it, is that the outrightly tough-policy strategists in the Communist bloc can cite the President's canceled visit as evidence that the stick is far more effective than the carrot in the East's dealing with the West.

Justifiably or not, the Tokyo affair can be used as internal evidence by the Communists to warrant striking hard at the West elsewhere in Asia or at any other exposed flank.

This is what many Western experts privately feared would be the real penalty for the events of a month ago: that the collapse of "personal diplomacy" would dispel those curbs which Khrushchev had kept on the Communist machine while he was using the carrot technique. The fact that peaceful coexistence has been reaffirmed by Soviet publications in recent days, these experts feel, is small comfort; Communist strategy can choose to follow this theme in the Geneva disarmament or nuclear test talks, for example, while taking the wraps off Communist activity wherever else it chooses.

Whatever the ideological differences between Communist China and the Soviet Union, their interests merged recently on the Japanese scene.

Soviet propaganda, executing a reversal since the summit, joined the tough Red Chinese line there with the argument that President Eisenhower who toured Asia at the end of last year and was warmly welcomed, is no longer the same man.

"At that time," the Moscow radio has been saying in recent days, "people believed that the President really did want peace and an international settlement and was working for them. Now, after his scandalous support of espionage, after the summit failure, people look upon Mr. Eisenhower differently" as a cold-war advocate.

Privately, since the summit, many American diplomats deplore the impression which has been officially circulated by the Eisenhower administration that the summit events were a net gain for the West. This search for silver linings, the critics feel, was leading the public into a false sense of security.

The fact that President Eisenhower's popularity soared in the public opinion polls acted as a suppressive on not only domestic political criticism, but diplomatic straight-talking also.

The President's popularity now may rise even higher domestically with the natural feeling of national relief that he has escaped possible danger.

Mr. Eisenhower's sincerity, personal courage and his often expressed determination to go anywhere for the cause of peace, are unquestioned by the most severe Western critics of the United States present diplomatic posture.

Many of them, however, have regarded his current trip as a great misfortune. In its original form, they had no quarrel with it. But once his visit to the Soviet Union was washed out, they maintain, the trip should have been abandoned, for the whole import of the Far Eastern visit was changed.

Instead of Japan being a stopover after a successful peace mission to Moscow, Japan became the focus of the trip. The dissension in Japan over the Japanese-American security treaty suddenly took on far greater dimensions as a Communist target; turning up the flame of minority indignation was an easy Red chore.

The problem of American policymakers was that while the Far Eastern trip could have been easily canceled immediately after the summit—if the President acquiesced—and that was in fact proposed, halting it much later was far more difficult.

To do so, as Senate Foreign Relations Committee Chairman J. WILLIAM FULBRIGHT, Democrat, of Arkansas, publicly advocated, it was contended, would be a serious loss of "face" for the United States, would undermine the position of Prime Minister Nobusuke Kishi, and would mean bowing to Communist pressure.

Yet, going through with the plans, and then being forced to halt the visit, appears to have had even worse results.

Premier Kishi, primarily blaming international communism for the violence which forced the cancellation, stressed that the majority of Japanese would warmly welcome the President. Reports from the scene substantiate this, noting that in no election since the war has the Japanese leftwing, even the moderate leftwing, won more than a third of the votes.

But the virulent Japanese opposition to the President's visit was able to capitalize on genuine neutralist and pacifist strength in the nation, in what appears to have been carefully coordinated stage-managing. Kosaka Shinoda, secretary-general of Kishi's Liberal-Democratic Party, the Associated Press reported, hinted that overseas Communist sources helped foot the bill for the mob turnouts.

He cited reports that students who took part in the demonstration against White House Press Secretary James C. Hagerty last week received 1,000 yen ($2.78) each, while participants in other demonstrations received 350 to 500 yen. If communism paid prices in that range for the results in Tokyo, the outcome was one of the cheapest major victories either Moscow or Peiping has ever achieved.

[From the Washington Post, June 20, 1960]

JAPAN HOLDS ON

Japan's final ratification of the security treaty with the United States has eased that country's immediate crisis but has not solved the basic problem underlying the riots of last week. It is widely assumed that the U.S. Senate will now promptly consent to ratification of the treaty; that Prime Minister Kishi will complete the formalities essential to put the new treaty into effect and then resign; and that the new Government in Japan will dissolve the Diet and call for elections in which Japan's cooperation with the United States will be the chief issue. The treaty is likely to remain in effect, but the new government will have a major problem of curbing violence as an instrument of statecraft.

Even more disturbing, in some respects, than the rioting by fanatical students and labor groups has been the conduct of the Socialists in the Diet. In May the Socialist legislators blockaded the speaker in his office and had to be removed by the police before the Diet, under control of Mr. Kishi's Liberal Democrats, could vote approval of the new security treaty. Again on Saturday the Socialist members resorted to force to keep the Liberal Democrats out of the committee room in which a vote on the controversial treaty was to be taken.

This conduct is more characteristic of Communists than of Socialists. It imperils the foundations of representative government. No doubt this substitution of force for reason in the legislative halls encouraged the fanatical student groups in their resort to violence. In any event, the net result has been a grave reflection on representative government in Japan.

The proper role for the United States, now that the treaty has been ratified in Tokyo, is to give the Japanese sympathetic understanding in regard to their domestic problems. Nothing could be worse than reprisals for this country's supposed loss of prestige because of Mr. Kishi's cancellation of President Eisenhower's projected visit to Japan. In the circumstances Mr. Kishi took the only reasonable course open to him. His friendship for this country has been amply illustrated by the dogged way in which he followed through on ratification of the treaty despite the severe pressures and threats to himself.

No one in this country should forget for a moment that Japan is our ally and that continued good relations between the two countries is absolutely essential to peace and security in the Far East. There is no indication that the rioters, egged on by Communist agents, represent more than a small minority of the Japanese people, and the indications are that supporters of the treaty will win in any test at the polls. But the task of cementing good relations is a major one for the long-range future as well as for the present, and it needs the most thoughtful attention in Washington as well as in Tokyo.

[From the Washington Post, June 20, 1960]

GRIM TOKYO NEWS—TROUBLE HASN'T RUN ITS COURSE

(By Roscoe Drummond)

Planned violence by which a small minority imposed its will on the elected Government of Japan and forced President Eisenhower to cancel his visit to Tokyo has clearly not run its course.

Having used violence successfully to coerce the Kishi government, the extremist student and labor groups—managed by Communist professionals also—can be expected to continue violence as long as it works.

The immediate consequences are bad enough; what lies ahead could be worse unless the Japanese people and press become aroused in time to say: "Thus far, and no farther."

There should be no minimizing the grave danger which has been done to the authority of the Japanese Parliament and the grave harm which has been done to the prestige of the United States.

When he left Washington intent upon carrying through his trip to Japan, the President warned that "demonstrations and threats by minorities" must not be allowed "to deflect world leaders in their quest for peace."

But minority violence did deflect these leaders from their quest for peace.

As the student disorders and rioting were reaching their peak in Tokyo, Kishi declared that "if the Prime Minister yielded to this violence, public confidence in the Government would be destroyed."

Kishi yielded to violence. He conceded one of the demands of the demonstrators—that the invitation to President Eisenhower be withdrawn. It remains to be seen whether public confidence in the Kishi government can be restored.

These are only the first effects of the month-long campaign of the Socialist members of the Diet and the Communist agitators who quickly took charge. The greater dangers are these:

That the elected Government of Japan will be brought down, not by an orderly vote in Parliament, but by organized violence. That the proclaimed "neutralist" purposes of the Socialist leaders of Japan will then come out into the open whereupon the Japanese people will find they have been saddled with a government which far from being neutral in the Nehru sense, is pro-Communist, pro-Peiping, and pro-Moscow.

That the Japanese Socialists, disdainful of democracy, are perfectly willing to substitute rule by public violence for rule by Parliament—if that is the only way they can achieve their ends. So far this has been the only way they could achieve their ends. At no time had they been able to persuade the Japanese voters to follow their leadership. They had lost every postwar election and their parliamentary minority has shrunk at every test.

They have now started to win by force what they were unable to win by votes. This is why the events of the past few days point a gun at the very heart of Japanese democracy.

It remains to be seen whether the worst can be averted. There are some favorable factors. The Japanese people are basically pro-Western in their outlook. The Liberal-Democratic Party, presently headed by Kishi, would undoubtedly be reelected if orderly elections in Japan are still possible.

The most disturbing factor is that through all the political rioting the Japanese press and public seem to have taken a most casual, indifferent, plague-on-both-your-houses attitude. As a result the Government and the police have felt constrained to give the rioters a nearly free hand.

Unless the Japanese people as a whole are prepared to defend their democracy loyally and alertly, those who are out to subvert it will succeed.

[From the Washington Star, May 9, 1960]

REDHANDED IS RIGHT

It is true, as Mr. Khrushchev rather indelicately puts it, that the United States has been caught redhanded in an espionage effort directed at the Soviet Union. Only the naive and the innocent will be shocked, however, by this disclosure. For one of the inescapable facts of life in the cold war is that the United States, Russia, and most other nations are relentlessly engaged in undercover intelligence work. However distasteful espionage may be to some people, it is imperatively necessary to survival—especially in a time when any nation may be destroyed by surprise attack.

To explain away, or rationalize, this incident, however, hardly serves to minimize its injurious impact on the American position.

Those who engage in spying are not supposed to get caught. When they are caught the consequences, as in this case, can be painful.

Obviously, Mr. Eisenhower will go to the summit under a cloud. For the moral position of the United States, a position about which we perhaps have talked too much, has been prejudiced. It was nice of Mr. Khrushchev to fully admit that the President didn't know that a plane was sent beyond the Soviet frontiers and did not return. In his strong propaganda position, he can afford to indulge in tongue-in-cheek generosity. And what of the State Department's assertion that Mr. Powers' flight was not authorized by any official in Washington? This, we assume, is of a piece with that fairytale about the oxygen trouble and the possibility that the pilot might have crossed the frontier while unconscious. If the authorities in Washington didn't know about this particular flight, they certainly knew that this espionage program was in operation. And if, as a result, our moral position at the summit must suffer, there simply is no help for it. We will have to do the best we can.

A second aspect of this affair has to do with the effect on our allies overseas, from whose territory intelligence operations have been conducted. Assuming that the whole truth of the U–2 incident has been told—an assumption which may be unwarranted—the plane took off from a base in Pakistan for its flight across Russia, and was supposed to land in Norway. Mr. Khrushchev did not hesitate to threaten countries which permit such operations, and we must assume that his threats will have some effect. At the least, they will make such intelligence flights as that of the U–2 more difficult and more hazardous in the future. Still, as a matter of self-preservation, we must continue our effort to learn about anything the Russians are doing which poses a threat to us. And we should remember that they will be doing the same.

[From the Washington Star, May 10, 1960]

OUR BEST WEAPON

Secretary Herter's statement on the U–2 incident appears to be a forthright disclosure of our own Government's connection with this unhappy affair. And the truth, we think, is the best weapon available to us now.

The gist of Mr. Herter's comment is that the massive Soviet missile threat, together with Mr. Khrushchev's rocket rattling, poses a menace to our survival which cannot be ignored. It is indeed "unacceptable" that the Soviet Union "should be given an opportunity to make secret preparations to face the free world with the choice of abject surrender or nuclear destruction." This is the privilege which Mr. Khrushchev, in effect, is demanding. And this is the opportunity which our espionage activities presumably have denied to him.

There are those who say we should not have admitted that the downed U–2 was on an intelligence mission. And it is possible, just possible, that it would have been better to have said nothing from the beginning. After Mr. Khrushchev had punctured our clumsy and specious initial "explanations," however, it was hardly possible to remain silent without appearing utterly ridiculous in the eyes of the world. At that point it became necessary to tell the truth, and we are glad that Mr. Herter has done so—that he has said that the President issued the directives for the gathering of information by "every possible means," even though specific missions such as the U–2 flight may not be individually authorized by him. This will not surprise or shock Mr. Khrushchev, who might better be called Mr. Espionage. If it shocks the emotional infants of this world, that is too bad—but it cannot be helped.

This leaves a question as to why Mr. Khrushchev is making such a production of this incident, and whether he, too, is telling the truth. His purpose may be to frighten our allies, especially Pakistan and Norway, in an effort to hamper if not to prevent further American "penetrations" of Russia. As for the second point, we simply do not know. We, meaning this Government, do not know how the Russians happened to capture the U–2 pilot alive, why he apparently has talked so freely, or whether the photo released by the Russians really shows the wreckage of the missing U–2. Officials of the Lockheed Aircraft Corp., which built the plane, say flatly that the wreckage shown is not that of a U–2, but appears to be the remains of a crashed Soviet bomber. If so, there is the possibility that the Russians have the U–2 more or less intact, not to mention its secret equipment and its pilot. If the Lockheed officials are correct, what is the explanation? We will not know the answer to that one until Mr. Khrushchev decides to be at least as candid as Mr. Herter now has been, and for this we may have to wait until the shrimp whistles.

[From the Washington Star, June 10, 1960]

TOKYO MOB SCENE

The Japanese mob which pinned White House Press Secretary Jim Hagerty in his automobile for an hour and 20 minutes in Tokyo yesterday has cast the gravest doubt on the wisdom of the President's plan to visit Japan. And this remains so despite the fact that such a visit under appropriate conditions would be highly desirable.

Mr. Hagerty, White House Appointment Secretary Thomas E. Stephens, and Ambassador Douglas MacArthur II were virtual prisoners of the screaming mob of 5,000 Japanese who battered the car and cracked its windows. Hundreds of Japanese police were on the scene, but, at first, made only token efforts to resist the mob. It was not until 1,000 more police arrived an hour and 20 minutes later that the Americans were able to leave the car and escape in a helicopter.

Is this an example of the kind of police protection the President can expect? True, the police say they were taken "completely by surprise." But this is hard to understand since the mob leaders had been promising for days to stage precisely such a demonstration when Mr. Hagerty arrived.

The question is whether the Japanese authorities can and will use the force necessary to put down the mobs. If they cannot, or will not, Mr. Eisenhower would be foolish to go to Tokyo and subject himself to indignities such as those heaped upon his representatives.

[From the Washington Star, May 10, 1960]

SCAPEGOAT POLITICS IN ESPIONAGE—U.S. CONDUCT OF VARIOUS ASPECTS OF SPY PLANE BONER IS CRITICIZED

(By Doris Fleeson)

They closed the door and hung a blanket over it so that the waiting reporters could not hear the congressional critics battling with Secretary of State Herter and Allen Dulles, head of the Central Intelligence Agency. But everybody knew that the real culprit, the President of the United States, under whose leadership this country has been shown to lie, was not there.

One central question exists in this somber Capital as this new American tragedy unfolds. Is there a moral necessity to close ranks behind the President in a matter of this kind? Can truth or a lie be bipartisan.

Washington is not shocked by espionage; its sense of outrage over the U.S.-Soviet spy plane incident is directed at its timing and self-evident mismanagement. Its humiliation arises from the manner in which the story developed, with Presidential ignorance inflated to a pious virtue and fairy tales about bad weather and oxygen trouble fed to the public.

The crashing climax came with the decision made by Secretary Herter to tell the truth, not because it is the truth, but because we were caught redhanded. Already the administration is rationalizing about that, too.

Official spokesmen impart the word that it is worth all it costs morally because otherwise resulting tensions might wreck the summit conference. Also, they say, it will help the President beat the drums at the summit meeting about the evils of secrecy which forces the free world to spy on others.

That this country should seriously be contemplating moral lectures at Paris next week is perhaps not more incredible than the events of the past week but it strikes some kind of new high—or low.

But there is something even less attractive stirring in the chill breeze whose source seems to be the Pentagon. It is the suggestion that the fault lies with the pilot of the downed plane, Francis G. Powers, because he did not commit suicide when caught. It is pointed out that Soviet Premier Khrushchev's description of Powers' kit included mention of a hypodermic needle.

It is possible that Powers' orders told him to do exactly that; if so, it is not admitted here. It is a harsh verdict that for want of a needle in one young man's hand, the country's moral position has been lost. If it is believed by the country's leaders to be true, it is not too much to ask that they not use it slyly as self-serving propaganda but proclaim it as truth.

Scapegoat politics on the domestic scene is not new. The attempt to practice it on the international scale in such a manner is fortunately more rare and the American people need to join with their politicians in asking whether the leader of the free world can build a foreign policy on it which will insure survival.

The recent past has offered little encouragement to those who raise such hard and fundamental questions about what goes on here. Yet the American people may be ahead of their elected spokesmen—they often are.

[From the Washington Star, May 17, 1960]

UPSET AT SUMMIT NO SURPRISE—SOVIET LEADER'S PROPAGANDA SPECTACLE CALLED COLD WAR IN FULL FORCE

(By Constantine Brown)

Mr. Khrushchev's withdrawal of the Soviet invitation to the President of the United States to visit Moscow is regarded as an unprecedented insult from one head-of-state to another. This insult had been foreseen by some of President Eisenhower's friends in Congress, who had advised him last week to beat the Red boss to the punch and announce that he would postpone his trip to the Soviet Union until a more favorable atmosphere had been established.

But this advice was ignored by the Chief Executive and some of his intimate advisers who believed that nothing should be done which might leave the impression on the American people, and especially the outside world, that Mr. Eisenhower is not doing everything possible to avoid a further increase in international tensions.

The long-awaited summit conference, sought by Mr. Khrushchev since 1958, has failed lamentably. This comes as no surprise to those who recognized from the very beginning that the Russian leader wanted the summit solely as a spectacular maneuver arranged to assist Soviet and Communist worldwide propaganda activities.

International tensions must now increase during the coming months. The cold war is on again in full force and effect, as it really always has been just beneath the surface of

peaceful coexistence. But few if any observers in Washington, especially among the military leaders, expect an armed conflict to ensue in the immediate future.

Paramount in the shrewd mind of Mr. Khrushchev is his knowledge of the unquestionable power of the U.S. Armed Forces to deal a shattering counterblow to any aggressor. Mr. Khrushchev, whose espionage network in this country is fully as effective as his subversive network, realizes the risks an aggressor would be taking. He is aware of the dangers, not only to the Soviet Union but to the entire international Communist movement, should he substitute armed attack for harsh words.

The administration has been guilty of many blunders and many weaknesses in the field of foreign affairs. But despite these, the U.S. Armed Forces today are in an incomparably better position than they were at the time of the Pearl Harbor attack in 1941, or when the Communists of North Korea invaded the Republic of Korea in 1950.

The Navy, for example, is in a state of constant readiness. Its aircraft and carriers, its missile cruisers and submarines, are regarded even by the Russians as the best in the world. Morale is high in the naval service, with confidence and determination strong. The Russians are known to posses some 600 submarines, a fact that has never been taken lightly by our Navy men. But they are at the same time not unduly worried.

The Air Force is in a similar state of readiness. The Strategic Air Command is prepared for instant action, whatever the eventuality. SAC leaders know that a surprise attack would hurt, but the surprise element has been minimized. Our bases overseas, encircling the Soviet Union, are in a constant state of readiness, prepared to go into retaliatory action at a moment's notice. Their operational plans have been streamlined and practiced to a point of highest efficiency.

Mr. Khrushchev and his very able military advisers are very well aware of all these facts. They know the situation better than do many Americans, who have been fed a steady diet of our unpreparedness for so many years.

It is this analysis of the facts of military reality, plus the knowledge that the Soviet bosses are realists if nothing else, that strengthens the feeling here that the breakdown of the summit conference will not lead, immediately or in the near future, to military hostilities between the United States and the Soviet Union.

But from now on, more than ever before, it well behooves the United States to keep military preparedness at the highest possible level and alertness keen and sensitive.

[From the Washington Star, May 18, 1960]

WHAT SANK THE SUMMIT? HERE'S A BREAKDOWN

(By James Marlow, Associated Press news analyst)

When the skin-divers of history probe around in the wreckage of the 1960 summit conference, they'll find lots of reasons why it blew up and sank, more than are known now. But some stick out like barnacles.

For instance: The State Department was a little bit too clumsy, a little too cute; President Eisenhower helped give Premier Nikita Khrushchev lead for his blackjack; and Mr. Khrushchev, whatever his motives, distorted the facts.

First, the Department permitted another Government agency to say the U–2 American spy plane downed over Russia was on an innocent mission, gathering information on the weather. Then the Department denied the plane was spying.

Both statements were lies. Mr. Khrushchev rammed them down America's throat by producing evidence. Then the Department got honest and admitted the spying.

ONE STEP TOO MANY

This would have been bad enough if the Government had just stopped there. It never had to deny, lie or admit anything. All it ever had to do was say it was investigating the case, let the heat die down, and keep its mouth shut.

It didn't. It took one more step, which turned out to be one too many.

It said this Government would fail in its responsibility to the whole free world if it did not do what it considered necessary to obtain information—including spying—to "overcome the danger of surprise attack" by Russia.

This might have gotten by if the Department—actually Secretary of State Herter himself—had phrased this in the past tense. Instead, it joggled the language in such a way that it seemed to apply to the future, too.

FAIL TO INTERPRET

In short, was Mr. Herter saying such aerial spying would continue? Reporters asked Lincoln White, Mr. Herter's chief press officer, exactly that question. Mr. White said: "Well, I will leave it to your interpretation."

So, the reporters did the interpreting—since they took Mr. White's answer to mean yes—and said Mr. Herter had indicated the spy flights would continue. All this information—State Department statements and American newspaper interpretations—was available to Mr. Khrushchev.

Since the Department had had a chance to correct any wrong impression but chose not to, Mr. Khrushchev could reasonably assume the aerial spying was meant to continue.

And such an interpretation was an insult to Mr. Khrushchev and the Russians. It meant this country intended to ignore Soviet sovereignty over its own air space and send spy planes no matter how the Russians felt about it.

CLOUDY LANGUAGE

Two days later this Government had still another chance to say this was an erroneous interpretation—if it thought so. This was when Mr. Eisenhower held his news conference last Wednesday.

But he talked in future terms, without actually saying more planes would be sent in over Russia. This became one of the things Mr. Khrushchev wrapped around Mr. Eisenhower's neck when they met at the summit in Paris Monday.

In understanding this it is important to remember no one in this Government ever actually said spy flights would continue. But Mr. Khrushchev, like the newsmen—and maybe he got his interpretation from the newsmen—interpreted the high-blown State Department statement as meaning the flights would go on.

HOW WOULD WE FEEL?

At the summit, among other things, he demanded Mr. Eisenhower call off the flights. Then, to the surprise of a lot of people in the State Department, Mr. Eisenhower told Mr. Khrushchev the flights had been ordered stopped.

Mr. Khrushchev made other demands which Mr. Eisenhower couldn't have agreed to without crawling before the whole world. For example, he wanted Mr. Eisenhower to apologize for the flight already made and punish those directly responsible for it.

Just how much the State Department had to do with inflaming Mr. Khrushchev before he got to the summit may not be known for a long time.

But it was one of the things which gave him torpedoes for sinking the conference. And if you don't think he had some reason to be irritated about it, just ask yourself: How do you think Mr. Eisenhower would have acted at the summit if Mr. Khrushchev had sent spy planes over the United States and had let the impression get out that he'd keep on doing it?

[From the New York Times, May 19, 1960]

THE SUMMIT TRAGEDY—BREAKDOWN OF PARLEY SHAKES WORLD'S FAITH IN WISDOM OF TOP LEADERS

(By James Reston)

PARIS, May 18.—The tragedy of the Paris Conference, which ended tonight, is that it shook the confidence of the world in the wisdom and judgment of the two nations that hold the key to war and peace.

What troubled Paris tonight was not primarily what President Eisenhower and Premier Khrushchev would do now, which nobody knows, but the realization that the two most powerful nations in the world are also the least experienced of the great powers: both subject to the element of accident, to the ingrained habits of the past, and to the whims of personal pride and caprice.

This was the conference that everyone lost. It did something no one thought possible: it outfailed the Versailles Conference of 1919. After 41 years, President Eisenhower, Premier Khrushchev, Prime Minister Macmillan, and President de Gaulle made Wilson, Clemenceau, Lloyd George, and Orlando look good.

It was this sense of uncertainty about the giants of the world that dominated the atmosphere in Paris today. Here was Mr. Khrushchev this afternoon in the great hall of the Palais de Chaillot shouting at the West, paying deference to the glowering Marshal Rodion Y. Malinovsky on his left, and threatening to smash American planes like an impudent cat against a wall.

EISENHOWER SILENT AND ANGRY

Here, too, was the President of the United States, angry and silent, visiting cathedrals while his allies praised his dignity and sympathized with the failure of his last great chance for an East-West accommodation, but condemned in private his absentminded behavior on the reconnaissance flights over the Soviet Union.

Everyone was trying to be very considerate and hopeful about the mess, but all had to admit it was a mess, brought on by the unplanned blunders of Washington and the savage planned reaction of Moscow.

The general reaction to the two men was quite different. One was restrained, the other was violent; one was silent and defensive today, the other loud and offensive.

One was trying to remove misunderstandings, the other was exploiting them. But the main point was that both were shaking the world, one by accident and the other by design.

The nub of the whole thing seemed to be that both President Eisenhower and Premier Khrushchev, for different reasons, had lost control over the direction of the immense power they are supposed to govern.

The fact that the President came here and announced that he had grounded all flights over the Soviet Union for the rest of his term in office is clear enough proof that, if he had been aware of the fact of these flights at this sensitive moment, he would not have approved the mission of the U–2 that was downed in Soviet territory on May 1.

CONFIDENCE IN UNITED STATES SHAKEN

The President has conceded this here in his private talks with Mr. Macmillan and General de Gaulle. They do not condemn

his objective or his personal motives: in fact, he is so obviously disappointed by the melancholy turn of events since the sky-spy case that the British and French leaders are more sympathetic to him now than ever before.

Nevertheless, the lack of control and discipline over the Central Intelligence Agency by General Eisenhower, and the failure of the State Department to retain civil authority over the administration's intelligence-gathering activities have inevitably shaken the confidence of the allies in the judgment of the Nation that is their primary line of defense.

Mr. Khrushchev lost control too, apparently for different reasons. General Eisenhower led his party out of isolationism, but Mr. Khrushchev has been engaged in the even more delicate operation of fraternizing with the capitalist enemy.

By doing so, he was going against the militant Communist philosophy that nothing matters except the class struggle. Many of his own powerful associates in the Communist Party's Central Committee apparently did not approve of the manner in which he was hobnobbing with the capitalists, and the Chinese Communists felt that this whole process of itinerant good fellowship was bound to create what they called ideological confusion within the Communist world.

So long as it appeared that Mr. Khrushchev might sweet talk the Russians into West Berlin, his jaunts were tolerated. But when this dream began to fail, and particularly when it was discovered that President Eisenhower was responsible for sending the U–2's over Soviet territory, the other leaders of the Soviet Union, it is felt here, demanded a change—with or without Mr. Khrushchev's approval.

Western leaders who were present at the Monday meeting at the Elysée Palace with Mr. Khrushchev got the impression that the Premier was nervous and perhaps even a little unhappy in his about-face role. But by this afternoon, he was as hard as Vyacheslav M. Molotov and as vivid and vituperative as Andrei Y. Vishinsky.

The last time Mr. Khrushchev saw Paris he was the benign and jovial "Mr. K." He made a special point then with President de Gaulle that their conversations should be held without anyone present except the interpreters.

JOVIALITY IS PUT ASIDE

This week all was changed. The "jovial Mr. K." became the arm-waving "naughty Nik," and Marshal Malinovsky was there as a witness of his every word and move, even when Mr. Khrushchev said goodby to President de Gaulle.

None of this was missed by the press of the world or the diplomatic corps of Paris, and the inevitable reaction was not only that the giants were quarreling—which always terrifies the world—but that they were blundering in a most extraordinary way.

This was particularly true of Mr. Khrushchev after he got well into his new role. He overplayed every card he had. He was rude and primitive. And instead of splitting the Allies, he even drove the press of London and Paris to the President's support, which is not easy to do.

These are the things that have spread the feeling of uneasiness about the leadership of the great powers. The two men who started out to reduce tensions ended up by increasing them here in Paris, and the question now is how far the present "dukes-up" attitude will go.

About this, no one really knows, probably not even Mr. Khrushchev. For until he gets back to Moscow and reports to the Central Committee, there is no way of knowing, what will happen to Berlin, or for that matter, what will happen to Mr. Khrushchev.

[From the New York Times, May 9, 1960]

CAPITAL IS UPSET—HALTING OF ALL FLIGHTS NEAR COMMUNISTS' BORDERS REPORTED

(By James Reston)

WASHINGTON, May 8.—This was a sad and perplexed Capital tonight, caught in a swirl of charges of clumsy administration, bad judgment and bad faith.

It was depressed and humiliated by the United States having been caught spying over the Soviet Union and trying to cover up its activities in a series of misleading official announcements.

Nevertheless, the first priority of the day was to try to salvage something out of the May 1 crash of the United States U–2 reconnaissance plane in Soviet territory and to prevent the incident from wrecking next week's big four summit meeting in Paris.

President Eisenhower returned from his farm at Gettysburg this afternoon and met with Secretary of State Christian A. Herter in the White House for a review of the situation.

HALTING OF FLIGHTS REPORTED

No announcement was made of this meeting or its results, but elsewhere it was stated on responsible authority that the President had ordered a halt to all flights over or near Communist frontiers pending an executive investigation of the entire intelligence apparatus of the Government.

Though there were the usual suggestions of a congressional inquiry into the case, the Federal legislators were obviously trying to avoid any summary action that would add to the administration's embarrassment before the summit meeting.

For example, the Democratic majority whip in the Senate, MIKE MANSFIELD of Montana, who has been urging for years the establishment of a joint congressional committee to supervise the activities of the Central Intelligence Agency, said today that this was no time to press his proposals.

INQUIRY FORESEEN

In due course, he added, there will be an inquiry into all the Government's intelligence activities and contradictory statements on those activities. But for the time being he praised the President for having approved yesterday's official confession about the incident. This seemed to be the attitude of most of the Democratic leaders on Capitol Hill.

Elsewhere in the non-Communist world, the reaction was less generous. The administration was being blamed publicly for reckless action before the summit, for not governing the activities of its own intelligence officers and for neglecting to tell the truth at first when the plane was shot down.

State Department officials were watching the reaction of the Soviet Government to the affair very carefully. They observed that both Washington and Moscow had been caught in espionage activities before and that it was a question of judgment, depending on the purpose of officials at the time, whether to magnify or minimize the incidents.

The hope here is that Premier Khrushchev, now that he has exploited his propaganda advantage, will let the controversy settle down at least long enough to permit the summit meeting to take up the more important questions of Germany and arms control in a reasonable atmosphere.

It is known that President Eisenhower has been urged to write Premier Khrushchev at once, expressing this hope, before taking a final decision about going to the summit meeting and thereafter to Moscow in June.

It is the charge of lying, rather than the charge of spying, that is troubling officials here. The administration has authorized flights over Communist territory for years and its justification for doing so was defined today by a high official of the Government as follows:

The Soviet Union has made no effort to conceal its hostility to the United States and its allies. It has boasted for years of its armed forces and particularly of its new rockets. It has repeatedly threatened to use those rockets and has developed them in an atmosphere of complete secrecy, which it has refused to modify so that there can be an adequate system of international disarmament, inspection, and control.

Meanwhile, the United States and the other principal Western countries are open societies where Soviet officials can see much of what is going on. This gives the Communists a great advantage, which under the prevailing security system in the Soviet Union requires Western espionage of various types if any kind of equality is to be maintained.

FLIGHTS KNOWN TO MANY

In general terms, the efforts to break Soviet security by flights over Communist territory have been known to the President, his principal aids and to some Members of Congress for some time. They have also been known to the Soviet leaders, including Mr. Khrushchev.

When the Soviet leader was in this country last autumn, he met Allen W. Dulles, head of the Central Intelligence Agency, at a dinner at the White House.

Mr. Khrushchev remarked to Mr. Dulles at that time that he read Mr. Dulles' intelligence reports. Mr. Dulles replied that he hoped Mr. Khrushchev got hold of them "legally."

"I think we have the same agents in some places," the Soviet Premier replied. "Maybe we should get together and save money by not paying them twice."

Down through the years, however, it has come to be accepted here that the Central Intelligence Agency should not be questioned about its activities in the manner customary with other agencies. Congress has never insisted, for example, on anything but the most cursory review of its budget or its personnel, and the Agency has felt little obligation to disclose what it was doing or to respond truthfully to embarrassing questions asked by the press.

Thus, the State Department spokesman, Lincoln White, said on his own authority during the crisis last week that the United States had never voluntarily sent a plane across the Soviet borders.

Thus, too, the National Aeronautics and Space Administration put out a long statement on May 5 giving the impression that it was one of its research planes that was missing, probably because of a failure of the oxygen equipment.

One official said tonight that this statement was put out on the authority of the NASA itself, not at the direction of anyone else. The man in charge of the Agency on May 5 was Dr. Hugh Dryden, Deputy Administrator, who was substituting for the Director, T. Keith Glennan.

STATE DEPARTMENT CRITICIZED

Even the statement issued by the State Department yesterday admitting the espionage over the Soviet Union was being criticized here tonight.

"As a result of the inquiry ordered by the President," the statement said, "it has been established that insofar as the authorities are concerned, there was no authorization for any such flights as described by Mr. Khrushchev."

This was criticized on two grounds. First, it gave an impression, which provokes considerable skepticism here, that high officials of this Government knew nothing about any such flights.

Allen W. Dulles opens the meetings of the National Security Council, the top security cabinet committee of the Government, with a briefing each week. He goes repeatedly to the White House to brief the President on the intelligence gathered on Soviet activities, so that while this particular flight may not have been known to some top leaders, the fact of such flights in the past seems to have been rather widely known.

A second point of criticism was that the statement seemed to confirm one of the main points of Communist propaganda, namely, that some officials have the power to act, independent of civilian control and even in opposition to the President's policy.

The statement said, in effect: "We didn't know in Washington about these things, but they are standard practice."

On the question of control of intelligence activities, it was explained here that the CIA coordinates all intelligence for the administration but that it does not have control over the intelligence officers of the Armed Forces.

In theory, the President's Ambassador in each capital has a veto over all intelligence activity in his territory unless he is overruled by higher civil authority. Like many theories, however, this one is not, in the opinion of Ambassadors still in the Service, followed in practice.

Some officials were saying here tonight that they thought this incident, if allowed to subside, might in the long run put the cold war in better perspective. Because the intelligence activities of the United States have been discussed so little, there is a widespread illusion that only the Communists resort to the black arts in diplomacy.

If this illusion is dispelled, officials here will be consoled, but not much. For the time being, they are afraid the plane incident has put President Eisenhower on the defensive just before what may be the last summit meeting of his administration.

They were frankly not very hopeful about it before the U–2 was shot down. But now if the meeting fails, they fear that Mr. Khrushchev will be able to argue effectively that the United States was responsible for that failure.

[From the New York Times, June 19, 1960]

THE PRESIDENT'S INTERVIEW ON THE "ST. PAUL"

(By James Reston)

WASHINGTON, June 18.—If anybody is interested in analyzing what is wrong with our diplomacy these days, he might get a clue from reading the dispatches of the reporters who saw President Eisenhower yesterday aboard the cruiser *St. Paul*.

"The President," reported Harrison Salisbury to the New York Times, "appears to be in robust health * * *. He sports a fine suntan * * *. Today he shows no sign of despondency over the Japanese development. One reason for this is that he regards the events as caused by circumstances over which he had no control.

"There is no sign that the President feels any responsibility over the course of events either at the summit meeting or regarding the Japan trip. He seems to believe that in both cases there was no other course that the United States could have followed * * *.

"Aboard the *St. Paul*, the President appears somewhat isolated from world news sources despite the most modern electronic media of communications available to him. By last evening, he had not had any report on world reaction to the Tokyo cancellation."

AN ODD ASSUMPTION

This is in some ways the most disquieting item of the week. For it indicates that the attitude of injured innocence and the habit of official self-deception persist despite two of the most humiliating diplomatic reverses in recent American history.

It is true, of course, that the President is not responsible for Mr. Khrushchev's savage bad manners in Paris, or for the weakness of the Kishi government, or for the barbarians in the streets of Tokyo; but it is clearly not true that there was no other course that the United States could have followed.

In fact, the President himself insisted for years on a totally different course of avoiding these high-level meetings unless they were most carefully prepared and a propitious atmosphere was assured. This was his policy from the 1955 summit meeting until it was suddenly reversed late in 1959 to provide for new meetings and new summits which on the President's own assurance gave very little hope of progress.

This, however, is not the point. The past is gone; but the habit of Presidential detachment from personal responsibility, and even from information about the opinion of the world, apparently remains, and that is a point of some importance.

We are engaged in a very rough business. We are establishing military bases on the fringe of the Communist empire and establishing bombers and rockets on those bases. We are justified by the aggressive policy of the Communist in doing so, but we should not be surprised if the Communists use every possible device to frustrate our efforts, particularly if we reflect on what we would do if they established rocket bases in Cuba.

COPS AND ROBBERS

No doubt we are convinced of our own good intentions toward the Japanese and even toward the Russians, but no nation is ever as virtuous in the eyes of other nations as it is in its own eyes, especially if the nation concerned has once invaded Russia and dropped atomic bombs on Japan.

We are getting into trouble because we are not seeing ourselves as others see us, and not seeing others as they actually are. We see ourselves, quite accurately, as the policemen of the world, trying sincerely at great cost to maintain order, decency, and freedom in the world.

But robbers don't like cops and Communists don't like Western freedom or Western manners, and Communist students are not satisfied with chasing girls: they feed on Prime Ministers.

Accordingly, while it is essential to watch them very carefully, even if we have to fly over their hideouts to do so, and to establish bases to keep them from destroying the alliance, it is really too innocent to suppose that they will react to all this like Christian gentlemen.

In this kind of war there are bound to be reverses and there are bound to be mistakes. No doubt this is an unmitigated nuisance, but the facts have to be faced and anticipated.

During the last war, when Hitler complained that his armies were being hampered by the severe winter weather in the Soviet Union, Winston Churchill remarked: "No doubt this is true, but after all Mr. Hitler should have known that it snowed in Russia."

[From the New York Times, May 11, 1960]

WHAT KIND OF PRESIDENT DO YOU WANT?—III

(By James Reston)

WASHINGTON, May 10.—The tragedy of President Eisenhower in the spy-plane case is that he and his colleagues have created almost all the things he feared the most.

He wanted to reduce international tension and he has increased it. He wanted to strengthen the alliance and he has weakened it. He glorified teamwork and morality, and got lies and administrative chaos.

Everything he was noted for—caution, patience, leadership, military skill, and even good luck—suddenly eluded him precisely at the moment he needed them most.

And the paradox of it all is that, despite the wonder of the world, there is an element of reason and even of inevitability in the whole melancholy story.

This is the main point at a time when the Nation is picking a President for the sixties. For the heart of the problem here is that the Presidency has been parceled out, first to Sherman Adams, then to John Foster Dulles, and in this case to somebody else—presumably to Allen Dulles, but we still don't know.

INSTITUTIONALIZED PRESIDENCY

From the personalized Presidency of Jackson, Lincoln, Wilson, and the two Roosevelts we have passed to the institutionalized Presidency under Eisenhower. It has some good points, but it disperses authority, removes the President from many key decisions and leaves the Nation, the world, and sometimes even the President himself in a state of uncertainty about who is doing what.

Long before the spy-plane case some of the Nation's most distinguished historians noted this trend.

"To a far greater degree than any of his predecessors," wrote Edward S. Corwin, of Princeton, in "The President—Office and Powers," "President Eisenhower has employed the Cabinet as an instrument of collective policymaking. * * * Each member is expected to assume full responsibility for the conduct of the affairs of his Department. * * *

"Each of these gentlemen, according to the President, is an independent officeholder with his own views of appropriate policy, with which the President has no warrant to interfere."

It may be going far to say that the President felt no "warrant" to interfere with the established policy of aerial intrusion over the Soviet Union, but there no doubt exists here what Professor Corwin calls an air of Presidential "detachment," an attitude of "reigning rather than ruling" and relying on the staff to carry on established policies even when new conditions, such as an impending summit meeting, intervened.

THE CENTRAL POINT

Prof. Walt W. Rostow of Massachusetts Institute of Technology spells out the problem in "The United States in the World Arena."

"For whatever reasons—diffidence, uncertainty, or inner convictions," he wrote, "President Eisenhower did not impose his own insights, his own sense of direction, on the Nation's policy.

"He remained loyal not to his views of substance but to his principles of administration. He decided, in effect, only when his immediate subordinates could not. * * * He maintained the kind of relationship [with the Cabinet] he had built up during the war with Alexander, Montgomery, and Bradley—a relationship in which, within the agreed strategy, the field operator was given maximum scope."

Here, perhaps more than anywhere else, lies the explanation of the spy-plane confusion. The field operator was given "maximum scope." There was an "agreed strategy" in Washington, but the specific operation was not authorized by the President, or even on the President's mind until the crash.

The President, in short, was loyal to his subordinates and to his principles of administration, but the tragedy is that he "did not impose his own insights, his own sense of direction, in the Nation's policy."

By nature no man could be less inclined than Eisenhower to risk a provocative adventure into the Soviet Union just before perhaps the last Big Four summit meeting of

his career, or to say when it was done that it had not been done, or to insist in the end that he would do it again.

This is why it is a tragedy. For in an instant of savage misfortune he was caught in a system of his own choosing, and the question now is whether the concept of the Presidency is adequate for the sixties.

[From the New York Times, May 13, 1960]

THE POLITICAL CONSEQUENCES FOLLOWING THE U–2

(By James Reston)

WASHINGTON, May 12.—The spy-plane case, in addition to everything else, may have cost the administration the peace issue in the forthcoming presidential campaign. And this was the best issue it had a week ago.

The best politics for the GOP this summer lay in creating an atmosphere of peace, an air of progress toward an accommodation with the Russians on Berlin, Germany, nuclear testing, and disarmament.

Prime Minister Harold Macmillan of Britain demonstrated the possibilities of such an atmosphere in the British election of last year. This is not to say that his peace efforts were an insincere campaign maneuver—they obviously were not—but the fact remains that his patient and persistent negotiations in Moscow, Paris, and Washington helped his party win the election.

The same opportunity was open to President Eisenhower. He had agreed to go to the summit with Nikita Khrushchev. He had worked out the possibility of associating Vice President NIXON with the Paris talks. He had a date with Khrushchev in Moscow on June 10, followed by a dramatic flight into the Far East just before the nominating conventions.

All these events, combined with the nuclear testing talks and the disarmament negotiations in Geneva, gave the administration the chance to start a long process of negotiation; and this, in turn, put Mr. NIXON in a position to argue that he should be elected to keep the process going in the years ahead.

THE SUDDEN SWITCH

The U–2 case has not destroyed these political opportunities but it has certainly minimized them. Instead of a calm atmosphere the political weather is now stormy. Instead of the "spirit of Camp David" we now have the "spirit of Sverdlovsk." Instead of President Eisenhower and Premier Khrushchev writing mash notes to each other about peaceful coexistence, Khrushchev is now making like the unrequited lover whose trust was betrayed.

There is still just a chance to save things at Paris but not if the President continues on his present theme. He is insisting that he must continue crossing the Soviet frontiers. He is saying that the security of the United States demands it. He is saying all these things openly, and therefore Khrushchev cannot let them pass.

By demanding the right to intrude into the Soviet Union, the President has defied Khrushchev to stop him, put Khrushchev on the spot with the Stalinists who have always been against a détente, embarrassed the allies by making their bases a target of Khrushchev's anger, and even repudiated one of Washington's own favorite principles—namely, that each nation has the right to choose its own form of government.

Maybe the President has made the right choice in demanding the right to challenge the authority of the Soviet Government over its own territory; maybe this was essential to protect the United States against another Pearl Harbor. But the President cannot have it both ways; he cannot defy Khrushchev and have his cooperation too.

BAD POLITICS

Accordingly, much depends on whether Mr. Eisenhower goes to Paris in his present mood, blaming Soviet secrecy for United States aerial espionage. Asking the Russians to give up secrecy, as anybody who knows Russian history will tell you, is asking the Russians to stop being Russian. And if the President rests his case on this point, the summit will be highly volcanic. Instead of a "peace issue" the GOP may very well, in that case, face a "war issue."

In domestic political terms—to say nothing of international politics—this situation, created largely by accident, bad luck and bungling, will do the Republicans no good. And this is especially so since Vice President NIXON has known all about the aerial espionage and boasted about the wonderful photographs the U–2 brought back.

The fate of one political party in one country in one election is not, of course, the main consideration. The fate of much more is at stake in the present trend of events. But it is a factor. The GOP has, unwittingly, by bad administration, bad judgment and bad luck, stumbled into a course which is also bad politics.

[From the New York Times, May 15, 1960]

PARIS IN THE SPRING—COLD WAR VERSION

(By James Reston)

PARIS, May 14.—Paris was so beautiful this morning that even Nikita Khrushchev seemed in an agreeable mood. When he arrived at Orly the sun was shining, the flags were flapping bravely in the wind, the white and pink blossomed chestnut trees were in bloom, and the lovers were carrying on their own immemorial cold and hot war in the parks.

How long the spell of Paris lasts, however, will depend on the ability of Mr. Khrushchev and President Eisenhower to remove, or at least set aside, two immense blunders when they meet.

These are (1) the Eisenhower blunder of insisting publicly that the United States has the right and even the duty, to continue aerial espionage over the Soviet Union, and (2) the Khrushchev blunder of insisting that the Western Nations must leave Berlin if Moscow makes a separate peace treaty with Communist East Germany.

THE PRESUMMIT CRISIS

These have to be set aside if there is not to be an eruption at the summit for the simple reason that Khrushchev cannot acquiesce in what amounts to a threat to defy the authority of the Soviet Government over its own territory, and Eisenhower cannot acquiesce in what amounts to a claim that the Soviet Union has the right to destroy by itself an international agreement entered into with the United States and Britain.

If these two demands were turned around it would be obvious that they had to be rejected. The United States would not for an instant tolerate a demand that the Soviet Union should fly over the United States without the permission of the United States Government. And the Soviet Union would certainly not agree that the United States had the right to alter the terms of an international agreement without the approval of the Soviet Union and other parties to that agreement.

Yet this is what Mr. Khrushchev and the President have done. The Soviet Premier said at Baku, on April 25, that if the Western powers did not sign a peace treaty with Germany, he would sign one with the Communist half of Germany.

He then went on to say that if he did that "the terms stemming from the surrender will lose their force * * * consequently, the rights which the Western Powers obtained as a result of the surrender of Hitler Germany, including the right for the further preservation of the occupation status in West Berlin, will also lose their force with regard to this territory."

The President was equally emphatic. He said: "We must have knowledge of military forces and preparations around the world, especially those capable of massive surprise attack. Secrecy in the Soviet Union makes this essential."

Thus both sides are now under threat from the other. Washington, which has insisted that negotiations in the face of threats are impossible, is threatening to go on intruding into the Soviet Union, and Moscow, which arranged the summit by withdrawing the Berlin threat, is again threatening to kick us out of Berlin.

Accordingly, the essential meeting here is the Eisenhower-Khrushchev meeting before the summit, for until these two threats are withdrawn the whole basis of any agreement is in jeopardy, and it is not even certain that the negotiations on other points can begin.

A POSSIBLE COMPROMISE

There is one possible and even reasonable way out of this dilemma. Negotiations for a system of international control and inspection of arms limitation and nuclear test suspension are in progress. So are negotiations for a settlement of the Berlin question.

Accordingly, both Khrushchev and Eisenhower could ease the present tension by agreeing that there should be no more threats of kicking the Allies out of Berlin while the German talks are in progress and no more unauthorized U.S. flights over the Soviet Union while the negotiations for a legal system of international arms inspection and control are going on.

In practical terms, it is highly unlikely that the United States can carry on additional flights over the Soviet Union anyway, for the Allies, who have to provide the bases for these flights, are opposed to them and are likely to remain so until the present tension is reduced.

Beyond this, such a compromise agreement might not mean much, but at least it would save two red faces, and permit the Allies to get down to the larger questions they were negotiating before all the foolishness of the last 3 weeks got out of hand.

CIVIL AERONAUTICS BOARD

The PRESIDING OFFICER. Under the agreement entered into last night, the Senate will now continue with the consideration of nominations on the Executive Calendar.

The question now is, Will the Senate advise and consent to the confirmation of the nomination of John S. Bragdon to be a member of the Civil Aeronautics Board?

Mr. MANSFIELD. Mr. President, now that we are operating under the limited time agreement, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Montana ask unanimous consent that the time for the quorum call not be counted?

Mr. MANSFIELD. We want the time taken out of the 20 minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENGLE. Mr. President——

The PRESIDING OFFICER. Under the agreement previously entered, debate on the nomination of John S. Bragdon to be a member of the Civil Aeronautics Board is under the control of the majority leader and the minority leader, there having been 20 minutes on the side allotted, 10 minutes on each side, on each nomination.

Does the Senator from Montana yield time?

Mr. MANSFIELD. Mr. President, I yield to the Senator from California [Mr. ENGLE] as much time as he desires, and he in turn can yield to the Senator from Wyoming and other Senators.

Mr. ENGLE. Mr. President, I spoke at length on this matter last night, and I shall only summarize briefly what I said at that time.

We have before us two nominations of retired military officers, one an admiral in the Navy, and the other a major general. My objection to the confirmation by these nominations is that I do not believe military officers should be running the civilian regulatory agencies of this Nation. I emphasize the point because I wish to make it perfectly plain that I do not intend to reflect upon the character or the ability of either one of these officers, both of whom have distinguished military records.

I again invite the attention of the Senate to the fact that a military officer is the head of the Federal Aviation Agency at this time. An admiral is the chief Administrator of the Maritime Administration. Now it is sought to make an admiral the Chairman of the Maritime Board, and it is sought to place upon the Civil Aeronautics Board another military officer, a retired major general of the Army Engineers.

It is my belief that there is ample talent throughout the United States in the civilian category, with broad experience in business and administration, to manage these offices in these great civilian regulatory agencies, and that in the absence of some obvious and overriding reason the administration should be called upon to seek out civilians for those posts, rather than to take the easy way, by selecting retired military officers who happen to be available.

I invite attention to the fact that the report filed by the Committee on Interstate and Foreign Commerce of the Senate approving confirmation of the nominations agrees in principle with my objections. The majority asserts that the objections are sound, but states we should not call them into operation at this time. It is my belief that if we are going to stop, we ought to stop now. This is as good a time as any to stop. If nominations of other military officers are sent to the Senate, we shall face the same problem of the implied reflection—and we intend none—upon military officers whose nominations are before us.

I hope the U.S. Senate will not give its advice and consent to the confirmation of the nominations of these two military officers, not as any reflection upon them personally, but as an assertion of a policy by the Congress and by the Senate that we intend to insist that these great civilian regulatory agencies shall be operated by civilians unless there is some obvious and overriding reason for selecting a man from a military organization, or a retired military officer.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. ENGLE. I am delighted to yield to my distinguished friend, the Senator from Wyoming.

Mr. McGEE. I commend the Senator once again for sticking to high principles in the protest he has filed with the committee and with his colleagues in the Senate. I suggest to the Senator that when he says now is as good a time as any to draw the line on this principle, his point needs some qualification.

Now is a better time than any later time. Now is a worse time than any previous time. If the principle is valid—and I believe it is—the line should have been drawn many years ago. The longer we postpone action in this body the worse the situation will get.

If we do not subscribe to the principle that civilians ought to run the civilian branch of government, that is another matter. Assuming the Senator's position is valid—and I certainly believe it is, for our Constitution declares it to be the intent of our Government—then I say the time must be now. It is not simply a convenient time; this is the best time left to prevent the drift toward military men running the civilian agencies of the Government.

Mr. ENGLE. I agree with the Senator from Wyoming. His correction is in order.

Now is a better time than any later time, and a worse time than any time heretofore to take this action.

Mr. President, I could cover in some detail the intrusion of military personnel into the civilian agencies.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. KUCHEL. Mr. President, I shall be glad to yield some time.

Mr. ENGLE. Mr. President, will the Senator yield me 2 minutes, so that I may finish.

Mr. KUCHEL. I yield 2 minutes from the time of the minority to the distinguished Senator.

Mr. ENGLE. I appreciate that courtesy from my distinguished senior colleague from California.

Mr. President, I could detail the matter at great length. I did so last night in the speech I made at that time. I shall not proceed further, except to say that we have too many military men now serving in civilian posts. This is the time to stop. I hope the Senate will stop the practice.

Mr. President, if I have one minute remaining, I yield to my distinguished friend from Alaska.

Mr. GRUENING. Mr. President, while I find myself in agreement with the views expressed by my distinguished colleague from California, I wish to address myself to another principle which I think is deeply involved in this question.

I think it is a great mistake for the Democratic majority to confirm the nominations of members of regulatory boards, when there will be a new President of the United States elected in 4 months. I think this is a principle which is not a partisan principle. It would apply equally if Republicans controlled the Congress and the Democrats the White House. I believe that when Senator Taft was expecting to be nominated for the Presidency he announced that such would be his policy.

Mr. MANSFIELD. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. I thank the Senator from Alaska.

Mr. GRUENING. Mr. President, there is under consideration a principle which as I have said ought to be applied without partisanship. It should apply equally if we had a Democratic administration in the White House, instead of a Republican administration. I believe it is important that the future President not have his hands tied for a period of years by the appointment of a nominee whose views represent those of a different administration.

So far as the nomination to the Civil Aeronautics Board is concerned, I do not know General Bragdon.

The PRESIDING OFFICER. The time yielded to the Senator from Alaska has expired.

Mr. GRUENING. I should like to have a minute of my own.

The PRESIDING OFFICER. The Senator from California has 3 minutes remaining. Does the Senator yield?

Mr. GRUENING. I ask unanimous consent to proceed for 1 minute.

Mr. MANSFIELD. Mr. President——

Mr. GRUENING. In the case of General Bragdon, I do not know General Bragdon. I have nothing against him. I have no doubt that he is an excellent individual in every respect. I have no criticism whatsoever of him. I do criticize the principle involved in the confirmation at this time of his or any other similar nomination.

The fact is that General Bragdon would be appointed only for a term of approximately 7 months. His term would expire December 31, 1960. The principle still remains.

I can see no reason why, if the nomination of General Bragdon were not confirmed—if the Senate did not concur—the President could not make a recess appointment 2 weeks hence, when the Congress shall have adjourned, which would enable his appointee to serve until the next President assumes office. However, in that case the Democratic Party would not be put in the position of responsibility for confirmation of the nomination made by an administration which is on its way out.

As the distinguished Senator from California said yesterday, this is a dying administration. A principle is involved,

and I regret to say our party in the Congress has not yet seen fit to adopt the principle.

Mr. KUCHEL. Mr. President, the minority yields 3 minutes to the distinguished Senator from New Hampshire [Mr. COTTON].

Mr. COTTON. Mr. President, as a member of the Committee on Interstate and Foreign Commerce, which has recommended confirmation of the nomination, I think it is unnecessary to go into any extended argument, even if I had time to do so.

The proposal to make an artificial distinction as between those whose original education and principal background are military in nature and those whose original education and principal background are civilian in nature is, in my judgment, a rather artificial, strained, and farfetched proposal. The test should be the ability, the integrity, and the competency of public officials, regardless of what may be their background.

If those whose background is military were to be judged only by that fact, we would be raising a precedent which is not conducive to efficiency or competency in public service.

With reference to Gen. John Stuart Bragdon, certainly his education and his original background are military, but I happen to know him as one who served in the flood-control work in my own section of the country in New England. He served as adviser to the President of the United States, who has a military background, and that background did not seem to deter an overwhelming majority of the people in this country from selecting him for the highest office in this land. General Bragdon's record is such that not one single word, not one single suggestion was raised in the hearings on this nomination against his character, his integrity, or his ability.

I suggest that there need be no hesitation on the part of the Senate in confirming the nomination of John Stuart Bragdon.

Mr. SCOTT. Mr. President, will the Senator yield briefly?

Mr. COTTON. I yield.

Mr. SCOTT. Mr. President, as the Senator knows, General Bragdon was born in my State of Pennsylvania, and I can see no more obstacle to his appointment because of the fact that he went to a military school than because of the fact that he also attended Carnegie Tech. There is no more argument against him because of his military background than because of his technical and engineering background, both of which, in fact, add to his competency to perform the duties of the office to which he has been appointed.

Not one word was said, as the Senator from New Hampshire knows, in any way impugning or touching upon the character, integrity, or qualifications of General Bragdon; is that not correct?

Mr. COTTON. That is correct.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. Mr. President, I ask that the Senator from California yield one-half more minute to me.

Mr. KUCHEL. I yield a half minute to the Senator from New Hampshire.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. COTTON. I thank the Senator from Pennsylvania for his remarks.

Mr. President, just now I was yielded a half minute more.

The PRESIDING OFFICER. All time for debate has expired.

Mr. KUCHEL. Mr. President, if I may recapitulate my recollection, we had allotted to us 10 minutes. I yielded 2 minutes to my colleague from California [Mr. ENGLE]. I endeavored to yield 3½ to my colleague from New Hampshire. That is a total of 5½ minutes. There are two other Senators who desire to speak, and if there is any question concerning the time, I ask unanimous consent that the minority be given 4 minutes to allocate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KUCHEL. I yield 1 minute to the Senator from New Hampshire.

Mr. COTTON. I summarize by repeating that I appreciate the remarks of the Senator from Pennsylvania [Mr. SCOTT]. The hearings of the committee completely and definitely established the efficiency and competence of Mr. Bragdon. I now yield back the remainder of my time.

Mr. KUCHEL. I yield 2 minutes to the able Senator from Arizona.

Mr. GOLDWATER. Mr. President, I rise to object to the question which has been raised as to the competency of military people serving in appointive positions in Government. I debated this subject at great length in the Senate last night, and I do not wish to detain my colleagues any longer than necessary. But the question was raised in debate last night by the distinguished Senator from Colorado [Mr. CARROLL] when he said:

> It is my own personal opinion that there are too many colonels and too many brigadier generals in the U.S. Senate coming out of World War II, because they also have a strong affinity with the military.

If that is the type of thinking that is to be applied to anyone who has served in the Armed Forces, I think the Senate Chamber will be rather empty, because I find, on reviewing the records of Senators, that practically all of us have served in the Armed Forces in some capacity or other, and I do not think such service has affected our decisions one whit.

I said last night that naturally we lean toward the school tie, so to speak, of the service in which we were engaged. But such service does not affect, and never has affected the decisions of Senators, and I do not think such service will affect the decisions of military people serving in important positions.

We may raise the question whether too many lawyers are serving in the Senate or whether too many lawyers have been appointed to executive positions. They, too, have had a very narrow training, if we look on law as the only education that they have received.

I suggest that lawyers have a very broad education, just as military people have a broad education. Therefore I do not think we should raise the question of the capability of a man to serve merely because he has been a military person or because he is a lawyer or because he is a doctor.

I believe the criterion we must apply to all of these men is their loyalty to the country. If a man is loyal to our country and to our form of government, I do not care whether he is a military person, a lawyer, a doctor, a minister, or whatnot. Loyalty is the criterion that we should apply, and I do not think we can question the loyalty of any military man serving in any capacity in this country.

Mr. SCOTT. Mr. President, will the Senator from Arizona yield briefly?

Mr. GOLDWATER. I am happy to yield.

Mr. SCOTT. The Senator from Arizona has had a very distinguished career as a general in the Air Force and as a jet pilot. I do not think that derogates in any way from his distinguished service as a Senator, but I would like to ask the Senator from Arizona whether these possibly invidious remarks are applicable to captains in the Navy, because I am one of those and I do not want it to be implied that I am less of a Senator because I am a Navy captain.

Mr. GOLDWATER. I would have to ask my good friend the Senator from Colorado [Mr. CARROLL] to comment on that, because he is the one who raised the question of too many colonels and generals in the Senate. I did not say that. Frankly, being an Air Force person, I recognize the value of the Navy, and I would welcome Navy captains.

Mr. SCOTT. I appreciate the Senator's remarks.

Mr. CARROLL. Mr. President, I could not quite hear the colloquy between the Senator from Arizona and the Senator from Pennsylvania. May we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. CARROLL. My name has been mentioned, and I wish to find out what advice is sought.

Mr. GOLDWATER. The advice that was asked of me by my friend from Pennsylvania referred to the remarks of the Senator from Colorado last evening when he said:

> It is my own personal opinion that there are too many colonels and too many brigadier generals in the U.S. Senate coming out of World War II, because they also have a strong affinity with the military.

What my friend asked me was why I did not include captains in the Navy. I suggested he would have to ask that question of the Senator from Colorado because I did not raise the point.

The PRESIDING OFFICER. All time for debate has expired.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

Mr. CARROLL. Mr. President, is there any time left within which to respond?

The PRESIDING OFFICER. All time for debate has expired. The Senator from California has suggested the absence of a quorum.

Mr. CARROLL. I ask unanimous consent to be permitted to proceed.

Mr. KUCHEL. I withhold my suggestion of the absence of a quorum. However, I remind the Senator that we are on controlled time. I wonder if the acting majority leader will yield to the Senator from Colorado such time as he has available under his control on the next appointment.

Mr. MAGNUSON. Mr. President, the name of the Senator from Colorado has been mentioned and I think he should be entitled to speak for 3 or 4 minutes. I think all of us have some questions, and with permission of my friend from California, I ask unanimous consent that we be allowed 5 minutes more on this nomination.

The PRESIDING OFFICER. Without objection, 5 minutes, in addition to the time originally allotted, will be allotted to each side.

Mr. MAGNUSON. I yield 3 minutes to the Senator from Colorado.

Mr. COTTON. Mr. President, a parliamentary inquiry. Was the unanimous consent request put to the Senate? Was there any opportunity to object? I shall not object. I merely reserve the right to object, in order to say that I did not want any more time and I do not think any more time is necessary. I regret, however, that the very few words that we have time to say here were interrupted, and we were harassed so that I could not have 3 minutes of uninterrupted opportunity to say a very few words.

Mr. MAGNUSON. I yield 3 minutes to the Senator from Colorado and 2 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered. The Senator from Colorado will proceed.

Mr. CARROLL. Mr. President, this discussion arose last evening following the remarks of the able Senator from California [Mr. ENGLE], who was pointing out to the Senate that he believed too much preference was being given to retired admirals and generals in appointments to civilian agencies of the Government. The question was not their loyalty. That is not the issue at all. The question is ability, integrity, and knowledge of the agency. It is a question of appointing men who have had some training in economics and politics, and who have been concerned most of their lives with what we call the general welfare clause of the Constitution.

The junior Senator from Colorado did say what I now quote from the RECORD in his colloquy with the Senator from Arizona [Mr. GOLDWATER], who, it was developed last night, is a brigadier general in the Air Force Reserve: "I understand the natural affinity that one general has for another."

What I tried to convey to the Senator from Arizona was that a constitutional question was involved, and that a general could not determine foreign policy under the Constitution. Last night we were talking about a President of the United States who had recalled a general who, the President felt, might broaden a local war which could have developed into world war III. That question was debated in Congress at one time. However, most people have always contended that under the Constitution civilians are always supreme over the military in this democracy.

Therefore, there is no intent to impugn the loyalty or even the ability of the military men whom we have trained and who have dedicated their lives to our Nation. We give them adequate pensions, and they are entitled to it. These men devote their lives to the service of this Nation. What we were talking about last night was whether it is a wise policy to have these men go into our great civilian agencies to handle billions of dollars worth of our economy. We are not talking specifically of this admiral or that general. We were talking on the broad issue.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. CARROLL. Not at this time. I have only 3 minutes. I wish to respond. The able Senator from California was seeking to develop what I believe to be a fundamental philosophy.

It is true that the junior Senator from Colorado said that in 1952, when we elected a general in this country, there was a similar pattern in Latin American countries. Many generals were running those countries. The junior Senator from Colorado did say he thought there were too many generals running too many countries. He did make the observation that there were too many colonels and generals, perhaps, in the U.S. Senate.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SCOTT. Mr. President, I ask unanimous consent that the Senator from Colorado may have 1 additional minute, so that I may address a question to him.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. CARROLL. I am happy to yield.

Mr. SCOTT. The Senator from Colorado is from the State which has the great, new Air Force Academy, which I visited quite recently. Would the Senator from Colorado rule out all of the graduates of the Air Force Academy from the possible pursuit of careers in civil life, including civilian careers in the Government?

Mr. CARROLL. No; not at all.

General Mussett, who recently retired as commander of Lowry Field in Denver, where for several years the Academy was located, was very quickly picked up by the Martin Co. He has gone into private industry. The Martin Co. may want to use his skill in that field, because the Martin plant builds the Titan, and perhaps General Mussett has had some particular experience in that field. We know that private corporations are constantly picking up retired military people.

Mr. COTTON. Mr. President, I commend the distinguished Senator from Colorado for his fine statement that a man's personal ability and integrity is what counts, rather than his background.

I should like to terminate this discussion, much of which has been irrelevant, by putting into the RECORD a biographical sketch of John Stuart Bragdon, a retired officer of the U.S. Army. He was born in Pittsburgh, Pa., on May 21, 1893. His education was acquired in the U.S. Military Academy, the Carnegie Institute of Technology, the U.S. Engineer School, and the Command and General Staff School. He has had the following experience:

Commissioned second lieutenant, 1915; advanced to major general, October 1950. Retired June 30, 1951. General staff with troops, Philippine Islands, 1929–31. District engineer, Providence, R.I., 1931–41, directed flood control and river and harbor improvement in western New England. Division engineer, Atlanta, Ga., 1941–44; directed all war construction in South Atlantic States; airfield construction in South and Central America and West Indies. Assistant Chief of Engineers, U.S. Army, 1944–50. Deputy Chief of Engineers, 1950–51. Staff member of Council of Economic Advisers, 1954–55. Special Assistant to the President for public works planning, 1955 to present. Awarded Purple Heart; D.S.M.; O.L.C. Honorary member, American Institute of Architects.

Mr. President, I suggest that that represents the varied and distinguished experience and background of a man who is competent both in civilian and military activities with respect to matters in Government and Government planning, and who will serve well in the capacity for which he has been nominated.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time for debate is exhausted. The question is, Will the Senate advise and consent to the nomination of John S. Bragdon to be a member of the Civil Aeronautics Board? The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT] and the Senator from Montana [Mr. MURRAY] are absent on official business.

The Senator from Missouri [Mr. HENNINGS] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from

Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

On this vote, the Senator from Alaska [Mr. BARTLETT] and the Senator from Massachusetts [Mr. KENNEDY] would vote "yea," if they were present and voting.

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Kansas [Mr. SCHOEPPEL] is absent because of death in his family.

If present and voting, the Senator from Kansas [Mr. SCHOEPPEL] would vote "yea."

The result was announced—yeas 73, nays 18, as follows:

[No. 256]

YEAS—73

Aiken	Fong	Mansfield
Allott	Frear	Monroney
Beall	Fulbright	Morton
Bennett	Goldwater	Mundt
Bible	Gore	Muskie
Bridges	Green	Pastore
Brunsdale	Hart	Prouty
Bush	Hayden	Randolph
Butler	Hickenlooper	Robertson
Byrd, Va.	Hill	Russell
Byrd, W. Va.	Holland	Saltonstall
Capehart	Hruska	Scott
Carlson	Jackson	Smathers
Case, N.J.	Javits	Smith
Case, S. Dak.	Johnson, Tex.	Sparkman
Chavez	Johnston, S.C.	Stennis
Church	Jordan	Talmadge
Cooper	Keating	Thurmond
Cotton	Kerr	Wiley
Curtis	Kuchel	Williams, Del.
Dirksen	Lausche	Williams, N.J.
Dworshak	Lusk	Yarborough
Eastland	McClellan	Young, N. Dak.
Ellender	McNamara	
Ervin	Magnuson	

NAYS—18

Anderson	Engle	McCarthy
Cannon	Gruening	McGee
Carroll	Hartke	Morse
Clark	Humphrey	Moss
Dodd	Long, Hawaii	Proxmire
Douglas	Long, La.	Young, Ohio

NOT VOTING—9

Bartlett	Kennedy	O'Mahoney
Hennings	Martin	Schoeppel
Kefauver	Murray	Symington

So the nomination was confirmed.

FEDERAL MARITIME BOARD—NOMINATION OF VICE ADM. RALPH E. WILSON

The legislative clerk read the nomination of Vice Adm. Ralph E. Wilson, of Maryland, to be a member of the Federal Maritime Board.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). The question is, Will the Senate advise and consent to the nomination of Vice Adm. Ralph E. Wilson to be a member of the Federal Maritime Board?

Mr. YARBOROUGH. Mr. President——

The PRESIDING OFFICER. The Senator from Texas has not had any time yielded to him.

Mr. YARBOROUGH. I desire to speak for half a minute on the action which just took place.

The PRESIDING OFFICER. Is there objection?

Mr. DIRKSEN. Mr. President, this is out of the controlled time, I take it.

The PRESIDING OFFICER. Will the Senator from Texas restate his request?

Mr. YARBOROUGH. I ask unanimous consent that I may have 1 minute to speak on the general subject of the nominations on the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. YARBOROUGH. Mr. President, in voting for confirmation of the nomination of John S. Bragdon to be a member of the Civil Aeronautics Board, I do not mean thereby to approve the practice of stacking civilian boards with military personnel. The Senate has, for 7½ years, been confirming nominations of military personnel to civilian boards.

As a member of the Senate Committee on Interstate and Foreign Commerce, I heard the testimony about John S. Bragdon, an engineering officer who had served for many years with the Army Engineers, in what might be called a civilian capacity, in the construction of works all over the country that were under the supervision of the Army Engineers.

I think the principle of stacking civilian boards with military personnel is bad. But these men, John S. Bragdon, and Ralph E. Wilson, were found to be exceptionally competent men, with fine records. The question had not been raised by the Senate in such a way that it was shown that, thumbs down, we were going to have all the civilian boards stacked with military personnel. I thought to turn down the nominations of these two men would be to put a black mark against records of a lifetime of good service in these concluding hours of confirmations.

In voting for confirmation, however, I do not approve of the principle of turning the control of our civilian government over to the military. I think the Senate should serve notice that we want to preserve the civilian character of our civilian government; and I serve notice that in voting for the confirmation of the nominations of these men under the circumstances, I am not approving the principle of turning our civilian government into a military government.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. YARBOROUGH. I ask unanimous consent that my time may be extended for 1 minute, so that I may yield to the Senator from Minnesota.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. I appreciate this courtesy because I wish to say that on the nomination just confirmed I voted "nay" on the question of advising and consenting to the nomination of John S. Bragdon to be a member of the Civil Aeronautics Board.

I want it made quite clear and I give the assurance that I have nothing against Mr. Bragdon. I am sure he is a very honorable, fine, and capable man. But I think the point was well made by the Senator from California, as well as other Senators, about filling regulatory bodies with retired military personnel.

There are no finer people than many of our retired officers, but the regulatory agencies have a responsibility of a civilian nature. They ought to be protected in that sense.

I wish to have the RECORD clear that my vote was not a vote against Mr. Bragdon, but against the principle of such appointments. I wish him well. I am sure he will do well in his responsibility. I would not desire to have any vote I cast be a reflection upon a man's honorable service. I hope he will understand the spirit of the vote which was cast.

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that I may have 1 additional minute.

Mr. DIRKSEN. Mr. President, I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. DIRKSEN. The time is controlled. Senators are discussing the nomination. I think we ought to hold the discussions under the agreement. Senators have 10 minutes. I think the acting majority leader should yield some time.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Florida yield for a parliamentary inquiry?

Mr. SMATHERS. I yield.

Mr. BUTLER. Mr. President, how much time remains, and who is in control of the time?

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader. The time remaining is 10 minutes for each side.

The Senator from Florida is recognized.

Mr. SMATHERS. Mr. President, I yield 3 minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 3 minutes.

Mr. GRUENING. Mr. President, I rise in opposition to the confirmation of the nomination of Vice Adm. Ralph E. Wilson, of Maryland, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1964.

I have nothing whatever against Admiral Wilson. The testimony appears to show that Admiral Wilson is an excellent individual.

It is a fact that I agree with the points raised by the distinguished junior Senator from California last night and subsequently. The present administration is packing our boards with military men. And had it not done so this issue would not now have been raised.

There is a further principle involved which I consider to be more important; that is, it is wrong to tie the hands of an incoming President with appointments which will last well through his administration. If the nomination of Admiral Wilson is confirmed, he will

serve during the entire term of the next President of the United States.

There will be a national election 4 months hence. We shall have a change of administration. This Congress will expire in 10 days. If the President wishes to do so, he can make whatever interim appointment he desires, and the recess appointee will be able to serve until January, or until such time as the next President should see fit to make a change.

There is a basic difference in philosophy between the Republican Party and the Democratic Party as to regulatory agencies. That was well expressed by my distinguished colleague from California when he said that this administration, in regard to regulatory agencies, is sending the foxes to guard the chickens.

When I quoted that statement for the RECORD, this morning I noticed on page 13800 there was a typographical error, and I was made to say:

> The Eisenhower-Nixon administration has set the foxes to gnaw the chickens.

That was an error, but I am not sure I should not let it stand. What I said was that the Eisenhower-Nixon administration had sent the foxes to guard the chickens, as was stated by the Senator from California.

I have called attention to this item, and I believe the permanent RECORD should be changed. But it may well be that the foxes have gnawed the chickens or devoured them.

Mr. President, only a few months ago we confirmed the nomination of another member of the Federal Maritime Board. This means that the next President of the United States, who in my judgment is very likely to be a Democrat, will be able to do nothing with the Board for a time, in this case for 4 years, if this nomination is confirmed.

In respect to the appointment of Mr. Lee, whose nomination will soon be before the Senate, the appointment is to be for 7 years, through the first term of our next President and 3 years thereafter.

The PRESIDING OFFICER. The time of the Senator from Alaska has expired.

Mr. GRUENING. May I have 1 more minute?

The PRESIDING OFFICER. Does the Senator from Florida yield?

Mr. SMATHERS. Mr. President, I yield 1 additional minute.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 1 additional minute.

Mr. GRUENING. Mr. President, we shall not interfere in any sense with the orderly process of government if we refuse to confirm these nominations. If the nomination of Mr. Lee were not confirmed, he would automatically continue to serve during the remainder of the Eisenhower-Nixon administration.

When our new President takes over in January he will then be able to replace Mr. Lee, if he sees fit to do so.

I therefore rise in opposition to these nominations, not because I have any criticism of the individuals. I wish to make that very clear, for what is said in this debate by me is no reflection upon them, and should not be considered as such. I agree with the comments of the distinguished junior Senator from Texas as to the merits of these appointments. But I think the principle contended for is valid, and I think it is a shame to tie the hands of the next President, be he a Republican or a Democrat.

The PRESIDING OFFICER. The time of the Senator from Alaska has again expired.

Mr. BUTLER. Mr. President, will the Senator yield to me for 1 minute? I should like to address an observation to the Senator from Alaska.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from Maryland.

Mr. BUTLER. Are not the Boards to which these appointments are to be made the arms of the legislative branch rather than of the executive branch?

Mr. GRUENING. No, under the present administration these Boards have been the arms of the executive branch, and they have carried out the policies the Executive wishes to have carried out.

Mr. BUTLER. The Federal Maritime Board is an arm of the legislative branch, not of the executive.

Mr. GRUENING. I happen to know a good deal about the Federal Maritime Board. Alaska has been seriously affected by its policies. Those policies, in my judgment, have not been in the public interest.

Mr. LONG of Louisiana. Mr. President, will the Senator yield to me?

Mr. GRUENING. My time has expired.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. SMATHERS. Mr. President, I now yield 3 minutes to the Senator from Wyoming [Mr. MCGEE].

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 3 minutes.

Mr. MCGEE. Mr. President, I trust that this body will not take lightly the principle which I think is at stake. In the Constitution great care was exercised by our Founding Fathers to separate the military from civilian control. It is specifically provided that the President shall be the Commander in Chief of the Army and the Navy.

I think there is merit in taking care with respect to any encroachments by the military upon civilian functions. Since World War II, and particularly because of World War II and of the cold war which has followed, the military has come to play a very prominent and necessarily important role in our legislating, our economizing, and our budgeting functions in the Government. The military has never before bulked so large in this respect, but probably it will become larger.

That is the reason there is point, it seems to me, in raising the question of a watch over military men moving into admittedly civilian agencies of the Government.

There is no opposition to military men as such. They have a tremendous stake in our Government. They have a great sphere of influence now. Our contention is simply an attempt to try to maintain some balance in what poses as a civilian government. We concern ourselves with the trend. Not only have the military men taken on a new influence in regard to budgeting, to the economy of the country, but also they now are serving in civilian agencies.

According to a House study, made in the present session, these military men are also going into the private sector of our economy, in corporations which deal with contracts with the Defense Department. More than 1,400 are serving in that capacity.

I suggest, in conclusion, that this is not an occasion of the foxes being sent to guard the henhouses. Rather, "us chickens" have all been crowded out, or are being crowded out. As a matter of fact, the foxes are being sent to watch the foxes in the foxholes.

Mr. BUTLER. Mr. President, will the Senator from Illinois yield me 1 minute?

Mr. DIRKSEN. Mr. President, I yield to the distinguished Senator from Maryland.

Mr. BUTLER. Mr. President, I strongly recommend the confirmation of the nomination of Adm. Ralph Wilson to be a member of the Federal Maritime Board. Currently we are gravely concerned with the seapower capability of this Nation. Seapower capability is a combination of naval fleet capacity and merchant fleet capacity. We need such capability on all fronts. Admiral Wilson as Deputy Chief of Naval Operations for Logistics has acquired an extensive and invaluable experience in a distinguished naval career. He has always been a stanch advocate of a strong merchant marine. His vast store of knowledge is eminently necessary and badly needed at this time. To penalize the welfare of our maritime posture due to the fact that he has previously served over a period of years as one of our leading naval officers is not only grossly unjust to him, but to our Nation as well.

I am adamantly in favor of the confirmation of his confirmation, and I am adamantly opposed to an expressed shortsightedness which would preclude it.

I hope the Senate will confirm the nomination.

Mr. SMATHERS. Mr. President, I yield 3 minutes to the able Senator from California. Before I do so, may I ask the Presiding Officer how much time remains?

The PRESIDING OFFICER. Three minutes remain for the Senator from Florida.

Mr. SMATHERS. Mr. President, I yield the 3 minutes remaining to the Senator from California.

Mr. ENGLE. Mr. President, I think it is necessary for me to state again that the opposition to this nomination, as in the preceding case, is no reflection upon the nominee, in this case Admiral Wilson. We do not intend to put it in that category at all. It is a question of principle. It is a question of whether or not we are going to have a civilian government; and I have high precedent which I would like

to read to my colleagues—a letter from President Eisenhower written in 1948. This is what he said:

> It is my conviction that the necessary and wise subordination of the military to civil power will be best sustained and our people will have greater confidence that it is so sustained when lifelong professional soldiers—

I am not talking about civilian soldiers, who soldier a little—

> in the absence of some obvious and overriding reasons, abstain from seeking high political office.

That is what the President of the United States said, and he went on to say—and I emphasize this:

> In the American scene I see no dearth of men fitted by training, talent, and integrity for national leadership.

I would add that there is no dearth of men in the great maritime industry in this country who have the competence to administer this. That is why I am objecting to these appointments. It is a matter of principle. In this instance we not only have a military man, an admiral, but he is being appointed to a 4-year term, which will place that appointment beyond the purview of the next administration, whoever may head that administration.

Let me add that there is already one admiral in the Maritime Commission. The maritime administrator is an admiral. Now we shall have an admiral as Chairman of the Board. I assert that it is a reflection upon the great maritime industry that somewhere throughout the length and breadth of this land or somewhere along the extensive seacoast we have not been able evidently, through the executive department at least, to find a civilian who is willing, able, and competent to act as Chairman of this great Maritime Board.

This is a test of principle, as to whether or not we believe that civilian regulatory agencies ought to be operated by civilians. I suggest that if the Senator thinks that is a sound principle of government, he should vote down the nomination, not because Admiral Wilson is not a good, competent and able man, but because we ought to have civilians in control of our civilian regulatory agencies in this country.

The PRESIDING OFFICER. The time of the Senator has expired. Three minutes remain for the proponents; the time of the opposition has expired.

Mr. DIRKSEN. Mr. President, I trust that the nomination of Admiral Wilson will be confirmed by the Senate. I point out certain facts.

First, no minority views were expressed with respect to the appointment. The only opposition view is an individual view, and insofar as I can ascertain, the other members of the committee support the nomination.

Second, there is no question about the competence of the appointee. He has had a brilliant record, both in war and in peace, that commends him for this type of work.

Third, there are no politics involved. I do not know whether Admiral Wilson is a Republican or a Democrat, or what he is. The President has appointed him to the Maritime Board, dealing with vessels, their operation, construction differential subsidies, and all the other things that are enjoined upon that Board by the Maritime Act.

Here is an old sea dog, so to speak, with long experience; and if he cannot adequately discharge the responsibilities of this position, I do not know who might be able to do so.

We are not passing judgment upon the basis of the fact that he wore a uniform. That would indeed be a rather vague line to follow in judging whether a person can perform his duties, to the satisfaction of the appointing power, but more particularly in the interest of the people of the United States. We are passing upon his capacity to discharge this responsibility in the future.

The fact that he has worn a uniform and that a number of stars and anchors have graced his shoulders should never be the deciding factor. I quite agree that there could be such a thing as loading Government with military personnel to the point where they assert the dominant view, but certainly that is not the case here. I think we are in a position to get a high type public service on the part of a person whose record has been established beyond all doubt. He merits the wholehearted confirmation of the Senate.

I yield back whatever time I have remaining.

Mr. GRUENING. Mr. President——

Mr. DIRKSEN. I yield first to the Senator from Alaska.

Mr. GRUENING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRUENING. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. GRUENING. I ask for the yeas and nays on this nomination.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished Senator from Arizona.

Mr. GOLDWATER. In the remarks that my distinguished friend from California just made he said this vote would be based on a principle. The principle to which he refers is a principle with which I and most other Americans agree, namely, that in our Government military people should not gain power over civilians.

This principle, however, is not involved. The principle, as my friend from California states it, is that civilians are to operate our Government agencies. What is a retired military man but a civilian? What is a retired doctor or a retired politician? Because a military man happens to choose to serve his country in uniform instead of in the toga of a Senator, in the House of Representatives, as a Governor, or in the robes of a doctor, does that make him any different when he retires?

I suggest that this is indeed a strange principle. If we accept the thesis of my friend from California, we must create a new breed in this country, and a new corral, so to speak, where we can put this breed, where they can live the rest of their lives in retirement and be denied the opportunity to serve their country. That is a strange attitude for a Senator to take—to deny any American civilian the right to serve his country merely because at one time he wore the uniform of the military.

Mr. ENGLE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I have no time to yield. I think it is wrong to adopt the broad principle of avoiding the domination of the military over civilians and to try to apply it to retired officers. I think we would be making a dreadful mistake if we did so.

Mr. DIRKSEN. Mr. President, I yield to the distinguished Senator from California.

Mr. ENGLE. I would like to make the comment that in my statement I followed the language of the President of the United States in the letter from which I have quoted time and again, in which he referred to lifelong professional soldiers being selected for civilian positions in the Government. That is what I am talking about. After military officers retire, they can do other things, perhaps in industry, but they should not be in the Federal civilian regulatory agencies.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ENGLE. I yield.

Mr. GOLDWATER I ask my friend from California what he would suggest we do with retired military men who have had lifelong service of, let us say, 20 or 30 years. What shall we do with such men who wish to serve their country when they are in the bloom of life at 60 or 65 years of age? Are we to say to them "Stay out of the Government; we do not trust you"? Where are we going to shove those citizens?

Mr. ENGLE. I would like to see them draw their pensions and go fishing. But if they do not want to do that, they should go into industry. I understand that industries all over the country hire a great many retired military personnel. I am in favor of that. What I oppose is lifelong professional soldiers taking over the Government's civilian regulatory agencies.

Mr. GOLDWATER. The point was raised in last night's debate, and an objection was raised that there were too many generals and colonels in the Senate.

Mr. ENGLE. I did not make that objection.

Mr. GOLDWATER. I know the Senator from California did not, because he himself is a colonel.

Mr. GRUENING. I do not share that view. I certainly do not share the view that there are too many military officers in the Senate. Most of us have served in the Armed Services at one time or another and are the better for having performed such service. I dissociate myself from any such position.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time

Mr. SMATHERS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Vice Adm. Ralph E. Wilson to be a member of the Federal Maritime Board?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Louisiana [Mr. ELLENDER], the Senator from Louisiana [Mr. LONG], the Senator from Oregon [Mr. LUSK], and the Senator from Montana [Mr. MURRAY] are absent on official business.

The Senator from Missouri [Mr. HENNINGS] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oregon [Mr. LUSK] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Kansas [Mr. SCHOEPPEL] is absent because of death in his family.

The Senator from Kentucky [Mr. MORTON] is detained on official business.

If present and voting, the Senator from Kansas [Mr. SCHOEPPEL] and the Senator from Kentucky [Mr. MORTON] would each vote "yea."

The result was announced—yeas 68, nays 19, as follows:

[No. 257]

YEAS—68

Aiken	Ervin	Mansfield
Allott	Fong	Monroney
Anderson	Frear	Mundt
Beall	Goldwater	Muskie
Bennett	Green	Pastore
Bible	Hart	Prouty
Bridges	Hayden	Randolph
Brunsdale	Hickenlooper	Robertson
Bush	Hill	Russell
Butler	Holland	Saltonstall
Byrd, Va.	Hruska	Scott
Capehart	Jackson	Smathers
Carlson	Javits	Smith
Case, N.J.	Johnson, Tex.	Sparkman
Case, S. Dak.	Johnston, S.C.	Stennis
Chavez	Jordan	Talmadge
Church	Keating	Thurmond
Cooper	Kerr	Wiley
Cotton	Kuchel	Williams, Del.
Curtis	Lausche	Williams, N.J.
Dirksen	McClellan	Yarborough
Dworshak	McNamara	Young, N. Dak.
Eastland	Magnuson	

NAYS—19

Byrd, W. Va.	Fulbright	McGee
Cannon	Gore	Morse
Carroll	Gruening	Moss
Clark	Hartke	Proxmire
Dodd	Humphrey	Young, Ohio
Douglas	Long, Hawaii	
Engle	McCarthy	

NOT VOTING—13

Bartlett	Long, La.	O'Mahoney
Ellender	Lusk	Schoeppel
Hennings	Martin	Symington
Kefauver	Morton	
Kennedy	Murray	

So the nomination was confirmed.

Mr. MOSS subsequently said: Mr. President, earlier today the Senate voted on the confirmation of several nominations to Commissions of the United States. In each instance, I cast a negative vote. I did so not because of a belief that any of the nominees was not a competent, patriotic, able man; however, based upon the principle that military personnel should not be appointed to civilian offices, and also based upon the principle that a nomination made so late in the session for a very long term should not be confirmed, I cast negative votes.

FEDERAL COMMUNICATIONS COMMISSION

The PRESIDING OFFICER. The clerk will state the nomination to the Federal Communications Commission.

The legislative clerk read the nomination of Robert E. Lee to be a member of the Federal Communications Commission.

Mr. SMATHERS. Mr. President, I understand that only one Senator wishes to speak, on this side of the aisle, in opposition to the nomination, and that is the distinguished junior Senator from Wisconsin [Mr. PROXMIRE].

Mr. GRUENING. Mr. President, I, too, wish to speak in opposition to the nomination.

Mr. SMATHERS. Mr. President, I yield 10 minutes to the able Senator from Wisconsin.

Mr. PROXMIRE. I can finish in less time than that, and shall then yield to the Senator from Alaska.

Mr. DIRKSEN. Mr. President, does not the same time limitation obtain with respect to this nomination?

Mr. SMATHERS. Yes. I yield 8 minutes to the Senator from Wisconsin and shall reserve the last 2 minutes for the Senator from Alaska.

Mr. PROXMIRE. Mr. President, it would be a gross understatement to say that there has been concern with the quality and performance of the Federal Communications Commission. The concern has been widespread for some time in the Senate, in Congress, and throughout the country. The fact is that the Federal Communications Commission regulates the most powerful media of communications ever devised.

The man who has been nominated for reappointment to the Commission is one of the very few men whose responsibility it is to regulate these media. His appointment will be for 7 years. That is a period longer than the President of the United States will serve or than any Senator will serve. It is a tremendously important appointment.

The hearings on this nomination have not been printed. Only one copy of the hearings was available. I sent a member of my staff to the committee room to study the hearings, because they could not be made available to me in my office. I think this is unfortunate, because this nomination is so vital and important and, I think, so controversial. Yet it is very difficult for Senators to have a chance to study the record, to pass on the nomination with the understanding our duty requires.

The original nomination of Mr. Lee to the Commission was made amid very serious controversy. Twenty-five votes were cast against the nomination. I think we could count on the fingers of both hands the number of nominations in which so heavy a protest has been lodged in the past 8 years.

This is a controversial nomination to a commission with which very few persons are satisfied. No hearings are available, and we must act on the nomination, I believe, on the basis of inadequate information.

In these hearings that are so difficult for Senators to obtain, the following points were developed by members of the committee, before whom Mr. Lee appeared. One member of the committee said:

> There has been such little regulation by the FCC that the owners of the broadcasting stations have reached the conclusion that they own the airways.

Further, he said:

> I do think the payola investigations have shown it is time for the FCC to assert its regulative power for better dissemination of programs to the American people.

Another distinguished member of the committee, who is one of the outstanding Members of the Senate, said:

> But you say you have the authority to investigate these things, and you haven't been doing them down there in the Commission. Outside of the Lamb case, there has been no case where a broadcaster was refused a license renewal because he hasn't given sufficient public service time. That has been the whole matter of allowing this matter to drift and drift.

Then the chairman of the committee said:

> The record is replete with questions that I have asked the Commission when they came before us on appropriations. "Do you need more money or help for monitoring?" And the answer is always "No."

Another member of the committee said:

> The issue here is the prerogative of the broadcaster to limit the time that a political candidate may buy.

The chairman said:

> I, frankly, don't think the Commission has accepted their responsibility in this field. As I said in the beginning, we are not going to go into that now because you are only one Commissioner. But we intend to keep right on top of it from here on in.

Later another member of the committee said:

> The question of boosters, which is necessary for effective TV in the West, has been postponed again and again by the Commission. These delays are actually keeping TV out of some of our mountain communities. My point is: Suppose we treated your nomination with this same drift. We would catch the devil.

Another Senator said:

> In Texas, the Waco case, in which one candidate was put on as a weather broadcaster, and the opposition didn't get any time, did you vote against the station? No.

That incident was brought out very well on the floor the other day by the distinguished junior Senator from Texas [Mr. YARBOROUGH]. To most of us who

have studied the case, this seems to be a violation of the regulation concerning treatment of political candidates.

A distinguished Republican member of the committee said:

It would seem to me that that station indulged in a complete subterfuge to give that man an advantage, and somebody ought to check it.

Another member of the committee said:

Certainly. And they appealed to the FCC, and they said that was perfectly all right. You are making that your precedent of your standard of fairness for the Commission.

I think the most significant criticism of the Federal Communications Commission was made by another Senator, who said:

I had occasion today to find the public service regulations that these stations accept when they take a license for TV or radio. Finally the good old Library of Congress came up with a copy of this document. I found that it referred almost exclusively to radio because it hasn't been revised since the radio days, and this is the basic document on which public service now is being granted to TV stations getting a franchise worth millions.

The nominee responded by saying:

I do have a conviction that because of the different nature and different areas, it is unwise to try to set up an arbitrary yardstick that would apply to the entire country.

Then a distinguished Republican member of the committee said:

I wasn't going to ask a single question, but you aren't getting through to me on your statement about the fact of different areas. People are not different. It would seem to me you could work out some kind of formula.

Then the nominee said:

We have had serious proposals. We have not held hearings.

This was considered by the committee to be a totally unsatisfactory statement, according to the remarks which followed.

Another member of the committee said:

I urge the Commission to proceed to set up some standards on this public service time.

The chairman said:

I think that the Commission has been very lax in checking on stations on religious time.

Mr. President, testimony of this kind goes on and on. There is no question that throughout the Nation there is great dissatisfaction with the Federal Communications Commission. It seems to me it is time that Congress did something about it. It is time to stop talking and start acting. We should start acting right now by rejecting this nomination. In instance after instance the record is replete with demonstrations that the Federal Communications Commission has not done the job which has been assigned to it. Yet when members of the Commission come before the committee, when the committee is considering the question of acting on their nominations for reappointment, they are given only a slight slap on the wrist, a little lecture and recommended for reappointment.

The nominees are pleasant men and honorable men and decent men; but they are not doing the job they were appointed to do. Mr. President, if the Commission is not doing its job, that means, perforce, that the Commissioners are not doing their job, and unless we stop some of these appointments we are not doing our job.

For instance, the nominee failed to act on a matter of subterfuge in the Waco case, and he has failed to act on payola, and he opposes development of standards which are of course absolutely essential if there is to be any meaningful regulation of the industry. He went along with the majority of the Commission, 90 percent of the time. It is true that on rare occasions he has differed with his fellow Commissioners. But 90 or 95 percent of the time he has gone along with the majority of the Commission.

Now we are considering the question of confirming his nomination for reappointment for a term of 7 years. Apparently his nomination will be confirmed, because the committee has gone along overwhelmingly with the nomination.

Mr. CLARK. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. CLARK. I understand that the Senator from Wisconsin does not intend to ask for a yea-and-nay vote on the question of confirming this nomination.

Mr. PROXMIRE. That is correct; I had that understanding with the leadership.

Mr. CLARK. I wish to congratulate the Senator from Wisconsin on the strong stand he is taking.

Mr. PROXMIRE. I thank the Senator from Pennsylvania.

Mr. GRUENING. Mr. President, will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield.

Mr. GRUENING. This is an important nomination. Should not there be a yea-and-nay vote on the question of confirming it?

Mr. PROXMIRE. I have made with the leadership a commitment to the contrary. But of course the Senator from Alaska is free as a Senator to do as he may see best.

Mr. President, I reserve the remainder of the time available to me.

Mr. SMATHERS. Mr. President, how much time remains under my control?

The PRESIDING OFFICER. Three minutes.

Mr. GRUENING. I should like to have 1 minute at the end.

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the distinguished junior Senator from New Hampshire [Mr. COTTON], who is a member of the committee, and has given a great deal of attention to this matter.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. COTTON. Mr. President, I have listened carefully to the remarks of the distinguished Senator from Wisconsin [Mr. PROXMIRE].

As a member of the Committee on Interstate and Foreign Commerce and also as a member of its Subcommittee on Communications, which subcommittee deals with the Federal Communications Commission, I wish to say that some of the remarks made by the Senator from Wisconsin have a very justifiable basis, but not with respect to this particular nominee.

The members of the committee, on both sides of the aisle, together with many other Members of the Senate, I am sure, have long been apprehensive about, and somewhat dissatisfied with, the operations of the Federal Communications Commission; and whenever any member of the Commission comes before our committee, the members of the committee, on both sides of the aisle, quite properly in the performance of their duties use the opportunity to call attention to some of the things with which they are not satisfied, as regards the Commission. That is proper, because certainly it is our duty to follow as best we can the work of the Commission.

It has been stated that the hearings on this nomination have not yet been printed. That was because there was no controversy in the committee and no indication of opposition to the nominee. The committee unanimously endorsed the nomination.

If the Senate now had before it the hearings in printed form, I believe the Senate would find that some of the observations which have been made by the Senator from Wisconsin were not made about the nominee, Mr. Lee. While I cannot speak for the other members of the committee in this regard, it has been my impression that he has been rather more aggressive and has demonstrated more fidelity to the public interest than have some of the members of the Commission who differed with him. I believe he has been rather careful in the statements he has made, because he did not wish to reflect on the other members.

The PRESIDING OFFICER. The time yielded to the Senator from New Hampshire has expired.

Mr. COTTON. Will the Senator from Illinois yield 1 more minute to me?

Mr. DIRKSEN. I yield 1 more minute to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 more minute.

Mr. McGEE. Mr. President, will the Senator from New Hampshire yield to me?

Mr. COTTON. I cannot yield at the moment.

Mr. President, I wish to say that if there had been any feeling by any Member, on either side of the aisle, of the Committee on Interstate and Foreign Commerce, which includes some of the ablest men in the body that this particular nominee was responsible for the situation in the Commission about which dissatisfaction has been expressed, Senators may be sure that minority views would have been filed and some action would have been taken. However, I suggest that the absence of minority views and the absence of such action is

proof positive of the committee's belief that confirmation of this nomination is justified.

Therefore, Mr. President, I wish to state—both as a member of the subcommittee and as a member of the full committee—that I hope this nomination will be promptly confirmed.

I know Mr. Lee. I served with him when I was a member of the House Appropriations Committee and he was a member of the staff; and, personally, I have reason to have great confidence in his ability.

Mr. McGEE. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. First, Mr. President, I yield 2 minutes to the distinguished senior Senator from New Hampshire [Mr. BRIDGES].

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 minutes.

Mr. BRIDGES. Mr. President, I wish to state that I know Mr. Lee and I respect him. He is an able and conscientious Commissioner.

He came to the Commission well trained, with a good background both in the executive agencies and in the legislative agencies of government.

Mr. CASE of South Dakota. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. CASE of South Dakota. Among the executive agencies on which Mr. Lee served was, if my memory is correct, the Federal Bureau of Investigation.

Mr. BRIDGES. That is correct; he started with the Federal Bureau of Investigation, where he made an outstanding record.

I knew Mr. Lee best as a member of the staff of the Appropriations Committee of the House of Representatives, where I saw him in action over a period of many years during my service as either chairman or ranking minority member of the Senate Appropriations Committee.

I would say Mr. Lee is one of the most competent public officials in this country, today; and I am very happy and very proud to support confirmation of his nomination.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a statement or report on the accomplishments of the Federal Communications Commission in the period 1953–60.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REPORT ON THE ACCOMPLISHMENTS OF THE FEDERAL COMMUNICATIONS COMMISSION DURING THE REPUBLICAN ADMINISTRATION, 1953–60

(By U.S. Senator STYLES BRIDGES, chairman, Republican policy committee)

A. PROGRESS IN THE COMMON CARRIER SERVICES

The past 7½ years during the Republican administration, have seen unprecedented expansion, growth, and modernization in all segments of our common carrier communications industry and in the services it furnishes to the public and the national defense.

In the domestic telephone field, the number of telephones have increased from 48 million to more than 70 million, plant investment has doubled from $13.3 to $26.5 billion, and operating revenues have grown from $4.4 billion to $8.5 billion.

Notwithstanding the inflationary pressures at work during this period, the rates for interstate telephone services subject to the jurisdiction of the FCC have undergone little change. In 1953 the FCC permitted the Bell System to make a general increase of 8 percent in interstate long distance telephone rates. However, in 1959, as a result of action initiated by FCC, these rates were reduced by about 3 percent.

The first comprehensive formal investigation of all interstate private line telephone and telegraph services and the rates therefor, was instituted by the Commission in 1956. During the course of these proceedings, the Commission, on an interim basis, ordered reductions made in the rates for certain private line telephone services, while permitting the carriers to effect interim increases in other private line telegraph rates. A final decision in this proceeding is expected this year.

The Commission has also fully implemented a program for the prescription and periodic revision of depreciation rates applied by all of the Bell System companies. This program is safeguarding the public against excessive accruals for depreciation expense (amounting currently to more than $950 million annually in the Bell System).

In the domestic telegraph field, although public demand for the message telegraph services of Western Union has steadily declined, Western Union is becoming a major source of supply for private line telegraph facilities required by industry and government, particularly the national defense agencies. Since 1953, the Commission has authorized Western Union to extend or supplement its lines by addition of more than 2 million telegraph-channel miles and recently authorized construction by Western Union of its first transcontinental radio relay system which, when completed, will be used principally to furnish private line services to government and commercial subscribers.

In the international segment of the communications industry, during this Republican administration, the Commission issued authorizations in connection with the installation of submarine telephone cables to Europe and Puerto Rico, and (prior to statehood) to Alaska and Hawaii. These new facilities have vastly increased the capacity of the oversea communications systems which, theretofore, had been furnished almost entirely by radio. This development has also made possible the introduction and expansion of oversea services of all kinds, particularly customer-to-customer private line telephone and telegraph services and backbone global communications facilities needed by the defense departments.

The participation in international telegraph and telephone conferences has increased extensively in recent years. The U.S. delegation to the Administrative Telegraph and Telephone Conference held in Geneva in the fall of 1958 was headed by Commissioner John C. Doerfer, their Chairman. Common Carrier Bureau personnel have been very active in technical study groups and committees which have met at frequent intervals.

B. PROGRESS IN THE SAFETY AND SPECIAL RADIO SERVICES

The Safety and Special Radio Services encompass the activities necessary for the discharge of the Commissioner's responsibility with respect to the licensing of stations for purposes other than broadcasting or common carrier. This group represents the use of radio by industry, business, forestry, ships, planes, police, etc.

The growth and expanded utilization of radio communications in the Safety and Special Radio Services is illustrated by the following statistics:

Total authorizations outstanding:

June 30, 1953	232,111
May 30, 1960	637,166

Total transmitters authorized:

Mar. 1, 1953	584,797
June 30, 1959 [1]	1,728,947

[1] 1960 tabulation of total authorized transmitters not yet available. It is expected the increment over 1959 will be sizable in view of tremendous increase in the Citizens Radio Service.

The significant policy and rule developments contributing to this growth are:

1. Implementation by Commission rules as well as by changes to the Communications Act recommended by the administration pursuant to the Safety of Life at Sea Convention of 1948. The result of these changes has been greater usage of radio by ships on the high seas, and concomitant enhanced safety to life and property.

2. Implementation by Commission rules as well as by changes to the Communications Act recommended by the Republican administration pursuant to the Agreement for the Promotion of Safety on the Great Lakes by Means of Radio Between the United States and Canada, which became effective in 1954. The result of this program has been increased usage of radio with correlative increased safety for life and property on Great Lakes shipping.

3. Further development of the Commission's radio equipment type acceptance program, with special reference to the Marine and the Aviation Radio Services, has resulted in greater standardization of optimum technical requirements.

4. Furtherance of a universal radiotelephone calling and distress frequency and integration of safety systems for radiotelephone equipped ships by requiring ships and coast stations using the 2-megacycle radiotelephone frequency to maintain a listening watch on the 2182 kilocycle frequency.

5. Pursuant to authority contained in Public Law 321, approved during the Republican 83d Congress, which amended section 319 of the Communications Act, waived generally the construction permit requirement for most categories of stations in the Safety and Special Radio Services. This has reduced unnecessary paperwork by the public and the Commission.

6. By a series of channel-splitting proceedings, have reduced the channel separation standards and increased technical requirements in most of the Safety and Special Radio Services. This development, flowing from technological developments, has greatly increased the possible utilization of the same frequency space available.

7. Adopted new policy governing assignment of frequencies in the 72–76 megacycle band so as to permit continued usage of this band for nonbroadcast repeater-control links without causing harmful interference to reception on adjacent television channels 4 and 5.

8. Consolidated previous Highway Truck Radio Service, Urban Transit Radio Service, and Intercity Bus Radio Service into a new Motor Carrier Radio Service, which permits more effective usage of frequency space allocated thereto, and extends permissible radio usage to urban, in addition to, suburban areas.

9. Extended by appropriate body of rules the conelrad program to all the Safety and Special Radio Services. This system minimizes the navigational aid an attacking enemy might obtain from radio emissions.

10. By clarification of the rules governing the Special Industrial Radio Service, and by the creation of the Manufacturers Radio Service, the Business Radio Service, and the

Telephone Maintenance Radio Service, made private radio communication available to all segments of the Nation's business and commercial enterprises.

11. Revised rules governing the Citizens Radio Service which created more categories of radio stations thereunder, added and changed frequencies available thereto, and eliminated certain eligibility restrictions, with the result that private communication radio has become available to all citizens for both business and personal uses.

12. Implementation by Commission rules of the 1956 amendment to the Communications Act which requires certain vessels carrying more than six passengers for hire to be fitted with radiotelephone installations. Again, safety of life and property has been enhanced by this program.

13. Creation of new Aeronautical Search and Rescue mobile radio station, thus aiding in such safety operations by aircraft.

14. Certain microwave bands of frequencies made available on a regular basis to licensees of airborne navigational aids, thereby facilitating greater efficiency and safety in air travel.

15. Creation of Local Government Radio Service, which permits non-Federal governmental entities to use radios for administrative traffic as well as multiple usage for a variety of public safety functions, thereby implementing the Republican administration's policies respecting States' responsibilities.

16. Following survey of communications needs in Alaska, revised rules governing frequency usage in Alaska so as to employ geographical frequency assignments. This has resulted in more efficient frequency usage in that State which has special communications problems. Elsewhere in continental United States, some geographical sharing of frequencies has been instituted also in the Industrial Radio Services, thereby effectuating greater frequency economies.

17. Implementation by Commission rules of legislation permitting licensing of aircraft radio stations to aliens under certain controlled conditions. This facilitates the flow of international air traffic without interruption to radio communications.

18. Specific plans for Radio Amateur Civil Emergency Services (RACES) have been approved and RACES licenses issued. These plans delineate civil defense functions whereby certain amateurs are authorized to participate in such defense functions during national emergencies, using certain regularly allocated amateur frequencies.

19. Study of competing needs and usages for frequencies above 890 megacycles (microwaves). At present, microwave utilization in the Safety and Special Radio Services, is limited for the most part to short term developmental grants. A Commission report and order, which looked toward opening areas of the microwave spectrum to regular private usage in these services, is now in abeyance pending Commission action on requests for reconsideration.

20. Study of competing needs and usages for frequencies in the frequency range 25 to 890 megacycles. Analysis of information presented to the Commission and ultimate rulemaking proceedings flowing therefrom are expected to result in further increased effectively frequency utilization.

C. PROGRESS IN THE BROADCAST SERVICES

The broadcast services include standard broadcast (AM), frequency modulation (FM), television (TV), and associated auxiliary services.

1. Establishment of the nationwide television system: During the past 7 years a major achievement of the Commission has been its activities in guiding, promoting, and fostering the establishment of a nationwide television system. Between 1953 and the present, the number of authorized TV stations has increased from 283 to 717. Whereas in 1953 television stations were limited primarily to the major metropolitan centers today there are one or more stations operating in over 300 separate communities. Similarly, the number of TV sets in use has grown from 21 million to over 52 million and the percentage of homes with TV sets has grown from 40 percent to 87 percent. Over 80 percent of the homes with TV now are able to receive four or more TV stations. In addition to these figures there are 150 odd translator stations. Thus, almost every person in the United States is within the reach of at least one television signal. Thus, in the past 7 years television has become an integral and pervasive element in American life providing education, entertainment, and news to practically the entire American Nation.

The Commission has played a major role in speeding applications and devising methods of permitting stations to go on the air in as many communities as possible within the shortest time feasible consistent with the requirements of due process. The Commission has also been engaged in intensive study to find ways and means of encouraging a further expansion in the growth of TV stations.

To provide this fantastic growth in the number of television stations on the air required, under the law, long and complex public hearings on hundreds of competitive applications for these stations. It is estimated that half a million pages and 125 million words of testimony and exhibits were involved. The analysis of this vast amount of testimony by the Commission's staff, the oral arguments on each case before the Commission, the rulings on the literally thousands of exceptions filed by the parties, the writing of the final decisions in all of these cases, and the defense of the scores of appeals to the courts was indeed a monumental job. The Commission and its limited staff literally devoted themselves night and day to this task in order to make this accomplishment possible.

2. Further growth of radio: Concomitant with the phenomenal development of TV has been a steady and continuing expansion in aural radio, both AM and more recently FM. The number of authorized AM stations in this period has grown from 2,524 to 3,541. The Commission has been able to grant licenses to more and more stations to serve as local outlets for their communities. Whereas in 1953 there were approximately 1,300 cities and towns with one or more radio stations, the number has now grown to approximately 2,000. More recently there has been a revived interest in FM broadcasting and the Commission has given every encouragement to the growth and advancement of this service. The number of authorized FM stations has grown from 743 in 1953 to 1,023 in 1960.

3. Color TV: In December 1953 the Commission established the rules and regulations for a compatible color TV system. Within the framework established by the Commission there has been a gradual and steady development of this improved service, which may over a period of time replace black-and-white television in substantial part.

4. Educational TV: The Commission has recognized the importance of reserving TV channels for the exclusive use of educational organizations and has resisted any efforts to divert such channels to other uses. The Commission has authorized 70 stations scattered throughout the United States and its possessions. Recently, in December 1959, the Commission authorized an experiment in airborne TV for educational purposes which has potentialities for promoting nationwide educational networking.

5. Subscription TV: One of the most knotty problems which the Commission has been called upon to resolve is the proper role of a subscription TV service in the United States. The Commission was acutely aware of the overwhelming public interest in maintaining the present system. At the same time it recognized the desirability in the public interest of encouraging experimentation and growth of a new service. Accordingly, the Commission in March 1959 established the basis upon which tests could be made to ascertain the public interest in and the need for a subscription TV service without damage to the present system.

6. TV in rural areas: The Commission is keenly aware of the public interest in providing TV service to as many people as possible, including the scattered populations in rural areas for whom TV is particularly important. The Commission has authorized 300 translator stations whereby small communities in isolated areas can obtain service at relatively low cost. It is now exploring other means of encouraging the widespread utilization of TV by rural communities.

7. New technical development in the radio art: The Commission has been active in providing for wide experimental development of stereophonic radio.

8. Since 1952, regional and bilateral broadcasting agreements have been negotiated. These agreements are designed to give domestic broadcasters as much protection as possible from harmful interference which might otherwise be caused by broadcasters outside the country, while at the same time recognizing that the available broadcast channels must be shared on an equitable basis with neighboring countries. Outstanding among these agreements are the North American regional broadcasting agreement and the United States-Mexican radio broadcasting agreement. Both deal with the standard AM broadcast band. The former was signed in 1952 and ratified in 1959, concurrently with the latter.

D. PROGRESS IN FIELD ENGINEERING AND MONITORING

The Commission has a field organization which assists in the discharge of its obligations under law and treaty. Field engineering and monitoring work is performed by staff located in a Washington headquarters and 49 offices and monitoring stations throughout the United States and Puerto Rico. It consists of three basic activities—enforcement, application processing and licensing, and monitoring. Enforcement includes the physical inspection of radio stations to determine compliance with the Communications Act, Commission rules and regulations, and other laws: investigation of interference complaints and unlicensed operations; and administration of parts 15 and 18 of the rules covering industrial, scientific, and medical equipment. Application processing and licensing covers licensing of stations and examination and licensing of radio operators, both amateur and professional; issuance of safety certificates to shipowners or licensees; and examination of applications for compliance with rules governing antenna placement, marking, and lighting. Monitoring covers the identifying, observing, and measuring processes which help insure proper operating procedures and signal characteristics of radio stations.

A list of major accomplishments and advances in the performance of these activities follows.

1. Completion of the conversion and modernization of our long range direction finding system. This has provided greatly increased accuracy and efficiency of operation.

2. Establishment of two TV mobile enforcement units and two microwave mobile monitoring facilities. This has improved our enforcement capability.

3. Relocation from rented to surplus government property of two monitoring stations. This has reduced operating expense and increased efficiency. We have also relocated an

additional monitoring station with resultant increased effectiveness and accuracy of operations.

4. Establishment of two marine offices (Tampa, Fla., and San Pedro, Calif.). This has significantly increased our effectiveness and efficiency, especially in the small boat field.

5. Institution of an interim licensing procedure at 22 marine offices. This has expedited the issuance of operating authority to new licensees of small boats and this is important to their convenience and safety.

6. Complete revision of the examination and grading procedure for the examination and licensing of a possible quarter of a million applications for commercial class radio operator licenses annually. This has reduced delays and increased efficiency.

7. Inspection and certification of approximately 500 Great Lakes vessels annually as required by international agreement with Canada. This new undertaking will improve operation and increase safety on the Great Lakes.

8. Establishment of 33 cooperative interference committees in accordance with the policy of the administration to provide increased self-help in solution of interference problems by commercial user organizations. The number of television interference committees (similarly organized and sponsored) for clearing amateur interference was also increased from 293 to 529.

9. Cooperative arrangement with the Department of Defense to provide for the tracking and reporting of telemetering information of high altitude balloons for improvement of weather observations.

E. PROGRESS IN FREQUENCY ALLOCATIONS, TREATY WORK AND TECHNICAL STANDARDS

Allocation of the radio spectrum among the conflicting claimants for its use is a continuing responsibility involving in some way nearly all segments of the Commission's activities. Since radio waves cross both State and National borders, allocation work is carried on at both national and international levels. Securing maximum utilization of frequencies in a crowded spectrum also involves continuing review of technical standards to make sure that each radio station uses no more spectrum space than necessary. Considerable progress has been made in each of these two related areas of activity since 1952.

1. A wholesale reorganization of international radio frequency allocations resulted from a series of international radio conferences between 1947 and 1951. Thereupon, the Commission adopted a 4-year program which, with industry cooperation, was completed successfully. Thousands of assignments to individual radio stations were changed. Other nations took concurrent action. The result was to bring about more effective worldwide usage of that part of the radio spectrum useful for long-distance communication.

2. In addition to implementing the agreements of the earlier conferences, the Commission engaged in a 2-year preparatory study, in cooperation with the Department of State, to prepare for a major international radio conference which was held in 1959. From the standpoint of the United States, this conference was highly successful, providing a basis for more satisfactory and more efficient spectrum usage in the future. The U.S. delegation was headed by an FCC Commissioner.

3. The Commission has participated in the negotiation of several bilateral arrangements with Canadian and Mexican telecommunication regulatory bodies. These have provided more effective transborder communications and have minimized the number of cases of harmful interference between stations operating on either side of the border.

4. Commission support has aided the establishment of frequency allocations and site protection for radioastronomy and allied scientific work. Without such action, scientific operations in this new field would be greatly handicapped. The job is not yet finished.

5. A program of type acceptance and type approval of radio transmitting equipment used in most radio services has been instituted. These programs call for actual tests of equipment to determine their suitability for licensing before use of the equipment is authorized. By thus screening transmitting equipment before licensing, the use of substandard or poorly designed equipment is reduced or eliminated. This has greatly reduced radio interference in the radio spectrum and has eased the burden imposed upon industry of showing compliance with necessary technical regulations.

6. A very serious threat to the effective use of high frequency communications—interference to the various radio services by incidental radiation devices such as industrial radiofrequency heaters and medical diathermy machines—has been brought under control by adoption of new rules and strenuous enforcement procedures which include hearings and court injunctions. As a result, the incidental radiation (which conservatively has been estimated currently to amount to about 160 million equivalent watts of power) from these industrial and medical machines has been confined by the new regulations to specific narrow bands in the radio spectrum or has been eliminated by effective shielding methods. Communications involving safety of life and property thereby have been made more safe and more effective.

7. New technical standards have been adopted which reflect the improved state of the art in all radio services. Some examples of the new standards include: (a) Technical standards and regulations providing for color television; (b) split channel standards in land mobile communications service which effectively doubled the number of channels available to such important services as police, highway emergency, taxis, industrial and telephone communications; (c) single sideband provisions which permit more effective communications in less spectrum space than conventional systems; (d) standards limiting the spurious, or undesired, radiation from transmitters and receivers.

The combined effect of such standards has been to reduce the potentialities of harmful interference between various radio services, to provide better broadcast and television service to the public, and to facilitate more effective communications to all radio users.

F. CONELRAD AND NIAC

The Commission, in cooperation with the Air Force, has instituted and administers a highly important defense measure. This is the program known as conelrad (control of electromagnetic radiation). The purpose of conelrad is to minimize the radio navigational information which might be obtained from U.S. radio stations during time of air attack while at the same time providing for the use of these radio facilities for defense purposes. From its inception in 1953 to the present, the conelrad program has expanded and has satisfactorily proved its worth to authorities responsible for military and civilian safety in time of enemy attack. Conelrad facilities and procedures also have been found to be of great value during peacetime emergencies such as occur during floods or tornadoes.

Under authority set forth in Executive Order 10312, the Commission has established a National Industry Advisory Committee (NIAC) consisting of representatives from each of the organized radio services licensed by the Commission. The purpose of this committee is to further formulate and develop plans to be used in the event of a national emergency such as (1) development of standby emergency communication facilities, development of plans to restore normal communications as soon as possible after the conelrad radio all clear and to assist the military and Federal, State and local civil defense officials. The first accomplishment of the NIAC was the finalization of an interim plan to provide broadcasting facilities for national program on an emergency basis.

Forty-eight State industry advisory committees have also been established. These committees have somewhat the same duties as the NIAC but on the State and local level. Several of these State industry advisory committees have established State defense networks (FM) for use in preattack and postattack conditions.

G. LEGISLATIVE ACTIVITIES

In 1953 the demand for broadcast communication services and facilities reached an alltime high. The Commission was at a serious disadvantage in meeting this demand because of certain amendments to the Communications Act which were enacted in 1952.

In general, these amendments imposed a rigid system of separations of functions prohibiting the Commission from consulting its staff on technical questions in adjudicatory proceedings; established a detailed procedure requiring the issuance of prehearing notices to applicants even in those cases where a hearing appeared inevitable and where such fact was obvious to all known parties in interest, and made provision for the filing of a protest to the grant of any license made without hearing upon such vague and indefinite grounds as to enable parties whose interest in such proceedings was primarily delayed to unreasonably prolong the institution of needed broadcast service.

Recognizing the need for eliminating unnecessary detail, reducing the volume of paperwork, and speeding up the hearing procedure to facilitate the provision of better communication service to the public, the Republican administration instituted a persistent legislative program in an effort to persuade Congress to relieve it from onerous and unnecessary statutory obstacles which impeded the attainment of its statutory mandate "to make available * * * to all of the people of the United States a rapid, efficient, nationwide * * * wire and radio communication service."

With each succeeding Congress since 1953, the Commission has proposed amendments to the so-called protest provisions of the Communications Act with the view toward preventing protests filed against the grant of applications from being used for the purpose of delaying the institution of new radio and television service to the public.

In 1956 Congress enacted the Republican administration's proposal authorizing it to deny a protest, after oral argument, without a full evidentiary hearing, upon a finding that the facts alleged by the protestant, even if proved true, would not be grounds for setting aside the grant. Congress also enacted the Commission's proposal authorizing it, in the exercise of its discretion, to permit a grant against which a protest is filed to remain in effect pending the Commission's decision after hearing on the protest.

In addition, the entire protest procedure provided for by section 309 of the Communications Act has been under intensive study by the Commission with the assistance and cooperation of the Federal Communications Bar Association. These studies have resulted in the formulation and presentation to the Congress of legislative proposals by the Federal Communications Bar Association, with the concurrence of the Commission, designed to strike an equitable balance between the rights of interested parties

affected by the Commission's grant of broadcast licenses and the public interest considerations inherent in the development and expansion of the communications service to all of the people of the United States.

In 1956, Congress also passed certain amendments proposed by the Commission which provided for greater procedural flexibility in the hearing requirements in cases involving interlocking directorates and consolidation of common carriers.

In its endeavor to further expedite the disposition of adjudicatory cases the Commission for several years proposed an amendment which would permit its review staff to more fully assist it in those matters which do not involve the final disposition of a case, thus allowing the Commission to concentrate its attention on more important and pressing questions of law and policy. This proposal was passed by the Senate (86th Cong., 1st sess.) and recently was reported out of the House Committee on Interstate and Foreign Commerce.

Also proposed by the Commission, passed by the Senate and now awaiting House action, is an amendment to eliminate the requirement of a prehearing notice to applicants and known parties in interest in those cases where a hearing appears inevitable. In most cases the applicant knows or has the means of knowing the nature of the objections to his application, hence the giving of such notice serves no useful purpose and produces the adverse effect of delaying the final disposition of the case.

The extension of TV service to the more sparsely populated areas of the country, particularly the Rocky Mountain States, has met with difficulty because of conditions peculiar to that region. The lack of large concentrated areas of population sufficient to sustain the maintenance of an adequate television operation and the rugged terrain which acts as an obstacle to the efficient propagation of an acceptable television signal have combined to deter the expansion of television service in this area.

As a result, many communities have devised their own broadcast systems through the installation of antennas, popularly called boosters which rebroadcast the signals from a station in a distant metropolitan location. These boosters are broadcast stations, the operation of which requires a license from the Commission. Moreover, the Communications Act prohibits issuance of a license for a broadcast station the construction of which was commenced without a permit for its construction having been granted by the Commission. Since all of these boosters were constructed without the issuance of the requisite construction permit, the Commission has been powerless to grant a license authorizing their operation.

In order to overcome the construction permit requirement contained in the Communications Act, and to provide an orderly system of television service to the more sparsely populated areas of the country, the Commission proposed an amendment which was passed by the Senate (86th Cong., 1st sess.) and now awaits House action to permit it to grant licenses to booster operations engaged solely in the rebroadcasting of TV signals, thereby assisting the Commission in its efforts to implement a satisfactory plan for authorizing TV service to isolated areas.

The Commission also proposed an amendment which would prohibit any person from directly or indirectly making a presentation respecting the merits of a case under adjudication without giving notice to all parties to such proceeding. This proposal is pending before the Senate Interstate and Foreign Commerce Committee.

The Commission has proposed an amendment, passed by the Senate and now awaiting House action, which would repeal a provision of the act which permits Commissioners to receive an honorarium for the presentation and delivery of speeches and papers.

In 1956 (84th Cong.) Congress enacted the Commission's proposal amending section 1343, title 18, United States Code, to prohibit fraud by wire or radio.

The Commission's legislative proposals, portions of which have been incorporated in an omnibus bill recently reported out of the House Committee on Interstate and Foreign Commerce, make it a criminal offense for any persons to participate in the production or presentation of TV quiz shows involving a contest of intellectual skill where the result of such contests is prearranged or predetermined, and extends the Commission's jurisdiction over persons other than broadcast licensees who engage in the practice of payola.

H. MAJOR LITIGATION

Because of the tremendous growth in radio and television as well as the other regulated industries, the Commission in the past 7 years has become increasingly involved in litigation in the Federal courts, having been a party to 122 cases in 1959 as against but 36 cases in 1953. Some of the significant radio and television cases that were litigated include the following:

The Commission's decision to accomplish an equitable distribution of television broadcast facilities throughout the country through the establishment of a publicly announced table of allocations with assignments to specific communities was upheld in the courts in *People Broadcasting Co.* v. *Federal Communications Commission* (209 F. 2d 286) and *Logansport Broadcasting Corp.* v. *Federal Communications Commission* (210 F. 2d 24). With this approach, which is different from that followed in radio, the Commission has been able to make such changes in assignment of television broadcast facilities to the specific communities as the changing conditions may warrant.

The decision of the Commission to issue radio station licenses on the basis of which community had a greater need for this service was found proper by the Court in 1954 in *Allentown Broadcasting Corp.* v. *Federal Communications Commission* (232 F. 2d 57, cert den 350 U.S. 1015).

The Commission's determination to prevent an undue concentration of ownership of broadcast licenses was reflected in the issuance of multiple ownership rules, and the validity of this action was upheld by the U.S. Supreme Court in 1956 in *United States* v. *Storer Broadcasting Co.*

The Commission's decision to provide for as much television facilities as possible by assigning transmitting frequencies in both the very high and ultra high frequency bands in the different communities throughout the country was sustained by the courts in 1956 (*Coastal Bend Television Co.* v. *Federal Communications Commission*, 234 F. 2d 686).

The position taken by the Commission that the private use of the radio spectrum must be subordinated to national defense requirements and consequently to prohibit private use of frequencies allocated for use in national defense was sustained by the Court in 1959 in *Bendix Aviation Corp.* v. *Federal Communications Commission* (272 F. 2d 533).

Mr. BUTLER. Mr. President, will the Senator from Illinois yield briefly to me, so that I may submit a brief biographical sketch of the nominee?

Mr. DIRKSEN. I yield.

Mr. BUTLER. Mr. President, Robert E. Lee was sworn in October 6, 1953, as a member of the Federal Communications Commission.

Commissioner Lee was appointed by President Eisenhower for a 7-year term, and his nomination was confirmed by the Senate.

He comes to the Commission from the House Committee on Appropriations, for which he was director of surveys and investigations.

Commissioner Lee entered Federal service in 1938, as a special agent for the Federal Bureau of Investigation.

In 1941 he was made administrative assistant to Director J. Edgar Hoover, and was charged with the specific responsibility of building the FBI staff for new responsibilities under the threat of war. Subsequently he was made chief clerk of the FBI.

Born in Chicago on March 31, 1912, Commissioner Lee was educated at DePaul University College of Commerce and Law. He worked his way through preparatory school and college mainly as a drug clerk and by doing part-time auditing, principally in the hotel field.

From 1930 to 1935 he served on the management staff of the Congress Hotel and Great Northern Hotel, Chicago, and the Roosevelt Hotel, St. Louis, largely in an auditing capacity.

In 1935–38 he was auditor for the American Bond & Mortgage Co. bondholders protective committee, which was created by law to handle the defunct properties of that company, and involved the reorganization of some 70 properties, such as hotels, hospitals, office buildings, and so forth.

In 1955 Commissioner Lee was named as FCC representative on the President's Air Coordinating Committee, and was designated by the Tall Tower Industry-Government Committee as cochairman.

He was designated Defense Commissioner of the FCC in July 1956.

Commissioner Lee is married, and is the father of three children.

He is a Roman Catholic and a Republican.

I wholeheartedly endorse confirmation of this nomination.

Mr. McGEE. Mr. President——

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 2 minutes.

Mr. McGEE. Mr. President, as a member of the committee, I support the statements which have been made by both the senior Senator from New Hampshire and the junior Senator from New Hampshire.

I had serious misgivings about this nominee; and questioned him very closely. Some of my questions have been referred to by the Senator from Wisconsin.

The nominee's record has many spots that are subject to legitimate criticism.

But I should like to say that the nominee has, I think, learned.

In view of this fact and in view of the fact that I can report that the nominee has followed up at least one of the goals he set for himself during the hearings, I favor his confirmation.

In the part of the country from which I come, there was a real problem in regard to television boosters and cable systems. Finally the nominee made his first trip to that area, after we had urged and urged that he do so. When he was

there, he saw the problem for himself; and after making that trip, I understand that he has changed his position on that matter.

Although, as we originally viewed the nomination, we were reluctant to approve it, I am willing to give the nominee credit for his disposition to study and to learn; and I intend to support the nomination.

Mr. DIRKSEN. Mr. President, how much time remains under my control?

The PRESIDING OFFICER. Three minutes.

Mr. SMATHERS. Mr. President, how much time remains under my control?

The PRESIDING OFFICER. Three minutes. Three minutes remain for each side.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from Pennsylvania [Mr. SCOTT].

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 1 minute.

Mr. SCOTT. Mr. President, I am glad to be able to support this nomination.

I have known Mr. Lee for some years. I have found him to be fairminded and attentive to his duties and competent in his position.

Therefore, I am very glad to be able to make this statement today.

I sincerely hope that the nomination of Mr. Lee will be confirmed.

Mr. SMATHERS. Mr. President, I yield 1 minute to the able Senator from Alaska [Mr. GRUENING].

The PRESIDING OFFICER. The Senator from Alaska is recognized for 1 minute.

Mr. GRUENING. Mr. President, although this agency has perhaps been more scandal-ridden than have most of the other regulatory agencies under this administration, I am not addressing myself to the qualifications or lack of qualifications of Mr. Lee.

I wish to point out that I think it is a grave error for the Senate to confirm any nomination for appointment for a term of 7 years, which means that the service of the nominee would continue for at least 3 years after the next full presidential term. I, for one, would not wish to embarrass President Johnson or President Kennedy or President Stevenson or President Symington or whoever is elected by taking action to confirm a nomination for appointment not only during the first administration, but also for three-fourths of the following administration, with the result that the new President would have no control over the nomination.

The next President might wish to make a change; but by confirming a nomination for so long a term, we would be tying his hands. I think that is a poor policy for the Democratic Party, which controls this Congress.

I think we ought to leave our next President free to appoint the members to the regulatory boards. Not confirming this nominee will not in any way interfere with his continuation in office. He would continue in office until the next President was elected, and the next President would then be free to make his own appointments.

Based on that conviction, and with no reflection whatsoever on Mr. Lee, I feel compelled to vote against the nomination of Mr. Lee.

Mr. SMATHERS. Mr. President, I yield 2 minutes to the Senator from Wisconsin [Mr. PROXMIRE].

Mr. PROXMIRE. Mr. President, the junior Senator from New Hampshire said the committee had spent much of its time at the hearings in criticizing and prodding the FCC. That was a proper and useful thing to do, but the trouble is, it has not gotten results. We still have the same kind of performance by the FCC. Oh, occasionally they will visit the Far West and fix up the booster problem. But if this Commission is bad, and we know it is very bad, then this nominee is also bad and should be rejected. After all, he has gone along with the Commission, chapter and verse. Nothing would jolt this Commission more than to reject these nominations, instead of a wrist-patting committee lecture. The fundamental issue in regulation of the TV–radio industry is the development of standards for regulation so we can have communication media that reflect our cultural and educational opportunities in this country. We know the widespread feeling there is in this Nation that TV does not begin to do the job it should. Indeed many Americans are convinced that the TV–radio industry, not the public interest, dominates the FCC. And they are right.

I would like to conclude by recognizing, as the Senator from Alaska does, that this is an appointment for 7 years. I think it is too bad we will saddle the next administration with a man with this kind of record.

I suppose it is impossible not to vote for a man who has the famous name of Robert E. Lee, especially in this body. That is one of the reasons why I think it would be impossible to defeat the nomination on a rollcall. The other reason, of course, is the sad fact that the nomination was reported by the committee unanimously.

Mr. DIRKSEN. Mr. President, I shall add to the discussion only this, and I will address it to the other side of the aisle: If there is any inclination to believe that when these nominations come up they are considered routinely, I can assure Senators to the contrary. When these nominations are taken up, and we are aware that at least there may be some objection, we look into the matter. I heard some rumors that there would be objection. I made my own investigation. Then I summoned Mr. Lee to my office. There were only two people present there, he and I. I had at least 40 questions to ask. I wanted to be assured on any number of things, some of which had overtones of an investigation on the House side. When I got all through with that 2-hour session, I was perfectly satisfied I could come on the floor and, in good conscience and in good spirit, defend him as a good, able, aggressive, competent public servant.

So I trust the nomination will be confirmed.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. DIRKSEN. I yield back my time.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. BRIDGES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. BRIDGES. Mr. President, is there not a sufficient second?

The PRESIDING OFFICER. The clerk will count the hands held up.

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time on the nomination has expired or has been yielded back. The question is, Will the Senate advise and consent to the nomination of Robert E. Lee to be a member of the Federal Communications Commission? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. JOHNSON], the Senator from Arizona [Mr. HAYDEN], the Senator from Hawaii [Mr. LONG], the Senator from Oregon [Mr. LUSK], the Senator from Montana [Mr. MURRAY], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Missouri [Mr. HENNINGS] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oregon [Mr. LUSK] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Kansas [Mr. SCHOEPPEL] is absent because of death in his family.

The Senator from Arizona [Mr. GOLDWATER] is detained on official business.

If present and voting, the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Arizona [Mr. GOLDWATER] would each vote "yea."

The result was announced—yeas 64, nays 19, as follows:

[No. 258]

YEAS—64

Aiken	Eastland	Morton
Allott	Ellender	Mundt
Anderson	Fong	Muskie
Beall	Frear	Pastore
Bennett	Fulbright	Prouty
Bible	Green	Randolph
Bridges	Hartke	Robertson
Brunsdale	Hickenlooper	Saltonstall
Bush	Holland	Scott
Butler	Hruska	Smathers
Byrd, W. Va.	Javits	Smith
Capehart	Keating	Sparkman
Carlson	Kerr	Stennis
Case, N.J.	Kuchel	Talmadge
Case, S. Dak.	Lausche	Thurmond
Church	Long, La.	Wiley
Cooper	McClellan	Williams, N.J.
Cotton	McGee	Williams, Del.
Curtis	Magnuson	Yarborough
Dirksen	Mansfield	Young, N. Dak.
Dodd	Monroney	
Dworshak	Morse	

NAYS—19

Cannon	Gruening	McCarthy
Carroll	Hart	McNamara
Clark	Hill	Moss
Douglas	Humphrey	Proxmire
Engle	Jackson	Young, Ohio
Ervin	Johnston, S.C.	
Gore	Jordan	

NOT VOTING—17

Bartlett	Johnson, Tex.	Murray
Byrd, Va.	Kefauver	O'Mahoney
Chavez	Kennedy	Russell
Goldwater	Long, Hawaii	Schoeppel
Hayden	Lusk	Symington
Hennings	Martin	

So the nomination was confirmed.

Mr. SMATHERS. Mr. President, I move that the Senate reconsider the vote by which the nomination was confirmed.

Mr. DIRKSEN. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

Mr. DIRKSEN. Mr. President, I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

VISIT TO THE SENATE BY FINNISH PARLIAMENTARY GROUP

Mr. SPARKMAN. Mr. President, I am pleased to announce to the Senate that we are honored today by the presence of nine Members of Parliament from a country which is certainly admired by the people of the United States, the country of Finland. I wish to present these Members of Parliament to the Senate. They are in the Chamber.

The Honorable Kustan Rafael Paasio, chairman, Foreign Affairs Committee of the Finnish Parliament; Social Democratic Party.

The Honorable Georg Carl Casimir Ehrnrooth, Member of the Finnish Parliament; Swedish Party.

The Honorable Veikko Kullervo Helle, Member of the Finnish Parliament; Social Democratic Party.

The Honorable Mauno Nikolai Jussila, Member of the Finnish Parliament; Agrarian Party.

There is one distinguished lady Member of the Finnish Parliament in the group. I take great pleasure in presenting the Honorable Miss Meeri Sirkka Kalavainen, Member of the Finnish Parliament; Social Democratic Party.

The Honorable Antti Kukkonen, Member of the Finnish Parliament; Agrarian Party.

The Honorable Viljo Johannes Rantala, Member of the Finnish Parliament; Social Democratic Party.

The Honorable Yrjo Sinnkonen, Member of the Finnish Parliament; Agrarian Party.

The Honorable Iisakki Tikkaoja, Member of the Finnish Parliament; Social Democratic Party.

[The visitors rose, and were greeted with applause, Senators rising.]

Mr. SPARKMAN. Mr. President, I know that all Senators join me in welcoming these people, whose visit will extend over a period of some 6 weeks in different parts of the United States. We welcome them. We wish for them a great time in their visit to this country of ours.

In this connection, Mr. President, I ask unanimous consent to have printed in the RECORD a short biographical sketch of each of the Finnish Parliamentarians.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Personal data: Name, Kustaa Rafael Paasio; born, Uskela, Finland; June 6, 1903; home address, Puutarhakatu 11 B79, Turku, Finland; family, married; knowledge of English, needs interpreter.

Position: Member of Parliament (Social Democrat); editor in chief, Turun Paivalehti, 1942–; Chairman, International Affairs Committee.

Previous positions: Employed in book printing field, 1920–38; editor of Social Democrat Youth Union's paper, 1938–42.

Memberships: Member of Parliament; Finnish Book Printers' Union, 1924–28; Social Democratic Newspapermen's Association, 1939–; Social Democratic Party since 1926, member of its executive committee 1939–42 and from 1957 on; Social Democratic Youth Federation 1919–59 (chairman of the federation 1941–45); Central Union of Finnish Social Democratic Youth, 1959–; Workers' Sports Federation, 1919–29; Finland-Hungary Society, 1957–; deputy member of Turku University council, 1956–; board member of Turku School of Economics Foundation.

Publications: Articles for the Social Democratic press and publications.

Travels abroad: Several trips to Sweden since 1927; study trips to Austria (1929), Italy and Switzerland (1953); visit to China in 1956 (3 weeks) as a member of a delegation at the invitation of Chinese government; visited West Germany in 1959 (2 weeks) as guest of the West Germany Ministry for Foreign Affairs.

Interests and objectives in the United States: U.S. Government at a National, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meatpacking, fish canning, and sawmill operations.

Community facilities including municipal waterworks, small city hospitals, and radio and television facilities.

Social customs and family life, cultural and educational events.

Personal data: Name, Georg Carl Casimir Ehrnrooth; born, Lahti, Finland; July 27, 1926; home address, Korkeavuorenkatu 15 B, Helsinki, Finland; knowledge of English, excellent.

Position: Member of Parliament (Swedish Party), lawyer.

Academic background: Graduate in law.

Memberships: Member of Parliament, Swedish Party.

Travels abroad: Has visited the United States privately on two occasions in 1953 and 1956.

Interests and objectives in the United States: During the period June 21–July 15 Mr. Ehrnrooth will participate in the same program as the other members of the Finnish Parliament visiting here at that time.

Personal data: Name, Veikko Kullervo Helle; born, Vihti, Finland; December 11, 1911; home address, Nummela, Finland; family, married; knowledge of English, needs interpreter.

Position: Member of Parliament; chairman of Economic Diet Committee (Social Democrat); carpenter.

Academic background: Elementary school; Workers' Academy.

Memberships: Member of Parliament; member of Social Democratic Party; member of executive committee of the Social Democratic Party; chairman of the Social Democratic Party Uusimaa District. Member of Workers' Sports Federation; Social Democratic Youth Federation (since 1959 the Central Union of Finnish Social Democratic Youth).

Publications: Articles for the Social Democratic press.

Travels abroad: U.S.S.R., 1957, 1 month, as a member of a Finnish delegation at the invitation of the Ministry of Culture of the Soviet Union; Sweden and Denmark, 1959, 4-day visit arranged and paid for by the Central Hospital Association of Helsinki University.

Interests and objectives in the United States: U.S. Government at a National, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meatpacking, fish canning, and sawmill operations.

Community facilities including municipal water works, small city hospitals and radio and television facilities.

Social customs and family life, cultural and educational events.

Personal Data: Name, Mauno Nikolai Jussila; born, Vahto, Finland, August 15, 1908; home address, Maaria, Turku, Finland; family, married; knowledge of English, needs interpreter.

Position: Member of Parliament (Agrarian Party), farmer.

Academic background: Agriculturalist's examination at the agricultural institute.

Previous positions: Minister of Finance, 1956–57 and 1958–59; Agricultural Consultant at Small Farmers Central Association, 1935–50; managing director of newspaper Turunmaa, 1950–51; elector at presidential elections in 1950 and 1956.

Memberships: Member of Maataloustuottajat (agricultural producers) and other agricultural organizations; member of Agrarian Party; member of Maaria communal council of several local agrarian associations.

Publications: Numerous newspaper articles on farming.

Travels abroad: Visits to Denmark and Sweden in 1949; U.S.S.R., 1959, as a member of delegation representing the Ministry of Agriculture; Denmark and Holland, 1960, official visit as a member of a Finnish parliamentary group.

Interests and objectives in the United States: U.S. Government at a National, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health, and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meat packing, fish canning, and sawmill operations.

Agriculture in the United States, especially grain production, livestock and poultry, and fruit growing.

Municipal government and administration.

Social customs, family life, and educational and cultural events.

Personal data: name, Meeri Sirkka Kalavainen; born, Russia, April 27, 1918; home address, Nallenpolku 4 F 81, Tapiola, Finland; family, single; knowledge of English, needs interpreter.

Position: Member of Parliament (Social Democrat), educational secretary.

Academic background: Elementary school, trade school and Workers' Academy.

Previous positions: Bank official 1937–45; organization secretary, Social Democratic Youth Federation, 1945–47; educational secretary, Finnish Business Workers' Union, 1947–48.

Memberships: Member of Parliament; member of Finnish Business Workers' Union Social Democratic Party, Youth Section in Kotka, Youth Society of Kallio, Helsinki, 1946, vice-chairman of the social section of Central Union of Finnish Social Democratic Youth, Social Democratic Women's Association in Kotka, 1939; member of Pohjola-Norden; member of Elanto Cooperative.

Publications: Articles for newspaper Eteenpain in Kotka; parliamentary reports.

Travels abroad: U.S.S.R., 1955 and 1957 (1 month); on both occasions the visit was made as a member of a Finnish cultural delegation at the invitation of the Soviet Ministry of Culture; several conference and tourist trips to Sweden, Norway, and Denmark, 1946–59; tourist trip to Austria and Switzerland in 1956.

Interests and objectives in the United States: U.S. Government at a National, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meat packing, fish canning and sawmill operations.

Community facilities including municipal water works, small city hospitals and radio and television facilities.

Social customs and family life, cultural and educational events.

Personal data: Name, Antti Kukkonen; born, Kontiolahti, Finland, October 3, 1889; home address, Haapaniemi, Joensuu, Finland; family, married; knowledge of English, needs interpreter.

Position: Member of Parliament (Agrarian Party), farmer.

Academic background: Matriculation exam in 1910; candidate in theology, University of Helsinki, 1914.

Previous positions: Associate Minister of Education in 1924; Minister of Education in 1928, 1929–30, 1931–32, 1936–37, 1940, and 1943.

Memberships: Member of Parliament; member and administrator in various agricultural cooperative, economic, and cultural organizations; member of the Agrarian Party; member of Rotary Club.

Publications: Articles for magazines and newspapers.

Travels abroad: Several congress and other trips to north, west, and south European countries.

Interests and objectives in the United States; U.S. Government at National, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health, and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meatpacking, fish canning, and sawmill operations.

Agriculture in the United States, especially grain production, livestock and poultry, and fruit growing.

Municipal government and administration.

Social customs, family life, and educational and cultural events.

Personal data: Name, Viljo Johannes Rantala; born, Punkalaidum, Finland, November 18, 1892; home address, Oriniemi, Finland; family, married; knowledge of English, needs interpreter.

Position: Member of Parliament (Social Democrat), small farmer.

Academic background: Elementary school and different courses.

Previous positions: Minister of Finance, 1951–53.

Memberships: Finnish Small Farmers' Confederation; Social Democratic Party; Social Democratic Youth Federation (now Central Union of Finnish Social Democratic Youth); Finnish Social Democratic Temperance Union, chairman of a suborganization of same; Chairman of People's Temperance Aid; Member of an association to support the Young of the Day.

Publications: Articles for Social Democratic and Temperance papers.

Travels abroad: U.S.S.R., 1934, in the capacity of Government auditor to inspect the Finnish Embassy in Moscow; 1948, sent by Finnish Government's executive committee to the Finnish Industrial Exhibit in Moscow; Sweden, 1948, conference trip; Denmark, Holland, England, and France, 1956, to inspect the Finnish legations in these countries.

Interests and objectives in the United States: U.S. Government at a National, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health, and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meatpacking, fish canning, and sawmill operations.

Community facilities including municipal waterworks, small city hospitals, and radio and television facilities.

Social customs and family life, cultural and educational events.

Personal data: Name, Yrjo Sinkkonen; born, Parikkala, Finland, July 9, 1909; home address, Tivia Lt 3, Finland; family, married; knowledge of English, needs interpreter.

Position: Member of Parliament (Agrarian Party), farmer.

Academic background: Elementary school and different courses.

Memberships: Member of Parliament; chairman of West-Karelian Agricultural Society; member of Agricultural Society; member of Finnish Youth League; member of Civic Guards 1918–45; member of Agrarian Party.

Travels abroad: Visit to the Soviet Union in May 1960, as a member of Finnish Parliamentary delegation to the Finnish industrial exhibition in Moscow.

Interests and objectives in the United States: U.S. Government at a National, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health, and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meat packing, fish canning, and sawmill operations.

Agriculture in the United States, especially grain production, livestock and poultry, and fruit growing.

Municipal government and administration.

Social customs, family life, and educational and cultural events.

Personal data: name, Vaino Isakki Tikkaoja; born, Ilmajoki, Finland, September 26, 1909; home address, Ilmajoki, Finland; family, married; knowledge of English, needs interpreter.

Position: Member of Parliament (Social Democrat), insurance agent.

Academic background: Elementary school.

Previous positions: Farmer, 1936–40; agent of "Kansa" insurance company, 1945–51.

Memberships: Member of Parliament; member of the insurance men's club in the Finnish Business Workers' Union, 1945–51; member of Workers' Union at Ilmajoki; chairman of Workers' Union; member of Social Democratic Party; member of Social Democratic Youth Federation, Ilmajoki, section, 1932–46; member of Finnish Red Cross at Ilmajoki; member of executive committee of Southern Ostro-Bothnian Agricultural Association; member of the board of directors of Ilmajoki Savings Bank; member of Ilmajoki communal council and of several other municipal committees.

Publications: Newspaper articles on political topics.

Travels abroad: U.S.S.R., 1954, 8 days, as guest of the Soviet Government, to visit the agricultural fair and to get acquainted with agriculture in Soviet Union.

Interests and objectives in the United States: U.S. Government at a national, State, and local level.

Organization and functioning of Congress.

Federal-State relations in the fields of education, agriculture, public health and housing.

Representative examples of the American economy and industry including steel production, automobile manufacturing, meatpacking, fish canning, and sawmill operations.

Community facilities including municipal waterworks, small city hospitals and radio and television facilities.

Social customs and family life, cultural and educational events.

Mr. HICKENLOOPER. Mr. President, the Senator from Alabama has presented these very distinguished Members of Parliament from Finland. I wish to join the Senator in the welcome we extend to them not only to the Senate of the United States, but also to America. We wish them well in their journey around our country.

As the Senator from Alabama very well stated at the luncheon today, there is no country in the world which stands higher in the esteem or the respect of the United States and of its people than Finland. No country in the world has met its obligations or carried out its cooperation for freedom to a greater extent than Finland, and very few have done so to the same extent.

We in the United States have a warm spot for the Finns. We have great admiration for them. It results not only from our association with Finland as a nation, but also from our knowledge of

the great citizens of our own country who have come from Finland in years past to make the United States their home.

We welcome these representatives of a great country, a courageous country, a country which stands with us and which has stood with us in the battle for freedom and for the dignity of man.

Mr. KEATING. Mr. President, as the Senator from Alabama will remember, he and I were members of the same delegation to the Interparliamentary Union meeting in Helsinki a few years ago. There we enjoyed very gracious hospitality, and we learned to know more of the warmth of the Finnish people.

We are delighted to have representatives of the Finnish Parliament visiting in this country. I am sure we cannot extend to them as much hospitality as the Finnish people extended to us when we were in their country, but at least we can try.

The great country of Finland looms large in the thoughts and affections of the American people because of the Finnish fidelity to their obligations, because of the tremendous courage which they have shown, and because of the firmness with which they have clung to ideals.

One of my closest personal friends before I entered the Congress was a man of Finnish descent who came to this country from Finland and who became one of the great chemists of the Eastman Kodak Co. in my native city of Rochester. Many Finns have come to the United States, and they have contributed a great deal to the economic, social, and cultural life of our country.

We are delighted to have the representatives of Finland here. We hope their trip to our country will inspire even closer relations between us and will be an enjoyable visit for them.

LEGISLATIVE SESSION

Mr. SMATHERS. Mr. President, I move that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER (Mr. RANDOLPH in the chair). The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 12580. An act to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes; and

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 12580. An act to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes; to the Committee on Finance.

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock; to the Committee on Agriculture and Forestry.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Chairman, Federal Deposit Insurance Corporation, Washington, D.C., transmitting, pursuant to law, a report of that Corporation, for the calendar year 1959 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON REVIEW OF SELECTED MOTOR VEHICLE ACTIVITIES, POST OFFICE DEPARTMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of selected motor vehicle activities, Post Office Department, October 1959 (with an accompanying report); to the Committee on Government Operations.

REPORT ON WESTERN DIVISION, THE DALLES PROJECT, OREGON

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on the Western Division, the Dalles project, Oregon (with accompanying papers); to the Committee on Interior and Insular Affairs.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

PETITION

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the City Council of the City of Fort Worth, Tex., favoring the enactment of legislation to repeal the special excise taxes on the transportation of passengers, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JORDAN, from the Committee on Agriculture and Forestry, without amendment:

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock.

By Mr. McCLELLAN, from the Committee on Government Operations, without amendment:

H.R. 9541. An act to amend section 109(g) of the Federal Property and Administrative Services Act of 1949 (Rept. No. 1664).

By Mr. HAYDEN, from the Committee on Rules and Administration, without amendment:

S. 2561. A bill to amend the act entitled "An act to establish a memorial to Theodore Roosevelt in the National Capital" to provide for the construction of such memorial by the Secretary of the Interior (Rept. No. 1665); and

S.J. Res. 152. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson (Rept. No. 1666).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 3557. A bill to expand and extend the saline water conversion program under the direction of the Secretary of the Interior to provide for accelerated research, development, demonstration, and application of practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, and for other purposes (Rept. No. 1668).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, without amendment:

S. 2587. A bill to require an act of Congress for public land withdrawals in excess of 5,000 acres in the aggregate for any project or facility of any department or agency of the Government (Rept. No. 1669).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

H.R. 9702. An act to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office (Rept. No. 1671).

By Mr. CASE of South Dakota, from the Committee on Armed Services, with an amendment:

H.R. 5040. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes (Rept. No. 1672).

By Mrs. SMITH, from the Committee on Armed Services, without amendment:

H.R. 11787. An act to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964 (Rept. No. 1673).

By Mr. CANNON, from the Committee on Armed Services, without amendment:

S. 3558. A bill to authorize and direct the transfer of certain Federal property to the Government of American Samoa (Rept. No. 1674); and

H.R. 8212. An act to amend title 10, United States Code, with respect to the procedure for ordering certain members of the Reserve components to active duty and the requirements for physical examination of members of the Reserve components, and for other purposes (Rept. No. 1675).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

H.J. Res. 627. Joint resolution to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property (Rept. No. 1676).

PLACING NAVAL RESERVE OFFICERS' TRAINING CORPS GRADUATES (REGULARS) IN STATUS COMPARABLE WITH NAVAL ACADEMY GRADUATES

Mr. THURMOND. Mr. President, from the Committee on Armed Services, I report an original bill to place Naval Reserve Officers' Training Corps graduates—Regulars—in a status comparable with U.S. Naval Academy graduates, and I submit a report (No. 1677) thereon.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar.

The bill (S. 3733) to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates, was read twice by its title and placed on the calendar.

AMENDMENT OF DEFINITION OF TOTAL COMMISSIONED SERVICE OF CERTAIN NAVAL OFFICERS

Mr. STENNIS. Mr. President, from the Committee on Armed Services, I report an original bill to amend section 6387(b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service, and I submit a report (No. 1678) thereon.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar.

The bill (S. 3734) to amend section 6387(b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service, was read twice by its title and placed on the calendar.

AMISTAD DAM AND RESERVOIR (S. REPT. NO. 1670)

Mr. JOHNSON of Texas. Mr. President, on behalf of the distinguished chairman of the Foreign Relations Committee, the Senator from Arkansas [Mr. FULBRIGHT], I report favorably, with amendments, the bill (H.R. 12263) to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes. The Committee on Foreign Relations has had this matter under consideration. It concerns conclusion of an agreement between Mexico and the United States for joint construction of a dam on the Rio Grande.

I want to give notice that this is a matter which will have to go to conference if the bill is passed. Therefore, I intend to call up H.R. 12263 by motion at an early date. I would do so today if the reports had been printed and Members interested had been here.

I hope the minority will take notice of this. As I understand, the bill has been unanimously reported out of committee, and we hope to consider it at an early date.

I wish to thank the Senator from Vermont [Mr. AIKEN] for his helpfulness. He serves well not only the people of his State of Vermont, but all the people of the Nation.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar.

The bill (H.R. 12263) to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes, was placed on the calendar.

PAY OF CLERICAL AND OTHER ASSISTANTS AFFECTED BY TERMINATION OF SERVICE OF APPOINTED SENATORS

Mr. HAYDEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 344) pay of clerical and other assistants as affected by termination of service of appointed Senators, and submitted a report (No. 1667) thereon; which resolution was placed on the calendar, as follows:

Resolved, That in any case in which (1) a Senator is appointed to fill any portion of an unexpired term, (2) an election is thereafter held to fill the remainder of such unexpired term, and (3) the Senator so appointed is not a candidate or if a candidate is not elected at such election, his clerical and other assistants on the payroll of the Senate on the date of termination of his service shall be continued on such roll at their respective salaries until the expiration of 30 days following such date or until they become otherwise gainfully employed, whichever is earlier, such sums to be paid from the contingent fund of the Senate. A statement in writing by any such employee that he was not gainfully employed during such period or the portion thereof for which payment is claimed shall be accepted as prima facie evidence that he was not so employed. The provisions of this resolution shall not apply to an employee of any such Senator if on or before the date of termination of his service he notifies the Disbursing Office of the Senate in writing that he does not wish the provisions of this resolution to apply to such employee.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary to Panama;

Arthur L. Richards, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Ethiopia;

A. Burks Summers, of Maryland, to be Ambassador Extraordinary and Plenipotentiary to Luxembourg;

George V. Allen, of North Carolina, for promotion from the class of career minister to the class of career ambassador;

Charles E. Bohlen, of the District of Columbia, for promotion from the class of career minister to the class of career ambassador;

Ellis O. Briggs, of Maine, for promotion from the class of career minister to the class of career ambassador;

Raymond A. Hare, of West Virginia, for promotion from the class of career minister to the class of career ambassador;

Livingston T. Merchant, of the District of Columbia, for promotion from the class of career minister to the class of career ambassador;

James W. Riddleberger, of Virginia, for promotion from the class of career minister to the class of career ambassador; and

Llewellyn E. Thompson, of Colorado, for promotion from the class of career minister to the class of career ambassador.

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without reservation:

Executive B, 86th Congress, 2d session. The Antarctic Treaty, signed at Washington on December 1, 1959 (Ex. Rept. 10); and

Executive D, 86th Congress, 2d session. The Convention of Paris for the Protection of Industrial Property, signed at Lisbon on October 31, 1958 (Ex. Rept. 11).

Mr. CASE of South Dakota. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably 2,426 nominations in the Navy and Marine Corps, in the grade of captain and below.

All of these names have already appeared in the CONGRESSIONAL RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARTKE:

S. 3723. A bill for the relief of Dinko Dorcic; to the Committee on the Judiciary.

By Mr. PASTORE:

S. 3724. A bill for the relief of Nardina Cocuzza (Leonarda Cocuzza); to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 3725. A bill to amend title II of the Social Security Act and the Internal Revenue Code so as to increase the minimum insurance benefits payable under such title, to increase the amount of earnings upon which such benefits are based, to increase the amount of such benefits payable to widows, widowers, and parents, to increase the amount of earnings permitted without loss of benefits, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. McNAMARA (for himself, Mr. CLARK, and Mr. RANDOLPH):

S. 3726. A bill to eliminate discriminatory employment practices for reasons of age, by Federal Government contractors and subcontractors; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. McNAMARA when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE (by request):

S. 3727. A bill to provide for the bonding of persons engaging in the repair, remodeling, alteration, conversion, or modernization of residential property; to impose limitations

on the assertion of mechanics' liens where payment has been made for work in connection with the repair, remodeling, alteration, conversion, or modernization of residential property; and for other purposes;

S. 3728. A bill to amend the District of Columbia Alcoholic Beverage Control Act;

S. 3729. A bill to authorize the Board of Parole of the District of Columbia to discharge a parolee from supervision prior to the expiration of the maximum term or terms for which he was sentenced; and

S. 3730. A bill to provide for the establishment of a Juvenile Division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the Juvenile Court of the District of Columbia to commit to such Juvenile Division, subject to the provisions of the Juvenile Court Act, children 15 years of age or older; to the Committee on the District of Columbia.

(See the remarks of Mr. BIBLE when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. MORSE:

S. 3731. A bill to modify the John Day lock and dam project, Oregon, to authorize the Secretary of the Army to provide for the raising of the level of a portion of the city of Umatilla, Oreg., and to thereafter convey the filled lands to the municipality; to the Committee on Public Works.

S. 3732. A bill to provide for reimbursing the city of Arlington, Oreg., for the loss of taxes on certain property acquired by the United States in connection with the John Day Dam project; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. THURMOND:

S. 3733. A bill to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates; placed on the calendar.

(See the remarks of Mr. THURMOND when he reported the above bill from the Committee on Armed Services, which appear under the heading "Reports of Committees.")

By Mr. STENNIS:

S. 3734. A bill to amend section 6387(b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service; placed on the calendar.

(See the remarks of Mr. STENNIS when he reported the above bill from the Committee on Armed Services, which appear under the heading "Reports of Committees.")

RESOLUTIONS

PAY OF CLERICAL AND OTHER ASSISTANTS AFFECTED BY TERMINATION OF SERVICE OF APPOINTED SENATORS

Mr. HAYDEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 344) pay of clerical and other assistants as affected by termination of service of appointed Senators, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. HAYDEN, which appears under the heading "Reports of Committees.")

PRINTING AS A SENATE DOCUMENT A SUMMARY ENTITLED "EXPOSÉ OF SOVIET ESPIONAGE"

Mr. EASTLAND submitted the following resolution (S. Res. 345); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed as a Senate document a summary of known Soviet espionage cases in the United States over the past 15 years, published by the Internal Security Subcommittee of the Committee on the Judiciary of the Senate and heretofore printed as a committee print under the title "Exposé of Soviet Espionage."

SEC. 2. There shall be printed an additional 13,000 copies of such domument for use of the Senate Committee on the Judiciary.

AMENDMENT OF SOCIAL SECURITY ACT AND INTERNAL REVENUE CODE, RELATING TO MINIMUM INSURANCE BENEFITS

Mr. SALTONSTALL. Mr. President, I introduce, for appropriate reference, a bill which would amend title II of the Social Security Act and the Internal Revenue Code so as to increase the amount of earnings permitted without loss of benefits, to increase the minimum insurance benefits payable, to increase the amount of such benefits payable to widows, and to increase the amount of earnings upon which such benefits are based.

The House Ways and Means Committee has reported out a bill which will probably be passed by the other body today. This proposal includes some important and desirable improvements in the social security program, somewhat overlooked because of the attention given the problem of medical aid for the aged.

But there are some needed improvements in the social security system omitted from the House bill which have been discussed and proposed before, and which are not so complicated or ambitious that they could not be considered for amending legislation this year. My bill embodies four helpful changes in a compact, practical and responsible "package." I file it now for the timely attention of the Senate, to be considered along with the proposal from the House of Representatives.

I believe that our elderly citizens should be encouraged to be productive, contributing members of their community. This is perhaps the most important aspect of old age—the emptiness and feeling of unwantedness which comes to a person who feels that his or her talent or effort is not needed by others. If our aged people are treated as helpless and worthless in terms of a community's vigor and productivity they can never live out their lives in warmth and happiness.

I have frequently advocated a change in the retirement test under the old-age, survivors, and disability insurance program which would encourage our older citizens who are so inclined to participate more actively in the occupation of their choice. The present retirement test acts to curtail severely such activity by drastically cutting benefits when the yearly earnings limit of only $1,200 is exceeded. My proposal would allow substantial continuing benefits up until the level of $2,400 outside earnings a year, and would gradually rather than suddenly scale down the benefits for persons exceeding $2,400 in their yearly earnings. This would provide the needed incentive for the full life. In itself it constitutes a needed psychological boost for older people, who under the present law are pressed to close up shop and go home as soon as $1,200 is taken in. My measure would create an incentive among social security beneficiaries to work at all ranges of benefits and for all earnings levels up to $2,400.

In addition, I believe that the lowest beneficiary amount per month should be upped from $33 to $40 and that aged widows' benefits should be increased from 75 to 85 percent of the husband's benefit amount. Many feel that this category of beneficiary is treated the most inequitably under the present law. Both changes would save money on public assistance.

My bill would finance these improvements by increasing from $4,800 to $6,000 the maximum on earnings taxable and creditable toward benefits. Thus, social security tax rates are not increased, yet the suggested improvements are paid for in a sound and responsible manner. The whole package would help bring about a better balanced system with a financial base that more closely relates benefits to earnings, accommodating increased wages, which is the whole concept of the OASI program.

I ask unanimous consent that a brief outline of my four-point measure may be included in the RECORD at this point in my remarks, followed by a factual analysis of each provision and a table of costs and savings.

The PRESIDING OFFICER (Mr. RANDOLPH in the chair). The bill will be received and appropriately referred; and, without objection, the outline, factual analysis, and table will be printed in the RECORD.

The bill (S. 3725) to amend title II of the Social Security Act and the Internal Revenue Code so as to increase the minimum insurance benefits payable under such title, to increase the amount of earnings upon which such benefits are based, to increase the amount of such benefits payable to widows, widowers, and parents, to increase the amount of earnings permitted without loss of benefits, and for other purposes, introduced by Mr. SALTONSTALL, was received, read twice by its title, and referred to the Committee on Finance.

The outline, factual analysis, and table, presented by Mr. SALTONSTALL, are as follows:

BRIEF OUTLINE

1. Change the retirement test on limitation of outside earnings so that for persons with yearly earnings over $1,200, $1 in benefits are withheld for every $2 of earnings over $1,200 up to $2,400. For annual earnings over $2,400, $1 in benefits would be withheld for each $1 in earnings in excess of $2,400.

2. Raise the benefit for persons receiving the smallest minimum monthly amounts from $33 to $40.

3. Increase aged widows' benefit from 75 to 85 percent of the husband's benefit amount.

4. Increase from $4,800 to $6,000 the maximum on earnings taxable and creditable toward benefits.

FACTUAL ANALYSIS

I

A combination proposal: Withhold $1 in benefits for each $2 of earnings in excess of $1,200 and up to $2,400, and withhold $1 in benefits for each $1 in earnings in excess of $2,400: The chief disadvantages of the 1-for-2 proposal are the increases in cost and the fact that some benefits would be paid to people at relatively high earnings levels. A way to reduce these disadvantages would be to modify the proposal by a provision that earnings above $2,400 a year would reduce benefits dollar for dollar. With this modification the man and wife getting the present maximum of $180 would get no benefits for the year at the point when the man's earnings reached $3,960 and the cost would be 0.08 percent of payroll rather than 0.11 percent. The proposal would furnish an incentive to work at all ranges of benefits, and for all earnings levels up to $2,400 and would guarantee against loss as a result of earning above that amount. And while it does not have the simplicity that is so attractive about the straight 1-for-2 proposal, it nevertheless, like the straight 1-for-2 proposal, would remove the incentive for the beneficiary to seek out jobs paying less than $1,200 and to restrict his work activity so as not to go above that amount.

II

Increase to $40 the minimum monthly amount payable to an old-age insurance beneficiary, a disability insurance beneficiary, and a sole survivor beneficiary.

An estimated 1.8 million beneficiaries would benefit from this increase in the minimum, effective January 1, 1961: 1.2 million old-age insurance beneficiaries, 200,000 wives, 250,000 widows and parents, and over 100,000 mothers and children. A very high proportion of those who receive assistance supplementation would be affected by this proposal. In some of these cases there would be some saving in public assistance funds; in others, funds would be made available to provide a more adequate total income for the family or otherwise meet needs that are not now met.

Generally it is undesirable to reduce the spread of benefits in a wage related system; however, the relatively small increase to $40 does not reduce the spread significantly. Moreover, if the increase in the minimum benefit were combined with an increase in the earnings base, so that the maximum as well as the minimum primary insurance amount were raised, the spread of benefits would not be reduced.

The cost is estimated at 0.04 percent of payroll.

III

Increase the aged widow's benefit from 75 percent to 85 percent of the primary insurance amount of the insured worker. (The proposal would apply also to the aged widower's benefit and to the single parent's benefit.)

Under present law a widow gets a benefit amounting to three-fourths of the primary insurance amount—that is, the amount her husband would have been paid if he had lived and qualified for benefits. There is no reason to suppose that an aged widow needs less to live on than her husband would have needed if she had died and he had lived. All beneficiary studies have shown that aged widows are generally the neediest group among the beneficiaries.

An increase in the widow's insurance benefit to 100 percent of the primary insurance amount could be justified. An increase of that magnitude would, however, be quite costly. An adjustment to 85 percent would be considerably less costly and would seem a reasonable step to be taken at this time.

If the widow's insurance benefit were increased to 85 percent of the primary insurance amount it could be expected that the need for supplementary old-age assistance payments to a substantial proportion of the widows who now get old-age assistance to supplement insurance benefits would be reduced.

The cost of the proposal is estimated to be 0.23 percent of payroll.

IV

Increase from $4,800 to $6,000 the maximum on earnings taxable and creditable under the old-age, survivors, and disability insurance program.

In the opinion of the Department (and this opinion is shared, at least in its general application, by the Advisory Council on Social Security Financing and by other study groups and experts who have considered the question) it is essential that the maximum on earnings taxable and creditable under the program be raised as earnings go up.

One of the essential characteristics of the old-age and survivors insurance program is that benefits are related to earnings. If the maximum on creditable earnings is not increased as wages rise, fewer and fewer workers will have their benefits in fact related to their earnings. Originally all of the wages of all but the very most highly paid workers were covered by the program so that the very great majority of the Nation's workers had their full earnings capacity insured. At present the program covers all of the earnings of only the lower paid half of the regularly employed men in the country. In the opinion of the Department, the principle of covering all the wages of the large majority of covered workers is a sound one. While it is not at all necessary to restore the original situation, under which all but 6 percent of regularly employed men had full coverage of their earnings, it does seem desirable that three-fourths or so of regularly employed male workers should have all their earnings taxed and credited toward their benefits. An increase to $6,000 would accomplish this objective.

Another important consideration about the earnings base is that failure to increase it as earnings go up means that a smaller and smaller proportion of payroll is available to serve as the financial base of the program. At present it is estimated that about 22 percent of total earnings in covered work is not taxable to finance the program. With an earnings base of $6,000 the percentage of earnings in covered work that would be nontaxable would be reduced to about 14 percent.

If the earnings base were increased it would, of course, be necessary to increase the maximum benefit payable in order that creditable wages above the present wage base will result in higher benefits. This increase in benefit amount, however, would be quite gradual.

In addition to being desirable in itself, the recommended increase in the earnings base would make it possible to adopt the other recommended changes (which would result in paying additional benefits) without increasing the tax rate that is required to finance the program. Because all of a worker's earnings (up to the earnings base) are subject to the same tax rate, but a higher percentage of his earnings is paid in benefits at lower earnings levels than at higher earnings levels, raising the earnings base increases the income to the system more than it increases the benefits payable. An increase in the earnings base to $6,000 would reduce the level-premium cost of the program by 0.4 percent of taxable payroll (0.38 percent for old-age and survivors insurance, and 0.02 percent for disability insurance).

In summary, the recommended increase in the wage base to $6,000 would provide a sounder financial base for the program, would reinforce the relationship of benefits to wages, and would improve the protection afforded by the program for a great many people at moderate wage levels who will be retiring in the future; and it also would make possible, without an increase in the contribution rate, the other improvements that are recommended.

[Attachment No. 2]

Table of costs and savings

Proposa	1st year public assistance savings [1]	OASI cost [2] (percent of payroll)
	Millions	
Increase minimum benefit to $40	$25	$0.04
Increase aged widows benefit from 75 percent to 85 percent of husband's benefit amount	9	.23
Retirement test proposal	None	.08
Increase from $4,800 to $6,000 the maximum on earnings taxable and creditable toward benefits	None	[3]—.38
Total	[4] 34	[3]—.03

[1] The savings have been calculated only for the 1st year. It is very important to keep in mind that there will be much greater savings effects from the proposals in later years. It also should be noted that the general fund would save substantially over the years through a reduction in the cost of veterans' pensions.

[2] The costs shown in this column for each of the individual proposals have been computed in such a way as to eliminate overlapping cost effects. For example, increasing the aged widow's benefit to 85 percent of her husband's benefit amount would cost less if the minimum benefit had already been increased to $40 than if it had not, since in the former case many widows would get 85 percent of the husband's benefit because of the $40 minimum, and would not get an increase when the widow's benefit went to 85 percent. This sort of offsetting or overlapping effect of the proposals has been taken into account and the costs computed in such a way as to make it possible to add them and get the true cost of the total package. Accordingly, it is not possible simply to pull out of the package any given proposal and say that by itself the proposal would increase the level-premium cost of the program by the amount shown, or that the level-premium cost of the package without the proposal would be decreased by the amount shown.

[3] It will be noted that this figure is the savings in cost from the increase in the tax and benefit base.

[4] This figure is the total saving to Federal, State and local governments. (The Federal share would be about $20,000,000. This is calculated as approximately 60 percent of the total saving shown, since 60 percent is the approximate Federal share of all public assistance costs.)

ADDENDUM

It is worth noting, by way of overall fiscal perspective, that the OASI system is now underfinanced, actuarially speaking, by 0.20% of payroll. If the package described herein were adopted, it would result in reducing this imbalance to 0.17% of payroll.

ELIMINATION OF DISCRIMINATORY EMPLOYMENT PRACTICES FOR REASONS OF AGE, BY CERTAIN CONTRACTORS

Mr. McNAMARA. Mr. President, as chairman of the Subcommittee on Problems of the Aged and Aging, I have become deeply concerned about the fact that the penalties of growing old do not begin at age 65.

We have listened to the direct testimony of jobseekers under the age we usually think of as "old," and have studied reports about discrimination in employment against men and women of 40—even as young as 30 and 35 in some cases.

The waste of manpower, the effect of such hiring prejudices on the morale of the individual—and on the resources of the community which has to relieve the resulting hardships—simply do not make sense.

We have adequate scientific evidence now that age by itself, especially for the group I have reference to, under 65, is

absolutely no basis for deciding whether or not to hire a new worker or replace an older employee.

We are well aware that a general solution of the older worker's employment problems demands a program and policy of full employment in our economy.

This condition, however, does not constitute another excuse to do nothing about this concrete, pinpointed crisis.

Even in times of full employment—when labor is scarce—the practice of age discrimination in employment exists.

With the numbers of older workers now increasing—and with the rapid changes taking place in our technology and economy—such bias against older jobseekers must be attacked.

I think it is more and more important that we broadcast the facts about the argument that higher pension costs are the real obstacle to hiring older workers. The Department of Labor's studies of this type of argument have concluded that such costs need not stand in the way of a sound policy of hiring on the basis of a person's actual ability to do the job—and not his or her age.

The bill I am introducing today, with the cosponsorship of Senators CLARK and RANDOLPH, will be a major step toward reducing this shameful and unnecessary practice.

If it is passed, it would show the rest of the Nation that the Federal Government means business.

It would show that the Government itself is practicing what it preaches, by requiring that all its contracts with furnishers of goods and services adopt personnel policies on the basis not of age, but of a person's actual physical and mental abilities to perform his work, on the basis of his personal merits, and not how long ago he was born.

Compliance with this requirement will be a condition for approval of contracts with the Federal Government.

The need for the Federal Government to act as a model for the rest of the country is great.

The sooner we insist on the observation of such an employment policy, the sooner the individual States and private employers, along with labor organizations, will themselves initiate similar practices.

We accept a greater responsibility for an educational approach to this general problem than some previous legislation introduced on this subject.

This bill also requires that the Secretary of Labor organize and conduct labor-management conferences—for the purpose of implementing and distributing information about the policy of the act.

It furthermore calls for a review, every 2 years, of the extent to which real progress has been made in carrying out the policy set forth in the act.

In this way Congress would then be kept informed, on a regular basis, of the degree of success in achieving the goal that we all should earnestly seek.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the bill and a brief memorandum explaining its major provisions.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and memorandum will be printed in the RECORD.

The bill (S. 3726) to eliminate discriminatory employment practices for reasons of age, by Federal Government contractors and subcontractors, introduced by Mr. MCNAMARA (for himself, Mr. CLARK, and Mr. RANDOLPH), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Equality of Employment Opportunity for Older Workers Act."

FINDINGS OF FACT

SEC. 2. (a) The Congress finds and declares that ability, and not age, should be the criterion for the hiring and retaining of employees; that discriminatory personnel practices with regard to age are often arbitrary and capricious and bear no relevance to the ability of the individual concerned to perform satisfactorily the work or services in question; and that with an increasingly aging population in the work force such practices have now become a matter for public concern.

(b) The Congress further finds and declares that the practice of arbitrarily denying employment opportunities to large segments of our population, solely because of age, constitutes an unnecessary waste of human resources; that such practice constitutes an injustice to those who are denied employment opportunities because of it, many of whom are thereby deprived of the means of satisfying the basic necessities of life for themselves and their families; and that the hardships occasioned by such practice places an unnecessary and unreasonable burden upon the taxpayers of the Nation who must render assistance to those who are the victims of it.

POLICY

SEC. 3. It is therefore the policy of the Congress that the practice of arbitrary denial of employment opportunities to individuals solely because of age be eliminated, and that, in considering individuals for employment, employers should be governed, not by the age of the individual concerned, but by considerations of his qualifications to perform satisfactorily the work or services in question.

GOVERNMENT CONTRACTS

SEC. 4. (a) The President is authorized and directed to adopt such measures and establish such procedures, governing the terms and conditions under which contracts and subcontracts in behalf of the United States may be entered into, as may be necessary or appropriate to insure that persons furnishing goods or services to the United States be required to observe personnel policies for all applicants and employees aged 25 through 64, which are in accord with the policy set forth in section 3 of this Act; except that the President may promulgate regulations exempting from the application of such measures or procedures certain types of categories of contracts when he determines that the national interest so requires.

(b) The President is authorized and directed to require compliance with the policy set forth in section 3 of this Act as a condition of approving Government contracts and subcontracts.

LABOR-MANAGEMENT CONFERENCES

SEC. 5. The Secretary of Labor shall from time to time organize and hold, in various geographical areas of the United States, conferences between labor or other employee organizations and management, for the purpose of considering possible measures of implementing the policy set forth in section 3 of this Act, and for disseminating information concerning the work performance ability of older workers.

STUDIES AND REPORTS

SEC. 6. The Secretary of Labor shall conduct from time to time (but not less often than once each two years) studies of the progress which has been realized in implementing and complying with the policy set forth in section 3 of this Act, and shall submit to the Congress a report containing the results of such studies, together with his recommendations with respect to such policy and the further implementation thereof.

The memorandum presented by Mr. MCNAMARA is as follows:

MEMORANDUM ON THE "EQUALITY OF EMPLOYMENT OPPORTUNITY FOR OLDER WORKERS ACT"

This bill declares that ability and not age should be the criterion for hiring and retaining employees, and calls for the elimination of employment discrimination because of age.

The bill provides:

1. A declaration of policy that the practice or arbitrary denial of employment opportunities solely because of age be eliminated.

2. The President is directed to insure that contractors and subcontractors of the United States observe personnel policies for all applicants and employees aged 25 through 64 in accordance with the above policy.

3. Compliance with this policy is a condition for approving Government contracts and subcontracts.

4. The Secretary of Labor is directed to hold conferences in various sections of the country between labor and management to spread widely the facts with respect to performance ability of older workers.

5. The Secretary of Labor is further directed to conduct studies of progress in this field and report to the Congress.

BOND FOR PERSONS ENGAGED IN REPAIR, REMODELING, ALTERATION, CONVERSION, OR MODERNIZATION OF RESIDENTIAL PROPERTY IN DISTRICT OF COLUMBIA

Mr. BIBLE. Mr. President, by request, I introduce, for appropriate reference, a bill designed to provide needed protection for unwary homeowners of the District of Columbia who have been victimized by a growing practice of some unscrupulous homebuilding and repair contractors.

A pattern of growing complaints about these practices have been brought to the attention of Congress by a "Homeowner Beware" series in the Washington Evening Star and a further documented exposure by the Washington Post, which are to be congratulated for their public service.

It is apparent that the laws of the District of Columbia presently do not require fly-by-night home improvement contractors to meet ordinary good business or ethical standards. Instead, these builders, skilled in evading lien and inadequate protective features of contracts, are costing the families in the Nation's Capital City thousands of dollars by their sharp practices.

Mr. President, the Commissioners of the District of Columbia have examined this matter at considerable length and

have proposed curbs set forth in this bill to empower them to impose more stringent regulations. Law enforcement officers of the District and of the metropolitan area have been marshaled to assist.

The proposed legislation provides for the bonding of home improvement contractors and thereby protects homeowners who pay in advance for home improvement work which is never done. Not only would the posting of a bond be required, but an accounting at regular intervals of how the advance payment is spent.

A third provision would protect homeowners from mechanics' liens filed by subcontractors in cases where the homeowner has paid the prime contractor but the latter has failed to pay his subcontractors. Under this proposal, proof of payment to the contractor would be a defense against a mechanics' lien.

Mr. President, this is needed but complicated legislation which I hope can be examined at hearings by the Senate District Committee in these closing days of Congress.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3727) to provide for the bonding of persons engaging in the repair, remodeling, alteration, conversion, or modernization of residential property; to impose limitations on the assertion of mechanics' liens where payment has been made for work in connection with the repair, remodeling, alteration, conversion, or modernization of residential property; and for other purposes, introduced by Mr. BIBLE, by request, was received, read twice by its title, and referred to the Committee on the District of Columbia.

RESTORING THE STATUS OF UMATILLA, OREG., AS THE "HUB CITY"

Mr. MORSE. Mr. President, I introduce for appropriate reference a bill to modify the John Day lock and dam project, Oregon, to authorize the Secretary of the Army to provide for the raising of the level of a portion of the city of Umatilla, Oreg., and to thereafter convey the filled lands to the municipality.

The city of Umatilla, which residents proudly call "The Hub City for the Columbia River Basin and Pacific Coast" is situated on the Columbia River in close proximity to McNary Dam. Within a relatively short time, the waters of the reservoir of John Day Dam, on the Columbia River a number of miles downstream, will be encroaching upon the city.

Umatilla has been the innocent victim of economic hardship resulting from activities of the Federal Government. The anomaly of the situation lies in the fact that Federal river resource development, carried out literally at the front door of the city of Umatilla, has caused serious economic dislocations for the city.

The story of Umatilla's economic difficulties goes back several years. In 1950 McNary Dam was under construction and at that time Umatilla enjoyed terminal status on the Union Pacific Railroad for both passenger and freight services. This terminal status attracted other firms and transportation facilities. In 1950 the Tidewater Shaver Barge Line, the Inland Navigation Co., the Arrow & Asbury Trucking Cos., the Pendleton Grain Growers, the Fletcher Oil Co., and Consolidated Freightways were active in Umatilla.

The construction of McNary Dam necessitated the relocation of the main line Union Pacific Railroad to a point approximately 13 miles east of Umatilla with a consequent loss of the rail terminal and related industries.

The adverse effects of the railroad relocation were reflected in the census figures. In 1950 the city of Umatilla had a population of 890. In 1960, this had been reduced to 656—a loss of 234. Railroad workers residing in Umatilla in 1950 totaled 69. By 1960 this figure had dropped to 11. The city estimates that over this period the drop in population caused a consequent annual payroll loss of $130,000.

It does not take a great deal of imagination to reflect upon the consequences of the population loss just mentioned. Severe drops occurred in taxable assessed valuation. City water and sewer revenues dropped off as did business property and dwelling rentals. To offset these losses and to meet current expenses, the millage rate had to be increased as the tax base kept shrinking.

The construction of John Day Dam will create a reservoir area that extends to, and within, the city limits of Umatilla. To avoid inundation of the city, the Corps of Engineers, after thorough study, concluded that a dike along the river front would be essential. Included in the Corps of Engineers' project for the construction of John Day Dam are plans for the construction of a dike along the Columbia River adjacent to Umatilla.

The residents of Umatilla regard the dike project as wholly unsatisfactory. They feel its construction would constitute the heaping of future economic adversity atop the already existing economic problems occasioned by previous Federal activity. They regard the Columbia River as an important source of commerce for future development of the city, but they realize that a dike constructed by the Corps of Engineers, standing 15 feet higher than the projected area of the city would, in effect, constitute a closed door, cutting off access to the river.

The people of Umatilla, like most other residents of Oregon, favor the development of Columbia River multipurpose dam systems but, understandably, they feel such projects should not be permitted to heap economic catastrophy upon a city located in the reservoir area. Simple justice requires that instead of cutting off effective access to the river by a dike, the Corps of Engineers should raise the level of the city with fill material so that the city will have easy access to the river, as do most cities in the United States located in river port areas.

The bill which I have introduced in the Senate today and which Representative ULLMAN has introduced on the House side would call for acquisition by the Corps of Engineers of land in the frontage area, the filling of that land, and ultimate reconveyance to the city at market value in accordance with the formula set forth in our bill.

Umatilla has suffered economic dislocation as a consequence of the construction of McNary Dam. It has fought valiantly to develop and progress in this important area of the State of Oregon. Its trials have been heavy but its efforts have been tremendous. However, there is a limit to the burdens which can be cast upon a small community of this type.

It seems only fair that the Federal Government, speaking through the Congress of the United States, should give recognition to the fact that the Government should assist Umatilla in compensation for the hardships heretofore caused. For this reason, I feel that the added cost incident to the filling of a portion of the city of Umatilla is completely justifiable. There is a clear cause and effect relationship between the Federal activities in this case and the economic consequences borne by Umatilla.

The bill which I have introduced today was prepared after conferences with officials in the Corps of Engineers and is based upon the premise that the Federal Government should at all times deal fairly and with complete justice in its relationships with our States, local communities, and citizens. I ask the committee to which this bill is referred to give prompt and sympathetic consideration to the provisions of this legislative proposal.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3731) to modify the John Day lock and dam project, Oregon, to authorize the Secretary of the Army to provide for the raising of the level of a portion of the city of Umatilla, Oreg., and to thereafter convey the filled lands to the municipality, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on Public Works.

REIMBURSEMENT OF CITY OF ARLINGTON, OREG., FOR LOSS OF CERTAIN TAXES

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill to provide for the reimbursement of the city of Arlington, Oreg., for the loss of taxes on certain property acquired by the United States in connection with the John Day Dam project.

I ask unanimous consent that the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3732) to provide for reimbursing the city of Arlington, Oreg., for the loss of taxes on certain property acquired by the United States in connection with the John Day Dam project, introduced by Mr. MORSE, was received,

read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of Arlington, Oregon, such amounts as are determined by the Secretary of the Treasury to be sufficient to equitably reimburse said city for the loss of revenue, until the date provided in section 2, from taxes on real property in said city acquired by the United States after July 1, 1960, in connection with the John Day Dam on the Columbia River. Payments under the provisions of this Act shall (1) be determined with respect to any property at not less than the 1959 tax rate for such property, and (2) be made at such periods, at least annually, as may be determined by the Secretary of the Treasury.

SEC. 2. No payments under the provisions of this Act shall be made for the loss of any tax revenue occurring after the date on which the Secretary of the Army advises the Secretary of the Treasury that all conveyances be made to the city of Arlington, Oregon, under the provisions of the Act of September 22, 1959 (73 Stat. 624), have been completed.

Mr. MORSE. Mr. President, the construction of John Day Dam on the Columbia River in Oregon threatened to inundate a substantial portion of the city of Arlington by reason of the reservoir created by the dam. In the first session of the 86th Congress, we passed legislation to provide for the relocation of the waterfront area of Arlington in order that the city might remain in approximately its original location.

Due to the fact that the surrounding steep terrain did not permit Arlington to relocate at a new site, the Federal Government, through the Corps of Engineers, worked out an equitable arrangement whereby the corps would fill a certain area and then reconvey the area thus elevated to the city of Arlington at fair market value in accordance with the formula set forth in Public Law 86–348.

One phase of the relocation problem of Arlington was not covered by Public Law 86–348. I refer to the fact that during the period of acquisition of the fill area by the Federal Government no provision was made whereby the city of Arlington could derive tax benefits from the acquired lands. Lacking the power to tax these lands while in Federal ownership, the city is confronted with the loss of tax revenues for whatever period may be required for completion of the fill project.

Despite the loss of an important tax revenue base the city's fixed costs continue. It must pay interest and principal on revenue bonds. It must meet the costs of local government, such as city administration, police and fire protection, and other municipal costs. The problem is serious, because it is estimated that the property to be acquired by the Corps of Engineers for filling and raising to a safe level will account for approximately 80 percent of the city's taxable property value. The consequent gap in the source of tax revenues creates a problem of enormous proportions for the city.

It was my hope that some administrative remedy could be worked out whereby the Corps of Engineers could make in-lieu tax payments to the city of Arlington for the interim land-acquisition period. However, conferences with the corps made it clear that existing law makes no provision for such an administrative remedy. That being the case, with the assistance of the Corps of Engineers and legislative counsel of the Senate, I have prepared a bill to provide compensation in lieu of taxes for the city of Arlington during the land-acquisition period.

I introduce this bill, and urge speedy action on it by the committee to which it is referred. It is my opinion that the bill does justice and equity and that the in-lieu tax provision constitutes a proper part of the costs of the construction of the John Day Dam—a portion of the costs which should be borne by all the people instead of the people who reside in Arlington.

AMENDMENT OF FEDERAL AVIATION ACT OF 1958—AMENDMENT

Mr. COTTON submitted an amendment, in the nature of a substitute, intended to be proposed by him, to the bill (S. 1543) to amend the Federal Aviation Act of 1959 to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes, which was ordered to lie on the table and to be printed.

VOLUNTARY PENSION PLANS BY SELF-EMPLOYED INDIVIDUALS—AMENDMENT

Mr. WILLIAMS of Delaware. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals. The amendment reads as follows: On page 49, following line 2, add the following:

SEC. 9. OTHER INCOME TAX CHANGES.

(a) Section 1(c) of the Internal Revenue Code of 1954 (relating to rates of tax on individuals) is amended by striking out in the last sentence 87 percent and inserting in lieu thereof 60 percent, to read, "The tax shall in no event exceed 60 percent of the taxable income for the taxable year."

(b) Section 613(b)(1) of the Internal Revenue Code (relating to percentage depletion rates) is amended by striking out 27½ percent and inserting in lieu thereof 22½ percent, to read "22½ percent—oil and gas wells."

(c) The amendments made by section 9 of this Act shall apply to taxable years beginning after December 31, 1960.

Mr. President, the revenue effect, for a full year, of dropping the maximum effective rate to 60 percent is to lose slightly over $100 million. From dropping the depletion rate to 22½ percent, slightly more than $140 million would be gained. Therefore, the amendment as a whole would be to increase our revenues by $40 million.

At the same time we would be making a long overdue adjustment in our confiscatory tax rates.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

TECHNICAL REVISIONS OF INTERNAL REVENUE CODE OF 1954, RELATING TO ESTATES, TRUSTS, PARTNERS, AND PARTNERSHIPS—AMENDMENT

Mr. COTTON (for himself and Mr. BRIDGES) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 9662) to make technical revisions in the income tax provisions of the Internal Revenue Code of 1954 relating to estates, trusts, partners, and partnerships, and for other purposes, which was ordered to lie on the table and to be printed.

APPLICABILITY OF CERTAIN PROVISIONS OF LAW RELATING TO HUMANE SLAUGHTER OF LIVESTOCK

Mr. JOHNSON of Texas. Mr. President, I have a problem concerning H.R. 12705. It is imperative that we pass the bill immediately, because it extends for 60 days the applicability of certain provisions of the law relating to humane slaughtering.

Machinery is now being shipped which will comply with the law. The committee has reported the bill unanimously. There is no objection to it.

I ask unanimous consent that the Chair lay before the Senate House bill 12705.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12705) to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. JAVITS. Mr. President, although I do not think I shall object, I have no idea what the bill is about.

Mr. JOHNSON of Texas. Mr. President, machinery has been ordered in an attempt to comply with the unusual provisions of the Humane Slaughtering Act. It is now being manufactured and will shortly be shipped. Everyone who is familiar with the subject feels that the law cannot be enforced under present conditions and that, therefore, it should be extended until the machinery which is now being processed and shipped to the plants in question arrives.

Mr. JAVITS. The bill does not affect the individual details?

Mr. JOHNSON of Texas. No.

Mr. JAVITS. I thank the Senator from Texas.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill.

There being no objection, the bill (H.R. 12705) was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. SMATHERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HEALTH FACILITIES AND CONSTRUCTION ACT — ADDITIONAL COSPONSOR OF BILL

Mr. JAVITS. Mr. President, I ask unanimous consent that the name of the Senator from Massachusetts [Mr. SALTONSTALL] may be added as a cosponsor of the bill (S. 3680) to improve the public health through revising, consolidating, and improving hospital and other medical facilities provisions of the Public Health Service Act, authorizing grants for construction of medical, dental, osteopathic, and public health teaching facilities, providing special project grants for postgraduate public health training, providing for Federal guarantee of loans for construction of group practice medical or dental care facilities, and for other purposes, introduced by me (for myself and Mr. CASE of New Jersey) on June 16, 1960.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF HEARING ON NOMINATION OF WINTHROP G. BROWN TO BE AMBASSADOR TO LAOS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, on behalf of the Committee on Foreign Relations, I desire to announce that the Senate today received the nomination of Winthrop G. Brown, of the District of Columbia, to be Ambassador to Laos.

In accordance with the committee rule, the pending nomination may not be considered prior to the expiration of 6 days.

FOREIGN AID EFFORTS WILL BE CRIPPLED IF HOUSE COMMITTEE SLASH IS APPROVED

Mr. WILEY. Mr. President, the mutual security program, a unique effort by one nation, not only to strengthen military alliances against the common enemy, but also to uplift the standards of less-developed nations, continues to be an essential plank in our foreign policy.

Over the years, this program, though widely supported, has also been severely criticized. As it is a new venture in foreign policy, there have, of course, been mistakes in its operation. Nevertheless, the mutual security program continues to be in our national interest—a way, not only of strengthening our security, but also of establishing a better framework within which to ultimately promote peace throughout the world. Recently, the House Appropriations Committee, as we know, cut about $790 million from the requests for the program by President Eisenhower. Currently, the matter is being considered in the Appropriations Committee here in the Senate.

The Senate, I believe, will need to make restoration of such funds as are deemed essential to carry on our foreign and defense policies, in the interest of mutual security and peace.

Despite recognized shortcomings, the mutual security program still provides us with more defense for the tax dollar than can be provided in any other way.

Recently, the La Crosse Tribune published a realistic, thought-provoking article entitled "Foreign Aid Will be Crippled if House Committee Slash is Approved."

I request unanimous consent to have the article, along with a series of communications from my constituents urging approval of adequate funds for this program, printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the La Crosse Tribune, June 18, 1960]

FOREIGN AID EFFORT WILL BE CRIPPLED IF HOUSE COMMITTEE SLASH IS APPROVED

No sane lawmaker, no sensible American wants one penny of waste in foreign aid—or any other Federal program.

The exposure of such waste, wherever it occurs, serves a solid public purpose and is always to be commended unflaggingly.

Vigilance over the spending of public funds is not only proper but vital.

Nevertheless, to slash $790 million from proposed new outlays for foreign aid, as a House Appropriations Subcommittee has done, is to place a heavy and quite cynical bet on the amount of waste that might be expected in the year ahead.

It also gives a negative cast to our foreign aid effort at a time when positive assertions of solidarity and helpfulness seem most called for.

In the wake of the summit debacle, we are trying to close ranks with our allies and build new links with our friends in the neutral, emerging, underdeveloped lands.

At such a juncture, it is hardly good fortune for the country that the foreign aid allotment is in the House in the charge of a lawmaker who seems concerned with waste to the exclusion of everything else.

If our defense outlays were similarly managed, we should each year expect a heavy automatic cut in this field as well. For surely the record indicates that waste is common in the Defense Establishment, possibly even more common than in foreign aid.

We do not, however, cynically wager each year on this probability. Often Congress in fact winds up voting more money for defense than the President recommended. We make our judgments properly in terms of the general goals to be achieved.

Americans must wonder whether such goals are truly being kept in mind by men who insist on dwelling on the negative aspects of the foreign aid program.

Surely there is a prospect of new waste in foreign aid as there is in defense. Certainly we must erect every safeguard we can against such waste. But you cannot eliminate it in advance. You must protect the public money as it is being spent.

We need new vigilance, better controls and procedures in the handling of foreign aid. Yet these are not provided by the act of cutting a sizable $790 million out of the program.

Such action may look to many Americans less like a move to wipe out waste than like an effort to cripple foreign aid.

The U.S. Senate soon will have a chance to decide whether this has in fact been the effect of the House cut. If it so decides, it may repair at least part of the damage to a program that should be lifted up by positive hope—not cast down by negative cynicism.

"Then a throne will be established in steadfast love and on it will sit in faithfulness in the tent of David one who judges and seeks justice and is swift to do righteousness."—Isaiah 16: 5.

MAY 23, 1960.

DEAR SENATOR WILEY: The mutual security bill has been passed before the President went to Paris and this is certainly no time to make a public exhibition of wrangling about the appropriations to carry out the purposes of the bill. With the tension which now exists between the free world and communism, the best possible thing both parties in Congress could do would be to close ranks behind our President and give notice to the masters of the Kremlin that we do not mean to abdicate from our mutual security program with the free nations of the world and leave them to the mercies and whims of Khrushchev.

I strongly urge your support.

——— ———.

MADISON, WIS., *May 17, 1960.*

Senator ALEXANDER WILEY,
Washington, D.C.

DEAR SENATOR WILEY: I would like to urge you to support foreign aid through the U.S. mutual security program.

To my way of thinking this is the cheapest and best way we can fight the spread of communism.

——— ———.

LEAGUE OF WOMEN VOTERS OF MILWAUKEE,
Milwaukee, Wis., May 26, 1960.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: The League of Women Voters of Milwaukee, convinced the foreign economic aid programs are vital to the future of the United States, as well as to the rest of the world, urge you to grant the full amount of the funds authorized for carrying out of these programs during the next fiscal year.

At our national convention in St. Louis, Mo., in April of this year, 1,094 delegates from 653 local leagues and 48 State leagues reaffirmed the league's support of economic aid. The convention also adopted as a program for the next 2 years, an item which includes continuing study and support of aid programs, as well as support of other economic policies which promote world development and maintain a sound U.S. economy.

An assessment of the findings of the league's 2-year study indicates that economic aid programs should be long range, adequately financed, and effectively administered. There is an overwhelming sentiment for continuing and strengthening the economic aspects of the mutual security program. The two sections of this program having the greatest support of league members are the Development Loan Fund and the bilateral and multilateral technical cooperation program.

We believe that the request of 700 million for the Development Loan Fund is the minimum needed. The effect of reducing the appropriation would be hard to overcome in the light of our intention to support projects in developing countries.

The league enthusiastically supports the bilateral and multilateral programs for technical assistance. We prefer lending aid to grant aid.

Although league members are well aware that support of foreign economic aid entails

the spending of tax money, they regard the cutting back of appropriations for this aid as "false economy." We therefore urge your support in granting the full amount requested for the Development Loan Fund, the bilateral technical cooperation program, the U.S. contribution to the United Nations technical assistance program and the special fund.

Sincerely yours,

ELEANOR GRANERT.

JUNE 13, 1960.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: We wish to urge you to give your support to the full appropriation of funds for foreign aid as suggested by the Administration. We have supported this idea in previous years as an important tool in U.S. endeavors toward peace and feel that curtailments of these funds may have detrimental effects on our long-range goals in foreign policy.

——— ———.

LEAGUE OF WOMEN VOTERS
OF OCONOMOWOC, WIS.,
June 11, 1960.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR MR. WILEY: The League of Women Voters of Oconomowoc urges your support of appropriation of the full amount of funds authorized for the mutual security economic aid programs for 1960, and the restoration of the $800 million cut from the bill by the House of Representatives.

We feel that the economic aspects of the mutual security program should not only be continued but strengthened, especially the Development Loan Fund and the bilateral and multilateral technical cooperation programs.

The league firmly believes that unless sufficient funds are made available for economic aid, these programs will fail of their essential purpose. Inadequate nibbling at the fringes of the problems of developing countries is a false economy and can only increase frustration and waste. The closing of the economic gap between the "haves" and the "have nots" is just as important to us as it is to the underdeveloped nations, for in a shrinking world we are frighteningly interdependent. We believe that aid should be increased, even if it means some material sacrifices to ourselves, if we hope to avoid worldwide tragedy.

The full amount requested for these economic aid programs can only maintain them at their present levels. We strongly urge you to do everything possible to restore the full appropriation for them.

Sincerely yours,

Mrs. L. A. KIRKPATRICK.

JUNE 19, 1960.

HON. ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR MR. SENATOR: We have valued very much in the past your good efforts on behalf of a stronger and more enlightened policy of using American resources to develop the economies as well as the defense potential of nations in the Middle and Far East not committed to the Communist cause.

Given the unwise and dangerous cuts and changes made in the House in the mutual aid bill, we hope that you will again contribute to making the Senate effective in restoring badly needed provisions.

This is not only the matter of providing adequate funds. Important also is to arm our program with flexibility in administration and in the ready adaptation to changing circumstance. Important, too, is to provide our executive branch with the freedom to negotiate with foreign nations on terms of give and take and cooperation, lest we stultify our own aims by appearing to adopt a take it or leave it attitude.

Finally we would hope that economic aid would be put in at least as important a position as military aid in the whole balance. As the cold war develops, our help to foreign economies seems to us more likely to be our most effective instrument in keeping uncommitted nations from turning to the totalitarian scheme of things.

Sincerely yours,

——— ———.

MAY 20, 1960.

The Honorable ALEXANDER WILEY,
Senator from Wisconsin, Senate Office Building, Washington, D.C.

DEAR SENATOR WILEY: As one who was born in the State of Wisconsin, not too far from your home, and lived there for 25 years, perhaps I can take the liberty of writing you about one of the problems which I studied with considerable care when I was in Washington as Deputy Under Secretary of State in 1955–56. This was the mutual security program.

I know that there have been times when the program did not function properly and when mistakes were made. I am aware also of the many complicated problems of administration. However, considering all aspects of the program it seems to me that the President is right in urging a level of appropriations which will assure an effective program. Serious reductions in the program might run the risk, in certain areas especially, of lessening the security of the United States.

I am certain that with your long and distinguished service in the Senate and your conscientious analysis of this important matter, you will give thoughtful consideration to the need for this program.

Very sincerely yours,

——— ———.

MAY 31, 1960.

HON. SENATOR WILEY,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Seldom do we write you for support of bills before the Congress because your past record speaks for itself.

Today, however, we are concerned about two bills among many others with an "election year" tinge.

First—our mutual security program. The Russian has awakened us to our danger. President Arthur H. Motley, chamber of commerce, has challenged America in these words:

1. "We must not fail to support its basic and essential purposes."

2. "We must strengthen the free world, thus providing security against Communist aggression with its unyielding and hostile posture."

3. "Foreign aid is costly, but vital to our security. We cannot afford to relax our support of indispensable defense establishments and arrangements throughout the non-Communist world."

* * * * *

We thank you for your faithful service to your State and wishing you continued good health, we remain,

Yours very truly,

——— ———.

JUNE 17, 1960.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: I as a taxpayer like expenses kept at a minimum but do not feel at this time any cut should be taken in the direction of economic aid programs.

My family, friends and neighbors are all well fed and prospering. Let us with God's help give the people under less fortunate circumstances also the chance to help themselves.

Sincerely yours,

———.

LEAGUE OF WOMEN VOTERS,
Two Rivers, Wis., June 18, 1960.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: Now that the appropriation bill for the mutual security program is before the Senate we would like to add our request for your full support of the authorization.

Our league members are well aware that support of foreign economic aid means the spending of tax money. We believe the cutting back of appropriations for foreign economic aid is "false economy" and that the United States can and must afford to continue and even expand its aid to the developing countries. Actually we prefer the concept of "cooperation" for world development as worked out in the multilateral assistance programs.

We respectfully request your full and complete support of the full amount authorized for the Development Loan Fund, and requested for the bilateral technical cooperation program, and the United States contribution to the United Nations technical asistance program and the Special Fund.

Sincerely yours,

Mrs. FRANK ROGERS.

LEAGUE OF WOMEN
VOTERS OF ELM GROVE,
Elm Grove, Wis., June 1, 1960.

DEAR SENATOR WILEY: I am writing in reference to the mutual security authorization for the fiscal year 1961 as requested by the President. I speak in the name of the League of Women Voters of Elm Grove.

As you probably know we have been studying in this field for the past 4 years and intend to work toward its improvement for the next 2. My league is convinced that foreign economic and technical assistance programs are of vital importance to the future of this country's wellbeing, as well as to that of the rest of the world. To cut or stop these programs now would be like a slap in the face to the recipient underdeveloped countries. Many of them see the first glimmer of economic stability. Also we must never forget that these are the future markets for our expanding economy.

We believe in the most economical use of these moneys and, therefore, strongly support the United Nation's expanded technical assistance program which, through better planning, makes a more realistic appraisal of the needs and resources of the developing countries.

Any cutback in the Development Loan Fund would be false economy since enormous capital is needed to do anything constructive in these countries. In fact we would like to see more funds made available to this program.

Would appreciate any interest and support you would show for the economic and technical assistance programs under the mutual security authorization.

Sincerely,

Mrs. W. H. BRODERSEN.

IN PRAISE OF OUR YOUTH

Mr. WILEY. Mr. President, in these days when everybody appears to be preoccupied with the problem of juvenile delinquency, and statistics are used to show the spread of juvenile crime, I believe there is a special need to remind this Nation of the many millions of

youngsters who carry on in the American tradition of family and public responsibility, ingenuity, and pursuit of knowledge, and devotion to tradition and law.

Earlier this session, I was one of the cosponsors of Senate Joint Resolution 181, which would establish an annual Youth Appreciation Week. This resolution would designate the week beginning on the second Monday in November in each year as Youth Appropriation Week, in honor of the great majority of our young people who are good citizens and who contribute generously to the heritage of our Nation and to the home, church, school, and community. This measure was passed by the Senate on June 2, 1960, and is now pending before the House Judiciary Committee. I certainly hope that it will be passed during this session of Congress, to serve as a nationwide citation to American youth.

I believe that the great concern of this Nation with misguided youth calls for a reassertion of our faith in the youth of this country who have been taking their citizenship duties most seriously. A perusal of Wisconsin newspapers of this week gives a most impressive illustration of the constructive activities of our youngsters.

The Janesville Daily Gazette of Tuesday of this week, June 21, 1960, described the impressive performance put on by the delegates to the National Association of Student Councils Conference held in Janesville. Says the news account:

Teachers and officials connected with the NASC Conference here in Janesville are impressed by the high caliber of the delegates. Student council members from all over the country are well dressed and well mannered, fine examples of American teenagers. Although many are only sophomores and juniors in high school, adult observers note that they hold their own in discussions and make inteligent, adult-like points. As guests in local homes, the delegates are courteous and considerate, many eager to help with household duties. These teens are showing Janesville citizens how really sharp high-school students can be; they're a far cry from teenagers usually publicized, those arrested for driving violations or juvenile delinquency.

The seriousness with which Wisconsin youngsters are preparing for their adult responsibilities can be demonstrated, also, by the recent activities of the Badger Girls State, of which my own granddaughter was governor last year. The Green Bay Press Gazette of Monday, June 20, 1960, describes this year's annual exercise in government carried out by the schoolgirls of Wisconsin. The news account reports that:

GOVERNOR NAMED AT BADGER GIRLS STATE

MADISON.—Virginia Owens of Whitefish Bay was inaugurated Sunday as president of Badger Girls State.

She defeated Carol Korn of Winneconne in Saturday's balloting among 411 delegates to the mythical state. She will serve until the annual exercise in government ends Wednesday.

Justice Grover Broadfoot of the Wisconsin Supreme Court administered the oath of office to Miss Owens and four other election winners. They were Lynn Kellogg, Appleton, lieutenant governor; Claireanne Scoville, Oshkosh, secretary of state; Judy Babler, Janesville, treasurer, and Pat Hansen, Colfax, attorney general.

I believe that these girls and their parents should be congratulated for this demonstration of our youth's ability to assume a responsible role in American life.

But our youth is preparing not only for its future political responsibilities—it is also taking most seriously its preparation for its role in our economic and scientific life. One of the most important organizations contributing to the training of our youth is the Future Farmers of America. The Green Bay Press Gazette of June 15, 1960, reports on the selection of the Wisconsin "Star Farmer of the Year" by the State Future Farmers of America, as follows:

STATE FFA'S STAR FARMER IS SELECTED

GREEN LAKE.—Arlen Erickson, a 17-year-old Vernon County youth, Tuesday was named Wisconsin's "Star Farmer of the Year" by the State Future Farmers of America.

Erickson, of rural Victory, lives with his parents on a 440-acre farm. He is a senior at De Soto High School.

Sectional awards were presented to Jerry Curnow, Luck; Loren Wolfe, Arcadia; James Dassow, Plymouth, and Neal Stippich, Waterloo.

John Wirry, Montello, won the public speaking contest, and Willaim Molte, Oshkosh, the farm mechanic award. Don Jungwirth, Omro, won the home and farm award.

On this occasion, I should also like to make reference to a prize-winning essay by a high school student, Mary Ann Wera, which appeared in the La Crosse Union Herald of June 1960. The essay's topic is "The Prevention of Juvenile Delinquency." I am pleased to note the clear thinking and insight contained in this essay. I ask unanimous consent to have printed in the RECORD at this point in my comments the essay by Miss Wera.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

THE PREVENTION OF JUVENILE DELINQUENCY

(By Mary Ann Wera)

Every generation of Americans has had its own unique social problem to solve.

In the 1920's people trembled with fear at the tactics and actions of such gangsters as Al Capone, John Dillinger, and "Baby Face" Nelson. In the 1930's, the depression brought poverty and despair which ultimately led people to commit crime.

Then in the decade from 1940 to 1950 many homes were broken because of the Second World War. It was this decade of instability which bred the main problem of the 1950's—juvenile delinquency.

The cause of juvenile delinquency most often referred to is that of environment. It includes a number of factors such as parents, friends, television, and magazines, which are the more immediate and essential causes of juvenile delinquency.

The most basic element in a youth's environment is definitely the attitude and actions of his parents. A child is influenced greatly by the example of his parents, rather than by the laws and rules which have been impressed upon him during his formative years.

Friends and outside influences such as movies and magazines are also important causes of juvenile delinquency.

Often one finds himself associating with those whose moral standards are lower than his own. So that he will not lose this friendship he participates in the activities, good or bad, of his friends. Fear of losing friends forces him to act so dependently—such is the case in many youthful friendships.

Another contributing factor to the growth of juvenile delinquency is the informative media of today. The television, movies, magazines, and comic books seem to thrive on the public exposition of crime. The television programs of today fall into two categories—westerns and detective stories. In each classification we can easily detect an overemphasis on crime.

The movies recently released place crime and lawlessness before the public eye in an attractive manner. The magazines and comic books of the day also follow this pattern and put the emphasis on the lawless and illegal actions of men.

What can we do as interested citizens to solve the problem of juvenile delinquency?

There is no one overall answer to this question for there are many causes of the problem and each has its own particular solution. Stricter marriage and divorce laws would eliminate teenage marriages and many broken homes. This may be a means of eliminating future marital conflicts, unhappy family relations and divorces, all of which greatly contribute to the instability from which juvenile delinquency stems.

Parents should make an allout effort to show interest in their children's world.

A means of keeping interest alive among the members of a family would be to have a family hour every day or at least once a week. This would be a time set aside to share one's experiences with the family. In doing this the basic need of belonging to someone is satisfied. Planned activities such as family picnics or family outings also drive away the feeling of insecurity among family members.

Strong discipline must accompany this togetherness attitude. Parents and law officials must make rules and inflict the penalties, without reserve, on all offenders. If a youth is aware of a laxity in discipline he most certainly is not going to obey the rules and regulations set down for him. Strict law enforcement is a necessity. Without it, we cannot expect cooperation of any kind from the youth of today.

Youth and recreational centers can supply the means by which youth's spare time is filled. These youth centers must be well planned and well coordinated for if they are to fill a youth's spare time with activity, they must do so in a constructive and pleasant manner.

Another remedy is prohibiting the publication and sale of movies, magazines and television shows of low moral tone.

Committees to restrict the sale of cheap, filthy magazines and prohibit the showing of indecent films should be organized in every community. Teenagers get their ideas from what they see and hear. If these evil influences are removed, the growth of juvenile delinquency will be stunted.

Perhaps the best solution lies in instilling faith in God in young people. Certainly if one feels the comforts and joys of knowing God, and being able to talk to God in prayer he would not fall into crime so easily. One will also find peace of mind by being in communion with God, for if one loves God he will know in his heart and soul that to offend the Almighty is to commit a grievous wrong.

The prevention of juvenile delinquency does not lie in the hands of a few. It involves the work and cooperation of all Americans. Parents, teachers, coaches, clergymen, social workers and youth advisers all play an important part in the daily life of a teenager. It is their guidance and help which will make the youth of today strong citizens of the future.

Give willingly of your time and of yourself in order to help the youth of today. Believe only what you know is true, not all that you

hear and read, and give to teen-agers the hope, love, trust and courage they will need to grow up and face the trials and tribulations of the world.

Adult citizens of America, we, the youth of today, ask you to help us; don't disappoint us.

Mr. WILEY. Mr. President, I should like to conclude my own appreciation of our youth with this young lady's own words: "Perhaps the best solution to juvenile problems lies in instilling faith in God in young people. Certainly if one feels the comforts and joys of knowing God, and being able to talk to God in prayer he would not fall into crime so easily. One will also find peace of mind by being in communion with God, for if one loves God he will know in his heart and soul that to offend the Almighty is to commit a grievous wrong."

And again, "Give to teenagers the hope, love, trust and courage they will need to grow up and face the trials and tribulations of the world. Adult citizens of America, we, the youth of today, ask you to help us; don't disappoint us."

ADDITION OF CERTAIN LANDS TO CASTILLO DE SAN MARCOS NATIONAL MONUMENT, FLA.

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1695, House bill 8226.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 8226) to add certain lands to Castillo de San Marcos National Monument in the State of Florida.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 4, after the word "procure", to strike out "in such manner as he may deem to be in the public interest, including procurement with funds which may be appropriated therefor" and insert "in accordance with the provisions of subsection (b) of this section"; at the top of page 2, to strike out:

AREA A

Starting at a point in the seawall of Castillo de San Marcos National Monument, which is the southeast corner of the present Federal reservation; thence westerly 81.86 feet, more or less, along the existing boundary of Castillo de San Marcos National Monument to the intersection of said line with the west right-of-way line of Bay Street, the point of beginning;

Thence southerly along the west right-of-way line of Bay Street 143.5 feet, more or less, to the intersection of said right-of-way line with the north right-of-way line of Cuna Street which is the southeast corner of block 1; thence westerly 194.0 feet, more or less, along the north right-of-way line of Cuna Street to the intersection of said right-of-way line with the easterly right-of-way line of Charlotte Street, which is the southwest corner of block 1;

Thence northerly along the east right-of-way line of Herrea Way 25.0 feet, more or less, to a point where said right-of-way line is intersected by a prolongation of the northerly right-of-way line of Cuna Street;

Thence westerly across Charlotte Street to the northwest corner of Charlotte and Cuna Streets, which is the southeast corner of block 7;

Thence northerly along the west right-of-way line of Charlotte Street 57.0 feet to a point;

Thence northwesterly 28.3 feet, more or less, to a point located 20 feet west from the west right-of-way line of Charlotte Street on the southerly property line of land now or formerly owned by Mrs. J. C. Windsor, being lots 13 and 14, block 7;

Thence westerly along the said southerly property line of land now or formerly owned by Mrs. J. C. Windsor 149.0 feet, more or less to a point on the easterly property line of land now or formerly owned by Blanche L. Cerveau, being lot 10, block 7;

Thence northerly 88.5 feet, more or less, along said easterly property line of land now or formerly owned by Blanche L. Cerveau to a point on the southerly property line of land now or formerly owned by Mary Peck, being lot 18, block 7;

Thence westerly along said southerly property line of land now or formerly owned by Mary Peck 125.5 feet, more or less, to the easterly property line of land now or formerly owned by Colonial St. Augustine, Inc., being lot 5, block 7;

Thence northerly along said property line of land now or formerly owned by Colonial St. Augustine, Inc., 42.0 feet, more or less, to the southerly property line of land now or formerly owned by Frank Upchurch, being lot 4, block 7;

Thence easterly along said southerly property line of land now or formerly owned by Frank Upchurch, 50.0 feet, more or less, to the westerly property line of land now or formerly owned by Mary Peck;

Thence northerly along said property line of land now or formerly owned by Mary Peck and along said property line prolonged 149.0 feet, more or less, to a point on the southerly property line of land now or formerly owned by F. Victor Rahner, fragment of lot 1, block 7.

Thence westerly along said southerly property line of land now or formerly owned by F. Victor Rahner 40.0 feet, more or less, to a point on the easterly property line of land now or formerly owned by the R. L. Parks estate, portion of lot 1, block 7;

Thence northerly along said easterly property line of land now or formerly owned by the R. L. Parks estate 95.0 feet, more or less, to the intersection of said property line with the southerly right-of-way line of Fort Alley which point is the northeast corner of lot 1, block 7, and the northwest corner of lot 21, block 7;

Thence northerly on a prolongation of said property line 14.0 feet, more or less, to a point on the north right-of-way line of Fort Alley;

Thence westerly 5.0 feet, more or less, to the point on said right of way line which is the southwest corner of lot 5, block 6, and the southeast corner of lot 4, block 6;

Thence northerly 148.0 feet, more or less, along the lot line which is common to lot 5, block 6, and lots 2 and 4, block 6, and said line prolonged to a point on the southerly property line of land now or formerly owned by the Gulf Oil Company;

Thence westerly along the southerly line of said land now or formerly owned by the Gulf Oil Company and its prolongation to a point 60 feet eastward of the easterly right-of-way line of Saint George Street;

Thence northerly along a line parallel to and 60 feet eastward of the said easterly right-of-way line of Saint George Street a distance of 95.0 feet, more or less, to a point in the present boundary of the Castillo de San Marcos National Monument;

Thence easterly along the said present boundary of the monument a distance of 107.98 feet to a marble cornerstone, being the northeast corner of said block 6; thence continuing along the said present boundary of the Castillo de San Marcos National Monument in a general easterly and southeasterly direction to the point of beginning, containing in all about 2.45 acres of land.

At the top of page 6, to insert:

DESCRIPTION FOR PARCEL A

Beginning at a corner of the present Castillo de San Marcos National Monument boundary, said point also being the northeast corner of block 1, city of Saint Augustine, Florida; thence running along the present boundary of the Castillo de San Marcos National Monument as follows:

North 82 degrees 04 minutes west a distance of 35.46 feet;

Thence north 81 degrees 47 minutes west a distance of 60.17 feet;

Thence south 30 degrees 21 minutes west a distance of 16.36 feet;

Thence north 72 degrees 01 minutes west a distance of 4.77 feet;

Thence north 85 degrees 02 minutes west a distance of 97.52 feet;

Thence north 1 degree 28 minutes west a distance of 4.09 feet;

Thence north 11 degrees 18 minutes west a distance of 39.02 feet;

Thence south 77 degrees 32 minutes west a distance of 0.51 feet;

Thence north 10 degrees 50 minutes west a distance of 32.96 feet;

Thence north 7 degrees 36 minutes west a distance of 37.61 feet;

Thence south 88 degrees 54 minutes west a distance of 29.30 feet;

Thence south 73 degrees 52 minutes west a distance of 95.86 feet;

Thence north 2 degrees 21 minutes east a distance of 22.64 feet;

Thence north 4 degrees 39 minutes west a distance of 28.03 feet;

Thence north 81 degrees 08 minutes east a distance of 0.49 feet;

Thence north 7 degrees 10 minutes west a distance of 9.51 feet;

Thence north 65 degrees 12 minutes west a distance of 9.01 feet;

Thence south 80 degrees 49 minutes west a distance of 71.39 feet to a point in the southerly right-of-way line of the proposed Castillo Drive as delineated on the survey map by Emmett William Pacetti and Associates in three sheets dated April 23, 1960, file numbered LD-54 and revised June 2, 1960, said point being in the arc of a curve, concave to the southeast and having a radius of 465.00 feet, the radius of said curve bearing north 58 degrees 20 minutes 03 seconds east from said point;

Thence leaving the present National Monument boundary and running along the southerly right-of-way line of the proposed Castillo Drive along the arc of said curve through a central angle of 30 degrees 42 minutes 03 seconds, 249.16 feet to the end of said curve;

Thence south 62 degrees 25 minutes east 110.59 feet along the southerly right-of-way line of the proposed Castillo Drive to a point in the west line of block 1, city of Saint Augustine, Florida;

Thence leaving the southerly right-of-way line of the proposed Castillo Drive and running south 16 degrees 22 minutes west 81.72 feet along the west line of block 1, city of Saint Augustine to the southwest corner of said block 1;

Thence south 83 degrees 38 minutes east 192.00 feet along the south line of said block 1 to a point in the westerly right-of-way line of Florida State road A-1-A;

Thence north 4 degrees 46 minutes west 140.23 feet along the westerly right-of-way line of Florida State road A-1-A to a point in the present Castillo de San Marcos National Monument boundary;

Thence south 85 degrees 05 minutes west 8.57 feet along said National Monument boundary to a stone monument;

Thence north 5 degrees 21 minutes west 34.90 feet along said National Monument boundary to the point of beginning and containing approximately 1.05 acres.

DESCRIPTION FOR PARCEL B

Beginning at a corner of the present Castillo de San Marcos National Monument boundary, said point also being the northeast corner of block 6, city of Saint Augustine, Florida;

Thence south 78 degrees 06 minutes west 72.95 feet along the present Castillo de San Marcos National Monument boundary common to the north line of said block 6 to a point in the southerly right-of-way line of the proposed Castillo Drive as delineated on the survey map by Emmett William Pacetti and associates in three sheets dated April 23, 1960, file numbered LD-54 and revised June 2, 1960, said point being in the arc of a curve concave to the southwest and having a radius of 612.00 feet; the radius of said curve bearing south 54 degrees 39 minutes 11 seconds west from said point;

Thence leaving the present National Monument boundary and running along the southerly right-of-way line of the proposed Castillo Drive along the arc of said curve through a central angle of 13 degrees 25 minutes 41 seconds 143.45 feet to the end of said curve;

Thence south 21 degrees 55 minutes east 169.16 feet along the southerly right-of-way line of the proposed Castillo Drive to a point in the southerly line of lot 20, block 7, city of Saint Augustine, Florida, and the present Castillo de San Marcos National Monument boundary;

Thence leaving the southerly right-of-way line of the proposed Castillo Drive and running along the present boundary of the Castillo de San Marcos National Monument as follows:

North 82 degrees 20 minutes east a distance of 62.90 feet;

Thence north 10 degrees 42 minutes west a distance of 40.27 feet;

Thence north 33 degrees 22 minutes west a distance of 6.76 feet;

Thence north 79 degrees 26 minutes west a distance of 6.21 feet;

Thence south 83 degrees 06 minutes west a distance of 2.20 feet;

Thence north 75 degrees 11 minutes west a distance of 36.48 feet;

Thence north 13 degrees 56 minutes west a distance of 152.00 feet;

Thence south 80 degrees 29 minutes west a distance of 3.78 feet;

Thence north 17 degrees 13 minutes west a distance of 2.00 feet;

Thence north 17 degrees 32 minutes west a distance of 20.07 feet;

Thence north 72 degrees 20 minutes east a distance of 2.81 feet;

Thence north 17 degrees 26 minutes west a distance of 11.61 feet;

Thence south 72 degrees 28 minutes west a distance of 2.99 feet;

Thence north 17 degrees 32 minutes west a distance of 57.46 feet to the point of beginning and containing approximately 0.32 acre.

On page 11, line 12, to strike out "AREA B" and insert description for parcel C.

And, on page 12, after line 9, to insert:

(b) The Secretary shall, in procuring lands or interests therein pursuant to the provisions of this section, acquire such lands or interests therein only by negotiations; except that the lands or interests therein described as block 1, city of Saint Augustine, Florida, may be acquired by the Secretary in such manner as he may deem to be in the public interest, including procurement with funds which may be appropriated therefor.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

Mr. HOLLAND. Mr. President, this is a House bill, to add certain lands to the Castillo de San Marcos National Monument, at St. Augustine, Fla. The bill which passed the House provided for the addition of nearly 3 acres of land—I believe it was 2.76 acres—to this monument area. There were complaints from some of the property owners. At the request of the Senators from Florida a resurvey was made, which reduced the acreage to be added to 1.37 acres.

The Senate committee conducted hearings, and agreed to recommend the bill with an amendment which would reduce the added area to 1.37 acres as shown by the resurvey.

The second change which the committee recommended was to withhold the right of condemnation at this time from the National Park Service, except as to the principal and most needed tract of land, constituting about an acre. That course is thoroughly agreeable to the Senators from Florida. It will leave a small tract to be acquired in the future, unless it can be acquired by negotiation.

There is a third small tract included in the bill, which is already in public ownership, and which does not have to be either paid for or considered as a part of the added lands. It comprises a part of the moat of the ancient city of St. Augustine. This tract has already been acquired and deeded to the public.

The Senators from Florida are thoroughly agreeable to the amendments proposed, and we ask that the amendments be considered en bloc at this time, and promptly agreed to, for this reason: The description is a very lengthy and involved one, and will have to be checked carefully by the House, as it was by us. It is based on titles nearly 400 years old, and it is a metes-and-bounds description. We hope that a conference may be avoided, but if it should become necessary, we want to allow ample time for the conference to agree on the provisions of the bill.

Let me add, in closing, that the House Members from Florida are in complete accord with the changes suggested by the Senate committee.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ALLOTT. We went into this question very thoroughly. I think the Senator from Florida has presented the facts. There is no reason why the bill should not be passed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments. Without objection, the committee amendments are agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8226) was read the third time and passed.

CONVEYANCE OF LANDS TO MASSACHUSETTS PORT AUTHORITY—CONFERENCE REPORT

Mr. SALTONSTALL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5888) to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain lands. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 24, 1960, p. 14231, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SALTONSTALL. Mr. President, the conference report was unanimously agreed to. I hope the Senate will accept it.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a brief statement which I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SALTONSTALL

I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5888) to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, certain lands comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands.

I urge the adoption of the conference report and, in connection therewith, I desire to make a brief statement as to the point involved.

The 15.9 acres of land comprising the Navy property has been declared excess to the needs of the Boston Naval Shipyard and has been approved for disposition. The Massachusetts Port Authority desires the land for future development of the port. The Department of the Navy desires title to the port authority property consisting of 3.88 acres of land which will be used for parking, recreational, and other allied purposes. Testimony before the committee revealed a difference of opinion as to which of the properties are of greater value. While the Navy property has not been appraised by an independent impartial commercial appraiser, a staff appraisal by Navy representatives indicates a value on the Navy property of $210,000, as against $127,000 on the port authority property. The latter property, however, is assessed at a much

higher figure by the city of Boston. For the past 17 years, the Navy has enjoyed free use of the port authority property. While this does not constitute consideration from a legal standpoint, it should be pointed out that had the Navy been required to pay rent, it is estimated that the fair rental during this period of time would have amounted to between $75,000 and $90,000, which approximates, if not exceeds, the Navy's estimate of the difference in the value of the lands.

Now, this bill as it originally passed the House would permit an even exchange of these parcels of land. In the House committee report, it was pointed out that if indeed the property to be conveyed to the Navy is of greater value, then the free use of the port authority property should be weighed against this.

The Senate committee, after holding hearings and carefully appraising the matter, amended the House-passed bill. The amendment would permit the Secretary of the Navy, after determining the fair market value of the land, and in the event the Navy-owned land exceeded the value of the port authority property, to waive such portion thereof as he deems equitable in consideration of the rent-free use of the port authority property by the Navy in past years. This did not necessarily mean there would be an even exchange of the properties, but simply that some consideration would be given to the courtesy shown the Navy by the port authority for many years. The committee thought this only fair and equitable. However, the bill was amended on the floor of the Senate to authorize the exchange of the property at fair market value with no consideration being given to the free use of the port authority property by the Navy.

After due consideration, the conferees have agreed that the Secretary of the Navy should be authorized to waive not to exceed 50 percent, as he deems equitable, of any amount determined by him to be payable to the United States in consideration of the Navy's free use of the port authority land over the past several years.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960—CONFERENCE

Mr. WILLIAMS of Delaware. Mr. President, I rise to discuss a problem which has arisen in conference in connection with the tax rate extension bill (H.R. 12381).

More specifically, it concerns an amendment which was sponsored by the Senator from Pennsylvania [Mr. CLARK]. In the conference we are in a somewhat perplexing position. Most of us, while we agreed with the objective of the sponsor, voted against the amendment at the time it was adopted on the floor on the basis that we thought the amendment was not properly drawn. However, if we return from the conference committee with the amendment eliminated from the bill there may be those Senators who might feel that we had not properly discharged our duties.

As the Treasury Department has analyzed the amendment, it appears that the amendment would accomplish many things which we are sure the Senator from Pennsylvania did not intend to accomplish.

I emphasize that I do not question for one moment the good intentions of the Senator from Pennsylvania in offering this amendment. I am in complete agreement, and I am sure most Senators are in complete agreement also, with his objectives and motives. It is a question of whether he would achieve those objectives by this amendment. For instance:

The Treasury states that the adoption of the amendment would in no way limit the payment of payola. Such payments, the Treasury states, would still be fully deductible in an unlimited amount. At the same time the amendment would deny to companies, the Treasury Department states, credit for scholarship for students to attend business schools or colleges if the scholarship contribution by the company exceeds $10.

There are many business concerns which underwrite a portion of the tuition in the training of stenographers attending business schools. If these girls who have been trained in this way stay with the company for a specified number of months or years, the tuition advanced is waived. Under the amendment they would be precluded from underwriting any scholarship fees in excess of $10. They could not grant such a scholarship to college students or to any other students. I do not believe that the sponsor of the amendment intended any such result.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CARLSON. Mr. President, I heard the debate on the amendment, and from the discussion of it by the Senator from Pennsylvania I am sure that he did not intend to eliminate scholarships as a business expense. I hope that will not be done. I know that in Kansas we have particularly benefited by the scholarships given by General Mills, under what is known as the Betty Crocker Homemakers Award. This is the sixth year in which General Mills has operated this fund. It has spent $110,000 on scholarships under the fund.

All the States of the Union participated. Twelve thousand five hundred and ninety-seven high schools and 379,018 senior high school girls took part in it. This year a young lady from Topeka, Kans., Miss Jean Erhart, of whom we are very proud, won $5,000.

I know that the distinguished senior Senator from Pennsylvania [Mr. CLARK] did not intend to cover cases like that. I sincerely hope we can work out the problem.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I shall yield in a moment.

This particular case was called to our attention this morning in the conference and to the Treasury Department, and the Department confirmed this as a possible interpretation of the amendment. They stated that under the language of the amendment it is apparent that such scholarships would be barred if the amendment were adopted. That is why we are here today. I know the Senator from Pennsylvania did not intend that the amendment be interpreted in that way.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CLARK. Of course the amendment was not intended to deny to any taxpayer the right to make an educational or charitable contribution in the nature of a scholarship. Of course my amendment does no such thing. If the Treasury Department has so advised the Senator from Delaware, then I suggest the Treasury Department get another lawyer who knows something about the tax laws.

If my friend from Delaware wants my assurance on the amendment, I merely say to him that I have no pride of authorship so far as the amendment is concerned. However, I do resent Senators coming on the floor, particularly those who are not lawyers, and saying that my amendment exempts a situation which even those who have never been to a law school know does no such thing.

Mr. WILLIAMS of Delaware. I fully recognize the complete confidence the Senator from Pennsylvania has in his own ability as a lawyer. However, as conferees of the Senate and as members of the Committee on Finance, we have no alternative, nor do the American taxpayers, than to accept the interpretation given to us by the Treasury Department. It is not my interpretation that I am giving here today. My statement is based on the letter sent to me by the Treasury Department plus the discussion in conference this morning. The letter is dated June 22, 1960, and is signed by Mr. Glasmann.

Mr. CLARK. May I see the letter?

Mr. WILLIAMS of Delaware. I will put it into the RECORD.

Mr. CLARK. But that will be after the colloquy has been concluded, and I will not have had a chance to see it. I do not object to anything the Senator from Delaware wishes to do.

Mr. WILLIAMS of Delaware. I am not getting into any argument about which lawyer is the best draftsman. I merely wish to make the point that this is the definition and conclusion of the Treasury Department about serious questions which can arise if the amendment is approved in its present language. This is the definition which the Treasury Department has given to the committee on conference which met this morning and which is scheduled to meet again at 2 o'clock this afternoon.

I am confident that the Senator from Pennsylvania did not intend to do what the amendment apparently will do according to the Treasury Department. If the Senate wishes to accept the interpretation of the Senator from Pennsylvania as against the interpretation of the Treasury Department, I will not stand in the middle. This is the interpretation of the Treasury Department, and as far as I am concerned it is the interpretation I must accept. The Senator from Kansas will support what I have said. He was at the conference.

The letter indicates that it may exclude facilities such as picnic grounds, golf courses, bowling alleys, and the like even if they were established for the sole benefit of the employees of a company.

I know the Senator from Pennsylvania did not intend to do that, but nevertheless that is one of the points raised.

Another point that was called to our attention concerns a situation wherein many companies have over the past years developed a program whereby they will make certain lump sum payments to the widow of a former employee who may have been killed on active duty or died after a period of extended service.

Mr. CLARK. Mr. President, will the Senator yield briefly?

Mr. WILLIAMS of Delaware. I will yield in a moment.

Mr. CLARK. The Senator is taking up a series of points. I wish he would take them one at a time.

Mr. WILLIAMS of Delaware. I am. The Senator from Pennsylvania said he disagreed with the interpretation of the Treasury Department. I am not going to get into any argument as to whether the Senator is right or whether the Treasury Department is right.

Mr. CLARK. What is the Senator asking me?

Mr. WILLIAMS of Delaware. I am not asking the Senator anything.

Mr. CLARK. The Senator said he wanted to ask me some questions, therefore I stayed here through lunch hour.

Mr. WILLIAMS of Delaware. I do not want to get into any argument as to whether the Senator is right or the Treasury Department is right. The Senate can draw its own conclusions. Several companies have developed a program under which they pay certain lump-sum amounts to former employees who may have been killed on duty or died after a period of extended service. Under the 1954 code Congress approved the classification of such payments as nontaxable gifts but deductible as a business expense.

Now the Treasury claims—and I am not going to get into any argument with the Senator from Pennsylvania as to who is right—that under their interpretation of the Senator's amendment such payments would be barred. I yield to the Senator from Kansas who I am sure will confirm what I have said.

Mr. CARLSON. I wish to state that the Senator from Delaware is bringing up a matter of vital importance, and we will have to come back and ask for instructions, or find out what was the intention of the proponent of the amendment and of the amendment as adopted. We are meeting on the bill at this time. The RECORD should show that I know it was not the intention of the Senator from Pennsylvania to provide what has been stated by the Treasury Department.

Mr. WILLIAMS of Delaware. Now, if the Senator from Pennsylvania wishes me to yield to him, I will be glad to do so. I am confident that he did not intend that any one of these benefits should be denied as interpreted by the Treasury Department. We would like to establish what the intent was.

Mr. CLARK. How can we establish it if the Senator will not yield to me?

Mr. WILLIAMS of Delaware. I have just offered to yield, but if this is going to develop into an argument between the Senator from Pennsylvania and the Treasury Department I am not interested in being a referee. In the conference committee we have no choice other than to follow the interpretations of the Treasury Department.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Florida.

Mr. SMATHERS. Would it not simplify matters if the Senator from Delaware and the Senator from Kansas and the other conferees, who represent the Senate, would come back to the Senate with the letter from the Treasury Department and give an opportunity to the Senator from Pennsylvania to see the letter in advance, so that he will have an opportunity to make an intelligent response to what the Senator has said? Then we can have an argument at that time, instead of now.

Mr. WILLIAMS of Delaware. That is the position that we tried to get in the conference committee. We met this morning, and we are scheduled to go back at 2 o'clock. First, I understood we were to meet again tomorrow, but now we have been called back into conference at 2 o'clock. We are faced with this immediate situation. That is why we are discussing it now, trying to get a clearer statement of the intention of the Senator from Pennsylvania [Mr. CLARK].

Mr. FREAR. I should like to ask my colleague whether the letter was distributed in the conference this morning. I assume it was.

Mr. WILLIAMS of Delaware. Yes.

Mr. FREAR. Unfortunately, I did not get a copy.

Mr. SMATHERS. Mr. President, would not the Senator agree that it would be helpful to the Senator from Pennsylvania, who is the author of the amendment, if he were permitted to see the interpretation of the Treasury, so that he would know whether it follows the intent of the amendment he introduced? I know the letter must be returned, but rather than debate the question on the floor, I respectfully suggest that the Senator from Delaware talk to the Senator from Pennsylvania and let him see it before it goes back.

Mr. WILLIAMS of Delaware. There are many other Senators who are concerned in the matter. I thought all of them should be aware of the problem with which we are confronted.

My colleague from Delaware [Mr. FREAR] attended the conference this morning. I think he can confirm the fact that there was widespread concern among all the conferees as to the extent of the coverage of the amendment. There was no question about the objective of the amendment; the question concerned the interpretation of the language

Mr. FREAR. Mr. President, I confirm what my colleague has said. There was extensive conversation concerning the interpretation by the Treasury.

Mr. SCOTT. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. SCOTT. It is my understanding that the amendment would forbid any corporation, for example, from providing scholarships for deserving students in connection with or in the form of a company award or prize contest or high school scholarship in the name of the company.

Mr. WILLIAMS of Delaware. We were so advised this morning. I know that was not the intention of the senior Senator from Pennsylvania. Yet we were told that that was the interpretation which the Treasury would be obligated to put upon the amendment.

Mr. SCOTT. We have had so much concern about education bills and aid to educate our children that if we are to prevent our children from receiving scholarships, I wonder if that was the intent of any of us?

Mr. WILLIAMS of Delaware. I do not think it was. I am confident it was not the intent of any Senator who supported the amendment. I believe and will support the objective as stated by the senior Senator from Pennsylvania. I feel that this is a problem which should be dealt with, but I am pointing out that the amendment adopted by the Senate is not the answer.

Mr. CLARK. Mr. President, will the Senator yield, so that I might make a suggestion?

Mr. WILLIAMS of Delaware. I yield.

Mr. CLARK. I wonder if the Senator from Delaware would agree that one quick way to settle the problem would be to have the Senator from Delaware [Mr. WILLIAMS], the Senator from Kansas [Mr. CARLSON]—if he wishes to sit in—the junior Senator from Delaware [Mr. FREAR], and me sit down together and give me the courtesy of seeing the letter from the Treasury. If the Senator will permit me to have the letter from the Treasury, my staff will prepare an answer within 1 hour. It will be in the hands of the conferees by 3 o'clock. But if I am not to be given the courtesy of looking at the document, I do not know how I can be expected to answer any questions.

Mr. WILLIAMS of Delaware. Unfortunately, the conference is due to resume at 2 o'clock. I merely wish to add that this procedure further emphasizes the danger of trying to amend the Revenue Code on the floor of the Senate. One does not know unless the amendment is available at the time it is offered how it may be interpreted. I do not believe it is quite fair to the Senate to be put in the position of voting on a proposal on an amendment such as this without an official interpretation.

As the Senator from Kansas [Mr. CARLSON] pointed out, one nationally known food concern had engaged in advertising——

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. Not until I have finished. I shall speak only for a few minutes.

Mr. CLARK. The Senator says he has to be in the conference at 2 o'clock; yet he has not answered my question.

Mr. WILLIAMS of Delaware. I am merely trying to help him get the authority for us to change the amendment in the conference committee to accomplish what I am sure are the objectives of the sponsor.

The Treasury Department, in its recommendations, requested either that the amendment be deleted in its entirety or, preferably, that we supply an interpretation of what was intended and reach an agreement on new language. The Treasury Department recognized that there are areas which need correction, but they point out that they will not be corrected if we are going to insist upon the amendment as it was adopted by the Senate. We, as conferees, are in this position: Either we must insist upon the amendment as it was adopted, or we must have the full authority of the Senate to modify it. I think this is a question to be decided by the Senate.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter of the Treasury Department dated June 22, 1960, which the Senator from Pennsylvania may now have.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY
OF THE TREASURY,
Washington, D.C., June 22, 1960.

Hon. JOHN WILLIAMS,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR WILLIAMS: This is in response to your request for my comments on the problems which may be involved in the amendment to the tax rate extension legislation relating to the disallowance of certain business expenditures for entertainment, gifts, and club dues.

As you know, the amendment would make the following changes in present law: (1) It would disallow any deduction for entertainment expenses except expenses for food or beverages incurred to advance the taxpayer's trade or business; (2) it would disallow deductions for gifts except a gift to any person which did not exceed $10 per year, and (3) it would disallow deductions for dues or initiation fees in social, athletic, or sporting clubs or organizations. Our preliminary analysis of these proposed changes in the law indicates that there are substantial problems presented by the amendment. These include problems of equity, administration, and statutory construction.

The nature and scope of the problems which our preliminary study has revealed include the following:

1. Definition of entertainment: What is the scope of the term "entertainment"? Would the purchase of food and drink in a place which furnishes live background music be considered as an expenditure solely for food or as partially for entertainment? If it is considered an expenditure partially for entertainment, would an allocation be required? Would the result be different if a nightclub with a full entertainment program were involved? What is the status of expenditures incurred under various circumstances for travel, lodging, and such items as cigars, corsages, and company-sponsored entertainment for employees? Even if the definitional problem could be solved, it would be very difficult to administer this amendment. An expenditure would be deductible if classified as food and drink but not as other forms of entertainment. Hotels and restaurants would tend to be encouraged to bill customers for entertainment items under the heading of food and beverages.

2. Definition of gifts: What is the scope of the term "gifts"? Under present law a gift other than a charitable contribution is actually not deductible. The business gifts which are deductible under present law are in fact expenses incurred with the view to business or professional benefits. Without clarification the proposal may be construed to deny a deduction for many normal and legitimate items of business expense for advertising or promoting good will.

The status of gifts, with reference both to their deductibility by the payor and their taxability in the hands of the recipient is one of the most difficult areas in the Internal Revenue Code. This is underscored by the action of the Supreme Court in its consideration of the problem in three cases decided June 13 where taxpayers contended that items received by them in various business relationships were nevertheless nontaxable gifts. Specific instances where the effects of the amendment may be unclear or give rise to difficulties include the treatment of gifts by employers to widows or other survivors of deceased employees, the status of expenses incurred by businesses for employee recreational facilities, scholarships, and fellowships, prizes, and awards, and gifts to retiring employees, etc.

3. Interplay of provisions relating to entertainment and gifts: What is the treatment of items which fall within the scope of both entertainment and gifts? For example, would food and beverage, regardless of the form in which provided, be deductible without dollar limitation? For example, would the expense of theater tickets, which was disallowed as an entertainment expense, nevertheless be deductible as a gift up to the $10 limit? Would the form in which the tickets were given make any difference? In other words, if the recipients of the tickets accompanied the taxpayer to the theater would that be entertainment whereas if the tickets were given to him directly would that be a gift?

4. Dues in social, athletic, or sporting clubs: What is the scope of the prohibition against deducting dues in social, athletic, or sporting clubs or organizations? Is it intended to deny deductions for dues paid to businessmen's luncheon clubs, and various civic organizations such as Rotary Clubs, Kiwanis Clubs, and Lions Clubs?

5. Discrimination among forms of entertainment: Not the least of the problems raised by the amendment is its discrimination in the tax treatment of different forms of entertainment. It seems difficult to defend a provision which would allow deductions for food and drink without limit if otherwise qualified as a business expense and yet disallow a more modest expenditure on such legitimate and effective ways of winning the good will of customers and clients as an invitation to a symphony concert or a tour of the taxpayer's plants or sales outlets and points of interest in the vicinity.

6. Status of employee facilities for recreation: It would seem that the proposed disallowance of entertainment expenses relates primarily to entertainment, lavish or modest (other than food or drink), for customers, business associates, suppliers, and highly paid executives of the business. However, it is broad enough to disallow expenses for facilities for maintaining recreational facilities for the general use of all employees, such as picnic grounds, golf courses, bowling alleys, and the like. In view of the sweeping nature of the language of the amendment the question is raised as to its impact on a wide range of business expenditures for facilities and programs which embody a substantial element of entertainment for employees. The deductibility of these expenditures has not hitherto been questioned.

7. The $10 per person limit on gifts: Administration of the $10 limit would involve administrative difficulties since it would be difficult to keep or audit records showing the cumulative amount of gifts to any one person in a taxable year. It would seem that the language of the proposed statute allows the first $10 of a gift costing more than $10. However, there are references in the floor debate which suggest that there is an intention to disallow entirely items costing over $10. A further difficulty: a possible construction of the proposed statutory language which would suggest the $10 per person rule to mean an average of $10 per person.

8. Exception to the proposed rule where entertainment is the trade or business of the taxpayer and expenses are paid or incurred to further the trade or business: The apparent intent of this exception is to allow the theatrical producer or others in the entertainment business to deduct salaries paid entertainers. However, it appears from the literal wording of the amendment that it would allow anyone in the entertainment business, unlike all other businessmen, to deduct expenses in connection with the entertainment of clients, customers, and others.

The Treasury is prepared to cooperate with the tax-writing committees of Congress in developing any legislation which may be needed to eliminate abuses in this area. These abuses are in large part a matter of good business morality rather than a narrow tax question. Nevertheless, they can significantly affect the soundness and fairness of our tax structure.

We are continuing to study the technical and administrative difficulties involved in the amendment. We feel, however, that the problems described in this letter point up the difficulties involved in formulating a practicable and workable legislative solution.

Sincerely yours,

JAY W. GLASMANN,
Assistant to the Secretary.

Mr. WILLIAMS of Delaware. Mr. President, we hope this difficulty can be settled and that we shall be able to reach an agreeable compromise. However, I thought it was only fair to call to the attention of the Senate some of the problems presented by the amendment.

If the Senator from Pennsylvania wishes to have me do so I shall now be glad to yield to him. I should like to have him state what he intended, or did not intend, to be in his amendment.

Mr. CLARK. Mr. President, the Senator from Delaware has just handed me what appears to be a four-page, closely typed letter from Mr. Glasmann, assistant to the Secretary. He has placed it in the RECORD, so that I cannot have it copied. I should like to have the opportunity of using it for at least 3 minutes, so that I might answer the Senator as to what I intended in offering the amendment.

Mr. WILLIAMS of Delaware. The Senator can answer as to what he intended in offering the amendment, and the letter is now available to him.

Mr. CLARK. I cannot answer all the wild charges made in a fast speech based on a letter I am not allowed to read.

Mr. WILLIAMS of Delaware. The Senator is familiar with the rules of the Senate. He should know that this letter is now made available to every Senator before it goes to the printer.

I suggest that he read the letter.

Mr. CLARK. Mr. President, I ask unanimous consent that I may retain the letter sent from the office of the Secretary long enough to have a Thermo-Fax copy made of it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. I shall not object, but I most respectfully point out that under the rules of the Senate the Senator already has that privilege. But if he wishes to get unanimous consent to have the letter, he may do so.

GREETINGS TO MISS HELEN KELLER

Mr. HILL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1688, Senate Resolution 336, extending the greetings and best wishes of the Senate to Miss Helen Keller on the occasion of her 80th birthday, which will occur on June 27, 1960.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 336) extending greetings to Miss Helen Keller on the occasion of her 80th birthday.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. HILL. Mr. President, the resolution was unanimously reported by the Committee on Labor and Public Welfare and has the approval of the leadership on both sides of the aisle.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BUSH. I thank the Senator from Alabama for yielding to me to speak on this very graceful resolution. I congratulate him upon his action in submitting the measure and having it reported by the committee.

Miss Keller was born in Alabama. The Senator from Alabama may be justly proud of that fact, as may all the people of Alabama.

In recent years she has lived as a resident of Connecticut. I have had the pleasure of meeting her.

Miss Keller is deaf and blind, and has been practically all her life. Yet I think she has a greater perception of the important values of life than almost any of us who can see and hear. As evidence of that, I quote a little of her philosophy, which the Senator from Alabama placed in the report. She said:

> The more we try to help each other and make life brighter, the happier we shall be.

Mr. President, by virtue of the authority vested in me as a U.S. Senator, I nominate Helen Keller as the All-American Woman of all time.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the distinguished Senator from New York.

Mr. JAVITS. I, too, know Helen Keller; as a matter of fact, I met her at Westport, where my brother for many years had a summer home. I know of no person in our country more entitled to be honored, and I am sure there is none whose life is so inspiring.

I call the attention of Senators to the fact that a great play about Helen Keller's youth called "The Miracle Worker," is one of the great successes in New York. It is one of the most exciting and superb pieces of playwriting we have known in all the history of the theater, and subject acting by Miss Bancroft is wonderful.

Mr. HILL. I thank the distinguished Senator from New York, and also the distinguished Senator from Connecticut, for their very gracious and generous words.

Miss Helen Keller's accomplishments and the wonderful inspiration she has given to handicapped people everywhere on the earth are so well known that there is no need to set them forth here in detail.

As the Senator from Connecticut has said, Miss Keller was born in Tuscumbia, Ala., and was made blind and deaf by disease while still an infant. She was imprisoned, as she later called it, in a "no world." The whole world knows of the challenging, inspiring story of how this pitiful child emerged into womanhood, and how, through her own determination and faith, and through the patient understanding and devotion of a dedicated teacher, Miss Anne Sullivan, she won her magnificent victory over darkness and defeat.

Miss Keller's personal victory turned her life and ambitions to the service of others.

The distinguished Senator from Connecticut has well quoted Miss Keller's words:

> The more we try to help each other and make life brighter, the happier we shall be.

With this philosophy as her guide, Helen Keller has for more than half a century employed the symbol of her own hope and faith to the benefit of millions of her fellow handicapped in America and throughout the world.

Mr. President, to me, Helen Keller is the most remarkable person on this earth; and today I rejoice as the Senate of the United States adopts this resolution and sends its greetings and its best wishes to Miss Helen Keller, on the occasion of her 80th birthday.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 336) was agreed to, as follows:

Resolved, That, in recognition of the vast contributions made by Miss Helen Keller to the well-being of all humanity, the Senate hereby extends its greetings and best wishes to Miss Keller on the occasion of her eightieth birthday, which will occur on June 27, 1960.

SEC. 2. The Secretary of the Senate is directed to transmit to Miss Helen Keller a copy of this resolution.

The preamble was agreed to.

EXCHANGE OF CERTAIN WAR-BUILT VESSELS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2618) to authorize the exchange of certain war-built vessels for more modern and efficient war-built vessels owned by the United States, which were, on page 2, lines 1 and 2, strike out "(as defined in section 3b of the Merchant Ship Sales Act of 1946)" and insert "(which are defined for purposes of this subsection as oceangoing vessels of 1,500 gross tons or over which were constructed or contracted for by the U.S. shipyards during the period beginning September 3, 1939, and ending September 2, 1945)", and on page 2, line 21, after "subsection." insert "In determining the value of the traded-in vessel or vessels the Secretary may take into consideration the cost to the owner of compliance with subparagraph (8), clauses (A) and (B), of this subsection."

Mr. ENGLE. Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

Mr. BIBLE. Mr. President, I join in the motion that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

DEVELOPMENT OF WILDLIFE, FISH AND GAME CONSERVATION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1553, H.R. 2565, relating to wildlife conservation on military reservations.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 2565) to promote effectual planning, development, maintenance, and coordination of wildlife, fish and game conservation and rehabilitation on military reservations.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 1, after the word "special", to strike out "State"; in line 2, after the word "require", to strike out "this" and insert "the"; in line 8, after the word "to", to strike out "enforce" and insert "administer"; in line 9, after the word "fees", to strike out "therefor, acting as agent or agents for the State if the cooperative plan so provides" and insert "therefor"; on page 3, line 2, after the word "collected", to strike out "or transferred"; and in line 16, after "85–337", to insert "nor as applying to national forest lands administered pursuant to the provisions of section 9 of the Act of June 7, 1924 (43 Stat. 655)".

Mr. ENGLE. Mr. President, the bill, H.R. 2565, provides a program for the cooperative use, conservative, and propagation of wildlife, fish, and game on military reservations. The Secretary of Defense would be authorized to carry out such programs in accordance with a plan mutually agreed to by the Secretary of the Interior and the appropriate State agency of the State in which the reservation is located. Such cooperative plan may stipulate rules and regulations for hunting and fishing, for the issuance

of hunting permits, and the collection of fees. The fees collected would be utilized for the protection, conservation, and management of fish and wildlife, and expended in accordance with the cooperative plans agreed to pursuant to this act.

In the 85th Congress we enacted Public Law 85–337, which provided for hunting and fishing activity on a military reservation. This bill is a slight amendment and addition to that act in that it permits the operation on military bases of programs for the cooperative use, conservation, and propagation of fish and wildlife in conjunction with State fish and game authorities.

That is all the bill does. There is no opposition to the bill that I know about.

I yield to the Senator from Colorado [Mr. ALLOTT], who has a question to propound.

Mr. ALLOTT. Yes; I have several questions. I thank the Senator for yielding to me.

This bill poses two questions. I shall dispose of them one at a time. The first is, as I read the bill, it provides, really, for the earmarking of funds from such special fishing and hunting licenses as are granted by the commander of the local posts. Is that correct?

Mr. ENGLE. We call them permits. We did not want to intrude on the regular fish and game licenses. The State has to issue fish and game licenses. The public law to which I have just referred, Public Law 85–337, requires the issuance of fish and game licenses to hunt on military reservations. This is a special permit or license to utilize the benefits of any game propagation program, such as the stocking of fish, raising of pheasants, improvement of facilities for ducks, and matters of that sort.

In other words, it is a special fund. For example, 300 military persons on a base, as well as civilians, may get together. They may want to raise some pheasants on the base. They will put a dollar or two into a fund which will be used to carry out the game propagation program. Then those persons will be given special licenses or permits to hunt in that particular area for that particular bird, fish, or whatever. That is what it amounts to.

Mr. ALLOTT. I understand.

Beginning on line 6, page 2, of the bill, it provides that the commanding officer is authorized to administer the special hunting and fishing permits and to collect the fees, which is in accordance with what the Senator has just said on that point.

The next section, section 2, provides:

> The Secretary of Defense in cooperation with the Secretary of the Interior and the appropriate State agency is authorized to carry out a program * * *

And then it goes on further, in section 3:

> The Secretary of Defense is directed to expend such funds as may be collected in accordance with the cooperative plans agreed to pursuant to this Act, such expenditures to be made in furtherance of the purposes of this Act and for no other purpose.

Section 4 holds the Department of Defense free from any liability to pay such sums into the Treasury of the United States.

Let me ask the Senator a question, so the legislative record may be quite clear. Does section 2, which provides that the Secretary of Defense, in cooperation with the Secretary of the Interior and appropriate State agency, mean that the expenditure and handling of this fund would be only under such plan as the Secretary of the Interior agreed to?

Mr. ENGLE. And the respective State agency.

Mr. ALLOTT. As well as the respective State agency.

Mr. ENGLE. That is correct.

Mr. ALLOTT. And the Department of Defense.

Mr. ENGLE. That is correct. If a military base in Colorado undertook to put a program like this into effect, this mutual program would have to be agreed to by the State fish and game people and the money expended in accordance with a program mutually agreed to by the commander, the Fish and Wildlife Service, and the local fish and game people.

Mr. ALLOTT. What I am interested in is that we do not authorize the expenditure of money unless it is approved by an agency of the Federal Government in whose jurisdiction this particular field lies. So if the Secretary of the Interior agreed to it, these funds could be spent only in that way.

Mr. ENGLE. That is right. If he does not agree to it, the funds cannot be spent.

Mr. ALLOTT. I should like to read to the Senator from California a portion of a letter from the American National Cattlemen's Association, written by Mr. C. W. McMillan, executive vice president:

> As per our conversation the bill to which I referred was H.R. 2565. This bill was introduced on January 15, 1959, and the bill was to promote the development of wildlife, fish and game conservation in military reservations. I gather that each military reservation would, in broad terms, be turned into a wildlife refuge under the direction of the U.S. Fish and Wildlife Service.

I interpolate to say that would be modified by the colloquy we have had just preceding.

> However, it is my understanding that it has since been amended to provide the various States jurisdiction in some manner since the wildlife of a State is considered to be the property of that State. I have not seen the particular amendments, but I am only reflecting the information that had been passed on to me.
>
> Our concern is the fact that many of the military reservations, particularly in the Western States, were carved out of public lands. In 1954 the Congress amended section 15 of the Taylor Act to provide that, "When public lands are restored from a withdrawal, the Secretary may grant an appropriate preference right for a grazing lease, license, or permit to users of the land for grazing purposes under authority of the agency which had jurisdiction over the lands immediately prior to the time of their restoration." This means that if the U.S. Fish and Wildlife Service and the various State game and fish departments can inject themselves into the areas while they are still military reservations, they will claim that they had authority and jurisdiction over the lands immediately prior to their restoration. If such is the case, lands that had formerly been used for livestock grazing would not be restored for that purpose but held out for wildlife purposes only.

I have discussed this problem with the Senator from California in the interim. I should like to have the Senator's comments, because it is a very serious matter for the cattlemen of my State as well as for the cattlemen of the State of California, as the Senator is well aware.

Mr. ENGLE. I am glad to comment upon the question.

As the distinguished Senator knows, before coming to the U.S. Senate I represented a district in California which included one of the largest cattle areas in the western part of the United States. We were deeply concerned about the fact that the military often moved in, reserved great areas of public land, made great military reservations on those lands, and then left the area to be turned over to the General Services Administration and disposed of as surplus property.

We thought those areas should be returned to their original status; that is, if the land had been public domain under the Bureau of Land Management we thought it should be returned to the Bureau of Land Management and again devoted to the use to which it was formerly devoted. The same was true with reference to the national forests.

Therefore, when the act to which I have referred was passed, Public Law 337 in the 85th Congress, we inserted a provision in the law, section 5, which makes it very plain that areas of this type will not be turned over to the General Services Administration for disposal.

As a result of the passage of the act, today the cattlemen have precisely what the Senator from Colorado has been talking about; that is, they have the right, when a military installation moves out of a gunnery range or an aircraft fly-over area, to have the land returned to its original use, so that they may again have their grazing leases, exactly as they had them prior to the time the land was taken over for national defense purposes.

The one exception related to when the character of the area was so changed that the area had lost its usefulness for the purpose for which the Department originally owned it. For instance, the area might have large aircraft runways, or might have a great many hangars on it. We provided a small exception in Public Law 337 of the 85th Congress, which the Secretary of the Interior, in consultation with the Secretary of Defense, could determine. That is the only exception. That is the law now.

The bill before the Senate at this moment would not affect the law and would not change the law.

Mr. President, I yield again to the Senator from Colorado.

Mr. ALLOTT. Mr. President, the Senator from California [Mr. ENGLE] was discussing subsection (d) of Public Law 85–337. The last part of the act provides:

> And lands withdrawn or reserved from the public domain except lands or portions of lands so withdrawn or reserved which the Secretary of the Interior, with the concur-

rence of the Administrator, determines are not suitable for return to the public domain for disposition under the general public-land laws because such lands are substantially changed in character by improvements or otherwise.

Mr. ENGLE. That was precisely what I was talking about when I said that when a military installation is established in one of those areas, there may be runways, hangars, and developments which basically alter the character of the area so that it is no longer within the kind of operation that is conducted by the Department of the Interior.

Such an area is then turned over to the General Services Administration for sale for commercial operation, or something of that character.

I know what the Senator is thinking. He believes that duck ponds or something of that nature might be developed on such land, and it could be argued that that would change the basic character.

I should like to answer the question before it is asked by saying that the Department of Interior has charge of fish and wildlife in this country. The Fish and Wildlife Service is a part of the Department of the Interior, and I am confident that this kind of area would have to be excluded and sent back to the General Services Administration.

Mr. ALLOTT. Public Law 85–337 would require some such change as the Senator has described, and even then it would be the Secretary of the Interior, who has charge of the public land, who would have to make the decision.

The law says:

The Secretary of the Interior, with the concurrence of the Administrator, determines are not suitable for return to the public domain.

So it would still be the Secretary of the Interior who would have to determine that these lands were not suitable for return to the public domain.

Mr. ENGLE. That is correct. What I say is that whenever a fish and game problem is involved, it is clearly within the jurisdiction of the Department of the Interior, and the determination would be in favor of returning those lands to the affected agency that had jurisdiction over those lands in the beginning.

When we wrote Public Law 85–337, we were not thinking of saddling the Secretary of the Interior with runways, hangars, and other types of developments that wholly alter the character of the land and make it no longer appropriate for the land to be under the jurisdiction of the Department of the Interior.

I emphasize that the bill does not amend, affect, change, or alter the basic law.

Mr. ALLOTT. May I ask the Senator this one question in order that my people may have their fears allayed. Would the Senator agree, at the conclusion of the sentence on page 3, line 18, to add the language of section 15 of the Taylor Act which reads as follows:

When public lands are restored from a withdrawal, the Secretary may grant an appropriate preference right for a grazing lease, license, or permit to users of the land for grazing purposes under authority of the agency which has jurisdiction over the lands immediately prior to the time of their restoration.

I do not think it could possibly change the character or the intent of the bill, and it would allay the fears of a great many people.

Mr. ENGLE. I say to my good friend that probably the proposed amendment is satisfactory, but I would be reluctant to undertake to determine that question on the floor of the Senate, without the benefit of advice from the staff of the committee.

I ask the distinguished Senator from Colorado not to insist on his amendment. I think the law is adequate and clear. We do not propose any change in existing law. We have no intention of changing it. We do not propose to repeal, affect, or modify section 15 of the Taylor Grazing Act, and we have no intention of doing so. The rights given to cattlemen and other stockmen under section 15 of the Taylor Grazing Act are in nowise affected, modified, or altered by the provisions of the bill.

When we come to inserting language in a bill at this stage of the session, the bill may, for perhaps no other reason than poor draftsmanship, be forced into conference, which would kill the legislation. I hope that will not occur.

Mr. ALLOTT. I did not seek to incorporate the Taylor Grazing Act as an amendment to the bill. Such action would probably greatly complicate its passage. I simply suggested that the language which I have handed to the Senator be added to the bill.

Mr. ENGLE. I would much prefer to develop the amendment by legislative history. The language refers to "the Secretary." The word "Secretary" requires definition. We are talking about a bill which refers to the Secretary of Defense. This language would refer to the Secretary of the Interior. My problem with the language is not that it is going to hurt the bill so much as that I am afraid the draftsmanship might be inappropriate or clumsy and get us into trouble.

I would rather say, as a part of the legislative history, that the legislation before us does not seek to amend, modify, or change the power of the Secretary granted under section 15 of the Taylor Grazing Act, that—

When public lands are restored from a withdrawal, the Secretary may grant an appropriate preference right for a grazing lease, license, or permit to users of the land for grazing purposes under authority of the agency which had jurisdiction over the lands immediately prior to the time of their restoration.

I make that statement because it was not our intention to affect this particular act.

The bill before us makes no reference whatsoever to section 15 or any other part of the Taylor Grazing Act.

Mr. ALLOTT. Would the Senator from California be willing to accept an amendment which would, after—

SEC. 5. Nothing herein contained shall be construed to modify, amend, or repeal any provision of Public Law 85–337 nor as applying to national forest lands administered pursuant to the provisions of section 9 of the act of June 7, 1924 (43 Stat. 655)—

Add—

nor section 15 of the Taylor Grazing Act (sec. 15 of the act of June 28, 1934, as amended (48 Stat. 1269: 43 U.S.C. 315m)).

Mr. ENGLE. I would have no objection to that amendment at all.

Mr. ALLOTT. Mr. President, may I propose an amendment?

The PRESIDING OFFICER. The committee amendments must be disposed of before further amendments can be considered.

Mr. ENGLE. Mr. President, I ask that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ALLOTT. Mr. President, I offer an amendment which I send to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to change the period to a comma and add the following: "nor section 15 of the Taylor Grazing Act."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I wish to thank the Senator from California for making this legislative history perfectly clear with the amendment that has been added. With the amendment that has been added, I do not think anyone can have any doubt as to the meaning of the bill. I appreciate his courtesy in the matter.

Mr. ENGLE. I appreciate the cooperation of the Senator from Colorado.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 2565) was read the third time and passed.

APPOINTMENT OF NONUNIFORMED SPECIAL POLICEMEN BY GENERAL SERVICES ADMINISTRATION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1415, Senate bill 2581.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2581) to amend the act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. McCLELLAN. Mr. President, the pending bill was introduced by me upon request of the General Services Administration. There is no opposition to it. The report states the purpose of it. I understand, however, the distinguished Senator from Vermont [Mr. PROUTY] has an amendment which he desires to offer. I yield to him at this time for that purpose.

Mr. PROUTY. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 5, immediately after the word "on", insert the word "real".

Beginning with the word "Outside" in line 10, page 2, strike out all to and including line 17, page 2, and insert in lieu thereof the following:

Any such special policeman may make arrests without warrant for any offense committed upon such property if he has reasonable ground to believe (1) the offense constitutes a felony under the laws of the United States, and (2) that the person to be arrested is guilty of that offense.

Mr. PROUTY. Mr. President, the amendment merely restricts the authority of the nonuniformed police officers. Under the amendment these nonuniformed police officers can make arrests only in Federal buildings, on Federal lands, or in pursuit of someone who has committed a crime on Federal property. The powers to make arrests as granted under the amendment are the same as those which police officers generally possess in the making of arrests without a warrant, when they believe a felony has been committed and that the person to be arrested is guilty of an offense.

The amendment would neither add to nor detract from the general powers which police officers have in this regard.

I have discussed the amendment with the distinguished Senator from Arkansas. I do not believe he has any objection to it. That is true also of the General Services Administration.

Mr. McCLELLAN. Mr. President, the amendment has been modified, I believe, since the first time I saw it.

Mr. PROUTY. Yes.

Mr. McCLELLAN. As it is modified, I have no objection. I believe the amendment probably strengthens the purposes of the bill. I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 1, 1948 (62 Stat. 281), is amended by adding at the end thereof the following new section:

"SEC. 5. Officials or employees of the General Services Administration who have been duly authorized to perform investigative functions may be empowered by the Administrator of General Services, or officials of General Services Administration duly authorized by him, to act as nonuniformed special policemen in order to protect property under the charge and control of the General Services Administration and to carry firearms, whether on Federal property or in travel status. Such officials or employees who are empowered to act as nonuniformed special policemen shall have, while on real property under the charge and control of the General Services Administration, the power to enforce Federal laws for the protection of persons and property and the power to enforce rules and regulations made and published for such purposes by the Administrator or duly authorized officials of the General Services Administration. Any such special policemen may make arrests without warrant for any offense committed upon such property if he has reasonable ground to believe (1) the offense constitutes a felony under the laws of the United States, and (2) that the person to be arrested is guilty of that offense.

THE BLAME IN THE JAPAN INCIDENT

Mr. WILEY. Mr. President, a great deal has been written and said about the U–2 incident and also about what has happened in Japan. There appears in today's Washington Star an article entitled "The Blame in the Japan Incident," written by David Lawrence. It deals with the weakness of the Tokyo government. I read the last paragraph as follows:

But, when all is said and done, are American ideals and aspirations impaired because the President of the United States is for the time being unsuccessful in carrying out his mission of friendship and good will? Can the high purpose of this country be wiped out overnight by a mob instigated by the Communists? The answer will eventually be given by peoples everywhere who love freedom, including the Japanese people themselves when they fully understand the tragic weakness of their own Government in the face of threats of violence.

Mr. President, I ask unanimous consent that the entire article may be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BLAME IN THE JAPAN INCIDENT—WEAKNESS OF THE TOKYO GOVERNMENT, NOT U.S. "ERROR," CALLED AT FAULT

(By David Lawrence)

What really happened in Japan—and who was at fault? The headlines say Secretary of State Herter now concedes that an error was made and that the information as to what might be expected from the mobs if President Eisenhower went to Japan led to a misjudgment.

When a Secretary of State testifies before the Senate Foreign Relations Committee, he can hardly accuse a friendly government of committing errors. Yet the all-important fact is that the Government of Japan was not able to maintain law and order and was not capable of assuring the safety of a foreign dignitary whom it had invited for an official visit.

In the midst of Japan's humiliation, it was embarrassing for the American Secretary of State to be asked to fix the blame. It was much better for him to do as he did—to take the blame himself for misjudgment.

But the story of the events leading up to the withdrawal of the invitation to the President now is very clear. The Japanese Government wanted Mr. Eisenhower to come to Japan and hoped that there would be no disturbances. The newspapers reported hostility and threats of demonstrations. But the Japanese Government was reluctant to admit or to recognize the danger.

THE RETIREMENT OF REPRESENTATIVE HENRY ALDOUS DIXON, OF UTAH

Mr. BENNETT. Mr. President, this session will mark the end of a truly remarkable career in Congress, and I think it is appropriate to call attention to some of the facts surrounding that career.

Dr. HENRY ALDOUS DIXON, Congressman from Utah's First Congressional District, has announced that he will retire from politics at the end of 1960. His political career, which began in 1954, has been a brief but spectacular one.

Congressman DIXON won his seat in 1954 after one of the shortest campaigns in history. Just 2 weeks before the final election, the Republican Party in Utah found itself without a candidate in the First Congressional District, due to the sudden withdrawal of the party's nominee. Faced with the difficult task of organizing a campaign for a new candidate in just 2 weeks, the party decided to select a man whose stature throughout the State was so firmly established as to be able to bring victory out of a seemingly hopeless situation.

Dr. DIXON, who at that time was president of Utah State University, was chosen as the candidate. Or, to be more exact, he was "drafted"—and I use that term in its most literal sense. He was not masquerading as a reluctant candidate, as political draftees so often do, secretly welcoming and encouraging their own selection. In his case, he had been president of the State university for only a little more than 1 year, and he felt that the work he had begun there was just beginning to bear fruit. He had stepped into a difficult situation at the university, and believed he still had a job to do. But the leaders of the party finally convinced him that he could perform an even more important service in an even more difficult situation, and he finally accepted the call.

I ask unanimous consent to have placed at this point in the RECORD editorials from the Salt Lake Tribune and the Deseret News and Salt Lake Telegram of October 20, 1954, indicating the esteem in which Dr. DIXON was held as a result of the work he was doing at that time at the State university.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Salt Lake Tribune, Oct. 20, 1954]

AND NOW TO LOOK AHEAD TO NOVEMBER 2

Selection of Dr. HENRY ALDOUS DIXON as the Republican candidate for Congress in the First District, to succeed Douglas R. Stringfellow, is excellent.

Dr. DIXON should prove an outstanding candidate. He is widely known throughout the State. He has had extensive experience with Utah's problems, particularly those relating to the district he would represent if elected. Under the circumstances and considering the lateness of the hour, with the

election now less than 2 weeks away, it was the best possible choice the Republican State Central Committee could have made.

Dr. DIXON was drafted by the Republicans because they well recognized that his great qualities of leadership, his integrity, and his clear thinking, made him eminently qualified to deal with the question of Colorado River development and other great problems affecting the West due to come up for consideration in the next Congress.

The short time remaining before the election is somewhat of a handicap to Dr. DIXON. Yet it is in considerable measure offset by the fact he is already so widely and so favorably known. He can still stage a whirlwind campaign which would take him to every corner of his district.

We can easily understand Dr. DIXON's reluctance to accept the nomination. He had, as he originally said, a job to do at the Utah State Agricultural College, where he has been president only a little more than a year. Yet the opportunity to serve the State and the Nation in Congress is a challenge no citizen of Dr. DIXON's stature and sense of responsibility could lightly turn aside.

It is easy to understand, on the basis of Dr. DIXON's long record of public, civic, and academic service, why he finally acceded to pleas that he accept the nomination. He is accustomed to serving. He has been president of both the Provo and Ogden Chambers of Commerce. He was a member of the commission which drafted Ogden's new city charter. He has served the LDS Church as a bishop and a member of the Sunday school general board. He has had business affiliations through membership on the board of directors of the Salt Lake branch of the Federal Reserve Bank and on the advisory committee of the First Security Bank of Utah. Long prominent in academic affairs in Utah, he was president of Weber College for 18 years prior to moving to USAC, and he has been recognized nationally as well.

Dr. DIXON is a distinguished Utahan who, if elected, would be a distinguished Member of Congress. His nomination by the Republican Party after some days of great confusion and painful purging should unite and stimulate a shocked party organization. As for the people of Utah, whatever their politics or their personal feelings, it is now time to close the book on a galling episode in Utah history and look ahead to the job of electing good men to office November 2.

[From the Deseret News, Oct. 20, 1954]

DR. DIXON TAKES UP A CHALLENGE

The nomination of Dr. HENRY ALDOUS DIXON after Douglas Stringfellow withdrew from the First District congressional race is the best possible solution to an unhappy situation.

Mr. Stringfellow's withdrawal means that he takes with him in his retirement from public life all the blame for the unfortunate deception he had practiced on the people. He and he alone has been responsible. Not even his own staff had known anything was wrong. Certainly associates within the party had had no part in it. It is to be hoped—and confidently expected—that every voter in the State will realize this and be fair-minded enough to judge other candidates entirely on their merits, without another thought of the Stringfellow affair. That is finished and is best forgotten now that he is out of the race.

As for Dr. DIXON, it can be said without possibility of contradiction that there is not another man in District One who commands more public respect or who would be a better, stronger candidate to come into the race at this late hour.

Men and women of both political parties owe Dr. DIXON their sincere thanks for his complete unselfishness in public service. The Deseret News and Telegram is happy to join in that thanks. Here is a man who was happy where he was, who was doing a job of which he can be proud. It takes character to leave that kind of a situation and to plunge into political waters that can be chilly and turbulent at best.

There is only one reason Dr. DIXON did it. He was finally persuaded that the call to serve his country was greater than the natural urge he felt to continue doing the fine job he is doing at Utah State Agricultural College. His response to this newest call is consistent with the response he gave a year ago when asked to leave his comfortable and secure job as president of Weber College and undertake the difficult task of rebuilding at USAC. He accepted then as he is willing to accept now because there is a challenge, and he has never been the kind of man to back down from a challenge.

Dr. DIXON faces a tremendous job. Successful political campaigns are based on foundations patiently laid through the years and on great amounts of legwork and doorbell-pushing in the months preceding the election. To offset this, Dr. DIXON has mainly his universal reputation for unchallengeable integrity, his knowledge of and love for Utah and its people, and his proved ability to get things done.

But this is a great deal. However it turns out, the First District race is going to be, as they say on Main Street, "one for the books."

Mr. BENNETT. Mr. President, as indicated in these editorials, Dr. DIXON's career in public service has been a long and successful one. Twice he served as president of Weber College in Ogden, for a total of 18 years in this position; he served 9 years as superintendent of the Provo City schools; and he has had a successful career as a banker, serving as managing vice president of a bank for 8 years, and as a director of the Salt Lake branch of the Federal Reserve Bank of San Francisco.

In church affairs Dr. DIXON has also been a leader. He is a former bishop in the Church of Jesus Christ of Latter-day Saints, and is a member of the general Sunday school board of the church.

As a Congressman, Dr. DIXON has served Utah well. I have had the privilege of working with him on many problems, and have found him a tireless, willing, and effective worker. I shall not take time here to enumerate the legislation he has helped get through Congress, but as many of you know, he has done particularly outstanding work in the fields of agriculture, reclamation, and education.

At the end of this year, when he retires from Congress, Dr. DIXON will begin another chapter of his career as an educator. He has announced that he will return to the field of education, the work he loves most, but this time as a classroom teacher.

During the 46 years he served in administrative positions, both in business and in education, Dr. DIXON always wanted to return at some time to the field of classroom teaching, and having observed the rapport he has with young people, I know that he will be able to perform a unique service in this area. I wish him success in this new venture, and I know the Members of the Senate join me in this wish.

I ask unanimous consent to insert in the RECORD at this point Congressman DIXON's statement of his intention not to seek reelection, as reported in the Ogden Standard Examiner of September 20, 1959, together with an editorial from the Salt Lake Tribune of September 22, 1959.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Ogden Standard, Sept. 20, 1959]

DIXON STEPS DOWN, REFUSES FOURTH TERM

Representative HENRY ALDOUS DIXON, Utah's First District Congressman since 1954, announced yesterday in Ogden he would not seek a fourth term in 1960 general election.

His disclosure, a surprise in most quarters, leaves the Republican Party without its strongest candidate in the district and seems certain to insure some lively maneuvering in both political camps ahead of the coming campaign.

A respected educator before turning to politics, Congressman DIXON indicated a desire to return to the teaching field and to devote more time to the Latter-day Saints Church.

LONG DELIBERATION

The former Weber College president returned to Ogden this past week shortly after the 86th Congress adjourned. He looked fit, but confided to friends that he no longer felt equal to the strenuous life in Washington. He said he had reached his decision only after long and careful deliberation.

A declaration at this early date leaves both parties ample time to groom likely prospects for the important office. This consideration, it appears clear, governed the Congressman's action which might otherwise seem premature.

A man who had already commanded wide attention in education, Representative DIXON found himself unexpectedly thrust in the national limelight in 1954 after an almost unprecedented 11th hour campaign in which he defeated former Utah Congressman Walter K. Granger.

WON HANDILY

He entered and won that race as the draft choice of First District Republicans when Douglas R. Stringfellow dropped out after admitting that his widely publicized wartime exploits were untrue.

The 67-year-old incumbent won handily 2 years later over Carlyle Gronning and retained his seat in 1958 against a rising Democratic tide that swept two other Utah Republicans out of office. In that election Representative DIXON defeated M. Plaine Peterson, also of Ogden.

The lawmaker's decision not to run again was described yesterday by Weber County Republican Chairman Lorenzo E. Peterson as "a great loss both to the party and the State."

Mr. DIXON is a native of Provo, where he succeeded his father as bank president for a time, but soon returned to his chosen field of education, twice serving as superintendent of the Provo school system.

Similarly, he has twice headed Weber College as its president, leaving in 1953 when he was drafted as president of what is now Utah State University.

Following is the complete text of his formal statement of withdrawal:

"The past 5 years in Congress have offered a richness of opportunity and a wealth of worthwhile experiences that can be found in no other situation. I shall always be grateful to the people of Utah for the privilege of representing and serving them for three 2-year terms.

"Representing the State of Utah in Congress is a continuous, year-round, exacting, and arduous assignment. During the past

few months minor illnesses, while not incapaciting, have made it more difficult to meet all of the obligations of my work. While I can in good conscience effectively complete the remainder of my present term which expires December 31, 1960, I deem it unwise to accept the responsibility of future terms.

"I regret, therefore, to announce that I will not be a candidate for reelection.

"I regret the necessity of such action at this time when the Republican Party is on the ascendancy and the principles for which it stands are in such high favor with the people of our country.

"I am sincerely grateful for the confidence, support, and assistance which the great majority of people in both parties have given me during my congressional career.

"With regard to my plans for 1961, there is plenty of time to make a decision, but I can say that after 45 years of continuous administrative responsibility I shall look forward to doing some classroom teaching, which I have always liked. In addition, I want to spend more time with my work as a member of the LDS Deseret Sunday School Union Board and enjoy more association with my family and friends."

[From the Salt Lake Tribune, Sept. 22, 1959]

MR. DIXON RETIRES

In announcing his decision not to seek reelection to Congress in 1960, Representative HENRY ALDOUS DIXON said that he did so with great regret.

We feel sure that Utahans of both political parties will join in applauding him for a job well done. Mr. DIXON, though only midway through his third term, has made a name for himself both as a legislator and as an able representative of the interests of this State.

Mr. DIXON said that his health is such that he "deems it unwise to accept the responsibility of future terms" in Congress.

However, since he also said that he hopes to return to classroom teaching, we are pleased to note that he plans to continue serving the people of Utah in the field of education to which he devoted many years of his life. He was president of Weber College for 18 years and was named president of Utah State Agricultural College (now Utah State University) in 1953, only to be drafted for the congressional race by the Republicans a year later.

Though the draft came just a few days before the election, Representative DIXON demonstrated his power as a votegetter—and he did so again in 1958 when he was the only 1 of 3 GOP congressional candidates to survive the Democratic upsurge. Thus, his retirement may pose a problem for the Republicans, though the announcement comes far enough in advance to be of great help.

Political considerations, however, are secondary. Representative DIXON is a fine citizen and an outstanding public servant. We salute him for a job well done. We applaud his intention to become a teacher once again. We wish him every happiness and success when he returns to Utah for what, after the pressures of Washington, should be a placid, though rewarding, life.

Mr. ALLOTT. Mr. President, I wish to join the Senator from Utah in his comments about Dr. DIXON. As a neighbor of Representative DIXON in the State of Colorado, I have known him for a great many years. I have known of his work in Congress. I must say that the other House is losing a very wonderful and effective Member.

Mr. BENNETT. I thank my friend from Colorado.

SUMMER SCHOLARSHIP PROGRAM FOR NEW JERSEY HIGH SCHOOL STUDENTS

Mr. WILLIAMS of New Jersey. Mr. President, adults can often learn from youth, even while they are exercising their responsibility to lead youth. An exchange of views is often the best way to mutual understanding.

At my Senate office for these 2 weeks, three New Jersey high school students are learning about their Government, and they are expressing their own thoughts about government, too. They have been chosen from 500 New Jersey high school seniors and juniors who submitted essays in a summer scholarship program I sponsor each year. Panels of judges also considered their scholastic records and extracurricular activities.

While in Washington the scholarship winners will have a firsthand look at their Government in action. They will also conduct their own research projects and meet officials and others who will help them on those projects.

Mr. President, the essays submitted by the winning students emphasize the responsibility of American citizens to concern themselves with public affairs and government response to problems. I believe that their essays may be of interest to many citizens who believe that youth today is vitally interested in the problems that concern all of us. I ask unanimous consent that these essays be printed at this point in the RECORD.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

MY RESPONSIBILITY AS A CITIZEN IN OUR DEMOCRACY

(By Richard H. Dammers, Franklin Lakes, N.J.)

The responsibilities of a citizen in a democracy are many. Even as a teenager, without having the right and the privilege to cast my vote in an election, I feel it is my duty to keep myself well informed about the different happening in our Government.

What does the word "citizen" constitute? What privileges and rights does it proffer? What responsibilities and duties does it entail?

Webster defines "citizen" as "a member of a state or nation who enjoys political rights and privileges, and who owes allegiance to that nation."

In the United States of America this means that we have the right to choose the men who will run our Government.

"Political rights and privileges"—nice-sounding words, but what do they mean to us in everyday life? As citizens of the United States, we promise to preserve our democratic form of government. To accomplish this we must exercise our rights: voting, active participation in local, city, State, and National Government affairs.

Voting is taken lightly by far too many people. Why? In 1776, the voting privileges, even just for men of property, was thought of as a heavenly dream. History has shown this repeatedly; people tend to be lax when there is no challenge to their rights. It is now that we must awaken ourselves to our duties: keep that challenge to our rights away—keep communism away.

What is a democracy? How does it function?

Webster defines "democracy" as "government by the people, with the people possessing entire control and equal rights in all that concerns or belongs to the state."

Our democracy, the United States of America, is the finished product of the Constitution. It operates on a system of checks and balances among the three departments; Congress makes the law, the President executes the law, the Supreme Court decides a law's constitutionality.

What does this mean to us? Our Nation is founded with the will of the people as its most important directive. But, one might say, how can a group of men know the will of the people? Again, the vote. Men who run for office tell what they believe and what they will vote for. The people who vote for a certain candidate necessarily believe in what this candidate stands for. We should also realize that there are unscrupulous men willing to lie and to cheat in order to get into office. Therefore, we should not blindly pick one candidate for office because his name is well known or he looks good on a picture. We should read both men's beliefs, study their platforms, and then, and only then, make a decision by casting our vote for the man of our choice.

To preserve our democracy, it is necessary to understand it. To help us understand the workings of our Government, we should take an interest in current events concerning our policies, such as legislation concerning civil rights, presidential trips to foreign countries, summit conferences with the nations of the world, and the policies which our Government took in some recent crises, such as the Suez Canal affair a few years ago. We also should follow closely the activities of our Senators and Representatives, and write to them giving our approval of their policies.

Many magazines and newspapers give a complete coverage of the happenings in the Capital. By following these reports, one can quickly gain a clear picture of the workings of our democracy. Only by using our intellect can we make intelligent choices of men for our Government; only by using our intellect rather than our emotions in voting, by taking an active interest in our Government and, if possible, by participating in our Government each and every one of us can fulfill his responsibility in preserving our beloved democracy.

MY RESPONSIBILITY AS A CITIZEN IN OUR DEMOCRACY

(By Miriam Ann Fleck, Warren Township, N.J.)

My first responsibility as a citizen in our democracy is to have a real interest in public affairs. "Government by the people" assumes that "the people" are concerned about government. If I remain aloof from national affairs, I might as well be a citizen in a dictatorship, having completely relinquished my country's Government to some unknown men in Washington. If I refuse to accept as a privilege my responsibility, I might as well be where I am not given such a responsibility.

If I am concerned, it is my responsibility to understand as well as possible how our Government works. I must also acquaint myself with public issues. This entails reading newspapers and magazine articles and listening to the radio in order to keep abreast of national and world happenings. This has to be done as critically as possible and without bias. It is necessary to beware of slant and to be acquainted with diverse opinions.

Once I am informed about the issues, I must think them through and discover what is to me the highest solution or the best course of action. In doing this I must place the "common good and general welfare" above my personal good or the local good. I must make up my mind and take sides. This is no easy task, as most public issues are extremely complex. It is difficult to come to a clear understanding of them and adopt a

mature view. Even when a view has been adopted, it is not final. New evidence has to be examined, higher truth sought, and views changed and improved. However, our society depends on its members' having views.

Our society also depends on its members' making known their views. However, in a country the size of ours, one person can rarely be felt or heard extensively, and if I feel strongly on an issue, I want to be felt and heard. This presents a problem. In order to have any effect I must identify myself with some group, yet it is extremely unlikely that I will find a group which represents my ideas completely or absolutely. However, it is my responsibility to commit myself to the group closest to my convictions and sympathies, and not let the other side win the vote because of abstentions. If I fear the risk of identifications with a group because none represents exactly my opinions, or because I fear to "get my hands dirty" in public affairs, I am not only ineffectual, but a hinderance to our democracy, which depends on the expression of its people's views. Of course, there is a danger in this necessity of identification with a group. That is the danger of being overcommitted—so much a part of a group that the group's decisions are my decisions, and I no longer think for myself. As a part of a group, I must continue to formulate my own ideas and feelings and to plan my own ideal courses of action. No union with a group is final, and it is always possible to leave a group or to change it. Identification with a group is one way to make my views felt. The other important way is voting. As a citizen of the United States, I shall have the privilege of voting. It will be my responsibility to vote thoughtfully and in accordance with the opinions I have formed from reading, experience, and thinking.

To be concerned, to try to gain a thorough knowledge of public issues, to adopt a position on these issues, to make my position known and strive for its realization through group identification and through voting—these are my responsibilities as a citizen in our democracy.

MY RESPONSIBILITY AS A CITIZEN IN A DEMOCRACY

(By Richard Godsey, Trenton, N.J.)

My responsibilities as a citizen in a democracy should be geared toward the continuity of its government and the prservation of its ideals.

In today's complex world, my first duty as a citizen of a democracy is to know and understand how a democratic government functions. As I study and learn the structure of a democracy, I am preparing myself for the future, when I will take part in its government, whether in direct or indirect administration. I become more aware of the enormous internal and external problems which are currently confronting the United States. However, past history illustrates that many of these problems are not unique with our generation, but have plagued America's leaders throughout her entire existence. With fuller understanding of former problems and solutions I will be better equipped to build for a better America.

Preparation for the responsibility of citizenship is of vital importance and must not be overlooked. A country will be strong only as long as its youth are prepared to take over and continue its management. Adolph Hitler realized this and concentrated upon the German youth by building youth camps, inventing slogans, and otherwise capitalizing upon their natural enthusiasm. The Soviet Union realizes the importance of the training of their young people and has developed an intensified educational program. The young person of America must realize that his democracy will soon be in his hands and prepare himself for this challenge. This job of preparation for the responsibilities of citizenship is my first responsibility.

Knowledge and understanding alone of our democracy does not make one a good citizen. This is merely the first step toward being a responsible citizen. The next step is the development of each American into a sensible individualist. I stress individuality, because I believe it is the essence of America's greatness. From its very beginning our Nation was founded upon the principle of individual responsibility and a system of private enterprise that rewards according to merit. The true strength of America lies not in its industrial might, or even in the striking power of its Armed Forces, but in the inventive, indomitable spirit of the American citizen.

As a young person in our democracy, my duty goes beyond knowing my country and developing into a responsible individual. I must also contribute to the welfare of my fellow citizens. I trust that I shall always follow the philosophy of the late Albert Einstein when he said, "A hundred times a day I remind myself that my inner and outer life are based on the labors of other men, living and dead, and that I must exert myself in order to give in the same measure as I have received and am still receiving." I can give in the same measure as I have received by being a good member of my community, taking an active part in civic duties. I have inherited my freedom through the efforts and extreme sacrifices of other Americans; so also must I strive to insure each future citizen his inalienable right to life, liberty, and the pursuit of happiness.

GOVERNMENT AND BANKING—ADDRESS BY HON. A. WILLIS ROBERTSON AT STONIER GRADUATE SCHOOL OF BANKING, RUTGERS UNIVERSITY, NEW BRUNSWICK, N.J.

Mr. WILLIAMS of New Jersey. Mr. President, the students at the Stonier Graduate School of Banking at Rutgers, the State university, New Brunswick, N.J., were fortunate enough to hear an address by a distinguished visitor at their all-school assembly on June 22, 1960. Senator A. WILLIS ROBERTSON, chairman of the Senate Committee on Banking and Currency, gave his comments on "Government and Banking."

The Senator from Virginia acknowledged that Rutgers has an old and respected tradition which began 10 years before the Declaration of Independence was drafted. He also gave his comments on matters that are of considerable importance in 1960, when many of us consider the effects of Government policy on financial matters which affect all citizens today.

Senator ROBERTSON also invited the bankers to take a direct part in "the market place of ideas and the things of the spirit" He told the group:

You cannot enter this fiercely competitive market without full preparation and sober determination to remain on its trading floor permanently. Once in it, you can never sell your seat and drop out, because each generation personifies a new group of customers shopping for easy answers and unearned increment. It must be your role to sell them something better, something of enduring value that will cost them time and effort but will pay lasting dividends in human progress toward a better and finer world.

Mr. President, I ask unanimous consent that the address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

GOVERNMENT AND BANKING

(Remarks of Senator A. WILLIS ROBERTSON at the Stonier Graduate School of Banking, Rutgers University, New Brunswick, N.J., June 22, 1960)

The invitation to speak at the all-school assembly of our largest and most successful school of adult education, sponsored by the American Bankers Association, was much appreciated. It is a coveted privilege to visit the campus of a great university that was chartered 10 years before the father of the University of Virginia drafted our Declaration of Independence; a great honor to address the future leaders of American banking.

I am not unmindful of the fact that you have been privileged to hear lectures by our Nation's top experts in both banking and economics. Frankness compels me to admit that I am not an expert in either. In choosing as my subject, "Government and Banking," I sought to indicate that my limited knowledge of banking and economics was based upon my study of the science of government and my personal experience in its practical application.

Naturally, I was pleased to learn that your courses of study included the relationship of government and banking. In its broad aspects, this relationship has been a vital one throughout the history of this country. The struggles of the American Colonists, which culminated in the Constitutional Convention of 1787 followed almost a century of disheartening monetary experience. The desire to obtain a sound and freely circulating currency, was one of the mainsprings behind the movement for a more perfect Union. The keynoter of the Constitutional Convention, Edmund Randolph, listed what he called "the havoc of paper money" high on his list of the inadequacies of the Articles of Confederation.

Soon after the formation of the Federal Government, the Secretary of the Treasury, Alexander Hamilton, urged Congress to grant a charter creating a Bank of the United States. Hamilton's report on the bill to establish the bank set in motion a debate which has not yet ended. Over the objections of the Jeffersonians, Congress in 1791 granted a charter to the Bank of the United States, but when that charter expired in 1811 the Jeffersonians blocked its renewal.

State governments in the meantime had chartered commercial banks, but due to the lack of supervision, failures from poor management and the absence of a central bank, they did not become strong institutions. During the War of 1812, when the Government borrowed heavily from the State banks, they issued paper money which resulted in inflation and the whole system of redemption broke down.

In response to this, the Federal Government tried to tighten the money supply, and in 1816 the second Bank of the United States came into existence. It was a central bank in every sense of the word, and its ruthless policy of deflation resulted, at least in part, in the first business depression in 1819. This, in turn, ultimately led to the battle between Andrew Jackson and Nicholas Biddle to revoke the bank's charter which Jackson won in 1832.

But soon again the pendulum swung to money expansion through a period of booming prosperity that ended in the panic of 1837.

As occasionally has happened in our history, the public enthusiasm for banks turned in that period of depression to revulsion against them. The Federal Government sought to divorce itself from the banking system, while State governments sought to strengthen their own banking laws. The

urgent need of the Federal Government during the War Between the States for funds which State banks could not furnish resulted in the National Banking Act of 1863, under which the Federal Government issued paper money called greenbacks, with neither gold nor silver backing, many of which are still in circulation, notwithstanding the pious hope expressed by the infidel, Bob Ingersoll, in the free silver debate between Bryan and McKinley in 1896: "I want every greenback to be able to stand on end and say 'I know that my redeemer liveth.'"

National bank currency, because of the structure of the Federal debt, tended to be too inelastic, and the lack of a central banking facility tended to aggravate recurring panics after the war ended in 1865.

There followed political contests over easy money, not altogether different from those we have had in recent years, except that they were argued upon the basis of gold, silver, and greenbacks.

After almost 300 years of trial and error, the United States found itself, to quote from a recent book, "The Federal Reserve System," edited by Herbert V. Prochnow, "with a national banking system infected by the weaknesses of currency inelasticity and immobility; a variety of State banks operating under the laws of 48 different States; and a hodgepodge currency system that included gold and silver, bond-secured national bank notes, and a supply of greenbacks * * *" In an effort to stabilize banking and to discharge its constitutional duty to fix the value of money as well as to coin it, the Congress in 1908 created the Monetary Commission. In 1912 that Commission recommended a central bank along the lines of the present Federal Reserve, but the Aldrich bill of that year was defeated primarily because the Senate felt it encroached too much upon the rights and powers of State banks. But the next year, under the leadership of Woodrow Wilson and Carter Glass, the Federal Reserve Act was passed. As with most successful governmentally established institutions, it was the result of compromise and adjustment, and reflected the lessons of history. It provided for a monetary and banking system which was neither wholly political nor wholly private, which was neither wholly centralized nor wholly decentralized, neither wholly national, nor wholly State dominated.

But, of course, the debate continues. In recent years, impatient advocates of vast spending programs have insisted that their schemes can be financed painlessly—by increases in the money supply, created through central bank support of Treasury borrowings. They disregard the lessons of our own history which warn us against a central bank which is an arm of the Treasury, and the history of other nations which shows that revolution and dictatorship are the end products of uncontrolled inflation.

Recently, the monetary and banking system has had to carry the burden of restraint upon inflation, because of the deficit financing in which the Congress has engaged and the inflationary effect of the price-wage spiral.

While some of us were advocating budgetary restraint, others struck at the independence of the Federal Reserve System in various ways. Resolutions were submitted and speeches were made, in attempts to direct the system to take specific actions in specific circumstances. Although it is within the prerogative of the Congress to do this, it is contrary to the basic concept of the Federal Reserve System. That System has operated under a broad, general mandate of the Congress, which makes it possible for the Board to take actions which may be momentarily unpopular, but which, in the long run, will be vindicated by economic events. Congressional direction of specific monetary policies would seldom be free from political expediency.

The most recent development in the continuing debate about the proper relationship between government and banking is the introduction of a bill to provide for the retirement of Federal Reserve bank stock.

The plan of this bill is to require member banks to surrender their stock, and to open Federal Reserve membership to all insured banks upon the payment of a nominal fee.

The bill has a superficial appeal, because stockownership usually implies proprietary interest and control—which is not the case in the relationship of member banks to the Federal Reserve System. As you know, the only proprietary interest member banks have in the System is that of participating in the election of six of the nine directors of the appropriate Federal Reserve banks; and a return of a 6 percent annual dividend on their stock. While the Federal Reserve banks could operate without capital stock, the existence of this stock and its ownership by member banks are important conceptual aspects of the System.

This arrangement is a link in the concept of a monetary and banking system which brings into proper relationship both public and private interests, centralization and decentralization, and the "independence" of the System from passing popular demands. The removal of this link might well be interpreted, and, indeed, it might well be intended by some of its advocates, as a step in the direction of political domination of the Federal Reserve System—a domination to which I am unalterably opposed.

Despite the pressure to which I have referred, the Federal Reserve authorities have continued their policies favoring economic growth without inflation. In the first quarter of 1960, gross national product increased by $17 billion to a seasonally adjusted annual rate of $500 billion. Although a part of this increase was a reaction to the slowdown occasioned by the steel strike during the latter half of last year, the first quarter of 1960 showed an increase of 4 percent in total output, after adjusting for price rises.

In 1959 interest rates rose to their highest levels since 1929. This was in response to heavy demands for funds and, despite much agitation, the Federal Reserve System refused to interfere unduly in the money markets. Notwithstanding these interest rates, the high level of economic activity during 1959 resulted in a record volume of funds raised through credit and equity markets—more than $60 billion, or one-third above 1958. Paradoxically, at the same time the Federal Reserve System was being accused of stifling economic growth.

In the first quarter of 1960, however, credit market activity fell off—that is, the amount of funds raised was unusually small and well below the level of a year earlier.

These reduced credit demands were accompanied by sharp declines in interest rates during the first 3 months of 1960. In addition, inflationary expectations were modified after the turn of the year; stock prices declined, and there was a movement of funds out of equities.

The easier credit market situation so far this year has reflected mainly a changed Federal Government budgetary position, for which some of us had been struggling while others were advocating more liberal spending. Through the first 4 months of this year, the Federal Government made funds available to markets through net repayment of debt. In the same period of the preceding 2 years the Government had been a net borrower. In the first 5 months of the year, the privately held money supply declined by about $2.5 billion, and at the end of May the money supply was about 2 percent below the level of a year ago. A major part of this decline was related to unusually large tax receipts during this period. The decline in the money supply since the first of the year, however, was accompanied by a substantial rise in its rate of turnover. At the end of May, the seasonally adjusted rate of turnover of demand deposits at banks outside leading financial centers was more than 7 percent above a year ago.

Although the money supply has declined thus far in 1960, other major liquid assets held by the public have expanded, but at a somewhat lower rate than the previous 2 years.

Expansion in time and savings deposits in banks has been slower than a year ago, but the inflow of funds to savings and loan associations has been about the same. U.S. Government short-term marketable debt in the hands of the public has also continued to expand.

In response to a lessening of short-term inflationary dangers, the Federal Reserve System, since March, has been adding to its holdings of U.S. Government securities, thereby providing additional reserves to member banks. Member banks in the meantime have gradually reduced their borrowings from Federal Reserve banks. The Federal Reserve System's reduction in the discount rate, from 4 to 3½ percent in early June, was further evidence of its belief that the fight against inflation was succeeding, at least for the time being.

Despite the current lessening of inflationary psychology, I believe there are built-in inflationary trends in our economy with which we shall have to contend in the long run, and which you, as bankers, have fundamental obligations to understand and resist.

Even a slow rate of continuing inflation is cause for concern. A rise in the price level of 2 percent a year would mean a doubling of prices in 35 years, assuming such a rise did not, in the meantime, lead to even more serious trouble.

Among other trends of inflationary character, are the continuing demands for Government spending, although combined Federal, State, and local expenditures already total 30 percent of our total output. With taxation near this level of 30 percent of gross national product, resistance to further taxes to finance more Government spending is great, and the temptation is ever present to finance additional activities with additional debt, and to monetize that debt—in short, to finance by inflation.

The price-wage spiral, arising from the overwhelming power of big labor and big business, is another element in this danger. We only recently have seen several examples of increased prices and wages, in the face of declining economic activity. Wage increases should be geared to increased productivity and the gains of labor and industry in increased productivity must be shared with consumers in the form of lower, or at least stable, prices, if we are to halt the wage-price spiral.

Another element of the inflation situation is the fact that a substantial number of the American people, despite several recessions, have been prosperous for a considerable time. Many of them, despite lectures from economists and bankers, have accepted the inevitability of inflation and think they can beat it, although others may not. You and I know that, in the long run, they will be proven wrong. Yet we must admit that exhortations for austerity and thrift in both the public and private sectors of the economy do not have the appeal they once had.

The importance of persuading our own people to exercise restraint is emphasized by another factor—that is our international balance of payments. During the past 25 years, the U.S. dollar was basically undervalued in relation to the currencies of the rest of the world. Suddenly, within the past few years, the imbalance between the dollar and major foreign currencies began to be adjusted. In Europe, Canada, and Japan, efforts were made to reduce budget deficits

and, in some countries, to provide surpluses, which, combined with monetary policies, curbed or, at least, diminished the pressures of inflation. In the meantime these nations (some with our foreign aid help) vastly expanded their own relatively new and low-cost production, resulting in lower imports from the United States. The era of the dollar shortage ended, and we began to be concerned about our gold supply and the possibility, however remote, of a devaluation of the dollar. Among the factors in the problem of balancing our payments was the strong trend among major American industries to build new plants abroad, to supply foreign markets formerly supplied from the United States—and, in some cases, even to supply the American market from abroad. This reflected a business judgment as to our competitive position in international trade, and decisions by our own businessmen that production abroad could be more profitable.

In Europe, governments created common markets, the "Inner Six" and the "Outer Seven," indicating a determination to create political-economic entities which would permit large-scale production and trade advantages in European markets not shared with us.

While these developments indicated difficulties for the United States, they also demonstrated the absolute necessity of controlling inflation. As Dr. Per Jacobsson, Director of the International Monetary Funds, has said:

"Any individual country that embarks upon inflation will do so at much greater risk, for gone are the days when any one country that inflated might hope to be saved by inflation elsewhere. Any country which today permits the price level to go on rising will be exposed to balance-of-payments difficulties, and also before long, as its competitive power declines, to a deterioration in its employment situation. There has been a growing realization of such dangers, and in more than one country, the possibility of such untoward developments has been cited as an argument in favor of more cautious fiscal and credit policies."

And so it has been in our own country—concern over our international position has been a strong factor in favor of fiscal restraint.

In the meantime, our deficit in balance of payments, of $3.7 billion in 1959, was reduced by a rise in exports in 1960. Experts, however, predict another deficit of from $2.5 to $3 billion in 1960, but our gold outflow slowed down from $2.3 billion in 1958, to $1.1 billion in 1959, and to only $96 million in the first 4 months of 1960. That is the tribute paid by foreign moneychangers to our present control of inflation.

Whatever the course our economy in the future may take, you, whose promise of leadership is evidenced by your attendance here, will play in important role. The commercial banking system will, I hope, continue to be a vital instrument in the monetary policies of the Federal Government. If it continues to grow in importance, your responsibility for participating also grows. Therefore, I urge you to play a greater role on both sides of the relationship—not only in your business of banking, but also in that which is the business of all of us—government. Bankers, probably least of any group in this country, can afford to let the science of government, or politics, if you please, go by default to others with less to contribute to it and with less awareness of what is involved.

Through studies here that have supplemented practical experience, all of you are familiar with the operations of the marketplaces of commerce. It is the nature of your calling to be concerned with fluctuating values of tangible commodities.

But you have the responsibilities common to all good citizens to keep yourselves thoroughly informed and actively concerned about the marketplace of ideas and the things of the spirit.

Is democracy being sold short? If so, you should know how, by whom and why. Is the stock of competitive free enterprise on the decline? You know as much as anyone about its earnings and dividend record.

To what extent have our liberties been mortgaged? At what rate are they being discounted? Is a spirit of materialism lowering our traditional standard of morality and integrity?

These are the areas into which I would hope to see bankers venture in ever-growing numbers, partly because they are men of disciplined and orderly minds, well able to acquit themselves with credit, and partly because they, themselves, long have been the symbol and the target against which Communist propaganda is aimed.

In the Communist line, the United States is money mad and war crazy; the "lackeys of Wall Street" manipulate its foreign policy toward war so they can fatten on the profits of blood, and the already bloated bankers direct domestic policy so they can squeeze the last ounce of usury out of the toiling masses.

I would like to see developed among our future bank leaders a passionate and vigorous determination to fight these lies with the truth at every turn.

The role you have played in encouraging thrift, promoting fiscal stability, financing the orderly growth of industry, underwriting residential construction, fighting inflation, and helping free Americans provide for their own security in old age, is one in which you should take great pride.

But this role is not complete until it is broadly understood and widely appreciated. Since it is being distorted by Communist propaganda, it should be corrected by the forceful presentation of its true nature.

Its vital significance in the growth of our economy must be stressed over and over again in the forum that I have called the marketplace of ideas. You cannot enter this fiercely competitive market without full preparation and sober determination to remain on its trading floor permanently. Once in it, you can never sell your seat and drop out, because each generation personifies a new group of customers shopping for easy answers and unearned increment.

It must be your role to sell them something better, something of enduring value, something that will cost them time and effort but will pay lasting dividends in human progress toward a better and finer world.

Your own commission as salesmen for democracy will be worth all your effort, all your time, all your energies, for you will be buying liberty and freedom for yourselves, your children, and for generations yet unborn.

A fight for the preservation of private enterprise and American constitutional liberty is a fight for the preservation of a form of government based upon the teachings of the Bible. Let us, therefore, never forget the advice of a great President of the United States:

"If our civilization is to survive materially, it must be redeemed spiritually. It can be saved only by becoming imbued with the spirit of Christ and made free and happy by the practices that spring from that spirit. Only thus," said Woodrow Wilson, "can discontent be driven out and the shadows lifted from the road ahead."

SECRETARY GATES' ADMINISTRATION OF THE DEPARTMENT OF DEFENSE

Mr. BRIDGES. Mr. President, in view of the salient importance of our military establishment, and the utter necessity of assuring its continuing efficiency, American citizens can derive deep satisfaction and genuine confidence from the manner in which the present Secretary of Defense, Thomas S. Gates, Jr., is directing the vast, complicated and necessarily expensive defense effort.

The May 28 issue of the Army, Navy and Air Force Journal contained an interesting article concerning some of the steps Secretary Gates has taken to enhance the efficiency of the Defense Department. This article, entitled "Secretary Gates Moves Quietly Toward Reorganization Without Legislation," clearly points up how constructive, fundamental, and far-reaching improvements in our defense structure are being effected by Secretary Gates through sound administrative action rather than by unnecessary recourse to statutory changes.

As Members of the Senate are aware, perhaps the most important step since passage of the National Security Act of 1947 has been taken by Secretary Gates through his policy of personally meeting with the Joint Chiefs of Staff. This has strengthened the fundamentally sound Joint Chiefs of Staff system, it has made civilian direction of the military a meaningful concept, and it has genuinely improved planning procedures at the seat of Government.

Hanson Baldwin, the distinguished military writer of the New York Times, has described Secretary Gates' Joint Chiefs of Staff policy in the following terms:

> Secretary of Defense Thomas S. Gates has galvanized the decision-making process of Government by the simple expedient of making decisions.

Another recent and far-reaching contribution toward greater military effectiveness was Secretary Gates' decision to consolidate the vast worldwide communication systems of the military services. This action is designed to save money, improve strategic communications, and result in more efficient use of existing and future communications facilities for defense purposes.

The article also indicates the constructive activity of Secretary Gates with respect to missile testing, toxilogical research, improved utilization of service hospital facilities, and examination of reserve matters.

I should like to emphasize that one of the most important aspects of Secretary Gates' improvements is found in the fact that all this fine work is being done without clamor and demands for another defense reorganization. This, of course, underlines the fact that the defense reorganization of 1958 was, and is, essentially sound. It also demonstrates that constructive improvement can be made in the defense structures within the framework of the 1958 act without legislative action.

Secretary Gates' action, particularly with respect to the Joint Chiefs of Staff, is highly reassuring to all those in the Senate who have long contended that the Joint Chiefs of Staff system is fundamentally sound and infinitely superior to any system of high command involving a single chief of staff and national general staff. The preservation of the Joint Chiefs of Staff system is

imperative from the standpoint of our national security. The Joint Chiefs of Staff concept assures realism in strategic planning through the very simple but effective device of combining authority to plan with responsibility for execution of those plans. This as accomplished by the Joint Chiefs of Staff members also being the uniformed chiefs of their respective services. This, of course, is the salient, indispensable feature of the Joint Chiefs of Staff concept. The strengthening of the Joint Chiefs of Staff system, as has been so constructively accomplished by Secretary Gates' policies, helps protect this and other features of the concept that make the Joint Chiefs of Staff so vital to our national survival.

The country is indeed fortunate to have as Secretary of Defense Thomas S. Gates, Jr., who is demonstrating an exemplary administrative ability, a profound understanding of defense organization, and a high sense of responsibility in the discharge of the trust vested in him in these times of international tensions.

In view of the importance of this article in the Army, Navy, and Air Force Journal, I commend it to the attention of Members of the Senate, and ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SECRETARY GATES MOVES QUIETLY TOWARD REORGANIZATION WITHOUT LEGISLATION

Secretary of Defense Gates is reorganizing important service operations without the aid of new legislation.

From missile ranges and global communications to atomics and toxics, Secretary Gates is centralizing command and control of military operations at the Defense level.

As Secretary of the Navy, Mr. Gates opposed centralization of authority in a single Chief of Staff. He was in the forefront of resistance to those who argued for a single service.

Secretary of Defense Gates has not changed these views, but he is using the full powers of his office as they have never been used before, to achieve increased unification within the terms of existing legislation.

The key to the new unification theme is the greatly increasing authority which is being given to Dr. Herbert F. York, Director of Defense Research and Engineering.

MISSILE TEST SHIFT

In the multimillion-dollar field of missile testing, Secretary Gates concurred in the proposal of Dr. York to centralize direction of all test ranges in the office of the Director of Research and Engineering.

This led to the shift of Maj. Gen. Donald N. Yates, USAF, for 6 years Commander of the Air Force Missile Test Center at Patrick AFB, Fla., to the Pentagon in three-star rank as Deputy Director of Defense Research and Engineering (Ranges and Space Ground Support).

General Yates and Mr. Alvin G. Waggoner, Assistant Director of Research and Engineering, have been given full authority by Secretary Gates to act for Dr. York on all matters involving missile and space ranges and associated ground stations.

Lieutenant General Yates will have operational supervision of the Atlantic Missile Range off Cape Canaveral, Fla., which until now has been the responsibility of the Air Force; the White Sands Missile Range, N. Mex., for which the Army has been executive agent; and the Pacific Missile Range at Point Mugu, Calif., for which the Navy has held primary responsibility.

TOXICS REORGANIZATION

Another measure of Dr. York's increasing power under the centralized control approach was the May 19 announcement that toxicological research in the Armed Forces has been consolidated under the general direction of the Advanced Research Projects Agency.

The Pentagon announcement—it was made by Dr. York—said: "The constantly increasing use of a variety of chemicals by the military services under widely differing conditions has emphasized the need for a more centrally coordinated research program."

Dr. York's announcement noted that one objective is to reduce the leadtime in facilitating the early practical use of new chemical products.

The drive to cut leadtime has been a major factor in Secretary Gates' decision to give the Director of Defense Research and Engineering increased coordination and control responsibilities over research and development projects and activities in all the services.

The drive to achieve economies in money and manpower is another motivating factor in the new reorganization actions.

SATELLITE HOSPITALS

Secretary Gates is seeking to attain improved utilization of Army, Navy, and Air Force hospitals in the U.S. selected medical facilities in a particular area will be classified as "regional hospitals," with other hospitals in that area tabbed for satellite status.

Here, there is a possibility of a political flyback.

Take the case in Texas, represented by Senator LYNDON JOHNSON, who heads the Armed Services Preparedness Subcommittee, and Representative PAUL KILDAY, second ranking Democrat on the House Armed Services Committee.

It is being proposed by the Defense Department that the new 1,000-bed hospital at Lackland AFB, Tex., be given "regional" status, with the Army's Brooke General Hospital at Fort Sam Houston, Tex., tentatively identified as a "satellite" facility. Senator JOHNSON and Representative KILDAY have expressed concern that this action could impair the medical services which are ceilings in excess of those recommended by the administration.

COMMUNICATIONS AGENCY CREATED

Following the pattern which has been used in creation of the Defense Atomic Support Agency, which is responsible for nuclear weapons work in all the services, Secretary Gates has established an all-service Defense Communications Agency.

It will operate all long-distance communications in the services, exclusive of self-contained tactical systems.

The Army had hoped to be given this responsibility, but lost out when Secretary Gates determined that centralized control was desirable. The new Communications Agency will report directly through the JCS to the Secretary of Defense.

In effect it will be an arm of the JCS Joint Staff, much the same as the Defense Atomic Support Agency, but again not included under the 400 officer Joint Staff limitation.

JCS OPERATIONS STAFF

The JCS officer ceiling will make it impossible for Secretary Gates to project the new reorganization plan to what seemingly is a logical conclusion, namely the buildup of the JCS operations staff.

As it stands now, each of the services has a three-star officer in charge of operations, but the JCS J–3, is only a two-star officer.

It is at this point that any Secretary of Defense, seeking to push centralization of command and control would need to go to Congress for legislative approval. It is obvious that the JCS will need to be strengthened, unless the policy remains to create additional agencies to do the work of the JCS.

But no legislative changes have been necessary for Secretary Gates to accompish the actions reported here. He has taken advantage of the broad powers Congress intended him to have in the defense reorganizations of 1953 and 1958.

FISCAL 1962 IMPACT

As work goes forward on the fiscal 1962 budget, there is no question that in a number of areas—most notably research and engineering—the Department of Defense is going to exert more influence at an early time than ever before.

Dr. York and his associates will wield an increasingly powerful influence on weapons plans for the feature. This means inevitably a relative loss of influence by the services.

It also means that if the JCS is unable to reach agreement on weapons plans, the Secretary of Defense and the President will rely heavily on the counsel of Dr. York to resolve the differences among the professional military men.

There are those who say that this is a vital step forward to strengthen the concept of civilian control.

There are others who say that, unless carefully controlled, there is a danger that too many decisions affecting military operations will be made by Department of Defense officials who are not professionally competent to make them, and who do not have the direct responsibility for their execution.

KEEPING THE PEACE: THE TEST OF OUR FOREIGN POLICY

Mr. BRIDGES. Mr. President, an enlightening summary of the history and results of personalized diplomacy, with particular attention to the recent summit collapse and the situation respecting Japan, appeared June 20, 1960, in the Chicago Tribune. It was an article, "Report from Washington," written by the able and experienced chief of the Washington bureau of the Tribune, Mr. Walter Trohan.

I commend this article to my colleagues in its entirety, but ask their special attention to these two lines:

All is not lost by a long shot. The sun will rise and set without being reddened by American bloodshed.

Mr. President, I draw attention to these lines because they reflect the fundamental purpose of our foreign policy—a purpose which we sometimes seem to forget. The purpose of our foreign policy is to keep the peace. That is the test.

During the past 7½ years—since the close of the Korean war—our foreign policy has been eminently successful. We have kept the peace. No American armies are fighting in foreign lands. No American blood is wetting alien soil. No American boys are dying on faraway battlefields.

Diplomatic blowups are disturbing, but they are neither fatal nor final. In some instances, such blowups might even be beneficial to the cause of understand-

ing and future efforts. I believe that to be true in the case of the summit collapse, and, to a lesser extent, in the case of the student-Socialist riots in Japan.

Mr. Trohan's excellent analysis fortifies my belief that, in the long run, traditional diplomatic methods, carried out by the dedicated men and women of our Foreign Service, offer the best hope for successful international relations.

I ask unanimous consent that Walter Trohan's article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REPORT FROM WASHINGTON

(By Walter Trohan)

Foreign travel by American Presidents has almost invariably been bad news for the American people.

Although Presidents have rejoiced over shouts of welcome, they also have suffered stinging humiliations. Both can be dismissed as temporary and relatively meaningless. It is the lasting effects of some Presidential visits abroad—deals executed in secrecy—that have plagued the American people.

Although it would be silly to dismiss the actual and potential gravity of the withdrawal of President Eisenhower's invitation to visit Japan in the face of leftist inspired mob violence, there is no sound reason for beating our collective brains against the wailing wall. All is not lost by a long shot. The sun will rise and set without being reddened by American bloodshed.

SHOULD PRESIDENTS REMAIN ALOOF?

There is no question but that the Communists contrived to win a brief advantage, but the battle for Japan is not lost nor the war for men's minds. When the final appraisal is made by history, it could be that the verdict may be that the Communists outraged truth once again, but the non-Communist nations really won by learning to distrust despicable tactics and revived truth by throwing Communist lies back into the teeth of Red propagandists.

Nevertheless, there is the question as to whether American Presidents should expose themselves to the immediate arena of conflict, instead of remaining secure and aloof in the White House. President Eisenhower has said he considers his touring worth the effort, regardless of frustrations. We can wonder whether he enhances his prestige or the detached working of his mind by exposing himself to the tirades of Nikita S. Khrushchev in Paris or the indecision of host leaders, as in Tokyo.

Woodrow Wilson initiated personalized diplomacy by attending the Versailles peace treaty talks. Although he left the United States professing to be dedicated to open covenants openly arrived at, he was sucked into the maelstrom of secrecy which had long been a feature of European power politics. The resulting treaty sowed the seeds of World War II.

MAKE "UNCONDITIONAL SURRENDER" POLICY

The Second World War was marked by a series of foreign junkets by President Franklin D. Roosevelt, which spelled progressively bad tidings for the American people. Off Newfoundland, before the United States entered the war, Roosevelt planned parallel action with British Prime Minister Churchill, while professing to be neutral.

At Casablanca, Roosevelt and Churchill proclaimed the doctrine of "unconditional surrender," which prolonged the war and complicated the peace. At Quebec he promulgated the Carthaginian peace dividing Germany. At Teheran he began yielding to Russian territorial demands, which were ratified at Yalta to give communism captive nations in Europe and extend its sway in Asia. Other conferences contributed to American headaches.

At Potsdam, President Truman ratified the F. D. R. concessions. He left Germany divided and Berlin isolated without a sure road of access.

WEST GAINS NOTHING AT FIRST SUMMIT

President Eisenhower went to Geneva in 1955 for the first summit meeting. Nothing was accomplished by the Western powers. Russia did manage to lull some nations into believing that business could be done toward peace with the Communists. The second summit meeting last May made it explosively clear that trustworthy agreements are likely to remain as elusive as ever.

In between, the President attended a NATO conference in Paris, huddled with Western leaders in their capitals, and undertook good will missions to Europe, Asia, Africa, and South America. In the brief honeymoon which followed Khrushchev's propaganda visit to this country, President Eisenhower was cheered even by Communists. However, these joyous tours had no more lasting effect than the sad cancellation forced by the howls of the Tokyo mob.

AMERICAN ATTITUDE TOWARD COMMUNIST OBJECTIONS TO EXHIBITS AT FOREIGN FAIRS

Mr. BRIDGES. Mr. President, a year ago I stood in this Chamber and called attention to the deplorable demands of the Soviet Government with respect to certain books on display at the American Fair in Moscow. I recollect that the Soviet Union demanded the withdrawal of some 100 books from the American exhibit, including the World Almanac.

Now, at yet another international fair, the Communists have found cause to outlaw the showing of the World Almanac at the United States exhibit. I refer, Mr. President, to the International Fair at Poznan, where the head of the Communist Party in Poland has rebuked American officials for distributing copies of the World Almanac.

It is not too difficult to figure out why this publication is offensive to Soviet officials. The Almanac contains a wealth of information about the Free World which the Communists have tried for years to shield from its citizens.

What I cannot understand, however, is the report from Poznan that the manager of the U.S. exhibit apologized to the Communist Party head in Poland. Such a reaction to intemperate Communist demands is not only shocking; it is sickening. An interesting editorial which appeared recently in the Washington Daily News entitled "Apologizing to a Commie" comments on this deplorable episode. This is a thought-provoking and hard-hitting editorial, and I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

Now, Mr. President, the events of the past few months should provide ample evidence of the folly of utilizing apologies, appeasements, and concessions as methods of dealing with communism. I think the time has come for us to stop bowing and scraping before Gomulka, Khrushchev, and their ilk. Hereafter, I fervently hope that representatives of our Government will see fit to stand up to Communist demands and operate from a position of strength.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

APOLOGIZING TO A COMMIE

Head man of the Communist Party in Poland, W. Gomulka, has rebuked (the press agency's term) American officials for distributing copies of the World Almanac at the U.S. exhibit in an international fair at Poznan.

We take more than ordinary interest in this because the famous Almanac is published by a Scripps-Howard newspaper, the New York World-Telegram and Sun.

It is understandable that the Almanac should arouse the wrath of the Communists because it has a number of factual, objective references to unfortunate Poland. Such as the fact that the 1947 election in Poland was completely subverted by the Communists, and the fact that harsh working conditions prevail in the puppet state.

But beyond understanding is why the American manager of the U.S. exhibit, A. Philip Stockvis, as reported, apologized to Gomulka. Stockvis is an employee of the U.S. Commerce Department, in its Office of International Trade Fairs.

What kind of kowtowing is this? Can't the United States select its own books and gadgets for such a fair? What should we do—pass out Communist brochures, just for good will? Moreover, Gomulka has no official standing. He is not a part of the government, has no state office, but merely heads up the Communists who have Poland under their heel. Why America must apologize to this character escapes us. We should think the Commerce Department, or Congress, might be inquisitive about the matter.

EXTENSION OF SOCIAL SECURITY COVERAGE TO DOCTORS

Mr. DODD. Mr. President, the House of Representatives today passed a bill extending social security coverage to doctors. I introduced similar legislation in the Senate more than a year ago, and I am greatly encouraged by the House action.

I understand that the Senate Finance Committee is favorably disposed to this legislation and there is, therefore, an excellent chance that the doctors of this country will at last be brought under the social security system.

We all know of doctors who devote their lives to caring for the health and security of others, but make little provision for their own welfare.

We know of doctors who, at the close of a career of service and self-sacrifice, find themselves without adequate security for their final years. And we know of doctors who, because of the strains and tensions of their work, are stricken in the prime of life, without opportunity to provide sufficiently for their wives and children.

The great majority of doctors want social security coverage. Wherever they have been given an opportunity to indicate their opinion on this question, they have voted overwhelmingly in favor of being included.

I am aware that in the past some medical organizations, purporting to speak for all doctors, have opposed this extension of coverage. But a study of the reasons for this opposition reveals that these organizations are opposed not primarily to social security for doctors, but to social security for anyone. They oppose the basic principle of this program.

The Nation long ago decided in favor of social security. The overwhelming majority of doctors have also decided in its favor. Therefore I urge the Senate to close the last gap in our social security system by extending coverage to the doctors of this country.

ADDRESS BY GOVERNOR ROCKEFELLER AT BUFFALO, N.Y.

Mr. JAVITS. Mr. President, I desire to call attention to what I consider a most eloquent and most important address made by Gov. Nelson A. Rockefeller, of New York, at the National Sunday School and Baptist Training Union Congress, of the National Baptist Convention, U.S.A., at the Memorial Auditorium at Buffalo, N.Y., on June 17.

Mr. President, the Governor of New York is a Baptist, as is well known; and on that occasion he was speaking to those of his own denomination.

The Governor of New York discussed the issue of civil rights, and made such constructive suggestions that I believe they should be called to the attention of the Congress.

First, Governor Rockefeller paid a very well deserved tribute to the Eisenhower administration.

Governor Rockefeller then made some very constructive and practical suggestions, which I believe should be carefully considered and acted on.

For example, as regards school desegregation, which has bogged down in certain southern communities, Governor Rockefeller suggested that closed channels of communication must be opened, tensions must be eased, and a cooperative solution of local problems should be sought.

Governor Rockefeller suggested in effect the need for part III of the Civil Rights Act, which has been defeated here, although by close votes. Part III, as proposed, of that act would have authorized the Attorney General to institute school desegregation suits in representative cases.

Governor Rockefeller also suggested that Congress authorize technical and financial aid to States and localities which encounter difficulties in connection with school desegregation, and proposed that the President's Committee on Government Contracts be given statutory status.

Of course, the last two items were sought by the administration, but were defeated here.

Governor Rockefeller suggested that the Civil Rights Commission initiate a full-scale review of existing State fair employment practice laws, such as the pioneering law of this type which was enacted in New York State, where that law has worked so successfully. Governor Rockefeller suggested that we must provide equality of treatment in regard to the various phases of this situation, and stated that the National Labor Relations Board should be empowered, upon a substantiated complaint by excluded workers, to refuse to certify unions that discriminate in membership.

Governor Rockefeller made certain very constructive suggestions about discrimination on grounds of race. For instance, as regards housing, he pointed out the need for what I have called for many times and have besought from this administration and from the preceding administration—namely, an executive order, by means of which a great deal could be done to bar discrimination in areas in which the FHA and other Government housing agencies extend credit or guarantee mortgages.

Governor Rockefeller reminded his audience that in some southern post office buildings there are still segregated washrooms—a situation about which I shall make some factual inquiries of the Post Office Department, because certainly that condition should not be allowed to continue.

Finally, the Governor pointed out that—

> Leadership backed by the firm and dedicated use of the tools of law is essential.

Mr. President, the issue of the denial of equal opportunity is one of the most massive responsibilities to the United States, both at home and abroad.

Many of us have seen some grave difficulties in communities which are experiencing the evil results of a heritage of discrimination and segregation, because of the action of persons who are suppressing others or of persons who feel themselves deprived and put upon and denied opportunity, and therefore have, until they get a feeling of confidence and belonging, a feeling of rebellion. That does not mean that any such persons are any less guilty of breaches of public order for which they may be responsible. But it certainly indicates how far we have to move if we wish to bring about the correction of those situations. Certainly our job here is to make it possible to avoid such difficulties in a community sense, rather than to permit those difficulties to be encountered or to refuse to do something about changing such conditions.

Certainly it is the responsibility of our country to practice what it preaches in the view of other nations of the world. Obviously that will be one of the most effective expressions of the true spirit of our country, and, therefore, of its foreign policy.

I ask unanimous consent that the full text of Governor Rockefeller's address be printed at this point in the RECORD, as part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EXCERPTS OF REMARKS BY GOVERNOR ROCKEFELLER PREPARED FOR DELIVERY AT NATIONAL SUNDAY SCHOOL AND BAPTIST TRAINING UNION CONGRESS OF NATIONAL BAPTIST CONVENTION U.S.A., INC., MEMORIAL AUDITORIUM, BUFFALO, N.Y., FRIDAY, JUNE 17, 1960

I am delighted to join with you in this meeting dedicated to furthering the spiritual life of our Nation. The church as an instrument of God's Word is profoundly concerned with the inner growth of the individual human being—and with the rights each human being enjoys to pursue self-realization. I should therefore like to talk with you tonight, as a fellow Baptist and a fellow American, on this subject of human rights and the question of civil rights in America.

This Nation was created to give expression, validity and purpose to our spiritual heritage proclaiming the supreme worth of the individual. The sanctity and dignity of the individual human being as a creature of God is proclaimed in the very document heralding the freedom of the American people. The Declaration of Independence not only holds that "all men are created equal," but also asserts that "the laws of nature and of nature's God" are the source of American freedom.

We all know that men are not equal in the sense of being exactly alike. The individuality of each is the mark of each man's free and different nature and development. But we do know that all men are equal as children of God and brothers to one another.

Without this spiritual definition of man, equality has no meaning. With it, equality has glorious meaning. And it is the spiritual heritage of America which must guide this Nation's quest for the full realization of that justice and equality in freedom that was the goal of our forefathers—and that remains our goal today.

The American passion for justice, rising from this spiritual heritage, stirred us to life as a nation. And it is only this passion for justice that can give meaning to our life as a nation today. These principles and values of America were tested by a terrible ordeal a century ago. It required a Lincoln, and a Civil War, to prove that we could endure as a nation, not only to serve our heritage but also to give it ever fuller expression.

Our capacity as a people to express this heritage, to give it new and broader meaning and application, is again being tested today—tested in our Nation, and tested in the world. These are times of revolutionary and rapid change—in science, in politics, in economics. These are times of newly emerging forces—new aspirations, new needs, new machines, new nations. These forces of change, while they bring hope of the new, often bring challenge and even fear to the old—whether the old be old empires, old prejudices, or simply old habits.

And in a nation "so conceived and so dedicated" as America, it is a tragedy indeed to witness the fact that one of our two great political parties remains hopelessly divided—and fearful—on the issue of civil rights.

Since the advent of the Eisenhower administration, more progress has been achieved toward insuring justice and equality for all Americans—not just some Americans—than in all the preceding decades that followed the Civil War. This progress has come to the Nation with little if any help from a Democratic Party deeply divided against itself. This division within the Democratic Party—I repeat—is a tragedy, a national tragedy precisely as it serves to undermine, to embarrass, to delay full realization of the promise implicit in this Nation's dedication to the principle that supreme worth lies in the individual human being. It is a tragedy, too, in that, almost constantly, it forces the Democratic leaders to stifle the voices of their own consciences—to evade and to sidestep the serious issues of civil rights. As a result, even the most concerned of these leaders tend to settle for a policy of talk much—and do precious little.

I do not wish to pretend that failure in this area is entirely a partisan issue. There are within the Democratic Party the voices of some trying to lead their party to the

path of progress. And the Republican record cannot claim perfection either in the Nation or in my own State. Here in New York, the Republican Party has provided leadership which has made this State the pioneer among all the States in putting an end to discrimination in employment, in education, in publicly assisted housing, and in places of public accommodation. Yet only last March, in the New York Legislature, a bill sponsored by my administration to combat the evil of racial and religious discrimination in private housing and the sale or lease of commercial space—though passed by the State assembly—was blocked in a State senate committee in which the Republicans have a majority. The failure to win enactment of this legislation was a source of deep disappointment to me. I shall continue to press for passage of this measure, and am confident that it will win approval in due time.

While New York and other States have made strides toward realization of the promise in the American spiritual heritage through their actions in the civil rights field, the problem is essentially national. Therefore I would set forth here a series of national policy objectives and specific proposals in this field:

First, every American must be absolutely guaranteed the right to vote. The Justice Department should vigorously pursue the remedy provided in the 1960 act in asking courts to recognize and make findings as to a "pattern or practice" of depriving any member of a minority of the right to vote—a step to foster voting registration under new safeguards for those thousands previously denied opportunity to register or vote. The first moves in this direction are now underway.

Second, all Americans must have equal educational opportunities. The Federal Government should take the initiative in promoting intergroup conferences among those who, in their communities, are earnestly seeking solutions to the complex problems of school desegregation—to the end that closed channels of communication may be opened, tension eased, and a cooperative solution of local problems may be sought.

The Justice Department should utilize vigorously, as needed, the powers granted under the 1960 law to obtain court injunctions against persons obstructing or interfering with a school desegregation order issued by a Federal court.

The Congress should, in my view, authorize the Attorney General to initiate school desegregation suits as an effective counter to efforts in some "hard core" States to evade compliance with the Supreme Court decision of 1954. This authorization should apply in those limited situations wherein private litigation cannot be effective.

The Congress should authorize the Department of Health, Education, and Welfare to provide technical and financial aid to States and localities meeting difficulties and incurring special expenses in connection with the development of policies and programs looking to desegregation in their public schools. An obviously sound administration proposal taking steps in this direction was blocked by the Democrats in Congress this year.

Third, all Americans must enjoy equal job opportunities.

The President's Committee on Government Contracts should be given a statutory and permanent status. Furthermore, the Civil Rights Commission should explore the possibility of legislation to expand the jurisdiction of that Committee—to the end that discrimination may be ended effectively not only on all work performed under Government contracts but also under various forms of Government licenses and certificates.

The Civil Rights Commission should initiate a full-scale review of existing State fair employment practice laws, such as the pioneering law of this type enacted in New York State, and of prior proposals for Federal FEPC legislation, with the objective of developing a cooperative and voluntary Federal-State program in the employment area.

The National Labor Relations Board should be empowered, upon a substantiated complaint by excluded workers, to refuse to certify unions that discriminate in membership.

Special consideration should be given to training programs aimed at developing the skills of those now working in marginal agricultural employment so that they can obtain employment in industry, notably in the new industries moving into the South.

Fourth, every American should be able to live where his heart desires and his means permit. As we have successfully recognized by law here in New York, government assistance should not be used to promote housing operated on a discriminatory basis.

Accordingly, discrimination should, I believe, be prohibited by Executive order in all public housing subsidized by the Federal Government.

The principle of nondiscrimination should next be applied to multiple-dwelling housing constructed with mortgages insured under the various FHA programs in those States and localities which now have antidiscrimination laws.

And with the experience gained, the principle can then be extended to FHA and other forms of federally assisted housing and to urban renewal programs in all States—with due consideration to so proceed as to minimize any adverse effects on the rate of increase in the overall supply of housing.

Fifth, every American should have equal opportunity of public employment and equal access to public facilities. All Federal agencies should be asked to review their own internal practices and employment policies, particularly in field offices. For example, some southern post offices still maintain segregated washrooms—a constant reminder of a philosophy of discrimination. All such vestiges of discrimination should be eliminated in Federal facilities and procedures, to assure that the Federal Government itself clearly lives up to the principle that all men are created equal and deserve equal treatment under law.

Leadership backed by the firm and dedicated use of the tools of law is essential. This must be a leadership of understanding, compassion, and perspective. It must be a leadership that recognizes the problem as one not confined solely to any one part of the country. Nor should we overlook the fact that honest efforts to attain solutions to the problem of discrimination are being made by persons of good will in all regions of the country. Heads of Federal agencies can effectively call conferences—not highly publicized sessions, but sincere working conferences—on specific aspects of the desegregation problem which fall within their administrative domain.

The solutions to the civil rights issue lie in many areas. They are to be found in law, in government action, in strengthening of the two-party political system, and in support of public officials who work sincerely and effectively to further this noble cause.

They are to be found in the inspiring example, the moral force, and the appeal to human conscience personified in the quiet dignity and courage of the young men and women who sit at the segregated lunch counters asking nothing more than the treatment accorded all other Americans.

They are to be found in the honest and cooperative efforts of the concerned and dedicated Americans who make up the great bulk of our population. They are to be found in the hearts of Americans—in all parts of the country.

For no American can deny that the great spiritual heritage of this Nation, the heritage of human dignity, individual worth, of justice and equality and freedom, the heritage that has met the tests of history, the heritage to which church groups such as yours have contributed so much, can, must, and shall guide the destinies of this great land into the limitless future.

SENIOR CITIZENS FIND INSURANCE GONE WHEN THEY NEED IT MOST

Mr. PROXMIRE. Mr. President, senior citizens of our Nation are faced with prohibitive insurance premiums, ineffectual policies, or no coverage at all. They face this grim situation when they desperately need adequate and effective coverage, but have, in most cases, literally no way to pay for it.

Douglas Colman, vice president of the Blue Cross Association of New York, reported in testimony before the Subcommittee on Problems of the Aged and Aging, of the Senate Committee on Labor and Public Welfare, that hospital care for persons over 65 is about 2½ times more costly than that for the total population. He predicted that the costs of hospital care for the aged would rise steadily, and eventually would be three times as costly as that for the general population, and perhaps even higher.

The fact is that medical costs are rising—and are rising more rapidly than the cost of any other important ingredient in the cost of living.

Senior citizens of Wisconsin are asking me for a solution to this urgent problem. Responsibility for that solution now rests with the Members of the Senate in these final days of the 86th Congress.

I have before me a typical letter describing the problem of our senior citizens everywhere in the Nation. I ask unanimous consent, Mr. President, that it be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

I urge you to support the Forand bill to provide medical benefits to people on social security. Why? Let me show you what is happening. A year ago I was president of our Old Timers Club. I was asked to find out if retiring members could keep their group hospital insurance, which covered employee and wife, even if they had to pay the full premium themselves, but at the same rate.

We felt it was highly unfair after paying premiums for 30 years or more to be suddenly dropped, at the time when that protection was needed the most, and at the same time being placed in the position of either not being able to pass a physical, or not being able to pay the high premium at such an age, and still having a wife, without any coverage. I could get nowhere—not even an answer. Now, I understand, our company was notified by the insurance company, which underwrites our company plan, that they will have no part in any such arrangement.

What else is left to take care of retired folks but such a plan under social security? Again I urge you to strongly support the Forand bill.

PUBLIC HEALTH SERVICE CITATIONS TO MARVEN STEAMSHIP CO. AND CALMAR STEAMSHIP CO.

Mr. BUTLER. Mr. President, as deserved recognition of the outstanding record in the maintenance of sanitation, achieved by the Marven Steamship Co. and the Calmar Steamship Co., of New York, it is fitting that the attention of the U.S. Senate and of the public generally be called to the special citations awarded by the Public Health Service, U.S. Department of Health, Education, and Welfare.

Especially is it noteworthy that the Marven Steamship Co., has earned the award for the fourth consecutive year, while the Calmar Steamship Co., is being cited for the third consecutive year. The Marven Steamship Co., was first cited in May 1957, and both companies received the special citation in June 1958 and March 1959.

Robert J. Jurgen, who has distinguished himself in maritime affairs of our Nation, is the president of both companies, and received the awards at a ceremony at the Downtown Athletic Club, New York City, on Friday, June 10, 1960.

The special citations are being awarded because each of the 9 vessels of the Marven Steamship Co., and each of the 8 vessels of the Calmar Steamship Co., achieved a rating of 95 or better on an official Public Health Service inspection, involving 166 separate items of sanitary construction and maintenance.

Marven vessels carry iron ore from South American ports to plants of the Bethlehem Steel Co., in the United States.

Calmar ships carry semifinished steel from east coast plants of the Bethlehem Steel Co., to the west coast ports and return with lumber.

Certainly the officers and employees of the two companies involved are entitled to the commendation and high praise of all who appreciate exceptional service, from which all segments of our population are benefited.

PAN AMERICAN WORLD AIRWAYS JET TRANSPORT SERVICE, FRIENDSHIP AIRPORT TO PARIS

Mr. BUTLER. Mr. President, last Saturday night at 9:30 a new era was ushered into the transportation history of greater Baltimore. At that time a Pan American World Airways DC–8 jet transport took off for Paris, marking the first time that Friendship International Airport has ever been favored with regularly scheduled transatlantic air operations.

This is, to all intents and purposes, an experiment on Pan American's behalf. If Baltimore and Maryland, and our friends in the Washington area as well, support this operation as we anticipate they will, Pan American will increase its flight frequencies accordingly.

It was only a little over 2 years ago, Mr. President, that Pan American experimented with operations between Friendship and San Juan, Puerto Rico. There were some doubting Thomases who predicted that the service would not be successful. However, the Baltimore area responded with such enthusiasm that Pan American was very soon operating five round trips per week between Friendship and Puerto Rico. Now we are enjoying regular jet operations between Friendship and San Juan and the response has been more than satisfactory.

Mr. President, it seems that Baltimore and Pan American and pioneering go hand in hand. In the late thirties, when Pan American inaugurated flying boat service between the mainland and Bermuda, Baltimore was the point of origination in the United States. Pan American and its handsome old Boeing flying boat, the B–314, brought a well-remembered service to this great Eastern port which only the war and the construction of a new airfield in Bermuda and the manufacture of long-range land planes brought to an end.

Mr. President, very shortly an examiner for the Civil Aeronautics Board will hand down his recommendations on the Transpacific Route case. One of the strong petitions filed by Pan American calls for this international airline to provide direct service between Baltimore and the Orient by way of Fairbanks, Alaska, and the great circle route. It is the wish of the Maryland congressional delegation and leading civic and business citizens of the city of Baltimore that Pan American and Baltimore will be able to continue its record of pioneering.

RETIREMENT OF JOHN F. FLOBERG FROM THE ATOMIC ENERGY COMMISSION

Mr. HICKENLOOPER. Mr. President, I take this opportunity to express deep regret at the loss to the Government of the services of a capable public servant who for the last 3 years has held a very important position in the Government. I speak of Atomic Energy Commissioner John F. Floberg, whose resignation today is of his own volition.

Jack Floberg has rendered outstanding service on the Atomic Energy Commission in the 3 years of his service. He is an able lawyer. He came to the Commission after a substantial period of Government service and service in the Armed Forces in World War II. He assumed his responsibilities on the Atomic Energy Commission with unusual zeal and vigor, and has pursued his duties consistently.

Mr. Floberg leaves Government service to assume a substantial and important position in private industry. I know he carries with him the sincere thanks, appreciation, and best wishes of all the members of the Joint Committee on Atomic Energy who have worked with him in the handling of the problems which confront us.

I regret his departure from public service; nevertheless, I wish him well in the future. I am certain that his services to his Government will not be lost as a result of his resignation.

EDUCATIONAL TELEVISION

Mr. MAGNUSON. Mr. President, all of us greatly regret the death of Frieda B. Hennock, who served as an outstanding member of the Federal Communications Commission. She shared, with me, the hope that the Congress would ultimately pass what is known as the educational television bill. The Senate has twice passed that bill; at this session, the Senate again passed the so-called Magnuson bill to provide for educational television throughout the United States. That bill is now before the House of Representatives; but the delay of the House in acting on the bill has caused great concern, not only among those of us in the Congress who are deeply interested in the matter, but also among educational and other nonprofit institutions in the Nation.

George W. Oakes has written an article entitled "Expansion of Classroom Television Hinges on Magnuson Bill Now Before Congress." The article was published in the Washington Star on June 19, and gives a résumé of the bill and of the necessity for the taking of action on it, and points out very clearly the necessity for cooperation by the House in connection with this very important and vital matter. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXPANSION OF CLASSROOM TELEVISION HINGES ON MAGNUSON BILL NOW BEFORE CONGRESS

(By George W. Oakes)

Educational TV will receive its greatest boost from the Federal Government if the Magnuson bill is passed by the House and signed by the President. It was approved by the Senate more than a year ago.

The bill provides Federal grants of $1 million for each State and the District of Columbia and Puerto Rico for the establishment or improvement of educational TV broadcasting facilities for public schools and colleges and adult training programs.

The bill is now in the House Rules Committee, where a combination of southern Democrats and Republicans has refused to report it. A vote of 6 to 5 last month stopped it. If the bill does clear the Rules Committee, it is generally agreed, it would probably pass the House.

As reported by the House Interstate and Foreign Commerce Committee the Senate figure in the bill has been cut to $750,000 per State and matching State grants would be required to meet the Federal contribution. Also not more than $150,000 would be available for each TV station. This was done to distribute the money as widely as possible.

Federal funds would construct and maintain educational TV stations owned and operated by State TV authorities, public colleges or universities, or nonprofit community TV organizations or foundations. Both open and closed circuit TV stations would be built. The Secretary of Health, Education, and Welfare, acting on the advice of the Commissioner of Education, would be required to approve all requests for Federal funds.

LITTLE MONEY AVAILABLE

The major reason why there are at present only 48 educational TV stations in this country instead of 267 for which VHF and UHF channels have been reserved by the Federal Communications Committee is the fact that too little money has been available to set

them up. Commercial interests are pressuring the FCC to release the unused channels.

The Ford and other foundations, as well as nonprofit community efforts, have taken the lead in organizing those educational TV stations now on the air. However, the Ford Foundation, which enabled the first 20 stations to start operations, including that in Hagerstown, Md., is not making further capital grants for this purpose.

A total of $250,000 is needed to buy the basic equipment for such a TV station, considerably more than most local groups can raise. But $150,000 of Federal funds could give the needed impetus to State and local organizations to get the rest of the financing.

Although no Federal funds could be used for programs or personnel, the increase in the number of stations would encourage a greater unification of the material that educational TV stations put on the air. The bill specifically forbids any Federal control over programs.

At present educational TV stations are located mainly in large population centers where financing was available. The proposed bill would tend to spread stations around the country and give people in rural and remote areas a chance to benefit from educational TV programs.

CORPORATIONS' SUPPORT

Supporters of the proposed legislation include not only educators and civic-minded citizens but corporations like Westinghouse which operate large commercial TV stations. As Donald H. McGannon, president of Westinghouse Broadcasting Co., testified before the Senate committee, "industry's future depends on education and the training of its scientists, research personnel and management manpower." Praising this view, Senator MONRONEY, a member of the committee, remarked, "I can remember times when, in some quarters, educational television was anathema to commercial television broadcasting."

Since the fall of 1958 the Federal Government has been stimulating the development of educational TV through the National Defense Education Act. Some $4 million in Federal grants have been made available for research and experimental projects to improve school and college teaching. Many of these educational TV programs have been prepared in cooperation with local communities who have provided $1.5 million to match the Federal funds. Thirty-one such projects were launched last year.

For example, in Texas 11 colleges and universities are joining together to improve their educational TV operations under one Federal grant program. In Maine talented students in far-off country districts now benefit through TV from superior teaching otherwise unobtainable. In Oregon an educational TV program has been started to meet the growing needs of junior college students. At the University of Miami, an open-circuit TV program is operating during the summer session to help bridge the gap students face between high school and college.

POTENTIAL IS GREAT

The experience thus far gained has convinced Office of Education officials of TV's potential to raise our teaching standards and improve instructional methods. They believe that the proposed legislation will, by speeding proper use of this new medium, lift the quality of instruction all the way from the preschool to the graduate school level. Also they have little doubt that the States will match the Federal grants.

These are examples of educational TV operations throughout the country which would serve as patterns for those to be established under the proposed law:

STATE AUTHORITIES

Alabama was the first State to set up a statewide educational TV network. The programs, serving 80 percent of its population and under the direction of a State TV Commission, range from teaching on nearly all academic levels to those appealing to a general audience. Two hundred and fifty schools participate. The network broadcasts about 66 hours a week from 8:45 a.m. to 10 p.m. weekdays. State legislative appropriations for this service have totaled nearly $2 million.

The Oklahoma ETV authority was established in 1953. Two major stations in Oklahoma City and Tulsa, owned and operated by the authority, reach approximately 1,770,000 people in the State. Programs include lessons in chemistry, trigonometry, physics, advanced algebra and geology.

SCHOOL SYSTEM OWNERSHIP

In Denver the public school system, with a capital investment of $410,000, began student and adult programing in January, 1956, with the aid of 20 community and State educational organizations in the area.

Other successful school operations are in Atlanta and Louisville. In Atlanta six daytime hours are devoted to inschool telecasting and 2½ hours at night for adults.

UNIVERSITY OWNERSHIP

Some of the outstanding examples of this type of station are those owned and operated by the University of North Carolina, Michigan State University, the University of Illinois, and Ohio State University.

COMMUNITY OWNERSHIP

Nonprofit ETV stations that have achieved national prominence are those in Pittsburgh, Chicago, San Francisco, and New Orleans. Often in such operations civic leaders have brought together all educational facilities of the city to provide the most effective programs—the schools, museums, and public libraries.

The proposed legislation would make more certain the establishment of Washington's first ETV station in September 1961. This project is sponsored by the Greater Washington TV Association. As it will be on a UHF channel sets will have to be converted to receive its programs. At present the association conducts on channel 5 one-half hour elementary science programs 5 days a week. Next September there will be two science courses.

If the Magnuson bill is enacted the association plans to construct a station and offer 4 daily hours 5 days a week.

It is doubtful whether the District of Columbia school system will participate in TV classroom programs. Last January School Supt. Carl F. Hansen decided to end the special science TV course which fifth and sixth graders watched this year.

After several years' experience with TV classroom instruction Dr. Hansen believes that it is not yet able to be adapted to the District of Columbia school curriculum. For one thing it is hard to gear a TV program to classroom work unless it offers materials and skills not at the command of the teacher. Also he feels there is the danger that the classroom teacher may lose control over what is to be taught and thus be unable to fit the instructional program to the problems of a particular group of students.

Nevertheless Dr. Hansen does not exclude the possibility that, after further study, TV teaching could be successfully used in the District of Columbia school system. The Board of Education will therefore cooperate with any new educational TV station organized here.

THEORIES OF HISTORY AND ECONOMICS

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the RECORD a lecture entitled "Theories of History and Economics," delivered at Gonzaga University in Spokane, Wash., by the Reverend Francis J. Conklin, S.J.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

THEORIES OF HISTORY AND ECONOMICS

The philosophy of history seeks to answer the questions: Why do nations rise and fall; what governs the destiny of nations; what creates and destroys cultures.

So vast a subject inevitably leads into theological considerations, but there remain as many philosophies of history as there are philosophers. In Aristotle we find a cyclical theory of history. Everyone is familiar with Spengler's pessimistic interpretation of history and with the so-called moral view expressed by Toynbee. Such examples could be endlessly multiplied. Among Catholics, St. Augustine in "The City of God" has provided a theology of history—with strong emphasis upon the verticle—the one justice of Christ so pervades Augustine's considered judgments that horizontal movements to political right and left have meaning only as approaches to the God of love or flights from the God of Justice.

We have already discussed Hegel: history unfolds the development of spirit of full self-consciousness, a march of full freedom. In this process, cunning reason uses men and creates circumstances.

Parenthetically, we must never forget that the Prussian state which Hegel glorified was far more liberal than the Prussian state which Marx condemned. In Hegel, the political state incarnates the highest embodiment of human freedom.

Marx attacked Hegel and all idealists who seek to force reality and the historical process into a priori categories. Such pigeonholes must be eternal, necessary, and immutable. (Hegel's categories were religion, art, philosophy, the state, law, and morality, as you will recall.) Marx repudiated this too pat filing system as unreal and abstract. Real man had become lost in these enriched abstractions.

For Marx, the important thing is the empirical. He emphasizes the given. We must return to the concrete, to the singular. This epistomological emphasis underlies and sustains his interpretation of the world. Without epistomology, there is no Marxism.

History written by the idealist camp describes theoretical struggles: the War of the Spanish Succession; the wars of religion; the Crusades. Conflicts between abstractions distract men and prevent them from analyzing the real factors in history.

Real history is the history of real men:

"In the social production which men carry on they enter into definite relations that are indispensable and independent of their will; these relations of production correspond to a definite state of development of their material powers of production. The sum total of these relations of production constitutes the economic structure of society—the real foundation, on which rise legal and political superstructures and to which correspond definite forms of social consciousness. The mode of production in material life determines the general character of the social, political and spiritual processes of life. It is not the consciousness of men that determines their existence, but, on the contrary, their social existence determines their consciousness. At a certain stage of their development, the material

forces of production in society comes in conflict with the existing relations of production, or what is but a legal expression for the same thing—with the property relations within which they had been at work before. From forms of development of the forces of production these relations turn into their fetters. Then comes the period of social revolution. With the change of the economic foundation the entire immense superstructure is more or less rapidly transformed. In considering such transformations the distinction should always be made between the material transformation of the economic conditions of production which can be determined with the precision of natural science, and the legal, political, religious, aesthetic or philosophic—in short ideological forms in which men become conscious of this conflict and fight it out. Just as our opinion of an individual is not based on what he thinks of himself, so we can not judge of such a period of transformation by its own consciousness; on the contrary, this consciousness must be rather explained from the contradictions of material life, from the existing conflict between the social forces of production and the relations of production. No social order ever disappears before all the productive forces, for which there is room in it, have been developed; and new higher relations of production never appear before the material conditions of their existence have matured in the womb of the old society. Therefore, mankind always takes up only such problems as it can solve; since, looking at the matter more closely, we will always find that the problem itself arises only when the material conditions necessary for its solution already exist or at least in the process of formation. In broad outlines we can designate the Asiatic, the ancient, the feudal and the modern bourgeois methods of production, as so many epochs in the progress of the economic formation of society. The bourgeois relations of production are the last antagonistic form of the social process of production—antagonistic not in the sense of individual antagonism, but of the one arising from conditions surrounding the life of individuals in society; at the same time the productive forces developing in the womb of bourgeois society create the material conditions for the solution of that antagonism. This social formation constitutes the closing chapter of the prehistoric stage of human society." (Preface: "Contribution to the Critique of Political Economy.")

The mode of existence—the way in which men exist—the way men produce the necessities of life and exchange those necessities determines the social consciousness of men. This means that classes are created by the economic structure of society. These classes are groups of real men. They are true social groups. In these classes exists a relationship between the ownership or nonownership of the means of production: What is produced; how it is produced; how it is distributed.

(Tied in very closely with the concept of production is the fact of personal freedom. As everyone knows, the possession of some private property gives security and impulse to creative development. You will recall that when this country was founded, Alexander Hamilton thought that only the property holders should have the franchise, because they alone have a vested interest in the security of the Nation.)

Three factors must be considered in the 19th century mode of production: First, the laborers: real men who could be known empirically. The thing worked upon is nature itself. But, as we have seen, nature has been alienated, defined, abstracted and worshipped in the Feuerbachian sense. Finally, there are instruments and tools because a tremendous transformation in productive assets visibly confronts the 19th century observer.

Let us digress for a moment and consider Marx's view of the worker or laborer—the people who are making the change in production. The careful reader will find a clear distinction throughout Marx's works between the supervisory personnel required for the efficiency of the capitalist system and the idle rich. The attacks upon the intrinsic contradictions or inherent defects of the capitalist system are not aimed at the higher remuneration paid to the more skillful. Marx bitterly opposed the social immorality of the group described by Velblein in "The Theory of the Leisure Class." Caricaturing Marx's attack upon the idle rich into a carte blanche repudiation of the vaunted profit motive reduces Marx to a strawman—and misses the point entirely.

Examples of the excess profiteering which Marx roundly condemned abound in the robust atmosphere of turn-of-the-century American economic life. To defeat Commodore Vanderbilt Mr. Fisk printed over $10 million worth of Erie stock. Another instance: Marcus Daly sold the Anaconda Copper Co. for $36 million to the J. P. Morgan group and a few days later Morgan sold the dummy operation for $76 million. More recently there was the Piggy-Wiggly scandal when Wall Street brokers had to suspend trading and change the rules because a simple mid-Westerner had beaten them at their own game.

But let us return to Marx. Real history is a story of class struggles based upon economic interests.

The theoretical background for this proposition: matter alone exists, constantly in motion according to the dialectical inner law of the conflict of opposites. History, a constant process of development according to an inner law, evolves dialectically through class conflict.

Later in life both Marx and Engels will insist that they never did say that economics is the only factor in history. They came very close to saying that but for the sake of argument let us concede: economics is not the only factor but the most important one.

From the underlying premise of economic determinism we conclude that material conditions create specific societies and cultures. These material conditions gradually mature and change within any given society. Thus, the old society contains within its womb the material conditions of the new. The transition from one culture to another—like any dialectical process—is never peaceful and gradual. It must be violent and dialectical because the fundamental struggle for existence becomes involved. Force is the midwife of progress.

Religion, art, philosophy, the State, law and morality are not eternal categories; they merely reflect the material conditions of a given stage of historical development. As a matter of pointed fact, these ideological forms are creations of the dominant class during each historical epoch.

Let us take a few moments and illustrate historical materialism or economic determinism by concrete examples: In Russia, the royal family and the wealthy landed nobles constituted the dominant class; the czarist state was their organ of suppression, i.e., they used the political power of the Russian state to protect and strengthen their economic supremacy.

In Britain the new rich preached the gospel of laissez faire and Parliament began to codify their wishes. The landed, propertied gentry unsuccessfully opposed the entrepreneur class during the corn law debates. Agriculture being the primary source of wealth for the propertied class, these latter advocated a high tariff; the rising industrialists pressed for a low tariff on imported grain because low grain prices reduced the cost of subsistence paid to the laborers.

A law on the contamination of goods: e.g. the Pure Food and Drug Act, has as raison d'etre, aid to capitalist production. Such a law removes from the market contaminated goods which retard the sale of the newly produced.

In moral terms, the prohibition of adultery serves to safeguard the accumulated wealth of the propertied classes. "Thou shalt not commit adultery" applies with special force to the wives of wealthy capitalists—lest a stranger inherit the gains of a lifetime. "Thou shalt not steal" protects all private property. And so on for the rest of the Commandments.

Marx and Engels, especially Engels, loved to digress on historical epochs and depict history in confines of historical materialism. Let us try for a moment to visualize the past through the tinted lenses of economic determinism. A great deal of this early material was drawn from the subsequently discredited studies of the anthropologist, Henry Morgan. In many avant guarde intellectual circles Morgan was read with veneration. The "discoveries" corresponded so beautifully with the logical consistencies of historical materialism that Marx and Engels accepted Morgan's writings without question.

In "The Part Played by Labor in the Transition From Ape to Man" Engels points out that when the ape begins to use his hands—i.e., to create new wealth, he is no longer an ape but a man. Economics dichotomizes the transitional period.

In the very early, Asiatic, primitive stage of human society—the stage of savagery and hunting—communal ownership of property was the law. Actually, this may be reasonably interpreted as a sort of negative, communal ownership because everything belongs to everyone and nothing, or comparatively little, is possessed by anyone.

At this stage group marriage flourishes. The original state of complete promiscuity, apparent among most animals even today, gradually recedes before the limitations of the consanguine family: Parent-child marriage disappears. The Penaluan family excludes brother-sister marriages, but all brothers have common wives and all sisters have common husbands.

The next great period of development is the age of barbarism. Here property law revolves around mother right—things belong to the group and inheritance is traced through the mother. Gradually, domesticated animals begin to produce new wealth and primitive agriculture becomes a notable economic factor. Paring marriage introduces a type of temporary monogamy.

What we consider to be civilization has now arrived with the full development of agriculture and the further domestication of animals. The private property concept has firmly taken hold. Strict monogamy becomes necessary to protect the inheritable accumulation of private property. Women are enslaved because they have become nothing more than instruments for the breeding of children. Labor is divided because slaves are required to perform menial tasks.

In the recorded history of civilization the first stage is the ancient or Greco-Roman civilization. In the fully developed city-state we find a common ownership coinciding with an evolving private ownership. Protecting individual citizens against the slaves necessitates a community of life among the citizens—a union insuring power over the slaves. But despite the surface indications of stability town conflicts with country; owner with slave; industrial interests with maritime interests.

City-state civilization gives way to the feudal state, wherein barbarians destroy the empire, agriculture, industry, and trade. Sparse population forces unity upon the un-

willing. The agriculturally productive peasantry becomes serfs, protected by fighting knights and barons who constitute the nobility and oppress the nascent towns. Toward the end of the feudal period, the towns assert their independence, because the craftsmen create new wealth independently of the agricultural economy. Hardly has the transition begun when laborers are separated into guildmaster and journeyman.

The modern era (Mark's 19th century) is the era of the capitalism. The rise of towns, the growth of industry, the opening of new markets in America, the division of labor—all these things create the classes of bourgeoisie and proletariat. The "Communist Manifesto" will provide you with as clear and explicit an interpretation of bourgeoisie society in Marx's view as can be found anywhere.

This thumbnail sketch will introduce you to Marx's application of the principles of historical materialism to the "past." Within this context we are now ready to study his greatest work, "Capital."

Marx is convinced that the underlying economic structure of any historical epoch determines all other political, cultural and intangible aspects of a given civilization. Economics causes the rise and fall of nations. Economics creates and destroys cultures. Upon the economic bedrock a superstructure arises composed of the concrete forms of political states, religions, art, morality, etc. You recall that Marx said in the last thesis on Feuerbach: "The world must be understood in its contradiction and revolutionized in practice". In "Capital" Marx seeks the intricate and inmost contradiction in the capitalist system. Once the economic contradiction is understood, capitalism (and the 19th century political, religious and social world) may be revolutionized in practice.

This lecture will be concerned with Marx's economic theories, emphasizing the labor theory of value; the concept of surplus value; and the historical nature of capital's tendency to accumulate. A considerable portion of this lecture will be devoted to definitions because most of you have had no introduction to economics and must come to grips with a terminology which has become a charismatic incantation among the Marxists.

Most important, we want to confine our endeavors within the philosophical outline which Marx prescribed. When separated from dialectical materialism, Marx's economic theories can be made to sound ridiculous—so can the Athanasian creed if it is quoted out of context.

For Marx, economics, or political economy, holds the key to the understanding of history.

We begin with the labor theory of value: Volume I, chapter 1 of "Capital."

A commodity is a useful good; something which satisfies a want; something with social use or value. The use value of any commodity will, of course, vary with time and place. The exchange value of a commodity is the value of a commodity on the market. For example, 5 bushels of wheat, 1 ton of iron and 5 diamonds all have the same exchange value. The use value of commodities will be of greatest importance in the unsophisticated and uncomplicated society of prehistory. In the dynamic, social world of civilization exchange value represents the most important value of commodities.

The only common property which wheat, iron, and diamonds have is that they are common products of human labor. In other words, a commodity has exchange value by reason of the quantity of human labor embodied in it: the amount of labor time socially necessary to produce a specified article in a given culture.

A similar labor-quantity theory of value exists in Ricardo and, nascently, in Adam Smith. However, Ricardo, like the Old Testament Jews, was not given to abstract speculation which so delights the teutonic mind. Ricardo regarded the labor theory of value as a simple hypothesis to explain the very prosaic normals of relative prices. Marx goes far beyond the narrow confines of such a limited hypothesis about relative prices. Marx prefers the essence or substance of things and discovers that value is labor. This metaphysical insight seems based upon Marx's distinction between the quantity of labor (measured in hours) and the value of labor (measured by the quantity of labor embodied in a commodity).

The labor theory of value for Marx is a fundamental supposition. Indeed, it is self-evident. The materialist conception of history; the fact that matter alone exists; history being the unfolding of a material process; all these facts point to naked, physical labor power as the key factor in the human transformation of the world. Labor power alone can give human value to real things.

The next point to be considered is the feticism of commodities. When you exchange iron for corn, the real exchange is of human labor hidden behind these commodities. In the exchange of commodities money plays the role of a universal equivalent; e.g., a quantity of coal with $100 is exchanged for a quantity of iron worth $100.

The natural order is to have a commodity, coal, exchanged for money, and money exchanged for another commodity. Thus, you have a straight line equation of C exchanged for M and M for C: commodity exchanged for commodity means labor value exchanged for labor value.

But this is not what happens in the capitalist system. As anyone knows, a capitalist is not in business to exchange value for value. He is in business to make a profit. A retail store which buys dresses for $20 and sells them for that price will not be in business for long. In a capitalist economy the equation begins with money: money is invested to buy commodities; the commodities are sold for the original money plus a surplus or profit. Where does that surplus come from? (Commodities are a fetish because they obscure the true exchange of human labor power and hide the origin of surplus value.)

The general concept of surplus value can only be comprehended by penetrating to the heart of the capitalist system. Capitalist production always commences with what is called constant capital, i.e., the materials, tools, machinery, and plant owned by the capitalist. This element—constant capital—contributes its share to the new product, but is consumed in the process. Before the constant capital can be productive it must be united with labor power—variable capital—which the capitalist buys with wages. The new commodity belongs to the capitalist and consists of the constant capital used in the process; plus variable capital or wages; plus a surplus or profit. C+V=C+V+surplus.

If you commence a business with a $5,000 investment in constant capital and pay $1,000 in wages your new commodity must be worth more than $6,000 or you are no longer a part of the capitalist system. Your original investment, raw materials, and machines, etc., were worn out in the process of production. The new commodities must be worth C plus V plus a surplus. Where did that surplus come from?

The surplus cannot arise from your original investment, your constant capital, C, because this area cannot expand during the process of production. Raw materials, processing plants, machines and tools are consumed in the process of production and gradually transferred into the new commodity. Increased value or new value or surplus value—whatever you want to call it—cannot come from them.

Therefore, the new value must come from V—the variable capital. Surplus value somehow relates to the human labor embodied in the new commodity.

Surplus value must be the discrepancy between what the worker is paid and what he really earns or produces. In other words the labor day is divided into two parts: during one part of the day the worker produces his wages; during the other part he produces surplus value.

Now, as the National Association of Manufacturers or any other objective analysis of the capitalist system will tell you: the purpose of the capitalist system is to produce a profit. In Marxian terms the capitalist system exists to produce surplus value.

As a capitalist, you obtain an absolute increase by extending the working day; e.g., a man working 8 hours a day works 4 for his employer and 4 for himself. If the working day can be extended to 10 hours with no raise in wages, this same laborer works 4 hours for himself and 6 for his employer. In other words, in 4 hours an artisan produces his own wage and the rest of the time is in producing profit for his employer, i.e., he is producing surplus value.

This type of absolute increase in surplus value can only continue for a limited time before we reach the physical limits of human endurance. Consequently, the capitalist must rely heavily upon relative increases in surplus value. A relative increase occurs through the use of new machinery and the speedup, i.e., an increase in the intensity of the work. Here the possibilities appear unlimited—a new machine may allow a worker to produce his wages in 2 or 3 hours and the split for an 8-hour day will become 5 to 3 or 6 to 2.

Marx assumes, of course, that the iron law of wages must prevail in a capitalist economy. Empirical grounds for this belief were not lacking in the 19th century. According to the iron law of wages a worker cannot be paid more than just enough to keep him alive. If he is paid less, of course, he will starve to death. If he is paid more, people will flood into the area where higher wages prevail and the surplus of labor power will permit the entrepreneurs to lower wages to the subsistence level once again.

Our next topic, "The Historical Tendency of Capital To Accumulate." We know that money buys both the constant capital which constitutes the means of production and the variable capital or labor power. These capitals are turned into commodities. The commodities are sold to recoup the original investment plus a profit. The surplus or profit is used to pay interest, rent, middlemen—but, most important, a good portion of the surplus is saved. The part saved becomes accumulated capital.

Accumulated capital must be reinvested to hire more workers and produce more surplus value. In other words, the simple system of capital production whereby money buys factories and labor power, must expand into a reproductive system, whereby accumulated surplus value, or accumulated profits are reinvested to create more surplus value.

The practical conclusion: regardless of the origin of the initial investment, all fixed capital gradually changes into reinvested or capitalized surplus value. This has tremendous repercussions. Suppose, for example, that you start a business with $1,000 invested as constant capital. It makes no difference where you obtained this original investment—legacy, gift, theft—because the net result will be the same in any case. This constant capital may be added to the surplus which it produces for 5 years. If we consider $200 as the surplus produced each year, at the end of 5 years you will have seen pass through your hands an original investment

of $1,000 plus $1,000 more of surplus value. The second $1,000 was created by the original investment ($200 per year times 5 years).

On the other side of your 5-year equation you must include your personal expenses. Let us count them as $1,000 over a 5-year period, which was spent for personal consumption. At the present moment you retain a fixed investment equal to your original investment of $1,000.

What Marx is driving at: The surplus value created by your original investment is not your property but the property of the laborers you hired. Your original investment of $1,000 was consumed by personal expenses over the 5-year period. Consequently, the present value of the plant and property results from capitalized surplus value; i.e., unpaid wages. The currently existing fixed investment doesn't belong to you but to the worker.

No matter what source provided an original investment, whatever fixed capital exists in the world today belongs to the worker: $1,000 original investment plus $200 times 5 years accumulated surplus equals $1,000 personal expenses plus $1,000 capitalized surplus value.

Constant capital combined with variable capital and surplus value will furnish us with an equation which equals the total capital involved. In slightly different terms: the total capital will include the value of the plant, the value of the wages and the profit, realized on the operation.

Total capital may be considered mathematically in different ways: First, there is the technical composition: the relation between constant capital and variable capital, expressed: C/V. Again there is the organic composition—the relationship between total capital and constant plus variable capital: T over C plus V.

We have already alluded to the first stage in capitalist accumulation, described in chapter 25 of "Capital": Constant capital must increase as savings are reinvested. This happens during prosperity. Reinvested money increases the demand for workers; wages rise; the proletariat grows in size.

At the second stage the capitalist seeks to increase the productivity of labor by demanding a longer working day and introducing new machines. This increase requires more constant capital; i.e., larger companies perhaps, with a diversified ownership but with a concentration of economic power. The technical composition of capital also changes. The proportion of constant capital to wages changes drastically. When this happens the demand for workers drops and an unemployment cycle is ushered in. Thus arises the famous industrial reserve army, which threatens the employed and assists in the lowering of wages. However, when people are unemployed the purchasing power of workers drops. Declining purchasing power means underconsumption, or overproduction—a recession—a depression.

The falling rate of profit contributes to the same end product. As constant capital increases in size, variable capital decreases proportionately. The variable capital in this instance means wages plus surplus. The rate of profit refers to how fast money is made: V/T.

If, on an $8,000 investment in constant capital you have paid $1,000 in wages and retained $1,000 as surplus or profit, your total capital is $10,000. Your rate of profit is 1,000 for 10,000: 10 percent. However, if your original investment was $17,000 and you paid $1,500 in wages and retained $1,000 in surplus, the total capital involved would be $20,000. In this latter instance your rate of profit is 7.5 percent. Obviously, you are making more money with a larger investment: you have $1,500 rather than $1,000 as a profit. But large investments do not turn over as rapidly as small investments. You are not making money as rapidly as before. As an industry grows its rate of profit must tend to diminish.

The capitalist does not stand idly by while making more money, but more slowly. He introduces new machines; he tries to eliminate competition; he lowers wages; lengthens the working day; imports foreign, i.e., cheap raw material; seeks new markets, etc. But the accumulation of capital and the falling rate of profit creates unemployment, underconsumption and depression. When this happens, the small capitalists are forced to sell out. The money obtained from their selling out is invested in larger companies and allows the larger companies to continue expanding and overproduce. Thus, invested capital recreates unemployment; labor goes idle; invested capital becomes stagnant. As anyone knows, idle capital depreciates. The result is a violent and acute economic crisis which terminates with the complete collapse of credit and the entire capitalist system.

Marx has uncovered the intrinsic contradiction in the capitalist system. By its very nature the capitalist system must thrive upon the profit motive—which is less euphemistically called greed. Yet, the very profit motive which makes the system tick, produces a surplus of workers and a surplus or idle, depreciating capital.

The course of the dialectical interchange which capitalism must inevitably produce: each recession is worse. Each depression lowers wages so that the proletariat becomes more united in misery. Finally, liberté (economic freedom), égalité (classlessness), and fraternité (proletarian solidarity) will triumph: the monolithic proletariat will rise up in revolt.

Returning to the broader dimensions of dialectical materialism: we have shown that the mode of economic production determines the superstructure or culture or religion, art, morality, political state, etc.—the whole "ideology." The mode of production also creates social classes.

In the 19th century the mode of production dichotomized society into an industrial proletariat oppressed by commercial, vested interests. The political state, of course, exists as a tool of the exploiting class. The bourgeoisie state exists to protect private property—i.e., private ownership of the means of production.

Following the inexorable economic laws recently discovered, capitalism must produce its own crisis and its own avenging angel: the proletariat. The unification of crisis and proletariat constitutes the revolution: but this demands conscious action. We know from reading history dialectically: every revolution is partly economic and partly social in its cause, yet often appears to be political and religious. The coming revolution—the revolution which will effectuate the overthrow of the capitalist system—will be fully social and economic. Only the complete overthrow of the existing ideology (religion, art, morality, etc.) or bourgeoisie society will achieve the true humanitarian ideal. In a word, the coming revolution will be consciously social and economic.

In this revolution, the lost men of the urban proletariat, united by exploitation, must emancipate themselves. Their triumph negates present society; there can be no property, no family, no culture, no country as we know it after the revolution. All private property must be destroyed.

(Parenthetically, let us insist upon the oft-misunderstood obvious: Marx does not mean personal shirts, clothing, watches, glasses, etc., when he talks about private property. Marx means the private ownership of the means of production. Private ownership of the means of production must be destroyed because the greed which motivates the capitalist system has dehumanized the social and economic life of man. Incidentally, both Leo XIII and Pius XI stated that there are some industries so intimately concerned with the public welfare that they cannot be left in private hands: but neither pontiff specified.)

The immediate purpose of the proletarian revolution, as we gather from Marx's writings on the "Civil War in France," and his "Critique of the Gotha Program" will be the establishment of a "dictatorship of the proletariat." Marx was a realist. The elimination of private property can only be accomplished by prolonged blood letting. The harsh, cruel dictatorship of the proletariat will be historically and economically necessary until the last vestiges of personal greed have been rooted out of the human heart.

The road to such a dictatorship lies through the seizure of political power and the use of this dominance to destroy the opposition. Even a national triumph of the proletarian revolution remains provisional because the true proletarian is international in desire and in sagacity. However, once the proletariat dictatorship has achieved worldwide success, the proletariat political state can begin to wither away.

Marx does not concern himself with spelling out in details the glorious future when the last vestiges of greed have been stamped out. Unquestionably, he would subscribe to the melliniarism of Joachim of Flora, without a Holy Spirit to rule the golden age. Marx believed that social consciousness would be developed in men: that men would learn to work to eat. A favorite Marxian example: Today, if a man were to attack a small child on the street, everyone around would come to the rescue of the child; likewise, after social consciousness has been printed in the inmost being of man through the ordeal of violent resolution, all men will naturally abhor anyone who attempts to exploit his neighbor.

As the political state gradually disappears, a classless society will concomitantly and proportionately arise. This new world is the era of communism—the classless society—the utopia. Social classes and class antagonism, private ownership, human hostility, exploitation, family, religion, morality—all sources of frustration and alienation will have been suppressed. Great material wealth for all will be distributed because man, the prime product of the process of history, will finally be reconciled with his environment. Nature will become humanized. This is the purpose of history. History moves inexorably toward this goal.

What happens after the creation of communism? Engels dwelt upon this problem rather pessimistically, probably because he realized the implications of Carnot's Second Law of Thermodynamics. Hegel had said: "All that comes into being deserves to perish."

"Millions of years may elapse, hundreds of thousands of generations be born and die, but inexorably the time will come when the declining warmth of the sun will no longer suffice to melt the ice thrusting itself forward from the poles; when the human race, crowding more and more about the equator, will finally no longer find even there enough heat for life; when gradually, even the last trace of organic life will vanish; and the earth, an extinct, frozen globe like the moon, will circle in deepest darkness and in an ever narrower orbit, about the equally extinct sun, and at last, fall into it. * * * But however often and however relentlessly, this cycle is completed in time and space, however many millions of suns and earths may arise and pass away, however long it may last before the conditions for organic life develop * * * we have the certainty that matter remains the same in all its transformations, that none of its attributes can ever be lost, and therefore also, that with the same iron necessity that it will exterminate on the earth, its highest creation, the thinking

mind, it must somewhere else and at another time again produce it." (Engels, "Dialectics of Nature.")

What is the role of the individual in this dialectical process of history? To understand the individual we must return to Hegel. Hegel conceived reality as a rational progression. Necessity permeates each new synthesis because each synthesis "has to be and cannot be otherwise." Beginning with the idea-in-itself, which changes into the idea-outside-itself, or, nature, we finally arrive at man or spirit: the idea-in-and-for-itself.

By definition: necessity means determination by another.

The first dialectical stage is the theoretical idea where knower is opposed to known. The second state is practical idea where knower changes the world, i.e., changes the known. Here the knower of necessity creates. The third stage is the absolute idea—the realization that the object is itself. This characterizes the state of full self-consciousness. In a word, freedom is the recognition of necessity.

To understand what Hegel means by making freedom the recognition or consciousness of necessity you have to review a bit of scholastic philosophy. Within the scholastic tradition we find two generally accepted requisites for knowledge; conformity and consciousness. These may be expressed in synonyms by various authors but the fundamental premise is conceded by all: For knowledge the thing known must be united with the one knowing (conformity) and the one knowing must be aware of this union (consciousness).

We are not concerned here with conformity but with the problem of consciousness.

Scholastics state that the human intellect is conscious of itself; that it reflects back upon itself; that it knows that it is knowing. When we speak of the human eye, we never say that the eye knows that it is seeing. The eye, being a material organ, achieves conformity with the object, but does not know that it is conformed. The eye obviously lacks the power of complete reflection or perfect self-consciousnes. However, the human intellect knows that it is knowing.

Hegel is saying: The absolute idea—the world mind—knows itself. However, this same absolute idea is the necessary being. Consequently, "freedom is the consciousness or recognition of necessity" means that the necessary being is knowing itself. In other words, Hegel holds true to the pantheistic, yet logical deductions from his principles. The world Hegel has made to know itself is endowed with God's freedom, because in God, freedom is the consciousness of necessity.

In Hegel's view, the world necessarily changes according to reason. Commencing with subjective spirit—spirit in itself—the logical divisions are the theoretical mind (i.e., the mind knowing reality) and the practical mind (i.e., the mind changing reality.) These two are fused to produce the free mind: The mind knowing that its object is itself.

At this stage spirit knows itself and, consequently, knows that it is free. Spirit knows that it is self-determined. We defined necessity as determination by another. Freedom, therefore, means determination by one's self. Thus, the mind knowing itself is self-determined, or free.

The second stage is objective spirit or nature. Here freedom objectifies itself in institutions: laws, the family, civil society and, above all, in the political state which is freedom incarnate.

Finally, we have the absolute spirit in-and-for-itself. This is complete freedom which exists only in man. Here spirit is conscious of spirit and expresses this consciousness in the highest aspirations of human endeavor: religion, art and philosophy.

Before proceeding to Marx we must insert a parenthesis on Bukharin, an important Marxist who denied free will. Bukharin maintained that man is completely, physically determined in all that he does. This deterministic materialism smacks of the old fashioned materialism Marx sought to escape by making his materialism dialectical. Stalin, motivated probably more by political objectives, attacked Bukharin's doctrine as anti-Marxist and accused Bukharin of "crassmaterialism." In a word, the orthodox Marxist view holds that man is free to realize and join the trend of history.

For Marx, freedom is the consciousness of necessity. For him, "the necessary" is the inner, hidden law of history: economics: the production and exchange of life's necessities.

Freedom is the conscious of necessity, freedom is a consciousness of economic factors; freedom is a knowledge of the direction which the world is developing. Only an economic gnosis permits a man to change the world in the direction the world is changing.

The inner, economic law of history does not cater to caprice. To attempt to do as you please means to remain ignorant and to be overwhelmed by events. For Marx, true knowledge is true freedom. True knowledge means understanding the forces of production and ruling or directing these forces, rather than being crushed by them. History can be led only in the direction it chooses to go.

For Marx and Hegel freedom is an act of the intellect. Free will is no longer a psychological problem by a psychiatric study.

AMENDMENT OF MINERAL LEASING ACT OF FEBRUARY 25, 1920

Mr. ALLOTT. Mr. President, yesterday the Senate passed H.R. 10455, a bill to amend the Mineral Leasing Act of February 25, 1920. Because of the complexity of the bill, I ask unanimous consent to have printed at this point in the RECORD a short summary in explanation of it.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

AN ACT TO AMEND THE MINERAL LEASING ACT OF FEBRUARY 25, 1920

The Committee on Interior and Insular Affairs agreed unanimously on the substitutive amendments to the act of 1920. Senator JOSEPH C. O'MAHONEY, of Wyoming, presided over the lengthy hearings to investigate the proposed amendments to the act. There were two main purposes for the changes that were adopted: first, to bring the provisions up to date with the changing conditions and, second, to simplify the language and provisions of sections 17 and 27 to encourage greater efficiency and effectiveness in enforcement of the act.

Five changes in the Mineral Leasing Act of 1920 will help to realize these aims:

(1) An increase in the minimum yearly rentals for oil and gas leases on federally owned lands.

(2) Consolidation of lease and option maximum acreage provisions so that much of the present confusion that may be deterring development of oil and gas resources of public lands may be avoided. The total amount of acres that one person can control, 246,080 acres, will not be increased, but the maximum limitation on the two forms of holding will be consolidated to a great extent.

(3) A 10-year lease plan will replace the 5-year lease plan, thereby cutting down on the expensive renewal process of noncompetitive leases.

(4) Alaska will be divided into two leasing districts.

(5) Development of a new oil source within our own borders by including the "tar sands" under the Mineral Leasing Act. The Mining Act of 1872 covers this area at the present, allowing the locator of the minerals to have outright ownership without paying royalty or rent to the Federal Government. Under the amended act of 1929 the Government will receive revenue for the oil.

The alleged result of the five alterations is a decrease in operation costs of the Bureau of Land Management, and, in summary, a decrease in expenses in the following specific operations:

(1) The handling of land renewals of noncompetitive leases.

(2) The burdensome process of distinguishing between leases and options.

On the other hand, more revenue will be received by the Federal and State Governments from the higher minimum rentals. Therefore, the act will be favorable to the Treasury and to the various States, as they receive a percentage of the receipts from lands leased within the States.

THE CHALLENGE OF COMMUNIST AGGRESSION—REPORT BY TASK FORCE OF REPUBLICAN MEMBERS OF THE HOUSE OF REPRESENTATIVES

Mr. ALLOTT. Mr. President, I commend the report released on Monday by the task force of Republican Members from the other body.

This report took a wide and deep reading of this country's international strategy and strength in the face of current world tensions.

As has been widely noted in the press and elsewhere, this statement constitutes a major contribution to party discussion and debate of the most important single issue of our times: the challenge of Communist aggression.

It is not my intention to restate the substance of what this group said—though it is of such importance that it bears constant restating and rethinking. Rather, I call attention to and commend the manner in which it was undertaken, even the very fact that such a broad effort was done at all.

Here was a group of responsible legislators of our party, drawn from the standing committees of the other body which regularly come to grips with the broad legislative issues involved in America's international strategy: the Foreign Affairs Committee, Armed Services Committee, the Defense Appropriations Subcommittee, the Joint Atomic Energy Committee, the Joint Economic Committee, and others. The chairman of the study was the minority's ranking member of the Defense Appropriations Subcommittee, Mr. FORD, a rising leader in this whole field. The formal minority leadership was directly involved, including the minority leader, Mr. HALLECK; the chairman of the House Republican policy committee, Mr. BYRNES; and the party whip, Mr. ARENDS. Even the Vice President was fully consulted.

In short, this was no group of sidewalk superintendents like the Democratic Advisory Council on Americans for Democratic Action. Such groups have no direct public responsibility, but

they do not hesitate to pontificate with caustic comments not only on the administration's conduct of government but on its own leadership in Congress.

Instead, this was a group of men who regularly engage in the serious business of leading their Nation. This is responsible government at its best.

I want to stress a second quality of this report which impresses me: This task force went to authorities in academic and professional life to tap the best possible advice, the most fruitful possible ideas, the most informed possible judgments. As one scans the list of 21 study papers prepared for the report one notes such impressive names as William Y. Elliott of Harvard University, retired Admiral Radford, Robert G. Newmann, noted international authority, and Gerhart Niemeyer of Notre Dame, a scholar of communism.

I have long felt that the Republican Party should call on the "eggheads" more than it has in the past. For that reason, I was delighted to note that this task force had sought intellectual advice and delighted also to see the reponse which the academic and professional community gave to developing a cohesive, well-rounded, and thoughtful presentation.

Because of the scope of this project, in my judgment the Task Force Studies on American Strategy and Strength will be useful not merely to policymakers, but to students and concerned citizens everywhere.

In my judgment, the net result of this study has been to set in proper perspective the true international posture of the United States. The resulting picture is encouraging. The task force concluded that America is well ahead and destined to stay ahead of the Soviets, given wise policies—diplomatically, militarily, economically, and scientifically.

It is disquieting to hear ambitious opposition politicians term the United States a second-class power. Surely honest political differences can rise above this level.

For example, in the field of space, the conclusion of Dr. George B. Kistiakowsky is illuminating. Far from being stampeded by the dramatic phychological coups of the Soviet sputnik and moon shots, Dr. Kistiakowsky observed thoughtfully:

> Our country can justly be proud for first announcing space satellite plans to assist the International Geophysical Year program. However, the sputnik launch provided the thrust, without doubt. Perhaps, though, the emphasis should be on the spectacle of immaturity we made of ourselves over this engineering accomplishment. Today most of us feel a bit shamefaced about our sputnik-provoked anxiety, particularly when we realize that only the one most recent Soviet satellite remains in orbit that is transmitting information, while several of our own still riding through the reaches of space continue to send back most of the scientific information they were designed to uncover.

The task force itself concluded that we are still number one in science, commenting:

> By wise management of resources, the United States holds far greater basic advantages in terms of capital, productivity, labor skills, and scientific resources, all in combination with an atmosphere friendly to the spirit of free inquiry so essential to scientific progress. Our accomplishments in science have been more broadly based. While maintaining at least parity in the development of missiles and in other areas of military science, we have achieved preeminence in such fields as chemical research, especially in polymers and pharmaceuticals; molecular biology, with its intriguing advances toward an understanding of the real origins of life; medical and health research, so meaningful to the world's people; and solid state physics, which have yielded the transistor.

Mr. President, I ask unanimous consent to have printed in the RECORD portions of three very pertinent background papers, "How Democracies Die," by John Stambaugh, vice chancellor of Vanderbilt University; "Key Factors in Future Military Planning," by Adm. Arthur Radford; and "Science and Foreign Affairs," by Dr. Kistiakowsky.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

How Democracies Die

(By John H. Stambaugh, vice chancellor, Vanderbilt University)

The great moderate masses of our society have withdrawn from the political scene as a consequence of the very abundance which our free system has provided, the blessings of education and the advances of technology. The professional and businessman, the technician, the white collar worker, the highly trained and productive operator of our massive machines, all enjoy a way of life which leads them to prefer to be left alone. The businessman is restrained from political participation for fear of public criticism or the loss of a customer, not understanding that it is much better to lose a customer than to lose the climate which permits him to make a profit.

In the meanwhile, highly militant and well-organized minority groups control the body politic.

Key Factors in Future Military Planning

(By Adm. Arthur W. Radford)

Communism continues to be the major challenge to our way of life. At issue is the true nature of man himself. There are voices which say we live in a world which could be destroyed without notice, that our national values have decayed, that we have no great cause to guide our future history, and thus it is futile to try to maintain feelings of true patriotism and self-sacrifice. This leads, of course, to a newer version of an old saying: "Eat, drink, and be merry, for tomorrow we die." Perhaps this comes from Communists themselves who would like us to think that communism is irresistible.

Yet, the United States, its institutions, its people, and its great progress are refutations of the Communist dogma. Our free system is the complete antithesis of Communist dictatorship. But our Nation must know itself. "We hold these truths"—indeed we hold these noble truths right in our own hands, in trust. If we doubt our mission in the world, we probably will cease to progress. If America ever loses confidence in herself, we will retain the confidence of no one.

Science and Foreign Affairs

(By George B. Kistiakowsky)

First, consider that matter of scientific leadership and its political impact. Scientific and technological progress has acquired status as the symbol of strength because of its obvious relation to military power, as well as of productivity and the good life. This is in evidence within our borders and everywhere beyond. The striving to emulate American scientific and technological progress has become an ambitious and urgent goal for countless millions of people, including, one might note, the Soviet Union.

But unfortunately it is the technological spectaculars which tend to be used by the public at large and, often, the press, as the sole measure of scientific as well as technological prowess, and thus, of military power as well.

Achievements in outerspace activities are as we have already noted, the prime example of this.

We must also recall the important fact that our scientific achievements in space have easily matched those of the Soviet Union. This is generally recognized by the world's scientific community. In addition, we are now making rapid progress toward practical applications of "near-outerspace" for the benefit of all nations and people.

We do little good to provide only for esoteric research facilities when a nation lacks roads, general practitioners, and machine operators. Of course, we do a disservice also when we ignore the advanced educational institutions that set a nation's standards, provide its teachers, offer a future for gifted citizens, and bring prestige to a nation or a region.

It is a feature of an authoritarian form of society that its government can concentrate efforts in narrow fields. If the total strength of such a society is substantial, as is that of the Soviet Union, then what one might term temporary technological superiority can be achieved by it in selected directions. So long as this superiority is temporary; so long as it does not permit a vital military advantage; and so long as it is not across a broad front, there is no need for alarm, but we must increase our efforts to cancel out imbalances that arise and are significant. On the other hand, we must not permit ourselves to be stampeded into overemphasizing one area at the expense of others. We must constantly bear in mind the sound military doctrine not to accept battle on the field of the enemy's choosing. Rather, we must continue to move across the entire broad front of scientific and technological advance. Thus, as a nation, we will remain a world leader.

The success of future negotiations to relieve tensions by arms limitation agreements will depend in some measure on the understanding of the capabilities of proposed multilateral monitoring systems and on the understanding of inherent limitations of any monitoring system in a world of rapidly advancing technology. The limitations of technical analysis need also to be fully understood. There is no doubt, for instance, that the reliability of monitoring systems is largely a technical question. But the adequacy of such systems, from the point of view of national security, is not. It is a politico-military one. And we must realize that political issues or disagreements cannot be resolved by technical agreement on facts; the political questions of national interest remain. It is well that these issues be understood by the public as they are being understood by the policymakers. Especially we, as scientists, must understand that we can contribute but one of several inputs that are essential for the formulation of sound national policy.

SPENDING FOR DEFENSE

Mr. MOSS. Mr. President, there can be no serious dispute that we must pay for our national defense at whatever level is required to assure our national security.

As Prof. John Lintner, of the Harvard Business School, has said:

It is prudent and sound business for me to pay the annual premiums on my comprehensive household insurance. It is equally prudent for the Government of the United States to pay the premiums on its national defense insurance.

The June issue of Air Force magazine carries a most informative article on the inevitable increase in the level of defense spending, and the economic impact on the country of that increase. The author, Mr. Manuel L. Helzner, who was an associate economist with the National Planning Association when he wrote the article, and is now an economist with the U.S. Post Office Department, feels that the country can easily weather the increase, and tells why.

I ask unanimous consent to place the article in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IMPACT OF MORE DEFENSE DOLLARS

(By Manuel L. Helzner)

(What actually might happen to the economy if defense spending were increased by $3 billion or more per year? Is a great sacrifice in standard of living required of the American people? Or can the economy absorb this increase without significant strain? To obtain authoritative answers the editors of the Harvard Business Review commissioned Manuel L. Helzner to bring up to date an earlier study which had been prepared by him and Gerhard Colm, chief economist of the National Planning Association, and on this basis to make an appraisal of the economic and budgetary implications of raising defense expenditures over the next 3 years to a level $10 billion higher than that now contemplated for 1963. His report is presented herewith with the permission of the Review.—THE EDITORS.)

While some express alarm at the prospect of a rise in Government spending, others maintain that Government outlays—particularly for national security—fail to meet the Communist challenge. This report does not intend to go into the adequacy or the inadequacy of current defense programs or defense strategy. Rather, it will concentrate on analyzing the economic and budgetary implications of a significant increase in defense expenditures, without passing judgment on the desirability of the increase.

Fundamental to this economic appraisal is the assumption that in a democracy public support for maintaining a large defense program is essential. The tools of economic policy available for achieving national objectives are indeed useless if business, labor, farm groups, and the general public cannot be convinced of the necessity of the objective and of the policies required to achieve that objective.

An economic appraisal should also take into account the technological and administrative ability and capacity to absorb and effectively utilize the anticipated expenditure increase. In this report, a $10 billion rise in defense spending is assumed to take place over the period 1960–63. This means that about 3 years would be needed from the decision to increase defense expenditures to the peak in actual Government outlays. In addition, it is assumed that regardless of the size of the defense program, a high level of employment will be maintained as a principal objective of Government. Hence, this study is concerned primarily with the policies and conditions that are needed to maintain balanced growth under different defense budgets.

On the basis of the 1961 budget figures proposed by President Eisenhower in January, it is clear that little change is being contemplated for national security from the 1960 budget level of around $46 billion (direct military budgets of about $41 billion plus some $5 billion for other security items like atomic energy, civilian defense, and foreign aid).

By 1963, however, some of the current missile development programs and other more advanced weapons systems are expected to reach operational stage. Thus, even without any major upward revision in current defense programs, national security expenditures in that year can be estimated at $48 billion (in constant 1959 prices). This modest increase in outlays largely represents cost increases due to the shift from relatively less expensive conventional weapons (e.g., manned aircraft and conventional armaments) to more expensive war materiel, such as missiles and nuclear vessels.

In the context of the Federal Government's budget outlook as a whole, Government program commitments presently on the statutes can be expected to increase total budget expenditures over the next 3 years from about $78.5 billion in 1960 to roughly $84 billion by 1963. Defense spending would continue to account for the largest share of Government outlays, while at the same time increases could be expected for interest payments and other nondefense programs (e.g., veterans' pensions).

Because long-term expenditure commitments have been established for many nondefense programs, no substantial reduction in budget totals would appear feasible unless a cut in major national security spending can be made. On the contrary, in the absence of the need for a substantial increase in defense outlays, it has been suggested that consideration be given to expanding essential nondefense programs, such as combating air and water pollution, improving education, and developing natural resources.

Now what would happen if there were, in fact, a $10 billion increase in our defense spending above current programs? National security outlays would rise from the estimated $45.7 billion in fiscal 1960 to about $58 billion in 1963. It seems more realistic to expect a slow start and subsequent acceleration than even jumps. Then, phased over the 3-year period, the increase in defense spending would progress like this:

[Billions of 1959 dollars]

	1960	1961	1962	1963
Present defense programs	45.7	46.2	47.0	48.0
Additional outlays	------	1.0	5.0	10.0
Adjusted defense programs	45.7	47.2	52.0	58.0

The way the national economic budget might look in 1963 if these additional outlays are made is shown in the accompanying chart, compared with 1959 and also with 1963 as it might look under a continuation of the level of defense spending now contemplated. If the underlying assumptions are realized (particularly in regard to maintenance of full employment), we can easily weather a $10 billion increase in defense spending.

In evaluating the economic impact of the adjusted defense program, certain crucial assumptions must be made about the nature of the increased spending. We face problems like this, for example:

If the increase in defense expenditures calls for a rapid expansion in missile output, certain specific industries, such as electronics, would be most directly affected; the result could be serious production bottlenecks, material shortages, and inflationary pressures unless adequate countermeasures were adopted, such as materials allocation or possibly price control for critical materials in short supply.

A broadly based civilian shelter program, by contrast, might find productive capacity available in the required industries without generating inflationary price increases.

Apart from these specific industry or production bottleneck problems, however, is the basic issue of whether a high and continuously rising level of defense expenditures can be sustained without inflation. Where the increase in defense outlays presses against productive resources whose growth is sluggish, inflationary pressures would indeed be generated. However, where the pace of economic growth can be sustained at relatively high levels, the increased demands of business, consumers, and the Government can be met more readily.

It must be noted, nevertheless, that excessive demand is not the only source of upward pressures on prices. Wage increases which outstrip productivity gains may also force prices up. Or price rises may take place in industries characterized by monopolistic or largely demand-insensitive conditions (such as in steel or petroleum) for reasons other than excess demand or wage boosts.

These so-called cost-push pressures are a phenomenon of structural developments within the economy and have to be faced even in the absence of any significant increase in defense spending. Moreover, such price pressures are largely unresponsive to the more conventional measures for controlling prices through influencing demand or supply. Hence, they require the development of some other more effective price-restraining mechanism.

An economic appraisal of the impact of increased defense expenditures should be viewed in the context of the growth prospects for the entire economy. Such an appraisal could take as its starting point a simple extrapolation of recent growth trends:

Since 1953 the gross national product in real terms has been increasing at the rate of 2.5 percent per year. If this low rate of growth is projected to 1963, we could expect a gross national product of about $535 billion, an increase of some $55 billion above 1959 levels.

National security expenditures under current programs would represent a declining proportion of the gross national product, dropping from approximately 9.6 percent in 1959 to 9 percent in 1963.

Increases in nondefense programs beyond what is currently anticipated, or a possible moderate reduction in taxes, would not only be feasible but might become necessary in order to forestall deflationary developments.

Under these conditions current defense programs would be compatible with further increases in consumer purchases and business investment.

Under more nearly full employment conditions, however, a larger productive potential for the economy could be realized. Part of this increase in production would come about through more man-hours, resulting from reduction in unemployment, attraction of additional workers into the labor force, lengthening the average workweek through increased overtime, and a shift from part-time to full-time employment.

In addition, productivity rates would rise, in part reflecting the shift in production from the lower productivity consumer goods to higher valued defense materiel, in part because the research and development activities associated with defense objectives not only improve productivity of defense

equipment but also find applicability in nondefense industries. In this regard, the experience during and after World War II and the Korean war has demonstrated the contribution of defense-oriented innovations for peacetime application.

However, not all the potential increase in gross national product would be available for meeting increased defense requirements. In reality, a large part of the potential production is preempted by those sectors which make the increase in production possible. Only a relatively small portion of the additional productive resources would become available for discretionary use. Here are some of the preempting forces:

Business requires additional productive resources for capital formation.

An increasing population raises demand for goods and services.

Consumers cannot be expected entirely to forego increases in consumption in the face of increased earnings.

State and local governments may not be able to curtail or prevent increases in essential public services.

Nevertheless, with rising production, the discretionary portion grows and production can more easily be directed to national defense objectives.

As economic activity increases, the discretionary influence of Federal, State, and local governments also grows—assuming no change in tax rates. It has been estimated that with each $10 billion increase in national output, total Government revenues rise by about $3 billion. Thus, Government programs which promote economic growth contribute to a rising tax base and, hence, make the financing of some of these programs possible without necessarily requiring higher tax rates or impairing improvements in the private sector.

Accordingly, in line with economic projections prepared by the National Planning Association's "National Economic Projections Series," it can be estimated that under conditions approximating full employment:

The economy would show a growth rate of roughly 4.5 percent per year (presuming of course that monetary and credit policies will be adopted which foster such growth).

On this basis a gross national product of $575 billion could be achieved by 1963.

National security expenditures of $58 billion would thus represent 10.1 percent of gross national product in 1963 compared with 9.6 percent in 1959.

There would be no significant increase in inflationary forces—no decrease, either. Consumer expenditures would represent 92.5 percent of consumer receipts, as compared with 93.0 percent in 1959.

Some conclusions can be drawn at this point.

(1) If production bottlenecks were to be avoided, adequate resources could be made available for meeting the $10 billion increase in defense needs without jeopardizing the requirements of business, consumers, or the need for some expansion in Government nondefense programs.

(2) On the other hand, the tax reduction which would otherwise be feasible would not now be possible, although the prospect for some rate revisions and the closing of tax loopholes would not necessarily be excluded.

(3) With a $10 billion increase in defense programs over the next 3 years, it would still be possible—with economic growth proceeding at approximately full employment rates—to maintain and perhaps slowly increase some of our nondefense programs as well.

(4) If there should occur a spring thaw in world tensions, the economy could equally support a $10 billion increase in nondefense programs over the next 3 years. And with economic growth, significant advances could be made—even with defense programs at about present levels—in overcoming some of the serious deficiencies in essential nondefense programs.

AMENDMENT OF MOTOR VEHICLE SAFETY RESPONSIBILITY ACT OF THE DISTRICT OF COLUMBIA

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1267, S. 2131.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2131) to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954, as amended.

The PRESIDING OFFICER (Mr. Moss in the chair). The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments, on page 1, line 3, after the word "That", to strike out "section" and insert "section"; on page 2, line 13, after the word "approved", to strike out "August 28, 1958" and insert "May 25, 1954"; in line 18, after the word "approved", to strike out "August 28, 1958" and insert "May 25, 1954", and, in line 22, after the word "the", to strike out "Owner's" and insert "Owners' ".

Mr. BIBLE. Mr. President, the purpose of the bill is to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia, so as to clarify certain of its provisions, remove conflicts in the language of the act, and improve the administration and effectiveness of the act.

Enactment of the bill will amend the Motor Vehicle Safety Responsibility Act of the District of Columbia, so as to accomplish the following:

First. Authorize the Commissioners to destroy or otherwise dispose of files maintained under the act when such files are 5 years old.

Second. Authorize the Commissioners to suspend automobile registrations when reports required by the act are not made.

Third. Eliminate an inconsistency between the language of two sections of the act, so that it will now be clear that persons injured or damaged in an automobile accident must report their injuries or damages within 50 days in order to get the benefits of the act.

Fourth. Insert the words "shall have been convicted of, or," which were inadvertently omitted from the act approved August 28, 1958.

Fifth. Eliminate the requirement that the Commissioners be notified when a policy of insurance required to be kept in force under the act expires.

Sixth. Remove an inconsistency between section 68 of Motor Vehicle Safety Responsibility Act and the act of May 3, 1935, and establishes at 3 years the minimum period of time a person will be required to maintain proof of financial responsibility under certain conditions.

Mr. President, I ask that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the committee amendments.

The amendments were agreed to en bloc.

Mr. BIBLE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, after line 3, it is proposed to insert the following new section 3, and redesignate the existing sections 3 through 6 as sections 4 through 7, respectively:

SEC. 3. Subsection (b) of section 17 of such Act approved May 25, 1954 (68 Stat. 125; sec. 40-433, D.C Code, 1951 edition), is amended by adding at the end of such subsection the following: "If the Commissioners find that a person required by this subsection to make such report or submit such information is or was physically incapable of so doing within the specified fifty-day period, the Commissioners shall permit such person to make such report or submit such information within thirty days after becoming physically able so to do."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

Mr. BIBLE. Mr. President, in connection with this amendment, which also is a clarifying amendment of the Motor Vehicle Safety Responsibility Act, I submit a statement which indicates the purpose of the amendment; and I ask that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

One of the purposes of S. 2131 is to remove a conflict between sections 17 and 30 of the Motor Vehicle Safety Responsibility Act of the District of Columbia. The conflict to be remedied stems from the fact that section 17 provides that reports of injury or damage must be filed within 50 days after the accident which produced the injury or damage, while section 30 seems to indicate that such reports may be submitted as long as 1 year after the accident.

Section 3 of S. 2131 would amend section 30 of the Motor Vehicle Safety Responsibility Act so as to remove the phrase which appears to allow the submission of the required reports as late as 1 year after the accident. However, under the present language of S. 2131 the elimination of the confusing phrase in section 30 would leave the Motor Vehicle Safety Responsibility Act in such a posture that a person would be foreclosed from obtaining the benefits of the act if he failed to submit a report of injury within 50 days even though he might be physically incapable of submitting the report.

The amendment that is now proposed would avoid such an undesirable situation by allowing an additional 30 days after recovery within which to file the required report to anyone who is physically unable to file such report within the 50-day period set out in section 17 of the Motor Vehicle Safety Responsibility Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2131) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954 (68 Stat. 121; sec. 40–419, D.C. Code, 1951 edition), as amended, is amended by adding the following subsection:

"(d) The Commissioners shall retain records required for the administration of this Act for a period of five years, after which the Commissioners may destroy or otherwise dispose of such records."

Sec. 2. Section 14 of such Act approved May 25, 1954 (68 Stat. 124; sec. 40–430, D.C. Code, 1951 edition), as amended, is amended by inserting the words "and registration" immediately after the word "license".

Sec. 3. Subsection (b) of section 17 of such Act approved May 25, 1954 (68 Stat. 125; sec. 40–433, D. C. Code, 1951 edition), is amended by adding at the end of such subsection the following: "If the Commissioners find that a person required by this subsection to make such report or submit such information is or was physically incapable of so doing within the specified fifty-day period, the Commissioners shall permit such person to make such report or submit such information within thirty days after becoming physically able so to do."

Sec. 4. Section 30 of such Act approved May 25, 1954 (68 Stat. 129; sec. 40–446, D.C. Code, 1951 edition), is amended by striking "or by reason of having received no information".

Sec. 5. Subsection (a) of section 37 of such Act approved May 25, 1954 (68 Stat. 130; sec. 40–453, D.C. Code, 1951 edition), as amended, is amended by inserting the words "shall have been convicted of, or" immediately after the words "by a final order or judgment".

Sec. 6. Section 58 of such Act approved May 25, 1954 (68 Stat. 135; sec. 40–474, D.C. Code, 1951 edition), is amended by deleting "or expiration" wherever such phrase appears in such section.

Sec. 7. The second paragraph of section 82 of such Act approved May 25, 1954 (68 Stat. 139; sec. 40–498c, D.C. Code, 1951 edition), is amended to read as follows: "The Act of May 3, 1935 (49 Stat. 166, ch. 89; title 40, ch. 4, D.C. Code, 1951 edition), as amended, known as the Owners' Financial Responsibility Act of the District of Columbia, is hereby repealed except with respect to any accident or judgment arising therefrom occurring prior to the effective date of this Act. Section 68 of this Act shall govern as to the duration of proof of financial responsibility in all cases arising under the aforementioned Act of May 3, 1935."

MARINE SCIENCES AND RESEARCH ACT OF 1960

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1588, Senate bill 2692, the comprehensive oceanographic research program bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2692) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys; to promote commerce and navigation, to secure the national defense; to expand ocean resources; to authorize the construction of research and survey ships and facilities; to assure systematic studies of effects of radioactive materials in marine environments; to enhance the general welfare; and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment to strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Marine Sciences and Research Act of 1960".

DECLARATION OF POLICY

SEC. 2. The Congress hereby declares that systematic, scientific studies and surveys and the oceans and ocean floor, the collection, preparation and dissemination of comprehensive data regarding the physics, biology, chemistry and geology of the seas, and the education and training of oceanographic scientists through a sustained and effective fellowship program is vital to defense against attack from the oceans and to the operation of our own surface and subsurface naval forces with maximum efficiency, to the rehabilitation of our commercial fisheries and utilization of other ocean resources, to the expansion of commerce and navigation, and to the development of scientific knowledge since many problems require an understanding of the waters which cover 71 per centum of the earth's surface, life within these waters, and the interchange of energy and matter between the sea and atmosphere.

The Congress further declares that sound national policy requires that the United States not be excelled in the fields of oceanographic research, basic, military, or applied, by any nation which may presently or in the future threaten our general welfare, maritime commerce, security, access to and utilization of ocean fisheries, or the contamination of adjacent seas by the dumping of radioactive wastes or other harmful agents.

The Congress further declares that to meet the objectives outlined in the preceding paragraphs of this Act there must be a coordinated, long-range program of oceanographic research and marine surveys similar or identical to that recommended as a minimal program by the Committee on Oceanography of the National Academy of Sciences—National Research Council. This program should include but not be limited to the—

1. construction of modern, oceangoing ships for scientific research, surveys, fisheries exploration and marine development;

2. modernization of existing and construction of new Government and civilian laboratory and shore facilities adequate to service and supplement the research and survey fleets;

3. development and acquisition of new and improved research tools, devices, instruments, and techniques which may include but not be limited to bathyscaphs and other manned submersibles, manned and unmanned deep ocean buoys, instrumented marine towers, wave gages, modified icebreakers, acoustical equipment and telemetering devices, current meters, direct density, turbulence and radioactivity measuring devices, biological sampling instruments, precision salinometers and echo sounders, magnetometers, and deep sea underwater cameras;

4. recruitment of prospective oceanographers from among undergraduate and graduate students of physics, chemistry, mathematics, biology, engineering, limnology, meteorology, and geology and the facilitating of their advanced education in the marine sciences by a long-term fellowship program, where necessary, supported by or through the National Science Foundation or other appropriate agency of the Federal Government;

5. improvement of the economic and general welfare by obtaining more adequate information in the fields of marine science concerning the occurrence, behavior, classification, and potential use of fish, shellfish, and other marine life and thereby to enhance the development and utilization of living marine resources;

6. establishment of a national oceanographic records center to assemble, prepare, and disseminate all scientific and technical oceanographic and closely related data, including but not limited to physical, biological, fisheries, hydrographic and coastal survey, meteorological and climatological data. All nonclassified data shall be made available for public use; and

7. development of formal international cooperation in the marine sciences and oceanographic surveys on a reciprocal basis subject to approval by the President.

The Congress further declares that a coordinated, long-range program of marine research and surveys requires establishment of a Division of Marine Sciences in the National Science Foundation, which shall include representation from Government agencies having duties or responsibilities connected with or related to the seas and oceans, and oceanographic scientists associated with universities, institutions affiliated with universities, laboratories or foundations, and which Division shall be authorized and directed—

(a) to develop and encourage a continuing national policy and program for the promotion of oceanographic research, surveys, and education in the marine sciences: *Provided,* That the long-range program for oceanographic research developed and projected by the Chief of Naval Research, Department of the Navy, and approved by the Chief of Naval Operations, known as project TENOC (Ten Years in Oceanography) be incorporated in the national program and policy;

(b) to recommend contracts, grants, loans, or other forms of assistance for the development and operation of a comprehensive national program of marine research, oceanographic surveys, and education in the marine sciences;

(c) to cooperate with and encourage the cooperation of the Office of Naval Research, the Hydrographic Office, the Bureau of Ships, the Coast and Geodetic Survey, the Bureau of Commercial Fisheries, the Atomic Energy Commission, the Maritime Administration, the United States Weather Bureau, the United States Coast Guard, the United States Geological Survey, the Smithsonian Institution, the National Bureau of Standards, the United States Army Corps of Engineers (including the Beach Erosion Board), Department of State, and other Government agencies dealing with problems related to the seas, and the National Academy of Sciences—National Research Council and administrators and scientists of all universities and institutions receiving assistance from Federal agencies for oceanographic or fisheries research or education in the marine sciences in the form of contracts, loans, grants, leases, donations, scholarships, fellowships, or transfers of funds or property of the Federal Government;

(d) to foster the interchange of information among marine scientists in the United States and foreign nations within the security provisions and limitations of the National Science Foundation Act of 1950 (64 Stat. 171); and

(e) to evaluate the scientific aspects of programs of marine research, surveys, and taxonomy undertaken by agencies of the Federal Government, universities, and institutions receiving assistance from the Federal Government in these scientific fields.

NATIONAL SCIENCE FOUNDATION, DIVISION OF MARINE SCIENCES

SEC. 3. (a) Section 7(a) of the National Science Foundation Act of 1950 is hereby amended by striking "and" after the semicolon in (3), redesignating (4) as (5) and inserting immediately after (3) the following new section.

"(4) Division of Marine Sciences; and".

(b) Section 8(b) of the National Science Foundation Act of 1950 is hereby amended by substituting a semicolon for the period after "Board" and inserting immediately thereafter the following new proviso: *"Provided,* That the divisional committee of the Division of Marine Sciences shall include among its membership a representative from the Office of Naval Research, the Hydrographic Office, the Coast and Geodetic Survey, the Bureau of Commercial Fisheries, the Atomic Energy Commission, the Maritime Administration, the Beach Erosion Board of the United States Army Corps of Engineers and at least six scientists selected on a basis of competence from the universities and other non-Federal institutions.

SEC. 4. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the National Science Foundation carry out, under laws, as amended, relating to such Foundation, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Foundation to carry out its duties under law. There is hereby authorized to be appropriated to the National Science Foundation, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) The sum of $9,950,000 for the construction of oceanographic research ships;

(b) The sum of $12,440,000 for the operation of oceanographic research ships constructed under this Act;

(c) The sum of $8,250,000 for construction of shore facilities for marine research;

(d) The sum of $37,200,000 for basic marine research operations: *Provided, however,* That the expenditure under this subsection (d) shall not exceed $8,000,000 in any one year of the ten-year program.

(e) Such sums as may be adequate for specialized equipment for ocean exploration and research which may include bathyscaphs and other manned submersibles, manned and unmanned buoys, icebreakers and submarines converted for scientific use, acoustic telemetering devices, current meters, direct density measuring devices, cameras and underwater television, seismic equipment, turbulence measuring devices, biological sampling devices, precision salinometers, precision echo sounders, towed temperature recorders, magnetometers and other instruments and laboratory equipment: *Provided, however,* That expenditures under this subsection (e) shall not exceed $10,000,000 in any one year of the ten-year program.

(f) The sum of $3,000,000 for fellowships to graduate students and postdoctoral fellows training to become professional physical, biological, chemical, and geological oceanographers: *Provided, however,* That annual costs of these fellowships shall not exceed $300,000.

BUREAU OF MINES, GEOLOGICAL SURVEY, AND BUREAU OF COMMERCIAL FISHERIES, DEPARTMENT OF THE INTERIOR

SEC. 5. The Secretary of the Interior is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out, in addition to programs now underway, the following activities:

(a) Make grants of funds to qualified scientists, research laboratories, institutions, or other non-Federal agencies in furtherance of the purposes of this Act, such grants to be used for basic and applied research programs, the purchase of equipment, acquisition or improvement of facilities, and for other uses necessary to carry out the work hereunder.

(b) Initiate and carry out a program for the replacement, modernization, and enlargement in the number of oceangoing ships being used for research, exploration, surveying, and the development of marine resources.

(c) Construct and operate a sufficient number of shore facilities and laboratories to support effectively the vessels provided for under the preceding item (b).

(d) Cooperate with other departments and agencies, including agencies of the several States, in the conduct of oceanwide surveys from which data relative to the study of ocean resources may be obtained.

(e) Cooperate with other departments and agencies, including agencies of the several States, in the conduct of studies concerning the relation of marine life to radioactive elements, such studies to be directed toward determining the effect of distribution of radioactive elements in the sea on living marine organisms, and other such studies as the Secretary deems necessary to understand and evaluate the relation of radioactivity to the inhabitants of the marine environment.

(f) Conduct studies of the economic and legal aspects of commercial fisheries and the utilization of marine products.

(g) Request and obtain cooperation from and cooperate with other governmental agencies having an interest in the marine sciences, and cooperate with the several States, or their agencies, and with educational institutions, laboratories devoted to fishery research and the marine sciences, and with other public and private organizations and persons who may be of assistance.

(h) Determine the reserves of metals of industrial, commercial, or monetary value in or beneath adjacent waters, and to ascertain techniques and probable costs of their recovery and extraction.

(i) Encourage and assist in taxonomic studies of marine organisms and in providing facilities for the preservation of specimens useful in scientific classification of marine organisms.

(j) Take such action and carry out other activities which he finds will accomplish the purposes of this Act.

SEC. 6. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Department of the Interior and its Bureaus and Offices carry out, under laws relating to such Department and its Bureaus and Offices, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Bureau of Commercial Fisheries, Bureau of Mines, and Geological Survey, Department of the Interior, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) Such sums as may be necessary for construction of new ships for fisheries exploration and research: *Provided, however,* That in the construction of these ships, modern fisheries exploration and research vessels of other nations shall be studied with respect to design and performance with a view to increasing the seaworthiness, range, and efficiency of the United States fisheries research fleet.

(b) Such sums as necessary for operation of new fisheries research and exploration ships: *Provided, however,* That operation costs for new research ships placed in operation by the Bureau of Commercial Fisheries not aggregate in excess of $2,000,000 per annum: *Provided further,* That in planning operations of the new research and exploration ships of the Bureau of Commercial Fisheries, the Secretary of the Interior shall give full consideration to the needs for such operation in the Gulf of Mexico, Bering Sea, other ocean areas of potential commercial importance, and the Great Lakes.

(c) Such sums as the departments deem adequate for capital expenditures in inaugurating, developing, or expanding new ocean resource studies and surveys, or constructing or procuring facilities for such studies which may include but not be limited to, unmanned buoys for automatic continuous oceanographic records, mesoscaphs for biological observations, automatic continuous plankton samplers, oceanaria and instrumentation for studies of marine life behavior, laboratories for research into marine survival, and establishment of an institute for research on diseases of fish, shellfish, and other marine life: *Provided, however,* That in constructing or procuring facilities for ocean resource studies, and in inaugurating such studies, full consideration be given to the fisheries, resources of the Pacific and Atlantic Oceans, the Great Lakes, and the Gulf of Mexico, Bering Sea, other ocean areas of potential commercial value, and that such facilities be located where they may provide maximum benefits to fishermen and other citizens residing in the United States.

(d) Such sums as are necessary for operations, excluding ship operations, of fisheries resource studies including, but not limited to, those stated above in (c) marine population sampling, biological surveys, ecological mapping, taxonomy, genetics of marine organisms, pond fish culture and brakish water farming, estuarine studies, transmigrations and nutrient increase research: *Provided, however,* That expenditures for operations of new resources studies by the Bureau of Commercial Fisheries of the Department of the Interior not exceed $10,000,000 per annum.

(e) The sum of $11,000,000 for continuing studies over a ten-year period of utilization of marine products for human consumption, animal feeds, industrial purposes, fertilizers, and organic chemicals, for the development of new uses of marine products, for legal and economic studies relating to commercial fisheries, and for investigations of mineral resources in the seas: *Provided, however,* That in directing these studies the Secretary of the Interior shall give full consideration to their being carried on in existing institutions, agencies, or laboratories through the issuance of grants to said institutions, agencies, and laboratories.

DEPARTMENT OF COMMERCE

SEC. 7. The Secretary of Commerce is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out the following activities:

(a) Request and obtain cooperation from other Government agencies having an interest in the marine sciences and ocean surveys, and cooperate with educational institutions and laboratories devoted to the

marine sciences and oceanography, and with other public and private organizations and persons who may be of assistance.

(b) Establish within the Department of Commerce a National Oceanographic Records Center, which records center shall collect from other agencies and departments of the Federal Government, agencies of the several States, oceanographic institutions and laboratories and other sources, all oceanographic data, and prepare and disseminate such oceanographic data for public use.

(c) Initiate and carry out a program for the replacement, modernization, and enlargement in the number of oceangoing ships for use in ocean and coastal surveys by the Coast and Geodetic Survey.

(d) Construct and operate a sufficient number of Coast and Geodetic Survey shore facilities to support effectively the vessels provided for under the preceding item (c), and provide instruments and equipment essential for efficient utilization of such shore facilities or survey ships.

(e) Inaugurate in the Weather Bureau a comprehensive ten-year study of the interchange of energy between the oceans and the atmosphere, and to prepare, based on such study, climatological maps illustrating the balance of incoming and outgoing radiation and heat exchange between the oceans and the atmosphere. The provisions of this subsection (e) may be carried out by means of contracts with public or private organizations, or by grants to scientific institutions carrying on such studies.

(f) Require that the Maritime Administration construct ships of approximately five hundred tons and one thousand two hundred to one thousand five hundred tons displacement specifically designed for basic oceanographic research with due attention given to suitable arrangements of laboratory space and living quarters for scientists, space and power for winches and other auxiliaries, sea keeping and handling qualities at low speeds, quiet operation, efficient and economical scientist-crew ratios, and operation in all kinds of weather, such ships, when completed, to be made available, at the discretion of the Secretary, to nonprofit oceanographic research centers, to other agencies of the Federal Government, or, pursuant to negotiated contracts or grants, to State institutions engaged to oceanographic research requiring oceangoing scientific ships, with preference given to such agencies and institutions which have engaged in such research prior to this Act. The ships authorized by this subsection are in addition to ships authorized to be constructed by other sections of this Act.

SEC. 8. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Department of Commerce and its bureaus and offices carry out, under laws, as amended, relating to such Department or such bureaus and offices, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Department of Commerce and its bureaus and offices, during the ten-year period beginning with July 1, of the first fiscal year following approval of this Act by the President, the following sums:

(a) The sum of $500,000 for capital outlay in the establishment of a National Oceanographic Records Center.

(b) Such sums as are necessary for operating expenses of a National Oceanographic Records Center: *Provided, however,* That expenses for this purpose during the first year not exceed $200,000, and that this amount shall not be increased more than 10 per centum per annum in each of the subsequent years of this program.

(c) Such sums as are necessary for construction by or for the Coast and Geodetic Survey of two survey ships of five hundred tons displacement, six survey ships of one thousand two hundred to one thousand five hundred tons displacement, and two survey ships of two thousand tons displacement or more.

(d) Such sums as are necessary for operations of new Coast and Geodetic Survey survey ships authorized under this Act during the ten-year life of this program—

for construction of new shore facilities for processing and evaluating Coast and Geodetic Survey data obtained through surveys and related research conducted from new oceangoing Coast and Geodetic Survey ships;

for expanded operations, excluding ship operations, of the Coast and Geodetic Survey during a ten-year period: *Provided, however,* That operation costs for new survey ships placed in operation by the Coast and Geodetic Surveys not exceed $3,000,000 per annum; and

for the establishment and operations of a ten-year study of the interchange of energy between the oceans and the atmosphere.

(e) Such sums as necessary to enable the Maritime Administration to design and construct the ships authorized in section 7(f).

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION

SEC. 9. The Secretary of Health, Education, and Welfare is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of obtaining new faculty in oceanography and marine sciences as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized to provide assistance through the Office of Education in the form of teacher salaries and equipment.

SEC. 10. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Office of Education, Department of Health, Education, and Welfare carry out, under laws relating to such Department or Office, duties specified in section 9 as part of the general program for the development of the marine sciences in the United States. Expenditures for the duties specified in section 9 shall not exceed $500,000 per annum and appropriations for such expenditures shall be in addition to other appropriations provided for such Department or Office to carry out its duties under law.

ATOMIC ENERGY COMMISSION

SEC. 11. In furtherance of the policies in S. Res. 136, Eighty-sixth Congress, and of this Act, and for the purpose of determining the effects of radioactive contamination upon the oceans and life within the oceans and their estuaries, and for regulating in the interests of public safety, health and welfare, the introduction of radioactive materials in the oceans, the Atomic Energy Commission is hereby authorized to conduct, in the marine environment, an intensive ten-year program of control and monitoring of radioactive waste disposal and studies including, but not limited to, circulation and mixing processes which affect the dispersion of introduced contaminants in coastal and estuarine environments and in the open ocean, inorganic transfer of radioactive elements from seawater to sediments, the effect of radioactive elements on living organisms in the oceans, coastal waters and estuaries and the genetic effects of radiation on such organisms. The Atomic Energy Commission is further authorized to carry out any of its duties or functions under this or other Acts, including the use of scientific ships and personnel, in cooperation with other agencies of the Federal Government, or through contracts with or grants to States or State agencies, institutions or independent scientific laboratories undertaking or equipped to undertake such programs: *Provided, however,* That those aspects of the program relating to regulating and monitoring the introduction of radioactive material in the ocean shall be carried out by the Coast and Geodetic Survey or the Public Health Service, or both, with funds made available by the Atomic Energy Commission.

SEC. 12. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Atomic Energy Commission carry out, under laws relating to such Commission, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Commission to carry out its duties under law. There is hereby authorized to be appropriated to the Atomic Energy Commission, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums as are necessary—

for engineering studies in connection with control and monitoring as authorized in section 11 of this Act: *Provided, however,* That expenditures for this purpose not exceed $370,000 in any one year of the ten-year program authorized by this Act;

for participating in international meetings of scientists and technical experts relating to international control and monitoring of radioactive water disposal in the marine environment: *Provided, however,* That expenditures for this purpose not exceed $30,000 in any one year of the ten-year program;

for estuarine and coastal studies authorized in section 12 of this Act: *Provided, however,* That expenditures for this purpose not exceed $2,800,000 in any one year of the ten-year program of estuarine and coastal studies authorized by this Act;

for research to determine circulation and mixing processes which control the dispersion of radioactive wastes introduced in deep waters of the open ocean: *Provided, however,* That the expenditures for this purpose by the Atomic Energy Commission not exceed $1,400,000 per annum;

for studies of the inorganic transfer of radioactive elements from sea water to the sediments: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $484,000 in the first year of the program or $299,000 in subsequent years of this ten-year period;

for studies of the effects of the biosphere on the distribution and circulation of radioisotopes in the ocean and its seas: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $938,000 per annum;

for studies of the genetic effects of atomic radiations on marine organisms: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $100,000 per annum;

for field experiments in confined bodies of water utilizing radioisotopes: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $100,000 per annum; and

for two major open-sea tests of radiological contamination at sea, its effects on marine life, and its potential effects on humanity.

DEPARTMENT OF THE NAVY

SEC. 13. In order to carry out the policies of S. Res. 136, Eighty-sixth Congress, of this Act and of the Navy's long-range program for oceanographic research known as TENOC, the Secretary of the Navy is authorized and directed to undertake a ten-year program of expanded basis oceanographic research and hydrographic surveys as a part of the general

program for the development of the marine sciences in the United States. The Secretary is authorized and directed, with such funds as may be appropriated or otherwise made available to him for purposes of this Act, to carry out the following activities:

(a) Provide funds, by contract or otherwise, to scientists, Government and non-Government research laboratories, or institutions in furtherance of the purposes of this Act, such funds to be used for basic and applied research, the purchase of equipment, acquisition or improvement of facilities, employment of scientists and personnel, and for other uses necessary to carry out the work hereunder.

(b) Initiate and carry out a ten-year program for the replacement, modernization, and enlargement in the number of ships for use in basic and applied research and hydrographic surveys, and to supply, when available, ships designed for basic research to nonprofit scientific institutions: Provided, That when ships are supplied under this provision title to the ships shall remain with the United States Government and the ships shall be reassigned or returned to Federal operation upon termination of the grant or contract with the institution.

(c) Construct and operate a sufficient number of shore facilities and laboratories and provide related instruments and equipment to support effectively the expanded program of basic and applied oceanographic research and hydrographic surveys authorized for the Department of the Navy to undertake under this Act.

(d) Develop, construct, or acquire new or improved vehicles for ocean research and exploration, which may include but not be limited to bathyscaphs and other manned submersibles, icebreakers, and submarine converted for scientific use, seismic equipment, turbulence measuring devices, precision echo sounders, acoustic telemetering devices, and instruments for the study of the current structure of the ocean, oceanic temperatures, bottom topography, sediments, heat flow through the ocean bottom, sound transmission and velocities, ambient noise, biological activity and specimens, and water samples for salinites, phosphates, oxygen, nitrogen, and other chemical or elemental components of the oceans.

(e) Continue and expand the Navy's support of marine studies substantially as proposed in project TENOC approved by the Chief of Naval Operations, or the Navy's revised long-range oceanography program and substantially similar to the recommendations made in the report of the Committee on Oceanography of the National Academy of Sciences—National Research Council.

(f) Establish with the National Science Foundation or the National Academy of Sciences—National Research Council—a program of scholarships for selected students beginning at the senior level in undergraduate school, and carrying through with four years of graduate training and research in the marine sciences: *Provided,* That the Department of the Navy may recommend to the National Science Foundation the institutions qualified to participate in this program.

(g) Conduct a systematic and expanded program of three-dimensional ocean surveys including measurements or studies of depths, salinity, temperature, current velocity, wave motion, magnetism and biological activity.

(h) Continue a policy of expanding assistance and support to existing civilian laboratories and universities engaged in basic oceanographic research, foster the establishment and growth of new civilian laboratories for applied oceanographic research needed by the Navy. In the designation of new laboratories to receive Navy assistance consideration shall be given to geographic location with reference to the oceans, with the object of maintaining a balanced program of research in and adjacent to the seas and oceans bordering the United States.

(i) Request and obtain cooperation from and cooperate with other governmental departments and agencies having an interest in the marine sciences, and to cooperate with the several States, with educational institutions, laboratories, and other public and private organizations and persons who may be of assistance.

(j) Section 7394, title 10, United States Code, is hereby amended to read as follows: "The Secretary of the Navy is authorized to furnish maps, charts, and other publications and products of scientific value of the Hydrographic Office without charge to educational institutions, laboratories, and other public and private organizations and persons when it is determined that to furnish such information is in the national interest".

SEC. 14. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, of this Act and of the Navy's long-range program for oceanographic research known as TENOC to have the Department of the Navy carry out, under laws relating to such Department, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Department of the Navy, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, such sums as are necessary—

for the construction of research and survey ships which include but shall not be limited to nine one thousand two hundred- to one thousand five hundred-tons displacement research ships;

of four two thousand- to three thousand-tons displacement research ships;

of two survey ships of approximately five-hundred-tons displacement;

of five survey ships of one thousand two hundred- to one thousand five hundred-tons displacement;

of three survey ships of two thousand tons displacement; and of

one research ship of three hundred tons displacement;

for operations of basic research ships in excess of present operating costs for such ship operations: *Provided, however,* That the operating costs of new one thousand two hundred- to one thousand five hundred-ton research ships not exceed $420,000 each per annum;

that of new two thousand to three thousand ton ships not exceed $700,000 each per annum, and that of new five hundred ton ships not exceed $250,000 each per annum;

for modernization, improvement, and expansion of existing shore facilities for basic research and for construction of new shore facilities for basic research;

for basic research operations other than ships;

for modernization, improvement, and expansion of existing shore facilities for survey work and for construction of new shore facilities for survey work;

for engineering needs for ocean exploration and research which may include bathyscaphs and other manned submersibles to be used for research, wave measuring equipment, systems engineering for reduction of data, manned and unmanned buoys for automatic continuous oceanographic recording, icebreakers and submarines modified or converted for scientific use, vessel positioning system acoustical equipment and measuring devices for direct density, turbulence, and radioactivity and telemetering devices current meters, underwater television, seismic equipment, automatic continuous biological sampling devices, precision salinometers, precision echo sounders, towed temperature recorders, magnetometers, and other instruments and laboratory equipment for oceanographic research; and

for establishing a program of scholarships for selected students and post-doctoral fellowships as authorized in section 13(f) of this Act: *Provided, however,* That costs to the Department of the Navy of these scholarships and fellowships not exceed $300,000 per annum.

DEPARTMENT OF THE ARMY

SEC. 15. The Secretary of the Army is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research by the United States Army Corps of Engineers, through the Beach Erosion Board, as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out, in addition to programs now under way, the following activities relating to physical oceanography in the near-shore areas of the Atlantic and Pacific Oceans, the Gulf of Mexico, and the Great Lakes, which areas include the zone from the shore to the fifty-fathom depth contour in the oceans and lakes, and bays and tidewaters connected therewith:

a. Request and obtain cooperation from other Government agencies having an interest in the marine sciences and ocean surveys, and cooperate with educational institutions and laboratories devoted to the marine sciences and oceanography, and with other public and private organizations and persons who may be of assistance.

b. Contract with qualified scientists, research laboratories, research organizations, or educational institutions to undertake basic and applied research studies and experiments in the laboratories and in coastal waters, in furtherance of the purposes of this section.

c. Undertake in coastal waters studies of the action of waves, wave currents, tides, tidal currents, and large-scale ocean and littoral currents.

d. Study and evaluate the interaction of the atmosphere, the sea, and the land as they affect the waves, currents, tides, surges, hydrographic contours, and hydrographic changes in the coastal zone.

e. Establish observation stations in coastal waters to determine the short-term, seasonal, and yearly changes in waves, currents, and hydrography in the area surrounding the station.

f. Develop, construct, or acquire instruments and equipment for the furtherance of the program of studies authorized in this section.

g. Determine the sources of the bottom materials in the coastal area, the rates and methods of movement of these materials, and the effects on the coastal hydrography of changes in the rate at which these materials reach the coastal zone.

h. Study the mechanics and effects of density currents encountered in the coastal area on the current velocities, current patterns, hydrography, interchange of waters, and rates of sedimentation.

SEC. 16. In order to carry out the policies of this Act and of Senate Resolution Numbered 136, Eighty-sixth Congress, and to provide for the participation of the Department of the Army, including either or both military or civil functions activities, in the general program for the development of marine sciences in the United States, there is hereby authorized to be appropriated to the Department of the Army, during the ten-year period beginning July 1 of the first fiscal year following approval of this Act, the following sums, not to exceed $2,000,000 per annum:

a. Such sums as are necessary for the investigations and activities described in sec-

tion 15 relating to investigations in physical oceanography in the near-shore zone.

b. Such sums as are necessary to purchase, develop, or acquire and operate the scientific equipment required for investigations in physical oceanography in the near-shore zone, including but not limited to amphibious craft, floating craft, fixed platforms, buoys, current meters, wave meters, tide gages, sound equipment, direct density measuring equipment, turbulence meters, underwater cameras, and underwater television equipment, and other instruments and laboratory equipment for oceanographic research in the near-shore zone.

c. Such sums as are required for expansion and equipping of shore facilities as are necessary to support the program of investigations in physical oceanography in the near-shore zone.

d. Such sums as are necessary to provide funds for contracts with qualified scientists, research laboratories, research organizations, or educational institutions to make investigations into physical oceanography in the near-shore zone.

SMITHSONIAN INSTITUTION, MUSEUM OF NATURAL HISTORY

SEC. 17. In furtherance of the policies in S. Res. 136, Eighty-sixth Congress, and of this Act, and in order to preserve, study, and classify marine, coastal, and Great Lakes organisms collected during a ten-year program of expanded hydrobiological research, the Secretary of the Smithsonian Institution is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to:

(a) Construct additional facilities for the purposes authorized by this section.

(b) Establish a program for the recruitment, training, and placement of taxonomists in such number as may be required to classify fishes and marine invertebrates collected during the ten-year program of expanded hydrobiological research.

(c) Make grants of funds to qualified scientists, institutions, laboratories, or museums, such grants to be used for taxonomy relating to marine organisms.

(d) Request and obtain cooperation from and cooperate with other governmental departments and agencies having a direct interest in the preservation, study, and classification of marine organisms, and to cooperate with the several States, educational institutions, laboratories, museums, and other public and private organizations and persons who may be of assistance in this field of marine science.

SEC. 18. It is necessary in order to carry out the policies of Senate Resolution Numbered 136, Eighty-sixth Congress, and of this Act to have the Smithsonian Institution carry out, under laws relating to such Institution, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Institution to carry out its duties under law. There is hereby authorized to be appropriated to the Smithsonian Institution, during the ten-year period beginning with July 1 of the first fiscal year beginning after the date of enactment of this Act following approval of this Act by the President, the following sums:

(a) Such sums as may be necessary for the construction by the Institution of facilities necessary to preserve, study, and classify for taxonomic purposes marine, coastal, and Great Lakes organisms collected by or for the Institution during the ten-year program of expanded hydrobiological research.

(b) Such sums as are necessary for establishment by the Institution of a program for the recruitment, training, and placement of taxonomists required for the purposes of this section.

(c) Such sums as are necessary for use by the Institution under the authority of section 17(c).

(d) Such sums as are necessary for the preservation, study, and classification by the Institution of fishes and marine invertebrates collected or acquired by the Institution for taxonomic purposes.

GENERAL

SEC. 19. (a) Nothing in this Act shall operate to limit, restrict, or otherwise interfere with carrying out any work programed prior to enactment.

(b) All appropriations authorized in this Act shall be in addition to other appropriations provided for the various departments, agencies, bureaus, and offices to carry out their duties under law.

(c) All agreements for grants executed pursuant to the authority contained in this Act in excess of $50,000 shall contain a provision that the Comptroller General of the United States or his duly authorized representatives shall have the right to examine any directly pertinent books, documents, papers, and records of the grantee relating to the purpose of the grant for a period of three years after the last payment to the grantee under the grant.

Mr. MAGNUSON obtained the floor.

Mr. BIBLE. Mr. President, will the Senator from Washington yield to me? If agreeable to him, I believe it desirable to suggest the absence of a quorum, before he proceeds with his explanation of the bill.

Mr. MAGNUSON. Very well. I yield.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, the Senate is about to consider one of the most important and far-reaching bills which will come before it at this session.

This bill, which was introduced in the Senate by me, is cosponsored by many other Senators. The bill, which deals with the subject of oceanography and marine science, is a complicated one, and, as I have stated, is far-reaching.

The report, which has been prepared by Mr. Markel, of the committee staff, is quite complete and quite detailed, not only as to the need for the enactment of the bill, but also as to the purposes of the bill in the field of marine science and research.

The bill is complicated; and I feel somewhat obligated to make a statement about it, for the RECORD, so it will show clearly the pressing need for the enactment of the bill and the nature of the bill itself.

Mr. President, this is a bill to match, within the next 10 years, Soviet Russia's capabilities for marine research.

This is basic.

Paragraph 3 of the bill specifically states sound national policy requires that the United States not be excelled in the fields of oceanographic research by any nation which may presently or in the future threaten our general welfare, maritime commerce, security, access to and utilization of ocean fisheries, or the contamination of adjacent seas by the dumping of radioactive wastes or other harmful agents.

Second, S. 2692 is designed to meet a pressing need.

That need is to unveil the secrets of inner space—the oceans.

Oceans cover 72 percent of earth's surface, an area nine times greater than that of the moon.

Their water volume is eight times that of the land above them.

The world's greatest mountain ranges and deepest canyons lie hidden in the oceans.

They control, in large measure, our weather and climate. They are a distinctive feature of our planet and it may be no other planet in the solar system has such water capabilities.

They are the vast repository for wastes and sediments, organic and inorganic, of over a billion years' standing, that we know of, and hold untold wealth in minerals and fossil fuels.

They are the last open range from which we will be able to amplify future protein food supplies.

Oceans no longer isolate nations, but link them. The United States has ties, economic or military or both, with 58 other nations of the free world, physically separated from us only by the oceans, which carry 99.8 percent of the exchange of raw materials and finished products.

And the oceans are neutral.

An airplane flying 12 miles above the land surface of a foreign country creates an international sensation and the foreign nation responds to this distant overflight with raucous accusations of spying and aggression, the latter, of course, obviously absurd.

But any unfriendly country can spy on us from only 3 miles off our ocean beaches. Submarines or nosey fishing vessels of a foreign power can cruise with impunity up to the 3-mile limit of the territorial seas. Beyond that invisible boundary the waters of the oceans are international. This, in time of peace, is as it should be.

Trade, commerce, and in a large measure the economy of free nations, are dependent on keeping the oceans open.

Oceans are now and will continue to be the highways for most of the world's international commerce. In 1959, free world exports totaled $102 billion; free world imports $105.8 billion. More than one-sixth of this commerce was to or from the United States, the world's greatest market and the preeminent supplier of foreign markets.

Freedom of the oceans is important to our economy and security, and the key to the free world alliance. To hold that key it is imperative that we know the oceans.

In the past that knowledge was two dimensional. It sufficed to know the winds, waves, and currents at the surface, fisheries resources near the surface, and the reefs and shoals imperiling surface ships. Even within these limited requirements our knowledge frequently has been and is inadequate.

Today knowledge of the oceans must be three dimensional, extending from the surface to the bottom, and to the crust below the bottom. The reasons why are obvious.

Mr. Sumner Pike, former Commissioner of the Atomic Energy Commission, and a member of the Committee on Oceanography of the National Academy of Sciences, touched on the reason in his testimony at hearings on the bill before this committee. He said:

> It has become suddenly apparent that the ocean is of the highest importance to national defense, indeed to our survival. It seems unnecessary to emphasize here the possible results of the development of nuclear submarines and guided missiles. My own personal reaction can be phrased briefly: Another nation caught us practically unawares upstairs; for heaven's sake don't let the same thing happen to us down cellar.
>
> With this problem thrust upon us, we become unhappily aware of the abysmal extent of our ignorance of the ocean in areas where knowledge both wide and accurate seems essential.

To acquire this knowledge which appears so necessary requires marine research much more extensive than any this Nation has undertaken in the past or is undertaking now.

Soviet Russia is the nation challenging us in the oceans, and we must meet that challenge. S. 2692 is designed to provide the scientific tools and manpower we must have to meet it. We do not have them now.

Members of the Interstate and Foreign Commerce Committee, at recent hearings on the bill, were told:

> Today we trail the Soviets in numbers, tonnage, and quality of seagoing research ships; we also trail in manpower devoted to the job of exploring the seas, and probably in supporting facilities of all kinds.

The quotation, from an official Navy presentation before the committee, continues:

> The United States—the richest country in the world—has only 45 research ships scattered among civilian, military, fishery, and geodetic activities, while the Soviets have a modern armada of more than 100 ships. Many of their ships are quite large, displacing up to 6,000 tons. Unlike ours, their ships have been designed from the keel up for research and specialized scientific undertakings.

Then follows this significant sentence, which in my opinion merits the attention and consideration of every Member of the Senate:

> Urgently needed, then, is a clear-cut, long-range program designed to regain our country's lost leadership in the exploration of inner space.

May I repeat—a clear-cut, long-range program designed to regain our country's lost leadership in the exploration of inner space.

Mr. President, this states precisely the purpose of the bill before the Senate. It is to regain our country's lost leadership in a field of science vital to our health, welfare and security, both military and economic.

For this reason, S. 2692 is a major bill, one of the most important that the U.S. Senate has yet to act on in this session of Congress.

It is a bipartisan bill, cosponsored by distinguished members of both political parties.

It is a modest bill, authorizing far less for the entire contemplated 10-year program of exploring inner space than we spend in 1 year on outer space research.

Mr. President, Dr. Glennan, the head of the Space Agency, testified before the Senate Subcommittee on Appropriations, when we were discussing the appropriations for the Space Agency, which we passed yesterday in the independent offices appropriation bill. He made some very pertinent remarks. I believe I can quote his remarks almost word for word.

When I asked Dr. Glennan about the importance not only of proceeding in exploration of space but also in depth and in inner space, he said this not only was important but also, if something should happen in the world and we should get into some trouble—God forbid—that the knowledge and the facts regarding the oceans of the world could be of much more importance than what we would then know about space.

Several times in the testimony in regard to the bill it was brought out that, of course, the Russians are placing great emphasis not only upon their space program but also upon their underwater program. The best estimate we have is that the Russians now have 500 submarines, both nuclear and of the ordinary type, the snorkel type submarines. I remind the Senate that the Germans, who had only 43 submarines when they started World War II and only 83 at its end, nearly wrecked the free world.

Dr. Glennan has expressed to me on many occasions the thought that we are behind in this program. It is as important as the space program. It also will become more important when we consider what the Soviet Union is doing in placing emphasis upon the submarine program.

I was not present at the meetings, but there have been some meetings in Washington, D.C., both at the War College and I suspect at the Department of Defense, in regard to this matter. Reports have come to me that one of the great concerns of those who are responsible for the defense of the country is the gap in antisubmarine warfare ability. That is such a gap that this type of legislation becomes, as a defense matter only, of No. 1 priority. Time and time again witnesses from the Defense Department have privately and in their testimony suggested that we should proceed with this important program.

The distinguished Senator from New Jersey [Mr. CASE] was present last year when we heard the testimony of what I believe we could call the cream of the oceanography scientific world, from all free nations. The witnesses, of course, had a deep interest in research in the oceans of the world, in oceanography and marine science, for all kinds of reasons. They gave us many of those reasons. One statement was made then, and has been made many times since. It is that we know more about the backside of the moon than we know about three-fourths of the world's surface.

These witnesses continually referred to another important fact which bothered them, which is our lack of knowledge of the marine sciences and oceanography. We shall be developing submarines in the future which will go from 10,000 to 20,000 feet below the surfaces of the oceans, into the deep, dark recesses of the oceans, about which we know nothing. They will go silently, as animals in a jungle.

We have a concern about the 500 Russian submarines. We have to work on this problem.

Mr. CASE of New Jersey. Mr. President, will the Senator yield to me?

Mr. MAGNUSON. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I thank the Senator from Washington, who is the chairman of our committee. In this particular matter, as is true in respect to many other matters, the Senator from Washington is exercising leadership which is vitally important not only to the country but also to mankind, it seems to us.

The Senator from Washington is absolutely correct about the testimony which was given by the scientists before our committee last year. It was not only absolutely fascinating testimony, but it was also frightening in the implications for defense purposes, as well as for other purposes, and its bearing upon the solution of problems facing the human race. It seems to us, reflecting their views, there can be nothing more important which the Congress might do at the present session than to deal with this problem.

Mr. MAGNUSON. I thank the Senator from New Jersey. The Senator has been more than helpful and more than deeply interested in the matter. I think he has performed a great service.

Mr. President, I also wish to point out that the annual costs of the 10-year program represented in this bill are about 6 percent of the amount we are authorizing annually for the outer space program. The people in the outer space program highly endorse this. It is their feeling that this is the minimum amount with which we should proceed.

Dr. Athelstan Spilhaus, of the University of Minnesota, discussed this with the chairman during hearings on the bill. Dr. Spilhaus is an eminent meteorologist as well as an oceanographer. He has written books both on satellites and on the marine sciences. Said he:

> Six percent of the present space program might hardly be noticed in that program and would give us an oceanographic program of real significance.

Now, how important is inner space, as represented by the oceans, their estuaries, and the deep lakes, to our economy and security?

How important is it that we keep pace with Soviet Russia?

Scientists and military men have been asked—and have answered—this question during hearings held on both sides of the Hill.

One answer was supplied by Dr. Spilhaus who previously had stated:

> If we are unfortunate enough to have to wage war in the next few years the inner

space of the ocean will be without question a more important battlefield than outer space.

He told the committee:

We can ill afford to neglect oceanography as we have done in the past from the point of view of national defense.

The Committee on Oceanography of the National Academy of Sciences, of which Dr. Spilhaus is a member, stated in its report:

From the point of view of military operations there is no comparison between the urgencies of the problems of the oceans and those of outer space. The submarine armed with long-range missiles is probably the most potent weapon system threatening our security today.

Dr. Harrison Brown, of the California Institute of Technology, chairman of the Committee on Oceanography, testified:

As a matter of fact, my own research is more intimately involved in the space program than it is with oceanography. Thus I can say, without any prejudice whatsoever, in my opinion the carrying out of a program such as that outlined here is just about the most important long-range activity that our Government could get involved in from a scientific point of view and from a practical point of view.

One of the problems, both scientific and practical, that this country faces, was stated in a Navy Department presentation before the Interstate and Foreign Commerce Committee:

Although the seas cover three-fourths of the surface of the earth, less than 1 percent of the deep sea floor has been mapped with any degree of reliability.

I repeat, Mr. President:

Less than 1 percent of the deep sea floor has been mapped with any degree of reliability.

We dropped a bathyscaph 35,800 feet a few weeks ago. Two young men who took that dive appeared at committee hearings on the bill. They happened to be in Washington at the time to be decorated by the President of the United States, a well deserved honor.

We asked them a little about their dive and some of the experiences they had. Of course, great danger was involved. They could have lost their lives very easily.

We asked, "Other than descending to the depth to which you went and being able to see a little of the ocean floor at nearly 36,000 feet, what was the most significant result of your dive?"

They said, "We saw one fish."

We asked, "Why was that so significant?"

They replied, "We found that there is life at a depth of 35,000 feet plus."

They could not see the fish too well because there was sediment, and they could remain down only a short while. But they knew there was a fish down there where pressure is about 8 tons per square inch of water.

Continuing with the Navy Department's presentation:

The tasks of navigating a submarine at high speed and deep submergence without accurate bottom information can be compared with driving a 10-ton truck on a freeway blindfolded. We must be able to defend our cities and our merchant convoys against the threat of the world's largest submarine fleet.

Meaning Russia.

Since the war, we have not accomplished much in this field for even surface ships.

While I was in the Navy during the war, to illustrate how far behind we are, I received a little "R. & R." for a month one time after coming from sea. I was assigned to Alaska, and I was to find five or six fishermen who knew the Aleutian chain in good or bad weather. I was authorized to give them commissions in the U.S. Navy so we could literally put them on the prow of a warship so they could see where we were going—so little did we know about the coastline of the Aleutian chain. The Japanese, of course, had already moved in.

The Navy has a top interest in this matter as well as the entire Department of Defense.

The world's largest submarine fleet, as we all know, is that of Soviet Russia.

Soviet Russia has more submarines in operation than all the countries of the free world combined. Since World War II she has outbuilt the United States in submarine tonnage 6 to 1. She has more submarines in the Pacific than we have in all oceans.

In this connection I would like to quote from the 1960 edition of Jane's Fighting Ships, for over a century the British authority on world seapower. This monumental work states that Russia has "about 500 submarines, over half of large or intermediate oceangoing type."

Another type is reported to be armed with guided missiles, it adds.

Russia is estimated to have 3 nuclear submarines, and 50 more submarines are under construction of the following types: First, large nuclear powered with very long range; second, large guided missile with high speed; third, oceangoing patrol with long range; fourth, mine-laying with high speed; and, fifth, antisubmarine patrol with long range.

Russian leaders have stated that in a future war the struggle at sea will be of immeasurably greater consequence than it was in the last war—

Jane's comments.

As I pointed out before, Germany with 83 operating submarines nearly wrecked the free world.

Russia well realizes the vital importance of the positive control of the seas in the grand strategy of Great Britain and the United States, and their clear intention is to isolate North America from Western Europe in the event of war.

To this end they have built up a Navy second only to that of the United States and they believe that they have the type of ship to cut the Atlantic lifeline, deny Great Britain and the United States control of the seas in the waters near Europe and Asia, and to induce NATO to call a halt to any future operations.

In particular their 500 submarines represent a formidable threat to the allied control of the seas, and they could wreak great havoc on the 25 million tons of American and 20 million tons of British shipping.

This is a British authority speaking.

Should anyone question the above interpretation of Soviet naval policy we have the words of Nikita Khrushchev himself. Addressing the last Supreme Soviet he declared, and I quote:

In the Navy the submarine fleet assumes great importance while surface ships can no longer play the part they did in the past.

In other words the Soviet design is to fight the next struggle for the seas, if there is one, not on the surface but under the surface of the oceans.

The bill, we hope, will enable marine science and research to solve some of the serious problems in which we have an even greater gap than others we have talked about between any potential enemy and the free world.

What is the relation of this Soviet submarine menace to S. 2692, the bill before us?

Again I refer to the presentation by a naval officer at the hearings of the Interstate and Foreign Commerce Committee:

The problem of locating and identifying enemy submarines at distances beyond the effective range of their weapons is a difficult one. To date the most effective means of locating and identifying submerged targets is by use of sound techniques called sonar. These techniques involve echo ranging, that is, bouncing a sound beam off a submerged target, or, listening to the noises made by the target.

Incidentally, Russia is coming close to constructing a completely noiseless submarine.

The Navy representative went on to say:

But in water, sound transmission varies with changes in the temperature, density, and salt content of the water. Temperature differences between water layers present the most critical problem, for the sound beam is reflected or refracted to a varying degree. Once a submerged object has been detected by the sonar beam, the problem becomes one of identification—is it a whale? School of fish? Friendly surface ship? Or enemy submarine? All give sonar reflections.

In addition, when we listen for target noises, we discover that the ocean which has been characterized as a "silent world" is, in fact, anything but. Actually the ocean is a "liquid jungle." Survival depends upon how well we know this environment, and whether, like Tarzan, we can tell the friendly sounds from the unfriendly ones—the monkeys from the tigers.

Incidentally, I call attention to a further problem, and that is with respect to plankton, a sea growth. We do not know yet how it affects sound waves. We know that in some cases it stops them, in other cases it reflects them, and in still other cases it changes their whole characteristics. A part of the pending bill provides for work on that subject. As a matter of fact, a great deal has been done and is being done, but not enough. That work is being done at University of Washington departments of oceanography and fisheries.

The official publication of the Navy League in its May issue puts the problem more bluntly, when it states:

Today there is no adequate defense against the nuclear, missile-launching submarine.

Questions we might well ask ourselves are: Will there be one tomorrow? If so, will our Nation be the first to have it?

Mr. President, the nuclear submarine has changed the pattern of naval warfare. Ultimately, underwater propulsion also will change that of commercial navigation for the simple reason it will be faster, safer and more economical than surface transportation.

The immediate problem, however, is that of potentially hostile submarines.

Will we, in time of emergency, be able to detect enemy wolfpacks slinking in the dark, invisible depths beneath the surface of the ocean?

Will we be able to spot them before they come within a range from which they can launch atomic missiles at our seaports and great industrial centers?

I do not have the exact figure, Mr. President, but approximately 70 percent of our population lives within 200 miles of water.

If they do attack, will we be able to locate and destroy them?

These are questions for oceanographers to answer, and this includes physical, biological, chemical, and geological oceanographers because the scientific skills of all of them will be necessary.

Another question for which they will have to find the answer is this: How can our own submarines operate silently, secretly and with maximum efficiency either in defense or offense?

I think that our marine scientists, given the proper facilities, can and will find the answers to these questions.

But to do so they must have proper scientific ships to work on, laboratories to work in, and instruments and equipment to work with. And they do not have them now.

Dr. Columbus O'D Iselin, of the Woods Hole Oceanographic Institution, one of America's outstanding oceanographers, testified:

> Our ships are getting old and we know how to design much more effective ones. They have got to be replaced. The Government laboratory ships are on their last legs and were conversions in the first place. We have got to start a building program.

S. 2692 will provide that start.

S. 2692 authorizes a graduated 10-year building program.

S. 2692 authorizes ship construction, laboratory construction, instruments and equipment in an amount that scientists feel will be sufficient—though barely sufficient—to meet the Soviet challenge.

After the hearings in the Senate Committee on Interstate and Foreign Commerce Committee, the House Committee on Science and Astronautics also held hearings, not on S. 2692 of course, but on related House legislation.

Dr. Brown was a witness there also. Dr. James H. Wakelin, Jr., Assistant Secretary of the Navy for Research and Development, testified.

In the course of these hearings a statement by the Department of the Navy was submitted, a copy of which has been transmitted to the Senate committee of which I am chairman. I think that Navy Department statement pertinent to the consideration of S. 2692:

> Since 1955, the U.S.S.R. has displayed a large, modern research fleet second to none, has announced the construction of new research facilities, has operated its research fleet throughout the oceans of the world, and has organized a sizable manpower force to conduct oceanographic research.

Mr. President, this is our own Navy Department speaking now. I continue to read from Assistant Secretary Wakelin's statement:

> New vessels have been acquired almost annually for this fleet. Since 1957, the *Mikhail Lomonosov*, 5,960 tons, that a big ship; the *Severyanka*, (a research submarine) 1,050 tons; the *Voyeykov*, 3,600 tons; and the *Shokal'skiy*, 3,600 tons, have been added. The rate at which new ships are being acquired probably will continue for the next several years. Other converted submarines for research and underwater research vehicles, such as bathyspheres and bathyscaphs, also are expected to be acquired and supplement the surface research fleet within the next few years.

Incidentally, the bathysphere we sent down to 35,800 feet was not developed in America. We never had anything like it. We had to borrow it from Europe.

> Soviet plans to construct a bathyscaph were announced earlier this year and bathyspheres have been used for several years.

I shall include one more excerpt from the Navy statement:

> It is generally conceded that the present size and rate of expansion of the Soviet manpower and ships for oceanographic research are considerably greater than those of the United States, and possibly of the entire free world. Their oceanographic research, rated as excellent in some fields of science, is generally not as scientifically comprehensive as that of the United States. During the IGY (International Geophysical Year) their effort consisted of a well-rounded exploratory-type program to collect basic information about the characteristics of the seas and oceans of the world. It did much to increase the stature of the U.S.S.R. among the world leaders in oceanography as well as to provide scientific support for the Soviet economic and political aspirations.

Mr. President, we might well ponder the Navy comment that the Soviet Union has gained scientific stature throughout its worldwide oceanographic research, and that this research has provided support for her economic and political aspirations.

I think it is indicative of Soviet aims that her research ships display a bronze plaque of Nicolai Lenin with this quotation from that master of violent revolution:

> In order to spread world communism, it is necessary to use the fields of science and technology.

Soviet research ships, in addition to plotting the oceans for future Soviet submarine operations, are being used to spread Communist propaganda around the world, woo the peoples of new nations and underprivileged areas, further Soviet trade relations and exploit the richest fisheries of the seven seas.

Sleek, white ships flying the hammer and sickle have called at the port cities of the new African republics, of South America and of the South Sea islands.

Pravda, the Soviet newspaper, recently carried a long report on the tour of the Indian Ocean by the 5,546-ton *Vityaz*, her second finest research ship, which previously had charted our Pacific coast from the Aleutians to lower California with stops en route at San Francisco, Vancouver, British Columbia, and Honolulu.

Referring to the Indian Ocean tour, Pravda said in part:

> During its voyage the *Vityaz* visited many foreign ports, including Djakarta (capital of Indonesia), Freemantle in western Australia, Colombo in Ceylon, Cochin in southwest India, Bombay, and Tamatave in Madagascar. We were the first Soviets to visit Male, capital of the Maldive island sultanate. During the stay at the island of Nossi-Be, near the northern limit of Madagascar, an entrance to the Bay of the Russians was discovered among the mountains, so named by the French in honor of the squadron of our countrymen which stayed in the bay in 1904 during their trip to the Far East. We were the first Russians to visit these waters in 56 years. The inhabitants of the Comoro islands (they also are known as Lunians because Comoro means moon in Arabian), of the island of Zanzibar, the African shore and the Sea Shell islands saw the U.S.S.R. flag for the first time when it was flown aboard the *Vityaz*. Everywhere we were overwhelmed by warm welcome. * * * The main impression, uniform in all of the visited countries, is that the old order, propagated for centuries by the colonizers, is crumbling away. The new is breaking out in life. Where not long ago administrative posts were occupied by Europeans, those posts now are passing into the hands of the national intelligentsia. Even in Zanzibar, which in the preceding century was the center of the slave trade in East Africa and at present is under the protectorate of Great Britain, the growing influence of the national party of the masses is being felt.

Mr. President, there is much more of this, including mention of contact made with a youth of the Swahili tribe in Zanzibar who had attended a "festival" in Moscow and was busy translating Russian songs into the native language. The point I wish to make is that oceanography has many uses and that, pursued by a hostile nation, these uses can be evil.

The United States has no research ships in the Indian Ocean.

Russian research ships often appear in an area of the ocean in advance of huge fishing fleets.

In 1935 and 1936, as was brought out in testimony before our committee, three Russian fisheries research vessels surveyed the Bering Sea. Last year a fleet of 50 fishing vessels, including huge factory ships, appeared in waters just off our most northern State. This year the number of trawlers and factory ships had appreciably increased.

For several years Russian research ships explored the waters of the North Atlantic near Newfoundland and Labrador. Huge Soviet and satellite stern trawlers soon followed, capable of bringing up in one trawl more fish than our Yankee fishermen in their little ships could catch in weeks.

Tass, the Soviet news service, reported on June 9 that the *Mikhail Lomonosov*, flagship of the Russian oceanographic fleet, had departed for a 4-month cruise of the northwest Atlantic. Tass continued:

> The ship is included in the Soviet complex oceanographic expedition consisting of seven ships. It will explore the northwest Atlantic in the gulf stream area.

That is where the submarines come around from the north. I continue to read:

Soviet scientists will study zones where the warm gulf stream and the cold Cabot current meet. After synchronic oceanographic surveys, the crew of the *Mikhail Lomonosov* will study hydrological and hydrobiological regimens in the area of the Great Newfoundland Bank.

As Senators from New England are well aware, the Newfoundland banks are historic fishing grounds both for United States and Canadian fishermen.

Because of such encroachment by Russia on the Newfoundland banks, the Senate the other day felt justified in passing a bill to provide subsidies and financial aid to American fishermen, so that they might construct ships which will come somewhere near giving the Americans an even break in competing with the activities of the Russians, about which I have been speaking. The Russians have moved in with both trawlers and research ships. That is their privilege.

The oceans are neutral. No ships, research vessels, fishing craft, or even submarines, in times of peace can be barred from cruising outside territorial waters except by the use of force which would bring the risk of war and is unthinkable to Americans.

Thus a Soviet trawler 60 miles off the New Jersey coast could, with impunity, spy on our newest and most advanced nuclear submarine, the U.S.S. *George Washington*, when, on April 26, it tested its Polaris missile-firing capabilities. Incidentally, there was no fishing gear in evidence on this Soviet trawler but she was remarkably well equipped with electronic devices including panoramic sonar with which underwater objects on all sides could be detected and tracked.

We cannot interfere with Russia's oceanographic efforts, whether they be scientific, psychological or brazen spying, but we certainly can compete with them. We can, given the manpower, ships, and instruments, match her scientific enterprise in the oceans, and S. 2692 proposes to provide the necessary instruments, ships and manpower on a cumulative basis over a 10-year period.

As Dr. Spilhaus pointed out during his testimony before the Senate committee, and as Dr. Wakelin repeated before the House Space Committee: "We can use the oceans for peace."

However, both of them emphasized that to do so we must have leadership on the oceans. We must have leadership on the oceans in the face of the threat of war, and equally we must have leadership on the oceans in our hopes and our work toward peace.

S. 2692 authorizes a program which will supply that leadership.

In conclusion I shall quote once more from the statement prepared by Dr. Wakelin's office which I have previously referred to. It follows:

The oceans represent the last frontier on earth of a truly international character. They are indeed analogous to outer space, and hence our endeavors in this area should command the same importance in international relations as our efforts in outer space. Perhaps, for the immediate future, with mankind's needs for foods and minerals from the oceans, commerce on the seas, and the military requirements of the free world, the oceans may be of greater importance internationally than outer space.

S. 2692 is the one realistic step Congress can take during the present session toward recognizing that importance.

I hope Senators will join me in voting for its passage.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BUTLER. I have an amendment to the bill which would provide that all ships, surface and subsurface, authorized to be constructed under the bill, shall be constructed in domestic commercial shipyards. Would the Senator from Washington accept such an amendment?

Mr. MAGNUSON. Mr. President, the Senator from Maryland and I have long had an interest in keeping American commercial shipyards alive. The ships proposed to be built under the bill are of types which would be constructed in commercial shipyards anyway. They are specialized types of ships; they are not warships. I see no reason why such a suggestion should not be nailed down in the authorization bill.

Where would the Senator propose to have the amendment appear in the bill?

Mr. BUTLER. It would come on page 62, after line 19, at the very end of the bill.

Mr. President, to the committee amendment, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from Maryland to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 62, after line 19, it is proposed to insert:

All ships and surface or subsurface craft constructed pursuant to the authorizations for appropriations contained in this Act shall be constructed in domestic commercial facilities.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BUTLER. Mr. President, I wish to make a brief statement in support of the committee amendment.

Mr. MAGNUSON. Mr. President, I yield the floor.

Mr. BUTLER. Mr. President, in September 1959, the Marine Sciences and Research Act was introduced, and was referred to the Committee on Interstate and Foreign Commerce, headed by the distinguished senior Senator from Washington [Mr. MAGNUSON]. The bill proposes to advance the marine sciences, establish a 10-year program of oceanographic research and surveys, promote commerce and navigation, secure the national defense, expand ocean resources, authorize the construction of research and survey ships and facilities, assure systematic studies of effects of radioactive materials in marine environments, and enhance the general welfare.

The need for the bill became evident after the Inter-American Conferences on Conservation of the Resources of the Continental Shelf and Marine Waters, in 1955, and the International Conference on the Law of the Sea, in 1958. The National Academy of Sciences, as well as the Defense Establishment of the Office of Naval Research, also prepared reports attesting to the need of expansion of oceanographic research.

The immediate need for the 10-year marine development program is acutely felt in the area of defense. Mr. Sumner Pike, a former Commissioner of the Atomic Energy Commission, and a member of the Committee on Oceanography of the National Academy of Sciences, said:

It has become suddenly apparent that the ocean is of the highest importance to national defense, indeed to our survival.

Another source said:

This program is considered to be necessary to provide research needed to develop the ASW (antisubmarine warfare) capacity required to combat the submarine menace.

The civilian facilities already established have been shown to be insufficient to satisfy the demands of the defense agencies. The proposed expansion, which aims to double the marine research facilities in the United States within 10 years, would expand from within the marine institutes already established. The National Science Foundation would help to correct the lack of coordination between the independent institutes, thus promoting increased efficiency. In addition, the deficiency of the independent marine institutes would be remedied by extensive financial aid to marine research. The Division of Marine Sciences of the National Science Foundation would give direct assistance to the program by managing the funds. The funds would be distributed in proportional amounts each year. The bill will establish a well-founded, long-term development program.

The following figures describe the extent of the financial aid proposed: $9,950,000 for the construction of research ships; $12,440,000 for the operation of the ships over a 10-year period; $8,250,000 to develop shore facilities for research; $37,200,000 for basic research operations, no more than $8 million of which may be use in 1 year; plus money for special research equipment, not to exceed $10 million a year.

The Committee on Oceanography recommends that the Foundation's portion of the minimal national oceanographic program to be allotted over the 10-year period approximate $121 million.

The benefits anticipated from a national oceanographic research policy are fourfold:

First. In military security, it is essential, for example, to obtain information concerning the nature of water density, in order to understand the acoustics of water. Defense against surprise attacks by missile-bearing submarines would thus be more possible.

Second. Economically, it is anticipated that the cost of the development would be surpassed by the profits resulting from the new foods, liquid fuels, and metallic minerals that would come onto the market.

Third. Welfare benefits resulting from the program would be to forecast disasters, such as hurricanes and tidal waves.

Fourth. International benefits would result from the increased speed in submarine commerce and a decrease in hazardous above-water weather conditions, such as fog. Slogans such as "Atoms for Peace, Oceans for Peace" indicate that some persons attach an importance to the bill because of its probable effect on propaganda and on international diplomacy.

Mr. President, the enactment of this bill is very acutely needed, and there is much authority for conducting the proposed research. The other figures and facts in connection with this need have been submitted by my distinguished colleague.

Mr. President, I wholeheartedly support this bill.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, in the nature of a substitute, as amended.

Mr. KEATING. Mr. President, I believe this measure represents the type of realistic review and reappraisal of the policies of our Government, particularly with regard to our defenses, which are highly desirable; and I commend the distinguished author of the amendment and all those who have joined him in sponsoring it. I especially commend them for making this approach in an entirely unpartisan fashion.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. THURMOND. Mr. President, I rise in support of the bill, S. 2692. I feel this is one of the important pieces of legislation to be considered at this session of the Congress. There is no question that the bill will not only promote science from the standpoint of physics, biology, chemistry, mineralogy, geology, and so forth, but I believe it is vital to our national defense.

It is my firm opinion that we must forge ahead in this field. We cannot allow the Communists to get ahead of us in this important facet of national defense. There is no question that it is important for us to know where the mountains are and where the valleys are in the oceans, and to know other very valuable information that will help us in our national defense program.

I feel, too, that the bill is important from the standpoint of the economy of our Nation. It seems to me great good can come from the studies that will be made and the research that will be conducted in furthering the study of oceanography.

It is amazing how much shoreline we have. The report accompanying the bill points out that a national policy of continuous and constructive scientific studies of the waters which form 13,428 miles of our 19,793-mile national boundary is of vast importance to us.

A great portion of the entire world is covered by water, and in this water are to be found valuable minerals which will contribute to our economy. In this water is to be found, in my opinion, a possible solution of our antisubmarine problem.

So, from the standpoint of the economy, the security, and the national defense of this Nation, I feel the bill is vital and should be enacted by the Senate without delay.

Mr. HART. Mr. President, it was my privilege to be one of the sponsors of S. 2692, to enhance the national economy by increasing our knowledge of the oceans and the Great Lakes. I hope the Congress will complete action on this worthwhile bill before we adjourn.

After this bill was introduced the need to expand it became evident. During the hearing of the Senate Select Committee on National Water Resources which was held in Detroit on October 29, 1959, I realized that amendments to S. 2692 would be desirable which would make it crystal clear that the waters of the Great Lakes were included within the scope of the program authorized by the bill.

Marvin Fast, Executive Director of the Great Lakes Commission, testified before the Water Committee on this subject as follows:

> Considering the tremendous value of the lakes in all their multiple uses, much too little is known about such features as their currents, fluctuating levels, bottom topography and geology, biological productivity, capacity to absorb wastes, ice formation and movement, effect on climate, and so forth.
>
> Organizations such as the Great Lakes Research Institute at the University of Michigan and the University of Minnesota's Lake Superior research station are attempting to supplement the limited data presently being gathered by Federal, State, and local agencies concerned with the Great Lakes.
>
> The Federal Government in Canada and the Province of Ontario recently have embarked on a cooperative program for research on the Great Lakes. While these developments are encouraging, more needs to be done. Research of course requires money and the big problem in improving basic data on the Great Lakes is the availability of funds. The States clearly have an obligation and opportunity to meet this need for funds, but the national importance of this resource is sufficient justification for Federal action as well.
>
> Three suggestions are submitted. First, the Federal Government's present program of basic water resource data collection should be expanded and should be programed and carried out on a more consistent and definite basis. Second, the present Federal program should reflect recognition of the unique nature of the Great Lakes which requires special adaptations and techniques in the gathering and development of basic water resource data. Third, enactment of legislation, such as S. 2692, to substantially expand this country's program in oceanography should include, either by a specific amendment to the bill or by an appropriate expression of congressional intent, the Great Lakes in the waters to be studied by such program. This last recommendation, which Canada has implemented on the Great Lakes by the program referred to earlier, is based on the similarities in many respects between the oceans and the Great Lakes, the excellent opportunities provided by the Great Lakes for certain oceanographic studies and the laboratory which the Great Lakes provide for the training of oceanographers.

Dr. A. H. Stockard, director of the biological station at the University of Michigan, had written me along similar lines. Dean Fontanna, of the School of Natural Resources at the university, has repeatedly and eloquently stressed the need for greater knowledge of the waters of the Great Lakes.

And so it is with real gratification that I note that the committee brings to the Senate floor a bill which embodies these amendments which those of us from the Great Lakes area have suggested, and which will lead to greater knowledge and wiser utilization of this enormous body of fresh water. The committee and its chairman are to be congratulated for a fine piece of work, and I trust the bill will have the wide support it deserves. I know the varied interests which recognize the water of the inland sea as of inestimable worth would have me express their appreciation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2692) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2692

A bill to advance the marine sciences, to establish a comprehensive ten-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and facilities, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the general welfare, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Marine Sciences and Research Act of 1960".

DECLARATION OF POLICY

SEC. 2. The Congress hereby declares that systematic, scientific studies and surveys and the oceans and ocean floor, the collection, preparation and dissemination of comprehensive data regarding the physics, biology, chemistry and geology of the seas, and the education and training of oceanographic scientists through a sustained and effective fellowship program is vital to defense against attack from the oceans and to the operation of our own surface and subsurface naval forces with maximum efficiency, to the rehabilitation of our commercial fisheries and utilization of other ocean resources, to the expansion of commerce and navigation, and to the development of scientific knowledge since many problems require an understanding of the waters which cover 71 per centum of the earth's surface, life within these waters, and the interchange of energy and matter between the sea and atmosphere.

The Congress further declares that sound national policy requires that the United States not be excelled in the fields of oceanographic research, basic, military or applied, by any nation which may presently or in the future threaten our general welfare, maritime commerce, security, access to

and utilization of ocean fisheries, or the contamination of adjacent seas by the dumping of radioactive wastes or other harmful agents.

The Congress further declares that to meet the objectives outlined in the preceding paragraphs of this Act there must be a coordinated, long-range program of oceanographic research and marine surveys similar or identical to that recommended as a minimal program by the Committee on Oceanography of the National Academy of Sciences—National Research Council. This program should include but not be limited to the—

1. construction of modern, oceangoing ships for scientific research, surveys, fisheries exploration and marine development;

2. modernization of existing and construction of new Government and civilian laboratory and shore facilities adequate to service and supplement the research and survey fleets;

3. development and acquisition of new and improved research tools, devices, instruments, and techniques which may include but not be limited to bathyscaphs and other manned submersibles, manned and unmanned deep ocean buoys, instrumented marine towers, wave gages, modified icebreakers, acoustical equipment and telemetering devices, current meters, direct density, turbulence and radioactivity measuring devices, biological sampling instruments, precision salinometers and echo sounders, magnetometers, and deep sea underwater cameras;

4. recruitment of prospective oceanographers from among undergraduate and graduate students of physics, chemistry, mathematics, biology, engineering, limnology, meteorology, and geology and the facilitating of their advanced education in the marine sciences by a long-term fellowship program, where necessary, supported by or through the National Science Foundation or other appropriate agency of the Federal Government;

5. improvement of the economic and general welfare by obtaining more adequate information in the fields of marine science concerning the occurrence, behavior, classification, and potential use of fish, shellfish, and other marine life and thereby to enhance the development and utilization of living marine resources;

6. establishment of a national oceanographic records center to assemble, prepare, and disseminate all scientific and technical oceanographic and closely related data, including but not limited to physical, biological, fisheries, hydrographic and coastal survey, meteorological and climatological data. All nonclassified data shall be made available for public use; and

7. development of formal international cooperation in the marine sciences and oceanographic surveys on a reciprocal basis subject to approval by the President.

The Congress further declares that a coordinated, long-range program of marine research and surveys requires establishment of a Division of Marine Sciences in the National Science Foundation, which shall include representation from Government agencies having duties or responsibilities connected with or related to the seas and oceans, and oceanographic scientists associated with universities, institutions affiliated with universities, laboratories or foundations, and which Division shall be authorized and directed—

(a) to develop and encourage a continuing national policy and program for the promotion of oceanographic research, surveys, and education in the marine sciences: *Provided*, That the long-range program for oceanographic research developed and projected by the Chief of Naval Research, Department of the Navy, and approved by the Chief of Naval Operations, known as project TENOC (Ten Years in Oceanography) be incorporated in the national program and policy;

(b) to recommend contracts, grants, loans, or other forms of assistance for the development and operation of a comprehensive national program of marine research, oceanographic surveys, and education in the marine sciences;

(c) to cooperate with and encourage the cooperation of the Office of Naval Research, the Hydrographic Office, the Bureau of Ships, the Coast and Geodetic Survey, the Bureau of Commercial Fisheries, the Atomic Energy Commission, the Maritime Administration, the United States Weather Bureau, the United States Coast Guard, the United States Geological Survey, the Smithsonian Institution, the National Bureau of Standards, the United States Army Corps of Engineers (including the Beach Erosion Board), Department of State, and other Government agencies dealing with problems related to the seas, and the National Academy of Sciences—National Research Council and administrators and scientists of all universities and institutions receiving assistance from Federal agencies for oceanographic or fisheries research or education in the marine sciences in the form of contracts, loans, grants, leases, donations, scholarships, fellowships, or transfers of funds or property of the Federal Government;

(d) to foster the interchange of information among marine scientists in the United States and foreign nations within the security provisions and limitations of the National Science Foundation Act of 1950 (64 Stat. 171); and

(e) to evaluate the scientific aspects of programs of marine research, surveys, and taxonomy undertaken by agencies of the Federal Government, universities, and institutions receiving assistance from the Federal Government in these scientific fields.

NATIONAL SCIENCE FOUNDATION, DIVISION OF MARINE SCIENCES

SEC. 3. (a) Section 7(a) of the National Science Foundation Act of 1950 is hereby amended by striking "and after the semicolon in (3), redesignating (4) as (5) and inserting immediately after (3) the following new section:

"(4) Division of Marine Sciences; and".

(b) Section 8(b) of the National Science Foundation Act of 1950 is hereby amended by substituting a semicolon for the period after "Board" and inserting immediately thereafter the following new proviso: *"Provided*, That the divisional committee of the Division of Marine Sciences shall include among its membership a representative from the Office of Naval Research, the Hydrographic Office, the Coast and Geodetic Survey, the Bureau of Commercial Fisheries, the Atomic Energy Commission, the Maritime Administration, the Beach Erosion Board of the United States Army Corps of Engineers and at least six scientists selected on a basis of competence from the universities and other non-Federal institutions.

SEC. 4. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the National Science Foundation carry out, under laws, as amended, relating to such Foundation, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Foundation to carry out its duties under law. There is hereby authorized to be appropriated to the National Science Foundation, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) The sum of $9,950,000 for the construction of oceanographic research ships;

(b) The sum of $12,440,000 for the operation of oceanographic research ships constructed under this Act;

(c) The sum of $8,250,000 for construction of shore facilities for marine research;

(d) The sum of $37,200,000 for basic marine research operations: *Provided, however*, That the expenditure under this subsection (d) shall not exceed $8,000,000 in any one year of the ten-year program.

(e) Such sums as may be adequate for specialized equipment for ocean exploration and research which may include bathyscaphs and other manned submersibles, manned and unmanned buoys, icebreakers and submarines converted for scientific use, acoustic telemetering devices, current meters, direct density measuring devices, cameras and under water television, seismic equipment, turbulence measuring devices, biological sampling devices, precision salinometers, precision echo sounders, towed temperature recorders, magnetometers and other instruments and laboratory equipment: *Provided, however*, That expenditures under this subsection (e) shall not exceed $10,000,000 in any one year of the ten-year program.

(f) The sum of $3,000,000 for fellowships to graduate students and postdoctoral fellows training to become professional physical, biological, chemical, and geological oceanographers: *Provided, however*, That annual costs of these fellowships shall not exceed $300,000.

BUREAU OF MINES, GEOLOGICAL SURVEY, AND BUREAU OF COMMERCIAL FISHERIES, DEPARTMENT OF THE INTERIOR

SEC. 5. The Secretary of the Interior is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out, in addition to programs now underway, the following activities:

(a) Make grants of funds to qualified scientists, research laboratories, institutions, or other non-Federal agencies in furtherance of the purposes of this Act, such grants to be used for basic and applied research programs, the purchase of equipment, acquisition or improvement of facilities, and for other uses necessary to carry out the work hereunder.

(b) Initiate and carry out a program for the replacement, modernization, and enlargement in the number of oceangoing ships being used for research, exploration, surveying, and the development of marine resources.

(c) Construct and operate a sufficient number of shore facilities and laboratories to support effectively the vessels provided for under the preceding item (b).

(d) Cooperate with other departments and agencies, including agencies of the several States, in the conduct of oceanwide surveys from which data relative to the study of ocean resources may be obtained.

(e) Cooperate with other departments and agencies, including agencies of the several States, in the conduct of studies concerning the relation of marine life to radioactive elements, such studies to be directed toward determining the effect of distribution of radioactive elements in the sea on living marine organisms, and other such studies as the Secretary deems necessary to understand and evaluate the relation of radioactivity to the inhabitants of the marine environment.

(f) Conduct studies of the economic and legal aspects of commercial fisheries and the utilization of marine products.

(g) Request and obtain cooperation from and cooperate with other governmental agencies having an interest in the marine sciences and cooperate with the several

States, or their agencies, and with educational institutions, laboratories devoted to fishery research and the marine sciences, and with other public and private organizations and persons who may be of assistance.

(h) Determine the reserves of metals of industrial, commercial, or monetary value in or beneath adjacent waters, and to ascertain techniques and probable costs of their recovery and extraction.

(i) Encourage and assist in taxonomic studies of marine organisms and in providing facilities for the preservation of specimens useful in scientific classification of marine organisms.

(j) Take such action and carry out other activities which he finds will accomplish the purposes of this Act.

SEC. 6. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Department of the Interior and its Bureaus and Offices carry out, under laws relating to such Department and its Bureaus and Offices, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Bureau of Commercial Fisheries, Bureau of Mines, and Geological Survey, Department of the Interior, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums:

(a) Such sums as may be necessary for construction of new ships for fisheries exploration and research: *Provided, however,* That in the construction of these ships, modern fisheries exploration and research vessels of other nations shall be studied with respect to design and performance with a view to increasing the seaworthiness, range, and efficiency of the United States fisheries research fleet.

(b) Such sums as necessary for operation of new fisheries research and exploration ships: *Provided, however,* That operation costs for new research ships placed in operation by the Bureau of Commercial Fisheries not aggregate in excess of $2,000,000 per annum: *Provided further,* That in planning operations of the new research and exploration ships of the Bureau of Commercial Fisheries, the Secretary of the Interior shall give full consideration to the needs for such operation in the Gulf of Mexico, Bering Sea, other ocean areas of potential commercial importance, and the Great Lakes.

(c) Such sums as the departments deem adequate for capital expenditures in inaugurating, developing, or expanding new ocean resource studies and surveys, or constructing or procuring facilities for such studies which may include but not be limited to, unmanned buoys for automatic continuous oceanographic records, mesoscaphs for biological observations, automatic continuous plankton samplers, oceanaria and instrumentation for studies of marine life behavior, laboratories for research into marine survival, and establishment of an institute for research on diseases of fish, shellfish, and other marine life: *Provided, however,* That in constructing or procuring facilities for ocean resource studies, and in inaugurating such studies, full consideration be given to the fisheries resources of the Pacific and Atlantic Oceans, the Great Lakes, and the Gulf of Mexico, Bering Sea, other ocean areas of potential commercial value, and that such facilities be located where they may provide maximum benefits to fishermen and other citizens residing in the United States.

(d) Such sums as are necessary for operations, excluding ship operations, of fisheries resource studies including, but not limited to, those stated above in (c) marine population sampling, biological surveys, ecological mapping, taxonomy, genetics of marine organisms, pond fish culture and brackish water farming, estuarine studies, transmigrations and nutrient increase research: *Provided, however,* That expenditures for operations of new resources studies by the Bureau of Commercial Fisheries of the Department of the Interior not exceed $10,000,000 per annum.

(e) The sum of $11,000,000 for continuing studies over a ten-year period of utilization of marine products for human consumption, animal feeds, industrial purposes, fertilizers, and organic chemicals, for the development of new uses of marine products, for legal and economic studies relating to commercial fisheries, and for investigations of mineral resources in the seas: *Provided, however,* That in directing these studies the Secretary of the Interior shall give full consideration to their being carried on in existing institutions, agencies, or laboratories through the issuance of grants to said institutions, agencies, and laboratories.

DEPARTMENT OF COMMERCE

SEC. 7. The Secretary of Commerce is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out the following activities:

(a) Request and obtain cooperation from other Government agencies having an interest in the marine sciences and ocean surveys, and cooperate with educational institutions and laboratories devoted to the marine sciences and oceanography, and with other public and private organizations and persons who may be of assistance.

(b) Establish within the Department of Commerce a National Oceanographic Records Center, which records center shall collect from other agencies and departments of the Federal Government, agencies of the several States, oceanographic institutions and laboratories and other sources, all oceanographic data, and prepare and disseminate such oceanographic data for public use.

(c) Initiate and carry out a program for the replacement, modernization, and enlargement in the number of oceangoing ships for use in ocean and coastal surveys by the Coast and Geodetic Survey.

(d) Construct and operate a sufficient number of Coast and Geodetic Survey shore facilities to support effectively the vessels provided for under the preceding item (c), and provide instruments and equipment essential for efficient utilization of such shore facilities or survey ships.

(e) Inaugurate in the Weather Bureau a comprehensive ten-year study of the interchange of energy between the oceans and the atmosphere, and to prepare, based on such study, climatological maps illustrating the balance of incoming and outgoing radiation and heat exchange between the oceans and the atmosphere. The provisions of this subsection (e) may be carried out by means of contracts with public or private organizations, or by grants to scientific institutions carrying on such studies.

(f) Require that the Maritime Administration construct ships of approximately five hundred tons and one thousand two hundred to one thousand five hundred tons displacement specifically designed for basic oceanographic research with due attention given to suitable arrangements of laboratory space and living quarters for scientists, space and power for winches and other auxiliaries, sea keeping and handling qualities at low speeds, quiet operation, efficient and economical scientist-crew ratios, and operation in all kinds of weather, such ships, when completed, to be made available, at the discretion of the Secretary, to nonprofit oceanographic research centers, to other agencies of the Federal Government, or, pursuant to negotiated contracts or grants, to State institutions engaged to oceanographic research requiring oceangoing scientific ships, with preference given to such agencies and institutions which have engaged in such research prior to this Act. The ships authorized by this subsection are in addition to ships authorized to be constructed by other sections of this Act.

SEC. 8. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Department of Commerce and its bureaus and offices carry out, under laws, as amended, relating to such Department or such bureaus and offices, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Department of Commerce and its bureaus and offices, during the ten-year period beginning with July 1, of the first fiscal year following approval of this Act by the President, the following sums:

(a) The sum of $500,000 for capital outlay in the establishment of a National Oceanographic Records Center.

(b) Such sums as are necessary for operating expenses of a National Oceanographic Records Center: *Provided, however,* That expenses for this purpose during the first year not exceed $200,000, and that this amount shall not be increased more than 10 per centum per annum in each of the subsequent years of this program.

(c) Such sums as are necessary for construction by or for the Coast and Geodetic Survey of two survey ships of five hundred tons displacement, six survey ships of one thousand two hundred to one thousand five hundred tons displacement, and two survey ships of two thousand tons displacement or more.

(d) Such sums as are necessary for operations of new Coast and Geodetic Survey survey ships authorized under this Act during the ten-year life of this program—

for construction of new shore facilities for processing and evaluating Coast and Geodetic Survey data obtained through surveys and related research conducted from new oceangoing Coast and Geodetic Survey ships;

for expanded operations, excluding ship operations, of the Coast and Geodetic Survey during a ten-year period: *Provided, however,* That operation costs for new survey ships placed in operation by the Coast and Geodetic Surveys not exceed $3,000,000 per annum; and

for the establishment and operations of a ten-year study of the interchange of energy between the oceans and the atmosphere.

(e) Such sums as necessary to enable the Maritime Administration to design and construct the ships authorized in section 7(f).

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION

SEC. 9. The Secretary of Health, Education, and Welfare is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of obtaining new faculty in oceanography and marine sciences as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized to provide assistance through the Office of Education in the form of teacher salaries and equipment.

SEC. 10. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth

Congress, and of this Act to have the Office of Education, Department of Health, Education, and Welfare carry out, under laws relating to such Department or Office, duties specified in section 9 as part of the general program for the development of the marine sciences in the United States. Expenditures for the duties specified in section 9 shall not exceed $500,000 per annum and appropriations for such expenditures shall be in addition to other appropriations provided for such Department or Office to carry out its duties under law.

ATOMIC ENERGY COMMISSION

SEC. 11. In furtherance of the policies in S. Res. 136, Eighty-sixth Congress, and of this Act, and for the purpose of determining the effects of radioactive contamination upon the oceans and life within the oceans and their estuaries, and for regulating in the interests of public safety, health and welfare, the introduction of radioactive materials in the oceans, the Atomic Energy Commission is hereby authorized to conduct, in the marine environment, an intensive ten-year program of control and monitoring of radioactive waste disposal and studies including, but not limited to, circulation and mixing processes which affect the dispersion of introduced contaminants in coastal and estuarine environments and in the open ocean, inorganic transfer of radioactive elements from seawater to sediments, the effect of radioactive elements on living organisms in the oceans, coastal waters and estuaries and the genetic effects of radiation on such organisms. The Atomic Energy Commission is further authorized to carry out any of its duties or functions under this or other Acts, including the use of scientific ships and personnel in cooperation with other agencies of the Federal Government, or through contracts with or grants to States or State agencies, institutions or independent scientific laboratories undertaking or equipped to undertake such programs: *Provided, however,* That those aspects of the program relating to regulating and monitoring the introduction of radioactive material in the ocean shall be carried out by the Coast and Geodetic Survey or the Public Health Service, or both, with funds made available by the Atomic Energy Commission.

SEC. 12. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, and of this Act to have the Atomic Energy Commission carry out, under laws relating to such Commission, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Commission to carry out its duties under law. There is hereby authorized to be appropriated to the Atomic Energy Commission, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, the following sums as are necessary—

for engineering studies in connection with control and monitoring as authorized in section 11 of this Act: *Provided, however,* That expenditures for this purpose not exceed $370,000 in any one year of the ten-year program authorized by this Act;

for participating in international meetings of scientists and technical experts relating to international control and monitoring of radioactive waste disposal in the marine environment: *Provided, however,* That expenditures for this purpose not exceed $30,000 in any one year of the ten-year program;

for estuarine and coastal studies authorized in section 12 of this Act: *Provided, however,* That expenditures for this purpose not exceed $2,800,000 in any one year of the ten-year program of estuarine and coastal studies authorized by this Act;

for research to determine circulation and making processes which control the dispersion of radioactive wastes introduced in deep waters of the open ocean: *Provided, however,* That the expenditures for this purpose by the Atomic Energy Commission not exceed $1,400,000 per annum;

for studies of the inorganic transfer of radioactive elements from sea water to the sediments: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $484,000 in the first year of the program or $299,000 in subsequent years of this ten-year period;

for studies of the effects of the biosphere on the distribution and circulation of radioisotopes in the ocean and its seas: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $938,000 per annum;

for studies of the genetic effects of atomic radiations on marine organisms: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $100,000 per annum;

for field experiments in confined bodies of water utilizing radioisotopes: *Provided, however,* That expenditures by the Atomic Energy Commission for this purpose not exceed $100,000 per annum; and

for two major open-sea tests of radiological contamination at sea, its effects on marine life, and its potential effects on humanity.

DEPARTMENT OF THE NAVY

SEC. 13. In order to carry out the policies of S. Res. 136, Eighty-sixth Congress, of this Act and of the Navy's long-range program for oceanographic research known as TENOC, the Secretary of the Navy is authorized and directed to undertake a ten-year program of expanded basic oceanographic research and hydrographic surveys as a part of the general program for the development of the marine sciences in the United States. The Secretary is authorized and directed, with such funds as may be appropriated or otherwise made available to him for purposes of this Act, to carry out the following activities:

(a) Provide funds, by contract or otherwise, to scientists, Government and non-Government research laboratories, or institutions in furtherance of the purposes of this Act, such funds to be used for basic and applied research, the purchase of equipment, acquisition or improvement of facilities, employment of scientists and personnel, and for other uses necessary to carry out the work hereunder.

(b) Initiate and carry out a ten-year program for the replacement, modernization, and enlargement in the number of ships for use in basic and applied research and hydrographic surveys, and to supply, when available, ships designed for basic research to nonprofit scientific institutions: *Provided,* That when ships are supplied under this provision title to the ships shall remain with the United States Government and the ships shall be reassigned or returned to Federal operation upon termination of the grant or contract with the institution.

(c) Construct and operate a sufficient number of shore facilities and laboratories and provide related instruments and equipment to support effectively the expanded program of basic and applied oceanographic research and hydrographic surveys authorized for the Department of the Navy to undertake under this Act.

(d) Develop, construct, or acquire new or improved vehicles for ocean research and exploration, which may include but not be limited to bathyscaphs and other manned submersibles, icebreakers, and submarines converted for scientific use, seismic equipment, turbulence measuring devices, precision echo sounders, acoustic telemetering devices, and instruments for the study of the current structure of the ocean, oceanic temperatures, bottom topography, sediments, heat flow through the ocean bottom, sound transmission and velocities, ambient noise, biological activity and specimens, and water samples for salinites, phosphates, oxygen, nitrogen, and other chemical or elemental components of the oceans.

(e) Continue and expand the Navy's support of marine studies substantially as proposed in project TENOC approved by the Chief of Naval Operations, or the Navy's revised long range oceanography program and substantially similar to the recommendations made in the report of the Committee on Oceanography of the National Academy of Sciences—National Research Council.

(f) Establish with the National Science Foundation or the National Academy of Sciences—National Research Council—a program of scholarships for selected students beginning at the senior level in undergraduate school, and carrying through with four years of graduate training and research in the marine sciences: *Provided,* That the Department of the Navy may recommend to the National Science Foundation the institutions qualified to participate in this program.

(g) Conduct a systematic and expanded program of three-dimensional ocean surveys including measurements or studies of depths, salinity, temperature, current velocity, wave motion, magnetism and biological activity.

(h) Continue a policy of expanding assistance and support to existing civilian laboratories and universities engaged in basic oceanographic research, foster the establishment and growth of new civilian laboratories for applied oceanographic research needed by the Navy. In the designation of new laboratories to receive Navy assistance consideration shall be given to geographic location with reference to the oceans, with the object of maintaining a balanced program of research in and adjacent to the seas and oceans bordering the United States.

(i) Request and obtain cooperation from and cooperate with other governmental departments and agencies having an interest in the marine sciences, and to cooperate with the several States, with educational institutions, laboratories, and other public and private organizations and persons who may be of assistance.

(j) Section 7394, title 10, United States Code, is hereby amended to read as follows: "The Secretary of the Navy is authorized to furnish maps, charts, and other publications and products of scientific value of the Hydrographic Office without charge to educational institutions, laboratories, and other public and private organizations and persons when it is determined that to furnish such information is in the national interest".

SEC. 14. It is necessary in order to carry out the policies of S. Res. 136, Eighty-sixth Congress, of this Act and of the Navy's long-range program for oceanographic research known as TENOC to have the Department of the Navy carry out, under laws relating to such Department, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Department to carry out its duties under law. There is hereby authorized to be appropriated to the Department of the Navy, during the ten-year period beginning with July 1 of the first fiscal year following approval of this Act by the President, such sums as are necessary—

for the construction of research and survey ships which include but shall not be limited to nine one thousand two hundred- to one thousand five hundred-tons displacement research ships;

of four two thousand- to three thousand-tons displacement research ships;

of two survey ships of approximately five-hundred-tons displacement;

of five survey ships of one thousand two hundred- to one thousand five hundred-tons displacement;

of three survey ships of two thousand tons displacement; and of

one research ship of three hundred tons displacement;

for operations of basic research ships in excess of present operating costs for such ship operations: *Provided, however,* That the operating costs of new one thousand two hundred- to one thousand five hundred-ton research ships not exceed $420,000 each per annum;

that of new two thousand to three thousand ton ships not exceed $700,000 each per annum, and that of new five hundred ton ships not exceed $250,000 each per annum;

for modernization, improvement, and expansion of existing shore facilities for basic research and for construction of new shore facilities for basic research;

for basic research operations other than ships;

for modernization, improvement, and expansion of existing shore facilities for survey work and for construction of new shore facilities for survey work;

for engineering needs for ocean exploration and research which may include bathyscaphs and other manned submersibles to be used for research, wave measuring equipment, systems engineering for reduction of data, manned and unmanned buoys for automatic continuous oceanographic recording, icebreakers and submarines modified or converted for scientific use, vessel positioning system acoustical equipment and measuring devices for direct density, turbulence, and radioactivity and telemetering devices current meters, underwater television, seismic equipment, automatic continuous biological sampling devices, precision salinometers, precision echo sounders, towed temperature recorders, magnetometers, and other instruments and laboratory equipment for oceanographic research; and

for establishing a program of scholarships for selected students and post-doctoral fellowships as authorized in section 13(f) of this Act: *Provided, however,* That costs to the Department of the Navy of these scholarships and fellowships not exceed $300,000 per annum.

DEPARTMENT OF THE ARMY

SEC. 15. The Secretary of the Army is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to undertake a ten-year program of study and research by the United States Army Corps of Engineers, through the Beach Erosion Board, as part of the general program for the development of the marine sciences in the United States. In furtherance of the purposes of this Act, the Secretary is authorized and directed to carry out, in addition to programs now under way, the following activities relating to physical oceanography in the near-shore areas of the Atlantic and Pacific Oceans, the Gulf of Mexico, and the Great Lakes, which areas include the zone from the shore to the fifty-fathom depth contour in the oceans and lakes, and bays and tidewaters connected therewith:

a. Request and obtain cooperation from other Government agencies having an interest in the marine sciences and ocean surveys, and cooperate with educational institutions and laboratories devoted to the marine sciences and oceanography, and with other public and private organizations and persons who may be of assistance.

b. Contract with qualified scientists, research laboratories, research organizations, or educational institutions to undertake basic and applied research studies and experiments in the laboratories and in coastal waters, in furtherance of the purposes of this section.

c. Undertake in coastal waters studies of the action of waves, wave currents, tides, tidal currents, and large-scale ocean and littoral currents.

d. Study and evaluate the interaction of the atmosphere, the sea, and the land as they affect the waves, currents, tides, surges, hydrographic contours, and hydrographic changes in the coastal zone.

e. Establish observation stations in coastal waters to determine the short-term, seasonal, and yearly changes in waves, currents, and hydrography in the area surrounding the station.

f. Develop, construct, or acquire instruments and equipment for the furtherance of the program of studies authorized in this section.

g. Determine the sources of the bottom materials in the coastal area, the rates and methods of movement of these materials, and the effects on the coastal hydrography of changes in the rate at which these materials reach the coastal zone.

h. Study the mechanics and effects of density currents encountered in the coastal area on the current velocities, current patterns, hydrography, interchange of waters, and rates of sedimentation.

SEC. 16. In order to carry out the policies of this Act and of Senate Resolution Numbered 136, Eighty-sixth Congress, and to provide for the participation of the Department of the Army, including either or both military or civil functions activities, in the general program for the development of marine sciences in the United States, there is hereby authorized to be appropriated to the Department of the Army, during the ten-year period beginning July 1 of the first fiscal year following approval of this Act, the following sums, not to exceed $2,000,000 per annum:

a. Such sums as are necessary for the investigations and activities described in section 15 relating to investigations in physical oceanography in the near-shore zone.

b. Such sums as are necessary to purchase, develop, or acquire and operate the scientific equipment required for investigations in physical oceanography in the near-shore zone, including but not limited to amphibious craft, floating craft, fixed platforms, buoys, current meters, wave meters, tide gages, sound equipment, direct density measuring equipment, turbulence meters, underwater cameras, and underwater television equipment, and other instruments and laboratory equipment for oceanographic research in the near-shore zone.

c. Such sums as are required for expansion and equipping of shore facilities as are necessary to support the program of investigations in physical oceanography in the near-shore zone.

d. Such sums as are necessary to provide funds for contracts with qualified scientists, research laboratories, research organizations, or educational institutions to make investigations into physical oceanography in the near-shore zone.

SMITHSONIAN INSTITUTION, MUSEUM OF NATURAL HISTORY

SEC. 17. In furtherance of the policies in S. Res. 136, Eighty-sixth Congress, and of this Act, and in order to preserve, study, and classify marine, coastal, and Great Lakes organisms collected during a ten-year program of expanded hydrobiological research, the Secretary of the Smithsonian Institution is authorized and directed, with such funds as may be appropriated or otherwise made available to him, to:

(a) Construct additional facilities for the purposes authorized by this section.

(b) Establish a program for the recruitment, training, and placement of taxonomists in such number as may be required to classify fishes and marine invertebrates collected during the ten-year program of expanded hydrobiological research.

(c) Make grants of funds to qualified scientists, institutions, laboratories, or museums, such grants to be used for taxonomy relating to marine organisms.

(d) Request and obtain cooperation from and cooperate with other governmental departments and agencies having a direct interest in the preservation, study, and classification of marine organisms, and to cooperate with the several States, educational institutions, laboratories, museums, and other public and private organizations and persons who may be of assistance in this field of marine science.

SEC. 18. It is necessary in order to carry out the policies of Senate Resolution Numbered 136, Eighty-sixth Congress, and of this Act to have the Smithsonian Institution carry out, under laws relating to such Institution, specified duties as part of the general program for the development of the marine sciences in the United States. Appropriations authorized in this section shall be in addition to other appropriations provided for such Institution to carry out its duties under law. There is hereby authorized to be appropriated to the Smithsonian Institution, during the ten-year period beginning with July 1 of the first fiscal year beginning after the date of enactment of this Act following approval of this Act by the President, the following sums:

(a) Such sums as may be necessary for the construction by the Institution of facilities necessary to preserve, study, and classify for taxonomic purposes marine, coastal, and Great Lakes organisms collected by or for the Institution during the ten-year program of expanded hydrobiological research.

(b) Such sums as are necessary for establishment by the Institution of a program for the recruitment, training, and placement of taxonomists required for the purposes of this section.

(c) Such sums as are necessary for use by the Institution under the authority of section 17(c).

(d) Such sums as are necessary for the preservation, study, and classification by the Institution of fishes and marine invertebrates collected or acquired by the Institution for taxonomic purposes.

GENERAL

SEC. 19. (a) Nothing in this Act shall operate to limit, restrict, or otherwise interfere with carrying out any work programed prior to enactment.

(b) All appropriations authorized in this Act shall be in addition to other appropriations provided for the various departments, agencies, bureaus, and offices to carry out their duties under law.

(c) All agreements for grants executed pursuant to the authority contained in this Act in excess of $50,000 shall contain a provision that the Comptroller General of the United States or his duly authorized representatives shall have the right to examine any directly pertinent books, documents, papers, and records of the grantee relating to the purpose of the grant for a period of three years after the last payment to the grantee under the grant.

(d) All ships and surface or subsurface craft constructed pursuant to the authorizations for appropriations contained in this Act shall be constructed in domestic commercial facilities.

The title was amended, so as to read: "A bill to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and facili-

ties, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the general welfare, and for other purposes."

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BIBLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE VALUE OF U.S. BASES

Mr. KEATING. Mr. President, today there has been on the floor of the Senate considerable debate on the need for reappraisal of our foreign and defense policies. We have also read statements and articles by many persons on that subject.

Certainly no one quarrels with the idea that there should be constant review of problems in this area. I hope that will be true under any administration. I believe it has been so under the present administration.

Certainly this matter is one of the many on which the legislative branch of the Government should keep its eyes, and on which it should be acting from time to time. It is necessary that such reappraisal be carried out by both the legislative and executive branches of the Government.

Mr. President, some of the comments which have been made in certain quarters have caused me, and perhaps others, some concern with regard to the bases our country maintains around the world. At this time I wish to comment briefly on the value of U.S. bases.

Mr. President, the Soviet Union has been turning out propaganda against these bases like a broken phonograph record for 10 years now. The quality of its propaganda has not been very high, but the quantity has been stupendous. We in the United States have, with a very few exceptions, seen through this propaganda and disregarded it. But it is beginning to look as if some people in other parts of the world have not been so perceptive.

The Japanese Socialists, including many workers and students, have listened to, and allowed themselves to be led by, the makers of Communist propaganda. The fear of nuclear retaliation by Russia, rather than anti-American feelings has apparently been behind much of the agitation against the United States-Japanese Security Pact, because this is the point that the Communists have chosen to stress.

Even in Britain, the Labor Party seems to be listening to the siren call from Moscow. The new labor policy program under discussion would have Britain renounce its own nuclear weapons, refuse to grant bases for American Thor missiles with nuclear warheads, and stop preventive flights by U.S. nuclear-armed planes.

The British Laborites, like the Japanese Socialists, are trying to square the circle. They want a defense policy that is safe—with no possibility of nuclear retaliation by Russia. They want a defense policy that is cheap—with no outlay by their own country for their own defense. They want a defense policy that will protect them from their own allies—with as little responsibility as possible in the hands of the United States, West Germany, and France. And at the same time they want a defense policy that is effective—without increasing the number of conventional divisions, already hopelessly inadequate, or meeting Russian technological advances.

I have no desire to intervene in the internal political affairs of another nation, neither of Japan nor of our trusted, long-term ally, Great Britain, but I feel that the dangers implicit in such thinking should not go unchallenged. So long as the United States continues to provide most of the money, most of the manpower, and most of the new weapons that make the free world's defenses effective, it is only right that the United States should bear most of the responsibility for their deployment. In fact, it would be a clear abdication of this Nation's responsibility to its own taxpaying, draft-liable citizens, to renounce this responsibility. We are glad to share weapons with our allies, as the important Skybolt agreement with Britain indicates. But we cannot surrender our right to use the only weapon which the Soviet Union in fact fears.

Mr. President, I think the answer to the anxiety of our allies is not hard to supply and we must broadcast it to all the world. Those who think that the only thing which endangers free world countries today is the presence of U.S. bases and hydrogen weapons could not be more mistaken. There were no American bases in Hungary in 1947 or in 1956. There were no American bases in Czechoslovakia in 1948. There were no American bases in Korea in 1950. There were no American bases in Tibet last summer. In fact, I am convinced that if there had been bases in all those places, the course of events would have been very different indeed.

The Communists threaten attack against existing U.S. bases, but they actually do attack only where American facilities and nuclear weapons do not exist, in fact preferably in areas completely inaccessible to U.S. Forces. The very fact that the Communists are so loud in their verbal denunciations against bases is viewed by many who are acquainted with Communist techniques as proof that they do not dare attempt any other kind of attack.

The answer to Communist propaganda does not need to come from any great and sweeping strengthening and reappraising of U.S. forces and policies. We are already strong and secure against Soviet attack, and well they know it. What we must do is try to mount a truth campaign as loud and vigorous as their falsehood campaign of threats. We must broadcast to the world the simple facts about where the Communists do attack. We must not let them get away with their own idle boastings for lack of an effective answer.

An international commission of jurists, consisting of legal experts from principally neutralist-oriented Asian nations, has just condemned the Red Chinese action in Tibet as a deliberate policy of mass murder aimed at exterminating Tibetan Lamaism as a religion. This is the sort of news we must trumpet to the world when the Soviets bay forth about our bases. This is the best answer we can give to the lies of international communism.

How much the poor Tibetans must now wish that they, like other more fortunate nations, had had an American base on their territory.

CHESAPEAKE AND OHIO CANAL NATIONAL HISTORICAL PARK

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1690, Senate bill 77.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 77) to establish the Chesapeake and Ohio Canal National Historical Park and to provide for the administration and maintenance of a parkway in the State of Maryland, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 4, after the word "Interior", to strike out "The park may comprise such additional lands as may be acquired pursuant to subsection (b) hereof: *Provided*, That the total area of such park, including land already in Federal ownership, shall not exceed fifteen thousand acres."; after line 8, to strike out:

(b) The Secretary of the Interior is hereby authorized to acquire in such manner as he may consider to be in the public interest such lands and interests in lands in the State of Maryland in the vicinity of the canal and existing Government canal property as he deems desirable for the purposes of the said park.

At the beginning of line 15, to strike out "(c)" and insert "(b)"; at the beginning of line 24, to strike out "(d)" and insert "(c)"; on page 3, at the beginning of line 14, to strike out "that are authorized by this Act to be acquired for the park"; at the beginning of line 21, to strike out "(c)" and insert "(d)"; on page 4, line 2, after the word "Park", to insert "The Secretary may construct park type roads to provide access for visitors."; in line 4, after "Sec. 2.", to strike out:

(a) In accordance with the purposes of this Act and to facilitate access to and enjoyment by the public of the scenic and recreational values of the Chesapeake and Ohio Canal National Historical Park and the Potomac River Valley, there is hereby authorized to be established, without regard to the maximum acreage limitation prescribed in section 1 of this Act, a scenic parkway connection, by way of Town Hill Ridge and other suitable terrain; between Maryland Route 51 and in the general vicinity of Paw Paw, West Virginia, and the existing Long Ridge Road near Woodmont,

Maryland, such parkway connections to be a part of the aforesaid Chesapeake and Ohio Canal National Historical Park.

After line 16, to strike out:

"(b) The Secretary of the Interior is authorized to accept on behalf of the United States, donations of land and interests in lands for purposes of the parkway provided for in section 2(a) of this Act. The right-of-way for such parkway shall be of such width as to comprise not more than an average of one hundred acres per mile for its length.

In line 23, after the amendment just above stated, to insert "The Secretary of the Interior is authorized to accept on behalf of the United States, donations of money, land, and interests in lands for purposes of the park and access thereto"; on page 5, line 3, after "SEC. 3. (a)", to strike out "Within five years after the approval of this Act, the Secretary of the Interior shall file with the National Archives a map showing the lands within the and 2(b) of this Act which are to comprise the Chesapeake and Ohio Canal National Historical Park and Parkway, respectively: *Provided*, That the filing of such map shall not affect the authority of the Secretary subsequently to acquire, in accordance with subsections 1(b) and 2(b), non-Federal lands within the boundaries of the park and parkway as depicted on said map. Such historical park and parkway"; in line 16, after the word "thereof", to strike out "And provided further, That designation of lands for Chesapeake and Ohio Canal National Historical Park purposes shall not debar, or limit, or abridge its use for such works as Congress may in the future authorize for improvement and extension of navigation, or for flood control, or irrigation, or drainage, or for the development of hydroelectric power or other purposes."; on page 6, line 2 after the word "Park", to strike out "and Parkway", and after line 2, to insert a new section, as follows:

SEC. 4. Any portion of the lands and interests in lands comprising the Chesapeake and Ohio Canal National Historical Park shall be made available upon Federal statutory authorization for public nonpark uses when such uses shall have been found in consideration of the public interest, to have a greater public necessity than the uses authorized by this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established the Chesapeake and Ohio Canal National Historical Park, for the purpose of preserving and interpreting certain property in the State of Maryland for the benefit and inspiration of the people. The park, as initially established, shall comprise that particular property in Federal ownership containing not to exceed four thousand eight hundred acres, and situated along the line of the Chesapeake and Ohio Canal between the terminus of the George Washington Memorial Parkway, above the Great Falls of the Potomac River and a point within or in the vicinity of the city of Cumberland, Maryland, as may be determined by the Secretary of the Interior.

(b) Subject to the purposes and general requirements of this Act, the Secretary of the Interior is authorized to cooperate with the State of Maryland, with its political subdivisions and with other Federal agencies, in promoting such land use or development programs, through cooperative agreements or leases for terms not to exceed fifty years, as will further the objectives for the park and of the State of Maryland concerning wildlife propagation, wilderness conservation, public recreation, and related purposes.

(c) The authority granted in the Act of September 22, 1950 (64 Stat. 905), to effect land exchanges for the purposes of the proposed Chesapeake and Ohio Canal Parkway and in the Act of August 1, 1953 (67 Stat. 359), to grant easements for rights-of-way through, over, or under lands along the line of the Chesapeake and Ohio Canal is hereby continued and may hereafter be exercised by the Secretary of the Interior with respect to lands included in the Chesapeake and Ohio Canal National Historical Park. The Secretary is authorized also to convey such Chesapeake and Ohio Canal lands within and in the vicinity of Cumberland, Maryland, which are not included in the Chesapeake and Ohio Canal National Historical Park in exchange for other land or interests therein of approximately equal value.

Notwithstanding section 1(a) of the Act of May 29, 1930 (46 Stat. 482, 483), that portion of the Chesapeake and Ohio Canal between the terminus of the George Washington Memorial Parkway above Great Falls and Point of Rocks, in the State of Maryland, shall hereafter be part of the Chesapeake and Ohio Canal National Historical Park.

(d) Any funds that may be available for purposes of administration of the Chesapeake and Ohio Canal property above the Great Falls terminus of the George Washington Memorial Parkway may hereafter be used by the Secretary for the purposes of the Chesapeake and Ohio Canal National Historical Park. The Secretary may construct park type roads to provide access for visitors.

SEC. 2. The Secretary of the Interior is authorized to accept on behalf of the United States, donations of money, land, and interest in lands for purposes of the park and access thereto.

SEC. 3. (a) shall be administered under the general laws and requirements governing areas of the national park system in such manner as to preserve the historic, scenic, and recreational values and features thereof:

(b) The enactment of this Act shall not affect adversely any valid rights heretofore existing within the areas hereby established as the Chesapeake and Ohio Canal National Historical Park.

SEC. 4. Any portion of the lands and interests in lands comprising the Chesapeake and Ohio Canal National Historical Park shall be made available upon Federal statutory authorization for public nonpark uses when such uses shall have been found, in consideration of the public interest, to have a greater public necessity than the uses authorized by this Act.

Mr. BEALL. Mr. President, Senate bill 77 establishes the Chesapeake and Ohio Canal National Historical Park, which will extend north of Washington, D.C., to a point east of North Branch in Allegany County, Md.

In its present form, it would not require the expenditure of any Federal funds for the acquisition of land or for the construction of a scenic parkway.

These items have been stricken.

The bill does permit the Secretary of the Interior to accept donations of money or land for park purposes. In this way, we are taking advantage of the Maryland Act of 1953, which authorizes the conveyance of over 4,000 acres of land to the United States.

I should like to make it perfectly clear that this legislation will in no way interfere with the activities of the Army Engineers in connection with the Potomac River Survey. As a matter of fact, I sponsored the original legislation which authorized this survey. Certainly, as the sponsor of both of these measures, I would do nothing to interfere with the orderly progress of either.

On the contrary, I intend to do everything I can to assist the Engineers in developing the water resources of this area.

Mr. President, the establishment of the Chesapeake and Ohio Canal National Historical Park is long overdue. Its benefits will accrue to millions of people within a radius of 150 miles. It is gratifying to me that this scenic and historical area will now become a lasting recreational facility for the American people.

I urge favorable consideration of the bill.

Mr. BIBLE. Mr. President, I understand that there are a number of committee amendments to the bill. I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the committee amendments will be considered en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (S. 77) was passed.

The title was amended so as to read: "A bill to establish the Chesapeake and Ohio Canal National Historical Park in the State of Maryland, and for other purposes."

Mr. BEALL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BUTLER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RESERVE COMMISSIONED OFFICERS OF THE ARMED FORCES

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1676, House bill 8186.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8186) to amend titles 10 and 14, United States Code, with respect to Reserve commissioned officers of the Armed Forces.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Com-

mittee on Armed Services with an amendment to strike out all after the enacting clause and insert:

That title 10, United States Code, is amended as follows:

(1) Section 123(a) is amended to read as follows:

"(a) In time of war, or of national emergency declared by Congress, the President may suspend the operation of any provision of the following sections of this title with respect to any armed force: 281, 592, 1002, 1005, 1006, 1007, 1374, 3217, 3218, 3219, 3220, 3352(a) (last sentence), 3353, 3354, 3359, 3360, 3362, 3363, 3364, 3365, 3366, 3367, 3368, 3369, 3370, 3371, 3375, 3378, 3380, 3382, 3383, 3384, 3385, 3386, 3388, 3389, 3390, 3391, 3392, 3393, 3494, 3571, 3819, 3820(c), 3843, 3844, 3845, 3846, 3847, 3848, 3850, 3851, 3852, 3853, 3854, 3855, 5414, 5457, 5458, 5506, 5600, 5665, 5867, 5891, 5892, 5893, 5894, 5895, 5896, 5897, 5898, 5899, 5900, 5901, 5902, 5903, 5904, 5905, 5906, 5907, 5908, 5909, 5910, 5911, 6389, 6391, 6397, 6403, 6410, 8217, 8218, 8219, 8353, 8354, 8358, 8359, 8360, 8361, 8362, 8363, 8365, 8366, 8367, 8368, 8370, 8371, 8372, 8373, 8374, 8375, 8376, 8377, 8378, 8379, 8380, 8381, 8392, 8393, 8494, 8571, 8819, 8843, 8844, 8845, 8846, 8847, 8848, 8850, 8851, 8852, 8853, and 8855."

(A) by adding the following new sentences at the end of section 269(d): "However, a member of the Retired Reserve who is entitled to retired pay may not be placed in the Ready Reserve unless the Secretary concerned makes a special finding that the member's services in the Ready Reserve are indispensable. The Secretary concerned may not delegate his authority under the preceding sentence."

(B) by amending section 274 to read as follows:

"§ 274. Retired Reserve

"The Retired Reserve consists of Reserves—

"(1) who are or have been retired under section 3911, 6323, or 8911 of this title or under section 232 of title 14; or

"(2) who—

"(A) have been transferred to it upon their request;

"(B) retain their status as Reserves; and

"(C) are otherwise qualified.";

(C) by adding the following new section after section 280:

"§ 281. Adjutants general and assistant adjutants general: reference to other officers of National Guard

"In any case in which, under the laws of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia, an officer of the National Guard of that jurisdiction, other than the adjutant general or an assistant adjutant general, normally performs the duties of that office, the reference in section 1002(c), 3218, 3364, 3370(d), 3392, 3845, 3851, 3852, 8218, 8844, 8845, 8851, or 8852 of this title to the adjutant general or the assistant adjutant general shall be applied to that officer instead of to the adjutant general or assistant adjutant general."; and

(D) by adding the following new item at the end of the analysis:

"281. Adjutants general and assistant adjutants general: reference to other officers of National Guard."

(3) Chapter 51 is amended—

(A) by striking out the figures "3849," and "8849," in section 1006(e);

(B) by amending section 1007 to read as follows:

"§ 1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers

"Notwithstanding chapters 337, 363, 573, 837, and 863 of this title, a reserve commissioned officer, other than a commissioned warrant officer, who is assigned to the Selective Service System or who is a property and fiscal officer appointed, designated, or detailed under section 708 of title 32, may be retained in an active status in that assignment or position until he becomes 60 years of age."; and

(C) by striking out the following item from the analysis:

"1007. Commissioned officers: retention in active status while assigned to Selective Service System."

and inserting the following new item in place thereof:

"1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers."

(4) Section 1374(a) is amended by striking out the words "is found to be incapacitated for service because of a physical disability and is transferred to the Retired Reserve", and inserting the following in place thereof: "is transferred to the Retired Reserve, except under section 1002 of this title, because of physical disability or as a result of completing the number of years of service or reaching the age at which his retirement, transfer to the Retired Reserve, or discharge is required by law,".

(5) Section 1402(a) is amended by adding the following new sentence at the end thereof:

"However, a reserve officer who is or has been retired under section 3911, 6323, or 8911 of this title or under section 232 of title 14, may not have his retired pay recomputed under this subsection on the basis of any period of active duty that was of less than six consecutive months' duration or on the basis of any active duty for training."

(6) Section 3212 is amended—

(A) by inserting the words "3383 (except for the grade of colonel)," after the figure "3366,";

(B) by inserting the words "to the extent necessary to allow the appointment of reserve officers, in grades not above lieutenant colonel, to fill prescribed mobilization or active duty requirements" before the period at the end of the first sentence; and

(C) by inserting the words "or not to fill one of those requirements" after the word "sections" in the second sentence.

The amendments made by this clause are effective only until July 1, 1964.

(7) The last sentence of section 3352(a) is amended by striking out the word "regular" and inserting the words "temporary regular," in place thereof.

(8) Section 3353 is amended—

(A) by striking out the words "and is not already a commissioned officer of an armed force" in subsection (a); and

(B) by adding the following new subsection at the end thereof:

"(d) The Secretary shall report to the Committees on Armed Services of the Senate and House of Representatives by March 1 of each year on the number, categories, and grades of the reserve officers (other than in the Medical Corps or Dental Corps) originally appointed in the reserve grade of captain or above during the preceding calendar year."

(9) Section 3360(c)(1)(B) is amended to read as follows:

"(B) his years of service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States, and".

(10) Section 3362(e) is amended by adding the following new sentence at the end thereof: "Notwithstanding any other provision of law, a board that is to recommend officers for promotion whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified."

(11) Section 3363(f) is amended by striking out the words "who is not assigned to a unit organized to serve as a unit, and" in the last sentence thereof.

(12) Section 3364 is amended—

(A) by amending the catchline to read as follows:

"§ 3364. Commissioned officers: selection for promotion; order of promotion; zone of consideration list; declination of promotion"; and

(B) by adding the following new subsections at the end thereof:

"(e) Notwithstanding any other provision of this title, a reserve commissioned officer who has been in an inactive status may not be considered for promotion until at least one year after the date on which he is returned to an active status.

"(f) An officer of an Army Reserve unit organized to serve as a unit may decline a promotion under section 3366 or 3367 of this title if the Secretary of the Army, or an officer designated by him, approves that action as being in the best interest of the Army.

"(g) An officer of the Army National Guard of the United States may decline a promotion under section 3366 or 3367 of this title if the governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action.

"(h) If an officer declines a promotion under subsection (f) or (g), his name shall be retained on the appropriate promotion list for a period of not more than three years from the date he was selected for promotion to the grade concerned unless—

"(1) in the case of an officer of the Army Reserve, he is appointed to the grade for which he was selected or his name is removed from that list under another provision of law; and

"(2) in the case of an officer of the Army National Guard of the United States, he is appointed to the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade or his name is removed from the promotion list under another provision of law.

The Secretary of the Army may, in his discretion, extend the period for which a declination is in effect in the case of any officer of the Army National Guard who is an officer of an Alaska Scout Battalion or of a unit engaged in air defense activities on a tactical site that is under the control of the Army or the Air Force.

"(i) At the end of the period during which his name is carried on the appropriate promotion list under subsection (h), or at any earlier time if he requests the promotion, an officer of the Army Reserve whose name is retained on the promotion list under that subsection shall be promoted to the grade concerned and shall be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit.

"(j) At the end of the period during which his name is carried on the appropriate promotion list under subsection (h), or at any earlier time if he requests the promotion, an officer of the Army National Guard of the United States whose name is retained on the promotion list under that subsection shall, effective as of the last day of the period his name is so retained, or as of the date of his request, as the case may be, have his Federal recognition terminated, be transferred to the Army Reserve, and be promoted to the grade concerned. However, an officer may not be transferred and promoted under this subsection before

the expiration of that period unless the governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action."

(13) Section 3366 is amended—

(A) by amending the catchline to read as follows:

§ 3366. Commissioned officers: promotion of first lieutenants, captains, and majors; mandatory consideration";

(B) by amending subsection (a) to read as follows:

"(a) Without regard to vacancies, each officer of the Army Reserve in the reserve grade of first lieutenant, captain, or major, who is in an active status, who is not assigned to a unit organized to serve as a unit, and who, while holding that grade, has not been considered by a selection board under this section or section 3367 of this title, and each reserve officer in such a grade who is on active duty (other than for training), and who has not been so considered, shall be considered for promotion to the next higher reserve grade far enough in advance of the date on which he will complete the service prescribed in columns 2 and 3 of the following table that, if recommended, he may be promoted effective on the date on which he will complete that service.

"Column 1	Column 2	Column 3
Current reserve grade	Years of service computed under sec. 3360(b) of this title	Years of service computed under sec. 3360(c) of this title
First lieutenant	4	6
Captain	7	12
Major	7	17";

(C) by inserting the following new subsection after subsection (a):

"(b) Without regard to vacancies, each officer of an Army Reserve unit organized to serve as a unit, and each officer of the Army National Guard of the United States, who holds the reserve grade of first lieutenant, captain, or major and who has not been considered by a selection board under this section or section 3367 of this title, for promotion to the next higher reserve grade, shall be so considered far enough in advance of the date upon which he will complete the service prescribed in columns 2 and 3 of the table in subsection (a) that, if recommended, he may be promoted effective on the date on which he will complete that service.";

(D) by redesignating present subsections (b), (c), (d), (e), (f), and (g) as "(c)", "(d)", "(e)", "(f)", "(g)", and "(h)", respectively;

(E) by amending subsection (c), as redesignated, to read as follows:

"(c) An officer recommended for promotion under this section may be promoted to fill a vacancy within the distribution of officers not assigned to units at any time. If not sooner promoted, he shall be promoted, effective as of the date on which he completes the service prescribed in columns 2 and 3 of the table in subsection (a), without regard to vacancies. Each officer of the Army National Guard of the United States who is recommended by a selection board for promotion under this section, and who, before the date on which he would be promoted under this section, is appointed to the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade, shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed to the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of the date of his promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit.";

(F) by amending the last sentence of subsection (e), as redesignated, to read as follows: "If the method prescribed in clause (2) is used in considering officers for promotion to the grade of captain, major, or lieutenant colonel, the number recommended by the selection board must be at least 80 percent of those listed for consideration for the first time."; and

(G) by amending subsection (g), as redesignated, to read as follows:

"(g) This section does not apply to the promotion to a grade above major of reserve officers of the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps."

(14) Section 3367 is amended—

(A) by amending the catchline to read as follows:

"§ 3367. Commissioned officers: promotion of first lieutenants, captains, and majors to fill vacancies";

(B) by amending subsections (a) and (b) to read as follows:

"(a) Whenever the Secretary of the Army determines that, within the distribution of officers not assigned to units, there are existing or anticipated vacancies in the reserve grade of captain, major, or lieutenant colonel, he may convene a selection board to consider and recommend, for promotion to those grades, officers of the Army Reserve who are in an active status and who are not assigned to units organized to serve as units, reserve officers who are on active duty (other than for training), officers of any Army Reserve unit organized to serve as a unit, and officers of the Army National Guard of the United States. The Secretary shall prescribe for each zone of consideration list established under section 3364 of this title the minimum service, computed under section 3360(b) of this title, that an officer of the appropriate branch must have to be placed on that list. He shall require that each officer who has the prescribed service completed under that section, who is in an active status, and who is not assigned to a unit organized to serve as a unit, be placed on that list. Officers of any Army Reserve unit organized to serve as a unit, and officers of the Army National Guard of the United States, who have the prescribed service computed under that section, shall also be placed on that list. The Secretary shall prescribe the number to be recommended for promotion from each list.

"(b) Subject to section 3380 of this title, an officer recommended for promotion under this section may be promoted whenever there is a vacancy, but it is not mandatory that the authorized number be maintained in any grade. Each officer of the Army National Guard of the United States who is recommended by a selection board for promotion under this section and who, before the date on which he would be promoted under this section, is appointed in the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed in the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of the date of the promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit.";

(C) by amending the last sentence of subsection (c) to read as follows: "If the method prescribed in clause (2) is used, the number recommended by the selection board must be at least 80 percent of the officers listed for consideration for the first time."; and

(D) by amending subsection (d) to read as follows:

"(d) This section does not apply to the promotion to a grade above major of reserve officers of the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps."

(15) Section 3370 is amended—

(A) by amending the catchline to read as follows:

"§ 3370. Commissioned officers: promotion to field grade in certain cases";

(B) by amending subsections (a) and (b) to read as follows:

"(a) Whenever the Secretary of the Army determines that, within the distribution of officers not assigned to units, there are existing or anticipated vacancies in the reserve grade of—

"(1) lieutenant colonel in the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps;

"(2) colonel in any other branch; or

"(3) colonel in the Army Nurse Corps or Army Medical Specialist Corps;

he may convene a selection board to consider and recommend, to fill those vacancies, reserve officers who are in an active status and who are not assigned to units organized to serve as units, subject to section 3390 of this title, reserve officers who are on active duty (other than for training), officers of any unit of the Army Reserve organized to serve as a unit, and officers of the Army National Guard of the United States.

"(b) The Secretary shall prescribe for each zone of consideration list established under section 3364 of this title the amount of service computed under section 3360(b) of this title that an officer of the branch concerned must have to be placed on it for consideration under this section. So far as practicable, the amount of service prescribed shall correspond to that which an officer of the Regular Army in the same branch must have for consideration for promotion to the same grade. The Secretary shall require that each officer who is in an active status, who is not assigned to a unit organized to serve as a unit, and who has the prescribed service computed under that section, be placed on that list. Officers of any unit of the Army Reserve organized to serve as a unit, and any officer of the Army National Guard of the United States, who have the prescribed service computed under that section, shall also be placed on that list. He shall prescribe the number to be recommended for promotion from each list."; and

(C) by amending subsection (d) to read as follows:

"(d) Subject to section 3380 of this title, an officer recommended for promotion under this section may be promoted whenever there is a vacancy, but it is not mandatory that the authorized number be maintained in any grade. Each officer of the Army National Guard of the United States who is recommended for promotion under this section and who, before the date on which he would be promoted under this section, is appointed in the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed in the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of

the date of the promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. An officer of the Army National Guard of the United States may decline a promotion under this section if the governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action. If an officer of the Army National Guard of the United States so declines a promotion, his name shall be removed from the recommended list. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit until unless upon his promotion he fills a vacancy in that unit. An officer of a unit of the Army Reserve organized to serve as a unit may decline a promotion under this section if the Secretary of the Army, or an officer designated by him, approves that action as being in the best interest of the Army. If an officer of a unit of the Army Reserve so declines a promotion, his name shall be removed from the recommended list."

(16) Section 3383 is amended—

(A) by striking out the words "sections 3217 and 3219" in subsection (a) and inserting the words "section 3220" in place thereof;

(B) by inserting the following new sentence after the first sentence of subsection (b): "Whenever the Secretary determines that a vacancy in a reserve grade below colonel is one that may be filled by an officer of the Women's Army Corps, officers of that branch are eligible for consideration even though the vacancy is not allocated to that branch."; and

(C) by adding the following new subsection at the end thereof:

"(e) After July 1, 1964, no promotion may be made under this section, if that promotion would result in an excess over any grade strength authorized by section 3219 of this title."

(17) Subsections (a) and (b) of section 3389 are each amended by striking out the words "and not above colonel".

(18) Section 3391 is amended to read as follows:

"§ 3391. Commissioned officers: officers of Army Nurse Corps, Army Medical Specialist Corps, and Women's Army Corps not to be promoted above certain grades

"A reserve officer of the Army Nurse Corps or the Army Medical Specialist Corps may not be promoted to a reserve grade above colonel. A reserve officer of the Women's Army Corps may not be promoted to a reserve grade above lieutenant colonel."

(19) The analysis of chapter 337 is amended by striking out the following items:

"3364. Commissioned officers: selection for promotion; order of promotion; zone of consideration list; officers not asigned to units.

"3366. Commissioned officers: promotion of first lieutenants, captains, and majors not assigned to units; mandatory consideration.

"3367. Commissioned officers: promotion of first lieutenants, captains, and majors not assigned to units to fill vacancies.

* * * * *

"3370. Commissioned officers: officers not assigned to units; promotion to field grade in certain cases."

and inserting the following items in place thereof:

"3364. Commissioned officers: selection for promotion; order of promotion; zone of consideration list; declination of promotion.

"3366. Commissioned officers: promotion of first lieutenants, captains, and majors; mandatory consideration.

"3367. Commissioned officers: promotion of first lieutenants, captains, and majors to fill vacancies.

* * * * *

"3370. Commissioned officers: promotion to field grade in certain cases."

(20) Section 3494 is amended by adding the following new sentence at the end thereof: "However, a reserve commissioned officer who is selected for participation in a program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his reserve grade, without affecting his reserve grade."

(21) Section 3571(a)(3) is amended to read as follows:

"(3) for a reserve officer, precedes his date of entry on active duty by a period computed by adding—

"(A) the years of service after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that are credited to him under section 1332(a)(2) of this title:

"(B) the days and months of any part of the year preceding his date of entry on active duty, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A), if, under regulations to be prescribed by the Secretary of the Army, his service during that part of a year was satisfactory;

"(C) the periods of active service while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A) or (B);

"(D) the periods of service, while in his current reserve grade or in any higher reserve grade, that he has performed under sections 502, 503, 504, or 505 of title 32, and that are not credited to him under clause (A) or (B); and

"(E) one day for each point for drill or equivalent instruction after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that is credited to him under section 1332(a)(2)(B) of this title and are not credited to him under clause (A) or (B)."

(22) Sections 3841 and 3842 are repealed.

(23) Section 3843(b) is amended by striking out the words "in an active status in a reserve grade below brigadier general" and inserting the words "in a reserve grade below brigadier general who is not a member of the Retired Reserve" in place thereof.

(24) Section 3844 is amended—

(A) by striking out the words "in an active status in the reserve grade of major general and each officer in an active status in the reserve grade of brigadier general" and inserting the words "in the reserve grade of major general who is not a member of the Retired Reserve, and each officer in the reserve grade of brigadier general who is not a member of the Retired Reserve and" in place thereof; and

(B) by inserting a comma before the word "shall".

(25) Section 3847 is amended to read as follows:

"§ 3847. Twenty-five years: officers below lieutenant colonel; Army Nurse Corps, Army Medical Specialist Corps, and Women's Army Corps

"After July 1, 1960, each officer in a reserve grade below lieutenant colonel who is assigned to the Army Nurse Corps, the Army Medical Specialist Corps, or the Women's Army Corps, and who has not been recommended for promotion to the reserve grade of lieutenant colonel or has not remained in an active status since such a recommendation, shall, 30 days after he completes 25 years of service computed under section 3853 of this title—

"(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment."

(26) Section 3848 is amended—

(A) by amending subsection (a) to read as follows:

"(a) After July 1, 1960, except as provided in section 3847 of this title, each officer in the reserve grade of first lieutenant, captain, major, or lieutenant colonel who is not a member of the Retired Reserve, and each officer in the reserve grade of major who is assigned to the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps, who has been recommended for promotion to the reserve grade of lieutenant colonel who is not a member of the Retired Reserve, and who has remained in an active status since that recommendation, shall, 30 days after he completes 28 years of service computed under section 3853 of this title—

"(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment."; and

(B) by adding the following new subsection at the end thereof:

"(d) Notwithstanding subsection (a), an officer who is assigned to the Army Nurse Corps, the Army Medical Specialist Corps, or the Women's Army Corps, and who would otherwise be removed from an active status under subsection (a), may, in the discretion of the Secretary of the Army, be retained in an active status, but not later than 30 days after he completes 30 years of service computed under section 3853 of this title."

(27) Section 3849 is repealed.

(28) Section 3851(a) is amended by striking out the words "in an active status in the reserve grade of colonel or brigadier general" and inserting the words "in the reserve grade of colonel or brigadier general who is not a member of the Retired Reserve or the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" in place thereof.

(29) Section 3852 is amended by striking out the words "in an active status in the reserve grade of major general" and inserting the words "in the reserve grade of major general who is not a member of the Retired Reserve or the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" in place thereof.

(30) Section 3853(1)(B) is amended to read as follows:

"(B) his years of service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States, and".

(31) Chapter 363 is amended by adding the following new section at the end thereof:

"§ 3855. Retention in active status of certain officers until age 60

"Notwithstanding any other section of this chapter except section 3846, the Secretary of the Army may, with the officer's consent, retain in an active status any reserve officer in the Medical Corps, Dental Corps, the Chaplains, the Army Nurse Corps, or the Army Medical Specialist Corps, but not later than the date on which he becomes 60 years of age."

(32) The analysis of chapter 363 is amended by striking out the following items:

"3841. Age 50: Army Nurse Corps or Army Medical Specialist Corps; reserve officers below major.

"3842. Age 55: Army Nurse Corps or Army Medical Specialist Corps; reserve officers above captain.

* * * * *

"3847. Twenty-five years: Women's Army Corps majors.

* * * * *

"3849. Twenty-eight years: Women's Army Corps lieutenant colonels."

and inserting the following item in place thereof:

"3847. Twenty-five years: officers below lieutenant colonel; Army Nurse Corps, Army Medical Specialist Crops, and Women's Army Corps.";

and adding the following item at the end thereof:

"3855. Retention in active status of certain officers until age 60."

(33) Section 5414 is amended by striking out the word "permanent" wherever it appears therein.

(34) Section 5414(b) is amended by striking out the figure "29,500" and inserting the figure "24,500" in place thereof.

(35) Section 5457 is amended by striking out the word "permanent" wherever it appears in subsection (a) or (b).

(36) Section 5457(b) is amended by inserting the word "authorized" before the words "number of such officers".

(37) Section 5458 is amended by striking out the word "permanent" wherever it appears in subsection (a) or (b).

(38) Section 5458(a) is amended by striking out the figure "5" and inserting the figure "10" in place thereof.

(39) Section 5458(b) is amended by inserting the word "authorized" before the words "number of such officers".

(40) Section 5505 is amended by adding the following new subsection at the end thereof:

"(d) Any officer of the Naval Reserve or Marine Corps Reserve who is selected for participation in a personnel procurement program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his permanent or temporary grade, without affecting his permanent or temporary grade."

(41) Section 5600(a) is amended by striking out the words "who is not already an officer in an armed force in a permanent grade above chief warrant officer, W–4," and by adding the following new sentence at the end thereof: "The Secretary shall report to the Committees on Armed Services of the Senate and House of Representatives by March 1 of each year on the number, categories, and grades of reserve officers (other than in the Medical Corps or Dental Corps) originally appointed in the reserve grade of lieutenant in the Naval Reserve, or captain in the Marine Corps Reserve, or above during the preceding calendar year."

(42) Section 5899 is amended—

(A) by adding the following new sentence at the end of subsection (a): "However, until July 1, 1961, an officer in the grade of captain is eligible for consideration for promotion when his running mate is eligible for consideration for promotion."; and

(B) by adding the following new subsection at the end thereof:

"(h) Notwithstanding any other provision of this title, a reserve commissioned officer in a permanent grade above chief warrant officer, W–4, who has been in an inactive status may not be considered for promotion until at least one year after the date he is returned to an active status."

(43) Section 5902 is amended by adding the following new subsection at the end thereof:

"(e) The promtion of an officer of the Naval Reserve or the Marine Corps Reserve who is under investigation or against whom proceedings of a court-martial or a board of officers are pending may be delayed by the Secretary of the Navy until the investigation or proceedings are completed. However, the promotion of an officer may not be delayed under this subsection for more than one year after the date he is selected for promotion unless the Secretary determines that a further delay is necessary in the public interest."

(44) Section 5907 is amended by adding the following new sentence at the end thereof: "However, if an officer has not established his professional and moral qualifications, as prescribed by the Secretary of the Navy under section 5867 of this title, within one year after the date on which the President approved the report of the selection board that recommended him for promotion, he is entitled to the pay and allowances of the grade to which promoted only from the date he is appointed in that grade."

(45) The last sentence of section 5911 is amended by striking out the word "may" and inserting the word "shall" in place thereof.

(46) Section 6389(c) is amended by adding the following at the end thereof:

"Notwithstanding the first sentence of this subsection, the Secretary may defer the retirement or discharge of such number of officers serving in the grade of lieutenant commander as are necessary to maintain the authorized officer strength of the Ready Reserve, but the duration of such deferment for any individual officer may not be in excess of five years. Notwithstanding the first two sentences of this subsection, the Secretary may defer the retirement or discharge under this subsection of an officer serving in the permanent grade of lieutenant commander or above in the Naval Reserve or in the permanent grade of major or above in the Marine Corps Reserve for a period of time which does not exceed the amount of service in an active status which was credited to the officer at the time of his original appointment or thereafter under any provision of law, if the officer can complete at least 20 years of service as computed under section 1332 of this title during the period of such deferment. Notwithstanding the first two sentences of this subsection, the Secretary may defer the retirement or discharge under this subsection of such number of officers serving in the permanent grade of captain or commander in the Medical Corps, Chaplain Corps, or Dental Corps in the Naval Reserve as are necessary to provide for mobilization requirements."

(47) Section 6391(a) is amended by inserting the words "or on the inactive status list" after the words "active status".

(48) Section 8212 is amended—

(A) by striking out the figures "8375, 8376," and inserting the words "8370 (a) or (c), 8372(b) (except for the grade of colonel), 8374 (except for the grade of colonel), 8375, 8376 (except for general officer grades)," in place thereof;

(B) by inserting the words "to the extent necessary to allow the appointment of reserve officers, in grades not above lieutenant colonel, to fill prescribed mobilization or active duty requirements" before the period at the end of the first sentence; and

(C) by inserting the words "or not to fill one of those requirements" after the word "sections" in the last sentence.

The amendments made by this clause are effective only until July 1, 1964.

(49) Section 8353 is amended—

(A) by striking out the words "and is not already a commissioned officer of an armed force" in subsection (a); and

(B) by adding the following new subsection at the end thereof:

"(d) The Secretary shall report to the Committees on Armed Services of the Senate and House of Representatives by March 1 of each year on the number, categories, and grades of the reserve officers (other than medical or dental officers) originally appointed in the reserve grade of captain or above during the preceding calendar year."

(50) Section 8361 is amended—

(A) by inserting the word "reserve" before the word "grade" wherever it occurs in subsection (a); and

(B) by adding the following new sentence at the end of the subsection (e): "Notwithstanding any other provision of this title, such a reserve commissioned officer may not be considered for promotion until at least one year after the date on which he is returned to an active status."

(51) Section 8362(e) is amended by adding the following new sentence at the end thereof:

"Notwithstanding any other provision of law, a board that is to recommend officers for promotion whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified."

(52) Section 8363 is amended—

(A) by striking out the figure "8372" in subsection (c) and inserting the figures "8366, 8372, or 8373" in place thereof;

(B) by striking out the words "8379, or 8380 of this title or subsection (f)" in subsection (e) and inserting the words "or 8379 of this title or subsection (f) or (g)" in place thereof; and

(C) by adding the following new subsection at the end thereof:

"(g) The promotion of a reserve commissioned officer who is under investigation or against whom proceedings of a court-martial or a board of officers are pending may be delayed until the investigation or proceedings are completed. However, a promotion may not be delayed under this subsection for more than one year after the date he is selected for promotion unless the Secretary of the Air Force detemines that a further delay is necessary in the public interest."

(53) Section 8366 is amended—

(A) by amending subsection (e)(2) to read as follows:

"(2) all service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States; and" ; and

(B) by amending subsection (f) to read as follows:

"(f) This section does not apply to the promotion to a grade above major of any Air Force nurse or medical specialist or any female reserve officer who is not designated under section 8067(a)–(d) or (g)–(i) of this title or appointed in the Air Force with a view to designation under that section."

(54) The last sentence of section 8367(c) is amended to read as follows: "However, the number recommended by the selection board must be at least 80 percent of those listed for consideration for the first time."

(55) Section 8368 is amended—

(A) by amending subsection (a) to read as follows:

"(a) In this chapter, 'deferred officer' means any of the following officers who has been considered, for the first time under this chapter, by a selection board for promotion to the next grade higher than his current Reserve grade but not recommended for that promotion, who has been examined for the first time for Federal recognition in the next grade higher than his cur-

rent reserve grade, but found not qualified for that recognition, or who has been recommended or found qualified and declined that promotion:

"(1) An officer in the reserve grade of first lieutenant or captain.

"(2) An officer in the reserve grade of major, other than an Air Force nurse or medical specialist or a female officer who is not designated under section 8067(a)–(d) or (g)–(l) of this title or appointed in the Air Force with a view to designation under that section.";

(B) by inserting the words ", or is recommended and declines the promotion" after the words "not recommended for promotion" in subsection (f); and

(C) by inserting the words ", or is recommended or found qualified and declines the promotion" after the words "found qualified for Federal recognition" in subsection (g).

(56) Section 8370 is amended—

(A) by striking out the word "captain" in subsection (b) and inserting the word "major" in place thereof; and

(B) by amending subsection (c) to read as follows:

"(c) A reserve officer who is designated as an Air Force nurse or medical specialist may be promoted to a reserve grade above major only to fill a vacancy in the number authorized by the Secretary for that category."

(57) Section 8372(b) is amended to read as follows:

"(b) Whenever the Secretary considers that the number of officers in the reserve grade of captain, major, lieutenant colonel, or colonel in—

"(1) any unit of the Air Force Reserve that is in the Ready Reserve and is not on active duty or is on active duty for training; or

"(2) the Air Force Reserve, in positions to be filled by officers with a mobilization assignment in the Ready Reserve;

is or may become unbalanced, he may direct that a number specified by him be selected from officers of the Air Force Reserve who are in the Ready Reserve, who are not on active duty or are on active duty for training, but who are determined to be specially qualified for, and available to fill, those vacancies. Selection for promotion under this subsection shall be made under the procedures prescribed in the first two sentences of section 8367(c) of this title, but no officer may be selected for promotion under this subsection unless he is fully qualified for promotion to the grade concerned."

(58) Section 8373 is amended to read as follows:

"§ 8373. Commissioned officers: Air Force Reserve; promotion to brigadier general and major general

"(a) Officers of the Air Force Reserve may be promoted to the reserve grades of brigadier general and major general to fill vacancies in those grades.

"(b) The Secretary of the Air Force may furnish the name of an officer of the Air Force Reserve who is assigned to the duties of a general officer of the next higher reserve grade, and who meets standards to be prescribed by the Secretary, to a selection board for consideration for promotion to that grade. In addition, the Secretary may furnish to the board for consideration for promotion to that grade the names of such additional officers of the Air Force Reserve in the reserve grade of colonel or brigadier general, as the case may be, who are assigned to the duties of a general officer of the next higher reserve grade, as he determines to be available and who meet standards prescribed by him.

"(c) Of those officers considered under subsection (b), the selection board shall recommend the best qualified of those whom it determines to meet the standards prescribed by the Secretary and to be fully qualified for promotion.

"(d) This section is not effective after June 30, 1964."

(59) Section 8375(a) is amended by striking out the words "to fill a vacancy" and inserting the words "under section 8373 or 8376 of this title" in place thereof.

(60) Section 8376 is amended—

(A) by striking out the words ", and who was promoted to that temporary grade under a general selection board procedure," in subsection (a);

(B) by amending the first two sentences of subsection (c) to read as follows: "A reserve officer who is serving on active duty (other than for training) in a temporary grade that is higher than his reserve grade retains that temporary grade if he is released from active duty before completing the amount of service prescribed in section 8363 (a) of this title or before applying for promotion under subsection (a). When he completes that amount of service and applies, or if, having completed that amount of service before being released from active duty, he applies, an officer covered by this subsection shall be promoted to the next higher reserve grade, without regard to vacancies.";

(C) by adding the following new sentence at the end of subsection (c): "This subsection does not apply to promotion to the reserve grade of brigadier general or major general."; and

(D) by adding the following new subsection at the end thereof:

"(d) An officer who is released from active duty after being promoted to a reserve general officer grade under this section becomes subject to section 8375 of this title."

(61) Section 8377(b) is amended by striking out the words ", except as provided in sections 1005 and 1006 of this title, be transferred to the Retired Reserve, if he is qualified and applies therefor, or be discharged from his reserve appointment" and inserting the words "be treated in the manner provided for deferred officers in section 8846 of this title" in place thereof.

(62) Section 8380 is amended—

(A) by striking out the words "Except as provided in subsection (c), a" in subsection (b) and inserting the word "A" in place thereof;

(B) by striking out the last sentence of subsection (b) and inserting the following in place thereof: "If he has completed the period of active duty (other than for training) that he is required by law or regulation to perform as a member of a Reserve component and declines the temporary appointment, he shall be released from active duty. If he has not completed that period of active duty, he shall be retained on active duty in the grade in which he was serving before the promotion and may not be released from active duty on his application until he completes the period of active duty he is so required by law or regulation to perform"; and

(C) by repealing subsection (c).

(63) Section 8494 is amended by adding the following new sentence at the end thereof: "However, a Reserve commissioned officer who is selected for participation in a program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his Reserve grade, without affecting his reserve grade."

(64) Section 8571(a)(3) is amended to read as follows:

"(3) for a reserve officer, precedes his date of entry on active duty by a period computed by adding—

"(A) the years of service after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that are credited to him under section 1332(a)(2) of this title;

"(B) the days and months of any part of the year preceding his date of entry on active duty, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A), if under regulations to be prescribed by the Secretary of the Air Force, his service during that part of a year was satisfactory;

"(C) the periods of active service, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A) or (B);

"(D) the periods of service, while in his current reserve grade or in any higher reserve grade, that he has performed under section 502, 503, 504, or 505 of title 32, and that are not credited to him under clause (A) or (B); and

"(E) one day for each point for drill or equivalent instruction after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that is credited to him under section 1332(a)(2)(B) of this title and not credited to him under clause (A) or (B)."

(65) Section 8819(b) is amended to read as follows:

"(b) Except as provided by section 1005 of this title, each second lieutenant of the Air National Guard of the United States who completes three years of service, computed under section 8360(e) of this title, in that grade shall be discharged from his reserve appointment if he is found to be not qualified for promotion, unless before he completes that service he is appointed in the grade of first lieutenant by the governor or other appropriate authority of the jurisdiction concerned."

(66) Sections 8841 and 8842 are repealed.

(67) Section 8843 is amended—

(A) by amending the catchline to read as follows:

"§ 8843. Age 60: reserve officers below major general, except those covered by section 8845 of this title"; and

(B) by inserting the words ", except an officer coverd by section 8845 of this title" after the words "major general".

(68) Section 8844 is amended—

(A) by amending the catchline to read as follows:

"§ 8844. Age 62: reserve major generals, except those covered by section 8845 of this title"; and

(B) by striking out the words "the Chief of the National Guard Bureau" and inserting the words "an officer covered by section 8845 of this title" in place thereof.

(69) Section 8845 is amended—

(A) by amending the catchline to read as follows:

"§ 8845. Age 64: Chief of National Guard Bureau; adjutants general"; and

(B) by inserting the words "or adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" after the words "National Guard Bureau".

(70) Section 8847 is amended to read as follows:

"§ 8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067 (a)–(d) or (g)–(l) of this title; Air Force nurses and medical specialists

"(a) After June 30, 1960, each female commissioned officer, and each Air Force nurse or medical specialist, who is in an active status in a reserve grade below lieutenant colonel, except an officer whose name is on a recommended list for promotion to that reserve grade, shall, 30 days after he completes 25 years of service computed under section 8853 of this title—

"(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.

"(b) This section does not apply to female commissioned officers who are designated under section 8067 (a)–(d) or (g)–(l) of this title."

(71) Section 8848 is amended to read as follows:

"§ 8848. Twenty-eight years: reserve first lieutenants, captains, majors, and lieutenant colonels

"(a) After June 30, 1960, each officer in an active status in the reserve grade of first lieutenant, captain, or major, except an officer covered by section 8847 of this title, and each officer in an active status in the reserve grade of lieutenant colonel who is not on a recommended list for promotion to the reserve grade of colonel, shall, 30 days after he completes 28 years of service computed under section 8853 of this title—

"(1) be transferred to the Retired Reserve if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.

"(b) Notwithstanding subsection (a), an Air Force nurse or medical specialist who is in the reserve grade of lieutenant colonel, or a female officer who is not designated under section 8067(a)–(d) or (g)–(l) of this title and who is in the reserve grade of lieutenant colonel, may, in the discretion of the Secretary of the Air Force, be retained in an active status if he would otherwise be removed from an active status under subsection (a). An officer may not be retained in an active status under this section later than 30 days after he completes 30 years of service computed under section 8853 of this title."

(72) Section 8849 is repealed.

(73) Section 8851(a) is amended by inserting the words "except for the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" after the words "After June 30, 1960,".

(74) Section 8852(a) is amended by inserting the words "except for the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" after the words, "After June 30, 1960,".

(75) Section 8853(2) is amended to read as follows:

"(2) all service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States; and".

(76) Chapter 863 is amended by adding the following new section at the end thereof:

"§ 8855. Retention in active status of certain officers until age 60

"Notwithstanding any other section of this chapter except section 8846, the Secretary of the Air Force may, with the officers' consent, retain in an active status any reserve officer of the Air Force who is designated as a medical officer, dental officer, chaplain, Air Force nurse, or Air Force medical specialist, but not later than the date upon which he becomes 60 years of age."

(77) The analysis of chapter 863 is amended by striking out the following items:

"8841. Age 50: female reserve nurses and medical specialists below major.

"8842. Age 55: female reserve nurses and medical specialists above captain.

"8843. Age 60: reserve officers below major general.

"8844. Age 62: reserve major generals, except Chief of National Guard Bureau.

"8845. Age 64: Chief of National Guard Bureau.

* * * * *

"8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067 of this title.

* * * * *

"8849. Twenty-eight years: female reserve lieutenant colonels, except those designated under section 8067 of this title."

and inserting the following items in place thereof:

"8843. Age 60: reserve officers below major general except those covered by section 8845 of this title.

"8844. Age 62: reserve major generals, except those covered by section 8845 of this title.

"8845. Age 64: Chief of National Guard Bureau; adjutants general.

* * * * *

"8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067(a)–(d) or (g)–(l) of this title; Air Force nurses and medical specialists.";

and adding the following new item at the end thereof:

"8855. Retention in active status of certain officers until age 60."

SEC. 2. Title 14, United States Code, is amended as follows:

(1) Section 772 is amended to read as follows:

"§ 772. Authorized number of officers

"(a) The authorized number of officers in the Coast Guard Reserve in active status is 5,000. The actual number of Reserve officers in active status at any time shall not exceed these authorized numbers unless the Secretary shall determine that a greater number is necessary for planned mobilization requirements, or unless such excess shall result directly from the operation of mandatory provisions of this or other laws.

"(b) The authorized number of officers of the Coast Guard Reserve in active status in each of the grades below the grade of rear admiral shall be a percentage of the total authorized number of such officers in active status below the grade of rear admiral, and shall be 1.5 percent in the grade of captain, 7.0 percent in the grade of commander, 22.0 percent in the grade of lieutenant commander, 37.0 percent in the grade of lieutenant, and 32.5 percent in the combined grades of lieutenant (junior grade) and ensign, except that when the actual number of Coast Guard Reserve officers in an active status in any grade is less than the number which is so authorized, the difference may be applied to increase the authorized number in any lower grade or grades. No Reserve officer shall be reduced in rank or grade solely because of a reduction in an authorized number provided in this subsection. The authorized number of Coast Guard Reserve officers in an active status in the grade of rear admiral shall be two.

"(c) The Secretary may determine the number of Reserve officers in each grade who may be promoted annually under the provisions of this subchapter. The number which shall be so determined for each grade shall be the number deemed to be necessary to provide equitable opportunity for promotion among succeeding groups of Reserve officers and an adequate continuing strength of Reserve officers in an active status, and shall not cause the number of Reserve officers in active status in any grade to exceed the number authorized in this section for that grade."

(2) Section 773 is amended by striking out the words "who holds no appointment as a commissioned officer of the Armed Forces".

(3) Chapter 21 is amended by inserting the following new section after section 787;

"§ 787a. Excessive number; elimination from active status to provide a flow of promotion

"(a) Notwithstanding any other provisions of this title, whenever the Secretary shall determine it to be necessary to provide a steady flow of promotions or that there is an excessive number of Reserve officers in an active status in any grade, he may convene a board which shall consider all such Reserve officers of that grade in an active status not on active duty. The Secretary shall direct the board to select and recommend by name a specified number of such officers for retention in an active status.

"(b) The Secretary may in the case of an officer not recommended for retention in an active status under subsection (a) of this section—

"(1) Transfer the officer to the Retired Reserve if he is qualified and applies for transfer;

"(2) Transfer the officer to the Inactive Status List, if qualified; or

"(3) Discharge the officer."

(4) The analysis of chapter 21 is amended by inserting the following new item between items 787 and 788:

"787a. Excessive number; elimination from active status to provide a flow of promotion."

SEC. 3. Section 20 of the Act of September 2, 1958, Public Law 85–861 (72 Stat. 1559), is repealed.

SEC. 4. Section 22 of the Act of September 2, 1958, Public Law 85–861 (72 Stat. 1560), is amended by striking out the words "and who was not a commissioned officer of an armed force" and inserting the words ", or who was transferred to a special branch of that corps in the lowest grade of that branch or corps" in place thereof.

SEC. 5. Notwithstanding any other provision of law except section 1001 of title 10, United States Code, the discharge or transfer to the Retired Reserve (because of his length of service) of any reserve officer of the Army who—

(1) was originally appointed as a reserve officer before September 3, 1954;

(2) upon completing the number of years of service, computed under section 3853(2) of title 10, at which his discharge or transfer to the Retired Reserve would otherwise be required, has not, because of hardship or circumstances beyond his control, completed 20 years of service computed under section 1332 of title 10, but who could complete that amount of service before becoming 60 years of age; and

(3) has remained in an active status since September 3, 1954;

may be deferred until he completes that amount of service if he can complete it before he becomes 60 years of age.

SEC. 6. A reserve officer who is designated as an Air Force nurse or medical specialist, or a female reserve officer of the Air Force (other than an officer designated under section 8067 of title 10, United States Code), who, after June 30, 1955, and before the enactment of this Act, received a temporary appointment under section 8442 of that title, in a grade higher than his reserve grade may, if he applies within one year after the enactment of this Act, be promoted to a reserve grade equal to that temporary grade if he is otherwise eligible for promotion to that grade under section 8363(a) of that title.

SEC. 7. Section 29(a) of the Act of August 10, 1956, chapter 1041, as amended (5 U.S.C. 30r), is amended by striking out the words

"calendar year" wherever they appear therein and inserting the words "fiscal year" in place thereof.

SEC. 8. Effective August 10, 1956, section 501 of the Career Compensation Act of 1949, as amended (37 U.S.C. 301), is amended by inserting the words "Air Force Reserve," after the word "Naval Reserve," wherever they appear therein.

SEC. 9. Until July 1, 1964, the number of line officers in an active status in the Naval Reserve in the grade of commander may exceed the number authorized for that grade by section 5457(b) of title 10, United States Code.

Mrs. SMITH. Mr. President, the bill, H.R. 8186, is known as Omnibus Amendments to the Reserve Officer Personnel Act of 1954. Generally speaking, this bill will increase the promotion opportunity for Army and Air Force Reserve officers under certain circumstances and, at the same time, will permit certain officers an additional period of time in order to qualify for Reserve retirement, rather than being eliminated under the provisions of the 1954 act.

Mr. President, when the basic legislation was passed in 1954, it was known that further amendments would be required after the statute had been in operation for a few years. H.R. 8186 contains amendments to the 1954 act needed to meet certain changes which have occurred in the past few years in the Reserve structure.

Mr. President, this is a long and complicated bill containing well over 100 amendments to existing law. The bill was reported unanimously by the committee and, so far as I know, is noncontroversial. There is before each Member a detailed 160-page committee report on the matter. I have prepared a floor statement discussing the principal features of this legislation. Rather than unnecessarily delay the Senate, however, I ask unanimous consent to place my statement in the RECORD at this point in order for the Senate to proceed immediately with the consideration of the bill itself.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF MAINE ON H.R. 8186, AMENDING TITLES 10 AND 14, UNITED STATES CODE, WITH RESPECT TO RESERVE COMMISSIONED OFFICERS OF THE ARMED FORCES

Mr. President, I move that the Senate proceed to the immediate consideration of H.R. 8186. This measure is known as the Omnibus Amendments to the Reserve Officer Personnel Act of 1954. The basic legislation enacted in 1954 provided for the first time a detailed statutory system for the promotion and elimination of Reserve officers for all of the armed services. It was realized at that time that further amendments might be required after the statute had been in operation for a few years.

The pending bill, H.R. 8186, makes certain amendments in the 1954 legislation in view of certain changes that have occurred in the Reserve structure of the Armed Forces since 1954.

Generally speaking, the bill increases the promotion opportunity for Army and Air Force Reserve officers under certain circumstances, and at the same time, will permit certain officers an additional opportunity to qualify for retirement rather than being otherwise eliminated under certain provisions of the 1954 act. This bill is somewhat long and complicated, containing well over 100 amendments to existing law.

There is before each member of the Senate a detailed committee report containing an explanation of all the changes made in existing law. Mr. President, my statement will confine itself to the principal features of the bill.

(1) Increased promotion opportunity for certain officers.

The bill would permit unit Reserve officers of the Army and Air Force to be eligible for promotion in their own units, despite the fact that their promotions would result in an overage under the overall statutory ceilings for the various Reserve grades for each service. The authority to exceed the authorized ceilings would be limited to the grades of lieutenant colonel and below. Moreover, the authority to exceed the authorized percentages for this purpose would expire on July 1, 1964. This 4-year period will be sufficient for the Army and Air Force to meet their immediate problem and at the same time will provide the Congress with the opportunity to review this matter at a later time.

Mr. President, the need for this amendment granting additional promotional authority is due to the fact that in many Army and Air Force Reserve units, unit promotions in the middle Reserve grades; namely, major and lieutenant colonel, are frozen due to the fact that the services are over strength under their overall grade ceilings. As we all know, the Reserve units are a vital part of our Reserve structure, since they are the principal components of our Reserve combat structure. The bill makes it possible for a Reserve officer to be considered for promotion to the next higher grade if there is a vacancy within his own unit structure, despite the fact that his promotion would result in an excess under the total authorized grade structure for the entire service.

In addition, the bill provides that Army unit reserve officers will be eligible for promotion (1) under the so-called mandatory promotion system under which officers are considered for promotion to certain phase points in their career, based on time in grade and total years of service, and (2) also under the so-called overall vacancy system, under which officers may compete on a servicewide basis where there are vacancies in particular grades under the overall statutory grade structure. Under present law the mandatory and overall vacancy promotion systems apply only to nonunit officers. The change made by the bill will remove the distinction between unit and nonunit officers in this regard and also make the Army provisions generally parallel the Air Force provisions in this respect.

(2) Authority to make initial Reserve appointments in excess of the authorized grade ceilings.

The bill would permit the Army and Air Force to make initial Reserve appointments in excess of the authorized grade ceilings in order to meet active duty and mobilization requirements. This authority would expire on July 1, 1964, and is limited to the grades of lieutenant colonel and below. This authority is needed since no original appointments can be made at all in certain grades in the Army and Air Force due to overages under the authorized grade ceilings. There are certain specialized areas where individuals with special skills may be needed to meet a specific mobilization shortage.

The committee added language providing that the services, will submit an annual report regarding new Reserve appointments made in the grades of captain and above. It would be expected that this authority would be used where the skills of a particular individual are needed to meet a specific shortage. At the same time, the services should exercise great care in the use of this authority and avoid any appointments where the individuals might apply for the principal purpose of accruing later retirement benefits. A case in point might be where a regular officer has resigned from the service but desires to receive a Reserve commission for the principal purpose of becoming eligible for Reserve retirement benefits.

(3) Privilege of Army Reserve and National Guard unit officers to decline their promotions.

Under existing regulations an officer in an Army Reserve or Army National Guard unit cannot remain assigned to that unit unless he occupies a position authorized for his grade. The application of the mandatory and overall promotion systems to unit officers will cause many to be selected to grades for which there is no vacancy within the unit.

The bill provides that, upon approval by the Secretary of the Army, an Army Reserve unit officer may decline his promotion for a period up to 3 years. With respect to unit officers of the Army National Guard of the United States, it provides that upon approval of the Governor concerned an officer may decline his promotion for a period not to exceed 3 years.

The bill further provides that the Secretary of the Army in his discretion may extend the 3-year period of declination for Army National Guard officers who are members of the Alaskan Scouts or who are assigned to air defense missile sites.

Mr. President, I would also like to note a House provision that was deleted by the committee. This would have provided that unit officers of the Air National Guard and Air Reserve units who are promoted under the mandatory promotion system could remain in their unit despite the absence of a unit vacancy in the grade to which they were promoted. This would have applied to first lieutenants promoted to captain and certain captains promoted to major with professional qualifications. The committee deleted this provision, not because it was opposed to such a policy, but because the Air Force already has administrative authority to carry out such a policy. The committee has been advised by the Air Force that a directive has been issued authorizing what the provision would have permitted on a discretionary basis. The Air Force can and should make such administrative policies as are necessary to best serve the needs of its table of organization units in this regard.

(4) Elimination of Air Force "pusher" provision.

The bill eliminates an existing provision of the 1954 legislation, known as the "pusher" clause. This provision, applicable only to the Air Force Reserve, has caused thousands of Reserve officers to be placed in the promotion zone under the mandatory system in advance of the normal periods required for time in grade and years of service. This result has been caused by a seniority provision in the law which requires that, if an officer is considered who fully meets all the requirements, then all senior to him must also be considered even though they have not met all of the requirements of time in grade and years of service. The bill removes the seniority provision with the result that hereafter, under the mandatory system, officers will be considered only when they complete the full requirements based on both time in grade and total years of service.

(5) Changes in promotion and elimination provisions for nurses and medical specialists.

Mr. President, the bill revises the existing rules with respect to Reserve nurses and medical specialists in the Army and Air Force in order to parallel the provisions now applicable to Regular officers in these categories. In effect, there will be increased promotion opportunity for these officers both under the mandatory and overall vacancy systems. In addition, the permanent provisions of law on elimination from the

Active Reserve are revised in the bill. Present ages for elimination are 50 and 55, depending on the grade. Under the bill the age for elimination will be age 60 for all in this category. There is also a new provision which parallels the regular laws with respect to elimination based on total years of service.

(6) New promotion system for the ranks of Reserve general officer in the Air Force.

The bill provides a new statutory system for Reserve general officer promotions in the Air Force. The present system, which requires that all officers senior to the junior officer in the promotion zone be considered, is repealed. In lieu of this procedure, the bill provides that the Secretary of the Air Force can furnish names to the selection board of Air Force Reserve officers who are assigned the duties of a Reserve general officer and who otherwise meet standards prescribed by the Secretary. This legislation was proposed by the Department of the Air Force. The committee made one slight change in the language which made it clear that any person whose name was submitted by the Secretary to the board must, among other things, occupy the duties of a Reserve general officer of the next higher grade.

(7) Changes in Navy and Marine Corps promotion provisions.

Mr. President, the bill makes two major changes in the present provisions related to Reserve officer promotions in the Navy and Marine Corps. First, the authorized ceilings relating to total strength and grade percentages are made applicable to all Reserve grades whether permanent or temporary. The word "permanent" had been inserted for these various limitations when the Reserve law was codified 2 years ago. The bill deletes the word "permanent" with the result that the ceilings will be effective on all grades as they are under the Army and Air Force provisions. In all the services the ceilings can be exceeded by the Secretary concerned.

Second, the bill provides that the percentages on which promotions for the various grades are determined will be based on the total authorized figure for the Navy and Marine Corps, rather than the onboard or actual strength as present law requires. I might point out that the present Marine Corps promotion percentages are based upon the actual strength of about 22,500 officers. The total authorized strength for Marine Corps Reserve officers is 29,500. The committee, on the recommendation of the Commandant of the Marine Corps, adopted the figure of 24,500 as the total authorization and basis for determining promotion percentages for Marine Corps Reserve officers. The Marine Corps considers this figure, which is above current actual strength, to be ample for both promotion and mobilization requirements. Further, even under existing law, this total figure may be exceeded by the Secretary based on changes in mobilization requirements.

(8) Changes in active duty retirement law.

Mr. President, the committee adopted a provision, which was supported by the Department of Defense, which, in effect, provides that Reserve officers receiving retired pay under the 20-year active duty law will not be permitted to remain in the Active Reserve unless their services are found to be indispensable by the secretary concerned. Under existing law there is no positive requirement that an officer receiving retired pay under the active duty retirement laws be placed in the Retired Reserve. The committee observed during hearings instances where in addition to receiving retired pay officers were also receiving drill pay and training duty pay as a result of their activities in the Active Reserve, and in some cases were being compensated in a third manner from the Federal Government as a result of their work as civilian technicians in Reserve activities. This situation has occurred only in the Army, since Air Force requires retired reservists to consent to their being placed in the Retired Reserve in order to receive retired pay. Under the committee language it would be a rare instance where a retired reservist would be indispensable to the Ready Reserve. At the same time, even if found indispensable, there would be limitations placed on retired recomputation in a grade received while in the Active Reserve and on pay longevity.

(9) Other provisions discussed fully in committee report.

Mr. President, I believe the remaining provisions of this bill are discussed fully in the committee report, which is before each Member of the Senate.

I would like to refer to two matters not contained in the bill, but which merit separate discussion.

(10) No further extension of effective date for attritive provisions.

Mr. President, when the Reserve Officer Personnel Act passed in 1954 it contained certain provisions which parallel the provisions for regular officers relating to elimination from the Active Reserve based on total years of service. The 1954 act provided that the effective date of these provisions would be July 1, 1960. The purpose was to provide a transitional period for this phase of the basic law.

The House bill further extended the effective date of this provision from July 1, 1960, to January 1, 1962, for unit officers only, of the Army and Air Force.

The Department of Defense emphatically testified that no extension of this provision was necessary, but, on the contrary, said it was desirable to have the present law become operative July 1, 1960, as it was enacted in 1954. In addition, any extension would have been discriminatory against the nonunit officers who were not covered by the House provision. Under all the circumstances the committee was of the opinion that the transitional period of about 6 years was sufficient and that the date of July 1, 1960, should prevail.

(11) Needed study on retirement policy.

The committee observed during the hearings one aspect of the retirement laws which should receive serious study. Under the Reserve Officer Personnel Act Reserve officers in the Army and Air Force on extended active duty are not allowed to serve on active duty as a result of their permanent Reserve promotion under ROPA. They must also receive a temporary active duty promotion or be ordered to active duty in their Reserve grade.

At the same time the 20-year active duty retirement law would permit Reserve grades in the same manner as if the individual actually served on duty in that grade. There have been cases under the 20-year active duty retirement law where persons have retired in one, two, or in some cases three grades higher than the grade in which they served on active duty.

Mr. President, this matter, which is discussed in some detail in the committee report, raises a number of basic issues. Rather than take any action at this time, however, the committee is directing that the Department of Defense study all the ramifications of this matter and report to the committee on any possible legislative revision.

Mr. President, the bill in its present form was unanimously adopted by the committee. I urge the Senate to act favorably on this measure which is aimed at making the necessary revisions in the promotion and elimination provisions relating to Reserve officers.

Mrs. SMITH. Mr. President, I move that the committee amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mrs. SMITH. Mr. President, I ask unanimous consent that the clerk of the Senate be authorized to correct certain printing errors in H.R. 8186 as follows:

On page 46, between lines 3 and 4, insert the following: "(2) Chapter 11 is amended—"

On page 46, at the end of line 11, add a colon.

On page 62, line 20, strike out the word "until".

On page 72, line 2, after the word "above" insert a comma.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine? The Chair hears none, and it is so ordered.

Mrs. SMITH. Mr. President, I urge the Senate to act favorably on this measure in order to strengthen the laws on promotion and elimination for Reserve officers in our Armed Forces.

The PRESIDING OFFICER. The committee amendment in the nature of a substitute is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8186) was read the third time and passed.

Mrs. SMITH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. AIKEN. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. CASE of New Jersey. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF TITLE V, MERCHANT MARINE ACT, 1936, RELATING TO REMOVAL OF CERTAIN LIMITATIONS ON CONSTRUCTION DIFFERENTIAL SUBSIDY—CONFERENCE REPORT

Mr. PASTORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10644) to amend title V of the Merchant Marine Act, 1936, in order to remove certain limitations on the construction differential subsidy under such title. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 24, 1960, p. 14232, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PASTORE. Mr. President, as a thumbnail explanation, let me say that the House accepted the so-called Williams amendment as it was adopted by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

EXEMPTION FROM INCOME TAX FOR SUPPLEMENTAL UNEMPLOYMENT BENEFIT TRUSTS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1580, H.R. 8229, to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 8229) to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 8229) to amend the Internal Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts, which has been reported from the Committee on Finance, with amendments, on page 4, line 15, after the word "involuntary", to strike out "unemployment (whether or not temporary)" and insert "separation from the employment of the employer (whether or not such separation is temporary)"; in line 22, after the word "clause", to strike out "(i)." " and insert "(i).";; after line 22, to insert a new subsection, as follows:

"(E) Exemption shall not be denied under subsection (a) to any organization entitled to such exemption as an association described in paragraph (9) of this subsection merely because such organization provides for the payment of supplemental unemployment benefits (as defined in subparagraph (D)(i))."

On page 5, line 19, after the words "after", to strike out "September 4" and insert "December 31"; on page 7, line 18, after the word "before", to strike out "September 5, 1959" and insert "January 1, 1960"; in line 21, after the word "before", to strike out "September 5, 1959" and insert "January 1, 1960"; in line 23, after the word "before", to strike out "September 5, 1959" and insert "January 1, 1960"; on page 9, line 2, after "December 31,", to strike out "1958" and insert "1959"; and in line 5, after the word "after", to strike out "September 4" and insert "December 31".

Mr. BENNETT. Mr. President, the Senator from Utah finds himself in the dual position of acting minority leader and the only member of the Committee on Finance present in the Chamber. The other night the Senator from Utah was severely criticized for undertaking to speak for the Committee on Finance. In order to clear the record, I wish to say that the chairman of the Committee on Finance, who is otherwise engaged, handed to me the statement he would have made on the bill and asked me to make it on his behalf.

Mr. President, H.R. 8229 relates to the income tax exemption of certain supplemental unemployment benefit trusts.

Under present law as interpreted by the Internal Revenue Service, such a trust is exempt from income tax under section 501(c)(9) of the Code if no part of its net earnings inures to the benefit of any private shareholder or individual and 85 percent or more of its income consists of contributions from members or their employers. Because benefits paid by such trusts are lower in years of little unemployment, employer contributions are correspondingly reduced so that income from sources other than contributions tend to exceed the statutory limitation.

The income from the other sources, Mr. President, represents interest or dividends paid on the corpus of the trust rather than direct contributions. I am sure Senators will agree it would not be proper to deny to the corpus of the trust the opportunity to make use of such income as may be available to it by investment. When that income exceeds 15 percent of the total income, under the present law the trust loses its tax exemption.

In such a case the trust either loses its tax-exempt status or is compelled to dispose of a portion of its investments in order to keep its income within the prescribed limitation.

The purpose of H.R. 8229 is to insure that supplemental unemployment trusts do not lose their tax exemption merely because income from sources other than contributions exceed 15 percent of the trust's gross income. Supplemental unemployment benefit trusts pay benefits to cover members in case of involuntary separation from the employment of the employer—whether or not temporary—resulting directly from a reduction in force, the discontinuance of a plant or operation, or other similar condition. Such trusts qualifying for income tax exemption under the bill would be treated for income tax purposes in much the same way pension trusts are now treated. They would be subject to rules relating to nondiscrimination of benefits, and the prohibited transaction provisions and the unrelated business income and business lease rules of present law would be applicable.

The committee has amended the bill as passed by the House to insure that this new provision is not the exclusive rule with respect to income tax exemption of supplemental unemployment benefit trusts. Trusts which qualify for income tax exemption under section 501(c)(9) may continue to be exempt under that provision. Supplemental unemployment benefit trusts which do not meet the requirements of present law may seek exemption under the new category created by the bill. In addition, the committee has amended the definition of supplemental unemployment compensation benefits to assure that the term includes payments made to an employee although he accepts temporary or part-time employment during the period he is not on the employer's payroll. Finally, because of the passage of time, the effective date of the bill has been moved forward one year. As amended, it will apply to taxable years beginning after December 31, 1959.

The last amendment was made necessary by the passage of time between consideration by the House and consideration by the Senate.

Mr. President, I hope these very important amendments will be agreed to, to preserve the tax-exempt status of supplemental unemployment benefit trusts.

Mr. CASE of New Jersey. Mr. President, I offer an amendment to the bill.

The PRESIDING OFFICER. The Chair rules that first the committee amendments must be disposed of.

Does the Senator desire that the committee amendments be considered en bloc?

Mr. BENNETT. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

The question is on agreeing to the committee amendments, en bloc.

The committee amendments were agreed to en bloc.

Mr. CASE of New Jersey. Mr. President, I offer my amendment, "6-14-60—D" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. 7. (a) For any taxable year beginning before July 1, 1961, exemption shall not be denied under section 501(a) of the Internal Revenue Code of 1954, as an organization described in section 501(c)(3) of such Code, to any nurses registry organization or association described in subsection (b) of this section, solely on the ground that such organization or association limits its membership to individuals affiliated with a professional society, is principally supported by registration fees, or is controlled and operated by its registrant-members.

(b) Subsection (a) shall apply only to a nurses registry organization or association which is organized primarily to place nurses in positions and which—

(1) is not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual, and

(2) is supported principally by contributions by nurses who are registrants of the registry, by funds contributed by nurses' professional associations, by funds contributed by governmental units, by funds contributed by the public at large, or by any combination of the foregoing.

Mr. CASE of New Jersey. Mr. President, first I should like to say that I am thoroughly in accord with the purposes of the provisions of H.R. 8229, reported by the committee, and I intend to support it.

My amendment to that bill does not relate to its provisions but, rather, would add a new section to the bill, section 7, which would grant for any taxable year beginning before July 1, 1961, income tax exemption under section 501(c)(3) of the Internal Revenue Code to any nurses' registry organization or association. There are a number of such organizations in New Jersey and elsewhere. In fact, I am informed that throughout the country there are 172 professional nurses' registries, most of which are operated and organized on the same basis as the Camden Nurses' Registry, by districts of State professional nurses' associations.

For many years, under the 1954 Internal Revenue Code, these organizations have been treated as tax exempt. However, following an audit of the Camden Nurses' Registry, in November 1959, a recommendation was made that the tax exemption be denied, on the ground that the Camden association was primarily engaged in a regular business of the kind ordinarily carried on for profit, and was performing a particular service for individual persons, rather than working to improve business conditions of one or more lines of business.

That recommendation was reviewed by the Internal Revenue Service, and within recent weeks the Service denied, after review, this exemption.

I am not asking that this question be permanently settled. What I am asking is that nurses registries of the type that we have in Camden and in other places in New Jersey, as well as throughout the United States, be permitted to continue the exemption under section 501(c)(3) of the Internal Revenue Code for tax years beginning before July 1, 1961, in order that they may continue their operations as tax-exempt organizations, so that, if it is necessary to change the way in which they operate, they can do it without ceasing their service to the public while this effort to change is going on.

The main purpose of a nurses' registry association is to provide service to the public. This is emphasized over and over again not only by the nurses but by hospital associations and by many of my constituents, who have been in touch with me about this particular matter.

I ask unanimous consent to insert in the RECORD at this point a table showing the number of nurses' professional registries number of calls, by States and territories in 1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—*Number of nurses' professional registries, number of calls, by States and Territories, 1957*

State or Territory	Number of registries	Number of registries reporting	Number of calls [1]			State or Territory	Number of registries	Number of registries reporting	Number of calls [1]		
			Received	Filled	Unfilled and canceled				Received	Filled	Unfilled and canceled
Total	172	151	950,325	629,021	321,304	Mississippi	3	2	2,060	1,932	128
						Missouri	4	4	30,946	22,430	8,516
Alabama	3	3	14,006	9,874	4,132	Nebraska	3	3	6,445	4,866	1,579
Arizona	2	2	13,813	11,281	2,532	New Hampshire	1	1	774	599	175
Arkansas	2	2	7,620	5,772	1,848	New Jersey	5	3	11,218	8,245	2,973
California	18	18	98,490	75,287	23,203	New Mexico	1	1	3,500	2,927	573
Colorado	1	1	16,339	13,335	3,004	New York	11	8	86,945	42,624	44,321
Connecticut	1	1	13,128	9,770	3,358	North Carolina	9	9	27,440	20,065	7,375
Delaware	1	1	3,954	3,581	373	Ohio	9	8	61,567	34,172	27,395
District of Columbia	1	1	26,865	14,913	11,952	Oklahoma	3				
Florida	9	8	40,072	33,703	6,369	Oregon	1	1	9,045	6,555	2,490
Georgia	3	3	24,692	19,591	5,101	Pennsylvania	3	3	39,807	21,110	18,697
Hawaii	1	1	3,934	2,568	1,366	Rhode Island	1				
Illinois	2	2	36,412	16,380	20,032	South Carolina	2	2	9,662	8,376	1,286
Indiana	5	5	19,496	13,733	5,763	Tennessee	3	3	31,544	26,783	4,761
Iowa	7	6	9,427	6,550	2,877	Texas	13	10	69,775	50,708	19,067
Kansas	2	2	6,695	4,778	1,917	Utah	1	1	660	508	152
Louisiana	6	5	39,725	30,363	9,362	Vermont	1				
Maine	1	1	1,173	746	427	Virginia	6	5	13,100	8,678	4,422
Maryland	1	1	23,334	9,291	14,043	Washington	3	3	14,118	9,791	4,327
Massachusetts	5	5	80,238	41,378	38,860	West Virginia	3	3	6,121	4,672	1,449
Michigan	11	9	35,306	24,371	10,935	Wisconsin	1	1	5,390	3,850	1,540
Minnesota	2	2	4,817	2,378	2,439	Wyoming	1	1	672	487	185

[1] Includes incomplete reports from 1 registry each in Kansas, Louisiana, Michigan, Ohio, Texas, Utah, and Virginia.

Source: ANA, Research and Statistics Unit, 1958.

Mr. CASE of New Jersey. The table shows the kind of service that these registries are called upon to perform and do perform for the public. The point I wish to make in regard to this table particularly is the fact that these registries are called upon by hospitals, by individuals, and by doctors for far more nurses than they are able to supply. This is obviously a public service which is being rendered by these organizations.

My amendment, as I point out, does not seek a permanent solution of this problem, but merely an interim solution, by providing an exemption to these organizations for years beginning before July 1, 1961. They are, or course, organized not for profit, and no part of their earnings inures to any organization or any individual.

If these organizations were not limited in their membership to individuals affiliated with a professional society, and if they were not principally supported by registration fees, and were not controlled by the registrants, but were operated by an independent, outside board of directors, they would probably be considered tax exempt.

The point is that this is the way they are organized. To cut off their exemption would run the great risk of having the service rendered to the public as well as to the medical profession and hospitals of the country cut off while efforts were being made to readjust and reorganize the form of their organization and operation.

Since I am asking only for a temporary continuation of the exemption, I hope very much that the committee will find it possible to take the amendment to conference.

Mr. BYRD of Virginia. Mr. President, I should like to ask the Senator from New Jersey whether a report has been made on the bill. The committee considered it. We found that it would open up other fields for tax exemptions.

Mr. CASE of New Jersey. I do not know whether a report was made, but, as the chairman knows, I have a letter from the Director of the Tax Ruling Division of the Internal Revenue Service as to its position. As I said in my remarks earlier, the position of the Service is that such organizations are not to be treated as tax exempt. I am not aware whether a formal report on the bill, as such, was made. We are not asking for a permanent exemption. All we are asking is that the exemption be continued for 1 year.

Mr. BYRD of Virginia. I agree to take the amendment to conference.

Mr. CASE of New Jersey. I appreciate the Senator's acceptance of the amendment.

Mr. MORSE. Mr. President, the Oregon Nurses Association has notified me of its concern about the ruling made recently by the Internal Revenue Service, holding that their professional registry

is actually an employment agency and, therefore, may not be tax exempt, even though it is nonprofit.

The amendment proposed by the distinguished Senator from New Jersey [Mr. CASE] would continue the tax-exempt status of nurses' registries for 1 year, to give Congress a chance to consider the matter.

I ask unanimous consent to have printed at this point in the RECORD letters which I have received from representatives of the Oregon Nurses Association, because I think the Senate should know the effect of this ruling upon the nursing profession and the reason for the amendment.

I assure the Oregon Nurses Association that I am in full accord with the amendment, and I commend the Senator from New Jersey [Mr. CASE] for proposing it.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *June 20, 1960.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Oregon Nurses Association requests your support of H.R. 8229 regarding income tax exemption for private duty registries operated by District Nurses Associations. Letter follows.

BERTHA G. BYRNE,
Executive Secretary, Oregon Nurses Association.

OREGON NURSES ASSOCIATION, INC.,
Portland, Oreg., June 21, 1960.

The Honorable WAYNE MORSE,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: An amendment to H.R. 8229, which would continue the exemption from income tax for nurses professional registries, has been introduced by Senator CLIFFORD P. CASE, of New Jersey. We understand that the bill as amended may come up on the Senate Calendar any day.

The Oregon Nurses Association requests your support of the amendment. The nurses professional registry in Portland operated by District No. 1, ONA, is not only nonprofit, it is faced with serious financial difficulty. At the present time 160 private duty nurses, members of the Oregon Nurses Association, are enrolled on the registry. They pay $50 a year for a call service 7 days a week, 24 hours a day. The salaries of the personnel necessary to operate the registry are paid in large measure by the district which is financed solely through general membership dues. If this were not done the registry would be forced to discontinue operation.

A district operated professional registry has a responsibility to provide service not only to the nurses, but also to the community. It screens its applicants carefully to be sure they are competent to give safe nursing care of a high quality. Nurses are assigned to patients on the basis of their qualifications and special interests. A registry committee composed of private duty nurses, directors of nursing service and others evaluates the performance of each registrant and removes from the registry those deemed unable to give competent service.

The amount of income tax which would be collected would be so small that it would provide no source of revenue for the Treasury should the present ruling be reversed.

We will be very glad to supply you with additional data upon request.

Thank you for your past interest and assistance and your cooperation in considering this legislation.

Very sincerely yours,

JOHNNYE SCHICK.

DISTRICT NO. 1,
OREGON STATE NURSES ASSOCIATION,
Portland, Oreg., June 21, 1960.

The Honorable WAYNE MORSE,
Senate Building,
Washington, D.C.

DEAR SIR: We understand that there is a bill coming before the Senate which will affect the tax exempt status of nonprofit nurses professional registries.

We hope that you will not support this bill but do all in your power to preserve the tax exempt status of such nonprofit registries. Private duty nurses pay only such dues and fees necessary to maintain a central registry for the use of the public, doctors, and hospitals in securing qualified nurses. All nurses listed with the nurses professional registry in Portland have been thoroughly screened, thus protecting the public from the inadequately prepared and unethical.

We would be most appreciative of any help you may be able to give us in protecting this service to the public.

Respectfully yours,

LOLA M. KING, R.N.

Mr. MORSE. It is most gratifying to me that the Senator from Virginia [Mr. BYRD] is willing to have this amendment considered in conference with the House of Representatives.

In my judgment, there is no question that the nurses registry has always been considered as being in a tax-exempt status, and I believe the exemption ought to be continued, in spite of a recent ruling by the Internal Revenue Service.

I thank him for his cooperation, because I am perfectly willing to have the Senator from Virginia pass judgment on the merits of the amendment. I am satisfied that, once he studies the record of the nurses registry and its past history with respect to the exempt treatment it has received heretofore from the Internal Revenue Service, he will find great merit in the representations which were made by the nurses' organization in the material I placed in the RECORD earlier this afternoon.

When we consider the great humanitarian services which the nurses' associations render, I am moved to say that I do not think there should be any question that if we are to exempt from taxation any group because of its humanitarian services, on the usual basis of tax exemption to charitable and humanitarian organizations, the nurses registry is one of them.

I desire publicly to thank the Senator from Virginia for the excellent cooperation he has given to us. I am perfectly willing to rest my case with his judgment.

Mr. BYRD of Virginia. I thank the Senator from Oregon.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LIMITATION OF DEDUCTIONS OF EXPLORATION EXPENDITURES

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1178, H.R. 4251.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 4251) to amend the Internal Revenue Code of 1954 with respect to the limitations on the deduction of exploration expenditures.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ANDERSON. Mr. President, there ought to be two statements, at least, made on the bill, one by the Senator from Utah [Mr. BENNETT] and the other by the Senator from Tennessee [Mr. GORE].

If I may be permitted to do so, I should like to make an introductory statement, after which I would appreciate it if the Senator from Utah would be recognized, and then the Senator from Tennessee.

House bill 4251 relates to the limitation on deduction of exploration expenditures.

Under present law an annual exploration expenditure deduction of up to $100,000 is allowed for no more than 4 years. Exploration expenditure deductions may be taken for expenditures made in exploring for ore or mineral deposits—but not for oil or gas.

This exploration expenditure deduction was added by the Revenue Act of 1951. The Finance Committee report indicates that the limitation was provided because of the desire to provide a "special incentive for increased exploration for mineral deposits especially in the case of taxpayers with limited financial resources."

In actual operation, however, this provision has tended to discriminate against smaller producers. This results from the fact that although a taxpayer may claim deductions of up to $100,000 in any 1 year, he may not take such deductions for more than 4 years. Thus, a relatively large producer may obtain the full benefit of these deductions by claiming $100,000 in each of 4 years. However, a smaller producer whose annual exploration expenditures do not amount to as much as $100,000 will lose part of the benefit.

Your committee has approved the House bill without change. It removes the 4-year limitation, and provides an overall ceiling of $400,000 with an annual limitation on the deduction of $100,000. No taxpayer will be able to claim exploration expenditure deductions in excess of $100,000 for any year,

but if his exploration expenditures are less than $100,000 per year, he will be able to deduct them over a longer period than 4 years so long as his total exploration expenditure deductions do not exceed $400,000.

This bill applies to taxable years beginning after date of enactment.

Mr. BENNETT. Mr. President, the purpose of H.R. 4251 is to modify somewhat the present restrictions on the deductibility of exploration expenditures in the case of mines. Under section 615 of the Internal Revenue Code of 1954, a deduction of $100,000 or less per year is allowed to be made in any 4 years. H.R. 4251, as passed by the House of Representatives and reported favorably by the Finance Committee, would remove the 4-year limitation. In addition, it would impose a new limitation of $400,000 per taxpayer in total deductions regardless of the number of years involved and regardless of the number of mineral deposits owned by a taxpayer. The bill does not affect deductions with respect to oil and gas wells.

Prospecting today requires deep drilling and the use of expensive tools and processes. Surface prospecting by the lone oldtime prospector is a thing of the past. Prospecting expense is to the mineral industry what research is to other industries. The tax laws should encourage rather than discourage a systematic effort by mining enterprises to locate new mineral deposits which will prevent this Nation from becoming a "have-not" nation.

Research and experimental expenditures are now allowed to be deducted currently—section 174, Internal Revenue Code of 1954. Similar treatment is accorded to soil and water conservation expenditures—section 175. A full deduction is now allowed for development expenditures in the case of mines—section 616. The latter section was added by the Revenue Act of 1951 in recognition of the anomaly of treating development expenditures as chargeable to capital account whereas similar expenditures had always been regarded as deductible currently if the mine had passed into the production stage.

In 1951 the House Ways and Means Committee pointed out in its report on the Revenue Act of 1951 that it was possible for a mine to move back and forth between "development" and "production," with changes in the nature of its operations. The result in such a case would be that the same type of expenditures would be charged to capital account at one time and deductible during the year in which paid or incurred at another time—see House Report No. 586, page 30, 1951. The Finance Committee report on the same bill pointed out that the costs of shafts, tunnels, galleries, etc., which are necessary to make the ore or other mineral accessible, were required to be capitalized under the then existing law. In supporting the current deductibility of development expenditures, the Finance Committee said—Senate Report No. 781, page 44, 1951:

> It is believed that the expenditures for the development of a mine are essentially similar to those incurred after the production stage has been reached and, like those, should be treated as expenses relating to the production of the ore or minerals.
>
> The requirement that development expenditures must be capitalized presents a serious obstacle to expansion in the mining industry.

The same reasoning as to the lack of a real distinction between development and production expenses applies to the lack of a real distinction between exploration and development expenses. The distinction in the Internal Revenue Code is particularly unfortunate and unnecessary because in many instances the Internal Revenue Service itself is unable to tell definitely when exploration ends and development begins.

The minor relaxation of the rigid restrictions on deducting exploration expenditures which is contained in H.R. 4251 could result in only very small revenue losses. In the first place, the $400,000 overall limitation per taxpayer practically assures that many of the largest mining companies will get no additional deductions for exploration expenditures whatsoever. The removal of the four-year limitation will be particularly helpful to small taxpayers who now hesitate to take any deduction whatever for fear of using up any of the presently permitted 4 years. In addition to the $400,000 limitation, there is an important safeguard in section 614 of the present law assuring that exploration expenditures cannot be misused to increase otherwise allowable percentage depletion deductions.

Section 614, prior to the Technical Amendments Act of 1958—Act of September 2, 1958, section 37, 72 Stat. 1606—provided that the election to "aggregate," or combine, operating mineral interests had to be made for the taxable year of the first exploration expenditure. The amendment of section 614 contained in the 1958 act provided that, in the case of mines, the taxpayer may wait until the time of his first development expenditure before electing to aggregate operating mineral interests. The amendment provides, however, for a recomputation of tax for a prior taxable year or years as though the operating mineral interests had been aggregated at the time of the first exploration expenditure and for a recovery of any tax saving disclosed by such recomputation. It was intended that all items affecting such recomputation, such as exploration expenditures and ad valorem taxes previously deducted with respect to the separate mineral interests which were elected to be aggregated, should be taken into account—see House Report 2632, pages 28–29 1958.

Under the bill a taxpayer would be permitted to spend his money in orderly fashion, up to $400,000, rather than be forced to skip years in which the total exploration would be so low that he could not afford to give up the privilege in order to qualify. That would put a very heavy burden on the taxpayer and would make it difficult for him to plan an orderly exploration program.

I think H.R. 4251 represents a very wise change in the existing law, a change which will benefit only the small mines, or those who are exploring for small mines. I am certain that large mining companies have already used their benefits under the original bill, which allowed $100,000 for each 4 years. I hope the Senate will pass the bill without amendment.

Mr. McGEE. Mr. President, the need for this bill has been very well covered by my able colleagues. The effect of the old rule has been to penalize small outfits—the little guy—who could not afford to put $100,000 a year into exploration. This bill means that the small operator can enjoy the full allowance because it allows him to spread his exploration expenditure over several years. Subject only to the limitation that he can spend no more than $100,000 each year—a limitation which will certainly not embarrass most small outfits—this bill encourages exploration.

The mineral production of States like Wyoming is to a laudable extent still in the hands of the "little guy." Wyoming is far from most industrial markets and her costs of production are in many cases higher than those in other States.

This bill will release the best energies of free enterprise—the drive of small competitive enterprises to expand and explore. In these days when we are using our mineral resources at a dramatically increased rate, we need this drive to open up the undiscovered riches of States like Wyoming.

In the name of the small minerals producer who has always formed an integral and an important part of our western economy, I call for the passage of H.R. 4251.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. GORE. Mr. President, the bill which is now before the Senate would be regarded by almost any standard, as a minor bill. I suppose it would be proper to regard this one as a minor bill, even though the loss in revenue to the Treasury, according to the Treasury, would be substantial. It is the type of bill which is often passed on the unanimous-consent calendar.

Mr. President, I raise my voice against passage of the bill, because in my judgment it is inequitable and because it illustrates the fallacy of the practice into which the Senate has fallen—namely, time after time bringing to the floor of the Senate a tax bill for the relief of some persons—usually only a few—whereas the crying injustice of our society is tax inequity.

If the Congress would buckle down to the task of reforming our tax laws, in order to promote fairness, the public welfare would be much better served.

Today, once again, I am an advocate of the position of the Eisenhower administration. This would appear to some to be strange company for me. But for the past 3 weeks, both in the Senate Finance Committee and on the floor of the Senate, I have been supporting the position of the Eisenhower administration on a tax bill, although support for that position was either difficult to find within the President's own party or was nonexistent there.

I may add that I opposed this bill in the Senate Finance Committee; but no member of the President's party opposed it there.

The bill liberalizes somewhat a provision of existing law which was first enacted in 1951 and broadened further in 1954. The 1951 law provided that a mineowner could deduct for tax purposes, up to $75,000 per year for each of 4 years of his expenditures for exploration.

In 1954, this loophole was further broadened so as to allow mineowners to deduct up to $100,000 per year for each of four years for exploration expenditures.

Exploration expenditures, in order to be deductible, must be made to determine the presence, location, quantity or quality of any deposit of ore or other mineral, and they must be made prior to reaching the development stage in any given area or property. Without special legislation, of course, the ordinary way to handle such costs is to capitalize them. They are, quite properly, a part of the cost of acquiring a producing mine.

There is another provision of law whereby special treatment is accorded expenses incurred during the developmental stage. Then, after the production stage is reached, expenses are quite properly deducted as a current cost of production.

Now, the present bill moves one step further. The present bill would remove the 4-year limitation so that a mineowner could take up to $400,000 as a deduction, and spread this deduction over as many years as he might wish, although he still may not deduct more than $100,000 in any one year.

Mr. President, $100,000 a year may be peanuts to some Members of the Senate; but to the ordinary taxpayer who has his paycheck pinched by deductions every Friday night or Saturday afternoon, $100,000 must seem to be quite a considerable deduction; and the fathers and mothers who are hard pressed to make the budget ends meet, and who receive only $600 in U.S. income-tax exemption for each dependent child, must regard a $100,000 a year tax deduction as something much more than peanuts.

I hold in my hand a letter addressed to the Honorable HARRY F. BYRD, chairman of the Senate Finance Committee, signed by Jay W. Glasmann, assistant to the Secretary of the Treasury. The letter reads in part as follows:

> Under present tax law, mineral taxpayers may be entitled to expense all of their exploration costs for 4 years. In this sense, the miner who spends less than the $100,000 annual limit can expense proportionately more of his exploration costs than the large miner whose annual outlays exceed $100,000. The proposal, however, would provide further tax relief for those who have already enjoyed 4 years of expensing of exploration costs but who have not reached the maximum of $400,000. The revenue loss of this proposal would be substantial and the benefit would accrue largely to established miners who more or less routinely make outlays which may be classified as exploration expenditures. This would be contrary to the effect of Congress' original provision which chiefly confined relief to the new operator in the exploration stage and obtained the maximum benefits of new mine developments at minimum revenue costs.

I should like to repeat part of that statement, for the benefit of the assistant minority leader [Mr. KUCHEL], for I should like to have him hear what his administration says about this bill.

The PRESIDING OFFICER (Mr. MCGEE in the chair). The attention of the assistant minority leader is requested.

Mr. KUCHEL. It may or may not be granted, depending upon the substance.

Mr. GORE. That portion of the letter reads as follows:

> The revenue loss of this proposal would be substantial and the benefit would accrue largely to established miners who more or less routinely make outlays which may be classified as exploration expenditures.

Then I skip two paragraphs, and then read the last paragraph:

> For these reasons, the Department is opposed to the type of tax relief proposed by the bill.
>
> Sincerely yours,
>
> JAY W. GLASMANN,
> *Assistant to the Secretary.*

So, Mr. President, it is plain that the Eisenhower administration is opposed to this bill.

The bill is unsound. As the Assistant to the Secretary of the Treasury has pointed out, the bill proposes, and would provide, tax relief for only a few. I believe the bill is unjustified, and so does the Treasury, even for the few who would be benefited by it.

The proper handling of exploration or developmental costs is not a matter which can be considered in isolation. These items must be considered together with other allowances, such as depreciation and depletion allowances, which are available to owners of mining or oil and gas operations.

For example, when an exploration or developmental cost item is expensed, rather than capitalized, and percentage depletion is also available to the taxpayer as an alternative to cost depletion or some form of depreciation, a double deduction is, in reality, being given. In effect, then we are creating loopholes within loopholes, or a sort of double-double loophole. The doughnut of the tax base is thus whittled away by these ever-widening, free wheeling, concentric, centrifugal force loopholes.

There are at least two principles of taxation involved in allowances and deductions for exploration, developmental and intangible drilling costs, and depletion allowances. These two principles have become somewhat confused, and I think we must unscramble them and must view this particular segment of our tax structure a little more clearly.

One principle of taxation which has always been recognized since we have had a Federal income tax, is that the return of capital should not be taxed. An investor in any enterprise has always been entitled to a tax-free return of the capital he has invested in that enterprise.

Depreciation is an example. So is cost depletion. But percentage depletion, so-called, is not.

At the conclusion of my speech, I shall offer the following amendment, and I read it in order that the chairman of the committee and other Members of the Senate may be advised. This is the amendment. At the end of the bill insert the following new section:

> SEC. 3. (a) Section 613(a) of the Internal Revenue Code of 1954 is amended by inserting before the last sentence of such subsection the following:
>
> "In no case shall such allowance exceed, during any taxable year, the adjusted basis of such property, and in no case shall the cumulative allowance for depletion under this section exceed 1,000 percent of the adjusted basis of such property."
>
> (b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1960.

At this point, I should like to give a brief explanation of what this amendment proposes. The percentage depletion allowance in any year shall be limited to 100 percent of the cost of the property. Is that reasonable? Should one be allowed a percentage depletion allowance in any year in excess of the total cost of the property?

The amendment would also provide that the depletion allowance for any taxpayer with respect to a particular property should be limited to 1,000 percent of the cost, or 10 times the cost of the property. Would that appear reasonable? I hear no one saying it would be unreasonable. Would it appear unreasonable to allow a taxpayer to deduct 1,000 percent, or 10 times the cost of the property in 1 year? What good, reasonable means is there for preventing a percentage depletion allowance in 1 year of more than the cost of the property involved?

Those who argue that it must exceed that amount must then admit that there is no relationship between the size of the percentage depletion allowance and the cost of the resource or property involved.

Indeed, "percentage depletion" is a misleading phrase. It is a misnomer. Percentage depletion is a formula for reducing taxes—nothing more, nothing less.

Accordingly, we have various schedules for depreciation and cost depletion. On the sale or conversion of a property, cost is recovered before any tax is computed on the gain realized.

This principle has been grossly abused from time to time, but completely distorted in the mining and oil and gas industries, where high percentage depletion rates have been made available to the owners and operators of these industries without relationship to either the cost of the property or the exhaustion of the reserves.

Another principle which is generally recognized, although here there is some disagreement, is that a government may legitimately use tax policy as a means of promoting, or dampening down, various activities because of their economic, social, or other effects. Accordingly, we have from time to time, by means of tax incentives, encouraged activities which were deemed desirable or beneficial to the Nation as a whole. Under this principle, the Government has, especially in

times of emergency, provided for accelerated depreciation, higher depletion rates, and special deductions for exploration or emergency development.

In some cases these arrangements have served the national interest. However, a tax is not necessarily the best way to subsidize or increase a given activity. If we are, in fact, to grant a subsidy to the extractive industries, let us do it in a more forthright, equitable, and efficacious manner. Moreover, we might be more sure of obtaining the desired result. After all, a tax reduction does not help the small "wildcatter" or coal miner who is losing money. It saves no miner from bankruptcy. A tax deduction from taxable income does not help those without income. Only those who are in a profitable position really benefit from it.

Under the guise of increasing exploration for minerals, the Congress first gave a special deduction for exploration in 1951. This provision was added to the Revenue Act of 1951, when that bill was before the Senate Finance Committee. According to the committee report, this provision was added because of a desire to provide a "special incentive for increased exploration for mineral deposits * * * especially in the case of taxpayers with limited financial resources." With the Korean war then in progress, perhaps it was thought that such encouragement was needed as an emergency measure. That emergency has long since passed, but the measure is still with us. And now this bill would widen the loophole a little more.

I have noticed that taxes which were levied in the name of an emergency have a way of remaining with us long after the emergency has passed. Similarly, a tax favor granted in the name of an emergency has a way of hanging on and growing bigger and bigger after the emergency, for which the incentive was allegedly justified, has passed.

Of course, the ordinary way of handling development costs in any enterprise is, as I have said, to capitalize them. In this way they become part of the owner's capital investment, to be recovered by some reasonable sort of depreciation or depletion schedule, or to be deducted as a part of the overall cost of the property when it is sold or otherwise converted.

I think it might be helpful to review briefly exactly how our depletion and exploration tax practices have developed. The development of depletion laws and regulations is an interesting example of the foot-in-the-door type of loophole creating.

Depletion has been recognized in one form or another from the very beginning of our Federal income tax laws in 1913. The Revenue Act of 1913 provided for a "reasonable allowance for the exhaustion, wear, and tear of property arising out of its use or employment in the business"; that is, an allowance was to be made for the return, untaxed, of capital.

The Revenue Act of 1916 spelled out depletion allowance a little more definitely, and provided that—

> When the allowance authorized * * * shall equal the capital originally invested, or in case of purchase made prior to March first, nineteen hundred and thirteen, the fair market value as of that date, no further allowance shall be made.

In other words, depletion was allowed for the purpose of seeing to it that an owner of a mine or well recovered his investment tax free.

In 1918 a new idea was enacted into law, discovery depletion. In explaining this new idea on the floor of the Senate, former Senator Penrose, the ranking Republican member of the Finance Committee, stated that the committee had changed the language of the provisions of law dealing with depletion so as to provide "for a more liberal allowance than heretofore permitted in the case of newly discovered mines, or oil or gas wells, permitting the deduction to be based on the fair market value of property discovered instead of its cost."

Senators will note that value was substituted for cost. This represented an abandonment of the principle of recovery of the cost of investment.

The late Senator La Follette opposed the provision, stating that a depletion allowance might permit taxpayers to take depletion deductions far in excess of cost.

I shall today test the accuracy of Senator LaFollette's prediction. I shall offer the amendment, as I said, to limit the percentage depletion allowance in any one year to 100 percent of the cost and to a cumulative total of 1,000 percent with respect to a particular property for any one taxpayer.

Mr. DWORSHAK. Mr. President, will the Senator yield for a question?

Mr. GORE. I yield.

Mr. DWORSHAK. I regret that I have been attending a meeting of the Committee on Appropriations and have not heard all of the comments made by the Senator from Tennessee. The Senator is talking about depletion allowances. Does not the bill currently before the Senate deal only with exploration expenditures and not in any way with depletion allowances?

Mr. GORE. The bill deals with exploration allowances, but this cannot be treated in isolation, because the cost of exploration, though tax deductible, is subsequently a basis for further tax deduction, thus providing a double loophole. It has been my view that this matter could not and should not be treated in isolation, but should be regarded in its true light as a loophole within a loophole.

Mr. DWORSHAK. Does the Senator feel that a large amount of revenue or potential revenue is involved, and that to continue the policy of stimulating exploration for minerals, and the subsequent development of the deposits of minerals in this country, will cause a great loss of revenue to the Treasury?

Mr. GORE. I have been unable to obtain from the Treasury a precise estimate, but I shall read to the Senator from the letter which the Assistant to Secretary Anderson wrote to the chairman of the Committee on Finance. He said:

> The revenue loss of this proposal would be substantial.

I have heard it discussed in terms of tens of millions of dollars, but I am unable to give the Senator a precise estimate. In any event, the Treasury Department says the loss will be substantial. The view is further expressed that passage of the bill is unjustified and that it would provide tax relief for a special few. The Treasury Department opposes enactment of the measure.

I hope the Senator is prepared to support the administration in this regard.

Mr. DWORSHAK. Mr. President, will the Senator yield further?

Mr. GORE. I yield.

Mr. DWORSHAK. I should like to have the whole situation clarified. It is my understanding that this is not a question of a loss of revenue so much as it is a question of whether the Government should make some reasonable effort to stimulate exploration for and the production of mineral deposits in this country. Such a policy is followed by the Canadian Government.

I know the Senator from Tennessee is a student of history, and I am sure the Senator is well aware of the fact that during the past 20 years, since the beginning of World War II, our Government has expended probably more than a half billion dollars to stimulate and to encourage expanded production of minerals in South America, in Africa, and in many other areas of the globe, because it is recognized that the availability of strategic minerals is vital to our national preparedness.

Mr. GORE. Experts have estimated that to encourage exploration and development by this method would cost the Government $1 for every 75 cents worth of additional exploration. This is an inefficient, indirect, and uncertain method of providing an incentive.

I should like to read what the Treasury Department says in that regard:

> The revenue loss of this proposal would be subtsantial and the benefit would accrue largely to established miners who more or less routinely make outlays which may be classified as exploration expenditures.

Reading from an additional paragraph of the letter from the Assistant to the Secretary of the Treasury:

> The deduction of exploration costs in addition to percentage depletion has frequently been criticized by some tax experts as commonly permitting a double deduction, once when the costs are incurred and again through percentage depletion.

The Treasury does not say exactly, as the Senator will note, that that is true. Indeed, I am not sure it is exactly true, because percentage depletion is taken as a percentage of the value of the product sold and does not relate to the cost of the property.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. DWORSHAK. Do I correctly understand that the Senator from Tennessee is merely opposed to the revisions in the existing law as proposed by the bill, rather than engaged in an effort to terminate a program for exploration of minerals in this country which has been in effect for many years?

Mr. GORE. I am opposing the present bill, as is the administration. One reason why I oppose it is that it is not the most efficient or certain way to promote the national interests, whatever those national interests may be, by way of the objectives of specific exploration and development; and for another reason, namely, that the percentage depletion allowance, added to exploration deductions provides tax deductions far in excess of any yardstick of justice that I know of.

Mr. DWORSHAK. Mr. President, will the Senator yield for another question?

Mr. GORE. I yield.

Mr. DWORSHAK. Surely the Senator from Tennessee is not opposed to encouragement by various governmental agencies to industry to make continual exploration for mineral deposits in this country, so that we will not be dependent to a large extent upon procurement of strategic minerals from foreign sources.

Mr. GORE. To whatever extent our national interest is involved in that regard, I am not only willing for the Government to encourage such exploration and development, but I am even willing to be quite liberal about it. I object to giving a percentage depletion tax deduction based upon gross income, to one who may have discovered nothing except a means of tax avoidance.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. DWORSHAK. The Senator from Tennessee and the Senator from Idaho are both members of the Joint Committee on Atomic Energy. I am sure the Senator will recall that several years ago, when our Government found it essential to have available large supplies of uranium for atomic use in this country, many lucrative contracts were negotiated with producers of uranium in Canada, in Africa, and elsewhere, because only a few years ago we produced virtually no uranium in this country.

Subsequently, when the Government did encourage exploration for uranium in this country, it was discovered that we had many large deposits. Only within the past few weeks have we received testimony from the officials of the Atomic Energy Commission before one of the appropriation subcommittees that currently about 58 percent of the uranium being purchased by our Government is produced in this country, whereas only a few years ago virtually no uranium was domestically produced.

Mr. GORE. The able Senator notes that the exploration and development of uranium deposits was spurred far more by purchase contracts than by tax incentives. True, tax incentives apply, and they apply to an owner of a property now, though that owner may have had no part in the discovery and may not intend to make any further discovery.

I should be willing to lead over backward in the direction of liberality in encouraging and providing incentives for exploration and development of natural resources which our country needs. But somehow we have gotten completely away from that principle.

I shall offer an amendment in a few moments, which I hope the able Senator from Idaho will support, to limit the percentage depletion deduction from taxable income in any 1 year to 100 percent of the cost of the property, and limit it to 1,000 percent or 10 times the cost in the lifetime of any taxpayer with respect to a particular property.

Representative KITCHIN, chairman of the House Ways and Means Committee, opposed the 1918 changes in the law, stating that they were "relief provisions" and that he could not subscribe to them. He regarded them as "pieces of special favoritism."

It would appear from the Finance Committee report, although it is not specifically stated, that this change may have been on the theory that it would encourage exploration and discovery of new resources.

At this particular point in the legislative history of depletion, and associated deductions and allowances, the two principles of taxation to which I have alluded became somewhat fused. They have remained confused ever since, but the depletion allowances, so-called, have grown bigger and bigger. Discovery depletion allowed the return of capital untaxed, but in addition, it also gave an extra reward. Furthermore, since the two principles were incorporated into one tax deduction, the extra reward which theoretically encouraged "wildcatting" was available to those who operated only in proven fields and had no intention or desire to move into unexplored territory.

In 1926 a gross distortion was written into law. In the Revenue Act for that year, discovery depletion was changed to percentage depletion for oil and gas.

The conference report on the Revenue Act of 1926, in discussing this change for oil and gas, stated that the administration of the discovery depletion provision "has been very difficult" and that the change to percentage depletion was being made "in the interest of simplicity and certainty in administration."

Now, I realize that proper administration must be kept in mind when tax bills are drawn up. Indeed, if we eliminated all of the loopholes and reduced applicable rates, administration would certainly be improved. To violate a proper principle of taxation and introduce gross inequities into the tax structure in the name of ease of administration, however, is something else altogether. Ease of administration has been invoked many times to masquerade a tax favor.

At least some, however, recognized at the time just what this change was, in fact, to accomplish. Senator Couzens stated on the floor of the Senate that—

> Congress first intended to * * * allow the deduction to the little "wildcatter" * * *. That was the intent of Congress * * *. That idea has now been entirely abandoned, and this is so profitable and advantageous to the oil industry that it is proposed to extend it so that not only the little "wildcatter" but the whole industry will get the benefit.

Here, then, we see clearly the result of an attempt on the part of the Congress to incorporate two principles of taxation into one tax law. First, there is the attempt to provide for the return of capital tax free. Second, there is the attempt to supply an incentive for additional exploration and discovery, by means of tax concessions, in order to accomplish the social and economic goal of providing the country with an ample supply of oil and gas. The confusion thus introduced is still with us, and subsequent technological and tax developments have compounded the confusion, with wide flow of tax benefits but with only hit or miss promotion of national economic objectives or needs.

Of course, once oil and gas crossed over the Jordan into the promised land, other mineral, mining and extractive interests were not far behind.

To sum up the tax picture, then, oil and gas companies receive deductions for intangible drilling costs, while other mineral and mining interests receive special deductions for exploration and developmental costs. These costs, along with all others, are than recovered a second time by allowing all these operators to take percentage depletion.

They are not only recovered, but since the formula has no direct bearing to the cost or exhaustion of the property, they are recovered many times over.

The arguments in favor of this special treatment all boil down to one. It is necessary to spur new exploration. It is necessary as an inducement for high-risks operations. It is necessary if the economy is to have the advantages which accrue as a result of having an abundance of energy sources and minerals.

These arguments will not stand close scrutiny.

In the first place, despite the distortions which have been brought about by monopoly, oligopoly and arbitrary price fixing, our economy is still basically price regulated. If a commodity is in short supply and in strong demand, the price will go up. When that happens, wildcatting, exploration and development, as well as production from existing sources, and imports, will be increased. Prices do not necessarily come down when conditions are reversed, but that is a different subject altogether.

Granting tax concessions which give the most benefit to large, established producers does not bring about increased production.

Do we, in fact, now need increased production in this economic sector?

Coal production last year hit its lowest point since 1954. Total production of bituminous and anthracite amounted to 429.5 million tons. Reserves are plentiful and there is no evidence of the need for increased exploration.

Iron ore reserves amount to about 10 billion tons, with another 65 billion tons potentially available. We are now using about 110 million tons of iron ore annually. There is no indication from these figures that increased exploration is a pressing need.

The same picture prevails in oil and gas. Proved, recoverable reserves amounted to more at the end of 1959 than they did at the end of 1958. These proved, reserves of oil amounted to more than 38 billion barrels, while production last year was only about 2.8 billion barrels.

If we do, at some future date, need increased production, is a tax incentive, the advantages of which accrue mainly to the large and well established, the best way to influence that production?

We have had much testimony on this point over the years. I hope the next administration will support determined efforts to correct percentage depletion and related abuses.

In 1942, Secretary Morgenthau testified before the Senate Finance Committee on the subject of depletion and related items. He stated then that it was doubtful that percentage depletion encouraged "exploration and drilling for oil. There is grave doubt that it has substantial effect on oil discovery." So far as cost is concerned, Secretary Morgenthau went on to say:

> It would have cost the Federal Government about one-third as much to have paid all the cost of every wildcat well that was drilled in 1941 as to have allowed percentage depletion and the associated intangible drilling expenses.

I find it most distressing to hear so many of my colleagues, on both sides of the aisle, speak the old shibboleths about free enterprise when they want to justify a give-away by offering tax cuts to the large, well-entrenched and wealthy. It never seems to occur to some that there are ways to stimulate activity other than through tax cuts.

If additional exploration for oil and minerals is needed, for example, the Government, as the agent of the whole society, may follow any number of courses.

In 1942, when the Senate was considering an amendment to broaden percentage depletion, Senator La Follette said:

> In my opinion this percentage depletion is one of the worst features of the bill, and now it is being extended. We are vesting interests which will come back to plague us.

How right he was.

Senator Taft, during the same debate, stated that—

> The percentage depletion is to a large extent a gift. It is to a large extent a special privilege beyond what anyone else can get.

Let me give an example of the way these tax loopholes may be used:

Earlier this year the president of the Sunset International Petroleum Co. put out a publicity sheet for the press which explained in some detail how that company expected to realize a large profit during the next few years, tax free, and, furthermore, on a project wholly unrelated to oil production.

Here is the scheme. The company has purchased a large tract of land in San Diego. It plans to develop out of this land some 50,000 building lots. On this real estate venture the company expects to make a net profit by 1968 of $25 million. At the same time, the company could schedule its drilling operations so that the double deductions of intangible drilling costs and percentage depletion would offset the profit each year on the real estate venture.

This is a neat trick, and perhaps it can be accomplished. Most companies of this sort do not "wildcat." They drill in fields that are already proven. The number of dry holes can be very closely estimated.

I would like to hear a defense of this practice. Such a defense surely could not be made on grounds of equity. Such a defense could surely not be made on grounds of national economic necessity. Would anyone advance arguments on grounds of expediency?

Another abuse which is made possible by percentage depletion is the practice which has grown up of figuring the value of the product extracted after it has been processed or partially processed, and then applying the percentage factor to that value. The Senate acted on Monday to correct this abuse. I hope that provision will become law.

All of these, and many more, abuses could be corrected by eliminating percentage depletion altogether and returning to cost depletion.

Let me emphasize the ordinary treatment for tax purposes of these expenditures I am discussing. When one acquires a property in land which he desires to mine or drill, he then proceeds to explore or wildcat. These costs represent an addition to his capital investment. Ordinarily, the comparable costs in any other profit-making venture would be so handled. If one purchases real estate, erects a building, and purchases machinery for manufacturing purposes, all these costs become a part of his capital investment, to be recovered by depreciation or some other appropriate means.

In the case of mining or oil and gas extraction, costs of this type should be added to other capital investments, and the whole capital investment then recovered tax free by a proper schedule of cost depletion. When the cost is recovered, the tax deduction should cease. If incentives for exploration, discovery, and development beyond that are needed, there are proper and less expensive ways to provide them.

As the law now stands, when an owner recovers his exploration, development and intangible drilling costs, and then at the same time takes percentage depletion which is designed so as to allow quick recovery of his entire capital investment, plus more, that owner is in reality allowed a double deduction, and more.

Of course, even after he recovers all his costs percentage depletion continues, allowing recovery of costs many times over. This deduction, I believe, violates every rule of equity, accounting, and taxation.

The revenue loss involved as a result of the enactment of this bill is substantial. The principle involved, however, is even more important and in fact, the revenue now lost to the Government as a result of allowing companies to expense their exploration development and intangible drilling costs, plus percentage depletion, runs into the billions of dollars.

It was estimated in 1955 that exploration and development costs for the domestic producers of oil and gas alone exceeded $5 billion. This amounted to 76 percent of the net value of domestic oil and gas produced in that year. The Government is therefore losing billions of dollars in revenues through a system which is so inefficient and so wasteful that it takes a dollar of tax concession to buy about 75 cents worth of additional exploration.

There must be something wrong with a system such as this where, in the words of Secretary Morgenthau:

> It would have cost the Federal Government about one-third as much to have paid all the cost of every wildcat well that was drilled in 1941 as to have allowed percentage depletion and the associated intangible drilling expenses.

I send the amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

> SEC. 3. (a) Section 613(a) of the Internal Revenue Code of 1954 is amended by inserting before the last sentence of such subsection the following:
>
> "In no case shall such allowance exceed, during any taxable year, the adjusted basis of such property, and in no case shall the cumulative allowance for depletion under this section exceed 1,000 percent of the adjusted basis of such property."
>
> (6) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1960.

Mr. ANDERSON. Mr. President, I feel as I felt the other day when the Senator from Tennessee offered an amendment to another bill, which subsequently was adopted by the Senate. I agree with the Senator that this is a subject which should be considered very carefully by the committee. I would not in any way deprecate what the able Senator from Tennessee has pointed out. I only say to him that the present session of Congress is very close to the end. The pending bill was passed by the House. If it is amended in the Senate it would create difficulty in the House because of the time schedule, and I therefore hope the amendment will not be agreed to.

The pending legislation was considered very carefully by the Committee on Finance. While it was not unanimously favored, because the able Senator from Tennessee at all times expressed his opposition to it, I do believe that it ought to be dealt with on its merits, and the bill passed without amendment.

The whole problem of depletion allowance, the whole question of how much is to be charged off by prepay drilling expenses, will undoubtedly receive some consideration by the Committee on Finance.

The number of times these questions have risen this year would indicate the importance of carrying out such studies in the immediate future. Therefore I hope the amendment will not be agreed to.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield.

Mr. GORE. As the Senator knows, the subject matter of the amendment which the Senate adopted on Monday by an astonishing vote of 87 to 0, dealt with a subject matter which would properly have been an amendment to the pending bill, because the bill deals with all minerals. Since that amendment was adopted, it has not been my purpose to make a determined fight with respect to this bill. I have offered an amendment to limit percentage depletion. I wonder if the Senator does not believe that there should be some limit to the amount of taxes one can deduct when such deduction bears no relation to the cost of the property involved.

Mr. ANDERSON. Yes; I would have to say to the Senator that I do believe there should be some sort of ceiling to it. I only say to the Senator that most of the mining corporations have already had their $400,000 deduction. Anaconda Copper, Kennecott Copper, and other large corporations do not have to worry about the pending bill. They have had their $400,000 deduction. The bill relates largely to small groups.

I hope that the Senator and the Congress will decide that when this situation is changed, if it is to be changed, these groups should be given an opportunity to study the effect of the Senator's amendment.

I do not say the amendment is a bad amendment. I believe it ought to be studied, and I hope it will be studied. However, it would be unfortunate if we were to add it without giving the people we are seeking to benefit an opportunity to study it. The pending bill is primarily a bill for the benefit of small mining ventures, since the larger and well organized and well-financed companies have had their deductions, and it is only fair that these small groups have theirs. I, therefore, hope that the amendment will be defeated. I also hope that the Senator from Tennessee will pursue the purpose of the amendment before the Committee on Finance, in the next Congress, by the introduction of his own proposed legislation dealing with this problem.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. GORE. As I said in the beginning, the revenues involved in the bill are, by comparison with the revenues involved in other bills considered by the Senate, particularly appropriation bills, quite small.

Mr. ANDERSON. If the Senator will permit me to interrupt him at that point, I share the view of the Senator that if his amendment is adopted, the amount of money that would be recovered by that action would be small indeed, compared with the money that will be saved by the amendment he was successful in having adopted the other day. I suggest that he could afford to rest on the fine accomplishment of a day or two ago.

Mr. GORE. Mr. President, I appreciate the Senator's statement. What I have sought to do by offering the amendment is to illustrate once again, in an additional way, that this formula, generally referred to as percentage depletion, is nothing more nor less than a formula for tax reduction, and that the deduction allowed bears not relation to the cost of the property involved. The mine or the oil well may have cost $1,000, but the gross income may be many thousands of dollars. The percentage depletion formula is applied neither to the cost nor to the net income, but to the value of the resources sold from that property. Is that not correct?

Mr. ANDERSON. It relates to the amount of the ore or oil or gas or other mineral which is taken from the ground and hence depleted.

The Senator is quite right in saying that it bears no relationship to the cost of development. The Senator and I could discuss this question through the whole evening, because the matter of depletion allowance is a very interesting subject, and I think it is one which should be the occasion of a very substantial study by the Committee on Finance. I have already agreed with the Senator from Tennessee that that should be done.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. GORE. I am constrained to agree with the Senator that it not only needs study, but deserves careful study.

I have offered the amendment, as I offered an amendment on Monday night, for illustrative purposes, and by way of suggesting a new approach to some reasonable limitation on the amount of tax reduction to which a taxpayer shall be entitled by the formula called—or miscalled—percentage depletion.

Because I believe the pending amendment has served its purpose, I shall withdraw the amendment, but shall join with the junior Senator from New Mexico in the hope that early next year the Committee on Finance will gird itself with the determination to explore tax favoritism, a subject with which we cannot deal in the last week or 10 days of a congressional session. We should have been dealing with this subject about 3 months ago, when we were doing little or nothing.

Mr. ANDERSON. I thank the Senator from Tennessee for his willingness to withdraw the amendment. I certainly agree with his last statement. The Committee on Finance spent some days discussing the removal of tariffs on foreign-made materials when we might well have been studying this subject.

Mr. GORE. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

Mr. GORE. Mr. President, since the administration opposes the bill, I think it ought to be accorded the honor of a vote. Therefore, I move that the bill be recommitted.

Mr. ANDERSON. Mr. President, I do not wish to offend the able Senator from Tennessee. If he will not be personally offended, I shall move that his motion be laid on the table.

Mr. GORE. No; I should like to have a vote.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee to recommit the bill.

The motion to recommit was rejected.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 4251) was passed.

Mr. BIBLE. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. ANDERSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JUAN D. QUINTOS AND OTHERS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1430, H.R. 1516.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1516) for the relief of Juan D. Quintos, Jaime Hernandez, Delfin Buencamino, Soledad Gomez, Nieves G. Argonza, Feledidad G. Sarayba, Carmen Vda de Gomez, Perfecta B. Quintos, and Bienvenida San Augustin.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BIBLE. Mr. President, the purpose of the proposed legislation is to permit the Court of Claims to hear, determine, and render judgment on the claims of Juan D. Quintos, Jaime Hernandez, Delfin Buencamino, Soledad Gomez, Nieves G. Argonza, Felididad G. Sarayba, Carmen Vda de Gomez, Perfecta B. Quintos, and Bienvenida San Augustin for losses of jewelry, coins, relics, and currency deposited in the Phillipine National Bank and delivered to the U.S. High Commissioner to the Philippines.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 1516) was ordered to a third reading, read the third time, and passed.

WITHDRAWAL OF AMENDMENT TO H.R. 9921

Mr. WILLIAMS of Delaware. Mr. President, on June 2, during the call of the calendar of bills to which there was no objection, I offered an amendment to H.R. 9921, Calendar No. 1531, a bill to validate certain payments of additional pay for sea duty made to members and former members of the U.S. Coast Guard. The subject matter of the amendment having been included in another bill, I desire to withdraw the amendment which I offered to H.R. 9921, and which is now pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFER OF IRRIGATION WORKS ON THE NAVAJO RESERVATION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1480, H.R. 8295.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8295) to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, at the beginning of line 6, to insert "or under construction", and on page 2, line 19, after the word "the", to strike out "Moupi" and insert "Moqui".

Mr. ANDERSON. Mr. President, the purpose of the bill is to authorize the Secretary of the Interior to transfer to the Navajo Tribe project works on the Navajo reservation. The bill involves a substantial saving to the Government, because the Navajos are prepared to take over the cost of the works themselves.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 8295) was read the third time, and passed.

ESTATE OF GREGORY J. KESSENICH

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1040, S. 609.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 609) for the relief of the estate of Gregory J. Kessenich.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 6, after the word "of", where it appears the first time, to strike out "$200,000" and insert "$100,000", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Gregory J. Kessenich, the sum of $100,000, in full satisfaction of all claims of such estate against the United States arising out of the invention of the Bazooka Rocket (patent numbered 2,579,323) by the late Gregory J. Kessenich: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD excerpts from the report on the bill, including the statement which appears on pages 1, 2, 3, 4, 5, and 6.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

This legislation is similar in purpose to Private Law 494 of the 85th Congress, Private Law 79 of the 74th Congress, Private Law 267 of the 75th Congress, and Private Law 625 of the 84th Congress. Each of these measures provided for the payment of a sum to an individual who, while serving in the Armed Forces of the United States, was instrumental in, or responsible for, the creation and development of inventions of particular aid to the U.S. Government.

In the instant claim, Gregory J. Kessenich, while serving in the Ordnance Department of the War Department, in August of 1941, confidentially disclosed a drawing of a bazooka-type rocket to officials of the Ordnance Department. This was before the filing of an application for a patent.

The rocket was built, tested, and then adopted in the spring of 1942. Known as the bazooka rocket, it was classified as secret by the Army without first acquiring ownership or invoking the acquisition statute. This classification subjected the inventor to the Espionage Act and thus denied to him the right to protect and exploit his invention.

Later, on February 8, 1944, effort was made to legalize the seizure. Proposed patent application was signed on February 3 and delivered to the Ordnance Department. By an assignment in trust dated February 8, title to the patent application was given to the Secretary of War on condition that he would reconvey title to Mr. Kessenich when the need for exclusive control ceased. The patent application was not filed in the Patent Office until February 14, and as a result of this delay in filing it is alleged that the assignment was invalid. Nonetheless, the Secretary recorded in the secret register of the Patent Office and relied on it to place and hold the application under Revised Statutes, section 4894, to suspend issuance of a patent.

On June 2, 1950, the Secretary reconveyed title to the inventor and recorded the instrument in the Patent Office. The reconveyance erroneously stated that the 1944 assignment had granted title to the invention whereas, in fact, it was restricted to the application for patent for the purpose of secrecy. Later, on December 18, 1951, the inventor received a patent for the device.

It is charged that the assignment in trust of the application for a limited purpose did not include title to the invention or license to use the invention.

After Mr. Kessenich received his patent, he proposed a settlement to the Department of the Army which, after more than 2 years' delay, declined the proposal saying that it had not contracted to pay for use of the invention. Failing administrative adjustment, Mr. Kessenich filed an action in the Court of Claims in March 1955. The Government entered a motion to dismiss for lack of jurisdiction. The court granted the motion and the case did not go to trial. It is important to note that the decision of the court repeated the error of the Army in discussing the absence of a contract to pay for use of the invention (and then added this grave error) while the Government held title to the invention. The Army admitted later that the Government had never held title to the invention and indicated a belief that a correction of the reconveyance is a matter for congressional action.

It has been stated on Mr. Kessenich's behalf that lack of financial means and ill health precluded his taking an appeal from the Court of Claims decision. Also, he was persuaded by the Army's advice that his case appeared to be a proper one for congressional consideration.

The Department of the Army is opposed to the enactment of this bill, largely on the ground it would appear that he did not have any express or implied contract rights for royalties for the use of the invention. The report also comments that he may be considered to be an inventor but he is not the sole inventor. The committee notes, however, that Mr. Kessenich is the holder of the patent on what it understands to be the basic idea of the bazooka-type rocket.

In view of the fact that this invention was used in the procurement of over $300 million worth of equipment and has resulted in the savings to the United States of many millions of dollars and in view of the further fact that Mr. Kessenich has never received so much as one dollar, it is the opinion of the committee that an extension of this gratuity would be a proper acknowledgement of his contribution to our war effort.

Accordingly, the committee recommends that the bill, as amended, be favorably considered.

Attached to this report and made a part hereof is a report from the Department of the Army, dated July 15, 1957; three documents relating to a previous bill, H.R. 5285 of the 85th Congress, namely, a summary of H.R. 5285, a brief of H.R. 5285, and a statement of facts relating to H.R. 5285.

JULY 15, 1957.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense with respect to S. 2106, 85th Congress, 1st session, a bill for the relief of Gregory J. Kessenich and others. The Secretary of Defense has delegated to the Department of the Army the responsibility for expressing the views of the Department of Defense thereon.

The bill provides as follows:

"That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Gregory J. Kessenich, Pauline C. Kessenich, William H. Kessenich, Rose Mary C. Kessenich, pro se and as trustees of Thomas G. Kessenich and Christopher J. Kessenich, the sum of $200,000, the payment of such sum shall be in full settlement of all claims against the United States with respect to the invention of the bazooka rocket covered by patent numbered 2,579,323, and for all claims for the imposition of secrecy by the War Department or Department of Defense without first having purchased title under the requisition statute, and for use of the invention before and after the offer and acceptance of an assignment in trust of the patent application for the purpose of exclusive control by the Secretary of War or the Secretary of Defense until June 2, 1950, and for a recited consideration of a guaranty of protection, which pledge is fulfilled by this Act of Congress. The invention has been used in procurement of over $300,000,000 and has resulted in savings to the United States of many millions of dollars. The amount of this settlement is only a small part of the loss or damage to capital assets resulting from secrecy, exclusive use and deprivation of foreign rights: *Provided*, That no part of the amount appropriated in this Act in excess

of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The Department of the Army is opposed to the above-mentioned bill.

Information available to the Department of the Army indicates that Mr. Kessenich entered Government employment in 1923 with the Ordnance Department of the War Department; became Technical Patent Expert (grade P–4), Assistant Chief, Patent Section, Office of the Chief of Ordnance, Ordnance Department, on July 16, 1928; was promoted to Senior Attorney (grade P–5), Chief, Patent Section, Ordnance Department, on February 17, 1939; that he terminated civilian service with Ordnance Department on September 1, 1941, and began extended active duty as lieutenant colonel in Army of the United States on September 2, 1941, and was assigned to Ordnance Department as Chief, Patent Section, Office of the Chief of Ordnance. Colonel Kessenich left the Patent Section, Office of the Chief of Ordnance, on October 10, 1942, and began service outside Washington, D.C., on October 13, 1942.

On December 23, 1943, he was assigned to the Patents Division, Office of The Judge Advocate General, War Department, and served as Acting Chief of the Patents Division from February 3 to March 4, 1944. During the period May 15, 1945, to September 20, 1946, Colonel Kessenich technically was assigned to the Patents Division. However, on May 15, 1945, he reported to European Theater of Operations on temporary duty and returned to the United States on May 2, 1946. On June 28, 1946, he was placed on terminal leave pending relief from active duty which took place on September 20, 1946. During the period of terminal leave he was reemployed on July 1, 1946, by the Ordnance Department as Chief of the Patents Branch, Office of the Chief of Ordnance. Mr. Kessenich was placed on sick leave December 2, 1953 and went into disability retirement on April 30, 1954.

The U.S. Court of Claims in the case of *Gregory J. Kessenich et al.* v. *United States* (No. 127–55) in its decision of November 8, 1955, dismissing the suit, summarized the facts pertaining to the conception, development, and patenting of the invention of U.S. patent No. 2,579,323 to Kessenich, the subject matter of which is the basis of this bill. The plaintiff sued upon an express contract, and in the alternative upon an implied contract. Briefly stated the court's summary of facts is as follows:

In 1940 the Government initiated action to recruit American inventive genius and to stimulate inventive effort by inviting the submission of inventions to the Government so that it could determine their military or naval value.

In August 1941 Gregory J. Kessenich, inventor of a rocket projectile of the bazooka type, confidentially disclosed a drawing of the rocket to officials of the Ordnance Department. This was immediately after the invention was conceived and before the filing of an application for a patent. The Rocket Branch of the Ordnance Department developed the invention in secrecy, and classified it as a secret. That having been done, the inventor could not disclose his invention to others, nor could he file an application for a patent in a normal manner.

In 1943, while serving as an artillery officer, he was informed that the Chief of Ordnance had made a general announcement concerning the bazooka rocket. Kessenich feared that further publication might follow, and might result in the creation of a statutory bar against his ever obtaining a patent on his invention. Under Revised Statutes, section 4894, as amended, 35 U.S.C. (1946 ed.) 37, the War Department can request a 3-year suspension of action on an application for a patent if the application is the property of the United States. To satisfy the requirement Kessenich prepared an application for a patent and immediately assigned all his right, title, and interest in the application to the Secretary of War, to hold in trust until such time as the trustee should in his discretion determine that the need for exclusive control by the United States should cease, at which time the trustee would reconvey the application, or any patent which had been granted thereon, to Kessenich. The assignment stated that the Government desired that the application should be placed under Revised Statutes, section 4894. The assignment included an agreement that, upon reconveyance, Kessenich would grant the Government a royalty-free license to use the invention. The assignment recited that it was made in consideration of the "protection guaranteed by section 7 of the Lend-Lease Act and the right to tender the invention as provided for in the act of October 6, 1917."

Kessenich's assignment in trust was terminated on June 2, 1950, by reassignment by the Secretary of the Army to Kessenich.

In 1952 Gregory J. Kessenich presented to the Army a proposal of settlement and compromise of his claim for compensation for the use of his invention. On May 13, 1954, the Army rejected the proposal on the ground, inter alia, that no contractual obligation ever existed on the part of the Government to compensate Kessenich for the use of his invention before or after the issuance of the patent.

Kessenich et al readily concede that the provisions contained in the assignment to the Secretary, and the Secretary's reassignment, for the Government to have a royalty-free license to use the invention, forecloses any claim for use after June 2, 1950, the date of the reassignment.

The court in determining whether an express contract to pay Kessenich could be spelled out of the assignment stated: "The express provision that after the reassignment the Government should have a royalty-free license makes one wonder why the Government would agree to pay compensation while it was the owner of the patent, but not pay compensation after title was returned to the inventor. The plaintiffs point to the statement that the consideration for Kessenich's assignment was 'the right to tender the invention as provided for in the act of October 6, 1917.' The real consideration, though not recited, was that the Government had developed the invention, and was about to process the application through the Patent Office without expense to Kessenich and ultimately reassign the patent to him. If consideration was necessary, it was present, although there was probably a large element of patriotic donation in the transaction."

The court failed to find an express or implied contract to pay Kessenich for the use of his invention during the time that the Government held title to it (i.e., February 8, 1944, to June 2, 1950).

The Department of the Army and the Court of Claims, based on the best information available, determined that the Government never agreed to compensate Mr. Kessenich for its use of the invention.

When the patent application was filed on February 14, 1944, it was filed under the act of 1883 (35 U.S.C. 45, now 35 U.S.C. 266). This act provides that a patent application of a Government employee may be filed on his behalf by his agency without the payment of Patent Office fees, and in such case the Government has the right to use the invention, upon issuance of the patent, without the payment of any royalty. The patent application which Mr. Kessenich signed contained the following statutory provision:

"The invention described herewith may be manufactured and used by and for the Government for governmental purposes without any payment to me for royalty."

This statement remained in the patent application until June 5, 1951, when Mr. Kessenich withdrew the application from "no fee" status under the act of 1883, with the consent of the Secretary of the Army, paying the filing fee himself.

The Department of the Army is of the view that Mr. Kessenich is not entitled to any special compensation for his contribution to the invention of the bazooka rocket. Many other individuals contributed substantially to the development of the bazooka rocket and would also be worthy of any special consideration that might be bestowed on contributor Kessenich.

A study of the disclosure in the Kessenich Patent No. 2,579,323 reveals that many additional developments were required to produce the combat rocket actually used. He may be considered to be an inventor, but he is not the sole inventor. To single him out for special consideration while ignoring others equally deserving is manifestly unfair to others who have made valuable contributions to the Nation's defensive efforts. There exist among private individuals, Members of Congress, Cabinet members, officers, and enlisted men of the services countless instances of self-sacrifice, noteworthy achievement, and extraordinary accomplishments. In view of the foregoing considerations the Department of the Army does not recommend enactment of S. 2106. If Congress is of the view that a singling out of Mr. Kessenich for a particular award is appropriate, the amount set forth in the bill is further believed to be excessive.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The enactment of this legislation will cause no apparent increase in the budgetary requirements for the Department of Defense.

The Bureau of the Budget advises there is no objection to the submission of this report.

Sincerely yours,

WILBER M. BRUCKER,
Secretary of the Army.

Mr. DIRKSEN. Mr. President, this is a rather long and involved matter. It received the consideration of the Committee on the Judiciary and was then reported to the Senate. I think that explanation in itself is sufficient.

I can state the case for the bill in capsule form by saying that it relates to a private claim of Gregory J. Kessenich, now deceased, who was the inventor of the so-called bazooka rocket, which was adopted by the Army.

The case became complicated by claims and counterclaims, by action in the Court of Claims, and by various assertions concerning the claim. However, as it shakes out, the records will show that Mr. Kessenich was, indeed, while in the service of the country, the real inventor of the bazooka rocket, which became a most important instrumentality for the Armed Forces. He received no compensation whatsoever for it. It has been discovered, on running the record, that there is precedent for compensation.

I introduced the bill; and subsequent to its introduction Mr. Kessenich passed away. So the bill is really a claim in behalf of his estate.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill (S. 609) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. DIRKSEN. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. BIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. HICKENLOOPER. Mr. President, will the Senator from Nevada yield?

Mr. BIBLE. I yield.

Mr. HICKENLOOPER. I desire to address a question to the minority leader or the acting majority leader, or both, as to whether any program has been developed for the rest of the evening; and if so, what the program is. Is it anticipated that there will be any yea-and-nay votes of any measures?

Mr. DIRKSEN. We do not anticipate any

Mr. BIBLE. I am very happy to say that the able majority leader has just entered the Chamber.

Mr. DIRKSEN. Mr. President, the distinguished Senator from Iowa addressed in part to me, and also, I believe, to the majority leader, a question in regard to the schedule for the remainder of the day and the schedule for tomorrow.

Mr. JOHNSON of Texas. Mr. President, this late in the session we cannot speak with much authority in regard to the schedules that far in advance. There are to be a number of conference reports.

Mr. HICKENLOOPER. I did not ask about the schedule for tomorrow. I merely asked whether there was any determination in regard to the schedule for this evening, so far as anticipated votes or anything of that kind might be concerned.

Mr. JOHNSON of Texas. I hope we shall not have any, but I cannot give any assurance that we shall not.

We have ready Calendar No. 1450, Senate bill 817, for the relief of Freda Feller; Calendar No. 1480, House bill 8295, to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation; Calendar No. 1523, House bill 6712, for the relief of Sam J. Buzzanca; Calendar No. 1531, House bill 9921, to validate certain payments of additional pay for sea duty made to members and former members of the U.S. Coast Guard; and other measures, with which we are ready to proceed if those who favor them or oppose them are ready. We have cleared a number of those measures; but various Senators are away, for various reasons.

On tomorrow we expect to take up Calendar No. 1610, House bill 10596, to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States; Calendar No. 1630, Senate bill 1543, to amend the Federal Aviation Act of 1958 to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of services authorized; Calendar No. 1663, Senate bill 3473, to provide for advance consultation with the Fish and Wildlife Service and with State wildlife agencies before the beginning of any Federal program involving the use of pesticides or other chemicals designed for mass biological controls; and Calendar No. 1658, Senate bill 3450, to amend section 22—relating to the endowment and support of colleges of agriculture and mechanic arts—of the act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land grant institutions.

We expect that other bills will be cleared for action.

It should be assumed that any measure on the calendar may be subject to consideration on motion on any day between now and final adjournment.

The policy committee will meet tomorrow.

There are some general measures which involve policy which we would like to review—some that the minority has already cleared, but we have not cleared; and some that we have cleared, but the minority has not cleared.

I hope we can take up some conference reports this week. A number of bills are in conference.

If I can obtain agreement, perhaps this week we shall consider another appropriation bill.

We shall consider the Amistad Dam bill tomorrow, if the report on the bill is filed tonight.

But I do not anticipate any major legislative measures just now. Of course, sometimes a minor bill is more trouble to handle than a major appropriation bill.

So far as I can tell, most of these bills must be passed by motion, but are not measures on which one would anticipate the necessity for a yea-and-nay vote.

Unless an argument develops over them, or unless some Senator wishes to have a quorum call, I anticipate no reason why all Senators should remain here this evening. I shall be here; but I would not suggest that the Senator from Iowa cancel any engagement, in order to remain here, although the session this evening will continue for a while.

Mr. HICKENLOOPER. I thank the Senator from Texas. I repeat that I was not asking about the program for tomorrow.

It happens that there are one or two things which I may look after this evening. But if votes are anticipated, I shall plan to be here, of course.

Mr. JOHNSON of Texas. I realize that.

Mr. HICKENLOOPER. But I could not hold the Senator from Texas to any firm commitment, of course.

Mr. JOHNSON of Texas. I realize the Senator's attitude, and it is appreciated.

Mr. HICKENLOOPER. But if the Senator from Texas anticipates that a vote will be taken this evening——

Mr. JOHNSON of Texas. I do not.

Let me say that any question the Senator from Iowa may choose to address to me will be cordially received, for I have the greatest respect and friendship for him.

Mr. HICKENLOOPER. I was merely inquiring about the prospects for the session this evening.

Mr. JOHNSON of Texas. I do not anticipate any very important action this evening. Of course, if the situation became too heated, I might move that the Senate go over until tomorrow, in order to protect Senators.

Mr. HICKENLOOPER. I thank the Senator from Texas.

Mr. DIRKSEN. Mr. President, I may say that of the bills which have been mentioned for possible consideration tonight, insofar as I know, all of them have been approved on the minority side, and I know of no controversy regarding them.

Mr. HICKENLOOPER. I thank the minority leader.

Mr. DIRKSEN. Mr. President, while a number of Senators are on the floor, I should like to ask the majority leader about the time for convening the session tomorrow.

Mr. JOHNSON of Texas. I shall give the Senator from Illinois that information as soon as I can check with two committee chairmen. We have no requests here; and as soon as I am able to obtain the information I need, I shall inform the Senator. So far as I can tell at this time, it is anticipated that the Senate will convene at 12 o'clock tomorrow. But I shall inform the Senator more definitely within 5 minutes.

FRANCIS M. HAISCHER

Mr. BIBLE. Mr. President, is any business pending at this time?

The PRESIDING OFFICER. No.

Mr. BIBLE. Mr. President, I move the Senate proceed to the consideration of Calendar No. 1441, House bill 1600, for the relief of Francis M. Haischer.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BIBLE. Mr. President, the purpose of the bill is to relieve Francis M. Haischer of all liability to refund to the United States the sum of $2,037.72, which represents overpayment of retired pay which was paid by the Navy Department, which he received in good faith.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 1600) was ordered to a third reading, read the third time, and passed.

FREDA FELLER

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1450, Senate bill 817, for the relief of Freda Feller.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 6, after the word "of", where it appears the first time, to strike out "$1,069" and insert "$882", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Freda Feller, of Minot, North Dakota, the sum of $882, representing the amount of expenses incurred by her for hospital and medical care from June 13, 1958, to July 10, 1958, at a civilian hospital in Minot, North Dakota, the said Freda Feller having been led to believe, as the result of an administrative error committed by United States Army personnel, that she was entitled as the dependent of a member of the Armed Forces (Donald C. Feller, serial number ER 17473165) to civilian medical care at Government expense: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BIBLE. Mr. President, this bill is for the purpose of paying Freda Feller, of Minot, N. Dak., the sum of $882 for expenses incurred by her for hospital and medical care from June 13 to July 10, 1958, at a civilian hospital in Minot, N. Dak. She was led to believe, as the result of an administrative error committed by U.S. Army personnel, that she was entitled, as the dependent of a member of the U.S. Armed Forces, to receive civilian medical care at Government expense.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SAM J. BUZZANCA

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1523, House bill 6712, for the relief of Sam J. Buzzanca.

The motion was agreed to; and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 6712) was ordered to a third reading, read the third time, and passed.

VALIDATION OF CERTAIN PAYMENTS OF ADDITIONAL PAY FOR SEA DUTY TO MEMBERS OF THE U.S. COAST GUARD

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1531, House bill 9921, to validate certain payments of additional pay for sea duty made to members and former members of the U.S. Coast Guard.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BIBLE. Mr. President, I ask unanimous consent that a statement in regard to the purpose of the bill, as set forth in the committee report, be printed in full at this point in the RECORD.

There being no objection, the excerpt from the report (No. 1469) was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to validate payments of additional pay for sea duty made prior to June 30, 1956, to enlisted members of the Coast Guard who served on vessels of less than 125 feet in length. The bill would further permit the refund of any repayments made by any of those men relating to those payments received in the above manner, and relieve the authorized certifying officers from accountability for such payments.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 9921) was ordered to a third reading, read the third time, and passed.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 807 ENTITLED "FEDERAL DISASTER RELIEF MANUAL"—RESOLUTION INDEFINITELY POSTPONED

Mr. BIBLE. Mr. President, I ask unanimous consent that Calendar No. 1392, Senate Resolution 281, authorizing the printing of additional copies of Senate Report No. 807, 86th Congress, 1st session, entitled "Federal Disaster Relief Manual," be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERENCE OF SENATE BILL 3307 TO THE COURT OF CLAIMS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1570, Senate Resolution 331, referring Senate bill 3307 to the Court of Claims.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief explanation of the resolution.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

The purpose of this resolution is to refer S. 3307, a bill for the relief of Rocky River Co. and Macy Land Corp., to the Court of Claims for finding of fact and conclusions thereon, sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimants.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 331) was agreed to, as follows:

Resolved, That the bill (S. 3307) entitled "A bill for the relief of Rocky River Company and Macy Land Corporation", now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimants.

REFERENCE OF SENATE BILL 1935 TO THE COURT OF CLAIMS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1589, Senate Resolution 332, referring Senate bill 1935 to the Court of Claims.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief explanation of the purpose of the resolution.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

The purpose of the proposed resolution is to refer the bill, S. 1935, to the Court of Claims and to authorize the court to report to the Senate such findings of fact and conclusions of law as will enable the Senate to determine what amount, if any, is legally or equitably due the claimants from the United States.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 332) was agreed to, as follows:

Resolved, That the bill (S. 1935) entitled "A bill for the relief of Fred Foster and George Morris, doing business as Independent Cab Company; and for the relief of Pulaski Cab Company, Incorporated", now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amounts, if any, legally or equitably due from the United States to the claimants.

BETTY KEENAN

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1594, House bill 5033.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5033) for the relief of Betty Keenan.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BIBLE. Mr. President, the purpose of the bill is to pay to Betty Keenan, of Pittsburgh, Pa., the sum of $499.06, as a refund of the amount deducted from her salary as a Federal employee for retirement purposes in the period from December 14, 1942, to January 31, 1948.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

INCREASED APPROPRIATIONS FOR RESIDENT TEACHING GRANTS TO LAND-GRANT INSTITUTIONS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1658, Senate bill 3450.

The PRESIDING OFFICER (Mr. KEATING in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3450) to amend section 22 (relating to the endowment and support of colleges of agriculture and mechanic arts) of the act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land-grant institutions.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

COMMENDATION OF SENATOR BIBLE

Mr. JOHNSON of Texas. Mr. President, I commend the acting majority leader, the Senator from Nevada [Mr. BIBLE], for the loyal and diligent and effective manner in which he has carried on the duties of leadership in my absence. He is always a source of great comfort. I do not know of any Member of this body who is respected more or who contributes more to the efficient functioning of the Senate than does the able Senator from Nevada. Day after day we call upon him to perform services that are not connected with the interests of his State, but are very vital to the national interest, and he always does it in a capable manner and with a pleasant disposition. I want him to know that I always will rely on him. In sunshine and sorrow, I have never been disappointed. I appreciate very much the work he has done.

Mr. BIBLE. Mr. President, if the Senator will yield, may I say I appreciate the sentiments expressed by the very distinguished majority leader. I think they are unearned, but they are gratifying, and I greatly appreciate them. It is a pleasure to work under the able leadership of LYNDON JOHNSON at any time, and, believe me, I am the one who is rewarded.

Mr. JOHNSON of Texas. I believe what I have said about the Senator from Nevada will be confirmed by every other Member of this body.

STEPS TAKEN BY HAWAII TO RATIFY CONSTITUTIONAL AMENDMENT FOR VOTING BY DISTRICT OF COLUMBIA RESIDENTS

Mr. FONG. Mr. President, I am very happy to announce that the State of Hawaii has taken immediate steps to ratify the proposed amendment to the Constitution to give to the District of Columbia residents the right to vote for President and Vice President.

In special session called to alleviate the sufferings of the tidal wave disaster of May 23, the House of Representatives yesterday voted unanimously 49 to 0 to approve the proposal. I am confident that our State senate will, within a few days, take similar action to make Hawaii the first State to ratify this constitutional amendment.

Hawaii, the youngest State in the Union, knows only too well what full citizenship means. In 1898 Hawaii was voluntarily annexed as a Territory of the United States. For 60 years her people have requested statehood. Last year we became the 50th State—a sovereign State, guaranteed a republican form of government, with two Senators in the U.S. Senate and a Member in the House of Representatives. Its citizens will enjoy for the first time this year the privilege of voting for President and Vice President. This is indeed a great privilege.

I know, therefore, what ratification of the proposed constitutional amendment will mean to residents of the District of Columbia.

It will tell them that they have not been forgotten in the scheme of our Government. It will tell them that the American Government, pursuing its policy to give as much self-government to its citizens by making Alaska and Hawaii States, is now giving to the District of Columbia some voice in national affairs.

It is my sincere hope that three-fourths of the States will quickly ratify the amendment to the Constitution to allow District residents to vote for President and Vice President.

In so doing, we will be giving to a large group of our citizens a voice in the selection of these two topmost leaders of our Nation.

I do hope also that immediate steps will be taken to give the citizens of the District of Columbia some degree of home rule. This does not need a change in the provisions of our Constitution.

At this time I should also like to congratulate the Hawaii State House of Representatives for their quick action.

Mr. JOHNSON of Texas. Mr. President, I congratulate the very able Senator from Hawaii for the action his State has taken and for the leadership he has demonstrated. Every day that goes by convinces me of the wisdom of admitting Hawaii to the Union. For a time before passage of the statehood bill I entertained the thought that it would be a mistake, but I have become finally convinced that I was absolutely mistaken about that. The more I see of the Senator and his colleague and the actions of their people, the more pleased I am that those actions confirm that I was wrong.

Mr. FONG. I thank the distinguished majority leader for his very kind words. Hawaii is always trying to do things in a most expeditious manner. We are thankful to all those who enabled Hawaii to become a State, and I am thankful I was given the opportunity to represent my State in this body.

The PRESIDING OFFICER (Mr. KEATING in the chair). Permit the Chair to add his congratulations on another first for Hawaii.

Mr. JOHNSON of Texas. I observe that the distinguished occupant of the Chair at the present time is the Senator from New York [Mr. KEATING], who was the author of the proposed constitutional amendment. It was only because of his resourcefulness, determination, and dedication that we were able to get this project started. While the Senator's proposed amendment was much more comprehensive than the one which was finally submitted to the States, it was as a result of the efforts of the Senator from New York that any action at all was taken. I know he is pleased to observe what Hawaii has done in this regard.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 1960, he presented to the President of the United States the following enrolled bills:

S. 2822. An act for the relief of Lou Wing Quey (Kwai);

S. 2886. An act for the relief of Nikolija Lazic;

S. 2918. An act for the relief of Boris Priestley;

S. 2942. An act for the relief of Eugene Storme;

S. 2964. An act for the relief of Kang Sun Ok;

S. 2991. An act for the relief of Ah See Lee Chin;

S. 3016. An act for the relief of Walter F. Beecroft;

S. 3038. An act for the relief of Jung Hi Pak;

S. 3049. An act for the relief of Oh Chun Soon;

S. 3091. An act for the relief of Pasquale Mira;

S. 3130. An act for the relief of Anne-Marie Stehlin; and

S. 3235. An act for the relief of Cecilia Rubic.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 18 minutes p.m.) the Senate adjourned until tomorrow, Friday, June 24, 1960, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 23, 1960:

DIPLOMATIC AND FOREIGN SERVICE

Winthrop G. Brown, of the District of Columbia, a Foreign Service officer of class 1,

to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos, vice Horace H. Smith.

POSTMASTERS

ARKANSAS

Janice W. Cobb, Altheimer, Ark., in place of L. H. McDonnell, retired.

CALIFORNIA

James N. Bonner, Bellflower, Calif., in place of W. M. Martin, transferred.

Florence L. McQueen, Big Sur, Calif., in place of E. J. Ewoldsen, resigned.

Ray E. Wheeland, Hesperia, Calif., in place of R. F. Walters, retired.

Howard C. Denton, Los Altos, Calif., in place of P. W. Helena, retired.

IDAHO

Earl Wright, Jr., Murtaugh, Idaho, in place of Parley Perkins, retired.

ILLINOIS

Delbert J. Larsen, Durand, Ill., in place of Lillie Doyle, retired.

James W. Hettermann, McHenry, Ill., in place of E. R. McGee, retired.

Roy D. Deppe, Percy, Ill., in place of J. L. McCuen, resigned.

Jane L. Gray, Wellington, Ill., in place of M. E. Stewart, retired.

INDIANA

Roscoe W. Owen, Avilla, Ind., in place of M. M. Pepple, retired.

IOWA

Aaron Schlegel, Jr., Maynard, Iowa, in place of B. E. Sykes, retired.

Wayne C. Smith, Waterloo, Iowa, in place of T. M. McNally, retired.

KENTUCKY

Cecile M. Higdon, Blue Diamond, Ky., in place of G. S. Lindon, resigned.

James E. Peavey, Liberty, Ky., in place of C. L. Sharp, retired.

LOUISIANA

Willie S. Fussell, Amite, La., in place of J. H. Goldsby, retired.

MASSACHUSETTS

Wayne G. Goddard, Hardwick, Mass., in place of H. E. Bingham, retired.

Gertrude C. Bardwell, Whately, Mass., in place of K. D. Flavin, retired.

MICHIGAN

Warren Barrie, Hillman, Mich., in place of G. R. Sabourin, resigned.

Roland H. Bramer, Nahma, Mich., in place of E. A. Hruska, deceased.

Velma M. Weatherwax, Somerset Center, Mich., in place of G. W. Fisher, retired.

MINNESOTA

Hilson L. Stewart, Humboldt, Minn., in place of J. S. Easter, retired.

Leonard L. Baker, Windom, Minn., in place of W. A. Lienke, deceased.

MISSOURI

Clarence W. Hunsperger, Jr., Koshkonong, Mo., in place of H. M. Swain, retired.

Joseph M. Brown, Leonard, Mo., in place of P. T. Keith, retired.

NEBRASKA

Robert D. Stroup, Dannebrog, Nebr., in place of Harold Hald, deceased.

Forest H. Bahm, Shelby, Nebr., in place of W. H. Wills, transferred.

NEW HAMPSHIRE

Harry D. Perkins, Smithtown, N.H., in place of S. A. Brown, retired.

NEW JERSEY

Michael A. DeLorenzo, Dover, N.J., in place of W. H. Rule, retired.

NEW YORK

C. James Foster, Chappaqua, N.Y., in place of J. J. Harrigan, deceased.

Robert H. Simm, Glen Head, N.Y., in place of J. T. McLaughlin, retired.

Edward A. Groves, Niagara University, N.Y., in place of V. E. Trunk, resigned.

Audrey L. Manzo, Ocean Beach, N.Y., in place of E. C. Nolin, resigned.

Edward G. Kling, Ronkonkoma, N.Y., in place of J. L. Friedman, retired.

NORTH DAKOTA

August E. Steinwand, Jud, N. Dak., in place of F. W. Bork, retired.

Leslie J. Manstrom, Wyndmere, N. Dak., in place of J. M. Gannon, transferred.

OHIO

Phyllis J. Dundon, Rootstown, Ohio, in place of Gertrude Deming, retired.

OREGON

Edna B. Carl, Oswego, Oreg., in place of G. H. Carl, deceased.

PENNSYLVANIA

C. Earl Garland, Bethlehem, Pa., in place of J. W. Dawley, retired.

Andrew Evanitsky, Jr., Lakewood, Pa., in place of C. G. Reynolds, retired.

Herbert E. Hoover, Rheems, Pa., in place of J. B. Henry, retired.

William E. McClearn, Stoneboro, Pa., in place of W. D. McIntire, retired.

PUERTO RICO

Luis Mercado-Calderon, Fajardo, P.R., in place of Adela Delpin, retired.

SOUTH DAKOTA

Erwin E. Maag, Tripp, S. Dak., in place of M. C. Martin, retired.

TEXAS

John L. Rose, Albany, Tex., in place of W. K. Wood, retired.

Harold O. Real, Converse, Tex., in place of Meta Cargile, retired.

Arthur E. York, Jr., Seagraves, Tex., in place of D. E. Williams, resigned.

WASHINGTON

John B. Walli, Lacrosse, Wash., in place of C. E. Shaver, resigned.

Aaron B. Green, Monroe, Wash., in place of C. H. Currie, retired.

Merl T. Benton, Rockport, Wash., in place of E. V. Pressentin, retired.

Thelma B. Meigs, Yacolt, Wash., in place of E. S. Baccus, retired.

WEST VIRGINIA

James O. Lin, Charleston, W. Va., in place of F. E. Wiseman, transferred.

WISCONSIN

Oren P. Neville, North Prairie, Wis., in place of L. G. Sherman, retired.

John P. Tracy, Wausaukee, Wis., in place of H. J. Christ, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23, 1960:

CIVIL AERONAUTICS BOARD

John S. Bragdon, of the District of Columbia, to be a member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1960.

FEDERAL MARITIME BOARD

Vice Adm. Ralph E. Wilson, of Maryland, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1964.

FEDERAL COMMUNICATIONS COMMISSION

Robert E. Lee, of the District of Columbia, to be a member of the Federal Communications Commission for a term of 7 years, from July 1, 1960.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 23, 1960

The House met at 10 o'clock a.m.

The Chaplain, Rev. Bernard Braskamp, DD., offered the following prayer:

John 14: 21: *He that hath My commandments, and keepeth them, he it is that loveth Me.*

O Thou who art always ready to answer our most ambiguous and perplexing questions, we beseech Thee to make known unto us life's deeper meaning and enable our minds to see it in a new perspective.

Give us a greater appreciation of the inheritance of inspiration left to us by men and women of past generations who had a clear perception of the moral and spiritual values and who found their delight in obeying Thy commandments.

May our life be rich in the love that seeketh the welfare of others, the faith that never wavers and the courage which remains steadfast in times of temptation and adversity.

Grant that all mankind may lay hold of and learn those fundamental principles of truth and righteousness which are our final protection against the tide of materialism and the powers of darkness.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 4964. An act for the relief of Mrs. Betty L. Fonk.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10455. An act to amend the Mineral Leasing Act of February 25, 1920.

The message also announced that the Senate insists on its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. ANDERSON, Mr. GRUENING, Mr. DWORSHAK, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11389. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with

the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. ALLOTT, Mr. SALTONSTALL, and Mr. YOUNG of North Dakota to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11776. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. HOLLAND, Mr. ANDERSON, Mr. ALLOTT, Mr. SALTONSTALL, and Mr. YOUNG of North Dakota to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1765. An act to authorize and direct the Treasury to cause the vessel *Edith Q.*, owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States with full coastwise privileges; and

S. 3019. An act to provide for certain pilotage requirements in the navigation of U.S. waters of the Great Lakes, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 10644) entitled "An act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PASTORE, Mr. BARTLETT, and Mr. BUTLER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2388. An act relating to the separation and retirement of John R. Barker; and

S. 3319. An act to authorize the Administrator of General Services to release the recapture provisions contained in the conveyance of certain real property to the city of Little Rock, Ark., and for other purposes.

SOCIAL SECURITY AMENDMENTS OF 1960

The SPEAKER. The unfinished business is the passage of the bill (H.R. 12580) to extend and improve coverage under the Federal Old-Age, Survivors, and Disability Insurance System and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such systems; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes.

The Clerk read the title of the bill.

CALL OF THE HOUSE

Mr. FLYNT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 142]

Alford	Frazier	Morrison
Anfuso	Healey	Multer
Ashley	Hess	Mumma
Barden	Kelly	Steed
Barry	Keogh	Taylor
Blitch	McSween	Thompson, La.
Buckley	Magnuson	Wainwright
Byrnes, Wis.	Merrow	Whitten
Durham	Metcalf	Withrow
Edmondson	Morris, Okla.	Young

The SPEAKER. On this rollcall 400 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SOCIAL SECURITY AMENDMENTS OF 1960

The SPEAKER. The question is on the passage of the bill H.R. 12580.

Mr. BYRNES of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 381, nays 23, answered "present" 3, not voting 24, as follows:

[Roll No. 143]

YEAS—381

Abernethy	Bolling	Collier
Adair	Bolton	Colmer
Addonizio	Bonner	Conte
Albert	Bosch	Cook
Alexander	Bow	Cooley
Allen	Bowles	Corbett
Andersen, Minn.	Boykin	Cramer
	Brademas	Cunningham
Anderson, Mont.	Bray	Curtin
	Breeding	Curtis, Mass.
Andrews	Brewster	Curtis, Mo.
Arends	Brooks, La.	Daddario
Ashley	Brooks, Tex.	Dague
Aspinall	Broomfield	Daniels
Auchincloss	Brown, Ga.	Davis, Ga.
Avery	Brown, Mo.	Davis, Tenn.
Ayres	Brown, Ohio	Dawson
Bailey	Broyhill	Delaney
Baker	Budge	Dent
Baldwin	Burdick	Denton
Baring	Burke, Ky.	Derounian
Barr	Burke, Mass.	Derwinski
Barrett	Byrne, Pa.	Devine
Barry	Byrnes, Wis.	Diggs
Bass, N.H.	Cahill	Dingell
Bass, Tenn.	Canfield	Dixon
Bates	Cannon	Donohue
Baumhart	Carnahan	Dooley
Becker	Casey	Dorn, N.Y.
Beckworth	Cederberg	Dowdy
Belcher	Celler	Downing
Bennett, Fla.	Chamberlain	Doyle
Bennett, Mich.	Chelf	Dulski
Bentley	Chenoweth	Dwyer
Berry	Chiperfield	Elliott
Betts	Church	Everett
Blatnik	Clark	Evins
Blitch	Coad	Fallon
Boggs	Coffin	Farbstein
Boland	Cohelan	Fascell
Feighan	Kluczynski	Rains
Fenton	Knox	Randall
Fino	Kowalski	Ray
Flood	Kyl	Reece, Tenn.
Flynn	Lafore	Rees, Kans.
Fogarty	Laird	Reuss
Foley	Landrum	Rhodes, Pa.
Forand	Lane	Riehlman
Ford	Langen	Rivers, Alaska
Forrester	Lankford	Roberts
Fountain	Latta	Robison
Frelinghuysen	Lennon	Rodino
Friedel	Lesinski	Rogers, Colo.
Fulton	Levering	Rogers, Fla.
Gallagher	Libonati	Rogers, Mass.
Garmatz	Lindsay	Rooney
Gary	Lipscomb	Roosevelt
Gavin	Loser	Rostenkowski
George	McCormack	Roush
Giaimo	McCulloch	Rutherford
Gilbert	McDonough	St. George
Glenn	McDowell	Santangelo
Goodell	McFall	Saund
Granahan	McGinley	Saylor
Grant	McGovern	Schenck
Gray	McIntire	Schneebeli
Green, Oreg.	Macdonald	Schwengel
Green, Pa.	Machrowicz	Scott
Griffin	Mack	Selden
Griffiths	Madden	Shelley
Gross	Mailliard	Sheppard
Gubser	Marshall	Shipley
Hagen	Martin	Short
Haley	Matthews	Sikes
Halleck	May	Siler
Halpern	Meader	Simpson
Hardy	Meyer	Sisk
Hargis	Michel	Slack
Harmon	Miller, Clem	Smith, Calif.
Harris	Miller, George P.	Smith, Iowa
Harrison		Smith, Miss.
Hays	Miller, N.Y.	Spence
Hébert	Milliken	Springer
Hechler	Mills	Staggers
Hemphill	Minshall	Stratton
Henderson	Mitchell	Stubblefield
Herlong	Moeller	Sullivan
Hiestand	Monagan	Teague, Calif.
Hoeven	Montoya	Teague, Tex.
Hoffman, Mich.	Moore	Teller
Hogan	Moorhead	Thomas
Holifield	Morgan	Thompson, N.J.
Holland	Morris, N. Mex.	Thompson, Tex.
Holt	Moss	Thomson, Wyo.
Holtzman	Moulder	Thornberry
Horan	Murphy	Toll
Hosmer	Murray	Tollefson
Huddleston	Natcher	Trimble
Hull	Nelsen	Udall
Ikard	Nix	Ullman
Inouye	Norblad	Vanik
Irwin	O'Brien, Ill.	Van Pelt
Jackson	O'Brien, N.Y.	Van Zandt
Jarman	O'Hara, Ill.	Vinson
Jennings	O'Hara, Mich.	Wallhauser
Jensen	O'Konski	Walter
Johnson, Calif.	O'Neill	Wampler
Johnson, Colo.	Oliver	Watts
Johnson, Md.	Osmers	Weaver
Johnson, Wis.	Ostertag	Weis
Jonas	Passman	Westland
Jones, Ala.	Patman	Wharton
Jones, Mo.	Perkins	Whitener
Judd	Pfost	Whitten
Karsten	Philbin	Widnall
Karth	Pilcher	Wier
Kasem	Pillion	Williams
Kastenmeier	Pirnie	Willis
Kearns	Poage	Wilson
Kee	Poff	Winstead
Keith	Porter	Withrow
Kilburn	Preston	Wolf
Kilday	Price	Wright
Kilgore	Prokop	Yates
King, Calif.	Pucinski	Young
King, Utah	Quie	Younger
Kirwan	Quigley	Zablocki
Kitchin	Rabaut	Zelenko

NAYS—23

Abbitt	Gathings	Rivers, S.C.
Alger	Hoffman, Ill.	Rogers, Tex.
Ashmore	Johansen	Scherer
Brock	McMillan	Smith, Kans.
Burleson	Mahon	Smith, Va.
Dorn, S.C.	Mason	Taber
Fisher	Norrell	Tuck
Flynt	Riley	

ANSWERED "PRESENT"—3

Pelly	Rhodes, Ariz.	Utt

NOT VOTING—24

Alford	Buckley	Frazier
Anfuso	Durham	Healey
Barden	Edmondson	Hess

Kelly	Metcalf	Powell
Keogh	Morris, Okla.	Steed
McSween	Morrison	Taylor
Magnuson	Multer	Thompson, La.
Merrow	Mumma	Wainwright

So the bill was passed.

The clerk announced the following pairs:

On this vote:

Mr. Anfuso for, with Mr. Rhodes of Arizona against.

Mr. Keogh for, with Mr. Utt against.

Mr. Merrow for, with Mr. Hess against.

Until further notice:

Mr. Buckley with Mr. Taylor.

Mr. Morrison with Mr. Wainwright.

Mr. Multer with Mr. Mumma.

Mr. UTT. Mr. Speaker, I have a live pair with the gentleman from New York, Mr. KEOGH. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. RHODES of Arizona. Mr. Speaker, I have a live pair with the gentleman from New York, Mr. ANFUSO. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. HOFFMAN of Illinois changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FARM SURPLUS REDUCTION ACT OF 1960

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12261) to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market adjustment and price support programs for wheat and feed grains, to provide a high-protein food distribution program, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 12261, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the bill was considered as having been read and open to amendment at any point. It was also agreed that all time for debate on the bill and all amendments thereto be limited to 1 hour, one-half hour to be used on yesterday and the remaining one-half hour to be used today.

Are there any further amendments?

Mr. COOLEY. Mr. Chairman, may I inquire as to how many amendments there are now at the desk?

The CHAIRMAN. Approximately seven amendments.

Mr. COOLEY. And we have 30 minutes remaining?

The CHAIRMAN. That is correct.

Mr. ANDERSEN of Minnesota. Mr. Chairman, the question has come up as to the desirability of offering a perfecting amendment to the Andersen substitute to the Quie amendment adopted as of yesterday. As the Chairman knows, I have cleared this perfecting amendment both with his side and with the gentleman from Iowa [Mr. HOEVEN] on our side. Consequently, Mr. Chairman, I offer the following perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSEN of Minnesota to the Quie amendment as amended by the Andersen substitute: In lines 13 and 14 of section 211(a) strike out the words "nonconserving crops" and substitute the words "feed grains as defined in section 201(b)".

The amendment was agreed to.

Mr. McGOVERN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McGOVERN: Strike title I and title II and substitute a new title, as follows:

"SEC. I (a) section 101 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new subsection (g) as follows:

"(g) (1) Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed to make available through loans, purchases, payments, or other operations, price supports to cooperating producers of wheat, corn, cotton, tobacco, rice, peanuts, milk and butterfat, oats, rye, grain sorghum, barley, soybeans, flaxseed, eggs, turkeys and farm chickens, if producers have not disapproved marketing quotas or goals for such commodities, at a level not less than 90 percent of the parity price of the commodity. Control features of the program shall be in units of production (bushels, pounds, bales) rather than acreage.

"(2) Eligibility of any producer for price support under subsection (1) hereof shall be limited to family farm production which shall be defined as the value at the parity price of 14,000 bushels of corn or 10,000 bushels of wheat, whichever is greater. Eligibility of any farmer to receive payments under the programs authorized in this title shall be limited to $5,000 in any one year."

Mr. McGOVERN. Mr. Chairman, my amendment seeks to recapture the basic purpose of the original Family Farm Income Act of 1960 which a number of us introduced in the House early in this session. I have in this one-page amendment offered a program that will provide a fair return at not less than 90 percent of parity to the family farms of the country.

The second thing it accomplishes is to replace acreage controls, which many Members of the House on both sides of the aisle have agreed have been rather ineffective in limiting production, with more effective control devices such as bushels, pounds and bales.

The third thing the amendment seeks to do is to gear the program to the family-size farm operation. I have made what I think is a thoughtful effort to define family farm production as being the equivalent of 14,000 bushels of corn, or 10,000 bushels of wheat at the parity price. In round figures what this means is that price supports or other income support features that might be used by the Secretary of Agriculture would be limited for any one producer to that volume of gross production that would be contained in about $25,000 gross production. That would probably return to the individual farm operator about $4,000 or $5,000 net income.

If the Secretary of Agriculture were to use direct payments on some of these commodities as he is authorized to do under this amendment he could not in any one year pay out more than $5,000 to a single producer, so the program is definitely geared to what I think we all believe in, and that is the family farm institution.

Fourthly, the amendment covers virtually all important farm commodities. It does not discriminate against a particular class of commodities but covers virtually the whole range of farm production.

I have omitted cattle, hogs, and sheep because of my conviction that if we have a good support price on feed grains and on wheat this will have a stabilizing effect on the market price of cattle and hogs.

Just the other day I had a communication from farmers in my district pointing out that egg prices had fallen to 21 cents a dozen and are headed to even lower figures. The cattle market has been sliding off in recent days. This legislation I am suggesting here will have the effect of firming up farm prices all across the line.

I think that what we need in the United States today is a program that will enable farm families to stay on the land rather than a program that pays them to move off. Secretary Benson's proposals would not only destroy family farm life but would undercut the economic, social, and spiritual basis of our community life.

I hope this amendment will be adopted.

May I remind the Members on my side of the aisle of the platform on which we asked for election in 1956, the platform of the Democratic Party. This same pledge was made by President Eisenhower in 1952. I am reading now from the platform of the Democratic Party:

The Democratic Party pledges continuous and vigorous support to * * *

Undertake immediately by appropriate action to endeavor to regain the full 100 percent of parity the farmers received under the Democratic administrations. We will achieve this by means of supports on basic commodities at 90 percent of parity and by means of commodity loans, direct purchases, direct payments to producers, marketing agreements and orders, production adjustments, or a combination of these.

Mr. Chairman, the farmers of America are entitled to a fair return on their investment and labor. Yet, net farm income has dropped 24 percent in the last 7 years while the income of the Nation as a whole has climbed 35 percent. The net income of farmers in the last 7 years under Secretary Benson's low price policies has been $20 billion less than in the previous 7 years. In 1959 the average return received by farmers in terms of an hourly wage was 71½ cents an hour. Farmers actually paid their hired men 80 cents an hour which was more than they themselves received.

In contrast, hourly earnings of industrial workers in 1959 averaged $2.22 and corporation dividends in 1959 were 47 percent above the 1952 level.

The farmer is caught in a cost-price squeeze that threatens to destroy not only our family farming institution but the community and commercial life that depends upon agricultural support.

I urge the passage of my amendment to secure a fair return for our farm families.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. ARENDS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ARENDS. There has been some doubt in the minds of various Members here as to the allocation of the time that remains of the 30 minutes. My understanding is that those who offer amendments will be entitled to speak to their amendments, but those Members who desire to speak on the bill generally in the remaining time are thus precluded from having the opportunity to speak.

The CHAIRMAN. On each amendment as offered the Member offering it will get 5 minutes allocation of the time until the time remaining under the limitation runs out or unless some other unanimous consent request is submitted.

Mr. ARENDS. But unless someone offered an amendment he would probably be precluded?

The CHAIRMAN. The Chair cannot answer that question.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the time be divided so that the author of each amendment may have an opportunity to express his views concerning his amendment and that there may be the same amount of time allocated in opposition to the amendment. That means that, since we have six amendments pending, excluding the one we now have, there would be about 4 minutes on each amendment, 2 in favor of the amendment and 2 in opposition to the amendment. That way everybody would be given an opportunity. Otherwise, as the gentleman from Illinois points out, the members of the committee might very well consume the remaining time and other Members have no time at all.

Mr. ARENDS. Reserving the right to object, Mr. Chairman, a few expressions of opinion are desired to be made before this bill is voted on. Unless an amendment were offered by the Member desiring to speak he would have an opportunity to do so. I am hoping some time will be made available so that Members can speak on the bill generally without offering an amendment.

Mr. COOLEY. We have so many amendments pending I am trying to provide a way for the authors of the amendments at least to have an opportunity to express themselves.

Mr. HOEVEN. Reserving the right to object, Mr. Chairman, in view of the circumstances would it be agreeable to extend the time to 30 minutes?

Mr. COOLEY. It is not within my power to fix the time. The time has been fixed by the committee by unanimous consent.

Mr. HOEVEN. Can the gentleman ask unanimous consent that the time be extended to 30 minutes?

Mr. COOLEY. I do not think I should do that because the time was fixed by the Committee.

Mr. HOEVEN. Mr. Chairman, I ask unanimous consent that the time be extended an additional 30 minutes.

Mr. BASS of Tennessee. Mr. Chairman, I object.

Mr. HOEVEN. Mr. Chairman, I move that the time be extended another 30 minutes.

Mr. COOLEY. Mr. Chairman, I did not yield for that purpose. The unanimous-consent request I made is still pending.

Mr. AVERY. Mr. Chairman, further reserving the right to object, the chairman of the committee made some reference to six amendments pending at the desk. I think, although I was not attempting to read his mind, that, perhaps, the gentleman was about to suggest that the time be divided on the basis of those six amendments.

Mr. COOLEY. That is correct.

Mr. AVERY. Mr. Chairman, I have personally sent an amendment up to the desk since that count was rendered and, of course, perhaps, other Members may have also done the same. I do not think the 30 minutes of time should be limited to the number 6, but the time ought to be divided on the basis of the number of amendments presently at the Clerk's desk.

Mr. COOLEY. I am perfectly willing to accept the gentleman's suggestion that the time should be so divided.

Mr. Chairman, I ask unanimous consent that the remaining time be so divided as to permit the author of each of the amendments to consume half of the time and that the other half be allotted in opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

Mr. DOWDY. Mr. Chairman, reserving the right to object, while I do not have an amendment, I do have a question I would like to propound concerning the bill, which I think might be very material with regard to the administration of the bill. I would like to have a minute or two at least to propound that question. I was standing yesterday when the time was limited to 1 hour and I was standing again this morning when the announcement was made as to the remaining 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. LATTA. Mr. Chairman, I object.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman from North Carolina yield for a parliamentary inquiry?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a motion to strike out the last word. Is that an amendment?

Mr. COOLEY. Mr. Chairman, I did not yield for that purpose.

Mr. Chairman, I ask unanimous consent that the time remaining be extended for 10 additional minutes, 5 minutes for the minority and 5 minutes for the majority on the committee and that the remaining time be divided equally between the amendments—half in favor and half in opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. TABER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, H.R. 12261 was a monstrosity before it was amended last night. The amendments adopted make it absolutely unacceptable. I understand the price support for feed grain will be increased to 90 percent of parity with a compulsory soil bank.

The implementation of these increased price supports under this bill will result in very substantial increases in feed cost in the entire deficit feed grain area. A careful examination of this bill would indicate that it would cost Maine about $20 million, New Hampshire about $8 million, Vermont about $15 million, Massachusetts about $16 million, Rhode Island about $2 million, Connecticut about $15 million, New York about $80 million, New Jersey about $35 million, and Pennsylvania about $90 million.

This will definitely mean increased feed costs and will result in another increase in the cost of milk. In addition it should be noted that pulling out 20 percent of the cropland on every farm in the United States will result in more cattle pasture and hay land being made available to dairy producers to compete with our small family farms in the Northeast. This bill will be disastrous to the Northeast region of the country and we recommend that Congress disapprove this monstrosity.

The CHAIRMAN. The time of the gentleman from New York has expired.

The question is on the amendment offered by the gentleman from South Dakota [Mr. MCGOVERN].

The question was taken, and on a division (demanded by Mr. MCGOVERN) there were—ayes 59, noes 65.

Mr. MCGOVERN. Mr. Chairman, I ask for tellers.

Tellers were ordered and the Chair appointed as tellers Mr. MCGOVERN and Mr. COOLEY.

The Committee again divided and the tellers reported that there were—ayes 55, noes 73.

So the amendment was rejected.

Mr. O'HARA of Michigan. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. O'HARA of Michigan: On page 10 strike out lines 3 through 12 and insert:

"(d) Item 7 of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (7)), is amended by striking 'fifteen acres' each time it appears therein and inserting in lieu thereof 'twelve acres'."

Beginning on page 10 strike out line 20 and all that follows down through line 14 on page 11 and insert in lieu thereof the following: "(C)" and adding the following new subparagraph:

"(2) Notwithstanding any other provision of law, each farm acreage allotment for the crops of wheat".

And beginning in line 17 on page 11 strike out "plus such other acres as may be necessary under subparagraph (2) above".

Mr. O'HARA of Michigan. Mr. Chairman, my amendments would affect those wheat growers who are operating under the 15-acre exemption.

Under the provisions of subtitle A of the committee bill an across-the-board cut of 25 percent in wheat acreages is called for. Those farmers presently enjoying a 15-acre exemption would have their plantings reduced to an acreage 25 percent lower than the highest acreage actually planted during the last 3 years.

Mr. Chairman, the defect of the committee bill's treatment of such small farmers is that no recognition is given to the difficulties they would experience under such a formula. I reluctantly agree that if acreage reductions are to be made it may be necessary to further restrict the planting of farmers presently operating under the 15-acre exemption. However, the reduction provided for in the bill would seriously interfere with the operation of the small farmer who is planting wheat in rotation with other crops. One year he may have grown 8 acres of wheat; the second year 10 acres; the third year 12 acres, and so on. To assign him an allotment 25 percent below the highest of his plantings during those 3 years would restrict him to planting not more than 9 acres hereafter. He would be prohibited from ever again devoting the 10- or the 12-acre field to the production of wheat in his normal crop rotation. The simple and rational way to reduce the wheat grown by such farmers is to simply reduce the size of the exemption and that is what my amendment would do. Under my amendment, the 15-acre exemption under present law would become a 12-acre exemption and any wheat producer whose allotment is less than 12 acres would be permitted to grow up to that amount without penalty.

I would like to make it clear that my amendment affects only small producers who, for the most part, do not grow the types of wheat that are today in large oversupply. Their production is almost entirely in the soft winter wheats and is not in the hard wheats which make up the large surplus that overhangs today's market.

Adoption of my amendment would provide simple justice to the small farmer who already is being made the victim of a surplus he did not create, without doing any violence to the principles embodied in the proposal now before us.

I urge the adoption of my amendments.

Mr. LATTA. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. LATTA as a substitute for the amendment offered by Mr. O'HARA of Michigan: On page 10, line 8, after the word "exceed" strike out the balance of line 8 and insert "the smaller of (1) fifteen acres or (2) the highest number of acres planted to wheat on the farm for harvest in any of the three calendar years 1958, 1959, or 1960,"; and strike out lines 9 through 12; and on line 20 strike out "two subparagraphs" and insert "a subparagraph"; and strike out lines 22 through 25; and strike out lines 1 through 12 on page 11; and strike out the figure "(3)" on page 11, line 13, and insert "(2)".

Mr. LATTA. Mr. Chairman, I am opposed to any reduction of the 15-acre minimum as I believe it to be unwarranted, unnecessary, unjustified and not consistent with the facts relative to the production and carryover of the type wheat grown by a great majority of the farmers operating under this exemption. However, in an attempt to save the 15-acre exemption, I am offering a substitute for the O'Hara amendment which would provide that the 15-acre exemption would still be in effect unless a farmer has produced less than 15 acres of wheat during any 1 of the last 3 years. In such a case, under my amendment, the smaller of the two would prevail.

Mr. Chairman, I must admit that the O'Hara amendment would be much more acceptable to the small wheatgrowers of the Nation than would the provisions contained in the bill now under consideration. The bill now under consideration would reduce the 15-acre exemption to 12 acres or the highest planted acres in the last 3 years—whichever is smaller—less 25 percent. Therefore, under the provisions of the bill now under consideration, a farmer who had not used all of his 15-acre exemption during the last 3 years, but had planted a maximum of 12 acres, would only be permitted to plant 9 acres after the 25 percent had been deducted from his highest planted acres. In this hypothetical situation, this small wheat farmer would be actually receiving a 40-percent reduction as compared to a 25-percent reduction for the larger producers of the Nation. This provision of the bill is certainly discriminatory and is the type legislation which a handful of our Western States—who are producing the type wheat causing our surplus—would like to see enacted into law.

As I pointed out earlier in this debate, most of the farmers operating under the 15-acre exemption produce Soft Red Winter wheat and that according to figures soon to be released by the Department of Agriculture the carryover of this type wheat on July 1, 1960, will only be 8 million bushels, as compared to a carryover of 16 million bushels on July 1, 1952. The normal carryover of this type wheat between 1943 and 1952 was 19 million bushels.

I would now like to refer the Members to the February 1960 issue of the Department of Agriculture's bulletin entitled "The Wheat Situation," and particularly to page 11. In discussing the anticipated wheat carryover on July 1, 1960, the Department said:

Production of Soft Red Winter wheat was not large enough to maintain our level of exports and still maintain a normal carryover.

For the benefit of the Members, I would like to compare the carryover of the various classes of wheat as of July 1, 1952, and July 1, 1960:

[In thousands of bushels]

	Carryover July 1, 1952	Carryover July 1, 1960	Change in carryover
Hard Winter	97,000	1,001,000	+904,000
Spring	117,000	210,000	+93,000
Durum	15,000	12,000	−3,000
White	11,000	60,000	+49,000
Soft Red Winter	16,000	8,000	−8,000
Total	256,000	1,291,000	1,035,000

I would also like to point out to the Members that should we adopt the reduction for the 15-acre farmers which is provided for in this bill, we would not only be reducing the supply of Soft Red Winter wheat which is already in short supply, but we would undoubtedly force an inferior product on our consumers by reason of substitutions. In the last few days, I have received several telegrams from the users of this type wheat which I think you will find interesting. For example, I received a telegram from the National Soft Wheat Millers Association, signed by D. M. Mennell, which reads as follows:

Understand Poage bill scheduled for debate on June 21 drastically reduces small farm wheat acreage. This provision would be disastrous for small wheat farmers and soft wheat supplies which come from eastern half of United States. There is no surplus of soft wheat in this territory.

Another telegram from the Hopkinsville Milling Co.:

It is very important to producers of Soft Red Winter wheat in Kentucky and other Central States and to consumers of soft wheat flour products that there be no reduction of the 15-acre minimum exemption. Soft Red wheat is not in surplus. Hard wheat flour is not an acceptable substitute. Urge your support of largest possible minimum exemption.

Here is a telegram from the United Biscuit Co. of America:

All flour used in our plants is made from soft wheat. Soft wheat flour is essential to cookie, cracker, and other specialized types of baking. There is no substitute for it. There is no surplus of soft wheat. If soft wheat produce is cut back, it will impose a hardship on small farmers and will bring about a shortage of this type of wheat. This will have undesirable effects on production and employment in our industry.

Here is a telegram from the vice president of the National Biscuit Co.:

Reduction of the 15-acre exemption from wheat quotas if applied to Soft Red Winter wheat farms, could result in serious shortage of the type of flour required by the biscuit and cracker industry. There is no surplus of Soft Red Winter wheat and hard wheat flours cannot be substituted for Soft Red wheat flour in the production of biscuits and crackers. Respectfully urge you to oppose the reduction of the 15-acre exemption from wheat quotas for Soft Red Winter wheat.

Here is a telegram from the J. Allen Smith & Co., Inc., Knoxville, Tenn.:

Southern consumers have long been accustomed to baking in the homes with high-quality soft wheat flour. They prefer its characteristics to those of flours milled from hard wheat. We have been milling and supplying the southern consumer with such soft wheat flour for three-quarters of

a century and would be seriously handicapped if soft wheat supplies were to be curtailed below current production levels which even now barely balance soft wheat needs.

And here is one from Frank J. Delaney, president of the Biscuit & Cracker Manufacturers Association:

The biscuit and cracker industry must have soft wheat flour for the manufacture of its products. Hard wheat flour cannot be substituted for this purpose. The restrictions on soft wheat production contained in H.R. 12261 will seriously jeopardize our supplies of soft wheat flour. Strongly urge no reduction in 15-acre exemption which is major source of this nonsurplus wheat.

And still another from the National Soft Wheat Millers Association:

Statements have been made that hard wheat flours could be freely substituted for soft wheat flour's primary use for cakes, cookies, crackers, biscuits, pastries, cones, and pretzels. An adequate supply of soft wheat with its characteristic gluten is essential to maintain volume of these products in quality required by consumers.

These are but a few of the many telegrams which I wish that the Members would consider before casting their vote on this amendment. I urge you to support my amendment to assure the Nation of an adequate supply of our Soft Red Winter wheat.

Mr. ABBITT. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. ABBITT moves that the Committee do now rise and report the bill back to the House with recommendation that the enacting clause be stricken.

Mr. AVERY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. AVERY. How does the time figure on this preferential motion? Does it come out of the time allowed, or is it beyond that?

The CHAIRMAN. This does not come out of the time. This is on the motion offered by the gentleman from Virginia.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Ohio.

Mr. LATTA. I take this opportunity to express my gratitude to the gentleman from Virginia [Mr. ABBITT], who has consistently supported my position in this matter and who has so effectively rallied support on his side of the aisle for it.

Mr. ABBITT. I thank the gentleman.

Mr. Chairman, I would like to have your attention for a few minutes. This bill, so far as the wheat section is concerned, provides for a choice between two different proposals and permits certain wheatgrowers to decide which proposal they prefer.

As to the decision in that first referendum, over 60 percent of the wheat producers of America are not permitted to vote. None of these 15-acre boys we have talked about will be permitted to cast a vote even though, if the referendum carries for A plan, they will be cut, they will be deprived of their 15 acres.

Mr. Chairman, I am very much in favor of the amendment of the gentleman from Ohio, mainly because these 15-acre people are not producing wheat that is contributing to the surplus. The vast majority of them are producing Soft Red Winter wheat that is in short supply.

For instance, in New Jersey there are 4,963 wheatgrowers and 4,012 would not be permitted to vote in the first referendum.

In Pennsylvania there are over 88,000 producers and 80,000 of them will not be permitted to vote in the first referendum. Those are the little 15-acre boys. Even if they have a 10-acre allotment and plant only that allotment, they will not be permitted to vote.

In Delaware there are over 2,000 wheat farmers and 1,186 of them would not be permitted to vote.

In Maryland there are over 14,000 wheat farmers and 10,641 of them would not be permitted to vote.

In Ohio there are 153,000 plus and over 123,000 of them would not be permitted to vote. These are the little 15-acre farmers who are not contributing to the surplus.

In Indiana there are 121,771 wheatgrowers and 99,742 would not be permitted to vote.

In Illinois there are 137,923 and 108,728 would not be permitted to vote.

In Missouri there are 151,536 and 128,893 of them would not be permitted to vote.

In Arkansas there are over 19,000 and of those 18,527 would not be permitted to vote.

In Mississippi there are 2,762 and 2,082 would not be permitted to vote.

In Alabama there are 7,248 and 6,589 would not be permitted to vote.

In Georgia there are 22,634 and of those 21,276 would not be permitted to vote.

In South Carolina there are 37,672 and of them 36,341 would not be permitted to vote.

In North Carolina there are 79,688 and 77,061 would not be permitted to vote.

In Kentucky there are 28,000 plus and 24,426 would not be permitted to vote.

In West Virginia there are 6,430 and 5,979 of them would not be permitted to vote.

In Virginia there are 49,823 wheat-producing farmers and of these 46,513 would not be permitted to vote.

In Tennessee there are 35,752 and 33,235 would not be permitted to vote.

Mr. Chairman, according to the information I obtained from the Department, these States, the figures for which I read, are not contributing to the surplus. They are producing Soft Red Winter wheat which is in short supply. But this bill in its present form would still compel them to take a cut without giving them the right to participate in the election to decide which program they prefer. That is not right nor proper.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. ABBITT] has expired.

Mr. ALBERT. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. LEVERING. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Ohio.

Mr. LEVERING. Mr. Chairman, I rise in support of the amendment which seeks to retain the 15-acre exemption, believing it is in the best interests of the producers of my district.

Mr. ALBERT. It is well known that the gentleman from Ohio offered a similar amendment to another amendment yesterday. His support of the small grower is exceeded by that of no other Member of the House.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Will the gentleman please explain, if he knows, why it is that this Soft Red Winter wheat that has not been in surplus has been under Public Law 480 for the last several years. During this last year millions of bushels have been sold to foreign countries for foreign currencies, which constitute a virtual giveaway. That Red Winter wheat that is not in surplus has been given away all over the world for the past several years.

Mr. ALBERT. Mr. Chairman, I thank the gentleman, because what he says is correct. The gentleman will recall that in our hearings last year we were advised by spokesmen for the Department of Agriculture that over 60 million bushels of Soft Red Winter wheat had been shipped overseas under Public Law 480; and that they could stop the surplus any time they stopped shipping it overseas. We were advised that each year from 160 million to 200 million bushels of Soft Red Winter wheat are produced.

One hundred and thirty million to one hundred and forty million bushels of Soft Red Winter wheat are consumed domestically and the balance of it is shipped overseas under Public Law 480.

I might add this, that the reason we do not have a larger surplus of Soft Red Winter wheat is that many farmers have found it is more profitable to grow Hard Red Winter wheat. Any time the domestic price of Soft Red Winter wheat rises competitively with Hard Red Winter wheat we will have a surplus of Soft Red Winter wheat.

These amendments disclose why it has been so difficult for the Subcommittee on Wheat and the Committee on Agriculture to come to any resolution of this problem. One of the big loopholes in the law is the 15-acre exemption.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I decline to yield.

Mr. LATTA. The gentleman has made an erroneous statement. I think the gentleman ought to yield.

Mr. ALBERT. I have simply said, and the Department's testimony will bear me out, that one of the big loopholes in the law is that anyone, whether he has ever grown wheat or not, has a statutory exemption and that wheat grown on exempt acreage adds up to almost 600 million bushels of the total surplus now in Commodity Credit Corporation warehouses.

If all of us are unwilling to give, then we are going on year after year pouring more wheat into Commodity Credit Corporation warehouses, buying it and storing it at the taxpayer's expense.

These amendments should be defeated for another reason. Under the amendments offered, the right of franchise is not given the little man. The bill gives the small grower the right to vote and it gives them price supports. This bill will raise the income of the 15-acre grower. This bill gives the 15-acre grower a real break. The commercial grower's allotment is based on a 5-year average, but this bill bases the allotment of the 15-acre grower on his highest planted, and thus gives him a real advantage. All we seek to do is to plug a loophole that is haunting the wheat program.

Are we going to leave these loopholes in the law or are we going to try to put some sense into this legislation? That is really the question before us.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from North Carolina.

Mr. COOLEY. I should like to call attention to the fact that on January 29, 1959, President Eisenhower in his special message had this to say about the matter we are now discussing:

> Eliminate the provision allowing any farmer to produce and market up to 15 acres of wheat. This loophole alone will account for some 600 million bushels or 40 percent of the estimated accumulated carryover as of July 1, 1960.

Mr. ALBERT. I thank the gentleman.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Virginia.

The motion was rejected.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if there was any misunderstanding on the part of any Member of the House prior to the time we took this bill up for consideration this discussion yesterday and today certainly must have increased such misunderstanding. Never have I seen so much confusion. At this moment we have before us a big package of nuts and bolts, all mixed up. I doubt whether there is any Member of this House, and I do not say this in a derogatory way because I too, am a Member who clearly understands what is before us in this package. I say to the Members you had better stop, look, and listen, because some of you who are about to vote, will very possibly be voting against the best interests of your own districts. You had better examine this proposal most carefully. This, I repeat, is confusion compounded. What is the practical situation we now face? As Members of the Congress I feel we ought to do the following: A recommittal motion will be made whereby we can accept the wheat bill recently passed by the Senate. This was passed by a substantial vote both in the Committee on Agriculture of the Senate and by the Senate itself. It has come here and by a motion to recommit, we can substitute the Senate proposal and send it to the White House. I feel it does stay within the guidelines suggested by the President of the United States in his message to the Congress on the most troublesome problem that we have in all agricultural commodities; namely, wheat. Therefore, I feel this Senate proposal might well be signed into law, and thereby we would at least be taking steps in the right direction toward a solution of this troublesome and perplexing problem.

This is confusion that exists here today. I want to say to you who represent the so-called cattle districts you had better look closely at this proposal. I want to say to you who have cotton in your districts, you had better take another look at what is going to happen in your district as to that commodity. To those of you who grow tobacco in your districts, I say take one more look before you vote and see what is going to happen to you in regards to tobacco. This, I repeat, is confusion and you may well be voting here unless you are careful, against the best interests of your district.

This bill in its present form, in my opinion, will not pass this body. It would be irresponsibility on our part to do so.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. ARENDS] has expired.

The question is on the substitute amendment offered by the gentleman from Ohio [Mr. LATTA] to the amendments offered by the gentleman from Michigan [Mr. O'HARA].

The question was taken; and on a division (demanded by Mr. LATTA), there were—ayes 27, noes 89.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan [Mr. O'HARA].

The question was taken; and on a division (demanded by Mr. O'HARA), there were—ayes 17, noes 85.

So the amendments were rejected.

Mr. AVERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. AVERY: On page 23, line 16, strike out all of title III and insert "(b)".

The CHAIRMAN. The gentleman from Kansas [Mr. AVERY] is recognized.

Mr. AVERY. Mr. Chairman, although you may be in support of the objective of title III, the way it is presently written it would be impossible to administer.

Let me remind you that the Secretary of Health, Education, and Welfare now does not administer any welfare program at this time. All the Federal Government does is to make allocations to the various States, and the States in turn make distribution of surplus commodities and award welfare assistance. So, there would be no possible means of administering this title short of setting up an entire separate assistance program. It would be unworkable.

Further, the Secretary's Office advised me yesterday they were not advised nor aware that this language was in the bill. They were not asked for an agency report and have had no knowledge of it until I called them yesterday to inquire if further clarification of language was needed. The Department said they did not understand the intent of the language and would be at a loss to know how to proceed to administer this program if it were enacted by Congress. So I see no other alternative but to strike this title from the bill, and if the Congress decides next year it should be enacted, then the House can work its will in subsequent legislation in Congress.

I urge the committee to support this amendment that will eliminate this title from the bill.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, I arose here the other day to oppose H.R. 12261, but since that time this legislation has been amended to make it even more onerous for farmers and consumers of the Northeast.

An amendment has been made to raise the price support on corn to a flat 90 percent of parity. As anyone can see, this would have the effect of raising tremendously costs of farmers in the Northeast—and in the end it would raise the cost of milk and of eggs to consumers of my district.

I am told that a careful examination of the effects of the now amended bill would cost my little State alone 2 million additional dollars. But my State buys milk and eggs and poultry from all of the New England States and from New York State, New Jersey, and Pennsylvania.

Here is what the additional costs are figured for those States: Maine, $20 million; New Hampshire, $8 million; Vermont, $15 million; Massachusetts, $16 million; Connecticut, $15 million; New York, $30 million; New Jersey, $35 million; Pennsylvania, $90 million.

In my view, this bill would be disastrous to the Northeast region of the country. Agriculture is a vital part of our economy in this region. We do not want to simply give it away by throwing up our hands, and we are not going to if I can help it. As I have said before, we compete without Government help and we expect others to do the same generally. We expect to help farmers in regions less prosperous than ours, but we surely do not expect to subsidize them to the point of our own extinction.

This bill now has been amended to include in it a so-called green acres clause. This would force every farmer who takes part in a price support program to retire at least 20 percent of his land.

But he still could use that retired land for dairy cattle pasture and for hay crops. This would throw thousands upon thousands of acres into subsidized competition with the family farms of my

area that go along from day to day doing a good job without all this complex programing.

I am unalterably opposed to this legislation. I find it a monstrosity that I am amazed has reached this point.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this section provides that we can use some good food for the needy people of the United States. It provides that we should buy it just like we are now buying it for school lunches. There is nothing radical in this thing.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from West Virginia.

Mr. BAILEY. Coming from a State in the Union that has the largest percentage of unemployment, where 258,000 of the 1,850,000 population are unemployed, and with all the surpluses, there is no staple food. Even now they have quit distributing cheese to the hungry people——

Mr. POAGE. The problem is whether you are going to feed the hungry people cornmeal or feed the corn to hogs and give the people good bacon.

Mr. BAILEY. I am in favor of giving them some bacon.

Mr. POAGE. So am I.

Mr. BAILEY. I cannot conceive of anyone representing any of these 13 or 14 States that have a tremendous amount of unemployment voting for a bill like this when we have an opportunity to do something for the hungry people.

Mr. POAGE. You have got a lot of people who have surplus corn voting against this proposition.

Mr. McGOVERN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from South Dakota.

Mr. McGOVERN. The gentleman said the amendment provided for the distribution of food.

Mr. POAGE. I meant the section of the bill. The amendment should be defeated by all means.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. We are so concerned about helping people all over the world, and we should now remember here is a chance to help the people at home.

Mr. POAGE. Here is a chance to help the people at home. Let us do it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. AVERY].

The question was taken; and on a division (demanded by Mr. AVERY), there were—ayes 37, noes 89.

So the amendment was rejected.

Mr. KYL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KYL: At the end of title II add the following new section:

"The first sentence of section 22(a) of the Agricultural Adjustment Act (of 1933) as reenacted by the Agricultural Marketing Agreement Act of 1937, is amended by inserting before the period at the end thereof the following: '; and the President shall also cause such an investigation to be made to determine such facts in the case of wheat, corn, barley, oats, rye, soybeans, flax, and grain sorghums, when a surplus exists (as defined in section 106 of Public Law 480, Eighty-third Congress)'."

Mr. COOLEY. Mr. Chairman, I make a point of order against the amendment on the ground that the author seeks to amend the Agricultural Adjustment Act of 1933, which is not before us at this time.

Mr. KYL. Mr. Chairman, will not the gentleman from North Carolina withhold his point of order?

Mr. COOLEY. Mr. Chairman, I reserve the point of order against the amendment to permit the gentleman to make his statement.

The CHAIRMAN. The gentleman from North Carolina reserves a point of order against the amendment.

The gentleman from Iowa is recognized in support of his amendment.

Mr. KYL. Mr. Chairman, this amendment concerns the importation of agricultural products and directs the President to investigate imports under certain conditions. The principle embodied in this amendment has already been approved and reaffirmed by the Congress. The language is simply a clarification, by delineation of specific commodities to be covered by the act.

It is necessary for a very obvious reason. For instance, we have not produced the quantity of oats, barley or rye that we can consume in the United States. Yet the surplus of those commodities has mounted, and the market price has fallen because of imports.

There is no cost involved. The amendment is designed to concentrate attention on the problems created and aggravated by imports of these products.

The gentleman claims no pride of authorship for the amendment. The idea has been promoted by many on both sides of the aisle, and the gentleman is especially grateful to the gentleman from Minnesota [Mr. LANGEN] and the gentleman from South Dakota [Mr. BERRY] for their consideration.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Iowa.

Mr. GROSS. I arise to support the gentleman's amendment. It should also apply to imported meat as well as to feed grains, but I am sure that an amendment dealing with importations of meat would be ruled out on a point of order.

I had hoped a bill would be brought to the floor of the House in this session of Congress that would deal honestly and effectively with the problems of agriculture. I had hoped that politics might be abandoned to achieve this end. Instead, we are witnessing again the same old maneuverings and refusals to come to grips with the problem which is to assure American farmers their costs of production plus a reasonable profit, paid in the market places, in return for which they would accept allocated marketings based upon their units of production for domestic consumption.

I expect to vote for the amended bill although I know, and I am confident every Member of the House knows, that it falls far short of providing the overall machinery that ought to be enacted.

I earnestly hope that in the next session of Congress there will be the willingness and desire on the part of the Members of both the House and Senate to meet this issue fairly and honestly, for it is not only the farmers but the national economy and the welfare of all citizens that is being injured by this irresponsibility.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield.

Mr. LANGEN. Mr. Chairman, I thank the able and distinguished gentleman from Iowa for yielding, and I take this time in order to express my support for his amendment. The amendment adopts a part of the legislation I previously introduced relative to imports of agricultural commodities that are in surplus. I have called to the attention of the House on previous occasions the extent to which imports have been a significant contributing factor to our surplus problems in three important small grain crops, namely oats, barley, and rye. I shall not reiterate the statistics relating thereto again at this time. It will suffice to say that in none of these three crops has the American farmer raised any surplus in the last ten years. Yet, because of substantial imports, surpluses have piled up requiring large expenditures in storage costs with a resulting depressed market price. It is regrettable, indeed, that a point of order has been raised against the amendment. This action only substantiates my previous remarks which called attention to the fact that the committee had failed to give any attention to this most significant factor in our surplus problems. Because of that failure, it now seems that it is impossible to give any consideration at this time, and so an opportunity to consider a matter that could have saved the taxpayers of this Nation millions of dollars has been lost.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I want to compliment the gentleman for calling this matter to the attention of the House. I am sorry only that so little time is available to discuss it.

Mr. KYL. Mr. Chairman, I suggest that the amendment is germane because it concerns the specific feed grains which are contained in this bill.

The CHAIRMAN. Does the gentleman from North Carolina insist on his point of order?

Mr. COOLEY. Yes; I do, Mr. Chairman.

The CHAIRMAN. The Chair is prepared to rule.

The Chair has examined the amendment and is of the opinion that it deals with an act which is not under consideration here today.

The Chair sustains the point of order.

Mr. FLYNN. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. FLYNN: On page 15, line 15, strike out all of title II commencing with the word "Title" on line 15 and continuing through the word "1965" on line 15 of page 23, and insert the following:

"TITLE II—GENERAL PROVISIONS

"SECTION 201. This Act may be cited as the 'Agricultural Production Stabilization Through Conservation Act.'

"SEC. 202. It is hereby declared to be the policy of the Congress to eliminate the recurrence in the future of burdensome surpluses of agricultural production by reducing the acreage in production to the extent necessary to bring into balance the domestic supply of, and the domestic demand for, agricultural products, and to prevent the loss of soil, farm labor, and farm capital resources. It is intended that existing surpluses be disposed of through such other programs as the Congress may by law authorize or direct, including the food stamp plan and the food-for-peace program.

"SEC. 203. It is the intention of the Congress that the programs authorized by this Act be carried out in the various sections of the country as nearly as may be practicable in proportion to the competitive desires of producers to participate therein.

"SEC. 204. For the purposes of this Act—

"(1) The term 'Secretary' means the Secretary of Agriculture.

"(2) The term 'Corporation' means the Commodity Credit Corporation.

"(3) The term 'county committee' means a county committee established under section 8 of the Soil Conservation and Domestic Allotment Act (7 U.S.C. 1831(d)).

"(4) The term 'acreage allotment' means an acreage allotment made pursuant to the agriculture laws of the United States.

"(5) The term 'farm' means the land constituting a farming unit as determined by the Secretary, taking into consideration the use of common work stock, equipment, labor, management, and other pertinent factors.

"SEC. 205. In the execution of the programs authorized by this Act, the Secretary and the Corporation shall have due regard for the interests of tenant farmers and sharecroppers.

"TITLE III—CONTRACTS

"SEC. 301. Notwithstanding any other provision of law, the Secretary is directed to determine and announce the national conservation reserve goal and the program applicable thereto for each year not later than March 1 of the preceding year. Not later than thirty days after enactment of this title the Secretary shall announce the national goal and program for 1961. The Secretary shall enter into contracts pursuant to the provisions of this title at a maximum rate approximating twelve million acres increase per year, until such time as the conservation reserve shall reach the smaller of eighty million acres, or a level at which the Secretary finds that agricultural commodity surpluses are being diminished in an orderly manner. Thereafter new contracts or contract riders pursuant to section 203(b) shall be entered into which shall maintain the conservation reserve at such level not in excess of eighty million acres as the Secretary finds to be in the public interest. The Secretary shall not enter into contracts which will result in the conservation reserve acreage's exceeding one-third of the total cropland of any county in which crop production is a major factor in the economy of a trade area without approval of a majority of those firms located in that trade area whose income is deemed to be substantially dependent on sustained crop production.

"SEC. 302. Any such contact shall be of a duration of not less than five and not more than twenty years, and shall be with the person or persons (hereinafter referred to as the contractor) who own or control the farm which is the subject of the contract. Any such contract may contain such provisions relating to transfer of the property which is the subject thereof, assignment, and termination, and such other provisions, as may in the opinion of the Secretary be necessary or appropriate in the public interest and to assure equitable treatment of contractors.

"SEC. 303. (a) Any such contract shall provide that the contractor shall place in the conservation reserve, subject to the provisions of subtitle B of the Soil Bank Act and regulations issued thereunder, an acreage which prior thereto accounted for at least 25 per centum of the total crop-producing capacity of the land in the farm which is eligible for the conservation reserve. Land not recently cropped which is brought into cultivation within the three years immediately preceding the first year of the proposed contract period shall not be eligible for placement in the conservation reserve until three full years have elapsed.

"(b) Any such contract shall describe the boundaries of the conservation reserve acreage, and such boundaries may not be changed without the consent of the Secretary.

"(c) Any such contract which is approved after land has been prepared for the planting of an annual crop for harvest in the first year of a contract period, and which places such land in the conservation reserve, shall, at the option of the contractor, permit the harvesting or grazing of the crop for which the land was prepared. This privilege shall apply for only the first year of the contract period and no annual rental payment shall be made on that acreage for the year in which the harvesting or grazing occurs.

"(d) Any such contract may contain such other provisions as the Secretary may deem necessary or appropriate to effectuate the purposes of this title.

"SEC 304. (a)(1) In consideration of the obligations imposed on a contractor pursuant to section 203, any such contract shall provide that the Secretary shall make payments to the contractor, in cash or in kind, as provided in this section.

"(2) For each of the first five years the contract is in effect, the Secretary shall compute for the contractor an annual rental payment determined according to section 107(b)(2) of the Soil Bank Act. Such amount shall be specified in the contract prior to execution.

"(3) Upon the expiration of each five-year period after the effective date of the contract, the amount of the annual rental payment shall be adjusted by multiplying the amount determined pursuant to paragraph (2) by the ratio of the Bureau of Labor Statistics Consumer Price Index as of the date of such adjustment to such index as of the first of the year for which the first annual rental payment is due under the contract. Notwithstanding the provisions of paragraph (2) and this paragraph, no annual rental payment in excess of $10,000 shall be payable in cash to a producer for all contracts within a State in which he has an interest.

"(b)(1) In lieu of the annual rental payments specified in subsection (a) the Secretary shall make surplus commodities available to those contractors who have not placed all of their eligible land in the conservation reserve as specified in this subsection.

"(2) Whenever, before land preparation begins for a crop year, the Corporation holds stocks of any commodity which it deems to be critical surplus stocks, the Secretary shall offer a contract rider for that crop year to those contractors with land which prior to being placed in the conservation reserve produced thereon crops currently deemed to be critical surplus crops. If accepted by the contractor the rider shall require reduction of the aggregate acreage of the designated critical surplus crops for the current year below the acreage thereof on the farm prior to placing land in the conservation reserve.

"(3) In consideration of the aggregate reduction in critical surplus crops the contractor shall be eligible for a negotiable certificate for a stated number of dollars redeemable in one or more critical surplus commodities chosen by the contractor from those for which an acreage reduction was made in lieu of the cash annual rental which would otherwise be payable.

"(4) The value of all negotiable certificates issued under a contract rider shall not exceed the amount obtained by multiplying the total rental under the contract that year by the ratio of the aggregate reduction of critical surplus crop acreage to the total conservation reserve acreage for the farm. In no case shall the value of all negotiable certificates exceed the total rental due under the contract for that year.

"(5) Negotiable certificates shall not be redeemable during the normal harvest season of the commodity. Where a negotiable certificate is presented for redemption, the Corporation shall deliver the specified commodity which shall be considered to have a value not less than 80 per centum of the current market price determined by the Corporation at the time and point of delivery. The Corporation shall not be responsible for transporting the commodity from its current location in fulfillment of negotiable certificates.

"TITLE IV—ACREAGE ALLOTMENTS, MARKETING QUOTAS, AND PRICE SUPPORTS

"SEC. 401. Paragraph (7) of the joint resolution of May 26, 1941, as amended (7 U.S.C. 1340(7)), is amended to read as follows:

"'(7) A farm marketing quota for wheat shall not be applicable to any farm on which the acreage planted to wheat is ten acres or less.'

"SEC. 402. For the purpose of determining future acreage allotments and marketing quotas the cropland acreage and the acreage deemed to have been diverted from the production of any commodity in order to carry out a conservation reserve contract shall continue to be deemed to be cropland, or acreage of the commodity, respectively, after termination of the contract as long as the conservation cover or use is maintained in a satisfactory condition.

"SEC. 403. The Secretary shall take steps to permit specified grain commodity prices to find their proper free market relationship one toward another as the expanded conservation reserve and surplus disposal programs progressively relieve the surplus situation. In order that adjustments in price relationships shall not be too rapid for any single commodity, the Secretary shall, notwithstanding any other provision of law, establish national average price support rates for barley, corn, dry edible beans, flaxseed, grain sorghums, oats, rye, soybeans, and wheat which shall be: (1) for 1961, 95 per centum of the rate in effect for 1960; (2) for 1962, 90 per centum of the rate in effect for 1960; and (3) for 1963, 85 per centum of the rate in effect for 1960. For 1964 and thereafter, price support shall not be offered for these commodities.

"SEC. 404. Notwithstanding any other provision of law, any contractor who knowingly and willfully grazes or harvests any crop from any acreage in violation of a conservation reserve contract or contract rider shall, in addition to liability for penalties stated in section 123 of the Soil Bank Act, be ineligible for price support benefits that year on all farms in which he has an interest within the State.

"SEC. 405. Section 211 of the Agricultural Act of 1956 is hereby amended by striking

out the words 'For a period of three years from the date of enactment of this Act,' wherever they appear therein and inserting in lieu thereof the following: 'Until directed otherwise by Act of Congress,'."

Mr. FLYNN (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD. This is the bill I introduced, H.R. 12005.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ANDERSEN of Minnesota. Is the gentleman's amendment in order at this point after the substitute for the Quie amendment has been adopted?

The CHAIRMAN. It is.

Mr. ANDERSEN of Minnesota. And its effect would be to undo everything that we did yesterday?

The CHAIRMAN. The Chair does not pass on the effect of amendments.

The gentleman from Wisconsin is recognized for 2 minutes in support of his amendment.

Mr. FLYNN. Mr. Chairman, I take the time allotted me to discuss the amendment which I have offered to the pending bill which amends the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949, and which bill is sponsored principally by the Democratic side of this House of Congress with the assistance of a few Republicans to give to the American farmer his fair share of this Nation's income, and to enable the American family farmer to operate his farm at a profit as he did prior to 1952, when the Republicans took control of the White House. Since that time, the income of the family farmer has gone steadily down, down, down, while the cost of everything he has purchased has continued to inflate, inflate, inflate. The cost-price squeeze in which the farmer has been placed has forced millions of farmers throughout this Nation and many in the First District of Wisconsin, which I represent, to leave the farm, either through forced sale or through a voluntary sale which was necessary to raise the money to pay their notes at the bank and their other existing debts. Millions of others have hung on only because the husband works in a factory while the wife takes over the responsibility of milking the cows, doing the plowing and other work around the farm.

When President Eisenhower assumed the reins of Government in 1952, he took over a domestic economy that was in an extremely prosperous condition. In many areas, it was at the highest point that this country had ever attained. The farmer was enjoying his fair share of the income dollar and was enjoying this prosperity along with citizens in all other walks of life. The farmer was getting $2.40 per bushel of wheat, $1.64 per bushel of corn, whereas today he receives $1.80 per bushel of wheat and 95 cents per bushel of corn. This same type of figure can be produced for milk and dairy products which are predominant in the district which I represent, but it likewise holds true for poultry, hogs, beef, small grains, and other farm produce.

President Eisenhower was elected upon a promise to the American farmer that he would continue the same type of program, to wit, a rigid price support program that the Democrats had used in securing for the farmer a fair price for the produce he produced. Yes, the President promised to outdo the Democrats and to work for 100 percent of parity instead of the 90 percent of parity which the Democrats had guaranteed. I ask you, Mr. Chairman, what did President Eisenhower do when he assumed office? Let me answer my own question. He appointed, as Secretary of Agriculture, a man who was openly and avowedly dedicated to a program of flexible support prices which was directly opposite to the rigid support prices that the President had promised in his campaign of 1952. Secretary Benson immediately inaugurated programs through his flexible support to bring down the price of farm produce and to make the price of products of the farm out of balance pricewise with products that the farmer had to purchase.

The President has presently and uniformly supported these policies of Secretary Benson. Secretary Benson is not at fault, as he has always said in advance what he intended to do. The one, the only one, who must bear responsibility is the President of the United States, for the reason that he installed a man as head of the Department who is openly opposed to the promises that the President has made in getting elected, and the President has insisted on supporting those policies ever since. The Democratic members in this Congress have several times passed farm bills that were designed to change the policies of the Department of Agriculture and that were designed to return to the farmer rigid support prices and guarantee the farmer a fair income. In each of these occasions, including last year when I was a member, and had the privilege of voting for the rigid price support bill, President Eisenhower vetoed the bills. We are attempting to pass a bill, today, that will be beneficial to the farmer and we are operating under another threat of veto from the White House, and from the President's lieutenants here in Congress who appear to be speaking for him when they say that the President will veto the bill that we are now considering.

We Democrats do not have enough votes to override a Presidential veto and I say, without fear of contradiction, that the only reason that there has not been favorable farm legislation passed since 1952 is because there are too many Republicans in the House of Representatives. They have voted almost solidly, all but the exception of a few farm area Republican representatives who have consistently joined us. Yes, they have voted solidly to defeat every bill that we proposed or passed to benefit the farmer or to guarantee the farmer a fair price for what he produced. They have stood idly by, while millions of farmers have been forced off their farms because they could not get enough for the produce that they sold to pay their bills and keep out of the "red." I say to you that the program and policies of the Republicans in Congress during the past 7 years seem to be intentionally directed toward bringing down the price of farm products while they make no attempt to reduce or bring down the price of automobiles or other products placed on the market by American industry. I ask, why should American industry escape the wrath of the Republican policy of reducing prices while the farmer is given the full treatment by the Republicans who consistently strive through the policies they follow to depress the price of farm produce further.

In the President's state of the Union message in January of 1960, President Eisenhower admitted that his agricultural program had failed and he asked Congress to devise some new program and stated that if they did, he might sign the same. In other words, he might raise the threat of veto on farm legislation if some entirely new program were offered, but the President did nothing to implement this statement by suggesting or offering a new thought, a new proposal, a new farm program, or a new idea that might be drafted into farm legislation. The Republican administration has offered no new farm bill in 1960 and we are within 10 days of the close of the session. Republicans do not propose to offer any comprehensive piece of farm legislation and that would indicate that they were satisfied with the status quo of the American farmer. I am not satisfied with the condition of the American farmer and it is for that reason that I am voting for the only bill that I have an opportunity to vote upon in Congress this year in order that I might do my very best to secure some type of new legislation for the American farmer and, in particular, for the farmers of the First District of Wisconsin. The pending bill may not be the best bill that could be offered, but it is the only hope that American agriculture has in 1960 of passing any bill that will be beneficial to agriculture. There will be no other farm bill that will come before the House of Representatives in 1960 and those who vote against this bill today are voting to maintain the existing status quo, of bankruptcy prices for the American farmer.

The situation existing today reminds me of the situation that existed in 1933 when President Roosevelt took office. The Republican administration of President Hoover had followed policies that brought on the great depression of 1932 in which all Americans suffered. I believe this was a farm-fed and a farm-led depression. In any event, President Hoover saw a great percentage of the farm and home mortgages of this Nation either foreclosed or threatened with foreclosure. President Hoover's answer was that if the mortgage was valid and if they were not in default that he could do nothing to stop the banks and the insurance companies from foreclosing on the farm and home mortgages. When President Roosevelt was elected, he

stated that he was going to put the faith and credit of the United States behind the people of this country and that he was going to redeem all defaulted farm and home mortgages where the owners desired to redeem them. He was scoffed at and ridiculed and they said it was impossible. Roosevelt carried through and expanded the Federal Land Bank which has become a permanent institution in our Nation's agriculture today. He organized the Home Owners Loan Corporation. Through these two institutions, he redeemed all farm and home mortgages that were in distress and saved the homes and farms of the Nation for the farmers of the Nation, for the little people, for the average man, for those who were victims of an economic system that they could not control and these people benefited through the saving of their farms and homes; but not only did they benefit, the second generation has benefited, their sons and daughters who would have been forced off the farms with their parents and who would have suffered accordingly. These boys and girls who are men and women today benefited tremendously by the policies of the Roosevelt administration. His program did not cost the American taxpayer 1 cent. As a matter of fact, when the Home Owners Loan Corporation went out of business, it turned many millions of dollars of profit over to the United States Treasury and it taught the bankers of this Nation how to reduce their interest rates from 7 percent to 4 percent on real estate mortgages. Today, we see these self-same bankers with the aid and assistance of the Eisenhower administration pushing the interest rates steadily upward and they are fast approaching the 7 percent point where they were when the great crash of 1929 occurred.

CONGRESSMAN FLYNN'S FARM PROPOSAL

Mr. Chairman, I have, today, the new approach, the new type of farm program that President Eisenhower called for in his state of the Union message in January of this year. I have introduced this farm bill and it bears number H.R. 12005. It fully meets with the approval of the Department of Agriculture and the conservation reserve department thereof. I discussed this type of farm legislation in my last campaign. I believe I was the first man in the Nation to suggest this type of program. The farm voters of my district approved this type of farm program when they voted for me in November 1958. I have worked sincerely for the enactment of this type of legislation since the first day I arrived here in Washington. My plan in brief is, that because every student of the farm problem admits that the farmers' trouble arises because of surplus and excess production that the problem should be tackled frontally, just as President Roosevelt tackled the farm and home mortgage problem. We should think as big as the problem we have before us. We should not have a farm program that is too little and too late. I believe that we should remove from production a sufficient number of acres of land to bring American agricultural production into balance with American domestic agricultural consumption. I stated in my last campaign that I felt that it would be necessary to remove from 50 to 80 million acres from production to accomplish this. Upon arriving in Washington, representatives of the Department advised me that they felt that it would be necesary to remove 80 million acres from production to accomplish the desired purpose. I accepted their figure and have used it in my bill. I testified on this program before the House Agricultural Committee last year, but at that time the Department of Agriculture, which knew that it would take 80 million acres to balance production with consumption, was considering the removal of only 23 million acres under the conservation reserve. I told them, then, that they were wasting the taxpayers' money on a feeble effort that was not designed to be successful because it was too small to do the job. It was the feeling of a number of Congressmen that if the Department of Agriculture through the conservation reserve would take out enough acres to balance production and consumption that the farm problem would be solved. The Department then was not so minded.

After the close of the last session in September of 1959, and in October of that year, a farm conference was held at the University of Iowa. This conference was attended by the majority of the leading farm economists throughout the Nation. The result of this conference was a recommendation by this enlightened body that Government should provide a means of removing 70 million acres of land from production. A report from the University of Wisconsin subsequently followed. This recommended, if I am not mistaken, removal of 65 million acres from production as a means of solving the farm problem. Shortly thereafter the Farm Bureau organizations throughout the country supported a program for the removal of 60 million acres of productive land from production. The conservation reserve department of the U.S. Department of Agriculture then agreed that it would support a program to remove 60 million acres of productive land from production under the conservation reserve program. When this session of Congress opened, Congressman POAGE, the ranking majority member of the House Agriculture Committee, introduced the Poage family farm bill which has received more consideration and thought than any other bill introduced into Congress this year, and in this bill he set up a formula to go into effect if his bill was enacted and under this formula from 50 to 80 million acres of productive land would have been removed from production. The Farmers Union and the National Grange both supported the Poage family farm bill and yesterday the House of Representatives in approving section 1 of the pending bill, to wit, the wheat section, ratified the philosophy of removing farm acres from production as a means of solving the farm problem of overproduction because it ratified section 1 which provided that the wheat farmers would remove 25 percent of the wheat acres from production in return for a guaranteed price on the balance of the wheat grown on their farms. This will mean the reduction of 11 million acres of wheat in the national wheat plantings this coming year. If Congress believes that it can solve the wheat problem by reducing the number of acres planted to wheat, then it logically follows that we could solve the entire farm problem by reducing the number of acres of land farmed or planted in the United States.

COST OF CONGRESSMAN FLYNN'S FARM PROPOSAL

The Department of Agriculture has been in existence for 91 years. The Department has spent more money in the last 7½ years under Secretary Benson than it spent during the entire history of the Department of Agriculture. Yes, the Department spent many, many millions of dollars more during this 7½-year period than it spent since 1869. During this period, the national farm income has dropped to approximately $11 billion and the taxpayers of this Nation, in supporting and operating the Department of Agriculture, had been spending, under Secretary Benson, from $7 billion to $9 billion per year in supporting an agricultural program that does not work. The cost of supporting the Department of Agriculture has cost the American taxpayers almost as much as the entire net income of every farmer in the United States. This cost has been shared by the farmer so that actually the farmer has received less since his tax dollars have gone to pay back to him the subsidy or acreage allotment or conservation reserve dollars that he got back from the Federal Government. I say to you, Mr. Chairman, if you were to deduct that portion of the taxes of the American farmer that was used to pay back to the same American farmer the price supports which he received, that the American farmer would have been better off if he had not operated a single farm in the United States but had accepted the money that was chargeable to the operation of the Department of Agriculture in order to support the existing price structure of American agricultural products. I believe, too, that the American farmer is an American taxpayer and the American farmer resents the spending of $7 billion to $9 billion on an agricultural program that does not work, as much as does the city dweller resent the waste and squandering of this huge amount of American tax dollars.

It has been pointed out previously by Congressman SMITH from the State of Iowa that if we were to remove a full 100 million acres from production, at an average cost of $20 per acre, that it would cost the Department of Agriculture $2 billion per year. If you would allow the Department another $1 billion to carry on its other operations, you could tackle and solve the farm problem for $3 billion under the program that I suggest of removing 80 million or more acres from production, as compared with the existing amount of $7 to $9 billion which it has cost to operate the Department of Agriculture under Secretary Benson. Therefore, it means that the program that I have suggested, and which is approved by every national farm

organization in the country, can be operated for about 40 percent of the cost of the existing farm program. I have recently conducted a poll in my district as to the type of farm program that my constituents desire and it has been extremely interesting to me to know that less than 20 percent of those answering the questionnaire have favored a continuation of a program of acreage allotments and price supports. Many farmers ask that we have no farm program at all and that we have unlimited production and no Government assistance. Unfortunately, the testimony before the Agriculture Committee, testimony from the Nation's greatest experts on agriculture, shows that if we were to withdraw all Government help from the American farmer that it would result in chaos for agriculture generally and in bankruptcy for hundreds of thousands of farmers. Therefore, if we must have a farm program to assist American agriculture, let us at least have a program that has a chance of working, one that can be operated at a reasonable cost and one that will build the fertility of the soil while the program is in existence and one that will save the soil for future production for the generations of this Nation yet unborn. Let me remind you that the money spent in putting this land in the conservation reserve is money spent to preserve our soil and its productivity, to promote wildlife and reforestation and to promote a myriad of other conservation practices while the land is out of production. Let me remind you also that as our population increases, this rested land can be put back into production to produce food and fiber for the future generations of America.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. FLYNN].

The amendment was rejected.

Mr. DOWDY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have a question about the first portion of this bill. The members of the committee might be interested in this, too. What would happen if the farmers when they vote in the election between subtitle A and subtitle B, only 49 percent of them vote for subtitle A and 48 percent of them vote for subtitle B, the other 3 percent saying, "We do not want to have anything to do with either one of them"? What position would we be in? I would like to know that.

Mr. ALBERT. There would be no question about the division between the votes counted.

Mr. DOWDY. The bill does not say "votes counted." The bill says "majority of the producers voting." It would be entirely possible that neither subtitle receives a majority of those voting.

Mr. POAGE. There are only two alternatives on which they can vote.

Mr. DOWDY. If 3 percent of them say "we do not want either one of them."

Mr. POAGE. They cannot say that. They can only vote for or against. There is no other choice. There has to be a majority or an absolute tie.

Mr. DOWDY. I understood from statements made on the floor yesterday that the farmers were being given a free choice election on the program they would have. I am sorry I misunderstood. I should have known.

Mr. JENSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it should be said before the final vote comes on this bill that the green acres section of the bill which was added yesterday after the wheat section will cost no money. The reduction in acres will be paid by commodities in storage, so it makes little difference what the parity level is. Whether it is 75, 90, or even 100 percent, it will be paid with commodities out of Government surpluses. The thing we are trying to do is to cut down these great surpluses, reduce them to a minimum in order to increase farm income. The bill as it stands now will do just that.

We all know that in the feed buying sections of the country they want cheap feed, but let us not forget that the farmers of America as a group are the best buyers in America. They buy 2⅕ times more of manufactured goods than the average American when their dollar is worth 100 cents at the counter. So when the farmer is prosperous he will buy the manufactured goods made in industrial centers; when our farmers have good buying power all our people prosper along with the farmers.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, I am again distressed at the number who are negative toward every proposal made. Simply being negative will not solve either the agricultural, economic, or farm production problem. Doing nothing will cost both farmers and taxpayers. In a recent speech, a distinguished farm economist from Iowa State University very adequately discussed this subject matter. I believe it is worthwhile to set forth his speech at this time. The thoughts contained deserve consideration of everyone working on this bill. Following are the summary of remarks by Francis Kutish, extension farm economist, Iowa State University, Ames, Iowa, before the National Pasture-Forage-Livestock Conference, Livestock Exchange Building, Omaha, Nebr., March 3, 1960:

As we enter the 1960's, commercial agriculture's chief problem is a chronic and persistent overproduction and excess capacity. This has resulted in large accumulations of Government stocks, costly storage and disposal programs and downward pressure on farm prices and incomes. This excess capacity has largely come about because of the very rapid introduction of new know-how and improved machinery in the last 20 years.

Overproduction is especially serious in the feed-grain-wheat-livestock part of the agricultural economy. Storage stocks have doubled in the last 8 years. Had it not been for the increased storage stocks, our farm income would have been even lower than it was. In a study we made at the agricultural adjustment center at Iowa State University, we concluded that if all the feed grain that had accumulated in storage since 1952 had been fed, we would have averaged over 6 percent more livestock production per year. Had the wheat accumulated during this period also been fed, we estimate that the production would have been about 10 percent greater. Since we know that a greater than proportionate drop in market prices results from a given increase in the supply of livestock on the market and costs would have been greater, our estimates are that the net income would have been 25 to 35 percent lower had these stocks been fed instead of accumulating in the Government bins. Thus, while these programs have accumulated Government stocks, they also have helped support farm incomes during the past 8 years.

Year after year our current farm production has exceeded our market outlets. This poses our real problem. If we continue adding surplus grain to Government stocks, the farm program will eventually break down. If we stop adding surplus grains to Government stocks, the most obvious alternative is to feed it to livestock. But even with our current levels of feeding, we are producing enough livestock of all kinds to depress livestock prices and livestock producer income.

What can we expect in the future?

If we assume a continuation of the trend in feed grain yields, which have existed from 1940 through 1959, and a continuation of present price support and control programs coupled with a further expansion in the conservation reserve up to 37 million acres by 1962, and average weather, our agricultural adjustment center studies indicate we still come up with the prospects that we will continue to accumulate feed grains in Government hands during the next few years. And meanwhile, livestock production will expand and returns to livestock producers will be lowered.

The plain fact is that we need a better balance in our feed grain production to bring it in line with the amount of livestock that we can sell at satisfactory prices.

How can this balance be achieved? The possibilities are rather limited. We either reduce our feed grain and wheat production or expand our market.

We have learned several things about farm programs that don't give us much hope. We can't eat all that farmers produce and merchandise it at a satisfactory price. Since World War II full employment with rising urban incomes and rapidly growing population have been the rule. Yet farm prices and farm incomes have continued to decline.

Greater and greater efficiency of production is not the answer either. During the last 10 years alone, industrial production has risen 26 percent, but farm production has risen 84 percent. At the same time, industrial labor income has risen 54 percent while total farm income rose only 10 percent. Since 1949, U.S. population has gone up a little less than 19 percent while total farm output has gone up over 23 percent. And this has happened even though 10 million people have moved off the farm in the last 20 years. So a reduction in the number of farmers will not necessarily result in farm prosperity or less production—at least not in the next few years.

Chemurgy is not the answer in the short run either. Responsible chemists tell us that there is little hope in the immediate future that chemurgy can offer enough market for excess farm products to solve our problems. Perhaps in the future they say. So several years of expanded utilization research may give us the answer, but they won't help us out in the 1960's, and I stress the word may.

Looking ahead, therefore, it would seem that our best solution lies in exploring what we can do to expand demand through proper nutrition and expanded food consumption programs; through an expanded and bold new foreign disposal program which will use farm products as a tool of foreign

economic policy; (but note, this does not leave a chance to use the foreign aid as a dumping ground for whatever product we happen to have in surplus). If this route is followed, it will necessitate producing the specific products that are required to be used in such a foreign economic policy program. Rather, we'll have to shift ours to produce the products most in need for this purpose.

And along with all of this, it is apparent that we will still, at least in the shorter run, find it necessary to follow a program in which we made an effort to bring about a better balance between our feed production and our markets—in other words, attempt to control production. There are two forms of procedure that could be followed. They are land retirement program, and an acreage or allotment program.

All these approaches have their strong points and their weak points. But the general conclusion is that there is no simple easy answer to the farm problem. There is no answer that will give us good farm incomes, cheap food in the city, complete freedom to farmers and no government expense. The choices are not easy and none of them are perfect. A mix of the group depending upon the peculiar abilities of each of the lines of approach is our best hope.

But whatever we do, it will cost us some money. If we do nothing, it still will cost money—except it will be the producers of farm products and the people in the little towns supplying them who bear the big burden. If some form of government program is used, chances are it will involve tax money. This will give us a different distribution of the cost. But regardless of what we do, it's going to cost us money to bring about an adjustment to get farming back on a sound footage again.

That's why we need a sympathetic, yet understanding, explanation of our problem, its nature, and the needed lines of action to our city friends. The good feeling between city and country people has been sadly dissipated. Restoration of an improved understanding is a must if we are to successfully meet the agricultural adjustment problems of the 1960's.

Mr. ANDERSON of Montana. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. ANDERSON of Montana. Mr. Chairman, I was standing when the limitation on debate was placed yesterday and again today. It was my intention to ask some questions of the author of the so-called green acres amendment, Mr. ANDERSEN of Minnesota. Since the time limitation now in effect will not permit a full discussion, I do at least want to call attention to some defects in the green acres amendment which has now become part of the bill before us. Some of the defects are only technical, and they can be corrected in conference, but I believe they should be pointed out at this time.

First, in section 211(a), you provide that—

> Producers who have produced one or more of the commodities covered by this act in at least three of the years 1956–60 shall divert from the production of nonconserving crops, as determined by the Secretary, 20 percent of the total cropland on the farm.

I suggest that there are two defects in this sentence that need clearing up. For one thing, the words "title II" should be substituted for the word "act." As presently before the House, this feed grains section would, in this connection, necessarily apply to wheat, which is in the act, though not in title II. I am sure it was not the intent of the author to drag wheat into the feed grains section.

The second point that needs clarification is "What is a producer?" under the wording before us. Say there are two wheat farmers with two 600-acre farms; one has not raised feed grains in 3 of the last 5 years; the other raised, say 5 acres of oats for his cow, yes, or 2 acres each year. Under the wording of the bill, one farmer is not affected. The other must take 120 acres out of production.

A third point to take note of is that the provision that the 20 percent removed from crop production under this section may be used for production of hay and pasture. The diversified farmer in the Midwest is already doing this. All the benefits of the bill become available to him "free gratis." The grain farmer of the semiarid West has no such pleasant alternative. Dryland hay production approaches the uneconomical, and the dryland farmer pays a real penalty for any benefits he may enjoy under the bill. Thus, the apportionment of sacrifices and rewards under the bill is hardly equitable, with most of the rewards going to the diversified farmer in the Midwest and other fertile and well-watered areas, while the heaviest sacrifices are made by the grain farmers of the semiarid regions.

In the event of passage of the bill, as amended, I hope that the conference committee will take note of and remedy the defects I just mentioned. Let me make it quite clear, Mr. Chairman, that I urge the passage of the bill as amended. The technical matters I have pointed out can be corrected in conference.

The important thing to remember is that this is not a wheat farmer's bill, but a taxpayer's. This legislation will eliminate production of surplus wheat and reduce Government costs. At the same time, it does maintain the level of farm income and lay the groundwork for a better program in the years ahead. I urge my friends in the cities particularly to vote for this bill. Above all else, I urge that any motion to recommit with instructions to substitute the Senate bill be resoundingly defeated. The Senate bill is bad for everyone—farmer and taxpayer.

Mr. BERRY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Chairman, yesterday I listened to speech after speech on the need for green acres to increase the soil bank, taking land out of production in order to reduce the surplus.

Last night I went back to my office to see how much land had been taken out of production in soil bank contracts, and I found that as of 1960, which is the largest year since the soil bank went into effect, 28,432,186 acres are this year under contract. I found that during the 5 years the soil bank law has been in effect it has cost the American taxpayers $2,457,161,706; this, under the excuse of reducing production and reducing production under the excuse of decreasing the surplus.

Not one single soul in the entire 2 days of debate has said one word about the basic cause of agricultural surplus, which is competitive agricultural imports. Actually, we have no overproduction in this country. We have a surplus created by excessive imports.

During the 2 days, not one person even suggested that in 1959 we imported 2,337,438 head of beef. It is impossible to determine exactly how many acres are required to produce a beef and put it on the market, but the Department of Agriculture estimates that nationwide the production of about 20 acres are required to produce a beef. In other words, the importation of more than 2¼ million head of beef has supplanted and displaced the production of 45 million acres, or, if you please, 1¾ times the acreage in the soil bank today.

No one mentioned that imports of dressed lamb jumped 900 percent during the past year or that imports of mutton jumped 7,400 percent during the past year; nor did they mention the boatloads of live sheep that are coming in week after week unloading on our west coast; nor did they mention the pork imports during the past year that are almost as disastrous as the sheep and lamb imports, displacing hundreds of thousands of acres of land. No one mentioned these things, but they were asking my farmers to pull in their acreage and reduce their production to make room for these imports from these foreign countries.

No one mentioned the importation of sugar, although last year we imported almost half of all of the sugar used in the United States totaling 4,474,000 short tons, displacing and supplanting, if you please, the production of 1,920,000 acres; nor did anyone mention the fact that of that imported sugar 3,215,000 tons came from Cuba alone and that the sugar produced and imported from Cuba supplanted the production of 1,380,000 acres here in the United States. No one mentioned the fact that the difference in the price paid to Cuba's Castro between that which was sold in the United States and the world market, representing $2.38 per hundred, is a direct subsidy of the $153 million to the Castro government.

No one mentioned these things. The only talk was about putting more land in the soil bank, in green acres, and in the other programs to further effect reduction of production in spite of the fact that they know or should know that we cannot take land out of production fast enough to keep up with growing imports, and if the value of the dollar continues to go down as it has been in the past, imports will continue to increase because the American farmer cannot pay rent, taxes, buy equipment and machinery

with a 47-cent dollar and compete against the foreign farmer who can take his dollar to any international bank and demand and receive 100 cents in gold for that dollar bill withdrawn from the deposit at Fort Knox.

Mr. Chairman, the problem of agriculture is not reducing production in America; the problem of agriculture is reducing foreign imports which are putting the American farmer, the farm communities, and the small towns in America out of business.

Mr. QUIE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. QUIE. Mr. Chairman, it is a common observation that the way to walk the straightest path to an objective is to fix your eyes directly on the goal to be reached and stride to it.

To take your eyes off the objective—even for an instant—is disastrous for the straight path. If sight of the objective is lost, even for a very short time, a twisting, uneven path will be produced.

Surely this familiar rule for the outdoors has great meaning, great application today in the Congress. For if we lose sight of the objective in an effort to arrive at temporary expedients, the path we trod will be quickly detoured into twisting, uneven side excursions.

Mr. Chairman, this Congress has been trodding a twisting path in the field of agriculture.

For proof, let us look at the objective once again.

The objective is to provide farmers with higher prices for their commodities.

We are far from the objective.

Today farmers are not receiving their fair share of the Nation's prosperity. Prices are down. Costs are up. Farmers' income is down. Food prices, oddly enough, are high. Yet this is not the farmers' fault. An excellent editorial which appeared in the Red Wing Republican-Eagle, Red Wing, Minn., tells the story very well. I have introduced the editorial in the RECORD.

Quoting a national dairy magazine, it says:

> Farmers as a group have a proud record. Hunger in the United States has been greatly reduced. Important inroads have been made on hunger outside the United States. And all of this at prices which reflect the opposite of inflation in years when inflation has become a national problem.

Yes, we are far from the objective. Let us assess why we are off course.

Production is greater than consumption. The small surplus from each year is stored by the CCC, so the surplus has become large and a great price depressing factor, since the CCC sells the surplus back into the market as soon as the market price reaches 105 percent of the current support level.

We are not only far from the objective, but we are not on the straight path to attain higher farm prices. This is because we have been following bad practices. We have been using programs which attempt to reach temporary objectives.

We have wandered far because we have not faced the fact that before any long-range farm program can be devised, total production must be controlled, the surpluses must be reduced and their price-depressing influence abated. But instead of realizing this fact, we have been content to toy with farm programs which have tampered with the economy of agriculture.

We owe it to agriculture, to the farm families which depend on it, to the entire Nation, to take the straight path.

Unfortunately, the bill we are considering today does not represent this straight path. Using a percentage of parity, using support levels as a political gimmick, this proposed legislation has been designed as a tool with which to cultivate votes instead of agriculture. To enact this bill is to perform a disservice to the farmers we say we are striving to help. As it now stands, this bill is of little help to the farmers, and is a tremendously expensive liability to the taxpayers.

What must we do to get back on the straight path to the objective? We must take a step toward bringing the surplus down to a controllable level and preventing the Government from using the surplus to hold down prices and enable farmers to control their production.

In summary, we must provide legislation which will assist the farmer by actively controlling total production. In the past, total production has never been controlled—except in a slight degree by the soil bank. All farm organizations and almost all farm leaders urge production control in some form.

The bill under consideration, surely, will not get us back to the path. It is merely a hodgepodge of ideas—a great number of which would be of no lasting benefit to the farmer.

By what means shall we take the first step to the true path? By instituting a payment-in-kind program by which a farmer could allow some of his land to lie fallow and receive surplus commodities to maintain his income. A payment-in-kind bill of this nature would help the farmer adjust his supply to demand and would reduce the tremendous cost of storing surplus commodities.

Unless such a step is taken, no proposed program will work.

Mr. Speaker, in these remarks I have been concerned with the objective which is bolstered farm income and the means to attain it for the benefit of our farm families for the entire Nation. I would be less than candid if I did not point out that such steps can be taken and the objectives met only in a changed atmosphere. This is an atmosphere which encourages accomplishments for the best, long-range economic interest of agriculture. Only by such an atmosphere can the farm picture be brightened and all America be benefited.

Let us hope that Congress will face up to its duty, will sight the objective clearly and resolve on the necessary steps to be taken to assist agriculture.

For my part, I recognize a duty to point out the true objectives for legislation designed to help agriculture. I stand ready to cooperate with anyone at anytime to raise the income by instituting sound economic principles for the farmer.

I hope this bill will be defeated.

Mr. DORN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DORN of New York. Mr. Chairman, I have said before, and I should like to repeat, I represent a city district in which the people have been paying more and more for staple food. Bread prices continue to rise, citizens continue to pay taxes in order to have the privilege of paying higher prices. Urbanites are hit doubly. I cannot in all conscience as a representative of the people of my district, vote for this bill. I might be persuaded to a compromise point of view, if I could be persuaded that the overall program would be of benefit to the Nation as a whole. But I cannot find a scintilla of evidence that this would be so. I cannot find a great deal of evidence that it would benefit the small farmer.

In this connection, I should like to read a telegram which came to me today from E. S. Foster, executive secretary of the New York Farm Bureau:

> Poage bill, H.R. 12261, wholly unsatisfactory to farmers of New York State. Passage of bill would not settle wheat problems but would make matters worse for all farmers including all users of feed grains. Urge you vote to defeat this unsound proposal.

And so I reiterate, I cannot support this bill, not only because it would be detrimental to the folks in my district, but because the farmers of my State themselves do not want it.

Mr. PIRNIE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PIRNIE. Mr. Chairman, I regret that we are still trying to regulate production through acreage reduction. If quotas are to be effective they should be expressed in bushels. We know the total production our economy can absorb and we should be governed accordingly. The record clearly shows that reduction of acres has been meaningless, for farmers have kept their best lands in production. Through increased fertilization and improved farming methods they have greatly increased the total yield instead of reducing it.

Furthermore, the legislation should recognize the facts. The disturbing overproduction in wheat is for all practical purposes limited to the Hard Red Winter variety. The farmers of New York State are not contributing to any troublesome surplus in wheat so I can see no reason why their operations should be curtailed.

The feed grain section is unsound in principle. It proposes that a regulatory program be established by a nine-man committee whose regulations shall have the force of law unless rejected by Congress within 30 days. This committee

will also administer the staggering sum of over $600 million without appropriation by the Congress. This, I believe, is an unconstitutional delegation of legislative power and sets a precedent which can only produce chaos and confusion if applied to industries generally.

Raising the feed grain support to 90 percent of parity with the establishment of a compulsory soil bank will cost New York State approximately $80 million and will put new areas into dairying throughout the country.

Moreover, this legislation will not protect the small farmer. Instead, it adds to his problems by increasing his costs and cutting back his operations. The farmers of upstate New York would prefer to get their return from successful management of their own business rather than from reliance on Government handouts. They do not want more regulation, but less. They know what redtape is and want to end it.

Their production is needed by the Nation. Any reduction of their acreage is unfair and not in the best interests of the country. This comment does not constitute selfish representation of my district, but reflects a commonsense attitude which should commend itself to all fairminded people.

Therefore, Mr. Chairman, I hope the bill will be rejected.

Mr. LANGEN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LANGEN. Mr. Chairman, having listened with diligence to the debate that has taken place on the floor of this House during the past several hours and days, it is no longer a surprise to me that we do have a most serious farm problem. The diversity of opinions that have been expressed in debate and by amendments have most definitely convinced me that we still have a long way to go before anywhere near an adequate or proper solution can be found to the present depressed and expensive farm situation.

We now find ourselves ready to vote on the farm bill, but only a very small percentage of the membership of this House actually realizes what the bill will or will not do. This is not criticism or an indication of a lack of understanding on the part of any Member of this House, for it is impossible for anyone to comprehend the implications of the complex bill that we now have before us, with amendments added that have not been considered in committee, have not been fully discussed, or even read to the whole House. While I think there are desirable features contained in the bill, I am just as sure that there are undesirable provisions. It is disheartening, to say the least, to have noted that the time allotted to this, our Nation's greatest domestic problem, has in the first instance been limited to only 2 hours, and secondly to note that again, as was the case a year ago, debate and consideration of amendments have been made under very severe time limitations, with the final amendments proposed receiving only 2 minutes for pro and con statements. This very limited consideration can surely not produce constructive legislation.

While I intend to support the bill in its little-understood form, I do so only with a hope that a conference committee may be able to devote further consideration and bring back to us a bill in which many of the inequities have been corrected. The need and urgency for farm legislation is such that at this late date in the session, it seems that this provides a possible avenue for approving some legislation that would serve to benefit farmers, consumers, and taxpayers.

Mr. SHORT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. SHORT. Mr. Chairman, during yesterday's debate on farm legislation, it became crystal clear that there was a wide divergence of opinion among very sincere Members of this House regarding the role of the Federal Government in stabilizing our agricultural economy. Several of my colleagues who know I am a farmer and rancher have asked me, during yesterday's debate and since, "Why all this great difference of opinion among Congressmen representing agricultural areas?" Is the farmer riding a gravy train, as some magazine articles would have us believe, or is he on the low end of the income totem pole as we were told here yesterday?

The answer is that, depending upon where you sit, either condition may be true, although a much larger proportion are on the low end. In any part of the United States that I have ever visited I believe you could find farmers who would come close to falling into either category and possibly living next door to each other. Right here, may I say that I do not believe the well-managed family-size farm is actually losing money even today. Farm foreclosures and liquidation sales were at an alltime low in the United States in 1959. I will say that the farmer or rancher works harder and has more money invested for the dollars he makes than most other people in some other line of endeavor. As a farmer, myself, I will say that income taxes are more of a roadblock in the way of getting a farm paid for than a few parity points difference in the price of wheat. And while I mention price, may I also add that a higher price is not always the key to added income. Volume times price spells income.

But I am getting away from my point. Those who in past years have attempted to solve the economic problems of agriculture with Federal legislation have failed to take into consideration one very basic fact. We delude ourselves that we are attempting to stabilize the average or family-type farm. We close our eyes apparently to the obvious fact that living in the very same neighborhood as our average farmer is another, for which the fair price we have hit upon may be an attractive price. Just across the road may live another farmer for whom our fair price provides barely an existence. Why do we persist in kidding ourselves that a price support level of 80 or 85 or 90 percent of parity will provide an adequate income for the small farmer raising 25 or 50 acres of wheat? Are we kidding ourselves any less when we try to justify such a price for the farmer who produces 2,500 acres of wheat? If we are actually to treat all wheat farmers equitably, it would seem that one of the first steps would be to reduce them all to one common-size denominator. This I do not believe many Members of this House are ready to do.

To further aggravate the problem of equitable treatment are the matters of climate, distance from market, and variety of products, to name a few.

Now, what do I have to suggest as we further consider this farm problem that seems to have become a part of our national political and economic scene?

First, we must concentrate our effort on increasing the farmer's income, and as I have already mentioned this does not necessarily always mean raising the price. Cotton and tobacco have been examples of farm commodities which have shown that attempting to maintain too high a price has resulted in substitution and reduced use. The bill we are considering now does not pretend to increase the farmer's income.

Second, we must recognize that if we are to have fairly attractive prices guaranteed we must have very strict production controls. We cannot leave the door open to every farmer in America to produce up to 15 acres of wheat. I should say right here that that door has already been left open too long and partly closing it now is like locking the barn door after the horse has been stolen.

When Congress assumes the responsibility of establishing support prices for any commodity the level of this price immediately becomes a political issue. This is extremely unfortunate and does not contribute to objectively adjusting existing laws as conditions change. Witness our present surplus situation which stems from the failure of Congress to adjust controls in recognition of an average per acre production increase of 50 percent since the enactment of present wheat production control legislation.

A happy solution to the income problems of the American farmer is apparently close to an impossibility. We cannot have the full capacity production every farmer would prefer and attractive prices for every farmer at the same time. Each of us in performing his responsibility to his own State or district must take the welfare of his own farmers into consideration and this does not lead to a unified position among Congressmen representing agricultural States. What is good or fair for my State of North Dakota may not be looked upon as fair for the wheat farmers of Ohio, for example. It is extremely regrettable, but it appears to me it is impossible for Congress to agree upon legislation that could be beneficial to all segments of our farm economy.

Mrs. MAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mrs. MAY. Mr. Chairman, I want to express my congratulations to the Members of this body for their sound action in refusing to pass on the farm legislation as it was presented in the House today. There can be no doubt that enactment of such legislation would have compounded the farm mess into a state of hopeless confusion. While I believe there were several sound suggestions made during the course of debate on this legislation, the end result was such a conglomeration of give and take that I could not support it as a Representative of a Pacific Northwest wheatgrowing area.

It is to be regretted that it appears that our farmers and taxpayers will be forced for another year to go along with the existing farm program so sorely in need of revision. In this regard, I have personally supported and fought for the legislation embodied in the Wheat Marketing Act of 1960 which I was pleased to cosponsor, and which is the marketing program for wheat supported by the National Wheatgrowers Association, and the National Grange. However, neither the Agriculture Committee of this body, nor the Agriculture Committee of the other body, reported this legislation and, thus, the Congress did not have an opportunity to consider it. It is my hope that next year, the Members of both bodies will give study to the wheat marketing proposal and its sound approach to the problems besetting the wheat industry, the taxpayer and the consumer, and that the Congress will have an opportunity to adopt the plan so as to give positive relief where needed in this domestic crisis that has befallen America.

Mr. HORAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HORAN. Mr. Chairman, while there have been some promising proposals advanced in the amendments we have considered and in the points of debate, I cannot support either proposal on which we are about to vote.

More and more we are, it seems to me, attempting to fix a leaky roof by piling on more and more shingles until there is danger of the rafters collapsing.

The only hopeful sign, to me, is that we appear to be veering ever so slightly toward the provisions of the Wheat Marketing Act of 1960 which some dozen of us from commercial wheat producing areas have introduced. Let us hope that, next session, we will really pass the Wheat Marketing Act of 1961.

Mr. WEAVER. Mr. Chairman, every year at just about this time for the past quarter-century the U.S. Congress has turned its attention to the ever-present, ever-recurrent farm problem. And each year the succeeding sessions of Congress have reportedly solved this problem. And yet it is still with us.

No other segment of the American economy has ever been tinkered with so much. No other segment of America's economy has ever been subjected to so many theories, plans, proposals, ideas, and, it seems to me, just plain meddling.

The American farmer has become a class by himself. He is looked upon as something apart from the rest of our citizenry. He is thought of by some of our city friends as somewhat of a freak. I have seen articles in the press calling the farmers of our country chronic complainers. I have heard and seen them referred to as people constantly with their hands out, demanding special treatment from the Government. And I have heard it said that the farmers are to blame for the present high cost of living. He is blamed for everything. He is accused of everything. And he is the subject or guinea pig for every economic and social experiment that comes along. How unrealistic and unfair can some be in the consideration of problems affecting the welfare of millions of our farm citizens and one of the most important segments of our economy, America's basic industry, agriculture? I am not one of those who believes that the present farm program has worked very well. The fact that the family-size farm is fast disappearing from our land is proof enough of our overall failure to face the matter squarely and try to solve it.

Farm income continues to fall. This is particularly true in the grain States of the Midwest and Far West.

To demonstrate what I am talking about in graphic terms, I would like to cite a set of figures supplied to me by a smalltown banker in Nebraska. One of his chores is to help clients and customers with their income tax returns. This year he handled 141 farmers' income tax returns.

Of those 141, 42 showed that they had no net income at all, that they paid out more than they took in. Thirty more had a net income of $500 or less. In all, 91 had a net income of less than $1,000 and only one of them had a net income of more than $5,100.

This, to me, is a tragic state of affairs. It demonstrates to me personally that our farm families are in truth the lowest paid segment of our economy. Not many, even in the city slum areas, work a full year, long hours, and have to show for it less than a thousand dollars.

No wonder so many, many farm families have been forced to give up their way of life and turn to other means of earning a living.

Our Nation's farmers, particularly the small, family-size operator, have been caught in a squeeze between mounting prices and declining income. Every piece of machinery he must buy has gone up in price. The fertilizer he uses has increased in price. Freight rates—and in this the farmer is caught on both ends of the deal—have mounted steadily.

Meanwhile the prices of farm commodities continue to decline.

During the past decade the price of wheat, for example, has been cut in half. And yet, during the same period of time, the cost of a loaf of bread in the corner supermarket has nearly doubled.

The farmer is not getting the income increase.

I do not know what the complete and total solution to this problem is. I doubt seriously if any single Member on the floor here can stand up and state flatly that he does know an absolute and certain answer.

This is a difficult and complex problem. It extends beyond the pure problem of supply and demand. It involves many other factors, all of which combine to make it difficult to find a solution.

I do know that the present system has not worked. I know also that the present bill we are considering will not be the complete answer to the problem. At that, it is a better bill than the one passed by the other body. That bill would cut production but would also cut prices even below the present level. And, as the figures I produced earlier demonstrate, price cuts will not solve the problem. Farmers are not earning much as it is.

I cannot state flatly that the solution is high, rigid price supports. I do know, however, that high price supports with control are a better solution than the flexible system with its lower prices which has added huge surpluses to storage bins at tremendous costs to the taxpayers. There are still other solutions, from the point of view of the wheat producer. I joined with a group of my colleagues to introduce such a solution, the wheat marketing bill which was backed heavily by the National Wheat Growers Association, the National Farmers Union, and the Grange. This bill would have placed a marketing quota, not an acreage quota, on wheat.

However, the House has before it a wheat bill. I do not believe it is the full answer. And yet, Mr. Chairman, I find that I must support this new bill because I feel that it is better than nothing and much, much better than the bill that the other body has offered to us.

It is high time that we as a Congress stopped handling the farm problem on a hit-or-miss basis. It is high time that we stopped handling it on a year-to-year basis. This system obviously has not worked.

We need, instead, to devote ourselves to a long and intense study of the problem and then, casting aside partisanship and political advantage, we must attack the problem in a completely nonpartisan spirit. We must seek a solution that will be a solution, and not merely provide election year talking points.

I am supporting the present bill. I ask my colleagues to support it. However, I would also ask them to go further, to help find a permanent solution that will stand up and meet the challenge of time. I can assure my colleagues that whenever or wherever such a sincere effort is made to find this solution, I will be ready and willing to join hands with them.

Mr. WHARTON. Mr. Chairman, I seriously doubt that the huge Democrat majority has the slightest intent or desire to pass a farm bill at the current session of Congress. Here in the closing days of this session, the House is handed

a 24-page wheat bill, a 50-page committee report, plus some 20 amendments of a complicated nature.

A number of our colleagues have expressed the atmosphere of general confusion, which always prevails upon the floor at such a time. The only certainty, in the light of past experience, is that such legislation would increase the cost of this huge farm program to the taxpayers and add to consumer prices. In my own district the price of feed grains, already sky high, would immediately be reflected in the consumer's quart of milk.

This Congress has repeatedly expressed its intention to use flexible price supports in only one direction, and that has been upward, with inflationary results. I think it is most unfortunate that we could not have had a more sensible and orderly approach to this important problem, and I intend to vote against the bill.

Mr. BROWN of Ohio. Mr. Chairman, before we conclude debate on this farm bill, I wish to mention how greatly I have been impressed with the ability of our colleague from Ohio, Representative DEL LATTA, and with the effectiveness of his participation in this debate.

It has been a long time since Ohio farmers have had so able a champion of their interests. The gentleman is the first Ohio Republican who has been a member of the House Committee on Agriculture for many years. His activities as a member of that committee and of the House have given Ohio farm producers a new and effective voice in legislative problems.

I was particularly impressed by DEL LATTA'S arguments concerning Soft Red Winter wheat. Certainly he has demonstrated beyond argument that the Soft Red Winter wheat of Ohio is not in surplus, is not aggravating any farm problem and is, in fact, in demand in quantities far greater than would be available if the pending bill became law.

Further, no one can argue with his presentation of the inequity involved in denying the vast majority of Ohio wheat producers a voice or a vote in the referendum that might affect them so seriously, even disastrously. If 123,000 of Ohio's 153,000 wheat producers are denied a vote, who can say that the law is fair or the program just?

It has been a great satisfaction to me to see the viewpoints of Ohio farmers presented so ably and defended so forcefully by the gentleman from our Fifth District [Mr. LATTA].

Mr. BOLAND. Mr. Chairman, the bill before us—H.R. 12261—was a very serious threat to Northeast agriculture in the form in which it originally came to this floor, but amendments inserted during consideration have made it an abomination.

In my view, this bill, in its present form, would be disastrous to the farmers of the Northeast—and would cost consumers of my district and of other districts in the region millions of dollars.

The bill would achieve that end by raising livestock feed costs for the Northeast, which must import much of its dairy cattle and poultry feed. Let us not fool ourselves. These increased costs would hurt Northeast farmers, to be sure, but more importantly they would do severe harm to consumers.

As I understand it, the bill would raise the price support on corn from $1.06 a bushel to more than $1.65. Automatically, that would raise the price of milk in my area.

I am told that a careful examination of this bill indicates it would bring added production costs of about $16 million to my State of Massachusetts—$20 million for Maine, $8 million for New Hampshire, about $15 million for Vermont, $2 million for Rhode Island, $15 million for the neighboring State of Connecticut and $80 million for New York.

Now, consumers in my district drink milk produced in many of those States—Connecticut, New Hampshire, New York, Vermont. Consumers of my district would have to pay those added costs through higher milk bills.

Let us look as another feature of the bill. There now is in this legislation a so-called green acres feature which would force any farmer who takes part in a price support program of any kind to retire 20 percent of his cropland. This will mean that more pasture and more hay land will be opened up in other parts of the country—and it will mean that these farms in other more lush areas will be brought into direct competition with the thousands of family farms that produce milk in the Northeast region.

The consumers of my area want to pay their way, but they do not want to pay someone else's way. They know that the farmers from whom they buy locally get very little, if any, Government money. But, they continue to wonder why they should allow Government to tax them for the benefit of farmers thousands of miles away.

I am not at all sure that some of my colleagues are reading correctly the minds of farmers in areas of the country other than the Northeast. As a New Englander, I have not been beseiged by farmers wanting special privilege for themselves. My experience is that farmers of my area want to be left alone to compete. And, they have had tough going, some of them. But, they have decided to make it on their own, using their brains, their energy and their resources.

I simply cannot in any way support legislation that will hurt both the consumers and the producers of my area. Let us leave these farmers alone. Let us not protect one group of farmers at the expense of another, and at the expense of the consumer.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I seek recognition.

Mr. Chairman, the bill as it is now before us is a bill which will help agriculture of this Nation. It will help all of the people of the United States. On an average it is a good bill. None of us can get everything we want, and personally I hope that the House will not seriously consider voting to recommit in favor of the Senate bill. This would certainly be doing no favor to the farmers of America.

The CHAIRMAN. All time has expired except the time reserved to the committee.

The Chair recognizes the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, may I appeal to the common sense and the good judgment of the members of the committee as we approach the final vote on the bill. The sole issue now is whether you want a bill which can be enacted into law. The bill before us has a lot of bad features. Over all it is a bad bill. However, it has some good features. I refer in particular to the green acres provision and the payment-in-kind provisions which perhaps could be made acceptable if properly amended in certain respects. But, the overall bill is bad, and in my opinion cannot be enacted into law.

If you really want a bill at this session of the Congress, you will have an opportunity to vote for the motion to recommit, which will be the Senate bill, relating entirely to wheat. If the motion to recommit does not prevail, I urge you to vote against this bill. You are not fooling the American farmer for 1 minute. He recognizes a political poultice when he sees it. The bill before us is exactly that.

I wonder if you realize how involved this bill is. I challenge anyone to tell us what is now contained in the bill. The bill now before us is more costly than the present program. No one denies that fact. Title I, the wheat section, will involve an additional expenditure of at least $104 million and approximately $200 million more is involved in title II. Title III will call for some $500 million. Those three items alone will exceed $800 million over and above the present program.

Does it really make sense that we should in these last days of the session pass a bill which is so complex and complicated that no one really knows how it will affect our agricultural economy? No hearings were held on the bill and the American farmer is entitled to better treatment than that. He wants to know how farm legislation is going to affect the crops he produces and this can only be determined through committee hearings.

I pointed out in general debate—and again emphasize the fact that the referendum now proposed in the feed-grain section still covers the delegation of legislative authority. If you set that precedent now, you are really in for a lot of trouble. In my judgment such surrender of legislative authority is not constitutional.

This delegation of authority simply means that nine men from nine districts in the United States are authorized to write a farm bill. Does anyone here contend that Members of Congress should not have a voice in writing farm legislation? These nine people could well get together in secret, if you please, and formulate a farm bill. It might be the Brannan plan. It might be something worse, who knows? And unless Congress takes affirmative action within a 30-day

period after submission of a plan it becomes law and it is thereafter submitted in a referendum.

And do not forget the bill authorizes "back-door spending." I have heard a lot said in the House against back-door spending. But here it is in this bill. So it seems to me that commonsense and good judgment right now should dictate that if you really want a bill, you should vote for the motion to recommit. Then at least you will have a wheat bill. It may not do everything hoped for. It may not be perfect and on the other hand it may not be too bad a bill. I believe it is a bill which can be enacted into law. So if you are interested in farm legislation, at this session of Congress, I urge you to vote for the motion to recommit and, if that does not prevail, then vote against the bill.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Illinois.

Mr. ARENDS. In order that some who are going to vote on this bill may know the facts, and since we have crossed this bridge many times during past sessions of other Congresses, section 4 of this bill provides for price supports of 90 percent on wheat, corn, oats, rye, barley, grain sorghums, soybeans and flaxseed. Does the membership realize the implications in this section? It might well destroy our ability to compete in world markets except with a large export subsidy, where none exists today. And that could cost billions of dollars.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. HOEVEN] has expired.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. The gentleman from Illinois must have a complete misunderstanding of this price support amendment in the bill, which is the original green acres bill. Here is what it does—and I ask the gentleman from Iowa to verify this. For the next 2 years, if it becomes law, the support price is 80 percent of parity. Then it goes up to 85 percent in the following 2 years and 90 percent after 1965. The gentleman was entirely mistaken; he did not know what he was talking about. Our objective must, of course, be the 90 percent level as an absolute minimum after the surpluses are liquidated.

Now, I should like to refer to what the gentleman from Iowa [Mr. HOEVEN] said. He talked about the feed grain committee. He was very gracious to say that he was for the green acres; and certainly the green acres provision will be the alternative selected by the farmers and the other subtitle will automatically go out. That is my answer. It is a pretty good bill.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Chairman, repeatedly during the course of this debate the distinguished gentleman from Iowa [Mr. HOEVEN], the ranking member of our committee, has stated the issue in terms of whether this House wants a bill. I insist that the issue is whether this House wants a bill acceptable to the American people, beneficial to the American farmer, and worthwhile.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Mr. Chairman, I did not intend to say anything on this bill, primarily because it involved commodities which are not produced in any great quantity in my area.

I would like to say that our committee has been dealing with probably the most difficult subject that confronts this Congress, and that is the serious problem which confronts agriculture. There has been much confusion introduced into this matter for the last 2 or 3 days. I hate to say it but it has been done more for political purposes than for the purpose of trying to get a good farm bill. It is quite true that some confusion does now exist. It has been deliberately created. May I assure my colleagues on both sides of the aisle that while differences may exist between some of us, we of the committee feel that we have brought to the House a piece of legislation which is fair and which in the end will be in the interests of the wheat and the grain farmers. I appeal to my colleagues to support this bill. I beg you to permit it to go to conference. I do not like the idea of being told year after year, "If you want to have a bill signed you have to do so and so." Quite often those who so argue point to us on our side and say, "Why don't you do something?" Well, we have. We have brought a bill here which merits your support. I urge you to support it and let the matter go to conference.

Mr. COOLEY. In connection with the motion to recommit, I would like to reiterate something I said during the course of the debate. When this House bill is passed I will call up the Senate bill and move to strike out everything after the enacting clause and insert the House bill, and that will put the Senate bill in conference, so you do not need any motion to recommit except for one purpose, and that is to try to strike out this green acres provision.

In conclusion, I want to compliment the members of our Wheat Subcommittee, headed by the gentleman from Oklahoma [Mr. ALBERT]. They have worked faithfully and diligently during long hours in an effort to come up with some solution for the wheat problem, which is our agricultural problem No. 1 in America, the one commodity in which we have over $3 billion invested.

All of our Liberty ships are loaded up with wheat and stored away in the mouths of all our rivers. Here we are living in a hungry world, and we have given every possible authority to the Secretary of Agriculture to dispose of these surpluses. Unfortunately he has not been able to dispose of them.

We provide in this bill that we will give the farmer a payment in kind, not cash. We will pay him in wheat to stop growing wheat, so that we can reduce this surplus and minimize the storage costs and other costs involved.

One other observation and I am through. We are being criticized and ridiculed because we have not enacted a wheat bill. We did enact a wheat bill but the President vetoed it. Now we come back again, and the ranking minority member of the committee stands in the well of the House here and tries to intimidate you and threatens you with another veto. I am getting sick and tired of being threatened. Maybe the gentleman from Iowa is authorized to speak for the Secretary of Agriculture, who I know is authorized to speak for the President on matters of an agricultural veto.

I submit we ought to pass this bill, send it on to conference with the Senate, and deliver it to the President before this Congress adjourns.

The CHAIRMAN. The time of the gentleman from North Carolina has expired. All time has expired.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12261) to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market adjustment and price support programs for wheat and feed grains, to provide a high-protein food distribution program, and for other purposes, pursuant to House Resolution 564, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. DIXON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DIXON. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DIXON moves to recommit the bill H.R. 12261 to the Committee on Agriculture with instructions to report the same back to the House forthwith with the following amendment: Strike out all after the enacting clause and insert therein the following: "That this Act may be cited as the 'Wheat Act of 1960'.

"TITLE I—PRICE SUPPORT AND ALLOTMENTS

"SEC. 101. Title I of the Agricultural Act of 1949, as amended, is amended by adding the following new sections:

" 'SEC. 107. (a) Notwithstanding the provisions of section 101 of this Act, for each of the 1961, 1962, and 1963 crops of wheat price support shall be made available as provided in this section. The support price for each such crop shall be 75 per centum of the parity price therefor. Price support under

the foregoing provision of this section shall be made available only to cooperators, only in the commercial wheat-producing area, and only if producers have not disapproved marketing quotas for the crop. In case marketing quotas are disapproved, price support to cooperators shall be as provided in section 101(d)(3).

"'(b) If marketing quotas are in effect for the particular crop of wheat, wheat of any such crop, and any other commodity produced on a farm to which a wheat marketing quota is applicable and in the calendar year in which wheat of any such crop is normally harvested, shall be eligible for price support only if—

"'(1) the farm is in compliance with the farm wheat acreage allotment for such crop;

"'(2) the total acreage on the farm devoted to the production of nonconserving crops as determined by the Secretary which would normally be harvested in the calendar year in which such wheat crop is normally harvested does not exceed the total average annual acreage on the farm devoted to the production of such nonconserving crops for harvest in 1958 and 1959, less an acreage equal to 20 per centum of the farm acreage allotment for such crop of wheat which would be in effect for the farm except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"'(3) the producers on the farm in accordance with regulations prescribed by the Secretary—

"'(i) designate an acreage on the farm equal to the 20 per centum reduction in the farm acreage allotment required under section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended, for the particular crop of wheat, and

"'(ii) do not produce any crop thereon which is normally harvested in the calendar year in which the particular crop of wheat is normally harvested and do not graze such acreage during such year.

A farm shall be deemed in compliance with the requirements of clauses (1) and (2) if no crop not subject to acreage allotments is produced on the farm for harvest, and the farm is in compliance with the farm acreage allotments. In accordance with regulations prescribed by the Secretary, the acreage of such nonconserving crops for harvest in 1958 and 1959 may be adjusted to the extent the Secretary determines appropriate for abnormal weather conditions, established crop rotation practices for the farm, changes in the constitution of the farm, participation in soil bank or Great Plains programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history, and such other factors as the Secretary may deem appropriate. For the purposes of eligibility for price support a producer shall not be deemed to have violated any of the foregoing conditions unless the producer knowingly violated such condition, but the Secretary may provide by regulation for adjusting any payment in kind under subsection (c) or (d) on account of any violation of any such condition or any other condition of eligibility for such payment. For the purposes of this section a wheat marketing quota shall not be deemed to be applicable to any farm exempt from wheat marketing quotas under item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)) or exempt from wheat marketing penalties under section 335(f) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(f)).

"'(c) Producers of wheat meeting the foregoing conditions of eligibility for price support for any calendar year shall be entitled for such year to a wheat payment in kind from Commodity Credit Corporation stocks equal in value to one-half of the average annual yield in bushels of wheat per harvested acre on the farm for the three years immediately preceding the year for which the designation is made, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the acreage is designated and for the county in which the designated acreage is located. The wheat redeemable for such certificate shall be valued at the market price thereof as determined by Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The acreage designated under this section shall be in addition to any acreage devoted to the conservation reserve program.

"'(d) If marketing quotas are in effect for the 1961 crop of wheat and the producers on the farm agree to meet the requirements of subsection (b) for 1961, 1962, and 1963, and, in accordance with regulations prescribed by the Secretary—

"'(1) designate an acreage on the farm equal to not less than 20 per centum nor more than 100 per centum of the acreage allotment which would be in effect for the farm for the 1961 crop of wheat except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended, and do not produce any crop thereon which is normally harvested in the calendar years 1961, 1962, and 1963 and do not graze such acreage during such years, but devote such acreage to soil and water conserving uses;

"'(2) reduce by the number of acres so designated the acreage of wheat on the farm in each such year below the acreage allotment which would be in effect for the farm for such year except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"'(3) reduce by the number of acres so designated the acreage of nonconserving crops on the farm in each such calendar year below the average annual acreage on the farm devoted to the production of such nonconserving crops for harvest for 1958 and 1959 adjusted as provided in subsection (b),

such producers shall be entitled to a wheat payment in kind, in lieu of the payment provided by subsection (c), for each such year from Commodity Credit Corporation stocks equal in value to one-half of the average annual yield in bushels of wheat per harvested acre on the farm for the three years 1958 through 1960, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary, multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the payment is made and for the county in which the designated acreage is located. The wheat redeemable for such certificate shall be valued at the market price thereof as determined by Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The share of any producer in certificates issued under this subsection with respect to any year and with respect to all farms in which he has an interest, based on the face value of the certificates, shall not exceed the greater of (1) $10,000, or (2) such producer's share of payments made under this subsection for acreage required to be designated either in 1961 or in such year as a condition of price support. If such producers fail to comply with the requirements of this subsection for all or any part of the three year period, such producers shall forfeit or refund in cash all or such part of the payments provided for by this subsection as the Secretary determines to be fair and equitable and prescribes by regulation. The acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of wheat by reason of designation under this subsection shall be considered acreage devoted to wheat for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended. In applying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1326(b)), relating to reduction of the storage amount of wheat that part of the acreage designated under this subsection in excess of the 20 per centum reduction required under section 334(c)(2) of the Agricultural Adjustment Act of 1938 on any farm shall be regarded as wheat acreage on the farm of normal production as that term is defined in section 301(b)(9) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301(b)(9)).

"'SEC. 108. Notwithstanding the provisions of section 101 or 107 of this Act or any provision of the Agricultural Adjustment Act of 1938, if marketing quotas are disapproved for the 1961 crop of wheat, the level of price support to cooperators and noncooperators for the 1961 crop and each subsequent crop of wheat shall be 50 per centum of the parity price of wheat and no national marketing quota or acreage allotment shall be proclaimed with respect to any subsequent crop of wheat: *Provided*, That if price support at 50 per centum of the parity price is in effect under this section, the current price support for wheat, for the purposes of section 407 of the Agricultural Act of 1949, as amended, shall be determined on the basis of a price support level for wheat of 75 per centum of the parity price therefor.'

"SEC. 102. (a) Item (1) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"'(1) If a national marketing quota for wheat is in effect for any marketing year, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in the calendar year in which such marketing year begins. The farm marketing quota for any crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to double the normal yield of wheat per acre established for the farm multiplied by the number of acres planted to such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the

satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment. Actual production of the farm wheat acreage allotment shall mean the actual average yield per harvested acre of wheat on the farm multiplied by the number of acres constituting the farm acreage allotment. In determining the actual average yield per harvested acre of wheat and the actual production of wheat on the farm any acreage utilized for feed without threshing after the wheat is headed, or available for such utilization at the time the actual production is determined, shall be considered harvested acreage and the production thereof in terms of grain shall be appraised in accordance with regulations prescribed by the Secretary and such production included in the actual production of wheat on the farm. The acreage planted to wheat on a farm shall include all acreage planted to wheat for any purpose and self-seeded (volunteer) wheat, but shall not include any acreage that is disposed of prior to harvest in accordance with regulations prescribed by the Secretary.'

"(b) Item (2) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"'(2) During any marketing year for which quotas are in effect, the producer shall be subject to a penalty on the farm marketing excess of wheat. The rate of the penalty shall be 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which the crop is harvested.'

"(c) Item (3) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"'(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon double the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production, the difference between the amount of the penalty or storage computed on the basis of double the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce.'

"(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (7)), is amended to read as follows:

"'(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which the acreage planted to wheat for such crop does not exceed fifteen acres: *Provided, however,* That a farm marketing quota on the 1961 and subsequent crops of wheat shall be applicable to—

"'(i) any farm on which the acreage of wheat exceeds the smaller of (1) twelve acres or (2) the highest number of acres planted to wheat on the farm for harvest in the calendar years 1956, 1957, 1958, 1959, or 1960; and

"'(ii) any farm on which any wheat is planted if any of the producers who share in the wheat produced on such farm share in the wheat produced on any other farm.'

"(e) Item 12 of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (12)), is repealed, effective beginning with the 1961 crop of wheat.

"(f) Section 326(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"'(b) If a farm is in compliance with its farm acreage allotment for any crop of wheat and the actual production of such crop of wheat on the farm is less than the normal production of the farm wheat acreage allotment, an amount equal to the deficiency may be marketed without penalty from wheat of previous crops stored by the producers on the farm to postpone the payment of marketing quota penalties.'

"SEC. 103. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(a) Section 334 is amended by inserting '(1)' after '(c)' and adding a new subparagraph (2) following subparagraph (c)(1) to read as follows:

"'(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1961 and subsequent crops of wheat as determined on the basis of a minimum national acreage allotment of fifty-five million acres shall be reduced by 20 per centum. In the event notices of farm acreage allotments for the 1961 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2) new notices showing the required reduction shall be mailed to farm operators as soon as practicable.'

"(b) Section 334(e) is amended to read as follows:

"'(e) If, with respect to any crop of wheat, the Secretary determines that the production of any kind of wheat will be inadequate to provide a sufficient quantity of that kind of wheat to satisfy the demand therefor, the wheat acreage allotment (and the number of acres which may be planted under item (7)(1) of Public Law 74, Seventy-seventh Congress, without making a farm marketing quota applicable to the farm) for such crop for each farm located in a county which has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm (or in the acreage which may be planted without making a farm marketing quota applicable to the farm) for any crop if any kind of wheat other than that for which the increase is made is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection, except that any farm in compliance with its increased allotment under this subsection shall be considered in compliance with its farm acreage allotment for the purposes of said section 326(b). Any farm receiving an increased allotment under this subsection shall be excused from complying with clauses (2) and (3) of section 106(b) of the Agricultural Act of 1949 to the extent deemed appropriate by the Secretary to provide for the increase in allotment under this subsection, and no farm on which acreage is designated pursuant to section 106(b)(3) or 106(d) of the Agricultural Act of 1949 in a greater amount than required as a condition of price support for any crop shall be eligible for an increased allotment under this subsection for such crop.'

"(c) Subsection (f) of section 335 is amended by striking out the semicolon at the end of item (1) and adding 'and shall not apply to other farms with respect to the 1961 and subsequent crops;'.

"(d) Section 336 is amended to read as follows:

"'SEC. 336. Between the date of issuance of any proclamation of any national marketing quota for wheat and July 25 of the year in which the proclamation is made the Secretary shall conduct a referendum by secret ballot to determine whether farmers favor or oppose such quota. Farmers eligible to vote in such referendum shall be farmers who were engaged in the production of the crop of wheat normally harvested in the calendar year immediately preceding the calendar year in which the referendum is held on a farm in the commercial wheat-producing area for such crop and on which more than twelve acres was planted to wheat of such crop if such crop was the 1961, 1962, or 1963 crop, or on which more than fifteen acres was planted to wheat of such crop if such crop was any crop other than the 1961, 1962, or 1963 crop. Any acreage considered as being devoted to wheat in establishing future allotments under applicable provisions of law shall be considered as wheat-producing acreage for the purpose of determining eligibility to vote. If the Secretary determines that more than one-third of the farmers voting in the referendum oppose such quota he shall prior to the effective date of such quota by proclamation suspend the operation of the national marketing quotas with respect to wheat.'

"(e) Section 362 is amended by deleting the second sentence thereof.

"(f) Subsections (b) and (c) of section 335 are hereby repealed and subsection (d) of said section is repealed effective beginning with the 1961 crop of wheat.

"(g) The first proviso of section 377 is amended by striking out '*Provided,* That beginning with the 1960 crop' and inserting in lieu thereof '*Provided,* That beginning with the 1964 crop in the case of wheat and the 1960 crop in the case of any other commodity'.

"SEC. 104. Section 101(d) of the Agricultural Act of 1949, as amended, is amended by—

"(A) striking out paragraph (5); and

"(B) amending paragraph (7) to read as follows:

"'(7) No price support shall be made available for any crop of wheat for which acreage allotments are not in effect and no price support shall be made available for any crop of wheat in any State designated under section 335(e) of the Agricultural Adjustment Act of 1938, as amended, as outside the commercial wheat-producing area for such crop.'.

"TITLE II—AMENDMENTS TO GREAT PLAINS PROGRAM

"SEC. 201. Section 16 of the Soil Conservation and Domestic Allotment Act of 1938, as amended, is amended as follows:

"(1) Paragraph (3) of subsection (b) is amended to read as follows:

"'(3) insofar as the acreage of cropland on any farm enter into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of

1938, as amended, the cropland acreage on the farm shall not be decreased during the period of any contract heretofore or hereafter entered into under this subsection by reason of any action taken for the purpose of carrying out such contract and, under regulations of the Secretary, shall not be decreased, for such period after the expiration of the contract as is equal to the period of the contract, by reason of the maintenance of any change in land use from cultivated cropland to permanent vegetation carried out under the contract;'.

"(2) Paragraph (4) of subsection (b) is amended to read as follows:

"'(4) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out any contract heretofore or hereafter entered into under the program or in order to maintain, for such period after the expiration of the contract as is equal to the period of the contract, any change in land use from cultivated cropland to permanent vegetation carried out under the contract shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended;'."

Mr. DIXON (interrupting the reading of the motion to recommit). Mr. Speaker, I ask unanimous consent that the further reading of the motion to recommit be dispensed with. It is identical with the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. ARENDS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 195, nays 211, not voting 25, as follows:

[Roll No. 144]

YEAS—195

Abbitt	Colmer	Gilbert
Adair	Conte	Glenn
Addonizio	Corbett	Goodell
Alger	Cramer	Granahan
Allen	Cunningham	Green, Pa.
Arends	Curtin	Griffin
Auchincloss	Curtis, Mass.	Gubser
Ayres	Curtis, Mo.	Hagen
Baker	Daddario	Halleck
Baldwin	Dague	Halpern
Barrett	Daniels	Hardy
Barry	Davis, Ga.	Harrison
Bass, N.H.	Davis, Tenn.	Hays
Bates	Delaney	Hechler
Becker	Derounian	Henderson
Belcher	Derwinski	Herlong
Bennett, Mich.	Devine	Hiestand
Bentley	Dixon	Hoeven
Betts	Dooley	Hoffman, Ill.
Boland	Dorn, N.Y.	Hoffman, Mich.
Bolton	Dorn, S.C.	Holt
Bosch	Dowdy	Holtzman
Bow	Downing	Hosmer
Bray	Dulski	Jackson
Brewster	Dwyer	Johansen
Brooks, La.	Fallon	Johnson, Md.
Broomfield	Farbstein	Jonas
Brown, Ohio	Fenton	Judd
Broyhill	Fino	Kearns
Budge	Flynt	Keith
Byrne, Pa.	Fogarty	Kilburn
Byrnes, Wis.	Forand	Kirwan
Cahill	Ford	Kluczynski
Canfield	Frelinghuysen	Knox
Cederberg	Friedel	Kowalski
Chamberlain	Fulton	Lafore
Chenoweth	Gallagher	Laird
Chiperfield	Garmatz	Landrum
Church	Gary	Lankford
Clark	Gavin	Lindsay
Collier	Giaimo	Lipscomb
Loser	Pirnie	Smith, Calif.
McCulloch	Poff	Smith, Va.
McDonough	Powell	Springer
McIntire	Quie	Staggers
Macdonald	Quigley	Stratton
Mailliard	Ray	Taber
Martin	Reece, Tenn.	Teague, Calif.
Mason	Rhodes, Ariz.	Thomson, Wyo.
Meader	Rhodes, Pa.	Toll
Meyer	Riehlman	Tollefson
Michel	Rivers, S.C.	Tuck
Milliken	Robison	Utt
Minshall	Rodino	Vanik
Monagan	Rogers, Fla.	Van Pelt
Moore	Rogers, Mass.	Van Zandt
Moorhead	St. George	Wallhauser
Murray	Saylor	Weis
Nelsen	Schenck	Westland
Nix	Scherer	Wharton
Norblad	Schneebeli	Widnall
Osmers	Schwengel	Williams
Ostertag	Short	Wilson
Pelly	Siler	Withrow
Pillion	Simpson	Younger

NAYS—211

Abernethy	Haley	O'Neill
Albert	Hargis	Oliver
Alexander	Harmon	Passman
Andersen, Minn.	Harris	Patman
	Hébert	Perkins
Anderson, Mont.	Hemphill	Pfost
	Hogan	Philbin
Andrews	Holland	Pilcher
Ashley	Horan	Poage
Ashmore	Huddleston	Porter
Aspinall	Hull	Preston
Avery	Ikard	Price
Bailey	Inouye	Prokop
Baring	Jarman	Pucinski
Barr	Jennings	Rabaut
Bass, Tenn.	Jensen	Rains
Baumhart	Johnson, Calif.	Randall
Beckworth	Johnson, Colo.	Rees, Kans.
Bennett, Fla.	Johnson, Wis.	Reuss
Berry	Jones, Ala.	Riley
Blatnik	Jones, Mo.	Rivers, Alaska
Blitch	Karsten	Roberts
Boggs	Karth	Rogers, Colo.
Bolling	Kasem	Rogers, Tex.
Bonner	Kastenmeier	Rooney
Bowles	Kee	Roosevelt
Boykin	Kilday	Rostenkowski
Brademas	Kilgore	Roush
Breeding	King, Calif.	Rutherford
Brock	King, Utah	Santangelo
Brooks, Tex.	Kitchin	Saund
Brown, Ga.	Kyl	Scott
Brown, Mo.	Lane	Selden
Burdick	Langen	Shelley
Burke, Ky.	Latta	Sheppard
Burke, Mass.	Lennon	Shipley
Burleson	Lesinski	Sikes
Cannon	Levering	Sisk
Carnahan	Libonati	Slack
Casey	McCormack	Smith, Iowa
Celler	McDowell	Smith, Kans.
Chelf	McFall	Smith, Miss.
Coad	McGinley	Spence
Coffin	McGovern	Stubblefield
Cohelan	Machrowicz	Sullivan
Cook	Mack	Teague, Tex.
Cooley	Madden	Teller
Dawson	Magnuson	Thomas
Dent	Mahon	Thompson, N.J.
Denton	Marshall	Thompson, Tex.
Diggs	Matthews	Thornberry
Dingell	May	Trimble
Donohue	Miller, Clem	Udall
Doyle	Miller, George P.	Ullman
Elliott		Vinson
Everett	Mills	Walter
Evins	Mitchell	Wampler
Fascell	Moeller	Watts
Feighan	Montoya	Weaver
Fisher	Morgan	Whitener
Flood	Morris, N. Mex.	Whitten
Flynn	Morrison	Wier
Foley	Moss	Willis
Forrester	Moulder	Winstead
Fountain	Murphy	Wolf
Gathings	Natcher	Wright
George	Norrell	Yates
Grant	O'Brien, Ill.	Young
Gray	O'Brien, N.Y.	Zablocki
Green, Oreg.	O'Hara, Ill.	Zelenko
Griffiths	O'Hara, Mich.	
Gross	O'Konski	

NOT VOTING—25

Alford	Buckley	Frazier
Anfuso	Durham	Healey
Barden	Edmondson	Hess
Holifield	Merrow	Steed
Irwin	Metcalf	Taylor
Kelly	Miller N.Y.	Thompson, La.
Keogh	Morris, Okla.	Wainwright
McMillan	Multer	
McSween	Mumma	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Miller of New York for, with Mr. Alford against.

Mr. Merrow for, with Mr. Keogh against.

Mr. Wainwright for, with Mr. Anfuso against.

Mr. Taylor for, with Mr. Buckley against.

Mr. Hess for, with Mr. Multer against.

Mrs. Kelly for, with Mr. Durham against.

Mr. Mumma for, with Mr. Holifield against.

Mr. BYRNE of Pennsylvania, Mrs. GRANAHAN, and Mr. BRAY changed their votes from "nay" to "yea."

Mr. ZELENKO and Mr. CASEY changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on passage of the bill.

Mr. ARENDS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 170, nays 236, not voting 24, as follows:

[Roll No. 145]

YEAS—170

Abernethy	Gross	Morrison
Albert	Hargis	Moss
Alexander	Harmon	Moulder
Andersen, Minn.	Harris	Natcher
	Hébert	Norrell
Anderson, Mont.	Hogan	O'Brien, Ill.
	Holifield	O'Hara, Ill.
Andrews	Holland	O'Konski
Ashmore	Huddleston	Oliver
Aspinall	Hull	Passman
Avery	Ikard	Patman
Bailey	Inouye	Perkins
Baring	Jarman	Pfost
Barr	Jennings	Pilcher
Bass, Tenn.	Jensen	Poage
Beckworth	Johnson, Calif.	Porter
Berry	Johnson, Colo.	Preston
Blatnik	Johnson, Wis.	Price
Blitch	Jones, Ala.	Rabaut
Boggs	Jones, Mo.	Rains
Bolling	Karsten	Randall
Bonner	Karth	Reuss
Bowles	Kasem	Riley
Boykin	Kastenmeier	Rivers, Alaska
Brademas	Kee	Roberts
Breeding	Kilday	Rogers, Colo.
Brock	Kilgore	Rogers, Tex.
Brooks, Tex.	King, Calif.	Roosevelt
Brown, Mo.	King, Utah	Roush
Burdick	Kitchin	Rutherford
Burke, Ky.	Kyl	Santangelo
Cannon	Langen	Saund
Carnahan	Lennon	Scott
Chelf	Lesinski	Selden
Coad	Levering	Sheppard
Cook	Libonati	Shipley
Cooley	McCormack	Sikes
Dawson	McFall	Sisk
Denton	McGinley	Slack
Diggs	McGovern	Smith, Iowa
Dingell	Machrowicz	Smith, Miss.
Doyle	Mack	Spence
Elliott	Madden	Stubblefield
Evins	Magnuson	Sullivan
Fascell	Mahon	Teague, Tex.
Fisher	Marshall	Teller
Flood	Matthews	Thompson, Tex.
Flynn	Miller, George P.	Thornberry
Foley		Trimble
Fountain	Mills	Ullman
Gathings	Mitchell	Vinson
George	Montoya	Walter
Grant	Moorhead	Wampler
Gray	Morgan	Watts
Griffiths	Morris, N. Mex.	Weaver

Whitener	Willis	Wright
Whitten	Winstead	Young
Wier	Wolf	Zablocki

NAYS—236

Abbitt	Farbstein	Milliken
Adair	Feighan	Minshall
Addonizio	Fenton	Moeller
Alger	Fino	Monagan
Allen	Flynt	Moore
Arends	Fogarty	Murphy
Ashley	Forand	Murray
Auchincloss	Ford	Nelsen
Ayres	Forrester	Nix
Baker	Frelinghuysen	Norblad
Baldwin	Friedel	O'Brien, N.Y.
Barrett	Fulton	O'Hara, Mich.
Barry	Gallagher	O'Neill
Bass, N.H.	Garmatz	Osmers
Bates	Gary	Ostertag
Baumhart	Gavin	Pelly
Becker	Giaimo	Philbin
Belcher	Gilbert	Pillion
Bennett, Fla.	Glenn	Pirnie
Bennett, Mich.	Goodell	Poff
Bentley	Granahan	Powell
Betts	Green, Oreg.	Prokop
Boland	Green, Pa.	Pucinski
Bolton	Griffin	Quie
Bosch	Gubser	Quigley
Bow	Hagen	Ray
Bray	Haley	Reece, Tenn.
Brewster	Halleck	Rees, Kans.
Brooks, La.	Halpern	Rhodes, Ariz.
Broomfield	Hardy	Rhodes, Pa.
Brown, Ga.	Harrison	Riehlman
Brown, Ohio	Hays	Rivers, S.C.
Budge	Hechler	Robison
Burke, Mass.	Hemphill	Rodino
Burleson	Henderson	Rogers, Fla.
Byrne, Pa.	Herlong	Rogers, Mass.
Byrnes, Wis.	Hiestand	Rooney
Cahill	Hoeven	Rostenkowski
Canfield	Hoffman, Ill.	St. George
Casey	Hoffman, Mich.	Saylor
Cederberg	Holt	Schenck
Celler	Holtzman	Scherer
Chamberlain	Horan	Schneebeli
Chenoweth	Hosmer	Schwengel
Chiperfield	Irwin	Shelley
Church	Jackson	Short
Clark	Johansen	Siler
Coffin	Johnson, Md.	Simpson
Cohelan	Jonas	Smith, Calif.
Collier	Judd	Smith, Kans.
Colmer	Kearns	Smith, Va.
Conte	Keith	Springer
Corbett	Kilburn	Staggers
Cramer	Kirwan	Stratton
Cunningham	Kluczynski	Taber
Curtin	Knox	Teague, Calif.
Curtis, Mass.	Kowalski	Thomas
Curtis, Mo.	Lafore	Thompson, N.J.
Daddario	Laird	Thomson, Wyo.
Dague	Landrum	Toll
Daniels	Lane	Tollefson
Davis, Ga.	Lankford	Tuck
Davis, Tenn.	Latta	Udall
Delaney	Lindsay	Utt
Dent	Lipscomb	Vanik
Derounian	Loser	Van Pelt
Derwinski	McCulloch	Van Zandt
Devine	McDonough	Wallhauser
Dixon	McDowell	Weis
Donohue	McIntire	Westland
Dooley	Macdonald	Wharton
Dorn, N.Y.	Mailliard	Widnall
Dorn, S.C.	Martin	Williams
Dowdy	Mason	Wilson
Downing	May	Withrow
Dulski	Meader	Yates
Dwyer	Meyer	Younger
Everett	Michel	Zelenko
Fallon	Miller, Clem	

NOT VOTING—24

Alford	Healey	Miller, N.Y.
Anfuso	Hess	Morris, Okla.
Barden	Kelly	Multer
Broyhill	Keogh	Mumma
Buckley	McMillan	Steed
Durham	McSween	Taylor
Edmondson	Merrow	Thompson, La.
Frazier	Metcalf	Wainwright

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Durham for, with Mrs. Kelly against.

Mr. Keogh for, with Mr. Miller of New York against.

Mr. Buckley for, with Mr. Merrow against.

Mr. Anfuso for, with Mr. Wainwright against.

Mr. Healey for, with Mr. Hess against.

Mr. Multer for, with Mr. Taylor against.

Mr. Alford for, with Mr. Mumma against.

Mr. Edmondson for, with Mr. Broyhill against.

Mr. KITCHIN changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

Mr. HOEVEN. Mr. Speaker, I move to reconsider the vote by which the bill failed of passage and lay that motion on the table.

The motion was agreed to.

CALL OF THE PRIVATE CALENDAR ON THURSDAY, JUNE 30

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Thursday of next week under the rule the call of the Private Calendar may take place.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TREASURY-POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1961

Mr. GARY. Mr. Speaker, I call up the bill (H.R. 10569) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1961, and for other purposes, with a Senate amendment thereto.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment No. 6: Page 12, line 18, strike out all after "$3,100,000,000" down to and including "law" in line 20.

Mr. GARY. Mr. Speaker, I send a motion to the desk.

The Clerk read as follows:

Mr. GARY moves that the House adhere to its disagreement to the amendment of the Senate numbered 6.

Mr. HOFFMAN of Michigan. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein.

Mr. GARY. Mr. Speaker, I ask for a division of the motion.

The SPEAKER pro tempore. The gentleman may have a division of the motion. Does the gentleman wish to debate the motion?

Mr. GARY. Yes.

Mr. HOFFMAN of Michigan. Yes; I would like to explain what the motion is.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. GARY] is entitled to be recognized for 1 hour on the motion.

Mr. HOFFMAN of Michigan. How about my 5 minutes? Will I be recognized for 5 minutes to explain the motion?

The SPEAKER pro tempore. The time is under the control of the gentleman from Virginia.

Mr. GARY. Mr. Speaker, I yield 10 minutes to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Speaker, as a member of the Treasury-Post Office Appropriations Subcommittee I have asked for time to discuss this amendment very briefly. I am quite sure the membership would like to hear a review of the history of Senate amendment No. 6.

On February 23, 1960, at page 3283 of the CONGRESSIONAL RECORD, the gentlewoman from Illinois [Mrs. CHURCH] offered an amendment to strike out. On a division this proposal was rejected by a vote of 26 ayes and 80 noes.

The bill was passed without a record vote.

The Senate Committee on Appropriations accepted the language when reporting the bill.

On April 25, 1960, CONGRESSIONAL RECORD, page 8617, in the other body Mr. WILLIAMS offered an amendment to strike out. The amendment was agreed to without a record vote.

The bill was passed on a rollcall vote of yeas 75, nays 0, not voting 25.

June 1, 1960, CONGRESSIONAL RECORD, page 11571, the committee on conference reported in disagreement amendment No. 6.

June 1, 1960, page 11573 of the CONGRESSIONAL RECORD, the conference report was agreed to.

Mr. GARY offered a motion that the House insist on its disagreement to the Senate amendment. The motion was agreed to without a record vote.

On June 6, at page 11884 of the CONGRESSIONAL RECORD, the conference report was agreed to.

Mr. ROBERTSON offered a motion that the Senate recede from its amendment. The motion was rejected on rollcall, yeas 25, nays 49, not voting 26.

Mr. WILLIAMS offered a motion that the Senate insist upon its amendment and ask for a further conference. That motion was agreed to.

On two previous occasions this body has supported the committee in its recommendation.

Mr. Speaker, the right of the use of the franking privilege is not involved here; the question is how the frank is to be used.

When mailing important documents or Government publications, those going to rural boxholders are addressed to boxholders, but if the same type of mail goes into a city it must be addressed individually, to an individual address. This makes it more expensive for the Department to handle because it requires a longer time to sort and deliver the mail. The Post Office officials state that when such mail is addressed to "Occupant" or "Boxholder" it costs less to handle and deliver than if individually addressed.

Why should we permit the letter service agencies to profit at the expense of the Members of Congress for providing mailing lists and addressing envelopes for this official mail? Furthermore, for the service bureaus or the Department

to dictate to the Members of Congress how our frank should be used in getting official documents into the hands of constituents is, in my opinion, unjustified. Then, there is this question: Why should those of us who represent rural districts have an advantage in this respect over those who represent city districts?

The House has voted on this matter twice before, and I hope that we shall again support the committee's position.

Postmaster General Summerfield came before our committee and stated that the salary increase which we voted last week, if it went into effect, would increase the Post Office Department deficit by $248 million, and that in the fiscal year 1961 we would have a postal deficit in excess of $850 million.

When the Assistant Postmaster General was before our committee, Mr. GARY asked him this question: "Is it any cheaper, so far as the Post Office Department is concerned, to handle the mail in this manner?"

Mr. Sessions said, "Yes, I think there is no question about that."

If you are mailing out 5,000 letters with official documents to rural people, that mail goes to "Boxholder." If you mail the same 5,000 to constituents residing in the city you have to address them individually and deliver them individually. This latter procedure certainly costs you more money, and it costs the Post Office Department more money.

Let us reason the matter out. The use of the frank is not involved, but how you shall use the frank. If you have 5,000 letters you must mail, why should you not use the lowest cost way, and send them to "Boxholder" or "Occupant," rather than to have to address them individually, and put the Post Office Department to the task and expense of having to select the letters individually? In many cases up to 20 to 25 percent of the addressed letters are returned, and they have to be returned at the expense of the Post Office Department to Washington or to your home address if you should be mailing them from the home district.

We supported this provision 3 to 1 earlier in the year, and at a subsequent date we supported it again. Why, now, should we retreat from our position and abide by the wishes of one man in the other body who has raised a lot of fuss about this? I say we should support the committee, as you have done in the past.

I am willing to trust Members of Congress. I do not think that you should be deprived of the right to use your mailing frank. If you do not use it intelligently, you are not going to be here to use it very long anyway.

Now, I want to repeat that it is not a question of the use of the franking privilege. It is a question of how you shall use it. Under the law today you actually have the right to use your frank and mail official material to "Occupant" or to "Boxholder," and it is only by the directive of Mr. Summerfield that you are being deprived of using that right.

We are not changing the law. I think our distinguished chairman will tell you that we are not attempting to amend the law by this language, but merely to restate the law. We are just indicating to Mr. Summerfield that the Congress should have a word in this matter. So, I hope that you will support the committee at this time, as you have done in the past.

There are Members who feel that inasmuch as this is an election year, maybe we should go along, and let the service bureaus and the Department dictate to us how we should address our mail. I think I have stated it very simply. I think I have given it to you factually.

And, our distinguished chairman did not have the hearings printed, but the transcript will be on the floor and available. Mr. Sessions, the Assistant Postmaster General, stated that the use of occupant mail is cheaper than if the letters are addressed and delivered individually. And, I am sure our distinguished chairman would not mind you having a look at the original transcript, and you will know that the committee is justified in its stand and that the House has been justified in supporting it.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Will this permit every citizen of the country to use this system of addressing mail to "Occupants"?

Mr. PASSMAN. Not any more than it would permit every citizen of this country to use the franking privilege. If you want to make that point an issue, let us just state that if it is wrong for the 537 Members of Congress to use the frank, we should withdraw it. But, we should not state that I could use it to send my mail to the rural constituents and not to the city constituents.

Mr. GROSS. The gentleman said the frank is not in issue, but what is in issue, it seems to me, is this special privilege to Members of the Congress and Members of the Congress only. If I have the wrong impression, the gentleman should tell me so.

Mr. PASSMAN. Let me answer the distinguished gentleman by saying this involves only the right of Members of Congress to use the frank in cities as well as in rural communities.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. GARY. Let me say to the gentleman that this is not a special privilege for anybody. And, it has been the most misrepresented piece of legislation that has ever been on the floor of this House. It does not give anybody a special privilege. It does not change the law. It does not give any privilege that is not already in the law. The fact is that the Postmaster General has restricted by bureaucratic fiat the privilege already granted to Members of Congress by law.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. PILLION. Is it the position of the gentleman that you are advocating an equalization of the franking privilege rather than a new privilege; sort of an equalization of the franking privilege? Is that the position of the gentleman?

Mr. PASSMAN. It is my understanding that we are merely complying with the law but that we may in the future, as we have in the past, be privileged to address our mail to "Boxholder" or "Occupant."

Mr. GARY. Mr. Speaker, if the gentleman will yield further, the gentleman is absolutely correct. It is merely extending to the Members of Congress, who represent city or urban districts, the same privilege that is now enjoyed by Members of Congress who represent rural districts.

Mr. PILLION. And it gives full protection to the franking privilege so far as Members of the Congress are concerned?

Mr. GARY. That is the point exactly.

Mr. PASSMAN. Now, I want to state further that if it costs less for us to use the frank and address the letters to "Occupant" or "Boxholder" rather than to address them individually, then I think we should have and use that privilege. I would not have asked for this time if it had not been that Mr. Sessions of the Post Office Department came before our committee and testified that it would be more economical to send it out to "Boxholder" rather than to address and deliver it individually.

As we are facing a $750 million postal deficit next year I do not see why we should not use the lowest cost means of mailing. I do not believe any Member of Congress will send out any more documents because he would be allowed to address it to "Occupant" than if he had to address the mail to the individual. A Member has just so many documents going out and he is going to have to get them out whether he addresses them to the individual or to a boxholder.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. YOUNGER. If it is cheaper, then why do we not grant the same privilege to all of the second- and third-class mailers?

Mr. PASSMAN. I suppose we could argue, why not give the franking privilege to all people who use the mails? We are merely trying to protect the rights of Members of Congress to send out public documents to their constituents.

Mr. YOUNGER. The gentleman is just begging the question.

Mr. PASSMAN. I am not begging the question.

Mr. YOUNGER. If it is cheaper for the Congressman to send his franked mail out to "Occupant", why is it not cheaper to permit third-class mailers to do the same thing?

Mr. PASSMAN. I am sure we could establish that it would be more economical.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. GARY. It has been testified to before our committee and is beyond question that it would be cheaper. The

facts are that when the privilege was extended generally the post offices were flooded with junk mail, to the extent that they could not handle it and consequently they had to abandon the practice. They admitted, however, that it was a cheaper method of handling it.

Mr. YOUNGER. That is correct.

Mr. GARY. But I do not believe that Members of Congress would flood the Post Office Department to the point where it could not handle the mail.

Mr. PASSMAN. That is the statement that I made, that I do not think Members of Congress would increase the volume of their mail by as much as 1 percent. A Member has to get these official documents out. If he is sending out an important speech made, perhaps, by the distinguished gentleman from New York, Mr. TABER, or the distinguished gentleman from Indiana, Mr. HALLECK, or any other distinguished Member, he wants to get that mail out. I do not see why he should be put to the additional expense of employing a letter service agency to address the letters, just because it means business and profit to them. I do not think the Post Office Department would testify before our committee that the "Boxholder" or "Occupant" mailing is more economical unless they had the facts. But in addition to that fact, I do not see why I, representing largely a rural section, should be given a special mailing privilege over those Members who represent largely city districts. As it stands today, I am privileged to address all of my mail going to rural districts to the boxholder or occupant.

I will ask my chairman whether I am not making a statement of fact.

Mr. GARY. Yes.

Mr. PASSMAN. If I have that privilege today, I am going to continue to use that privilege. I do not see why those representing city districts should not have the same privilege, especially since it is the more economical method, according to the testimony of the Assistant Postmaster General.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. The gentleman was good enough to remember that I introduced the amendment some time ago to strike out this preposterous proposal to extend the congressional franking privilege to include sending mail addressed just to "Occupant" into urban areas.

Mr. PASSMAN. Yes, I certainly do.

Mrs. CHURCH. On the day that that worthy amendment was defeated in committee, I would have included the prohibition in a motion to recommit, had it not been for the fact that there was an agreement that there would be no rollcall votes on that day. I have regretted ever since that I observed that restriction.

May I say to the gentleman, however, that if he thinks there is no discrimination in offering this privilege to the Congress as against the refusal to offer it to the individual citizen, the public not only sees the discrimination but actually questions our integrity. The individual citizen is certainly opposed to the granting of this privilege, because he does feel himself to be discriminated against. Furthermore, he would prefer further, rather than less protection from the indiscriminate flood of "Occupant" mail against which there has been so much protest.

My attempt to remove from the original appropriation bill this exclusive and expensive privilege for Congressmen apparently met a responsive chord throughout the country. On no other subject have I received as much mail congratulating me on making the attempt, even if it was at that time unsuccessful, to strike out this privilege. I should like to say, as a Member from a district which has some rural mail, but which largely has delivered mail, that I would not use this special privilege if it were accorded to Members of this body.

I am sure that this responsible body, on sound second thought, will uphold my effort to strike out the provision by voting to recede from its disagreement with the other House, which has been firm in refusing to accept this proposal in the bill.

The SPEAKER pro tempore. The time of the gentleman from Louisiana [Mr. PASSMAN] has again expired.

Mr. GARY. Mr. Speaker, I yield the gentleman 2 additional minutes, and ask him if he will yield to me.

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. GARY. Mr. Speaker, I should like to say to the gentlewoman from Illinois that if the individual citizen feels that he is being discriminated against, it is because of the regulations of the Post Office Department and not the law, because at the present time this is permitted by law, and is restricted by departmental regulation.

Mr. PASSMAN. If the gentlewoman will take the transcript and read the Assistant Postmaster General's statement in reply to questions, he indicates, and I think the gentlewoman will agree and she may change her position, that this was brought about not because we informed our constituents but because they were misinformed, and because many of the newspapers had brought on unreasonable pressure. If you will take the transcript and read it yourself you will find that the Department indicated the newspapers had brought on much of this opposition.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. SANTANGELO. Is it correct that if this amendment is agreed to the Congressmen representing the rural areas will have the right to send mail to the occupants or boxes or post offices but the Congressmen representing the city districts will not have that privilege?

Mr. PASSMAN. Congressmen from rural districts already have that right for rural route mailing. If this amendment is rejected or approved we still have the right.

Mr. SANTANGELO. If the amendment is agreed to, the Congressmen from the rural areas will still have that right but the city Congressmen will not.

Mr. PASSMAN. We are trying to protect those in the city areas and give them the same privileges as those in the rural areas, such as I represent. It is that simple.

Mr. GARY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

Mr. SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, presumably this franking privilege, though I do not know for certain, was given us so we could answer our constituents, which of course we could not possibly do if we had to pay regular postage.

It seems to me, as I read the old books, the stability of any government depends on the confidence the people have in their officials. Reading the papers and listening to the radio recently, I discovered—and it is a discovery—that we as a Congress are in disrepute at the present time. There always are those who, for personal reasons, seek to discredit the Congress and its Members. If or when a few do some discreditable act all, by association, are castigated.

Here is another one. I know Members of Congress, I say, I know Members of Congress who in the past have abused the franking privilege. We did not get much credit for doing that. We will not get any more by now asking the privilege of franking out our campaign mail—this is a campaign year, an election year—to every resident of every city in our districts, and I do not know personally of anyone who does not have cities in his district—then we have recent disclosures in the press which reflect on the Congress as a whole though only a few are mentioned.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I am going along with the gentleman from Louisiana [Mr. PASSMAN] all the way on foreign aid. It is all right now to try to give our own people something. I would say to the gentleman from Louisiana, it is all right, but why limit the aid to Congressmen? Why ask for something additional and special in an election year?

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I cannot. I might be overpersuaded.

I cannot understand why—talking about Americans—I cannot understand why he does not want to give this privilege, which is a very valuable one, to everybody in the country. If we did, the post offices would be so cluttered up they could not do business. We just passed a civil rights bill which was supposed to do away with discrimination in all fields.

We just increased the pay of postal employees. Are we now to give them additional work so as to be sure they earn the increase?

We get counterpart funds if we are fortunate enough to belong to a junketing committee. Many of them are absolutely essential and do a wonderful job. If we belong to one operating here at home we can get funds to spend here in America to pay our expenses but rightfully under the law, no more. I will not name any names, but go back over the record and see where Members of Congress have used the taxpayers' money for almost every conceivable private purpose on some of these junkets.

Mr. PASSMAN. Mr. Speaker, will my friend yield?

Mr. HOFFMAN of Michigan. I have only a few minutes. I am afraid I will be overpersuaded. I cannot yield. To go back to what was said a moment ago, why do they not grant the franking privilege to everybody? Because the Department could not operate at all if we did. Do Congressmen want a campaign contribution? For our own interest and for protecting our own integrity and just out of common decency, should we not just forget this special privilege for ourselves for this year? Do it next year, when a campaign is not on. I think that would be fair.

Mr. SCHERER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to my colleague, I know he wants to be reelected and wants to make use of every possible legitimate and decent use of the franking privilege in order to serve his people.

Mr. SCHERER. I just want to know whether or not we should take steps to eliminate the privilege that rural Congressmen have to send their mail to occupants or to box holders.

Mr. HOFFMAN of Michigan. We cannot answer their many requests—sometimes demands—if we did that. I claim that the misuse of that privilege is something too many of us, including your humble servant, indulge in and we should not extend it. If anything, we should begin to cut it. What we are doing here is trying to protect our good name.

Mr. SCHERER. I agree with you.

Mr. BROOMFIELD. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. BROOMFIELD. I wish to commend the gentleman from Michigan. I think, possibly, the Congress should go another step farther and eliminate the privilege we are giving to this rural box holder and occupant mail.

Mr. HOFFMAN of Michigan. I would like to go along with that if our constituents did not ask so many questions which must be answered and which cannot be answered if the privilege is taken away.

But some people are sending everything under heaven through the Post Office Department, and we should not open ourselves to criticism and this is the real issue, we should not open ourselves to further charges of voting for legislation which helps us personally in a campaign year or of obtaining Government funds to which we are not entitled. That destroys the confidence of our people in their Representatives.

Mr. GARY. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I want to make it clear to the House that I oppose my committee chairman very reluctantly. I have never found a finer gentleman and finer Congressman to work with than VAUGHAN GARY of Virginia.

Mr. Speaker, I opposed this amendment originally and I oppose it again today. I hope the House will go along with the motion offered by the gentleman from Michigan [Mr. HOFFMAN].

To explain to the House what is before us—an amendment was inserted by the Subcommittee on the Post Office and Treasury Appropriations Subcommittee and accepted by the full committee and accepted by the House, which would allow the Congress, the U.S. House of Representatives and the U.S. Senate to mail out letters merely by marking "Occupant" on the envelope. They could take this mail and bundle it up in a huge bundle and bring it down to the Post Office and the Post Office would be obligated to deliver this mail to every constituent in their congressional district. There would be nothing to prevent me from flooding the entire Commonwealth of Massachusetts merely by taking 5 million envelopes marked "Occupant" and bringing them down to the local post office and they, in turn, would have to deliver them to every resident in the Commonwealth of Massachusetts. The same thing holds true for the States of New York, California, or any one of the States of the Union.

Now cut this as you may. Cut it as thin as you want to or as thick as you want—this is giving a special privilege to the Congress, which the ordinary citizen does not have.

Mr. Speaker, in regard to rural mail—yes, a Congressman has that privilege but the citizen also has that equal privilege. Here you are going to give something extra to the Congressmen that the ordinary taxpayers do not have. Mr. Speaker, I am proud of my frank, and when I send a letter marked "Official Business" I feel it at least should have the name and address of the person to whom I am sending that mail.

Of all the complaints that we receive in the Congress on the many bills before the Congress, I think the one that I receive more complaints about is the question of junk mail.

CALL OF THE HOUSE

Mr. YOUNGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. MILLS). The Chair will count. [After counting.] Evidently a quorum is not present.

Mr. CHELF. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 146]

Adair	Gathings	Multer
Alford	Gavin	Mumma
Anfuso	Healey	Powell
Avery	Hess	Reece, Tenn.
Bailey	Kasem	Smith, Calif.
Barden	Kearns	Smith, Miss.
Bennett, Mich.	Kelly	Spence
Bowles	Keogh	Steed
Broyhill	McMillan	Taylor
Buckley	McSween	Thompson, La.
Burdick	Macdonald	Thompson, Tex.
Cooley	Magnuson	Udall
Daddario	Merrow	Ullman
Durham	Metcalf	Wainwright
Edmondson	Miller of N.Y.	Willis
Evins	Mitchell	
Frazier	Morris, Okla.	

The SPEAKER pro tempore. On this rollcall, 382 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

TREASURY AND POST OFFICE APPROPRIATIONS, 1961

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. PILLION. Will the gentleman state, whether or not, to his knowledge, there was any showing or any proof of any great abuse of this franking privilege on the part of Members of this House who come from rural areas?

Mr. CONTE. No; this was never discussed in the committee. There were no hearings on this particular amendment.

Mr. PILLION. If there has been no showing of any great abuses of this privilege on the part of the Members in the rural areas, is there any reason to believe that the Members from the cities would abuse this privilege and not use it reasonably?

Mr. CONTE. As I say, there were no hearings held. But let us not lose sight of one point, that the ordinary taxpayers in the rural areas have the same privilege as Congressmen. By this amendment you are giving the Congressmen a privilege that the city taxpayer does not have because now, under the ruling, and since the last pay increase, the Postmaster said that city mail would have to be addressed, that the person's name would have to be on the envelope and that they could not send "Occupant" mail to city people. This would give an added privilege to the Congressmen from city areas.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. GARY. Is it not a fact that the Congressmen representing the rural areas and people in the rural areas have a privilege that is not now enjoyed by the Congressmen representing the city areas?

Mr. CONTE. That is exactly right. But in that case, as I have stated three times, the taxpayer living in the rural area has the same privilege as the Congressman. He can send "occupant" mail to rural areas; it is not only the person living in the rural area, but anyone in the United States can send "occupant" mail to people living in the rural areas.

Mr. GARY. They can now. And they can also to people living in city areas, if the Postmaster General would permit it. This is not a matter of law. It is simply a matter of postal regulations.

Mr. CONTE. If he would permit it, but he does not permit it.

Mr. GARY. Exactly. We are trying to say here that insofar as the Congress is concerned, those representing the city areas shall have the same privilege and be on an equal basis with those representing the rural areas. That is all we are asking in this amendment.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. COLLIER. When the ban on the use of occupant-addressed mail was invoked some 3½ years ago it became necessary for the church folks in all of our metropolitan districts to change their method of addressing their church bulletins and mail that they sent out in connection with special religious events. Personally I do not know how I could go along with this as long as this privilege is denied the church people in my district, as enlightening and as informative as I think all the mail is that I send out.

Mr. CONTE. Mr. Speaker, may I make this last point? What we are doing here today, if we go along with this amendment, is to make a mockery of our frank which is a mark of distinction. Also, some mention has been made about the huge deficit of the Post Office Department. Mr. Speaker, this is going to add to the deficit of the Post Office Department because it is going to bring new details which will mean that the postmaster and his workers will have to monitor all the mail and make sure that the mail that is marked "occupant" comes from Congressmen.

Mr. GARY. If the gentleman will yield, is it not true that in the first place the Post Office Department has said it is cheaper to handle the mail in this manner, and in the second place, the Congress makes an appropriation for the mail that is handled for both the Senate and the House, therefore, it will not affect the Post Office deficit one penny?

Mr. CONTE. Someone will have to pay for this. The chairman will have to agree with me that the postmaster or someone under him will have to monitor all the mail to make sure that the mail was mailed by a Congressman, because the ordinary taxpayer does not have this privilege.

Mr. GARY. They have to do that now. They have to keep an account of the franked mail and charge it to the Congress.

Mr. CONTE. That is true, but this creates an added burden.

Mr. GARY. It is no burden at all. They testified before our committee that it will be cheaper.

Mr. CONTE. They will have to monitor the mail to make sure it was a Congressman who sent it out, because the ordinary taxpayer does not have that privilege.

Mr. GARY. Mr. Speaker, I yield to the gentlewoman from New Jersey [Mrs. DWYER] such time as she may desire.

Mrs. DWYER. Mr. Speaker, I support the preferential motion offered by the gentleman from Michigan [Mr. HOFFMAN] and oppose any further extension of the franking privileges for Members.

This motion, if it is adopted by the House, will uphold the Senate and reverse the recommendation of the House Appropriations Committee which seeks to extend Members' franking privileges to include the use of mail addressed simply to "Occupant" and delivered to every household in every community to which it is sent.

This would be, in my view, a thoroughly unjustified privilege and would understandably call upon Congress the great displeasure of the people we represent. Congress has more important things to do, especially in an election year, than to find ways and means of perpetuating itself in office at the public's expense.

The use of the frank is an old, honorable and absolutely essential privilege. If the frank did not exist, something like it would have to be invented in order to facilitate communication between the people and their elected representatives. The volume of congressional mail has grown heavier in recent years largely because people are better informed and are taking a more active interest in the conduct of their Government. The responsibility of Members of Congress to answer this mail, to help keep their constituents informed, and to help make possible a freer and franker exchange of views between constituent and representative could not be fulfilled without the frank.

Like all other privileges and rights, however, the frank can be abused. While the law clearly limits the use of the frank to matters of official business, the line between official and political is sometimes difficult to draw. In addition, the availability of the frank may tend at times to encourage excessive use of the mails.

For these and other reasons, I believe it would be unwise to extend the franking privilege to include so-called "junk mail." Mail addressed simply to "Occupant" is clearly "junk mail." It seems to me that if mail is sufficiently important to qualify for the frank as official business it should be individually addressed. The added time and expense of individual addresses would be a healthy deterrent to the overly generous use of the frank.

There are other good reasons, Mr. Speaker, for opposing the extension of the franking privilege. Unless it can clearly be shown to be necessary for the proper conduct of Congress, we should not be placed in the position of voting for special benefits for ourselves. It is a matter of poor taste, as well as of questionable ethics, for Congress to award itself special privileges unavailable to ordinary citizens—unless those privileges are essential for the performance of official, public responsibilities. This calls for restraint, good judgment, and a concern to protect the integrity of Congress as the cornerstone of free, responsible, and representative government.

Those who urge the extension of the franking privilege, Mr. Speaker, do so on grounds that representatives of urban areas should have the same privileges now available to representatives of rural areas. Speaking for myself, as a representative of a distinctly urban area, I cannot accept this argument, nor do I believe the people I represent would accept it.

It is time, Mr. Speaker, to call a halt to unwarranted special privilege, and the House of Representatives is a good place to stop it.

Mr. GARY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Speaker, I am opposed to any extension of the franking privilege to "occupant mail" in this manner. The only justification that has been voiced on the floor of the House in support of this extension is to equalize the difference between rural and urban areas. It is supposed to give city Congressmen the same privilege now enjoyed by Congressmen from rural areas to send out mail addressed "occupant." I represent a solidly urban area. I cannot speak for districts other than my own, but I assure the Members of the House that the people of my district are not interested in receiving occupant mail, and I am not interested in sending it out. I support the motion that the House recede from its previous position in the matter.

Mr. GARY. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, I have 5 minutes. I hope to take only 3 minutes or less.

Mr. Speaker, this institution was established by Benjamin Franklin, Thomas Jefferson, John Adams, and their immediate associates.

It was not established for the benefit of Congressmen. It is not intended to be used today for the benefit of Congressmen. The purpose for which it was established and the sole purpose for which it was instituted was that the citizens of the United States should have an opportunity to receive from their Congressmen an accounting of that Congressman's stewardship. That is the purpose for which it was instituted and that is the purpose for which the committee proposes it shall continue to be used.

When the Constitution was first promulgated there was general agreement abroad that democracy was an impracticable dream. No government by the common people had ever been tried. It could not work.

Most of the people were backwoodsmen. They could not understand civic problems. As soon as Washington died a man on horseback would move in with firing squads and that would be the end of democracy.

The Founding Fathers themselves were apprehensive. They realized the soundness of that argument.

They approached it, as you know, in three ways.

In the first place they established the little red schoolhouse.

In the second place they gave the local newspapers free postage.

And in the third place they instituted the frank.

That was more than 150 years ago. It has been all these years a part of our American system of government. It is one of the means by which our democratic form of government survived.

Our form of government could not have lived without the school, without the newspaper, and without the frank. The voters must know what the issues are. They must know the position of their Representative in order to know whether they should vote for or against him. And whether they should vote to support the administration or oppose it.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Is it not true there is an appropriation made every year to the Post Office Department to pay for the use of the frank by the Congressmen?

Mr. CANNON. Oh, yes, we could not keep in touch with our constituents. We could not answer our congressional mail, if we did not have the frank. This bill does not expand it. This merely preserves the frank as we have preserved the schools and free distribution of newspapers. I am certain the gentleman is not opposed to any of the three.

For more than 150 years Congressmen have had this right. They were supposed to report to their constituents, and this is why it should be continued—in the city as well as in the country.

The essential thing here—and the thing so many seem to misunderstand is that the frank is for the benefit of the constituent and not for the benefit of the Congressman.

It is solely for the benefit of the constituent. It is to enable the voter to exercise his right of citizenship—to enable the American citizen to intelligently exercise the right of suffrage. Many are today just as lacking in knowledge of what is going on in Congress as were the citizens of 1789. They are the people benefited by the frank rather than the Congressman. They are the people for whom it was first established by the fathers of the Republic.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Virginia.

Mr. GARY. May I say to the gentleman, we appropriated this year $3,269,000 to pay for the mail of both the House and the Senate. So by this legislation, we are not contributing one penny to the deficit.

Mr. CANNON. That is correct. Furthermore, it should be remembered that the Post Office Department still gives the local newspapers free postage. We still have free schools. It is only the frank the lobbyists are trying to prostitute to their own private gain.

This is the only one of these three items they have attempted to circumscribe. A department seeks to arbitrarily dictate a new and alien policy from that established by the men who wrote the Constitution and then used the frank to make it work.

It seeks to deny the use of a right the Congress has exercised for more than 150 years. And while it seeks to prevent you from writing in this manner to your city constituents, it is strange that it does not place the same inhibition on our country constituents. The thing is utterly illogical and unreasonable.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from California.

Mr. YOUNGER. I would like to ask the gentleman one question. If this is so important, why was it not put in the bill last year in the Post Office appropriation? Why do you pick out an election year?

Mr. CANNON. I will explain to the gentleman how this originated. I send out to all of my constituents a list of farm bulletins. In order to comply with this absurd order by the Department I had to hire three additional clerks and yet, after all this useless and unnecessary trouble and expense, hundreds of them came back. Under the old system—under the original use of the frank—every family would have received one. It was a pure economic waste.

The Government has spent vast sums of money to provide these bulletins.

They are prepared after exhaustive research by some of the most eminent scientists of the day. All this is wasted—and all the money used in printing them is wasted if they cannot be delivered.

I also discovered to my astonishment, that it places an additional burden on the carrier and is more expensive to the Government.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. If this is so economical and if it is not going to cost anything, and it is so economical——

Mr. CANNON. More economical than the method they now have.

Mr. GROSS. All right, if it is more economical, why not extend it to all third-class mail?

Mr. CANNON. Yes. Something has been said about junk mail. But this has nothing to do with junk mail. I have never considered the speech of any Congressman as junk.

Mr. GARY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. DEVINE].

Mr. DEVINE. Mr. Speaker, the census last week indicated 676,000 people in my district, all in one county, a majority of which is the capital city of Ohio, Columbus. Obviously this is primarily a metropolitan area. The people in my district do not want to be bothered with having their mail boxes loaded with "occupant" mail, from Congress or otherwise, and I intend to vote for the motion of the gentleman from Michigan, and I think the House should recede from its previous position.

Mr. GARY. Mr. Speaker, I yield myself the remainder of the time.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from California.

Mr. GUBSER. The gentleman has stated previously that the Congress annually, in the legislative appropriation bill, appropriates in excess of $3 million to cover the cost of the so-called franking privilege. In order that this may be clear to the public, if we might rephrase this in another way, we know that in private business the employees of that business are furnished postage in the form of postage stamps. Suppose that Congress, instead of using the franking privilege, were to give each Member as an office expense an allotment for the purchase of postage stamps, and then place each Member to the trouble of affixing a stamp to each letter, would that cause any difference at all in the so-called postal deficit or in the cost of running the Congress?

Mr. GARY. None whatever, except the cost of printing the stamps and the administrative cost of processing the mail. We do not have to use stamps now. That, however, is a matter that would have to be handled in a legislative bill. We are considering an appropriation bill, and we cannot include legislation of that kind in an appropriation bill. It would be subject to a point of order.

Mr. GUBSER. In other words, it is an office expense of Congress which we now authorize by law.

Mr. GARY. That is true.

I promise you I will not take all the time, but there are one or two points that I want to bring out about this amendment. I have never heard anything more misrepresented. I have never seen such a tempest in a teapot.

This amendment does not do a thing. Just let me read it to you. The figure immediately preceding it is $3,125 million for the operation of the Post Office. This amendment simply says, "including expenses of delivery to postal patrons of mail matter under congressional frank as now authorized by law."

It does not change the law. It simply indicates to the Postmaster General that we do not want him as an executive officer to impose restrictions upon the manner in which we as Congressmen shall mail our letters.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Massachusetts.

Mr. CONTE. If there is no need for it, are we not opening ourselves to ridicule?

Mr. GARY. I did not say there was no need for it. I simply said it does not change the law. I do say it is our intention to indicate to the Postmaster General that we do not want him circumscribing our rights by a bureaucratic fiat.

Mr. CONTE. Would it not in fact, not this committee, but some subsequent committee who handles the postal budget, force him, through pressure, because he has to go to that committee for his budget, to agree on this mail for Congressmen?

Mr. GARY. I do not think that would be any worse than the Postmaster General forcing us through his bureaucratic fiat to send mail a certain way and telling us how we shall use our franking privilege which is granted to us by law; and that is what is being done now.

We do not seek to change the law; we leave it discretionary with him, but we indicate to him that we want to handle our mail as we see fit and if a Congressman wants to send his mail to his constituents without addressing it, I see no reason why he should not do it. It is done by Congressmen addressing their rural constituents; why should we not be privileged to use it for constituents in city areas? This simply equalizes the matter as between Members of Congress. There is absolutely no question of junk mail involved, as my Chairman has so frankly said. I certainly would not classify as junk mail anything that a Congressman would send out.

There is no question of campaign mail involved because I say to you that if a Member of Congress is sending out campaign material under his franking privilege he is violating the law. We are given the franking privilege for official mail, official mail alone, and not personal mail. So far as I am concerned I have always operated my campaign from a separate office so that accusations of misuse cannot be made against me. I try, in the language of the Scriptures, to avoid even the appearance of evil. But certainly the amendment does not apply to junk mail. It does not apply to campaign mail. I see no reason why we as Members of Congress should permit the executive branch of the Government to dictate to us as to how we shall handle our official mail.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. GROSS. Did a single Member of Congress appear before your committee in support of this proposal?

Mr. GARY. No.

Mr. GROSS. Not a single Member?

Mr. GARY. No.

Mr. GROSS. Then there was no great demand for it.

Mr. GARY. That is a question. A member of the committee sponsored the language and we saw no objection to it. I see no objection to it now, and I ask the Members of the House to sustain the committee on this point.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. PASSMAN. On previous occasions the House did support the committee, did it not?

Mr. GARY. That is correct.

Let me say that this is the only point in the Treasury-Post Office bill that now remains undecided. The conference report has been accepted by both the Senate and the House, and this is the only question in disagreement.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield further?

Mr. GARY. I yield.

Mr. PASSMAN. Is it not true that Members who feel it may be an imposition on their constituents may still address their mail individually if they so desire?

Mr. GARY. That is certainly true. This simply leaves it to the Congressman rather than the Postmaster General as to how he shall send his mail.

Mr. PASSMAN. Did any Member from a rural district appear before your committee and ask to discontinue distributing mail this way?

Mr. GARY. No one did and the Members of Congress from rural districts are employing this method to distribute agricultural bulletins and other official publications.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. HOFFMAN of Michigan. You have been talking about special privileges for Congressmen having rural districts. Do I have a rural district? There is hardly a Member on the floor who does not have a rural district, yet a majority of his votes come from the cities, even though he has farmers. That is my case.

Mr. GARY. Yet he cannot communicate with his constituents in the city in the same manner that he is permitted to communicate with his constituents in the rural districts.

Mr. HOFFMAN of Michigan. And notwithstanding the statement of the gentleman from Missouri [Mr. CANNON], they tell me that it is junk mail—and I do not believe it is.

Mr. GARY. This has no reference to junk mail unless you want to classify the mail sent out by Members of the Congress as junk. I will not do it. I have too high respect for the Members of this body to classify their mail as junk.

Mr. HOFFMAN of Michigan. I do not classify it that way either, but some constituents, even from my district, tell me they get junk mail from Congressmen. They call it junk.

Over and above all that, our reputation being what it is—not our character, our reputation—I am careful to make that distinction—does not the gentleman think we need a little protection now?

Mr. GARY. I do not think this will hurt anybody's reputation. If I thought my reputation depended on this bill I would feel it was very shaky.

Mr. HOFFMAN of Michigan. The reputation of most of us is the highest, but sometimes, mistakenly, they do not judge us quite right.

Mr. GARY. Why?

Mr. HOFFMAN of Michigan. Because we take so many special privileges.

Mr. GARY. It is because the people are misinformed by the press, as they have been in this particular case.

Mr. HOFFMAN of Michigan. Maybe but what about the newspaper reports about expenses abroad and the use of counterpart funds? Has the gentleman read about that?

Mr. GARY. I have read about that, and I think it has been greatly exaggerated. Perhaps there have been instances of impropriety on the part of Members of Congress and I condemn that as much as anybody in this House. So far as my own traveling expenses are concerned, anybody can look at them at any time they want to, but I am not going to set myself up as a judge and attempt to regulate the morals of the other Members of Congress. They are responsible to their constituents as I am to mine.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I do not think we have any testimony to indicate that there would be any more handling by this system?

Mr. GARY. None whatever.

Mr. PASSMAN. Is it not true that the average Member of Congress would use just as many letters whether they are addressed individually and delivered individually, and is it not true that the Assistant Postmaster General appeared before our committee and on page 8 of the transcript the chairman asked this question:

> Is it not cheaper as far as the Post Office Department is concerned to have mail in this manner?
>
> Mr. SESSIONS. Yes. I think there is no question about that.

If we want to face it squarely and take the word of the Assistant Postmaster General we will save money to the taxpayers by permitting them to use "occupant" rather than address it.

Mr. GARY. The gentleman is correct.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Speaker, I shall vote "no" on the motion offered by the gentleman from Michigan. How can we expect the public to have respect for us when we do not have respect for ourselves? This is a privilege that Members of the House have had since Benjamin Franklin's time, and I am not going to stand by and permit either the Postmaster General or any Member of the other body deprive me of this privilege, even though I have never used it in my years here in the House of Representatives.

Mr. GARY. I thank the gentleman for his contribution.

Mr. Speaker, I move the previous question.

Mr. MICHEL. Mr. Speaker, when this matter came up during general debate

of the Treasury-Post Office appropriation bill I spoke in support of the amendment offered by the gentlewoman from Illinois [Mrs. CHURCH]. I made the observation at the time that the division vote was strictly on party lines with Republicans favoring the amendment and Democrats opposing it. Today we find the same situation developing.

Mr. Speaker, I was somewhat intrigued with the suggestion of the gentleman from California [Mr. GUBSER]. In a quick computation I have broken down some illuminating figures. If we take the full amount of $3,269,000 for postage for the legislative branch and break it down in equal shares for every House Member and five times as much for each Senator we would find each of us in the House getting $3,488 and each Senator getting $17,440. If we divide this further into 4-cent first-class stamps we find each House Member could mail 87,200 pieces each year and our brethren of the other body could mail 436,000 pieces a year.

You may want to refer to these figures to determine whether your mailings are below or above the average and how much.

The previous question was ordered.

Mr. TABER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore [Mr. WALTER]. The gentleman will state it.

Mr. TABER. Is not the parliamentary situation this: The gentleman from Michigan [Mr. HOFFMAN] has offered a motion to recede and concur. The gentleman from Virginia asked for a division of the question. The parliamentary situation is this: We first vote on the question of receding, and if that carries we can vote on the other part of the motion?

The SPEAKER pro tempore. On the question of concurrence?

Mr. TABER. Yes.

The SPEAKER pro tempore. That is correct.

Mr. TABER. If the motion to recede is not agreed to, then that is the end of it?

The SPEAKER pro tempore. No. The vote then would be on the motion to adhere.

Mr. TABER. To adhere, that is right.

The SPEAKER pro tempore. The gentleman is correct.

Mr. GARY. Mr. Speaker, the question at the present time is on the motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The SPEAKER pro tempore. The question is, will the House recede from its disagreement with the Senate amendment.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 90, noes 112.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and sixty-one Members are present, a quorum.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 235, nays 164, not voting 32, as follows:

[Roll No. 147]

YEAS—235

Abbitt	Fisher	Monagan
Abernethy	Flynn	Moore
Adair	Foley	Morris, N.Mex.
Addonizio	Ford	Morrison
Albert	Frelinghuysen	Moulder
Alger	Fulton	Murray
Allen	Gavin	Nelsen
Andersen, Minn.	George	Norblad
	Giaimo	O'Brien, N.Y.
Anderson, Mont.	Gilbert	O'Konski
	Glenn	Oliver
Arends	Goodell	Osmers
Ashmore	Green, Oreg.	Ostertag
Auchincloss	Griffin	Pelly
Avery	Gross	Pfost
Ayres	Gubser	Pirnie
Baker	Hagen	Poage
Baldwin	Haley	Poff
Baring	Halleck	Preston
Barry	Halpern	Pucinski
Bass, N.H.	Harmon	Quie
Bates	Harris	Randall
Baumhart	Harrison	Ray
Becker	Hébert	Reece, Tenn.
Belcher	Hechler	Rees, Kans.
Bennett, Fla.	Henderson	Reuss
Bennett, Mich.	Hiestand	Rhodes, Ariz.
Bentley	Hoeven	Rhodes, Pa.
Berry	Hoffman, Ill.	Riehlman
Betts	Hoffman, Mich.	Robison
Blatnik	Hogan	Rodino
Boggs	Holt	Rogers, Colo.
Bolton	Holtzman	Rogers, Fla.
Bosch	Horan	Rogers, Mass.
Bow	Hosmer	Roush
Bray	Irwin	St. George
Breeding	Jackson	Saylor
Brock	Jensen	Schenck
Broomfield	Johansen	Scherer
Brown, Ohio	Johnson, Md.	Schneebeli
Broyhill	Johnson, Wis.	Schwengel
Budge	Jonas	Scott
Burke, Ky.	Judd	Short
Burleson	Kastenmeier	Siler
Byrnes, Wis.	Kearns	Simpson
Cahill	Keith	Slack
Canfield	Kilburn	Smith, Calif.
Cederberg	King, Utah	Smith, Iowa
Chamberlain	Knox	Smith, Kans.
Chenoweth	Kowalski	Smith, Miss.
Chiperfield	Kyl	Springer
Church	Lafore	Staggers
Coad	Laird	Stratton
Coffin	Langen	Stubblefield
Collier	Latta	Taber
Colmer	Lennon	Teague, Calif.
Conte	Levering	Thomson, Wyo.
Cook	Lindsay	Tollefson
Corbett	Lipscomb	Udall
Cramer	McCulloch	Ullman
Cunningham	McDonough	Utt
Curtin	McDowell	Vanik
Curtis, Mass.	McGinley	Van Pelt
Curtis, Mo.	McGovern	Van Zandt
Dague	McIntire	Wallhauser
Daniels	Machrowicz	Wampler
Derounian	Mack	Watts
Derwinski	Mailliard	Weaver
Devine	Martin	Weis
Dixon	Mason	Westland
Dooley	Matthews	Wharton
Dorn, N.Y.	Meader	Widnall
Dorn, S.C.	Meyer	Williams
Dowdy	Michel	Wilson
Dwyer	Miller, Clem	Winstead
Farbstein	Milliken	Withrow
Feighan	Mills	Wolf
Fenton	Minshall	Wright
Fino	Moeller	Younger

NAYS—164

Alexander	Brewster	Daddario
Andrews	Brooks, La.	Davis, Ga.
Ashley	Brooks, Tex.	Davis, Tenn.
Aspinall	Brown, Ga.	Dawson
Bailey	Brown, Mo.	Delaney
Barr	Burke, Mass.	Dent
Barrett	Byrne, Pa.	Denton
Bass, Tenn.	Cannon	Diggs
Beckworth	Carnahan	Dingell
Blitch	Casey	Donohue
Boland	Celler	Doyle
Bolling	Chelf	Dulski
Bonner	Clark	Elliott
Boykin	Cohelan	Everett
Brademas	Cooley	Evins
Fallon	King, Calif.	Prokop
Fascell	Kirwan	Quigley
Flood	Kitchin	Rabaut
Flynt	Kluczynski	Rains
Fogarty	Landrum	Riley
Forand	Lane	Rivers, Alaska
Forrester	Lankford	Rivers, S.C.
Fountain	Lesinski	Roberts
Friedel	Libonati	Rogers, Tex.
Garmatz	Loser	Rooney
Gary	McFall	Roosevelt
Gathings	McMillan	Rostenkowski
Granahan	Macdonald	Rutherford
Grant	Madden	Santangelo
Gray	Mahon	Saund
Green, Pa.	Marshall	Selden
Griffiths	Miller, George, P.	Shelley
Hardy		Sheppard
Hargis	Mitchell	Shipley
Hays	Montoya	Sikes
Hemphill	Moorhead	Sisk
Herlong	Morgan	Spence
Holifield	Moss	Sullivan
Holland	Murphy	Teague, Tex.
Huddleston	Natcher	Teller
Hull	Nix	Thomas
Ikard	Norrell	Thompson, N.J.
Inouye	O'Brien, Ill.	Thompson, Tex.
Jarman	O'Hara, Ill.	Thornberry
Jennings	O'Hara, Mich.	Toll
Johnson, Calif.	O'Neill	Trimble
Johnson, Colo.	Passman	Vinson
Jones, Ala.	Patman	Walter
Jones, Mo.	Perkins	Whitener
Karsten	Philbin	Whitten
Karth	Pilcher	Wier
Kasem	Pillion	Yates
Kee	Porter	Young
Kilday	Powell	Zablocki
Kilgore	Price	Zelenko

NOT VOTING—32

Alford	Healey	Morris, Okla.
Anfuso	Hess	Multer
Barden	Kelly	Mumma
Bowles	Keogh	Smith, Va.
Buckley	McCormack	Steed
Burdick	McSween	Taylor
Downing	Magnuson	Thompson, La.
Durham	May	Tuck
Edmondson	Merrow	Wainwright
Frazier	Metcalf	Willis
Gallagher	Miller, N.Y.	

So the motion to recede was agreed to.

The Clerk announced the following pairs:

Mr. Alford with Mr. Taylor.

Mr. Durham with Mr. Wainwright.

Mr. Frazier with Mrs. May.

Mr. McSween with Mr. Mumma.

Mr. Bowles with Mr. Merrow.

Mr. Thompson of Louisiana with Mr. Miller of New York.

Mr. Willis with Mr. Hess.

Mrs. KEE, Mr. FLOOD, Mr. BECKWORTH, and Mr. DAVIS of Tennessee changed their vote from "yea" to "nay."

Mr. HÉBERT, Mr. POAGE, Mr. HALEY, Mr. BROCK, Mr. RHODES of Pennsylvania, and Mr. JOHNSON of Maryland changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question pending is, Shall the House concur in the Senate amendment?

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SUPPLEMENTAL APPROPRIATION BILL, 1961

Mr. THOMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12740) making supplemental appropriations for the fiscal year

ending June 30, 1961, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Ohio [Mr. Bow] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12740, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. THOMAS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I have been authorized to announce to the House that this will be the last appropriation bill for this year.

Mr. Chairman, we bring to you today the final supplemental appropriation bill that contains some 30 items, the smallest supplemental bill I have seen in years.

The budget estimate was about $135 million. The committee, after spending some time in studying the matter carefully, recommends for your consideration in round figures a bill of about $50 million. In other words, it has reduced the bill by $85 million below the budget estimates. It has been reduced about two-thirds.

As I say, there are a good many items in here, but I do not think there is too much that would cause trouble. There are some items affecting the District of Columbia. I notice the local press states that the Congress is trying to close down the schools; but about the same time last year we were going to close down the schools, fire the schoolteachers, then fire the policemen, then close down all social security facilities, and so forth. But when the year wound up they had a surplus of around $2 million.

Mr. Chairman, the reason so many reductions have been made in this bill is because we frankly felt that many were not properly supplemental items and they should go over until next year and let the regular subcommittees handle them. The District of Columbia submitted a list of priorities for construction, and the committee suggested they could build anything they want, anything they submit, but just use their own money and do not create any overruns. They wanted an additional $7 million of appropriated funds from the Federal Treasury to bring the payment up to $32 million. We have already given them a contribution of $25 million. They have about $2.5 million of their own, with authority to increase some real estate taxes.

There is another item in here concerning the Chantilly airport sewer, and I must mention that to you. That is for the new airport here that is going to serve the Nation. This item was submitted over a year ago with two or three alternative plans, and the one that makes the most sense, the one that will avoid further pollution of the water supply of the District of Columbia, in round figures is around $44 million. That was the engineering estimate. Our colleague the gentleman from Ohio [Mr. Bow] really took the lead in the matter, and he has worked long and hard on it, and I think after some 8 or 9 months' work he has come up with a plan that has been approved by the Congress. The upshot is that our colleague has saved the taxpayers of the United States a tidy little sum of about $40 million. That is a pretty good day's work. The item here is a $2,700,000 contribution from the taxpayers, the big sewer line will be paid for by the users. I do not think there is any doubt about it that the rate of return from the sewer will pay for itself. The contract will be 40 years, but it will pay for itself easily in 20.

If there are any questions, I am sure Members on both sides of the aisle will be glad to answer them.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand correctly that the State Department, despite the fact that it got $835,000 for liquor and entertainment in the regular appropriation bill, asked for thirty-some thousand dollars in this bill? Did they get the money in any of these lump-sum appropriations?

Mr. ROONEY. Mr. Chairman, will my distinguished chairman yield?

Mr. THOMAS. I yield to the gentleman from New York.

Mr. ROONEY. The answer is a definite "No."

Mr. GROSS. I thank the gentleman.

Mr. THOMAS. Not one penny.

Mr. BOW. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I think this bill that comes before the House today is a good bill. There have been substantial reductions made in most of the items, particularly in the starting of new projects and new employees in the various departments.

Reference has been made by my distinguished colleague, the gentleman from Texas [Mr. THOMAS], relative to the District of Columbia appropriation, and I must admit that this gives me some concern. There are a number of items in here that probably contain things that should be done, and we are going to have to face up to it. Perhaps it is unfortunate that the District of Columbia does not have a representative in this body that could bring these matters to the proper attention of the Congress. Certainly, if they had a representative in Congress, that representative would point out that most of the items in this bill were not proper items for a deficiency bill.

I have before me the justifications. Here is an item for a new junior high school, $2,600,000. There are items for many new buildings, completely new starts that have been justified and which should not come to a deficiency subcommittee without sufficient justification. They should be in the regular bill.

I am hopeful the day will come when these budgets will be presented by someone who perhaps has some standing here in the House of Representatives.

The gentleman from Texas [Mr. THOMAS] also made reference to the settlement of the Dulles Airport sewer question, and the matter of the cleaning up of the Potomac. I appreciate his reference to my part in that. I may say that if it were not for the cooperation of the distinguished gentlemen from Virginia, Mr. SMITH and Mr. BROYHILL, it would not have been easy to work it out; and to those two gentlemen from Virginia much of the credit must go in the working out of this very serious matter of the pollution of the Potomac River.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to our distinguished colleague from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, at the appropriate time I intend, very humbly and very prayerfully, to offer an amendment. I hope the gentleman from Texas, my distinguished, intellectual leader, and my athletic leader, will help me a little bit with it; and if he would, I would bestow upon him the highest accolade of all and call him my spiritual leader, if he will help me to correct an injustice that I know he does not want to be meted out upon the gentleman from Florida.

Mr. Chairman, this amendment will not cost any money. It will merely give the Department of Agriculture the opportunity to try to find $500,000 of money that they have not spent this year to build an entomology laboratory, for which there was a budget request. It was in the President's budget, Mr. Chairman. And it was the only request in the President's budget for facilities of this kind. And yet, when we finally passed the original appropriation bills, millions of dollars were appropriated for similar facilities. I know that this Committee will not be unfair to the gentleman from Florida and deny him his laboratory, when some of you have received so much.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds to answer a question by my beloved colleague, the gentleman from Maine, to whom I yield now.

Mr. COFFIN. Mr. Chairman, I thank the gentleman from Texas for yielding. I note on page 10 of the committee report, there is an item under the Bureau of the Census of $150,000. I wonder if the gentleman could tell me whether this has reference to a program in the Bureau of the Census seeking to establish more accurate data on the origin of export trade within this country.

Mr. THOMAS. We could very well call that the handiwork of our colleague the gentleman from Maine [Mr. COFFIN]. This deals primarily and exclusively with the export business. It has nothing to do with the processing of census papers. It has to do with exports.

Mr. COFFIN. I thank the gentleman.

Mr. BOW. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I take this time to make a comment with reference to the action of our committee. In an editorial published in the local morning newspaper yesterday, the gentleman from North Carolina now speaking was chastised and accused of "scolding" the representatives of the District of Columbia who came before the committee, and because of that and because of what transpired I have asked for this time in order to set the record straight.

As a matter of fact, as all Members of this Committee know, we have before the Committee this afternoon not a regular appropriation bill but a supplemental bill containing deficiency items.

As the gentleman from Ohio has already well said, we have scrutinized all of these requests from the standpoint of whether they are proper deficiency items that should come before our Committee or if they more properly should be considered by the regular Appropriations Committee of the House.

May I say, Mr. Chairman, that a reading of the interrogation of the witnesses who sought to justify the $100,000 item for the repair of a street did not indicate that the gentleman now speaking undertook to scold them at all. He inquired how long this street had been in need of repair, and the answer was that it had never been repaired since it was originally laid out, and that the Commissioners had known since 1957 that the residents of the area wanted the street paved. All the gentleman from North Carolina did was point out to the witness that our special subcommittee deals with deficiency items and that this particular project should come up in regular order before a regular committee instead of one dealing with emergency matters.

Then further on in the editorial the writer made some caustic comments about other Members of the House, including the Speaker, in referring to an item in this bill on page 10 which provides $5 million for the acquisition of two blocks east of the Old House Office Building here on Capitol Hill. I did not vote to include this item in the bill in the subcommittee. In fact, I opposed it there. I opposed it in the full committee and offered an amendment to strike it.

My purpose now is to state to the Committee that I have an amendment at the desk, and when the bill is read for amendment I shall offer that amendment, which proposes to strike the $5 million item for the acquisition of this property. Under the 5-minute rule I will explain my reasons for offering the amendment.

Mr. BOW. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I agree with the chairman of the subcommittee that dollarwise this is probably one of the smallest supplemental appropriation bills to come before the House in recent years, but that does not mean that it is not rich in a few places. One of them is the item that the gentleman from North Carolina [Mr. JONAS] was just referring to, the land purchase on Capitol Hill, and the other is something that has been rather dear to my heart for a number of years, and that is the Jefferson National Expansion Memorial at St. Louis, Mo., which is in this bill for, as I understand it, an additional $2,953,000. It is my further understanding that there was $1,600,000 for this project in the regular appropriation bill.

My question to someone on the committee is, What emergency has developed at St. Louis to require almost $3 million in addition to the $1,600,000 previously appropriated?

Mr. KIRWAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend from Ohio.

Mr. KIRWAN. In answer to your question, I would say that I see no emergency. I see no emergency whatever. When the Department appeared before the subcommittee on appropriations for the Department of the Interior, the committee granted every dollar that the administration asked for. We were told by the Department that they agreed with that request and we were told that the President needs it. About a month after that, we were accused of being a spending Congress. We were told that we went higher than what the President wanted.

Mr. Chairman, the Congress did not ask for this extra money. The Congress gave them every dime that they asked for in the budget. Then a month or two after that, they came in with the President's request and asked for $2 million and some odd hundred thousand dollars for this emergency or this monument. I say now that when that bill first came to the Congress, it was to build that monument, or whatever you want to call it down there, when they balanced the budget and that is how it was sneaked through the Congress.

Mr. GROSS. That is right.

Mr. KIRWAN. It was on condition that they balance the budget. Now what do we see coming in here? They have this here today as an emergency measure; in fact, this should never be here at all, and if I had my way about it, it would not be here. I agree with the gentleman from Iowa—you are 100 percent correct in asking the question. What is it doing here?

Mr. GROSS. I thank the gentleman from Ohio for his forthright statement. I know how he feels about these matters for time after time he has warned the House not to initiate these costly projects. I will say to the gentleman that at the proper time I will offer an amount of almost $3 million from this amendment to strike this additional bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMAS. Mr. Chairman, I yield myself 2 minutes to answer an inquiry from our distinguished colleague, the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, the question I have is with respect to the item previously mentioned on page 7 of the report, namely, the $5 million for the acquisition of two squares of property located south of Independence Avenue in the vicinity of the Capitol Grounds. I am wondering just what exactly this property is intended to be used for.

Mr. THOMAS. The great probabilities are that it will be used in 2 or 3 years for a new Library building that we have needed desperately for 2 years, and for which in the next 3 to 5 years you will be spending no less than $300,000 to $350,000 a year in rental fees if you do not build the building. You asked me why I say 2 to 3 years. The property is going to have to be condemned. The Department of Justice will do it, and it cannot possibly be done in a shorter time than that, in my humble judgment, and I have seen a lot of property condemned.

Mr. ASHLEY. So that the businessmen who will be affected by this can, on the basis of your best judgment, look forward to a period of time in the neighborhood of 2 years?

Mr. THOMAS. That is not a bad guess and, of course, it is a guess, but I would say from 18 months to maybe 3 years. One cannot tell exactly, but anyway I would say 2 years is a fair guess.

Mr. ASHLEY. There has been some concern on the part of these businessmen as to how long they will be able to continue in business before having to vacate, and I thank the gentleman for his response to these questions.

Mr. THOMAS. I thank my colleague for his interest.

Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. MCMILLAN].

Mr. MCMILLAN. Mr. Chairman, a number of people have called me about this proposed additional appropriation for the District of Columbia. I agree with the chairman that these school buildings are not emergency projects. I wish the Committee on Appropriations and, of course, I do not mean the subcommittee having jurisdiction of this supplemental appropriation bill because you do not handle the appropriations for the District of Columbia, but I wish you would discontinue making appropriations without authorizations. During the past few years, they have appropriated funds amounting to $400,000 and $500,000 for traffic studies and transit studies and for other items of that type including consultants and so on that have not been authorized by our legislative committee. Now it is necessary for us to increase taxes because of that sort of practice. If you people will work with us, we will certainly work with you.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. THOMAS. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER. Mr. Chairman, in the appropriation bill which the President signed on May 13, 1960, funds were not included for 10 positions which had been requested by the Weather Bureau

at a total cost of $100,000. The Tri-State Airport at Huntington, W. Va., is just completing a new control tower and administration building which will mean vast improvements in safety and service to the entire area of portions of West Virginia, Ohio, and Kentucky served by the Tri-State Airport. These new positions for the Weather Bureau will enable the establishment of the weather station at the Tri-State Airport, where it will do the most good, instead of keeping it in the Post Office Building in Huntington. The positions will also provide for carrying on the very important radiosonde or upper air station work with weather balloons by the Weather Bureau. I hope that approval of these positions will not be too long delayed, for the future of the economy of this area rests in large part on the expansion of air service and the safety which these measures will produce. West Virginia has been much in the news lately, Mr. Chairman, and I believe there is a new awareness that we are ready, willing and able to exert the local initiative to move forward if we are provided with a fair break when it comes to such facilities as I have described. Therefore, although these 10 positions are not provided in this supplemental appropriations bill I trust that this body may look with favor on retaining these positions for the Weather Bureau if the other body should see fit to include them in the bill.

Mr. BURKE of Massachusetts. Mr. Chairman, with reference to the motion to recommit this bill and to instruct the Committee on Appropriations to strike out that section of the bill under the title of "Legislative Branch" from line 6 to line 13, I was of the opinion that if this section was enacted into law it would work a severe hardship on those who are presently engaged in business in the real estate block it is now proposed to take for expansion of the Congressional Library.

Many of the businessmen in the area affected are alarmed because they felt that they would be evicted by the Government within a very short period of time. If this were the case, I would be compelled to vote to recommit and strike out that particular section.

However, after the assurances given on the floor of Congress by our distinguished Speaker of the House and by the chairman of the Committee on Appropriations that it will probably give the tenants in this business block at least 2 to 3 years or so to relocate, I feel that the Government will give fair opportunity to take care of their affairs and suitably relocate.

The assurances that compassion and justice will be exercised in carrying out the mandate of this legislation will go a long way toward allaying the fears of those small businessmen whose life savings are invested in these businesses and who are naturally anxious about their future prospects. The day will come, it seems assured, when this block, because of its close proximity to the Capitol, will of necessity have to be purchased by the Federal Government.

Due to the rapid rise in real estate prices in this area the U.S. Government can save millions of dollars by making the purchase before new rises occur and it is very reassuring to know that the worthy industrious tenants in this area will be extended fair, reasonable protection.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this Act may be cited as the "Supplemental Appropriation Act, 1961") for the fiscal year ending June 30, 1961, and for other purposes, namely:

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

Salaries and Expenses

For an additional amount for "Salaries and expenses", for "Research", $1,500,000.

Mr. MATTHEWS. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MATTHEWS: On page 2, after line 5, insert the following:

"The Secretary of Agriculture is authorized to use not to exceed $500,000 of any unobligated funds appropriated to the Agricultural Research Service for the fiscal year 1960 for the construction of an Entomology Laboratory."

Mr. THOMAS. Mr. Chairman, I reserve a point of order on the amendment.

Mr. MATTHEWS. Mr. Chairman, I ask unanimous consent to withdraw the amendment and present another one.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Florida.

The Clerk read as follows:

Amendment offered by Mr. MATTHEWS: On page 2, after line 5, insert the following:

"For construction of an Entomology Laboratory, $500,000."

Mr. THOMAS. Mr. Chairman, may I reserve a point of order against the amendment?

Mr. MATTHEWS. Mr. Chairman, I appreciate the courtesy of my beloved chairman.

Mr. Chairman, the first amendment I offered would be merely to permit the use of $500,000 of any unobligated funds to be used by the Department of Agriculture for the building of an entomology laboratory on the campus of the University of Florida. Fearing that a point of order would be made against that, I had no other course left but to offer a brandnew amendment, which simply says for Agricultural Research Service, instead of $1,500,000 the sum of $2 million. This is done by adding on page 2, after line 5, the following: "For construction of an Entomology Laboratory, $500,000."

I want to apologize to many of my friends because I told you this amendment would not cost you any more money. If my first amendment had been in order it would not have. Please forgive that error.

I would like you to vote against me if you think I have misled you.

This amendment means so much to me. May I remind you that the Department of Agriculture recommended $900,000 in their 1961 budget to provide for the construction of new facilities for an entomology laboratory to replace similar facilities now located at Orlando, Fla.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from Texas.

Mr. THOMAS. May I say to the gentleman——

Mr. TABER. Would the gentleman yield to me?

Mr. MATTHEWS. I have yielded to the gentleman from Texas. If he will permit me, I will yield to the gentleman from New York.

Mr. THOMAS. Certainly.

Mr. TABER. The $500,000 you are putting in this amendment to make that $2 million is for operation, salaries and expenses. It does not cover the construction of anything, and your amendment would not accomplish the thing you are driving at.

Mr. MATTHEWS. Is the gentleman making a point of order, or can I have——

Mr. TABER. The language is not broad enough to cover anything else.

Mr. MATTHEWS. I would like to say to my beloved friend that I sincerely believe he is in error. I have checked very carefully on this language and I find that is a very broad item. It covers research and salaries for a variety of things connected with the control of insects. The entomology laboratory is for nothing but control of insects. It is a very important and vital matter. It concerns every State from California to Florida and from Maine to Florida.

I believe, sir, that this language is sufficiently broad to cover the problem that I have in mind. I want to say that although I am not a lawyer, I have obtained the advice of the best lawyers, I think, in this august body, and without exception they have agreed with me.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I would like to yield, sir, but I hope to have at least a limited time to talk about my amendment.

Mr. Chairman, I yield to the gentleman from Texas.

Mr. THOMAS. We want to help our friend here. This item has been suggested, as the gentleman knows, to the regular Agriculture Subcommittee. In an effort to do something for our friend—he is a hard worker, and he does a tremendous job for his district; we are all proud of him for it—I discussed this with the gentleman from Mississippi [Mr. WHITTEN] this morning.

Mr. MATTHEWS. Sir, I would like to say take all the time you would like.

Mr. THOMAS. Of course, this is not properly a supplemental item, but I asked him: "Can you not help Mr.

MATTHEWS with his item?" He said: "Yes, I think we can work it out for him in January." If you will accept that, may I ask the gentleman to withdraw his amendment and let us get it done in January?

Mr. MATTHEWS. Sir, I am put in an embarrassing situation. Mr. Chairman, may I say I would be grateful if I could have action now; and if I am not successful I know my dear friend would not hold it against me for making this attempt. Then if I am not successful in this attempt I can come back in January.

Mr. THOMAS. I hope the gentleman will withdraw his amendment. We will try to work with you and will help you.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. COAD. Mr. Chairman, I ask unanimous consent that the gentleman from Florida [Mr. MATTHEWS] be allowed to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. MATTHEWS. I appreciate very much this opportunity. I am a little bit at a loss as to how to proceed. How should I, so undistinguished in comparison with the distinguished gentleman from Texas, insist in persisting in something here that perhaps does not meet with his 100 percent approval? But I know he will forgive me if I do proceed.

Mr. CLEM MILLER. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the distinguished gentleman from California.

Mr. CLEM MILLER. I think the gentleman's request is justified and I shall support his amendment.

Mr. MATTHEWS. I want to thank the gentleman.

Mr. Chairman, before my time runs out let me say again, I am not mad at anybody.

I yield to my beloved friend from the State of Ohio.

Mr. HAYS. Mr. Chairman, as a member of the Jefferson Territorial Expansion Committee which is sponsoring this big monument—I am not a sponsor; I am not too enthusiastic for it—I would like to have this distinguished Committee just take half a million dollars out of that fund and give it to the gentleman from Florida for his insect laboratory, for I am in favor of getting rid of insects.

Mr. MATTHEWS. Thank you, sir. I would be glad to yield to anyone who wants to make a similar observatio .

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to my beloved colleague from Iowa.

Mr. COAD. I would like to point out to the gentleman that it appears the Committee wants to get rid of insects but also make sure that you come back next January.

Mr. MATTHEWS. I thank the gentleman for his observation.

Mr. Chairman, I humbly beseech my colleagues to vote for this amendment. It does not amount to much in dollars and cents, but it means a whole lot to me. It involves a little amount of $500,000.

I told you it was not going to cost anything, and I really believed that, but I am keeping faith with you and I earnestly hope I do not lose your votes.

Mr. Chairman, my amendment is as follows: Insert on page 2, after line 5, the following: "For construction of an entomology laboratory, $500,000."

The Department of Agriculture recommended inclusion of an appropriation of $900,000 in their 1961 budget to provide for construction of new facilities for an entomology laboratory to replace similar facilities now located at Orlando, Fla. A recommendation had been made in 1959 that the new laboratory should be located at Gainesville, Fla., site of the State's land-grant university. The appropriation request had Bureau of the Budget approval.

The House Committee on Appropriations disallowed the $900,000 and in lieu thereof approved the following:

That the Secretary of Agriculture may sell the Entomology Research Laboratory at Orlando, Fla., in such manner and upon such terms and conditions as he deems advantageous and the proceeds of such sale shall remain available until expended for the establishment of an entomology research laboratory: *Provided further*, That in the establishment of such laboratory the Secretary may acquire land therefor by donation or exchange.

This language was approved in both the House and Senate appropriations bills. According to my understanding, a factor motivating the disallowance of the $900,000 was that certain committee members felt that the new laboratory could be undertaken on a gradual basis with the sale of the facility at Orlando, and that any needed appropriations could be sought at a later date. However, a discussion of this possibility with officials of the Department of Agriculture indicated that this would be practically impossible; that such a research facility could not be transferred or built on a gradual basis. The Department, however, indicated that if they could have permission to use $500,000 of unobligated 1960 fiscal funds, coupled with the use of funds which may be derived from the sale of the present land and facilities in Orlando, valued at $400,000, they could proceed with the building of the new laboratory. Land has already been promised, without cost, by the University of Florida for this laboratory.

I want to repeat again that it is my opinion the Appropriations Committee really thought the Department of Agriculture could proceed with this building program on the basis of the action that they reported to the Congress.

On June 13, I submitted a request to the Subcommittee on Deficiencies of the Committee on Appropriations to give the Department of Agriculture permission to use $500,000 of unobligated funds from fiscal year 1960, together with funds realized from the sale of the present Entomology Laboratory at Orlando, Fla., for the Department of Agriculture to build an entomology laboratory at a site that they may determine. This request did not involve any new money. It constituted the necessary supplementary action that was needed to permit the implementation of the authority which had already been granted by both the House and Senate relative to the construction of this entomology laboratory. Regretfully, this was not included in the supplemental appropriation bill, 1961, now under consideration.

I submit to you that even though there were technical reasons why the Subcommittee on Supplemental Appropriations felt they could not report favorably, I feel sure that the denial of this request was not because of its lack of merit, nor because it was not just and proper.

Although the Department of Agriculture did not request a supplemental appropriation directly, may I emphasize that they did give me a letter which I submitted to the Subcommittee on Deficiencies. The more pertinent paragraphs very specifically stated as follows:

The Department has not received a firm offer for the 19.1 acres of land and the buildings which constitute the present laboratory at Orlando. A letter was received dated March 6, 1959, which implied that an offer of $20,000 per acre might be made for the entire tract. This would indicate a total value for the property of almost $400,000.

Obviously, if the proceeds of sale were around $400,000, the Department would not be able to build the laboratory which had been proposed in the budget estimates. If Congress did provide an authorization as you indicate to use not to exceed $500,000 of any unobligated funds appropriated to the Agricultural Research Service for the fiscal year 1960, together with the proceeds of sale from the present laboratory, then it would be possible to construct the replacement laboratory proposed in the budget estimates.

Mr. Chairman, I think it proper to point out that I represent a district in Florida which, because of its interior location, does not share in the vast expenditures of Federal money which pour into some other areas for super highways, military installations, rivers and harbors projects, and similar Federal-related projects. But, in my home city of Gainesville, we do have a great State university and land grant college, the University of Florida, with one of the major agricultural programs in the Nation. It is the hub for agricultural research for the entire State. The main experiment station, which has supervision over 13 substations and several field laboratories, is located there. The State plant board is located there. The headquarters of the Florida Federal Farm Bureau is located there. Agricultural research which is now contributing approximately a half billion dollars annually to Florida's economy originated there.

It is my understanding that agricultural experts who looked into the question of locating the new entomology laboratory agreed that the logical new location should be at the site of the State's land grant university, which is Gainesville. Additional reasons prompting this decision included the proximity to sources of cobalt; to the teaching program in all fields of agriculture, especially entomology, where future entomologists could be trained; to excellent library facilities for reference and research; to the scientific departments of a

great medical center whose facilities would be available for specialized types of research related to agriculture; to the fact that Gainesville is a delightful community with homes and educational facilities available for the personnel of the laboratory. I am informed that the Gainesville Chamber of Commerce invited approximately 30 families representing personnel employed in the present facility to visit Gainesville, and that without exception these fine people expressed delight with the city.

Few States are growing so rapidly as Florida from a standpoint of population, and Florida agriculture is expanding at a pace commensurate with the population and industrial growth. Unfortunately, our State, though blessed in many ways, is beset with insects during certain seasons, and Florida agriculture has had an uphill fight to reach its present eminence, combating year after year all types of insects and infestations. Entomology research has helped to win the battles in the past. It is vastly more essential now than ever before, for the agricultural programs are immeasurably more extensive. Extended research rather than a diminishing program of research in this field is imperatively necessary to avoid catastrophic infestations, as, for example, the Mediterranean fruit-fly, which nearly ruined our great citrus industry about a quarter of a century ago.

Bearing these facts in mind; namely, the great and growing need for entomology research in a rapidly expanding agricultural State, the desirability of coordinating this research at the seat of other scientific research in the State, which fact has already been confirmed by competent experts, it is most difficult to understand why the relatively small appropriation for the new Entomology Research Laboratory was denied in the first place by the Committee on Appropriations.

I had previously informed the membership by letter that my amendment would not cause any extra money. I have since been informed that such an amendment would be subject to a point of order as it might be construed as legislation on an Appropriations Committee. I have, therefore, drawn the present amendment which represents an increase of $500,000 in the present bill. The amendment that I had planned and that I was told would be subject to a point of order was as follows: "The Secretary of Agriculture is authorized to use not to exceed $500,000 of any unobligated funds appropriated to the Agricultural Research Service for the fiscal year 1960, in addition to any amounts received from the sale of the Entomology Research Laboratory at Orlando, Fla., for the construction of an entomology laboratory at Gainesville, Fla."

I plead for the passage of my amendment.

The CHAIRMAN. Does the gentleman from Texas insist on his point of order?

Mr. THOMAS. No, Mr. Chairman. We ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MATTHEWS].

The amendment was agreed to.

The Clerk read as follows:

DISTRICT OF COLUMBIA FUNDS

Operating expenses

Executive Office

For an additional amount for "Executive Office", including expenses of the District of Columbia Civil War Centennial Commission and the National Capital Downtown Committee, Incorporated, by contract or otherwise, as may be determined by the Commissioners, $47,700.

Mr. GROSS. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Mr. Chairman, I make a point of order against the language appearing on page 3, beginning with line 14 through line 21, as being legislation on an appropriation bill, with particular reference to the language in line 20 which reads as follows: "by contract or otherwise, as may be determined by the Commissioners."

The CHAIRMAN. Does the gentleman from Texas [Mr. THOMAS] care to be heard on the point of order?

Mr. THOMAS. Mr. Chairman, this is in the normal course of their duties, and I doubt if the point of order is good.

The CHAIRMAN (Mr. FORAND). The Chair is prepared to rule.

After examining the language referred to by the gentleman from Iowa, it appears to the Chair that it is legislation on an appropriation bill, subject to a point of order; therefore, the Chair sustains the point of order.

The Clerk read as follows:

CAPITAL OUTLAY, PUBLIC BUILDING CONSTRUCTION AND DEPARTMENT OF SANITARY ENGINEERING

For an additional amount for "Capital outlay, Public Building Construction" and "Capital outlay, Department of Sanitary Engineering", for construction projects as authorized by the Act of April 22, 1904 (33 Stat. 244), the Act of May 18, 1954 (68 Stat. 105), and the Act of June 6, 1958 (72 Stat. 183) and as submitted to the Congress in House Document Numbered 403 of June 1, 1960, such sums as may be necessary, but no obligation shall be incurred for any item or project proposed in said document which will (1) result in a deficit in the general fund of the District of Columbia, or (2) exceed the estimated cost as submitted therein to the Congress.

Mr. GROSS. Mr. Chairman, I make a point of order against the language appearing on page 5, beginning with line 3 and running through line 16. I refer especially to the following language:

But no obligation shall be incurred for any item or project proposed in said document which will (1) result in a deficit in the general fund of the District of Columbia, or (2) exceed the estimated cost as submitted therein to the Congress.

Mr. Chairman, I make the point of order that this is legislation on an appropriation bill and is subject to other considerations.

Mr. THOMAS. Mr. Chairman, it certainly was the intention of the committee, and we think the language is clear, to put a straight limitation on the use of these funds.

The CHAIRMAN (Mr. FORAND). The Chair is prepared to rule.

The gentleman from Iowa makes a point of order against certain language on page 5. The Chair has had an opportunity to study this language, and finds that there is no question but what this is legislation on an appropriation bill. Therefore the Chair sustains the point of order.

The Clerk read as follows:

HOUSING AND HOME FINANCE AGENCY

Public Housing Administration

Annual Contributions

For an additional amount, fiscal year 1960, for "Annual contributions", $9 million, and in addition $3 million to be derived from funds collected as fixed fees from local public housing authorities as required by law: *Provided*, That no funds appropriated herein, or funds available for expenditure pursuant to section 10 of the United States Housing Act of 1937, as amended, shall be available for the payment of contributions with respect to any local public agency expenditures for any project year ending after June 30, 1960, which are not made in accordance with a budget approved by the Public Housing Commissioner as reasonable, necessary, and consistent with economical operating policies.

Mr. ASHLEY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ASHLEY. Mr. Chairman, I make the point of order that the language contained on page 8, lines 7 through 15, is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. THOMAS. We concede the point of order, Mr. Chairman.

The CHAIRMAN. The Chair sustains the point of order

Mr. THOMAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMAS: On page 8, line 7, after "law", insert: *Provided*, That no part of the foregoing appropriation shall be available for the payment of contributions with respect to any local public agency expenditures which are not consistent with economical operating policies as required by law."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

NATIONAL PARK SERVICE

Construction

For an additional amount for "Construction", $2,953,000, to remain available until expended, which shall be available toward further construction of the Jefferson National Expansion Memorial at a total cost to the United States of not to exceed $17,250,000.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 9, strike out all of lines 12 through 18.

Mr. GROSS. Mr. Chairman, the amendment would strike out the additional $2,953,000 for the Jefferson National Expansion Memorial in St. Louis, Mo.

Let me say for the benefit of those who might not have been on the floor earlier that this memorial was given $1,650,000 through the regular appropriation bill this year. No one on the committee has established that there is an emergency that requires this additional appropriation. The gentleman from Ohio [Mr. KIRWAN], chairman of the appropriations subcommittee on Interior Department affairs, says he knows of no emergency. And, as the gentleman from Ohio said previously, this memorial in St. Louis has a rather weird history.

Some several years ago when I first became acquainted with it, the appropriation for this huge face-lifting job in St. Louis was subject to the proviso that no money could be appropriated unless the Federal budget was in balance. The Federal budget was not in balance and hence no money could be made available. So, an authorization bill was slipped through the House to wipe out that provision.

In reading the hearings it appears that instead of this being a $17,250,000 project, in the end it is likely to cost the taxpayers some $30 million. Let us be reasonable with the people of St. Louis, but let us also be reasonable with the taxpayers of this country. Let us take out the additional $2,953,000 provided in this bill. There is no real justification for what is here being attempted and I urge the adoption of my amendment.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 6 minutes and that the gentleman from Ohio [Mr. KIRWAN] be given permission to make the closing argument.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Chairman, I am in opposition to the amendment, not because I do not agree with the gentleman from Iowa, because I do. But many, many pieces of legislation like this come into the House and are passed. The U.S. Government will spend $3 for every $1 spent by the city of St. Louis. And the project comes in under the name of a great man. Who would vote against anything with the name Jefferson attached to it? There are many activities like that throughout the country.

We are broke, and owe more money than all the rest of the world put together, but we are going into the city of St. Louis to do something that the city ought to be doing for itself. If they want to erect a monument to Thomas Jefferson, I would be one of the first to be in favor of it. They also want to build up the rest of the city, let them do it. And what I say holds for any other city in America. I am not singling out St. Louis. But they should not be in here with legislation like this.

Mr. Chairman, I repeat, when the budget came into the regular committee, the committee approved every dollar they asked for. But they say that was not enough. If this money is needed they should have known it 4 months ago and it should have been in the regular bill, not a supplemental bill. When things like this are not properly planned there is something wrong downtown. We have spent some money on this and we might as well go through with it. That is why I am opposing the amendment of the gentleman from Iowa.

Mr. KARSTEN. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman.

Mr. KARSTEN. I would like to say that I think the Bureau of the Budget made a mistake originally in submitting this low estimate. I think they submitted a request of $1 million which they later indicated to me over the telephone was grossly inadequate. It has also been developed that if these additional funds are provided it will complete the project and they will be able to take advantage of a unit cost, which will save about $500,000, if the money is appropriated.

Mr. KIRWAN. This is the second or third supplemental, is it not?

Mr. KARSTEN. That is correct.

Mr. KIRWAN. Why did they not come in with a full request on the first supplemental or a revised estimate on the regular bill if they had made a mistake?

Mr. KARSTEN. That is an error made in the Bureau of the Budget. I could not answer for them on that, but they indicated to me that they did make a mistake in their original request.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman.

Mr. THOMAS. We do not find any fault with the argument. This is a needed project. I hope we will vote for it and get it behind us. If a mistake has been made it must have been an error of the head and not of the heart.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I rise in opposition to the amendment in order to try to put this in context. This, as the gentleman from Iowa said, has been before us for some time, on many occasions. This is an authorized project. It did not begin just a few years ago. It began in 1936 under President Roosevelt. It has always been a national project. The city of St. Louis was asked if it would be appropriate to put it on the St. Louis riverfront, which was the historic site for the westward expansion of our country.

The city was of course quite interested and the contract was made at that time, the city putting up $1 for the Federal Government's $3. This is a Federal commitment and a matter of the full faith of the Federal Government.

Incidentally, there is also private money in this.

Due to World War II breaking out when it did this project had to be delayed. It was further delayed during the Korean war.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Texas.

Mr. THOMAS. I think I can testify, if my memory serves me correctly, because I served on this Commission 10 years ago, that it had to be laid aside.

Mr. CURTIS of Missouri. That is right. This thing has been right in the heart of St. Louis, destroying land values and the development of the city. This is a national park, not the city of St. Louis. But it has been a great deterrent to the city. I was the one who insisted on the provision being in the authorization bill that no funds would be asked until—not unless—the budget was balanced, because I felt that was necessary at that time. As soon as the budget was balanced back in 1953 this project went ahead. It is a matter of good economics once you start a project to get in and get out, spend your money intelligently and wisely, but do not drag it out.

I want to say something else on the economics. There is about $120 million of private funds that are ready to be spent in the periphery of this area because this has been in the heart of St. Louis and has delayed the progress of the city. These funds will be spent on private developments. We will recoup our Federal tax money and the local money many times over if these projects go ahead. And they will go ahead if the Federal project moves ahead. I was in law school when this was originally started. For decades this riverfront area of St. Louis has been a weed patch awaiting development after the condemnation of the land by the Federal Government and the demolition of the buildings. When I first went to Congress I looked to see if there was any way of going backward. There is no way. The best way is to move ahead, get in and get out, do the job. I think that is good economics.

I think possibly there was a mistake made in this in the amount asked for this year, but I know they can spend this money intelligently. Indeed, if we do not vote for it, it will be costing more money in the long run.

Mr. KIRWAN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Ohio.

Mr. KIRWAN. I am not objecting to the original idea, I am objecting to how they come in with a request for a supplemental appropriation. The need for these funds should have been foreseen when the regular budget estimates came up instead of coming up now on a crash basis at the end of the session.

Mr. CURTIS of Missouri. I do not know whether there was or was not an error. This was in the Senate bill and

the conferees knocked it out. I think it is good economics to leave this in. We are going to have future appropriation bills on this matter and I hope this yearly attacking the project itself will cease, as 1964 is the 200th anniversary of St. Louis, and they are trying to hit that particular date for completion of the project. I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The Clerk read as follows:

LEGISLATIVE BRANCH

Architect of the Capitol

For an amount, additional to amounts heretofore appropriated, for acquisition of property for additions to the United States Capitol Grounds pursuant to section 1202 of Public Law 24, Eighty-fourth Congress, approved April 22, 1955, as approved by the House Office Building Commission, $5,000,000.

Mr. JONAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS: Page 10, line 6, strike out line 6 and everything thereafter down through and including line 13.

Mr. JONAS. Mr. Chairman, I opposed this item in the subcommittee and offered an amendment in the full committee to delete it, which was defeated. I offer the amendment today with considerable reluctance because I realize that my views do not coincide with those of many members of the committee and Members of the House who are directly concerned with the Capitol grounds improvements. I have great respect for their views and sincerely regret that I cannot go along with them in this instance. My objection to the inclusion of this item is not based upon any whim but upon what I believe to be sound considerations. I shall discuss them briefly.

It seems to me that until we know what we are going to do with this land, it would be a mistake to tear down 123 structures and dispossess approximately 50 businessmen and approximately 100 residents from their homes. The record made before our committee indicates that the plan is to accomplish this during the next year. It is well to talk about a businessman in this block finding another location to move his business, but as a matter of fact that is going to be impossible on Capitol Hill. There is no other land available. What is planned here is to acquire this property by condemnation and evict these people and the result will be to put 40 or 50 little businessmen out of business. That might become justified if the legislative branch of the Government determines that this land is needed for some specific purpose. I think the owners of the property are not in any better position than the owners of condemned land along the right of way of a highway. But until there is some definite and specific need for this property, I think we would be dealing more fairly with our citizens if we should defer the condemnation of this land until that purpose and that use has been determined.

There is one other point that I should like to advert to. What we will be doing here is taking all of this land off the tax rolls of the District of Columbia at the very time when we are refusing to increase the annual contribution of the Federal Government to the expenses of running the District of Columbia. These actions seem inconsistent to me.

There is another point which should be made and it is that this item, along with a lot of other items, seems to me to be lacking in the emergency character that would make them matters properly coming before a deficiency subcommittee.

Mr. Chairman, I do not have any strong feeling about this, and merely offer the amendment to keep my own position consistent. It is the same position I took in the subcommittee and in the full committee. As to the newspaper publicity about what transpired, that is only an incidental matter. But I did think in fairness to myself and because I have these views that I should offer the amendment and give the Committee of the Whole an opportunity to vote it up or vote it down.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from California.

Mr. GUBSER. I am informed that a great many of the operations of the Library of Congress can be performed on property which is not appurtenant to or adjacent to the present site. I refer to such operations as photostating, for example. I would like to raise the question as long as we are thinking of abandoning the Naval Gun Factory, why could not that property be used for these operations which do not need to be conducted on a site appurtenant to the present site of the Library of Congress.

Mr. JONAS. In response to the gentleman, I will say the testimony before our subcommittee specifically indicated there is no firm purpose to put the extension of the Library of Congress on this particular piece of property. No one today will say what the property is to be used for, and this is my primary reason for feeling that we should defer the condemnation of it with the resultant dispossession of about 50 small businessmen from their stores and about 100 residents from their homes. The Federal Government is powerful and can do it, but I do not believe it is the fair or equitable thing to do until the need for the property has been established and its future use determined.

Mr. BALDWIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of this amendment. In the absence of any other means of representation for the District of Columbia, all of us owe some obligation to those who live in the District and who are affected by this proposal. If you will refer to the committee report, you will not find a single word as to the necessity for this land acquisition. Neither have there been any statements in newspaper reports about this acquisition that indicate definitely the required purpose for this acquisition. The only statements that have been made have been to the effect that there may be a necessity for an additional building for the Library of Congress, but this will not be determined until after plans are drawn. I do not think it is fair to the residents of this area to take this action at this time when we do not know whether we are going to use it. I do not think it is fair to the small businessmen of this area to take this action at this time when we do not know whether we are going to use it. I do not think it is fair to the taxpayers of the District of Columbia to take this action at this time when we do not know whether we are going to use it, and I do not think it is fair to the taxpayers of the country to take it at this time when we do not know if we are going to use it. I do not think it is fair to the employees of our own offices who, when they find an hour at noontime to go out and make some small purchases, can only go to this one block to make those purchases.

I hope this amendment is approved and this $5 million sum is knocked out of the bill.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from California.

Mr. HOSMER. Irrespective of the merits of this thing, as long as sites have been zeroed in on this piece of property, even if the amendment should be agreed to you still have an area where somebody has to be condemned. That makes for a bad situation. Nobody can go ahead and fix up his property. I think irrespective of what happens, particularly if the amendment is agreed to, something should be specified "yes" or "no," so that that property over there will be apprised of what is going on. Otherwise it is a bad situation and one that is easy to make for a bad situation.

The CHAIRMAN. The time of the gentleman from California [Mr. BALDWIN] has expired.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph close in 15 minutes, 8 minutes to be reserved to the House Building Commission and the last 3 minutes to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Chairman, can we not have a little time? I object.

Mr. THOMAS. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 20 minutes, 8 minutes to be given to the House Building Commission and the last 3 minutes reserved for the committee.

The CHAIRMAN. There can be no reservations under a motion.

The question is on the motion.

The motion was agreed to.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Does this motion include the reservations?

The CHAIRMAN. Yes.

Mr. GROSS. Well, I make a point of order against it.

The CHAIRMAN. The point of order comes too late.

Mr. GROSS. Did not the Chairman rule that under a motion the reservations could not be made?

The CHAIRMAN. The Chair inquired. The Chair did not rule. And then put the question the way it was agreed to.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that there is no quorum present. I would like to have the Chairman count.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and ninety Members are present, a quorum.

Mr. THOMAS. Mr. Chairman, under my reservation I suggested 8 minutes for the Building Commission, the Speaker, and our beloved friend the gentleman from Georgia [Mr. VINSON], and the remaining 3 minutes to the committee.

Mr. GROSS. Mr. Chairman, we cannot hear the gentleman.

The CHAIRMAN. The gentleman from Texas was just telling the Chair that his reservation included 8 minutes for the members of the Building Commission and 3 minutes for the committee. This takes 11 minutes and leaves 9 for other Members who were on their feet. It works out that Members desiring to speak on this amendment will be recognized for about 2 minutes apiece.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN of Michigan. Mr. Chairman, this is reminiscent of when we authorized the building of the new third office building. Those who were here then remember how that thing was jammed through in spite of all the rules of the House. There is no question about it. It is in the RECORD just as plain as the noon-day sun in a sky without a cloud.

There is no reason for this taking of land except that those in charge want to take over those blocks now. They are maybe right in the assertion that the price will be more hereafter; but, after all, why should we continually be expanding the Capitol buildings? Are we real estate operators? We recall when they built the Pentagon over there in Virginia that some time after that there was a hue and cry about dispersing governmental agencies so that they would not all go up with one bomb.

Last spring we heard on the Hill—and I have lived on the Hill for some 20 years—that the Government was going to take all of the land between the Capitol clear over east to the Anacostia River. That was not a wild rumor, because you remember all through the Northeast they were going to take down those buildings, and you remember in the Southwest what happened there, and they tore down the waterfront. Why? Clean out the slums. That was the slogan. Or did or will some slick smooth operator pull a fast one?

It is not only unfair to the people of Washington but it is unfair to the people outside to continue to expand. How much government do we really want? How much government do we really need and how many buildings in Washington? Where are those who are on Federal payroll to live and shop? Private enterprise knows enough to keep a shopping center when it expands.

Does the Library of Congress really need that area? Members of Congress have had rooms over in the Library of Congress to transact their own private—not public—private business. Some of us know about it and some of us know it was going on. Whether it is today or not, I do not know.

What is the reason for taking this land? Do we need it? I am sure we do not.

It is the old, old question. You know very well that our employees, Government officials, have all kinds of trouble and difficulty day after day in getting down here to and from their work. Washington has never had—does not now have adequate transportation. Where are the people going to live after we take this property? Must we spend one-third of our time going back and forth to our work? It is not efficient to do this; it is not needed. Let the people who live there stay there. We are putting up this third House Office Building. I could use the whole thing myself if I were to stay here 10 years and try to take on all of the things the people want me to do; I could use the whole building for myself and my staff, if I could get enough staff members to do for some people all they would like done.

You are tired of hearing me talk about this question of expansion of the Capitol area and taxes, just as tired of hearing me as you may have been of our friend from Mississippi, John Rankin, who used to talk so much about the Tombigbee River; you are as tired of it as you are of hearing me talk about Walter Reuther and Jimmy Hoffa. We have not yet caught up with them.

What are we doing? I say once more to the very estimable, wonderfully fine gentleman who asks you to do this, what are we doing? We are doing what I have said so many times, the very disreputable thing of spending money we do not have and passing on to unborn generations the task of paying the debts we create.

Yes, Mr. Chairman, we are putting the job of paying the debt which we are creating over to new generations. You are tired of hearing that, and I am ashamed of it, of course. But I will continue to remind the House of what we are doing.

Yes, the people who pay us have "the right to know" and some day they will catch up with us.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I do not believe the proper way to legislate is to strike the enacting clause; therefore, I rise in opposition to the pro forma amendment.

I have a personal concern in the acquisition of this land. I own a home in this particular block. Therefore, when the vote is taken I intend to vote "present."

I do want to ask a few questions of the chairman of the subcommittee. I have had conversations with some of the men who have small businesses over there. I had a conversation with a man who has a little delicatessen and grocery store. He put in several thousand dollars' worth of new equipment and he needs about 5 years to pay it off. I had a conversation with a man who has a cleaning establishment over there who recently renovated his place. There are other businessmen in the same position. I was a small businessman myself, and I know what a burden it is for these small businessmen to take their chances against the ordinary vicissitudes of business, and then have something like this hit them suddenly.

It has been stated here by the gentleman from North Carolina [Mr. JONAS] that there are no firm plans in regard to the disposition of this property. A Library Commission has been established, a Joint Commission of the House and Senate, and I understand that Commission has not made a report as yet.

I rise at this time to question the gentleman from Texas [Mr. THOMAS]. I heard the colloquy that it will be possibly 18 months or 2 years before the people are evicted and their business houses destroyed and their homes confiscated. In view of the fact there is no appropriation for a third Library building, I wonder if we cannot temper the strong arm of Government with mercy and give to these small businessmen, many of whom have contractual obligations for equipment, a little more time than 18 months, 2 years or 3 years. Would it be possible before we take them out of their businesses to give them 3 to 5 years to discharge their obligations and find a place where they can go to? Would that be an unreasonable request?

Mr. THOMAS. I do not know what to say to the gentleman. I know he is speaking from the bottom of his heart. I would not want to do anybody any harm, and that is the sentiment of every person in this body.

We are dealing with the problem from the legislative point of view. We are not going to do anything to help ourselves; we are not going to do anything for our convenience. We are doing this for the people of the United States.

Mr. Chairman, we have to acquire this property. It should have been acquired 20 years ago, but our hindsight is always better than our foresight. You will never, if you live to be a hundred years of age, be able to buy this property any cheaper than you can this day. Every year this goes up 15, 25, or 100 percent. What happened to the hotel property over there?

As a matter of law, the gentleman knows and every lawyer knows that you cannot take the property without due process. You cannot take it without paying the value of it. If a property owner has a certain amount of money invested in the property over there you cannot take his property without due process. When this goes to the Justice

Department the Justice Department is going to recognize that and the Justice Department will offer the owner of property X, say, $5,000 for his property. If he does not think that is fair compensation all he has to do is to say, "No, I am going down here and let a jury pass on the value of it."

Has anybody ever heard of any cases recently where juries passed on the condemnation of property in which the Federal Government was a party that they were not more than generous? That is about the way it should be. So the people over here will not be dispossessed for some time.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the preferential motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. As I said when I took the well of the House, I make no plea for myself. I have a home investment in the acquisition plot, and I shall vote "present" on this bill. But, I do feel that in talking to these small businessmen that I should make, because they cannot appear here in the well of the House, a plea for a temperate period of time in the eviction of these people so that they can at least have a reasonable time to discharge their pressing obligations.

Mr. THOMAS. I will say to my friend, the way things happen in everyday business transactions of this nature, by no stretch of the imagination are those people going to be put out under a year or a year and a half. If I were going to make a guess, I would say 2 years.

Mr. HOLIFIELD. Most of the equipment purchasers are under 5-year contracts, I will say to my friend.

Mr. THOMAS. They will have more than ample time to relocate. And, whatever the value of this property is, you can bet your bottom dollar that the Justice Department will see to it that they are protected.

Mr. HOLIFIELD. On the assurance that mercy will be tempered when the strong arm of the Government takes this property, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, the gentleman from Georgia [Mr. VINSON], the gentleman from New Jersey [Mr. AUCHINCLOSS], and I constitute the House Office Building Commission. Now, we took blocks and blocks of property down here for expansion far beyond what the New House Office Building required. When you ride throughout the Southwest down here, you see block after block, where property of private individuals was taken. Stores, restaurants, homes, everything else was taken. This property is so situated that if we are ever going to expand the Capitol grounds, this is the place where that expansion must take place. Speaking to the gentleman from California who spoke to me earlier about this matter, I think that this matter will be tempered with mercy. I do not think that those people are going to be driven out before they have time to relocate. It may take 3 years, or in some cases of condemnation, it might take 5 years. But, I know this, we need this property for expansion. The Library of Congress—I will not say they will be located here—say they need more space, and big space. They may go there, but, if not the Library of Congress, something else. And, I know this, as the gentleman from Texas [Mr. THOMAS], so well said, this property next year will increase in value by 10 to 15 percent, and the following year it will go up more and more, because the question has been raised of the taking. And, if we are ever going to take this property at a reasonable price, I think now is the time to do it, because it will ultimately be taken. And, if you wait 5 years from now, I think it will triple in price. And, as has also been said, I do not know of any property that has been taken for any purpose, to expand the Capitol grounds or for Capitol buildings, where a satisfactory price has not been paid for that property.

After we are finished with this matter here, it goes to the Department of Justice. And in the acquisition of all this other property, nobody complained about the price that was paid for the property. If anyone did, I have not heard anything about it, and I think my colleagues on the House Office Building Commission will agree with me.

The appraisal of this property, made by good appraisers, was something in the neighborhood of $5 million. I thought it would be much more than that. But it is about that now. In 2 or 3 or 5 years from now it will be $10 million or maybe $15 million. I know that for the purpose of Capitol grounds and those things we are going to need it for, it ought to be done now.

Mr. HOLIFIELD. Mr. Chairman, will the distinguished Speaker yield?

Mr. RAYBURN. I yield.

Mr. HOLIFIELD. I want to say that I thank the Speaker for his assurance. I know it will be appreciated by the merchants who have so much at stake in this area.

Mr. RAYBURN. Every one of them, I think, will be given time to relocate, probably at a better place than where they are located now.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, I know that anything I say at this point, following the beloved and distinguished Speaker of the House, will be mere surplusage. But I would like to point out in just a sentence or two the situation that existed with respect to the acquisition of the Congressional Hotel property which is now owned by the legislative branch of the Government. In 1945 that property, here at the corner of New Jersey Avenue and C Street could have been acquired for the American taxpayers at a cost of $200,000. But the Congress sat by and saw a building erected. Then when it became necessary to purchase the property the taxpayers had to pay $1,800,000 and in addition will have to pay the cost of tearing the building down.

If we stand by and do nothing with regard to these two blocks, one of which fronts on Independence Avenue, right across the way from the Library of Congress, owners there will make substantial improvements and erect new buildings the costs of which will, at some future date, if we do not take this action today, have to be paid by the taxpayers of the United States. I urge defeat of the pending amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I did not know until this afternoon that the Federal Government was in the real estate business as such. It seems to me we ought to know where we are going before we buy a piece of real estate, irrespective of price.

Let me quote from the hearings held on June 17, 1960, which was only a few days ago.

Mr. THOMAS, chairman of Appropriations Subcommittee, said this to members of the Building Commission:

> The amount of money needed is in the neighborhood of $5 million. I hope that you (referring to the Speaker) and Mr. VINSON and Mr. Stewart can give us some reasonable amount of detail, and give us a little quick overall look at the plans for the future.

And what was the response from the distinguished Speaker of the House to that request for information as to plans?

> What will be decided to be done with this ground, I do not know.

Now, as to the taking over of this property and the time element involved, I refer to page 437 of the hearings of June 17 when the Speaker said this:

> We feel like everybody in that neighborhood within a year could relocate themselves.

Today we are told that property owners and residents might have 3 to 5 years in which to relocate. What is the time element? How urgent is this deal, anyway? I say to you this is no time, and this is not the way to be spending $5 million of the taxpayers' money without a semblance of plans and without the justification that we require of others. I have heard, I do not know how true it is, that there has not been a genuine appraisal made of the property sought to be purchased, and that rather than $5 million it will likely cost $8 to $10 million.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. I might inform the gentleman that the committee was advised that these appraisals have been made through the regular procedures of the Department of Justice.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I will not repeat what was said before except that we have altogether too much government, more than we can afford. I will read what the witness, Mr. RAYBURN, the Speaker, said as

a witness. There are only 8 pages of testimony. The Speaker was a witness. He ought to know more than anyone else about it. He has been here longer than anybody else unless it is the gentleman from Georgia [Mr. VINSON]. Here it is.

What will be decided to be done with this ground, I do not know.

Then I skip a few words. He then testified:

But we think that this ground should be purchased and those buildings should be taken off for the looks of things around here.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I do not want to talk anymore about it. Members can get all of the Speaker's testimony out of the hearings. Two or three pages. How many freeriders can taxpayers have? How big a debt can we carry? Why borrow and spend for tomorrow when there is no present need?

Mr. VINSON. Mr. Chairman, in view of the statement of the Speaker, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I feel compelled to make this statement. We appropriate this year $265,000 for rental of urgently needed space for the Library of Congress. You know you have to have an addition to the Library of Congress. Do you want to put it here on the Capitol Grounds or do you want to put it 4 or 5 miles away from the other buildings of the Library of Congress? If I could guess with any degree of accuracy where it will be put, I would say it would be right here.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. I wonder if anybody knows where this addition to the Library of Congress Building is going to be located.

Mr. THOMAS. I could not say yes or no about it, but I have a pretty good guess. If we are going to buy this property we must buy it now. In half a dozen years from now we will be paying half a million dollars a year in rent. We can pay for a building and have the title to it.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. JENSEN. I rise to support the gentleman from Texas, our good chairman, Mr. THOMAS. After all is said and done, this is a business matter that we must consider on a business principle. We know that sooner or later we are going to need that property. This is the American people's Capital. They are proud of it. I must say they cannot be very proud of the appearance of that block. In fact, I have had people say to me, "How does it come that we have such terrible looking buildings on this beautiful Capitol Hill?" I am sure that if the American people would take a vote on this proposition it would be overwhelmingly in favor of buying that property.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. JONAS].

The amendment was rejected.

The Clerk read as follows:

TREASURY DEPARTMENT

Bureau of the Public Debt

Administering the Public Debt

Not to exceed $375,000 of the unobligated balance of the appropriation for "Administering the public debt", fiscal year 1960, shall remain available during the current fiscal year for expenses of advance refunding of the public debt.

Mr. GROSS. Mr. Chairman, I make a point of order against the language on page 10, beginning with line 22 and extending through line 2, on page 11, as being in violation of rule 21, clause V, in that it provides for reappropriation on an appropriation bill.

Mr. THOMAS. Mr. Chairman, may I respectfully request our friend not to press his point of order. Our Secretary of the Treasury, our beloved Bob Anderson, is one of the fine, careful and responsible officers of our Government. He says, "I am not sure we are going to need this money, but let us keep it here and if we do not need it, we will not spend it." Your point of order is good—it is a violation of that particular rule. Will the gentleman reconsider? If Secretary Anderson does not need that money, I am just positive he would not spend a nickel of it. Would my distinguished friend reconsider?

Mr. GROSS. No, I will not reconsider.

Mr. Chairman, I insist on the point of order.

Mr. THOMAS. Mr. Chairman, the point of order is good.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk concluded the reading of the bill.

Mr. THOMAS. Mr. Chairman, by direction of the committee, I have two committee amendments—one is to pay the widow of our late and beloved colleague, Congressman Elliott, the $22,500 and the other amendment is a little amendment which does not involve any money, but involves some bookkeeping in the House of Representatives. It makes some of next year's funds available right now. It seems they need the money now.

The Clerk read as follows:

Committee amendment offered by Mr. THOMAS: On page 10, after line 6, insert "House of Representatives for payment to Rachel P. Elliott, widow of Douglas H. Elliott, late a Representative from the State of Pennsylvania, $22,500."

The amendment was agreed to.

The Clerk read as follows:

Committee amendment offered by Mr. THOMAS: On page 10, after line 6, insert "Contingent expenses of the House special and select committees of the amount made available under this heading in the Legislative Branch Appropriations Act, 1961, such amount as may be necessary may be transferred to the appropriation under such heading for the fiscal year 1960."

The amendment was agreed to.

Mr. THOMAS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the Chair, the gentleman from Rhode Island [Mr. FORAND], Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 12740) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, be passed.

Mr. THOMAS. Mr. Speaker, I move the previous question on the bill, and all amendments thereto, to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read a third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BALDWIN. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BALDWIN. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. BALDWIN moves to recommit the bill H.R. 12740 to the Committee on Appropriations, with instructions to report the bill back forthwith, with the following amendment: "On page 10, strike the words from lines 6 to 13, inclusive."

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced the noes to have it.

Mr. BALDWIN. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently no quorum is present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 141, nays 252, answered "present" 3, not voting 35, as follows:

[Roll No. 148]

YEAS—141

Abbitt	Arends	Berry
Abernethy	Ashmore	Betts
Adair	Baldwin	Bosch
Alexander	Bass, N.H.	Bray
Alger	Bates	Broomfield
Allen	Becker	Brown, Ohio
Andersen, Minn.	Belcher	Budge
	Bentley	Byrnes, Wis.

Cahill	Hoffman, Mich.	Pirnie
Canfield	Holt	Poff
Cederberg	Hosmer	Quie
Chenoweth	Jackson	Ray
Chiperfield	Johansen	Rees, Kans.
Church	Jonas	Rhodes, Ariz.
Collier	Judd	Riehlman
Colmer	Kearns	Robison
Conte	Keith	St. George
Cramer	Kilburn	Saylor
Cunningham	King, Utah	Schenck
Curtin	Kitchin	Scherer
Curtis, Mass.	Knox	Short
Curtis, Mo.	Kyl	Siler
Dague	Lafore	Simpson
Davis, Ga.	Laird	Slack
Derounian	Langen	Smith, Calif.
Derwinski	Lankford	Smith, Kans.
Devine	Latta	Smith, Va.
Dixon	Lennon	Springer
Dorn, N.Y.	Libonati	Stratton
Dorn, S.C.	Lindsay	Taber
Dowdy	Lipscomb	Teague, Calif.
Dwyer	McDonough	Thomson, Wyo.
Fino	McIntire	Tollefson
Flynn	McMillan	Utt
Flynt	Mailliard	Van Pelt
Ford	Martin	Van Zandt
Glenn	May	Wallhauser
Goodell	Minshall	Weis
Gross	Mitchell	Westland
Gubser	Moore	Wharton
Halpern	Murray	Whitten
Hargis	Nelsen	Widnall
Harmon	Norblad	Wier
Henderson	O'Konski	Williams
Herlong	Osmers	Winstead
Hiestand	Ostertag	Younger
Hoeven	Pelly	
Hoffman, Ill.	Pillion	

NAYS—252

Addonizio	Byrne, Pa.	Friedel
Albert	Cannon	Fulton
Anderson, Mont.	Carnahan	Gallagher
	Casey	Garmatz
Andrews	Chamberlain	Gary
Ashley	Chelf	Gathings
Aspinall	Clark	Gavin
Avery	Coad	George
Ayers	Coffin	Giaimo
Baker	Cohelan	Gilbert
Baring	Cook	Granahan
Barr	Cooley	Grant
Barrett	Corbett	Gray
Barry	Daddario	Green, Oreg.
Bass, Tenn.	Daniels	Green, Pa.
Baumhart	Davis, Tenn.	Griffin
Beckworth	Dawson	Griffiths
Bennett, Fla.	Delaney	Hagen
Bennett, Mich.	Dent	Haley
Blatnik	Denton	Hardy
Blitch	Diggs	Harris
Boggs	Dingell	Harrison
Boland	Donohue	Hays
Bolling	Dooley	Hebert
Bolton	Doyle	Hechler
Bonner	Dulski	Hemphill
Bow	Elliott	Hogan
Bowles	Everett	Holland
Boykin	Evins	Holtzman
Brademas	Fallon	Horan
Breeding	Farbstein	Huddleston
Brewster	Fascell	Hull
Brock	Feighan	Ikard
Brooks, La.	Fenton	Inouye
Brooks, Tex.	Fisher	Irwin
Brown, Ga.	Flood	Jarman
Brown, Mo.	Fogarty	Jennings
Broyhill	Foley	Jensen
Burke, Ky.	Forand	Johnson, Calif.
Burke, Mass.	Forrester	Johnson, Colo.
Burleson	Fountain	Johnson, Md.
Johnson, Wis.	Morris, N. Mex.	Roush
Jones, Ala.	Moss	Rutherford
Jones, Mo.	Moulder	Santangelo
Karsten	Murphy	Saund
Karth	Natcher	Schneebeli
Kasem	Nix	Schwengel
Kastenmeier	Norrell	Scott
Kilday	O'Brien, Ill.	Selden
Kilgore	O'Brien, N.Y.	Shelley
King, Calif.	O'Hara, Ill.	Sheppard
Kirwan	O'Hara, Mich.	Shipley
Kluczynski	O'Neill	Sikes
Kowalski	Oliver	Sisk
Landrum	Passman	Smith, Iowa
Lane	Patman	Smith, Miss.
Lesinski	Perkins	Staggers
Levering	Pfost	Stubblefield
Loser	Philbin	Sullivan
McCormack	Pilcher	Teague, Tex.
McCulloch	Poage	Teller
McDowell	Porter	Thomas
McFall	Powell	Thompson, N.J.
McGinley	Preston	Thompson, Tex.
McGovern	Price	Thornberry
Macdonald	Prokop	Toll
Machrowicz	Pucinski	Trimble
Mack	Quigley	Ullman
Madden	Rabaut	Vanik
Mahon	Rains	Vinson
Marshall	Randall	Walter
Matthews	Reuss	Wampler
Meader	Rhodes, Pa.	Watts
Meyer	Riley	Weaver
Michel	Rivers, Alaska	Whitener
Miller, Clem	Rivers, S.C.	Willis
Miller, George, P.	Roberts	Wilson
	Rodino	Withrow
Milliken	Rogers, Colo.	Wolf
Mills	Rogers, Fla.	Wright
Moeller	Rogers, Mass.	Yates
Monagan	Rogers, Tex.	Young
Montoya	Rooney	Zablocki
Moorhead	Roosevelt	Zelenko
Morgan	Rostenkowski	

ANSWERED "PRESENT"—3

Frelinghuysen	Holifield	Reece, Tenn.

NOT VOTING—35

Alford	Halleck	Morris, Okla.
Anfuso	Healey	Morrison
Auchincloss	Hess	Multer
Bailey	Kee	Mumma
Barden	Kelly	Spence
Buckley	Keogh	Steed
Burdick	McSween	Taylor
Celler	Magnuson	Thompson, La.
Downing	Mason	Tuck
Durham	Merrow	Udall
Edmondson	Metcalf	Wainwright
Frazier	Miller, N.Y.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Frelinghuysen for, with Mr. Wainwright against.

Until further notice:

Mr. Frazier with Mr. Halleck.
Mr. Burdick with Mr. Taylor.
Mr. Alford with Mr. Mason.
Mr. Multer with Mr. Mumma.
Mr. Healey with Mr. Merrow.
Mr. Celler with Mr. Miller of New York.
Mr. Durham with Mr. Hess.
Mr. Morrison with Mr. Auchincloss.

Mr. MITCHELL changed his vote from "nay" to "yea."

Mr. FRELINGHUYSEN. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. WAINWRIGHT]. Had he been present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMPARATIVE STATUS OF APPROPRIATION BILLS AND BUDGET ESTIMATES, 86TH CONGRESS, 2D SESSION

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and include a tabulation.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, with the passage today of H.R. 12740, the customary closing supplemental bill, the Committee on Appropriations has reported and the House has initially processed all of the 18 appropriation measures contemplated for the session. The Senate has passed 13 of those bills, and on eight of them congressional action has been completed.

The Senate has yet to report and pass five bills. And five bills are in conference.

The House has reduced the budget estimates of appropriations in the 18 bills by $2,290,340,908.

The Senate, in the 13 bills it has thus far passed, has exceeded the budget estimates by $1,479,744,108; and it has exceeded the House in those 13 bills by $2,718,225,962.

In the eight bills finally disposed of, the Congress has cut the budget estimates of appropriations by $331,892,800.

In the five bills pending in conference, the Senate has exceeded the budget estimates by $1,683,981,775, and has exceeded the House totals for those bills by $1,786,579,450.

For the information of the Members and others, I include a tabulation showing the several amounts for the individual bills:

Table of appropriation bills, 86th Cong., 2d sess., as of June 23, 1960

[Does not include any "back door" appropriation bills]

Title	House			
	Budget estimates to House	Amount as reported	Amount as passed	House action compared with budget estimates
1960 APPROPRIATIONS				
NASA supplemental	$23,000,000	$23,000,000	$23,000,000	
2d supplemental	1,008,398,264	229,175,864	237,505,864	−$770,892,400
Labor supplemental	8,000,000	6,000,000	6,000,000	−2,000,000
1961 APPROPRIATIONS				
District of Columbia	(242,403,000)	(237,118,276)	(237,118,276)	(−5,284,724
Loan authorization	(18,700,000)	(18,700,000)	(18,700,000)	(.....)
Federal payment	34,533,000	27,533,000	27,533,00	−7,000,000

Table of appropriation bills, 86th Cong., 2d sess., as of June 23, 1960—Continued

[Does not include any "back door" appropriation bills]

Title	House			
	Budget estimates to House	Amount as reported	Amount as passed	House action compared with budget estimates
Commerce	$799,615,000	$760,522,235	$760,522,235	−$39,092,765
Interior	550,330,300	543,375,600	543,375,600	−6,954,700
Treasury-Post Office	4,897,853,000	4,795,414,000	4,795,414,000	−102,439,000
General government	14,302,500	13,787,500	13,787,500	−515,000
Labor-HEW	4,000,083,981	4,184,022,731	4,184,022,731	+183,938,750
State-Justice-Judiciary	713,803,755	676,579,807	676,564,807	−37,238,948
Independent offices	8,416,897,000	8,146,167,400	8,182,067,400	−234,829,600
Defense	39,335,000,000	39,337,867,000	39,337,867,000	+2,867,000
Agriculture	4,135,263,190	3,964,781,500	3,937,943,500	−197,319,690
Loan authorizations	(367,000,000)	(557,000,000)	(557,000,000)	(+190,000,000)
Military construction	1,188,000,000	885,168,000	876,145,000	−311,855,000
Legislative	104,072,020	100,317,660	100,317,660	−3,754,360
Public works	4,001,016,180	3,914,798,985	3,914,798,985	−86,217,195
Mutual security	4,181,704,000	3,389,750,000	3,589,750,000	−591,954,000
Supplemental	134,822,200	49,215,700	49,738,200	−85,084,000
Total, 1961	72,507,296,126	70,789,301,118	70,989,847,618	−1,517,448,508
Total, all bills	73,546,694,390	71,047,476,982	71,256,353,482	−2,290,340,908
Total, loan authorizations	(385,700,000)	(575,700,000)	(575,700,000)	(+190,000,000)

NOTE.—Indefinite appropriations are included in this table.

[Does not include any "back door" appropriation bills]

Title	Senate					Final action—Amount as approved	Increase or decrease compared to budget estimates to date
	Budget estimates to Senate	Amount as reported	Amount as passed	Senate action compared with—			
				Budget estimates	House action		
1960 APPROPRIATIONS							
NASA supplemental	$23,079,000	$23,079,000	$23,079,000		+$79,000	$23,079,000	
2d supplemental	1,018,504,888	979,908,103	995,491,103	−$23,013,785	+757,985,239	955,370,003	−$63,134,885
Labor supplemental	8,000,000	6,000,000	6,000,000	−2,000,000		6,000,000	−2,000,000
1961 APPROPRIATIONS							
District of Columbia	(242,403,000)	(240,089,152)	(240,089,152)	(−2,313,848)	(+2,970,876)	(239,470,433)	(−2,932,567)
Loan authorization	(18,700,000)	(20,100,000)	(20,100,000)	(+1,400,000)	(+1,400,000)	(20,100,000)	(+1,400,000)
Federal payment	34,533,000	28,533,000	28,533,000	−6,000,000	+1,000,000	27,533,000	−7,000,000
Commerce	799,615,000	738,388,300	738,388,300	−61,226,700	−22,133,935	729,624,375	−69,990,625
Interior	550,330,300	586,259,500	589,212,625	+38,882,325	−45,837,025	557,667,600	+7,337,300
Treasury-Post Office	4,897,853,000	4,877,014,000	4,877,014,000	−20,839,000	+81,600,000	4,841,914,000	−55,939,000
General government	14,627,500	14,397,500	14,572,500	−55,000	+785,000		
Labor-HEW	4,020,221,981	4,484,088,931	4,485,788,931	+465,566,950	+301,766,200		
State-Justice-Judiciary							
Independent offices	8,417,397,000	8,414,412,900	8,459,412,900	+42,015,900	+277,345,500		
Defense	39,335,000,000	40,384,897,000	40,514,997,000	+1,179,997,000	+1,177,130,000		
Agriculture	4,135,263,190	4,000,222,683	4,005,222,683	−130,040,507	+67,279,183	3,994,097,600	−141,165,590
Loan authorizations	(367,000,000)	(577,000,000)	(577,000,000)	(+210,000,000)	(+20,000,000)	(577,000,000)	(+210,000,000)
Military construction							
Legislative	133,413,485	129,719,510	129,870,410	−3,543,075	+29,552,750		
Public works							
Mutual security							
Supplemental							
Total, 1961	62,338,254,456	63,657,933,324	63,843,012,349	+1,504,757,893	+1,960,161,723	10,150,836,575	−266,757,915
Total, all bills	63,387,838,344	64,666,920,427	64,867,582,452	+1,479,744,108	+2,718,225,962	11,135,285,578	−331,892,800
Total, loan authorizations	(385,700,000)	(597,100,000)	(597,100,000)	(+211,400,000)	(+21,400,000)	(597,100,000)	(+211,400,000)

APPROPRIATIONS, EXECUTIVE OFFICE OF THE PRESIDENT AND SUNDRY GOVERNMENT AGENCIES, 1961

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes, with amendments of the Senate thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. ANDREWS]? (After a pause.) The Chair hears none and appoints the following conferees: Messrs. ANDREWS, SHEPPARD, CANNON, FENTON, and TABER.

GENERAL LEAVE TO EXTEND

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill (H.R. 12740) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COMMUNICATIONS ACT AMENDMENTS, 1960

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 563) providing for the consideration of S. 1898, a bill to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such Act. After general debate, which shall be confined to the bill, and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the amendment in the nature

of a substitute recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such amendment, for the purpose of amendment, shall be considered under the five-minute rule as an original bill. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. O'NEILL. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 563 provides for the consideration of S. 1898, a bill to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act. The resolution provides for an open rule with 3 hours of general debate.

The hearings of the Special Subcommittee on Legislative Oversight with respect to television quiz programs were held on 11 days. The subcommittee heard a total of 51 witnesses: network executives, producers, sponsors, advertising agency representatives, quiz show contestants, and the Chairmen of the Federal Communications Commission and the Federal Trade Commission.

The hearings disclosed a complex pattern of calculated deception of the listening and viewing audience. Contests of skill and knowledge whose widespread audience appeal rested on the carefully nurtured illusion that they were honestly conducted were revealed as crass frauds.

Sponsors, advertising agency representatives, and network officers conceded that they, too, had been kept in ignorance of the frauds by the independent producers of the shows. In order to obtain interesting and entertaining shows, the producers resorted to tactics ranging from selecting questions from a contestant's known field of knowledge to handing out questions and answers to a contestant in advance of the program.

It became clear that the Communications Act of 1934, in placing responsibility solely on licensees, was inadequate. Since all the popular big-money programs were broadcast via national hookups, the individual licensees had no practical control over the shows or their production. Thus, the law presently places responsibility where it cannot practicably be exercised.

After conducting the extensive hearings and investigation, the Committee on Interstate and Foreign Commerce reported out S. 1898, amended, so as to make it a criminal offense for any person, with intent to deceive viewers or listeners, to broadcast or participate in the broadcasting, or to produce or participate in the production for broadcasting of any such program, or to conspire with others to do any act so prohibited.

Mr. Speaker, I urge the adoption of House Resolution 563.

Mr. Speaker, I yield 30 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Speaker, I know of no opposition to the adoption of the rule, and yield back the balance of my time.

Mr. O'NEILL. Mr. Speaker, I yield such time as he may require to the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Speaker, I take this time to address the Members of the House of Representatives because of the many bills that are now pending before us for consideration which, in my opinion, are not only unnecessary but many of which, if enacted into law, will lead us further down the road to deficit spending, increase inflation, and bring us nearer to all-out welfare statism.

We had hope that at least we would be operating this year in the black with the Government taking in more money than it was paying out. However, it now develops that this is not going to be true because of the increases in appropriations that the Congress has made over and above the budget request.

I am alarmed at the many, many welfare programs that are being proposed, seriously considered by the majority of the Members and being enacted into law. To list just a few is to demonstrate the thought I have in mind: Federal aid to education; area redevelopment loans; urban renewal; medical aid for the aged; Federal aid for sewage disposal; public housing; youth conservation corps; and extensive public works.

We are rapidly moving into welfare statism, with our young people being taught to look to the Government to supply their needs from the cradle to the grave. The spirit of paternalism will eventually destroy the private enterprise system in America unless we call a halt and change the trend which is so rapidly taking us down the road to socialism.

Our people are constantly requesting Federal aid or, to put it bluntly, Federal handouts. There is no such thing as a Federal handout. The Federal Government can give us nothing that it has not first extracted from the people at a tremendous service charge. Every $100 sent back to the States and localities by way of Federal handouts costs the taxpayers an additional $50 for handling charges by the Federal Government. The more the Government provides, the more it impoverishes the people through increased taxation. Those who contend that the Government of the United States owes a living to any citizen or group of citizens or that it should provide special privileges and benefits to various communities are contributing to the destruction of freedom of action and opportunity. Our Government cannot make people rich but it can make the rich poor by taxing away their substance and by stifling their initiative to work, to produce, and to save. The only thing the Government can distribute evenly is poverty and slavery which is achieved through excessive taxation and regimentation. What alarms me tremendously is the fact that our people are turning more and more from the principles of self-reliance to that of dependency upon the Government.

We are raising up a generation and instilling in their minds the false concept that the Government or someone owes them a living. They are being misled into seeing a mirage of easy money and easy living which actually leads to an ever-increasing measure of taxation, regimentation, and controls.

We must realize that where Federal funds flow into a project just as sure will there follow an increasing measure of Federal control. The greatest control available to the Federal Government is in its allocation of Federal funds. Federal aid means Federal control. Federal control follows Federal aid as inevitably as night follows day.

These are trying times from the international as well as the domestic standpoint. We have had severe setbacks on the diplomatic front. Our friends are few. It is necessary that we keep a strong defensive machine second to none. This means for the foreseeable future we must continue to build up our military might which, of course, means tremendous appropriations. This we can do without hurting our economy if, at one and the same time, we will cut out all unnecessary paternalistic civilian-domestic programs.

It is shocking to me to realize that in the past few years the big buildup in expenditures has not resulted from our military defense effort but has resulted from the ever-expanding civilian-domestic programs. Since 1954, these welfare domestic programs have increased from $19.1 billion to nearly $40 billion. There is even now tremendous pressure in this election year for the enactment of more nonessential programs, many of which start out on a small scale and gradually expand to permanent, ever-increasing, enormous expenditures. The Federal aid-to-education bill is a good example as is the stupendous highway program which has resulted in a national scancal because of the extravagant waste of the taxpayers' money.

Because of these nonessential programs—programs that were never contemplated by the Founding Fathers to be a responsibility or function of the Federal Government—it has become necessary for the Congress to increase the national debt limit at a time in which we should be cutting down on our debt. It is a national disgrace and I call upon the Members of this House who believe in the private enterprise system that has made America so great, who believe in fiscal responsibility, who desire to preserve our way of life and to retain for oncoming generations the freedoms and liberties that were handed down to us by those who have gone on before, to come down to earth, to reappraise their thinking and to stop this all-out rush toward statism, toward paternalistic government, toward fiscal irresponsibility and national bankruptcy.

I have hopes that the rank and file of our people will realize what is happening in this country before it is too late and demand of their elected representatives fiscal responsibility and adherence to the constitutional precepts laid down by their Founding Fathers and the great fundamental principle that the people must support the Government and not the Government support the people.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license for rehearings under such act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1898, with Mr. ELLIOTT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas [Mr. HARRIS] will be recognized for 1½ hours and the gentleman from Michigan [Mr. BENNETT] will be recognized for 1½ hours.

The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. BENNETT of Michigan. Will the gentleman give us some idea of how long he intends to have the Committee consider the bill tonight?

Mr. HARRIS. Of course that is not within my prerogative, as the gentleman knows. I might say for the information of the Members there are 3 hours of general debate. I doubt very seriously if we will use all of it, but we will use a substantial part of it. I have no information as to just how long we will sit.

Mr. BENNETT of Michigan. Does the gentleman think we will finish the bill today?

Mr. HARRIS. I doubt very seriously whether we can finish the bill tonight, because I understand there is one amendment at least which the gentleman from Michigan will propose.

Mr. Chairman, the Committee on Interstate and Foreign Commerce has considered and reported S. 1898, which we bring to your attention at this time.

I might say, Mr. Chairman, it will be my purpose to explain the provisions of this bill, and then have something to say about recent articles about Members of Congress that have appeared in certain papers and magazines, and then give you some background as to what I think has motivated such attacks at this time on the Congress and Members of the Congress.

In the first place, this bill that we bring to you is one of three bills which our Committee on Interstate and Foreign Commerce has pending, which was recommended by the Special Subcommittee on Legislative Oversight, as a result of its investigations during the last 2½ years. This is the first of these three major proposals, and it is a most important bill, if we are going to maintain healthy conditions in the field of communications and operations in the public interest as the Communications Act of 1934 requires.

In addition, the committee on yesterday reported a second major bill for the consideration of this House, which is referred to as the ethics bill, and which deals, among other things, with so-called ex parte communications in on-the-record proceedings.

I do not know whether we will have time to get to that second major bill that we are recommending during this session. We intend to file the report as soon as it can be prepared.

The third major bill which is the result of the investigation of the Oversight Subcommittee has to do with transfers of these valuable radio and television licenses to which I will refer in my statement this afternoon. The bill further provides for a procedure to license national networks and to bring them under the regulatory jurisdiction of the Federal Communications Commission. That is the third bill which is pending before the committee on which we have not as yet had an opportunity to hold hearings and to give it further consideration.

That gives you briefly the background of the work of our committee and the legislation which we have under consideration. The Committee on Interstate and Foreign Commerce brings to you today S. 1898. If you will get a copy of the bill and follow me I think I can explain very clearly just what is contained in it.

Section 3 rewrites section 309 of the Communications Act of 1934.

Prior to 1952, this section of the act provided that if the Commission, upon the examination of an application, was able to find that the public interest, convenience, or necessity would be served thereby, it should grant such application. If, however, the Commission could not make such a finding, it was required to give notice to the applicant and afford him an opportunity for hearing.

In 1952 the Congress amended section 309 to include two new concepts. The first is contained in section 309(b) and requires the Commission, in all situations where it is unable to make the public interest findings based on an examination of the application alone, to notify the applicant and other parties in interest of the grounds and reasons why it cannot find that the public interest, convenience, or necessity will be served by granting the application prior to designating such application for hearing. Furthermore, this section requires the Commission to provide an opportunity to the applicant to reply to the objections raised in the above-described notice. This procedural step required in all instances has proved to be cumbersome, time consuming, and in many instances of no value whatsoever.

The second procedural concept added by the Communications Act amendments, 1952, is the so-called protest procedure contained in section 309(c). This section was amended in 1956. It provides that in any case where the Commission grants an application without a hearing, any party in interest may within 30 days after said grant without a hearing, protest the Commission's action. Morever, it requires that this protest should be served upon the grantee and should contain such allegations of fact as will show the protestant to be a party in interest and should specify with particularity the facts relied upon by the protestant as showing that the grant was improperly made. The Commission is required to rule upon this protest within a 30-day period, making findings as to sufficiency of the protest and, where it finds that the protest is sufficient, designating the matter for hearing upon issues relating to all of the matters specified in the protest as grounds for setting aside the grant, except in cases where after oral argument the Commission finds that even if the facts were as alleged, no grounds exist for setting aside the grant. The provisions of this subsection have been broadly interpreted by the courts and have proved to be a most effective device for delaying the disposition of Commission business.

The FCC, the Federal Communications Bar Association, and the American Bar Association have been seriously concerned by the procedural abuses which have arisen out of this subsection of the act. Accordingly, these organizations submitted legislative proposals designed to remedy these difficulties. S. 1898 was introduced upon request of the Federal Communications Bar Association and supported by the American Bar Association. After hearings on that proposal and a proposal submitted by the FCC, the bar associations and the FCC held a series of discussions and agreed upon amendments to S. 1898. As amended, and passed by the other body, S. 1898 represented the views of both the FCC and the Federal Communications Bar Association, and the American Bar Association.

In the committee substitute section 3 relates to the subject matter of S. 1898 as it passed the other body. Section 3 is not different in substance from the bill approved by the other body. The provisions of section 3 have, however, been rearranged and revised in a manner which achieves greater clarity.

Section 3 of the committee substitute would delete the mandatory notice prior to designation for hearing now included in 309(b) of the act and would also substitute for the provisions of present section 309(c) a procedure which would authorize a petition to deny to be filed prior to action on the application by the Commission. This would be accomplished by requiring the Commission in substantially all broadcast and common carrier cases and certain other cases to hold applications for not less than 30 days after notice of acceptance for filing of the application by the Commission has been published.

This new "pre-grant" procedure would require the Commission to consider such petitions to deny in connection with its consideration of these applications and, where upon an examination of the application and the petition to deny or any

other pleadings before it, the Commission is not able to make the public interest findings required, it would designate such application for hearing. I believe that these procedural safeguards will provide an adequate opportunity for proper parties to protect their interests in an orderly and logical manner without subjecting the Commission procedures to the abuses which are inherent in the present protest procedure.

It is my sincere hope that this new procedure will expedite proceedings before the Commission. They have a backlog of work which piles up on them down there, partly because of the procedure that is now required by law permitting "protests" and thereby causing more and more delays.

One of the difficulties we have found in connection with the FCC has been that the delays over a long period of time have contributed to the grave problems and difficulties which we have exposed in the Oversight Subcommittee in the last 2½ years.

We took the bill S. 1898 as a vehicle to work with. The reason for it is obvious. We are getting along in the session and there are many provisions in this bill that are needed and needed badly.

By adding these provisions to S. 1898 we can work out something in conference with the other body and therefore very likely get something through during this session of Congress that is needed.

If you will turn to page 8, we struck out all after the enacting clause.

The purpose of section 2 is to amend the Communications Act of 1934 to counteract the effect of a rule adopted by the FCC.

Section 307(d) of the act provides that no broadcast license shall be granted for a longer term than 3 years, and the FCC can, of course, fix a shorter period. The Commission, however, has adopted a rule that all broadcast licenses shall be granted for a term of 3 years.

Thus, it has placed itself in a position where it could not, without formally changing its rule, grant a broadcast license for a term shorter than 3 years.

The public interest may require the granting of shorter-term licenses in order to afford the FCC a more frequent review of the licensees' performance.

This section of the committee substitute will insure that the Commission, without the necessity for conducting a rulemaking proceeding, will in the future be able to grant shorter term licenses in individual cases.

If you will turn to page 11:

Section 4(a) of the committee substitute would amend section 311 so as to authorize the Commission to hold hearings at a place in, or in the vicinity of, the principal area to be served by the station involved in such hearing if the Commission determines that the public interest, convenience, or necessity would be served by conducting such local hearing.

The amendment would also require applicants for most instruments of authorization in the broadcasting service to give local notice of the filing of their applications, and, if any such application is designated for hearing, to give local notice of such hearing. Each such notice would be given in the principal area which is served or is to be served by the broadcast station with respect to which such application is filed. The Commission would prescribe by rule the form and content of such notices and the manner and frequency with which they are given.

In other words, if there is an application for a facility in Boston, or wherever it may be, they must give notice in the locality of this hearing.

The question then arises why should we not have hearings in that locality? There are 5,300 broadcasting facilities operating in the United States, there are as many as 800 renewals that must be considered a month. If we were to require the Federal Communications Commission to go into the locality and hold hearings in every case it would bog the Commission down and it could not possibly do the job we are requiring of it. So we have provided for the local notice to be given and the Commission may, if it so determines, go into that locality for the hearing; otherwise, it can hold hearings, if necessary, in some other locality, generally here in Washington.

The second part of this section 4 has to do with "payoffs." By "payoff," we mean this: If there are four or five applicants for a particular facility, they have to go through long and expensive hearings. They get down to a point where maybe a couple of those applicants, or three of them, decide that their chances are not so good, they will negotiate with the other applicant and that applicant will pay them to get out.

In some of the cases we found situations that are very, very bad.

We had many cases—as a matter of fact, about 23 of them in all—that we dealt with in these investigations, and several of them were of this particular kind. We had one case that I can give you very briefly as an example.

There were four applicants for this particular television facility. Two of the applicants agreed to get out for $150,000 each. They were paid off. The Commission had nothing to do with it. It had no say in the matter whatsover. But, in doing so, they left the other two applicants. And then there were maneuvers and pressures and everything that was brought to bear on them to get together and merge and become 50 percent owners in order to get that particular grant or award.

In other words, there were these exparte contacts and pressures that were brought to bear, and the payoff to two of the applicants to get out of the way.

That is simply no way to find out who are the better applicants to serve the public with a television facility. We say here that that is prohibited in the future.

Section 4(a) of the committee substitute would amend section 311 of the act so as to make it unlawful, without approval of the Commission, in any case where two or more applications for a construction permit for a broadcasting station are pending and only one application can be granted, for the applicants to effectuate an agreement whereby one or more of such applicants withdraws his or their application or applications. The agreeing parties would be required to submit to the Commission full information with respect to the agreement which would have to be set forth in such detail, form, and manner as the Commission shall by rule require.

The Commission may approve such agreement only if it determines that it is consistent with the public interest, convenience, or necessity.

If any such agreement, other than one contemplating a bona fide merger, contemplates the making of any direct or indirect payment to any party thereto in consideration of his withdrawal of his application, the Commission may determine the agreement to be consistent with the public interest, convenience, or necessity only if the amount or value of such payment, as determined by the Commission, is not in excess of the aggregate amount determined by the Commission to have been and to be legitimately and prudently expended in connection with the prosecution of such application.

As indicated above, the provision prohibiting approval of agreements calling for payments in excess of expenditures would be inapplicable in cases of bona fide mergers and the Commission, thus, would have to determine in each instance whether a proposed merger is a bona fide merger of competing interests or whether it is merely a device to evade the prohibition applicable to nonmerger agreements.

And, that merger problem is somewhat of a controversial issue. Some of the members of the committee did not want it, but the committee adopted it, and it gives the Commission the authority to approve bona fide mergers.

We think the payoff prohibition is a highly important provision that should be in the law and that will contribute to orderly procedure and consideration of licence applications in the future.

Now I would like to direct you to page 20, suspensions, revocation, and cease and desist orders. This is the one controversial section in the bill. We continue revocation as in the present law except we add one other paragraph in order that the Commission may revoke, if it finds it necessary, for violations of the provisions of sections 1304, 1343, or 1464 of title 18 of the United States Code. That is the criminal code. Otherwise the law with respect to revocation is maintained as it has been all the years.

Since revocation is a death sentence for a station, it has never been used since the 1934 act.

Section 5(a) of the committee substitute would amend section 312 of the act to empower the Commission to suspend station licenses for a period of not more than 10 consecutive days for the same acts that station licences could be revoked for. However, the provisions relating to revocation are different from those relating to suspension in that the

latter do not require that any such act must have been done knowingly, willfully, or repeatedly.

As is now provided in section 312 in the case of issuance of an order of revocation or a cease and desist order, this amendment granting suspension power provides that before suspending a license the FCC shall serve upon the licensee, permittee, or other person involved in an order to show cause why an order of suspension should not be issued. Irrespective of which of these administrative sanctions (i.e., revocation, suspension, or cease and desist order) the FCC may contemplate using when it issues the order to show cause, nothing in section 312 as so amended is intended to prevent the FCC from imposing, on the basis of the evidence adduced at the hearing, whichever sanction it deems appropriate.

Now, the industry does not like this suspension provision. I feel and the members of the committee feel that this is the heart of the bill because it gives the Commission authority to deal with questionable acts and violations by a licensee without imposing the death sentence.

If you strike this out and there is no penalty, then the industry is free to continue to do those things that we have uncovered and which have been going on now for the last several years. But we go further. We provide in the following section, on page 24, a forfeiture provision.

It is, of course, obvious that if a facility rendering a public service in the community is suspended, the public may be deprived of that service. We think the Commission should have authority to impose where desirable a forfeiture so that they do not take away the service from the public.

Section 6 of the committee substitute would amend the act to authorize the Commission to impose forfeitures on licensees and permittees of broadcast stations of up to $1,000 a day for certain violations.

The amendment contains a sentence providing that forfeiture so imposed shall be in addition to any other penalty provided by the act. This is intended to mean only that the FCC will not be precluded from ordering a forfeiture merely because another type of sanction or penalty has been or may be applied to the licensee or permittee.

Some say that the power to suspend is entirely too punitive: that it gives too much authority to the Commission. But if you turn to page 22 you will see provisions which protect the licensee. Before revoking or suspending or issuing a cease-and-desist order there must be an order to show cause why an order of suspension or revocation or a cease-and-desist order should not be issued. Then a hearing must be held on that show-cause order.

The Commission must prove that the licensee has violated one of these four or five provisions of the law. In other words, they are amply protected, because the Commission has got to set forth in writing the violations which they are alleged to have committed. Then it must show that they actually were committed. They must have a hearing and give them an opportunity to state the facts. We feel that the industry is amply protected by this requirement in the law.

Now, skipping over to page 25, section 317 has been one of the most difficult problems because it has not been very clear throughout the entire history of this act what this provision means. This is the section which relates to the so-called "payola." This section requires announcement of any payments that have been made by anyone for the broadcasting of any matter. Some of this developed in the course of our inquiry into the so-called quiz shows.

A man by the name of Hess of the Hess Department Stores in Allentown, Pa., testified before the committee that he paid a total of $15,000 in order to get one of his employees as a contestant on one of the national quiz shows so that his department store could be nationally advertised.

Following that we went into a lot of this business having to do with disk-jockeys and all kinds of operations. We developed all sort of facts with respect to this payola practice.

Section 7 of the committee substitute would rewrite section 317 by adding a proviso and would add to the act, as section 508 thereof, new "disclosure" provisions, applicable to persons other than licensees.

The proviso would establish a general rule that an announcement shall not be required under section 317 with respect to any service or property furnished "without charge or at a nominal charge" to a broadcast licensee for use on or in connection with a broadcast, but this is subject to the exception that an announcement will be required if the service or property is furnished "in consideration for an identification in a broadcast of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property on the broadcast."

The effect of the proviso would be to exempt from the announcement requirement some of the situations, involving the furnishing of services or property to licensees without charge or at a nominal charge for use on or in connection with broadcasts, in the case of which the interpretation placed on section 317 of present law by the Commission in its public notice of March 16, 1960, would require such an announcement.

The intended effect of this proviso is illustrated in examples set forth in the report dealing with different situations which commonly occur in the broadcasting of different types of programs.

This report, with its examples, is for the Commission to follow. This is the book for the industry to follow.

It does not prevent some of the industry practices that are acceptable and necessary. It permits them to continue to use free records under certain circumstances. It permits them to continue to use property that is necessary in programing their shows. It permits them to continue to operate their station facilities in the public interest. That is the reason that we have approached this particular subject.

Subsection (a)(2) makes it clear that the instant legislation is not intended to change the Commission's present requirement that an announcement be made in the case of any political program or any program involving the discussion of any controversial issue even where the program matter is furnished without charge or at a nominal charge as an inducement to the broadcast of the program. Thus, an announcement in these circumstances may be required even though, in fact, the matter broadcast is not "paid" matter.

Subsection (b) places on licensees a new duty to make announcements regarding paid-for matter. As I have already stated, this bill proposes to add a new section 508 to the act, pursuant to which information will be transmitted to licensees with respect to payments, made to persons other than licensees, for the broadcast of matter over the stations of such licensees. Subsection (b) requires that when information of this kind is reported to a licensee it shall be the duty of the licensee to make an appropriate announcement.

As a further means of insuring that licensees will be in a position to make the announcement referred to in subsection (b), subsection (c) provides that every broadcast licensee shall exercise reasonable diligence to obtain from its employees, and from other persons with whom it deals, information to enable such licensee to make the announcements required by section 317.

Subsection (d) is a new provision authorizing the Commission to waive the requirement of an announcement under section 317 in any case or class of cases if it determines that this would be consistent with the public interest, convenience, and necessity.

Subsection (e) authorizes the Commission to prescribe rules and regulations for carrying out the provisions of section 317.

The committee substitute amends title V of the act by adding a new section 508 at the end thereof which is intended to require the disclosure of station licensees of payments made to persons other than such licensees for the broadcasting of any matter by such licensees. A person who violates this proposed section would be subject to criminal penalties.

Through this disclosure section together with section 317 we get at the problem of payola which the Commission cannot adequately deal with.

Finally, we come to deceptive practices.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. BENNETT of Michigan. Before the gentleman leaves that section, under present law under section 317 if a radio station accepts money or other consideration for exposing a product or advertising it over a station it must announce that fact. We have amended that section to require also that the station make some kind of announcement if

information comes to its attention that one of its employees or officers has received money from some other person who exposes or advertises a product over the air. They come about as the result of the diskjockey's testimony. But in reading this, I note today that we have failed to cover a situation where the diskjockey, for example, owns an interest say in a record company or any other corporation whose product is being advertised and receives his consideration as a result of the profit of the corporation which owns the thing that is being advertised. He is exempt. We have apparently left him out. I wonder if the gentleman would comment on that.

Mr. HARRIS. I am not sure just what the gentleman has in mind.

Mr. BENNETT of Michigan. I am thinking of the situation of Dick Clark. He did not accept any money from anyone directly for playing or plugging a particular record but he did plug his own records, and made money because he owned the company that made the records, so he came out as well if not better than the diskjockeys we are penalizing here. Apparently, however, as I read this section, we would not require any announcement by the station in his classification. I was just wondering if we should not amend the bill to cover that situation.

Mr. HARRIS. I think it is adequately covered. If the gentleman will refer to page 19 of the committee report he will find this language:

> Indirect benefits which may accrue to station licensees and their employees or other persons concerned with the selection of programs or program matter for broadcasting by reason of ownership of stock or other interests in companies engaged in the preparation or production of programs or program matter are not covered by section 317, as it is being amended, or by the proposed disclosure provisions. Disclosure of such benefits may be required by the Commission under its general rulemaking powers.

Mr. BENNETT of Michigan. That is true. Of course, this type of situation I have just discussed is not covered in the amendment we have adopted, but they say the commission can make rules and regulations and, of course, the same thing would apply to the other type of situation.

Mr. HARRIS. Yes, where indirect benefits are involved that was intended.

Section 8 deals with the deceptive contests. We found these deceptive practices were rather widely engaged in throughout the country. Some said that that was not so. We do know that they were broadcast by the networks, and the networks cover practically all the stations in the United States. The people all over the United States, I might say, received a lot of pleasure from these programs.

Our committee was not too popular at first when we started investigating this. But this did not last long. When the facts came out and when they began to admit these practices that we found out to be a part of the programing, then the American people began to react differently. To me, it was one of the most amazing things.

The thing we are trying to get at and we are going to discuss here today, and it is also contained in the "ethics" legislation which we have already reported out, is the use of public resources, natural resources, that belong to the public for the purpose of deceiving the American people to the point where the moral structure of this country is being undermined. This provision gets at these practices. I do not think we are going to see any more of them soon, even without this provision, in your time and mine. But in time somebody will try to develop a scheme where that same thing will be done.

Mr. Chairman, we have come to the point that where anyone who gets control of the communications and broadcasting media of this country becomes the most powerful element in this great Nation of ours. Therefore, this medium has to be protected from deceptive practices. These people have to realize their responsibilities. They are given this valuable privilege and franchise and they must realize their responsibility to operate in the public interest. Therefore, we make it unlawful for any such deceptive practices.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. SANTANGELO. The language of the bill refers to "radio stations." Does the term "radio stations" contemplate a television station?

Mr. HARRIS. Yes, under the Communications Act "radio" includes all types of broadcasting facilities.

Mr. SANTANGELO. So that when we read the word "radio" it means "radio and television" and the general public can so understand it?

Mr. HARRIS. That is true.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Under the deceptive contest here, you are limiting that to intellectual knowledge or intellectual skill. Would a fixed prize fight which was telecast come within this provision as to deceptive contests?

Mr. HARRIS. We do not attempt to deal with that kind or type of program.

The report specifically mentions wrestling; and as the term is generally known and accepted throughout the country, wrestling is not subject to this section.

Mr. ROGERS of Colorado. Would section 7 reply to the reporting on television of a prize fight, a wrestling match, football game, baseball game, or is it related entirely to the intellectual scale?

Mr. HARRIS. That is what the bill says. We were getting at a particular problem, one we had uncovered. That is the problem we tried to reach and we think we have reached it very successfully.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Texas.

Mr. ROGERS of Texas. For the benefit of the gentleman from Colorado let me say this, the particular situation we were dealing with concerning intellectual contests was not covered by any law. The fixing of a prizefight is controlled by criminal statute in most States. That is one reason. We are dealing with something here to which criminal law is not applicable.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield.

Mr. ROGERS of Colorado. My only question is: Would this proposed legislation make it a crime subject to penalty as provided ordinarily?

Mr. HARRIS. There is nothing in the record or the legislation here that would include boxing.

Mr. ROGERS of Colorado. Under section 7 you deal with the question of giving information, as to where you may have received it. If a television station, a radio station gets a free record they are required to say, "This record was given as a service to us." Would this continue that operation under section 7?

Mr. HARRIS. No, it would not; it would permit that practice, as I stated a moment ago, to continue. In other words, if they receive a free record, under that provision they can play it without making the announcement.

Mr. ROGERS of Colorado. Without making the announcement.

Mr. HARRIS. Yes.

Mr. ROGERS of Colorado. I have been contacted by a radio-television station complaining that if they send their newsman to a press conference, for example, down to the chamber of commerce, and the chamber of commerce hands out a long press release telling how great the organization is and what all it has done for the community, that if their man uses that press release it is necessary for the radio-television station to say that it was received from the public relations officer of the chamber of commerce.

Under the interpretation we now have will the gentleman explain whether it is required that they give credit to the source from which they received it? On the other hand, if they use information that comes over the ticker or the wire from one of the press services, AP, UP, or UPI, and broadcast it as news they do not have to say where they received it. Does section 7 touch that in any manner whatsoever?

Mr. HARRIS. If the gentleman will look at item 11 on page 22 of the committee report. No announcement is required.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield.

Mr. ROGERS of Colorado. Under the rule of the FCC it was required that they must give credit to the source whether it was a press release or whatever it might be.

Mr. HARRIS. Under the amendment the station would have no announcement to make. I do not think the station would have any problem at all with that.

Mr. ROGERS of Colorado. I thank the gentleman.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. FARBSTEIN. Just one word, at the top of page 30, to obviate the possibility of criticism insofar as physical contests of any kind are concerned, would it not be wise under the circumstances to insert the words "or physical" in the second line after the word "intellectual"?

That would cover any known contest. So there would be no possibility of any fixed fight or any other physical contest, of which there are many.

Mr. HARRIS. We purposely limited it to "intellectual contests." In regard to other contests State laws are involved. We did not think that, not having a peculiar problem in connection with these other contests we should not invade that field. I would not want to do so here.

Mr. FARBSTEIN. This deals with national legislation. This deals with broadcasts under the Federal communications law, hence it would be outside the State rules or the State criminal laws.

Mr. HARRIS. It has been said by the gentleman from Texas the States have certainly made it clear they have adequate laws dealing with these problems and we hope they can.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Has the gentleman given consideration to the policy recently developed of television stations making editorial comment?

Mr. HARRIS. Yes, we have considered that and discussed it a great deal. We have not come to any resolution on it. There are differences of opinion. Some even contend that the constitutional prohibitions would become involved here and, therefore, it would be unconstitutional to prohibit editorials. We have not been able to clear up as to whether or not that is the fact, but I think it is a very important consideration. We also have a policy—of course, I know it is not effective, just like a lot of other things—if an editorial is broadcast by a station, the station must be fair with respect to giving time to opposing views.

Mr. McCORMACK. That is so?

Mr. HARRIS. That is true.

Mr. McCORMACK. If some station were to broadcast an oral editorial about any Member of Congress or anybody in public life, they would have an opportunity to have equal time?

Mr. HARRIS. Not necessarily equal time. But the rule of fairness would apply.

Mr. McCORMACK. Those who represent the truth would have an opportunity. These stations have licenses. I am not passing on the basic question but referring to the constitutional right of freedom of speech. Where their existence is dependent on a license, we know they are liable to become partisan. We do know that 85 percent of the press of the country is Republican. I hope that a majority of the television stations may be Democratic.

Mr. HARRIS. That is a very important question that the gentleman raises, even his last statement, but I personally think under the licensing provision and authority we have, since it is a natural resource and it belongs to the public, there is a way to reach it. But we have never yet invaded that field. As a matter of fact, we have never yet invaded the field of programing. I for one am opposed to invading the field of programing because I do not think the Government of our country—I do not believe any government—should have authority to control the programing over these facilities. I think it is entirely out of line under our system of government to give such authority to any Government agency.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Kansas.

Mr. AVERY. In further reference to the editorial matter, is it not a fact it has never come to the attention of either the Legislative Committee or the Select Committee on Legislative Oversight an instance where a licensee has taken a position on an editorial proposition and not permitted those of opposing views to have equal time?

Mr. HARRIS. The gentleman is correct.

Mr. AVERY. It has not come to the attention of the committee that equal time has been denied those of a different view from the editorial position taken by the licensee.

Mr. HARRIS. No. On the other hand, I have had some investigated, and we have reports from others where they pursued the policy of offering equal time for opposing views.

Now, Mr. Chairman, I want to proceed with some other thoughts and give you the benefit of some information which I think will interest the members of this committee. There has been a lot of interest in our committee work, particularly in the study and investigation of the regulatory agencies as to the administration of the laws and as to the adequacy or inadequacy of the laws, especially in the recommendations that we have made and the proposed amendments such as we have here today.

Now, it is one thing to study and investigate, but it is entirely a different matter when it comes to legislating and doing something about it. In some of the inadequacies we found some admitted these practices were true, that during the investigation as we were exposing these things they would not dare to raise their heads; when we were showing the fraud, the corruption, and the deceptive practices which were deceiving the American public, "living the lie," as one put it, using this great natural resource, the spectrum, regardless of the moral effect. They would not dare raise their heads in objection. Yet, they lay back under the log and waited. Now we come to the crux of it. These powerful interests—and there are some who own and control these facilities, the media—would not even attempt to justify their acts. They would not even attempt to justify closing their eyes and turning their backs. But, to do something about it, as we are trying to do here, becomes an entirely different problem.

Now, admitting that these were acts of fraud and corruption and deceptive practices, degrading the moral character and the decency of the American public, when the committee started to do something about it, the pressures began to move in. We could feel it all around. The very moment that we moved and started doing something about it, we really felt the pressure. Now, let me say something else. If we, as legislative officials of this Government, can be subjected to pressures on legislation, how do you think an independent regulatory commission, when the pressures move all around them and envelops them, can withstand it? Immediately after we filed our report, Mr. Chairman, on February 9 of this year, immediately after we filed the report, we felt it moving in on all sides, because what we proposed would interfere with them. Immediately thereafter there was a bevy of newspaper reporters turned loose on the committee. I received the information—and I believe it was reliable information—that Life, Time, and Fortune turned six of them loose. One of them came to me and to my committee. Here is a wire from him, because I had not talked to him on the phone, in which he urged that I permit him to talk to the staff. I gave him permission. The wire and my reply reads:

NEW YORK, N.Y.,
February 17, 1960.

HON. OREN HARRIS,
Chairman, Legislative Oversight Subcommittee, House of Representatives, Washington, D.C.:

Pursuant to a message from Representative JOHN MOSS' office, I have been trying to get you on the telephone since last Friday but have had no luck, largely due to the hearings, I presume. This morning I left a message for you but since I haven't heard from you I take the liberty of sending this telegram.

I am writing an article on some aspects of Federal legislative operations, including those of your subcommittee, and want eventually to talk with you. First, however, I would like to interview Mr. Lishman on historical aspects of broadcasting inquiries during his term as counsel. I will not seek to anticipate future moves via leaks or anything of that sort as IA: I understand it, Mr. Lishman may not talk to the press but I hope you will, in view of my particular purpose, change the rule. Will you please let me know? I can be called through our Washington tieline, Republic 7–6059.

Many thanks.

HERBERT SOLOW,
Time, Inc.

MR. HERBERT SOLOW,
Time, Inc.,
New York, N.Y.:

Retel pursuant to our telephone conversation, I have arranged for Mr. Lishman to

see you at some convenient time during the coming week. If there are specific matters about which you wish to discuss, which Mr. Lishman is not authorized to discuss with you, I shall be glad to talk with you about it.

OREN HARRIS,
Member of Congress.

He did talk to the staff. He talked at length one afternoon, and then the chief counsel came to me and said, "They are not after anything constructive. They are after the committee."

The chief counsel, Mr. Lishman, said he was coming back tomorrow morning. I said, "Don't talk to him any further, tell him to come to see me." What did the wire say when I received it? It said, "I will want to talk to you later, but I want to talk to the staff right now."

One of the magazines had already carried an article against our subcommittee, about a year or more ago, and it certainly was not complimentary. I told the chief counsel not to engage in further conversation with him. He did not come to see me. I have not seen or heard from him since. I do not know what happened.

I was advised by a member of the other body, and I think he had correct information, of the same operation moving in with reference to these proposals. That was the last time I heard of that particular effort until Time came out.

In my judgment, Mr. Speaker, these recent attacks on Members of the Congress are conspiracies of the Knight newspapers and Life magazine. Let me read you the box in the Washington Post:

Material for this article was originated by Don Oberdorfer and Walter Pincus and is being published with further details in the issue of Life magazine appearing today and in the Knight newspapers. The Washington Post is publishing this article with their permission.

That was their announcement. Both of these organizations own substantial broadcasting facilities, valuable broadcasting facilities. TLF is the group that owns the broadcasting facilities of Time, Inc.

TLF has never been in competitive hearings for a television channel, but has purchased six television stations.

TLF presently owns four television stations as follows: WTCN, Minneapolis; KLZ, Denver; WFBM, Indianapolis; WOOD, Grand Rapids.

TLF has sold its interests in KTVT, Salt Lake City, and KOB, Albuquerque.

The purchase of WTCN, WFBM, and WOOD was approved by the FCC on April 17,1957, while the purchase of KLZ was approved by the FCC on June 23, 1954.

TLF's sale of KOB was approved by the FCC on March 13, 1957, while the sale of KTVT was approved on November 5, 1959.

Yes, these organizations own valuable broadcasting facilities and I shall talk about how they got them a little later on.

Knight Newspapers own two radio stations in Ohio and the Knight interests own 40 percent of an $8½ million facility at Miami, Fla. And I want to tell you a little bit more about that later on, about what happened when they obtained it and what is about to happen to them now. But these are the facts and in my judgment are the reasons why the Members of Congress have been suffering these attacks in the last few days.

Now before I refer more to these articles let me say this: I know I am not infallible. I do not claim to be. I know that I make mistakes, and I want to know about them when I make them. But I do not like the nasty innuendoes, the implications and smear attack, virtually accusing me of impropriety, dishonesty, and misappropriating funds.

Let me say another thing, Mr. Chairman. I welcome public inspection of any of the accounts that I am responsible for, that I have expended personally as a Member of Congress or as chairman of the Committee on Interstate and Foreign Commerce have approved in the last 4 years. In the 85th Congress I approved a total of $389,508.81. Thus far in the 86th Congress I have given my approval to $388,635. I welcome anybody, the public, the press, I welcome an inspection of any voucher that I have signed and that I approved.

Mr. Oberdorfer did not come to see me. I did not know anything about this kind of article until the day before it was published. It had already been filed. Mr. Pincus, who was loaned, as I told you, Mr. Pincus and a Mr. Kraslow came to see me the day before, and that was the first information I had about it. The story was already written, it was already filed, it was already printed in Life magazine. I was called that afternoon by a reporter who read to me the report already printed in Life magazine. So the conference that they sought with me after it had already been filed meant nothing whatsoever.

It hit me cold completely. Three years had passed, and a little old tinky bill for a stopover, 1 full day and 2 nights, spent on the way home from Antarctica, a little old tinky bill is the thing that was played up. It was rather interesting. Mine was the one they sought out and took a picture of. Mr. FLYNT'S was on top of mine, and they took a picture of his, too.

But I want to give credit to one reporter, Julius Duscha, I believe is his name, of the Washington Post.

Mr. DEROUNIAN, a member of the committee, who was on the trip, and I, after we found out that he was trying to run some of this information down, I am sure they must have felt that it was an attack that would be questionable; he did come out that afternoon and had a conference with Mr. DEROUNIAN and me in my committee room. I will say this, he did try to get something in about it. But the attack on the Congress itself, which is what I consider this to be, because it starts out with headlines, "Expense Account Bills of Congress Altered" and the article refers to "expense account bills for dozens of Members of the House of Representatives" and, they go on, on the first page they take out after me. Well, I think my hide is tough enough to take some of these things and it does not worry me personally at all.

The CHAIRMAN. The gentleman from Arkansas [Mr. HARRIS] has consumed 1 hour.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent to proceed for an additional 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BENNETT of Michigan. Mr. Chairman, I will yield 20 minutes to the gentleman from Arkansas.

Mr. HARRIS. I thank the gentleman from Michigan. Mr. Chairman, I regret to take so much time, but I had to explain the bill. I think this is very important to us not because I am OREN HARRIS but because we are the Members of the Congress. I want to show you what is behind all of this and what brought on these attacks to take the spotlight off of the pressures and improper actions in dealing with these valuable properties that mean so much.

We went to the Antarctica. We did it at the request of Admiral Dufek. He came out to our committee and pleaded for somebody to help them. Five other members of the committee made the trip. The National Science Foundation and the National Academy of Sciences all said that the International Geophysical Year was so important and that Antarctica itself was so important and they could not get off the ground with it. We were reluctant to assume such a responsibility, but we did assume it. I am glad now we did. It is an amazing thing this kind of information that appeared in the magazine and by Knight newspaper sponsorship. They did not say anything about the letter that we put on the President's desk when we came back which, in my humble judgment had not happened, we would have given up the most valuable point in this whole world and that is the South Pole itself. That is the only station on earth where 24 hours a day satellites in space can be detected. We filed a letter on January 17 as to the importance of this program. We filed that letter with the President and it went on the desk of the National Security Council and we got action. We got action immediately because only seven days later, they came to our committee and we got the message of what they had done, and we were going to stay there, as the following statement shows:

EXCERPTS FROM STATEMENTS MADE BY DR. ALAN T. WATERMAN, DIRECTOR, NATIONAL SCIENCE FOUNDATION, BEFORE THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, WASHINGTON, D.C., JANUARY 24, 1958

The United States plans to continue scientific operations in the Antarctic beyond the International Geophysical Year which ends next December, according to an announcement made today by Alan T. Waterman, Director, National Science Foundation. Scientific research programs will be formulated under the auspices of the National Science Foundation, the Department of Commerce, the Department of the Interior, and other agencies having scientific interests in the region.

Planning for the scientific programs to be continued in the Antarctic is in the formative stage. Detlev W. Bronk, president of the National Academy of Sciences, is appointing a special committee to serve in an advisory capacity to the Government on the scientific planning. The International Council of Scientific Unions (ICSU) has already appointed a special committee, including an American representative designated by the National Academy of Sciences, to prepare suggestions for suitable cooperative scientific programs in the region after the close of the IGY. The recommendations of these committees will be carefully considered by the United States in formulating its plans for scientific research in the Antarctic after next December.

The logistics support provided for IGY scientific activities in the region has been a major contributory factor to the success of the program. The Deep Freeze operation conducted by the Navy with assistance from the Air Force and Army made possible the establishment of IGY stations in the region. The U.S. Navy, which has conducted systematic operations in the Antarctic since the late Rear Adm. Richard E. Byrd's first expedition in 1928, is issuing instructions to Rear Adm. George J. Dufek, Commander of the Antarctic Task Force and U.S. Antarctic Projects Officer, to make the necessary preparations for continued support of the scientific program beyond the IGY period.

In anticipation of these plans, the United States intends to continue operations at the Amundsen-Scott IGY Station at the South Pole. Certain other United States IGY scientific stations in the region will also be included in the coordinated scientific activities to follow the end of IGY operations. The choice of other stations depends on scientific, logistic, and geographic considerations, which are now under study.

Russia was ready to take over and they told us they were going to move in. But, they did not say anything about that in writing all these stories. They did not say anything about the report we filed on February 17, 1958, on this entire subject.

Mr. Chairman, this report is in the library of every major university in the United States. We have had more compliments as to the value of this report itself on this subject than on any other one report that we have ever filed. I commend it to you. But they did mention that? No, that is not mentioned at all. Admiral Dufek wrote to us, or rather that he wrote to me, for the committee. In this letter he said, had it not been for this action, they did not know what they would have done and that they were out.

The following letters describe the result:

JANUARY 25, 1958.

Adm. GEORGE J. DUFEK,
Commander, Naval Support Forces, Antarctica, Fleet Post Office, No. 20, San Francisco, Calif.

MY DEAR ADMIRAL: The various press stores of late from the Antarctic indicate that you have been extremely busy, in part in greeting some of the visitors who reached the South Pole both from Scott Base and from the Weddell Sea. Those also were splendid accomplishments.

We also have been active on the matters which you and I discussed before we left, particularly in the effort of getting an early decision as to the continuation of logistic support there for operations next year. Yesterday the committee received a reply to the letter I sent to the President last week (copy of which we gave Paul Frazier to forward to you), through the Academy and Foundation spokesmen for the administration position. I am enclosing a copy herewith.

Naturally, I am tremendously pleased at this decision to continue the activities in Antarctica, and the direction being given by the Navy for you to make preparations accordingly. It is my understanding from the conversations which Frazier and Stevenson here have had this week, that this decision gives you what you needed to have at this time. I trust, however, that if there is anything further in this particular matter that needs to be done where I may be of help, that you will not hesitate to call upon me. Naturally, I appreciate that there are other items requiring attention, and these we are pursuing, but it was my impression they did not have quite the urgency of the immediate logistic supply preparation problem.

The very best of good wishes to Mrs. Dufek and yourself.

Sincerely,

OREN HARRIS,
Member of Congress, Chairman.

SAN FRANCISCO, CALIF,
February 11, 1958.

Hon. OREN HARRIS,
House of Representatives,
Washington, D.C.

MY DEAR MR. HARRIS: I was most pleased to find your letter of January 25, 1958, awaiting my recent return to Christchurch from Antarctica.

Judging from the news from Washington, you and your committee have been eminently successful in obtaining a positive declaration of intentions with regards to continuing the U.S. program in the Antarctic. This has been most gratifying since it permits me and my staff to commence immediately the logistic planning required to execute the proposed post-IGY program.

I have read your letter to the President and I must compliment you on the clear presentation of our views on this important subject. The letter embodies all the features which I consider to be of primary concern to our scientific effort in addition to the national interest of our country.

The alacrity with which a reply was received by you clearly indicates that the sense of immediacy you portrayed was instantly recognized. I shall be ever grateful for your thoughtfulness and kindness in this matter. The prompt action of your committee shall always serve as a reminder to me that the men responsible for the operation of the American Government are dedicated individuals. Moreover, the thoroughness with which you and the committee conducted your affairs in Antarctica under trying conditions involving personal discomforts were most impressive. It was a rare privilege having you with us and we shall be honored to have you visit us again.

The operation in the Antarctic is rapidly drawing to a close. We are resuming our air operations to the Antarctic as the ice runway has been repaired after 6 weeks of disuse due to melting. With the completion of approximately three air drops at the South Pole and two at Byrd Base, the resupply of the U.S. stations in Antarctic will have been completed for Deep Freeze III.

My plans are to return to Washington sometime in early April. I shall be most pleased to visit you and your committee to provide additional details of what has transpired subsequent to your visit to the Antarctic.

Please accept my deepest thanks for your active interest and my warmest regards to yourself and the members of your committee.

Sincerely yours,

GEORGE DUFEK,
Rear Admiral, U.S. Navy, Commander, U.S. Naval Support Force, Antarctica.

MARCH 4, 1958.

Rear Adm. GEORGE DUFEK,
Commander, U.S. Naval Support Force, Antarctica,
San Francisco, Calif.

DEAR ADMIRAL DUFEK: It was most thoughtful of you to write me as you have done under date of February 11, concerning our efforts to obtain a positive declaration of intention regarding the continuance of the U.S. program in the Antarctica, an early decision on which you informed us was imperative for your planning.

Naturally, we share your pleasure that the Government has decided to continue the program and has given you the go-ahead which is necessary now for planning for next year. Your comments concerning our participation in this are very gratifying inasmuch as we could not but be fully impressed in our visit in Antarctica with you of the need for this early action. I think, however, that you have been over-gracious in your expression, for without contradiction yours has been the significant job in supplying the logistics for the scientific program which has resulted in the IGY operations in Antarctica being so successful. Indeed, we all are most hopeful that the continuation of this effort will be under your command.

Inasmuch as I am informed that the ice runway has just gone out, an event you anticipated might occur, I more than ever appreciate your foresightedness in initiating the studies for a permanent airstrip at Marble Point.

Certainly when you return to Washington later in the Spring, we shall look forward to having a renewed visit with you.

Sincerely yours,

OREN HARRIS,
Member of Congress, Chairman.

CARLETON COLLEGE,
Northfield, Minn., September 18, 1958.

Hon. OREN HARRIS,
House Office Building,
Washington, D.C.

DEAR OREN: Thank you very much for having sent to me your remarks concerning the International Geophysical Year meetings in Moscow.

I believe that you are in a position to continue to be most helpful as we strive to secure added support for our program in Antarctica. It is embarrassing to me to realize that the Russians are not only going ahead with their program but plan to extend it. We must awaken our people to a realization of the fundamental issues involved. I think you have done more than any other person since your visit to Antarctica to help in the places where help is most needed.

I am sorry not to have been in Washington more frequently recently. I had double pneumonia in May and have been out of circulation until lately. I feel quite myself again, and I hope very much that I can have a visit with you about matters of mutual concern when I am in Washington again.

With great appreciation and no end of good wishes.

Sincerely yours,

LAURENCE M. GOULD.

Now let me get to Mr. Knight. I do not know how many of you have seen the Detroit Free Press, the issue of June 1. Here it is: "Congressmen Abuse Fund; Alter Junket Bills."

Then they have my hotel account which I was not sure of, and I told them when they came to me that I had nothing to apologize for, that the funds I had approved were proper and that I would stand on it; and I will until this day.

Yes, there are three items on here—the hotel bill—where the word "food" is written by the side of each. Why was that? I do not know who put it there, but I do know that when we got these accounts in I held them up, because we have a policy of the committee that we will not pay for anything that is not allowed, anything that is personal, and there was some question about it. I held them up, sent them back and told them that I would not approve anything that was of a personal nature, that they must describe what it was.

I do not know who did this, that is write in the word "food." But it was done for the purpose of showing honestly what it was, or else it would not have been approved. And I said to the reporters when they came to me that I did not remember anything about it. It had been 3 years, but I have no apology to make. I think it was proper and I stand on it, and I still feel that it was.

With all of this and the article—incidentally, Mr. BURLESON, you come in for front-page publicity, on this along with me—but in connection with this article, here is my picture. I know the picture could not have been made in Hawaii because I did not have a black tie with me on the trip to the Antarctic. Then I raised the question, Where could this have come from? Because it says, after showing the bill and all the article here it says underneath the picture:

Representative HARRIS drank well at taxpayers' expense.

There you are, but you see this picture has me in a black tie, and in the left-hand corner there is a hand just barely inside the picture with a glass in the hand. Any observer, of course, would say that was my hand and that was my drink.

That is the kind of reporting that goes along with this story. Now let me tell you what the facts are.

On June 3 I wrote a letter to the editor of the paper. This was carried not only in this Knight paper but I understood in same of the other Knight papers which I have not seen. Mr. Knight told me over the telephone he would send it to me, but he has not as yet.

I directed a letter to the editor of the Detroit Free Press in which I said: "I want a copy of the picture. I want to know who made it. I want to know where it was made and when."

I got a letter from his secretary acknowledging receipt of the letter to Mr. Hill, but stating that he was off on an extended business trip:

My inquiries have so far failed to locate the original picture that you refer to, but in any case the enclosures contain clear copies of the picture.

I already had a copy of the paper.

When I received the brushoff, it needled me a little bit, I must confess.

I learned that Mr. Knight was in Washington. I tried to contact him without success. I found out he was in Philadelphia the next day. Do you know what for? I shall mention it briefly now and explain a little later. Because of the work of our committee, a case involving an $8.5 million facility of which his group owns 40 percent, had been to the circuit court of appeals and had been kicked back. It was on its way again. We exposed some of the ex parte activities connected with license grant and, as a result, the Commission itself ordered another hearing. Mr. Knight was in Philadelphia where Judge Stern on that day was starting the hearing as a special hearing examiner of the Federal Communications Commisison.

In the meantime, I had written Mr. Knight in Akron, Ohio. I received a very short reply from his secretary:

Referring to your letter of June 8, Mr. Knight is out of the city and will not return for some time. I have, however, located Mr. Hill. I am forwarding your letter to him today.

I had also written to Mr. Hill. A reply from his secretary stated that he too was out of town and that he too could not be located.

Then I discovered that Mr. Knight was in Philadelphia. I sent him a telegram and asked Western Union to give me a reply as to whether or not the wire was received in person. The next morning Western Union delivered to me a notice that the wire had been received by Mr. Knight that evening at 10:35.

Now, Mr. Knight tried to call me the next day, but I was in committee. He said he would call back. I did not hear from him any more.

The following day I had a call from his secretary and then, when I finally got to it, Mr. Knight came on the phone. I told Mr. Knight what I wanted. Well, he said "How can it be corrected?" I said, "Mr. Knight, I did not call you, I have not contacted you, asking for any correction. I want the picture. I want to know who made it, where it was made and when, and I want that information."

He said he would try to see if he could get it.

I received then a couple of days later, on June 24, a letter from Mr. Dale Davis, feature editor, Detroit Free Press. They apparently started out trying to get the picture. The amazing thing to me was it was already in the file in the Detroit office, that is, my picture, until after they had run it. After they had run it no one seemed to be able to find it. But they were making attempts. They sent out to about 4 different places trying to find and locate the picture. I had made it clear. They wanted me to say to them that it should be corrected in a certain way. I was not looking for that, Mr. Chairman. What I was looking for was to find out what it was all about, because I knew the picture was not in Hawaii, and I wanted to see. So I finally got the picture.

Let me show you the picture. Here is a picture with the other man's arm at the corner with the glass in it, standing off to the left of me, and with another man's hand partially right behind it. I am gesturing. There was a gentleman there who works for the Securities and Exchange Commission. I did not know before the term, but what they did was "cropped" it. They "cropped" it off at the left to leave barely two-thirds of the glass and the hand. They "cropped" it off at the right so it would leave only me and the longtime staff member of the Securities and Exchange Commission who came from Denmark about 34 years ago. That is the picture.

Now, let me tell you what the occasion was. The occasion was the 25th anniversary of the Securities and Exchange Commission at the Sheraton-Park Hotel. I had been invited, along with other appropriate parties, to participate. That was on October 8, 1959. I asked for a copy of the program, and I have it here. Of course, when I found out what the occasion was, it all came back to me.

Mr. Gadsby, the chairman of the Commission, was on the program. The Honorable James M. Landis, I think an early Chairman of the Commission, was on the program. I was honored by being invited to participate. The Honorable William O. Douglas, Associate Justice of the U.S. Supreme Court, who at one time was Chairman of the Commission, was another on the program. Hon. William P. Rogers, the Attorney General of the United States, was on the program. Mr. Rogers was ill that night and he had one of his assistants read his speech.

I asked the Commission to advise me how this 25th anniversary party was financed. I have a letter in which they said it was financed by a $10 per plate charge. They sold 837 tickets and issued 20 complimentary tickets. In establishing the ticket price of $10 per person, the committee, that is, the arrangements committee, was governed by the principle that no Federal funds were to be used in this event. That is the reception where the Knight papers say "Representative HARRIS drank well at taxpayers' expense."

Now, another thing about it. I arrived at that party late. My wife met me out there. I got there just about the time that they were going in to the dinner. They did have a reception, as you know they do on all such occasions here in Washington, but I did not participate in the reception at all; not even to the extent of a ginger ale. And, that is the kind of reporting that this group has done. That is the kind of attack that has been made.

Now let me give you the message from Mr. Hill:

Your letter indicates—

That is when the picture was sent to me—

Your letter indicates that you may feel this picture of you taken at a Washington party was inappropriate in connection with the article. There certainly was no intended implication that this photograph pictured you in Hawaii, and I feel sure our readers did not get that impression.

Now, I wish I had some of the messages with me, one wire particularly that I got from Detroit. You ought to read that one. Reading further, he says:

It is always our policy to be completely fair and objective in the treatment of any news story. If you still feel there may have

been some possible misinterpretation in connection with this picture, please advise me.

We shall be happy to clarify the original presentation to make certain our readers understand that the picture was not taken in Hawaii.

Can you imagine that?

Now, Mr. Chairman, what is the story? During the course of our investigation there were some 23 important TV broadcast facilities in this Nation that we looked into. One of them was Miami channel 7. You have heard about Miami channel 10 so much that Miami channel 7 never did get into the headlines or the spotlight. Mr. Knight, whose group owns 40 percent of Miami channel 7, came before our committee in connection with information he had regarding channel 10. Unfortunately, he had just lost his son. It was a rather tragic incident. The committee treated him with the courtesy that was due him. I, as chairman, asked the necessary questions regarding what knowledge he had. We made it very brief and we expressed to him our deepest sympathy and let him go.

Miami channel 7 came into it. The Knight newspaper interests own about 40 percent of channel 7. The Cox newspaper interests also own about 40 percent. And Mr. Niles Trammell, who used to be the president of the National Broadcasting Co., is the swing man and owns the other 15 percent.

But the Circuit Court of Appeals reviewed the case on the basis that Mr. Trammell, having a contract with NBC, now in retirement, and owning 20 percent, had a conflict of interest.

It came to the Commission and there were two members of the Commission that were adamant, saying that it was a flagrant disregard of Commission policies and they filed their dissent, that the only two newspapers in Miami, joining together with a man who had a life history with the networks, a monopoly—and that is something else I think we should go into one of these days; these news media having a monopoly of these facilities. But that was the setup. And when you read the dissent you will find that these members dissented on the basis that it completely ignored and made a shambles of the commission's policy to grant such an application.

During the course of the subcommittee's 1958 hearings, a great volume of testimony and evidence was taken, relating to the problem of ex parte influence as practiced upon the members and staff of the Federal Communications Commission, by or on behalf of parties to adjudicatory proceedings pending before the Commission. A portion of the testimony related to ex parte influence, in the matter known as the Miami channel 7 case, which involved the grant of an extremely valuable construction permit for a new television station to operate on channel 7, Miami, Fla. There were 4 applicants for the construction permit. Following a comparative hearing to determine which applicant was the best qualified, the Commission early in 1956 issued its decision awarding the permit to Biscayne Television Corp. Forty-two and one-half percent of the stock of Biscayne is owned by the so-called Knight newspaper interests, Mr. John S. Knight owning 17½ percent, Mr. James L. Knight owning 10 percent, the remainder being held by persons closely associated with them. Likewise, 42½ percent of the stock is held by the Cox newspaper interests. The remaining 15 percent is owned by Mr. Niles Trammell, who is the president, a director and general manager of Biscayne.

It is of course well known that the Knight and Cox interests have controlling interests in Miami's only two daily newspapers and in two Miami radio stations, as well as in numerous mass media elsewhere.

The Commission's action in granting the application of Biscayne Television Corp. was appealed to the U.S. Court of Appeals for the District of Columbia Circuit which reversed and remanded it to the Commission for further hearings, on the ground that the Commission had erred in failing to give any adverse effect to the fact that Biscayne's president and general manager, Mr. Niles Trammell, had a long-term consultant contract with the National Broadcasting Company, a nation-wide network organization. The Court of Appeals stated that the failure of the Commission to so view this financial relationship, in considering the comparative qualifications of Biscayne, was "a departure from the Commission's established policy that it is desirable for local television stations and network organizations to be independent of each other . . ." and stated that this factor might well change the outcome of the case since the "comparative qualifications of the competing applicants made the choice between them a close one" particularly so because Biscayne's superior qualifications arose in large part from the control of its owners (the Knight and Cox interests) over a great number of other media of mass communications, which is in itself an adverse factor. As the Court of Appeals recognized, it has long been considered important to the public interest to avoid concentration of control over the media of mass communication—newspapers, television, radio—in a given area.

Nevertheless, on remand to the Commission, the agency again held in favor of Biscayne Television Corp. An appeal from the Commission's second decision was again taken by one of the unsuccessful applicants. However, the disclosures before the Subcommittee on Legislative Oversight of improper ex parte practices in connection with the Miami channel 7 case led the Commission to decide that the case should be reopened for the purpose of determining whether any of the Commissioners who participated in the final decision should have disqualified himself and whether any of the parties to the original proceeding should be disqualified or otherwise be reconsidered for comparative purposes in the event of a showing of misconduct or improper activities on their part.

In this connection the Commission filed, on April 24, 1959, a pleading requesting the court of appeals to hold in abeyance the proceedings on appeal in view of the Commission's order reopening the channel 7 case for the purpose of holding additional hearings on the issues set forth above. The court of appeals granted the Commission's request. On June 13, 1960 special hearings on these issues commenced in Philadelphia before Judge Horace Stern, who had also served as examiner in the channel 10, Miami and channel 5, Boston, special hearings.

During the subcommittee's hearings, Mr. John S. Knight, who is the publisher of the Detroit Free Press, the Chicago Daily News, the Akron Beacon-Journal, and the Miami Herald, and who—as previously noted—is also one of the principal stockholders of Biscayne Television Corp., was invited to testify before the subcommittee regarding an applicant in another case, the so-called Miami channel 10 case, in which to the best of our knowledge neither Mr. Knight nor any of his companies have any financial interest. Having been advised of the recent death of a member of Mr. Knight's family, the subcommittee accorded him special consideration; his testimony is very brief—1958 hearings, part 5, pages 1741–1747—and he was not requested to testify concerning his role in the Miami channel 7 case, although the subcommittee was well aware, even then, of its significance.

I want to digress for a moment from the Miami channel 7 matter to discuss another important TV case in which testimony before the Oversight Subcommittee played a crucial part.

The best recent illustration of how the Federal courts regard ex parte visits by industry members to FCC Commissioners is found in the now famous Sangamon Valley case. Unlike the Miami channel 7 and other cases on which the subcommittee has heard testimony, the Sangamon Valley case involved a rulemaking proceeding, not a comparative application for a television license or construction permit.

Rulemaking proceedings in the FCC have ordinarily been likened to legislative proceedings; that is, the stricter rules governing ex parte presentations in a judicial proceeding are relaxed in the interests of obtaining full information from whatever sources. What made the Sangamon Valley case unusual was that it took place in the context of license awards. The rulemaking proceedings involved the reallocation of channels from one community to another. By the time the Commission passed on the matter, a license for VHF channel 2 in Springfield, Ill., had been granted to WMAY-TV, Inc., and a license for UHF channel 36 in St. Louis, Mo., had been granted to Signal Hill Television Corp. What the Commission proposed was to move channel 2 to St. Louis and channel 36 to Springfield. Thus the result of this so-called deintermixture proceeding would be that existing licensees would be deprived of their licenses and that others might have a chance to obtain licenses for the reallocated channels. As the U.S. Court of Appeals for the District of

Columbia put it in its opinion of May 8, 1959—*Sangamon Valley Television Corp. v. FCC* (269 F. 2d 221)—the effect of the proceeding was to resolve conflicting private claims to a valuable privilege. What the Commission did was not only to switch channel 2 and channel 36 around, but to give Signal Hill Television Corp., the former licensee of channel 36 in St. Louis, a license to operate channel 2 in St. Louis. We are thus presented with a situation in which the Communications Commission used a rulemaking proceeding to grant a valuable television license where under ordinary circumstances a licensee would be obliged to survive a comparative hearing. No one but Signal Hill got a chance at channel 2 when it was moved to St. Louis.

This astounding result was upheld in 1958 by the Court of Appeals of the District of Columbia.

When Sangamon Valley Television Corp., which had competed against WMAY-TV for channel 2 in Springfield, sought a writ of certiorari from the U.S. Supreme Court, an unusual thing happened. The Solicitor General, joined by FCC attorneys, while opposing review by the Supreme Court, included in its brief the following passage:

> We believe it proper, however, to call the Court's attention to certain testimony given before the Subcommittee of Legislative Oversight of the House Committee on Interstate and Foreign Commerce on May 22, 26, and 28, 1959, and June 9, 10, and 11, 1958, subsequent to the decision by the court of appeals affirming the Commission's order. The testimony indicates that after the rulemaking proceeding here had been initiated by Notice of Proposed Rulemaking, and while it was under consideration by the Commission, representatives of the St. Louis operator of the UHF station who was interested in having a new VHF channel assigned to St. Louis, and representatives of the petitioner and the other applicant for VHF channel 2 in Springfield, who were interested in retaining that channel in Springfield, made ex parte presentations with respect to merits of the rulemaking proceeding to various members of the Commission.
>
> These matters were not presented to the court below and are not presented by the petition. For this reason, the respondents do not and would not regard denial of certiorari as foreclosing appropriate consideration thereof by the court of appeals.

On the basis of these representations by the Solicitor General, the Supreme Court on October 20, 1958 granted the petition for writ of certiorari, and in doing so, said the following:

> In view of the representations in the Solicitor General's brief on pages 7 and 8, concerning testimony given before the Subcommittee of Legislative Oversight of the House Committee on Interstate and Foreign Commerce subsequent to the decision by the court of appeals in this case, the judgment of the court of appeals is vacated and the case is remanded to the court of appeals for such action as it may deem appropriate (358 U.S. 49–50).

When the case went back to the court of appeals, that court, in the May 8, 1959, opinion I referred to earlier, vacated the Commission's order on two grounds: first, that the Commission had violated its own rules and, second, and this is the ground I wish to stress, that under the circumstances, "basis fairness requires such a proceeding to be carried on in the open." The court rejected the contention of the Commission and of Signal Hill and other intervenors that since the deintermixture proceeding was labeled "rulemaking," it was not invalidated by ex parte attempts to influance the Commissioners. The court upheld the claims of the Department of Justice, and again I want to stress the language used by the court, that, "whatever the proceedings may be called, it involved not only allocation of TV channels among communities, but also resolution of conflicting private claims to a valuable privilege."

As to the other ground for decision; namely, that ex parte representations regarding the merits of the proceeding was precluded by the Commission's own rules, the court had the following to say:

> Agency action that substantially and prejudicially violates the agency's rules cannot stand. At the time of this proceeding the Commission had no general regulations governing all rulemaking, but when it proposed an allocation of TV channels to particular communities it was its usual practice, followed in this instance, to prescribe a cut-off date before which "Any interested person * * * may file with the Commission * * * written data, views, or arguments setting forth his comments favoring or opposing the plan; a cut-off date for 'comments or briefs in reply'; and that 'No additional comments may be filed' without a request from the Commission or a showing of good cause." By plain implication, this rule forbade submitting material to the Commission's members after the time for filing it with the Commission had gone by. The rule cannot be interpreted to permit parties to make off the record contentions that it forbids them to make on the record. (Court's footnotes omitted.)

There was no question but that the president of Signal Hill, in violation of the rule just quoted by the Court, did make many efforts to influence the Commission in his favor, even including the submission of a legal brief to counter a memorandum submitted by the Commission's own General Counsel's office that questioned the legality of a permit grant to Signal Hill without a comparative hearing.

What were these attempts to influence the Commissioners which caused both the Supreme Court and the Court of Appeals to vacate the Commission's proceeding?

Hearings before the Subcommittee on Legislative Oversight revealed, among other things, that the president of Signal Hill wrote many letters and made many telephone calls and personal visits to Commissioners to advocate the reallocation of channel 2 to St. Louis. He visited Commissioners in their offices and had luncheon and other social engagements with them. For 2 years in a row, he sent Christmas or Thanksgiving turkeys to the members of the Commission. In addition to urging the transfer of channel 2 to St. Louis, he pressed upon Commissioners his contention that Signal Hill's financial standing could be saved only if channel 2, once transferred to St. Louis, were licensed to Signal Hill without a comparative hearing. Both his requests were granted in the Commission's report and order of February 26, 1957.

Early this year, in compliance with the Court of Appeal's direction that an evidentiary hearing be held before a specially appointed hearing examiner, several days of hearings were held to determine the nature and extent of secret contacts with FCC Commissioners. The examiner, in his initial decision released March 11, 1960, found a pattern of repeated oral and written ex parte contacts with Commissioners, primarily by the president of Signal Hill, whose company so greatly benefited from the Commission's original action. The examiner ruled, however, that despite "the danger of deception through the transmission of unchecked and unreliable information and specious argumentative presentations from * * * self-interested parties," he could see no reason to disqualify any parties from further pressing their claims or any Commissioners from further considering the case. His decision brings this case up-to-date. The parties have filed exceptions to the initial decision and have requested oral argument before the Commission issues its final decision.

I have discussed the Sangamon case at such length, mainly because it exemplifies the view that our highest courts take today of these back-door contacts between Commissioners and members of the regulated industry. I hope that this case will furnish the background necessary to appreciate the need for legislation curbing these abuses.

I now return to the Miami channel 7 matter.

It appears from the testimony before our subcommittee that Mr. Knight was the motivating force behind the ex parte representations made by various persons on behalf of Biscayne Television Corp. Mr. Ben H. Fuqua, a vice president of the Florida Power & Light Co., had known former Commissioner Mack since college days. Mr. Knight learned of this friendship through Mr. Fuqua's superior officer at Florida Power, Mr. McGregor Smith. According to an affidavit dated April 18, 1958, given by Mr. Fuqua to Special Agents of the Federal Bureau of Investigation, Mr. Fuqua received a telephone call from Mr. Smith in 1955 prior to the decision of the Commission in favor of Biscayne. Mr. Smith advised Fuqua that he had just been contacted by Mr. Knight, that Knight wanted to talk to Smith and Fuqua, that a meeting was arranged in Knight's office at which Knight, Smith, Fuqua and Niles Trammell, president of Biscayne, were present; that at the meeting "they asked Mr. Smith and myself to assist Biscayne Television Corp. in securing a permit to operate TV channel 7 in Miami and requested that I contact Richard Mack, then a member of the Federal Communications Commission." On his next visit to Washington, Fuqua visited Mack and "expressed my personal opinion that Mr. Knight and Mr. Trammell and the other individuals connected with the Biscayne Television Corp. were all outstanding and capable individuals in the commu-

nity, who had the resources and who would render a public service in operating a TV station in the Miami area." After the decision in favor of Biscayne was reversed and remanded by the Court of Appeals to the Commission for further proceedings, Fuqua was contacted by Mr. Niles Trammell who requested Fuqua to "talk with Richard Mack on behalf of the corporation, and, if possible, to endeavor to ascertain Mack's feeling with regard to this new hearing." Pursuant to this request, Fuqua again saw Mack and reiterated his opinion regarding the qualifications of the Biscayne group. In his affidavit, Fuqua states—

I recall that at the conclusion of my observations, Mack indicated to me that he did not think the Biscayne Television Corp. had anything to worry about.

Fuqua reported this information to either Knight or Trammell—Angland report of Knight interview, page 3226. During 1955, 1956 and 1957, Fuqua and Mack had numerous long distance telephone conversations of an undisclosed nature—Angland testimony, part 8, pages 3228–3229.

Mr. Knight himself apparently discussed the channel 7 matter with Commissioner McConnaughey after the vote of the Commission was taken but before the original grant was announced. However, the substance of that conversation is not known. At the time of that meeting, Mr. Knight was aware that a majority of the Commission had voted to award the permit to Biscayne Television Corp., although the Commission's action had not yet been publicly announced—Angland report of Knight interview, hearings, part 8, page 3226. From what source Knight acquired this knowledge is not known.

A somewhat unusual variation of the traditional ex parte approach occurred at least once in this Miami channel 7 case. A member of the Commission himself solicited the ex parte representation. We were told that on the very day the votes of the Commissioners were taken, shortly before the actual voting took place, Commissioner Mack telephoned Mr. John D. Pennekamp, associate editor of the Miami Herald—one of the Knight newspapers—and asked Mr. Pennekamp to reassure him about the personal qualifications of the Biscayne group. Mr. Pennekamp did so—testimony of S. J. England, pages 3222, 3225.

Mr. Niles Trammell, the president, general manager, and a director of Biscayne Television Corp., was formerly president of NBC and a director of RCA—Angland testimony, page 3232. Mr. Trammell did not testify before the subcommittee. However, an attorney on the subcommittee staff, Mr. Stephen J. Angland, interrogated Mr. Trammell during an interview which was also attended by Mr. Trammell's counsel, regarding Trammell's contacts with members of the Commission during his long career in the broadcasting field. This interview was recorded by a shorthand reporter and notary public, verified as to accuracy and completeness, and the text of this interview was introduced in the record during the subcommittee's hearings.

Trammell admitted that immediately following the filing of Biscayne's application in 1952 he made the rounds of the Commissioners—Chairman Walker, and Commissioners Hyde, Bartley, and Hennock were specifically mentioned—for the purpose of finding out how soon the Commission intended to consider the Biscayne application. At that time Biscayne was the only applicant for the channel; the case was not in a contested status and had not yet been set for hearing before the Commission. The purpose of his visits, according to Trammell, was either to pay his respects or to attempt expedition of Commission action on the application—transcript of Trammell interview, pages 5 and 6.

Following the filing of applications by East Coast, South Florida, and Sunbeam, which placed the matter in a contested status, Trammell made numerous visits to Commissioners in an attempt to have the case set down for hearing without further delay—Commissioners Hyde, Doerfer, and McConnaughey were specifically mentioned.

During the 1-year period which elapsed between the hearing examiner's decision, in January 1955, and the Commission's final decision in January 1956, Trammell recalled that he had called on Commissioner McConnaughey two or three times, Hyde once, and Doerfer and Lee an unknown number of times. He stated:

I was trying to get this thing decided and I guess I called on all of them; but I want it impressed for the record that I was only trying to get a decision and I was not trying to sell my case to them (transcript of Trammell interview, p. 9).

On the other hand, Trammell admitted that Ben F. Fuqua, whose activities on behalf of Biscayne have been described previously was sent to Commissioner Mack for the express purpose of making ex parte representations in an effort to sell the Commission:

Mr. ANGLAND. Mr. Fuqua was up to talk about the merits of the case?

Mr. TRAMMELL. No. I did not ask him to do that when it was remanded by the court.

Mr. ANGLAND. Well, the first time? He was to recommend you people, was he not?

Mr. TRAMMELL. That was it, yes.

Mr. ANGLAND. That was it, was it not?

Mr. TRAMMELL. Yes. (Transcript of Trammell interview, p. 9.)

In similar vein, Mr. Trammell's responses to questions concerning his general conception of what was or was not a proper subject for discussion between an applicant and a Commissioner indicate that he—and other members of the broadcasting industry as well—observed few limitations, assuming that they were aware of the existence of these limitations. It appeared that little distinction was drawn between adjudicatory proceedings, on the one hand, and legislative or rulemaking proceedings, on the other. It further appeared that substantive matters, as well as procedural, were quite freely discussed.

Mr. ANGLAND. You felt free at all times to talk to a Commissioner about any matter?

Mr. TRAMMELL. Yes, so long as I did not overstep the bounds of propriety and ask them to do something for me that I knew was wrong, which I never did.

* * * * *

Mr. ANGLAND. Did you ever make it a practice, or did it make any difference whether you talked to people about adjudicatory matters * * * ?

Mr. TRAMMELL. No. No. I talked to them about almost everything except asking them to do something for me in the way of vote or something of that kind, regardless of what it was.

* * * * *

Mr. ANGLAND. When you talked to them you talked about the merits or demerits of the matter you were talking to them about; is that right?

Mr. TRAMMELL. That is right.

* * * * *

Mr. ANGLAND. What I am trying to get at with you, Mr. Trammell is: Was there not some state in the history of radio regulation where the industry became conscious of an area that they should not talk about to Commissioners, and an area where it was permissible to talk to Commissioners; and adjudicatory matters that should not be discussed?

Mr. TRAMMELL. I do not recall any such period.

Mr. ANGLAND. Do you think that the industry generally did not recognize any such separation?

Mr. TRAMMELL. No.

Mr. ANGLAND. That is the truth, is it not, that the industry generally did not recognize the differences there?

Mr. TRAMMELL. No. That is the reason I am having so much trouble in answering your question.

* * * * *

Mr. ANGLAND. Is it your impression that the industry does not recognize and has not recognized the difference between rulemaking and adjudicatory matters?

Mr. TRAMMELL. Yes. (1958 hearings, pt. 8, pp. 3234–3235; see also subcommittee print of Trammell interview, pp. 17–19.)

However, in respect to the Miami channel 7 case, Mr. Trammell denied that his discussions with Commissioners extended further than procedural matters:

Mr. TRAMMELL. I have not tried to sell them in my behalf in this particular Biscayne case. My conversations with the Commissioners have been primarily and I think exclusively on trying to get to a hearing or trying to get a decision.

* * * * *

Mr. HARRIS (counsel for Mr. Trammell). Your representations were limited to the procedural?

Mr. TRAMMELL. That is right.

Mr. ANGLAND. To the procedural insofar as Biscayne only?

Mr. TRAMMELL. Yes. (Subcommittee print of Trammell interview, p. 18.)

It might be noted that Mr. Trammell's views on the standard of propriety observed by members of this industry are apparently shared by other leaders. Mr. William S. Paley, chairman of the board of Columbia Broadcasting System, expressed the opinion during an interview in May 1958, that the broadcasting industry has always felt that any matter could be discussed with the Commissioners of the Federal Communications Commission and that he did not believe that the industry's representatives generally have understood the difference between adjudicatory matters and other

matters—see Angland memorandum of interview with William S. Paley, 1958 hearings, part 8, page 3290.

Nor are such improper practices confined to the Federal Communications Commission. A similar situation in the Federal Power Commission was revealed in the hearings of the Subcommittee on Legislative Oversight in May 1960. For example, Mr. N. W. Freeman, president of Midwestern Gas Transmission Co., testified to the effect that it was common practice to have ex parte contacts made by pipe line company representatives with Commission members with respect to a pending case, even a case which had already been heard on oral argument and which was in the course of being finally decided by the Commission—transcript, page 1334, May 20, 1960. Gardiner Symonds, chairman of the board of Midwestern, told the subcommittee that it was common knowledge that everybody talks to the Commission whenever they can get an audience and about any current problem as well as long-range industry planning—transcript, page 1483, May 23, 1960.

The attitude shared by a segment of the industry was perhaps best expressed by Mr. Thomas G. Corcoran, counsel for Midwestern Gas Transmission Co., when he stated in the course of his testimony before the subcommittee to the effect that he had sometimes asked himself in terms of what is improper and ethical whether it was not improper if in the interest of his clients he did not carry out their instructions to the very limit of the law as it stood on the books at the time—transcript, pages 1068–1069.

One last observation in respect to the Miami channel 7 case. Attempts to influence the Commission decision were not confined solely to representatives or friends of Biscayne Television Corp. It is reasonable to suppose from the testimony and evidence before the subcommittee that two of the three other applicants for the channel also attempted to exert pressure or to influence the Commission through ex parte representations.

For example, as to East Coast Television Corp., Mr. Draper, a Miami attorney, a prominent Republican, and a close friend since childhood of Commissioner Mack, was retained by attorneys for East Coast to act as "public relations man in creating a friendly feeling in the city of Miami on behalf of East Coast and to nose around and find out what the situation was" with respect to the Miami channel 7 and Jacksonville channel 12 cases—monitored transcript of Draper telephone interview, pages 3242–3243. In addition, while the vote of the Commission was pending, several letters addressed to Mack from Draper brought pressure to bear, first, by reminding Mack "that he received his appointment—to the Commisison—through the cooperation of the Republican organization in Florida and that you would not knowingly take part adversely to the friends who were helpful to you"; second, that Draper's friends were the East Coast group; third, that Draper hoped Mack would pay particular heed to the principle of diversification of control of mass media, and so forth—pages 3244–3247. In reply to a letter from Draper dated October 28, 1955, in which Draper stated that East Coast in his opinion was the best equipped and is locally owned, and requesting Mack's "consideration" Mack stated, "You may be assured I'll do my best"—page 3246.

As to South Florida Television Corp., while the Commission's vote on the channel 7 case was still pending, Mr. Jack Stein, president of South Florida Television, heard strong rumors that great pressures were being exerted on Mack by the Knight newspaper interests and the White House to vote in favor of Biscayne Television. Stein hired Thurmond Whiteside merely to "find out where the pressures were coming from"—monitored transcript of Stein interview, page 3253.

Whiteside was a Miami attorney and an intimate friend of Commissioner Mack. He had lent Mack substantial sums of money over the years and had transferred to him an interest in an insurance agency and another company, the income from which would enable Mack to repay his debts—Whiteside, pages 970, 974–975. During the period 1953–56 Mack's income from the insurance agency totaled some $9,800—page 1044.

Whiteside advised Stein that influence was being exerted by McGregor Smith, of Florida Power, by Knight, Trammell and others. Whiteside received a fee of $5,000 for this information without any additional service, according to Stein—monitored transcript of Stein interview, pages 3254–3255.

Whiteside admitted that he had advanced money to Mack following the latter's appointment to the Commission—Whiteside, pages 859, 860. Whiteside could not recall the substance of any of approximately 30 long-distance telephone conversations between himself and Mack covering the period July 1955–July 1957—pages 879–881—other than that a number of them were in connection with "loans"—page 882.

Now let me get to Mr. Life just a little bit.

Since 1949 radio station KLZ, Denver, was operated by Aladdin's principals.

On April 19, 1948, Aladdin Radio and Television, Inc.—FCC Docket No. 9041—applied for a construction permit for TV station KLZ, Denver, channel 7. On July 2, 1952, Denver Television Co.—FCC Docket No. 10240—also applied for the same channel.

On June 26, 1953, following a comparative hearing, the Commission granted the application of Aladdin. Commissioner Doerfer took no part. No dissents were recorded.

The determining factor in the Commission's decision was that the Commission preferred Aladdin on the basis of its "superior local ownership, superior integration of ownership and operation, greater participation in local community affairs, and greater broadcasting experience."

LTF Broadcasting Corp. is a wholly owned subsidiary of Time magazine. Aladdin today in turn is a wholly owned subsidiary of LTF Broadcasting Corp. Control of Aladdin and the acquisition of its TV channel 7 grant was acquired by LTF as a result of a rubberstamp approval by the Federal Communications Commission of a transfer application.

On March 8, 1954, Aladdin had for about 4 months been operating on channel 7 under a temporary authorization permit and had not yet been issued a regular license to broadcast. On that day LTF signed a contract with Aladdin and its stockholders whereby LTF, among other things agreed to purchase Aladdin's stock for approximately $3,533,760. At that time the estimated cost of construction of TV channel 7 was approximately $336,285. As pointed out later, this amounted to a profit of 2,400 percent to Aladdin's stockholders.

On April 6, 1954, two applications were filed with the Federal Communications Commission. One, by Harry E. Huffman and other stockholders of Aladdin and LTF, sought approval of transfer of control of Aladdin Radio & Television, Inc., to LTF—file No. BTC–1709. The second application, by Aladdin Radio & Television, Inc., assignor, and LTF Broadcasting Corp., assignee, sought approval of the assignment of the broadcast license of station KLZ and the construction permit for station KLZ–TV, Denver—file Nos. BAL–1763, BALRY–111, BALH–168, BAPCT–94, BAPTS–12.

On June 23, 1954, both of the foregoing applications were granted by the Commission without a hearing.

A petition was filed by the losing applicant, Denver Television, Inc., requesting the reinstatement and grant of its application and revocation of the Aladdin permit for KLZ–TV, channel 7. The Commission denied this petition on the ground that it could not consider the rights of third parties in any transfer proceeding.

Commissioner Lee dissented from the June 23, 1954, opinion and order granting the transfer of channel 7 to LTF. His dissent emphasizes that, notwithstanding the claimed deficiencies in the Federal Communications Act respecting hearings on transfer applications, nevertheless it was erroneous and not in the public interest for the Commission to give rubberstamp approval of the transfer without a hearing. He pointed out the folly of having rubberstamp approval of a transfer which made meaningless the results reached in a protracted and costly comparative hearing. Commissioner Lee's dissent reads in part as follows:

> In my opinion approval of transfers such as this, where the sale is arranged before the license is issued, cannot be justified without a hearing. The Commission is required to make the same determinations on a license application as on a construction permit.
>
> While I agree that the Commission can only revoke under section 312(a)(2) if it comes into possession of facts that were knowledgeable at the time of the original grant, and that these [facts in second preceding paragraph hereof] were not, I do not think our hands are tied. I find it difficult to believe that Congress intended we should go through a long, complicated hearing to pick the best applicant and then be forced to sit back and watch that applicant transfer his permit and dissipate the very grounds

for our decision. Congress has provided in section 308(a) that all applications for station licenses shall set forth such facts as the Commission may prescribe as to the qualifications of the applicant to operate the station. I think we might well examine this applicant's qualifications to be a licensee in the light of the facts now known to us. In so suggesting, I am not, of course, ruling out all transfers of construction permits without a hearing.

* * * * *

Sometime after this television station went on the air, just when is not clear from the record, negotiations were begun for the sale of the station to Time, Inc., who would set up a separate corporation to operate the facility. Included in the sale was a well-established AM and FM station. A stock agreement was executed in March 1954 and the Commission now has before it the application to approve the transfer dated April 6, 1954. The terms of the sale were to purchase the stock ($10 par) of some 15,000 shares at $240 a share. In addition, the principal stockholders of Aladdin were bailed out of an obligation to loan Aladdin $150,000 each.

I have previously gone on record as being greatly concerned at these large transfers which seem to me to circumvent the Commission's elaborate procedures to protect the public interest. I am even more concerned in this case, since the license has not been issued, and I must object most strenuously to the approval of this transfer without a hearing. There seems to be a trend to place use of the people's property in those who have not been scrutinized as clearly as the original grantee. This refers to those cases, of course, where the original grant was in conflict. It is contended that if there is a remedy, it must come from Congress. In view of the provisions of section 310(b), I can agree with this to some extent, particularly in the case of established licensees. However, I feel strongly that this Commission has a solemn obligation to examine this problem with extreme care and if necessary petition the Congress for legislative relief. I wish I had the wisdom to suggest the exact remedy, but I do not have it. I do know that the problem cries for solution.

* * * I cannot help but express some sympathy for the losing applicant, Denver Television, who lost a close decision mainly on the question of local ownership and control, only to find a few months later that a New York interest has acquired control at a profit to some of the sellers of some 2,400 percent. * * *

I cannot, therefore, vote for the transfer at this time. If hearings were held, with full opportunity for all interested parties to participate, I could conceivably find the transfer in the public interest. But from what I now know, I would only approve if such a hearing were held.

One of the principal stockholders of the original Aladdin Radio & Television, Inc., J. Elroy McCaw, made a profit as a result of the transfer of approximately $690,000, tax free. Mr. McCaw secured this tax-free profit in the following manner: Under the multiple ownership rule, the Commission had ordered McCaw to dispose of his stock interest in a radio station in Hawaii, which he ultimately sold for approximately $180,000. Under section 112(m) of the Internal Revenue Code the Federal Communications Commission has authority to issue tax certificates whereby, among other things, stockholders in radio and television enterprises who are required to divest themselves of such holdings may do so under conditions whereby, if they reinvest the proceeds of the sale in another radio or television enterprise, no tax will be imposed. The Commission, after it had ordered McCaw to divest himself of his $180,000 stock in the Hawaii station, permitted him to substitute for divesture the $720,000 worth of stock that he received as a result of the Alladin transfer.

At this point I am including three documents pertaining to this tax certificate:

AUGUST 4, 1954.

A. HARRY BECKER, ESQ.,
Broadcasting-Telecasting Building,
Washington, D.C.

DEAR SIR: On August 4, 1954, this Commission considered the disposition of stock interest in Aladdin Radio & Television, Inc., licensee and permittee of stations KLE, KLZ–FM, KLZ–TV, remote pickups and STL, Denver, Colo., by J. Elroy McCaw, and authorized the issuance of a tax certificate pursuant to section 112(m) of the Internal Revenue Code. Six copies of this certificate are enclosed herewith.

Very truly yours,

MARY JANE MORRIS,
Secretary.

WASHINGTON, D.C., *July 16, 1954.*

Miss MARY JANE MORRIS,
Secretary, Federal Communications Commission, Washington, D.C.

DEAR MISS MORRIS: This is to request the issuance of a tax certificate pursuant to section 112(m) of the Internal Revenue Code in favor of J. Elroy McCaw.

This request arises out of the Commission's consent in BTC–1709 to the transfer of control by Aladdin Radio & Television, Inc., licensee of radio station KLZ, to LTF Broadcasting Corp., which consent was granted on June 23, 1954, and consummated on July 15, 1954. (FCC 54–801—No. 7266.)

In the Commission's order of December 23, 1953, in BAL–1653, when granting consent to the assignment of license of radio station WINS, the Commission ordered J. Elroy McCaw to divest himself of any interest in radio stations KPOA, KILA, and KORC. On November 25, 1953, in docket No. 10787, the Commission issued an order to show cause to J. Elroy McCaw requiring that he should show cause why he should not decrease his standard broadcast holdings to meet the new multiple ownership rules. Mr. McCaw agreed to comply with the Commission's multiple ownership rules and did not oppose the order to show cause.

By reason of the Commission's multiple ownership rules, Mr. McCaw was further required to divest himself of his standard broadcast interests by reason of his own and his wife's holdings. On April 28, 1954, the Commission granted his application for assignment of license of radio station KILA, Hilo, Hawaii, 50 percent of which is owned by Mr. McCaw. This assignment will be consummated prior to July 28, 1954.

Mr. McCaw's standard broadcast holdings are as follows:

Aladdin Radio & Television, Inc., licensee of stations KLZ and KLZ–FM, and permittee of KLZ–TV, Denver, Colo.: Director, vice president, and 20,369 percent stockholder.

Central Broadcasting Corp., licensee of station KELA, Centralia, Wash.: President, director, and 50 percent stockholder.

Yakima Broadcasting Co., licensee of station KYAK, Yakima, Wash.: Secretary, treasurer, and 33⅓ percent stockholder.

KALE, Inc., licensee of stations KALE and KALE–FM, Richland, Wash.: Secretary, treasurer, director, and 33⅓ percent stockholder.

KYA, Inc., licensee of station KYA, San Francisco, Calif.: President, director, and 50 percent stockholder.

Island Broadcasting Co., licensee of station KILA, Hilo, Hawaii: 50 percent partner.

Radio Station KORC, Mineral Wells, Tex.: 100 percent owner and licensee.

Gotham Broadcasting Corp., licensee of radio station WINS, New York, N.Y.: [1] President, director, treasurer, and 75 percent stockholder.

The holdings of Mrs. Marion McCaw (Mrs. J. Elroy McCaw, wife of J. Elroy McCaw) are as follows:

Pacific Broadcasting Corp., licensee of radio station KAPA, Raymond, Wash.: 25 percent interest.

It should be further noted that on June 25, 1954, the Commission stated that Mr. McCaw was required by future changes in the multiple ownership rules to sell his stock. (FCC 54–800 No. 7326, in re Petition of Denver Television Co.)

On the basis of the foregoing facts and in accordance with the provisions of section 112(m) of the Internal Revenue Code and the established practice of the Commission, it is respectfully requested that the Commission furnish a certificate to the effect that the sale by J. Elroy McCaw of his interest in Aladdin Radio & Television, Inc., licensee of radio stations KLZ and KLZ–FM, and permittee of television station KLZ–TV was necessary and appropriate to effectuate the policies of the Commission.

Very truly yours,

J. ELROY MCCAW,
By A. Harry Becker,
A. HARRY BECKER,
His Attorney.

FCC ANNOUNCES NEW POLICY RELATING TO ISSUANCE OF TAX CERTIFICATES PURSUANT TO SECTION 1071 OF THE INTERNAL REVENUE CODE

In recent years the Commission has been requested to issue tax relief certificates, under section 1071 and its predecessor section 112(m) of the Internal Revenue Code, to parties who already held the maximum number of broadcast interests in a particular service or in a particular community permitted under the Commission's rules, but were desirous of acquiring a new station and, in order to accomplish this objective, had to dispose of their interests in one of their existing stations. In the past, the Commission has issued such certificates in situations where the basic transaction was voluntary in nature.

The Commission has reviewed the legislative history of section 1071, has reevaluated its policy in applying the provisions of said section and has determined that, in future transactions, tax certificates will only be issued in situations where, because of changes in the Commission's rules, licensees or permittees are required to dispose of their broadcast holdings involuntarily.

A brief study of the history of section 1071 indicates that it was included in the Revenue Act of 1943 to afford relief to licensees

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[1] Application for the consent to the assignment of license to Gotham Broadcasting Corp. (BAL–1653) was granted by the Commission on December 23, 1953, subject to the condition that J. Elroy McCaw dispose of his interest in radio stations KPOA, KILA, and KORC. On March 18, 1954, the consent to the assignment of license of radio station KPOA was consummated, and on February 16, 1954, an application for the consent to the assignment of license of radio station KILA was filed with the Commission. On March 16, 1954, the Commission was requested to substitute Mr. McCaw's interest in Aladdin Radio & Television, Inc., for his interest in radio station KORC, for divestment under its order in BAL–1653). On April 7, 1954, the Commission granted this request.

who were required to dispose of broadcast holdings involuntarily because of the adoption by the Commission, on November 23, 1943, of section 3.35 of the Commission's rules and regulations. Before that time some licensees had more than one station in the same city. Section 3.35 prohibited such duopoly situations and, as a result of its adoption, approximately 35 licensees who held interests in two stations in the same city were required to dispose of one of these interests involuntarily. Nothing in the legislative history of section 1071 indicates that it was intended to apply to situations where a licensee voluntarily chose to dispose of one broadcast facility in order to obtain another facility and disposition of the first facility was necessary because of the Commission's multiple ownership or duopoly rules or policies.

Therefore, the Commission has determined that, in the future, the basic test to be applied in issuing tax certificates will be that the facility which was disposed of must have been lawful under the Commission's rules and policies when acquired, but have been disposed of because of a change in Commission policy or rules which made the retention of the facility inconsistent with such policy or rules. The above policy will become applicable to any transaction involving the disposition of any broadcast interest based on a contract entered into after October 15, 1956.

Adopted September 26, 1956.

Other principal stockholders in the original Aladdin Corp., in addition to Mr. McCaw, received substantial profits. Whether these were obtained tax free as a result of Commission certificates is not known at this time.

It would appear, however, that Commissioner Lee, in referring to the 2,400 percent profit from the transaction, did not take into account the tax free nature of this bonanza transfer deal. In fairness, however, it should be noted that Commissioner Lee strenuously objected to the granting of the tax certificate to McCaw and the Commission has since changed its policy and generally no longer issues such certificates.

At the time LTF obtained the channel 7 station in Denver, LTF owned 50 percent of KOB–TV, Albuquerque, N. Mex., and a television station in Salt Lake City. At the present time, LTF owns four television stations: WTCN, Minneapolis; KLZ, Denver; WFBN, Indianapolis; WOOD, Grand Rapids. LTF has sold its interest in KVTV, Salt Lake City, and KOB–TV, Albuquerque.

LTF acquired WTCN, Minneapolis, WFBN, Indianapolis, and WOOD, Grand Rapids, by transfers approved without hearings by the Federal Communications Commission on April 17, 1957.

Detailed information concerning the Aladdin–LTF transfer of Denver TV channel 7 is stated in part 8, pages 2915–2919 of the Legislative Oversight Subcommittee hearings. Information as to other TV stations without FCC hearings is set forth at pages 2909–2915, 2971–2978.

Life investigated some alleged improper petty expenditures by the Congress. I wonder if they are giving any concern to the $9,500,000 in postal subsidies that they got for Life magazine in 1956 and even more than that today. I wonder how much the taxpayers paid for their oversea operation. I have a table which I will includ in the RECORD with reference to some of what they get.

In the printed record of August 16, 1957, of hearings held before the Subcommittee on Postal Rates of the Senate Committee on Post Office and Civil Service on H.R. 5836, H.R. 7910, and S. 1916, bills pertaining to adjustments to postal rates, the following information concerning postal subsidies is included:

On pages 93 and 94, Congressman GEORGE M. RHODES, of Pennsylvania, pointed out that Life magazine received a subsidy in 1956 from the American taxpayers of from somewhere between $9.3 million and $9.5 million. These figures were prepared by the Cost Ascertainment Branch of the Bureau of Finance of the Post Office Department.

Then Deputy Postmaster General Maurice H. Stans indicated that these figures were accurate within 10 percent.

Figures supplied by Time, Inc., which owns Life, Time, Fortune, and Sports Illustrated, show that in 1956 Life's circulation was 5,726,502.

The net income of Time, Inc., for 1956 as reflected by Standard Corporation Descriptions, April-May 1960, published by Standard & Poor's Corp., was $13,850,-137.

The total circulation for publications owned by Time, Inc., in 1956 was 8,-709,561.

On page 98 of the aforementioned printed record is an editorial, entitled "King Cotton, the Royal Nonesuch," which appeared in Life magazine in 1956. The editorial attacks the subsidy which goes to small cotton farmers. It concludes by saying:

If enough Americans squawk, something will be done to stop this silly business.

The printed record of April 18, 1957 of the House Committee on Post Office and Civil Service—page 855—shows that in 1953 the loss to the Post Office Department for the handling of the Detroit Free Press, a Knight newspaper, was $232,000.

Postmaster General Arthur Summerfield, in his statement before the House Post Office and Civil Service Committee on June 8, 1960, in relation to H.R. 1140, a bill proposing postal rate increases, stated—page 8 of mimeographed statement:

Mr. Chairman, I would like to turn now to the testimony of the magazine publishers who use the second-class mail service.

I regret deeply that this industry, which has benefited more than any other from the postal service, has chosen to characterize the Post Office treatment of second-class-mail users as that of "second-class citizens."

The Congress has traditionally extended low rates to second-class matter in recognition of the news and cultural value of periodicals. This policy has resulted in a total subsidy to our publishers of more than $3 billion in just 13 years since the end of World War II. The fact that any publisher would have the temerity to deplore this as second-class citizenship simply confirms my feeling that we are dealing with self-serving groups whose hunger for special privilege is insatiable.

Mr. Summerfield pointed out that reports to stockholders of selected publishing companies indicated that their return on invested capital ranges between 8 percent and 19 percent after taxes.

The annual report to stockholders of Time, Inc., in 1959 announced that Life was expected to reach circulation averaging 7 million copies per week. Figures supplied by Life magazine show Life's circulation to be 6,902,900 in June 1960.

Standard Corporation Descriptions shows the total net worth of Time, Inc., as of December 31, 1959, to be $93,604,630.

The total increase in circulation of publications owned by Time, Inc., since 1956 is 1,839,626. The increase in circulation for Life magazine alone since 1956 is 1,176,398.

The cost ascertainment report for 1959 of the U.S. Post Office Department shows that the loss to the Post Office Department for handling daily newspapers was $71,538,246. The loss incurred in the handling and delivering of magazines or periodicals was $90,125,490.

International Media Guarantee Program—Payments from inception to Jan. 30, 1959, to Time, Inc.

Country	Period of guarantee coverage	Face amount of contract	Dollar payments for currency purchased	State Department [1] loss on currency sold	Currency transferred to U.S. Treasury
Austria	August 1948 to June 1957	$102,700	$75,918	$8,112	
Burma	March 1958 to August 1959	7,000			
Chile	May 1955 to April 1960	306,000	153,482	90,684	
Germany	August 1948 to June 1955	557,550	108,165	180	
Israel	July 1952 to December 1959	492,918	338,009	20,952	$273,108
Netherlands	April 1949 to July 1954	224,500	109,271	28	
Norway	October 1948, to June 1957	210,600	109,856	1,027	
Pakistan	April 1955 to February 1960	149,200	54,603		54,600
Philippines	March 1955 to February 1960	460,700	321,604	(gain 201)	
Poland	August 1958 to January 1960	5,000			
Spain	February 1957 to June 1960	374,300	214,775	44,716	
Taiwan	January 1955 to June 1960	151,000	84,232	2,450	
Turkey	August 1955 to January 1960	151,500	114,790	70,207	
Vietnam	July 1956 to December 1959	48,600	20,527	10,146	
Yugoslavia	April 1953 to June 1960	27,900	8,125	2,699	
Total			1,713,443	251,000	

[1] Derived figures, obtained by applying the ratio of payments to Time, Inc., to total payments by country, to the losses sustained by the Department in converting total currencies purchased. As conversion rates may have varied during the period of the guaranty, this derived figure is only an approximation of actual loss on the payments made to Time, Inc.

Source: Hearings on State, Justice and Related Agencies Appropriations for 1961, Committee on Appropriations, House of Representatives, p. 824 ff.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Georgia.

Mr. FLYNT. In connection with the television channel owned by TLF—Time, Life, Fortune, Inc.; is it true that TLF never filed an original application for any one of these channels?

Mr. HARRIS. They did not.

Mr. FLYNT. Is it also true that every television channel they hold, they hold today as the result of a transfer of the kind that our bill seeks to correct today?

Mr. HARRIS. That is true. However, this bill does not deal with transfers.

Mr. FLYNT. Is it also true there were never any public hearings as to the fitness of TLF for a television channel?

Mr. HARRIS. Under the law, which was included in the McFarland amendments in 1952, they are not required to consider the fitness of the applicant on a transfer.

Mr. FLYNT. But they are required to do so on an initial application; is that not true?

Mr. HARRIS. That is true.

Mr. FLYNT. I wonder if the gentleman would care to comment on whether or not willful libel should be considered as an ingredient of unfitness for future renewals of a television or radio license or as ground for revocation?

Mr. HARRIS. Of course, that would be a very appropriate subject for the Commission to undertake. I do think, however, that the character and fitness of the individual is something they must taken into consideration, and I think by their acts people can very well show whether or not the particular applicant does possess the character and fitness to operate such a facility in the public interest.

Mrs. BLITCH. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentlewoman from Georgia.

Mrs. BLITCH. Is it not a fact that every Member of this House has to face the electorate either once or twice every 2 years? Does the gentleman consider it fair that certain conditions be met as to the revocation of a license and the holding of a license by news media as powerful as those that own the television-radio stations in Houston?

Mr. HARRIS. I mentioned earlier in my statement that anyone who controls the communications media of this country is the most powerful influence we have in the Nation.

Mrs. BLITCH. But is it not true that Members of Congress do face the electorate every 2 years?

Mr. HARRIS. Yes, and I recognize that as a very important problem. But important as it is I think the importance of this kind of reporting here is that it is a deliberate attack on the Congress itself, and we should not sit here and let them get by without coming back and straightening out the facts.

Mrs. BLITCH. I fully agree with the gentleman, and I want to commend him in the highest manner for the great contribution he has made here today. I think he has rendered a tremendous service not only to the membership of the House but also to the great democratic Republic in which we live and which we are trying so hard to preserve.

Mr. HARRIS. I thank the gentlewoman very much.

The Saturday Evening Post took a different attitude. You should read their editorial on our committee.

The Saturday Review took a different attitude. You should see the citation our committee got from it for its work. While for some time they have had this practice, they have made only three awards and our committee was honored with one of them.

Look magazine took a different view. You should read the very nice article in Look magazine about the work of this committee.

Mr. Chairman, I think we as public officials, that all of us living and enjoying the democratic system, should occasionally pause and reevaluate our responsibilities. I think we should try to see in our own minds and consciences that we are doing our job and ask ourselves that question. I think every business in this country, I care not what business it is, I think every news medium in this country, I think each of us, should evaluate his responsibilities some time in the public interest and consider what happens to the other fellow. It was Shakespeare who said:

Who steals my purse steals trash;
But he that filches from me my good name
Robs me of that which not enriches him,
And makes me poor indeed.

The strength of this country lies in its moral fiber and structure; to destroy it means the degradation and destruction of the things we enjoy.

You will recall the story of General Dean when he was captured in Korea by the Communists. He was given 20 minutes to write a message. He did not know what was going to happen to him after that 20 minutes, but he sat down, took his pen, and he wrote to his wife. There are nine sentences in that important message. One of those sentences referred to the son, and he said to Mrs. Dean: "Tell Billy the word is 'integrity' ".

He did not say it was "power". I am informed that Mr. Knight is a multimillionaire, and has all of the money anybody could enjoy or do anything with. He is not after this because of the money. It is the power involved.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. HARRIS. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, he did not say that it was retaliation, he did not say it was retribution, he said "Tell Billy the word is 'integrity'."

That is what this country is builded upon. We appropriate $40 billion in defense funds a year, this Congress authorizes $4 billion a year more or less for mutual security for the defense and the security of this country. But do you know what the strength of this country is? It is the moral fiber of integrity of the country. It is what we believe to be right.

Isaac Watts many years ago wrote these words:

Oh God our help in ages past
Our hope for years to come
Our shelter from the stormy blast and
Our Eternal Home.

Under the shadow of Thy throne
Still may we completely secure
Sufficient is Thine arm alone and
Our defense is sure.

I say to my colleagues all of the money that we can appropriate or spend, unless we have the moral character of our people, our defense is not secure.

The bill that we bring to you is one of those to help make our defense secure and we, in our committee, commend it to you for your approval.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. HARRIS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ELLIOTT of Alabama, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (10644) entitled "An act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title."

"THE U–2 MUST FLY AGAIN"—BUT MUST IT, REALLY?

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, the current U.S. News & World Report carries as its lead article "an interview that represents the viewpoint of important groups of officials in the military services of this country and in the U.S. Department of State." The headline is "The U–2 Must Fly Again."

The list of the article is contained in the following questions and answers:

Question. Is there in the Government any pressure to resume U–2 flights or other means of aerial reconnaissance?

Answer. Yes, there is. The technical experts and political experts at the working level, as well as military officials, feel that, unless we are able to resume reconnaissance flights, the Soviets will have gained a major military advantage.

The Soviet Union has an important and growing stockpile of intercontinental missiles. Until now, we have been able to locate and follow the placement of those missiles. We now are giving up the means of continuing to pinpoint missile bases from which an attack on United States can be launched.

Question. Is that important?

Answer. Indeed it is. During the next 9 months to a year, the Soviet Union will be building new bases, relocating its missile sites, camouflaging those sites. During that period, under present rules of the game, the United States will have no means by which it can know the location of missile sites. Its military services will be blinded, unaware of the vital targets if war should come.

Now that Soviet Russia knows that the United States has given up reconnaissance, its opportunities for blackmail will be increased immensely.

* * * * *

Question. And this country will be in ignorance of what is going on?

Answer. In almost complete ignorance. Then, when the job of missile emplacement is completed, Khrushchev will be in a position to say: "Now we will bargain on Berlin. These are our terms and they are our minimum terms. Take them."

When a showdown comes over Berlin, as someday it will, an American President will face the risk of war. The military, unaware of location of Soviet missiles, will be unable to give the President assurance that it can destroy those bases. Military commanders could not promise—even by striking first—to assure a President that the cities of America would not be destroyed.

Any President, no matter who he is, would try to gain time. He would be under the greatest pressure to agree to concessions. The process of disintegration would begin.

* * * * *

Question. How widespread are the views you are expressing?

Answer. Among the working groups, the views are very widespread. They are held widely by the military.

* * * * *

Question. So what do we do? What should this country do?

Answer. It is important that reconnaissance over Soviet Russia be resumed and that it be conducted continuously so that the pictures of one week can be matched against the pictures of another week, to keep track of the changes. Give up aerial reconnaissance, and you've lost the pattern of Soviet missile armament. You have given the Soviet Union a chance to camouflage their crash program for relocating bases.

The U–2, or a successor, must fly again as one elemental safeguard against surprise attack. This country simply cannot be left in the dark without increasing greatly both the danger of blackmail and the danger of war.

* * * * *

Question. Were the U–2 planes really getting the missile sites? Were they as important as pictured?

Answer. There has been official testimony on that point. The answer is "Yes." In addition, from the Soviet point of view, so long as U–2's were flying, the Russians never could be sure of the amount of knowledge this country had of their war preparations. This increased the Soviet risk. Now that risk has been removed.

Question. But no country would let the United States use their bases from which to fly reconnaissance planes—

Answer. There always are aircraft carriers. It is doubtful if the Soviet Union would attack a U.S. aircraft carrier, unless it was ready for war anyway.

* * * * *

Question. And you say that we should do—what?

Answer. We should resume reconnaissance flights.

Of course, groups of State Department and military men have the right to question the wisdom of the President's announcement last month that U–2 flights are discontinued. What bothers me is that the article offers no evidence that these "important groups of officials" have taken into their calculations certain facts and propositions.

One of these is that the President has given his solemn assurance that the U–2 flights are being discontinued.

The main point of the important groups is that without the U–2, we have no means of identifying additional Soviet Union missile launching sites as they are constructed. Let us assume for the purposes of argument that this is true. We still would have the capability, in the event of a Soviet attack, of destroying much of her cities, her airfields, her military installations. If we are going to strike first, in a preemptive war, it is indeed desirable that we know the location of every last Soviet missile base, so that we can put them all out of action at one fell swoop—although I do not quite see how the U–2 will tell the preemptive warriors when to let fly. If we are not going to strike first, I question whether the fact that we can add to our retaliatory blow at Russia's cities and industries a strike at a larger number of missile bases constitutes much of an additional deterrent.

Therefore, if our reliance against Soviet attack lies in our power to retaliate, rather than in our power to start a preemptive war, resuming U–2 flights provides only a marginal increment to our strength.

The great danger in the position of the "important groups" lies in the fact that the information produced by additional U–2 flights is vastly more necessary and helpful to a country bound on preemptive war than to a country relying on retaliation. If we resume U–2 flights, the Kremlin will know it. The Kremlin may well conclude that the reason we have resumed U–2 flights is that we do intend to strike first. If the Kremlin needed additional evidence of this, it could find it right in the statements of the "important groups" in this week's U.S. News & World Report—a copy of which can be laid hold of without a U–2. And if we are apparently going to adopt preemptive war, why isn't this likely to persuade the Kremlin to start such a war themselves in order to prevent the preemptive war that they have concluded we are about to start? And doesn't this horrible possibility increase in a situation where events—and men—get out of control?

I say this, Mr. Speaker, solely on the basis of the U.S. News & World Report article. But on the basis of that article, I would say to the "important groups" therein quoted what Oliver Cromwell said to the General Assembly of the Church of Scotland on August 3, 1650:

I beseech you, in the bowels of Christ, think it possible you may be mistaken.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ROLLCALLS ON SATURDAY

Mr. McCORMACK. Mr. Speaker, on Saturday there is a primary in North Carolina and there are conventions in Connecticut. In view of that, I ask unanimous consent that any vote on Saturday in connection with a motion to recommit or the passage of a bill or any amendment be postponed until the following Monday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ROLLCALLS ON TUESDAY NEXT

Mr. McCORMACK. Mr. Speaker, on Tuesday of next week there are three primaries, and in connection with any rollcall votes that might take place on Tuesday of next week with reference to any motion to recommit or on any amendment or passage of any bill, I ask unanimous consent that those rollcall votes be postponed until the following day, Wednesday.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. ARENDS. Is it the purpose of the gentleman to proceed tomorrow with the bill that is now before us, or do you want to go on to the suspensions?

Mr. McCORMACK. The order of business tomorrow, under the special order entered into last Monday, on account of the unfortunate death of one of our colleagues, will be that the Consent Calendar and the suspensions will be called first, and after that the continuation of this bill will take place.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HON. JOHN J. ROONEY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, our distinguished colleague the gentleman from New York [Mr. ROONEY] made a very interesting point on the floor the other day when he pointed out the tremendous contribution to international good will being made in Afghanistan by Pan American World Airways.

I am one of those, Mr. Speaker, who continues to be concerned with foreign aid appropriations. Historically, I have felt that they were important in order that the great American philosophy could prevail over the Communist con-

spiracies all over the world. It is not the aid itself that concerns me, it is the administration of that aid. There have been some glaring indications, in the past several years, that we have made enemies for ourselves instead of friends in countries where we have poured out hundreds of millions of dollars.

That is why the most illuminating speech by our distinguished gentleman from New York [Mr. ROONEY] made such an impact on me. It showed that in at least one of the sensitive areas of the world where mutual security funds are being invested a good job is being done. I join with my other colleagues in congratulating Pan American for its splendid achievements in Afghanistan.

THE LATE ADELAIDE JOHNSON, SCULPTOR OF THE WOMEN'S MONUMENT

Mr. REECE of Tennessee. Mr. Speaker, on May 28, 1960, I introduced H.R. 12439, which was referred to the Committee on House Administration—a bill to provide for the acquisition and custodianship of the statuary and papers of the late Adelaide Johnson, sculptor of the Women's Monument.

The late Adelaide Johnson, sculptor of the Women's Monument, had a life-long desire to establish a museum to depict and to memorialize the suffrage movement. It is stated that she died at the age of 104.

During the past 25 years her personal problems and collections were the concern of a vast public and some very devoted friends.

Two bills were introduced in Congress, to acquire and to convert her studio on Maryland Avenue, into a museum, the project was indorsed by prominent men and women, as well as many organizations in this and other countries.

Unfortunately, the late Adelaide Johnson insisted upon having living quarters within the museum, saying she intended to live among her cherished possessions and life works.

During the several years after her passing, the collections have been involved in trying litigation. Now the collections are free, intact, and being made available to our Government at a mere fraction of their value.

My hurried survey of the collections revealed of interest to our Government, approximately 35 or more pieces of statuary, of which about 15 are life-size portrait busts in marble of notable persons. Correspondence, papers, publications, notated newspaper articles, original photographs and period costumes are in 40 sealed and unsealed, wooden boxes, crates, and trunks.

I am of the opinion that the original portrait busts of just the three great suffragist leaders (Susan B. Anthony, Lucretia Mott, and Elizabeth Cady Stanton) are of the utmost historic importance and now beyond the measure of dollars. The U.S. postage stamp depicting Susan B. Anthony received its likeness from the marble bust of her in this collection.

Our era is the first period in all the recorded history of civilizations, wherein men and women are on a basis of equal dignity, to help one another upward and onward.

Among the letters, papers, etc., of the late Adelaide Johnson, are historic reflections, invaluable to students and statesmen, who must under threatening or peaceful skies, weigh the noble resolve of our American form of life—to promote the pursuit of happiness based on individual dignity. We believe that all nature conspires to benefit men and women, in a union based on equal dignity. Mother's love is as boundless as the spheres—what State can continue to exist that does not accord true dignity to her children.

To date, no definite congressional action has been taken. Letters from the Librarian of Congress and the Director of the Smithsonian Institution, have expressed readiness to begin the investigation and submit reports.

Congress is about to adjourn; therefore, I take the liberty of requesting that my fellow colleagues in both Houses be unanimous in making the appropriation to care for the selections to be made by the representatives of the Smithsonian Institution and the Library of Congress, so this Congress will not suffer the loss of this historic opportunity.

THE QUESTION OF PRESIDENTIAL DISABILITY

The SPEAKER. Under previous order of the House the gentleman from New York [Mr. LINDSAY] is recognized for 60 minutes.

Mr. LINDSAY. Mr. Speaker, since the last century we have been confronted with a problem which can no longer remain unanswered. I refer to the question of the exercise of Executive authority in the case of serious illness of the President of the United States, or, put in the language of the Constitution, the President's "inability to discharge the powers and duties of said office."

The Congress has the power and the duty to clarify the question. It can best be done by initiating a constitutional change. I believe that the two major parties should commit themselves to such a program in their respective party platforms. I urge each candidate for the high office of President to do the same.

The question of when an incapacitated President loses Executive authority and when the next in line—the Vice President—assumes Executive authority has never been resolved. Each time a President has become incapacitated the question is raised all over again. Everyone agrees it is a problem and yet nothing is done about it. Each time the Congress is shaken and there is a flurry of speechmaking and bills introduced. Then it dies. We seem to wait for another crisis to develop before we become again concerned.

The consequences of letting this matter go unresolved are too serious to let its solution lie fallow. It may be that the public is not fully aware of the pernicious consequences that may flow from the confusion that presently exists. But that is no reason why the Congress can be excused for not taking a leadership role.

The Constitution provides that—

> In case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of the said office the same shall devolve on the Vice President. (Art. II, sec. 1, par. 5.)

This is a seemingly simple provision, but it has caused endless speculation as to its real meaning. We have only to heed lessons of history to show us the extent to which this is true. Four months after he assumed the Presidency, James A. Garfield lay dying as a result of an assassin's bullet. During the 80 days he was in a coma, considerable Government business both in the domestic field and in international affairs was gravely impaired.

His only official act during that period was the signing of an extradition paper.

After hopes of Garfield's recovery were virtually abandoned late in August of 1881, the Cabinet, reportedly at the suggestion of Secretary of State James G. Blaine, considered the problem of whether or not Vice President Chester A. Arthur should be asked to act as President.

Four of the seven Cabinet members, including the Attorney General, were of the opinion that Garfield would be permanently ousted if Arthur proceeded to act. Arthur himself refused to act without the President's approval and, because Garfield's condition did not permit submission of the matter to him for decision, the problem was solved only by President Garfield's death.

The disability of President Wilson was of longer duration—1½ years. While the extent of his disability during this period is subject to considerable differences of opinion, it is believed that during at least a portion of the time he was unconscious. Whether or not his mind was clear as contended by his physician, Dr. Cary T. Grayson, his physical disability prevented his active participation in the debates concerning the Versailles Treaty and the League of Nations.

Internationally this was a sensitive period. Responsibility for leadership should have been clearcut. And on the homefront, the Government machinery was at a standstill for 18 months. Twenty-eight acts during the 3d session of the 66th Congress became law by virture of President's Wilson's inaction within the required 10 days under the Constitution.

I submit, Mr. Speaker, that if the situation during the illness of President Wilson was a sensitive one and if internationally and domestically the United States was living at the edge of a crisis, it is nothing compared to the critical period in which the United States finds itself today and which it appears it will find itself in tomorrow.

The situation prompted Secretary of State Robert Lansing to call a number of Cabinet meetings in the absence of Wilson's authorization for the purpose of transacting urgent business. When he learned of these events, Wilson accused Lansing of usurping Presidential power and compelled him to resign.

Prior to his forced resignation, Lansing suggested to Wilson's secretary, Joseph P. Tumulty, that Vice President Thomas

Marshall be asked to assume the powers of the President, to which Tumulty indignantly replied:

> You may rest assured that while Woodrow Wilson is lying in the White House on the broad of his back I will not be a party to ousting him.

Marshall did not of course take such a momentous step.

In both instances of prolonged Presidential disability, the reins of Government were paralyzed. It should be emphasized that those two periods of Executive inaction occurred when the world situation was in a relatively peaceful and tranquil state. The first global conflict had just ended and we were then in the midst of a gigantic effort to establish a lasting peace.

I shudder to think of the possibility of finding ourselves confronted with a similar predicament in this present age, when science is branching out in all directions in an effort to annihilate both time and space.

In this most explosive decade in human history, hydrogen bombs can be dispatched by our enemy by a mere push of a button with considerable accuracy at a given target in this country. Try to visualize the panic and confusion that would ensue when split-second decisions cannot be given by the President as Commander in Chief because of physical disability.

This is not a pleasant situation to contemplate and yet it is imperative that our people understand that it is a possibility.

The issue may not have been of paramount importance during the time of Garfield and Wilson. But certainly it is one of paramount importance today—at a time when we are living in a continuous international crisis demanding immediate decisions by the President in order to safeguard our national interests, at a time when another powerful nation, armed with weapons capable of mass annihilation, keeps threatening our very existence.

I cannot overemphasize the urgency of solving the problem of continuing executive leadership. But, in our attempt to do so, our enthusiasm should not carry us away. The constitutional forms to which we are committed by law, practice, and tradition should not be lightly disregarded, even in the most compelling of emergencies. It is more true to our form of government than of any other that it is dependent for its preservation more upon "foresight" than upon "gunsight."

The seriousness of our constitutional difficulty concerning the exercise of Presidential power during the disability of the Chief Executive has doubtlessly been magnified with the passage of time. This Nation can ill afford the uncertainties to which it was subjected in 1881, in 1919, and again in 1955.

It is more than ever incumbent upon us to display "foresight" because when the crisis looms in our "gunsight" the battle may have already ended.

Paragraph 5, section 1, of article II of the Constitution, read in full, provides:

> In case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of the said office, the same shall devolve on the Vice President, and the Congress may by law provide for the case of removal, death, resignation, or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly, until the disability be removed, or a President shall be elected.

Under this provision, any of four events may lead to a devolution of Executive authority; namely, the President's death, resignation, removal from office, or his inability to discharge its powers and duties.

Three of the doors to Presidential power are open automatically to the Vice President with a certainty that none could safely dispute and with a finality that no one can reverse. They are—death, removal from office, and resignation.

The real problem, then, before us is with respect to the President's inability to discharge the powers and duties of his office.

At first blush, this portion of the constitutional provision would appear clear and simple. But I assure you, it is pregnant with questions, the right answers to which I am confident will lead us to a better appreciation and approach to the solution of this problem.

One asks, as did Dickinson in 1787, who is the judge of inability, what constitutes inability, and who decides when the disability has ceased to exist? As Dickinson recognized, not only is there ambiguity as to who the judge of inability would be but also as to what type of events or infirmities might be properly considered as constituting inability.

To place the problem of what inability means in perspective, it would not be amiss to touch lightly upon some of the views advanced on the subject in the past.

It has been contended by some that "inability" connotes an infirmity of a permanent rather than a temporary nature, one likely to continue throughout the remainder of the term for which the President was elected. However, the records of the Constitutional Convention do not support this view.

Another school of thought holds that "inability" refers to legal or mental incapacity, so that physical debility however severe will not be sufficient in order to invoke the so-called succession provision of the Constitution. Neither this position nor its converse appears to find any sanction in the proceedings of the Constitutional Convention.

In formulating a definition of what constitutes inability we, as students of constitutional law, should bear in mind that "inability" assumes a constitutional meaning only when it interferes substantially with the discharge of the duties placed upon the President as Chief Executive, and must therefore be dependent to a large degree upon the nature and urgency of public affairs.

We now come to the real core of the problem, and that is—who determines that "inability" exists? Who determines that "inability" has ceased to exist?

Is it the Congress? Is it the Supreme Court? Is it the executive branch in the person of the Vice President?

There are those who contend that it is within the province of the Congress to legislate on this matter. They predicate their stand on the so-called implied powers clause of the Constitution, giving to the Congress the power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

It has been contended that the "necessary and proper" provision "means nothing if it does not give Congress some authority to enact legislation necessary and proper for carrying into execution the Executive powers endowed in the President and the Vice President which may become ineffective because of an inability of the President."

There has been a wide variety of legislative proposals in the past which would provide means of determining initially when Presidential inability may be deemed to have arisen. The proposals range from direct determination by the Congress to certification of the issue of disability to the Supreme Court or to special commissions.

Allow me to review some of them.

During the illness of President Wilson, Congressman John J. Rogers introduced a bill which would authorize the Supreme Court to determine the question of inability or its termination whenever the question was referred to it by a resolution of either House of the Congress.

Following President Garfield's incapacity, Representative Frank E. Beltzhoover introduced a similar measure. But the question of disability under the Beltzhoover proposal could be raised in the Supreme Court by any citizen on "petition setting forth, under oath, his reasons for believing that from sickness or other cause the President of the United States is unable to discharge the powers and duties of his Office." Whereupon it would be incumbent on the President to show cause why the powers and duties of his Office "should not be devolved upon the Vice President until such disability be removed."

Another proposal would empower the Secretary of State to convene the President's Cabinet to determine, on a majority vote, the President's inability.

In the 85th Congress, Congressman, now Senator KEATING introduced a bill which would establish a so-called Presidential Inability Commission. It would be composed of the Chief Justice of the Supreme Court, the senior Associate Justice, the Speaker of the House, the House minority leader, the Senate minority leader, the Secretary of State, the Secretary of the Treasury and the Attorney General as members, and the Vice President as Chairman.

The Commission's function would be to receive and pass upon any notification from the President of his own disability or the termination of such infirmity.

In the Senate, Senator STYLES BRIDGES filed a bill aimed at establishing a committee composed of Members of both

Houses of the Congress. This committee, upon communication from the Vice President, or from four of its own members, would assemble and consider the President's state of health. If "probable cause" was shown that disability existed, the committee would so declare in a concurrent resolution. On adoption by two-thirds vote of both Houses, convened separately, the "powers and duties" of the President shall devolve upon the Vice President during the period of disability.

The termination of such disability would cease upon the adoption of a concurrent resolution of a majority of each House.

Another legislative proposal was advanced by Senator Frederick G. Payne. It provided for the President's notification to the Congress of his own disability, and thereupon an automatic devolution of Executive power on the Vice President would take place. In addition, it provided that the Vice President might initiate a determination of inability by notifying the Chief Justice of the Supreme Court who should then convene a medical panel to examine the President. If the members of this medical panel were of the unanimous opinion that the President was suffering under a disability, the Chief Justice should so certify to the Congress. The effect of the certification by the Chief Justice would be identical to that produced when the President, on his own initiative, declares his disability.

It should be noted that the principal fault of all these legislative proposals is the apparent lack of power by the Congress under the Constitution to provide for any determination of disability which would be binding upon the Chief Executive.

Our jurisprudence has clearly established that the implied powers clause of the Constitution does not enlarge the expressed powers of the Congress. If this is so, it stands to reason that the Congress cannot enlarge upon the powers already possessed by the Supreme Court.

If the Congress cannot legislate on this matter, does the Supreme Court possess the power to determine the existence of Presidential disability?

In the past, there were suggestions that mandamus would lie to compel the Vice President to assume and exercise Presidential power. This view does not hold water since the decision to so act is clearly a discretionary one to which the courts would not interfere.

Prof. William W. Crosskey claims that quo warranto proceedings is the appropriate remedy. Again, this is not the proper remedy because it involves the exercise by the Vice President of a discretionary power to which the courts have kept hands-off attitude. This does not mean, however, that the question of inability cannot be presented in litigations involving the rights of individuals because it could not be construed as a direct interference by the courts in the decision of the Vice President to act or refrain from acting as President.

If the Congress and the Supreme Court do not have the initial power of determination of Presidential inability, is it lodged in the Vice Presidency?

As I mentioned earlier, there are three instances whereby Executive authority devolves automatically, namely, in cases of death, resignation and removal from office.

Our political history is replete with precedents to the effect that, in the case of the death of the President, the Vice President becomes the Chief Executive for the unexpired term.

It was in 1841 when the question first arose. President William Henry Harrison, "worn away and destroyed by the hordes of applicants for public office," died of pneumonia in Office. At that time there were those who objected to Vice President John Tyler's succession to the Presidency. They claimed that the precedent would also apply in case of disability, and this they strongly objected to. They contended that it was not the intention of the framers of the Constitution that the Vice President assume the Presidency under the succession clause but that the Vice President should only exercise the powers and duties of the disabled President until his disability was removed. The then Secretary of State Daniel Webster was of the opinion that by Harrison's death Vice President Tyler became President.

At first, Tyler held the view that he would merely act as President during the unexpired term of Harrison. But upon further reflection he decided to assume the Presidency.

Six other Vice Presidents followed suit: Fillmore, Johnson, Arthur, Theodore Roosevelt, Coolidge and Harry Truman.

Do these precedents apply in case of the President's disability?

A careful examination of the original articles agreed upon by the Constitutional Convention indicates that the delegates agreed that upon the inability of the President to discharge the powers and duties of his Office, the Vice President should exercise those powers and duties "until the inability of the President be removed."

In other words, the framers of the Constitution intended that the Vice President would act as President in case of the President's disability. This view finds support in the debates in the Constitutional Convention "indicating that the Vice Presidency was originally created to provide for an alternate Chief Executive who might function from time to time should the President be unable to exercise the powers and duties of his Office."

But when this provision was sent to the Committee of Style it was revised and reduced to the simplified statement that in case of removal, death, resignation or inability to discharge the powers and duties of the Office, "the same shall devolve on the Vice President."

It has remained there since, leaving the problem of Presidential succession in case of disability unresolved.

If neither the Congress, nor the Supreme Court nor the executive department is expressly authorized by the Constitution to determine Presidential inability, I submit that one of the three coordinate branches should be so empowered by means of an amendment to the Constitution.

I further submit that such power and responsibility should be placed on the Vice President. The development of the Office of the Vice President tends to strengthen the view that the Vice President is the proper officer to make the determination of inability in the initial instance, consistent with the general principle of separation of powers.

This interpretation has been shared by two Attorneys General.

In his testimony before a Senate subcommittee, Attorney General Rogers declared that the Constitution vested in the Vice President the initial determination as to the existence of an inability with respect to the President.

This same view was expressed by his predecessor, Attorney General Herbert Brownell, Jr., when he said:

> At the time of President Garfield's illness in 1881, the great weight of opinion favored the interpretation that Vice President Arthur, and he alone, could determine that the President was disabled. At that time, most students of the Constitution said that the Vice President was obligated to exercise the powers of the Presidency during Garfield's illness, just as much as he was obligated to preside over the Senate or perform any other constitutional duty, and that no enabling action by the courts or the Congress or the Cabinet was necessary. Since the Vice President had the duty of acting as President, it was argued, in certain contingencies, his official discretion extends to the determination of whether such a contingency actually exists. In other words, they were applying the well-known rule of law that in contingent grants of power the one to whom the power is granted is to decide when the emergency has arisen.

In the 85th Congress, there were attempts to resolve this serious deficiency of the Constitution.

The most feasible of these remedial measures to my mind is the bipartisan constitutional amendment embodying substantially the administration proposal.

The administration's proposal was the result of an understanding reached by President Eisenhower and Vice President NIXON, in consultation with the Attorney General, on the constitutional role of the Vice President as Acting President during the Chief Executive's disability.

On March 3, 1958, the Eisenhower-Nixon understanding was published as follows:

> The President and the Vice President have agreed that the following procedures are in accord with the purposes and provisions of article 2, section 1, of the Constitution, dealing with Presidential inability. They believe that these procedures, which are intended to apply to themselves only, are in no sense outside or contrary to the Constitution but are consistent with its present provisions and implements its clear intent.
>
> 1. In the event of inability the President would—if possible—so inform the Vice President, and the Vice President would serve as Acting President, exercising the powers and duties of the Office until the inability had ended.
>
> 2. In the event of an inability which would prevent the President from communicating with the Vice President, the Vice President, after such consultation as seems

to him appropriate under the circumstances, would decide upon the devolution of the powers and duties of the Office and would serve as Acting President until the inability had ended.

3. The President, in either event, would determine when the inability had ended and at that time would resume the full exercise of the powers and duties of the Office.

On the day following its publication, the Eisenhower-Nixon agreement was embodied in a resolution jointly sponsored by a majority of the members of the Senate Judiciary Committee with certain changes in section 4 acceptable to the administration.

I have introduced House Joint Resolution 764 incorporating the salient features of that bipartisan resolution.

I submit that this amendment contains the most feasible solution.

If we adopt this resolution it will not be applicable to this administration because the time required for its ratification will undoubtedly extend beyond its term. As such, therefore, this measure can be considered entirely on its merits without any consideration of personalities or parties.

In brief, this is what the resolution provides:

Section 1 empowers the Vice President to succeed to the Presidency in case the Chief Executive dies, resigns or is removed from Office. This is just a restatement of the old law.

Section 2 provides that, if the President declares in writing that he is unable to discharge the powers and duties of his Office, those powers shall be discharged by the Vice President as Acting President.

If the President is unwilling or unable to declare his own inability, section 3 authorizes the Vice President to do it. However, the Vice President needs the concurrence of the majority of the members of the Cabinet. In other words, this section would remove from the Vice President the sole discretion of initially determining the President's inability when such decision is reached without the express sanction of the President. It needs the approval of the majority of the Cabinet.

Section 4 provides that if and when the President declares in writing that his disability has terminated, he shall resume the exercise of the powers and duties of his Office. This section assures the restoration of those powers back to the President when the causes of inability cease to exist. This provision is also designed to prevent the occurrence of a situation whereby, as a result of an antagonism between them, the President declares that his disability has ceased to exist and the Vice President holds the contrary view. In this case, the Congress will resolve the issue by a two-thirds vote in each House. But this is resorted to only in case the President and Vice President disagree on the question of inability.

It is interesting to note that this section reserves to the Congress a role in this matter, which is consistent both with the principle of separation of powers and with the requirements of efficient and effective government. It is an effective check-and-balance device as can readily be imagined.

I reiterate that neither the Congress nor the courts have the constitutional authority to determine initially the President's inability.

Under this resolution the Congress steps in only after the Vice President has made a determination of disability and the President proclaims his ability to act notwithstanding the Vice President's determination. The situation is one closely allied to offenses for which impeachment lies. The Constitution in its present form places upon the Congress the power and responsibility to act at that stage of events.

This proposed amendment to the Constitution to which the present Administration and a bipartisan group of Senators have jointly contributed represents a most comprehensive, effective and feasible solution to the problem of devolution of Executive authority. It is, I submit, consistent with the separation of powers which forms the basic framework of our Government.

I urge this august body carefully to consider this proposal. I likewise urge the Republican and the Democratic Parties to incorporate it in their respective party platforms. And I earnestly urge the presidential candidates from both parties to come to recognize the existence of the problem and to pledge themselves to its resolution in order to save ourselves, and the generations yet unborn, from the uncertainties to which this Nation has been subjected in the past and which, in the present state of affairs, we can ill afford.

Mr. Speaker, I ask unanimous consent to include, at the conclusion of these remarks, the full text of House Joint Resolution 764.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(The matter referred to is as follows:)

HOUSE JOINT RESOLUTION 764

Joint resolution proposing an amendment to the Constitution of the United States relating to cases where the President is unable to discharge the powers and duties of his office

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE—

"SECTION 1. In case of the removal of the President from office, or of his death or resignation, the Vice President shall become President for the unexpired portion of the then current term.

"SEC. 2. If the President shall declare in writing that he is unable to discharge the powers and duties of his office, such powers and duties shall be discharged by the Vice President as Acting President.

"SEC. 3. If the President does not so declare, the Vice President, if satisfied that such inability exists, shall, upon the written approval of a majority of the heads of the executive departments in office, assume the discharge of the powers and duties of the office as Acting President.

"SEC. 4. Whenever the President makes public announcement in writing that his inability has terminated, he shall resume the discharge of the powers and duties of his office on the seventh day after making such announcement. But if the Vice President, with the written approval of a majority of the heads of executive departments in office at the time of such announcement, transmits to the Congress his written declaration that in his opinion the President's inability has not terminated, the Congress shall thereupon consider the issue. If the Congress is not then in session, it shall assemble in special session on the call of the Vice President. If the Congress determines by concurrent resolution, adopted with the approval of two-thirds of the Members present in each House, that the inability of the President has not terminated, thereupon, notwithstanding any further announcement by the President, the Vice President shall assume the discharge of such powers and duties as Acting President until the occurrence of the earliest of the following events: (1) the Acting President proclaims that the President's inability has ended, (2) the Congress determines by concurrent resolution, adopted with the approval of a majority of the Members present in each House, that the President's inability has ended, or (3) the President's term ends.

"SEC. 5. The Congress may by law provide for the case of the removal, death, resignation, or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly until the disability be removed, or a President shall be elected. If at any time there is no Vice President, the powers and duties conferred by this article upon the Vice President shall devolve upon the officer eligible to act as President next in line of succession to the office of President, as provided by law.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission."

Mr. CHAMBERLAIN. Mr. Speaker, will the gentleman yield?

Mr. LINDSAY. I yield to the gentleman.

Mr. CHAMBERLAIN. Mr. Speaker, I should like to commend the gentleman for his scholarly presentation of what I think is a very serious problem. It is my hope that these remarks and the study he has given to this problem will be called to the attention of all the members of the Committee on the Judiciary and that in the fullness of time, certainly early in the next session, this will be the subject of their further study.

Mr. LINDSAY. I thank the gentleman.

Mr. HECHLER. Mr. Speaker, will the gentleman yield?

Mr. LINDSAY. I yield to the gentleman from West Virginia.

Mr. HECHLER. Mr. Speaker, I should like to add my commendation of the gentleman from New York for his very thorough historical review of this most important and significant subject. I should like to ask one or two questions of the gentleman. The Vice President, in a sense, is a beneficiary of Presidential inability. Under the third point of the gentleman's resolution, he provides for the Vice President with the concurrence of a majority of the members of the Cabinet, in case the President were unwilling to admit disability, to assume the discharge of the powers and duties of the Office; is that correct?

Mr. LINDSAY. That is correct. In the event the President were unable because of illness or, indeed, unwilling because of illness also, to declare his own inability, the Vice President, with the concurrence of the majority of the Cabinet would be authorized so to declare, whereupon the Vice President would assume the powers of the Office of President. If at that time the President should so declare that his inability had terminated or that he was never disabled to begin with, in writing, under the amendment, and if the Vice President and a majority of the Cabinet should persist in their conclusion, then the matter would be referred to the Congress.

Mr. HECHLER. Does not the gentleman feel, because of the fact that the Vice President is in a sense a beneficiary and in a sense the members of the Cabinet are personal appointees of the President, that perhaps an unbiased view may not be had as a result of these factors? I wonder if the gentleman had considered working into this the proposal made in previous years that a medical panel be drawn into the consideration of Presidential inability.

Mr. LINDSAY. I will say to my friend from West Virginia that there is nothing that would prevent the Vice President or the Cabinet or, indeed, the Congress, from informally convening and reviewing with a medical panel the situation involving the President of the United States. That could be done. The question is as to the advisability of writing into the Constitution such a requirement in the first instance. But the primary question is whether or not, under the separation-of-powers theory, it is advisable to place the initial responsibility for making this determination anywhere except within the executive branch itself, in the person of the Vice President of the United States.

Mr. HECHLER. I thank my friend and commend him again for his presentation.

Mr. LINDSAY. I thank my friend from West Virginia.

SAFE BOATING WEEK

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, safe boating is no accident. As the week of July 4 and the occasion of National Safe Boating Week approaches, it is fitting that we recognize and review the responsibilities and efforts of the Federal Government to promote boating safety.

Pursuant to Public Law 85–911, which I sponsored during the 85th Congress, the President of the United States, on February 5 of this year, signed the following proclamation:

Whereas many millions of our citizens enjoy the sport of boating for recreation and relaxation; and

Whereas safety on the waterways is as important as safety on the highways; and

Whereas the Congress of the United States, in seeking to focus national attention on the importance of safe boating practices, by a joint resolution approved June 4, 1958 (72 Stat. 179), has authorized and requested the President to proclaim annually the week which includes July 4 as National Safe Boating Week:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby designate the week beginning July 3, 1960, as National Safe Boating Week.

I invite all the people of this Nation interested in boating, including boating organizations, the boating industry, Government agencies, and other groups, to observe National Safe Boating Week. I urge them during this week and throughout the entire year to follow safe boating practices and to exercise courtesy on the waterways.

I also invite the Governors of the States, the Commonwealth of Puerto Rico, and the areas subject to the jurisdiction of the United States to provide for the observance of this week.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 5th day of February in the year of our Lord 1960, and of the Independence of the United States of America the 184th.

DWIGHT D. EISENHOWER.

About one out of every five persons in the United States will participate in recreational boating and make use of our many waterways during 1960. In round numbers it is estimated that there will be about 8 million recreational boats and 39 million people on our waterways this year. In comparison, there are only about 40,000 vessels documented by the Bureau of Customs, plus about 4,000 documented as yachts. In contrast, therefore, recreational boating activity on our waterways constitutes about 99.5 percent of the total boating and vessel activity in the country. It is true that not all of these 8 million boats are on the navigable waters of the United States, as an undetermined percentage may be found in the various lakes within State boundaries.

Consider the fact that of these 8 million boats there are only about 4,000 passenger boats inspected and certificated by the Coast Guard. An inspected boat is one which is checked from stem to stern at regular intervals by the Coast Guard and found to be in all respects in compliance with the vessel inspection laws of the United States. It should be recognized also that a commercial boat can also be a recreational boat, because to the owner of a boat carrying passengers for hire it is a commercial venture whereas to the passengers the trip may be purely recreational. For the balance of the 8 million boats, which are not inspected, only minimum requirements apply as to the carrying of approved lifesaving equipment, fire extinguishing equipment and navigation lights, and for the operators thereof to comply with traffic regulations on our waterways, otherwise known as rules of the road. It is significant to point out that with respect to these 8 million uninspected boats the Federal Government does not require an operator's license of any kind, restrict the age or the physical condition of the operator in any way, require any examination or demonstration of knowledge of the rules of the road, require any proof of ability to operate the boat, require any navigation equipment or knowledge of navigation by the operator, establish any minimum capacity limitations of the boat, require proof of any degree of seaworthiness of the boat, or require any emergency signal equipment of any kind.

GROWTH OF SMALL BOATING

There has been an explosive growth in recreational boating since World War II. In 1947 there were less than 2½ million pleasure boats in America; today we have about 8 million. Assuming as an average that at least 5 different persons would ride in each of these boats during the year, we have the safety of 40 million Americans directly affected—to one degree or another—by the adequacy or efficiency of the safety equipment, the safety education, and the various safety rules which are enforced.

Boats today go faster than ever before due to increased horsepower. In 1947 the average horsepower of all engines sold was less than 5; today the average is close to 25 and has been consistently climbing every year since 1952. Today's outboard motors are rated by their manufacturer as high as 80 horsepower.

Boating is big business. Last year the boating public spent close to $2½ billion for new and used boats, motors, accessories, equipment, insurance, fuel, repairs, storage, club membership, and so forth. For new outboard motors, boats, and trailers alone total sales in 1959 came to $465 million. This is a rise of almost $50 million in 1 year.

Speaking in millions, there are 1¾ million boat trailers on the highways of this country; 490 million gallons of gasoline were used; also 25½ million gallons of motor oil and 24½ million gallons of diesel oil. The boat business consumed 12 million gallons of paint; 165 million square feet of plywood, 50 million pounds of aluminum, and 75 million pounds of plastics. The average outboard boat sold for $524 and there were 329,000 of them bought by Americans in 1959—a total of $172 million. The growth in boating continues at an average annual increase of about 390,000 boats each year since 1956.

FACTORS LEADING TO THE FEDERAL BOATING ACT OF 1958

The House Committee on Merchant Marine and Fisheries was aware of the phenomenal growth in small boating in the United States, and early in 1956 they set out to study the problem. In fact, the industry itself suggested it. Public hearings were held in Washington and in the major boating sections of the country, so as to afford affected groups and individuals, and the State and local government officials themselves, a convenient opportunity to have a part in solving the problems involved. These hearings throughout the country were concluded in December of 1956, and on April 18, 1957, Mr. BONNER introduced a report on the "Study of Recreational Boating Safety"—Report No. 378, 85th Congress, 1st session. The conclusions and recommendations of that report led to the Federal Boating Act of 1958.

Some of the conclusions reached by the committee were as follows:

Federal legislation should not restrict the growth of boating or industry.

The present voluntary educational efforts are inadequate and should be expanded.

A policy of full cooperation with the States is preferred, rather than a policy premised upon any consideration of exclusive jurisdiction by the Federal Government.

The necessity and desirability of uniform State and Federal laws to regulate both safety equipment of pleasure boats and the operation of the boats themselves, through close cooperation with the States.

Numbering requirements for boats on Federal waters should be brought up to date.

There should be a civil penalty for reckless and negligent operation of boats.

The Federal Government should not require licensing of the operators of pleasure boats at this time, but should keep its eye on the situation and observe closely the action taken in the field of education.

In the absence of dependable statistics, no age limitations should be established, until the question can be reevaluated.

The inspection of the millions of pleasure boats on Federal waters is impractical and unnecessary.

The efforts of industry to bring about recognized and adhered to standards of design, construction and equipment for small pleasure craft should be intensified.

Changes to improve the rules of the road should result from an overall consideration and not as part of legislation relating to small pleasure boats.

Accurate and comprehensive statistics regarding boating accidents are almost nonexistent, and the Federal Government should impose an obligation upon the operator of a boat involved in an accident to stop, render assistance, and report the accident promptly.

The Coast Guard's present program for the enforcement of the existing boating safety laws should be increased.

In addition to the foregoing, the report recommended that the Secretary of the Treasury call a national small boat safety conference for the purpose of inquiring into and reporting on various phases of the foregoing conclusions.

Following the initial hearing by the House Merchant Marine and Fisheries Committee on a bill to implement certain portions of its report, the committee in early September of 1957 asked the Council of State Governments to give special attention to the problem and to review the proposed Federal legislation from the standpoint of States, and also to consider the possibility of model State legislation. That organization established a special committee on recreational boating under the chairmanship of Paul A. Johnston of North Carolina, which group early the following year presented a proposed redraft of the bill which ultimately, with some amendments, became the Federal Boating Act of 1958. I am gratified to report that the State of Michigan was represented on that subcommittee and actively joined in that effort.

It also is significant to note that the Secretary of the Treasury did hold a National Small Boat Safety Conference in December of 1957, which was successful and widely acclaimed, and presented some 19 conclusions and recommendations with respect to education, accident statistics, equipment regulations, and construction standards. In particular, these recommendations dealing with accident statistics were incorporated in the Federal Boating Act of 1958.

COAST GUARD DUTIES IN THE FIELD OF SMALL BOAT SAFETY

Congress has from the earliest beginnings of this Nation enacted laws to promote the safety of life and property on the waters of the United States. The U.S. Coast Guard is looked upon by Congress as the primary maritime safety agency of the executive branch of the Government. Coast Guard duties in this field may be found in titles 14, 33, and 46 of the United States Code. The House Merchant Marine and Fisheries Committee in its deliberations on recreational boating safety and in recommending passage of the Federal Boating Act of 1958 took into account the predominant role of the U.S. Coast Guard in this field in the following applicable statutes which set forth the Coast Guard's duties:

The act of April 25, 1940, is a basic boating safety statute, although it is not limited in its application to small boats. With respect to motorboats it does prescribe the navigation lights, fire protection equipment, and lifesaving equipment required to be carried. It prescribes the duty of the operator to render assistance and to submit an accident report. It contains criminal and civil penalty provisions for reckless and negligent operation, which apply to all vessels, including motorboats. With respect to other vessels, its provisions on equipment requirements apply to commercial towing vessels and other mechanically propelled vessels. Therefore, this act has been somewhat inappropriately referred to from time to time as the "Motorboat Act of 1940."

The rules of the road are the traffic laws prescribed by the Congress and, to a limited degree, by the Commandant of the Coast Guard for the prevention of collisions. Basically these rules are separated into four areas applicable to the high seas, the inland waters, the western rivers, and the Great Lakes. There are similarities and some differences between these sets of rules, but they all encompass certain requirements for lights and sound signals, and steering and sailing rules.

The Coast Guard has been authorized by the act of April 28, 1908—46 U.S.C. 454—to regulate and patrol marine regattas or marine parades for the protection and safety of life on navigable waters of the United States. The prior approval by the Coast Guard is required for marine regattas or marine parades, especially where it may interfere with unlimited use of navigable waters and closure of a channel may be necessary.

The Federal Boating Act of 1958—46 U.S.C. 527—standardized a numbering and identification system for undocumented vessels (including pleasure boats of 10 horsepower and above), and provides for participation in this program by the several States. It also authorized the Coast Guard to board any boat numbered under this act for purpose of determining compliance with its numbering provisions, with the act of April 25, 1940, mentioned above, and with the applicable rules of the road. It also declares the policy of Congress to encourage the uniformity of boating laws and regulations as among the several States and the Federal Government to the fullest extent practicable, with the highest possible degree of reciprocity and cooperation. The act recognizes the principle of "concurrent jurisdiction" between the Federal Government and States with respect to undocumented vessels, which in this instance refers particularly to the 8 million pleasure boats on our waters. In order to obtain necessary information about accidents, this act also requires the Secretary to compile and analyze the required accident reports and to publish his findings and recommendations for their prevention.

Title 14 of the United States Code is devoted exclusively to the duties, organization, and authority of the U.S. Coast Guard. Of principal interest to small boat safety are the provisions pertaining to aids to navigation, search and rescue, law enforcement, and the Coast Guard Auxiliary, which will be discussed in greater detail later on. Section 2 of that title sets forth briefly the primary duties of the Coast Guard as follows:

The Coast Guard shall enforce or assist in the enforcement of all applicable Federal laws upon the high seas and waters subject to the jurisdiction of the United States; shall administer laws and promulgate and enforce regulations for the promotion of safety of life and property on the high seas and on waters subject to the jurisdiction of the United States covering all matters not specifically delegated by law to some other executive department; shall develop, establish, maintain, and operate, with due regard to the requirements of national defense, aids to maritime navigation, icebreaking facilities, and rescue facilities for the promotion of safety on and over the high seas and waters subject to the jurisdiction of the United States; and shall maintain a state of readiness to function as a specialized service in the Navy in time of war.

Title 46 of the United States Code is devoted primarily to shipping, but contained therein is the act of May 10, 1956—46 U.S.C. 390—which authorized the Coast Guard, among other things, to inspect small passenger vessels carrying more than six passengers for hire. Many of these small passenger vessels are pleasure motorboats being used for commercial purposes by the owner or operator, but for the passengers the use is recreational in nature. Congress authorized the Coast Guard to regulate such boats with respect to the design, construction, alteration or repair, accommodations for passengers and crew, fittings, propulsive and auxiliary machinery, appliances for lifesaving and fire protection, waters in which they may be navigated, and manning.

Also, in title 46 of the United States Code are the provisions of R.S. 4450, as amended—46 U.S.C. 239—wherein Congress has directed the Coast Guard to investigate marine casualties occurring on the navigable waters of the United States and to U.S. vessels wherever they may be found for the purpose of taking appropriate measures for safety of life and property at sea. They are not in-

tended to fix civil or criminal responsibility. The investigations determine:

First. The cause of the accident or casualty.

Second. Whether any failure of material—either physical or design—was involved so that proper recommendations for the prevention of the recurrence of similar casualties may be made.

Third. Whether any act of misconduct, inattention to duty, negligence, or willful violation of law on the part of any licensed or certificated man was involved so that appropriate proceedings against such person's license or certificate may be recommended and taken.

Fourth. Whether any person in the Coast Guard or any other Government agency was guilty of any neglect or inattention to duty contributing to the casualty.

CURRENT COAST GUARD PROGRAMS EDUCATION

The Commandant of the Coast Guard, Adm. A. C. Richmond, has been quoted as saying:

> Safety in small boating is the result of common sense, courtesy, and education. Whether a boat becomes a pleasure boat, or a menace to life and property, depends upon the manner in which it is maintained and operated.

This educational program by the Coast Guard receives major emphasis. During the year 1959, for example, the Coast Guard developed and produced two educational films for use by boating groups. One, on "Aids to Navigation," runs for approximately 14 minutes and presents, through animation and live action, the various aids to navigation, including lighthouses, lightships, radio beacons, loran, and elements of the buoyage system. Light and sound characteristics are demonstrated. Intracoastal Waterway types of aids are included. The second film is entitled "Rules of the Road for Boatmen," and also runs for 14 minutes. This movie presents, through animation and live action, the various meeting, passing, and overtaking situations, as well as small craft versus large vessels, and proper procedures in fog. During the year the Coast Guard also developed and circulated two television spots on safe boating.

During 1960 it already has produced a movie on "Search and Rescue—Pleasure Craft," which runs for 28 minutes. This film reveals the existence and explains the operation of the search and rescue network as it applies to surface craft, especially pleasure boats. It will detail specifically the proper procedures to be followed by vessels in distress in obtaining search and rescue assistance. Also produced is an informative presentation of the "Coast Guard Auxiliary," its mission, origin, history, organization, functions and accomplishments with emphasis on current and projected activities in the field of promotion of boating safety, which runs for 18 minutes. For fiscal year 1961 the Coast Guard is planning to produce two additional 18-minute films on safe boating.

On the average, each Coast Guard district will have 241 exhibitions with an expected total attendance of over 32,000 viewing these films during the coming season.

Also, on a year-round basis, the Coast Guard provides newspapers, yachting and boating magazines, and radio and TV stations, with considerable material on boating safety and allied subjects.

In addition to the foregoing, the Coast Guard publishes pamphlets and booklets setting forth various requirements and information for the guidance of the boating public. During the year 1959 the Coast Guard published, distributed and ordered the following:

Title:	*Number of copies*
Pleasure craft	2,700,000
Rules and regulations for uninspected vessels	50,000
Rules and regulations for the numbering of undocumented vessels and the reporting of boating accidents	100,000
Rules and regulations for small passenger vessels (not more than 65 feet in length)	15,000
Rules of the road (international, inland)	250,000
Rules of the road (Great Lakes)	40,000
Rules of the road (western rivers)	30,000

Also, at the present time the Coast Guard is in the process of publishing a publication for sale next month at 40 cents a copy through the Government Printing Office, entitled "Recreational Boating Guide," which is a guide manual for the beginning boatman.

COAST GUARD AUXILIARY

The Congress of the United States established the Auxiliary of the Coast Guard some 21 years ago, to promote small boat safety and education of the American public. During 1959 the U.S. Coast Guard Auxiliary continued its growth in members and public services in 511 communities across the continent and in Alaska and Hawaii, as well as in Puerto Rico. More than 100,000 pleasure craft were examined for equipment and safety standards, and 81,000 boatmen attended the educational courses presented by the auxiliary. Boating safety films were viewed by over a quarter of a million persons.

Many of the 18,500 members voluntarily assisted the Coast Guard in its operations. Two thousand four hundred cases of assistance and 590 patrols of regattas and marine parades were performed by this dedicated group.

The dramatic expansion of the organization and its activities is indicated as follows:

	1956	1959	Percent increase
Members	13,000	18,638	40
Facilities (vessels, aircraft, radio stations)	7,200	11,500	60
Courtesy motorboat examinations	35,000	94,353	170
Public instruction courses, attendance	27,000	82,000	200
Safety films, attendance	65,000	284,000	330

In my home area, the 9th Coast Guard District expects the auxiliary to handle some 45,000 persons in the instruction courses this year. Schools are now accepting some of the courses in the normal curriculum.

LAW ENFORCEMENT

As noted above, great emphasis is placed on the education of the boating public. As a tool for safe and sane motorboating, the Coast Guard's educational program regarding small boats is closely alined with its law enforcement program.

The Coast Guard has no separate organization established solely for small-boat law enforcement duties. The task is accomplished by its operating units in conjunction with their many other jobs. The principal means of enforcing the Federal boating laws and regulations are by boarding teams composed of personnel from approximately 160 shore units which have about 500 small boats assigned to them and 300 larger vessels. It should be stated that the time any particular unit of those noted above spends on this program varies greatly in accordance with its primary mission. These teams are dispatched to areas of boating concentrations and board primarily for the purpose of examining motorboats for compliance with Federal numbering and equipment requirements. While engaged in this endeavor, they are also available to take action against reckless or negligent operators, to assist those who may be in distress, and to further the educational program. In fiscal year 1959, the Coast Guard boarded about 180,000 motorboats and issued around 14,000 citations. The majority of these citations were for equipment violations such as failure to have the required number of approved lifesaving equipment and fire extinguishers.

One weakness of the above program is the fact that Coast Guard activity is limited in general to those areas within the geographical location of existing Coast Guard facilities. The Federal laws regarding motorboats apply to all the navigable waters of the United States. Many of these waters are located out of range of existing Coast Guard units. In an attempt to provide both law enforcement and educational activity to these areas remote from existing facilities the Coast Guard has obtained fiscal year 1961 funds to establish 20 mobile boarding teams. These teams will consist of four enlisted men, a lightweight outboard motorboat with trailer, and a vehicle suitable for hauling both personnel and trailer. They will travel overland from one water area to another, operating in each area for various lengths of time, depending on local need. Training courses will be conducted for the boating public, boats examined for proper equipment and other Federal boating laws enforced. When one area has been covered, the team moves on to another. In this way one unit can serve many different boating areas which, in themselves, do not warrant a permanent establishment.

The provision in the Federal Boating Act of 1958, which authorized the Coast Guard to impose a penalty of $100 on one who operates his vessel in a reckless or negligent manner, is considered to be most important as an aid to effective law enforcement. Prior to the enactment of the above act, an operator cited for reckless or negligent operation could

only be proceeded against under a criminal action. This procedure was cumbersome and could be used only for very aggravated cases. Now appropriate action can be taken against those whose actions are not serious enough to warrant criminal action, although the means exist for such action.

In the 6-month period beginning May 1, 1959, a total of 217 citations were issued which charged individuals with reckless or negligent operation. Of these 217 cases, 215 were processed or are being processed for Coast Guard action, while only 2 were of such nature that referral to the Department of Justice for possible court action was deemed appropriate.

Marine regattas are another area in which the Coast Guard promulgates and enforces regulations for the safety of boating, as previously mentioned. In fiscal year 1959, 1,243 missions were conducted by vessels and aircraft of the Coast Guard in the carrying out of this responsibility.

As described in discussing the act of April 25, 1940, the Coast Guard issues licenses to operators of motorboats carrying six or less passengers for hire. The present figures indicate that there are some 25,000 motorboat operators' licenses in effect.

Under Public Law 519, which was also referred to, which applies to vessels carrying 7 or more passengers for hire, the Coast Guard has issued 3,859 certificates of inspection to such vessels, and has issued 14,841 licenses as operators of small passenger vessels.

MOTORBOAT NUMBERING

One of the responsibilities under the Federal Boating Act which was delegated to the Coast Guard was the establishment of a nationally uniform system for the numbering of undocumented motorboats. This became the pattern by which the compatibility of all State systems is determined. It established uniformity as to numbering pattern, size, and legibility of all boat identification numbers displayed, including their location on each side of the bow and prohibiting any other number being shown. The Coast Guard had the task of numbering approximately up to 1 million boats beginning on April 1, 1960. The remaining millions of boats will be numbered by States having approved numbering systems.

The Coast Guard met the problem of numbering boats with a commonsense approach that whenever the owner of a boat has made application for a number and has paid his fee, he is in compliance with law and should not be hampered in the enjoyment of his boat. The problem of distributing the forms for application was solved with the cooperation of the Post Office Department, so that the owner of any motorboat required to be numbered by the Coast Guard will find the application in any first- or second-class post office, plus third- and fourth-class offices in States where the Coast Guard is responsible for the issuance of the numbers. There he can pay the fee by the purchase of a special $3 boating stamp, and the stub of his application—with a portion of the canceled stamp thereon—serves as a temporary permit under which the boat may be legally operated without further delay. The post office forwards all such applications to a newly established Coast Guard unit where all numbers be awarded. Production is so arranged that 10,000 embossed, indestructible, plastic pocket-size certificates can be issued per day, and mailed to the boatowner.

The numbering provisions of the Federal Boating Act of 1958 were not made applicable to Puerto Rico, the Virgin Islands, or Guam, but these areas should be incorporated into the act by early congressional action.

ACCIDENT REPORTS AND INVESTIGATIONS

As referred to earlier, Mr. Bonner's report stated that accurate and dependable statistics regarding boating accidents are almost nonexistent. Within the perimeters of the Federal Boating Act of 1958, the Coast Guard has taken direct and definitive action to compile statistics regarding pleasure boating accidents, which will become more important in future years in forecasting trends and highlighting areas needing special attention.

From the reports received to date, as well as those expected in the future, the Coast Guard will soon be able to release statistics showing the frequency of accidents according to the waters on which they occur, the age and experience of the operator, the length, construction, and propulsion of the boat involved, the type of accident, and the results—in deaths, injuries, and property damage. From this information the Coast Guard will be able to determine the major cause in a majority of the accidents reported. States having approved numbering systems are cooperating with the Coast Guard in this matter and that many States have used the Coast Guard boating accident report form as a model for their accident reporting systems. By the use of similar standards by both the Coast Guard and the various States, as contemplated by Congress in the Federal Boating Act of 1958. It should be possible to evaluate all statistics and reach logical conclusions whereby to improve boating safety.

As a followup to accident reports, the Coast Guard investigates serious boating accidents occurring on the navigable waters of the United States under the broad authority granted in R.S. 4450, as amended. Under this important duty, which was previously described in detail, the Coast Guard seeks to pinpoint the cause of the accident through the use of marine boards of investigation or trained investigators, and requires the witnesses to give sworn testimony, and witnesses and records may be subpenaed if necessary.

Based on boating accident reports received to date by the Coast Guard, a total of 2,750 accidents were reported between March 10 and December 31, 1959, which involved uninspected motorboats and other uninspected vessels used for pleasure or recreational purposes. Unfortunately, all too often accident statistics become mere numbers because we are not personally involved. The 2,750 reported accidents revealed some very distressing information: 408 persons lost their lives—358 by drowning and 50 by other causes—while 788 persons were injured and incapacitated for more than 72 hours. Capsizing was the most frequent type of fatal accident reported, causing 33 percent of all fatalities reported. Sixty-three lives were reported lost when their boats disappeared and it is presumed that they drowned. Twenty-four persons drowned when their boats sank. The largest number of accidents reported for a particular month occurred in July, with August and June next in order of frequency.

Probably the most shocking of all the tragic accidents occurred on September 22, 1959. While vacationing on Lake McKeever in the Upper Michigan Peninsula, 3 adults and 10 children "piled" into a 12-foot outboard motorboat. They all wanted to go in the same boat because it would be "more fun." This lake was familiar to them because they had been there many times to pick wild cranberries. No preservers were carried in the boat and none of the children had been provided with life preservers, even though many were unable to swim. When the boat was approximately 40 feet from shore it capsized. The only survivor was the father of the children who clung to the overturned craft. He was unable to save his wife, or any of his 10 children, or his 64-year-old brother. The negligence in overloading this 12-foot motorboat is obvious.

At church picnics we think of having fun, and another accident illustrates how easily fun can turn into tragedy. On May 25, 1959, on Lake St. Clair, five young persons were drowned while three girls were saved because a 16-foot motorboat capsized. This tragedy is attributed to a lack of boating knowledge. The following morning the three survivors were found clinging to the overturned motorboat.

In contrast with this accident was the reported accident off Moorehead City, N.C., last September. In this instance, a 19-foot motorboat struck a submerged object and capsized with two adults aboard the vessel. Twenty hours after the accident these two persons were rescued, having used their lifejackets, tied themselves together and kept each other awake. They knew that if they survived the night someone would very likely find them. At 6 a.m. the following day a fishing boat found them over 8 miles at sea, although the accident had occurred less than 2 miles from shore.

Tragedies occur so quickly, and chances are you cannot walk away from a boating accident.

REGULATIONS

In addition to carrying out the foregoing functions and programs, the Coast Guard is the principal maritime safety regulatory agency of the Government. The Commandant of the Coast Guard is authorized by statutes in the shipping and navigation and vessel inspection laws to promulgate regulations to further implement and support Federal statutory requirements affecting both inspected and uninspected vessels. In the field of inspected vessels, among which there are numerous pleasure boats, the Coast Guard prescribes requirements for

safety in design, safety equipment specifications, periodic inspection requirements, manning, and merchant vessel personnel examinations and licensing, as well as rules of the road. Regulatory measures with respect to uninspected pleasure boats involve such things as number and specifications for fire extinguishers, number and specifications for lifesaving appliances, numbering of certain boats for identification, proper arrangement and functioning of navigation lights, reckless or negligent operation, accident reporting, the licensing of motorboat operators for pleasure boats carrying 6 or less passengers for hire, and the rules of the road.

In the promulgation of such regulations the Coast Guard is required to conform to the requirements of the Administrative Procedure Act as well as the Federal Register Act. In carrying out these manifold obligations the Coast Guard has established a Merchant Marine Council to consider such matters, to hold appropriate public hearings, and to insure that preliminary coordination with those who will be affected has been established to the greatest possible extent.

One of the many practices employed by the Merchant Marine Council in carrying out these functions is to coordinate matters with groups of experts in various fields through established advisory panels. Two such panels are the Motorboat and Yacht Advisory Panel comprising some 26 experts representing industry, trade journals, and boating associations; and the Advisory Panel of State Officials, which was established last year to assist in cooperative measures with States to implement the Federal Boating Act of 1958 and to assist in carrying out the intent of Congress. I am pleased to report that the State of Michigan has a member on that panel. This panel held an important meeting in cooperation with the Council of State Governments on April 12 of this year, in which some 29 States participated, for the primary purpose of discussion with the Coast Guard specific areas for special cooperation and understanding with respect to the small boat safety program. The next meeting of this important group is scheduled to be held in Chicago on November 28 and 29, and all States are urged to participate.

AIDS TO NAVIGATION

The maintenance of aids to maritime navigation is one of the oldest Federal functions, the work of erecting and maintaining lighthouses being provided for at the first session of Congress by act of August 7, 1789 (the ninth law enacted by Congress). Twelve lighthouses which had previously been built by the Colonies were ceded to the new Federal Government, and became the nucleus of the present aids to navigation system. Over a period of 160 years the number of aids has steadily increased to meet expanding requirements. The United States today maintains 39,515 aids to maritime navigation composed of 56 loran transmitting stations, 196 radiobeacons, 10,352 lights, 22,596 buoys, 578 fog signals, and 5,737 daybeacons.

Aids to navigation are placed at various points along the Nation's coasts and navigable waterways as markers and guides to enable mariners to determine their position with relation to the land and to hidden dangers. They assist navigators in making landfalls when approaching from seaward, mark isolated dangers, make it possible for vessels to follow the natural and improved channels, and provide a continuous chain of charted marks for coast piloting. Used intelligently in conjunction with the charts and light lists, today's system of aids to navigation will assure the safe passage of commercial and pleasure craft through the navigable waters of the United States.

SEARCH AND RESCUE

As most of you know, the Coast Guard is responsible for providing search and rescue services in all waters under Federal jurisdiction. This includes the Great Lakes, most of our navigable rivers, and even some inland lakes created by Federal flood control, irrigation, and power projects.

The boating boom in virtually all sections of the country has placed even greater demands on the Coast Guard's search and rescue capability. In its attempts to keep up with demands for services, the Coast Guard plans, as I have indicated, to establish "mobile boarding and rescue teams" throughout the country, which also will be available for search and rescue. During the past year over 10,000 Coast Guard assistance cases, involving an estimated property value of $50 million, were attributed to pleasure boating. These ranged all the way from conducting a harbor check for the boatman who forgot to tell his wife he would be delayed to a full scale air-and-sea search for a genuine "overdue."

Typical of such cases was one that occurred last summer off Tillamook Bay, Oreg. About noon the local lifeboat station received word that 10 boats were laying to off the bar, unable to cross in, due to adverse sea conditions. A 36-footer was dispatched, but could only advise the craft to tie up to a buoy to await more favorable conditions. Unable to keep track of all the boats, the 36-footer requested further help. The CGC *Yocona* was dispatched from Astoria, Oreg., and on arrival at midnight removed 23 weekend fishermen from their 14- to 18-foot outboards. Needless to say, they were glad to be alive. Eventually, all 10 skiffs were hoisted on board the *Yocona* and at about 5 p.m. the next day the 23 fishermen and their boats were landed safely in Astoria.

COOPERATION OF OTHER AGENCIES

The education and law enforcement programs, the program of the Coast Guard Auxiliary, and the activities of the Merchant Marine Council are an indication of the breadth and scope of the cooperative effort required of the Coast Guard in the field of small-boat safety. This effort extends to all phases and facets of the small-boat field. It includes standardization societies, as well as industry and boating associations, other Federal agencies, and State governments, such as American National Red Cross, Boy Scouts of America, Army Corps of Engineers, National Park Service, National Fire Protection Association, U.S. power squadrons, National Safety Council, American Boat and Yacht Council, and Yacht Safety Bureau.

The Coast Guard has worked closely with the National Safety Council to assist them in a newly proposed program directed toward the promotion of recreational safety. The Commandant of the Coast Guard has appeared at the first recreation boating session of the National Safety Council in Chicago in October of 1958, and Mr. C. S. Greanoff, then national commodore of the Coast Guard Auxiliary, participated in the session in October of 1959.

The Coast Guard has supported the American Boat and Yacht Council in its efforts to develop standards for small pleasure boats. The ABYC seeks to "develop and make available recommended practices and engineering standards for improving and promoting the design, construction, equippage, and maintenance of small craft with reference to their safety." The council at this time has some 40 technical committees at work on as many individual subjects, such as hull materials—wood, reinforced fiberglass, aluminum—helm visibility, guidance for safe loading, cockpits, hatches, distress signals, galley items, fuel systems, electrical systems, glazing materials, definitions, and so forth. Many committees have submitted proposals and a few have been adopted as parts of the objective code. A strong effort to progress this standard development phase this year is in motion.

The Coast Guard endorses the efforts and program of the Yacht Safety Bureau to equip the boating field with the organized means to properly handle a complete program designed to guide the boating public toward safe, well engineered, marine products and boats. Essentially, that program consists of the development of code practices and standards for the safety of boats and their equipment, evaluation and review service for boat materials, items of boat equipment and eventually for complete boats, and a labeling program giving public evidence of adherence to the accepted standards or their intent.

The Commandant of the Coast Guard is a member of both the American Boat and Yacht Council and the Yacht Safety Bureau.

CURRENT STATE PROGRAMS

The Federal Boating Act of 1958 has caused every State to give serious consideration to the boating activities within its borders. To each it is a matter of major concern because, with the efficient trailers and good roads, inland States such as Nevada, New Mexico, Wyoming each have thousands of boats operating upon their lakes and streams. Michigan and New York each have over a million boats. There are well over one-quarter million boats in each of the following States: California, Illinois, Ohio, Texas, Florida and Minnesota.

Twenty-nine States had already passed numbering laws by April 1, 1960, and have probably commenced issuing numbers to at least 3 million boats. Some of these States, notably Arizona, Florida, Minnesota, Montana, Utah, and West Virginia had their system in operation

before the first of the year. Michigan started numbering all boats effective as of March 1, including boats of less than 10 horsepower. A number of the other States also will be numbering boats below 10 horsepower with cutoffs at 6 horsepower or lower. Some are numbering all watercraft, whether power propelled or not. As of June 20, six more States have had their numbering systems approved, and three additional are pending for possible approval by July 1.

Under the Federal Boating Act of 1958 all States with approved systems will furnish the Coast Guard with accident statistics.

FORWARD PLANNING

In a new booklet by the National Safety Council looking toward safety in the future entitled, "Safety in the Sixties," Vice Adm. J. A. Hirshfield, Assistant Commandant of the Coast Guard, has been quoted as follows:

> The increase (in boating) will take place not only on our present waterways, but in vast new areas of water suitable for recreation as a result of new flood-control and irrigation projects throughout the country. Not only will the number of boats increase, but the number of persons taking part in recreational boating will continue to grow. Only 3 years ago it was estimated that 28 million persons took part, whereas last year this figure jumped over 30 percent to 37 million.
>
> The effect of all this expansion will be to multiply problems which already exist on our congested waterways. The boating public will become increasingly aware of the hazards and liabilities involved, as well as the pleasures to be derived. There will be increased demands for boating education, for facilities, and for Federal and State enforcement. There will be increased emphasis by the public and the Government to curb reckless and negligent operation.
>
> The foregoing will result in increased pressure for uniformity of various safety requirements and measures among the several States and the Federal Government. Local and national clinics will devote more and more time and knowledge to the development of appropriate standards for education, for better facilities, and for reasonable regulation and enforcement. The design and construction of pleasure boats will become the subject of standardization on a national level.

Forward planning in small-boat safety will require the continued cooperation and effort by all those having a responsibility in this field. Continued emphasis must be placed on public information and education and upon uniform and appropriate law-enforcement programs. The public information programs of the Coast Guard and Coast Guard Auxiliary should receive continued support by Congress, as should the use of Coast Guard especially trained boarding teams, both for the educational benefits derived and to curb reckless or negligent operation.

The accident report statistics now being compiled must be evaluated to establish the causes and initiate corrective action. The evaluation made should encompass those controls, to which I earlier referred, which the Congress has not as yet found necessary to exercise, particularly with respect to operators' licenses, age limitations, and capacity limitations and seaworthiness of boats.

The Coast Guard should from time to time review the degree of uniformity of boating laws and regulations between the States and the Federal Government which has been achieved and keep Congress advised.

However, the effectiveness of a safe boating program does not stop here, because the same cooperation is essential between the manufacturers, the marine dealers, and the boating association, as well as other interested Federal agencies, under the leadership and guidance of the U.S. Coast Guard.

National Safe Boating Week—focusing attention upon the need of pleasure boatmen to know and comply with safe boating practices and regulations—will get underway Sunday, July 3. The growing success of this annual observance is particularly gratifying to the Coast Guard and its civilian affiliate, the Coast Guard Auxiliary—original sponsors—and to the many who previously have supported the event. The existence of this growing problem of boating safety was recognized several years ago. So, to arouse a high degree of safety consciousness among those not receiving instruction many auxiliary flotillas initiated safe boating weeks in their communities. In 1957 these individual programs were coordinated on a national level. In the 85th Congress it was my pleasure to assist in this important program by sponsoring a joint resolution authorizing National Safe Boating Week as an annual observance by Presidential proclamation.

To legislate commonsense and carefulness into the minds of almost 40 million boatmen is an impossible task. To attempt to do so by education and persuasion is a tremendous assignment and obviously beyond the capabilities of any one organization to carry out alone. A National Safe Boating Week Committee was established to solicit and coordinate the corporation of the marine industry, boating and safety groups. The present membership of the committee includes: U.S. Coast Guard, U.S. Coast Guard Auxiliary, American Boat and Yacht Council, American National Red Cross, National Council, Boy Scouts of America, Girls Scouts of the United States of America, U.S. Power Squadrons, American Yachtsmen's Association, National Association of Engine and Boat Manufacturers, National Safe Boating Association, Outboard Boating Club of America, National Safety Council, National Association of Marine Dealers, Yacht Safety Bureau.

These organizations have provided invaluable support and coordination. The committee demonstrates the effective instrument that can be welded by Government and private groups voluntarily joining in a public service.

I would urge all groups concerned with boating safety: "Don't miss the boat." Join in the numerous activities and promotions of National Safe Boating Week during the week of July 4.

WHEAT LEGISLATION

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. QUIE. Mr. Speaker, now that the Poage farm bill has been defeated, it is still possible to develop wheat legislation this year. The reason I do not include feed grain in this statement is that the Feed Grain Subcommittee of the House Agricultural Committee never held hearings this year, nor did the full committee ever consider any type of feed grain proposal—only the system whereby the development of legislation as proposed in title 2 of the defeated bill would be left to nine men outside of Congress. I have a feed grain proposal which I offered yesterday as an amendment but which never came to a vote. Even though I believe this to be the first-step solution to the feed grain problem, I know it would be impossible to push it further.

The Senate recently passed a wheat bill which our House Committee on Agriculture could immediately begin work on—changing it any way the committee, in its wisdom, desires. The most crying need for legislation at this late date is a bill to remedy the wheat problem. If we would put any personal or political purposes we might have aside and get at the work of developing an economically sound bill along the framework of the Senate wheat bill, this Congress could write a good record for farm legislation this session, as the people of the country expect us to do.

JOHN F. FLOBERG

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOSMER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOSMER. Mr. Speaker, our Government today is losing one of its most brilliant and able public servants in the departure of John F. Floberg from the Atomic Energy Commission for private employment as general counsel for the Firestone Tire & Rubber Co.

A political independent, Commissioner Floberg has well served both Republican and Democratic administrations in civilian capacities. He also served bravely, honorably, and effectively in World War II as an officer of the U.S. Navy for almost 6 years.

Those of us on the Joint Committee on Atomic Energy who have worked closely with Jack Floberg over the years have developed great respect for his brilliant, retentive mind and for his solid commonsense and judgment. We have seen him perform outstandingly as the Commission's expert on foreign relations and dealings. We have come to trust his words and his opinions on all phases of atomic development as those expressed by a highly intelligent, disciplined mind from a background of extraordinary knowledge.

Although all of us who know him wish him every continued success in his return to private life, I believe we share a hope that again, at some future time, the Nation may gain further substantial benefit should he ever consent to return to public life.

The following are pertinent portions of Commissioner Floberg's biography listed in Who's Who in America:

Floberg, John Forrest, lawyer and Government official; born in Chicago, Ill., October 28, 1915; son of Frederick Oscar and Emily (Jurney) Floberg; graduated Loyola Academy, 1932; A.B., Loyola University, 1936; LL.B., Harvard, 1939; married Cecilia Elizabeth Spencer, January 8, 1944. Member editorial board, Harvard Law Review, 1937–39. Admitted to Illinois bar, 1939, District of Columbia bar, 1953, practiced with Kirkland, Fleming, Green, Martin & Ellis, Chicago, 1939–41, 1946–49, same firm in Washington, 1953–57; member Atomic Energy Commission, 1957–60, Assistant Secretary of Navy for Air, 1949–53. Commissioned ensign U.S. Navy, 1941, and advanced through grades to lieutenant commander, 1945; executive and commanding officer U.S.S.S.C. 770, 1943; gun officer, U.S.S. *Goss*, 1944–45; executive and commanding officer U.S.S. *Bivin*, 1945–46; member Air Coordinating Commission, 1951–53; member Research and Development Board, 1951–53; counsel, second Hoover Commission, 1953–54; member of the American, Illinois, Chicago, and District of Columbia Bar Associations.

MEDICAL CARE FOR THE AGED

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROBISON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ROBISON. Mr. Speaker, in the separate views of the gentleman from Illinois [Mr. MASON] and others to the committee report accompanying H.R. 12580—Social Security Amendments of 1960—we find this statement:

We are not unmindful of the obligation of our society through individual effort and public and private programs to safeguard not only our aged but indeed every citizen against illness and infirmity that cannot be met, for one reason or another, through self-help.

That statement, in good measure, sums up my own position on this particular problem of America, 1960, throughout these past several months when we in Congress have witnessed something comparable to the drive organized by Dr. Francis Townsend in the 1930's for old age pensions. Four months ago it would have been difficult to find more than a handful of people outside of Washington who had ever heard of the Forand bill, which has been kicking around Congress for a number of years in its various versions, and even mighty few forecasters who would have predicted that this issue of health insurance for the aged would become either an urgent legislative problem or even a great political issue.

Nevertheless, even as Dr. Townsend served as the catalyst that, in great measure, gave impetus to our present farflung social security system and much of the other social welfare legislation now on the Federal statute books, so has Mr. Forand's proposal—perhaps even to his own surprise—served to focus much of the attention of all our citizens on this one problem faced along with many others by our senior citizens. The difficulty, as this has developed, has been not to allow oneself to be stampeded by the many self-appointed "Pied Pipers" in and out of Congress who have sought, for various reasons, to embark this Nation down new and unmarked paths that might be as hazardous as they were appealing. Those of us who have sought to run up what we thought were responsible warning flags have been accused of not only being against mother, but against her even when she is sick. It has not been a pleasant, nor a particularly reassuring experience when viewed from what one hoped was a position of legislative maturity.

As the letters and postcards bearing Biblical phrases, such as "Cast me not off in the time of old age," came pouring in in ever greater quantity and the panicky elements in both political parties vied with one another to see which one could "get thar fustest with the mostest" sort of plan, it began to look as if this issue, which by now was squarely on the election auction block, was going to receive not the long, cool look it deserved, but, instead, a rapid prescription in lieu of a careful diagnosis, which prescription by experience might well prove to be either ineffectual or conceptually in error. We reckoned not, however, with the cooler heads on the House Ways and Means Committee, and particularly with its very able and distinguished chairman, the Honorable WILBUR MILLS, from Arkansas, for whom, as a result of what he has been able in great measure to achieve here, my personal esteem has gone up a considerable number of notches.

Mr. MILLS' committee held long and difficult hearings, under even more pressure than we as individual Members of the Congress experienced, delving into this subject. It held a number of key votes, from which it became apparent that while the motivation behind the Forand proposal was of considerable merit, its approach to the problem involved some questionable issues, at least in the minds of a majority of that committee.

The economic problem of medical care in the United States has been steadily growing in magnitude. As the consumer price index, which for a time had been soaring off into outer space, slowed down to a more traditional climb from 113.5 in 1952 to 124.6 in 1959, a closer look at its component parts disclosed that the principal elements in that rise in prices were not in the area of food and clothing, as most people would have believed, but for such things as rent, transportation, and, in particular, medical and personal care. In the medical field, this seems to be because costs have had to keep pace with the rising standards of medical knowledge. There is nothing surprising about that, and the fact that all this bore the heaviest upon the older Americans goes without saying. With generally lower incomes than in previous years, they faced a virtual inevitability of increasing need for medical care.

Once this would have been regarded as an individual or a family responsibility. In modern-day America, however, in line with much of our other thinking as to the proper role of the Federal Government, it is a thing of community concern. I am not sure that this is good; I only know that it is so. As a result, although we already have certain cooperative devices, such as social security itself, group insurance plans, pension and other arrangements by private industry for its employees, medical help for veterans, and municipal and voluntary hospitals and clinics to cushion the effects of illness and age, and although the Federal Government is already committed to spending upwards of $3 billion a year in the health field, the public mood is such that it is almost a foregone conclusion that more is expected, if not, indeed, demanded.

It was our responsibility as legislators, as I see it, in trying to meet that demand, to seek to find and correct the certain inequities and shortcomings in the complex system of public-private efforts already existing in this field, but, at the same time, to only act if possible within the framework of existing governmental concern, preserving certain important values which would surely be lost—in terms of the quality of medical care, the personality of the individual and the effect upon the public purse—by any overall Federal commitment wherein Uncle Sam took upon himself the whole responsibility for the health care of everyone receiving social security benefits.

The Ways and Means Committee proposal, as embodied in H.R. 12580, answered, in my judgment, that call for such responsible action. It assigns to the Federal Government less responsibility and control than do any of the other proposals that have been advanced. It is a voluntary, not a compulsory plan, in its every aspect. It preserves the vital and traditional private relationship between doctor and patient. It leaves wide latitude to the States in their choice of a program to qualify for matching funds. It is the least costly of all the plans, and yet, if the States rise to the occasion, it will meet the present need. It makes no attempt to appeal to all the millions of aged persons, but instead seeks to meet the truest needs, which, after all, should be our aim. Perhaps that is its highest recommendation—that it is more responsive to need and less to political appeal than any other proposal that has yet been made.

I congratulate the committee, and particularly Mr. MILLS, for having brought this proposal to us. I have supported it, and the great majority of my colleagues have done the same. At the same time, I do not know what its fate will be in the other body. If, as rumors indicate, an attempt is made there and successfully, which carries on, through a conference, to the White House and the President's desk a bill which seeks to meet this same public demand through tampering with social security taxes a certain veto will ensue. In my judgment

that veto would be sustained, and perhaps that will make some people happier for they will then have, at the expense of the older citizen of America who needs and deserves our assistance, a "hand-forged" political issue which is not in the best interests of this Nation.

As for the rest of H.R. 12580, while a complex and lengthly measure, it would seem to have had due and proper committee study and to have likewise been fully worthy of our support. I do regret that the committee did not see fit to consider action on my bill, H.R. 2429, to raise the earnings limitation for retired persons from the present $1,200 to $1,800, which I think is long overdue, but I can understand that this perhaps cannot be done within the existing revenue limitations of the trust fund and the natural reluctance of the committee to raise the tax on earnings in this election year. Nevertheless, I hope that this particular issue will receive additional study and favorable action in the near future, as surely this would be one way in which to alleviate the problems faced by our senior citizens in areas broader than that posed simply by the need for adequate medical care.

I particularly approved the removal of the present 50-year restriction on disability benefits, which would bring into the benefit class an estimated 250,000 disabled workers whose need for protection, in many cases, is greater even than that of the older disabled person. That this can be done within the actuarial soundness of the program, and at the same time permit a saving in public-assistance funds estimated at $28 million in the first year is ample evidence of the wisdom of this move.

PUBLICITY ON EXPENSE ACCOUNTS OF CONGRESSMEN

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. BURLESON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BURLESON. Mr. Speaker, all of you are aware of the unfavorable publicity recently heaped upon certain Members of this body, as well as the criticisms of the system of reporting and making public expense accounts of individual Members.

It is not my purpose to defend, excuse or reply to recent articles in newspapers and magazines which have attacked many of you and myself. In the first place, not many people are really interested in explanations, and second, it is our own fault that we have a system which permits the "bounty hunters" to sell half truths and insinuations to publications who have an ax to grind and an ulterior motive to accomplish.

Your House Administration Committee has now taken action to correct procedures, which not only should prevent indiscretions on the part of Members and committees, but which I think will be a greater guarantee of freedom of information.

As now provided, it is only practicable for a well organized group of newspaper and magazine reporters to make a proper search of the records. It is not possible for a single reporter to do very much in the way of getting a story for the paper he represents. The legitimate and conscientious reporter, which constitutes the vast majority here around the Capitol, is not only at a disadvantage but is in an impossible position in comparison to the "bounty hunters" who make it their special mission to only get the part of the story for sensationalism.

The House Administration Committee has now revised our rules and regulations in a way calculated to give full information to the public and all news media on equal terms. As adopted by the Committee on House Administration, the allowances for Members' expenses, when in a legitimate travel status, is the same as applicable to Government employees and the U.S. Senate. It provides for a per diem at $12 per day, with the provision that if the chairman of the committee of which the Member claiming expense belongs requests prior approval from the House Administration Committee, up to $25 a day may be allowed. In this instance it is necessary that the Member report in itemized detail the supporting data of his expenses to his chairman. When the chairman of the particular committee approves the account he submits it to the House Administration Committee. In such an instance the committee is asking that the General Accounting Office conduct a preaudit and recommend approval or disapproval by the committee before a check is issued on the voucher.

When accounts are approved they will again be audited within the criteria layed down by the committee for legitimate expenditures, and if approved, the check is issued to the payee. Thereafter, the General Accounting Office will again conduct their postaudit and the Clerk will make his annual report to the Speaker of the House, who will then refer the report to the House Administration Committee, as is now the procedure. The entire report of the Clerk of the House will be printed in one bound volume and made publicly accessible.

Mr. Speaker, the Committee on House Administration further proposes to have the current fiscal year expenditures printed in this manner, and also those for prior years as far back as it is indicated there may be interest. At the present time we expect to start with the fiscal year 1959.

As these efforts proceed we may find other actions appropriate which will give stricter accounting and more available information for the protection of every Member of this body. I know that the Committee on House Administration will have the cooperation of all Members, and especially the chairmen of the various committees upon whom devolves the responsibility of first authorizing the activity necessitating travel and expenses, and second, in carefully checking reports to see that they are within the criteria layed down and within the strict scope of activity which they previously authorized. There is no merit in placing the blame on staff people for having heretofore handled these matters in a somewhat routine matter. Our staff people have only done what we authorized and permitted. It would be most uncomplimentary and most unjustified to charge them with responsibility which can only be our own. We all have more than we can do with the duties imposed upon us by the Office, but it is simply a matter of doing more.

This is not a new proposition by any means. For more than 5 years we have considered these matters at intervals, with the knowledge that reforms should be instituted. Under the pressure of necessary business, we have delayed. I suppose we should give credit to the sellers of the type of propaganda lately published for lending impetus for the correction of this situation. It is unfortunate that by so doing, they are able to destroy a degree of confidence in the people's elected officials far greater than a subversive group working in our country toward that purpose.

In addition, Mr. Speaker, I have introduced two measures providing for the detailed accounting by individual Members of so-called counterpart funds spent in foreign travel. These measures have been referred to the Foreign Affairs Committee since they propose to amend the Mutual Security Act which, of course, is under the jurisdiction of that committee.

One of these measures is fundamentally the same as the amendment in the legislative appropriation bill just passed by the Senate. I have introduced this measure in the hope it will lend support to the Appropriation Committee conferees of the House to accept the Senate amendment. In the event the amendment is not accepted, then I propose it be considered separately by this body.

The second measure is applicable only to the House of Representatives and does not include the Senate, which gives a choice of procedures.

These two measures settle, once and for all, this particular controversy, although with experience neither may be found perfect. It does, however, differ from the present provision which requires that the committee submit a complicated report of total expenditures rather than by individual Members.

THE CITY THAT REFUSES TO DIE

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. ULLMAN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I rise to comment briefly on a bill I am introducing today and to pay tribute to a city which is exhibiting the sort of heart and spirit that is characteristic of the best in the American character. The city of Umatilla, Oreg., is located on the Oregon shore of the Columbia River. On occasion it refers to itself as the "hub city for the Columbia River Basin." It might also be called the city that refuses to die.

Ten years ago, Mr. Speaker, Umatilla was a relatively small but important

transportation center for its geographic area. It had terminal status for the main line of the Union Pacific Railroad and it was, as well, a terminal point for trucking, barge and oil transportation facilities, and the site of a major grain elevator. It was a city that could, with confidence, expect continued growth as the industrial potential of northeastern Oregon was developed. With its importance as a transportation center and its strategic location on the river, it could expect industry to look with favor on it as an advantageous site for locating.

Today, the city of Umatilla is in a fight virtually for its existence. Its terminal status for rail and truck transport is practically gone. Its population is greatly reduced and its local government has been faced with increasingly severe revenue problems as the city's economy has gone downhill.

What happened? Ironically, the very development of the Columbia River's resources which means so much to the growth of the area has had certain side effects which threaten to cut off the city of Umatilla from its logical part in that growth. It began with the construction of McNary Dam and the relocation, as a part of that project, of the rail facilities to a new route, some 13 miles east of the city. This move was unsuccessfully fought by the city and resulted, as they had feared, in a sharp blow to their economic situation. As I have indicated, river and trucking transportation facilities, and especially those concerned with petroleum distribution, have been virtually eliminated. New pipeline facilities in the area have also contributed to this result.

The consequences for Umatilla can be indicated by the following facts. Population has fallen by more than 25 percent in the past 10 years, while that of the rest of the county was increasing. The loss of employment and payroll consequent upon the relocation of the railroad, the severe cutback in other transportation facilities, and the completion of construction of McNary has naturally been substantial. The city's tax base suffered a major reduction at the same time that needs and costs here, as in other communities, were rising sharply. Total assessed valuation in the city itself fell by about 25 percent between 1952 to 1953 and 1959 to 1960. In the school district the effects were even more drastic, with assessed valuation dropping by nearly 50 percent. Coupled with increasing school costs, the millage for the district more than doubled in this period.

The people of Umatilla have not opposed continuing development of the Columbia. Though they feel that the construction of the project should have taken more account of adverse effects on the city, particularly in relation to the removal of the rail line, and that they should not be forced to suffer economic dislocation without some consideration, they recognize that change is both inevitable and desirable. Their spirit is exemplified by the way in which they turned their attention to the challenge of change and exerted their efforts to rebuild their economy and continue to take part in the economic growth of the region. After the completion of McNary Dam, the city secured, through legislation which we in Congress enacted, the land of the McNary townsite for use as an industrial development site. It was leased to a steel products firm which is manufacturing trailers there. In spite of the setback which had been suffered, Umatilla continued to face the future with courage and confidence.

The initiation of still another major dam on the Columbia, the John Day project, was seen by the city as a new challenge and opportunity. They had already set out to develop port facilities on the McNary pool and with the prospects of the John Day pool also reaching up to Umatilla's river frontage, it was felt that further development of the city's industrial potential would be possible. A new and even ruder shock awaited Umatilla, however, again stemming from what they justifiably feel is a lack of consideration for their legitimate interests in the way the project is being planned.

The John Day pool would flood out a portion of the present city. The people of Umatilla expected that, in the course of events, the Corps of Engineers would acquire the threatened acreage and the city would still be left with pool frontage which could be developed as further port facilities and that the adjoining area would constitute a natural industrial site. The corps determined, however, that it would cost less to protect the threatened acreage with a dike than to acquire it. Such a dike, though it would fulfill the corps' responsibility to protect the area from flooding, would completely cut off from the pool the portion of Umatilla lying behind it and destroy the city's hope for meeting this new challenge of change and turning it into an opportunity for economic growth and full development of the city's potential for again being a transportation and commercial center of some importance.

I have conferred at length with representatives of the Corps of Engineers on this problem. I fully understand that their choice of the dike is based on the existing general legislation covering the construction of such projects. At the same time, I feel that such a course, if continued in, would be grossly unfair to the people of Umatilla and would, in fact, not represent the best use of economic resources. Industrial development on the John Day pool front such as is hoped for by Umatilla would be valuable to the economy of the whole region. It makes economic sense, in my opinion. For those reasons, I asked the corps to prepare a draft of the necessary legislation to authorize a fill of the threatened area in lieu of a dike and to provide that this area, when so protected, would be returned to the city of Umatilla for its development in accordance with its plan to rebuild its economy and take a renewed lease on life.

I am today introducing a bill based on that draft legislation. In my opinion, this legislation is fully justified on two basic grounds. First, it represents appropriate recognition of the fact that in developing the resources of the Columbia River, we have threatened a city and its people with economic ruin. It should not be the policy of our great Nation to disregard the tangible and intangible effects of these projects on the city of Umatilla. To do so, would be, in effect, to saddle this community with an unfair share of the economic costs of river development. It is unfortunate perhaps that our existing legislation does not adequately provide for an allocation to a project of these indirect costs. Certainly, the total economic return from the projects is great enough to warrant their construction in spite of the temporary economic dislocation which may result. Umatilla recognizes this. They ask only that they not be forced to carry the full burden. They ask instead that the project be modified to eliminate this side effect on them and to furnish in its place an economic opportunity which they feel they are fully capable of utilizing.

Second, I regard this bill as desirable because, as I have indicated, it seems to me that the project with a potential for increased port and industrial facilities at Umatilla is a superior project, economically, to one that does not have such a potential. The traditional way of preparing a feasibility report may not allow for a specific dollar-and-cents accounting on this point, but it appears to me that its economic soundness is clear.

This legislation is not without precedent. This Congress last year enacted legislation relative to the city of Arlington, Oreg., to make possible a fill and a relocation of a portion of the city in place. The legislation introduced today is, in fact, patterned on this existing public law.

In conclusion, Mr. Speaker, I ask my colleagues to give careful and sympathetic consideration to the proposal I am making. It deserves favorable action, I believe, on the basis of equity and economics. It is, moreover, an opportunity for all of us to pay tribute to the initiative, courage, and tenacity of the people of Umatilla, a city that refuses to die and asks merely that we give it a chance to live.

COMMUNIST ACTIVITY IN THE UNITED STATES

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. WALTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. WALTER. Mr. Speaker, the bill which I have just introduced, prohibiting Communist lawyers from practicing in the Federal courts, in executive departments and before congressional committees, is designed to cope with one of the serious problems of Communist activity in the United States.

Several months ago the Committee on Un-American Activities issued a report entitled "Communist Legal Subversion—the Role of the Communist Lawyer." In this report the committee points out

that there is an elite corps of Communist lawyers who use the legal instruments of our society for the destruction of the very government which sustains it.

In the past decade alone, our committee report states, identified Communist lawyers appeared in person before the U.S. Supreme Court or were on the principal brief in at least 32 important cases adjudicated by the Court on some vital issue affecting the operations of the Communist Party itself—but in none of these cases did the Court indicate its awareness that the lawyers who were practicing before it were themselves members of the Communist conspiratorial apparatus. In connection with our committee hearings on other subjects, more than 100 persons who have been identified as members of the Communist Party have also been identified as members of the bar.

I need not emphasize that a Communist operates under an iron discipline which places his party's subversive purposes above professional and personal loyalties. Here are words from a Communist pamphlet:

> A Communist must utilize a political trial to help on the revolutionary struggle. Our tactics in the public proceedings of the law courts are not tactics of defense but of attack. Without clinging to legal formalities, the Communist must use the trial as a means of bringing his indictments against the dominant capitalist regime and of courageously voicing the views of his party.

The Special Committee on Communist Tactics, Strategy and Objectives of the American Bar Association when confronted with these issues urged the disbarment of lawyers who are found to be members of the Communist Party or who invoke the fifth amendment regarding party membership.

RELOCATION OF PART OF CITY OF ARLINGTON, OREG.

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. ULLMAN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. ULLMAN. Mr. Speaker, in the last session we enacted legislation to allow for the equitable relocation of a part of the city of Arlington, Oreg., which was threatened with inundation by the pool which will result from the John Day lock and dam project. As we all know, the usual procedure in such a case is for the Corps of Engineers to acquire the threatened land. This was not feasible in the case of Arlington because the surrounding terrain is such that the displaced people and businesses would have had no place to relocate their homes and establishments.

To meet the needs of the situation, it was provided under the law approved last year that the corps would acquire the land in question and then carry out a fill, raising the area to a safe level. Following this, it is to be returned to the city of Arlington so that homes and businesses can be relocated on it. In brief, it is a relocation in place.

Since enactment of that measure, an aspect of this procedure has developed which is of understandable concern to the city. As is true of most local communities, the city of Arlington has an outstanding indebtedness. In its case the current balance is about $19,000 in general obligation bonds issued to finance water facilities for the community. In addition to this fixed obligation, there are certain regular costs of local government which must be paid, month in and month out—police, fire protection, city administration, and the like.

Again, like most local governments, Arlington depends largely on property taxes as a source of municipal revenue. The problem which has developed is obvious. With the Corps of Engineers taking over for a period of time title to a substantial part of the land in the city, the major source of tax revenues is withdrawn and the city is left without revenues sufficient to meet its fixed obligations. It has been estimated that the land which will be taken over by the corps will account for nearly 80 percent of the taxable property value. This is clearly an impossible situation from the standpoint of the city.

Consultation with the Corps of Engineers reveals that existing law makes no provision for this sort of a situation. For that reason, I have had prepared and am today introducing legislation which would authorize compensation to the city in lieu of the taxes it will lose during the period that the Corps of Engineers has title to land within the city limits. The justice of this proposal speaks for itself, it seems to me. If the people of Arlington were, as is usually the case, relocating on new sites, they would be establishing new taxable property to offset that lost through acquisition by the Corps of Engineers. Legislation such as I am introducing would not be necessary.

In Arlington, however, this is not the case. The situation is such that we recognized last year the need, in equity, to allow for a relocation of the city in the same place. During the period that the fill is in progress then, there will be a temporary withdrawal from the tax base of a large amount of property and this will not be replaced until relocation is completed and title to the property is once more given up by the Corps of Engineers. During the transition period the city's government will have to continue to operate. It will continue to have expenditures which it must make. But where is the revenue to come from during this period? In all justice it must come, it seems to me, from the same taxable base as existed before and will exist again. This is just a part of the cost of carrying out the relocation. I thus regard the bill I am introducing as a necessary amendment to the measure passed last year. I hope that my fellow Members will give it the careful and sympathetic consideration which I know it merits. A failure on our part to act in this matter would put the city of Arlington, through no fault of its own but as a result of a Federal project authorized and directed by the Congress, in a most untenable position.

OUR ISTHMIAN POLICIES MUST BE DEFENDED AGAINST BOLSHEVIST ATTACK

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, on many previous occasions I have addressed the House on the politically important question: Shall the sovereignty of the United States over the Canal Zone and Panama Canal be captured by communistic psychological warfare? So much has already been presented with careful documentation that there is little of prime historical or juridical value that would add to our understanding of the facts or law.

Yet, because of the failure of the psychological elements of our mass media, in what amounts to an effort to confuse our position through a method we are now familiar with and which may be called Communist propaganda, we find ourselves in a situation that is urgent and requires immediate attention. Also, the people of our country are not as well informed as they should be with respect to our obligations and rights at Panama because of a shortage of news circulation on the American side of the Canal Zone sovereignty question.

The failure, Mr. Speaker, has created an intellectual vacuum, which, in a psychological sense, has opened an unguarded field for subversive elements, eagerly engaged in their drives for wresting control of the Canal Zone and Panama Canal from the United States.

In an attempt to correct the situation into which we are drifting and to meet the barrage of violence directed against the United States to coerce our yielding to extortionate demands, I introduced in the Congress a series of concurrent resolutions. This I did acting on the conclusion that the work of combating this strange psychology is left to the Congress of the United States.

House Concurrent Resolution 33, introduced on January 9, 1959, provides for a reaffirmation of our treaty-based national policy of exclusive control of the Panama Canal. House Concurrent Resolution 445, introduced on January 6, 1960, provides for extension of the Monroe Doctrine to include foreign interference in American problems by subversive forces known as international communism. House Concurrent Resolution 450, introduced on January 11, clarifies the question of U.S. sovereignty over the Canal Zone granted under treaty and prohibits agents of our Government agreeing to a formal display of the Panama flag over the zone, unless or until, of course, the present treaty is so modified as to admit of it. Other Members of the Congress, in both House and Senate, have introduced similar measures and made many statements on the Monroe Doctrine and Canal Zone sovereignty questions, without these defensive efforts in our Nation's interests receiving display in our national press at least equal to that for efforts to overthrow our sovereignty by force backed up by mob violence.

The first result of these efforts was the introduction by Representative ARMISTEAD I. SELDEN, JR., of Alabama, of House Concurrent Resolution 459, and its passage on February 2, 1960, after a notable debate, by the overwhelming vote of 381 to 12.

This measure was worded to express the sense of the Congress, "that any variation in the traditional interpretation of the treaties of 1903, 1936, and 1955 between the United States and the Republic of Panama, with special reference to matters involving the provisions of such treaties concerning territorial sovereignty, shall be made only pursuant to treaty."

Though this resolution, House Concurrent Resolution 459, did not specifically mention the demand of Panama for the formal display of the Panamanian flag over the Canal Zone, which would clearly open up a Pandora's box of conflicting sovereignty under the 1903 treaty, this feature was covered by the terms of this resolution and was so intended. As such the passage by the House of this resolution was the first successful step in upholding the just rights of the United States in many years with regard to Isthmian policy matters.

But the House did not stop there. To defend the United States against lawless actions of employees of our Government, on February 9, the House adopted the Gross amendment to the Department of Commerce appropriation bill. This amendment provided that no part of its appropriations should be "used to construct a flagpole, platform, or any other device for the purpose of displaying the flag of Panama in the Canal Zone, the sovereign control of which is vested in the U.S. Government by virtue of longstanding treaty."

This provision has now been enacted into law and would be conclusive as a definite ending of the word battle on this subject if the agents of our Government and our people could be adequately informed through the usual means of communication.

Meanwhile, the Senate, under pressure emanating from the Department of State, did not act on House Concurrent Resolution 459. Nor has the House taken action on the three concurrent resolutions introduced by me, which are still pending before the Committees on Foreign Affairs and Merchant Marine and Fisheries, and which I now urge for action at this session in order that the Congress may do its part in bringing stability at the earliest possible moment in the Canal Zone.

The failure of the Congress to act on the various measures relating to the Monroe Doctrine and Panama Canal sovereignty questions has had unfortunate consequences. As predicted, this failure has been interpreted as weakness and indecision on our part. Also active propaganda against the United States has been revived in the Spanish language press of Panama, with agitations started for another mob invasion of the Canal Zone on November 3, 1960.

That, Mr. Speaker, must not be allowed to happen. I do not desire to have the sterile satisfaction of being a prophet any more regarding our relations with Panama.

Returning now to the three concurrent resolutions introduced by me, when it appeared likely that, because of the appeasement attitude of the Department of State, the Congress would not pass them, on May 3, 1960, I introduced a series of three House resolutions identical with the concurrent resolutions.

House Resolution 515 would extend the Monroe Doctrine to cover intervention through subversion. House Resolution 516 would reaffirm our policy of exclusive control over the Panama Canal, and House Resolution 517 would clarify the question of sovereignty and prohibit the formal display of the Panama flag over the Canal Zone.

Despite the fact, Mr. Speaker, that House resolutions do not require either Senate concurrence or Executive approval, the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER], referred House Resolutions 516 and 517 to the Secretary of State for recommendations.

In view of the notorious policy of surrenders at Panama fostered over many years by officials in the Department of State, any reasons for seeking its views as to what should be the sense and judgment of the House seem to be unnecessary. It is fortunate, however that these measures were so referred because the position of the State Department has been revealed.

In two replies, signed by Assistant Secretary of State William B. Macomber, Jr., dated June 2, 1960, and forwarded to me by Chairman BONNER, the Department of State opposed adoption of both of these House resolutions.

As to House Resolution 516 concerning reaffirmation of U.S. policy of exclusive control over the Panama Canal enterprise, Assistant Secretary Macomber stated:

> In the view of this Department, the United States does not have the right under existing treaties to transfer U.S. rights with respect to the Canal Zone to any international organization or to any other country.
>
> Further, should it be determined at any time by the appropriate authorities of this Government that it would be in the best interest of the United States to change the treaty structure between the United States and Panama with reference to the Canal Zone, the appropriate procedure therefore would be through the treaty process.
>
> The Department believes that this resolution is unnecessary and therefore recommends that it not be adopted.

With the statements of law and facts in this letter, Mr. Speaker, I heartily concur, but as to its conclusion, I emphatically disagree. The purpose of House Resolution 516 is not to establish our legal rights at Panama, but to make definite what the law is and to serve notice on the world of our firm intention to stand by our solemn treaty rights and obligations.

If the Department of State, by vigorous public statement about matters of our Isthmian policy of the quality of those of Secretaries Hay and Hughes, had made clear what our policies are, House Resolution 516 would, indeed, be unnecessary. But this the Department has not done and our position has become jeopardized by unanswered hostile propaganda aimed at wresting control of the Panama Canal from the United States. This, Mr. Speaker, I wish to emphasize is a prime Communist objective, which is apparently agreeable to elements in our Department of State.

The failure of the Department in this vital policy question makes imperative that the House, as a coordinate branch of the Congress, act along the lines outlined in House Resolution 516 to reaffirm our historic and tested policy of exclusive control of the Panama Canal. Without such policy the canal could never have been built and could not now be successfully maintained, operated, sanitated, and protected.

In this general connection, I do not mean to say that the Department of State intends to interfere with an established policy but I do say that it is incumbent on this Department to make clear whether such is or is not its intent. Its silence certainly encourages, in the greatest degree, the radical Panamanian policies on this subject.

As to House Resolution 517 clarifying Canal Zone sovereignty questions and prohibiting the formal display of the Panama flag over the zone, Assistant Secretary Macomber commented as follows, particularly with respect to the "resolving" clauses:

> So far as paragraph (1) thereof is concerned, it should be pointed out that on November 24, 1959, Under Secretary of State Merchant reaffirmed and made it clear that the United States recognizes that the Republic of Panama has titular sovereignty with respect to the Canal Zone.
>
> So far as paragraph (2) is concerned, it may be commented that the matter of the possession and exercise of sovereign rights, power, and authority within the zone mentioned in article II of the 1903 convention between the two countries is controlled by article III of the same convention.
>
> So far as paragraph (3) is concerned, the Department knows of no law, treaty, or international usage that would be violated by the United States formal display in the Canal Zone of the Panamanian flag.
>
> On behalf of the executive branch, the Department of State feels the necessity of calling to the attention of the committee the fact that House Resolution 517 bears very directly, and potentially injuriously, upon the relations between the United States and the Republic of Panama.
>
> It is the recommendation of this Department that the resolution not be adopted.

Now, Mr. Speaker, let us look closely at the contents of these two letters. In the light of our knowledge of Isthmian policy questions, they are truly shocking. They have little or no validity except as a rationalization of the belief on the part of their authors that the day of the United States as an independent power must end and that the struggle to maintain the principle that governments derive their powers from the consent to the governed must give way to autocratic dictatorship as the sole rule for the nations of the world to adapt to modern conditions.

More specifically, from these two letters it is obvious that the Department of State does the following.

First. Ignores the grimly grave conditions in the Caribbean, which has become a fourth subversive front with the Panama Canal as the key target.

Second. Intimates that undisclosed appropriate authorities of our Government have in mind a change in the treaty structure between the United States and Panama with reference to the Canal Zone, under an ill-conceived policy of appeasement and surrenders.

Third. States that Under Secretary of State Merchant reaffirmed and made it clear that the United States recognizes that the Republic of Panama has titular sovereignty with respect to the Canal Zone, but fails to define the word titular in its true sense of reversionary.

Fourth. Falls into the trap of political confusion over sovereignty and jurisdiction: by undiscriminating use of the terms "possession" and "exercise" of sovereign rights, power, and authority over the Canal Zone.

Fifth. Supports the formal display in visible evidence of Panamanian titular sovereignty over the zone, despite the prohibition by 1960 statute of the expenditure of Government funds for the purpose of displaying the flag of Panama in the Canal Zone and the oft-expressed opinion of Panamanian leaders that such display will mean full sovereignty by Panama with all its attributes.

Sixth. Expresses the opinion that for the House of Representatives to declare itself with respect to the sovereignty and flag questions would bear directly, and potentially injuriously, upon the relations between the United States and the Republic of Panama a view that contradicts the legal effect of the treaty and which, in the light of the tremendous responsibilities of the United States for the maintenance, operation, sanitation, and protection of the canal, makes it inadvisable to allow any controversies over the rights conveyed to the United States under the 1903 treaty.

Seventh. Recommends that House Resolutions 516 and 517, which are for the purpose of expressing the sense and judgment of this body, not to be adopted by the House of Representatives.

How are these facts, Mr. Speaker, to be interpreted? From the record of United States-Panama relations since 1953, they can only mean that influential elements in our Department of State in their announced efforts to appease, are determined to bring about further surrenders at Panama and to authorize the formal display of the Panama flag over the Canal Zone as an evidence of Panamanian sovereignty. This could only lead to unending controversies inherent in dual sovereignty.

As one who has been in close touch with the Isthmian situation over a period of years, I think that I voice that determination of the people of the United States and their Congress that such ignominious surrenders to political blackmail will not be tolerated.

Not only that, Mr. Speaker, growing numbers of thoughtful people in the United States, Panama, and other countries, have become alarmed by our sustained failures at Panama. They are now asking: What are the infiltrations and influences in the Department of State, which ignoring treaty, statute, international usage, and the imperative need for preserving stability in the Canal Zone, seem set on creating precedents that could only lead to disaster and eventual loss of the Panama Canal? Moreover, Mr. Speaker, there is a growing need for the Congress to identify these influences and the individuals who implement them.

In this connection, I would add that after return of Under Secretary Merchant from his November 1959 visit in Panama, the President, apparently fed inadequate information, did make some unfortunate statements along the lines indicated by Mr. Merchant. Later, however, after the President received more reliable reports, he seemed to return to our historic and tested Isthmian policies, and even urged the Monroe Doctrine before the Congress of Brazil during his trip to South America.

Now the President faces the situation where lower echelon bureaucrats in the Department of State are undermining his proposal for renewed application of the Monroe Doctrine. Such administrative sabotage, Mr. Speaker, is nothing new to experienced observers of Government operations but rather commonplace.

The condition clearly calls for a housecleaning of such elements in the Department of State and their replacement with officials more conscious of their oath of office, which binds them to support and defend the Constitution of the United States against all enemies, foreign and domestic, as well as the just and indispensable rights and authority of the Nation.

As an illustration of the stupidity of allowing the formal display of the Panama flag over the Canal Zone, let us assume that it is hoisted and that later Panama merges her sovereignty or independence in another government, union, or confederation. What flag would then fly?

Such a situation was clearly foreseen by the framers of the 1903 treaty, which specifically provided that in event of change of Panamanian sovereignty the rights of the United States over the Canal Zone and Panama Canal shall not be in any respect lessened or impaired. Why is it, Mr. Speaker, that our officials of today are not equally far visioned?

Corroborative evidence over a long period of time shows conclusively that we cannot expect proper leadership from our Department of State on Isthmian policy questions. The time for action is long overdue. The House of Representatives, as a coordinate branch of the Congress, should take the initiative without further delay and pass the House resolutions setting forth its view on these vital political policy matters.

Finally, let me say, that while the Department of State, for reasons that cannot be understood, takes the position that formal display of the Panama flag in the Canal Zone would mean no diminution of United States sovereignty over the Zone, the whole Panamanian movement for such display is based on the contention that the full sovereignty of Panama over the Canal Zone would be so recognized by the United States and that the final Panamanian objective of nationalization of the Panama Canal would thereby be advanced. In this connection, it is significant that the Department of State has never obtained and, in fact, can never obtain, an official statement from the Panama Government that such formal display of the Panamanian flag over the Zone would mean no more than a theoretical titular, or reversionary interest of Panama in the Canal Zone territory.

What is back of these situations? Is it cowardice on the part of our officials or the treasonable influence of the international Communist conspiracy on the formulation of our Isthmian policies?

In order that the texts of the three indicated House resolutions may be readily available, they are quoted:

HOUSE RESOLUTION 515

Whereas the subversive forces known as international communism, operating secretly and openly, directly and indirectly, threaten the sovereignty and political independence of all the Western Hemisphere nations; and

Whereas the American continents, by the free and independent position which they have assumed and maintained, are not subject to colonization or domination by any power; and

Whereas the intervention of international communism, directly or indirectly, or however disguised, in any American State, conflicts with the established policy of the American Republics for the protection of the sovereignty of the peoples of such states and the political independence of their governments; and

Whereas, such a situation extended to any portions of the Western Hemisphere is dangerous to the peace and safety of the whole of it, including the United States: Now, therefore, be it

Resolved by the House of Representatives, (1) That any such subversive domination or threat of it violates the principles of the Monroe Doctrine, and of collective security as set forth in the acts and resolutions heretofore adopted by the American Republics; and

(2) That in any such situation any one or more of the high contracting parties to the Inter-American Treaty of Reciprocal Assistance may, in the exercise of individual or collective self-defense, and in accordance with the declarations and principles of above states, take steps to forestall or combat intervention, domination, control, and colonization in whatever form, by the subversive forces known as international communism and its agencies in the Western Hemisphere.

HOUSE RESOLUTION 516

Whereas there is now being strongly urged in certain quarters of the world the surrender, by the United States, without reimbursement, of the Panama Canal, to the United Nations or to some other international organization for the ownership and operation of the canal; and

Whereas the United States, at the expense of its taxpayers and under, and fully relying on, treaty agreements, constructed the canal, and since its completion, at large expenditure, has maintained and operated it and provided for its protection and defense; and

Whereas the United States, following the construction of the canal, has since maintained, operated and protected it in strict conformity with treaty requirements and agreements, and has thus made it free, without restriction or qualification, for the shipping of the entire world; and, in consequence of which, with respect to the canal

and Canal Zone, every just and equitable consideration favors the continuance of the United States in the exercise of all the rights and authority by treaty provided, and in the discharge of the duties by treaty imposed: Now, therefore, be it

Resolved, by the House of Representatives, That (1) it is the sense and judgment of the House of Representatives that the United States should not, in any wise, surrender to any other government or authority its jurisdiction over, and control of, the Canal Zone, and its ownership, control, management, maintenance, operation, and protection of the Panama Canal, in accordance with existing treaty provisions; and that (2) it is to the best interests—not only of the United States, but, as well, of all nations and peoples—that all the powers, duties, authority, and obligations of the United States in the premises be continued in accordance with existing treaty provisions.

HOUSE RESOLUTION 517

Whereas, the United States, under the Hay-Bunau-Varilla Treaty of 1903 with Panama, acquired complete and exclusive sovereignty over the Canal Zone in perpetuity for construction of the Panama Canal and its perpetual maintenance, operation, sanitation, and protection; and

Whereas all jurisdiction of the Republic of Panama over the Canal Zone ceased on exchange of ratifications of the 1903 treaty on February 25, 1904; and

Whereas, since the time the United States has continuously exercised exclusive sovereignty and control over the Canal Zone and Panama Canal; and

Whereas, where responsibility is imposed, there must be given for its effectuation adequate authority; and with respect to the Panama Canal the treaty of 1903 so provided; and

Whereas the United States has fully and effectively discharged all its treaty obligations with respect to the Panama Canal and the only legitimate interest that Panama can have in the sovereignty of the Canal Zone is one of reversionary character that can never become operative unless the United States should abandon the canal enterprise; and

Whereas the policy of the United States since President Hayes' message to the Congress on March 8, 1880, has been for an interoceanic canal "under American control," that is to say, under the control of the United States; and

Whereas the grant by Panama to the United States of exclusive sovereignty over the Canal Zone for the aforesaid purposes was an absolute indispensable condition precedent to the great task undertaken by the United States in the construction and perpetual maintenance, the operation, sanitation, and protection of the Panama Canal, for the benefit of the entire world: Now, therefore, be it

Resolved by the House of Representatives, (1) That the United States, under treaty provisions, constitutionally acquired, and holds, in perpetuity, exclusive sovereignty and control over the Canal Zone for the construction of the Panama Canal and its perpetual maintenance, operation, sanitation, and protection; and

(2) That there can be no just claim by the Republic of Panama for the exercise of any sovereignty of whatever character over the Canal Zone so long as the United States discharges its duties and obligations with respect to the Canal; and

(3) That the formal display of any official flag over the Canal Zone other than that of the United States is violative of law, treaty, international usage, and the historic canal policy of the United States as fully upheld by its highest courts and administrative officials; and would lead to confusion and chaos in the administration of the Panama Canal enterprise.

In case anyone has any lingering doubts about Castro's Cuba, I include as part of my remarks just a few news notes on one page of the Evening Star, Washington, D.C., of Wednesday, June 22, 1960.

Also, as a further extension of my remarks today I include a column by Mr. George E. Sokolsky, entitled "Foreign Policy Setbacks," which appeared in the Washington Post on Wednesday, June 22, 1960, as well as a column by Mr. James Marlow, entitled "State Department Showed a Lack of Attention and Understanding," which appeared in the Plain Speaker of Hazleton, Pa., on Wednesday, June 22, 1960:

[From the Evening Star, June 22, 1960]

CASTRO LOOTS CUBA, EX-PUBLISHER SAYS

MIAMI, FLA., June 22.—A former Cuban publisher said yesterday that Fidel Castro not only has betrayed the Cuban people into communism but has robbed them unmercifully.

Writing in the Miami Herald, Amadeo Barletta, until a week ago publisher of El Mundo, influential Cuban newspaper, said:

"The man who strikes Christlike poses, talks of honesty, and is one of the biggest thieves in world history, is nevertheless only a pawn in the hands of the real brain of the revolution, the Communist Ernesto (Che) Guevara.

"Guevara, occupying the Banco Nacional and directing the economy of Cuba, has channeled more than $1 billion into pro-Communist avenues in the year and a half since the revolutionaries took over."

Mr. Barletta wrote that many millions have been hidden away in Switzerland and behind the Iron Curtain for the personal use of Guevara, Fidel, and Raul Castro.

Mr. Barletta said that in his opinion democratic countries should continue to recognize the Communist occupation forces in Cuba as though they were a government.

JAMAICA RAIDS CULT

KINGSTON, JAMAICA, June 22.—Two soldiers were killed and two were wounded yesterday during a military raid on a camp operated by members of the fanatical Rastafari cult. Officials say the group is subversive and has had contacts with the Castro regime in Cuba.

Prime Minister Norman Manley said the bearded cultists are followers of Claudius Henry, leader of a Jamaican-to-Africa movement, who awaits trial on treason and felony charges.

Mr. Manley said the heavily armed cultists opened fire on the soldiers when they entered the camp to search for arms and marijuana. The Rastafarians escaped in a truck and were being sought in the interior of the island.

Mr. Manley reported in a broadcast the raiders found large supplies of guns, dynamite, and knives at the camp.

RED EMBASSY DUE SOON

MEXICO CITY, June 22.—The Russian Ambassador to Mexico, Vladimir I. Baikin, said yesterday the Soviet Union will open an embassy in Cuba before Soviet Premier Nikita S. Khrushchev makes his visit here.

Mr. Baikin made this statement before leaving by plane for Moscow. Cuba and the Soviet Union agreed weeks ago to resume diplomatic relations, broken during the Cuban regime of Fulgencio Batista, but the appointment of ambassadors has not been announced.

CULTURE GROUP IN CUBA

HAVANA, June 22.—The Georgia ballet from the Soviet Union opened a series of appearances here today.

[From the Washington Post, June 22, 1960]

THESE DAYS—FOREIGN POLICY SETBACKS

(By George Sokolsky)

Recently our country has encountered three major international setbacks:

1. Cuba.
2. The Paris summit conference.
3. President Eisenhower's visit to Japan.

The State Department is the agency of our Government responsible for formulating foreign policy, for evaluating data which come to it from many sources; for knowing in advance what events are likely to transpire. The most important men in this mechanism are the deskmen, usually junior officials who are specialists in particular areas or matters and whose reports and memorandums eventually reach those who finalize policy. The State Department is therefore the responsible body that must answer to Congress and to the American people for whatever errors, misinterpretations, incompetences led to the disasters associated with the events. If the men at the top are badly informed, it is the deskmen who passed on incorrect data. The alibi usually is that a man used his best judgment. If his judgment is no good, he should not hold that job.

First, the Cuban disaster. Our Ambassador to Cuba at the time that Fidel Castro seized power by revolutionary means was Earl E. T. Smith. When he was appointed to this office, he was briefed as to State Department policy by officials of the Department and Herbert L. Matthews of the New York Times who has had the reputation of favoring revolutionary groups in Spain and in Latin America. Smith, who is a knowledgeable person, reported back to the State Department on the communistic characteristics of the Castro movement. His reports were ignored. Smith was retired because he was opposed to the extensive support given to Castro by the State Department which was principally responsible for putting Castro in power.

Second, prior to the holding of the Paris summit conference, I, and others wrote that it would come to nothing. Therefore, it is not hindsight to say that there was ample information available to indicate that Khrushchev would have to find a way out of that meeting. In fact various broadcasts from Moscow foretold failure. Nobody could have foretold that Khrushchev would have attacked Mr. Eisenhower with such brutality of language and manner but there was ample evidence in Russian, Red Chinese, and other satellite literature to indicate the course of Russian action. In charge of the desks in the State Department dealing with the summit conference and the President's trip to Russia were Hugh S. Cumming, Jr., Director of Intelligence and Research; T. Achilles Polyzoides, Director of Current Intelligence Indications; Charles E. Bohlen was Adviser on Russian Affairs; Edwin M. J. Kretzmann, Deputy Assistant Secretary for Domestic Affairs.

Third, the Eisenhower visit to Japan. I do not know enough about the current handling of the data from Red China and Japan in the State Department. Years ago, the Far Eastern Division in the State Department was one of the most competently organized and staffed.

It is impossible to believe that so great a storm could have been brewed in the Far East without some advance knowledge on the part of the State Department. What was done about it? What countermeasures were taken?

These questions need to be answered because faith in the efficiency and knowledge of the State Department is again disappearing in this country.

[From the Hazleton (Pa.) Plain Speaker, June 22, 1960]

STATE DEPARTMENT SHOWED A LACK OF ATTENTION AND UNDERSTANDING

(By James Marlow)

WASHINGTON.—The picture of the State Department which emerges from senatorial quizzing on the U–2 spy plane and the Tokyo riots is more than just the poor judgment now admitted.

Secretary of State Christian A. Herter and his Department showed a lack of attention to vital details and a failure to understand both human reactions and Communist tactics.

When the Central Intelligence Agency sent the U–2 on its mission over Russia—just 2 weeks before the summit conference—it was taking a chance, since the plane might be downed and American spying exposed.

The result could have been guessed in human terms. Premier Nikita Khrushchev, who had been preaching good will toward President Eisenhower and the United States, would be outraged. And no wonder.

Such an incident would make him look like a sap before the whole Communist world. While he had been pumping up hope for the summit meeting, the United States was violating Soviet territory.

This goes far to explain his violent reaction when the plane was downed and the pilot captured. He wrecked the summit, called off Eisenhower's trip to Russia, and began a campaign of ridicule against him.

It might have been expected of the State Department—with the summit meeting so close—that it would have been on top of every detail involving Russian relations.

But Herter told the Senate Foreign Relations Committee that neither he nor Eisenhower knew specifically of the disastrous spy flight although they had approved the spy program in general.

Eisenhower was to have gone on to Japan after his tour of Russia. There was good reason to believe that, even if he had a Russian triumph, he might have met with violence and riots in Tokyo.

Communists, laborites, neutralists, and even some conservatives were opposed to the new American-Japanese Defense Treaty. There had been mounting demonstrations against it for more than a year.

This alone—since Eisenhower's safety might be endangered and American prestige damaged—would have been reason enough to call off his Tokyo trip once Khrushchev had canceled his Russian visit. It would have been based on the idea of taking no unnecessary chances.

When Vice President RICHARD M. NIXON made his Latin American trip in the early part of 1958—and ran into anti-American riots—Khrushchev had just become Premier. He had not yet entered his love-America phase.

The Communists were blamed in big part for the anti-American riots against NIXON. That's understandable. The Communist world then was trying to embarrass the United States every way it could.

By the time Eisenhower made his Latin American trip this year, Khrushchev had visited him here, the summit meeting was just a few weeks away, and Khrushchev was soft-pedaling anti-Americanism.

It is probably more than accident that Eisenhower, unlike NIXON, ran into almost no anti-Americanism from Latin American Communists. Moscow, because of the mood prevailing at the time, probably told them to go easy on Eisenhower.

So, if the summit were not a bust and Eisenhower made a triumphal tour of Russia, it could have been expected Moscow would tell Communists everywhere to pipe down when Eisenhower arrived, including Tokyo.

That was about the only reason the State Department should have had for thinking Eisenhower might not run into trouble in Japan. But that reason went out the window once Khrushchev turned on Eisenhower.

Instead, the State Department could have realized the yearlong history of Tokyo riots was a signal to expect more of the same when Eisenhower arrived, particularly since now Moscow could be expected to stir up the Japanese Communists against him.

All these obvious things apparently failed to penetrate the State Department thinking.

Herter told Senators Tuesday his Department didn't expect the Tokyo riots to be so long drawn out or so huge.

"So our judgment was poor?" asked Senator LYNDON B. JOHNSON, Texas Democrat.

Herter replied: "Yes, we misjudged that."

THE NEED FOR MAKING A SWEEPING NEW APPRAISAL OF OUR NATIONAL STRATEGY BRINGS AMERICAN SEAPOWER ONCE AGAIN TO THE FRONT

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. STRATTON] may extend his remarks at this point in the RECORD and may include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. STRATTON. Mr. Speaker, shortly after the shooting down of the U–2 I took the floor of this House to point out to my colleagues that the demands which followed on that event that America get out of its oversea bases were likely to force a thorough-going reappraisal of our whole military strategy, and were inevitably going to increase the emphasis in future years on seapower and naval weapons, as the most reliable source of the military defenses we need against communism. I pointed out that if we were to be deprived of our oversea bases, then our mobile sea-going bases would become absolutely essential to us—not only Polaris submarines, with their tremendous nuclear retaliatory power, but also aircraft carriers with their ability to project American military power quickly into any trouble area, big or small, without the need to maintain a single shore base on foreign soil.

Today one of the Nation's great thinkers, Columnist Walter Lippmann, who, incidentally, once served for a year as a secretary to a former mayor and Congressman from my city of Schenectady, the late Honorable George R. Lunn, has touched on this same subject with an incisiveness and eloquence that I, of course, could never hope to emulate. I believe Mr. Lippmann's column should be carefully read and pondered by all of us who have a share in the responsibility for the safety and security of our Nation. America has built up her command of the seas over many years. It is one brand of defensive strategy where we cannot be bested by any Communist power. In the critical days that seem destined to lie ahead, I believe we must recognize the increased importance of our command of the seas and our naval forces. The alternative to the "peripheral strategy" that Mr. Lippmann seeks is already here at hand in our Navy. Let us be certain to do nothing to weaken this great military force at the very time we need it most for our defense.

The article, from the Washington Post of today, follows:

THE COMING REAPPRAISAL

(By Walter Lippmann)

In the short time remaining to him there is still one great work which the President is uniquely qualified to do. This is to promote and preside over the unavoidable reappraisal, which must in many ways—to use the words of John Foster Dulles—be agonizing. The uprising in Tokyo, which went far beyond mere rioting, and the highly significant demonstration in Okinawa, are unmistakable signs that we must reappraise one of the main conceptions which has shaped our strategy. This is the theory that in order to contain the power of the Soviet Union and of Red China the United States must establish forward bases on the frontiers of the Communist orbit.

The strategical policy of encircling communism with military bases on the periphery was conceived immediately after the Second World War, in the late 1940's, when the United States still had a monopoly of the atom bomb and was not only invulnerable itself but irresistible on the offensive. In 1949 the Soviet Union broke the monopoly, and in the years that followed acquired a nuclear stockpile and the airplanes and missiles to carry nuclear bombs. Then the strategical policy of peripheral containment was bound to become increasingly unworkable. This meant that the time had come for a reappraisal of the strategical policy which rested on our lost monopoly.

The reappraisal was not made and accordingly, the State Department and the Pentagon addressed themselves to the task of persuading and cajoling the peripheral countries to eschew neutralism in the cold war, to line up with us and against Russia and China, and to grant us military bases. A few countries, notably India, refused to participate. But all around the rim of Asia, encircling the Russian and the Chinese heartland, we made alliances and established bases.

To our surprise we found that as we established ourselves on this dangerous periphery, we became increasingly unpopular, and the more arms and money and personnel we pumped in, the more the masses of the people and the intellectuals to whom they listened became neutralist and anti-American and fellow-traveling.

It was stupid of us to be surprised, and very stupid to allow ourselves to think that these ungrateful people would be loving and loyal if it were not for the Communist agitators from Moscow and Peking. We refused to look at the stark and dominating fact that once the Soviet Union had become a nuclear power, the peripheral countries were defenseless. They could not be defended by "massive retaliation" because neither our European allies in NATO nor Canada and ourselves in North America were in a position to defend them against Soviet counter-retaliation.

We may not like to say it out loud, or even to see it at all, but there is a profound weakness in a strategical policy which rests on bases that are indefensible. However much we may choose to ignore this brutal fact, the people of Japan are very much aware of it. So are the people of Okinawa, who could be knocked out with one hydrogen bomb. A policy which puts allies in such a position has to be reappraised. For bases are no good in a country which is terrified and in rebellion because of the danger they create.

Does a reappraisal of the obsolete strategical policy mean a retreat before the expansion of communism, and abandonment of our allies, and the withdrawal of American military power as a deterrent force inside Russia and China? The answer is that it need not mean any of these things, and it should not mean them if the reappraisal is penetrating and thorough, if the action that follows is bold and is wise.

Let us leave aside Europe where the situation is radically different because of the political and economic maturity and the inherent strength of the old nations. In Asia, in the presence of the two Communist giants, the normal and natural policy of a non-Communist country is to be unalined in the cold war. As long as there exists a balance of power among the giants, this is the best defense of the small and the weak against conquest and against intimidation.

Neutralism, with American approval, makes also for good will and influence. India and Burma, and I think Egypt also, show that if we do not try to force these countries to become our military satellites they will welcome our help and advice in their internal development and their resistance to communism.

Parallel with the evolution of our policy away from peripheral military containment, it is the task of the Pentagon to find substitutes for the obsolete and essentially indefensible peripheral bases. There is no real doubt that this can be done, and according to Mr. Louis Kraar of the Wall Street Journal, who has been at Quantico for the recent meeting, the military planners are working on the problem.

Rome, as the saying goes, was not built in a day, and our outdated Asian strategy will not be revised in a day. The rebellion in Asia against our peripheral strategy is undoubtedly mounting. To give the State Department time to reappraise and revise and readjust its relations, and to give the Pentagon time to implement a new strategy, the most effective thing to do would be for the President to put himself at the head of the reappraising. This alone offers some hope of reducing the virulence of the rebellion, a virulence which has its roots in the terror of being the victim of a more horrible Hiroshima.

For obvious reasons, the President is uniquely able to take the lead, and to make the reappraisal and revision his valedictory service to the Nation. It would be an act of magnanimity and statesmanship, and it would lift the task of reappraisal above the election campaign.

The alternative is a dreary one—to pretend with Mr. Hagerty that nothing has collapsed, to go along with Senator DIRKSEN and his nasty innuendoes. For if the President stands pat, and pretends that all would be well but for Mr. Khrushchev's bad manners and the agitators in Tokyo, he will be inviting new troubles as the American position in the Far East crumbles.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ANDERSON of Montana, for period June 24 to July 9, 1960, on account of attendance at Army Reserve field training under military orders.

Mr. MUMMA (at the request of Mr. DAGUE), on account of urgent personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RIVERS of South Carolina, for 1 hour, on Saturday next.

Mr. STRATTON, for 1 hour, on Wednesday next.

Mr. BRAY (at the request of Mr. CHAMBERLAIN), for 15 minutes, on June 30.

Mr. ROGERS of Florida (at the request of Mr. FLYNT), for 20 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. BERRY.

Mr. FARBSTEIN.

Mr. RABAUT and to include extraneous matter.

Mr. HARRIS, to revise and extend his remarks made in Committee and to include extraneous matter.

(At the request of Mr. CHAMBERLAIN, and to include extraneous matter, the following:)

Mr. PILLION in four instances.

Mr. VAN ZANDT.

Mr. GUBSER.

(At the request of Mr. FLYNT and to include extraneous matter, the following:)

Mr. WALTER.

Mr. RUTHERFORD.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2388. An act relating to the separation and retirement of John R. Barker; to the Committee on the Judiciary.

S. 3319. An act to authorize the Administrator of General Services to release the recapture provisions contained in the conveyance of certain real property to the city of Little Rock, Ark., and for other purposes; to the Committee on Government Operations.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4964. An act for the relief of Mrs. Betty L. Fonk;

H.R. 6081. An act for the relief of M. Sgt. Emery C. Jones;

H.R. 6479. An act to provide for the conveyance of certain real property of the United States to the village of Highland Falls, N.Y.;

H.R. 8241. An act to amend certain provisions of the Civil Service Retirement Act relating to the reemployment of former Members of Congress;

H.R. 9443. An act for the relief of Mrs. Ethel B. Morgan; and

H.J. Res. 688. Joint resolution for the relief of certain aliens.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1765. An act to authorize and direct the Treasury to cause the vessel *Edith Q.*, owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States with limited coastwise privileges; and

S. 3019. An act to provide for certain pilotage requirements in the navigation of U.S. waters of the Great Lakes, and for other purposes.

ADJOURNMENT

Mr. FLYNT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 23 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, June 24, 1960, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2291. A letter from the Comptroller General of the United States, transmitting a report on the review of selected motor vehicle activities of the Post Office Department, October 1959; to the Committee on Government Operations.

2292. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a copy of our report of operations for the calendar year 1959, pursuant to the Federal Deposit Insurance Act; to the Committee on Banking and Currency.

2293. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a report relating to real property exempt from taxation in the District of Columbia, pursuant to Public Law 846, 77th Congress; to the Committee on the District of Columbia.

2294. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting copies of reports, which are under oath, showing the purposes for which the exempt property has been used during the calendar year 1958, pursuant to Public Law 846, 77th Congress; to the Committee on the District of Columbia.

2295. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

2296. A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to provide for the withdrawal of certain public lands 40 miles east of Fairbanks, Alaska, for use by the Department of the Army as a Nike range"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. GRANAHAN: Committee on Post Office and Civil Service. Part 2, Supplemental views on H.R. 12595. A bill to clarify

the law with respect to transportation of airmail, and for other purposes; without amendment (Rept. No. 1929). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Interstate and Foreign Commerce. H.R. 11545. A bill to amend the act of October 31, 1949, with respect to payments to Bernalillo County, N. Mex., for furnishing hospital care for certain Indians; with amendment (Rept. No. 1955). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. Senate Joint Resolution 170. Joint resolution to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of U.S. delegates to such convention, and for other purposes; without amendment (Rept. No. 1957). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 8732. A bill to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States; with amendment (Rept. No. 1958). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. Report pursuant to section 4, Public Law 86-89; without amendment (Rept. No. 1959). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report on a long range program for the Panama Canal; without amendment (Rept. No. 1960). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLTZMAN: Committee on the Judiciary. H.R. 11897. A bill to amend section 1073 of title 18, United States Code, the Fugitive Felon Act; with amendment (Rept. No. 1961). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 11135. A bill to aid in the development of a unified and integrated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize creation of a National Capital Transportation Corporation; to authorize negotiation to create an interstate transportation agency; and for other purposes; with amendment (Rept. No. 1962). Referred to the Committee of the Whole House on the State of the Union.

Mr. PROKOP: Committee on Post Office and Civil Services. H.R. 6743. A bill to provide for certain survivors' annuities in additional cases under the Civil Service Retirement Act of May 29, 1930; with amendment (Rept. No. 1974). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 108. Concurrent resolution favoring the suspension of deportation in the cases of certain aliens; with amendment (Rept. No. 1956). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 2069. A bill for the relief of James H. Presley; with amendment (Rept. No. 1963). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6709. A bill for the relief of Mike H. Kostelac; with amendment (Rept. No. 1964). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 10532. A bill for the relief of Carmelo Spagnoletti; with amendment (Rept. No. 1965). Referred to the Committee of the Whole House.

Mr. KASEM: Committee on the Judiciary. H.R. 11128. A bill for the relief of Dr. Hans J. V. Tiedemann and family; with amendment (Rept. No. 1966). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 11327. A bill for the relief of Chauncey A. Ahalt; with amendment (Rept. No. 1967). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 11354. A bill for the relief of James Delbert Hodges; with amendment (Rept. No. 1968). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 11460. A bill for the relief of Edouard E. Perret; with amendment (Rept. No. 1969). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 12398. A bill for the relief of Erwin P. Milspaugh; without amendment (Rept. No. 1970). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 12471. A bill for the relief of Capt. Lucien B. Clark, O2051623, MSC, U.S. Army; with amendment (Rept. No. 1971). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 235. Resolution referring H.R. 6226, a bill for the relief of Catalina Properties, Inc., to the Court of Claims; with amendment (Rept. No. 1972). Referred to the Committee of the Whole House.

Mr. WILLIS: Committee on the Judiciary. S. 2744. An act to extend the term of design patent No. 21,053, dated September 22, 1891, for a badge, granted to George Brown Goode, and assigned to the National Society, Daughters of the American Revolution; without amendment (Rept. No. 1973). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H.R. 12784. A bill to increase the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the U.S. Park Police, and the White House Police, and for other purposes; to the Committee on the District of Columbia.

H.R. 12785. A bill to increase the relief or retirement compensation of certain former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the U.S. Secret Service; and of their widows, widowers, and children; to the Committee on the District of Columbia.

By Mr. HENDERSON:

H.R. 12786. A bill to amend section 205(c) of the Immigration and Nationality Act so as to provide for the denial by the Attorney General of any petition for nonquota status or preference with respect to certain aliens claiming such status or preference by reason of marriage to a citizen of the United States or to an alien lawfully admitted for permanent residence; to the Committee on the Judiciary.

By Mr. JOHNSON of Maryland:

H.R. 12787. A bill to provide that the grave of Anna Ella Carroll at old Trinity Church, Cambridge, Md., shall be a national shrine; to the Committee on Interior and Insular Affairs.

By Mr. MACDONALD:

H.R. 12788. A bill to amend the Federal Aviation Act of 1958 in order to provide for the certification of air freight forwarders; to the Committee on Interstate and Foreign Commerce.

H.R. 12789. A bill to amend the Federal Aviation Act of 1958 so as to clarify the status of air freight forwarders as air carriers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PROKOP:

H.R. 12790. A bill to provide post office boxes without charge to certain patrons of post offices without delivery service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ULLMAN:

H.R. 12791. A bill to modify the John Day lock and dam project, Oregon, to authorize the Secretary of the Army to provide for the raising of the level of a portion of the city of Umatilla, Oreg., and to thereafter convey the filled lands to the municipality; to the Committee on Public Works.

H.R. 12792. A bill to provide for reimbursing the city of Arlington, Oreg., for the loss of taxes on certain property acquired by the United States in connection with the John Day Dam project; to the Committee on Public Works.

By Mr. WALTER:

H.R. 12793. A bill to amend the Subversive Activities Control Act of 1950 so as to prohibit members of the Communist Party from appearing as counsel before executive departments, congressional committees, or certain courts of the United States; to the Committee on Un-American Activities.

By Mr. BURLESON:

H.R. 12794. A bill to provide that additional information shall be included in certain reports relating to the use of foreign currencies, and for other purposes; to the Committee on Foreign Affairs.

H.R. 12795. A bill to provide that additional information shall be included in certain reports relating to the use of foreign currency required to be submitted to the Committee on House Administration of the House of Representatives, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MOORE:

H.R. 12796. A bill to amend section 503 of title 38, United States Code, to provide that, at the election of the beneficiary, lump-sum payments of past due monthly payments may be considered as income for the months for which due; to the Committee on Veterans' Affairs.

By Mrs. PFOST:

H.R. 12797. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the State of Idaho as a Territory; to the Committee on Banking and Currency.

By Mr. CLEM MILLER:

H.R. 12798. A bill to provide for the conveyance of certain lands which are a part of the Fort Baker Military Reservation in California to the State of California; to the Committee on Government Operations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FEIGHAN:

H.R. 12799. A bill for the relief of Jozef Wypasek, Krystyna Wypasek, and Wladyslaw Wypasek; to the Committee on the Judiciary.

By Mr. MAGNUSON:

H.R. 12800. A bill for the relief of the estates of Ida Ella Floe, Stephen Floe, and Claudette N. Bline, and for the relief of Kerri Marie Bline; to the Committee on the Judiciary.

By Mr. MICHEL:

H.R. 12801. A bill for the relief of Jose R. Marquez, M.D.; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 12802. A bill for the relief of Paul W. Busbey; to the Committee on the Judiciary.

By Mr. WILSON:

H.R. 12803. A bill for the relief of Josephine Abuan; to the Committee on the Judiciary.

H.R. 12804. A bill for the relief of Spencer E. Hewitt; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

507. The SPEAKER presented a petition of John J. Sandler, National Conference State Legislative Leaders, Albany, N.Y., expressing support for the establishment of a Center for Cultural and Technical Interchange between East and West in the State of Hawaii, which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Congressman Farbstein Protests Insults to Tourists

EXTENSION OF REMARKS

OF

HON. LEONARD FARBSTEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. FARBSTEIN. Mr. Speaker, there has been called to my attention a situation which has existed for the last several weeks in the national parks of this area which I deplore very much and which I think all decent-minded citizens, upon being made aware of it, would similarly deplore. Feeling very strongly about the foregoing, I communicated with the Honorable Fred A. Seaton, Secretary of the Interior, requesting that some affirmative action be taken to see that this condition be cleared up.

Following is the letter which I wrote to Secretary Seaton:

JUNE 23, 1960.

Hon. FRED A. SEATON,
Secretary of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: For many weeks my constituents, including schoolchildren who have come to see their Nation's Capital, have been insulted on a basis of religion and race by the so-called commander of the American Nazi Party as they made their way to the galleries and museums in the area known as the Mall. For over 2 months this man Rockwell has held these meetings regularly, their only purpose being to incite to riot and be offensive to others.

The use of the Nazi symbol, the taunting language, the threats of his henchmen in the audience, the caricatures portrayed, plus the insulting epithets employed are all designed to incite the populace to hatred and violence.

This un-American incitement to riot, these libelous, flagrant, and abusing statements are beyond the limits of free speech. The incitement is such that police have already been forced to make several arrests on various disorderly conduct charges.

The Supreme Court has ruled that such criminal libel does not come under the legitimate interpretation of free speech. Is it necessary that mayhem occur before the authorities stop this disgraceful spectacle? Not only does Rockwell exploit and abuse so-called free speech privileges so generously accorded him, but he deliberately and obviously incites to violence in a manner incompatible with the safety of my constituents who come to visit the national shrines as tourists.

While unnoticed, and as part of a lunatic fringe, his use of the National Parks for the purposes of spewing his poison was sufficiently evil. Now that public attention has been directed to this malefactor by the near riot in New York City when he made application for a permit to speak in that city, I believe it to be the duty of the Department of Interior and its law-enforcement agents to protect the rights of the schoolchildren and other tourists from my district when they visit their Nation's Capital.

As a member of the House Committee on Foreign Affairs, I am particularly shocked to know that the atrocious spectacle that has been permitted has been exploited by world Communist propaganda to discredit the United States. Agents of Communist embassies in Washington have photographed this thoroughly atypical and un-American display, including the seeming coddling of the neo-Nazis by the U.S. Park Police.

I think the time has come for you to take action to abate this nuisance. Will you be good enough to acknowledge receipt of this communication and advise me whether it is your intention to take any action in the circumstances.

Sincerely yours,

LEONARD FARBSTEIN,
Member of Congress.

Problems Don't Change—Just the Answers

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. GUBSER. Mr. Speaker, under leave to extend my remarks, I submit a speech which I recently gave before a combined meeting of the Kiwanis and Lions Clubs in San Jose, Calif.:

PROBLEMS DON'T CHANGE—JUST THE ANSWERS

When a modern-day politician looks backward it is considered almost sinful. Today I shall sin.

But by looking backward into American history and American heritage—even to the first inauguration of President Washington, we find meanings and answers which illuminate present-day times and problems.

Between 1789 and 1960 there are vast differences. We have come from the simplest of colonial societies to a complex civilization which leads the entire world.

But for all the differences that set 1789 apart from 1960 we can find many similarities in problems which confront us in either the colonial or atomic age.

For President Washington it was a time of beginning and despite all that has transpired, we too are concerned with beginnings in the nuclear and space age.

One of the first issues which faced Washington and his Congress was to establish the public credit of the United States. Another was to liquidate the Nation's debt. The third was to provide for defense. A fourth was to establish a fair system of taxation. And a fifth was to work out a place for America in the family of nations.

In 1960 the setting is much different and so is the magnitude of problems, but basically they are the same: How to preserve our credit, how to handle our public debt, how much of our resources to allocate to our national defense, what kind of tax structure will serve the needs of Government and our private enterprise system, and how best to win and hold the confidence of a troubled world in our own ideals and values. Listen for a moment to a portion of Washington's farewell address:

"As a very important source of strength and security, cherish the public credit. One method of preserving it is to use it as sparingly as possible * * * avoiding the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions in time of peace to discharge the debts which unavoidable wars have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear."

This advice, after nearly two centuries of change is still as sound as the day it was spoken. Even today we know that if our society ignores economic realities we will fall like all nations and empires whose political and moral decay pushed them into economic bankruptcy.

A sound economy will not guarantee a great nation, but there can be no hope for greatness without it.

In this day of titanic government I raise the question, "Have we rejected the advice which Washington so profoundly gave us and come up with different answers to the same problems?"

No one would suggest that we return to the first Federal budget which Alexander Hamilton presented to the Congress in 1791 calling for appropriations of $740,232.14⅔. But there is something striking in the fact that the total expenses of the Federal Government in its first 150 years amounted to $157 billion—and we now spend more than that in two years of operation.

As a nation we followed Washington's advice for nearly 150 years through war and peace, boom and recession, and over the generations we gained in national vigor and stature. But in the space of the last 30 years our budgets have increased by 25 times and the consequences are reflected in the public debt and our future commitments.

This brings me to my theme. Problems haven't changed—just the answers.

Instead of following the advice of Washington to use the public credit sparingly and avoid accumulation of debt by shunning occasions of expense, we have blindly pushed forth laboring under two of the most unkind delusions which have ever captured the mind of man.

First, we have become fascinated with the "crash" technique for solving our national problems. We have been persuaded that money will buy anything, that tremendous expenditures will guarantee prompt and definitive results. And, of course, the more

we spend the faster we will solve anything. We have deluded ourselves into believing that for just a few more quick billions we can buy a faultless national defense, that for additional fast billions we can mass produce an ideal educational system, that billions of dollars are the whole answer to being first in outer space, that a few hurried billions are all that stand between us in victory over sickness, disease, and all the worries of living. Put all of these together and you see a state of mind that regards compulsive spending as the answer to 20th century problems.

Another great delusion is caused by a local and mistaken idea of the limitless resources of the Federal Government.

The story is told of a midwestern city which needed a bridge to cross the river separating this city from the countryside. The city refused to spend its funds on the ground that it gave the country people access to the city. The county refused to pay the bill on the ground that it gave city people access to the country. Finally the problem was solved in joint session of county and city officials—they would ask the Federal Government to foot the bill. This idea has become prevalent because people in a local community refuse to solve local problems locally and rely instead on the Government in Washington to do it for them—with some other fellow's money.

This thinking is undoubtedly a throwback to the depression of the thirties and the emergency pump priming of the WPA. But it is now engrained indelibly in mental attitudes. We seem to overlook completely the fact that when the Federal Government takes on the problems of local government it isn't "somebody else" who pays, but each one of us. It's our mortgage, our debt, our taxes, and we will pay them each and every one of us.

We have forgotten that Government can't give us a cent that it doesn't first take away from us in taxes.

Laboring under these two great delusions, we have adopted a national state of mind which has led to our present Federal fiscal policy. We have justified the tremendous increase in public spending on ground of one emergency or another—fighting a depression, fighting a war, or reacting to changes in the temperature of the cold war. Now the slogan is "Keeping up with the Khrushchevs". Tomorrow it may be a different slogan, but they all rationalize the continued rise in government spending.

I wish that each of you could sit at my desk in Washington, D.C., and read the mail which comes to me from my constituency. By a count of 10 to 1 the letters asking for the Federal Government to spend more outnumber those asking that it spend less. The pressure is tremendous and it is only natural that men who are responsive to public opinion and elected by the public should sense this spirit—this changed national attitude—and vote accordingly. As a result, when we experience an economic downspin we accelerate Government spending and borrowing to pull ourselves out. But when equilibrium is restored Congress seems, up to now at least, to lack the fortitude to cut back spending in order to pay off what has been borrowed to tide us through the emergency. If we continue along this line our national debt is bound to go in one direction—steadily upward. As it goes up inflation will always stalk us as it has 29 out of 67 free countries who have had price increases of 50 percent or more in the last 10 years.

Nikita Khrushchev has served notice that he will bury us economically. One thing is clear—to meet Mr. Khrushchev head on, we need to marshall our full strength and resources and employ them wisely and well. And so we must look to the fiscal problems of the future and decide once and for all if the advice of George Washington is out of date or is still good in the atomic age.

Where is the Federal budget headed in the next 10 years?

This is a statistical fact and not a prediction: If we continue the trend of the past 30 years for just 10 more years, we will be spending $160 billion per year by 1970. It seems fantastic, doesn't it? Yet it is not a bit more fantastic than the increases we have already experienced from $3 billion in 1930 to $9 billion in 1940, to $40 billion in 1950, to almost $80 billion in 1960.

In looking to our fiscal future there are three shocking facts that every American should be aware of—and ashamed of.

Fact No. 1: Future generations, your children and your grandchildren, now owe $750 billion in debt which you have bequeathed them.

We owe $290 billion, which is only the interest bearing national debt.

In addition we have promised veterans and their dependents some $300 billion in the years ahead. In fact, we have just finished paying veterans benefits for the Revolutionary War, are still paying them for the War of 1812 and have not yet hit the peak in our payments for World War I. On top of all this the unfunded Government liabilities for military and civil service retirement already amount to $60 billion if not another single man is retired from the military or civil service. This brings our total to $650 billion.

Add this to our c.o.d.'s—our commitments for highway improvements, for public housing, for public works, and for subsidies, add the unspent balances of appropriations in the defense program and you have a total of $98 billion in c.o.d.'s.

Add the public debt, $350 billion of future obligations, $98 billion in c.o.d.'s and you have the unbelievable total of obligations which future generations must pay of nearly $750 billion. This is the mortgage on America's future. I wonder what George Washington would be thinking in this year of 1960.

Fact No. 2: If this session of Congress doesn't add a single new program, the level of Federal spending is going to go up. This is due to "built-in increases" in existing programs which continue to push future expenditures upward. The catalog of built-in increases covers outer space, civil aviation, public works, merchant shipping, urban renewal, science education, medical research, public assistance, and veterans pensions. The farm program will become more costly unless we have the courage and the foresight to do away with the farm price support program.

For 1961 alone these built-in increases amount to over $2 billion and looking ahead to 1962 there are built-in increases of more than a billion. And unfortunately built-in increases are never accompanied by built-in decreases since Government programs, once started, develop their own immunity to curtailment. A year ago the President in his budget message specified 18 programs which should be revised in order to reduce expenditures. Only three of them were considered by Congress and the net result of that consideration was an increase of future expenditures by about $9 billion.

Fact No. 3: Pressures for new spending programs are increasing in intensity and represent by far the most dominant influence exerted against Congress. Each year there are new programs which, if considered without reference to the overall problems of the entire Nation, are worth while. To say no to these proposals places one in somewhat the same position as the father who denies the new dress that "sister just has to have." Certainly any normal father wants to buy that dress and wants his daughter to have it, but he realizes that the family budget just will not stand it.

Each of these things becomes a project of new and high priority. But as we are confronted with these priorities we have to face the fact that the budget is so saddled with yesterday's priorities that it has lost most of the flexibility needed to put aside the old and take up the new.

In response to pressures for new spending programs billions of dollars in new spending authorizations are introduced at each session of Congress and are backed by floods of mail from constituents who might benefit from the passage of such bills. In fact if the new programs currently pending in the House and Senate were to be enacted into law they would add between $50 and $60 billion a year to our present spending. And at the same time enough bills have been introduced which, if enacted, would reduce taxes by between $5 and $10 billion a year. This is what is called slippery arithmetic—vote against going into debt but spend more and tax less. The odd part of it is that the men who espouse such a philosophy are continuously reelected.

Because of these proposals we hear that our budget is austere and reactionary; that we don't look forward and we don't have the confidence in the capacity of America to grow and support increased expenditures. Those of us who insist upon adopting a responsible fiscal policy are criticized and maligned as not caring; as having no human understanding and no heart.

Let me put some questions to you.

Is is wrong to believe in a balanced budget?

Is it wrong to think that the Federal government should live within its income, especially in times of prosperity?

Is it wrong to resist the infinite demands of special groups for special favors from the Federal Government?

Is it wrong to plan on applying surplus in each good year to the reduction of our staggering public debt?

Is it wrong to ask that a new look be taken at some of the subsidies that have grown untouchable with the passing years?

Is it wrong to believe that private enterprise can do a better job of fostering economic growth and government spending?

It must be wrong—because with each passing year the ranks of Congressmen who think it is wrong are thinner and thinner.

This is the result of a changed national attitude, an attitude which adopts the philosophy that any crisis can be solved on a crash basis with the spending of more money, provided you spend what you think is somebody else's money.

But I refuse to believe that it is wrong.

I believe it is possible for America to look ahead—to recognize that with a changing world which is now on the frontiers of space we can solve new and different problems with the aid of our Government. But I also believe that we can solve these problems by keeping faith with future generations and turning our backs on the principle of spending what we do not have.

At the present time Federal spending and tax receipts represent about 16 percent of our gross national product of $500 billion. If our economy continues to grow normally and we keep it fiscally sound, the gross national product could reach $750 billion by 1970. If we continue to tax at the rate of 16 percent of the gross national product, this would mean that the Federal Government can meet the needs of an expanding population in the nuclear space age with an expenditure of $120 billion and impose a tax burden no greater than what you pay today.

But how should we spend this $40 billion increase? Must we apply Parkinson's second law that Government spending automatically keeps up with Government income? Certainly we should not, but I have grave doubts that we won't.

Shouldn't we exercise the restraint which Washington recommended and use some of that $40 billion increase for debt reduction? Shouldn't we give some of it back to the taxpayers in the form of a tax reduction?

If we do not adopt this as a firm philosophy and a firm goal, if we do not resist the tendency of our people to ask for more and more, then we will find in 1970 that we will be spending more than our $120 billion of income and we will still be piling up debt and encouraging inflation and ruining incentive.

We must not fail to face these issues and answer them decisively.

But to do so we must take stock of our own moral qualities and decide that answers to old problems haven't changed and that the sound business sense recommended by George Washington is as good today as it was in colonial times. To do so our people must be indoctrinated with the spirit of turning their back on big and paternalistic government. Looking to government to solve each and every one of our problems can only result in one thing—big business, big government, and big labor. There will be no room for the small businessman and the independent soul who likes to solve his own problems.

Just a few weeks back I received a letter from a small businessman in Los Altos. He is in the business of supplying aquarium materials to schools and colleges. He same here as an immigrant and with his wife built up a successful small business.

Near the end of February 1959 the reemployment office of the Santa Clara County Welfare Department contacted this gentleman with the request that he give employment to a 16-year-old boy of Mexican descent and who had quit high school, was married to an even younger bride, and expected a child. He was on relief and so were his parents. He had been repeatedly refused employment and his best offer was $1 per hour working in a nursery. This small businessman agreed to hire the young father-to-be and employed him at $1.50 per hour. Subsequently, because he was satisfied with his work, he raised the boy to $1.85 per hour. One day the boy came to his employer and said, "I cannot make enough money after taxes to support my family on 40 hours per week. May I please work longer hours?" The request was granted and subsequently another member of the family, the boy's illiterate father, was taken off the relief rolls and given employment at $1.50 per hour. One more family had become self-supporting. A third man was hired from the Santa Clara County welfare rolls and made independent.

Then an official representative of the U.S. Department of Labor descended on this small business scattering Federal bulletins like a swarm of locusts and causing equal devastation. He learned that the small business shipped a few small orders across the State line into Oregon and assumed jurisdiction because this firm was in interstate commerce. For 3 solid days he plowed through all of the company's books, orders, and checks, interviewed all employees, telephoned ex-employees, and finally came up with the judgment that this small businessman owed $1,388 in back wages because he had failed to pay overtime in excess of 40 hours.

If this small businessman refused to pay this $1,388 in accordance with installments directed by the Department of Labor he would then be forced to deposit twice the amount and the Labor Department would notify each of his former and present employees that they would be furnished free legal services in order to prosecute a suit against their employer.

The ironic fact about this whole matter is that if the small businessman had paid the young fellow on relief $1 per hour and $1.50 per hour for all in excess of 40 hours per week, he would have complied with the law. But because he had paid him straight time at $1.85 per hour he found that he was to suffer because he had taken three families off relief.

Laws are supposed to be made for all people. Instead they seem to be made solely for the benefit of bureaucrats who enforce them in the name of what is good for employees. Employers are ignored. Isn't this to coin an overused phrase, "killing the goose which laid the golden egg"?

This is the result of big government where all morals and decent motivations are cast to one side, simply because the letter of the law and the book has not been adhered to.

I have no idea what effect this $1,388 will have on this small business. But to many small businesses it would mean bankruptcy. And what would take their place—large corporations.

This is not an isolated event; it happens many times daily. The result is big government, big business, and big labor.

In frequent conversations with the Santa Clara County Board of Supervisors and the district attorney, I have been appalled at the manner in which aid to needy children payments are made. On record in Santa Clara County are numerous cases of mothers who have borne several illegitimate children, often by different fathers. The fathers come home on weekends but make certain they stay away during the rest of the week to allow the mothers to qualify for aid to needy children payments. The mother then receives more than she could ever possibly earn. Here is a case where beneficent government offers encouragement to those who ignore the moral obligation of any decent father to properly care for his children.

What has become of the day when each of us in our communities personally felt the obligation to assist the needy family in the next block? Instead of feeling a personal obligation today we shift the responsibility to big government.

This is the striking evidence of how our whole society has changed.

In our new society free and articulate citizens are discouraged about even raising their voices against the current trend. I know full well that I will be criticized today for saying that each of us should recognize our obligations as human beings instead of passing it along to a government 3,000 miles away. Individual citizens in a free democracy have become so hemmed in by organized bigness that they feel they must march in step, with the end result that they no longer have a personality and a political dignity of their own.

The real challenge of today's society is not the "missile gap." The real security gap is that with the passage of each day we undermine the economic framework which is the true balance of power in the contest between international communism and democracy. Inflation, excessive taxes, exorbitant public debt, irresponsible spending, habitual deficits, long labor-management disputes, and "pressure group" government are illustrations of how we wear down the energies of our economy instead of enhancing its capacity to prove Mr. Khrushchev is mistaken in his estimates of our endurance.

This is the real challenge of our time. Problems of today are no different than they ever were. They only differ in degree. Answers which have been sound through the ages have been discarded. We labor under delusions; delusions that money spent in a crash program will solve any problem and that money which comes from Washington isn't ours but somebody else's.

I repeat Government can't give us a cent that it doesn't first take away from us in taxes.

The real challenge of our time is to stop deluding ourselves, to reawaken each American to his moral responsibility, as a member of a free society to help his fellow man, to work for the progress of a nation and humanity, and to ask of Government only that which he has tried to do for himself and has not been able to do.

Without such a change in national attitude, I fear the boast of Khrushchev, "we will bury you," is something more than just an idle comment.

We must see to it that it is the mind of America that shapes our Government, rather than Government shaping the mind of America.

Commissioner John F. Floberg of the Atomic Energy Commission Has Proved To Be an Excellent Public Servant

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. VAN ZANDT. Mr. Speaker, with considerable regret, I wish to draw the attention of the Members of the House to the resignation of AEC Commissioner John F. Floberg, which becomes effective today.

Jack Floberg has done an outstanding job as an AEC Commissioner for the past 3 years. He has demonstrated enthusiasm, competence, hard work, and good judgment, and has discharged his heavy responsibilities very capably.

As a member of the Joint Committee on Atomic Energy, I would like to say that we regret to see Jack Floberg leave the Commission, and I am sure that I am joined in this sentiment by all my colleagues on the Joint Committee. He has served his country well, both as an AEC Commissioner and during an early period as an Assistant Secretary of the Navy for Air, and he now plans to accept an important position with private industry. I am sure that my colleagues on the Joint Committee on Atomic Energy, and in the Congress, join me in saying "well done" to Jack Floberg, and in wishing him good luck in his new endeavors.

Summary of Replies to a Questionnaire—Part 1

EXTENSION OF REMARKS

OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. PILLION. Mr. Speaker, on February 15, I sent 115,000 questionnaires to every household in the 42d District of New York. A memorandum of the issues relating to the questions was also sent. It outlined the facts and arguments pro and con.

A total of 7,800 replies were received. I was gratified with the response to this survey and with the large number of valuable and sound suggestions from the people of this district contained on the questionnaires.

The tabulated results will be inserted in the RECORD in four parts. The first part will contain the questions and the replies to "Foreign Policy—Disarmament" — "Peace" — "Lend-Lease," and "Defense—Missiles—Space."

The second part will consist of the questions and replies for the section entitled "1961 Budget and Taxes—National Debt—Interest—Gold—Inflation."

The third part relates to "Castro and Cuba" and "Agriculture."

The final part covers "Education" and "Hospitalization, Surgical Insurance for the Aged—Forand Bill."

The tabulated results for the first part follow:

QUESTIONNAIRE

FOREIGN POLICY, DISARMAMENT, "PEACE," LEND LEASE

1. Do you agree with the U.S. policy that disarmament must be accompanied by a foolproof inspection system? Yes, 6,497; no, 181.

2. Do you believe that the Soviet has permanently abandoned world domination by communism as a basic goal? Yes, 239; no, 6,467.

3. Do you believe that the exchange of visits by the various heads of states (personal diplomacy) is in the interest of world peace? Yes, 5,333; no, 1,225.

4. Do you believe that the United States should remain firm on retaining the present "free" status of Berlin regardless of consequences? Yes, 5,946; no, 645.

5. Do you believe in a massive reevaluation of our cold war effort, support the payment of necessary taxes, for the following programs?

(A) Reorganize the Defense Department to produce more armament and more adequate defense. (B) Find means to more effectively combat the Soviet ideological and propaganda campaign for the support of the uncommitted peoples of the world. (C) Shift our foreign policies and our diplomacy from a defensive to a more offensive emphasis. Yes, 5,414; no, 765.

6. Do you favor acceptance of about $500 million as full payment of Russia's lend-lease debt of $2.6 billion? Yes, 1,116; no, 5,657.

7. Do you favor a U.S. trade loan to the Soviet of about $5 billion? Yes, 359; No, 6,143.

8. Do you favor a cutoff of our lend-lease negotiations with an announcement that the United States will select an anniversary date for the lend-lease debt and announce each year to the world the Soviet debt with interest, its failure to pay and a request for full payment? Yes, 5,398; no, 959.

DEFENSE, MISSILES, SPACE

1. Do you believe the present annual expenditures of $45 billion for our military program is about right? Yes, 3,492; no, 1,924.

2. Shall the Joint Chief of Staff arrangement and the three service Secretaries (Army, Navy, and Air Force) be abolished in favor of a single Defense Chief of Staff to make military decisions? Yes, 3,913; no, 2,422.

3. Do you believe that the United States is especially vulnerable to nuclear weapons fired from Soviet submarines? Yes, 4,220; no, 1,821.

4. Do you favor a "crash program" of about $10 to $15 billion per year to develop an anti-missile missile to speed up our missile program and otherwise regain military superiority for the purpose of increasing our capability to deter war and would you support the necessary taxes therefor? Yes, 4,119; no, 2,001.

Summary of Replies to a Questionnaire—Part 2

EXTENSION OF REMARKS

OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. PILLION. Mr. Speaker, I am pleased to insert the second part of the tabulated results of the replies to my questionnaire. This part consists of the questions and replies for the section entitled "1961 Budget and Taxes—National Debt—Interest—Gold—Inflation."

The tabulated results follow:

QUESTIONNAIRE—1961 BUDGET AND TAXES—NATIONAL DEBT—INTEREST—GOLD—INFLATION

1. Do you believe that the proposed budget expenditures of $79.8 billion are (a) about right, 2,886; (b) too low, 432; (c) too high, 1,650.

2. Anticipating a rising economy to produce more revenue, the President has recommended the following revenue measures to produce $84 billion in receipts. Which measures do you favor?

(a) Continuing the 10-percent telephone and transportation taxes. Yes, 3,228; no, 2,289.

(b) Terminate the 10-percent Federal telephone tax on June 30 to allow this tax to be imposed by New York State. Yes, 1,500; no, 3,930.

(c) Increase taxes on business cooperative. Yes, 3,786; no, 1,419.

(d) Reduce depletion allowances for oil companies, etc. Yes, 3,312; no, 1,827.

(e) Increase aviation gas tax from 2 to 4½ cents per gallon, impose same tax on jet fuel. Yes, 3,702; no, 1,593.

(f) A one-half cent increase to 4½ cents per gallon on motoring gasoline. Yes, 1,770; no, 3,672.

(g) Increase first-class postage from 4 to 5 cents. Yes, 3,126; no, 2,055.

(h) Increase airmail postage from 7 to 8 cents. Yes, 4,185; no, 1,338.

(i) Adjust all classes of postal rates to meet costs. Yes, 4,584; no, 735.

3. Do you believe in increasing or decreasing spending in the following areas?

(a) Defense. Decrease, 981; increase, 3,792.

(b) Farm subsidies. Decrease, 4,833; increase, 534.

(c) Foreign economic aid. Decrease, 3,879; increase, 1,254.

(d) Foreign military assistance. Decrease, 3,573; increase, 1,545.

(e) Public works, harbors, flood control, etc. Decrease, 1,752; increase, 3,384.

(f) Public housing, urban renewal, etc. Decrease, 3,012; increase, 2,052.

(g) Education construction, etc. Decrease, 1,656; increase, 3,219.

(h) Pay for Federal civilian and military personnel. Decrease, 1,845; increase, 2,739.

(i) Federal aid to States for highways, sewage, etc. Decrease, 2,463; increase, 2,307.

4. If you favor increased spending, which tax would you favor increasing?

(a) Personal income tax. Yes, 684; no, 3,480.

(b) Corporation and business taxes. Yes, 2,640; no, 1,620.

(c) Some new Federal sales or manufacturers tax. Yes, 2,940; no, 1,371.

5. Do you favor an increase in national debt and spending more than the tax revenues and inflating our economy at a rate of about 2 percent per year? Yes, 249; no, 4,956.

6. Do you favor a regular and systematic payment on the debt between $1 to $4 billion per year until national credit is improved? Yes, 5,313; no, 201.

7. Do you favor the grant of limited authority to increase the 4¼ percent interest rate ceiling on Federal bonds? Yes, 3,666; no, 2,283; or do you favor an open competitive market for investor's moneys and permit the Treasury to sell bonds without governmental restriction and without governmental buying of its own bonds to produce an artificial low interest rate? Yes, 2,100; no, 2,823.

8. In order to strengthen our unfavorable international balance of payments, do you favor?

(a) Reducing our military and civilian personnel abroad. Yes, 3,498; no, 2,883.

(b) Restricting imports. Yes, 3,861; no, 2,361.

(c) Reducing foreign aid. Yes, 4,719; no, 1,767.

(d) Restricting U.S. tourist spending. Yes, 2,769; no, 3,615.

(e) Restricting the investment of U.S. capital abroad by increased taxation. Yes, 4,317; no, 1,998.

9. Do you believe that domination of markets and pricing practices by big business has substantially contributed to higher inflationary costs? Yes, 4,911; no, 1,872.

10. Do you believe that our antitrust laws should be strengthened and more vigorously enforced? Yes, 5,718; no, 1,005.

11. Do you believe that dominations of the labor market by big unions and its practices has substantially contributed to higher inflationary costs? Yes, 5,979; no, 1,035.

12. Do you believe that antitrust laws should apply to unions also? Yes, 6,243; no, 609.

13. Do you favor a minimum wage law of $1.25 per hour to include small business? Yes, 4,518; no, 2,385.

Summary of Replies to a Questionnaire—Part 3

EXTENSION OF REMARKS

OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. PILLION. Mr. Speaker, I am pleased to insert the third part of the tabulated results of the replies to my questionnaire. This part consists of the questions and replies for the sections entitled "Castro and Cuba" and "Agriculture."

The tabulated results follow:

QUESTIONNAIRE

CASTRO AND CUBA

1. Do you approve of the present U.S. policy toward Cuba of waiting to allow Castro to further alienate Latin American public opinion before taking severe economic or military action against his regime? Yes, 2,772, no 4,131.

2. Do you favor an appeal to the United Nations dramatizing the executions and atrocities of the Castro dictatorship in violation of the Human Rights agreements? Yes, 2,707, no 803.

3. Do you favor an immediate nonnuclear war (of a magnitude of the Korean war) to depose Castro's regime regardless of possible political repercussions, on the theory that Cuba is now an agency of a foreign power in violation of the Monroe Doctrine? Yes 1,842, no 4,699.

AGRICULTURE

1. Do you favor a gradual reduction in price supports (including wheat)? Yes 6,064, no 558.

2. Do you favor an immediate abolishment of all farm price supports? Yes 3,324, no 3,381.

3. Do you favor increasing the soil bank to reduce agricultural surpluses? Yes 2,695, no 3,807.

4. Do you favor governmental aid to encourage cooperatives and other devices for inducing farmers to strengthen and pool their bargaining power for the sale of their products? Yes 3,972, no 2,720.

Summary of Replies to a Questionnaire—Part 4

EXTENSION OF REMARKS

OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. PILLION. Mr. Speaker, I am pleased to insert the fourth and final part of the tabulated results of the replies to my questionnaire. This part covers "Education" and "Hospitalization, Surgical Insurance for the Aged—Forand Bill."

The tabulated results follow:

QUESTIONNAIRE

EDUCATION

1. Which plan of additional Federal payment to States for public education do you prefer? (a) Murray-Metcalf bill, 915; (b) Senate bill, 291; (c) administration bill, 2,057; (d) none, 2,471.

2. How would you propose to finance a substantial Federal education program? (a) Lower personal income tax exemptions, 444; (b) borrowing, 416; (c) increase income tax rates, 481; (d) sales tax, 3,439.

3. Do you believe that more emphasis should be placed upon science, mathematics, and vocational training? Yes, 5,807; no, 898.

4. Do you believe it is possible to increase the quantity and quality of our education by television, more instruction standardization, etc., that would produce both savings for taxpayers and provide increased teachers' salaries? Yes, 4,313; no, 2,215.

HOSPITALIZATION, SURGICAL INSURANCE FOR THE AGED—FORAND BILL

1. Would you favor a federally administered voluntary hospital and surgical insurance program for the aged to be paid for by the aged instead of a compulsory program under the social security system? Yes, 2,821; no, 3,561.

2. Do you favor the Forand bill or some similar national compulsory social security hospitalization insurance for the aged? Yes, 3,790; no, 2,904.

Commemorating World Refugee Year

EXTENSION OF REMARKS

OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. RABAUT. Mr. Speaker, on May 19, 1959, the President proclaimed the period from July 1, 1959, to June 30, 1960, as World Refugee Year. Some 70 nations in the free world joined in celebrating this event in answer to a United Nations resolution adopted in December of 1958.

The purpose and the hope of World Refugee Year were to stimulate action—private, governmental, and international—in support of refugee assistance of all types throughout the world.

It is too early to say what concrete results have been realized in the last 12 months. It is apparent, however, that the basic aim of encouraging support for refugee assistance has been fulfilled and that a campaign has been launched which with continued support will do much to resolve the many problems of the world's uprooted and homeless people.

The world refugee population was not significantly altered during World Refugee Year. Some progress was made in Europe, but there are still some 18,000 living in the barren, soul-depressing atmosphere of the refugee camps there. I would like to quote the following passage from the final report of the Zellerbach Commission which describes this atmosphere:

> One has only to visit a European camp and to talk to some of the refugees who have been there for years to understand why prolonged existence under these conditions erodes the spirit of man. After years of inactivity, the refugees become accustomed to a way of life requiring neither effort nor initiative. They accept the compressed living quarters, the total lack of privacy, the lack of sanitary facilities as normal. Worse still, they even lose their capacity for indignation at a fate that is little better than a living death. They may marry and have children in the camps, because it is natural for human beings to do so. But they helplessly accept the malformation of their children's character which goes on before their eyes. There is nothing more appalling than the spectacle of refugees so attached to their dreary corner of a barrack building that they refuse to leave it—like the Yugoslav inmate at Camp Landshut who, after spending 5 years there with his wife and children, said to one of the Commission staff: "Don't bother to get us out. We are all right here. Just let us live and send up parcels."

The progress made in Europe during the past year was more than offset in numbers of refugees added in other of the trouble spots of the world. Tibetans continue today to crowd into neighboring countries of India, Nepal, and Bhutan. The cliffs of Hong Kong teem with an ever-increasing number of Chinese fleeing from the mainland. The problem of what to do with a million displaced Palestinian Arabs is no nearer to any apparent solution now than it was a dozen years ago.

These are merely some of the problems in the world refugee picture. They could not all possibly be solved in a year's time, nor were they expected to be.

I would like to take this occasion to commend the U.S. Committee for Refugees for its untiring efforts in behalf of refugee assistance. In addition to fund raising and encouraging fund raising drives by other voluntary organizations in the United States, the Committee undertook an ambitious and successful campaign to arouse public interest in the plight of refugees. As stated by its executive director in his recent report "the U.S. Committee reached the American through his newspapers, magazines, radio, and television; through the service club, church, or other community organizations to which he belongs, and through the good example and stimulus of his fellow townsmen." I believe that there are now over 70 cooperating committees organized by USCR on State and local levels which will continue to work in an effort to render assistance to refugees.

Finally, I would like to call attention to the fact that there is presently before Congress a modest refugee relief proposal—House Joint Resolution 397—which should certainly be approved before we adjourn this year. This legislation has passed the House and is presently before the Senate. It is not as ambitious an undertaking as some would like to have seen adopted in view of the situation brought to light during World Refugee Year. It is the most that can be hoped for at this time, however, and should, therefore, receive unanimous approval.

World Refugee Year is now over. But the problems with which it was concerned remain to plague the conscience of mankind. Let us hope that the charity, interest, and enthusiasm engendered during World Refugee Year will be carried forth undiminished and that we will not leave the refugee to his hapless fate, feeling that we have done our part and need do no more.

United States Faltering in Caribbean Invites Disaster

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. WALTER. Mr. Speaker, for many months I have observed from various angles the worsening situation to the south of us in the Caribbean. Fortunately for the United States, the people of our country and the Congress have been alerted to its nature in substantial degree by the efforts of my distinguished colleague from Pennsylvania [Mr. FLOOD].

In and out of the Congress, he has spoken with rare courage and insight.

His collected addresses aimed at clarifying the status of U.S. sovereign control of the Canal Zone are a major contribution unique in Isthmian history, and merit publication as a Government document.

Thus, it was with genuine gratification that I have read his June 12, 1960, address on the Caribbean and Panama Canal over the Manion Forum Network, which follows:

U.S. FALTERING IN CARIBBEAN INVITES DISASTER

(By Hon. DANIEL J. FLOOD, Member of Congress for Pennsylvania)

DEAN MANION. Blame for the blowup of the summit conference will be gladly assumed by millions of American patriots who have vigorously protested against such meetings for years. Since we had everything to lose and nothing to gain in this evil encounter, it is indeed fortunate that it did not take place.

But our troubles with Khrushchev's international visitations are not over—not by any means. He will visit Cuba and Castro next and the United States is in no position to protest after having opened its doors to him at Camp David, last September.

Khrushchev's Latin American lieutenants have completed the conquest of Cuba. The big Kremlin mouthpiece is coming to that country now to organize the next step in the Communist drive for Panama. It is far more important for Congress to frustrate this impending Communist campaign for the Caribbean than it is for its committees to cry about the spilt milk of appeasement in Paris.

For what Congress and the country knows about the dangers now surrounding out vital interests in Panama, we are principally indebted to the research, eloquence and patriotic dedication of Congressman DANIEL J. FLOOD, of Pennsylvania. The entire country must be made to hear this important story and I am ever so grateful to this distinguished man for what he is doing in this cause and for his presence at this microphone to tell you about it. Congressman FLOOD, welcome to the Manion Forum.

Mr. FLOOD. Thank you, Dean Manion. It is indeed an honor and privilege to address this vast audience of the Manion Forum network. I do appreciate your generous comments about my contributions in alerting the Congress and the Nation to the communistic forces in the Caribbean that are now converging on the Panama Canal as the key target in what has become a fourth front.

During the present session of the Congress the questions of the sovereign control of the Canal Zone and Panama Canal have been extensively debated. There is little new of basic nature that could be added to what has already been presented.

Yet, because of the failure of our Government, in both the Legislative and Executive branches, to take a firm, forthright position with respect to our just rights at Panama, the Isthmian canal policies of the United States have degenerated into dangerous uncertainty. It is imperative that these policies, now under challenge, be made definite.

Many will recall the attempted mob invasions of the Canal Zone on November 3 and 28, 1959, requiring the use of force by Canal Zone police and the U.S. Army to repel the invaders. Under radical leadership, some of it communistic, the prime purpose of these mobs was to plant the flag of Panama in the Canal Zone as the symbol of Panamanian sovereignty over that vital strip of land.

These two attempts of the invaders failed, but their real objectives are still uppermost in their minds, and these are sovereignty over the Canal Zone and eventually nationalization of the Panama Canal.

It is significant that, subsequent to these two abortive efforts of Panamanian mobs, the Foreign Minister of Panama, Miguel J. Moreno, Jr., made extensive foreign travels, including a visit in Egypt to present Panamanian viewpoints and to be briefed on Egyptian experience in regard to the Suez Canal.

While there, Foreign Minister Moreno had ample opportunity to discuss the problems of the Panama Canal with Egyptian officials who had succeeded in bringing about nationalization of the Suez Canal. It is significant, too, that Panama and the United Arab Republic recently established diplomatic relations with each other.

Meanwhile, what had happened at Panama? Following the attempted November 3, 1959, invasion, the Government of the United States, instead of a stern warning against such future attempts, sent a diplomatic emissary to Panama to appease those stirring up the trouble.

This emissary, with the approval of his superiors in the State Department, issued a public statement recognizing Panama as "titular" sovereign over the Canal Zone and, according to Panamanian sources, agreed that the flag of Panama might be displayed in the Canal Zone to show such sovereignty.

In addition, the President of the United States himself, shortly afterward, publicly expressed the belief that Panama should be allowed to fly her flag in the Canal Zone to show Panamanian "titular sovereignty."

These declarations, made without the consent of either the Congress or the treaty-making power, reflect a credulity and naivete on the part of high U.S. officials that are simply unbelievable. The hoisting of the Panama flag would be the symbol of complete surrender and would be so hailed by Panama and universally interpreted.

Moreover, these irresponsible statements startled the people of our Nation, and they have deluged the Congress with letters expressing strong opposition to what they consider a pending surrender of our treaty rights at Panama.

In this connection, I have yet to find one U.S. citizen well informed on Isthmian problems who favors such surrender. I have never seen an experienced Panama Canal official, present or former, or any member of the Armed Forces who has served on the isthmus, who does not vigorously oppose such an ignominious retreat from our solemn treaty responsibilities.

WHO ARE THE TRAITORS?

In fact, many are demanding to know what are the influences in our Government that have permitted United States-Panama relations to degenerate to the degree they have.

To them, I would add the question: What more could be accomplished by open, bold, and shameless treason than has been done at Panama through the processes of vacillation and appeasement?

The responsible officials of our Government who have talked in such loose terms about permitting the display of the Panama flag over the Canal Zone have never had any assurance from the Panamanian Government that such display would mean no more than a recognition of its "titular sovereignty," or, more accurately, its mere reversionary interest in the sole event of the United States ceasing to operate the Panama Canal.

Moreover, it is certain that the Panamanian Government would never make such an agreement but would hold such display as our recognition of the complete sovereignty of Panama over the Canal Zone.

In view of the wide knowledge of the Isthmian question in the Congress, it is not strange that the House of Representatives, after a notable debate on February 2, 1960, passed, by overwhelming vote of 381 to 12, House Concurrent Resolution 459.

This resolution expressed the sense of the Congress that any variation in the traditional interpretation in the 1903, 1936, and 1955 treaties between the United States and Panama involving the provisions of such treaties concerning territorial sovereignty shall be made only pursuant to treaty.

This action by the House was not merely a routine vote of our membership, but a reflection of strong views of the American people on a matter in which they are vitally interested. As such, it served as a rebuke to those, in and out of Government service, who, by naive intentions or devious methods, would undermine our position of exclusive sovereign control over the Canal Zone and Panama Canal.

Unfortunately, at the solicitation of the Secretary of State, House Concurrent Resolution 459 has not yet been passed by the Senate, his opposition being on the basis that such action might "offend" Panama. This, in effect, is the same as saying that its approval by the Senate would anger Panamanian mobs and the radical politicians who take their cues from them.

Returning now to the question of displaying the Panama flag over the Canal Zone to indicate what is loosely called "titular sovereignty," this is not a meaningless gesture of good will as some of our naive leaders would have us believe. The flag has but one meaning and that is sovereignty.

For this reason, its display would be but the first step in the Panamanian program for eventual nationalization. The second step would be to secure its international recognition as evidence of full sovereignty. Then the way would be clear, in a legal sense, for the rest of their program through the most expedient means with the example of Suez before them.

The attitude of our Department of State touching these questions has undoubtedly given to our Latin American neighbors and the world at large the impression of weakness, timidity, and an excessive zeal for appeasement.

When considering this gravely important Isthmian question, we should never lose sight of the fact that the Panama Canal is a part of the coastline of the United States.

The flag of our country there is the symbol of our status as a sovereign people over the constitutionally acquired domain of the Canal Zone. The day another flag is raised over the Canal Zone will, indeed, be tragic and bode ill for the future of the United States.

As previously indicated, our problem is not restricted to the Panama Canal but it covers the vast area of the Caribbean recognized long ago by Admiral Mahan as the Mediterranean of the Americas.

CUBA AN OUTPOST OF KREMLIN

The great island of Cuba, close to the United States and located on the northern approach to the Panama Canal, has become a Soviet captive and its government an articulate instrument for Communist subversion in other Latin countries.

On the southern approach to this strategic waterway, we have Venezuela, which has been a center for planning the agitation, infiltration subversion, and armed attacks that are designed to transform Latin American countries into Soviet provinces, just as has been done in Cuba.

The seriousness of this situation was emphasized on February 26, 1960, by the President of the United States in his address to the Congress of Brazil. Describing the great issue of our time as "freedom or slavery," he stated that the people of our Nation would consider it intervention in the internal af-

fairs of an American state if any power, "whether by invasion, coercion, or subversion, succeeded in denying freedom of choice to the people of any of our sister republics."

These strong words clearly uphold the Monroe Doctrine and its application to new dangers now arising; and the Congress, by positive declaration, can and should lend its full support to this end.

For resolving these problems there is a practical and definite program, which is not based on a blind devotion to the past but on a realistic appraisal of the present and the future:

First, reaffirmation of our historic policy of exclusive control of the Canal Zone and Panama Canal.

Second, announcement by our Government that no hostile, other provocative demonstrations or invasions will be tolerated in the Canal Zone or within the strategic vicinity of the Panama Canal.

Third, reactivation, under the direct control of the Chief of Naval Operations, of the Special Service Squadron for continuous display of the U.S. flag in the Caribbean area and other missions of diplomatic character.

Fourth, proclamation by our Government that the Canal Zone is a constitutionally acquired territory of the United States.

Fifth, extension of the Monroe Doctrine to include penetration and subversion.

The time for proper action by our Government has long since passed. The situation in the Caribbean becomes more critical every day. It thus becomes imperative that the Congress, which, under the Constitution, must assume and discharge such grave duties in questions of foreign policy, should consider and pass measures along the lines of those now pending in both House and Senate.

These measures make unequivocal declarations for the previously indicated extension of the Monroe Doctrine and the reaffirmation of our treaty-based and long-established Isthmian Canal policies.

May I ask this great audience: "Why should we wait for new blows to fall? To falter in our duty is to invite disaster."

DEAN MANION. Thank you, Congressman DANIEL J. FLOOD. My friends, somewhere in this cowardly search for an accommodation with communism our leaders have lost the courage to defend America's vital interests.

Send this startling speech to your Senators. Tell them not to wait until new blows fall upon the American flag. The time to act is now.

Americans are sadly lacking in information about our sickening attitude toward the issues of Panama, Cuba and the entire Caribbean area.

This great speech by Congressman DANIEL J. FLOOD, of Pennsylvania, is the first to place these burning questions before the American people on a nationwide network.

We urge all corporations and individuals to order printed copies of this address for distribution.

The Challenge of the Sixties

EXTENSION OF REMARKS

OF

HON. J. T. RUTHERFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1960

Mr. RUTHERFORD. Mr. Speaker, one of the more able Members of the House is my colleague from Texas, Congressman JIM WRIGHT. Congressman WRIGHT delivered a very thought-provoking and inspiring message before the Texas Motor Transport Association in Dallas on June 10. The address follows:

THE CHALLENGE OF THE SIXTIES

(By Congressman JIM WRIGHT, Texas Motor Transport Association, Dallas, Tex., June 10, 1960)

Once to each civilization comes an opportunity for enduring greatness, and we in America are upon the threshold of that opportunity.

Today most of the world looks hopefully to us—not only for bread but for inspiration—not only for material assistance but for spiritual leadership and moral example.

It is our chance profoundly to influence the future. It is our opportunity to be big and not petty, to demonstrate not only what we are against but what we are for, to justify the American dream, not as a flower that has begun to fade in the autumn of its existence, but as a young and virile plant capable of producing buds of an ever brighter color for each succeeding springtime.

Can we rise to this challenge? Can we demonstrate that for once the mantle of world leadership has fallen to a nation which wishes not to dictate, or dominate, or exploit but patiently to help create the atmosphere of freedom and human dignity and of nonviolent local self-determination in which all men may live in peace?

A GOOD BEGINNING

We have made a good beginning. For a hundred years we have started no wars and entered them only in defense of principle. We willingly forsook colonialism to grant the Philippines their independence when they asked for it. We have displayed the humility to extend the hand of helpfulness to our fallen foes in a manner unprecedented in human history.

In the past 2 years, we have redeemed our solemn promises to Alaska and Hawaii. We have shown that this form we call democracy is workable not only for Caucasians but for Orientals and Polynesians as well. We have by example demonstrated that a nation may grow, not through military aggression, but by others coming to us and voluntarily asking to share our perils and our responsibilities.

OTHER CIVILIZATIONS

Yet other civilizations, also blessed with a spark of greatness, strutted across the stage of world ascendency only to fade and wane, their brief bright promise unfulfilled.

The Egypt of the Pharoahs developed learning but not understanding, and was buried in the sands beside the Nile.

Jerusalem the golden, after flourishing under David and Solomon, disintegrated, quarreled internally, split into two kingdoms, and was never again the same.

The Greeks wrestled mightily with philosophic problems and bequeathed us an intellectual inheritance rarely matched in history. Yet even the splendid aristocracy of Athens became corrupt, abandoned its idealism, sought forcefully to impose its will upon others, and never recovered from the Peloponnesian War.

Rome, gifted with lawmakers and warmakers but cursed with a degenerate patrician class, surfeited in the excesses of its own prosperity and became cruel and lustful until it rotted from within.

WILL WE BE DIFFERENT?

Are we different? Will we be equal to the time? Or weary of the crusade for world idealism and flounder on the shoals of selfish preoccupation?

Will we be in truth "one nation, under God, indivisible," or will we disintegrate before the onslaught of selfish pressures which divide us into cliques and factions?

Will we have the vision to grasp the immense challenge of education, and thus claim the vast promise of the future? Or will we be charmed by the surface trappings of education and quibble in petty puerility over who goes to what schools while the future rushes on and leaves us?

In the cauldron of economic competition, will we establish the American economy as one capable of meeting the expanding needs of an exploding population? Or will we prove our worst critics right who decry the American economy as a crumbling relic, now stripped of its strength by our individual indulgence?

In the decade that lies immediately ahead, will America be on the rise or on the wane? This is the challenge of the sixties.

A LOOK IN THE MIRROR

Let's take a long, hard look at ourselves as we enter the 1960's. Let's be honest. Let's measure both the good and the bad. We are rich.

On the credit side, the average American family has more real income today than it has ever had before. I'm talking about spendable dollars, after taxes * * * and I'm talking about what those dollars will buy in spite of inflated prices.

According to official Commerce Department statistics released just this month, the average American has more real buying power than he has ever had in his life.

The typical family income, after taxes have been paid, and adjusted to compensate for increases in the consumer price index, is still $1,100 better than it was in 1947 and almost $1,900 better than it was in the boom year of 1929.

Perhaps even more important, this prosperity is more generally shared among all of America's families. What we have seen in the past 15 years since the end of World War II has been the most phenomenal expansion of a middle income group in history.

Today, more than 65 percent of the Nation's families enjoy incomes in excess of $4,000 annually as compared with 37 percent at the close of the war. This is the widest dispersion of buying power that any society has ever achieved.

Since 1947, the number of families in the $10,000 and above income group has increased from 5 percent to 14 percent; while the number earning less than $2,000 a year has shrunk from 25 percent to 14 percent. This is undoubtedly the most spectacular social and economic revolution of all time, and it would seem to bode well indeed for the future of the American economy. But we're in debt.

This does not tell the whole story, of course. The truth seems to be that, while Americans have more money than ever to spend on the good things of life, we are rapidly reaching a point at which they cannot spend it because they have already spent it.

Installment payments are taking an ever bigger bite out of the typical family's paycheck at the first of every month.

While our total buying power after taxes has increased by about 22 percent, our total mortgage and installment indebtedness has skyrocketed to more than nine times what it was in 1947.

And in just the past 6 years, the amount of this liquid buying power which is annually siphoned away from the typical American family in interest charges has more than doubled until today it stands at $24 billion a year.

A standard joke of the past few years has been that you can sell the average American anything at all just so long as the down payment is low enough. This is no longer quite true. Since he is already loaded down with

payments, he will buy anything today only if the down payment is low enough and the amortization period long enough.

It is only one more step until the typical American will be the man who is spending a third of his income paying for things he has already worn out * * * and this man, whatever his income, is no longer a choice customer.

But for the time being at least, on balance, we are pretty well off financially * * * better off than any people have ever been in the history of mankind.

OUR CHANGING MORAL CODE

And now what about the moral fiber of the Nation as we face the challenges ahead with spending money in our pockets? Americans are going to church in unprecedented numbers; yet we are beginning to sense a gnawing self-doubt about the Nation's moral code.

The recent highly publicized payola investigations and the resignations of several administrative officials of Government who were exposed as the financial beneficiaries of those whom their agencies were supposed to "regulate" have been the latest, but by no means the first, in a sordid series.

Repeated disclosures have revealed too-prevalent a pattern of relaxed ethical standards in high places where the public has a right to expect absolute integrity. The Hoffa-Beck scandals pointed up the shameful picture of men misappropriating funds with which they were solemnly entrusted. Even certain Members of Congress itself have been found guilty of abusing the public payroll. "If the salt have lost its savour, wherewith shall it be salted?"

We need in all of this to keep our perspective. It is necessary to remember that most successful businessmen are not Goldfines. Most labor leaders are neither Becks nor Hoffas. Most Congressmen neither employ relatives nor rent their front porches to the Government. Most appointees in the executive branch are not financial beneficiaries of selfish interests * * * just as most teen-agers are not delinquents and most television performers are not palpable frauds.

But there has been enough of it to make us all a little sick at our stomachs. For the past several months, as a member of the Federal Highway Investigating Committee, I have been delving more and more deeply into the highway program and have seen increasing evidences of both grand and petty graft.

Some highway contractors have knowingly, deliberately, willfully, cheated the public by using inferior materials and building the roads to substandard specifications. And in this they have been abetted by some highway officials.

Some so-called public servants have used their positions to purchase condemned property from the State they are supposed to be serving and then to sell it at enormous profits. Some have tipped off friends to the location of the routes, permitting the friends to buy lands in the highway's path at low prices and then approving purchase of the same lands with public funds at greatly increased prices.

In the past 4 years, we have spent $11.5 billion, much of it money paid in taxes by members of your industry, on the Federal highway program, and during this time the estimated cost of completing the Interstate System has risen from $27 billion to $41 billion.

Through all of this, I've had to keep reminding myself that most highway contractors, most suppliers of materials, most State and Federal highway officials are honest.

Most are like our highway heads in Texas where the only known incident of corrupt practices was discovered quickly by the State highway department itself and those responsible were immediately dismissed from the job and brought to justice.

Yet one who remembers when public-spirited citizens willingly gave their land for a highway between Weatherford and Ranger cannot help wondering what has happened now when a substantial number of people apparently can convince themselves that they are not cheating anyone so long as they are just cheating the Government. The trouble is that they are cheating everybody.

AGE OF THE "GOOF-OFF"

What, indeed, has happened? A national magazine recently said we are falling into what it termed a "group morality" which makes everything all right as long as it is being done by everybody.

Social critics have given us various labels. We have been called an "organization State," an "acquisitive culture," an "affluent society."

But the most stinging criticism is that which has labeled us as the age of the "goof-off"—the era of the job half done. From coast to coast our country unfortunately seems to have become populated with laundrymen who won't iron shirts, waiters who won't serve, manufacturers who deliberately build things to wear out and workers who engage in featherbedding, executives whose mind is on the golf course, students who take cinch courses, professors who teach cinch courses, institutions which offer cinch courses, organizations that sell academic degrees, people who buy academic degrees, public officials whose primary concern is not to lead, not to think, not to express opinion, but simply to stay in public office.

Further, we have moved into the new era of the 2-hour lunch, the all-day coffee break, the misleading advertiser, the paid-off disk jockey, the company credit card and the extravagant tax free expense account, the rigged television show, the dishonest butcher. Those who engage in one form or another of moral depravity range from the high-school flunky who wants to become a beatnik to the Congressman who puts his bar bill on the public voucher.

The Nation suffers from a national neglect that has institutionalized payola, imperfection, and complacency. Since it is easier to deceive than to perfect, we have mistakenly equated deception with the American way of life as one disc jockey stated it. And those of us who have mutely sat back and observed recent exposés as so much entertainment, have contributed our share to the national guilt. We give deception the complacency upon which it can thrive.

Am I unreasonably harsh in this appraisal? Maybe so. I hope so. There are magnificent examples of decency to inspire us. There is still much good mingled with the bad. If I overemphasize our failures, it is only because I am convinced that ours is a nation with a purpose and that we stand in danger of forgetting our mission as a people as we face the opportunities and challenges of the future.

OBSTACLES IN THE PATH

Briefly, let's scan the horizon and see some of the specific obstacles which loom like mountains and foothills in the path of the next 10 years.

The 1960's are certain to see a sharpening of the titanic competition between two opposing national philosophies. The unwritten pages of history are waiting to see whether this decade will tip the scales in behalf of the Soviet Union or the United States.

The Russians at least are quite specific about their goals.

They expect by the mid-1960's to achieve military superiority.

They expect by the end of the next 10 years to pull even with our economy in major productive capacity not in gross national product or the total volume of consumer goods, but in heavy industry, in machine tools, in water and electric power production.

They expect by the end of the decade to have captured the leadership in Asia and Africa and to have reduced the newly created republics of these vast areas of the world to economic dependence upon Soviet trade.

Let's not underestimate them.

Although the Soviet gross national product is only half ours, it is presently growing at a rate twice our own. Their industrial output, not more than one-third of America's in 1955, is closing the gap at an amazing 8 percent annual rate.

Briefly it amounts to this:

A nation with less than half our own GNP, living at about a third of our national standard of individual consumption, is spending as much on military strength as we are; ruthlessly and purposefully exploiting the ferment and the turmoil in the underdeveloped two-thirds of the world * * * wooing, threatening, boasting, sacrificing for its vicious cause of domination and deliberate destruction of democratic nations.

A nation that only recently rode in oxcarts now sends rockets to the moon. A nation once grossly inferior in industry now outproduces us in machine tools. A nation that was once almost completely illiterate now has an educational establishment that turns out twice as many scientists and engineers as ours. A society of peasants is now a great industrial complex. And this is one of the challenges of the sixties.

The key to this challenge was clearly given by a former high Government official who said in Washington last week that the basic difference between Russia's expectations for the 1960's and our own is this * * * Russia bases its hopes upon specific goals and upon a faith in its own ability to fulfill them; while we have no definite goals for the sixties and base our expectations upon the vague hope of Russian failures and a general faith in external circumstances, wholly independent of any clear-cut plan for our own.

OPPORTUNITIES FOR GREATNESS

We would be hasty, of course to say that we must improve our own performance only to compete with the Russians. Competition with another nation should not itself become the foolish fetish of our generation. Rather for the sake of ourselves and our children as well as the welfare and lot of humanity we should undertake the tasks with which the sixties so dogmatically challenge us.

Every challenge is an opportunity for greatness.

Stored in the warehouses of this land is enough grain and foodstuffs, surplus to our needs, to feed the hungry mouths of children and turn what has become a costly burden into a providential blessing and an instrument of peace. It takes only a little imagination.

Our cities are growing at an accelerated pace, and it takes only a little vision and a lot of intelligent application to help them grow in an orderly and well organized way so that they become examples of a proud society and not unplanned suburban sprawls which will create only shinier slums for the future.

Our land has been blessed with enough good soil and water and mineral resources to serve our needs well into the future if we conserve them and use them with the intelligence of an inspired society with a vision of the future.

The growing demands of a growing population will require a more efficient use of our

rivers, our forests, and our mines. Conservation will be an ever-growing challenge of the sixties.

The challenge of education alone is enough to command our most earnest minds. By 1970 we shall need 1,500,000 new teachers—more than the total number now in service—if we are to maintain the present classroom number. Let it never be the epitaph of our civilization that we were so materialistic that we built buildings and forgot teachers or erected stadiums and forgot libraries.

You know something of the challenge of transportation. During the first decade after the war, automobile registration doubled. By 1955 there was a motor vehicle for every 700 feet of lane in both directions on all the roads and streets of the Nation. By 1970 there will be more than 80 million vehicles on the roads. To design and build a highway system capable of serving as the main arteries of the Nation's commerce is a challenge that dwarfs the little plans of little minds.

Air traffic is increasing at a pace which demands a bold and visionary approach if we are to prevent a traffic jam in the skyways.

We must demonstrate the self-discipline to begin a systematic plan of retiring the national debt which today consumes 11 percent of the national budget in interest alone, instead of simply letting it grow and inure to our children while we drift without fiscal plan or purpose.

And these are some of the challenges that face us in the sixties.

Walter Lippmann has raised the question as to whether a free society, depending as it does upon public support for its policies, can show the resiliency and the sustained will to endure the stresses and strains of a world in ferment.

The answer is we can * * * if we want to.

The capacity of America is unlimited. It is adequate to meet the challenge of the sixties * * * but not if we continue to spend more on sports than on science * * * more on scotch than on schools * * * more on entertainment than on education * * * more on carnivals than on culture * * * more on clothes than on conservation and more on cocktail parties than on cancer research.

It is not enough to know the price of things. More importantly, we shall have to learn the value of things.

What we need is a strong sense of national purpose, steeped in the realization of our historic opportunity. Long ago Emerson wrote that what America needed was "someone to inspire us to do what we can."

"The great menace to freedom," wrote Justice Brandeis, "is an inert people."

TWO WAYS

We are all familiar with the legend of Rip Van Winkle. * * * He fell asleep in 1769 and slept for 20 years. When he began his historic snooze, George III was his King and his country was a subservient colony. When he awakened some 20 years later, George Washington was President and his country was an independent Republic.

Old Rip slept through a revolution * * * an unprecedented revolution that witnessed to those who were awake the birth of a dramatic social and political movement * * * the democracy of America which has changed the face of the world.

We can meet the challenge of the new age in two ways * * * Rip Van Winkle's way of complacent comfort, perfect contentment * * * or the way of survival, an alert and purposeful assault upon the challenges that lie ahead.

If we take the first way, we need only sleep. If we choose the second, we may need at times to sacrifice * * * but in sacrifice and striving is the fulfillment of the soul.

Farm Surplus Reduction Act of 1960

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1960

Mr. BERRY. Mr. Speaker, the House has just killed the only farm bill that has come to the floor this year. It appears that so far as wheat is concerned there will be no legislation this session. This should be sufficient notice to Members from the agricultural areas that the time has now come when they must stop playing politics with agriculture and attack the problem at its source.

The fact is, agriculture is simply the first of the various segments of our country to fall victim to our international, one-world policy. No one in Congress or no one in the Nation who has the ability to add a column of figures can lack the understanding of the problem facing American agriculture, but few have the political courage to do anything about it.

Everyone knows there is actually no such thing as a domestic farm problem. Everyone knows that the problem is simply a foreign policy problem. Everyone knows that what is actually happening is that America is importing the food that goes onto our tables and the fiber which goes onto our backs, and the production of the acreage supplanted by these imports is being purchased by the Federal Government and termed as "surplus."

There is no question but what we have in this country a large surplus, but that surplus is not created by overproduction. It is simply created by an oversupply.

Those who refuse to admit that the agricultural problem is simply the result of our foreign policy contend that overproduction and oversupply are synonymous. I call your attention to the fact, however, that oversupply can be created by three things: first, excessive imports, second, lag in exports, and third, excessive domestic production. The oversupply that we have in the United States today is caused primarily by the first two, excessive imports and a lag in exports. We do not have an excessive domestic production, only in the sense that our desire to maintain these foreign imports has led to a program of supports on certain commodities which have kept these commodities in high production and have thrown agricultural production out of balance.

The serious thing is that this program is not only throwing agricultural production out of balance in America, but it is throwing agricultural production out of balance throughout the free world.

DOMESTIC PROBLEM

Let us take a look first at the import problem as it applies to our domestic situation:

First, with regard to wool, American agriculture is permitted to produce less than one-third of the wool that is actually processed and used in this country, and yet because wool is a commodity that is readily susceptible to international trade, the Federal Government has been required to provide a wool support and subsidy program in order to prevent the complete abandonment of wool production in the Nation. It is impossible to determine the acreage required to produce the wool actually used in this country, but it is estimated it would require at least 75 million acres. If American agriculture were producing only the wool used domestically, there would be no surplus acres, there would be no need for soil bank and all of the other acreage reduction programs.

Another example: In 1958 we permitted the import of 2,061,456 head of beef into this country. This was serious, and some of us who protested were given the assurance that beef imports would be reduced. In 1959, instead of a reduction, beef imports jumped to 2,337,438 head.

The Department of Agriculture is unable to give me relative figures on the acres required to produce a beef for market, but it is estimated that nationwide it requires the production of approximately 20 acres to produce, feed, fatten, and place a beef on the American market. In other words, beef imports alone supplanted the production of more than 45 million acres in the United States during 1959. The total national wheat allotment is only 55 million acres, and there are probably few wheat producers who would not prefer being in the cattle business if they had a market for their beef.

Lamb and mutton: During the past 3 years imports of dressed lamb have increased more than 90 percent, reaching more than 9,500,000 pounds of dressed lamb in 1959, with mutton imports in 3 years jumping almost 7,400 percent to 47,300,000 pounds. Live sheep and lamb imports in 1959 totaled 75,073 head with facilities now available for mass importation of live sheep from Australia and New Zealand. The production of many thousand domestic acres is supplanted by these imports, and yet the Tariff Commission refuses to invoke the escape clause on any agricultural imports.

Hogs and pork have followed the same pattern on imports with thousands of head of hogs or the carcass equivalent in pork pouring across our borders supplementing the production of thousands of acres of corn and feed grain.

Other countries with an eye to protecting their farmers and consumers have taken steps to protect their people. Beef imports would probably have been a half million head higher in 1959 had not Canada and Mexico invoked quotas against exporting beef into the United States because the U.S. market was draining the beef from our two neighboring countries creating shortages and excessive prices in both of those countries.

DISRUPTION

The American international policy has not only ruined agriculture by forcing a freeze in acreage production, but is creating the same situation in friendly foreign countries who are exporting into the United States because their farmers are producing for export to America rather than producing for consumption in their own countries. Our policy has

not only disrupted agriculture in America, it is disrupting agriculture throughout the free world.

WHEAT

The high support price resorted to by Congress rather than protecting the American farmer against foreign imports has resulted in a freeze in crop acres. The commodity that has suffered the greatest from this freeze is wheat with a 55 million-acre domestic quota and then an unlimited bypass program for farmers in noncommercial wheat areas. More than half of the so-called wheat surplus is annually produced by 1,200,000 15-acre exemption farmers. Wheat is no longer raised in the Great Plains wheat producing area. The present farm program has diverted wheat to the rice paddies of the South, to the sugarcane fields of the South—fields that should be producing rice and sugar but are prohibited because of the so-called Sugar Act which permits countries like Cuba to import over 3,200,000 short tons of sugar per year for American consumption while sugar beet and sugarcane acres are diverted to some other crop that instead of going onto the American market goes into some Government warehouse.

If Congress were to protect American agriculture from a majority of these imports, there would be no wheat problem. Acres now producing wheat would return to the production of beef, lamb, pork, wool, sugar, and the other food and fiber crops supplanted now by imports.

FEED GRAINS

This bill provides a special program for feed grains. This provision is supposed to be necessary in order to support the price of the crop. Were it not for importation of beef, pork, and mutton, we do not have enough acres to produce this food without the need for such a program. We are supposed to have a surplus of some 200 million bushels of barley and 275 million bushels of oats which costs the American taxpayers approximately $26 million per year in storage and which, because of its existence, is depressing the domestic price of these two commodities. By checking the records, however, we find that in the past 10 years this Nation has imported, primarily from Canada, 224 million bushels of barley and over 344 million bushels of oats. One wonders whose surplus feed grains the American taxpayer is contributing $26 million per year to store.

Rye is another example. In the past 10 years, the actual disappearance of rye has been in excess of the domestic production, and yet there are several million bushels in storage today at the expense of the American taxpayer.

THE ILLNESS

As I indicated before, there is in America today no farm problem. We do not have sufficient acres to produce the food and fiber eaten and worn by American citizens. Our problem is rather an international or import problem manipulated by the State Department under laws passed by Congress authorizing the further reduction of tariffs.

Of course, we have not seen the end of this yet. Meeting next September in Geneva under the aegis of the General Agreement on Tariffs and Trade are delegates under the authorization of this Congress passed in August 1958, directing the President to further reduce by 20 percent import tariffs. Our delegates will be further reducing import quotas and tariffs on agricultural commodities. It can only have one effect on agriculture, and that is to increase imports and to further supplement the production of more acres, creating further and greater havoc for the American farmer and further compounding the problems of this Congress.

EXPORTS

Throughout our national history, America has been an agricultural exporting Nation. This is no longer true. Last year our agricultural exports, even though a bulk of them were highly subsidized, amounted to only $3.719 billion while our agricultural imports exceeded $4 billion. What Congress and the Nation have been doing under the program that has been in operation for a number of years is to import the food and fiber going onto our tables and onto our backs and then purchasing the production from the acres thus supplanted and trying to give away or sell for foreign currencies which are in turn given away, or to sell under a highly subsidized program for dollars the production from these acres that would otherwise be producing for American consumption.

These giveaway programs include relief and school lunch programs domestically and a vast Public Law 480 program internationally. Under Public Law 480, our products from the acres supplanted by foreign imports are sold for foreign currencies which currencies must then be used in that country and in many instances are used for the construction of highways, dams, public power facilities, and other programs that the American taxpayer cannot afford at home but is sponsoring elsewhere under the disguise of disposing of surplus farm products.

We brag about our foreign agricultural exports. The truth is we have very little foreign agricultural exports. What actually happens is that much of it, for which the Department of Agriculture is taking credit, is outright gifts, grants, and donations.

Of the $3.719 billion of agricultural exports last year, $1.050 billion was disposed of through Public Law 480. Other exports totaled $2.669 billion. On these exports the American taxpayers paid a subsidy in the form of ocean transportation of more than $90 million. Of the $2.669 billion exports it is estimated that $1.2 billion received governmental sale subsidies in the form of short-term credit, sales from Government-owned stocks at less than market price, and export payments in cash or in kind at the rate of about 60 cents per bushel on wheat and 8 cents per pound on cotton, et cetera. In order to move these products at all, these export subsidies paid by the American taxpayer was in excess of 10 percent of the value thereof, this in addition to the cost of ocean transportation.

Actually, our so-called agricultural exports which are not gifts or the equivalent of gifts or are not highly subsidized in one form or another are small indeed. It is difficult to determine the exact figure, but it is probably not in excess of a half billion dollars.

It should be borne in mind that every dollar's worth of imports entering this country comes in at regular price and goes onto the American market at regular price, whereas, of the exports we actually have, not more than a half billion dollars is sold free of subsidy and a large percentage of it is given away.

DOLLAR VALUE

I am not proposing that we stop all agricultural imports. To do so would probably not only disrupt our domestic economy but would likewise disrupt the economies of friendly foreign countries. I am suggesting that it is absolutely essential that we stop a majority of these imports. Otherwise, the agricultural industry in America faces complete ruination.

It should be remembered that the American farmer is producing his product and selling it on the domestic market, receiving therefor a dollar bill worth 47.8 cents. This has been brought about because of inflation. The foreign farm producer sells his product on the American market and receives therefor a dollar bill which he in turn can deposit in any international bank and demand and receive 100 cents in gold from the depository at Fort Knox.

The American farmer operates on a dollar worth 48 cents in paying his rent, his machinery, his tools, his equipment, his labor, while his foreign competitor operates on a dollar worth 100 cents in gold.

SOLUTION

As I have indicated so many times before, the illness that faces American agriculture is the malignant import cancer. As an untrained physician, Uncle Sam is attempting to cure the illness by placing support price bandages over the sores where the cancer is draining instead of performing a major operation for the removal of the cancer. Major surgery can be accomplished in four principal steps:

First. Repeal of the Trade Agreements Act renewed in August 1958, which authorizes the President to further reduce tariffs as much as 20 percent.

Second. Return the handlings of tariffs to the Tariff Commission, an arm of Congress, as the Constitution requires, and force the Tariff Commission either to invoke the escape clause liberally or provide import tariffs equal to the competitive value of the inflated dollar on a domestic basis of 47.8 cents as compared with the foreign basis of 100 cents.

Third. Freeze all existing agricultural stocks in the hands of the CCC, permitting none of it to be placed on the domestic competitive market.

Fourth. Repeal all price supports, acreage controls, and regulatory programs, and return agriculture to the free enterprise system under the law of supply and demand.

In the case of presently supported crops, it will require a few years to adjust from the present acreages to acreages producing crops and foods that are salable on the American market, and during that interim period an adjustment program will probably be needed.

For instance, wheat will need a domestic parity program while some of those acres are going into production of beef, mutton, pork, and other crops, but the time has come when Congress must stop this political and international hokum and face up to the realities of American needs.

PRESENT BILL

Today we are considering the extension of a wheat support bill, a program which provides a high support payment for wheat with a provision for limited production.

It is necessary that Congress pass this kind of a bill until the Congress garners sufficient intestinal fortitude to tackle this problem at its roots.

Much has been said about reducing support prices on the basic crops in order to discourage production of these crops. Much has been said about the value of the soil bank program and other programs to take cropland out of production. These probably are necessary, but let me say again, Mr. Speaker, that unless we materially reduce these imports, Congress cannot take land out of production fast enough to meet the added import problem.

American agriculture is sick, not because of American agricultural overproduction, but because of oversupply, and that oversupply has resulted and will continue to result from excessive imports.

SENATE

FRIDAY, JUNE 24, 1960

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of our fathers, Thou knowest that Thy servants within these historic walls come with such overwhelming burdens of leadership, with the weariness of the troubled world upon them, that there is no utterance for what is in and on their hearts.

We only know that deep within is an utter inadequacy and an emptiness that only Thou canst fill—all else is vanity.

We can but pray that those commissioned to stand as representatives of all the people in this forum of freedom may be saved from all pretense and expediency which crucifies principle, and from grasping at glittering baubles of personal ambition and perhaps missing the heavenly vision.

Following the gleam of the true and the just, lest we lose ourselves in dreams and visions and far-off goals, show us the tasks that are waiting for us—here and now, and close at hand—but whose implications belt the globe which is Thy children's home.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 23, 1960, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 4786) declaring certain lands to be held in trust for the Cheyenne River Sioux Tribe of Indians of South Dakota.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ANDREWS, Mr. SHEPPARD, Mr. CANNON, Mr. FENTON, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had receded from its disagreement to the amendment of the Senate numbered 6 to the bill (H.R. 10569) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1961, and for other purposes, and concurred therein.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10644) to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title.

The message further announced that the House had passed a bill (H.R. 12740) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 1765. An act to authorize and direct the Treasury to cause the vessel *Edith Q.*, owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States with limited coastwise privileges;

S. 3019. An act to provide for certain pilotage requirements in the navigation of U.S. waters of the Great Lakes, and for other purposes;

H.R. 4964. An act for the relief of Mrs. Betty L. Fonk;

H.R. 6081. An act for the relief of M. Sgt. Emery C. Jones;

H.R. 6479. An act to provide for the conveyance of certain real property of the United States to the village of Highland Falls, N.Y.;

H.R. 8241. An act to amend certain provisions of the Civil Service Retirement Act relating to the reemployment of former Members of Congress;

H.R. 9443. An act for the relief of Mrs. Ethel B. Morgan; and

H.J. Res. 688. Joint resolution for the relief of certain aliens.

HOUSE BILL REFERRED

The bill (H.R. 12740) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Subcommittee on Reorganization and International Organizations, of the Committee on Government Operations, to hold a public hearing.

The Banking and Currency Committee.

Mr. BRIDGES. Mr. President, I ask unanimous consent that the Finance Committee be permitted to sit during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent that I may be absent from the Senate until next Monday morning.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON REAL PROPERTY EXEMPTED FROM TAXATION IN DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, a report on real property exempted from taxation prior to the passage of the act of December 24, 1942 (with an accompanying report); to the Committee on the District of Columbia.

WITHDRAWAL OF CERTAIN PUBLIC LANDS IN ALASKA

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to provide for the withdrawal of certain public lands 40 miles east of Fairbanks,

Alaska, for use by the Department of the Army as a Nike range (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON, members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted at a convention of Lions Clubs of District 50, Lions International, at Wailuku, Maui, Hawaii, relating to appropriations for the construction of the East-West center for the promotion of international relationships; to the Committee on Appropriations.

RESOLUTION OF WISCONSIN STATE LEGISLATURE

Mr. WILEY. Mr. President, today I received a joint resolution adopted by the Wisconsin State Legislature, memorializing Congress to enact the World War Pension Act of 1960.

In expressing the will of the legislature the resolution stresses, among other things, that the veterans of World War I did not receive benefits comparable to veterans of successive conflicts.

To give Congress the benefit of the resolution adopted by our State legislature, I request unanimous consent to have it printed at this point in the RECORD, and appropriately referred.

There being no objection, the joint resolution was referred to the Committee on Finance, as follows:

SENATE JOINT RESOLUTION 126

Joint resolution memorializing Congress to enact the World War Pension Act of 1960

Whereas many thousands of the Nation's finest citizens who served the cause of democracy during World War I at the gross rate of $30 per month had virtually no take-home pay after their various allotments were deducted; and

Whereas many of these veterans returned home only to find their jobs filled by others and were forced to become street vendors in order to eke out a meager livelihood; and

Whereas an increasing number of the veterans of World War I are now ill and infirm, either due to or aggravated by their military service, and stand in fear of becoming public charges unless some consideration is given to them; and

Whereas they are the forgotten men who have received neither the benefits accorded the veterans of the earlier conflicts nor the fringe benefits granted veterans of World War II and the Korean conflict, and were born too early to benefit from social security, although many are now just as unemployable as are those who receive their pension checks; and

Whereas the veterans of World War I have reached the point in life when their number is dwindling so rapidly that the added pensions granted the survivors would have no appreciable bearing on the resources of our Government: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin recognizes the imperative needs of the veterans of World War I and hereby memorializes the Congress of the United States to give favorable consideration to legislation for pensions for the ill and aged veterans of World War I; and be it further

Resolved, That copies of this resolution be sent to each Member of the Wisconsin delegation in Congress.

President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.
GEORGE MOLINARO,
Speaker of the Assembly.
NORMAN C. ANDERSON,
Chief Clerk of the Assembly.

PEOPLE OF TEXAS SUPPORT PADRE ISLAND SEASHORE AREA NOW

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD a petition signed by 100 Corpus Christi, Tex., residents urging the Congress to pass legislation creating a national seashore park on Padre Island during this session of Congress.

Recent moves to barricade public access to Padre Island beaches has spurred thousands of Texans to immediate concern, and I once more urge that my bill, S. 4, as amended, establishing Padre Island National Seashore Park be acted upon at the earliest possible time.

I ask unanimous consent to have printed in the RECORD the text of this petition, including the names and addresses of all those whose names appear as signers.

There being no objection, the petition, together with the names and addresses, was ordered to be printed in the RECORD, as follows:

JUNE 10, 1960.

Hon. RALPH B. YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: We, the undersigned, are duly concerned about recent attempts to barricade public access to Padre Island beaches.

In order to preserve and assure that Padre Island and the beaches will always be available to us, our children, and the public, we emphatically urge you to act quickly to do all you can to induce Congress at this session to approve Padre Island as a national seashore park.

Mrs. W. H. Seyffert, Jr., 4226 Herndon, Corpus Christi; Earl C. Goetsch, 215 Ocean View, Corpus Christi; Edward J. Shaw, 114 Alta Plaza; Hubert W. Whitney, 933 Miramar; Wm. Anderson, 518 Chamberlain; Paul W. Rice, 1018 Catalina Place, Alden L. Chaney, 714 Chase Drive; E. H. Layne, 815 Furman Street; D. C. Wilson, 4302 Cottage; Charles E. McLeroy, Jr., 3753 Lamont; Ann T. Layrun, Box 584, UOC; Mrs. Mike Vargo, 601 South Carancahua; R. Marion Townsend, 207 D, Buccaneer Drive; Jack M. Graham, 3714 Pope Drive; Joseph F. Jaggard, 3701 Chestnut Street; Pard Leland, 12 C, Buccaneer; Mary A. Jaggard, 3701 Chestnut.

Helen Leland, 120 Buccaneer Drive; Mrs. Lloyd Worsham, 434 Montclair; Mrs. J. R. McCarty, 4629 McGregar Drive; Mrs. John Mendleski, 230 Circle; G. R. McGeeney, 146 Rossiter; Mrs. M. Horn, 1058 Wilshire; Mrs. Thad Stryjak, 3302 Manitou; Mr. T. Stryjak, 3302 Manitou; Mrs. W. J. Moore, 510 Chase Drive; Mrs. Gerald Beard, 221 Ocean View; Mrs. J. Jimenez, Jr., 216 Ocean View; Mrs. M. C. DePriest, 626 Glazebrook; Roger C. Pearce, 418 Longview West, Corpus Christi; Thomas Taylor, 2842 Devon; Doyle W. Pormer, 633 Chase Drive; Mrs. Jessie Wiswell, 714 Ralston, Corpus Christi, Tex.; Mrs. E. N. Fulghum, 2821 Naples, Corpus Christi, Tex.; Mrs. Gordon Lucas, 4214 Upriver Road; Ola K. Lohman, 3626 Austin; Elizabeth Cunningham, 1341 Melbourne Drive; Marjorie May, 4315 Hollywood Terrace; N. A. Phelan, 432 Ohio Avenue; Pat Rice, 1531 Devon Drive; Mrs. Rudolph T. Barrera, 905 Grant Place; Ben Frankle, Jr., 1006 Zarsky; Mrs. Atlee Cunningham, 914 Campbell; Mrs. Mary Blundell, 1329 Florida; Mrs. J. E. Fontaine, 4338 Christie; David Z. Hiller, 1326 7th Street; Faye Sparkman, 3409 Lamont; Al Kucera, 4936 Hakel.

Mrs. Genevieve Kenny, 726 Harrison; Mrs. Virginia Rippy, 1522 Devon Drive; M. A. Pitty, 3009 Prescott; H. D. Walter, 909 Campbell; Lloyd Clarkson, 874 Lan Tana; Mrs. Ola Mae Schuetze, 6042 Orms Drive; Lina Lewis, 1334 Tyler; Gerald Smith, 1206 15th Street; H. Oliveira, 1736 Robin Drive; H. F. Ewing, 917 Erwin Avenue; H. P. Schmal, 344 Melrose Avenue; D. K. Lantos, 617 Peerman Place; Sam N. Davidson, 3740 Aransas Street; E. L. King, 541 Villa Drive; C. M. Reynolds, 922 Cunningham; L. W. Kubala, 702 Sharon; R. E. Waters, 4949 Monitor; Lovie Lee Graham, 421 W. Clark Drive; Matti M. Askey, 1337 Tyler Street; Mary Byrn, 3613 Lamont; Mary Elliff, Route 2, Box 382, Corpus Christi, Tex.; Alree Frith, 3609 Cypress; J. F. Jones, 462 Indiana; Thelma Vitters, 704 Collins; Pauline Williams, 329 Melrose; Kathryn Cunningham, 706 Blucher; Bobbie Gronett, 4806 Kendall Drive; Owen S. West, 239 Purl Place; Lou Culton, 349 Wilshire; Adele Strapp, 1110 Nancy Drive; Marjorie Stavro, 1221 135th Street; Bess Haller, 1325 York Street; Ida McKenzie, 1626 Cambridge; Jessie Thompson, 4405 Christie; Virginia Whitfield, 1136 25th Street; Bernice Goodman, 309 Ohio Avenue.

Dorothy Craig, 62 Country Club Place, Corpus Christi, Tex.; Mrs. Paula A. Salinas, 1938 Sherman, Corpus Christi, Tex.; Miss Socorro Reyes, 213 Luna, Corpus Christi, Tex; Ernestine Hall, 4310 Cambridge, Corpus Christi, Tex.; Marjorie Walden, 1118 Shephard, Corpus Christi, Tex.; Josie Wilburn, 2822 Sarita, Corpus Christi, Tex.; Mrs. Emma Duge, 713½ King St., Corpus Christi, Tex.; Armida Maseder, 1802 Shely, Corpus Christi, Tex.; Mary R. Colemener, 1602 Peabody, Corpus Christi, Tex.; Patricia J. Bishop, 612 Blucher, Corpus Christi, Tex.; Mrs. Annie Cohn, 2909 Houston, Corpus Christi, Tex.; Margaret Navejai, 2414 Cloyde, Corpus Christi, Tex.; Mrs. Chilton Hobbs, 733 Cornelia Circle, West, Corpus Christi, Tex.; Mrs. M. H. Webb, 315 Rosebud "Upper", Corpus Christi, Tex.; Mrs. W. L. Biggers, 517 Chase Drive, Corpus Christi, Tex.; G. C. Letch, 209 Doddridge, Corpus Christi, Tex.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BEALL, from the Committee on the District of Columbia, with amendments:

S. 3648. A bill to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency title to certain real property in said District (Rept. No. 1679).

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 5098. An act to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado (Rept. No. 1680).

By Mr. LONG of Hawaii, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 11602. An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes (Rept. No. 1681).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 3212. A bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the county of Mineral, State of Nevada (Rept. No. 1727).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2959. A bill to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit (Rept. No. 1726).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

H.R. 5068. An act to amend the Shipping Act, 1916, to provide for licensing independent foreign freight forwarders, and for other purposes (Rept. No. 1682).

By Mr. STENNIS, from the Committee on Appropriations, with amendments:

H.R. 12231. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 1684).

By Mr. McCLELLAN, from the Committee on Government Operations, with amendments:

H.R. 5196. An act to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes (Rept. No. 1721).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1578. A bill for the relief of Ralph E. Swift and his wife, Sally Swift (Rept. No. 1693);

S. 1701. A bill for the relief of Hajime Asato (Rept. No. 1692);

S. 2626. A bill for the relief of Zlata Dumlijan and Djuro (George) Kasner (Rept. No. 1694);

S. 2872. A bill for the relief of Ennis Craft McLaren (Rept. No. 1695);

S. 2932. A bill to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody (Rept. No. 1696);

S. 3169. A bill for the relief of Edward C. Tonsmeire, Jr. (Rept. No. 1697);

S. 3406. A bill for the relief of Edward W. Scott III (Rept. No. 1698);

S. 3408. A bill for the relief of Mrs. Maria Giovanna Hopkins (Rept. No. 1699);

S.J. Res. 203. Joint resolution to designate the first day of May each year as Law Day in the United States of America (Rept. No. 1691);

H.R. 2584. An act for the relief of Gourgen H. Assaturian (Rept. No. 1700);

H.R. 2665. An act for the relief of Briccio Garces de Castro (Rept. No. 1701);

H.R. 2671. An act for the relief of Antonia Martinez (Rept. No. 1702);

H.R. 2823. An act for the relief of Fumie Yoshioka (Rept. No. 1703);

H.R. 3534. An act for the relief of Epifanio Trupiano (Rept. No. 1704);

H.R. 3789. An act for the relief of Preciolita V. Corliss (nee Preciolita Valera) (Rept. No. 1705);

H.R. 3805. An act for the relief of Religiosa Luiga Frizzo, Religioso Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone (Rept. No. 1706);

H.R. 4670. An act for the relief of Karnail Singh Mahal (Rept. No. 1707);

H.R. 7263. An act for the relief of Edward Ketchum (Rept. No. 1708);

H.R. 7726. An act to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings (Rept. 1709);

H.R. 7932. An act for the relief of William E. Dulin (Rept. No. 1710);

H.R. 8253. An act for the relief of Pierre R. DeBroux (Rept. No. 1711); and

H.R. 9711. An act for the relief of Robert L. Stoermer (Rept. No. 1712).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 3030. A bill for the relief of Michiko (Hirai) Christopher (Rept. No. 1713);

S. 3076. A bill for the relief of Daisy Pong Hi Tong Li (Rept. No. 1714); and

S. 3118. A bill for the relief of Hadji Benlevi (Rept. No. 1715).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 3357. A bill for the relief of Renato Granduc O'Neal and Grazia Granduc O'Neal (Rept. No. 1716);

S. 3506. A bill for the relief of Athansia G. Koumontsos (Rept. No. 1717);

H.R. 3524. An act for the relief of Sister Carolina (Antonietta Vallo), Sister Noemi (Francesca Carbone), Sister Marta (Sabina Guglielmi), Sister Rafaella (Angela Sicolo), Sister Maria Annunziata (Teresa Carbone), and Sister Marisa (Carolina Nutricati) (Rept. No. 1718); and

H.R. 7033. An act for the relief of Jack Darwin (Rept. No. 1719).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with an amendment:

S.J. Res. 68. Joint resolution providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the three hundredth anniversary of the State of New Jersey, and for other purposes (Rept. No. 1729).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with amendments:

S. 2429. A bill to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended (Rept. No. 1685); and

H.R. 4386. An act to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap (Rept. No. 1686).

By Mr. DIRKSEN, from the Committee on the Judiciary, without amendment:

S.J. Res. 202. Joint resolution providing for the designation of the week commencing October 2, 1960, as National Public Works Week (Rept. No. 1687).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

H.R. 4346. An act to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge (Rept. No. 1688).

By Mr. HRUSKA, from the Committee on the Judiciary, with an amendment:

H.R. 6556. An act to amend subdivision c of section 39 of the Bankruptcy Act (11 U.S.C. 67c) so as to clarify time for review of orders of referees (Rept. No. 1689).

By Mr. KEATING, from the Committee on the Judiciary, without amendment:

S. 3340. A bill to amend title 18 of the United States Code to authorize certain communications to be intercepted in compliance with State law, and for other purposes (Rept. No. 1720).

By Mr. WILEY, from the Committee on the Judiciary, without amendment:

S.J. Res. 186. Joint resolution to provide for the designation of the first Tuesday after the first Monday in November of each year as National Voters' Day (Rept. No. 1690).

By Mr. McCLELLAN, from the Committee on the Judiciary, without amendment:

S.J. Res. 209. Joint resolution providing for the establishment of an annual National Forest Products Week (Rept. No. 1728).

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

H.R. 11522. An act to amend the Act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes (Rept. No. 1722).

By Mr. CHAVEZ, from the Committee on Public Works, with amendments:

S. 3108. A bill to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes (Rept. No. 1723);

S. 3260. A bill to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas (Rept. No. 1724); and

H.R. 10495. An act to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes (Rept. No. 1725).

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, without amendment:

S. 2201. A bill to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities" (Rept. No. 1730).

By Mr. SALTONSTALL, from the Committee on Armed Services, with an amendment:

H.R. 10500. An act to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service (Rept. No. 1732).

By Mr. CASE of South Dakota, from the Committee on Armed Services, without amendment:

H.R. 3923. An act to provide for the presentation of a medal to persons who have served as members of a U.S. expedition to Antarctica (Rept. No. 1733).

By Mr. CASE of South Dakota, from the Committee on Armed Services, with amendments:

H.R. 1157. An act to provide for promotion of economic and social development in the Ryukyu Islands (Rept. No. 1738).

By Mr. CANNON, from the Committee on Armed Services, without amendment:

H.R. 3291. An act to amend title 10, United States Code, with respect to certain medals (Rept. No. 1734).

By Mr. JACKSON, from the Committee on Armed Services, without amendment:

H.R. 5569. An act to amend title 10, United States Code, to authorize the award of certain medals within 2 years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed (Rept. No. 1735).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

H.R. 10068. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes (Rept. No. 1736).

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

H.R. 12200. An act to amend title 10, United States Code, to authorize reduction

in enlisted grade upon approval of certain court-martial sentences, and for other purposes (Rept. No. 1737).

By Mr. ROBERTSON, from the Committee on Banking and Currency, without amendment:

S. 3702. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve Banks to purchase U.S. obligations directly from the Treasury (Rept. No. 1739); and

S. 3714. A bill to authorize adjustments in accounts of outstanding old series currency, and for other purposes (Rept. No. 1731).

DALWORTH C. EBNER—REPORT OF A COMMITTEE—MINORITY VIEWS

Mr. YARBOROUGH. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, with amendments, the bill (S. 299) for the relief of Dalworth C. Ebner, and I submit a report (No. 1742) thereon. I ask unanimous consent that the report be printed, together with the minority views of the Senator from Arizona [Mr. GOLDWATER], and the Senator from North Dakota [Mr. BRUNSDALE].

The PRESIDING OFFICER (Mr. COTTON in the chair). The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Texas.

AMENDMENT OF DISTRICT OF COLUMBIA TEACHERS' SALARY ACT OF 1955

Mr. FREAR. Mr. President, from the Committee on the District of Columbia, I report an original bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended, and I submit a report (No. 1683) thereon.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar.

The bill (S. 3739) to amend the District of Columbia Teachers' Salary Act of 1955, as amended, was read twice by its title and placed on the calendar.

AUTHORIZATION FOR CERTAIN PERSONS TO PERFORM NOTARIAL ACTS IN THE ARMED FORCES

Mr. ERVIN. Mr. President, from the Committee on Armed Services, I report an original bill (S. 3746) to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States, and submitted a report (No. 1741) thereon; which bill was read twice by its title, and ordered to be placed on the calendar.

LIMITATIONS ON TRANSPORTATION OF HOUSEHOLD EFFECTS

Mr. BYRD of Virginia, from the Committee on Armed Services, reported an original bill (S. 3747) to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects, and submitted a report (No. 1740) thereon; which bill was read twice by its title, and placed on the calendar.

APPOINTMENT OF ADDITIONAL CIRCUIT AND DISTRICT JUDGES—ADDITIONAL AMENDMENTS OF COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN, from the Committee on the Judiciary, reported additional amendments of that committee to the bill (S. 2673) to provide for the appointment of additional circuit and district judges, and for other purposes, which were ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MUNDT:

S. 3735. A bill for the relief of Merle K. Loessin; to the Committee on the Judiciary.

By Mr. MUNDT (for himself, Mr. SCOTT, Mr. GREEN, Mr. PROUTY, Mr. KEFAUVER, Mr. BIBLE, Mr. KUCHEL, Mr. BUSH, Mr. MOSS, Mr. KEATING, Mr. SCHOEPPEL, Mr. FONG, Mr. BRIDGES, Mr. MURRAY, Mr. YOUNG of North Dakota, Mr. BENNETT, Mr. COOPER, Mr. ALLOTT, Mr. JAVITS, Mr. CASE of New Jersey, Mr. SPARKMAN, Mr. HOLLAND, Mr. HUMPHREY, Mr. THURMOND, Mr. RANDOLPH, Mr. SMATHERS, Mr. CARROLL, Mr. SALTONSTALL, and Mr. CURTIS):

S. 3736. A bill creating a Commission to be known as the Commission on Noxious and Obscene Matters and Materials; to the Committee on Government Operations.

(See the remarks of Mr. MUNDT when he introduced the above bill, which appear under a separate heading.)

By Mr. GOLDWATER:

S. 3737. A bill for the relief of Dr. Niyazi H. Isil; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 3738. A bill for the relief of Ta-Tuan Ch'en (T.T. Ch'en); to the Committee on the Judiciary.

By Mr. FREAR:

S. 3739. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; placed on the calendar.

(See reference to the above bill when reported by Mr. FREAR, which appears under the heading "Reports of Committees.")

By Mr. ENGLE (for himself and Mr. KUCHEL):

S. 3740. A bill to provide for the conveyance of certain lands which are a part of the Fort Baker Military Reservation in California to the State of California; to the Committee on Government Operations.

By Mr. KEATING:

S. 3741. A bill to admit the oil screw tugs *Barbara, Ivalee, Lydia,* and *Alice* and the barges *Florida, DB–8, No. 220,* and *No. 235* to American registry and to permit their use in the coastwise trade while they are owned by Standard Dredging Corp., a New Jersey corporation; to the Committee on Interstate and Foreign Commerce.

By Mr. MURRAY (by request):

S. 3742. A bill to provide for the withdrawal from the public domain of certain lands in the Ladd-Eielson area, Alaska, for use by the Department of the Army as the Yukon Command Training Site, Alaska, and for other purposes; and

S. 3743. A bill to repeal the act of October 22, 1919 (41 Stat. 293; 43 U.S.C., 351–355, 357–360), and the Act of September 22, 1922 (ch. 400, 42 Stat. 1012; 43 U.S.C., 356), and to require that entrymen of lands in Nevada under the Desert Land Act be resident citizens of Nevada; to the Committee on Interior and Insular Affairs.

By Mr. HOLLAND:

S. 3744. A bill to amend the act of July 14, 1954, providing for the conveyance of certain lands to the Armory Board of the State of Florida; to the Committee on Armed Services.

By Mr. MAGNUSON (for himself, Mr. CASE of New Jersey, Mr. SCHOEPPEL, Mr. KEATING, Mr. MORSE, Mr. SALTONSTALL, Mr. JAVITS, and Mr. SCOTT):

S. 3745. A bill to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. ERVIN:

S. 3746. A bill to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States; placed on the calendar.

(See reference to the above bill when reported by Mr. ERVIN, which appears under the heading "Reports of Committees.")

By Mr. BYRD of Virginia:

S. 3747. A bill to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects; placed on the calendar.

(See reference to the above bill when reported by Mr. BYRD of Virginia, which appears under the heading "Reports of Committees.")

COMMISSION ON NOXIOUS AND OBSCENE MATTERS AND MATERIALS

Mr. MUNDT. Mr. President, I introduce, for appropriate reference, on behalf of myself and Senators SCOTT, GREEN, PROUTY, KEFAUVER, BIBLE, KUCHEL, BUSH, MOSS, KEATING, SCHOEPPEL, FONG, BRIDGES, MURRAY, YOUNG of North Dakota, BENNETT, COOPER, ALLOTT, JAVITS, CASE of New Jersey, SPARKMAN, HOLLAND, HUMPHREY, THURMOND, RANDOLPH, SMATHERS, CARROLL, SALTONSTALL, CURTIS and DWORSHAK, a bill to create a Commission to be known as the Commission on Noxious and Obscene Matters and Materials.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3736) creating a Commission to be known as the Commission on Noxious and Obscene Matters and Materials, introduced by Mr. MUNDT (for himself and others Senators), was received, read twice by its title, and referred to the Committee on Government Operations.

Mr. MUNDT. Mr. President, the purpose of the proposed legislation is to create a Presidential Commission to deal with the problems of "smut" in the mail—the whole gamut of problems involving the mailing of indecent and noxious materials and literature, so-called, in the mails of the United States.

Senators will recall that at the time the Senator from Ohio [Mr. LAUSCHE] offered a rider to an appropriation bill, which was knocked out on a point of order earlier this week, I stated that the

Senate Committee on Government Operations had approved proposed legislation dealing with the matter.

Mr. President, this is the proposed legislation which has been approved by the Committee on Government Operations, subject to finalizing exact language, which has been done in conjunction with the Senator from Pennsylvania [Mr. SCOTT].

The instructions of the committee were that we were to prepare the proposed legislation, bringing together the best features of Senate Joint Resolution 160, which the Senator from Pennsylvania [Mr. SCOTT] and other Senators, of which I was one, introduced some time ago, and S. 3325, which represents a different approach to the problem, incorporated in a bill I had introduced. We had both of those bills before the Senate Committee on Government Operations. It was decided to incorporate in one piece of proposed legislation the best features of both bills and the best approaches to the problem.

Mr. President, I ask unanimous consent that the Senator from Pennsylvania [Mr. SCOTT], who has worked most helpfully on this matter, and who has been delayed in getting to the Chamber, be permitted to have his remarks and any statement he cares to make printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota? The Chair hears none, and it is so ordered.

Mr. SCOTT. Mr. President, earlier today the Senator from South Dakota [Mr. MUNDT] spoke in connection with a new bill, introduced by him on his behalf and on behalf of myself and numerous other Senators, to create a Commission on Noxious and Obscene Matters and Materials.

The new, clean bill was introduced as a result of the fact that the committee was considering the resolution introduced by me, Senate Joint Resolution 160, and a bill introduced by the Senator from South Dakota [Mr. MUNDT], S. 3325. The clean bill, which the committee has indicated it will report favorably very shortly, is, in my opinion, better than either the original bill or the original resolution. The new bill combines the best features of both proposals. It contains the policy declaration of Senate Joint Resolution 160.

It establishes a commission of 17 members, composed of Government representatives, State officials, and representatives of industry and of the clergy. It provides for a staff, and sets out the duties of the Commission and its powers. In some ways the Commission structure may be better than the White House conference I proposed, as it will require definite reporting back to Congress, and limits the time for such report. Care has been taken to see that State and local elements are brought into the picture, as was the purpose of S.J. Res. 160.

I wish to pay tribute to the Senator from South Dakota [Mr. MUNDT] for the attention and care which he has devoted to this legislation, and to express the firm hope that from the proposed Commission will come recommendations for more stringent Federal control of the traffic in obscene literature, which has done so much to harm the youth of the country, and has aroused so much interest on behalf of parents and of youths themselves.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. KEATING. I was happy to join as a cosponsor of the bill introduced by the Senator from South Dakota, and I commend him for his sponsorship of the bill.

I also wish to voice my commendation of the Senator from Pennsylvania for his pioneering work in this field. I know that he has given great attention to the subject, and I was happy to join him earlier in sponsoring Senate Joint Resolution 160. This is a subject which has engaged my earnest attention for years, even reaching back into my tenure in the House of Representatives.

I think the Federal Government must come to grips with the problem of distribution among the youth of our country of the terrible tripe that is being sent to them now, and I hope this bill will have early attention and will receive favorable consideration by Congress. We have done much talking about the subject, but it seems to me that we should do more than talk. The time for action has come. The situation is growing worse by the day.

The unsavory people who make their livelihood from printing and distributing this filth are clearing something like $500,000 a year. Although vigorous campaigns have been mounted against these barons of obscenity, much more can and should be done.

One main virtue of the proposed commission is that it provides for coordinating Federal, State, and local efforts in this cause. This is most important, as is the requirement for a report back to Congress on a definite date.

I am hopeful this Commission will come up with suggestions to help wipe out this horrible blot upon our Nation. Traffic in pornography is making millionaires out of filthy characters and it is high time we put them out of business. I commend the Senators from Pennsylvania and South Dakota for getting their teeth into the problem.

Mr. SCOTT. Mr. President, I appreciate the remarks of the junior Senator from New York. I recall that he and I were much interested in urging such legislation when we were Members of the other body. It is extremely important that we have the proposed Commission so that we may proceed as rapidly as possible to specific relief through Federal statutory action.

Mr. MUNDT. Mr. President, briefly stated, the Commission will have six main objectives.

First. To explore methods of combating the traffic in obscene matters and materials at the various levels of governmental responsibility;

Second. To provide for the development of a plan for improved coordination between Federal, State, and local officials in the suppression of such traffic;

Third. To determine ways and means of informing the public as to the origin, scope, and effects of such traffic, and of obtaining public support in its suppression;

Fourth. To secure the active cooperation of leaders in the field of mass media for the accomplishment of the objectives and purposes of this act;

Fifth. To formulate recommendations for such legislative, administrative, or other forms of action as may be deemed necessary to combat such traffic; and

Sixth. To analyze the laws pertaining to traffic in noxious and obscene matters and materials, and to make such recommendations to the Congress for appropriate revisions of Federal laws as the Commission may deem necessary in order to effectively regulate the flow of such traffic.

On the House side, JAMES OLIVER, of Maine, is introducing a companion piece of legislation to the bill which I am introducing today on behalf of myself and our cosponsors. It is our hope that before Congress adjourns this year both the Senate and the House will take action which will enable us to start grappling with this very serious menace to the youth of America.

I am sure that the Senate generally shared with the Senator from Ohio [Mr. LAUSCHE] disappointment the other day to discover that it was not in conformity with the rules of the Senate to add the provision as a rider to an appropriation bill. In addition, the approach by the Senator from Ohio had the weakness of dealing only with one aspect of the problem in one area. That was with respect to airports. The proposed measure "covers the waterfront" and would give the Government of the United States a means and a mechanism for fighting successfully against the distribution of obscene literature through the mail.

I commend this proposed legislation to the prompt attention of our colleagues in the Senate.

Mr. CURTIS. Mr. President, I rise to give my most vigorous support to the bill introduced today under the sponsorship of my colleagues, Senator KARL MUNDT and Senator HUGH SCOTT. This bill will create a Commission on Noxious and Obscene Matters and Materials.

When this proposal was taken up several days ago in the Government Operations Committee of the Senate, I supported the action to draft and send this bill to the Senate. I know of no more important item having been considered by the committee during this session of the Congress. This Commission, directed to prevent the circulation of noxious and obscene matters and materials, is as vital to the total education of youth of America as any contribution to that end which can be made by family, church, school, or the National Congress. In my opinion, the trafficking of obscene matters among our youth is no less heinous than trafficking in narcotics. Our constant effort to raise our children as moral beings, equipped to cope with life's many problems, must not be subverted by having thrust upon them a display of sordidness. Only the basest element of a society could commercialize this filth. Life is

filled with experiences, many of them are bitter ones. We need not seek out degradation to teach us realism. If we can, our youth must be directed to reading and entertainment which is wholesome, which is uplifting, which is a pleasant and rewarding surcease from the cares of a day.

REGISTER IN DEPARTMENT OF COMMERCE OF PERSONS WHOSE OPERATOR LICENSES HAVE BEEN REVOKED—NOTICE OF HEARING

Mr. MAGNUSON. Mr. President, on behalf of myself, the Senator from New Jersey [Mr. CASE], the Senator from Kansas [Mr. SCHOEPPEL], the Senators from New York [Mr. JAVITS and Mr. KEATING], the Senator from Oregon [Mr. MORSE], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Pennsylvania [Mr. SCOTT], I introduce, for appropriate reference, a bill to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked.

The purpose of this bill is to establish, on a voluntary basis, a national register of the names of persons whose motor vehicle operator's permits have been removed for certain traffic law violations. The register would include the names of those whose permits have been revoked for, first, driving while intoxicated, or second, conviction of a violation of a highway traffic code involving loss of life.

The register, to be established and maintained by the Secretary of Commerce, would contain the names of persons reported voluntarily by State and local political subdivisions. Driver licensing authorities could call on the Department of Commerce for information regarding names on the list.

The death toll from motor vehicle accidents has been running between 38,000 and 39,000 annually in recent years. The U.S. Public Health Service reports that 4,702,000 persons were injured in motor vehicle accidents in 1958. Property damage resulting from motor vehicle accidents is running between $5 billion and $7 billion a year. These are shocking figures. It is hoped that the proposal embodied in the bill which we have introduced will result in keeping incompetent and irresponsible drivers off the Nation's highways.

This bill, Mr. President, is identical to a bill—H.R. 5436—which has been approved by the House Committee on Interstate and Foreign Commerce and which is now on the House Calendar.

The Senate Committee on Interstate and Foreign Commerce will hold hearings on the Senate bill, next Monday, June 27 at 2 p.m. in room 5110, New Senate Office Building. The distinguished senior Senator from New Jersey [Mr. CASE], who is a cosponsor of the bill, and who has long taken a keen interest in measures to improve the safety of our highways, will preside at the hearings.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3745) to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

PRESERVATION OF A PORTION OF REMAINING UNDEVELOPED SHORELINE AREA—AMENDMENTS

Mr. MORSE submitted amendments, intended to be proposed by him, to the bill (S. 2010) to save and preserve, for the public use and benefit, a portion of the remaining undeveloped shoreline area of the United States, and for other purposes, which were referred to the Committee on Interior and Insular Affairs and ordered to be printed.

Mr. MORSE submitted an amendment, intended to be proposed by him, to the amendment in the nature of a substitute, intended to be proposed by Mr. ALLOTT to the bill (S. 2010) to save and preserve, for the public use and benefit, a portion of the remaining undeveloped shoreline area of the United States, and for other purposes, which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

OREGON COAST NATIONAL SEASHORE RECREATION AREA—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him, to the bill (S. 2898) to establish the Oregon Coast National Seashore Recreation Area, and for other purposes, which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

INTEGRATED SYSTEM OF TRANSPORTATION FOR NATIONAL CAPITAL REGION—AMENDMENTS

Mr. MORSE. Mr. President, I submit amendments, intended to be proposed by me to the bill (S. 3193) to aid in the development of a unified and integrated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize creation of a National Capital Transportation Corporation; to authorize negotiation to create an interstate transportation agency; and for other purposes. I submit the amendments for printing tonight, because I understand that on tomorrow Senate bill 3193 will be before us.

The PRESIDING OFFICER. The amendments will be received, printed, and lie on the table.

RICHARD L. NEUBERGER NATIONAL SEASHORE—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him to the bill (S. 3211) to establish the Richard L. Neuberger National Seashore, and for other purposes, which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

AUTHORIZATION FOR APPROPRIATIONS FOR CONSTRUCTION OF CERTAIN HIGHWAYS IN FISCAL YEARS 1962 AND 1963—AMENDMENTS

Mr. HUMPHREY submitted amendments, intended to be proposed by him, to the bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, which were referred to the Committee on Public Works and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY LAW—AMENDMENTS

Mr. BYRD of West Virginia. Mr. President, I submit two amendments, intended to be proposed by me, to the bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes, and ask that they be printed.

I ask unanimous consent that the amendments be printed in the RECORD, and that they may lie on the desk until Monday, June 27, 1960, for the signatures of additional cosponsors.

The PRESIDING OFFICER. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments will be printed in the RECORD, and lie on the desk, as requested by the Senator from West Virginia.

The amendments were referred to the Committee on Finance, as follows:

On page 80, between lines 3 and 4, insert the following new section:

"SEC. 211. (a) Section 216(a) of the Social Security Act is amended to read as follows:

"RETIREMENT AGE

"'(a) The term "retirement age" means—

"'(1) in the case of a man, age sixty-two, or

"'(2) in the case of a woman, age sixty.'

"(b) Subsections (q), (r), and (s) of section 202 of such Act are amended to read as follows:

"'*Adjustment of old-age, wife's and husband's insurance benefit amounts in accordance with age of beneficiary.*

"'(q)(1) The old-age insurance benefit of any individual for any month prior to the month in which such individual attains the age of sixty-five shall be reduced by—

"'(A) Five-ninths of 1 per centum, multiplied by

"'(B) the number equal to the number of months in the period beginning with the first day of the first month for which such

individual is entitled to an old-age insurance benefit and ending with the last day of the month before the month in which such individual would attain the age of sixty-five.

"'(2) The wife's or husband's insurance benefit of any individual for any month after the month preceding the month in which such individual attains retirement age and prior to the month in which such individual attains the age of sixty-five shall be reduced by—

"'(A) twenty-five thirty-sixths of 1 per centum, multiplied by

"'(B) the number equal to the number of months in the period beginning with the first day of the first month for which such individual is entitled to such wife's or husband's (as the case may be) insurance benefit and ending with the last day of the month before the month in which such individual would attain the age of sixty-five, except that in no event shall such period start earlier than the first day of the month in which such individual attains retirement age.

In the case of an individual entitled to wife's insurance benefits, the preceding provisions of this paragraph shall not apply to the benefit for any month in which such individual has in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based) a child entitled to child's insurance benefits on the basis of such wages and self-employment income. With respect to any month in the period specified in clause (B) of the first sentence of this paragraph, if (in the case of an individual entitled to wife's insurance benefits) such individual does not have in such month such a child in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based), she shall be deemed to have such a child in her care in such month for the purposes of the preceding sentence unless there is in effect for such month a certificate filed by her with the Secretary, in accordance with regulations prescribed by him, in which she elects to receive wife's insurance benefits reduced as provided in this subsection. Any certificate filed pursuant to the preceding sentence shall be effective for purposes of such sentence—

"'(i) for the month in which it is filed, and for any month thereafter, if in such month she does not have such a child in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based), and

"'(ii) for the period of one or more consecutive months (not exceeding twelve) immediately preceding the month in which such certificate is filed which is designated by her (not including as part of such period any month in which she had such a child in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based)).

If such a certificate is filed, the period referred to in clause (B) of the first sentence of this paragraph shall commence with the first day of the first month (i) for which such individual is entitled to a wife's insurance benefit, (ii) which occurs after the month preceding the month in which she attains retirement age, and (iii) for which such certificate is effective.

"'(3) In the case of any individual who is entitled to an old-age insurance benefit to which paragraph (1) is applicable and who, for the first month for which such individual is so entitled (but not for any prior month) or for any later month occurring before the month in which such individual attains the age of sixty-five, is entitled to a wife's or husband's insurance benefit to which paragraph (2) is applicable, the amount of such wife's or husband's insurance benefit for any month prior to the month in which such individual attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (2), be reduced by the sum of—

"'(A) an amount equal to the amount by which such old-age insurance benefit for such month is reduced under paragraph (1), plus

"'(B) an amount equal to—

"'(i) the number equal to the number of months specified in clause (B) of paragraph (2), multiplied by

"'(ii) twenty-five thirty-sixths of 1 per centum, and further multiplied by

"'(iii) the excess of such wife's or husband's insurance benefit (as the case may be) prior to reduction under this subsection over the old-age insurance benefit prior to reduction under this subsection.

"'(4) In the case of any individual who is or was entitled to a wife's or husband's insurance benefit to which paragraph (2) is applicable and who, for any month after the first month for which such individual is or was so entitled (but not for such first month or any earlier month) occurring before the month in which such individual attains the age of sixty-five, is entitled to an old-age insurance benefit, the amount of such old-age insurance benefit for any month prior to the month in which such individual attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (1), be reduced by the sum of—

"'(A) an amount equal to the amount by which such wife's or husband's (as the case may be) insurance benefit is reduced under paragraph (2) for such month (or, if such individual is not entitled to a wife's or husband's insurance benefit for such month, by an amount equal to the amount by which such benefit was reduced for the last month for which such individual was entitled to such a benefit), plus

"'(B) if the old-age insurance benefit for such month prior to reduction under this subsection exceeds such wife's or husband's (as the case may be) insurance benefit prior to reduction under this subsection, an amount equal to—

"'(i) the number equal to the number of months specified in clause (B) of paragraph (1), multiplied by

"'(ii) 5/9 of 1 per centum, and further multiplied by

"'(iii) the excess of such old-age insurance benefit over such wife's or husband's (as the case may be) insurance benefit.

"'(5) In the case of any individual who is entitled to an old-age insurance benefit for the month in which such individual attains the age of sixty-five or any month thereafter, such benefit for such month shall, if such individual was also entitled to such benefit for any one or more months prior to the month in which such individual attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (1) or (4), be reduced as provided in such paragraph, except that there shall be subtracted, from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b),

and except that, in the case of any such benefit reduced under paragraph (4), there also shall be subtracted from the number specified in clause (B) of paragraph (2), for the purpose of computing the amount referred to in clause (A) of paragraph (4)—

"'(B) the number equal to the number of months for which the wife's or husband's (as the case may be) insurance benefit was reduced under such paragraph (2), but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203(b), under section 203(c), or under section 222(b).

"'(C) in case of a wife's insurance benefit, the number equal to the number of months occurring after the first month for which such benefit was reduced under paragraph (2) in which such individual had in her care (individually or jointly with the individual on whose wages and self-employment income such benefit is based) a child of such individual entitled to child's insurance benefits, and

"'(D) the number equal to the number of months for which such wife's or husband's (as the case may be) insurance benefit was reduced under such paragraph (2), but in or after which such individual's entitlement to wife's or husband's insurance benefits was terminated because such individual's spouse ceased to be under a disability, not including in such number of months any month after such termination in which such individual was entitled to wife's or husband's insurance benefits.

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), (C), and (D) of the preceding sentence is not less than three. For purposes of clauses (B) and (C) of this paragraph, the wife's or husband's insurance benefit of an individual shall not be considered terminated for any reason prior to the month in which such individual attains the age of sixty-five.

"'(6) In the case of any individual who is entitled to a wife's or husband's insurance benefit for the month in which such individual attains the age of sixty-five or any month thereafter, such benefit for such month shall, if such individual was also entitled to such benefit for any one or more months prior to the month in which such individual attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (2) or (3), be reduced as provided in such paragraph, except that there shall be subtracted from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under section 203(b) (1) or (2), under section 203(c), or under section 222(b),

"'(B) in case of a wife's insurance benefit, the number equal to the number of months, occurring after the first month for which such benefit was reduced under such paragraph, in which such individual had in her care (individually or jointly with the individual on whose wages and self-employment income such benefit is based) a child of such individual entitled to child's insurance benefits, and

"'(C) the number equal to the number of months for which such wife's or husband's (as the case may be) insurance benefit was reduced under such paragraph, but in or after which such individual's entitlement to wife's or husband's insurance benefits was terminated because such individual's spouse ceased to be under a disability, not including in such number of months any month after such termination in which such individual was entitled to wife's or husband's insurance benefits,

and except that, in the case of any such benefit reduced under paragraph (3) there also shall be subtracted from the number specified in clause (B) of paragraph (1), for the purpose of computing the amount referred to in clause (A) of paragraph (3)—

"'(D) the number equal to the number of months for which the old-age insurance benefit was reduced under such paragraph (1) but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203(b).

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), (C), and (D) of the preceding sentence is not less than three.

"'(7) In the case of an individual who is entitled to an old-age insurance benefit to which paragraph (5) is applicable and who, for the month in which such individual attains the age of sixty-five (but not for any prior month) or for any later month, is entitled to a wife's or husband's insurance benefit, the amount of such wife's or husband's insurance benefit for any month shall be reduced by an amount equal to the amount by which the old-age insurance benefit is reduced under paragraph (5) for such month.

"'(8) In the case of an individual who is or was entitled to a wife's or husband's insurance benefit to which paragraph (2) was applicable and who, for the month in which such individual attains the age of sixty-five (but not for any prior month) or for any later month, is entitled to an old-age insurance benefit, the amount of such old-age insurance benefit for any month shall be reduced by an amount equal to the amount by which the wife's or husband's (as the case may be) insurance benefit is reduced under paragraph (6) for such month (or, if such individual is not entitled to a wife's or husband's insurance benefit for such month, by (i) an amount equal to the amount by which such benefit for the last month for which such individual was entitled thereto was reduced, or (ii) if smaller, an amount equal to the amount by which such benefit would have been reduced under paragraph (6) for the month in which such individual attained the age of sixty-five if entitlement to such benefit had not terminated before such month).

"'(9) The preceding paragraphs shall be applied to old-age insurance benefits, wife's insurance benefits, and husband's insurance benefits after reduction under section 203(a) and application of section 215(g). If the amount of any reduction computed under paragraph (1), under paragraph (2), under clause (A) or clause (B) of paragraph (3), or under clause (A) or clause (B) or paragraph (4) is not a multiple of $0.10, it shall be reduced to the next lower multiple of $0.10.

"'Presumed filing of application by individual eligible for old-age and wife's or husband's insurance benefits

"'(r) Any individual who becomes entitled to an old-age insurance benefit for any month prior to the month in which such individual attains the age of sixty-five and who is eligible for a wife's or husband's insurance benefit for the same month shall be deemed to have filed an application in such month for wife's or husband's (as the case may be) insurance benefits. Any individual who becomes entitled to a wife's or husband's insurance benefit for any month prior to the month in which such individual attains the age of sixty-five and who is eligible for an old-age insurance benefit for the same month shall be deemed, unless (in the case of an individual entitled to wife's insurance benefits) such individual has in such month in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefits are based) a child entitled to child's insurance benefits on the basis of such wages and self-employment income, to have filed an application in such month for old-age insurance benefits. For purposes of this subsection an individual shall be deemed eligible for a benefit for a month if, upon filing application therefor in such month, such individual would have been entitled to such benefit for such month.

"'Disability insurance beneficiary

"'(s)(1) If any individual becomes entitled to a widow's insurance benefit, widower's insurance benefit, or parent's insurance benefit for a month before the month in which such individual attains the age of sixty-five, or becomes entitled to an old-age insurance benefit, wife's insurance benefit, or husband's insurance benefit for a month before the month in which such individual attains the age of sixty-five which is reduced under the provisions of subsection (q), such individual may not thereafter become entitled to disability insurance benefits under this title.

"'(2) If an individual would, but for the provisions of subsection (k)(2)(B), be entitled for any month to a disability insurance benefit and to a wife's or husband's insurance benefit, subsection (q) shall be applicable to such wife's or husband's insurance benefit (as the case may be) for such month only to the extent it exceeds such disability insurance benefit for such month.

"'(3) The entitlement of any individual to disability insurance benefits shall terminate with the month before the month in which such individual becomes entitled to old-age insurance benefits.'

"(c) So much of such section 202(b)(1) as follows clause (C) is amended by striking out 'she becomes entitled to an old-age or disability insurance benefit based on a primary insurance amount which is equal to or exceeds one-half of an old-age or disability insurance benefit of her husband,'.

"(d)(1) Clause (D) of subsection (c)(1) of such section 202 is amended by striking out 'or he becomes entitled to an old-age or disability insurance benefit equal to or exceeding one-half of the primary insurance amount of his wife,'.

"(2) Subsection (c)(3) of such section 202 is amended by striking out 'Such' and inserting in lieu thereof 'Except as provided in subsection (q), such'.

"(e) Subsection 202(j)(3) of such Act is amended to read as follows:

"'(3) Notwithstanding the provisions of paragraph (1), an individual may, at his option, waive entitlement to old-age insurance benefits, wife's insurance benefits, or husband's insurance benefits for any one or more consecutive months which occur—

"'(A) after the month before the month in which such individual attains retirement age,

"'(B) prior to the month in which such individual attains the age of sixty-five, and

"'(C) prior to the month in which such individual files application for such benefits;

and, in such case, such individual shall not be considered as entitled to such benefits for any such month or months before he filed such application. An individual shall be deemed to have waived such entitlement for any such month for which such benefit would, under the second sentence of paragraph (1), be reduced to zero.'

"(f) Section 3121(a)(9) of the Internal Revenue Code of 1954 is amended by striking out '65' and inserting in lieu thereof '62', and by striking out '62' and inserting in lieu thereof '60'.

"(g)(1) The amendment made by subsection (a) shall apply only in the case of lump-sum death payments under section 202(i) of the Social Security Act with respect to deaths occurring after October 1960, and in the case of monthly benefits under title II of such Act for months after October 1960 on the basis of applications filed after the date of enactment of this Act.

"(2) For purposes of section 215(b)(3)(B) of the Social Security Act (but subject to paragraph (1) of this subsection)—

"(A)(i) a woman who attains the age of sixty prior to November 1960 and who was not eligible for old-age insurance benefits under section 202 of such Act (as in effect prior to the enactment of this Act) for any month prior to November 1960 shall be deemed to have attained the age of sixty in 1960 or, if earlier, the year in which she died; and

"(ii) a man who attains the age of sixty-two prior to November 1960 and who was not eligible for old-age insurance benefits under section 202 of such Act (as in effect prior to the enactment of this Act) for any month prior to November 1960 shall be deemed to have attained the age of sixty-two in 1960, or, if earlier, the year in which he died;

"(B) an individual shall not, by reason of the amendment made by subsection (a), be deemed to be a fully insured individual before November 1960 or the month in which he died, whichever month is the earlier; and

"(C) the amendment made by subsection (a) shall not be applicable in the case of any individual who was eligible for old-age insurance benefits under such section 202 for any month prior to November 1960.

An individual shall, for purposes of this paragraph, be deemed eligible for old-age insurance benefits under section 202 of the Social Security Act for any month if he was or would have been, upon filing application therefor in such month, entitled to such benefits for such month.

"(3) For purposes of section 209(l) of such Act, the amendment made by subsection (a) shall apply only with respect to remuneration paid after October 1960.

"(h)(1) The amendments made by subsection (b) through (e) shall take effect November 1, 1960, and shall be applicable with respect to monthly benefits under title II of the Social Security Act for months after October 1960.

"(2) The amendment made by subsection (f) shall be effective with respect to remuneration paid after October 1960."

On page 80, between lines 3 and 4, insert the following new section:

"Sec. 211. (a) Section 216(a) of the Social Security Act is amended to read as follows:

"'RETIREMENT AGE

"'(a) The term "retirement age" means age sixty-two'.

"(b) Subsections (q), (r), and (s) of section 202 of such Act are amended to read as follows:

"'Adjustment of old-age, wife's, and husband's insurance benefit amounts in accordance with age of beneficiary

"'(q)(1) The old-age insurance benefit of any individual for any month prior to the month in which such individual attains the age of sixty-five shall be reduced by—

"'(A) Five-ninths of 1 per centum, multiplied by

"'(B) the number equal to the number of months in the period beginning with the first day of the first month for which such individual is entitled to an old-age insurance benefit and ending with the last day of the month before the month in which such individual would attain the age of sixty-five.

"'(2) The wife's or husband's insurance benefit of any individual for any month after the month preceding the month in which such individual attains retirement age and prior to the month in which such individual attains the age of sixty-five shall be reduced by—

"'(A) Twenty-five thirty-sixths of 1 per centum, multiplied by

"'(B) the number equal to the number of months in the period beginning with the first day of the first month for which such individual is entitled to such wife's or husband's (as the case may be) insurance benefit and ending with the last day of the month before the month in which such individual would attain the age of sixty-five, except that in no event shall such period start earlier than the first day of the month in which such individual attains retirement age.

In the case of an individual entitled to wife's insurance benefits, the preceding provisions of this paragraph shall not apply to the benefit for any month in which such individual has in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based) a child entitled to child's insurance benefits on the basis of such wages and self-employment income. With respect to any month in the period specified in clause (B) of the first sentence of this paragraph, if (in the case of an individual entitled to wife's insurance benefits) such individual does not have in such month such a child in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based), she shall be deemed to have such a child in her care in such month for the purposes of the preceding sentence unless there is in effect for such month a certificate filed by her with the Secretary, in accordance with regulations prescribed by him, in which she elects to receive wife's insurance benefits reduced as provided in this subsection. Any certificate filed pursuant to the preceding sentence shall be effective for purposes of such sentence—

"'(i) for the month in which it is filed, and for any month thereafter, if in such month she does not have such a child in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based), and

"'(ii) for the period of one or more consecutive months (not exceeding twelve) immediately preceding the month in which such certificate is filed which is designated by her (not including as part of such period any month in which she had such a child in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefit is based)).

If such a certificate is filed, the period referred to in clause (B) of the first sentence of this paragraph shall commence with the first day of the first month (i) for which such individual is entitled to a wife's insurance benefit, (ii) which occurs after the month preceding the month in which she attains retirement age, and (iii) for which such certificate is effective.

"'(3) In the case of any individual who is entitled to an old-age insurance benefit to which paragraph (1) is applicable and who, for the first month for which such individual is so entitled (but not for any prior month) or for any later month occurring before the month in which such individual attains the age of sixty-five, is entitled to a wife's or husband's insurance benefit to which paragraph (2) is applicable, the amount of such wife's or husband's insurance benefit for any month prior to the month in which such individual attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (2), be reduced by the sum of—

"'(A) an amount equal to the amount by which such old-age insurance benefit for such month is reduced under paragraph (1), plus

"'(B) an amount equal to—

"'(i) the number equal to the number of months specified in clause (B) of paragraph (2), multiplied by

"'(ii) twenty-five thirty-sixths of 1 per centum, and further multiplied by

"'(iii) the excess of such wife's or husband's insurance benefit (as the case may be) prior to reduction under this subsection over the old-age insurance benefit prior to reduction under this subsection.

"'(4) In the case of any individual who is or was entitled to a wife's or husband's insurance benefit to which paragraph (2) is applicable and who, for any month after the first month for which such individual is or was so entitled (but not for such first month or any earlier month) occurring before the month in which such individual attains the age of sixty-five, is entitled to an old-age insurance benefit, the amount of such old-age insurance benefit for any month prior to the month in which such individual attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (1), be reduced by the sum of—

"'(A) an amount equal to the amount by which such wife's or husband's (as the case may be) insurance benefit is reduced under paragraph (2) for such month (or, if such individual is not entitled to a wife's or husband's insurance benefit for such month, by an amount equal to the amount by which such benefit was reduced for the last month for which such individual was entitled to such a benefit), plus

"'(B) if the old-age insurance benefit for such month prior to reduction under this subsection exceeds such wife's or husband's (as the case may be) insurance benefit prior to reduction under this subsection, an amount equal to—

"'(i) the number equal to the number of months specified in clause (B) of paragraph (1), multiplied by

"'(ii) Five-ninths of 1 per centum, and further multiplied by

"'(iii) the excess of such old-age insurance benefit over such wife's or husband's (as the case may be) insurance benefit.

"'(5) In the case of any individual who is entitled to an old-age insurance benefit for the month in which such individual attains the age of sixty-five or any month thereafter, such benefit for such month shall, if such individual was also entitled to such benefit for any one or more months prior to the month in which such individual attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (1) or (4), be reduced as provided in such paragraph, except that there shall be subtracted, from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203(b),

and except that, in the case of any such benefit reduced under paragraph (4), there also shall be subtracted from the number specified in clause (B) of paragraph (2), for the purpose of computing the amount referred to in clause (A) of paragraph (4)—

"'(B) the number equal to the number of months for which the wife's or husband's (as the case may be) insurance benefit was reduced under such paragraph (2), but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203(b), under section 203(c), or under section 222(b),

"'(C) in case of a wife's insurance benefit, the number equal to the number of months occurring after the first month for which such benefit was reduced under paragraph (2) in which such individual had in her care (individually or jointly with the individual on whose wages and self-employment income such benefits is based) a child of such individual entitled to child's insurance benefits, and

"'(D) the number equal to the number of months for which such wife's or husband's (as the case may be) insurance benefit was reduced under such paragraph (2), but in or after which such individual's entitlement to wife's or husband's insurance benefits was terminated because such individual's spouse ceased to be under a disability, not including in such number of months any month after such termination in which such individual was entitled to wife's or husband's insurance benefits.

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), (C), and (D) of the preceding sentence is not less than three. For purposes of clauses (B) and (C) of this paragraph, the wife's or husband's insurance benefit of an individual shall not be considered terminated for any reason prior to the month in which such individual attains the age of sixty-five.

"'(6) In the case of any individual who is entitled to a wife's or husband's insurance benefit for the month in which such individual attains the age of sixty-five or any month thereafter, such benefit for such month shall, if such individual was also entitled to such benefit for any one or more months prior to the month in which such individual attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (2) or (3), be reduced as provided in such paragraph, except that there shall be subtracted from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under section 203(b) (1) or (2), under section 203(c), or under section 222(b),

"'(B) in case of a wife's insurance benefit, the number equal to the number of months, occurring after the first month for which such benefit was reduced under such paragraph, in which such individual had in her care (individually or jointly with the individual on whose wages and self-employment income such benefit is based) a child of such individual entitled to child's insurance benefits, and

"'(C) the number equal to the number of months for which such wife's or husband's (as the case may be) insurance benefit was reduced under such paragraph, but in or after which such individual's entitlement to wife's or husband's insurance benefits was terminated because such individual's spouse ceased to be under a disability, not including in such number of months any month after such termination in which such individual was entitled to wife's or husband's insurance benefits.

and except that, in the case of any such benefit reduced under paragraph (3), there also shall be subtracted from the number specified in clause (B) of paragraph (1), for the purpose of computing the amount referred to in clause (A) of paragraph (3)—

"'(D) the number equal to the number of months for which the old-age insurance benefit was reduced under such paragraph (1) but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203(b).

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), (C), and (D) of the preceding sentence is not less than three.

"'(7) In the case of an individual who is entitled to an old-age insurance benefit to which paragraph (5) is applicable and who, for the month in which such individual attains the age of six-five (but not for any prior month) or for any later month, is entitled to a wife's or husband's insurance benefit, the amount of such wife's or husband's insurance benefit for any month shall be reduced by an amount equal to the amount by which the old-age insurance benefit is reduced under paragraph (5) for such month.

"'(8) In the case of an individual who is or was entitled to a wife's or husband's insurance benefit to which paragraph (2) was applicable and who, for the month in which such individual attains the age of sixty-five (but not for any prior month) or for any later month, is entitled to an old-age insurance benefit, the amount of such

old-age insurance benefit for any month shall be reduced by an amount equal to the amount by which the wife's or husband's (as the case may be) insurance benefit is reduced under paragraph (6) for such month (or, if such individual is not entitled to a wife's or husband's insurance benefit for such month, by (i) an amount equal to the amount by which such benefit for the last month for which such individual was entitled thereto was reduced, or (ii) if smaller, an amount equal to the amount by which such benefit would have been reduced under paragraph (6) for the month in which such individual attained the age of sixty-five if entitlement to such benefit had not terminated before such month).

"'(9) The preceding paragraphs shall be applied to old-age insurance benefits, wife's insurance benefits, and husband's insurance benefits after reduction under section 203 (a) and application of section 215(g). If the amount of any reduction computed under paragraph (1), under paragraph (2), under clause (A) or clause (B) of paragraph (3), or under clause (A) or clause (B) of paragraph (4) is not a multiple of $0.10, it shall be reduced to the next lower multiple of $0.10.

"'*Presumed filing of application by individual eligible for old-age and wife's or husband's insurance benefits*

"'(r) Any individual who becomes entitled to an old-age insurance benefit for any month prior to the month in which such individual attains the age of sixty-five and who is eligible for a wife's or husband's insurance benefit for the same month shall be deemed to have filed an application in such month for wife's or husband's (as the case may be) insurance benefits. Any individual who becomes entitled to a wife's or husband's insurance benefit for any month prior to the month in which such individual attains the age of sixty-five and who is eligible for an old-age insurance benefit for the same month shall be deemed, unless (in the case of an individual entitled to wife's insurance benefits) such individual has in such month in her care (individually or jointly with the individual on whose wages and self-employment income her wife's insurance benefits are based) a child entitled to child's insurance benefits on the basis of such wages and self-employment income, to have filed an application in such month for old-age insurance benefits. For purposes of this subsection an individual shall be deemed eligible for a benefit for a month if, upon filing application therefor in such month, such individual would have been entitled to such benefit for such month.

"'*Disability insurance beneficiary*

"'(s)(1) If any individual becomes entitled to a widow's insurance benefit, widower's insurance benefit, or parent's insurance benefit for a month before the month in which such individual attains the age of sixty-five, or becomes entitled to an old-age insurance benefit, wife's insurance benefit, or husband's insurance benefit for a month before the month in which such individual attains the age of sixty-five which is reduced under the provisions of subsection (q), such individual may not thereafter become entitled to disability insurance benefits under this title.

"'(2) If an individual would, but for the provisions of subsection (k)(2)(B), be entitled for any month to a disability insurance benefit and to a wife's or husband's insurance benefit, subsection (q) shall be applicable to such wife's or husband's insurance benefit (as the case may be) for such month only to the extent it exceeds such disability insurance benefit for such month.

"'(3) The entitlement of any individual to disability insurance benefits shall terminate with the month before the month in which such individual becomes entitled to old-age insurance benefits.'

"(c) So much of such section 202(b)(1) as follows clause (C) is amended by striking out 'she becomes entitled to an old-age or disability insurance benefit based on a primary insurance amount which is equal to or exceeds one-half of an old-age or disability insurance benefit of her husband,'.

"(d)(1) Clause (D) of subsection (c)(1) of such section 202 is amended by striking out 'or he becomes entitled to an old-age or disability insurance benefit equal to or exceeding one-half of the primary insurance amount of his wife,'.

"(2) Subsection (c)(3) of such section 202 is amended by striking out 'Such' and inserting in lieu thereof 'Except as provided in subsection (q), such'.

"(e) Subsection 202(j)(3) of such Act is amended to read as follows:

"'(3) Nothwithstanding the provisions of paragraph (1), an individual may, at his option, waive entitlement to old-age insurance benefits, wife's insurance benefits, or husband's insurance benefits for any one or more consecutive months which occur—

"'(A) after the month before the month in which such individual attains retirement age,

"'(B) prior to the month in which such individual attains the age of sixty-five, and

"'(C) prior to the month in which such individual files application for such benefits;

and, in such case, such individual shall not be considered as entitled to such benefits for any such month or months before he filed such application. An individual shall be deemed to have waived such entitlement for any such month for which such benefit would, under the second sentence of paragraph (1), be reduced to zero.'

"(f) Section 3121(a)(9) of the Internal Revenue Code of 1954 is amended to read as follows:

"'(9) any payment (other than vacation or sick pay) made to an employee after the month in which he attains the age of 62, if such employee did not work for the employer in the period for which such payment is made; or'.

"(g)(1) The amendment made by subsection (a) shall apply only in the case of lump-sum death payments under section 202(i) of the Social Security Act with respect to deaths occurring after October 1960, and in the case of monthly benefits under title II of such Act for months after October 1960 on the basis of applications filed after the date of enactment of this Act.

"(2) For purposes of section 215(b)(3)(B) of the Social Security Act (but subject to paragraph (1) of this subsection)—

"(A) a man who attains the age of sixy-two prior to November 1960 and who was not eligible for old-age insurance benefits under section 202 of such Act (as in effect prior to the enactment of this Act) for any month prior to November 1960 shall be deemed to have attained the age of sixty-two in 1960 or, if earlier, the year in which he died;

"(B) an individual shall not, by reason of the amendment made by subsection (a), be deemed to be a fully insured individual before November 1960 or the month in which he died, whichever month is the earlier; and

"(C) the amendment made by subsection (a) shall not be applicable in the case of any individual who was eligible for old-age insurance benefits under such section 202 for any month prior to November 1960.

An individual shall, for purposes of this paragraph, be deemed eligible for old-age insurance benefits under section 202 of the Social Security Act for any month if he was or would have been, upon filing application therefor in such month, entitled to such benefits for such month.

"(3) For purposes of section 209(i) of such Act, the amendment made by subsection (a) shall apply only with respect to remuneration paid after October 1960.

"(h)(1) The amendments made by subsection (b) through (e) shall take effect November 1, 1960, and shall be applicable with respect to monthly benefits under title II of the Social Security Act for months after October 1960.

"(2) The amendment made by subsection (f) shall be effective with respect to remuneration paid after October 1960."

Mr. JAVITS. Mr. President, on behalf of my colleague, the junior Senator from New York [Mr. KEATING] and myself, I submit three amendments, intended to be proposed by us to House bill 12580, the social security bill, which now is before the Senate Finance Committee. I ask that these three amendments be printed, so that the Finance Committee may more conveniently consider them.

The PRESIDING OFFICER. The amendments will be received, printed, and appropriately referred.

The amendments were referred to the Committee on Finance.

AMENDMENT TO SOCIAL SECURITY ACT RELATING TO NEW JERSEY TEACHERS AND PUBLIC EMPLOYEES

Mr. WILLIAMS of New Jersey. Mr. President, on behalf of myself and my colleague, the senior Senator from New Jersey [Mr. CASE], I submit, for appropriate reference, an amendment to House bill 12580, the Social Security Act, and ask that it be printed.

Mr. President, the reasons for this amendment are complex, but the reasons for its inclusion in any social security legislation this year are urgent and compelling.

According to the information I have received, the State of New Jersey is unique in having a fully integrated pension fund and social security fund for its teachers and public employees.

If H.R. 12580 is enacted in its present form it will reduce the retirement allowances of approximately 2,130 New Jersey teachers and 1,300 other New Jersey public employees by an average of $1,300 a year for the retired teachers and approximately $960 a year for other retired public employees.

Mr. President, it is unfortunately ironic that a bill which is intended to improve our social security system for the people of the United States will, in fact, deal a serious blow to the hopes and expectations and financial resources of a sizable group of New Jersey teachers and public employees.

It is particularly unfortunate for these are the categories of people who have devoted their lives for the welfare of the rest of us. I need not emphasize the fact that these groups have received only modest salaries for their efforts. Just a short time ago the Senate recognized the total inadequacy of the salaries of teachers in the Nation, and in New Jersey, and acted to pass an aid to education bill which would have permitted the States to use its grants for school construction and teachers salaries.

I wish to emphasize that this amendment does not add or detract from the cost of the social security bill, which has just been passed by the other body. Nor does it affect any other beneficiaries of the legislation than those specific groups in New Jersey which I have mentioned.

It merely seeks to protect these groups of New Jersey teachers and public employees from serious financial loss that they will paradoxically suffer from provisions which, for others, will mean financial improvement.

Mr. President, I would like to underline the point that this amendment is not a device to give these people any more benefits than those to which they are fully entitled and to which they have been led to expect and which the framers of the original New Jersey legislation fully anticipated they would receive.

The amendment I am submitting would merely preserve the existing schedule of eligibility for these people who would be seriously hurt if the new reduced eligibility requirements come into effect.

I hope very earnestly that the Finance Committee will give this amendment its most serious consideration. Although this is an exceedingly complex matter, I earnestly and strongly hope that no unforeseen difficulties will arise to prevent the continuation of fair and just arrangement for the dedicated and richly deserving teachers and public employees of New Jersey.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment was referred to the Committee on Finance.

Mr. MCNAMARA. Mr. President, on behalf of myself and Senators KENNEDY, CLARK, RANDOLPH, SYMINGTON, HUMPHREY, WILLIAMS of New Jersey, MAGNUSON, MCGEE, YOUNG of Ohio, DOUGLAS, GRUENING, LONG of Hawaii, MURRAY, HART, MORSE, HENNINGS, JACKSON, PASTORE, MCCARTHY, BARTLETT, ENGLE, GREEN, and MANSFIELD, I submit an amendment to House bill 12580, the social security bill, and ask that it be appropriately referred.

Mr. President, as my colleagues know, the House has acted favorably on a bill—H.R. 12580—which includes a program of medical care for the aged.

In my opinion, the program outlined in that bill falls far short of the real medical needs of the 16 million Americans over 65.

I will not take the time now to go into detail on what I think are the shortcomings of the House approach.

It is heartening, however, that the House has acted, since this will now give the Senate an opportunity to improve upon the House version.

A reading of the RECORD will disclose that many House Members who voted for that bill specifically urge that the Senate improve it.

H.R. 12580 now goes to the Senate Finance Committee.

The amendment I have proposed would amend the House bill by striking title VI, which contains the medical care program, and substituting essentially the contents of S. 3503, the Retired Persons Medical Insurance Act, which I introduced on May 6, together with 23 of my colleagues.

Basically, this proposal would provide a medical insurance program for approximately 14.8 million retired persons.

For the great majority, the insurance would be financed by a payroll deduction of one-quarter of 1 percent each for the employee and employer, and three-eighths of 1 percent for self-employed persons.

These funds would be placed in a special Federal Medical Insurance Trust Fund.

Those not eligible for benefits under this program would have their benefits financed through the general fund.

A relatively small number of persons, such as those now covered by the Railroad Retirement Act, would have the opportunity to buy into the program at a later date.

I ask unanimous consent that an analysis of the amendment be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred; and, without objection, the analysis will be printed in the RECORD.

The amendment was referred to the Committee on Finance.

The analysis presented by Mr. MCNAMARA is as follows:

MEMORANDUM BY SENATOR PAT MCNAMARA, CHAIRMAN, SENATE SUBCOMMITTEE ON PROBLEMS OF THE AGED AND AGING

ANALYSIS: RETIRED PERSONS MEDICAL INSURANCE ACT

Major provisions

1. Cover under a system of prepaid health insurance all "retired aged" (men over 65 and women over 62 who are not employed).

2. Provide for 90 days of hospital care per year, or

3. One hundred and eighty days care in a skilled nursing home, or

4. Two hundred and forty days of care at home in a supervised home health program.

5. Provide diagnostic outpatient services for such items as laboratory tests and X-rays.

6. Pay for a portion of the cost of very expensive drugs.

7. Provide for research and demonstration programs to improve quality and efficiency of health care.

Relevant data bearing on the above provisions follow:

1. We estimate that this bill will cover 14.8 million men and women as follows: 11.3 million OASI beneficiaries; 1.7 million who are receiving old-age assistance and no OASI; 1.8 million other retired aged—men over 65 and women over 62.

The act would exclude from its coverage all men and women and their spouses who are working full time. In the ordinary case, these men and women will be covered by a group health insurance policy. The bill is thus limited to the retired aged.

2. Estimates of cost for the above provisions:

Total cost, computed as conservatively as possible, is estimated at $1,578 million or $106 per capita (i.e. per retired person): 11.3 million OASI beneficiaries would be financed by a one-quarter percent increase in the social security tax on the employee and employer; 1.7 million old-age assistance recipients would cost $180 million to come from general revenue fund; and 1.8 million other persons would cost $190 million; to come from general revenue fund.

3. Hospitalization: This bill provides for 90 days' hospitalization for the aged but aims at reducing excessive use of hospitals through the following features: Provision is made for diagnostic services as a preventive program; an incentive is provided to use nursing homes and home health services instead of hospitals when not needed.

4. Skilled nursing home care: For each day of unused hospital care, the bill provides 2 days of care in a skilled nursing home following a physician's certification.

Total days authorized, 180.

5. Home health services: For each day of unused hospital care, the bill provides 2⅔ days of home health services by a community-sponsored agency.

Total days authorized, 240.

6. Outpatient diagnostic services: The bill provides for preventive services through early diagnosis of incipient illness by means of X-ray and other laboratory tests.

7. Very expensive drugs: A portion of the cost of very expensive drugs prescribed by a physician using generic names is included in the insurance program. The amount and kind of coverage is to be determined by the Secretary after a year's study.

8. Effective date: The bill would provide for phasing the effective dates of the various benefits so as to provide an opportunity to build up the financing fund, conduct adequate planning, and develop the necessary facilities: Hospitalization effective July 1, 1961, and not later than January 1, 1962; nursing homes, January 1, 1963, and not later than July 1, 1963; home health services, January 1, 1962, and not later than July 1, 1962; diagnostic outpatient services, July 1, 1961, and not later than January 1, 1962; very expensive medicines, July 1, 1962, and not later than January 1, 1963.

The Secretary of HEW would be authorized to designate the dates within these periods when the act would be effective.

9. Summary of costs: The one-fourth of 1 percent increase on the OASDI tax on employer and employee and three-eighths of 1 percent on the self-employed would be sufficient to finance the medical benefits for the retired OASI beneficiaries; $370 million from the general fund would finance the medical benefits for those not eligible for OASI benefits.

Partially offsetting this $370 million appropriation are current Federal expenditures for: Medical care under old-age assistance, $153 million; medical care for other groups who would be covered, $85 million.

Thus, it is estimated that net additional costs to the Federal Government would be approximately $132 million.

10. Research and demonstration: The bill would direct the Secretary of HEW to conduct research on the health care of older persons and on improvements in the quality and efficiency of health services. The Secretary is also authorized to conduct appropriate demonstration programs on how to meet the health needs of older persons as effectively and efficiently as possible in their communities.

11. Other important provisions:

Persons receiving social security benefits or old-age assistance payments are automatically eligible for benefits. Other individuals who have not earned in the preceding month more than the amount set in the retirement test under OASI will be covered.

The Secretary is to publish annually a listing of hospitals, nursing homes, and home health agencies which are included for payments under the act. It is expected that for hospitals, the Secretary may use the AHA accrediting service; and that for nursing homes, only those will be included which meet adequate standards for care and rehabilitation.

State health agencies can be given authority to inspect whether standards are being met and whether professional services are adequate.

The bill authorizes the Secretary of HEW to administer the act with a national health service advisory council.

The Secretary may use the services of private nonprofit organizations in administering the program.

Railroad retirement and Federal employee pensioners could come under the program at any time such legislation is enacted.

STUDY OF U.S. FOREIGN POLICY BY THE COMMITTEE ON FOREIGN RELATIONS—EXTENSION OF TIME FOR FILING OF FINAL REPORT

Mr. FULBRIGHT. Mr. President, Senate Resolution 336, 85th Congress, 2d session, authorized the Committee on Foreign Relations to "make a full and complete study of U.S. foreign policy." In the conduct of its study, the committee was authorized to "use the experience, knowledge, and advice of private organizations, schools, institutions, and individuals" and to "enter into contracts for this purpose." It was directed to complete its study by June 1960, and not to exceed $300,000 was made available to meet the expenses of the committee. The committee was authorized to continue this study by the terms of Senate Resolution 31, 86th Congress, 1st session, and Senate Resolution 250, 86th Congress, 2d session.

Pursuant to this authority, the Committee on Foreign Relations entered into contracts with research organizations and institutions which prepared studies for the committee. My preface to each study which has been published as a committee print contains the following language:

I take this occasion to emphasize that the studies which are received will supply the committee with background material for consideration in preparing a final report to the Senate. The committee is, of course, free to accept or to reject the findings and recommendations of the organizations and institutions submitting studies. It is the function of the committee to evaluate the studies which are submitted. Prior to the preparation of a final report, the committee will hold public hearings to receive testimony from all interested parties. In that way it will be possible for the committee to test the soundness of the findings and recommendations in these studies before reaching its own conclusions and submitting its final report to the Senate.

Although all basic studies have been completed, the heavy legislative schedule this year of the Committee on Foreign Relations has prevented completion of hearings on all the studies. The committee regards these hearings as important since they will afford opportunity for the Department of State to give the committee the benefit of its critical analysis of each study and for the committee itself to examine with care and in depth the findings and recommendations of each study.

Hearings will also provide opportunity for interested citizens to make their views known to the committee.

With this in mind, therefore, I ask unanimous consent that the time for the Committee on Foreign Relations to file its final report with the Senate be extended until June 30, 1961.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALEXANDER HAMILTON NATIONAL MONUMENT—CHANGE OF REFERENCE

Mr. JAVITS. Mr. President, I call the attention of those who now sit in the seats of the majority leader and the minority leader, Senate Joint Resolution 191.

On May 11, 1960, I introduced, for myself and my colleague, the Senator from New York [Mr. KEATING], Senate Joint Resolution 191, providing for the establishment of the former home of Alexander Hamilton as a national monument. This measure was referred to the Committee on Rules and Administration. In view of the fact that the resolution provides for the establishment of a national monument, through the acquisition of property which is to be operated and maintained by the Department of the Interior, this measure is, I believe, more appropriate for the jurisdiction of the Committee on Interior and Insular Affairs, which has jurisdiction over similar matters. I am informed that a change of reference of this resolution is agreeable both to the Committee on Rules and Administration and to the Committee on Interior and Insular Affairs. In fact, the paper which deals with this matter bears the initials of the counsel for the majority side.

I notice that at the moment no Senators are in the leadership seats. Let me say that should any question arise later, I shall ask unanimous consent, later in the day, to undo what now is proposed to be done. But this request has the unanimous consent of all parties who are interested.

In view of this, I ask unanimous consent that the Committee on Rules and Administration be discharged from further consideration of Senate Joint Resolution 191, and that the joint resolution be referred to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, the change of reference will be made.

ADVANCE CONSULTATION BEFORE USE OF PESTICIDES—BILL TAKEN FROM CALENDAR AND REFERRED

Mr. ELLENDER. Mr. President, on June 16 the Committee on Interstate and Foreign Commerce reported a bill, S. 3473, to provide advance consultation with the Fish and Wildlife Service and with State wildlife agencies before the beginning of any Federal program involving the use of pesticides or other chemicals designed for mass biological controls.

In a discussion with the distinguished chairman of the Committee on Interstate and Foreign Commerce, it was decided that this bill should be referred to the Committee on Agriculture and Forestry for study. I therefore ask unanimous consent that the bill be taken from the calendar and referred to the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. Without objection, the bill will be so referred.

ADDITION TO REPORT ON JUVENILE DELINQUENCY

Mr. WILEY. The annual report of the Judiciary's Subcommittee To Investigate Juvenile Delinquency is currently being held at the desk. Recently, we found that inadvertently, information concerning a bill I introduced is not included in the report. I ask unanimous consent that this information be included under "Résumé of Subcommittee Legislation, 86th Congress," on page 14, of the annual report:

S. 2123. A bill to amend sections 1461, 1462, 1463, and 1465 of title 18 of the United States Code to provide mandatory prison sentences in certain cases for mailing, importing, or transporting obscene material. (Senator WILEY; referred to Committee on the Judiciary.)

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON JUVENILE DELINQUENCY—ADDITIONAL VIEWS

Under authority of the order of the Senate of June 15, 1960, individual views of Senators HRUSKA and DIRKSEN, and individual views of Senator WILEY were submitted on the report entitled "Juvenile Delinquency."

WORLD FOOD BANK—ADDITIONAL COSPONSORS OF RESOLUTION

Under authority of the order of the Senate of June 22, 1960, the names of Senators HUMPHREY and HART were added as additional cosponsors of the resolution (S. Res. 340) to provide for the creation of an International Food and Raw Materials Reserve, submitted by Mr. MURRAY on June 22, 1960.

HOUSING FOR THE ELDERLY—ADDITIONAL COSPONSOR OF AMENDMENT

Mr. WILLIAMS of New Jersey. Mr. President, on June 22 I submitted, for myself and the Senator from Rhode Island [Mr. PASTORE], an amendment to the Independent Offices Appropriations Act to increase appropriations to $50 million for the direct loan program to help build housing for the elderly. At the time, the distinguished Senator from Minnesota [Mr. HUMPHREY] asked to join as cosponsor of this amendment, but his name was inadvertently omitted. I ask that the Senator from Minnesota be included as a cosponsor and that the permanent RECORD reflect this correction.

THE CUBAN SUGAR QUOTA

Mr. JOHNSON of Texas. Mr. President, I find most interesting an article published in the New York Times. It relates to the threats of the Cuban Pre-

mier to seize American-owned property in Cuba if the United States should cut the Cuban sugar quota. This is typical of the type of campaign our country faces. The clear inference is that unless we grant the Cuban Government all the share of the American sugar market that it might demand, our nationals in Cuba will lose property which is theirs by legal right.

I believe we should take notice of this. It is further evidence of the need for American solidarity against the forces which seek to destroy our way of life.

Mr. President, I ask unanimous consent to have the article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CASTRO SAYS U.S. HOLDINGS FACE SEIZURE IF SUGAR IS CUT—PREMIER THREATENS RETALIATION AGAINST ANY QUOTA REDUCTION BY CONGRESS—CALLS IT "ECONOMIC AGGRESSION"

HAVANA, JUNE 23.—Premier Fidel Castro threatened today to meet economic aggression by the United States with the seizure of all American-owned property and business interests in Cuba.

The Premier did not explain whether the property would be nationalized, expropriated or confiscated.

The Government earlier denounced moves in Washington yesterday pointing toward a cut in the Cuban quota in the U.S. sugar market. Secretary of State Christian A. Herter said at a congressional hearing that the administration would accept a proposal to give the President standby authority to reduce the quota if the national interest warranted it.

Among the American-owned companies operating in Cuba, Dr. Castro named the Cuban Telephone Co., the Cuban Electric Co., banks, sugar mills, mines, including the $100 million U.S. Government-owned Nicaro nickel plant, oil companies, and concessions and commercial establishments.

The revolutionary leader's threat was made in a speech to a reunion of members of the directorate of the thirties, which headed the uprising against former President Gerardo Machado in 1933. Among those present was former President Carlos Prio Socarras.

Premier Castro spoke bitterly of the U.S. power to reduce the Cuban sugar quota. This is another economic aggression from the United States to add to a long list, he said.

The Cuban revolution has been generous and has permitted all American-owned companies to operate, he said. They are still here today, but in the future they may not be here, he added.

The U.S. Congress has the right to approve any laws it wishes in the territory under its jurisdiction, "but we have the right to approve laws which will apply in our territory also," the Premier said.

"They forget how many hundreds of millions of dollars that North Americans have invested here in Cuba," he said.

The Premier warned the Cuban people that the coming months and years would be extremely hard and a test of their devotion to the revolution. However, he declared, all aggression, whether economic or military, will fail and the Cuban revolution will never be stopped.

"No true revolution has ever failed because it has its roots in humanity," he said.

MINISTER IN WARNING

Earlier, Dr. Raul Cepero Bonilla, Minister of Commerce, said any quota reduction would be applied to the production of the American-owned mills.

Cuba would retaliate with specific restrictions against commerce with the United States, with the establishment of new industries, with crop diversification, and with the opening of new international markets, he added.

It is pointed out here that Cuba already has almost paralyzed imports from the United States by currency restrictions and other measures. Since the greater part of Cuba's imports, including the bulk of her food, have traditionally come from the United States, this policy has produced steadily increasing shortages.

American-owned sugar mills, which now number 36, as compared with 121 Cuban-owned mills, produced 36.74 percent of the island's sugar in 1959.

The Minister of Commerce disputed a statement yesterday by Secretary of State Christian A. Herter that the sugar outlook in Cuba was uncertain. Cuba has 1,100,000 tons of sugar on hand and can increase production at any time to supply the United States with more than the present quota, Dr. Cepero said.

He said that Cuba produced 5,700,000 long tons of sugar this year but that there was sufficient cane left in the fields to have produced 6,400,000 tons.

The United States wishes to continue its economic control over Cuba, according to the Minister. He said that the relations between Cuba and her biggest customer and supplier had always been detrimental to Cuba.

Dr. Cepero charged that the sugar law proposed in the United States violated the Charter of the Organization of American States. "The eagle is showing its claws," he said.

The proposal would enable the President to cut Cuba's quota in the U.S. market if the national interest warranted it.

The Government press and radio attacked the United States last night and today for new economic aggression. José Pardo Llada, radio commentator considered a voice of the Government, declared that the insolent Americans would learn that the Cuban revolutionary Government was not alone since the whole of Latin America was shouting, "Cuba yes, Yankees no."

Secretary of State Herter told a House Agriculture Committee Wednesday that this was an appropriate time for the United States to reduce the dependence of its consumers on Cuban sugar.

Under the Sugar Act of 1948, which has been twice extended for 4-year periods and is scheduled to expire December 31, Cuba's 1960 quota totals 3,119,655 tons. The administration has sought a 4-year extension with authority for the President to reduce quotas either in the national interest or to insure a stable supply.

The Sugar Act establishes quotas for both U.S. producers of beet and cane sugar, and for producers abroad. This protects domestic growers from low-cost foreign competition without employing a high tariff.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar, beginning with the nominations in the Public Health Service.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be no reports of committees, the nominations on the Executive Calendar, beginning with those in the Public Health Service, will be stated.

PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered and confirmed en bloc.

The VICE PRESIDENT. Without objection, they will be considered and confirmed en bloc.

NATIONAL SCIENCE BOARD—NOMINATIONS PASSED OVER

The Chief Clerk proceeded to read sundry nominations to the National Science Board.

Mr. JOHNSON of Texas. Mr. President, I ask that we proceed to consider the nomination to the Federal Coal Mine Safety Board of Review.

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

The Chief Clerk read the nomination of Charles R. Ferguson, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1963.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered and confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Diplomatic and Foreign Service will be considered and confirmed en bloc.

NOMINATIONS IN THE NAVY AND MARINE CORPS, FAVORABLY REPORTED AND PLACED ON THE VICE PRESIDENT'S DESK

The Chief Clerk proceeded to read sundry nominations in the Navy and the Marine Corps, which had been favorably reported and placed on the Vice President's desk without printing.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered and confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered and confirmed en bloc.

That completes the calendar.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE FEDERAL AID TO EDUCATION BILL

Mr. CLARK. Mr. President, I see the Vice President in the chair at the moment; and I should like to commend him and the Democratic leadership in the House of Representatives for the efforts which I understand they are jointly making to permit an education bill to go to conference.

It seems to me that it is of the greatest importance in the national interest that this year the Congress pass a Federal aid-to-education bill. Many of us may differ as to what such a bill should provide; but it seems to me to be beyond dispute that such a bill should be permitted to go to conference. Accordingly, I wish to congratulate the Vice President for his efforts in this regard, and to express the hope that they will be successful.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, an editorial entitled "Sabotage by the Rules," which was published this morning in the New York Times.

I cannot fail to emphasize the last paragraph of the editorial, which points out that the country is facing a crisis in education, for which greater Federal assistance is indispensable and inevitable, and that the House Rules Committee should not be permitted to block progress on a matter which so vitally touches the future of the Nation.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 24, 1960]

SABOTAGE BY THE RULES

The stranglehold that the Rules Committee of the House of Representatives has not only on the House itself but even indirectly on the Senate is well illustrated by the present threat to Federal aid-to-education legislation.

The Senate has passed a bill, and the House has passed a quite different bill. The normal procedure would be for the two bills to be sent to conference, which would in turn report a compromise to both Houses for final approval. But the House Rules Committee, dominated as it has been for many years by a coalition of reactionary Republicans and southern Democrats, stands in the way of both reason and democracy.

The Rules Committee has to approve sending the House measure to conference. If there is no conference there will probably be no bill. In an incredible action—incredible, that is, except that the Rules Committee is constantly doing the incredible—this group in all its arrogance has refused by vote of 7 to 5 to permit the conference to be held. The seven included three southern Democrats, headed by Chairman HOWARD W. SMITH, of Virginia, and four Republicans headed by Representative LEO E. ALLEN, of Illinois, one of the highest ranking Republicans of the House. All five votes to permit the conference were Democratic.

This country is facing a crisis in education. Greater Federal assistance is indispensable and inevitable. Both Houses have clearly expressed themselves in its favor. A tiny group of willful men entrenched behind the anachronistic battlements of the Rules Committee should not be permitted to block progress on a matter that so vitally touches the future of the Nation.

ON MINIMIZING THE DAMAGE IN THE ELECTION

Mr. CLARK. Mr. President, many readers of the CONGRESSIONAL RECORD may well wonder why Senators take the trouble during the morning hour to request the printing in the RECORD of comments by distinguished commentators on various matters of national importance. I think this is because many of us feel that if there are any regular readers of the CONGRESSIONAL RECORD except the Members of Congress and their staffs, those readers probably do not, in many instances, have access to the metropolitan daily newspapers in which such columns appear.

I have before me such an article; and I ask unanimous consent that it be printed at this point in the RECORD, in connection with my remarks. It is a very perceptive article entitled "On Minimizing the Damage in the Election." The article was written by James Reston and was published this morning in the New York Times. I ask that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 24, 1960]

ON MINIMIZING THE DAMAGE IN THE ELECTION

(By James Reston)

WASHINGTON, June 23.—In the few days remaining before the start of the presidential nominating conventions there are several constructive things that might be done in the interests of both parties and the Nation.

First, it should still be possible to reach an agreement for a reasonable delay between the end of the conventions and the actual start of the campaign so that both nominees will have adequate time to rest and organize for the battle.

Second, since Nikita Khrushchev seems determined to comment publicly on the American election, it should not be impossible to negotiate at least an informal agreement to avoid any undue exploitation of his remarks for party advantage.

Third, as in the elections of 1952 and 1956, some formal arrangements ought to be made soon for official information briefings of all the presidential and vice presidential nominees, so that the election debate can proceed on the facts and avoid statements that might make the international situation worse than it is.

Finally, it is not too early to begin summarizing all the major reports and studies now available on important foreign and domestic questions, so that the new President will have at his disposal in November a manageable report on the best thought available on the main issues now before the country.

DANGERS OF EXHAUSTION

The recent speeches of Senator JOHN F. KENNEDY and Vice President NIXON clearly indicate the need on both sides for time for reflection. Senator KENNEDY's foreign policy speech in the Senate last week was a grabbag of ideas that raised more questions than it answered.

Similarly, Mr. NIXON's two last speeches on farm policy and economic policy were mere outlines of ideas that seemed to be thrown together in response to Gov. Nelson Rockefeller's pressure for preconvention debate. This was particularly true of his comments on economic "growthmanship," which added up to little more than an illustration of political "Nixmanship."

As things now stand both sides concede that they need time to get ready, but both are worrying about the other getting off to a head start, without even discussing the advisability of delaying the official opening gun until September.

On the Khrushchev point, both sides resent Communist intervention in the election, and fear that the other may gain some advantage as a result of his remarks, but again no effort is being made to discuss a gentleman's agreement that might minimize the damage.

There should be no trouble on the third point. President Eisenhower has already said that he would be willing to arrange for official briefings of the nominees of the two conventions, but how this is done, and by whom, and how often are important considerations that must be discussed fairly soon.

PITY THE WINNER

On the final point, one fact is fairly obvious. Even if the opening of the postconvention campaign is delayed, some exhausted man is going to stumble out of the election in November into the terrible pressures and responsibilities of establishing a new administration.

Fortunately, there is scarcely a problem facing the Nation in the next few years that has not been subjected to the most careful scrutiny by presidential, congressional or private commissions.

These include such questions as the Nation's cold war strategy, its bases overseas, its nuclear and conventional weapons, its propaganda, its machinery for conducting the cold war, the relations between the Executive and the Congress, between the United States and its allies, and a host of domestic problems from the rate of economic growth to Federal-State relations and race relations and labor and farm relations.

Much of this remarkable library of information is relevant to the new administration, but it is scattered and disordered and tangled with mountains of information that is not relevant.

Accordingly, it is not too early for the two parties either separatively, or together, to put some objective minds to work on this mine of information, so that the problems and the alternate solutions can be clearly identified.

Nobody questions that such an exercise would be useful to the new President and his staff between election day and inauguration day, but the time to start on these things is now rather than after the emotions of the campaign banish all reason.

Mr. CLARK. Mr. President, I should like to note specifically my dissent to the comments of Mr. Reston in the article regarding the Senator from Massachusetts [Mr. KENNEDY]; but I wish to indicate my strong assent to everything else Mr. Reston has written in the article.

HOUSING CRAZY QUILT

Mr. CLARK. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Housing Crazy Quilt," which was published on June 19 in the Washington Post, and also a letter in response to the editorial. The letter was written by me and was published this morning

in the Washington Post. In addition, there was published some brief comment of the editors of the Post by way of rebuttal, which I regret to state I do not find persuasive.

There being no objection, the editorial, letter, and comment were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 19, 1960]

HOUSING CRAZY QUILT

The patchwork of housing proposals that Congress is putting together will provide no long-term answers to the Nation's needs in this field, and if the President should veto a bill like that just passed by the Senate, very little of value would be lost. The public housing feature of the Senate bill illustrates how neither Congress nor the administration has addressed itself to the real problems. The Senate would provide authorization for another 25,000 units of federally subsidized homes for low-income families. The administration believes that public housing authority still on the books is ample, that the program has been proved generally unworkable and that it ought to be allowed to expire.

Yet in Washington alone there are some 5,000 eligible families on the public housing waiting lists. The progress of urban renewal is seriously hampered by the prospect that low-income housing will not be available for families displaced from the slums. And just the other day the Commissioners refused to accept Federal assistance for two new public housing projects and passed up additional Federal aid because proper sites are not available. The Senate has not looked seriously at the site problems and other problems which have slowed public housing to a snail's pace across the country. And the administration has not done so, either. A more imaginative approach is needed.

The same might be said of proposed new urban renewal grant authority. Despite its favored position, Washington has been unable to use all of the Federal aid available to it for renewal. Yet the Capital's need for a vastly accelerated attack on residential deterioration and general central city decay is obvious. Every major city has the same problems. A little more money for programs on the present pattern will not break the logjam. But, again, neither Congress nor the administration has attempted to devise new approaches that might do so.

Some of the Senate proposals are sheer politics. We see no justification whatever for continuing the Veterans' Administration mortgage guarantee program nor for a direct veterans' housing loan program. The regular Federal Housing Administration loan guarantees ought to be—and are, we think, amply liberal for all qualified homebuyers. The House committee proposals for FHA loans on a no-downpayment basis seem to us similarly demagogic. This approach to the Nation's housing needs is as slap-dash and frothy as the administration's approach is sterile and hidebound.

We hope the next Congress and the next administration will take time to get at the heart of the country's urban housing problem, to study thoughtfully the often sad results of many of the postwar housing programs and to devise new kinds of assistance. The good thing about the attention to housing in these last days of this Congress is that the members seem at least to recognize that there are critical problems requiring substantial measures of Federal help and leadership. We hope this campaign will at least ratify that fundamental recognition and point the way toward real solutions in 1961 and beyond.

[From the Washington Post, June 24, 1960]

HOUSING CRAZY QUILT

I find it hard to believe that you have really withdrawn support from the Nation's housing programs, as indicated in your editorial of June 19 entitled, "Housing Crazy Quilt."

You say that if the President vetoes a bill like that passed by the Senate, "very little of value would be lost." Yet the Senate bill contains authorization for the continuance of eight programs of immense value. I cannot believe your writer could have been aware of the entire content of the bill when he wrote those words.

The eight programs, and the time when they will expire unless given additional authority, are:

1. Title I home improvement—October 1.
2. Regular FHA insurance—probably early in 1961.
3. Urban renewal—during the first half of 1961.
4. Public housing—probably in August of this year.
5. FNMA purchases of mortgages for elderly persons and urban renewal—early in 1961.
6. College housing—already out of funds.
7. VA loan guarantee program—July 25.
8. VA direct loan program—already out of funds.

Your arguments for letting these programs lapse do not reveal the usual careful analysis of Washington Post editorials. You say that the VA programs should be allowed to lapse because the regular FHA loan insurance program should suffice—but how can it, if FHA too is allowed to lapse?

The VA direct loan program, of course, operates only in those rural areas where private mortgage funds, and hence FHA's insurance program, do not reach.

In belittling the public housing program, you argue that it has been slowed down to "a snail's pace." True, it is slower than it should be, but applications are still coming in at the rate of 3,000 units a month—and surely it is worth while to keep this program alive for those communities which can and will take advantage of it.

This is particularly true in light of your observation that urban renewal is "seriously hampered" by the lack of low-income housing. When you contend that a "vastly accelerated attack" on urban decay is needed, how can you at the same time condemn a bill which both extends the urban renewal program and provides the very low-income housing upon which urban renewal depends?

I heartily share your hope that "the next Congress and the next administration will take time to get at the heart of the country's urban housing programs" and "devise new kinds of assistance." But in the meantime it would be irresponsible folly to destroy the present programs which, with all their faults, are working—and, in many cities, working very well.

The new President will need a few months to develop new and better solutions in the housing field. But let us make it possible for him to build upon the programs which we have—not on the wreckage of programs which have been destroyed.

JOSEPH S. CLARK,
Senator from Pennsylvania.

WASHINGTON.

(EDITOR'S NOTE.—Far from withdrawing our support of national housing programs, we favor, as we said, a "vastly accelerated" attack on urban decay. Our point was that it is difficult to support the halfhearted and unimaginative measures put forward by Congress or to believe that a veto would be a catastrophe. Naturally we do not want any of these programs to lapse, except the VA programs, which we believe have outlived their usefulness.

(Most of them will not lapse this year; but we agree that provision should be made now to continue college housing and home improvement loans, which both the White House and Congress favor in one form or another.)

WORLD PEACE AND DISARMAMENT

Mr. CLARK. Mr. President, I read with great interest the brilliant speech on foreign policy delivered yesterday by the distinguished junior Senator from Montana [Mr. MANSFIELD]. With most of that speech, I find myself in accord. But I regret to state that I am in complete disagreement with him as to the possibilities of attaining, within our lifetime, world peace through world law, including total and permament disarmament. I do not consider this prospect to be either illusory or fanciful.

On this subject, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, an article prepared by me, and published in the Evening Sentinel, of Carlisle, Pa., on June 15.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SENATOR SPEAKS—COMMUNICATION WITH REDS MANDATORY IN CONTINUED QUEST FOR WORLD PEACE

(By Hon. JOSEPH S. CLARK, Democrat, of Pennsylvania)

The disillusionment, fear and anger aroused by the U–2 incident, the summit collapse and recent Soviet threats are dimming. Not even Khrushchev's vilification of President Eisenhower, which all Americans resent, has revived the crisis atmosphere which riveted universal attention on newspapers and newscasts in mid-May.

There are some hopeful signs in the current situation:

The Soviet peace treaty with East Germany has been unexpectedly postponed.

Neither East nor West has moved to break off the nuclear test ban negotiations, despite Russian backtracking.

Disarmament talks have resumed in Geneva, and Khrushchev's new proposal contains some concessions.

Cultural exchange programs with the Soviet Union are proceeding on schedule, and American officials and tourists in the U.S.S.R. report no signs of popular hostility.

SETBACK TO PEACE

Yet the major blows which have been dealt to the search for a just and lasting peace should not be underestimated.

The spectacle of Khrushchev—with whom the President and Vice President thought they could deal—behaving like an irrational Bolshevik of the Stalin-Mao school has startled the world. His decision to put off further atempts to resolve Soviet-American differences until the next administration showed an alarming ignorance of traditional American unity in the face of foreign threats.

The U.S. posture as leader of the free world has suffered. From official statements made during the crisis and testimony subsequently presented to the Senate Foreign Relations Committee, it is clear that the reputation of our Government for telling the truth has been hurt. We have been caught in a series of lies.

Also, the ability of our Government to direct its own affairs has been proven inadequate. Intelligence gathering has been conducted without sufficient coordination with the defense and foreign affairs objectives that intelligence is designed to serve. Aerial

espionage, always a risky and provocative undertaking, has been authorized almost casually, as though it were merely another type of ground spy activity.

DIFFICULT TO JUSTIFY

Our presummit behavior is difficult to justify. Consider this sequence of events:

In April, tough speeches on Berlin made by Secretary Herter and Under Secretary of State Dillon, which led to an intemperate reply by Khrushchev.

May 1: The U–2 flight on Russia's greatest national holiday, and just 2 weeks before the summit.

May 7: Statement from the White House that we would resume underground nuclear tests, a statement which the President later had to explain as relating only to tests which would be a part of the joint United States-U.S.S.R. research project to improve instruments of detection.

The unintentional implication in Secretary Herter's May 9 statement that the illegal overflights would continue, an implication dispelled only when President Eisenhower announced, after Khrushchev had insisted on it, that the flights would not be resumed.

Secretary of Defense Gates' order for a worldwide, secret air alert on May 15, the very eve of the summit conference.

The review of past errors is justified only if it is to be followed by constructive action to prevent the recurrence of mistakes.

President Eisenhower's declaration on May 24 that the United States, while strengthening its defenses, would continue to seek honorable accommodations with the Soviet Union to lessen the dangers of war deserves the support of both parties.

COURSES OF ACTION

Several other courses of action are in order:

1. Our capacity to deter all-out nuclear war, as well as limited conventional aggressions, must be increased without regard to artificial budget ceilings. Genuine service unification is imperative. Development and production of reconnaissance satellites, Polaris submarines, mobile ICBM's, Strategic Air Command bomber replacements, additional protection against submarines, airlift and modern conventional equipment for ground forces must be stepped up wherever possible. We are still in an arms race with the Communists. It would be folly to forget that.

2. Our mutual security program must be improved and better financed. It is the best means we have of meeting the dual danger of Communist subversion and instability in new and underdeveloped countries, arising from the widening gap between their standard of living and that in the industrial nations.

3. Efforts to achieve workable, controlled nuclear test bans and general disarmament agreements must be given a rank at least equal to our purely military efforts. The test ban negotiations, which were so close to agreement before the summit, must not be given up. At the 10-nation disarmament talks, agreement should be consummated without delay, and redoubled attention given to the first steps essential to arms control.

4. The iniquitous Connally amendment, which permits us to have the final say on which cases we let the World Court decide, should be repealed. We must review our relationship with the United Nations and work to increase its authority to prevent war.

5. Our national policy machinery must be overhauled to avoid repetition of the blunders committed last month. The State Department must be given the responsibility of reviewing intelligence operations and their effect on foreign policy. White House control in time of crisis must be tightened.

6. Candidates for National and State offices next fall should be closely questioned on foreign policy. Do they offer more than a "policy" of simply damning the Russians and deepening the cold war? I am confident that the public will give short shrift to candidates who try to pin a "soft-on-communism" label on those who criticize U.S. handling of recent events and who recognize that we must go on communicating with the Soviets.

ETERNAL VIGILANCE

The maintenance of peace and freedom cannot be achieved without great effort, attention, and cost. Khrushchev's recent outbursts ought to teach us that the unexpected is the normal in a cold war, and that we relax at our peril.

Khrushchev may follow his bellicose words with deeds. The Soviet marshals may start the final crisis by launching a missile barrage when the next Western plane—by accident or design—crosses a Soviet border. The Chinese Communists may open an invasion of the Quemoy and Matsu Islands at any moment.

Our next President should not be elected just because people think he can be "tougher with the Russians." Peace must be pursued actively, and we must throw all the creativeness and resourcefulness we possess into this pursuit. Our errors have contributed to the recent increase in international tension, but those errors can teach us valuable lessons about where our weaknesses lie and what we should do to correct them.

MEDICAL AID FOR AGED AND AGING

Mr. CLARK. Mr. President, the Senate will shortly have to consider the problem of financing medical costs of older persons. The Senator from Michigan [Mr. McNAMARA] and a large number of his colleagues, including myself, have introduced a bill which we believe would deal justly and fairly with this problem, without undue expense to the Federal taxpayer.

I am happy to find that the distinguished Governor of my Commonwealth, David L. Lawrence, feels as he does. He has written, under date of June 16, 1960, a letter to the Senator from Michigan [Mr. McNAMARA], outlining his views on this matter in a tersely reasoned and most cogent presentation, which I ask unanimous consent may appear in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE,
Harrisburg, Pa., June 16, 1960.

Hon. PAT MCNAMARA,
Chairman, Subcommittee on Problems of the Aged and Aging, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR SENATOR MCNAMARA: I am replying to your letter of recent date concerning the financing of medical costs of older persons.

Underlying my responses to this specific questionnaire are principles embodied in the letter addressed to you by Hon. Ruth Grigg Horting, Secretary of Public Welfare, under date of July 17, 1959, and which appears on page 123 of "A Survey of Major Problems and Solutions in the Field of the Aged and Aging," published by the committee. In that letter Mrs. Horting indicated, among other things, a very broad approach which included the following:

"1. Financial and programmatic promotional efforts at the Federal level to make medical care more accessible to persons who cannot pay for it and do not need public assistance; in other words, an extension of outright aid to the medically indigent.

"2. An extension of old age and survivor's disability insurance, to include benefits for hospitalization and its alternatives, surgical benefits and protection against the ravages of catastrophic illness, including benefits for long-term follow-up care which may be necessary to restore individuals to the activities of daily living or to maintain function, and increase the payroll deductions accordingly.

Mrs. Horting's letter then went on to describe additional programs to meet health needs of the aged and aging. However, these additional programs were concerned primarily with various grant-in-aid programs designed to stimulate further State and local activities.

I mention this only in passing to point out that imaginative and varied approaches are essential to a significant impact on the problems of older people. Furthermore, we should be able to distinguish among those programs which require an insurance base, outright benefits in grants to individuals, and grants-in-aid to States to stimulate State and local programing.

As concerns the questionnaire, I would comment as follows:

1. Finance:

(a) There are two major considerations in the alternative financing proposals presented. First, the ability of the States to provide the $600 million in State funds indicated and, secondly, the system of employing an insurance principle which embodies broad coverage, portability, and working lifetime contributions. We can see no advantage in attempting to finance the major portion of this program through general tax revenues. It is our feeling that a combination of financing through the Social Security System and Federal general revenues, as indicated for the programs noted in Mrs. Horting's letter, would be the most practical and feasible method of financing such costs.

(b) Our Commonwealth could not finance the administration's proposal through our current taxes. Revenues are currently running below estimation and we have not fully recovered from the recent recession. The steel strike hit Pennsylvania very hard, and we face a deficit in our public assistance program. If Pennsylvania were to participate in a program based upon the administration's proposal, it would be essential to raise increased taxes.

(c) The current tenor of the general assembly is such that a program requiring matching funds to finance medical care of older persons, if enacted at all, would be enacted at the serious expense of other State welfare services. A very rough estimate of the State cost of this proposal for Pennsylvania was $36 million, exclusive of the administrative costs which we would estimate to approximate $3 million.

2. Eligibility: We believe that there may be some merit in considering a deductible feature which may limit numerous small claims for hospital care. This is a matter which deserves study; however, we are opposed to any deductible or enrollment feature which may cost an individual as much as $600 or $700 on a $1,500 medical bill. The health needs of the aged cannot be met by a system which provides for such a large proportion of costs to be deducted. I would further the suggestion of an exploration of $50- or $75-deductible clauses, although this may produce considerable administrative difficulties.

3. Administrative organization: Separate administration by 50 States will provide for lack of portability; there will be different residence requirements, and there will be difficulties in determining which State has responsibility. The administration proposal is confused, and would provide innumerable administrative problems. The social security mechanism as it presently operates has 25 years of efficient administration and experience behind it, offers complete portability,

and will produce no administrative difficulties from State to State and jurisdiction to jurisdiction.

4. The means test:

(a) The administration proposal is in effect a dole. It is not a system which renders dignity and self-esteem to senior citizens but causes them to submit to an examination of income and all that this entails.

(b) In Pennsylvania, additional staff requirements would be secured as follows: On the basis of the administration's estimates of eligibility, nationwide 750,000 Pennsylvanians would be eligible, assuming an almost absurd caseload of 1,000 cases per caseworker, 750 caseworkers would be required just to check income, eligibility, State residence and conformance to the State plan. In addition to these 750 persons, it would be necessary to supply appropriate supervisory staff, accounting staff, clerical staff, accounting machine operators and technicians, and so on.

5. The problem of compulsion: This issue is a phantom issue. There are no voluntary schemes which are financed out of taxes. There is a regular compulsion to pay for any public program. Therefore, it is entirely illusory to say that one program is voluntary while another is compulsory. Of course, one may elect not to take the benefits available; however, it would appear that this is begging the question somewhat. I cannot regard this issue seriously.

6. Cost to the States:

(a) We do not have estimates for this item alone, since it involves an estimate of hospital outlays by old age assistance recipients. Inasmuch as Pennsylvania hospital care program is divorced from Public Assistance, we do not have this material.

(b) I do not believe that the administration proposal would influence many people to seek eligibility in order to establish medical care eligibility.

(c) It is difficult to make any estimates concerning maximums and their effect on inflating costs, and I would prefer not to comment on this since whatever I might write would be in the area of conjecture. Undoubtedly, some mechanism would have to be provided under any system in order to insure reasonable and accurate costs.

I am taking the liberty of enclosing a memorandum which was sent to Hon. William Green shortly after the administration proposal was proposed, describing how we felt this proposal would affect Pennsylvania.

I would add one special comment on Senate bill 3503. The provisions which secure medical care privileges for cost not covered under OASDI are important. Furthermore, the provisions which place premium as it were on noninstitutional services are excellent and deserve special attention and consideration. I feel that these features can be more useful in holding down what seems to be a severe increasing spiral of hospital costs.

I appreciate very much the opportunity to comment on these questions.

With kind regards, I am,

Very truly yours,

DAVID L. LAWRENCE.

FANTASTIC FCC SPECIAL PRIVILEGE TO CONGRESSMEN IN HANDING OUT TV LICENSES

Mr. PROXMIRE. Mr. President, on Monday I expressed my surprise and concern that the Federal Communications Commission had adopted as one of its criteria in awarding television channel franchises the presence of Members of Congress among the stockholders of the applicants. It was reported in the press on Sunday that Capital Cities Television Corp. had been tentatively granted the right to broadcast on channel 10 in Albany, N.Y. One of the reasons why the award was recommended by the FCC examiner was that five Members of the House of Representatives are stockholders in the Capital Cities Corp., a fact which the examiner viewed as evidence of civic participation. One newspaper report in the New York Herald Tribune properly called this a precedent-shattering decision and somewhat facetiously suggested that this should be good news for Congressmen who are in a position to allow or disallow funds for the FCC and also can pass laws affecting the agency's operations.

I suggested on Monday that this might be good news for some Congressmen, but that it was certainly very bad news for Congress, the television industry, and the country, if the FCC had in fact accepted this criterion.

Since Monday I have had discussions with high officials of the Federal Communications Commission, and I fear that I have confirmation of this bad news. I have been told that it is indeed the policy of the FCC to give weight to ownership by Members of Congress as an indication of civic participation and a favorable factor in making television license awards.

It is true that the award made in the Capital Cities case was a preliminary one, and that the words quoted in the press were those of the FCC examiner rather than of the Commissioners. It is also true that the Commission may give different weight to this consideration than a particular examiner, but I have now discovered that, beyond a doubt, the Commission does accept the idea that if Members of Congress are stockholders in a television company, that should be a "plus" factor in considering that company's application. This is an amazing situation.

I had always assumed we operated on the principle in this country that while Congress can make or unmake the laws, individual Members of the Congress were treated as ordinary citizens in the enforcement of the law except in such very special categories as the field of congressional immunity. What the FCC is admitting when it embraces this policy is that it will give special consideration to a company whose ownership is partially vested in Members of Congress who must act on nominations to the Commission in the Senate, adopt the laws under which the Commission operates, and give to the Commission its operating budget.

Just yesterday the House Committee on Interstate and Foreign Commerce reported a bill prohibiting ex parte contacts and other forms of influence wielding with respect to these commissions. Earlier in this session I introduced a bill to prohibit ex parte contacts by Congressmen with these agencies, believing that I was striking at a rather subtle, although extremely serious, abuse. Now we learn that, far worse than making a phone call or writing a letter, a Member of Congress can influence decisions of the FCC by purchasing or accepting as a gift stock in a company which intends to apply for a television or radio license.

Mr. President, the ethical climate in our Government must be cloudy indeed if members of the FCC cannot see the warped sense of honor and propriety which this policy represents. If anything, the fact that Members of Congress are stockholders in a television company should be a warning flag to the Commission to exercise the utmost impartiality.

The FCC examiner stated that the presence of Members of Congress among the stockholders of the corporation was evidence of "civic participation:"

> It cannot be ignored here [he wrote] that some of these individuals have achieved civic and political prominence which denotes in them an ability to discern and be responsive to the interests of the people of their community; to be elected and reelected as a Member of the House of Representatives is such a manifestation.

I would say that this might be a legitimate point of view if one were talking about the fact that among the leading figures in the corporation there were mayors, members of the State legislature, Governors, heads of the chamber of commerce, or other State or local leaders. This might be evidence of a certain kind of "civic participation," and there would be no problem of conflict of interest. But with Members of Congress the question is quite a different one because of our special relationship—which is a power relationship we both recognize—to the Commission.

SLOVENIAN PEOPLE IN THE UNITED STATES CELEBRATE ST. JANEZ DAY ON JUNE 24

Mr. PROXMIRE. Mr. President, the modern history of the Slovenian people is characterized by recurrent episodes of misfortune, but these have not dimmed the memory of their glories and moments of heroic deeds. In their historic homeland, in what is today northern Yugoslavia, they have maintained a splendid national tradition and culture for centuries. Of special historical importance was the battle in which the Slovenians proved their bravery in their fight against invading Turks late in the 17th century. To celebrate the turning point in that great battle, which resulted in the Turks being repelled from Slovenia and southern Austria, the 24th of June, the day of St. John the Baptist, has been celebrated as a national anniversary for over 260 years. In this way the memory of those who fought so well, under the leadership of the great Svetokriski Janez, is honored. In Slovenia, the anniversary of this event is observed by lighting bonfires on mountainsides, which symbolizes the signal which gave warning of approaching enemy forces.

Many representatives of the great Slovenian people are now Americans. We are proud to join them today as they celebrate a holiday of their national homeland.

CANCER VICTIM PLEADS FOR CONGRESS ACTION TO HELP AGED ILL

Mr. PROXMIRE. Mr. President, more eloquent than impassioned speeches and more telling than a trunkful of statistics are the many eloquent and moving letter from the old men and women who are literally dying because they have inadequate medical care. To anyone who wonders why the Congress should pass a bill for medical care for the aged, I commend the reading of a letter which I have received from a Wisconsin constituent, an old lady suffering from bone cancer, who simply does not have the funds or hospitalization insurance to take care of her.

I ask unanimous consent that the letter may be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

The reason I am writing to you is that a bill in Congress is coming up to help the social security people get hospitalization. When you are ill like I am the doctors take just about half of what you get. Lucky we don't pay rent. I have cancer of the bone and am going in as a county patient. We are forced to sell our place. A property owner who slaves for a future doesn't mean a thing. The fees the doctor, dentist, and druggist charge are outrageous. I got a few pills at the hospital. They charged me $2.25. That's the reason I am writing to ask you to be in favor of hospitalization for the social security folks. Thanks.

HATTIE SIMON.

OBSCENE LITERATURE

Mr. MOSS. Mr. President, I rise to commend the Committee on Government Operations, and its distinguished chairman, for their evidenced concern over the growing traffic in pornographic materials, and the effect of this traffic on juvenile delinquency and antisocial acts in general.

The committee has launched a double-barreled attack on these two problems by reporting two measures: The first, a bill incorporating the provisions of Senate Joint Resolution 160, which would set up a conference to combat the traffic in obscene material; and the second, a bill to establish a commission to study the relationship between the distribution of noxious material and antisocial acts. I sincerely hope both measures will be passed before adjournment.

As Salt Lake County prosecuting attorney, I worked for years on many facets of these problems, and I know how serious and complex they are.

The traffic in obscene and pornographic matter in the United States has been estimated to run at from one-half billion to one billion dollars a year. This is a flagrant example of impugning the law.

The statutes in force in this country clearly prohibit trading in obscene matters. Federal law prohibits importing this material, mailing it, and transporting it in interstate commerce. All but 2 of the 50 States have provisions in their codes banning its circulation. In addition, many municipal codes have similar provisions.

Perhaps these many statutes could be improved. But it would seem that the real problem is not merely strengthening these laws, which, of course, should be done at every opportunity. A greater problem is how to enforce them.

There are few types of criminal prosecutions that are more difficult to conduct that those involving obscenity charges. This is so not only because the gravamen of the crime is one that involves the application of complex legal technicalities, but also because each prosecution raises the issue of interference with the constitutionally protected rights of free speech and press, which appears to prompt the courts to be more than lenient in dealing with offenders.

There are a number of offensive items being manufactured, transported, and sold in this country which decent people—that is, the vast majority of adult Americans—would like to see stopped, or at least controlled so that they will not corrupt their children. These items vary a great deal in their degree of offensiveness. They fall into two categories: "borderline" and "hard core." Hard core pornography is clearly prohibited by law, while borderline pornography is not. I know of no guideline, however, to determine how bad a particular item must be to be termed "hard core." Very probably, no universally applicable guideline can be drawn.

This is one area in which progress might be made by a conference on the traffic in obscene materials. Thanks to the U.S. Supreme Court's 1957 opinion in *Roth* v. *United States* (345 U.S. 476), we now have a definition of the judicial concept of obscenity. But this definition must still be applied to particular items, which entails the exercise of discretion and judgment on the part of the trial court as well as the prosecuting attorney. If the experience gained from successful prosecutions could be pooled and made available to all prosecuting attorneys, some of the hazards and uncertainties that they must face in an obscenity trial would be reduced and they would be encouraged to enforce their statutes more vigorously.

One of the realities that we must face in dealing with obscenity is that most of the offensive material we would like to see disappear is not subject to legal control. This so-called borderline pornography, which is flooding the magazine racks and involving the sanctity of the home via the mailbox, perhaps poses a greater threat to the moral degeneracy of our young people than does the hard core material. The latter, they recognize, has at least provoked the condemnation of society. But the very fact that the "girlie" magazine is available at the local drugstore adds an insidious and completely false note of acceptability.

It is up to the private citizens of each community to control this type of material. Of course, there is a limit to what they can accomplish as individuals. For example, wholesale purveyors of smut operate on a national level and use such devices as tie-in sales, which require the retailer to accept smutty magazines in order to obtain those that are decent and worth while. Interested citizens' groups should, therefore, be encouraged and assisted in every possible way to organize their campaigns on the local, regional, and even national level. This is another purpose that could be fulfilled by the conference and commission envisioned.

There are several other bills before the Senate which relate to some phase of the control of obscene literature which approach the problem in some way. Because of the press of the legislative schedule, or for other reasons, they have not been reported, and at this late hour in the session it appears that no action will be taken on them.

It would be most unfortunate, in my opinion, if the Senate adjourns without providing the American people with some of the tools they need to control the growing traffic in lewd and lascivious materials—materials which are falling in more abundant quantities into the hands of our young people each year.

In every community there are large numbers of fine citizens who are already working in a persistent, intelligent, and intensive way to curb the obscenity racket. In Salt Lake County, Utah, we have an energetic and effective citizens' organization which has done fine work. It is known as the good literature committee, and it is headed by Paul S. Rose. It works closely with the mayor's committee on pornographic literature, and the many other groups interested in this problem. A national conference could link up their efforts with other similar organizations, and set national guidelines.

Surely this Congress cannot go home without establishing the machinery to learn more about this blight which is poisoning the minds of America's youngsters, and how to best combat it.

We must give the country some national leadership on this most pressing problem.

OUTLAWING OF AGE DISCRIMINATION IN EMPLOYMENT

Mr. CLARK. Mr. President, yesterday the distinguished senior Senator from Michigan [Mr. MCNAMARA], who is at present in the Chamber, the Senator from West Virginia [Mr. RANDOLPH], and I introduced a bill, S. 3726, to eliminate employment discrimination because of age.

Age discrimination is one of the most baseless prejudices, and one of the most wasteful.

At a time when our Nation faces more and more complex decisions and tasks, there is no justification for sending to the benches the people best equipped to face these complexities.

We thrust aside those who have the wisdom and judgment which only maturity can bring, precisely when we need their wisdom and judgment most.

Thus we not only manufacture individual tragedies, but we rob the Nation of irreplaceable human resources.

The bill contains a declaration of policy that the practice of arbitrary denial of employment opportunities solely because of age must be eliminated.

In addition, the bill provides that the President must insure the Federal contractors and subcontractors observe the

above policy. Compliance with this policy is a condition for approving Government contracts and subcontracts. The Secretary of Labor is to hold conferences throughout the country with labor and management representatives, to spread the facts about the performance ability of older workers. The Secretary of Labor is to conduct studies of progress in this field and report to the Congress.

I wish to read for the benefit of Senators several letters received from Pennsylvanians on the subject of age discrimination.

From a woman in Hegins, Pa.:

My husband happens to be one of the best in the purchasing field. He has a wealth of experience and he is honest. But he has committed the grave crime of growing a year older each year. It is all wrong that doctors and scientists dedicate their lives to the task of increasing life expectancy. It is asinine to prolong a life that without a job and the feeling of being needed has lost all meaning, and from many it has removed the desire to live.

From a man in Slatington, Pa.:

What is to become of men 50 years old who were laid off due to this recession depression? Men who will not be called back to their old jobs. Men who are not blessed with company or union pensions. Men who have exhausted their unemployment compensation. Men who are too healthy to drop dead but too young to collect old-age social security.

From a man in Lancaster:

Can you tell me, please, why in this country, which is behind in many scientific fields and some engineering achievements, a man over 40 years of age—and more so for one 45 or more—is considered too old by most employers? Why is there supposed to be a shortage of engineers when men over 40 are declined?

From a woman in Philadelphia:

My mother was 54 years of age on February 9. She is healthy, intelligent, and conscientious. * * * She offers more than asked for in a job. * * * But at the age of 54, she is not wanted.

The Federal Government cannot wipe out age discrimination with a stroke of the pen. It will take a massive educational job to make clear to all Americans that a worker over 40 is not a liability; that, indeed, he offers superior skills.

But while the bill Senator MCNAMARA and I are introducing applies only to the enforcement of Federal contracts, it would have an impact far beyond the Federal Government. On the one hand, it would provide demonstrable proof of the superiority of older workers; on the other hand, it would give the Secretary of Labor an opportunity to gather data showing the extent of age discrimination now being practiced and the economic losses resulting from it.

The labor-management conferences which the Secretary of Labor would hold would be an important means of bringing together the people directly concerned, of educating them and of devising techniques for overcoming age discrimination.

During the hearings held last fall and winter by the Senate Committee on Unemployment Problems, it was appalling to hear men as young as 32 say that they were being refused jobs because they were ostensibly "too old." The truth is not that they are too old, but that myths about older workers are being used to avoid tackling the tough facts about the great changes taking place in American industry. Automation, mergers, rapid shifts in consumer demands—these are typical of the industrial scene today. But we complacently tolerate the resulting unemployment rather than take the actions necessary to deal with industrial changes.

Let us eliminate this alibi; let us recognize that older workers have invaluable skills which we cannot afford to waste.

Let us never forget that the overriding problem of our times is the continuing struggle with world communism and that to fritter away priceless skills is to behave with a staggering unawareness of the stakes involved in that struggle. We cannot afford that kind of behavior in a world as perilous as this one.

PENNSYLVANIA TRAFFIC SAFETY PROGRAM

Mr. CLARK. Mr. President, the Governor of my Commonwealth, David L. Lawrence, has attained national renown for the 13-point traffic safety program which he has put into effect, which has resulted in a substantial reduction of the loss of lives and injuries from automobile accidents.

I ask unanimous consent to have printed in the RECORD a statement by Governor Lawrence in which he amplifies the program for the general public.

I invite the program to the attention of my colleagues, because I am reasonably sure other States could profit by the experience of Pennsylvania under the fine leadership of Governor Lawrence.

The PRESIDING OFFICER (Mr. COTTON in the chair). Is there objection to the request of the Senator from Pennsylvania?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JUNE 22, 1960.

HARRISBURG.—Governor David L. Lawrence today ordered implementation of an additional phase of his 13-point traffic safety program by directing State police to initiate "educational use" of radar beginning the Fourth of July holiday weekend.

The Governor has ordered the State police to start radar speed checks July 1 on a limited basis, using the two electronic speed-measuring devices already owned by the Commonwealth.

Motorists observed by radar while exceeding speed limits will be stopped by State police and issued a warning. No arrests will be made based on the radar evidence.

"It has long been established that the majority of drivers who exceed speed limits do so unconsciously, rather than in deliberate violation of the law," Governor Lawrence said. "A warning will be quite sufficient in such cases to curb drivers' speeds and to encourage them to pay closer attention to their driving.

"This is probably the most courteous and effective way by which we can inform speeding motorists that they are endangering their own lives and the lives of everyone on the highway."

Under the Governor's traffic safety program, the Department of Revenue eventually will purchase 19 additional radar units. Each of the 15 State police troops will be issued one set and the remaining six units will serve as replacements during servicing of the field units.

Governor Lawrence explained the necessity of erecting warning signs by the Department of Highways will limit the Independence holiday use of radar to the 100-mile stretch of U.S. Route 30 between Gettysburg and Philadelphia. Radar is scheduled to be employed on U.S. Route 22 east of Harrisburg following the placement of warning signs later this summer. Use will be expanded to other areas as additional highways are signed, and when additional radar sets become available.

The Governor emphasized no arrests will be made on the basis of radar evidence. "The electronic speed-measuring instrument," he said, "will serve as an effective psychological deterrent to speeding, and will serve to educate drivers in the habit of maintaining legal speeds."

"Radar will be especially beneficial on the hazardous three-lane section of the Lincoln Highway which is heavily traveled by both commercial and pleasure vehicles," said Governor Lawrence.

The Govenor pointed out specially trained State troopers will operate the radar units, working in teams and identifying, stopping and notifying speeders of their radar-checked excessive rate of travel.

BACKGROUND

Radar is an electronic device capable of determining, instantaneously and accurately, how fast a motor vehicle is traveling.

Each set has two basic components—a radio transmitter and receiver, as well as a speed indicator. Motorists can recognize radar along the highway since the unit is encased in a metal enclosure resembling a square hat box.

Radar operates on a principle similar to that which makes the sound of a person's voice reflect from a mountain cliff and return as an echo. In radar, high-frequency radio waves are sent out by the transmitter.

When an object is struck by the waves, some of them are reflected to the receiver. In the case of a stationary object, the transmitted and received waves are the same. But if an object is moving, the frequency of the return waves will vary. The variance will depend on the speed of the object. The greater the speed of the vehicle, the greater the frequency variance.

Police radar units transmit a beam into oncoming traffic. As a vehicle enters the beam, radio waves bounce back to the receiver. The vehicle's speed is converted into miles per hour on the speed indicator on the basis of the difference between the transmitted and received signals.

Electronic experts maintain that radar is accurate to within less than 2 miles an hour. Accuracy of the equipment can be checked during use with calibrated tuning forks.

TRIBUTE TO SENATOR LONG OF HAWAII

Mr. GRUENING. Mr. President, our able colleague from Hawaii, junior Senator from the 50th State, Mr. OREN LONG, was a distinguished educator before he came to the Senate. He was superintendent of public instruction in the Paradise of the Pacific and a whole generation of children were the beneficiaries of his guidance. He served as Secretary and then as Governor of Hawaii when Hawaii was a territory. He has always shown a great interest in the problems of the Pacific, as is evidenced by his sponsorship along with our majority leader of the East-West Institution, where students from Asia and the United States—from East and West—can meet and bring about that meeting and close relationship which Rudyard Kipling mistakenly said would never take place.

Out in Hawaii East has met West. They have got along together very happily, and with the establishment of this proposed educational and cultural center will improve the understanding and friendship of the people on both sides of the Pacific.

In this connection, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks, a House concurrent resolution of the legislature of the territory of Samoa, which accords deserved praise to Senator LONG for his great interest in those picturesque South Sea Islands inhabited by Polynesians, those sturdy "vikings" of the Pacific, who as we all know formed the aboriginal stock in the Hawaiian Islands. Senator LONG is rightfully concerned with the future of American Samoa, for the welfare of its people, and, in accord with America's finest tradition seeks for them a maximum of self-government and freedom under our flag. The appreciation of Samoans to Senator LONG has been appropriately expressed by the action of their legislature.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

"HOUSE CONCURRENT RESOLUTION 4

"Concurrent resolution making known to the Honorable OREN E. LONG, Senator from the State of Hawaii, the gratitude of the people of American Samoa for his interest in their welfare

"Whereas the Honorable OREN E. LONG, Senator from the State of Hawaii, has continually demonstrated his interest in the welfare of the people of American Samoa; and

"Whereas it is fitting and proper that the Legislature of American Samoa, on behalf of the people of the territory of American Samoa, should extend to the Honorable OREN E. LONG the heartfelt thanks of the people of America Samoa for his interest in their welfare; Now, therefore, be it hereby

"Resolved by the House of Representatives of the territory of American Samoa (the Senate concurring), That the Honorable OREN E. LONG, Senator from the State of Hawaii, be commended for his interest in the people of the territory of American Samoa; and be it further

"Resolved, That the deep gratitude and heartfelt thanks of all the people of this territory to the Honorable OREN E. LONG be, and the same are, hereby extended."

I, Mulitauaopele, S., chief clerk of the legislative office of the Legislature of American Samoa do hereby certify that House Concurrent Resolution 4, of which the within and foregoing is a true and correct copy, was passed by both Houses of the Legislature of American Samoa at the fourth session of the Sixth Legislature of American Samoa.

Witness my hand and the seal of the government of American Samoa this 2d day of June 1960.

S. MULITAUAOPELE,
Chief Clerk.

SALE OF GOVERNMENT-OWNED MOTORCYCLE PARTS

Mr. DOUGLAS. Mr. President, Mr. Jack Steele, staff writer for the Scripps-Howard newspapers, has been a diligent and resourceful reporter on matters affecting governmental and military waste. I know of no one who, over the years, has exceeded Mr. Steele in his efforts in ferreting out abuses and bringing to the attention of the public the kind of information which can make for better Government, a more efficient Military Establishment, and a stronger national defense. It is a tribute to his editors and publishers that they employ such an able man and that they give to him the freedom of judgment and expression which is necessary if these practices are to be remedied. His work and the attitude of his editors toward it are in the best tradition of journalism.

Yesterday Mr. Steele pointed out how the Army had finally got around to selling for scrap almost a million dollars worth of motorcycle spare parts.

Apparently the parts were bought during or immediately after World War II and have been in storage since then. Had they been sold a few years ago some use could have been made of them, for motorcycles were then still used by numerous police departments. Furthermore, storage costs might have been saved.

Apparently the Army had forgotten all about them. The facts in the article also raise the question in my mind as to why so many extra spare parts were procured in the first place.

Mr. President, almost daily we come upon an example of military procurement or supply practices where some major inefficiency is clearly established. What those of us who have pointed these out are trying to do is to bring a stronger national defense and to bring major reforms in the fields of defense procurement, integration of supply systems, and in the handling and storage of these huge supplies and surpluses.

No doubt those who are in the Military Establishment are irritated and unhappy over the various points and examples which we have made, but what we are seeking to do is to bring a stronger national defense and a more efficient system so that the savings can be used for planes, tanks, guns, combat troops, and missiles.

We sincerely hope that the Military Establishment will approach these matters in the same spirit in order to strengthen national defense and not to continue to waste taxpayers' money further.

I ask unanimous consent that this excellent article and the descriptive leads be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, June 25, 1960]

(By Jack Steele)

AN ARMY "GOOF"—MILLION DOLLARS WORTH OF UNUSED MOTOR PARTS SOLD AS CHEAP

MOTORCYCLE PARTS SOLD FOR SCRAP

The Army finally has got around to selling—for scrap—nearly a million dollars worth of unused motorcycle spare parts of World War II vintage which has been squirreled away in a Georgia warehouse for 15 years.

The hundreds of thousands of brandnew parts—including such items as cylinders, pistons, rings and exhaust valves—are for Harley-Davidson motorcycles of a model produced from 1940 to 1942.

The Army conceded today that it hasn't used any such motorcycles, or any others except for a few later models ridden by military police, since soon after World War II ended in 1945.

GOOD

The Harley-Davidson Motor Co.—which made the parts—reported that they would have brought good prices if the Army had sold them up to about 1950. They would have been useful as repair parts for thousands of the same model motorcycles still in use then by civilians, police departments, etc.

"Now there probably aren't more than 200 of these motorcycles still in service all over the world," a company representative here said. "Except for one or two which may fit later models, these parts are worthless now except as scrap."

A GOOF?

A spokesman for the Army Ordnance Corps dismissed the whole business of the surplus motorcycle spart parts as a "goof."

He said a check indicated the Army apparently had forgotten all about them until they were discovered a few months ago stacked up in packing crates in a corner of the Atlanta General Depot at Forest Park, Ga.

But Senator PAUL H. DOUGLAS, Democrat, of Illinois, who has been waging war on military waste, branded the motorcycle spare part fiasco as another sample of faulty Army procurement and surplus disposal practices.

"This seems to be another case of excessive procurement, belated disposal, and finally complete waste of the taxpayers' money," he said.

The Army's huge stockpile of motorcycle spare parts first came to light in a list of surplus goods offered at a spot sale yesterday at the Atlanta General Depot.

The sale catalog, which invited surplus buyers to "sail away with bargains galore," listed 20 lots of unused motorcycle parts having a total original acquisition cost of $406,000.

Here are a few typical items listed: 63,218 piston ring sets, acquisition cost, $78,505.20; 49,602 exhaust valves, acquisition cost, $83,-378.40; 25,485 pistons, acquisition cost, $137,-117; 2,894 rear cylinders with piston assembly, acquisition cost, $67,719.60.

The Ordnance Corps disclosed that other spare parts for Harley-Davidson motorcycles were sold at two previous sales at the Atlanta depot.

On February 16 spare parts having an original acquisition cost of $495,000 were disposed of at a similar sale.

And on May 25 four additional lots of spare parts having an acquisition cost of $35,000 were sold.

AREA REDEVELOPMENT

Mr. DOUGLAS. Mr. President, yesterday the Secretary of Commerce, Mr. Frederick H. Mueller, together with the Secretary of Labor, Mr. Mitchell, issued a press release urging immediate action by the present Congress on so-called area redevelopment legislation. They declared that they were deeply concerned that no action had been taken as yet to pass a revised area redevelopment bill, as the President had requested in his message to Congress. There is the implication in the release that if Congress fails to pass the administration bill it will be held responsible and the Democratic majority will be held responsible. The two Secretaries declared that since there had been extensive hearings and debate, no further hearings or debate are required, and the Congress should proceed immediately to pass the administration bill.

Incidentally, this statement was given to the press before a similar letter ad-

dressed to the chairman of the Committee on Banking and Currency, the Senator from Virginia [Mr. ROBERTSON], was received.

In view of this statement, I believe the chronology is interesting and should be made a matter of public record. On May 18 of this year my colleague from Illinois [Mr. DIRKSEN], the distinguished leader of the Republican Party in the Senate, introduced the official administration bill, which was given the number S. 3659. On the very next day, the chairman of the Committee on Banking and Currency, the Senator from Virginia [Mr. ROBERTSON], asked for reports on the bill from the following departments and agencies: Commerce, Treasury, Federal Reserve, Defense, Agriculture, Labor, Health, Education, and Welfare, Small Business, General Services, Housing and Home Finance Agency, General Accounting Office, Civil Service, and Justice. This is the usual procedure.

COMMERCE AND OTHER DEPARTMENTS SLEEP ON VITAL LEGISLATIVE REPORTS, BUT SEEK TO BLAME CONGRESS FOR DELAY

Now let us notice the delays which occurred before replies were received from this group of departments and agencies of the administration. The Department of Labor did not sleep on this matter itself, apparently, as much as the other agencies. A letter of that Department in reply to Senator ROBERTSON, which bore the date of June 7, was received by the Banking and Currency Committee on June 20, or Monday of this week. I have just addressed a telegram to the Secretary of Labor, Mr. Mitchell, asking why and how this delay of 13 days occurred between the date on which the Department of Labor stamped the letter as outgoing and the 20th of June, when the letter was received.

I presume that what happened was that the Bureau of the Budget held up the letter to see whether it approved of what was to be the President's own program.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOUGLAS. I ask for 5 additional minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. DOUGLAS. The letter of the General Services Administration was dated June 17. It was not received until Tuesday, June 21. The Department of Agriculture's letter was dated June 20, and was received on June 20. The letter of the General Accounting Office was dated June 20, and it was received on June 21. Now I ask Senators to notice this fact. The letter of the Department of Commerce was dated June 22, which would be Wednesday of this week. It was received on June 23. In other words, the administration slept on these letters for over a month. As a matter of fact of the 13 reports reported under regular procedure only 5 have been received to date.

Then Mr. Mueller comes in on the 23d of June blaming Congress for the delay, when the administration itself caused the delay. This is a most unconscionable performance, particularly on the part of the Department of Commerce, and Mr. Frederick H. Mueller, its Secretary.

CONGRESS HAS ACTED; BUT ADMINISTRATION REFUSED TO BACK EVEN ITS OWN BILL IN 1956

I would remind Congress and the country of the fact that the Senate has passed such a bill three times. The Senate passed such a bill in 1956, in the closing days of the session. It was sent to the House, and the managers of the bill on the House side offered to take the view of the administration bill if the administration would help to get it through. But they were refused by the administration, including Mr. Mueller, who was then Assistant Secretary of Commerce.

The Republican leaders would not take their own bill in 1956 and refused to give unanimous consent to have the Senate bill brought up.

CONGRESS' BILLS TWICE VETOED

Then in 1958, as is well known, we passed the so-called Douglas-Payne bill, which was given a pocket veto by the President.

This year we passed another bill—S. 722—which was promptly vetoed by the President.

Now the administration demands haste in passing an area redevelopment bill which, they say, should be the administration bill and which should be accepted by us without question.

COMPARISON OF AREA REDEVELOPMENT BILLS—CONSTRUCTIVE PROVISIONS OF S. 722

We have had prepared an analytical comparison of S. 722, which was passed by Congress and vetoed by the President; the new administration bill S. 3569; the pre-veto administration bill, S. 1064; the Scott-Van Zandt bill, S. 3658, H.R. 12290.

I ask unanimous consent that this tabular comparison be printed in the RECORD, at this point.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Comparison of area redevelopment bills

Provision	S. 722 as passed and vetoed	New administration bill, Dirksen-Widnall, S. 3659; H.R. 12286	Pre-veto administration bill S. 1064; H.R. 4278	Scott-Van Zandt bill, S. 3658; H.R. 12290
1. Administration	Independent agency	Agency with Department of Commerce.	do	Do.
2. Eligibility criteria	a. Industrial redevelopment areas with unemployment of not less than 6 percent at time of application and— 1. 12 percent for 12 months, or 2. 9 percent for 15 out of 18 months, or 3. 6 percent for 18 out of 24 months, or 4. 15 percent for 6 months if causes are not temporary. (NOTE.—The term "redevelopment area" may include 1 or more counties, or 1 or more municipalities, or a part of a county or municipality.)	a. Labor market areas where the nontemporary unemployment meets these conditions: 1. Rate is currently 6 percent, and 2. Rate has averaged at least 6 percent— (a) For 3 out of preceding 4 years and has been 50 percent or more above national average, or (b) For 2 out of preceding 3 years and has been 75 percent or more above national average, or (c) For 1 out of preceding 2 years and has been 100 percent or more above national average. (Eligible for loans and technical assistance grants.)	a. Industrial areas: Designation discretionary for labor market areas where the nontemporary unemployment meets 3 conditions: (a) Rate is currently 6 percent, and (b) Rate has averaged at least 6 percent: (1) For 4 out of preceding 5 years and has been 50 percent or more above national average, or (2) For 3 out of preceding 4 years and has been 75 percent or more above national average, or (3) For 2 out of preceding 3 years and has been 100 percent or more above national average, and (c) Nonagricultural employment has declined, or has increased less than in the country as a whole, during preceding 5 years. No area shall be excluded by this requirement if unemployment in area for 3 out of last 4 years exceeds 8 percent.	Do.

Comparison of area redevelopment bills—Continued

Provision	S. 722 as passed and vetoed	New administration bill, Dirksen-Widnall, S. 3659; H.R. 12286	Pre-veto administration bill S. 1064; H.R. 4278	Scott-Van Zandt bill, S. 3658; H.R. 12290
2. Eligibility criteria—continued	b. Rural redevelopment areas with largest number and percentage of low-income families and having a condition of substantial and persistent unemployment or underemployment. Includes 500 counties ranking lowest in level-of-living index or in production for sale.	b. "One-industry" towns, small towns in rural areas, and rural low-income areas. (Eligible for technical assistance grants.)	do	
3. Loans for private projects:				
(a) Revolving fund or funds total.	$75,000,000 for industrial areas, $75,000,000 for rural areas.	$75,000,000 for industrial areas	$50,000,000 for industrial areas	$75,000,000 for industrial areas.
(b) Maximum Federal participation.	65 percent (subordinate to other loans).	35 percent (may be subordinate to other loans).	do	Do.
(c) Minimum State participation.	10 percent	15 percent (may be subordinate to Federal loans).	do	Do.
(d) Minimum private participation.	5 percent	None	do	Do.
(e) Maximum period	30 years (40, if extended)	30 years (40, if extended)	25 years (35, if extended)	Do.
(f) Purpose of loans	Purchase or development of land and facilities (including machinery and equipment) for industrial usage, construction and improvement of plants.	Land and facilities	do	Do.
(g) Interest rate	Rate paid Treasury plus ½ of 1 percent (¼ percent to be allocated to sinking fund against losses).	Rate paid by Treasury plus ½ percent.	Rate paid Treasury plus factor to be fixed by Secretary to cover administrative expenses and reserve.	Do.
(h) Application approved by	Agency of State or political subdivision concerned with economic development (or local committee in the absence of such agency), and finding by State or agency of consistency with area economic development program approved by Administrator.	State or agency thereof concerned with economic development, and finding that program is consistent with overall program approved by the Secretary.	do	Do.
4. Loans for public facilities:				
(a) Revolving fund	$50,000,000	None ($50,000,000 included in housing bill (S. 3670) which passed the Senate June 16, 1960. Administration proposed $100,000,000 as part of housing bill to help distressed areas).	None. Gives priorities for existing community facilities program to eligible areas.	$25,000,000.
(b) Maximum Federal participation.	65 percent (subordinate to other loans).			35 percent.
(c) Minimum State and local participation.	10 percent			15 percent.
(d) Maximum period of loan	40 years			Same as (g) above.
(e) Interest rate	Not greater than average annual interest rates on all interest-bearing obligations of the United States plus ¼ of 1 percent.			
5. Grants for public facilities	$35,000,000 authorization for appropriation.	None	do	Do.
6. Technical assistance grants	$4,500,000 per year authorization for appropriation.	$3,500,000 annually for technical assistance grants. Of this amount, $2,000,000 is available for "1-industry" towns, small towns in rural areas, and low-income areas not otherwise eligible.	$1,500,000 per year for designated areas, and $1,500,000 per year for towns predominantly dependent on 1 industry, small towns which could serve as centers for economic diversification of rural areas of underemployment, and rural low-income areas.	Do., not annually.
7. Vocational training	The Secretary of Labor and the Secretary of Health, Education, and Welfare assist in vocational training or retraining. Provides $1,500,000 annually for assistance to State boards for vocational education.	The Secretary of Labor and the Secretary of Health, Education, and Welfare assist in vocational training or retraining. Provides $1,500,000 annually for State education agencies.	do	Do.
8. Retraining payments	Secretary of Labor makes retraining subsistence payments for up to 13 weeks for those undergoing vocational training or retraining; $10,000,000 authorized.	None	do	$5,000,000.
9. Housing amendments	Amends title I of the Housing Act of 1949, as amended, to permit the rehabilitation of blighted industrial and commercial areas. Limited to 10 percent of funds authorized for capital grants after Jan. 1, 1959.	Amends title I of the Housing Act of 1949, as amended, to facilitate the redevelopment and rehabilitation of blighted industrial and commercial areas in areas of substantial and persistent unemployment. Limited to 10 percent of funds authorized for capital grants under the urban renewal program after June 30, 1960.	do	Do., no limit.
	Amends sec. 701 of the Housing Act of 1954, as amended, to extend urban planning assistance grants to cities, other municipalities, and counties of 25,000 or more located within industrial redevelopment areas.	Amend sec. 701 of the Housing Act of 1954, as amended, to extend urban planning and assistance grants to cities, other municipalities, and counties located within areas of substantial and persistent unemployment.	do	Do.
		Amend title II of the Housing Amendments of 1955 to give first priority to applications for community facilities loans from areas of substantial and persistent unemployment and increases fund limit to $200,000,000 from $100,000,000.		

Mr. DOUGLAS. Those who study this tabulation will see that there are many differences between the bill which Congress enacted and the bill which the administration now demands we pass without debate and presumably without hearings.

ADMINISTRATION BILL OMITS AID TO RURAL AREAS AND APPROPRIATE PUBLIC FACILITY LOANS AND GRANTS

For example, the administration bill has no authorization for any funds for the development of rural areas with low income and high underemployment.

It provides nothing for loans for public facilities, such as the provision for industrial water and industrial parks. As a matter of fact, in the housing bill which we passed on the 16th of June, we provided $50 million for sewer facilities and for domestic water systems for small

towns, which the administration claimed credit for, but it was not for public facilities which attract industries which instead need water in quantity or industries which in some cases need industrial parks.

Furthermore, the administration bill has no authorization for direct grants to localities which have suffered severely from unemployment and cannot borrow at the interest rates prescribed, and will need some additional help.

REPUBLICANS ON RULES COMMITTEE HELPED TO BLOCK CONSIDERATION

There are other important differences, as well, but it should be furthermore remembered that the Republican members of the Rules Committee, joining with some of their southern adherents, were successful in preventing the area redevelopment bill from being submitted to Congress, and thus contributed to the delay. It was only by the unusual procedure in the House of resorting to Calendar Wednesday that the bill could be brought up and passed.

Now the administration, after these delays and this opposition, including two successive vetoes by the President, says that it is the fault of Congress.

Furthermore, we should take note of the fact that the school construction bill, which the administration says it favors in some degree, is now lodged in the House Rules Committee and that all four Republican members of the House Rules Committee have opposed giving the House a chance to vote on this measure.

Then there is the minimum wage bill coming up. We also have the health, medical, and nursing care bill for the aged coming up. I see on the floor the distinguished senior Senator from Michigan [Mr. McNAMARA], who is the driving force behind that legislation in the Senate.

All these measures and many others must be acted on during the next few days. Yet the administration, which has always fought area redevelopment, which has delayed for a month in making its reports—over half of which are not yet in—when time was of the essence, and which has vetoed or killed three bills in 5 years, now demands that we take their own bill, at the last minute, without hearings, and pass it immediately.

I believe that the American public should know who is to blame in this matter.

Mr. SCOTT. Mr. President, I think it is well known that from the beginning I have supported the principle of area redevelopment legislation. I have testified on it. I have been to the White House. Together with the Senator from Kentucky [Mr. COOPER] and the Governor of West Virginia, Governor Underwood, I have spoken to the President about it. I originally introduced a bill in 1959 to provide $200 million for this purpose. While it was a moderate, reasonable bill, it received only 22 votes in this body, most of them on this side of the aisle.

Later, on May 18, I introduced a second bill to meet the President's veto. It called for $108 million.

Mr. DOUGLAS. Mr. President, will the Senator yield for a moment?

Mr. SCOTT. I yield.

Mr. DOUGLAS. I have here a letter from Secretary of Commerce Mueller, referring to the Senator's bill. One paragraph reads as follows:

> While we are truly appreciative of the efforts of the sponsor of S. 3568 to resolve these differences, it is our view, because of the duplicative programs of loans for public facilities, and the Federal subsistence payments inaugurated in connection with the training and retraining program found in section 11 of the bill, that S. 3569 is to be preferred.

So the administration declares its opposition to the bill of the Senator from Pennsylvania.

Mr. SCOTT. I thank the Senator from Illinois. As he knows, he is not telling me anything new. The administration, however, in the President's own message, as well as in the letter from the Secretary of Commerce, has indicated that it prefers the Dirksen-Widnall bill. That is the bill which provides for $180 million.

ADMINISTRATION PROPOSES ONLY $80 MILLION PROGRAM FOR REDEVELOPMENT

Mr. DOUGLAS. May I correct the Senator from Pennsylvania? The bill really provides for $80 million, because the administration includes the $100 million which they requested as an addition to the housing bill, to be used for sewage disposal plants and local water systems for small towns. I believe it was on the motion of the Senator from Indiana that the amount was then reduced from $100 million to $50 million.

Our proposal for public facilities was entirely for business purposes, not for sewage disposal systems, not for water systems for small towns, but for the provision of industrial water for depressed areas. It was also to provide for industrial parks. It was first to be a loan program.

Then we proposed a $35 million grant program for the same purposes.

So the administration program really boils down to $80 million—$75 million for industrial communities, $3,500,000 for technical assistance, and $1,500,000 for vocational training; but nothing for rural areas and nothing for public facilities to attract new industries in the depressed areas.

Mr. SCOTT. I appreciate the fact that the Senator from Illinois has his own interpretation of the bill. However, I shall refuse to yield further until I have been able to make a consecutive statement, since I do not wish to be distracted from the point I am trying to make.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that the Senator from Pennsylvania may have 3 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SCOTT. That is why I am unable to yield further. The point I wish to make—and I had better make it at the beginning of my remarks, before time runs out—is that what the people in the labor-surplus areas need is an area assistance bill. I realize that not all Senators agree with me; nevertheless, it is important that we send a bill to the President of the United States; and the President has indicated that he will accept a modified bill.

The Senator from Illinois, I, and many other Senators have had differing views as to the amount which should be provided. However, the significant point is that it was the President who originally proposed the area assistance program in one of his messages to Congress.

At the moment we do not have a compromise area assistance bill before the Senate. We do not have a bill from the Senator from Illinois; we do not have before us the bill from the junior Senator from Pennsylvania; we do not have the Dirksen-Widnall bill. The present disposition of the leadership of the Senate is to deny any opportunity for area assistance legislation, because of its unwillingness to hold hearings, or its unwillingness to place a bill on the calendar. The obvious fact is that they prefer an issue to legislation.

For heaven's sake, Mr. President, I think what must be done is to have the principle of area assistance adopted, so that a needed program can get under way. Let us not fight over the amount involved. Let us at least get as much as we can, consistent with the needs involved and the willingness of the administration and the Democratic majority to agree upon some legislation.

The attitude of petulance which is being shown because the President vetoed a bill, the preference for an issue rather than a law to help needy people and needy communities, does Congress no good. I renew my request that hearings be held and that action be taken on a bill at this session of Congress.

Mr. DOUGLAS. Mr. President, has the Senator from Pennsylvania finished his remarks?

Mr. SCOTT. Yes. I was about to yield the floor.

Mr. DOUGLAS. Mr. President, may I have the privilege of replying to the comments of the Senator from Pennsylvania?

Mr. JAVITS. Mr. President, I ask unanimous consent that I may yield to the Senator from Illinois for 3 minutes, without losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOUGLAS. I thank the Senator from New York.

Mr. President, I point out to the Senator from Pennsylvania that the administration delayed by almost 5 weeks from the time they were asked to report on the so-called Dirksen bill, and only reported on the matter this week. Some of their agencies have not yet reported. The Department of Labor is less guilty in this matter than the other agencies, although it is somewhat guilty. The Department of Commerce is probably the most guilty. That Department issued the release condemning Congress for its alleged failure to act.

CONGRESS HAS PUSHED BILLS SINCE 1955; ADMINISTRATION LEADERS HOLD UP EFFECTIVE ACTION

Furthermore, historically, I point out that the first bill on this subject was

introduced by me in 1955; we held hearings all over the country on this bill and the Joint Economic Committee under my chairmanship recommended it in March of 1955.

After I introduced the bill, the administration in 1956 proposed another bill which did not provide for any financial assistance, but merely called for advice. It provided for no funds to get new industries started; it called merely for advice, for words, not deeds. The groups which have been dragging their heels have therefore been the Republican Party, and the administration, and the House Committee on Rules.

I except the Senator from Pennsylvania personally because he has supported this measure. That is perfectly true.

Nevertheless, in view of the fact that the Republican members of the House Rules Committee, under the direction of Representative HALLECK, are holding up action on a school-construction bill; are holding up action on a minimum-wage bill; are holding up action on a number of other measures; in view of the fact that the committee had to be bypassed on the passage of the original area redevelopment bill this year by the unusual device of Calendar Wednesday; in view of the delays and the opposition of this administration; in view of the present tremendous workload which we have; in view of the past opposition of the bipartisan coalition to the bill; it is certainly disingenuous for the Senator from Pennsylvania now to say that we are to blame.

Under these circumstances and in view of administration opposition to adequate legislation and the way the congressional leaders of the Republican Party are sabotaging programs for legislation, we shall have to depend on the next Congress to do an adequate job.

THE EICHMANN CASE

Mr. JAVITS. Mr. President, the free world will hail the resolution of the Security Council of the United Nations on the Eichmann case, which satisfies Argentine honor and sovereignty and allows Israel to keep the notorious head of the Jewish section of the gestapo, Hitler's secret police. Eichmann, who is accused of having directed the extermination of 6 million Jews, was removed from Argentina to Israel. The United Nations resolution bidding Israel to make appropriate reparation in accordance with the Charter of the United Nations and rules of international law is properly considered an excellent solution to a knotty problem.

There should be considerable satisfaction, too, in our country over the role played in this solution by our Government acting through United Nations Ambassador Henry Cabot Lodge, our former colleague. His role in the passage of the resolution and in defining the resolution to require a statement of the Foreign Minister of Israel making apology on behalf of the Government of Israel was enormously helpful.

Also, Ambassador Lodge offered two amendments of a special interest to all in this country, which were accepted by Dr. Amadeo, the Argentine delegate. These were: First, the recognition that people in all countries wanted Eichmann brought to justice; and, second, that the traditionally friendly relations between Argentina and Israel would be advanced.

The Security Council vote sustained the principle that no matter how vile the criminal, he is still entitled to due process of law in the free world. At the same time we recognized through the concord of the free world its determination to hunt down the bestial enemies of mankind wherever they may be found and to punish them.

The case and its handling show the free world at its best; the Communist members abstained—though the U.S.S.R. did not use its veto—and the resolution was carried by the votes of the United States, Great Britain, France, Ceylon, Nationalist China, Italy, Ecuador, and Tunisia. Certainly once justice is done in the case, it should serve to indicate that the bonds which hold free men together are infinitely stronger than the issues which divide them, and the sanctity and freedom of the individual are their ruling objectives.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Adequate Reparation," published in the New York Times of June 24, 1960.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 24, 1960]

ADEQUATE REPARATION

The case of Humanity versus Adolf Eichmann in the United Nations came to an end yesterday when the draft resolution deploring the methods by which Eichmann was removed from a haven in Argentina to a jail in Israel was approved by the Security Council.

This is not a severe resolution. It refers to the "violation of the sovereignty of the Republic of Argentina" and asks that the State of Israel make reparation for its part in this violation.

An amendment offered by the United States expressed "the concern of the people in all countries that Eichmann should be brought to appropriate justice for the crimes of which he is accused."

Yesterday U.N. Ambassador Henry Cabot Lodge spelled out what our Government meant by "adequate reparation." He thought this would be achieved by the passage of the resolution itself and by "the statement of the Foreign Minister of Israel making apology on behalf of the Government of Israel."

So terminates this chapter of the Eichmann case. What we must be sure of is that no precedent is established that will make it easier for arbitrary governments—such as the Government of Israel assuredly is not—to reach over frontiers and kidnap their enemies. The vilest of men, the beasts of the abysmal sewers such as the Nazi leaders were, are entitled to the legal processes we willingly allow the noblest and best.

Yesterday's Security Council vote did not weaken this principle, although the debate was used politically by the Iron Curtain countries, whose hands have not been perfectly clean. But behind this sufficiently dull discussion there marched in terrifying and shadowy procession the ghosts of the millions of dead.

What is "adequate reparation" for the unspeakable crimes of which Adolf Eichmann stands accused? The only answer once justice is done in this case is a rededication to the principles of freedom and of the sanctity of human life: the two cannot be separated. Let this lesson be learned on both sides of the Iron Curtain.

THE PORT OF NEW YORK AUTHORITY—A POSSIBLE SOLUTION

Mr. JAVITS. Mr. President, New York is justly proud of its port authority, a bi-State agency established through the approval of interstate compacts by Congress in 1921 and 1922, which operates bridges, tunnels, airports, and other facilities most successfully in the New York-New Jersey metropolitan area. It is an admirable way to deal in a modern manner with problems of metropolitan government, notwithstanding in some cases outmoded political boundaries.

For some time, now, there has been considerable discussion about an investigation of the affairs of the port authority, now authorized by the other body to be conducted by its Judiciary Committee, under the chairmanship of Representative CELLER, of New York. The question at issue has always seemed to be whether the port authority has exceeded the scope of its activities, as contemplated in the 1921–22 approval by Congress, and, specifically, whether amendments to its charter should be submitted from time to time for congressional approval. As a bi-State agency, the official actions of the port authority are subject to constant review by the Governors of New York and New Jersey, and to the lawmaking authority of the legislatures of both States. There has been grave fear that the port authority, whose financial success has enabled it to raise hundreds of millions of dollars from private investment, through bond sales—bonds which enjoy a very high financial rating—would be embarrassed in its operation and future capabilities for such financing through such an investigation or the added restraints to be put upon it.

There now seems to be in the offing a happy solution to this problem, for Governor Rockefeller and Governor Meyner have requested of Representative CELLER a meeting for "thoughtful discussion and consideration between the members of the Judiciary Committee and the chief executives of the two States." The issue is thereby placed on the proper level, as it does involve the relationship between the two States and the Federal Government, rather than between the agent of the two States, the port authority, and the Federal Government; and, second, such a discussion is properly conducive to a fair result, considering the high-level status of its prospective participants. I hope very much that the request of the Governors will be granted, and that the matter may then proceed, without derogation to the inquiry by the House Judiciary Committee, on this new and far more promising level.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article about this matter, which was published today in the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO GOVERNORS URGE PORT BODY PARLEY—ASK CONGRESS COMMITTEE TO MEET WITH THEM AND DELAY RETURN OF SUBPENA

The Governors of New York and New Jersey asked yesterday to meet with the House Judiciary Committee to discuss subpenaing

internal memorandums and worksheets of the Port of New York Authority.

Governor Rockefeller and Gov. Robert B. Meyner said "grave questions of constitutional principle" touching upon the "fundamental sovereignty of the States" were involved.

The two Governors sent identical telegrams to Representative EMANUEL CELLER, Democrat, of New York, the chairman, and individual committeemen. Pending a meeting, the Governors asked that the June 29 return date on the subpena issued by the committee be adjourned.

"I believe these issues of constitutional principle are so important," the telegram said, "that they should be the subject of thoughtful discussion and consideration between the members of the Judiciary Committee and the chief executives of the two States."

An interstate agency, the port authority, was set up under a compact voted by the legislatures of the two States, that required congressional approval. Mr. CELLER maintains Congress has a duty "to pass upon and oversee interstate compacts."

The decision to try to thrash out the question in a face-to-face talk was reached by the Governors late yesterday at Mr. Rockefeller's New York City office, 22 West 55th Street.

Meeting with them were their attorneys general, Louis J. Lefkowitz of New York City and David D. Furman of New Jersey, other key administration figures, 9 of the 12 members of the port authority, its executive director, general counsel, and two assistant general counsels.

When the meeting was called, there had been speculation that more forceful action might be recommended. Court action to fight the subpena was considered possible.

The port authority and the two States take the position that every reasonable effort has been made to assist the investigation of the agency undertaken by a judiciary subcommittee, also headed by Mr. CELLER. They note that records dating back to 1921 already have been put at the disposal of committee investigators.

Mr. KEATING. Mr. President, will my colleague yield?

Mr. JAVITS. I am glad to yield.

Mr. KEATING. As my colleague knows, I have expressed very great apprehension about the proposed hearings in regard to the New York Port Authority. The authority is an agency of the States of New York and New Jersey. It is perfectly proper for the Congress to look into the question of whether there should be any revisions in the congressional statute of approval of the compact. I was a member of the House Judiciary Committee in 1952 when there was an investigation of the port authority. That investigation accomplished very little except to show that the port authority was doing an outstanding job for the area it serves.

I join in my colleague's expression of hope that any differences between the States and the Congress can be worked out by conferences with the two Governors. I know the Governors are opposed to some of the things which are afoot with regard to the port authority; and I am certain that they will deal with this subject in an entirely constructive manner.

I hope the House Judiciary Committee's members who are interested, particularly the subcommittee members, will meet with them and will try to resolve any differences which may exist. Certainly all should be seeking a proper solution of the problem.

The port authority employs a very substantial labor force.

Mr. JAVITS. Yes; a tremendously large number of persons.

Mr. KEATING. Indeed so; and this matter is one of great interest in both New York and New Jersey. So I hope nothing will be done to impair the very commendable work the port authority has been doing over the years.

Mr. JAVITS. I thank my colleague. He was the ranking member of the Judiciary Committee of the House of Representatives, and therefore his words are particularly germane and important, and again show our general unity on so many matters of importance.

THE MARINE SCIENCES AND RESEARCH ACT

Mr. HUMPHREY. Mr. President, yesterday the Senate passed Senate bill 2692, the Marine Sciences and Research Act. I have actively supported this measure, and I have testified in its behalf. Yesterday I did not speak on the bill, because I wanted to expedite its passage.

This measure is a progressive, sensible bill designed to meet certain basic national needs and to contribute to international scientific cooperation.

It is not a crash program, but is a carefully planned 10-year growth investment in marine resources. Its goal is, as the committee reported, "to unveil the secrets of inner space"—the oceans and the deepwater lakes.

The act was drawn up with guidance of the Committee on Oceanography, of the National Academy of Science—National Research Council—under its able Chairman and my good friend, Dr. Harrison Brown, of the California Institute of Technology. We Minnesotans, of course, are particularly proud of the extraordinary contribution to the Committee work of Dr. Athelstan Spilhaus, dean of the Institute of Technology at the University of Minnesota.

Dr. Spilhaus, in a fascinating study on oceanography, prepared for those of us who are not scientists, concluded that:

> It is wonderful to look out and try to understand space; it will be exciting to go out; but we should not forget the earth on which we stand and the great storehouse of living needs * * * ours for the taking * * * held for us in the seas.

Mr. President, we have the Committee's detailed and comprehensive report on the needs, aims, and proposed operation of various Government agencies and private groups under the act. The need for the bill, growing out of the demands of national security and economic development and the free world's offensive for peace, is immediately evident. The closest nation to the United States beyond an ocean—closer than any nation except Canada and Mexico—is the Soviet Union.

The Pacific and Atlantic Oceans are to the free world not divisions, but ties between the United States and 58 other nations. NATO, named for the community of peoples bordering the Atlantic Ocean, has been the first and the fundamental cornerstone of our mutual security. Across the Pacific we have built a community of interest, also a community of all men and women who believe that the ideals of the American Revolution are as practical today as they were on the day when they were drawn, and who are seeking respect for human dignity, through a peaceful economic and social revolution.

I can think of no more vital ingredients in that peaceful progress toward economic and social freedom and dignity than food and water. Under Public Law 480, we are doing a great deal to share our present abundance of food and fiber with the hungry millions of the world. But, as populations grow, the desperate need for protein in the world's diet will become more and more acute. Right now we are getting 30 million tons of protein a year from the sea—an increase of 50 percent in the past 10 years. We shall have to develop our marine resources with new methods of fishing and by actually farming the sea as we now farm the land, if we are to maintain necessary protein supplies.

But fresh water undoubtedly will be our major benefit from the sea in the decades ahead. The Midwest and the Eastern States within 20 years will have exhausted their new water resources.

Mr. President, I am very much pleased that this measure has now been passed by the Senate. I believe I was one of the first Members of the Senate, some years ago, to embrace the importance of research in the field of oceanography. I well recall the debate between myself and the Senator from Florida [Mr. HOLLAND] in regard to this matter, when an appropriation bill which had been reported called for far too little, in my opinion, in the way of appropriations to be used in this field of research.

I have also advocated an increased program for the conversion of sea water into sweet water. In fact, I believe this is a project which can enlist the support of international agencies and, indeed, can become a cooperative endeavor on the part of many nations, under the general sponsorship of the United Nations.

The present administration, I would remind my colleagues, for some incomprehensible reason has refused to take any practical steps to concern itself with conservation and development of national water resources to meet obviously and immediately approaching needs. Senate bill 2692 will, in some measure, assist in meeting future water needs, by encouraging research into the uses of salt water.

The work to be undertaken under S. 2692 embraces the entire field of oceanography and related sciences; but I believe that marine research, as the bill is entitled, is a more meaningful term for the layman. This proposal would include research about all deep water—both the oceans and the Great Lakes.

As Dr. Spilhaus said in his testimony before the committee:

> I think in some respects we know less about the Great Lakes than we know about the oceans.

Our national boundaries, Mr. President, include 13,428 miles of ocean and

lake shore—almost three-quarters of our boundaries. A significant share of our boundaries lies along the Great Lakes—the largest deep water complex of lakes in the world, and a unique feature of the North American Continent. The potential of the Great Lakes now has been extended with the linking of the lakes to the Atlantic, through the St. Lawrence Seaway.

The Duluth, Minn.-Superior, Wis., harbor is by far the largest harbor, in terms of overall tonnage, on the lakes. It is the second ranking harbor in the United States. Only the New York harbor is larger in terms of tonnage handled. The total tonnage of all Minnesota harbors on the Great Lakes amounted to 86,404,000 tons in 1957, and 55,196,000 tons in 1958. In 1959, the first full year of operations, shipments through the St. Lawrence Seaway, outbound from Duluth, amounted to 1,612,004 tons; and, inbound to Duluth, 44,729 tons, making a total of 1,656,733 tons.

I spoke earlier of the significance of fishing and actually farming the oceans and deep-water lakes. Fishing on Lake Superior is of lesser importance to the total economy of Minnesota than is shipping, but it still represents an important resource. Damage from the parasitic lamprey eel has reduced the commercial lake trout catch in Lake Superior from more than 4 million pounds in 1952 to 1.4 million in 1958. The dollar value of the commercial catch in 1952 in Minnesota was some $455,000; and it declined, because of lamprey-destroyed fish, to $265,200 in 1958. Although there is evidence that the lamprey menace can now be effectively controlled, it is well to note that in the first 6 years that the pest ran wild in the lakes the dollar value of commercial catches on all the lakes declined from $11.4 million to $1.2 million. Protection from destructive pests such as the lamprey will be sought as one phase of the proposed 10-year marine resources research program.

The objectives of international cooperation will be an important part of this research program. Beyond the 3-mile limit in peacetime the oceans are free to all nations, and consequently must be the subject of cooperative approaches by all nations to development and use of the sealanes and sea resources. I was pleased to note recently that the United States has joined in an international scientific expedition to explore the Indian Ocean, one of the last unexplored bodies of water in the world. This project will be undertaken under terms similar to those of the International Geophysical Year, with all cooperating nations contributing to the success of the program and sharing the scientific knowledge garnered with fellow scientists through the world.

A further matter for a cooperative international approach to oceanographic studies is the potential of nuclear power and the threat of nuclear radiation and waste damage. Certainly, for fundamental human welfare and safety, there could be no more important study undertaken than that of the uses of nuclear power in the oceans.

Thus, Mr. President, to explore untold riches of water, food, minerals, oil, and to seek methods of control for beach erosion and weather disasters and to promote both national security and economic growth, the Marine Sciences and Research Act would authorize a 10-year program of research, surveys, and education under the overall responsibility of a newly created Division of Marine Sciences of the National Science Foundation, and would operate this program through five Government departments and 14 agencies with appropriate cooperative arrangements with private organizations and educational institutions concerned with this field of study.

Mr. President, I wish to commend the Senator from Washington [Mr. MAGNUSON] for his leadership in bringing about a gradual awakening of Government agencies and the general public to the importance of marine sciences research and for his authorship and guidance of the proposal, S. 2692.

WORK OF CHURCH WORLD SERVICE IN CHILE—KANSAS COUNCIL PETITIONS FOR DISARMAMENT

Mr. HUMPHREY. Mr. President, I am continually refreshed by evidences of generosity of the American people through their voluntary organizations. A recent report which has come to my desk regarding the work of the Church World Service in Chile spells out another chapter in the long history of American humanitarianism.

Mr. President, I ask unanimous consent that the article, entitled "Eyewitness Report From Chile," dated June 21, 1960, published in the Religious Newsweekly, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EYEWITNESS REPORT FROM CHILE

Days and nights of terror when the earth opened up and swallowed whole villages; when 30-foot waves sucked out to sea everything they struck, leaving nothing of one town of 5,000 people but a sandy beach; when 10 new volcanoes spewed rock and boiling lava over acres of land, turning entire villages into molten wastelands—such was the story of Chile's agony reported last week to Church World Service.

Just off the plane from Santiago was Rev. John H. Sinclair, coordinator of CWS work in Cautin Province. He is also minister of the Presbyterian Church in San Fernando, 200 miles north of the center of devastation.

"Providentially, more than 100 Church World Service relief committees have been functioning in key places in Chile for the past 2 years," he said. "They were the first to come to the rescue." Mr. Sinclair also noted that CWS relief shipments were the first to come in from the outside. Stocks from regional warehouses in the country were being distributed within 24 hours after the first quake hit at 6:05 a.m. May 21.

To stricken Concepcion a CWS committee sent 4½ tons of clothing, food, and medicines. Five set up soup kitchens and others organized distribution centers for food which had been diverted to Chile, located mattress ticking and stuffed pallets for the refugees. They also arranged with the authorities for helicopters to fly supplies to isolated areas and planes for the air bridge over one section completely cut off by the tidal wave.

"Because of severe damage to many ports," Mr. Sinclair continued, "nearly all supplies for the south have to go to the harbor of Talcahuano and then by rail as far as it goes."

Within the first 5 days, Church World Service committees had distributed nearly 12 tons of food to about 9,000 people in this area, Mr. Sinclair reported. In addition, a shipment of 100 tons of powdered milk and 52 tons of cornmeal were waiting for the Reverend Theo Tschuy, CWS/LWR representative in Chile on his return by plane from New York bringing with him badly needed vitamins and medical supplies. He and other Protestant relief directors were received warmly by Chilean President Jorge Alessandri, who put all government facilities at their disposal.

The number of dead is still unknown, said Mr. Sinclair, but is higher than 5,000. Fifty thousand dwellings were destroyed and at least half a million people are homeless. Many schools and churches are either wrecked or ruled unsafe, and damage to Concepcion University has been placed as high as $30 million.

"The real 'earthquake' is still to come," he continued, "as the consequences of the tragedy are just beginning to be realized." He cited the complete disorganization of daily life, unemployment, sickness, feeding and housing problems, and evacuation from areas still cut off.

"One woman CWS worker," he reported, "took a truckload of food and clothing to the Auracana Indians who dared not leave their mountains to seek help."

More carloads of supplies on their way to Chile include shipments of blankets, food staples, and cooking oils, Mr. Sinclair said. These will be stockpiled by CWS committees for careful rationing during the dreary months of rehabilitation ahead "when the world's concern dies down." Some estimates, he said, claim that one-third of Chile will have to be rebuilt.

Mr. HUMPHREY. This report gives some of the details on both the disaster itself, and the kind of relief activities which are being conducted through the voluntary organizations.

I am also pleased to hear reports, Mr. President, that our Government is contemplating a vigorous follow-up program of rehabilitation and that, in the interim, further emergency relief in the form of emergency shelter materials is being sped to the Chilean homeless. I look forward with great anticipation to the announcement of a rehabilitation program on the scale required.

Mr. President, I happen to believe there is nothing we could do right now which would give more evidence of the desire of the American people to fulfill the requirements of a good neighbor policy than to give generously, by a well planned program, to Chile and the people of that country. That would be an answer to Communist propaganda. That would be an answer to the ridiculous charges of Fidel Castro. That would be an answer to those who have suspicions of American motives. Let us show the warmth and generosity of the American people through the efforts of our Government, as well as through church and voluntary organizations. Let that be our response to the continuous harassment of Communist propaganda to the people of Latin America. We can do it, and we have a glorious opportunity to do it in Chile.

NEED FOR DEVELOPMENT OF NATURAL RESOURCES

Mr. KENNEDY. Mr. President, I should like to begin by apologizing for a speech made here on the Senate floor by one of my predecessors from Massachusetts. He was talking about a mail route from the Missouri River to the Columbia River, and he was, as always, eloquent: "What do we want," he said, "with this vast worthless area? This region of savages and wild beasts, of shifting sands, dust, cactus, and prairie dogs? To what use could we ever put these great deserts, or those endless mountain ranges? What can we ever hope to do with the western coast, a coast of 3,000 miles, rock-bound, cheerless, uninviting, and not a harbor on it? What use have we for this country?"

Those were the words of my distinguished predecessor: Daniel Webster. And his question demonstrates that his gift of eloquence was far greater than his gifts of prophecy. For in the great western lands of this country—its huge ports, and rich mines, its fertile land, and growing cities—a modern America has found the source of its material strength and the key to its expanding future.

But in one respect, at least, Daniel Webster was prophetic as well as eloquent—timely as well as vivid. For he described the West in such dismal and forbidding terms that plans to develop the land were hampered and delayed. And today we have often had so little faith in the future of the West that our Government, too, has virtually abandoned its development.

Wherever we look—across America—from forest, to mountain, to rivers, to the very air we breathe—we can see the result of these policies—the steady, destructive dissipation of America's priceless heritage of natural wealth by policies of despoilment, underdevelopment and neglect.

Let us look at this record—a record which the next administration must reverse.

First. Despite our growing needs, and our expanding population, we have actually been spending less on our natural resources in the past 8 years than we did under Harry Truman and we have spent less in a period when inflation has cut the value of each resource dollar by one-third. While the administration's own conservative Department of Commerce has been saying that we must spend at least $3½ billion per year to meet our minimum resource needs—the administration's budget has asked for less than half that amount.

Second. With the exception of one previously planned project—the Colorado River storage project—there has not been one single multipurpose, basinwide project by the United States in the past 8 years—projects which might transform the Columbia or Connecticut River Basins, or the Rampart Canyon area in Alaska. We must return to the concept of Teddy Roosevelt who realized that "a river was a unit from its source to the sea," and that only by planning for all the needs of an entire basin could we effectively conserve and develop the potentialities of our great rivers.

Third. Less than 50 percent of the amount needed to maintain and make useful one of our most important national assets, the great national forests, has been requested. Our forests are one of our most vital assets. They contain more than one-half the commercial timber of the West. They provide recreation for millions. They are the major source of water for more than 1,600 cities and towns. They drive more than 600 hydroelectric projects. They are necessary to the control of destructive floods. Their proper management would provide jobs for 6 million Americans and repay every dollar of investment. We must restore our great woodlands as a source of strength for the Nation's future.

Fourth. Until this year—the whole Nation, not only the West, was the victim of one of the most shortsighted and destructive policies in the history of our natural resources—the policy of no new starts. This policy was misnamed—it should have been called the policy of no more progress—no more progress toward utilizing the 90 million wasted kilowatts contained in our flowing rivers—no more progress toward supplying land, industry, and people with some of the 675 million acre-feet of water which is now unused—toward providing the 3½ million more fertile acres we will need by 1975 if we are to feed a growing West. We must, and shall, resume the march forward.

Fifth. All efforts to meet the problem of water pollution—to halt the wasteful and dangerous contamination of our lakes and rivers—to provide healthy and usable water for our homes and industries—have met with administration opposition, culminating in the veto of the expanded Federal water pollution program, a program which alone offered hope of preserving the purity of our vital water supplies.

Sixth. Efforts to use science and technology to find new sources of water and new uses for mineral resources have been continually frustrated. Only the untiring efforts of Senator ANDERSON brought about the beginning of a saline water conversion program—a program which may hold the key to our future—and possibly the world's. New and better coal research has been vetoed; mineral development has been forgotten; but in an age of science, the newest of man's tools must be applied to the oldest of man's problems—the development of his natural resources.

These failures—and many like them—are not merely failures to solve western problems—they are not the concern of the Western States alone. For, as Theodore Roosevelt said:

> The conservation of our natural resources and their proper use constitute the fundamental problem which underlies almost every other problem of our national life. We must maintain for our civilization the adequate material base without which that civilization cannot exist.

And in today's world the development of our natural resources is vital not only to the survival of the American West—not only to American survival—but it is essential to the survival of the entire free world. And that survival is being imperiled by shortsighted resource policies which are impairing our national wealth and our national strength.

This refusal to develop our natural resources—to provide the "material base" for tomorrow's America—has been justified in the name of economy. But the harsh fact of the matter is that these resource policies have been the most wasteful, extravagant, spendthrift programs since the great giveaways which followed the Civil War. We have recklessly dissipated the resources on which our strength depends. We have thrown away—heedless of our growing needs—opportunity after opportunity to insure that future generations of America will have the water, the power, the timber and the fertile land on which their prosperity will depend. We have failed to invest in America's future—and a future America will have to pay the high cost of our failures.

We must, of course, rebuild the resource programs which are the proud heritage of Teddy Roosevelt and Franklin Roosevelt, and which have been neglected and ignored—forestry programs, power programs, reclamation programs, river-basin development, and all the rest. In this way we can begin to repair the damage which has already been done and start to restore our resources.

But we need more than a return to old policies and programs—important as those policies may be. We need a whole new concept of resource development. For the days when our natural wealth was so plentiful that a little effort brought great rewards, those days have passed. Nor can we any longer look upon each resource need as a separate and individual item—requiring separate planning and separate administration. Today's resource needs are closely interrelated; the development of our water supplies affects the irrigation of our land and even our stocks of fish. Forest development influences power development, and our power development can only be carried out with a careful eye to the need for flood protection. And, as our needs mount and our population grows, it will become increasingly essential that we consider all our resources in light of their relationship to each other—as well as to the economy as a whole.

That is why I support those efforts—under the leadership of Senator MURRAY—to establish a Council of Resource and Conservation Advisers in the Office of the President—a Council which will engage in overall resource planning—which will assess our national needs—and recommend national programs to meet them. With such a Council—working in cooperation with a joint congressional committee—we can have a continuous appraisal of our resource needs, an up-to-date inventory of our resource potential—and a resource development program which can be shaped to fit all the needs of a growing economy and an expanding population.

At the same time we must modernize the administration of our resource development by bringing together programs which are now often scattered through dozens of different agencies. And we must also revamp our system of financing new resource projects. Today the entire expense of the construction of new dams or new reclamation projects is taken out of today's budget—distorting the cost of projects which will be returning revenues to the Government for many decades. Every business in the country spreads the cost of its long-term development programs over the years when these programs will be in fruitful use. We must put the financing of America's resource development on a businesslike basis—a basis which will reflect it true value; its real cost—and make clear the nature of our investment in America's future.

We must also move rapidly to insure the proper development of the new American continent—the State of Alaska.

Franklin Roosevelt said that "I, for one, do not believe that the era of the pioneer is at an end; I only believe that the area for pioneering has changed." And today, America's area for pioneering can be found in the vast, northern stretches of Alaska—an unexploited area of more than half a million square miles, greater in extent than the 21 smallest States combined—a territory with a coastline longer than the combined Atlantic, Pacific, and gulf coastlines of the continental United States and a territory rich, almost beyond belief, in the natural resources on which American greatness has been built.

Alaska's national forests alone cover a greater area than my home State of Massachusetts—huge virgin forests of hemlock and spruce and pine stretch over vast expanses of Alaskan land. The earth is rich with a great variety of minerals—and its rivers can produce enough power to supply the needs of 30 million people. This unparalleled abundance is the natural storehouse of America's future resource needs. And, thus, our growing strength and our continued prosperity depends upon the proper development of Alaska.

Yet, despite America's need for this untapped wealth, we have failed to provide the vision and the leadership essential to the huge task of developing and protecting Alaska's resources. Alaska can produce 50 billion annual kilowatt-hours of power—yet less than 1 percent of that amount has been developed. Alaska has great forests—yet they are being allowed to deteriorate for lack of access roads and proper forest management and adequate transportation.

Alaska has abundant stocks of fish—but they have been wasted and despoiled by a ruthless exploitation presided over by the Federal Government despite Alaskan protests which put immediate profit ahead of Alaska's long-term needs and prosperity.

And in every aspect of Alaskan natural resource development the story has been the same—a story of neglect, and of indifference and even of flagrant Government discrimination against Alaska, and of a shortsighted inability to envision Alaska's future greatness.

We must meet the challenge of Alaska—the challenge to reap its abundance, build its strength, and provide a reservoir of natural wealth for a growing America. We must, of course, press forward with bold, and vitally needed projects such as the Rampart Canyon Dam. And we must expand and modernize Alaska's highway system—a system is an essential condition of Alaska's future development—by greatly increasing our highway program so that Alaska's highways will be the equal of those in other States, which have been receiving Federal help over a long period of time. But we must also be careful to avoid the same piecemeal, uncoordinated, wasteful approach which has too often characterized our resource development in the past. One of the first tasks of the President's new Council of Resource Advisers must be to develop a complete blueprint for Alaskan resource development—a grand plan to match the prodigious scale of Alaskan wealth, and the immensity of Alaskan problems. Such a plan would allow for a coordinated development of all of Alaska's resources. We could then press forward with the forestry programs and the power programs and the transportation programs, and all the rest in an orderly and organized manner that would make maximum effective use of Alaska's wealth—assuring its availability to future generations of Americans. Statehood for Alaska was a great achievement of the last Congress. Now, having given political equality to Alaska, we must provide economic equality as well.

It was Theodore Roosevelt who said:

> To waste, to destroy, our natural resources * * * will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed.

That distinguished Republican President possessed a vision and an understanding which many of his successors have lost. Only under a new administration—an administration which will apply creative and dynamic principles of planning and financing to old problems and historic programs—can we begin to amplify and develop the abundance we have been so freely given. Only under a new administration will we realize the prophecy of Stephen Douglas who, a hundred years ago, said of the great West, and its wealth: "There is the hope of this Nation."

JAPANESE TREATY

Mr. RUSSELL. Mr. President, on Wednesday, when the Senate had under consideration the Japanese treaty, I was engaged in the Senate Committee on Armed Services and did not have an opportunity to make a statement on the floor of my reasons for opposing the treaty.

Later in the day I issued a brief statement, giving expression, in brief form, to those reasons. I ask unanimous consent that the statement may be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RICHARD B. RUSSELL, DEMOCRAT, OF GEORGIA

The existing treaty, which was won by conquest, is much more favorable to the United States than the new treaty that was ratified by the Senate today. Under the new treaty, we could not even support our forces in South Korea from Japan without first obtaining the consent of the Japanese in the event the Communists launch a new aggression from North Korea.

In the light of recent circumstances, I do not feel that the stability of the Government of Japan justifies our surrendering the advantages that the old treaty afforded to the United States.

Paradoxically, the almost unanimous vote in the Senate in support of the new treaty will be pointed to by the leaders of the disturbances in Japan as proof of their allegations that the new treaty is an imperialistic plot against that country and its people.

For these and many other reasons, I believe it would have been the course of wisdom to postpone action on this treaty for the time being.

RECENT SUPREME COURT DECISION ON CIVIL RIGHTS

Mr. RUSSELL. Mr. President, while I should by now be immunized, I continue to be shocked and amazed by the repeated brazen assaults that have been inflicted upon the Constitution of the United States by the present Supreme Court under the guidance of a politically minded Chief Justice.

In decision after decision, the Court has struck body blows at the foundations of the national charter and at the fundamental rights guaranteed therein to all of the American people. The Chief Justice and his followers on the Bench have undertaken to substitute their own fuzzy philosophy, and the notions of foreign sociologists, for the constitutional concepts of the Founding Fathers.

The most recent such decision, in the so-called Civil Rights Commission case, is directly contrary to the provisions of the Bill of Rights. The Chief Justice and a majority of the Court upheld efforts of the Commission to deny to persons ordered to appear before it the basic rights and protection that are clearly spelled out in the Constitution.

It is noteworthy that Justices Black and Douglas, who are generally regarded as the most extreme liberals on the Bench, disagreed vigorously with the decision of the Chief Justice. They characterized the procedures of the Commission as "patently unconstitutional" and "foreign to our system."

Mr. President, this decision quite naturally has been the subject of considerable editorial comment in the Nation's press. Two excellent editorials on the decision have appeared in the Savannah Evening Press and in the Savannah Morning News in my State. I ask unanimous consent that these editorials may be printed in the body of the CONGRESSIONAL RECORD at this point of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Savannah Evening Press, June 21, 1960]

THE SUPREME COURT STRIKES MORE RIGHTS

Yesterday was another sad day for civil rights in this country. The Supreme Court of the United States has swept away one of the fundamental rights of American citizens: the right to face and cross-examine those who accuse them of crimes.

The Supreme Court decision was so shocking that two of the Court members who have espoused some strange judicial doctrines could not accept this one. The majority opinion was written by the Chief Justice, Mr. Warren, which surprises no one. Six Associate Justices agreed with him. But two, Mr. Justice Douglas and Mr. Justice Black, did not. In the dissenting opinion Mr. Justice Douglas uttered this great truth:

"Important as these (registration to vote) civil rights are, it will not do to sacrifice other civil rights in order to obtain them."

Because the civil rights currently being played up by the new Civil Rights Commission, which was created beyond any doubt for political reasons, are regarded in certain high places now as a way to catch needed votes, the Supreme Court's decision will find its defenders among those who are willing to sacrifice American principles to attain office. But we predict the time is coming when they will regret the day that they loaned their efforts to the breakdown of constitutional government and substituted for it government by judicial edict.

The enormity of the blow that the majority of the Supreme Court has struck to rights that run back for centuries as far as the Magna Carta can be realized by recognizing the fact that the court has given to a roaming, politically inspired Commission powers that parallel those of the revolting and unlamented Gestapo. By reasoning that defies, in our opinion, logic and the facts the Court has said that the Commission is "purely investigative" and not subject to the safeguards set up by the fifth amendment due-process clause. Officials and other individuals who are and who will be in increasing numbers harassed by the Commission will find themselves beset by enemies operating under the cover of secretiveness. We can foresee no other result from the Court's decision.

Surely the Congress must have it within its power to correct the damage wrought by the Court's action in this case. And as surely as it must have, just as surely it must do it. If it does not, precious American rights will be trampled—and do not let anyone be so foolish as to think this will be in the South alone. Judicial tyranny once loose in the land knows no geographic bounds.

[From the Savannah Morning News, June 22, 1960]

AMERICAN RIGHTS—HOW THEY GO

By a 7–2 decision, the Supreme Court of the United States of America, Monday, struck down the basic, constitutional right of an accused citizen to know the charges against him and to confront and cross-examine accusers.

Furthermore, the decision, in the words of dissenting Justice William O. Douglas, "leads to government by inquisition." The Justice said the procedures of the Civil Rights Commission, which were at issue in Monday's Court decision, are a shortcut to try men in ways not envisaged by the Constitution.

Justice Douglas was writing in dissent of the majority Court opinion, for himself and Justice Hugo L. Black. Both Justices have earned the reputation of being liberals on the Court. Their dissent, in a Louisiana case in which the Civil Rights Commission's hearing procedures were challenged, is one of the most sharply worded ever given.

Let us point out here that the decision by the majority of the Court on Monday was based on the Commission's hearings into voter qualification methods used in the State of Louisiana. Voter qualification is a matter the U.S. Constitution specifically leaves to the States. Yet, in making a politically inspired ruling on the excuse that voting rights must be protected by the Civil Rights Commission, the majority decision did away with the right of confrontation and cross-examination.

The U.S. Supreme Court majority, for reasons as plain as the political nose on anyone's face, chose to usurp a State right, even if it meant the terrible cost of doing away with two basic Federal rights.

Justice Douglas said that when the Civil Rights Commission "summons a person * * * to see if the charge is true, it either acts in lieu of a grand jury or a committing magistrate. The sifting of criminal charges against people is for the grand jury or for judges or magistrates and for them alone under the Constitution.

"Injury is plain and obvious here—injury of a nature far more serious than merely losing one's job, as was the situation in the Greene case. If the hearings are to be without the safeguards which due process requires of all trials—civil and criminal—there is only one way by which the Federal Government may proceed and this is by grand jury.

"If these trials before the Commission are to be held on charges that these respondents are criminals, the least we can do is to allow them to know what they are being tried for and to confront their accusers and to cross-examine them."

Justice Douglas wrote that the majority decision leads to trial of separate essential parts of criminal prosecutions by commissions, by executive agencies, by legislative committees, and prejudices the ultimate trial itself.

"It puts in the hands of officials the awesome power which the framers (of the Constitution) entrusted only to judges, grand juries, and petit jurors drawn from the community where the accused lives. It leads to government by inquisition," he wrote.

It is a major puzzle why at times the Supreme Court members have reasoned that the sacrifice of a basic right or part of an American right is desirable in furthering political efforts to inflict some sociological fad upon this country. Of the current case, however, there is no puzzle. It is a blatant, deliberate sacrifice of one basic American right, that an accused person has the privilege of facing his accuser and cross-examining him. It is a heedless periling of another complementary right, the right to trial by a jury of peers.

The least that the Court's decision does is to invite wholesale harassment of officials and other citizens by enemies using the protective cloak of the Commission. But the least is not all—not by a long shot. In blasting away the protections inherent in America's trial system, the Court is at once destroying rights dating from the Magna Carta and carelessly beckoning to America's enemies to take advantage of the situation to destroy what is left of America's trial procedure. The decision, indeed, in the opinion of Justices Douglas and Black, leads to "government by inquisition."

Congressmen are rushing to get out of Washington and back home to campaign for reelection. This decision of the Supreme Court is staring them in the face, the sorry picture of what has been done with the Civil Rights Act of 1957—two basic American rights have been virtually destroyed, that's what's been done with the shoddy political handiwork of 1957.

Precious time in this session was eaten away in fabricating another one of those phony, political civil rights acts.

It is too much to hope that this Congress can be held in session until some repairs are made to U.S. constitutional rights, where this and previous congresses and the Supreme Court have been slashing away. But it would be the best reelection campaign any Member of Congress ever put on—spending his time trying to restore America's basic rights.

SENATOR THOMAS E. MARTIN

Mr. YOUNG of Ohio. Mr. President, I wish to associate myself with my colleagues in the Senate and in the House of Representatives in extending fervent good wishes to Senator THOMAS E. MARTIN of Iowa on his retirement from a life of activity in the public service. We wish excellent health and great happiness to the Senator and to his very lovely wife, Dorris. They and I have been personal friends for 12 years.

TOM MARTIN has served his State and his Nation with great distinction and devotion throughout a long and dedicated career as a Member of the House of Representatives and as a Senator of the United States. His service in both branches of the Congress has continued for a period of 22 years.

Ten years ago, in the other body, he and I served together as members of the Committee on Ways and Means.

Service upon that committee establishes a close association among members which lasts long after membership on that particular committee ceases.

It may be that this comradeship results from a sharing of long hours sitting around a table wrestling with complicated tax legislation. It may be because the Committee on Ways and Means is the only constitutional committee of the Congress. It may be because it is the only committee to which a member is elected by a vote of his colleagues—a Democratic member being elected by a caucus of the Democratic Members of the House of Representatives, and a Republican member being elected by the Republican conference of the House of Representatives. This gives perhaps a distinction—we who are ex-members of the committee feel it does—to those members of the Committee on Ways and Means.

Any former member of this committee would state that he learns more about his Government in 2 years' service on the Committee on Ways and Means than he learns in 6 years on any other committee of Congress.

Mr. President, with his background of experience on the Committee on Ways and Means, Senator TOM MARTIN became skilled and experienced in the science of government, and he used those skills wisely and well during his career in the U.S. Senate.

Mr. President, the Senate will miss the wisdom and counsel of TOM MARTIN. His distinguished career, in and out of the Congress, has schooled him in a wide range of subjects and has made him an effective, brilliant spokesman for his beliefs.

TOM MARTIN was one of the first officers' training camp graduates during World War I and throughout that war he served with distinction in the infantry. He was a good soldier.

He was an assistant professor in military science and tactics after the war and has been regarded as an authority in his understanding of military problems and defense needs.

Mr. President, our fervent good wishes go to Senator TOM MARTIN and to his wife, Dorris. She is, and has been, an ideal wife for a public servant. They have our high hopes for their good health and happiness throughout many, many years to come. We say to them, "Godspeed—happy landings."

FEDERAL AID TO SCHOOL CONSTRUCTION

Mr. SCOTT. Mr. President, while I am most reluctant to say anything which may be regarded as at all critical of any action in the other body, and while I shall be careful not to breach any of the rules of the Senate, I express great regret that no action has been taken in the other body on the Federal aid to school construction bill. I believe that the bill is important. The President and the Vice President have both shown marked interest in this proposed legislation. The President has asked for it, but the Rules Committee of the other body has blocked the legislation.

When I was a member of the Rules Committee of the other body I supported Federal aid to education bills. On occasion I suspect my vote was the swing or deciding vote. If I were there today, I would vote likewise.

I have heard it proposed that if one additional member from each party would provide an additional vote in the House Rules Committee in support of the bill, it would be reported to the House. However, that is not the business of the Senate. It would seem to be a good idea to support the bill on a bipartisan basis. I hope some method—whether the one proposed or some other—will be adopted to make it possible for us to have an aid-to-school-construction bill in this session. I regret very much any action on the part of members of either party which would delay or prevent this much needed legislation.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. SCOTT. I am glad to yield.

Mr. DOUGLAS. I preface the question by saying that the distinguished Senator from Pennsylvania, in his long service in the House and long service on the Rules Committee, is much more conversant with this subject than I am.

I should like to ask my good friend if it is not true that 5 of the 8 Democratic members of the Rules Committee wish to have the bill reported, and all 4 of the Republican members are opposed?

Mr. SCOTT. I cannot state with certainty what is in the minds of members of the Rules Committee. I can say that I regret very much that any member of my party is opposed to bringing this bill to the floor of the House for action, so that a bill could reach the Senate before adjournment. I do not approve of the delaying action taken. I regret that I must say that. I believe that we should have the legislation.

According to the statement of the Senator from Illinois, there appear to be 3 Democratic members and 4 Republicans who have not supported the bill. I also regret that. However, this is the business of the House of Representatives, and I do not criticize the exercise of their judgment. But I do deplore the fact that whatever may have been done in the House has had the effect of preventing us from getting this much needed legislation.

Mr. DOUGLAS. Then, I take it, the Senator from Pennsylvania deplores the act of all four Republican Members in refusing to clear the bill for action?

Mr. SCOTT. I regret very much that some Republicans and some Democrats have refused to act in favor of the proposed legislation.

Mr. DOUGLAS. I believe the Senator will find that my arithmetic is correct. He will also find that 4 northern Democrats and 1 southern Democrat voted to report the bill, but the bipartisan coalition was too strong in this case, as it is in so many other matters.

Mr. SCOTT. I think it is too bad that sometimes there is an effort on the part of the distinguished Senator from Illinois and his colleagues to have it both ways. The Senator from Illinois is a member of the Democratic Party in the Senate. In the House there are members of the Democratic Party from both the North and the South. I have nothing to do with that division. It is the responsibility of the Democratic Party to act responsibly. Two-thirds of the membership is of that party. In many cases, excluding those with whom the Senator disagrees, there is a majority. They ought to give us responsible legislation. I do not think that the Senator from Illinois is in a position to say, whenever things fail, that such failure is the fault of a part of his party or a part of mine. Or, that when things fail here, it is the responsibility of those who do not do their duty, as the Senator from Illinois may see it.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. McCARTHY. How does the Senator explain the vote in the House Rules Committee the other day when four Republicans joined with three Democrats in refusing to report the bill on Federal aid to education? Are those four Republicans not responsible for their votes at all, or are the Republicans, when they are in the minority, as completely irresponsible as they are when in the majority?

Mr. SCOTT. The Senator from Illinois has already harrowed that field.

Mr. McCARTHY. Is that not indicative of anything, in the mind of the Senator from Pennsylvania?

Mr. SCOTT. Will the Senator permit me to finish, that is, if the Senator from Minnesota has no fear of what I may say?

Mr. McCARTHY. I have no fear of what the Senator from Pennsylvania may say. I have some apprehension that it may be irresponsible, but I think we can stand against that.

Mr. SCOTT. I will say to the Senator from Minnesota that the people of my own State are better judges of that, as the people of Minnesota are better judges of whether the Senator from Minnesota is responsible or irresponsible. In my judgment the Senator from Minnesota is a responsible Senator, and I praise him for it. But I say that an attempt to escape from party responsibility on the part of some Democrats by blaming other Democrats indicates the sad schizophrenic character of the Senator's party.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. DOUGLAS. We may be schizophrenic, but we are not monolithic in our opposition to progress.

Mr. SCOTT. The Senator's party is not so much monolithic as it is fragmentary, and through the fragments there are several monoliths to be seen rising above the horizon.

Mr. DOUGLAS and Mr. McCARTHY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield? If so, to whom does he yield?

Mr. SCOTT. I do not know to which wit I should yield first. I will yield to the Senator from Illinois to permit his half of the contribution.

Mr. DOUGLAS. Mr. President, the Senator from Pennsylvania made a very touching reference to House Rules Committee's refusal to report the bill. I wonder if he would try writing a letter to the four Republican members who have been preventing action, and to the distinguished minority leader, Mr. HALLECK, of Indiana. I am sure that the Senator, the former national chairman of the Republican Party, and a former member of the House Rules Committee, carries great and deserved weight with these gentlemen, as he always does in the Senate. I am sure if he addressed a letter to these gentlemen it would soften their opposition. The Senator from Pennsylvania is a great letter writer. He is much skilled in such matters. I wonder if he would address his talents to his colleagues in the House.

Mr. SCOTT. I would say to the Senator from Illinois that I was presenting this matter on a bipartisan basis. The Senator from Illinois and the Senator from Minnesota have turned the discussion into a political colloquy, and it has resulted in my trying to reply in a similar vein.

I do not believe it would be well received if I were to write letters to Members of the House of Representatives. I will be glad to consider writing further letters to the Members of the Senate, because in that way I will be staying in our own house. Rather than write letters, I believe that what I have said, in the presence of the public's representatives, is certainly more public than would be a private letter written to any Member of the House. I hope it may have some effect.

Mr. DOUGLAS. The Senator from Pennsylvania is gifted with great epistolary skill, and wields a barbed pen, which is almost needle. Recently he sought to inject it into the carcass of the Senator from Massachusetts [Mr. KENNEDY], reproving the Senator from Massachusetts for his absence from the Senate during the campaign for the Presidency.

I was reading the RECORD the other day and I noticed that it was suggested that the Senator from Pennsylvania might exercise his skill in this direction on the Vice President, for the Vice President's absence from the Senate. Since he does not believe it would do any good to write a letter to the Members of the House, I wonder whether it would not have some effect if he wrote such a letter to the Vice President.

Mr. SCOTT. I will say to the Senator from Illinois that I thought he was a better constitutionalist than to make a remark of that kind, since the Vice President is not a Member of the Senate. I thought the Senator from Illinois knew that. He is a celebrated individual in his own right. All that the Constitution says about the duties of the Vice President is—and I paraphrase but quote as closely as I can—that the Vice President shall be the President of the Senate and shall have no vote except in case of a tie. The Constitution does not even say that he shall preside over the Senate. The Constitution implies in its wording that his only duty in the Senate shall be, aside from being its President, to exercise the right to break a tie. He has done that on every occasion when it was necessary to do so, by either voting to break a tie, or abstaining from voting when necessary.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. BUTLER. I might add that the Vice President has been admonished within the last 48 to 72 hours to confine himself to presiding over the Senate.

Mr. SCOTT. I wonder what the Senators who are complaining about the Vice President's absence would think if the Vice President interpreted the duties of his office to require him to sit in the Presiding Officer's chair throughout the sessions of the Senate. The first thing we would hear would be the cry "Dictatorship. Oppression. Denial of the right of the majority to work its will in the Senate." Oh, I can make all the speeches that I know those Senators would make. Do the Senators want that or do they not want it? I have a place in mind where I want the Vice President, and that involves a promotion.

Mr. DOUGLAS. I am a great believer in the old legal maxim of letting the punishment fit the crime.

Mr. SCOTT. Mr. President, I often have trouble getting the floor. I now seem to have trouble yielding it. Mr. President, I yield the floor.

THE LAUNCHING OF THE CONTAINER-TYPE SHIP "FLORIDIAN"

Mr. BUTLER. Mr. President, a most significant and encouraging development in American coastal trade is the emergence of container ships, which, with their different ship design and cargo handling methods, can lead to rejuvenation of a sadly neglected industry—oceanborne domestic cargo.

I am proud to report, Mr. President, that on June 14, the Maryland Shipbuilding & Drydock Co. of Baltimore, Md., launched the MV *Floridian* after only 6 months of construction. The 360-foot *Floridian* is a container ship which will sail between New York and Jacksonville under the flag of the Erie & St. Lawrence Corp. The launching was called by John J. Allen, Jr., Under Secretary of Commerce for Transportation, "one that I believe should make a substantial contribution toward improving that time-worn system of cargo handling and distribution along the Atlantic seaboard."

William Purnell Hall, president of Maryland Shipbuilding, said that the ship easily represents our company's best performance. In his remarks, Mr. Hall stated that the *Floridian* and her sister ship, the *New Yorker*, signify our belief in the revival of the coastwise shipping trade through the use of container ships.

Mr. President, I ask unanimous consent to have inserted in the RECORD the remarks by William Purnell Hall, president of the Maryland Shipbuilding & Drydock Co., on the occasion of the launching of the container ship, the *Floridian*.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY WILLIAM PURNELL HALL

It is a great pleasure to welcome all of our guests here today to witness the launching of the MV *Floridian*. If you will look around you, you will see many of the men who built this ship and who are just as proud of her as I am. To them, I want to say a special word of thanks for a job especially well done. The construction of these two ships easily represents our company's best performance and all who had a hand in the work are warmly congratulated.

Many years of study and planning lie behind these ships. We see them here nearing completion, but we can't see the years of arduous and sometimes heartbreaking work that was required to bring them to this stage of development.

These two ships represent a great step forward in service to coastwise shippers. In speed, convenience, and reliability of service they should have wide appeal. Containers loaded and sealed at the point of origin and opened only upon arrival at their final destination will mean freedom from damage and pilferage, and thus lower cost to the shipper.

As many of you know, these ships have a double significance for our company because we are part owners of the Erie & St. Lawrence Corp. They signify our belief in the revival of the coastwise shipping trade through the use of container ships. In a period of considerable gloom in our industry, we believe that ships designed especially as part of a new transportation system cannot fail to generate an important increase in waterborne freight.

The *Floridian* and the *New Yorker* will go into operation in August when they will be placed in the New York to Jacksonville service. Their speed will permit a shuttle service between the two ports with sailings twice weekly from each.

THE PRESIDENT'S TRIP TO JAPAN—LETTER FROM THE SECRETARY OF STATE

Mr. WILEY. Mr. President, I desire to read into the RECORD a letter I sent to the Secretary of State and the answer I have received from him.

In my letter to the Secretary of State I wrote:

U.S. SENATE,
Washington, D.C., June 23, 1960.

The Honorable CHRISTIAN A. HERTER.

DEAR MR. SECRETARY: You know that the press has been highlighting statements attributed to you to the effect that State Department information and judgment in respect to the President's trip to Japan were faulty. I personally do not believe these statements, though at first I was taken aback by the same.

Now what is the fact? Did the State Department have inadequate and inaccurate information on the subject as to the extent of the Japanese riots, and was the Department's judgment as to the advisability of the trip faulty?

I thought that David Lawrence in the Evening Star of June 23 had the straight facts on that subject when he said:

"The invitation was extended at a time when Nikita Khrushchev was on friendly terms with the United States and long before the events occurred that started the Soviet Premier and his agents on a tactic of demonstrations unfriendly to America. But then, it is asked, why couldn't the President have canceled the trip immediately after the summit conference in Paris collapsed? If he had done so, he would have disappointed the peoples of the Philippines, Formosa, and Korea. He could, on the other hand, hardly have gone to some Far Eastern countries allied with us and not to Japan. Mr. Eisenhower was ready to take the risks, but the Japanese Government finally admitted that it might not be able to control the mobs."

I have seen also, Mr. Secretary, that it is asserted that the President has been engaging in personal diplomacy throughout the world to the detriment of traditional diplomatic relationships. One article before me states that you concede that such trips will be discontinued in the future, thereby implying that such trips have been undertaken in the past. My understanding has been that, with the obvious exception of the recent summit undertaking, the President has been engaged upon missions of good will, not diplomatic negotiations. Is this correct?

I have raised these points, Mr. Secretary, because of the contrived clamor, political and otherwise, over alleged planning, informational, and judgment errors in the field of foreign relations. Having probed into the details of foreign policy for many years, and having closely observed recent international developments, I believe that the words attributed to you are being distorted. Nevertheless, I would like your own assessment.

Sincerely,

The reply, which was handed to me just a moment ago, reads as follows:

THE SECRETARY OF STATE,
Washington, D.C., June 24, 1960.

The Honorable ALEXANDER WILEY,
U.S. Senate.

DEAR SENATOR: I welcome your inquiry about my testimony of June 21 before a subcommittee of the Senate Committee on Appropriations. The articles to which you refer correctly report my words; the implications and interpretations drawn within and outside the committee are grossly misleading.

You recall the chronology of the Japan visit. Before the Soviets withdrew their invitation to the President to visit their country, the President had firm plans to visit not only the Soviet Union but also Japan

and Korea. The President had been publicly invited to visit these countries. He had publicly accepted. These arrangements were crystallized well before May 23 when the President returned from Europe and the disturbances in Japan first began to assume troublesome proportions. Thereafter there were constant reassessments of the developing situation, so that our information remained as current and accurate as possible, but always with the President maintaining this position—that having accepted this invitation he could not and would not fail to go until and unless the Japanese Government should themselves cancel or postpone his visit. It is neither in the character of the President nor in the true spirit of America to turn and run when trouble looms ahead.

Perhaps, had the Japanese Government realized before our President left the United States that the domestic turmoil would reach menacing proportions, they would have withdrawn their invitation earlier. But this I emphasize: the President would definitely have proceeded, these disturbances notwithstanding, had the invitation not been withdrawn.

In world affairs one cannot advance from a premise that when difficulties threaten, carefully prepared plans should be timorously set aside. In foreign affairs the calculated risk is as key a factor as in military affairs. The President is deeply sensitive to this fact. All of us need to be.

I deeply believe, in retrospect even, that the President moved soundly and wisely for America in proceeding with his trip to Japan despite the manufactured disturbances—that he properly relied upon his host, the Japanese Government, to decide whether or not the trip should be deferred—and that, regrettable though the rioting in Japan turned out to be, it smacks a bit of the hypercritical to say now, after the fact, that our friends in Japan should have discerned in advance what befell them, and that their failure to do so somehow becomes now an American lapse. I believe quite as deeply that it would have been a grave disservice to the cause of freedom in the Far East had the President canceled his trip to Japan after having accepted the invitation to come. Others holding different views are, of course, entitled to hold them. My own opinion is that had the President himself canceled this journey in these circumstances, the present disposition of some to view critically the subsequent events would have become, instead, an avalanche of virulent abuse both at home and abroad.

In summary, and as I sought repeatedly to emphasize to the committee, it was an important and a necessary trip; it was blocked by violent methods which, feeding upon themselves, ultimately reached unmanageable proportions; the disturbances were a Communist tactic; and, finally, until the Japanese Government withdrew its invitation, the President was determined to go.

As for Presidential missions abroad, you are correct that excepting the summit conference, these have not been diplomatic ventures but rather have been missions of good will. As such they have been extraordinarily successful, so much so that the Soviet Union and Communist influences in Japan were driven to extreme lengths to block their continuance. I believe the world will not fail to measure well the import of desperate Communist contortions to keep America's symbol, so magnificently presented abroad by President Eisenhower, from entering the heartland of the Soviet Union and Japan.

Efforts to belittle the value of the President's good will missions are, in my opinion, completely unjustified. Those who have witnessed his reception in a score of nations will bear testimony to the fact that he, as an individual and as President of the United States, is beloved and respected by free people everywhere to a degree unmatched by almost any other man in history. By their actions the Communists have clearly revealed to the entire world that they know this well.

I warmly appreciate the motivation of your letter.

Most sincerely,

CHRISTIAN A. HERTER.

RESOLUTIONS BY WISCONSIN FEDERATION OF WOMEN'S CLUBS

Mr. WILEY. Mr. President, to meet the varied, complex challenges ahead, the Nation requires the understanding support and creative thinking of all its citizens.

Across the Nation, a great many individuals and organizations are striving diligently toward resolving and are making a contribution toward dealing nationally with a wide variety of complex problems.

Recently, I was privileged to receive a copy of the resolutions adopted by the Wisconsin Federation of Women's Clubs. The resolutions reflect the broad scope of interest and concern by this splendid organization on a wide variety of problems confronting our citizens at the local, State, and National level.

Reflecting the responsible thinking of this fine organization, I request unanimous consent to have the resolutions adopted by the Wisconsin Federation of Women's Clubs, printed at this point in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION ON PROTECTION OF CONSUMER INTERESTS

Whereas there is no committee of the U.S. House of Representatives or of the Senate particularly charged with the safeguarding of the interests of the American consumer: Therefore

Resolved, That the Wisconsin Federation of Women's Clubs in convention assembled, June 1951, recommends that a permanent joint standing committee of the House and Senate be formed whose purpose shall be to inquire into all matters affecting the health, welfare and protection of the consumer and to recommend appropriate legislation.

RESOLUTION ON DEFENSE AGAINST PROPAGANDA

Whereas our democratic systems of government are under attack by the most subtle kind of propaganda, which seeks to destroy the confidence of peoples in democratic institutions and agencies of government; and

Whereas a more general understanding of the problems of security which are confronting the free world and the means by which solutions are being sought would be the best possible defense against such propaganda; and

Whereas a strong, calm and united America is fundamental to successfully combating Russian Communist domination of the world and the loss of freedom everywhere: Therefore

Resolved, That the Wisconsin Federation of Women's Clubs, in convention assembled, June 1951, undertakes to institute a campaign of truth and integrity concerning the functions and current activities of government which will extend into every affiliated club and increase the general understanding of the overall problems which confront the United States of America and the whole free world, and the means which are being employed to seek their solution) to the end that citizenship responsibilities may be exercised constructively.

RESOLUTION ON SUBVERSIVE ACTS

Whereas the General Federation of Women's Clubs has repeatedly recorded itself against all forms of totalitarian governments; and

Whereas communism is the antithesis of all a true democracy holds sacred and has as its purpose the destruction of free governments through anarchy: Therefore

Resolved, That the Wisconsin Federation of Women's Clubs, in convention assembled, June 1951, urges the Government of the United States and that of the several States to take measures so that the present alarming infiltration by Communists into our national life be halted, and that overt acts or statements threatening the overthrow of our form of government be punished as would be any other act of sedition or treason.

RESOLUTION ON HIGHWAYS

Whereas the Wisconsin Federation of Women's Clubs and its member clubs have been duly concerned over the growing hazards on our highways and, also, the need for protecting the natural scenic beauty of the roadsides: Therefore

Resolved, That the Wisconsin Federation of Women's Clubs in convention assembled, May 1954, urges the Congress to develop standards for adequate protection for the safety and beauty of highways as a requirement of government cooperative efforts with States in building highways; and further

Resolved, That the Wisconsin Federation of Women's Clubs urges the State legislature to develop like standards for protection for the safety and beauty of the highways of the State of Wisconsin.

RESOLUTION ON KINDERGARTEN

Whereas experts in child psychology and mental hygiene have demonstrated the value of group experience for young children, provided such experience is received under adequate and qualified direction: Therefore

Resolved, That the Wisconsin Federation of Women's Clubs in convention assembled, May 1954, expresses its belief in the need for adequately staffed and supervised kindergartens with trained personnel, and urges its member clubs to petition their school authorities to make provisions for these educational advantages.

RESOLUTION ON COMMUNITY AND INDIVIDUAL RESPONSIBILITY

Whereas the strength and quality of our Nation are determined by the strength and quality of individual citizens and their communities: Therefore

Resolved, That the Wisconsin Federation of Women's Clubs in convention assembled, May 1954, urges its member clubs to initiate and support programs which promote assumption of community and individual responsibility toward civic affairs including government, youth activities, spiritual, cultural, and economic well-being.

RESOLUTION ON HOOVER COMMISSION

Whereas the Wisconsin Federation of Women's Clubs is interested in having the best government possible, and

Whereas the Commission on Organization of the Executive Branch of the Federal Government created in July 1947, known as the Hoover Commission, has made a thorough study of this branch of our Federal Government and has made constructive recommendations for its reorganization: Therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs, in convention assembled, June 1955, commends the work of the Hoover Commission and pledges itself to study the report and to urge legislation looking toward the implementation of its recommendations, and those of the second Hoover report; and

Resolved further, That copies of this resolution be sent to the proper authorities and to Members of Congress.

RESOLUTION ON PURE FOOD LAWS

Be it resolved, That the Wisconsin Federation of Women's Clubs endorse the maintaining of existing pure food laws on our statutes, and the fostering of such new food laws as are needed to safeguard the health and welfare of our people.

RESOLUTION ON WATER POLLUTION CONTROL

Whereas our State's waters are vital to its very existence; to its economic and social progress; and to the public health and welfare of its people, and

Whereas the domestic, agricultural, fishing, wildlife, recreational uses and industrial productive capacity are seriously threatened because of the pollution of our streams, rivers, and lakes, and

Whereas the responsibility for water pollution control is primarily State and local: Therefore

Resolved, That the Wisconsin Federation of Women's Clubs, in convention assembled, May 1955, urges that local, State, and Federal agencies cooperate to accomplish adequate pollution abatement; be it further

Resolved, That member clubs study local pollution problems and urge proper corrective action by local authorities wherever necessary.

RESOLUTION ON PUBLIC HEALTH

Resolved, That the Wisconsin Federation of Women's Clubs, urges its member clubs to encourage the establishment of full-time health services where none exist; and to cooperate with and strengthen those already in existence; and further, to assist public health departments and voluntary agencies in working for the establishment of full-time health services in all communities.

RESOLUTION ON MENTAL HEALTH

Whereas mental illness is costing Government, industry and society astronomical expense through hospitalization, absenteeism, unemployability, crime and family disruption.

Whereas more people suffer from the various mental illnesses than all other diseases added together.

Whereas early treatment and preventive measures are especially rewarding and relatively inexpensive in the mental health field; be it

Resolved, That the Wisconsin Federation of Women's Clubs encourage our legislators to appropriate more money for research, counseling and guidance services.

RESOLUTION ON HEALTH MILK BILL

Whereas Wisconsin is known as a dairy and tourist State.

Whereas extreme care, scientific knowledge and modern methods are necessary to insure safe and healthy milk for fresh fluid consumption, be it

Resolved, That the Wisconsin Federation of Women's Clubs insist on State Grade A production, processing and distribution for the marketing of all fluid milk sold for human consumption.

RESOLUTION ON CRIME COMICS

Whereas the State legislature passed an anticrime comics law which was sponsored by the Wisconsin Federation of Women's Clubs, and

Whereas the bill was presented by Senator Reuben LaFave and passed into law by Governor Vernon Thomson; therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs go on record as a body of cooperating members who will do all in their power to see that law enforcement officers enforce this law; and further

Resolved, That each member try to do her share by checking stands where such material is sold to see that only good comic books and other good reading material is available for sale.

RESOLUTION URGING LICENSE TO INSPECT WHOLESALE POULTRY SLAUGHTERING

Whereas a sanitary establishment is necessary to assure safe and wholesome poultry; and

Whereas neither the State board of health nor the Wisconsin Department of Agriculture has the authority to license or inspect wholesale poultry slaughtering establishments engaged in the operation of slaughtering, defeathering, and eviscerating: Therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs assembled in convention May 1958 at La Crosse, requests that the State board of health be given the authority to license wholesale poultry slaughterers and require sanitary standards for poultry slaughtering establishments.

RESOLUTION ON MEAT INSPECTION

Whereas safe and wholesome meat and poultry is of vital importance to the health and welfare of the consuming public; and

Whereas the Federal meat and poultry inspection program, which is responsible for safe and wholesome meat and poultry products in interstate commerce, is in serious jeopardy because of the cut of over $2 million in the budget providing for inspection: Therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs in convention assembled May 1958 at La Crosse urges that sufficient funds be restored to the meat and poultry inspection budget to assure an adequate supply of safe and wholesome meat and poultry for interstate shipment to the consuming public.

RESOLUTION ON HUMAN RIGHTS

Whereas Wisconsin has a proud history of respect for individual worth and of equal opportunity for every man, woman, and child; and

Whereas its accomplishments as a State have come through the pooled efforts of many individuals and many groups of varying racial religious, nationality, and socio-economic background; and

Whereas in recent years Wisconsin has won national recognition for its progress in bettering conditions for many disadvantaged groups such as Indians and migrants; and

Whereas the Wisconsin Federation of Women's Clubs has been instrumental in creating a favorable climate of opinion for all such groups through education, fact-finding, legislation, and appropriate action both on the State and local level: Therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs, mindful of its growing responsibilities for human rights in the new space age, shall continue its community, civic, and governmental support of all constructive educational and legislation efforts:

1. Toward improving the health and welfare of all disadvantaged groups.

2. Toward opening opportunities to individuals on the basis of merit alone, and

3. Toward building a better world in which each child may have a chance.

RESOLUTION ON OBSCENE LITERATURE

Whereas there is a great deal of obscene literature on the newsstands and magazine racks today, and

Whereas there seems to be a direct connection between the reading of such obscene literature and acts of lust and sex crime: Therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs go on record to urge all dealers to be constantly on the alert for any obscene material either reading or pictorial; and further

Resolved, That each club member will try to do her part by checking newsstands and other places where any magazines are sold to see that only good material is available for sale to anyone.

RESOLUTION ON TOXIC POISONS

Whereas toxic poisons are promiscuously sold and used for weed and insect control without sufficient research background to insure the safety of human and animal life, and

Whereas such toxic poisons are not destroyed by the elements or any known factors, but build up toxicity on the ground, in growing plants, and in living animal cells, and

Whereas there is no legal proof as to the amount of poisons liable to induce death, and

Whereas certain beneficial insects, parasites and birds are destroyed, upsetting nature's controls: Therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs, in convention assembled, May 1958, urges the State legislature and Congress to introduce and pass legislation restricting the sale and distribution of all such toxic poisons, except by license and permit, and further urge Congress and the legislatures to appropriate funds for extensive research in our universities and laboratories to determine the use or nonuse of each individual poison.

RESOLUTION ON DRIVER IMPROVEMENT

Whereas the Wisconsin Federation of Women's Clubs and its member clubs are greatly concerned by the loss of lives on our streets and highways, and have therefore sponsored a traffic safety contest for all their member clubs during the years 1958–59, and

Whereas the Governor's coordinating committee of State officials for traffic safety, the Wisconsin Council of Safety, Inc., and affiliated local safety councils have been working with various State agencies and the State motor vehicle department for driver improvement: Therefore be it

Resolved, That the Wisconsin Federation of Women's Clubs in convention assembled, May 1958, commends the work of the above official State agencies interested in safety and urges the continued expansion of the driver education program in high schools, to include practice driving, where possible; also, the continued establishment of traffic safety schools is urged to be conducted under the jurisdiction of courts handling traffic offenses.

Resolved further, That commendation be given the Wisconsin legislative council and our State legislature for action taken to recode the State vehicle code to conform more closely with the provisions of the uniform vehicle code.

Resolved further, That copies of this resotion be sent to the Governor, the chairman of the Wisconsin legislative council, the executive director of the Wisconsin Council of Safety, Inc., and the commissioner and the safety director of the motor vehicle department, State of Wisconsin.

RESOLUTION ON USE OF ADDITIVES IN FOODS

Whereas we are in an era in which experimentation in food ingredients and in food processes is moving far more rapidly than in any other period in the history of mankind, and

Whereas at the present time ingredients and chemicals can be added to food and their use continued unless the U.S. Food and Drug Administration, after exhaustive investigation orders their removal, and

Whereas the process of determining the effects of these additives upon the human being may frequently require years of testing and observation, and

Whereas, it is the present practice to place the responsibility upon the Food and Drug Administration of proving the harmful effects of additives: Therefore be it

Resolved by the Wisconsin Federation of Women's Clubs (in convention, May 1958), That the federation go on record urging the Government of the United States and the several States to reverse this present practice and institute the requirement that before an additive is introduced into the market, there must be established adequate proof on its harmlessness, and be it further

Resolved, That copies of this resolution be sent to each Member of the U.S. Senate and House of Representatives and to each member of the Wisconsin State Legislature.

RESOLUTION ON NONMEDICINAL USE AND SALE OF NARCOTICS

Whereas the nonmedicinal use and sale of narcotics creates untold misery and crime, and

Whereas the nonmedicinal use and sale of narcotics condemns the user to what medical and welfare experts call a "living death", and

Whereas it is a known fact that the Wisconsin laws for the control of the nonmedicinal use and sale of narcotics need strengthening: Therefore be it

Resolved, The Wisconsin Federation of Women's Clubs meeting in convention, May 19, 20, and 21, 1959, at Milwaukee, Wis., urges all members of the Wisconsin Federation of Women's Clubs, Governor Nelson, the members of the Wisconsin Senate, and the members of the Wisconsin Assembly to give active support to legislation that will enact effective control of the nonmedicinal use and sale of narcotics.

RESOLUTION ON MILK SANITATION AND NATIONAL MILK SANITATION LAW

Whereas milk has been in the past an important agent in the spread of disease; and

Whereas milk retains all of its potentialities as a transmitter of disease, although present-day practices of sanitary control have greatly reduced the incidence of illness brought about by milk consumption; and

Whereas the sanitary control of fluid milk and fluid milk products is necessary to protect the public health, and that the exercise of such sanitary controls is primarily the responsibility of State and local governments, except that no State or local government has the right to obstruct the free movement in interstate commerce of fluid milk products of high sanitary quality by the use of unnecessary requirements or other health regulations; and

Whereas, normally and legally, milk should be permitted to flow freely from one community to another, from one State to another subject to control based solely upon sound public health protection: Therefore, be it

Resolved, That the Wisconsin Federation of Women's Clubs go on record supporting in principle Federal legislation to bring about the free flow of milk between States and communities subject to control based on sound principles of public health protection without infringing upon State and local rights.

RESOLUTION ON PUBLIC HEALTH

Resolved, That the Wisconsin Federation of Women's Clubs urges its member clubs to encourage the establishment of full-time health services where none exist, and to cooperate with those already in existence, and further, to assist public health departments and voluntary agencies in working for the establishment of full-time health services to all communities.

RESOLUTION ON PORNOGRAPHIC LITERATURE

Whereas, there is a growing concern for the moral strength of children and young adults as it is affected by obscene and pornographic literature and pictures received through the U.S. mail, and

Whereas, such literature is a stimulant to delinquency, perversion, and crime: Therefore, be it

Resolved, That the Wisconsin Federation of Women's Clubs alert the parents of children and young adults to a present and growing menace, arouse public opinion to the urgent need for enactment of laws providing for mandatory prison sentences for purveyors of pornographic literature, and pictures, and further, be it

Resolved, That the Wisconsin Federation of Women's Clubs encourage the cooperation of other organizations, civic, religious, and social, to erase pornography's spreading threat to the mental and moral health of our youth, and further, be it

Resolved, That a copy of this resolution be sent to the Resolutions Committee of the General Federation of Women's Clubs, asking that the General Federation consider such a resolution at its convention in Washington, D.C., June 1960.

INCREASED APPROPRIATIONS FOR RESIDENT TEACHING GRANTS TO LAND-GRANT INSTITUTIONS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3450) to amend section 22 (relating to the endowment and support of colleges of agriculture and mechanic arts) of the act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land grant institutions.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEATING. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERIORATION OF CUBAN-AMERICAN RELATIONS

Mr. KEATING. Mr. President, yesterday's threat by Prime Minister Fidel Castro to confiscate all American interests in Cuba—in the event of possible congressional action against the sugar quota—is but another page in the sad story of the relations which now exist between the United States and Cuba. Typically, Castro conveniently neglected to mention in the course of his harangue that his revolutionary government already has confiscated about one-third of the American business interests in his country.

I believe the time has come for us to take a long, hard look at this whole situation. The present status of these relations seems to be drifting more and more toward a point never before reached in the history of the two nations. Things are going from bad to worse, and the immediate prospect is that they will not get any better. Only recently, two U.S. Embassy attachés were expelled from Havana. Incidents are multiplying rapidly.

Meanwhile, Castro continues his hysterical outbursts, one of which, oddly enough, was delivered at a barbers' convention. He has said that the United States is trying to "provoke" Cuba, and that our recent note of protest on various actions of the Cuban revolutionary government contained "vile, aggressive language." He also warned that thousands of troops would die if an invasion were attempted, and that Cuba would become another Algeria.

Death is a word that comes easily to Castro. I daresay he gave hardly a thought to the recent execution of Capt. Manuel Beaton, his younger brother, and a third man, who—though among the earliest Castro supporters—had broken with the regime. Their so-called trial was a travesty on justice, lasting only 17 minutes. After that, to the wall.

As Castro weaves his bumbling way, conditions within the country he had planned to lead to prosperity continue to deteriorate. Cuba's economy is moving slowly but inexorably toward collapse.

Still, instead of encouraging the good will of Cuba's traditional friend, he persists in making vicious attacks on the United States and its interests in Cuba. The note which Ambassador Philip Bonsal recently delivered to the Foreign Ministry in Havana contained a 9-point indictment of Castro's actions and accused the revolutionary government of conducting a lying campaign of slander in an effort to stir up distrust and animosity against this country.

This the "wild man of the Antilles" categorically rejects. He says this is "the language of the provoker, the intruder; of those who butt into affairs which do not concern them." This from a man who has yet to reimburse one single American property owner for lands which his so-called Government has seized.

Now he has taken over Havana's two largest hotels, the Nacional and the Havana-Hilton, mainly because in recent months the bellhops have outnumbered the guests. His labor minister, Martinez Sanchez, accuses the American operators of these hotels of failure "through their ample connections in the United States to stimulate tourism in Cuba."

This is very interesting. Exactly how anyone would go about stimulating tourism in Cuba in the light of the prevailing anti-American atmosphere escapes me.

Ever since the overthrow of the dictatorship of Fulgencio Batista in January of 1959, the Cuban revolutionary government has waged a systematic, vitriolic propaganda campaign against the United States.

According to the "new order" established in Havana, we are no longer the friends of the Cuban people. We are now "Yanqui imperialists." Since its seizure of power, the Castro government has portrayed the United States as its enemy.

It is waging an intensely ambitious campaign to turn Cubans—as well as other Latin Americans—against our country. That Castro's policy is designed to arouse bitterness, distrust, resentment, and just plain garden-variety hate among the people is clearly seen.

Cuban diplomatic missions throughout Latin America—and particularly in Central America and Mexico—are stepping up propaganda and political activities to foster pro-Castro and anti-American sentiment. The attacks made by Cuban President Osvaldo Dorticos on his six-nation Latin American tour were largely responsible for our recent note of protest.

Initially, many people in the United States cheered the victory of Fidel Castro. They rejoiced at the overthrow of Batista and the police state which he enforced.

Some Americans even were prepared to overlook the kangaroo courts which dealt so summarily with Batista's henchmen. More recently, however, even former apologists for Castro's regime have become increasingly disillusioned.

The latest defector is Luis A. Baralt, Castro's hand-picked ambassador to Canada, who quit his post and requested permission to remain in Canada because of disagreement with "the fundamental policies" of his government. I might also point to the many moderates in other posts who have left Cuba in disgust.

Recent events clearly indicate that the Cuban revolution is going only one way—to the left.

Castro himself has charged that anti-communism is a smokescreen thrown up by those bent on ruining his revolution. But it is now apparent that most objective observers in Cuba, including leading prelates of the Catholic church, feel otherwise.

The strongest church criticism yet directed against the Castro government and its policies was voiced just the other day by the Most Reverend Eduardo Boza Masvidal, auxiliary archbishop of Havana. In an address at Villanova University, in Havana, he roundly condemned the totalitarian state methods which exist in Cuba today.

The prelate said:

> The state has no right to control all means of expression, to impose thought control, foment class warfare, or usurp private properties.

He described the arbitrary confiscation or expropriation of private property as "nothing less than robbery." He emphasized that neither a police state nor a welfare state "is acceptable to Christian theology."

The prelate also gave what appeared to be a slap at deteriorating Cuban-American relations when he said nationalism "should not be based on hatred for any other people of the world."

In this respect, Archbishop Masvidal echoed the sentiments expressed 2 weeks ago in the church's first open attack on Communists, a pastoral letter from the Most Reverend Enrique Perez Serrantes, archbishop, of Santiago.

He warned that communism "is everywhere, although there are among us some gullible, innocent, or extremely prudent persons who persist in denying it and who even are angry that not all think as they do."

The archbishop further declared:

> It cannot now be said that the enemy (communism) is at the doors because in reality it is within, speaking loudly as though on its own property.

Archbishop Serrantes called for a spiritual revival within the home on the predominantly Catholic island and warned:

> For communism is in the ambush and on the march. Masses of peasants and materially and spiritually undernourished citizens are the best field for its clearly atheistic activities.

The archbishop clearly has foreseen the Christian faith on the island threatened with the same fate that has befallen other religions within the Communist orbit.

It is perhaps significant that Castro and his companions have yet to make any public comment on the pastoral letter.

If Fidel Castro himself is not a Communist, he is certainly familiar with the Communist textbooks. Consider his expropriations of American-owned property. This is surely one of the basic techniques in the Communist rulebook.

Castro's revolutionary regime has transformed the military, political, social, and economic segments of the island into a widening pattern which follows the models of the Soviet Union and Red China.

I am sure that if and when Khrushchev and Chou En-lai visit Cuba, they will be delighted to see things coming along so swimmingly.

Castro apparently is determined to continue being hostile to the U.S. Government, to American officials, and to the American press.

He constantly spews forth wild innuendoes, halftruths, and trumped-up charges, all of which are designed to keep the followers of the revolution in a state of anti-American agitation. All of these little tricks have been drawn from the Red handbag.

Recently the Cuban Government notified the United States of its intention to control the passage of Cuban nationals to and from our naval base at Guantanamo Bay.

We are informed that the purpose of this control is to enable the Cuban Government to "capture" the dollars earned by Cubans who work at the base or sell merchandise there.

A bank and a customs office are to be constructed at the entrance to the naval base. All Cubans and all Cuban vehicles entering the base will require special documentation.

About 3,000 Cubans are employed at Guantanamo, 2,400 by the U.S. Government and 600 by naval personnel, for domestic work. The payroll for Cuban personnel is about $7,250,000 a year. The Navy also spends about $540,000 a year for locally produced provisions, beverages, cigars, and articles to be sold in ships' stores.

The Cuban employees are paid in U.S. dollars. Cuban regulations now require that workers convert their dollar pay into pesos. This latest move, however, clearly indicates that they have not been doing this. The official rate of exchange is one peso to the dollar, but in recent months the free rate has declined to the point where the peso brings only 50 or 60 cents.

Obviously, a black market must exist, to prompt such action by Castro's regime. This is but another indication of disenchantment among the Cuban people.

It has been accepted by most observers and students of Latin American politics that the strongest pro-Communist influence being exerted on Castro and his government comes from the very top of the Cuban revolutionary leadership—Raul Castro, Maj. Ernesto Guevara, Antonio Nunez Jimenez, and Carlos Rafael Rodriguez. The thoroughness with which the regime has squashed all political opposition is significant as a symptom of Communist tactics in the Cuba of today.

The situation which prevails in the Cuba of 1960 is strikingly similar to that which existed in Guatemala during the regime of Jacobo Arbenz from 1950 to 1954. It is with this danger that I am primarily concerned.

With the success of the Cuban revolution—under Fidel Castro's leadership—international communism and fellow travelers sought to infiltrate the new government. As in the case of the Guatemalan revolution, the Communists tried—and appear to have been successful—to identify themselves with the 26th of July movement. The present situation should be one of tremendous concern to us and to Latin America.

The Cuban Communist Party, known as the Popular Socialist Party, is openly encouraged. In January of 1959, card-carrying Communists in Cuba were estimated at 12,000. Since then, however, conservative estimates upgrade that figure considerably.

The revolutionary government, moreover, has now moved to restore diplomatic relations with the Soviet Union. These relations were severed in 1952. The improvement in relations between the two countries has been evident since January 1959. Examples of these firmer ties have been Mikoyan's sugar-trade agreement with Castro, Cuba's arms deal with Czechoslovakia, and now the expected visits of Khrushchev and Chou En-lai.

It should also be noted that among the delegations to the May Day celebration in Havana were those of Communist China, the Soviet Union, East Germany, and other Communist countries.

Economic relations may well be the most important and significant aspect of contemporary relations between Cuba and the Soviet bloc. With the recent trade agreement signed by Cuba and the U.S.S.R., trade between them is expected to increase to approximately 10 percent of Cuba's total foreign trade—and up to 15 percent, if we consider the Soviet bloc.

These facts are important when we consider that, in the past, trade between these countries has been practically nonexistent. Despite the possible existence of an economic motive, it is evident that international communism will utilize this economic penetration in order to forward its political objectives. "Aid with strings" is a familiar Communist strategem.

Communist strength in Latin America is gaining steadily. The basic elements which inspire its growth are still there. Hunger, poverty, illiteracy, and resentment against alleged American economic and political influence are exploited by the Communists—as well as by Castro—for their own political purposes.

The Senate Internal Security Subcommittee has heard sworn testimony from former members of the 26th of July movement who have defected because of the revolutionary government's totalitarian policies. We have heard sworn statements that numerous missions of various kinds from behind the Iron Curtain and the Bamboo Curtain are now operating at high speed among the various segments of the Cuban population. We have been told that over 1,000 Chinese have arrived in Cuba from Red China. They are posing as agricultural experts and observers of various types; but the people of the United States—which lies but 90 miles from the Cuba mainland—might well want to know what the Chinese are really doing there.

Judging from latest reports, one of their primary purposes is to encourage—or force—Cuba's 30,000 Chinese residents into the Communist camp. One of the ways they are attempting to do this is by means of an extortion racket.

This racket strongly resembles that attempted by Peiping in an effort to obtain dollars from Chinese residents in the United States and other Western countries.

It works like this: A letter, written in Chinese, is sent to thousands of Chinese and Cubans of Chinese ancestry, directly from the Overseas Chinese Returnees Association, in Peiping. The letter starts off with a typical Communist blast at the U.S. Government, followed by an expression of sympathy for the Cuban revolution. The letter then asks the recipient to fill out a questionnaire listing property owned in the country of residence and names and addresses and relationship of relatives in China.

Obviously, with such information it is a simple matter for the Communists to contact relatives of Cuban Chinese, and exert pressure on them. With funds obtained from them, the Chinese Communists have the means to expand their operations in Latin America.

The fact that these letters are sent directly from Peiping and are addressed to Cuban Chinese at their exact street and apartment numbers certainly indicates some very careful preliminary investigative work has already been done by the Communists.

The Chinese Communist infiltration of Cuba, both civilian and military, is becoming increasingly heavy; and all of it is being done behind diplomatic passports.

There is also a steady movement of Soviet engineers and technicians bound for the Caribbean through East Berlin, their main project to be the construction of an airstrip on the southern coast of Cuba.

Russia's helping hand to Cuba in this respect began 8 weeks ago. My information is that about 250 Soviet technicians have been cleared through East Berlin, en route to Cuba, since then.

The airport construction is being more or less masked under a program of general Russian economic development assistance to Cuba. Aside from the airstrip, the Soviets are helping to build a sugar mill, a steel plant, and an oil refinery.

The industrial construction program was drafted while Mikoyan visited Castro early this year. It will keep Soviet "economic assistance" active for several years.

The airstrip being built by the Soviets is designed to handle the largest types of aircraft. It is located near Matanzas, and my information is that it has a 12,500-foot runway, with an unusually heavy concrete base.

I simply do not see how we can close our eyes and pretend that all this just is not happening. It is happening, and it represents a mounting threat.

Cuba as a base for Communist infiltration and subversion in Latin America could be a deadly menace. Such a situation would have grave implications for the security of the United States and the hemisphere. Should this happen, we may quickly see this as an indirect aggression within the Western Hemisphere.

Faced with this problem, the obvious question is, What should the United States do? Many answers have been given, ranging from immediate direct, unilateral action—send in the Marines, in other words—to a policy of "wait and see."

Samuel Flagg Bemis, an outstanding historian and authority on the diplomatic relations of the Americas, has stated the problem in the following words:

> The dilemma of our Latin American policy today is whether, on the one hand, to interpret the inter-American doctrine of nonintervention so as to permit a non-American power to expand its revolutionary system to the New World by capturing a republic in the Caribbean or Central America, now within easy bombing range of the United States and of the Panama Canal: or, on the other hand, to prepare some anti-interventionist action within the framework of the inter-American peace structure that would really prevent the intervention of international communism.

There should be no uncertainty on our part regarding this important issue. I believe that a lack of direction as to the proper course to follow would be a sign of weakness in our Latin American foreign policy.

Recently President Eisenhower clearly enunciated the policy of this country toward Communist penetration and subversion in Latin America. His words were a warning to international communism that this country will not permit Communist influence in Cuba or any other Latin American country to become Communist domination. The President said:

> We believe in the right of people to choose their own form of government, to build their own institutions, to abide by their own philosophy. But, if a tyrannical form of government imposed from outside or with outside support—by force, threat or subversion—we would certainly deem this to be a violation of the policy of nonintervention, and would expect the Organization of American States, acting under several solemn commitments, to take appropriate action.

Thus, in the wake of the most recent Communist penetration of the Western Hemisphere, the words of President James Monroe again come alive.

President Monroe's message in 1823 was a warning to the holy alliance—led by Russia and France—to stay out of the Western Hemisphere. He stated that—

> We could not view any interposition for the purpose of oppressing them [the Spanish colonies], or controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States.

Today—137 years after the enunciation of the Monroe Doctrine—its principles once more may be applied as guidelines to our policy. But no longer is it enough for the United States alone to assert these principles. For us to go it alone in meeting the Cuban crisis could undo the good work of decades.

In my opinion, what we must do is further develop the concept of collective security against such a threat to our interests and the concurrent interest of the other Caribbean countries. In the event that a Communist state is established in Cuba, collective action by the American states would be mandatory if the interests of the inter-American community are to be preserved.

Collective action against international communism in the Western Hemisphere has not yet been tested. Nevertheless, the necessary machinery has been created—through the developing process of the inter-American system—and is available for use.

This collective hemispheric action against subversion or aggression, short of armed attack, was initiated with a special Inter-American Conference at Buenos Aires in 1936. On this occasion, a "Declaration of Principles of Inter-American Solidarity and Cooperation" stated that "every act susceptible of disturbing the peace of America affects each and every one of the American Republics and justifies the initiation of the procedure of consultation."

Two years later—at the Eighth Inter-American Conference—the American Republics declared their determination to defend the principles underlying their solidarity "against all foreign intervention or activity that may threaten them."

It was not until after World War II, however, that specific agreements were instituted to combat Red subversion in the Americas. The Inter-American Conference at Bogatá in 1948 recorded the determination of the American Republics to proscribe international communism or any other totalitarian doctrine. They resolved to adopt the measures necessary to eradicate and prevent activities directed, assisted or instigated by foreign governments, organizations or individuals. Later, in 1951, the American foreign ministers convened in Washington to consider common defense against the aggressive activities of international communism.

Hemispheric policy on Communist infiltration and subversion came up again at the 10th Inter-American Conference at Caracas in 1954. The conference adopted a "Declaration of Solidarity for the Preservation of the Political Integrity of the American States Against International Communist Intervention."

That was the rather imposing title of the declaration.

The value of the Caracas declaration—as it is commonly known—is of paramount importance to the inter-American system. Under its provisions, we have a formal right to call for collective action in the event that at some future date a Latin American country is threatened by international communism.

The security of the United States and that of the other American nations has been broadened to include defense from direct as well as indirect interference through infiltration and subversion by the international Communist movement. Thus, in the interests of the security of our hemisphere, we should look upon recent developments in Cuba with acute concern.

The Latin American Republics have demonstrated a growing recognition of the insidious designs of the Communist conspiracy. They also have demonstrated considerable awareness of and sensitivity to Communist designs in the Western Hemisphere. The determination which characterizes our present inter-American system will undoubtedly persist in the struggle against the evil forces opposing our democratic way of life.

The Monroe Doctrine has not lost its meaning with the passage of time.

Today, more than ever, we must consider any attempt to extend the Communist system to any portion of the Western Hemispere as menacing to the peace and security of the American nations.

Whether Communist or Fascist, a dictatorship is a dictatorship and it is really amazing how all the dictatorships seem to follow the same pattern, and how, sooner or later, they topple because of the same mistakes. In this respect, one has only to regard the Dominican Republic, Castro's mortal enemy.

The peace committee of the Organization of the American States has condemned the Trujillo dictatorship in terms which have no precedent in Latin American history. This is cheering news to all those in the hemisphere who respect democracy, freedom, and human rights.

The question now arises: How long can Trujillo stand? How soon will the pressures induced by a rapidly deteriorating economic situation catch up with this tyrant and force him out? Reserves are sadly depleted. No one will lend his government any money. The drop in the price of coffee, the country's principal commodity, has been disastrous. The gigantic outlay for arms has been crippling. The tourist trade has fallen away to almost nothing.

How similar this situation is to that in which Cuba now finds itself.

I feel genuinely sorry for the Cuban people, for they have always been our friends. Inevitably, the mounting unrest will topple Castro. He has made it abundantly clear that he has neither the brains, the integrity, the courage nor the common sense to lead the Cuban people out of the morass into which they had been driven by dictators as half baked, fraudulent and inept as he himself.

In the meantime, the United States can no longer sit by, take Castro's abuse and finance the communization of Cuba.

The time has come to do more than trade accusations and nasty names. It is in the interest of the entire Pan American Community that Fidel Castro be caught up short. This loud-mouthed demagogue picked up the propaganda ball early in the game and is still running with it. It is about time we took it away from him.

Mr. President, plans reportedly are under way to bring charges against the Castro regime before the Peace Committee of the Organization of the American States. I believe it is high time some such action was taken, and I believe we should speak loudly and clearly enough to make the threat posed by Castro's actions manifest.

To effect this, I propose a four-point program:

First. The OAS has demonstrated that it is considerably more than a floppy federation of nations. I propose that our representatives within that body initiate action to report on the entire Cuban situation, make known the inherent dangers to all of our Latin American neighbors, and inform Fidel Castro himself that the responsible governments of the Western Hemisphere neither countenance his piratical techniques, his open courtship with Communist tyranny, nor his abysmal disregard for the true and valid processes of democracy.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. KEATING. I yield to the Senator from Florida.

Mr. SMATHERS. I congratulate the able Senator from New York for the statement he is making regarding Cuba, particularly with respect to the fact that the time has long since passed when the United States of America, as an active member of the Organization of American States, should call into effect the provisions of the Caracas resolution, which was signed in the early 1950's, wherein all of the Western Hemisphere states agreed that they would together oppose the establishment of any Communist government in the Western Hemisphere.

I urged the State Department to do this, Mr. President, some 2 or 3 months ago. Perhaps I am a member of the wrong party, or perhaps—I do not know what are the reasons, but the State Department refused to pay any attention to my request.

I am delighted to have a man of the caliber of the Senator from New York, who has the respect of the State Department, to whose voice I know the State Department will listen, make this very sensible and constructive suggestion. There can no longer be any doubt in the mind of any reasonable person that the once great Republic of Cuba is completely in the hands of a Communist government. It is, in fact, a Soviet satellite today.

I am delighted that the able Senator from New York is making these statements. It has never made any sense for us to be spending billions of dollars trying to contain communism 5,000 miles away in Pakistan, in Greece, in Turkey, and in other areas, and to do nothing about communism erupting 90 miles from our own shores, right in our own backyard, so to speak.

I think the suggestion being made by the able Senator from New York is highly significant. It is a sensible approach to the problem.

We have Ambassador Dreier, who is our representative to the Organization of American States. He has headed its Peace Committee. I talked with him a week ago and asked him when he would do something along this line, but he said he needed instructions from higher up in the State Department.

I am delighted the Senator from New York has now added his very powerful voice to my little weak voice in urging that the State Department give some leadership, because, Mr. President, the other Latin American countries are looking to us for leadership.

The countries of Latin America recognize that to have Fidel Castro and his Communist government in Cuba is as much a threat to their governments, to the way they live, to the democracy in which they believe, as it is to us. We are all in this together. The Latin American countries believe we ought to assume some leadership. Certainly we should.

I highly congratulate the able Senator from New York for his statement.

Mr. KEATING. Mr. President, I am very grateful for those remarks from my able friend from Florida. I know he has been in the forefront of the effort to have something done.

Mr. President, this is not a political problem. It is not a problem which should be decided or determined upon the basis of who is a Republican or who is a Democrat. This is an American

problem. It may be a problem involving our survival, if we do not do something about it, and the survival of all of our friends who believe in the things in which we believe in Latin America.

I am very grateful to the Senator from Florida, who has been very generous in his comments about me. I know his has been a strong voice in the effort to see something tangible done in this area.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. LONG of Louisiana. I regret very much that I did not arrive in the Chamber in time to hear the beginning of the Senator's address. We have to get lunch at some time.

Mr. KEATING. All except the Senator from New York.

Mr. LONG of Louisiana. Has the Senator made some suggestion as to some of the measures which he thinks we might be able to take to indicate we are not in complete agreement with and support of the attitude and view being taken by the present Cuban Government?

Mr. KEATING. I have referred to the Caracas resolution, to which the Senator from Florida referred. I am about to propose a four-point program, the first point of which I have already stated.

The first point is that our representatives in the Organization of American States should initiate action to report on the entire Cuban situation, to make known the dangers to our Latin American neighbors, and to inform Mr. Castro that the responsible governments of the Western Hemisphere do not countenance what he has been doing in that country.

Mr. LONG of Louisiana. Perhaps I am getting ahead of the Senator, but does the Senator have some suggestion to make about the favoritism we have been showing to the Cuban Government under our Sugar Act?

Mr. KEATING. That is my second point.

My second point, Mr. President, is that we should arm the President with the authority to adjust the sugar quota and thereby reduce the unwarranted subsidy to the present anti-American Government of Cuba.

Mr. LONG of Louisiana. Mr. President, will the Senator yield further?

Mr. KEATING. I yield.

Mr. LONG of Louisiana. I notice from the press reports that Mr. Castro is taking the attitude it would be economic aggression for the United States to buy less sugar from Cuba than we have been accustomed to buy in the past. I should like to make the point that the advantages which we have been giving to Cuba under the Sugar Act are the old-fashioned form of economic aid to a nation which this Nation desires to help.

We have been giving Cuba most of the offshore quota. I believe about 90 percent of the foreign quota—at any rate a very heavy percentage—is directed for the benefit of Cuba. That was on the basis that Cuba had close economic ties and close friendship ties with the United States, and we favored Cuba. It was not a matter of a trade agreement. There was no agreement. It was simply that this Nation wanted to help Cuba and to benefit Cuba because it had been the Nation that had liberated Cuba, and had close ties in helping Cuba to establish its independence.

Then, of course, there were substantial American business interests in Cuba which had to be considered.

A nation such as Brazil is a very good friend of the United States. Brazil actually sent her fighting men into the Italian theater during World War II and they were allied side by side with the United States. Brazil was not given any quota at all to sell sugar to the United States.

Mr. KEATING. Some of our other Latin-American friends who have demonstrated their friendship cannot understand our continued favoritism toward Cuba with regard to sugar quotas.

Mr. LONG of Louisiana. This is not a case of economic aggression. Economic aggression involves action in going out of our way to make it difficult for another nation to trade. This Nation has done that with regard to Communist China. When Communist China became the aggressor in Korea, this Nation did what she could to make it difficult for Communist China to buy on the world market commodities with respect to which this Nation had the power to make it difficult for Communist China to buy.

But the instant case involves the matter of favoritism. This Nation by its law undertakes to help a friend. It favors Cuba, over all the other nations of Central and South America. It is now time to take another look to see who our friends are.

Under the Sugar Act we favor certain countries. There is no particular reason why we should continue to favor a country which has been unfriendly to us merely because in the past we favored that country when its government was friendly to us.

Mr. KEATING. I could not agree more with the Senator from Louisiana. It is the desire of the President, as I understand it, to obtain the authority to adjust the sugar quota so far as Cuba is concerned. It is not for me to tell the President what he ought to do. But I cannot countenance a continuation of favoritism to a country that is constantly spewing forth anti-American propaganda, as against our other many friendly Latin-American neighbors who would like to have a deal such as the one we have had with Cuba.

Mr. CURTIS. Mr. President——

Mr. SMATHERS. Mr. President——

Mr. KEATING. I yield first to the Senator from Nebraska.

Mr. CURTIS. I thank the distinguished Senator from New York.

In reference to Castro's recent remarks that failure to buy sugar was economic aggression, several things are revealed. One is that he has a ghost writer in Moscow, for such an untruthful, irresponsible remark could originate only there.

If a housewife has a choice of two stores from which she may buy a commodity, and she chooses one of the two, she has not committed economic aggression against the other. People have a right to buy where they wish.

When we talk about friends of the United States, I wish to point out that we have some friends of the United States in this country, too. We are faced with all the agricultural problems imaginable, and are spending billions of dollars on an agricultural program, and yet we are buying 49 percent of our sugar from foreign countries. Such procedure does not make sense. In my State of Nebraska there are thousands of farmers whose land is equipped for the production of sugar. It is irrigated land. They cannot get an acre of sugar allotment. They want it. They need it. It would help them. It would improve the economy of our State and our country. It would lessen the amount of crops that are in surplus.

I concede that all the other countries mentioned are friends of the United States, but I also suggest that the State of Nebraska is a friend of the United States.

We even pay taxes out there. We adhere to the laws of the United States. Our young men defend the country.

We do not feel that we should live alone and shut off all sugar importation. I suggest nothing like that. But we cannot understand the indefensible position of limiting our sugar production in this country, including not only the 50 States, but the Virgin Islands and Puerto Rico, as well, to 51 percent of our consumption. It is a domestic matter, just as other agricultural legislation is domestic.

We should rewrite the sugar law and apply it for our economic interest and still give some to other countries.

The distinguished Senator from New York has been very generous in yielding. I will make one further point.

By no means should we increase Castro's quota. If we extend the law as it is, we will give the Cuban people an increase in our sugar market of 50,000 tons. Mr. President, it would take 25,000 acres of beet land to produce that amount, and I for one am very much irked at the individuals, regardless of what their motives have been, who have withheld this legislation until the eve of adjournment and put a pistol at the head of Congress to make it take quick action or agree to the extension of the act as it is. It expires this year. It should be extended. It is a good act. Basically, it has prevented chaos in the industry. It has not cost the General Treasury anything, and today sugar is the cheapest food that one can buy anywhere. I thank the distinguished Senator from New York.

Mr. SMATHERS rose.

Mr. KEATING. Mr. President, before I yield to the distinguished Senator from Florida [Mr. SMATHERS], I wish to say that the Senator from Nebraska is one of the most eloquent and effective champions of the agricultural community in our country, and I am delighted to have this contribution from him in the discussion.

I was proposing a four-point program. I finished the first two points. The other two are shorter. The first point was that

representatives from the Organization of American States should step into this picture and do something tangible.

The second was to arm the President with authority to adjust the sugar quota.

I now yield again to my friend from Florida.

Mr. SMATHERS. I thank the able Senator from New York, and I apologize for again taking so much of his time.

Mr. KEATING. I am delighted to have the Senator's contribution, because I know he has studied this subject much more than I have, and I know how strongly he feels about it.

Mr. SMATHERS. I thank the able Senator. I do not wish to anticipate his arguments. As I said a moment ago, they are excellent. The suggestions he is making are constructive, and I hope the State Department will listen to him, and that his words—as I am sure they should—will have more weight with the State Department than my words previously have had.

With respect to the sugar quota, I introduced proposed legislation in the Senate about a month ago which I believe would accomplish virtually what I think the Senator from Nebraska has mentioned, and at the same time accomplish what the Senator from Louisiana has suggested, and what we would all like to see brought about.

The Senator from Nebraska has said that under present law Cuba gets each year not only a flat quota of 2,860,000 tons, but she gets, in addition, a 30-percent increase of our growth market in the United States every year, which is 30 percent of the 150,000 tons. So if we do not change the law, if we permit the law to stand as it is now—and some Members of Congress presumably want to do that—it means that in August of this year not only will Cuba get her regular quota of 3 million tons, which brings to her something in the neighborhood of $385 million, but in August she will get an additional $15 million, as the Senator has pointed out.

The 15 million, transferred into dollars, is $15 million. This proposal recognizes that we should give to the President authority to deal with Cuba. More than that, it cuts basically the 30-percent gross out of Cuba's quota completely. She has had, heretofore, preferential treatment because she has been our friend. We would split that 30-percent gross and give half of it to new production in Nebraska and Washington and Florida and Louisiana, and the other half we would give to offshore countries who have never had any quota, such as Brazil, Ecuador, Guatemala, El Salvador, and several other countries.

For the first time these offshore countries, who have been our friends, and who vote with us and who have democratic governments and who for years have been attempting to get a market in the United States, would be given that market. Thereby we would once again demonstrate that we appreciate other countries standing with us, and we would say that whenever we have preferences to give, we will give them to the people who stand with us and work with us. We base the formula of how much each country gets on the basis of how much trade they do with us, in relation to our overall offshore trade, so that the country that does the most business with us will get the biggest opportunity to sell in the United States.

It is essential that we set up some kind of program like that, so that countries around the globe will realize that we cannot stand by and let them have these great markets in the United States when they refuse to give us equally good markets in their own countries. That is the philosophy of the sugar bill. I think it would meet the points made by the Senator from New York and also the points made by the Senator from Nebraska. I appreciate the Senator's yielding to me, and I congratulate him on what he has had to say on this subject.

Mr. KEATING. I appreciate the Senator's comment. I did not intend to get into a deep agricultural discussion. I did want to emphasize how important it is that we give authority to the President to adjust the sugar quota.

Mr. CURTIS. Mr. President, will the Senator yield very briefly?

Mr. KEATING. I yield.

Mr. CURTIS. I would say to the Senator from Florida that the great sovereign State of Nebraska will always stand with the United States and we will give it all its trade. So we hope that the formula will be opened up and increased a little bit.

Mr. KEATING. The third point I want to make is that we must, through every medium that we have available—the Voice of America, and every form of private media—affirm our friendship with the Cuban people, the truly unfortunate victims of a swing from the ruthless dictatorship of the right to the tyrannical despotism of the left.

Finally, my fourth point is that when the seven members of the Inter-American Commission on Human Rights are elected on June 29, they must be urged to pursue the question of free elections and recommend appropriate action toward their realization in Cuba.

Mr. President, Communist operations in Cuba represent the boldest challenge to freedom in the Western Hemisphere that we have known in 60 years. Certainly it is the most blatant effort ever undertaken in this hemisphere by the forces of international communism.

To meet this challenge, we must be equally bold, equally resourceful, equally dedicated. If we must take unprecedented steps to insure the integrity, freedom, and solidarity of our hemisphere, then let us take them.

CUBA, CASTRO, AND SUGAR

Mr. BENNETT. Mr. President, I call the attention of the Senate to a statement made yesterday in Havana by Fidel Castro, in which he threatened to seize American-owned property and business activities in Cuba. Mr. Castro has now made it abundantly clear that he intends to use American investments in Cuba as a hostage to prevent any change in the Cuban sugar quota.

The crisis point in our relations with Cuba is rapidly approaching. Congress must decide, within the next few days, whether we will permit ourselves to be blackmailed, or whether we will deal in the only terms dictators can understand—firmness and constancy of purpose. The only way we can demonstrate our intention to remain firm is to give the President at least some measure of control over the sugar quotas, as would be done under the administration's sugar bill, of which I am sponsor.

The claims of Cuban leaders that the proposed sugar law violates the Charter of the Organization of American States is, of course, nonsense. We have no treaty with Cuba guaranteeing that country a certain percentage of our sugar market, and there is no reason why the Chief Executive of our Nation should not have the power to make adjustments in the sugar quota if it seems to be in the national interest. Certainly Mr. Castro has similar powers with respect to imports coming into Cuba, as he himself has indicated.

And I think Congress should keep in mind one of the most elementary facts about blackmail—it is a continuing process. If we permit Mr. Castro to blackmail us into extending the Sugar Act in its present form, he will use the same hostage against us in the future.

I ask unanimous consent to have printed at this point in the RECORD an article published in the New York Times of Friday, June 24, 1960, concerning this latest attack by Mr. Castro and his Minister of Commerce.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CASTRO SAYS U.S. HOLDINGS FACE SEIZURE IF SUGAR IS CUT—PREMIER THREATENS RETALIATION AGAINST ANY QUOTA REDUCTION BY CONGRESS—CALLS IT "ECONOMIC AGGRESSION"

HAVANA, June 23.—Premier Fidel Castro threatened today to meet "economic aggression" by the United States with the seizure of all American-owned property and business interests in Cuba.

The Premier did not explain whether the property would be nationalized, expropriated or confiscated.

The Government earlier denounced moves in Washington yesterday pointing toward a cut in the Cuban quota in the U.S. sugar market. Secretary of State Christian A. Herter said at a congressional hearing that the administration would accept a proposal to give the President standby authority to reduce the quota if the national interest warranted it.

Among the American-owned companies operating in Cuba, Dr. Castro named the Cuban Telephone Co., the Cuban Electric Co., banks, sugar mills, mines, including the $100 million U.S. Government-owned Nicaro nickel plant, oil companies, and concessions and commercial establishments.

The revolutionary leader's threat was made in a speech to a reunion of members of the Directorate of the Thirties, which headed the uprising against former President Gerardo Machado in 1933. Among those present was former President Carlos Prio Socarras.

Premier Castro spoke bitterly of the U.S. power to reduce the Cuban sugar quota. This is another "economic aggression" from the United States to add to a long list, he said.

The Cuban revolution has been generous and has permitted all American-owned companies to operate, he said. "They are still here today, but in the future they may not be here," he added.

The U.S. Congress has the right to approve any laws it wishes in the territory under its jurisdiction, "but we have the right to approve laws which will apply in our territory also," the Premier said.

"They forget how many hundreds of millions of dollars that North Americans have invested here in Cuba," he said.

The Premier warned the Cuban people that the coming months and years would be extremely hard and a test of their devotion to the revolution. However, he declared, all aggression "whether economic or military," will fail and the Cuban revolution will never be stopped.

"No true revolution has ever failed because it has its roots in humanity," he said.

MINISTER IN WARNING

Earlier, Dr. Raul Cepero Bonilla, Minister of Commerce, said any quota reduction would be applied to the production of the American-owned mills.

Cuba would retaliate with specific restrictions against commerce with the United States, with the establishment of new industries, with crop diversification and with the opening of new international markets, he added.

It is pointed out here that Cuba already has almost paralyzed imports from the United States by currency restrictions and other measures. Since the greater part of Cuba's imports, including the bulk of her food, have traditionally come from the United States, this policy has produced steadily increasing shortages.

American-owned sugar mills, which now number 36, as compared with 121 Cuban-owned mills, produced 36.74 percent of the island's sugar in 1959.

The Minister of Commerce disputed a statement yesterday by Secretary of State Christian A. Herter that the sugar outlook in Cuba was uncertain. Cuba has 1,100,000 tons of sugar on hand and can increase production at any time to supply the United States with more than the present quota, Dr. Cepero said.

He said that Cuba produced 5,700,000 long tons of sugar this year but that there was sufficient cane left in the fields to have produced 6,400,000 tons.

The United States wishes to continue its economic control over Cuba, according to the Minister. He said that the relations between Cuba and her biggest customer and supplier had always been detrimental to Cuba.

Dr. Cepero charged that the sugar law proposed in the United States violated the Charter of the Organization of American States. "The eagle is showing its claws," he said.

The proposal would enable the President to cut Cuba's quota in the U.S. market if the national interest warranted it.

The Government press and radio attacked the United States last night and today for new economic aggression. José Pardo Llada, radio commentator, considered a voice of the Government, declared, that the "insolent" Americans would learn that the Cuban revolutionary government was not alone since the whole of Latin America was shouting, "Cuba yes, Yankees no."

Secretary of State Herter told a House Agriculture Committee, Wednesday, that this was an appropriate time for the United States to reduce the dependence of its consumers on Cuban sugar.

Under the Sugar Act of 1948, which has been twice extended for 4-year periods and is scheduled to expire December 31, Cuba's 1960 quota totals 3,119,655 tons. The administration has sought a 4-year extension with authority for the President to reduce quotas either in the national interest or to insure a stable supply.

The Sugar Act establishes quotas for both U.S. producers of beet and cane sugar, and for producers abroad. This protects domestic growers from low-cost foreign competition without employing a high tariff.

TAX DEDUCTIONS

Mr. CLARK. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I desire to address the senior Senator from New York [Mr. JAVITS], the distinguished occupant of the chair, the Senator from Ohio [Mr. YOUNG], and anyone in the press gallery who might be interested—and the gallery looks rather empty—on the general subject of swindle sheets and expense accounts and gifts and dues for athletic and social clubs, which was dealt with in my amendment, passed by the Senate by a vote of 44 to 39 last Monday. I have notified the distinguished senior Senator from Delaware [Mr. WILLIAMS] that I intended to make this speech.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield.

Mr. MANSFIELD. Without the Senator's losing his right to the floor, I would like to suggest the absence of a quorum.

Mr. CLARK. Mr. President, will the Senator withhold that request? We have just had a quorum call.

The PRESIDING OFFICER. The Chair will state to the Senator from Montana that probably three Senators were on the floor a few minutes ago when the Senator from Pennsylvania suggested the absence of a quorum.

Mr. MANSFIELD. Very well.

The PRESIDING OFFICER. The Senator from Pennsylvania will proceed.

Mr. CLARK. I notified the distinguished senior Senator from Delaware that I intended to speak on this subject. I assume that he had pressing engagements and did not find it possible or convenient to attend. I must proceed in his absence because the conferees on the bill are about to report to the Senate, and I should like to have these remarks available to my colleagues and to the press by eye if not by ear.

Yesterday the senior Senator from Delaware took the floor to discuss the antiswindling sheet amendment. His comments in criticism of the amendment were, he said, based on a letter from an assistant to the Secretary of the Treasury and on advice, the Senator from Delaware said, which had been given to the conference committee by a representative of the Treasury, who appears to have been invited to join the meetings of the conference committee, no doubt for the purpose of having the committee solicit his expert advice.

Of course, I have no way of knowing what took place in the conference committee, because I was not there. However, I have had an opportunity, overnight, to study the Treasury letter, which the Senator from Delaware [Mr. WILLIAMS] placed in the RECORD yesterday afternoon, and to which he referred toward the end of his remarks. I have come to the reluctant conclusion that the Senator from Delaware—I am certain quite unintentionally—has led the Senate to believe that certain statements were made in the Treasury letter which are not in fact contained therein. I emphasize again that I am certain this was inadvertent and unintentional on the part of the Senator from Delaware.

First, let me note what the Senator from Delaware said about the subject of payola. So far as I know, the subject of payola had nothing whatever to do either with the tax bill itself or with the antiswindle-sheet amendment which the Senate included in the bill.

Mr. RUSSELL. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I am only too happy to yield to the Senator from Georgia.

Mr. RUSSELL. I have not had the opportunity to study the letter, which I believe was from the Treasury Department.

Mr. CLARK. That is correct.

Mr. RUSSELL. I have not had the opportunity to study that letter in connection with the Senator's amendment. Of course, it is customary, when a department is not completely satisfied with the dedicated efforts of a Senator in an area where correction is sorely needed, to make suggestions of its own.

Mr. CLARK. I think that is true.

Mr. RUSSELL. That is a requirement in most instances. Has the Department suggested any language which would clarify the difficulties to which it points, or which would eliminate the hobgoblins that it pretends to see in the language of the amendment of the Senator from Pennsylvania?

Mr. CLARK. No. The Department has confined itself to raising questions of doubt and uncertainty; to expressing views as to what they fear, perhaps, some court might rule the amendment would mean, and it queries whether such a meaning was intended by the sponsor of the amendment.

I should say, in my opinion, that it is fair comment to say that the Department's letter is entirely negative.

Mr. RUSSELL. I am not prepared to say whether the Senator's amendment is without defect. I know it relates to an area where legislation is badly needed. I supported the amendment. I have no apologies for so doing. I shall be very happy to stand by the amendment until the Department suggests substitute language that will clarify and obviate the difficulties which they claim they find in the Senator's amendment.

Mr. CLARK. I am most grateful to the Senator from Georgia for his helpful interjection and comment.

I return to the irrelevant subject of payola, which has nothing whatever to

do with either the bill or the amendment. The Senator from Delaware said yesterday, according to his remarks on page 13990 of the RECORD:

> The Treasury states that the adoption of the amendment would in no way limit the payment of payola. Such payments, the Treasury states, would still be fully deductible in an unlimited amount.

Mr. President, I find no mention of the subject of payola, express or implied, in the Treasury Department's letter. There is not a word in the letter about it. Perhaps the phrase was referred to in the conference. I do not know, because I was not there. Certainly it is not referred to in the letter on which the Senator from Delaware appeared to place such heavy reliance, as I suspect any Senators who undertake to read the debate would be apt to conclude. Actually, the amendment did not purport to deal with the question of payola.

It is true that if payments are made in the form of entertainment or gifts, the amendment would deny deductions for those as a business expense, unless the payments come within the very narrow exceptions of the prohibition. However, as I understand payola—and, Mr. President, let me state at once that I am not expert on the subject—it is usually a payment for services rendered or contemplated to be rendered, and hence is not covered in any way by the amendment, nor intended to be.

I do not question the motivation of the Senator from Delaware in dragging a naughty word into a discussion of something else; but I suggest, again, that any discussion of payola in connection with this amendment is entirely irrelevant, and will inevitably have the effect of confusing both the Members of the Senate and the general public as to the issues under debate.

I now turn to the subject of scholarships. The Senator from Delaware was engaged in a colloquy with the Senator from Kansas [Mr. CARLSON]. The colloquy appears on page 13990 of the RECORD. The Senator from Kansas had indicated his concern that the amendment might render it impossible for Uncle Sam to pay 52 percent of the cost—I am not quoting him; I am stating what the net result of his comment would be—of some scholarships given by General Mills in the form of what is known as the Betty Crocker Homemakers Award. The Senator from Kansas pointed out that General Mills had spent $110,000 on scholarships through the fund. Shortly thereafter, the Senator from Delaware stated—and the statement is on page 13990 of the RECORD of June 23—

> They—

Meaning the Treasury Department—

> stated that under the language of the amendment it is apparent that such scholarships would be barred if the amendment were adopted.

Later, on the same page, the Senator from Delaware said:

> It is not my interpretation that I am giving here today. My statement is based on the letter sent to me by the Treasury Department plus the discussion in conference this morning. The letter is dated June 22, 1960.

On the following page, page 13991, in answer to an inquiry by my colleague from Pennsylvania [Mr. SCOTT], also dealing with scholarships or prize contests, the Senator from Delaware replied:

> I know that was not the intention of the senior Senator from Pennsylvania. Yet we were told that that was the interpretation which the Treasury would be obligated to put upon the amendment.

The Senator from Delaware was referring to the point about scholarships. Again, Mr. President, I do not know what took place in the conference, and I do not know what the Treasury representative told the conference. But if the Senator is correct that the conference was so advised, then the Treasury Department departed radically from the letter which the Senator placed in the RECORD, and which I gather covered the principal basis of its objections to the amendment. The letter states very clearly:

> Specific instances where the effects of the amendment may be unclear or give rise to difficulties include * * * scholarships, and fellowships, prizes, and awards.

I suggest that there is a wide sea of difference between an averment as made by the Senator from Delaware "that it is apparent that such scholarships would be barred" and, again, "we were told that it was the interpretation which the Treasury would be obligated to put upon the amendment," and the actual statement in the letter which I just read, which merely states that "the effects of the amendment may be unclear or give rise to difficulties."

I suggest the two statements are not at all the same.

Mr. President, there are three kinds of scholarships to be considered.

The first is the scholarship which is established by a university, after a corporation pays to the university money in order that a scholarship may be granted to any qualified student. That kind of scholarship is now, always has been, and I suspect always will be the basis of an appropriate deduction, on the ground that it is an educational and/or charitable contribution which, within very broad limits, a corporation is permitted to charge as a deduction, under section 170 of the code. My amendment does not modify section 170 in any way.

The second kind of scholarship is one which is established as follows: A corporation decides to send one of its employees to school in order to improve his skill. Such a scholarship is also the basis of a business-expense deduction, because the scholarship improves the caliber of the employee as regards his ability to render service to the corporation. That has always been the law; and nothing in my amendment could possibly be conceived to change it.

The third kind of scholarship is where there is a direct payment to some boy or girl to pay school expenses. When such payments are made by businesses, they are frequently made for advertising purposes. I do not have any objection to permitting the deductions of such expenditures. Frankly, I believe it would qualify as an advertising expense, under the law—as a business deduction.

Certainly nothing in this amendment would prohibit the deduction of the expenses of such a scholarship. Nevertheless, I would have no objection—if the fears of the conferees are such as to lead them to believe that the amendment would be interpreted in such a way as to knock out that advertising deduction—to a change in the language, so as to make that point clear.

Mr. President, as a result of the speech which was made on the floor on yesterday by the Senator from Delaware and as a result of a press release issued by the Treasury Department, what some of us who have been in politics for quite a while call a "snow job" is being done in opposition to this amendment. The plan is to throw into the air so many statements and to create so many doubts and so much confusion in the minds of the public, the Members of Congress, and the conferees, that it will be said, "This seems to be a very complicated matter, so perhaps we should study it for a while."

Mr. President, I see on the floor at this time a few of my distinguished colleagues, all of them experienced in the art of politics, and for all of whom I have great affection and respect. I think they have had this kind of thing done to them before, and no doubt will have it done to them again. Certainly they are wise enough and mature enough not to resent it particularly.

But in order to indicate the kind of "snowdrift" which the Senator from Delaware, with the assistance of the Treasury Department, was able to engender in the press today, I shall read now from an article which was published this morning in the Washington Post:

> The Treasury yesterday gave foes of the amendment tightening business deductions some strong ammunition. This provision would ban good will deductions for customers and employees on anything but food and drink and gifts of $10 or less. Its sponsor, Senator JOSEPH S. CLARK, Democrat of Pennsylvania, said it would prohibit tax-deductible yachting trips, theater, and night-club parties, visits to hunting lodges, country club dues, and the like.
>
> But Jay W. Glasmann, assistant to Treasury Secretary Robert B. Anderson, wrote Senator JOHN J. WILLIAMS, Republican of Delaware, that the amendment could go far beyond CLARK's intent. Glasmann said it might prohibit businessmen from claiming deductions for gifts to widows of former employees, scholarships, employee recreational programs like bowling alleys and golf courses and even Rotary Club dues.

My goodness, Mr. President, how evil can the Senator from Pennsylvania get? Just think of making a man pay his own Rotary Club dues or his own initiation fee and dues to his golf club, or making him pay when he goes to a bowling alley. Mr. President, I am rather sure that soon—and not for the first time—I shall be accused of attempting to penalize outstanding and forthright Americans, by means of amendments which, in the opinion of some, can properly be associated with socialism.

Mr. President, I return to this morning's Washington Post article, and I quote:

Why should a businessman be allowed a deduction for wining and dining a customer, but not for taking him to a symphony, Mr. Glasmann asked?

I can just see the Assistant to the Secretary of the Treasury breaking down and weeping bitter tears, as the good and patriotic American I know him to be, on a complaint that it would be illegal for a representative of a business concern to take a customer to a symphony, where, in some way, between the first and second movements of Beethoven's "Fifth Symphony," he tried to sell him a case of Pepsi Cola.

I wonder how often the cost of symphony tickets is actually being used as a business expense deduction in connection with sale promotion campaigns? I suspect that for every single symphony ticket which is bought for that purpose, there are literally thousands of tickets bought to the Johansson-Patterson fight, to the World Series, to shows in New York, Las Vegas, Los Angeles, and elsewhere. And I suspect that my friend Mr. Glasmann was probably shedding crocodile tears about the symphony ticket deduction.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. CLARK. Just a moment while I complete my thought, and I shall be glad to yield to my colleague.

Actually, the reason why we left the exception for food and beverages in the amendment was that, as a practical matter, it is very difficult to draw an amendment which can distinguish between the normal and ordinary taking of a customer to lunch or to dinner, which I think, in accordance with current American mores, at least, is considered perfectly appropriate, and the highfalutin and high-toned luxury entertainment which is so much in disrepute with the American people.

Therefore, we thought it wiser to leave the law in its present state, which merely provides that if a taxpayer can show that expenditures for meals and beverages were "ordinary and necessary" business expenses incurred for the primary purpose of inducing a sale or other benefit to the individual or corporation who paid the check, this would continue to be the requirement, as it was in the past.

I reiterate what I have said, I guess, five times already, that this exception in my amendment makes absolutely no change in existing law; and to the extent that beverages and food were excluded under present law because it could not be shown that they bore any reasonable relationship to ordinary and necessary business expense, they will continue to be excluded. To the extent that the taxpayer can show they were, they will be included. This provision in the amendment would make no change whatever in the existing law.

I am happy to yield now to my good friend and colleague, the junior Senator from Pennsylvania.

Mr. SCOTT. Mr. President, when the Senator makes the comparison between a symphony and a prizefight, I know the Senator does not wish to reflect upon culture. The Senator is a lover of good music.

Mr. CLARK. I yield to my friend in all the cultures.

Mr. SCOTT. I would not wish the Senator to go that far.

I was about to say that the Senator is one of those who know there is no such thing as Beethoven's 10th symphony, for example.

Mr. CLARK. I said "Fifth."

Mr. SCOTT. I know. I said, the Senator is one of those who know there is no such thing as Beethoven's 10th Symphony.

Mr. CLARK. We agree that there is a Fifth?

Mr. SCOTT. We agree there is a "Fifth Symphony." We will both take the "Fifth Symphony."

Mr. CLARK. But not the fifth amendment.

Mr. SCOTT. But not the fifth amendment.

I am not opposed to the extension of culture to anyone who is ready, willing, and able to receive it.

Mr. CLARK. This is a very bold statement for a Republican.

Mr. SCOTT. I would say if there is an implication that Republicans are uncultured, I have no objection to that allegation.

Mr. CLARK. Of course, not all Republicans.

Mr. SCOTT. It would tend to bring the Republicans closer to others who do not particularly wish to be known as revelling in culture.

The Senator is leading me somewhat away from the purpose of my inquiry.

How does the Senator explain the fact, if it is a fact, that it is said the Senator's amendment would prohibit a deduction on an expense account of the expense of taking someone to the theater, yet the expense would be deductible if one took the same person to a night club or even to a house of ill repute? Would that not tend to discriminate against the theater, and would that not tend to darken Broadway?

Mr. CLARK. I regret that my attention was diverted by a page when the Senator was speaking. I was suddenly riveted back into attention. I thought I heard the Senator say something about a house of ill repute. Will the Senator repeat his question?

Mr. SCOTT. The page has unwittingly done a disservice, because I had hoped my remarks might be regarded as minor wit. I was suggesting to my dear and distinguished senior colleague, for whom I have great respect, I should like for him to explain why it is that the Treasury Department interpretation of his amendment is that it would prohibit deductions of expense accounts for entertainment at the theater, whereas the amendment does not cover and therefore would permit a deduction for entertainment at a night club or even at a house of ill repute.

Mr. CLARK. My answer to that question is not based upon any personal experience, but others have told me——

Mr. SCOTT. I was hoping the Senator would go further.

Mr. CLARK. Mr. President, I was about to make the comment that what I shall say is not based upon any personal experience. I have been given to understand by others that houses of ill repute come under the heading "entertainment," and therefore such expenses would be barred. Theater shows come under the heading "entertainment," and therefore such expenses would be barred.

There has to be a line drawn by administrative regulations which will distinguish between the intention of the amendment, which is to permit someone to take a customer out to dinner in order to make a sale, and what is not intended—what the amendment intends to prohibit—lavish and promiscuous entertainment.

I think I shall make that clear later in my talk.

Mr. SCOTT. Will the Senator, when he does, also explain why it is said that his amendment would prohibit a deduction for the entertainment of buying a drink for a sales prospect but would not prohibit a deduction for buying this prospect a bottle or even a liquor store?

Mr. CLARK. I shall be glad to explain that now.

The intent of the amendment is perfectly clear. It would be no more complex or difficult to draft a regulation for than many other parts of the Internal Revenue Code. In fact, it is a good deal more simple than most of the parts of the Internal Revenue Code.

My friend, who is a distinguished lawyer in his own right—and, what is more, a Philadelphia lawyer to boot—will recall that during the dead days of the past when he and I were trying hard to make a living practicing law, every now and then we had to look into a tax problem and had to consult the Commerce Clearing House or Prentice-Hall Service, and we found that practically every section of the Internal Revenue Code was followed, in the service, by elaborate administrative regulations spelling out pretty well exactly what the quite simple text, in many instances, intended to do. After the regulations would be administrative rulings, and then there would be the court rulings.

I ask my friend to be fair about this, because I know he is fair. I say again this amendment is no more difficult to interpret than scores and scores of other amendments to the Internal Revenue Code. This is going to call for carefully drawn administrative regulations. Those will have to be construed administratively. There will probably be some court decisions.

This is the normal procedure in connection with tax law. I think to throw in my face, as the Treasury Department did, that this has to be considered in a vacuum, without the benefit of any positive effort to prepare regulations, is improper. I do not think that should be done. The Treasury Department should try to see if it can help make the amendment work, instead of taking so negative an approach, which I believe is a little bit unfair.

Mr. SCOTT. I wish to have the Senator know that I am sure nothing I have said would indicate an intent to be other than fair, because I am simply asking the Senator to explain some of the statements which have been made, without myself judging them to be correct or not correct.

I will agree with the Senator that there are loopholes in the law. There are excessive expenditures which are taken as deductions, which ought better to be taxed. I believe the Government is entitled to all the tax money which it can legitimately obtain under a judicial and administrative determination of the law, and the taxpayer is entitled to keep what is left.

Nevertheless, when we pass cloudy amendments or when we attempt to write a tax bill upon the floor of the Senate, confusion arises which leads to questions. I do not think my senior colleague, any more than I, would wish to prevent a businessman—be it an individual, a partnership, or a corporation—from establishing a scholarship for the benefit of a high school student or a college student, because of the excellence of the student in physics or mathematics or some other subject, which the businessman may now do and treat the expense as an exemption.

It seems to me to be a contribution to the general inspirational approach toward education to do these things. I know I have competed in college for scholarships which were given by businessmen. I will not say to my senior colleague what were the results, but I had the benefit of enjoying the competition. Somebody received the benefit of the scholarships.

Would it not be a pity if the Senator's amendment were to prevent that?

Mr. CLARK. Yes, of course it would. I can only say to my friend from my own Commonwealth that the amendment was not intended to prohibit such scholarships. I do not think the amendment would.

I think if my friend, good lawyer that he is, will make a careful and personal legal study of the amendment, he will agree with me that it would not do so.

I should be only too happy to have the conferees or the Treasury Department suggest alternate language which would establish that beyond the peradventure of doubt. The trouble is that instead of suggesting language to make the amendment work, the Treasury Department has gotten out this "snow job," trying to ridicule the amendment, and doing everything possible to prevent the Senate or the conferees from accepting it. This I think is rather a shame.

I understand that in a few minutes—it may be later tonight, or it may be tomorrow—the conferees will come to the Senate with a report rejecting the amendment, shedding, if I may say so—and I do not speak of any of my colleagues personally—crocodile tears about how worthy is the purpose of the amendment, and saying this should be a matter for study.

I have been studying this subject ever since I came to the Senate. I proposed an amendment 2 years ago. Certain technical difficulties in it were discovered. We redrafted it last year, and it still was not right. We redrafted it this year with the help of several individuals who had worked in the Treasury Department and with the legislative counsel. I think that it is now in first-class legal shape. But if the Treasury does not think so, let them propose such changes in the language as they think desirable in order to make it work, instead of trying to ridicule the proposed legislation so that the Senate and House conferees will not accept it.

I must say to my friend—and I do not say this in a particularly partisan sense—that the Eisenhower administration has been studying these loopholes for 8 years. They will go out of office at the end of this year. They have come forth with only two suggestions for closing loopholes, one of which was the amendment of the Senator from Tennessee [Mr. GORE], which I hope will be accepted, even in truncated form. The other was an amendment for a redefinition of capital gains which I proposed, which had complete Treasury endorsement, and was overwhelmingly defeated with practically every Republican in the Senate voting against it.

Mr. SCOTT. I cannot agree with my colleague that the Eisenhower administration has not proposed tax bills to gain more revenue, because, of course, they have sent up numerous tax bills which would increase the revenue and which, in fact, have increased it. The difficulty lies, I believe, in my colleague's definition of what is closing a loophole and what is not. There have been revenue suggestions, of course, originating from the Treasury and the administration which have been adopted over the years.

Mr. CLARK. I think my friend will agree, though he may not, that usually they have been what I call regressive taxes, such as gasoline taxes and postal rate increases. There has been no serious effort to suggest loophole closing amendments, despite the fact that they have been the subject of intense Senate debate ever since I first came to the Senate.

Mr. SCOTT. We differ on the matter of definition perhaps, but I know that with regard to the $10 limit per person on gifts the Treasury indicates that it is not certain whether or not the language intends to allow the first $10, for example, on a gift costing more than $10.

Mr. CLARK. I wonder if my friend would be willing to defer our colloquy on that subject until I come to it in the course of my comment. I feel my friend is stuck with the job of acting minority leader, so that he must stay here and listen to me whether he wishes to do so or not.

Mr. SCOTT. I will be glad to defer to the senior Senator from Pennsylvania. I would not use the phrase "stuck with the job of acting minority leader," and though the Senator's junior colleague is under obligation to stay and listen to him whether he likes to do so or not, I assure the senior Senator from Pennsylvania that I enjoy the discussion.

Mr. CLARK. I withdraw the invidious comment and I thank my friend for his kind words.

Mr. President, early this morning, with the assistance of legislative counsel and my own staff, I prepared a memorandum rebutting—at least so I thought—the criticisms of my amendment made by the Treasury Department and by the senior Senator from Delaware [Mr. WILLIAMS]. I caused a copy of that memorandum to be distributed to each of the conferees, House as well as Senate, at the time of their meeting this morning. I do not intend to place the entire statement in the RECORD, but I will discuss the principal points of that statement, in the hope that some of my colleagues may conclude, as I do, that the amendment is soundly drawn and is in the public interest and should be adopted by the conferees.

I say again that I wish to make it very clear indeed that I would be only too happy to accept changes in language suggested either by the Treasury or by the conferees which carry into effect the intent of the amendment as I have tried to make it clear to my colleagues. I have no pride of authorship. I have no pride in language. But I have not seen, and I suppose I shall not see, any positive suggestions from the Treasury as to how this amendment can be improved. Until I do see such suggestions, I must conclude that the amendment is in pretty good shape.

Let me say first that it is generally admitted by all persons who have studied this question that widespread tax abuses are practiced by business taxpayers including corporations who claim deductions for "ordinary and necessary" business expenses which are in the categories prohibited by the amendment. Commissioner of Internal Revenue Dana Latham at a meeting of the Tax Executives Institute last fall made a statement from which I shall read.

Parenthetically—and this is not in my statement—I consider Mr. Dana Latham a first-class public servant who is doing a fine job under great difficulties. He has integrity, intelligence, and commonsense. He has tried desperately to obtain the necessary personnel to enable the Internal Revenue Service to eliminate tax chiseling. He has been responsive to suggestions as to loophole closings. I regret that he has not had more support from those higher up in the Treasury. I hope I shall not get him into trouble by making that comment.

Mr. Latham said at the Tax Executives Institute meeting last fall:

> The second major problem has to do with the deduction, as business expenses, of amounts extended for travel and entertainment. This indeed is a fertile area and one in which I am sure you will agree certain abuses exist.
>
> The fact remains that reprehensible practices do exist and they are of the type that arouse deep resentment in the hearts of those who are paying their taxes voluntarily and fully. I am referring, of course, to such situations as purported business trips, including convention attendance, which in fact represent vacations at resort hotels, hunting lodges, or other vacation spots; lavish entertainment that is really personal rather than business in nature; the ownership and operation of automobiles, yachts, airplanes, hunting lodges, beach homes, etc., for personal use by company officials; the purchase

with company funds, of articles destined for the personal use of the executive, his family, or friends; and many, many other similar expenditures.

My amendment was not intended to stop all abuses in this area but it will, I am confident, if conscientiously administered, eliminate some of the worst abuses.

In all candor, if Mr. Glassman and his colleagues would devote half as much time to trying to make the amendment effective in curtailing admitted abuses as they have done in criticizing it perhaps the public interest would be better served.

Let me turn to the specific questions raised in Mr. Glassman's letter. I will attempt to discuss them in the order in which they were stated in the letter. His first point has to do with the definition of "entertainment."

First. Definition of "entertainment." Expenditures for food and drink would be deductible under the amendment, if and only if they are deductible under existing law, regardless of whether or not "live background music" or a "full entertainment program" were provided. However, if the expenditures were totally unrelated to the purchase of food or drink and made in effect to provide the price of admission to a night club or other show, and the cost of eating and drinking were minor or purely incidental, the former expenses would be nondeductible under the terms of the amendment and were intended so to be.

Expenditures for travel and lodging would not be affected in any way by the amendment, and mention of these items in Mr. Glassman's letter is totally irrelevant. However, if the only purpose of the travel and lodging were entertainment, it would and should be nondeductible.

Second. Definition of "gifts." Mr. Glassman questions the application of the amendment to "the treatment of gifts by employers to widows or other survivors of deceased employees, expenses incurred by businesses for employee recreation facilities, scholarships and fellowships, prizes and awards, and gifts to retiring employees," and so forth.

If the payment to widows or other survivors of deceased employees takes places in accordance with an agreement entered between the employer and the deceased employee for which legal consideration exists, there would be no "gift."

It is not my intent, however, to prevent deductions of any such transfers to deceased employees' survivors, and if the Treasury deems it advisable to create a specific exemption for such transfers—which I do not think necessary—the conference committee may deem it advisable to do so.

Similarly, it is difficult to see how Mr. Glassman could construe "expenses incurred by business for employee recreational facilities" as "gifts" under any common meaning of the word. It was clearly not the intention of the author of the amendment to bring normal corporate recreational facilities within the scope of the amendment. It should be noted, however, that there can be no justification for charging the taxpayers 52 percent or, in the case of an individual as much as 91 percent of the cost of abnormal luxurious country club, yachting, hunting, or other so-called "recreational facilities," and the amendment was intended to and does deny deductions for tax purposes of such expenditures.

Let me stress here again that administrative regulations, not legislation, are the appropriate method of refining the law. This has been the classic method of writing tax legislation ever since the income tax was first adopted in 1913.

"Scholarships and fellowships" would not be disallowed by the terms of the amendment. I have pointed out earlier in my remarks my position on this point, and I shall not repeat what I have already said.

Actual transfers of funds directly to needy students were not intended to be within the scope of the amendment and if the conference committee believes that a specific proviso is desirable to exempt such transfers I would certainly have no objection to the insertion of appropriate language.

Gifts to retiring employees who had served for many years would be deductible up to and including $10 in value. After the company had received 50 years of service from a faithful employee, it would not seem too harsh to make the company pay the balance of the cost of the gold watch or other gift without asking Uncle Sam to pay 52 cents on every dollar, if it is a corporation, and perhaps even more if the taxpayer is an individual.

Moreover, in many instances transfers to employees could properly qualify as extra compensation, and hence would be deductible, anyway.

Ordinary and necessary business expenses for advertising, which would include most prizes and awards on national television programs, local contests, radio programs, and the like, would continue to be deductible to the extent allowed under existing law. Legitimate advertising expenses cannot be considered "gifts" under any reasonable construction of the term.

Third. Interplay of provisions relating to entertainment and gifts. Mr. Glassman asks:

What is the treatment of items which fall within the scope of both entertainment and gifts?

If the expenditure were nondeductible under any provision in the amendment it could not be claimed. Thus expenditures for theater tickets would be nondeductible regardless of the form in which the tickets were given. Such expenditures would plainly be construed as essentially entertainment expenses under a reasonable reading of the amendment.

Fourth. Dues in social, athletic, or sporting clubs. As Mr. Glassman should have known, the terminology "social, athletic, or sporting clubs or organizations" used in the amendment is already used in the Internal Revenue Code and its scope is entirely clear. The words are used in section 4241 dealing with club dues taxes, and the amendment is intended, as I made clear on page 13302 of the RECORD on June 18, to apply to the same clubs and other organizations to which section 4241 has application.

The practice of many companies and business and professional men of joining or purchasing membership in country clubs and other social organizations and claiming all or part of their dues and fees as business expense deductions is a well-known racket. In virtually all instances the personal return to the taxpayer or executive is high and it is impossible for the auditing agents to assign an arbitrary percentage of such fees and dues as proper business expenses. The cost of the dues should be borne entirely by the taxpayer in all cases, as is true in the vast majority of all taxpayers in the country who belong to social clubs without thinking of asking Uncle Sam to bear a large percentage of the cost.

I have the pleasure of belonging to a number of clubs. They are social, athletic, and sporting clubs. However, it would never occur to me to deduct from my income tax as a business expense any part of my dues paid to these clubs.

On the other hand, there are a number of businessmen's luncheon clubs to which I also belong. I think it is entirely justifiable to deduct the expenses of food and drink for clients at those clubs.

Fifth. Discrimination among forms of entertainment. The points raised in this section of Mr. Glassman's letter are policy questions answered by the Senate's vote on June 21. There is a clear and defensible difference between the entertainment expenses of purchasing food and drink and other entertainment expenses such as theater or concert-going, boxing matches, horseracing, and girly shows. Nothing in the amendment would prevent the deduction of expenses of taking customers and clients on a "tour of the taxpayer's plants or sales outlets" and the observation to the contrary in the letter is without foundation. The amendment does not affect the law regarding travel expenses except as stated above.

Sixth. Status of employee facilities for recreation. As indicated above, it is difficult to see how it would be possible to construe entertainment or gifts to cover the provision of "employee facilities for recreation" and such a construction was not intended.

Seventh. The $10 per person limit on gifts. Mr. Glassman is correct in saying that "it would seem that the language of the proposed statute allows the first $10 of a gift costing more than $10." It seems that way to me also, and that was my intent. Any "references in the floor debate" to the contrary should not change this interpretation.

If the amendment should subsequently be adopted, I hope my comment on this point will be a part of the legislative history.

Eighth. Exception to the proposed rule where entertainment is the trade or business of the taxpayer. Mr. Glassman states correctly that—

The apparent intent of this exception is to allow the theatrical producer or others in the entertainment business to deduct salaries paid entertainers.

If the committee thinks that this needs clarification—which I do not—I am sure the Treasury officials could supply more appropriate wording to achieve this "apparent intent," although I think that the meaning is quite "apparent" under the existing language of the amendment.

The meaning is obvious under the existing language of the amendment. I am aware, of course, that the administration thinks that the admitted abuses that exist in the exaggerated and improper claims for deductions of luxury expense account items, especially in the field of "entertainment," can be eliminated by administrative regulation requiring greater specificity of reporting. That has been its entire approach to this problem throughout the last 7½ years.

It has not worked. The chiseling continues. The administrators are unable to stop it under the present law. The abuses continue, and they will continue until Congress enacts legislation clearly indicating its intention that the Government should not bear part or all of the ultimate costs of the luxury expenditures of the expense account aristocracy.

Mr. President, I charge that the objections of the Treasury Department are largely frivolous. I charge that they can all be resolved without difficulty.

I call the attention of Senators on this side of the aisle to the fact that of 45 Senators who voted to support my amendment, there were 36 Democrats and only 9 gallant Republicans, who I hope will stand firm. I see one of them on the floor—the distinguished senior Senator from New York [Mr. JAVITS]. The Republican vote was 9 for my amendment and 23 against it.

I point with pride to our two leading Democratic candidates for the presidency of the United States, the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Missouri [Mr. SYMINGTON], both of whom voted "yea." I point with pride to the vote of the class of 1958 in the Senate, on the Democratic side, who voted 14 to 1 for the amendment.

I solicit the support of my Democratic colleagues and those brave Republicans who have stood up for the amendment, which has its basis in morality, in defeating the conference report, which I have learned with regret rejects my amendment, rejects the amendment of the Senator from Minnesota [Mr. MCCARTHY], rewrites the amendment of the Senator from Tennessee [Mr. GORE], and in effect deprives the Treasury and the Bureau of the Budget of $355 million a year, for a full fiscal year on the McCarthy amendment, and $250 million a year for a full fiscal year on the Clark amendment. I cannot tell how much of the potential $600 million of additional revenue which the Gore amendment would provide will be retained in the report, because I have not seen how the conference rewrote the bill. I make it clear that almost one-half of these sums would be available in fiscal 1961.

I suggest it would be fiscal irresponsibility of the worst sort for the Senate to adopt the conference report, if we do adopt it. We will be running grave charges, on both sides of the aisle, that we are unwilling to raise the revenues necessary to provide for the appropriations for which we are only too happy to vote. I reiterate: This is fiscal irresponsibility at its worst.

Mr. President, I hold the Senate conferees blameless for what they have done. Four of the six of them were opposed to two of the three amendments. The third amendment, the Gore amendment, turned out, in the end, to be noncontroversial. I am certain that the Senator from Virginia [Mr. BYRD] and the Senator from Oklahoma [Mr. KERR] fought hard for those amendments, against which they voted. The Republicans on the conference will state for themselves how hard they fought for the amendments which they did not support.

I have said before, and I say again, that I think it is most unfortunate that the precedents in the Senate are so frequently violated, in that the Senate appoints a majority of conferees who are not in sympathy with the prevailing view of the Senate. Last year I submitted a rule which would change that practice, a proposal which would write into our Senate rules precedents which are clearly set forth in the Senate Manual. That proposal has died in the Committee on Rules and Administration. I hope some day it will be resuscitated, and no later than the first of January 1961.

I say again that I do not blame the Senator from Virginia [Mr. BYRD], and I do not blame the Senator from Oklahoma [Mr. KERR]. I hope a number of my colleagues will join with me in my opposition to the conference report. There is nothing personal; we do not charge the Senator from Virginia and the Senator from Oklahoma in any regard at all with bad faith.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "A Small Step Forward," published in the Pittsburgh Press of June 21, 1960.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A SMALL STEP FORWARD

It would be most interesting to know how many of the 40,000 persons watching the Patterson-Johansson fight were "business guests"—thus tax deductible to their hosts and making Uncle Sam foot a good portion of their entertainment costs.

Same would be true of the throngs at the Kentucky Derby, the Indianapolis Speedway, the Preakness, and of the thousands who've seen such hit plays as "My Fair Lady."

This sort of "tax loopholing" would be eliminated by amendment to the corporation-excise tax renewal bill voted by the Senate, 45 to 39. Under the amendment offered by Senator CLARK, Democrat, of Pennsylvania, all entertainment, except food and drink, would be barred as tax-deductible business expense. Also barred for tax deductions would be initiation fees and dues in social, athletic, or sporting clubs. And no more than $10 could be deducted for a business gift to any person in a year.

A businessman could continue to take as many guests as he chose to the races, the fights, Broadway hits, or on a yachting trip off Florida. Only, under the Clark amendment, he'd have to pick up all the tabs himself.

This amendment is but a small step forward in closing the scores of loopholes which exist in our antiquated Federal tax laws. But it is a step in the right direction and should be approved by the House, to which the tax bill now goes.

We have the highest regard for hospitality—and for all sports and entertainment for that matter—but the host should be willing to pick up the check himself, and not with Uncle Sam as a partner.

The thing to remember is that if enough tax loopholes can be closed, sufficient extra revenues can be produced to enable a general reduction in taxes for all. And entertainment and sports will get their fair share of spendable income.

Mr. CLARK. Mr. President, the editorial is, I think, of unusual significance, because the Pittsburgh Press is a Scripps-Howard newspaper, and I have no doubt that the editorial was published in many other Scripps-Howard newspapers throughout the land. I think it is significant, indeed, that so conservative a newspaper chain as the Scripps-Howard chain would undertake to support the antiswindle-sheet amendment. I hope the Senate will support the amendment again by rejecting the conference report.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CLARK. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I would not wish the Senator from Pennsylvania to have any misconception about my position on the amendment. I did not vote for his amendment. The Senator thinks I did. I can understand why, because he would rather think it was typical of me to do so.

Mr. CLARK. I apologize to the Senator.

Mr. JAVITS. I am very fond of the Senator from Pennsylvania.

Mr. CLARK. The affection is reciprocated.

Mr. JAVITS. The Senator from Pennsylvania and I work together in many matters. I would wish to leave the record in that shape.

I had not intended to address myself to this subject; however, reluctantly, but because I respect the Senator so much, I should like to tell him what troubled me and how I feel about his amendment.

I realize that sometimes our actions are taken under great pressure. I think the amendment—and I am a lawyer, as the Senator knows, first and foremost——

Mr. CLARK. And a very good one.

Mr. JAVITS. I think the amendment fails to take account of so many problems in the field it affects. I represent, in part, a State having tremendous industrial activity, and the Senator's amendment raises a very important question.

Mr. CLARK. If the Senator from New York will permit an intrusion, his State also has an enormous entertainment interest.

Mr. JAVITS. Enormous. So I wanted to be very careful about how I proceeded. I would favor an amendment on this subject. I believe the Treasury Department could do everything the Senator from Pennsylvania wants to have done. Perhaps that is asking too much of the

administration. Perhaps we are asking for the millennium when we cannot obtain one. The Treasury might tell us that they do not have the personnel; that to enforce such a provision is physically impossible.

Mr. CLARK. Mr. President, will the Senator permit an interjection?

Mr. JAVITS. Certainly.

Mr. CLARK. I think that one of the difficulties is not only personnel, but a series of court decisions, as well, which have sustained what are, to me, unconscionable deductions under the present law, decisions with which the Treasury is stuck, unless Congress changes the law.

Mr. JAVITS. Exactly.

Mr. CLARK. Those court decisions were adverted to earlier in the debated.

Mr. JAVITS. I am coming to that. I do not know what will happen in this matter. If the Senator from Pennsylvania were in a position, under the procedures, to offer a more sharply architected amendment to cover a situation which is as sensitive as this, and as meaningful to so many people, especially so many in my State, for the reasons which the Senator from Pennsylvania has mentioned, and which I have mentioned, I believe he would find me and many other Senators willing to support the amendment.

So, without any speculation about what may happen with respect to this particular amendment, I would make a constructive suggestion to the Senator from Pennsylvania. If it is impossible to do anything about the matter in the tax bill now under consideration, the Senator knows and I know that another tax bill will be considered next year, because these very taxes need to be renewed.

If I were the Senator from Pennsylvania, I would work on this subject from the point of view of a finely chiseled amendment. I would start on it early enough so that a public understanding of what his proposal will do and what it will not do, and what it will allow and what it will not allow, will have been built up and discussed in advance.

One reason why we serve in the Senate for 6 years, and one of the great advantages of such service, is that we can start something and finish it before another election, which is very hard to do in the other body.

If the Senator would do what I suggest, the Senator would then be able to complete what I consider to be a real service which he started, in an effort really to bring it into specific compass, so that the businessman would know expressly and exactly what were the ground rules, and that they did accommodate themselves to the actual conditions under which they labored.

Another reason for my suggestion is that this is the second year the Senator from Pennsylvania has offered such an amendment.

Mr. CLARK. I think it is the fourth.

Mr. JAVITS. I thought it was the second. If I may say so—and again with the greatest respect and the deepest affection for the Senator from Pennsylvania, with whom I work on so many matters—I do not think the amendment as offered the other day, although it was the work of 4 years, has the refinement to make it a really practicable standard in this matter.

I suggest this to him because of my great sympathy for his efforts, and because, most regretfully, I—and I have every reason to understand why the Senator thought I did—I was unable to vote for the amendment the other day.

Mr. CLARK. I thank the Senator from New York for his comments. I know that he intended them in a most gracious and kindly way. I will only say that one of the things which made the practice of the law most entertaining and enjoyable, in the days when I was making my living at it, was that lawyers disagree, and that friends will meet in the trial courts, and before the appellate courts, to try cases and argue cases in which they have become convinced they are right. My friend is, of necessity, but not entirely, for he is very courageous—to some extent a supporter of this administration. I am not. It has been my view, as a lawyer, and, I hope, a reasonably competent one——

Mr. JAVITS. I can affirm that.

Mr. CLARK. It has been my view that this is a good amendment, achieved after years of hard work, not only by me and my assistants and legislative counsel for the committee, but also by very able persons in the Treasury Department, whose names must remain anonymous. But I say to my friend that at some point the sculptor has to lay down his chisel and say the statue is finished.

My friend does not think this measure a very good one; but that is what makes the legal profession the great profession it is.

Let me state that one of the most difficult things about dealing with such a problem is that neither the House Ways and Means Committee nor the Senate Finance Committee has ever held any serious hearings in an attempt to develop adequate language. It is said the Ways and Means Committee may do so next year; and I hope it will.

So we do work under some difficulty, because we do not have the benefit of hearings and the testimony of those who might be adversely affected, and thus we do not have an opportunity to determine whether their fears are foolish fancies or are based on sound ground and demonstrate that the language should be changed.

But I point out that in 1961 we shall not have a balanced budget unless we raise additional revenue. My friend, the Senator from New York, knows that at this session the Congress will not pass a postal-rate-increase bill or a gasoline-tax bill. So I see no possibility of raising additional revenue before this session of Congress adjourns.

The Senator from New York and I have, in the last 3 weeks, joined in voting in favor of the passage of measures which will increase enormously the expenditures of the government. We did so, I am sure, because both he and I were convinced that such expenditures must be made in the national interest—billions of dollars of expenditures for the national defense, large expenditures in order to provide increased pay for the employees of the Government, and large expenditures for the work done by the Department of Health, Education, and Welfare. And I am sure the Senator from New York will, if he has an opportunity to do so, also vote for a Federal aid-to-education bill which will cost several hundred million dollars.

So I plead with my friend to consider what we will be doing if, after voting for those very great expenditures, we refuse to vote for measures to raise additional revenue—revenue which is necessary to enable the government to pay for its necessary expenditures and also to make payments on the national debt.

Mr. JAVITS. Mr. President, will the Senator from Pennsylvania yield?

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). Does the Senator from Pennsylvania yield to the Senator from New York?

Mr. CLARK. I yield.

Mr. JAVITS. Mr. President, I yield to no one on this floor in my determination and willingness to vote for the necessary revenue-raising measures. I voted, in connection with this very bill, for example, for the telephone-tax amendment, notwithstanding the desire of the Governor of New York to have that revenue spent for education; and I will vote for measures to raise additional revenue in order to provide for the increased pay we have voted for the employees of the Government. So I am just as committed to voting for the necessary taxes as I am to voting for the things the people of the country want, even though they cost money. I think that attitude classifies me as one who believes in fiscal responsibility; and I know the Senator from Pennsylvania feels the same way.

But the problem which confronted me in this instance was essentially a lawyer's problem, in dealing with the situation of persons and businesses with travel and entertainment expenses.

Let me state that I am not opposing the Senator from Pennsylvania; we are not arguing a case in court.

I, myself, will undertake—and the Senator from Pennsylvania knows that this is not an idle statement on my part—to examine the amendment very carefully and to ascertain whether I can be of any help to the Senator from Pennsylvania. Instead of asking him to do that, I will try to do it, because on this issue I want to be with him, rather than against him.

Mr. CLARK. I thank the Senator from New York for his kind works and his helpful attitude; and I know that—conscientious Senator that he is—he will read the CONGRESSIONAL RECORD for yesterday and for today. I ask him to do so with an open mind; and I am sure he will.

Mr. JAVITS. Yes, I will.

Mr. WILLIAMS of Delaware subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated June 22, 1960, which I have received from the Treasury

in connection with the Clark amendment relating to the disallowance of certain business expenditures for entertainment, gifts, and club dues.

The Senator from Pennsylvania has just expressed his definition of his amendment. This letter is the Treasury Department's interpretation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE
SECRETARY OF THE TREASURY,
Washington, D.C., June 22, 1960.

Hon. JOHN J. WILLIAMS,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR WILLIAMS: This is in response to your request for my comments on the problems which may be involved in the amendment to the tax rate extension legislation relating to the disallowance of certain business expenditures for entertainment, gifts, and club dues.

As you know, the amendment would make the following changes in present law: (1) It would disallow any deduction for entertainment expenses except expenses for food or beverages incurred to advance the taxpayer's trade or business, (2) it would disallow deductions for gifts except a gift to any person which did not exceed $10 per year, and (3) it would disallow deductions for dues or initiation fees in social, athletic, or sporting clubs or organizations. Our preliminary analysis of these proposed changes in the law indicates that there are substantial problems presented by the amendment. These include problems of equity, administration, and statutory construction.

The nature and scope of the problems which our preliminary study has revealed include the following:

1. DEFINITION OF ENTERTAINMENT

What is the scope of the term "entertainment"? Would the purchase of food and drink in a place which furnishes live background music be considered as an expenditure solely for food or as partially for entertainment? If it is considered an expenditure partially for entertainment would an allocation be required? Would the result be different if a nightclub with a full entertainment program were involved? What is the status of expenditures incurred under various circumstances for travel, lodging, and such items as cigars, corsages, and company-sponsored entertainment for employees? Even if the definitional problem could be solved, it would be very difficult to administer this amendment. An expenditure would be deductible if classified as food and drink but not as other forms of entertainment. Hotels and restaurants would tend to be encouraged to bill customers for entertainment items under the heading of food and beverages.

2. DEFINITION OF GIFTS

What is the scope of the term "gifts"? Under present law a gift other than a charitable contribution is actually not deductible. The business gifts which are deductible under present law are in fact expenses incurred with the view to business or professional benefits. Without clarification the proposal may be construed to deny a deduction for many normal and legitimate items of business expense for advertising or promoting good will.

The status of gifts, with reference both to their deductibility by the payer and their taxability in the hands of the recipient is one of the most difficult areas in the Internal Revenue Code. This is underscored by the action of the Supreme Court in its consideration of the problem in three cases decided June 13 where taxpayers contended that items received by them in various business relationships were nevertheless nontaxable gifts. Specific instances where the effects of the amendment may be unclear or give rise to difficulties include the treatment of gifts by employers to widows or other survivors of deceased employees, the status of expenses incurred by businesses for employee recreational facilities, scholarships and fellowships, prizes and awards, and gifts to retiring employees, etc.

3. INTERPLAY OF PROVISIONS RELATING TO ENTERTAINMENT AND GIFTS

What is the treatment of items which fall within the scope of both entertainment and gifts? For example, would food and beverage, regardless of the form in which provided, be deductible without dollar limitation? For example, would the expense of theater tickets, which was disallowed as an entertainment expense, nevertheless be deductible as a gift up to the $10 limit? Would the form in which the tickets were given make any difference? In other words, if the recipients of the tickets accompanied the taxpayer to the theater would that be entertainment whereas if the tickets were given to him directly would that be a gift?

4. DUES IN SOCIAL, ATHLETIC, OR SPORTING CLUBS

What is the scope of the prohibition against deducting dues in social, athletic, or sporting clubs or organizations? Is it intended to deny deductions for dues paid to businessmen's luncheon clubs, and various civic organizations such as Rotary Clubs, Kiwanis Clubs, and Lions Clubs?

5. DISCRIMINATION AMONG FORMS OF ENTERTAINMENT

Not the least of the problems raised by the amendment is its discrimination in the tax treatment of different forms of entertainment. It seems difficult to defend a provision which would allow deductions for food and drink without limit if otherwise qualified as a business expense and yet disallow a more modest expenditure on such legitimate and effective ways of winning the good will of customers and clients as an invitation to a symphony concert or a tour of the taxpayer's plants or sales outlets and points of interest in the vicinity.

6. STATUS OF EMPLOYEE FACILITIES FOR RECREATION

It would seem that the proposed disallowance of entertainment expenses relates primarily to entertainment, lavish or modest (other than food or drink), for customers, business associates, suppliers, and highly paid executives of the business. However, it is broad enough to disallow expenses for facilities for maintaining recreational facilities for the general use of all employees, such as picnic grounds, golf courses, bowling alleys, and the like. In view of the sweeping nature of the language of the amendment the question is raised as to its impact on a wide range of business expenditures for facilities and programs which embody a substantial element of entertainment for employees. The deductibility of these expenditures has not hitherto been questioned.

7. THE $10 PER PERSON LIMIT ON GIFTS

Administration of the $10 limit would involve administrative difficulties since it would be difficult to keep or audit records showing the cumulative amount of gifts to any one person in a taxable year. It would seem that the language of the proposed statute allows the first $10 of a gift costing more than $10. However, there are references in the floor debate which suggest that there is an intention to disallow entirely items costing over $10. A further difficulty: a possible construction of the proposed statutory language which would suggest the $10 per person rule to mean an average of $10 per person.

8. EXCEPTION TO THE PROPOSED RULE WHERE ENTERTAINMENT IS THE TRADE OR BUSINESS OF THE TAXPAYER AND EXPENSES ARE PAID OR INCURRED TO FURTHER THE TRADE OR BUSINESS

The apparent intent of this exception is to allow the theatrical producer or others in the entertainment business to deduct salaries paid entertainers. However, it appears from the literal wording of the amendment that it would allow anyone in the entertainment business, unlike all other businessmen, to deduct expenses in connection with the entertainment of clients, customers, and others.

The Treasury is prepared to cooperate with the tax-writing committees of Congress in developing any legislation which may be needed to eliminate abuses in this area. These abuses are in large part a matter of good business morality rather than a narrow tax question. Nevertheless, they can significantly affect the soundness and fairness of our tax structure.

We are continuing to study the technical and administrative difficulties involved in the amendment. We feel, however, that the problems described in this letter point up the difficulties involved in formulating a practicable and workable legislative solution.

Sincerely yours,

JAY W. GLASMANN,
Assistant to the Secretary.

Mr. CLARK. Mr. President, I am about to yield the floor.

At this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, before the Senator from Pennsylvania has to leave the Chamber, I want very much to commend him for his splendid statement of this afternoon in regard to the conference report on the tax bill. In his characteristic manner he has demonstrated not only intimate knowledge of the subject, but also qualities of courage and integrity which commend him to everyone. The Senator from Pennsylvania has become a very skilled student of the problems of taxation.

This is no small or mean assignment. It is a very arduous and difficult one.

Some years ago in the Senate, I attempted to lead the fight for what we called closing the tax loopholes. I still believe now as I believed then, only more so. The loopholes in the tax laws have been widened, not closed, and the Revenue Act of 1954 merely perpetuated those loopholes, more firmly entrenched them, and added some more.

Every time a tax bill comes up, somebody is able to add another loophole, which finally works its way into being another and bigger one.

The trouble with all this is not only that it gives special privilege to some, but it places a greater responsibility and a greater burden of revenue requirements of the Government upon those who are least able to bear them. That is why the excise tax structure, which is a form of sales tax, is constantly expanded. That is why there has been no chance to increase the dependency

allowance, which, in a sense, is surely merited. It is because of these loopholes in the tax laws, some of which were, momentarily, at least, on the way to being plugged here in the Senate, that the revenue structure of this Government is becoming evermore uncertain, evermore unjust, and evermore incapable of meeting the revenue requirements of a nation with tremendous international responsibilities.

I happen to believe that there is great abuse in the so-called expense allowance business deduction features of the tax law. I do not want to see changes made that would deny legitimate, needed business deductions. I will say to my friend, the Senator from Pennsylvania, that the $10 limitation may have been a little too low, but, by and large, the proposal was a just proposal. I heard the Senator from Pennsylvania say there comes a time, when one has worked over a program, to say, "That is it"—when, in other words, the sculptor has to call the time on the finished product. And that is exactly what the Senator from Pennsylvania did.

The Senator from Minnesota [Mr. McCARTHY] has fought valiantly here in two sessions of the Congress for the elimination of the dividend provisions—that is, those provisions of the tax law which provide special treatment for dividends. Each time it has been a very close fight. Each time the Senate has registered its desire to eliminate the dividend provision. Each time the conference committee has junked the work of the Senate.

It is not only discouraging—I think it is, in a sense, inexcusable.

Finally, I want to say the one provision I felt was more entitled to support than any other was the withholding on dividends and interest provision. I read the report from the Treasury which stated that $5 billion worth of income goes unreported. In the most conservative estimate, that is $1 billion worth of revenue, or more—a billion dollars that could be used to provide some relief from deficit financing; a billion dollars that could be used, in part, for area redevelopment, on which the Senator from Illinois [Mr. DOUGLAS] was speaking today; a billion dollars that could be helpful in medical aid for our aged. There are so many uses for the billion dollars.

It is rank injustice to extract from the wage earner and the salaried man a withholding tax, before he even gets his hands on the check, and not treat other forms of income the same way.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes, I yield.

Mr. CLARK. I should like, first, to thank my friend, the Senator from Minnesota for his unusually kind words. Second, I wish to indicate my complete support of his statement respecting the amendment of his colleague, the Senator from Minnesota and the amendment of the Senator from Wisconsin [Mr. PROXMIRE], dealing with withholding. I agree with the Senator from Minnesota. Of all the amendments we adopted, even including, perhaps, mine, the withholding amendment is the one it is most indefensible to reject.

I wonder if the Senator from Minnesota will bear with me while I ask him a few questions. Does not the Senator think the platform of the Democratic Party for 1960 will contain a plank urging the closing of tax loopholes?

Mr. HUMPHREY. It will if the senior Senator from Minnesota has anything to say about the platform, and I hope at least to be able to express an opinion within the confines of the platform committee.

Mr. CLARK. The platform has in the past; has it not?

Mr. HUMPHREY. It has in the past. The platform has been quite explicit.

Mr. CLARK. Does not the Senator believe there will be no similar plank in the Republican Party's platform, or, if there is, it will be couched in such fuzzy and meaningless words that it will not be a commitment?

Mr. HUMPHREY. If one can judge the future by the past, I think there is reasonable evidence to support that statement.

Mr. CLARK. Is it not my friend's candid judgment that, whoever the Democratic candidate for the Presidency may be, and we have a number of fine men running—I regret that my friend from Minnesota has seen fit to withdraw; he was one of the finest—that candidate will run on the platform?

Mr. HUMPHREY. I think he will run on the platform, and he will be held accountable to adhere to the platform when elected.

Mr. CLARK. Is it not, therefore, the Senator's view that if, as he and I hope—and I think we have justification for our hope—we have a Democrat in the White House next January, we shall shortly have a budget message which will advocate the closing of the loopholes?

Mr. HUMPHREY. It is my view that will happen, and if I am permitted to sit in the Senate at that time, I shall encourage its happening and shall be one of those who will urge the enactment of measures to accomplish that purpose.

Mr. CLARK. I have speculated a good deal, and I wonder if my friend will be kind enough to speculate a little with me, in the light of the answers which he has given to my questions, which are answers which I myself would give, as to why a Senate consisting of 65 Democrats and 35 Republicans would want to approve a conference report which strikes out amendments closing three tax loopholes, which we did on Monday of this week.

Mr. HUMPHREY. I do not believe we should approve such a conference report. I think the time is at hand to draw the line on this. The fight for just taxation is possibly one of the most discouraging and frustrating battles in the Congress. I remember that in 1950 or 1951, the Senator from Illinois [Mr. DOUGLAS] and I, along with other Senators, were in the same position in which the Senator from Pennsylvania finds himself today, along with other Senators, namely, carrying much of the load in this fight. I remember how difficult it was to have an understanding gained of the amendments that we were offering, amendments that were just, several amendments that had the support of the Treasury Department.

Mr. CLARK. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. Yes.

Mr. CLARK. Actually, the curtailing of the oil depletion allowance was advocated by President Truman at one time.

Mr. HUMPHREY. Absolutely, and by the Treasury Department. There was eloquent and persuasive testimony given in its behalf. But the real test, it seems to me, of a U.S. Senator and his philosophy, is his attitude on taxation. First of all, a tax program ought to give incentive to the advancing and the progress or the expansion of productive capacity, industrial capacity. It ought to encourage business. It ought to encourage the creation of work. But the real test of a tax program is whether it meets what we call the requirements of progressive taxation, namely, taxation on the basis of ability to pay. That should be the center or the heart of the law. We can make alterations from that point.

Mr. President, it is not difficult to vote for housing in this body. It is not difficult to vote for aid to the aged or aid to the needy. The real question is, from where do we get the money? Who pays for these programs? From whence does the money come? The real fight in the Congress of the United States concerns taxation.

Even when we consider the question of Federal or State revenues, those who fight for State regulation—those who say, "Leave the matter to the States."—are the very same ones who know the States do not have the power to tax and provide the services needed, or who know that special interests have undue influence in some State legislatures, or who know that some States have constitutional provisions which prohibit certain types of taxation. What those people are really saying is that they do not wish to pay taxes. They do not wish to have the Federal Government tax them.

Some of the groups which lead the great crusades against taxation by the Federal Government, on the basis that it represents Federal interference, when checked out, are found to be working at the local school district level, at the city level, at the county level, and at the State level leading the fight against local and State taxation.

I know about that, for I was once the mayor of a city. The very same people who are fighting taxation in the city, fighting our endeavors to provide decent housing for needy families and for the veterans, were the people who had another branch of their association in Washington, D.C., fighting against the housing program and against tax measures which would have provided the revenue for the housing program.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. Does not the Senator recollect that about the only taxes which were available to the Senator, who served as a mayor with such distinction, to pay for the expenditures of the city of Minneapolis, were regressive property taxes?

Mr. HUMPHREY. I remember it well. What a burden it was upon the entire property base of our community.

Mr. CLARK. The Senator is very familiar with the tax structure of the State of Minnesota. I have some knowledge of the tax structure of the Commonwealth of Pennsylvania. Do we not agree that, generally speaking, the taxes available to States under obsolete constitutions, by reason of the preemption of the Federal Government with respect to other taxes, are largely regressive taxes?

Mr. HUMPHREY. Except in the instance of the income tax, which we have in the State of Minnesota. Many States, of course, do not have income taxes.

Mr. CLARK. Because of obsolete constitutional provisions, which we have been unable to rescind.

Mr. HUMPHREY. Some constitutions prohibit the levying of such taxes.

Mr. CLARK. Yes.

Mr. HUMPHREY. We have a better chance of landing on the moon, setting up a household, and opening up a Hot Shoppe, than we have of amending some State constitutions.

Mr. CLARK. Or even a place of entertainment.

Mr. HUMPHREY. I would not wish to go that far. We are going to eat first.

Mr. CLARK. Would not my friend agree that by and large, with all its inequalities, the Federal income tax system, which is based on a capacity to pay, is better than the tax systems of local and State governments, as a rule?

Mr. HUMPHREY. Of course, this is why the Federal tax structure ought to be constantly watched, so that it does not become filled with distortions and inequities.

I will say that the distortion and inequity pattern has been the procedure of recent years. Over a long period of time these distortions creep into our tax laws. Then when we recodify, as we did in 1954, if we do not clean out the distortions but extend them, we have them solidified. We have them literally firmly entrenched in the Revenue Code of the country, in that case.

Mr. CLARK. My friend will recall that the only taxes which President Eisenhower recommended this year, for the purpose of balancing the budget and attaining a surplus of $4.2 billion, were as follows: First, a postal rate increase; second, a gasoline tax increase, for aviation fuel; and, third, a continuation for another year of the telegraph, telephone and transportation taxes.

Are not all three of those taxes excise taxes, which are regressive and actually bad taxes?

Mr. HUMPHREY. Absolutely.

Mr. CLARK. Would my friend agree that it was with great reluctance, simply because he had no other way out, that the President recommended the continuation of certain other excise taxes? I would be willing to bet it almost broke his heart to recommend the continuation of the 52 percent tax rate on corporations.

Mr. HUMPHREY. The recommendation was surely made. Obviously, there was no other way out if we were going to meet the requirements of our national security and governmental services.

Mr. CLARK. But the President has never recommended the closing of these open, notorious, and glaring tax loopholes we have been discussing, has he?

Mr. HUMPHREY. Not to my knowledge.

Mr. CLARK. Would the Senator from Minnesota think the Senator from Pennsylvania was grossly unfair if he drew from all of this the conclusion that the Republican Party is interested only in regressive taxation, which falls most heavily upon those of moderate means and the poorer families in our country? Would not the Senator and I hope, at least, that our party will stand firm for the kind of progressive taxation which has been advocated by Woodrow Wilson, by Franklin Delano Roosevelt, and by Harry S. Truman during the grand years of the 20th century when our party was in power?

Mr. HUMPHREY. The Senator's statement is so persuasive that I surely would not be the one to object.

I am forced to say that the Democratic Party, however, has a responsibility of its own. I do not care to relieve us of the responsibility of doing our task, in the legislative chamber, of changing the tax laws. We have that responsibility. The power to tax rests with the Congress. While the administration must take the lead in terms of laying down policy guidance, we have a responsibility. I hope the next President of the United States, as a Democrat, will lay before us proposals to close these tax loopholes.

Mr. CLARK. And give us the help of the Treasury Department.

Mr. HUMPHREY. I hope we shall have the help of the Treasury Department and the help of the leadership of the executive branch of the Government. With that help, we shall be able to move ahead and make some progress in this field.

Mr. KEATING. Mr. President, before the Senator concludes, may I intrude a moment?

Mr. HUMPHREY. I was going to proceed to another item.

Mr. KEATING. I have a remark on this subject, if the Senator will yield.

Mr. HUMPHREY. I yield.

Mr. KEATING. I wish to congratulate the Senator from Minnesota for his recognition, in his answer to the question of the Senator from Pennsylvania, of the legislative responsibility in the tax field. It is the Congress which enacts the tax laws. Congress can be advised by the Executive, but the responsibility is upon the Congress. Congress cannot duck it. Congress cannot dodge it. It is the responsibility of Congress.

Mr. HUMPHREY. The Senator makes a valid point. I feel that the best way to deal with this subject is upon the basis of candor and frankness. I surely hope the President of the United States, whoever he may be, will give us policy guidelines and an incentive to do a good job. Nevertheless, the responsibility is ours.

Mr. KEATING. I thank the Senator for yielding.

STATUS OF DISARMAMENT NEGOTIATIONS

Mr. HUMPHREY. Mr. President, I wish to discuss another subject which is very close to my heart. The purpose of my preliminary remarks was to commend a valiant and courageous Senator for the good work he has done. I shall continue to do that. I think he is deserving of commendation.

Mr. President, I wish to address myself to a subject which I believe is of even more importance than the fiscal policy of this country, the tax and revenue policy of our country. I wish to address myself to a subject which concerns whether we are going to have a country—whether we can avert the disaster of a catastrophic nuclear war.

There need to be voices raised in this Chamber every day in the cause of peace with justice, in the cause of peace with freedom. I do not wish to see our country diverted from the quest for a just and enduring peace. I do not wish to see the United States of America or its leaders in any way distracted from the objective and the goal which is ours; namely, the goal of a peace worthy of free men.

I do not mean peace with appeasement. I mean peace with strength. I repeat, peace with justice and freedom.

I say this as a preliminary remark, because I can well understand how many of us today—after the abuse which our country has had heaped upon it by dictators around the world, after the riots in Japan and the withdrawal of the invitation to the President of the United States to visit Japan, after Mr. Khrushchev's tirade in Paris against the President of the United States, after the incredible and irresponsible rantings of Fidel Castro and a few of the lesser lights—might at times become discouraged, disgusted, and in a sense distracted, or at least removed from the main objective of our policy, or what it seems to me must and should be our policy, of being the champion of the cause of peace.

It is not a sign of weakness to talk of peace. It is a sign of strength. The strongest man who ever walked the face of the earth was a man of peace—the Prince of Peace. I say this because all too often when some of us speak up for peace we are accused of not being sufficiently interested in our security. We are accused of being naive about the Communists.

I assure the Senate that the Senator from Minnesota is not naive about the Communists. I have had my battles with them in the political arena. I believe that I am a student of international communism, and I attempt to keep myself informed as to the machinations and subtleties of the Communist apparatus.

But with all of that, it is imperative the the United States of America pursue with courage, with perseverance, and with determination the prospect, or even only a fleeting hope, of peace through constructive programs of political and social action.

I have outlined in the Senate from time to time what I thought were the programs that would contribute to peace. I have said that there is a wide gulf between the United States of America, the free world, and the Soviet world. I have tried to impress my colleagues with the

fact that the gulf will not be easily bridged, if at all. I am not one who believes that the difference between communism and freedom is the difference between the way two department stores are run, whether it be free enterprise or collectivism. The difference is much deeper than that. It is spiritual; it is ethical; it is a difference of values, spiritual and human. It is a difference between our belief in the dignity of man and their belief in the supremacy of the State.

I also recognize that we live in the same world as the people of the Communist sphere. We live in the same world with Mr. Khrushchev; and it may be true that Mr. Khrushchev, difficult as he is and as confirmed a Bolshevik and Communist as he is, is easier to get along with in the Soviet Union than would be his potential successor.

What I am trying to say is that there is no easy way out. There is no way of covering up the differences which exist. Therefore I have urged that we approach the problems between our two societies as best we can in the field of disarmament, that we approach them on a functional basis. This is why I have advocated the exchange of persons and contacts between people. This is why I have advocated international cooperation in the fields of medicine and scientific research. I happen to believe that the contacts that we can make with the Iron Curtain countries are primarily functional, cultural, educational, and scientific, and that the contacts which are political are limited indeed insofar as agreements are concerned.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. I congratulate my friend from Minnesota on making still another plea to our country to turn its mind in the direction of a meaningful start toward disarmament while still remaining strong. My friend knows of my strong interest in disarmament, and particularly in the achievement of world peace through the establishment of a system of world law, which would inevitably call for a revision of the United Nations Charter or the creation of some other body to deal with the disarmament on an international basis, the creation of a world police force, and disarmament by carefully staged approaches, conditioned in each instance by inspection and control of the international forces on both sides of the Iron Curtain which are now poised in what has been called the delicate balance of terror.

I have often wondered, and perhaps my friend can tell me, why we have not made that approach ourselves and what is the sound objection to agreeing that our aim is total and permanent disarmament, as in effect was stated by United Nations resolution passed last fall. Why can we not make such a statement in the disarmament agreements with the Russians? Why must we duck away from that as an objective in this present day by petty paces with little steps? I am the first to agree that this result will not be achieved overnight. I think it would take 12, 15, or perhaps 20 years. But why are we so determined that we are not going to admit that ideal as our goal?

Mr. HUMPHREY. Responding to the inquiry and observation of the Senator from Pennsylvania, I believe we should make it crystal clear at all times in every negotiation and on every occasion, at every session of the United Nations, and at every meeting with the Soviets or anyone else, that this country is committed to a program of worldwide disarmament, with effective controls and inspection, and that we see this as a more desirable goal than the continuation of the arms race, which definitely is a dead-end street.

I thank the Senator from Pennsylvania for his pioneering and his leadership in this field of amending and revising the charter of the United Nations, looking toward its strengthening and looking toward the concept of peace and security under international law. He has been a courageous soul in this effort, and I am happy to be associated with him.

SALINE WATER CONVERSION PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1738, S. 3557.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3557) to expand and extend the saline water conversion program under the direction of the Secretary of the Interior to provide for accelerated research, development, demonstration, and application of practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 3, line 18, after the word "scale", to strike out "It is the purpose of this title to authorize a continuing, accelerated, and expanded saline water research and development program in furtherance of the foregoing policy objective."; on page 7, line 2, after "SEC. 104.", to insert "(a)"; in line 22, after the word "laboratories", to strike out "and"; on page 8, line 4, after the word "this", to strike out "title." and insert "title;"; after line 4, to insert:

"(6) negotiate contracts with any States, territories, possessions, political subidvisions or agencies thereof, or publicly owned utilities organizations, hereinafter called organization, for use of organization's saline water conversion plant facilities to further the sea and brackish water conversion research and demonstration program; and

"(7) evaluate loan applications made by any State or political subdivision or agency thereof, or publicly owned public utility organization to the Housing and Home Finance Agency for the construction of saline water conversion plants for the purpose of certifying to said Agency the reliability and economic potential of the proposed process, and to make such recommendations as may be necessary as to engineering, design, and capacity of said plant.

"(b) All research within the United States which has been contracted for, sponsored, cosponsored or authorized under authority of this Act, shall be provided for in such a manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public.

"This subsection shall not be construed as to deprive the owner of any background patent relating hereto of such rights as he may have thereunder."

On page 10, line 25, after the word "appropriated", to strike out "such sums as may be required to carry out the provisions of this title" and insert "any unappropriated funds authorized by the Act of July 3, 1952 (66 Stat. 328), as amended (42 U.S.C. 1951), and such additional sums not exceeding $20,000,000, as may be required to carry out the provisions of this Act during the fiscal years 1961–1965, inclusive, with such funds to remain available until expended", and on page 11, line 15, after the word "States", to insert "for the use of the United States throughout the world and for the use of the general public within the United States"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of July 3, 1952, as amended (42 U.S.C. 1951–1958), is amended to read as follows:

"TITLE I—SALINE WATER RESEARCH AND DEVELOPMENT

"Policy and purpose

"SEC. 101. In view of the acute shortage of water in many areas of the Nation, and in recognition of the increasing importance of finding new sources of supply to meet the present and future water needs of this country, the Congress reaffirms and declares its policy to assist in the development of practicable low-cost means of producing, from sea or other saline waters, water of a quality suitable for agricultural, industrial, municipal, and other beneficial consumptive uses on a scale sufficient to determine the feasibility of the development of such production and distribution on a large scale.

"Administration

"SEC. 102. The provisions of this Act shall be administered by the Secretary of the Interior (hereinafter referred to in this title as the 'Secretary') acting through such agencies of the Department of the Interior as he deems appropriate.

"Functions

"SEC. 103. (a) STUDIES AND RESEARCH.—The Secretary shall conduct research and make careful engineering studies to ascertain the lowest investment and operating costs and the best designs and conditions of operation to accomplish the purposes of this Act. Such research shall include, but not be limited to (1) the use of small conversion units, (2) methods of extraction and use of byproducts, (3) an evaluation of various materials for use in construction, and of types of components and equipment, (4) methods of overcoming or lessening corrosion, (5) the use of atomic energy in conversion systems, (6) methods of preventing

scale, (7) the development of improved membranes, and (8) the advancement of scientific data on thermodynamics, polarization, properties of solutions, ion exchange, absorption, and brine disposal. In connection with studies to ascertain the lowest investment and operating costs, the Secretary shall consider and evaluate methods for the recovery and marketing of byproducts resulting from and incident to the production of water by the conversion of sea and other saline waters for the purpose of ascertaining the possibilities of offsetting the cost of water production in any area by the commercial utilization of such byproducts.

"(b) PROCESS DEVELOPMENT.—The Secretary shall conduct technical development work to determine the results of research by laboratory and pilot plant testing with a view to developing processes to the point where they can be demonstrated on a large and practical scale. Such development work shall include the laboratory or pilot plant testing of saline water conversion processes, including (1) distillation processes, (2) freezing processes, (3) membrane and ion-exchange processes, (4) solar distillation processes, and (5) other promising processes, such as gas hydrates and solvent extraction. The Secretary shall also, subject to the provisions of section 105, undertake the laboratory or pilot plant testing of saline water conversion systems suitable for civil defense purposes.

"(c) INVESTIGATION, COORDINATION, AND CORRELATION OF SCIENTIFIC DATA.—The Secretary shall, with a view to obtaining and making available the most advanced information concerning saline water conversion developments—

"(1) assemble and maintain pertinent and current scientific literature, both domestic and foreign, and issue periodically bibliographical data with respect to such literature;

"(2) cause on-site inspections to be made of promising projects, domestic and foreign, and cooperate and participate insofar as practicable, in their development;

"(3) provide for the calling of, and sending representatives to, national and international conferences relating to saline water conversion;

"(4) stimulate, by grant or otherwise, pioneering research in matters relating to saline water conversion by educational institutions, scientific organizations, and industrial and engineering firms; and

"(5) coordinate, correlate, and publish information obtained with a view to advancing the development of low-cost saline water conversion projects.

"(d) ECONOMIC STUDIES.—With a view to clarifying the economics of saline water conversion and thereby stimulate development, the Secretary shall undertake economic studies and market surveys to determine (1) present and prospective comparative costs of natural fresh water, and potable water by the leading saline water conversion processes in various, representative areas, and (2) present and prospective markets for saline water conversion equipment.

"Powers

"SEC. 104. (a) In carrying out his functions under section 103, the Secretary may—

"(1) acquire, by purchase, license, lease, or donation, secret processes, technical data, inventions, patent applications, patents, licenses, land and any interest in land (including water rights, easements, and leasehold interests), plants and facilities, and other property or rights: *Provided*, That the land or other property acquired hereunder shall not exceed that necessary to carry out experiments and demonstrations authorized by this title;

"(2) make research grants to and enter into noncompetitive contracts with any educational institution, scientific oragnization, or industrial or engineering firm deemed suitable to do any part of the research or other work to be carried out under this title;

"(3) acquire the services of chemists, physicists, engineers, and such other personnel as may be deemed necessary;

"(4) utilize the facilities of existing Federal scientific laboratories;

"(5) establish and operate a central laboratory and test site, serving both sea and brackish water, for the purpose of conducting the continuous research, testing, development, and programing necessary to effectuate the purposes of this title;

"(6) negotiate contracts with any States, territories, possessions, political subdivisions or agencies thereof, or publicly owned utilities organizations, hereinafter called organization, for use of organization's saline water conversion plant facilities to further the sea and brackish water conversion research and demonstration program; and

"(7) evaluate loan applications made by any State or political subdivision or agency thereof, or publicly owned public utility organization to the Housing and Home Finance Agency for the construction of saline water conversion plants for the purpose of certifying to said Agency the reliability and economic potential of the proposed process, and to make such recommendations as may be necessary as to engineering, design, and capacity of said plant.

"(b) All research within the United States which has been contracted for, sponsored, cosponsored or authorized under authority of this Act, shall be provided for in such a manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public.

"This subsection shall not be construed as to deprive the owner of any background patent relating hereto of such rights as he may have thereunder.

"Cooperation with other agencies

"SEC. 105. The Secretary shall, in carrying out the purposes of this title, cooperate with other Federal, State, or municipal departments, agencies, or instrumentalities, and with interested persons, firms, institutions, and organizations. Research activities undertaken by the Secretary shall be coordinated or conducted jointly with the Department of Defense to the greatest practicable extent compatible with military and security limitations to the end that research and developments under this title which are primarily of a civil nature will contribute to the defense of the Nation, and that research and developments in the same field which are primarily of a military nature and are conducted by the Department of Defense will be made available to advance the purposes of this title and to strengthen the civil economy of the Nation. Similarly the fullest cooperation by and with the Atomic Energy Commission and the Civil Defense Administration in research shall be carried out in the interest of achieving the objectives of this title.

"Disposal of water and byproducts

"SEC. 106. The Secretary is authorized, for the sole purpose of this title, to dispose of all water and other products produced as a result of his operations under this title pursuant to regulations prescribed by him. Nothing in this title shall be construed to alter existing law with respect to the ownership and control of water.

"Disposition of money

"SEC. 107. All moneys received for products of the plants under this title shall be paid into the Treasury as miscellaneous receipts.

"Reports

"SEC. 108. The Secretary shall make reports to the President and the Congress at the beginning of each regular session of the action taken or instituted by him under the provisions of this title. Any such report may include suitable recommendations for further legislation.

"Rules and regulations

"SEC. 109. The Secretary may issue rules and regulations to effectuate the purposes of this title.

"Authorization for appropriations

"SEC. 110. There are hereby authorized to be appropriated any unappropriated funds authorized by the Act of July 3, 1952 (66 Stat. 328), as amended (42 U.S.C. 1951), and such additional sums not exceeding $20,000,000, as may be required to carry out the provisions of this Act during the fiscal years 1961–1965, inclusive, with such funds to remain available until expended: *Provided*, That not to exceed 10 per centum of the funds available in any one year for research and development may be expended in cooperation with public or private agencies in foreign countries in the development of processes useful to the program in the United States: *And provided further*, That contracts or agreements made with public or private agencies in foreign countries shall provide that the results or information developed in connection therewith shall be available without cost to the United States for the use of the United States throughout the world and for the use of the general public within the United States.

"TITLE II—FINANCIAL ASSISTANCE FOR THE CONSTRUCTION OF CONVERSION PLANTS

"Declaration of policy

"SEC. 201. It is the purpose of this title to stimulate the construction of plants for the production, from sea water or brackish water, of water that is suitable for municipal or other beneficial consumptive uses, and thereby make maximum use of the research for the development and utilization of saline waters that is authorized by title I of this Act, and maximum use of the demonstration plant program authorized by the Act of September 2, 1958 (72 Stat. 1706).

"Applications for financial assistance

"SEC. 202. (a) Any State, or political subdivision or agency thereof, or publicly owned public utility organization (any such entity being hereinafter referred to as 'organization') may submit to the Secretary of the Interior, in such form as the Secretary may prescribe, an application for a loan, or an offer to sell to the United States securities of the organization, to finance the design and construction of a plant to produce, from sea water or brackish water, water that is suitable for municipal, industrial, domestic, or other beneficial consumptive use.

"(b) Any application for a loan or offer to sell securities hereunder shall include a showing that the organization (1) holds or can acquire, pursuant to State law, all lands and interests in land, and rights to the use of water, which are necessary for the successful construction, operation, and maintenance of the plant, and (2) is ready, able, and willing to finance by other means the portion of the cost of design and construction that is not covered by the loan application or offer to sell securities.

"(c) No application for a loan or offer to sell securities under this section shall be made in an amount which exceeds 90 per centum of the estimated cost of design and construction (exclusive of land and water costs), or $1,000,000, whichever is smaller.

"(d) As used in this section, the term 'State' includes any of the several States of the United States, the Commonwealth of Puerto Rico, and any of the territorial possessions of the United States.

"Submittal to Congress

"SEC. 203. (a) If the Secretary of the Interior approves an application or offer submitted under section 202, after finding that the proposed construction is feasible and that the loan or purchase of securities would be a reasonable risk, he shall transmit to the Congress the application or offer, his approval, and his findings.

"(b) No appropriation shall be made for a loan to, or a purchase of securities from, the organization prior to sixty calendar days (which sixty days shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which the Secretary's findings and approval are submitted to the Congress and then only if, within said sixty days, the Congress does not disapprove the application or offer by concurrent resolution.

"Terms applicable to loans or purchases

"SEC. 204. Either concurrently with the submission to Congress of an application or offer, or after the time for congressional disapproval has expired without the adoption of a resolution of disapproval, the Secretary of the Interior may negotiate and execute an agreement with the organization which shall set out, among other things:

"(1) the maximum amount of the loan or the securities to be purchased;

"(2) the time and method for making the money available to the organization;

"(3) a plan for the repayment of the loan in not more than forty years in periodic installments that need not necessarily be in equal amounts, and for the payment of interest on unamortized balances, beginning three months after the plant first commences operation, at a rate determined by the Secretary which shall not exceed the average rate of interest computed as of the end of the calendar month next preceding the date on which such loan is made, borne by all outstanding interest-bearing marketable public debt obligations of the United States having a maturity date of fifteen or more years, adjusted to the nearest one-eighth of 1 per centum; or, in the case of an offer to sell securities, a plan of redemption that is consistent with the foregoing requirements with respect to a loan;

"(4) provisions for assuring and securing the prompt repayment of the loan and interest or for the redemption of the securities; and

"(5) provisions making the liability of the United States under the agreement contingent upon the availability of appropriations for the purpose.

"Use of plants for which assistance is extended

"SEC. 205. Notwithstanding any other provision of law, the Secretary of the Interior is authorized to contract with a borrower under this title for the use of the borrower's plant facilities to further the research and demonstration programs authorized by title I of this Act, and the Act of September 2, 1958 (72 Stat. 1706), and to provide in the contract for a credit on the organization's loan, or for a cancellation of its securities, in an amount up to 25 per centum of the original amount thereof as compensation to the borrower for the use made of its facilities in connection with such programs.

"Unavailability of other financing

"SEC. 206. No loan or purchase of securities shall be made pursuant to this title if the Secretary determines that in his judgment the organization can obtain funds on reasonable terms from other sources.

"Authorization for appropriations

"SEC. 207. There are authorized to be appropriated such sums, not to exceed $20,000,000 in the aggregate, as may be necessary to carry out the provisions of this title, and any such appropriation shall remain available until expended."

Mr. JOHNSON of Texas. Mr. President, we are a nation of abundance and we are rightfully grateful for this blessing of plenty. But all too often we revel in our abundance and disregard warning signs which indicate that there are danger spots if we will only see them.

The Congress has the opportunity to recognize one of these danger spots and to begin to take steps to eliminate the problem before it reaches unsolvable proportions.

I am speaking, Mr. President, of the possibility that in 15 or 20 years, unless we act, many areas of our Nation will face crucial water shortages. These shortages will not be confined, according to the evidence we have now, to the parts of the Nation which are traditionally arid. They could easily spread, by 1975 or so, to States which have plenty of rainfall and lush hills and valleys. Water shortages could hit our great cities; our great urban areas.

The fact is, Mr. President, that if water use continues to rise at the rate of increase which we have seen in recent decades the supplies of water from natural sources will be inadequate in many areas to meet the demand for it. Water use for homes is rising as more homes are built and our population grows. Industry's thirst becomes more ravenous each year as technological processes grow in complexity and require more water.

We have plenty of water, though, if we can only find ways to use it. Twenty-four of our fifty States are on the sea coast. More than a dozen others overlay vast underground seas of brackish water that can be cheaply obtained.

But we must find a way to make this salt water useful.

The Committee on Interior and Insular Affairs has just issued a report on S. 3557, introduced by myself and 23 of my colleagues, which will provide for an accelerated program of research into ways to economically convert useless salt water into useful fresh water. I commend this report to Senators and encourage them to familiarize themselves with it.

In a letter to the chairman of the Committee on Interior and Insular Affairs, the distinguished senior Senator from Montana [Mr. MURRAY], the Secretary of the Interior said the Office of Saline Water within the Interior Department has established a goal of producing fresh water from the sea at a cost of 40 cents per thousand gallons. It will be possible to reach this goal, but many technological problems remain and only through a stepped-up program of research will we be able to perfect this conversion process before water shortages become dangerously severe.

I believe S. 3557 will strengthen this program. We have a unique opportunity to solve a problem before it reaches critical proportions. I urge Senators to support this measure. They will perform real service to their country by so doing.

The distinguished Senator from New Mexico [Mr. ANDERSON] has been very helpful in connection with this entire matter, and I wish to commend him for the action he has taken. I hope the measure will be approved by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was amended so as to read:

Whereas a serious problem exists in many areas of the country today because natural fresh water supplies have remained relatively constant while population and the consumption of fresh water have increased tremendously;

Whereas the areas in which water shortages exist may be expected to increase at an alarming rate if reliance is placed solely upon natural fresh water supplies;

Whereas, as the limit of the natural fresh water supplies is approached, this country will become increasingly dependent upon the conversion of salt and brackish waters for its supplies of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses;

Whereas the Federal Government has been conducting a limited program to develop lower cost means of converting saline waters into water suitable for beneficial consumptive purposes;

Whereas, although some significant progress has been made under that program, the answers to low-cost conversion of saline waters have not been found as yet;

Whereas a considerable expansion of a cooperative Federal program of research, development, and demonstration, and of aid to public bodies in practical application, could yield enormous dividends to the Nation in terms of lowered saline water conversion costs and new supplies of beneficial water to a growing number of needy areas; and

Whereas the future well-being and development of this country, its civil and military defense, its world prestige, and the well-being of its friends and allies in the free world, require a sharp acceleration of the national effort to develop lower cost methods of converting sea or other saline waters into water suitable for beneficial consumptive uses: Now, therefore,

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTERNATIONAL STORAGE DAM ON THE RIO GRANDE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1740, H.R. 12263.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12263) to authorize the conclusion of an agreement for the joint construction by

the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations, with amendments. On page 2, line 18, after the word "maintenance", it is proposed to insert "on a self-liquidating basis", and on page 3, line 2, after the word "such", it is proposed to insert "self-liquidating".

Mr. JOHNSON of Texas. Mr. President, the purpose of H.R. 12263 is to authorize the conclusion of agreements with Mexico for the joint construction on the Rio Grande of the Amistad Dam and Reservoir project. This will be the second major international storage dam to be constructed on the Rio Grande pursuant to the 1944 Water Treaty between Mexico and the United States.

Prior to 1944 both the United States and Mexico were prohibited by treaty from placing any obstruction to navigation in the Rio Grande where it serves as the border between the United States and Mexico. This effectively prohibited any flood-control measures across the main channel of the river, and the area on both sides of the river periodically suffered tremendous losses in lives and property from devastating floods.

The 1944 Water Treaty brought this situation to an end. By its terms the United States and Mexico agreed to act jointly to bring the Rio Grande floods under control and to conserve the waters for the benefit of the citizens of both nations. The treaty provides a formula for the division of the waters of the Rio Grande between the United States and Mexico and authorized the construction of three major international storage dams.

The first of these—Falcon Dam—was completed in 1953. Located 75 miles downstream from Laredo just above the Rio Grande Valley of Texas, this multipurpose dam has brought much-needed flood-protection and water-conservation benefits to this area. This is a highly developed agricultural area with about 1 million acres of land under irrigation and a population of some 800,000 persons, considering the development on both sides of the river.

The bill now under consideration authorizes the second dam contemplated by the 1944 treaty. Although the second dam was actually authorized by the treaty, legislation is needed because the structure will be built in a slightly different location than that specified by the treaty. And a Senate reservation to the treaty requires congressional authorization of any facilities not specifically provided for in the treaty. Therefore, this bill can fairly be regarded as authorizing a change in the location of a dam previously authorized by treaty.

The dam as authorized by this bill will have a reservoir capacity of 5.6 million acre-feet—2.1 million acre-feet for flood control and 3.5 acre-feet for conservation storage and silt retention. Of this, 56.8 percent will belong to the United States and 43.8 percent to Mexico. The United States and Mexico will each bear a proportionate share of the costs of the joint features of the project, and each country will bear the expense of land acquisition and other similar cost on its side of the river. The installation of a powerplant is authorized if and when found to be economically feasible. The total cost to the United States, not considering the proposed powerplant, will be $56.6 million on the basis of a 50-year life. The benefit-to-cost ratio on the project is at the amazingly high level of 2.2 to 1. On the basis of a 100-year life, the benefit-to-cost ratio is even higher—2.8 to 1.

Mr. President, the Amistad Dam and Reservoir project is a tremendous bargain for both the United States and Mexico. It vividly demonstrates the advantages which accrue to both countries from this mutual undertaking, for neither acting alone could provide its citizens these benefits at anywhere near this cost.

The urgent need for the early construction of this dam is to protect lives and to safeguard property on both sides of the border from the terrible floods of the Rio Grande. Not only is the 300-mile stretch of river between the Amistad Dam site and Falcon Dam completely unprotected from floods, the area below Falcom Dam badly needs the supplemental benefits Amistad will provide.

Two floods have occurred on the Rio Grande since Falcon Dam was completed which clearly show the need for this additional flood protection. In 1954, shortly after the completion of the project, a mighty flood originating from hurricane rains on the watershed above the Amistad site swept down the river into a practically empty Falcon Reservoir. In its wake, this flood left damage on the U.S. side of $18.6 million. Mexico suffered even greater property damage and an undetermined number of lives were lost. Had Falcon Reservoir not been empty, this damage would have extended to the Rio Grande Valley and would have been much greater.

In 1958, another major flood occurred on the Rio Grande. This time the conservation storage at Falcon Reservoir was nearly full, and not only was the area immediately below the Amistad Dam site severely damaged, but a major spill occurred at Falcon Dam. As a result, much damage below Falcon Dam occurred and a good year's supply of water was wasted into the Gulf of Mexico.

Practically all of this damage would have been avoided if the Amistad Dam had been built at the time, and the amount in property losses which would have been avoided would have met a large part of the dam's cost. So effective are the flood control features in this project that all but $3,000 of the present $1.86 million annual average flood damages accruing to U.S. properties will be prevented by the construction of Amistad Dam.

With savings in lives and property like these, self-interest alone requires that we not delay the commencement of this important project. But respect to our friendship with Mexico and our treaty obligation toward our neighbor makes it imperative that Congress act immediately on this important matter.

Mexico feels even more keenly than we in Texas the need for flood protection and the water conservation benefits Amistad Dam will provide. And Mexico is ready and anxious to proceed with the project.

When I visited President Lopez Mateos, of Mexico, in Acapulco in 1958, we discussed at length the benefits which would accrue from this project and agreed to work for its implementation in our respective countries. Last year, when the President of Mexico visited me at my ranch in Texas, we again discussed the importance of the project to our countries and the necessity for getting it under way soon. At that time I had the pleasure of taking President Lopez Mateos on a helicopter tour of the tremendous Lower Colorado River Authority system of dams, and he saw firsthand the wonderful benefits a highly developed multipurpose dam system brings to an area.

When the President of Mexico visited President Eisenhower in Washington last year, they issued a joint statement supporting the Amistad Dam project, and I was delighted when the President included the following statement in his budget message earlier this year:

> To carry forward the joint development of waters on the Rio Grande, construction should be started on the Amistad (Diablo) Dam, in accordance with the treaty of February 3, 1944, between the United States and Mexico. I urge the Congress to enact promptly the legislation now needed to authorize negotiations of an agreement for this construction. Funds will be requested for the U.S. share of the first-year cost of this project following enactment of the legislation.

Because of this strong support from the administration, the Subcommittee on the State, Justice, and Judiciary Appropriation Bill, of which I have the honor to be chairman, heard testimony from administration witnesses earlier this week on the appropriation needed to cover these first-year costs. I believe that the necessary funds will be provided this year if the Congress approves the bill.

Mr. President, I see no need to burden the Senate further with the details of this excellent project. It is clear that this international undertaking is urgently needed to protect lives and safeguard property both in the United States and Mexico. In addition to ending the menace of floods, it will provide badly needed water conservation storage and a source of hydroelectric power. And Mr. President, the Congress rarely sees a project with this high a benefit-to-cost ratio.

Under the 1944 Water Treaty, we are obligated to join with Mexico in the construction of this project. And Mexico is ready and anxious to perform her part of the bargain. The United States should certainly not delay in getting the project under way, and I urge the immediate passage of this bill.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. The bill was reported from the Committee on Foreign Relations. I do not intend to speak for the Foreign Relations Committee, but we were concerned about whether the power installations which will be constructed will be adequate or proper or desirable under all the circumstances. Amendments have been inserted in the bill requiring that before the plant is installed, determination will be made as to whether the cost of such plant will be on a self-liquidating basis. I believe the amendments are satisfactory and answer the objections that have been made.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table the motion to reconsider was agreed to.

EXEMPTION FROM TAXATION OF CERTAIN PROPERTY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1704, S. 3415.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3415) to exempt from taxation certain property of the American Association of University Women, Educational Foundation, Inc., in the District of Columbia.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to exempt from all taxation that real property described for assessment and taxation purposes as lot 834 in square numbered 31, situated at 24th Street and Virginia Avenue NW.—2401 Virginia Avenue NW.—in the city of Washington, District of Columbia. The above-described property is owned by the American Association of University Women, Educational Foundation, Inc., a District of Columbia corporation.

The bill provides that the exemption from taxation shall continue so long as the property referred to therein is owned, occupied, and used by the American Association of University Women, Educational Foundation, Inc., for its educational and other corporate purposes.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the real estate described for assessment and taxation purposes as lot 834 in square numbered 31, in the city of Washington, District of Columbia, owned by the American Association of University Women, Educational Foundation, Incorporated, a District of Columbia corporation, is hereby exempt from all taxation so long as the same is owned, occupied, and used by the American Association of University Women, Educational Foundation, Incorporated, for its educational and other corporate purposes, or is jointly occupied with the American Association of University Women, a Massachusetts corporation organized not for profit, for its educational and other corporate purposes, and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (56 Stat. 1091; D.C. Code, secs. 47–801b, 47–801c, and 47–801e).

SEC. 2. The tax exemption authorized by this Act shall take effect on July 1, 1960.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to table was agreed to.

STATUS OF THE DISARMAMENT NEGOTIATIONS

Mr. HUMPHREY. Mr. President, it is my view that the United States must constantly give the problem of arms control the most thorough attention and study. Such attention and study must continue regardless of whether the Soviet Union acts interested or disinterested toward the matter of disarmament, and regardless of whether the Soviet Union is calling us nasty names or is trying to sell peaceful coexistence. We cannot allow our attitude toward so serious an issue before the entire world to be determined by the smiles or frowns of our adversaries. At least the United States must always be prepared and willing to pursue disarmament seriously. That is my conviction. I believe this is in the interest of our national security.

The present negotiations of the Ten Nation Disarmament Committee, now under way in Geneva, have reached a critical state. It is unclear whether the Soviet Union wishes to continue them in a businesslike manner or whether the Soviets are primarily interested in propaganda. It is important that the United States seek to continue them if there is genuine interest to do so on the part of the Soviet bloc.

Mr. President, a series of newspaper articles have been published recently relating to this observation. For example, Mrs. Agnes Meyer, a very distinguished and well-known lady of this city, in an interview published in the Washington Post recently, stated that even at the risk of being attacked as Communist sympathizers, American women must speak out now in the cause of peace and demand disarmament discussions continue despite the summit debacle and Mr. Khrushchev's vituperative language.

I must say that Mrs. Meyer's presentation makes a great deal of sense. She is quoted as having said that it was time for the mothers of the race to assemble and serve notice on the leaders of their countries that "You are at present headed toward mass murder and catastrophe, and we emphatically object."

The article continues:

"Our country must be militarily strong as one deterrent of war," Mrs. Meyer said. "But we run the risk of being frozen into a garrison state unless these ministries of peace study the complex problem of unilateral disarmament as seriously as the ministries of defense now study the production of new and deadlier armaments."

Peace ministries could also result in conferences far more fruitful that the present ill-prepared summit meetings.

A very distinguished leader of the British Parliament was in Washington the other day, the Honorable Philip Noel Baker, a Laborite member of the British Parliament, and 1959 Nobel Peace Prize winner. He called for disarmament, urging that the free nations of the world place disarmament at the top of their international agenda.

I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an editorial which was printed in the Washington Post of Wednesday, June 8, 1960, entitled "Back to Geneva."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. The opening paragraph of the editorial reads:

The State Department is making a commendable effort to dissociate disarmament from the international donnybrook of the last month. The calm note promising "most careful and serious study" for the new Soviet disarmament proposal of course offers no more than any thoughtful plan on this subject, Soviet or Western, ought to receive. But dispassionate consideration of disarmament has been made difficult by Mr. Khrushchev's continuing verbal assaults, even though Soviet actions have not paralleled his words.

I hold in my hand an article entitled "Eaton Urges United States Revise Arms Plan," which was published in the New York Times, of June 21. The article states:

The U.S. delegate to the East-West disarmament talks at Geneva said today that the West needed a fresh approach to disarmament.

Frederick M. Eaton, who for 3 months has headed the U.S. delegation to the 10-nation conference in Geneva, made the suggestion at a meeting with Secretary of State Christian A. Herter, Secretary of Defense Thomas S. Gates, Jr., and the Chairman of the Atomic Energy Commission, John A. McCone.

Another article, also published in the New York Times, states:

Frederick M. Eaton, the U.S. representative at the East-West disarmament talks in Geneva, has put two alternatives before U.S. policymaking officials.

They are, to stand pat on the existing Western plan and continue studying the Soviet position, or to pick out four or five aspects of rearmament in which the Soviet Union has shown an interest and propose joint technical studies of them.

The most promising areas for study are thought to be an agreement that would ban orbiting space vehicles equipped with nuclear weapons; organization of an international control organization to inspect disarmament measures; international peacekeeping machinery that would operate once disarmament measures had taken effect, and a study of a cutoff of the production of nuclear materials for weapons.

Ever since March 15, a disarmament conference consisting of five Western nations—the United States, Great Britain, Canada, France, and Italy—along with five nations of the Soviet bloc—the U.S.S.R., Poland, Rumania, Bulgaria, and Czechoslovakia—have been discussing their disarmament proposals in Geneva.

Little or no progress has been made. The Soviet bloc nations have talked about complete and general disarmament in 4 years, along the lines of Premier Khrushchev's proposal to the United Nations last September 17, 1959, but have said little about the important details and prerequisites of successful disarmament. They use the word "control" but have said little about what this actually would mean in practice. They have ignored the pleas of the Western nations to get down to specifics. The Soviet bloc has said little about the maintenance of peace under conditions of substantial disarmament and has just about ignored the matter of extending international law so that when disputes do arise, nations will be willing to refer them to an international court or other impartial tribunals for arbitration. In short, the Soviet bloc has talked a great deal about eliminating weapons. They have talked very little, if at all, about how they will be eliminated and the means by which nations can live and settle their differences in peace.

The Western Powers presented a disarmament plan to the Ten Nation Disarmament Committee on March 15. It stressed the need for verification of each disarmament measure. But since the Western nations had not determined what verification measures would be needed, their disarmament plan recommended in the initial stages mostly joint studies with the Communists on how control might be brought about. We did propose to freeze force levels for the United States and the U.S.S.R. at 2.5 million. This is an oft-repeated suggestion. Beyond that, however, we were not prepared to do much actual disarming without further study on the question of verification and control.

The Western plan touched on the subject of the preservation of peace under conditions of substantial disarmament. But here again no concrete steps were suggested without more study first.

The essence of the Soviet plan was lots of talk about disarmament, little control, and no study.

The essence of the Western plan was lots of study, a bit of control, and an uncertain and indefinite amount of disarmament.

I believe that that is just about as capsule a kind of explanation as can be given on this complicated subject.

This was the situation before the collapse of the summit. I mention the intervention of the summit because the Ten Nation Disarmament Committee adjourned for several weeks to await the outcome of the summit. The diplomats of the countries involved had suggested that a discussion of the disarmament problem was to take place. This was to be the major item on the summit agenda.

I will recall the visit of Chancellor Adenauer to the Capitol and his visit with the members of the Committee on Foreign Relations. In response to a question I asked him as to what should be discussed at the summit, he said that the one item above all else should be disarmament.

It was at least hoped that out of the proposed summit conference, basic ground rules and a frame of reference in which the 10-nation disarmament conference would function would be agreed upon. It its nothing short of a tragedy that the summit conference was broken up, because it could have offered at least some possibility for guidelines to disarmament.

SOVIET PROPOSAL OF JUNE 2

When the Ten Nation Disarmament Committee reconvened on June 7 it was presented with a revised Soviet proposal which had been made public on June 2. The Soviet Union said if the summit meeting had been held its disarmament proposal would have been presented there. This Soviet proposal contained several features which were substantially different from the Soviet proposal of last September.

I have entered into the RECORD an analysis of these differences, and have submitted to the Senate a study of the proposals offered by the Soviet Union, first, in September, by Khrushchev; second, in June 1960, by Khrushchev; and third, the Western proposal of March 15, 1960. The differences have been carefully analyzed, so that they will be obvious to any student of the question.

First. It had more detail on control measures and it includes some comment on control in each of its three stages.

Second. It did not call for the immediate abolition of nuclear weapons—a common feature of other Soviet proposals—but instead it proposed a joint study of how to control a cutoff of production of nuclear weapons.

Third. It proposes that all the means of delivering nuclear weapons be abolished in the first stage of disarmament. This was intended to resemble the French idea, presented by the great French specialist in disarmament, Mr. Moch, of giving priority to controlling and reducing weapons delivery systems.

Fourth. It suggests a joint study of ways to maintain international peace under conditions of disarmament, including the use under the auspices of the U.N. Security Council of an international police force.

Fifth. It defers reductions in armed forces from the first to the second stage, and it also omits specific mention for the first time, of what force levels Communist China should be restricted to, an omission which had been made in all Western proposals since 1956.

Sixth. The Soviet proposal contemplates that decisions of substance in a new International Disarmament Organization would be made by a two-thirds majority. This gives the impression that unanimity, that is, the veto, would be abandoned, although there is the possibility that the Soviets have in mind a hidden veto, depending on the composition of and the number of Communist states in the International Control Organization.

The six points I have cited convey a general impression of conciliation. On reading the total proposal one is at least tempted to the conclusion that the Soviets have, in this proposal, moved closer to the position of the Western Powers. But there is an inconsistency. The Soviets do not combine the tabling of their proposal with words: "Let's get down to business." They do almost the opposite.

SOVIET INTENTIONS UNCLEAR

The Soviets are acting as if nothing can be done until the Western Powers produce a formal reaction to the June 2 proposal. They seem to be waiting. It was this to which Mr. Eaton referred in the news articles which I read into the RECORD.

One does not know whether the Soviet Union has submitted a proposal for the purpose of serious negotiation or for the purpose of breaking off the talks. If the Soviet Union breaks off the talks within the next few days or weeks, we shall know that the Soviets are more interested in making propaganda in the United Nations than in making progress on disarmament.

By the way, I am certain the whole world will know that.

Many Senators read, no doubt, that the chief negotiator for the United States, Mr. Frederick Eaton, returned to Washington in the past week for possible further instructions regarding the course of the negotiations. I have not had an opportunity to discuss this situation with Mr. Eaton. The Disarmament Subcommittee, however, conducted a hearing regarding the negotiations at which Mr. Farley, Special Assistant to the Secretary of State for Disarmament and Atomic Energy, and Mr. John Irwin, Assistant Secretary of Defense for International Security Affairs, testified. I have also discussed the recent developments with a number of experts in the field and have paid particular attention to recent statements coming out of the Soviet Union and Communist China.

As a result of these various discussions and study, I wrote to the President offering certain suggestions. I hesitate to offer suggestions to the President during the course of negotiations. He presumably has so many experts and officials on which to call. Yet, we have witnessed within the past months and years a great lack of ideas and proposals in the field of foreign policy and particularly with respect to the matter of arms control.

LACK OF U.S. INITIATIVE

It disturbs and perplexes me that in view of the crucial nature of the arms

control problem the administration consistently fails to take the initiative. Probably one of the explanations is that this question has not been taken seriously enough throughout the national security structure. Therefore, no matter how much the President may desire to seek progress toward disarmament, his subordinates do not follow through with the kind of dedication, study, and thoroughness which the situation requires.

My letter to the President contains a suggestion regarding the substance of the negotiations, and it contains a suggestion regarding procedure.

I shall first discuss the suggestion relating to the question of substance.

PROPOSAL FOR FIRST STAGE DISARMAMENT

Earlier in my remarks, I mentioned that the Soviet proposal of June 2 contained, in a distorted way, a proposal that has been of interest to the French. The French have wanted to give priority to the major weapons delivery systems. This, of course, would include such things as missiles, aircraft, tanks, submarines, and any other vehicle by which explosions are delivered to a target.

The Soviets picked up the French idea, but made it into a much more extreme proposal; that is to say, the Soviets proposed that in the first stage of disarmament, all major weapons-delivery systems would be abolished. Furthermore, they proposed that all foreign military bases be dismantled. I say this is a much more radical proposal, and one which on its face would be unacceptable to the United States. In the first place, with respect to the Soviet proposal to dismantle foreign military bases, the Communists, no doubt deliberately, frame their proposal in a way which is unacceptable to the United States. It seems to me—and I urge upon the Senate a careful analysis of this matter—that a base is a base, regardless of where it is located. So long as vehicles can be launched from a base for aggression or for defense from aggression, it does not matter where the base exists. We must keep in mind that the Soviet-Sino empire stretches over almost half the surface of the earth—from central Europe, across the entire land mass of Eurasia, to North Korea, China, and North Vietnam. This empire contains bases in two continents; and from these bases an attack could be launched on all continents and all countries.

Of course, Mr. President, the Soviet Government never refers to foreign bases in its possession. It always acts as if its forces were carefully tucked away within the legal jurisdictional limits of the Soviet Union itself. The constant attack by the Soviet Goverment on the United States, by means of charges about foreign bases, is made in such a way as to give the impression that only the United States has foreign military bases, and that the Soviet Union has none, whereas it is, of course, well known throughout the world that the Soviet Government is maintaining military bases in Poland, Czechoslovakia, Albania, Siberia—which is within the land area of the Soviet Union itself—China, North Korea, and in other areas of the Sino-Soviet bloc.

In my letter to the President, I stressed that if the United States and other free world nations were to have their bases subject to regulation—which is the Soviet proposal—control, or even perhaps abandonment, the bases of the Soviet bloc would also need to be similarly regulated, controlled, or abandoned.

With respect to the control of some delivery systems, the United States and other countries, so far as I can tell, have not done their homework. No nation has, as yet, submitted a plan for control. In particular, we do not have any plan for the control and elimination of missiles and missile sites. Consequently, all nuclear weapons delivery systems could not at this time be abolished in a first-stage disarmament program.

But the fact that we do not know enough about controlling some delivery systems does not mean, it seems to me, that we cannot do anything about any of them. Of course, one of the first things we can do is step up our study of the best ways and means of control, which some of us have advocated—in other words, a greatly intensified arms-control research program. I have advocated the expenditure of funds for studies of arms control. I have advocated the establishment of a special agency, either as a separate agency under the immediate jurisdiction of the President or as an agency within the Department of State, so that the scientific talents and the engineering abilities of this country could be concentrated in an agency which would make plans, and would have as its responsibility the making of plans, for the control and extension and supervision of disarmament, as well as plans for disarmament.

I believe there are some delivery systems which would be easier to control now than others.

I have proposed, therefore, that the United States seek to negotiate an agreement which would combine three elements.

First, I suggest that all future production of long-range bombers be prohibited under effective inspection and control safeguards. This means both ours and theirs. This is not a unilateral proposal; it is a multilateral proposal. This would halt the production of one of the major means by which nuclear bombs can be delivered. Although I do not pretend to have any blueprint for a control system, I do believe this problem is sufficiently uncomplicated to make it possible for the control system to be negotiated, if the powers at the conference table elected to curtail this method of weapons delivery. I pointed out that this relates to future production. At this point it does not relate to abolition of the means we now have in our possession—which, of course, today are a deterrent to aggression, and are a vital part of our defense structure.

INSPECTORS AT ALL AIRBASES

At the same time I think—and this is my second point—the United States should also propose that international observers or international inspection teams be stationed at all military airbases. With inspectors at all military airbases, the likelihood of a major surprise attack with the aircraft in existence would be decreased.

It may be recalled that some years ago President Eisenhower suggested the so-called open skies plan and proposed that there be an exchange of information in regard to bases in the respective countries. I recall that when Mr. Stassen was working under the President, that proposal was taken up and was given consideration in the United Nations. I remember at that time visiting at the United Nations, and visiting its exhibits in the Carnegie Institute building, where exhibits of aerial photography were shown in detail, and exhibits in regard to the proposal for the open skies plan were set forth, for all to see. That proposal was made on the basis of considerable imagination, but it was not exactly new, for it had been proposed some years before. But it was then given Presidential emphasis; and, as such, it commanded attention throughout the world.

Therefore, I suggest that since the Soviet Union seems to be indicating—at least, on paper—some interest in the control of nuclear weapons, we might make to the Soviets a counterproposal, and might relate it to the production of long range bombers, and might couple with it the establishment of international inspection teams to be stationed at all military airbases.

Such a step would not remove the threat of an attack by missiles. It would minimize the possibility that an attack could be secretly launched by means of utilizing major airbases throughout the world. If these two steps, which deal with the problem of controlling major delivery systems and the problem of surprise attack, could be successfully negotiated, I believe a third element should be joined with them.

JOINT STUDY OF NUCLEAR WEAPONS PRODUCTION BAN

My third point, therefore, is that along with the negotiation of a first-step agreement to stop production of long range bombers and to place international inspectors at all military airbases, we conduct with the Soviet bloc a joint study of the ways and means by which we might stop the production of fissionable material for weapons purposes. In this way we would be seeking to control not only the weapons delivery systems, but, eventually, the nuclear weapons themselves.

Mr. President, I do not think this suggestion is original. It has previously been proposed. But I think its timeliness as of now makes it particularly pertinent.

Mr. President, this suggestion combines elements of the Soviet proposal of June 2, elements of the United States and Western proposal of March 15, and elements of proposals of the French. I sincerely believe this represents a synthesis of interests on the part of the major powers sufficient to make it possible for the negotiations to continue and to be fruitful.

I come now to my suggestion to the President dealing with procedure.

PROBLEM OF COMMUNIST CHINA

This suggestion on procedure concerns the matter of Communist China. Many

Western observers have noticed that at precisely the time which the Soviet Union was presenting its interesting disarmament proposal of June 2, the Chinese Communists were issuing statements more bellicose than usual.

I may add that in the past few days the newspapers in the United States have been reporting one statement after another by Communist China which indicate that the Chinese are taking a hard line of intransigence and almost belligerence. The other day Communist China repudiated the doctrine of coexistence. At a later date I intend to place before my colleagues a review of what I believe is a substantial conflict of policy between Communist China and Premier Khrushchev. I believe a very serious situation is developing between those two countries and their leaders. I also believe that within the Soviet Union Mr. Khrushchev has very serious opposition on the matter of being able to deal at all with the West.

There is a force in the Soviet Union that is dogmatic, that is doctrinaire, that looks upon the Stalinist Communist philosophy as the one to be pursued. There is the Molotov gang, so to speak, within the Soviet Union, that is perfectly willing to break off all possible negotiations with the West.

I think Mr. Khrushchev is fighting for his political life inside the Soviet Union. On the one hand, he has been resisted inside the Soviet Union by the hard core of the Stalinist bloc, and he is being attacked from the outside by the neo-Stalinists, the hard core of the Chinese Communists, and finds himself literally between the pincers of the most dogmatic, doctrinaire Communists.

This is not to be interpreted as meaning Premier Khrushchev does not want to extend Communist domination. Oh, yes, he does, but in a different manner. He has sought to do it in a less belligerent manner than that advocated by the hard core of the rightwing of the Communist Party inside the Soviet Union and, apparently, the Communist leaders inside China.

Listen to this. On June 7 the Peiping government stated that:

> Only with the people of all countries of the world waging unremitting struggles and isolating to the greatest extent the imperialists headed by the United States, will it be possible to compel the imperialist countries to sit down to earnest disarmament talks, to put off and even stop imperialism's plan for starting a new world war and to insure world peace.

Another quote from Peiping says:

> The postwar history of the struggle for disarmament shows most clearly that the aggressive nature of imperialism will never change, and that, so long as imperialism exists, the people of all countries can by no means relax their vigilance against the danger of war. But we cannot say that war can be eliminated forever at present, or that there exists at present the practical possibility of fundamentally eliminating war from life of modern society. To spread any unpractical illusion about peace will only lull the vigilance of the masses of people, and will only be favorable to the imperialist schemes of preparing for a new war and be unfavorable to the cause of world peace.

I might add that if the word "imperialism" were taken out of that quotation, and the word "communism" were substituted, we would hear some people in the United States saying the same thing. But what did the Chinese Communists say in this statement? I repeat:

> But we cannot say that war can be eliminated forever—

That is against Mr. Khrushchev. Later they say—

> or that there exists at present the practical possibility of fundamentally eliminating war from the life of modern society. * * * To spread any unpractical illusion about peace will only lull the vigilance of the masses of people.

Mr. President, whom do you think they are talking about? Mr. Khrushchev. They are accusing Mr. Khrushchev of trying to lull the masses of people into forgetting the dangers of the so-called imperialist West, according to the Chinese Communists.

Another statement emanating from Communist China was made on June 9 by Liu Ling-i, president of the All-China Federation of Trade Unions.

This is a Chinese Communist, a spokesman for the Communist bloc unionists, one whose words are heard more and more in the councils of the Communist-dominated labor unions. He said:

> War could be prevented and world peace safeguarded only when all the peace-loving forces of the world unite to wage a resolute struggle against U.S. imperialism and its lackeys.

He further stated:

> No talks in any case can take the place of the struggle of the working class and the mass of the peoples in different countries.

On June 8 there was also broadcast from Communist China a speech by Liu Chang-Sheng, vice president of the World Federation of Trade Unions. He said:

> There are people who believe that such a (disarmament) proposal can be realized while imperialism still exists and that the danger of war can be eliminated by relying on such (disarmament) proposal. This is unrealistic illusion.

To whom are they referring, again? They are referring to the two statements of Mr. Khrushchev, one in the United Nations and one on June 2, in which Mr. Khrushchev indicated, by words and on paper, that there can be some agreement on disarmament. What do the Chinese Communists say? There can be no agreement. This is the situation which confronts us on this day, June 24, 1960. This Communist leader went on to say:

> Only when the Socialist revolution is victorious throughout the world can there be a world free from war, a world without armament. History has confirmed, and will continue to confirm, this.

I could go on and cite other aggressive and bellicose statements which have emanated in recent days from Communist China. These statements throw doubt, great doubt, on whether the Chinese Communists are the least bit interested in trying to preserve world peace and to work for a world in which force is no longer used to gain one's way and to suppress the will of free peoples.

I happen to believe that the most dangerous, aggressive force in the world today is Communist China. I have said on the floor before—and I repeat it because, regrettably, I think I shall be proved right—that it is from the Chinese Communists that the free world faces danger. There will be continued infiltration into the borders of India. There will be attacks on the offshore islands of Formosa. There will be a stepped-up propaganda war by the Chinese Communists. There will be attempts by the Chinese Communists to extend their power and penetrate more deeply into Outer Mongolia and Tibet.

We can expect trouble in the months ahead from Communist China. I read in the newspapers that Communist China is massing troops along the disputed border area between India and China. When President Eisenhower was in the Pacific area, there was a terrible bombardment of the offshore islands of Quemoy and Matsu. We can expect this crowd to be militantly aggressive. Therefore, the proposal I make has some merit.

We in the United States do not know with any certainty whether there exists a genuine difference of approach between Mr. Khrushchev and his followers in the Soviet Union and the Chinese Communist hierarchy.

I think there is a difference, and I have been studying it carefully, particularly since my interview with Mr. Khrushchev. I had reason to believe in that interview that there were differences, even though Mr. Khrushchev was careful to conceal that there were differences; but in recent weeks it is obvious that there are.

For myself, I tend to think there is a genuine difference that has been manifested particularly in recent weeks and months. But we should not merely speculate on this subject.

The cause of world peace, the cause of arms control, the cause of freedom, and the cause of reduced international tension all demand that we find out whether the Chinese Communists reject all efforts to consider the control and reduction of their armaments. We must, sooner or later, determine whether the Chinese Communist leadership wishes to frustrate the desire of the people of all nations for peace. I have proposed, therefore, that the United States request the Soviet Union to invite the participation of Communist China in the Ten Nation Disarmament Committee. I believe that the United States must pursue every opportunity to reach agreement, safe and effective agreement, on arms control. But we have reached a point where we cannot continue much longer to view the disarmament question seriously without obtaining greater information than we now have on the willingness of the Chinese Communists to disarm. It would be foolhardy for the United States to enter into any substantial disarmament agreement without the inclusion of Communist China.

It is true that there are, no doubt, some arms control measures that the United States might enter into with the Soviet Union without the participation

of Communist China, but these are limited. We must now determine whether the Soviet Union wants Communist China to participate in the disarmament talks, and consequently subject its armies and armaments to reduction and control. We must also determine whether Communist China itself is willing to participate.

My view that Communist China should be included in the disarmament discussions is not related to the question of diplomatic recognition. As far as I know, neither thhe United States nor the Chinese Communists want recognition of each other, at least at this time. But the security of the United States requires that we determine whether the Chinese Communists want to pursue a warlike course, or whether they can be persuaded that war will get them nothing but defeat and, therefore, they must pursue with us the course of peace.

Mr. President, I think this Nation cannot seriously and constructively pursue disarmament talks at Geneva ignoring 700 million people in Communist China, ignoring at least the third most powerful nation on the face of the earth. Really, it is childish, it is immature, it is irresponsible to pursue disarmament discussions without insisting on, or at least making an honest attempt to, bring Communist China into the scope of those discussions.

Does anyone seriously think the U.S. Senate would ratify a disarmament agreement of any sizable nature or scope which did not affect the arms and the military power of Communist China? Our entire position in the Pacific area would be jeopardized. The United States of America would lay itself open to attack, and possible serious injury.

The suggestion which is made is, I think, in the national interest, in terms of national security.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of my letter to the President of the United States.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 22, 1960.

THE PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: As chairman of the Senate Foreign Relations Subcommittee on Disarmament, I have watched closely the course of the negotiations at Geneva of the Ten Nation Committee on Disarmament. I have analyzed the Soviet proposal of June 2 and have compared it to the proposal of the Western Powers of March 15.

As a result of this study, may I respectfully suggest that the United States should take further initiative in the disarmament negotiations. The Soviet proposal of June 2 moves closer to the Western position on disarmament. In view of this development, it is important that the United States reexamine its own position to determine what counterproposals should be advanced in the Ten Nation Disarmament Committee.

The long-range security interests of the United States demand that we keep trying to find areas of agreement in arms control. Furthermore, the United States should demonstrate at all times our desire to achieve agreement by keeping an open mind and by being receptive to new suggestions and proposals.

I respectfully present for your consideration two suggestions regarding the U.S. position on disarmament.

The first concerns the question of military bases and weapons delivery systems. In the Soviet proposal of June 2 all major weapons delivery systems would be abolished and all foreign military bases would be dismantled in the first stage. This proposal is a distortion of a proposal made originally by the French to give priority to the control and reduction of major delivery systems. I do not think we can at this stage eliminate missiles without much more knowledge in the matter of control than we apparently now have. We can, however, accept the principle that some control and reduction over delivery systems could take place in the first stage if the Soviet Union agreed to consider other matters simultaneously. Specifically, we could propose to the Soviet Union that we are prepared, (1) to accept international observers at all military airbases; and (2) to enter into an agreement to stop all production of long-range bombers under effective control and inspection safeguards. In addition, we should ask for a joint study to consider appropriate controls over a cutoff in the production of fissionable materials for weapons purposes.

Such a proposal would be an important move, in my opinion, toward the prevention of surprise attack and it would be an important step in the actual reduction in the production of one of the major weapons delivery systems. In proposing such a step, it is essential the United States emphasize that a military base is a base regardless of where it is located. The United States maintains bases in cooperation with friendly countries as a means of mutual protection against aggression. Therefore, the United States cannot contemplate the dismantling of free world's military bases unless the military bases of the Soviet bloc are also included.

I believe that the above proposal represents a realistic response to the Soviet Union. If successful it would point to the possibility of taking other steps. I urge that it be given serious consideration.

My second suggestion concerns the fact that Communist China is not a part of any of the disarmament negotiations now under way. The United States would greatly jeopardize its security if it entered into any substantial arms control arrangement that did not include Communist China. I believe the United States, if it is going to continue to pursue disarmament negotiations in a serious manner, must determine whether the Chinese Communists are prepared to have their armaments and armies subject to reduction and control in addition to those of the Soviet Union and the other members of the Sino-Soviet bloc. Recent statements broadcast from Communist China, as well as its actions, throw doubt on the interests of the Communist regime in attempting to reduce the threat of war and decrease international tensions in Asia.

I believe, therefore, that the time has come to ask the Soviet Union as the leader of the Sino-Soviet bloc to invite the participation of Communist China in the disarmament negotiations. Since this would make the two sides unequal the Westerns Powers may wish to add one or more countries to their side or perhaps the Soviet Union should remove one of its satellite delegations from the conference table. But regardless of how it is done, I believe that the United States must now learn whether the Chinese Communists are prepared to treat the disarmament problem seriously.

As one who supports your efforts in the field of disarmament, I believe that now is the time for the United States to undertake further initiatives on this crucial question. It is in this spirit that I offer these suggestions for your consideration.

Respectfully,

HUBERT H. HUMPHREY.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. Would not the Senator agree that a similar situation pertains with respect to the conference on nuclear weapons tests discontinuance?

Mr. HUMPHREY. Yes. The Senator and I have discussed this matter. The Senator from Tennessee has ably and precisely pointed out two things. First, the Chinese Communists may well be within what we might call reaching distance of the perfection of a nuclear weapon in the near future. Second, if that is the case, the Red Chinese must be included within the scope of a nuclear test ban agreement. In fact, even if the Red Chinese do not have nuclear weapons I think they ought to be included, because Red China could be an "escape hatch" for the Soviets.

Mr. GORE. We can no longer pretend that these people do not exist.

Mr. HUMPHREY. I should say we cannot. In fact, they will not let us. They continue to make considerable noise. Occasionally they drop a small bomb inside the kitchen. They even greet the President of the United States with open hostilities, by firing cannon and bombarding positions in a friendly country.

Mr. President, I ask unanimous consent that a news clipping from the Washington Post and Times Herald of June 22, entitled "Soviet Agrees, in Part, to West Control Plan," be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET AGREES, IN PART, TO WEST CONTROL PLAN

GENEVA, June 21.—Soviet Delegate Semyon K. Tsarapkin today partly accepted a Western proposal on the control organization to supervise a nuclear test ban.

Tsarapkin told U.S. Ambassador James J. Wadsworth and Sir Michael Wright of Britain he agreed to their proposal that the control organization should be headed by an administrator elected for 3 years, with a deputy serving 2 years.

He added, however, that the Soviet Union wanted the administrator to have not only one deputy but three, including a chief deputy who would step in if the administrator became incapacitated.

Under the new Soviet proposal the chief deputy administrator would be appointed by mutual agreement among the Big Three nuclear powers. The West and the East would each appoint one of the other deputy administrators.

The West proposed last May that the administrator should have only one deputy to be appointed by the control commission. Tsarapkin did not explain what functions the additional two deputies would perform.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that a news clipping from United Press International of June 8, from Geneva, entitled "Probe Begins at Geneva—West Sees Holes in Red Arms Plan," be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WEST SEES HOLES IN RED ARMS PLAN

GENEVA, June 8.—The Soviet Union used some Western ideas in its new disarmament blueprint but twisted their original meaning, Western diplomatic sources said today.

They said that during the next few weeks at the 10-nation disarmament conference the 5 Western nations will try to determine if and how much the Communists are willing to untangle their proposals and talk about first things first.

STAMPS

British Minister of State David Ormsby-Gore hoped to start this process today if he could break through an expected series of speeches from Communist delegates expressing rubber stamp approval of the Soviet plan.

After a first review of the Soviet plan, presented formally to the Conference when it reconvened after a 5-week recess yesterday, Western diplomats saw these apparent changes in the Russian position:

Moscow now accepts that outer space should be placed off limits to weapons of mass destruction.

Moscow now accepts that something must be done at the beginning of disarmament to restrict the means of delivering nuclear warheads.

Moscow now accepts the principle of an international police force to keep the peace after disarmament.

But the differences that remain to be bridged still are enormous, primarily because of the conditions the Russians attach to each of these points.

The West argues that an outer space weapons ban could be easily policed by 30 men and should go into effect immediately. Moscow links it to the complicated destruction of all means of delivering nuclear warheads, liquidation of oversea bases, and withdrawal of troops to within their own frontiers.

The West considers control of the means of delivering nuclear weapons could begin with prior notification of all proposed missile shots, a study of a control system and simultaneous cut-off of fissionable materials for military uses. The Russians want to scrap all means of delivering nuclear warheads within 12 to 18 months, and talk about controls later.

The Soviets want the international police force placed under control of the Security Council, where they could use the veto. The West says it should be more independent.

Mr. HUMPHREY. Mr. President, I today received a letter from the Atomic Energy Commission, signed by Mr. John A. McCone, which I think is relevant in this discussion. I mentioned in my speech today that we had a hearing of the Senate Subcommittee on Disarmament at which Mr. Farley of the State Department and Mr. Irwin of the Department of Defense were present. During that hearing I asked some questions relating to a recent column written by Mr. Joseph Alsop. I have the column, dated June 8, published in the Washington Post and Times Herald, entitled "The One Big Decision."

The column reads as follows:

The Chairman of the Atomic Energy Commission, John A. McCone, is convinced that the Soviets are already violating the voluntary moratorium on all nuclear tests, by conducting secret and undetectable tests underground. With his usual forthrightness, McCone has voiced his conviction to the American policy makers and to his British opposite numbers as well.

This remarkable fact, ascertained in London, rather sharply underlines the importance of the one big, independent decision that President Eisenhower still has to make before he leaves the White House. The President may have other decisions forced upon him, by renewed Communist aggression at Quemoy, for instance. But the failure of the summit has left him with nothing to decide on his own hook, except the much disputed question of renewed American nuclear testing.

Few really major American policy decisions in recent history have been so little understood by all those beyond the inmost policy-making circle. The major factors may be tentatively listed as follows:

First, the scientists, with their usual hideous industry, have found new ways to conceal nuclear tests underground, mainly by running the tests in big holes. This deadens the earthquakelike effect of the explosion. Hence the Soviets may well be cheating the test moratorium, as Chairman McCone believes, provided they already have the big holes, which almost no one else believes.

Second, these methods of concealment have made a mockery of the Geneva system for policing a ban on nuclear tests, which has already been agreed upon in principle by the Soviet and Western negotiators. Even the British, who are the most urgent advocates of a ban on tests, now admit that the Geneva system can be fooled by weapons with a power up to 150 kilotons. This means that a completely new strategic weapons system can be developed, in miniature, by concealed tests.

Third, the President, at his last Camp David meeting with the British Prime Minister, therefore obtained Macmillan's support for jointly conducted underground nuclear tests, aimed to discover the best ways of improving the Geneva policing system. At Geneva on May 3, the Soviet negotiator, Semyon Tsarapkin, also gave his Government's consent in principle to joint tests for research purposes.

Fourth. Tsarapkin has now withdrawn his consent, by the simple device of insisting that the Soviets must "look into the black box." American law forbids showing a bomb to the Soviets, even in a joint test with no aim for scientific research.

Fifth, Tsarapkin thus seems to have reversed the position taken by Soviet Foreign Minister Andrei Gromyko after the failure at the summit. In their farewell talk, Gromyko told British Foreign Secretary Selwyn Lloyd that he still hoped for useful fruit from the nuclear test negotiations, although he condemned the disarmament negotiations as fruitless.

Sixth, the British still cling to their former hopes for a treaty banning nuclear tests, however ineffectively policed. They argue that the risk will not be excessive if the treaty's duration is only 2 years; and they think that the political gain from such a treaty may be considerable. Therefore, they will almost certainly oppose any resumption of American underground tests, even for research purposes. They fear, in fact, that this step will finally disrupt the already palsied negotiations at Geneva.

Finally, Chairman McCone not only insists that the moratorium on tests cannot be left in force indefinitely, because of the ease with which the Soviets can cheat. He also insists that underground tests for research purposes are urgently needed, since there is no other means of finding out how to improve the Geneva protection system. Together with every other American policy-maker headed by the President, McCone further insists that this country cannot sign a treaty which has no provisions for reliable policing.

Such is the appalling tangle, from which the President is going to have to pull out the thread of decision. If he decides not to resume underground testing for research, he will in effect decide to defer an effective treaty. There can be no effective treaty until more is known about policing underground tests.

If he decides, on the other hand, to resume testing for research, he will surely have a major row on his hands, both with the Soviets and the British. And all the while there is the danger of Soviet cheating, so strongly emphasized by Chairman McCone, which requires examination in a second report.

The first paragraph of that column states quite clearly and definitely:

The Chairman of the Atomic Energy Commission, John A. McCone, is convinced that the Soviets are already violating the voluntary moratorium on all nuclear tests, by conducting secret and undetectable tests underground.

The column further says:

With his usual forthrightness, McCone has voiced his conviction to the American policy-makers and to his British opposite numbers as well.

That is quite an assertion, Mr. President. As the chairman of the subcommittee which has been working on the subject of nuclear test suspension for 5 years, and as one who has respect for Mr. McCone, who occupies a very important position as Chairman of the Atomic Energy Commission, I decided that the statement in the column ought to be examined, to determine whether such a statement was ever made by Mr. McCone and to determine whether Mr. Alsop was in fact telling the truth. I inquired at the hearing.

Mr. President, I read from the transcript of the inquiry at the hearing.

I was speaking to Mr. Farley:

Senator HUMPHREY. Let me ask you this: There has been a rumor circulating pretty freely here in the Congress to the effect that the Soviet Union has been exploding nuclear weapons underground, and that the White House has information to this effect.

Mr. FARLEY. I don't know of any information to that effect. The hard fact is that we have no way of assuring ourselves they have not.

Senator HUMPHREY. I know, but do you have any reason to believe that they have been conducting these explosions?

Mr. FARLEY. We have no information to indicate that they have.

Mr. IRWIN.—

He is the Assistant Secretary of the Department of Defense for International Affairs.

I would say that (1) the Russians have the capability of testing without our being able to detect it. (2)——

Senator HUMPHREY. So do we, don't we, without their being able to detect it.

Mr. IRWIN. I think not, sir.

Senator HUMPHREY. You don't think we have the capability of testing without their knowledge?

Mr. IRWIN. I think in our free society it would be almost impossible to conduct nuclear tests without being detected.

Senator HUMPHREY. You do. I don't know anything about the U-2 plane incident and that was in our free society. I don't think anybody else did either. If so, they weren't talking about it.

Mr. IRWIN. That is a different dimension than a nuclear test, with the atmospheric detection capabilities that are available to the world today, with our own U.S. seismic posts, I don't say it is impossible, but I think it is extraordinarily difficult for that type

of testing to be conducted by the United States and remain secret.

Senator HUMPHREY. Isn't the signal similar to the earthquake signal as some people say?

Then proceeds a discussion of the possibilities of these tests.

Mr. President, I refer to a further inquiry of these two witnesses.

Senator HUMPHREY. I just want to get it on the record. I have heard a plethora of rumors around here from some committee or from the White House to the effect that the President has some information that the Soviets have been testing.

There are groups of people in this country who are making deliberate attempts to try to scuttle this conference in Geneva. My position is very open; I am against scuttling it. I think it is to our advantage to pursue the conference. If we had started pressing these negotiations with the Soviets 5 years sooner or even earlier we would have been much better off than we are now.

Mr. Alsop writes in his column: "But no less a person than the able chairman of the Atomic Energy Commission, John A. McCone, is convinced that the Soviets are already holding secret tests, as already reported in this space, and if McCone is correct, this is no trivial matter."

I then asked Mr. Irwin:

Mr. Irwin, let me ask you this: Do you think Mr. McCone is convinced the Soviets are already holding some secret tests?

Mr. Irwin responded:

Sir, I would have to defer to Mr. McCone.

Senator HUMPHREY. Do you sit in on these consultations relating to Government policy on these matters?

Mr. IRWIN. I often do; yes, sir.

Senator HUMPHREY. Have you ever heard Mr. McCone say he is convinced that the Soviets are holding secret tests?

Mr. IRWIN. Sir, I would much prefer not to do that to give an uncertain memory of a statement like that.

On the part of Mr. McCone, I would say it would not surprise me if the Russians are testing but I personally have heard from no source that they are.

Senator HUMPHREY. Did you ever hear Mr. McCone say they were holding secret tests?

Mr. IRWIN. No, sir.

Senator HUMPHREY. Mr. Farley, did you ever hear Mr. McCone say the Soviets were holding secret tests?

Mr. FARLEY. No, sir; I don't recall his saying that.

Senator HUMPHREY. Have you ever heard the Secretary of State say so?

Mr. FARLEY. No, sir.

Senator HUMPHREY. Are you in charge of these negotiations, or is the AEC in charge of them?

Mr. FARLEY. I am in charge of the backup in charge of Mr. Herter.

Senator HUMPHREY. The State Department is responsible?

From this point on we have a continuation of the discussion relating to the Alsop article. I have a copy of my letter to Mr. McCone dated June 14, 1960, and a letter dated June 23, 1960, to me from Mr. McCone, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 14, 1960.

Hon. JOHN MCCONE,
Atomic Energy Commission,
Washington, D.C.

DEAR MR. MCCONE: I enclose for your information two recent articles by the columnist, Mr. Joseph Alsop. You have, no doubt, seen these articles since they deal with the negotiations for the discontinuance of nuclear weapons tests.

Mr. Alsop indicates that he has information to the effect that you are convinced that the Soviet Union has been testing nuclear weapons secretly underground. I believe that this is a sufficiently important allegation that we should not merely take the report of a newspaper columnist.

Can you tell me, therefore, whether you have stated to Mr. Alsop or to any other person that you are convinced that the Soviet Union is, indeed, now or has been during the course of the Geneva test ban negotiations, testing nuclear weapons secretly? If you have made such assertions, can you tell me on what evidence you base your conclusions?

I shall appreciate and be interested in your response to my inquiry.

Sincerely,

HUBERT H. HUMPHREY.

U.S. ATOMIC ENERGY COMMISSION,
Washington D.C., June 23, 1960.

Hon. HUBERT H. HUMPHREY,
U.S. Senate.

DEAR SENATOR HUMPHREY: I have your letter of June 14, enclosing the two articles by Mr. Joseph Alsop and inquiring whether or not I have made statements that the Soviet Union is now or has been conducting clandestine nuclear tests. The most recent comprehensive public statement on the general subject of the test moratorium is contained in the record of the Commission's testimony before the Subcommittee on Public Works of the House Committee on Appropriations on the Atomic Energy Commission's 1961 fiscal year budget request.

In addition to the foregoing, in a recorded TV-tape interview at Troy, N.Y., on June 10, prior to delivering the commencement address at Rensselaer Polytechnic Institute, I was asked the following question:

"Is there any reason to believe that the Russians are clandestinely testing despite their unilateral [announcement of a moratorium]?"

My response was:

"There is no information on this subject whatsoever. However, my personal views are that the opportunities are great and it is relatively easy to do and there is no possible means of detection. Therefore, I feel that they would be tempted to carry on in the absence of any possibility of getting caught."

The reference to detection in my response was, of course, made in the context of underground nuclear detonations of a magnitude below the capabilities of existing instrumentation.

In summary, I am not aware of the existence of technical evidence which would support a finding that the Soviets have been testing secretly during the moratorium. However, there is no reliable assurance to the contrary. It is possible to conduct underground tests without detection and the gains to be made are very considerable. Therefore, the temptation is great and the risk of discovery is small.

If there is further information you wish, please let me know.

Sincerely yours,

JOHN A. MCCONE.

Mr. HUMPHREY. I enclosed in my letter to Mr. McCone two articles by the columnist, Mr. Joseph Alsop, and I asked Mr. McCone—

Can you tell me, therefore, whether you have stated to Mr. Alsop or to any other person that you are convinced that the Soviet Union is, indeed, now or has been during the course of the Geneva test ban negotiations, testing nuclear weapons secretly? If you have made such assertions can you tell me on what evidence you base your conclusions.

I wrote this letter because a great deal of loose talk was going on around the country about the possibility of the violation of a test ban agreement, and I do not believe we ought to countenance such talk if it cannot be backed up by fact. If there are indications that there have been violations of the moratorium, then it is the duty of proper officials to protest and to make this known. If not, it is their duty not to make inconclusive statements which can be subject to misinterpretation.

Mr. McCone, in his reply to my letter, stated:

I have your letter of June 14, enclosing the two articles by Mr. Joseph Alsop and inquiring whether or not I have made statements that the Soviet Union is now or has been conducting clandestine nuclear tests. The most recent comprehensive public statement on the general subject of the test moratorium is contained in the record of the Commission's testimony before the Subcommittee on Public Works of the House Committee on Appropriations on the Atomic Energy Commission's 1961 fiscal year budget request.

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The reference to detection in my response was, of course, made in the context of underground nuclear detonations of a magnitude below the capabilities of existing instrumentation.

In summary, I am not aware of the existence of technical evidence which would support a finding that the Soviets have been testing secretly during the moratorium.

I ask that that statement of Mr. McCone's be compared with the following statement of Mr. Alsop:

With his usual forthrightness, McCone has voiced his conviction to the American policymakers and to his British opposite numbers as well.

I submit that Mr. McCone's statement refutes the statement of Mr. Alsop. If Mr. Alsop had said that Mr. McCone may have some feeling that tests are being made, or that he feels that it is possible that cheating might be under way, that would be one thing. But when the distinguished and noted columnist said that Mr. McCone is "convinced," and that he has expressed this forthrightly to our own policymakers and to our British friends, then I say this is peddling misinformation that prejudices the success of the negotiations at Geneva.

There is, of course, a possibility of cheating. We understand that. That is why some of us have been insisting for years that we should step up our study and our research in the field of detection and inspection.

This is why the Senator from Minnesota insisted that the Berkner report be acted upon. This is why I insisted that the full text of the Berkner report be released after it was kept secret by the Government for months. This is why I have urged that we appropriate more money for seismographic research. This is why I have urged that our NATO allies pool our scientific efforts in the field of detection and inspection. This is why I have urged a type of crash program on the part of our Government in the field of nuclear test detection. This is why I have urged a special agency in the Government.

Despite all those urgings, we go along at a snail's pace. Despite the urgency of the matter we continue to deploy our energies in this country in a debate between those who say that we cannot detect the tests and those who say we can, when it is a fact that there are some tests today that cannot be detected if they are below a certain magnitude, and there are tests above the threshold—above, let us say, a 19-kiloton explosion—that can be detected with existing seismographic instrumentation, plus the fact that suggestions were made, at least theoretically justified or theoretically valid, that would improve the detection immeasurably.

I do not want to enter into an agreement if it is to be filled with boobytraps and loopholes. We do not want an agreement for the sake of an agreement. We must protect our security. We must be sure that we do not lend ourselves to a device or an agreement which would encourage cheating. But on the other hand, if we can get an agreement which will slow down the arms race, which, let us say, could include within it the Chinese mainland, and thereby thwart or check the possibility of nuclear weapons production in China, I think it would be to our national interest, and the only way I know we can do this is to talk responsibly and not to have rumors working the streets of public opinion.

The balance of Mr. McCone's letter states—

> However, there is no reliable assurance to the contrary. It is possible to conduct underground tests without detection and the gains to be made are very considerable. Therefore, the temptation is great and the risk of discovery is small.

I wish to thank Mr. McCone for his letter. It was a prompt reply to a direct question. However, the problem of test detection is not solely within the confines of the United States. We have allies. We have friends. We have many ways of detecting tests. I am hopeful, therefore, that we shall continue to pursue the possibilities of an agreement that is safeguarded, and I hope that the half truths that become so much a part of current talk, and so much a part of the Washington cocktail grist mill of rumor and propaganda will be hushed, and that the facts will speak for themselves.

I yield the floor.

EXHIBIT 1

[From the Washington Post, June 8, 1960]

BACK TO GENEVA

The State Department is making a commendable effort to dissociate disarmament from the international donnybrook of the last month. The calm note promising "most careful and serious study" for the new Soviet disarmament proposal of course offers no more than any thoughtful plan on this subject, Soviet or Western, ought to receive. But dispassionate consideration of disarmament has been made difficult by Mr. Khrushchev's continuing verbal assaults, even though Soviet actions have not paralleled his words.

What the new proposal does, basically, is revise the timing of various stages of arms control so as to meet, superficially at least, several Western objections to previous deficiencies in the control system. It pays ostentatious court to President de Gaulle in calling for the destruction of means of delivery of nuclear weapons, including rockets and bombers, in the first stage. It also calls, not surprisingly, for the abolition of all foreign bases.

One major hitch obviously is that the permanent Control Council would operate in a fashion similar to the United Nations Security Council, with permanent and elected members. Mr. Khrushchev has confirmed that the permanent members would have a veto, which could vitiate effective inspection. Control groups could be stationed at certain installations only "by mutual consent," and this also would leave quite a loophole.

Yet despite many well-warranted doubts about the appearance of control as contrasted with the fact of control, and despite some skepticism about the imminence or feasibility of the idyllic world painted by the Soviet note with no force stronger than a lightly armed militia, the subject is so important that every possibility must be explored and examined. It is possible that the Soviet plan actually contains some advances that could become the basis of further negotiations. It is encouraging that the United States is for the first time seriously studying what is militarily permissible in disarmament.

One index to Soviet intentions will be seen in whether the new plan is used as a springboard for propaganda. An even more immediate index may lie in the Geneva nuclear test negotiations. Considerable progress has been made, before the breakup in Paris and the subsequent Soviet recalcitrance, in narrowing the differences on a test agreement. Without accord on a relatively simple problem on the fringes of disarmament, approaches to the larger problem of real arms control might seem futile.

At the same time the United States could do something more to increase the chance of a test agreement. As this newspaper often has noted, the pulling and hauling in the administration has been such as to whet Soviet suspicions that this country was not serious. Most recently the Russians have objected to the administration's plan for a series of explosions to test underground detection and decoupling, because Soviet scientists will not be permitted to examine the nuclear devices and hence fear that the test may advance military technology.

It may be that the Russians are determined not to acknowledge that there is any possibility of evasion. It may also be that American law would prohibit showing the devices themselves, as apart from the instrumentation, to Soviet scientists. But could not part of this problem be met by inviting the Russians to supply their own nuclear devices of specified force and in equal number for use under their direction in the experiments? Alternately, it might be possible to select the devices to be detonated by lot, or to use British instead of either American or Soviet apparatus. With previously agreed instrumentation this would at least assure that neither side would stand to benefit more than the other. And this sort of joint effort just might hold the key to a more cooperative approach on the larger problems of arms control.

INCREASED APPROPRIATIONS FOR RESIDENT TEACHING GRANTS TO LAND-GRANT INSTITUTIONS

The Senate resumed the consideration of the bill (S. 3450) to amend section 22 (relating to the endowment and support of colleges of agriculture and mechanic arts) of the Act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land-grant institutions.

Mr. STENNIS. Mr. President, I strongly support S. 3450, which increases the authorization for resident teaching program at land grant institutions. This program was conceived and put into operation through the Morrill Act of 1862. It has, through the years, been a vital instrument in strengthening our educational and research programs, with primary emphasis placed on instruction in agriculture, mechanical arts, and has included courses in military science and tactics.

This bill increases the authorization for land grant institutions by $9,448,500 but leaves the annual appropriation completely to the discretion of the Appropriations Committee. This is certainly a modest request and will not fully take care of decreases in purchasing power since passage of the Bankhead-Jones Act of 1935.

Mr. President, the land grant colleges are making a tremendous contribution to higher education in the United States. Their enrollment has increased from 190,000 in 1935 to a current enrollment of 650,000. Today, more than 21 percent of students in 4-year colleges and universities are enrolled in land grant institutions. These institutions train 100 percent of all those receiving doctor's degrees and 80 percent of these getting bachelor's degrees in agriculture. I am personally proud of their record in the training of students in science. Over 50 percent of all doctor's degrees in basic biological sciences are granted by land grant colleges which also grant over 50 percent of all master's degrees in that field.

An estimated 95 percent of all entomologists in this country obtain their degrees from land grant institutions and 55 percent of all people who start out in bacteriology and its related field also obtain their degrees from these institutions.

It is impressive to note that 35 percent of all students who later go into medicine, veterinary medicine, and dentistry get their first degrees from land grant institutions.

Another important field of training is military science and tactics, which has been of great value to the defense of our Nation. Between World War I and World War II, the land grant colleges furnished annually from 50 percent to 70 percent of all young men receiving commissions through the Reserve Officers Training Corps. These institutions continue to play a vital part in our military training programs, and I am highly pleased with this outstanding record.

I have first-hand knowledge of land grant colleges and the wonderful contributions which they are making to education, for it was there that I received my first degree—at Mississippi A. & M. College, now known as Mississippi State University.

The funds authorized by this bill will help to strengthen programs in agriculture, mechanic arts, English, mathematics, the natural and physical sciences and economic science at Missisippi State University and other land grant institutions throughout the United States.

This is certainly a modest request for such an important program, and I hope that this bill will receive the full support of the Senate.

Mr. ELLENDER. Mr. President, the pending bill would authorize increased appropriations in the form of grant funds for resident teaching at land-grant institutions. It would also authorize the University of Puerto Rico to participate in the benefits of the program on the same basis as the States.

Specifically, with respect to the appropriation authorization the bill would:

First, increase the amount to be equally distributed to States from $1 million each fiscal year to $7,650,000; and second, increase the amount to be distributed annually on the basis of relative population from $1,501,500 each fiscal year to $4,300,000.

This would amount to a total increase of only $9,448,500 to be distributed among the 68 land-grant colleges and universities.

Land-grant teaching funds are available for support of instruction in a wide range of basic and applied subjects related to agriculture and engineering. The limitation placed on their use by the statutes is that they be expended for teaching and that this teaching be in "agriculture, the mechanic arts, and subjects related thereto." The interpretation of this language has been broad, as Congress clearly intended it to be, and has permitted support of instruction in the land-grant colleges in accordance with the changing scientific and technical needs of our society. Thus instruction is supported in the basic fields of physical science such as chemistry, physics, and metallurgy, as well as in all the fields of engineering which are based on the application of these subjects. The funds may be used in botany, zoology, bacteriology, and entomology—the sciences basic to agriculture, as well as in the applied fields of agriculture itself. They may be used for mathematics, essential in all scientific fields, and for basic instruction in English. They may also be used for support of the important and growing field of veterinary medicine, so basic both to human and animal health.

A report from the Department of Health, Education, and Welfare for fiscal 1959 shows the multiple use made of these funds totally and by the individual States.

For example, of the $5 million total available in fiscal 1959, about $1.4 million was devoted to engineering, or the mechanic arts; about $657,000 to English; approximately $1.3 million to natural and physical sciences; some $446,000 to mathematical sciences; about $792,000 to agriculture, and about $398,000 to economic science and the special preparation of teachers.

Individual States may allocate their funds differently. For example, two States with about the same total expenditures show quite different emphasis in the use of funds. Both Kentucky and Louisiana devote about $28,000 to agriculture, but Kentucky allocates about $60,000 to the mechanic arts, and about $2,000 to $4,000 to other subjects while Louisiana, on the other hand, allocates only about $13,000 to the mechanic arts and from $8,000 to $18,000 to other subjects. A table can be found on pages 5 and 6 of the report showing individual State use of these funds.

I ask unanimous consent that an excerpt from the report and a table be printed in the RECORD at this point.

There being no objection, the excerpt and table were ordered to be printed in the RECORD, as follows:

HISTORY OF THE LAND-GRANT COLLEGES

The national system of land-grant colleges and universities was established by the passage of the first Morrill Act in 1862. Under this act each State was offered grants of Federal land proportionate to its membership in Congress, the land to be sold and the proceeds invested as a permanent endowment fund with the income going for the support of teaching in at least one college in each State. The use of this money for the construction, maintenance, or repair of buildings was prohibited. This college was to emphasize agriculture, the mechanic arts, and subjects related thereto, and to include military tactics in its course offerings. The act provided that other scientific and classical subjects should not be excluded and said that the great objective was the liberal and practical education of the industrial classes in the several pursuits and professions of life.

It was apparently the intention of the Congress at the time of the passage of the first Morrill Act that the income from the national endowment would fully support instruction in these colleges. The States were required to furnish the buildings and equipment, or see that they were furnished. Control over the methods of instruction, etc., was reserved entirely to the States.

As time passed, it became clear that the income from the land endowment would not support the instructional program of the colleges if they were to meet the needs of the young people of their States and of the Nation. Thus State support for instruction, as well as for buildings and equipment, became an increasingly important factor.

In 1890, the Congress recognized that Federal instructional support from the land-endowment investment was far short of what had been contemplated, and passed the second Morrill Act, providing direct annual grants to the colleges for instruction in agriculture, the mechanic arts, and subjects related thereto. This act was passed unanimously in both Houses of Congress. In 1907, it was amended and increased, and constitutes a permanent appropriation act in the amount of $2,550,000, representing $50,000 to each State and Puerto Rico for use in supporting instruction in the land-grant institutions of those States.

In 1935, the Congress included in the Bankhead-Jones Act, as authored by this committee, a provision which granted an additional $20,000 to each State for teaching purposes in its land-grant institutions, and an additional amount which is distributed to each State on the basis of population. The total of funds authorized under this title of the Bankhead-Jones Act is now $2,501,500, of which $1 million is distributed on the basis of $20,000 to each of the 50 States; and the remainder on a population basis. Puerto Rico is not included in this act, but would be included as the act is amended by this bill.

BASIS OF INCREASED AUTHORIZATION

Since 1935 the population of the United States, upon which part of the appointment of land-grant funds is based, has increased 40 percent. Also, since 1935 we have had an inflation of 100 percent. The present total of annual appropriations to land-grant institutions for teaching purposes from the Morrill Act of 1890, as amended, and the Bankhead-Jones Act of 1935 is $5,051,500. The bill would increase that amount by applying the 40-percent population increase factor and the 100-percent inflationary factor to this 1935 level of appropriation. In addition, authorization would be added to permit Puerto Rico to participate on an equal basis with institutions in other States. The second Morrill Act of 1890 is in the nature of a permanent appropriation. Therefore, this bill amends only the Bankhead-Jones Act merely increasing the authorization for this purpose, leaving the actual appropriation to be made in the usual manner through annual appropriation acts.

The committee believes that this is a modest proposal. Had it used as a basis for the increase, the increase in enrollment in land-grant institutions since 1935, which was suggested to the committee as being equitable, the increase in authorized appropriations would have been several times as large. Enrollments in the land-grant institutions were about 190,000 in 1935. Of these only 15,000 were in the advanced and highly expensive and important category of graduate students. Currently the enrollments are approximately 650,000, of which 75,000 are graduate students. Thus, there is an increase of 340 percent in total enrollment and an increase of 500 percent in graduate enrollment in these land-grant institutions. Thus, on the basis of the job the land-grant institutions are doing today, as compared to 1935, an increase in Federal participation of at least $30 million would have been justified.

USE OF FUNDS

Land-grant teaching funds are available for support of instruction in a wide range of basic and applied subjects related to agriculture and engineering. The limitation placed on their use by the statutes is that they be expended for teaching and that this teaching be in "agriculture, the mechanic arts, and subjects related thereto." The interpretation of this language has been broad, as Congress clearly intended it to be, and has permitted support of instruction in the land-grant colleges in accordance with the changing scientific and technical needs of our society. Thus instruction is supported in the basic fields of physical science such as chemistry, physics, and metallurgy, as well as in all the fields of engineering which are based on the application of these subjects. The funds may be used in botany, zoology, bacteriology, and entomology—the sciences basic to agriculture, as well as in the applied fields of agriculture itself. They may be used for mathematics, essential in all scientific fields, and for basic instruction in English. They may also be used for support of the important and growing field of veterinary medicine, so basic both to human and animal health.

The following table shows the uses to which these funds were put in the fiscal year 1959.

Expenditures of Morrill-Nelson and Bankhead-Jones funds, by field, year ended June 30, 1959 (from Federal funds appropriated for instruction at land-grant colleges and universities)

State	Expenditures			Expenditures by subject-matter field						
	Total	Salaries	Facilities	Agriculture	Mechanic arts	English language	Mathematical science	Natural and physical science	Economic science	Special preparation of teachers
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total	$5,051,622.73	$4,919,805.82	$131,816.91	$792,445.73	$1,415,823.04	$656,806.11	$446,076.24	$1,342,139.65	$370,883.59	$27,448.37
Alabama [1]	100,541.43	94,349.43	6,192.00	[2] 14,577.00	[2] 30,502.00	[2] 19,868.43	8,560.00	[2] 19,713.00	7,321.00	
Alaska	71,283.24	71,283.24		1,422.00	15,841.16	10,113.45	9,441.22	19,943.77	14,521.64	
Arizona	77,464.26	77,464.26				25,632.26		44,560.00	7,272.00	
Arkansas [1]	89,047.71	88,145.65	632.06	[2] 9,388.48	[2] 15,646.97	9,733.00	4,199.08	39,695.98	10,383.30	
California	175,599.47	175,599.47		23,400.00	51,300.00			75,699.47	16,800.00	8,400.00
Colorado	83,218.00	83,218.00			16,634.63	26,393.97	16,783.15	23,406.25		
Connecticut	90,008.98	90,008.98		11,087.00	20,520.00	16,200.00	6,240.00	27,501.98	8,460.00	
Delaware [1]	73,172.96	68,433.29	4,739.67	13,270.00	14,502.59	30,149.68	5,781.00	7,999.92	1,469.67	
Florida [1]	98,065.51	98,065.51		25,000.13	18,328.88	12,101.00	35,452.50	7,183.00		
Georgia [1]	104,360.28	104,360.28		51,200.28	8,750.00	6,800.00	8,000.00	17,500.00	8,860.00	3,250.00
Hawaii	75,460.99	75,460.99			5,856.00		13,168.70	20,367.52	36,068.77	
Idaho	78,871.76	75,871.76		30,903.76	17,176.00			18,942.00	8,850.00	
Illinois	156,905.51	156,905.51			30,328.00	45,913.51	17,492.00	63,172.00		
Indiana	109,244.59	109,244.59		7,104.00	54,000.00			48,140.59		
Iowa	96,145.67	96,145.67		27,831.00	23,286.67	18,585.00	5,673.00	10,923.00	9,847.00	
Kansas	89,005.70	89,005.70			25,731.70	17,121.00	9,992.00	20,227.00	15,934.00	
Kentucky [1]	99,374.97	99,374.97		28,610.87	59,743.60	2,100.00	2,000.00	2,400.00	3,890.00	630.50
Louisiana [1]	96,768.55	96,768.55		28,128.75	13,364.75	13,706.28	14,631.00	18,523.85	8,413.92	
Maine	79,115.06	79,115.06		4,956.70	26,449.03	8,451.52	6,332.58	23,316.36	9,608.87	
Maryland [1]	93,371.85	93,371.85		9,499.00		23,000.00	12,000.00	40,872.85	8,000.00	
Massachusetts [1]	116,788.72	116,622.72	166.00	1,782.82	[2] 29,078.00	12,872.00	13,984.67	40,441.23	18,630.00	
Michigan	133,559.50	133,559.50		14,700.00	28,940.00			76,819.50	3,100.00	
Minnesota	99,750.80	99,750.80		13,277.00	31,311.00	11,409.00	12,337.00	12,905.00	14,540.80	3,971.00
Mississippi [1]	91,735.06	91,735.06		6,009.00	20,047.00	17,209.80	10,144.21	22,329.23	14,245.82	1,750.00
Missouri [1]	109,446.30	103,365.96	6,080.34	[2] 9,289.25	[2] 65,123.47	9,274.90	[2] 2,723.14	[2] 19,467.41	[2] 3,207.26	[2] 360.87
Montana	75,895.57	75,895.57		13,874.94	22,029.13	8,075.00	5,833.30	15,666.60	10,416.60	
Nebraska	83,222.20	83,222.20			83,222.20					
Nevada	71,596.86	71,596.86		6,770.12	23,015.00	4,511.68	28,156.31	9,143.75		
New Hampshire	75,319.18	75,319.18			21,500.00	36,500.00		7,700.00	9,619.18	
New Jersey	118,233.27	118,233.27		34,000.00	20,000.00	18,000.00	8,000.00	33,233.27	5,000.00	
New Mexico	76,794.96	76,728.00	66.96	[2] 24,284.96	20,244.00	6,108.00	4,608.00	15,850.00	5,700.00	
New York	217,188.69	210,305.03	6,883.66	[2] 86,428.40	97,760.29	25,000.00		8,000.00		
North Carolina [1]	110,518.47	110,518.47		32,500.00	50,000.37	7,047.00	10,000.00	7,471.10	1,500.00	2,000.00
North Dakota	76,180.98	76,180.98			60,934.43			7,945.83	7,300.72	
Ohio	149,269.02	149,269.02		15,070.02	62,503.00	41,992.24	20,856.00	8,847.76		
Oklahoma	92,278.07	92,278.07		29,528.80	13,000.00	3,000.00	12,943.00	24,406.27	$9,400.00	
Oregon	85,175.65	85,175.65		28,000.00	16,600.00	3,175.65	5,200.00	22,300.00	9,900.00	
Pennsylvania	174,719.55	174,719.55		11,004.00	62,004.00	23,356.00	9,392.00	68,963.55		
Puerto Rico	50,000.21	50,000.21		50,000.21						
Rhode Island	77,899.30	77,899.30		12,721.30	19,417.00	9,132.00	13,125.00	16,332.00	7,172.00	
South Carolina [1]	91,117.72	91,117.72		6,000.00	35,253.72	15,148.00	13,214.00	9,752.00	6,250.00	5,500.00
South Dakota	76,511.20	76,511.20			27,166.64	11,978.00	11,888.88	25,477.68		
Tennessee [1]	102,835.48	98,175.48	4,660.00	[2] 17,384.77	[2] 13,564.71	[2] 8,500.00	[2] 15,000.00	[2] 40,800.00	[2] 7,586.00	
Texas [1]	146,920.54	54,083.40	92,837.14	[2] 35,756.00	[2] 34,005.00		[2] 117.00	[2] 75,150.54	[2] 306.00	1,586.00
Utah	76,871.52	76,871.52		8,130.00	7,700.04	18,616.44	12,050.04	14,499.96	15,875.04	
Vermont	73,768.09	73,768.09		9,541.24	18,000.00		14,726.85	16,000.00	15,500.00	
Virginia [1]	103,104.43	103,104.43		12,647.05	29,119.10	12,731.15	12,949.11	23,776.64	11,881.38	
Washington	93,730.58	93,730.58				40,351.63		53,378.95		
West Virginia	90,005.74	88,038.24	1,967.50			[2] 10,304.52	15,666.50	[2] 64,034.72		
Wisconsin	104,260.50	96,668.92	7,591.58	[2] 27,366.88	46,322.96		8,500.00	17,506.04	[2] 4,564.62	
Wyoming	72,898.08	72,898.08				16,644.00	8,914.00	33,852.08	13,488.00	

[1] Includes expenditures for the 2 land-grant institutions in this State.
[2] Includes expenditures for facilities.

Source: Department of Health, Education, and Welfare: Office of Education, Apr. 26, 1960.

IMPORTANCE OF THE LAND-GRANT INSTITUTIONS

The 68 land-grant colleges and universities constitute fewer than 5 percent of all the institutions of higher education of all kinds in the United States, and they enroll more than 21 percent of all the students in 4-year colleges and universities. But their significance is out of all proportion to their enrollment. They train 100 percent of all those who receive doctor's degrees in agriculture and more than 80 percent of all those getting bachelor's degrees.

In the basic biological sciences, they grant 56 percent of all doctor's degrees—the level of training required for research, and over 50 percent at the master's degree level, required for secondary teaching in this important field. Ninety-five percent of all entomologists in this country, the men and women who deal with our insect pests, get their first degrees at land-grant institutions, as do 55 percent of all people who start out in bacteriology and its related fields so essential in both agriculture and in the health sciences. About 37 percent of all students who later go into medicine, veterinary medicine, and dentistry get their first degrees at land-grant institutions. At the doctor's degree level of professional training these institutions graduate 93 percent of all so trained in the United States.

Thirty percent of all those who get master's degrees in mathematics in the United States—the level required for secondary school teaching—get these degrees at land-grant institutions; while at the doctoral level required for high level research and college teaching the figure is more than 39 percent. In the related field of statistics, the land-grant institutions grant 48 percent of all first degrees and nearly 60 percent of all doctoral degrees.

In engineering, 41 percent of all engineers receiving their first degrees in the United States come from land-grant institutions; while at the doctor's degree level the figure is nearly 53 percent. And 72 percent of all the forestry students in the country get their degrees in the land-grant group.

In the basic physical sciences: The land-grant institutions give 42 percent of all doctoral degrees in all fields, including 36 percent of all physicists, 40 percent of all chemists, and 73 percent of all geologists.

MILITARY TRAINING

There is another teaching area in which the land-grant college system is of great importance—the field of military science and tactics. The act of July 2, 1862, requires that institutions established thereunder must include training in military tactics. Although there was no formal way in which this training could lead to formal status in the Armed Forces prior to the passage of the National Defense Act of 1920 which founded the ROTC program, the records show that at least 100,000 men who had military training in land-grant institutions served in World War I, and that 30,000 of them became officers. Between World War I and World War II, the land-grant institutions furnished annually from 50 to 70 percent of all young men receiving commissions via the Reserve Officers Training Corps program. General Marshall is authority for the statement that mobilization in World War II would have been delayed at least 6 months without the availability of these men. President Eisenhower, while Chief of Staff of the Army, made a similar observation. Since World War II there has been a vast expansion of the number of colleges and universities offering military training; but the land-grant institutions, at a conservative estimate, still furnish substantially more than a third of all Regular and Reserve officers not supplied by the military academies.

Mr. HOLLAND. Mr. President, am I correct in my understanding that the somewhat increased authorization would not mean an enlargement of the program as against the 1935 level?

Mr. ELLENDER. That is correct.

Mr. HOLLAND. It takes account of the inflation which we have had and the deflated value of the dollar. Is that correct?

Mr. ELLENDER. Yes.

Mr. HOLLAND. And also takes into consideration the increase in population.

Mr. ELLENDER. Yes. That is the yardstick that was used by those proposing the legislation.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), is amended to read as follows:

"SEC. 22. In order to provide for the more complete endowment and support of the colleges in the several States and Puerto Rico entitled to the benefits of the Act entitled 'An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts,' approved July 2, 1862, as amended and supplemented (7 U.S.C. 301–328), there are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, the following amounts:

"(a) For the first fiscal year beginning after the date of enactment of this Act, and for each fiscal year thereafter, $7,650,000; and

"(b) For the first fiscal year beginning after the date of enactment of this Act, and for each fiscal year thereafter, $4,300,000.

"The sums appropriated in pursuance of paragraph (a) shall be paid annually to the several States and Puerto Rico in equal shares. The sums appropriated in pursuance of paragraph (b) shall be in addition to sums appropriated in pursuance of paragraph (a) and shall be allotted and paid annually to each of the several States and Puerto Rico in the proportion to which the total population of each State and Puerto Rico bears to the total population of all the States and Puerto Rico as determined by the last preceding decennial census. Sums appropriated in pursuance of this section shall be in addition to sums appropriated or authorized under such Act of July 2, 1862, as amended and supplemented, and shall be applied only for the purposes of the colleges defined in such Act, as amended and supplemented. The provisions of law applicable to the use and payment of sums under the Act entitled 'An Act to apply a portion of the proceedings of the public lands to the more complete endowment and support of the colleges for the benefit of agriculture and the mechanic arts established under the provisions of an Act of Congress approved July 2, 1862,' approved August 30, 1890, as amended and supplemented, shall apply to the use and payment of sums appropriated in pursuance of this section."

Mr. ELLENDER. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

ACCELERATION OF REFORESTATION PROGRAMS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1716, Senate Joint Resolution 95.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 95) to provide for the acceleration of the various reforestation programs of the Department of Agriculture and the Department of the Interior, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. MANSFIELD. Mr. President, the joint resolution was reported unanimously by the committee, and has been cleared with the minority.

I want to salute the Senator from New Mexico [Mr. ANDERSON] and the Senator from Vermont [Mr. AIKEN] for their cooperative effort in bringing before the Senate this resolution on reforestation.

Cosponsoring this resolution in addition to those two Senators are Mr. Byrd of West Virginia, Mr. Hart, Mr. Kuchel, Mr. Murray, Mr. Randolph, Mr. Stennis, Mr. Morse, and our late colleague, Dick Neuberger.

When I spoke on April 20 on the floor of the Senate, I pointed out that had we proceeded under the schedule of the 1950 Anderson-Mansfield Act, we would today have almost completed the job on the national forests.

If we had followed the Clarke-McNary Act principles, the job on small private woodlands would be much, much further along today.

This administration can take scant comfort in its record on reforestation.

Year after year the Congress has added funds for this work, but the administration has not sought an increase. To me, the logic of their position is totally incomprehensible.

I look upon this resolution as an expression by the Congress to the next administration.

I repeat the views I expressed to the Interior and Insular Affairs Committee. I will let others make excuses. For my own part, I reject a policy that says we cannot afford to purposely carry out a program of reforesting our public lands within the next 10 years. Any other course is that of a wastrel of the public interest and a dodger of a public responsibility. Let those with no confidence in our Nation's capabilities record their trepidations and bear the burdens.

I urge we adopt Senate Joint Resolution 95.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from the report on the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE RESOLUTION

The resolution expresses the sense of the Congress that it is important that all existing authority for reforestation of publicly owned lands be fully and completely utilized.

The resolution sets forth a series of facts drawn from reports made by the chief of the Forest Service. There are 488 million acres of commercial timberland in the United States of which 48 million, approximately 10 percent, are in need of planting. This planting should be done in the next 10 years if we are to have an adequate wood supply in the year 2000.

To meet this goal during each of the next 10 years 560,000 acres of Federal land should be planted; 240,000 acres of State and municipal land; and 4 million acres of privately owned land.

Planting of the Federal land is completely a responsibility of the Federal Government and it is of highest priority.

The authorizations the various Secretaries have are already adequate. The policy of the Congress is declared to provide a continuing program to accomplish the needed reforestation in the 10-year period commencing July 1, 1960. There is authorized to be appropriated the funds needed and the Secretaries of Agriculture and Interior are further authorized to apportion these funds in the manner each deems appropriate to accomplish the goals of the respective programs.

BACKGROUND

Since 1891 the Federal Government has had an interest in promoting wise use of forest land, public and private.

Between 1891 and 1905 an extensive series of forest reserves were created in the West from the public domain. In 1897 provision was made for the use of these lands. In 1905 the administration of these forests was placed in a newly created Forest Service and transferred from the Department of the Interior to the Department of Agriculture.

In 1911 the Weeks Act was passed providing for acquiring forest lands in the East and for extending fire protection.

In 1924 the Clarke-McNary Act among other things provided for a system of reforestation on private lands in addition to the work being done on public lands.

In 1930 the Knutson-Vandenberg Act set forth a policy of reforesting national forest lands cut for timber purposes.

In the intervening 20 years there were modifications and improvements in the basic legislation. In 1950 the authorization for cooperative tree planting on non-Federal lands was enlarged and the Anderson-Mansfield Act was passed which authorized a vigorous program of reforestation and revegetation on national forest timber and rangelands.

The resolution's major emphasis was "the planting of Federal lands is completely the responsibility of the Federal Government and it is of the highest priority."

Examination of this aspect disclosed relatively adequate attention was being given to all but the national forests.

It was found that last year alone 2 billion trees were planted across the Nation. However, only 167,000 of the 5.4 million Federal acres needing reforestation were planted. On the national forests only 38,000 acres were planted as a part of reducing a 4.4-million-acre backlog. At this rate, it will take over 125 years to replant our national forests.

Under budget requests at levels of the last few years, a job that should be done in 10 years will not be done in 100 years.

The reforestation problem

The Executive correspondence showed:

Department of Agriculture, Forest Service: 169 years to replant its lands.

Department of Interior: 15 years to replant its lands.

Other Federal lands: 31 years to replant its lands.

State and municipal lands: 32 years to replant its lands.

Private lands: 44 years to replant its lands.

This national forest data excludes Knutson-Vandenberg planting since that is not part of the backlog of areas needing reforestation but covers planting of areas currently being logged on the national forests. In private planting, soil bank conservation reserve planting is excluded because this program does not cover activities on acreage needing reforestation. Reprinted in the hearings, pages 12–16 is a table showing State by State the rate of planting on various categories.

National forest reforestation programs

The national forests currently contain at least 4½ million acres of land needing replanting as compared to 2 million acres in 1930. There are 2 million acres of the forest burned each decade, 50 percent of which are timberlands. Reforestation of this plantable backlog has proceeded at a rate of about 23,000 acres annually in the last decade under the regular programs.

The plantable area is growing in size because the other authorities under which the Forest Service can reforest burned areas have either not been implemented with funds or, as in the case of the Knutson-Vandenberg Act, are lacking in ability to be fully applicable.

There are two ways in which the Forest Service secures the reforestation of timberlands.

1. The Knutson-Vandenberg Act permits placing a part of stumpage receipts in a special fund to be used to replant areas cut over in timber sales. This program is limited in application to preventing an increase in areas needing replanting as a result of logging. It has been a tremendously useful program with timber cutting proceeding at an ever increasing rate.

This table shows the rate for Knutson-Vandenberg planting since 1930:

1930–49	57,830
1950	16,380
1951	20,545
1952	29,934
1953	28,817
1954	31,573
1955	41,867
1956	42,997
1957	64,052
1958	62,502
1959	78,375
1950–59	412,042
Total	469,872

In cases where burned areas contain salvable timber, it has been possible to sell the timber and collect Knutson-Vandenberg funds to replant. No figures are available on the amount of the Knutson-Vandenberg planting that falls in this category, but it is probably not in excess of 10 percent of tree planting under this authority during the last decade.

2. The Anderson-Mansfield Act and the general authority of the Secretary of Agriculture provides full authority to reforest areas in need of planting. The attached table shows the rate of planting under these authorities, which totals 2 million acres since 1906.

There are 4½ million national forest acres needing reforestation. In 1930, it was estimated that 2 million national forest acres needed planting. Despite the fact that between 1930 and 1950, 1.5 million acres were reforested, the area needing planting has grown. This occurred because—

(a) During the thirties and forties large areas which needed replanting were added to the national forest by purchase and exchange.

(b) About 120,000 acres of forest land have been burned annually. Despite the fact that some areas burned did not need replanting, and others could be treated under the Knutson-Vandenberg Act, it has not been possible to effectively take care of current losses.

Fiscal year	Authorized Anderson-Mansfield Act	Budget request	Provided by Congress
1950		$1,422,160	$1,357,643
1951	$3,000,000	2,203,118	1,166,536
1952	5,000,000	1,160,206	1,204,000
1953	7,000,000	1,182,991	1,162,533
1954	8,000,000	925,020	884,520
1955	10,000,000	450,000	807,650
1956	10,000,000	900,000	1,230,000
1957	10,000,000	1,130,000	1,850,000
1958	10,000,000	2,185,000	2,228,600
1959	10,000,000	2,185,000	3,015,000
1960	10,000,000	[1] 3,015,000	3,215,000
1961	10,000,000	3,215,000	[2] 4,430,000
Total	93,000,000	19,973,495	22,551,488

[1] Unadjusted budget estimate based on program for reforestation and stand improvement.

[2] Includes $300,000 for treating areas burned last year which cannot be treated under the Knutson-Vandenberg Act.

The decade since 1950 represents the poorest accomplishment in reducing the backlog of areas needing planting since the 1920's. The period since 1953 represents the lowest peacetime accomplishment in this work since the 1928–32 period. This occurred despite the added availability of the Anderson-Mansfield Act authorization.

The most critical reforestation need in terms of lag is on the national forests. Planting accomplishments have slipped from an average of 103,000 acres yearly in the thirties, to 47,000 acres a year in the forties, and down to 23,000 acres a year in the fifties. In the meantime, the national forest area needing reforestation has actually grown. Precise figures are not available but in 1930 it was estimated that about 2 million acres needed reforestation. Since that time, several million acres of land have been added to the national forest during the purchasing program of the thirties and forties. Forest fires have occurred on over 2 million acres of commercial forests, some of which have been completely denuded. Today's estimated national forest acreage in need of reforestation stands at 4.4 million acres.

The following table shows the long-term efforts at national forest reforestation along with an analysis of acreage burned.

National forest areas burned and planted, 1906–59

	Acres burned			Acres planted
	Total	Non-forested	Commercial forest	
1906	115,416	63,042	52,374	None
1907	212,850	183,485	29,365	None
1908	414,638	200,000	[1] 214,638	8,000
1909	299,272	131,481	167,791	610
Subtotal	1,042,176	578,008	464,168	8,610
1910	4,134,253	1,056,144	3,078,109	9,745
1911	469,638	120,855	348,783	25,230
1912	188,839	41,026	147,813	20,543
1913	333,632	103,989	229,643	29,446
1914	385,158	154,825	230,333	20,477
1915	279,245	123,829	155,416	15,608
1916	299,954	85,206	214,748	10,396
1917	962,543	390,298	572,245	7,682
1918	694,651	327,335	367,316	6,085
1919	2,007,034	575,758	1,431,276	6,911
Subtotal	9,754,947	2,979,265	6,775,682	152,123

Footnote at end of table.

National forest areas burned and planted, 1906–59—Continued

	Acres burned			Acres planted
	Total	Non-forested	Commercial forest	
1920	342,193	97,040	245,153	5,500
1921	376,208	168,650	207,558	8,766
1922	373,214	189,775	183,439	7,052
1923	263,848	149,099	114,749	7,873
1924	602,044	308,862	293,182	12,650
1925	255,102	77,519	177,583	11,552
1926	776,570	180,047	596,523	12,616
1927	170,473	76,777	93,696	12,846
1928	398,900	248,004	150,896	18,837
1929	799,082	146,257	652,825	18,208
Subtotal	4,357,634	1,642,030	2,715,604	115,900
1930	137,944	31,638	106,306	21,702
1931	532,761	79,251	453,510	26,815
1932	372,973	243,801	129,172	24,755
1933	132,147	72,721	59,426	69,215
1934	555,309	44,378	510,931	74,716
1935	168,394	19,801	148,593	140,724
1936	280,554	49,349	240,205	223,075
1937	72,277	6,738	65,489	156,427
1938	174,898	53,634	121,264	155,157
1939	291,141	23,641	267,500	135,851
Subtotal	2,718,348	615,952	2,102,396	1,028,437
1940	228,364	54,756	173,608	151,332
1941	268,010	50,757	217,253	151,683
1942	248,582	124,459	224,123	58,131
1943	234,323	61,414	172,909	10,507
1944	208,918	100,542	108,376	4,952
1945	175,882	43,600	132,282	5,727
1946	152,094	25,195	126,899	10,559
1947	187,006	70,214	116,792	11,570
1948	130,193	69,577	60,616	27,789
1949	155,914	59,561	96,353	36,623
Subtotal	2,089,286	660,075	1,429,211	468,873
1950	255,387	156,588	98,799	29,048
1951	314,606	160,034	154,572	25,576
1952	138,544	20,895	117,649	19,702
1953	231,314	168,763	62,551	23,980
1954	107,656	42,815	64,841	12,454
1955	276,140	112,821	163,319	13,770
1956	208,429	104,913	103,516	18,174
1957	118,324	98,332	19,992	21,102
1958	86,608	63,931	22,627	26,500
1959	[1] 240,000	[1] 100,000	[1] 140,000	38,707
Subtotal	1,977,008	1,029,142	947,866	229,013
Grand total	21,939,399	7,504,472	14,434,927	2,002,956

[1] Estimated.

Included below is a list of the States where national forest reforestation efforts are lagging most seriously.

National forests: Years to reforest for States in excess of 100 years

State	Years to complete	Plantable acres	Acres planted, 1958
Colorado	7,381	310,000	42
Alabama	1,769	46,000	26
Arizona	1,500	60,000	40
Idaho	1,205	470,000	390
New Mexico	1,166	56,000	48
California	777	1,841,000	2,386
Arkansas	720	73,000	101
West Virginia	423	11,000	26
Wyoming	400	36,000	90
Oregon	314	393,000	1,252
Virginia	263	1.000	38
Montana	236	137.000	581
Nevada	212	7.000	33
Wisconsin	179	63.000	351
Minnesota	152	96.000	630
Washington	152	151,000	996
Michigan	130	245,000	1,888
Total		4,567,000	26,500

National forest average, 40 States, 169 years.

Department of the Interior and other lands

Bureau of Land Management

Reforestation on Bureau of Land Management lands is proceeding only on the Oregon & California revested lands where a vigorous and effective program will complete the job by 1967. This work is being financed

through the counties applying a portion of their payment-in-lieu-of-taxes to this work.

The current rate of reforestation on the other Bureau of Land Management and Department of Interior lands indicates it will take 600 years to complete their reforestation.

Bureau of Indian Affairs

This agency in reality is managing lands belonging to the Indian people and it undertakes virtually no reforestation work. No substantial reforestation program is known to exist.

Other Federal lands

Data now available is extremely sketchy but indications are that attention to the need is limited to Atomic Energy Commission, Tennessee Valley Administration, and the Corps of Engineers. In 1958 AEC accounted for almost 75 percent of the reforestation work being done on other Federal lands, with the Defense Department plantings in Florida and Tennessee accounting for practically all of the balance.

Only the AEC has a comprehensive program on its lands. The hearings were directed principally toward reforestation on Federal lands since that appeared to be the area of highest priority. Generally speaking, there is ample evidence that the only lands upon which work is going forward adequately are the large private holdings, particularly of the southern pulp and paper industry. Industry lands account for only 13 percent of the Nation's commercial timberlands. To small private woodlands reforestation problem is the largest and the one upon which the least progress has occurred.

The status of appropriations in relation to authorizations

National forests

Estimated need for the next 10 years: $200 million. Maximum fund level required annually by program for the national forests: $41 million. Budget estimate 1961: $3.4 million. Percentage of annual need: 8½. Funds added by congressional action 1961: $975,000. Total available fiscal year 1961: $4.4 million. Percentage of annual need: 11. The Anderson-Mansfield Act authorization is currently $10 million and this year's appropriations of $4.4 million is the greatest amount to date.

Bureau of Land Management

Oregon and California revested land transfer of payments in lieu of taxes to the Bureau of Land Management for 1961 will be $600,000, the same amount as last year. There are but 74,000 O. & C. acres to be reforested. The annual rate of progress in reducing this backlog is 12,500 acres which will complete the job by 1967. On other BLM lands due to lack of permanent reservation of the public domain it has not been considered necessary to either inventory needs carefully or plan to reforest the lands.

Bureau of Indian Affairs

Reforestation: None.

State and Private Reforestation Programs

The major responsibility for reforestation on non-Federal lands is carried by private landowners. The Clarke-McNary Act of 1924 provided authority to the Forest Service to assist private tree planting through cooperative payments to States not to exceed the amount expended by a State. The authorization level was $250,000 annually until 1950 when the Congress amended the act to provide $1 million for that year with a $500,000 annual increase until 1953 when it would become $2,500,000 and remain at that level as long as necessary. In recent years Congress has not only granted each budget request in full, but made some increase. In 1955 when the President's budget did not request needed funds, $447,000, the amount appropriated the previous year, was included by Congress. In the next 3 years the Congress raised the amount of funds to $1.3 million. In 1959 the budget request dropped to only $258,000, Congress appropriated $783,000. For each of the last 2 years the Congress has granted the full budget request of $290,000. The irregular pattern of budget requests is apparently unrelated to the need to secure reforestation. The Clarke-McNary program is aimed entirely at the small private woodland owner. It does not provide low-cost trees to industrial groups who are presumably able to finance their own reforestation work. While there has been a steady but not substantial climb in the rate of reforesting private lands, the planting rate on the smaller holdings has been virtually stationary.

The reforestation situation on private forest land has been well summed up in a speech by the Chief of the Forest Service, Dr. Richard E. McArdle, delivered elsewhere but filed with the committee by a witness.

The key statements are:

Small woodlands: Foresters have been talking for years about the small woodlot problem, but not too much seems to get done about them—at least in relation to what is needed.

The facts are well known. They have been recited so many times it sounds as though the record was stuck. Over one-half of this country's forest land is in 4½ million small ownerships. The average size is 60 acres. In the East, where most of you operate, two-thirds of the commercial forest land is still in small ownerships despite some recent industrial acquisitions. One-half of our future timber will have to come from small forest properties.

We know what is needed. Forty-three million acres should be planted, yet only 1 percent of this is being done each year. Timber-stand improvement needs to be stepped up 20 times. Only 14 percent of these small holdings are getting adequate fire protection. And so on.

How do you get through to these 4½ million people, many of whom do not live on the land and either frankly don't care about timber or, if interested at all, look on timber growing as purely a secondary matter? Your industry is doing a lot, but it is only a drop in the bucket compared to what is needed. The same may be said of Federal and State efforts.

Basically the physical forestry measures essential to put these lands in shape can only be bought, ordered, persuaded, or obtained by some combination of these three. One thing appears to be clear. Persuasion alone is not getting the job done fast enough.

Personal philosophies of government, psychology, budgets, and political science all get involved, and as a result the lands tend to stay in poor shape. What these lands will yield 40 years from now will largely be decided in the 1960's—again the decade of decision.

The small woodlands are a good example of what I meant earlier in referring to decision by default. The grave danger is that differing philosophies will clash so strongly that too little will get done on the ground, or it will get done too late. As a consequence, the lands won't grow the timber you will need so urgently.

The fateful decision here is whether men of policy and power will have the foresight and, if I may say so, the guts, to partially compromise deepset philosophical convictions in order that these lands may contribute their essential share to our raw-material base.

Industrial lands: I need say little here. I am talking to a group of leaders in industry. You are doing a great deal with your lands, and I firmly believe you will do a great deal more. You are faced with difficult decisions: How much land should be acquired, should you grow pulpwood only or also sawlogs and other products, what backlog of timber inventories should you maintain, how far should you go in developing and making your lands available for recreation, hunting, or other public uses, and many others. This is the third area where decisions of the 1960's will control the future for a good many years.

This is one area where you have complete or nearly complete control of the destiny of these lands. I think you realize and will do what is needed. Because you are far better posted on this subject than I am, I shall devote no more time to it.

The program for the national forests submitted by the Secretary of Agriculture last year and endorsed by all conservationists and by the Congress, is a comprehensive development program geared to having the national forests meet their multiple responsibilities in the face of a growing population. Projections for every program activity were made and overall, in a 12-year period, there would be a $1.7 billion investment and an increase in annual expenditures from $120 million annually to $320 million.

The Congress further extended its endorsement by enacting the multiple-use bill for the national forests, Public Law 86–517.

The reforestation program, if fulfilled, will be the second largest national forest activity. As of now it is further behind than any other activity. Current estimates are that it will require about 170 years to replant this backlog at the 1958 rate of planting. Under better circumstances, which implies a constant increase in funds based on a projection of the 1953–58 period, the task would be completed in 45 years. The program for the national forests and analysis of wood needs for the year 2000 by the Chief of the Forest Service indicates the need to fulfill the job in the next 10 years.

The committees recognize an urgent need to accelerate reforestation on the 4.4-million-acre backlog of lands needing tree planting in the national forests. No other phase of national forest activities stands as low in relation to need as does this vital work. The 1961 budget request of $3,465,000 was for but 8½ percent of needed funds. This Congress added $1,265,000, a 25-percent increase, to accelerate this work and to treat at once those lands subjected to large fire damage in last year's extensive forest fires.

These views are expressed on the current status of reforestation.

1. The planting of logged national forest lands under the Knutson-Vandenberg Act should proceed promptly as is now the case. The constant attention given to this vital activity by the Forest Service is commended.

2. The Department of the Interior and the Oregon counties which have extended such warm and real cooperation are commended for the excellent progress on the Oregon and California revested lands.

3. There should be a coordinated effort in the departments concerned, coordinated by the Bureau of the Budget to seek needed funds to move forward needed work on reforestation on the 5.4-million-acre backlog of Federal lands so as to complete this work by 1970.

4. The Department of Agriculture should expeditiously complete its review of ways and means to secure the necessary reforestation on non-Federal lands and present its recommendations to the next Congress. In so doing, the views of the States, local government, and private citizens should be actively sought.

COST

The enactment of Senate Joint Resolution 95, in view of the existence of present ample authorizations will not, in itself, result in added expenditures. Money expended in reforestation is an investment even though the budget does not so treat it. The timber subsequently grown on Federal lands results ultimately in substantial income to the

Treasury. The failure to pursue a meaningful program of reforestation results in losses not only of future income, but of vital conservation benefits from the land.

The continual existence of areas of nonproductive Federal timberland in areas of high timber demand holds the cutting of presently available timber down. The policy of sustained yield requires preventing a hiatus in the availability of timber for harvest. Thus there are also losses today which are reflected both in Treasury income and local economic conditions.

Estimates furnished by the Secretary of Agriculture for the national forests only are that an investment of $199 million at 1958 costs will reforest 3.9 million acres. By the year 2000 there would be an annual harvest of an additional 975 million board feet of national forester timber. It would have an estimated value, at today's prices, of $12,700,000. The capital investment would then be recovered in 16 years and at current rates of interest approximately the same length of time would be required to compensate for this cost. Since the income would continue on a sustained basis thereafter, the investment is sound. Further proof of this contention is available in the fact that the pulp and paper industry today has a vigorous program of reforestation which currently dwarfs the total Federal effort. Twenty-seven companies alone planted 380,000 acres in 1958 as compared to a total effort by all Federal agencies of 167,000 acres.

On non-Federal timberland, Federal assistance has been directed mainly toward small holdings and not to the larger commercial forest operators. The continuation of Federal assistance to small landowners, even at the current modest level, will not return direct income to the Treasury. Here the measure of net cost is more difficult to assess because there is no direct payback. The extent to which and the ways in which aid is given to reforestation on land over which the Federal Government does not have jurisdiction must be weighed against the national interest, the responsibility to provide adequate forest resources for future generations, and the capability other levels of government and the private citizen possess to do the job with or without Federal aid.

Unless a new approach is found, the cost for Federal budget purposes in this activity would be measured as the total of the expenditure.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question in on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is declared to be the policy of Congress to provide a continuing program for the needed reforestation of Federal, State, and private land in order thereby to accomplish the planting of the forty-eight million idle and nonproductive acres by accelerating and supplementing existing reforestation programs administered by the Secretary of Agriculture and the Secretary of the Interior during the ensuing ten-year period commencing July 1, 1960.

SEC. 2. In addition to the regular appropriations made to the Secretary of Agriculture and the Secretary of the Interior for the purposes of the respective tree planting programs of the Department of Agriculture and Department of the Interior, there is hereby authorized to be appropriated to each Secretary such additional and supplemental funds as may be needed to accomplish the purposes of this joint resolution, and they are hereby authorized to apportion such additional and supplemental funds in such manner as each deems appropriate to accomplish the goals of the respective programs.

Mr. ANDERSON. Mr. President, I ask unanimous consent that there may be inserted in the RECORD at this point a statement I had prepared urging the passage of the joint resolution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CLINTON P. ANDERSON ON SENATE JOINT RESOLUTION 95

This resolution urges that the Federal Government fulfill two obligation that it has. First and foremost to maintain adequate forest cover on the forested lands that it manages. This is so axiomatic that it would almost seem impossible that in this year 1960 we would be considering a resolution urging this.

Its second goal is to assure that the Federal Government act as a catalyst to promote and secure proper fulfillment of the needed reforestation on private lands.

I regret to say that during the last 7 years far less has been done to accomplish reforestation of Federal lands than is required for the trying years we face.

To me it is a source of deep concern that reforestation on the national forests lags behind that on other Federal lands. It even lags behind the effort on industrial forest lands. I cannot rationalize this failure by hiding behind the exigencies of a tight budget. Reforestation is a profitable activity for the Federal Government. I cannot—more importantly—excuse the situation by proclaiming that reforestation does not serve our whole Nation and its future well-being.

Dr. Richard E. McArdle, Chief of the Forest Service, certainly summed up my views too when he told the Appropriations Committee:

"I am very unhappy with the progress that we are making in reforesting the more than 4 million acres in the national forest system which should be planted. They are not producing the timber they could produce. They are not serving as effective watersheds. They are not serving recreational purposes. They are not serving the public in any way that they should.

"We have this enormous backlog of a large area needing planting to make it productive. It is not going to become productive by itself. Man is going to have to help it.

"Added to that backlog every year are additional areas where fires denude the forests, or where logging takes place and restocking of the cutover areas is not obtained promptly through natural means. So, actually, we are not even keeping abreast of our situation, but falling behind.

"This is not the kind of statement I would like to make to this committee; but you asked my opinion, and I am telling it to you frankly."

The purpose of this resolution as it relates to public forests, then, is simply this; it is an effort on our part to tell those who control the Federal budget to look at the whole picture.

In our report we have also endeavored to encourage the executive branch to bring before the Congress a plan to accelerate reforestation on private lands.

Unless, in the next 10 years, we do the job that must be done, on the 48 million acres of public and private lands that need reforestation, we will not have an adequate wood supply in the year 2000 for our growing population.

For this reason I urge the prompt passage of Senate Joint Resolution 95.

WOODROW WILSON MEMORIAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 1737, Senate Joint Resolution 152.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 152) authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

LEASE OF CERTAIN PROPERTY IN MISSOURI FOR SCHOOL PURPOSES

Mr. MORSE. Mr. President, may I have the attention of the acting majority leader? The Senator from Missouri [Mr. SYMINGTON] and I are in complete agreement concerning the famous Stella, Mo., school bill, provided it contains an amendment, which I should like to offer, if that meets with the consent of the acting majority leader. There is no opposition to the bill, so far as I know.

I should like to suggest that the unfinished business be temporarily laid aside, so that the Senate may proceed to consider H.R. 8315. If the amendment which I shall offer in behalf of myself and the Senator from Missouri [Mr. SYMINGTON] can be adopted, the bill can be disposed of.

Mr. MANSFIELD. Mr. President, I agree with the Senator from Oregon. "Stella" has become a famous word in the Senate. She is not a hurricane or a typhoon; in some circumstances, she is worse.

Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar 924, H.R. 8315.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8315) to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R–I, Mo.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Armed Services with an amendment on page 1, line 4, to strike out "five-year" and insert in lieu thereof "two-year".

The PRESIDING OFFICER. The amendment just stated has been heretofore agreed to.

The bill is open to further amendment.

Mr. MORSE. Mr. President, on behalf of myself and the Senator from Missouri [Mr. SYMINGTON], I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That upon payment to the Secretary of the Army by the Stella Reorganized Schools R–I, State of Missouri, of fifty per centum of the fair market rental value of the space it occupied at Fort Crowder, Missouri, from February 2, 1959, through February 15, 1960, the Secretary is authorized and directed to release such Stella Reorganized Schools R-I from all liability for the rental of such quarters for such period.

Mr. MORSE. Mr. President, I desire to thank the Senator from Missouri [Mr. SYMINGTON], who has been a stanch supporter of the Morse formula for many years. He agrees with me that the principle of the Morse formula should be protected in regard to the Stella school bill. I thank him for his wonderful cooperation and for his cosponsorship with me of the amendment which protects the principle of the Morse formula.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated June 24, 1960, from Col. George B. Sloan, Chief of Legislative Liaison, Department of the Army, to the Honorable STUART SYMINGTON, relative to the application of the principle of the Morse formula.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D.C., June 24, 1960.

Hon. STUART SYMINGTON,
U.S. Senate.

DEAR SENATOR SYMINGTON: In response to your inquiry concerning the appraised fair rental for the property which is the subject of H.R. 8315, in a reappraisal of this property it has been determined that the fair market rental is $3,000 per annum.

Sincerely,

GEORGE B. SLOAN.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated June 8, 1960, from Assistant Secretary of the Army Dewey Short to the Honorable STUART SYMINGTON, bearing on the same subject matter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, D.C., June 8, 1960.

Hon. STUART SYMINGTON,
Senate of the United States.

MY DEAR SENATOR SYMINGTON: In accordance with your request, the Kansas City district engineer has ordered that a new appraisal be made to establish the fair market rental value of the barracks building at Fort Crowder, Mo., used by the city of Stella for school purposes. This appraisal will be made by a contract appraiser and is expected to be completed by the first of next month.

For your information, the Stella School bill, H.R. 8315, which is pending in the Senate, will have to be amended if it is to relieve the school district from its existing contractual obligation to pay rent because as now worded it is not retroactive. Also, I have been informed that the school board completed its cleanup work on the building on March 10, 1960, restoring the building to its previous condition satisfactorily.

Your interest in this matter is appreciated. I hope the above information is satisfactory.

Sincerely,

DEWEY SHORT.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. KEATING. Can the Senator from Oregon tell me whether the Senator from Massachusetts [Mr. SALTONSTALL] has been notified of the proposal to submit the amendment? Apparently, the amendment is a complete substitute for the original language of the bill. I realize that the Senator from Missouri [Mr. SYMINGTON] has an interest in the bill, but I feel a responsibility to make certain that action on the bill is agreeable to the minority side.

Mr. MORSE. I cannot raise my right hand and swear that the matter has been cleared with the Senator from Massachusetts. I can testify that it is my understanding that whatever was agreed to between the Senator from Missouri and the Senator from Oregon would be acceptable to the parties involved in the bill. I cannot say whether the Senator from Massachusetts has ever seen the amendment.

Mr. KEATING. I am placed in a somewhat unfortunate position. This is a bill which concerns the Committee on Armed Services. I am not familiar with the language of the proposal.

Mr. MORSE. I have just placed in the RECORD the position of the Department of the Army on the matter. I have placed letters from the Department in the RECORD. The amendment was really worked out with them and is acceptable to them.

Mr. KEATING. Has the Senator from Oregon cleared the amendment with the Senator from Georgia [Mr. RUSSELL]?

Mr. MORSE. No. I cleared it with the Senator from Missouri [Mr. SYMINGTON], who also is a member of the Committee on Armed Services. I cleared it with him only.

Mr. KEATING. I do not wish to interpose an objection.

Mr. MORSE. If any question is raised, I will agree to a reconsideration of the vote by which the bill is passed.

Mr. KEATING. I am certain the Senator from Oregon will do that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was agreed to.

Mr. FULBRIGHT. Mr. President, I desire to commend the Senator from Oregon, after so long a delay, for at least reaching a compromise which enables Stella to be given relief. I think that, finally, justice is being done. I compliment the Senator from Oregon upon his fairness.

Mr. MORSE. The Senator from Arkansas really knows that I never was the one responsible for the delay. I was always ready and willing to have the Morse formula adopted at any time. I am delighted that, at long last, the bill is about to pass.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 8315) was read the third time and passed.

STAMATINA KALPAKA

Mr. KEATING. Mr. President, on March 28, 1960, the Senate passed S. 1752 and S. 2443, to grant the status of permanent residence in the United States to the beneficiary of each of the bills.

On June 7, 1960, the House of Representatives passed S. 1752 and S. 2443, each with an amendment to provide only for cancellation of outstanding deportation proceedings. Under the amendment, the respective beneficiaries will be permitted to remain in the United States, but they will not be able to proceed toward U.S. citizenship.

Although the language of the bills as they passed the Senate is preferable, the amendment in each case is acceptable.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1752) for the relief of Stamatina Kalpaka, which was, to strike out all after the enacting clause and insert:

That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Stamatina Kalpaka. From and after the date of the enactment of this Act, the said Stamatina Kalpaka shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Mr. KEATING. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EDGAR HAROLD BRADLEY

The Presiding Officer laid before the Senate the amendment of the House of Representatives to the bill (S. 2443) for the relief of Edgar Harold Bradley, which was, to strike out all after line 2 down through and including "fee" in line 7, and insert:

That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Edgar Harold Bradley. From and after the date of the enactment of this Act, the said Edgar Harold Bradley shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Mr. KEATING. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. MORSE. Mr. President, will the Senator from New York yield?

Mr. KEATING. I yield.

Mr. MORSE. I wish to state that I appreciate very much the Senator's

handling of the Bradley bill. I believe it is a very sound bill. I introduced it; and I would not have introduced it if I had not thought it was a proper and a sound bill. So I appreciate very much the courtesy and cooperation of the Senator from New York.

EXCHANGE OF FEDERAL GOVERNMENT PROPERTY FOR MASSACHUSETTS PORT AUTHORITY PROPERTY

Mr. MORSE. Mr. President, I shall be very brief in expressing my objection to the conference report on House bill 5888. The conference report was agreed to in the Senate on yesterday, at a time when I was away from the floor, in attendance at a meeting of the Committee on Labor and Public Welfare. The conference report violates the Morse formula.

When this bill passed the House, it violated the Morse formula, in that it authorized the exchange of Federal property appraised at $210,000 for Massachusetts Port Authority property appraised at $127,000.

The bill was referred to the Senate Armed Services Committee, and on August 13, 1959, was reported to the Senate, with amendments. As reported by the Senate Armed Services Committee, the bill still violated the Morse formula, because it authorized the Secretary of the Navy, in computing the amount payable by the Massachusetts Port Authority for the excess value of the Federal property, to "waive such portion thereof as he deems equitable in consideration of rent-free use by the Department of the Navy in past years of the land conveyed hereunder by the Massachusetts Port Authority."

In commenting on the Senate amendment which would permit such a waiver of a portion of the amount payable to the Federal Government on this exchange, I said in the Senate on August 19, 1959:

> If we ever start to make any such arrangement when a city or a State had been giving the Federal Government rent-free use of such property, in order to induce the Government to establish there a Federal project which would bring many employees to that area, then we might just as well forget about trying to get the fair market value for the property.
>
> I do not think we should permit the people of Massachusetts, in this case, to proceed, after the fact—as they are attempting to do in this instance—to collect for such rent, which they never had any intention of collecting, in the first instance, inasmuch as if they had declared such an intention, we have no way of knowing that the Federal Government would not have determined to develop the project in some other community.

No further action was taken on House bill 5888 in 1959; but on March 28, 1960, the senior Senator from Massachusetts indicated that he would accept my amendment, deleting from the bill, as reported by the Senate Armed Services Committee, the provision authorizing waiver of a portion of the amount payable by the port authority on the exchange. The bill went to conference; and the report which came back to the Senate contained a further violation of the Morse formula. The conference report would include this amendment in the measure:

> (b) The Secretary of the Navy is authorized, with respect to any amount determined by him to be payable to the United States pursuant to the provisions of subsection (a), to waive such portion thereof, but not to exceed 50 per centum, as he deems equitable in consideration of the rent-free use by the Department of the Navy in past years of the land conveyed hereunder by the Massachusetts Port Authority.

From the foregoing, it is obvious that all the conferees have done is to reduce by 50 percent the objectionable feature of the Senate-reported bill which violated the Morse formula.

On March 28, 1960, when the senior Senator from Massachusetts indicated that he would accept my amendment, I stated:

> I fully realize that the adoption of my amendment by the Senate may not necessarily mean that it will be included in the bill when it comes back to the Senate from conference. I have had the Morse formula defeated in that way on some occasions, when we adopted an amendment to a House bill, only to find that when the bill returned from conference the Morse formula amendment has been eliminated. I wish to make the record today for the benefit of our Senate conferees. If the bill goes to conference I believe that the Senate conferees are under a great obligation to the Senate, if we are to apply the Morse formula to transfers of Federal property, not to surrender on this point in conference.
>
> If the Boston authorities are willing to accept the amendment—and the Senator from Massachusetts reports that they are—then I say with all due respect that it carries along with it the obligation that the amendment remain in the bill in conference.

This case constitutes an excellent illustration of the basic reason underlying my strong objections to bills passed by the House of Representatives containing giveaways of Federal property or interests in violation of the Morse formula. When I object to such House bills, our Senate committees, with a few exceptions, usually amended the bills so as to bring them into conformity with the Morse formula. If such bills are not cured by committee action, corrective action is usually taken on the floor of the Senate when I point out to the Senate the objection based upon the particular violation of the Morse formula.

However, corrective action in a Senate committee or on the floor of the Senate does not insure against the scuttling of the Morse formula feature in the conference committee and the issuance of a conference report providing for a giveaway of Federal property.

I regret very much that the conferees failed to insist upon the application of the Morse formula in conference, and that they condoned a violation of the Morse formula in the Massachusetts Port Authority case. A reading of the record in this instance will give my colleagues a better understanding of why I object so strongly to giveaway bills passed by the House of Representatives, even though the Senate may go through the formality of correcting violations of the Morse formula in such House bills. There is always the inherent danger that when the bill is in conference, the conferees, as in this case, will give in, and will permit a violation of the Morse formula.

MODIFICATION OF RESTRICTION ON USE OF REAL PROPERTY AT ST. AUGUSTINE, FLA.

Mr. MORSE. Mr. President, I wish to submit for the RECORD a brief statement in regard to House bill 5055.

House bill 5055 authorizes the modification of a restriction on the use of certain real property already conveyed by the United States to the city of St. Augustine, Fla.

Under the terms of the act authorizing the conveyance, the property could be used only for public park purposes. The land is now deeded for public school purposes. The bill would remove the existing restriction on the use of the property, and would authorize use of the land for educational purposes.

I wish to say that the Senator from Florida [Mr. HOLLAND] was very cooperative with me in regard to this matter, in order to see to it that the bill did not in any way violate the Morse formula. As a result, no violation of the Morse formula is involved in the bill, and that is why I do not raise objection to the passage of the bill.

MILITARY SITES VERSUS PUBLIC PARKS

Mr. MORSE. Mr. President, a most interesting and enlightening chapter in the eternal struggle in America to maintain a reasonable proportion of our public lands in use for wildlife conservation and recreation is to be found in the current issue of the New Leader.

An article by John Lofton, an editorial writer for the Pittsburgh Post-Gazette, tells of the increasing pressure from the military forces to take over areas presently devoted to wildlife refuges, battlefield parks, and similar areas. The article is entitled "Military Sites Versus Public Parks."

I think this article is a good indication of the need for Congress to proceed at an early date with action on the wilderness preservation bill. I ask unanimous consent that the article be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILITARY SITES VERSUS PUBLIC PARKS

(By John Lofton)

As urban and industrial sprawl have reached into vast unoccupied areas in recent years, Americans have been repeatedly warned that they are in danger of losing their natural heritage of forests and plains, of unspoiled seashore and lake front, and of the wild inhabitants of the diminishing open spaces. The threat stems in part from the inexorable pressure of population growth. By the year 2000, if the present trend continues, we will have an average of 90 people per square mile—about double today's average.

Population growth in turn generates new attempts to exploit land for its mineral, timber and grazing resources. The modern

menace to wilderness America, however, derives not alone from simple human pressure for living and producing space, but from changed land use unrelated to consumer requirements. A major agency of this change is the Military Establishment, which is not noted for its devotion to conservation. Since 1937 the total amount of land held by the Armed Forces has expanded from 3 million acres to some 31.3 million acres, an increase of more than 1,000 percent. In the past 20 years the average annual increase in military land use has been greater than the 1 million additional acres now being diverted each year to industrial and residential purposes.

Not all this expansion in military land use was the result of wartime mobilization. Between 1944 and 1959 military land holdings rose by 11 million acres. As late as 1955, when Congress called a temporary halt to the trend, the armed services were taking over land at the rate of 50,000 acres a week. Today, within the 48 contiguous States, the services control a domain as large as the State of Virginia. And there are unmistakable signs that they would like to make it much larger.

An important reason for expansion of military real estate, aside from the long-range growth of the Armed Forces, has been the increasing emphasis on air warfare with nuclear weapons. In historical terms, the military plane is an infant newcomer to the American landscape, but despite its recent arrival, it has already wrought spectacular changes in the national scene. The crowding of the airways has become obvious in the past few years as nearly 40,000 military craft compete for space with the ever-growing number of civilian planes. And these planes require large service areas on the ground. As military craft evolve into nuclear rockets and spaceships, the use of the skies and the land by mechanical birds will become still more intrusive. Demands for testing sites, such as that at Cape Canaveral, and for launching sites for operational missiles, are likely to multiply. The Interior Department now gets four or five requests a year for military sites on refuge land. A House committee which reported on military land use 3 years ago said then that, if all pending applications were approved, defense agencies would control nearly 40 million acres of land surface area in the United States and Alaska, plus inland and offshore airspace overlaying a surface area of 602,000 square miles, an expanse more than twice the size of Texas.

Since the time of that congressional study, the Defense Department has been more discreet in its territorial demands. Early this year the Department's Office of News Services pointed out that defense acreage holdings, excluding Alaska and Hawaii (note the exclusions), had actually decreased in fiscal 1959. But there is no reason to suppose that the end of the acquisitive trend is in sight. Though the Defense Department has let it be known that its expansion program for fiscal 1961 now contemplates control of only 4,072 additional acres, it was careful to note that this was "exclusive of missile requirements which have not yet been established."

The effect of military flight on wilderness areas and their wild residents is becoming evident. Although the Air Force has existed as a separate service for only 12 years, it already controls more land in the continental United States (Alaska excluded) than the total allocated for all wildlife refuges. Yet the Air Force has shown on several occasions in recent years that it covets the limited space set aside for hard-pressed birds and animals. Several years ago the Air Force proposed to establish a bombing range just south of the Arkansas National Wildlife Refuge, the winter home of the almost extinct whooping crane on the gulf coast of Texas. The project was called off in 1955 only after loud protests by American conservationists and by the Canadian Government, which was (and is) trying to protect the breeding ground of the rare bird, then represented by fewer than 2 dozen individuals.

Within the past year the Air Force has set its sights on three unusual public preserves, valuable either for the sanctuary they provide for wildlife or for the natural features they perpetuate for an ever more mechanized society. In two of these areas—the Cape Romain National Wildlife Refuge in South Carolina and the Kennesaw Mountain National Battlefield Park near Atlanta, Ga.—the threat of military incursion has been removed at least temporarily as a result of opposition by an aroused public.

The third subject of recent Air Force attention has been the great Desert Game Range in Nevada, established for the protection of antelope, deer, turkeys and the rare Nelson bighorn mountain sheep. The Defense Department has already acquired control of a portion of the Desert Game Range on a temporary use basis and is now taking legislative steps to secure a 10-year withdrawal and reservation of the tract. Air Force interest in using a part of the game range came to public attention during the last session of Congress when a bill was prepared to withdraw for military purposes (presumably target practice) 81,000 acres of public land in Nevada. As first drafted, the legislation not only failed to make clear that the land involved was the game range but also permitted the area to revert to the general public domain when military use was terminated. On being asked by the Budget Bureau to comment on the bill, the Interior Department opposed the original draft and recommended that an agreement with the Defense Department be worked out to insure protection of the paramount wildlife values.

As resubmitted in the present session of Congress, the bill on the Nevada range (H.R. 10402) provides for an agreement between the Secretary of Defense and the Secretary of the Interior to safeguard wildlife values. But the measure still does not identify the Desert Game Range, and the authority of the Secretary of the Interior is expressly limited by the requirements of national defense. Moreover, the bill permits the Air Force to acquire any of the land involved "by purchase, condemnation or otherwise."

In the case of the two other areas that came recently under military sights, a takeover was avoided, in one instance, only by a firm stand on the part of the Secretary of the Interior and, in the other instance, by the intervention of two Members of Congress who held influential positions in the Senate and House Armed Services Committees.

At Kennesaw Mountain National Battlefield Park the Air Force wanted to install an underground radar and communications control center. The park site was chosen despite other suitable locations nearby. Though the area involved is small and the project would not have represented a serious change in the nature of the park, conservation groups were worried over possible future modifications of the center and over the precedent such a park use would set. They were heartened, therefore, when in January, Secretary of the Interior Fred A. Seaton declined the Air Force request and suggested that the service investigate alternative sites.

In the Cape Romain area citizens and conservationists first became alarmed last June when an Air Force spokesman proposed the use of the refuge as a gunnery range. What such an intrusion would have meant becomes apparent when it is pointed out that in a recent National Park Service survey, Cape Romain was counted as part of the less than 7 percent of the Atlantic and gulf coastline still under public ownership for the enjoyment of all citizens. The 60,000-acre refuge on the coast of South Carolina is an expanse of land and water providing a retreat for waterfowl, shorebirds, songbirds and wild turkeys, as well as otters, alligators and loggerhead turtles. Acquired soon after the start of the program to implement the Migratory Bird Conservation Act of 1929, Cape Romain has since been referred to by the Fish and Wildlife Service as "one of the outstanding wildlife refuges in the East."

Despite the vigorous opposition of local residents, of the Interior Department and the South Carolina Wildlife Resources Commission, in the person of Dr. G. Robert Lunz, director of the commission's division of commercial fisheries, the Air Force persisted in its efforts to gain access to the refuge. As late as the first week in February, it told South Carolina's Senator STROM THURMOND that it had not given up hope of obtaining authority to use Romain as a target range for medium bombers. About this time Congressman L. MENDEL RIVERS, in whose district the refuge is located, exploded in opposition and reminded the service to take note of his seniority in the House Armed Services Committee. RIVERS is No. 3 man below the chairman and heads one of the Armed Services subcommittees. THURMOND is well up the ladder in the Senate Armed Services Committee and chairs the Subcommittee on Procurement. The Air Force finally abandoned the plan in mid-February.

The concern of conservationists over the Romain Refuge, the Kennesaw Mountain Park, and the Desert Game Range comes ironically after a campaign in Congress aimed at curbing unnecessary takeovers of Federal land. In 1955 the House Interior and Insular Affairs Committee, under the chairmanship of Representative (now Senator) CLAIR ENGLE, of California, began a study of land acquisition by the armed services. The committee found that in the 18 months preceding June 30, 1955, defense agencies had been grabbing land at the rate of 5 acres per minute during every minute of the 547 days involved. Withdrawals of public lands, ENGLE reported later, were being "finalized" within executive departments by executive action. The procedure was discontinued only when ENGLE on October 29 of that year requested the Interior Department to hold up further withdrawals pending consideration of the question by Congress.

In a report to Congress in 1957, ENGLE revealed that defense agencies then controlled more than 30 million acres in the United States and Alaska and had applications pending for the withdrawal of 10 million additional acres. Doubts were cast on the genuineness of the military land hunger when an Air Force Board of Inquiry disclosed that, of 14.4 million acres held by the Air Force on October 9, 1957, 5.7 million acres were, in fact, in excess of that service's current and long-range needs. Only 9 months earlier the Air Force had described all of its holdings as "fully utilized and needed for the foreseeable future."

As a result of the exertions of ENGLE and his committee, Congress in 1958 passed a law requiring congressional approval of any withdrawal for military use of more than 5,000 acres of public land. With its injunction to the military to obey local game laws and to cooperate with the States in taking conservation measures, the Engle Act has produced a marked improvement in the attitude of the services toward their stewardship over Federal lands. But the new statute, constructive though it is, leaves considerable latitude for capricious military preemptions of Federal land. Its requirement of congressional approval for withdrawals of more than 5,000 acres applies only to public lands, a distinctive term which embraces those limited acres put within the public domain by specific act of Congress,

and those much more extensive areas to which the United States holds title as a consequence of cession by international agreement or treaty. But public lands do not include those federally owned tracts acquired by purchase, condemnation, or as gifts. These acquired lands—consisting of some 50 million acres and including many of the wildlife refuges of the East—are not covered by the provisions of the Engle Act. Cape Romain and other areas like it (about a million acres in the East) are thus still subject to disposition by executive action. The Interior Department may be called upon to grant a special permit for military use of a refuge. And with national defense given as justification, such requests may become hard to resist despite the fact that the military services demands have been shown to be excessive. Furthermore, there is no guarantee that future Interior secretaries will be as devoted to conservation as Secretary Seaton has been so far.

Without the leverage of a congressional hearing, opponents of military inroads on wildlife and park preserves would be hard put to find out whether the Air Force and other services have improved the machinery for determining their land needs. While the Engle committee commended the Air Force for the constructive self-analysis in its board of inquiry report, the group condemned the "incalculable wastefulness" of Air Force control of unneeded and unused land and emphasized the inquiry board's finding that "no valid criteria existed for determining range sizes."

By extending to acquired lands the necessity of legislative approval for changes in the status of large tracts, Congress could provide protection to many significant areas not covered by the Engle Act. But such an amendment (not yet introduced by anyone) is only one of several essential statutory safeguards if the natural landscape is to be maintained undisturbed in a few places for the quiet enjoyment of space age citizens. Another measure is the wilderness bill which would preserve in their primeval state certain undeveloped areas of Federal land (about 2 percent of the total), including qualifying wildlife refuges. Passage of the wilderness bill might give the Secretary of the Interior the power needed to safeguard permanently such areas as Cape Romain and the Desert Game Range. A third key item of legislation is the national seashore bill (two versions were offered in the last Congress) which would authorize the National Government to acquire a few of the rapidly disappearing sections of uninhabited ocean front for public enjoyment. Though the wilderness bill and the national seashore bill have both been under discussion for several years, neither has reached a vote in Congress.

Regardless of what legislation is adopted, the status of Federal land would (and should) still be subject to change by future acts of Congress in order to accommodate genuine military and other needs. A requirement of congressional action would, however, help to insure more careful consideration of military exigencies.

As they look toward the future, Americans should realize that existing and proposed conservation programs represent little more than a holding action in the effort to perpetuate the natural America of the past. Present Federal waterfowl refuges constitute but a minimal national attempt to compensate for the 120 million acres of former waterfowl habitat already appropriated by agriculture and industry before the conservation system was well started. As hunting increases with population, the existing refuges will be less able to protect the beleaguered birds.

By the end of the century, according to Winthrop Rockefeller, member of a family that has done much for conservation, the United States will need 40 times the land now set aside for the national parks and scenic areas. The present trend offers little hope of attaining the goal.

HEALTH CARE FOR THE ELDERLY

Mr. MORSE. Mr. President, on Saturday, June 18, I spoke at the Civic Auditorium in San Francisco, before a conference of several thousand elderly persons, from all over the country, who met to consider the problems of the elderly. I ask unanimous consent that excerpts from the speech I made on that occasion be printed at this point in the RECORD.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESS BY SENATOR MORSE BEFORE THE EDUCATIONAL COMMITTEE OF ORGANIZED LABOR FOR THE FORAND BILL, AT SAN FRANCISCO, CALIF., ON JUNE 18, 1960

It is my great pleasure to be here to observe and meet with this great rally of working people and senior citizens.

You are meeting here in the interest of one of the greatest domestic issues before the American people, and surely one of the major issues at stake in this political campaign year.

I need not dwell upon the details of the measure with which we are concerned. It was my pleasure to have been the first to introduce in the Senate a companion to the Forand bill. But the principal work and effort on this entire subject was done by the great, foresighted and humanitarian Congressman from Rhode Island, and at a meeting like this I cannot help but express my admiration and respect for his courageous leadership.

Several months after he first introduced his bill in the House of Representatives, I introduced one like it in the Senate. Little publicity was accorded it at the time, but a few months later I offered that proposal as a Senate floor amendment to the bill which provided a 7-percent increase in the level of benefits.

I will recall that there was little interest in the Senate at the time. Nonetheless, I believed that the only way to gain interest in it was to offer it, to discuss it, to outline the reasons why it was a sound idea, and answer any opposition arguments that might be raised. That is what I did in the summer of 1958. Only two or three of my colleagues even entered into the debate on it before it was rejected by a voice vote.

But I got the information on it into the CONGRESSIONAL RECORD. There was put into print in a public document for the first time the detailed and careful economic and social reasons for its adoption which had been prepared in the main by the economists for the AFL–CIO.

A year and a half later, the Forand bill was—and continues to be—a major political issue.

At least much progress has been made in educating the people to the principles involved in it, and its desirability.

Of course, I do not contend that this proposal is the one and only measure which should be considered in connection with providing health care for the aged. It admittedly has gaps in its coverage, since it would extend health insurance after 65 only to those covered by social security. This automatically omits many hundreds of thousands of aged men and women who for various reasons reached 65 without having worked under social security.

It omits railroad workers, because they are not covered by social security either.

Some of these defects were corrected by another health-insurance proposal, which I have cosponsored with Senator MCNAMARA and several others of my colleagues.

The McNamara bill covers social security recipients, but it also provides an insurance fund for those receiving public welfare assistance who are not affected by social security. It drops the surgical insurance of the Forand-Morse bill, but provides 90 days of hospitalization instead of the 60 in our measure.

These are alternatives in detail, rather than in principle. But far off at the other end of the scale, where the alternative is an entirely different principle, is the answer of the administration. Under the administration plan, there is no relationship whatsoever to social security. It calls for a Federal-State system, whereby each State would decide whether or not to participate and whether or not to put up half the money. It is essentially a new welfare program, rather than an insurance program, because it requires a means test for eligibility. Oddly enough, where an individual can show that he or she is poor enough to be entitled to help under the administration program, the sick person then must pay the first $250 of any medical care needed.

The administration estimates that its plan would cost the Federal Government about $600 million a year in direct appropriations, and would cost the States an equal amount, assuming, of course, that any of them agreed to join. The latter assumption seems very doubtful, since only two Governors I know of have expressed sympathy or support for it.

Unfortunately, what has emerged from the Ways and Means Committee in the House of Representatives is even worse, if that is possible. It is simply a grant-in-aid program, to help the States improve their State welfare programs. It is a bigger and better public-assistance grant, not a health insurance program at all.

The committee proposal would leave participation entirely up to the States, allowing them to set up their own standards of coverage and benefits, subject to certain limits in the bill.

It is estimated that 10 million people could potentially be eligible for its benefits, again assuming that every State set up the most generous plan possible. The total cost of this program would be $325 million in 1 year, with the Federal Government putting up about $165 million and the States $160 million.

Next to what the committee has proposed, the administration program is about four times more generous, in terms of the cost of each program.

In my opinion, neither one is worth establishing. I believe in the insurance approach to this matter. In terms of what is the most conservative, it seems self-evident to me that it is far more provident and enterprising to cover a risk by insurance than to rely upon the dole of public assistance.

What the administration and the Ways and Means Committee are proposing is not even enlightened capitalism. It is a throwback to the capitalism of Dickens' "A Christmas Carol" when the Christian gentlemen of the day were expected to make a Yuletide contribution to the poorhouses as part of the ritual of being a capitalist. It is part and parcel of the theory that Herbert Hoover steadfastly asserted when he maintained that the unemployed should be cared for as a matter of public assistance.

I am very much in favor of the insurance principle involved in the Forand-Morse bills, and in the McNamara bill. I think it is essential that we stand fast for it in considering this matter in the Senate and, I would hope, on the floor of the House of Representatives. To set up health care as a dole would virtually destroy any chance of setting

it up as prepaid insurance later. The people of America are among the last of the industrialized nations of the world to have health insurance. Most nations have it not just for the aged, but for the working population as well.

Because health and welfare funds have gained such wide acceptance as a part of bargained contracts, and because private group insurance has been highly useful and successful in providing benefits for working people, the major problem we have left is that of health care after working years.

What is more reasonable and logical than making it a part of social security? Far from adding to bureaucracy, as a dole would do, it could be handled by the existing Social Security Administration.

I would also point out that the Forand-Morse bills have been criticized by some on the ground that they provide coverage for persons already retired and receiving social security, without additional cost to them. For those still working, it would raise the payroll tax about one-fourth of 1 percent for both worker and employer. Thus, it is said those already over 65 are getting something for which young people will be paying.

My answer is that when today's beneficiaries paid into the social security fund, their dollars were worth a lot more than the benefits are now worth. Inflation has robbed them of much of what they contributed to social security in the late 1930's and 1940's. This health coverage is one way to make up for that depreciation in their social security contributions.

I would also point out that their medical bills will have to be paid by their children, anyway, or by the community's taxes, if they are not paid out of the social security fund. So I think the covering in of those already retired under social security is a very sound feature of our bill.

Of course, we have a long way to go in this fight. But there is one language the politicians always understand, even if they do not always understand facts and simple justice. That is the language of votes. You must make clear to the candidates who will ask for your vote in November that you are watching their votes in the months prior to November.

Mr. MORSE. Mr. President, during the course of the program at the convention in San Francisco, I listened to a very brilliant address by Dr. Leon Lewis, of San Francisco, who spoke on the subject "Health Care for the Elderly." Dr. Lewis analyzed the legislation pending before the Congress, in regard to the problem of providing health aid to the elderly. I think the address delivered on that occasion by Dr. Lewis was one of the most cogent analyses of this problem which it has been my pleasure either to hear or to read. Because his address was so pertinent to the problems on this subject which will confront us between now and the end of the session, I ask unanimous consent that the address by Dr. Lewis be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HEALTH CARE FOR THE ELDERLY

(Address by Leon Lewis, M.D., presented at the meeting of organized labor and senior citizens, Civic Auditorium, San Francisco, Saturday, June 18, 1960)

This afternoon meeting may be interpreted as a demonstration in favor of a particular method of dealing with the health needs of elderly people. This might mean that you are gathered here in a mass meeting to impress your Representatives in Congress with your approval of a piece of legislation—for example the Forand bill. There is, however, another possible meaning of this meeting. It can—and I hope it does—mean that we are all here to analyze and to evaluate the various proposals for health services now before Congress with the hope that we may make a contribution to the solution of a very complex problem.

My purpose is to give you:

1. Background information concerning the health of elderly people and their needs for medical, hospital, and other kinds of care.

2. A brief review of four proposals for supporting health care for the elderly, and

3. Standards which I believe should be met by a health plan acceptable to organized labor.

All of us are mature enough to know that whatever plan is adopted will have imperfections. We are also experienced enough to realize that the legislation passed by Congress will be the result of many pressures as well as much deliberation. Unfortunately, the legislation will not necessarily be based entirely on consideration of "what is best for the patient"—in this case, the so-called "aged." It will be what can be supported by a majority of legislators and signed by the President after being pushed this way and that by insurance interests, the American Medical Association, organized labor, drug manufacturers, dissident medical groups like the Physicians Forum and the Members of the House and Senate themselves. Whether the final product is a hodgepodge of unworkable schemes or a properly planned well-knit program depends in part upon what you know and how you make your intelligent opinion known to lawmakers.

First—a few facts. For convenience the artificial limit of 65 years will be used as the beginning of old age. There are somewhere between 16 and 20 million persons over age 65 in the United States and over 1¼ million of them live in California. More of them are women than men. Over half of the women over 65 are widows. Between one-third and one-half of all Californians over 65 have family incomes of less than $2,000 a year. Nationwide, about two-thirds of the elderly have individual incomes of less than $20 a week (including social security). Old-age insurance beneficiaries receive an average of $72 a month.

What about the health of older people? In California, according to the broad health survey carried out in 1957 by the State department of public health, about two-thirds of all persons over 65 have one or more chronic illnesses, and about one-fifth of these—at any given time—have an additional acute illness. Heart and blood vessel diseases are the commonest conditions—increasing in frequency from 10 out of 100 at age 45 to 35 out of 100 persons at age 75. Rheumatism, stomach and bowel disorders, hernia and fractures (especially hip fractures in women) are other frequent causes of disabling illness. Respiratory diseases are the commonest causes of acute illness.

Californians over 65 (aside from 60,000 in institutions) average 2 days' hospitalization per year, twice as much as those 45 to 64 years old and 2½ times as much as the general population. Only one-third of those between 65 and 74 and one-seventh over 75 have hospitalization insurance. Those who are insured have very inadequate coverage.

It has been estimated that the average elderly couple in the United States spends $200 a year on health needs; one out of six pays more than $800 a year in medical and hospital costs. Obviously, the majority of elderly cannot meet such expenses without sacrificing essentials—such as food and decent housing—if they can meet them at all.

Until now the approach to this problem in the United States has been charity: public hospitalization for the indigent, voluntary free services by doctors in hospitals, clinics and private offices. But many persons with limited means have always been excluded from public hospitals and clinics. Despite the contribution of Federal and State money to restrict medical care under some phases of social security, the cost of indigent medical care is becoming burdensome to local government. New methods are needed—methods which provide adequate service without destroying personal dignity, methods which can be financed fairly and applied without discrimination. Our question today concerns such methods and we must look at those which have been proposed to see how they plan to work.

A. The Forand bill (H.R. 4700): 1. Who will benefit? Eleven million 65 or older receiving OASI benefits. Two million under 65—survivors or dependents of OASI insured.

2. Who will not benefit? Five million aged now excluded from OASI.

3. How will they benefit? Sixty days' hospitalization per year, 120 days' nursing home care per year, less the days in hospital. Surgical, including dental surgical fees. All associated costs in hospital care: Ambulance, X-ray, laboratory, drugs, anesthesia, etc.

4. What is not covered? (a) Medical office and home visits; (b) home nursing; (c) drugs outside hospitals; (d) diagnostic services outside hospitals; (e) rehabilitation services as such; (f) care for mental illness or tuberculosis.

5. Estimated cost: $1.1 billion per year.

6. How financed? By adding 0.025 percent to wage and payroll tax rate on earnings up to $6,000 per year.

7. Who pays most? The low income person has heaviest burden since upper income is not taxed.

B. The McNamara bill (S. 3502):

1. Who will benefit? Eleven million over 65 on OASI. Those of 5 million not covered who earn less than $2,000 a year.

2. Who will not benefit? Survivors and dependents of OASI covered.

3. How will they benefit? Ninety days' hospitalization a year; 180 days in nursing home a year; home medical and outpatient (office) diagnostic services; "very expensive" drugs.

4. What is not covered? Surgical fees (medical fees in hospital); nonexpensive drugs; rehabilitation services as such; mental disease and tuberculosis care.

5. Estimated cost: $1.1 billion for OASI; $370 million for noninsured (of which United States already pays about $240 million through social welfare plans).

6. How financed? Same as Forand plan, except that those outside OASI will be supported from general tax revenues.

C. The "Medicare plan" would provide grants to States to allow persons over 65 to buy private insurance plans—if income under $2,500 (or $3,000 for couples).

1. A 10-point program would support 180 days hospital care; 1 year nursing home care and home care; surgical, medical, dental fees; physical restoration (rehabilitation); private nursing; drugs to $350; laboratory and X-ray to $200 a year.

2. How financed? Out of general tax revenue plus premiums paid by older persons at rate of $24 a year.

3. Exclusions: First $250 per year to be paid by the individual; 20 percent of all additional costs to be borne by individual. All coverage to be voluntary, depending upon the initiative of the insured individual.

(NOTE.—Since average health cost in 1957–58 was $177 (or $210 at 1960 prices) for the elderly, the $250 deductible amount excludes all with average expenditures for health. For those with high medical costs and 2¼ million persons expend $840 a year, the personal

costs would be $24 premium, $250 deductible, $118 (20 percent of the excess over $250), or $392 to be paid by individuals, two-thirds of whom have average annual incomes of less than $1,000.)

"Medicare" would also insure costs of public assistance or welfare programs—for no apparent reason except to increase revenue for insurance carriers and to increase public expense.

D. Senator JAVITS' plan also depends upon State operation, individual premiums of 50 cents to $13 per month depending upon income. Federal subsidy estimated $1.1 billion.

The medicare plan would increase the burden of States by $600 million and the Javits plan by $640 million annually. These additional revenues would be met by already hard pressed State governments by some type of taxation. The dangers of more inequitable sales taxes is obvious.

Both medicare and the Javits plans bypass the Social Security Administration which operates at an administrative cost of 2 percent. They would substitute a complex of Federal Government, 50 State governments, about 1,500 voluntary health insurance companies with hundreds of possible plans—operated with high administrative costs plus profit of private insurance.

If any of the proposed plans is to be supported it is important to consider how easy it will be to modify it in the future, either to correct mistakes or to broaden benefits. The dangers of setting up a cumbersome system which cannot easily be changed is one reason for trying to keep the administration unified and as free of rigid bureaucratic control as possible. Another danger arises out of threats to regiment the medical profession. Fortunately, both the Forand and the McNamara bills stress the freedom of choice of physician and approved hospital and disclaim control over administration at the service level.

With the background of facts I have tried to give you, let me now turn to a proposed set of tests or criteria of a satisfactory health program for the aged. I hope there will be time to argue some of the issues raised by what is admittedly idealistic—but since when is the ideal too good to fight for?

A really adequate health plan for the elderly would, in my opinion, do the following:

1. Support health services for all individuals over 65 whether insured by OASI or not.

2. Provide services as needed and for as long as needed with no time restrictions. (Where does the permanently disabled 80-year-old go after 120 days or 180 days in a nursing home? Where will he go when a Federal plan puts the charity hospitals out of business?)

(a) Emphasize early diagnostic and preventive care to avoid hospitalization.

(NOTE.—Focus on surgery is misguided since people need more medical than surgical service as they grow older. Subsidizing hospital care to exclusion of office and outpatient care is serious error of most health care plans.)

3. Operate efficiently at the lowest overhead and in a way assuring equal benefits to all. This, in my opinion, can best be done under the Federal Social Security Act.

4. [The plan should] be supported equitably—preferably out of general tax funds, or as an alternate, out of taxes on earned income beyond the proposed $6,000 limit under OASI.

5. Assure good quality of service by establishing professional standards for all personnel: doctors, nurses, therapists, social workers and others.

6. Foster high level service and morale by earmarking a proportion of funds for local inservice teaching and research.

7. Stress preventive and rehabilitative measures—supporting, by special subsidy if necessary, centers for geriatric rehabilitation and by paying for restorative services.

8. Plan for coordination with services other than medical—specifically, social agencies, recreational and housing facilities, and educational plans for the elderly.

9. Integrate the public hospitals with the new plan, by using the available plants and the experienced staffs of well established institutions.

Utopia is not around the corner. The standards suggested probably cannot now be met, but there is no reason to aim for lesser goals. The immediate target should not be less than a first stage in a full solution to the problem of health care. Under present circumstances, the concept introduced by Mr. FORAND and expanded somewhat by Senator MCNAMARA and his colleagues, offers the best hope, especially if amended to include diagnostic, preventive, and rehabilitative care, for a stepwise achievement of the goal I have tried to define.

REFERENCES

1. H.R. 9467, 85th Congress, 1st session, H.R. 4700, 86th Congress, 1st session, "a bill to amend the Social Security Act, etc. (introduced by Mr. FORAND).

2. S. 3503, 86th Congress, 2d session, "a bill to provide for the payment of hospital and other health services, etc." (introduced by Mr. MCNAMARA).

3. Linder, Leo J., "Health Insurance for the Aged—Which Bill Is Best?" the Nation, volume 190, page 465, May 28, 1960.

4. "Health in California—California Health Survey," State of California, Department of Public Health, Berkeley; California State Printing Office, Sacramento, 1959.

5. "California's Older People—Their Health Problems," State of California, Department of Public Health, Berkeley, 1959.

6. "Why Older People are Hospitalized," Statistical Bulletin of Metropolitan Life Insurance Co., volume 41, page 3, April 1960.

Mr. MORSE. Mr. President, on that occasion I said to the audience that if the medical profession would follow the legislative statesmanship of such brilliant persons as Dr. Lewis, we in the Congress would not have any serious problem in doing justice to the elderly people of this country.

In fact, Mr. President, I was so favorably impressed with Dr. Lewis and the brilliance of his analysis of the problem which confronts us that I should like to say to the leaders of the Congress that I hope that during the next session Dr. Lewis will be called to Washington to testify before us, when we come to grips again with the problem of enacting legislation which necessarily must be enacted in order to do justice to the elderly and to give them the medical protection to which they are entitled.

Mr. MCNAMARA. Mr. President, on this point, will the Senator from Oregon yield to me?

Mr. MORSE. Yes, Mr. President, I am glad to yield to the Senator from Michigan.

In doing so, I wish to inform him that in my speech, last Saturday, to the convention of the elderly, in San Francisco, I spoke of the wonderful work the Senator from Michigan is doing in the Senate in regard to health legislation for the elderly. I am sure the Senator from Michigan will be pleased to know that there is no question that those people are aware of the excellent work the Senator from Michigan is doing, because the very mention of his name before that audience of elderly people "brought down the rafters," so to speak; their applause was most enthusiastic in support of the high commendation and compliment which, on that occasion, I paid to the Senator from Michigan.

Mr. MCNAMARA. I thank the Senator from Oregon very much for his charity.

Mr. President, the Senate will be considering, in the next week, a problem of crucial importance to the welfare of 16 million senior American citizens; namely, the most effective means of financing medical care in old age, without subjecting our aged to the humiliation of charity or dependence upon children.

The Senate Subcommittee on Problems of the Aged and Aging has conducted 18 months of extensive studies in this field, and has produced a wealth of evidence that an expansion of the social security system to include medical benefits for retired persons is the most efficient and effective means of meeting their No. 1 problem. Accordingly, along with 23 other Senators, I have introduced S. 3503, to provide paidup medical-insurance benefits for all retired elderly.

Mr. President, the American Medical Association claims that the physicians of this Nation are opposed to this simple, effective method of meeting medical bills after retirement. In the name of the doctors of the country, the American Medical Association opposes the Forand-McNamara approach, which follows the traditional American method of purchasing insurance, through small contributions during our working lives.

However, I wish to assert emphatically that the American Medical Association does not speak for the medical profession on this subject. Thousands of physicians in this country, dealing directly with the elderly, have a more sensitive and humane understanding of this national problem.

They know only too well that low incomes in old age, combined with extensive illness and high medical bills, can wipe out small savings or can make it necessary to mortgage a home, or cash in insurance, or borrow from relatives.

I repeat that the AMA does not speak for large numbers of this humanitarian profession. As an additional example of my assertion, let me quote from a letter I recently received from the president of the American Public Health Association, Dr. Malcolm H. Merrill, a physician, who enclosed the policy statement of the American Public Health Association on Federal health insurance for the aged.

I want to add that the chairman of the executive board of this association is Dr. John D. Porterfield, Deputy Surgeon General; and Dr. Berwyn F. Mattison is executive director. Both are physicians.

Point 2 of this policy statement asserts:

> We favor appropriate Federal legislation to provide paid-up insurance for health services to meet the needs of persons over 65.

Mr. President, the American Public Health Association is the professional organization of public health workers in this country. It is the largest public

health organization in the world, with members from every State in this Union. The American Public Health Association is 87 years old, and has 13,000 members, composed of physicians, nurses, engineers, and others engaged in protecting and sustaining the health of our citizens. No organization has contributed more to the prevention of illness and to the promotion of positive physical and mental health.

In this statement from the APHA, which, I am told, includes in its membership all of the public-health doctors in the country, it is asserted flatly that it favors paid up insurance for health services.

Mr. President, there is no necessity to surrender supinely to the dogmatic emotionalism of the mimeograph machines in the AMA headquarters, on the ground that the doctors oppose a common sense effort to meet the medical problems of America's senior citizens.

In its policy statement, the APHA further sets forth excellent criteria with respect to the provisions of medical insurance legislation, including the need for minimum standards in hospital and nursing-home care, and for cooperation with State health agencies in administering the program.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from Dr. Merrill, and the policy statement of the American Public Health Association.

There being no objection, the letter and the statement were ordered to be printed in the RECORD, as follows:

THE AMERICAN PUBLIC HEALTH ASSOCIATION, INC.,
New York, N.Y., June 16, 1960.

Hon. PAT MCNAMARA,
U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SENATOR MCNAMARA: It is my pleasure to forward to you the accompanying brief statement of those principles believed by the American Public Health Association to be essential to an adequate program of health care for the aged. I respectfully direct your attention to the basic tenets set forth in the hope that they will be helpful to you in your consideration of legislation relative to this vital problem.

Our association would be pleased to provide additional information or to be of further service should you so desire.

Sincerely yours,

MALCOLM H. MERRILL, M.D.,
President.

POLICY STATEMENT ON FEDERAL HEALTH INSURANCE FOR THE AGED BY THE AMERICAN PUBLIC HEALTH ASSOCIATION, JUNE 8, 1960

The American Public Health Association has continued to study Federal legislative proposals and developments relative to the problem of meeting the health needs of the aged since statements on this subject were presented to the Ways and Means Committee of the House of Representatives in July of 1959 and again in March 1960. We have observed with great interest the bills on health insurance for the aged introduced in the present Congress, and the plans presented by Secretary Flemming of the Department of Health, Education, and Welfare giving the administration's views.

It seems timely that the APHA present its current views on legislation to provide health insurance for the aged because of the possible passage of legislation by the Congress before it adjourns.

Accordingly, the committee on public policy and legislation wishes to set forth the following basic principles that should be a part of any Federal legislation enacted to help meet the health needs of persons over 65 years of age in the Nation.

1. There is well-accepted evidence of the need of several segments of this age group to have help in paying for their health services.

2. We favor appropriate Federal legislation to provide paid-up insurance for health services to meet the needs of persons over 65.

3. The means of financing an insurance system is one that requires the best financial and fiscal experts, in and out of Government, and we believe that such experts should provide guidance in this aspect of the problem. We would only say that mechanisms should be used to full advantage, whenever possible, which will assure efficiency and economy in this costly venture.

4. To obtain maximum value for moneys spent and to assure the best quality of health services, it is essential that the Department of Health, Education, and Welfare establish minimum requirements for hospital and nursing home care for the country. If personal health services are included in the benefits, provision for high quality of care, such as that now in force in the crippled children's program of the Children's Bureau, would be necessary.

5. To enforce provisions for quality of health services established by the Department of Health, Education, and Welfare, State governments would need to designate State agencies to carry out the task of inspection, surveillance, and certification to the Federal agency distributing the insurance funds. We strongly believe that the State health departments, whenever possible under State law, should be designated as the State agency to administer this aspect of the program of health insurance for the aged. State health departments have had long experience in the broad health fields not limited to those of public assistance or general relief. In addition, their professional staffs are familiar with all aspects of health care and are closely associated with licensed practitioners, hospitals, nursing homes, and auxiliary medical services.

These basic principles, in the view of the APHA, must be incorporated in any legislation enacted to help meet the health needs of the aged. The APHA is prepared to submit the necessary wording of amendments to presently available bills in Congress to accomplish the goals set forth.

Bills before Congress and bills to be introduced should be measured in their future effectiveness by the extent to which they include these basic principles.

Mr. MCNAMARA. Mr. President, I thank the Senator from Oregon very much for yielding to me at this time.

Mr. MORSE. Mr. President, I have been delighted to do so.

EXCERPTS FROM ADDRESS BY SENATOR MORSE AT RAILROAD WORKERS RALLY AT LOS ANGELES

Mr. MORSE. Mr. President, on the night of June 17, I spoke to more than 2,000 persons at Pasadena, Calif., at a railroad workers rally. The subject under consideration was some of the problems which at present confront the railroad industry. I ask unanimous consent that excerpts from my remarks on that occasion be printed at this point in the RECORD.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESS BY SENATOR MORSE BEFORE LOS ANGELES COUNCIL OF RAILROAD LABOR, PASADENA, CALIF., JUNE 17, 1960

Members of the Los Angeles Council of Railroad Labor, and friends, it was a great honor and a great pleasure to accept the invitation from H. E. Gilbert to address this rally of west coast railway labor brotherhoods.

Like all of organized labor, the railroad brotherhoods stand in a critical point in their history. They have been the object of a tremendous antilabor campaign. Since it was impossible for employers to use the corruption issue against the railroad brotherhoods, they used a different issue, one that was the creature of publicity rather than fact.

This was the infamous "featherbedding" allegation, plastered in magazines and newspapers for the sole purpose of gaining sympathy and support from the general public, a public largely deprived of the truth of the situation because the publicity was all one-sided. No better example of this fact can be cited than the experience you had with "Reader's Digest." The anti-featherbedding article carried by Reader's Digest brought me a good deal of mail demanding corrective action against the unions, as I am sure it brought to other Members of Congress. Yet, the many answers sent to Reader's Digest by several railway executives, and the working employees themselves, were rejected by the publishers.

PUBLICITY IS PURPOSE OF CAMPAIGN

It was significant that the carriers took this campaign to the public, rather than to the unions and the Boards set up under the Railway Labor Act. Obviously, they have felt that their case is unsound in its specifics, but that it will help to create the climate which employers are busily creating to influence Congress in the adoption of antilabor laws.

The culmination of this campaign on the part of the carriers came last month, when there was introduced by Senator DIRKSEN a bill numbered S. 3548. This bill would remove all negotiations on creation or discontinuance of jobs from collective bargaining negotiations and contracts. It is a simple bill. It has for its simple objective the undoing of generations of progress in American labor.

It has been a historic objective of American labor unions, and in fact, of free unions throughout the Western World, to seek first, a fair share of the value of the product or service their work creates; and secondly, a measure of control over job opportunities. Senator DIRKSEN predicates his bill upon the recent decision of the U.S. Supreme Court in the case involving telegraphers on the Chicago & North Western and the plan of the carrier to abandon service at certain stations.

Abandonment of service is not an unusual practice; it can be accomplished and has been accomplished through regular procedures of the Interstate Commerce Commission. Some areas of the country, particularly rural communities, think there has been too much abandonment of service. But the carriers have a procedure to follow regarding it, if it can be justified.

However, the future of the employees affected by such an abandonment has for decades been considered a legitimate concern of their union, not only in the railroad industry, but wherever working people are organized to bargain with their employers. Job control has, since the days of Samuel Gompers, been a basic objective and concern of organized labor.

FAR-REACHING EFFECT OF DIRKSEN BILL

Of course, Senator DIRKSEN knows this. He knows that the case decided by the Supreme Court in favor of the union is only an excuse for his bill. His bill is not even limited to railway unions, but applies generally, to all labor-management contracts.

We have good reason to know what is behind this bill up in Portland, Oreg. Our city is being racked by a strike over exactly the same issue which was at stake on the Chicago & North Western Line, and which is now at stake in the Dirksen bill. You are all familiar with the Portland newspaper strike, and with the "union-busting" activities of the publishers of the city's two major newspapers.

The cause of the strike was the insistence of the Oregonian that it was going to purchase a new plate-casting machine of German manufacture, one entirely unknown in this country, but which the employer insisted needed only one man to operate. The Stereotypers Union did not take the position that the same number of men presently employed for that task should continue to be employed and paid for it; rather, they took the very reasonable position that when the machine was purchased and installed, then they would discuss with the publisher the number of men needed to operate it.

There is no question of the fact that this was a false issued raised by the publishers in the full knowledge that the union would go out on strike over it. They had the strikebreakers all lined up to move in several weeks before the issue was even raised with the union. The new machine has not been purchased or installed at the Oregonian's plant.

Yet, under the Dirksen bill, the stereotypers would be denied any right even to negotiate this subject at all in their bargaining contract. So far as I know, even Sam Newhouse hasn't tried to deny them that. He will deny them their jobs, of course, but not the right to bargain and strike over the issue. In fact, he counted on the fact that they would strike over it.

That is how far this Dirksen bill goes. There are many similar examples that could be cited from any industry. It would deliver a body blow to organized labor, and that is exactly what it is intended to do.

BILL IS MAKING PROGRESS

Of course, you may feel that this is just one of those things that gets introduced as a matter of course when someone doesn't like a Supreme Court decision, and that it was routinely introduced only to be routinely dropped as so many bills are. Yet the facts indicate otherwise.

The 86th Congress has been in session a year and half and is only now getting down to business on the minimum wage bill. My own bill of February 1959, to extend to all emergency disputes the procedures of the Railway Labor Act, has languished in the Senate Labor Committee without so much as a hearing. My resolution to investigate the Portland newspaper strike has been refused a hearing.

Senator DIRKSEN introduced S. 3548 on May 13 of this year. Within a month, the subcommittee to which it was referred was ready to proceed with hearings on it. Just 2 days ago, on Wednesday of this week, the chairman of that subcommittee of the Senate Judiciary Committee, Senator MCCLELLAN, rose on the Senate floor at the opening of the session and asked unanimous consent of the Senate that his subcommittee be permitted to hold those hearings while the Senate was in session. Under the rules of the Senate, only the Senate Appropriations Committee can meet while the Senate itself is in session. So it takes unanimous consent for any other committee or subcommittee to meet.

I objected to that request. I refused to join in giving that subcommittee special permission to go ahead with that particular hearing.

It is perfectly clear that the legislative skids have been greased for this particular piece of legislation. Of course, that cannot be said for the minimum wage, or the Forand bill, or housing, or aid to education, or for my bills to repeal the antilabor sections of the 1959 labor law.

But within a month from its introduction, the Judiciary subcommittee was all set to start its hearings on S. 3548. They very likely will hold them, one way or another, at one time or another, because they can do so any time the Senate is not in session.

I am perfectly willing that this bill be considered under the regular procedure of the Senate, but I shall continue to oppose any legislative shortcuts for it.

REPETITION OF CORRUPTION CAMPAIGN

This bill, like the "featherbedding" campaign of the carriers, is intended to capitalize on the "featherbedding" campaign of the carriers, in very much the same way that the rackets investigation was used. The issue of corruption was broadcast, televised, publicized, and shouted from the housetops for months, so that legislation could be driven through a frightened Congress that would cripple the economic rights of organized labor in the name of ending corruption.

Now, the American people are being fed a diet of allegations of "featherbedding." This time, the carriers and the steel industry have led the publicity campaign. Under the guise of correcting "featherbedding," comes the Dirksen proposal.

I hope the Congress will not be bamboozled again, but after what happened less than a year ago, I am not so confident of the outcome. The politicians are interested in votes and we learned last year that it is a simple matter for a well-heeled publicity campaign to produce votes. The politicians ran for cover by voting for the Kennedy-Landrum-Griffin bill a year ago.

Unless labor is able to counter that publicity and educate the politicians as well as the public, it is possible that Congress will do the same thing, if not this year then next year, regardless of the outcome of the elections.

Productivity of railroad workers has increased as rapidly as in any other major industry. A full, impartial inquiry of all labor practices in the railroad industry, starting at the top and going clear down to the bottom, would reveal more featherbedding among the executives than among the wagearners. If railroad management wants to make issue over payment made for work not performed, then they should be challenged to extend the inquiry to the executive level.

That is the only way the public and the stockholders can be protected, along with workers.

Unfortunately, organized labor in America has in general been forced onto the defensive, partly because of the large sums available to management for publicity and advertising, a cost which, incidentally, is largely tax-free.

But labor cannot afford to remain on the defensive. When it does not move forward, it is pushed backward, and that is what is happening right now.

I hope there will be rallies all over the country like this one, not for a single trade or industry, but for all organized labor. We need to have greater understanding, from the rank and file on up to the politician who is elected with labor votes, of what is at stake. And we need to have greater solidarity within our ranks.

I make this plea because it is my conviction, borne out by history, that a modern nation cannot be progressive and prosperous unless its free unions are also advancing the economic standing of workers at the same time. The fact is that technological progress must go hand in hand with a high living standard and high disposable income among workers. It is this mass purchasing power which makes it profitable to invest in technological advances in the first place.

These are some of the facts which organized labor must get across to the American people. It must even get them across to its own membership, in some cases, because there are many union members who do not understand or appreciate what they owe to the union movement and what will happen to their own jobs if unions continue to be hamstrung by legislation. It is a campaign in which I gladly join, and in which I think it is vital that we succeed.

Mr. MORSE. Mr. President, at the same meeting the audience was addressed by Mr. S. C. Phillips, assistant president of the Brotherhood of Locomotive Firemen and Enginemen. Mr. Phillips made a very fine speech, in the course of which he set forth a great deal of statistical material dealing with some of the major problems which confront the railroad brotherhoods in their present negotiations with the carriers.

On that occasion I commended Mr. Phillips for his very fine address. Today I wish to repeat that commendation as I ask unanimous consent that the speech delivered by Mr. Phillips be printed at this point in the RECORD in connection with my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF S. C. PHILLIPS, ASSISTANT PRESIDENT, BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN, AT THE RAILROAD WORKERS' RALLY, LOS ANGELES, CALIF., JUNE 17, 1960

Mr. Chairman, distinguished guests, ladies and gentlemen of railroad labor, and friends, it is an inspiring experience to be here tonight and to be able to take part in this militant gathering of railroad workers from the Los Angeles area.

This rally gives further public evidence of the intention of railworkers to be steadfast in defense of their livelihood against those corporation executives of our great industry who would cast a third of the work force into unemployment.

I sense an air of militancy and dedication here tonight.

When members of all railroad crafts meet for the common purpose of defending their jobs, homes, and future, there is generated a spirit that is awesome in its power to weld men and women of our great industry into a force united for social justice, common welfare of the communities in which we live, and our Nation.

This is the fourth rally held by railroad employees under the auspices of the Railway Labor Executive Association.

First in Chicago, next Milwaukee, and then Kansas City, some 6,000 workers in total met in 3 of the greatest demonstrations of solidarity since the black days in early labor history when railworkers struggled against the unyielding, oppressive antilabor policies of the railroad barons.

The Chicago, Milwaukee, and Kansas City rallies focused national attention on the problems of railroad workers. They ignited a spark of public sympathy for the real heart of the rail industry—the men and women who toil 24 hours a day, 7 days a week, to provide our Nation with adequate, efficient, and safe railroad service.

Railroad workers throughout the country have caught the spirit of these rallies and, in a tremendous grassroots explosion, 800,000 members of railroad labor are telling their

friends, neighbors, and relatives * * * and their newspaper editors, that they are not featherbedders."

And so, we again find this spirit renewed by the thousands of Los Angeles area rail workers who have the courage and fortitude to say that they will not give up nearly a century of hard-won rights.

As I have said, this rally tonight is a demonstration of the militant spirit of all railroad workers. But, have any of you ever thought of this as an unusual method of collective bargaining?

You might say that this is not collective bargaining at all; that it is not the way to meet and solve the issues confronting rail labor and management. You are right. Why then are we here? Why aren't we in Chicago, Washington, New York, Cleveland or any other city talking to the railroads and meeting for the common purpose of resolving our differences?

Because, ladies and gentlemen, this is the battleground chosen by the railroads. We have been challenged in the public chronicles to defend 40 and more years of collective bargaining.

It would have been simple for the railroads to approach labor and say, "We both have problems. You name yours and we'll name ours and then we'll talk about both."

That didn't happen. Instead, the railroads listened to the advocates of a new type of collective bargaining. The braintrust that quarterbacked the big steel strike of 1959 has moved into our industry.

This new school of contract negotiation builds a case on the premise that public opinion can be shaped and molded to fit any situation through the medium of advertising and editorial support from those susceptible to bias. This concept gave birth to the "featherbedding" strawman that is being used to hide the real issues.

In the railroad industry, the "featherbedding" mirage first saw the light of day in a speech delivered by Daniel P. Loomis, president of the Association of American Railroads in St. Louis on February 11, 1959. Mr. Loomis, you will recall, spelled out certain things which he said constituted an "economic albatross" around the neck of the railroad industry. He went on to pledge that the industry would force to a conclusion, the issues he had raised, even if a lockout proved necessary.

Threats of a management-forced disruption in rail transportation have been repeated by Mr. Loomis and other railroad spokesmen since February 1959. Just recently the vice president of public relations for the Association of American Railroads revealed that the railroads might just up and decide to remove locomotive firemen from yard and freight locomotives in August of 1960. I don't know if it was arrogance or ignorance on the part of the AAR vice president, but ultimatums don't sit well with me or anyone else in railroad labor, and above everything else, such tactics solve nothing.

Well, once Mr. Loomis launched the program, the scene switched to New York where an advertising agency produced a series of advertisements that purported to tell the American public that railroad workers were "featherbedders"; that this so-called featherbedding cost $500 million yearly, and that it represented an economic tragedy comparable to such terrible disasters as the San Francisco earthquake, the Chicago fire, and the Texas City explosion.

Railroad ads used maudlin sensationalism to implant on the public consciousness the figure $500 million, which is the mythical cost of the big myth itself—"featherbedding." The ads were an insult to public intelligence but they continued from February to October 31, 1959, when the rail corporations served several notices of rules changes on the operating rail unions. The five unions received a cleverly concocted conglomeration of legalistic prose and formulas that ripped out every page of existing contracts.

That description of the railroad demands, by the way, comes from a railroad officer who couldn't explain the notices to a general chairman, but did offer the assurance that all that was left was the covers of the contract.

It was these notices that revealed exactly what the featherbedding campaign was designed to do—not to correct the so-called abuses, but it was to eliminate the rules under which we work. Most of the rules demands included the words "the carrier shall have the unrestricted right" and "all rules and interpretations to the contrary would be eliminated, except those the carrier desired to keep." In other words, we would go back to the days when our conditions of work and the exercise of seniority were dictated on the terms of the boss.

While the advertising efforts of the railroads have ceased for the moment, there is an interesting anecdote connected with the ads.

Just when the campaign was at its highest point and advertisements were appearing regularly, the editor of the Charleston (W. Va.) Gazette questioned the accuracy of the statement being made by the rail corporations. He wrote an editorial saying he doubted the facts. It didn't take the AAR long to act. It withdrew further ads from the Gazette and when the editor wrote another critical editorial to advise the AAR that his editorial opinions were not for sale, he received an answer from the same VP who thinks he can remove firemen from locomotives in August of this year.

This public relations expert said the AAR could not be expected to advertise on one page and have the ad criticized on the editorial page. It was this letter that placed, in true perspective, the million dollar program of the railroads. It also ruffled the feathers of many editors who gave the AAR a verbal thrashing for daring to imply that editorial support can be bought through advertising.

At the same time Mr. Loomis put the featherbedding weed in full bloom, the AAR adopted another tactic outside the accepted channels of collective bargaining as governed by the Railway Labor Act.

Mr. Loomis announced in his St. Louis speech, that he was asking the chiefs of the five operating unions to join the railroads in seeking a Presidential commission to study work rules.

We suspected that the carriers were interested in obtaining an American counterpart of the Kellock Royal Commission which, you will recall, was the legal panel appointed by the Canadian Government to sit in judgment at the trial of locomotive firemen on Canadian railroads—one of which is owned by the Canadian Government itself, the Canadian National Railway.

Our suspicions were later confirmed when, on two occasions, Railway Age magazine likened the Presidential Commission idea to the Canadian Royal Commission.

Nevertheless, the five chiefs did not sidestep Loomis' plan. They answered in an agreeable manner, saying that any commission to be appointed by the President should also be asked to study the entire railroad industry, including some managerial practices and financial gymnastics detrimental to the industry.

Well, after several meetings and letters, the carriers' position was clear. They wanted nothing to do with a full-scale look into the industry. Our suggestion was ignored. The primary purpose of a Presidential commission was to create a sounding board for the featherbedding campaign. The ultimate goal of the proposed commisison was to give the carriers the advantage when actual collective bargaining got under way.

Very wisely, the President accepted the logic advanced by the chief executives of the transportation organizations. He admonished the railroads to seek agreement through the normal channels of collective bargaining.

I bring this subject up tonight because rail spokesmen repeatedly refer to it as an example of the lack of cooperation on the part of labor.

It should be clear to all that railroad labor has never shirked its responsibility to cooperate with management; but, most assuredly, railroad labor will always oppose selfish schemes that are detrimental to the best interests of railroad employees and our Nation.

Let's review the new weapons or new methods of collective bargaining as revealed by the "featherbedding" campaign. First, public opinion must be molded to the philosophy of a special interest group.

Editorial support is sought through the medium of advertising.

Use of public commissions as propaganda sounding boards is another tactic.

And, last of all, collective bargaining; but on unilateral terms.

Consider, for a moment, why all the energy of management is being channeled into the "featherbedding" myth.

With more than one-half billion dollars being wasted by management practices, is one to conclude this "featherbedding" scheme might be a medium by which the wasteful practices can be covered up or overlooked?

Why isn't it just as easy to put your cards on the table and start talking? It is easier, but it just isn't being done that way because the section 6 notices served on the operating unions are clearly not in the best interests of the employees involved. They represent a one-sided, job-destroying assault on railroad workers, and they obliterate the protection features of working agreements which form the basis of sound labor-management relations.

The chief executives of the railroad labor organizations have been charged with inciting the workers against their employers and, in pious tones, management representatives say "we love our employees. They are the finest group of men and women in the world."

I ask you—how can you eliminate a man's job, cut his pay, move his home, take away seniority, as well as his right to protest the conditions under which he must work and, then, make anyone believe you are sincere when you say you are not doing these things to an employee, but just to the rules?

I for one—and I know my views are shared by hundreds of thousands of railroad employees—am not willing to depend upon the benevolence of the rail corporations to dictate without challenge, the conditions under which I work, where I will live, how my seniority will be exercised, or any other conditions of employment, without the protection now being afforded through negotiated rules.

I am not talking in extremes, ladies and gentlemen, when I tell you that the demands of the railroads—if put into effect—would wipe out an additional 350,000 railroad jobs, operating and nonoperating alike. The railroads seek to remove the crew terminals from 2,000 to 3,000 communities and, with the elimination would go the crews, who would have to live in other cities. The larger portion of the jobs for nonoperating employees would likewise be eliminated.

The notices never mention wages, as such, but the clever formulas and destruction of the 100-mile unit of work would cut wages back to 1948 levels. Abolishment of protec-

tive features in the working agreements would set the rail labor back 50 years.

The industry says these figures are not accurate; that these things won't happen. Mr. Loomis says the 350,000 job loss figure is "careless and untrue" but on the basis of the statement made, I challenge him to show where the error lies.

The railroads don't talk facts to the public. They seek to lull the public with slogans: "No Fires To Tend," "No Brakes To Handle," "Featherbedders," "Four Days Pay for Two Hours Work," "Safety Is a Bugaboo," "Makework Rules."

These are the slogans of a campaign that cannot survive in the light of truth. The railroads know this. That is why millions of dollars have been poured into a publicity campaign to sell the public antilabor sentiments in the same way soap or toothepaste is sold.

In my opinion the use of advertising and other tactics to lead the public astray indicates that the demands of the railroads go deeper than just the usual labor-management squabble.

In fact, the changes sought by management are in direct conflict with the public interest.

Railroads are licensed to operate in the public interest. Yet, the demands served on employees are clearly in violation of that public interest. They constitute a threat to the Nation's economy and a menace to the national security.

First off, the railroads want to change the 100-mile unit of work for engine and train service employees so that fewer employees will produce more work at less pay.

The 100-mile unit of work is not comparable to the 8-hour day worked by an industrial employee, although management publicity implies the relationship is similar.

It was the railroads themselves that proposed the 100-mile unit because it was to their advantage to pay operating employees only for work performed, which is typical of piecework systems.

Now, however, the 100-mile unit is considered obsolete because trains run faster than they did 40 years ago.

To me this means that adept, skilled employees, operating longer, faster trains, earn money for the railroads at a faster rate than 40 years ago. It simply illustrates that railroad workers are more productive and make more money at a faster rate for their employers than did their predecessors 40 years ago.

It should be noted that while the carriers want to change virtually every existing rule and practice, the one that is to be left virtually intact is mileage pay for road crews. The industry benefits from the dual basis of pay.

Rail labor recognizes that the public is not familiar with the railroad industry and that the method of pay is confusing. Management has been quick to capitalize on the public's natural lack of knowledge in this respect. We do ask, however, that the public recognize that we are fighting to maintain a basic living wage, and while it may be computed on a different basis than their own, it is, in most respects, the same.

For example, the railroads wage and rules demands taken together would reduce the pay received by a passenger engineer to $11.84 for 160 miles, which is 1 cent more than he received for 100 miles in 1948. In other words, pay scales would be cut back 12 years. Incidentally, the cost of living has increased more than 25 percent in that 12-year period.

But look at the situation if the auto industry served notice on its workers that, as of a certain date, all would work and be paid according to the standards of 1948.

Our good friend, Walter Reuther, I can assure you, would have plenty to say and his hair would appear a number of shades redder than it already is.

Again, this is not an extreme example. The wages and rules served by the carriers contemplate a return to the standards of 1948.

Coupled with the extension of the basic unit of work to 160 miles is a proposal that would give the rail corporations the unrestricted right to abandon, establish, and move crew terminals at their own discretion. Management does not now have that right and every rail community in the country should pray it never gains that right.

Railroad men have built their homes and reared families in rail communities. They don't want to be uprooted every time the company decides to lengthen the division. They want to be assured that they can own their homes and raise their children in one place and not spend a few years at every terminal along the railroad.

The companies say they will arbitrate the financial considerations involved in moving workers, but even here there's a clinker. The arbitration is on management terms and the company can change its mind, if the award favors the employees.

There is no mention made by the carriers as to the effect terminals would have on seniority or the financial impact the public would be asked to absorb in the communities affected. Men who have given their working lives to the railroad would find their seniority meaningless. In fact, the notices, as we see them, would place all seniority under management supervision and direction.

A good deal of the public wailing by rail management concerns the division of work between yard and road crews. In support of this division of work as specified in our legal contracts, the National Railroad Adjustment Board sometimes awards payment to an employee whose contractual rights have been violated. These penalties are then broadcast by management as proof that it is hamstrung by restrictive labor agreements.

Rail management places itself in a peculiar position. The incidents it enjoys quoting, along with the Adjustment Board awards, add up to an indictment of management's bad faith in living up to its agreements.

These time claims and penalty payments assessed against carriers account, in a large part, for the many years of comparative labor peace in the industry.

A work rule without a penalty clause is not enforceable and, in reality, worthless. Penalty clauses form the core of collective bargaining agreements.

Insofar as yard and road crews are concerned, the division of their work is really a matter of efficiency. The piecework basis of pay for road crews—which I remind you the carriers want to keep—would be meaningless, if the crew got its train over the road in less than the usual time and then was forced to spend the remaining time in yard switching.

Yard crews cannot be expected to report for work in the morning, spend 4 hours in the yard and then end their day several hundred miles from home after working 4 hours on the road. It just isn't fair to the man.

The vice president of public relations isn't going to finish his day by spelling off the vice president of accounting. It just isn't done.

The final phase of the notices concerns the number of crew members necessary for safe and efficient operation of the trains.

The railroads say three or less men are sufficient and we say no less than five men can operate trains that now reach more than a mile in length and are hauled by any number of diesel locomotives. The record of the past and the obvious requirements of practical railroading will prove us right.

The reason locomotive firemen did not fade into history with steam locomotives, was because the firemen's duties aboard a locomotive did not disappear. Many of his duties did not even change in the transfer from steam to diesel power.

True, he no longer shovels coal, and his name is possibly somewhat passe, but he has maintained his function as supervisor of power on the locomotive by being able to perform certain repairs en route. No one pretends that the locomotive fireman performs duties that should be done by the skilled machinist or skilled electrician in the shop. He is, however, the only man on a moving engine who can and does keep a full supply of power to the engine's throttle.

Almost daily, the safety function of the fireman is illustrated by the saving of a fellow employee from death or injury. He also is on guard to protect the public in the movement of trains through communities and over grade crossings.

This year, the Brotherhood of Locomotive Firemen and Enginemen presented its 1959 annual safety award to a New York Central System fireman who was alert enough to spot a woman who had fallen in front of moving freight cars rolling into a transfer track near a public crossing. Without concern for his own safety, this fireman leaped from the window of the locomotive and ran to the woman, carrying her to safety as the cars rolled by.

Two World Wars and the Korean conflict proved the need for trained railroad manpower to handle the flow of military, freight, and passenger movements. Every available man was pressed into use and it could happen again.

I fear though that we forget too quickly the problems we have solved in the past.

There are officials who say they can train a reserve supply of locomotive engineers in a few weeks but they apparently are not conversant with the requirements of practical railroading.

Engineers cannot be trained in a few weeks, as claimed by one official of the Canadian National Railways. It takes years of practical experience, and I have yet to hear the first practical railroad man say otherwise.

A fireman starts learning to be an engineer the day he starts working for the railroad. He never stops learning the intricacies of the craft until the day he retires.

Another Canadian official testified that operating a locomotive is like driving an automobile. A man with this outlook should have his driver's license revoked. It's evident he doesn't know much about railroading or, for that matter, auto driving.

Brakemen have come in for their share of public abuse along with other members of the operating crafts. The slogan, I believe, is "Brakemen With No Brakes To Handle." This is supposed to mean that the day of hand brakes has passed, but from 1954 to 1958 there have been 21 brakemen killed and nearly 3,300 injured while operating hand brakes.

I think of the crew as a team with a mission to perform each day or trip worked. By coordination and fulfillment of their duties and responsibilities, railroad employes have formed the most safe and efficient means of transportation known to the American public.

The efficiency of rail workers can be seen in their outstanding productivity record which has increased the value of their labors a hundredfold. The railroad companies and the economy in general have benefited enormously from the outstanding power of rail employes to produce faster, more efficient and safe service.

Despite the fact that trains are longer, faster, use more expensive equipment, and carry cargoes worth many times more than in the early days, the size of the train crew has not increased.

While the size of an individual crew has not been changed, the overall number of employees has plummeted to an alltime law.

The railroads, however, carry more and more goods each year.

The advent of diesel locomotives coupled with railroad mergers, new maintenance equipment and the wholesale abandonment of passenger trains slaughtered railroad jobs.

Some 600,000 jobs have been lost in 30 years. Since 1946, when road freight service was dieselized, the operating crafts lost 118,000 jobs. Using logic of their own design, the rail industry's spokesmen contribute this job loss to "featherbedding." They talk of 1,000 jobs a week disappearing, which is true. But if "featherbedding" is involved, as they claim, it must be on management's part.

The job loss represents the terrific price paid by railroad workers in the age of automation and technological advance.

It's interesting to note here that the hundreds of thousands of men who lost jobs in the rapidly changing rail industry were protected to a degree by railroad unemployment insurance, which the carriers bitterly opposed, but which was won by labor.

Did the industry share the profits of technological advance with the shopmen who were cast out as one roundhouse after another was closed up or torn down? Engine and train servicemen were forced out of the industry because five or more diesel units comprising one locomotive, required only one crew to haul huge 200-car trains. Gone were the days of steam when each engine needed a fireman and engineer.

To my knowledge, the savings from dieselization alone have never been tabulated, at least not for public consumption. But I am sure the figure is astronomical. Yet, not 1 cent has gone to ease the plight of the unemployed except those moneys the railroads were forced to pay into the unemployment insurance fund.

Where did the billions of dollars go? For one thing the savings put the railroads in the best financial condition of their history. The carriers now use their own money to finance improvements and buy equipment, a practice which was unheard of years ago.

One eastern railroad had net earnings totaling $160 million for the last 10 years and, in addition, spent $115 million for improvements during the same 10-year period.

In 1958, the industry as a whole earned $602 million and placed another $600 million into capital accounts for depreciation, which the carriers were able to utilize in any way they saw fit.

It should be clear to all that the industry—the officers and stockholders—have benefited tremendously from technological advances. What about the employees?

Here we find the key to management's philosophy of automation. New machines, new devices mean less workers producing more goods, or in our case, more service. As the number of employees dwindle, more profit accrues to management.

Our opponents argue that the remaining workers benefit through higher wages. If that were true, the wages of rail workers should have doubled and tripled as their productivity skyrocketed. The fact is that rail employees trail many industrial workers.

In 1959 the average General Motors employee, skilled and unskilled included, earned $2.93 per hour. Steel workers earn $3.10 per hour. In contrast, rail operating and nonoperating employees average $2.50 per hour plus present current meager wage increases.

Railroad workers are not receiving their fair share of industry profits.

An industry publication brags that a railroad employee in road freight service outproduces his counterpart in the trucking industry by 6 to 1. He is not, however, paid six times the wage of a trucker. In many cases he's paid less.

Here is the paradox. The railroad industry is the most economical, efficient method of transportation in America. The financial interests of the industry reap profits that rank well in comparison with every other transportation medium. Railroad workers are the most productive, well-trained, loyal group of workers possible.

Despite this truly complimentary picture of our industry, there are those who dispute the fact that rail corporations net more than $1 billion in net profits and depreciation allowances. They also dispute that railroad workers are efficient, honest employees. They engage in public attacks on employees and then do a complete reverse and claim a true affection for the worker, even though they are after his job.

If you are confused by the actions and words of those who direct the affairs of the railroad industry, you belong to an army of many clear-thinking people.

The American railroad worker does not have to apologize to anyone. He works hard to help his industry grow and prosper, and he has a right to expect to grow and prosper right along with it. He can take care of himself in a "featherbedding" row and when he gets mad enough, he'll make 200 railroad presidents think twice.

In my 45 years of railroad experience, I have never seen closer cooperation among rail workers and their organizations than exists today. Thousands of letters of protest pouring into newspaper offices, hundreds of cancellations deluging the Reader's Digest, and many thousands of dollars contributed to answer the railroad ads are a manifestation of the unity of purpose that welds railroad workers—operating and nonoperating alike—into a solid bulwark against managerial infringement on our rights.

We stand united in an unending crusade to restore the railroad worker to his rightful place in American industrial society.

It has been my pleasure to be with you tonight and to witness the fact that railroad workers in Los Angeles and surrounding areas can be counted upon to meet the challenge of the future.

Thank you, very much.

TRANSFER OF IRRIGATION WORKS ON THE NAVAJO RESERVATION

Mr. ANDERSON. Mr. President, I move that the vote by which House bill 8295, an act to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes, was passed yesterday, be reconsidered, so that I may offer two amendments.

The motion was agreed to, and the vote was reconsidered.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment.

Mr. ANDERSON. Mr. President, I ask unanimous consent that I may offer two amendments to the bill.

The PRESIDING OFFICER. Is there objection? The chair hears none, and it is so ordered.

Mr. KEATING. Mr. President, can the Senator tell me what the calendar number is?

The PRESIDING OFFICER. The Senator from New Mexico refers to Calendar No. 1480 on yesterday's calendar, H.R. 8295, which was passed on yesterday.

Mr. ANDERSON. Yes. The bill as passed granted to the Navajo Tribe certain project works on the Navajo Reservation. There had been two small irrigation districts involving the Hopi Indians. The Senator from Arizona [Mr. GOLDWATER] and I tried to find some basis on which to protect the Hopi Indians when we passed the bill. The Hopis failed to let us know their interest. We passed the bill for the Navajo Tribe, and the bill included projects in which the Hopis have an interest. The Hopis have now informed us of their interest. The Navajos have agreed to have the matter taken care of in the way that is proposed. It is a technical situation which I shall be glad to explain in a statement at this time.

First, I ask that my amendments be stated.

The PRESIDING OFFICER. The amendments offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. It is proposed on page 1, in line 5, to strike out the word "works" and insert "works, except the Reservoir Canyon and Moencopi Tuba project works,".

On page 2, line 3, it is proposed to change the period to a colon and add:

Provided further, That the exclusion of Reservoir Canyon and Moencopi Tuba project works from the scope of this Act shall not be construed to affect in any way present ownership of or rights to use the land and water thereof.

Mr. ANDERSON. I ask that the amendments be acted on en bloc.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from New Mexico.

Mr. ANDERSON. Mr. President, H.R. 8295 was reported from the Senate Committee on Interior and Insular Affairs on May 24. The purpose of the bill is to authorize the Secretary of the Interior to transfer to the Navajo Tribe project works on the Navajo Reservation. The bill involves a substantial saving to the Government because the Navajos are prepared to assume the cost of the works themselves.

A day or two after the bill was reported, Mr. John Boyden, the attorney for the Hopi Tribe, brought to my attention that under the terms of H.R. 8295 there could be transferred to the Navajo Tribe irrigation works on two projects in which Hopi Indians had an interest.

I think I should explain that the Hopi Reservation is within the exterior boundaries of the old Navajo Reservation, and that causes the complication.

Mr. Boyden further stated that he had brought to the attention of the Department of the Interior that the Hopi Tribe was concerned about this measure and desired an amendment. Subsequently, I learned that the Department had been made aware of the Hopis' wishes, but had apparently inadvertently failed to bring the matter to the attention of either the House or Senate Committees on Interior and Insular Affairs when the bill was being considered. Under the circumstances, I asked that the legislation be held up on the calendar until such time as I could ascertain the views of the Navajo Indians, who are the principal beneficiaries of the legislation; the Hopis, who apparently had some interest; and the Secretary of the Interior, who originated this proposal.

On June 10, Assistant Secretary of the Interior Ernst sent a letter to Sen-

ator MURRAY, chairman of the Interior Committee, pointing out that in the preparation of this legislation the Department had overlooked the fact that two of the projects that could be transferred to the Navajo Tribe are utilized by both Navajo and Hopi farmers. Further, the Assistant Secretary proposed two amendments directed toward resolving the difficulty. Those amendments simply eliminate from the scope of the bill the Reservoir Canyon and Moencopi Tuba projects, and provide that by excluding these two units we do not affect in any way the present ownership of or rights to use the land and water.

Mr. President, I am pleased to say that the language proposed in the amendment now at the desk has the approval of the Navajos, the Hopis, and the Department. I ask unanimous consent that the correspondence which I have had with the two Indian tribes and the letter from the Department of the Interior be included in the RECORD following my remarks, so that the legislative history of the language I am now offering will be complete.

That includes the letter of June 2 addressed to me from Mr. Paul Jones, chairman of the Navajo Tribal Council; a letter to Senator MURRAY, chairman of the Committee on Interior and Insular Affairs, from the Acting Secretary of the Interior, Roger Ernst; an airmail letter of June 11 which I sent to the Navajo Tribal Council asking for their comments; an airmail letter which I sent to Mr. John Boyden, representing the Hopi Tribe; a letter of June 22 from the Navajo Tribe to me; an airmail letter of June 23 to me from the law firm of Boyden, Tibbals, Staten & Croft, thanking me for my letter and saying the proposal is satisfactory to the Hopi Tribe.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JUNE 2, 1960.

Re H.R. 8295, transfer of irrigation facilities to the Navajo Tribe.

Hon. CLINTON P. ANDERSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ANDERSON: As you are aware, H.R. 8295, authorizing the Secretary of the Interior to transfer certain irrigation projects on the Navajo Reservation to the Navajo Tribe, was passed by the House on April 19, 1960, reported favorably by the Senate committee on May 24, 1960, and placed on the Senate Consent Calendar. Shortly thereafter the bill was removed from the Senate Consent Calendar because of objections, raised for the first time at this very late hour, by counsel for the Hopi Indians.

We think that you should be advised as to the manner in which these objections were raised and the reasons why they should not delay in any respect whatsoever the passage of this vital legislation to the Navajo Tribe.

At no time during the open hearings held on this bill in both the House and in the Senate did the Hopi Indian Tribe raise any objections whatsoever to the passage of this bill.

It was not until last Friday, May 27, 1960, that the Navajo Tribe was even aware of any Hopi objections to the bill. On that date Deputy Commissioner of Indian Affairs Rex Lee telephoned the assistant general counsel of the tribe in Washington, D.C., Charles J. Alexander, and for the first time the tribe was told that the Hopi Indians objected to the inclusion in the bill of two projects. These projects are Moencopi-Tuba, consisting of 664 acres, and Reservoir Canyon, consisting of 525 acres, both of which the Deputy Commissioner said he was advised by the Hopis were occupied by Indian farmers, 90 percent of whom were Hopis.

Yesterday I was told by the Commissioner of Indian Affairs that Bureau findings at this time indicate that there are 70 Navajos and 31 Hopis at Moencopi and 30 Hopis and 5 Navajos at Reservoir Canyon. Thus, the 90-percent claim has already evaporated.

The foregoing information was telephoned to the Navajo Tribal Council yesterday and the council asked to vote upon whether or not the tribe should consent to the exclusion of these two projects from the bill.

By a unanimous vote of 62 for and 0 against, the tribal council has asked me to advise you that the tribe will not consent to the deletion of these two projects from the bill, that the council is certain that the number of Hopis allegedly using these two facilities is grossly inaccurate. There are, in fact, very few Hopis using these facilities.

We think that you will agree that it would hardly be fair to deprive the Navajo Tribe of the benefits of this legislation solely because of last-minute allegations that were never presented to the Congress at the proper time, although there was ample opportunity to do just that in both the Senate and the House. I therefore urge you on behalf of the Navajo Tribe to support the passage of H.R. 8295 in its present form.

I need hardly add that the Navajo Tribe is grateful for your very generous assistance in this as well as in numerous other matters. Thank you.

Sincerely yours,

PAUL JONES,
Chairman, Navajo Tribal Council.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 10, 1960.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR MURRAY: On June 26, 1959, this Department submitted proposed legislation "to authorize transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes." This proposal was subsequently introduced in the Senate as S. 2322 and in the House as H.R. 8295.

At the time the legislation was drafted and discussed with the Navajo Tribe and during subsequent hearings in the Indian Affairs Subcommittees of both the Senate and House Interior and Insular Affairs Committees, two small irrigation projects lying within the Navajo Indian Reservation boundary but containing substantial numbers of Hopi Indians were overlooked. These two small projects are adjacent to each other but use a different source of water. The projects are Reservoir Canyon and Moencopi Tuba. Reservoir Canyon contains 525 acres and is farmed by 30 Hopis and 5 Navajos. In 1959 the Hopis contributed $4,000 in labor and use of equipment and the Navajo Tribe provided a part-time watermaster whose contribution was evaluated at approximately $500. The Moencopi Tuba project contains 664 acres and is farmed by 31 Hopis and 79 Navajos. In 1959 the Hopis contributed $5,000 in labor and use of equipment and the Navajo Tribe provided $8,000 including the major portion of the time of the same watermaster used on Reservoir Canyon.

At the time we had this proposal under consideration we completely overlooked these two small projects where there is a possibility of conflict of interest due to mixed use and the question of ownership. After the bill had passed the House, the Hopi attorney informally raised a question about the effect of the bill on the Hopis who use one of these projects. Unfortunately this question was not checked before the Senate hearing.

The bill leaves complete discretion in the Secretary of the Interior regarding transfer of these projects to the Navajo Tribe. The Hopis are unwilling for the Secretary to have this discretion because they are fearful that it might be used to transfer the projects to the Navajos. This fear is based on their past dealings and relations with the Navajos and the Department. We discussed the matter with the Navajo tribal chairman and we suggested that an amendment be sought to eliminate these two projects from the bill. While the chairman expressed his willingness to go along with such an amendment, he wanted the advisory committee of the tribal council to consider the matter. It was considered by the advisory committee and they voted unanimously to reject such an amendment.

The Hopis, through their attorney, have asked us to submit on their behalf an amendment that removes these two projects from the bill, notwithstanding the objections of the Navajos. The following amendment is submitted in accordance with that request:

On page 1, line 5, after "any irrigation project works," insert "except the Reservoir Canyon and Moencopi Tuba project works,". On page 2, line 3, change the period to a colon and add: *"Provided further,* That the exclusion of Reservoir Canyon and Moencopi Tuba project works from the scope of this Act shall not be construed to affect in any way present ownership of or rights to use the land and water involved."

In view of the fact that the bill makes the transfer of any projects discretionary with the Secretary, we make no recommendation regarding the amendment. If the discretionary authority with respect to the two projects should be retained in the bill you may be sure that the Department would not transfer them without including provisions to protect the interests of the Hopis, including full rights to appeal to the Secretary if any discrimination should occur.

Sincerely yours,

ROGER ERNST,
Assistant Secretary of the Interior.

JUNE 11, 1960.

Mr. PAUL JONES,
Chairman, Navajo Tribal Council,
Window Rock, Ariz.

DEAR MR. JONES: Assistant Secretary Roger Ernst has written to Senator MURRAY under date of June 10, setting forth certain information about H.R. 8295, the Navajo irrigation works transfer bill.

You will note in the Secretary's letter that he has submitted proposed amendments. Before proceeding with the bill, I want to be very sure this language will be satisfactory to the Navajo Tribe. If the tribe is in agreement, I will take the necessary steps to have the bill amended on the floor and sent back to the House for its concurrence.

Sincerely yours,

CLINTON P. ANDERSON.

JUNE 11, 1960.

Mr. JOHN BOYDEN,
Salt Lake City, Utah.

DEAR MR. BOYDEN: The Department of the Interior has sent a letter to Senator MURRAY in connection with H.R. 8295, the Navajo irrigation works transfer bill.

Assistant Secretary Ernst has submitted proposed amendments to the bill that he maintains are in accordance with the desires of the Hopi Tribe. I wanted you to have a copy of the Secretary's letter and be apprised of his recommendations so that you could give me any comments you may have

on them. I intend to write a similar letter to Paul Jones to ascertain whether the language would be satisfactory to the Navajos.

Sincerely yours,

CLINTON P. ANDERSON.

THE NAVAJO TRIBE,
Window Rock, Ariz., June 22, 1960.

Re H.R. 8295.

Hon. CLINTON P. ANDERSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ANDERSON: Immediately upon writing to you on June 2 requesting your support of H.R. 8295 in its present form, I returned to the reservation and learned of the Bureau of Indian Affairs support of Hopis' request to have two small irrigation projects: (1) Reservoir Canyon containing 525 acres, allegedly farmed by 35 Hopis and 5 Navajos; (2) Moencopi Tuba containing 664 acres, allegedly farmed by 31 Hopis and 79 Navajos deleted from the facilities to be transferred to the Navajo Tribe under H.R. 8295 (Senate S. 2322) had reached such proportions that we would probably lose the bill if we insisted upon their retention in the bill. I, therefore, informed the Commissioner that the Navajo Tribe would consent to the deletion thereof on condition that the bill be amended as follows:

On page 2, line 3, change the period to a colon and add; *"Provided further,* That the exclusion of Reservoir Canyon and Moencopi Tuba project works from the scope of this Act shall not be construed to affect in any way present ownership of or rights to use the land and water thereof."

I am very much surprised at the tone and comments of the Secretary's letter to Senator MURRAY, dated June 10, 1960. It seems to imply that the Navajos claim to these projects is unjust and unreasonable. Actually the source of the water which feeds the reservoir and supplies distribution to the canyon project, as well as the reservoir itself, is located upon Navajo land. There is not and never has been any dispute of that fact. The Moencopi Tuba water supply comes from a small dam erected in Moencopi Wash, which is also on the Navajo Reservation and wholly outside any area claimed by the Hopis. Therefore, it seems to me that the committee records should contain the Navajo protests of the recitals in the Secretary's letter of June 10 to the effect that the bill makes the transfer of any (of the projects) discretionary with the Secretary and that he will not permit the Hopis to be imposed upon. Our interpretation of the bill is that the Secretary must transfer the projects except those where he can and does make finding, set forth in the bill, entitling him to except them.

Were it not for the fact that to attempt to further amend the bill to restrict his alleged discretion would probably cause its defeat, we would ask you to take that course, but since the Navajos have and for some time have been paying full operation and maintenance on these projects, approximating $200,000 a year, we feel that we should not haggle over such small detail as the temporary elimination of these two minor projects and we are, therefore, authorizing you to record the tribe's consent to the deletion of these two small items from the bill.

Please be assured of my deep and sincere appreciation of your demonstrated interest in our welfare.

Sincerely yours,

PAUL JONES,
Chairman, the Navajo Tribal Council.

BOYDEN, TIBBALS, STATEN AND CROFT,
Salt Like City, Utah, June 23, 1960.

Re S. 2322.

Hon. CLINTON P. ANDERSON,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Thank you for your letter of June 11 advising me of the proposed amendment to H.R. 8295. I have noted with interest the letter of Assistant Secretary Ernst.

The proposed amendments to the bill will meet the objection of the Hopis. Secretary Ernst reports that the Hopi attorney informally raised the question after the bill had passed the House. This matter was raised with the Indian Bureau before the bill had passed the House and the overlooking of the Hopis in this regard was more complete than the Assistant Secretary reports.

The Hopi Indians are not satisfied with the bill in its present form because it gives the Secretary another opportunity to completely overlook the Hopis as has been so often the case in the past. Since the advisory committee of the Navajos unanimously rejects the amendment, it is rather apparent that the Navajos have particular reason for desiring to acquire these two particular projects.

Our strong feelings in this regard are the natural outgrowth of past experiences with the more powerful Navajo Tribe. The present litigation between the two tribes, as authorized by an act of Congress (72 Stat. 402), amply illustrates the folly of the Hopi Indians relying upon the protection of the Secretary of the Interior when dealing with their more aggressive adversaries, the Navajo Indians.

Your careful consideration of this matter is greatly appreciated.

Very truly yours,

JOHN S. BOYDEN.

Mr. ANDERSON. Mr. President, there is complete agreement on this matter, and therefore I think the bill ought to be acted upon favorably at this time.

Mr. KEATING. Mr. President, since the Navajos and Hopis are in full agreement, I am sure the amendments should be adopted. I merely wished to ask whether this matter had been cleared with the Senator from Arizona [Mr. GOLDWATER] or anyone else on this side.

Mr. ANDERSON. I have just gotten the bill back, but I had discussed this general subject with the Senator from Arizona two or three times. I am sure he takes the same view I do; namely, that the Navajos ought to receive the irrigation works they are in a position to handle, but not those the Hopis use, even though these are on a portion of the land of the Navajo Tribe.

If, upon examination, the Senator from Arizona thinks the amendments are not proper, I shall be glad to join with him in moving that the bill be brought back to the Senate for further action.

Mr. KEATING. I am sure the Senator will.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from New Mexico.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8295) was read the third time and passed.

Mr. KEATING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. HART in the chair). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1018. An act to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work;

S. 2053. An act to provide for the acceptance by the United States of a fish hatchery in the State of South Carolina;

S. 2174. An act to permit the filing of applications for patents to certain lands in Florida;

S. 2331. An act to provide for the hospitalization, at Saint Elizabeths Hospital in the District of Columbia or elsewhere, of certain nationals of the United States adjudged insane or otherwise found mentally ill in foreign countries, and for other purposes;

S. 2481. An act to continue the application of the Merchant Marine Act of 1936, as amended, to certain functions relating to fishing vessels transferred to the Secretary of the Interior, and for other purposes;

S. 3072. An act to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States;

S. 3106. An act to change the title of the Assistant Director of the Coast and Geodetic Survey;

S. 3189. An act to further amend the shipping laws to prohibit operation in the coastwise trade of a rebuilt vessel unless the entire rebuilding is effected within the United States, and for other purposes;

S. 3226. An act to amend section 809 of the National Housing Act; and

S. 3485. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5888) to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2618. An act to authorize the exchange of certain war-built vessels for more modern and efficient war-built vessels owned by the United States;

H.R. 1516. An act for the relief of Juan D. Quintos, Jaime Hernandez, Delfin Buencamino, Soledad Gomez, Nieves G. Argonza, Felididad G. Sarayba, Carmen Vda de Gomez, Perfecta B. Quintos, and Bienvenida San Agustin;

H.R. 1600. An act for the relief of Francis M. Haischer;

H.R. 4251. An act to amend the Internal Revenue Code of 1954 with respect to the limitation on the deduction of exploration expenditures;

H.R. 5033. An act for the relief of Betty Keenan;

H.R. 6712. An act for the relief of Sam J. Buzzanca;

H.R. 9921. An act to validate certain payments of additional pay for sea duty made to members and former members of the U.S. Coast Guard;

H.R. 10569. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1961, and for other purposes; and

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock.

SETTING ASIDE OF CERTAIN LANDS IN OKLAHOMA FOR THE CHEYENNE AND ARAPAHO INDIANS

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1680, H.R. 816.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 816) to set aside certain lands in Oklahoma for the Cheyenne and Arapaho Indians.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill (H.R. 816) to set aside certain lands in Oklahoma for the Cheyenne and Arapaho Indians, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That there are hereby eliminated from the Cheyenne and Arapaho subagency reservation at Concho, Oklahoma, approximately four thousand nine hundred acres of land considered excess to the present school and agency reserve needs. The Secretary of the Interior is authorized to convey to the Cheyenne and Arapaho Tribes a fee simple title to approximately three thousand nine hundred acres of such lands, together with the improvements thereon. Approximately one thousand acres of such land shall be transferred by the Secretary of the Interior to the Attorney General for use in connection with the El Reno Reformatory. The land transferred to the Attorney General shall be selected in a reasonably compact unit that will cause a minimum disruption in the agricultural program now conducted by the Bureau of Prisons. The title of the tribes to any land conveyed pursuant to this section shall be subject to no exemption from taxation or restriction on use, management, or disposition because of Indian ownership.

SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

Mr. FULBRIGHT. Mr. President, the purpose of H.R. 816, as amended, is to decrease the size of the Cheyenne and Arapaho Subagency Reservation at Concho, Okla., by 4,900 acres considered in excess to the present agency and school needs, and to authorize the Secretary of the Interior to transfer 3,900 acres of the 4,900 to the Cheyenne and Arapaho Indians. The lands were formerly used in connection with a dairy operation conducted by the Bureau of Indian Affairs. The conveyance to the tribe will be in fee simple and will not provide for any exemption from taxation or restriction on use, management, or disposition. Mineral rights, including oil and gas, would be included in the conveyance. The Indians have requested that the lands be conveyed to them in a trust status. As pointed out in the Secretary's report, in 1910, 1938, and 1942 Congress donated surplus lands to these Indians in a trust status. However, the committee recommends that the subject lands be conveyed in fee, and officials of the tribe have testified before the Subcommittee on Indian Affairs that they are willing to accept this gift of Federal property in an unrestricted status. Moreover, on previous occasions where surplus lands located outside of Indian reservation boundaries have been donated to other tribes, this committee has recommended that the lands be conveyed in a nontrust status. Where lands are clearly within reservation boundaries, the committee has provided for their donation in trust. The lands affected by H.R. 816 are many miles removed from other Cheyenne and Arapaho lands. They are valued at approximately $400,000.

The bill also provides that 1,000 acres of the 4,900 eliminated from the Concho Reservation shall be transferred by the Secretary of the Interior to the Attorney General for use of the Bureau of Prisons in connection with the operation of the El Reno Reformatory. The Bureau of Prisons now has a permit for the use of 2,300 acres of Concho land and is carrying on a grazing and agricultural program that plays an important part in the rehabilitation of reformatory inmates. In its consideration of this legislation, the committee was persuaded that at least a portion of the lands should be retained for this worthwhile use. The 1,000 acres are to be in a compact unit that will cause a minimum disruption in the agricultural program now conducted by the Bureau of Prisons. It is also intended that in the division of the lands that the Secretary give every consideration to the needs of the Indians and the Bureau of Prisons so that each obtain the maximum possible benefits.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 816) was read the third time, and passed.

The title was amended, so as to read: "An act to convey certain lands in Oklahoma to the Cheyenne and Arapaho Indians, and for other purposes."

MODERNIZING OF LAWS RELATING TO CONTRACTS FOR TRANSPORTATION OF MAIL

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1682, S. 2399.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2399) to modernize the laws relating to contracts for the transportation of mail, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill (S. 2399) to modernize the laws relating to contracts for the transportation of mail, and for other purposes, which had been reported from the Committee on Post Office and Civil Service, with amendments, on page 1, line 3, after the word "That", to strike out:

(a) section 245 of the Act of June 8, 1872 (17 Stat. 313), as amended (18 Stat. 235, 66 Stat. 286, 72 Stat. 103; 39 U.S.C. 426), is amended to read as follows: "The Postmaster General may require such bonds, from bidders and contractors for the transportation of mail, as he deems necessary to protect the interests of the Government in the form and amount and containing such conditions as he prescribes."

After line 10, to strike out:

(b) Section 246 of the Act of June 8, 1872 (17 Stat. 313), as amended (18 Stat. 235, 19 Stat. 129, 66 Stat. 286; 39 U.S.C. 427), is amended to read as follows: "The Postmaster General shall direct the manner in which the sureties on the bond of a bidder for the transportation of mail are approved."

On page 2, at the beginning of line 6, to strike out "(c) The" and insert "(a) the"; after line 17, to strike out:

(d) The second paragraph added to section 3951 of the Revised Statutes by the Act of June 19, 1948 (62 Stat. 477), as amended (39 U.S.C. 434), is amended by striking out "or executing his bond", and by inserting in lieu thereof "or his proposal".

At the beginning of line 23, to strike out "(c)" and insert "(b)", and on page 3, at the beginning of line 6, to strike out "(f)" and insert "(c)"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second paragraph added to section 3951 of the Revised Statutes by the first section of the Act of May 31, 1940 (54 Stat. 228; 39 U.S.C. 434), is amended by striking out the first proviso and the second colon therein, and by inserting in lieu thereof the following: "*Provided,* That provision (d) shall be effective only upon giving by the contractor of advance notice of his desire to be released: *Provided further,* That when the Postmaster General determines that the contractor and his sureties should be released under provision (d) he shall do so as soon as practicable after receipt of notice from

the contractor but not later than ninety days thereafter: And".

(b) The last proviso in the third paragraph under the heading "Office of the Second Assistant Postmaster General" in the Act of May 4, 1882 (22 Stat. 53; 39 U.S.C. 447), is amended by striking out "no payment shall be made for service on any of the routes under contract with such person", and by inserting in lieu thereof "the Postmaster General may withhold payments on all contracts with such person".

(c) The last paragraph of section 1 of the Act of March 4, 1911 (36 Stat. 1339), as amended (39 U.S.C. 442), is amended by striking out "fifty miles" and "50 miles" wherever appearing therein, and by inserting in lieu thereof "100 miles".

SEC. 2. This Act shall not apply to contracts for the transportation of mail—

(1) by mail messengers under the Act of March 3, 1887 (27 Stat. 492), as amended (39 U.S.C. 578);

(2) by Highway Post Office Service let under the Highway Post Office Service Act of 1955 (70 Stat. 781; 39 U.S.C. 1051–1056); and

(3) by steamships under section 5 of the Act of May 17, 1878 (20 Stat. 62; 39 U.S.C. 449).

Mr. FULBRIGHT. Mr. President, the bill was introduced at the request of the Post Office Department and is designed to make a number of needed changes in existing law relating to contracts for the transportation of mail.

The bill, as reported, makes the following three changes in existing law:

First, it revises existing law so as to require the Post Office Department to act promptly on an application of a star route carrier to be released from his contract on the grounds of hardship.

Second, it would give the Postmaster General authority to withhold payment to a carrier on any given route when service is unsatisfactory instead of on all routes operated by the carrier as now required under existing law; and

Third, it would permit the extension of contracts from 50 miles up to as much as 100 miles when necessary in the interest of the service.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill (S. 2399) was ordered to be engrossed for a third reading, read the third time, and passed.

FURNISHING OF NEEDED SERVICES OF OPTOMETRISTS TO VETERANS

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1685, H.R. 7966.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7966) to amend section 601 of title 38, United States Code to provide for the furnishing of needed services of optometrists to veterans having service-connected eye conditions.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill.

Mr. FULBRIGHT. Mr. President, the purpose of this bill is to expand the use of optometrists' services in the Veterans' Administration outpatient program for veterans having service-connected eye conditions.

Under existing law the Veterans' Administration is authorized to furnish outpatient medical care for veterans with service-connected disabilities. This care is furnished primarily in Veterans' Administration clinics, but it is supplemented by the services of fee-basis, private physicians in cases where it is not feasible to provide the care at the clinics.

The general authority to provide such care, as contained in section 612, title 38, United States Code, states that the Administrator of Veterans' Affairs may furnish "medical services" for a service-connected disability. The term "medical services" is defined as follows in section 601(6) of title 38, United States Code:

> The term "medical services" includes, in addition to medical examination and treatment, dental and surgical services, and dental appliances, wheelchairs, artificial limbs, trusses, and similar appliances, special clothing made necessary by the wearing of prosthetic appliances, and such other supplies as the Administrator determines to be reasonable and necessary.

To insure expanded use of optometrists' services, this bill amends the definition "medical services" by adding the words "optometrists' services" immediately after the word "treatment."

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 7966) was ordered to a third reading, read the third time, and passed.

REIMBURSEMENT OF VETERAN BENEFICIARIES FOR FERRY FARES, AND BRIDGE, ROAD, AND TUNNEL TOLLS

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 1686, H.R. 10108.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 10108) to authorize reimbursement of certain Veterans' Administration beneficiaries and their attendants for ferry fares, and bridge, road, and tunnel tolls.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. FULBRIGHT. Mr. President, this bill would authorize reimbursement for ferry fares, and bridge, road, and tunnel tolls in addition to the mileage allowance now payable by section 111 of title 38, United States Code.

Section 111 of title 38 authorizes the Administrator of Veterans' Affairs to pay the actual necessary expense of travel, or in lieu thereof an allowance based upon mileage traveled, of any person who must travel in connection with vocational rehabilitation, certain educational and vocational counseling, or for the purpose of medical examination, treatment, or care. Travel payments are also allowed for required attendants, other than employees of the Veterans' Administration.

The mileage allowance, which is prescribed by Executive order, is currently set at 5 cents per mile. Recent studies by the Veterans' Administration have shown, however, that in some areas the 5-cent rate is inadequate to cover ferry fares, and bridge, road, and tunnel tolls, which, of course, constitute essential elements in general travel costs. Presently, such fares and tolls may be recovered by filing claims for "actual necessary expense" instead of the "mileage allowance"; however, the recovery of fares and tolls by this method involves considerable inconvenience and impracticality. In fact, proceeding on the actual expense basis is impracticable for most travel cost claims, as is indicated by the fact that currently less than one-half of 1 percent of travel is paid on the actual expense basis.

In view of these facts, the committee believes that it will be much simpler and more convenient, both for the individual and for the Government, to permit amounts for fares and tolls to be added to the mileage allowance. This is accomplished by this bill through an amendment to section 111(a) of title 38, United States Code, so as to authorize persons, entitled to recover travel expenses thereunder to be reimbursed for fares and tolls in addition to receiving the standard mileage allowance.

Public Law 92 of the 81st Congress, relating to Federal employee travel, specifically permits payment of ferry fares, bridge, road, and tunnel tolls in addition to payment on the mileage basis. Therefore, the proposal in this bill is entirely consistent with congressional policy on a similar subject.

The Veterans' Administration recommends enactment of this bill. Although the Veterans' Administration did not submit cost estimates on the bill, it stated that the additional costs would be very small in relation to present travel costs under section 111(a) of title 38.

The report of the Veterans' Administration follows:

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 10108) was ordered to a third reading, was read the third time, and passed.

ROTATION OF OVERSEA ASSIGNMENTS OF CIVILIAN EMPLOYEES

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calender No. 1687, H.R. 10695.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 10695) to provide for the rotation in

oversea assignments of civilian employees under the Defense Establishment having career-conditional and career appointments in the competitive civil service, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GORE. Mr. President, I ask for an explanation of the bill.

Mr. KEATING. Do I understand that the Senator is asking the Senator from Arkansas [Mr. FULBRIGHT] as a recognized leader in the field of this legislation?

Mr. GORE. The junior Senator from Arkansas is a recognized champion of the rights of civil service employees, as well as an expert on other subjects.

Mr. FULBRIGHT. Mr. President, this measure is recommended by the Department of Defense to improve the administration of the oversea defense effort. Its basic purpose is to authorize the Secretary of Defense and the Secretaries of the military departments to grant return rights to career and career-conditional civilian employees assigned to posts outside the United States. The return right would consist of a minimum guarantee to the employee that he will be placed, upon his return from overseas, in the same position he vacated to accept the foreign assignment. If his former post is no longer in existence, the employee will be placed in another position without reduction in seniority, status, or tenure.

The measure expresses the will of the Congress that the military departments establish a continuing personnel program designed to facilitate the rotation of Defense Establishment employees between positions overseas and positions in the United States. Return rights would serve as statutory foundation for this program.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. KEATING. Does the Senator feel that the bill will have any effect upon our foreign policy?

Mr. FULBRIGHT. The bill is primarily concerned with the Defense Department. However, I believe this measure would improve the opportunity of the Defense Department to induce better qualified employees to take positions abroad. As I understand, they are presently reluctant to go abroad sometimes because of fear of loss of tenure rights and seniority rights. They have no assurance that when they return, they will return to positions of similar or at least equal status to that which they relinquished. That is the purpose of the bill. The purpose is to improve our foreign administration by attracting better qualified people into the Foreign Service of the Defense Department.

Mr. KEATING. Was the bill considered by either the Armed Services Committee or the Committee on Foreign Relations?

Mr. FULBRIGHT. It was not considered by the Committee on Foreign Relations. The bill was reported by the Committee on Post Office and Civil Service.

Mr. KEATING. Is the Senator from Arkansas a member of the Committee on Post Office and Civil Service?

Mr. FULBRIGHT. I am not.

Mr. KEATING. But the Senator seems to be unusually familiar with the legislation.

Mr. FULBRIGHT. Of course, I try to keep abreast of all bills that come before the Senate.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 10695) was ordered to a third reading, was read the third time, and passed.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARROLL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO MONDAY AT 10 A.M.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at the conclusion of the session of the Senate today, the Senate adjourn until Monday at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

WASTE IN THE DEFENSE DEPARTMENT

Mr. CARROLL. Mr. President, on June 13 the able and distinguished senior Senator from Illinois [Mr. DOUGLAS] took the floor and disclosed an amazing story of lapses in procurement and management of supplies and properties by the military services.

With the great forcefulness and skill for which we have come to admire him so deeply, he cited chapter and verse on negotiated contracts, supply system inventories, surplus property, the stock fund system, and other subjects. He did such a thorough job that I have yet to hear a point-by-point refutation by the Department of Defense, its component departments, or any Senator.

If the tale unfolded were not so tragic it would be ridiculous. The Senator presented a documented case that involved 25-cent lamp sockets which the Navy said cost the taxpayers $21.10 each; $1.50 cables that were purchased by our Government for $10.67 each; metal blocks worth 50 cents that cost the people of this Nation $10 apiece; and a number of similar items, similarly overpriced.

A great deal has been said during the past few days about the role of the military in civilian affairs. The Senator from Illinois, like all of us, wants a strong national defense. His right to argue the case cannot be challenged. This man left civilian life at the age of 50 to enlist in the Marine Corps as a private. He rose through the ranks to lieutenant colonel, was twice wounded in the Pacific, and was awarded the Bronze Star for "heroic achievement in action."

The Senator from Illinois [Mr. DOUGLAS], and the Joint Economic Committee over which he presides, speaks with great authority on military waste. They have given us hearings, staff reports, and a wealth of detailed recommendations over the years.

And when the Senator from Illinois—an economist of renown—tells us that there is very good reason to believe that as much as $3 billion a year is being wantonly wasted by our Defense Establishment, as a result of the malpractices he has so diligently researched, I am quite ready to believe it.

It is a sad commentary on this so-called businessmen's administration that such unbusinesslike and flagrant waste occurs, year after year, while the Senator from Illinois and a number of other distinguished Members of this body repeatedly try to write something into law that will bring the Department of Defense to its senses without crippling our Nation's military potential.

Other Senators, as I mentioned, have toiled in this same vineyard and have little to show for their pains. The senior Senator from Wyoming [Mr. O'MAHONEY] in 1952 successfully sponsored a measure to require a single, centralized procurement agency for the Armed Forces. He has worked toward this objective ever since. But somehow the problem seems to get worse instead of better.

Three years ago, when the defense appropriations bill was before us, I was privileged to join with both these Senators and the senior Senator from New Mexico [Mr. CHAVEZ] in fighting for a series of amendments aimed at trimming the fat off the Armed Forces budget without damaging the hard muscle. We took a beating, but we succeeded in obtaining adoption of an amendment directing the Secretary of Defense to take necessary actions to achieve economy by integrating noncombatant services, activities and operations among agencies of the Defense Department. However, the House did not concur, and the amendment died.

The following year, nevertheless, the able majority leader of the House of Representatives, Congressman JOHN W. MCCORMACK, did succeed in incorporating a very similar provision in an amendment to the Defense Department Reorganization Act of 1958.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CARROLL. I am happy to yield.

Mr. PASTORE. I compliment my distinguished colleague from Colorado, and I associate myself with his remarks on the floor this evening. I quite agree that this is a serious situation. Only last week we continued the tax on corporations and we continued the excise taxes on telephones and transportation. We were told by the administration that we were in dire need for almost three-quarters of a billion dollars, the amount involved in the extension of those taxes.

The junior Senator from Rhode Island reversed himself on the position he had taken last year, realizing that there had been a change in world conditions, and he voted for a continuation of the taxes, although theretofore he had voted for their discontinuance.

Now we have the fine presentation by the distinguished Senator from Illinois [Mr. DOUGLAS], who pointed out that between two and three billion dollars a year is being wasted by the Defense Department. As my colleague has already explained, this situation is serious enough that the taxpayers of the country are entitled to a categorical denial. I quite agree with the Senator from Colorado, and I congratulate him for again spotlighting this waste on the part of the Defense Department.

Mr. CARROLL. I thank the able Senator from Rhode Island for his contribution to this discussion.

I had written over 2,000 letters to my people in Colorado, saying that I believed the time had come to cut certain taxes. One of the taxes I favored eliminating was the tax on telephones and the other on transportation.

I still remember when 10 years ago, as a member of the Committee on Ways and Means of the House, I participated in drafting plans to remove a billion dollars in taxes derived from so-called excise taxes. Then came the Korean war, and that plan was abandoned.

Now, as we were about to remove the telephone and transportation taxes, there came the U–2 incident and the summit fiasco and the tragic happening in Japan.

We moved deeper into the cold war. I do not blame the administration. I am not at this moment blaming the administration for the worsening of the cold war. I am simply reciting the facts. New emergencies arose, and for this reason I was forced to vote against removal of the telephone tax, because I thought the telephone industry was not in a position where failure to remove the tax would injure its business. However, I did vote to remove the transportation tax, because I felt that the railroad industry was in distress throughout the country, and the removal of the tax might help to increase passenger business, in connection with which the railroads have been suffering a serious loss.

The Senate needs the comments and the pertinent observations of the Senator from Rhode Island [Mr. PASTORE].

I should like Senators to listen, because I have something new to offer. I shall continue with my statement.

The businessmen in charge of the administration's defense effort evidently never took adequate action to put in force the provisions which I have previously mentioned. The Joint Economic Committee has been urging the administration ever since to take such action, but all that comes from the administration is doubletalk, a constantly rising military budget, and disclosures of more waste.

A businesslike program for the control of supplies and equipment in the Department of Defense is like sunshine and mother love. Everyone is for it. President Eisenhower said in 1957 that he was for it. The Hoover Commission is for it, and has done something about it. Former President Herbert Hoover is for it personally. The U.S. Chamber of Commerce is for it. Yet somehow nothing is ever done about it.

The great public servant, the distinguished senior Senator from Illinois, PAUL DOUGLAS, continues, year after year, with steadfast courage and dedication, to wage the battle against the real spenders and the real wasters of the taxpayers' money.

I salute you, PAUL DOUGLAS.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Waste in the Defense Department an Incredible Mess," published in the Denver Post of June 21, 1960.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Denver Post, June 21, 1960]

WASTE IN THE DEFENSE DEPARTMENT AN INCREDIBLE WASHINGTON MESS

There is no "mess" in Washington comparable with the incredible waste in the purchase of equipment and supplies by the Department of Defense, as documented for all to see by Senator PAUL DOUGLAS, Democrat, of Illinois.

In procurement alone, the Department is throwing away $2 billion to $3 billion a year, in DOUGLAS' carefully considered judgment.

If this possible saving were added to economies which would result from unification of the armed services, the total burden on the Nation's taxpayers could be lightened by $5 billion a year or more, as Senator STUART SYMINGTON, Democrat, of Missouri, has long contended.

The American public is paying exorbitant prices for the defense it is getting, but the Department of Defense has grown into such a monstrosity of agencies within agencies that no one in the present Washington administration has the stomach to bring about efficiency and sensible reorganization.

How does waste in Defense Department procurement arise? Senator DOUGLAS has supplied these illuminating examples:

Absence of competitive bidding: Last year the Department spent $22.7 billion for supplies but only 14 percent of that amount was purchased on bids. In some instances, as when one company is particularly qualified to furnish a particular item, negotiated contracts are proper.

However, as Senator DOUGLAS has pointed out, the Department has gone to extremes in negotiating contracts which could and should have been handled by bidding. On some negotiated purchases, profits for subcontractors have run as high as 41 percent.

Sloppy procurement work: In instance after instance, Comptroller General Joseph Campbell has found Defense Department purchasing officials accepted contractors' estimates of costs which contained obvious errors, were not based on actual cost experience or did not reflect price reductions which had gone into effect since earlier purchases has been made.

Some overcharges from such contracts run into the millions. Sometimes, but not always, refunds are made later. In one instance a contractor estimated he would have to pay $1 each for 272,710 head screws for fuel booster pump repair kits and his estimate was accepted by the military although he had previously bought the screws for about 1 cent each and finally obtained them for 5½ cents each.

Excessive prices: Senator DOUGLAS has displayed in the Senate numerous items purchased by the military at unbelievable prices.

He has shown, for example, small wrench sets for which the Army paid $29 each, comparable to sets on sale in Washington stores for $3.89 each. Lamp sockets appraised by a commercial dealer at 25 cents each cost the military $21.10 each.

Excessive purchasing: A large organization such as the Defense Department must keep inventories of supplies on hand and, of course, needs are sometimes overestimated.

However, overestimates in the Defense Department exceed all reason. Of $41 billion worth of supplies on hand at the end of the last fiscal year, $14.3 billion, or 35 percent of the total, represented supplies the military did not need and would not need even in the event of the sudden outbreak of war.

Disposal of surpluses: According to Senator DOUGLAS the military in the next 4 or 5 years will dispose of surplus supplies, equipment and personal property which have cost or will cost the taxpayers possibly as much as $60 billion.

The military gives away much of its surplus to States. That which it sells brings on the average only 2 percent of its original cost. Sixty billion dollars would be enough to run the entire Department of Defense for a year and a half.

The taxpayers pay twice: The Government has what is known as a stock fund system under which supplies which are surplus to one Department are made available to some other Department that may need them.

In many instances, however, the Defense Department has preferred to give away surpluses to States or sell them to private dealers for 2 cents on the dollar rather than let some other Department have them.

DOUGLAS has cited a case involving 1 million yards of cotton duck cloth which the Post Office wanted for patching mail bags. The Post Office was not willing to pay the market price because there would be the expense of cutting the cloth to required sizes, so the Defense Department gave the cloth to States and other institutions. The taxpayers will have to buy another million yards for the needs of the Post Office.

It is upon examples such as these that Senator DOUGLAS bases his estimate that $2 billion to $3 billion in annual waste in the Defense Department could be eliminated.

But first there must be a greater sense of responsibility to the taxpayers and a greater devotion to the principles of good management than either the administration or Congress has shown so far.

Mr. CARROLL. Mr. President, I ask unanimous consent also to have printed in the RECORD an editorial entitled "Far From Satisfactory," published in the Washington Evening Star of June 24, 1960.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Evening Star, June 24, 1960]

FAR FROM SATISFACTORY

In approving recommendations of the Senate Appropriations Committee on the defense budget, the Senate also has given the Pentagon a well-merited rebuke for its lethargy in consolidating supply and procurement services. As the Senate committee has pointed out, the progress of the Defense Department in reducing costly waste of dollars intended for weapons and other equipment is "far from satisfactory."

The overlapping and duplication of services in the fields of material buying and distribution have been strongly criticized in the past by the Hoover Commission, the Con-

troller General, and several congressional committees. Now the Senate Appropriations group has added to the chorus of condemnation with this comment: "The committee notes with grave concern the numerous and admitted examples of waste and duplication in defense procurement which have been reported to this and other congressional committees. The audit reports of the General Accounting Office show that these are not isolated examples; rather they underscore the urgency of integrating the supply systems and service activities of the military departments—repeatedly expressed as the intent of Congress. * * * The committee calls on the Department of Defense to take immediate and vigorous steps to integrate its procurement and supply service activities in order to provide maximum utilization of the defense dollar."

The House, as a spur to such consolidation, cut the procurement appropriations by 3 percent—pointing out that much more than this amount could be saved by an efficient and effective merger of buying services. The Senate restored this cut—but, in effect, has backed its committee's demand for a prompt end to waste. Whatever the final action by the conferees, both Houses of Congress now have served notice that they expect drastic supply reforms—reforms which it has been estimated could save the Department more than a billion dollars every year. The savings could buy a lot of additional security for America.

Mr. CARROLL. Mr. President, the Denver Post supported General Eisenhower for the Presidency. The Denver Post is really an independent Republican newspaper. They wrote to me, after I made a statement a few days ago, and said, "Just call us independent." That independent newspaper on June 21, published an editorial entitled, "Waste in the Defense Department an Incredible Washington Mess." The editorial itself covers about one-eighth of the editorial page. It reads, in part:

There is no "mess" in Washington comparable with the incedible waste in the purchase of equipment and supplies by the Department of Defense, as documented for all to see by Senator PAUL DOUGLAS, Democrat, of Illinois.

In procurement alone, the Department is throwing away $2 billion to $3 billion a year, in DOUGLAS' carefully considered judgment.

Mr. President, I should think that every Senator would want to read this editorial.

Another paragraph is entitled "Absence of Competitive Bidding." It is an excellent statement.

Another paragraph is entitled "Sloppy Procurement Work."

Another paragraph is headed "Excessive Prices."

Another paragraph relates to "Excessive Purchasing."

Another paragraph refers to "Disposal of Surpluses."

The concluding paragraph is the "punch line" of the editorial. It is entitled "The Taxpayers Pay Twice."

Mr. President, I thought the Members of this great body would want to know what the Denver Post, an independent newspaper, said following the disclosures made by the able senior Senator from Illinois [Mr. DOUGLAS]. Remember, this disclosure does not come from a partisan, political source. How well I remember the campaigns of 1952 and 1956, when there was much talk about the mess in Washington; when a hue and cry was raised about a little item called a deep freeze or another one which related to a mink coat, involving only a few hundred dollars. Here we are dealing with hundreds of millions of dollars. As the headline reads, "Waste in the Defense Department an Incredible Mess."

I can say, as chairman of a newly formed Committee on Administrative Practice and Procedure, which has been in operation only a short time, that what we see on every hand is an almost complete breakdown in every one of the regulatory agencies of the Government. There is no protection of the public interest. The breakdown is taking place not only in the Department of Defense; it is occurring in almost every agency of the Government which disburses billions of dollars for the services and material of the people of the Nation. This is, indeed, "an incredible Washington mess."

I hope the membership of the Senate will read the editorial and pay close attention to it.

I wholeheartedly agree with the Senator from Rhode Island [Mr. PASTORE] that what Congress could really do, if we could eliminate waste—the incredible waste—would be to provide tax relief. If we could plug a few loopholes, we could strengthen our defense system, we could build schools, we could build roads.

The able Senator from Tennessee [Mr. GORE] is in the Chamber. He has been fighting for many ylears to provide an adequate road program for the Nation. We could provide such benefits if loopholes were closed and waste eliminated, and if there were a little more efficiency in the Government.

Only 2 days ago I offered an amendment to this year's highway bill in the Senate Public Works Committee. It would have included 260 miles of interstate roads across the Continental Divide in the 1963 financing estimates. This would have been of enormous value to the people of my State. But the committee was forced to defer action on my proposal until next year because of the present critical lag in the road financing program.

Mr. DOUGLAS. Mr. President, will the Senator from Colorado yield?

Mr. CARROLL. I yield.

Mr. DOUGLAS. First, I thank the Senator from Colorado for his flattering comments about me. I do not feel that I deserve them. I am merely trying to do what I conceive to be my duty. I am glad that the Senator from Colorado emphasized that this is not a political issue. I think that the waste in the military departments continues under all administrations, Democratic as well as Republican. I think it is true that this administration has not been able to eliminate it, or even to reduce it. I do not believe the realities have been much different from the promises.

I am not trying to send anyone to jail. I am not trying to disgrace any individual. I am not trying to lay the blame on any corporation which has been obtaining inflated prices. That is not my purpose. I have been trying to remove needless waste, in the hope that we might save the taxpayers' money, and in the hope that the money thus released can be used for a more effective national defense. I had thought this was the purpose of the Defense Establishment. I am reluctant to believe it is not the purpose. I do not wish to have that involved at all and I know there are those in the Military Establishment who feel as I do.

Immediately after I made my statement the other day, the Assistant Secretary of Defense in charge of logistics, Mr. McGuire, called me. I asked him to read my speech which would be in the RECORD the next morning and then to set up a conference with me on this subject. There were various communications. However, it was not until 2 days ago that representatives of the Defense Department called upon my office and met with some of my staff assistants to examine the items. I do not yet know if the Defense Department will make any formal reply. I sincerely hope it will and I hope they will first make it to me.

I think it is true that some in the Department of Defense or the public relations people of particular services have tried to plant various newspaper stories around the city among reporters without themselves wanting to make any formal or public statement for attribution. Some of these may appear from time to time.

But we shall be glad to submit all these items for full investigation; in fact, I have asked the Comptroller General to go into all of the details of the examples I gave and 1,000 additional items as well. We can determine where the slip-ups occurred.

I may say that I have in my office, under safekeeping, a number of other examples similar to those which I displayed on June 13. Some of them, I think, are even more shocking than the ones which I displayed then. However, I have not fully completed my checking with respect to them, and I do not wish to submit them at this time.

Again I thank the Senator from Colorado for his statement. I think this is a subject which we should all take to heart. I think no one realizes more fully than does the Senator from Illinois the power of the Military Establishment and the power of the contractors who sell to the Military Establishment. We have enormous vested interests which are built up. I feel that great savings can be made.

I do not live in a fool's paradise. I have some knowledge of what is likely to happen to those who try to make economies.

But if we try to base our case on the truth—and only on the truth—and if we are guarded in our statements, and if we do not impute sin on less than perfect evidence, and if we appeal to the good sense of the American public and of the press, I have confidence that, despite the terrific power of some in the Military Establishment and despite the great power of some of the contractors and

the suppliers to the military services, we shall be able to make headway.

So I wish very much to thank the Senator from Colorado, and to say that I am sure that all of us will push on together, without haste, but also without rest.

Mr. CARROLL. I thank the Senator from Illinois.

Of course, the Senator from Illinois and most of the rest of us—for this is not an attempt to pick out some individual who may have received a coat or a pair of pants—believe, as does the Denver Post, that we are talking about a system of government in which—

> The American public is paying exorbitant prices for the defense it is getting, but the Department of Defense has grown into such a monstrosity of agencies within agencies that no one in the present Washington administration has the stomach to bring about efficient and sensible reorganization.

That is what we are talking about.

I must say that if one of us were called in as suddenly as the Secretary of Defense was, and were met with this gigantic bureaucracy, it would take him a long, long time, even if he were very efficient, and would require that many forces move together, to take effective action in this field. In fact, in some of these agencies the left hand does not know what the right hand is doing.

The Senator from Illinois has most ably expressed the view of the writer of the Denver Post editorial. Certainly we are not trying to punish some individual. This effort is partisan only in that we are trying to carry the issue to the country. When we talk about the mess in Washington, we are not talking about criminal corruption. We are talking about the lack of proper administration.

I now read the concluding paragraph of the editorial published in the Denver Post:

> It is upon examples such as these—

And I have previously mentioned them—

> that Senator DOUGLAS bases his estimate that $2 billion to $3 billion in annual waste in the Defense Department could be eliminated.

Not only did the Senator from Illinois pick out some specific examples, but he also pointed out where some of the defects are.

Then, in the editorial, it is stated:

> But first there must be a greater sense of responsibility to the taxpayers and a greater devotion to the principles of good management than either the administration—

And we, ourselves, do not escape some of the responsibility—

> or Congress has shown so far.

All of us know this. It is the function of the executive branch to propose the plans and send them to Congress. The executive branch forms the budget, and has the benefit of the services of the Bureau of the Budget. When the congressional committees pass upon the plans for the expenditure of billions upon billions of dollars of appropriations, our committees have only small, limited staffs. So we have to rely upon the executive branch. But in my opinion it is impossible to escape the conviction that is growing among people all over the Nation—namely, that in the administration there is great waste, that in Washington there is an incredible mess.

We shall take this issue to the country and it must be met.

Mr. LONG of Louisiana. Mr. President, will the Senator from Colorado yield?

Mr. CARROLL. I yield.

Mr. LONG of Louisiana. I congratulate the Senator from Colorado on his speech. Every word of it was correct.

As one who served on the Armed Services Committee and in the armed services during the war, I am personally satisfied that it would be possible to reduce military expenditures by at least 25 percent, without reducing our effective defense at all, provided we could require the services to make the cuts at the places where the cuts should be made.

The difficulty is that we cannot get the establishments to make the cuts where they should be made.

For instance, I noticed in the press, the other day, a statement that the armed services have three separate ranges for the testing of missiles. Each range is extremely long. The Navy is able to point out—of course—some differences between its range and the Army's range; and the Air Force is able to point out some differences between its range and the ranges used by the other two services.

I imagine that the cost of maintaining a missile range runs into the hundreds of millions of dollars. But I know of no reason why one range would not be sufficient to permit the job to be done adequately. By requiring each of the three services to use the same testing range, great savings could be made. But, of course, each service wishes to use its own range, and each service would feel that it was downgraded if it were required to use the same range that the other services used.

Of course, each service is quick to point out that large additional expenditures and large amounts of additional construction are essential if it is to do the job which necessarily must be done. However, when the facts are carefully analyzed, it becomes obvious that such is often not necessary in order to get the job done.

For example, in Louisiana there recently was a case in which one of the services wished to build a large amount of additional housing on a base. Within a half a mile of the base there was a great surplus of housing, which was up to the standards required by that service and could be rented for amounts within the rents required by the service. There was also a considerable amount of housing on the base. Word went out that if the local people did not help get additional housing built on the base, where it was not really necessary, the base would be one of those which would be closed; and over a period of time we have received word that the base is to be closed.

On the other hand, at another base the service was able to obtain all the money it requested for the construction of additional housing; and after it spent all that money, the fact that the additional housing had been constructed was used as an argument for keeping the base open.

The result is to put additional pressure on the communities to agree to such construction of additional housing on the bases.

In my judgment it would be sufficient to plan enough housing to take care of two wings of operational planes, and two officers would share a suite—with a bathroom between the room for each officer. Then if it were possible to shift one wing to another location, and have only one wing on that base, it would be possible to spread out and have more comfort and more spacious quarters, and it also would be possible to space the men more widely than they would be spaced otherwise.

Some of that sort of thing is done deliberately; but it is difficult to prove it, because unless we have the benefit of the services of someone who fully understands what the entire operation is in the beginning, it is very difficult to prevent unnecessary spending of that kind.

Mr. President, in 1952 we established in the Office of the Secretary of Defense an Office of Director of Installations, who was assigned the responsibility of going over all the construction budgets which had been recommended by the Army, the Navy, and the Air Force, to determine where the requests might be excessive. The Director of Installations, with a staff of about 23 men, all of them experts, proceeded to arrive at the conclusion that the services already had on hand enough authorizations to last them for 3 years, at any reasonable rate of construction; and it was his position that, rather than have more authorizations for construction, they should surrender some they already had, even if they wanted additional authorizations, because most of the construction they had in mind could—for the most part—be built in less than 1 year. He proceeded to follow the policy of requiring them to live on their present authorizations, rather than obtain vast additional authorizations far beyond their needs.

Yet the services did not like it, and they were going to have that job abolished. They succeeded in getting it abolished, because they liked to have things constructed that somebody who perhaps was economy minded might prohibit. That Office was abolished and the Office of an additional Under Secretary was created. He was supposed to have some connection with the program, looking over what the construction was to be.

Starting in that year, and in every year thereafter, we have these big authorizations for billions of dollars a year for new construction, whereas the man who had previously performed the function had held his finger firmly in the dike to prevent unnecessary authorizations.

As has been stated, there is a fantastic vested interest in the Pentagon by contractors who work for the services in carrying on major construction programs and spending in ways which are

oftentimes unnecessary. So we could make great additional savings beyond those that can be made by requiring competitive bidding and getting our money's worth in procurement. There could also be fantastic savings by reducing unnecessary spending on projects that we could do without.

As an example, under wartime conditions, a fighter plane would operate on what was called a 1.5 parking apron ratio. That means if we measured from wing tip to wing tip, from the nose to the tail of the plane, and squared those measurements, and added 50 percent to that figure, that would be the amount of parking space that plane would have for parking aircraft under combat conditions. The services like to have a ratio of 3.5, which is twice that much. The big advantage of having that much space is that a pilot can fly into a space and back out without assistance. It is easier to park by coming in from the rear and go out from the front even if the entire squadron is on the base; but they can get along on less than that. However, the officers who approve plans and the contractors who build the parking aprons and lay the cement all desire the optimum desirable standards.

The only way to prevent a lot of spending that is not really necessary is to have someone who is sincerely interested in economy in a position, perhaps in the Defense Department, where he will be in a position both to know and to have authority to reduce these requests which are made in excess of what is necessary to get the job done.

Mr. CARROLL. Mr. President, I thank the Senator from Louisiana, because I know of his long experience in these military matters. I knew his comments would be helpful. It takes us back to what we tried to do 10 years ago. We were going to unify the services and draw them together, and by doing so we thought we would eliminate much waste and duplication. It is difficult to do so. We have to be honest with ourselves. It is very difficult to achieve. But for years we have been hammering away at it. Instead of getting better, it seems to have worsened.

I saw that editorial. I was on the floor the other day when I heard what the able Senator from Illinois told us, and I read what was in the papers. I said we have done this year after year. Nothing ever happens. Today for the first time I saw an editorial from an unbiased source appearing in a Colorado newspaper. We are usually 3 or 4 days behind in getting papers from Colorado. I thought it was fine getting it from an unbiased source, because I admit I may be a little biased in this field. But, coming from an unbiased group, I thought it ought to be put in the RECORD. I think if it is read by those in the Defense Department, or in the executive branch, or, indeed, in the Congress, we will be more vigilant and alert, and perhaps some good will come of it.

Mr. LONG of Louisiana. Mr. President, is the Senator aware of the fact that the Senator from Missouri [Mr. SYMINGTON], a former Secretary of the Air Force, has on occasion expressed the opinion that, with the right kind of reorganization of the Pentagon, we could save $12 billion?

Mr. CARROLL. The editorial mentioned the able Senator from Missouri, and it said that he has on many occasions stated that $5 billion could be saved. Of course, the conservative, very able economist, the Senator from Illinois, says we can save only $2 or $3 billion.

Mr. DOUGLAS. At a minimum.

Mr. CARROLL. I said billions of dollars, not millions.

Mr. DOUGLAS. If the Senator will further yield, the Senator from Louisiana has touched on one great source of waste and excessive expenditures. That is the fact that we do not have competitive contracts in most of the cases. I think it is a familiar fact, known to virtually every Member of the Senate, that 86 percent of the dollar volume of the purchases by the Defense Department are under negotiated contracts, and slightly under 14 percent by competitive contracts.

The Defense Department insists on negotiating even on nonsecurity items. This is a very great source of waste.

The Comptroller General, who, I think, is one of the finest public servants we have ever had, in case after case has found great abuses in these negotiated contracts. I put in the RECORD, as an appendix to my speech, the covering letters of 52 reports by the Comptroller General, in which there were gross errors in the contracts which the Defense Department had negotiated.

Whatever our views may be on the consolidation of the fighting services, certainly they should not overorder, they should throw open to genuine competitive bidding a much larger percentage of the contracts, they should not prematurely scrap material or keep some material in storage, forgetting about it until it becomes worthless, and there should not be simultaneous disposal of an item by one service while another service is buying the same or similar item.

I thank the Senator from Colorado.

Mr. CARROLL. I thank the Senator from Illinois, not only for his presentation the other day but for his discussion now. I hope that the Senator from Illinois will, at some time, or perhaps he may do it now, explain in simple terms the real difference between competitive contracts and negotiated contracts. I think people who read the RECORD may know what competitive bidding is, but I am not sure they know what negotiated contracts are.

Mr. DOUGLAS. A negotiated contract is one in which a representative of the Defense Department goes to one or a few establishments and the two agree upon a price, without its being subjected to advertising and to sealed competitive bidding by other establishments.

Mr. CARROLL. I think the important point made by the able Senator from Illinois is the great waste and the lack of knowledge, as a result of which surplus supplies have been piled up.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1508) to provide for economic regulation of the Alaska Railroad under the Interstate Commerce Act, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 12263) to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes.

EAST-WEST CENTER FOR CULTURAL AND TECHNICAL EXCHANGE

Mr. LONG of Hawaii. Mr. President, at its recent meeting the executive committee of the National Conference of State Legislative Leaders adopted a resolution expressing its support for the establishment of a Center for Cultural and Technical Interchange Between East and West in Hawaii. This resolution expresses well and succinctly the reasons why this center should be established as a national program in the national interest. I request unanimous consent that the resolution be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION EXPRESSING SUPPORT FOR THE ESTABLISHMENT OF A CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST IN THE STATE OF HAWAII

Whereas the establishment of a Center for Cultural and Technical Interchange Between East and West in the State of Hawaii would promote better relations and understanding between the United States and the Nations of Asia and the Pacific, and would constitute a significant contribution toward increasing the friendship and mutual understanding between the United States and the nations of Asia and the Pacific; and

Whereas the establishment of such a center would bring together scholars and students in various fields from the nations of the East and West where they may study, give and receive training, exchange ideas and views, and conduct other activities to promote the international, educational, cultural and related activities of the United States; and

Whereas the establishment of such a center is of national and international scope and should receive the wholehearted support of the Government of the United States; and

Whereas many Members of the Congress of the United States have exerted untiring and unceasing efforts and devotion to the establishment of such a center and should be commended therefor; and

Whereas the Congress of the United States has voted the authorization for such a center but has not yet provided the necessary appropriation for its establishment and operation: Now, therefore, be it

Resolved by the executive committee of the National Conference of State Legislative Leaders, now meeting in session in Honolulu, Hawaii, That it takes this means

to express unanimous support for the establishment of a Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, and to commend the many Members of the Congress of the United States, who have given their full support to the establishment of such a center; and be it further

Resolved, That the Congress of the United States be urged to provide the initial appropriation for such a center at its present session and to consider, in the national interest, the operation of such a center as a long-range program with continuous aid from the Federal Government in order to insure its success; and be it further

Resolved, That duly authenticated copies of this resolution be transmitted to the Honorable LYNDON B. JOHNSON, majority leader of the U.S. Senate; the Honorable EVERETT MCKINLEY DIRKSEN, minority leader of the U.S. Senate; the Honorable SAM RAYBURN, Speaker of the U.S. House of Representatives; the Honorable JOHN W. MCCORMACK, majority leader of the U.S. House of Representatives; the Honorable CHARLES A. HALLECK, minority leader of the U.S. House of Representatives; the Honorable J. WILLIAM FULBRIGHT, chairman of the Senate Foreign Relations Committee; the Honorable THOMAS E. MORGAN, chairman of the House Foreign Affairs Committee; the Honorable CARL HAYDEN, chairman of the Senate Appropriations Committee; and the Honorable CLARENCE CANNON, chairman of the House Appropriations Committee.

LEGISLATIVE PROGRAM

Mr. LONG of Louisiana. Mr. President, on behalf of the majority leader, I should like to state for him the program for Monday, and I believe the Senator from Illinois [Mr. DOUGLAS] will be interested in this announcement. The following are the measures which the majority leader authorized me to state may be called up on Monday, and there may be others:

Calendar No. 1653, S. 3278, to amend section 701 of the Housing Act of 1954, relating to urban planning grants, and title II of the Housing Amendments of 1955, relating to public facility loans, to assist State and local governments and their public instrumentalities in improving mass transportation services in metropolitan areas.

Calendar No. 1610, H.R. 10596, to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States.

Calendar No. 1708, H.R. 4306, to provide education and training for the children of veterans dying of a service-connected disability incurred after January 31, 1955, and before the end of compulsory military service.

Calendar No. 1709, S. 3275, to extend, with respect to World War II veterans, the guaranteed loans programs under chapter 37 of title 38, United States Code, to Feburary 1, 1965.

Calendar No. 1602, Senate Joint Resolution 207, to suspend for the 1960 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for nominees for the office of President and Vice President.

Calendar No. 1555, H.R. 3375, to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes.

Calendar No. 1606, S. 1964, to amend the act requiring certain common carriers by railroad to make reports to the Interstate Commerce Commission with respect to certain accidents in order to clarify the requirements of such act.

Calendar No. 1607, H.R. 4601, to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes.

Calendar No. 1630, S. 1543, to amend the Federal Aviation Act of 1958 to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of services authorized, and for other purposes.

Calendar No. 1679, H.R. 9662, to make technical revisions in the income tax provisions of the Internal Revenue Code of 1954 relating to estates, trusts, partners, and partnerships, and for other purposes.

Calendar No. 1678, H.R. 10, to encourage the establishment of voluntary pension plans by self-employed individuals.

Calendar No. 1683, S. 3483, to make the antitrust laws and the Federal Trade Commission Act applicable to the organized team sport of baseball and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes.

The chairman of the Committee on Foreign Relations has requested that we announce it is presently intended to consider Executive B, the Antarctic Treaty, on Monday.

Mr. DOUGLAS. Mr. President——

Mr. LONG of Louisiana. I will say to the Senator from Illinois that I join him in expressing the opinion that if the Senate gets as far as consideration of H.R. 10, it will not get beyond that on Monday.

Mr. DOUGLAS. Mr. President, I thank the Senator from Louisiana for announcing the program, which does seem rather formidable. If H.R. 10 should happen to be one of the bills to be considered on Monday, may I now register my objection to any unanimous-consent request which would limit debate on H.R. 10?

The PRESIDING OFFICER. The Senator's statement will be recorded in the RECORD.

Mr. DOUGLAS. Is that understood?

The PRESIDING OFFICER. The Chair, of course, must advise the Senator from Illinois that while the announcement of intention is noted in the RECORD, in order for the unanimous-consent request to be blocked on the part of the Senator from Illinois, it will be necessary that the Senator be present at the time the request is made.

Mr. DOUGLAS. Mr. President, may I ask to be informed if there is any intent to limit debate on H.R. 10?

The PRESIDING OFFICER. The Chair is not in a position to make any statement in that regard.

Mr. DOUGLAS. May I ask the acting majority leader if he would inform me if there is any intent to limit debate on H.R. 10?

Mr. LONG of Louisiana. I assure the Senator, so far as this acting majority leader is concerned, there is no intention whatever to limit debate on H.R. 10.

Mr. DOUGLAS. I know, but has the present acting majority leader received any assurance from the majority leader as to whether there is any intent to limit debate on H.R. 10?

Mr. LONG of Louisiana. No. This acting majority leader has no assurance. He would certainly hope that the majority leader would review the record and heed the request of the Senator from Illinois. The Senator from Louisiana joins in the request.

Mr. DOUGLAS. May I make a piteous appeal to the acting minority leader, the Senator from California [Mr. KUCHEL], that he refuse to consent to a limitation of debate on H.R. 10?

Mr. KUCHEL. Mr. President, in answer to that rather moving and stirring entreaty, I will say that any request which my good friend the senior Senator from Illinois makes ought to receive, and I am sure will receive, the most earnest consideration by whoever acts for the minority in this Chamber.

Mr. DOUGLAS. I do not quite know where that leaves me. [Laughter.]

Mr. KUCHEL. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. KUCHEL. As I understand the parliamentary situation, an order has previously been entered for the Senate to convene at 10 o'clock on Monday morning.

Mr. LONG of Louisiana. Yes.

Mr. KUCHEL. From what the Senator has indicated, is it the desire of the majority, after the conclusion of the morning hour, to schedule first for consideration the Antarctic Treaty?

Mr. LONG of Louisiana. That is not certain.

Mr. KUCHEL. At any rate, the treaty will be scheduled for debate on Monday.

Mr. LONG of Louisiana. It may be necessary that consideration of Executive B be deferred.

Mr. KUCHEL. Until later in the week?

Mr. LONG of Louisiana. Until later in the week.

As I understand the announcement which was handed to me on behalf of the majority leader, the bills I have listed are those which Senators should be alerted to expect to be considered. The majority leader is not ready to state the bills will be considered in the order listed. I assume at the moment the majority leader would perhaps have in mind that they be considered in that order, but Senators should not depend upon it. The majority leader might wish to call up bills in some other order.

Mr. KUCHEL. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Louisiana yield the floor?

Mr. LONG of Louisiana. Mr. President, I yield the floor.

SUBCOMMITTEE SUBPENA TO NEW YORK PORT AUTHORITY

Mr. KEATING. Mr. President, I commented earlier today on a request of the Governors of New York and New Jersey to meet with the House Committee on the Judiciary in order to discuss that committee's subpena of certain records of the New York Port Authority. I expressed the opinion at that time that any differences between the States involved and the committee could be worked out, I felt sure, in a conference if the participants approached the matter in a constructive manner.

Since those remarks were made earlier in the day, I have been in communication with Robert McCrate, Esq., counsel to Governor Rockefeller. It appears now that the chairman of the Judiciary Committee has refused to postpone the date set for the production of various books and records subpenaed by the committee.

The validity of the subpena is in issue. Governor Rockefeller and Governor Meyner believe that the subpena raises serious questions of constitutional propriety involving the fundamental sovereignty of the two States and the status of the port authority.

Certainly the chief executives of New York and New Jersey, are entitled to an opportunity to discuss their views on a grave issue of this nature prior to any effort to enforce compliance with the committee's subpena. Indeed, it is my opinion that such an opportunity to explore the viewpoints involved should be welcomed.

The chairman of the Judiciary Committee, was completely within his rights in refusing the postponement, and it would be improper for me in any way to impugn his motives. Still his refusal may cause some to reflect adversely upon the purpose of this proposed investigation and to confirm deep misgivings which have been expressed in many quarters concerning this whole inquiry.

It is well known that there is a national conference of Governors meeting in Glacier National Park, Mont., from Sunday until Wednesday, which is the return date of these subpenas. This means that the refusal of the chairman to postpone the return date, which is next Wednesday, is, in effect, a refusal to meet with the Governors involved.

I hope that this matter will be reconsidered.

It seems to me that the request of the Governors of two of our States to meet prior to the return date of a subpena in order that they might discuss their deep concern over these grave questions of constitutional principle, is a reasonable request. I ask unanimous consent to insert at this point in the RECORD a copy of the telegrams from Governor Rockefeller and Governor Meyner to the chairman of the House Judiciary Committee and a copy of his reply thereto.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

EXECUTIVE CHAMBER,
Albany, N.Y.

As Governor of New Jersey I join with Governor Rockefeller, of New York, in requesting an opportunity at a mutually convenient date to meet with the Judiciary Committee to present for your consideration the deep concern of our respective States over the grave questions of constitutional principle arising from Subcommittee No. 5 subpena of internal memoranda, work sheets, and other documents of our local port agency, the Port of New York Authority. Most serious questions of constitutional propriety are at stake, involving upon our parts the fundamental sovereignty of the States. I believe these issues of constitutional principle are so important that they should be the subject of thoughtful discussion and consideration between the members of the Judiciary Committee and the chief executives of the two States.

I join, therefore, with Governor Rockefeller in requesting that the return date of these subpenas be adjourned from June 29 and that a date mutually convenient to the members of the committee and the Governors be arranged to discuss the serious matters involved.

ROBERT B. MEYNER.

EXECUTIVE CHAMBER,
Albany, N.Y.

As Governor of New York, I join with Governor Meyner, of New Jersey, in requesting an opportunity at a mutually convenient date to meet with the Judiciary Committee to present for your consideration the deep concern of our respective States over the grave questions of constitutional principle arising from Subcommittee No. 5 subpena of internal memoranda, work sheets, and other documents of our local port agency, the Port of New York Authority. Most serious questions of constitutional propriety are at stake, involving upon our parts, the fundamental sovereignty of the States. I believe these issues of constitutional principle are so important that they should be the subject of thoughtful discussion and consideration between the members of the Judiciary Committee and the chief executives of the two States.

I join, therefore, with Governor Meyner in requesting that the return date of these subpenas be adjourned from June 29, and that a date mutually convenient to the members of the committee and the Governors be arranged to discuss the serious matters involved.

NELSON A. ROCKEFELLER.

CONGRESSMAN CELLER'S TELEGRAM TO GOVERNORS ROCKEFELLER AND MEYNER, JUNE 24, 1960

Appreciate your interest and concern in port authority inquiry. As you know subpenas were issued pursuant to specific authority—U.S. House of Representatives. Their issuance was approved by act of the full Committee on the Judiciary and other subcommittees. The constitutional questions involved were considered prior to initial inquiry and prior to issuance of subpenas. Likewise the port authority has had these questions under consideration since March. However, full and ample opportunity will be given port authority officials to bring up all legal and constitutional objections upon return of the subpenas on June 29.

MANNIE CELLER.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 24, 1960, he presented to the President of the United States the following enrolled bills:

S. 1765. An act to authorize and direct the Treasury to cause the vessel *Edith Q.*, owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States with limited coastwise privileges; and

S. 3019. An act to provide for certain pilotage requirements in the navigation of U.S. waters of the Great Lakes, and for other purposes.

ADJOURNMENT

Mr. KUCHEL. Mr. President, if there is no further business to come before the Senate at this time, I move, pursuant to the order previously entered, that the Senate adjourn until 10 o'clock a.m. on Monday next.

The motion was agreed to; and (at 7 o'clock and 34 minutes p.m.) the Senate adjourned, under the order previously entered, until Monday, June 27, 1960, at 10 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 24, 1960:

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations:

I. FOR PERMANENT PROMOTION

To be medical directors

James L. Baker
Wade H. Etheridge
William G. Hollister
J. Frederick Bell
Paul A. Pamplona
James O. Davis
George Adams
Leon A. Witkin
Benjamin J. Chester
Eliah M. Nadel
Clinton C. Powell
R. Carl Millican
Emil E. Palmquist
Henry C. Huntley
Harry A. Sauberli
Shih Lu Chang
Paul Q. Peterson
George Brecher
John C. Hume
Thomas D. Dublin
Huston K. Spangler
James D. Wharton
Bruce Underwood
U. Pentti Kokko
Arthur C. Curtis
Bohdan G. Giel
Herbert A. Hudgins
John D. Porterfield
Richard H. Linn
Clarke W. Mangun, Jr.

To be senior surgeons

William A. Walter, Jr.
Carl G. Baker
Gerald D. Barton
Arnold W. Pratt
Robert W. Hartley
Roger M. Cole
Katherine M. Herrold
Leroy E. Duncan, Jr.
Stephen Hajdu
Jack Orloff
Howard C. Goodman
Erwin S. Rabeau

To be surgeons

Bertha L. Moore
Donald L. Toker
William B. Barr
William M. Smith
John T. West
William E. Newby
David J. Crosby
Gordon Allen
Edward J. Leonard
Tamarath K. Yolles
Donald L. Fry
Richard H. Thurm
Harald S. Frederiksen
Warren P. Jurgensen
David P. Rall
Murray Goldstein
Roy P. Sandidge, Jr.
Leo Nakayama
Philip E. Morgan
Donald P. Tschudy
John L. Fahey
Donald E. Kayhoe
Leonard Laster
Martha Vaughan
William S. Richards, Jr.
Robert T. Scholes
James H. Shindel
Jacob Robbins
Tom D. Y. Chin
Michael Potter

To be senior assistant surgeon

Arthur Maron

To be dental directors

Howard K. Wyatt
Carl E. Johnson
David B. Scott
Maurice Costello

To be dental surgeons

Joseph Abramowitz
Donald M. Phillips

To be senior assistant dental surgeons

Harold E. Rosenau
Lowell W. Smith
Malcolm D. Lindeman
Richard W. Kristensen
Robert E. Mecklenburg
Leland S. Scott
John H. Holt
Richard J. Schilling
Ike Slodov
Robert K. Parkinson
Robert E. Drury
Rex A. Warnick
Irwin I. Ship
Richard T. White
Vernon E. Burge
Gene H. Wilskie
Tomm H. Pickles
Robert D. Amott
Paul Favero
Frederick L. Strammer
William H. Dahlberg
Edward J. Strow, Jr.
Garie Hillstead
William H. Hancock
Ronald Dubner

To be sanitary engineer directors

Eugene L. Lehr
Thomas H. Seltzer
Frederick C. Roberts, Jr.
Arthur H. Neill
Elroy K. Day
Oliver R. Placak
William W. Payne
Howard W. Chapman
William E. Holy
Richard J. Hammerstrom
Henry N. Doyle
Leonard B. Dworsky
Sylvan C. Martin
Howard W. Spence
Floyd B. Taylor
John D. Faulkner
Lawrence B. Hall
Ernest P. Dubuque
John R. Thoman
Frank A. Butrico
Bernard B. Berger
Lewis F. Warrick

To be senior sanitary engineers

Frederick K. Erickson
Arve H. Dahl
Richard P. Lonergan

To be sanitary engineers

Albert L. Platz
Frederick Nevins
Leland J. McCabe, Jr.
George R. Shultz
Paul W. Eastman, Jr.
Morton I. Goldman
Donald M. Keagy
Howard E. Ayer
James P. Sheehy
Frank A. Bell, Jr.
Charles C. Johnson, Jr.
Joseph M. Dennis
William H. Megonnell
Harry C. Vollrath III

To be senior assistant sanitary engineers

James C. Meredith
S. David Shearer, Jr.
Robert V. Thomann
Gerald M. Hansler
Robert G. Bostrom
Parker C. Reist
Gerald G. Vurek
Carl M. Walter
Jules B. Cohen
Richard Anderson

To be assistant sanitary engineers

Ronald J. Harron
Phillip E. Searcy

To be pharmacist directors

J. Solon Mordell
Reid M. Hovey

To be senior pharmacist

William E. Dudley

To be pharmacists

Paul H. Honda
Boris J. Osheroff
Lowell R. Pfau
Adelbert E. Briggs
Edward J. Vesey
Felix A. Conte

To be senior assistant pharmacists

Lawrence D. Smith
James R. Grigdesby
William H. Briner
Robert E. McKay
Paul O. Fehnel, Jr.
Walter J. Ludwig

To be scientist directors

H. Page Nicholson
Robert E. Serfling
Alan W. Donaldson
Libero Ajello
Isadore Zipkin
James E. Birren
Morris B. Ettinger
Herbert A. Sober
Malcolm S. Ferguson
Arthur L. Schade

To be senior scientists

Sanford M. Birnbaum
Melvin H. Goodwin, Jr.

To be scientists

James B. Longley
Myron J. Willis
Harry T. Miles, Jr.
John W. McDowell

To be senior sanitarian

William C. Miller, Jr.

To be veterinary officer director

Frank A. Todd

To be senior veterinary officer

Ernest S. Tierkel

To be veterinary officer

Keith T. Maddy

To be senior assistant veterinary officers

Charles W. McPherson
John E. Holman, Jr.
James L. McQueen
Gerald L. VanHoosier, Jr.

To be nurse directors

Mabelle J. Markee
Genevieve R. Sollen
Alice E. Herzig

To be senior nurse officer

Elsie E. Richardson

To be nurse officers

Lydia K. Oustaian
Helen Solomon
Janet L. Fitzwater
Helen M. Hanlon

To be senior assistant nurse officer

Jean A. McCollum

To be assistant nurse officer

Margaret J. Howe

To be dietitian director

Fonda L. Dickson

To be assistant therapists

James R. Walchen
James D. Edner

To be health services director

Robert Johnston

To be senior health services officer

John A. Donnell

To be health services officer

Mary P. Byrd

To be senior assistant health services officer

Kenneth F. Hunt

II. FOR APPOINTMENT

To be senior surgeons

John J. Brennan
Frank B. Rogers

To be surgeons

Joseph Cochin
Enrico A. Leopardi

To be senior assistant surgeon

Vincent A. Di Scala

To be senior assistant dental surgeon

Glen D. Elliott

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

Charles R. Ferguson, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1963.

DIPLOMATIC AND FOREIGN SERVICE

Arthur L. Richards, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Panama.

A. Burks Summers, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

The following-named Foreign Service officers for promotion from the class of career minister to the class indicated:

To be career ambassadors

Livingston T. Merchant, of the District of Columbia.

James W. Riddleberger, of Virginia.
George V. Allen, of North Carolina.
Charles E. Bohlen, of the District of Columbia.
Ellis O. Briggs, of Maine.
Raymond A. Hare, of West Virginia.
Llewellyn E. Thompson, of Colorado.

IN THE NAVY

The nominations of Blaine E. Timmer, Jr., et al., for appointment and promotion in the Navy and Marine Corps, said nominations having been received on June 13, 1960.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 24, 1960

The House met at 11 o'clock a.m.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Luke 6: 46: *Why call ye Me Lord, Lord, and do not the things which I say?*

Almighty God, as we daily feel the impulse to pray, may we be inspired with the will and the strength to make the adventure to become the kind of men and women which, in our noblest hours, we long to be and know we ought to be.

We beseech Thee to remove those impediments which hinder us in heeding Thy counsel and hold us back from walking in the way of duty that often seems to be the hard way of drudgery and darkness.

Give us a larger measure of that love which never spares itself in seeking to lift to the radiant levels of joy and peace all who are the victims of fear, troubled in spirit and haunted by bitter memories.

Hear us in the name of our blessed Lord who never seeks to rule us by force but by the winsomeness of His eternal love. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1516. An act for the relief of Juan D. Quintos, Jaime Hernandez, Delfin Buencamino, Soledad Gomez, Nieves G. Argonza, Felididad G. Sarayba, Carmen Vda de Gomez, Perfecta B. Quintos, and Bienvenida San Agustin;

H.R. 1600. An act for the relief of Francis M. Haischer;

H.R. 4251. An act to amend the Internal Revenue Code of 1954 with respect to the limitation on the deduction of exploration expenditures;

H.R. 5033. An act for the relief of Betty Keenan;

H.R. 6712. An act for the relief of Sam J. Buzzanca;

H.R. 9921. An act to validate certain payments of additional pay for sea duty made to members and former members of the U.S. Coast Guard; and

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2565. An act to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations;

H.R. 6186. An act to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces;

H.R. 8226. An act to add certain lands to Castillo de San Marcos National Monument in the State of Florida; and

H.R. 8229. An act to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 77. An act to establish the Chesapeake and Ohio Canal National Historical Park in the State of Maryland, and for other purposes;

S. 609. An act for the relief of the estate of Gregory J. Kessenich;

S. 817. An act for the relief of Freda Feller;

S. 2131. An act to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia approved May 25, 1954, as amended;

S. 2581. An act to amend the Act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen; and

S. 2692. An act to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and facilities, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the general welfare, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2618. An act to authorize the exchange of certain war-built vessels for more modern and efficient war-built vessels owned by the United States.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5888) entitled "An act to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands."

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tomorrow night to file certain rules and reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUBCOMMITTEE ON INDIAN AFFAIRS OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

CHEYENNE RIVER SIOUX TRIBE OF INDIANS OF SOUTH DAKOTA

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4786) declaring certain lands to be held in trust for the Cheyenne River Sioux Tribe of Indians of South Dakota, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 13, insert:

"SEC. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. ARENDS. Mr. Speaker, reserving the right to object, has this been cleared with the ranking member on this side?

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield, this has been cleared by the ranking member of the committee and also by the gentleman from South Dakota [Mr. BERRY].

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING EXCHANGE OF LAND BETWEEN UNITED STATES AND MASSACHUSETTS PORT AUTHORITY

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H.R. 5888) to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1935)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5888) to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Massachusetts, in exchange for certain other lands, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with the following amendments:

In the Senate engrossed amendment after "SEC. 3." insert "(a)".

At the end of the Senate engrossed amendment add the following:

"(b) The Secretary of the Navy is authorized, with respect to any amount determined by him to be payable to the United States pursuant to the provisions of subsection (a), to waive such portion thereof, but not to exceed 50 per centum, as he deems equitable in consideration of the rent free use by the Department of the Navy in past years of the land conveyed hereunder by the Massachusetts Port Authority.

And the Senate agree to the same.

CARL VINSON,
PAUL J. KILDAY,
PHILIP J. PHILBIN,
L. C. ARENDS,
L. H. GAVIN,
Managers on the Part of the House.

RICHARD B. RUSSELL,
JOHN C. STENNIS,
HARRY M. JACKSON,
LEVERETT SALTONSTALL,
FRANCIS CASE
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5888) to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Massachusetts, in exchange for certain other lands, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

On August 3, 1959, the House of Representatives passed H.R. 5888, a bill authorizing an exchange of lands between the Massachusetts Port Authority and the Depart-

ment of the Navy. On March 28, 1960, the Senate considered the legislation and amended it in certain respects.

PURPOSE OF THE BILL

The purpose of the bill is as indicated in its title.

PROPERTY TO BE EXCHANGED

The Navy property comprises 15.9 acres of land while the port authority property comprises 3.88 acres. The Navy property has been declared excess to the needs of the Boston Naval Shipyard and has been recommended for sale or outlease. It is clear from the foregoing that the Navy has no further requirement for the property to be conveyed by it.

Disparity in size and value

It would appear from the disparity in size of the acreages to be conveyed that the Navy-owned property would be of substantially greater value than that proposed for conveyance by the Massachusetts Port Authority. It appears also that throughout the hearings in both the House and the Senate the testimony indicated that there was a divergence of opinion as to whether there was an actual disparity in value and if such a disparity did exist, its extent.

Use of port authority by Navy

In the study of the possible difference in value between the two properties, both committees gave some consideration to the fact that the Navy Department has utilized the port authority's property for some 17 years without payment by the Navy for such use. There was general agreement that this use did not constitute consideration from a legal standpoint but that, even so, if the property to be conveyed by the Navy is of greater value, then the free use of the port authority property should, in equity, be given some weight.

Future use of the properties

The Navy would continue to use the land conveyed to it for parking, recreational, and other allied purposes. The port authority would utilize the property conveyed to it in connection with its plan for expansion of port facilities in the area.

HOUSE AND SENATE ACTIONS

The House committee reported out and the House of Representatives passed the bill in such fashion as to consider the exchange of lands an even exchange and without payment of consideration by either party.

The Senate committee added a section 3 to the bill which provided in subsection (a) that as a condition of the exchange of lands authorized by the act, the Secretary of the Navy shall require the Massachusetts Port Authority to pay an amount of money equal to the amount, if any, by which the fair market value of the property conveyed by the United States exceeds the fair market value of the property conveyed to the United States, as determined by the Secretary of the Navy.

Subsection (b) of section 3 as added by the Senate committee authorized the Secretary of the Navy, with respect to any amount determined by him to be payable to the United States pursuant to the provisions of subsection (a), to waive such portion thereof as he deems equitable in consideration of the rent-free use by the Navy in past years of the land to be conveyed by the Massachusetts Port Authority.

The Senate Committee version of the bill was amended on the floor by striking subsection (b) of section 3. This amendment had the result of requiring payment by the Massachusetts Port Authority of the difference in fair market value between the two properties as determined by the Secretary of the Navy.

ACTION BY CONFEREES

The conferees have agreed to reinsert subsection (b) of section 3 with an amendment. The amended subsection (b) would authorize the Secretary of the Navy, with respect to any amount determined by him to be payable to the United States pursuant to the provisions of subsection (a) to waive such portion, but not to exceed 50 per centum thereof, as he deems equitable in consideration of the rent-free use by the Department of the Navy in past years of the lands conveyed hereunder by the Massachusetts Port Authority. The House recedes with an amendment.

CARL VINSON,
PAUL J. KILDAY,
PHILIP J. PHILBIN,
L. C. ARENDS,
L. H. GAVIN,
Managers on the Part of the House.

Mr. VINSON (during the reading of the statement). Mr. Speaker, in view of the fact that the statement of the managers on the part of the House is printed in the RECORD, I ask unanimous consent to dispense with the further reading of the statement.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VINSON. Mr. Speaker, this bill involves an exchange of lands between the Navy and the Massachusetts Port Authority.

Although it is not certain, it looks as though the Navy property is more valuable than the port authority land.

Also, the Navy has used the port authority land for some 17 years free of charge.

Section 3(a) of the bill requires the port authority to pay this difference in value. But, as agreed by the conferees, the Secretary of the Navy may waive not to exceed 50 percent of this difference if the Secretary feels that this is the equitable thing to do in view of the free use by the Navy of the port authority land for the 17 years.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING TITLE V OF THE MERCHANT MARINE ACT, 1936, IN ORDER TO REMOVE CERTAIN LIMITATIONS ON THE CONSTRUCTION DIFFERENTIAL SUBSIDY UNDER SUCH TITLE

Mr. BONNER. Mr. Speaker, I call up the conference report on H.R. 10644, to amend title V of the Merchant Marine Act, 1936, in order to remove certain limitations on the construction differential subsidy under such title, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1953)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10644) to amend title V of the Merchant Marine Act, 1936, in order to remove certain limitations on the construction differential subsidy under such title, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

HERBERT C. BONNER,
THOR C. TELLEFSON,
WILLIAM K. VAN PELT,
Managers on the Part of the House.
JOHN O. PASTORE,
E. L. BARTLETT,
JOHN M. BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10644) to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction-differential subsidy under such title, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

AMENDMENT OF THE SENATE TO HOUSE BILL 10644

Title V of the Merchant Marine Act, 1936, as amended, authorizes the Federal Maritime Board to make construction-differential subsidy payments to American shipyards so that approved U.S. steamship companies can purchase new vessels at the estimated price, as determined by the Board, of building a similar vessel in a foreign shipyard. Under existing law the construction differential may not exceed 50 percent of the total domestic price of the vessel.

The House bill amended the existing law so as to raise the construction-differential subsidy ceiling to a maximum of 55 percent. The increased subsidy which might be payable by the United States would be applicable to construction contracts signed within 2 years from the date of enactment, and would be retroactive with respect to construction contracts covering vessels whose keels were laid after June 30, 1959.

The Senate amendment which struck all after the enacting clause adopted provisions substantially the same as the House bill as title I and added as title II a prohibition against the issuance of any ticket or pass for free or reduced rate of transportation to any official or employee of the U.S. Government or any member of their family traveling on a ship sailing under the American flag in foreign commerce or in commerce between the United States and its territories or possessions, with certain exceptions. The Senate amendment provided a penalty for violation of title II.

The House conferees receded from their disagreement on the part of the House, and the conference agreement retains the provisions of the House bill with the Senate amendment without change.

HERBERT C. BONNER,
THOR C. TOLLEFSON,
WILLIAM K. VAN PELT,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. BONNER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, since 1956 an amendment has been offered and adopted in the Senate to various bills, including an appropriation bill, affecting the merchant marine in one way or another. This amendment, substantially the same in each instance, has purported to provide a prohibition against the issuance of any ticket or pass for free or reduced rate of transportation to any official or employee of the U.S. Government or any member of his family traveling on a ship sailing under the American flag in foreign commerce or in commerce between the United States and its Territories or possessions, subject to severe penalties for violation thereof. Heretofore, the amendment has been stricken in conference.

In the most recent instance, on a rollcall vote, the Senate voted 88 to 0 in favor of the amendment. In view of the overwhelming position of the Senate, the House conferees felt they had no choice but to recede from their disagreement in order to protect the passage of the basic legislation to which the amendment was added. This was done despite the opinion of many that the amendment was objectionable in a number of respects.

In order to keep the record straight, I wish to take this opportunity to state some of the objections which have been raised to the Senate amendment, and the manner in which it has been acted upon and which the Congress may have to correct at a later date by more orderly procedure.

These objections are as follows:

First. There is no appropriate place for the above noted provision in the bill. H.R. 10644 is a bill to amend title V of the Merchant Marine Act of 1936 in order to remove certain limitations on the construction differential subsidy under such title. The 1936 act does not provide for regulation regarding the carriage of passengers and this bill has no bearing on that subject. It is not germane.

Second. The amendment is extremely broad and diffuse. Its effect on existing law and existing procedures and practices within the various Government departments which would be affected could not be ascertained with certainty without full hearings.

Third. The subject of freight rates and passenger fares in offshore water transportation is covered by the regulatory provisions of the Shipping Act of 1916. The regulatory provisions of that act are presently under intensive study in the House, not only by the Committee on Merchant Marine and Fisheries, but by the Judiciary Committee.

Fourth. It is understood that the principal purpose of the proposal is to make it illegal for Representatives and Senators to receive free or reduced rate transportation for vacations on subsidized ships. Though the amendment has been tacked on to a total of five bills in the past several years, there has been no evidence presented to show the existence of the asserted evil.

Fifth. There may be legitimate occasions for free or reduced rate travel while on official business which would be prohibited. For example, department personnel such as Maritime Administration and Coast Guard employees, would on occasion have to travel on American ships in connection with their functions relative to the particular ships. Immigration officers travel on board passenger ships for the convenience of the traveling public. There are probably other instances which would come to light in the course of full hearings on the subject.

Sixth. As noted above, the apparent purpose of the proposal is to prohibit the granting of favors to officials who might be directly concerned with determination or granting of construction or operating subsidies under the 1936 act. The language of the amendment is considerably broader than is necessary to accomplish this result. It may have an undesirable effect on the operations of the Panama Canal Company, and it would frustrate the important and necessary part of the functions of the ships of the Panama Line to carry Government officials and employees at reduced rates. The ships do not receive any construction or operating subsidies and hence, the basic objection of the amendment is not applicable to them. This is similarly true with regard to all nonsubsidized shipping operations.

Seventh. The amendment would seem to be administratively difficult to handle and is not clear as to its meaning in all respects. Free or reduced rate transportation is likely to produce confusion where a vessel has a great variety of charges according to the quality of the accommodations furnished. It would seem better to tie the prohibitions to its tariff schedules. Also the phrase "or any other act" following reference to the Shipping Act of 1916 and the Merchant Marine Act of 1936 is vague and uncertain.

Eighth. It is a common practice of passenger carriers by water, once a voyage has commenced to move passengers to equal or better quarters which chance to be empty. This often means easier and more economical discharge of stewards' duties. There is no reason why reassignments for the convenience of the vessel should be denied in the case of Government officials and employees.

Ninth. A related problem relates to emergency evacuation of U.S. nationals from threatened areas, where the Congress would hardly wish to require Government employees and officials to pay full tariff rates in circumstances when private persons did not.

Tenth. The penalties provided for, that is, "not less than $500 nor more than $10,000 for each violation," seem to be beyond all reason for the type of offense involved.

Perhaps not all of these objections are valid. In any event, the House conferees did not feel that a House-Senate conference was the appropriate place to try to resolve the many questions raised by the amendment. There seemed no choice therefore but to accept, without change, the overwhelming action of the Senate. If difficulties arise as a result of enactment of this provision, I hope both Houses will act promptly to review the entire question under conditions where all its aspects may be thoroughly examined.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

TO AMEND SECTION 602 OF THE AGRICULTURAL ACT OF 1954

The Clerk called the bill (H.R. 8074) to amend section 602 of the Agricultural Act of 1954.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

COURT OF CLAIMS JURISDICTION FOR CLAIMS OF CERTAIN EMPLOYEES FOR OVERTIME WORK PERFORMED FOR THE ALASKA RAILROAD

The Clerk called the bill (H.R. 4084) to confer jurisdiction upon the Court of Claims to determine the amounts due and owing and render judgment upon the claims of certain employees of the Alaska Railroad for overtime work performed.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PROVIDING FOR THE CARE AND TREATMENT OF RETURNING NATIONALS OF THE UNITED STATES WHO BECAME MENTALLY ILL IN A FOREIGN COUNTRY

The Clerk called the bill (H.R. 8127) to provide for the hospitalization, at St. Elizabeths Hospital in the District of Columbia or elsewhere, of certain nationals of the United States adjudged insane or otherwise found mentally ill in foreign countries, and for other purposes.

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2331), an identical bill pending before the Committee on Education and Labor.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That for the purposes of this Act, except as the context may otherwise require—

(a) The term "Department" means the Department of Health, Education, and Welfare.

(b) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(c) The term "State" means a State or Territory of the United States, the Commonwealth of Puerto Rico, or the District of Columbia.

(d) The term "eligible person" means an individual with respect to whom the following certificates are furnished to the Secretary:

(1) A certificate of the Secretary of State that such individual is a national of the United States; and

(2) Either (A) a certificate obtained or transmitted by the Secretary of State that such individual has been legally adjudged insane in a named foreign country, or (B) a certificate of an appropriate authority or person (as determined in accordance with regulations prescribed by the Secretary of Health, Education, and Welfare) stating that at the time of such certification such individual was in a named foreign country and was in need of care and treatment in a mental hospital.

(e) The term "residence" means residence as determined under the applicable law or regulations of a State or political subdivision for the purpose of determining the eligibility of an individual for hospitalization in a public mental hospital.

SEC. 2. (a) Upon request of the Secretary of State, the Secretary of Health, Education, and Welfare is authorized (directly or through arrangements under this subsection) to receive any eligible person at any port of entry or debarkation upon arrival from a foreign country and, to the extent he finds it necessary, to temporarily care for and treat at suitable facilities (including a hospital), and otherwise render assistance to, such person pending his transfer or hospitalization pursuant to other sections of this Act. For the purpose of providing such care and treatment and assistance, the Secretary is authorized to enter into suitable arrangements with appropriate State or other public or nonprofit agencies. Such arrangements shall be made without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), and may provide for payment by the Secretary either in advance or by way of reimbursement.

(b) The Secretary may, to the extent deemed appropriate, equitable, and practicable by him, (1) require any person receiving care and treatment or assistance pursuant to subsection (a) to pay, in advance or by way of reimbursement, for the cost thereof or (2) obtain reimbursement for such cost from any State or political subdivision responsible for the cost of his subsequent hospitalization.

SEC. 3. If, at the time of arrival in the United States, the residence or the legal domicile of an eligible person appearing to be in need of care and treatment in a mental hospital is known to be in a State, or whenever thereafter such a person's residence or legal domicile in a State is ascertained, the Secreary shall, if the person is then under his care (whether directly or pursuant to a contract or other arrangement under section 2 or 4), endeavor to arrange with the proper authorities of such State, or of a political subdivision thereof, for the assumption of responsibility for the care and treatment of such person by such authorities and shall, upon the making of such arrangement in writing, transfer and release such person to such authorities. In the event the State of the residence or legal domicile of an eligible person cannot be ascertained, or the Secretary is unable to arrange with the proper authorities of such State, or of a political subdivision thereof, for the assumption of responsibility for his care and treatment, the Secretary may, if he determines that the best interests of such person will be served thereby, transfer and release the eligible person to a relative who agrees in writing to assume responsibility for such person after having been fully informed as to his condition.

SEC. 4. (a) Until the transfer and release of an eligible person pursuant to section 3, the Secretary is authorized to provide care and treatment for such person at Saint Elizabeths Hospital, at any other Federal hospital within or (pursuant to agreement) outside of the Department, or (under contract or other arrangements made without regard to section 3709 of the Revised Statues, as amended) at any other public or private hospital in any State and, for such purposes, to transfer such person to any such hospital from a place of temporary care provided pursuant to section 2. In determining the place of such hospitalization, the Secretary shall give due weight to the best interests of the patient.

(b) The authority of the Secretary to provide hospitalization for any person under this section shall not apply to any person for whose medical care and treatment any agency of the United States is responsible.

SEC. 5. (a) Any person admitted to any hospital pursuant to section 2 or section 4 shall, as soon as practicable, but in no event more than five days after the day of such admission, be examined by qualified members of the medical staff of the hospital and, unless found to be in need of hospitalization by reason of mental illness, shall be discharged. Any person found upon such examination to be in need of such hospitalization shall thereafter, as frequently as practicable but not less often than every six months, be reexamined and shall, whenever it is determined that the conditions justifying such hospitalization no longer obtain, be discharged or, if found to be in the best interests of the patient, be conditionally released.

(b) Whenever any person is admitted to a hospital pursuant to this Act, his legal guardian, spouse, or next of kin shall, if known, be immediately notified.

SEC. 6. (a) If a person who is a patient hospitalized under section 2 or section 4, or his legal guardian, spouse, or adult next of kin, requests the release of such patient, the right of the Secretary, or the head of the hospital, to detain him for care and treatment shall be determined in accordance with such laws governing the detention, for care and treatment, of persons alleged to be mentally ill as may be in force and applicable generally in the State in which such hospital is located, but in no event shall the patient be detained more than forty-eight hours (excluding any period of time falling on a Sunday or legal holiday) after the receipt of such request unless within such time (1) judicial proceedings for such hospitalization are commenced or (2) a judicial extension of such time is obtained, for a period of not more than five days, for the commencement of such proceedings.

(b) The Secretary is authorized at any time, when he deems it to be in the interest of the person or of the institution affected, to transfer any person hospitalized under section 4 from one hospital to another, and to that end any judicial commitment of any person so hospitalized may be to the Secretary.

SEC. 7. In the case of any person hospitalized under section 4 who has been judicially committed to the Secretary's custody, the Secretary shall, upon the discharge or conditional release of such person, or upon such person's transfer and release under section 3, notify the committing court of such discharge or conditional release or such transfer and release.

SEC. 8. (a) Any person hospitalized under section 4 or his estate, shall be liable to pay or contribute toward the payment of the costs or charges for his care and treatment to the same extent as such person would, if resident in the District of Columbia, be liable to pay, under the laws of the District of Columbia, for his care and maintenance in a hospital for the mentally ill in that jurisdiction. The Secretary may, in his discretion, where in his judgment substantial justice will be best served thereby or the probable recovery will not warrant the expense of collection, compromise or waive the whole or any portion of any claim under this section. In carrying out this section, the Secretary may make or cause to be made such investigations as may be necessary to determine the ability of any person hospitalized under section 4 to pay or contribute toward the cost of his hospitalization. All collections or reimbursement on account of the costs and charges for the care of the eligible person shall be deposited in the Treasury as miscellaneous receipts. Any judicial proceedings to recover such costs or charges shall be brought in the name of the United States in any court of competent jurisdiction.

(b) As used in this section, the term "costs or charges" means, in the case of hospitalization at a hospital under the jurisdiction of the Department of Health, Education, and Welfare, a per diem rate prescribed by the Secretary on a basis comparable to that charged for any other paying patients and, in the case of persons hospitalized elsewhere, the contract rate or a per diem rate fixed by the Secretary on the basis of the contract rate.

SEC. 9. Appropriations for carrying out this Act shall also be available for the transportation of any eligible person and necessary attendants to or from a hospital (including any hospital of a State or political subdivision to which an eligible person is released under section 3), to the place where a relative to whom any person is released under section 3 resides, or to a person's home upon his discharge from hospitalization under this Act.

SEC. 10. The following Acts are repealed, effective upon the date of enactment of legislation appropriating funds for carrying out this Act:

(a) The Act entitled "An Act to provide for the admission to Saint Elizabeths Hospital of insane persons belonging to the Foreign Service of the United States", approved October 29, 1941 (24 U.S.C. 191a).

(b) The Act entitled "An Act to provide for the repatriation of certain insane American citizens", approved March 2, 1929 (24 U.S.C. 196a).

SEC. 11. This Act shall, except as otherwise specified, take effect on the date of its enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 8127, was laid on the table.

TO PROVIDE FOR ADJUSTMENTS IN THE ANNUITIES UNDER THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

The Clerk called the bill (S. 1502) to provide for adjustments in the annuities under the Foreign Service retirement and disability system.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) The annuity of each retired officer who, on August 1, 1959, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund, based on service which terminated on or before July 31, 1959, shall be increased by 10 per centum.

(b) The annuity otherwise payable from the Foreign Service Retirement and Disability Fund to each survivor annuitant who, on August 1, 1959, is receiving or entitled to receive an annuity based on service which terminated on or before July 31, 1959, shall be increased by 10 per centum.

(c) The increases provided by subsections (a) and (b) of this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act.

SEC. 2. The annuity of each retired officer who, on or after August 1, 1959, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund, based on service which terminated on or after August 1, 1959, shall be increased on the first day of the first month which begins more than thirty days after the date of enactment of this Act or on the commencing date of annuity, whichever is later, in accordance with the following schedule:

If annuity commences between:	Annuity shall be increased by—
Sept. 1, 1959 and June 30, 1960	6 per centum
July 1, 1960 and June 30, 1961	4 per centum
July 1, 1961 and June 30, 1962	2 per centum

SEC. 3. The annuity of any survivor annuitant who, on or after August 1, 1959, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund, based on service which terminated on or after August 1, 1959, shall be increased on the first day of the first month which begins more than thirty days after the date of enactment of this Act or on the commencing date of annuity, whichever is later, in accordance with the following schedule:

If annuity commences between:	Annuity shall be increased by—
Sept. 1, 1959 and June 30, 1960	6 per centum
July 1, 1960 and June 30, 1961	4 per centum
July 1, 1961 and June 30, 1962	2 per centum

SEC. 4. No increase provided by the foregoing provisions of this Act shall be computed on any additional annuity purchased with voluntary contributions pursuant to the provisions of section 881 of the Foreign Service Act of 1946, as amended.

SEC. 5. Nothing contained in Public Law 85-882 shall operate to increase any annuity which commences on or after September 1, 1959.

SEC. 6. Section 5 of Public Law 503, Eighty-fourth Congress, is amended to read as follows:

"SEC. 5. In any case where a participant under the Foreign Service retirement and disability system died before August 20, 1954, leaving a widow who is not entitled to receive an annuity under the system and who is not receiving benefits under the Federal Employees' Compensation Act, the Secretary of State is authorized and directed to grant such widow an annuity of not to exceed $2,400 per annum."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That (a) the annuity of each person heretofore or hereafter retired who, on or before June 30, 1962, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund shall be increased by 10 per centum.

"(b) The annuity of each widow survivor annuitant who, on or before June 30, 1962, is receiving a survivor annuity from the Foreign Service Retirement and Disability Fund is hereby increased by 10 per centum, or so much in excess thereof as will enable any such widow to receive a minimum annuity of $2,400 per annum.

"(c) No increase provided by this section shall be computed on any additional annuity purchased with voluntary contributions pursuant to the provisions of section 881 of the Foreign Service Act of 1946, as amended.

"(d) The increases provided by this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act, or on the commencing date of the annuity, whichever is later.

"SEC. 2. (a) Section 5 of Public Law 503, Eighty-fourth Congress, is amended to read as follows:

" 'SEC. 5. In any case where a participant under the Foreign Service Retirement and Disability System died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the System and who is not receiving benefits as a widow under the Federal Employees' Compensation Act, the Secretary of State is authorized and directed to grant such widow an annuity of $2,400 per annum.'

"(b) The amendment made by this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GORGAS MEMORIAL LABORATORY

The Clerk called the bill (H.R. 11123) to increase the authorization of appropriations for construction and equipment of facilities for the Gorgas Memorial Laboratory.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING SECTION 402 OF THE FEDERAL PROPERTY AND ADMINISTRATION SERVICES ACT OF 1949

The Clerk called the bill (H.R. 9996), to amend section 402 of the Federal Property and Administrative Services Act of 1949, to prescribe procedures to insure that foreign excess property which is disposed of overseas will not be imported into the United States to the injury of the economy of this country.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

VALIDATING THE CONVEYANCE OF CERTAIN LAND IN THE STATE OF CALIFORNIA BY THE CENTRAL PACIFIC RAILWAY CO. AND THE SOUTHERN PACIFIC CO.

The Clerk called the bill (H.R. 6721) to validate the conveyance of certain land in the State of California by the Central Pacific Railway Co. and the Southern Pacific Co.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand there is an amendment to be offered to this bill to provide that the Government be paid the full market value for this land?

Mr. SAYLOR. Mr. Speaker, there has been a committee amendment, which was adopted, which requires that in this case the Federal Government shall receive the full appraised fair value of this property.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. FORD. Is an amendment to be offered?

Mr. SAYLOR. An amendment adopted in the committee will be offered if the bill is considered.

Mr. FORD. Do I see some member of the committee who is prepared to offer it?

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield, if the bill is considered I will offer the amendment.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to section 3 of this Act, the conveyances executed by the Central Pacific Railway Company and the Southern Pacific Company, and described in section 2 of this Act, involving certain land in the county of San Joaquin, State of California, forming a part of the right-of-way granted by the United States to the Central Pacific Railway Company under the Act of Congress approved July 1, 1862 (12 Stat. 489), as amended by the Act of Congress approved July 2, 1864 (13 Stat. 356), are hereby legalized, validated, and confirmed, as far as the interest of the United States is concerned, with the same force and effect as if the land involved therein had been held by the Central Pacific Railway Company and the Southern Pacific Company at the time of such conveyances under absolute fee simple title.

SEC. 2. The conveyances referred to in the first section of this Act are as follows:

(1) The conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and

the Tri-Valley Packing Association, grantee, on September 13, 1957, and recorded on November 13, 1957, in book 2016, page 149, official records of San Joaquin County, California.

(2) The conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and the Estate of Aron Hershel (by Bank of America acting as trustee), grantee, on September 27, 1945. The land described in such conveyance is now vested in the Tri-Valley Packing Association by virtue of a quitclaim deed from the Bank of America, trustee under the last will and testament of Aron Hershel, deceased, recorded April 14, 1959, in official records book 2165, page 494.

SEC. 3. (a) Nothing in this Act shall be construed to—

(1) diminish the right-of-way referred to in the first section of this Act to a width less than fifty feet on either side of the center of the main track or tracks of the Central Pacific Railway Company and the Southern Pacific Company as established and maintained on the date of enactment of this Act; nor

(2) legalize, validate, or confirm any right, title, or interest in and to the land referred to in the first section of this Act arising out of adverse possession, prescription, or abandonment, and not confirmed by conveyance made by the Central Pacific Railway Company and the Southern Pacific Company before the date of enactment of this Act.

(b) There is hereby reserved to the United States all oil, coal, or other minerals in the land referred to in the first section of this Act, together with the right to prospect for, mine, and remove the same under such rules and regulations as the Secretary of the Interior may prescribe.

Mr. ASPINALL. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: On page 1, line 3, strike out "of this Act," and insert in lieu thereof "and on the conditions specified in section 4 of this Act,".

The amendment was agreed to.

Mr. ASPINALL. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: On page 3, after line 18, add a new section to read as follows:

"SEC. 4. Section 1 of this Act shall be effective, with respect to each of the conveyances described in section 2, only upon payment to the United States within one year from the date of this Act of the present fair market value of the lands involved in those conveyances except such part thereof as is attributable to improvements on the lands which were not placed thereon by the United States and to mineral interests therein which are reserved to the United States by section 3, subsection (b), all as determined by the Secretary of the Interior. If the Central Pacific Railway Company and the Southern Pacific Company, or either of them, shall voluntarily pay over to the United States the consideration (other than nominal consideration, as determined by the Secretary) which they may have received for said conveyances, the Secretary shall issue a recordable certificate to the effect that such payment has been received and the amount required by the first sentence of this section to be paid to the United States shall be reduced accordingly. Nothing contained in this Act shall be construed as a waiver by the United States of its rights to recover said consideration from said companies, or either of them, and, if the payment required in the first sentence of this section is not made, to recover from any proper party rents, profits, or damages heretofore accrued or hereafter accruing and to seek and secure other appropriate relief."

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. McCORMACK. I understand the amendment calls for the fair market value.

Mr. ASPINALL. The gentleman is correct.

Mr. McCORMACK. The gentleman will recall we had other instances brought to the committee's attention where a 50,000-acre tract of land was approved for $195,000, yet within 6 weeks the value of that land jumped to over $7 million. Is the gentleman aware of that?

Mr. ASPINALL. The gentleman is aware of the situation to which the gentleman from Massachusetts makes reference.

Mr. McCORMACK. And in other instances a tract of 4,000 acres was sold or transferred for $12,000 and within 9 months the same land brought over $900,000. Is that correct?

Mr. ASPINALL. That is correct, but this is in a different category. The interests of the people of the United States are fully protected in this instance. The gentleman from Pennsylvania [Mr. SAYLOR] has been very insistent on this amendment.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, I am glad to support H.R. 6721 with the committee amendment that has been offered. I would oppose it without the amendment.

Over the last few years a series of bills have been before the Congress to ratify private transactions in public lands. The lands involved are lands through which certain western railroads were given rights of way by the United States during the 1860's and 1870's. H.R. 6721 is the latest of the series but, we have been warned, it will not be the last. In the other bills, as in this one, the proposal has been to validate purported transfers to private parties by the holder of the right of way.

In the present case, the act of July 1, 1862 (12 Stat. 489, 494), granted to the Central Pacific "the right-of-way through the public lands for the construction of its railroad and telegraph line. Grants of this sort have been variously described by the courts as easements, limited fees, and base fees. Whatever the words used, it has been consistently recognized that the right-of-way grant was made for railroad purposes only; that lands which were not used for this purpose, or which have ceased to be used for this purpose, are subject to reversion to the United States; that a patentee of lands traversed by the right-of-way acquires no interest in the lands underlying it; and that even in those cases where the right-of-way traverses lands acquired in fee by the railroad there is no such merger of the two interests as the law would recognize as occurring in other circumstances—*Northern Pacific Railway* v. *Townsend* (190 U.S. 267); *United States* v. *Union Pacific Railroad Co.* (353 U.S. 112); *City of Reno* v. *Southern Pacific Co.* (268 Fed. 751); *Holland Co.* v. *Northern Pacific Co.* (214 Fed. 920).

This has been known to be the law for many years, at least since the decision of the Supreme Court in Northern Pacific Railway against Townsend from which I quote these two passages:

> The grant was explicitly stated to be for a designated purpose, one which negated the existence of the power (on the part of the railroad company) to voluntarily alienate the right of way or any portion thereof. The substantial consideration inducing the grant was the perpetual use of the land for the legitimate purposes of the railroad, just as if the land had been conveyed in terms to have and to hold so long as it was used for the railroad right-of-way. In effect the grant was of a limited fee, made on an implied condition of reverter in the event that the company ceased to use or retain the land for the purpose for which it was granted (p. 271).
>
> As the grant of the right-of-way * * * preceded the filing of the homestead entries * * *, the land forming the right-of-way therein was taken out of the category of public lands subject to preemption and sale, and the land department was therefore without authority to convey rights therein. It follows that the homesteaders acquired no interest in the land within the right-of-way because of the fact that the grant to them was of the full legal subdivisions (p. 270).

Notwithstanding all this, the railroad companies identified in H.R. 6721 have undertaken to convey their interest in the lands covered by the bill to a private party. What they thought they were conveying and what the purchaser thought was being conveyed to him, the record does not show. As far as I can make out, the companies had nothing to grant and the purchaser received the same. In fact, the very act of conveyance—whether it was by warranty deed, quitclaim deed, or any other sort of instrument—is, in itself, proof of abandonment by the railroads of any rights they might have or claim, in my judgment. Yet for one of the tracts identified in H.R. 6721, the purchaser appears to have paid nearly $1,000 an acre and the bill proposes that, without getting a cent for its rights, the United States should simply waive them. I see no reason why the Government should be so much more generous than the right-of-way holder. And I see no reason why it should encourage the railroads and those who are occupying the rights-of-way to think, or to continue to think, that the lands through which they pass can be the subject of private barter and sales which the Congress will forthwith ratify and confirm.

The committee amendment will correct this impression. It provides that the bill shall become effective when the

party to whom the railroad conveyed the land pays the United States the current fair market value of the land. It permits this price to be reduced if the railroad conveyor turns over to the Government the amount that was paid to it. And it provides that if the purchase from the Government is not completed within 1 year, the Government will be free to take all action that may be proper to assert its rights with respect to the land.

Mr. Speaker, I recognize that the committee amendment runs contrary to precedents that have been set by other bills that the House has acted on in the past. I realize that it may, in some instances, run contrary to the act of March 8, 1922—44 Stat. 414, 43 U.S.C. 912—though there is no indication in the record that it does so in this case. But I think it high time that the Congress of the United States take a fresh look at this problem and that, unless there are clear and demonstrable equities requiring contrary action, it adhere to the policies embodied in the committee amendment. I intend to see to it, during the 87th Congress, that this reexamination is carried out and I am hereby serving notice that, until this is done, I shall insist on inclusion of the language of the present committee amendment, or something very close to it, in every bill of this type that comes out of the Interior and Insular Affairs Committee unless there is extraordinarily strong justification to the contrary.

CONCERNING CERTAIN FRAUDULENT GOVERNMENT CHECKS

The Clerk called the bill (H.R. 4390) for the relief of certain persons involved in the negotiation of forged or fraudulent Government checks issued at Parks Air Force Base, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who is determined by the Secretary of the Treasury—

(1) to be liable to the United States by reason of the negotiation, or presentment for payment, of any forged or fraudulent check which, during the period beginning July 1, 1955, and ending March 31, 1958, both dates inclusive, was drawn on the Treasury of the United States and issued or procured as a result of fraud at Parks Air Force Base, California; and

(2) to have negotiated such check or presented it for payment, without actual knowledge of any fact which would constitute notice of an infirmity in such check or defect in the title of the person negotiating it; is hereby relieved of liability to the United States arising out of his negotiation of such check, or his presentment of such check for payment.

SEC. 2. (a) In the case of any person who has paid to the United States, on account of any check referred to in the first section of this Act, any amount for which the liability of such person would have been relieved by such first section if this Act had been in effect when such amount was paid to the United States, the Secretary of the Treasury is authorized and directed to pay to such person, out of any money in the Treasury not otherwise appropriated, an amount equal to all such amounts so paid to the United States by such person, reduced by any amounts recovered by such person from any prior endorser of such check.

(b) In the case of any person who has paid to a subsequent endorser of a check referred to in the first section of this Act any amount for which the liability of such person to the United States would have been relieved by such first section if such liability had required payment to the United States and this Act had been in effect when such amount was paid, the Secretary of the Treasury is authorized and directed to pay to such person, out of any money in the Treasury not otherwise appropriated, an amount equal to all such amounts so paid to any subsequent endorser, reduced by any amounts recovered by such person from any prior endorser of such check.

SEC. 3. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for all amounts for which liability is relieved by the first section of this Act, but nothing in this section shall preclude the recovery from any such certifying or disbursing officer of the amount of any loss incurred by the United States because of fraud or criminality on the part of such officer.

SEC. 4. Nothing in this Act shall be construed to relieve any person of liability to refund to the United States any amount received by him by reason of fraud or bad faith on the part of such person in connection with the negotiation of the checks referred to in paragraph (1) of the first section of this Act.

SEC. 5. No part of the amount appropriated in this Act for the payment of any one claim in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATUE OF TARAS SHEVCHENKO

The Clerk called the resolution (H.J. Res. 311) authorizing the erection of a statue of Taras Shevchenko on the public grounds of the District of Columbia.

There being no objection, the Clerk read the resolution, as follows:

Whereas throughout Eastern Europe, in the last century and this, the name and works of Taras Shevchenko brilliantly reflected the aspirations of man for personal liberty and national independence; and

Whereas Shevchenko, the poet laureate of Ukraine, was openly inspired by our great American tradition to fight against the imperialist and colonial occupation of his native land; and

Whereas in many parts of the free world observances of the Shevchenko centennial will be held during 1961 in honor of this immortal champion of liberty; and

Whereas in our moral capacity as free men in an independent Nation it behooves us to symbolize tangibly the inseparable spiritual ties bound in the writings of Shevchenko between our country and the 40 million Ukrainian nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any association or committee organized for such purpose within 2 years from the date of the enactment of this joint resolution is hereby authorized to place on the public grounds of the District of Columbia a statue of the Ukrainian poet and national leader, Taras Shevchenko.

(b) The authority granted by subsection (a) of this section shall cease to exist, unless within 5 years after the date of enactment of this joint resolution (1) the erection of the statue is begun, and (2) the association or committee certifies to the Secretary of the Interior the amount of funds available for the purpose of the completion of the statue and the Secretary determines that such funds are adequate for such purpose.

SEC. 2. The Secretary of the Interior is authorized and directed to select an appropriate site upon which to erect the statue authorized and directed to select an approof the site and the design and plans for such statue shall be subject to the approval of the Commission on Fine Arts and the National Capital Planning Commission. Such statue shall be erected without expense to the United States.

With the following committee amendment:

Page 2, lines 5 and 6, strike "the public grounds of the District of Columbia" and insert in lieu thereof "land owned by the United States in the District of Columbia."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARKER FOR FORMER COMMISSIONER OF RECLAMATION JOHN C. PAGE

The Clerk called the resolution (H.J. Res. 416) to provide for the erection in the city of Page, Ariz., of an appropriate marker to commemorate the achievements of former Commissioner of Reclamation John C. Page.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. KYL. Mr. Speaker, I ask that this resolution may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RELATING TO IMPORTED WALNUTS AND DATES

The Clerk called the bill (H.R. 12341) to amend section 8e of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the extension of the restrictions on imported commodities imposed by such section to imported shelled walnuts, dates with pits, dates with pits removed, and products made principally of dates.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ANDERSEN of Minnesota. Mr. Speaker, reserving the right to object, I would like some more information as to the purposes of this bill. It is surprising to say the least to see a bill of this nature brought before us because I have found that the Congress as well as most officials

in the executive branch tend to look the other way when you get on the subject of agricultural imports.

In the last few days we have debated the problems of American agriculture and of farm people, but little or no attention has been given to the very serious impact of agricultural imports despite the splendid efforts of the gentleman from Minnesota [Mr. LANGEN] and the gentleman from Iowa [Mr. KYL] to get the matter before us. It was most unfortunate that the Kyl amendment was ruled out of order when we had the farm bill before us yesterday, and I hope the appropriate committees of the Congress go into the import question in the very near future.

It is one thing for American farmers to subsidize our own people through low farm commodity prices and another for them to be called upon to subsidize people in other nations by means of large volume imports. Just last year, more than $4 billion worth of agricultural commodities were imported into the United States and the flood continues.

I have been fighting this battle for many years and commend the gentleman from California for what I think may be a step in the right direction. Some of our senior colleagues know the fight I have made and some may recall a speech I made here in the House of Representatives back in 1950 in which I vigorously protested huge imports of potatoes, barley, oats, pork, and eggs. All of these were surplus commodities then as they are now, and yet the imports poured in to depress our markets for our own producers.

The volume of agricultural imports represents about 26 percent of our total imports, and yet our agricultural economy is only about 7 percent of our total gross output. In other words, the lowest segment of our economy is required to bear a burden of imports almost four times as great as its proportionate share of our national economy.

I can appreciate the concern of the gentleman from California [Mr. SAUND], because I know these imports are hurting his producers economically. The walnut crop in California is, I believe, a $30 million crop, but that is not much in comparison with our multi-billion-dollar feed and livestock economy which has been equally hurt by imports.

Last year we imported about 1.3 billion pounds of carcass beef and 205 million pounds of pork, not to mention lamb and other imports. If our own farmers had supplied that beef and pork market, we would have consumed an additional 450 million bushels of corn and there would not be a surplus of corn to worry about. As a matter of fact, without these competing imports we probably would not even be arguing in the Congress about price supports because they would probably not be needed for purposes other than orderly marketing. Actually, if we had only reduced meat imports an average of 20 percent during the last 10 years we could have consumed feed grains to produce that amount of meat equivalent to our entire present surplus of corn.

I know that the gentleman from California has been sympathetic with the problems of Midwest agriculture and I want to be equally fair with him. Yesterday, as I recall, he was one of the few if not the only Member from California to vote for the farm bill and that must not be forgotten. I commend the gentleman for his vote yesterday, and I commend him for bringing this import question before us. I would be most pleased to join him in a move to protect American farmers from ruinous imports but, as I understand the bill before us, it does not face up to the whole question and deals only with two commodities produced in a limited area of the United States.

Mr. SAUND. This relates to the two commodities, dates and walnuts.

Mr. ANDERSEN of Minnesota. I understand this will give these particular commodities a preferred position against competing imports; is that it?

Mr. FORD. Mr. Speaker, at the request of another Member, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

JANE ADDAMS CENTENNIAL

The Clerk called House Joint Resolution 658, to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Jane Addams, founder and leader of Chicago's Hull House.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to proclaim September 6, 1960, as a day upon which all Americans should pay honor and respect to Jane Addams, founder and leader of Chicago's Hull House.

SEC. 2. All departments and agencies of the Government are hereby authorized to cooperate with any civic and patriotic organizations which may be conducting ceremonies in commemoration of the birth of Jane Addams. The Secretary of Health, Education, and Welfare is hereby authorized and directed to act as the coordinating officer between such civic and patriotic organizations and the departments and agencies of the Government.

With the following committee amendment:

On page 1, line 7, strike out all of section 2.

The committee amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DETERMINING THE STATUS OF THE PERSONNEL AT THE MERCHANT MARINE ACADEMY

The Clerk called the bill (H.R. 5383) to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEROUNIAN. Mr. Speaker, I object.

AMENDING DEFINITION OF TOTAL COMMISSIONED SERVICE OF CERTAIN OFFICERS OF THE NAVAL SERVICE

The Clerk called the bill (H.R. 12415) to amend section 6387(b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6387(b) of title 10, United States Code, is amended by striking out the words "has been continuously" in clause (a) and inserting the words "is, or at any time has been," in place thereof.

With the following committee amendment:

On line 5, strike "(a)" and insert "(2)".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING THE PAY OF CERTAIN PERMANENT PROFESSORS AT THE U.S. ARMY AND AIR FORCE ACADEMIES

The Clerk called the bill (H.R. 12313) to increase the pay of certain permanent professors at the U.S. Military Academy and the U.S. Air Force Academy.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask a question or two of some member of the Committee on Armed Services of the House concerning this bill.

In reading the report I do not recall being able to find out what the pay is for instructors at the Academy at West Point.

Mr. KILDAY. Mr. Speaker, if I might explain briefly, the instructors at the Military Academy have military rank or rating. They are nominated by the President, and confirmed by the Senate as professors at the U.S. Military Academy. They are either lieutenant colonels or colonels, depending upon the length of service which they have.

When a Regular officer becomes a professor at the Military Academy he forfeits all prospect of being promoted beyond colonel. There is only one professor at the Military Academy who can be a general officer, and he is a brigadier general and dean.

These officers are not retired under the same law as other officers. They remain on active duty until they reach the age of 64. This results in their receiving their last pay increment after about 26 years of service.

This bill would give them an additional pay increment after 31 years of service, and an additional increment at the end of 36 years of service. They would wind up with less pay than a brigadier general of the line.

Mr. GROSS. What is the present pay of these colonel and lieutenant colonel instructors at West Point?

Mr. KILDAY. From $910 a month to $985 a month.

Mr. GROSS. This would increase them to what?

Mr. KILDAY. To about $1,015 or $1,020 per month.

Mr. GROSS. Is free housing furnished these officers?

Mr. KILDAY. They are entitled to the same quarters allowance as any other officer, but, as a matter of fact, practically all of them have quarters in kind. They have quarters on the post. This would raise them to about the average pay of a professor of this category in our major universities. There are only 21 professors at the Military Academy, and this would affect 10 of them.

Mr. GROSS. They are not included at the Naval Academy?

Mr. KILDAY. At the Naval Academy they have an entirely different system. Their professors are civilians. They are not controlled by military pay.

Mr. GROSS. Is this designed as an equalization measure between the Academies?

Mr. KILDAY. No; it is not. It is felt that you pick your most capable officers as professors at the Military Academy. You take the caliber of men who can reasonably hope to be general officers. They forego any chance of becoming a general officer by becoming professors there. You retain them on active duty for a longer period of time than the officers of the line. It is fair and equitable to give them these two additional increments in pay and to place them on about the same rate of pay as the heads of departments in other major universities.

Mr. GROSS. I thank the gentleman for his explanation, and withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the table for "COMMISSIONED OFFICERS" in section 201(a) of the Career Compensation Act of 1949, as amended (37 U.S.C. 232(a)), is amended—

(1) by inserting a footnote "3" after the figure "985.00" in the column relating to commissioned officers with over 30 years of service; and

(2) by adding the following footnote after footnote 2:

"3. While serving as a permanent professor at the United States Military Adademy or the United States Air Force Academy basic pay for this grade is $1,065, if the officer has over 31 cumulative years of service, and $1,145, if the officer has over 36 cumulative years of service."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENLISTMENT OF ALIENS IN REGULAR ARMY AND AIR FORCE

The Clerk called the bill (H.R. 2367) to amend section 3253 of title 10, United States Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask someone on the House Committee on Armed Services to explain to me how this bill, if it does, differentiates between alien enlistees and alien inductees.

Mr. KILDAY. Mr. Speaker, if the gentleman will yield, I would like to say to the gentleman from Iowa that this bill was offered by the gentleman from Pennsylvania [Mr. WALTER], chairman of the Immigration and Nationality Subcommittee, and I will ask him to explain it.

Mr. WALTER. Mr. Speaker, the purpose of this bill is to permit aliens in the armed services to reenlist abroad where they have not obtained first papers. Under the provisions of the Immigration and Nationality Code, we made the obtaining of first papers purely optional. It is not a requisite for citizenship. But, under the code, which is applicable not only to the Army but to the Air Force, one of the requirements necessary in order to reenlist is that the alien have first papers. Now, the result is that aliens who have completed their terms of service abroad are unable to reenlist without coming back to the United States and obtaining their first papers, at considerable cost to the alien.

Mr. GROSS. Is there any difference now in the status of an alien who enlisted and one who was inducted into the service, who seeks to reenlist? Is there any difference in their status?

Mr. WALTER. No; there is no difference whatsoever. The sole question is: Has this alien, who wishes to reenlist, served honorably?

Mr. GROSS. I thank the gentleman for his explanation, and I withdraw my reservation of objection, Mr. Speaker.

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I urge the enactment of H.R. 2367, a bill which I introduced last year for the purpose of eliminating from section 3253 of title 10, United States Code, the requirement of the so-called first papers or declaration of intention to become a U.S. citizen in the case of an alien who desires to enlist in the U.S. Army.

In the course of my continuous studies and inquiries pertaining to immigration matters and to the broader aspect of the status of aliens in the United States, I have discovered that although certain categories of aliens are subject to the draft, pursuant to the Selective Service Act, as amended, there exists a rather outdated provision (sec. 3253 of title 10, U.S.C.), under which no original enlistment may be accepted unless the otherwise eligible alien has made "a legal declaration of intention to become a citizen of the United States."

As you know, the Immigration and Nationality Act eliminated such declaration as a prerequisite to naturalization and has, in section 3349(f) made that declaration—often referred to as "first papers"—merely an option matter, without any bearing whatsoever on the alien's eligibility to become a citizen of the United States.

I am informed by the Immigration and Naturalization Service that the number of aliens applying for those "first papers" is rapidly diminishing. I am not surprised to learn this, inasmuch as it was quite clear that the Congress intended to eliminate "first papers" as a rather confusing and unnecessary step in the process of naturalization.

The retention of the requirement contained now in section 3253 of title 10, United States Code, leads to rather unfortunate situations which I had an opportunity to observe myself. Take the case of an alien who was drafted and in the course of his service was sent to Europe or to some remote area in or around the Pacific. When his time of service is about to expire and he desires to enlist in the Regular Army, he must secure "a declaration of intention to become a citizen of the United States." He can do this only in the United States by making an application at the office of the clerk of a court authorized to naturalize aliens. The Army does not provide transportation for that purpose, and the alien is faced with the alternative to either incur the expense or to give up his intention to enter the Regular Army. I am told that in this manner the Army has lost, and is still losing, some valuable servicemen.

I believe that the elimination of the requirement contained in section 3253 would be perfectly in line with the naturalization requirements of the Immigration and Nationality Act and specifically with its section 330, providing for expeditious naturalization of alien servicemen after 3 years of service on the condition that they were previously lawfully admitted for permanent residence in the United States and, of course, served honorably.

The chairman of the Armed Services Committee has sent me a copy of a report on my bill submitted by the Secretary of the Army, Mr. Brucker, and I am happy to note that the Department of Defense favors the enactment of my bill with clarifying amendment, perfectly agreeable to me.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 3253 of title 10, United

States Code, is hereby amended to read as follows:

"(c) In time of peace, no person may be accepted for original enlistment in the Army unless he has been lawfully admitted to the United States for permanent residence in accordance with all the applicable provisions of the Immigration and Nationality Act (66 Stat. 163)."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That title 10, United States Code, is amended as follows:

"'(1) Section 3253(c) is amended to read as follows:

"'"(c) In time of peace, no person may be accepted for original enlistment in the Army unless he is a citizen of the United States or has been lawfully admitted to the United States for permanent residence under the applicable provisions of chapter 12 of title 8."

"'(2) Section 8253(c) is amended to read as follows:

"'"(c) In time of peace, no person may be accepted for original enlistment in the Air Force unless he is a citizen of the United States or has been lawfully admitted to the United States for permanent residence under the applicable provisions of chapter 12 of title 8."'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time and was read the third time and passed.

The title was amended so as to read: "A bill to amend sections 3253 and 8253 of title 10, United States Code."

A motion to reconsider was laid on the table.

PAY OF CERTAIN RETIRED OFFICERS OF ARMED FORCES

The clerk called the bill (H.R. 1970) relating to the retired pay of certain retired officers of the Armed Forces.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I have one question on this bill. Is there any possibility of anyone collecting compensation retroactively under the terms of this bill?

Mr. KILDAY. No; not retroactively.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That commissioned officers of the Army, Navy, Marine Corps, Coast Guard, or Air Force, who have heretofore been advanced on the retired list to a higher commissioned rank under the Act of June 21, 1930, as amended (10 U.S.C. 1028a; 34 U.S.C. 399c), shall be entitled to retired pay based upon the rank in which retired unless entitled to higher retired pay under some other provision of law.

SEC. 2. This Act shall apply with respect to retired pay for periods after September 30, 1949.

With the following committee amendments:

On page 1, lines 6 and 7, strike out the citation "(10 U.S.C. 1028a; 34 U.S.C. 399c)" and insert in lieu thereof the citation "(46 Stat. 793), as amended,".

On page 1, lines 10 and 11, strike out section 2 in its entirety, and insert in lieu thereof the following:

"SEC. 2. No person is entitled to an increase in retired or retirement pay because of this Act for any period before the effective date of this Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN PERSONS TO DO NOTARIAL ACTS IN ARMED FORCES

The Clerk called the bill (H.R. 12265) to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 936(a) of title 10, United States Code, is amended by inserting the words "by persons serving with, employed by, or accompanying the armed forces outside the United States and outside the Canal Zone, Puerto Rico, Guam, and the Virgin Islands," after the words "wherever they may be," in the introductory clause.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMITATIONS ON TRANSPORTATION OF HOUSEHOLD EFFECTS

The Clerk called the bill (H.R. 12570) to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like first of all to commend the committee for this bill. I think it is certainly a good step in the right direction in trying to cure some of the abuses that have occurred with respect to the transportation of effects of people in the services. I think it is absolutely fantastic, some of the things that have been going on, and I am glad to see that the committee is trying to do something about it.

Mr. RIVERS of South Carolina. Mr. Speaker, if the gentleman will yield, this bill does try to close loopholes now existing. As you know, it came about by a report of the Comptroller General to the Congress in April of this year in citing certain extravagant abuses in connection with the transportation of household goods. In the other body an amendment was placed to the public works bill to correct the situation, and the chairman of our committee appointed a special subcommittee to look into the matter.

As a result of that hearing, this bill was drafted to plug these loopholes. The 13 shipments which the Comptroller General reviewed showed that $125,000-odd was spent when some $23,000 could have been spent on the transportation of household goods if another mode of transportation had been used.

We went into this matter very fully. We are now looking into it to find out who had been so indiscreet. Let me say that this bill does render a good service in this regard and I am sure it does plug that loophole.

Mr. Speaker, I am very complimented as is the committee on what the distinguished gentleman has had to say.

Mr. GROSS. Mr. Speaker, I am pleased to hear that the committee is pursuing this matter. I assume the gentleman from South Carolina is chairman of the subcommittee that is handling this. I should like to ask one more question. Has any penalty been visited upon the administrative officer or officers who permitted these outlandish expenditures?

Mr. RIVERS of South Carolina. We went into that and I can tell the gentleman this: His future is very dim, indeed.

Mr. GROSS. Mr. Speaker, I thank the gentleman; I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 303(c) of the Career Compensation Act of 1949, as amended (37 U.S.C. 253(c)), is amended by adding the following new sentence after the first sentence thereof: "However, no transportation of the household effects (except not to exceed one thousand pounds of unaccompanied baggage) of a member of any uniformed service may be made by commercial air carrier at an estimated overall cost exceeding the estimated overall cost of the transportation thereof by other means unless an appropriate transportation officer has certified in writing to his commanding officer that the household effects to be so transported are required for use in carrying out assigned duties, or are necessary to prevent undue hardship, and other means of transportation will not fulfill these requirements."

(b) This Act shall take effect on the first day of the second month beginning after the date of enactment.

With the following committee amendment:

On page 1, line 7, after the word "except" strike out the words "not to exceed one thousand pounds of unaccompanied baggage", and insert in lieu thereof the words "that not to exceed one thousand pounds of unaccompanied baggage may be transported by commercial air carrier under regulation to be issued under the authority of the Secretary of Defense, which regulations shall be uniform as far as practicable."

The committee amendment was agreed to.

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, in April of 1960, the Comptroller General submitted a report to the Congress concerning a review of certain selected commercial air shipments of household goods owned by military personnel.

The Comptroller General said that the cases his office reviewed indicated that air transportation was used in instances where adequate surface transportation was available at much lower costs.

The General Accounting Office examined 13 shipments by commercial air which cost the Federal Government $125,470. They said the same shipments could have been made by water at a cost of about $23,000.

Thereafter, the Senate Armed Services Committee amended the House-passed Public Works bill by adding an amendment to section 303(c) of the Career Compensation Act that would have prohibited the transportation of baggage or household effects belonging to members of the uniformed services by commercial air carrier at a rate exceeding the cost of transportation by other means, except upon certification by the Comptroller or Deputy Comptroller of the Department concerned, that military requirements did not permit the transportation of these effects by less expensive means.

The House and Senate conferees agreed that the evidence pointed toward the need for legislation on this subject, but felt that the subject matter should not be handled in a public works bill.

Thereafter the chairman, the gentleman from Georgia [Mr. VINSON], appointed a special subcommittee to look into the matter.

The special subcommittee made inquiry into alleged abuses in the use of commercial air freight for shipment of baggage and household effects owned by members of the armed services, made its report to the committee, recommended enactment of H.R. 12570, and the committee unanimously approved the bill.

At the outset, I believe I should advise you that existing law, section 303(c) of the Career Compensation Act of 1949, authorizes the transportation of baggage and household effects at Government expense on any change of station, permanent or temporary, "without regard to the comparative costs of the various modes of transportation."

The law is now wide open—this bill closes the door.

I mention this so that during this debate we will all understand that everything that has taken place in the past that is not contrary to regulations, has been legal, even though it may have been stupid.

Of course, we cannot pass laws to prevent stupidity.

And anybody who authorizes household effects to be shipped by commercial air carrier from Texas to Pakistan at the cost of $14,830 appears, to me, to be stupid.

Now I also should mention that the regulations that are now in effect are contained in what is known as the Joint Travel Regulations.

Paragraph 8402 is entitled "Method of Shipment."

Subparagraph 1(a) authorizes shipment of not to exceed 500 pounds net weight by an expedited mode of transportation for certain articles "required for use in carrying out assigned duties" or "required because of exigencies of the service" when shipment by ordinary means will not serve the purpose.

Now this is an express shipment that is authorized for every move, if it can be justified, but it is limited to 500 pounds.

Subparagraph (2) deals with the ordinary means of shipping baggage and household effects and it provides, among other things, that shipment may be made by various modes of transportation without regard to comparative costs:

> However, disregard of comparative costs of the various modes of transportation is authorized only to the extent carriers within the mode which would produce the lowest overall cost to the Government cannot provide the required service satisfactorily.

The shipping officer, under the regulations in subparagraph 2(b), decides the mode of transportation.

From reading these regulations it appears that the decision still rests with the local transportation officer. However, according to the Comptroller General's report of December 10, 1959, the Army Chief of Transportation is the only authorizing agency for the movement of household goods by commercial air transportation for the Army.

In November of 1958 the Bureau of Supplies and Accounts informed all transportation officers that "henceforth shipment by air be restricted to those instances where valid requirement of owner's orders and timing is concurred in by shipping officer or where no additional transportation will be incurred."

But, again, it appears that the local transportation officer still makes the decision in the Navy, while the Chief of Transportation makes the decision in the Army, and the matter is still under study in the Air Force.

As I stated previously, and I repeat, it appears that certain decisions with regard to commercial air transportation were stupid.

On the other hand, I would again inform the House that in an attempt to legislate against administrative stupidity, we must not go so far that we end up by adding to the already heavy cost of moving people and things in our armed services.

There are times when it is cheaper to move freight by air than by any other means.

This can come about because of the different type of packing and crating that is required if a shipment involves different modes of transportation. Breakage, pilferage, and other matters must be considered.

The objective of our bill is to impose reasonable restrictions, by law, where none now exist, on the movement of baggage and household effects by commercial air carriers, bearing in mind that any legal restrictions we impose must provide sufficient flexibility to take care of situations which necessitate or justify the use of commercial air carriers.

This bill, as amended, imposes certain limitations on the shipment of household goods by air freight where such shipments cannot be justified by reasonable interpretation of any existing or suggested criteria.

There is, under existing law, a maximum weight shipment allowance of 11,000 pounds, which decreases by grade.

Within the maximum weight allowance for grades and ratings, there are varying applications of additional restrictions with regard to expedited express shipments, and shipment by means of transportation other than the lowest cost method.

For example, the Air Force, at present, permits a general officer to airfreight not to exceed 1,000 pounds of unaccompanied baggage plus additional amounts of 350 pounds for each of his dependents over the age of 12, and 175 pounds for each of his dependents under the age of 12.

The Army limits the maximum weight allowance to 800 pounds for a general officer for airfreight movement of unaccompanied baggage, and with identical additional amounts for dependents.

On the other hand, the Navy, while not utilizing airfreight to any extent, feels that the regulations would authorize their use of greater weight allowances if they desired to utilize such additional amounts, on the basis of the regulation.

In other words, the regulations for each service, while based upon the Joint Travel Regulation, are tailored to the needs of each service.

But under existing law, all household goods could be moved by airfreight. The proposed legislation imposes a restriction.

The committee intends that the proposed legislation be construed as a limitation on the movement of household goods by commercial air except when such transportation can be justified in accordance with the proposed legislation. In addition, while the committee's proposal as amended, excludes the first 1,000 pounds of the weight allowance of household goods when shipped as unaccompanied baggage, nevertheless the movement of unaccompanied baggage by airfreight must still be justified under such practicable uniform regulations as may be hereafter promulgated under the authority of the Secretary of Defense.

Furthermore, the recommended legislation, which excepts 1,000 pounds of unaccompanied baggage from the limitation contained in the proposal is not intended to preclude the air shipment of additional amounts of unaccompanied baggage or household goods when the shipment of those goods or baggage by airfreight is competitive with, or cheaper than other modes of transportation.

It should also be observed that the 1,000 pounds exclusion from the proposed limitation is to be construed as part of the total weight allowance. In other words, the exclusion is not intended to permit an addition to the otherwise limited weight allowance. Thus, the unaccompanied baggage allowance of not to exceed 1,000 pounds

will be chargeable to the total weight allowance authorized for the individual member.

If the proposal is enacted into law, it will result in a reduction in the allowance now in effect for certain members of the uniformed services and their dependents who, under exacting regulations may now ship "unaccompanied baggage" by airfreight in aggregate amounts in excess of 1,000 pounds.

The proposed legislation also requires "an appropriate transportation officer" to certify "in writing to this commanding officer" certain facts.

In certifying that airfreight should be authorized, as distinguished from the movement by airfreight of not to exceed 1,000 pounds of "unaccompanied baggage," the transportation officer must certify in writing that the household goods to be commercially airfreighted are required for use in carrying out assigned duties or are necessary to prevent undue hardship. The first requirement is dictated by the orders applicable to the member himself, since it is obvious that only he can perform an assigned duty. The second requirement applies to the member or his dependents with respect to an authoritative determination concerning the prevention of "undue" hardship. However, the overriding consideration is in the sound traffic management judgment of the transportation officer that other means of transportation will not fulfill these requirements.

For example, an individual, who, with his family, is assigned to an area where the appropriate command has determined that there are very limited furnished quarters, or where available quarters do not include the basic needs of daily living, would be authorized to ship his household goods by airfreight if other less expensive means would result in living under adverse conditions for an unreasonable period of time.

On the other hand, if an individual is merely inconvenienced for a reasonably short time and his dependents suffer this inconvenience with him, and neither his health and welfare, nor that of his dependents, are adversely affected, then commercial airfreight should not be authorized, unless, of course, it could be utilized at the lowest transportation cost.

It is not intended that American service personnel and their dependents suffer because the member has been assigned to duty in a foreign country where, without his household goods, he and his family would be required to live under conditions considered substandard to American military standards, for an unreasonable period of time.

Mr. J. Vincent Burke, Jr., General Counsel, Department of Defense, stated before the committee that while the Department of Defense would prefer to control the shipment of household goods by commercial airfreight by regulation, nevertheless the proposed legislation, as amended, is acceptable to the Department of Defense.

There is, of course, no cost involved in the proposed legislation, and it is intended to reduce overall service transportation costs.

The Committee on Armed Services unanimously recommends enactment of the proposed legislation, as amended, and it would appear that there is no objection to the proposed legislation on the part of the Department of Defense, particularly since the amendment suggested by the Department of Defense has been approved by the committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COOPERATIVE PROGRAMS RELATING TO FISH AND WILDLIFE

The Clerk called the bill (S. 1781) to facilitate cooperation between the Federal Government, colleges and universities, the States, and private organizations for cooperative unit programs of research and education relating to fish and wildlife.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ANDERSEN of Minnesota. Mr. Speaker, reserving the right to object, may we have some explanation of this bill?

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman.

Mr. TOLLEFSON. This bill makes permanent legally the practice of a cooperative effort on the part of the Federal Government, State governments, colleges, universities, and private organizations, in research on fish and wildlife matters. This practice has been going on for the past 25 years. It has been authorized in the appropriation bill. This is designed to legalize the practice without the provision in the appropriation bill.

Mr. ANDERSEN of Minnesota. Does this increase the Federal appropriation to any extent?

Mr. TOLLEFSON. No; it is not intended to increase any appropriation. The Federal Government contributed to the program over the years to the extent of about $175,000. It is not intended to increase any expenditures. It is intended only to obviate the necessity of legislation on the appropriation bill; that is all.

Mr. ANDERSEN of Minnesota. The report states that under the terms of this bill Federal participation would be limited to salaries and expenses of technical personnel and supply of such equipment as may be available for the use of units.

It further states that there is reason to believe that the cost would not exceed that presently being appropriated for this most necessary work.

But they do not guarantee that it will not exceed it. Mr. Speaker, I question the usefulness of this bill, because in my congressional district, the fish and wildlife people have not been too cooperative, especially in small watershed protection programs. I would like to know just what we are voting on.

Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. DINGELL. Mr. Speaker, reserving the right to object, I think the gentleman is entitled to an explanation and I would like to give it to him right here and now in order to facilitate the work of the House.

Accordingly, I would point out to the gentleman that some of that work is being conducted at the Iowa State University which happens to be a university in the gentleman's home State. The cost is defrayed about 25 percent by the Federal Government, 25 percent from funds of the participating land-grant colleges, 25 percent by the State game and fish commission, and 25 percent or more from the Wildlife Management Institute, a private conservation organization. These programs are utilized to train research people in game management and they are utilized to do research in game management problems. The bill was reported unanimously by the committee. It has the approval of the Bureau of the Budget, the Department of the Interior, the State land-grant colleges, and the State game commissions. I hope the gentleman will not object.

Mr. ANDERSEN of Minnesota. I am not objecting, I am asking unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ORANGEBURG COUNTY, S.C., FISH HATCHERY

The Clerk called the bill (S. 2053) to provide for the acceptance by the United States of a fish hatchery in the State of South Carolina.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BAILEY. Reserving the right to object, Mr. Speaker, we need more fish hatcheries in the State of West Virginia. I reserve the right to object because I should like to know what is going on, in the hope that I may find a way of getting some more Federal fish hatcheries for West Virginia.

Mr. RILEY. This bill refers to a fish hatchery that was built by the county of Orangeburg but which has been loaned to the Federal Government for the last 15 years. We simply want to give it to them. I hope the gentleman will not object.

Mr. BAILEY. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized, in his discretion and upon such terms and conditions as he shall consider to be in the public interest, to accept by donation on behalf of the United States, title to the Orangeburg County, South Carolina, fish hatchery, together with the right to take

adequate water from Orangeburg County Lake therefor. The Secretary is authorized to rehabilitate and expand the rearing ponds and other hatchery facilities, to purchase lands adjoining such station in connection with the rehabilitation and expansion of such facilities, and to equip, operate, and maintain said fish hatchery.

SEC. 2. There are hereby authorized to be appropriated such funds as may be necessary to carry out the purposes of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL SHIP MORTGAGE INSURANCE ON FISHING VESSELS

The Clerk called the bill (S. 2481) to continue the application of the Merchant Marine Act of 1936, as amended, to certain functions relating to fishing vessels transferred to the Secretary of the Interior, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to permit the efficient execution of functions relating to the issuance of Federal ship mortgage insurance on fishing vessels, pursuant to the Merchant Marine Act of June 29, 1936, as amended (49 Stat. 1985; 46 U.S.C., 1952 edition, sec. 1271 and the following), which functions relating to fishing vessels have been transferred to the Secretary of the Interior pursuant to the Fish and Wildlife Act of 1956, the Secretary of the Interior hereafter may exercise authority comparable to the authority of the Secretary of Commerce under the said Merchant Marine Act of 1936, including, but not limited to, the authority contained in the amendment to such Act of July 15, 1958 (72 Stat. 358).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF PESTICIDES OR OTHER CHEMICALS

The Clerk called the bill (H.R. 12419) to provide for advance consultation with the Fish and Wildlife Service and with State wildlife agencies before the beginning of any Federal program involving the use of pesticides or other chemicals designed for mass biological controls.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RODINO. Reserving the right to object, Mr. Speaker, first of all, I should like to know what this bill actually does. I have received a communication from the secretary of agriculture of the State of New Jersey that this bill would slow up programs, in which they are vitally interested. I am concerned as to the effect of this bill on emergency programs—there have been situations of an urgent nature which have arisen in my State where the State agencies must act immediately in order to protect the public health.

Mr. DINGELL. This bill simply requires the Department of Agriculture to coordinate with the Bureau of Fish and Wildlife in the Department of the Interior before they commence any of these spray programs. The bill was reported unanimously by the Committee on Merchant Marine and Fisheries to the House of Representatives.

For the information of the Members, I should like to read the testimony of a representative of the Department of Agriculture on this particular point. Mr. Popham, who was sent up to speak on behalf of the Department of Agriculture said:

Mr. POPHAM. There could be an instance or instances where the situation warranted moving without first contacting them.

He was referring to the Fish and Wildlife Service.

Mr. DINGELL. It takes how long to notify Fish and Wildlife before you commence with this program?

Mr. POPHAM. A telephone call.

Mr. DINGELL. Do you have any objection to making a telephone call to advise them?

Mr. POPHAM. No, sir.

Mr. DINGELL. So that, actually, this objection to notifying Fish and Wildlife is a rather nebulous and ill-founded objection, is it not?

Mr. POPHAM. We feel that legislation is unnecessary.

The bill simply requires, and I say this for the benefit of my colleagues who might be inclined to object, and I see several Members on their feet, that members of the Department of Agriculture before they commence these spray programs notify the Fish and Wildlife Service that they contemplate instituting such programs. There is no language in the bill which would prevent a needed spray program. The most delay would be about 10 minutes for a telephone call to Fish and Wildlife by the Department of Agriculture.

There is no requirement in the bill that the Department of Agriculture even take the recommendations of the Fish and Wildlife Service on the contract of the spray program. In the event they fail to take the recommendations of Fish and Wildlife, the only thing which happens, and the only stricture imposed on the Department of Agriculture is that the matter is reported up here to the appropriate committee of the Congress for consideration by the appropriate committee of the Congress, one of which would be the Committee on Agriculture on which the gentleman from Iowa [Mr. HOEVEN] happens to serve.

Mr. RODINO. Mr. Speaker, would the gentleman state to me, who actually is interested in this bill? I notice the Department of the Interior is opposed to it and that the Department of Health, Education, and Welfare is also opposed to it. Has the gentleman from Michigan any explanation for this?

Mr. DINGELL. I would say to the gentleman that formal opposition to the legislation was sent up here by the Department of the Interior and the Department of Health, Education, and Welfare as well as the Department of Agriculture. The sole and only objection which the Department of Agriculture finally wound up raising was simply that they did not want to coordinate with the various State game and fish agencies throughout the country. That objection, which was the only objection they had at the conclusion of our hearings, was obviated by a specific amendment to take care of the objection. I would say the objection raised by the other departments are not really to the merits of the bill. I would like to point out to my colleagues this bill had the unanimous support of every member of the Committee on Merchant Marine and Fisheries and there was not one single dissenting vote in reporting it out. I would point out that Members from agricultural States like the gentleman from Iowa [Mr. GROSS] served on it, and no member of the committee presented any objection to the enactment of this bill even after having scrutinized the objections of the departments.

The bill is strongly endorsed not only by State game, fish and conservation agencies, but is endorsed by all national conservation organizations, the Audubon Society, the National Wildlife Federation, the Wildlife Management Institute, and the South Eastern Conference of the International Association of Game Fish and Conservation Commissioners.

The bill should be enacted.

Mr. BROOKS of Louisiana. Mr. Speaker, reserving the right to object, I would like to ask a question on this point. I have received a number of complaints from areas that I represent and other areas as well on the destruction of wildlife by the use of insecticides of various sorts and pesticides. Would this bill in any way have a tendency to help in the solution of that problem of preventing the wanton destruction of wildlife?

Mr. DINGELL. I would say to the gentleman, this bill's sole function is to require intelligent planning and coordination in the conduct of these programs so as to prevent the terrible destruction and decimation of the wildlife population occurring in this country as a result of these spraying programs conducted by the Department of Agriculture.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, the gentleman has just made a statement that I would have made. That is, the purpose of this bill is to coordinate these programs. Irrespective of the opposition of the Department of Agriculture, I think this is good legislation.

Mr. DINGELL. I see the gentleman from Iowa [Mr. HOEVEN] is on his feet; does the gentleman want me to yield to him?

Mr. HOEVEN. I thank the gentleman. I will speak on my own time.

Mr. DINGELL. Mr. Speaker, if I may just say this one last thing. This bill has the unanimous support of every nationwide conservation organization. It has the support of every State game and fish commission in this country. Specific resolutions have been put out by almost every State game and fish agency and by the regional associations of the International Association of Game, Fish and Conservation Commissioners specifically endorsing this bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOEVEN. Mr. Speaker, this bill is strongly opposed by the Department

of Agriculture and the Department of Health, Education, and Welfare, and the Department of the Interior. I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

INCREASING PENALTIES FOR VIOLATION OF THE MIGRATORY BIRD TREATY ACT

The Clerk called the bill (H.R. 12533) to amend the Migratory Bird Treaty Act to increase the penalties for violation of that act, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Migratory Bird Treaty Act (16 U.S.C. 707) is amended to read as follows:

"SEC. 6. (a) Except as otherwise provided in this section, any person, association, partnership, or corporation who shall violate any provisions of said conventions or of this Act, or who shall violate or fail to comply with any regulation made pursuant to this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not more than $500 or be imprisoned not more than 6 months, or both.

"(b) Whoever, in violation of this Act, shall—

"(1) take by any manner whatsoever any migratory bird with intent to sell, offer to sell, barter or offer to barter such bird, or

"(2) sell, offer for sale, barter or offer to barter, any migratory bird, or

"(3) purchase or offer to purchase any migratory bird, shall be guilty of a felony and shall be fined not more than $2,000 or imprisoned not more than two years or both.

"(c) All guns, traps, nets and other equipment, vessels, vehicles, and other means of transportation used by any person when engaged in pursuing, hunting, taking, trapping, ensnaring, capturing, killing, or attempting to take, capture, or kill any migratory bird in violation of this Act with the intent to offer for sale, or sell, or offer for barter, or barter such bird in violation of this Act shall be forfeited to the United States and may be seized and held pending the prosecution of any person arrested for violating this Act and upon conviction for such violation, such forfeiture shall be adjudicated as a penalty in addition to any other provided for violation of this Act. Such forfeited property shall be disposed of and accounted for by, and under the authority of, the Secretary of the Interior."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING AN ADDITIONAL BENEFIT UNDER THE PANAMA CANAL CASH RELIEF ACT OF JULY 8, 1937

The Clerk called the bill (H.R. 10511) to grant an additional benefit to persons receiving cash relief under the Panama Canal Cash Relief Act of July 8, 1937.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask the author of the bill, the gentlewoman from Missouri [Mrs. SULLIVAN] a question. Would these payments which appear to be justified come from the revenues of the Panama Canal Company, which revenues, of course, come from the charges made to those who use the canal?

Mrs. SULLIVAN. The gentleman from Michigan is correct. None of this money will come out of the Treasury of the United States.

Mr. FORD. I thank the gentlewoman from Missouri.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That each person who, on or after the date of enactment of this Act, is receiving, or becomes entitled to receive, payment of cash relief under authority of the Act entitled "An Act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act", approved July 8, 1937 (50 Stat. 478), as amended by the Act of February 20, 1954 (68 Stat. 17), shall receive an additional payment of cash relief in the amount of $10 per month. Such payment shall be in addition to any payments received under such Act of July 8, 1937, as amended, and shall be made without regard to any limitations contained in such Act.

SEC. 2. This Act shall take effect on the first day of the month in which it is enacted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACREAGE REMEASUREMENT

The Clerk called the bill (H.R. 12420) to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the present consideration of the bill?

Mr. ANDERSEN of Minnesota. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERMITTING THE FILING OF APPLICATIONS FOR PATENTS TO CERTAIN LANDS IN FLORIDA

The Clerk called the bill (S. 2174) to permit the filing of applications for patents to certain lands in Florida.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any limitation upon the time within which applications for patents must be filed in order for patents to be issued pursuant to the provisions of the Act entitled "An Act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River", approved August 9, 1955 (69 Stat. 541), patents should be issued pursuant to the provisions of that Act to the following-described tracts of land if application therefor is filed within one year after the date of approval of this Act: Lots 11, 12, section 13, lots 15 and 16, section 14, and lot 13, section 25, township 27 south, range 37 east, Tallahassee meridian, Florida.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOUSING FOR ESSENTIAL CIVILIAN EMPLOYEES OF NASA

The Clerk called the bill (S. 3226) to amend section 809 of the National Housing Act.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, reserving the right to object, I understand no Department reports are now in the printed report, and I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

VALIDATING CERTAIN OVERPAYMENTS INADVERTENTLY MADE BY THE UNITED STATES TO SEVERAL OF THE STATES

The Clerk called the bill (H.R. 900) to amend section 7 of the act of August 18, 1941, to provide that 75 percent of all moneys derived by the United States from certain recreational activities in connection with lands acquired for flood control and other purposes shall be paid to the State; to validate certain payment; and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WEAVER. I ask unanimous consent, Mr. Speaker, that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska.

There was no objection.

AUTHORIZING THE SECRETARY OF THE ARMY TO MAKE CERTAIN CHANGES IN THE ROAD AT WHITES BRANCH, GRAPEVINE RESERVOIR, TEX.

The Clerk called the bill (H.R. 2178) to authorize the Secretary of the Army to make certain changes in the road at Whites Branch, Grapevine Reservoir, Tex.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CLARIFYING CERTAIN PROVISIONS OF THE CRIMINAL CODE RELATING TO THE IMPORTATION OR SHIPMENT OF INJURIOUS MAMMALS, BIRDS, AMPHIBIANS, FISH, AND REPTILES (18 U.S.C. 42(a), 42(b)); AND RELATING TO THE TRANSPORTATION OR RECEIPT OF WILD MAMMALS OR BIRDS TAKEN IN VIOLATION OF STATE, NATIONAL, OR FOREIGN LAWS (18 U.S.C. 43), AND FOR OTHER PURPOSES

The Clerk called the bill (H.R. 10598) to clarify certain provisions of the Criminal Code relating to the importation or shipment of injurious mammals, birds, amphibians, fish, and reptiles (18 U.S.C. 42(a), 42(b); and relating to the transportation or receipt of wild mammals or birds taken in violation of State, national, or foreign laws (18 U.S.C. 43), and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 42(a) and 42(b), title 18, United States Code, are amended to read as follows:

"§ 42. Importation or shipment of injurious mammals, birds, fish (including mollusks and crustacea), amphibia, and reptiles; permits, specimens for museums; regulations

"(a) The importation into the United States, any territory of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any possession of the United States, or any shipment between the continental United States, the District of Columbia, Hawaii, the Commonwealth of Puerto Rico, or any possession of the United States, of the mongoose of the species Herpestes auropunctatus; of the species of so-called 'flying foxes' or fruit bats of the genus Pteropus; and such other species of wild mammals, wild birds, fish (including mollusks and crustacea), amphibians, reptiles, or the offspring or eggs of any of the foregoing, which the Secretary of the Interior may prescribe by regulation to be injurious to human beings, to the interests of agriculture, horticulture, forestry, or to wildlife or the wildlife resources of the United States, is hereby prohibited. All such prohibited mammals, birds, fish (including mollusks and crustacea), amphibians, and reptiles, and the eggs or offspring therefrom, shall be promptly exported or destroyed at the expense of the importer or consignee. Nothing in this section shall be construed to repeal or modify any provision of the Public Health Service Act or Federal Food, Drug, and Cosmetic Act. Also, this section shall not authorize any action with respect to the importation of any plant pest as defined in the Federal Plant Pest Act, 71 Stat. 31, 7 U.S.C. 150aa, insofar as such importation is subject to regulation under that Act.

"As used in this subsection, the term 'wild' relates to any creatures that, whether or not raised in captivity, normally are found in a wild state; and the terms 'wildlife' and 'wildlife resources' include those resources that comprise wild mammals, wild birds, fish (including mollusks and crustacea), and all other classes of wild creatures whatsoever, and all types of aquatic and land vegetation upon which such wildlife resources are dependent.

"Notwithstanding the foregoing, the Secretary of the Interior, when he finds that there has been a proper showing of responsibility and continued protection of the public interest and health, shall permit the importation for zoological, educational, medical, and scientific purposes of any mammals, birds, fish (including mollusks and crustacea), amphibia, and reptiles, or the offspring or eggs thereof, where such importation would be prohibited otherwise by or pursuant to this Act, and this Act shall not restrict importations by Federal agencies for their own use.

"Nothing in this subsection shall restrict the importation of dead natural-history specimens for museums or for scientific collections, or the importation of domesticated canaries, parrots (including all other species of psittacine birds), or such other cage birds as the Secretary of the Interior may designate.

"The Secretary of the Treasury and the Secretary of the Interior shall enforce the provisions of this subsection, including any regulations issued hereunder, and, if requested by the Secretary of the Interior, the Secretary of the Treasury may require the furnishing of an appropriate bond when desirable to insure compliance with such provisions.

"(b) Whoever violates this section, or any regulation issued pursuant thereto, shall be fined not more than $500 or imprisoned not more than six months, or both."

SEC. 2. That the first four paragraphs of section 43, title 18, United States Code, are amended to read as follows:

"§ 43. Transportation of wildlife taken in violation of State, National, or foreign laws; receipt; making false records

"Whoever delivers, carries, transports, ships, by any means whatever, or knowingly receives for shipment, to or from any State, territory, the District of Columbia, the Commonwealth of Puerto Rico, any possession of the United States, or any foreign country, any wild mammal or bird of any kind, or the dead body or parts thereof, or the offspring or eggs therefrom, as the case may be, which was captured, killed, taken, purchased, sold, or otherwise possessed or transported in any manner contrary to any Act of Congress or regulation issued pursuant thereto or contrary to the laws or regulations of any State, territory, the District of Columbia, the Commonwealth of Puerto Rico, possession of the United States, or foreign country; or

"Whoever receives, acquires, or purchases, knowingly, any such wild mammal or bird of any kind or the dead body or parts thereof, or the offspring or eggs therefrom, which was so transported, delivered, carried, or shipped by any means whatsoever, as aforesaid; or

"Whoever, having acquired any of the foregoing properties which was so transported, delivered, carried, or shipped by any means whatever, as aforesaid, makes any false record, account, label or identification thereof; or".

With the following committee amendments:

On page 2, line 5, after "(a)" insert "(1)".

On page 3, lines 3 and 4, strike out "71 Stat. 31, 7 U.S.C. 150aa,".

On page 3, line 6, before the word "As" insert "(2)".

On page 3, line 14, before the word "Notwithstanding" insert "(3)".

On page 3, line 24, before the word "Nothing" insert "(4)".

On page 4, line 5, before the words "The Secretary of the Treasury" insert "(5)".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE MENOMINEE TERMINATION ACT

The Clerk called the bill (H.R. 11813) to amend the Menominee Termination Act.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the Act of June 17, 1954 (68 Stat. 252), as amended (25 U.S.C. 891), is hereby amended by adding a new section 13 as follows:

"SEC. 13. If the Secretary of the Interior determines that more time is needed before the transfer of property to the tribe or a tribal corporation on December 31, 1960, as provided in section 8 of this Act, and before a termination of Federal responsibility for furnishing supervision and services to the tribe on December 31, 1960, as provided in section 7 of this Act, he is authorized to postpone such transfer of property and termination of Federal responsibility to a date he determines is reasonable."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That section 8 of the Act of June 17, 1954 (68 Stat. 250), as amended (25 U.S.C. 897), is further amended by deleting 'December 31, 1960' and by inserting in lieu thereof 'July 1, 1961'.

"SEC. 2. Section 9 of said Act of June 17, 1954, as amended, is further amended as follows:

" 'SEC. 9. No distribution, conveyance, or transfer of title to assets and no issuance or distribution of securities pursuant to the plan approved by the Secretary under the provisions of this Act shall be subject to any Federal or State transfer, issuance, or income tax: *Provided,* That nothing contained in this Act shall exempt the recipient of any cash distribution made hereunder from payment of income tax for the year in which the distribution is made on that portion of his share thereof which consists of interest on funds deposited in the Treasury of the United States pursuant to the Supplemental Appropriation Act, 1952 (65 Stat. 736, 754). Following any distribution, conveyance, transfer, or issuance as aforesaid, the assets and securities which are held by, and any income derived therefrom which is received by or payable to, any person, or any corporation or organization as provided in section 8 of this Act, shall be subject to the same taxes, State and Federal, as in the case of non-Indians, except that the basis of any valuation for purposes of Federal income tax on gains or losses shall be the value of the property on the date title is transferred by the United States pursuant to section 8 of this Act.'

"SEC. 3. Section 7 of said Act of June 17, 1954, as amended, is further amended by deleting 'December 31, 1960' and inserting in lieu thereof 'July 1, 1961' and by inserting after the seventh sentence the following: 'If the tribe and the Secretary agree upon a plan and the tribe or any of its agencies fails to take any action that it is required to take under the provisions of the plan in order to put the plan into effect prior to the date for terminating Federal responsibilities, the Secretary of the Interior as authorized to take such action on behalf of the tribe after first giving the tribe twenty days' notice of his intention so to act.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING ADJUSTMENT IN THE PUBLIC INTEREST OF RENTALS UNDER LEASES ENTERED INTO FOR THE PROVISION OF COMMERCIAL RECREATIONAL FACILITIES AT THE JOHN H. KERR RESERVOIR, VA.-N.C.

The Clerk called the bill (H.R. 12530) to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the John H. Kerr Reservoir, Va.-N.C.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word. I note that this bill relates to one of the greatest men who ever served in this body. My colleagues on both sides of the aisle will remember that great legislator, that kind gentlemen, in whose honor this reservoir has been named.

I just take these few moments to again pay respects to the memory of one of the greatest men I ever met who served in this body, the late John H. Kerr, of North Carolina.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Chief of Engineers, under the supervision of the Secretary of the Army, is authorized to amend any lease providing for the construction, maintenance, and operation of commercial recreational facilities at the John H. Kerr Reservoir, Virginia-North Carolina, entered into before November 1, 1956, under section 4 of the Act of December 22, 1944, as amended (16 U.S.C. 460d), so as to provide for adjustment, either by increase or decrease, from time to time during the term of such lease of the amount of rental or other consideration payable to the United States under such lease, when and as he determines such adjustment to be necessary or advisable in the public interest. No adjustment shall be made under authority of this Act so as to increase or decrease the amount of rental or other consideration payable under such lease for any period prior to the date of such adjustment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING COMPENSATION FOR CERTAIN PROPERTY LOSSES IN THE TUTTLE CREEK RESERVOIR PROJECT, KANSAS

The Clerk called the bill (H.R. 12532) to provide compensation for certain property losses in the Tuttle Creek Reservoir project, Kansas.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AUTHORIZING MULTIPLE-PURPOSE DEVELOPMENT AT VICTORY RESERVOIR SITE, VERMONT

The Clerk called the bill (H.R. 12564) to authorize multiple-purpose development at Victory Reservoir site, Vermont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the project for Victory Reservoir, Vermont, a unit in the comprehensive plan for flood control and other purposes, authorized by the Flood Control Acts approved June 22, 1936, and June 28, 1938, as amended, is hereby authorized to be constructed for multiple-purpose uses, including hydroelectric power, fish and wildlife, recreation, and other related water uses and control, as determined by the Secretary of the Army in accordance with the recommendations and plans of the Chief of Engineers, at an estimated cost of $3,000,000: *Provided,* That prior to the initiation of construction of the project local interests shall be required to enter into an agreement to pay the allocated cost of the conservation storage and such portions of costs allocated to fish and wildlife and recreation as the Chief of Engineers may deem equitable, including interest during construction and interest on the unpaid balance, over a period of not to exceed fifty years after such storage becomes available for use, and an equitable share of annual operation and maintenance costs, as determined by the Chief of Engineers: *Provided further,* That the interest rate used for purposes of computing interest during construction and interest on the unpaid balance shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from date of issue.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHANGE IN TITLE OF THE ASSISTANT DIRECTOR OF THE COAST AND GEODETIC SURVEY

The Clerk called the bill (S. 3106) to change the title of the Assistant Director of the Coast and Geodetic Survey.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Act of January 19, 1942 (56 Stat. 8), as amended, is further amended by striking the words "Assistant Director" wherever they appear and substituting in lieu thereof the words "Deputy Director".

SEC. 2. All laws and orders relating or referring to the Assistant Director of the Coast and Geodetic Survey shall be deemed to relate or refer to the Deputy Director of the Coast and Geodetic Survey.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMITTING THE USE OF CERTAIN FOREIGN-BUILT HYDROFOIL VESSELS TO THE COASTWISE TRADE

The Clerk called the bill (H.R. 3900) to permit the use of certain foreign-built hydrofoil vessels in the coastwise trade of the Commonwealth of Puerto Rico.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, I voted for this bill in committee. Since it was reported favorably, some information has come to me, and I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

EVALUATION OF WARTIME LOANS TO CERTAIN AMERICAN CITIZENS

The Clerk called the bill (H.R. 808) to authorize the Secretary of State to evaluate in dollars certain financial assistance loans expressed in foreign currencies arising as a result of World War II, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State is authorized, upon the approval of the Comptroller General, to evaluate in dollars and, at the discretion of the Comptroller General, to waive collection of all or part of claims of the United States arising as a result of World War II loans expressed in foreign currencies as evidenced

by promissory notes granted for financial assistance, repatriation, and other approved purposes, made from funds available to the Department of State for emergencies in the diplomatic and consular service.

With the following committee amendment:

Page 1, line 4, strike out all after the word "dollars" in line 4, through "part of" in line 6.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF CERTAIN CLAIMS AGAINST THE UNITED STATES

The Clerk called the bill (S. 3072) to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we could have a brief explanation of this bill, and particularly what would happen to an American driver of a vehicle in this country under similar circumstances.

Mr. MORGAN. An American driver, of course, would more than likely have private liability insurance, and his insurance company would pay such claims against him. This happens to involve two cases of foreign nationals driving embassy cars when the accidents happened.

Mr. GROSS. I recall a case a few weeks ago—the case of a young man who was inducted into the armed services. His unit was ordered into a simulated battle in which live ammunition was being used. There was an error on the part of others and several mortar shells landed in this group killing 3, including this young man; and wounding 13 others. The parents of this young man fought for 2 or 3 years to get a private claims bill through the House in the amount of $10,000.

I notice that one of the foreigners injured in this automobile accident in Paris will get $9,000 and others will get from $6,000 to $7,000. I just wonder if we have two standards of justice in connection with these accident cases and what Congress is prepared to do about it.

Mr. MORGAN. Of course this accident happened in a foreign country and the case was settled according to French law.

Mr. GROSS. I just do not want the State Department to be put in a preferred position with respect to claims of this kind. I think the parents of American servicemen are just as entitled to compensation as some foreign nationals who happen to be injured in an accident.

Mr. MORGAN. I agree with the gentleman.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

Mr. PELLY. Mr. Speaker, reserving the right to object, I would like to inquire as to whether these claims will be paid out of counterpart funds.

Mr. MORGAN. No.

Mr. PELLY. It does seem to me they should be paid from counterpart funds.

Mr. MORGAN. I imagine so, if there are any counterpart funds there.

Mr. PELLY. I would like to insist that as far as possible we make such payment of claims in foreign countries out of counterpart funds when they are available.

Mr. MORGAN. I am sure that is the policy.

Mr. PELLY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to effect full and final settlement of the following claims against the United States:

(a) Claims of the Government of Israel in the sum of NF45,274.25 ($9,190.67) on behalf of Izhaq Cohen and in the sum of NF36,582.12 ($7,426.17) on behalf of Jacob Kashi, arising as a consequence of injuries sustained by Izhaq Cohen and Jacob Kashi in an automobile accident which occurred at Paris, France, on April 22, 1956, involving a Government-owned vehicle of the United States Embassy at Paris;

(b) Claim of the Government of France in the sum of NF16,454.59 ($3,340.28) on behalf of Marie Kerardy arising as a consequence of injuries sustained by Marie Kerardy in an automobile accident which occurred at Paris, France, on January 13, 1954, involving a Government-owned vehicle of the United States Embassy at Paris.

In all, $19,957.12, together with such additional sums due to increases in rates of exchange as may be necessary to pay the claims in the foreign currency specified.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL HAZARDOUS SUBSTANCES LABELING ACT

The Clerk called the bill (S. 1283) to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Hazardous Substances Labeling Act."

DEFINITIONS

SEC. 2. For the purposes of this Act—

(a) The term "territory" means any territory or possession of the United States, including the District of Columbia and the Commonwealth of Puerto Rico but excluding the Canal Zone.

(b) The term "interstate commerce" means (1) commerce between any State or territory and any place outside thereof, and (2) commerce within the District of Columbia or within any territory not organized with a legislative body.

(c) The term "Department" means the Department of Health, Education, and Welfare.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "person" includes an individual, partnership, corporation, and association.

(f) The term "hazardous substance" means:

1. (A) Any substance or mixture of substances which (i) is toxic, (ii) is corrosive, (iii) is an irritant, (iv) is a strong sensitzer, (v) is flammable, or (vi) generates pressure through decomposition, heat, or other means, if such substance or mixture of substances may cause substantial personal injury or substantial illness during or as a proximate result of any customary or reasonably foreseeable handling or use, including reasonably foreseeable ingestion by children.

(B) Any substances which the Secretary by regulation finds, pursuant to the provisions of section 3(a), meet the requirements of subparagraph 1(A) of this paragraph.

(C) Any radioactive substance, if, with respect to such substance as used in a particular class of article or as packaged, the Secretary determines by regulation that the substance is sufficiently hazardous to require labeling in accordance with this Act in order to protect the public health.

2. The term "hazardous substance" shall not apply to economic poisons subject to the Federal Insecticide, Fungicide, and Rodenticide Act, nor to foods, drugs, and cosmetics subject to the Federal Food, Drug, and Cosmetic Act, nor to substances intended for use as fuels when stored in bulk containers and used in the heating, cooking, or refrigeration system of a house.

3. The term "hazardous substance" shall not include any source material, special nuclear material, or byproduct material as defined in the Atomic Energy Act of 1954, as amended, and regulations issued pursuant thereto by the Atomic Energy Commission.

(g) The term "toxic" shall apply to any substance (other than a radioactive substance) which has the capacity to produce personal injury or illness to man through ingestion, inhalation, or absorption through any body surface.

(h)(1) The term "highly toxic" means any substance which falls within any of the following categories: (a) Produces death within fourteen days in half or more than half of a group of ten or more laboratory white rats each weighing between two hundred and three hundred grams, at a single dose of fifty milligrams or less per kilogram of body weight, when orally administered; or (b) produces death within fourteen days in half or more than half of a group of ten or more laboratory white rats each weighing between two hundred and three hundred grams, when inhaled continuously for a period of one hour or less at an atmospheric concentration of two hundred parts per million by volume or less of gas or vapor or two milligrams per liter by volume or less of mist or dust, provided such concentration is likely to be encountered by man when the substance is used in any reasonably foreseeable manner; or (c) produces death within fourteen days in half or more than half of a group of ten or more rabbits tested in a dosage of two hundred milligrams or less per kilogram of body weight, when administered by continuous contact with the bare skin for twenty-four hours or less.

(2) If the Secretary finds that available data on human experience with any substance indicate results different from those obtained on animals in the above-named dosages or concentrations, the human data shall take precedence.

(i) The term "corrosive" means any substance which in contact with living tissue will cause destruction of tissue by chemical action; but shall not refer to action on inanimate surfaces.

(j) The term "irritant" means any substance not corrosive within the meaning of subparagraph (i) which on immediate, prolonged, or repeated contact with normal living tissue will induce a local inflammatory reaction.

(k) The term "strong sensitizer" means a substance which will cause on normal living tissue through an allergic or photodynamic process a hypersensitivity which becomes evident on reapplication of the same substance and which is designated as such by the Secretary. Before designating any substance as a strong sensitizer, the Secretary, upon consideration of the frequency of occurrence and severity of the reaction, shall find that the substance has a significant potential for causing hypersensitivity.

(l) The term "extremely flammable" shall apply to any substance which has a flash point at or below twenty degrees Fahrenheit as determined by the Tagliabue Open Cup Tester, and the term "flammable" shall apply to any substance which has a flash point of above twenty degrees to and including eighty degrees Fahrenheit, as determined by the Tagliabue Open Cup Tester; except that the flammability of solids, and of the contents of self-pressurized containers shall be determined by methods found by the Secretary to be generally applicable to such materials or containers, respectively, and established by regulations issued by him, which regulations shall also define the terms "flammable" and "extremely flammable" in accord with such methods.

(m) The term "radioactive substance" means a substance which emits ionizing radiation.

(n) The term "label means a display of written, printed, or graphic matter upon the immediate container of any substance; and a requirement made by or under authority of this Act that any word, statement, or other information appearing on the label shall not be considered to be complied with unless such word, statement, or other information also appears (1) on the outside container or wrapper, if any there be, unless it is easily legible through the outside container or wrapper and (2) on all accompanying literature where there are directions for use, written or otherwise.

(o) The term "immediate container" does not include package liners.

(p) The term "misbranded package" or "misbranded package of a hazardous substance" means a hazardous substance in a container intended or suitable for household use which, except as otherwise provided by or pursuant to section 3, fails to bear a label—

(1) which states conspicuously (A) the name and place of business of the manufacturer, packer, distributor or seller; (B) the common or usual name or the chemical name (if there be no common or usual name) of the hazardous substance or of each component which contributes substantially to its hazard, unless the Secretary by regulation permits or requires the use of a recognized generic name; (C) the signal word "DANGER" on substances which are extremely flammable, corrosive, or highly toxic; (D) the signal word "WARNING" or "CAUTION" on all other hazardous substances; (E) an affirmative statement of the principal hazard or hazards, such as "Flammable", "Vapor Harmful", "Causes Burns", "Absorbed Through Skin", or similar wording descriptive of the hazard; (F) precautionary measures describing the action to be followed or avoided, except when modified by regulation of the Secretary pursuant to section 3; (G) instruction, when necessary or appropriate, for first-aid treatment; (H) the word "poison" for any hazardous substance which is defined as "highly toxic" by subsection (h); (I) instructions for handling and storage of packages which require special care in handling or storage; and (J) the statement "Keep out of the reach of children", or its practical equivalent, and

(2) on which any statements required under subparagraph (1) of this paragraph are located prominently and are in the English language in conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the label.

REGULATIONS DECLARING HAZARDOUS SUBSTANCES AND ESTABLISHING VARIATIONS AND EXEMPTIONS

SEC. 3. (a) 1. Whenever in the judgment of the Secretary such action will promote the objectives of this Act by avoiding or resolving uncertainty as to its application, the Secretary may by regulation declare to be a hazardous substance, for the purposes of this Act, any substance or mixture of substances which he finds meets the requirements of subparagraph (1)(A) of section 2(f).

2. Proceedings for the issuance, amendment, or repeal of regulations under this subsection and the admissibility of the record of such proceedings in other proceedings, shall in all respects be governed by the provisions of section 701 (e), (f), and (g) of the Federal Food, Drug, and Cosmetic Act, except that—

(A) the Secretary's order after public hearing (acting upon objections filed to an order made prior to hearing) shall be subject to the requirements of section 409(f)(2) of the Federal Food, Drug, and Cosmetic Act; and

(B) the scope of judicial review of such order shall be in accordance with the third sentence of paragraph (2), and with the provisions of paragraph (3), of section 409 (g) of the Federal Food, Drug, and Cosmetic Act.

(b) If the Secretary finds that the requirements of section 2(p)(1) are not adequate for the protection of the public health and safety in view of the special hazard presented by any particular hazardous substance, he may by regulation establish such reasonable variations or additional label requirements as he finds necessary for the protection of the public health and safety; and any container of such hazardous substance, intended or suitable for household use, which fails to bear a label in accordance with such regulations shall be deemed to be a misbranded package of a hazardous substance.

(c) If the Secretary finds that, because of the size of the package involved or because of the minor hazard presented by the substance contained therein, or for other good and sufficient reasons, full compliance with the labeling requirements otherwise applicable under this Act is impracticable or is not necessary for the adequate protection of the public health and safety, the Secretary shall promulgate regulations exempting such substance from these requirements to the extent he determines to be consistent with adequate protection of the public health and safety.

(d) The Secretary may exempt from the requirements established by or pursuant to this Act any container of a hazardous substance with respect to which he finds that adequate requirements satisfying the purposes of this Act have been established by or pursuant to any other Act of Congress.

PROHIBITED ACTS

SEC. 4. The following acts and the causing thereof are hereby prohibited:

(a) The introduction or delivery for introduction into interstate commerce of any misbranded package of a hazardous substance.

(b) The alteration, mutilation, destruction, obliteration, or removal of the whole or any part of the label of, or the doing of any other act with respect to, a hazardous substance, if such act is done while the substance is in interstate commerce, or while the substance is held for sale (whether or not the first sale) after shipment in interstate commerce, and results in the hazardous substance being in a misbranded package.

(c) The receipt in interstate commerce of any misbranded package of a hazardous substance and the delivery or proffered delivery thereof for pay or otherwise.

(d) The giving of a guarantee or undertaking referred to in section 5(b)(2) which guarantee or undertaking is false, except by a person who relied upon a guarantee or undertaking to the same effect signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the hazardous substance.

(e) The failure to permit entry or inspection as authorized by section 11(b) or to permit access to and copying of any record as authorized by section 12.

(f) The introduction or delivery for introduction into interstate commerce, or the receipt in interstate commerce and subsequent delivery or proffered delivery for pay or otherwise, of a hazardous substance in a reused food, drug, or cosmetic container or in a container which, though not a reused container, is identifiable as a food, drug, or cosmetic container by its labeling or by other identification. The reuse of a food, drug, or cosmetic container as a container for a hazardous substance shall be deemed to be an act which results in the hazardous substance being in a misbranded package. As used in this paragraph, the terms "food", "drug", and "cosmetic" shall have the same meanings as in the Federal Food, Drug, and Cosmetic Act.

(g) The manufacture within any territory, of any hazardous substance that is misbranded.

(h) The use by any person to his own advantage, or revealing other than to the Secretary or officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this Act, of any information acquired under authority of section 11 concerning any method of process which as a trade secret is entitled to protection.

PENALTIES

SEC. 5. (a) Any person who violates any of the provisions of section 4 shall be guilty of a misdemeanor and shall on conviction thereof be subject to a fine of not more than $500 or to imprisonment for not more than ninety days, or both; but for offenses committed with intent to defraud or mislead, or for second and subsequent offense, the penalty shall be imprisonment for not more than one year, or a fine of not more than $3,000, or both such imprisonment and fine.

(b) No person shall be subject to the penalties of subsection (a) of this section, (1) for having violated section 4(c), if the receipt, delivery, or proffered delivery of the hazardous substance was made in good faith, unless he refuses to furnish on request of an officer or employee duly designated by the Secretary, the name and address of the person from whom he purchased or received such hazardous substance, and copies of all documents, if any there be, pertaining to the delivery of the hazardous substance to him; or (2) for having violated section 4(a), if he establishes a guarantee or undertaking signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the hazardous substance, to the effect that the hazardous substance is not in misbranded packages within the meaning of that term in this Act; or (3) for having violated subsection (a) or (c) of section 4 in respect of any hazardous

substance shipped or delivered for shipment for export to any foreign country, in a package marked for export on the outside of the shipping container and labeled in accordance with the specifications of the foreign purchaser and in accordance with the laws of the foreign country.

SEIZURES

SEC. 6. (a) Any hazardous substance that is in a misbranded package when introduced into or while in interstate commerce or while held for sale (whether or not the first sale) after shipment in interstate commerce, or which may not, under the provisions of section 4(f), be introduced into interstate commerce, or which has been manufactured in violation of section 4(g), shall be liable to be proceeded against while in interstate commerce or at any time thereafter, on libel of information and condemned in any district court in the United States within the jurisdiction of which the hazardous substance is found: *Provided*, That this section shall not apply to a hazardous substance intended for export to any foreign country if it (1) is in a package branded in accordance with the specifications of the foreign purchaser, (2) is labeled in accordance with the laws of the foreign country, and (3) is labeled on the outside of the shipping package to show that it is intended for export, and (4) is so exported.

(b) Such hazardous substance shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as may be, to the procedure in admiralty; except that on demand of either party any issue of fact joined in any such case shall be tried by jury. When libel for condemnation proceedings under this section, involving the same claimant and the same issues of misbranding, are pending in two or more jurisdictions, such pending proceedings, upon application of the United States or the claimant seasonably made to the court of one such jurisdiction, shall be consolidated for trial by order of such court, and tried in (1) any district selected by the applicant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the United States or the claimant may apply to the court of one such jurisdiction, and such court (after giving the other party, the claimant, or the United States attorney for such district, reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

(c) Any hazardous substance condemned under this section shall, after entry of the decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such hazardous substance shall not be sold under such decree contrary to the provisions of this Act or the laws of the jurisdiction in which sold: *Provided*, That, after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditions that such hazardous substance shall not be sold or disposed of contrary to the provisions of this Act or the laws of any State or Territory in which sold, the court may by order direct that such hazardous substance be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this Act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the person obtaining release of the hazardous substance under bond.

(d) When a decree of condemnation is entered against the hazardous substance, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the hazardous substance.

(e) In the case of removal for trial of any case as provided by subsection (b)—

(1) the clerk of the court from which removal is made shall promptly transmit to the court in which the case is to be tried all records in the case necessary in order that such court may exercise jurisdiction;

(2) the court to which such case is removed shall have the powers and be subject to the duties, for purposes of such case, which the court from which removal was made would have had, or to which such court would have been subject, if such case had not been removed.

HEARING BEFORE REPORT OF CRIMINAL VIOLATION

SEC. 7. Before any violation of this Act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his views, either orally or in writing, with regard to such contemplated proceeding.

INJUNCTION

SEC. 8. (a) The United States district courts and the United States courts of the territories shall have jurisdiction, for cause shown and subject to the provisions of rule 65 (a) and (b) of the Federal Rules of Civil Procedure, to restrain violations of this Act.

(b) In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this section, which violation also constitutes a violation of this Act, trial shall be by the court or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

STYLE OF ENFORCEMENT PROCEEDINGS—SUBPENAS

SEC. 9. All criminal proceedings and all libel or injunction proceedings for the enforcement, or to restrain violations, of this Act shall be by and in the name of the United States. Subpenas for witnesses who are required to attend a court of the United States in any district may run into any other district in any such proceeding.

REGULATIONS

SEC. 10. (a) The authority to promulgate regulations for the efficient enforcement of this Act, except as otherwise provided in this section, is hereby vested in the Secretary.

(b) The Secretary of the Treasury and the Secretary of Health, Education, and Welfare shall jointly prescribe regulations for the efficient enforcement of the provisions of section 14, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Health, Education, and Welfare shall determine.

EXAMINATIONS AND INVESTIGATIONS

SEC. 11. (a) The Secretary is authorized to conduct examinations, inspections, and investigations for the purposes of this Act through officers and employees of the Department or through any health officer or employee of any State, territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department.

(b) For the purposes of enforcement of this Act, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which hazardous substances are manufactured, processed, packed, or held for introduction into interstate commerce or are held after such introduction, or to enter any vehicle being used to transport or hold such hazardous substances in interstate commerce; (2) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such factory, warehouse, establishment, or vehicle, and all pertinent equipment, finished and unfinished materials, and labeling therein; and (3) to obtain samples of such materials or packages thereof, or of such labeling. A separate notice shall be given for each such inspection, but a notice shall not be required for each entry made during the period covered by the inspection. Each such inspection shall be commenced and completed with reasonable promptness.

(c) If the officer or employee obtains any sample, prior to leaving the premises, he shall give to the owner, operator, or agent in charge a receipt describing the samples obtained. If an analysis is made of such sample, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or agent in charge.

RECORDS OF INTERSTATE SHIPMENT

SEC. 12. For the purpose of enforcing the provisions of this Act, carriers engaged in interstate commerce, and persons receiving hazardous substances in interstate commerce or holding such hazardous substances so received shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any such hazardous substance, or the holding thereof during or after such movement, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any record so requested when such request is accompanied by a statement in writing specifying the nature or kind of such hazardous substance to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this Act by reason of their receipt, carriage, holding, or delivery of hazardous substances in the usual course of business as carriers.

PUBLICITY

SEC. 13. (a) The Secretary may cause to be published from time to time reports summarizing any judgments, decrees, or court orders which have been rendered under this Act, including the nature of the charge and the disposition thereof.

(b) The Secretary may also cause to be disseminated information regarding hazardous substances in situations involving, in the opinion of the Secretary, imminent danger to health. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

IMPORTS

SEC. 14. (a) The Secretary of the Treasury shall deliver to the Secretary of Health, Education, and Welfare, upon his request, samples of hazardous substances which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before

the Secretary of Health, Education, and Welfare and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that such hazardous substance is in misbranded packages or in violation of section 4(f), then such hazardous substance shall be refused admission, except as provided in subsection (b) of this section. The Secretary of the Treasury shall cause the destruction of any such hazardous substance refused admission unless such hazardous substance is exported, under regulations prescribed by the Secretary of the Treasury, within ninety days of the date of notice of such refusal or within such additional time as may be permitted pursuant to such regulations.

(b) Pending decision as to the admission of a hazardous substance being imported or offered for import, the Secretary of the Treasury may authorize delivery of such hazardous substance to the owner or consignee upon the execution by him of a good and sufficient bond providing for the payment of such liquidated damages in the event of default as may be required pursuant to regulations of the Secretary of the Treasury. If it appears to the Secretary of Health, Education, and Welfare that the hazardous substance can, by relabeling or other action, be brought into compliance with this Act, final determination as to admission of such hazardous substance may be deferred and, upon filing of timely written application by the owner or consignee and the execution by him of a bond as provided in the preceding provisions of this subsection, the Secretary may, in accordance with regulations, authorize the applicant to perform such relabeling or other action specified in such authorization (including destruction or export of rejected hazardous substances or portions thereof, as may be specified in the Secretary's authorization). All such relabeling or other action pursuant to such authorization shall, in accordance with regulations, be under the supervision of an officer or employee of the Department of Health, Education, and Welfare designated by the Secretary, or an officer or employee of the Department of the Treasury designated by the Secretary of the Treasury.

(c) All expenses (including travel, per diem, or subsistence, and salaries of officers or employees of the United States) in connection with the destruction provided for in subsection (a) of this section and the supervision of the relabeling or other action authorized under the provisions of subsection (b) of this section, the amount of such expenses to be determined in accordance with regulations, and all expenses in connection with the storage, cartage, or labor with respect to any hazardous substance refused admission under subsection (a) of this section, shall be paid by the owner or consignee and, in default of such payment, shall constitute a lien against any future importations made by such owner or consignee.

SEPARABILITY CLAUSE

SEC. 15. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

TIME OF TAKING EFFECT

SEC. 16. This Act shall take effect upon the date of its enactment; but no penalty or condemnation shall be enforced for any violation of this Act which occurs—

(a) prior to the expiration of the sixth calendar month after the month in which this Act is enacted, or

(b) prior to the expiration of such additional period or periods, ending not more than eighteen months after the month of enactment of this Act, as the Secretary may prescribe on the basis of a finding that conditions exist which necessitate the prescribing of such additional period or periods: *Provided*, That the Secretary may limit the application of such additional period or periods to violations related to specified provisions of this Act, or to specified kinds of hazardous substances or packages thereof.

APPLICATION TO EXISTING LAW

SEC. 17. Nothing in this Act shall be construed to modify or affect the provisions of chapter 39, title 18, United States Code, as amended (18 U.S.C. 831 et seq.), or any regulations promulgated thereunder, or under sections 204(a)(2) and 204(a)(3) of the Interstate Commerce Act, as amended (relating to the transportation of dangerous substances and explosives by surface carriers); or of section 1716, title 18, United States Code, or any regulations promulgated thereunder (relating to mailing of dangerous substances); or of section 902 or regulations promulgated under section 601 of the Federal Aviation Act of 1958 (relating to transportation of dangerous substances and explosives in aircraft); or of the Federal Food, Drug, and Cosmetic Act; or of the Public Health Service Act; or of the Federal Insecticide, Fungicide, and Rodenticide Act; or of the Dangerous Drug Act for the District of Columbia (70 Stat. 612), or the Act entitled "An Act to regulate the practice of pharmacy and the sale of poisons in the District of Columbia, and for other purposes", approved May 7, 1906 (34 Stat. 175), as amended; or of any other Act of Congress, except as specified in section 18.

REPEAL OF FEDERAL CAUSTIC POISON ACT

SEC. 18. The Federal Caustic Poison Act (44 Stat. 1406) is repealed effective at the close of the sixth calendar month after the month of enactment of this Act: *Provided*, That if the Secretary, pursuant to section 16(b) of this Act, prescribes an additional period or periods during which violations of this Act shall not be enforceable and if such additional period or periods are applicable to violations of this Act involving one or more substances defined as "dangerous caustic or corrosive substances" by the Federal Caustic Poison Act, that Act shall, with respect to such substance or substances, remain in full force and effect during such additional period or periods: *Provided further*, That, with respect to violations, liabilities incurred or appeals taken prior to the close of said sixth month or, if applicable, prior to the expiration of the additional period or periods referred to in the preceding proviso, all provisions of the Federal Caustic Poison Act shall be deemed to remain in full force for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violations, liabilities, and appeals.

With the following committee amendments:

(1) On page 3, line 14, strike out "bulk".

(2) On page 5, line 24, strike out the comma following "solids".

(3) On page 6, line 11, strike out "appearing" and insert in lieu thereof "appear".

(4) On page 11, strike out lines 21 and 22 and insert in lieu thereof the following:

"(g) The manufacture of a misbranded package of a hazardous substance within the District of Columbia or within any territory not organized with a legislative body."

(5) On page 12, line 13, strike out "offense" and insert in lieu thereof "offenses".

(6) On page 13, line 13, immediately after "country", insert the following: ", but if such hazardous substance is sold or offered for sale in domestic commerce, this clause shall not apply".

(7) On page 15, line 24, strike out "Territory" and insert in lieu thereof "territory".

(8) On page 24, line 9, immediately after "provisions" insert the following: "of the Flammable Fabrics Act, as amended (15 U.S.C. 1191–1200), or any regulations promulgated thereunder; or".

(9) On page 25, line 9, after "Act" insert the following: ", except that the Federal Caustic Poison Act shall remain in full force and effect with respect to any 'dangerous caustic or corrosive substance' (as defined by that Act) which is an article subject to the Federal Food, Drug, and Cosmetic Act and which is, by virtue of paragraph 2 of section 2(f) of this Act, excluded from the term 'hazardous substance' as defined in this Act".

(10) On page 25, line 23, strike out "remains" and insert in lieu thereof "remain".

The committee amendments were agreed to.

Mr. ROBERTS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBERTS: On page 8, line 25, strike out "third" and insert in lieu thereof "fourth."

The amendment was agreed to.

Mr. ROBERTS. Mr. Speaker, S. 1283 will regulate the interstate distribution and sale of packages of hazardous substances which are intended or suitable for household use.

In this country each year some 200,000 accidental poisonings occur, resulting in some 5,000 deaths and, of course, a great deal of suffering and economic losses. Many of these poisonings are of youngsters whose parents were unaware of the dangers in harmless-appearing household products. One of the witnesses who appeared before the Subcommittee on Health and Safety in support of this legislation told about a certain household product which had poisoned numerous youngsters. She described it this way:

A most delicious looking furniture polish. It is strawberry colored, and it looks about the same shape as a bottle of strawberry pop.

There was no large type or easily seen warning on the bottle to indicate to parents that it should be kept out of the reach of children because its contents were poisonous.

The reason for this chiefly, I think, is that our labeling laws for hazardous substances have not been overhauled in nearly a quarter of a century. The Federal Caustic Poison Act was enacted in 1927 and has saved many lives by requiring informative labeling of a few poisonous chemicals which were primarily responsible for home poisonings at the time of enactment. But it is not applicable today to many other poisons which are commonly found in American homes.

Many new products have been developed for use in the household since 1927. In that earlier act, only 12 chemical substances were listed as dangerous caustic or corrosive substances. It is estimated that 15,000 to 20,000 common household products which may be poisonous today would be covered by this new bill.

It should be stated, in fairness, that a good number of those products which are hazardous are labeled voluntarily by manufacturers or packagers. But there should be on the statute books labeling legislation which will embrace all hazardous household articles presently

on the market and to be marketed in the future.

S. 1283 should provide a uniform precautionary labeling program which will adequately advise the consumer of the hazards in the use of the product as well as make available immediate information for physicians who are called upon to treat cases of accidental injury. It should also provide a pattern which the States may follow in enacting similar legislation. In the absence of an adequate Federal law, there is the possibility that diverse labeling regulations will be adopted by the States, leading to a multiplicity of requirements and creating unnecessary confusion in labeling, to the detriment of the public.

Mr. Speaker, hearings on my bill on this subject, H.R. 5260, the companion to S. 1283, were held by the subcommittee on March 14, 1960. All the witnesses appearing favored this legislation in principle and most of them recommended the adoption of the Senate-approved bill. The bill S. 1283, with amendments, was reported by the Committee on Interstate and Foreign Commerce on June 14, 1960.

The amendment at page 8, line 25, is a technical amendment, which makes no change in the intended policy of the bill. It is made necessary by a recent amendment to the law.

On Saturday, June 18, 1960, the other body passed, and cleared for the President, H.R. 7847, which amended section 409(g)(2) of the Federal Food, Drug, and Cosmetic Act by adding a new sentence to that section.

The bill (S. 1283) currently under consideration cross refers to the third sentence of such section 409(g)(2). The enactment of H.R. 7847 will render this cross reference incorrect; therefore this amendment —correcting the cross reference—is necessary.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECREATION AND PUBLIC FACILITIES DEVELOPMENT IN RESERVOIR AREAS

The Clerk called the bill (H.R. 12539) to implement section 4 of the Act approved December 22, 1944 (Public Law No. 534, 78th Cong.), as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. At the request of another Member, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRANSFER OF CERTAIN PERSONAL PROPERTY TO STATE AND COUNTY AGENCIES

The Clerk called the bill (H.R. 9600) to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. SIKES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1018) to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other law, the Postmaster General and the Administrator of General Services are hereby authorized and directed to transfer, as soon as practicable after date of enactment hereof, without cost, to any State or county agency engaged in cooperative agricultural extension work pursuant to the Act of May 8, 1914, as amended (7 U.S.C. 341–348), for the use of such agency, all right, title, and interest in and to any office equipment, materials, books, or other supplies (whether or not capitalized in a working capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund) which have heretofore been assigned for use to any such State or county agency by the Post Office Department or the General Services Administration, respectively.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H.R. 9600) was laid on the table.

A motion to reconsider was laid on the table.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

The Clerk called the bill (H.R. 11499) to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(n) of the Federal Property and Administrative Services Act of 1949, as amended, is hereby amended by adding at the end thereof the following: "In addition, under such cooperative agreements, and subject to such other conditions as may be imposed by the Secretary of Health, Education, and Welfare, or the Director, Office of Civil and Defense Mobilization, surplus property which the Administrator may approve for donation for use in any State for purposes of education, public health, or civil defense, or for research for any such purposes, pursuant to subsection (j)(3) or (j)(4), may with the approval of the Administrator be made available to the State agency after a determination by the Secretary or the Director that such property is necessary to, or would facilitate, the effective operation of the State agency in performing its functions in connection with such program. Upon a determination by the Secretary or the Director that such action is necessary to, or would facilitate, the effective use of such surplus property made available under the terms of a cooperative agreement, title thereto may with the approval of the Administrator be vested in the State agency."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAVEL COST FOR PERSONS SELECTED FOR APPOINTMENT TO GOVERNMENT POSITIONS

The Clerk called the bill (H.R. 12273) to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. FASCELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3485) to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (b) to (d), inclusive, of section 7 of the Administrative Expenses Act of 1946 (60 Stat. 808, as amended, 5 U.S.C. 73b–3) are amended to read as follows:

"(b) Appropriations for the departments shall be available in accordance with regulations prescribed by the President, for expenses of travel of persons appointed, and of student trainees when promoted upon completion of college work, to positions in the United States for which there is determined by the Civil Service Commission to be a manpower shortage, and for expenses of transportation of their immediate families and their household goods and personal effects and for advances of funds to the extent authorized by section 1 (a) and (b) of this Act, from their places of actual residence at time of selection or promotion to their duty station. Travel and transportation expenses shall not be paid upon promotion of a student trainee after completion of college work if such expenses were paid upon his appointment as a student trainee. Such travel expenses may include per diem and mileage allowance as provided for civilian officers and employees by the Travel Expense Act of 1949, as amended. Travel and transportation expenses may be allowed whether the person selected has been appointed or not at the time of such travel. However, the travel and transportation expenses authorized by this subsection shall not be allowed unless the person selected or promoted shall agree in writing to remain in the Government service for twelve months following his appointment or promotion unless separated for reasons beyond his control and acceptable to the depart-

ment or agency concerned. In case of violation of such agreement, any moneys expended by the United States on account of such travel and transportation shall be recoverable from the individual concerned as a debt due the United States.

"(c) The authority of the Civil Service Commission to determine for purposes of this Act positions for which there is a manpower shortage shall not be delegated.

"(d) Nothing contained in this section shall impair or otherwise affect the authority of any department under existing law to pay travel and transportation expenses of persons designated in subsection (b) hereof."

SEC. 2. This Act shall take effect as of August 25, 1960.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H.R. 12273) was laid on the table.

A motion to reconsider was laid on the table.

AMENDING ANTIKICKBACK STATUTE TO EXTEND IT TO ALL NEGOTIATED CONTRACTS

The Clerk called the bill (H.R. 12604) to amend the antikickback statute to extend it to all negotiated contracts.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. FASCELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3487) to amend the antikickback statute to extend it to all negotiated contracts.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of March 8, 1946 (60 Stat. 37), entitled "An Act to eliminate the practice by subcontractors, under cost-plus-a-fixed-fee or cost reimbursable contracts of the United States, of paying fees or kickbacks, or of granting gifts or gratuities to employees of a cost-plus-a-fixed-fee or cost reimbursable prime contractors or of higher tier subcontractors for the purpose of securing the award of subcontracts or orders" is hereby amended to read as follows:

"That the payment of any fee, commission, or compensation of any kind or the granting of any gift or gratuity of any kind, either directly or indirectly, by or on behalf of a subcontractor, as hereinafter defined, (1) to any officer, partner, employee, or agent of a prime contractor holding a negotiated contract entered into by any department, agency, or establishment of the United States for the furnishing of supplies, materials, equipment, or services of any kind whatsoever; or to any such prime contractor, or (2) to any officer, partner, employee, or agent of a higher tier subcontractor holding a subcontract under the prime contract, or to any such subcontractor either as an inducement for the award of a subcontract or order from the prime contractor or any subcontractor, or as an acknowledgment of a subcontract or order previously awarded, is hereby prohibited. The amount of any such fee, commission, or compensation or the cost or expense of any such gratuity or gift, whether heretofore or hereafter paid or incurred by the contractor, shall not be charged, either directly or indirectly, as a part of the contract price charged by the subcontractor to the prime contractor or higher tier subcontractor. The amount of any such fee, cost, or expense shall be recoverable on behalf of the United States from the subcontractor or the recipient thereof by setoff of moneys otherwise owing to the subcontractor either directly by the United States, or by a prime contractor under any contract or by an action in an appropriate court of the United States. Upon a showing that a subcontractor paid fees, commissions, or compensation or granted gifts or gratuities to an officer, partner, employee, or agent of a prime contractor or of another higher tier subcontractor, in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the cost of such expense was included in the price of the subcontract or order and ultimately borne by the United States. Upon the direction of the contracting department or agency or of the General Accounting Office, the prime contractor shall withhold from sums otherwise due a subcontractor any amount reported to have been found to have been paid by a subcontractor as a fee, commission, or compensation or as a gift or gratuity to an officer, partner, employee, or agent of the prime contractor or another higher tier subcontractor."

SEC. 2. For the purpose of this Act, the term "subcontractor" is defined as any person, including a corporation, partnership, or business association of any kind, who holds an agreement or purchase order to perform all or any part of the work or to make or furnish any article or service required for the performance of a negotiated contract or of a subcontract entered thereunder, the term "person" shall include any subcontractor, corporation, association, trust, joint-stock company, partnership, or individual, and the term "negotiated contract" means made without formal advertising.

SEC. 3. For the purpose of ascertaining whether such fees, commissions, compensation, gifts, or gratuities have been paid or granted by a subcontractor, the General Accounting Office shall have the power to inspect the plants and to audit the books and records of any prime contractor or subcontractor engaged in the performance of a negotiated contract.

SEC. 4. Any person who shall knowingly, directly or indirectly, make or receive any such prohibited payment shall be fined not more than $10,000 or be imprisoned for not more than two years, or both.

Mr. FASCELL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FASCELL: Strike out all after the enacting clause and insert the following:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of March 8, 1946 (60 Stat. 37), entitled 'An Act to eliminate the practice by subcontractors, under cost-plus-a-fixed-fee or cost reimbursable contracts of the United States, of paying fees or kickbacks, or of granting gifts or gratuities to employees of a cost-plus-a-fixed-fee or cost reimbursable prime contractors or of higher tier subcontractors for the purpose of securing the award of subcontracts or orders, is hereby amended to read as follows:

" 'That the payment of any fee, commission, or compensation of any kind or the granting of any gift or gratuity of any kind, either directly or indirectly, by or on behalf of a subcontractor, as hereinafter defined (1) to any officer, partner, employee, or agent of a prime contractor holding a negotiated contract entered into by any department, agency, or establishment of the United States for the furnishing of supplies, materials, equipment or services of any kind whatsoever; or to any such prime contractor or (2) to any officer, partner, employee, or agent of a higher tier subcontractor holding a subcontract under the prime contract, or to any such subcontractor either as an inducement for the award of a subcontract or order from the prime contractor or any subcontractor, or as an acknowledgment of a subcontract or order previously awarded, is hereby prohibited. The amount of any such fee, commission, or compensation or the cost or expense of any such gratuity or gift, whether heretofore or hereafter paid or incurred by the subcontractor, shall not be charged, either directly or indirectly, as a part of the contract price charged by the subcontractor to the prime contractor or higher tier subcontractor. The amount of any such fee, cost, or expense shall be recoverable on behalf of the United States from the subcontractor or the recipient thereof by setoff of moneys otherwise owing to the subcontractor either directly by the United States, or by a prime contractor under any contract or by an action in an appropriate court of the United States. Upon a showing that a subcontractor paid fees, commissions, or compensation or granted gifts or gratuities to an officer, partner, employee, or agent of a prime contractor or of another higher tier subcontractor, in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the cost of such expense was included in the price of the subcontract or order and ultimately borne by the United States. Upon the direction of the contracting department or agency or of the General Accounting Office, the prime contractor shall withhold from sums otherwise due a subcontractor any amount reported to have been found to have been paid by a subcontractor as a fee, commission, or compensation or as a gift or gratuity to an officer, partner, employee, or agent of the prime contractor or another higher tier subcontractor.

" 'SEC. 2. For the purpose of this Act, the term "subcontractor" is defined as any person, including a corporation, partnership, or business association of any kind, who holds an agreement or purchase order to perform all or any part of the work or to make or furnish any article or service required for the performance of a negotiated contract or of a subcontract entered thereunder; the term "person" shall include any subcontractor, corporation, association, trust, joint-stock company, partnership, or individual; and the term "negotiated contract" means made without formal advertising.

" 'SEC. 3. For the purpose of ascertaining whether such fees, commissions, compensation, gifts, or gratuities have been paid or granted by a subcontractor, the General Accounting Office shall have the power to inspect the plants and to audit the books and records of any prime contractor or subcontractor engaged in the performance of a negotiated contract.

" 'SEC. 4. Any person who shall knowingly, directly or indirectly, make or receive any such prohibited payment shall be fined not more than $10,000 or be imprisoned for not more than two years, or both.' "

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H.R. 12604) was laid on the table.

A motion to reconsider was laid on the table.

EXTENDING EXEMPTION FROM INSPECTION FOR CERTAIN VESSELS CARRYING FREIGHT TO AND FROM SOUTHEASTERN ALASKA

The Clerk called the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REQUIRING REBUILDING WORK ON DOMESTIC VESSELS TO BE DONE ENTIRELY IN U.S. SHIPYARDS

The Clerk called the bill (S. 3189) to further amend the shipping laws to prohibit operation in the coastwise trade of a rebuilt vessel unless the entire rebuilding is effected within the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I simply want to say I am glad to see this interest in protecting American industry and American labor by requiring that the rebuilding of ships be carried out in American yards. I hope that the Members of the House will extend the same treatment to agriculture to help us raise tariffs and otherwise tighten up on the imports of agricultural products that are pouring into the country, in other words, give some protection to agriculture as well as the shipbuilding industry.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second proviso of section 27 of the Merchant Marine Act, 1920, as amended (U.S.C., 1958 edition, title 46, sec. 883), is amended to read as follows: *"Provided further,* That no vessel of more than five hundred gross tons which has acquired the lawful right to engage in the coastwise trade, by virtue of having been built in or documented under the laws of the United States, and which has later been rebuilt, shall have the right thereafter to engage in the coastwise trade, unless the entire rebuilding, including the construction of any major components of the hull or superstructure of the vessel, is effected within the United States, its Territories (not including trust territories), or its possessions:"

SEC. 2. The first sentence of section 2 of the Act of July 14, 1956 (U.S.C. 1958 edition, title 46, sec. 883a) is amended to read: "If any vessel of more than five hundred gross tons documented under the laws of the United States, or last documented under such laws, is rebuilt, and any part of the rebuilding, including the construction of major components of the hull and superstructure of the vessel, is not effected within the United States, its Territories (not including trust territories) or its possessions, a report of the circumstances of such rebuilding shall be made to the Secretary of the Treasury, upon the first arrival of the vessel thereafter at a port within the customs territory of the United States, if rebuilt outside the United States, its Territories (not including trust territories), or its possessions, or, in any other case, upon completion of the rebuilding, in accordance with such regulations as the Secretary may prescribe."

SEC. 3. The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out the purposes of this Act.

SEC. 4. This Act shall be effective from the time of enactment hereof: *Provided, however,* That no vessel shall be deemed to have lost its coastwise privileges as a result of the amendments made by this Act if it is rebuilt within the United States, its Territories (not including trust territories), or its possessions under a contract executed before such date of enactment and if the work of rebuilding is commenced not later than twenty-four months after such date of enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPROACH ROADS TO FERRY FACILITIES

The Clerk called the bill (H.R. 11240) to amend title 23, United States Code, to provide for participation of Federal-aid highway funds in the construction of approach roads to ferry facilities on the Federal-aid system.

Mr. FORD. Mr. Speaker, at the request of another Member, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. FORD]?

There was no objection.

PRINCESS ANNE COUNTY SCHOOL BOARD, VIRGINIA

The Clerk called the bill (H.R. 11136) for the relief of the Princess Anne County School Board, Virginia.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISPOSITION OF CONTRIBUTIONS OF CERTAIN ANNUITANTS AND OTHER BENEFITS UNDER THE CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (S. 2857) to amend the Civil Service Retirement Act so as to provide for refunds of contributions in the case of annuitants, whose length of service exceeds the amount necessary to provide the maximum annuity allowable under such act.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CREDITING FOR RETIREMENT AND LEAVE PURPOSES OF CERTAIN INTERNMENT PERIODS OF EMPLOYEES OF JAPANESE ANCESTRY IN WORLD WAR II

The Clerk called the bill (H.R. 7810) to credit periods of internment during World War II to certain Federal employees of Japanese ancestry for purposes of the Civil Service Retirement Act and the Annual and Sick Leave Act of 1951.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act to provide benefits for certain Federal employees of Japanese ancestry who lost certain rights with respect to grade, time in grade, and rate of compensation by reason of any policy or program of the Federal Government with respect to persons of Japanese ancestry during World War II", approved July 15, 1952 (66 Stat. 634; 5 U.S.C. 1076), is amended by adding at the end of such section the following: "Each period of internment, and each period during which any such loss of opportunity for or denial of appointment, or denial of reinstatement, or separation from the service, was in effect, by reason of such policy or program, shall be held and considered to be creditable service for the purposes of the Civil Service Retirement Act and the Annual and Sick Leave Act of 1951."

With the following committee amendment:

On page 2, immediately following line 8, add a new section 2, as follows:

"SEC. 2. Notwithstanding any other provision of law, any civil service retirement benefits resulting from the amendment made by this Act shall be paid from the civil service retirement and disability fund."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POWERBOAT SERVICE IN ALASKA

The Clerk called the bill (S. 1849) to amend the act of August 10, 1939, authorizing the Postmaster General to contract for certain powerboat service in Alaska.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMEND SECTION 4 OF THE ACT OF JANUARY 21, 1929

The Clerk called the bill (S. 3545) to amend section 4 of the act of January 21, 1929 (48 U.S.C. 354a (c)), and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 4 of the Act of January 21, 1929 (48 U.S.C. 354a(c)), is amended by inserting after the word "auction" the following: "or leasing by means of sealed competitive bidding," and by deleting, in the clause following the words "public auction" and inserting in lieu thereof "sale or lease."

Sec. 2. The said Act is further amended by striking the word "Territory" wherever it appears and inserting in lieu thereof the word "State."

With the following committee amendment:

Strike out all after the enacting clause and insert:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 4 of the Act of January 21, 1929 (48 U.S.C. 354a(c)), is amended by inserting after the words "public auction" the first time they occur therein the words "or, in the case of a lease, to the person who submits the highest bid at a public auction or through sealed competitive bidding" and by deleting the words "public auction" the second time they appear therein and inserting in lieu thereof the words "proposed sale or lease."

SEC. 2. The said Act is further amended by striking the words "Territory" or "Territorial" wherever they appear and inserting in lieu thereof the word "State."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN NATURALIZATION PRIVILEGES TO VETERANS OF KOREA

The Clerk called the bill (H.R. 7209) to amend the Immigration and Nationality Act to accord Korean war veterans equal naturalization privileges, and to authorize the Attorney General to admit certain aliens who have served in the Armed Forces of the United States for a period aggregating 5 years as permanent residents.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 329 of the Immigration and Nationality Act is amended by inserting after "December 31, 1946," the following: "or during a period beginning June 25, 1950, and ending July 1, 1955,".

SEC. 2. Paragraph (4) of subsection (b) of section 329 of the Immigration and Nationality Act is amended by inserting after "December 31, 1946," the following: "or during a period beginning June 25, 1950, and ending July 1, 1955,".

SEC. 3. Section 245 of the Immigration and Nationality Act is amended by adding at the end thereof the following new subsection:

"(c) If, upon application of any alien, it shall appear to the satisfaction of the Attorney General that (1) such alien has served honorably at any time in the Armed Forces of the United States (including the Coast Guard) for a period or periods aggregating five years, and who, if separated from such service, was never separated except under honorable conditions, (2) such alien is a person of good moral character, and (3) such action would not be contrary to the national welfare, safety, or security, the Attorney General may, notwithstanding any other provision of this Act or any other law, admit such alien to the United States for permanent residence, or, if such alien is in the United States, record the alien's last entry into the United States as an admission for permanent residence as of the date of such entry."

SEC. 4. (a) Paragraph (1) of subsection (d) of section 101 of the Immigration and Nationality Act is amended by inserting immediately after "December 31, 1946," the following: "or from June 25, 1950, to July 1, 1955,".

(b) Paragraph (2) of subsection (d) of section 101 of the Immigration and Nationality Act is amended (1) by striking out "and (C)" and inserting in lieu thereof "(C)", and (2) by inserting immediately after "December 31, 1946" the following: "; and (d) the term 'Korean conflict relates to the period from June 25, 1950, to July 1, 1955".

SEC. 5. Paragraph (1) of section 354 of the Immigration and Nationality Act is amended by striking out "or World War II" and inserting in lieu thereof the following: "World War II, or the Korean conflict".

Amend the title so as to read: "A bill to accord certain naturalization privileges to veterans of the Korean hostilities."

With the following committee amendments:

On page 2, strike out all of section 3.

On page 2, line 22, strike out "SEC. 4." and substitute "SEC. 3."

On page 3, line 5, strike out the word "Conflict" and substitute the word "hostilities".

On page 3, strike out all of section 5.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to accord certain naturalization privileges to veterans of the Korean hostilities."

A motion to reconsider was laid on the table.

RELATING TO POSITIONS IN THE LIBRARY OF CONGRESS

The Clerk called the bill (H.R. 8424) to amend section 505 of the Classification Act of 1949 with respect to positions in the Library of Congress.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 505(i) of the Classification Act of 1949, as amended (72 Stat. 213; 5 U.S.C. 1105(i)), is amended—

(1) by striking out the word "and" immediately following the semicolon in paragraph (2) thereof;

(2) by striking out the period at the end of paragraph (3) thereof and inserting in lieu of such period a semicolon and the word "and"; and

(3) by adding at the end of such section 505(i) the following new paragraph:

"(4) to which appointments are made by the Librarian of Congress.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL GUARD CLAIMS

The Clerk called the bill (H.R. 5435) to extend the Federal Tort Claims Act to members of the National Guard when engaged in training duty under Federal law, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, would someone from the committee give us an explanation of this legislation?

Mr. LANE. May I say to the gentleman that this bill came before the Committee on the Judiciary with the petition to place the National Guard under the Federal Tort Claims Act. Now, the Department of the Army objected to that bill and they have recommended to us a new bill which your committee is now offering for the consideration of the House. Under the new bill these claims of the National Guard will come under the Military Claims Act instead of the Federal Tort Claims Act.

Mr. FORD. Mr. Speaker, this bill and the report just came to my office very late this morning. Frankly, I have not had an opportunity to go into the matter as fully as I believe I should. Therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. That concludes the call of the Consent Calendar.

CERTAIN COMPENSATION TO TUTTLE CREEK RESERVOIR, KANS.

Mr. AVERY. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 493, the bill (H.R. 12532) to provide compensation for certain property losses in the Tuttle Creek Reservoir project, Kansas.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized and directed to pay to any bona fide lessee or permittee owning improvements, which are or which were situated on a railroad right-of-way, the fair value of any such improvements, which have been or will be rendered inoperative or be otherwise adversely affected by the construction of the Tuttle Creek Reservoir project on the Blue River, Kansas, as determined by the Secretary, or by the United States District Court for the District of Kansas on which is conferred jurisdiction for this purpose.

SEC. 2. The Secretary of the Army is authorized to provide the funds necessary to carry out the provisions of this Act from any moneys appropriated for the construction of the Tuttle Creek Reservoir project.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ACREAGE REMEASUREMENT

Mr. ABBITT. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 485, the bill (H.R. 12420) to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. ANDERSEN of Minnesota. Mr. Speaker, reserving the right to object, this bill has now been explained to me since my previous reservation. Consequently I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 374(b) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1374(b)), is amended by striking out the last sentence thereof.

SEC. 2. Section 374(c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "The Secretary shall by appropriate regulations provide for the remeasurement upon request by the farm operator of the acreage planted to such commodity on the farm and for the measurement of the acreage planted to such commodity on the farm remaining after any adjustment of excess acreage hereunder and shall prescribe the conditions under which the farm operator shall be required to pay the county committee for the expense of the measurement of adjusted acreage or the expense of remeasurement after the initial measurement or the measurement of adjusted acreage. The regulations shall also provide for the refund of any deposit or payment made for the expense of the remeasurement of the initially determined acreage or the adjusted acreage when because of an error in the determination of such acreage the remeasurement brings the acreage within the allotment or permitted acreage or results in a change in acreage in excess of a reasonable variation normal to measurements of acreage of the commodity. Unless the requirements for measurement of adjusted acreage are met by the farm operator, the acreage prior to such adjustment as determined by the county committee shall be considered the acreage of the commodity on the farm in determining whether the applicable farm allotment has been exceeded.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOUSING FOR ESSENTIAL CIVILIAN EMPLOYEES OF NASA

Mr. MULTER. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 487, the bill (S. 3226) to amend section 809 of the National Housing Act.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. PELLY. Mr. Speaker, reserving the right to object, when this bill came up before I raised the issue of the departmental reports. None was shown in the committee report. I would like to again ask that question on this bill.

Mr. MULTER. I wish to advise the House that the agencies concerned, none of them, objected to the bill and have indicated that they favor the bill. This is merely to cover employees of other agencies who are covered by law and have now been transferred to NASA.

Mr. PELLY. The printed report did not give me that information. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 809 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(g) A mortgage secured by property which is intended to provide housing for a person employed or assigned to duty at a research or development installation of the National Aeronautics and Space Administration and which is located at or near such installation, where such installation was a research or development installation of one of the military departments of the United States (on or after June 13, 1956) before its transfer to the jurisdiction of such Administration, may (if the mortgage otherwise meets the requirements of this section) be insured by the Commissioner under the provisions of this section. The Administrator of the National Aeronautics and Space Administration, or his designee, is authorized to guarantee and indemnify the Armed Services Housing Mortgage Insurance Fund against loss to the extent required by the Commissioner, in accordance with the provisions of subsection (b) of this section, in the case of mortgages referred to in this subsection. For purposes of this subsection, (1) the terms 'Armed Forces', 'one of the military departments of the United States', 'military department', 'Secretary or his designee', and 'Secretary' when used in subsections (a) and (b) of this section and the term 'Secretary of the Army, Navy, or Air Force' when used in section 805, shall be deemed to refer to the National Aeronautics and Space Administration or the Administrator thereof, as may be appropriate, (2) the terms 'civilian employee', 'civilians', and 'civilian personnel' as used in this section shall be deemed to refer to employees of such Administration or a contractor thereof or to military personnel assigned to duty at an installation of such Administration, and (3) the term 'military installation' when used in section 805 shall be deemed to refer to an installation of such Administration."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from New York [Mr. CELLER], I ask unanimous consent that the Committee on the Judiciary have permission to sit during general debate on Tuesday and Wednesday of next week.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDMENTS TO THE ARMED SERVICES PROCUREMENT ACT OF 1947

Mr. VINSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12572) to amend the Armed Services Procurement Act of 1947.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10 of the United States Code is hereby amended as follows:

(a) Subsection 2304(a) is amended to read as follows:

"(a) Purchases of and contracts for property or services covered by this chapter shall be made by formal advertising in all cases in which the use of such method is feasible and practicable under the existing conditions and circumstances. If use of such method is not feasible and practicable, the head of an agency, subject to the requirements for determinations and findings in section 2310, may negotiate such a purchase or contract, if—".

(b) Subsection 2304(a)(1) is amended to read as follows:

"(1) it is determined that such action is necessary in the public interest during a national emergency declared by the Congress or a period of six months following a national emergency hereafter declared by the President."

(c) Subsection 2304(a)(14) is amended to read as follows:

"(14) the purchase or contract is for technical or special property that he determines to require a substantial initial investment or an extended period of preparation for manufacture, and for which he determines that formal advertising would be likely to result in additional cost to the Government by reason of duplication of investment or would result in duplication of necessary preparation which would unduly delay the procurement of the property;"

(d) Subsection 2304(a)(17) is amended to read as follows:

"(17) otherwise authorized by law, or when in furtherance of small business, labor surplus area, or major disaster area programs, the agency head determines that supplies or services are to be procured from small business concerns as defined by the Administrator of the Small Business Administration, from concerns which will perform the contracts substantially within labor surplus areas as determined by the Secretary of Labor, or from concerns which will perform the contracts substantially within areas of major disaster as determined by the President."

(e) Section 2304 is amended by adding a new subsection as follows:

"(g) In all negotiated procurements in excess of $2,500 in which rates or prices are not fixed by law or regulation and in which time of delivery will permit, proposals shall be solicited from the maximum number of qualified sources consistent with the nature and requirements of the supplies or services to be procured, and written or oral discussion shall be conducted with all responsible offerors who submit proposals within a competitive range, price, and other factors considered: *Provided, however,* That the requirements of this subsection with respect to written or oral discussions need not be applied to procurements in implementation of authorized set-aside programs or to procurements where it can be clearly demonstrated from the existence of adequate competition or accurate prior cost experience with the product, that acceptance of an initial proposal without discussion would result in fair and reasonable prices and where the request for proposals notifies all

offerors of the possibility that award may be made without discussion."

(f) The second sentence of subsection 2306(a) is amended by substituting "(f)" for "(e)".

(g) Section 2306 is amended by adding a new subsection as follows:

"(f) No contracts shall be negotiated under this title containing a profit formula that would allow the contractor increased fees or profits for cost reductions or target cost underruns, unless the contractors shall have certified that the cost data he submitted in negotiations for the fixing of the target cost or price was current, accurate, and complete; and such contracts shall contain a provision that the target cost or price shall be adjusted to exclude any sums by which it may be found after audit that the target cost or price may have been increased as a result of any inaccurate, incomplete, or noncurrent data."

(h) Subsection 2310(b) is amended to read as follows:

"(b) Each determination or decision under clauses (11)–(16) of section 2304(a), section 2306(c), or section 2307(c) of this title shall be based on a written finding by the person making the determination or decision, and such findings shall set out facts and circumstances which (1) are clearly illustrative of the conditions described in clauses (11)–(16) of subsection 2304(a), or (2) clearly indicate why the type of contract selected under subsection 2306(c) is likely to be less costly than any other type, or (3) clearly indicate why advance payments under subsection 2307(c) would be in the public interest. Contracts negotiated under clauses (2), (7), (8), (10), (12) and for property or supplies under (11) of section 2304(a) shall be supported by a written finding setting out facts and circumstances sufficient to clearly and convincingly establish that use of formal advertising would not have been feasible and practicable. Each determination, decision, and finding required by this subsection shall be final and shall be kept available in the agency for at least six years after the date of execution of the contract to which it applies, and a copy thereof shall be submitted to the General Accounting Office with each contract to which it applies."

(i) Section 2311 is amended to read as follows:

"§ 2311. Delegation

"The head of an agency may delegate, subject to his direction, to any other officer or official of that agency, any power under this chapter except the power to make determinations and decisions under clauses (11)–(16) of section 2304(a) of this title. However, the power to make a determination or decision under section 2304(a)(11) of this title may be delegated to any other officer or official of that agency who is responsible for procurement, and only for contracts requiring the expenditure of not more than $100,000."

The SPEAKER. Is a second demanded?

Mr. BATES. Mr. Speaker, I demand a second.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 149]

Adair	Downing	Merrow
Alford	Durham	Metcalf
Alger	Flynt	Miller, N.Y.
Anderson, Mont.	Frazier	Morris, Okla.
	Frelinghuysen	Mumma
Anfuso	Halleck	Oliver
Barden	Hess	Scott
Bentley	Holifield	Steed
Blitch	Kelly	Taylor
Bray	Keogh	Wainwright
Buckley	Lennon	Watts
Burdick	McSween	Wright
Celler	Magnuson	Zelenko
Coffin	Mason	

The SPEAKER. On this rollcall 389 Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDMENTS TO ARMED SERVICES PROCUREMENT ACT OF 1947

The SPEAKER. The gentleman from Georgia [Mr. VINSON] is recognized.

Mr. VINSON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this bill, H.R. 12572, is to amend the Armed Services Procurement Act of 1947.

This bill has been unanimously reported by the Armed Services Committee and there is no objection to its enactment from the Department of Defense or the Comptroller General. As a matter of fact, these amendments to the Procurement Act of 1947 were suggested by the Comptroller General's Office.

The purpose of the bill is to bring negotiated procurement under more rigid legislative control.

In accordance with the act of July 13, 1959, the Armed Services Committees of the House and Senate were directed, among other things, to study procurement methods and the type of contracts employed in procurement and the effectiveness in achieving reasonable cost, price, and profits.

As a result of that study, the Armed Services Committee recommends legislation along the lines set out in this bill, H.R. 12572.

There is no appropriation involved in this legislation; no cost attached to the Government, and it deals solely with negotiated contracts—a subject which, as you know, has plagued the Congress for many years.

The committee felt that we should define in more positive language the congressional intent relating to negotiated contracts.

The act of February 19, 1948, section 2304, states:

SEC. 2304(a). Purchases of and contracts for property or services covered by this chapter shall be made by formal advertising. However, the head of an agency may negotiate such a purchase or contract, if—

Now we amend that section to read as follows:

Purchases of and contracts for property or services covered by this chapter shall be made by formal advertising in all cases in which the use of such method is feasible and practicable under the existing conditions and circumstances. If use of such method is not feasible and practicable, the head of an agency, subject to the requirements for determinations and findings in section 2310, may negotiate such a purchase or contract, if—

What we are trying to do is to emphasize in more positive manner formal advertising.

Now to circumscribe and lessen the area of negotiated contracts we had to deal with section 2304(a)(1) of the act, which was as follows:

(1) It is determined that such action is necessary in the public interest during a national emergency declared by Congress or the President.

And we accomplish it by amending section 2304(a)(1) in the following language:

(1) It is determined that such action is necessary in the public interest during a national emergency declared by the Congress or for a period of 6 months following a national emergency hereafter declared by the President.

This language, which the committee proposes, revokes the Korean national emergency proclamation in 1950 insofar as it pertains to procurement matters. It is only related to procurement matters. However, you will note that in the event of a certain new national emergency, these extraordinary powers of negotiation may be exercised on a Presidential national emergency proclamation and for 6 months thereafter.

The bill does not stop repetitive proclamations by the President of national emergencies—nor could it.

The Department, from 1950 down to 1956, was making at least 90 percent of all its contracts under the authority of the national emergency declared by the President in the 1950 proclamation. In the original act of 1947, there was set up 17 different grounds when the negotiated contracts could be entered into.

Now what we will accomplish by repealing the national emergency proclamation of President Truman when the Korean conflict broke out is to force the Department to use the exceptions authorized in the original law. These exceptions were carefully written and require certain findings by the Department heads or in some instances, by the contracting officers.

There can be no doubt that by this amendment, cutting off the use of the President's proclamation or entering into negotiated contracts there is bound to be a lessening of negotiated contracts and getting the Department back in the road to formal advertisements more permanently than it is today.

In 1958 the House passed by rollcall vote, of 300 some odd to only 2 dissenting votes, a similar provision. However, that bill failed to be considered in the Senate.

Now we have added to exception 17 the authority to negotiate contracts by unilateral set-asides in aid of small business when defined by the Small Business Administrator, in aid of labor surplus areas when declared by the Secretary of

Labor and in aid of disaster areas when determined by the President.

But I want to make it crystal clear that this does not involve one dollar extra cost to the Government.

The prices on these set-asides must be competitive prices.

Other portions of the bill are highly important. We add a new provision which will require that negotiation be a true negotiation between competitors by written or oral discussions.

The only exception to this is where bidders are notified in advance to submit their best offer and then only when there is competition and accurate prior cost experience. That is good law and good administration. It must be obvious from what I have said that it is a needed provision of law because of confusion and violations in the past.

I think probably the most important section, dollarwise, is the provision which adds controls in the use of the fixed-price-incentive type contract. This provision has been prepared with great pains; and is one that I confidently believe is workable and very much needed.

This is probably the most difficult contract to understand and administer; and the type of contract which has been most criticized. The Comptroller General had repeatedly brought to the attention of Congress poor negotiations and excessive pricing. This type of contract accounts for 50 percent of the Air Force dollars and 12 percent of Navy dollars. It is not used in the Department of the Army. It depends for its validity upon estimates. It is a pricing by formula in which the Government and contractor are to share 80–20 percent of the difference between actual final costs and a negotiated incentive target price, fixed on estimate before production.

Therefore, the incentive target price which is produced out of estimates in a negotiation is the controlling figure. The higher the contractor gets the target price in negotiations, the more sure he is of incentive profits because actual costs underrun the target. This is his position at the bargaining table. The Government never seems to be in an advantageous position.

Indeed, the cost figures which come to Government negotiators are pretty much out of the contractor's own books. The Comptroller General has pointed out many instances where inaccurate, incomplete and out-of-date figures were used in fixing the target price. It is with the estimating of target price that this section is concerned.

First, this bill requires that the contractor certify that complete, accurate, and current data on his costs and pricing was submitted in negotiation; and it provides further that before the application of the profit-sharing formula, an audit will be made to determine whether the costs used by the contractor in the initial negotiations were, in fact, complete, accurate, and current; and, if they were not, then the incentive target price is reduced to the extent that the figures represented in negotiations were not accurate.

After that process, and only after that process of audit and determination of fact, can the profit formula be applied.

This means that the cost reductions be proven in fact and not by unrealistic or misrepresented estimates. This provision will go a long way to tighten up this type of procurement.

Another section provides that in certain of the exceptions permitting negotiations, there shall be written findings and specific data. I shall not go in further detail on that except to say that it has all been thoroughly discussed not only with the Comptroller General but with the Department of Defense, and it is necessary and workable.

The final provision of the bill merely permits delegation of responsibility in research and development contracts from the present limit of $25,000 to $100,000 which is, we feel, a more workable administrative provision.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. I notice in the report a statement in relation to the full disclosure provision in the bill, and I want to commend the gentleman for it. I assume it is still in the bill.

Mr. VINSON. It is still in the bill; yes.

Mr. GROSS. I want to commend the gentleman and his committee for this full disclosure provision, but the gentleman's statement as to the position of the Defense Department leads me to read this one sentence, if the gentleman will permit me: "This provision has the support of the Comptroller General, and it has at least the acquiescence of the Department of Defense."

Mr. VINSON. Well, I want to say in all frankness and candor that some of these items may not be so well liked by the Department of Defense, but we sat down with them and talked the matter over. I sat down myself with the Comptroller and we just told them we were going to write this kind of law.

Mr. GROSS. At least it has the begrudging approval of the Department of Defense.

Mr. VINSON. That is right.

Mr. Speaker, this is one of the most important bills that we will vote on in this session of the Congress, because it goes to the very heart of the expenditure for contracts involving $20 billion annually by the Defense Establishment. And we are tightening the law to see to it that the Government gets a better type of contract, with the objective of getting more competition and better prices.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from New York.

Mr. SANTANGELO. I want to compliment the chairman and his committee for this bill. I think it is a big step forward in trying to eliminate some of the wasteful practices in the overcharges and the excessive costs that the taxpayers have to pay in the military construction program and also to the Air Force contractors and all these other negotiated contracts. I think you have done a wonderful job.

Mr. VINSON. I thank the gentleman. When this bill becomes law, coupled with the present renegotiation law on the statute books, we will get better contracts.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Ohio.

Mr. VANIK. I certainly want to compliment the chairman and his committee for the fine work they have done on this bill. I would like to inquire of the chairman of the committee whether there is in his opinion any further need for a continuation of the state of emergency, which has not yet been lifted.

Mr. VINSON. Of course, as far as the negotiation of contracts during a national emergency is concerned, that goes out by the enactment of this bill. But, the President has the authority, if he sees fit to do so, to declare another national emergency, and then you can make negotiated contracts under that new emergency. But, as far as the emergency declared in 1950 is concerned, the enactment of this bill wipes that out.

Mr. VANIK. I thank the gentleman.

Mr. BATES. Mr. Speaker, I rise in support of H.R. 12572 to amend the Armed Services Procurement Act of 1947. The full committee and the subcommittees, on many of which I have served, have spent long hours in studying procurement. It is a subject broad in scope, large in dollars, and intricate in operation. We are confronted in rapidly changing conditions with the necessity of bargaining for critical defense needs. It sometimes seems that the process is almost as complex as many of the products.

All of us have been concerned with the tremendous amount of negotiated contracting—almost 87 percent—of our dollars now. But no one has yet suggested a way in which it can be totally or even largely supplanted by the more conventional system of formal advertising.

The least we can do, therefore, it seems to me, is to add controls that will more nearly harmonize negotiation with advertised procurement; and, establish controls in negotiation that will make it more effective and satisfactory. That is what this bill does. I shall not repeat all of the bill's provisions, so ably explained by the chairman.

Let me point up some of the more important features.

First. The bill terminates the Korean national emergency proclamation of 1950 insofar as procurement authority to negotiate is concerned; but it wisely provides that on another presidential proclamation of a national emergency negotiating is authorized for a period of 6 months. After that, of course, it could be renewed if that necessity should occur. Otherwise, negotiating authority without the restrictions of the act can only occur on a national emergency declared by the Congress. This has the effect of restoring the restrictions in the act to the specific circumstances and methods prescribed in its 17 exceptions permitting negotiation.

But because we do that we must and have made provision for "set-asides" for small business concerns and for distressed and disaster area contractors. This we do in section (d) of the bill which amends exception 17 of the act to grant specific authority for "set-aside" programs. We authorize negotiated procurement for military needs when the concern falls within the definition of a small business concern as determined by the Administrator of the Small Business Administration; for a contractor living in a distressed area when the Secretary of Labor, pursuant to law, has found him to be within that category. Such a determination is made by law without regard to military procurement application; and by someone outside the Defense Department.

Likewise, when the President proclaims a disaster area, persons living within the area can benefit from negotiated procurement of Defense Department set-asides which they are able to supply. This whole section of the bill harmonizes the congressional intent that small business concerns and persons living in distressed areas be given an opportunity of supplying military needs which can be bought from them at the same prices as from competitors.

The bill does not add to the cost of the things the Government purchases for military needs, but it does permit the less favored and less fortunate to participate at no additional cost to the Government in supplying military needs as their capacity will permit.

Second. The bill places restrictions on the fixed-price-incentive contract to require that it be priced accurately in negotiation before allowing additional incentive profit.

Let me preface what I have to say by reminding you that some $8 billion of material is bought on this type of contract. It seems to have been the choice of less attractive alternatives.

Here is how it works: When a product is about to go into volume production, Government, and contractor sit down—and by this time there is just one contractor in the field whose product has been selected—and estimate what the cost of the finished article probably may be. Then a sum in dollars is added for profit. A pricing formula is then agreed upon which is this: For each dollar less than the negotiated target price, by which actual costs underrun the target price, the contractor receives 20 cents and the Government gets back 80 cents.

For every dollar the contractors actual costs exceed the target price the contractor begins to lose his normal profit up to a ceiling price of 120 percent.

Above the ceiling price the contractor pays the bill. But in all the contracts shown to us for a 4-year period, in only two instances did the contractor dig down—and they amounted to only $140,000 in $8,008 million of contracting. So the contract is not one of too much risk.

One of the difficulties with this type of contract is that it is always an estimate; and estimates of this nature are seldom accurate. That is what the Comptroller General has spoken of so often to Congress.

So this bill concerns itself with the accuracy of estimates in negotiating target prices and profits.

This bill provides that before final payment there shall be an audit of the figures used by the contractor in negotiations for fixing the target; and that there be eliminated from that target price any sums by which the price shall have been boosted by inaccurate, incomplete or noncurrent data. Then the profit formula for profit sharing for contractor efficiency in obtaining true cost reductions over the normal profit allowed in the contract can be applied; and it will then more closely represent true savings.

This is what we hope to achieve—correct and accurate pricing and a reward for real and not estimated effort.

I am confident that this is a workable provision; and I know that it meets the major criticism attached to this type of contract and to a considerable degree it will rule out the cases to which attention has been called by the Comptroller General where profits have been overestimated in bargaining.

This one provision is the most important thing dollarwise in the bill, in my opinion. No honest bargainer can object to it, it seems to me. It simply calls for the truth in bargaining and paying. I think that is not too much to expect and to require.

Other provisions of the bill are administrative. They sum up in my mind as provisions intended to tighten the controls in negotiated purchasing by requiring more positive justification for negotiation in certain of the instances where the permission to negotiate has been interpreted as an invitation.

The bill also does something about this thing called negotiation. It requires that there be competition, and oral or written discussion with offerors. Too often we have heard complaints of lack of competition and lack of discussion which to most means a written or oral exchange on competency, capacity, or price bargaining.

Now that will be mandatory. Negotiation will mean to the Department of Defense what it means to every other person. Where, however, bidders are advised to submit complete and final proposals in competition and where the Department has had prior cost experience, discussion may be dispensed. This represents an insignificant minority of cases, but is a useful administrative aid. I fully and heartily endorse this bill and I urge the House to pass it.

Mr. VANIK. Mr. Speaker, this very important legislation which seeks to provide for the reestablishment of advertised competitive bidding for the great quantity of defense procurement carried on by the several armed services is long overdue.

The failure of the executive to call off the national emergency which was proclaimed on December 15, 1950, at the time of the Korean hostilities, certainly constitutes an abuse of that authority. In this way the business of the present administration in two terms has been carried on under a state of "national emergency."

The obvious purpose of continuing the state of "national emergency" was to bypass vital and important Federal laws in procurement and other fields which become suspended with such a declaration. It is incredible that the administration should compel Congress to take this action.

I would have preferred to have supported a concurrent resolution to terminate the "state of emergency" by act of Congress. This would permit the conduct of business to be carried on in accordance with the basic established law of the land instead of the "arbitrary" discretion of the executive.

Earlier this week, the Army awarded a $34.4 million contract for the procurement of M–113 armored personnel carriers to the San Jose plant of the Food Machinery & Chemical Corp. During the past several months I have been studying the circumstances which, in my opinion, made it impossible for any other bidder to qualify for this important production contract. The bidding ground rules were, in my judgment, completely discriminatory against the use of the Government-owned Cleveland ordnance plant for this work and in favor of the award of the contract to the Food Machinery & Chemical Corp. Under wide discretionary authority, permissible under negotiated contracts and evaluations, established under procurement and Bureau of the Budget bulletins in this state of emergency, contracts can be executed by the armed services without any regard to cost, fair competition, or preservation of mobilization base capacity.

These bidding procedures, which are now under study, would never have been possible if this bill had been law prior to the granting of this contract.

Although this legislation comes too late to be helpful in the bidding procedures which have discriminated against the Government-owned plant in my city, I am happy to see it enacted into law to prevent the higher cost of defense production resulting under negotiated contracts, and the highly questionable arbitrary evaluations, which are permissible under the negotiated contract procedures.

Advertised competitive bidding will produce tremendous savings for our Government in military procurement and restore confidence to the administration of this program which requires over one-half of the total budget.

Thank you again, Mr. Speaker, for channeling and guiding this legislation through your committee and to the floor today.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

SALE OF U.S. OBLIGATIONS TO FEDERAL RESERVE BANKS

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12346) to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355) is amended by striking out "July 1, 1960" and inserting in lieu thereof "July 1, 1962" and by striking out "June 30, 1960" and inserting in lieu thereof "June 30, 1962".

The SPEAKER. Is a second demanded?

Mr. KILBURN. Mr. Speaker, I demand a second.

Mr. PATMAN. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman from New York opposed to the bill?

Mr. KILBURN. I am not, Mr. Speaker.

The SPEAKER. Is the gentleman from Texas opposed to the bill?

Mr. PATMAN. Mr. Speaker, I am opposed to the bill under suspension of the rules.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. SPENCE. Mr. Speaker, this bill merely extends an existing law for 2 years. It provides that the Federal Reserve banks may purchase directly from the Treasury obligations of the U.S. Government up to the amount of $5 billion. That provision expires on the 30th of June this year. Before 1935 the Federal Reserve banks had the authority to purchase obligations directly from the Treasury without limitation. By the Banking Act of 1935 that authority was taken away from them.

In 1942 the authority was given to the Federal Reserve banks to purchase directly securities of the U.S. Government from the Treasury, but the amount was limited to $5 billion; that authority was limited to a period of 2 years. The authority has been renewed periodically since that time. The purpose of this bill is merely to extend it for another 2 years, from June 30 of this year to June 30, 1962.

The Treasury is very anxious to see it reenacted. The Federal Reserve Board is for the bill. The authority has not been used very often. It has been used very sparingly, and only twice has the amount borrowed directly from the Federal Reserve banks exceeded a billion dollars. The highest figure it ever reached was $1.3 billion.

This authority saves the taxpayer money because it permits the Treasury to operate with lower cash balances than it would otherwise have to maintain.

The bill was voted out of the committee unanimously, and I know of no objection to it. I hope the Congress will pass the bill immediately. Its record of usefulness is certainly justification for its continuation.

Under leave to extend my remarks I herewith insert excerpts from the committee report on the bill, including a statement by the Treasury on the uses of this authority:

H.R. 12346 would extend until June 30, 1962, the present authority of the Federal Reserve banks to purchase securities directly from the Treasury in amounts not to exceed $5 billion outstanding at any one time.

Prior to 1935 Federal Reserve banks could purchase Government obligations either in the market or directly from the Treasury. The Banking Act of 1935, however, required that all purchases of Government securities by Federal Reserve banks be made in the open market. In 1942 the authority of the Federal Reserve banks to purchase securities directly from the Treasury was restored, but a limit of $5 billion was placed on the amount outstanding at any one time. The $5 billion authority was granted initially only through 1944, but the Congress has extended it from time to time so as to provide continuous limited direct borrowing authority ever since. The present authority was granted for 2 years and expires June 30, 1960.

The Treasury Department furnished the following statement of the principles governing use of the direct purchase authority:

"(1) The existence of the direct purchase authority permits the Treasury to operate with significantly lower cash balances than would otherwise be prudent, and still be in a position to meet cash needs in case of large unanticipated outlays or delays in receipts. This attribute of the direct purchase authority does not, as a matter of practice, require its actual use except in rare instances.

"(2) Similarly, the existence of the direct purchase authority adds significantly to the Treasury's flexibility in the management of the public debt by permitting more leeway in the timing of new Treasury issues to the public advantage than would otherwise be possible. Again, as in the first use of the authority, its availability is sufficient to give the Treasury this required flexibility even though actual use of the purchase authority is rare.

"(3) Availability of this authority has on occasion provided a useful device for smoothing out the impact on the money market and the banking system of large short-run fluctuations in the Treasury's cash balance, especially during periods immediately preceding the peak of tax collections. While this particular use of the purchase authority is less significant than during the war and early postwar periods, it continues to be desirable to have the authority available for use in situations where the technique would be especially appropriate. * * *

"(4) Perhaps most importantly, the direct purchase authority provides an immediate source of funds for temporary financing in the event of a national emergency. The immediate financial impact of such an emergency presumably would be most important with reference to the ability of the Treasury to handle the refunding of maturing debt if the emergency resulted in serious dislocation of financial markets. The need for utilizing the direct purchase authority in this way would appear to be much more urgent than to cover increased Federal Government spending (even though appropriations are increased immediately) although some use of the authority might be necessary in event of a sudden decline in revenue."

Treasury borrowing from the Federal Reserve banks under this authority has been used infrequently and then only for short periods. The last time it was used was on March 17 and 18, 1958. Borrowing has exceeded $1 billion only rarely. The following table shows the use of the direct borrowing authority since 1942:

Direct borrowing from Federal Reserve banks

Year	Days used	Maximum amount at any time	Number of separate times used	Maximum number of days used at any one time
		Millions		
1942	19	$422	4	6
1943	48	1,320	4	28
1944	None			
1945	9	484	2	7
1946	None			
1947	None			
1948	None			
1949	2	220	1	2
1950	2	108	2	1
1951	4	320	2	3
1952	30	811	4	9
1953	29	1,172	2	20
1954	15	424	2	13
1955	None			
1956	None			
1957	None			
1958	2	207	1	2
1959	None			
1960: January–April	None			

While admittedly this is a broad power, properly used it is a very useful one. It is a power which the committee believes automatically should be brought before the Congress for periodic review and hence the proposed extension of the authority for only a 2-year period. When the authority is in use a record of its use is included in the weekly statement of condition of the 12 Federal Reserve banks, which is published in newspapers on Thursday of each week. Further, it may be pointed out existing law requires that the Board of Governors of the Federal Reserve System include detailed information with respect to use of this authority in its annual report to Congress.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a portion of the report of the committee and the statement of the Treasury in regard to this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Speaker, I would just like to say that this bill was passed out unanimously from our committee. The gentleman from Iowa [Mr. GROSS] asked me if he should demand a second because he was opposed to the bill. I asked him not to, to let me, because the bill was passed out unanimously. I do not quite understand the rules of the House where a member of the committee can then demand a second and say he was opposed to the bill when he did not vote against it in committee. I am for the bill. It is a fine bill, just as the chairman has said. It ought to be extended. I hope everyone votes for it.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I will state in reply to the gentleman from New York that there is a difference between being for a bill presented under the rules, where amendments are in order, and in being for a suspension of the rules in which case a gag rule is imposed, and the House has no opportunity to consider amendments to the bill. The gentleman will remember that I offered an amendment in the committee, and certainly I expected to have an opportunity to offer it here. But the bill has been presented in such a way that I cannot offer the amendment. I oppose it under suspension of the rules. I respectfully submit that this is a consistent position.

Mr. KILBURN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KILBURN. How did your amendment come out in committee?

Mr. PATMAN. It was defeated.

Mr. KILBURN. 21 to 1.

Mr. PATMAN. If the gentleman wants to tell the whole story—and of course that was not the vote on my amendment—but if the gentleman wants to disclose what happens in confidential and executive sessions, why I shall resort to it in the future on other matters. If we are going to have executive sessions but, of course, it is the gentleman's privilege.

Mr. KILBURN. I did not mean to say anything wrong, but it was overwhelmingly defeated.

Mr. PATMAN. The gentleman, of course, takes a different view of the proposition. He has his views and I have mine. The gentleman is very partial to his views.

Mr. Speaker, I am opposed to suspension of the rules on this bill. The bill very badly needs amendment. I hope the gentleman from New York will listen to this, because I am going to say some things which will open his eyes.

What is involved here? We have on the books a law which, in effect, requires that the Government of these great United States shall pay tribute to certain Wall Street securities dealers. There are only 17 of these dealers. They all have offices within a stone's throw of one another, and they are all on a party telephone line. These 17 dealers make up the so-called open market for securities of the U.S. Government.

The practical effect of this law is to prohibit one agency of the Government from buying U.S. Government securities from or selling such securities to another agency of the Government—except as such transactions are made through one or more of this group of 17 Wall Street securities dealers. This is a very lucrative business for these dealers.

In other words, the law which this bill would amend has built a fence around the different agencies of the Government and set up tollgates for the special benefit of these 17 Wall Street dealers.

The Government cannot do business with itself. Listen to this—I ask the Members of the House and the gentleman from New York in particular—the Government cannot do business with itself. One Government agency cannot buy securities from another Government agency unless that business passes through these Wall Street dealers, and they receive their commissions, their profits, or their tributes.

This bill provides only a very small exemption, and a temporary exemption, to the general rule that we shall pay tribute to these Wall Street dealers. Furthermore, the legislative history of this bill makes it clear that even this small and temporary exemption shall most probably never be used. If the exemption is to be used at all, it is to be in the case of a national emergency or some other most exceptional circumstance. This is all spelled out in the legislative history—in the statements of the Federal Reserve and the Treasury describing the circumstances under which they expect to use the authority contained in this bill—if they use it at all. True, the bill as written gives the Federal Reserve and the Treasury all the authority they have asked for. But the present officials of these agencies really do not wish to bypass the Wall Street dealers. They think it is a fine thing to give the dealers a Government subsidy, and they are in favor of the law which requires these agencies to give the dealers the subsidy. They want the law continued and reaffirmed, and they want only a small and narrow authority to bypass this law in case of national emergency.

But I suggest there are some Members of the House who would not wish to vote to reaffirm the proposition that the Government of the United States must pay tribute to these 17 Wall Street dealers.

With reference to the fact that the bill was reported with a unanimous report from the Committee on Banking and Currency, let me make my position clear. I voted for reporting the bill, so that the House might consider it. But this was on the assumption that the bill would go through the Committee on Rules in the regular way, and the House would have an opportunity to amend the bill. True, I offered an amendment to the bill in the committee and the committee did not accept my amendment. But I believe the other Members of the House should have an opportunity to consider amendments, and I think they should insist upon having that opportunity. I believe the bill should be amended to make an even larger exception to the general rule that we shall pay tribute to Wall Street each time the Federal Reserve buys or sells a Government security. Some of the Members may wish to consider removing the general rule entirely. Some of us do not like the idea of committing ourselves to a refusal to give any consideration to the possibility of removing the tollgate which a previous Congress set up for these 17 Wall Street security dealers.

Now, let me be specific as to what the bill does.

The bill provides a temporary authority, for 2 years, for the Federal Reserve to buy U.S. Government securities directly from the Treasury. This authority is further limited, however, to this extent: The Federal Reserve could not buy directly from the Treasury more than $5 billion of such securities outstanding at any one time. In other words, the Federal Reserve could have in its vaults at any one time no more than $5 billion of Government securities which it has bought directly from the Treasury. There is no limit to the amount of Government securities which the Federal Reserve may have if it buys them through the so-called open market—which means buying them through the 17 dealers.

The question which we should consider is this—I wish the gentleman from New York would consider this: The question is, why should we have on the books a law which prohibits the Federal Reserve from buying securities directly from the Treasury, and which prohibits the Treasury from selling securities directly to the Federal Reserve? I would like to have an answer to that if someone can give it. If there is any answer other than that the law is to give these 17 Wall Street dealers a subsidy, to give them a commission every time the Federal Reserve buys or sells a Government security—I have never heard what that answer it.

The law is certainly not intended to prohibit the Federal Reserve from buying U.S. Government securities. It is not intended to limit the amount of Government securities it may buy. And in practice it in no way limits or inhibits the amount the Federal Reserve does buy.

The law says only that the Federal Reserve shall not buy Government securities directly from the Treasury. The law says the Federal Reserve System shall buy such securities only from the so-called "open market." As I have indicated, this so-called open market consists of only 17 Wall Street dealers. They are all on the same telephone line, making what are supposed to be competitive bid and offer prices to the Federal Reserve, over their party-line telephone system.

Some of these dealers are known as "bank dealers." These are certain Wall Street banks, plus two big Chicago banks which maintain offices on Wall Street for the purpose of engaging in this open-market business with the Federal Reserve. The other, nonbank, dealers are certain large Wall Street firms which also specialize in buying and selling U.S. Government securities. The biggest of all these dealers is a firm very few people outside financial circles ever heard of. This is the Discount Corp. The Discount Corp. is a joint enterprise, or a kind of consolidated trust of all the top New York banks. It is owned jointly by Bankers Trust, Chemical Corn Exchange, First National City Bank, Morgan Guaranty Trust, and the New York Trust Co. These banks all have directors on the board of the Discount Corp., and, in addition, the Chase Manhattan Bank and the Manufacturers Trust Co. also have directors on the board.

What is the purpose of this law which requires the Federal Reserve to make all its purchases and sales of U.S. Government securities through these dealers?

Several years ago I put this question to Mr. Marriner Eccles, when he was Chairman of the Federal Reserve Board.

I did not insist upon an immediate answer from Mr. Eccles. Rather I asked him to give the committee an answer in writing which would reflect the considered view of the entire Board of Governors of the Federal Reserve. I will read the question and answer—and I hope the gentleman from New York will pay careful attention to this—I quote:

Mr. PATMAN. The first question is that the law prohibits the Federal Reserve System from buying bonds directly from the Treasury. I wonder if you are in favor of changing the law, so that you can buy bonds directly from the Treasury?

(The answer subsequently submitted by Mr. Eccles is as follows:)

"The prohibition against direct purchases of securities by the Federal Reserve banks from the Treasury was put in the Banking Act of 1935 not on our recommendation. Apparently, those who placed it there believed that it would prevent the Federal Reserve banks from financing Treasury deficits. As a matter of fact, the provision would not prevent this, as the Federal Reserve banks may time their purchases of Treasury securities in the open market with sales by the Treasury. The only effect the provision has in practice in this regard is to make it necessary for the Reserve banks to pay commissions to brokers. It also makes it impossible for the Reserve banks to accept short-term certificates of indebtedness from the Treasury in anticipation of tax receipts during quarterly financing and income-tax payment periods. Such advances were previously used to avoid large temporary fluctuations in the volume of bank reserves. In view of these considerations I would be glad to see the provision taken out of the law." (Hearings before the Committee on Banking and Currency, 75th Cong., 3d sess., on H.R. 7230, p. 475.)

In other words, Mr. Eccles tried to be diplomatic about this law. He states that it was put on the books "apparently" in the mistaken belief that it would prevent the Federal Reserve banks from financing Treasury deficits. Obviously, the law does not do that and cannot possibly have that effect, as Mr. Eccles pointed out.

The only effect—and I am quoting Mr. Eccles in saying "the only effect" of the law is to make it necessary for the Federal Reserve to pay commissions to brokers. In short, the only effect of this law is to set up a tollgate for these 17 so-called open market Wall Street dealers.

Now what does this tollgate really amount to? The sums are astronomical.

Today the Federal Reserve has about $25 billion of Government securities. It has purchased all of these through these 17 dealers. Furthermore, the Federal Reserve must increase its permanent holdings at a rate of about 3 percent a year in order to provide for the normal growth in the money supply. The law says, in effect, that it can acquire these tremendous sums only through these 17 dealers.

But the really astronomical amounts of Government securities which the Federal Reserve buys are resold within the year. This is done to make seasonal adjustments in the money supply. In other words, at some times during the year the Federal Reserve wishes to expand bank reserves, and to expand the money supply. And at other times, it wishes to contract bank reserves, and thus contract the amount of money and credit available to business and consumers—and, of course, the amount available to the Government too. To do this, it sells Government securities. All of this buying and selling of Government securities is with these 17 dealers, and it normally amounts to between $5 billion and $10 billion worth each year.

The law says, in effect, that the 17 dealers must get their profit margin, their tollgate, on all of this. In other words, we have set up a subsidy amounting to hundreds of millions of dollars a year for these Wall Street dealers who do not need a subsidy.

Now let me tell you something about the profits of these dealers.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. In just a moment; just as soon as I finish this paragraph.

Last year we had an investigation by the Joint Economic Committee, and we discovered these 17 dealers are doing $200 billion worth of business in Government securities per year. That is more than three times the volume of business done in all the stock exchanges and in all of the commodity markets of the country combined. In other words, the total volume of trading in this so-called open market is more than three times the volume of trading in all the regulated markets in the country. And all of these other markets have long since been regulated for the purpose of making sure that they are free, open, and competitive markets. They are regulated for the purpose of making sure that competition really works, that prices are not fixed or rigged, that supplies are not squeezed and the market is not otherwise manipulated by any small group of inside traders.

The law to which the bill would make only a very small exemption—and a less than halfhearted exemption at that—would make absolutely no sense, would have no justification whatever, even if we were assured that this so-called open market were actually an open, free, and competitive market.

The law makes even less sense in view of the facts. This so-called open market is not an open market. It is a closed private trading club of only a small handful of Wall Street dealers—small in number, but not small in financial power. This so-called market is not regulated either by public or private trading rules. It is not supervised in any manner whatever. Is it not absurd then to have a law on the books which says that all, or substantially all, of the Federal Reserve's trading in Government securities must pass through this tollgate, that the Government of the United States shall not permit one of its agencies to buy securities from another of its agencies without paying tribute to these 17 dealers? What toll or margin of profit these 17 dealers take on these transactions, we do not know. They fix it themselves; nobody supervises it.

But we do know the amount of business they did last year, $200 billion. If they make just one-tenth of 1 percent profit on their volume, their profits would be $200 million. If they make one-fourth of 1 percent, which is not impossible or unlikely, their profits would come to half a billion dollars.

So you can see that this really goes into big money. These are the big-money boys of Wall Street that have this very special law on the books which requires the Government of the United States to drop millions into their tincups every time the Government makes a move it must make to carry out the purposes of government.

This can really affect our budget, and we are asked to continue this practice of going through these dealers' tollgate.

I will yield to the gentleman from Michigan if he would like me to.

Mr. HOFFMAN of Michigan. We all know there is something wrong with the banking business. Can the gentleman tell me whether the subject he is talking about is the same as that the Moss committee has been following for the last couple of weeks?

Mr. PATMAN. I am not familiar with what the Moss committee is doing.

Mr. HOFFMAN of Michigan. You are not?

Mr. PATMAN. No. I am awfully sorry.

Mr. HOFFMAN of Michigan. I am sorry too.

Mr. PATMAN. I cannot even keep up with my own committee. I am not familiar with what the Moss committee is doing.

Mr. HOFFMAN of Michigan. I apologize.

Mr. PATMAN. You do not need to apologize. I do not mind admitting that I cannot keep up with everything.

Now if you will, please consider this aspect of the system and tell me if it makes any sense: There are 12 Federal Reserve banks and all of them are buying and selling Government securities where they are acting as agents for their member banks, and as agents for industrial firms in their respective districts. Yet these 12 Federal Reserve banks cannot buy Government securities directly from the Federal Reserve Open Market Committee at the New York Federal Reserve Bank. They also cannot sell Government securities directly to the Open Market Committee. They must buy or sell from these private Wall Street dealers. These regional banks are frequently buying at the same time the Open Market Committee is selling, but they must buy from a dealer, and the Open Market Committee must sell to a dealer.

The Open Market Committee does the buying and selling for the Federal Reserve itself—for the System's own account. So not only does the law build a fence around the Treasury and the Federal Reserve, so as to prevent one agency from dealing directly with the other agency, the law also builds a fence around each of the Federal Reserve banks, so that one unit of an agency cannot deal with another unit in the same agency. The only way to get through any of these fences is to go through the Wall Street dealers' tollgate.

But there are more tollgates even yet. Consider this: Here we have a Federal Reserve System set up to be an intimate

and integral part of a unified banking system. One of its main functions is to adjust upward or downward to reserves. of the private banks—the member banks of the system. That is the purpose of the Federal Reserve System's buying Government securities—to create more reserves for the banks. And its purpose in selling securities, which it does in certain seasons of the year, is to extinguish bank reserves or reduce the amount of reserves the banks have. Yet even here this special tollgate set up by law for the Wall Street dealers is in operation too. Federal law puts these Wall Street dealers right in the middle of the banking system. To adjust bank reserves, the Federal Reserve cannot buy securities from its own member banks, and it cannot sell securities to its own member banks. Of course, in reality it does buy securities from its member banks, and it does sell securities to its member banks, but not directly—these 17 Wall Street dealers must have their cut. Why these Wall Street dealers should be brought right into the middle of the banking system and have a tollgate set up between the Federal Reserve System and its member banks is something yet to be satisfactorily explained.

Now I suspect I know what the Members are going to do with this bill. They will feel they just cannot take enough time to study the thing. They will not wish to upset the great Committee on Banking and Currency. But you are not going to be proud of this vote in the future, if you will look into this matter. You all serve on different committees and, of course, do not have much time to study this bill or the legislation it would amend. I simply state to you, however, that in voting for this bill you are reaffirming a policy of prohibiting one agency of the Government from buying Government securities directly from another agency of the Government. You are reaffirming a policy of requiring the Government to pay tribute to these 17 Wall Street dealers. The law now on the books gives these dealers a tollgate, and they collect a toll every time these bonds are bought or sold by a Government agency. They collect both ways, going in and coming out. And we are voting to continue that policy of giving these 17 dealers an exclusive monopoly, leaving with them the power to fix their commission or their fee, with no supervision and no control.

Mr. MEADER. Mr. Speaker, will the gentleman yield for a question?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. MEADER. I have listened to the gentleman talk about these features with interest; but as I understand the bill before us, it relates to direct purchases from the Treasury Department.

Mr. PATMAN. That is right.

Mr. MEADER. Does the gentleman want to leave the impression that brokerage fees are paid on direct purchases?

Mr. PATMAN. No; I do not want to leave the impression that brokerage fees are paid on direct purchases. Brokerage fees are not paid on direct purchases. That is the reason I would like for all purchases to be made directly where it is in the public interest to make the purchases directly. This bill provides a small exception to the law which says purchase shall not be made directly, and the exception is for only $5 billion and under certain limited circumstances. My position is, why should we not make the exception for $10 billion or $20 billion? And why should we grant the exception under wraps of a congressional intent which says, in effect, that the authority shall most likely never be used after it is granted?

Or to put the matter more precisely, why should we have a law in the first place which says the Federal Reserve may not buy Government securities directly from the Treasury? If the Federal Reserve is buying, for whatever reasons it decides to buy, and the Treasury is selling, for whatever reasons it decides to sell, why should not the Federal Reserve be permitted to buy directly from the Treasury? As long as we are making an exception to the prohibition, why should we not strike out the prohibition entirely? If we let the prohibition stand, we are simply reaffirming the policy of giving these 17 dealers an arbitrary and unjustified tollgate.

Is the gentleman for that, to allow the 17 dealers to charge commissions, uncontrolled and unsupervised?

Mr. MEADER. It strikes me from the gentleman's reply to my question that he is talking about a totally different matter.

Mr. PATMAN. No.

Mr. MEADER. This relates to the extension of an existing law. If he is opposing that and requiring an open market, he would not be against payment of these commissions.

Mr. PATMAN. I want a bill that would expand the exception and let all purchases and all sales be made directly. I am opposed to the law which compels these different Federal agencies to go through the tollgate of these Wall Street dealers. That is all I am proposing. I think the policy which has been written into law is wrong. This bill reaffirms that policy which says we can go nowhere unless we go through these Wall Street dealers' tollgate and pay whatever toll they choose to exact.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Did the gentleman vote for this bill in committee?

Mr. PATMAN. Yes.

Mr. HOFFMAN of Michigan. Now the gentleman is opposing it?

Mr. PATMAN. Yes; and I have a perfectly logical reason for doing so.

Mr. HOFFMAN of Michigan. When did the gentleman change his mind?

Mr. PATMAN. I have not changed my mind. I offered an amendment in the committee, but the committee did not accept it; so I said I would present the amendment on the floor of the House and give the House an opportunity to accept it or reject it, as it might see fit.

Mr. HOFFMAN of Michigan. What am I to do? I would like to follow the gentleman.

Mr. PATMAN. The gentleman will have an opportunity to vote with me by voting against suspending the rules. If we insist on getting a rule on this bill, instead of suspending the rules, then I can offer my amendment and other Members can likewise offer their amendments. Then the House can vote on whether or not to accept my amendment or any other amendment. I am against suspension of the rules, because suspending the rules automatically precludes any and all amendments. I do not oppose, and I have not opposed, the bill's being brought up under a rule. I believe in free and open debate. I do not want the other Members to be denied the privilege of considering amendments and adopting amendments if, after hearing debate, they decide that amendments should be adopted. In the committee I voted for reporting the bill, but in doing so I assumed that the bill would come to the floor of the House in the regular way, in which case it could be amended in the House.

Mr. HOFFMAN of Michigan. To support the gentleman, how should I vote?

Mr. PATMAN. Vote against suspending the rules, so the Rules Committee will bring in a rule, and I can offer an amendment. That is the way to vote. I am really soliciting the gentleman's vote against suspending the rules. If we refuse to suspend the rules, the bill will be brought in in the regular way and I can offer my amendment. Then, after hearing the debate, the gentleman can decide whether to vote for or against my amendment.

Mr. HOFFMAN of Michigan. Just one more question. What assurance does the gentleman have that the Rules Committee will do what he wants it to do?

Mr. PATMAN. The Rules Committee will report a rule, I am sure, if we ask for it.

Mr. HOFFMAN of Michigan. Would the gentleman go so far as to say that if I vote against suspension of the rules and passing this bill and the Rules Committee did not report a rule, then I should sign a petition?

Mr. PATMAN. It is not the type of bill that the Rules Committee is likely to delay giving a rule. That is out of the realm of controversy.

I hope the gentleman will vote against taking up the bill under a suspension of the rules.

Mr. Speaker, we should all vote against suspending the rules. The bill should come from the Rules Committee in the regular way, with an open rule, so that the Members can consider amendments.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, this bill simply extends existing authority for another 2 years. The authority for the Federal Reserve banks to purchase up to $5 billion worth of securities from the Treasury Department was first enacted in 1942 for a 2-year period. We have been extending it each time for a 2-year

period so that the Congress is required at least once every 2 years to review the exercise of this authority and if there were any abuses of the authority to correct them.

The objection, if I understand it, as made by the gentleman from Texas [Mr. PATMAN] to the bill is that instead of this authority being for $5 billion he would take out the $5 billion limitation and insert the right or authority to buy these securities without any dollar limitation.

Well, now, the fact of the matter is that although the $5 billion authority has been in existence since 1942, only twice have the Federal Reserve banks found it necessary to use as much as $1,320 million. They have never had to use the $5 billion at any one time. So, the gentleman's argument falls of its own weight.

If they have never had to go within $2 billion at any one time, why take the limitation of $5 billion out of the law? I could understand someone urging a reduction, but not an increase.

Now, there has been some question raised as to whether or not there should be a time limitation placed on the length of time during which this borrowing may be carried on. In that connection, I wish to call your attention to the fact that in all the time that this authority has existed since 1942, the Federal Reserve System has not found it necessary to use this authority for more than 48 days during any one year, and the longest time for any one particular purchase of securities was for a period of 28 days, which is also part of that 48-day maximum period during which the authority was used once back in 1943.

All of this talk that you have heard about interest rates and boosting the interest rates and paying commissions and 17 New York banks being the sole ones who can engage in the Government bond business, is all beside the point. None of that has anything to do with this bill.

If you do not enact this bill and extend this authority, then the only way the Federal Reserve banks will be able to operate is through those 17 commercial banks. Whenever this authority is used, there are no commissions paid to anybody. No private banks are used in it. These are direct transactions between the Federal Reserve banks and the Treasury of the United States.

Mr. BARRY. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. BARRY. I would like to say that in the intervening time since the gentleman from Texas addressed the House, I got on the telephone to talk to one of the largest—in fact, the largest—bond house in the Nation, and I received this information: Their net profit for last year was $1,087,000 and, together with the second largest bond house the total profit was just over $2 million. And, they do 25 percent of the amount of business and more than the gentleman from Texas talked about. They assured me that by using that factor, a total of $8 million was the entire profit for the entire industry of 17 houses.

Mr. MULTER. I would like to remind you that before the Committee on Banking and Currency not only was the gentleman from Texas [Mr. PATMAN] given the opportunity to examine the Under Secretary of the Treasury who appeared in support of the bill, but he also made a statement. During his testimony, the gentleman from Texas [Mr. PATMAN] said:

> So, let me emphasize, Mr. Chairman, I do not oppose granting the authority outlined in this bill, but I favor extending the authority and taking the limitations and the restrictions from it so the Treasury and the Federal Reserve will have adequate power to manage the debt in the least costly way.

This bill should be passed.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BARR].

Mr. BARR. Mr. Speaker, this bill in reality is a very simple proposition. It just boils down to the simple fact that if we pass this bill today it will enable the Treasury to get by with less money in its balances. Today they can operate on a cash balance of $3½ to $5 billion. That is just what it takes to keep the United States running. In other words, they have about enough money in the banks around the country and in the Federal Reserve System to pay the U.S. bills for a period of about 2 to 3 weeks. That is all the money we are keeping on hand. I personally think that this is wise. I do not see any point to keeping any more money tied up to run the United States than there is in keeping money tied up to run a business. Keep your balances as low as possible.

This bill gives the Treasury an emergency drawing power on the Federal Reserve System to the extent of $5 billion. It has rarely been used. If you pass the bill today it means that the Treasury can continue to operate with minimum balances.

If the bill is not passed, then you had better get ready to adjust the Treasury balances upward, to the extent of about $5 billion. Somewhere we in this Congress are going to have to get that much money to the Treasury to keep on hand in the event of an emergency.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I rise in support of this legislation. I think the easiest way to understand what this legislation does is to consider what a business, particularly a small business, does. They do not like to keep a lot of idle cash on hand. So they make an arrangement with a bank called a line of credit which enables them to call on the bank whenever they are low in funds.

This legislation gives the U.S. Treasury a line of credit with the Federal Reserve; but, to prevent this line of credit being abused, the Congress has put a limitation of $5 billion on the amount and has required the Treasury to set forth the basis or standards which they will follow in exercising this right. This bill will enable the Treasury to save money and thus save money for the taxpayers of the country. I urge the adoption of this bill.

Mr. SPENCE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I want to impress upon the Members of the House that this bill came out of the committee by a unanimous vote. The only objection I have heard expressed is to the manner of its consideration. Suspension of the rules is an ordinary parliamentary procedure. It expedites consideration and saves time. I asked to have the bill put on the suspension calendar because I thought there would be no objection to it. The leadership of the House put it on the suspension calendar because they thought that was the proper way to consider it. It is on the suspension calendar and needs two-thirds of the vote of the House for it to pass. I am sure it will get that.

CALL OF THE HOUSE

Mr. CHELF. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. ROOSEVELT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 150]

Adair	Fino	Morris, Okla.
Alford	Flynt	Morrison
Alger	Frazier	Mumma
Anderson, Mont.	Frelinghuysen	O'Hara, Mich.
Anfuso	Grant	Oliver
Barden	Halleck	Powell
Belcher	Hébert	Reece, Tenn.
Bentley	Hess	Scott
Blitch	Jackson	Sisk
Boggs	Kearns	Smith, Calif.
Boland	Kelly	Steed
Bray	Keogh	Stratton
Brooks, La.	Lennon	Taylor
Buckley	McSween	Teague, Tex.
Burdick	Macdonald	Thompson, La.
Celler	Magnuson	Wainwright
Coffin	Mason	Wright
Cooley	Merrow	Yates
Diggs	Metcalf	Zelenko
Downing	Miller, George P.	
Durham	Miller, N.Y.	

The SPEAKER pro tempore (Mr. WALTER). Three hundred and seventy Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CANNED EDITORIALS PACE CAMPAIGN AGAINST SITUS PICKETING BILL

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, for many weeks certain lobby groups have been leveling a concerted drive against the passage of the Kennedy-Thompson "common situs" picketing bills—S. 2643 and H.R. 9070.

Latest in the series of attacks on the bill is a collection of editorials sent to Members of the House this week by the American Retail Federation. The cover reads "More Newspapers Reflect Mounting Public Indignation Over Efforts To Blast a Big Hole in the Landrum-Griffin Law With Common Situs Picketing Bill." The document reprints 52 articles and editorials in opposition to the bill from 22 States and the District of Columbia all appearing within a period of 3 weeks.

It is amazing to note in reading these clippings that the following identical editorial opposing the bill, and mentioning "a publication of the American Retail Federation," appeared word-for-word in no less than 12 newspapers within an 8-day period between May 17 and May 25 of this year:

All the evidence indicates that most Americans believe that the labor laws now on the books—including the Taft-Hartley Act and last year's Landrum-Griffin Act—are reasonable, necessary, and in no way punitive.

A great many believe that they don't go far enough to control the enormous powers of present-day unions. However, some of the labor leaders are adamantly opposed to even a minimum amount of regulation, and are determined to get rid of it.

Take, for instance, proposed legislation which would permit "common situs" picketing—a type of picketing which is presently regulated and controlled by the National Labor Relations Board, with the authority of existing law.

"Common situs" means any place—a factory, office building or building under construction—where more than one employer functions. If the legislation in question should be passed, in the words of Representative BARDEN of North Carolina, it would be possible for certain unions to shut down any construction project in its entirety, including national defense projects any time it suits their whim and fancy.

A publication of the American Retail Federation provides specific examples. If a retailer were building a new branch store, or remodeling or carrying on a major redecorating job to his present store, the bill would permit building trades unions to picket the store if any of the employees doing any of the work were nonunion. Also if a retailer were supplying merchandise to new buildings, picketing permitted by this bill could slow down or stop the construction of buildings which he had contracted to furnish.

The legislation would bring back, in principle if not in name, the secondary boycott—one of the most vicious and indefensible of stratagems.

The papers carrying this identical editorial are: Watertown (S. Dak.) Public Opinion, May 19, 1960; Helena (Ark.) World and Record, May 22, 1960; Aiken (S.C.) Standard and Review, May 19, 1960; Sharon (Pa.) Herald, May 21, 1960; Charleston (S.C.) Post, May 25, 1960; Marion (Ind.) Chronicle, May 17, 1960; Dyersburg (Tenn.) State Gazette, May 21, 1960; El Dorado (Ark.) News, May 22, 1960; Kannapolis (N.C.) Independent, May 22, 1960; Greenville (S.C.) Piedmont, May 19, 1960; Corinth (Miss.) Corinthian, May 24, 1960; Wilson (N.C.) Times, May 25, 1960.

The following editorial opposing the bill appeared word for word in seven newspapers within a 2-week period between April 28 and May 12:

When the Landrum-Griffin labor bill came up in Congress last fall, union leaders kicked up such a fuss that they succeeded in having it well watered down before it was passed.

Apparently not satisfied with this, labor lobbyists in Washington are reportedly now trying to push through new legislation which would further weaken the labor law.

Unions in the building trades are said to be urging Congress to pass House Resolution 9070, amending the labor act to permit "situs picketing." The amendment is worded so that it would legalize the secondary boycott, so viciously misused in the construction industry prior to the Taft-Hartley law.

The amendment could conceivably increase costs on all types of construction. More dangerous, it would give the leader of any building union legal power to shut down any construction project any time it suits his whim.

The proposed amendment would permit a union which has a dispute with one building contractor to strike and picket all other contractors and subcontractors merely because they happen to be working on the same building project. The effect would be to stop all work on the project—even though it might be a vital defense project.

Let's hope our Congressmen realize what is under the surface of this legislative gem when they are called to vote on it.

The papers carrying this editorial are: Cedar Springs (Mich.) Clipper, April 28, 1960; Detroit (Mich.) Investor, May 6, 1960; New Hope (Pa.) News, May 12, 1960; Oneida (N.Y.) Dispatch, May 7, 1960; Westfield (N.J.) Leader, May 12, 1960; Hawthorne (N.J.) Press, May 5, 1960; Brooksville (Pa.) Jeffersonian Democrat, May 5, 1960.

Still another editorial in the American Retail Federation collection appeared word for word in three of the newspapers. They are: Wellington (Ohio) Enterprise, May 12, 1960; Mount Washington (Ohio) Press, April 28, 1960; Alexandria (La.) Town Talk, May 24, 1960.

This editorial is as follows:

BILL TO PROMOTE STRIKES

Labor's friends in Congress are about to operate on the still-new Landrum-Griffin Act—to cut out its very heart, if they can.

Under the terms of this hard-won reform legislation, it is an unfair labor practice to picket, or strike, to force one employer to stop doing business with another employer. Such action, more commonly known as the secondary boycott, had been the chief organizing routine of the million-and-a-half-member Teamsters Union and the 18 building trades unions with a membership of 3 million.

The classic method was to threaten one employer, such as a general contractor, with a strike unless he stopped doing business with another—in most cases a nonunion subcontractor or supplier.

But the relief provided by the Landrum-Griffin Act against this unconscionable and disastrous abuse of the right to organize will be short lived if Congress can be bludgeoned into passing the Thompson bill (H.R. 9070). This sly, 18-line measure amends the section outlawing the secondary boycott by excluding its application to any "common situs" where the employees of more than one employer are engaged in the alteration, painting, repair, or other work at the place where the work, alteration, painting, or repair is being performed.

Passage of the bill and its counterpart in the Senate would license the construction unions and the Teamsters to renew the "blackmail picketing" that proponents of the Landrum-Griffin measure fought to curb. No nonunion plumber, carpenter, electrician, painter, or other building craftsman or maintenance man could be hired to build, alter, repair, paint, or install equipment in a building without the neutral employer being subject to picketing—and the closing down of the entire operation if the employees respected the picket line. No company could safely employ a nonunion subcontractor.

The language of this amendment is so sweeping it would permit strikes or picketing relating to wages, hours, and working conditions of employees at any job site and stop every truck carrying ready-mix cement to the job. If houses were being constructed or repairs being made by nonunion workers at an air base, for instance, all of the gates could be picketed and every union man in every other job on the base stopped from doing his work.

Passage of the Thompson bill would make a mockery of the McClellan hearings and the public demands growing out of them, wreck the Landrum-Griffin Act and Taft-Hartley alike. It would initiate union power as never before. It would make Jimmy Hoffa a giant. It would promote a rash of strikes such as we have never seen before.

Will your Congressman have the nerve to vote for it—and ask for your vote later?

Another word-for-word editorial against the Kennedy-Thompson bill appeared in these papers: Elizabethton (Tenn.) Star, May 12, 1960; Johnson City (Tenn.) Press Chronicle, May 13, 1960; Suffolk (Va.) News Herald, May 20, 1960—reprinted from the Dallas Morning News.

It follows:

SECONDARY BOYCOTT

With the civil rights bill out of the way, Congress is described as free to give its undivided attention to the Hoffa-sponsored "common situs" bill. It is to be hoped that the country will give its undivided attention to this proposed evil legislation. Clear away the cobwebs and this is what the bill (H.R. 9070 and KENNEDY'S S. 2643) would do:

It is a bold move to cut the guts out of the Landrum-Griffin labor reform law by giving an obnoxious form of secondary boycott free rein. If enacted, it will legalize work stoppage at any construction site. (For instance, where more than one employer functions, the operations of all contractors and neutral union workers can be halted either by a real or phony strike against a given contractor.)

The bill would scrap the careful regulations of the present law under which only applicable picketing is allowed. One possible result would be to halt construction essential to defense, if this type of blanket picketing is given a green light.

The secondary boycott would permit a union to eliminate from construction projects all nonunion groups engaged in them, whether contractors, subcontractors or their employees.

H.R. 9070 has been approved by the House Labor Committee, is before the Rules Committee. It is in the national interest to kill this partisan, unfair effort to reestablish the secondary boycott.

Mr. Speaker, this is either the most amazing example of clairvoyant editorial

writing in history or the most remarkable example of coincidence ever seen by man. Of course, canned editorials to promote some special interest are nothing new in American journalism. Many times during recent years we have heard the phrase "the kept press." I call to the attention of my colleagues in the House the latest example of this journalistic phenomenon so that the phrase may have more significant meaning.

In attacking the Kennedy-Thompson bill the intemperate, canned editorial "writers" use such descriptive phrases as "the Hoffa-sponsored bill," "one of the most immoral bills ever present before the American Congress," "a bill to cut the heart out of the Landrum-Griffin Act," "the first step by Jimmy Hoffa to scuttle the Landrum-Griffin Act," "a sabotage proposal," and "this partisan, unfair effort to reestablish the secondary boycott."

All of these editorials make it appear that somehow this is Jimmy Hoffa's bill and that its enactment will scuttle the Landrum-Griffin Act. Of course, this is a misstatement of fact and is not based on a shred of evidence. No witness representing the Teamsters Union even appeared before our committee to testify in support of H.R. 9070. Moreover, it is well known that both sponsors of the bill are high on the Hoffa "purge list."

Mr. Speaker, not one editorial mentions the fact that President Eisenhower himself has requested this legislation in three separate messages to Congress in the past 6 years, nor that the bill is supported by Secretary of Labor James P. Mitchell, and was reported by a lopsided 21–5 bipartisan vote by the Education and Labor Committee.

What amazes me most about this episode is that the American Retail Federation's lobbyists, supposedly clever and industrious, have attempted to foist this collection of canned editorials upon Members of Congress as being representative of the viewpoint of the legitimate press of the Nation. Perhaps the only explanation is that they are convinced that Members never read the material which comes into their offices anyway.

COMMUNICATIONS ACT AMENDMENTS RELATING TO BOOSTER OPERATIONS

Mr. HARRIS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1886) to amend the Communications Act of 1934 with respect to certain rebroadcasting activities.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 318 of the Communications Act of 1934 (47 U.S.C. 318) is amended by striking out "(3) stations engaged in broadcasting, and" and insert in lieu thereof the following: "(3) stations engaged in broadcasting (other than those engaged solely in the function of rebroadcasting the signals of television broadcast stations), and".

SEC. 2. Section 319(d) of the Communications Act of 1934 (47 U.S.C. 319(d)) is amended by inserting after the period at the end thereof the following: "If the Commission finds that the public interest, convenience, and necessity would be served thereby, it may waive the requirement of a permit for construction of a station that is engaged solely in rebroadcasting television signals if such station was constructed on or before the date of enactment of this sentence."

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, S. 1886, as amended, is limited specifically to the rebroadcasting or booster problem.

EXTENT OF BOOSTER OPERATIONS

Boosters or repeaters have been used for some years as a means of extending television service to small communities remote from the metropolitan centers where television stations have been largely concentrated. They are technically the simplest and apparently the least expensive means of achieving that end.

Stripped to its barest essentials, a booster consists of an ordinary rooftop antenna strategically located to receive a usable, though normally weak signal from the distant station, a shielded cable connected to a small amplifier and running to a second rooftop antenna so situated as to beam the signal down into the community to be served, and an available power supply to feed the amplifier. Such an array receives the distant signal, amplifies it, and rebroadcasts it at low power on the same channel.

Booster installations now serve hundreds of landlocked areas, sparsely settled communities and sections that are distant from regular television stations which otherwise would be without television service. In most cases the installations are cooperatively financed. The contributions are solicited, in nearly all the cases, throughout the community or memberships are sold in a television club in order to finance maintenance and operation of the system.

HISTORY OF FCC ACTION ON BOOSTERS

The Commission had under active consideration a proceeding concerning the authorization of low-power television repeater operation—docket No. 12116.

On January 5, 1959, the FCC issued its report and order in docket No. 12116 in which a majority held that it would not adopt regulations authorizing the operation of a booster or repeater in the VHF band—and released a public notice indicating that it would institute necessary legal proceedings to bring a halt to the unlicensed operation of boosters in the VHF band unless within 90 days the operating VHF boosters stated their intention to go to some other type of authorized television operation.

It has been estimated that there were more than 1,000 of these VHF boosters operating at that time, particularly in the western part of the United States, serving thousands of people in sparsely settled areas and distant from any regularly operated television station.

On January 27, 1959, the FCC by a public notice announced that it was giving further study to the legal and technical aspects of the problem and that such studies would include possible new legislation looking toward amending the Communications Act and provide more flexibility in administering section 319 and a possible relaxation of the operator requirements for broadcasting stations.

On April 14, 1959, the Federal Communications Commission issued its public notice No. 72034 and stated that it was recommending to Congress that amendments be made to the Communications Act so as to permit it to license qualifying television repeater or booster stations in the VHF band under certain conditions.

EXPLANATION OF BILL

Under the present provisions of section 318 of the Communications Act, all transmitting equipment in any station licensed under the act must be operated by persons holding an operator's license issued by the FCC. At present, the Commission is given discretion to waive that requirement except for certain named categories.

The bill, as amended, would grant the FCC discretion in waiving the operator requirement with respect to booster stations or other stations engaged solely in the function of rebroadcasting the signals of television broadcasting stations.

The second section of the bill concerns section 319 of the Communications Act. Under the present provisions of section 319 the FCC would be unable to issue licenses to those booster stations that are now on the air since those facilities were constructed before the Commission granted such facility licenses. The bill would amend section 319 so as to give the FCC sufficient discretion, if it finds that the public interest, convenience, and necessity would be served thereby, to waive the requirement of a construction permit for a booster station or any other station that is engaged solely in rebroadcasting television signals if such station was constructed on or before the enactment of this legislation.

All facilities that are now operating will be required to meet all the requirements which may be promulgated by the FCC.

These are very low-powered television stations which rebroadcast television programs on one of the 12 VHF channels allocated for television. These stations have been constructed on an illegal basis so far as the present provisions of the Communications Act are concerned in order to bring television service to persons residing in sparsely settled areas in mountainous regions located principally in the Far Western States. The Federal Communications Commission has on three separate occasions refused to legalize these operations because of the interference they could cause, and because the Commission felt that there were other methods of effectively bringing television service to these areas without any interference problems being created thereby.

The hearings we have held have revealed that despite the repeated turndowns of VHF boosters by the Federal

Communications Commission, they have continued to multiply so that at the time of the hearing before your committee, the FCC reported that these stations are now in the vicinity of 1,000 in number. It appears that practically all of these VHF boosters are located in the Far Western States.

The Federal Communications Commission now feels that in view of the reliance by many people upon VHF boosters for television service and of the substantial investments that have been made by the public in VHF boosters, it is not practicable to close down these boosters. The Federal Communications Commission believes that some provision must be made for their continuance upon a legalized and regulated basis. However, the Commission assures us that if such operations are legalized the operation of these stations will be permitted only under suitable conditions that would keep to a minimum the potential for disruptive interference which inevitably results from booster operation.

The Federal Communications Commission has advised us that two provisions in the Communications Act as presently written impose difficulties in accomplishing the objective of legalizing boosters. The first is the provision of section 318 of the Communications Act requiring that all transmitting apparatus be operated by a person holding a radio operator's license. The Commission has no authority to waive this requirement so far as broadcast operations are concerned. The bill before you would give the Commission discretion to waive the operator requirement with respect to television rebroadcast stations if it is found that public interest, convenience, and necessity would be served thereby.

The second difficulty is found in section 319 which forbids the Commission to issue a license for a station where construction has been undertaken prior to the receipt of a construction permit from the Federal Communications Commission. All of the boosters which are presently in operation, of course, were constructed before a construction permit was received from the Commission and cannot be licensed under the present provision of the Communications Act. Under the bill before you, the Commission would be given discretion if it finds that public interest, convenience, and necessity would be served thereby to waive the requirement of a permit for construction of a station that is engaged solely in rebroadcasting television signals if such station were constructed on or before the date of the enactment of the instant bill. In effect, this provision would authorize the Commission to establish "grandfather rights" for those VHF boosters which initiated operation without authorization before the enactment of the instant bill.

In view of the testimony of the Federal Communications Commission and the showing that has been made as to the reliance which residents in sparsely settled areas of the West have placed on these VHF boosters, the committee has approved the bill now before you. In so doing we have relied upon assurances given by the Commission that appropriate regulations can and will be drawn to keep interference from such operations at a minimum.

I have already mentioned the fact that the Commission has shown great reluctance in the past to license VHF boosters. This reluctance has been based upon the twofold feeling that there was a great potentiality of serious interference resulting from such operation and also because of the availability of alternative means of bringing television service to the areas in question by means which involve no interference problems. Despite its change of position to recognize the practical need for enabling sparsely settled communities in mountainous regions, particularly in the West, to be able to continue to receive television service from VHF boosters, the Commission is under a duty to make sure that these operations are conducted in accordance with rules and regulations that provide maximum protection against disruptive interference and to encourage, wherever feasible, the use of alternative methods of bringing television service that do not entail interference problems. We are sure that the Commission in acting under the bill we are recommending for your adoption, will keep this in mind.

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McGOVERN. Mr. Speaker, I strongly support the legislation to make possible the continuance of low-power television booster stations. The legislation before us is in the public interest because it will enable many thousands of persons living in sparsely settled areas or in rugged terrain to receive the benefits of television.

The legislation would accomplish two purposes. First of all, with respect to stations engaged solely in the function of rebroadcasting the signals of television broadcast stations, the Federal Communications Commission is authorized to waive the statutory requirement that broadcast stations be operated only by licensed operators. Secondly, the legislation would authorize the FCC to waive the requirement of a construction permit for a station that is engaged solely in rebroadcasting television signals if such a station were constructed on or before the enactment of this legislation.

Mr. Speaker, for many years, so-called booster or repeater units have been operated in small rural communities or in areas of mountainous terrain where high frequency television is prohibitive. A TV booster is a simple, inexpensive device ordinarily financed by cooperative community action. These devices pick up the signal from a nearby television station and beam it on a short-range, low-power system to television sets within the immediate area. Such low-power operations do not interfere with normal high-frequency telecasts.

On December 31, 1958, the Federal Communications Commission threatened the continued operation of such booster stations by requiring that they must convert to high-frequency operation within 90 days. This order, had it been allowed to stand, would have meant that many communities would have lost their television reception entirely.

For that reason, I joined with a number of Members of Congress in sponsoring legislation to bring about a reversal of this unfortunate announcement by the Commission.

Since that time, the Commission has reconsidered its action and has requested legislation similar to the bill now pending before us. I am pleased that the FCC, the Federal Aviation Agency, the Department of the Air Force, the Department of Commerce, and the Bureau of the Budget are all in agreement as to the desirability of the proposed legislation.

Mr. Speaker, in the interest of the many thousands of citizens in western South Dakota and other similar areas, who depend upon TV booster units for television reception, I urge the speedy passage of this legislation.

Mr. THOMSON of Wyoming. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. THOMSON of Wyoming. Mr. Speaker, I urge favorable consideration of S. 1886. The action of the House of Representatives on this bill will at long last make it possible to legalize existing booster television operations which are so vital to the Western States and have been invaluable in providing free television reception to remote sections of Wyoming.

I am pleased that we are able to take favorable action on this bill so that it may become law in this session of Congress. It is legislation that is most important and is, I am convinced, in the public interest.

As Wyoming's sole U.S. Representative, I have closely followed the actions on this bill—both in the House and the Senate. I appeared before both the House and Senate Interstate and Foreign Commerce Committees and presented detailed statements outlining why action on the bill is imperative.

The reason this bill will be of vast benefit to so many television viewers in the West is that so many small communities and rural areas can receive television signals by no other means than by television booster stations.

The primary objective in the public interest is to make available to the maximum possible number of our citizens the benefits of television.

In Wyoming, a large portion of our population is dependent on these television booster systems for television reception and cannot expect to receive a usable picture through any other means.

The impact of television boosters on Wyoming is pinpointed when one realizes that about 60 percent of Wyoming television viewers see TV over booster systems and at least one-fourth of the people of Wyoming cannot expect to

receive a suitable TV signal by any other means.

The Federal Communications Commission is now proceeding to formulate regulations for the licensing of new VHF booster stations and for the operation of these stations, in their proceeding which is known as docket No. 12116.

There is no doubt, Mr. Speaker, of the FCC's authority to license and promulgate operating regulations, but I would point out that these regulations must be reasonable and in the public interest.

The Wyoming TV Repeater Association has submitted several recommendations for amendments to the regulations that the FCC has proposed, dealing with the operation of booster systems. I have joined in urging that the FCC give these recommendations of the Wyoming association careful and favorable consideration.

And, in this regard, unless action is taken to reasonably provide for the needs of these booster operations—which are so important for the entertaining and informing of so many Wyoming people—it may well be that additional legislation will be required.

In the meantime, however, this legislation would remove the obstacles to continued operation of booster stations already constructed.

I would also point out, Mr. Speaker, that all booster facilities that are now operating will be required to meet all of the requirements which may be promulgated by the Federal Communications Commission. This is pointed out by the House committee report on S. 1886, and must be borne in mind.

I have made a serious effort to identify the guiding principles which I think should control our efforts to solve problems which have come up with respect to the television industry and its impact upon my section of the country.

Mr. Speaker, I sincerely believe that the bill now before us, which will help solve the problems that the booster television systems in the West now face, should be approved.

I urge that the bill be passed.

Mr. DIXON. Mr. Speaker, I would like to thank the members of the House Interstate and Foreign Commerce Committee for reporting out S. 1886 and thank the House for passing it today.

A major purpose of the Federal Communications Act has been to provide free radio and television to the citizens of the United States. However, failure to enact this law would have terminated that desirable objective for many of the rural people of the West.

For example, in Utah 80 percent of the area of the State is or could be served by boosters. The State of Utah has enacted a law permitting local governments to erect these booster stations in areas where television signals do not reach. These boosters are already in use in 19 of the 29 counties.

These boosters are infinitely less expensive than the ultra-high-frequency systems. The boosters in Utah have not interfered with other signals and have provided educational and entertainment values to our farmers who have been economically hard hit and therefore can less afford to pay for expensive television systems.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. HARRIS. Mr. Speaker, I take this time to inform the Members of the House that the bill that has just been passed is what is referred to in the communications field as the "booster" bill. There are many Members of Congress, particularly from the west and northwest part of the country, who are tremendously interested in the program.

I will have a statement in the RECORD just prior to adoption of the bill explaining what it is. The bill's provisions have been carefully worked out and it was unanimously agreed to. On the whip notice, unfortunately, it was referred to as the "community antenna television system." That is incorrect. This bill does not refer in any way to community antenna systems. A bill dealing with that problem will come up for separate consideration.

In view of the fact that there have been so many Members, probably 30 or 40 Members of the House, who have been inquiring about this matter, I wanted them to know that this is the bill they have been interested in.

TERMS OF OFFICE OF MEMBERS OF CERTAIN REGULATORY AGENCIES

Mr. HARRIS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1965) to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of the first section of the Federal Power Act (16 U.S.C. 792) is amended to read as follows: "Their successors shall be appointed each for a term of five years from the date of the expiration of the term for which his predecessor was appointed and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office, and except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the unexpired term."

SEC. 2. The first sentence of subsection (c) of section 4 of the Communications Act of 1934 (47 U.S.C. 154(b)) is amended to read as follows: "The Commissioners first appointed under this Act shall continue in office for the terms of one, two, three, four, five, six, and seven years, respectively, from the date of the taking effect of this Act, the term of each to be designated by the President, but their successors shall be appointed for terms of seven years and until their successors are appointed and have qualified, except that they shall not continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office; except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the Commissioner whom he succeeds.

SEC. 3. The fourth sentence of subsection (a) of section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78 (d)) is amended to read as follows: "Each Commissioner shall receive a salary at the rate of $20,000 a year and shall hold office for a term of five years and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office, and except (1) any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the Commissioners first taking office after the enactment of this title shall expire as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years, after the date of the enactment of this title."

The SPEAKER pro tempore. Is a second demanded?

Mr. BENNETT of Michigan. Mr. Speaker, I demand a second.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, this is a Senate bill and it has to do with the terms of office of certain Commissioners of major regulatory agencies. It deals with the members in reference to their term of office as follows: The Federal Communications Commission, the Federal Power Commission, and the Securities and Exchange Commission.

The bill would permit a member of one of these agencies or Commissions to continue to serve in office following the expiration of his term until his successor has been appointed and qualified, but not to exceed the end of the following session of Congress. It does no more than bring these agencies into line with the Civil Aeronautics Board, the Federal Trade Commission, and the Interstate Commerce Commission.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Tennessee.

Mr. EVINS. I have been interested in legislation pending before the gentleman's committee which would place the Chairmen of these important regulatory Commissions on a rotating basis, on a basis of where they are elected by the Commissioners themselves for Chairman rather than being designated by the President. Legislation along this line has been introduced. It is very important, in my judgment, that this reform and change be made. Our independent agencies should be arms of the Congress rather than agencies of the Executive.

Would this bill also provide for the election of the Chairmen by the Commissioners, or would it continue the procedure whereby the Chairman is designated by the President?

Mr. HARRIS. The gentleman raises a very important question. I support the provision or bill, as the gentleman knows, that would give the authority to the agencies to select their own Chairmen. However, that subject is not dealt with here. That is contained in another bill that is before our committee.

Mr. EVINS. Certainly the distinguished chairman knows of the many abuses and improper influence that have arisen in certain of the Commissions. I believe that many of these unwholesome practices would not have developed under the former system prevailing. I hope that the gentleman and his committee will act on this legislation.

Mr. HARRIS. The committee has held hearings on this and other subjects.

Mr. Speaker, I said a moment ago that these members would serve until their successors had been appointed and qualified, but not exceeding the end of the following session of Congress. We feel that this legislation which puts all of the regulatory agencies in a similar position is necessary so that the agencies may be kept up to full strength and be better enabled to keep on top of the monumental amount of work they have to perform.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MACK].

Mr. MACK. Mr. Speaker, the gentleman from Tennessee just raised a very important question, and that has to do with the appointment or election of chairmen of the regulatory agencies. The Subcommittee on Legislative Oversight has studied this problem for some 2½ years and has reached the conclusion that we have entirely too much domination in the regulatory agencies by the executive departments and by the industries that they are supposed to regulate. The agencies, purely and simply, are not independent.

Now, Mr. Speaker, this bill is a very simple bill on the surface, and I am opposed to it. I have been joined by one of my colleagues in filing minority views. I recognize the fact that most of us here are practical politicians and, therefore, I foresee little chance of stopping this bill at this time. But this is bad legislation. It establishes a dangerous precedent and it is being proposed at this time so that the party that is successful next January—and I think it is going to be my party—will be able to appoint certain commissioners for these agencies. I maintain that it is the responsibility of this Congress to see that we have well qualified people serving in the agencies and that we should express our opinion as to whether or not anyone is capable and qualified to serve in the regulatory agencies.

In my opinion no commissioner should be appointed and confirmed who is not eminently qualified to serve. Those who are qualified to serve should be appointed now and should be confirmed now. The President and the Congress have the joint responsibility of seeing to it that the men serving on these commissions are well qualified and able to resist outside pressures whether they come from the Office of the President or from the industries which these men are supposed to regulate. The instant bill on the other hand provides an opportunity of shirking this important responsibility.

Mr. Speaker, if we enact this legislation we are giving a green light to the continuation of political influence in the operation of the regulatory agencies. It would continue the reprehensible practice of making a political football of these supposedly independent agencies. This bill also makes possible a recurrence of the Bernard Goldfine-Sherman Adams affair.

I ask the Members of the House to take the time to read the separate views that I have filed on this subject because I am not going to take the time to bore them with all my views concerning the bill.

Mr. HECHLER. Mr. Speaker, will the gentleman yield?

Mr. MACK. I will be glad to.

Mr. HECHLER. If this bill is passed, would it not give an opportunity for the Federal Power Commission to exert the authority which Congress has tried to give it to establish a policy to regulate natural gas rates and, thereby, protect the consumers of this country? Would not this bill speed up that process?

Mr. MACK. Well, this bill certainly will not protect the public interest. You want to remember that when the commissioners are appointed and confirmed, they can go into the Commission and vote on any case pending if the oral arguments have not been held. We have cases involving television channels that have been pending for 8 or 10 years. We have other cases before the other regulatory agencies that have been pending for as long as 12 years. Many, many cases before these commissions are pending for 6 or 8 months to a year. The potential commissioners could decide cases involving $10 million or even, in the case of pipelines, $50 million, and therefore I again restate my conviction that this is a dangerous precedent and this bill should not be passed.

Mr. BELCHER. Mr. Speaker, will the gentleman yield?

Mr. MACK. I yield to the gentleman from Oklahoma.

Mr. BELCHER. I want to congratulate the gentleman on a very fine statement that he has made and I want to associate myself with his remarks.

Mr. MACK. I thank the gentleman.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. MACK. I yield to my very good and distinguished friend from Kansas.

Mr. AVERY. I thank the gentleman for yielding to me. Would he not agree with this. Perhaps this is not as radical a departure from the present law as might have been inferred. For instance, the President of the United States, under present law, can make what we characterize as interim appointments that would carry along to the same time as provided in this bill. This would merely affect the incumbent during his term of office.

Mr. MACK. I would like to state also that it is my understanding that there is going to be some move made in conference to permit the new President to designate the Chairman of the Federal Power Commission. This, again, is a very dangerous precedent and it certainly would not respect the independence of the regulatory agencies if this were done. I shall fight in opposition to that.

Mr. BENNETT of Michigan. Mr. Speaker, I have no requests for time.

Mr. HARRIS. Mr. Speaker, I take 1 minute just for clarification. As I said at the outset, this is a bill that came from the other body. The chairman and members of our counterpart committee over there asked me to present it to the committee and get it out because it would help them in their responsibility there on confirmations that are pending.

Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. HEMPHILL].

Mr. HEMPHILL. Mr. Speaker, I join my distinguished subcommittee chairman in opposition to this legislation, recognizing full well that we have little chance of impressing the House with the justice of our views. But historically here is what has happened: The Congress of the United States, in order to expedite certain operations of the Government, created by legislation certain regulatory agencies which are given administrative power. Once the Congress created those agencies, it had in purpose that these agencies would be independent of the Congress and independent of the Executive in order to carry out the administrative processes, following legislation, over such things as the railroads, Federal Power, Federal Communications, and the like.

What has happened since is because of the spoils system. Let me say here that Andrew Jackson was born in my district and he made more manifest the spoils system. It might have worked in his day and time, but the findings of the Legislative Oversight Committee, of which I am not a member, but which has done a good job, show up the unattractiveness of the spoils system today.

The Adams-Goldfine matter is one classic example of what has been happening in the Government and what can happen as a result of the fact that the executive branch of the Government has the power of appointment. What has happened to these agencies is that the Congress has lost what control it had over the agencies, to a large extent. The Executive has the control over the agencies. The gentleman from Illinois [Mr. MACK] and I had the idea, and I think it is the right idea, to try to restore to these particular agencies the integrity of the courts, as they were supposed to have. We do not have any trouble today with the Federal courts or with the State courts. I am happy to say that in my own State we have never had a judge who was corrupt, since Reconstruction.

I am sure the people of this country want the administrative agencies uptown to be clean, honorable, and separate and apart from influence peddling and the like. Our courts are that way. Why should not these administrative courts be that way? The point my distinguished subcommittee chairman and I make is not that we think we can convince you, but we want you to think about this minority report and we want

to put it on record so that they will know uptown that there are some of us down here demanding the same thing we demand of the courts in this land, especially in the administrative courts because their procedures are different and simpler.

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from California.

Mr. COHELAN. I am very much interested in the gentleman's thesis. I was wondering if he would be kind enough to comment on whether or not he feels that an administrative body falls under the executive, the legislative, or the judicial branch of Government.

Mr. HEMPHILL. It was my conception that since Congress created the regulatory agencies the Congress should have the right to say more about it. The administration in power has the right to nominate. The Senate must confirm. Nevertheless, the control of Congress over the administrative courts was such that we did not have these difficulties until they slipped under the control of the Executive.

Mr. EVINS. Will the gentleman yield?

Mr. HEMPHILL. I yield.

Mr. EVINS. The Chairman of the Interstate Commerce Commission is selected by the ICC Commissioners themselves. That is one of the Commissions in which the Chairman is not designated by the President, whichever party is in power. The Federal Communications Commission has a unique method by which its Chairmen are elected, but all of the other Commission Chairmen are appointed by the Chief Executive. If the gentleman and his committee would take action on legislation to require that Commission Chairmen not be appointed by the Executive but elected on a rotation basis—by the members of the Commissions, I think that would be a step in correcting the abuses that have developed.

Mr. HEMPHILL. I think the gentleman is correct. I am not trying to cast any reflection on the people that hold office today, but I am saying we have some responsibility to the American people to make sure that this thing is good and clean.

The thing that bothers me, and this is a serious thing that people do not think of enough, is that people begin to lose confidence in their form of government. They lose confidence in the decisions that are made by regulatory agencies every time one of these things is exposed, such as have been exposed by my chairman and his Subcommittee on Legislative Oversight. They have done a great job. But I do not think this legislation goes far enough. I think the job they have done shows the opportunity we have, and I believe the Congress would be supported by the people of the country if they cleaned up the thing. That was our idea, hoping to pass it on to you.

Next year I hope to offer legislation along this line. I wish post office appointments were not political. It is my hope that some day we may have all appointees to these regulatory agencies with the same stature as our Federal judges.

The SPEAKER pro tempore. The question is, Will the House suspend the rules and pass the bill S. 1965, as amended?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CIVIL AERONAUTICS BOARD

Mr. WILLIAMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7593) to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes, as amended:

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the Civil Aeronautics Board (hereafter in this Act referred to as the "Board") is empowered—

(1) to validate for a period not to exceed twelve months from the date of enactment of this Act, without further proceedings, any temporary certificate of public convenience and necessity for supplemental air transportation issued pursuant to Board Order E–13436 of January 28, 1959, or Board Order E–14196 of July 8, 1959, which certificate has not been revoked or otherwise terminated by the Board on or before the date of enactment of this Act; and

(2) to confer interim operating authority to engage in supplemental air transportation for a period not to exceed twelve months from the date of enactment of this Act upon any air carrier which (A) has operated in interstate air transportation as a supplemental air carrier pursuant to authority granted under Board Order E–9744 of November 15, 1955, and (B) has an application for a certificate as a supplemental air carrier pending before the Board on the date of enactment of this Act.

SEC. 2. (a) Nothing in this Act shall be construed to affect the authority of the Board—

(1) to maintain any enforcement or compliance proceeding or action against the holder of a certificate of public convenience and necessity issued pursuant to Board Order E–13436 of January 28, 1959, or Board Order E–14196 of July 8, 1959, or against the holder of any operating authority conferred under Board Order E–9744 of November 15, 1955, which proceeding or action is pending before the Board on the date of enactment of this Act; or

(2) to institute, on or after the date of enactment of this Act, and enforcement or compliance proceeding or action against the holder of any certificate or operating authority referred to in paragraph (1) of this subsection with respect to any violation of (A) the provisions of the Federal Aviation Act of 1958, (B) the provisions of such certificate, (C) the terms of such operating authority, or (D) the regulations of the Board, without regard to when such violation occurred.

Any sanction which the Board lawfully could have imposed on the operating authority of an air carrier for any violation referred to in paragraph (2) of this subsection which occurred before the validation of a certificate of public convenience and necessity for or before the conferring of any operating authority for, supplemental air transportation under this Act, may be imposed on the operating authority of such air carrier granted under paragraphs (1) or (2) of the first section of this Act.

(b) The authority granted to the Board under this Act shall not affect any other authority of the Board to license air carriers to engage in supplemental air transportation.

(c) Any certificate validated, and any operating authority conferred, by the Board under this Act shall extend to service between the State of Hawaii and the other States of the United States to the extent that such service was authorized pursuant to Board Order E–9744 of November 15, 1955. For the purposes of any such certificate or operating authority, the State of Hawaii shall be considered one point.

The SPEAKER pro tempore. Is a second demanded?

Mr. COLLIER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second is considered as ordered.

There was no objection.

Mr. WILLIAMS. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, the legislation now before us deals with the rights of some 25 so-called supplemental carriers, the so-called irregular or nonscheduled carriers to continue in operation for 12 months.

When the Civil Aviation Act of 1938 was passed, it provided for the regulation primarily of scheduled air carriers between points in the United States and on established routes.

Shortly after passage of the Civil Aeronautics Act of 1938, the Board issued an exemption order authorizing nonscheduled operations. Thereafter nonscheduled operations continued over the years under exemption authority granted by the Board under section 416(b) of the Civil Aeronautics Act of 1938, identical with section 416(b) of the Federal Aviation Act of 1958.

The nonscheduled operations initially authorized by the Board largely were conducted with aircraft smaller than those used in regular airline service.

At the end of World War II, a considerable number of larger surplus military aircraft became available at relatively low prices for purchase or lease, and many nonscheduled operators acquired these larger aircraft. Passenger-carrying operations consequently were expanded.

With this development, the Board, in 1947, revised its exemption regulations and began to distinguish between operators of transport-type aircraft—large irregulars—and small aircraft—small irregulars.

In this revision the Board prohibited the large irregulars from operating "regularly or with a reasonable degree of regularity," but permitted these carriers to operate as many as 8 to 12 flights a month between the same points.

In 1951 the Board instituted the large irregular air carrier investigation.

After extensive hearings, the Board, in 1955, granted the large irregular carriers unlimited charter authority, plus authority to conduct special service flights not to exceed 10 per month in each direction between any 2 points. The new authority was granted on an interim exemption basis, pending final decision by the Board as to the qualifications of individual carriers and as to

whether the final authorization should be by certificate or by exemption.

This order granting interim exemption authority was set aside by the Court of Appeals for the District of Columbia Circuit on July 19, 1956, on the ground that the Board had not made sufficient subsidiary findings to sustain the statutory findings required for exemption; to wit, that enforcement of the certificate requirements of section 401 would be an undue burden on such air carriers, by reason of the limited extent of, or unusual circumstances affecting, the operations of such carriers.

The court, however, stayed the mandate in this decision pending the Board's decision on the question of certification in the large irregular air carrier investigation, and the carriers continued to operate.

The Board, on January 28, 1959, issued temporary certificates of public convenience and necessity for supplemental air service to 23 air carriers found by the Board to be fit to receive them. Two additional certificates were issued July 8, 1959.

Under these certificates, supplemental air carriers were authorized to conduct, without reference to any specific terminal or intermediate points, not more than 10 flights carrying individually ticketed passengers or individually waybilled property in the same direction between any single pair of points in any calendar month, and to render unlimited planeload charter service. This authorization was limited to interstate air transportation.

The authority of the Board to issue such limited certificates was challenged in the Court of Appeals for the District of Columbia.

The court, in its decision of April 7, 1960, set aside the Board orders and the certificates for supplemental air transportation issued thereunder. The court held that the Board's action in certificating supplemental air carrier operations was legally deficient in three respects:

First. The certificates issued by the Board do not specify the terminal and intermediate points between which air transportation is authorized but grant a blanket authorization to operate between any two points in the United States, which conflicted with section 401(e) of the act.

Second. The certificates issued by the Board contain a limitation of 10 flights per month in the same direction between the same 2 points.

In the opinion of the court, this limitation was in violation of section 401(e) of the Federal Aviation Act which provides, in part, as follows:

> No term, condition, or limitation of a certificate shall restrict the right of an air carrier to add to or change schedules.

Third. In referring to the determination of fitness required by section 401(d) of the act, the court pointed out—one judge dissenting—that the Board gave the same nationwide cargo and passenger authority to each of the applicants to which it issued certificates. The court stated that in many instances the prior operations of the individual applicants had been small or specialized and that their financial resources were inadequate for the newly authorized operations. It would thus appear that the court's standard of fitness that each carrier must establish would be greater than that found by the Board to be necessary for supplemental service.

Concerning what could be done about the problem, the court said:

> If the requirements of section 401(e) interpose an insuperable obstacle to the full development of supplemental air service, which they may well do, the problem is for the Congress. The Board should present it there.

The Board then urged the Congress to give early consideration to this proposed legislation.

This bill was introduced at the request of the Civil Aeronautics Board on June 5, 1959. This bill proposed to amend the act to give the Board permanent authority to issue limited certificates.

In view of the fact that the Board had had this problem of nonscheduled air transportation under consideration since 1951, and in view of the fact that this is a very complex, complicated problem, our committee decided that rather than let these little supplemental carriers be forced out of business this summer as a result of this court decision, and not having time between now and the adjournment of Congress to give serious consideration to permanent legislation granting authority for limited certification, the committee amended the bill that was sent to us by the CAB so as to provide stopgap authority to the CAB to permit these carriers to operate for 1 year until the Congress has time to give a serious and thorough look at this question. That is the bill before us at the present time.

Mr. DADDARIO. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Connecticut.

Mr. DADDARIO. On the first page of your report, you talk about the Civil Aeronautics Board having authority through this bill to take care of this temporary situation. I wonder, under your section (B) where you say, "Has an application for a certificate as a supplemental air carrier pending before the Board on the date of enactment of this act," what happens to those supplemental airlines, now operating, which have had their certificates denied by the Board and which have appealed to the courts on the question of whether or not the Civil Aeronautics Board was correct in denying their certificate. They are still flying. Does this act cover them?

Mr. WILLIAMS. I would assume that the gentleman has reference to the case of the Great Lakes Airlines, Currey Air Transport, Trans-Alaskan Airline, and Central Air Charter.

Mr. DADDARIO. I wonder what would happen to them under this bill?

Mr. WILLIAMS. The Board refused to issue certificates to them, as I understand it, and they have appealed to the courts. However, as far as this bill is concerned—and that is what you are interested in—this bill makes no mention of that case. Their case is presently in litigation before the courts. This bill is not applicable to them. So they will be in the same status as if this bill had not passed. It does not jeopardize their position and it does not grant them any additional rights.

Mr. DADDARIO. Will it prevent their cases being considered in a court of law, even though they are not mentioned in this bill?

Mr. WILLIAMS. No. It does not prevent their cases being considered in a court of law.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not a fact that this bill is very simple in character, and it does nothing except to provide stopgap legislation? Everything is status quo with reference to this type of carrier for 1 year, giving the Congress an opportunity to try to work it out when we come back next session?

Mr. WILLIAMS. The gentleman has stated the case exactly.

Mr. HARRIS. And is it not a fact that these so-called supplemental carriers will be out of business unless this legislation is passed?

Mr. WILLIAMS. If this legislation is not passed, they face the danger of being put out of business before Congress could act next session.

Mr. DADDARIO. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Connecticut.

Mr. DADDARIO. Following that line of reasoning, if this act covers that situation so that it will not prevent the supplemental airlines from operating, the question then comes back to those airlines which have their appeals before the court. As I understand your explanation, even though they are not included within the scene of this bill, they will not be adversely affected?

Mr. WILLIAMS. No, sir. Their lines will not be adversely affected, except that they are not included within the scope of this legislation.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Illinois.

Mr. MACK. Is it not true that there is a difference in the requirements of standard of fitness between regular carriers and supplemental carriers?

Mr. WILLIAMS. That is one of the reasons that the committee felt the committee should not act at this time on permanent legislation of this type, because that is a matter that the committee wanted to go into thoroughly. We did not have an opportunity to do so.

Mr. MACK. Both supplemental and regular carriers engage in the carrying of passengers in the normal course of conduct?

Mr. WILLIAMS. That is right.

Mr. MACK. It seems to me that your committee should look into this matter to see if all commercial carriers, carrying passengers, should not be required to meet the same standards.

Mr. WILLIAMS. I quite agree with the gentleman from Illinois. That is

the reason we have this stopgap legislation before you at this time, in order that the committee may have an opportunity to look at this.

Mr. MACK. I want to commend the gentleman for presenting this type of legislation.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from New York.

Mr. SANTANGELO. Will the gentleman tell me if this bill is passed does any one of the certificated supplemental carriers have an obligation to get an exemption from the CAB when it has a chartered flight for a private group?

Mr. WILLIAMS. I do not understand the gentleman's question.

Mr. SANTANGELO. Under the present law, these carriers must obtain exemption from the CAB before they take a chartered group to Europe or elsewhere?

Mr. WILLIAMS. This bill does not affect that except that it would keep these carriers in business for another year.

Mr. SANTANGELO. During this 1 year will any one of these 25 carriers have to go to CAB for permission for a charter flight?

Mr. WILLIAMS. I think they would have to go to CAB for special exemptions to make these foreign air transportation charter flights.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. COLLIER. Mr. Speaker, I yield myself such time as I may need.

The SPEAKER pro tempore. The gentleman from Illinois is recognized.

Mr. COLLIER. Mr. Speaker, while the bill before us today is stopgap legislation it deals with a question which I think is of great importance not only to the airline industry but to the Nation's air transport system. As the distinguished gentleman from Mississippi, the chairman of our subcommittee pointed out, it is actually legislation of a stopgap nature to validate temporary certificates of public convenience and necessity to a given group of so-called supplementary airlines.

The bill squarely raises the question as to whether or not the air route certification system, which Congress established in 1938, should be modified in several basic ways.

The Civil Aeronautics Board in its decision in the Large Irregular Case, Docket No. 5232, undertook to grant authority to some 25 nonsked airplane operators, and this is the group we are talking about today, to operate a supplemental airline industry in addition to the regularly scheduled carriers that have been serving the Nation for several decades. These supplemental carriers were awarded two kinds of operating authority: First, an unlimited volume of charter-type operations between any two cities in the United States; and, secondly, an individually ticketed, scheduled service limited to 10 flights per month between any two cities in the United States.

Under this latter authority, each of the nonskeds could legally operate a nearly unlimited amount of scheduled service, provided they did not exceed the 10 flights per month between any two cities.

As my subcommittee chairman told you, the U.S. court of appeals declared that the CAB had no legal authority to make this kind of award, and that is the reason for this legislation.

Actually my purpose in taking this time is to point out that there are two bills before Congress. The one that we have before us today would extend the authority illegally granted by the CAB for 1 year, and perhaps this stopgap legislation is necessary. Presumably the theory is that during this time, or the so-called status quo period, there would be time for a complete study to be made of the situation.

I might say that I had intended to introduce an amendment to this bill which would have confined the nonscheduled airlines to charter operations which I am convinced is their proper sphere. However, since it appears that this question will be explored thoroughly in hearings next fall, I have reluctantly refrained from presenting this amendment despite the conviction I have that this bill is perhaps too far-reaching.

The other bill, that is, the bill in the other body, would extend the authority illegally granted the nonsked operators for an indefinite period of time, and moreover, after the first year—and I think this is important—the bill in the other body would permit the CAB to expand the number of carriers from the current 25 to any number they saw fit in their discretion. In this connection, Mr. Speaker, these new carriers would be certificated, that is, the original 25 that we are dealing with at the present time, without any specific individual determination as to whether or not they were fit and able to provide air transportation.

Moreover, in the bill of the other body the CAB could increase this flight restriction from 10 per month to any number it may desire. This would create a long-range dangerous situation.

Thus, Mr. Speaker, the bill of the other body would permit the authorization of an unlimited number of carriers of unknown fitness and ability to operate an indefinite number of trips in any markets they choose without any duty to stay in that market, or to serve all of such markets which the scheduled industry is required to serve.

As between the bills it seems to me that we have but one choice to make. The House bill, as reported by our committee, does, in my opinion, give the nonscheduled airlines too much authority with too little responsibility. But at least it restricts the period of their operation to 1 year.

So, in conclusion, Mr. Speaker, I earnestly urge that two things be done: first, should the House bill be passed, that the conferees hold firm and resist any extension in either duration or scope of authority, and, second, the Interstate and Foreign Commerce Committee hold exhaustive hearings to determine the impact of placing such a wide and unchecked operating authority in the hands of nonscheduled carriers who are unknown quantities.

Mr. BROCK. Mr. Speaker, will the gentleman yield?

Mr. COLLIER. I yield to the gentleman from Nebraska.

Mr. BROCK. Mr. Speaker, I would like to associate myself with the gentleman from Illinois, a member of the Committee on Interstate and Foreign Commerce. We note in the report, as the gentleman from Illinois has stated, that we are granting authority to permit 25 supplemental air carriers to conduct limited operations for 12 months, despite a ruling of the U.S. Court of Appeals for the District of Columbia Circuit which held that the Board exceeded its authority in granting limited certificates to these carriers.

Mr. Speaker, we are not only asked to certificate by statute some 25 unknown airplane operators but we are asked to give them authority to serve any cities they choose in the entire United States but with no corresponding duty once they have started service to continue it.

It is not inconceivable at all that a combination of these nonskeds could descend on a rich market like New York to Miami and drain away large amounts of traffic from the regularly scheduled carriers serving that market. If one or more of the scheduled carriers were put out of business and the market declined, these nonskeds could pull out without any notice and leave the public without a service.

Moreover, the scheduled carriers plow a lot of their profits into loss or break even markets and operate flights at other than peak hours for public convenience. If we allow these nonskeds to drain off the profits, we will undermine service in these marginal markets and have no recourse to the nonskeds who obviously will not serve such markets.

This is a very serious problem. Our regular scheduled companies are deeply committed with their immense investment in jet equipment. The total industry investment will reach $4 billion.

We jeopardize this investment and with it technological progress if we allow the nonskeds to drain off the individually ticketed business in rich markets.

Therefore, Mr. Speaker, I heartily concur with my distinguished colleague. We must not acquiesce in the Senate bill. The House bill probably goes too far. But above all, we must carefully study this problem and make sure that our scheduled industry is not financially ruined by nonsked operations.

Mr. COLLIER. Mr. Speaker, I thank the gentleman for his remarks. I may say that in dealing with this problem the crux of it is that the Congress of the United States owes a reasonable degree of protection to those airlines which are required by their franchise or certificate to serve regularly in given areas at all times so that we do not create a situation whereby these supplementary airlines will move into competition in those markets which they can abandon at any time and leave the public without the service they are certainly entitled to.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. COLLIER. I yield to the gentleman from Arkansas.

Mr. HARRIS. I thank the gentleman. I gather from the comments the gentleman made a moment ago he feels perhaps it might be advisable to pass this bill and go to conference in order to relieve the immediate situation until we can work something out. We should insist that the position of the House be maintained in the Congress and certainly not grant any more or any further authority than this bill now contains.

Mr. COLLIER. That is exactly right. I am perhaps a bit presumptuous of what is contained in the version of the same or similar legislation in the other body.

Mr. HARRIS. I am sure the gentleman may very well have an opportunity to further contribute to this proposition in conference.

Mr. COLLIER. I thank my chairman.

Mr. WILLIAMS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended so as to read: "A bill to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes."

A motion to reconsider was laid on the table.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is with singular pleasure that I bring to the attention of the House an article by the noted columnist, Holmes Alexander, of McNaught Syndicate, in which he names the Committee on Science and Astronautics as "the House committee of the year."

I say it is a singular pleasure for me to do so because I am not only a member of that committee, but had the honor of serving as chairman of its predecessor, the Select Committee on Astronautics and Space Exploration.

The select committee was composed of an outstanding group of men who helped draft the legislation which established the free world's first civilian space agency, the National Aeronautics and Space Administration.

When the select committee was terminated in January 1959, the present standing committee was established by the House to carry on its work, broadened in its jurisdiction to cover science in general as well as space exploration.

I was instrumental in the establishment of the standing committee so it is a great source of pride to me that this honor has come to the Science and Astronautics Committee. But it came as no surprise to me that this committee was selected as the "House committee of the year."

Its chairman, OVERTON BROOKS of Louisiana, has distinguished himself by his indefatigable labors on behalf of the committee and on behalf of the Nation's space program. I venture to say that no Member of Congress has striven with more ardor, vigor, initiative, and diligence to promote the work of his committee and the task entrusted to it by the House than the distinguished gentleman from Louisiana.

His has not been an easy task. This is a new committee and the path which it must take is not yet fully charted by any means. As chairman, our colleague has vindicated the confidence placed in him by the Speaker and by the House. To my knowledge, he has never failed to attend a meeting of the committee and it is well known to the House that the Science and Astronautics Committee has compiled an enviable record in the number of hearings held on a variety of important subjects. I need only mention that the committee heard 651 witnesses during the 1½ years of its existence to indicate the broad scope of its work.

The committee has been fortunate in that it has been composed of dedicated men, truly interested in promoting the Nation's space program, and well aware of its importance to the security of the United States and the entire free world. Some of the members of this committee are veterans of many years of service in the Congress; others are serving their first terms. But all have one thing in common—their dedication to their work. They are to be truly congratulated for helping to develop the committee to the point where it is today one of the most important in the Congress.

Thus, as I stated earlier, it was not surprising to me that this committee, although less than 2 years old, was selected as "the House committee of the year."

I would like to quote briefly what Mr. Alexander said about this committee in making his selection. After reviewing the work of other committees, he concluded that, on the basis of its record:

> The House committee of the year has to be the one called Science and Astronautics. This group—

Stated Mr. Alexander—

> has been in session almost every day since New Year's. On scope alone, this committee was remarkable. It covered 10 subjects. One set of hearings on the huge assignment called adequacy of the national space program ran over 6 weeks.
>
> This astonishingly versatile committee dealt with moon-mapping by the Army, oceanic research by the Navy, mechanical translation of foreign languages, development of the hydrofoil, scientific scholarships, and the principle of Federal secrecy of documents.

I congratulate the members of the committee, particularly the chairman, the distinguished gentleman from Louisiana [Mr. BROOKS].

REGULATION OF ALASKA RAILROAD

Mr. WILLIAMS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1508) to provide for economic regulation of the Alaska Railroad under the Interstate Commerce Act, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first paragraph of the first section of the Act entitled "An Act to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes", approved March 12, 1914 (38 Stat. 305), as amended (48 U.S.C. 301), is amended to read as follows:

"That the President of the United States is hereby empowered, authorized, and directed to adopt and use a name by which to designate the railroad or railroads and properties to be located, owned, acquired, or operated under the authority of this Act; to employ such officers, agents, or agencies, in his discretion, as may be necessary to enable him to carry out the purposes of this Act; to authorize and require such officers, agents, or agencies to perform any or all of the duties imposed upon him by the terms of this Act; to detail and require any officer or officers in the Engineer Corps in the Army or Navy to perform service under this Act; to fix the compensation of all officers, agents, or employees appointed or designated by him; to designate and cause to be located a route or routes for a line or lines of railroad in the State of Alaska not to exceed in the aggregate one thousand miles to be so located as to connect one or more of the open Pacific Ocean harbors on the southern coast of Alaska with the navigable waters in the interior of Alaska, and with a coal field or fields so as best to aid in the development of the agricultural and mineral or other resources of Alaska, and the settlement of the public lands therein, and so as to provide transportation of coal for the Army and Navy, transportation of troops, arms, munitions of war, the mails, and for other governmental and public uses, and for the transportation of passengers and property; to construct and build a railroad or railroads along such route or routes as he may so designate and locate, with the necessary branch lines, feeders, sidings, switches, and spurs; to purchase or otherwise acquire all real and personal property necessary to carry out the purposes of this Act; to exercise the power of eminent domain in acquiring property for such use, which use is hereby declared to be a public use by condemnation in the courts of Alaska in accordance with the laws now or hereafter in force there; to acquire rights of way, terminal grounds, and all other rights; to purchase or otherwise acquire all necessary equipment for the construction and operation of such railroad or railroads; to build or otherwise acquire docks, wharves, terminal facilities, and all structures needed for the equipment and operation of such railroad or railroads; to establish, change, or modify rates for the transportation of passengers and property; to receive compensation for the transportation of passengers and property, and to perform generally all the usual duties of a common carrier by railroad; to make and establish rules and regulations for the control and operation of said railroad or railroads: *Provided,* That effective one hundred and eighty days after the enactment of this proviso, and thereafter, the operation of the said railroad or railroads and the facilities and equipment thereof shall be subject to the provisions of part I of the Interstate Commerce

Act, as amended, and related Acts, including the Acts of March 2, 1893, March 2, 1903, and April 14, 1910, known as the Safety Appliance Acts (45 U.S.C., secs. 1–16); the Acts of May 6, 1910, known as the Accident Reports Act (45 U.S.C., secs. 38–43); the Acts of February 17, 1911, and March 4, 1915, known as the Boiler Inspection Acts (45 U.S.C., secs. 22–34); the Act of March 4, 1907, known as the Hours of Service Act (45 U.S.C., secs. 61–64); the Act of April 22, 1908, known as the Employers' Liability Act (45 U.S.C., secs. 51–60); and the Act known as the Explosives and Combustibles Act (18 U.S.C., secs. 831–835), and to the provisions of any applicable statutes regulating intrastate transportation enacted by the State of Alaska, in the same manner and to the same extent as if such railroad or railroads and facilities were privately owned and operated, except that so long as such railroad or railroads continue to be both wholly owned and operated by the United States of America or by one of its departments, corporations, or agencies: (1) the Interstate Commerce Commission in determining the lawfulness of rates or charges maintained, or from time to time proposed to be maintained, by such railroad or railroads, shall give due consideration, among other things, to the national public purposes which to a substantial extent prompted the construction, expansion, maintenance, and improvement thereof, with particular reference to the requirements of the national defense, as well as promotion and development of natural resources, and shall to the extent warranted by the facts recognized for valuation and cost-findings purposes a segregation of both capital investment and operating expenses which are found to be solely attributable to such national public purposes, distinguishing them from normal railroad common carrier investment and operational expenses; nor shall such rates and charges be deemed to be unlawful solely because they fail to yield sufficient revenues to cover any amounts for taxes not actually required by law to be paid or provide a return on capital investment; (2) approval of the Interstate Commerce Commission shall not be required for any extension of such railroad or railroads or for the issuance of securities; and (3) that, in carrying out its duties under section 20 of the Interstate Commerce Act as amended, the Commission shall consider the needs of the Comptroller General of the United States, the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Secretary of the Interior pursuant to provisions of law with respect to the accounting, auditing, financial reporting, and budgetary requirements of such railroad or railroads. No free pass or free or reduced rate or fare transportation shall be given except as permitted by the provisions of part I of the Interstate Commerce Act. The President is empowered and authorized, in his discretion, to lease the said railroad or railroads, or any portion thereof, including telegraph and telephone lines, after completion under such terms as he may deem proper, but no lease of such railroad or railroads shall be for a longer period than twenty years and no other lease authorized in this Act shall be for a longer period than fifty-five years, or in the event of failure to lease, to operate the same until the further action of Congress. If the said railroad or railroads, including telegraph and telephone lines, are leased under the authority given under this Act, they shall be operated by the lessee under the jurisdiction and control of the provisions of the interstate commerce laws. The President also is empowered and authorized to purchase, condemn, or otherwise acquire upon such terms as he may deem proper, any other line or lines of railroad in Alaska which may be necessary to complete the construction of the line or lines of railroad designated or located by him, but the price to be paid in case of purchase shall in no case exceed the actual physical value of the railroad. The President also is empowered and authorized to make contracts or agreements with any railroad or steamship company or vessel owner for joint transportation of passengers or property over the road or roads herein provided for, and such railroad or steamship line or by such vessel, and to make such other contracts as may be necessary to carry out any of the purposes of this Act; to utilize, in carrying on the work herein provided for, any and all machinery, equipment, instruments, material, and other property of any sort whatsoever used or acquired in connection with the construction of the Panama Canal, so far and as rapidly as the same is no longer needed at Panama, and the successors to the Isthmian Canal Commission are authorized to deliver said property to such officers or persons as the President may designate, and to take credit therefor at such percentage of its original cost as the President may approve, but this amount shall not be charged against the fund provided for in this Act."

SEC. 2. The Act of April 10, 1926 (44 Stat. 239), relating to free transportation on the Alaska Railroad, is hereby repealed.

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNGER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. WILLIAMS. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, S. 1508, the bill under consideration, amends the Alaska Railroad Act to provide that the federally owned Alaska Railroad, which is now owned by the Department of Interior, shall be subject to the provisions of part I of the Interstate Commerce Act, except those provisions applying to the extension of lines or issuance of securities. It would also make the railroad subject to the other acts relating to safety which presently apply to other railroads in the United States.

Mr. Speaker, the purpose of this legislation is to provide for effective and equitable regulation of transportation services within the new State of Alaska. This cannot be attained as long as the chief supplier of transportation, which is the Alaska Railroad, is free from regulatory control, either State or Federal, while all competing modes of transportation are subject to regulation. The Government owned and operated Alaska Railroad, the principal transportation facility in Alaska, was not subject to regulation by any regulatory agency prior to statehood, nor did it become subject to the Interstate Commerce Commission jurisdiction upon admission as a new State.

As it now stands, the Civil Aeronautics Board and the Federal Aviation Agency have jurisdiction over air carriers.

The Maritime Board has jurisdiction over water carriers between Alaska and the other States, and the Interstate Commerce Commission has jurisdiction over water carriers within Alaska except that on the high seas.

The Interstate Commerce Commission has jurisdiction over common carrier railroads, common and contract motor carriers, and freight forwarders.

The Alaska Railroad, operated by the Department of the Interior, is subject to no regulatory agency whatsoever.

That makes quite an imbalance in the transportation system of the new State of Alaska. The purpose of the legislation before the House now is to provide that the Interstate Commerce Commission shall have jurisdiction over the rates and safety operations of the Alaska Railroad. This is legislation which is made necessary by the admission of Alaska as a State.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman.

Mr. BYRNES of Wisconsin. Can the gentleman advise me whether there is any movement afoot for the Department of the Interior to get out of this particular business now that Alaska is a State?

Mr. WILLIAMS. I am sorry I cannot answer the gentleman's question, but the basic act provides that the President can dispose of it; the President does have authority to dispose of it.

Mr. BYRNES of Wisconsin. I should think that they ought, in view of the fact that Alaska is now a State, to start giving consideration to getting out of some of these proprietary functions of the Federal Government in the area.

Mr. WILLIAMS. On the basis of the limited knowledge that I have of the Alaska Railroad and how it came into being, I would say to the gentleman that probably we should get rid of it. But the fact remains that we do have it and the purpose of the bill is to regulate it.

It will be contended, I am sure, that this should remain under the Interior Department because it is a Government-operated business. But there are ample precedents for placing regulatory authority over these Government-operated businesses. The bringing of the Alaska Railroad under the Interstate Commerce Act does no more than follow the precedent that the Congress established in having the Commission regulate transportation by the Federal Barge Lines when they were owned by the Government and the Maritime Board when it regulated the operation of Government-owned vessels.

I might add, also, that the new State of Alaska has passed a resolution memorializing Congress to do this very thing.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to my chairman.

Mr. HARRIS. Is it not true that this proposed legislation is made necessary by the fact that Alaska became the 49th State?

Mr. WILLIAMS. Yes, sir.

Mr. HARRIS. And when statehood was granted to Alaska, there were certain adjustments and laws with reference to transportation and other things that had to be made?

Mr. WILLIAMS. That is right.

Mr. HARRIS. And is it not true that the officials of the State of Alaska, the Representative in Congress from the

State of Alaska, and the Senators from the State of Alaska are sponsoring these bills and urging their adoption in order to meet their problems?

Mr. WILLIAMS. That is quite true. The Alaska State Legislature, as I mentioned before, has memorialized the Congress to enact this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNGER. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I have always been under the impression that bills which were placed upon the Calendar under suspension were bills that were not controversial. I am sorry that I have to disagree with the chairman of the committee and the gentleman who is handling this piece of legislation, that this is a controversial piece of legislation.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Arkansas.

Mr. HARRIS. I believe the gentleman said that bills coming up under suspension of the rules should be virtually noncontroversial?

Mr. SAYLOR. That is my understanding of the reason we have suspensions; that is correct.

Mr. HARRIS. May I say to the gentleman that this bill was considered by the committee, the subcommittee unanimously reported it, and the full Committee on Interstate and Foreign Commerce unanimously reported it.

Mr. SAYLOR. I should like to call to the attention of the Members of the House what this bill does. The bill has four provisions. The Alaska Railroad is a wholly owned Federal corporation. All of the money that has been appropriated for the construction and operation of the Alaska Railroad have been by Congress and the railroad is owned by the Federal Government. It is owned by the United States and under the jurisdiction of the President. This bill will place the Alaska Railroad under the regulatory jurisdiction of the Interstate Commerce Commission for all interstate shipments. This is a rather unusual situation, when Congress has authorized the construction of a railroad and then gives the President the responsibility for operating it, and is now attempting to say that he cannot operate it the way he desires and the Departments of Defense, Commerce, and Interior decide, but that it must be operated in accordance with a regulatory body of the United States. A governmental agency that is subservient to all of the executive agencies of Government.

The second thing this bill does, which is very unusual, is that it places the Alaska Railroad under the jurisdiction of the State of Alaska for all intrastate shipments. It was my understanding that the Federal Government, while it owned something, was not subject to State jurisdiction, but this bill places the Alaska Railroad and all intrastate shipments under the jurisdiction and subject to the Legislature of the State of Alaska.

The third thing this bill does is that it changes the railroad's accounting requirements to comply with the Interstate Commerce Commission's accounting standards as well as those set up by the Comptroller General, the U.S. Treasury, and the Bureau of the Budget.

These regulations to which you will subject the Alaska Railroad were placed in the law because Congress desired to control private business. This is a Federal business.

The fourth thing this bill does is that it places the railroad under several labor and safety statutes including the Employer's Liability Act of 1908, and at the same time it retains the coverage of the railroad by the Federal Workmen's Compensation Act.

On the matter of bringing the Alaska Railroad, a Federal agency, under the regulatory jurisdiction of the State of Alaska, the Department of the Interior in its report on this bill, and by the way, it is not a part of the committee report and was filed with the chairman on June 20, 1960, and which I will place in the RECORD, states:

> As to the provision in section 1 subjecting the intrastate operation of the railroad to regulation under statutes enacted by the State of Alaska, the Department of the Interior also wishes to object. One of the fundamental principles of our system of government is that the Federal Government's authority shall not be abridged by State law when it is acting pursuant to powers vested in it by the Constitution. This proposed legislation would depart from that principle, and would vest in the State of Alaska powers by which it would contravene the authority of the President and the Congress as well.

The Bureau of the Budget has strongly opposed the enactment of this legislation. I quote from the Bureau's report on this legislation:

> One of the fundamental principles of our Federal system is that the Federal Government's authority shall be supreme when it is acting pursuant to the powers vested in the United States by the Constitution. The bill departs from this fundamental principle by subjecting a Federal agency, the Alaska Railroad, to State regulation. The State of Alaska would be thus placed in a position where it could contravene the authority of both the President and the Congress, although the State would have no responsibility for the management, operation, and financing of the railroad.
>
> For the foregoing reasons the Bureau of the Budget is opposed to the proposed legislation, and you are hereby advised that enactment of S. 1508 would not be in accord with the program of the President.

Finally, the fact that this bill was drafted, I believe, in haste without careful consideration is demonstrated by several of its provisions.

For example, the bill as originally drawn was amended in the Senate to allow the Interstate Commerce Commission to approve Alaska Railroad rates even though they do not allow for a fair return on investment. I defy any Member of this House to read that amendment that was placed in this bill in the Senate and tell me with any exactness what it means.

As a second example, the bill provides that the Alaska Railroad shall be covered by the Employers' Liability Act of 1908 without any recognition of the fact that the railroad is already covered by the Federal employee accident compensation which is probably more liberal than any other accident compensation statute in existence anywhere.

On this point, the Department of the Interior's report to the House states:

> The employees of the Alaska Railroad, under the provisions of S. 1508, would still continue to be Federal employees, and would be covered by the Federal Employee's Compensation Act, which provides that the benefits of the act will furnish exclusive indemnity of the employer for injury or death of covered employees. However, the Employers' Liability Act contains no such provision but, rather, specifically states that the act shall not limit the duty or liability of common carriers or impair the rights of their employees under any other act or acts of Congress. It would be possible, under these circumstances, for an employee of the Alaska Railroad to retain his benefits under the employee's compensation while suing his employer, the Federal Government, for damages for the same injuries.

It is interesting to note that in the reports which are attached that the Interstate Commerce Commission reports favorably because they say this is in accordance with the draft of the act which they submitted to the Committee on Interstate and Foreign Commerce.

The Department of the Army is noncommittal.

It says it should be handled by the agencies of the executive department which have jurisdiction over this railroad.

The Bureau of the Budget is opposed to the enactment of this law. The Secretary of Labor indicates in his report that he is opposed to it. The General Accounting Office is opposed to it. The Department of Commerce is opposed to it. The Department of the Interior is opposed to the enactment of this legislation.

This matter was considered at the time the Alaskan statehood bill was enacted, and the Interior and Insular Affairs Committee were unanimous in their decision that the new State should have no jurisdiction over this railroad, nor should the Interstate Commerce Commission, because this was a wholly owned Federal facility.

There is no precedent that can be pointed to by anyone on the committee, that is, authority for doing what this bill will provide. It is interesting to note on page 4 of the committee report, it is stated that by bringing the Alaskan Railroad under the Interstate Commerce Act, it is no more than following the precedent which Congress established in having the Commission regulate transportation by the Federal Barge Line when it was owned by the Government. There was a tremendous difference. The Federal Barge Line was an interstate line and it did not operate wholly within one State. The examples that have been pointed to by the gentleman from Mississippi [Mr. WILLIAMS] with regard to air travel, were all considered at the time the Alaskan statehood bill was passed. It was the recommendation of all of the Departments of Federal Government that they be given jurisdiction in the new State of Alaska, and every one of the Departments opposed control of the Alaskan Railroad by the Inter-

state Commerce Commission and the new State of Alaska.

Mr. Speaker, I hope this bill will be defeated.

The report of the Department of Interior to the House Committee of Interstate and Foreign Commerce is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 20, 1960.

Hon. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. HARRIS: This responds to your request for the views of this Department on S. 1508, a bill "to provide for economic regulation of the Alaska Railroad under the Interstate Commerce Act, and for other purposes."

We recommend that the bill not be enacted.

S. 1508 consists to a large degree of a restatement of the language of the codification of the first paragraph of section 1 of the act of March 12, 1914 (38 Stat. 305), as amended (48 U.S.C. 301), which is the act authorizing construction and operation of what is now the Alaska Railroad. Aside from minor editing changes, the principal changes proposed by the bill are (1) to subject the Alaska Railroad to part I of the Interstate Commerce Act, which deals with the regulatory authority of the Interstate Commerce Commission over privately owned railroads, and (2) to subject the Alaska Railroad to state regulation as to intrastate traffic.

The Alaska Railroad is a federally owned transportation artery, extending a distance of 470 miles (main line) from the port cities of Seward and Whittier through Anchorage, its headquarters, to Fairbanks. There are four short branches. The Railroad was constructed under authority of the 1914 legislation cited above, and was initially completed in 1923, and substantially rebuilt after 1947. For many years it has been operated under the direction of this Department.

The purpose of this operation is not to earn a return on the Government's investment, but rather to perform a public service in assisting in the development of Alaska. Therefore, the Railroad has generally not been run in strict accordance with all the financial considerations proper to a privately owned railroad, where such financial objectives conflicted with the developmental purposes for which the Railroad was built.

The railroad has energetically sought to pare down costs to the lowest practicable level, and also to develop new industry which would generate revenue-producing traffic. By these and other means it has been able to show a small net margin of revenues over costs (including depreciation) during each of the past 6 years. Simultaneously, the railroad has deliberately refrained from increasing the charges for its services to the point that would have been necessary to earn a substantial return on investment. On the contrary, freight and passenger rates have been systematically kept down to levels just sufficient to cover costs, and to pay for a moderate program of improvements. However, depreciation rates have been increased for fiscal year 1961 to an extent which will make it almost impossible to show a net revenue margin over costs for the fiscal year.

In short, the Alaska Railroad has been and is operated after the manner of a municipally owned electric plant, which aims to provide the best possible service at the lowest possible rates. Such municipally owned electric plants and other publicly owned utilities are not commonly subjected to rate control by outside regulatory commissions in this country, since by the terms of their mandates they are already engaged in serving the public interest, and there is no necessity for regulation to protect the public. S. 1508 fails to take cognizance of this sharp distinction, well recognized in American practice, between publicly owned facilities operated solely in the interest of the consumer or in this case the shipper and traveler, and privately owned facilities which are properly entitled to a fair return on the investment of their stockholders.

Under these circumstances it is not clear to us what purpose is intended to be served by subjecting the Alaska Railroad to rate regulation by the Interstate Commerce Commission. As pointed out above, such regulation is not needed to hold the rates down, since they are already as low as management can make them, while still covering necessary expenses. However, it may be that the aim of the bill is to push Alaska Railroad rates higher than at present, instead of lower.

Apparently in response to this Department's objection to the lack in the bill of standards or statements of objectives for regulatory functions which would be appropriate to a federally owned railroad, S. 1508 was amended by the Senate to include the following:

"*Provided*, That effective one hundred and eighty days after the enactment of this proviso, and thereafter, the operation of the said railroad or railroads and the facilities and equipment thereof shall be subject to the provisions of part I of the Interstate Commerce Act, as amended, and related Acts, including the Acts of March 2, 1893, March 2, 1903, and April 14, 1910, known as the Safety Appliance Acts (45 U.S.C. secs. 1–16); the Act of May 6, 1910, known as the Accident Reports Act (45 U.S.C., secs. 38–43); the Acts of February 17, 1911, and March 4, 1915, known as the Boiler Inspection Acts (45 U.S.C., sec. 22–34); the Act of March 4, 1907, known as the Hours of Service Act (45 U.S.C., sec. 61–64); the Act of April 22, 1908, known as the Employers' Liability Act (45 U.S.C., secs. 51–60); and the Act known as the Explosives and Combustibles Act (18 U.S.C., secs. 831–835), and to the provisions of any applicable statutes regulating intrastate transportation enacted by the State of Alaska, in the same manner and to the same extent as if such railroad or railroads and facilities were privately owned and operated, except that so long as such railroad or railroads continue to be both wholly owned and operated by the United States of America or by one of its departments, corporations, or agencies: (1) the Interstate Commerce Commission in determining the lawfulness of rates or charges maintained, or from time to time proposed to be maintained, by such railroad or railroads, shall give due consideration, among other things, to the national public purposes which to a substantial extent prompted the construction, expansion, maintenance, and improvement thereof, with particular reference to the requirements of the national defense, as well as promotion and development of natural resources, and shall to the extent warranted by the facts recognized for valuation and cost-finding purposes a segregation of both capital investment and operating expenses which are found to be solely attributable to such national public purposes, distinguishing them from normal railroad common carrier investment and operational expenses; nor shall such rates and charges be deemed to be unlawful solely because they fail to yield sufficient revenues to cover any amounts for taxes not actually required by law to be paid or provide a return on capital investment;"

This Department's report to the Committee on Interstate and Foreign Commerce of the Senate stressed the fact that the Alaska Railroad had never been required to earn interest on its capital investment, and that any legislative attempt to include a fair and reasonable return on investment as a requirement for determination of rates would inevitably lead to an increase in rates. While the language contained in this amendment is aimed at meeting the Department's criticism, it does so by authorizing segregation of capital investment and operating expenses as between those attributable to the national public purpose of the Railroad and those regarded as normal railroad common carrier investment and operational expenses. Having made this distinction, the subsequent language then makes it clear that the railroad need not earn a return on its capital investment irrespective of whether public purpose or primarily public-type investment, and that such rates or charges shall not be deemed unlawful solely because they fail to provide sufficient funds to cover amounts of taxes not actually required by law to be paid or "provide a return on capital investment;". While the purpose of the proposed language seems relatively clear, it represents a complete departure from normal Interstate Commerce Commission standards usually applied to determination of whether railroad tariffs are fair and reasonable. The ambiguity of this departure from normal ratemaking standards is evident in the language of the bill itself, and it further indicates that its authors do not really believe that the standards applicable to private industry should be applicable to the Alaskan Railroad.

We believe that the present system of fixing rates of the Alaska Railroad through the administrative control of this Department, at levels sufficient to cover necessary expenses but not to yield a substantial profit, has provided shippers with a reasonable rate structure and has conformed to the objective of assisting in the development of Alaska. We do not believe that shippers and the general public would be benefited by imposing on the railroad the additional expense necessarily involved in dealing with a regulatory authority, unless a need for regulation by an outside agency can be shown.

Finally, the bill as drafted might force an unintended change in the Railroad's accounting system, which has, through the expenditure of substantial money and effort, been established on the basis of Government standards of business-type accounting. The current accounting system of the Alaska Railroad was devised by the joint efforts of the railroad, the Department of the Interior and the Comptroller General of the United States and approved in 1957. It was set up to include the accounting, financial reporting and budgetary needs of the Treasury and the Bureau of the Budget, as required by law (31 U.S.C. 66(a)). On the other hand, the Interstate Commerce Commission is authorized by law to prescribe the system of accounts to be used by any class of carriers, and further, the law provides that any carrier who does not comply with any rules, regulations, or orders of the Commission is subject to penalty. Although the systems of accounting used by the Interstate Commerce Commission and that approved for the Alaska Railroad are not entirely different, a number of changes would probably have to be made to comply with Interstate Commerce Commission procedures. We do not believe such a change should be forced without a full understanding of the cost and waste which would be involved.

We recognize that there is a problem of through rates in the Alaska trade which makes through billing desirable to the maximum extent possible. Where more than one carrier is involved there is no reason why the present practice of depending upon the Alaska Railroad for the issuance of a through, information tariff cannot be continued. Other carriers can then file proportional tariffs covering their segments of the through rates, in the same manner as joint rates with Canadian railroads are now filed.

As to the provision in section 1 subjecting the intrastate operation of the Railroad to regulation under statutes enacted by the State of Alaska, the Department of the Interior also wishes to object. One of the fundamental principles of our system of government is that the Federal Government's authority shall not be abridged by State law when it is acting pursuant to powers vested in it by the Constitution. This proposed legislation would depart from that principle, and would vest in the State of Alaska powers by which it would contravene the authority of the President and the Congress as well.

A minor point, but still one highly objectionable to this Department, is contained in the bill's requirement that the railroad be subject to the Employers' Liability Act [the act of April 22, 1908 (45 U.S.C., secs. 51–60)]. This statute covers the liability of railroads, in interstate and foreign commerce, for injuries of employees through negligence, and provides for suits by the injured in U.S. District Court against such employer.

The employees of the Alaska Railroad, under the provisions of S. 1508, would still continue to be Federal employees, and would be covered by the Federal Employee's Compensation Act, which provides that the benefits of the act will furnish exclusive indemnity of the employer for injury or death of covered employees. However, the Employers' Liability Act contains no such provision but, rather, specifically states that the act shall not limit the duty or liability of common carriers or impair the rights of their employees under any other act or acts of Congress. It would be possible, under these circumstances, for an employee of the Alaska Railroad to retain his benefits under the Employee's Compensation Act while suing his employer, the Federal Government, for damages for the same injuries. Accordingly, it is urged that reference to the Employers' Liability Act be deleted from the bill thus providing the employees of the Alaska Railroad the same workmen's compensation rights as all other Federal employees.

With respect to draftsmanship, the bill requires correction at a number of points. For example, on line 11, page 5, there is a reference to the issuance of securities, although the railroad is not even authorized to issue any securities. The bill also contains much obsolete language relating, for example, to the construction of the Panama Canal (on p. 7) to the detail of officers in the Engineer Corps in the Army or Navy (p. 2, lines 6–8), and to the acquisition of any other line or lines of railroad in Alaska (none of which any longer exist in the railbelt). If much of the basic statute of the railroad is to be reenacted, we believe it would be desirable in the same act to delete outmoded language and to take cognizance of present-day problems.

The Department of the Interior has been advised by the Bureau of the Budget that in its report to you on this bill, dated February 29, 1960, the Bureau of the Budget stated that enactment of this legislation would not be in accord with the program of the President.

Since we are informed that there is a particular urgency for the submission of the views of the Department, this report has not been cleared through the Bureau of the Budget.

Sincerely yours,

ROGER ERNST,
Assistant Secretary of the Interior.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from South Carolina.

Mr. HEMPHILL. Is it the opinion of the gentleman that this legislation was passed out of our committee with the expectation that it would be vetoed if enacted by the Congress?

Mr. SAYLOR. I cannot say it would be vetoed. However I believe in view of the fact that all of the executive departments have given adverse opinions with regard to this bill, and if the President follows the pattern which he has usually followed, when all of his departments recommend against enactment of a bill, that he will veto this bill.

Mr. HEMPHILL. Despite the fact the bill was passed out of the committee unanimously?

Mr. SAYLOR. Yes; despite the fact that it was passed out of the committee unanimously. It is not only the committee action which determines vetoes, but also the recommendations of the executive departments.

Mr. WILLIAMS. Mr. Speaker, I yield 5 minutes to the gentleman from Alaska [Mr. RIVERS].

Mr. RIVERS of Alaska. Mr. Speaker, S. 1508, if enacted, would subject the federally owned Alaska Railroad to the ratemaking and regulatory provisions of the Interstate Commerce Act. Its purpose is to provide effective and equitable regulation of this very important segment of the transportation services within the State of Alaska, and thereby straighten out the chaotic transportation situation now existing in Alaska. The fixing and division of through rates with carriers connecting with the Alaska Railroad cannot be overseen in the public interest under the existing situation, and trucklines competing with the railroad between Seward and Valdez to Fairbanks feel that they would be unjustly handicapped unless the railroad is also put under the regulatory jurisdiction of the ICC. The government-owned Alaska Railroad, operating from Seward and Anchorage to Fairbanks, since its inception in 1923, has been operated by the Department of Interior under an act of Congress, and therefore not subject to any of the regulatory agencies.

I think it is summed up very well in the position of the Interstate Commerce Commission in the report on page 3 in which the ICC expresses the view that there can be no effective regulation of transportation within the State as long as one of the major transportation carriers is free from regulation, while the others are subject to regulation.

The Interstate Commerce Commission in drafting the legislation expressed the view, first, that there could be no effective or equitable regulation of transportation within the State as long as one of the major forms of transportation was free from regulation, while the others were subject to regulation; second, that the continuance of this situation was neither fair nor in the public interest as it would encourage discrimination and destructive practices, contrary to the national transportation policy, and third, that numerous allegations of such practices had been made but that it was uncertain as to what extent they might exist as no regulatory body had the authority to pass upon such complaints.

The testimony of many responsible Alaskans before this committee, as well as the reports of competent investigators, is to the effect that competent regulation of all modes of transportation not only would contribute substantially to the overall development of Alaska but also is urgently needed today.

A substantial portion of the traffic of the Alaska Railroad is interstate in character, that is, it is traffic which has originated in or is destined to another State. The bulk of traffic moving to and from Alaska traditionally has been by water. For a number of years the Alaska Railroad maintained with water carriers joint rates between interior points in Alaska and Pacific coast ports. Such rates are of vital importance to shippers. However, the filing and maintaining of such rates with a regulatory agency is a thing of the past. This is a result of the present unregulated status of the railroad and the regulated status of the other modes of transportation.

Were the Alaska Railroad subject to the ratemaking provisions of part I of the Interstate Commerce Act, no problem would arise as to the filing of joint rates. Section 1(1)(a) authorizes joint rates between rail carriers and all water carriers whether or not the latter are under the jurisdiction of the Interstate Commerce Commission, and section 305(b) not only authorizes but gives the Commission power to direct joint rates with water carriers subject to its jurisdiction. Under section 216(c), motor carriers also could enter into through routes and joint rates with the Alaska Railroad. In addition, section 1003 of the Federal Aviation Act would permit air carriers to enter into joint rates with the railroad.

Thus not only from the point of view of equitable regulation of the different modes of transportation operating in this new State, but also from that of the establishment of fair and reasonable through routes and joint rates between Alaska and the other States, the proposed economic regulation of the Alaska Railroad appears highly desirable. The bringing of the Alaska Railroad under the Interstate Commerce Act does no more than follow the precedent which the Congress established in having the Commission regulate transportation by the Federal Barge Line when it was owned by the Government, and the Maritime Board when it regulates Government-owned vessels.

When hearings on this legislation were held last session by the Subcommittee on Transportation and Aeronautics of the House Committee on Interstate Commerce, I expressed the reservation that if the Interstate Commerce Commission were given the authority to determine rates to be charged by the Alaska Railroad, the ICC might be required to apply the same rate policies to the Alaska Railroad as it applies to privately owned railroads. If such were so, the Commission would have no alternative but to require the railroad rates, if challenged, to be increased to provide a return on the capital investment of the Railroad, notwithstanding the fact that the purpose for which the Alaska Railroad was built was to develop Alaska and provide an important military transportation link for military use.

However, subsequent to the House hearings, the Senate amended S. 1508 to provide that the Commission shall give due consideration to the carrier's national defense and developmental purposes in passing on the lawfulness of rates or charges of the Alaska Railroad. The bill was also amended to provide that rates and charges of the Alaska Railroad shall not be deemed to be unlawful solely because they fail to yield sufficient revenues to provide a return on capital investment or to cover taxes not actually required by law to be paid. As a result of these amendments, my principal reservation regarding this measure has been removed. Therefore, I urge its passage since it constitutes an important step toward fair and uniform regulation of surface carriers operating in Interstate Commerce in Alaska.

This legislation has the support of the Governor of Alaska, the Honorable William A. Egan, the Alaska State Legislature, and numerous Alaskan citizens.

Mr. MOULDER. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of Alaska. I yield to the gentleman from Missouri.

Mr. MOULDER. I was a member of the subcommittee that held joint hearings with the Senate committee in Alaska on this subject. We held hearings in Anchorage, Fairbanks, and Seward. Is it not a fact, Mr. RIVERS, that most all of the railroad traffic in Alaska is interstate commerce?

Mr. RIVERS of Alaska. My estimate is that about two-thirds of it is.

Mr. MOULDER. If the Alaska Railroad were subject to the ratemaking provisions of the Interstate Commerce Commission then in filing of joint rates no problem would arise?

I mean by that there is at the present time a serious joint rate problem now involved between the air carriers, water carriers, and the Alaska Railroad, and this problem will continue if this bill is not enacted.

Mr. RIVERS of Alaska. That is correct.

Mr. MOULDER. That problem would be solved if this bill were passed, and the Alaska Railroad brought under the regulation of the Interstate Commerce Commission. Now with regard to the competitive struggle between the Alaska Railroad and the motor carriers for the traffic growth in Alaska, it has been the view of our committee, and many witnesses testified at our hearings, that there could be no effective or equitable regulation of surface transportation within the State of Alaska as long as one of the major competitive modes of transportation is subject to an effective measure of regulation while the chief Government-owned competitor, the Alaska Railroad, remained completely free from regulatory control.

Mr. Speaker, I want to commend and thank the able and distinguished gentleman from Alaska [Mr. RIVERS] for his outstanding service in Congress and his assistance to our committee in the preparation and presentation of this bill.

The SPEAKER pro tempore. The time of the gentleman from Alaska has expired.

Mr. WILLIAMS. Mr. Speaker, may I inquire if the gentleman from California has further requests for time?

Mr. YOUNGER. I have no further requests for time, Mr. Speaker.

Mr. WILLIAMS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken, and on a division (demanded by Mr. SAYLOR) there were—ayes 67, noes 14.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—yeas 268, nays 101, not voting 62, as follows:

YEAS—268

Abbitt	Dorn, N.Y.	Jones, Mo.
Abernethy	Dorn, S.C.	Karsten
Addonizio	Dowdy	Karth
Albert	Doyle	Kasem
Alexander	Dulski	Kastenmeier
Andrews	Dwyer	Kee
Ashley	Edmondson	Keith
Ashmore	Elliott	Kilday
Aspinall	Everett	Kilgore
Avery	Evins	King, Calif.
Ayres	Fallon	Kirwan
Bailey	Farbstein	Kitchin
Baker	Fascell	Kluczynski
Baldwin	Feighan	Kowalski
Baring	Fisher	Lane
Barr	Flood	Lankford
Barrett	Flynn	Lesinski
Bass, Tenn.	Flynt	Levering
Becker	Fogarty	Libonati
Beckworth	Foley	Loser
Bennett, Fla.	Forand	McCormack
Bennett, Mich.	Forrester	McDowell
Blatnik	Fountain	McFall
Boggs	Friedel	McGinley
Boland	Fulton	McGovern
Bolling	Gallagher	McMillan
Bowles	Garmatz	Machrowicz
Boykin	Gary	Mack
Brademas	Gathings	Madden
Breeding	George	Mahon
Brewster	Giaimo	Marshall
Brock	Gilbert	Matthews
Brooks, La.	Glenn	Meyer
Brooks, Tex.	Granahan	Miller, Clem
Brown, Ga.	Grant	Miller, George P.
Brown, Mo.	Gray	Mills
Broyhill	Green, Oreg.	Mitchell
Burke, Ky.	Green, Pa.	Moeller
Burke, Mass.	Griffiths	Monagan
Burleson	Haley	Montoya
Byrne, Pa.	Halpern	Moorhead
Cahill	Hardy	Morgan
Canfield	Hargis	Morris, N. Mex.
Cannon	Harmon	Moulder
Carnahan	Harris	Multer
Casey	Harrison	Murphy
Chelf	Hays	Murray
Clark	Healey	Natcher
Coad	Hechler	Nix
Cohelan	Hemphill	Norrell
Collier	Herlong	O'Brien, Ill.
Conte	Hogan	O'Brien, N.Y.
Cook	Holifield	O'Hara, Ill.
Cooley	Holland	O'Hara, Mich.
Curtin	Holtzman	O'Konski
Daddario	Horan	O'Neill
Daniels	Huddleston	Osmers
Davis, Ga.	Hull	Passman
Davis, Tenn.	Ikard	Patman
Dawson	Inouye	Perkins
Delaney	Irwin	Pfost
Dent	Jarman	Philbin
Denton	Jennings	Pilcher
Derounian	Johnson, Calif.	Poage
Derwinski	Johnson, Colo.	Powell
Diggs	Johnson, Md.	Preston
Dingell	Johnson, Wis.	Price
Donohue	Jones, Ala.	Prokop
Pucinski	Santangelo	Toll
Quigley	Saund	Tollefson
Rabaut	Schenck	Trimble
Randall	Selden	Tuck
Reuss	Shelley	Udall
Rhodes, Ariz.	Shipley	Ullman
Rhodes, Pa.	Sikes	Van Zandt
Riley	Sisk	Vinson
Rivers, Alaska	Slack	Wallhauser
Rivers, S.C.	Smith, Iowa	Walter
Roberts	Smith, Miss.	Wampler
Rodino	Smith, Va.	Watts
Rogers, Colo.	Springer	Whitener
Rogers, Fla.	Staggers	Whitten
Rogers, Mass.	Stubblefield	Wier
Rogers, Tex.	Sullivan	Williams
Rooney	Teague, Tex.	Winstead
Roosevelt	Teller	Wolf
Rostenkowski	Thomas	Young
Roush	Thompson, N.J.	Younger
Rutherford	Thompson, Tex.	Zablocki
	Thornberry	

NAYS—101

Allen	Gavin	Milliken
Andersen, Minn.	Goodell	Minshall
Arends	Griffin	Moore
Barry	Gross	Nelsen
Bass, N.H.	Gubser	Norblad
Bates	Hagen	Ostertag
Baumhart	Henderson	Pelly
Belcher	Hiestand	Pillion
Berry	Hoeven	Pirnie
Betts	Hoffman, Ill.	Poff
Bolton	Hoffman, Mich.	Quie
Bosch	Holt	Ray
Bow	Hosmer	Rees
Broomfield	Jackson	Riehlman
Brown, Ohio	Jensen	Robison
Budge	Johansen	St. George
Byrnes, Wis.	Jonas	Saylor
Cederberg	Judd	Scherer
Chamberlain	Kilburn	Schneebeli
Chenoweth	Knox	Schwengel
Chiperfield	Kyl	Short
Church	Laird	Siler
Corbett	Langen	Simpson
Cramer	Latta	Smith, Kans.
Cunningham	Lindsay	Taber
Curtis, Mass.	Lipscomb	Teague, Calif.
Curtis, Mo.	McCulloch	Thomson, Wyo.
Dague	McDonough	Utt
Devine	McIntire	Vanik
Dixon	Mailliard	Van Pelt
Dooley	Martin	Weaver
Fenton	May	Weis
Ford	Meader	Westland
	Michel	Wharton

NOT VOTING—62

Adair	Frelinghuysen	Mumma
Alford	Halleck	Oliver
Alger	Hébert	Porter
Anderson, Mont.	Hess	Rains
Anfuso	Kearns	Reece, Tenn.
Auchincloss	Kelly	Scott
Barden	Keogh	Sheppard
Bentley	King, Utah	Smith, Calif.
Blitch	Lafore	Spence
Bonner	Landrum	Steed
Bray	Lennon	Stratton
Buckley	McSween	Taylor
Burdick	Macdonald	Thompson, La.
Celler	Magnuson	Wainwright
Coffin	Mason	Widnall
Colmer	Merrow	Willis
Downing	Metcalf	Wilson
Durham	Miller, N.Y.	Withrow
Fino	Morris, Okla.	Wright
Frazier	Morrison	Yates
	Moss	Zelenko

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert and Mr. Keogh for, with Mr. Taylor against.

Mr. Alford and Mr. Frazier for, with Mr. Wainwright against.

Mr. Anfuso and Mr. Buckley for, with Mr. Miller of New York against.

Mr. Celler and Mr. Morrison for, with Mr. Hess against.

Mr. Burdick and Mr. Sheppard for, with Mr. Bentley against.

Mrs. Kelly and Mr. Zelenko for, with Mr. Kearns against.

Mr. McSween and Mr. Thompson of Louisiana for, with Mr. Lafore against.

Mr. Yates and Mr. Anderson of Montana for, with Mr. Mason against.

Mr. Scott and Mr. Lennon for, with Mr. Mumma against.

Mr. Macdonald and Mr. Stratton for, with Mr. Smith of California against.

Mr. Rains and Mr. Willis for, with Mr. Reece of Tennessee against.

Mr. Fino and Mr. Watts for, with Mr. Merrow against.

Until further notice:

Mr. Colmer with Mr. Halleck.

Mr. Bonner with Mr. Auchincloss.

Mr. King of Utah with Mr. Withrow.

Mr. Magnuson with Mr. Bray.

Mr. Metcalf with Mr. Frelinghuysen.

Mr. Morris of Oklahoma with Mr. Adair.

Mr. Oliver with Mr. Alger.

Mr. Porter with Mr. Widnall.

Mr. Durham with Mr. Wilson of California.

Mrs. ROGERS of Massachusetts changed her vote from "nay" to "yea."

Mr. CONTE changed his vote from "nay" to "yea."

Mr. JUDD changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 12381

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight Saturday, June 25, to file a conference report on the bill H.R. 12381.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PROVIDING OF "GRANDFATHER" RIGHTS FOR CERTAIN MOTOR CARRIERS AND FREIGHT FORWARDERS OPERATING IN ALASKA AND HAWAII

Mr. WILLIAMS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1509) with amendments.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 206(a) of the Interstate Commerce Act, as amended (49 U.S.C. 306(a)), is amended by adding at the end thereof the following new paragraphs:

"(4) Subject to the provisions of section 210, any common carrier by motor vehicle which, on the date this paragraph takes effect, is the holder of a certificate or certificates described in paragraph (2) of this subsection or issued under paragraph (3) of this subsection or section 207(a), authorizing transportation by motor vehicle between places in the United States of passengers or property in commerce between the United States and the Territory of Alaska, and on August 26, 1958, it or its predecessor in interest was engaged in the transportation of passengers or property as a common carrier by motor vehicle between places in the United States and places in Alaska, and such operations have been continued since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1958 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which the carrier or its predecessor in interest had no control, shall be issued a certificate authorizing transportation to or from the points or areas in Alaska served by it, from or to all points in the other States of the United States designated in the abovementioned certificate or certificates held by the carrier, of passengers or the class or classes of commodities specified therein, to the extent that under the said certificate or certificates the carrier, prior to the date of admission of Alaska into the Union, was authorized to perform within the States all transportation required for through motor vehicle transportation by the carrier to or from places in the Territory of Alaska, without requiring further proof that public convenience and necessity will be served thereby and without further proceedings, if application for such certificate is made to the Commission as provided herein on or before December 31, 1960. Pending the determination of such application, the continuance of such operations without a certificate shall be lawful. Applications for certificates under this paragraph shall be made in writing to the Commission and shall be in such form and contain such information and be accompanied by proof of service upon such interested parties as shall be required by the Commission.

"(5) Subject to the provisions of section 210, if any person (or his predecessor in interest) was in operation on August 26, 1958, over any route or routes, or in any area or areas, as a common carrier engaged in the transportation in interstate or foreign commerce of passengers or property by motor vehicle between places in the Territory of Alaska, and has so operated in Alaska since that time (or if engaged in furnishing seasonal service only, was engaged in such operation in the year 1958 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a certificate shall be issued authorizing such operations without requiring further proof that public convenience and necessity will be served thereby, and without further proceeding, if application for such certificate is made as provided herein on or before December 31, 1960: *Provided, however,* That common carriers of passengers by motor vehicle shall as a condition precedent to the establishment of rights hereunder show compliance with the applicable acts of the Territory of Alaska, and the rules and regulations of the Alaska Bus Commission. Pending the determination of any such application the continuance of such operation without a certificate shall be lawful. Applications for certificates under this paragraph shall be made to the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require."

SEC. 2. Section 209(a) of the Interstate Commerce Act, as amended (49 U.S.C. 309(a)), is amended by adding at the end thereof the following new paragraphs:

"(4) Subject to the provisions of section 210, any contract carrier by motor vehicle which, on the date this paragraph takes effect, is the holder of a permit or permits described in paragraph (2) of this subsection or issued under paragraph (3) of this subsection or under section 209 (b), authorizing transportation by motor vehicle between places in the United States of passengers or property in commerce between the United States and the Territory of Alaska, and on August 26, 1958, it or its predecessor in interest was engaged in the transportation of passengers or property as a contract carrier by motor vehicle between places in the United States and places in Alaska, and such operations have been continued since that time (or if engaged in the furnishing of seasonal service only, was engaged in such operations in the year 1958 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which the carrier or its predecessor in interest had no control, shall be issued a permit authorizing transportation to or from the points or areas in Alaska served by it, from or to all points in the other States of the United States designated in the abovementioned permit or permits held by the carrier, of passengers or the class or classes of commodities specified therein, to the extent that under the said permit or permits the carrier, prior to the date of admission of Alaska into the Union, was authorized to perform within the United States all transportation required for through motor vehicle transportation by the carrier to or from places in the Territory of Alaska, without further proceedings, if application for such permit is made to the Commission as provided herein on or before December 31, 1960. Pending the determination of such application, the continuance of such operation without a permit shall be unlawful. Applications for permits under this paragraph shall be made in writing to the Commission and shall be in such form and contain such information and be accompanied by proof of service upon such interested parties as shall be required by the Commission.

"(5) Subject to the provisions of section 210, if any person (or his predecessor in interest) was in operation on August 26, 1958, over any route or routes, or in any area or areas, as a contract carrier engaged in the transportation in interstate or foreign commerce of passengers or property by motor vehicle between places in the Territory of Alaska, and has so operated in Alaska since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1958 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a permit shall be issued authorizing such operations without further proceedings, if application for such permit is made as provided herein on or before December 31, 1960. Pending the determination of any such application, the continuance of such operation without a permit shall be lawful. Applications for permits under this paragraph shall be made to the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require."

SEC. 3. Paragraph (10) of section 203(a) of the Interstate Commerce Act, as amended (49 U.S.C. 303(a)(10)), is amended by changing the period at the end thereof to a colon and by adding the following: *"Provided,* That to the extent that such transportation in 'interstate commerce' between points in Alaska and points in other States is performed within a foreign country, the application of this part shall not include any requirement as to conduct in such foreign country which is in conflict with a requirement of such foreign country, but shall include as a condition to engaging in such operations within the jurisdiction of the United States, the observance, as to the entire service, of the requirements of this part with respect to rates, fares, charges, and practices pertaining to such transportation."

SEC. 4. Section 309(a) of the Interstate Commerce Act, as amended (49 U.S.C. 909(a)), is amended by changing the period at the end of the last sentence thereof to

a colon and by adding the following new proviso: "*Provided further*, That, subject to the provisions of section 310, if any person (or his predecessor in interest) was in operation on August 26, 1958, over any inland waterway, other than the high seas, as a common carrier by water, in interstate or foreign commerce, between points in the Territory of Alaska, and has so operated in Alaska since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1958 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a certificate shall be issued authorizing such operations without requiring further proof that public convenience and necessity will be served thereby, and without further proceedings, if application for such certificate is made as provided herein on or before December 31, 1960. Pending the determination of any such application, the continuance of such operations without a certificate shall be lawful. Applications for certificates under this proviso shall be filed with the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require."

SEC. 5. Section 309(f) of the Interstate Commerce Act, as amended (49 U.S.C. 909(f), is amended by changing the period at the end of the last sentence thereof to a colon and by adding the following new proviso: "*Provided further*, That, subject to the provisions of section 310, if any person (or his predecessor in interest) was in operation on August 26, 1958, over any inland waterway other than the high seas, as a contract carrier by water, in interstate or foreign commerce, between points in the Territory of Alaska, and has so operated in Alaska since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1958 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a permit shall be issued authorizing such operations, without further proceedings, if application for such permit is made as provided herein before December 31, 1960. Pending the determination of such application, the continuance of such operations without a permit shall be lawful. Applications for permits under this proviso shall be filed with the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require."

SEC. 6. Section 410(a) of the Interstate Commerce Act, as amended (49 U.S.C. 1010(a)), is amended by inserting the figure "(1)" immediately after subsection designation "(a)" and by adding the following new paragraphs:

"(2) Subject to the provisions of the last sentence of subsection (c) of this section, if any person (or his predecessor in interest) was engaged in service on August 26, 1958, between places in the Territory of Alaska and places in the United States, and between places in the Territory of Alaska, which service either would have been subject to this part or which, in conjunction with the services of other carriers, resulted in the transportation of property between such places whether or not all of such transportation would have been service subject to this part, and has so operated since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1958 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a permit shall be issued authorizing such operations without further proceedings if application for such permit is made as provided herein on or before December 31, 1960. Pending the determination of any such application, the continuance of such operations without a permit shall be lawful. Applications for permits under this paragraph shall be filed with the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require.

"(3) Subject to the provisions of the last sentence of subsection (c) of this section, if any person (or his predecessor in interest) was engaged in service on June 27, 1959, between places in the Territory of Hawaii and places in the United States, and between places in the Territory of Hawaii, which service either would have been subject to this part or which, in conjunction with the services of other carriers, resulted in the transportation of property between such places whether or not all of such transportation would have been service subject to this part, and has so operated since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1959 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a permit shall be issued authorizing such operations without further proceedings if application for such permit is made as provided herein on or before December 31, 1960. Pending the determination of any such application, the continuance of such operations without a permit shall be lawful. Applications for permits under this paragraph shall be filed with the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require."

SEC. 7. Section 418 of the Interstate Commerce Act, as amended (49 U.S.C. 1018), is amended by striking the word "or" in the last clause thereof, by changing the period at the end thereof to a semicolon, and by adding the following: "the Alaska Railroad; or common carriers by water operating between Alaskan ports, and between those ports and other ports in the United States or common carriers by water operating between Hawaiian ports, and between those ports and other ports in the United States."

SEC. 8. Section 303(e) of the Interstate Commerce Act is amended by adding a new subsection 3 to read as follows:

"(3) Notwithstanding any other provision of this Act, any common carrier by motor vehicle which was engaged also in operations between the United States and Alaska as a common carrier by water subject to regulation by the Federal Maritime Board under the Shipping Act of 1916, as amended, and the Intercoastal Shipping Act of 1933, as amended, prior to January 3, 1959, and has so operated since that time, shall as to such operations, remain subject to the jurisdiction of the Federal Maritime Board."

The SPEAKER. Is a second demanded? [After a pause.] The question is on the motion to suspend the rules and pass the bill S. 1509, as amended.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The title was amended to read: "An act to amend the Interstate Commerce Act, as amended, to provide grandfather rights for certain motor carriers and freight forwarders operating in interstate or foreign commerce within Alaska and between Alaska and the other States of the United States, and for certain water carriers operating within Alaska, to provide grandfather rights for certain freight forwarders operating between Hawaii and the other States of the United States, and for other purposes."

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, the bill S. 1509, provides for the granting of grandfather rights to certain carriers who have come under the jurisdiction of the Interstate Commerce Commission by reason of Alaska and Hawaii becoming States. The types of operations affected are as follows:

First. Certain motor carriers and freight forwarders operating in interstate and foreign commerce within Alaska and between Alaska and the other States of the United States;

Second. Certain freight forwarders operating in interstate and foreign commerce within Hawaii and between Hawaii and the other States of the United States; and

Third. Certain water carriers operating within Alaska.

Under the Alaska and Hawaiian Statehood Act, all laws of the United States—with certain exceptions—became equally applicable in these States as in the other States. With statehood, therefore, certain forms of rail, motor, and water transportation, and freight forwarding, became subject to regulation under the Interstate Commerce Act, and subject to the jurisdiction of the Interstate Commerce Commission. The Commission, accordingly, following Alaska's admission to the Union, sponsored this legislation which would provide grandfather rights to persons who had been engaged in previously unregulated transportation service to enable them to continue the operation of such services under the provisions of the Interstate Commerce Act. This grant of grandfather rights without the need for a full-dress application for a certificate of public convenience and necessity is no more than was accorded transportation operators in the other 48 States at the time of passage of the statutes bringing these operators under regulation; for example, the Motor Carrier Act of 1935, the Water Carrier Act of 1940, and the Freight Forwarder Act of 1942.

Mr. RIVERS of Alaska. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. RIVERS of Alaska. Mr. Speaker, I rise in support of S. 1509, which would amend the Interstate Commerce Act to provide grandfather rights for certain motor carriers and freight forwarders

operating in interstate and foreign commerce within Alaska and between Alaska and the other States of the United States, and for certain water carriers operating within Alaska.

Water carriers operating between Alaska and other West Coast States were by terms of the Alaska Statehood Act, kept under the jurisdiction of the Federal Maritime Board. However, under the Alaska Statehood Act, certain motor and water transportation carriers in Alaska became subject to regulation by the ICC under the Interstate Commerce Act. Grandfather rights, which would be granted to persons formerly engaged in unregulated transportation, would enable them to continue in business without interruption, and this method is the usual way of handling such a transition and is well warranted. Certificates would be accorded to such carriers without the usual detailed application and proofs, and no hearing would be required before such certificates could be granted. However, as both the reports of the Committee on Interstate and Foreign Commerce and the Interstate Commerce Commission indicate, such a grant would be no more than was accorded transportation operators in the other 48 States at the time of passage of statutes bringing these operators under regulation.

Inasmuch as the carriers and freight forwarders in Alaska who would get the benefit of the grandfather rights established their businesses prior to statehood, and have already come under the jurisdiction of the ICC, passage of this bill of itself adds no additional cost to the administration of that act. As a matter of fact, there would be a reduction of administrative cost, since section 309 of the bill provides that with regard to those entitled to grandfather rights, certificates shall be granted subject to statutory tests, and without further proceedings. It is for these reasons that I strongly urge passage of S. 1509.

This legislation has the endorsement of the Governor of Alaska, the Honorable William A. Egan, the Alaska State Legislature, many of the surface carriers now operating in Alaska, and the public in general.

INTERNATIONAL HEALTH RESEARCH ACT OF 1960

Mr. HARRIS. Mr. Speaker, I move to suspend the rules and pass the resolution (H.J. Res. 649) relating to the authority of the President, the Secretary of Health, Education, and Welfare, and the Surgeon General of the Public Health Service to provide for international cooperation in health research and research training, and for other purposes, with amendments.

The Clerk read the resolution, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This joint resolution may be cited as the "International Health Research Act of 1960".

PURPOSE OF RESOLUTION

SEC. 2. It is the purpose of this joint resolution—

(1) to advance the status of the health sciences in the United States and thereby the health of the American people through cooperative endeavors with other countries in health research, and research training; and

(2) to advance the intenational status of the health sciences through cooperative enterprises in health research, research planning, and research training.

AUTHORITY OF SURGEON GENERAL

SEC. 3. Part A of title III of the Public Health Service Act (42 U.S.C., ch. 6A) is amended by adding immediately after section 307, the following new section:

"INTERNATIONAL COOPERATION

"SEC. 308. (a) To carry out the purposes of clause (1) of section 2 of the International Health Research Act of 1960, the Surgeon General may, in the exercise of his authority under this Act and other provisions of law to conduct and support health research and research training, make such use of health research and research training resources in participating foreign countries as he may deem necessary and desirable.

"(b) In carrying out his responsibilities under this section the Surgeon General may—

"(1) establish and maintain fellowships in the United States and in participating foreign countries;

"(2) make grants to public institutions or agencies and to nonprofit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining fellowships;

"(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by public institutions or agencies, or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

"(4) participate and otherwise cooperate in any international health research or research training meetings, conferences, or other activities;

"(5) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments and programs of research or research training, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service intermittently employed; and

"(6) procure, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at a rate to be fixed by the Secretary, but not in excess of $50 per diem, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"(c) The Surgeon General may not, in the exercise of his authority under this section, assist in the construction of buildings for research or research training in any foreign country.

"(d) For the purposes of this section—

"(1) The term 'health research' shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

"(2) The term 'participating foreign countries' means those foreign countries which cooperate with the United States in carrying out the purposes of this section."

AUTHORITY OF SECRETARY

SEC. 4. (a) To carry out the purposes of clause (1) of section 2 of this Act, the Secretary of Health, Education, and Welfare (hereafter referred to as the "Secretary") *may* in the exercise of his responsibilities under the Vocational Rehabilitation Act (29 U.S.C., ch. 4) and the Act entitled "An Act to establish in the Department of Commerce and Labor a bureau to be known as the Children's Bureau", approved April 9, 1912, as amended (42 U.S.C., ch. 6), and any other provision of law, to conduct and support health research and research training, including research and research training relating to the rehabilitation of the handicapped, make such use of health research and research training resources in participating foreign countries as he may deem necessary and desirable.

(b) To carry out his responsibilities under this section the Secretary may—

(1) establish and maintain fellowships in the United States and in participating foreign countries;

(2) make grants to public institutions or agencies and to nonprofit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining fellowships;

(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by public institutions or agencies, or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

(4) participate and otherwise cooperate in any international health or medical research or research training meetings, conferences, or other activities;

(5) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments and programs of research or research training, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service intermittently employed; and

(6) procure, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at a rate to be fixed by the Secretary, but not in excess of $50 per diem, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

(c) For the purposes of this section—

(1) The term "health research" shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

(2) The term "participating foreign countries" means those foreign countries which cooperate with the United States in carrying out the purposes of this section.

AUTHORITY OF PRESIDENT

SEC. 5. (a) It is the sense of Congress that the President should use his authority un-

der the Constitution and laws of the United States to accomplish the purposes of section 2 of this joint resolution and in accomplishing such purposes (1) use to the fullest extent practicable foreign currencies or credits available for utilization by the United States, (2) enter into agreements to use foreign currencies and credits available to other nations for use with the agreement of the United States, and (3) use any other foreign currencies and credits which may be made available by participating foreign countries.

(b) To carry out the purposes of section 2 of this joint resolution the President, in cooperation with participating foreign countries, is authorized to encourage, support, and promote the planning and conduct of, and training for, research investigations, experiments, and studies in the United States and in participating foreign countries relating to the causes, diagnosis, treatment, control, and prevention of diseases and impairments of mankind (including nutritional and other health deficiencies) or to the rehabilitation of the handicapped.

(c) To carry out his responsibilities under this joint resolution the President may—

(1) establish and maintain fellowships in participating foreign countries;

(2) make financial grants to establish and maintain fellowships, and for other purposes, to public institutions and agencies and to nonprofit private institutions and agencies, and to individuals in participating foreign countries, or contract with such institutions, agencies, or individuals without regard to sections 3648 and 3709 of the Revised Statutes of the United States;

(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by such institutions, agencies, or individuals;

(4) furnish technical assistance and advice to such institutions or agencies and in carrying out such purposes may pay the compensation and expenses of scientists and experts from the United States and other participating foreign countries;

(5) facilitate the interchange among participating foreign countries of scientists and experts (including the payment of travel and subsistence for such scientists and experts when away from their places of residence);

(6) cooperate and assist in the planning and conduct of research, research planning, and research training programs and projects by groups engaged in, or concerned with, research or research training endeavors in the health sciences, and, through financial grants or other appropriate means, assist in special research, research planning, or research training projects conducted by or under the auspices of such groups where they can effectively carry out such activities contemplated by this joint resolution;

(7) encourage and support international communication in the sciences relating to health by means of calling or cooperating in the convening, and financing or contributing to the financing of the expenses of, international scientific meetings and conferences; and provide, or arrange for the provision of, translating and other services, and issue or finance publications, leading to a more effective dissemination of relevant scientific information with respect to research conducted in the United States or participating foreign countries.

(d) The activities authorized in this section shall not extend to the support of public health, medical care, or other programs of an operational nature as contrasted with research and research training nor shall any of the grants authorized by this section include grants for the improvement or extension of public health administration in other countries except for necessary research and research training in the science of public health and public health administration.

(e) The President is authorized, to the extent he deems it necessary to carry out the purposes of section 2 of this joint resolution, to employ experts and consultants or organizations thereof, as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), and create a committee or committees to be composed entirely of persons who are citizens of the United States to advise him in the administration of this joint resolution; individuals so employed and members of committees shall be entitled to receive compensation at a rate to be fixed by the President, but not to exceed $50 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2 for persons in the Government service employed intermittently.

(f) The President may delegate any authority vested in him by this section to the Secretary of Health, Education, and Welfare. The Secretary may from time to time issue such regulations as may be necessary to carry out any authority which is delegated to him under this section, and may delegate performance of any such authority to the Surgeon General of the Public Health Service, the Director of the Office of Vocational Rehabilitation, the Chief of the Children's Bureau, or other subordinates acting under his direction.

(g) In order to carry out the purposes of section 2 of this joint resolution, and subject to section 1415 of the Supplemental Appropriation Act, 1953, the President may use or enter into agreements with foreign nations or organizations of nations to use the foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, and the Mutual Security Act of 1954, or which are otherwise available for utilization by the United States. The President is authorized to agree to the utilization by foreign nations, for programs designed to carry out the purposes of section 2 of this joint resolution in cooperation with the United States, of amounts deposited in special accounts pursuant to section 142(b) of the Mutual Security Act of 1954, to the extent that the amounts in such accounts exceed the requirements of other programs covered by such section 142(b). Such utilization of amounts in special accounts shall be without regard to the second proviso in clause (iii) of such section 142(b).

(h) The President shall transmit to the Congress at the beginning of each regular session, a report summarizing activities under this section and making such recommendations as he may deem appropriate.

(i) For the purposes of this section—

(1) The term "health research" shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

(2) The term "participating foreign countries" means those foreign countries which cooperate with the United States in carrying out the purposes of this section.

OTHER AUTHORITY

SEC. 6. Nothing in this joint resolution shall be construed to repeal or restrict authority vested in the President, the Secretary of State, the Secretary of Health, Education, and Welfare, the Surgeon General of the Public Health Service, or any other officer or agency of the United States by any other provision of law.

The SPEAKER. Is a second demanded?

Mr. BENNETT of Michigan. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second is considered as ordered.

There was no objection.

EXPLANATION OF HOUSE JOINT RESOLUTION 649 (INTERNATIONAL HEALTH)

Mr. HARRIS. Mr. Speaker, the purpose of the resolution as stated in section 2 of the bill is, one, to advance the status of the health sciences in the United States through cooperative endeavors with other countries in health; two, to advance the international status of the health sciences through cooperative enterprises in health research, research planning, and research training.

In order to accomplish these purposes, the legislation would vest certain powers in the President—section 5— and would vest other powers in the Secretary of Health, Education, and Welfare—section 4—and the Surgeon General—section 3.

The powers vested in the President, the Secretary, and the Surgeon General are designed to supplement each other.

SURGEON GENERAL'S POWERS

The provisions of the resolution relating to the responsibilities of the Surgeon General with respect to the establishment of fellowships and the making of research grants are primarily a restatement of present powers of the Surgeon General with regard to fellowships and grants with the explicit expression of the sense of the Congress that these powers be exercised without regard to national boundaries wherever such fellowships or grants can best accomplish the purposes of this act, the Public Health Service Act, and related provisions of law.

SECRETARY'S POWERS

Section 3 would grant powers with regard to fellowships and research grants to the Secretary of Health, Education, and Welfare in carrying out his responsibilities under the Vocational Rehabilitation Act, under the act which established the Children's Bureau and under other provisions of the law. The Secretary would be authorized to establish fellowships and make grants wherever research in the fields of rehabilitations and child welfare can best be carried out without regard to national boundaries.

The powers which would be granted to the Secretary of Health, Education, and Welfare with regard to making grants in the field of child welfare are new powers, since the Secretary does not have research grant authority in this field.

PRESIDENT'S POWERS

Section 5 of the bill would grant authority to the President to maintain fellowships, make grants, and otherwise facilitate cooperation with foreign countries in the field of health research, research planning, and research training. It expresses the sense of the Congress that the President should use for these purposes, to the fullest extent practicable, foreign currencies or credits which are generated by the Agricultural Trade Development and Assistance Act of 1954—involving the sale of surplus

agricultural commodities—by the Mutual Security Act of 1954, or by other foreign programs.

The powers granted to the President under this legislation essentially are not new powers but merely reemphasize powers already granted to the President under the Mutual Security Act and other laws. The bill would stress the use of these Presidential powers in the interest of international health research.

HEARINGS

The Subcommittee on Health and Safety conducted extensive hearings on July 21–23 and August 4–6, 1952, on Senate Joint Resolution 41 and a number of House bills substantially identical with the Senate passed bill—House Joint Resolution 370, by Representative FOGARTY; House Joint Resolution 211, by Representative MCGOVERN; House Joint Resolution 237, by Representative THOMPSON of New Jersey; House Joint Resolution 293, by Representative CHIPERFIELD; House Joint Resolution 443, by Representative HALPERN; and House Joint Resolution 361, by Representative ROBERTS. Substantially all of the witnesses who appeared favored the purposes of the legislation.

Supplemental hearings were held by the subcommittee on February 9, 1960, with particular reference to the question of availability of foreign currencies for use in connection with international health research.

As a result of the hearings and extensive consideration of the subject of international health research, a clean bill—House Joint Resolution 649—was introduced by Representative KENNETH ROBERTS, chairman of the Health and Safety Subcommittee.

PRINCIPAL DIFFERENCES BETWEEN HOUSE JOINT RESOLUTION 649 AND SENATE JOINT RESOLUTION 41

Senate Joint Resolution 41 provides for the establishment of a new Institute at the National Institutes of Health for the purpose of promoting international health research.

Senate Joint Resolution 41 would vest in the Surgeon General exclusively, the powers proposed to be granted by this legislation and would authorize an appropriation of $50 million annually.

House Joint Resolution 649, as amended in committee, does not provide for the establishment of a new Institute.

It would grant certain powers to the President for the purpose of advancing the international status of the health sciences as distinguished from the powers granted to the Surgeon General and the Secretary of Health, Education, and Welfare for the purpose of advancing the status of the health sciences in the United States.

It would not specifically authorize new appropriations to carry out the purposes of this legislation but, with respect to the Presidential authority, would aim at utilizing foreign currencies and credits for these purposes.

EXPLANATION OF SECTION 5(g) RELATING TO USE OF FOREIGN CURRENCIES

In order to carry out the purposes of the bill as set forth in section 2, subsection (g) of section 5 of the bill provides: First, for the use by the President directly, or through agreements with foreign nations or organizations of nations, of foreign currencies accruing to the United States, or otherwise available for utilization by the United States; and, second, for the utilization by foreign nations, with the agreement of the President, of foreign currencies subject to the joint control of the United States and such nations.

A number of permitted uses of foreign currencies are listed in subsection (a) through (p) of section 104 of Public Law 480. Section 5(g) of the bill would add to these potential uses, the use of these currencies by the President directly or through agreements with foreign nations to carry out the purposes of this bill.

The President is authorized to agree to the utilization of amounts deposited in special accounts pursuant to section 142(b) of the Mutual Security Act of 1954 to the extent that there are amounts in excess of the other programs covered by section 142(b) of that act.

Section 142(b) of the Mutual Security Act of 1954 requires that when defense support funds are used to finance grants of commodities, the recipient country must deposit in a special account the local currency proceeds which it derives from the commodities. Of these proceeds a small amount is normally turned over to the United States for paying certain U.S. expenses and the balance is owned by the other country and is available only for uses agreed to by the United States. The United States may agree to use of such funds to carry out any purpose for which new funds authorized under the Mutual Security Act of 1954 would themselves be available. Thus to the extent that these funds are not now used for the purposes for which they may be used, they would be available to carry out the purposes of this bill.

Clause (iii) of section 142(b) of the Mutual Security Act of 1954 restricts the utilization of excess amounts in all special accounts to not to exceed the equivalent of $4 million. This restriction is waived in the case of the utilization of such amounts in special accounts for carrying out the purposes of this bill.

Section 1415 of the Supplemental Appropriation Act, 1953, provides that foreign credits owed to or owed by the U.S. Treasury will not be available for expenditure by agencies of the United States except as may be provided for annually in appropriation acts.

The use or utilization of funds under subsection (g) of section 5 of the bill is made subject to this provision of law requiring specific appropriation.

Mr. Speaker, I yield 10 minutes to the gentleman from Alabama [Mr. ROBERTS], the author of the bill, who conducted the hearing, and whose committee presented this matter to us for consideration.

The SPEAKER. The gentleman from Alabama is recognized for 10 minutes.

Mr. ROBERTS. Mr. Speaker, the bill we are considering today is one that comes to the House as a proposal from the other body which was supported over there by 64 Members of the Senate. It is a proposal that the senior Senator from the State of Alabama, LISTER HILL, has been interested in for some time.

The bill in the Senate sought to provide for the construction of a new Institute for International Health Research. It would have authorized the appropriation of $50 million a year in hard dollars for the purpose of cooperation with the other nations of the world in finding some new answers to cancer which kills 200,000 people every year; in other words, a city almost the size of Little Rock, Ark., disappears every year because of that disease; to find some new answers in the field of heart disease which takes roughly about 800,000 people a year, and to seek to find some of these answers in other countries of the world.

We know that knowledge of how to split the atom which resulted in the development of the atomic bomb came through the work of some brilliant German scientists, Meitner, Streseman, and Beathe, the great Italian scientist Fermi, and Niels Bohr, who was a Norwegian. We know that many of the advances we have made in the field of medicine have come to us from people of other nations; for instance, penicillin from England, although we found the way to develop it in large quantities. The X-ray came to us from the Germans. The great advances made in the field of mental health and the cure of mental disease came to us as the result of the work of an Indian doctor, who studied the use of rauwolfia which led to the discovery of equinil, miltown, and many tranquilizers that are rapidly emptying the mental institutions of our country.

When the committee started considering this we called before us many eminent scientists and doctors, Dr. Howard Rusk, Dr. Sidney Farber of Boston, Dr. Ravdin, chairman of the board of the college of surgeons, who operated on the President.

We also heard Gen. Omar Bradley on this question, and many eminent men from every part of the Nation, who said that through the program set out in this bill we could accomplish a great deal of good.

You will remember that in 1957 when we were threatened with an epidemic of the Asian flu we did not have a vaccine with which to combat it, yet before the time it was to strike our shores, because of the advanced medical knowledge of our doctors we were able to develop an effective vaccine and probably prevented many thousand deaths in this country. Certainly many of you will remember the tremendous onslaught of the Spanish flu.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. The gentleman spoke of an institute. As I read the bill, I do not see anything about an institute. It asks for general cooperation.

Mr. ROBERTS. The institute feature was eliminated by the House committee. We see this bill as an effort at better cooperation. We think we already have enough institutes.

Mrs. BOLTON. That was my thought.

Mr. ROBERTS. We believe that the Secretary of HEW, Surgeon General, and the NIH can farm out some of these problems to existing institutes.

Mrs. BOLTON. I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman give us any idea of how many millions of dollars we are already spending on this sort of thing all over the world?

Mr. ROBERTS. Well, I can tell the gentleman we are spending some money. I think the grants that have been advanced by NIH amount to about 2 percent of their appropriation. I would say we are spending perhaps around $6 or $7 million in hard money. But this bill does not call for hard money; it simply uses the money that we already have in foreign currencies in these various countries that will be affected. There is no new money in this bill. We are simply trying to swap some surplus food for health and to try to find some answers in the field of cancer, arthritis, muscular dystrophy, and other things.

Mr. GROSS. In the gentleman's opinion, what will happen when we run out of the counterpart funds, as we will some day? How do you propose to dump this program once it is started?

Mr. ROBERTS. When we see the end of surplus commodities, I can answer the question. I do not see that end right now.

To continue with my explanation, this bill simply attempts to utilize the foreign currencies that we have accumulated under Public Law 480. Many of the governments of the world have those funds. In some we would not have to execute agreements to make these funds available for health research purposes; in some others we will have to execute agreements in order to spend some money in these countries. I cannot believe that this will call for any big expenditure.

If you will review the history of the foreign aid programs, you will find the technical assistance programs have brought us the most benefits, they have accomplished the greatest amount of good, yet they have been the least expensive. In the field of technical assistance we have medical assistance, teaching people methods of cleaning and securing pure supplies of water, and things of that kind.

This bill came out of the subcommittee unanimously. There were one or two votes against it in the full committee. I believe it is a bill that you can vote for, and strike the hardest blow against cancer, mental disease, tuberculosis, and many of these other diseases that plague mankind.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Speaker, I wish to compliment the gentleman and the members of his subcommittee who have done such a magnificent and fine piece of work with a very difficult, complicated, and controversial problem. The gentleman, of course, is aware of the fact that the other body passed a bill and sent it over to us that would have authorized the appropriation of $50 million in the field of international health. Recognizing the need and the importance of a cooperative program in international health research, the gentleman and his committee held hearings and overcame most of the opposition and rewrote the bill completely.

The committee has reported it to the House without any additional authorization for funds to be expended out of the Treasury of the United States but merely in cooperation with the international program that we have. It permits the use of soft currencies that have already been built up in the participating countries to be used in international health and research. I think the gentleman and the members of his committee are deserving of the highest compliments for the fine work they have done.

Mr. ROBERTS. I thank the gentleman.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would like to know just exactly what this bill does. Last year we spent $3.5 million of U.S. currencies on an international health program. The Senate bill which was passed the other day contained $7 million. We are presently appropriating counterpart funds under the normal appropriation procedure to be used in the field of international health. We have some 50 research grants in international health that are handled by soft currencies at the present time. In the appropriation bill passed just a few months ago we authorized further use of soft currencies. What does this bill do that we presently are not doing?

Mr. ROBERTS. I will say to the gentleman that certainly he knows and the Members of the House know that we have been spending in these fields considerable money, but it was the feeling of our committee that this bill will bring these programs into focus. The President under this bill must submit an annual report of the activities in these fields, and he will be assisted by an advisory committee of prominent citizens of the United States, and we believe we can eliminate the use of hard dollars. And, instead of buying refrigerators for the Eskimos and dress suits for Grecian undertakers, we can spend some of these soft currencies in the field of health and we can get some new answers.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from South Carolina.

Mr. HEMPHILL. I notice on page 4, line 14, the Surgeon General is given certain authority, and in defining health research your subcommittee has written:

> The term "health research" shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents—

And so on. Does that language mean that if the Surgeon General thinks it is proper and his superior thinks it is proper, some of this may be used in fields such as physical therapy and pediatrics and chiropractics and things of that kind?

Mr. ROBERTS. I do not think the Surgeon General would be precluded from investigations in those fields. We have had one example of the use of bamboo instead of expensive metals in building prosthetic appliances which are very much more economical. There is a great supply of it. And, we think if this will rehabilitate maimed people, then this would be the way to do it. And, we say under the bill that the Surgeon General has that authority.

Mr. FOGARTY. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the distinguished gentleman from Rhode Island who introduced similar legislation and who is recognized in this House, of course, as a champion of the cause of health research.

Mr. FOGARTY. Mr. Speaker, I want to congratulate the gentleman and his committee for reporting out this bill. As everyone knows, this idea was born with the President's state of the Union message in January 1958, delivered in this Chamber. He recommended an international attack on such leading killers of human beings as cancer, heart disease, and mental illness. I thought it was received at that time through the press and amongst the medical people of our country as a forward step. It was thought we could make more friends by distributing some of our information while at the same time getting information from other countries; because most men of medicine now say that the chances of our discovering cancer or heart disease are remote unless we have the help and cooperation of people in foreign countries who have some of the know-how.

Mr. ROBERTS. I thank the gentleman.

Mr. BENNETT of Michigan. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I do not think anyone in this House is opposed to spending all necessary funds for research, both on the domestic level and in the international programs. But there is no evidence before our committee or before this House that there is any need for this type of legislation. When the gentleman from Alabama [Mr. ROBERTS] talks about a cure for cancer, or the number of people who die each year from cancer, everybody recognizes the seriousness of that problem, and everybody knows the millions of dollars that are being spent by this Government and the millions of dollars that are being spent by private corporations and private foundations to find the answer to this and other serious diseases which are plaguing our people. But just more money is not the answer. There is no proof that the money that is being appropriated now for this purpose is inadequate.

Mr. Speaker, I should like to point out that this bill does not add one single iota of additional authority that does not exist under present law. Under the Mutual Assistance Act the President of the United States has authority to spend

U.S. dollars for research projects in foreign countries to the extent that he sees fit if they promote the mutual security program. Under existing law the President of the United States has full and complete control of counterpart funds which have been assigned to the United States and which the gentleman from Alabama discussed as they relate to the provisions of this bill. The Surgeon General of the United States under the Public Health Service Act has all of the authority and all of the money he needs to spend on international research. Last year, for example, for the kind of projects that are referred to in this bill the Surgeon General spent $3.5 million on research in foreign countries. I cannot, for the life of me, see the need or the necessity for this kind of legislation unless it is only to set up another organization to do the things that international organizations and our domestic departments already have the authority to do and for which money in ample amounts has been appropriated and will continue to be appropriated.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman.

Mr. HEMPHILL. I think it should be pointed out here, and I think our friend will confirm this, that the legislation came to us from the Senate carrying an authorization of $50 million. Our committee felt strongly that the money should come from counterpart funds, so we rewrote the legislation and removed the appropriation from the Federal Treasury, substituting appropriations out of counterpart funds; is that not correct?

Mr. BENNETT of Michigan. The bill that was passed in the other body provided an authorization of some $50 million as an annual amount that may be expended for this purpose. The gentleman from Alabama [Mr. ROBERTS] and his committee cut that figure to $10 million. When they brought the bill before the full committee and opposition to the program developed, a motion was made to take the $10 million out of the bill, so that when the bill was reported there was no specific authorization for the expenditure of any hard dollars. But let me point out that if this bill is passed and goes to conference the question of the amount of money that may be put in the bill will depend on what the conferees decide to put into it—the difference between $50 million that is in the Senate bill and zero here.

Mr. HEMPHILL. That was my point in this colloquy I am having with the gentleman from Michigan. I just want to go on record as a committee member as saying there would be no appropriation from the Treasury of the United States but the money would come from counterpart funds or we would not have this provision.

Mr. BENNETT of Michigan. Even if the House passes this bill and the Senate accepts it with no specific authorization in it, the House and Senate Appropriations Committees can nevertheless appropriate money under the authority provided for under this legislation.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Michigan.

Mr. MEADER. May I draw the attention of the gentleman to the top of page 12, line 3, which reads:

> In order to carry out the purposes of section 2 of this joint resolution, and subject to section 1415 of the Supplemental Appropriation Act, 1953, the President may use or enter into agreements with foreign nations or organizations of nations to use the foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954.

Does that mean that funds to finance this program can be found without resort to the Appropriations Committee and the approval of that committee and the Congress in our regular appropriating procedures? Does this authorization bypass the Appropriations Committee?

Mr. BENNETT of Michigan. No; I do not think it does. It does not give any additional authority to spend money, either our United States funds or counterpart funds, without the scouting of the Appropriations Committee.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Wisconsin.

Mr. LAIRD. This House bill would authorize fellowships, grants, and the interchange of scientists for the purpose of supporting health research and training on an international basis. Every authority granted is already in existing law. The Senate bill did provide for an Institute of International Health. This bill completely nullifies the purpose of the Senate bill and should be defeated for that reason.

Under existing authority, the U.S. Public Health Service has, first, an international fellowship program supporting fellowships for students from over 30 nations; second, research grants to institutions in 15 foreign countries; and third, training programs in which health workers from 33 foreign countries participated last year.

In addition both the House and Senate have included in the 1961 Labor-HEW bill funds for two new international programs for health research, using foreign currencies generated under Public Law 480—$3,707,000 to the Public Health Service, $930,000 to the Office of Vocational Rehabilitation, and the Senate in the 1961 HEW added an additional $7 million.

I can understand what the bill did as it came from the Senate but I cannot understand what this bill does as it comes from the gentleman's committee. At the present time grants are being made to individual doctors, individuals all over the world. We have grants in Israel, we have grants in France, we have grants in many countries all over the world, direct research grants where they are working on various problems.

In addition to that we are contributing $500,000 for WHO's international medical research program and have offered to contribute a greater amount. We are urging a higher appropriation by WHO for this purpose. In addition to that, last year we authorized through the Appropriations Committee the spending of $170 million in the area of international health. Of that $170 million in the 1960 budget bills for international health, $55 million was expended in counterpart funds.

What I cannot understand, and I have not been able to get an answer to this question, is, How does this bill as amended by the House committee do anything that is not presently authorized in law? If this question is not answered I will oppose the House amendment to the Senate-passed bill.

Mr. BENNETT of Michigan. The answer is that it does not. The bill does not provide for one single bit of authority either delegated to the President or any other agency that does not presently exist in the law. If such is not the case, then I call on the gentleman from Alabama [Mr. ROBERTS] to point out in what respects, if any, this bill adds anything to existing law.

Mr. ROBERTS. At the present time I grant that programs are in existence and we are spending dollars on programs and they are executed in different parts of the world. This bill will bring these programs into focus. The President would report on activities under this bill and you will get something for your local currencies in these various countries.

Mr. BENNETT of Michigan. In answer to the question of the gentleman from Alabama, the President already has the authority to do what he pleases with these counterpart funds.

Mr. ROBERTS. Then I will say to the gentleman, if the President has that authority, why does he not use that authority instead of coming here and saying in his state of the Union message that he wants additional legislation.

Mr. BENNETT of Michigan. This bill cannot make him use his authority nor give him any additional authority.

Mr. LAIRD. I would like to state that we presently are using counterpart funds for medical research grants made in Israel at the present time. You will find counterpart funds are used. We are purchasing the counterpart funds from the Department of Agriculture and we carry an appropriation in the appropriation bill for the Department of Health, Education, and Welfare in which the purchase is made. The Commodity Credit Corporation is reimbursed for the counterpart funds that we are using on individual projects in Israel. Now in some countries, we do not have any counterpart funds and we are using some hard dollars, but this bill does not change that one iota.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I would like to ask a few questions which intrigue me. I do not know whether I should direct them to the gentleman from Michigan or the gentleman from Alabama.

As I read this, this is supposed to be for an international health research act. But, the statement was made we were to use counterpart funds which we have accumulated in various countries. What do we do for money in countries where

we have not accumulated counterpart funds? Do we start using hard dollars there?

Mr. ROBERTS. We may not have a program there, but we have about 26 countries where we do have counterpart funds or credits.

Mr. DERWINSKI. Do we understand then that international health problems are only located in those countries that have existing counterpart funds? Is that the implication?

Mr. ROBERTS. That would be correct. That would be the intent of the bill to the extent feasible.

Mr. DERWINSKI. Does this bill also imply that we have abandoned any hope of ever putting these counterpart funds to use in countries and that we are just looking for a means of spending the money; is that the implication of the bill?

Mr. BENNETT of Michigan. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Speaker, it has been a great privilege for me to serve as ranking Republican member of the subcommittee on health and safety with my colleague, the gentleman from Alabama [Mr. ROBERTS]. I want to pay tribute to him for the splendid job he has done. Our subcommittee on health and safety conducted extensive hearings on this entire matter. Our subcommittee was completely convinced as to the value, purpose, and reason for this bill.

Mr. Speaker, there is an international language of good health and scientific development in these opportunities for research and work in human health. Certainly, there are opportunities throughout the world by scientists in all countries in developing new methods and new discoveries in health measures. So it seems to us this is a splendid way to take advantage of some of these funds which are accruing to our Nation as the result of the operation of Public Law 480 and other public laws. So, Mr. Speaker, I urge the adoption of this bill.

Mr. Speaker, in my years in the House of Representatives there have been few resolutions presented on which we have had such substantial agreement among the witnesses who testified as on House Joint Resolution 649. I call to your attention that during its hearings on this legislation the Subcommittee on Health and Safety of the Committee on Interstate and Foreign Commerce had testimony from 64 individuals and organizations. Among the individuals were many of the top scientific leaders of our country. Such men as Dr. Michael E. De Bakey, Baylor University; Dr. Sidney Farber, Children's Hospital, Massachusetts; Dr. Thomas Francis, University of Michigan; Dr. I. S. Ravdin, University of Pennsylvania; and Dr. Frederick J. Stare, Harvard School of Public Health.

All of our national voluntary health agencies and professional organizations have endorsed the proposals behind this legislation. It makes sense to them and it makes sense to me that since scientific research in health, medicine, and rehabilitation can be conducted in other nations at very little, if any, cost to the United States through the use of foreign currencies that we should take advantage of this unusual opportunity. The United States owns vast amounts of the national currencies of a number of other nations as the result of the sale of surplus agricultural commodities under Public Law 480. I am sure all of us hope these sales will continue and that additional money in the national currencies of other countries will become available. It makes common sense to me that if we have rupees in India, pounds in Israel, and dinars in Yugoslavia which will not be used that these funds should be invested in research in health, medicine, and rehabilitation not only for the benefits which will accrue to those countries in which the research is being conducted but more important that such research will make a substantial contribution to improved health in the United States.

Mr. BENNETT of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, it has been a long time since I have seen a bill providing more consultants and advisers, all of which add to the costly bureaucracy. Now do not tell me that you will pay the President's Advisory Committee members with foreign counterpart funds. And do not tell me you will pay the consultants who can be hired without limitation out of counterpart funds.

Mr. Speaker, this is one of the biggest boondoggles that has been before the House in a long time. There will certainly come a day when there will be no counterpart funds. What are you going to use then but American dollars because the demand will increase to build hospitals, and do all of these things in foreign countries.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. No; I cannot yield as I only have 2 minutes. I am sorry I cannot yield.

Mr. ROBERTS. The gentleman does not want to leave the RECORD in error. There is an express prohibition against any building to be built with counterpart funds in this bill.

Mr. GROSS. The gentleman will recall that a few days ago a bill was put through the House which provided for a hospital to be built in Poland out of counterpart funds.

This is going to be a splendid bill for the Secretary of Health, Education, and Welfare. I would like it as a personnel empire builder proposition if I were the Secretary, especially since it is provided that the President can delegate all of his powers to the Secretary. So when you vote for this bill it should be with the understanding you are building up Mr. Flemming's bureaucracy.

The SPEAKER pro tempore. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. BENNETT of Michigan. I yield the gentleman 2 additional minutes.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. JOHANSEN. The gentleman touched on a point I wanted to ask about. Does he believe it is possible to have this additional expanded program without additional bureaucracy and additional personnel that cannot possibly be paid out of counterpart funds?

Mr. GROSS. Of course the gentleman is right. The gentleman knows that when this bill goes to conference with the Senate there will be hard American dollars put into this program and plenty of them. They cannot finance this in any other way and if the money is not appropriated this year you can be sure it will be demanded in 1961.

Mr. DENTON. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Indiana.

Mr. DENTON. As I understand, we have spent money this way for some time, using 480 funds for research. In the last session we provided there must be appropriated in a special appropriation bill, and we appropriated money to be used for this purpose.

Does this bill change that law in any way which requires an appropriation to be made?

Mr. GROSS. I do not know, but I am very much interested.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Wisconsin.

Mr. LAIRD. It does not. We would still appropriate U.S. dollars to purchase counterpart. It makes no change in the present law.

Mr. GROSS. I am opposed to this bill. I hope it is rejected.

The SPEAKER pro tempore. The time of the gentleman from Iowa has again expired.

Mr. BENNETT of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Speaker, I am puzzled about two features of the bill that have been called to my attention.

First, I notice that the Surgeon General, on page 2, line 22, will establish and maintain fellowships in the United States, and in participating foreign countries. If this bill is limited to the expenditure of foreign currencies, I do not see how those foreign currencies are going to be used to pay for fellowships in the United States.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Minnesota.

Mr. JUDD. Beginning at the bottom of page 3, the bill says he is to procure individuals at a compensation, and so forth, to be fixed by the Secretary, but not in excess of $50 per diem. That certainly is dollars, not foreign currencies. Later in the bill the original language is stricken out which authorized the appropriation of dollars, but the rest of the bill has not been brought into harmony with that deletion.

Mr. MEADER. The gentleman confirms my opinion.

Under the Senate bill, which provided for dollars, this made sense, but when you limit it to foreign currency it does not make sense.

I asked the gentleman from Michigan [Mr. BENNETT] about the language on page 12. I see the gentleman from New York [Mr. TABER] present, and I call his attention to that language.

I want to know whether or not that authorizes the bypassing of the Appropriations Committee and using counterpart funds for international research purposes.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from New York.

Mr. TABER. The language on page 12 of the bill states that the President may enter into agreement with foreign nations or organizations and nations to use foreign currencies which come under title I of the Agricultural Trade Development and Assistance Act of 1954. I do not know what else you would call it.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield.

Mr. JUDD. I think the gentleman from New York did not read the conditional clause "subject to section 1415 of the Supplemental Appropriation Act of 1953." That language makes it clear that the foreign currencies cannot be used without going through the appropriating process.

Mr. MEADER. The gentleman will assure me, will he, that the Appropriations Committee can review foreign currencies devoted to this program so that they can fit this in with dollar appropriations and other appropriations of foreign currencies so that we can see it all and that we are not bypassing the Appropriations Committee?

Mr. JUDD. I can give that assurance. I do not see how under this language it would be possible to bypass the Appropriations Committee in the appropriation or use of either dollars or foreign currencies.

Mr. HARRIS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. O'BRIEN].

Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. HARRIS. The gentleman from Minnesota is eminently correct; the Appropriations Committee cannot be bypassed. It is made clear and plain beginning with line 4, page 12 of the bill.

Mr. O'BRIEN of New York. Mr. Speaker, I have listened with attention and sympathy to the arguments of the gentleman from Iowa in the past when he has referred to giveaways. I feel that this bill is as far away from being a giveaway as any bill which we could pass in this Congress.

What we are doing in this bill is getting something back, something very precious: We are exchanging soft money for hard medical knowledge which will save American lives. To me that is the overriding consideration.

I think we should note that in one of the Washington papers in the last day or two there was an estimate that our so-called soft money around the world might rise as high as $154 billion by the year 2000. I personally would like to dip into that a little bit, if I can, to save the lives of some of my friends and constituents.

Mr. BENNETT of Michigan. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I have great respect and admiration for my colleague from New York who just spoke to you, but I think the record ought to be straight here about what this bill does.

The bill does not extend authority to the President of the United States or to anyone else to use the so-called soft currencies or counterpart funds that he does not already have today. I challenge anyone on this floor to point out to me where the language of this bill enlarges present law in any single respect for the President to use counterpart funds for this or any other purpose.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Minnesota.

Mr. JUDD. The committee report at the bottom of page 3 read:

> The powers granted to the President under this legislation essentially are not new powers but merely reemphasize powers already granted the President under the Mutual Security Act and other laws.

I am in favor of all of the objectives of this piece of legislation. But I cannot see any reason for passing it. It is completely unnecessary.

Mr. BENNETT of Michigan. It is a perfectly meaningless piece of legislation. What is proposed here is nothing that cannot be done under existing law, and the money is already available for that purpose, or will readily be made available.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Michigan. I yield.

Mr. LAIRD. I would like to point out to the distinguished ranking minority member of the Interstate and Foreign Commerce Committee that the Committee on Appropriations has never denied $1 for the purchase of any foreign currency to carry on any medical research program any place in the world. We have not turned down any requests for dollar appropriations in this area.

Mr. BENNETT of Michigan. We do not need this bill to carry on this type of research.

Mr. HARRIS. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I should like to speak in support of House Joint Resolution 649, the International Health Research Act of 1960. I have waited a long time to address this House in the critical moments of the debate on this measure to extend U.S. participation in medical research on an international basis. Just short of a year ago, I rose to urge expeditious action by this body on Senate Joint Resolution 41, the so-called health for peace bill introduced by Senator HILL. Senate Joint Resolution 41, as many of you may remember, was a broad and far-reaching measure providing for positive action by the Federal Government in mobilizing the world's scientific resources in an all-out attack upon disease, disability, and ill health. It had passed the Senate in May of 1959 with the overwhelming vote of 63 to 17. It had enthusiastic support from the major health organizations of the country and many persons of eminence in the health sciences, industry, and public affairs.

Unfortunately, the bill was opposed by the administration. Not in principles or purpose, mind you, but—and this is a familiar pattern—because its specific provisions were considered undesirable. First, it would cost too much money. Second, it provided for a new Institute at the National Institutes of Health for its administration. This was considered unnecessary. Third, the international program authorized by the bill was considered to be a foreign policy matter; therefore, the program should be linked with the State Department and ICA, and carried out under the immediate supervision of the President.

This was the basis of the administration's opposition to this bill. These viewpoints were advanced with vigor and effect. The administration's spokesman, however, seemed to have been completely oblivious to the fact that this legislation is a direct result of the inspiring proposal made by President Eisenhower in his state of the Union message—made to this Congress on January 9, 1958. In that message he urged an international campaign, and I quote, "against the diseases that are common enemy of all mortals—such as cancer and heart disease." This broad concept was reiterated by Dr. Milton Eisenhower when, speaking in behalf of the President, he pledged the support of the United States for an international medical research program, in his opening address before the 11th World Health Assembly in Minneapolis in May of 1958. Senator HILL and I, in introducing this initial legislation—the forerunner of Senate Joint Resolution 41 and House Joint Resolution 649 that we are considering now—specifically stated that the purpose was to provide the means to carry out the pledges made by the President in respect to U.S. support of international health research.

The Hill bill had other opposition. It was opposed by those who considered it just another giveaway program. Just one more way for U.S. dollars to be thrown down a "rat hole" with no benefit to the United States to be gained at all. This I believe to be a most distressingly shortsighted view. A view which ignores the whole recent history of advances in the medical sciences. It is a view oblivious to the fact that much of the great progress that the United States has made in its health and medical programs has been utterly dependent upon knowledge which has come from abroad or which we have gained through collaborative work with health scientists of other nations.

Participation in research, research training, and research planning on an international basis is important to the

United States for two fundamental reasons:

First, regardless of the magnitude of our national research efforts—and I have striven in the Appropriations Committee to assure adequate funds for research—many of our major research problems—cancer, heart disease, mental illness, and others—cannot be solved within our national boundaries.

We cannot ignore the progress that other countries have made in dealing with these same health problems. Through study and observation of their health efforts and their approaches to common health problems, we can gain great benefit in dealing with these same problems in the United States of America. The committee report cites eloquent examples of the knowledge to be gained from observing the experiences of others.

We cannot ignore the shifting patterns of infectious and communicable disease in this age of jet transportation and the known propensity of viruses to change their character and virulence. Only through joining with the health scientists of other nations in worldwide networks of observation, research, and testing can we achieve maximum protection.

We cannot ignore the talents and capabilities of foreign scientists who can make substantial contribution to the solution of disease and health problems of particular urgency to the United States. Providing for their support and advanced training in carefully planned programs, is to me an essential part of our national research effort.

We cannot overlook the primary lesson of the history of science—all knowledge is interdependent—no single finding has meaning except in the context of all related findings regardless of where they occur. We must provide for the closest association between our health scientists and those of other countries.

The second fundamental reason why this bill is important is because it clearly sets forth the view that the support and conduct of the health sciences on an international basis can do much to advance international objectives of importance to the United States.

I believe support of medical research and collaborative work with the other countries in this field can do far more toward achieving our foreign policy objectives than a great deal of the effort and funds that we put into military and economic assistance programs.

I think we have overlooked the relationship of health to productivity and thus to economic advancement. A worker that is a sick man produces only as sick men produce. He frequently consumes more than he contributes. Here is a quote from a report I read the other day which portrays this situation vividly:

> The economies of the underdeveloped areas that circle the globe are almost entirely extractive, largely agricultural, and whether on a subsistence basis or at the level of export, productivity stems chiefly from the physical capacity of human labor.
>
> Millions upon millions of the workers are staggering under the load of debilitating diseases, their physical and mental growth stunted by hookworm, their feet ulcerated with yaws, their strength sapped by schistosomiasis or African sleeping sickness and their initiative drained by malaria.
>
> They scratch the soil to feed their own intestinal worms which consume not a negligible fraction of their scarce food (and of our relief shipments). The malaria, the worms and most of the other diseases give them an enervating anemia invisible beneath their dark skins, leading to what is casually referred to as tropical apathy. The word "manana" often simply signifies anemia.
>
> The visitor, if he is not blind to the relation between the yield of a hoe and the strength of the hand that holds it, readily senses the loss in productivity. What he does not see is the stunted growth, the loss of initiative, the dulled mind, the distortion of the entire age structure of the population and the deep and permanent effect on culture itself and hence on the capacity to absorb, utilize or even to be interested in proposals for economic development.

U.S. collaboration in research programs aimed at controlling the major infectious diseases which beset millions of people in the world is a venture which can only engender good will. John T. Connor, president of Merck & Co., made this point well in speaking in support of legislation in this area:

> The International Medical Research Act stirs the imagination with its opportunities for a new breakthrough in international relations as well as in medical research. It can give a new dimension to foreign affairs and a new versatility to U.S. foreign policy. It can excite the universal support and enthusiasm for an international program that America has not seen since inauguration of the point 4 program of technical assistance.

Dr. I. S. Ravdin, vice president for medical affairs of the University of Pennsylvania, made a similar point:

> This Nation has long realized that a lack of concern for the problems of the health of people leads all too frequently to poverty, to diseases which sap the physical and mental vigor of people, and finally to revolt. We who have gained so much from the research of our own scientists and those from other countries, where good research has been and is being done, must realize that the more quickly we can assist those less fortunate to begin to achieve what we have so fortunately achieved, the more quickly universal understanding will be won in our troubled world.

This, I believe, was the objective being sought by the President when he uttered the words I quoted at the beginning of my remarks. Although I have found frequent reason to disagree with him in the past on this point, I am wholly in accord.

Looking to the future over the debris of the summit and the canceled visit to Japan, we must find a way to clearly and unequivocally set forth our international objective—mutual understanding amongst all peoples and the maximum well-being of man.

The passage of House Joint Resolution 649 I believe to be an essential and timely step in that direction.

Unfortunately, it is not as strong a bill as I had hoped would be presented to this House. The opposition to the legislation to which I referred earlier has had a substantial effect upon the course of the legislation we are considering today. The original Hill-Fogarty bill and the identical companion bills introduced by several other of my colleagues have been effectively bottled up in committee. My very good friend the gentleman from Alabama [Mr. ROBERTS], in an effort to reconcile the differences and overcome opposition to this legislation, introduced a substantially modified version of the Hill bill in the form of House Joint Resolution 649. It is this bill—further subdued as a result of amendment in committee—that we have before us today.

May I take a moment to acknowledge this considerable achievement on the part of Mr. ROBERTS? The favorable reporting of this bill, and preparation of the magnificent report which accompanied it, deserve the highest acclaim. Despite my disappointment with the specific terms of the present House Joint Resolution 649—the necessary consequence of compromise—the fact that such a bill has been favorably reported in time for definitive action in this Congress is a considerable victory. A victory from which I firmly believe the Nation—indeed the world—stands to benefit.

Senate Joint Resolution 41 has now become House Joint Resolution 649. They are vastly different pieces of legislation. The critics of Senate Joint Resolution 41 have been, in large part, answered.

The provision for a National Institute of International Medical Research has been stricken. The programs proposed can be administered as the Surgeon General of the Public Health Service, the Secretary of Health, Education, and Welfare, and the President see fit.

The problems of foreign policy are carefully provided for by a two-part division in the bill: One directed toward advancing the health sciences in the United States under which the Surgeon General and the Secretary of Health, Education, and Welfare act; the other directed toward advancing the international status of the health sciences under which the President may act.

The broad objectives and specific authorities and operating provisions which make Senate Joint Resolution 41 such a challenging piece of legislation have disappeared.

As it stands, House Joint Resolution 649 does not in essence add to or change the present authorities of the Surgeon General and the President to support medical research overseas. It does add to the authorities of the Secretary in this respect, particularly in the case of the Children's Bureau.

I am convinced, however, that the specific authorities conveyed by House Joint Resolution 649 are not the matter at issue here today. I believe the important action that will result from the passage of this bill will be the explicit expression of this House that the United States does have a substantial stake in the furtherance of the health sciences through the conduct and support of medical research overseas and in collaboration with other countries.

It is the clear emphasis that will be given to this vital point, which I believe to be the most important aspect of our action here today.

I should like to say again what I have said before in urging action upon legislation providing for greater support of international medical research.

I feel that each one of us in the Congress—acting in behalf of our own constituents, the people of the United States, and of people everywhere—must face the fact that time is a current issue in both of the objectives involved in this legislation. One is the conquest of disease; the other is the promotion of good will among men. We cannot let the opportunity slip through our fingers to take a vigorous step in the attainment of these objectives. I am sure I express the strong consensus of the members and the people when I urge that we act now to give shape and substance to programs which may make possible the significant advances for the national welfare as well as represent one of the finest expressions of man's concern for his fellow man.

Under previous consent, I include, as part of my remarks, the following letters and news articles:

WORLD REHABILITATION FUND, INC.,
New York, N.Y., April 11, 1958.

Mr. RICHARD CLARKE,
Executive Editor, The Daily News,
New York, N.Y.

MY DEAR MR. CLARKE: May I extend the deep gratitude of the World Rehabilitation Fund to the Daily News, Mr. Eckert Goodman, your staff photographers, and to you for the excellent story which appeared in the Daily News on Monday, March 31.

This article which combines the humanitarian, political, and economic objectives of the World Rehabilitation Fund is one of the finest which has appeared. It will be seen and read not only by the millions of readers of the Daily News but by those interested in the physically handicapped throughout the world.

Mr. Goodman and the Daily News have performed a public service of the highest order by this clear, heart-warming story emphasizing that American industry and the American people are concerned with human values and the dignity of the individual not only in our own Nation, but throughout the world.

Sincerely,

HOWARD A. RUSK, M.D.,
President.

[From the New York Daily News, Mar. 31, 1958]

REHABILITATION EFFORTS WIN FRIENDS, INFLUENCE PEOPLES

(By Eckert Goodman)

Happily waving one of his brandnew artificial arms, a smiling, 11-year-old Peruvian boy boarded an airliner at International Airport 6 weeks ago and took off for his home in the rugged hills behind Lima.

Three months before, Orlando Collantes, who lost his arms in a railroad accident at the age of 5, had arrived at the New York University-Bellevue Medical Center's Institute of Physical Medicine and Rehabilitation, 400 E. 34th Street.

The crippled boy, one of five children of a widowed sugar plantation worker, had been relatively helpless for nearly 6 years, until a Peruvian affiliate of the International Union for Child Welfare arranged his trip to New York last fall.

At the Institute, Orlando was fitted with tailormade prosthetic arms, and taught how to use them. A pair of Spanish-speaking technical trainees were on hand to help the youngster learn to lift his plastic limbs and to operate the gleaming chrome hooks that from now on will serve as his hands.

The apprentice technicians, studying here on scholarships, were Mercedes Abella, an occupational therapist from Cuba, and Juan Munros, a limbmaking student from Spain.

WHAT CAN BE DONE BY WORLD PROGRAM

"In a small but compelling way," says Dr. Howard A. Rusk, director of the Institute and president of the World Rehabilitation Fund, "Orlando's case symbolizes graphically what can be accomplished by an international program in behalf of the physically handicapped.

"It also exemplifies why I'm convinced that American leadership in this vitally important humanitarian field can win us more friendship among the ordinary citizens of foreign nations than all the billions of dollars we're contributing for their economic relief and defense programs.

"Wherever Orlando goes and whatever he accomplishes from now on, he'll stand as a living symbol of the American people's concern for their fellow man."

JUST A FRACTION OF WHAT'S NEEDED

Elaborating on this point, Rusk hastened to stress the limitations of what he meant:

It would be ridiculous to suppose that even the sum total of U.S. hospital facilities could treat more than a tiny fraction of the free world's millions of handicapped people. Or that an organization infinitely richer than the 3-year-old, contribution-supported World Rehabilitation Fund could begin to afford the cost of their care and treatment.

"But there are ways in which an awful lot of mileage can be gotten out of relatively small amounts of money, when it's judiciously spent," says Rusk.

On a small scale, the World Rehabilitation Fund has already put some of these procedures into effect.

MODERN TECHNIQUES ARE TAUGHT HERE

Like the Peruvian boy's trainee tutors, more than 40 foreign doctors, technicians and therapists from a score of different countries are currently learning rehabilitation techniques at the Medical Center, or in its affiliated service wards at such New York hospitals as St. Vincent's, Montefiore, Goldwater Memorial and Elmhurst General.

Nearly 85 percent of these students are wholly or partly supported by fellowship grants and scholarships provided by the World Rehabilitation Fund.

"When these men and women have finished their training and return to their own countries," says Rusk, "they'll be able to set up their own rehabilitation clinics and prosthetic appliance workshops, and to train other native medical personnel in their operation."

Besides supporting this educational program, the fund has assigned medical consultants to such far-flung areas as Burma, Thailand, India, and Jordan; and it has assisted in organizing rehabilitation congresses in Europe and Latin America.

The organization has shipped hundreds of braces and artificial limbs to the Philippines, South Korea, and other countries that are in desperate need of them. Libraries of periodicals and books on rehabilitation have been sent to such nations as Poland, France, Yugoslavia, Egypt, Lebanon, Denmark and Australia.

Inspiration for founding the World Rehabilitation Fund first came to Dr. Rusk 9 years ago, during a trip he made to Poland as a physical medicine consultant for the U.N.

HE MET HUNDREDS WHO NEEDED HELP

"It was impossible not to see the crying need for such an organization, or to recognize how important a role it could play in our country's international relations," recalls the doctor.

"The hundreds of handicapped and incapacitated people I encountered, desperately in need of assistance, were almost pathetically grateful for the vaguest suggestion of help that might be given them."

Today, 2 years after it began operations, the Fund boasts as its honorary chairmen former Presidents Herbert Hoover and Harry Truman; Bernard M. Baruch and Dr. Albert Schweitzer.

Its list of 25 notable directors includes such names as Norman Vincent Peale, Mrs. Anna Rosenberg, Gens. Walter Bedell Smith and David Sarnoff, Mrs. Bernard Gimbel and ex-Gov. Paul G. Hoffman of New Jersey.

NEEDS ARE GROWING EVEN MORE CRITICAL

The fund has never put on a public money-raising campaign and has no intention of doing so now. It is supported wholly by voluntary contributions from individuals, corporations, and foundations, and carries on its activities with minimal overhead, to the extent that money is made available.

The need for increased effort on America's part in the international rehabilitation field is, in Dr. Rusk's opinion, becoming daily more critical.

Outside the United States, there are at least 65 million physically handicapped people in the free world. About a third of them could be treated and retrained to become self-supporting members of their communities.

The remainder, mostly children and older people, could be made self-dependent in their daily lives.

According to the best estimates, Russia is currently turning out some 27,000 doctors a year, compared with the 7,000-odd we produce annually.

OUR TECHNIQUES, DEVICES ARE BEST

The Soviet doctor pool, it is reliably reported, has already grown so large that many Russian physicians are being used for the kinds of jobs to which we would usually assign nurses and technicians.

"It seems obvious to me what the Reds are planning to do," says Rusk. "They intend to send their communism-indoctrinated medical teams into backward parts of the world where their healing activities will forever be associated in the people's minds with Marxist doctrine."

As the result of a 12-year-old U.S. Government-sponsored artificial limb program in behalf of wounded war veterans, Rusk says, we have prosthetic devices and technical know-how superior to any existing elsewhere in the world today.

"Just as we're interested in sharing technical advances in nuclear energy for peaceful purposes with the rest of the world," argues the doctor, "I am convinced that we can make a significant contribution to the effective understanding of American ideals of democracy, and the value we place on human worth and dignity, by sharing our advances in artificial limbs with the world."

TWO-MILLION-DOLLAR EXPENDITURE NEEDED FOR PROGRAM

For an expenditure of $2 million—less than the cost of a pair of experimental ICBM rockets—Rusk estimates that the following activities could be accomplished during the course of the next 2 years:

Highly skilled medical consultants could be sent to all parts of the free world to learn what is most urgently needed.

Four completely equipped and staffed mobile prosthetic shops could be established in southeast Asia, the Near East, north Africa, and South America, to spend from 4 to 8 weeks in various communities demonstrating how braces and artificial limbs are fitted and training wearers in their use.

Permanent rehabilitation centers under American direction could be established in key parts of the world.

Parts to provide artificial limbs for more than 40,000 amputees could be shipped to areas most in need of them.

More than 100 additional trainees could be brought to the United States for training in physical medicine techniques.

All available technical literature and visual aids in rehabilitation currently on hand

in the United States could be translated and published in various languages for international distribution.

The rehabilitation trainees, says the doctor, would join the 400 health workers now receiving advanced training here under the auspices of the International Cooperation Administration. And, together with hundreds of others receiving training from private foundations, their own governments, and their personal resources, they would become permanent ambassadors of our democratic ideals.

HE FEARS TIME IS RUNNING OUT

In view of Russia's accelerated medical training program, Rusk believes that time is running out on us—much more rapidly than most Americans are aware.

But he's still hopeful. A born optimist, with a notable fondness for inspirational mottoes and epigrams, he has adopted as his personal credo the words of an obscure 17th century English philosopher:

"If every man would but mend a man, the world would soon be mended."

THE NEW YORK TIMES,
Times Square, April 4, 1955.

To the EDITORS,
Newsweek Magazine,
New York, N.Y.

GENTLEMEN: This is a letter of deep personal appreciation for the magnificent documentation by Mrs. Marguerite Clark of the story of Juan Yepez.

Juan is not just one little boy born without arms and legs in a far-away country. He is symbolic of the need for understanding and the recognition that arms and legs do not make a man—spirit makes a man. Since coming to our institute some 6 weeks ago, Juan now speaks English like a veteran. In fact, only last week he acted as interpreter for a wounded Columbian soldier who had just been flown in from Bogota. Juan is now walking on his new legs with special crutches which his small baby hands can fit into. Everyone at the institute who has worked with this amazing child has come to love him, and he has had much love before he came to us, for in spite of his rejection and abandonment, he feels completely secure and is the one who cheers up the other children in the ward when they are overcome by homesickness.

Two children in the ward were talking recently about "when we go home next week" and said to Juan, "When do you go home?" He was sitting on the windowsill, watching the cars on the East River Drive when asked the question and, looking far, far away, he replied, "I only go home when I walk home." As president of the International Society for the Welfare of Cripples, comprising 100 organizations from 30 countries all over the world, I have seen this spirit from Korea to Poland and from Haiti to Delhi. Here in the courageous spirit of the disabled do we have a common language.

Juan Yepez is a great symbol—a bright light in a spiritually gray world. He epitomizes spiritually even more dynamism than nuclear fission. When he walks back to Bolivia, he will bring with him a new concept of the dignity of the individual, for, verily, "a little child shall lead them."

I am deeply grateful to you for the deep sensitivity with which you have documented the story of a great human being.

Sincerely,

HOWARD A. RUSK, M.D.

[From Newsweek magazine, Feb. 21, 1955]

A BOY AND A MIRACLE

On a hot morning in 1951, a 5-year-old boy, born without arms or legs, was found in a trash can on a street in La Paz, Bolivia. The little mestizo (mixed Spanish and Indian blood) had no stumps, yet from his shoulders grew two perfectly formed hands and, from his hips, two strong feet. Taken to a home for abandoned children, he was "adopted" a year later by members of the La Paz Rotary Club and was placed in the American Hospital there. In no time, Juan Iregoyen Yepez became the pet of the place.

A handsome, alert youngster who picked up English quickly, Juanito was well developed physically, and from the usual run of scarlet fever, whooping cough, and measles he emerged tough and strong. He learned to get from one place to another by rolling about the hospital floor like a ball of tumbleweed. He devised ways of using head, chin, and mouth to suit his extraordinary needs. With nimble fingers he learned to feed himself. But in La Paz there was no equipment with which to rehabilitate the boy's cruel double handicap.

Last summer a young plastic surgeon from Kansas City, on a medical mission in Bolivia, encountered Juan, then 8 years old, at the American Hospital. Back in the States, the surgeon described this unusual case to Dr. Howard A. Rusk, director of the famous Institute of Physical Medicine and Rehabilitation, New York University-Bellevue Medical Center, New York. Several children's organizations became interested in the boy. An airline, Panagra, offered to fly him to New York. The Save the Children Federation volunteered to act as his guardian, in addition to contributing money for his care at the New York University-Bellevue Medical Center. Last week, his third in New York, Juan was a cynosure of American specialists' attention.

LATE CARE

Cases of congenital amputation—the medical name for this affliction—are not uncommon. Because of faulty genes, some 4.7 of 10,000 children are born without arms or legs or both. (Juan's mother had two brothers born without arms.) Many of these children, even quadruple amputees like Juan, have been fitted with artificial arms and legs and trained for useful lives (Newsweek, Nov. 5, 1951). Usually, however, their rehabilitation is started at a very early age, before the children are aware of their malformation. In Juan's case, retraining had been delayed for almost 9 years; the boy's mode of living had been conditioned by stark necessity. In the timelag, however, American doctors recognized two possible advantages: (1) Juan's mature courage and strong, well-developed body and mind, and (2) his naturally formed, though misplaced, hands and feet. Many young congenital amputees are born without any stumps at all, and fitting them with properly mechanized prostheses is a difficult task. For Juan's deformity, the experts reasoned, it might be possible to fashion special artificial arms and legs which could be worked, by remote control from Juan's own capable hands and feet.

By last week William Tosberg, chief of the N.Y.U.-Bellevue Center's Prosthetic Technical Services, had prepared a canvas basket into which Juan's torso could be fitted. Suspended from it were two stiff wooden legs. By twisting his agile trunk, the boy could teeter from side to side, in a walking-doll movement. "This will not do," he said patiently. "I have strong feet; I must have legs that my feet will work." Juan was right. If by some skilled trick of prosthetic engineering this can be accomplished, the boy may have self-motivated arms and legs before his rehabilitation is completed.

BIG FEE

Specialists at the center marvel at the remarkable adaptation made by the boy's gravely malformed body. Neurologists, amazed at his lack of dizziness after rolling about on the floor for 15 or 20 minutes, are conducting studies of his nervous system. Teachers are impressed by his quick grasp of facts and his unusual learning capacity. Nurses and attendants talk of his cheery disposition. However dramatically this bespoke his ability to help himself, Juan also is assured of being a big help to others.

Shortly before the boy arrived in New York, Dr. Rusk was visited by the Vice President of Bolivia, Dr. Harnán Siles Zuozo, and the consul general of that country, Dr. Alberto Arce Quiroga. After explaining the proposed program for Juan, Dr. Rusk added: "This will cost Bolivia a big fee. * * * We will rehabilitate Juan. We will help educate him, and when he is able to care for himself, we will send him back to Bolivia. There you will complete his education, and help him get a suitable job. That is not all.

"In return for our care of the boy, you will establish in Bolivia a rehabilitation center where all handicapped children—those like Juan, as well as those with polio or cerebral palsy or rheumatoid arthritis—will be retrained. That you will do for Juan Iregoygen Yepez."

The Bolivian dignitaries bowed. "You take the boy," Vice President Siles replied. "We will pay the fee."

TWO OF THE MANY REACTIONS FROM NEWSWEEK READERS WHO WERE INSPIRED BY MRS. CLARK'S STORY OF HOPE AND COURAGE

BETTER THAN MILLIONS

Congratulations on a brilliant piece of reporting. Am referring to your article (February 21) on Juanito Yepez, the congenital quadruple amputee from Bolivia.

For those of us who are in and out of Central and South America we found your article on Juanito gained us more friends (and respect) than all the millions our Government is pouring into these countries. We noted no sudden pro U.S.A. feeling in Brazil as a result of the $75 million donation [given Brazil by the United States], but we were pleasantly surprised with the many compliments for what the U.S.A. is doing for Juanito. I do not know what your circulation is in Latin America but can tell you the peons in the backwoods knew all about Juanito within 24 hours after the issue was on the streets.

You also mentioned the Save the Children Federation was paying his freight while in the United States. This organization, with a few thousand dollars, is gaining us thousands more friends than our State Department with their millions.

E. E. BUTLER,
Master, S/T Adrias.

TAMPICO, MEXICO.

THE RIGHT RELATIONSHIP

Words cannot begin to express my appreciation for the article you carried [on congenital amputation] in the February 21 issue of Newsweek about the Bolivian boy, Juan Iregoyen Yepez. Your treatment of this case was so humanitarian and brought before the people of our nation the unselfish work of doctors and hospital personnel. It did much to help establish the right relationship between the little people of the world.

CONRAD R. WILLARD,
Pastor, Calvary Baptist Church.

KANSAS CITY, MO.

Mr. BROCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BROCK. Mr. Speaker, I am sure that all of you realize the values which will accrue to the United States through the enactment of House Joint Resolution 649. I favor this legislation because it

will make a direct contribution to improved health of the people of the United States.

The late Sir William Osler once said:

> The great republics of medicine know and has known no national boundaries.

This has been well illustrated by Dr. Howard A. Rusk in his testimony before the committees of the House of Representatives and the Senate on this legislation. Dr. Rusk, for example, has pointed out that—

> It was a Dutch scientist in 1676 who first revealed the world of micro-organisms. An English physician, Edward Jenner, who observed in 1796 that vaccination prevented smallpox, provided the basis for modern immunological concepts. Iwanowski, a Russian, identified the first virus in 1892. Two Canadians, Sir Frederick Banting and Charles Best, were the first to isolate insulin in 1921. The Spanish neuroanatomist, Santiago Ramon y Cajal, and the Italian histologist, Camilo Golgi, shared the Nobel Prize in 1906 for their work on the structure of the nervous system. The list goes on and on—penicillin from England, cortisone from the United States, rauwolfia from India, sulfonamides from Germany.

These developments, to which scientists throughout the world contributed, have laid the basis for the tremendous advances made in recent years in improving the health of the people of our Nation and increasing the lifespan.

To me, House Joint Resolution 649 is a sound investment in the health of our own people.

Mr. BOLAND. Mr. Speaker, I rise in support of House Joint Resolution 649 and I am highly pleased that this important legislation known as the International Health Research Act of 1960 has come to the floor for a vote.

The purpose of the resolution is to, first, advance the status of the health sciences in the United States through cooperative endeavors with other countries in health research and research training; and, second, to advance the international status of the health sciences through cooperative enterprises in health research, research planning and research training.

Mr. Speaker, this has been referred to as the health for peace resolution, and I think it is one of the most important pieces of legislation to be considered in the 86th Congress. As our colleague from Rhode Island, the distinguished chairman of the Appropriations Subcommittee for the Department of Health, Education, and Welfare, Mr. FOGARTY, so well stated during the hearings, this legislation in effect is a declaration of "war on disease not only in this country but all over the world."

Disease and disability know no international boundaries. President Eisenhower in his state of the Union address in 1958 suggested that progress could be made in the fight against such diseases as cancer and heart and mental illness all over the world. Soviet Russia's leaders subsequently responded in the affirmative, stating that in this area perhaps they could reach some agreements and advances could be made. This led Congressman FOGARTY and Senator LISTER HILL to introduce the resolutions.

Research in the health sciences fostered on an international basis holds great promise of advancement of benefit to all. I want to emphasize again what I said last year, that an unselfish effort on the part of the United States to advance the health sciences in the interest of all peoples can be a potent instrument of peace and good will. Such distinguished medical men as Dr. Howard Rusk, professor and chairman, Department of Physical Medicine and Rehabilitation, New York University, Bellevue Medical Center, Dr. Peter D. Commanduras, secretary general of Medico—Medical International Cooperation—and Dr. Thomas Dooley, who is rendering such outstanding medical service in Laos, all want to see this legislation enacted. The Senate passed this resolution unanimously last year and I hope that the House will do likewise today.

Mr. LINDSAY. Mr. Speaker, one of the most significant accomplishments of the Congress will be the passage by the House today of the International Health Research Act of 1960. This legislation could easily be the most important single approach in recent times toward world betterment. The Congress owes a debt of gratitude to Dr. Howard A. Rusk, chairman of the Department of Physical Medicine and Rehabilitation, New York University, Bellevue Medical Center, for his tireless efforts on behalf of this legislation. As early as May 1956, when Dr. Rusk first testified before the Senate Foreign Relations Committee on the importance of increased support by our Government in international health work, he said:

> It is my belief that rehabilitation of disabled children and adults is one of the sharpest tools and most effective instruments which we in the United States have for making friends—a tool which can penetrate any Iron or Bamboo Curtain to reach the minds and hearts of men.

I cannot improve on Dr. Rusk's statement. It is extremely gratifying that one of New York's most distinguished citizens has now seen the final passage of this significant legislation which he helped to bring about.

Mr. MACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK. Mr. Speaker, I certainly could not take issue with the purpose of this bill. It undoubtedly would have some effect in advancing health sciences here and abroad through cooperative endeavors with other countries.

As in the past I still strongly favor health research and research training.

I have introduced amendments on this subject and plan to introduce another bill next year. I did, however, have some reservations about $50 million or even $5 million to establish a new International Health Agency.

I want to give all the aid and assistance to our scientists that is possible. I want to find the answer to the deadly killers, such as cancer, but I am not thoroughly convinced that this can be accomplished by appropriating $50 million for this International Agency.

During the consideration of this bill I suggested the use of counterpart funds to carry out this program and I am pleased that the sponsors of the bill have conducted an investigation and found that these funds can be utilized.

Mr. Speaker, under these circumstances I strongly support this bill and hope that it receives the support of the majority of the Members of the House.

The question was taken; and on a division (demanded by Mr. HARRIS) there were—ayes 105, noes 45.

Mr. BENNETT of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 259, nays 114, not voting 58, as follows:

[Roll No. 152]

YEAS—259

Addonizio	Dixon	Jones, Ala.
Albert	Donohue	Jones, Mo.
Andrews	Dooley	Karsten
Ashley	Dorn, N.Y.	Karth
Aspinall	Doyle	Kasem
Auchincloss	Dulski	Kastenmeier
Avery	Dwyer	Kearns
Bailey	Edmondson	Kee
Baldwin	Elliott	Kilday
Baring	Everett	King, Calif.
Barr	Evins	King, Utah
Barrett	Fallon	Kirwan
Barry	Farbstein	Kluczynski
Bass, N.H.	Fascell	Kowalski
Bass, Tenn.	Feighan	Lane
Bates	Fenton	Lankford
Beckworth	Fisher	Lesinski
Bennett, Fla.	Flood	Levering
Blatnik	Flynn	Libonati
Boggs	Fogarty	Lindsay
Boland	Foley	Loser
Bolling	Forand	McCormack
Bowles	Friedel	McDowell
Brademas	Gallagher	McFall
Breeding	Garmatz	McGinley
Brewster	Gary	McGovern
Brock	Gathings	McMillan
Brooks, La.	Gavin	Macdonald
Brooks, Tex.	George	Machrowicz
Broomfield	Giaimo	Mack
Brown, Ga.	Gilbert	Madden
Burke, Ky.	Glenn	Mahon
Burke, Mass.	Goodell	Mailliard
Burleson	Granahan	Marshall
Byrne, Pa.	Grant	Martin
Cahill	Gray	Matthews
Canfield	Green, Oreg.	May
Carnahan	Green, Pa.	Meyer
Casey	Griffiths	Miller, Clem
Chelf	Hagen	Miller, George P.
Chenoweth	Halpern	Milliken
Chiperfield	Hardy	Mills
Church	Harris	Mitchell
Clark	Harrison	Moeller
Coad	Hays	Monagan
Cohelan	Healey	Montoya
Colmer	Hechler	Moorhead
Conte	Hemphill	Morgan
Cook	Hogan	Morris, N. Mex.
Cooley	Holland	Moulder
Corbett	Holtzman	Multer
Cramer	Huddleston	Murphy
Curtin	Hull	Natcher
Daddario	Ikard	Nelsen
Dague	Inouye	Nix
Daniels	Irwin	Norblad
Davis, Tenn.	Jarman	O'Brien, Ill.
Dawson	Jennings	O'Brien, N.Y.
Delaney	Johnson, Calif.	O'Hara, Ill.
Dent	Johnson, Colo.	O'Hara, Mich.
Denton	Johnson, Md.	O'Neill
Diggs	Johnson, Wis.	Osmers
Dingell	Jonas	

Passman	Rogers, Colo.	Sullivan
Patman	Rogers, Fla.	Teague, Tex.
Perkins	Rogers, Mass.	Teller
Pfost	Rogers, Tex.	Thomas
Philbin	Rooney	Thompson, N.J.
Poage	Roosevelt	Thompson, Tex.
Porter	Rostenkowski	Thornberry
Powell	Roush	Toll
Preston	Rutherford	Trimble
Price	Santangelo	Udall
Prokop	Saund	Ullman
Pucinski	Saylor	Vanik
Quigley	Schenck	Van Zandt
Rabaut	Selden	Vinson
Rains	Shelley	Wallhauser
Randall	Shipley	Walter
Reuss	Sikes	Wampler
Rhodes, Ariz.	Sisk	Widnall
Rhodes, Pa.	Slack	Wier
Riley	Smith, Iowa	Wolf
Rivers, Alaska	Smith, Miss.	Young
Rivers, S.C.	Springer	Younger
Roberts	Staggers	Zablocki
Rodino	Stubblefield	

NAYS—114

Abbitt	Fountain	O'Konski
Abernethy	Fulton	Ostertag
Alexander	Griffin	Pelly
Allen	Gross	Pillion
Andersen, Minn.	Gubser	Poff
	Haley	Quie
Arends	Harmon	Ray
Ashmore	Henderson	Rees, Kans.
Ayres	Herlong	Riehlman
Baker	Hiestand	Robison
Baumhart	Hoeven	St. George
Becker	Hoffman, Ill.	Scherer
Belcher	Hoffman, Mich.	Schneebeli
Bennett, Mich.	Holt	Schwengel
Berry	Horan	Short
Betts	Hosmer	Siler
Bolton	Jackson	Simpson
Bosch	Jensen	Smith, Calif.
Bow	Johansen	Smith, Kans.
Brown, Ohio	Judd	Smith, Va.
Broyhill	Keith	Taber
Budge	Kilburn	Teague, Calif.
Byrnes, Wis.	Kilgore	Thomson, Wyo.
Cannon	Kitchin	Tollefson
Cederberg	Knox	Tuck
Chamberlain	Kyl	Utt
Collier	Laird	Van Pelt
Cunningham	Langen	Weaver
Curtis, Mass.	Latta	Weis
Curtis, Mo.	Lipscomb	Westland
Davis, Ga.	McCulloch	Wharton
Derounian	McDonough	Whitener
Derwinski	McIntire	Whitten
Devine	Meader	Williams
Dorn, S.C.	Michel	Wilson
Dowdy	Minshall	Winstead
Flynt	Moore	Withrow
Ford	Murray	
Forrester	Norrell	

NOT VOTING—58

Adair	Frazier	Moss
Alford	Frelinghuysen	Mumma
Alger	Halleck	Oliver
Anderson, Mont.	Hargis	Pilcher
	Hébert	Pirnie
Anfuso	Hess	Reece, Tenn.
Barden	Holifield	Scott
Bentley	Kelly	Sheppard
Blitch	Keogh	Spence
Bonner	Lafore	Steed
Boykin	Landrum	Stratton
Bray	Lennon	Taylor
Brown, Mo.	McSween	Thompson, La.
Buckley	Magnuson	Wainwright
Burdick	Mason	Watts
Celler	Merrow	Willis
Coffin	Metcalf	Wright
Downing	Miller, N.Y.	Yates
Durham	Morris, Okla.	Zelenko
Fino	Morrison	

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh and Mr. Hébert for, with Mr. Taylor against.

Mr. Alford and Mr. Buckley for, with Mr. Alger against.

Mr. Wainwright and Mr. Holifield for, with Mr. Reece of Tennessee against.

Mr. Sheppard and Mr. Anfuso for, with Mr. Hess against.

Mr. Morrison and Mr. Frazier for, with Mr. Lafore against.

Mr. Frelinghuysen and Mr. Willis for, with Mr. Mason against.

Mr. Celler and Mrs. Kelly for, with Mr. Miller of New York against.

Mr. Stratton and Mr. Thompson of Louisiana for, with Mr. Pirnie against.

Mr. Zelenko and Mr. Yates for, with Mr. Bentley against.

Until further notice:

Mr. Lennon with Mr. Halleck.

Mr. McSween with Mr. Bray.

Mr. Anderson of Montana with Mr. Mumma.

Mr. Burdick with Mr. Meader.

Mr. Durham with Mr. Fino.

Mr. Oliver with Mr. Adair.

Mr. WOLF changed his vote from "nay" to "yea."

Mr. FASCELL changed his vote from "nay" to "yea."

Mr. COLLIER changed his vote from "present" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

INTERNATIONAL HEALTH AND MEDICAL RESEARCH ACT OF 1959

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (S.J. Res. 41), strike out all after the resolving clause, and substitute the resolution just passed.

The Clerk read the title of the Senate joint resolution.

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the same bill?

Mr. HARRIS. Yes. This just sends it back to the other body.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas it is recognized that disease and disability are the common enemies of all nations and peoples, and that the means, methods, and techniques for combating and abating the ravages of disease and disability and for improving the health and health standards of man should be sought and shared, without regard to national boundaries and divisions; and

Whereas advances in combating and abating disease and in the positive promotion of human health can be stimulated by supporting and encouraging cooperation among scientists, research workers, and teachers on an international basis, with consequent benefit to the health of our people and of all peoples; and

Whereas there already exist tested means for international cooperation in matters relating to health, including the World Health Organization, the Pan American Health Organization, and the United Nations Children's Fund (UNICEF), with which the United States is identified and associated, and it is highly desirable that the United States establish domestic machinery for the maximum mobilization of its health research resources, the more efficiently to cooperate with and support the research, research-training and research-planning endeavors of such international organizations: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "International Health and Medical Research Act of 1959".

SEC. 2. It is the purpose of this joint resolution to advance the status of the health sciences in the United States, the health standards of the American people, and those of other countries and peoples, by cooperative endeavors in health research, research planning, and research training with the scientists, research workers, technicians, experts, and teachers of other countries; and to that end to help mobilize the health sciences in the United States as a force for peace, progress, and good will among the peoples of the world.

SEC. 3. There is hereby established in the Public Health Service, within the National Institutes of Health, the National Institute for International Health and Medical Research (hereinafter referred to as the "Institute").

SEC. 4. Subject to the supervision and direction of the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary"), the Surgeon General of the United States Public Health Service, through the Institute and in cooperation with the National Advisory Council for International Health and Medical Research hereinafter established, shall carry out the provisions of this joint resolution, and for such purpose may utilize, in addition to the Institute, other units of the Public Health Service and, subject to the approval of the Secretary, the Office of Vocational Rehabilitation, the Children's Bureau, and such other agencies and offices in the Department of Health, Education, and Welfare (hereinafter referred to as the "Department") as he may deem advisable.

SEC. 5. (a) There is hereby established a National Advisory Council for International Health and Medical Research (hereinafter referred to as the "Council"), consisting of the Surgeon General, who shall be Chairman, the Director of the Office of Vocational Rehabilitation or his representative, and the Chief of the Children's Bureau or his representative, who shall be ex officio members, and sixteen members appointed by the Secretary without regard to the civil service laws, twelve nominated by the Surgeon General, two nominated by the Director of the Office of Vocational Rehabilitation, and two nominated by the Chief of the Children's Bureau. The sixteen appointed members shall be leaders in the fields of health research; health sciences; teaching and training in the health sciences; and public and international affairs; and shall include, among others, leaders in fields related to the health of mothers and children and in the field of rehabilitation. Each appointed member shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of the members first taking office after the date of enactment of this joint resolution shall expire, as designated by the Secretary at the time of appointment, four at the end of four years after such date, four at the end of three years after such date, four at the end of two years after such date, and four at the end of one year after such date. None of the appointed members shall be eligible for reappointment until a year has elapsed since the end of his preceding term.

(b) The Council is authorized to—

(1) advise, consult with, and make recommendations to the Secretary and the Surgeon General on matters relating to the purposes and activities authorized by this joint resolution;

(2) review applications for financial grants under section 6(a) and recommend to the Surgeon General its approval of those applications which it believes show promise

of making valuable contributions to carrying out the purposes of this joint resolution, and no financial grant made under the terms of this joint resolution shall be approved by the Surgeon General except after review and recommendation for approval by the Council; and

(3) review, and make recommendations to the Surgeon General with respect to, such other research projects or programs or proposals therefor, relating to the purposes of this joint resolution, as may be submitted to or initiated by it.

(c) Appointed members of the Council who are not otherwise in the employ of the United States, while attending meetings of the Council or otherwise serving at the request of the Surgeon General, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not exceeding $50 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

(d) (1) Any appointed member of the Council is hereby exempted, with respect to such appointment, from the operation of sections 281, 283, 284, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99), except as otherwise specified in paragraph (2) of this subsection.

(2) Such exemption shall not extend—

(A) to the receipt or payment of salary, in connection with the appointee's service as a member of the Council, from any source other than the private employer of the appointee at the time of his appointment, or

(B) during the period of such appointment, and the further period of two years after the termination thereof, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter concerning which the appointee had any responsibility arising out of his appointment during the period of such appointment.

(e) Provision shall be made by the Secretary for representatives of other Federal departments or agencies engaged in or supporting research in the sciences relating to health to be invited to meet with the Surgeon General, and, when appropriate, with the Council, to discuss programs and problems of common interest.

SEC. 6. (a) In carrying out the purposes of this joint resolution, the Surgeon General is authorized to encourage, support, promote the coordination of, and otherwise cooperate and assist in the training for, and the planning and conduct of, in foreign countries and (when deemed necessary to carry out such purpose) in the United States, research, investigations, experiments, and studies relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and impairments of mankind (including nutritional and other health deficiencies), or relating to the rehabilitation of the physically or mentally handicapped, and to these ends—

(1) make financial grants to universities, hospitals, laboratories, or other public or private institutions or agencies, or to individuals, in foreign countries or in the United States, or contract with such institutions, agencies, or individuals without regard to sections 3648 and 3709 of the Revised Statutes;

(2) make grants or loans of equipment, or of medical, biological, physical, or chemical substances or other materials, for use by such institutions, agencies, or individuals;

(3) furnish technical assistance and advice to such institutions or agencies;

(4) provide to such institutions or agencies, and pay the compensation and expenses of, scientists and experts from the United States and other countries and facilitate the interchange among foreign countries of scientists and experts (including the payment of travel and subsistence for such scientists and experts when away from their places of residence);

(5) cooperate and assist in the planning and conduct of research, research planning, and research training programs and projects by the World Health Organization and other international organizations or groups engaged in, or concerned with, research or research training endeavors in the health sciences, and, through financial grants or other appropriate means, assist in special research, research planning, or research training projects conducted by or under the auspices of such organizations where they can effectively carry out such activities contemplated by this joint resolution;

(6) encourage and support the coordination of experiments and programs of research conducted in the United States with related programs conducted abroad, by facilitating the interchange of research scientists and experts between the United States and foreign countries and among other countries who are engaged in such experiments and programs of research, including the payment of per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence, as provided for experts and consultants in subsection (b) thereof;

(7) establish and maintain research fellowship within the National Institutes of Health and elsewhere with such allowances (including travel and subsistence expenses) as may be deemed necessary to train United States research workers, research teachers, technicians, and experts in the laboratories of other countries and to provide for the training of talented research fellows from abroad in the United States or in other countries, and, in addition, provide for such fellowships and other research training through financial grants to public and other nonprofit institutions or agencies in the United States or other countries;

(8) provide, through financial grants, loans, or contracts (without regard to the provisions of sections 3648 and 3709 of the Revised Statutes), for the improvement or alteration of facilities, including the erection of temporary facilities for research and research training purposes when necessary to carry out the purposes of this joint resolution with respect to any project;

(9) conduct research, investigations, experiments, and studies in foreign countries or in the United States;

(10) encourage and support international communication in the sciences relating to health by means of calling or cooperating in the convening, and financing or contributing to the financing of the expenses of, international scientific meetings and conferences; and provide, or arrange for the provision of, translating and other services, and issue or finance publications, leading to a more effective dissemination of relevant scientific information with respect to research conducted in the United States or foreign countries; and

(11) upon recommendation of the Council, employ such other means as he may deem necessary or appropriate for carrying out the purposes of this joint resolution.

(b) The Surgeon General is authorized, to the extent he deems it necessary to carry out the provisions of this joint resolution, (1) to employ experts and consultants or organization thereof, as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); individuals so employed shall be entitled to compensation and allowances as provided in section 5(c) for members of the Council; and (2) to employ and make payments of compensation to aliens notwithstanding any prohibition in any other law.

(c) The Secretary is authorized to establish and fix the compensation for, within the Department (including any agency thereof), in addition to other positions for carrying out this joint resolution, not more than ten scientific, professional, and administrative positions to effectuate those activities in the Department in carrying out this joint resolution which require the services of specially qualified scientific, professional, or administrative personnel, in the same manner and subject to the same limitations as in the case of the positions authorized under section 208(g) of the Public Health Service Act.

(d) In carrying out the provisions of this joint resolution the Surgeon General is authorized to establish offices in foreign countries, for such areas as he may deem advisable, and for such purpose appropriations for carrying out this joint resolution shall be available for rental or lease outside the United States of offices, buildings, grounds, and living quarters to house personnel; maintenance, furnishing, necessary repairs, improvements, and alterations to properties owned or rented by the United States Government abroad; and costs of fuel, water, and utilities for such properties.

SEC. 7. In the exercise of his authority under the provisions of this joint resolution the Secretary shall take such steps as in his judgment are necessary or appropriate to assure that, in the administration of the program—

(a) the facilities and services of agencies and offices of the Department other than the Public Health Service are utilized to the optimum extent;

(b) provision is made for coordination of the work of, and consultation between, the Public Health Service and such other agencies and offices of the Department;

(c) in determining (within the limits of available appropriations) the relative emphasis, priorities, and fund allocations for the various areas within the overall program, appropriate weight and recognition is given to research and research-training needs in fields involving or related to rehabilitation and to maternal health and child health; and

(d) this joint resolution shall be administered consistently with the foreign policy of the United States as determined by the President and the Secretary of State.

SEC. 8. (a) There is hereby authorized to be appropriated to the Surgeon General the sum of $50,000,000 annually, to carry out the provisions of this joint resolution. Amounts appropriated for any fiscal year and remaining unobligated at the end of such year shall be available for obligation during the next fiscal year in addition to the amounts appropriated for such next fiscal year.

(b) The Secretary is authorized to transfer, from appropriations made hereunder, to other agencies and offices of the Department utilized in carrying out this joint resolution, such amounts as the Secretary may determine to be necessary for the payment of salaries and expenses of such agencies and offices.

SEC. 9. (a) The Surgeon General is authorized to make, with the approval of the Secretary, such administrative and other regulations as he finds necessary to carry out the provisions of this joint resolution.

(b) The Surgeon General may delegate to any officer or employee of the Service such of his powers and duties under this joint resolution, except the making of regulations, as he may deem necessary or expedient.

SEC. 10. The activities authorized herein shall not extend to the support of public health, medical care, or other programs of an operational nature as contrasted with research, research planning, and research training, not shall any of the grants herein authorized include grants for the improvement or extension of public health administration in other countries except for necessary research, research planning, and re-

search training in the science of public health and public health administration.

SEC. 11. Nothing in this joint resolution shall be construed to repeal or restrict authority otherwise vested in the Secretary, the Surgeon General, or any other officer or agency of the Department, or in any other officer or agency of the United States.

SEC. 12. The Surgeon General shall transmit to the Secretary for transmission to the Congress at the beginning of each regular session, a report summarizing the activities under this joint resolution and making such recommendations as he may deem appropriate. The Surgeon General shall include in his annual report a statement covering recommendations made by the Council and the disposition thereof.

Mr. HARRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Strike out all after the resolving clause and substitute the following:

"SHORT TITLE

"SECTION 1. This joint resolution may be cited as the 'International Health Research Act of 1960'.

"PURPOSE OF RESOLUTION

"SEC. 2. It is the purpose of this joint resolution—

"(1) to advance the status of the health sciences in the United States and thereby the health of the American people through cooperative endeavors with other countries in health research, and research training; and

"(2) to advance the international status of the health sciences through cooperative enterprises in health research, research planning, and research training.

"AUTHORITY OF SURGEON GENERAL

"SEC. 3. Part A of title III of the Public Health Service Act (42 U.S.C., ch. 6A) is amended by adding immediately after section 307, the following new section:

"'INTERNATIONAL COOPERATION

"'SEC. 308. (a) To carry out the purposes of clause (1) of section 2 of the International Health Research Act of 1960, the Surgeon General may, in the exercise of his authority under this Act and other provisions of law to conduct and support health research and research training, make such use of health research and research training resources in participating foreign countries as he may deem necessary and desirable.

"'(b) In carrying out his responsibilities under this section the Surgeon General may—

"'(1) establish and maintain fellowships in the United States and in participating foreign countries;

"'(2) make grants to public institutions or agencies and to nonprofit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining fellowships;

"'(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by public institutions or agencies, or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

"'(4) participate and otherwise cooperate in any international health research or research training meetings, conferences, or other activities;

"'(5) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments and programs of research or research training, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently; and

"'(6) procure, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at a rate to be fixed by the Secretary, but not in excess of $50 per diem, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"'(c) The Surgeon General may not, in the exercise of his authority under this section, assist in the construction of buildings for research or research training in any foreign country.

"'(d) For the purposes of this section—

"'(1) The term "health research" shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

"'(2) The term "participating foreign countries" means those foreign countries which cooperate with the United States in carrying out the purposes of this section.'

"AUTHORITY OF SECRETARY

"SEC. 4. (a) To carry out the purposes of clause (1) of section 2 of this Act, the Secretary of Health, Education, and Welfare (hereafter referred to as the 'Secretary') may in the exercise of his responsibilities under the Vocational Rehabilitation Act (29 U.S.C., ch. 4) and the Act entitled 'An Act to establish in the Department of Commerce and Labor a bureau to be known as the Children's Bureau approved April 9, 1912, as amended (42 U.S.C., ch. 6), and any other provision of law, to conduct and support health research and research training, including research and research training relating to the rehabilitation of the handicapped, make such use of health research and research training resources in participating foreign countries as he may deem necessary and desirable.

"(b) To carry out his responsibilities under this section the Secretary may—

"(1) establish and maintain fellowships in the United States and in participating foreign countries;

"(2) make grants to public institutions or agencies and to nonprofit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining fellowships;

"(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by public institutions or agencies, or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

"(4) participate and otherwise cooperate in any international health or medical research or research training meetings, conferences, or other activities;

"(5) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments and programs of research or research training, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service intermittently employed; and

"(6) procure, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at a rate to be fixed by the Secretary, but not in excess of $50 per diem, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"(c) For the purposes of this section—

"(1) The term 'health research' shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

"(2) The term 'participating foreign countries' means those foreign countries which cooperate with the United States in carrying out the purposes of this section.

"AUTHORITY OF PRESIDENT

"SEC. 5. (a) It is the sense of Congress that the President should use his authority under the Constitution and laws of the United States to accomplish the purposes of section 2 of this joint resolution and in accomplishing such purposes (1) use to the fullest extent practicable foreign currencies or credits available for utilization by the United States, (2) enter into agreements to use foreign currencies and credits available to other nations for use with the agreement of the United States, and (3) use any other foreign currencies and credits which may be made available by participating foreign countries.

"(b) To carry out the purposes of section 2 of this joint resolution the President, in cooperation with participating foreign countries, is authorized to encourage, support, and promote the planning and conduct of, and training for, research investigations, experiments, and studies in the United States and in participating foreign countries relating to the causes, diagnosis, treatment, control, and prevention of diseases and impairments of mankind (including nutritional and other health deficiencies) or to the rehabilitation of the handicapped.

"(c) To carry out his responsibilities under this joint resolution the President may—

"(1) establish and maintain fellowships in participating foreign countries;

"(2) make financial grants to establish and maintain fellowships, and for other purposes, to public institutions and agencies and to nonprofit private institutions and agencies, and to individuals in participating foreign countries, or contract with such institutions, agencies, or individuals without regard to sections 3648 and 3709 of the Revised Statutes of the United States;

"(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by such institutions, agencies, or individuals;

"(4) furnish technical assistance and advice to such institutions or agencies and in carrying out such purposes may pay the compensation and expenses of scientists and experts from the United States and other participating foreign countries;

"(5) facilitate the interchange among participating foreign countries of scientists and experts (including the payment of travel and subsistence for such scientists and experts when away from their places of residence);

"(6) cooperate and assist in the planning and conduct of research, research planning, and research training programs and projects by groups engaged in, or concerned with, research or research training endeavors in the health sciences, and, through financial grants or other appropriate means, assist in

special research, research planning, or research training projects conducted by or under the auspices of such groups where they can effectively carry out such activities contemplated by this joint resolution;

"(7) encourage and support international communication in the sciences relating to health by means of calling or cooperating in the convening, and financing or contributing to the financing of the expenses of, international scientific meetings and conferences; and provide, or arrange for the provision of, translating and other services, and issue or finance publications, leading to a more effective dissemination of relevant scientific information with respect to research conducted in the United States or participating foreign countries.

"(d) The activities authorized in this section shall not extend to the support of public health, medical care, or other programs of an operational nature as contrasted with research and research training nor shall any of the grants authorized by this section include grants for the improvement or extension of public health administration in other countries except for necessary research and research training in the science of public health and public health administration.

"(e) The President is authorized, to the extent he deems it necessary to carry out the purposes of section 2 of this joint resolution, to employ experts and consultants or organizations thereeof, as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), and create a committee or committees to be composed entirely of persons who are citizens of the United States to advise him in the administration of this joint resolution; individuals so employed and members of committees shall be entitled to receive compensation at a rate to be fixed by the President, but not to exceed $50 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"(f) The President may delegate any authority vested in him by this section to the Secretary of Health, Education, and Welfare. The Secretary may from time to time issue such regulations as may be necessary to carry out any authority which is delegated to him under this section, and may delegate performance of any such authority to the Surgeon General of the Public Health Service, the Director of the Office of Vocational Rehabilitation, the Chief of the Children's Bureau, or other subordinates acting under his direction.

"(g) In order to carry out the purposes of section 2 of this joint resolution, and subject to section 1415 of the Supplemental Appropriation Act, 1953, the President may use or enter into agreements with foreign nations or organizations of nations to use the foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, and the Mutual Security Act of 1954, or which are otherwise available for utilization by the United States. The President is authorized to agree to the utilization by foreign nations, for programs designed to carry out the purposes of section 2 of this joint resolution in cooperation with the United States, of amounts deposited in special accounts pursuant to section 142(b) of the Mutual Security Act of 1954, to the extent that the amounts in such accounts exceed the requirements of other programs covered by such section 142(b). Such utilization of amounts in special accounts shall be without regard to the second proviso in clause (iii) of such section 142(b).

"(h) The President shall transmit to the Congress at the beginning of each regular session, a report summarizing activities under this section and making such recommendations as he may deem appropriate.

"(i) For the purposes of this section—

"(1) The term 'health research' shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

"(2) The term 'participating foreign countries' means those foreign countries which cooperate with the United States in carrying out the purposes of this section.

"OTHER AUTHORITY

"SEC. 6. Nothing in this joint resolution shall be construed to repeal or restrict authority vested in the President, the Secretary of State, the Secretary of Health, Education, and Welfare, the Surgeon General of the Public Health Service, or any other officer or agency of the United States by any other provision of law."

The amendment was agreed to.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House joint resolution (H.J. Res. 649) were laid on the table.

COMMITTEE ON AGRICULTURE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PROJECT GRANTS FOR GRADUATE TRAINING IN PUBLIC HEALTH

Mr. HARRIS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6871) to amend the Public Health Service Act to provide for a public health training program, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part A of title III of the Public Health Service Act, as amended (42 U.S.C., chapter 6A, subchapter II), is amended by inserting at the end thereof the following new section:

"PROJECT GRANTS FOR GRADUATE TRAINING IN PUBLIC HEALTH

"SEC. 308. (a) In order to enable the Surgeon General to make project grants to schools of public health, and to those schools of nursing or engineering which provide graduate or specialized training in public health for nurses or engineers, for the purpose of strengthening or expanding graduate public health training in such schools, there are hereby authorized to be appropriated not to exceed $2,000,000 for each fiscal year in the period beginning July 1, 1960, and ending June 30, 1965.

"(b) Grants to schools under subsection (a) of this section may be made only for those projects which are recommended by the advisory committee appointed pursuant to section 306(d). Any grant for a project made from an appropriation under this section for any fiscal year may include such amounts for carrying out such project during succeeding years. Payment pursuant to such grants may be made in advance or by way of reimbursement, and in such installments and on such conditions not inconsistent with the laws of the States in which such schools are situated as the Surgeon General shall prescribe by regulation after consultation with representatives of such schools."

(b) The first sentence of subsection (d) of section 306 of such Act (42 U.S.C. 212d) is amended by inserting "and section 308" after "this section" and by adding before the period at the end thereof "and including, in the case of section 308, certification to the Surgeon General of projects which it has reviewed and approved".

SEC. 2. Section 2 of the Act entitled "An Act to amend section 314(c) of the Public Health Service Act, so as to authorize the Surgeon General to make certain grants-in-aid for provision in public or nonprofit accredited schools of public health of training and services in the fields of public health and in the administration of State and local public health programs", approved July 22, 1958, is repealed.

The SPEAKER. Is a second demanded?

Mr. YOUNGER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HARRIS. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, this bill, H.R. 6871, comes to the floor of the House unanimously from the Subcommittee on Health and Safety of the Committee on Interstate and Foreign Commerce, and I believe was unanimously reported by the full committee. It is an extension of present legislation, the Hill-Rhodes bill which was sponsored by the distinguished Senator from Alabama and the gentleman from Pennsylvania [Mr. RHODES] 2 years ago.

It was the sense of the committee at that time that a 2-year period would be sufficient until the National Conference on Public Health could be held to determine whether or not this program should be continued.

The purpose of the legislation is to expand and strengthen graduate public health training.

First. The bill would authorize a new 5-year program of project grants not to exceed $2 million annually in the schools of public health and in those schools of nursing and engineering which provide graduate or special training in public health.

Second. The bill would extend without time limit the present authority of the Surgeon General to make grants-in-aid at any time, not to exceed $1 million annually, to schools of public health.

The 5-year program of project grants was recommended by the Secretary of Health, Education, and Welfare.

The program is designed to strengthen and expand graduate specialized public health training so that physicians, engineers, and public health personnel receiving such training will be efficiently prepared to assume responsibility in connection with new public health programs.

I might say that as far as the 11 schools of public health are concerned they are in a pretty bad way.

Five of them are publicly supported schools, located in the States of California, Michigan, Minnesota, North Carolina, and Puerto Rico; 6 are sup-

ported chiefly by private funds, Columbia, Harvard, Johns Hopkins, Tulane, and Yale.

The purpose of this legislation is to provide the necessary funds for these schools so that they may expand their faculties to take care of a list of public health fields that are new to this particular era in which we live. I say "new," most of them are, such as radiological health, which consists of atomic waste disposal and other means of protecting the public from radioactivity. We are going to have to have a lot of people trained in that particular field. In the field of air pollution, you may have recently seen in the CONGRESSIONAL RECORD a list of the cities of the United States which have very high concentrations of unused and unburned hydrocarbons. They have had the cancer tag put on them. In my particular State, the city of Birmingham has a cancer rate 3 times that of the national average. We are gradually coming around to the viewpoint that air pollution and water pollution and many of these other problems are not local problems any more, and that every metropolitan area in our country will sooner or later be affected by these problems.

Mr. Speaker, there will be some opposition to this bill today, but I think it is highly important that we do something for these schools. We could not pass a school construction bill this year because we ran into budgetary problems. You certainly cannot pass any aid to construction for these schools of public health when you are not doing it for the medical colleges and universities, and they are located under the jurisdiction of those colleges and universities.

I feel that with 2,500 positions in the public health field going vacant because we do not have the trained personnel to man them, since most of these people are Federal, State, and municipal employees, or employees of WHO or some other type of international organization, it is not right for these schools to do all of this work and be doing it at a deficit to themselves.

In 1958 these schools showed a deficit of around $3 million. That deficit has been increased since that time too, I believe, $3.5 million.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. HARRIS. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. ROBERTS. Mr. Speaker, if you will turn to page 5 of the report, third or fourth paragraph from the top of the bill, you will see what I believe is sufficient justification for this legislation. It simply means that with the expiration of this act at the end of the present month these schools will not be able to carry the burden that they are carrying at the present time.

Some may argue we should have taken a different approach. May I say that we held extensive hearings, we explored the possibilities of some medical construction money this year, but we simply have not been able to get off the ground. I think this is an approach that the gentleman from Pennsylvania [Mr. RHODES] was not in favor of. He felt the schools should have construction money. But that is all we can do at the present time.

I think it is vital that these fine programs in engineering and public health nursing and in the medical part of this work be continued. Unless you pass this bill today, as chairman of the subcommittee I see no way that the program can be carried on by these institutions.

Mr. Speaker, I would like to pay special tribute to the gentleman from Pennsylvania who has been so diligent in trying to get this legislation reported. As you know, we are very close to adjournment. It is my hope that the House will go along and adopt this legislation.

Mr. YOUNGER. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, no one likes to oppose legislation with such a desirable objective as this any more than anyone likes to oppose passage of the bill we have just acted upon, no matter how unnecessary the bill is. One's opposition can be distorted to make some perhaps believe that one is against such good things as home and mother and country and in favor of such evil things as cancer, disease, ignorance, and so on. Nevertheless, there are principles involved in these instances which I feel under obligation to point out even though I realize in advance that my efforts will probably not be successful today.

Mr. Speaker, I am strongly in favor of every single one of the purposes declared in these bills. The question is not as to the need for assistance in these fields; the question is how the aid is to be given in order to accomplish the desired results without accompanying harm or danger.

Undeniably there is great need for more adequate training of more people in public health, and related fields. There is great need for enlarged facilities to give a larger number of persons specialized training in public health. As the gentleman from Alabama has said, there are only 11 accredited schools in the United States which provide such training. Five are public schools. One is the University of Minnesota in my own city and I do not enjoy talking against what may appear to be the best interests of that school, at least in the short run.

I favor Federal assistance to help meet the great need to provide better training for more people in public health, if we will do it the right way.

I favored the original Rhodes bill, H.R. 6871. I think I introduced one identical to it. Let me review just what that bill did. In the first place, it provided grants in aid to cover the cost of traineeships for graduate or specialized training in public health. The traineeship grants would go to the individual students or to the public health schools for their tuition and fees. It would not be outright grants to the schools that could be used for everything from paying the janitor up to salaries for the professors. Second, the bill authorized grants-in-aid for provision of comprehensive professional public health training in schools of public health. Third, the original bill also provided grants-in-aid for construction of training facilities at public health schools. This is needed and I am in favor of it. In fact, it authorized a good deal more, $5 million, for this one purpose than this amended bill before us authorizes in toto. The bill before us authorizes $2 million a year, and the original bill provided a much larger amount. To me there is a profound difference between nonrecurring grants for construction of facilities on the one hand, and annually recurring subsidies for the operation of those facilities, on the other. No control goes with the first; when the facilities are built, whether it be a public health building or a hospital or a medical school building or any other kind of public schoolbuilding, or a bridge, or a highway, or an airport, the Federal Government is out of it, and the local community can use its own funds to operate the facilities.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Alabama.

Mr. ROBERTS. I know the gentleman would not like to leave an error in the RECORD. The earmarked funds are only $1 million a year, not, as the gentleman said, a much greater amount, and in the first section, project grants, $2 million for 5 years. The other section earmarked for grants-in-aid to these schools is $1 million.

Mr. JUDD. That is correct. I was in error in referring only to the project grants.

Mr. ROBERTS. Eleven schools divide up $1 million.

Mr. JUDD. Yes. On the other hand, the original bill provided more money, up to $5 million, for the one purpose of grants for construction of training facilities. I am in favor of that. My chief concern here is not the amount of money for this purpose—I favor the larger amount—it is the difference between making grants to construct facilities and making grants to schools, that they can use for their operation, grants that they can use for almost everything under the sun. When the Federal Government starts doing that, we have Federal aid to education with a vengeance.

The original Rhodes bill also authorized grants-in-aid for providing health training for nurses in accredited institutions. It also provided grants to States to assist them, following our historic, traditional pattern of Federal-State cooperation, in training personnel for State and local public health work.

All these things the original bill would do. I favored that. But, the committee struck all that out and, as you will read on pages 12 and 13, inserted language which would "enable the Surgeon General to make project grants to schools of public health and to those schools of nursing or engineering which provide graduate or specialized training in public health for nurses or engineers, for the purpose of strengthening or expanding graduate public health training in such schools."

Now what are some of these project grants?

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman.

Mr. ROBERTS. I get the impression from what the gentleman has said that he thinks the projects grants program is new. I am sure the gentleman must know that since 1948 NIH has been making grants in the field of heart disease, mental health and some others. So it is not any new approach.

Mr. JUDD. Yes; but I think there has been nothing as broad or as direct to schools as the language of the amendment and the letter from the Secretary of HEW, as set out on page 4 of the committee report, indicates these will be used for. The committee apparently asked for illustrations of the kind of project grants that would be proper under this legislation, if enacted. The Secretary wrote back a letter giving twenty-some illustrations in four categories. One, for instance, would be project grants for "curriculum improvement and enrichment."

Another for strengthening of basic training in public health administration. He says:

> We anticipate project applications which would incorporate into public health administration courses, training related to metropolitan health problems.

Now look at this next one, "interrelationships between health departments and the increasing array of voluntary and governmental agencies whose functions are related to public health."

The purpose of that would apparently be to study how to train people to coordinate the Cancer Society, the Mental Health Society, the Polio Society, the Red Cross, along with all of the increasing and expanding governmental agencies and operations, "use of behavioral sciences to improve administrative skills," whatever that is, and "the management of funds, personnel, and services in complex governmental agencies."

Under this, the bill would authorize project grants for the setting up of complex governmental programs and then also, most considerately, provide courses to train persons to manage the complex programs and agencies.

This, Mr. Speaker, seems to me such a broad extension of power and grant of funds to schools in the wrong way that I cannot ignore my conscience and permit the bill to go by without at least calling attention to what is being done.

Perhaps the most far reaching of the categories of project grants which the Secretary of HEW lists is:

> We expect that a substantial number of project applications will be directed to increasing the faculty and supporting staff for courses currently being conducted in order to permit schools to admit a larger number of students.

In other words, the letter frankly states that these grants are to be used to take over paying of the salaries of additional members of the school faculties. It also covers the supporting staff, which can mean everyone and everybody employed or to be employed in these public health schools. I am sure that some in each of the schools, including my own university, want some of this money. But they do not realize they may be putting their neck into a noose which will mean the loss of their genuine freedom as they have always had it.

So I cannot support this bill, with whose objectives I am in 100 percent accord. I have spent most of my life in this health field. Nobody in this House can claim to have demonstrated more interest in public health or in health research than I, and especially in the international field. But when a bill makes a grant of authority that is so much broader than is necessary, or when one authorizes Federal grants to schools, which amount to annually recurring subsidies for the payment of the faculties of those schools, I have to raise my voice in protest.

Mr. Speaker, I hope this bill will be defeated today, that it will be returned to the committee and be brought back to us in something more like its original form which provides more money but avoids the dangers which I think, however unintentionally, the modified bill does contain. Or, the present bill can be brought before us again under a rule so that we can debate it fully and amend it in the House.

Mr. HARRIS. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RHODES].

Mr. RHODES of Pennsylvania. Mr. Speaker, I rise in support of H.R. 6871, legislation designed to assist in meeting the growing shortages of trained public health personnel so desperately needed in all parts of the country.

The bill is cosponsored in the Senate by the distinguished gentleman from Alabama [Mr. HILL], who has done more than any single individual to advance the cause of public health in the Congress and by the distinguished senior Senator from Michigan [Mr. MCNAMARA]. It is cosponsored in the House by the distinguished chairman of the Health and Safety Subcommittee, the gentleman from Alabama [Mr. ROBERTS], by the gentleman from California [Mr. COHELAN], the gentleman from Pennsylvania [Mr. MOORHEAD], the gentleman from Massachusetts [Mr. MACDONALD], and the gentleman from Connecticut [Mr. GIAIMO].

The basis for this legislation was developed out of the experience obtained under Public Law 85–544, which would be extended by section 2 of this bill. It is presently due to expire on June 30 of this year. Public Law 85–544—the Hill-Rhodes Act—formally recognized the responsibility of the Federal Government in helping State and private institutions who provide specialized public health training for agencies of the National Government as well as for State and local governments.

As was pointed out during the debate on the original 2-year emergency legislation in the last Congress, well over half of the students trained by the 11 schools of public health are sent to the training. Almost all graduates of such institutions by some branch of the Federal Government to receive advanced schools are subsequently engaged in some form of public health work at some level of government.

The schools of public health are located at the Universities of Minnesota, North Carolina, California, Michigan, Puerto Rico, Johns Hopkins, Harvard, Columbia, Tulane, Pittsburgh, and Yale. As is shown on page 16 of the committee report, these schools are still incurring an annual deficit of $3.3 million in training all Government-sponsored students and $2.4 million in training students sent by Federal agencies.

Federal funds appropriated under Public Law 85–544 during fiscal 1959 and 1960 have been used to good advantage in improving public health training at these schools. This has been stated in testimony by Public Health Service witnesses before the Appropriations Subcommittee headed by the distinguished gentleman from Rhode Island [Mr. FOGARTY].

Mr. Speaker, I ask unanimous consent to include at this point in the RECORD a summary prepared by these schools of public health at the request of Surgeon General Burney showing how Federal funds have been used during the 2 years of operation under Public Law 85–544.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The summary referred to is as follows:

WHAT HAVE THE HILL-RHODES FUNDS BOUGHT IN THE SCHOOLS OF PUBLIC HEALTH?

At the request of Dr. Leroy Burney, Surgeon General of the U.S. Public Health Service, each of the deans of the schools of public health reported in March 1960 on how funds available under the Hill-Rhodes Act were being used.

Each of the schools expressed tremendous gratitude for the funds which have been made available, and stated that these funds have been invaluable in helping to meet really great needs. The report from the dean of one State school of public health said:

"For the past 2 years our general support funds from the State legislature have been restricted, and this has prevented desirable development of essential teaching programs to keep pace with pressing problems of public health. The availability of Hill-Rhodes Act funds has made it possible for us to meet a number of priority problems."

The deans' reports (all but two were available at the time this summary was prepared) are summarized under three major headings:

1. Teaching strengthened and expanded by addition of full-time faculty members.
2. Other aid to teaching programs.
3. Need for continuing support.

1. TEACHING STRENGTHENED AND EXPANDED

Faculty members, largely full time, were added in the various fields listed below and by the schools indicated in the list. In those reports which showed percentages of funds available which were devoted to this purpose, the percentage runs 50–66 percent. Undoubtedly, even more would have been spent for this purpose had not the time within which funds are available been so short. (See quotations from reports of the various schools substantiating this point.)

Chronic disease control: Michigan.

Occupational health: Michigan, Minnesota.

Epidemiology: Michigan.

Environmental health: Michigan, Minnesota, North Carolina, California, Puerto Rico.

Public health administration: North Carolina, California, Harvard, Puerto Rico.

Medical care administration: Minnesota, Harvard, Michigan.

Statistics: California, Michigan, Minnesota.

Laboratory practice (public health): Michigan.

Public health nursing: Minnesota.

Social science: California.

Parasitology: North Carolina.

2. OTHER AID TO TEACHING PROGRAMS

Recognizing the great difficulty of employing high-caliber, full-time faculty for a short term, most of the schools have used part of their funds for other purposes essential to teaching:

Library services: California, Michigan, Harvard, North Carolina.

Teaching equipment purchased: Tulane, Puerto Rico, Michigan, North Carolina, Yale, Harvard, California.

Extension of teaching space available by rental or rehabilitation: Tulane, Puerto Rico.

Collaboration with State health departments: Tulane, Harvard.

Intensive curriculum study: California.

Secretarial help to relieve faculty: Harvard, Yale, Tulane, California. Salary increases where urgently needed.

Continued education programs:

Michigan.

Minnesota: Nursing programs for Iowa, South Dakota, Nebraska, Kansas, Missouri (500 persons).

Columbia.

North Carolina (600 persons).

California: Cooperative program with western branch of the APHA.

Faculty travel to scientific meetings and for field supervision; guest lecturers; part-time field supervisors, etc., were mechanisms used more or less generally.

3. NEED FOR CONTINUING SUPPORT

Each of the deans reported that if high quality teachers are to be employed, it is absolutely essential to give them reasonable assurance that the position they are asked to fill in the school will last for a time sufficiently long to make it worth their while to give up their present positions. There simply are not unemployed people waiting to be hired in this field. Those whom the schools want already have good positions and they cannot be expected to give them up for a very temporary job in a school of public health, especially when they will probably have to expect a lower salary in the school than the one they are already receiving elsewhere.

Quotations from the deans' reports are as follows:

California: "Because of the brevity of assured support, only temporary appointments could be made at junior levels. However, the benefits have been notable. Greater use of sections and seminars has been possible as well as provision of new courses, such as that in consultation in public health administration.

"We shall be returning some $30,000, or one-quarter of our 1959–60 allotment * * * because the time limitations of the Hill-Rhodes Act do not permit us to develop programs for new areas of needed academic instruction. However, long-term support would enable us to do so. This continuity also is essential for our new program in continuing education so critically needed for keeping up to date those already academically prepared for public health. * * *

"The assistance and support rendered by our colleagues of your staff, both in the regional offices and in Washington, have been invaluable. Never has there been any intimation of interference with academic integrity, but only fullest cooperation and collaboration. This is in the highest tradition of the U.S. Public Health Service and of public health of the United States of America."

Columbia: "We badly need more faculty because we have more students than at any time in the history of the school. This class size is directly related to the various Federal training programs. We are overexpending our endowment income. We cannot recruit senior faculty, nor do we wish to subsist on short-term grants, or so-called soft money. Therefore, we are restricting our admissions until some continuing relief is in sight."

Harvard: "Unfortunately, it was not possible to carry out our intention to use Hill-Rhodes funds for the appointment of an associate professor of public health nursing to fill a position that has been vacant for 3 years for lack of salary funds. The school's resources were too limited to permit us to guarantee salary funds beyond the current fiscal year and qualified persons of the caliber required for this position need to have more assurance than that for the continuance of their teaching and research work."

Michigan: "Continuing support on an expanded basis and with minimum assurance of 3 to 5 years' duration is essential to recruitment and retention of qualified staff members and to lend essential stability to teaching resources and programs.

"The most serious disadvantage has proved to be the limited duration of the funds. This has seriously hampered our efforts in the recruitment of personnel, since stability of support could not be assured."

Minnesota: "Unfortunately, we cannot get the quality of personnel we need unless there is some prospect of continuation of funds beyond a single year" * * * "we cannot release university funds for this purpose by transferring junior staff to this basis without denying junior staff their existing fringe benefits under university rules."

Tulane: "One important area has not been met due to the uncertainty of continuation of these funds, namely, the very urgent need to provide additional fulltime faculty."

Yale: "We, at Yale, are extremely appreciative of the contributions to our program that have been made possible by Hill-Rhodes Act funds. However, the major contribution to our teaching that we had hoped these funds would make possible did not materialize. * * * We had proposed to add to our staff three full-time teachers, one in behavioral science, one in maternal and child health, and one in biostatistics, and a half-time person in nutrition * * * we found it impossible to recruit a new staff, inasmuch as we could not offer prospective candidates more than a 1-year appointment."

Mr. RHODES of Pennsylvania. Mr. Speaker, H.R. 6871 would also authorize a 5-year project grant program recommended to our subcommittee by Secretary Flemming of the Department of Health, Education, and Welfare. This program would enable the Surgeon General to make project grants to schools of nursing or engineering and to schools of public health which provide graduate or specialized training in public health for nurses, engineers, and other public health specialists.

It would provide the means for specific types of training courses in many of the new fields of public health in which there are dangerous shortages of qualified personnel. A partial listing of such fields is noted on page 3 of the report. They include occupational and industrial health, radiological health, maternal and child health, accident prevention, public health nursing, air pollution, water pollution, chronic diseases, diseases of the aged, nutrition, animal diseases important to many, and many more.

Frankly, Mr. Speaker, like most legislation coming before the House, this is a compromise between the broad approach provided in H.R. 6871 as originally introduced, and the views of the administration. The original bill was based on the specific recommendations of the National Conference on Public Health Training, held in July 1958, as required by the provisions of Public Law 84–911. These public health experts, appointed to attend the Conference by Surgeon General Burney, had recommended that the annual $1 million grant authorization under Public Law 85–544 be increased to $6 million; that funds be provided for construction of needed facilities for public health training; than an annual $1 million be authorized for public health nurse training; and that $3 million a year be provided for grants-in-aid to States for use by the States and their political subdivisions in training of personnel for State and local public health work.

When it became clear that the Bureau of the Budget would not approve the original provisions of H.R. 6871, despite the fact that they implemented recommendations of the administration's own training conference, efforts were made to find an area of agreement. I regret that the construction features of the bill were eliminated, and that the grants to States for public health training were also stricken. Even the recommendations for expanding the present law were dropped in subcommittee. However, the administration's "project grant" recommendations will in part meet the public health nurse training needs and also assist schools of engineering and public health in their important training programs.

This compromise was acceptable only because I am convinced that if the present program were to expire on June 30, it would have disastrous and far-reaching consequences on the public health of the entire Nation.

This is recognized by organizations who supported the original bill in testimony before our subcommittee. For example, the Association of State and Territorial Health Officers has endorsed this compromise version despite their disappointment over the elimination of the grants to States section of the original bill. The measure is also endorsed in its present form by the American Public Health Association, the Association of Schools of Public Health, and other nationally known organizations. I trust that the next Congress will carefully review the entire problem of the State health authorities in providing in-service type of training courses in public health and enact legislation to earmark grants for this purpose.

Mr. Speaker, if this legislation is enacted into law, it will be necessary to provide funds in a supplemental appropriation bill before this session adjourns. Otherwise, the present program will be interrupted during the crucial period in which the institutions must contract for the necessary academic personnel for the 1960–61 year. It may be that these funds will have to be added in the Senate since the House may have completed action on the supplemental bill before companion legislation to H.R. 6871 is acted on by the Senate. I trust that our colleagues on the Appropriations Committee who serve as conferees on the supplemental bill will

accept the Senate amendment if adopted to provide funds for the programs authorized in this bill.

I commend the distinguished chairman of our committee, the gentleman from Arkansas [Mr. HARRIS], and the able chairman of the Health and Safety Subcommittee [Mr. ROBERTS], for their diligent efforts in securing action on this important legislation, so important to the long-range health and well-being of the American public.

Mr. Speaker, I trust that H.R. 6871 will be approved by the House.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. I should like to compliment the gentleman on the work he has done on this legislation. Perhaps my attitude toward this legislation is different from that of other members of the committee who have spoken in that I am unalterably opposed to the principle of Federal aid to education. However, as the gentleman knows, we served together on the Health and Science Subcommittee in the last Congress when this program was first before the Congress. It was then that I learned that there was a dire shortage of qualified public health personnel, and that the schools of public health are, in effect, subsidizing the persons who are in training for Government positions with the Public Health Service—at the Federal level, the State level, and the municipal level. I consider this not aid to schools of public health quite so much as I consider it the assumption of an obligation on the part of the Government to pay its own way. I divorce this particular piece of legislation from Federal aid to education on that basis. In my opinion, speaking as one who does not believe in Federal aid to education; nevertheless it is my opinion that this is good and desirable legislation and certainly a proper function of the U.S. Government under the circumstances.

Mr. RHODES of Pennsylvania. I thank the gentleman from Mississippi. I feel that he more than anyone else had much to do with the success of this program's being enacted in the last Congress.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. BAILEY. I asked the gentleman to yield for the purpose of asking the distinguished gentleman from Mississippi if he ever voted for Public Laws 815 and 874.

Mr. WILLIAMS. I could not tell the gentleman to save my neck whether I voted for those public laws or any other public law identified simply by its number. My memory is not that good.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from Minnesota.

Mr. JUDD. Would the gentleman from Pennsylvania tell us whether he prefers his original bill, H.R. 6871, over the amended bill, reported out by the committee?

Mr. RHODES of Pennsylvania. Yes; I agree fully with the gentleman that the bill originally introduced was a better bill.

Mr. JUDD. Why then do we not defeat this amended bill brought to us under suspension of the rules and bring the bill under an open rule? We can then amend it along the line of the gentleman's original bill, which I thoroughly approve.

Mr. RHODES of Pennsylvania. Because we do not have time. The defeat of this bill today means that the public health training program would be killed on June 30th. I would think that if the gentleman from Minnesota is in favor of the program, he ought to support this bill.

Mr. JUDD. I cannot support giving the patient the wrong medicine just because the patient needs the right medicine.

Mr. MOORHEAD. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD. Mr. Speaker, I would like to commend my colleague, the gentleman from Pennsylvania for his excellent work in this very, very important field. As the gentleman knows, I joined with him in introducing a bill identical to his original bill on this subject. I also joined with him in testifying before the subcommittee. I know from the experience of the School of Public Health of the University of Pittsburgh, located in my district, how important this work is and how it should be continued and expanded.

Mr. Speaker, the University of Pittsburgh's Graduate School of Public Health is one of the newest and best of the 11 such schools in the country which would benefit from this legislation.

During the past 8 years the school has trained 356 graduate students from 32 States and 32 countries.

Only 25 percent of these graduates are now working in Pennsylvania. Three-quarters of the benefit of the expenditures by Pennsylvanians for this public health education is exported to other States and other countries.

These expenditures are large. It costs a great amount of money to train personnel properly for public health service.

The ratio of professors to students in public health schools is higher than in almost any other field of education. Public health personnel must be taught by experts in narrow fields of specialty.

The average cost of educating one public health student per year for all schools in the United States is $5,200, whereas the average revenues per student per year from tuition, fees, and so forth, is $1,000.

For all public health schools in the United States there is an average deficit per year per student of $4,200 which must be made up from private endowment or local taxes.

Because the benefits from these schools are national and international in scope, it is proper that the Federal Government give them financial assistance.

Today public health involves man's search for the real truth about the danger of radioactive fallout, his efforts to rehabilitate the physically handicapped and his fight against air and stream pollution, against heart disease, cancer, mental illness, and polio.

Modern science has given man the key to progress against many of these problems. How well he uses this key will now depend on providing the money and facilities necessary to train the public health worker in medicine and allied fields. Furthermore, public health workers can often and often have become America's most effective ambassadors to the underdeveloped areas of the world.

I urge the House to suspend the rules and pass H.R. 6871.

Mr. YOUNGER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Speaker, as ranking minority member of this subcommittee, and having heard all of the testimony in the rather extensive hearings we held on this subject, I am in full accord with the purposes of this bill and urge its adoption.

Mr. Speaker, H.R. 6871 has two principal provisions: First, to authorize for 5 years a new program of project grants not to exceed a total of $2 million annually to schools of public health and to those schools of nursing and engineering which provide graduate or specialized training in public health; and second, to extend without time limit the present authority of the Surgeon General—section 314(c), Public Health Service Act—to make grants-in-aid totaling not to exceed $1 million annually to schools of public health.

PROJECT GRANTS

The basic purpose of the program of project grants is to strengthen and expand the graduate and specialized public health training provided by schools of public health, nursing, and engineering so that training of the highest quality can be provided to a greater number of students. The three types of schools that would be eligible for project grants supply the vast majority of the graduate and specialized training needed for staffing public health agencies. The committee is convinced that there is an urgent need to strengthen and expand this training and that the proposed program of project grants would provide an effective means of achieving this goal.

The report on this legislation points out, on page 2, that the committee is also convinced of the great need for training additional professional public health personnel and that it became impressed with the serious character of the financial problems confronting the schools which provide such training.

The scarcity of adequately trained personnel was reflected by a 1958 survey that showed, first, more than 20,000 professional public health workers were employed by public health agencies (Federal, State, and local governments and voluntary agencies) who have not had

the public health training they need to prepare them to discharge the responsibilities held by them; second, more than 2,500 positions remained vacant in these agencies because of the lack of trained workers to fill them; and, third, by 1964, 6,000 more professional workers will be needed to provide the increased services demanded by our rapidly expanding population and for new and emerging health problems.

During the course of these and other hearings the committee also concluded that this lack of trained personnel is seriously impeding the effectiveness of public health programs which are of great importance to the health and well-being of the American people and the economy of the Nation.

The Honorable Arthur S. Flemming, Secretary of Health, Education, and Welfare, pointed out to the committee that the new program of project grants, which was originally recommended by him, would stimulate the improvement and enrichment of curriculums in the eligible schools in order to meet changing and emerging health problems, strengthen basic programs in public health administration, develop and demonstrate improved training methods and procedures, and enlarge faculties and supporting staff to provide for increased enrollments.

In the area of curriculum enrichment, for example, the Department anticipates approval of project applications which would provide for new and improved courses in chronic disease control, health problems of the aging, home nursing services, accident prevention, behavioral science in relation to preventive health services, radiological health services, and air pollution control.

GRANTS-IN-AID TO SCHOOLS OF PUBLIC HEALTH

In 1958, the Congress recognized by enactment of Public Law 85–544 the financial plight of the 11 schools of public health. Testimony on H.R. 6871 confirmed that this situation remains serious. These schools train a large proportion of the professional workers who staff the public health programs which are conducted by the official and voluntary agencies of this country. More than 90 percent of their graduates enter employment in a governmental or voluntary health agency. They constitute almost the sole source of training for several public health disciplines.

At present, more than 70 percent of all students enrolled in these schools are sponsored by Federal, State, or local governments or by the World Health Organization—more than 55 percent are sponsored by the Federal Government. Since enactment of Public Law 85–544, the total of all governmentally sponsored students has increased from 717 to 842, and the number sponsored by the Federal Government has increased from 533 students to 652 students.

Tuition continues to support only a small fraction of the teaching cost so that in the current academic year these schools have a deficit of $3,653,080 resulting from federally sponsored students alone. This compares with a similar deficit of $3,127,000 in 1957–58. The program of grants-in-aid authorized by Public Law 85–544 which recognized the responsibility of the Federal Government for assuming a portion of this teaching cost deficit—up to $1 million a year—will terminate on June 30, 1960, in the absence of congressional action. A principal reason for placing a 2-year limitation on this legislation was to permit consideration of any pertinent recommendations of the National Conference on Public Health Training which was to be held later in 1958. This Conference strongly recommended, among other things, that this program be continued and that support should be in sufficient amount to insure meeting the current and expanding needs of the schools.

Because of these facts and others given in greater detail in the committee report, the bill includes the provision authorizing continuation of grants-in-aid, not to exceed $1 million annually, to schools of public health without any time limitation.

This legislation is urgently needed. It should be enacted promptly so that eligible schools can use the project grant funds effectively during the 1960–61 academic year and schools of public health can continue to fulfill their important national and international role of training professional public health personnel, without terminating faculty appointments and important activities instituted under Public Law 85–544.

Mr. YOUNGER. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I should like to ask the gentleman from California or the gentleman from Alabama a question. So far as I can see, only the reports on the Rhodes bill, as originally introduced, are here. Do you have reports from the various agencies on the bill, as amended? That is, on the bill that is now before us under suspension of the rules?

Mr. ROBERTS. I will say to the gentleman that the Secretary of Health, Education and Welfare vociferously opposed any construction aid money. This was the best we could do. The Bureau of the Budget approved this approach and they would not have approved, in my opinion, any construction money. This is the best we can do at this time.

Mr. JUDD. Then you do not have any reports from the interested agencies on the bill that is before us today?

Mr. ROBERTS. This is the testimony given by the Secretary at the hearings.

Mr. JUDD. Did he favor this?

Mr. ROBERTS. He favored this approach. He would not favor any construction.

Mr. JUDD. Is the original section 805 authorizing grants for construction of facilities the only one he opposed?

Mr. ROBERTS. He disapproves the total bill, if I remember correctly. This bill was the administration's program, and then we brought it out.

Mr. JUDD. I regret that we have no opportunity to amend the language so as to make the method of granting aid correspond to section 2 of the committee amendment, language I myself suggested in the 1958 act to "authorize the Surgeon General to make certain grants-in-aid for provision in public or nonprofit accredited schools of public health of training and services in the fields of public health" etc. That is the right way to do it, rather than to make grants directly to schools.

The SPEAKER. The time of the gentleman from Minnesota [Mr. JUDD] has expired.

Mr. ROBERTS. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Speaker, the gentleman from Pennsylvania [Mr. RHODES] is to be commended for his authorship of this bill, H.R. 6871, and even more for his constant and unwavering concern with public health needs which has resulted in previous legislation as well as the measure before us today.

I regard it as an honor to be able to associate myself with his remarks and to have been able to introduce a companion to his original bill.

It seems to me that it is particularly urgent that we realize that public health training grants provided would be aimed directly and in a practical way at such new and alarming problems as radioactivity, air pollution and water pollution, as well as other continuing public health jobs. The 5-year program of project grants would enable schools of public health, nursing, and engineering to set up new courses of training to prepare experts to assume the responsibility for these problems.

Patently, when Congress is demonstrating concern with air pollution, water pollution, disposal of atomic wastes, and other similar problems in other specific legislation, this public health training bill must certainly be recognized as complementary and of equal significance.

Along with this, we cannot fail to face the need for strengthening and expanding public health agency staffs to continue work on the vast community health problems aggravated and complicated by the mass movement to the city. This means retraining of more than 20,000 professional public health workers and providing at least 6,000 new public health specialists in the next few years, as the committee has noted on page 3 of its report.

Because the Seventh Congressional District of California which I represent is the home of the University of California School of Public Health—the only such school west of the Mississippi River—I am acutely conscious of another point which is primary to any consideration of this bill, namely, that this kind of Federal assistance is called for because these schools are providing a Federal service.

The Nation's 11 schools of public health which are, for practical purposes, the single source of graduate public health training staff the Nation's local, State, Federal, voluntary, industrial, and other public health agencies, as well as international agencies such as the World Health Organization. With this being the case, these schools cannot—and cannot be expected to—finance educational

facilities out of local revenues. As a matter of fact, experience shows the vital need for the grants provided in this legislation, for without such assistance public health training programs will lag, thus creating a continually more difficult problem.

I urge full support for the measure.

Mr. YOUNGER. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. NELSEN].

Mr. NELSEN. Mr. Speaker, I happen to be on the subcommittee that held hearings relative to this piece of legislation. Frankly, I think in this area there are things that ought to be done. I regret that my colleague from Minnesota finds himself in the position where he can offer no amendment, although he has some that I believe have merit, and I have been wondering whether there is any possible way under the rules we are operating in which his point of view could be given some consideration.

I would like to suggest that in conference the suggestions that Dr. JUDD made be given consideration.

Mr. YOUNGER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, one of the proponents of the bill a few moments ago talked about a shortage of Public Health personnel. I doubt there is a shortage, because I note under project grants on page 3 of the report it lists nutrition as one of the subjects for study, and I know there are now Public Health people touring the world studying the nutritional needs of various countries. I assume there are doctors in every country in the world, and I assume it is not at all difficult for those doctors to ascertain the nutritional needs of their people. I would think it would be simple for the U.S. Public Health Service to obtain, through the use of stamps and letters, all facts needed on the nutritional needs of all countries of the world, instead of spending hundreds of thousands of dollars.

I wonder what we are going to do after we find out what the nutritional needs of the world may be? As the gentleman from Minnesota [Mr. JUDD] has said, and I agree with him, this bill provides Federal aid to education with a vengeance. In section 308, this becomes a $10 million bill. In section 2 on page 13 it provides for spending $1 million a year in perpetuity. Mr. Speaker, I cannot support this bill.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. YOUNGER. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT of Michigan. Mr. Speaker, I support this legislation. I hope the House will adopt it.

Mr. YOUNGER. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

"CHOOSE YOU THIS DAY WHOM YE WILL SERVE"

Mr. HOFFMAN of Michigan. Elected to serve our people will we serve all of them or yield to the demand of a pressure group which is interested primarily in the income of its members? Will we follow our President and his advisers or yield to the unfair inequitable demands of the Federal employees? Mr. Speaker, I have been reading the papers again, and note that Mr. Doherty who represents Federal employees threatens to bring his pressure group to fill the gallery and our offices to Washington to intimidate us—force us through fear of defeat in November to override a veto of the pay bill should the President veto it. The Federal employees should exercise their constitutional right to petition the Congress—it has not happened yet—to override the veto which they say the President will send down on the so-called postal pay bill.

That is good news for it is always well to know our people are interested in legislation. We have had groups of very distinguished citizens here from almost all over the country first on one thing and then on another. First from one place, then from another. While I am strong for the exercise of the right of petition, and while these gentlemen will be within their rights in sitting in the House galleries and in coming to our offices and while it is our duty to listen, it is a little—I do not know just how to express it—but it is a little unpleasant and smacks of coercion to sit in force there above us while we stand down here on the floor and have them up there back of the clock in force, and then outside on the street, and then in our offices telling us we will not be back unless we meet their desires. The paper says Mr. Doherty is intending to bring down several hundred employees and they are going to come into our offices and tell us how to vote. That is all right if they just express an opinion, but what worries me—I do not know whether it worries any other Member of the House or not—is the statement that if we do not vote the way they wanted us to vote—if a veto comes up—we are not going to come back. Are they making a threat or offering a bribe—to defeat all of us who do not comply or are they offering the bribe of their support if we do? Which is it—one or the other? For we now know their wishes.

Are we to write and enact legislation which is sound and equitable or legislation which gives members of a group an advantage over other workers? Compared with other employees they have a comparable wage—they have job security that we and many others do not have—they have retirement. They never miss a payday.

I want to come back to Washington. I told my people about it and I am going to tell them from now on until the November elections of my ambition. I did not need to tell them in the primary because I do not have opposition in the primary. The gentleman of the opposite party who opposed me a couple of years ago has gone over to Mr. JOHANSEN's district, the third, and is going to run against him. I do not know where he will go if he is defeated over there, as he probably will be.

Mr. Speaker, I intend to put in the RECORD today a statement showing what the postal bill will cost, then more important than that, it will demonstrate the fact that the postal employees—that has long been denied—are getting more money than employees in industry. I had understood from what they had written me and told me that they could not live on what they were getting. Of course, no one wants to hold a job where he cannot make both ends meet. If the job does not pay an adequate wage why always so many applicants?

How much intimidation will we stand for? What will we tell them when they come in? When they came to my office, I told some of them if they intended to resign and if they had a job in view I would give them an endorsement to their prospective employer to help them get a job, but not one of them has taken advantage of that offer to help them get another job if that was their objective.

Here is something that bothers me. In rural districts I have 4 or 5, sometimes 10 people, who with their friends write in and want a job as carrier or clerk. I do not like to endorse applicants and work in their behalf to get a job where they cannot make a living or where the wife must work to aid in the family support.

I hope the Members will have time to look over the statement I will put in the RECORD showing that the postal workers are better paid than we have been led to believe. In addition to that, as we all know, as has just been said, they have job security. Look how much better off they are than Members of the House. Every one of us has to go out and beg and cry around to get elected. Yes, and pay a sizable sum in advertising. These gentlemen, and ladies—some of them at least—we have rural carriers who are women, are a lot better off than other employees. You cannot fire them, and after a time they get, as do we, retirement. Nor do they get the privilege of franking out their statements as we do and which they deliver so promptly. Permit a repetition. They are intelligent. They know what the job pays. They insist on being selected. It seems a little unfair to threaten us with defeat or offer us support if we do not follow the orders of their boss. Personally I am inclined to do just a little more for the individual who asks than for the one who without reason orders me around.

To the voter and to the taxpayer I say read the following statement and judge then whether you will serve your people or the members of one group whose officers have so little faith in your judgment they sit over you and let you know they are watching you.

Here is a comparison of the wages of Federal employees and of other employees:

AN ANALYSIS OF H.R. 9883

H.R. 9883, the bill recently rushed through both Houses of the Congress without the opportunity for careful deliberation and analysis and under the erroneous label of a 7½ percent pay increase measure.

This bill provides an average 8.35 percent pay raise for 550,000 postal workers, effective

July 1, 1960, at an annual cost of $248 million.

It will raise the hiring rate for postal clerks and letter carrier from $2 to $2.15½ an hour, it will raise the average hourly pay rate of regular clerks and carriers from $2.31½ to $2.49½ (18 cents an hour), and it will raise the maximum hourly rate of clerks and carriers by 21 cents, from $2.49 to $2.70.

By contrast, 12½ million factory production workers in this Nation receive an average straight-time pay rate of $2.22 an hour, or nearly 10 cents an hour less than the present average hourly pay of post office clerks and letter carriers.

How does this 15½–21 cents an hour immediate increase for postal workers compare in size with recent industrial wage settlements?

Within the last few weeks a 4 percent pay increase was awarded to railroad engineers in a binding award of a six-man arbitration panel. This award will add an average 11.3 cents an hour in two steps over a 17-month period.

A Presidential emergency board in the wage dispute between railroads and some 600,000 off-train workers has just recommended a 5-cent per hour pay increase effective this July 1, and some fringe concessions in lieu of an increase in 1961.

The steel agreement provided for wage rate increases averaging 9.4 cents per hour effective next December 1, and 8.6 cents per hour on October 1, 1961, in addition to liberalized insurance benefits. The only increase in take-home pay prior to next December 1 has amounted to about 6½ cents an hour, representing employee contributions for insurance now assumed by the companies.

The January 1960 Economic Report of the President states that the average wage increase in 1959 was about 9 cents an hour.

The Bureau of National Affairs reports that the median increase granted in all industries during the first quarter of 1960 was 8.2 cents an hour. Settlements for the communications industry were at 4.3 cents an hour.

It is obvious, therefore, that the increases provided postal workers in H.R. 9883 are not only unjustified in relation to the present pay rates of millions of production workers in this country, but also wholly out of line with the size of the increases currently being granted in industry.

In addition, H.R. 9883 would apply these increases with the utmost inequity, in flagrant violation of the principle of equal pay for equal work, higher pay for the more responsible work—a principle which constitutes the cornerstone of the Postal Field Service Compensation Act of 1955. While the supervisory and managerial employees would receive increases of 7½ percent, employees in the upper steps of the lower salary levels (mail handlers, clerks, carriers, etc.), occupying the less responsible jobs, would receive increases ranging from 8.4 percent to 8.8 percent.

Apart from the basic inequity of such a wage distribution, this produces a most dangerous compression in percentage difference between salary level 6 and salary level 7, the first level of supervision. The present difference between the top steps of those levels is only 8.29 percent whereas the corresponding differential in industry is generally about 10 percent. H.R. 9883 would reduce this already narrow differential to 7.55 percent. Obviously, the incentive for advancement would be materially reduced.

In view of this bill's wholly unjustified discrimination in pay treatment among postal employees, and its complete lack of merit in relation to industry wages and wage settlements, it is evident that this expenditure of $248 million a year in public funds for the Post Office Department alone represents the height of fiscal irresponsibility. Added to the already anticipated postal deficit of $603 million for fiscal 1961, it will produce a deficit of more than $850 million to be borne by the taxpayers of this country, many millions of whom would consider themselves fortunate to receive the postal worker's present base pay, fringe benefits, and continuity of employment.

"Choose you this day"—if and when a veto comes up—

"Whom ye will serve," all of our people or just Federal employees—whom you pay?

Mr. HARRIS. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. FOGARTY. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. Mr. Speaker, I just want to compliment the chairman of the subcommittee [Mr. ROBERTS], also the gentleman from Pennsylvania [Mr. RHODES], for introducing this legislation. I hope it will pass, because we have a shortage of public health personnel. I think every State that has a public health school recognizes that fact because the dean of every public health school in this country agrees with this legislation.

Mr. HARRIS. Mr. Speaker, as the subcommittee has developed this matter, it has shown that fact explicitly. This program has developed into a very fine one. It is recognized and admitted that we are behind in this field of public health training. If we do not do something about it, the grant-in-aid program for schools of public health dies this year. The question is whether or not we recognize the fact that this is a needed and worthwhile program and we ought to have it. The subcommittee has done a fine job and certainly I commend it for the approval of the House.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended to read as follows: "A bill to amend title III of the Public Health Service Act, to authorize project grants for graduate training in public health, and for other purposes."

ESTABLISHING NATIONAL REGISTER OF REVOKED MOTOR VEHICLE OPERATOR'S LICENSES

Mr. HARRIS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5436) to provide for a register in the Department of Commerce in which shall be listed the names of persons refused a motor vehicle operator's license or who had such licenses revoked, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce shall establish and maintain a register containing the name of each individual reported to him by a State, or political subdivision thereof, as an individual with respect to whom such State or political subdivision has revoked a motor vehicle operator's license or permit because of (1) driving while intoxicated, or (2) conviction of a violation of a highway safety code involving loss of life. Such register shall contain such other information as the Secretary may deem appropriate to carry out the purposes of this Act.

SEC. 2. The Secretary shall, at the request of any State, or political subdivision thereof, furnish such information as may be contained in the register established under section 1 with respect to any individual applicant for a motor vehicle operator's license or permit in such State or political subdivision.

SEC. 3. The term "State" includes each of the several States, Puerto Rico, the District of Columbia, Guam, the Virgin Islands, and the Canal Zone.

The SPEAKER. Is a second demanded?

Mr. SCHENCK. Mr. Speaker, I demand a second.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill was introduced by the gentleman from Arizona [Mr. RHODES]. It provides for a register in the Department of Commerce in which shall be listed the names of persons whose motor vehicle operator's licenses have been revoked for certain offenses. This is permissive legislation. I really do not know of any serious opposition or of any opposition at all.

The committee heard witnesses and a record was made of the need for this legislation. The subcommittee reported it unanimously and the full committee reported it unanimously, and we have it here for your consideration. We commend it to the House. We think it would be helpful in this field.

This bill as reported would set up in the Department of Commerce a register of the names of persons whose drivers' licenses have been revoked for two of the most serious of traffic offenses—driving while drunk and a traffic law violation which results in a fatality.

Names to go on the list would be submitted by the States and local political subdivisions on a voluntary basis. State driver licensing authorities could call upon the Secretary of Commerce for information regarding names on the list. This would permit a more careful check for chronic traffic law violators than is now possible.

It is generally agreed that keeping chronic traffic law violators from driving will go a long way in reducing traffic accidents, which are costing this country billions of dollars a year.

Just to show you how serious this situation is, let me cite a report made to Congress last year by the Secretary of Commerce. In that report, the Secretary estimated that traffic accidents cost our motorists an average of $116 for each registered vehicle, which amounts to 1 cent a mile for each mile driven, or roughly 12½ cents for each gallon of gasoline consumed.

If we can do something to reduce the deaths and injuries and cut down on the

huge property loss from preventable accidents, it will be well worth our efforts here. The committee believes that, with little cost to the Government, this register of law violators can be set up to provide very important and valuable information to the States in licensing drivers.

The original scope of this bill has been considerably curtailed by the committee in the reported bill we present today.

As introduced, the bill proposed to establish a register of the names of persons refused a motor vehicle operator's license or who have had such license revoked. The Department of Commerce raised questions as to the cost of establishing and maintaining such a list.

Accordingly, the committee has limited the scope of the bill. Although a national register of all revocations would be of great value, the committee feels that the limited register proposed in the legislation offered here today will be more than worth the nominal cost of such service.

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, this legislation is certainly a step in the right direction in what ought to be a national effort to remove unfit and disqualified drivers from our public highways.

I am gratified to learn that this legislation will also be applicable and will permit the registration of suspensions of persons convicted of the charge of driving while under the influence of intoxicating liquor. There are many States, including Ohio, which define the charge in this way.

Prior to coming to Congress I had an extraordinary opportunity in the city of Cleveland to learn the need for this type of legislation. Time and time again the most serious violators of traffic regulations turned out to be persons whose licenses had been under suspension in one or two other States. Unless the intrastate movement of these unfit motor vehicle operators is curtailed, there can be no real safety on our highways.

It is my hope that this register system will very soon lead to a uniform driver's license in the several States which will be patterned after the uniform motor vehicle registration law and which will make it more difficult for persons with revoked or suspended permits to shift their dangerous operations to the highways of another State.

McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the majority leader.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The Speaker. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object——

Mr. McCORMACK. I withdraw the request until later. I do not want it to interfere with the consideration of this bill.

Mr. SCHENCK. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, this is a bill which, as the gentleman from Arkansas has so ably explained, would set up an office or a facility in the Department of Commerce in order to give a clearing house whereby one State could determine whether or not a person applying for a driver's license had his license revoked in another State. The committee has, in my opinion, done a fine job on this bill. The amendment which the committee submitted makes the bill better and more workable than it was at the time it was introduced.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present. I withdraw my point of order by request.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Alabama.

Mr. ROBERTS. Mr. Speaker, as chairman of the Subcommittee on Health and Safety, I would like to commend the gentleman from Arizona for introducing this bill and for his diligent efforts in its behalf. It is true that the subcommittee did make some changes and the committee made some changes so that the bill not apply to those cases of revocation, suspension, or refusal to issue but will apply only to those cases of conviction of driving while intoxicated; for instance, while violating the highway safety code, in which death resulted, which consists of most of your manslaughter cases. Now, the bill has a very limited field of application, but we think that it is the best way to approach it and that we can do this with very limited funds. I believe it is good legislation, and it will take some of these killers off our highways. Mr. Speaker, I hope that the House will approve this legislation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Iowa.

Mr. GROSS. What will be the cost of this bill?

Mr. RHODES of Arizona. The cost will be very modest. The facility which will be set up, as the gentleman from Alabama [Mr. ROBERTS] has explained, will have a very limited amount of work to do, because of the types of revocations which will be covered. There has been no assessment of the cost at this particular time.

Mr. GROSS. It would seem to me, if these records have any real meaning, this is going to cost a considerable amount of money before you get through with it.

Mr. RHODES of Arizona. I assure the gentleman that with the situation on the highways as it is today, the cost of this bill will be negligible compared with the good it will do in getting people off these highways whose licenses have been revoked.

Mr. GROSS. What demand was there on the part of the States for this clearinghouse?

Mr. RHODES of Arizona. The Congress in 1953 or 1954 passed a resolution which authorized the States to enter into compacts to provide for themselves the machinery for exchanging this type of information. The States have not seen fit to go into this field as thoroughly as they should. It is my hope that they will go into it. I have had letters and communications from people in my own State, particularly the head of the Arizona Highway Patrol, who has said that this legislation is absolutely necessary in order to control the situation which we now have on our highways. We have had instances in the State of Arizona where a truck ran into an automobile, a head-on collision. The driver of the truck had had his license revoked in two different States for driving on the wrong side of the highway.

Mr. GROSS. This bill mentions only licenses revoked for driving while intoxicated or conviction of a violation of a highway safety code involving the loss of life. Why not have them report, if we are going to have this sort of thing, the driver who is charged repeatedly with reckless driving? Is he not a rather lethal driver?

Mr. RHODES of Arizona. I think the gentleman from Iowa will agree that this is a fairly new sort of activity. It is better to start out small and see whether or not there is any profit in extending this. It may be that the States will act in the field and it will not be necessary to expand the activities of the Federal Government any further than this. I hope that will be the case.

Mr. GROSS. I thank the gentleman for his explanation.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I want to commend the gentleman from Arizona and the committee for bringing out this legislation. I should like to ask the gentleman whether it is the intention of this bill to include the registration of those suspensions for driving while under the influence of intoxicating liquors, which is the law in a number of States.

Mr. RHODES of Arizona. As the gentleman has pointed out, and as appears in the bill under the committee amendment, the charge now covered is driving while intoxicated on which charge the individual was sentenced to imprisonment. The committee felt, and I agree with the committee, that it is better to start small, and to include this restrictive language at the present time.

Mr. VANIK. If it is a suspension for driving while under the influence of intoxicating liquor, the registration could be included as provided by this section.

Mr. RHODES of Arizona. That is right, if the individual is sentenced to imprisonment.

Mr. VANIK. I thank the gentleman.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman.

Mr. JOHANSEN. I observe a statement in the report of the Bureau of the Budget that—

> The assumption by the Federal Government of the responsibility for providing the services proposed in H.R. 5436 could establish an undesirable precedent leading to extension of Federal activity to other areas in which the States retain paramount responsibility, and might well be detrimental, therefore, to the interests of State government.

I wonder to what extent the gentleman feels there is some validity to that warning. I wonder to what extent the effort has been made, through the conference of Governors or any other medium, to secure the voluntary establishment of a clearinghouse of this type. And I wonder if we are not starting something on a small scale that could grow to a large scale and become a very serious problem with respect to the point made here.

Mr. RHODES of Arizona. I would say to my good friend from Michigan that it certainly is not my intention to establish here a great Federal agency.

Mr. JOHANSEN. I am sure of that.

Mr. RHODES of Arizona. I do not believe it will result in that. The States have already been invited by the Federal Government to act in this field by a resolution authorizing compacts to be entered into. I hope this will be done.

Mr. JOHANSEN. I am wondering whether it would not be a more timely and more orderly procedure to wait for the results of that invitation to such a compact rather than legislating in this field ahead of action on it.

Mr. RHODES of Arizona. As the gentleman has seen and as I am sure he knows, this is a very modest start. It is hoped that it will result in speeding action in the States rather than retarding action. The experience in the action of the States since the enactment of the resolution in 1955 has not been very good. We feel that this sort of action is necessary because of loss of life on the highway.

Mr. JOHANSEN. I certainly concur in the objectives of such a clearinghouse, but it has been my observation that whenever the Federal Government undertakes to do the job it lessens rather than accelerates the desire for any voluntary action by the States.

Mr. RHODES of Arizona. The gentleman may rest assured that is not the intention.

Mr. HARRIS. Mr. Speaker, I yield 10 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, I take the floor this afternoon reluctantly and sorrowfully. I take the floor as an American, as a lifelong Democrat, and as a lifelong member of the Roman Catholic Church.

I have just now read what purports to be a tape recording of a question asked of Paul M. Butler, the retiring chairman of the Democratic National Committee, before the National Press Club here several days ago.

Mr. Speaker, I am committed to none of the candidates for the Democratic nomination. They have all been my devoted friends. They have assisted me in many ways. Now as in the past I intend to support the nominee of my party. I served as the southern campaign manager for Governor Stevenson in both of his campaigns for the Presidency.

I quote the question and answer referred to. The question is as follows:

> If JACK KENNEDY is denied the nomination because of objections of some leaders to his religion, do you think many Catholics will vote Republican?

The answer of Mr. Butler:

> I think that I've spoken on this before, although only perhaps in an isolated press conference which did not get national attention, particularly here from the press corps in Washington.
>
> This puts me right on the spot. I am an American Catholic, or, perhaps more properly, I am a Catholic American. And I believe that, up to now, the religious issue in the preferential primaries, the religious issue in the discussion by the leading newspapers and magazines and radio and television commentators, has been made such an issue that a Catholic bloc vote, which does not exist ordinarily—and I think anybody who knows anything about American politics cannot contend otherwise.
>
> There is no such thing as a Catholic bloc vote normally, but the Catholics of the country, in a feeling of discrimination which may very well be expressed in the denial—not necessarily altogether the reason, but certainly may be a very important reason why JACK KENNEDY would be denied the nomination, if he is—and might very well result in just a normal reaction on the part of any American who felt that one of his own, in a particular religious faith, had been discriminated against on the grounds of religion.
>
> And I say to you, very objectively I hope, that I think that that situation may very well be developed, not because of any effort within the membership of the Catholic Church of the United States to create a Catholic bloc vote, either pro or con. And I think that you would find much less of a Catholic bloc vote for Mr. KENNEDY if he is nominated than you would find against the Democratic ticket if he is denied the nomination and comes into the convention with almost enough votes to win the nomination.

Mr. Speaker, to me this is an astonishing statement. It is a frightening statement and it is a false statement. As a Catholic, I deny it totally and completely. I shudder to think what would happen to our beloved country if Mr. Butler's prediction was to come true and if we really did develop such blocs of Catholic-Americans, Baptist-Americans, Irish-Americans, Italian-Americans, Presbyterian-Americans, Jewish-Americans and all of the other countless groups of nationalities, religions and sects that are spread throughout the length and breadth of this vast and magnificent and glorious free land of ours.

Mr. Speaker, we are all Americans without prefix or suffix. As a Catholic, I resent the statement and defy the allegation.

Catholics will be voting for and against the Democratic nominee whoever he may be and they will be voting for and against the Republican nominee whoever he might be. For a national chairman to describe himself, and I quote, "I am an American Catholic or, perhaps, more properly, I am a Catholic-American" demonstrates, in my judgment, a complete lack of understanding either American or Catholic. There is no such thing, Mr. Butler, as a Catholic-American. There is such a thing as an American who is a Catholic or an American who is a Baptist or an American who is a Christian Scientist or an American of whatever religious faith.

Finally, I am certain that no candidate for the Democratic nomination can conceivably subscribe to this philosophy. I know that Senator KENNEDY does not. He has so stated time and time again. I know, too, that Senator Johnson and Senator Symington and Governor Stevenson do not subscribe to this philosophy.

Mr. Speaker, unfortunately, there are some people in our Nation who are prejudiced. I, myself, in my own State know something about some of these issues, but, I would say to you, Mr. Speaker, that Mr. Butler by making this statement not only is not contributing to the solution of these problems or to the abatement of these prejudices, but by making such statements he may be assuring a new wave of hatred and misunderstanding in our beloved country.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Pennsylvania.

Mr. WALTER. The statement to which the gentleman from Louisiana just made reference is, indeed, alarming and, certainly, disturbing to those of the Democratic Party. However, the account that appeared in this morning's New York Times, written by one Leo Eagan, which purports to be the report of a statement made by Senator KENNEDY, is certainly just as disturbing and I trust that the Senator has been misquoted.

This article purports to present the position of the Senator as being not desirous of having any support from the Democratic Party in the South.

I am old enough to remember the day when the Democratic Party consisted very largely of Tammany Hall, the South, JOHN MCCORMACK's district in Massachusetts, and one district in the great Commonwealth of Pennsylvania. It was that very small group of people who kept alive those things we like to boast about as being the principles of our great party. I certainly cannot believe that any candidate for President would turn his back deliberately on a great part of the Democratic Party.

Mr. BOGGS. I am glad to inform the gentlemen that this report has been denied and that Senator KENNEDY's office restated to me that the Senator now, as in the past, seeks support from every section of our country, both in convention delegates prior to Los Angeles, and from the voters throughout our country if he secures the nomination.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHENCK. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Speaker, I would like the attention of the author of the bill or one of the managers for the purpose of inquiring whether or not the language in line 4 on page 1 of the bill is merely permissive and voluntary as far as the States are concerned and is not construed to be a law requiring the States to report revocation of operators' licenses.

Mr. SCHENCK. I will say to my friend from Michigan that this is entirely a matter of voluntary compliance and not obligatory compliance on the part of the State.

Mr. MEADER. I thank the gentleman.

Mr. SCHENCK. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Speaker, I would like to ask a question of either the gentleman from Arizona or the gentleman from Ohio as to whether or not the Department of Commerce has given approval to this bill.

Mr. RHODES of Arizona. The answer is that the Department of Commerce has withheld its approval of the bill on the basis that they do not know what it will cost.

Mr. BOW. Sitting on the Appropriations Committee for the Department of Commerce, I am wondering just where in the Department of Commerce you would have this particular function. There is nothing there now that resembles it. It would mean setting up an entirely new division. I am wondering if the gentleman knows anything about the question of costs.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mr. ROBERTS. The reports from the Department of Commerce are rather conflicting. In the report they made to Congress on March 3, 1959, by the Secretary of Commerce entitled "The Federal Role in Highway Safety," House Document No. 93, 86th Congress, 1st session, they made the following recommendation:

> The number of driver licenses currently in revoked status is estimated at 1 million, or more than 1 percent of all drivers. As a class, these drivers are a poorer than average risk. Most States do not issue driver licenses to persons known to have had their license revoked in another State, but well over half the States do not check all applicants in this respect, and some have difficulty in obtaining adequate cooperation from other States even when it is requested.

Mr. BOW. If the gentleman will permit me, what the gentleman is saying in effect is that the Department of Commerce does not approve the bill. In this conflicting situation I am just wondering whether we want to go into this.

Mr. ROBERTS. They said in this report that it could be done at relatively small cost.

Mr. BOW. I have had some experience with the Department of Commerce and their idea of small cost, I will say to the gentleman. I would like to get some dollar value on this.

Mr. SCHENCK. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, this is a small bill but it is one that I feel has a great deal of merit. If you are going to find out who these drivers are who have their licenses revoked and suspended in one State and move on to another State in order to operate their automobile, this is the only way in which I know it can be done. It seems to me this should have been left probably with the Federal Bureau of Investigation in the same way in which they check on people who violate other laws. But after a great deal of consideration the committee came to the conclusion the Department of Commerce was the right place and, personally, I agree with that.

I want to add my commendation and wish that the bill will be speedily passed.

Mr. SCHENCK. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I want to commend the author of this bill, the gentleman from Arizona [Mr. RHODES]. All of us know the tremendous loss of life and injury sustained on our highways each year. This is a step in the right direction to make sure that automotive drivers' licenses are properly issued. Too many people feel that driving an automobile is a right instead of a privilege.

I urge the adoption of this bill which was introduced by the gentleman from Arizona [Mr. RHODES].

Mr. HARRIS. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Speaker, I rise in support of the pending legislation. For several years Miss Patricia Leeds, a police reporter for the Chicago Tribune, and a former colleague of mine, has been suggesting establishment of a national register of revoked drivers licenses such as is proposed in this legislation before us. Miss Leeds is unique in that she is one of the few women police reporters in the country. And I might add, certainly one of the best reporters in America. She has seen the great tragedies that result from auto accidents she has covered as part of her assignment. I think her suggestion has been a good one and I am glad it is incorporated in this legislation up for consideration today. I am hoping Miss Leeds will be happy in seeing her suggestion approved by the Congress of the United States.

Mr. HARRIS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, this is the last of eight suspensions which the Committee on Interstate and Foreign Commerce has had the responsibility of offering today. I take this occasion to thank the chairmen of the subcommittees for the splendid work they have done and the fine way they have assisted in presenting these bills to the House this afternoon. I wish to thank the other members of the committee who have been faithful and active here in supporting our efforts. I wish to thank the Members of the House for the approval of these suspensions. I am assuming this one will be approved too.

The SPEAKER pro tempore (Mr. HOLIFIELD). The question is on suspending the rules and passing the bill.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. HOLIFIELD). The Chair will count. [After counting.] One hundred and eighteen Members are present, not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 153]

Adair	Garmatz	Mumma
Albert	Halleck	O'Hara, Mich.
Alexander	Henderson	Oliver
Alford	Hess	Philbin
Alger	Jackson	Pilcher
Anderson, Mont.	Jones, Ala.	Pirnie
	Kearns	Powell
Anfuso	Kelly	Reece, Tenn.
Auchincloss	Keogh	Santangelo
Baker	Kluczynski	Scott
Barden	Knox	Sheppard
Barry	Lafore	Smith, Miss.
Blitch	Landrum	Spence
Bonner	Lennon	Steed
Bowles	McSween	Stratton
Bray	Machrowicz	Taylor
Brown, Mo.	Magnuson	Thompson, La.
Buckley	Martin	Thompson, N.J.
Burdick	Mason	Vinson
Carnahan	Merrow	Wainwright
Celler	Metcalf	Watts
Coffin	Miller, N.Y.	Whitten
Durham	Minshall	Willis
Evins	Mitchell	Winstead
Fallon	Moore	Withrow
Fino	Morris, Okla.	Wright
Frazier	Morrison	Yates
Frelinghuysen	Moss	Zelenko

The SPEAKER. Three hundred and forty-seven Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ESTABLISHING NATIONAL REGISTER OF REVOKED MOTOR VEHICLE OPERATORS' LICENSES

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title of the bill was amended so as to read: "A bill to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked."

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12263. An act to authorize the conclusion of an agreement for the joint con-

struction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes.

PERMITTING THE USE OF CERTAIN FOREIGN-BUILT HYDROFOIL VESSELS IN THE COASTWISE TRADE

Mr. GEORGE P. MILLER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3900) to permit the use of foreign-built hydrofoil vessels in the coastwise trade of the Commonwealth of Puerto Rico, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law to the contrary, that certain hydrofoil vessel now known as the *Flying Fish,* built in Messina, Italy, and now owned by Calderone Enterprises Corporation, Hempstead, New York, and one other hydrofoil vessel of similar origin and ownership of less than one hundred gross tons may, at any time within eighteen months after the date of enactment of this Act, be documented as vessels of the United States upon compliance with the usual requirements, with the privilege of engaging in the coastwise trade only to the extent necessary to permit the carriage of passengers and merchandise, whether for hire or otherwise, between and among points within the Commonwealth of Puerto Rico as long as the vessels shall continue to be owned by a citizen of the United States.

SEC. 2. When used in this Act, the term "citizen of the United States" includes a corporation, partnership, or association only if it is a citizen of the United States within the meaning of section 4132 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), and section 2 of the Shipping Act, 1916, as amended (46 U.S.C. 802).

The SPEAKER. Is a second demanded?

Mr. PELLY. Mr. Speaker, I demand a second.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill would permit the use of foreign-built hydrofoil boats in the coastal waters of Puerto Rico and the American islands adjacent thereto.

The hydrofoil boat is a new concept of vessel. It contains some of the features of an airplane. It is an entirely new device in the trade of the world. The greatest development in this field has been in Italy, where an Italian company builds boats that have a capacity in excess of 100 tons and can carry 150 passengers. They move at an accelerated speed because all water resistance is eliminated or reduced. These boats can accelerate up to 40 miles an hour in a very short time, and they skim over the tops of the waves.

A New York company, wholly American-owned, purchased one of these boats and uses it in the interisland trade, that is, between Puerto Rico and the Virgin Islands and the islands of the West Indies. It is proving highly successful.

Off the coast of Puerto Rico lies the Puerto Rican island of Vieques that needs communication with the island of Puerto Rico, and needs it badly. It takes about 45 minutes to make the trip with a stylized type of boat. The people living on Vieques Island have no real economy. During wartime an airfield was built on the island and people moved there. They must commute back and forth to the island of Puerto Rico.

This man proposes, if permitted, to put this type of hydrofoil boat into service between Vieques and Puerto Rico. With this boat the trip between the islands can be made in 12 minutes.

But in order to operate he has to have a second boat, so the current bill proposes to allow this company to register this foreign-built boat in America and within 18 months to purchase a sister ship that also can be used in this service.

It is understandable that you cannot maintain such service with one boat because there will be layups and there will be accidents. That is all the bill proposes to do. There is no American firm presently building hydrofoil boats. The patents of the Italian firm are owned by one American airplane company, but they are not in production. Another airplane company proposes to go into the business, but they are not in production. The Department of Commerce feels that the use of these ships would give us a chance to study them. This type of hydrofoil boat will revolutionize water transportation. That is about the sum and substance of the bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GEORGE P. MILLER. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand there is no cost to the Government involved here?

Mr. GEORGE P. MILLER. No cost to the Government. It is a private operation.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. GEORGE P. MILLER. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. We have held extensive hearings and our scientists are looking into this matter. The Navy has looked into such a project also. But, as the gentleman has well said, these boats are not available, although they have been used in foreign places, such as in Italy, in the past, very successfully, especially for transporting people from one island to another where the points are not too distant or too far out in the ocean. So I join with the gentleman in supporting this measure.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. GEORGE P. MILLER. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Will the gentleman briefly tell us something about the construction of these boats, how they are made and what they are made of?

Mr. GEORGE P. MILLER. They are made of aluminum primarily. Under the boat is a wing, something like an airplane wing, that comes down to struts. As they move forward, the forward action brings the boat upward until the hull of the boat is almost completely out of the water, which eliminates all the friction that retards vessels generally. I have only ridden in a very small boat, a 14-foot boat, but it got up to 35 miles an hour in less than 2 minutes. You skim right over the top of the water.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. GEORGE P. MILLER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. As a member of the Science and Astronautics Committee, I join with the gentleman in his statement. I feel this is a field of scientific inquiry we should go into.

Mr. PELLY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I have some misgivings in connection with passage of H.R. 3900, to authorize documentation of two hydrofoil vessels of foreign construction to engage in coastwise trade for carriage of passengers and merchandise in the Commonwealth of Puerto Rico.

As a member of the House Merchant Marine and Fisheries Committee, I am not convinced that U.S. built hydrofoil vessels cannot be obtained. The testimony given the committee did indicate that the prospective operator of these two ferries had not been able to obtain a guarantee from a U.S. builder that such a craft would operate successfully. But since the hearing on H.R. 3900, both the Federal Maritime Administration and the Navy Bureau of Ships have said that hydrofoil should be feasible from both an engineering and commercial standpoint. The Grumman Aircraft Co. is building a research hydrofoil vessel and the Boeing Airplane Co. has just been awarded a contract to construct a 110-ton hydrofoil submarine chaser with a top speed of 70 miles an hour.

Since H.R. 3900 was reported favorably by the Merchant Marine Committee I have read in an article in the Marine Digest that the Waste King Corp., Los Angeles, has a design for a 28-ton, 65-foot, 93-passenger hydrofoil ferry with a speed of 44 knots.

I understand a number of other boatbuilding concerns are anxious to get into this field.

Allowing the use of two Italian hydrofoil ferries to demonstrate feasibility of this new means of speedy surface transportation may be helpful, but it might have been far better to delay the legislation in order to more thoroughly explore the possibility of utilizing American facilities and labor in promoting the building of such a craft in the United States.

I am puzzled by one other factor. According to news dispatches, one of the Italian-built hydrofoils which would be exempted by this bill, the one which has been operating in Puerto Rico, is arriving in Puget Sound July 3. It is going into service between Bellingham, Wash., and Victoria, British Columbia.

I do not understand if this bill would allow two newly constructed foreign-built hydrofoil ferries to convey passengers and freight between American ports, and that would not follow the proposal in the testimony. The owner said he

wished to order a second ferry to complement the one he already owned. Now I find the one he owned, called the *Flying Fish*, is no longer in Puerto Rico. I think that the passage of the bill, under these circumstances, should be withheld until all facts are known.

As I understand there has been some interchange or acquiring of patent rights. I think the public interest would be served by Congress investigating the reasons why the United States is behind Europe in hydrofoil development. We must insure that there are no monopolies either foreign or domestic to put roadblocks in the way of utilization of foils under a vessel to give it lift to reduce resistance of the vessel's hull in the water in order to obtain speed.

From a commercial standpoint, I believe a new avenue of opportunity is available in the field of fast low-cost transportation. In the Pacific Northwest and Alaska such a new development could have great economic advantage.

Mr. Speaker, I do not believe this legislation properly should pass. I do most urgently express the hope that the Merchant Marine Committee next year look into the hydrofoil situation and obtain the facts about patent ownership and other facts bearing on why foreign nations are ahead of the United States and what is holding us back.

Pending further information, I oppose H.R. 3900.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. I have no knowledge of that. I do know at hearings, as the gentleman remembers, there was testimony that these boats could not be purchased in this country. I do not know that this company has ever built or had a boat in operation. This is not an experiment. The man is going into it on a business deal. The Italians, the patents of which are available in this country, have been building these boats for some time.

I would like to see American industry get into this. And, may I say that only in this session of the Congress did we appropriate a rather substantial sum to the Navy for experimentation in this field.

Mr. PELLY. I should like to say, first of all, that the Maritime Administration is building a hydrofoil right now and has spent about a million and a half for research. And, as those on the Committee on Science and Astronautics know, Admiral James of the Bureau of Ships recently testified before that committee that they were practical and feasible, and now they have contracted with the Boeing Airplane Co. for $2 million to build an antisubmarine hydrofoil.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. As the gentleman well said, the Navy did come before our committee and said that they were practical and feasible and we should develop them. The Navy is working on an American type of hydrofoil which we think will be superior to that developed in the European countries. I hope they go ahead with the program; go ahead and produce a prototype at an early date. The Navy is not in a position, though, to say that they have an operable, usable hydrofoil for commercial purposes.

Mr. PELLY. I will say to the gentleman that the testimony before his committee was to the effect that from an engineering standpoint they are feasible and they are also commercially feasible. All I am pleading for is that the American boatbuilding industry, which so badly needs some work, will have an opportunity to enter into this field.

There is another point I would like to raise. The legislation that is before us has a provision in it which says "That, notwithstanding any other provision of law to the contrary, that certain hydrofoil vessel now known as the *Flying Fish*" and that would authorize that particular one to operate between two American ports.

Now, I have an article from the same magazine, Marine Digest, which says:

> The Italian hydrofoil *Flying Fish* will arrive on Puget Sound the week of July 3, the Marine Digest learned this week from Mayor John E. Westford, of Bellingham, one of the backers of a proposed hydrofoil service between Bellingham and Victoria.

Now, what I want to know is, Are we authorizing two new Italian-built hydrofoils to come into this country and operate in Puerto Rico, or is this legislation of no avail, or is the existing hydrofoil going to operate in the Pacific Northwest?

Mr. GEORGE P. MILLER. I cannot answer that question. But, if this bill is passed, the *Flying Fish* and the authority to buy one other boat will be given to the Calderone Co., and that is all there is to it. In the meantime, until they get another boat, they cannot put them into the ferry service. They are using it now on charter service in the West Indies, and if they want to take it out and show it in Bellingham and use it in international waters out there, I do not know what you can do to stop them. This does not apply to any more than the *Flying Fish* and one additional ship which must be purchased within 18 months.

Mr. PELLY. Mr. Speaker, I want to call the attention of the Members of the House to the fact that I have a bill before the Committee on Merchant Marine and Fisheries which would authorize the building of a hydrofoil in this country. I believe it is absolutely feasible. The only problem in my mind is this: Is someone getting hold of the patents in this country and putting up roadblocks so that the American workingmen in the American shipyards are not able to build these hydrofoils as against European countries where they have been building them for some time?

Mr. BROOKS of Louisiana. I will say this, that the American type of hydrofoil that we are working on would be probably subject to an individual patent, which would be entirely separate from the presently existing hydrofoil patents.

Mr. PELLY. Well, I just hope that there will be a hearing in the next session of the Congress and open up and investigate this whole field. In the meantime, I think Puerto Rico justifies our aid and assistance, and I am not going to ask for a rollcall.

The SPEAKER. The time of the gentleman from Washington [Mr. PELLY] has expired.

Mr. PELLY. Mr. Speaker, I yield myself 5 additional minutes.

Mr. WESTLAND. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentleman.

Mr. WESTLAND. The gentleman from California mentioned the possibility of stopping this hydrofoil boat trip between Bellingham, Wash., which is in my district, to Victoria and Vancouver. I hope no one will do this, because, in my opinion at least, this sort of trip, taking passengers between a foreign country and the United States, should demonstrate the feasibility of this type of transportation. These are somewhat inland waters but, nevertheless, this is not costing the Federal Government a dime. This whole business should be demonstrated rather clearly right up there.

The gentleman from Washington [Mr. PELLY] has helped to gain a contract for the Boeing Aircraft Co. to build one ship. I happen to have a shipyard in Bellingham that is also interested in building these hydrofoils. I do want to praise the city of Bellingham for being the first one to put this sort of ship into operation, so that your committee can see just exactly what does happen.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentleman.

Mr. HOSMER. I should like to ask the gentleman, since some of our colleagues have mentioned science in this connection, do these ships have anything to do with scientific research or are they to be put on commercial routes and given commercial experience with them?

Mr. PELLY. Mr. Speaker, I would like to say to the gentleman that it is proposed to use these Italian-built hydrofoils in private commercial profit-seeking ventures. The ones that are being built, however, are one for experimentation and the other for antisubmarine work of the Navy.

Mr. HOSMER. But these naval projects have nothing to do with the two vessels concerning which this bill is written?

Mr. PELLY. The two vessels which are encompassed in this legislation would be used in the private transportation of passengers and freight, in a ferry service in Puerto Rico. They are built in Italy. They have nothing to do with the Navy. They simply will provide an experience in this country in the use of this modern method of propulsion.

Mr. HOSMER. So we are not voting for or against science, whichever way we vote on this bill; is that correct?

Mr. PELLY. We very definitely are not.

Mr. HOSMER. I thank the gentleman.

Mr. PELLY. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. TOLLEFSON.]

Mr. TOLLEFSON. Mr. Speaker, this is a very simple bill. The word hydrofoil is glamorous and it is nice to talk about it, but the bill is really very simple. Under present law no foreign-built vessel may travel between two ports in the United States or in its possessions. A hydrofoil boat has been operating between Puerto Rico and the Virgin Islands, which it may do under the law. It is a foreign-built boat. The owner of that boat wants to operate it not only between the Virgin Islands and Puerto Rico but between at least two ports within Puerto Rico. Before he is able to do so he must have a waiver of the present law. This bill is designed to give him that permission so that he may sail his vessel between the two Puerto Rican ports. The bill authorizes him to operate another vessel but requires that he build and supply this vessel within a period of 18 months. It is a simple bill; it just waives the provision of the existing law.

It is true that one of the vessels temporarily may be exhibited between Bellingham and a Canadian port. This can be done legally because this is not a tour between two American ports but is between an American port and a Canadian port, and this is admissible under the law. It is a very simple bill.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill H.R. 3900, with amendments?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended to read, "A bill to permit the admission to registry and the use in the coastwise trade of certain foreign-built hydrofoil vessels."

A motion to reconsider was laid on the table.

VESSELS CARRYING FREIGHT TO AND FROM PLACES IN SOUTHEASTERN ALASKA

Mr. GEORGE P. MILLER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska, with an amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to amend section 4426 of the Revised Statutes, as amended, with respect to certain small vessels operated by cooperatives or associations in transporting merchandise of members on a nonprofit basis to or from places within the inland waters of southeastern Alaska and Prince Rupert, British Columbia, or to or from places within said inland water and places within the inland waters of the State of Washington" approved August 23, 1958 (72 Stat. 833), is amended by striking out "1960" and inserting in lieu thereof "1962".

The SPEAKER. Is a second demanded?

Mr. TOLLEFSON. I demand a second, Mr. Speaker.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is a second bill coming from the Committee on Merchant Marine and Fisheries in which we ask for an exemption. In this case it pertains to the State of Alaska.

The matter of transportation in Alaska is one of which we have no concept in this country. Most of it must be done by water. The fiords along the Alaskan coast do not lend themselves to highway transportation nor do they lend themselves to truck transportation, so most of the transportation in this field is by water.

There has been a cooperative line operating in southern Alaska whose ships do not come up to the standard required by the Coast Guard. We made an exemption for these ships a couple of years ago and gave them 2 years in which to meet their requirements. They have not been able to do this due to a number of things. We are here again asking that they be given another exemption, to 1962, in order that we do not disrupt a very important phase of the economy of Alaska and that these isolated places along the coast may be allowed to have their services continued. The bill is that simple. I commend the bill to you in the interest of taking care of the new State of Alaska.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

Mr. HOFFMAN of Michigan. I object.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 10 o'clock. Let him object to that.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object.

VESSELS CARRYING FREIGHT TO AND FROM PLACES IN SOUTHEASTERN ALASKA

Mr. TOLLEFSON. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Speaker, I joined in filing minority views in the committee report on S. 2669 to extend for a period of 2 years the exemption from Coast Guard inspection and manning provisions granted to certain vessels under 150 gross tons, owned by or chartered to any cooperative or shipping association operating between the State of Washington and southeastern Alaska.

At one time there may have been a temporary justification for waiving safety-at-sea requirements. However, service at this time is provided to the various communities by vessels which do comply with the law. I do not favor this special treatment to one carrier and as long as exemption is granted to one carrier it results indirectly in curtailment of service by other carriers.

The merchants of Alaska originally had difficulty with the Alaska Steamship service from Seattle—especially with perishables including milk and vegetables. Now the Alaska Steamship has corrected the situation and provides refrigeration.

As I see it, the cooperative association is able to take cargo at cut rates as against the published tariffs of its competitor, the Alaska Steamship Co.

The latter, because of inadequate volume, is suffering profitwise and has repeatedly sought increases in freight rates.

It seems obvious that if the cargoes presently transported by the merchants cooperative on substandard vessels were available to the Alaska Steamship Co., her operation would be benefited and one reason of higher freight rates would be removed.

Recently, the Anchorage Times ran a news article saying the Alaska Steamship Co. might abandon all but two Alaska stops. The company says there is no such definite plan, but certainly the operation of this nonprofit, tax-free, cut-rate competition serves to increase such a possibility.

Alaskans have long suffered from high shipping rates, due greatly to the lack of year-round return cargoes. Other shipping concerns have discontinued service and now the Alaska Steamship Co.—long the whipping boy of Alaska politicians—needs support. If "the cream" is taken by a nonprofit line and the Government MSTS ships, the oldest and last common carrier steamship service will fold. It will transfer its vessels to more profitable areas.

This bill, under the language of the committee report is to give the merchants cooperative time to comply with the Coast Guard requirements or quit. That is the only justification for the bill.

I would like to see a reduction in freight rates to Alaska. The undercutting of Alaska Steam's published rates is not the proper way to accomplish this in the public interest.

Frequency of voyages and rates can only come from increased traffic. The solution is not in legislation such as S. 2669.

The solution is not in killing the goose, but rather in seeing that the regulated common carrier is given a break and helped in every way possible.

Mr. TOLLEFSON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the proposal in this bill to waive statutory provisions for safety and manning of certain vessels, simply on the basis of financial expediency, is unwarranted. Safety at sea and proper manning of vessels are not luxuries to be provided only when convenient, but rather are requirements imposed by law because they are necessary for the protection of life and property. If these requirements are necessary for one carrier, they are necessary for all.

The argument advanced that service to certain southeastern Alaska outports cannot be maintained without the exemptions provided for in this legislation

is neither convincing nor accurate. The fact is that service is provided to all outports in question by vessels which do comply with present laws, and furthermore the one carrier for whose benefit this legislation is proposed does not provide service on any regular or reliable basis to any such outports. The carrier in question serves on a scheduled basis only the ports of Ketchikan, Wrangell, and Juneau—each of which is also served once each week by common carrier vessels subject to all laws and regulations.

Furthermore, the Congress has already made adequate provision for service to these so-called outports of southeastern Alaska by enacting Public Law 85–739—section 1 (46 U.S.C. 404; amended Aug. 23, 1958), which was passed after full hearing and discussion on the subject and which already allows the exemptions now sought to those small crafts which provide service only to outports not receiving common carrier service at least once each week. The broadening of this relaxation for the sole benefit of one carrier seeking to provide service to major ports would constitute unwarranted special legislation.

The enactment of the presently proposed legislation for the benefit of one carrier only, to the detriment of other carriers who are now and who have for many years served the ports in question, is unwarranted and should be rejected.

Mr. GEORGE P. MILLER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. CASEY].

Mr. CASEY. Mr. Speaker, it is true this is an unusual bill. Action was taken before by this House to grant this exemption from the safety regulations of the Coast Guard in order to assure southeast Alaska fresh fruits and vegetables, and in order to furnish them with a shipping service, that they do not enjoy with the regular shipping companies. I agree with the gentleman that we should not continue to make exemptions such as this bill provides without requiring them to make some effort to come up to the standards. The only opposition we have, of course, is from the Alaska Steamship Co., which is naturally engaged in the business of supplying shipping services to Alaska. It is the only steamship line that services Alaska. Mind you, there are lots of small ports here that the Alaska Steamship Co.'s ships do not service because they cannot get in there.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Washington.

Mr. PELLY. I think just to correct the RECORD, you should state that we have a telegram in the RECORD from the Maritime Union saying they were opposed.

Mr. CASEY. Yes, you have a telegram from the Maritime Union saying they oppose it; and we also have a letter from the Longshoremen's Union of Alaska supporting the bill. The only ones who are interested in this bill are the stockholders of the Alaska Steamship Co. and the citizens of southeast Alaska. In viewing the matter as I do, I think this 2-year extension is merited at this time. I agree with the gentlemen of the committee who insisted that this report should have been beefed up, so to speak, telling them that they should get on the line. We are talking of an exemption for vessels of 150 tons or less. We are talking about vessels that are only about 60 to 65 feet long. We are talking of the type of vessels that are used in the fishing industry up there and which are not required to meet these safety regulations.

In the hearings there was a full hearing with reference to the accidents that have occurred. You will find from the hearings that the accidents consisted mostly of going aground in shallow water. I think there was one incident of a fire. There were similar accidents for the Alaska Steamship Co.

Mr. RIVERS of Alaska. Mr. Speaker, will the gentleman yield?

Mr. CASEY. Yes, I shall be glad to yield to the gentleman from Alaska.

Mr. RIVERS of Alaska. You will notice that the accidents were minor. The safety record of the operation is excellent. There is no loss of life or even loss of cargo. Even in the case of the ship that ran aground they were able to salvage the cargo. This is the record since 1954 when the service started.

Mr. CASEY. That is correct. We have got to do one of two things: Either relax the safety regulations or grant this waiver and give them time to meet the safety requirements. Under the circumstances we should pass the bill, for the people up there need this service.

Mr. Speaker, I support the bill.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. CASEY. I yield.

Mr. PELLY. I think it is only fair to say that in the report the committee has indicated that this would terminate the exemption as far as the present committee is concerned. They feel that this will give the operator ample time to comply with the requirements.

Mr. CASEY. That is true. The report indicates that the present committee does not look with favor on any further extension. It also states that they direct the Department of Commerce to review this problem for the purpose of finding a solution. The people along the coast have got to have some service.

Mr. GEORGE P. MILLER. Mr. Speaker, I yield such time as he may desire to the gentleman from Alaska [Mr. RIVERS].

Mr. RIVERS of Alaska. Mr. Speaker, I first wish to thank the distinguished chairman of the Subcommittee on Coast Guard of the Committee on Merchant Marine and Fisheries, the gentleman from Maryland [Mr. GARMATZ] for conducting 2 days of hearings, and I also express appreciation to all the members of the subcommittee and the full committee for the thorough consideration which has been given to this legislation.

This bill would extend an existing law for 2 more years, and would not cost the Government any more.

In urging passage of this legislation, which was introduced in the Senate by our former House colleague, Senator E. L. (BOB) BARTLETT, and by me in the House, I am not speaking of a matter of world shaking importance, but something which is nevertheless of the greatest consequence to our fellow citizens of southeastern Alaska and vital to their existence.

I speak of the transportation lifeline from Seattle, Wash., to southeastern Alaska through the inland waters along the coast of British Columbia, and of the need to expedite the movement of certain types of cargo, and to supplement the service of the principal carrier, Alaska Steamship Co., in serving all the ports of southeastern Alaska, including many small towns and villages either not served by Alaska Steam or served by it only infrequently and intermittently.

About 8 years ago, to solve this problem, a merchants' association made up of small businesses was formed for the operation of a few small cargo boats for the transportation of members' freight between places within the inland waters of southestern Alaska and places within the inland waters of the State of Washington, with stops at certain times of the year at Prince Rupert, British Columbia, for the purpose of delivering salmon. The association is presently using four such vessels to accomplish two round trips per week.

In view of the fact that existing law had been interpreted as not requiring a motor vessel carrying only cargo of its owner to meet Coast Guard inspection requirements it seemed only fair to allow this group of small people to do jointly with chartered motor vessels, what a big firm could do for its own account, especially in view of the fact that the regular common carrier, Alaska Steamship Co., had a monopoly on the southeastern Alaska trade, and was not in a position to give regular service to many small communities. Under these circumstances, and in 1954, Congress passed an act granting a 4-year waiver of Coast Guard inspection requirements for the chartered motor vessels in question.

In 1958 the matter came up again and the Senate passed S. 1798 providing for another 4-year waiver. This was amended by the House to provide for a 2-year waiver, and the conferees agreed upon the 2-year period. The roundtrip twice weekly of the small boats is utilized largely to haul perishable necessities such as meat, fresh vegetables, fruits, and fresh milk, and all types of cargo for the outports which is either delivered directly to said outports or transshipped over small boat docks in combination with mail boats plying to small communities where direct calls are not feasible. Although Alaska Steam recognizes the need for this outport service, it still objects. Nevertheless I know as surely as I stand here that under the unusual circumstances pertaining in southeastern Alaska, passage of this legislation to extend the Coast Guard inspection waiver is necessary and in the public interest, and the overwhelming majority of the members of the committee which reported this bill think likewise. These small boats operate only to and within the southeastern panhandle of Alaska wherein live only 15 to 20 percent of the people of Alaska.

To summarize, there is no railroad to Alaska; there is no competition with Alaska Steamship Co. in southeastern Alaska, although there is tug and barge competition to other parts of Alaska, the cargo which these small boats carry to the main ports is limited, many small outports have no service by the big company, or, at best, only infrequent and intermittent service, and the safety record of these small vessels has been excellent since 1954 involving only minor mishaps, with no loss of life or cargo and having no connection with the absence of Coast Guard inspection.

The merchants association has cast about for a permanent solution conformable to Coast Guard requirements, but finds that this is not easy. To convert these small boats to meet Coast Guard requirements is economically unfeasible, not only because of the high cost of converting, but because space taken for quarters to accommodate the enlarged crews would cut down on cargo space to the point where there would not be room enough for a payload. The association will, however, continue to look for a permanent solution. In the meantime, they must have this 2-year waiver or their charter-boat operations will be finished, with disastrous results to southeastern Alaska. I urge you with all the strength at my command to pass this bill, and the people of southeastern Alaska will join with me in being deeply thankful.

Mr. GEORGE P. MILLER. Mr. Speaker, I know of no further requests for time and move the previous question.

The previous question was ordered.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AMISTAD DAM AND RESERVOIR

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12263) to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 18, after "maintenance" insert "on a self-liquidating basis".

Page 2, line 24, after "such" insert "self-liquidating".

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

COMMUNICATIONS ACT AMENDMENTS, 1960

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 1898, with Mr. ELLIOTT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from Arkansas [Mr. HARRIS] had 7 minutes remaining, and the gentleman from Michigan [Mr. BENNETT], had 1 hour and 10 minutes remaining.

The Chair recognizes the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I know that many of my colleagues on the floor have wondered just how exhaustively we have gone into this particular problem because the scope of this bill is rather extensive.

Going back and reviewing the work of the Committee on Legislative Oversight, we held, roughly, 6 weeks of hearings in the spring of 1958, 28 days in the fall of 1958, and 19 days again this spring, making a total of 78 days of hearings which are encompassed in this legislation. So I think you can see that the matters dealt with in this bill have been investigated rather exhaustively.

Many people have asked me the reasons for the corrective portions of this legislation. May I say that the violations in many instances were not vicious. It rather indicated a great laxity on the part of persons who were directly involved in the ownership of stations. Many of these owners had turned their stations over to other personnel for operation purposes. There was not what I would call good supervision, with the result that you had payola of disk jockeys and other personnel within many of these stations. It is true that payola was rather widespread from coast to coast. For the most part it was contained largely in cities. We did not run into too much of it on the smaller stations. It is about like any other law which you want to put on the books; it corrects the wrongs of probably less than 2 percent of the people involved.

We have asked for what we felt were not punitive but we did feel that they were corrective measures largely because when the Communications Act was written the only penalty that the Federal Communications Act could enforce against stations was total revocation of their licenses. I think all of us realize that the Federal Communications Commission would be most hesitant to totally revoke the license of any radio or TV station that is serving a particular area. Instead of being a help, this particular provision, in my estimation, was a hindrance. There never has been a record yet of one single license that has been revoked.

In this bill what do we actually do? And I want to see if I can pinpoint that in the few minutes allotted to me.

In the first place, we found that there were in the number of applications that were made for a particular station—there could be only one successful applicant—that perhaps one or two of the applicants would get together. We found that in many of these instances one of the applicants, or if there was a merger of two applicants, would pay the other applicants off. In one instance, as recorded here in the report accompanying the bill, a payment was made of some $200,000, almost a quarter of a million dollars, to remove one particular applicant from the scene. Now, I think all of us realize that that is certainly not good morals and it is not in the public interest for one applicant in effect to buy off another applicant who is applying for the same station.

And, we do take corrective measures here in saying that in any reimbursements that are made by any successful applicant, it cannot be more than the out-of-pocket cost. That is the first corrective thing that is done.

Now, the second point. There have been a lot of questions raised about this to date, and that is with reference to suspensions and forfeitures. Now, if the Federal Communications Commission is to correct some of these things that we spent 2 years in investigating, they have to have some kind of penalty measures that they can enforce that will substantially be less than total revocation of the license of any radio or TV station, and we felt that a suspension of up to 10 days was certainly not punitive in nature. We decided that a forfeiture of up to $1,000 was not punitive but could be made with discretion by the Commission. There were some people here today who had the idea and they talked about 10 days. Well, I would submit that the Commission probably, when a matter came up, would say it might be suspension for 12 hours or maybe 24 hours. I just cannot visualize a situation where they would put anybody off the air and the community would not have the services of a radio or TV station, except under the most unusual circumstances, for as long as 10 days. We felt that this suspension feature and the forfeiture of up to $1,000 in the way of a fine was corrective action that could be taken by the Commission to straighten out some of these things which these 78 days of investigation were shown to us to be in effect.

Now, I think all of you last fall got a chance to read the newspapers on what was happening. In a general way, you became acquainted with some of the things that were going on in the radio and the TV field. We found that there were payments being made for plugs that were broadcast over radio and TV stations, but they were not known to the public; in other words, these were sort

of private, secret, under-the-table payments for plugs either to the station itself or to the personnel within the station. And, we take corrective action to prevent that.

In other instances, under this same point 3, we found free records were being distributed. The chairman pointed out yesterday that a man went up to a record company and got something like 1,000 records at one time. I do not know how many dollars were involved, but he got a whole library of records. We are seeking to prevent that, because we think that is a very cheap sort of payola.

The fourth has to do with deceptive practices. In the 28 days of hearings that we had last fall we went into the whole question of quiz shows, and that was just one feature of deceptive practices that were going on in radio and TV, but they were the ones that most spectacularly demonstrated what the problem was that we had to face up to.

Now, those are the four things we seek to correct. Now, I think this has been largely overlooked, but there is another point that I think is awfully important. Many said that when an application was made to the FCC, they locally did not know anything about it; they did not know anything about who the applicant was, especially in those cases where the applicant came from other communities than the one in which the TV station was to be located. In other words, most of the money came from outside into the community. We have provided here now by amending section 311 of the Communications Act that the Commission may in its discretion order hearings to be held locally in the place where the radio or TV station is to be located. It would be very similar to what we do in the Interstate Commerce Commission or in some of the other agencies where the Commission itself is given discrimination to decide that the hearings shall be held in the community where the activity takes place.

Second, however, and I think more important, we have now required that the applicants must give local notice. In other words, if you seek to apply for a radio or TV station it will be necessary for you now, under a rule of the Commission, to give notice locally. And I take it that probably would be in the newspapers and be posted in a way very similar to what we do in a court proceeding. That would give the people locally knowledge that you are an applicant for this local radio or TV station. But I think more important than that, if an applicant himself applies he must give notice of the fact that he has filed an application; that is first. And secondly, if any hearing is set down here in Washington upon the application that he has filed, then he also must give notice, pursuant to a rule of the Commission, back in the home community that his application has been set for hearing in Washington and that it is to be heard. We think these local hearing amendments have a great deal to recommend them. Personally I think this is one of the good things that has been done in this legislation.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Chairman, I should like to ask the distinguished gentleman this question. Is it true, during the hearings held by the committee, that a vast majority of the State Broadcasting Associations protested this legislation, or rather the amendment put on by the House to the Senate bill, which would impose this suspension?

Mr. SPRINGER. I will say to the gentleman that I do not know, I have not been advised of that, but it is my understanding that the National Association of Broadcasters was opposed to these two provisions which I mentioned, forfeiture and suspension.

Mr. BAILEY. In other words, a majority of them did protest. I thank the gentleman.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 30 seconds to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, I take this time in order to clarify the record. A few minutes ago I yielded to the gentleman from Pennsylvania [Mr. WALTER] when I was making some remarks relative to another matter and he made reference to an account in a New York newspaper with respect to one of the Democratic nominees for President of the United States. I am happy to say that Senator KENNEDY'S office has informed me that that report is not accurate, that now as in the past, he seeks support both for the nomination and the election, from all sections of our great country.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, the hour is late and I do not think I shall use the 10 minutes that my Chairman has so generously allotted me. There is quite a demand for time in view of the situation that developed yesterday. There are many things I think should be said, but I think instead I shall put my statement in the RECORD and direct my remarks to one or two points that are at issue this afternoon.

The question has arisen several times as to what the position of the industry was in reference to the suspension provision and to the forfeiture provision. I think the record should be abundantly clear that it was the position of the committee that for an infraction of the rules of the Commission and for other reasons as set forth in the bill, the Commission is admonished by the Committee on Interstate and Foreign Commerce to apply the forfeiture penalty for a lesser offense and before suspension or the revocation penalty.

There is some question on the part of the Members here this afternoon as to what the term "forfeiture" means, and that question has been discussed extensively. There was also a question as to what the impact of forfeiture would be on a licensee. There is a clear explanation. A forfeiture is simply a fine that the bill states the Commission may levy in their judgment up to $1,000 per day against any licensee who has violated the terms of his license, and for the other reasons as are clearly set out in the bill.

In further reference to suspension, it is my understanding that an amendment is going to be offered when we read the bill under the 5-minute rule. For your information, that will occur on page 21 of the bill in section 4. It will add that "for a willful and repeated violation" the Commission may suspend a license. The addition of those words, of course, would considerably lessen the impact of the provision. Of course I cannot state here with any assurance the amendment will be adopted. I understand there is no opposition on our side and the chairman, of course, will speak for the majority. I might add that the reasons given to the Commission for suspension are almost but not quite identical to the present provisions in the bill for revocation, and the reason for the separation of those two sections was at the suggestion of a distinguished member of the committee, the gentleman from Georgia [Mr. FLYNT]. He stated to the committee the reasons for suspension, as compared with the reasons for revocation, should be separated for clear legislative intent rather than for both to be in a single section of the bill, and the title reading "revocation and suspension."

There are many other provisions of the bill that I think have been adequately discussed. In addition, there is no question I know of about the other provisions, so I think we need not dwell on them longer.

You have, I know, received some inquiries from your local radio stations, some letters of comment, and perhaps admonition opposing these two sections of the bill. I think primarily from small broadcasters, and I am thinking primarily of radio broadcasters, who were very adamant in their opposition to this section until the forfeiture section had been added to the bill. Originally that section was not in the bill.

The bill originally provided that the least penalty was suspension, then revocation. Now, of course, the intended order of the sanction would be in this order: a forfeiture, this being up to $1,000 a day, then suspension up to 10 days, and then, of course, the ultimate penalty would be revocation itself.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I will be happy to yield to my friend from Iowa, who I understand is an expert and has considerable experience in the field of radio broadcasting.

Mr. KYL. I thank the gentleman. The gentleman from Iowa has been associated with these institutions but not financially in any way.

In the very excellent hearings held by the committee of which the gentleman is a member, did you uncover any gross irregularities or violations of consequence insofar as the smaller operations of the industry are concerned?

Mr. AVERY. Let me respond to the gentleman from Iowa in this manner. It is a little hard to give him a direct answer. Payola and quiz show violations were generally confined to the ma-

jor markets. The answer to the gentleman's question in that respect is, "No." Those violations were not in the smaller operations.

With respect to other possible infractions of existing law or of Commission rules, why—yes—the possibility is probably greater in the smaller stations—but certainly not by intent but usually by dereliction. You must keep this in mind. The major market licenses are extremely valuable. That would apply equally so to television and radio licenses, and because they are so extremely valuable, you can depend on the owners of those licenses not chancing any infractions. They will provide the necessary legal advice and enough talent available to assure that their operations are always going to be within the provisions of their licenses and within the regulations and rules of the Commission. When you examine the smaller operations, and I am not personally familiar with them, but I understand normally there is an engineer, an announcer, and a newscaster or maybe one person who might perform all three of those functions. So, of course, under this operation there could be a greater possibility of a minor infraction, but I know of no case where it was done willfully or where it was repeated.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to my chairman.

Mr. HARRIS. I think in order to be correct, in answer to the question of the gentleman from Iowa, we did find there were some small radio stations who were involved with the so-called payola question. As a matter of fact, there were some of them right near Washington that were involved and had a tie-in with some Boston stations where that program came from, and the disc jockeys operating were a part of that operation. We had some of these people here as witnesses in connection with that program. I might say there are a number of small stations which the Communications Commission has information on, that did engage in violations of section 317 and they are holding up some of the licenses on renewal pending investigation at this time.

Mr. AVERY. Yes. I think probably the only difference between the chairman and myself comes back to the definition of the word "small." In my opinion, and I am not citing in detail from the record, but it is necessary to have a metropolitan market before it can be attractive or conducive to the practice. It might be a small station or a small operation, but at the same time, however, my chairman would probably agree it would have to be in a metropolitan market.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from North Carolina.

Mr. JONAS. I have asked the gentleman to yield at this time because I want to suggest to the chairman of the committee that on page 24 I have in mind offering an amendment on Monday, under the 5-minute rule, and I would like to request his consideration of it over the week-end, if we do not return to the consideration of this bill until Monday. My objection to this section on page 24 is that the commission is given authority to impose a $1,000-a-day fine on a licensee or permittee without giving him any notice that he is in violation of anything. On line 13, after the words "United States" I think, and I suggest this most respectfully to the committee, that some such proviso as this should be inserted after the words "United States" and those words are "and such failure for violation continues for (let us say) 5 days after written notice is served upon him by the Commissioner."

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. AVERY. Mr. Chairman, I hesitate to cut the gentleman off, but since my time is pretty well consumed, I have one other point I would like to make.

Because of the disclosures over quiz shows and payola, by the Oversight Committee, the entire broadcasting industry was cast in a most unfavorable light during the closing months of 1959 and early in this year. It was not unusual to daily read in the newspaper that some person, in or out of public office, would speak out against the industry and demand that all sorts of legislative and judicial sanction should be applied. I frequently heard the statement that "Congress must do something to restore the confidence of the American people in the broadcast industry." Frankly, I do not believe the American people ever lost confidence in the broadcasting industry any more than they lost confidence in professional baseball despite a few unfortunate incidents that developed in the growth and development of that great all-American sport.

You might reflect for a minute on how many letters you have received from your constituents urging you to work for the passage of this bill. There is the continuing objection to commercials as a part of the format of a broadcast program, both as to frequency and as to content. There is nothing in this bill to lend relief to that objection; it could make it worse.

I am further convinced that there were several groups, economic and political, who reasoned that the impact of the quiz shows and payola charges had the industry in such a defensive position that they were proceeding on the principle of "striking while the iron was hot" so to speak, in the way of invoking controls and restrictions on broadcasting, even including program control.

I was somewhat disappointed that the industry did not defend itself more vigorously against these charges. In view of the tabulation of the extent of payola, the broadcasting industry could have made a good case for itself.

In the first place, only a few major markets contained the characteristics and necessary ingredients to make payola work. For instance, there are about 3,500 AM stations in the United States, and it is calculated there are about that many diskjockeys, with only about 1,000 of them working in markets conducive to a payola practice. Of this number, it has been established that 207 individuals and 12 licensees had accepted any payments. These are small percentages for the overall industry and it is unfair to virtually indict the entire industry.

Although it is not a matter of record—hearing record—I am further advised that many songwriters, artists, and producers have made promotional payments for many years, but until relatively recently it has not been considered any violation of any Federal or State law. Since licenses are awarded only under conditions authorized by the Congress and the airwaves have been preempted as public domain, Congress is taking action to stop this practice. The broadcasters want it stopped as it would appear to me every subterfuge adopted by the program directors, diskjockeys, and so forth, to accept a payment or favor, is depriving the licensee of some potential revenue by the usual commercial sold by the industry. Again, I suggest that the industry can point to the fact with considerable satisfaction that only 12 licensees were involved in the practice, less than three-tenths of 1 percent.

In other words, these undesirable practices were carried on largely outside of the knowledge and consent of the licensee. New subsection (b) to section 317, would require the employee or person connected with the station to notify the station and announcement made as though the station had received the payment. This places the responsibility of announcing all payments received by the program directors, other employees, and the licensee for broadcast material.

This bill should pass, Mr. Chairman, but the House should understand that it in no way is designed to censor or otherwise regulate broadcast programing. If I thought there was even a remote possibility of such program control, I should be in the well of the House urging you to vote against this legislation. There is no distinction between censoring and program control any more than there is a difference between censorship and a controlled press. It should always remain the responsibility of this body to protect forever the right of freedom of speech through this media as long as it does not violate the specific prohibition now in the Federal Communications Commission Act; namely, profanity, obscenity, or games of chance.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HARRIS. Mr. Chairman, will the gentleman yield me 1 minute?

Mr. BENNETT of Michigan. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I have asked for this time to answer the gentleman from North Carolina.

Certainly we will be glad to consider the suggestion of the gentleman from North Carolina, but I think when we get to it and I have opportunity to explain how the forfeiture works the gentleman will understand it better.

The forfeiture clause, incidentally, was proposed by the gentleman from Kansas [Mr. AVERY], a member of the committee. The way the forfeiture works being applied by the Commission, will, of course, put the man on notice.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. JONAS. All I know, of course, is what the bill says.

Mr. HARRIS. I realize that, but when we get to explaining and discussing it I am sure we will clear it up for the gentleman.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HARRIS. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. MACDONALD].

Mr. MACDONALD. Mr. Chairman, I thank the gentleman for yielding me this time which I desire in order to clear up some statements that were made on the floor earlier this afternoon.

I have here a statement which was released today by the junior Senator from my State, Massachusetts, concerning the matter which was discussed by the gentleman from Pennsylvania and the gentleman from Louisiana this morning:

In answer to a number of newspaper inquiries, Pierre Salinger, press secretary for Senator KENNEDY, issued the following statement:

"Senator KENNEDY yesterday in New York, in answer to a question, stated that he expected that almost all of the delegates from the Southern States will be pledged in support of Senator JOHNSON at the Democratic Convention in Los Angeles. This has been made clear by Senator JOHNSON as well as many of the leaders of southern delegations.

"He said despite the fact that he, Senator KENNEDY, had little delegate support from the South, he hoped and expected that he would win the nomination. This is a statement that he has made on several occasions in the past.

"Senator KENNEDY has always made it clear that he would be happy to receive the help and support of delegates from any section of the country. Furthermore, he hopes that if he is successful in receiving the nomination in Los Angeles, that he will have the help and assistance of a united Democratic Party in all sections of the country—North, South, East, and West."

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HARRIS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD. I yield to the distinguished majority leader.

Mr. McCORMACK. Of course we Democrats in Massachusetts know, with most of the newspapers Republican, that they distort what Democrats say in order to try to create misconception, confusion, and bring about division.

I knew after reading the newspaper that Senator KENNEDY never made that statement; I knew he was misquoted and taken out of context. But we in Massachusetts have had experience with that from the Republican press. However, we at least expect intellectual honesty at the national level.

Mr. MACDONALD. I agree with the gentleman.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Is a Democratic convention being held this afternoon in the Chamber, or will it be held next month?

The CHAIRMAN. The Chair will state to the gentleman that that is not a parliamentary inquiry.

Mr. HARRIS. Mr. Chairman, I move that the Committee do now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ELLIOTT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act, had come to no resolution thereon.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS for 10 minutes tomorrow.

Mr. CONTE (at the request of Mr. CHAMBERLAIN) for 30 minutes on June 30.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

The following Member (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. SHIPLEY in three instances.

The following Members (at the request of Mr. CHAMBERLAIN) and to include extraneous matter:

Mr. DAGUE.

Mr. DOOLEY.

Mr. BERRY.

Mr. CAHILL.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 609. An act for the relief of the estate of Gregory J. Kessenich; to the Committee on the Judiciary.

S. 817. An act for the relief of Freda Feller; to the Committee on the Judiciary.

S. 2131. An act to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia approved May 25, 1954, as amended; to the Committee on the District of Columbia.

S. 2581. An act to amend the Act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen; to the Committee on Government Operations.

S. 2692. An act to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and facilities, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the general welfare, and for other purposes; to the Committee on Merchant Marine and Fisheries.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1516. An act for the relief of Juan D. Quintos, Jaime Hernandez, Delfin Buencamino, Soledad Gomez, Nieves G. Argonza, Felididad G. Sarayba, Carmen Vda de Gomez, Perfecta B. Quintos, and Bienvenida San Agustin;

H.R. 1600. An act for the relief of Francis M. Haischer;

H.R. 4251. An act to amend the Internal Revenue Code of 1954 with respect to the limitation on the deduction of exploration expenditures;

H.R. 5033. An act for the relief of Betty Keenan;

H.R. 6712. An act for the relief of Sam J. Buzzanca;

H.R. 9921. An act to validate certain payments of additional pay for sea duty made to members and former members of the United States Coast Guard;

H.R. 10569. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1961, and for other purposes; and

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2618. An act to authorize the exchange of certain war-built vessels for more modern and efficient war-built vessels owned by the United States.

LIFE AND TIME MAGAZINES

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. RHODES] is recognized for 60 minutes.

Mr. RHODES of Pennsylvania. Mr. Speaker, I regret that it was not possible for me to address the House as I planned.

I requested this time to discuss the intellectual dishonesty of the publishers of Life and Time magazines and to give some facts, figures, and information to prove my charge.

I have been granted a special order for next Tuesday when I will make the remarks I planned for today.

I welcome my colleagues to participate in this discussion next Tuesday. My remarks made last Friday on this subject were given the silent treatment in the press. Members who did not hear or read this statement will find it in the RECORD of Friday, June 17, on page 13170.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Will the gentleman withhold that for a moment?

Mr. HOFFMAN of Michigan. I withhold it.

DISTRICT OF COLUMBIA COMMITTEE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight Saturday night to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MORSE AS U.N. DELEGATE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, the President has appointed Senator WAYNE MORSE of my State of Oregon as a member of the American delegation to the forthcoming session of the United Nations General Assembly.

This appointment is a source of real pride to the State of Oregon, and to me as one of its Representatives. Senator MORSE'S unyielding devotion to the cause of world peace, and the authority with which he speaks as a nationally recognized student of international law, qualify him superbly for this vital assignment. His membership on the Senate Foreign Relations Committee, and his service as Chairman of the Latin-American Affairs Subcommittee have given him insights into both the objectives and the implications of our foreign policy which can be equalled by few appointees to Assembly delegations, and surpassed by none.

Senator MORSE'S splendid record of service to his country will be further enhanced by his service at the General Assembly.

In the Salem, Oreg., Statesman for June 17, 1960, there appeared an editorial in regard to Senator MORSE'S appointment. This editorial's significance is increased by the fact that the editor of the Statesman, the Honorable Charles Sprague, was himself an outstanding member of the U.S. delegation to the 7th General Assembly in 1952. Former Governor Sprague's commendation of Senator MORSE'S appointment is, for this reason, of particular importance.

The editorial reads as follows:

MORSE AS U.N. DELEGATE

Senator WAYNE L. MORSE, of Oregon, has been nominated by President Eisenhower to serve as delegate to the forthcoming session of United Nations General Assembly. It has been the custom to pick 2 of the 10 delegates and alternates from either the Senate Foreign Relations Committee or the House Foreign Affairs Committee. The Senate Committee has its turn this year, and MORSE is in line on point of seniority on the committee. His colleague will be Senator GEORGE AIKEN of Vermont.

This is a fine position for MORSE, giving him an opportunity to employ his great capabilities in a field where he has been specially interested—international affairs. Some concern has been expressed over whether he will "kick the traces" in his assignment which puts him under the authority of the President and the State Department. We do not think he will. A delegate is in the same position as an ambassador: he carries out the policy laid down by the State Department. This doesn't mean the delegate is merely an echo. In practice the whole delegation meets at regular intervals, goes over the matters which are current, debates procedures, and a delegate is free to express his opinions on policies. In the end the decision of the State Department or the White House, if the issue is carried that far, prevails for there can be no division in representing our Government's position. Senator MORSE will respect that. If his views are greatly at variance with the Department's he will ask for another agenda item in another committee.

MORSE has indicated his desire to put in his licks to promote world peace through extending the judicial process. As a principal mover of the bill for adherence to the World Court he has long worked for establishment of a system of world law enforced through a court system. At the U.N. General Assembly he will be in daily contact with delegates from other nations who have similar interests.

Last year Senator and Mrs. Morse made a trip to Latin American countries in pursuit of his duties as member of the Foreign Relations Committee. His report was a frank yet temperate document which pointed out problems in our relations to these countries and ways for improving them. Now that he is on the sidelines in the Democratic presidential hassle he can concentrate on the work of his fall assignment. He has an opportunity for constructive service.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from Florida.

THE UNITED STATES, LEADER OF THE FREE WORLD

Mr. ROGERS of Florida. Mr. Speaker, the United States lays claim, and I believe rightfully so, to the title of leader of the free world. This claim of leadership has been recognized and acknowledged by free men everywhere.

We have not come by this title through passiveness and inactivity: on the contrary, we are leaders today because down through the years we have waged a relentless campaign against those forces of political, economic and military aggression which sought to work their will on free men, wherever they have existed.

We are leaders because we have developed and used the tools of enlightened leadership at our disposal; the resources of our Nation and the stamina and initiative of our people welded together with a sense of responsibility.

We are leaders because our democratic way of life holds out hope to a world beset with turmoil and uncertainty.

We have not risen to this position of trust and respect because we lacked foresightedness and initiative: rather, in the past we have been quick to recognize danger for what it was and to take positive, determined actions to counteract it.

The need for positive, determined action on our part was never more obvious than it is today with respect to the decidedly pro-Communist tendencies of the present Cuban regime. Relations between the United States and the present Cuban Government have suffered rapid and serious deterioration to the point where the historical ties of friendship which have always bound us to the people of Cuba have been strained almost beyond repair.

An anti-Democratic, pro-Soviet line has been in evidence almost since Castro's revolutionary movement succeeded in ousting the dictator Batista and his followers. Since that time, Castro has heaped indignity after insult on the United States in a series of incessant, irresponsible harangues evidently designed to focus the attention of the free world away from his own now apparent objectives. He has surrounded himself with a group of professional revolutionaries and agitators, a number of whom are known graduates of the Kremlin schools of political warfare. Under the guise of liberators, he and his underlings seek to foment revolution and discontent among other Latin American Republics. He has shown an utter disregard for the truth, seeking instead by intimidation, fabrication, and innuendo, to brand the United States as an oppressor nation in the eyes of the world.

The Communist pattern of take-over is marked and unmistakable. The prompt elections promised during the revolution have not materialized and are not expected to in the foreseeable future. Schools have become vehicles for the dissemination of Communist propaganda. The church, always one of the most deeply rooted institutions south of the border, has denounced the pro-Communist leanings of the revolutionary government time and time again. Anyone who dares to criticize or oppose the activities of the government is promptly branded as a "counterrevolutionary" and imprisoned or executed after a "circus" atmosphere trial which makes a mockery of justice. The press and radio have ceased to exist as free entities despite Castro's previctory promises of "free and untrammeled" communications. It is all too apparent that the so-called political revolution is, in truth, an anti-Democratic revolution aimed at establishing a Communist stronghold in the Western Hemisphere a scant 90 miles from our coast.

Throughout this hate-America campaign, our official position has been characterized by remarkable restraint. Our attempts to resolve the difficulties arising from actions of the revolutionary government through the respected methods of diplomatic negotiation have been rebuffed at every turn. When American investments in Cuba were, in effect, confiscated, Castro replied to official notes of protest that U.S. investors would be reimbursed with Cuban bonds. To date, no investor has been reimbursed and the bonds are considered by experts to be virtually worthless.

A series of notes on subjects ranging in scope from our position on Guantanamo Bay to our arms policy have been presented to Castro, who has, without exception, either ignored, or rejected, their contents.

On at least two occasions, Ambassador Bonsal has been recalled for high-level talks on the overall situation in Cuba and each time these conferences have resulted in a reaffirmation of a no-change "wait and see," "note negotiation" policy.

Congressional demands for economic sanctions have been stayed thus far by State Department reassurances that a number of alternative proposals were under consideration. At the same time Castro continues to conclude agreements with the Soviets and their satellites using sugar as political specie.

Mr. Speaker, I do not pretend for a moment that the situation we face in Cuba is easy of solution. I fully appreciate the delicacy of our position.

My point is this—by adhering to a "note-negotiation" policy in the face of mounting tensions and open Communist activity, are we really providing the type of leadership which the free world has come to know and expect?

It seems to me that such a policy is based on the hopeful assumption that the Castro regime is a transient thing—here today, gone tomorrow, so to speak. Such a policy does not take into account the fact that the revolutionary government has effectively stifled freedom of the press, radio and other media of communication, and has engaged in systematic elimination of all those who have dared to speak out in opposition.

It would seem, then, that if Castro is able to perpetuate his regime in such a climate of suppression and force, free nations of the Western Hemisphere must devise other means to cope with the spread of the ideology which his government seeks to foster on this continent.

Thus far, the United States has strictly adhered to a policy of nonintervention in the domestic affairs of Cuba even in the face of such provocation as we have been subjected to.

The rapid spread of Communist activity in Cuba, however, has grown to such proportions that it has transcended the realm of Cuban-American relations and now threatens the collective security of the entire hemisphere.

I would suggest a course of multilateral action through the Organization of American States designed to stem the spread of communism in the Western Hemisphere before it gains a substantial foothold. It must be remembered that some of the other nations in this hemisphere are a good deal more vulnerable than we are because, in many instances, they lack economic and military strength comparable to our own. These nations are the real targets of this insidious conspiracy.

I would ask that our Secretary of State immediately request a meeting of consultation of Ministers of Foreign Affairs of American States in accordance with the charter of the Organization of American States for the avowed purpose of considering collective action necessary for defense against the aggressive activities of international communism. It is my feeling that further delay in instituting concerted action is not consistent with our position as leader of the free world. It is not unreasonable to speculate that the smaller nations in Latin America have been waiting patiently for us to initiate positive action. As the leader of the free world, they have every right to expect positive action from us. Further delay might well result in a misinterpretation of our objectives or a loss of respect for our leadership ability. If we are leaders, we must lead rather than wait for another nation to take the initiative—and then simply follow.

The nations of the Western Hemisphere must take official cognizance that the threat of communism from the Cuban beachhead is of an immediate and urgent nature and proceed to formulate a plan for concerted action. Such a meeting as I propose could do this effectively.

Since the formation of the Organization of American States, five such meetings of consultation have been convoked to consider urgent matters. The meeting of 1951 in Washington was called for the express purpose of considering prompt action by the republics of the Western Hemisphere for common defense against the international Communist conspiracy. At that time, primary concern was centered on the Korean conflict and the situation with respect to the present condition in Latin America was not yet in evidence.

I submit that the situation which prevails today is every bit as urgent as that which prompted the meeting in 1951. That meeting resulted in the further solidification of the Republics of this hemisphere in their determination to resist communism and I feel that a reaffirmation of that sentiment together with a concrete plan for molding this sentiment into an effective anti-Communist program is of the upmost importance.

I am today submitting a resolution expressing the sense of Congress that such a meeting as I have outlined be called immediately for the purposes stated. The time for positive unified action is past due. The free peoples of this hemisphere cannot afford to let the proposed August visit of the Soviet leader to the land he hopes to dominate go unnoticed and unanswered.

Mr. HOFFMAN of Michigan. Mr. Speaker, I will either have to make a point of order now or withdraw them all, unless being assured that there will be no unanimous-consent request that we meet tomorrow before 12. Now, if they make it, I am going to insist, because there are 60 minutes here and this 30 minutes, and I understand the gentleman will extend his remarks.

The SPEAKER. Will the gentleman from Pennsylvania yield for presenting personal requests?

Mr. RHODES of Pennsylvania. I yield to the distinguished Speaker.

Mr. McCORMACK. The gentleman from Michigan knows, or he ought to know, that he is on sufficient speaking terms with me, although at times I doubt whether I am with him, that he could come over and ask me if I was going to make that request again. I was sort of sitting here with amusement, because I said I will stay around here and let the gentleman hang around—a little punishment, a little purgatory.

Mr. HOFFMAN of Michigan. I thought that was the purpose.

Mr. McCORMACK. Sure. You deserve it. Now, if you ask me, the answer is, no, I do not intend to do it, and I would not do it unless you tell me——

Mr. HOFFMAN of Michigan. I am not running over there. You can be assured of that.

Mr. McCORMACK. You are asking me more than coming over. If you were a gentleman, you would have reserved the right to object.

Mr. HOFFMAN of Michigan. Never mind about the gentleman business. You claim to be a gentleman.

Mr. McCORMACK. The gentleman at least could have reserved the right to object when a unanimous-consent request is made without saying "I object."

Mr. HOFFMAN of Michigan. That is right.

Mr. McCORMACK. Outside I will tell you what I think of such a person.

Mr. HOFFMAN of Michigan. Well, you can tell me now if you want to, if you stay within the rules.

Mr. McCORMACK. I have too much respect for the House.

The SPEAKER. The gentleman from Pennsylvania has the floor.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MUMMA (at the request of Mr. DAGUE) on account of illness.

Mr. DAVIS of Georgia for 10 days on account of business in home district partly official, partly personal.

Mr. ROOSEVELT for June 25, 1960, on account of official business in his district.

Mr. WOLF for June 25, Saturday, and June 27, Monday, on account of official business.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 14 minutes p.m.) the House adjourned until tomorrow, June 25, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2297. A letter from the Acting Secretary of Labor, transmitting a report of a violation of section 3679(h) of the Revised Statutes, pursuant to section 3679(1)(2) of the Revised Statutes; to the Committee on Appropriations.

2298. A letter from the Acting Secretary of the Treasury, transmitting a report of the U.S. Secret Service covering restoration of balances withdrawn from appropriation and fund accounts under the control of the Treasury Department, pursuant to section 1(a)(2) of the act of July 25, 1956 (70 Stat. 648) (31 U.S.C. 701(a)(2)), 84th Congress; to the Committee on Government Operations.

2299. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 1, 1960, submitting an interim report, together with accompanying papers and illustrations, on Chicopee River Basin, Mass., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted September 14, 1955, and authorized by the Flood Control Act, approved August 28, 1937 (H. Doc. No. 434); to the Committee on Public Works and ordered to be printed with five illustrations.

2300. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 1, 1960, submitting a report, together with accompanying papers and illustrations, on a survey of fresh water bayou and vicinity, Louisiana, made in partial response to the Flood Control Act, approved December 22, 1944, and the River and Harbor Act, approved March 2, 1945 (H. Doc. No. 435); to the Committee on Public Works and ordered to be printed with two illustrations.

2301. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 1, 1960, submitting a report, together with accompanying papers and an illustration, on a review of reports on Calcasieu River and Pass, La., requested by resolutions of the Committee on Public Works, U.S. Senate and House of Representatives, adopted on June 4, 1956 and June 27, 1956 (H. Doc. No. 436); to the Committee on Public Works and ordered to be printed with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WILLIS: Committee on the Judiciary. S. 1806. An act to revise title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles"; with amendment (Rept. No. 1975). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 3160. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the State of Idaho as a Territory; without amendment (Rept. No. 1976). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 3532. An act to provide for the striking of medal in commemoration of Century 21 Exposition to be held in Seattle, Wash.; without amendment (Rept. No. 1977). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 713. Joint resolution to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes; without amendment (Rept. No. 1978). Referred to the Committee of the Whole House on the State of the Union.

Mr. DULSKI: Committee on Post Office and Civil Service. H.R. 12336. A bill to amend section 507 of the Classification Act of 1949, as amended, with respect to the preservation of basic compensation in downgrading actions; without amendment (Rept. No. 1979). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Eighteenth report on land appraisal practices; without amendment (Rept. No. 1980). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Post Office and Civil Service. H.R. 543. A bill to amend the Classification Act of 1949, as amended, to provide a formula for guaranteeing a minimum increase when an employee is promoted from one grade to another; with amendment (Rept. No. 1981). Referred to the Committee of the Whole House on the State of the Union.

Mr. DULSKI: Committee on Post Office and Civil Service. H.R. 12043. A bill to amend sections 22, 23, and 24, title 13, United States Code, and for other purposes; without amendment (Rept. No. 1982). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H.R. 11561. A bill to authorize and direct the Secretary of the Army to convey part of lock and dam No. 10, Kentucky River, Madison County, Ky., to the Pioneer National Monument Association for use as part of a historic site; without amendment (Rept. No. 1983). Referred to the Committee of the Whole House on the State of the Union.

Mr. PORTER: Committee on Post Office and Civil Service. H.R. 12663. A bill to preserve the rates of basic salary of postal field service employees in certain cases involving reductions in salary standing, and for other purposes; with amendment (Rept. No. 1984). Referred to the Committee of the Whole House on the State of the Union.

Mr. TRIMBLE: Committee on Rules. House Resolution 569. Resolution providing for consideration of H.R. 12759. A bill to amend title V of the Agricultural Act of 1949, as amended, and for other purposes; without amendment (Rept. No. 1989). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H.R. 2074. A bill for the relief of Eric and Ida Mae Hjerpe; without amendment (Rept. No. 1985). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6084. A bill for the relief of J. Butler Hyde; with amendment (Rept. No. 1986). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 9417. A bill for the relief of Harry Kaloian; with amendment (Rept. No. 1987). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 11756. A bill for the relief of Cato Bros., Inc.; with amendment (Rept. No. 1988). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER:

H.R. 12805. A bill to require detailed accounting by Members of the House of Representatives in the case of travel expenses, and for other purposes; to the Committee on House Administration.

By Mr. HENDERSON:

H.R. 12806. A bill to amend the Internal Revenue Code of 1954 by adding thereto a new chapter, to establish a sickness insurance account with respect to railroad employees, to amend the Social Security Act, and for other purposes; to the Committee on Ways and Means.

H.R. 12807. A bill to provide in certain cases for the payment of additional monthly insurance benefits under title II of the Social Security Act to the dependents of a disabled individual, where timely application for such benefits was in effect prevented by delays in the final determination of such individual's disability; to the Committee on Ways and Means.

By Mr. HULL:

H.R. 12808. A bill to authorize the erection of a memorial in the District of Columbia to Gen. John J. Pershing; to the Committee on House Administration.

By Mr. PHILBIN:

H.R. 12809. A bill to authorize a refund of social security taxes (and the cancellation of any wage credits resulting therefrom) in the case of a nonresident alien who is in the United States for a period of 5 years or less to obtain education or training; to the Committee on Ways and Means.

By Mr. BROCK:

H.R. 12810. A bill to amend title III of the act of March 3, 1933, commonly referred to as the Buy American Act, with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to the Committee on Public Works.

By Mr. FERNÓS-ISERN:

H.R. 12811. A bill to convey properties to the Commonwealth of Puerto Rico; to the Committee on Government Operations.

By Mr. MOORE:

H.R. 12812. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking Currency.

By Mr. McGINLEY:

H.R. 12813. A bill to amend the Budget and Accounting Act, 1921, to provide for the retirement of the public debt by setting aside the first 5 percent of the budget receipts of the United States for each fiscal year for the sole purpose of retirement of obligations counted as part of the public debt; to the Committee on Government Operations.

By Mr. ROGERS of Florida:

H. Con. Res. 704. Concurrent resolution expressing the sense of the Congress that the Secretary of State should promptly request that a meeting of consultation of Ministers of Foreign Affairs be called in accordance with the Charter of the Organization of American States to consider measures necessary for common defense against aggressive activities of international communism; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to propose to the people an amendment to the Constitution of the United States, or to call a convention for such purpose as provided by article V of the Constitution; which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOOLEY:

H.R. 12814. A bill for the relief of Domenica Riccobono; to the Committee on the Judiciary.

By Mrs. DWYER:

H.R. 12815. A bill for the relief of Boris Petrinovic; to the Committee on the Judiciary.

By Mr. HIESTAND:

H.R. 12816. A bill to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claim of George Edward Barnhart against the United States; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H.R. 12817. A bill for the relief of Bartolome Sorisantos Regino; to the Committee on the Judiciary.

By Mr. RAY:

H.R. 12818. A bill for the relief of Carmela Parisi; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 12819. A bill for the relief of Krystyna Teresa Kornak; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 12820. A bill for the relief of Nicholas E. Villareal; to the Committee on the Judiciary.

By Mr. TAYLOR:

H.R. 12821. A bill for the relief of A. N. Deringer, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

508. The SPEAKER presented a petition of Francis Jean Reuter, Charlottesville, Va., relative to a redress of grievance against agencies of the Government and asking for restitution and compensation, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Life Article Unfair

EXTENSION OF REMARKS
OF
HON. EDWIN B. DOOLEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1960

Mr. DOOLEY. Mr. Speaker, the derogatory article by Walter Pincus and Don Oberdorfer in a recent issue of Life magazine was a great disservice to the Congress.

Congressmen who have risked their lives on so-called junkets carrying them at times to such places as the Antarctic polar regions, often necessitating their flying through fog and storm over barren wastelands where the chance of survival if grounded would be remote, were pilloried for expenditures of a few dollars. Under careful analysis even the expenses in question could be properly accounted for save in one or two instances of fiscal abuse.

Since my name was mentioned in the Life magazine article I wish to point out that the dinner at the Orienta Beach Club, which was criticized by innuendo, was for some 20 people. The club insisted that the check be paid by a member, so consequently I paid the check and was reimbursed for it later on by the House Public Works Committee. This was a simple and honest business procedure and it reflected ill on no one. The Congressmen and the Congresswoman present paid to the committee their share for their spouses' expense on the cost of the meal. I was entitled to reimbursement as it was a legitimate committee expense.

When I spoke with Mr. Oberdorfer about the injustice of the article and the damage it had done to me by making me guilty by association, he explained that the only reason he mentioned my name was because he wanted to show that the committee dined at a club, this attitude being in keeping with his theme of expensive traveling and high living.

The Orienta Beach Club is one of the finest clubs in New York's Westchester County. It is strictly a family club where conservative living and entertaining is emphasized.

In order that those who are concerned about this affair should know the facts, I dispatched a letter to some of my friends in my constituency delineating various aspects of the trip and indicating why the expense was necessary. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 1960.

DEAR CONSTITUENT: Recently Life magazine carried a story on congressional spending.

I was mentioned and placed in a situation where, because of being included with other Congressmen who were pilloried by the printed word, I was regarded by some as guilty by association.

Let me clarify the issues as succinctly as I can.

First, I permitted the House Public Works Committee to hold a dinner meeting at the Orienta Beach Club on the occasion of one of its inspection trips because the club had the proper facilities and was close to the harbors and roads which were scheduled for inspection.

At the time I had two pieces of legislation pending in the House before the Public Works Committee. One had to do with the deepening of the East Basin at Mamaroneck Harbor and the other provided for a study of Port Chester Harbor.

Since it is a rule of the Orienta Beach Club that a member sponsor each party held there and pay for the same, I sent a check for the dinner costs. I was later reimbursed by the Public Works Committee, at the direction of the chairman of the committee, a perfectly honorable and normal transaction. However, Life magazine seems to attach some evil innuendo to this honorable piece of business.

I might mention that I did not bill the committee for the party which my wife gave for the wives of the Congressmen at the Stork Club earlier that day. She paid for that herself. We did not want or expect reimbursement. We felt it was our duty to be as hospitable and courteous to our friends as we could.

As for the payment of my wife's expenses. I have canceled checks for any and every expense she incurred as my companion on Congressional study trips. I always paid my bills for transportation, lodging, and sustenance as soon as the committee billed me. My checks were drawn to the order of the hotels at which we stayed, and to the railroads, ships, or airlines on which we traveled. These checks are available to any responsible person wishing to see them.

Let me add, by way of explanation, that if Congressmen do not travel in behalf of their committees they are liable to approve expenditures of vast sums of money needlessly because they cannot know the facts at first hand.

I have learned more about roadbuilding and public works by visiting the Ottawa Road Experimental Installation in Illinois, the harbors for which Federal funds are being sought, and the sites where public buildings are to be erected, costing millions of dollars, than by intensive reading of literature pertaining to the same.

In this complex world it is necessary for a Congressman to inspect certain sites and facilities in order to know his subject and to ascertain what is taking place in certain areas. Only a provincially minded person would try to decide on the wisdom of an expenditure without studying the facts thoroughly and seeing and knowing the project intimately.

I have no apology for the trips I made in behalf of my committee.

I have traveled by train, bus, plane, and car, often at great inconvenience and under trying circumstances. I feel it is part of my duty as a Congressman.

Travel is not new to me. I have seen much of the world, having taken a long trip to Africa, Europe, Scandinavia, South America, and the Antilles in 1938.

I feel that in serving my Public Works Committee I am serving my constituency and my country in accordance with my oath of office.

Sincerely yours,

EDWIN B. DOOLEY.

Great Distinction for the Lenker Family

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1960

Mr. BERRY. Mr. Speaker, I rise to call attention of the House to the fact that the South Dakota American Legion at their convention last week made history when they selected Bill Lenker, of Sioux Falls, as the American Legion department commander for South Dakota.

This is only the second time in the Legion history of the State that a father and son have held the position of State Commander. Commander Bill's father, Dr. Carle B. Lenker of Winner, held the position of department commander for South Dakota in 1926.

The other instance of both father and later the son serving as State Commander was in Indiana when former Gov. Robert E. Gates who was elected in 1932 saw his son elected in 1958.

Certainly, Mr. Speaker, this is a great distinction for the Lenker family.

Summits and Politics

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1960

Mr. DAGUE. Mr. Speaker, I am sure that every American citizen regardless of party is relieved that our President is back on American soil. And by the same token we have only regret that Mr. Eisenhower was pressured beyond his better judgment into embarking upon a global tour, even though his visits to foreign shores were for the purpose of persuading a troubled world of our peaceful intentions. What does amaze us, however, is the critical clamor now coming from certain Democrats whereas a few short months ago they were insisting that a summit meeting was imperative and implied that if Ike failed to cooperate the issue would be raised in the upcoming election.

In that connection my favorite columnist, David Lawrence, in a recent statement brought into focus the fact that a certain influential Senate Democrat, on January 30, 1959, criticized the administration for appearing unwilling to negotiate the issues dividing East and West. This same Democrat, according to Mr. Lawrence, also declared that the United States should be willing to explore the possibilities of arriving at some understanding with Red China that might lead to its recognition. And then Mr. Lawrence further reports that this same Democrat Senator became so enthusiastic about summit conferences that in March 1959 he declared that they should be held at least twice a year and on June 7, 1959, remarked that he could not see any great reason to fear a summit and talk things over. In the light of these Olympian observations from such an exalted Democrat authority the present criticism coming from that camp seems to smack of insincerity and carries with it the political tinge which I suppose we must tolerate in an election year.

But as Mr. Lawrence observes in that same article—

> The real concern, therefore, in international relations today—a disease that is eating away at the vitals of the democracies of the West—is interparty politics.

And while we are on politics we may as well dispose of a recent statement by Columnist Ralph McGill to this effect—

> The GOP farm policy is a liability. Its foreign policy is a shambles. The major asset of the Republican Party was that of one which would keep the world at peace.

Taking these observations one at a time, what farm policy is he talking about? Does he refer to the 90 percent support program sponsored by the Democrats under which the farmer took his greatest losses except during the periods of war when a lot of Americans were getting killed? Or does he mean the farm policy of lower supports and reduced controls advocated by the President which the overwhelming Democrat majority in both Houses have steadfastly refused to enact into law? Sure, our present farm policy is a liability, but it is a liability handed down from previous Democrat administrations.

And as for our foreign policy—here again we have an inheritance that was bequeathed to Ike by his Democrat predecessors. The greatest misfortune to befall the GOP was that it had to pick up the pieces left by the debacle at Teheran, Yalta, and Potsdam, while at the same time undertaking to contain a police action let loose by an inept Democrat Secretary of State who declared to the world that we had no intention of defending the Republic of Korea.

Finally, as for keeping the peace—in this era of the cold war an administration that can keep Americans from being fired upon in anger by other nations cannot properly be said to have failed to maintain the peace—albeit an uneasy one. And when we remember 1917–18, 1941–45, and 1950–52, we can only conclude that our Democrat critics are not talking from a position of strength and that from their previous record they are not the people that can be depended upon to lead us to that longed-for day when nations shall beat their swords into plowshares and their spears into pruning hooks.

Centennial of Theodor Herzl

EXTENSION OF REMARKS
OF
HON. WILLIAM T. CAHILL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1960

Mr. CAHILL. Mr. Speaker, May 2 marked the centennial birthday of Theodor Herzl, founder of the Zionist movement, prophet and martyr of modern Jewish nationhood.

The cause to which he gave his life was the achievement of a national home for the Jewish people who suffered persecution and oppression in lands less fortunate than ours. He inspired millions with the vision of a Jewish State restored to the family of nations. Through the Zionist organization which he created, Herzl's vision came to realization in the establishment of the Republic of Israel, whose 12th anniversary was also celebrated on May 2. In the wake of the terrible holocaust which decimated European Jewry in the Hitler era, there has arisen a vital center of Hebrew civilization in which the ancient Judaic concepts of justice and brotherhood are fused with Western ideals of equality and democratic freedom.

The name of Theodor Herzl will be enshrined in the hearts not only of his own people but of all men who rejoice in the doing of justice and the redressing of wrong.

In taking note of the centennial it is fitting to record our tribute to the memory of Theodor Herzl and to convey our felicitations to the Zionist Organization of America, which in the United States has carried aloft the banner of Herzl ever since the founding of the World Zionist Organization over six decades ago.

Effect of Importation of Machinery on the Domestic Economy

EXTENSION OF REMARKS
OF
HON. GEORGE E. SHIPLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1960

Mr. SHIPLEY. Mr. Speaker, a serious problem exists because of the unfair competition to the machinery industry on foreign-made machinery and I wish to mention at this time some of the effects such imports have on the U.S. economy and on the economy of the 23d Congressional District of Illinois which I represent.

Traditionally, the United States is a heavy exporter of machinery. However, in recent years imports have been growing. In the single year between 1958 and 1959 they rose from $472 million to $656 million or by 39 percent. In the same period exports remained almost stable. Much of the increase is the result of more modern, lower cost foreign industries rebuilt since World War II, many of them with the financial and technical aid of the United States. Not only do their products come in as imports and compete with domestic industries but they also compete with our exporters in foreign markets.

According to a study by the Department of Commerce, Illinois share of U.S. exports of nonelectrical machinery is one-seventh of the national total. About 11 percent of the Nation's electrical machinery output is located in Illinois. Her machinery industry thus is affected by increased imports, such as 1959 witnessed in industrial, office and printing machinery and in electrical apparatus imports. Furthermore, our machinery industry is experiencing more and more difficulty in competing in world markets.

One pertinent example is the recent award of a contract to Mitsubishi Shoji Kaisha, Ltd., of Japan, for a number of towing locomotives to be used in the Panama Canal Zone. It is true that the Japanese bid was well under the lowest American bid, that of the Plymouth, Ohio, Locomotive Works. Perhaps this is good business, but I quarrel with the idea that the Japanese were awarded the contract through fair and free competition. Our laws impose burdensome production costs upon business which, together with our high wages, makes the

term "free and fair competition" a mockery.

If our machinery industry is to survive, action must be taken to insure fair competition.

Imports are causing serious concern in our country. While exports increased only slightly less than the gross national product between 1950 and 1959, imports increased by 8 percentage points more than the increase in gross national product.

Dun's Review has recently completed a survey of the effects of imports on our economy. Both the members of their president's panel—representing 175 of the Nation's leading companies—and a random selection of 300 small manufacturers expect more serious competition from foreign imports in the next 5 years. Most of the panel members and the smaller companies polled believe that lower labor costs, less overhead, foreign government export subsidies, and low ocean freight rates account for the difference in costs. Many trace it primarily to lower wage costs, although there is diversity of opinion here. I am sorry to say that close to 40 percent of the presidents of large corporations on the panel reported that they plan to launch more foreign operations—licensing arrangements, new plants and expanded facilities abroad, joint operations with oversea manufacturers, and purchase of foreign concerns. I do not know how many of these are located in Illinois or if any are in my district, but I do know that this means the export of jobs from our borders and import competition. The smaller businesses must rely on increased efficiency, new products, automation, and greater production. The increase in imports of finished manufactures, which in 1950 constituted about 18 percent of total consumption imports, accounted for about 34 percent of import transactions in 1959. Together with semimanufactures, they accounted for over half of U.S. imports by value. This is a grave portent for my congressional district and for the State of Illinois.

For all these reasons, I feel that concrete action should be taken immediately to alleviate such conditions.

Effect of Importation of Leather Footwear on the Domestic Economy

EXTENSION OF REMARKS

OF

HON. GEORGE E. SHIPLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1960

Mr. SHIPLEY. Mr. Speaker, I would like to take this opportunity to briefly point out the effects of imports of leather footwear on the economy of the United States, and the serious consequences for American shoe workers and their employers.

More than 5,500 people in my district are directly employed in the manufacture of leather footwear.

This is an industry which has felt the full effect of import competition. From about 3.6 million pairs in 1949 imports had jumped to 80.5 million in 1959. Practically all of this increase has come since 1954.

During this same decade our exports of all types of footwear have been dropping. In 1949 we exported 5.759 million pairs; in 1959 fewer than 3.75 million pairs. Statistically, in 1949 we exported six-tenths of a pair of footwear for each pair imported, while in 1959 we imported over 21 pairs for each pair exported. Truly this is a phenomenal increase. Imports of nonrubber footwear have grown from slightly more than 1 percent of our production in 1954 to 3.52 percent in 1959. The number of pairs of women's, misses', children's, and infants' leather shoes imported in 1959 was over 12 times as large as in 1954 and about 2½ times as large as in 1957 while for men's and boys' shoes the comparable figures were 8 times and 2 times.

In December 1959 the Department of Commerce reported that it saw no indication of any halt in the increase of shoe imports; in fact, it stated, "There is good reason to believe that shoe imports during 1960 will be 10 percent higher than in 1959."

This is cause for serious concern to the economy of the United States and to the 23d Congressional District of Illinois.

Imports are causing serious concern in our country. While exports increased only slightly less than the gross national product between 1950 and 1959, imports increased by 8 percentage points more than the increase in gross national product.

Dun's review has recently completed a survey of the effects of imports on our economy. Both the members of their president's panel—representing 175 of the Nation's leading companies—and a random selection of 300 small manufacturers expect more serious competition from foreign imports in the next 5 years. Most of the panel members and the smaller companies polled believe that lower labor costs, less overhead, foreign government export subsidies and low ocean freight rates account for the difference in costs. Many trace it primarily to lower wage costs although there is diversity of opinion here. I am sorry to say that close to 40 percent of the presidents of large corporations on the panel reported that they plan to launch more foreign operations: Licensing arrangements, new plants and expanded facilities abroad, joint operations with oversea manufacturers, and purchase of foreign concerns. I do not know how many of these are located in Illinois or if any are in my district, but I do know that this means the export of jobs from our borders and import competition. The smaller businesses must rely on increased efficiency, new products, automation and greater production. The increase in imports of finished manufactures, which in 1950 constituted about 18 percent of total consumption imports, accounted for about 34 percent of import transactions in 1959. Together with semimanufactures they accounted for over half of U.S. imports by value. This is a grave portent for my congressional district and for the State of Illinois.

For all these reasons, I feel that concrete action should be taken immediately to alleviate such conditions.

The following is an example of many resolutions which I have received from my congressional district:

Whereas it has become known that the American shoe manufacturing business, generally, and that of the Moran Shoe Co. of Carlyle, Ill., particularly, is imperiled by reason of unrestrained importation of foreign manufactured shoes; and

Whereas said foreign-made shoes are produced upon such an extremely low cost basis that they can be sold in this country in harmful competition with American-made shoes; and

Whereas the healthy economy of our communities is dependent upon the Moran Shoe Co.: Now, therefore, be it

Resolved, That we protest against the importation of foreign-made shoes to be resold in the United States in competition with domestic-made shoes; be it further

Resolved, That a copy of this resolution be sent to our two Senators and the Congressman of this district.

(Endorsed by: Ruf-Marcham Post 404, the American Legion, Carlyle, Ill.; city clerk of Carlyle, Ill.; Veterans of Foreign Wars, Carlyle, Ill.; Ladies Auxiliary to Veterans of Foreign Wars, Post 3523, Carlyle, Ill.; village clerk of Bartelso, Ill.; village clerk of Germantown, Ill.; village clerk of Huey, Ill.)

Effect of Importation of Shirts on the Domestic Economy

EXTENSION OF REMARKS

OF

HON. GEORGE E. SHIPLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1960

Mr. SHIPLEY. Mr. Speaker, the effects of imports of shirts on the economy of the United States is most serious, resulting in the millions of dollars' loss in local, State, and Federal taxes, an increase in unemployment and welfare costs, decrease in millions of yards of goods in the purchase of domestic textiles with much less raw cotton purchased from the growers. Southern Illinois is a wonderful place to live and industry has no small part in making this possible. Increased imports, particularly from Japan and other Asian countries, is of serious concern to our textile industry which should not be subjected to this unfair competition.

In the textile industry there is serious concern regarding increased imports, particularly from Japan and other Asian countries. It seems to me that there is adequate cause for alarm.

Approximately 5,775 persons in Illinois apparel and related products industry worked for firms engaged in the manufacture of men's and boys' furnishings of men's and boys' shirts and nightwear in 1956. Imports into the United States totaled $6.9 million in 1956. Last summer the Executive Board of the Amalgamated Clothing Workers of America

reported that imports of shirts had increased eightfold since 1954 most of the increase coming from the Far East. This may sound like a small amount, but from March to September 1959 in the small sector of cotton shirts imports from Hong Kong increased sixfold. In February 1960 an estimate was made that such shirts were coming into the United States from Hong Kong alone at a rate of 30 million shirts a year. With Japan we have set a quota on imports of cotton shirts at a level about 1 million dozen a year. The segment of Hong Kong producers agreeable to a quota have demanded a figure higher than that of Japan. Present estimates indicate that the ratio of imports from Japan and Hong Kong equals 12 percent of U.S. production. Fears have been expressed that Japanese and Hong Kong quotas will be ineffective because other low-cost areas such as Formosa, Portugal, and Spain will immediately increase their exports to us. In 1958, 1.5 million dozen shirts were imported; the total for 1959 jumped to 2.41 million dozen.

Apparently we need a worldwide quota or some equalization of cost legislation to permit our shirt producers to compete with these low-cost foreign producers. The Clothing Workers' report I have cited above warned that "many thousands" of jobs in the textile industry are in jeopardy and I concur with their sentiment.

Imports are causing serious concern in our country. While exports increased only slightly less than the gross national product between 1950 and 1959, imports increased by 8 percentage points more than the increase in gross national product.

Dun's Review has recently completed a survey of the effects of imports on our economy. Both the members of their president's panel—representing 175 of the Nation's leading companies—and a random selection of 300 small manufacturers expect more serious competition from foreign imports in the next 5 years. Most of the panel members and the smaller companies polled believe that lower labor costs, less overhead, foreign government export subsidies and low ocean freight rates account for the difference in costs. Many trace it primarily to lower wage costs although there is diversity of opinion here. I am sorry to say that close to 40 percent of the presidents of large corporations on the panel reported that they plan to launch more foreign operations: licensing arrangements, new plants and expanded facilities abroad, joint operations with oversea manufacturers, and purchase of foreign concerns. I do not know how many of these are located in Illinois or if any are in my district, but I do know that this means the export of jobs from our borders and import competition. The smaller businesses must rely on increased efficiency, new products, automation, and greater production. The increase in imports of finished manufactures, which in 1950 constituted about 18 percent of total consumption imports, accounted for about 34 percent of import transactions in 1959. Together with semimanufactures they accounted for over half of U.S. imports by value. This is a grave portent for my congressional district and for the State of Illinois.

For all these reasons, I feel that concrete action should be taken immediately to alleviate such conditions.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 25, 1960

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Romans 13: 12: *Let us cast off the works of darkness and put on the armour of light.*

Our heavenly Father, as we again assemble for prayer, wilt Thou renew within us a sense of Thy nearness, touching our minds with a clearer insight, a wiser understanding, and a nobler humility.

Help us to keep our hearts sensitive to Thy leading for we are not sufficient to be our own guide and cannot carry on without Thy strength.

May we always put ourselves on the side of faith in Thy mercy and in the triumph of righteousness which we confess we are finding so difficult to do amid the miseries and the hard facts of life.

We earnestly beseech Thee to kindle within the soul of humanity a flame of lofty aspiration that will consume all the gross and cruel passions of selfishness and hatred.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 7966. An act to amend section 601 of title 38, United States Code, to provide for the furnishing of needed services of optometrists to veterans having service-connected eye conditions;

H.R. 10108. An act to authorize reimbursement of certain Veterans' Administration beneficiaries and their attendants for ferry fares, and bridge, road, and tunnel tolls; and

H.R. 10695. An act to provide for the rotation in oversea assignments of civilian employees under the Defense Establishment having career-conditional and career appointments in the competitive civil service, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 816. An act to set aside certain lands in Oklahoma for the Cheyenne and Arapaho Indians;

H.R. 8295. An act to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes; and

H.R. 8315. An act to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R–I, Missouri.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2399. An act to modernize the laws relating to contracts for the transportation of mail, and for other purposes;

S. 3415. An act to exempt from taxation certain property of the American Association of University Women, Inc., in the District of Columbia;

S. 3450. An act to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land-grant institutions;

S. 3557. An act to expand and extend the saline water conversion program under the direction of the Secretary of the Interior to provide for accelerated research, development, demonstration, and application of practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, and for other purposes; and

S.J. Res. 95. Joint resolution to provide for the acceleration of the various reforestation programs of the Department of Agriculture and the Department of the Interior, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1752. An act for the relief of Stamatina Kalpaka; and

S. 2443. An act for the relief of Edgar Harold Bradley.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 154]

Abbitt	Burdick	Fountain
Addonizio	Burleson	Frazier
Alexander	Cahill	Frelinghuysen
Alford	Canfield	Fulton
Alger	Carnahan	Gallagher
Anderson, Mont.	Casey	Garmatz
	Celler	Gary
Anfuso	Coffin	Gathings
Barden	Collier	Gavin
Barrett	Cooley	Giaimo
Barry	Curtis, Mo.	Gilbert
Bass, N.H.	Daniels	Granahan
Becker	Davis, Ga.	Green, Pa.
Bennett, Mich.	Derwinski	Griffin
Bentley	Dingell	Healey
Blitch	Donohue	Hébert
Boggs	Dorn, N.Y.	Hess
Bolton	Dorn, S.C.	Holifield
Bonner	Downing	Ikard
Bosch	Dulski	Irwin
Bowles	Durham	Jackson
Brewster	Fallon	Jennings
Broomfield	Farbstein	Kasem
Buckley	Fino	Kastenmeier
Budge	Fogarty	Kelly

Keogh	Morgan	Santangelo
Kilburn	Morris, Okla.	Schneebeli
Kitchin	Morrison	Scott
Knox	Moulder	Short
Lafore	Multer	Smith, Va.
Landrum	Mumma	Steed
Latta	Nix	Stratton
Lennon	O'Hara, Mich.	Teague, Calif.
Lesinski	O'Neill	Teague, Tex.
McFall	Oliver	Teller
McSween	Osmers	Thompson, La.
Machrowicz	Philbin	Thompson, N.J.
Madden	Pilcher	Thornberry
Magnuson	Pirnie	Wainwright
Martin	Powell	Watts
Mason	Preston	Westland
Merrow	Quigley	Whitener
Metcalf	Reece, Tenn.	Widnall
Michel	Robison	Willis
Miller, N.Y.	Rodino	Wolf
Minshall	Rogers, Tex.	Wright
Monagan	Roosevelt	Yates
Moore	Rostenkowski	Zelenko
Moorhead	St. George	

The SPEAKER. On this rollcall 284 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DISPOSITION OF CONTRIBUTIONS OF CERTAIN ANNUITANTS UNDER THE CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2857) to amend the Civil Service Retirement Act so as to provide for refunds of contributions in the case of annuitants whose length of service exceeds the amount necessary to provide the maximum annuity allowable under such act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. FORD. Mr. Speaker, reserving the right to object, yesterday when this bill was called on the Consent Calendar I asked that it be passed over for several reasons:

First. It is a somewhat complicated bill, therefore one that ought to be explained to the membership as a whole before being approved unanimously.

Second. I personally feel that since this proposed legislation does affect the retirement program of Members of Congress it ought to also be explained on the floor of the House.

For that reason I have reserved the right to object, and would respectfully request that the distinguished chairman of the Committee on Post Office and Civil Service give the membership an explanation of the proposed legislation.

Mr. MURRAY. Mr. Speaker, being aware of the careful attention always given by the House to legislation which may affect any benefits of Members of Congress, the Committee on Post Office and Civil Service has established the firm policy of very carefully scrutinizing bills of this kind which are referred to the committee.

This policy was followed in the consideration of S. 2857 and the committee amendment thereto. The public hearings on S. 2857 are printed. The official recommendations and advice of the U.S. Civil Service Commission were obtained on all of the provisions of the bill, both as referred to the committee and as reported. A total of four executive sessions were held on the provisions now contained in the committee amendment.

All of the provisions of the reported bill have the unanimous support of the subcommittees concerned and the bill, with the committee amendment—which strikes all after the enacting clause and inserts a new text—was reported unanimously by the committee.

The need for this legislation arises from the fact that the civil service retirement system was not extended to Members of Congress until the enactment of the Legislative Reorganization Act of 1946. The retirement system was established for the great majority of Federal employees 25 years earlier, in 1921.

It is not until an individual Member has served some years under the Retirement Act, and in many cases may be approaching retirement age, that the effect of the act on his rights—and any deficiencies—come to light.

Another important factor is that there is no maximum age limit for service in the Congress, whereas Government employees generally are subject to mandatory retirement at age 70. The provisions and the limitations in the Retirement Act generally are framed in contemplation of the service and retirement conditions applicable to the great majority of Government employees, whereas the situation is unique with respect to Members, who from time to time may complete service many years beyond the age at which Government employees must retire.

This legislation revises certain aspects of the retirement program to apply them more suitably where conditions develop which were not foreseen when the retirement program was extended to Members of Congress in 1946.

The first section of the committee amendment requires that retirement contributions made by any employee or Member after he has served long enough to earn maximum annuity benefits will be applied in liquidation of contributions due for any service during which he did not contribute to the retirement fund. Maximum annuity benefits are 80 percent of high 5-year average salary for an employee and 80 percent of final salary for a Member. If an individual's contributions after reaching the 80-percent maximum are more than enough to cover his noncontributory service, the balance will be deposited in the retirement fund as voluntary contributions to pay for further annuity benefits as now provided by law.

This provision of the committee amendment is more in keeping with the principles of our retirement system than the Senate-passed bill, which provided for cash refund, upon separation, of any excess contributions.

The committee amendment further provides deferred reduced-annuity entitlement at age 50 for Members separated before reaching such age but after completing 20 years of service, including 10 years of Member service; permits annuitants who are reemployed for 5 years to add the reemployed service to their prior service in computing their final annuity benefits; provides reduced-annuity entitlement, now applicable upon separation (other than by resignation or expulsion) after 20 years of service, to Members who have served in nine or more Congresses; and provides benefits for surviving widows of Members who died between February 29, 1948, and November 4, 1952—as now authorized for widows of Members who died on or after November 4, 1952.

I believe that there will be general agreement on approval of this legislation.

Mr. Speaker, I feel that this is meritorious legislation. It has been well considered by our committee, and I hope it will be approved by the House.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Michigan.

Mr. FORD. As I understand, this bill was considered by the subcommittee of the House Committee on Post Office and Civil Service and was unanimously agreed to by that subcommittee.

Mr. MURRAY. That is correct, and also unanimously agreed to by the full committee.

Mr. FORD. I might say that as an objector on the Consent Calendar, I did go into the merits of this legislation, and I believe that it is meritorious. I felt, however, that this explanation, indicating that the full committee as well as the subcommittee had unanimously agreed to this legislation, should be set forth on the floor of the House.

Mr. CORBETT. Mr. Speaker, if the gentleman will yield, it was an amendment in the subcommittee that affected the major portion of this bill. As the bill came from the Senate it provided that all payments into the retirement fund by Members who had achieved the maximum annuity would be returned to them. Our amendment simply provided that the money would not go back to the Member but would be utilized to pay for years of service for which no contribution had been paid; so the action of the full committee and the subcommittee, in conformance with the Civil Service ideas, was to keep the money moving on into the retirement fund, and letting the annuitant credit that money toward the payment for years for which contributions were not made.

Mr. FORD. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11 of the Civil Service Retirement Act, as amended, is amended by adding at the end thereof a new subsection as follows:

"(h) There shall be refunded to an employee or Member retiring under this Act, or to the survivor of a deceased employee or Member, any amounts deducted and withheld from the basic salary of such employee or Member from the first day of the first month which begins after he shall have performed

sufficient service (exclusive of any service which the employee or Member elects to eliminate for purposes of annuity computation under section 9) to entitle him to the maximum annuity provided by section 9, together with interest on such amounts at the rate of 3 per centum per annum compounded annually from the date of such deductions to the date of retirement or death."

SEC. 2. The amendment made by this Act shall be effective only with respect to employees or Members separated from the service after the date of enactment of this Act.

SEC. 3. Notwithstanding any other provision of law, refunds authorized by the amendment made by this Act shall be paid from the civil service retirement and disability fund.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That (a) section 11 of the Civil Service Retirement Act (5 U.S.C. 2261) is amended by adding at the end thereof a new subsection as follows:

"'(h) Any amounts deducted and withheld from the basic salary of an employee or Member from the first day of the first month which begins after he shall have performed sufficient service (exclusive of any service which the employee or Member elects to eliminate for purposes of annuity computation under section 9) to entitle him to the maximum annuity provided by section 9, together with interest on such amounts at the rate of 3 per centum per anum compounded annually from the date of such deductions to the date of retirement or death, shall be applied toward any deposit due under section 4, and any balance not so required shall be deemed to be a voluntary contribution for the purposes of section 12.'

"(b) The amendment made by subsection (a) of this section shall be effective only with respect to employees or Members separated from the service after the date of enactment of this Act.

"SEC. 2. (a) Section 8(b) of the Civil Service Retirement Act (5 U.S.C. 2258(b)) is amended by adding at the end thereof the following new sentence: 'Any Member who is separated from the service after completing twenty or more years of service (including ten or more years of Member service) may be paid a reduced annuity beginning at the age of fifty years, computed as provided in section 9'.

"(b) Section 9(d) of the Civil Service Retirement Act (5 U.S.C. 2259(d)) is amended by inserting, immediately following 'section 6(f)', the following: 'or the third sentence of section 8(b)'.

"SEC. 3. (a) Section 13(b) of the Civil Service Retirement Act (5 U.S.C. 2263(b)) is amended by adding at the end thereof the following sentence: 'Any such annuitant whose described employment continues for at least five years may elect, in lieu of the benefit authorized by the proviso herein, to have his rights redetermined under the provisions of this Act upon deposit in the fund of an amount computed under section 4(c) covering such employment.'

"(b) The third sentence of section 6(f) of the Civil Service Retirement Act (5 U.S.C. 2256(f)) is amended by striking out 'and completes twenty years of service' and inserting in lieu thereof 'and (1) completes twenty years of service or (2) shall have served in nine Congresses'.

"SEC. 4. (a) Section 603(d)(1)(B) of the Legislative Reorganization Act of 1946, as amended (5 U.S.C. 724) is hereby amended by striking out 'November 4, 1952' and inserting in lieu thereof 'February 29, 1948'.

"(b) No annuity shall be payable by reason of the amendment made by subsection (a) of this section for any period prior to the first day of the month in which this Act is enacted.

"SEC. 5. Notwithstanding any other provision of law, benefits under the Civil Service Retirement Act resulting from the enactment of this Act shall be paid from the civil service retirement and disability fund."

The committee amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to amend the Civil Service Retirement Act so as to provide for disposition of contributions in the case of annuitants whose length of service exceeds the amount necessary to provide the maximum annuity allowable under such act, and for other purposes."

A motion to reconsider was laid on the table.

IMPORT DUTIES ON CERTAIN COARSE WOOL

Mr. FORAND. Mr. Speaker, I call up the conference report on the bill (H.R. 9322) to make permanent the existing suspension of duties on coarse wool, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1883)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9322) to make permanent the existing suspension of duties on certain coarse wool, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2 and from its amendment to the title of the bill.

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
N. M. MASON,
JOHN BYRNES,
Managers on the Part of the House.

HARRY F. BYRD,
ROBT. S. KERR,
J. ALLEN FREAR, Jr.,
FRANK CARLSON,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9322) to make permanent the existing suspension of duties on certain coarse wool, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the House would make permanent the existing suspension of import duties on certain coarse wools imported under bond for use in the manufacture of rugs and carpets and certain other products, would add papermakers' felts to such list of products, and would provide that the standards for determining grades of wools are to be those established from time to time by the Secretary of Agriculture pursuant to law.

The Senate amendments to the text of the bill would limit the suspension of duties to the period ending June 30, 1963. The Senate amendment to the title of the bill conformed the title to the action of the Senate with respect to the text of the bill.

Under the conference agreement the suspension of duties is made permanent. The Senate recedes.

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
N. M. MASON,
JOHN BYRNES,
Managers on the Part of the House.

Mr. FORAND. Mr. Speaker, as passed by the House the bill, H.R. 9322, would make permanent the existing suspension of duties on certain coarse wools imported under bond for use in the manufacture of rugs and carpets and certain other products, would add papermakers' felts to such list of products, and would provide that the standards for determining grades of wools are to be those established from time to time by the Secretary of Agriculture pursuant to law.

The Senate amendment would have limited the suspension of duties under the bill to the period ending June 30, 1963. In conference, the House version prevailed and the Senate receded, so that under the conference agreement the suspension of duties is made permanent.

Mr. BYRNES of Wisconsin. Mr. Speaker, the House-approved version of H.R. 9322 provided for a permanent suspension of import duties on certain coarse wools brought into the United States under bond. The types of wools on which the duty would be suspended are those of a grade that are used in the manufacture of rugs and carpets, in the manufacture of papermakers' felts, and in the manufacture of certain other products. The House bill also authorized the Secretary of Agriculture to establish modern standards for determining grades of wool.

During the Senate committee consideration of the bill an amendment was approved changing the period of the suspension from a permanent suspension to a suspension of a duration of 3 years until the close of June 30, 1963. In the House-Senate conference on the bill the Senate agreed to the House version so that the conference report now before the House will provide for the provisions as I have briefly described them in connection with outlining the earlier House action.

I have joined in urging my colleagues to support the adoption of the conference report.

Mr. FORAND. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. BYRNES] and I have permission to extend our remarks in the RECORD prior to action on each of the conference reports I shall call up today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Speaker, I asked some pertinent questions on this bill when it passed the House some 2 months ago. I was satisfied sufficiently not to raise an objection; but I find that this is a permanent extension, not of the Reciprocal Trade Agreements Act but a permanent extension of the basic Smoot-Hawley Act. I should like to ask the gentleman from Rhode Island, who is a member of the Committee on Ways and Means, this question. Two years ago this past February, the Federal Power Commission entered an order in the nature of a certificate of convenience permitting certain Canadian gas interests, with American capital, operating in Canada, to have the privilege of constructing an 18-inch gasline to Butte, Mont., for the purpose of supplying the Anaconda Copper Mills with fuel. The next day after the Federal Power Commission ruling, I introduced a bill, declaring natural gas to be a liquid fuel subject to import duty. That bill went to the Committee on Ways and Means. I have been unable to get any action by the Committee on Ways and Means in either the 85th or the 86th Congresses. I reintroduced the bill in this session of Congress. I have received not even a promise that a hearing would be held. Let me say further, Mr. Speaker, that under the terms of the reciprocal trade agreement we have with Canada, every ton of coal produced in the State of West Virginia or any other State that ships into Canada has to pay 50 cents on each ton before we can offer the coal for sale. There are millions of cubic feet of liquid gas coming into this country today on the free list and yet I cannot get any action out of the Committee on Ways and Means to amend the basic tariff law. I resent this discrimination against one of our basic fuels.

I thank the gentleman for this time.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

TEMPORARY SUSPENSION OF DUTY ON CERTAIN PERSONAL AND HOUSEHOLD EFFECTS

Mr. FORAND. Mr. Speaker, I call up the conference report on the bill (H.R. 9881) to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1885)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9881) to extend for two years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the text of the bill and from its amendment to the title of the bill.

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
N. M. MASON,
JOHN BYRNES,
Managers on the Part of the House.

HARRY F. BYRD,
ROBT. S. KERR,
J. ALLEN FREAR, Jr.
FRANK CARLSON,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9881) to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by both the House and the Senate provides for a 2-year extension (until July 1, 1962) of the existing provisions of law (the act of June 27, 1942, as amended) relating to the free importation of personal and household effects brought into the United States under Government orders.

The Senate amendment added a new section to the bill. Under this provision, the exemption from duties provided by the act of June 27, 1942, for a person or members of his family would be applied to articles up to but not exceeding in aggregate value $5,000, and would not be allowed in the case of an assignment of less than 6 months. Under the conference agreement, the Senate recedes.

As a result of the conference action, the bill provides for a 2-year extension of the duty-suspension privilege provided by existing law. It was the understanding and intention of the conferees, however, that during this 2-year extension period the departments and agencies charged with the responsibility of administering and policing this law will so administer it as to safeguard against any possible abuses of the duty-suspension privilege and will, if necessary, issue appropriate regulations to insure stricter administration of the law. It is also the understanding and intention of the conferees that all such departments and agencies will submit information to the Committee on Ways and Means and the Committee on Finance, not later than January 15, 1962, with respect to the operation and administration of the law, including a statement of actions taken to improve its administration and recommendations for any statutory changes or limitations which may be necessary in order to effect adequate safeguards against abuses.

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
N. M. MASON,
JOHN BYRNES,
Managers on the Part of the House.

Mr. FORAND. Mr. Speaker, as passed by the House the bill, H.R. 9881, would provide for a 2-year extension, to July 1, 1962, of the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders.

The Senate approved the 2-year extension of these provisions, but added a new section to the bill under which the exemption from duties would be applied, for a person or members of his family, up to but not exceeding in aggregate value $5,000, and would not be allowed in the case of an assignment of less than 6 months.

Under the conference agreement, the House version prevailed and the Senate receded. However, as is stated in the statements of the managers, it is the understanding and intention of the conferees that during the 2-year extension period provided by the bill the departments and agencies charged with the responsibility of administering and policing the law will so administer it as to safeguard against any possible abuses of the duty-suspension privilege and will, if necessary, issue appropriate regulations to insure stricter administration of the law; and that such departments and agencies will submit information to the Committee on Ways and Means and the Committee on Finance, not later than January 15, 1962, with respect to the operation and administration of the law, including a statement of actions taken to improve its administration and recommendations for any statutory changes or limitations which may be necessary in order to effect adequate safeguards against abuses.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 9881 as passed by the House provided for a 2-year extension, through June 30, 1962, of the provisions of existing law relating to the free importation of personal and household effects brought into the United States under Government orders. At the time this legislation was under consideration in the House it was brought to the attention of the membership that this duty-free privilege is an important morale inducement to oversea service made necessary by the continued presence in many parts of the world of members of the Armed Forces of the United States.

The Senate adopted an amendment providing that the duty-free privilege would apply only to articles valued in aggregate at not more than $5,000 and would be allowed only when the foreign assignment involved was for 6 months or longer. During the House-Senate conference the Senate receded.

In taking this action the conferees made it clear that during the 2-year extension period provided under the bill the departments and agencies charged with the responsibility of administering the privilege will exercise diligence to safeguard against any possible abuses of the privilege and will issue any necessary regulations to insure stricter administration of the law. The conferees also expressed the intention that the departments and agencies concerned with the administration of this privilege will submit information to the Congress not later than January 15, 1962, with respect to the operation and administration of the law. Such reports will include a description of actions taken to improve the administration of this program as well as recommendations for any statutory

changes or limitations which may be necessary to effect adequate safeguards against abuses.

Mr. Speaker, it is appropriate that the House membership should act to approve the conference report on H.R. 9881.

The conference report was agreed to.

A motion to reconsider was laid on the table.

SUSPENSION OF IMPORT DUTIES ON CERTAIN SHOE LATHES AND CASEIN

Mr. FORAND. Mr. Speaker, I call up the conference report on the bill (H.R. 9862) to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1884)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9862) to continue for two years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 2. (a) The Act entitled "An Act to amend the Tariff Act of 1930 to provide for the temporary free importation of casein", approved September 2, 1957 (71 Stat. 579; 19 U.S.C. 1001, par. 19 note), as amended by Public Law 86–405, approved April 4, 1960, is amended by striking out 'July 1, 1960' and inserting in lieu thereof 'June 30, 1963'.

"(b) Effective with respect to imports entered for consumption or withdrawn from warehouse for consumption after the expiration of thirty days following the date of enactment of this Act such Act is further amended by inserting before the period at the end thereof a semicolon and the following: 'except that such suspension of duty shall not apply with respect to sodium caseinate, sodium phospho-caseinate, or other caseinates, any of the foregoing of which casein or lactarene is the component material of chief value, subject to such regulations as the Secretary of the Treasury shall prescribe'."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
N. M. MASON,
JOHN BYRNES,
Managers on the Part of the House.

HARRY F. BYRD,
ROBT. S. KERR,
J. ALLEN FREAR, JR.
FRANK CARLSON,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9862) to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by both the House and the Senate provides a 2-year extension (until August 7, 1962) of the existing suspension of duties on copying lathes used for making rough or finished shoe lasts from models of shoe lasts and capable of producing more than one size shoe last from a single size model of a shoe last.

The Senate amendment to the text of the bill added a new section 2 to the bill. Subsection (a) of the new section 2 continues (subject to the limitation contained in the new section 2(b)) until the close of June 30, 1963, the existing suspension of duty on casein and lactarene. Under subsection (b) of the new section 2 as passed by the Senate, the suspension of duty would not apply to casein imported for use for human food or for conversion to such use. This limitation applied, subject to such regulations as the Secretary of the Treasury shall prescribe, to imports entered for consumption or withdrawn from warehouse for consumption after the expiration of 30 days following the date of the enactment of the bill.

Under the conference agreement section 2(a) as passed by the Senate is retained. Under the conference agreement, however, section 2(b) provides (as a substitute for the limitation in section 2(b) as passed by the Senate) that the suspension of duty is not to apply with respect to sodium caseinate, sodium phospho-caseinate, or other caseinates, any of the foregoing of which casein or lactarene is the component material of chief value.

The Senate amendment to the title of the bill conformed the title to the Senate action in adding the new section 2. The House recedes.

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
N. M. MASON,
JOHN BYRNES,
Managers on the Part of the House.

Mr. FORAND. Mr. Speaker, as passed by the House the bill (H.R. 9862) provided a 2-year extension, to August 7, 1962, of the existing suspension of duties on copying lathes used for making rough or finished shoe lasts from models of shoe lasts and capable of producing more than one size shoe last from a single size model of a shoe last.

The Senate approved the provisions of the House bill, but added a new section continuing for 3 years, to the close of June 30, 1963, the existing suspension of duty on casein and lactarene, subject to the limitation contained in subsection (b) of the new section that this suspension of duty would not apply to casein imported for use for human food or for conversion to such use, such limitation to apply, subject to such regulations as the Secretary of the Treasury might prescribe, to imports entered for consumption or withdrawn from warehouse for consumption after the expiration of 30 days following the date of enactment of the bill.

Under the conference agreement, the new section providing a 3-year continuation of the suspension of duty on casein and lactarene is retained in the bill. However, under the conference agreement subsection (b) of the new section provides, as a substitute for the limitation contained in the Senate-passed version, that the suspension of duty is not to apply with respect to sodium caseinate, sodium phospho-caseinate, or other caseinates, any of the foregoing of which casein or lactarene is the component material of chief value.

Mr. BYRNES of Wisconsin. Mr. Speaker, the House-passed version of H.R. 9862 continued for a period of 2 years through August 6, 1962, the existing suspension of duties on certain lathes used in shoe manufacture.

The Senate added an amendment to this legislation continuing the temporary suspension of the duties on imported casein until the close of June 30, 1963.

It will be recalled that in 1957 the Congress adopted a provision providing for the free importation of casein from September 3, 1957, to the close of March 31, 1960. On August 10, 1959, the Committee on Ways and Means unanimously reported a bill, H.R. 7456, continuing this suspension for an additional 3 years. This legislation passed the House of Representatives under unanimous consent on August 18, 1959. On January 13, 1960, the Senate Committee on Finance approved this legislation as it passed the House. Subsequent to this action which took several months, opposition to the bill was first made known, and the Senate Finance Committee report on H.R. 9862 indicates that a request was made to the Senate Finance Committee to allow time for a hearing without causing the then existing suspension to lapse, a floor amendment was approved in the Senate to H.R. 7456 providing the continuation of the suspension from April 1, 1960, to June 30, 1960. Then the requested hearing was held and following the hearing the Finance Committee acted to add a casein amendment to the bill, H.R. 9862. It is the conference report on this bill that is now before the House.

The House-Senate conferees met on H.R. 9862 against a background of both the House and the Senate having given approval to 3-year suspensions of the duty on casein. In view of that legislative background the House conferees accepted the Senate amendment providing for the suspension of the duty on casein for 3 additional years through June 30, 1963.

It is appropriate for the House to accept the conference report on H.R. 9862.

The conference report was agreed to.

A motion to reconsider was laid on the table.

RESERVE COMMISSIONED OFFICERS OF THE ARMED FORCES

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8186) to amend titles 10 and 14, United States Code, with respect to Reserve commissioned officers of the Armed Forces, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: "That title 10, United States Code, is amended as follows:

"(1) Section 123(a) is amended to read as follows:

"'(a) In time of war, or of national emergency declared by Congress, the President may suspend the operation of any provision of the following sections of this title with respect to any armed force: 281, 592, 1002, 1005, 1006, 1007, 1374, 3217, 3218, 3219, 3220, 3352(a) (last sentence), 3353, 3354, 3359, 3360, 3362, 3363, 3364, 3365, 3366, 3367, 3368, 3369, 3370, 3371, 3375, 3378, 3380, 3382, 3383, 3384, 3385, 3386, 3388, 3389, 3390, 3391, 3392, 3393, 3494, 3571, 3819, 3820(c), 3843, 3844, 3845, 3846, 3847, 3848, 3850, 3851, 3852, 3853, 3854, 3855, 5414, 5457, 5458, 5506, 5600, 5665, 5867, 5891, 5892, 5893, 5894, 5895, 5896, 5897, 5898, 5899, 5900, 5901, 5902, 5903, 5904, 5905, 5906, 5907, 5908, 5909, 5910, 5911, 6389, 6391, 6397, 6403, 6410, 8217, 8218, 8219, 8353, 8354, 8358, 8359, 8360, 8361, 8362, 8363, 8365, 8366, 8367, 8368, 8370, 8371, 8372, 8373, 8374, 8375, 8376, 8377, 8378, 8379, 8380, 8381, 8392, 8393, 8494, 8571, 8819, 8843, 8844, 8845, 8846, 8847, 8848, 8850, 8851, 8852, 8853, and 8855.'

"Chapter 11 is amended—

"(A) by adding the following new sentences at the end of section 269(d): 'However, a member of the Retired Reserve who is entitled to retired pay may not be placed in the Ready Reserve unless the Secretary concerned makes a special finding that the member's services in the Ready Reserve are indispensable. The Secretary concerned may not delegate his authority under the preceding sentence:'

"(B) by amending section 274 to read as follows:

"'§ 274. Retired Reserve

"'The Retired Reserve consists of Reserves—

"'(1) who are or have been retired under section 3911, 6323, or 8911 of this title or under section 232 of title 14; or

"'(2) who—

"'(A) have been transferred to it upon their request;

"'(B) retain their status as Reserves; and

"'(C) are otherwise qualified.';

"(C) by adding the following new section after section 280:

"'§ 281. Adjutants general and assistant adjutants general: reference to other officers of National Guard

"'In any case in which, under the laws of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia, an officer of the National Guard of that jurisdiction, other than the adjutant general or an assistant adjutant general, normally performs the duties of that office, the reference in section 1002(c), 3218, 3364, 3370(d), 3392, 3845, 3851, 3852, 8218, 8844, 8845, 8851, or 8852 of this title to the adjutant general or the assistant adjutant general shall be applied to that officer instead of to the adjutant general or assistant adjutant general.'; and

"(D) by adding the following new item at the end of the analysis:

"'281. Adjutants general and assistant adjutants general; reference to other officers of National Guard'

"(3) Chapter 51 is amended—

"(A) by striking out the figures '3849,' and '8849,' in section 1006(e);

"(B) by amending section 1007 to read as follows:

"'§ 1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers

"'Notwithstanding chapters 337, 363, 573, 837, and 863 of this title, a reserve commissioned officer, other than a commissioned warrant officer, who is assigned to the Selective Service System or who is a property and fiscal officer appointed, designated, or detailed under section 708 of title 32, may be retained in an active status in that assignment or position until he becomes 60 years of age.'; and

"(C) by striking out the following item from the analysis:

"'1007. Commissioned officers: retention in active status while assigned to Selective System.'

and inserting the following new item in place thereof:

"'1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers.'

"(4) Section 1374(a) is amended by striking out the words "is found to be incapacitated for service because of a physical disability and is transferred to the Retired Reserve", and inserting the following in place thereof: "is transferred to the Retired Reserve, except under section 1002 of this title, because of physical disability or as a result of completing the number of years of service or reaching the age at which his retirement, transfer to the Retired Reserve, or discharge is required by law,'.

"(5) Section 1402(a) is amended by adding the following new sentence at the end thereof: 'However, a reserve officer who is or has been retired under section 3911, 6323, or 8911 of this title or under section 232 of title 14, may not have his retired pay recomputed under this subsection on the basis of any period of active duty that was of less than six consecutive months' duration or on the basis of any active duty for training.'

"(6) Section 3212 is amended—

"(A) by inserting the words '3383 (except for the grade of colonel),' after the figure '3366,';

"(B) by inserting the words 'to the extent necessary to allow the appointment of reserve officers, in grades not above lieutenant colonel, to fill prescribed mobilization or active duty requirements' before the period at the end of the first sentence; and

"(C) by inserting the words 'or not to fill one of those requirements' after the word 'sections' in the second sentence.

"The amendments made by this clause are effective only until July 1, 1964.

"(7) The last sentence of section 3352(a) is amended by striking out the word 'regular' and inserting the words 'temporary, regular,' in place thereof.

"(8) Section 3353 is amended—

"(A) by striking out the words 'and is not already a commissioned officer of an armed force' in subsection (a); and

"(B) by adding the following new subsection at the end thereof:

"'(d) The Secretary shall report to the Committees on Armed Services of the Senate and House of Representatives by March 1 of each year on the number, categories, and grades of the reserve officers (other than in the Medical Corps or Dental Corps) originally appointed in the reserve grade of captain or above during the preceding calendar year.'

"(9) Section 3360(c)(1)(B) is amended to read as follows:

"'(B) his years of service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States, and'.

"(10) Section 3362(e) is amended by adding the following new sentence at the end thereof: 'Notwithstanding any other provision of law, a board that is to recommend officers for promotion whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified.'

"(11) Section 3363(f) is amended by striking out the words 'who is not assigned to a unit organized to serve as a unit, and' in the last sentence thereof.

"(12) Section 3364 is amended—

"(A) by amending the catchline to read as follows:

"'§ 3364. Commissioned officers: selection for promotion; order of promotion; zone of consideration list; declination of promotion'; and

"(B) by adding the following new subsections at the end thereof:

"'(e) Notwithstanding any other provision of this title, a reserve commissioned officer who has been in an inactive status may not be considered for promotion until at least one year after the date on which he is returned to an active status.

"'(f) An officer of an Army Reserve unit organized to serve as a unit may decline a promotion under section 3366 or 3367 of this title if the Secretary of the Army, or an officer designated by him, approves that action as being in the best interests of the Army.

"'(g) An officer of the Army National Guard of the United States may decline a promotion under section 3366 or 3367 of this title if the governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action.

"'(h) If an officer declines a promotion under subsection (f) or (g), his name shall be retained on the appropriate promotion list for a period of not more than three years from the date he was selected for promotion to the grade concerned unless—

"'(1) in the case of an officer of the Army Reserve, he is appointed to the grade for which he was selected or his name is removed from that list under another provision of law; and

"'(2) in the case of an officer of the Army National Guard of the United States, he is appointed to the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade or his name is removed from the promotion list under another provision of law.

The Secretary of the Army may, in his discretion, extend the period for which a declination is in effect in the case of any officer of the Army National Guard who is an officer of an Alaska Scout Battalion or of a unit engaged in air defense activities on a tactical site that is under the control of the Army or the Air Force.

"'(i) At the end of the period during which his name is carried on the appropriate promotion list under subsection (h), or at any earlier time if he requests the promotion, an officer of the Army Reserve whose name is retained on the promotion list under that subsection shall be promoted to the grade concerned and shall be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit.

"'(j) At the end of the period during which his name is carried on the appropriate promotion list under subsection (h), or at any earlier time if he requests the promotion, an officer of the Army National Guard of the United States whose name is retained on the promotion list under that subsection shall, effective as of the last day of the period his name is so retained, or as of the date of his request, as the case may be, have his Federal recognition terminated, be transferred to the Army Reserve, and be promoted to the grade concerned. However, an officer may not be transferred and promoted under this subsection before the expiration of that

period unless the governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action.'

"(13) Section 3366 is amended—

"(A) by amending the catchline to read as follows:

"§ 3366. Commissioned officers: promotion of first lieutenants, captains, and majors; mandatory consideration";

"(B) by amending subsection (a) to read as follows:

"'(a) Without regard to vacancies, each officer of the Army Reserve in the reserve grade of first lieutenant, captain, or major, who is in an active status, who is not assigned to a unit organized to serve as a unit, and who, while holding that grade, has not been considered by a selection board under this section or section 3367 of this title, and each reserve officer in such a grade who is on active duty (other than for training), and who has not been so considered, shall be considered for promotion to the next higher reserve grade far enough in advance of the date on which he will complete the service prescribed in columns 2 and 3 of the following table that, if recommended, he may be promoted effective on the date on which he will complete that service:

"'Column 1	Column 2	Column 3
Current reserve grade	Years of service computed under sec. 3360(b) of this title	Years of service computed under sec. 3360(c) of this title
First lieutenant	4	6
Captain	7	12
Major	7	17' ";

"(C) by inserting the following new subsection after subsection (a):

"'(b) Without regard to vacancies, each officer of an Army Reserve unit organized to serve as a unit, and each officer of the Army National Guard of the United States, who holds the reserve grade of first lieutenant, captain, or major and who has not been considered by a selection board under this section or section 3367 of this title, for promotion to the next higher reserve grade, shall be so considered far enough in advance of the date upon which he will complete the service prescribed in columns 2 and 3 of the table in subsection (a) that, if recommended, he may be promoted effective on the date on which he will complete that service.';

"(D) by redesignating present subsections (b), (c), (d), (e), (f), and (g) as '(c)', '(d)', '(e)', '(f)', '(g)', and '(h)', respectively;

"(E) by amending subsection (c), as redesignated, to read as follows:

"'(c) An officer recommended for promotion under this section may be promoted to fill a vacancy within the distribution of officers not assigned to units at any time. If not sooner promoted, he shall be promoted, effective as of the date on which he completes the service prescribed in columns 2 and 3 of the table in subsection (a), without regard to vacancies. Each officer of the Army National Guard of the United States who is recommended by a selection board for promotion under this section, and who, before the date on which he would be promoted under this section, is appointed to the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade, shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed to the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of the date of his promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit.';

"(F) by amending the last sentence of subsection (e), as redesignated, to read as follows: 'If the method prescribed in clause (2) is used in considering officers for promotion to the grade of captain, major, or lieutenant colonel, the number recommended by the selection board must be at least 80 percent of those listed for consideration for the first time.'; and

"(G) by amending subsection (g), as redesignated, to read as follows:

"'(g) This section does not apply to the promotion to a grade above major of reserve officers of the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps.'

"(14) Section 3367 is amended—

"(A) by amending the catchline to read as follows:

"'§ 3367. Commissioned officers: promotion of first lieutenants, captains, and majors to fill vacancies';

"(B) by amending subsections (a) and (b) to read as follows:

"'(a) Whenever the Secretary of the Army determines that, within the distribution of officers not assigned to units, there are existing or anticipated vacancies in the reserve grade of captain, major, or lieutenant colonel, he may convene a selection board to consider and recommend, for promotion to those grades, officers of the Army Reserve who are in an active status and who are not assigned to units organized to serve as units, reserve officers who are on active duty (other than for training), officers of any Army Reserve unit organized to serve as a unit, and officers of the Army National Guard of the United States. The Secretary shall prescribe for each zone of consideration list established under section 3364 of this title the minimum service, computed under section 3360(b) of this title, that an officer of the appropriate branch must have to be placed on that list. He shall require that each officer who has the prescribed service completed under that section, who is in an active status, and who is not assigned to a unit organized to serve as a unit, be placed on that list. Officers of any Army Reserve unit organized to serve as a unit, and officers of the Army National Guard of the United States, who have the prescribed service computed under that section, shall also be placed on that list. The Secretary shall prescribe the number to be recommended for promotion from each list.

"'(b) Subject to section 3380 of this title, an officer recommended for promotion under this section may be promoted whenever there is a vacancy, but it is not mandatory that the authorized number be maintained in any grade. Each officer of the Army National Guard of the United States who is recommended by a selection board for promotion under this section and who, before the date on which he would be promoted under this section, is appointed in the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed in the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of the date of the promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit.';

"(C) by amending the last sentence of subsection (c) to read as follows: 'If the method prescribed in clause (2) is used, the number recommended by the selection board must be at least 80 percent of the officers listed for consideration for the first time.'; and

"(D) by amending subsection (d) to read as follows:

"'(d) This section does not apply to the promotion to a grade above major of reserve officers of the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps.'

"(15) Section 3370 is amended—

"(A) by amending the catchline to read as follows:

"'§ 3370. Commissioned officers: promotion to field grade in certain cases';

"(B) by amending subsection (a) and (b) to read as follows:

"'(a) Whenever the Secretary of the Army determines that, within the distribution of officers not assigned to units, there are existing or anticipated vacancies in the reserve grade of—

"'(1) lieutenant colonel in the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps;

"'(2) colonel in any other branch; or

"'(3) colonel in the Army Nurse Corps or Army Medical Specialist Corps;

he may convene a selection board to consider and recommend, to fill those vacancies, reserve officers who are in an active status and who are not assigned to units organized to serve as units, subject to section 3390 of this title, reserve officers who are on active duty (other than for training), officers of any unit of the Army Reserve organized to serve as a unit, and officers of the Army National Guard of the United States.

"'(b) The Secretary shall prescribe for each zone of consideration list established under section 3364 of this title the amount of service computed under section 3360(b) of this title that an officer of the branch concerned must have to be placed on it for consideration under this section. So far as practicable, the amount of service prescribed shall correspond to that which an officer of the Regular Army in the same branch must have for consideration for promotion to the same grade. The Secretary shall require that each officer who is in an active status, who is not assigned to a unit organized to serve as a unit, and who has the prescribed service computed under that section, be placed on that list. Officers of any unit of the Army Reserve organized to serve as a unit, and any officer of the Army National Guard of the United States, who have the prescribed service computed under that section, shall also be placed on that list. He shall prescribe the number to be recommended for promotion from each list.'; and

"(C) by amending subsection (d) to read as follows:

"'(d) Subject to section 3380 of this title, an officer recommended for promotion under this section may be promoted whenever there is a vacancy, but it is not mandatory that the authorized number be maintained in any grade. Each officer of the Army National Guard of the United States who is recommended for promotion under this section and who, before the date on which he would be promoted under this section, is appointed in the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed in the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of the date of the promotion

under this section, have his Federal recognition terminated and be transferred to the Army Reserve. An officer of the Army National Guard of the United States may decline a promotion under this section if the governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action. If an officer of the Army National Guard of the United States so declines a promotion, his name shall be removed from the recommended list. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless upon his promotion he fills a vacancy in that unit. An officer of a unit of the Army Reserve organized to serve as a unit may decline a promotion under this section if the Secretary of the Army, or an officer designated by him, approves that action as being in the best interest of the Army. If an officer of a unit of the Army Reserve so declines a promotion, his name shall be removed from the recommended list.'

"(16) Section 3383 is amended—

"(A) by striking out the words 'sections 3217 and 3219' in subsection (a) and inserting the words 'section 3220' in place thereof;

"(B) by inserting the following new sentence after the first sentence of subsection (b): 'Whenever the Secretary determines that a vacancy in a reserve grade below colonel is one that may be filled by an officer of the Women's Army Corps, officers of that branch are eligible for consideration even though the vacancy is not allocated to that branch.'; and

"(C) by adding the following new subsection at the end thereof:

"'(e) After July 1, 1964, no promotion may be made under this section, if that promotion would result in an excess over any grade strength authorized by section 3219 of this title.'

"(17) Subsections (a) and (b) of section 3389 are each amended by striking out the words 'and not above colonel'.

"(18) Section 3391 is amended to read as follows:

"'§ 3391. Commissioned officers: officers of Army Nurse Corps, Army Medical Specialist Corps, and Women's Army Corps not to be promoted above certain grades

"'A reserve officer of the Army Nurse Corps or the Army Medical Specialist Corps may not be promoted to a reserve grade above colonel. A reserve officer of the Women's Army Corps may not be promoted to a reserve grade above lieutenant colonel.'

"(19) The analysis of chapter 337 is amended by striking out the following items:

"'3364. Commissioned officers: selection for promotion; order of promotion; zone of consideration list; officers not assigned to units.

"'3366. Commissioned officers: promotion of first lieutenants, captains, and majors not assigned to units; mandatory consideration.

"'3367. Commissioned officers: promotion of first lieutenants, captains, and majors not assigned to units to fill vacancies.

* * * * *

"'3370. Commissioned officers: officers not assigned to units; promotion to field grade in certain cases.'

and inserting the following items in place thereof:

"3364. Commissioned officers: selection for promotion; order of promotion; zone of consideration list; declination of promotion.

"3366. Commissioned officers: promotion of first lieutenants, captains, and majors; mandatory consideration.

"3367. Commissioned officers: promotion of first lieutenants, captains, and majors to fill vacancies.

* * * * *

"'3370. Commissioned officers: promotion to field grade in certain cases.'

"(20) Section 3494 is amended by adding the following new sentence at the end thereof: 'However, a reserve commissioned officer who is selected for participation in a program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his reserve grade, without affecting his reserve grade.'

"(21) Section 3571(a)(3) is amended to read as follows:

"'(3) for a reserve officer, precedes his date of entry on active duty by a period computed by adding—

"'(A) the years of service after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that are credited to him under section 1332(a)(2) of this title;

"'(B) the days and months of any part of the year preceding his date of entry on active duty, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A), if, under regulations to be prescribed by the Secretary of the Army, his service during that part of a year was satisfactory;

"'(C) the periods of active service while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A) or (B);

"'(D) the periods of service, while in his current reserve grade or in any higher reserve grade, that he has performed under sections 502, 503, 504, or 505 of title 32, and that are not credited to him under clause (A) or (B); and

"'(E) one day for each point for drill or equivalent instruction after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that is credited to him under section 1332(a)(2)(B) of this title and are not credited to him under clause (A) or (B).'

"(22) Sections 3841 and 3842 are repealed.

"(23) Section 3843(b) is amended by striking out the words 'in an active status in a reserve grade below brigadier general' and inserting the words 'in a reserve grade below brigadier general who is not a member of the Retired Reserve' in place thereof.

"(24) Section 3844 is amended—

"(A) by striking out the words 'in an active status in the reserve grade of major general and each officer in an active status in the reserve grade of brigadier general' and inserting the words 'in the reserve grade of major general who is not a member of the Retired Reserve, and each officer in the reserve grade of brigadier general who is not a member of the Retired Reserve and' in place thereof; and

"(B) by inserting a comma before the word 'shall'.

"(25) Section 3847 is amended to read as follows:

"'§ 3847. Twenty-five years; officers below lieutenant colonel; Army Nurse Corps, Army Medical Specialist Corps and Women's Army Corps

"'After July 1, 1960, each officer in a reserve grade below lieutenant colonel who is assigned to the Army Nurse Corps, the Army Medical Specialist Corps, or the Women's Army Corps, and who has not been recommended for promotion to the reserve grade of lieutenant colonel or has not remained in an active status since such a recommendation, shall, 30 days after he completes 25 years of service computed under section 3853 of this title—

"'(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"'(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.'

"(26) Section 3848 is amended—

"(A) by amending subsection (a) to read as follows:

"'(a) After July 1, 1960, except as provided in section 3847 of this title, each officer in the reserve grade of first lieutenant, captain, major, or lieutenant colonel who is not a member of the Retired Reserve, and each officer in the reserve grade of major who is assigned to the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps, who has been recommended for promotion to the reserve grade of lieutenant colonel who is not a member of the Retired Reserve, and who has remained in an active status since that recommendation, shall, 30 days after he completes 28 years of service computed under section 3853 of this title—

"'(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"'(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.'; and

"(B) by adding the following new subsection at the end thereof:

"'(d) Notwithstanding subsection (a), an officer who is assigned to the Army Nurse Corps, the Army Medical Specialist Corps, or the Women's Army Corps, and who would otherwise be removed from an active status under subsection (a), may, in the discretion of the Secretary of the Army, be retained in an active status, but not later than 30 days after he completes 30 years of service computed under section 3853 of this title.'

"(27) Section 3849 is repealed.

"(28) Section 3851(a) is amended by striking out the words 'in an active status in the reserve grade of colonel or brigadier general' and inserting the words 'in the reserve grade of colonel or brigadier general who is not a member of the Retired Reserve or the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia' in place thereof.

"(29) Section 3852 is amended by striking out the words 'in an active status in the reserve grade of major general' and inserting the words 'in the reserve grade of major general who is not a member of the Retired Reserve or the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia' in place thereof.

"(30) Section 3853(1)(B) is amended to read as follows:

"'(B) his years of service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States, and'.

"(31) Chapter 363 is amended by adding the following new section at the end thereof:

"'§ 3855. Retention in active status of certain officers until age 60.

"'Notwithstanding any other section of this chapter except section 3846, the Secretary of the Army may, with the officer's consent, retain in an active status any reserve officer in the Medical Corps, Dental Corps, the Chaplains, the Army Nurse Corps, or the Army Medical Specialist Corps, but not later than the date on which he becomes 60 years of age.'

"(32) The analysis of chapter 363 is amended by striking out the following items:

"'3841. Age 50: Army Nurse Corps or Army Medical Specialist Corps; reserve officers below major.

"'3842. Age 55: Army Nurse Corps or Army Medical Specialist Corps; reserve officers above captain.

* * * * *

"'3847. Twenty-five years: Women's Army Corps majors.

* * * * *

"'3849. Twenty-eight years: Women's Army Corps lieutenant colonels.'

and inserting the following item in place thereof:

"'3847. Twenty-five years: officers below lieutenant colonel; Army Nurse Corps, Army Medical Specialist Corps, and Women's Army Corps.';

and adding the following item at the end thereof:

"'3855. Retention in active status of certain officers until age 60.'

"(33) Section 5414 is amended by striking out the word 'permanent' wherever it appears therein.

"(34) Section 5414(b) is amended by striking out the figure '29,500' and inserting the figure '24,500' in place thereof.

"(35) Section 5457 is amended by striking out the word 'permanent' wherever it appears in subsection (a) or (b).

"(36) Section 5457(b) is amended by inserting the word 'authorized' before the words 'number of such officers'.

"(37) Section 5458 is amended by striking out the word 'permanent' wherever it appears in subsection (a) or (b).

"(38) Section 5458(a) is amended by striking out the figure '5' and inserting the figure '10' in place thereof.

"(39) Section 5458(b) is amended by inserting the word 'authorized' before the words 'number of such officers'.

"(40) Section 5505 is amended by adding the following new subsection at the end thereof:

"'(d) Any officer of the Naval Reserve or Marine Corps Reserve who is selected for participation in a personal procurement program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his permanent or temporary grade, without affecting his permanent or temporary grade.'

"(41) Section 5600(a) is amended by striking out the words 'who is not already an officer in an armed force in a permanent grade above chief warrant officer, W–4,' and by adding the following new sentence at the end thereof: "The Secretary shall report to the Committees on Armed Services of the Senate and House of Representatives by March 1 of each year on the number, categories, and grades of reserve officers (other than in the Medical Corps or Dental Corps) originally appointed in the reserve grade of lieutenant in the Naval Reserve, or captain in the Marine Corps Reserve, or above, during the preceding calendar year.'

"(42) Section 5899 is amended—

"(A) by adding the following new sentence at the end of subsection (a): 'However, until July 1, 1961, an officer in the grade of captain is eligible for consideration for promotion when his running mate is eligible for consideration for promotion.'; and

"(B) by adding the following new subsection at the end thereof:

"'(h) Notwithstanding any other provision of this title, a reserve commissioned officer in a permanent grade above chief warrant officer, W–4, who has been in an inactive status may not be considered for promotion until at least one year after the date he is returned to an active status.'

"(43) Section 5902 is amended by adding the following new subsection at the end thereof:

"'(e) The promotion of an officer of the Naval Reserve or the Marine Corps Reserve who is under investigation or against whom proceedings of a court-martial or a board of officers are pending may be delayed by the Secretary of the Navy until the investigation or proceedings are completed. However, the promotion of an officer may not be delayed under this subsection for more than one year after the date he is selected for promotion unless the Secretary determines that a further delay is necessary in the public interest.'

"(44) Section 5907 is amended by adding the following new sentence at the end thereof: 'However, if an officer has not established his professional and moral qualifications, as prescribed by the Secretary of the Navy under section 5867 of this title, within one year after the date on which the President approved the report of the selection board that recommended him for promotion, he is entitled to the pay and allowances of the grade to which promoted only from the date he is appointed in that grade.'

"(45) The last sentence of section 5911 is amended by striking out the word 'may' and inserting the word 'shall' in place thereof.

"(46) Section 6389(c) is amended by adding the following at the end thereof: 'Notwithstanding the first sentence of this subsection, the Secretary may defer the retirement or discharge of such number of officers serving in the grade of lieutenant commander as are necessary to maintain the authorized officer strength of the Ready Reserve, but the duration of such deferment for any individual officer may not be in excess of five years. Notwithstanding the first two sentences of this subsection, the Secretary may defer the retirement or discharge under this subsection of an officer serving in the permanent grade of lieutenant commander or above in the Naval Reserve or in the permanent grade of major or above in the Marine Corps Reserve for a period of time which does not exceed the amount of service in an active status which was credited to the officer at the time of his original appointment or thereafter under any provision of law, if the officer can complete at least 20 years of service as computed under section 1332 of this title during the period of such deferment. Notwithstanding the first two sentences of this subsection, the Secretary may defer the retirement or discharge under this subsection of such number of officers serving in the permanent grade of captain or commander in the Medical Corps, Chaplain Corps, or Dental Corps in the Naval Reserve as are necessary to provide for mobilization requirements.'

"(47) Section 6391(a) is amended by inserting the words 'or on the inactive status list' after the words 'active status'.

"(48) Section 8212 is amended—

"(A) by striking out the figures '8375, 8376,' and inserting the words '8370 (a) or (c), 8372(b) (except for the grade of colonel), 8374 (except for the grade of colonel), 8375, 8376 (except for general officer grades),' in place thereof;

"(B) by inserting the words 'to the extent necessary to allow the appointment of reserve officers, in grades not above lieutenant colonel, to fill prescribed mobilization or active duty requirements' before the period at the end of the first sentence; and

"(C) by inserting the words 'or not to fill one of those requirements' after the word 'sections' in the last sentence.

"The amendments made by this clause are effective only until July 1, 1964.

"(49) Section 8353 is amended—

"(A) by striking out the words 'and is not already a commissioned officer of an armed force' in subsection (a); and

"(B) by adding the following new subsection at the end thereof:

"'(d) The Secretary shall report to the Committees on Armed Services of the Senate and House of Representatives by March 1 of each year on the number, categories, and grades of the reserve officers (rather than medical or dental officers) originally appointed in the reserve grade of captain or above during the preceding calendar year.'

"(50) Section 8361 is amended—

"(A) by inserting the word 'reserve' before the word 'grade' wherever it occurs in subsection (a); and

"(B) by adding the following new sentence at the end of the subsection (e): 'Notwithstanding any other provision of this title, such a reserve commissioned officer may not be considered for promotion until at least one year after the date on which he is returned to an active status.'

"(51) Section 8362(e) is amended by adding the following new sentence at the end thereof: 'Notwithstanding any other provision of law, a board that is to recommend officers for promotion whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified.'

"(52) Section 8363 is amended—

"(A) by striking out the figure '8372' in subsection (c) and inserting the figures '8366, 8372, or 8373' in place thereof;

"(B) by striking out the words '8379, or 8380 of this title or subsection (f)' in subsection (e) and inserting the words 'or 8379 of this title or subsection (f) or (g)' in place thereof; and

"(C) by adding the following new subsection at the end thereof:

"'(g) The promotion of a reserve commissioned officer who is under investigation or against whom proceedings of a court-martial or a board of officers are pending may be delayed until the investigation or proceedings are completed. However, a promotion may not be delayed under this subsection for more than one year after the date he is selected for promotion unless the Secretary of the Air Force determines that a further delay is necessary in the public interest.'

"(53) Section 8366 is amended—

"(A) by amending subsection (e)(2) to read as follows:

"'(2) all service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States; and'; and

"(B) by amending subsection (f) to read as follows:

"'(f) This section does not apply to the promotion to a grade above major of any Air Force nurse or medical specialist or any female reserve officer who is not designated under section 8067(a)–(d) or (g)–(i) of this title or appointed in the Air Force with a view to designation under that section.'

"(54) The last sentence of section 8367(c) is amended to read as follows: 'However, the number recommended by the selection board must be at least 80 percent of those listed for consideration for the first time.'

"(55) Section 8368 is amended—

"(A) by amending subsection (a) to read as follows:

"'(a) In this chapter, "deferred officer" means any of the following officers who has been considered, for the first time under this chapter, by a selection board for promotion to the next grade higher than his current reserve grade but not recommended for that promotion, who has been examined for the first time for Federal recognition in the next grade higher than his current reserve grade, but found not qualified for that recognition,

or who has been recommended or found qualified and declined that promotion:

"'(1) An officer in the reserve grade of first lieutenant or captain.

"'(2) An officer in the reserve grade of major, other than an Air Force nurse or medical specialist or a female officer who is not designated under section 8067 (a)–(d) or (g)–(i) of this title or appointed in the Air Force with a view to designation under that section.';

"(B) by inserting the words ', or is recommended and declines the promotion' after the words 'not recommended for promotion' in subsection (f); and

"(C) by inserting the words ', or is recommended or found qualified and declines the promotion' after the words 'found qualified for Federal recognition' in subsection (g).

"(56) Section 8370 is amended—

"(A) by striking out the word 'captain' in subsection (b) and inserting the word 'major' in place thereof; and

"(B) by amending subsection (c) to read as follows:

"'(c) A reserve officer who is designated as an Air Force nurse or medical specialist may be promoted to a reserve grade above major only to fill a vacancy in the number authorized by the Secretary for that category.'

"(57) Section 8372(b) is amended to read as follows:

"'(b) Whenever the Secretary considers that the number of officers in the reserve grade of captain, major, lieutenant colonel, or colonel in—

"'(1) any unit of the Air Force Reserve that is in the Ready Reserve and is not on active duty or is on active duty for training; or

"'(2) the Air Force Reserve, in positions to be filled by officers with a mobilization assignment in the Ready Reserve;

is or may become unbalanced, he may direct that a number specified by him be selected from officers of the Air Force Reserve who are in the Ready Reserve, who are not on active duty or are on active duty for training, but who are determined to be specially qualified for, and available to fill, those vacancies. Selection for promotion under this subsection shall be made under the procedures prescribed in the first two sentences of section 8367(c) of this title, but no officer may be selected for promotion under this subsection unless he is fully qualified for promotion to the grade concerned.'

"(58) Section 8373 is amended to read as follows:

"'§ 8373. Commissioned officers: Air Force Reserve; promotion to brigadier general and major general

"'(a) Officers of the Air Force Reserve may be promoted to the reserve grades of brigadier general and major general to fill vacancies in those grades.

"'(b) The Secretary of the Air Force may furnish the name of an officer of the Air Force Reserve who is assigned to the duties of a general officer of the next higher reserve grade, and who meets standards to be prescribed by the Secretary, to a selection board for consideration for promotion to that grade. In addition, the Secretary may furnish to the board for consideration for promotion to that grade the names of such additional officers of the Air Force Reserve in the reserve grade of colonel or brigadier general, as the case may be, who are assigned to the duties of a general officer of the next higher reserve grade, as he determines to be available and who meet standards prescribed by him.

"'(c) Of those officers considered under subsection (b), the selection board shall recommend the best qualified of those whom it determines to meet the standards prescribed by the Secretary and to be fully qualified for promotion.

"'(d) This section is not effective after June 30, 1964.'

"(59) Section 8375 (a) is amended by striking out the words 'to fill a vacancy' and inserting the words 'under section 8373 or 8376 of this title' in place thereof.

"(60) Section 8376 is amended—

"(A) by striking out the words ', and who was promoted to that temporary grade under a general selection board procedure,' in subsection (a);

"(B) by amending the first two sentences of subsection (c) to read as follows: 'A reserve officer who is serving an active duty (other than for training) in a temporary grade that is higher than his reserve grade retains that temporary grade if he is released from active duty before completing the amount of service prescribed in section 8363 (a) of this title or before applying for promotion under subsection (a). When he completes that amount of service and applies, or if, having completed that amount of service before being released from active duty, he applies, an officer covered by this subsection shall be promoted to the next higher reserve grade, without regard to vacancies';

"(C) by adding the following new sentence at the end of subsection (c): 'This subsection does not apply to promotion to the reserve grade of brigadier general or major general.'; and

"(D) by adding the following new subsection at the end thereof:

"'(d) An officer who is released from active duty after being promoted to a reserve general officer grade under this section becomes subject to section 8375 of this title.'

"(61) Section 8377(b) is amended by striking out the words ', except as provided in sections 1005 and 1006 of this title, be transferred to the Retired Reserve, if he is qualified and applies therefor, or be discharged from his reserve appointment' and inserting the words 'be treated in the manner provided for deferred officers in section 8846 of this title' in place thereof.

"(62) Section 8380 is amended—

"(A) by striking out the words 'Except as provided in subsection (c), a' in subsection (b) and inserting the word 'A' in place thereof;

"(B) by striking out the last sentence of subsection (b) and inserting the following in place thereof: 'If he has completed the period of active duty (other than for training) that he is required by law or regulation to perform as a member of a reserve component and declines the temporary appointment, he shall be released from active duty. If he has not completed that period of active duty, he shall be retained on active duty in the grade in which he was serving before the promotion and may not be released from active duty on his application until he completes the period of active duty he is so required by law or regulation to perform.; and

"(C) by repealing subsection (c).

"(63) Section 8494 is amended by adding the following new sentence at the end thereof: 'However, a reserve commissioned officer who is selected for participation in a program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his reserve grade, without affecting his reserve grade.'

"(64) Section 8571(a)(3) is amended to read as follows:

"'(3) for a reserve officer, precedes his date of entry on active duty by a period computed by adding—

"'(A) the years of service after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that are credited to him under section 1332(a)(2) of this title;

"'(B) the days and months of any part of the year preceding his date of entry on active duty, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A), if under regulations to be prescribed by the Secretary of the Air Force, his service during that part of a year was satisfactory;

"'(C) the periods of active service, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A) or (B);

"'(D) the periods of service, while in his current reserve grade or in any higher reserve grade, that he has performed under section 502, 503, 504, or 505 of title 32, and that are not credited to him under clause (A) or (B); and

"'(E) one day for each point for drill or equivalent instruction after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that is credited to him under section 1332(a)(2)(B) of this title and not credited to him under clause (A) or (B).'

"(65) Section 8819(b) is amended to read as follows:

"'(b) Except as provided by section 1005 of this title, each second lieutenant of the Air National Guard of the United States who completes three years of service, computed under section 8360(e) of this title, in that grade shall be discharged from his reserve appointment if he is found to be not qualified for promotion, unless before he completes that service he is appointed in the grade of first lieutenant by the governor or other appropriate authority of the jurisdiction concerned.'

"(66) Sections 8841 and 8842 are repealed.

"(67) Section 8843 is amended—

"(A) by amending the catchline to read as follows:

"'§ 8843. Age 60: reserve officers below major general, except those covered by section 8845 of this title'"; and

"(B) by inserting the words ', except an officer covered by section 8845 of this title' after the words 'major general'.

"(68) Section 8844 is amended—

"(A) by amending the catchline to read as follows:

"'§ 8844. Age 62: reserve major generals, except those covered by section 8845 of this title'"; and

"(B) by striking out the words 'the Chief of the National Guard Bureau' and inserting the words 'an officer covered by section 8845 of this title' in place thereof.

"(69) Section 8845 is amended—

"(A) by amending the catchline to read as follows:

"'§ 8845. Age 64: Chief of National Guard Bureau; adjutants general'"; and

"(B) by inserting the words 'or adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia' after the words 'National Guard Bureau'.

"(70) Section 8847 is amended to read as follows:

"'§ 8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067 (a)–(d) or (g)–(i) of this title; Air Force nurses and medical specialists

"'(a) After June 30, 1960, each female commissioned officer, and each Air Force nurse or medical specialist, who is in an active status in a reserve grade below lieutenant colonel, except an officer whose name is on a recommended list for promotion to that reserve grade, shall, 30 days after he completes 25 years of service computed under section 8853 of this title—

"'(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"'(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.

"'(b) This section does not apply to female commissioned officers who are designated under section 8067 (a)–(d) or (g)–(i) of this title.'

"(71) Section 8848 is amended to read as follows:

"'§ 8848. Twenty-eight years: reserve first lieutenants, captains, majors, and lieutenant colonels

"'(a) After June 30, 1960, each officer in an active status in the reserve grade of first lieutenant, captain, or major, except an officer covered by section 8847 of this title, and each officer in an active status in the reserve grade of lieutenant colonel who is not on a recommended list for promotion to the reserve grade of colonel, shall, 30 days after he completes 28 years of service computed under section 8853 of this title—

"'(1) be transferred to the Retired Reserve if he is qualified and applies therefor; or

"'(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.

"'(b) Notwithstanding subsection (a), an Air Force nurse or medical specialist who is in the reserve grade of lieutenant colonel, or a female officer who is not designated under section 8067(a)—(d) or (g)—(i) of this title and who is in the reserve grade of lieutenant colonel, may, in the discretion of the Secretary of the Air Force, be retained in an active status if he would otherwise be removed from an active status under subsection (a). An officer may not be retained in an active status under this section later than 30 days after he completes 30 years of service computed under section 8853 of this title.'

"(72) Section 8849 is repealed.

"(73) Section 8851(a) is amended by inserting the words 'except for the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia' after the words 'After June 30, 1960,'.

"(74) Section 8852(a) is amended by inserting the words 'except for the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia' after the words, 'After June 30, 1960,'.

"(75) Section 8853(2) is amended to read as follows:

"'(2) all service before June 15, 1933, as a commissioned officer in the federally recognized National Guard or in a federally recognized commissioned status in the National Guard, and in the National Guard after June 14, 1933, if his service therein was continuous from the date of his Federal recognition as an officer therein to the date of his appointment in the National Guard of the United States; and'.

"(76) Chapter 863 is amended by adding the following new section at the end thereof:

"'§ 8855. Retention in active status of certain officers until age 60

"'Notwithstanding any other section of this chapter except section 8846, the Secretary of the Air Force may, with the officer's consent, retain in an active status any reserve officer of the Air Force who is designated as a medical officer, dental officer, chaplain, Air Force nurse, or Air Force medical specialist, but not later than the date upon which he becomes 60 years of age.'

"(77) The analysis of chapter 863 is amended by striking out the following items:

"'8841. Age 50: female reserve nurses and medical specialists below major.

"'8842. Age 55: female reserve nurses and medical specialists above captain.

"'8843. Age 60: reserve officers below major general.

"'8844. Age 62: reserve major generals, except Chief of National Guard Bureau.

"'8845. Age 64: Chief of National Guard Bureau.

* * * * *

"'8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067 of this title.

* * * * *

"'8849. Twenty-eight years: female reserve lieutenant colonels, except those designated under section 8067 of this title.'

and inserting the following items in place thereof:

"'8843. Age 60: reserve officers below major general except those covered by section 8845 of this title.

"'8844. Age 62: reserve major generals, except those covered by section 8845 of this title.

"'8845. Age 64: Chief of National Guard Bureau; adjutants general.

* * * * *

"'8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067(a)—(d) or (g)—(i) of this title: Air Force nurses and medical specialists.';

and adding the following new item at the end thereof:

"'8855. Retention in active status of certain officers until age 60.'

"SEC. 2. Title 14, United States Code, is amended as follows:

"(1) Section 772 is amended to read as follows:

"'§ 772. Authorized number of officers

"'(a) The authorized number of officers in the Coast Guard Reserve in active status is 5,000. The actual number of Reserve officers in active status at any time shall not exceed these authorized numbers unless the Secretary shall determine that a greater number is necessary for planned mobilization requirements, or unless such excess shall result directly from the operation of mandatory provisions of this or other laws.

"'(b) The authorized number of officers of the Coast Guard Reserve in active status in each of the grades below the grade of rear admiral shall be a percentage of the total authorized number of such officers in active status below the grade of rear admiral, and shall be 1.5 percent in the grade of captain, 7.0 percent in the grade of commander, 22.0 percent in the grade of lieutenant commander, 37.0 percent in the grade of lieutenant, and 32.5 percent in the combined grades of lieutenant (junior grade) and ensign, except that when the actual number of Coast Guard Reserve officers in an active status in any grade is less than the number which is so authorized, the difference may be applied to increase the authorized number in any lower grade or grades. No Reserve officer shall be reduced in rank or grade solely because of a reduction in an authorized number provided in this subsection. The authorized number of Coast Guard Reserve officers in an active status in the grade of rear admiral shall be two.

"'(c) The Secretary may determine the number of Reserve officers in each grade who may be promoted annually under the provisions of this subchapter. The number which shall be so determined for each grade shall be the number deemed to be necessary to provide equitable opportunity for promotion among succeeding groups of Reserve officers and an adequate continuing strength of Reserve officers in an active status, and shall not cause the number of Reserve officers in active status in any grade to exceed the number authorized in this section for that grade.'

"(2) Section 773 is amended by striking out the words 'who holds no appointment as a commissioned officer of the Armed Forces'.

"(3) Chapter 21 is amended by inserting the following new section after section 787:

"'§ 787a. Excessive number; elimination from active status to provide a flow of promotion

"'(a) Notwithstanding any other provisions of this title, whenever the Secretary shall determine it to be necessary to provide a steady flow of promotions or that there is an excessive number of Reserve officers in an active status in any grade, he may convene a board which shall consider all such Reserve officers of that grade in an active status not on active duty. The Secretary shall direct the board to select and recommend by name a specified number of such officers for retention in an active status.

"'(b) The Secretary may in the case of an officer not recommended for retention in an active status under subsection (a) of this section—

"'(1) Transfer the officer to the Retired Reserve if he is qualified and applies for transfer;

"'(2) Transfer the officer to the Inactive Status List, if qualified; or

"'(3) Discharge the officer.'

"(4) The analysis of chapter 21 is amended by inserting the following new item between items 787 and 788:

"'787a. Excessive number; elimination from active status to provide a flow of promotion.'

"SEC. 3. Section 20 of the Act of September 2, 1958, Public Law 85–861 (72 Stat. 1559), is repealed.

"SEC. 4. Section 22 of the Act of September 2, 1958, Public Law 85–861 (72 Stat. 1560), is amended by striking out the words 'and who was not a commissioned officer of an armed force' and inserting the words ', or who was transferred to a special branch of that corps in the lowest grade of that branch or corps' in place thereof.

"SEC. 5. Notwithstanding any other provision of law except section 1001 of title 10, United States Code, the discharge or transfer to the Retire Reserve (because of his length of service) of any reserve officer of the Army who—

"(1) was originally appointed as a reserve officer before September 3, 1954;

"(2) upon completing the number of years of service, computed under section 3853(2) of title 10, at which his discharge or transfer to the Retired Reserve would otherwise be required, has not, because of hardship or circumstances beyond his control, completed 20 years of service computed under section 1332 of title 10, but who could complete that amount of service before becoming 60 years of age; and

"(3) has remained in an active status since September 3, 1954;

may be deferred until he completes that amount of service if he can complete it before he becomes 60 years of age.

"SEC. 6. A reserve officer who is designated as an Air Force nurse or medical specialist, or a female reserve officer of the Air Force (other than an officer designated under section 8067 of title 10, United States Code), who, after June 30, 1955, and before the enactment of this Act, received a temporary appointment under section 8442 of that title, in a grade higher than his reserve grade may, if he applies within one year after the enactment of this Act, be promoted to a reserve grade equal to that temporary grade if he is otherwise eligible for promotion to that grade under section 8363(a) of that title.

"SEC. 7. Section 29(a) of the Act of August 10, 1956, chapter 1041, as amended (5 U.S.C. 30r), is amended by striking out the words 'calendar year' wherever they appear therein and inserting the words 'fiscal year' in place thereof.

"SEC. 8. Effective August 10, 1956, section 501 of the Career Compensation Act of 1949, as amended (37 U.S.C. 301), is amended by inserting the words 'Air Force Reserve,' after

the words 'Naval Reserve,' wherever they appear therein.

"SEC. 9. Until July 1, 1964, the number of line officers in an active status in the Naval Reserve in the grade of commander may exceed the number authorized for that grade by section 5457(b) of title 10, United States Code."

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, H.R. 8186 as it passed the House was designed to eliminate and correct certain technical and substantive deficiencies in those provisions of existing law relating to the promotion, precedence, constructive credit, distribution, retention and elimination of officers of the Reserve components of the Armed Forces of the United States. In short, H.R. 8186 provided a series of amendments to the Reserve Officer Personnel Act of 1954 to accomplish this purpose.

This legislation passed the House on the 27th of July 1959. The Senate has now acted on H.R. 8186 and approved the bill with an amendment.

Because of technical considerations, the Senate amendment struck all after the enacting clause and substituted the amended language.

The House bill as amended by the Senate retains, for practical purposes, all of the House-passed provisions with certain stated exceptions which I will briefly describe.

The Senate deleted the following major provisions in the House bill:

First. H.R. 8186 as passed by the House contained a provision which would extend the moratorium on mandatory retirement by reason of service in grade for all unit officers of the Army and Air Force until January 1, 1962, but at the same time retained the effective date of July 1, 1960, in respect to all other officers. The House action, therefore, was designed to postpone for 18 months the forced retirement of Reserve officers attached to Reserve units. The Senate deleted this provision from the bill. The Senate pointed out that this existing provision of law has been on the statute books since the enactment of the Reserve Officer Personnel Act of 1954, and therefore the original enactment provided for a delay of approximately 5 years before this particular provision was to become effective.

The Senate therefore agreed with the Department of Defense that the House-approved extension was unnecessary.

Second. The Senate amendment deleted clause 51 of the House bill which provided a new section 8396 to title 10, United States Code. The purpose of the House section was to authorize the retention of junior officers in units or mobilization billets after they have been promoted to the grade of captain—notwithstanding the fact that no billet vacancy for a captain might exist in the unit. Thus, the section would have authorized the retention of these captains—usually flying officers—until they were promoted to the grade of major.

The Senate elected to delete this clause from the bill since the Department of Defense advised that it can accomplish this action administratively under present law.

The Senate made the following modifications to the major provisions of the House bill:

First. The Senate provided language which would permit greater flexibility in the application of the so-called age 25 rule, as it applies to the elimination of Reserve officers of the Army based on total length of service. The Senate amendment would permit the Secretary of the Army to retain on a discretionary basis a Reserve officer who was appointed before the enactment of ROPA, who remained in an active status since that time, and who will not, because of hardship or circumstances beyond his control, complete 20 years of service for Reserve retirement at the time his discharge is required under the age 25 rule. Such an officer may be retained until he has had a chance to complete 20 years of service for Reserve retirement if he can complete it before he becomes 60 years of age. The House version would have required each Reserve officer to have completed a full 50-point retirement year each year in the past in order to come within the exception. The Senate version removes this requirement and replaces it with the more flexible requirement indicated above.

Second. The House bill authorized the waiving of strength ceilings on Army and Air Force personnel to the extent necessary to allow the promotion of Reserve officers to fill unit vacancies and mobilization billets. Under the House change these promotions would have been permitted in the grade of colonel and below. The Senate amended this provision by permitting these promotions in excess of authorized allowances only in the grade of lieutenant colonel and below, and also provided that this authority would expire on July 1, 1964. The Senate change will, therefore, require a review of actual promotion experience in this area by the Congress in 1964, if, at that time, the armed services desires to continue this authority in effect.

Third. The Senate amendment made various changes in the Navy and Marine promotion provisions by providing that the grade distribution for promotion purposes would be based on the authorized, rather than the onboard, strength and, further, that present ceilings, rather than applying to permanent grades, would apply to both temporary and Reserve grades in both the Navy and Marine Corps. The effect of this change is to provide a firmer basis for computing the number of officers authorized in the various grades for the Navy and Marine Corps.

Finally, the Senate made the following major additions to the House bill:

First. The Senate added a new provision to the House passed bill which adopted an Air Force proposal which revises the present system for promotion to Reserve general officer ranks in the Air Force. This proposal in effect repeals the present promotion zone system based on seniority and substitutes the system whereby the Secretary may furnish to the board for consideration names of officers who are assigned to the duties of a general officer of the next higher Reserve grade and who meet the other standards prescribed by the Secretary. This provision therefore is designed to insure that only the best qualified officers with actual mobilization potential are promoted to the grade of General officer in the Air Force Reserve.

Second. The Senate added language which, in effect, provides that a person receiving retired pay under the 20-year active duty law will be placed in the Retired Reserve and will not be screened into the Active Reserve unless his services are found indispensable to the Ready Reserve by the Secretary concerned. Further, any promotion or pay longevity after being rescreened under such circumstances would be recognized only if the officer served at least 6 consecutive months on active duty other than for training.

The purpose of this change is to eliminate abuses of retirement privileges. Under existing provisions of law many of these reservists had, by virtue of being placed in the Ready Reserve upon retirement from active duty, the opportunity to go to active training duty at a grade higher than that achieved on active duty. Therefore, upon return to inactive duty after a day or week of training duty, they had been eligible to recompute their retired pay on the basis of the higher Reserve grade. The change will preclude this abuse in the future.

Third. The Senate added provisions which in effect provide that in the Army, Navy, and Air Force Reserve, doctors, dentists, nurses, medical specialists, and chaplains may be retained on a discretionary basis until age 60, notwithstanding the provisions which would otherwise require their elimination from the Active Reserve before that age, based on the completion of prescribed total years of service. This language would authorize the retention of these key specialists who would otherwise be eliminated and for whom no replacements can be anticipated.

SUMMARY

Now the foregoing reflects the major differences between the Senate version of H.R. 8186 and the House passed bill.

The balance of the bill, which is considerable, retains all of the original major House provisions. I will not attempt to review these provisions since they are complicated and lengthy. However, I should hasten to point out that the action of the Senate, which endorses and affirms these many House provisions, reflects the thoroughness with which the House studied and developed this legislation.

The relatively few changes made by the Senate are, therefore, for the most part, largely a product of the analysis and study previously performed by the House and represent refinements in the House bill.

One further point. Many Reserve officers throughout our Nation are anxiously awaiting passage of this legislation. It is most important to many of them that this legislation be enacted into law before the 1st of July 1960. In event this legislation is not enacted into law by that date many Reserve officers with long years of service will be forced out of the active Reserve.

Therefore, I recommend that the House accept the Senate amendment to H.R. 8186.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CASTILLO DE SAN MARCOS NATIONAL MONUMENT, FLA.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8226) to add certain lands to Castillo de San Marcos National Monument in the State of Florida, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, lines 4, 5, and 6, strike out "in such manner as he may deem to be in the public interest, including procurement with funds which may be appropriated therefor" and insert "in accordance with the provisions of subsection (b) of this section".

Strike out pages 2, 3, 4, and 5 and insert:

"DESCRIPTION FOR PARCEL A

"Beginning at a corner of the present Castillo de San Marcos National Monument boundary, said point also being the northeast corner of block 1, city of Saint Augustine, Florida; thence running along the present boundary of the Castillo de San Marcos National Monument as follows:

"North 82 degrees 04 minutes west a distance of 35.46 feet;

"Thence north 81 degrees 47 minutes west a distance of 60.17 feet;

"Thence south 30 degrees 21 minutes west a distance of 16.36 feet;

"Thence north 72 degrees 01 minutes west a distance of 4.77 feet;

"Thence north 85 degrees 02 minutes west a distance of 97.52 feet;

"Thence north 1 degree 28 minutes west a distance of 4.09 feet;

"Thence north 11 degrees 18 minutes west a distance of 39.02 feet;

"Thence south 77 degrees 32 minutes west a distance of 0.51 feet;

"Thence north 10 degrees 50 minutes west a distance of 32.96 feet;

"Thence north 7 degrees 36 minutes west a distance of 37.61 feet;

"Thence south 88 degrees 54 minutes west a distance of 29.30 feet;

"Thence south 73 degrees 52 minutes west a distance of 95.86 feet;

"Thence north 2 degrees 21 minutes east a distance of 22.64 feet;

"Thence north 4 degrees 39 minutes west a distance of 28.03 feet;

"Thence north 81 degrees 08 minutes east a distance of 0.49 feet;

"Thence north 7 degrees 10 minutes west a distance of 9.51 feet;

"Thence north 65 degrees 12 minutes west a distance of 9.01 feet;

"Thence south 80 degrees 49 minutes west a distance of 71.39 feet to a point in the southerly right-of-way line of the proposed Castillo Drive as delineated on the survey map by Emmett William Pacetti and Associates in three sheets dated April 23, 1960, file numbered LD-54 and revised June 2, 1960, said point being in the arc of a curve, concave to the southeast and having a radius of 465.00 feet, the radius of said curve bearing north 58 degrees 20 minutes 03 seconds east from said point;

"Thence leaving the present National Monument boundary and running along the southerly right-of-way line of the proposed Castillo Drive along the arc of said curve through a central angle of 30 degrees 42 minutes 03 seconds, 249.16 feet to the end of said curve;

"Thence south 62 degrees 25 minutes east 110.59 feet along the southerly right-of-way line of the proposed Castillo Drive to a point in the west line of block 1, city of Saint Augustine, Florida;

"Thence leaving the southerly right-of-way line of the proposed Castillo Drive and running south 16 degrees 22 minutes west 81.72 feet along the west line of block 1, city of Saint Augustine to the southwest corner of said block 1;

"Thence south 83 degrees 38 minutes east 192.00 feet along the south line of said block 1 to a point in the westerly right-of-way line of Florida State road A-1-A;

"Thence north 4 degrees 46 minutes west 140.23 feet along the westerly right-of-way line of Florida State road A-1-A to a point in the present Castillo de San Marcos National Monument boundary;

"Thence south 85 degrees 05 minutes west 8.57 feet along said National Monument boundary to a stone monument;

"Thence north 5 degrees 21 minutes west 34.90 feet along said National Monument boundary to the point of beginning and containing approximately 1.05 acres.

"DESCRIPTION FOR PARCEL B

"Beginning at a corner of the present Castillo de San Marcos National Monument boundary, said point also being the northeast corner of block 6, city of Saint Augustine, Florida;

"Thence south 78 degrees 06 minutes west 72.95 feet along the present Castillo de San Marcos National Monument boundary common to the north line of said block 6 to a point in the southerly right-of-way line of the proposed Castillo Drive as delineated on the survey may by Emmett William Pacetti and Associates in three sheets dated April 23, 1960, file numbered LD-54 and revised June 2, 1960, said point being in the arc of a curve concave to the southwest and having a radius of 612.00 feet; the radius of said curve bearing south 54 degrees 39 minutes 11 seconds west from said point;

"Thence leaving the present National Monument boundary and running along the southerly right-of-way line of the proposed Castillo Drive along the arc of said curve through a central angle of 13 degrees 25 minutes 41 seconds 143.45 feet to the end of said curve:

"Thence south 21 degrees 55 minutes east 169.16 feet along the southerly right-of-way line of the proposed Castillo Drive to a point in the southerly line of lot 20, block 7, city of Saint Augustine, Florida, and the present Castillo de San Marcos National Monument boundary;

"Thence leaving the southerly right-of-way line of the proposed Castillo Drive and running along the present boundary of the Castillo de San Marcos National Monument as follows:

"North 82 degrees 20 minutes east a distance of 62.90 feet;

"Thence north 10 degrees 42 minutes west a distance of 40.27 feet;

"Thence north 33 degrees 22 minutes west a distance of 6.76 feet;

"Thence north 79 degrees 26 minutes west a distance of 6.21 feet;

"Thence south 83 degrees 06 minutes west a distance of 2.20 feet;

"Thence north 75 degrees 11 minutes west a distance of 36.48 feet;

"Thence north 13 degrees 56 minutes west a distance of 152.00 feet;

"Thence south 80 degrees 29 minutes west a distance of 3.78 feet;

"Thence north 17 degrees 13 minutes west a distance of 2.00 feet;

"Thence north 17 degrees 32 minutes west a distance of 20.07 feet;

"Thence north 72 degrees 20 minutes east a distance of 2.81 feet;

"Thence north 17 degrees 26 minutes west a distance of 11.61 feet;

"Thence south 72 degrees 28 minutes west a distance of 2.99 feet;

"Thence north 17 degrees 32 minutes west a distance of 57.46 feet to the point of beginning and containing approximately 0.32 acres."

Page 6, line 1, strike out "AREA B" and insert "DESCRIPTION FOR PARCEL C."

Page 6, after line 21, insert:

"(b) The Secretary shall, in procuring lands or interests therein pursuant to the provisions of this section, acquire such lands or interests therein only by negotiations; except that the lands or interests therein described as block 1, city of Saint Augustine, Florida, may be acquired by the Secretary in such manner as he may deem to be in the public interest, including procurement with funds which may be approprated therefor."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CITIZEN BAND OF POTAWATOMI INDIANS OF OKLAHOMA

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7990) to convey certain land of the United States in trust to the Citizen Band of Potawatomi Indians of Oklahoma, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ASPINALL, HALEY, EDMONDSON, SAYLOR, and BERRY.

AMENDMENT OF MINERAL LEASING ACT OF FEBRUARY 25, 1920

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10455) to amend the Mineral Leasing Act of February 25, 1920, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears

none, and appoints the following conferees: Messrs. ASPINALL, ROGERS of Texas, MORRIS of New Mexico, SAYLOR, and WHARTON.

INDEPENDENT OFFICES APPROPRIATION BILL, 1960

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11776) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1961, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BROOKS of Louisiana. Mr. Speaker, reserving the right to object, and I am not going to object, I want to say that the other body included an additional sum in this bill for NASA—the space agency. There is, for instance, $50 million in the fund for research and development of an emergent nature, and the sum of $19,213,000 that was deleted from the House version of the bill. A good many things have happened since this bill was considered by the House appropriations committee. We have able men on the subcommittee and I have confidence in them, but since so much has happened since the original hearings, I want to take this time to ask those that the Speaker does appoint to look with sympathy and with favor upon these increases urged upon us by the other body. I think these increases are needed and should be approved by the House. At any rate, I ask especially that our colleague, the gentleman from Texas [Mr. THOMAS] and our other colleagues to be appointed by the Speaker give this matter their sympathetic consideration.

Mr. Speaker, my good friend from Texas, who is in charge of this bill, knows of course that since the measure was approved by the House, important testimony has been furnished the Congress of rapidly rising costs in the financing of the space program.

The testimony was given the Appropriations Committee of the other body by Dr. T. Keith Glennan, the head of the National Aeronautics and Space Administration.

Dr. Glennan testified that this increase is occurring in the current 1960 fiscal year program of the space agency. In doing so, he pointed out, and I quote:

> These unforeseen cost increases have had to be covered at the expense of other programs since no contingency funds were provided. Some of these programs have been reduced in scope, others deferred as we robbed them to get on with the more immediate tasks.

Dr. Glennan advised the Appropriations Committee of the other body that NASA has already identified more than $20 million of additional costs not covered by the fiscal year 1961 budget request.

The committee was so impressed by Dr. Glennan's testimony and the urgency of the matter, that it restored the funds which the House cut from the budget estimates and included also a $50 million contingency fund for research and development in order to assure that neither the space program nor the safety of personnel is jeopardized by lack of funds. The other body agreed to the increase, which totaled $69,213,000 and approved, in all, $965 million in new funds for the space program for the 1961 fiscal year.

Now, I would be the last one to criticize the Appropriations Committee of this House for reducing the budget estimates. My good friend, the gentleman from Texas, whose subcommittee handled the bill, has an enviable and well-deserved reputation for keeping a sharp watch over the taxpayers' funds and for this he and his colleagues deserve the thanks of every Member of Congress.

But I hope that the gentleman from Texas and his colleagues who will serve with him as conferees on this bill will see their way clear to go along with the other body on the increases in the funds for the space program in view of the urgency of the matter.

The space program is very important to the security and the prestige of this country and of the entire free world. Each time the Soviet Union scores an impressive gain over us in space, we and the free world suffer a hard blow.

I need not remind my colleagues that we have not yet caught up with the Soviet Union in several important aspects of the space program, notably in the size of our big rocket engines. Let us not give Khrushchev any opportunity to crow over us that we can avoid. This program calls for full speed ahead. If the Soviet Union ever gains control of outer space, I shudder to think what would happen to this country.

I thank the gentleman from Texas for his patience and ask unanimous consent to revise and extend my remarks at this point in the RECORD.

I withdraw my reservation to the gentleman's request.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMAS]? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. THOMAS, YATES, CANNON, OSTERTAG, and TABER.

TREATMENT OF BASIC AGRICULTURAL COMMODITIES

Mr. ALBERT. Mr. Speaker I ask unanimous consent for the immediate consideration of the bill S. 3117 to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage. This bill was passed by the Senate on June 18, 1960, and is identical with the bill H.R. 12420 which was passed by the House yesterday on the Consent Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 374(b) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1374(b)), is amended by striking out the last sentence thereof.

SEC. 2. Section 374(c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "The Secretary shall by appropriate regulations provide for the remeasurement upon request by the farm operator of the acreage planted to such commodity on the farm and for the measurement of the acreage planted to such commodity on the farm remaining after any adjustment of excess acreage hereunder and shall prescribe the conditions under which the farm operator shall be required to pay the county committee for the expense of the measurement of adjusted acreage or the expense of remeasurement after the initial measurement or the measurement of adjusted acreage. The regulations shall also provide for the refund of any deposit or payment made for the expense of the remeasurement of the initially determined acreage or the adjusted acreage when because of an error in the determination of such acreage the remeasurement brings the acreage within the allotment or permitted acreage or results in a change in acreage in excess of a reasonable variation normal to measurements of acreage of the commodity. Unless the requirements for measurement of adjusted acreage are met by the farm operator, the acreage prior to such adjustment as determined by the county committee shall be considered the acreage of the commodity on the farm in determining whether the applicable farm allotment has been exceeded.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H.R. 12420, a similar House bill, was laid on the table.

PUBLIC BUILDING PROJECT, WASHINGTON, D.C.

The SPEAKER. The Chair laid before the House the following communication which was read by the Clerk and referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS,
HOUSE OF REPRESENTATIVES,
CONGRESS OF THE UNITED STATES,
Washington, D.C., June 24, 1960.

Hon. SAM RAYBURN,
Speaker of the House,
The Capitol, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 7(a) of the Public Buildings Act of 1959, the Committee on Public Works of the House of Representatives approved on June 24, 1960, a prospectus for the following public building project which was transmitted to this committee from the General Services Administration:

Washington, D.C.: The U.S. Court of Claims, the U.S. Court of Customs and Patent Appeals, and the Tax Court of the United States.

Sincerely yours,

CHARLES A. BUCKLEY,
Chairman, Committee on Public Works.

RESOLUTION (H. RES. 556) PROVIDING FOR CONSIDERATION OF BILL, S. 1898, AMENDING COMMUNICATIONS ACT OF 1934

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the resolution (H. Res. 556) providing for the consid-

eration of S. 1898, a bill to amend the Communications Act of 1934, with respect to the procedure in obtaining a license and for rehearings under such act, be laid on the table.

In explanation, Mr. Speaker, the resolution, House Resolution 556, was superseded by House Resolution 563, which was adopted by the House.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. BOLLING]?

There was no objection.

NAACP FOUNDER GETS LENIN PRIZE FROM RUSSIANS

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, it has been the contention of many for a long, long time that the National Association for the Advancement of Colored People was a Communist inspired and supported organization. Last night a story appeared in the Washington Evening Star which sheds further light on these contentions. On reading it one could come to but one conclusion. The news report from the Evening Star is as follows:

NAACP FOUNDER GETS LENIN PRIZE FROM RUSSIANS

W. E. B. Du Bois, Negro writer and one of the founders of the National Association for the Advancement of Colored People, last night received the 1958 International Lenin Prize for contributing to peace among nations.

The presentation was made by Mikhail N. Smirnovsky, Russian Charge d'Affaires, at the Soviet Embassy.

Mr. Du Bois was one of the group of Negro civic leaders and intellectuals who joined with the white Niagara movement more than 50 years ago to organize the NAACP. For 25 years he served as editor of the NAACP magazine, the Crisis.

The award was given in the United States instead of Moscow at the insistence of Mr. Du Bois. In his acceptance speech, he explained he did not feel he could refuse the award but did not want to receive it in Russia.

Mr. Speaker, the statement is silent as to why Du Bois felt he could not refuse the award. There must have been some reason and we are left to our own conclusion. Obviously he felt and recognized a tie between himself and the Kremlin, as well as between his philosophy and that of Lenin; and the fact that he received the International Lenin Prize in the Russian Embassy here in Washington instead of in Russia does not cover up anything, as the recipient seemed to think it would.

STABILIZING MINING OF LEAD AND ZINC

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 560) providing for the consideration of H.R. 8860, a bill to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8860) to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN]; and pending that, I yield myself such time as I may consume.

Mr. Speaker, this resolution provides for an open rule, with 2 hours of general debate to discuss H.R. 8860, which is designed to stabilize the mining of lead and zinc by small producers. There is some controversy about the bill, but I know of no opposition to the rule.

I therefore reserve the balance of my time.

Mr. ALLEN. Mr. Speaker, I rise in support of this rule which makes in order the consideration of H.R. 8860, a bill designed to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes.

Mr. Speaker, at this time I wish to compliment my good friend from Oklahoma [Mr. EDMONDSON] for his untiring efforts in behalf of the lead and zinc industry.

My home county of Jo Daviess, Ill., produces these two metals which are of vital importance to our country. For over a century and a half, lead and zinc have been mined in the territory of Galena, which means lead and which is my home city. In the War Between the States over 80 percent of the lead and zinc used by the Union forces was mined in the Galena, Ill., territory.

I need not tell you that the lead and zinc industry, especially east of the Mississippi River is in serious trouble. The production of small lead and zinc mines east of the Mississippi River has dropped from 31,618 tons in 1955 to 17,240 tons in 1958, and employment dropped from 700 to 400 workers. These small mines need help or they will all be obliged to shut down. Stabilization payments to mines east of the Mississippi under this bill would run to about $800,000 a year during the present emergency, permitting increases in employment and generally benefiting the local communities.

Under the bill as amended payments would be made by the Department of the Interior to small lead and zinc producers at a rate which would provide them a return equivalent to that which they would receive if the market price for zinc were 14½ cents per pound. I believe most will agree that these prices are fair and reasonable. Current market prices are 13 cents for lead and 12 cents for zinc. I believe all agree that these prices are unreasonable.

Mr. Speaker, I urge the approval of this rule and the passage of the bill.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I do not rise in opposition to the rule. I rise to call the attention of the House to the fact that this bill is one, when it does come up for consideration, I believe every Member should study carefully, and not approve lightly in these last few remaining hours or minutes of today's session.

This bill, putting it bluntly and plainly, is a bill to pay subsidies, on the production of lead and zinc, to certain mines in the United States because we have not had the good sense and sound judgment to put the right kind of an import duty on foreign produced lead and zinc to protect American mines and American labor. We come to this situation because we have a Reciprocal Trade Agreements Act, under which we cut down on import duties, and actually bring some foreign materials in free of charge, thus lowering the revenues to the Federal Treasury on the one hand only to turn around and to often pay subsidies to keep in operation some of the industries in the United States which are badly injured by foreign imports. It just does not make sense.

Let me say, in fairness to the lead and zinc mining industry of this country, that three different times the Tariff Commission tried to give relief to these industries, but was overridden. I am speaking plainly and bluntly now; they were overridden because undoubtedly the State Department was afraid relief action might make some foreign producer a little bit angry.

I have come to the conclusion the time has arrived when we not only should look over this Reciprocal Trade Agreements Act, but should refuse to pay subsidies to American industries that are injured by foreign imports, but instead should regulate those foreign imports and place import duties upon them that will furnish American industry and labor with some protection, and at the same time bring needed income into the Treasury.

A few years ago we passed a bill to give lead and zinc, and some other mineral producers in this country, certain subsidies. Then that died out, and this great munificent Government of ours devised a new method, rather than to levy protective import duties. The bureaucrats devised a new method of buying up and stockpiling strategic materials. We now have about $8½ billion worth of these so-called strategic metals and minerals we have purchased simply because we would not be realistic enough to protect our American producers from unfair foreign competition. We have almost as much invested in those stockpiled strategic materials as we have invested

in the farm products we hear so much about. Most of the American people do not know anything about this strategic stockpile set up purposely for supporting by subsidies these mining activities in the United States.

So I think today we had better look at this legislation twice; and as far as I am concerned, I am going to oppose this bill. I do not oppose the rule, but I am opposed to the payment of subsidies to continue American industries in business when they are truly entitled to protection from unfair competition from abroad.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact that this sort of thing has been before Congress time after time until lately the Members of the House found out enough about it so that they rejected it?

Mr. BROWN of Ohio. I am sure that is correct. I think we passed a subsidy bill one time, and then turned another down, so the next time the spenders came up with a device known as the stockpiling of strategic materials, which was simply another way of subsidizing these mines without the American Congress passing upon, or approving the matter, and without the American people even knowing what was being done.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Colorado.

Mr. ASPINALL. I do not believe the answer given by the gentleman was exactly correct.

Mr. BROWN of Ohio. If I am not correct I will be happy to have the gentleman correct me.

Mr. ASPINALL. I know that my friend will; that is the reason I asked him to yield.

This bill differs from other bills we have brought before the House on these mineral matters in that this is a bill for small producers only; this bill has no influence at all as far as the producers of lead and zinc are concerned whose production of the mineral concerned is over 2,000 tons per year. It does not affect adversely the overall economy. It does not get into the overall problems having to do with the other minerals which have been the subject of our discussions so often.

Mr. BROWN of Ohio. I would like to answer the gentleman by saying he is entirely correct. I did not say this bill helps just the big producers; neither did I say it helps the little producers; I said any sort of subsidy proposition like this is wrong in view of past events and our past experiences. It is the wrong approach to the problem.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HAYS. I have information that there are 46,000 miners unemployed in the United States, 42,000 of whom are coal miners; yet we are taking up a bill to relieve 4,000 and letting the other 42,000 go.

Mr. BROWN of Ohio. The gentleman knows, of course, that there will be a subsidy on coal and coal mining and every other mining industry in the country if this bill is passed.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. GROSS. The gentleman calls this a subsidy. Our distinguished majority leader sweetens it by calling it compensatory payment.

Mr. BROWN of Ohio. Whatever you call it, it still costs the American people a lot of money.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. ASPINALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8860) to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8860 with Mr. DAVIS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Colorado [Mr. ASPINALL] will be recognized for 1 hour, and the gentleman from Pennsylvania [Mr. SAYLOR] for 1 hour.

The Chair recognizes the gentleman from Colorado.

Mr. ASPINALL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, your Committee on Interior and Insular Affairs is charged with study, investigation, and review of the mining industry of the United States. We are charged to a great extent with the general welfare of this industry. We work, and endeavor to work closely in this area with other committees having to do with matters affecting the national economy. We are charged with recommending policies looking to the use and conservation of the mineral resources of the country. With this responsibility it is necessary for us from time to time to look at matters of the industry as they affect not only the producers and the users of these minerals but also as they affect the security and general welfare of the United States.

We bring to you today a bill that has to do with the small producers of lead and zinc. In this respect this bill is quite different from other similar bills we have brought to the House of Representatives.

This bill in terms of money authorization is not a large one. It is true, as the gentleman from Ohio has suggested, that this is a subsidy bill. We do not deny that, but we know of no other way by which we can protect the small producers of these two important and valuable minerals at this time except by this approach.

It so happens that in the lead and zinc production industry, as in many other industries in our economy, there is a division among members of the industry as to how their problems should be considered and aided as to what sort of treatment the Federal Government should give to them. In this particular bill I know of no opposition within the industry. All segments of our domestic lead and zinc industry recognize that there are certain small producers who should have some relief at this time, otherwise valuable property is going to be lost and a great deal of the mineral values will be entirely lost.

Your Committee on Interior and Insular Affairs has arranged its presentation so that the chairman of that committee who is now speaking will make a statement as to the general situation, and other members of the committee who speak will go into detail. The program authorized here provides a 5-year program involving approximately $4.5 million a year. There is no giveaway. No precedent will be established that will inflict hurt on our economy in any way whatsoever.

I should like to review briefly what has happened to the lead and zinc industries, what the industry leaders have attempted to do, and what has happened to frustrate any constructive results.

Lead and zinc are two of the major nonferrous metals widely used in many metal products and chemical compounds. Their wide use is attributed not only to their many useful properties but also to their low cost, in comparison with many other materials.

The market prices of lead and zinc have fluctuated widely—not only recently but for many years. This is attributed to the time-consuming process of expanding production when demand goes up. On the other hand, when demand declines, mine output cannot be reduced quickly because of various considerations.

Following World War II, lead and zinc prices in this country moved upward, generally. A severe shortage of these metals occurred in 1951 during the Korean emergency. In order to attract additional supplies of foreign lead and zinc, the Congress suspended all import duties on unmanufactured lead and zinc for a brief period in 1952. At this time, imports increased more rapidly than had been expected and resulted in sharp reductions in market prices. This was the situation, along with sharply reduced domestic mine production, that brought about the Tariff Commission's first escape-clause investigation, instituted in July of 1953.

Following the Commission's report of April 1954, the President announced an accelerated program of Government purchases of lead and zinc for the strategic stockpile. Later, in June of 1956, the Government began acquiring foreign lead and zinc by barter for perishable surplus agricultural commodities. These programs took quantities of lead and zinc from commercial markets and aided, along with improved consumption rates, to raise market prices temporarily.

There then followed price reductions leading to the Tariff Commission's second escape-clause investigation, beginning in October of 1957. After failure of the President to act, under the Commission's recommendations, market prices continued to fall, reaching low points in 1958. It was during this period that many small domestic mines, which had been operating for years, found it necessary to close.

In 1952 there were 912 mines in the country producing ores or concentrates valued chiefly for their lead and zinc content. By 1956 the number of such mines had declined to 544. By 1958 the number had dropped to 290. Of this number, operating in the early period of 1958, many had ceased operations by the end of the year.

It was in the face of this situation, and due to the lack of relief through the escape-clause route, that industry has turned to a greater extent to the possibility of legislation. Thus, in April of 1958 there was submitted to the Congress the so-called Seaton plan, to deal with the emergency situation of domestic producers, not only of lead and zinc but of copper, fluorspar, and tungsten. The plan, calling for a system of stabilizing payments, was premised on the idea that national policy should protect domestic producers against undue losses and hardships arising from the Government's international trade operations. Small producers were especially to be favored in the plan. A reasonable limit was placed on the amount of payment and over the price conditions under which payment would be made. In this plan the burden on the Treasury was to be kept in bounds and the domestic producers were to be relieved of undue hardship. At the same time, foreign competition was not to be arbitrarily cut off and domestic consuming industries were not to be required to pay higher prices on account of increased import duty.

Mr. Chairman, as you know, a bill to authorize the Seaton plan was passed by the other body but was defeated by a small majority in the House.

In place of this reasonable program offered in 1958, the industry is now attempting to operate under the quota plan which was placed in effect by Presidential proclamation. Under this program the conditions of small domestic producers have not improved. Despite continued optimistic forecasts by spokesmen of the Department of the Interior, depressed price levels continue. In the words of the Tariff Commission in March of this year:

> The quotas adopted are rigid and inflexible and, being incapable of adjusting the changing elements of domestic supplies to the changing and varied needs of industrial consumers, have tended to increase, rather than to reduce instability of market prices, and thereby to thwart the best interests both of domestic producers and consumers of lead and zinc.

At the request of the other body, pursuant to a resolution adopted on August 21, 1959, the Tariff Commission has submitted a report to the Congress of its investigation of the lead and zinc industries.

The majority of the Commission concluded that they could make no findings regarding a need for additional import restrictions because of a technicality of the laws under which the Commission operates.

The minority of the Commission found no inhibition in making a full recommendation. They found that all quotas now applicable to imports of lead and zinc articles should be removed and that higher tariff duties should be applied. The recommendations of the minority have been incorporated in legislation introduced by the gentleman from Tennessee [Mr. BAKER] which is now pending before the Committee on Ways and Means.

In the meanwhile, Mr. Chairman, the small domestic lead and zinc producers, their employees, and businesses in depressed mining communities are earnestly seeking relief.

Mr. BETTS. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Ohio.

Mr. BETTS. Are these subsidy payments based on the amount of ore produced or mined or on the amount of ore sold?

Mr. ASPINALL. Well, the definition of "small domestic producer" is one who produces and sells, both qualifications have to be present, not more than 2,000 tons of either zinc or lead, or both, in any year. In other words, if more is produced, or sold, the producer receives no subsidy payments.

Mr. BETTS. In other words, if a miner produced, say, 2,000 tons and sold 1,000, the subsidy payment would be based on 1,000 instead of 2,000; is that correct?

Mr. ASPINALL. I think that if I understand you correctly that the answer is "Yes" except that the maximum amount permitted to qualify is 2,000 tons of either metal.

Mr. ADAIR. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 155]

Abbitt	Buckley	Fountain
Addonizio	Burdick	Frazier
Alexander	Burleson	Frelinghuysen
Alford	Cahill	Fulton
Alger	Canfield	Gallagher
Allen	Carnahan	Garmatz
Anderson, Mont.	Casey	Gary
	Celler	Giaimo
Anfuso	Coffin	Gilbert
Bailey	Collier	Granahan
Barden	Cooley	Griffin
Barry	Curtis, Mo.	Hess
Bass, N.H.	Daddario	Hogan
Becker	Daniels	Holifield
Bennett, Mich.	Davis, Ga.	Holtzman
Bentley	Derwinski	Ikard
Berry	Dingell	Irwin
Blatnik	Dorn, N.Y.	Jackson
Blitch	Downing	Jennings
Bolton	Dulski	Judd
Bonner	Durham	Kastenmeier
Bosch	Fallon	Kelly
Bowles	Farbstein	Keogh
Boykin	Fino	Kilburn
Brewster	Fisher	Kitchin
Broomfield	Fogarty	Knox
Lafore	Multer	Smith, Va.
Landrum	Mumma	Steed
Lennon	Nix	Stratton
Lesinski	O'Hara, Mich.	Taylor
Lindsay	Oliver	Teague, Calif.
McSween	Osmers	Teague, Tex.
Machrowicz	Philbin	Teller
Madden	Pilcher	Thompson, La.
Magnuson	Pirnie	Thompson, N.J.
Mailliard	Powell	Thompson, Tex.
Martin	Preston	Thornberry
Mason	Quigley	Tollefson
Merrow	Reece, Tenn.	Udall
Metcalf	Rhodes, Ariz.	Wainwright
Michel	Robison	Watts
Miller, N.Y.	Rodino	Westland
Mills	Rogers, Tex.	Whitener
Minshall	Roosevelt	Widnall
Mitchell	Rostenkowski	Willis
Moore	St. George	Wolf
Moorhead	Santangelo	Wright
Morgan	Scherer	Yates
Morris, Okla.	Schneebeli	Zelenko
Morrison	Scott	
Moulder	Short	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DAVIS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 8860, and finding itself without a quorum, he directed the roll to be called, when 277 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Chairman, it is generally agreed that the lead and zinc industry is depressed and it being one of the essential industries in our national defense, it is necessary that it receive substantial help if it is to continue. Lead and zinc mining is very difficult because when mines are closed down for long periods of time and are not kept pumped out, which is an expensive process, the deterioration of the structures beneath the surface makes it exceedingly expensive to a degree that it is almost prohibitive to reopen a mine and again start into production.

The lead industry is certainly not at fault and cannot be blamed for the situation that they find themselves in—that situation is caused by excessive imports from foreign countries. I quote from the committee hearings of the subcommittee hearings, March 28, 29, and April 19, 1960:

> As early as May 10, 1950, the lead industry petitioned the Tariff Commission for escape-clause relief from the cut in duty under the Mexican Trade Agreement. This agreement was subsequently canceled. But later, following the cuts in duties on both lead and zinc at Torquay effective June 6, 1951, the lead-zinc industry again petitioned the Tariff Commission in September of 1953. On May 21, 1954, the Commission made a unanimous finding that serious injury was resulting from excessive imports and recommended maximum permissible increases in duties. In lieu of accepting these recommendations, however, the President authorized increased stockpile purchases and later initiated barter. He also directed the Secretary of State to urge foreign exporters not to take unfair advantage of the alternative programs.
>
> In 1957 the barter program was reevaluated by the Department of Agriculture with the result that few barter contracts were made after April 30 and GSA purchase programs were terminated in 1958. On April

24, 1958, the Tariff Commission concluded a second study of the lead-zinc industry and unanimously reaffirmed the findings that imports were causing serious injury. It split in regard to recommendations. Three Commissioners recommended returning to the 1930 tariff rates and three recommended the higher rates of the previous decision plus quotas. The President took no action on either of these recommendations because the Seaton bill embodying the administration-favored subsidy plan was before Congress. When this bill failed to pass, the administration on September 22, 1958, announced the imposition of quotas on metal and ore. The quotas are based on 80 percent of the 5-year average imports, 1953–57, and not the 50-percent limitation recommended by all Commissioners for increased duty.

The testimony of the Secretary of the Interior before the committee on July 3, 1958, was very interesting in that it pointed out that—

In the relatively short space of half a century, the demands for minerals and mineral products have grown so rapidly that the problems of maintaining an adequate supply of mineral raw materials have become increasingly critical and complex. Minerals and mineral fuels have become more vital elements than ever before in the security and economic welfare of the Nation. I wish to emphasize this point because in the opinion of the Department of the Interior, the long-range problems of the Nation with reference to minerals are likely to be the problems of shortages and rising prices despite current surpluses, weak markets, and distress in some areas.

In the long run, the growth of our economy will demand a greater and greater supply of minerals and will require our Nation and the other nations of the free world to explore, develop, and make wise use of the mineral resources available to all of us.

Not only has the present metal-market situation adversely affected exploration and development work, but it seriously threatens a substantial part of our mining productive capacity.

The purpose of H.R. 8860 is to stabilize the mining of lead and zinc by small producers, to help conserve domestic reserves of lead and zinc, and indirectly to provide jobs for unemployed miners and thus to come to the assistance of their families and depressed communities in lead-zinc mining districts.

The bill is generally similar to the so-called Seaton plan submitted to Congress in April 1958 to grant subsidies for a larger list of metals. H.R. 8860 follows closely the pattern of the Seaton plan but limits its benefits to small producers of lead and zinc.

Under the bill, as amended, payments would be made by the Department of the Interior to small lead and zinc producers at a rate which would provide them a return equivalent to that which they would receive if the market price for zinc were 14½ cents per pound and lead 17 cents per pound. A small domestic producer is defined as one who produces or sells from any mine operated by him for which he seeks the benefits of the bill not more than 2,000 tons of lead and/or 2,000 tons of zinc in a 12-month period. He cannot claim those benefits for more than one mine in any one State or mining district but he can, if he is operating two small mining units—for instance—in two different districts and States, qualify twice as a small domestic producer.

Frustration over delays in action toward obtaining effective relief for the domestic lead and zinc mining industry in the face of its continued and prolonged depressed condition was expressed to the committee by Members of Congress, representatives of the industry, spokesmen for organized labor, and leaders from dependent communities during hearings held in June and July of 1959 on House Concurrent Resolution 177, by Chairman ASPINALL, and companion resolutions.

That this same sense of frustration continues despite reassurances from Government departments is evident from the committee's recent hearings on H.R. 8860 and companion measures.

Domestic lead production has reached its lowest point in 60 years—253,260 tons in 1959. The market price of lead concentrates and refined lead remains depressed. In zinc the situation is somewhat better, but domestic mine production in 1959—416,965 tons—was still far below the 1957 level—533,733 tons.

The termination date was adjusted to June 30, 1965, with the intention of establishing the program on an emergency 5-year basis, unless sooner terminated through a rise of market prices of lead and zinc.

A ceiling of $4,840,000 was placed on the appropriation authorization, corresponding to the annual cost of the program, as estimated by the Department of the Interior, assuming no change in the present open-market level of lead and zinc metal prices.

A further limit was placed on the qualification of producers or mines to eliminate those not in production at some time in the 7 years preceding the date of enactment. The purpose of this amendment is to prevent the act from becoming an inducement to the opening of new mines by new producers at a greater cost to the Government.

H.R. 8860 also provides help only for those mines that have not produced or sold ores or concentrates the recoverable content of which is more than 2,000 tons of lead and/or 2,000 tons of zinc from each single operating unit producing ores with respect to which he seeks payments under this act.

Southwestern Wisconsin, which is the area I have the honor of representing in Congress, has been hit hard and almost all of the lead and zinc mines in that area have been closed down or are producing small amounts of lead and zinc. The entire area is in distress and in need of assistance. I feel that H.R. 8860 would help the lead and zinc industry in my State considerably. Many of the miners in the area have mined lead and zinc all their lives.

Mr. ASPINALL. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, I do not propose to take all of the time allotted to me because I believe I sense the mood of the House, and I do not believe we have serious opposition to this bill on the merits of the need for it. I do not believe we have serious opposition with regard to the details of this measure. It is true that in 1958 we had quite a battle on the subject of a mineral stabilization program, it is true that the administration program at that time was defeated by a narrow vote on the floor. But the Committee on Interior and Insular Affairs has taken in this bill from the 1958 measure the section dealing with small producers, in other words, title 2 of that bill. It has taken the section which has a relatively modest cost over a 5-year period, less than $25 million, as contrasted with the $450 million cost of the 1958 measure. It has written safeguards into this bill at the instance of the distinguished gentleman from Pennsylvania [Mr. SAYLOR] who I think is one of the best experts on mine legislation that we have in this body.

The committee has endeavored to meet in this piece of legislation every objection that was advanced on the floor of the House in 1958 by Members who opposed the 1958 Stabilization Act.

Some of those attacks in brief, aside from the cost item—and this bill has a cost of less than 5 percent of the 1958 bill—were that the 1958 bill had wide open avenues for windfalls. The windfall has been carefully closed by the amendment which the gentleman from Pennsylvania offered and which he will explain when the time comes. We were told in 1958 that we have here a bonanza for the big producers. No one can make that assertion against this bill, because it is flatly and positively limited to the small producers. We were told in the 1958 bill that we had some minerals in this bill on which we had not proven a need for action. In this instance, we have limited the bill to one industry in this Nation, the lead and zinc industry, which has three times made a case before the Tariff Commission and three times has had a finding of serious injury from the import situation. We were asked in 1958 why the domestic zinc industry had any particular need for action by this House. I think we can answer that in regard to lead and zinc with three or four points.

In the first place, this is a basic industry. The mining of lead and zinc is basic to our whole economy. In the second place, it is an essential defense industry, and this Congress has so found and the administration has so found, and we have to have not only lead and zinc in a stockpile for long-range needs but also a continuing operation of a healthy industry for the needs of this country in the future. In the third place, this industry, which American policy has arbitrarily and severely injured—and I could mention three or four directions hastily on that point—they have injured our domestic industry by extending our stockpile program to foreign countries and taking in foreign lead and zinc products, which have had a serious impact and injury on our domestic economy. Our development loan program overseas, in buying these materials, has severely handicapped this industry, and in floor plan production agreements, under which we guarantee price, a price even above the price in this bill, to foreign producers and carrying out those

floor plan agreements, further affecting our production. Finally, on our reciprocal trade program we have reduced the 1930 tariff on lead and zinc not just once, not just twice, but three times we have lowered those tariffs on lead and zinc.

Now, I have no serious quarrel with some here today who oppose this bill. My good friend the gentleman from Iowa [Mr. KYL] is going to tell you this is in no sense a sound, long-range solution to the problem. I am not contending for a sound, long-range solution. I am contending for immediate action by the surgeon to save the patient's life. Now, we have thousands of unemployed miners who had been employed for several years, who are looking to this Congress for their remedy and for the lifesaving action that is possible to be taken here today. I urge that this bill be adopted with the committee amendments.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, I support this legislation not because it will do the people I represent any good.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and five Members are present, a quorum.

Mr. EDMONDSON. Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, as I started to say, east Tennessee, which I represent, and which Mr. REECE represents, is the No. 1 zinc-producing area in the United States. Each of the companies down there produces far more than 2,000 tons a year. Therefore, we will obtain no monetary benefit from this bill. But I am in this position. I agree with the gentleman from Oklahoma and these other sponsors of the bill that this is an essential industry, essential to the national defense and to the national security and to our economic well-being. No chain is stronger than its weakest link. We do not want to see anybody fail. I am convinced, unless this legislation is passed, there will be perhaps a dozen or so small lead and zinc operators completely fail and never again come to life. It would not be good for that to happen.

Mr. Chairman, my bill will help the rest of the industry. I hope to have it on the floor next week. It imposes a modest duty of 2½ cents a pound on zinc with a top penny removable at 13½- and 12½-cent peril point. That is all I will say about it. I hope to have it on the floor next week. It will produce $36 million annually in revenue. It is supplementary to this bill.

I support this bill and hope that it passes today.

Mr. EDMONDSON. I thank the gentleman.

Mr. HEMPHILL. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from South Carolina.

Mr. HEMPHILL. Mr. Chairman, on page 15 of the report the Assistant Secretary of the Interior made this statement:

> The prices called for would encourage entry into production of operations that could not hope to continue production in the absence of a substantial subsidy.

In the legislation as reported out by the committee are there any steps taken to prevent people who are not now in the business from going into the business?

Mr. EDMONDSON. One of the amendments which the gentleman from Pennsylvania offered and which was adopted by the committee—and incidentally we had only two votes against this bill in the full committee—one of the amendments would restrict from participation in this program any operator who had not operated in the last 7 years or any mine property which had not been worked during the last 7 years.

Mr. HEMPHILL. I thank the gentleman.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to my colleague from Oklahoma.

Mr. ALBERT. Mr. Chairman, I desire to compliment my colleague upon the hard and intelligent effort he has put into this problem. He has worked at it continuously. He has stayed on duty here in Washington at a time when he had a campaign in his own district, pursuing this and other matters of important legislative business. So I commend him.

The gentleman comes from northeastern Oklahoma which is a part of the great Tri-State area, one of the greatest lead and zinc producing areas in the world. He has done an excellent job on this matter and is to be commended for it.

Mr. EDMONDSON. I thank my friend.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Washington.

Mr. HORAN. Mr. Chairman, I, too, want to commend my colleague from Oklahoma for bringing this bill to the floor. I hope it passes. I think it is essential, because this is an essential industry in the United States from the security standpoint. It is essential to maintain a strong and healthy zinc and lead industry in the United States.

I hope also that the measure sponsored by my colleague, the gentleman from Tennessee [Mr. BAKER], sees daylight in this session of Congress.

Mr. EDMONDSON. I thank my friend from Washington; likewise my friend from Tennessee and my good friend from Illinois [Mr. ALLEN], for their complimentary remarks and for the fight which they have made tirelessly for the lead and zinc domestic producers.

Mr. RIVERS of Alaska. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. RIVERS of Alaska. I rise to express my support of this legislation and to congratulate my colleague from Oklahoma on the very excellent job he has done in studying and helping the committee in processing this much-needed legislation.

Mr. EDMONDSON. I thank the gentleman.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Pennsylvania.

Mr. DENT. I want to express the position in which I find myself. I want to support the gentleman and will support him in his valiant fight to have this legislation passed. I also wish to comment that he has pinpointed the real reason this legislation is necessary. I represent a coal mining district in my great Commonwealth. Our employment is about 6 to 1 what it is in the zinc and lead mines. However, the zinc and lead mines are suffering from a lowering in the tariff bars, while our mines are suffering from a raising of the tariff bars in those countries that have to import coal. They have raised their tariffs against our product while we in turn are lowering our tariffs in favor of their products. The gentleman is to be complimented on his fight and on facing the facts.

May I say further that I hope this does not give the Tariff Commission the signal to lower the tariffs even lower, causing us to raise the subsidies even higher, and then again have the process of lowering and raising, to where we will find ourselves even worse off than we are.

Mr. EDMONDSON. I thank the gentleman.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. O'BRIEN of New York. I have a very deep respect for the gentleman from Ohio [Mr. BROWN] and I also have a deep respect for the gentleman from Oklahoma. I should like to look for an area of agreement among my mutual friends. I do discover in this instance that the gentleman from Oklahoma and the gentleman from Ohio agree that there is a problem among the miners concerned, but the gentleman from Ohio suggests that they should be helped by raising the tariffs or altering the quotas. What the gentleman from Oklahoma suggests is that we now have before us a remedy, something that will help, that we can pass and that will have a reasonable chance of becoming law, whereas if we followed the route of help suggested by the gentleman from Ohio it might take many years and we would have no small mines left.

Mr. EDMONDSON. There have already been 7 years of effort in the Tariff Commission to develop remedies through the tariff or through import quotas. They have been fruitless years as far as the small producers are concerned.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Missouri.

Mr. BROWN of Missouri. Mr. Chairman, I am strongly in favor of this bill.

Two years ago we came here with the domestic lead and zinc problem—the injury being inflicted on an American industry by unreasonable imports.

Many Members told us they wanted to save domestic lead and zinc mines.

But the bill then embraced not only all lead and zinc mines, big and small, but other minerals, as well.

Many of you objected to including the big mining operations.

You said, "Go back and bring in a bill that helps the small mines only, and we'll be for it."

Well, today we are back with that bill, the small-mines bill that you requested.

It meets the very sensible specifications you laid down 2 years ago, and it is sorely needed to check a disaster spreading over one of the vital resources of this country.

For 7 years, most lead and zinc supplies in this country have come from outside our own borders, because foreign lead and zinc can be mined cheaper than U.S. supplies.

Big American mining companies have and sell lead and zinc from abroad.

They keep going.

But small American producers have no foreign mines, so they are dead or dying.

Gradually we are wantonly placing ourselves in a position where we will have no ready source for lead and zinc except foreign production.

And again today, hundreds of small mines that helped save us in World War II are idle, going the way of abandonment and flood.

Every year that goes by, more mines are lost forever.

Many more will be lost in the next year if we do not act now.

And what about the miners?

Nobody has to defend a miner on his willingness to do hard work.

But if you are a miner, you do not find work in a dead mine town.

If you are broke, if you are stuck with a house in a dead mine town, you cannot sell out and move.

If you have any hope, it is down there in the mine.

Your hope is that the mine can get going again, enough so that you can earn a living.

And if the miners of my district, in the Tri-State field of Missouri, Oklahoma, and Kansas, ask for any kind of help, it is only for that kind of a boost—not for a dole.

It is in the national interest to maintain minimum level production in our domestic lead and zinc mines.

Unstable governments could shut off foreign supplies without notice.

Or, should new uses be developed for lead and zinc, and demand multiply, foreign producers could charge about any price they wanted to charge.

Nothing will be done about this situation by the executive branch, so action by Congress is the only hope.

Two times the Tariff Commission has returned a finding of injury after investigating the plight of our small American lead and zinc producers.

Four years after the first such find, the President late in 1958 put on a weak import quota that has proved to be completely ineffective.

Not a single small mine has reopened in the Tri-State district.

Not a one is running now.

And the executive branch refuses to do anything more.

H.R. 8860 will ward off disaster by guaranteeing a small producer the minimum adequate price on 2,000 tons of lead and 2,000 tons of zinc a year—just enough to maintain the mine, just enough to stay alive, and not enough to damage any good-neighbor country that sells us lead and zinc.

Never could more good be done for so little public money.

Through H.R. 8860, well over 500 mines in 9 or 10 States can be saved from flooding out, from total loss, at an average investment of only a little more than $7,000 a mine.

For that we get enough operation to maintain these mines.

We keep hundreds of miner families on the job, out of hopeless poverty, off relief.

We save little businessmen—storekeepers, suppliers—in mine towns.

No handouts; we give them only the chance to earn their own living.

We get mineral production the Nation can use.

And we save mines the Nation would have to have in a national defense emergency that cut us off from foreign supplies far distant, very possibly out of reach in South America and Australia.

The committee, I believe, knows that we must not let ruin engulf the Nation's own resources of minerals as vital as lead and zinc.

We can act—and I know we will—overwhelmingly in the national interest by passing this bill.

Mr. RIVERS of Alaska. Mr. Chairman, I ask unanimous consent that the gentleman from Nevada [Mr. BARING] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BARING. Mr. Chairman, my good friend the gentleman from Oklahoma [Mr. EDMONDSON] has permitted me to share his time in support of his bill, H.R. 8860, and several similar bills that would stabilize the mining of lead and zinc by small producers and help preserve domestic reserves of these minerals. The bills would also provide employment for many miners and their families who have suffered for the past several years because of our present domestic mining policies. I said, and not facetiously, "our present domestic mining policy"; I should have said, "because of the lack of any domestic mining program under the present administration."

I have watched thriving mining communities fade into ghost towns in every part of my State where mining once was the principal industry. I have approached the problem from many angles through the introduction of legislation and I finally supported a resolution memorializing the administration to come up with a sound domestic mining program which they have failed to do. True, the Tariff Commission has considered from time to time the advisability of raising tariffs in order to protect domestic production, but I have little or no faith in what may develop pursuant to their present investigations. I do not feel that they are realistic or sympathetic in their approach, and while they have deliberated, domestic mining has virtually become extinct.

H.R. 8860 simply provides an incentive payment which would stabilize, on a sliding scale, zinc at 14½ cents and lead at 17 cents per pound for small producers as defined. We cannot depend on the Tariff Commission and I have yet to read a favorable departmental report on any bill that would help domestic mining under the present administration. It is, therefore, of utmost importance that the Congress enact the legislation now before us. This legislation, coupled with adequate import controls, would establish a program invaluable in the development of not only small lead and zinc mining operations but would strengthen our present ore reserves which are necessary to supply the tremendous future requirements of the Nation's economy.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, may I first commend the distinguished gentleman from Oklahoma for his tremendous, untiring efforts in behalf of miners in his district and in the Nation. I would have to hold strong feelings in this matter to oppose the proposal of my respected friend from Oklahoma.

Mr. Chairman, within the limits of his ability, the gentleman from Iowa will attempt to keep his argument completely objective and logical. Pursuant to that purpose, he recognizes first the area of agreement. We recognize the unhealthy situation existing in the lead and zinc industry.

However, Mr. Chairman, we believe that this legislation should not be passed for the following reasons:

There are two purposes to which the legislation could be directed—first, to solving the basic problem of the industry; and, second, to providing relief for segments of the industry.

H.R. 8860 has not been considered a solution to the problem of the lead and zinc industry. Indeed, almost every single individual who testified concerning the bill indicated his conviction that it is not a problem-solving device. For instance, the gentleman who speaks as chairman of the emergency lead and zinc committee and who is also chairman of the western Governors' mining advisory council has said that his group is on record as favoring the use of tariff to correct the situation. He made his point abundantly clear when he said:

> Our basic stand is that this trouble we are in, particularly in lead and zinc, should be taken care of through quotas or tariffs and we prefer a tariff or tax approach.

This, my colleagues, is the opinion expressed by the head of the emergency committee and the advisory board for the mines themselves.

The report accompanying the bill—and each Member has such a report before him—carries the same admission by implication from beginning to end.

The proponents, in their majority statement on page 7, accept the authority of the Tariff Commission to prove that tariffs are the genuine answer.

Testimony from the Interior Department is definite on this point. When the gentleman from Iowa asked the Department representative in committee if H.R. 8860 is a problem-solving device, he said, "No, it is not." And he said this in three different ways. The Department opposes enactment. Thus we see the agreement on this point.

So the case must rest on the bill's relief possibilities. This bill seeks to stabilize the price of lead and zinc for approximately 25 percent of the industry—for the small producers—so that those mines can operate at reasonable profit and reemploy presently unemployed people. The compensatory payments—the direct subsidy payments—would make up the difference between market price and the price stipulated as profitable by the legislation. In other words, the bill seeks to stimulate production in that segment of the industry. There is even the hope that some mines would be reopened and the implication that citizens would be encouraged to survey for new domestic sources.

The situation is this: Prices have been depressed by oversupply. Stockpiles are full to overflowing. Competitive products take some of the market. Even in the face of new markets for zinc, we have more of the metals than we can use. So, assuming passage of this bill, the small mines increase production, and here we have evident fallacy No. 1. Actually, what we are trying to do is solve a problem of oversupply by increasing production. The story does not end here. These mines have been inoperative, or only partly operative because of price, and there has been some unemployment.

Under the proposed program, some people would be put back to work in the small mines. History tells us that when we have an oversupply, subsidies are incentive payments leading to further production and this has, without exception, caused a decline in actual market price. So in the lead and zinc industry we have put some miners back to work in small mines, but because mining would become unprofitable for big mines not included in the act, they would be forced to curtail production and to lay off employees. I submit that a man unemployed is just as unemployed whether he had been working with 10 or a thousand fellows.

So you see, we have not solved a problem and, further, we have given no actual relief. We can put one man back to work in a small mine, but because of the nature of economics, we would take one out of work in the big mine. Please bear in mind that this is not a fight between big and small mines. In fact there has been no fight involved here at all. All considerations have been in an atmosphere of good feeling.

Before leaving this point, may the gentleman also say that programs of this kind are not permanent. We could easily give hope—false hope—to small miners and those interested in developing new mines. Then one day, Congress shuts off the supply of funds and the industry is in worse shape than before the legislation.

Now in spite of the fact we would not be solving anything, or giving any overall relief, the taxpayers, including miners and mineowners, would be contributing about $5 million. The gentleman from Iowa is not voting against this bill because of the estimated cost. If that expenditure would help the people, he would have no objection to the outlay of cash.

He does fear that the next step would be to include in new proposals, the entire lead and zinc industry. Then, with this precedent, all other minerals people would seek recourse in similar proposals. It might be well to point out that even now there are proposals in Congress to make bonus payments to miners of beryl, choromite, tantalum, and tin, and agitation for fluorspar and manganese.

We have pointed out that testimony almost universally agrees that the culprit in this case is the excessive importation of lead and zinc from foreign nations. There is direct testimony that while we are curtailing our domestic operations, certain foreign nations are building new smelters and developing new mines to process more metals to ship to the United States. A Mexican miner makes less money total in a day than the American miner earns in fringe benefits. The gentleman is not suggesting a cut in our wage rates. He is simply pointing out a fact of life. Foreign companies can ship lead and zinc to the United States at today's prices and make a profit.

Here the $5 million estimated expenditure does cause irritation because under the proposal being considered, the Government of the United States and the taxpayer would be subsidizing a sector of our industry without solving any problem and at the same time would in effect subsidize foreign operations. And the gentleman is compelled to express his opinion that this business of closing American industry to satisfy non-American industry is fast becoming one of this Nation's chief economic problems. This is a problem which demands attention.

The lesson of the past is obvious and undeniable. We cannot repeal the economic law of supply and demand by legislative act any more than we can repeal the law of gravity or deny the Pythagorean theorem.

A free enterprise economy fools itself when lawmakers attempt to control one segment while letting other segments go uncontrolled. The alternative then becomes one of controlling all, and to placing in control, a bureau or an individual who, like a Gilbert and Sullivan character, becomes lord high controller and lord high everything else.

The headache, in this instance, is a symptom. The legislative analgesic can do nothing but hide the real malady which is maliciously consuming the body of our American mining industry. "R.X." 8860 is not the right medicine.

Mr. DEVINE. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Ohio.

Mr. DEVINE. I would like to compliment the gentleman from Iowa in his clear-cut approach to this problem. The gentleman has again demonstrated that he is a student of Government, and that he approaches these problems from pure objectivity, and not on an emotional basis. I have noticed during the few months the gentleman has been a Member of the Congress that he is always on the floor, listening to the debate, and taking part in those instances where it affects his district. I wish to compliment the gentleman for his devotion to duty and continued intelligent approach to the problems of his constituents.

Mr. KYL. I thank the gentleman.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to join in the observation of the gentleman from Ohio [Mr. DEVINE]. The gentleman is most conscientious in his approach and his arguments today. However, would not the gentleman agree with me that the same administration which has reported adversely on this bill, in 1958 reported favorably upon the Seaton bill which had in title II the Small Producers' program as an integral part of that proposal?

Mr. KYL. As the gentleman knows, I am not acquainted with the Seaton proposal, as it was called, but the hearings before the committee in consideration of this matter do include some colloquy between the gentleman from Oklahoma and the gentleman from the department in which that department representative indicated that there were different circumstances.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. BUDGE. I yield the gentleman 2 additional minutes, Mr. Chairman.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Minnesota.

Mr. LANGEN. I take this time to compliment the distinguished gentleman from Iowa for a very able presentation of a worthy statement. I want to associate myself with his remarks. I think his remarks set forth very distinctly and clearly the pertinent facts relating to this legislation. The statement indicates the wealth of study the gentleman has devoted to the matter. It is only good commonsense that we should be seeking the more permanent and less costly solution.

Mr. ASPINALL. Mr. Chairman, I yield 5 minutes to the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Chairman, I rise in support of H.R. 8860, and wish to commend the gentleman from Oklahoma [Mr. EDMONDSON] for his tireless efforts on behalf of this legislation as well as my other colleagues with whom I joined in the introduction of this legislation.

My own State of Idaho has been one of the Nation's major producers of lead and zinc. However, both small and large producers in my State have suffered severe hardships as a result of the country's foreign trade policies. This has been shown time and time again in investigations and reports of the U.S. Tariff Commission.

There was a time when we had scores of small producing mines, but the illogical policies of our Government—which have favored foreign imports of these metals over domestic sources—have forced many of our small mines out of business.

Current low prices—13 cents for lead and 12 cents for zinc—reflect the current world oversupply, and are well below the small producers' cost of production, and lead and zinc mining will further deteriorate in Idaho and other States unless legislation is enacted.

In the Coeur d'Alene mining district of Idaho, for example, one complete section known as the Pine Creek area has only one mine operating today where seven were in operation formerly. Employment there has gone down by more than 40 percent. This has brought hardship to many families and it has hurt the economy of the area. The same thing has happened in other Idaho districts. More than 1,000 miners have lost their jobs in my State.

When we move to spend 1,000 times more in foreign lands than the small amount provided in this legislation for our lead-zinc producers, then I think we can afford these essential domestic expenditures, and they can be met within the budget.

Many of these small mines can and should be reopened in the future. The legislation under discussion, under a limitation of $4,840,000 annually in a program attuned to the needs of the industry, could go a long way toward reopening many of these mines. The resulting decrease in unemployment would be more than welcome in Idaho, I assure you.

Mr. Chairman, I hope that Members of the House will approve this legislation. It is a step in the right direction toward providing some help for a hard-hit segment of our economy which, under escape-clause procedures established by Congress itself has been found three times to be entitled to relief.

Let us compare this lead-zinc bill under discussion to that of the mutual security and related agencies appropriation bill, which passed this body only last week. Under it, more than $4 billion will be authorized to be spent for foreign aid in the coming fiscal year. This measure pending before us today, which would aid destitute lead and zinc miners of our own country, figures out at about one-tenth of 1 percent of the amount spent each year on foreign aid.

The mutual security bill will finance such projects overseas as forestry resources development, fisheries development, and agricultural or rural improvement programs. It finances coal mine development and mineral development other than coal. Yet as we attempt to stabilize mining by small producers in this country—to help conserve and develop our own natural resources—some have said that this would tend to unbalance the budget.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Chairman, I do not know whether I will speak out of order or not, but I shall protect myself with the unanimous consent to do so.

This bill is planned to help small business. We must help small business in this country if our economy is to survive. I have small businesses in my district that are facing some real hardship. The other body, in the tax bill, has effected a depletion allowance in the clay industry—we are going to have some real difficulty, some plant shutdowns, people out of work. This disturbs me.

Mr. Chairman, I am disturbed about the Defense Department buying a dredge in Japan. I am disturbed about the engines that have been bought in Japan for the Panama Canal. I am disturbed with Government purchase of steel from foreign nations. I am disturbed over the fact that the Prudential Life Insurance Co. has recently granted a large loan of millions of dollars to a company in Japan at 7 percent interest. It is time we begin to look after our industries, it is time we take a new look at reciprocal trade agreements, it is time to give the Tariff Commission the right to help this Congress in matters of that kind.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Iowa.

Mr. GROSS. The significant thing about the Prudential Insurance Co. loan to Japan is that it carries 7 percent interest. Unlike a Government loan, the interest and principal will be paid since it is a loan of the Prudential Life Insurance Co.

Mr. BOW. I thank the gentleman.

There is one other matter that affects business which gives me great concern, and I think it should be of a concern to every American.

I am concerned about the fact that Mr. Castro in Cuba has been saying he is going to take over American industrial plants. I am concerned that the United States has not served notice on Mr. Castro that he will not take over American industries in Cuba. I am concerned that our Government has not served notice on Mr. Castro that he will not take over our $85 million nickel plant in Cuba. It seems to me that the American people have a right to know whether we are going to continue to take the insults and indignities from Fidel Castro and his Communist brother, Raoul Castro, or whether the American people are going to get the courage, whether we are going to face up to the facts and be real Americans and say to these people that we no longer are going to take from them these insults.

It seems to me also that the time has come when the Organization of American States, a great organization, one that can act and should act, should be serving notice on Mr. Castro and his Communist government that if the threat and the rumor that we have heard is true that they are going to permit submarine bases for the Communists next to our naval base at Guantanamo, we will serve notice that that is a violation of the Monroe Doctrine and we will not stand for it.

Yes, Mr. Chairman, we have got to protect American industry here at home. We have got to protect small business. We have got to keep our people at work. We also have to uphold the dignity and the standard of America throughout the world. What do the people in Asia think about when they hear this USIA propaganda and the billions and billions of dollars we spend on foreign aid to try to make people think that we are a great country? I asked the State Department and others, What do these people think when they find a little dictator like Castro calling us most anything he can think of, threatening us, making us cower in his path? Well, I would like to say I think it is about time that we get a little bit of the philosophy of Theodore Roosevelt and some of the others who were willing to stand up and fight. My good friend from Illinois [Mr. O'HARA], sitting over on the other side of the aisle from me, saw some of his comrades fight for the liberties of that country. We are certainly not paying our debt to the great soldiers of that war.

Mr. Chairman, I urge upon the State Department and upon all Americans that we will finally stand up and say that Castro and his kind have gone as far as we will permit them to go; that we will defend our country, we will defend our industries, and we are going to reassert our self-respect and we are no longer going to let the threat of these Communists back us into the corner.

Mr. ASPINALL. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. ULLMAN].

Mr. ULLMAN. Mr. Chairman, as Representative in Congress of a mining district in the State of Oregon, I am especially interested in measures to bring about a sound and stable mining industry in this country.

A small quantity of recoverable lead is being produced from the Buffalo gold mine in Grant County, in my district. This mine would probably qualify for a small amount of stabilization payments under this bill.

I realize that the bill is directed primarily to primary lead-zinc mines which have been unable to operate in this emergency in the face of ruinous foreign competition.

There is a long list of States in which the benefits of this measure would be directly effective. Included are not only Western States, but many States east of the Mississippi River, such as Illinois, Iowa, Kentucky, Missouri, North Carolina, Tennessee, Wisconsin, New York, New Jersey, and Virginia.

The secondary or indirect benefits of the bill are even more widespread, affecting to some degree the economy of most parts of the country.

I am impressed by the careful study given to minerals legislation by the prominent labor organizations of the country. The AFL–CIO, for instance, has considered the problem of stabilizing domestic mining in the face of low-cost foreign production.

As one part of its current policy resolutions, the AFL–CIO recommends a direct limited tonnage subsidy program to producers, payable whenever the market price drops below a predetermined level, based on production costs, historic prices, and requirements for defense and domestic use.

A key part of the AFL–CIO proposal is that the program should protect against windfall profits to large operations by subsidizing only limited, fixed tonnages coming out of any mine, with a fixed level enabling small producers to qualify.

This special attention to small producers is strictly in line with the policy of the Congress as exhibited in the Small Business Act.

Mr. Chairman, this is a good bill. I urge its adoption.

Mr. ASPINALL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, my colleagues will recall my efforts along many fronts to promote the conservation of natural resources.

I have sponsored and supported this in the case of water through the reclamation program.

I have supported the conservation of land and forest resources through a number of measures, including my bill, H.R. 4192, on lieu selections of public lands, which has passed the House and is awaiting action by the other body.

I have sponsored legislation in the field of minerals to further mining of beryl, chromite and columbium-tantalum in this country, and a favorable report on my bill in this regard has been supplied by the Department of the Interior.

I am also interested in the conservation and supply of lead and zinc, although neither of these metals is mined in my district.

The Office of Civil and Defense Mobilization which is in charge of a great many things having to do with the supply of material resources, has held that there is no shortage of lead or zinc.

OCDM also has asserted that, as a consequence, domestic programs to stimulate the production of these metals are not in the interest of the national defense or security of the country.

But at the same time that OCDM is telling the domestic mining industry that there is enough lead and zinc—and chrome, cobalt, and nickel—it is telling the American people something entirely different.

In a letter to a citizen of Salt Lake City from the agency's Battle Creek, Mich., office and in regard to construction of bomb shelters, OCDM says:

> This will refer to your letter of February 29, 1960, requesting information relative to the use of thick lead sheets as a substitute for the concrete roof of a basement fallout (radiation) shelter.
>
> Although lead is an excellent material in decreasing radiation intensity, due to density, we do not recommend its use in fallout shelter construction because of cost and lack of availability in large quantities.

It certainly would be a waste of resources to allow developed lead and zinc reserves in the small mines of the country to be destroyed, as surely will happen if the small mines are allowed to be flooded or abandoned because of the present price situation.

Mr. Chairman, I urge support of H.R. 8860 as a means of promoting the conservation of the mineral resources of the country.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. WHARTON].

Mr. WHARTON. Mr. Chairman, this has apparently become an annual effort to subsidize the mining industry. Last year a more extensive movement along this line was soundly defeated in the House and in previous years the same proposal has appeared with similar results. This bill again provides for assistance to small miners by paying an additional 4 cents per pound for lead and zinc with a present overall limitation of some $5 million. This amount could of course be easily increased by the other body or by the conferees.

Some of the oldest mines in the country are located in my own district in New York State. They are long since discontinued, in fact one of them now has now been put to the novel use of an atomic proof storage vault, strictly a private enterprise. Our miners, when their industry moved West, did not ask for a subsidy. Our hard-pressed dairy farmers, bedeviled by the high price of supported feed grains, do not favor a subsidy and many of them are being forced out of business. The coal miners of West Virginia and Pennsylvania would have no relief under this bill and we have heard repeatedly of their difficulties. Many other industries have a similar experience and do not resort to subsidies.

I think this bill sets a bad precedent. It is a foot-in-the-door approach at its worst, aimed at the socialization of all industry. If we are to subsidize one big industry we will have to do so with all.

I strongly recommend that this measure be defeated again and I shall certainly oppose it.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. WHARTON. I yield.

Mr. MEADER. Can the gentleman tell us how many employees will benefit from this payment; how many miners will be affected in these 600 mines?

Mr. WHARTON. Possibly the chairman of the committee has those figures. It would be a comparatively small number.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield to me?

Mr. WHARTON. I yield.

Mr. EDMONDSON. At the start of 1953 we had approximately 27,000 employees directly employed in mining and milling operations. That number, I understand, is now down to below 10,000 indicating that if we are able to revive a substantial portion of this industry, it would affect probably somewhere between 5,000 to 15,000. Incidental to that would be the supply industries and the smelting industries that would be directly affected. Only in the last couple of months a smelter at Fort Smith, Ark., that employed several hundred men, closed down because the Tri-State mining area shut down. I think, taking the whole picture of the smelting industry and of the mines and the mills as well as the supply industries that are affected, you would probably get a figure of somewhere between 25,000 and 30,000 men.

Mr. MEADER. Mr. Chairman, if the gentleman will yield further, I notice from the table on page 5 of the report that the mines under 2,000 tons per year would seem to total slightly over 600. But there is no indication whether the employees who would be benefited by the subsidy paid to those particular mining operations would be a small or a large proportion of the total, including employees of those mines which produce more than 2,000 tons and thus would not come within the terms of this bill. I wonder if there have been some estimates made of just how many employees are affected or would be affected by the subsidy provided here.

Mr. EDMONDSON. I think the gentleman could get a direct illustration from the Tri-State area. When I came to Congress the Tri-State mining area employed approximately 2,600 men in mining and in milling. Today that number is below 100. We believe that in the Tri-State area we will restore employment for at least 1,000 men if we pass this bill. That is an estimate for only one area. I think the situation there would be duplicated in many States across the country.

Mr. MEADER. In other words, the gentleman thinks there might be as many as 3,000 men put to work by this bill?

Mr. EDMONDSON. A much larger number, I would say.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I rise in support of this bill and I hope it will receive the approval of the House. I do not know of any bill considered by our House Committee on Interior and Insular Affairs that has received more careful and exacting consideration. The committee made every effort to write a good bill, and a number of provisions designed to protect the Government have been incorporated into this measure.

I had the great pleasure of visiting the district of my good friend from Oklahoma [Mr. EDMONDSON], the author of this bill, a little over a year ago with a special subcommittee of the Committee on Mines and Mining. We saw firsthand the conditions that prevailed in the lead and zinc industry in the Tri-State area. My good friend from Missouri [Mr. RANDALL] was a member of the subcommittee, and we visited some of the mines in his district. We had a breakfast in Miami, Okla., where the gentleman from Kansas [Mr. HARGIS] was also present. Mr. Tom Kiser, president of the Tri-State Lead and Zinc Ore Producers Association, presided at the breakfast, which was attended by a large number of persons interested in the lead and zinc industry and the economy of that area. The group included businessmen, bankers, teachers, and others,

all of whom expressed great concern because of the closing of the mines.

I feel that we must protect our domestic industries, and just now our domestic mining industry is in serious need of assistance. There are several speculative theories as to how we should provide this assistance. There are those who prefer import duties as the most effective way to help. I very much prefer the import duties. However, I would say to the committee I think we are just wasting our time talking about getting import duties on lead and zinc. We know this is not going to happen. Quotas restricting imports on lead and zinc were established by the President in 1958, and I want to commend him on taking this action. These quotas are still in effect, and they have helped. However, the quotas have not solved the problems facing our domestic producers. This is why this bill is before you today.

This is a bill for the benefit of the small producer. It appears most of the benefits of this legislation will go to the Tri-State area. I want to commend the gentleman from Oklahoma for his diligence and perseverance in working for this legislation. He certainly deserves great credit for his interest in trying to work out a solution to the problems facing the lead and zinc miners of his district. However, the benefits will not be confined solely to the Tri-State area. In Colorado we also mine lead and zinc. I have very few lead and zinc mines in my district, but in other parts of Colorado we do mine a great deal of lead and zinc. This legislation is important to Colorado and all other States where lead and zinc are produced.

As I mentioned, this is a bill for the benefit of the small producers. The large operators will obtain no direct benefits from this legislation. Mention has been made of the fact that 2,000 tons of lead and 2,000 tons of zinc annually is the limit that any operator can produce and sell and still be eligible to participate in this program.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Tennessee.

Mr. BAKER. I am sure the gentleman is familiar with the duties bill I am trying to have enacted into law. I am sure the gentleman favors it.

Mr. CHENOWETH. I certainly do.

Mr. BAKER. Let me call the attention of the Members to a fact that has not been discussed, that there is no conflict between this bill and my bill, the duty bill, because as the domestic market for lead and zinc rises due to the effect of my bill the price differential will narrow and less will be paid to the small producers under this so-called subsidy bill. When the peril-point prices are reached, then nothing would be paid under this bill. I am sure the gentleman agrees with me on that.

Mr. CHENOWETH. That is right.

Mr. BAKER. So instead of costing $4 million, if my bill is adopted this bill would cost only $1 million a year.

Mr. CHENOWETH. The gentleman is correct. I want to commend the gentleman for his great interest in the situation. I recall a year ago he addressed the American Mining Congress in Denver, and I had the pleasure of hearing his splendid address. I know the great esteem in which he is held by the mining industry of this country. I wish him success in his effort to impose import duties on lead and zinc. I am inclined to think the gentleman is optimistic, but I certainly hope he can obtain approval of his bill.

Mr. BAKER. I do hope the House will have an opportunity to vote on it.

Mr. CHENOWETH. I hope we will not only have an opportunity to vote on it but will be able to pass the legislation.

Mr. Chairman, this bill to stabilize the mining of lead and zinc by small domestic producers, is desperately needed at this time. Otherwise, many small producers of lead and zinc will have to discontinue operations, and the mines now closed will not be able to reopen. These domestic producers cannot compete with the foreign imports of these metals, and must have the assistance provided in this measure.

Mr. Chairman, I urge the passage of the bill.

Mr. ASPINALL. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. RANDALL].

Mr. RANDALL. Mr. Chairman, I rise in support of the bill, H.R. 8860. I, too, would like to commend the gentleman from Oklahoma [Mr. EDMONDSON] for his efforts. There are no lead mines in the Fourth Missouri District, but there are some mines in the adjoining districts and, along with the gentleman from Colorado, I, too, happened to be a member of a special subcommittee of the Interior and Insular Affairs Committee that went out into the area in April of 1959. We visited two areas in Missouri—the Tri-State area, and also the area known as the Flat River area in the eastern Ozarks.

Mr. Chairman, what I am about to say may appear to be emotional, but it is based solidly on substantive facts, as I am sure the gentleman from Colorado will verify. I want to tell you what I saw in the Flat River area. I saw four or five towns all in a little circle about 10 miles apart. Your committee member arrived in town about noon. I could not find a single eating place in town open for business. They were all closed because of conditions which exist solely because of the very bad situation in the lead industry in that area. We finally found a hamburger stand open. It was the only place in town that was open—a town that was once a flourishing community of 4,000 people. Even the chainstores, the old, established chainstores of such types as Kroger and Woolworth were talking of letting their leases lapse and not renewing them. Generally, the streets were barren. Even at noon it was almost like an abandoned ghost town. Compare this with the scene of a town that was at one time a prosperous, busy community.

Mr. Chairman, the committee report uses the expression "There is an attitude of frustration and depression in the industry generally." Let me say to you, Mr. Chairman, from what I saw there in the Flat River area this is an understatement—it is a masterpiece of understatement. When we finally got around to contacting the civic committee that was trying to help, we found that one of them was an insurance agent. In the course of conversation I gathered that some of those miners who are out of work were about to let their casualty policies lapse and there were instances because of the 4-day week and heavy layoffs that some of them had to let their life insurance policies lapse.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Kansas.

Mr. BREEDING. Mr. Chairman, I compliment the Member from the State of Missouri on the remarks he is making here today. Since I am a Member of the Congress from the State of Kansas, and since we do have similar conditions existing in my State, I rise in support of this legislation. I also want to compliment the committee for its work on this important matter and also the gentleman from Oklahoma [Mr. EDMONDSON] for his diligent work.

Mr. RANDALL. I thank the gentleman.

Mr. Chairman, now let me tell you about the attitude that these people expressed over and over and over again. I want to tell you how these little miners feel about their problem. They say, "Help us or we have no future." What they are saying, in effect, is that we should give them a little relief right now. They say, "Give us a little relief right now—temporary relief before it is too late."

Mr. Chairman, may I take just a few seconds of these few minutes I have to quote from page 14 of the report from a letter from the Secretary of the Interior, Hon. Fred Seaton, who says:

> Import quotas established in October 1958 under the Trade Agreements Act have already materially assisted in stabilizing the domestic lead and zinc industries. In addition, voluntary reduction of production by various foreign countries after consultation under the auspices of the United Nations has likewise assisted in reducing large world surpluses of these two commodities. The cumulative effect has been to materially improve the outlook for the domestic lead and zinc industries.

Mr. Chairman, I suspect there are several areas in America that would prove this statement to be false equally as well as the two areas that we visited in Missouri which I have just tried to describe to you. If there is any doubt that conditions have not materially improved as the good Secretary suggests they have, I think he should send a representative out to the Tri-State area composed of the three States of Kansas, Oklahoma, and Missouri, and over into the Flat River area in the Ozark Mountains so that he could determine the validity and truthfulness of my statement and description and that his generalization that conditions have materially improved has no application to the areas we visited.

Mr. Chairman, in conclusion, the bill H.R. 8860, I would remind the Members

of the House to remember that this bill applies only to the small, domestic producers.

Bear in mind the key word is "small"—that is, those producing 2,000 tons or less. Yes—and the total cost is small—$4,800,000 a year for the entire program. Let us support this measure to help these little miners and operators before it becomes too late.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. ASPINALL. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. HARGIS].

Mr. HARGIS. Mr. Chairman, I rise in support of H.R. 8860, the Small Producers bill for the domestic lead and zinc industry. There is urgent need for its immediate enactment to assure the survival of a badly crippled industry.

The small domestic producers are the backbone of this country's lead and zinc mining activities. Their plight is desperate. H.R. 8860 represents a sincere and earnest effort to arrive at an equitable means of putting them back in business.

H.R. 8860 sets up a program of Federal stabilization payments aimed at restoring market prices to the reasonable level attained in May, 1957, before the present slump. The Committee on Interior and Insular Affairs, which reported the bill with only two dissenting votes, has carefully amended it to make sure that benefits will apply only to small producers of lead and zinc in the United States, and nowhere else.

The Tri-State mining district of Oklahoma, Kansas, and Missouri was once the Nation's leading lead and zinc production area. Today in this region, unemployment has risen to an appalling level. Valuable mine properties and resources have deteriorated severely.

Foreign imports led to price drops, and this in turn led inevitably to a virtually complete shutdown of the mines. Our domestic operators, in the Tri-State region and in sections of 19 other States as well, have been unable to compete with the low wage scale paid by foreign producers, and the lower costs for materials in those countries. They have been forced to close their mines altogether, or stockpile what they produce.

Back in 1957, Tri-State mines were producing 10,000 tons of zinc and 3,000 tons of lead each month, and 1,400 men were directly employed by this important and essential industry. Today, because of foreign price-cutting and the administration's failure to impose a reasonable import quota system, production is at a standstill.

Known reserves of lead and zinc ore in the Tri-State area, including part of my own district in southeast Kansas, are reliably estimated at 30 million tons. Lead reserves in southeast Missouri's Flat River area are among the country's richest. I have been told by officials of the Tri-State Zinc and Lead Producers Association that mines in the area accounted for approximately 40 percent of the peak 1957 output.

Among southeast Kansas communities adversely affected by mine shutdowns are Baxter Springs, Columbus, Cherokee, Scammon, Galena, Chetopa, Pittsburg, and Oswego. The Pittsburg vicinity is now classified by the Department of Labor as an "area of substantial and persistent labor surplus." They need help out there, and I can guarantee that they will be far more grateful for it than a great many of the foreign countries that are getting a share of this year's usual massive foreign aid handout program.

In addition to rich and untapped resources of domestic minerals, the Tri-State region has much valuable mine equipment that is rusting and corroding while it lies idle. Small-scale operators cannot afford to continue their present practice of pumping unworked mines to keep them from flooding. And if the pumps are turned off, many developed ore bodies may be destroyed forever.

Far worse than this threatened loss of property and equipment, however, is the steady deterioration of the area's human resources. Destitute families depend on Government relief through distribution of surplus foods. Available unemployment compensation benefits have been exhausted, and miners are unable to find other employment. Hundreds have left the area, taking with them key occupational skills that took as long as 10 years to develop.

The problem of reopening the mines, and reducing inventories of stored lead and zinc, is acute. It is a problem that must be faced and acted upon without further delay.

I sincerely feel that the stabilization payments provided for in H.R. 8860 will provide a major share of the solution by giving small operators the necessary financial incentive for resuming production.

Under H.R. 8860, appropriations for this purpose are limited to $4,840,000 annually. Certainly the restoration of employment and decent living conditions to depressed mining areas should constitute a more than fair return for the governmental investment proposed.

I am happy to have lent my unqualified support to this legislation since it was first introduced, and to have played a small part in getting it to the floor of the House. I hope it receives the overwhelming approval it deserves.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, it is a very, very laudable effort to help individuals and business organizations which need help. The trouble is we are just on the wrong track. I would like to help the folks in my district, too, the Fourth District of Michigan, in the southwest corner of the State. We have a factory at the little town of Bangor. It is not a very big factory; they have 300 employees. They make some sort of a little plastic gadget that they sell to a corporation over in Benton Harbor not so very far away. That company has been operating very successfully, when there was unemployment all over the country. The Benton Harbor Corporation maintained three shifts a day, employment 24 hours a day. They did it because they were making their product very efficiently and it was exceptionally good. But now the Japs make this same little gadget that they make over at Bangor, and the Benton Harbor Corporation buys it because the Japs sell it a little cheaper. You see what happens?

A week or so ago the Bangor folks were down here and they said, "We have lost our market to the Japs. The Japs have taken it over." How about giving this little concern of mine a subsidy of some kind? They could use the money. Those 300 employees in that little town could continue in their jobs. But these people know when you do that you only do what we did with the farmers program, give somebody some money and solve nothing. That is what it amounts to.

So I cannot go along with a bill of this kind.

I think the gentleman from West Virginia [Mr. BAILEY], one of the hardest working Members of the House, who is always on the floor, who is always in committee every time we have a committee meeting, you all know him very well, I think he has the right solution. They have a pottery business up there and some glassware. Two or three years ago the employees began to lose their jobs because of the importations from Japan. What he is kicking about now, or rather he would say objecting to, is the fact that his workers are out of jobs because the merchandise comes in from other countries.

I have a letter this morning on the same line, pianos over at South Haven. I did not know they imported any to this country, but they say they come in through Canada. But this story of wheat and other products coming in from Canada and taking over the market is an old one. So I would not worry about that musical instrument coming in. But if you look around you will find that practically every American industry is operating in competition with something that comes in from abroad.

I have not forgotten that Brother Reuther—and I have not spoken about him for some few days—he is the man who came down here and advocated that we do everything we could to help people abroad. We sent over the know-how, we sent the machinery, and we furnished them the money to establish plants. Then this little monster came back in competition and up in Detroit they are yelling their heads off about unemployment. What was to be expected? What did they think would happen?

Then we have some factories in my district that have plants in England. We have factories that have plants in Germany. Not long ago there were 150 of the boys in one of those plants where they make smooth wire, who lost their jobs because the wire was coming in from abroad. Not the home company. They were not shipping that particular article. They were making something else and shipping it back here.

So you get into that kind of a situation.

It seems to me instead of trying to solve by subsidy these questions which are destroying small business—and there is no question but what they are—that instead of trying to subsidize them we

should look at the other end of the problem and just keep some of that stuff out. Try that for once.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I take this time to see if I cannot get some answers to questions which I asked the gentleman from New York [Mr. WHARTON] when he had the floor.

I am trying to find out from the report and from the hearings, and also from discussions with colleagues on the committee just how many mineworkers will be benefited by this legislation. I think we ought to have some knowledge of that. It does not appear from the report and the table on page 5 of the report which shows the number of mines in various categories: from zero to 499; the second category from 500 to 999; the third category from 1000 to, it says, 2999, but I am sure it must mean 1999, which is the number of tons per year.

The first three categories are the ones which would be benefited by this legislation, as I understand, and I think they total approximately a little over 600 mines. Is that correct?

Mr. EDMONDSON. The gentleman's estimate as to the number of mines is accurate. As to the number of men employed in the mines I think the figures supplied by the Department of the Interior are inaccurate, at least so far as I am personally acquainted with conditions in the tristate area.

Could I answer the gentleman's question as to the number of employees?

Mr. MEADER. I wish you would let me have a figure that is approximate, or your best judgment of the maximum and minimum number of employees which will be put to work as a result of this legislation, and the number of men now working.

Mr. EDMONDSON. I gave to the gentleman a few moments ago an estimate which I feel is a sound estimate. I headed the special subcommittee investigating this problem over a year ago, a subcommittee of the Committee on Interior and Insular Affairs. My personal estimate of the number who would be benefited is between 25,000 and 35,000. But I would concede to the gentleman that that includes not only miners but also men who are now in the mills, men who are in the smelters which are shut down or on the verge of shutting down, men in the supply companies and related equipment industries who supply these mines.

That figure cannot be found in the report, I will concede to the gentleman. It does not appear there, but I think it is rightly arrived at from the reports of the Tariff Commission. I have here the Tariff Commission report of April, 1958 and the Tariff Commission report of March 1960, and I may say to you that I arrived at these figures after a careful consideration of the overall industrial picture.

Mr. MEADER. I heard the figure used during debate on the rule that there were some 46,000 miners unemployed, of which 42,000 were coal miners. It, therefore looked to me as though the number of men who would be affected by this legislation would be something like 4,000. The gentleman gave me a figure 10 times that many.

Mr. EDMONDSON. I explained to the gentleman that my figure took into consideration not only miners but workers in related fields.

Mr. MEADER. Suppose we confine it to those engaged in the mining of lead and zinc; how many would be affected by this legislation?

Mr. EDMONDSON. I would say to the gentleman that in our own district, the Tri-State District, there would be about a thousand in that area.

Mr. MEADER. What proportion does the production in your district bear to total production?

Mr. EDMONDSON. The Tri-State District has not produced in excess of 20 percent of the total national production, for quite some time.

Mr. MEADER. So we get, perhaps, to a figure of not in excess of 5,000.

Mr. EDMONDSON. If you are taking directly the miners themselves, I think the 5,000 figure might be a fair figure for the overall national situation.

Mr. MEADER. Let me ask the chairman of the committee: Is this simply the beginning of a general program for subsidized mines? Are we going on to other minerals and establish a precedent here today that you did this for the lead and zinc miners, you have to do it for the various other types of ore that we produce?

Mr. ASPINALL. The chairman of the committee is unable to say what his committee will bring to the House to consider. The chairman of the committee would like to advise the gentleman from Michigan that we do have bills covering other ores and metals and the producers of such. Also there are other distresed areas. It is the opinion of the chairman of the committee that we cannot get to those bills. We are hopeful that the distress they are in will be cured up before we come back.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SAYLOR. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. MEADER. Mr. Chairman, I would like to say to the gentleman that I do not like to be placed in the position of discriminating among classes that are similar. I do not like to be in the position of establishing a general principle applicable to one class which in all good faith and conscience should be extended to others under similar circumstances.

Mr. ASPINALL. I find myself in agreement with the gentleman from Michigan in that respect. On the other hand, we must recognize that these two are the basic minerals to all of our fabrication. I would like to advise the gentleman also that the gentleman from Ohio [Mr. KIRWAN], whose subcommittee deals with these matters, has told me that as far as he is concerned these are the only two minerals that are to receive favorable consideration at this time, and he is going to see to it that the policing is done and that there is not a windfall. I believe the gentleman from Ohio [Mr. KIRWAN]. I believe he has his heart in the welfare of these people.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. ASPINALL. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico [Mr. MONTOYA].

Mr. MONTOYA. Mr. Chairman, I rise first to compliment the Committee on Interior and Insular Affairs for having done such a splendid job on this legislation. They have brought here a piece of legislation which should be acceptable to all the membership of this House. When we realize that we are extending budget support in millions of dollars to foreign countries under the mutual security program, this small sum of $5 million a year to stabilize prices should be acceptable to the Congress.

Mr. Chairman, I cannot overemphasize the importance of this legislation to stabilize the mining of lead and zinc by small domestic producers. Many lead and zinc mines, particularly small mines, have closed in recent years. H.R. 8860 will help restore jobs to unemployed miners, take mining families off the relief rolls, alleviate general economic distress in dependent communities, and prevent the waste of lead and zinc reserves of the country which would otherwise be effectively destroyed by mine flooding.

When a mine is closed down for a considerable length of time, it is difficult to reopen that mine. The mine timbers are decayed; water, chemicals, and gases accumulate, and earth slides occur. This Nation cannot afford many such mine closures. Our future well-being is dependent on our maintaining a strong, active, and diversified domestic production base for lead and zinc.

It would be indeed tragic if more of our small domestic lead and zinc mines were to close down. In 1956 there were 696 individual mines in the United States producing lead and zinc. By 1958 this number had dropped to 447, of which 408 produced less than 4,000 tons. If legislation comparable to the bill now before the House had been enacted in 1958 and conditions then prevailing had continued in all other respects, about 110 mines would have been brought back into production, according to the Department of the Interior estimates. The activity resulting from the program would have given many communities an economic boost, in addition to saving ore reserves from destruction.

The plight of the mining industry in New Mexico has been growing continually worse during the last few years. The situation has been particularly bad in the southwest section of the State where hundreds of miners have been thrown out of work. This, of course, has caused a number of stores, filling stations and other businesses to close. This has resulted in a situation where some of the small towns are virtually deserted since many people have left the area.

The importance of lead and zinc for industry, for the necessary conveniences in our daily living and for the national defense is unquestioned. The need for these minerals is expected to increase considerably in the future. Recoverable

reserves of lead at the present time are estimated at approximately 2.9 million tons, or only about 11 times the unfortunately low domestic mine production in 1959 of 253,000 tons, and only 2.4 times our demand needs for lead in 1959 of 1,185,000 million tons.

Recoverable zinc reserves are also quite limited, considering that future uses will certainly increase. In 1957 our reserves were estimated at 13,500,000 tons, or about 32 times the low domestic mine production in 1959 of 417,000 tons, and only about 14 times our total consumption in 1959.

Domestic mine production of lead has decreased from 352,826 tons in 1956 to 253,000 tons in 1959, a reduction of 28 percent.

Domestic mine production of zinc decreased from 542,340 tons in 1956 to 417,000 tons in 1959, a reduction of 23 percent.

Lead prices have declined seriously in recent years. In 1956, the price of common lead, New York, averaged 16.013 cents per pound, but the average for 1959 was only 12.211 cents per pound. The average price for January and February 1960 was only 12 cents per pound.

Prices for prime western zinc, East St. Louis, have dropped from an average of 13.494 cents per pound in 1956 to only 11.448 cents in 1959, and despite some recent gains to an average in February 1960 of 13 cents per pound, they are still too low to provide a margin of profit to the many small mines whose operating costs are characteristically high.

I would also like to point out that according to the latest report by the Bureau of Labor Statistics the number of production workers employed in lead-zinc mining and milling has dropped from 13,800 in 1954 to 10,066 in 1959. I might mention that the Tariff Commission estimates the 1959 figure to be approximately 7,983.

The benefits provided under this legislation have been specifically designed to help the small producers because they sorely need a program providing a reasonable degree of price stabilization. Action is needed now or this Nation will continue to suffer grave economic loss in the mining areas. Also of major importance is the fact that a large number of unemployed miners and their families together with the country as a whole will benefit from this legislation.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, there is another flock of chickens coming home to roost in this bill. Again we are asked to deal with effect and not cause and the price tag is nearly $25 million.

The responsibility for this bill can be laid on the doorstep of those who have voted for the so-called reciprocal trade treaties such as the last one; it can be laid on the doorstep of the freetraders, and those who advocate compensatory payments out of the Treasury for industries that are damaged by foreign imports, as my friend, the distinguished majority leader, advocates.

It can also be laid on the doorstep of those who vote billions of dollars for foreign aid each year to develop industries, including mines, to pour their products into this country. Yes, there will be many more flocks of chickens coming home to roost for those of you who vote for all these programs.

Read the hearings on the mutual security bill and the supplemental appropriation bill, or almost any of the hearings dealing with foreign aid, and what do you find?

The gentleman from Ohio [Mr. BROWN], in opening the discussion in opposition to this bill under the rule, made plain his conviction that the State Department is responsible in a large measure for giving away American markets for American products. I regret that I do not have the supplemental appropriation hearings before me now to read the admission of an Assistant Secretary of State that millions and millions of dollars have been spent to implement political decisions, when the public of this country has been led to believe that foreign aid is necessary to raise economic standards in the so-called less developed countries. Yes, the State Department is directing the spending of millions and billions of dollars to implement political decisions. And, why? Because there has been developed in this country a cult of fear; fear that somebody is not going to like us some place in the world. It makes no difference what they want; give them money if they show any sign of dislike.

The gentleman from Ohio [Mr. Bow] mentioned the $30 million Prudential loan announced last week to Japan; $30 million at 7-percent interest. The Prudential loan will be repaid and the interest and the principal will be repaid, you can bet on that. But, have you forgotten that in the foreign handout bill, passed by the House only a few days ago, there were millions of dollars and then more millions for Japan. It is doubtful if American taxpayers will ever see a dollar of that money again. Continue the foreign giveaway program and extend the Reciprocal Trade Agreements Act on the basis that you did the last time, with a 20-percent reduction in tariffs when our overall tariff schedules were already the lowest of any major producing country in the world, and you will compound the damage already done to industry, labor, and agriculture in this country. Then, as the distinguished majority leader suggests, just raid the Federal Treasury for compensatory payments to those who are injured. Some day, I hope, there will be the courage in Congress to face up to this situation.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Will the gentleman concede that there is some special justice due any industry which three times has gone to the Tariff Commission and sought relief under the escape-clause procedure and has been recommended for relief and been unable to get the recommended relief?

Mr. GROSS. The gentleman well knows that when the Trade Agreements Act was last extended some of us attempted to take away that overriding authority and restore it to Congress, does he not?

Mr. EDMONDSON. Yes.

Mr. GROSS. And a majority of the Members of the House yielded to pressure from the White House and voted against it; is that not correct?

Mr. EDMONDSON. Yes. But, the gentleman will concede that the industry is in a rather unique situation in having sought relief and——

Mr. GROSS. I do not question that. But, what I say is you are dealing with an effect, not a cause, and to compound this wrong is unfair to the taxpayers of the entire country.

Mr. EDMONDSON. Often we apply a tourniquet when somebody is bleeding, but the tourniquet does not get directly at the cause of the bleeding, and I think we are in that kind of a situation now.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. ASPINALL. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. JOHNSON].

Mr. JOHNSON of Colorado. Mr. Chairman, I rise in support of this bill and commend the committee for bringing it out. Let me say that I want to use this time to examine the cost of this bill in terms of the alternatives.

We are consuming today about 2 million tons of this material a year. A one-cent increase in the price of a single ton is $20.

That means that a 1-cent increase in the price for these metals across the Nation adds $40 million a year burden on the users of these metals. We had in one single year, exactly 10 years ago, arising out of events which then took place, a 7-cent increase in price, or a burden upon the consumers of these metals which was not $40 million, but $280 million a year.

Mr. Chairman, one can defend this kind of a bill, this kind of a subsidy, if you want to call it that, as the most economical and efficient way to guarantee that there will continue to be production of lead and zinc in this country which may at some future time help to prevent even a 1-cent increase in price. If it prevents a 1-cent increase in price it saves us $40 million a year. I therefore cheerfully support an outlay of less than $5 million a year as a low-cost insurance policy.

Mr. CARNAHAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CARNAHAN. Mr. Chairman, I rise in support of H.R. 8860. For nearly 14 years it has been my privilege to represent the Eighth Missouri District.

This district comprises the most important lead-mining area in the United States, and, incidentally, one of the most important in the world. These portions of the Eighth Missouri District which make up this vast lead-mining industry is known as the Lead Belt and has been producing lead for over 100 years. This is a long history of continuous operation. The production of lead in this century has been a significant factor in our overall U.S. economy and the contribution to the defense capability of this Nation has been tremendous indeed. However, recent developments in the discovery of the mineral potential of this area forecasts an even greater and more productive day for this section. Whole new operations may be opened soon as a result of important new discoveries within the Eighth Missouri District. Along with this bright forecast for the future is also the necessary fact of depletion in some areas but far and wide with the reserves now known to exist in this area, and only recently verified and located, the fact is that there is a prosperous career ahead for miners and producers of lead within my district as well as continued production in most of the older areas.

We in Missouri are proud of the part our lead resources have played in the economic life of this Nation and of the significant contribution it has made in the time of national emergencies when the production of lead has been so very important to national defense.

However, in spite of the rosy prospects for the future brought about by the discovery of vast new fields for mining operations in our district, and even with safeguards to assist in the continuing operation of the already existing mines, it is distressing to note that lead mining within the Nation as a whole is suffering. Production and employment are curtailed. Large inventories have been built up. Men are out of work. The purpose of H.R. 8860 is to stabilize the mining of lead and zinc. Such stabilization will provide jobs for unemployed miners and thus assist the families of these miners as well as the depressed communities in the lead-zinc mining districts. This bill as now written limits stabilization payments to small producers of lead and zinc. The provision in the bill before us provides for payments to small producers at a rate which would provide them a return equivalent to that which they would receive if the market price of zinc were 14½ cents per pound and lead 17 cents per pound. This means that on the basis of current lead prices a 4-cent-a-pound stabilization payment would be made to small lead producers or one who produces or sells from any mine operated by him, for which he seeks the benefits of this bill, not more than 2,000 tons of lead in a 12-month period.

A part of the problem of depressed lead mining areas stems from the threat of foreign competition. The administration has refused to establish higher tariffs but has instead established a system of lead import quotas which has not worked to the benefit of domestic producers. These import quotas were set in September 1958 but have not been effective in reopening shutdown American mines or in reducing inventories nor yet in putting men back to work on a full employment level in the lead mines. This system of quotas has merely led to more lead in one form or another being sent into the country.

Generally speaking, conditions are just as bad as they were in September 1958 when the President established this system of quotas and no relief appears in sight. I grant you, Mr. Chairman, that the establishment of a system of quotas was a step in the right direction but far too small a step to have any significant effect on our depressed domestic lead-mining areas. Even with this quota established by the administration the miners are not kept at full employment. Two factors must be considered when one comes to assessing the reasons why this system of quotas has not worked to alleviate a most distressing problem: First, the quotas were set on the basis of the period of 1953–57 which were the heaviest import years, and with the quotas allowing for 80 percent of the usual importation in this period, the domestic lead economy could not arbsorb the importation; second, while quotas were set on unmanufactured lead, no quotas were set on lead products and items already manufactured. Consequently, vast quantities of manufactured lead items have been shipped into the Nation and this has further decreased the consumption of domestic lead by manufacturers. In addition, large amounts of lead have been shipped under the guise of finished products.

Yet, Mr. Chairman, there are other aspects of the problem which must not be ignored. The Congress has affirmed again and again its desire to see less stringent trade barriers and these policies are dealt with in our Reciprocal Trade Agreements Act. We desire a world trade pattern which is best for our complete economy but we do not seek to do this by asking any one industry to absorb more than their fair share of the burden. This safeguard is provided for in the escape-clause and peril-point provisions of our Recriprocal Trade Agreements Act. To date it has been difficult to effectively get relief under either the escape-clause or the peril-point provision in this Reciprocal Trade Agreements Act.

Domestic lead production has reached its lowest point in 60 years. The market price for lead remains depressed. In 1956 there were 696 individual mines in the United States producing lead and zinc. In just 2 years this dropped to 447 of which 408 produced less than 4,000 tons. If the provisions of this bill had been enacted into law and had been effective in 1958 it is estimated by the Department of the Interior that 110 of these mines would have been brought back into production, jobs restored to unemployed miners, families taken from the relief rolls, depressed economic conditions in these communities alleviated, and 138 mines in the tristate area of Kansas, Missouri, and Oklahoma would have benefited by the provisions of this bill. This is really a very economical piece of legislation, especially considering how very important lead mining is to the whole country and what the bill will most certainly accomplish in terms of helping a group of people who are in dire straits with no other prospects of remedy on the horizon. The costs of this bill is set at $4,400,000 a year plus 10 percent estimated administrative costs. Should the cost of lead and zinc move upward the costs of this bill would be reduced.

Mr. Chairman, I favor this legislation. It will help alleviate hardship conditions existing in my district. It is in the national interest that our great mining and mineral industry be given support, a stronger financial base and adequate protection from excessive and cheaper foreign imports. I urge favorable action.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized and directed to establish and maintain a program of stabilization payments to small domestic producers of lead and zinc ores and concentrates in order to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands as provided in this Act.

SEC. 2. (a) Subject to the limitations of this Act, the Secretary shall make stabilization payments to small domestic producers upon presentation of evidence satisfactory to him of their status as such producers and of the sale by them of newly mined ores, or concentrates produced therefrom, as provided in this Act.

(b) Such payments shall be made to small domestic producers of lead as long as the market price for common lead at New York, New York, as determined by the Secretary, is below 17 cents per pound, and such payments shall be at a rate to provide the equivalent return to the small domestic producer, including receipts for lead sold through normal commercial transactions, as if such lead were sold under conditions whereby the regular United States market price for lead was 17 cents per pound.

(c) Such payments shall be made to small domestic producers of zinc as long as the market price for prime western zinc at East Saint Louis, Illinois, as determined by the Secretary, is below 14½ cents per pound, and such payments shall be at a rate to provide the equivalent return to the small domestic producer, including receipts for zinc sold through normal commercial transactions, as if such zinc were sold under conditions whereby the regular United States market price for zinc was 14½ cents per pound.

SEC. 3. (a) Subject to the provisions of subsection (b) and subsection (c) of this section, no stabilization payments under this Act shall be made on sales, or further processing in lieu of sales, in any one twelve-month period with respect to any production the recoverable content of which is in excess of five thousand tons of lead and zinc combined.

(b) No stabilization payments under this Act shall be made on any domestically produced material which is sold to or eligible for sale to the United States Government, or any agency thereof, pursuant to a contract made under the provisions of the Defense Production Act of 1950, as amended, or the Strategic and Critical Materials Stockpiling Act. Any such material shall be applied to reduce the annual limitations speci-

fied in this section, and the quarterly limitations as fixed by the Secretary.

(c) For purposes of administration the Secretary may fix quarterly limitations on the total amounts of each material on which stabilization payments are made for the purpose of achieving stabilization in the annual rates of production.

SEC. 4. The provisions of this Act shall take effect on the first day of the first quarter next following the date of enactment of this Act and shall terminate on June 30, 1964.

SEC. 5. The Secretary is authorized to establish and promulgate such regulations and require such reports as he deems necessary to carry out the purposes of this Act, but such regulations shall assure equitable distribution of the benefits of the programs provided by this Act among the small domestic producers affected.

SEC. 6. The Secretary may delegate any of the functions authorized by this Act to the Administrator of General Services.

SEC. 7. (a) For the purposes of this Act—

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "small domestic producer" means any individual, partnership, corporation, or other legal entity engaged in producing ores or concentrates from domestic mines and in selling the material produced in normal commercial channels not exceeding five thousand tons of the recoverable content of lead and zinc combined therein in any twelve-month period and further means any single operating unit producing ores from properties located within the United States or its possessions, and operating in one State or mining district.

(3) The term "sale" means a bona fide transfer for value of ores and concentrates from a producer to a processing plant. In the event that a producer further processes ores or concentrates, a sale shall be deemed to have occurred when such ores or concentrates are shipped to the processing plant.

(4) The term "newly mined" means domestic material processed into concentrates or severed from the land subsequent to the date of enactment of this Act, but shall not exclude normal inventories of crude ore. The term does not refer to material recovered from mine dumps, mill tailings, or from smelter slags and residues derived from material mined prior to the date of enactment of this Act.

(5) The term "quarter" means the calendar periods commencing on the first day of the months of January, April, July, and October.

(b) For the purposes of this Act, the Secretary may determine what constitutes a mining district and what constitutes a single operating unit producing ores, and, in the event that more than one producer claims payment for sales from production of a single operating unit, the Secretary may determine the quantity of sales for each such producer to which the above limitations apply.

(c) For purposes of this Act, sales of concentrates produced from ores sold to a mill or processing plant in accordance with regulations issued pursuant to this Act, shall not be considered as the sales of the owner of the mill, but shall be considered as the sales of the small domestic producer of the ores.

SEC. 8. There are hereby authorized to be appropriated from any funds in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

SEC. 9. No payment shall be made under this Act after December 31, 1964.

SEC. 10. The Secretary shall make annual reports with respect to operations under this Act not later than March 1 of each year to the Committees on Interior and Insular Affairs and the Committees on Appropriations of the Senate and House of Representatives. Any such report shall contain such recommendations as the Secretary may deem appropriate.

SEC. 11. Any person who willfully violates any provision of this Act or any regulation issued under this Act shall upon conviction be fined not more than $10,000, or imprisoned for not more than ten years, or both.

Mr. ASPINALL (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read in full, printed in the RECORD, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 3, strike out "five thousand tons of lead and zinc combined" and insert in lieu thereof "two thousand tons of zinc and two thousand tons of lead."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 21, strike out "1964" and insert "1965."

PROGRAM FOR THE BALANCE OF THE DAY AND FOR THE WEEK OF JUNE 27

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this procedure to inquire of the majority leader concerning the program for the balance of the day and for next week, if he can tell us at this time.

Mr. McCORMACK. The next order of business—I hope we are able to reach it—will be the additives bill. Then, if we can, we will take up the Gorgas Memorial Laboratory bill. I am in hopes that we will be able to dispose of those two; in any event one of them.

For the next week, on Monday, there are several District bills.

First. H.R. 1844, Life Insurance Act, Group Coverage, accept Senate amendments.

Second. H.R. 12483, capital punishment, mandatory death sentence.

I am informed these bills will be called up by the committee.

Third. H.R. 8697, streamlining authority, Redevelopment Act of 1945.

Fourth. H.R. 11135, D.C. transportation system.

Fifth. H.R. 12497, amend Revenue Tax Act, foreign corporations.

Sixth. H.R. 12563, increase revenue, identification tags.

Seventh. H.R. 10346, increase sales tax.

Eighth. H.R. 11370, taxing of alcoholic beverages.

These bills may not necessarily be called up in the order in which I have listed them.

S.1898, license and rehearings, Communication Act. We have had that up several days already. This will be a continuation of that bill.

H.R. 11123. Gorgas Memorial Laboratory, authorization of appropriation; that is, if it is not reached today.

H.R. 12417, U.S. Military and Air Force Academies.

Now, for Tuesday, Wednesday, Thursday, Friday, and Saturday the following is the program. Of course, any record votes on Tuesday will go over until Wednesday in view of primaries in Idaho, North Dakota, and South Carolina.

On Wednesday there is a joint meeting to receive the King of Thailand. Calendar Wednesday may be exercised, I want to advise my colleagues. I cannot say definitely. I have not had the opportunity of conferring, and furthermore there are certain imponderables involved in connection with it, or there may be involved, but the bill to be called up, it is my opinion, would be the minimum wage bill.

Then there are the following bills:

H.R. 11001, International Development Association.

H.R. 12465, assessment methods, Federal Deposit Insurance Corporation.

H.R. 12759, the migrant labor bill.

H.R. 4815, transit and sightseeing, District of Columbia. That has been up before but has not been terminated as yet.

H.R. 7903, direct loan agreement, relating to veterans.

S. 19, a wage rate bill relating to the Portsmouth Naval Shipyard.

H.R. 7201, operation of hydroelectric power resources.

H.R. 9996, relating to the importation of surplus property.

H.R. 12383, the Federal employees compensation bill.

H.R. 8665, the Theodore Roosevelt Memorial. Personally, I am very strongly in favor of that.

H.R. 2467, the Chantilly Airport reimbursement bill.

H.R. 12552, the judgeships bill.

The Private Calendar, of course, will be called on Thursday. The bills listed above may not necessarily be called in the order listed.

I make the usual reservation that any further program will be announced later, and that conference reports may be brought up at any time. As far as I know, I have listed every bill with reference to which a rule is outstanding at the present time.

Mr. HALLECK. The conference report on the extension of the excise taxes, of course, has a deadline working against it.

Mr. McCORMACK. Conference reports can be called up without being listed.

Mr. HALLECK. Particularly I have reference to the suggestion that no rollcall votes would be had on Tuesday. I am in complete sympathy with the gentleman's arrangement, that we have consistently followed here when we could, that rollcalls not be had on the day the primaries are held in the various States, but it would seem to me that under these circumstances it might be well to get that conference report up Monday in order to get it passed by the House for action in the other body.

Mr. McCORMACK. I am informed they have until midnight tonight to file a conference report. I shall get in touch with the chairman of the Committee on Ways and Means and not only convey

to him what my friend said but join with my friend in urging that the conference report be brought up Monday. Of course, that can be called up anyway.

Mr. HALLECK. I understand that, but in view of the fact the excise taxes are to be extended, and apparently they are, if they were not extended and the deadline passed it would create considerable difficulty.

Mr. McCORMACK. We will just have to meet that situation. I agree with the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Iowa.

Mr. GROSS. Are there any extra copies available of the list of the bills that will be brought up on Monday?

Mr. McCORMACK. I have such a high regard for my friend I will give him my copy.

Mr. HALLECK. If I may reclaim the floor, I may say to the gentleman from Iowa that when these listings are made I will put my copy here on the minority leader's table, and anybody can see it who wants to see it.

Mr. GROSS. We are going to have such a long week end that I wanted to get some opportunity to get these bills that will come up on Monday. After that, it will take care of itself. I wonder if the gentleman will yield further for me to ask the distinguished majority leader if he has any idea as to adjournment.

Mr. McCORMACK. I wish I did. I can answer it two ways, my hope and my objective appraisal.

Mr. GROSS. Does the gentleman still suggest we may recess and come back?

Mr. McCORMACK. Several weeks ago, the gentleman will remember, in response to a question by the gentleman from Iowa [Mr. HOEVEN], I said there was a remote chance of our adjourning sine die. A couple of weeks later, I said there was a very remote chance. Then a couple of weeks later, I said there was a very, very remote chance. Today I would say there is a very, very, very remote chance. Hope is eternal. We are doing everything we can, I assure the gentleman.

Mr. HALLECK. If I may reclaim the floor at this point.

Mr. McCORMACK. Certainly, I would like to get a little lateral support.

Mr. HALLECK. I want to express the hope and, I believe, the conviction, that there is no reason why, if we get down to business and stay down to business, we cannot quit here before the conventions.

Mr. McCORMACK. If we can get the housing bill up, the minimum wage bill, and the school construction bill and get them to conference, I am satisfied that what the gentleman has said can materialize.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Illinois.

Mr. ARENDS. I would like to know if the majority leader would accept an amendment to strike out the words "very" in his statement, "very, very, very remote" and just make it "remote."

Mr. McCORMACK. If it would satisfy my friend, we will let the record rest.

I want to be frank here and I am not joking. I gave my friend, the gentleman from Iowa, a serious answer. I said—yes, there is hope. I want to adjourn sine die. Then I said that is my objective opinion, and I was giving the gentleman from Iowa a sincere answer and a frank answer, as I like and try to do when I can whenever I am asked a question. I will do everything I can to try to adjourn sine die and I shall continue to do so. But, frankly, I think there is a remote chance of adjournment sine die. However, we might be able to do it, if we all work together.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Ohio.

Mr. HAYS. If we finish these other two important bills that you talked about today on the calendar, are we going to adjourn over until Monday then?

Mr. McCORMACK. Does the gentleman from Indiana have any further inquiry?

Mr. HALLECK. No, I think that just about does it.

The CHAIRMAN. Without objection, the pro forma amendments are withdrawn.

There was no objection.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 4, strike out all of lines 10 to 19, inclusive, and insert in lieu thereof the following:

"(2) The term 'domestic producer' means any person engaged in producing ores or concentrates from mines located within the United States and its possessions and in selling the material so produced in normal commercial channels.

"(3) The term 'small domestic producer' means a domestic producer who, during the twelve months preceding the first day of the period for which he seeks payments under this Act, has not produced or sold ores or concentrates the recoverable content of which is more than two thousand tons of lead and/or two thousand tons of zinc from each single operating unit producing ores with respect to which he seeks payments under this Act. A domestic producer shall be treated as a small domestic producer with respect to one, but only one, operating unit in any one State or mining district."

Mr. SAYLOR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendments that are being offered to this bill were very carefully studied by the Committee on Interior and Insular Affairs in the light of prior actions that were taken on similar bills that have come before the House. One of the principal objections which has been made to prior legislation covering a subsidy for the production of minerals grew out of the fact that there was no definition of those people who were qualified to participate under the act. The amendment, which is now being considered, will limit those people who are able to qualify for any subsidy payments.

This is the first time we have had such a provision in any mineral subsidy bill.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. It was stated heretofore during the discussion on the bill that the gentleman from Pennsylvania, [Mr. SAYLOR], had made a significant contribution to this legislation. It is in the field of this particular statement that one of these amendments that will follow, where we find that contribution. I would like the Committee to hear the explanation, because it is a worthwhile provision in the bill.

Mr. SAYLOR. I thank the gentleman for those comments.

Under prior legislation on mineral subsidies, it has been the experience of our Government that many people who had absolutely no experience in the mining field, seeing an opportunity where they could get some money from the Government, went out and began to produce minerals in areas where they had absolutely no hope of ever making a successful production.

The amendment that is now being considered specifically states that a domestic producer must have been in production during the past 7 years, and that he must have been a producer that has not produced more than 2,000 tons of lead or 2,000 tons of zinc. To make sure that this did not turn out to be a windfall bill, but which would be a bill which helped the domestic producers, we went further and specified that a domestic producer could not have more than one operating unit in any one State or in any one mining district. The reason that sentence was added is that experience showed that certain operators under former bills actually went out and opened up four or five or six mines at the same location, doing nothing more than adopting a new name. The purpose of this last sentence is to make sure that that does not apply under the present bill.

Therefore, I sincerely hope that this amendment, together with the other committee amendments which have been prepared, will be adopted.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to express my appreciation, and I feel sure the appreciation of all sponsors of these bills, for the contribution which the gentleman from Pennsylvania [Mr. SAYLOR] has made, in getting a bill which meets the objections and which can be passed and signed into law.

Mr. SAYLOR. I thank the gentleman from Oklahoma.

I would like to make one further statement in regard to an amendment on page 6, and then I will not speak on that amendment. That amendment also is designed to protect the Government against another evil which grew up under the old mining laws, where there were some people, who had already been there and had ore which they could not sell suddenly realized that the Government was in the business of purchasing minerals. They came along and sold the

minerals which had been produced prior to the enactment of the law and the Government paid them for it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. SAYLOR was granted 1 additional minute.)

Mr. SAYLOR. The amendment to section 9, on page 6 of the bill, specifically provides that no payments may be made to any producer who qualifies under this bill except for ore which is mined and produced after the act is passed. Those two amendments I feel certain will eliminate all of the evils which arose under prior acts.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 5, line 9, strike "(3)" and insert "(4)".

Mr. ASPINALL. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendments be considered en bloc, be considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

(The other committee amendments are as follows:)

Page 5, line 15, strike out paragraph designation "(4)" and insert in lieu thereof "(5)".

Page 5, line 22, strike out paragraph designation "(5)" and insert in lieu thereof "(6)".

Page 6, line 16, after the word "necessary," insert "but not more than $4,840,000 per year,".

Page 6, line 19, strike out the figure "1964." and insert in lieu thereof "1965, nor shall any payment be made under this Act for ores, or concentrates, therefrom, except ores or concentrates produced from a single operating unit which was in production during the whole or some part of the seven years preceding enactment of this Act or produced by a small domestic producer who produced ores or concentrates during the whole or some part of said seven-year period."

Page 7, line 1, strike out "annual reports" and insert "an annual report".

Page 7, line 3, strike out the words "Committees on Interior and Insular Affairs and the Committees on Appropriations of the Senate and the House of Representatives." and insert in lieu thereof "Congress of the United States."

Page 7, line 19, strike out all of section 11 and insert in lieu thereof:

"SEC. 11. (a) Whoever, for the purpose of procuring a payment to which he is not entitled under this Act and the regulations issued pursuant thereto or for the purpose of assisting another to procure a payment to which the other is not entitled under this Act and the regulations issued pursuant thereto, misrepresents any material fact, knowing the same to be false, fictitious or fraudulent, shall be guilty of an offense against the United States and shall be fined not more than $5,000 or imprisoned not more than two years, or both, and shall thenceforth be entitled to no benefits under this Act.

"(b) Whoever accepts a payment under this Act to which, or any portion of which, he is not entitled, knowing that he is not entitled thereto or whoever, having accepted a payment under this Act to which, or any portion of which, he is not entitled, retains the same knowing that he is not entitled thereto, shall be required, in a civil action instituted by the Attorney General, to refund treble the amount accepted or retained by him. The acceptance or retention of any payment as aforesaid shall also constitute an offense against the United States punishable by a fine or not more than $5,000 or imprisonment for not more than two years, or both, and any person who shall be convicted of such offense shall thenceforth be entitled to no benefits under this Act."

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. DAVIS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8860) to stabilize the mining of lead and zinc by small domestic producers on public, Indian and other lands, and for other purposes, pursuant to House Resolution 560, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. KYL) there were—ayes 64, noes 29.

Mr. KYL. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. Under the previous agreement further proceedings under the bill will go over until Monday next.

COLOR ADDITIVE AMENDMENTS OF 1960

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 559 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7624) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on foods, drugs, and cosmetics, in accordance with regulations prescribing the conditions (including maximum tolerances) under which such additives may be safely used. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield myself such time as I may consume, after which I will yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

The SPEAKER pro tempore. The gentleman from New York is recognized.

Mr. DELANEY. Mr. Speaker, I yield myself such time as I may consume, and also 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 559 provides for the consideration of H.R. 7624, which amends the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on foods, drugs, and cosmetics in accordance with regulations prescribing the conditions under which such additives may be safely used. The resolution provides for an open rule with 2 hours of general debate, following which the bill shall be read for amendment under the 5-minute rule.

Mr. Speaker, I had intended to speak on this legislation in the Committee of the Whole, but I shall take this opportunity to make my remarks.

This bill is a continuation of a series of bills to protect the health of the American people and is an outgrowth of an investigation which was made in 1950, 1951, and 1952 by a Select Committee To Investigate the Use of Chemicals in Foods and Cosmetics.

First, we had the Pesticide Act in 1954, to regulate the use of pesticides and insecticides.

Two years ago Congress passed the food additives amendment. This regulated the use of chemicals added to food.

The bill before us today is known as a color additive bill and will regulate the use of colors added to our daily food supply, our drugs and cosmetics.

I anticipate that from time to time there will be other bills to improve the Federal Food, Drug, and Cosmetic Act.

H.R. 7624 originated with the Department of Health, Education, and Welfare, which sent copies of it last year to both the Senate and the House. The Senate committee took the bill, deleted certain portions, and, without holding a single hearing, reported it, and it was passed without any floor debate. I am absolutely opposed to the Senate bill.

In the House, the Interstate and Foreign Commerce Committee gave the bill prolonged study and deliberation, held many public hearings, listened on three occasions to Secretary Flemming, and then unanimously reported the bill. While I do not consider this a perfect bill, I think it is the best that we can hope for at the present time, and I support it.

The food additives amendment that was enacted 2 years ago shifted the burden of proof of safety for new or insufficiently tested additives from the Government to the sponsors of those additives, and it also contained a clause prohibiting the introduction into food of any cancer-producing substance.

The present bill also shifts the burden of proof from the Government to the sponsor of a color dye and it also contains an anticancer provision.

It is vitally important for the protection of the consumer that the producer of a dye be required to test it for safety before permitting its introduction into our foods, drugs, or cosmetics. The Food and Drug Administration simply does not have the facilities or the staff to test all the colors proposed for use. The Agency is now engaged in retesting coal-tar dyes it cleared for use many years ago, and as a result of new and more sensitive testing procedures, a number of these dyes have been found to be harmful and have been removed from the approved list. FDA figures that it would take 20 years to complete the retesting program. During that time the public would have to run the risk of daily exposure to dyes which have not been clearly proven to be safe. This cannot be justified on any grounds.

I have referred to the anticancer clause which is contained in the House bill, and which was deleted from the Senate bill. I am convinced that any color additive legislation which does not include this proviso will result in the adulteration of our food by some of the most dangerous chemicals man has developed.

Here is the reason for my concern.

This bill will grant FDA the authority to clear the use of coal-tar dyes at concentrations their scientists find to be safe. However, a number of these dyes have been shown to induce cancer in experimental animals, and are strongly suspected as being able to induce cancer in man. Without the protection of the anticancer provision, it is possible that these dyes could very well find their way into our food supply.

This did happen a few years ago in connection with a pesticide.

Red spider mites are a major crop pest. A chemical concern developed a pesticide which was effective in killing the mites. FDA found that it produced liver damage and malignant tumors in experimental animals, and ruled that no residue of it be permitted to remain on raw agricultural commodities. The sponsoring company then invoked a provision of the 1954 Pesticide amendment and asked that the FDA decision be referred to an advisory committee of scientists for a review and recommendations. This was done, and in spite of the evidence before it, the committee recommended that a residue tolerance of 1 part per million be permitted. FDA reversed its ruling and followed the recommendation.

Although the committee recommended the residue tolerance, it apparently was not sure of its grounds, since it also recommended that a further 2 year study be made. At the conclusion of this study, the tests showed that the pesticide, known as Aramite, was even more harmful than at first supposed. FDA then took action against the chemical, but the public, meanwhile, had been exposed to it for some 2½ years.

We must not let that happen again. Highly regarded cancer researchers throughout the world hold that repeated exposure to even a minute dose of a cancer-producing agent constitutes a serious health hazard. It is well known that this is the position of the International Union Against Cancer—an organization composed of cancer experts of some 50 countries. After a recent comprehensive study ordered by Secretary Flemming the scientists at the National Cancer Institute supported this position. Other cancer researchers who testified at my request at the food additive hearings in 1957 and still others who appeared at the recent color additive hearings were in accord.

A number of industry representatives have claimed that the anticancer clause has no scientific basis.

On this point, Secretary Flemming in his committee appearance on May 9, 1960, said, and I quote:

> The clause is grounded on the scientific fact of life that no one, at this time, can tell us how to establish for man a safe tolerance for a cancer-producing agent. Until cancer research makes a breakthrough at this point, there simply is no scientific basis on which judgment or discretion could be exercised in tolerating a small amount of a known carcinogenic color or food additive. So long as the outstanding experts in the National Cancer Institute and the Food and Drug Administration tell us that they do not know how to establish with any assurance at all a safe dose in man's food for a cancer-producing substance, the principle in the anticancer clause is sound.

This certainly refutes any assertion by industry that the anticancer clause has no scientific backing.

Mr. Speaker, I have placed great emphasis on the anticancer clause because I am convinced that any color additive legislation must have such a provision if the public health is to be adequately protected. I want it clearly and definitely understood that if and when the bill goes to conference I feel that our conferees should stand pat on the House version. The enactment of the Senate bill would be a long step backward.

H.R. 7624 aims at some worthwhile objectives, and it places new responsibility on industry and Government scientists. It may result in the introduction of many synthetic dyes not now in use. If this bill becomes law, it will require constant vigilance on the part of both industry and FDA to insure that no harmful color slip through the net. One mistake in judgment could result in untold human misery.

No legislation of this kind can be perfect, nor should it be considered the final word. Scientific knowledge expands year by year. We must keep our food and drug laws under constant examination and stand ready to improve them as the need arises.

Mr. Speaker, with this in mind, I urge the adoption of the rule and favorable action on the bill.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield to the gentleman from West Virginia.

Mr. BAILEY. I am sure the distinguished member of the Committee on Rules is aware of the fact that the base for most of these additives which this bill would seek to control is coal tar. I should like to ask the gentleman this question. The amendments by the House to the Senate bill: Are they for the purpose of continuing the use of those which the Food and Drug Administration said were harmful or does the bill prohibit their further use?

Mr. DELANEY. The bill does not prohibit; it permits it under certain protective standards.

Mr. BAILEY. Let me ask an additional question at this time. If you deny the use of coal-tar additives, from what source, has the committee ascertained, would we get a substitute, or are you going to let the food go unprotected and unpreserved?

Mr. DELANEY. First of all, I personally feel we do not need coal-tar dyes. There are certain restrictions, but they are not barred unless they produce cancer.

Mr. BAILEY. Then the gentleman is answering my question by saying that there is another source from which we could get these preservatives and additives without using coal tar as a base; is that correct?

Mr. DELANEY. I think there are many ways. Vegetable dyes have been used for years, and in my opinion they are safer and should be used. Coal-tar dyes also have been used for many years. A number of them have always been suspected of being cancer producers. However, they are not barred absolutely under this bill unless they are cancer producing.

Mr. BAILEY. I thank the gentleman.

Mr. O'BRIEN of New York. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield.

Mr. O'BRIEN of New York. It is my firm conviction that the gentleman from New York has earned and certainly deserves the gratitude of the Congress and of the entire Nation for his unflagging effort to protect the health of the American people.

Mr. DELANEY. I thank the gentleman.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield.

Mr. O'HARA of Illinois. I join the distinguished gentleman from New York in commending the gentleman from New York [Mr. DELANEY]. I think the entire Nation is indebted to him for the interest and the study he has given to his subject. I have a question. Some weeks ago, possibly 2 or 3 months ago, I was concerned to read in the newspapers of the finding of an eminent scientist that feeding eggs to rats perhaps had produced cancer. I understood there was some investigation as to the effect feeding certain materials to hens to induce them to lay more eggs might have on human beings who ate those eggs, and

what effect they might have in producing cancer.

Mr. DELANEY. I have no observation on that. I merely take the testimony of the experts in an attempt to evaluate and make a proper appraisal. I am not familiar with this particular subject.

Mr. KING of Utah. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield to the gentleman from Utah.

Mr. KING of Utah. I should like to state to the gentleman that in my opinion his name more than that of any other Member of Congress in either body has been associated with the valiant fight against cancer. Before coming to Congress I had heard of the gentleman's distinguished name. I know that his name is a household word in many, many homes in Utah. His name is revered and respected for the great and courageous fight he has waged against cancer and against those cancer-producing ingredients which are unfortunately finding their way all too frequently into our food today. I commend the gentleman on his sponsoring the now well-known Delaney amendment. I congratulate him on his efforts in keeping that amendment in the color additives bill now before the House. I should like to state very clearly that I favor this amendment, and will fight in the years to come if it is my privilege to do so to keep that amendment in our basic food law.

Mr. DELANEY. I thank the gentleman for his statement.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield to the eminent majority leader.

Mr. McCORMACK. I know something about the history of the Delaney amendment, and I thoroughly concur in everything that has been said about my distinguished friend and colleague, the gentleman from New York [Mr. DELANEY]. The people of his district are justified in feeling proud not only of the character of service he renders but particularly in this instance of getting into law what is known as the Delaney amendment, which means so much to protecting the health to all of our American people, men, women, and children. I congratulate my friend. To go further, I congratulate the people of his district for sending him to the Halls of Congress so he could carry on the great work he has done in all fields, and particularly in this field.

Mr. DELANEY. I thank the gentleman. I am indebted to the distinguished majority leader for his aid and assistance at all times.

Mr. ALLEN. Mr. Speaker, my good friend, JIM DELANEY, is undoubtedly the most capable man in the House in this field. He certainly knows more about this subject than any other Member. I join in the words of our distinguished majority leader, the nice things he has said about JIM DELANEY'S work in this field.

I think, Mr. Speaker, anyone would be naive if they were to get up and attack this bill, which has to do with doing away with the abuses in the field of food, drugs, and cosmetics. At the outset, I assure you I am not opposing this bill. I have had the opportunity to study the hearings and also have read the letters sent up here by the Department of Agriculture signed by E. L. Peterson, Assistant Secretary of Agriculture and also the Acting Secretary of Agriculture with regard to this matter.

If I may be so bold as to make some suggestions, after following the learned man on this subject, the gentleman from New York [Mr. DELANEY], I am convinced that the Senate bill, as passed, is a better bill. I am not saying it on my own authority, but I am saying it on the authority of many chemists within and without the Government.

Mr. Speaker, House Resolution 559 makes in order the consideration of H.R. 7624, a bill designed to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on food, drugs, and cosmetics.

Extensive hearings were held by the Committee on Interstate and Foreign Commerce and I have carefully read the letters written to Hon. OREN HARRIS, chairman of the Committee on Interstate and Foreign Commerce by George P. Larrick, Commissioner of Foods and Drugs; E. L. Peterson, Assistant Secretary of Agriculture; True D. Morse, Acting Secretary of Agriculture; Phillip S. Hughes, Assistant Director for Legislative Reference of the Executive Office of the President; Lawrence E. Walsh, Deputy Attorney General, and Earl W. Kintner, Chairman of the Federal Trade Commission, all contained in the report.

While I am in sympathy with the purposes of this bill, I, after most careful consideration, favor S. 2197 as passed by the other body.

In my opinion the anticancer clause in H.R. 7624, is unnecessary and restrictive.

I also believe that the decision on safety be determined by the Secretary of Health, Education, and Welfare rather than be determined by law. Otherwise, I am certain that our court calendars presently loaded with pending cases in other fields will be even more crowded. After all why should not the Health, Education, and Welfare Department, with firsthand scientific information, decide as to safety.

It is my sincere hope that when in conference that these two defective provisions be changed. Better still, the bill presently before us should be amended accordingly.

Mr. DELANEY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN. I yield to the gentleman from New York.

Mr. DELANEY. May I say that Secretary Flemming appeared on three occasions before the House Committee on Interstate and Foreign Commerce and before his appearance he had surveys made right up to the minute. He felt that under no circumstances should we delete the cancer amendment. I think, if you will read the record here of the testimony of witnesses and the deliberations of those who sat over a period of many, many weeks on these hearings, it will clear that matter up. We had a panel of experts. The panel of experts could not agree. They would agree on one point and disagree on another. It is a subject that is not complete and you cannot say here that two and two make four. It is a subject that is open to a great deal of opinion and differences of opinion.

Mr. ALLEN. I agree with the gentleman on that. Of course, as to the anticancer part of the bill, I did discuss it with my good friend, Mr. DELANEY, but in my opinion, and this is also the opinion of many scientists, I repeat, within and without the Government, the anticancer clause in this bill is unnecessary and restrictive. I just bring that to the attention of the House.

There are many chemists within and without the Government whose judgment is that the decision on safety should be determined by the Secretary of Health, Education, and Welfare rather than be determined by law.

Mr. DELANEY. Under the provision of this bill, that is the case.

Mr. ALLEN. No, that is not my understanding.

Mr. DELANEY. We are talking of the color provisions now and, as I read the bill here it is within his discretion.

Mr. ALLEN. That is not my understanding and I have a letter from some very reliable people that I have very recently received.

Mr. DELANEY. If the gentleman is talking of the food additives provision, the Secretary can determine that.

Mr. ALLEN. So I say, Mr. Speaker, that with these two things, particularly the latter part, if the Secretary of Health, Education, and Welfare does not make the decision and if it must be decided according to the law, then you are going to have more legislation in the Federal courts than you have now, and we all know that the courts are pretty crowded now.

So I say I think this committee should consider these provisions which, according to good authorities, are not perfect, with the view, perhaps, of amending them; and, further, it may be well to consider that when you go to conference to iron out these differences.

Mr. DELANEY. Mr. Speaker, I have no further requests for time and I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

The SPEAKER pro tempore. The gentleman from Arkansas [Mr. HARRIS] is recognized.

Mr. HARRIS. Mr. Speaker, permit me to make a statement at this time, to advise the Members of the House that it is my intention to ask unanimous consent that this bill be considered in the House as in Committee of the Whole, for the purpose of expediting matters. I think everyone knows that many Members who are here are very anxious to get away to attend a very important wedding that is to take place this afternoon.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. McCORMACK. May I say that if this bill is disposed of, and we can dispose of the rule on the Gorgas bill, that will be the extent of the legislative program today.

Mr. SCHENCK. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Ohio.

Mr. SCHENCK. I would like to say to the gentleman there is no objection on this side to considering the bill in the House as in Committee of the Whole.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the bill (H.R. 7624) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on foods, drugs, and cosmetics, in accordance with regulations prescribing the conditions—including maximum tolerances—under which such additives may be safely used, be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the bill be considered as read and open for amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 1, line 4, strike out "1959" and insert in lieu thereof "1960".

On page 3, line 9, strike out the quotation mark, and immediately below line 9, insert the following:

"(3) Nothing in subparagraph (1) of this paragraph shall be construed to apply to any pesticide chemical, soil or plant nutrient, or other agricultural chemical solely because of its effect in aiding, retarding, or otherwise affecting, directly or indirectly, the growth or other natural physiological processes of produce of the soil and thereby affecting its color, whether before or after harvest."

On page 9, strike out lines 8 through 21 and insert in lieu thereof the following:

"(4) The Secretary shall not list a color additive under this section for a proposed use unless the data before him establish that such use, under the conditions of use specified in the regulations, will be safe: *Provided, however,* That a color additive shall be deemed to be suitable and safe for the purpose of listing under this subsection for use generally in or on food, while there is in effect a published finding of the Secretary declaring such substance exempt from the term 'food additive' because of its being generally recognized by qualified experts as safe for its intended use, as provided in section 201(s).

On page 10, line 19, strike out "and".

On page 10, line 25, strike out the period and insert in lieu thereof "; and".

On page 11, immediately above line 8, insert the following:

"(iv) the availability of any needed practicable methods of analysis for determining the identity and quantity of (I) the pure dye and all intermediates and other impurities contained in such color additive, (II) such additive in or on any article of food, drug, or cosmetic, and (III) any substance formed in or on such article because of the use of such additive."

On page 11, lines 10, 12, and 19, immediately after "found" insert "by the Secretary".

On page 11, immediately below line 20, insert the following:

"(C)(i) In any proceeding for the issuance, amendment, or repeal of a regulation listing a color additive, whether commenced by a proposal of the Secretary on his own initiative or by a proposal contained in a petition, the petitioner, or any other person who will be adversely affected by such proposal or by the Secretary's order issued in accordance with paragraph (1) of section 701(e)) if placed in effect, may request, within the time specified in this subparagraph, that the petition or order thereon, or the Secretary's proposal, be referred to an advisory committee for a report and recommendations with respect to any matter arising under subparagraph (B) of this paragraph, which is involved in such proposal or order and which requires the exercise of scientific judgment. Upon such request, or if the Secretary within such time deems such a referral necessary, the Secretary shall forthwith appoint an advisory committee under subparagraph (D) of this paragraph and shall refer to it, together with all the data before him, such matter arising under subparagraph (B) for study thereof and for a report and recommendations on such matter. A person who has filed a petition or who has requested the referral of a matter to an advisory committee pursuant to this subparagraph (C), as well as representatives of the Department of Health, Education, and Welfare, shall have the right to consult with such advisory committee in connection with the matter referred to it. The request for referral under this subparagraph, or the Secretary's referral on his own initiative, may be made at any time before, or within thirty days after, publication of an order of the Secretary acting upon the petition or proposal.

"(ii) Within sixty days after the date of such referral or within an additional thirty days if the committee deems such additional time necessary, the committee shall, after independent study of the data furnished to it by the Secretary and other data before it, certify to the Secretary a report and recommendations, together with all underlying data and a statement of the reasons or basis for the recommendations. A copy of the foregoing shall be promptly supplied by the Secretary to any person who has filed a petition, or who has requested such referral to the advisory committee. Within thirty days after such certification, and after giving due consideration to all data then before him, including such report, recommendations, underlying data, and statement, and to any prior order issued by him in conection with such matter, the Secretary shall by order confirm or modify any order theretofore issued or, if no such prior order has been issued, shall by order act upon the petition or other proposal.

"(iii) Where—

"(I) by reason of subparagraph (B) of this paragraph, the Secretary has initiated a proposal to remove from listing a color additive previously listed pursuant to this section; and

"(II) a request has been made for referral of such proposal to an advisory committee; the Secretary may not act by order on such proposal until the advisory committee has made a report and recommendations to him under clause (ii) of this subparagraph and he has considered such recommendations, unless the Secretary finds that emergency conditions exist necessitating the issuance of an order notwithstanding this clause.

"(D) The advisory committee referred to in subparagraph (C) of this paragraph shall be composed of experts selected by the National Academy of Sciences, qualified in the subject matter referred to the committee and of adequately diversified professional background, except that in the event of the inability or refusal of the National Academy of Sciences to act, the Secretary shall select the members of the committee. The size of the committee shall be determined by the Secretary. Members of an advisory committee shall receive as compensation for their services a reasonable per diem, which the Secretary shall by rules and regulations prescribe, for time actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and subsistence expenses while so serving away from their places of residence. The members shall not be subject to any other provisions of law regarding the appointment and compensation of employees of the United States. The Secretary shall furnish the committee with adequate clerical and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee."

On page 17, line 5, immediately after "health" insert the following: ": *Provided,* That, with respect to any use in or on food for which a listed color additive is deemed to be safe by reason of the proviso to paragraph (4) of subsection (b), the requirement of certification shall be deemed not to be necessary in the interest of public health protection."

On page 17, line 13, immediately after "shall" insert the following: ", subject to the provisions of subparagraph (C) of subsection (b)(5) of this section,".

On page 17, lines 16 and 17, strike out "subsection (b), (c), or (e)" and insert in lieu thereof "subsection (b) or (c)".

On page 17, immediately below line 20, insert the following:

"(1) if the proceeding is commenced by the filing of a petition, notice of the proposal made by the petition shall be published in general terms by the Secretary within thirty days after such filing, and the Secretary's order (required by paragraph (1) of section 701(e)) acting upon such proposal shall, in the absence of prior referral (or request for referral) to an advisory committee, be issued within ninety days after the date of such filing, except that the Secretary may (prior to such ninetieth day), by written notice to the petitioner, extend such ninety-day period to such time (not more than one hundred and eighty days after the date of filing of the petition) as the Secretary deems necessary to enable him to study and investigate the petition;

"(2) any report, recommendations, underlying data, and reasons certified to the Secretary by an advisory committee appointed pursuant to subparagraph (D) of subsection (b)(5) of this section, shall be made a part of the record of any hearing if relevant and material, subject to the provisions of section 7(c) of the Administrative Procedure Act (5 U.S.C., sec. 1006(c)). The advisory committee shall designate a member to appear and testify at any such hearing with respect to the report and recommendations of such committee upon request of the Secretary, the petitioner, or the officer conducting the hearing, but this shall not preclude any other member of the advisory committee from appearing and testifying at such hearing;".

On page 19, line 1, strike out "(1)" and insert in lieu thereof "(3)".

On page 19, line 5, strike out "(2)" and insert in lieu thereof "(4)".

On page 25, line 14, strike out "Regulations" and insert in lieu thereof:

"Except as provided in subparagraph (C) of this paragraph, regulations".

On page 25, line 23, immediately after the period insert the following: "Regulations providing for fees (and advance deposits to cover fees), which on the day preceding the enactment date were in effect pursuant to section 706 of the basic Act, shall be deemed to be regulations under such section 706 as amended by this Act, and appropriations of fees (and advance deposits) available for the purposes specified in such section 706 as in effect prior to the enactment date shall be available for the purposes specified in such section 706 as so amended.

"(B) If the Secretary by regulation—

"(i) has terminated a provisional listing (or deemed provisional listing) of a color additive or particular use thereof pursuant to paragraph (1)(E) of this subsection; or

"(ii) has, pursuant to paragraph (1)(C) or paragraph (3) of this subsection, initially established or rendered more restrictive a tolerance limitation or other restriction or requirement with respect to a provisional listing (or deemed provisional listing) which listing had become effective prior to such action,

any person adversely affected by such action may, prior to the expiration of the period specified in clause (A) of subsection (a)(2) of this section, file with the Secretary a petition for amendment of such regulation so as to revoke or modify such action of the Secretary, but the filing of such petition shall not operate to stay or suspend the effectiveness of such action. Such petition shall, in accordance with regulations, set forth the proposed amendment and shall contain data (or refer to data which are before the Secretary or of which he will take official notice), which show that the revocation or modification proposed is consistent with the protection of the public health. The Secretary shall, after publishing such proposal and affording all interested persons an opportunity to present their views thereon orally or in writing, act upon such proposal by published order.

"(C) Any person adversely affected by an order entered under subparagraph (B) of this paragraph may, within thirty days after its publication, file objections thereto with the Secretary, specifying with particularity the provisions of the order deemed objectionable, stating reasonable grounds for such objections, and requesting a public hearing upon such objections. The Secretary shall hold a public hearing on such objections and shall, on the basis of the evidence adduced at such hearing, act on such objections by published order. Such order may reinstate a terminated provisional listing, or increase or dispense with a previously established temporary tolerance limitation, or make less restrictive any other limitation established by him under paragraph (1) or (3) of this subsection, only if in his judgment the evidence so adduced shows that such action will be consistent with the protection of the public health. An order entered under this subparagraph shall be subject to judicial review in accordance with section 701(f) of the basic Act except that the findings and order of the Secretary shall be sustained only if based upon a fair evaluation of the entire record at such hearing. No stay or suspension of such order shall be ordered by the court pending conclusion of such judicial review."

On page 28, line 6, strike out "(B)" and insert in lieu thereof "(D)".

On page 28, line 20, strike out "paragraph (1) (A) and (C)" and insert in lieu thereof "paragraph (1) (A) and (C) of this subsection".

On page 29, line 15, immediately after "product" insert the following: ", poultry or poultry product,".

The committee amendments were agreed to.

Mr. HARRIS. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HARRIS: Page 4, line 11, strike out "(1)" and insert in lieu thereof "(m)".

The amendment was agreed to.

Mr. HARRIS. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HARRIS: Page 19, line 6, strike out "third" and insert "fourth".

The amendment was agreed to.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the bill be printed in the RECORD showing the amendments.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

(The bill, as amended, reads as follows:)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Color Additive Amendments of 1960."

TITLE I—AMENDMENTS TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

Definitions

SEC. 101. Section 201, as amended, of the Federal Food, Drug, and Cosmetic Act is further amended as follows:

(a) Paragraph (s) of such section (defining the term "food additive") is amended by redesignating clause (3) as clause (4), and by inserting immediately before clause (4), as so redesignated, the following new clause:

"(3) a color additive; or".

(b) Paragraph (t) of such section is redesignated and otherwise amended to read as follows:

"(u) The term 'safe', as used in paragraph (s) of this section and in sections 409 and 706, has reference to the health of man or animal."

(c) There is inserted, immediately after paragraph (s) of such section, the following new paragraph:

"(t) (1) The term 'color additive' means a material which—

"(A) is a dye, pigment, or other substance made by a process of synthesis or similar artifice, or extracted, isolated, or otherwise derived, with or without intermediate or final change of identity, from a vegetable, animal, mineral, or other source, and

"(B) when added or applied to a food, drug, or cosmetic, or to the human body or any part thereof, is capable (alone or through reaction with other substance) of imparting color thereto;

except that such term does not include any material which the Secretary, by regulation, determines is used (or intended to be used) solely for a purpose or purposes other than coloring.

"(2) The term 'color' includes black, white, and intermediate grays.

"(3) Nothing in subparagraph (1) of this paragraph shall be construed to apply to any pesticide chemical, soil or plant nutrient, or other agricultural chemical solely because of its effect in aiding, retarding, or otherwise affecting, directly or indirectly, the growth or other natural physiological processes of produce of the soil and thereby affecting its color, whether before or after harvest."

Colors or colored articles—when deemed to be adulterated or misbranded foods, drugs, or cosmetics

Food

SEC. 102. (a)(1) Clause (2)(A) of section 402(a), as amended, of such act (relating to food deemed adulterated by reason of unsafe additives) is further amended by striking out the matter within the parentheses and inserting in lieu thereof the following: "other than one which is (i) a pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive."

(2) Section 402(c), as amended, of such act (relating to food deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows:

"(c) If it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706(a)."

(3) Section 403 of such act (relating to the circumstances under which food is deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"(m) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706."

Drugs

(b)(1) Clause (4) of section 501(a) of such act (relating to drugs deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows: "(4) if (A) it is a drug which bears or contains, for purposes of coloring only, a color additive which is unsafe within the meaning of section 706(a), or (B) it is a color additive the intended use of which in or on drugs is for purposes of coloring only and is unsafe within the meaning of section 706(a)."

(2) Section 502 of such Act (relating to the circumstances under which drugs are deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"(m) If it is a color additive the intended use of which in or on drugs is for the purpose of coloring only, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706."

Cosmetics

(c)(1) Section 601(e) of such Act (relating to cosmetics, other than hair dyes, deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows:

"(e) If it is not a hair dye and it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706(a)."

(2) Section 602 of such Act (relating to the circumstances under which cosmetics shall be deemed to be misbranded) is amended by adding at the end thereof the following new paragraph:

"(e) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706. This paragraph shall not apply to packages of color additives which, with respect to their use for cosmetics, are marketed and intended for use only in or on hair dyes (as defined in the last sentence of section 601(a))."

Regulations to assure safety of color additives for foods, drugs, and cosmetics

SEC. 103. (a) Such Act is further amended by—

(1) repealing subsection (b) of section 406 and striking out the subsection designation "(a)" after "SEC. 406." in such section;

(2) repealing section 504;

(3) repealing section 604; and

(4) amending section 701(e) by (A) striking out "406 (a) or (b)" and inserting in lieu thereof "406"; (B) striking out "504, or 604,"; and (C) inserting the word "or" after "501 (b),".

(b) Section 706 of such Act is amended to read as follows:

"Listing and certification of color additives for foods, drugs, and cosmetics

"When Color Additives Deemed Unsafe

"SEC. 706. (a) A color additive shall, with respect to any particular use (for which it is being used or intended to be used or is represented as suitable) in or on food or drugs or cosmetics, be deemed unsafe for the purposes of the application of section 402(c), section 501(a)(4), or section 601(e), as the case may be, unless—

"(1)(A) there is in effect, and such additive and such use are in conformity with, a regulation issued under subsection (b) of this section listing such additive for such use, including any provision of such regulation prescribing the conditions under which such additive may be safely used, and (B) such additive either (i) is from a batch certified, in accordance with regulations issued pursuant to subsection (c), for such use, or (ii) has, with respect to such use, been exempted by the Secretary from the requirement of certification; or

"(2) such additive and such use thereof conform to the terms of an exemption which is in effect pursuant to subsection (f) of this section.

While there are in effect regulations under subsections (b) and (c) of this section relating to a color additive or an exemption pursuant to subsection (f) with respect to such additive, an article shall not, by reason of bearing or containing such additive in all respects in accordance with such regulations or such exemption, be considered adulterated within the meaning of clause (1) of section 402(a) if such article is a food, or within the meaning of section 601(a) if such article is a cosmetic other than a hair dye (as defined in the last sentence of section 601(a)).

"Listing of Colors

"(b)(1) The Secretary shall, by regulation, provide for separately listing color additives for use in or on food, color additives for use in or on drugs, and color additives for use in or on cosmetics, if and to the extent that such additives are suitable and safe for any such use when employed in accordance with such regulations.

"(2)(A) Such regulations may list any color additive for use generally in or on food, or in or on drugs, or in or on cosmetics, if the Secretary finds that such additive is suitable and may safely be employed for such general use.

"(B) If the data before the Secretary do not establish that the additive satisfies the requirements for listing such additive on the applicable list pursuant to subparagraph (A) of this paragraph, or if the proposal is for listing such additive for a more limited use or uses, such regulations may list such additive only for any more limited use or uses for which it is suitable and may safely be employed.

"(3) Such regulations shall, to the extent deemed necessary by the Secretary to assure the safety of the use or uses for which a particular color additive is listed, prescribe the conditions under which such additive may be safely employed for such use or uses (including, but not limited to, specifications, hereafter in this section referred to as tolerance limitations, as to the maximum quantity or quantities which may be used or permitted to remain in or on the article or articles in or on which it is used; specifications as to the manner in which such additive may be added to or used in or on such article or articles; and directions or other labeling or packaging requirements for such additive).

"(4) The Secretary shall not list a color additive under this section for a proposed use unless the data before him establish that such use, under the conditions of use specified in the regulations, will be safe: *Provided, however,* That a color additive shall be deemed to be suitable and safe for the purpose of listing under this subsection for use generally in or on food, while there is in effect a published finding of the Secretary declaring such substance exempt from the term 'food additive' because of its being generally recognized by qualified experts as safe for its intended use, as provided in section 201(s).

"(5)(A) In determining for the purposes of this section, whether a proposed use of a color additive is safe, the Secretary shall consider, among other relevant factors—

"(i) the probable consumption of, or other relevant exposure from, the additive and of any substance formed in or on food, drugs, or cosmetics because of the use of the additive,

"(ii) the cumulative effect, if any, of such additive in the diet of man or animals, taking into account the same or any chemically or pharmacologically related substance or substances in such diet;

"(iii) safety factors which, in the opinion of experts qualified by scientific training and experience to evaluate the safety of color additives for the use or uses for which the additive is proposed to be listed, are generally recognized as appropriate for the use of animal experimentation data; and

"(iv) the availability of any needed practicable methods of analysis for determining the identity and quanity of (I) the pure dye and all intermediates and other impurities contained in such color additive, (II) such additive in or on any article of food, drug, or cosmetic, and (III) any substance formed in or on such article because of the use of such additive.

"(B) A color additive (i) shall be deemed unsafe, and shall not be listed, for any use which will or may result in ingestion of all or part of such additive, if the additive is found by the Secretary to induce cancer when ingested by man or animal, or if it is found by the Secretary, after tests which are appropriate for the evaluation of the safety of additives for use in food, to induce cancer in man or animal, and (ii) shall be deemed unsafe, and shall not be listed, for any use which will not result in ingestion of any part of such additive, if, after tests which are appropriate for the evaluation of the safety of additives for such use, or after other relevant exposure of man or animal to such additive, it is found by the Secretary to induce cancer in man or animal.

"(C)(i) In any proceeding for the issuance, amendment, or repeal of a regulation listing a color additive, whether commenced by a proposal of the Secretary on his own initiative or by a proposal contained in a petition, the petitioner, or any other person who will be adversely affected by such proposal or by the Secretary's order issued in accordance with paragraph (1) of section 701(e)) if placed in effect, may request, within the time specified in this subparagraph, that the petition or order thereon, or the Secretary's proposal, be referred to an advisory committee for a report and recommendations with respect to any matter arising under subparagraph (B) of this paragraph, which is involved in such proposal or order and which requires the exercise of scientific judgment. Upon such request, or if the Secretary within such time deems such a referral necessary, the Secretary shall forthwith appoint an advisory committee under subparagraph (D) of this paragraph and shall refer to it, together with all the data before him, such matter arising under subparagraph (B) for study thereof and for a report and recommendations on such matter. A person who has filed a petition or who has requested the referral of a matter to an advisory committee pursuant to this subparagraph (C), as well as representatives of the Department of Health, Education, and Welfare, shall have the right to consult with such advisory committee in connection with the matter referred to it. The request for referral under this subparagraph, or the Secretary's referral on his own initiative, may be made at any time before, or within thirty days after, publication of an order of the Secretary acting upon the petition or proposal.

"(ii) Within sixty days after the date of such referral, or within an additional thirty days if the committee deems such additional time necessary, the committee shall, after independent study of the data furnished to it by the Secretary and other data before it, certify to the Secretary a report and recommendations, together with all underlying data and a statement of the reasons or basis for the recommendations. A copy of the foregoing shall be promptly supplied by the Secretary to any person who has filed a petition, or who has requested such referral to the advisory committee. Within thirty days after such certification, and after giving due consideration to all data then before him, including such report, recommendations, underlying data, and statement, and to any prior order issued by him in connection with such matter, the Secretary shall by order confirm or modify any order theretofore issued or, if no such prior order has been issued, shall by order act upon the petition or other proposal.

"(iii) Where—

"(I) by reason of subparagraph (B) of this paragraph, the Secretary has initiated a proposal to remove from listing a color additive previously listed pursuant to this section; and

"(II) a request has been made for referral of such proposal to an advisory committee;

the Secretary may not act by order on such proposal until the advisory committee has made a report and recommendations to him under clause (ii) of this subparagraph and he has considered such recommendations, unless the Secretary finds that emergency conditions exist necessitating the issuance of an order notwithstanding this clause.

"(D) The advisory committee referred to in subparagraph (C) of this paragraph shall be composed of experts selected by the National Academy of Sciences, qualified in the subject matter referred to the committee and of adequately diversified professional background, except that in the event of the inability or refusal of the National Academy of Sciences to act, the Secretary shall select the members of the committee. The size of the committee shall be determined by the Secretary. Members of an advisory committee shall receive as compensation for their services a reasonable per diem, which the Secretary shall by rules and regulations prescribe, for time actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and subsistence expenses while so serving away from their places of residence. The members shall not be subject to any other provisions of law regarding the appointment and compensation of employees of the United States. The Secretary shall furnish the committee with adequate clerical and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"(6) The Secretary shall not list a color additive under this subsection for a proposed use if the data before him show that such proposed use would promote deception of the consumer in violation of this Act or would otherwise result in misbranding or adulteration within the meaning of this Act.

"(7) If, in the judgment of the Secretary, a tolerance limitation is required in order to assure that a proposed use of a color additive will be safe, the Secretary—

"(A) shall not list the additive for such use if he finds that the data before him do not establish that such additive, if used within a safe tolerance limitation, would achieve the intended physical or other technical effect; and

"(B) shall not fix such tolerance limitation at a level higher than he finds to be reasonably required to accomplish the intended physical or other technical effect.

"(8) If, having regard to the aggregate quantity of color additive likely to be consumed in the diet or to be applied to the human body, the Secretary finds that the data before him fail to show that it would be safe and otherwise permissible to list a color additive (or pharmacologically related color additives) for all the uses proposed therefor and at the levels of concentration proposed, the Secretary shall, in determining for which use or uses such additive (or such related additives) shall be or remain listed, or how the aggregate allowable safe tolerance for such additive or additives shall be allocated by him among the uses under consideration, take into account, among other relevant factors (and subject to the paramount criterion of safety), (A) the relative marketability of the articles involved as affected by the proposed uses of the color additive (or of such related additives) in or on such articles, and the relative dependence of the industries concerned on such uses; (B) the relative aggregate amounts of such color additive which he estimates would be consumed in the diet or applied to the human body by reason of the various uses and levels of concentration proposed; and (C) the availability, if any, of other color additives suitable and safe for one or more of the uses proposed.

"Certification of Colors

"(c) The Secretary shall further, by regulation, provide (1) for the certification, with safe diluents or without diluents, of batches of color additives listed pursuant to subsection (b) and conforming to the requirements for such additives established by regulations under such subsection and this subsection, and (2) for exemption from the requirement of certification in the case of any such additive, or any listing or use thereof, for which he finds such requirement not to be necessary in the interest of the protection of the public health: *Provided,* That, with respect to any use in or on food for which a listed color additive is deemed to be safe by reason of the proviso to paragraph (4) of subsection (b), the requirement of certification shall be deemed not to be necessary in the interest of public health protection.

"Procedure for Issuance, Amendment, or Repeal of Regulations

"(d) The provisions of section 701 (e), (f), and (g) of this Act shall, subject to the provisions of subparagraph (C) of subsection (b)(5) of this section, apply to and in all respects govern proceedings for the issuance, amendment, or repeal of regulations under subsection (b) or (c) of this section (including judicial review of the Secretary's action in such proceedings) and the admissibility of transcripts of the record of such proceedings in other proceedings, except that—

"(1) if the proceeding is commenced by the filing of a petition, notice of the proposal made by the petition shall be published in general terms by the Secretary within thirty days after such filing, and the Secretary's order (required by paragraph (1) of section 701(e)) acting upon such proposal shall, in the absence of prior referral (or request for referral) to an advisory committee, be issued within ninety days after the date of such filing, except that the Secretary may (prior to such ninetieth day), by written notice to the petitioner, extend such ninety-day period to such time (not more than one hundred and eighty days after the date of filing of the petition) as the Secretary deems necessary to enable him to study and investigate the petition;

"(2) any report, recommendations, underlying data, and reasons certified to the Secretary by an advisory committee appointed pursuant to subparagraph (D) of subsection (b)(5) of this section, shall be made a part of the record of any hearing if relevant and material, subject to the provisions of section 7(c) of the Administrative Procedure Act (5 U.S.C., sec. 1006 (c)). The advisory committee shall designate a member to appear and testify at any such hearing with respect to the report and recommendations of such committee upon request of the Secretary, the petitioner, or the officer conducting the hearing, but this shall not preclude any other member of the advisory committee from appearing and testifying at such hearing;

"(3) the Secretary's order after public hearing (acting upon objections filed to an order made prior to hearing) shall be subject to the requirements of section 409 (f)(2); and

"(4) the scope of judicial review of such order shall be in accordance with the fourth sentence of paragraph (2), and with the provisions of paragraph (3), of section 409(g).

"Fees

"(e) The admitting to listing and certification of color additives, in accordance with regulations prescribed under this Act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

"Exemptions

"(f) The Secretary shall by regulation (issued without regard to subsection (d)) provide for exempting from the requirements of this section any color additive or any specific type of use thereof, and any article of food, drug, or cosmetic bearing or containing such additive, intended solely for investigational use by qualified experts when in his opinion such exemption is consistent with the public health."

Confidentiality of trade secrets

SEC. 104. Section 301(j), as amended, of such Act, prohibiting disclosure of trade secrets, is amended by striking out "or 704" and inserting in lieu thereof "704, or 706".

Changes in cross-references and terminology

SEC. 105. Such Act is further amended by—

(a) striking out, in section 301(l) thereof relating to forgery or unauthorized use of certain identification devices), "404, 406(b), 504, 506, 507, or 604", and inserting in lieu thereof "404, 506, 507, or 706";

(b)(1) striking out, in clause (3) of section 303(c) (relating to color manufacturer's guarantee), the word "coal-tar" wherever it appears in such clause, and (2) inserting after the word "color", wherever it appears in such clause, the word "additive"; and

(c) striking out "harmless coloring" in section 402(d) (relating to nonnutritive substances in confectionery) and inserting in lieu thereof "authorized coloring".

TITLE II—EFFECTIVE DATE, TRANSITIONAL PROVISIONS, AND EFFECT ON OTHER LAWS

Definitions

SEC. 201. As used in this title, the term "basic Act" means the Federal Food, Drug, and Cosmetic Act; the term "enactment date" means the date of enactment of this Act; and other terms, insofar as also used in the basic Act (whether before or after enactment of this Act) shall have the same meaning as they have, or had when in effect, under the basic Act.

Effective date

SEC. 202. This Act shall, subject to the provisions of section 203, take effect on the enactment date.

Provisional listings of commercially established colors

SEC. 203. (a)(1) The purpose of this section is to make possible, on an interim basis for a reasonable period, through provisional listings, the use of commercially established color additives to the extent consistent with the public health, pending the completion of the scientific investigations needed as a basis for making determinations as to listing of such additives under the basic Act as amended by this Act. A provisional listing (including a deemed provisional listing) of a color additive under this section for any use shall, unless sooner terminated or expiring under the provisions of this section, expire (A) on the closing date (as defined in paragraph (2) of this subsection) or (B) on the effective date of a listing of such additive for such use under section 706 of the basic Act, whichever date first occurs.

(2) For the purposes of this section, the term "closing date" means (A) the last day of the two and one-half year period beginning on the enactment date or (B), with respect to a particular provisional listing (or deemed provisional listing) of a color additive or use thereof, such later closing date as the Secretary may from time to time establish pursuant to the authority of this paragraph. The Secretary may by regulation, upon application of an interested person or on his own initiative, from time to time postpone the original closing date with respect to a provisional listing (or deemed provisional listing) under this section of a specified color additive, or of a specified use or uses of such additive, for such period or periods as he finds necessary to carry out the purpose of this section, if in the Secretary's judgment such action is consistent with the objective of carrying to completion in good faith, as soon as reasonably practicable, the scientific investigations necessary for making a determination as to listing such additive, or such specified use or uses thereof, under section 706 of the basic Act. The Secretary may terminate a postponement of the closing date at any time if he finds that such postponement should not have been granted, or that by reason of a change in circumstances the basis for such postponement no longer exists, or that there has been a failure to comply with a requirement for submission of progress reports or with other conditions attached to such postponement.

(b) Subject to the other provisions of this section—

(1) any color additive which, on the day preceding the enactment date, was listed and certifiable for any use or uses under section 406(b), 504, or 604, or under the third proviso of section 402(c), of the basic Act, and of which a batch or batches had been certified for such use or uses prior to the enactment date, and

(2) any color additive which was commercially used or sold prior to the enactment date for any use or uses in or on any food, drug, or cosmetic, and which either, (A), on the day preceding the enactment date, was not a material within the purview of any of the provisions of the basic Act enumerated in paragraph (1) of this subsection, or (B) is the color additive known as synthetic beta-carotene,

shall, beginning on the enactment date, be deemed to be provisionally listed under this section as a color additive for such use or uses.

(c) Upon request of any person, the Secretary, by regulations issued under subsection (d), shall without delay, if on the basis of the data before him he deems such action consistent with the protection of the public health, provisionally list a material as a color additive for any use for which it was listed, and for which a batch or batches of such material had been certified, under section 406(b), 504, or 604 of the basic Act prior to the enactment date, although such color was no longer listed and certifiable for such use under such sections on the day preceding the enactment date. Such provisional listing shall take effect on the date of publication.

(d)(1) The Secretary shall, by regulations issued or amended from time to time under this section—

(A) insofar as practicable promulgate and keep current a list or lists of the color additives, and of the particular uses thereof, which he finds are deemed provisionally listed under subsection (b), and the presence of a color additive on such a list with respect to a particular use shall, in any proceeding under the basic Act, be conclusive evidence that such provisional listing is in effect;

(B) provide for the provisional listing of the color additives and particular uses thereof specified in subsection (c);

(C) provide, with respect to particular uses for which color additives are or are deemed to be provisionally listed, such temporary tolerance limitations (including such limitations at zero level) and other conditions of use and labeling or packaging requirements, if any, as in his judgment are necessary to protect the public health pending listing under section 706 of the basic Act;

(D) provide for the certification of batches of such color additives (with or without diluents) for the uses for which they are so listed or deemed to be listed under this section, except that such an additive which is a color additive deemed provisionally listed under subsection (b)(2) of this section shall be deemed exempt from the requirement of such certification while not subject to a tolerance limitation; and

(E) provide for the termination of a provisional listing (or deemed provisional listing) of a color additive or particular use thereof forthwith whenever in his judgment such action is necessary to protect the public health.

(2)(A) Except as provided in subparagraph (C) of this paragraph, regulations under this section shall, from time to time, be issued, amended, or repealed by the Secretary without regard to the requirements of the basic Act, but for the purposes of the application of section 706(e) of the basic Act (relating to fees) and of determining the availability of appropriations of fees (and of advance deposits to cover fees), proceedings, regulations, and certifications under this section shall be deemed to be proceedings, regulations, and certifications under such section 706. Regulations providing for fees (and advance deposits to cover fees), which on the day preceding the enactment date were in effect pursuant to section 706 of the basic Act, shall be deemed to be regulations under such section 706 as amended by this Act, and appropriations of fees (and advance deposits) available for the purposes specified in such section 706 as in effect prior to the enactment date shall be available for the purposes specified in such section 706 as so amended.

(B) If the Secretary, by regulation—

(i) has terminated a provisional listing (or deemed provisional listing) of a color additive or particular use thereof pursuant to paragraph (1)(E) of this subsection; or

(ii) has, pursuant to paragraph (1)(C) or paragraph (3) of this subsection, initially established or rendered more restrictive a tolerance limitation or other restriction or requirement with respect to a provisional listing (or deemed provisional listing) which listing had become effective prior to such action,

any person adversely affected by such action may, prior to the expiration of the period specified in clause (A) of subsection (a)(2) of this section, file with the Secretary a petition for amendment of such regulation so as to revoke or modify such action of the Secretary, but the filing of such petition shall not operate to stay or suspend the effectiveness of such action. Such petition shall, in accordance with regulations, set forth the proposed amendment and shall contain data (or refer to data which are before the Secretary or of which he will take official notice), which show that the revocation or modification proposed is consistent with the protection of the public health. The Secretary shall, after publishing such proposal and affording all interested persons an opportunity to present their views thereon orally or in writing, act upon such proposal by published order.

(C) Any person adversely affected by an order entered under subparagraph (B) of this paragraph may, within thirty days after its publication, file objections thereto with the Secretary, specifying with particularity the provisions of the order deemed objectionable, stating reasonable grounds for such objections, and requesting a public hearing upon such objections. The Secretary shall hold a public hearing on such objections and shall, on the basis of the evidence adduced at such hearing, act on such objections by published order. Such order may reinstate a terminated provisional listing, or increase or dispense with a previously established temporary tolerance limitation, or make less restrictive any other limitation established by him under paragraph (1) or (3) of this subsection, only if in his judgment the evidence so adduced shows that such action will be consistent with the protection of the public health. An order entered under this subparagraph shall be subject to judicial review in accordance with section 701(f) of the basic Act except that the findings and order of the Secretary shall be sustained only if based upon a fair evaluation of the entire record at such hearing. No stay or suspension of such order shall be ordered by the court pending conclusion of such judicial review.

(D) On and after the enactment date, regulations, provisional listings, and certifications (or exemptions from certification) in effect under this section shall, for the purpose of determining whether an article is adulterated or misbranded within the meaning of the basic Act by reason of its being, bearing, or containing a color additive, have the same effect as would regulations, listings, and certifications (or exemption from certification) under section 706 of the basic Act. A regulation, provisional listing or termination thereof, tolerance limitation, or certification or exemption therefrom, under this section shall not be the basis for any presumption or inference in any proceeding under section 706 (b) or (c) of the basic Act.

(3) For the purpose of enabling the Secretary to carry out his functions under paragraphs (1) (A) and (C) of this subsection with respect to color additives deemed provisionally listed, he shall, as soon as practicable after enactment of this Act, afford by public notice a reasonable opportunity to interested persons to submit data relevant thereto. If the data so submitted or otherwise before him do not, in his judgment, establish a reliable basis for including such a color additive or particular use or uses thereof in a list or lists promulgated under paragraph (1)(A), or for determining the prevailing level or levels of use thereof prior to the enactment date with a view to prescribing a temporary tolerance or tolerances for such use or uses under paragraph (1)(C), the Secretary shall establish a temporary tolerance limitation at zero level for such use or uses until such time as he finds that it would not be inconsistent with the protection of the public health to increase or dispense wth such temporary tolerance limitation.

Effect on Meat Inspection and Poultry Products Inspection Acts

SEC. 204. Nothing in this Act shall be construed to exempt any meat or meat food product, poultry or poultry product, or any person from any requirement imposed by or pursuant to the Meat Inspection Act of March 4, 1907, 34 Stat. 1260, as amended or extended (21 U.S.C. 71 and the following), or the Poultry Products Inspection Act (21 U.S.C. 451 and the following).

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I may say to the gentleman from Iowa that I intend to explain the bill, but I will be glad to yield to him at this time if he wishes.

Mr. GROSS. I thank the gentleman. I wish to inquire if there is any substantial added cost to the Treasury contemplated under this bill?

Mr. HARRIS. No; not at all.

COLOR ADDITIVES AMENDMENTS (H.R. 7624)

Mr. Speaker, the committee bill, H.R. 7624, was reported unanimously by the Committee on Interstate and Foreign Commerce. It is designed to meet a pressing need for replacing the inconsistent, and in part outmoded, provisions which now govern the use of different kinds of color for articles covered by the Federal Food, Drug, and Cosmetic Act, with a specifically sound and uniform system for the listing of color additives of any kind which may safely be used in foods, drugs or cosmetics, subject, when necessary, to appropriate tolerance limitations and other conditions of use and to official certification of batches of color so as to assure the safety of such use to the consumer.

GENERAL SUMMARY

In brief, the committee bill, first, takes color additives out of the scope of the food additives amendment of 1958; second, repeals the present provisions of the Federal Food, Drug, and Cosmetic Act for the listing and certification of "harmless" coal-tar colors (secs. 406(b), 504, and 604); third, enacts new, integrated provisions for the separate listing of suitable color additives, safe for use in food, drugs or cosmetics, under such conditions—including tolerance limitations—as the Secretary of Health, Education, and Welfare may find necessary to assure the safety of the uses permitted; fourth, provides for the certification (or exemption from certification) of listed color additives for such permitted uses; fifth, adapts the adulteration and other provisions of the Federal Food, Drug, and Cosmetic Act to the substantive and other changes involved in the abovementioned changes; and sixth, contains transitional provisions for commercially established colors.

BACKGROUND INFORMATION

Under the Federal Food, Drug, and Cosmetic Act the treatment of color additives differs radically as between so-called coal-tar colors and other colors.

1. COAL-TAR COLORS

The term "coal-tar color" has been interpreted to apply not only to substances which are coal-tar derivatives but also to synthetic substances so related in their chemical structure to a coal-tar constituent as to be capable of derivation therefrom even when not actually so derived.

So-called coal-tar colors are regulated under the act through similar sets of provisions in chapters IV Food, V Drugs, and VI Cosmetics. The act requires the Secretary of Health, Education, and Welfare to provide by regulation for listing and certifying batches of "coal-tar colors which are harmless and suitable for use" in food, drugs, and cosmetics.

Food containing coal-tar color is deemed adulterated under section 402(c) of the act unless the color is from a batch certified by the Secretary under section 406. Section 406(b) then directs the Secretary to provide for listing coal-tar colors that are harmless and suitable for use in food and to provide for certifying batches of such colors.

A drug containing a coal-tar color solely for coloring purposes is deemed adulterated by section 501(a)(4) unless the color is from a batch certified by the Secretary under section 504. Section 504 then directs the Secretary to provide for listing coal-tar colors that are harmless and suitable for use in drugs for purposes of coloring only, and for certifying batches of such colors.

A cosmetic—other than a hair dye, which is defined to exclude eyelash and eyebrow dyes—containing a coal-tar color is deemed adulterated by section 601(e) unless the color is from a batch certified by the Secretary under section 604. Section 604 then directs the Secretary to provide for listing of coal-tar colors that are harmless and suitable for use in cosmetics, and for certifying batches of such colors.

The Secretary of Health, Education, and Welfare is without authority to admit a coal-tar color to listing under tolerance limitations; it must be harmless per se in order for the Secretary to admit it to listing—*Flemming* v. *Florida Citrus Exchange* (358 U.S. 153 (1958)).

One exception to the prohibition against the listing of a coal-tar color under tolerance limitations was made by the Congress in Public Law 86-2 to permit the temporary listing and certification of the color citrus red No. 2 for the coloring of mature oranges under tolerances found to be safe by the Secretary of Health, Education, and Welfare.

2. OTHER COLORS

A coloring material not classified as a coal-tar color is not subject to any pretesting, listing, or certification requirements in the case of cosmetics or drugs except as pretesting may be required for a coloring component as an incident to official clearance of a "new drug" under the "new drug" provisions of the act.

Non-coal-tar coloring materials used in food, when such materials are not generally recognized by experts as safe, are classified as "food additives" under the Food Additives Amendment of 1958—Public Law 85-929. Under section 402(a)(2)(C) of the act, a food which is, bears, or contains a "food additive" is deemed to be adulterated if the additive is unsafe within the meaning of section 409. Under section 409 the food additive is deemed unsafe unless it and its use, or intended use, conform to a regulation issued by the Secretary announcing the conditions, including the establishment of tolerance limitations, under which the additive may be safely used. Food colors which were in commercial use before January 1, 1958, are allowed a grace period not later than March 6, 1961, for compliance with the provisions of the Food Additives Amendment of 1958. Such "food additive" colors, however, are not subject to any requirement of "batch" certification.

NEED FOR LEGISLATION

The principal reasons which give rise to the need for this legislation may be summarized as follows:

First. The law with respect to coal-tar colors—and this comprises most synthetic colors—is not in consonance with modern concepts of consumer protection, in that it does not allow the Secretary of Health, Education, and Welfare to list a color for safe use under regulations which place a limit on the amount of a color that may be used on an article and to establish other conditions of use. For food, and for drugs and cosmetics other than those externally applied, the Secretary must ban the use of such a color completely, as not being harmless, if it is found to be toxic in the laboratory when fed to animals in some concentrations, even though its actual level and manner of use may be completely safe. For externally applied drugs and cosmetics, the same principle applies if toxicity appears in the laboratory in some concentrations by any relevant type of test, even though its actual level and manner of use may be wholly safe.

Prior to delisting proceedings by the Department of Health, Education, and Welfare there were 19 colors listed for unrestricted use in food, drugs, and cosmetics, 69 colors listed for unrestricted use in drugs and cosmetics, and 30 colors listed for use only in externally applied drugs and cosmetics, a total of 118 straight colors listed for certification. Seven colors have been removed from the food, drug, and cosmetic list and have been relisted for external use in drugs and cosmetic colors, so that we now have 12 food, drug, and cosmetic colors, 69 unrestricted drug and cosmetic colors, and 37 drug and cosmetic colors for external use. The Department has proposed that other colors be removed from listing and certification.

Only last week the Food and Drug Administration announced a tentative decision removing 14 coal-tar colors used principally in lipsticks from the list of permitted colors for unrestricted use in drugs and cosmetics. This decision was based upon an evaluation of evidence presented at a public hearing granted color, lipstick, and drug manufacturers. A final decision on delisting will be made after consideration of any objections which may be filed by the affected parties to the proposed order.

The principle of allowing colors to be used under tolerance limitations was endorsed, in 1956, by a committee of recognized scientists appointed by the National Academy of Sciences to review the coal-tar color research program of the Food and Drug Administration, as indicated by the following excerpt from the committee's report:

> This committee feels compelled to indicate that certification of a compound as harmless and suitable for use in food, drugs, and cosmestics as required under present law is unrealistic unless the level of use is specified (report of the National Academy of Sciences-National Research Council Ad Hoc Advisory Committee To Review the Food and Drug Administration's Research Program on Coal-tar Dyes, June 1956).

Second. The theoretically perfect public health protection once thought to be accorded by the present law regarding coal-tar colors has turned out to be in fact inadequate. While theoretically, only harmless colors may be listed, a retesting program of the Food and Drug Administration, employing the most modern testing techniques, has led to the discovery that many of the so-called coal-tar colors on the list may in fact be toxic in some concentrations. Yet, the Secretary of Health, Education, and Welfare cannot take a particular color off the list until he establishes its toxicity by laboratory tests, a process which for the list as a whole may take as much as 20 years. Under the bill, there would, in general, be a maximum of 2½ years during which the retesting process for the established colors would have to be completed—primarily by industry—and during which the Secretary could establish temporary tolerance limitations, at zero level if necessary, to protect the public health. This maximum period could be extended only where, in a particular case, such extension is necessary to complete the required safety tests for a color and is found consistent with protection of the public health.

Third. There is a need for making applicable to all color uses and all types of color—whether they be coal-tar colors or others—the same pretesting requirements and, where necessary for the protection of color users and consumers, the same requirement for certification of colors to assure their purity and identity with those listed as safe. At present there are no provisions for the certification of non-coal-tar colors. There is, moreover, no pretesting requirement for non-coal-tar additives as such, other than food additives.

Fourth. Unless the law, as proposed by the bill, is brought into conformity with modern methods of control by incorporation of the safe-for-use principle, it will become increasingly difficult, and may eventually become impossible, to find permissible colors to supply the demand for various important color uses on the part of consumers as well as the food, drug, and cosmetic industries. From the standpoint of the public interest there is no compensating advantage for the inflexibility of the present law in this respect.

The food, drug, cosmetic, and color industries find themselves in a serious situation as the result of the removal of color after color from the lists under

the present inflexible provisions of the law. Unless the law, by permitting the listing of colors under safe tolerances, is brought into line with present-day methods of control, the emergency will grow and deepen, an emergency which the Secretary of Health, Education, and Welfare believes could be relieved for most established colors on a sound and permanent basis by enacting the provisions of this bill without in any way conflicting with the need for adequate protection of the public health.

There is no justification, from the point of view of the public interest, in driving either color manufacturers or food, drug, or cosmetic producers, dependent upon the use of color, out of business where the particular use of color involved is one which can safely be admitted under prcper conditions of use—including tolerance limitations and certification requirements—established by the Department of Health, Education, and Welfare.

The scientifically sound principle that we must consider conditions of use when passing on suitability and safety of a color additive has recently been approved by Congress in temporary emergency legislation—Public Law 86-2—with respect to one coal-tar color, i.e., citrus red No. 2 for use in coloring mature oranges, after previous adoption of the "Safe-for-use" principle in the Food Additives Amendment of 1958—Public Law 85-929. In reporting upon the emergency legislation for citrus red No. 2, this committee said:

> It is specifically provided that the provisions of this bill will become inoperative on August 31, 1961, or before that time if general legislation affecting coloring materials for food is enacted by the Congress. The reason for the time limit is that this emergency legislation, which will meet the immediate needs of the citrus industry without permanently engrafting on the basic Food, Drug, and Cosmetic Act a new principle of tolerances for coal-tar colors which is not applicable to foods generally. The expiration date has been so fixed as to allow the Congress ample time to consider the application of this principle to all foods.
>
> It is the intention of the committee as soon as feasible to study amendments to the Federal Food, Drug, and Cosmetic Act dealing with color additives generally, since the need for such legislation has been amply demonstrated to this committee (86th Cong., 1st sess., H. Rept. 88).

The bill—by permitting, for a reasonable period, the provisional listing and certification of heretofore commercially established colors, under temporary tolerances where necessary for public-health protection, pending the development of the scientific data required for a definitive determination as to the listing of these colors under the permanent provisions of the bill—would permit an orderly transition to the control procedures of the bill. At the same time, the bill would establish on a permanent basis a sound system of color regulation fully protective of consumer interests.

EXPLANATION OF COMMITTEE BILL

The bill would change existing law in the following major respects:

First. Uniform criteria of admissibility. It would do away with the differences in legal requirements and treatment as between the so-called coal-tar colors and other color additives, and would establish an integrated and internally consistent basis for determining the admissibility of any coloring material for use in or on foods, drugs, or cosmetics—other than hair dyes. This would be accomplished by excepting color additives—as defined in the bill—from the term "food additive"; repealing the present provisions for listing and certification of coal-tar colors; enacting, as part of a single section—section 706—comprehensive provisions for the separate listing of any color additives suitable and safe for general or restricted use in foods, drugs, or cosmetics, and for their certification—or exemption from certification—and making other amendments to the act to mesh with these provisions.

The bill would embrace all color additives whether or not synthesized and whether or not capable of derivation from a coal-tar constituent. From the point of view of determining safety of use, there is no sound scientific basis for distinguishing between a color additive extracted from a plant, animal, or mineral source and one which is synthesized with a chemical structure which will bring it under the term "coal-tar color." The bill would therefore establish common ground rules for all such colors.

Doing away with the distinction between so-called coal-tar colors and other coloring substances will have the incidental effect of establishing a pretesting and safety clearance requirement for the latter type of colors in the case of drugs or cosmetics. The lack of consumer protection inherent in the absence of such a requirement was forcefully brought to the attention of Congress by the investigations and recommendations of the House Select Committee To Investigate the Use of Chemicals in Foods and Cosmetics, the Delaney committee in the 82d Congress, and by the hearings culminating in the enactment of the Food Additives Amendment of 1958.

Second. Safety-of-use principle. The bill adopts for all colors, and for all color uses covered by it, the basic principle of the Food Additives Amendment of 1958, by providing for the official listing of color additives for any use in or on foods, drugs, or cosmetics, for which they are determined to be safe, subject to such conditions of use (including maximum tolerance limitations) as are determined to be necessary to assure the safety of such use.

Third. The Delaney anticancer clause. One provision of the bill which aroused considerable controversy in the hearings on this legislation is proposed section 706(b)(5)(B) appearing on page 11, line 8, of the reported bill, and often referred to as the Delaney anticancer clause.

This clause provides that a color additive shall be deemed unsafe and shall not be listed for any use which will or may result in ingestion of all or any part of such additive if the additive is found to induce cancer when ingested by man or animal, or if it is found to induce cancer in man or animal by other tests, not involving ingestion, which are considered to be appropriate for the evaluation of the safety of additives for use in food.

This clause also provides that a color additive shall be deemed unsafe and shall not be listed for any use which will result in ingestion of any part of such additive if, after tests which are appropriate for the evaluation of the safety of the additive for such use, or after other relevant exposure of man or animal to such additive, it is found by the Secretary to induce cancer in man or animal.

A similar anticancer clause is included in the Food Additives Amendment of 1958 to the Federal Food, Drug, and Cosmetic Act—Public Law 85-929.

There are many unknowns about cancer that are yet to be solved. We do know, however, that today cancer is second only to heart disease as a cause of death among the American people. Every year, approximately 250,000 people die of cancer in this country. Approximately 450,000 new cases of cancer are discovered each year. At any given time about 700,000 persons are under treatment for cancer.

Expert testimony before the committee showed that scientific inquiry into the incidence of cancer among certain occupational groups has been traced, in several instances, to specific substances involved in their environment. Laboratory experiments have shown that a number of substances when added to the diet of test animals have produced cancers of various kinds in the test animals. It is this fact—namely, that small quantities of certain materials over a period of time will cause abnormal cell growth in animals—that gave rise to the Delaney anticancer clause in the Food Additives Amendment.

The Secretary of Health, Education, and Welfare very strongly urged the retention of the Delaney clause in the reported bill. The reason for his position may be summarized from his statement to the committee as follows:

> The preponderance of scientific evidence clearly dictates our position: Our advocacy of the anticancer proviso in the proposed color additives amendment is based on the simple fact that no one know hows to set a safe tolerance for substances in human foods when those substances are known to cause cancer when added to the diet of animals. I should like to underline again one statement in particular which I read earlier from the summary of Dr. [G. Burroughs] Mider's review of the role of certain chemical and physical agents in relation to cancer. It is this:
>
> "No one at this time can tell how much or how little of a carcinogen would be required to produce cancer in any human being, or how long it would take the cancer to develop."
>
> This is why we have no hesitancy in advocating the inclusion of the anticancer clause.
>
> Unless and until there is a sound scientific basis for the establishment of tolerances for carcinogens, I believe the Government has a duty to make clear—in law as well as in administrative policy—that it will do everything possible to put persons in a position where they will not unnecessarily be adding residues of carcinogens to their diet.
>
> The population is inadvertently exposed to certain carcinogens. Ultraviolet light oc-

curs in sunlight. The burning of most fuels produces some minute quantities of chemical compounds that elicit cancer in experimental animals, and some of the same agents can be identified in soot, tars, dusts, and similar residues—even from the atmosphere. In view of these facts, it becomes all the more imperative to protect the public from deliberate introduction of additional carcinogenic materials into the human environment.

Whenever a sound scientific basis is developed for the establishment of tolerances for carcinogens, we will request the Congress to give us that authority. We believe, however, that the issue is so important that the elected representatives of the people should have the opportunity of examining the evidence and determining whether or not the authority should be granted.

Many have oftentimes expressed the fond hope that the day is not far distant when we shall be able to control cancer. A dramatic breakthrough in this sense may never come. Rather, the progress—looked at from the standpoint of reducing the number of cases of cancer—may come only as we are willing to give heed to the kind of leads that are incorporated in the document prepared by Dr. Mider. It is clear that if we include in our diet substances that induce cancer when included in the diet of test animals, we are taking a risk. In the light of the rising number of cases of cancer, why should we take that risk? Why shouldn't the Government do everything possible to see to it that we do not involuntarily take that risk?

* * * * *

This, I believe, is as far as our discretion should go in the light of present scientific knowledge. We have no basis for asking Congress to give us discretion to establish a safe tolerance for a substance which definitely has been shown to produce cancer when added to the diet of test animals. We simply have no basis on which such discretion could be exercised because no one can tell us with any assurance at all how to establish a safe dose of any cancer-producing substance.

Unless and until cancer research makes a breakthrough at this point, the principle in the anticancer clause is sound. (Statement by Hon. Arthur S. Flemming, Secretary of Health, Education, and Welfare, before the House Committee on Interstate and Foreign Commerce, January 26, 1960.)

The Secretary further stated that, even if the Delaney clause is deleted from the bill, he believes that he has the authority to apply the policy that is reflected in that clause but he urged the Congress to join with the executive branch in giving added assurance to the public by including the anticancer clause in the proposed color additives legislation.

The committee heard a large number of witnesses on the anticancer clause, including a distinguished panel of scientific experts on cancer selected by Dr. Detlev W. Bronk, president of the National Academy of Sciences.

One industry witness objected to any anticancer clause. Another witness argued that it is possible to establish safe tolerance levels for substances that produce cancer when fed to test animals. Some would have the ban on cancer producers apply only to colors that induce cancer when ingested in an amount and under conditions reasonably related to their intended use. And another witness proposed that the cancer clause be taken out of its present position in the bill and added with material language changes to section 705(b)(5)(A) so that it would become simply one of the factors for the Secretary to consider in evaluating the safety of a color additive.

It is evident that such proposed changes are intended to give the Secretary the right to establish tolerances for presumed safe levels of colors that produce cancer when tested under appropriate laboratory conditions. Thus, any of the proposals, if adopted, would weaken the present anticancer clause in the reported bill. For this reason all of the proposed changes were rejected by the committee.

The panel discussed in considerable detail the scientific problems that confront us in connection with determination of the cancer-producing potentials of chemicals. They pointed out the difficulties of designing and conducting an experiment to determine whether a substance is a cancer producer for man and the difficulties in evaluating the test data after they are obtained.

Some of the panel members have suggested that despite these difficulties, in extraordinary cases, the Secretary of Health, Education, and Welfare should have the authority to decide that a minute amount of a cancer-producing chemical may be added to man's food after a group of scientists consider all the facts and conclude that the quantity to be tolerated is probably without hazard.

In commenting on this testimony, the Secretary of Health, Education, and Welfare said:

The Department's position is that the proposed color additives legislation should include an anticancer clause that makes illegal the use of any color that will induce cancer when tested by appropriate methods. We believe this position to be the only sound public policy in view of the fact that our experts tell us present scientific techniques do not permit them to state unequivocally how much or how little of a substance that induces cancer when administered to animals will induce cancer when administered to man.

* * * * *

The rallying point against the anticancer provision is the catch phrase that it takes away the scientists' right to exercise judgment. The issue thus made is a false one, because the clause allows the exercise of all the judgment that can safely be exercised on the basis of our present knowledge. The clause is grounded on the scientific fact of life that no one, at this time, can tell us how to establish for a man a safe tolerance for a cancer-producing agent. Until cancer research makes a breakthrough at this point, there simply is no scientific basis on which judgment or discretion could be exercised in tolerating a small amount of a known carcinogenic color or food additive. As I pointed out in my original testimony, the opposition to inclusion of an anticancer clause arises largely out of a misunderstanding of how this provision works. It allows the Department and its scientific people full discretion and judgment in deciding whether a substance has been shown to produce cancer when added to the diet of test animals. But once this decision is made, the limits of judgment have been reached and there is no reliable basis on which discretion could be exercised in determining a safe threshold dose for the established carcinogen.

So long as the outstanding experts in the National Cancer Institute and the Food and Drug Administration tell us that they do not know how to establish with any assurance at all a safe dose in man's food for a cancer-producing substance, the principle in the anticancer clause is sound. (Statement by Hon. Arthur S. Flemming, Secretary of Health, Education, and Welfare before the House Committee on Interstate and Foreign Commerce, May 9, 1960.)

In view of the uncertainty surrounding the determination of safe tolerances for carcinogens, the committee decided that the Delaney anticancer provision in the reported bill should be retained without change.

The committee adopted an amendment, discussed below, which provides for an ad hoc advisory committee to study and report on the question of whether a color additive is a carcinogen.

Fourth. Comprehensive lists. The bill retains the approach of the present coal-tar color provisions in providing for comprehensive lists of colors, instead of attempting to carve out an exception from listing for colors "generally recognized" by experts as safe for use. While there may have been justification in the case of the Food Additives Amendments of 1958 for placing the burden on the Government to prove that an additive is not generally recognized as safe before the safety clearance procedure applies—in view of the broad sweep of the amendment, which otherwise would have covered such additives as salt, vinegar, and natural spices—the Secretary of Health, Education, and Welfare does not believe that such an exception is sound in the case of color additives, whether they be extracted from a natural source or synthesized. If a color is in fact generally recognized by competent experts as safe for unrestricted use in any kind of article, this can be readily established and reflected in regulations listing such color. It may be noted, however, that a committee amendment to the bill deems a color additive to be suitable and safe for the purpose of listing for use generally in food, where there is in effect a published finding of the Department that the substance is generally recognized as safe for its intended use within the meaning of the provisions exempting such substances from the Food Additives Amendments of 1958.

Fifth. Certification and exemptions from certification. While providing for certification of batches of listed colors, as existing law does for coal-tar colors, the bill would permit the Secretary to grant exemptions from the requirement of certification where certification is not necessary to protect the public health. The present requirement of certification for coal-tar colors is intended to assure food processors and housewives that the color is free from toxic impurities and otherwise complies with regulations defining the color's identity. The committee agrees with the Secretary of Health, Education, and Welfare, however, that authority to exempt colors from the certification requirement is desirable, especially since the coverage of the law is broadened to include all types of substances capable of imparting color.

Sixth. Effective date and transitional provisions. The amendments made by the bill to the Federal Food, Drug, and Cosmetic Act—that is, title I of the bill—

would become effective as soon as the bill is enacted.

However, in order to allow on an interim basis, for a reasonable period, the use of commercially established color additives to the extent consistent with the public health, pending completion of the scientific investigations needed as a basis for making determinations as to listing of such additives under the new permanent provisions of the bill, the bill provides for the provisional listing of such color additives, and their certification—or exemption from certification in certain cases. The "commercially established" color additives falling under these transitional provisions are first, those coal-tar colors of which a batch or batches were actually certified prior to the date of enactment of the bill; and second, those non-coal-tar colors, and synthetic beta-carotene, which were commercially used or sold prior to that date for food, drug, or cosmetic use.

Provisional listings would be subject to appropriate temporary tolerance limitations and other conditions of use when deemed necessary for the protection of the public health during the period of provisional listing. The bill would permit establishment of a zero tolerance or removal from the provisional list at any time during this transitional period when the protection of the public health so requires.

A provisional listing would be automatic except that, in the case of a coal-tar color which was "delisted" prior to the enactment date of the bill, the color could be provisionally listed under these transitional provisions only upon request to the Secretary of Health, Education, and Welfare.

In order to enable the Secretary to compile and promulgate a list of colors which are deemed provisionally listed without specific request to the Secretary, and in order to enable him to determine temporary tolerances for such colors, the Secretary would, after reasonable public notice for submission of data, be required, for the time being, to fix temporary tolerances at zero level with respect to those colors and uses thereof for which the data available to him do not establish a reliable basis for inclusion in a list of colors deemed provisionally listed and for determining the prevailing levels of use thereof prior to the enactment date.

In general, a provisional listing would terminate no later than the end of the 2½-year period beginning on the date of enactment. However, where necessary to complete the scientific testing required for a particular additive, the Secretary could extend this period with respect to a particular color additive or use, if this is consistent with the protection of the public health and with the objective of completing these tests as soon as practicable. Of course, a provisional listing of a color additive for any use, if not sooner terminated, would cease upon listing of the additive for such use under the permanent provisions of the bill.

Seventh. Deception. A witness before the committee suggested amending proposed section 706(b)(6) to add the word "harmful" before the word "deception" so as to provide that the Secretary shall not list a color additive for a proposed use if the data before him show that such proposed use would "promote harmful deception of the consumer in violation of this Act or would otherwise result in misbranding or adulteration within the meaning of this Act."

The Federal Food, Drug, and Cosmetic Act prohibits, among other things, the introduction of an adulterated or misbranded food, drug, or cosmetic into interstate commerce, or the adulteration or misbranding of any food, drug, device, or cosmetic in interstate commerce, or while held for sale after interstate shipment. Furthermore, the food additives amendment—section 409(c)(3)(B) of the act—specifically prohibits the Secretary from issuing a regulation prescribing the conditions under which a food additive may be safely used if a fair evaluation of the data before him shows that the proposed use of the additive would "promote deception of the consumer in violation of this Act or would otherwise result in adulteration or in misbranding of food within the meaning of this Act."

The committee is of the opinion that it would be unsound policy to legislate against deception of the consumer in the food additives law and against harmful deception of the consumer in the color additives law. Obviously, the provision against deception of the consumer should be identical under both sections of the law. It should be emphasized that we are dealing here solely with deception which would violate the law. Among the relevant provisions of the Food and Drug Act aimed at deception are those which deem a food to be adulterated:

(3) If damage or inferiority has been concealed in any manner; or

(4) If any substance has been added hereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is. (Sec. 402(b)(3) and (4) of the Federal Food, Drug, and Cosmetic Act.)

Examples of coloring practices that would promote deception of the consumer in violation of the basic act were cited by the Secretary of Health, Education, and Welfare as follows: First, the use of artificial color in egg noodles to hide a deficiency in eggs; second, the use of artificial color in immature apples or oranges to make the fruit appear mature; third, the use of artificial color in tomato catsup, or juice, or canned tomatoes prepared from immature raw materials; and fourth, the use of artificial color in stale red meat to make it appear fresh.

The Secretary of Health, Education, and Welfare, by letter dated April 21, 1960, has advised the committee that use of artificial coloring, under proper labeling declaration, on mature oranges would not promote deception in violation of the Federal Food, Drug, and Cosmetic Act. Likewise, the Food and Drug Administration, by letter dated June 2, 1960, has advised the committee that the use of safe coloring in oleomargarine or margarine, with appropriate label declaration, or in butter would not promote deception in violation of the act. These letters are included in the appendix to the committee report.

Eighth. Recommended amendments to Food Additives Amendment. The Secretary of Health, Education, and Welfare recommended the adoption of two amendments to the Food Additives Amendment of 1958. These proposed amendments are: First, a modification of the Delaney anticancer clause to provide that additives used in animal feed which do not adversely affect the animal and which leave no residue either in the animal after slaughter, or in any food product obtained from the living animal, be exempt from the provisions of the clause. The Secretary also suggested a corresponding change with respect to color additives; and second, a modification of the "prior sanction or approval"—grandfather clause—section 201(s)(3) of the act.

The Secretary's letter of May 13, 1960, submitting these amendments is included in the appendix to the committee report.

The committee did not consider the above-mentioned amendments because they involved amendments to the food additive amendment which are not directly germane to this bill. They may be considered at a later date.

EXPLANATION OF PRINCIPAL COMMITTEE AMENDMENTS

First. Agricultural chemicals affecting color—page 3, beginning on line 10 of reported bill. The committee was advised that certain pesticide chemicals used in fruit production have the effect not only of protecting the trees against plant diseases but also of supporting or otherwise affecting natural plant processes which thus result in the production of better color and finish in the fruit. Also, some plant growth regulators, when applied to plants, likewise enhance the development of normal color in the produce of such plants. Some fear has been expressed that such chemicals and plant regulators could be considered to fall within the scope of the definition of "color additive" in section 101(c) of the bill since they have the ability to promote the coloring of raw agricultural commodities.

The committee agrees with the Secretary of Health, Education, and Welfare that such chemicals and plant nutrients are not color additives within the meaning of the basic definition of color additive in this bill, since they merely promote the development of the natural color of produce as the result of the normal physiological processes of the plant or produce. To make this clear, however, the committee has inserted an amendment to the effect that the term "color additive" in section 101(c) of the bill shall not be construed to apply to any pesticide chemical, soil or plant nutrient, or other agricultural chemical which affects the color of fruit or other raw agricultural commodity which is the produce of the soil solely through its effect on plant metabolism or enzymatic processes either before or after harvest. Pesticide chemicals are regulated under section 408 of the Federal Food, Drug, and Cosmetic Act and under the Federal Insecticide, Fungicide, and Rodenticide

Act—61 Stat. 163; 7 U.S.C. 135–135k—and there is no necessity for subjecting them to additional regulation under the color additive amendments when their sole effect on color is through such metabolic or enzymatic processes.

It is not the intention of the committee, however, to exempt from the provisions of this bill any chemical or nutrient if it also contains a dye, pigment, or other substance whose function is to impart color to the fruit or other raw agricultural commodity.

The views of the Secretary of Health, Education, and Welfare in letters to the committee dated February 8, 1960, and April 21, 1960, and the letter of the Assistant Secretary of Agriculture dated April 14, 1960, expressing their views on this subject, in which the committee concurs, are shown in the appendix to the committee report.

Second. Color additives exempted under Food Additives Amendment—page 9, beginning on line 8 of reported bill. This committee amendment revises proposed section 706(b)(4) by transferring the provisions of subparagraphs (B) and (C) thereof, in consolidated and modified form, to proposed section 706(b)(5) (see discussion immediately below) and adding a proviso to the revised section 706(b)(4) providing that a color additive shall be deemed to be suitable and safe for listing for use generally in or on food while there is in effect a published finding by the Secretary declaring that such additive is exempt under the Food Additives Amendment of 1958 because of its being generally recognized by qualified experts as safe for its intended use as provided in section 201(s) of the act.

Third. Analytical methods for color additives—page 11, beginning on line 1 of reported bill. This committee amendment adds a new subparagraph (iv) to proposed section 706(b)(5)(A) in the bill, which consolidates and modifies the provisions of subparagraphs (B) and (C) of proposed section 706(b)(4) in the bill as introduced. These subsections deal with practicable methods of analysis for color additives and for determining the identity and quantity of such additives or their reaction products in foods, drugs, and cosmetics.

The net effect of the change would be to require the Secretary to determine whether, with respect to particular color additives and proposed listings, all of the analytical methods described both in the original bill and in the proposed amendment are needed and, to the extent that they are, to refuse a listing unless these methods exist and are made available to him, whereas, under the bill as originally introduced, the Secretary must refuse a listing unless all of the described methods of analysis are available to him, without regard to whether, with respect to a particular proposed listing of a color additive, such methods are in his judgment actually needed.

The proponents of the amendment believe that some of the requirements of the original bill, and in particular the requirement that there be practicable methods for determining the identity and quantity of any substance formed in or on food because of the use of a color additive, could not always be met in the present state of knowledge and that, in those cases in which there is no need for such a method of analysis for adequate public health protection, the requirement would unnecessarily bar the use of a color additive which would be perfectly safe. The committee amendment meets this objection without impairing consumer health protection.

Fourth. Ad Hoc Scientific Advisory Committee on Carcinogenicity of Additive—page 11, beginning on line 21 of reported bill. This committee amendment provides that in any proceeding for the issuance, amendment, or repeal of a regulation by the Secretary of Health, Education, and Welfare listing a color additive, any person who will be adversely affected may request that the petition or order thereon or the Secretary's proposal which is the subject of the proceeding be referred to an advisory committee for a report and recommendations with respect to any matter arising under proposed section 706(b)(5)(B) of the bill, commonly referred to as the Delaney anticancer clause, if such matter is involved in such proposal or order and requires the exercise of scientific judgment.

Upon such request, the Secretary shall forthwith appoint an advisory committee and shall refer to it for study and for a report and recommendations the question arising under section 706(b)(5)(B). The Secretary may also refer such a matter to such an advisory committee on his own initiative. The petitioner as well as representatives of the Department of Health, Education, and Welfare shall have the right to consult with the advisory committee.

The request for referral, or the Secretary's referral on his own initiative, may be made at any time before, or within 30 days after, publication of the Secretary's order acting upon the petition or proposal.

Within 60 days after the referral date or within an additional 30 days if necessary, the advisory committee shall certify to the Secretary a report and recommendations. Within 30 days after such certification, and after giving due consideration to all the information before him, including the report, the Secretary shall by order confirm or modify any order theretofore issued, or if no such prior order has been issued, he shall by order act upon the petition or other proposal.

Where by reason of section 706(b)(5)(B) the Secretary has initiated a proposal to remove from listing a color additive previously listed and a request has been made for referral of such a proposal to an advisory committee, the Secretary may not act by order on such proposal until the advisory committee has made a report and recommendations and he has considered such recommendations unless the Secretary finds that emergency conditions exist necessitating the issuance of an order.

The committee intends by the term "emergency conditions" to mean, in general, a condition which requires immediate action in order to avoid imminent hazard to public health.

The advisory committee shall be composed of experts selected by the National Academy of Sciences, qualified in the subject matter referred to the committee and of adequately diversified professional background. In the unlikely event that the National Academy of Sciences is unable or refuses to act, the Secretary shall select the members of the advisory committee. The size of the committee shall be determined by the Secretary.

Any report, recommendations, underlying data, and reasons certified to the Secretary by such advisory committee shall be made a part of the record of any hearing if relevant and material, subject to the provisions of section 7(c) of the Administrative Procedure Act (5 U.S.C. 1006(c))—page 18, beginning on line 11 of reported bill.

The advisory committee shall designate a member to appear and testify at any such hearing with respect to the report and recommendations of such committee upon request of the Secretary, the petitioner, or the officer conducting the hearing, but this shall not preclude any other member of the advisory committee from appearing and testifying at such hearing—page 18, beginning on line 17 of reported bill.

Fifth. Color additive deemed to be safe under the proviso in section 706(b)(4) need not be certified—page 17, beginning on line 5 of reported bill. This committee amendment provides that any color additive which has been listed as suitable and safe for use generally in or on food by reason of the proviso in proposed section 706(b)(4), discussed above, need not be certified by the Secretary under proposed section 706(c) in this bill.

Sixth. Time schedule governing action on a petition—page 17, beginning on line 21 of reported bill. This committee amendment sets up a time schedule governing the action on a petition to the Secretary for the issuance, amendment, or repeal of a regulation, except where matters are referred to an advisory committee. As stated above, a separate time schedule is prescribed for cases involving advisory committees.

Notice of the proposal made by a petition must be published in general terms by the Secretary within 30 days after filing, and the Secretary's order acting upon such proposal shall be issued within 90 days after the date of the filing of the petition. The Secretary may extend the 90-day period up to but not exceeding 180 days as he deems necessary to enable him to study and investigate this petition. This is the same time schedule as is provided in the Food Additives Amendment of 1958.

Seventh. Review of regulation by Secretary terminating or placing a tolerance limitation on a provisional listing—page 26, beginning on line 7 of reported bill. This committee amendment provides that if the Secretary of Health, Education, and Welfare has, by regulation issued pursuant to the transitional provisions of this legislation, terminated a provisional listing (or deemed provisional listing) of a color additive or a particular use thereof, or if he has established, or made more restrictive, a tolerance limitation or other restriction or requirement with respect to an already effective provisional listing, any person

who may be adversely affected by such action may petition the Secretary for an amendment to revoke or modify such action, but such petition will not operate to stay or suspend the effectiveness of such action. The Secretary must afford all interested persons an opportunity to present their views on the proposal of the petition after which the Secretary shall act on the petition by published order.

Any person adversely affected by this order may, within 30 days, file objections thereto, state reasonable grounds therefor, and request a public hearing upon such objections which shall be granted. Based on the evidence adduced at such hearing, the Secretary shall issue an order which may reinstate a terminated provisional listing or alter a previously established temporary tolerance limitation, or alter any other limitation established by him, only if in his judgment the evidence shows that such action will be consistent with the protection of the public health. Such order shall be subject to judicial review in accordance with section 701(f) of the Federal Food, Drug, and Cosmetic Act except that the findings and order of the Secretary shall be sustained only if based upon a fair evaluation of the entire record at such hearing. The court may not stay or suspend the Secretary's order pending conclusion of judicial review.

Mr. Speaker, there is no opposition that I know of to this bill. As I have stated, there are differences of opinion on the Delaney anticancer clause. Of course, we are all opposed to this great and dreaded disease of cancer. No one with any forethought would dare to advocate the use of any cancer-producing substance that would endanger the health of the people of this country. That is the only provision in this bill that brings about differences of opinion.

It is true that the Secretary of Health, Education, and Welfare did say if we did not have the Delaney clause in the bill—and I here want to join others in complimenting the gentleman from New York [Mr. DELANEY] for his consistent and determined effort toward this great problem—he would administer the law the same as if the Delaney clause had been written into it. The Secretary did have this provision in the bill when he sent it up to the Congress and asked me to introduce it. The Secretary testified he thought it should remain in the bill because he did not believe that he as Secretary or any administrator at this time should have the authority to make a determination permitting the use of any substance known to be cancer producing.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, the Secretary did that on the basis of information or advice, he said, he received from his own scientists in the National Institutes of Health and in the National Cancer Institute to the effect that we do not know scientifically enough about the subject of cancer at this time to grant discretion to someone to set safe tolerances for known carcinogens. The committee considered it and we felt that under the circumstances it would be best at this time to include the Delaney provision in the bill.

We tried to meet that problem and I think in conference, if we get to conference—the Senate may pass this without a conference, I do not know—but if we get to a conference this and other amendments made by the committee will be subject to consideration.

Mr. Speaker, I have tried to explain this so the House will know what is involved in this problem. I urge the House to pass this bill.

Mr. Speaker, I have two amendments to the committee bill.

The first amendment is a technical amendment, made necessary by the passage by the other body of H.R. 7480, which added a new subsection (l) to section 403 of the Federal Food, Drug, and Cosmetic Act.

The bill (H.R. 7624) currently under consideration proposes to add a new subsection (l) to the same section 403. This amendment corrects the subsection designation to "(m)."

The second amendment is a technical amendment, which makes no change in the intended policy of the bill. It also is made necessary by a recent amendment to the law.

On Saturday, June 18, 1960, the other body passed and cleared for the President, H.R. 7847, which amended section 409(g)(2) of the Federal Food, Drug, and Cosmetic Act by adding a new sentence to that section.

The bill (H.R. 7624) currently under consideration cross-refers to the third sentence of such section 409(g)(2). The enactment of H.R. 7847 will render this cross-reference incorrect; therefore, this amendment—correcting the cross-reference—is necessary.

I would like to include as part of my remarks, a letter dated April 21, 1960, from the Secretary of Health, Education, and Welfare commenting on the various amendments proposed by certain witnesses who testified on this legislation before the committee. This letter was inadvertently omitted from our printed hearings:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., April 21, 1960.

Hon. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: On January 29, you indicated during the hearings on pending color additive legislation (H.R. 7624, and S. 2197) that you would like to have our views on the various amendments proposed by witnesses other than those representing this Department. Accordingly, we have reviewed the record of the hearings and are glad to offer the following comments.

The amendments proposed by the witnesses fall into four principal categories:

1. There are a number of suggestions for change in the scope of the bills.

2. There are several recommendations with respect to the substantive criteria for listing colors, including a number of adverse comments on the anticancer clause in the Department's proposal as contained in H.R. 7624. The criticisms of the bill's anticancer clause also extend to the clause from which it is derived, i.e., the so-called Delaney proviso in the Food Additives Amendment of 1958.

3. A number of suggestions are made on procedural points, both with respect to the permanent part (title I) and the transitional part (title II) of the bill.

Additionally, one individual, Mr. Frank Schell, of Florida, has written to the committee proposing an entirely new bill to be substituted for the Department's bill.

Our comments on these various items, except the anticancer clause are enclosed herewith (enclosure I). I expect to testify further on the anticancer clause. There is enclosed herewith (enclosure II) a draft of a provision which would accord an opportunity for hearing with respect to certain regulatory actions under the transitional part of the bill, under the conditions stated in my testimony. There is enclosed (enclosure III) a draft amendment to the proposed section 706(d) of the bills, to incorporate time limits in the rulemaking procedure of the legislation if the committee should wish to do so. Also there is enclosed (enclosure IV) a draft amendment to section 203(d)(2)(A) of the bill to make it clear that funds and regulations dealing with the cost of certifying coal-tar colors under section 706 of the basic act, shall continue to be available and in effect, respectively, for the purposes specified in section 706 as amended by the proposed bill.

In summary, we are opposed to all the amendments proposed by the witnesses, except (1) a clarifying amendment on agricultural chemicals, in the form contained in enclosure I agreed upon by us with the Department of Agriculture, and (2) the amendments set forth in enclosures II and III. As between the respective versions of S. 2197 and H.R. 7624, we have already advised that the changes contained in S. 2197 as passed by the Senate are acceptable to us, except that we recommend inclusion of the anticancer clause of H.R. 7624 with a modification relating to animal feed similar to the one we are developing for the Delaney proviso to the Food Additives Amendment of 1958. We have also recommended, by letter dated April 11, 1960, a technical correction in section 706(d).

Sincerely yours,

ARTHUR S. FLEMMING,
Secretary.

ENCLOSURE I

COMMENTS ON AMENDMENTS TO S. 2197 OR H.R. 7624 PROPOSED BY NONGOVERNMENTAL WITNESSES

I. SCOPE OF BILL

1. Nature, source, or type of action of the coloring material

(a) Artificial or Natural Colors

Two witnesses suggested that the bill should apply only to artificial colors. There is, in the first place, no sound scientific basis for the distinction between artificial and so-called natural colors. In the second place, this proposal, in our opinion, would have serious consequences if adopted. It would raise, with respect to each color, a question of semantics and chemistry, i.e., what is an artifice and what constitutes artificial coloring, which would tremendously complicate the administration of the bill. The preparation of almost any color involves some artifice; even the commercial removal of natural color from a plant involves artifice. There appears no good reason why the administration of the color additive bill

should be needlessly complicated by opening up a tremendous field for argument as to what colors are or are not artificial.

Ultimately, the proposal, if adopted, would prevent the establishment of complete lists of safe colors suitable for use in foods, in drugs, or in cosmetics, and would thus eliminate one of the desirable goals of this legislation which would be useful to the industries concerned.

The suggestion of one industry representative that any material which is directly derived from a vegetable or animal source be excluded from coverage, is similarly objectionable.

(b) Agricultural Chemicals

Several witnesses suggested that pesticide chemicals be exempted from the coverage of the color additives legislation. A representative of the National Agricultural Chemicals Association, on the other hand, indicated that the Department's position as to the interpretation of the bill—i.e., that chemicals affecting color of fruit or other produce merely through their effect on plant metabolism do not "impart color" within the meaning of the bills—as submitted in our letter of February 8, 1960, to you, would meet the needs of the association. However, by letter, the association has, we understand, requested that this position be incorporated in the language of the bill rather than left to legislative history. The Department of Agriculture also favors this. We have no objection to incorporating the position in the bill itself and suggest that the following language—jointly developed by this Department and the Department of Agriculture, and submitted to the committee by that Department by letter dated April 14, 1960—be added as subparagraph (3) to the definition of the term "color additive":

"(3) Nothing in subparagraph (1) of this paragraph shall be construed to apply to any pesticide chemical, soil, or plant nutrient, or other agricultural chemical solely because of its effect in aiding, retarding, or otherwise affecting, directly or indirectly, the growth or other natural physiological processes of produce of the soil and thereby affecting its color, whether before or after harvest."

More sweeping language suggested by the association and some other witnesses, which would mandatorily exempt a pesticide chemical even though that chemical also acts as a dye would be seriously objectionable since it would result in our list of food colors being incomplete and would admit of circumventing the certification provisions of the bill through the development of combined pesticide-dye chemicals. We invite attention to the fact that the bill already excepts from the term "color additive" any material "which the Secretary, by regulation, determines is used (or intended to be used) solely for a purpose or purposes other than coloring."

(c) "Food Additives"

The bills would amend the term "food additive" as defined in present law so as to exclude "color additives," thus making the definitions and operative provisions mutually exclusive and treating all coloring materials under one special scheme of regulation.

Two witnesses suggested that so-called food additives should be exempted from the bills. This proposal, if adopted and taken at face value, would destroy the color bill insofar as foods are concerned. At present, coal-tar colors are excluded from the food additives amendment by implication because they must be "harmless" substances and no safe tolerance may be granted for them. (They are also excepted from the present definition of "food additive" by sec. 201 (s) (3) if they are still listed as coal-tar colors under a listing antedating Public Law 85-929.) To repeal the coal-tar color sections of the present law and enact legislation embodying this proposal would mean that all coal-tar colors employed for food purposes would fall within the definition of food additives and thus would be relieved from the batch certification provisions of the present law and the proposed legislation. Not even the manufacturers of coal-tar colors wish this. On the contrary, they have indicated to us that they desire continued certification of colors and would not welcome legislation that failed to permit it. We believe that continuation of the certification system for certain colors is a desirable public-health procedure. Certification insures the composition and purity of substances which must be manufactured with extraordinary care to avoid serious errors.

If, on the other hand, the above-mentioned proposal is intended to mean that all food additives except the so-called coal-tar colors should be exempted from the bills, thus limiting the coverage of bills with respect to food colors primarily to the so-called coal-tar colors, the proposal is objectionable on the grounds that the distinction is not scientifically sound from the point of view of determining the safety of a color, that certification may be desirable for public health protection in the case of some non-coal-tar colors where a tolerance limitation is necessary, and that the proposal would frustrate the valuable objective of a comprehensive list for food colors.

Another witness suggested that substances already cleared under the Food Additives Amendment should be exempt from the color bill. This suggestion, if adopted, would also prevent the desirable preparation of one complete list of colors safe and suitable for use in foods. To the extent, if any, that colors may have been formally cleared as food additives by the time this legislation is enacted, the Department will list them under the bill on its own initiative, thus imposing no further procedural burden on the industries concerned.

2. *Purpose for which a dye material is used*

(a) In General

Some witnesses suggested that colors should come within the definition of "color additive" only if they are added or applied primarily for the purpose of imparting color. Such a change in the bill would in our view be objectionable because (1) it would be a large backward step as compared to the present law governing listing and certification of colors; (2) it would make the listing of color additives incomplete—thus confusing users of colors and making separate provisions for food color additives pointless—and (3) it would cast a heavy and unjustifiable burden on the Government in administration and enforcement of the law.

Under present law, a coal-tar color, as defined by regulation, is a material (of certain chemical characteristics) which, when added or applied to a food, drug, cosmetic, or the human body, is capable of imparting color thereto. The purpose for which the material is so used is irrelevant under that definition, although, under the substantive provisions of the act relating to drugs, the drug is subject to the color certification requirement only if the material which imparts color is used in or on the drug solely for that purpose. The present bills follow this approach with respect to color additives (including the special provisions as to drug colors), except that, as stated under point 1(b) of this memorandum, the bills exclude from the definition any material which the Secretary, by regulation, determines is used (or intended to be used) solely for non-coloring purposes.

It is not entirely clear whether the purpose-of-use amendment proposed by the witnesses is intended to refer separately to each use of a color on a particular article, or to the primary purpose for which the material is being used by a particular industry or processor (e.g., a food industry or processor), or some other criterion of purpose. Different witnesses may have had different things in mind in making the suggestion.

In any event, however, to adopt this proposal would create a very difficult, and perhaps impossible enforcement problem. The Government would have the responsibility with respect to each use, or each listing, of a color to determine whether the color effect that it contributed was purposeful and, if so, whether the achievement of that effect was a primary or secondary purpose in the use of the color, and in addition the Government would have to assume the burden of proof that its determination of primary purpose was correct. This would lead to a situation in which no one could determine with any degree of certainty whether or not colors that serve some other incidental purpose are, in fact, subject to the amendment. An example of the difficulties that would arise is furnished by the yellow color beta carotene. Beta carotene is not only used as a coloring agent but also is broken down in the human body to form vitamin A. If the proposal in question were adopted in the sense in which it is probably intended, then, before the Government could determine whether the carotene were a color additive, it would have to determine, and be prepared to prove, whether the primary object in the manufacturer's mind was to increase the vitamin A content of the food or to produce a deeper yellow color. Some batches of the color might be subject to the amendment and others exempt. This would not be a desirable situation.

We therefore believe that the bill should remain unchanged as regards the question of the relevance of the purpose for which a coloring material is intended.

(b) Colors in Food Packaging Materials

Our letter of February 8, 1960, which has been introduced into the hearing record, makes clear that coloring materials used in food wraps and other food packaging materials are not within the purview of the bill if the coloring material does not migrate from the wrap to the food or if, though there is some migration, it is so slight that it does not impart to the food any color apparent to the naked eye.

A representative of one part of the packaging industry, however, requests that colors for packaging materials be exempted unless they are by design intended to add color immediately from the wrap into or on food, thus casting on the Government the difficult burden of proving such intent. We question the wisdom of adopting this proposal. The purpose of the color additive amendment is to establish a class of colors suitable for use in foods (or drugs or cosmetics) so that users will no longer have any qusetion about whether the products they use are suitable. The bill would, as above stated, allow the Secretary, by regulation, to exempt from its coverage any material which he determines is used or intended to be used solely for a purpose or purposes other than coloring food (or drugs or cosmetics). This provision would give the Department the authority to relieve from coverage of the legislation those substances not used for food coloring, and this, we believe, is as far as they should be exempted. To go any further and relieve from coverage of this bill substances that are added to packaging materials with the intent of imparting color later to food products packaged therein would, in our opinion, seriously weaken the bill and would be contrary to its main purpose, which is to provide for the same type of coverage for all color additives. Therefore, we must recommend against inclusion of this suggestion.

(c) Other Incidental Additives

One witness suggested that all colors which are incidental additives—presumably to food—should be exempt. An "incidental additive" to food, as we understand the term, is an additive which is not used for the purpose of becoming a component of food or affecting its characteristics but the intended use of which in connection with food production, manufacture, handling, etc., may nevertheless reasonably be expected to, and actually does, have that result. (Cf. sec. 201(s) of the basic act.)

One type of such incidental additive, i.e., migratory colors in food packaging materials, has been discussed above. As pointed out in that connection, the bills already would permit the Secretary to exempt any material which he determines is used solely for a purpose or purposes other than coloring. As above stated, we believe that it would be a mistake to go any further in providing for exemptions from the scope of the bill.

3. Substances generally recognized as safe

Certain witnesses suggested that substances which are generally recognized by experts as having been shown to be safe be excluded from the definition of "color additive" and thus from the coverage of the proposed legislation. This suggestion has been coupled, at least by some, with the suggestion that this general recognition should, in analogy to the "food additive" definition of the basic act, be allowed to rest either on scientific evidence or on experience based on common use of the color. The proposal is unacceptable for several reasons.

In the first place, as pointed out above, a major purpose of the bills is to establish comprehensive lists of food, drug, and cosmetic colors, with assurance to users that the colors are both safe and suitable for the use or uses for which they are listed. The proposed amendment to the bills would destroy this assurance for the user and establish a broad area of indecision in which the user of colors would not know whether the materials he expects to employ are acceptable under the Food, Drug and Cosmetic Act. Where a color additive is in fact generally recognized as safe by appropriately qualified experts, there would be no difficulty in listing it for such safe use.

In the second place, such an amendment would open the door to the contention, however unsound, that all or some of those coal-tar colors which are at present listed as "harmless," and are not "delisted" before enactment of the bill, have thereby, or through experience based on common use, become generally recognized as safe, even though in the opinion of this Department the "harmlessness" of many of them is at least suspect and their safety for given uses remains to be scientifically determined. Under the proposed amendment to the bills, moreover, this issue, if raised, would have to be tried out in the courts de novo. This consideration in itself is enough to call for rejection of the amendment.

Finally, it should be emphasized that, even if an exemption were to be considered for colors generally recognized as safe, it would not be appropriate to cast it in the form of an exclusion from the definition of the term "color additive," for the question of what is a color additive cannot rationally be made to depend on whether the additive is generally recognized as safe. The only reason for excepting colors "generally recognized as safe" from the definition itself would be to cast on the Government the burden of proof to satisfy a court, de novo, that a particular color is not generally recognized as safe instead of casting the burden on the proponent of a particular color use to establish its safety in proper rulemaking proceedings. As said by us in submitting the proposed legislation to Congress:

"While there may have been justification in the case of the Food Additives Amendment of 1958 for placing the burden on the Government to prove that an additive is not generally recognized as safe before the safety clearance procedure applies—in view of the broad sweep of the amendment, which otherwise would have covered such additives as salt, vinegar, and natural spices—we do not believe that such an exception is sound in the case of color additives, whether they be extracted from a natural source or synthesized. To engraft such an exception on the bill would be retrogressive as compared with present law relating to coal-tar colors. If a color is in fact generally recognized by competent experts as safe for unrestricted use in any kind of article, this can be readily established and reflected in regulations listing such color."

As indicated in the Secretary's testimony, however, we are agreeable to the provisos added in the Senate to S. 2197 (p. 9, lines 12–19; p. 12, line 24, down to p. 13, line 13), whereby a food color additive is deemed suitable and safe for listing purposes and is entitled to exemption from the requirement of certification, while there is in effect a published finding of the Secretary declaring the substance exempt from the term "food additive" because of its being generally recognized by experts as safe, as provided in section 201(s) of the basic act. It should be noted that in such cases the substance is still to be listed, rather than exempt from listing, as a color additive.

II. SUBSTANTIVE PROVISIONS AS TO LISTING OF COLORS (SEC. 706)

1. Basic provision for listing

One witness suggested that the proposed section 706(b)(1) be amended to require that the Secretary (by regulation) shall "separately list," rather than "provide for separately listing," color additives. The phrase in section 706(b)(1) was modeled after sections 406(b), 504, and 604 of the present act which require "regulations providing for the listing" of coal-tar colors. Other paragraphs of the proposed section 706(b), however, already use the more direct phrase "regulations may list" or "the Secretary shall not list." Both section 706(b)(1) in its present form and the suggested modification thereof contemplate listing by regulation and, insofar as we can determine, there is no practical difference intended between the two versions. The Department could operate equally well under either provision, if it is clearly understood that the Secretary may not and will not merely list colors by regulation, but, necessarily, also promulgate interstitial regulations providing for the listing, i.e., relating to the conditions and procedures for such listing, interpretations of the law, etc.

2. Analytical methods requirement

One witness has suggested that the bill should not require an analytical method for determining the identity of the color additive if it has been mixed with other ingredients. The coal-tar color regulations now require this (21 CFR 9.14). If this proposal is intended to mean that the Department should approve a color which is so toxic that the quantity employed must be limited, without having any mechanism for determining, after it is used, whether the safe level has been observed or exceeded, we must oppose the suggestion. The amendment we have agreed to (p. 10, lines 14–20, of S. 2197) is a relaxation of the requirement in the food additives amendment that a practical method of testing for an additive be available for any substance formed in food because of its use. The amendment in the Senate version of the color bill requires a practicable method of analysis only where it is needed, i.e., where there is some enforcement purpose to be served by having the method.

The proposal that we be deprived of the right to require an analytical method for determining the identity of an additive once it has been used, could, if adopted, also be interpreted to deprive us of the opportunity of requiring suitable methods for the quantitative determination of an additive since it is necessary to know the identity of a chemical in order to determine its quantity.

It would be poor public-health policy to allow toxic materials to be used in foods, drugs, and cosmetics without any mechanism for checking upon their quantity to be sure that they are present in nonharmful amounts.

3. Intended-effect requirement (sec. 706(b)(7))

Several witnesses testified that the industry should not be required to show that a toxic color will achieve its intended physical or other technical effect in order to get the color listed as acceptable for use. Some view this requirement as a type of "functional value" test.

The injection of the so-called functional value issue here is based on a misunderstanding of the bill. There is nothing in the bill that would undertake to tell a beverage manufacturer, for example, that he could color his lime beverage only to a tint which the Secretary considered desirable. Instead, the bill—following the pattern of the Food Additives Amendment of 1958 (sec. 409(c)(4))—says that the Department shall not establish a tolerance for a toxic color higher than reasonably required to accomplish the intended physical or other technical effect. The beverage manufacturer would decide what degree of coloring was needed to accomplish that effect and the Department could deny the requested tolerance only on a finding that it was not shown to be safe, or that the desired degree of coloring could be obtained without using this quantity of color. (And of course the use would have to be denied if it would result in violation of some other section of the law.)

This bill—still following the cited provision of the Food Additives Amendment—also provides that where the amount of color that can be safely tolerated will not achieve the intended physical or other technical effect, no tolerance for this use should be permitted. For example, if because of its toxicity we can only allow 3 parts per million of a yellow color intended for use in coloring margarine and 40 parts per million were required to impart to the margarine the desired degree of yellow, there would be no point in establishing a safe tolerance of 3 parts per million which would leave the margarine white. On the contrary, to establish a tolerance which would not achieve the intended effect would invite widespread violation of the tolerance limitation.

The requirement that a toxic color should be found capable of achieving its intended physical or other technological effect before it is allowed for use is designed to permit the Secretary to make each decision as safe as possible. The Food Protection Committee of the National Research Council has summarized the problem concisely in its pamphlet entitled "Principles and Procedures for Evaluating the Safety of Intentional Chemical Additives in Foods." On page 2 of the pamphlet (November 1954 issue), the second general principle which it lists is: "Results of critically designed tests of the physiologic, pharmacologic, and biochemical behavior of a proposed additive made in various species of animals can provide a basis for the evaluation of the safety of a chemical additive at a specified level of intake by man. It is impossible, however, to establish absolute assurance that the additive at this level will be completely safe for all humans under all conditions."

Clearly, so long as it is impossible to establish absolute assurance of safety, it is imperative to restrict the purposeless addition of toxic substances to the food supply (and to drugs and cosmetics).

Moreover, consistency between this part of the bills and the corresponding provisions of the Food Additives Amendment is also important inasmuch as a food color additive will not necessarily be used solely for the purpose of coloring, but may also be marketed and used in food to achieve another, no less important, effect.

4. Requirement of suitability for intended use

Other witnesses have objected to the use of the term "suitable" in the proposed section 706(b)(1) of the bill, a term taken over from the coal-tar color provisions of existing law where it is used in the same sense. They believe that the Secretary should rule only on safety and not on what they consider to be economic factors. The need for authorizing the Secretary to sanction only those colors that are suitable may be illustrated by listing some examples of use that would be unsuitable:

An unstable color that faded before the food in which it is used could reach the consumer would be unsuitable.

A color that would not stay in solution would be unsuitable for coloring liquids.

A diluent used to make a color mixture for food use that would adulterate or cause other adverse changes in food would be unsuitable.

Plainly, having by law been concerned with color suitability even where the color was required to be a completely harmless substance, we should continue to exercise some power of control over situations of this type in determining whether colors, which under the bill could be toxic materials, may be incorporated in the food, drug, or cosmetic supply.

It is difficult to follow the reasoning of the witnesses because, as above stated, the requirements of suitability appears in the color sections of the present law and has been there since 1938 when the Food, Drug, and Cosmetic Act was enacted. If there is any serious problem occasioned by the use of this word, we are not aware of it and the witnesses themselves have not cited any real problem. The certified color industry, which is familiar with the way the present law has worked, has raised no question about this provision of the bill.

5. Prohibition against listing for illegal deceptive color uses

Some witnesses have argued that the Secretary should have no power to decide whether use of a color would promote deception of the consumer. And one witness would amend the term "deception" to read "harmful deception." They appear to overlook the fact that the bill is more specific than this. It provides (sec. 706(b)(6))—following again the pattern set by Congress in the Food Additives Amendment of 1958—that "The Secretary shall not list a color additive * * * if the data before him show that such proposed use would promote deception of the consumer in violation of this Act or would otherwise result in misbranding or adulteration within the meaning of this Act."

Again there appears to be some misunderstanding of the purpose of the bill. This particular provision is intended to make it perfectly clear that the Department could not be placed in a position where it would be required to authorize under one section of the law a practice that would be illegal under another section; it is inconceivable the Congress would want such a situation to exist. And if it was appropriate to make this clear in a general food additive law, it is at least equally so in a color bill.

To avoid any misunderstanding, we emphasize that the Department has no objection to the artificial coloring, under proper labeling declaration, of mature oranges. We have given this assurance to the citrus industry, we have stated it for the record at the hearings on the present bills, and we repeat it here.

But there are coloring practices that would promote deception in violation of the basic statute and we believe that the bill should make clear that these would not be allowed. Examples are:

(a) The use of artificial color in egg noodles to hide a deficiency in eggs.

(b) The use of artificial color on immature apples or oranges to make the fruit appear to be mature.

(c) The use of artificial color in tomato catsup or juice or canned tomatoes prepared from immature raw material.

(d) The use of artificial color in stale red meat to make it appear fresh.

We could not accept an amendment which would seem to say that we are required to approve a practice under one section of the law which in our opinion would constitute a violation under another section and would call for prosecution if it were followed.

6. Allocation of listings or of aggregate tolerances

Some of the industry witnesses object to giving the Secretary the authority contained in the proposed section 706(b)(8) of the bill, i.e., authority to allocate color uses where safety factors will not permit a color to be employed for all uses proposed and at the levels proposed. When stripped of extraneous trappings, these arguments boil down to an unwillingness on the part of some firms to compete for a color on the basis of the effect of the color on the marketability of their products, the availability of satisfactory substitute colors, and other relevant factors. In other words, everybody seems to want the opportunity of using the particular color he happens to decide upon in the amount he wishes to employ in his products. But inevitably a situation will arise in which the allowable safe tolerance of a toxic color will not permit all of the uses desired. When such a situation arises, we could:

1. Deny use of the color to everyone—an impractical approach which no one argues for.

2. Allocate the color on a first-come first-served basis—again an impractical approach because this could allow the first manufacturer who requested use of a color to arrogate to his product the total allowable tolerance for that color even though it were not a major factor in the acceptability of his product and even though adequate substitutes were available which would accomplish the same purpose for his product.

3. Establish a reasonably practical system, as proposed by the bill, for allocating the amount of color, where safety will not allow granting of all uses requested among the competing industries. It seems obvious to us that there may have to be allocation, particularly for some colors already in use. The question is under what guidelines and by whom?

The allocation proposal suggested in the bill is one that our Department developed in cooperation with the Certified Color Industry Committee and representatives of certain other industries. It sets forth guidelines within which the Government must operate. It is the best proposal we have been able to develop. The alternate proposals made by industry witnesses would remove these guidelines in whole or in part and, as we see it, leave the Government subject to fewer checks.

The problem here is peculiarly an industry problem. While we question the adequacy of some of the proposals made by the industry witnesses, we are not prepared to make a major issue of this point. We do request the committee to give us, in as much detail as possible, the guidelines to follow when allocation does become necessary.

III. PROCEDURAL CHANGES UNDER PERMANENT PART OF BILL (SEC. 706(D))

1. Referral of safety questions to an outside scientific group

One witness testified that a commission or outside committee of scientists should be established to resolve questions of safety. It is not clear from his testimony, including his answers to questions raised by some members of this committee, what type of outside advice he would like the Department to receive. And some members of the scientific panel also favored specific provision for a panel of outside experts. We have no need for such a provision since we are already empowered to consult scientists outside the Department, and do so frequently. If industry wishes to have in the color additives bill provision for difficult questions to be referred to ad hoc scientific committees for study and the issuance of advisory recommendations we would not object. Of course provision would have to be made in such event for extending appropriately any time limits placed on the Department's actions under the bill. In fact, we included such a provision in the Department's draft of food additives legislation which was considered by the last Congress (H.R. 6747, 85th Cong.), but this was deleted at the strong urging of some elements of the food industry itself.

But we would be vigorously opposed to a requirement that all scientific decisions on color additives would have to be submitted to an outside group of scientists for review. This would make an impossible administrative situation, with the result that the law could not be put into practical effect in the foreseeable future. It is, moreover, essential that the agency responsible for administering this law have the authority to make decisions under it.

2. Time limits for action on petition

One witness suggested that the procedure for action on a petition specified in section 706(d) of the bill be modified by requiring that notice of the proposal contained in the petition be published within 30 days and that the Secretary be required to act on the petition within 90 days (with the privilege to extend this period for another 90 days), as is now required in the procedure for food additives. As the witness recognized, such a provision would not necessarily be of advantage to a petitioner if the time for informed and considered action in a particular case is inadequate. We would, however, have no objection to the insertion of such time limits. A draft of appropriate language is enclosed (Enclosure II) for the convenience of the committee if it should decide to adopt the suggestion.

3. Scope of judicial review

The bills in their present form incorporate by reference those provisions of the Food Additives Amendment of 1958—i.e., section 409(g) of the Federal Food, Drug, and Cosmetic Act—which require that the Secretary's order after public hearing "shall be based upon a fair evaluation of the entire record at such hearing," and that, on judicial review, the court of appeals may sustain the Secretary's order and findings only if "based upon a fair evaluation of the entire record." One witness has recommended an amendment which would combine those requirements with still others by providing as follows:

"(1) The Secretary's order after public hearing (acting upon objections filed to an order made prior to hearing) shall be based upon the preponderance of the substantial probative evidence and upon a fair evaluation of a full, true, and correct record, and shall include a statement setting forth in detail the findings and conclusions upon which the order is based, and

"(2) the scope of judicial review of such order shall be in accordance with the judicial review provisions of section 409(g), except that the rule for judicial review shall be that the findings of the Secretary with respect to questions of fact shall be sustained only if based upon the preponderance of substantial probative evidence and upon a fair evaluation of a full, true, and correct record and the Court upon such judicial review shall not sustain the order of the Secretary if he failed to comply with these requirements."

The witness did not appear disposed to press the amendment, and brief comment on it should suffice. The amendment is seriously objectionable in that it is admittedly designed to authorize, indeed require, the courts of appeals to go further in reversing the Department's judgment on safety in the case of color additives than would be allowed in the case of food additives, and would inject the courts into quasi-legislative policy involved in rulemaking instead of confining them to passing on the validity of the rule. It would vest in reviewing courts broader powers of review than are exercised by them in the review of the findings of fact of trial judges and would disregard the greater expertise of the regulatory agency in its specialized field.

The committee will recall the many steps in the development of the rule for judicial review that was incorporated finally in the Food Additives Amendment of 1958, after the Subcommittee on Health and Science had received a wide range of proposals as to the scope of judicial review, including one which would have permitted the reviewing court to set aside the Secretary's findings unless "supported by the weight of the evidence in the record as a whole." Commenting on that proposal, Assistant Secretary Elliot L. Richardson, testifying on behalf of the Department, said:

"This would seem to call upon a court to substitute its own judgment for that of the expert administrative agency on questions of the relative weight of conflicting evidence, including, as would be likely in these cases, the relative weight of fairly conflicting views and opinions of scientific witnesses, and then to sustain or strike down the findings of the Department depending on whether they are in accord with the weight of the evidence on the court's own scales.

"This, I believe, would be objectionable for largely the same reasons as a completely de novo proceeding."

We believe that the rule evolved by the committee for the food additives amendment and incorporated in the color additive bills is a reasonable one and should at least be given a fair trial before the committee entertains proposals to adopt new language of uncertain meaning. It was not claimed at the hearings on the color bills that the broader scope of judicial review now urged is needed particularly for color additives or, for that matter, for other formal rulemaking decisions under the Federal Food, Drug, and Cosmetic Act. On the contrary, the witness stressed that the amendment was not aimed primarily at this Department but was offered, on behalf of his principals, as "a good formula for administrative review generally." It should go without saying that a regulatory law for consumer health protection is not the place to experiment with general reforms in the field of judicial review of quasi-legislative administrative action, especially when the experiment would, as here, require the judiciary to substitute its judgment for that of the expert regulatory agency as to the weight of the scientific evidence.

In essence, this proposed amendment would seem to require the court of appeals to weigh the scientific facts on which the Department's judgment on the safety question is based, and in effect to make a policy decision as to the future safety of the use of the proposed color additive in the Nation's food, drugs, and cosmetics. It will be recalled that Chief Judge Biggs of the third circuit, testifying on the food additives bills in the last Congress, and Chief Judge Stephens of the District of Columbia circuit, testifying on the original version of the pesticide chemicals bill in the 83d Congress—in the context of proposals for de novo review by the courts—both expressed the carefully considered view of the Judicial Conference of the United States that it is unwise to assign to the courts responsibilities for making policy decisions of this kind. Yet this, in effect, is precisely what would be required by the amendment proposed by this witness. We believe, therefore, that, as proposed in the color additive bills, the food additives amendment should be followed on this point.

With respect to the agency's own function in evaluating the evidence, likewise, the proposed amendment should, we believe, not go beyond the provisions of the food additives amendment as adopted (by reference) in the pending bills. In this connection, attention is invited to the fact that under section 7 of the Administrative Procedure Act, which applies, we could not issue a regulation on a color additive except "in accordance with the reliable, probative, and substantial evidence" upon consideration of the whole record or such portions of it as may be cited by any party. That section also adequately defines the term "record."

IV. CHANGES IN TRANSITIONAL PART (TITLE II)

1. Proposals for formal hearing and judicial review with respect to adverse action to provisional listings

Two witnesses, but not the spokesmen for the certified color industry, urged the committee to insert in the transitional part of the bills (title II) provisions for formal hearing procedures and judicial review like those contained in the permanent part (title I, section 706(d)). One of these witnesses seemed to limit this recommendation to cases in which the Secretary, acting under title II, has terminated a provisional listing which had previously been established by him or which had automatically been established by the legislation itself.

In making this recommendation, one of the witnesses made the rather startling contention that in the absence of such provisions the transitional part of the bill would be unconstitutional. While he did not state the ground for this contention, presumably he was referring to the due process clause of the fifth amendment. The contention is without substance since the actions of the Secretary under title II of the bills would be regulatory (i.e., quasi-legislative) rather than adjudicative in character, and since the Constitution no more requires hearings for the issuance of such regulations than it does for the enactment of the act of Congress of which such regulations would be but an extension.

As said by the late Harold M. Stephens, chief judge of the U.S. Court of Appeals for the District of Columbia Circuit, in a carefully prepared statement submitted by him in connection with his testimony on H.R. 4277, 83d Congress: [1]

"But it is equally clear that the hearing requirement of the due process clause is not applicable to such actions of administrative boards and agencies as are taken in the exercise of their rulemaking as distinguished from their adjudicatory power. *Bowles* v. *Willingham* (321 U.S. 503, 519 (1914)); *Bi-Metallic Co.* v. *Colorado* (239 U.S. 441 (1915)); *Willapoint Oysters* v. *Ewing* (174 F. 2d 676 (9th Cir. 1949)). The action of an administrative agency is adjudicatory in character if it is particular and immediate. It is of rulemaking character when it is general and future in effect. *Louisville & Nashville R.R. Co.* v. *Garret* (231 U.S. 298, 305 (1913)); *Prentis* v. *Atlantic Coast Line* (211 U.S. 210, 226 (1908)). The action of the Administrator made reviewable under H.R. 4277—the promulgation of regulations establishing a tolerance for any poisonous or deleterious pesticide or exempting such a pesticide from the necessity of a tolerance—is of rulemaking rather than of adjudicatory character. The Congress can, of course, require rules to be made after opportunity for an agency hearing, and where it has done so the requirements of sections 7 and 8 of the Administrative Procedure Act, which reflect the due process clause hearing requirement, are applicable. But in the absence of a specific statutory requirement for an agency hearing in the promulgation of rules, the Congress has provided, in section 4(b) of the Administrative Procedure Act, that in the exercise of rulemaking power an agency shall merely afford interested persons an opportunity to participate in the rulemaking through submission of written data, views, or arguments with or without opportunity to present the same orally in any manner."

The question whether, and if so to what extent and in what circumstances, formal rulemaking procedures and related provisions for judicial review should be introduced into the transitional part (title II) of the bills is thus not a question of constitutional law but of legislative policy. In determining that question, it is important to keep in mind the purposes and provisions of title II, as we did in committing ourselves at your committee's session of January 26, to the introduction (in title II) of appropriate hearing procedures for the review of a termination of a provisional listing by us, provided that the effectiveness of the termination were not stayed in the meantime. Beyond that commitment we are not prepared to go, except for the application of the same approach to the imposition or further tightening of a temporary tolerance or comparable restriction with respect to an already effective provisional listing of a color.

The provisions of this proposed color legislation were developed by the Department only after extended consultation with representatives of the interested industries, and in particular the certified color industry committee which has perhaps the largest, and certainly the most immediate and pressing, interest in this measure on the industry side. The part of the legislation which was the most extended subject of negotiation and consultation was the transitional part.

For example, we were not, at the outset, disposed to permit any provisional listing of a coal-tar color for a use in foods, drugs, or cosmetics where the color had been "delisted" under the old law prior to the enactment of the legislation. After negotiation, however, we agreed not only to the automatic provisional listing of coal-tar colors which had not been "delisted" under the old law, and of non-coal-tar colors which were commercially established before enactment of the proposal, but further to provisional restoration of previously delisted coal-tar colors to the list during the transitional period, provided that we be given broad powers, under summary procedure, to terminate any provisional listing, to refuse to admit to provisional listing a color previously "delisted," and to impose such temporary tolerances (including zero tolerances) and other restric-

[1] H.R. 4277 was the predecessor of the bill (H.R. 7125) which became Public Law 518, 83d Congress, popularly known as the Pesticide Chemicals Amendment to the Federal Food, Drug and Cosmetic Act. The Department opposed H.R. 4277 because of a provision for de novo review in the courts and other defects. We collaborated in the development of H.R. 7125.

tions as in our judgment we considered necessary for the protection of the public health during provisional listing. Were it not for this discretionary or judgmental aspect of the transitional provisions, it is doubtful that we would have considered submission of the bills as a departmental proposal compatible with our responsibility for the protection of the public health. We believe that the industry representatives with whom we dealt considered this compromise as being very fair, and it will be noted that the certified color industry committee has interposed no objection to title II of the bill.

In the circumstances, we can see no reasonable basis for introducing any hearing requirements into title II with respect to action of the Secretary in refusing to grant a provisional listing for a coal-tar color which had been "delisted" before enactment of the bill, or with respect to the initial establishment of a tolerance or other restriction as an integral part of the Secretary's action in admitting a color to provisional listing, or with respect to establishment of a certification requirement for a coal-tar color provisionally listed, or with respect to a refusal to extend the closing date for a particular provisional listing beyond the 2½-year period from enactment of the bill.

Moreover, we could agree to the introduction of hearing procedures and judicial review with respect to other actions under title II only if this is done under careful safeguards which will leave unimpaired our ability to act quickly and effectively for the protection of the public health during the transitional period. In this connection, it must be kept in mind that the transitional provisions of the bills presuppose that those scientific tests and investigations which are necessary to a fully informed judgment as to the listability of a color, and as to the conditions of listing, under the permanent part of the bill have not been completed, and that, in acting or refusing to take action under the transitional part, we must use our best judgment for the protection of the public health on the basis of such concededly incomplete information as is available to us. Plainly, in acting on such a basis, or in defending such action, we could not be expected to carry the burden of proof that we might be expected to carry in revoking a listing, or in setting, establishing, or tightening tolerances or other conditions of use, established under the permanent part of the bill.

Because of this, and in order to preserve the essential power for prompt and effective action under title II, we must insist that any proceeding for setting aside the action we have taken be in the nature of a new proceeding, instituted by an interested person, with the burden of proof on him to satisfy us that such data as we have or as he submits show that the relief he is seeking would be consistent with the protection of the public health, and that in the meantime our action not be suspended.

As indicated in the covering letter, draft language which would amend the bill to the extent to which we would be willing to go is enclosed herewith (enclosure II).

2. Proposal re substantial probative evidence for terminating provisional listings

One witness proposed that section 203(d)(1)(E)—which authorizes the Secretary to terminate forthwith a provisional listing (including a "deemed provisional listing") of a color additive or particular use thereof "whenever in his judgment such action is necessary to protect the public health"—be amended so that the Secretary could take such action only on the basis of "substantial probative evidence." (Insofar as the color in which the witness is particularly interested—i.e., Citrus Red No. 2, used on oranges—is concerned, the amendment seems irrelevant because, as stated at the hearing, we have all the evidence of safety we need for listing this color under the permanent part of the bill.)

The amendment is unacceptable to us. As above indicated, the whole purpose of the provisional listing plan is, on the one hand, to permit (so far as considered consistent with public health protection) the temporary use of established colors while the scientific tests are being carried forward to completion, and on the other hand—since under the transitional provisions there is admittedly no adequate scientific evidence for definitive conclusions—to allow play for the Secretary's judgment in taking necessarily summary action for protecting the public health on the basis of such data as are available to him. The proposed amendment is designed to frustrate this key element of the transitional plan of the bill. It seems appropriate to add that retention of the present provisions would also make it easier for us to grant a provisional listing in the first place, since we could quickly terminate it if we found that there was a substantial question as to its safety.

As indicated above, however, we would not object to a carefully framed provision for proceedings for restoration of a terminated provisional listing in which the proponent would have an opportunity to present data at a hearing showing to the Secretary's satisfaction that such restoration would be consistent with public health protection.

3. Proposal to delete reference to zero tolerances in section 203(d)(1)(C)

One witness proposed that section 203(d)(1)(C)—which authorizes the Secretary, when necessary in his judgment to protect the public health, to establish "temporary tolerance limitations (including such limitations as zero level)," for provisionally listed colors—be amended by deleting the reference to zero-level tolerances. No reason was given for the proposed deletion. To delete this provision, which had been accepted by the Certified Color Industry Committee and other industry groups consulted before submission of the bill to Congress, would be of no real advantage to the industries concerned because, apart from not preventing a tolerance limitation approaching zero, the deletion would leave intact the power of the Secretary, under section 203(d)(1)(E), to terminate a provisional listing. Under given circumstances, especially where the Secretary's action is intended to be tentative, a temporary zero tolerance might be the more palatable action, at least from the industry viewpoint, than a termination of the listing, even though the prohibition on a particular use of the color is, for the time being, as complete in the one case as in the other. The pesticide chemicals amendment constitutes a statutory precedent for zero tolerance authority (Federal Food, Drug, and Cosmetic Act, sec. 408(b)). The amendment should, we believe, be rejected.

4. Proposal to delete section 203(d)(3) re tentative zero tolerances in certain cases

Several witnesses—but not those representing the Certified Color Industry Committee—urged deletion of paragraph (3) of section 203(d)—S. 2197, page 20, line 21, down to page 21, line 16; H.R. 7624, page 20, line 19, down to page 21, line 11—on the ground that it would conflict with, or even vitiate, the purpose of the provisions for provisional color listings contained in the preceding part of section 203. This recommendation should be rejected, because section 203(d)(3)—which authorizes the establishment of tentative zero tolerances where those who wish to rely on automatic provisional listings do not furnish us with needed data—is an integral and essential consumer-protection safeguard of the provisional listing plan insofar as that plan provides for automatic listings.

In the case of those colors for which the bills would automatically grant provisional listings, two types of problem will arise. The first problem is one of determining the identity of these deemed provisionally listed colors, for the benefit of users and for enforcement purposes, a problem which may be difficult where the color is not a so-called coal-tar color and hence not readily identifiable through its listing under the old law and regulations. Once a color and its deemed provisionally listed uses have been identified, the second problem is that of establishing appropriate temporary tolerance levels for these uses where needed, and this may make it necessary for us to ascertain the prevailing levels of these uses.

As a partial answer to the first problem, the bills direct us, insofar as practicable, to compile and publish physical lists of colors and their uses which we have found to be in the class of deemed provisional listings and on which users of the color will be entitled to rely. But in order to compile such lists, and in order to ascertain prevailing use levels for these colors as a basis for determining tolerances, we should be entitled to look to the interested industries for the necessary reliable data. Since we lack subpena power, section 203(d)(3), therefore, would authorize us to establish tentative zero tolerances where such data are not made available to us after interested persons have by public notice been afforded a reasonable opportunity to do so. Where the absence of information is as to the identity of colors or color uses deemed provisionally listed, a zero tolerance with respect thereto might perforce have to be established on a blanket basis. The ultimate net result would be to make the physical lists which we are directed to compile a legally reliable source of information, as regards both inclusion in or exclusion from such lists.

5. Proposal for automatic provisional listings for recently delisted colors

In the case of coal-tar colors, the bills (sec. 203(b)(1)) would grant an automatic provisional listing only for uses for which the color was listed and certifiable under the old law "on the day preceding the enactment date" of the present measure. If the color had previously been removed from a list under the old law, it could be provisionally listed under the bills (sec. 203(c)) for such a "delisted" use, but only if, on application, the Secretary were satisfied that this would be consistent with public health protection.

On January 27, 1960, a witness concerned with the "delisting" proceedings now pending with respect to certain coal-tar colors which are used in lipstick, urged before your committee that the critical base date for automatic provisional listings be changed from "the day preceding the enactment date" to "January 31, 1960." This change, if adopted, would have the following effect:

A color that had been found not to be "harmless" and therefore had been removed from the list of colors permitted in food or in lipstick after January 31, 1960, and before the date of enactment of the proposed legislation would, as soon as the new legislation is enacted, automatically be provisionally listed for the same uses for which it had earlier been delisted. This would be true even though the studies upon which the delisting action were based failed to establish a safe level of feeding for the color, and even though they had been so abbreviated as to afford no valid basis for determining whether the color would or would not produce cancer when fed. This would create a serious gap in consumer protection. The proposed amendment should be rejected.

In connection with this question, it should here be noted that the witness who proposed this amendment—Dr. Paul G. Lauffer, speaking for the Toilet Goods Association—was in error when he indicated to the committee that this Department had already conducted

the necessary toxicity studies on the lipstick colors that have been proposed for removal from the list of permitted drug and cosmetic colors, which would permit the establishment of safe levels for their use under the proposed bill.

The tests conducted by the Food and Drug Administration on seven drug and cosmetic colors which serve as the basis for the proposed "delisting" of these and certain closely related colors were short-term tests. They were adequate to show that the colors are not "harmless" as required by present law. They were not extensive enough to show what level of the colors would be safe for ingestion by man.

6. Proposal to cross-refer to title I listings as "official"

In order to mesh the permanent part (title I) and the transitional part (title II) of the bills, the second sentence of section 203(a)(1) provides that a provisional listing of a color additive for any use—including a "deemed provisional listing," i.e., one which is automatic under the bills—shall, if not sooner terminated, expire "on the effective date of a listing of such additive for such use under section 706 of the basic act." (The term "basic act" is defined by sec. 201 as meaning the Federal Food, Drug, and Cosmetic Act, sec. 706 of which, as amended by the present bills, would contain the new permanent provisions for listing and certification of colors.)

One witness suggested changing the above-quoted phrase to read, "on the effective date of official listing of such additive for such use under section 706 of the basic act," on the ground that the characterization of listings under the basic act as "official listings" would help to avoid confusion between listings under the permanent part of the bill and provisional listings under the transitional part. The suggestion should be rejected, first, because provisional listings are also official and, secondly, because the present language, above quoted, is so clear and precise as to preclude confusion on that score.

V. THE NEW BILL

Mr. Frank R. Schell of Tampa, Fla., in his written statement dated January 28, 1960, which was filed with the committee suggested an entirely new bill to replace the color additives amendment. The bill is intended in part to permit the continued use of ethylene as a de-greening agent on oranges. Our Department has already indicated to the citrus industry, to the Senate, and to this committee that this use of ethylene would not be subject to the proposed color additives amendment.

A portion of Mr. Schell's draft bill would substantially amend the food standards section of the present Food, Drug, and Cosmetic Act. The Color Additives Amendment proposed by H.R. 7624 and S. 2197 is not designed to deal with the question of food standards. Amendment of the food standards provisions of the law should, we believe, not be allowed to confuse the questions now before your committee. If food standards amendments are desired, they should be incorporated in a separate legislative proposal under a proper title and the amendment subjected to full hearings at some other time. We are therefore not burdening this report with an analysis of that part of Mr. Schell's draft bill.

And the final portion of the bill proposed by Mr. Schell is intended to state briefly the conditions which should govern the safety clearance by the Government of coloring agents, referred to as "organic chemical colors" for use in foods, drugs, and cosmetics. While we are in complete sympathy with Mr. Schell's desire to have a brief bill, we must point out that in striving for brevity he has proposed language that is grossly deficient in that it fails to give either the Government or regulated industry adequate guidelines. To mention a few of the deficiencies, the bill provides no guides to the Secretary in those cases where he must allocate the use of a color as between competing industries because safety factors will not permit approval of all uses requested; the bill is deficient in that it does not provide any guidelines to the Secretary as to what would be regarded as "appropriate scientific procedures"; it omits a number of the safeguards which we regard as essential; and it makes no provision for the transitional period immediately after enactment when colors presently allowed in food, drugs, and cosmetics would go over to the new system.

We must recommend that the alternate bill suggested by Mr. Schell not be considered. We have, therefore, refrained from making detailed comment on it.

VI. MISCELLANEOUS

1. Mr. Arthur T. Schramm, speaking for the certified color industry on January 27, referred to the animal feeding studies which the Food and Drug Administration has conducted on a number of certifiable coal-tar colors as follows: "* * * new animal feeding studies had been conducted using quantities of colors far in excess of, and admittedly unrelated to, amounts ingested by human beings."

The Department of Health, Education, and Welfare does not agree that the colors were fed to test animals at unrealistic levels, as the witness implied. On the contrary, the levels of feeding were chosen to permit the Department to judge the harmlessness of the colors for uses that would involve ingestion.

In the color case that was decided by the Supreme Court on December 15, 1958 (*Flemming* v. *Florida Citrus Exchange*), the Court upheld the Department's view. It stated in part: "The color substance appeared to have been administered at toxicologically significant levels."

2. Dr. Thomas Carney indicated that the safety of diethylstilbestrol in man and animal has been fully established. The Department finds it necessary to challenge this. As a matter of fact, diethylstilbestrol is a very potent drug which, as Dr. Harold Aaron testified later, should be prescribed by physicians with care. Incidentally, there is a major error in some of the calculations made by Dr. Carney. On page 449 of the transcript of the hearing he indicates that an amount in some diabetic women (120 milligrams per day) would be more than a billion times the amount of hormone that would be present in one pound of meat assumed to contain a residue of 0.3 part per billion. A check of the calculations indicates that Dr. Carney's figure is in error by more than a thousandfold.

3. Dr. Carney also indicated (p. 455 of the transcript) that a number of common items of food have been implicated in carcinogenicity in animals. He does not say, and our scientists do not know, that these foods have been shown to produce cancer when fed. In the absence of a showing that they produce cancer by feeding, it would appear that the listing of the many foods has questionable value in this proceeding.

4. Mr. John Worley indicated (p. 432 of the transcript) his understanding that cancer can be produced when you feed rats sugar or salt making up 2 to 5 percent of their diet. We do not know of any experiments showing this result.

5. Dr. Kenneth Mulford (p. 391 of the transcript) refers to an article in the scientific literature which appears to show that the feeding of hard boiled eggs to mice produces cancer. Our experts, who are acquainted not only with this article but with the general research going on in the cancer field, advise us that the experiment to which Mr. Mulford refers does not prove that eggs contain a carcinogenic chemical. The experiment does not adequately deal with a number of important questions that would have to be resolved to permit the conclusions the witness implied.

6. In his letter of February 4, 1960 to the committee, Mr. Schell reports a statement, attributed to an officer of a Canadian fruit importing association, "that Canada's 1956 embargo on color added oranges was solicited and induced by U.S. Food and Drug Administration." This statement is false.

7. A number of other statements in Mr. Schell's letter of February 4, 1960 are false or distort the true facts significantly. Since they do not bear directly upon the suitability of the bills now being considered by your committee we will not burden the record with a detailed refutation. We would not, however, wish to indicate by silence that we concur in them.

ENCLOSURE II

CHANGES IN TRANSITIONAL PROVISIONS (TITLE II) OF S. 2197 TO PROVIDE FOR OPPORTUNITY FOR HEARING AND JUDICIAL REVIEW IN CERTAIN CASES

1. On page 19, line 24, strike out "Regulations" and insert "Except as provided in subparagraph (C) of this paragraph, regulations".

2. On page 20, line 8, strike out "(B)" and insert "(D)".

3. On page 20, between lines 7 and 8, insert the following new subparagraphs (B) and (C):

"(B) If the Secretary, by regulation—

"(i) has terminated a provisional listing (or deemed provisional listing) of a color additive or particular use thereof pursuant to paragraph (1) (E) of this subsection; or

"(ii) has, pursuant to paragraph (1)(C) or paragraph (3) of this subsection, initially established or rendered more restrictive a tolerance limitation or other restriction or requirement with respect to a provisional listing (or deemed provisional listing) which listing had become effective prior to such action,

any person adversely affected by such action may, prior to the expiration of the period specified in clause (A) of subsection (a) (2) of this section, file with the Secretary a petition for amendment of such regulation so as to revoke or modify such action of the Secretary, but the filing of such petition shall not operate to stay or suspend the effectiveness of such action. Such petition shall, in accordance with regulations set forth the proposed amendment and shall contain data (or refer to data which are before the Secretary or of which he will take official notice), which show that the revocation or modification proposed is consistent with the protection of the public health. The Secretary shall, after publishing such proposal and affording all interested persons an opportunity to present their views thereon orally or in writing, act upon such proposal by published order.

"(C) Any person adversely affected by an order entered under subparagraph (B) of this paragraph may, within thirty days after its publication, file objections thereto with the Secretary, specifying with particularity the provisions of the order deemed objectionable, stating reasonable grounds for such objections, and requesting a public hearing upon such objections. The Secretary shall hold a public hearing on such objections and shall, on the basis of the evidence adduced at such hearing, act on such objections by published order. Such order may reinstate a terminated provisional listing, or increase or dispense with a previously established temporary tolerance limitation, or make less restrictive any other limitation established by him under paragraph (1) or (3) of this subsection, only if in his judgment the evidence so adduced shows that such action will be consistent with the protection of the public health. An order entered under this subparagraph shall be subject to judicial review

in accordance with section 701(f) of the basic Act except that the findings and order of the Secretary shall be sustained only if based upon a fair evaluation of the entire record at such hearing. No stay or suspension of such order shall be ordered by the court pending conclusion of such judicial review."

ENCLOSURE III

CHANGES IN HEARING PROVISION OF TITLE I OF S. 2197 AND OF H.R. 7624 TO INSERT TIME LIMITS GOVERNING NOTICE OF A PROPOSAL AND THE SECRETARY'S ACTION ON A PETITION

Redesignate indented clauses (1) and (2) of section 706(d) (p. 13, lines 13–20, of S. 2197; p. 13, lines 10–17, of H.R. 7624) as clauses (2) and (3); and insert the following new indented clause (1):

"(1) if the proceeding is commenced by the filing of a petition, notice of the proposal made by the petition shall be published in general terms by the Secretary within thirty days after such filing, and the Secretary's order (required by paragraph (1) of section 701(e)) acting upon such proposal shall be issued within ninety days after the date of such filing, except that the Secretary may (prior to such ninetieth day), by written notice to the petitioner, extend such ninety-day period to such time (not more than 180 days afer the date of filing of the petition) as the Secretary deems necessary to enable him to study and investigate the petition;".

ENCLOSURE IV

CHANGES IN TRANSITIONAL PROVISIONS (TITLE II) OF S. 2197 AND OF H.R. 7624 RELATING TO THE CONTINUED AVAILABILITY OF COLOR CERTIFICATION FEES AND THE CONTINUED EFFECTIVENESS OF REGULATIONS GOVERNING PAYMENT OF SUCH FEES

Add, at the end of section 203(d)(2)(A) of the bills, the following sentence:

"Regulations providing for fees (and advance deposits to cover fees), which on the day preceding the enactment date were in effect pursuant to section 706 of the basic Act, shall be deemed to be regulations under such section 706 as amended by this Act, and appropriations of fees (and advance deposits) available for the purposes specified in such section 706 as in effect prior to the enactment date shall be available for the purposes specified in such section 706 as so amended."

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentlewoman from Missouri, who testified before the committee and who has contributed a great deal to this subject.

Mrs. SULLIVAN. Mr. Speaker, let us not pretend that this is a bill to strengthen the Federal Government's protections for the consumer in the use of artificial coloring in or on food, drugs, and cosmetics. I will concede that the bill, as reported by the Committee on Interstate and Foreign Commerce after many months of careful and conscientious consideration, is a much better bill than the one which galloped through the Senate last year without debate and even without hearings. The House bill does less damage to the consumer than the bill passed by the Senate. It is not as dangerous. But as far as I can see, it does not do anything affirmative for the consumer and is based almost entirely on economic rather than health considerations.

When I testified before the committee during hearings on this legislation last January, I pleaded for caution on this bill—and I am glad that the committee did go slowly and with great care, calling in a group of outstanding scientists for panel discussions on the problem. For that, I am grateful. For the further fact that the committee refused to delete the Delaney anticancer clause from the bill—the same clause which we wrote into the Food Additives Act of 1958—I am doubly grateful. The Senate bill did not include the Delaney anticancer clause. It is in that respect that this bill is far superior to the Senate bill.

But in addition to pleading for care and caution in the consideration of this legislation, I also asked the committee during my appearance in January to broaden the scope of their study to include not only the color additives problem, but also the question of additives in cosmetics—a serious area of health danger—an area now covered by completely obsolete law—and I also urged that any legislation reported by the committee on color additives also close the loopholes which have been discovered in the Food Additives Act and the Pesticides Act and in the basic Food and Drug Act of 1938.

Unfortunately, the bill which the committee has reported is restricted only to this narrow question of coal-tar colors and is based almost entirely, as I said, on a desire to bail out the lipstick makers and the margarine makers and the other industries which use not-quite-harmless coloring matter for the sole purpose of making their products look more attractive to the buyer.

For instance, the Secretary of Health, Education, and Welfare made a strong request to the committee for an amendment on this bill to cover a serious loophole in the Food Additives Act of 1958. The Secretary explained how that loophole got into the act—because the Department apparently made a too-sweeping statement in some of the language which it drafted for the Food Additives Act several years ago. As a result, any food additive which was ever cleared by any Government agency as being safe for the use intended, now has what amounts to an unjustified "grandfather's clause" protecting it from removal action unless the Government has proof of its danger. This is an intolerable interpretation of what Congress intended. The committee, however, has failed to recommend the repeal or modification of this language in the 1958 act, even though this provision has been causing great difficulty and, in the case of the stilbestrol-treated chickens, could be handled only through voluntary agreement at a cost of many millions of dollars to the Federal Treasury and the taxpayers.

The committee states in its report on H.R. 7624 that it is not recommending amendment of the Food Additives Act of 1958 in the color legislation because it did not consider such amendments directly germane to the color bill. It said it would consider such amendments at a later date—presumably in the next Congress. I think this is a much more serious problem, however, than the coal tar color problem.

Mr. Speaker, for a variety of reasons, I do not find it possible to support this bill. The confusion it seeks to clear up stems from the use by food and cosmetics firms of colors which are not completely harmless. The producers and users of these chemical dyes are understandably anxious to get the go-ahead for continued use of these colors even though the colors can no longer meet the safety requirements of the law. The present law has been described as too rigid. This may be true. It is 22 years since the law on colors was enacted in 1938 and it may be too strict now. But it is rigid on the side of the consumer.

However, as I told the committee, Mr. Speaker, rather than rush into law a special interest bill to bail out the cosmetics and margarine and bakery and frozen food and ice cream and other industries which use artificial coloring strictly for product eye appeal, let us tighten up the weak points and provisions in the law while we clarify the overly rigid ones. Let us overhaul the whole structure of food, drug and cosmetics legislation intended to protect the consumer. The loopholes are wide—gaping—in these laws—even today.

I cannot support a bill which weakens our consumer protections for the economic benefit of manufacturers using coloring material which is not completely safe. I particularly cannot support such weakening of our consumer laws, when we are not taking any steps at the same time to close glaring loopholes in the Food, Drug and Cosmetics Act.

In my testimony before the committee, I covered these loopholes in some detail, in relation to this legislation to help the manufacturers using artificial colors, and I include that detailed testimony now, as follows:

THE NEED IS TO STRENGTHEN, NOT WEAKEN, THE FOOD, DRUG AND COSMETIC ACT

(Testimony of Congresswoman LEONOR K. SULLIVAN, of Missouri, before House Committee on Interstate and Foreign Commerce on proposed color additives legislation, January 27, 1960)

The tremendous turnout you had here yesterday morning when Secretary of Health, Education, and Welfare Arthur S. Flemming testified on the color additives issue indicated clearly the widespread interest in the subject matter of these hearings. I doubt if you ever tried to squeeze more spectators into your hearing room. Obviously, this legislation is serious to many groups in our society—to the food and chemical and cosmetics industries, and to the general public—particularly the housewife.

My purpose in appearing before you this morning is to urge you to please take your time on this legislation. I am not going to suggest that you sit on the bills and do nothing about them, but I sincerely urge that you make haste slowly—that you study this matter as carefully as any issue ever to come before the committee, for you are dealing with the health of the American people in the most direct manner possible.

CIRCUMSTANCES OF SENATE ACTION

I make such a point of urging caution because I know you are under strong pressures to act quickly on color additives legislation. We all know that late in the session last year, without any hearings at all and under procedures which seemed to indicate it was a very minor and routine bill, the Senate, by unanimous voice vote, passed a most far-reaching bill on color additives. We know it is a defective bill in a most serious respect. Yet it came out of committee, as I said,

without hearings, and was called up under a routine call of the calendar for passing by unanimous consent, with no full explanation and with virtually no debate or even discussion. The only thing we find in the CONGRESSIONAL RECORD of the debate which occurred was a colloquy over the effects of S. 2197 on the right of Florida citrusgrowers to use a not-quite-harmless coal tar color in coloring Florida oranges. When the Senator from Florida was assured that S. 2197 would not interfere with the use of citrus red No. 2 on Florida oranges, the bill passed automatically.

Some of the members of the committee will recall that immediately after the Senate acted on this matter last August, I contacted them to urge that there be no such precipitate action in the House. I appreciate the fact that no attempt was made to jam through a bill in the frantic closing hours of the last session. I appreciate the fact that full hearings are now scheduled into the color additives issue.

DELANEY ANTICANCER CLAUSE A MINIMUM REQUIREMENT

I don't want my testimony to imply anything improper on the part of anyone in the Senate—I just think that in the closing rush of last August this bill could not possibly have received the close attention it deserved. Nevertheless, the circumstances of the Senate's action were such that I find it very hard to feel right about this legislation, even if we close up its most glaring loophole by inserting the same kind of anticancer provision which Congressman DELANEY wrote into the Food Additives bill in 1958. I cannot understand why the bill as it came from the Senate did not include such a clause. Without it, I think this legislation would be far worse than present law covering the use of coal tar colors. Furthermore, by taking out from under the Food Additives Act of 1958 dyes made from other than coal tar bases, it would increase the danger of carcinogens in our diets, unless, of course, the provisions of the Delaney amendment are written into this bill as a minimum requirement.

Obviously, then, despite its impressive title as a bill to "protect the public health," S. 2197 as it passed the Senate would weaken the protections of the Food, Drug, and Cosmetics Act. And this is certainly no time in our history to be weakening the consumer protections of our laws. On the contrary, our laws to protect the consumer need strengthening, and this is particularly true of the Food, Drug, and Cosmetics Act. We have put a number of patches on it in recent years, but it is far from being as strong as it should be.

HOW WOULD CONSUMERS BENEFIT?

Clearly, some of the shortcomings of the present act do exist in this area of coal tar colors. But I am not convinced the deficiencies are as serious to the consumer as they seem to be to many of the industries affected.

The present law says in effect that no coal tar color can be used in or on food or cosmetics unless it is deemed harmless. This law grew out of the conviction of scientists that coal tar colors are inherently risky and should be circumscribed in use to such an extent that if there is any question at all about their safety they should not be used in or on food, or in other substances which may be ingested. In recent years, new testing methods have shown that some of the coal tar colors previously thought to be harmless are not in fact completely harmless although they may be, and probably are, safe in the manner normally used in commercial products. Nevertheless, because these colors cannot pass the test any longer of being harmless under all circumstances, the law states they cannot be used—they must be withdrawn. As a result some of the yellows used in coloring margarine and butter, some of the reds—most of the reds, I believe—in lipsticks, and various other familiar colors used in foodstuffs are in the process of being delisted—of being prohibited for use on products which people eat (or, in the case of lipsticks, swallow).

Mr. Chairman, I am not quite sure I see how the consumer is being damaged by the removal of these colors. Nor do I see why the consumer would benefit from the changes suggested in this legislation. I can readily see why many industries want legislation enacted which would set up entirely new criteria for approving the use of coloring matter, including the setting of tolerances for the use in or on food of apparently harmless quantities of dyes which may not be harmless in greater quantities. But I do not yet see how the consumer interest would benefit from this color additives legislation.

CAN WE BE CERTAIN THAT "SAFE" LEVELS ARE REALLY SAFE?

True, the proposed legislation would place on the manufacturer, not the Government, the burden of proof for establishing the safe levels of coal tar colors. But as our whole experience with the coal tar colors shows, today's proof of safety may be inadequate in terms of tomorrow's testing methods. Do we then go to the consumer and say, "Sorry, we made a slight mistake; a coal tar color we knew was not completely harmless but which we thought was safe to use in certain concentrations has now turned out to be unsafe and dangerous, and if you've been eating it in your food we're very sorry about it"?

Mr. Chairman, just how important is it to have these artificial colors in foodstuffs if there is any danger whatsoever to the consumer through their use? True, the margarine manufacturers want their product to look like butter; the butter producers want their butter to look like yellow butter regardless of its natural color; the Florida citrus growers want their greenish-looking oranges to be orange in color, and the manufacturers of all sorts of products—sausage casings, cakes, cookies, pies, bread, processed cheese, spreads, canned and frozen vegetables, confectionery, ice cream, gelatin desserts, puddings, and so on—all want to dazzle us with the looks of their products even if they have to create the look artificially with coal tar colors which cannot any longer pass the test of being harmless.

Now we are told that the consumer wants and demands these attractively colored foods and therefore it is an economic necessity for industry to provide them.

CONSUMERS ASSUME DYES ARE SAFE

I do not doubt that a housewife buying oranges will generally select the product which looks more natural by reason of having been dyed to look that way rather than the greenish one next to it which appears to be unripe; I do not doubt that in selecting a lipstick she will want the color which, to her, best matches her complexion and outfit; I do not argue that in buying processed foods, she is attracted by the appearance of the product.

But the point is that the consumer, in buying these brightly colored or natural-looking colored items in the store, believes—takes it for granted—that the coloring dyes used are safe, and that otherwise their use would not be permitted by the Federal Government.

What this proposed legislation would do is to say the coloring matter frequently used may not be entirely safe under all circumstances but we believe and trust and hope and have reason to think it is safe in the amount used and in the manner used. And so the housewife will then continue to be able to buy margarine which looks like butter, and butter which, because of a deeper yellow shade, looks more like butter, and so on, even if the looks are artificially contrived through use of not-quite-harmless dyes.

Under S. 2197 as it passed the Senate, these dyes could even be cancer inducing, yet could be used if the manufacturer could establish that the cancer manifested itself only at substantially higher levels of concentration.

CANCER-INDUCTION IS CUMULATIVE PROCESS

This, of course, does not jibe with the findings of outstanding cancer experts that cancer induction is a cumulative process which begins with the first dose of the cancer-inducing agent. Secretary Flemming referred to this matter at some length in his prepared testimony yesterday and in a technical report he also submitted, so I need not go into it in any detail. Many of you—perhaps all of you—saw the letter I obtained on this matter last year from Dr. Harold F. Blum of the National Cancer Institute and which I placed in the CONGRESSIONAL RECORD of August 27, volume 105, part 13, pages 17264–17265 in direct reference to the bill which had just passed the Senate and which is now before you. But in view of Secretary Flemming's technical report from the NIH, I think we can now take for granted the fact that carcinogens must not be allowed in food or in anything ingested. Present law already prohibits this as far as all food colors are concerned—the coal tar colors under the basic Food and Drug Act of 1938 and the other colors under the Food Additives Act of 1958.

So, again, I ask, How does this legislation help the food consumer?

We are told that the job of analyzing and retesting all of the coal tar color already in use or authorized for use to see if they are still harmless would take the Food and Drug Administration at present levels of operations at least 20 years. This legislation would throw that burden onto the manufacturers and they would have to complete the task in 2½ years. Frankly, I think what would happen is that at the end of 2½ years we would either be flooded with anguished demands for an extension of time, or many of the dyes would then go off the market because the cost of proving their safety was too high. I, for one, would be willing to give the Food and Drug Administration the funds to do this testing itself—under the present law.

BROADEN SCOPE OF HEARINGS

I realize, Mr. Chairman, that I am not helping the committee very much if all I do in testifying here is to say "take it easy." I know you have a problem to contend with and many pressures upon the committee to act quickly. Therefore, I think it would be constructive to make this suggestion:

Broaden your hearings and your studies to include not just this one question of coal tar colors and other color additives but to include all of the aspects of the Food, Drug, and Cosmetics Act. It is time for that kind of look at the overall picture. In the past 6 months or so we have had one explosion after another over phases of the law and its operation—cranberries, stilbesterol in chickens, the lipstick crisis, the food additive clearances, and so on. I think tremendous progress has been made in alerting the general public to some of the issues involved in Food, Drug, and Cosmetics legislation, and that this is an excellent time to take a good hard look at the basic law and its patchwork amendments and to undertake a tightening of many of their provisions. This would, of course, carry some dangers with it—the danger perhaps, that groups which have suffered economically from operation of some of the consumer protections of the law would attempt to use such hearings and any new

legislation as a means for weakening rather than strengthening the law. But I don't think they could succeed—certainly not if all of us who are deeply concerned about this problem are willing to fight off the pressures to weaken the law.

And the end result could well be a general strengthening of the law—so that the Government, for instance, would no longer have to rely on voluntary agreement in the poultry industry to take stilbestrol out of poultry feed; so that, for instance, cosmetics which are now in the twilight-zone of governmental protection can be put under the same stringent tests for safety as our food additives must now pass; so that other loopholes in the law may also be closed.

WE NEED PRETESTING OF COSMETICS

I think color additives legislation in the context of that kind of approach would be far better legislation than either of the bills now before you. For such an omnibus approach would permit you to eliminate the loopholes in the 1938 law under the "new drug" sanction and the similar loophole in the 1958 amendments which requires FDA to prove the harmfulness of any additive which had previously been sanctioned for use by a governmental agency. Secretary Flemming in his testimony referred to the stilbestrol problem and the unfairness, as well as the danger to the public, of these so-called "grandfather's clauses" covering chemicals once approved and thereafter protected against delisting until the Government can definitely prove their harmfulness.

In the field of cosmetics, the law is hopelessly obsolete. The Government at present cannot move against a suspect cosmetics item until it has proof of the product's harmfulness. My bill, H.R. 1360, and a similar bill by Congressman DELANEY, would provide the same consumer safeguards on ingredients in cosmetics that the food additives amendments of 1958 provided in connection with the use of chemicals in food. These cosmetics bills have been pending before you for some years, without any action or even hearings. I think this is the year and this is the time—in connection with the color additives bills—to take up this closely related subject of safe cosmetics.

The color additives bill makes it imperative that we do so. For the color additives bill would not only change the basic under which coal tar colors could be used in cosmetics. It would also establish, for the first time, a basis for clearing in advance the safety of non-coal-tar colors used in cosmetics. That would be helpful. But what of all of the other ingredients in cosmetics? If we are going to require manufacturers to prove the safety of their non-coal-tar color additives in cosmetics, why not in the same legislation and at the same time and under the same standards require the manufacturer to establish the safety of all ingredients in his cosmetics product?

At present, as you know, enough women must be harmed by a new cosmetic item to alert the Food and Drug Administration into looking into the matter; then the FDA must prove the product harmful in order to remove it from the market. I receive letters from women from all over the country complaining about various cosmetics they have used—shampoos or wave set products they claim have caused them to lose their hair, polishes which set up allergic reactions, lotions and creams and powders and lipsticks and deodorants and what not which caused embarrassment, discomfort, or pain. I usually pass these complaints along to FDA and sometimes they find the product involved warrants a fullscale investigation and other times they will report merely that the reaction was probably a rare allergic one.

WOMEN WANT SAFE LIPSTICKS

But if a woman is allergic, the label on a cosmetics item tells her nothing. She has to learn the hard—and painful—way.

Speaking as a woman as well as in my capacity as a Member of Congress, I urge you, Mr. Chairman, to go slow on this color additives bill and to enlarge the scope of your hearings to include all issues involved at present in the Food, Drug, and Cosmetics Act. As a woman, I am aware of the fact that some of our favorite lipstick shades may soon be off the market unless this color additives bill is passed quickly. But I am not convinced we would be doing the women of this country any favor at all to assure them the continued availability of lipstick shades which are not safe to use. True, it is claimed we don't swallow our lipstick. But I think the people who make that claim don't use the "stuff" themselves.

We like the bright and light shades but if they cannot safely be produced, then we prefer to do without these particular shades. In any event, I am sure the cosmetics industry is resourceful enough—it is an extremely resourceful industry—often too much so—but I am sure it is resourceful enough to find substitute colors if it has to. And I think every woman would agree that rather than use unsafe coloring matter, we would be quite happy to settle for a darker shade if necessary, just so long as we could be completely assured it was safe.

I don't think, under this proposed legislation, that any such flat and unequivocal guarantee of safety could be made about any coal-tar color for which a tolerance had to be set. I will not and can not argue with the scientists on that, but it is my personal opinion—if a coal tar color is unsafe in any quantity, no matter how large, my feeling is it should not be used at all in foods, drugs, or cosmetics.

If, on the other hand, legislation is absolutely necessary to clear up some of the confusion in the color additives field, then I urge that it be done only as part of an omnibus bill closing all loopholes in present law and including comprehensive, safe cosmetics legislation.

Mr. ALLEN. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. ALLEN. I want to thank the gentleman for the fine explanation he has made of this bill and what he said in regard to certain changes that you contemplate making or, at least, will attempt to make in conference. I am in sympathy with the overall purposes of the bill, and I favor its passage.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Florida, who also has contributed a great deal to this program.

Mr. ROGERS of Florida. Mr. Speaker, the color additive amendments of 1960 as contained in H.R. 7624 are designed to replace the inconsistent and in some instances, outmoded, provisions which govern the use of different kinds of color for articles covered by the Federal Food, Drug, and Cosmetic Act, with a scientifically approved, uniform system for the listing of color additives which may safely be used in food, drugs, and cosmetics.

As a good portion of this proposal is of necessity couched in technical terms, I would like to explain briefly some of its provisions as I understand them.

Under existing law, with one exception, the Secretary of Health, Education, and Welfare is without the authority to admit a coal tar color to listing under tolerance limitation. It must be harmless per se in order for the Secretary to admit it to listing.

A coloring material not classified as a coal tar color is not subject to any pretesting, listing or certification requirements in the case of cosmetics or drugs except as pretesting may be required as an incident of official clearance of a new drug.

The provisions of this bill would incorporate the safe-for-intended-use principle with respect to all color additives except those found to induce cancer in man or animal. In the case of cancer-producing additives, the Secretary is not permitted to set tolerance levels. The bill would make the pretesting and certification requirements of existing law applicable to all colors whether they be coal tar derivatives or otherwise.

The bill provides a 2½-year transitional period during which time users of color additives would be required to demonstrate to the satisfaction of the Secretary that these colors were safe for the use for which they are intended. Also, during this transitional period, those colors which have been commercially established are permitted continued use pending completion of tests to determine whether they may be listed permanently. The burden of proving the safety of each additive is on the petitioner and if the additive is shown to be safe, it is entitled to permanent listing under the provision of the Federal Food, Drug, and Cosmetic Act. A determination by the Secretary in this respect is subject to judicial review.

Once a color additive is entitled to listing under permanent provision of the law and is, in fact, listed any decision to delist that additive except in emergencies, places on the Secretary the burden of establishing doubt of the additive's safety. Where the Secretary finds doubt as to the safety of a color on the permanent list, he issues, to interested parties, an inactive order to that effect.

Within a 30-day period, any person adversely affected by the proposed order may petition for a hearing. If the Secretary sustains the burden of proof and establishes the doubtful safety of the additive, a delisting or active order is entered. Here again, judicial review of the Secretary's determination is assured.

Under the bill a special procedure is set up to handle those situations where a proposed delisting or a refusal by the Secretary to list a color involves the possibility that such color may be cancer producing.

The so-called Delaney amendment provides that a color additive shall be deemed unsafe and shall not be listed if it is found by the Secretary to induce cancer in man or animal. The "safe for use" principle does not apply to situations where carcinogenicity is at issue.

Under this bill, the petitioner for the listing of a color suspected of being a

carcinogen or the Secretary may request that the matter be referred to an ad hoc advisory committee composed of qualified scientific experts. These experts would be selected by the National Academy of Sciences to study the evidence presented and make recommendations to the Secretary. I would like to emphasize that the provision relating to the ad hoc advisory committee does not in any sense modify the effect of the Delaney anticancer clause. Cancer producing substances are unequivocally barred as in the food additives amendment. My purpose in recommending that the committee add this provision to the bill was to give added assurance to the petitioner for a color listing that his application would be reviewed by an impartial board of experts specifically instituted to study the evidence presented. My amendment is similar to that found in the pesticide amendment and takes into account the fact that men of science might have divergent views on the same question. It provides the petitioner with the assurance that his petition will receive the most detailed consideration thus avoiding any presumption of arbitrary action.

If the additive is, in fact, found to induce cancer, its use is banned by active order. The rights of the petitioner are further safeguarded by affording him judicial review based on a fair evaluation of the entire record of the proceedings.

The fact that the Department of Agriculture and the President's special panel on color additives recommended that consideration be given to the exercise of scientific judgment in situations involving the question of carcinogenicity, imposes, in my opinion, an affirmative duty on the Congress and the appropriate executive agencies to conduct a continuing review of the effect of the Delaney clause on users and consumers. This is especially true when we consider that during the course of the testimony on this bill, the point was made by scientific experts that many substances when administered to laboratory animals in certain quantities and under certain conditions are capable of inducing cancer.

There are a couple of additional points involving other parts of the bill, I would also like to touch upon. These points are covered very well in the report, and my purpose in mentioning them is solely to add to their legislative history by setting forth the intent of the committee.

Pesticides used on raw agricultural commodities whose purpose is not to impart color are specifically exempted from the provisions of this bill.

The ethylene process, which is used in the coloring process on mature citrus fruit does not impart color but rather serves to speed up the natural coloring process. The report specifically states that this process is without the purview of this bill.

The Secretary of Health, Education, and Welfare, by letter to the committee, which letter is contained in the report, declares that the use of artificial coloring on mature citrus fruit does not promote "deception" as that term is used in the bill.

With these understandings, Mr. Speaker, and because the bill before us is the result of exhaustive hearings and study and is, in my opinion, a bill in the best interests of consumers and manufacturers alike, I respectfully urge its enactment.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Alabama, also a great contributor to this legislation.

Mr. ROBERTS. Mr. Speaker, this legislation is very important to the public and many industries. As the distinguished chairman of the committee, the gentleman from Arkansas [Mr. HARRIS] has explained, the public will be protected by the requirement that the Secretary of Health, Education, and Welfare will have to approve each and every color for use in food, drugs, and cosmetics. This means that each and every color will have to be tested and found to be safe and suitable for use. No color will be permitted if it is found, on the basis of scientific evidence, to produce cancer in man or animal.

The bill will help industry, particularly the cosmetic industry, by permitting the continued use of certain coal-tar colors under safe tolerances to be determined by the Secretary. As the gentleman from Arkansas has stated, a number of coal-tar colors have already been banned, and others are threatened with being banned if this legislation is not enacted this year. Many of these colors will be perfectly safe for use under tolerance limitations. The Secretary does not have authority under present law to set such tolerances. This bill will give him the authority he seeks.

I join with my colleagues in urging the House to pass this bill.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I would like to express to the gentleman and also the gentleman from New York [Mr. DELANEY] the interest which I personally feel in the object of this legislation. I am sure they are both aware of it. I would like to say to the chairman that I have had one major question asked me and that is whether or not the bill provides sufficient safeguards against arbitrary decisions of any Secretary of Health, Education, and Welfare.

Mr. HARRIS. Yes; we do provide for adequate safeguards against arbitrary action by the Secretary.

Mrs. CHURCH. Is there any appeal from the decision of the Secretary?

Mr. HARRIS. Any petitioner who may be adversely affected by a proposed action by the Secretary may petition the Secretary for a review of the proposed order and request a public hearing, and so forth. With respect to the question whether a substance is carcinogenic, the bill provides for the appointment of an Ad Hoc Scientific Advisory Committee of experts to advise the Secretary.

Mrs. CHURCH. I would not want the gentleman to feel that my question indicated any lack of interest on my part. May I express regret that we were not able to hear the statement of the gentlewoman from Missouri, who has done so much on this subject.

Mr. SCHENCK. Mr. Speaker, I move to strike out the last words.

Mr. Speaker, I do this only for the purpose of expressing very sincere commendation to the gentleman from New York [Mr. DELANEY] for all the work he has done on this subject, to the chairman of our committee, and the members of our committee, who have devoted so many hours to hearings on this important subject. I feel that this legislation has had unusually thorough hearings; that all necessary safeguards have been built into the legislation; that it is worthy of your support, and that the entire subject is of tremendous importance to our entire Nation. The Secretary of Health, Education, and Welfare, the Food and Drug Administration, and all the other scientists have given great assistance and expert testimony before our committee.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. SCHENCK. I yield to the gentleman from Iowa.

Mr. KYL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KYL. Mr. Speaker, the gentleman from Iowa is certainly in accord with the general provisions of the measure before the House. However, he has reservations in regard to the Delaney clause because of the difficulty of exercising proper judgment in administration even with the ad hoc Advisory Committee.

In the first place it seems rather foolish to limit emphasis in this bill to one aspect—cancer. Admittedly, safety with regard to cancer is extremely difficult to define in simple terms. Here we are prohibiting use of a substance. The prohibition is based on the assumption that a substance which increases the incidence of cancer when included in the diet of animals at any dose may increase the incidence of cancer in man. Measurements are most difficult. Many chemicals may be hazardous in large quantities and under conditions of unusually long exposure, but harmless under all normal circumstances.

It is certainly hoped that if the Delaney amendment is adopted the regulatory agencies will apply the rule of reason in their administration.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SCHENCK. I yield to the gentlewoman from Massachusetts?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am delighted that this bill will soon be passed. Some years ago the House passed a bill on the Consent Calendar. I took it over to the other body in the afternoon and the distinguished late Senator George got it through the Senate in a few hours' time and it was signed by the President and became law in record time.

I commend the gentleman from New York [Mr. DELANEY] for his tireless work on matters pertaining to the dread dis-

ease of cancer—and all the others who have helped.

It is very suitable this bill should come up at this time and I commend those who are bringing it here. I am heartily in favor of it.

Mr. SCHENCK. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The SPEAKER pro tempore. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2197) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on foods, drugs, and cosmetics, in accordance with regulations prescribing the conditions—including maximum tolerances—under which such additives may be safely used.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Color Additive Amendments of 1959."

TITLE I—AMENDMENTS TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

Definitions

SEC. 101. Section 201, as amended, of the Federal Food, Drug, and Cosmetic Act is further amended as follows:

(a) Paragraph (s) of such section (defining the term "food additive") is amended by redesignating clause (3) as clause (4), and by inserting immediately before clause (4), as so redesignated, the following new clause:

"(3) a color additive; or".

(b) Paragraph (t) of such section is redesignated and otherwise amended to read as follows:

"(u) The term 'safe', as used in paragraph (s) of this section and in sections 409 and 706, has reference to the health of man or animal."

(c) There is inserted, immediately after paragraph (s) of such section, the following new paragraph:

"(t) (1) The term 'color additive' means a material which—

"(A) is a dye, pigment, or other substance made by a process of synthesis or similar artifice, or extracted, isolated, or otherwise derived, with or without intermediate or final change of identity, from a vegetable, animal, mineral, or other source, and

"(B) when added or applied to a food, drug, or cosmetic, or to the human body or any part thereof, is capable (alone or through reaction with other substance) of imparting color thereto;

except that such term does not include any material which the Secretary, by regulation, determines is used (or intended to be used) solely for a purpose or purposes other than coloring.

"(2) The term 'color' includes black, white, and intermediate grays."

Colors or colored articles—when deemed to be adulterated or misbranded foods, drugs, or cosmetics

Food

SEC. 102. (a) (1) Clause (2) (A) of section 402(a), as amended, of such act (relating to food deemed adulterated by reason of unsafe additives) is further amended by striking out the matter within the parentheses and inserting in lieu thereof the following: "other than one which is (i) a pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive".

(2) Section 402(c), as amended, of such act (relating to food deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows:

"(c) If it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706(a)."

(3) Section 403 of such act (relating to the circumstances under which food is deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"(l) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706."

Drugs

(b) (1) Clause (4) of section 501(a) of such act (relating to drugs deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows: "(4) if (A) it is a drug which bears or contains, for purposes of coloring only, a color additive which is unsafe within the meaning of section 706(a), or (B) it is a color additive the intended use of which in or on drugs is for purposes of coloring only and is unsafe within the meaning of section 706(a)."

(2) Section 502 of such act (relating to the circumstances under which drugs are deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"(m) If it is a color additive the intended use of which in or on drugs is for the purpose of coloring only, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706."

Cosmetics

(c) (1) Section 601(e) of such Act (relating to cosmetics, other than hair dyes, deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows:

"(e) If it is not a hair dye and it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706 (a)."

(2) Section 602 of such Act (relating to the circumstances under which cosmetics shall be deemed to be misbranded) is amended by adding at the end thereof the following new paragraph:

"(e) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706. This paragraph shall not apply to packages of color additives which, with respect to their use for cosmetics, are marketed and intended for use only in or on hair dyes (as defined in the last sentence of section 601(a))."

Regulations to assure safety of color additives for foods, drugs, and cosmetics

SEC. 103. (a) Such Act is further amended by—

(1) repealing subsection (b) of section 406 and striking out the subsection designation "(a)" after "SEC. 406." in such section;

(2) repealing section 504;

(3) repealing section 604; and

(4) amending section 701(e) by (A) striking out "406 (a) or (b)" and inserting in lieu thereof "406"; (B) striking out "504, or 604,"; and (C) inserting the word "or" after "501(b),".

(b) Section 706 of such Act is amended to read as follows:

"Listing and certification of color additives for foods, drugs, and cosmetics

"When Color Additives Deemed Unsafe

"SEC. 706. (a) A color additive shall, with respect to any particular use (for which it is being used or intended to be used or is represented as suitable) in or on food or drugs or cosmetics, be deemed unsafe for the purposes of the application of section 402(c), section 501(a)(4), or section 601(e), as the case may be, unless—

"(1) (A) there is in effect, and such additive and such use are in conformity with, a regulation issued under subsection (b) of this section listing such additive for such use, including any provision of such regulation prescribing the conditions under which such additive may be safely used, and (B) such additive either (i) is from a batch certified, in accordance with regulations issued pursuant to subsection (c), for such use, or (ii) has, with respect to such use, been exempted by the Secretary from the requirement of certification; or

"(2) such additive and such use thereof conform to the terms of an exemption which is in effect pursuant to subsection (f) of this section.

While there are in effect regulations under subsections (b) and (c) of this section relating to a color additive or an exemption pursuant to subsection (f) with respect to such additive, an article shall not, by reason of bearing or containing such additive in all respects in accordance with such regulations or such exemption, be considered adulterated within the meaning of clause (1) of section 402(a) if such article is a food, or within the meaning of section 601(a) if such article is a cosmetic other than a hair dye (as defined in the last sentence of section 601(a)).

"Listing of Colors

"(b) (1) The Secretary shall, by regulation, provide for separately listing color additives for use in or on food, color additives for use in or on drugs, and color additives for use in or on cosmetics, if and to the extent that such additives are suitable and safe for any such use when employed in accordance with such regulations.

"(2) (A) Such regulations may list any color additive for use generally in or on food, or in or on drugs, or in or on cosmetics, if the Secretary finds that such additive is suitable and may safely be employed for such general use.

"(B) If the data before the Secretary do not establish that the additive satisfies the requirements for listing such additive on the applicable list pursuant to subparagraph (A) of this paragraph, or if the proposal is for listing such additive for a more limited use or uses, such regulations may list such additive only for any more limited use or uses for which it is suitable and may safely be employed.

"(3) Such regulations shall, to the extent deemed necessary by the Secretary to assure the safety of the use or uses for which a particular color additive is listed, prescribe the conditions under which such additive may be safely employed for such use or uses (including, but not limited to, specifications, hereafter in this section referred to as tolerance limitations, as to the maximum quantity or quantities which may be used or permitted to remain in or on the article or articles in or on which it is used; specifications as to the manner in which such additive may be added to or used in or on such article or articles; and directions or other

labeling or packaging requirements for such additive).

"(4) The Secretary shall not list a color additive under this section for a proposed use unless the data before him establish that such use, under the conditions of use specified in the regulations, will be safe: *Provided, however,* That a color additive shall be deemed to be suitable and safe for the purpose of listing under this subsection for use generally in or on food, while there is in effect a published finding of the Secretary declaring such substance exempt from the term 'food additive' because of its being generally recognized by qualified experts as safe for its intended use, as provided in section 201(s).

"(5) In determining, for the purposes of this section, whether a proposed use of a color additive is safe, the Secretary shall consider, among other relevant factors—

"(A) the probable consumption of, or other relevant exposure from, the additive and of any substance formed in or on food, drugs, or cosmetics because of the use of the additive;

"(B) the cumulative effect, if any, of such additive in the diet of man or animals, taking into account the same or any chemically or pharmacologically related substance or substances in such diet;

"(C) safety factors which, in the opinion of experts qualified by scientific training and experience to evaluate the safety of color additives for the use or uses for which the additive is proposed to be listed, are generally recognized as appropriate for the use of animal experimentation data; and

"(D) the availability of any needed practicable methods of analysis for determining the identity and quantity of (i) the pure dye and all intermediates and other impurities contained in such color additive, (ii) such additive in or on any article of food, drug, or cosmetic, and (iii) any substance formed in or on such article because of the use of such additive.

"(6) The Secretary shall not list a color additive under this subsection for a proposed use if the data before him show that such proposed use would promote deception of the consumer in violation of this Act or would otherwise result in misbranding or adulteration within the meaning of this Act.

"(7) If, in the judgment of the Secretary, a tolerance limitation is required in order to assure that a proposed use of a color additive will be safe, the Secretary—

"(A) shall not list the additive for such use if he finds that the data before him do not establish that such additive, if used within a safe tolerance limitation, would achieve the intended physical or other technical effect; and

"(B) shall not fix such tolerance limitation at a level higher than he finds to be reasonably required to accomplish the intended physical or other technical effect.

"(8) If, having regard to the aggregate quantity of color additive likely to be consumed in the diet or to be applied to the human body, the Secretary finds that the data before him fail to show that it would be safe and otherwise permissible to list a color additive (or pharmacologically related color additives) for all the uses proposed therefor and at the levels of concentration proposed, the Secretary shall, in determining for which use or uses such additive (or such related additives) shall be or remain listed, or how the aggregate allowable safe tolerance for such additive or additives shall be allocated by him among the uses under consideration, take into account, among other relevant factors (and subject to the paramount criterion of safety), (A) the relative marketability of the articles involved as affected by the proposed uses of the color additive (or of such related additives) in or on such articles, and the relative dependence of the industries concerned on such uses; (B) the relative aggregate amounts of such color additive which he estimates would be consumed in the diet or applied to the human body by reason of the various uses and levels of concentration proposed; and (C) the availability, if any, of other color additives suitable and safe for one or more of the uses proposed.

"Certification of Colors

"(c) The Secretary shall further, by regulation, provide (1) for the certification, with safe diluents or without diluents, of batches of color additives listed pursuant to subsection (b) and conforming to the requirements for such additives established by regulations under such subsection and this subsection, and (2) for exemption from the requirement of certification in the case of any such additive, or any listing or use thereof, for which he finds such requirement not to be necessary in the interest of the protection of the public health: *Provided,* That with respect to any use in or on food for which a listed color additive is deemed to be safe by reason of the proviso to paragraph (4) of subsection (b), the requirement of certification shall be deemed not to be necessary in the interest of public health protection.

"Procedure for Issuance, Amendment, or Repeal of Regulations

"(d) The provisions of section 701 (e), (f), and (g) of this Act shall apply to and in all respects govern proceedings for the issuance, amendment, or repeal of regulations under subsections (b), (c), or (e) of this section (including judicial review of the Secretary's action in such proceedings) and the admissibility of transcripts of the record of such proceedings in other proceedings, except that—

"(1) the Secretary's order after public hearing (action upon objections filed to an order made prior to hearing) shall be subject to the requirements of section 409(f)(2); and

"(2) the scope of judicial review of such order shall be in accordance with the third sentence of paragraph (2), and with the provisions of paragraph (3), of section 409(g).

"Fees

"(e) The admitting to listing and certification of color additives, in accordance with regulations prescribed under this Act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

"Exemptions

"(f) The Secretary shall by regulation (issued without regard to subsection (d)) provide for exempting from the requirements of this section any color additive or any specific type of use thereof, and any article of food, drug, or cosmetic bearing or containing such additive, intended solely for investigational use by qualified experts when in his opinion such exemption is consistent with the public health."

Confidentiality of trade secrets

SEC. 104. Section 301(j), as amended, of such Act, prohibiting disclosure of trade secrets, is amended by striking out "or 704" and inserting in lieu thereof "704, or 706".

Changes in cross-references and terminology

SEC. 105. Such Act is further amended by—

(a) striking out, in section 301(l) thereof (relating to forgery or unauthorized use of certain identification devices), "404, 406(b), 504, 506, 507, or 604", and inserting in lieu thereof "404, 506, 507, or 706";

(b) (1) striking out, in clause (3) of section 303(c) (relating to color manufacturer's guarantee), the word "coal-tar" wherever it appears in such clause, and (2) inserting after the word "color", wherever it appears in such clause, the word "additive"; and

(c) striking out "harmless coloring" in section 402(d) (relating to non-nutritive substances in confectionery) and inserting in lieu thereof "authorized coloring".

TITLE II—EFFECTIVE DATE, TRANSITIONAL PROVISIONS, AND EFFECT ON OTHER LAWS

Definitions

SEC. 201. As used in this title, the term "basic Act" means the Federal Food, Drug, and Cosmetic Act; the term "enactment date" means the date of enactment of this Act; and other terms, insofar as also used in the basic Act (whether before or after enactment of this Act) shall have the same meaning as they have, or had when in effect, under the basic Act.

Effective date

SEC. 202. This Act shall, subject to the provisions of section 203, take effect on the enactment date.

Provisional listings of commercially established colors

SEC. 203. (a)(1) The purpose of this section is to make possible, on an interim basis for a reasonable period, through provisional listings, the use of commercially established color additives to the extent consistent with the public health, pending the completion of the scientific investigations needed as a basis for making determinations as to listing of such additives under the basic Act as amended by this Act. A provisional listing (including a deemed provisional listing) of a color additive under this section for any use shall, unless sooner terminated or expiring under the provisions of this section, expire (A) on the closing date (as defined in paragraph (2) of this subsection) or (B) on the effective date of a listing of such additive for such use under section 706 of the basic Act, whichever date first occurs.

(2) For the purposes of this section, the term "closing date" means (A) the last day of the two and one-half year period beginning on the enactment date or (B), with respect to a particular provisional listing (or deemed provisional listing) of a color additive or use thereof, such later closing date as the Secretary may from time to time establish pursuant to the authority of this paragraph. The Secretary may by regulation, upon application of an interested person or on his own initiative, from time to time postpone the original closing date with respect to a provisional listing (or deemed provisional listing) under this section of a specified color additive, or of a specified use or uses of such additive, for such period or periods as he finds necessary to carry out the purpose of this section, if in the Secretary's judgment such action is consistent with the objective of carrying to completion in good faith, as soon as reasonably practicable, the scientific investigations necessary for making a determination as to listing such additive, or such specified use or uses thereof, under section 706 of the basic Act. The Secretary may terminate a postponement of the closing date at any time if he finds that such postponement should not have been granted, or that by reason of a change in circumstances the basis for such postponement no longer exists, or that there has been a failure to comply with a requirement for submission of progress reports or with other conditions attached to such postponement.

(b) Subject to the other provisions of this section—

(1) any color additive which, on the day preceding the enactment date, was listed and certifiable for any use or uses under section 406(b), 504, or 604, or under the third proviso of section 402(c), of the basic Act, and of which a batch or batches had been certified for such use or uses prior to the enactment date, and

(2) any color additive which was commercially used or sold prior to the enactment date for any use or uses in or on any food, drug, or cosmetic, and which either (A) on the day preceding the enactment date was not a material within the purview of any of the provisions of the basic Act enumerated in paragraph (1) of this subsection, or (B) is the color additive known as synthetic beta-carotene,

shall, beginning on the enactment date, be deemed to be provisionally listed under this section as a color additive for such use or uses.

(c) Upon request of any person, the Secretary, by regulations issued under subsection (d), shall without delay, if on the basis of the data before him he deems such action consistent with the protection of the public health, provisionally list a material as a color additive for any use for which it was listed, and for which a batch or batches of such material had been certified, under section 406(b), 504, or 604 of the basic Act prior to the enactment date, although such color was no longer listed and certifiable for such use under such sections on the day preceding the enactment date. Such provisional listing shall take effect on the date of publication.

(d)(1) The Secretary shall, by regulations issued or amended from time to time under this section—

(A) insofar as practicable promulgate and keep current a list or lists of the color additives, and of the particular uses thereof, which he finds are deemed provisionally listed under subsection (b), and the presence of a color additive on such a list with respect to a particular use shall, in any proceeding under the basic Act, be conclusive evidence that such provisional listing is in effect:

(B) provide for the provisional listing of the color additives and particular uses thereof specified in subsection (c);

(C) provide, with respect to particular uses for which color additives are or are deemed to be provisionally listed, such temporary tolerance limitations (including such limitations at zero level) and other conditions of use and labeling or packaging requirements, if any, as in his judgment are necessary to protect the public health pending listing under section 706 of the basic Act;

(D) provide for the certification of batches of such color additives (with or without diluents) for the uses for which they are so listed or deemed to be listed under this section, except that such an additive which is a color additive deemed provisionally listed under subsection (b)(2) of this section shall be deemed exempt from the requirement of such certification while not subject to a tolerance limitation; and

(E) provide for the termination of a provisional listing (or deemed provisional listing) of a color additive or particular use thereof forthwith whenever in his judgment such action is necessary to protect the public health.

(2)(A) Regulations under this section shall, from time to time, be issued, amended, or repealed by the Secretary without regard to the requirements of the basic Act, but for the purposes of the application of section 706(e) of the basic Act (relating to fees) and of determining the availability of appropriations of fees (and of advance deposits to cover fees), proceedings, regulations, and certifications under this section shall be deemed to be proceedings, regulations, and certifications under such section 706.

(B) On and after the enactment date, regulations, provisional listings, and certifications (or exemptions from certification) in effect under this section shall, for the purpose of determining whether an article is adulterated or misbranded within the meaning of the basic Act by reason of its being, bearing, or containing a color additive, have the same effect as would regulations, listings, and certifications (or exemptions from certification) under section 706 of the basic Act. A regulation, provisional listing or termination thereof, tolerance limitation, or certification or exemption therefrom, under this section shall not be the basis for any presumption or inference in any proceeding under section 706 (b) or (c) of the basic Act.

(3) For the purpose of enabling the Secretary to carry out his functions under paragraph (1) (A) and (C) with respect to color additives deemed provisionally listed, he shall, as soon as practicable after enactment of this Act, afford by public notice a reasonable opportunity to interested persons to submit data relevant thereto. If the data so submitted or otherwise before him do not, in his judgment, establish a reliable basis for including such a color additive or particular use or uses thereof in a list or lists promulgated under paragrayh (1)(A), or for determining the prevailing level or levels of use thereof prior to the enactment date with a view to prescribing a temporary tolerance or tolerances for such use or uses under paragraph (1)(C), the Secretary shall establish a temporary tolerance limitation at zero level for such use or uses until such time as he finds that it would not be inconsistent with the protection of the public health to increase or dispense with such temporary tolerance limitation.

Effect on Meat Inspection and Poultry Products Inspection Acts

SEC. 204. Nothing in this Act shall be construed to exempt any meat or meat food product or any person from any requirement imposed by or pursuant to the Meat Inspection Act of March 4, 1907 (34 Stat. 1260), as amended or extended (21 U.S.C. 71 and the following), or the Poultry Products Inspection Act (21 U.S.C. 451 and the following).

Mr. HARRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Strike out all after the enacting clause of S. 2197 and insert the provisions of H.R. 7624 as passed, as follows: "That this Act may be cited as the "Color Additive Amendments of 1960."

"TITLE I—AMENDMENTS TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

"Definitions

"SEC. 101. Section 201, as amended, of the Federal Food, Drug, and Cosmetic Act is further amended as follows:

"(a) Paragraph (s) of such section (defining the term 'food additive') is amended by redesignating clause (3) as clause (4), and by inserting immediately before clause (4), as so redesignated, the following new clause:

"'(3) a color additive; or'.

"(b) Paragraph (t) of such section is redesignated and otherwise amended to read as follows:

"'(u) The term "safe", as used in paragraph (s) of this section and in sections 409 and 706, has reference to the health of man or animal.'

"(c) There is inserted, immediately after paragraph (s) of such section, the following new paragraph:

"'(t)(1) The term "color additive" means a material which—

"'(A) is a dye, pigment, or other substance made by a process of synthesis or similar artifice, or extracted, isolated, or otherwise derived, with or without intermediate or final change of identity, from a vegetable, animal, mineral, or other source, and

"'(B) when added or applied to a food, drug, or cosmetic, or to the human body or any part thereof, is capable (alone or through reaction with other substance) of imparting color thereto;

except that such term does not include any material which the Secretary, by regulation, determines is used (or intended to be used) solely for a purpose or purposes other than coloring.

"'(2) The term "color" includes black, white, and intermediate grays.

"'(3) Nothing in subparagraph (1) of this paragraph shall be construed to apply to any pesticide chemical, soil or plant nutrient, or other agricultural chemical solely because of its effect in aiding, retarding, or otherwise affecting, directly or indirectly, the growth or other natural physiological processes of produce of the soil and thereby affecting its color, whether before or after harvest.'

"Colors or colored articles—when deemed to be adulterated or misbranded foods, drugs, or cosmetics

"Food

"SEC. 102. (a)(1) Clause (2)(A) of section 402(a), as amended, of such Act (relating to food deemed adulterated by reason of unsafe additives) is further amended by striking out the matter within the parentheses and inserting in lieu thereof the following: 'other than one which is (i) a pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive'.

"(2) Section 402(c), as amended, of such Act (relating to food deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows:

"'(c) If it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706(a).'

"(3) Section 403 of such Act (relating to the circumstances under which food is deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"'(m) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706.'

"Drugs

"(b)(1) Clause (4) of section 501(a) of such Act (relating to drugs deemed adulterated by reason of uncertified coal tar color) is amended to read as follows: '(4) if (A) it is a drug which bears or contains, for purposes of coloring only, a color additive which is unsafe within the meaning of section 706(a), or (B) it is a color additive the intended use of which in or on drugs is for purposes of coloring only and is unsafe within the meaning of section 706(a).'

"(2) Section 502 of such Act (relating to the circumstances under which drugs are deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"'(m) If it is a color additive the intended use of which in or on drugs is for the purpose of coloring only, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706.'

"Cosmetics

"(c)(1) Section 601(e) of such Act (relating to cosmetics, other than hair dyes, deemed adulterated by reason of uncertified coal tar color) is amended to read as follows:

"'(e) If it is not a hair dye and it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706(a).'

"(2) Section 602 of such Act (relating to the circumstances under which cosmetics

shall be deemed to be misbranded) is amended by adding at the end thereof the following new paragraph:

"'(e) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706. This paragraph shall not apply to packages of color additives which, with respect to their use for cosmetics, are marketed and intended for use only in or on hair dyes (as defined in the last sentence of section 601(a)).'

"Regulations to assure safety of color additives for foods, drugs, and cosmetics

"SEC. 103. (a) Such Act is further amended by—

"(1) repealing subsection (b) of section 406 and striking out the subsection designation '(a)' after 'SEC. 406.' in such section;

"(2) repealing section 504;

"(3) repealing section 604; and

"(4) amending section 701(e) by (A) striking out '406 (a) or (b)' and inserting in lieu thereof '406'; (B) striking out '504, or 604,'; and (C) inserting the word 'or' after '501(b),'.

"(b) Section 706 of such Act is amended to read as follows:

"'Listing and certification of color additives for foods, drugs, and cosmetics

"'When Color Additives Deemed Unsafe

"'SEC. 706. (a) A color additive shall, with respect to any particular use (for which it is being used or intended to be used or is represented as suitable) in or on food or drugs or cosmetics, be deemed unsafe for the purposes of the application of section 402(c), section 501(a)(4), or section 601(e), as the case may be, unless—

"'(1)(A) there is in effect, and such additive and such use are in conformity with, a regulation issued under subsection (b) of this section listing such additive for such use, including any provision of such regulation prescribing the conditions under which such additive may be safely used, and (B) such additive either (i) is from a batch certified, in accordance with regulations issued pursuant to subsection (c), for such use, or (ii) has, with respect to such use, been exempted by the Secretary from the requirement of certification; or

"'(2) such additive and such use thereof conform to the terms of an exemption which is in effect pursuant to subsection (f) of this section.

While there are in effect regulations under subsections (b) and (c) of this section relating to a color additive or an exemption pursuant to subsection (f) with respect to such additive, an article shall not, by reason of bearing or containing such additive in all respects in accordance with such regulations or such exemption, be considered adulterated within the meaning of clause (1) of section 402(a) if such article is a food, or within the meaning of section 601(a) if such article is a cosmetic other than a hair dye (as defined in the last sentence of section 601(a)).

"'Listing of Colors

"'(b)(1) The Secretary shall, by regulation, provide for separately listing color additives for use in or on food, color additives for use in or on drugs, and color additives for use in or on cosmetics, if and to the extent that such additives are suitable and safe for any such use when employed in accordance with such regulations.

"'(2)(A) Such regulations may list any color additive for use generally in or on food, or in or on drugs, or in or on cosmetics, if the Secretary finds that such additive is suitable and may safely be employed for such general use.

"'(B) If the data before the Secretary do not establish that the additive satisfies the requirements for listing such additive on the applicable list pursuant to subparagraph (A) of this paragraph, or if the proposal is for listing such additive for a more limited use or uses, such regulations may list such additive only for any more limited use or uses for which it is suitable and may safely be employed.

"'(3) Such regulations shall, to the extent deemed necessary by the Secretary to assure the safety of the use or uses for which a particular color additive is listed, prescribe the conditions under which such additive may be safely employed for such use or uses (including, but not limited to, specifications, hereinafter in this section referred to as tolerance limitations, as to the maximum quantity or quantities which may be used or permitted to remain in or on the article or articles in or on which it is used; specifications as to the manner in which such additive may be added to or used in or on such article or articles; and directions or other labeling or packaging requirements for such additive).

"'(4) The Secretary shall not list a color additive under this section for a proposed use unless the data before him establish that such use, under the conditions of use specified in the regulation, will be safe: *Provided, however,* That a color additive shall be deemed to be suitable and safe for the purpose of listing under this subsection for use generally in or on food, while there is in effect a published finding of the Secretary declaring such substance exempt from the term "food additive" because of its being generally recognized by qualified experts as safe for its intended use, as provided in section 201(s).

"'(5)(A) In determining, for the purposes of this section, whether a proposed use of a color additive is safe, the Secretary shall consider, among other relevant factors—

"'(i) the probable consumption of, or other relevant exposure from, the additive and of any substance formed in or on food, drugs, or cosmetics because of the use of the additive,

"'(ii) the cumulative effect, if any, of such additive in the diet of man or animals, taking into account the same or any chemically or pharmacologically related substance or substances in such diet;

"'(iii) safety factors which, in the opinion of experts qualified by scientific training and experience to evaluate the safety of color additives for the use or uses for which the additive is proposed to be listed, are generally recognized as appropriate for the use of animal experimentation data; and

"'(iv) the availability of any needed practicable methods of analysis for determining the identity and quantity of (I) the pure dye and all intermediates and other impurities contained in such color additive, (II) such additive in or on any article of food, drug, or cosmetic, and (III) any substance formed in or on such article because of the use of such additive.

"'(B) A color additive (i) shall be deemed unsafe, and shall not be listed, for any use which will or may result in ingestion of all or part of such additive, if the additive is found by the Secretary to induce cancer when ingested by man or animal, or if it is found by the Secretary, after tests which are appropriate for the evaluation of the safety of additives for use in food, to induce cancer in man or animal, and (ii) shall be deemed unsafe, and shall not be listed, for any use which will not result in ingestion of any part of such additive, if, after tests which are appropriate for the evaluation of the safety of additives for such use, or after other relevant exposure of man or animal to such additive, it is found by the Secretary to induce cancer in man or animal.

"'(C)(i) In any proceeding for the issuance, amendment, or repeal of a regulation listing a color additive, whether commenced by a proposal of the Secretary on his own initiative or by a proposal contained in a petition, the petitioner, or any other person who will be adversely affected by such proposal or by the Secretary's order issued in accordance with paragraph (1) of section 701(e) if placed in effect, may request, within the time specified in this subparagraph, that the petition or order thereon, or the Secretary's proposal, be referred to an advisory committee for a report and recommendations with respect to any matter arising under subparagraph (B) of this paragraph, which is involved in such proposal or order and which requires the exercise of scientific judgment. Upon such request, or if the Secretary within such time deems such a referral necessary, the Secretary shall forthwith appoint an advisory committee under subparagraph (D) of this paragraph and shall refer to it, together with all the data before him, such matter arising under subparagraph (B) for study thereof and for a report and recommendations on such matter. A person who has filed a petition or who has requested the referral of a matter to an advisory committee pursuant to this subparagraph (C), as well as representatives of the Department of Health, Education, and Welfare, shall have the right to consult with such advisory committee in connection with the matter referred to it. The request for referral under this subparagraph, or the Secretary's referral on his own initiative, may be made at any time before, or within thirty days after, publication of an order of the Secretary acting upon the petition or proposal.

"'(ii) Within sixty days after the date of such referral, or within an additional thirty days if the committee deems such additional time necessary, the committee shall, after independent study of the data furnished to it by the Secretary and other data before it, certify to the Secretary a report and recommendations, together with all underlying data and a statement of the reasons or basis for the recommendations. A copy of the foregoing shall be promptly supplied by the Secretary to any person who has filed a petition, or who has requested such referral to the advisory committee. Within thirty days after such certification, and after giving due consideration to all data then before him, including such report, recommendations, underlying data, and statement, and to any prior order issued by him in connection with such matter, the Secretary shall by order confirm or modify any order theretofore issued or, if no such prior order has been issued, shall by order act upon the petition or other proposal.

"'(iii) Where—

"'(I) by reason of subparagraph (B) of this paragraph, the Secretary has initiated a proposal to remove from listing a color additive previously listed pursuant to this section; and

"'(II) a request has been made for referral of such proposal to an advisory committee;

the Secretary may not act by order on such proposal until the advisory committee has made a report and recommendations to him under clause (ii) of this subparagraph and he has considered such recommendations, unless the Secretary finds that emergency conditions exist necessitating the issuance of an order notwithstanding this clause.

"'(D) The advisory committee referred to in subparagraph (C) of this paragraph shall be composed of experts selected by the National Academy of Sciences, qualified in the subject matter referred to the committee and of adequately diversified professional background, except that in the event of the inability or refusal of the National Academy of Sciences to act, the Secretary shall select the members of the committee. The size of the committee shall be determined by the

Secretary. Members of an advisory committee shall receive as compensation for their services a reasonable per diem, which the Secretary shall by rules and regulations prescribe, for time actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and subsistence expenses while so serving away from their places of residence. The members shall not be subject to any other provisions of law regarding the appointment and compensation of employees of the United States. The Secretary shall furnish the committee with adequate clerical and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"'(6) The Secretary shall not list a color additive under this subsection for a proposed use if the data before him show that such proposed use would promote deception of the consumer in violation of this Act or would otherwise result in misbranding or adulteration within the meaning of this Act.

"'(7) If, in the judgment of the Secretary, a tolerance limitation is required in order to assure that a proposed use of a color additive will be safe, the Secretary—

"'(A) shall not list the additive for such use if he finds that the data before him do not establish that such additive, if used within a safe tolerance limitation, would achieve the intended physical or other technical effect; and

"'(B) shall not fix such tolerance limitation at a level higher than he finds to be reasonably required to accomplish the intended physical or other technical effect.

"'(8) If, having regard to the aggregate quantity of color additive likely to be consumed in the diet or to be applied to the human body, the Secretary finds that the data before him fail to show that it would be safe and otherwise permissible to list a color additive (or pharmacologically related color additives) for all the uses proposed therefor and at the levels of concentration proposed, the Secretary shall, in determining for which use or uses such additive (or such related additives) shall be or remain listed, or how the aggregate allowable safe tolerance for such additive or additives shall be allocated by him among the uses under consideration, take into account, among other relevant factors (and subject to the paramount criterion of safety), (A) the relative marketability of the articles involved as affected by the proposed uses of the color additive (or of such related additives) in or on such articles, and the relative dependence of the industries concerned on such uses; (B) the relative aggregate amounts of such color additive which he estimates would be consumed in the diet or applied to the human body by reason of the various uses and levels of concentration proposed; and (C) the availability, if any, of other color additives suitable and safe for one or more of the uses proposed.

"'Certification of Colors

"'(c) The Secretary shall further, by regulation, provide (1) for the certification, with safe diluents or without diluents, of batches of color additives listed pursuant to subsection (b) and conforming to the requirements for such additives established by regulations under such subsection and this subsection, and (2) for exemption from the requirement of certification in the case of any such additive, or any listing or use thereof, for which he finds such requirement not to be necessary in the interest of the protection of the public health: *Provided*, That, with respect to any use in or on food for which a listed color additive is deemed to be safe by reason of the proviso to paragraph (4) of subsection (b), the requirement of certification shall be deemed not to be necessary in the interest of public health protection.

"'Procedure for Issuance, Amendment, or Repeal of Regulations

"'(d) The provisions of section 701 (e), (f), and (g) of this Act shall, subject to the provisions of subparagraph (C) of subsection (b) (5) of this section, apply to and in all respects govern proceedings for the issuance, amendment, or repeal of regulations under subsection (b) or (c) of this section (including judicial review of the Secretary's action in such proceedings) and the admissibility of transcripts of the record of such proceedings in other proceedings, except that—

"'(1) if the proceeding is commenced by the filing of a petition, notice of the proposal made by the petition shall be published in general terms by the Secretary within thirty days after such filing, and the Secretary's order (required by paragraph (1) of section 701(e)) acting upon such proposal shall, in the absence of prior referral (or request for referral) to an advisory committee, be issued within ninety days after the date of such filing, except that the Secretary may (prior to such ninetieth day), by written notice to the petitioner, extend such ninety-day period to such time (not more than one hundred and eighty days after the date of filing of the petition) as the Secretary deems necessary to enable him to study and investigate the petition;

"'(2) any report, recommendations, underlying data, and reasons certified to the Secretary by an advisory committee appointed pursuant to subparagraph (D) of subsection (b) (5) of this section, shall be made a part of the record of any hearing if relevant and material, subject to the provisions of section 7(c) of the Administrative Procedure Act (5 U.S.C., sec. 1006(c)). The advisory committee shall designate a member to appear and testify at any such hearing with respect to the report and recommendations of such committee upon request of the Secretary, the petitioner, or the officer conducting the hearing, but this shall not preclude any other member of the advisory committee from appearing and testifying at such hearing;

"'(3) the Secretary's order after public hearing (acting upon objections filed to an order made prior to hearing) shall be subject to the requirements of section 409(f)(2); and

"'(4) the scope of judicial review of such order shall be in accordance with the fourth sentence of paragraph (2), and with the provisions of paragraph (3), of section 409(g).

"'Fees

"'(e) The admitting to listing and certification of color additives, in accordance with regulations prescribed under this Act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

"'Exemptions

"'(f) The Secretary shall by regulation (issued without regard to subsection (d)) provide for exempting from the requirements of this section any color additive or any specific type of use thereof, and any article of food, drug, or cosmetic bearing or containing such additive, intended solely for investigational use by qualified experts when in his opinion such exemption is consistent with the public health.'

"Confidentiality of trade secrets

"SEC. 104. Section 301(j), as amended, of such Act, prohibiting disclosure of trade secrets, is amended by striking out 'or 704' and inserting in lieu thereof '704, or 706'.

"Changes in cross-references and terminology

"SEC. 105. Such Act is further amended by—

"(a) striking out, in section 301(i) thereof (relating to forgery or unauthorized use of certain identification devices), '404, 406 (b), 504, 506, 507, or 604', and inserting in lieu thereof '404, 506, 507, or 706';

"(b)(1) striking out, in clause (3) of section 303(c) (relating to color manufacturer's guarantee), the word 'coal-tar' wherever it appears in such clause, and (2) inserting after the word 'color', wherever it appears in such clause, the word 'additive'; and

"(c) striking out 'harmless coloring' in section 402(d) (relating to nonnutritive substances in confectionery) and inserting in lieu thereof 'authorized coloring'.

"TITLE II—EFFECTIVE DATE, TRANSITIONAL PROVISIONS, AND EFFECT ON OTHER LAWS

"Definitions

"SEC. 201. As used in this title, the term 'basic Act' means the Federal Food, Drug, and Cosmetic Act; the term 'enactment date' means the date of enactment of this Act; and other terms, insofar as also used in the basic Act (whether before or after enactment of this Act) shall have the same meaning as they have, or had when in effect, under the basic Act.

"Effective date

"SEC. 202. This Act shall, subject to the provisions of section 203, take effect on the enactment date.

"Provisional listings of commercially established colors

"SEC. 203. (a)(1) The purpose of this section is to make possible, on an interim basis for a reasonable period, through provisional listings, the use of commercially established color additives to the extent consistent with the public health, pending the completion of the scientific investigations needed as a basis for making determinations as to listing of such additives under the basic Act as amended by this Act. A provisional listing (including a deemed provisional listing) of a color additive under this section for any use shall, unless sooner terminated or expiring under the provisions of this section, expire (A) on the closing date (as defined in paragraph (2) of this subsection) or (B) on the effective date of a listing of such additive for such use under section 706 of the basic Act, whichever date first occurs.

"(2) For the purposes of this section, the term 'closing date' means (A) the last day of the two and one-half year period beginning on the enactment date or (B), with respect to a particular provisional listing (or deemed provisional listing) of a color additive or use thereof, such later closing date as the Secretary may from time to time establish pursuant to the authority of this paragraph. The Secretary may by regulation, upon application of an interested person or on his own initiative, from time to time postpone the original closing date with respect to a provisional listing (or deemed provisional listing) under this section of a specified color additive, or of a specified use or uses of such additive, for such period or periods as he finds necessary to carry out the purpose of this section, if in the Secretary's judgment such action is consistent with the objective of carrying to completion in good faith, as soon as reasonably practicable, the scientific investigations necessary for making a determination as to listing such additive, or such specified use or uses thereof, under section 706 of the basic Act. The Secretary may terminate a postponement of the closing date at any time if he finds that such postponement should not have been granted, or that by reason of a change in circumstances that basis for such postponement no longer exists, or that there has been a failure to comply with a requirement for submission of progress reports or with other conditions attached to such postponement.

"(b) Subject to the other provisions of this section—

"(1) any color additive which, on the day preceding the enactment date, was listed, and certifiable for any use or uses under section 406(b), 504, or 604, or under the third proviso of section 402(c), of the basic Act, and of which a batch or batches had been certified for such use or uses prior to the enactment date, and

"(2) any color additive which was commercially used or sold prior to the enactment date for any use or uses in or on any food, drug, or cosmetic, and which either, (A), on the day preceding the enactment date, was not a material within the purview of any of the provisions of the basic Act enumerated in paragraph (1) of this subsection, or (B) is the color additive known as synthetic beta-carotene,

shall, beginning on the enactment date, be deemed to be provisionally listed under this section as a color additive for such use or uses.

"(c) Upon request of any person, the Secretary, by regulations issued under subsection (d), shall without delay, if on the basis of the data before him he deems such action consistent with the protection of the public health, provisionally list a material as a color additive for any use for which it was listed, and for which a batch or batches of such material had been certified, under section 406(b), 504, or 604 of the basic Act prior to the enactment date, although such color was no longer listed and certifiable for such use under such sections on the day preceding the enactment date. Such provisional listing shall take effect on the date of publication.

"(d)(1) The Secretary shall, by regulations issued or amended from time to time under this section—

"(A) insofar as practicable promulgate and keep current a list or lists of the color additives, and of the particular uses thereof, which he finds are deemed provisionally listed under subsection (b), and the presence of a color additive on such a list with respect to a particular use shall, in any proceeding under the basic Act, be conclusive evidence that such provisional listing is in effect;

"(B) provide for the provisional listing of the color additives and particular uses thereof specified in subsection (c);

"(C) provide, with respect to particular uses for which color additives are or are deemed to be provisionally listed, such temporary tolerance limitations (including such limitations at zero level) and other conditions of use and labeling or packaging requirements, if any, as in his judgment are necessary to protect the public health pending listing under section 706 of the basic Act;

"(D) provide for the certification of batches of such color additives (with or without diluents) for the uses for which they are so listed or deemed to be listed under this section, except that such an additive which is a color additive deemed provisionally listed under subsection (b)(2) of this section shall be deemed exempt from the requirement of such certification while not subject to a tolerance limitation; and

"(E) provide for the termination of a provisional listing (or deemed provisional listing) of a color additive or particular use thereof forthwith whenever in his judgment such action is necessary to protect the public health.

"(2)(A) Except as provided in subparagraph (C) of this paragraph, regulations under this section shall, from time to time, be issued, amended, or repealed by the Secretary without regard to the requirements of the basic Act, but for the purposes of the application of section 706(e) of the basic Act (relating to fees) and of determining the availability of appropriations of fees (and of advance deposits to cover fees), proceedings, regulations, and certifications under this section shall be deemed to be proceedings, regulations, and certifications under such section 706. Regulations providing for fees (and advance deposits to cover fees), which on the day preceding the enactment date were in effect pursuant to section 706 of the basic Act, shall be deemed to be regulations under such section 706 as amended by this Act, and appropriations of fees (and advance deposits) available for the purposes specified in such section 706 as in effect prior to the enactment date shall be available for the purposes specified in such section 706 as so amended.

"(B) If the Secretary, by regulation—

"(i) has terminated a provisional listing (or deemed provisional listing) of a color additive or particular use thereof pursuant to paragraph (1)(E) of this subsection; or

"(ii) has, pursuant to paragraph (1)(C) or paragraph (3) of this subsection, initially established or rendered more restrictive a tolerance limitation or other restriction or requirement with respect to a provisional listing (or deemed provisional listing) which listing had become effective prior to such action,

any person adversely affected by such action may, prior to the expiration of the period specified in clause (A) of subsection (a)(2) of this section, file with the Secretary a petition for amendment of such regulation so as to revoke or modify such action of the Secretary, but the filing of such petition shall not operate to stay or suspend the effectiveness of such action. Such petition shall, in accordance with regulations, set forth the proposed amendment and shall contain data (or refer to data which are before the Secretary or of which he will take official notice), which show that the revocation or modification proposed is consistent with the protection of the public health. The Secretary shall, after publishing such proposal and affording all interested persons an opportunity to present their views thereon orally or in writing, act upon such proposal by published order.

"(C) Any person adversely affected by an order entered under subparagraph (B) of this paragraph may, within thirty days after its publication, file objections thereto with the Secretary, specifying with particularity the provisions of the order deemed objectionable, stating reasonable grounds for such objections, and requesting a public hearing upon such objections. The Secretary shall hold a public hearing on such objections and shall, on the basis of the evidence adduced at such hearing, act on such objections by published order. Such order may reinstate a terminated provisional listing, or increase or dispense with a previously established temporary tolerance limitation, or make less restrictive any other limitation established by him under paragraph (1) or (3) of this subsection, only if in his judgment the evidence so adduced shows that such action will be consistent with the protection of the public health. An order entered under this subparagraph shall be subject to judicial review in accordance with section 701(f) of the basic Act except that the findings and order of the Secretary shall be sustained only if based upon a fair evaluation of the entire record at such hearing. No stay or suspension of such order shall be ordered by the court pending conclusion of such judicial review.

"(D) On and after the enactment date, regulations, provisional listings, and certifications (or exemptions from certification) in effect under this section shall, for the purpose of determining whether an article is adulterated or misbranded within the meaning of the basic Act by reason of its being, bearing, or containing a color additive, have the same effect as would regulations, listings, and certifications (or exemptions from certification) under section 706 of the basic Act. A regulation, provisional listing or termination thereof, tolerance limitation, or certification or exemption therefrom, under this section shall not be the basis for any presumption or inference in any proceeding under section 706 (b) or (c) of the basic Act.

"(3) For the purpose of enabling the Secretary to carry out his functions under paragraphs (1) (A) and (C) of this subsection with respect to color additives deemed provisionally listed, he shall, as soon as practicable after enactment of this Act, afford by public notice a reasonable opportunity to interested persons to submit data relevant thereto. If the data so submitted or otherwise before him do not, in his judgment, establish a reliable basis for including such a color additive or particular use or uses thereof in a list or lists promulgated under paragraph (1)(A), or for determining the prevailing level or levels of use thereof prior to the enactment date with a view to prescribing a temporary tolerance or tolerances for such use or uses under paragraph (1)(C), the Secretary shall establish a temporary tolerance limitation at zero level for such use or uses until such time as he finds that it would not be inconsistent with the protection of the public health to increase or dispense with such temporary tolerance limitation.

"Effect on meat inspection and poultry products inspection acts

"SEC. 204. Nothing in this Act shall be construed to exempt any meat or meat food product, poultry or poultry product, or any person from any requirement imposed by or pursuant to the Meat Inspection Act of March 4, 1907, 34 Stat. 1260, as amended or extended (21 U.S.C. 71 and the following), or the Poultry Products Inspection Act (21 U.S.C. 451 and the following)."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The proceedings whereby H.R. 7624 was passed were vacated and that bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the color additives bill just passed.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

GORGAS MEMORIAL LABORATORY

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 557 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11123) to increase the authorization of appropriations for construction and equipment of facilities for the Gorgas Memorial Laboratory. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority mem-

ber of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield myself such time as I may consume, following which I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 557 provides for the consideration of H.R. 11123, a bill to increase the authorization of appropriations for construction and equipment of facilities for the Gorgas Memorial Laboratory. The resolution provides for an open rule with 1 hour of general debate.

H.R. 11123 would increase the amount authorized for the construction and equipment of facilities for the Gorgas Memorial Laboratory from $250,000 to $500,000. Such construction and equipment of facilities will include the preparation of plans and specifications, acquisition, alteration, expansion, and remodeling of buildings and site improvements, but excludes the cost of the acquisition of land, which is available without cost. This authorization request is not for a continuing annual appropriation.

The Gorgas Memorial Laboratory is in Panama City, Republic of Panama, and is the operating research establishment of the Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., located in Washington, D.C.

The laboratory has been a leading center of research on tropical diseases and its contributions to new knowledge have been notable and of great benefit to all mankind.

Present plans envisage a three-story building providing up-to-date research facilities for present activities as well as for urgently needed new research in the fields of parasitology, epidemiology, pathology, serology, chemistry, physiology, virology, bacteriology, and botany. Space is also badly needed for visiting guest scientists and investigators most of whom come from the United States, and for cooperative departments to furnish supporting services such as glassware washing and culture media preparation, as well as quarters for small animals required for research. When the proposed new building is completed, all research projects, except those in zoology and entomology, would be housed in one structure, allowing not only for expansion, but also for greater efficiency through up-to-date facilities and better communication between the various groups of personnel.

The laboratory's appropriate expansion because of research requirements should not be restricted in carrying out the humanitarian mission designed by its founders.

Mr. Speaker, I urge the adoption of House Resolution 557.

Mr. ALLEN. Mr. Speaker, I know of no opposition to the rule. I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WHAT DO MINNEAPOLIS PEOPLE THINK ON MAJOR ISSUES?

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks and include certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, I am reporting herewith a tabulation of the 10,368 replies to my annual questionnaire received from citizens in the Fifth Minnesota Congressional District.

My district consists of about two-thirds of the city of Minneapolis. I cannot ask the mail carriers to distribute the questionnaire to every mailbox, as can be done in rural areas, so I engage a mailing service to address a copy of the questionnaire to every name in the telephone book with an address in the district. Unavoidably, this means that residents without telephones are missed and also a few questionnaires are addressed to persons recently deceased.

To get replies from as many citizens as possible, I suggested that each person in a household use a different colored pencil or ink, or a different checkmark to record his or her view on each of the questions asked. This has permitted as many as four replies on one questionnaire.

Probably the questionnaires this year was a bit too complicated and tried to cover too much ground. I was eager to get as much of the thinking of my constituents as possible—but to ask their views on almost 50 separate questions, was, I fear, something of an imposition.

In such a questionnaire, one, of course, cannot rightly expect full or adequate statements of a person's views on issues which are very complex. But one can determine general trends in public thinking, and this information is very valuable to me.

The replies tabulated below speak for themselves. But it may be worth while to point out a few of the trends they disclose, especially where the replies this year show a significant shift in opinion from previous years. This appears particularly in the replies to question 17 in which I ask the people of my district to check, in the order of their importance, the five issues which cause them greatest concern today out of a list of 16 issues, largely domestic, on which Congress is considering legislation. Quite a few listed also other questions which cause them special concern, such as: Atom-bomb testing, farm subsidies, juvenile delinquency.

Cost of living was of first importance to DFL's, second to independents, and third to Republicans.

Government spending is the issue of greatest concern to Republicans and those giving no party affiliation. It was eighth on the list for DFL's and third for independents.

National security was first to independents, and fourth to both DFL's and Republicans.

Comparing 1959 with 1960 results:

Civil rights moved up from seventh place to fifth.

Cost of medical care stayed constant in sixth place.

Unemployment moved down from 8th place in 1959—reflecting the recession at that time—to 14th now.

The size of our national debt moved up from 13th place to 10th.

Provision for elderly people moved up from 15th place to 11th.

Need for school construction stayed next to last on the list, as in 1959. This represented a drop from 7th place in 1956 and 11th in 1957. In contrast, deficiencies in education moved up from 11th to 9th.

One of the most significant features of the replies was the remarkable degree of agreement among those of different political faiths on the foreign policy questions. For example, the percentages of DFL's, Republicans and independents in support of the mutual security program were almost identical—76 to 83 percent.

Much of what one reads and hears in recent months might seem to suggest that the American people are confused or divided on the question of firm resistance to Communist world activities. To those who may have feared that Americans have become soft on this matter or were taken in by Mr. Khrushchev's smiles and protestations of peace and friendship, the replies are most illuminating and reassuring. Only 2 percent thought that the conduct of our foreign policy in relation to the Communists has been too firm; 48 percent thought it not firm enough; and 36 percent thought it about right.

A study of the results as here tabulated will prove instructive as well as interesting, I believe, to all who want to know what people of all walks of life in a Midwest metropolitan area were thinking in the spring of 1960:

Opinion survey—5th Congressional District, Minneapolis, Minn., 1960

	Number of replies	Percent of total
Do you consider yourself—		
Democrat-Farmer-Labor	1,195	11.5
Republican	5,221	50.3
Independent	2,992	28.7
Not indicated	960	9.5
Total	10,368	100.0

1. Do you believe we should make an all-out effort to surpass the Soviet Union in the development and production of missiles, regardless of cost?

[In percent]

	Yes	No	No opinion
All	34	59	7
Democrat-Farmer-Labor	45	48	7
Republican	31	62	7
Independent	36	57	7
Not indicated	37	54	9

2. Do you believe more should be spent on the exploration of space?

[In percent]

	Yes	No	No opinion
All	35	56	9
Democrat-Farmer-Labor	40	52	8
Republican	30	61	9
Independent	42	50	8
Not indicated	29	60	11

3. On Jan. 1 the social security tax rose to 3 percent on employers and employees alike for the 1st $4,800 of earned income, and is scheduled to reach 4.5 percent on each by 1969. Do you favor further increasing the tax in order to provide additional benefits, such as:

(a) Increasing above present levels the benefits received each month?

[In percent]

	Yes	No	No opinion
All	44	43	13
Democrat-Farmer-Labor	65	23	12
Republican	36	51	13
Independent	48	39	13
Not indicated	48	36	16

(b) Making the increases in benefits proportionate to increases in living costs?

[In percent]

	Yes	No	No opinion
All	66	24	10
Democrat-Farmer-Labor	80	11	9
Republican	60	30	10
Independent	70	21	9
Not indicated	67	21	12

(c) Lowering retirement age?

[In percent]

	Yes	No	No opinion
All	24	67	9
Democrat-Farmer-Labor	43	47	10
Republican	16	75	9
Independent	28	63	9
Not indicated	29	59	12

(d) Providing insurance against costs of hospital, nursing home, and surgical services for retired persons under Social Security?

[In percent]

	Yes	No	No opinion
All	59	33	8
Democrat-Farmer-Labor	78	15	7
Republican	50	42	8
Independent	66	28	6
Not indicated	64	26	10

(e) Increasing the limit of $1,200 on outside earned income?

[In percent]

	Yes	No	No opinion
All	65	26	9
Democrat-Farmer-Labor	67	22	11
Republican	66	26	8
Independent	64	27	9
Not indicated	65	23	12

4. Please check the proposal on Federal aid to education which is nearest your view:

(a) No Federal aid: Let local communities and States continue to handle education.

(b) Federal and State Governments (on a 50-50 basis) would pay off local school construction bonds for those communities which are making an above average tax effort, but are still not able to construct needed classrooms. Total cost to Federal and State Governments over the next 20-30 years would be a maximum of $3,000,000,000.

(c) Federal grants to States whose income per school child is below 80 percent of the national average. The grants would partially offset the low tax revenues in such States and could be used for school construction or teachers' salaries. Program would cost an estimated $600,000,000 annually.

(d) Federal grants to every State, regardless of its need or tax effort, of $25 annually per school child, to be used for school construction or teachers' salaries, at a cost of $1,100,000,000 annually.

(e) Federal grants of $325,000,000 annually for 3 years for school construction. Grants would be reduced to States not making average tax effort.

(f) Other.

[In percent]

	(a)	(b)	(c)	(d)	(e)	No opinion
All	41	24	14	5	7	11
Democrat-Farmer-Labor	22	32	17	10	9	14
Republican	49	20	12	3	6	10
Independent	35	28	14	7	8	9
Not indicated	38	22	13	6	7	15

NOTE 1.—Some respondents approved 2 or more of the proposals for aid ((b) to (e)). This makes the total of all percentages slightly higher than 100 percent.

NOTE 2.—415 respondents (4 percent of the total) checked "No Federal aid" and then checked also 1 or more of the forms of aid listed in (b) to (e). These 415 were not tabulated.

NOTE 3.—174 respondents also wrote in other proposals under (f).

5. Do you believe that merging the Army, Navy, and Air Force into a single military service would increase the efficiency and economy of our Armed Forces?

[In percent]

	Yes	No	No opinion
All	71	22	7
Democrat-Farmer-Labor	65	28	7
Republican	71	22	7
Independent	74	20	6
Not indicated	70	21	9

6. The cost of operating the Post Office Department will be $554,000,000 more than its receipts. To meet this deficit, it would be necessary for the Congress to increase 1st-class and airmail rates by 1 cent, along with increases in the 2d- and 3d-class rates. Do you favor such action?

[In percent]

	Yes	No	No opinion
All	69	26	5
Democrat-Farmer-Labor	64	32	4
Republican	70	25	5
Independent	70	25	5
Not indicated	63	29	8

7. Last year the President asked for an increase in the Federal gasoline tax of 1½ cents per gallon in order to keep construction of the Interstate Highway System on schedule. (The freeways planned for our district are part of the Interstate System.) Congress last year provided an increase of 1 cent per gallon. Federal funds for Minnesota's highways were reduced as a result. Do you favor increasing the gasoline tax by another ½ cent per gallon?

[In percent]

	Yes	No	No opinion
All	55	40	5
Democrat-Farmer-Labor	52	43	5
Republican	58	37	5
Independent	54	42	4
Not indicated	52	41	7

8. Do you favor amending the Federal minimum wage law to:

(a) Raise the present $1 hourly minimum rate to $1.25?

[In percent]

	Yes	No	No opinion
All	53	40	7
Democrat-Farmer-Labor	82	13	5
Republican	41	51	8
Independent	62	32	6
Not indicated	57	34	9

(b) Extend coverage to more workers?

[In percent]

	Yes	No	No opinion
All	63	21	16
Democrat-Farmer-Labor	82	6	12
Republican	53	29	18
Independent	73	15	12
Not indicated	61	20	19

9. The President's budget estimates that out of total Federal revenues there will be a surplus of $4,200,000,000, if the Congress takes affirmative action on questions 6 and 7 above, and if it does not increase spending above his recommendations. He urges that the surplus be used to reduce the national debt, now $284,500,000,000 and costing us $9,600,000,000 annually in interest charges. Do you favor using the surplus for debt reduction rather than for increased spending?

[In percent]

	Yes	No	No opinion
All	85	8	7
Democrat-Farmer-Labor	70	19	11
Republican	91	4	5
Independent	82	8	10
Not indicated	84	7	9

10. The recent steel strike raised questions as to the possible need for additional legislation dealing with labor-management conflicts. Please check the proposal nearest your view:

(a) No legislation.

(b) Compulsory arbitration.

(c) Prohibition of industrywide strikes.

(d) Prohibition under antitrust laws of industrywide unions.

(e) Government regulation of both wages and prices.

(f) Other.

[In percent]

	(a)	(b)	(c)	(d)	(e)	No opinion
All	8	39	28	32	12	8
Democrat-Farmer-Labor	14	49	12	10	17	10
Republican	6	35	37	42	10	6
Independent	10	43	17	25	12	7
Not indicated	8	36	33	28	15	13

NOTE 1.—Quite a few respondents checked 2 or more of the proposals ((b) to (e)). This makes the total of all percentages higher than 100 percent.

NOTE 2.—366 respondents also wrote in other proposals under (f).

11. A few Southern States have a poll tax which must be paid by a citizen before he can vote. Do you favor a constitutional amendment eliminating the poll tax?

[In percent]

	Yes	No	No opinion
All	80	15	5
Democrat-Farmer-Labor	83	13	4
Republican	78	16	6
Independent	82	14	4
Not indicated	75	16	9

12. Do you favor legislation authorizing the Attorney General to initiate civil suits on behalf of a citizen who has had his civil rights curtailed?

[In percent]

	Yes	No	No opinion
All	60	23	17
Democrat-Farmer-Labor	67	20	13
Republican	56	25	19
Independent	64	21	15
Not indicated	55	22	23

13. Do you favor giving the Federal Government more authority to regulate radio and TV programs?

[In percent]

	Yes	No	No opinion
All	38	55	7
Democrat-Farmer-Labor	44	49	7
Republican	36	57	7
Independent	39	55	6
Not indicated	43	44	13

14. In general, do you favor continued U.S. assistance to other countries in the free world's struggle against Communist aggression and subversion?

[In percent]

	Yes	No	No opinion
All	80	12	8
Democrat-Farmer-Labor	76	16	8
Republican	83	10	7
Independent	78	14	8
Not indicated	72	15	13

15. Under present circumstances, do you favor admission of Communist China to the United Nations?

[In percent]

	Yes	No	No opinion
All	22	67	11
Democrat-Farmer-Labor	30	59	11
Republican	15	75	10
Independent	32	57	11
Not indicated	18	65	17

16. Check the statement which, in general, best expresses your opinion of the conduct of U.S. foreign policy in relation to Communist world activities:

[In percent]

	Too firm	Not firm enough	About right	No opinion
All	2	48	36	14
Democrat-Farmer-Labor	3	51	25	21
Republican	1	47	43	9
Independent	4	48	32	16
Not indicated	1	47	31	21

17. Please number (1, 2, 3, 4, 5) in order of their importance, the 5 domestic issues which cause you greatest concern today:

[In percent]

	All	Democrat-Farmer-Labor	Republican	Independent	Party not indicated
1. Government spending	17,148	971	10,368	4,167	1,372
2. Cost of living	15,485	2,126	7,200	4,654	1,505
3. High taxes	14,663	1,466	8,250	3,661	1,286
4. National security	14,413	1,552	7,173	4,667	1,021
5. Civil rights	11,591	1,563	5,171	3,989	868
6. Cost of medical care	11,546	1,810	4,791	3,665	1,280
7. Communist influence in United States	11,250	892	6,637	2,561	1,160
8. Labor-management conflicts	10,869	799	6,577	2,618	875
9. Deficiencies in education	10,028	1,426	4,306	3,622	674
10. Size of national debt	9,451	479	5,879	2,345	748
11. Provision for elderly people	7,030	1,223	2,906	2,177	724
12. Surpluses of farm commodities	6,970	603	3,901	1,856	610
13. Low farm prices	3,240	675	1,293	1,015	257
14. Unemployment	2,813	748	659	1,133	273
15. School construction	1,987	384	628	830	145
16. Corruption on radio and TV	1,899	228	978	451	242

NOTE.—Above ratings arrived at by figuring 5 points for issue numbered 1, 4 points for issue numbered 2, 3 points for those numbered 3, 2 points for those numbered 4, and 1 point for those numbered 5.

THE PRESIDENT'S DEFINITION OF DEMOCRACY

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, on June 19 in Taiwan the President in bidding farewell to Chiang Kai-shek referred to "the visual progress you have made in establishing a thriving democracy." The next day in Korea the President said:

> This is a testing time of Korean integrity, perseverance in the democratic process.

Among the four essential and basic institutions of government which he listed was "an assembly truly representative of the Korean people."

In Taiwan earlier this year Chiang Kai-shek was "elected" by about 1,400 national representatives of whom 18 were Taiwanese (the rest were mainland Chinese) and all of whom were elected to office 13 years ago. There are 2 million mainland Chinese and 8 million Taiwanese on Taiwan. The assembly in Taiwan is by no means truly representative of any people and certainly not of 80 percent of Taiwan's inhabitants.

By the President's own tests there is no democracy in Taiwan. His speeches praising Chiang, criticizing the Red Communist tyranny and exhorting North Koreans to establish democracy are grossly inconsistent. The Japanese students who read them, as no doubt many did, must have noted this fact, many with dismay but some with delight.

The President's embrace of Franco last December, his inappropriate praise of Chiang and his government, and our Government's record of being overly kind to Trujillo and other Latin American dictators have made many friends abroad wonder about U.S. policy and give our enemies a basis for calling us hypocrites. The truth is that almost all Americans believe in free elections and human rights for the Taiwanese as well as for the Koreans.

COMMUNISM NOW RULES THE ISLAND OF CUBA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. RIVERS] is recognized for 60 minutes.

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker,

> Once to every man and nation comes the moment to decide;
> In the strife of truth with falsehood, for the good or evil side.

Mr. Speaker, Stephen Decatur in 1816—144 years ago—said:

> Our country. In her intercourse with foreign nations may she always be in the right; but our country, right or wrong.

Our country is right, Mr. Speaker, but have we reached the point where we are afraid to say so? Are our answers to our enemies convincing the world that we are right? Mr. Speaker, our voice in our own behalf has become ineffectual indeed. To be sure our replies to the baseless accusations of Fidel Castro are woefully inadequate.

Mr. Speaker, just before Fidel Castro was making his final push to take over the Government of Cuba, I warned the Congress, in the summer of 1958, that he was either Communist or Communist inspired or the tool of the Communists. Mr. Speaker, I was mildly prophetic, but indeed I was kind to this man. Communism now rules the island of Cuba.

Mr. Speaker, in the issue of June 20, 1960, of U.S. News & World Report appears an article under the heading, "Communists Take Over 90 Miles From the United States." Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD as exhibit A this article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The article referred to follows:

EXHIBIT A

COMMUNISTS TAKE OVER 90 MILES FROM UNITED STATES—HOW THEY DID IT—WHAT IT MEANS

Communists now have taken full control in Cuba—an island located strategically only 90 miles from the United States.

The Communist take-over—long discounted by the U.S. State Department—is beginning now to be recognized and admitted.

A dictatorship of the proletariat is firmly fixed. This dictatorship looks to Soviet Russia and to Communist China for political guidance and for support.

All opposition to the Communist dictatorship, where it rises, is suppressed. Secret police spy on the people, spreading fear. Thousands of political prisoners crowd jails.

The last of Cuba's independent newspapers have been taken over or suppressed. The Government controls all broadcasting. It now is a crime to make any statement unfavorable to communism or to the Government.

Private property, more than $300 million worth of it American owned, has been seized by the Government without tangible compensation. Large amounts of property remain to be seized.

Only one political party, the Popular Socialist—Communist—Party is permitted to exist.

VISITORS FROM MOSCOW

It is against this background that Nikita Khrushchev, Soviet dictator has agreed to visit Cuba. Anastas Mikoyan, Soviet No. 2 man already has visited the island to do business. Both the Soviet Union and Czechoslovakia are opening large Embassies in Havana. A mutual-defense treaty is being mentioned.

Cuba's rulers intend soon to recognize Communist China. They plan to ask Chou En-lai, Red China's Premier, to visit the island. Chinese Communists are increasingly active in Cuba.

The communization of Cuba, is being pushed in all fields.

The New York Times, which has been friendly to the Castro Government, reported in a dispatch from Havana dated June 6:

"The Castro regime is bending every effort to capture the minds of youth.

"The pattern of training is similar to that used by many totalitarian governments. It includes indoctrination in schools, on radio and television and in the press; military training from 7 years of age; a hate campaign, this time directed against the United States; the organization of work brigades of boys from 14 to 18, and meetings and fiestas, all with a political purpose.

"The Government feels that, once the youth of Cuba is indoctrinated with hatred toward United States, the relations between the two countries will be permanently damaged."

The Associated Press, in a dispatch from New York City dated June 7, said:

"Three exiled Cuban newspaper publishers declared today that the Fidel Castro Government is a puppet regime of the Soviet Union. * * * The three publishers, now living in the United States, all expressed agreement when asked if they considered the Castro regime a puppet of the Soviet Union."

The AP, in an article from Caracas, Venezuela, dated June 7, said:

"Enthusiastic demonstrations greeted Dorticós [Cuban President Osvaldo Dorticós] last night on his arrival at Maiquetia Airport from Lima, Peru, and in the working-class sections of Caracas."

Dorticós has been on a tour of six Latin-American nations, selling anti-Americanism to workers, students, and peasants.

HEMISPHERIC BASE

Use of Cuba as the base for Communist operations in the Western Hemisphere is beginning to be recognized by the U.S. Government as of great and growing importance to the Soviet Union.

Communists, earlier, had gained control in two countries of this hemisphere—Guatemala and British Guiana. The British Government in 1953 threw out a Communist administration in British Guiana. In 1954, a revolution in Guatemala drove out the pro-Communist regime. Communists are looking for a comeback in British Guiana once independence is given to that British outpost.

The Soviet base in Cuba is described as of vastly greater importance than earlier bases.

Here, on the doorstep of the United States, is an island country 780 miles long, offering potentials for military operations as well as for propaganda offensives directed at a whole continent.

Military possibilities, related to Communist purposes, are no longer being discounted.

The U.S. naval base at Guantánamo Bay, important to defense of the Caribbean area in time of war, is being harassed. Its removal is an objective of the Communist rulers of Cuba.

The Panama Canal already is in the line of political fire. There, too, Communists are active from their base in Cuba. Cubans staged an abortive invasion of Panama in 1959. Political means are expected to be employed from now on to try to force the United States to give up rights in this vital area.

In Cuba itself, Soviet "geologists" are making a complete survey of the island.

Important U.S. military officials believe that these "geologists" are studying possibilities for submarine and missile bases in this strategic area—up against the so-called soft underbelly of the United States. Officials are convinced that, as of the present, Soviet submarines are not being supplied from Cuba, although they are operating in Cuban waters.

In recent months, Cuba's Communist Government, already heavily armed, has invested up to $100 million more in new weapons.

INVASION STRATEGY

Haiti, only 45 miles away, lives in constant fear of invasion. The Government of Guatemala charges that the Cuban Government is training forces that will try to put Communists back in power in that country. Reliable sources report that Cuba is training troops in the Sierra Maestra for a landing in the Dominican Republic.

The plan is said to be this: Before the end of 1960, an internal uprising or military coup will be staged against Generalissimo Rafael Trujillo. When this happens, Castro will announce that the help of Cuba has been asked, and will move in on the Dominican Republic to establish a Communist government.

Cuba alone, U.S. officials realize, is not the final objective of the Kremlin.

It is through Cuba that the Soviet Union expects to create trouble and to outflank the United States in the Western Hemisphere. Soviet Russia, highly sensitive to U.S. bases on its own periphery, is greatly interested in finding a way to show the United States what it feels like to have a potentially hostile military base next door.

THE FINANCIERS

How much money the Soviet Union and Communist China are prepared to invest in their Cuban satellite remains a question.

To date, Russia has accomplished her objectives at no cost. Instead, the Soviet Union has saved some money by purchasing a substantial amount of Cuban sugar at below the world price. Russia then sold this sugar to her people at a profit.

Castro's Communist Government is paying the Soviet Union and Red China a high price for the technicians, "geologists," and others who are moving in to remake Cuba into a socialist state.

Means to finance the communization of Cuba actually are being provided on a large scale by the United States.

U.S. consumers in 1960 will contribute $128 million to Cuba as a subsidized price for sugar. That total may rise to $140 million through diversion of unfilled portions of sugar quotas to Cuba. In addition, American companies have contributed goods and services amounting to between $100 and $150 million for which they have not been paid.

In 1 year, official observers point out, the United States is putting up about a quarter of a billion dollars to finance a regime that is openly hostile.

On top of that, the Communists in Cuba have confiscated more than 300 million dollars' worth of American property. An additional 500 million dollars' worth of American property is in danger of being taken over. The fiction of payment is created by offering some Americans "bonds" of the National Institute of Agrarian Reform in amounts far less than the real value of the properties. Bankers describe these bonds as having little value.

Communist are pictured in Havana as enjoying the spectacle of the United States financing a Communist revolution—while under violent attack by the Communist rulers it is helping.

The U.S. Congress has balked at a recommendation from President Eisenhower that he be given authority to reduce the subsidy to Cuba.

Resources from the United States are helping a Government that is actively engaged in promoting the success of Communist movements throughout Latin America.

AGITATION TARGETS

In the field of agitation and subversion, Cuban agents are highly active. Labor unions, student groups, journalists, professors, landless peasants, and nationalist movements of all kinds are primary objectives of Communist penetration from Havana.

In Venezuela, Cuba's leaders are striving to gain hold of the powerful Oil Workers Union. Labor unions of Cuba have been taken over by the Government. Their leadership is in Communist hands. The Reds have had some success in breaking the influence of more-conservative labor organizations in a number of South American countries. Chile, in the same way as Venezuela, is a major target for Communist penetration of unions.

All through Latin America, Cuban Embassies are centers of Communist activity. American officials describe these Embassies as areas of infection from which Communist doctrine and activity are spread.

In private conversations, officials show growing concern. One pointed out that Chile's big Communist Party is now 100 percent for Castro. Said the defense chief of another Latin-American country: "Castro is sending agents all over South America. He is backed, and presumably financed, by Russia. He's being taken as a serious threat."

The Federation of University Students of the University of Havana is active among student groups in many Latin-American countries. Students, in turn, are leaders in the attacks upon the United States and in supporting Communist causes. Financing of this activity that had come almost entirely from the Soviet Union now is supplemented by support from Cuba.

In the field of propaganda, Cuba's activity is even more intense.

Attacks upon United States and glowing accounts of the socialization of Cuba are beamed by powerful radio stations out of Havana to listeners throughout South and Central America. These stations are Government operated. Their No. 1 product is anti-American propaganda.

A Cuban news service, Prensa Latina—staffed largely by Communists—is furnished free to newspapers of Latin America. This is a full-fledged press service—costly to produce and transmit. Part of the bill is picked up by the Castro government in Cuba and, it is understood, part by Moscow.

Cuban officials are constantly on the move in the hemisphere. Their attention is directed not at the governments of Latin-American countries increasingly hostile to the Cuban revolution, but to disgruntled groups within nations where political stability is rare.

THE "LAND REFORM"

Socialization of Cuba itself is proceeding at a rapid rate.

Basically, Cuba is an agricultural country. Its socialization is being carried out under INRA—the National Institute of Agrarian Reform. INRA has become a superstate. It holds more than 4 million acres of land—about half of it taken from American owners and the other half from Cubans. It holds feed mills, packing plants, the entire fishing industry, many factories, about 600,000 head of cattle. INRA has seized or established more than 2,000 rural stores, now called stores of the people.

Plans call for INRA to take over all privately owned sugar mills, including American ones. The agency already holds about a fourth of the country's mills. INRA's plans also call for creation of a Government-owned iron and steel complex, with plants to be supplied by the Soviet Union.

At first the talk was of "land reform." Peasants were to be given the land of big landowners—many from the United States. This idea drew widespread support from commentators in the United States.

Actually, INRA is creating giant cooperative farms—along Soviet lines. Instead of owning land, most peasants are ending up as wage earners, in the same or a less desirable state than before the theft of what had been privately owned land.

INRA's executive director, Antonio Nuñez Jiménez, on a recent trip to Moscow, arranged for Soviet experts in larger numbers to carry forward his program, now in a disorganized state.

Under socialism, as brought to Cuba by Castro and his Communist aids, the people are not faring too well. The loyalty of the peasants and of many workers, however, is being held by promises of many good things to come.

Pay of workers, in fact, has been reduced by "voluntary" contributions to revolutionary activity. Inflation is beginning now to eat into standards of living as wages are controlled and prices move higher. Goods of many kinds are beginning to run short. Replacement of these goods is more difficult as American suppliers begin to balk at making gifts of their products.

In the middle class and among some groups of wage earners, including construction workers, there is growing dissatisfaction and alarm. Here, methods taught by the Soviet Union are applied to keep people in line.

BRIMMING JAILS

Spies and informers are on every side. Waiters in cafes and bars, barbers, beauty-shop operators, store clerks, taxi drivers, bellhops, and servants report any criticism of the regime to intelligence agents. Children in the juvenile patrols—which the Government organized to replace Boy and Girl Scouts—are instructed to inform on their parents and neighbors.

Arrest swiftly follows these denunciations. Cuban prisons are jammed with political prisoners. The largest prison, on the Isle of Pines, holds about 5,000, with 2 prisoners in cells intended for 1. Food is bad, sanitary facilities worse. Reading is prohibited. Common criminals are given better treatment than political prisoners.

Communist techniques are applied in all fields to try to socialize Cuba.

There are growing doubts whether a Communist Cuba can be made to work. These doubts would increase further, some officials believe, if the United States should decide not to subsidize the venture into communism taking place next door. It now is doubted that American businessmen will continue to supply goods to Cuba without certainty of payment.

The question being raised is whether Soviet Russia, guiding Cuba to communism, will come forward with the volume of aid that would be required to prevent an outbreak of violence among the people. American officials say that the Soviet Union never has been noted for making outright grants-of-aid on a large scale.

Russia obviously is playing for bigger stakes than Cuba. Through a communized Cuba, the Soviet rulers are described as aiming to penetrate and to get a firm foothold in the larger nations of South America. Once they are in the Americas on a firm footing, trouble confronting the United States could be immense.

Mr. RIVERS of South Carolina. Mr. Speaker, 90 miles from the United States, the most deadly form of government is daily, methodically, and successfully being set up. Its principal aim is the infiltration and takeover of all the countries of Latin America. Mr. Speaker, this must not come to pass. Time is running against us—tomorrow is too late—for this country to act affirmatively, forthrightly, and positively.

We must use every sanction at our command to stop this evil man. This cancer must be removed—even if it means radical surgery.

We must reappraise our sugar commitments with Communist Cuba.

We must restate the Monroe Doctrine.

We must stop Castro in Cuba—now—already it may be too late.

Castro is a manifestation of the disease of communism; we must wipe out the disease and eliminate the cause.

Already the advance guards of Russia and Communist China are implementing every walk of life in Cuba with the latest edition of communism.

America's survival must not be determined by what the United Nations thinks, or what Russia thinks, or what the world thinks. We should deliver an ultimatum to Communist Castro that we expect an immediate guarantee that the property and lives of American citizens must be protected and guaranteed. Failing in this, we should, under international law, be prepared to occupy this island to protect these vital rights. This is well-known international law. We must be prepared to occupy this island. Humanity itself beckons to us to save the countless thousands of Cubans who pray for Americans to again revisit Cuba in the crusade for freedom.

Further Communist imperialism, regardless of any name by which it may be called, must not be permitted to spread in Latin America. This cancerous and insidious disease must be checked regardless of the consequences.

You know, and I know, that the State Department has handled the Cuban situation naively and with a juvenile comprehension. Our State Department is a neophyte in world diplomacy.

The American people are not being properly advised by the State Department concerning the threat which Cuba poses to this country—simply because that Department does not grasp its significance.

Have we forgotten that but for the grace of the United States, Cuba would not have become an independent nation? Let us remind them—in a way that even Castro will understand.

With the exception of reappraising our sugar quota, all our Government has done is to make ineffectual protests on the tirades of Castro and his Communist butchers. We have stood by humbly, contritely, passively, and shamefully, while American property has been expropriated; while personal vilification has been heaped upon the President and his lovely wife; and American citizens have been humiliated by every indignity known to man. For America to take this treatment and to continue to endure these contemptible assaults and unimaginable lies poured out daily by Castro and his band of brigands is one of the classic and most amazing enigmas to happen in our lifetime. We are being spat upon—laughed at—vilified—and yet we are asked to stand idly by and accept this humiliation. The American Eagle is becoming a sparrow in the eyes of those who have looked to us for leadership—a leadership based upon might—and more important, courage.

Can anybody in his right mind—regardless of his naivete—picture such a condition 90 miles away from Russia?

Do you remember Hungary?

If the shoe was on the other foot, old Khrushchev would take this island over so fast it would make your head swim.

Mr. Speaker, there are countless nations in Latin America who are praying that we will stop Castro. I don't care what the course to be followed requires, it must be done. Everybody in America—that is everybody who is interested in America—wonders when Uncle Sam will brush from his brow this Castro gnat of irritation, who has become a pestiferous nuisance to the dignity and long-suffering American patience.

Events rapidly followed my warning to the House in 1958; the kidnaping by the Castro group of U.S. marines and civilians; the hijacking of civilian planes in which innocent American and Cuban passengers were drowned in Cuban waters; the blackmailing of American and Cuban enterprises, and threats to burn their properties if they refused to send contributions to the Castro guerrillas; the indiscriminate terrorizing of the Cuban countryside by Castro's guerrillas trained by foreign leftist military officers; the destruction of Cuban private and public property, the bombing and destruction of locomotives, trains, trucks, buses,

bridges, drains and highways, buildings, arsenals and powerplants, and oil tanks; sabotage in the collection of revenue of the municipal, provincial, and central governments; the indiscriminate shooting of former officers and soldiers of the old Cuban Army, Air Force, Navy, and police, who died unflinchingly before bandit firing squads, sometimes the victims themselves giving the orders for their own executions to shaking Castro men.

These violent and cruel actions on the part of Castro and his followers shocked American and world opinion. The persecution and the imprisonment of Cuban and American civilians and former members of the military forces of Cuba; the dismissal of the ablest members of the Cuban diplomatic corps, who were singled out for dismissal by their stanch friendliness toward Americans; the suppression of those who voice any criticism of the Castro tyranny; the censorship of the press and the confiscation of the property of American, Cuban, Spanish, Italian, and French subjects; the dismissal of judges and personnel of the judiciary and the toppling of the Cuban judicial system based on the Code Napoleon and old Spanish jurisprudence; the failure to hold free elections; the destruction of the workings of constitutional government; the tampering with the Cuban system of education; the indoctrination of youth spurred to follow an anti-American, hate-Yankee campaign; the use of members of the new Cuban diplomatic and consular corps for the dissemination of anti-American propaganda; the utilization of secret agents, some masked as attachés of the Cuban consulates who harass Cuban exiles and who shadow Americans residing in Cuba, and American newspaper correspondents; the propaganda of the Castro-controlled press, radio, and television chains vilifying and defaming the character of the U.S. Government and Cuban refugees; the setting up of espionage rings and fund collection agencies for the support of the Castro regime in the United States; the monopolization of private and public resources to enslave the Cuban people in a system of communistic exploitation; the arrest of American, British and Cuban newspapermen and of attachés of the U.S. Embassy in Havana; the threatening of officers of the U.S. Department of Justice in Havana and newspapermen, who are unable to report completely the story of the Castro despotism; the fallacies spread over radio, press, and television, especially those broadcast to inflame the Cuban, Latin American and Spanish masses, recommending, for example, that they not eat American-cured hams because they were made with the legs of Central American Indians killed by Americans, or not to buy any medicinal preparations for anemia because they were processed with the livers of the same Indians; insinuations of the lowest character that the President of the United States, called by Castro's radio stations Caesar Augustus Eisenhower the First, that our President lacked manhood and determination, and indecent insinuations as to the causes of the sickness of his wife, the First Lady of the land; this morning's radio reported Castro as continuing to follow the Communist line of Khrushchev in reflecting on the leadership of our President and our Government; like Khrushchev, Castro this very day told the world that he will be glad when Eisenhower is out of office; this goes on day in and day out; I ask you for what reason is our country lambasted and vilified continuously? What on earth lies behind such fantastic accusations? Castro's instructions to officers of the Cuban diplomatic and consular corps to abstain from legalizing any papers whatsoever needed by former Cuban Government officials, its friends or collaborators, or those classified by Castro's caprice as "war criminals," "counterrevolutionists," or friends of those officials, or who had traded and sold goods to the Batista government—this would naturally include almost the whole of Cuba's population—the instructions of those diplomatic and consular officers to shadow those outcasts of the Castro's tyranny and report their movements, with the prohibition not to issue any passport to them, so that they would have to spend their meager resources in high standard countries and be forced to starve or commit suicide; the withholding of $100 million due American firms and mills for merchandise shipped to Cuban importers and for which payments or reimbursements the Argentine-born Communist anti-American "Che" Guevara, czar of the Banco Nacional de Cuba—Cuba's equivalent to our Federal Reserve Bank—refuses to release, using a similar sum of American dollars to purchase arms and ammunition; the sabotaging of U.S. trade with Cuba by the restrictions imposed by Czar Guevara and by the manipulation of such restrictions of foreign exchange in order to freeze out a normal current of trade, thus producing a shortage of needed goods for the Cuban population, such as medicines and foodstuffs; the broadcast by Castro of the position, latitude and longitude, of units of our fleet, thus divulging to the world the position of our ships, and thus acting as Communist spy No. 1 in the Caribbean; and finally, the deliberate attack upon a ship of our Navy by his own admission. For all these, I indict Fidel Castro and his revolution.

Our relations with our Canadian neighbors to the north and our Mexican neighbors to the south are ideal. One hardly knows that there is a border when he travels to the north or to the south because of such cordiality. American enterprise and investments have flourished in Canada and in Mexico and are continuing to flourish. Americans by the thousands visit both of these countries where they are received with extraordinary courtesy and hospitality. Until Castro came along the same was true in Cuba. Were it not for America, Cuba would never have tasted a prosperity, development and know-how which at one time made her the envy of the islands of the Antilles. With the coming of Castro, the black cloud of communism has cloaked this wonderful island with despair, secrecy and hatred for the United States. Cuba has been seized by a malignant disease and that disease is communism in the person of the Castro brothers who are infected with the deadly venom of communism. This disease must be eradicated lest it spread to every country in Latin America and ultimately destroy the greatest nation civilization has ever known.

I specifically warned, in the plainest language, that eventually the Castro outfit might degenerate into a misgovernment bent on the destruction of the strong bonds of friendship, and common interests that had bound the American and Cuban peoples; I warned that it might lead to the resurgence of improvisers of Cuban foreign policy who might allow themselves to be dominated by the economic, social, and strategic aims of the Soviet Universal Empire in the Western Hemisphere; and that in order to destroy those bonds of friendship which had always existed between Cuba and the United States, those whom former U.S. Ambassador Gardner to Cuba had called gangsters, would resort to a campaign of misrepresentation, friction and rabid vituperation. This has all come to pass—you only have to tune in Castro's pet radio station, Radio Mambi, to flood your ears with abuse heaped upon the President of the United States, the President's wife, the Secretary of State, the U.S. Ambassador to Havana, the late Secretary of State, Mr. John Foster Dulles—Castro does not even respect the dead—and our Chief of Naval Operations, Adm. Arleigh A. Burke.

Two years ago the editorial remarks and articles of Castro's sponsors—the New York Times, the so-called liberals who dot the intelligentsia, the faculties and student bodies of our colleges and universities, the Waldo Franks and journalists bent on sensationalism and propaganda—had evidently carried more weight on those who made our foreign policy in regard to Cuba than the efforts of myself and of many others to point out the danger, to recognize its effects for the future, and to take measures of prevention in order to prevent a seizure of power that might lead to an acute, serious danger to our vital strategic position in the Caribbean—our mare nostrum—the guardian of the approaches to our gulf and South Atlantic maritime frontier.

Today, what is the picture? As the following article by the Bookworm, appearing in the issue of Thursday, June 16, 1960, of one of the best newspapers of the country, the News and Courier, of Charleston, S.C., has so ably expressed, Castro and his group of Communist tools are directing a campaign of racial agitation against the United States to produce friction between the white and colored people; they are mailing propaganda which is distributed by officers of the diplomatic and consular corps of the Castro tyranny in order to influence American public opinion.

I ask unanimous consent, Mr. Speaker, that this be included in my remarks at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

CASTRO AIMS A DAGGER AT THE UNITED STATES

(By the Bookworm)

DEAR BOSS: Things—dangerous things—are popping too often for me to concentrate any longer solely on a novel of the "Age of Augustus." We face the most deadly danger since 1812, when enemy troops not only invaded the United States but burned its chief residence, the White House. That is why the White House is white—painted over to hide the smokestains.

Months ago, when most of our enlightened and liberal (sic) press was beating the drums for Raul and Fidel Castro, I smelled something straight out of the second century, B.C. The revolt of the Roman plebs, under the leadership of Tiberius and Gaius Graccus, with land reforms, great estates broken up, storm over the republic, chaos, assassination.

Now, here were two more brothers, dedicated to the people (or are they?) tearing up Cuba and seizing things generally.

And when I told some friends what was happening, they not only laughed in my silly face (they'd known Cuba, worked there, knew all about the place) but they sent the N. & C.'s telling column on possible Commie infiltration to some of their Cuban friends who replied indignantly that no Commies were involved and that anything was better than Batista.

Now these same wealthy Cubans have lost most of what they possessed and are unable to decamp with the remainder. The Nasser of the Caribbean (which I was calling him did) was taking over for a foreign power even before the U.S. News & World Report while we dozed in Washington and snored in New York.

Some weeks ago, a column by Drew Pearson was slashed across the front page of the Orlando (Fla.) Sentinel, like a banner with a device no longer strange. I have only my memory to go on, but here, roughly, is the report of Mr. Pearson's intelligence department.

First, he said that military and naval higher-ups weren't talking but were concerned over a new sub base on a mosquito-infested island called, if I remember rightly, Kayo Largo. Big tanks with linings suitable to receive diesel oil, were being sunk in the sand, exactly in the pattern of Soviet submarine bases across half the world. Castro said he was planning to turn this desolate spot into a vacation paradise and that the tanks were to receive water.

Does anybody in Washington really believe this, or are they snoring where, before, they merely catnapped? And are they going to wait until full-fledged mutual assistance pacts are signed between the Castro government and the Governments of the U.S.S.R. and Red China, not to mention their satellites?

Remember how World War II began when Germany invaded Poland? France and England had such pacts with the Polish Government, and this brought them into the war. It always happens that way, these days. We go down in defeat, or reasonable facsimile, defending somebody else.

The pattern for the invasion, by fear tactics or actual armed might, now becomes clear—and its first target is the South.

We know that Soviet subs have come close inshore, as far as they dared, to observe operations at the Cape Canaveral missile testing center.

Everybody in that area knows how the gigantic Saturn missile, too big to be transported by land, is coming to Canaveral sometime in the future, to be tried out and improved; is to arrive in that area by water, and this route around the tip of Florida will take it dangerously near the keys, Miami and, indeed, Cuba. Soviet subs, lurking in those waters, could arrange an "accident" whereby the Saturn never arrives.

All this sound cloak and dagger? So do the brothers Castro. And they sound scarcely contemporary, since they would have fitted neatly into the time of Wat Tyler's rebellion. (See any English history of the year 1381.)

Russian submarines, based only 90 miles from the United States, could pulverize the Canaveral testing operations and the neighboring Patrick Air Force base in a single stroke. And the escape of thousands of workers, highly skilled scientists and technicians, to the mainland would be cut off if just two bridges of the nearby causeway system to Cocoa and Melbourne were destroyed. Lovely prospect, isn't it?

Passports for travelers to and from Cuba are not, at present, required. Which makes it pie-easy for Cuban "refugees" to infiltrate the teeming Cuban populations at Miami, Key West, Tampa, and other Florida cities. So we have a full-fledged fifth column waiting—just waiting. And that fifth column can fly also from New York and elsewhere, as "tourists" to bring money and aid to Cuban subversives.

Missiles are no respecters of populations. Submarines prowling the "free" waters of the Caribbean (soon to become, I fear, a Russian lake) could lob missiles into the comparatively nearby points of Miami; Jacksonville, now one of this country's mightiest ports; Tampa, ditto; Mobile, New Orleans, Savannah, and our own Charleston. Inland, the missiles could seek out the missile base at Huntsville, Ala.; the world's largest infantry school, Fort Benning, near Columbus, Ga.; the extensive mining operations at Birmingham; the communications center, Atlanta—and how many more. Then the mopping-up operations could begin.

This is a dagger aimed at our backs. The South should spark the movement to remove it, pronto senoras y senores, muy, muy pronto.

Mr. RIVERS of South Carolina. Mr. Speaker, I am informed by sources of unimpeachable veracity that the Castro regime is spending millions of dollars to turn and sway American public opinion toward a policy of appeasement and subordination. Castro's gang hope to compel our Department of State to tolerate the misdeeds of the "beardniks" and thus provide a breathing spell for them to consolidate the complete subordination of the Cuban masses into the Soviet Empire.

Again, I warn the Congress that if Castro and his group succeed in these malignant objectives, those in the position of direction in the conduct of our foreign policy would be committing suicide in allowing any unfriendly regime in Cuba to dictate to us a policy designed to threaten our security, our international program, and our defense policy in the American Hemisphere. I again warn the Congress that the establishment of military bases of the Soviet universal empire 90 miles away from our shoreline would constitute not only a threat to the Cape Canaveral missile center but could even impede the transportation of the gigantic Saturn missile, which would have to come to Canaveral by water, through the Straits of Florida between Cuba and Key West. In order to prevent the bombing of Miami and other American cities, as Castro's puppet President Dorticos had the effrontery to imply in one of his anti-American speeches, the United States faces the urgent need to reappraise and to change its whole policy in regard to relations with the Castro regime.

Not only for the sake of the Cuban people; not only for the sake of protecting and saving the confiscated property of American investors in Cuba; not only for the sake of our security; but also because our very survival is threatened by this little pipsqueak—it is paramount that urgent, immediate action be taken to safeguard our welfare. Unless we act now, we may be placed in a position of inferiority when the effect of Soviet scheming brings the problem to a head. And that problem—I again warn the Congress—is no longer just a Cuban problem. It is a real, defined, definite U.S. problem—a hemispheric problem.

Those who are trying to cover their mistakes imply that their inability to formulate action is due to fear of Latin American rejection. The truth is that every Latin American government, except Castro's, is fearful that he and his group may succeed in undermining the foundation of their own leadership and topple their governments into anarchy and chaos. The confiscation and disregard for property rights espoused by Castro hurts the chances for Spanish-American governments to obtain economic help and American investments.

Who would invest a penny in any enterprise, in any country, if he thought that his savings would be robbed? As a result of the Castro problem the Soviet Universal Empire is harassing us and all the countries of Latin America. After 137 years, Russia, in this year of our Lord 1960, is finally nearing her goal of establishing a beachhead in the Southern Hemisphere.

With the long background of historic friendly relations with Cuba, will the American people endanger their own security to the bearded pipsqueak of the Antilles—the Communist Fidel Castro? Will we allow the great majority of the Cuban people to suffer the tyranny of Castro or will we defy his challenge and fight for our security and for the security of our hemisphere?

Will we renounce the Monroe Doctrine? Will we forget our obligations to the other Americas? Do we want the Soviet Universal Empire so thoroughly entrenched in Cuba? Will we forget our obligations toward the Cuban people whom we helped to liberate? Will we surrender our interests as well as our self-respect?

Cuba is no foreign land to us. She is as important to us as any of our own States; she forms part of our hegemony. God, through His divine workings, created our geographical proximity. Will we lose, by inaction, what generations of Cubans and Americans gained by sacrifice, including their lives and fortunes? Will we let Cuba lose her freedom?

These are facts that no bearded imperialist handmaiden in Cuba nor their sponsors in the United States can efface. Cuba and the United States must march together, forever, through the course of history, enjoying the full benefits of their association and sharing the setbacks and asperities of life. I am afraid we are so busy trying to save the world in Europe, Asia, Africa, and elsewhere that we are forgetting about our own hemisphere.

After deep meditation and full consideration of all the implications and of the responsibility I incur, I must obey the dictates of my conscience. I call upon the President of the United States of America to take bold action against the Castro tyranny. This bloody gang of cutthroats dares to insult, threaten, attack, and misrepresent us to the world. It dares to challenge the power that was instrumental in securing freedom for the country it now despoils. We must use force to the uttermost to curb this despot that enslaves his own people with the edge of the sword, the whip of the jailer, the knife of the butcher, and the tongue of the viper.

It is time we demonstrated to the world our willingness to meet this challenge—regardless of its implications.

Will we succumb to the torture of slow strangulation because of the fear of world catastrophe? I hope not. World opinion will support us if we move with force—even though the risk, in the eyes of some, may be grave.

Mr. Speaker, I am an American—and as God is my judge—I want my country to act. I am proud of being an American—and I no longer want to bear the shame of inaction while the foulmouthed Castro castrates American virility.

Mr. Speaker, I include a number of newspaper articles bearing on this subject. They are as follows:

[From the New York Times, June 25, 1960]

RED CUBAN DATA SEIZED IN PANAMA—SECRET POLICE ASSERT PACKET FLOWN TO ENVOY CONTAINED COMMUNIST PROPAGANDA

PANAMA, June 24.—The secret police have seized a shipment of 18 packages airfreighted from Havana for the Cuban Embassy here and say that one they opened contained Communist propaganda.

Authorization is being sought from the Government for the police to open the 17 other packages.

The Cuban Ambassador, José M. Cabrera Vila, today denied allegations of the secret police that the packet seized at Tocumen Airport Wednesday and opened contained Soviet magazines, Marxist literature from the Soviet Embassy in Havana and promotional material for the forthcoming Latin-American youth conference in Havana, a projected gathering generally considered to be leftist in outlook.

Senor Cabrera called on Foreign Minister Miguel J. Moreno, Jr., today in connection with the seizure of the packet but presented no formal protest.

A spokesman for the Foreign Ministry said Senor Moreno had told the Ambassador that no diplomatic privileges were violated when Panamanian customs men opened the packet addressed to the Ambassador.

ENVOY DESCRIBES CONTENTS

The Foreign Minister informed Senor Cabrera that diplomatic immunity did not apply because the package contained printed propaganda material instead of diplomatic correspondence.

The shipment was dropped off in Panama by a C-46 freighter of the Cuban Aeropostal line, which was detained here briefly before being cleared for promotion in South America, with the remainder of the load.

Senor Cabrera said he had not had sufficient notice of the plane's arrival to request diplomatic entry in advance for the packages.

Senor Cabrera also contended that the packet opened by the secret police contained merely literature on the Cuban revolution, including the newspaper Revolucion and INRA, the magazine of Premier Fidel Castro's land reform agency. Both publications enter Panama regularly through commercial channels.

However, various alleged reproductions of the impounded Soviet propaganda appeared in the Spanish-language press and on television. Among them were copies of the magazine U.S.S.R. and the book "The Soviet Union—Capital of Peace."

The Cuban Ambassador branded these reproductions as fakes, as did a spokesman for the Panamanian Committee for the Defense of the Cuban Revolution and allied groups here.

The spokesman also charged that behind the package incident lay intervention by the United States in Panama's international relations. Sources close to the U.S. Embassy said they knew of no involvement by the United States in the propaganda seizure.

The pro-Castro group further charged the United States with trying to turn Panama into a tool to isolate the Cuban revolution. It declared that such action was led by the same elements "that deny us our rights in the Canal Zone."

OTHER STOPS FOR PLANE

WASHINGTON, June 24.—It was reported here today that the plane that delivered the Cuban packages to Panama had been scheduled to make stops also at Guayquil, Ecuador, and at Antafogosta and Santiago in Chile.

The customs agents, it was reported, found other cases of Communist literature on board consigned to Cuban diplomatic missions in Ecuador and Chile.

Officials here had no detailed information on the pamphlets in the cases beyond the fact that they were said to have a picture of Lenin on the cover and the initials of the Union of Soviet Socialist Republics.

Meanwhile George V. Allen, Director of the U.S. Information Agency, gave the House Foreign Affairs Committee here today an account of Cuba's anti-U.S. propaganda campaign in Latin America.

Mr. Allen said it was reasonable to assume that this campaign was "an integral part of the international Communist conspiracy which aims to convince the rest of Latin America that the United States stands in the way of the area's economic, political, and social progress."

[From the Washington Post, June 18, 1960]

VENEZUELA WARNS CUBA ON OIL THREAT

CARACAS, June 17.—Venezuela threatened today to put Cuba on an oil blacklist if the Fidel Castro regime forces foreign oil companies in Cuba to refine Soviet crude at Venezuela's expense.

Mines Minister Alfonso Perez said Cuba cannot expect ever again to receive preferred treatment if it cuts Venezuelan imports as threatened.

Venezuela ships an average 70,000 barrels a day to Cuba, but this would be cut by 25 percent under Castro plans to make foreign oil companies in Cuba refine 18,000 barrels a day of Soviet oil on a priority basis.

Perez said Cuban imports represent 3.19 percent of the Venezuelan export market. He said Venezeula would not make any direct representations to Cuba on the subject because this would constitute an intervention in that nation's internal affairs.

But he said a worldwide oil shortage is imminent and he warned that Cuba cannot expect Venezuela to sacrifice permanent clients if Cuba in the future should wish to resume its full quota of Venezuelan exports.

He did not comment on the reported Cuban threat to deny foreign oil companies the dollar exchange needed to buy the Venezuelan product if they did not accede to the government "request" that they refine Soviet crude.

"Any decrease in Cuban oil imports from Venezuela involves changes that cannot later be altered," he warned.

The Caracas press emphasized the seriousness of the Minister's warning. La Esfera called it a "Venezuelan ultimatum to Havana." El Universal said bluntly: "Venezuela's position should be that if the Cuban Government confiscates (foreign) refineries which process our crude, we should refuse to sell her when she needs it."

Ultimas Noticias said: "The Cuban Government's determination to give preference to Russian crude oil is being widely commented in tones adverse to the Castro regime."

[From the New York Times]

CASTRO SAYS U.S. HOLDINGS FACE SEIZURE IF SUGAR IS CUT—PREMIER THREATENS RETALIATION AGAINST ANY QUOTA REDUCTION BY CONGRESS—CALLS IT "ECONOMIC AGGRESSION"

HAVANA, June 23.—Premier Fidel Castro threatened today to meet "economic aggression" by the United States with the seizure of all American-owned property and business interests in Cuba.

The Premier did not explain whether the property would be nationalized, expropriated or confiscated.

The Government earlier denounced moves in Washington yesterday pointing toward a cut in the Cuban quota in the U.S. sugar market. Secretary of State Christian A. Herter said at a congressional hearing that the administration would accept a proposal to give the President standby authority to reduce the quota if the national interest warranted it.

Among the American-owned companies operating in Cuba, Dr. Castro named the Cuban Telephone Co., the Cuban Electric Co., banks, sugar mills, mines, including the $100 million U.S. Government-owned Nicaro nickel plant, oil companies, and concessions and commercial establishments.

The revolutionary leader's threat was made in a speech to a union of members of the Directorate of the Thirties, which headed the uprising against former President Gerardo Machado in 1933. Among those present was former President Carlos Prio Socarras.

Premier Castro spoke bitterly of the U.S. power to reduce the Cuban sugar quota. This is another economic aggression from the United States to add to a long list, he said.

"The Cuban revolution has been generous and has permitted all American-owned companies to operate," he said. "They are still here today, but in the future they may not be here," he added.

The U.S. Congress has the right to approve any laws it wishes in the territory under its jurisdiction, "but we have the right to approve laws which will apply in our territory also," the Premier said.

"They forget how many hundreds of millions of dollars that North Americans have invested here in Cuba," he said.

The Premier warned the Cuban people that the coming months and years would be extremely hard and a test of their devotion to the revolution. However, he declared, "all aggression, whether economic or military," will fall and the Cuban revolution will never be stopped.

"No true revolution has ever failed because it has its roots in humanity," he said.

MINISTER IN WARNING

Earlier, Dr. Raul Cepero Bonilla, Minister of Commerce, said any quota reduction would be applied to the production of the American-owned mills.

Cuba would retaliate with "specific restrictions" against commerce with the United States, with the establishment of new industries, with crop diversification, and with the opening of new international markets, he added.

It is pointed out here that Cuba already has almost paralyzed imports from the United States by currency restrictions and other measures. Since the greater part of Cuba's imports, including the bulk of her food, have traditionally come from the United States, this policy has produced steadily increasing shortages.

American-owned sugar mills, which now number 36, as compared with 121 Cuban-owned mills, produced 36.74 percent of the island's sugar in 1959.

The Minister of Commerce disputed a statement yesterday by Secretary of State Christian A. Herter that the sugar outlook in Cuba was uncertain. Cuba has 1,100,000 tons of sugar on hand and can increase production at any time to supply the United States with more than the present quota, Dr. Cepero said.

He said that Cuba produced 5,700,000 long tons of sugar this year but that there was sufficient cane left in the fields to have produced 6,400,000 tons.

The United States wishes to continue its "economic control" over Cuba, according to the Minister. He said that the relations between Cuba and her biggest customer and supplier had always been detrimental to Cuba.

Dr. Cepero charged that the sugar law proposed in the United States violated the Charter of the Organization of American States. "The Eagle is showing its claws," he said.

The proposal would enable the President to cut Cuba's quota in the U.S. market if the national interest warranted it.

The Government press and radio attacked the United States last night and today for "new economic aggression." José Pardo Llada, radio commentator considered a voice of the Government, declared that the "insolent" Americans would learn that the Cuban revolutionary government was "not alone" since the whole of Latin America was shouting, "Cuba yes, Yankees no."

* * * * *

Secretary of State Herter told a House Agriculture Committee Wednesday that this was "an appropriate time" for the United States to "reduce the dependence of its consumers on Cuban sugar."

Under the Sugar Act of 1948, which has been twice extended for 4-year periods and is scheduled to expire December 31, Cuba's 1960 quota totals 3,119,655 tons. The administration has sought a 4-year extension with authority for the President to reduce quotas either in the national interest or to insure a stable supply.

The Sugar Act establishes quotas for both U.S. producers of beet and cane sugar, and for producers abroad. This protects domestic growers from low-cost foreign competition without employing a high tariff.

[From the Washington Evening Star, June 24, 1960]

CASTRO WILL RETALIATE IF SUGAR QUOTA IS CUT

HAVANA, June 24.—Fidel Castro has threatened to confiscate all U.S. business interests in Cuba if the United States cuts the quota of Cuban sugar on which it pays the island nation a bonus of $150 million a year.

The Cuban Prime Minister termed a proposal before Congress to give the U.S. President standby authority to cut the quota economic aggression and a knife thrust in the chest. His 100-minute speech last night was broadcast over a nationwide radio hookup.

"We will not remain impassive," he said. "We will know how to meet economic aggression."

BILLION IN INVESTMENTS

Speaking of the huge U.S. business interests in Cuba, Mr. Castro said: "In the same manner that they are there now, it may be in the future that they are not there."

American investments in Cuba before Mr. Castro came to power totaled about a billion dollars, but the revolutionary regime has taken over about a third of this, chiefly sugar and cattle lands. Properties still in American hands include the $300 million Cuban Electric Co., the $115 million Cuban Telephone Co., banks, sugar mills, mines, oil refineries and various commercial enterprises.

Most businesses still in American hands have been curtailed by the Castro regime. American imports of half a billion dollars a year have been cut in half. The electric company's rates have been cut a third.

The government has refused to release more than $50 million in foreign exchange to pay United States and British oil companies for Venezuelan oil they imported, refined, and sold to the Cubans. Cuban interventors have been put in other American businesses with authority to overrule the American managers at any time. Americans, particularly those working for sugar or cattle companies, have been arrested arbitrarily and harassed repeatedly.

The United States is still buying about 3½ million tons of sugar a year from Cuba, more than half the Cuban crop, and to protect U.S. producers is paying a premium of about 2 cents above the world market price. Much of the rest of the Cuban crop is sold at a world price of about 3 cents a pound, or a cent less than the cost of production.

REDUCTION SOUGHT

Since Mr. Castro's increasing restrictions on American investors in Cuba, sentiment has been increasing in the U.S. Congress for a cut in the sugar quota allotted Cuba and an increase in purchases from other producers whose governments are more friendly to the United States.

The Eisenhower government for many months resisted the congressional pressure. But Secretary of State Herter told a congressional committee Wednesday the time has come to "reduce the dependence of [U.S.] consumers on Cuban sugar." He said the administration would accept the proposal to give the President power to cut the quota.

[From the Washington Post, June 25, 1960]

BAR CUBA BASE TO REDS, OAS URGED

(By Fred S. Hoffman)

Members of Congress yesterday urged that the Organization of American States act to prevent the Russians and Chinese from using Cuba as a beachhead for Communist penetration of the Western Hemisphere.

At the same time, U.S. Information Agency Chief George V. Allen told a House group the Soviets may be angling for military bases in this hemisphere.

Senator KENNETH B. KEATING, Republican of New York, declared that Communist activity in Cuba poses the boldest challenge to hemisphere freedom that "we have known in 60 years."

Other Senators applauded KEATING'S speech, and Senator GEORGE A. SMATHERS, Democrat of Florida, said there no longer can be any doubt that Cuba under Fidel Castro is in effect a Soviet satellite.

EARLY ACTION URGED

Representative PAUL C. ROGERS, Democrat of Florida, said something must be done "before it is too late and we find a Russian satellite nation situated only 90 miles from our coast infiltrating into all friendly governments of Central and South America."

At the State Department, Secretary Christian A. Herter told his news conference the United States intends to present to the OAS Inter-American Peace Committee new evidence against the Castro regime. He indicated the step would be taken in August.

Allen, testifying before a House Foreign Affairs Subcommittee, said "the Cuban revolution, with its extreme leftist overtones, has opened the door to increased Communist penetration of this hemisphere."

Allen suggested Russia—which long has smarted over U.S. bases ringing the Communist empire—may now have decided "two can play at this game and they can start operating in our backyard."

The new expressions of concern came a day after Castro threatened to confiscate all U.S. business interests in Cuba if the United States cuts the island Republic's sugar quota. The United States pays Cuba a subsidy of $150 million a year on the sugar this country buys.

Senator WALLACE F. BENNETT, Republican of Utah, told the Senate that Castro "has now made it abundantly clear that he intends to use American investments in Cuba as a hostage to prevent any change in the Cuban sugar quota."

[From the Washington Post, June 18, 1960]

CASTRO SET TO VISIT MOSCOW

Moscow, June 17.—Prime Minister Fidel Castro is to visit Moscow, Tass announced today.

The visit will repay a previously announced visit to Cuba by Soviet Premier Nikita S. Khrushchev. The date of the exchange will be fixed later.

The Soviet news agency said Castro's acceptance of the Soviet invitation was disclosed at a news conference by Antonio Nunez Jimenez, leader of a Cuban Government economic mission now in Moscow.

Nunez Jimenez said the Cuban mission called on Khrushchev to thank him for his repeated warm pronouncements about the Cuban people and the Cuban revolution.

Nunez Jiminez stressed that the purpose of the current negotiations was to expand trade above all in oil and sugar. The oil purchases now made by Cuba in the U.S.S.R. meet a quarter of her requirements, he said. "Russian oil is cheaper for us than American, and naturally we prefer to buy it," he added.

(Nunez Jimenez said the purchase of Soviet oil would save Cuba $24 million, Reuters reported.

(He said some people did not like Cuban friendship with Russia. "They are unable to understand Cuba," he added, "just as (U.S. Vice President) RICHARD M. NIXON cannot understand the will of the peoples of Latin America and as many cannot understand such events as the cancellation by the Japanese Government of Eisenhower's visit."

(He also announced that Cuba will stop importing rice from the United States.)

[From the Washington Daily News]

RETALIATION FOR SUGAR CUT VOWED—CASTRO WARNS UNITED STATES OF MORE SEIZURES

HAVANA, June 24.—Premier Fidel Castro says his revolutionary government may confiscate hundreds of millions of dollars worth of U.S. property if Congress reduces Cuba's share of the American sugar market.

In a speech yesterday Castro cited the Cuban Telephone Co., the Cuban Electric Co., and various banks, sugar mills and mines among American-owned properties which have not yet been taken over by the government.

"They are here now, but it may be that they will not be here," he said, obviously suggesting government seizure.

Castro's remarks crested a flood of bitter Cuban reaction to Secretary of State Christian Herter's recent suggestion that the

United States should reduce its purchases of Cuban sugar.

Actually, no decision on the Cuban sugar sales was reached in Washington after day and night sessions by the House Agriculture Committee.

Chairman HAROLD D. COOLEY, Democrat, of North Carolina, said, "It looks like we made some progress." But he added no action was taken because some senior members could not attend.

Mr. COOLEY said he thought the committee would approve a 1-year extension of the Sugar Control Act with these additional provisions:

Authority for the President to cut Cuba's one-third share of the U.S. sugar market if such action is necessary in the national interest between the time Congress adjourns next month and the opening of the next session.

An amendment directing the Agriculture Department to acquire replacement sugar from other countries which have U.S. quotas if Cuba's allocation is cut.

The Castro press denounced "U.S. economic aggression." Commerce Minister Raul Cepero Bonilla said Mr. Herter lied when he said experts believe Cuban sugar production will decrease under the guidance of Castro's revolutionaries.

Castro referred repeatedly to the "powerful petroleum trusts" (Esso, Texaco, and Shell) which have refused to refine Russian oil for sale by Cuban interests. He threatened last week to confiscate the big foreign oil refineries.

"[The U.S. Congress] is forgetting the hundreds of millions of dollars of American interests in Cuba," he said. "They are not going to force us to our knees with aggression and threats. We know how to reply."

[From the Washington Evening Star, June 18, 1960]

UNITED STATES PREPARING PROOF OF NEW PLOT BY CASTRO

U.S. officials held today what they believe to be absolute proof that the Castro regime has framed a new plot to embarrass the United States.

They plan to wrap the case of Chester Lacayo into a bundle of evidence to be presented to the Inter-American Peace Committee in a month or so. The evidence is aimed at showing that the revolutionary Havana government is upsetting peace in the Caribbean.

Lacayo is a Nicaraguan exile opposed to strongman Luis Somoza. He has been arrested by the Cubans. Premier Fidel Castro and President Oswaldo Dorticos have accused the U.S. Government of conspiring with Lacayo to mount a move from Cuba to unseat the Nicaraguan leader.

In making his allegation Mr. Castro waved some photographs and a telegram on a Cuban TV show June 10. The semiofficial Havana newspaper Revolucion reproduced some of the supposed evidence June 16.

The documents purportedly show Lacayo meeting State Department officials in Washington. But the photos aren't what Mr. Castro makes them out to be.

For instance, in one picture allegedly of Lacayo with Roy R. Rubottom, Assistant Secretary of State for Inter-American Affairs, the man with Lacayo does not resemble Mr. Rubottom. Other pictures are obviously mislabeled too.

The telegram purports to be notice to Lacayo from C. Allan Stewart, State Department officer in charge of Central American affairs, of a forthcoming appointment with Secretary of State Herter.

Western Union, however, says no such telegram was sent or paid for by any State Department official. The State Department says Lacayo never saw Mr. Herter or Mr. Rubottom.

The telegram was dated last January 9. If U.S. investigators find that such a telegram was actually sent January 9, they figure this will show that Castro agents had been planning the plot for months. They will also have a case against the telegram sender for misrepresenting himself as a Federal official.

[From the Washington Evening Star, June 21, 1960]

CUBA REPEATS CLAIM OF U.S. CONSPIRACY

HAVANA, June 21.—Cuba's Foreign Ministry last night rejected an American protest over expulsion of two U.S. diplomats and repeated charges they were conspiring against Fidel Castro's government.

At the same time Foreign Minister Raul Roa asked U.S. Ambassador Philip Bonsal to instruct Embassy personnel not to engage in conspiratorial activities.

There was no immediate comment from the Embassy on Mr. Roa's letter.

The Foreign Ministry letter was in response to Mr. Bonsal's protest June 16 against the expulsion of William G. Friedemann, Stillwater, Okla., and Edwin L. Sweet, Abilene, Tex., legal attachés at the Embassy.

The two were picked up the night before by Cuban Army intelligence agents, questioned and held incommunicado for 2½ hours on charges of conspiring with Cubans opposing the Castro regime. They were freed after a tongue lashing by Armed Forces Minister Raul Castro and given 24 hours to leave the country. They left the next day.

Mr. Roa's letter said the two were picked up while "they were going to interview persons who have been planning attacks against the Government."

The letter also rejected the Embassy's protest that Raul Castro had spoken to the two men in an "insulting and aggressive" manner.

"Major Castro, after inquiring if the two had been treated correctly limited himself to reproach of their conduct with all courtesy," the letter said.

The letter made no mention of the retaliatory action by the U.S. Government Saturday, when it ordered two Cuban consular officials to leave the United States in 24 hours.

[From the Charleston (S.C.) News and Courier, June 17, 1960]

CASTRO'S MERCY

When Batista was boss in Cuba he made many mistakes, but the most flagrant was failure to shoot Fidel Castro when he had the chance. Instead, Castro's first attempt at revolution brought him only a term in prison. He survived to oust Batista and bring free Cuba to a state of slavery.

Castro has not repeated Batista's error of mercy. His firing squads went into action as soon as he took charge. This week Manuel Beaton, leader of a fresh revolt against Castro, and two of his companions were executed.

The difference between rebel and patriot depends on who pulls the trigger. Cubans never have lacked courage and willingness to die for freedom. We predict that many more will have the opportunity.

[From the Charleston (S.C.) News and Courier, June 23, 1960]

END OF PERSONAL DIPLOMACY HAILED; FOREIGN SERVICE NEEDS CORRECTING

In replying to questions put to him by a Senate committee, Secretary of State Herter announced Tuesday a momentous change in the conduct of U.S. foreign policy. Henceforth, said Mr. Herter, the Eisenhower administration will abandon personal diplomacy and again will stress traditional channels and procedures of international contact. Mr. Herter disclosed that the President plans no further goodwill trips.

This is a notable victory for American conservatives who have repeatedly said that traveling Presidential sideshows gain little of nothing for the United States. The mob to which these sideshows cater is notoriously fickle. Today it may cheer an American President. Tomorrow it may stone him.

If the Eisenhower administration and the one that follows it into office next January will abolish Presidential junketing, national energies will not be wasted. Conventional diplomacy, plus suitable intelligence activities and strong political warfare programs, will achieve far better results for the United States than brief personal appearances around the globe.

In the same conversation with congressional leaders, Secretary Herter admitted that the State Department misgaged the force of the Japanese riots and disregarded earlier recommendations that the trip be canceled.

This admission of error should not be accepted and then forgotten. Of course individuals and agencies err. But the history of the State Department during the last 15 years or more under both parties is a chronicle of repeated errors. The State Department was wrong on China. It was wrong on Cuba. Now Mr. Herter admits it incorrectly evaluated the information it received on Japan.

The News and Courier, a regional newspaper with nothing to go on except press reports available to everyone, correctly evaluated information from Japan. We also spotted Fidel Castro for what the world now knows him to be when his revolution first gathered momentum. Why did the State Department and many liberal newspapers with far greater resources guess wrong on both counts?

The answer, we believe, lies in the attitude of the permanent State Department officials who have charge of evaluating reports from different areas of the world. The record shows that they want to see leftist movements in the best light. Socialism in Japan, like agrarian reform in China and Cuba, are movements of which they approve. Therefore, their reports to the Secretary of State are biased. As a result, the United States suffers reverses. The same thing applies in large measure to liberal newspapers.

We do not propose that the Foreign Service of the United States should be cleaned out wholesale with each presidential election. But we do believe that the old hands who have long applauded world socialism should be removed from posts where they make evaluations of events overseas. An honest newspaper would not continue to employ a reporter or an editor who was consistently wrong in reporting the news.

The State Department, like a newspaper, should demand that its employees demonstrate reporting ability. When the State Department's reporting is wrong, not one company but the entire Nation is hurt.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Ohio.

Mr. BOW. When I made a few remarks earlier in the day on this subject of Fidel Castro I did not know that the gentleman from South Carolina was going to have this special order and discuss the matter on the floor, or I would have waited to join with him. I should like to compliment the gentleman.

Mr. RIVERS of South Carolina. May I say to the gentleman from Ohio that I am glad to be in his company any time. Any time the defense of my country be-

comes necessary I am willing to follow the gentleman from Ohio, because I do not know any more eloquent voice in this Congress than his in defense of our land.

Mr. BOW. I thank the gentleman and I would like to compliment him for his work in bringing these matters to the attention of the country, and I would like to reiterate, if the gentleman will yield to me for the purpose, that we read daily in the paper that Fidel Castro has said that unless we subsidize his sugar and pay great sums to Cuba that he will take over American plants.

To me that is just plain, old-fashioned blackmail, and I think it should be treated as blackmail. When somebody tries to blackmail you, you go down and face them. I think the time has long since passed when this Government should have said openly to the world and to Mr. Castro that he could not take over any American properties in Cuba as a retaliation. When it is said they are going to ship aircraft from the Soviet Union, guns from Czechoslovakia, they are going to set up bases around Cuba and a submarine base next to our great naval base, as the gentleman from South Carolina has said, that is a violation of the Monroe Doctrine.

We Americans, it seems to me, are getting a little bit soft. We have not taken these kinds of insults in the past and we should not be taking them now. I would reiterate to the gentleman what I said earlier today, I believe we should call upon the State Department to make it well known to Mr. Castro that the American people are no longer going to take insults.

They say, of course, we are a big country, and we must not do anything to let the world think we are picking on the little fellow. I want to say just this: I think the nations of the world will think more of us if we will stand up for what is right, and not permit the little man to insult us the way he does. We should protect our sovereignty, we should protect our nationality, and we should be real Americans again.

Mr. RIVERS of South Carolina. Every Nation in Latin America is hoping that we will do exactly that. America has not taken the firm hand of leadership which she should have taken. We are being bullied. It is fantastic. All we need is one ultimatum, and back that ultimatum up. To pay them more than anybody else pays them for sugar is ridiculous. If we tell that bunch of idiots we are not going to stand for this any more, and back it up, it will stop. Our trouble is we are formulating our foreign policy on what we are afraid Russia may think. This must stop. If we had a candidate for the Presidency who would stump this country and say "I am for America," he would get more votes than he could count. What this Nation needs is someone to put America first. That is what this world needs. We will have more converts than Billy Graham out here at Griffith Stadium. The world is begging for America to get up off the canvas and fight back.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Iowa.

Mr. GROSS. Of course, the world is calling for firm leadership, but we are yielding in general to what I said a while ago, this cult of fear, a fear we are going to be disliked by someone if we do take a firm stand.

Mr. RIVERS of South Carolina. Yes, it is just simply mass hysteria. That is what is going on in this country. My people do not like it. You know, we once lost a war down there in the South, and we are not going to lose any more if we can help it.

Mr. GROSS. The gentleman from Ohio spoke of the Monroe Doctrine. I am afraid the Monroe Doctrine was very badly corroded, if not destroyed, by the Truman doctrine.

Mr. RIVERS of South Carolina. Here is an article from my newspaper entitled "Castro, Not Trujillo, Is a Threat to Interests of the United States." The editorial is as follows:

[From the Charleston (S.C.) News and Courier, June 22, 1960]

CASTRO, NOT TRUJILLO, IS A THREAT TO INTERESTS OF UNITED STATES

Announcement that Fidel Castro will visit Moscow to repay Soviet Premier Nikita Khrushchev's promised call in Havana should sharpen American understanding of the close ties between the two Red regimes. The United States should not devote so much attention to Cuba, however, that it ignores threats to U.S. interests elsewhere in the Caribbean.

We suspect that the leftwingers are about to employ a subtle propaganda play. Signs indicate they hope to take some of the heat off Castro's Red-front government by whipping up popular anger against General Trujillo, dictator of the Dominican Republic. Their reasoning appears to be that if anti-Castro feeling can't be cooled, at least it can be harnessed to other tasks.

A straw in the wind is a recent speech by U.S. Representative CHARLES O. PORTER, Democrat, of Oregon, in which he called for action against the Dominican Republic. Representative PORTER is a friend of radical political leaders in the Caribbean. Only recently he attended the Inter-American Conference in Caracas where he was notable for his failure to defend the United States against ugly charges.

A clue to Representative PORTER's line is his statement: "Cuba today is not the Dominican Republic, and Castro with all his shortcomings as a chief executive, is no Trujillo."

We hold no brief for Trujillo. He is the ruthless boss of a Caribbean police state. But there is a big difference between Trujillo's police state and Castro's police state. Santo Domingo is pro-American, and Cuba is anti-American. Trujillo favors capitalism and Castro favors communism.

It would be splendid if the people of the Dominican Republic had the civil liberties that North Americans enjoy. But the more than 400 years of Dominican history are a chronicle of violence and bloodshed. We see no justification for believing that a successor to Trujillo, proclaiming democracy, would give the Dominicans less cruel government. Actually, if Americans wanted to make certain that the Dominicans and the Cubans were free of cruel masters, it would be necessary for the United States to administer both territories.

Since Americans are unwilling to acquire a colonial empire at this late date, and inasmuch as the United States cannot guarantee benevolent government in other lands, this Nation must restrict itself to one objective: Helping pro-American regimes stay in power, or win against our enemies.

It would be to the advantage of the United States to crack down on Dictator Castro, and to assist Dictator Trujillo.

In the decades remaining in the 20th century, the United States will have to deal with hundreds of regimes. In each case, the guiding principle should be what's best for American interests. Any other guideline will cost the United States untold amounts of money, lives, and national power.

Here is another one entitled "More Castro Bullying," which reads as follows:

[From the Washington Evening Star]

MORE CASTRO BULLYING

Fidel Castro's capacity for eccentric reasoning has been picturesquely demonstrated in the attempt to justify his latest actions against American interests in Cuba.

Ordering the seizure of American-operated luxury hotels, the Cuban dictator explained that the move was forced because the American managements had failed to bring in enough tourists, despite "their ample connections in the United States." Mr. Castro is correct, of course, that American tourists—who used to number approximately 250,000 and spend an estimated $40 million yearly on the nearby Pearl of the Antilles—have not been flocking to Havana. Indeed, one source reports facetiously but meaningfully that managers of the swank facilities have been "going snowblind gazing unhappily at vast expanses of white linen on empty tables."

But even Mr. Castro knows that this is not because the American operators like to be alone in the luxurious surroundings of the Nacional and the Havana Hilton hotels, or that they are discouraging business in order to post losses running up to $100,000 monthly. He knows or he should know that the tourists are staying away because of his tirades against everything American, his seizures of property and his insults to and arrests of American nationals.

Meanwhile, Fidel is taking a similarly bullying attitude toward three foreign-owned oil refiners—two American and one British—which have declined to process Soviet crude oil in place of their usual supplies from Venezuela. His ultimatum in this case is that "they will change their decision or take the consequences." Presumably, the consequences will be nationalization—although in another outburst of upsidedown double-talk he added: "Don't let them say afterward that we attacked them, confiscated or occupied them." In due time the record will speak for itself, and probably with no greater sanity or sense than Mr. Castro's words.

Here is another one: "Braden Warned of Peril From Cuba Year Ago," reading as follows:

[From the Evening Star, Washington, D.C., June 24, 1960]

BRADEN WARNED OF PERIL FROM CUBA YEAR AGO

(By John V. Horner)

Cuba is in the grip of a Communist reign of terror, a former Assistant Secretary of State warned Senate investigators almost a year ago.

Moreover, he said in testimony released today by the Senate Internal Security Subcommittee, Prime Minister Fidel Castro is the most useful tool the Communists have found to date.

These observations were made by Spruille Braden who, in addition to serving as Assistant Secretary during the Truman administration, has been Ambassador to Cuba, Argentina and Colombia and has held other diplomatic posts. Although 11 months old, his testimony appeared to be directly applicable to the events that occurred since and to the situation today.

TESTIFIED IN SECRET

Mr. Braden testified last July at an executive session of the subcommittee, Chairman EASTLAND, Democrat of Mississippi, said the transcript was released today after a unanimous vote of the subcommittee.

Mr. Braden asserted in his testimony that the whole program laid down by the leaders of the Cuban revolutionary government is directed against the United States.

"In all my years of intimate contact since early childhood with Latin America," said the veteran diplomat, "never have I seen the situation so dangerous as it is now for the defense of the United States.

"The principal threat to our security, of course, is communism and its ever present weapon—anti-Americanism. But this menace is aided and exacerbated by other Marxist influences, by socialism, misguided idealism and unsound nationalism, all of which, unless eradicated at an early date, will convert the Carribbean into a Red lake."

Mr. Braden pointed out that Fidel Castro, long before he forced dictator Fulgencio Batista to flee from Cuba, was a leader of politically inspired riots. Members of the Senate subcommittee's staff have likened those riots to the one which only a few days ago caused the cancellation of President Eisenhower's visit to Japan.

TELLS OF BOGOTÁ RIOTS

The former diplomat gave the subcommittee an excerpt from a book written by Alberto Nino, former chief of security in Bogotá, Colombia, published in 1950. He told the committee:

"He (Nino) detailed how Fidel Castro arrived in Bogotá just at the time of the Inter-American Conference—when Gen. (George C.) Marshall was presiding over the U.S. delegation. This chief of police tells how Castro and two other young Cubans participated in those riots actively."

Mr. Braden said some of the conference delegations wanted to leave Bogotá because of the heavy rioting and call for their airplanes. But, he added, General Marshall said: "Nothing doing. We are not going to let the Communists destroy this conference." General Marshall won out.

MESSAGES NOT DELIVERED

Mr. Braden said he urged President Truman and British Prime Minister Churchill at the Potsdam Conference to confront Soviet Premier Stalin with the facts and demand an end to these "Moscow contrivings."

"So far as I've been able to ascertain," he told the Senators, "neither of these telegrams, sent 'for the President and Secretary of State of the United States' by a U.S. Ambassador, was ever delivered."

Mr. Braden said the only plausible explanation for the nondelivery of his messages is that somewhere in the State Department there were agents who stopped or destroyed them.

Mr. Speaker, this country begs for somebody to lead it. The Bible says: "What profiteth it a man if he gain the whole world but lose his soul?" The same thing could be paraphrased about a nation. What do we gain by our President traveling around the world seeking friendship and losing our own people 90 miles from the straits of Florida? It is fantastic. It is so ridiculous. The American people have not caught up with it. This thing is beyond comprehension.

Mr. CRAMER. Mr. Speaker, will the gentleman yield to me, having mentioned the Sunshine State?

Mr. RIVERS of South Carolina. I will be glad to yield to the gentleman regardless of what I mentioned. I am delighted to yield to him.

Mr. CRAMER. I thank the gentleman. I am one, as I know many other Members of Congress are, who has been concerned for some time about the reluctance of the Committee on Agriculture to come up with the power requested by the executive branch, discretionary authority, to reduce the sugar quota to Cuba. If our State Department policy and the attitude of Castro dictates that that should be done, it appears, by his constant jibes at the United States, that it would so dictate. I know the gentleman has been equally concerned, with myself, and I am glad to see the committee has now changed its position and acknowledged the validity of giving the President this discretion. I am also hopeful that the Congress, in working its will, will eliminate the 160,000 tons, additional tonnage quota, that would go to Cuba, which would result in a multimillion windfall despite the fact that he has taken this attitude. Does not the gentleman feel that Congress itself can take a strong position and let the Cuban Government know that the American people do not approve of the statements made and the actions taken by Fidel, including his mollycoddling of the Communists? If Congress says we are not to give Cuba this windfall, then that is in the discretion of the Congress to do it. Does not the gentleman think that Congress should take a strong position in this regard?

Mr. RIVERS of South Carolina. If Congress does not take a strong position, I am sure the State Department will not do it. I think something is coming. I am sure that the sugar quota may not solve it. We have to play this thing a step at a time, as the gentleman from Ohio said. We have got to say something, mean it, and do it.

Mr. CRAMER. The gentleman has expressed the situation correctly, and I agree with him wholeheartedly.

Mr. RIVERS of South Carolina. The time for fooling around is past.

Let me tell you something. Have you ever seen these countries which have been visited by communism? They do not come back. Look what happened in Hungary. This thing is bad. And, once they take over South America, once they take over Latin America, your days and mine are numbered. Make no mistake about that. Did you not see where the State Department kicked out of this country two Communist diplomats for inciting race riots in New York? I get information, too. I have got a radio with eight bands on it, and believe you me, I listen to it. I can understand a little Spanish. I get plenty of information. The time is rather late.

Mr. CRAMER. The gentleman is correct. Will he yield further?

Mr. RIVERS of South Carolina. I will yield if you let me go on with my speech.

Mr. CRAMER. On the point I just raised, Castro just the other day in the press said that if, in fact, this discretionary authority in the President were used, assuming Congress gives it to him, and the premium to Cuba was cut below the 150 million present level, that he was going to confiscate additional American property. Does not the gentleman feel, if that is going to be his attitude, that our Government's position should be that for every dollar that you confiscate it is going to be $2 less in sugar premiums?

Mr. RIVERS of South Carolina. That could be.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. In just a minute, because I know you can give it better than I will. Let me tell you this, international law gives us the right to go back there. You know, we took that country from the Spaniards. We let them run it with conditions, and one of the conditions was to keep Guantanamo as a naval base. Do you remember that?

Mr. CRAMER. I not only remember it, but I was in the Navy and I remember it.

Mr. RIVERS of South Carolina. We said, we will let you run your own business if you will leave this base to us. We did not walk out completely.

Now, Mr. Speaker, all we need is somebody to lead us. Follow the Bow doctrine and the Rivers doctrine, and we will bring this to a point. International law gives us that right. It will not be invasion. That gives us the right to protect Americans in Cuba.

Mr. BOW. Mr. Speaker, if the gentleman will yield further, the point I want to make, I will say to the gentleman from South Carolina, is that I would not want to say that for each dollar he takes from us we should take two from him.

I do not think we should do this on the basis of dollars. It seems to me that after he made this statement we should have come out with a statement the next day and said, "Mr. Castro, you are not going to take our property and if you attempt to do it we will come over and take it away from you." Let us not put this on a dollar basis. Let us put it on the basis of the integrity of our sovereignty and upon the courage of America.

Mr. RIVERS of South Carolina. That is what I tried to say. You have hit the nail on the head. Let us give him the news he will understand.

You are exactly right.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I am happy to yield to the dean of my delegation.

Mr. McMILLAN. Mr. Speaker, as a member of the Committee on Agriculture I am interested in the statement made by the gentleman from Florida [Mr. CRAMER] concerning why we have not already given the President the power he asked for to handle the sugar quota. I think my friend over here at my left who is also a member of the Agriculture Committee will bear me out that each member of the committee received the following wire from Cuba stating that if we gave the President the power you mentioned they would

confiscate all the property owned by Americans in Cuba:

HAVANA, *June 24, 1960.*

Hon. JOHN L. MCMILLAN,
House of Representatives,
Washington, D.C.:

In the interest of preserving the traditional friendship and relationship between the peoples of the United States and Cuba, we urge all Members of the U.S. Congress to give serious consideration to the destructive effect which the threatening legislation giving the President the power to change the sugar quota will have on the people of Cuba. As a counterproposal we suggest that your body take action which will improve the relationship, rather than give one man the power of having "the sword of Damocles" hanging over our head. The well-being of the people of Cuba can well be destroyed in this manner by one man's whim should he desire to use the power which your body can give. This is the feeling of the Cuban people, and in this telegram goes their hope and prayers that you do not support such a drastic move. Your Chief Executive promised, on more than one occasion, that the United States would do nothing to injure our economy. If this is the case why does he seek this extraordinary power. If the United States desires to improve our diplomatic relationship, all Cubans are of one single mind that this threat to their economy will result in the further disruption of these relations. Why not take action to heal rather than cause further wounds.

Cuban Consul of Protestant Churches, Methodist Church, Presbyterian Church, Free Baptist, Quaker Association, Nothern Baptist Congress, American Bible Association, Salvation Army, Episcopal Church, Convencion Bautista de Cuba Occidental, Seminarios Evangelicos de Matanzas, Rev. Dr. Raul Fernandez Ceballos.

I am wondering what the gentleman from Florida would do under those circumstances.

Mr. Speaker, I want to associate myself with my distinguished colleague [Mr. RIVERS] who is making one of the greatest and most important speeches that has been made on the floor of the House during the 22 years I have been a Member of this distinguished body.

Mr. RIVERS of South Carolina. As the gentleman from Ohio [Mr. BOW] has suggested, I would say to him, "You are not going to do it," and then send a company of Marines down there and take over. That is all you need.

Mr. MCMILLAN. I rather agree with the gentleman.

Mr. RIVERS of South Carolina. If you deliver an ultimatum to Castro and follow it out, you will stop this foolishness. That is the only language he understands. Threats do not amount to a row of pins. Do something. What this country needs, I tell you again and again, is leadership and a firm hand.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I thank the gentleman; I am tremendously interested in what the gentleman has to say. I know his courage. I hope the whole country will arouse itself and express its indignation and fury over the fact that our President and our country are being insulted here, there, and everywhere.

Mr. RIVERS of South Carolina. It is just fantastic.

I want to make this perfectly clear. I may not be doing any good in this speech, but I am sure going to fill up the CONGRESSIONAL RECORD with what I have had to say. Future generations are going to read it, I will guarantee you that, if this country lasts that long.

I just saw the distinguished gentleman from Pennsylvania [Mr. FLOOD] come into the Chamber. Have you forgotten a speech he made here on Panama? Time is running out, I say. There are many Communists down there and the beachhead is Communist Cuba.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I must thank my distinguished colleague from South Carolina for those kind words. As is often said under these circumstances, "I just happen to have here," if you know what I mean. Well, I just happen to have here a front page story from today's New York Times dated "Panama, June 24." I will not read the entire paragraph. I will submit it to my friend in the hope he will include it in the addenda to his fine contribution. The headline says this, "Red Cuban Data Seized in Panama—Secret Police Assert Package Flown to Envoy Contained Communist Propaganda."

What happened was this: A Cuban freight plane landed in Panama City yesterday. The Ambassador from Cuba to Panama had not been alerted soon enough to know that it was coming, so he did not have time to declare the cargo free access under his diplomatic rank. The Panamanian Secret Police opened one package, and the thing crawled with Communist propaganda from Cuba to destroy Panama. Then this same plane went on from Havana to Ecuador, Chile, and other Latin-American countries to distribute again and continue to distribute this same kind of Red propaganda.

From the bulletin board just off the floor, I tore this item from the wire service. I hope my friend will include this in his remarks.

Mr. RIVERS of South Carolina. I will include anything the gentleman wants to include.

(The matter referred to is as follows:)

In his threats to seize almost a billion dollars worth of American investments here, Castro ignored the fact that more than a third of those investments are already in the hands of his government.

Most of those seizures have been in farmlands and cattle ranches, including cattle and equipment, and in the takeover of the American-owned Cuban Telephone Co.

The prime minister confirmed that his brother Maj. Raul Castro, the armed forces minister, is leading a good will mission to Communist Czechoslovakia and the United Arab Republic.

Aviation sources said Raul and his party of more than 20 were leaving Havana late today for Prague in a chartered Cubana Airlines plane.

The mission is being sent in response to invitations from the Czech Government and from UAR President Nasser, Fidel Castro told his TV audience.

Police officials confirmed today Castro's announcement of the detention of a band accused of plotting an attempt against the life of Jose Pardollada, a bitterly anti-American radio commentator.

They said four men and three women claiming membership in the "Western anti-Communist Organization" (organization occidental anti-Communista) were arrested after a cab driver frustrated their plans by refusing to surrender his car for use in the assassination attempt.

Mr. FLOOD. Mr. Speaker, this is also dated "Havana." This comment upon Castro's threats to seize other American properties if, and when, this Congress would have the temerity—the temerity to reexamine sugar quotas with Cuba. A great game with people all over the world used to be to twist the British lion's tail. I know. My name is DANIEL JOHN FRANCIS ALOYSIUS FLOOD.

The Irish have been twisting the British lion's tail and properly for a thousand years. God be good to them. Now, however, the great game is to pull the pinfeathers out of the tail of the American eagle and this bearded wonder down there is doing that now. I suppose I had better strike out the word "bearded" and make it "mattressed." If he would cut it down to a mustache my size, there would be some sense to it, but with that mattress he drapes around his neck, he overdoes the scene a little bit.

Mr. RIVERS of South Carolina. He is not in your league.

Mr. FLOOD. Not only in that way—but in no way at all.

Mr. RIVERS of South Carolina. That is right.

Mr. FLOOD. Between you and me, there are only a few of us left.

Mr. RIVERS of South Carolina. That is right—Thou and me.

Mr. FLOOD. I made a statement before the special committee under the distinguished gentleman from Alabama [Mr. SELDEN], the subcommittee of the great Committee of this House on Foreign Affairs in hearings they have been holding the past week on Latin American problems. One of the statements I made is:

The real devil in the piece is not this benighted Red, Castro himself, Fidel, but his Red brother, Raul, and his Red brother's wife who is redder, if that is possible, and Guevara who is not a Communist but a professional international Red agitator who is a traveling salesman through all the Latin countries for the atheistic, communistic, international conspiracy, now the head of the Cuban bank.

When Raul left Cuba, he went to Prague, to the Red school in Prague, Czechoslovakia, set up to train the agitators for the Latin American nations. He went from Prague and the school there to Moscow.

Now I read you the news report:

The Prime Minister (Fidel) confirmed that his brother, Maj. Raul Castro, Armed Forces Minister of the Republic of Cuba, is leading a good will mission to Communist Czechoslovakia and the United Arab Republic.

Egypt is a member of the United Arab Republic.

He is going to visit there just like the Foreign Minister of Panama did a few years ago, to find out how you take over a canal.

Mr. RIVERS of South Carolina. He is going back to the alumni meeting of his alma mater.

Mr. FLOOD. The aviation sources in Havana said today that Raul and his party of more than 20 were leaving Havana late today for Prague in a chartered airplane, while you are making this presentation as you generally do so well. You know this subject, in the tradition of the people of your great State of North Carolina, and I know how you feel. I am grateful to you for having yielded to me, and I am only pleased to say this, that for a long time you and I have been trying to tell this House that this joker Castro is conducting a Red revolution. When the Reds were tossed out of Spain they went to Mexico City. That has been the base for Red operations for Latin America from that date to today. Now it is in Havana. It is not the Cuban Government. It is the government of international Reds. The place is crawling with Bulgarians, Rumanians, Poles, Czechs, and Slovaks and several thousand Red Chinese in Cuba. This is not the Government of the Cuban people. I say to my friend, Cuba is more of a Russian satellite than Poland this minute.

Mr. RIVERS of South Carolina. It is bad.

I thank the gentleman for his contribution.

Mr. Speaker, I ask unanimous consent to include both of these articles which the gentleman has referred to at this point in my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The matter referred to is as follows:

RED CUBAN DATA SEIZED IN PANAMA—SECRET POLICE ASSERT PACKET FLOWN TO ENVOY CONTAINED COMMUNIST PROPAGANDA

PANAMA, June 24.—The secret police have seized a shipment of 18 packages airfreighted from Havana for the Cuban Embassy here and say that one they opened contained Communist propaganda.

Authorization is being sought from the Government for the police to open the 17 other packages.

The Cuban Ambassador, José M. Cabrera Vila, today denied allegations of the secret police that the packet seized at Tocumen Airport Wednesday and opened contained Soviet magazines, Marxist literature from the Soviet Embassy in Havana and promotional material for the forthcoming Latin-American youth conference in Havana, a projected gathering generally considered to be leftist in outlook.

Señor Cabrera called on Foreign Minister Miguel J. Moreno, Jr., today in connection with the seizure of the packet but presented no formal protest.

A spokesman for the Foreign Ministry said Señor Moreno had told the Ambassador that no diplomatic privileges were violated when Panamanian customs men opened the packet addressed to the Ambassador.

ENVOY DESCRIBES CONTENTS

The Foreign Minister informed Señor Cabrera that diplomatic immunity did not apply because the package contained printed propaganda material instead of diplomatic correspondence.

The shipment was dropped off in Panama by a C–46 freighter of the Cuban Aeropostal line, which was detained here briefly before being cleared for promotion in South America, with the remainder of the load.

Señor Cabrera said he had not had sufficient notice of the plane's arrival to request diplomatic entry in advance for the packages.

Señor Cabrera also contended that the packet opened by the secret police contained merely literature on the Cuban revolution, including the newspaper Revolucion and INRA, the magazine of Premier Fidel Castro's land reform agency. Both publications enter Panama regularly through commercial channels.

However, various alleged reproductions of the impounded Soviet propaganda appeared in the Spanish-language press and on television. Among them were copies of the magazine U.S.S.R. and the book "The Soviet Union—Capital of Peace."

The Cuban Ambassador branded these reproductions as fakes, as did a spokesman for the Panamanian Committee for the Defense of the Cuban Revolution and allied groups here.

The spokesman also charged that behind the package incident lay intervention by the United States in Panama's international relations. Sources close to the United States Embassy said they knew of no involvement by the United States in the propaganda seizure.

The pro-Castro group further charged the United States with trying to turn Panama into a tool to isolate the Cuban revolution. It declared that such action was led by the same elements "that deny us our rights in the Canal Zone."

OTHER STOPS FOR PLANE

WASHINGTON, June 24.—It was reported here today that the plane that delivered the Cuban packages to Panama had been scheduled to make stops also at Guayaquil, Ecuador, and at Antafogosta and Santiago in Chile.

The customs agents, it was reported, found other cases of Communist literature on board consigned to Cuban diplomatic missions in Ecuador and Chile.

Officials here had no detailed information on the pamphlets in the cases beyond the fact that they were said to have a picture of Lenin on the cover and the initials of the Union of Soviet Socialist Republics.

Meanwhile George V. Allen, Director of the United States Information Agency, gave the House Foreign Affairs Committee here today an account of Cuba's anti-United States propaganda campaign in Latin America.

Mr. Allen said that it was reasonable to assume that this campaign was "an integral part of the international Communist conspiracy which aims to convince the rest of Latin America that the United States stands in the way of the area's economic, political and social progress."

Mr. RIVERS of South Carolina. These people are not fooling. They are on a deadly business of survival. They are laying plans day in and day out, methodically. When anybody gets in their way he is liquidated. They point to Central America, South America, and to Washington, D.C.

Let me say this to you: Who would invest a penny in any country if he thought his savings would be robbed? As a result of the Castro regime the safety of all of the countries of Latin America is being harassed daily. After 137 years Russia in this year, 1960, is following in her goal of establishing a beachhead in Cuba. That beachhead is here, as the distinguished gentleman has said. With the long background of historic friendly relations with Cuba, will the American people endanger their own security to this bearded pipsqueak, this monster, Fidel Castro? Will we allow the great majority of the Cuban people to suffer the tyranny of Castro, or will we defy his challenge and fight for the security of ourselves and the security of our hemisphere. We are supposed to be leaders of the world today. Yes. We recognize the Monroe Doctrine and continue to recognize it. This thing is fantastic.

Mr. FLOOD. Mr. Speaker, will the gentleman yield again?

Mr. RIVERS of South Carolina. I yield.

Mr. FLOOD. The gentleman used the phrase "the Monroe Doctrine." I have introduced a resolution calling for the interpretation and extension of the Monroe Doctrine, which is just as great and just as elastic a document as the day it was written, generations ago. Just as the Constitution of this United States, written in those great days, with the foresight and vision of our forefathers, is just as good a document and sufficiently elastic today as it was at that time. so is the Monroe Doctrine.

I want to call upon this Congress and the Executive to declare that the Monroe Doctrine be extended to include Castro for Western Hemispheric defense. The infiltration is an attempt of that country to attack this Nation just as if it were a landing fleet.

Mr. RIVERS of South Carolina. If the gentleman can ever get that resolution to the floor.

Mr. FLOOD. Mr. Speaker, will the gentleman yield me 1 minute?

Mr. RIVERS of South Carolina. I yield to the gentleman.

Mr. FLOOD. The gentleman used the term "leader." I say to my friend from South Carolina that the United States of America is the leading nation in the world today, whether we like it or not. We did not ask for it; we are stuck with it.

Now, there is only one thing for a leader to do: The leader must lead or quit, take two laps around the track, hand in his uniform, get out of the game—lead or get out.

Mr. RIVERS of South Carolina. You said it more eloquently than I could.

Mr. FLOOD. Mr. Speaker, will the gentleman yield further?

Mr. RIVERS of South Carolina. I yield.

Mr. FLOOD. I want to say you are the right man to make the speech you made here today. You look the type. You come from a great family bred in a great State. We need more like you in this country.

I would like you to find out in the State Department who is responsible for formulating these policies. I would like the names of the officers in the Bureau who recommended that the Chief Executive of this Nation issue a press statement saying that it is the policy of the United States that there is duality of sovereignty in Panama.

I say to you, my friend from South Carolina, that despite the fact that this House overwhelmingly expressed itself, by a vote of 380 to 20—you spoke on it and so did I—I say to you, and I will buy you a new hat if I am wrong—you will not be out of this city 10 minutes after this Congress adjourns before the Secretary of State will recommend to the President of the United States that the Republic of Panama be permitted to fly the flag of Panama over the sovereign constitutional territory of the United States, the Canal Zone.

If I am wrong and you want two hats, I will buy you two hats.

Mr. RIVERS of South Carolina. I hope somebody repudiates on the floor what I said. I hope somebody calls me a warmonger. I hope somebody says there is peace. But I say to you there is no peace. We had better fight back while time remains.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. Mr. Speaker, I want to thank my distinguished colleague for bringing to the attention of the House the desperate situation we are in. Since I am on my feet I want to also compliment the distinguished gentleman from Pennsylvania for being farsighted. We hear a lot these days about hindsight, but I want to say that both of these distinguished gentlemen have had foresight regarding the establishment of this Red military base 90 miles from the great city of Miami, Fla.

I would like to ask the gentleman if he would care to comment on the terrible consequences of letting Russia establish this base so close to the continental United States in light of our spending billions and billions of dollars trying to create an imaginary or, rather, maginot line, 20,000 miles around the periphery of Russia, costing, as I said, billions of dollars.

Khrushchev is laughing at all that, he knows it, he knows he can bypass all that and establish a base in Cuba, if we let him, to undermine North America. Talk to the distinguished gentleman from Pennsylvania and others, and you will be advised by people in Alaska who will tell you that for 10 years they have seen squadrons of Russian planes massing in Siberia and flying over the Bering Sea, they will tell you about their building missile bases. They have that part of the pincer movement complete and running, and when they get the other pincer movement perfected in the Caribbean, the United States will be at the mercy of Russia in spite of the use of these billions of dollars we have spent for our bases. We will have thrown all of that away, this maginot line that we have built all around the world.

Of course, this is the most dangerous of anything. I heard one of the greatest men in the world, the former President General of the United Nations, who said a few days ago: "Your country is in the greatest danger it has been in since Valley Forge."

I certainly agree with the distinguished gentleman from South Carolina. Oh, how I pray for a Teddy Roosevelt to not only straighten out this Fidel Castro situation but also Khrushchev. We could put him on the defense in 5 minutes. Refuse to meet him at Camp David or Paris, or any other place, until he gets out of Czechoslovakia and these other places. We could put him on the defense in 5 minutes.

Mr. RIVERS of South Carolina. The gentleman has made a great contribution. Teddy Roosevelt, if he knew what was going on today, would turn over in his grave so fast he would look like perpetual motion. This thing is so fantastic it is incredible. Read the encyclicals that the Roman Catholics get out each day. Every Roman Catholic in the United States knows about it. Every Roman Catholic knows about it.

To my great and distinguished American, DAN FLOOD, and the rest of you, I say we are a bunch of fools to continue to suffer these vilifications and vituperations. America stands at the brink of disaster and extermination. They have their plans. Listen to the voice of DAN FLOOD, one of the best-informed voices of America. Listen to him. He is a student of this. While we sleep the gentleman works. Read his speeches on Panama. They are classics, and should be compelled reading in every school in America.

Mr. RILEY. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I will be delighted to.

Mr. RILEY. Mr. Speaker, I wish to commend my colleague, the gentleman from South Carolina [Mr. RIVERS] for alerting this Congress and this Nation to the dangers that exist. I am sure that there are many patriotic people in Cuba and all over the world who are looking to America to take some steps of leadership to blot out this advance of communism and this danger to the free world. I appreciate the gentleman bringing this matter to the attention of the Congress, and I hope that the Executive will take some steps after this warning to stop this insidious advance of communism.

Mr. RIVERS of South Carolina. I thank the gentleman.

This is the worst thing that has happened in our lifetime. Mine may be a voice crying in the wilderness. Let us not stop. The sugar quota does not amount to a row of beans. Let us pass corrective legislation—end the sugar quota—and let the President invoke it at his will. Let us take it one step at a time and let us be firm. Let us speak up for the American people. Our people want action and bold action. They are looking for leadership. Let this be the beginning of that leadership today. Let us give our leaders whatever spinal injections they need. Let us back them up. Let us make them lead. If they need the Congress, here we stand. Let us say to Russia and to Cuba: Here we stand. You shall not pass, so help us God.

SOCIAL SECURITY RECIPIENTS

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. HENDERSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HENDERSON. Mr. Speaker, on September 1, 1958, the disability provisions of the Social Security Act were changed to provide for benefits for dependents of disabled social security recipients. Prior to this change, many persons applied to the social security agency for consideration of their eligibility and no thought or account was taken of their dependents. Countless numbers of these early applicants found that it took them months and even years to establish their eligibility and that they were awarded social security long after September 1, 1958.

Neither Congress nor the Social Security Administration set up any procedure to automatically include dependents as recipients. Applicants subsequent to September 1, 1958, were informed at the time of application. As a consequence, when pre-September 1, 1958, applicants became aware of the additional benefits for dependents, new applications were necessary. Usually the awareness occurred at the time of the award, or the first check. The social security law permits retroactive payments for only 12 months prior to the dependent's application, so that if the application was made after September 1, 1959, the dependents could obtain retroactive benefits only for 12 months, not back to the time when the new law was effective. For example, Mr. M. filed his application on June 27, 1958. His claim, after being denied, reconsidered and adjudicated, was finally allowed in February 1960. His payments were retroactive, of course. But at this point he was advised for the first time that his dependents are entitled to benefits. This application was submitted on March 9, 1960, and was subsequently approved. However, since the law forbids granting of retroactive payments for periods exceeding 12 months prior to the date of the application, the award could only be made effective back to March 1959 instead of September 1, 1958, the effective date of the amendment authorizing such payments.

I do not criticize the Social Security Administration for unfortunate developments of this kind. On the contrary, I

have learned that the agency has worked diligently to publicize the rights of dependents under the 1958 amendment. These efforts, involving the screening of thousands of disability cases, were not required by the terms of the law which place the initiative for filing applications upon individual beneficiaries. Such efforts were, necessarily, limited to cases where disability benefits were already authorized. It was, no doubt, not feasible administratively to include all pending disability applications. After all, the eligibility of a dependent wife or child could not be established until the applicant had satisfied the requirements for his own entitlement.

Under the circumstances, it appears to me that those families affected by this purely administrative problem have a just claim. I understand, however, that under the terms of the law as it now stands, it is not possible to correct such inequities by administrative action. Although the number of instances where such circumstances have occurred may be relatively small, I believe it is important that the law be changed to permit payments. I have, therefore, introduced H.R. 12807, intended to provide payments back to the first month such benefits should have been available.

WHY WHEAT LEGISLATION FAILED

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent that the gentleman from Utah [Mr. DIXON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DIXON. Mr. Speaker, the Washington Post editorial of June 25 says:

> The apparent failure of wheat legislation may be laid at the door of the House Agriculture Committee.

This statement, in my opinion, is correct. But, for the sake of setting the record straight, I must affirm that this failure cannot be laid at the door of the Republican members of the House Committee on Agriculture, because the vote on the Poage bill in committee was 20 Democrats for while 13 Republicans and 1 Democrat voted against it.

After joining the other Republicans on the Agriculture Committee in pleading with the Democratic members to vote against H.R. 12261—the Poage farm bill—I took the floor on June 22 to, first, show why the Poage bill was undesirable and never could become law; second, place the House on notice that I intended to offer the Senate wheat bill as a substitute; and, third, show why the Senate wheat bill—S. 2759—is far more sound and would be accepted by the President.

My motion to recommit H.R. 12261 with instructions to substitute the Senate bill was supported by almost every Republican on the floor but, unfortunately, it lost by a very few votes. With it went the best chance for the Nation to get a wheat bill this year, because after the floor debate revealed the defects of the Poage bill the House rejected it by the surprising vote of 236 to 170.

Definitely it is beginning to dawn upon the Nation that the concept of high price supports is obsolete, outworn, unworkable, and so costly and topheavy that it is falling of its own weight. Yet one defeat after another on the House floor apparently fails to convince most of the Democrats on the committee that the theory of high supports in times of surplus production simply will not work.

At this point I should like to insert the Washington Post editorial:

FAILURE ON WHEAT

The apparent failure of wheat legislation in the present session of Congress may be laid at the door of the House Agriculture Committee. Last January, President Eisenhower offered to sign any reasonable bill to curb the mounting wheat surplus even if it did not fully accord with his views. The Senate finally passed a bill leaving the price support for wheat at 75 percent of parity ($1.77 a bushel) and reducing acreage allotments by 20 percent. There were indications that the President would have signed the measure, but the House committee insisted on clinging to its outworn concept of high artificial prices and was roundly beaten on the floor.

This is not the first time that the House has revolted against the overreaching of the Agriculture Committee. The combination of Republicans and urban Democrats against the bill should have been anticipated, even though the size of the opposition vote (236 to 170) came as a surprise. No doubt this could have been avoided if the committee had accepted the substance of the Senate bill, but it had helped to defeat that measure before its own bid for price supports at 85 percent of parity went down. So the committee—and incidentally the Democratic Congress—was left empty-handed on the supposedly vital wheat issue.

The one slender chance of changing this negative record seems to lie in belated acceptance of the Senate bill by the House Agriculture Committee. With such backing, it would doubtless be approved on the floor, since it previously failed by only a few votes. Does the House committee have the statesmanship to reverse itself for the sake of curtailing the mountainous wheat surplus? Or would its members rather go into their reelection campaigns bearing the onus of having killed the wheat bill?

Mr. Speaker, the Senate bill is definitely superior to the Poage bill for reasons as follows:

First, the Senate bill does not contain the feed grain section of the Poage bill which is probably unconstitutional because it delegates to nine feed grain producers primary legislative authority.

Second, it eliminates the often rejected food stamp plan estimated to cost $500 million.

Third, it leaves price supports at 75 percent of parity, while the Poage bill raises them to 85 percent of parity.

Fourth, higher price supports in the Poage bill would raise wheat prices about 25 cents a bushel and help to dry up markets.

Fifth, the Senate bill does not raise the price of wheat and can in no way be considered a "bread tax." The Poage bill would raise the cost of flour approximately 10 percent.

Sixth, the 50 percent payment in kind for retired wheat acres withdrawn would be less costly than the House offer of 55 percent.

Seventh, the Poage bill would require the hiring of a fleet of new civil service workers—especially to operate the food stamp plan which was formerly operated by WPA workers in depression times.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960—CONFERENCE REPORT

Mr. MILLS submitted a conference report and statement on the bill (H.R. 12381) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate nomal tax rate and certain excise tax rates.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. WHITENER (at the request of Mr. KITCHIN), on account of official business—North Carolina primary election.

Mr. FOUNTAIN (at the request of Mr. FASCELL), for today, June 25, on account of official business—North Carolina primary.

Mr. KITCHIN (at the request of Mr. WHITENER), on account of North Carolina primary election.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 10 minutes, on Monday, vacating her special order for today.

Mr. CLARK (at the request of Mr. LEVERING), for 20 minutes, on Tuesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, were granted to:

Mr. LESINSKI (at the request of Mrs. GRIFFITHS) and to include extraneous matter.

Mr. O'HARA of Illinois and to include related matter.

Mr. BENNETT of Florida and to include extraneous matter.

Mr. DENT.

(At the request of Mr. CHAMBERLAIN, and to include extraneous matter, the following:)

Mr. CONTE.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and a joint resolution of the Senate of the following titles were taken

from the Speaker's table and, under the rule, referred as follows:

S. 2399. An act to modernize the laws relating to contracts for the transportation of mail, and for other purposes; to the Committee on Post Office and Civil Service.

S. 3415. An act to exempt from taxation certain property of the American Association of University Women, Inc., in the District of Columbia; to the Committee on the District of Columbia.

S. 3557. An act to expand and extend the saline water conversion program under the direction of the Secretary of the Interior to provide for accelerated research, development, demonstration, and application of practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, and for other purposes; to the Committee on Interior and Insular Affairs.

S.J. Res. 95. Joint resolution to provide for the acceleration of the various reforestation programs of the Department of Agriculture and the Department of the Interior, and for other purposes; to the Committee on Agriculture.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills to the House of the following titles:

H.R. 1516. An act for the relief of Juan D. Quintos, Jaime Hernandez, Delfin Buencamino, Soledad Gomez, Nieves G. Argonza, Felididad G. Sarayba, Carmen Vda de Gomez, Perfecta B. Quintos, and Bienvenida San Agustin;

H.R. 1600. An act for the relief of Francis M. Haischer;

H.R. 4251. An act to amend the Internal Revenue Code of 1954 with respect to the limitation on the deduction of exploration expenditures;

H.R. 5033. An act for the relief of Betty Keenan;

H.R. 6712. An act for the relief of Sam J. Buzzanca;

H.R. 9921. An act to validate certain payments of additional pay for sea duty made to members and former members of the U.S. Coast Guard;

H.R. 10569. An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1961, and for other purposes; and

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock.

ADJOURNMENT

Mr. LEVERING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p.m.), the House adjourned until Monday, June 27 at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2302. A letter from the Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting a report concerning agreements concluded during May 1960 until title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.) as amended, pursuant to Public Law 85-128; to the Committee on Agriculture.

2303. A letter from the Acting Attorney General, transmitting the report of the Attorney General on the administration of the Subversive Activities Control Act for the year ending May 31, 1960, pursuant to the Subversive Activities Control Act of 1950; to the Committee on Un-American Activities.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THORNBERRY: Committee on Rules. House Resolution 570. Resolution for consideration of H.R. 12552, a bill to provide for the appointment of additional circuit and district judges, and for other purposes; without amendment (Rept. No. 1990). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 571. Resolution for consideration of H.R. 11001, a bill to provide for the participation of the United States in the International Development Association; without amendment (Rept. No. 1991). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 572. Resolution for consideration of H.R. 12383, a bill to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes; without amendment (Rept. No. 1992). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 573. Resolution for consideration of H.R. 12465, a bill to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes; without amendment (Rept. No. 1993). Referred to House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 574. Resolution for consideration of H.R. 8665, a bill to amend the act entitled "An act to establish a memorial to Theodore Roosevelt in the National Capital" to provide for the construction of such memorial by the Secretary of the Interior; without amendment (Rept. No. 1994). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 575. Resolution for the consideration of S. 19, an act to provide a method for regulating and fixing wage rates for employees of Portsmouth (N.H.) Naval Shipyard; without amendment (Rept. No. 1995). Referred to the House Calendar.

Mr. TRIMBLE: Committee on Rules. House Resolution 576. Resolution for the consideration of H.R. 7903, a bill to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years; without amendment (Rept. No. 1996). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 577. Resolution for consideration of H.R. 12417, a bill to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength; without amendment (Rept. No. 1997). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 10346. A bill to amend the District of Columbia Sales Tax Act so as to increase the rate of tax imposed on gross receipts from certain sales, and for other purposes; without amendment (Rept. No. 2001). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12497. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations; without amendment (Rept. No. 2002). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12563. A bill to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended; without amendment (Rept. No. 2003). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 11370. A bill to amend the District of Columbia Alcoholic Beverage Control Act; with amendment (Rept. No. 2004). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee of conference. H.R. 12381. A bill to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates; without amendment (Rept. No. 2005). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HENDERSON: Committee on the Judiciary. H.R. 11560. A bill for the relief of Eugene C. Harter; with amendment (Rept. No. 1998). Referred to the Committee of the Whole House.

Mr. HENDERSON: Committee on the Judiciary. H.R. 12079. A bill for the relief of Essie V. Johnson; with amendment (Rept. No. 1999). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 12100. A bill for the relief of William C. Winter, Jr., lieutenant colonel, U.S. Air Force (Medical Corps); with amendment (Rept. No. 2000). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H.R. 12822. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of interstate retail enterprises, to increase the minimum wage under the act to $1.15 an hour, and for other purposes; to the Committee on Education and Labor.

By Mr. DAWSON:

H. Res. 578. Resolution authorizing the printing of additional copies of House Report No. 2712 of the 85th Congress, 2d session, a survey and handbook of Government programs in international education; to the Committee on House Administration.

EXTENSIONS OF REMARKS

Questionnaire Results, First District, Massachusetts

EXTENSION OF REMARKS
OF
HON. SILVIO O. CONTE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 25, 1960

Mr. CONTE. Mr. Speaker, the response to our questionnaire exceeded the amount I expected. While these figures are in direct answer to the questions, the written comments on many of the questionnaires proved to me that my constituents had been giving considerable thought to legislation and to international affairs. I believe that it is gratifying to know that there are many Americans interested in the very vital issues of the day. It is impossible to reproduce here, all the written suggestions and comments; however, the figures represent, I believe, a fairly accurate cross section of the opinions, currently in my district.

The results follow:

QUESTIONNAIRE RESULTS, FIRST DISTRICT, MASSACHUSETTS

1. Do you favor using Federal funds for:

A. School construction? Yes, 1,376—61.9 percent; no, 724—32.6 percent; uncertain 121—5.5 percent.

B. Teachers' salaries? Yes, 474—21.3 percent; no, 1546—69.6 percent; uncertain, 201—9.1 percent.

2. Do you think the Federal Government should take action to control drug prices? Yes, 1364—61.4 percent; no, 700—31.5 percent; uncertain, 157—7.1 percent.

3. Do you favor a fair trade bill which would allow manufacturers to set minimum prices at which brand-name merchandise can be sold? Yes, 742—33.4 percent; no, 1275—57.4 percent; uncertain, 204—9.2 percent.

4. Do you favor raising the minimum wage from the present $1 to $1.25 and extending the coverage of present law? Yes, 1272—57.3 percent; no, 750—33.8 percent; uncertain 199—8.9 percent.

5. Do you favor continuing our mutual security (foreign aid) program as:

A. Economic aid to friendly nations? Yes, 1,638—73.8 percent; no, 358—16.1 percent; uncertain 225—10.1 percent.

B. Military aid to friendly nations? Yes, 1,376—61.9 percent; no, 497—22.4 percent; uncertain, 348—15.7 percent.

6. Would you favor increased aid to underdeveloped nations? Yes, 1,361—61.3 percent; no, 524—23.6 percent; uncertain, 336—15.1 percent.

7. Would you favor a proposal to assist, economically, former independent nations now behind the Iron Curtain, such as Poland and Hungary? Yes, 821—37 percent; no, 1,032—46.5 percent; uncertain, 368—16.5 percent.

8. Would you favor depressed-area legislation which would include Federal loans and direct grants to rural areas for industrial development? Yes, 843—38 percent; no, 1,107—49.8 percent; uncertain, 271—12.2 percent.

9. If not, would you favor a bill which calls for local participation and Federal loans for areas interested in industrial redevelopment, but not direct grants? Yes, 1,267—57.1 percent; no, 230—10.3 percent; uncertainty, 724—32.6 percent.

10. Do you favor free medical care after retirement through increased social security payments? Yes, 1,110—50 percent; no, 941—42.4 percent; uncertainty, 170—7.6 percent.

11. Do you favor a balanced budget even if it means holding down on some new or expanded social welfare program? Yes, 1,491—67.1 percent; no, 480—21.6 percent; uncertainty, 250—11.3 percent.

12. Do you favor the continuation of the House Un-American Activities Committee which investigates communism in this country and is sometimes charged with overriding individuals' constitutional rights? Yes, 1,543—69.5 percent; no, 441—19.8 percent; uncertainty, 237—10.7 percent.

13. Do you believe the Federal Government should have more authority to regulate radio and TV programs? Yes, 807—36.3 percent; no, 1,177—53 percent; uncertainty, 237—10.7 percent.

14. Do you consider our $45 billion defense budget adequate? Yes, 964—43.4 percent; no, 476—21.4 percent; uncertainty, 781—35.2 percent.

15. Do you believe sufficient emphasis is placed on our missile and space programs? Yes, 951—42.6 percent; no, 821—37 percent; uncertainly, 449—20.2 percent.

Total replies, 2,221.

Sugar Allotment Quota

EXTENSION OF REMARKS
OF
HON. JOHN H. DENT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 25, 1960

Mr. DENT. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to incorporate my news release on the sugar allotment quota, which is for the press on Monday, June 27:

Congressman JOHN H. DENT, Democrat, 21st District, of Pennsylvania, called upon the House of Representatives to give serious consideration to the three-point program in the sugar allotment quota as it affects Castro's Cuba.

DENT suggested a three-amendment approach:

(1) Cut out all sugar quota as of the end of this year, or sooner; if the House deems it advisable—will give to the President of the United States the right and the power to restore all or part of the quota as he finds it to be in the best interest of the people.

(2) Reduce the sugar quota by the amount of sugar sold to Russia or Communist satellites at any price less than the subsidized price paid by the United States on the sugar program.

(3) Put the difference between the U.S. price and the world market price into certain escrowed funds to be paid to any American enterprise injured by the Castro policies of expropriation or confiscation. DENT pointed out that there would not be a deficiency in sugar because every sugar producing area in the world practically has a surplus, notably our friends in Mexico with over a million tons and our friendly Latin-American countries and the Philippines.

The Castro Cuban Government recently sold Russia sugar under a 5-year program at a price which is about one-half charged to the United States. This, said DENT, is an outright subsidy to Russia out of the kitchen money of American housewives.

This is a program based upon commonsense and sound logic without any feelings of reprisal or economic straitjacketing, but rather a measure to bring back some similarity of sanity and economic soundness.

Southeast Washington Low-Rent Housing Should Be Rejected Unless Other Districts Share or Slums Eliminated

EXTENSION OF REMARKS
OF
HON. CHARLES E. BENNETT
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 25, 1960

Mr. BENNETT of Florida. Mr. Speaker, it is difficult to believe that this could happen in America. It is difficult to believe that taxpayers' dollars from all over the United States could be so used by the officials of the District of Columbia and by local housing officials. It would seem axiomatic that taxpayers' dollars collected to rid areas of slums should in fact be used to eliminate slums and should not be used to depress real estate values and produce new slums. It is cruel enough to condemn private property for a higher public use but when the end result is a lower public and private use how can it possibly be justified? Often the people who have their homes taken suffer a great financial loss in the way that the takings have been made in the District of Columbia. Some of them have even become public charges after losing their homes with inadequate recompense. Other citizens of the District may not actually lose their homes but have their investments stolen by the lower use to which the nearby land is put by the Government. Paradoxically these others are currently being asked to pay higher taxes as their property values are being depressed by the Government.

In all fairness to the people of Southeast Washington, an area in which I own a house and live during sessions of Congress, the Government should not add to the already disproportionate share of low-rent housing borne by this section, merely to empty the slums of other sections of the city, at least until the other sections have borne their own share of the burden. I would not object to this new low-rent housing if it in fact was to result in the destruction or rehabilitation of slum areas. What is actually being done is the moving to Southeast Washington occupants of slums in other districts of the city while those vacated slums then become available to new slum occupants from outside Washington, who later qualify for new low-rent housing

to be built for them. This is an endless chain and can well result in a population in Washington comprised chiefly of persons who have recently come here for the purpose of going on public relief. No intelligent Government would wish to have its Capital City so permanently occupied. In an effort to at least slow down this horrible adventure in bad government, I have introduced the following bill—H.R. 12668—and I hope it can be speedily enacted separately or as an amendment to some other law:

H.R. 12668

To amend the District of Columbia Alley Dwelling Act by adding certain requirements with respect to low-rent housing projects in the southeast quadrant of the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the District of Columbia Alley Dwelling Act (chapter 1 of title 5 of the District of Columbia Code) is amended by adding at the end thereof the following new section:

"SEC. 206. No new dwelling units constituting a part of a low-rent housing project assisted under the United States Housing Act of 1937 shall be constructed in the southeast quadrant of the District of Columbia after the date of the enactment of this section unless (at the time such construction is to be completed)—

"(1) there will have been demolished or rehabilitated in the southeast quadrant of the District of Columbia, pursuant to the slum clearance and urban renewal program under title I of the Housing Act of 1949 or another governmental program for the clearance of slums and the redevelopment of blighted urban areas, an equal number of dwelling units which constitute slum or blighted dwellings within the meaning of such program; or

"(2) there will have been constructed heretofore or hereafter in each of the other three quadrants of the District of Columiba a total number of dwelling units in low-rent public housing projects so assisted equal to the total number of units of such housing (including the new dwelling units referred to in this section) constructed in the southeast quadrant of the District of Columbia, or in each such quadrant as large a percentage of such units among all housing units (privately or publicly owned) as is presently the case in said southeast quadrant."

Statement by the Honorable John Lesinski in the House of Representatives, June 25, 1960, Regarding the Centennial Anniversary in 1961 of the Death of the Ukrainian Patriot, Taras Shevchenko

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 25, 1960

Mr. LESINSKI. Mr. Speaker, at the outset I desire to extend sincerest gratitude to my colleague, the gentleman from Missouri [Mr. JONES], and the able members of his Subcommittee on Memorials for bringing House Joint Resolution 311 to its first step toward final enactment. I was privileged to participate at the hearings conducted in connection with this proposal, and I fully realize the vast amount of study and consideration which was applied by that subcommittee. I also wish to compliment the sponsor of the resolution, the gentleman from Michigan [Mr. BENTLEY], for the wholehearted enthusiasm and followthrough he furnished in bringing this legislation thus far.

In 1961, Ukrainian people all over the world will observe the centennial anniversary of the death of Taras Shevchenko. An account of his heroic life and splendid literary creations are indeed inspirational to all freedom-loving men and women. Hence the desire to have a monument to his memory placed on public grounds in our Nation's Capital is strongly urged by hundreds of thousands of Americans of Ukrainian descent. May I add that these fine people will effect the construction of the Shevchenko memorial through their own efforts and contributions.

Such an idealistic undertaking should understandably be endorsed by the Congress as a very important factor during this cold war of ideologies between the United States and the Kremlin. Today, as 45 million Ukrainians enslaved by Communist Russia work unselfishly and unceasingly to rid themselves of the despotic rule of Moscow, they do so by holding up this shining exponent of true liberty, Taras Shevchenko, as their symbol of inspiration and incentive.

I am not going to impose on the time of the House by attempting to present an account of the life and deeds of this great Ukrainian hero and poet. This was done, I may add, quite capably and factually during the subcommittee's hearings. I am happy to announce, in that connection, that a biographical documentary of Taras Shevchenko is scheduled to be printed by authority of a simple resolution which I introduced. The material is presently being prepared by one of the principal proponents of this undertaking who made a brilliant statement at the hearing. The projected plan is that all interested persons, associations, and organizations will be informed of the usual privilege of obtaining, by purchase, as many additional copies of the publication as they desire. These copies may be ordered through the Superintendent of Documents, at nominal cost, in conjunction with the press run of my original authorization.

I will conclude these remarks with the firm hope that this resolution receives deservedly favorable consideration in its future course toward final approval. I am completely convinced that a tribute to this distinguished Ukrainian, constructed as a memorial statue here in Washington, is certain to have a beneficent influence on all of us so long as the desire for human liberty, a better life, and the brotherhood of man remains alive and strong in the hearts of free people throughout the world.

Congressman Feighan Honored by American Friends of the Anti-Bolshevik Bloc of Nations

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 25, 1960

Mr. O'HARA of Illinois. Mr. Speaker, it will be of interest to the House to learn that the American Friends of the Anti-Bolshevik Bloc of Nations held a testimonial dinner in Cleveland, at which our colleague, Honorable MICHAEL A. FEIGHAN, was the honored guest, and delivered an address before the members and friends of this organization.

On this occasion the American Friends of the Anti-Bolshevik Bloc of Nations presented our colleague, Congressman FEIGHAN, with a plaque which carries an inspiring accolade for his many years of hard work in behalf of the cause of justice among all nations and all people, which reads as follows:

In recognition of his firm stand and staunch efforts on the liberation and sovereignty of all enslaved nations as well as against communism and Russian colonial imperialism.

By unanimous consent I am extending my remarks to include the full text of Congressman MICHAEL A. FEIGHAN'S address:

This occasion has significant meaning because I attach great importance to the work carried on by the ABN and associated organizations in support of a peace with justice and to keep the American people informed of the dangers of Russian imperialism and Communist imperialism to our free American way of life.

This occasion provides me an opportunity to discuss some of the major problems confronting our country as a consequence of the Russian effort to dominate the world.

There is the Berlin crisis. The Russians have been attempting to take over complete control of all Berlin since 1947. They attempted to drive us out in 1948 by cutting off our lines of supply and communication. President Truman responded with a firm determination to remain in Berlin—the Berlin airlift—the Russians backed down when they saw we meant business.

In 1955 the first summit conference was held. The Russians agreed with the Western leaders that Germany should be united by means of free elections—this was played up as the big accomplishment of the conference. A reading of the communique released at the end of that meeting makes this fact startlingly apparent. Yet, nothing was done to implement this agreement. A dangerous drift set in, the Russians took advantage of this vacuum. Having serious internal troubles with the captive non-Russian nations in their slave empire, fearing a repeat of the Hungarian freedom revolution on a much broader scale, they began to call for a status quo in the affairs of nations.

Khrushchev was the spokesman on this new demand—he made no less than 10 major addresses in the empire on this theme. The United States did not look with favor on a status quo arrangement and told the Russians so.

Therefore, Khrushchev provoked a political crisis on Berlin—his demand that the

United States, France, and Great Britain get out of Berlin by a set date or be driven out by Russian military force. President Eisenhower's first reaction was, we would stand fast on Berlin—the Russians have to take full responsibility for their actions on Berlin. In this he received complete support of Congress and the acclaim of the American people. It was then clear that our people had become sick and tired of being pushed around by the Russians and the time had come to take a stand.

Khrushchev recognized this and quickly claimed he had been misunderstood—that he wanted to negotiate on Berlin—that he was ready to meet with the Western leaders to negotiate. Here is where the Eisenhower administration weakened. The offer was made to the Russians that if Khrushchev would remove his deadline threat, we would be willing to negotiate. Now imagine this. We said we were willing to negotiate something on which no negotiation was legally possible because our legal right to be in Berlin was clearly established. By accepting Khrushchev's demand that we negotiate on our legal right to be in Berlin, we thereby admitted our right to be there was not clear; that it was something subject to negotiation. This, in my opinion, was a blunder; an admission of weakness. We let Khrushchev get off the hook after we called his bluff and he had backed down. It seems our leaders lack the political sense to know when we have won a victory and how to exploit such a victory.

It is now clear that Khrushchev used the Berlin crisis as a political blackjack to force the leaders of the West into a second summit conference. He must have needed this meeting very badly to take the risks he did on this crisis.

And now it is clear that Khrushchev so desperately needed a recognition by the free world of a status quo that he was prepared to take grave risks to win this goal.

Now let us look at the meaning of status quo—its significance to the Russians in their plot to conquer the world.

To the Russians status quo means that the United States recognizes the finality of the captivity of all the non-Russian nations within the empire. It gives a permanency to the Iron Curtain—at least a permanency so far as the emancipation of the captive nations is concerned. It does not mean, however, that the Russians would give up their ideas of extending their Iron Curtain to all the still free countries of the world. For the Russians it means the right to do as they please with the people held in bondage behind the Iron Curtain—to continue on with genocide and their other crimes against humanity, to ruthlessly crush all opposition, to kill off more millions of non-Russian people. It would give the Russians the right to be above the conscience of all humanity.

To the enslaved non-Russian nations it means the United States has deserted their cause—has turned its back upon their legitimate aspirations for liberty, freedom, and national independence. It is cold water thrown upon the torch of human freedom which they hold up in a sea of tyranny and despotism. It is a denial of the cause of those millions of martyrs of all faiths who gave their lives in the cause of justice and all humanity.

It is a temptation for those who may grow weary of the struggle for freedom to take the easy way out—to compromise their conscience and their moral convictions—to be opportunists—to make their peace with the tyrant, it is in fact an invitation to accept communism as the wave of the future—and this is the key to war—a war in which the United States would be deprived of its proven allies behind the Iron Curtain—the non-Russian people of the empire.

For the United States recognition of a status quo would mean that we have surrendered our heritage as the citadel of human freedom—that we fear the power of our political ideals—that we consider our political ideals as theories reserved for after dinner talks and fillers for history books. Worse still, that the United States had lost its faith in the power of the common man and his aspirations for peace with justice. It would signal the beginning of a new era in power politics, an era in which the United States would turn back to the 9th century, to indulge in the immoral peace of empires. And finally, it would deprive the United States of its most potent weapon for peace—moral leadership in a world which is crying out for a return to fundamental morality in the affairs of nations and peoples.

With this background we can see the hidden importance of the conference which will open in Paris on May 16. The great challenge to American leadership in Paris next month is whether we will take advantage of a golden opportunity to strike a blow for peace—that is—a just and lasting peace. We will fail in this opportunity if our leaders sit back and wait for the Russians to take the initiative. We must seize the initiative and state our case for all the world to hear it—and to understand beyond any doubt that we reject any and all proposals which could lead to recognition of a political status quo with the Russian slave empire.

On March 21, 1960, I introduced a resolution in Congress—calling upon the President to do just this. It is House Concurrent Resolution 636—copies of which some of you have had an opportunity to study. In my judgment, the terms of this resolution state our case for the Paris summit conference.

I call to your attention the fact that my resolution includes all the nations occupied by the Russian Communists—not just a few—but all of them. It is my judgment that none will be free until all are free. That is the nature of the struggle for the world.

* * * * *

It is my fervent hope that the "spirit of the Paris conference" will be based upon these foundations of international justice.

The "spirit of Camp David" needs an airing, it needs the clean airing of just what did take place between President Eisenhower and Khrushchev. Only the Russian version has been made public. The American version has been withheld from everyone—particularly the American people. We shall judge the meaning of this strange silence by the results obtained at the second summit conference—not in terms of platitudes and slogans, but, specifically, in terms of what the American delegation did on the question of status quo and the future emancipation of all the captive nations.

SENATE

MONDAY, JUNE 27, 1960

The Senate met at 10 o'clock a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal God, high above all, yet in all: As we lift our hearts to Thee, we ask that Thou wilt raise us above the marshland of our fears to the heights in a clearer moral air. On the highlands of the spirit, give us faith and courage which will surmount our cowardice and timidity, for Thou hast set us in a world where cowards cannot win and where only brave souls can triumph. May our individual stamina strengthen the Nation as she girds herself for the fearful tests of this fateful decade in world history. Elevate her, we pray, above all cheapness and vulgarity, above looseness and licentiousness, above the selfish greed of those who feed upon her and do not sustain her noblest life. In this supreme crisis, lift our America to an altitude worthy of the lofty ideals that were hers in the beginning and the selfless service which has been built into her soul.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 24, 1960, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LIMITATION OF DEBATE DURING THE MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, later today I shall place in the RECORD a list of all the measures on the calendar which have been cleared by the policy committee for consideration.

I should now like to call the attention of the membership to the calendar, and say to Senators that any bills which have been reported by the committees are subject to being taken up by motion in the Senate; and during the last few days of the session we should anticipate that they may be.

I shall attempt in each instance to call attention to these measures which are on the calendar; but each Member may do that if he will look at it, and prepare himself by voicing objections or notifying the minority leader or the majority leader of his desires with respect to any proposed legislation, so we may consider them.

I would hope that it might be possible to remain in session late in the evenings from now until the end of the session. I would hope that it would be possible for us to conclude our business and adjourn sine die prior to the conventions. That hope is based on a review of the pending legislation and my own prefer-

ence and understanding of the desires of the Members in the matter.

The course will be controlled by the majority; and whatever the majority of the two bodies desire to do about the conclusion of the session can be determined by majority vote.

I had anticipated that we would sit late on Friday and on Saturday, and I hoped we could bring up by motion bills which need to be discussed and explained, but not necessarily controversial bills which would require yea-and-nay votes.

I was informed late on Friday that if I sought to do that, requests would be made for live quorums. Being unable to produce a live quorum Friday night, and not wanting to inconvenience Senators on Saturday, I had little choice except to ask the Senate to go over until Monday.

Mr. President, if we need to come back here after both of the conventions, to complete our work, I am prepared to do so, and am eager, anxious, and willing to do so, if that is necessary. We can only determine whether it is necessary by ascertaining the wishes of the majority of the Senators. If we are to have live quorums on noncontroversial measures and if we are to be told that we cannot have Saturday sessions without having a majority of the Senate here, then I anticipate that we shall not have too lengthy sessions in the evenings or on Saturday, because I find myself unable to prevail upon a majority of the Senators to remain here at such times.

I realize that all of us have worked long and hard, and that we are tired, and that our judgment is not always best when we are tired; and I like to provide adequate time for relaxation and rest, so we can approach legislative matters in the judicious and patriotic spirit in which all of us wish to approach them. So far as I am concerned, I will adjust myself to the wishes of the majority.

If the majority desire to have the daily sessions end at 6 or 7 p.m., and if a sufficient number indicate that they prefer to return after the conventions, I shall submit to their wishes. I had felt that they wanted to end the session before the conventions began.

But it must be remembered that we do not receive the appropriation bills until late in the session; and we have a number of most important ones which will require extended debate—such as the Department of Defense appropriation bill conference report, the mutual aid appropriation bill, social security bill, the tax bill conference report, the medical plan for the aged, the minimum wage bill, the coal research bill, and, I would say, perhaps 100 others which are important. If we are not to be able to discuss them late Friday and on Saturday without having a majority of the Members present at all times—and it is rarely that I have seen a majority present for general debate in the Senate—then we shall have to make our plans accordingly, and Senators should be on notice that if we are unable to conclude our schedule soon, we shall have to finish it at a later date.

Mr. BUSH. Mr. President, will the Senator from Texas yield?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Connecticut?

Mr. JOHNSON of Texas. I yield.

Mr. BUSH. Does the Senator from Texas care to give us any assurance in regard to whether a session is likely to be held on next Monday, July 4, or whether the Senate will be in recess on that day?

Mr. JOHNSON of Texas. I would be guided by the desires of the membership as to that. I would be prepared to work on that day. I will talk to the minority leader about that—I have not talked to him about it yet—and will canvass the membership.

Here is my position in the matter: I feel that most of the Members want to end the session before the conventions. But it may be that I have mistaken their judgment. I rather think I have, judging from the way they have been asking for live quorums and not wanting to work on Saturday, and things like that, because it is obvious that we cannot conclude promptly if we accede to such requests.

On the other hand, I do not want to be charged with rushing legislation through without a majority of the Members on the floor, for we have Members who will point out that we do not have 99 Senators present, but, instead, have only a few; and it is true that often less than a majority of Senators are present during general debate. For instance, all day Friday, during the Senate session, the Appropriations Committee was at work, and had 23 members present in the committee; and they will be there, at work, regardless of whether the Senate is in session on Saturday, because they are working on the conference report on the $40 billion Department of Defense appropriation bill. All of us know that it is rare that we have a majority of the Senate on the floor during the consideration of noncontroversial measures. In fact, we have to have quorum calls, in order to get a majority present, just prior to the taking of yea-and-nay votes. Most Senators follow the debate in committee and on the floor, and make up their minds; but they do not necessarily sit here and listen to speeches they do not care to hear; and I cannot make them do so.

Mr. BUSH. I was not suggesting that we should have a holiday on the Fourth of July.

Mr. JOHNSON of Texas. I understand.

Mr. BUSH. But I was attempting to ascertain the schedule, for the convenience of Senators, and also for the convenience of others, who may be counting on Senators' appearances to make Independence Day speeches, and so forth. Of course, it would be helpful to know.

Mr. JOHNSON of Texas. I understand; and the Senator from Connecticut is one of the most cooperative Members of the Senate, as are all of his colleagues. I am not complaining about anyone. I am merely serving notice, so that those who read the RECORD will understand that we face a choice of either leaving a good many measures until after the conventions have been held, and then returning and picking up the work, or else working late in the evenings and on Saturday for the remaining few days.

If Senators will examine the list of bills, they will find we still have to consider the State, Justice, and Judiciary appropriation bill; the conference report on the legislative appropriation bill; the conference report on the tax bill, which I understand is controversial; the mutual aid appropriation bill, which I understand is controversial; the conference report on the Department of Defense appropriation bill, which is controversial; the coal research bill; the bill covering a medical plan for the aged, which we received only a few hours ago from the House, and it is being considered in committee, and we would like to pass it and have it enacted at this session. We still have to consider the minimum wage bill, which is not yet on the calendar, but we have been considering it since February; and the minimum wage bill will require considerable debate.

Mr. BUSH. Certainly.

Mr. JOHNSON of Texas. If we are to adjourn by next Friday, as some had anticipated, or even by the following Friday, that is going to mean 14- or 16-hour sessions, and it will mean working on Saturday. We can no longer indulge the luxury of one Senator coming up and saying, "I have a speaking engagement. I would like you not to have a rollcall after Thursday or before Tuesday. I will not be back until then." Such requests have been made in the past several months. If we are to complete our schedule, we will have to have evening sessions. I want Members to know that. I shall try to ascertain the desires of the majority and conduct myself accordingly.

Mr. DIRKSEN. Mr. President——

Mr. JOHNSON of Texas. I yield to the distinguished minority leader.

Mr. DIRKSEN. I wish to say, in all fairness to the majority leader, in complete candor, that if anybody is to assume responsibility for no Saturday session, I think it ought to be the minority leader. I have entreated him, I have sought to persuade him as vigorously as I know how, not to have a Saturday session.

Mr. JOHNSON of Texas. If the Senator will yield, I think the Senator is taking onto himself blame that he is not justified in assuming, and if he did entreat me not to have a Saturday session, he was not successful, because I had planned one. The thing that was successful with me in the decision not to have one was that Senators told me we would have to have live quorums. We had planned to take up a number of bills I had hoped were not controversial. The decision was not due to the Senator's pleading. I had not anticipated rollcalls Saturday. It may be that in a good many evenings we will not have rollcalls, but we need to consider treaties, confirmations of nominations, conference reports, and the like. We shall have to consider the tax bill conference report, the Defense Department conference report, the mutual aid conference report. We will have rollcalls, but I

think, if Senators will review the list, they will see there are a number of bills, a hundred or more, in which Members are vitally interested. There is Calendar No. 1555, H.R. 3375, the coal research bill, going through Calendar No. 1654, Senate bill 2917, establishing a price support level for milk and butterfat, in which the Senator from Wisconsin [Mr. PROXMIRE] is vitally interested. These bills may not require a lot of controversy or a lot of debate, but they ought to be called up by motion, and I will agree to do it if Senators will agree to meet evenings and come in on Saturdays.

Mr. DIRKSEN. If the majority leader will yield, I must confess my disconcert that offering my entreaty proved so feeble so far as taking blame for not having a Saturday session is concerned; but I believe better work is done when such sessions are not held. I went through three briefcases chock full of things over the weekend. One has to make preparation on matters coming up. There is reference material to be examined, and I do not know when we can examine it in the course of a working day, because there is constant work to be done and mail to be taken care of. I try taking care of my mail in the car going back and forth. There is never a minute to spare. So I believe these weekends are good for the Members of the Senate and in the interest of the country.

Since Independence Day has been mentioned, I can only publicly express the hope, for whatever it is worth, that we may have a holiday on the Fourth of July. That is the greatest day on the American calendar. It is the anniversary of the birth of this Republic, and along with all the other millions of people I think we ought to suitably observe it. I can think of no better way to observe it than to draw off from work and, for a few moments at least, let our great spirit and great feeling of pride somehow enshrine itself in the greatest of all shrines, in the hearts of the American citizens. I should like to join in it. I advance that individual viewpoint for whatever it may be worth.

Mr. JOHNSON of Texas. The Senator's individual viewpoint always carries great weight with me. I appreciate hearing what he has to say. I think there is always considerable merit in what he says.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and take up nominations on the Executive Calendar beginning with the National Science Board.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive F, 86th Congress, 2d session. A treaty of friendship and commerce between the United States of America and Pakistan, signed at Washington, November 12, 1959 (Exec. Rept. No. 12); and

Executive G, 86th Congress, 2d session. The Convention of Establishment Between the United States of America and France, signed at Paris, November 25, 1959 (Exec. Rept. No. 12).

NATIONAL SCIENCE BOARD

The Chief Clerk proceeded to read sundry nominations to the National Science Board.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be permitted to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I ask unanimous consent that the Committee on Interior and Insular Affairs be permitted to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I ask unanimous consent that the Business and Commerce Subcommittee of the Committee on the District of Columbia be permitted to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Is there objection?

Mr. LONG of Louisiana. Mr. President, reserving the right to object, if there are to be bills from the Finance Committee taken up on the floor today, I shall have to object to that committee sitting during the time those bills are under consideration. We are under notice that H.R. 10 may be called up for consideration. I would not want to be sitting in the Finance Committee if H.R. 10 is going to be considered on the floor. I for one could not sit with the committee if that were done, and I would have to object to the committee meeting unless we could have an understanding that no tax bills will be called up for consideration while the committee is sitting.

Mr. JOHNSON of Texas. I give the Senator from Louisiana that assurance.

The PRESIDENT pro tempore. Is there objection to the request? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on the Judiciary be permitted to meet during the session of the Senate today.

Mr. DIRKSEN. Mr. President, I was requested to object.

The PRESIDENT pro tempore. Objection is heard.

Mr. JOHNSON of Texas. I ask unanimous consent that the Committee on Labor and Public Welfare be authorized to meet during the session of the Senate today.

Mr. DIRKSEN. I was requested to object.

The PRESIDENT pro tempore. Objection is heard.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON AGRICULTURAL AGREEMENTS WITH INDIA, FINLAND, AND PAKISTAN

A letter from the Administrator, Foreign Agricultural Service, Department of Agriculture, reporting, pursuant to law, on agricultural agreements concluded with the Governments of India, Finland, and Pakistan, during the month of May 1960 (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Acting Secretary of Labor, reporting, pursuant to law, on the overobligation of an appropriation in that Department; to the Committee on Appropriations.

REPORT PRIOR TO RESTORATION OF BALANCES, U.S. SECRET SERVICE

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report of the U.S. Secret Service, covering restoration of balances withdrawn from appropriation and fund accounts under the control of the Treasury Department (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION OF SUBCONTRACTS NEGOTIATED BY NORTH AMERICAN AVIATION, INC., LOS ANGELES, CALIF.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the pricing of P–2 aircraft cameras under Department of the Air Force subcontracts negotiated by North American Aviation, Inc., Los Angeles, Calif., with J. A. Maurer, Inc., Long Island City, N.Y., dated June 1960

(with an accompanying report); to the Committee on Government Operations.

REPORT RELATING TO SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950

A letter from the Acting Attorney General, transmitting, pursuant to law, a report relating to the Subversive Activities Control Act of 1950, for the year ended May 31, 1960 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION 22

"Resolved by the House of Representatives of the State of Louisiana (the Senate concurring), That we respectfully request the Congress of the United States to propose to the people an amendment to the Constitution of the United States, or to call a convention for such purpose as provided by article V of the Constitution, an article providing as follows:

" 'ARTICLE ——

" 'SECTION 1. The Government of the United States shall not engage in any business, professional, commercial, financial, or industrial enterprise except as specified in the Constitution.

" 'SEC. 2. The Constitution or laws of any State, or the laws of the United States shall not be subject to the terms of any foreign or domestic agreement which would abrogate this amendment.

" 'SEC. 3. The activities of the U.S. Government which violate the intent and purposes of this amendment shall, within a period of 3 years from the date of ratification of this amendment, be liquidated and the properties and facilities affected shall be sold.

" 'SEC. 4. Three years after the ratification of this amendment, the 16th article of amendments to the Constitution of the United States shall stand repealed and thereafter Congress shall not levy taxes on personal incomes, estates, and/or gifts'; and be it further

"Resolved, That a certified copy of this resolution be forwarded by the Secretary of State to the President of the U.S. Senate, the Speaker of the House of Representatives, and to each Member of Congress from the State of Louisiana.

"——— ———,

"Speaker of the House of Representatives.

"——— ———,

"Lieutenant Governor and President of the Senate."

A paper in the nature of a petition signed by Lawrence W. Anderson, of Capistrano Beach, Calif., relating to the rights of the people; to the Committee on the Judiciary.

RESOLUTIONS OF THE NEW HAMPSHIRE CONGREGATIONAL-CHRISTIAN CONFERENCE

Mr. COTTON. Mr. President, I present, for appropriate reference, two resolutions adopted by the recent 159th annual meeting of the New Hampshire Congregational-Christian Conference, relating to the cessation of atom bomb testing, and program for peace. I ask unanimous consent that the resolutions be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

NEW HAMPSHIRE CONGREGATIONAL CHRISTIAN CONFERENCE,
Concord, N.H., June 24, 1960.

Hon. NORRIS COTTON,
U.S. Senate, Washington, D.C.

DEAR SENATOR COTTON: Believing that you will be interested in two of the resolutions passed at the recent 159th annual meeting of the New Hampshire Congregational-Christian Conference, I am copying below from the scribe's minutes:

"CESSATION OF ATOM BOMB TESTING

"Whereas it is generally agreed that the testing of atom bombs and similar devices is producing contamination of the atmosphere which can be seriously harmful to present and future members of the human race; and

"Whereas the testing of such devices is a threat to world peace and provides other nations with convincing propaganda to the effect that we are not a peace loving nation: Therefore be it

"Resolved, That we call upon our Government in Washington to work untiringly to bring about a final cessation of such testing and for disarmament by all nations, with a satisfactory system of inspection and control; and be it further

"Resolved, That we call upon our leaders as Christians, to redouble their efforts to promote understanding between peoples and to lessen the tensions between governments."

"PROGRAM FOR PEACE

"Whereas we uphold and support our Nation, the United Nations or any other nation in those of their separate or cooperative efforts which seek to establish world peace; and

"Whereas we feel strongly that all acts of violent aggression against other nations and all suppression of free peoples are wrong in the sight of God and civilized man: Therefore be it

"Resolved, That we commend the policy of bringing before the United Nations those governments which use threats and violence against peaceful nations and which refuse to respect fundamental human rights and their international obligations; and be it further

"Resolved, That we encourage all nations and all people in their efforts for peaceful self-government and national integrity."

Very truly yours,

FREDERIC W. ALDEN,
Conference Minister.

RESOLUTION OF BOARD OF SUPERVISORS, WOOD COUNTY, WIS.

Mr. WILEY. Mr. President, on May 12, 1960, the Senate—and wisely, I believe—passed a bill, S. 910, to provide payments to local communities in lieu of taxes that would normally be received from federally occupied property.

Across the Nation, cities and small communities are having a difficult time—as is Uncle Sam—to find adequate sources of revenue. The existence of Federal properties within an area—often on prime locations—results in further depletion of tax sources.

The proposal to provide some remuneration to the communities through payment in lieu of taxes, I believe, is well justified, as this can be done according to equitable formula.

I would sincerely hope that the Interior and Insular Affairs Committee of the House of Representatives before which this is pending would give early and favorable consideration to this legislation.

Recently, I have received an additional endorsement of the bill from Rosemary Volkenant, deputy county clerk of the Wood County Board of Supervisors, favoring the enactment of this bill. I request unanimous consent to have this resolution printed at this point in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

LEGISLATIVE COMMITTEE'S REPORT ON THE COMMUNICATION FROM THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS RELATING TO BILL NO. S. 910

We, the undersigned legislative committee, hereby recommend that the Wood County Board of Supervisors go on record as favoring the enactment of bill No. S. 910, and that the county clerk send copies of this report to Hon. ALEXANDER WILEY and WILLIAM PROXMIRE, Senators, and Hon. MELVIN R. LAIRD, Representative in Congress.

J. A. SCHINDLER.
J. L. SWINGHAMER.
MARTIN HOENEVELD.
HANS M. VOLLERT.

RECOMMENDATIONS ON IMMIGRATION

Mr. CARLSON. Mr. President, this is World Refugee Year and there are several bills pending in Congress affecting our immigration laws and refugee programs.

President Eisenhower has proposed several changes in existing law, and I am hopeful that we shall have an opportunity to vote on the proposals before this session of Congress ends.

The national origins quota system is inaccurate, discriminatory, and unfair and based on past history, should be changed.

The Council of Churches of Greater Kansas City covers the States of both Kansas and Missouri and at a recent meeting made several recommendations on immigration.

I ask unanimous consent that their views be printed in the RECORD, and referred to the appropriate committee.

There being no objection, the recommendations were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

RECOMMENDATIONS ON IMMIGRATION

We recommend the fullest active support for the passage of an immigration and citizenship law which would rectify the inequities and injustices in our present Immigration and Nationality Act. As a nonpartisan group, we recognize that bills have been introduced by members of both political parties for this purpose. We request that our congressional delegation exercise its judgment in respect to these bills with the following principles in mind:

1. That the national origins quota system which implies the superiority of one place of origin or group to others, is inaccurate, discriminatory, and unfair. The value of the individual and his capacity to contribute to our country is a more valid approach.

2. Bills introduced by both parties accept as an expert conclusion that an annual inflow amounting to one-sixth of 1 percent of our population is a volume which does not challenge this country's absorptive capacity

or place a burden on its population. Rather, it is a stimulant to our continued growth.

3. Passage by the U.S. Senate of House Joint Resolution 397:

a. With amendments suggested by the U.S. Committee for Refugees, urging the President, the Secretary of State, and the Director of the Budget to allocate an additional $5 million to overseas refugee programs; thus utilizing the full $10 million authorized by Congress.

b. With amendments consistent with the past immigration legislations by making provision for the inclusion of Chinese refugee-escapees in the Hong Kong-Macau area and elsewhere who are also victims of Communist despotism.

5. Passage of H.R. 10419, extending the act providing for the admission of foreign orphan-refugees, preferably with amendment for extension without regard to dateline or numbers.

COMMITTEE ON REFUGEES OF GREATER KANSAS CITY.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial, in the State of Arkansas (Rept. No. 1743).

By Mr. PROXMIRE, from the Committee on Banking and Currency, with amendments:

H.R. 11207. An act to amend the Small Business Act, so as to authorize an additional $150 million for loans to small businesses, and for other purposes (Rept. No. 1748).

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 7211. An act to provide additional disability compensation for certain seriously disabled veterans (Rept. No. 1745); and

H.R. 9786. An act to amend sections 511 and 512 of title 38, United States Code, to permit Indian war and Spanish-American War veterans to elect to receive pension at the rates applicable to veterans of World War I (Rept. No. 1746).

By Mr. BYRD of Virginia, from the Committee on Finance, with an amendment:

H.R. 5054. An act to amend the Tariff Act of 1930 with respect to the marking of imported articles and containers (Rept. No. 1747).

By Mr. MUNDT, from the Committee on Government Operations, without amendment:

S. 3736. A bill creating a commission to be known as the Commission on Noxious and Obscene Matters and Materials (Rept. No. 1749).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment.

H.R. 10793. An act for the relief of Ray C. Thompson (Rept. No. 1751).

FAIR LABOR STANDARDS AMENDMENTS OF 1960—REPORT OF A COMMITTEE—MINORITY VIEWS (S. REPT. NO. 1744)

Mr. MORSE. Mr. President, I have the pleasure of submitting, on behalf of the Committee on Labor and Public Welfare, and particularly on behalf of the Senator from Massachusetts [Mr. KENNEDY], the committee report on the minimum wage bill, an original bill. I am pleased to submit the report, Mr. President, because the Senator from Massachusetts and I share authorship of the original bill. I do not mean to imply that the report is with reference to the original bill, but one can recognize some connection between the original bill and the final bill.

I wish to say on the floor of the Senate what I said to the committee, as the present Presiding Officer of the Senate, the Senator from West Virginia [Mr. RANDOLPH] knows, when we completed the writeup of the bill. I think the Senator from Massachusetts is deserving of a great deal of credit for his persistence in sticking with this job until we finally brought from the committee a bill, which we report today to the Senate, with both a majority report and minority views.

I ask unanimous consent that the committee report, with minority views, be received and printed.

The PRESIDING OFFICER (Mr. HRUSKA in the chair). The report will be received and printed, as requested by the Senator from Oregon, and the bill will be placed on the calendar.

The bill (S. 3758) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes, reported by Mr. MORSE, on behalf of Mr. KENNEDY, from the Committee on Labor and Public Welfare, was read twice by its title, and placed on the calendar.

REPORT ENTITLED "INTELLIGENCE AND NATIONAL SECURITY" (S. REPT. NO. 1750)

Mr. JACKSON, from the Committee on Government Operations, pursuant to Senate Resolution 248, 86th Congress, submitted a report entitled "Intelligence and National Security," which was ordered to be printed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPARKMAN:

S. 3748. A bill for the relief of James Delbert Hodges; to the Committee on the Judiciary.

By Mr. LONG of Louisiana:

S. 3749. A bill for the relief of Herbert Kaempf; to the Committee on the Judiciary.

(See the remarks of Mr. LONG of Louisiana when he introduced the above bill, which appear under a separate heading.)

By Mr. PROXMIRE:

S. 3750. A bill for the relief of Aharan Rotholz and Dan Rotholz;

S. 3751. A bill for the relief of Wen Nong Wong; and

S. 3752. A bill for the relief of Doctor Ya-Pin Lee; to the Committee on the Judiciary.

S. 3753. A bill for the relief of Erwin P. Milspaugh; to the Committee on Post Office and Civil Service.

By Mr. CARLSON:

S. 3754. A bill to provide for the issuance of a special postage stamp in commemoration of 300 years of operation of hotels in America, and the 50th anniversary of the American Hotel Association; to the Committee on Post Office and Civil Service.

By Mr. McCARTHY (for himself, Mr. McNAMARA, Mr. CLARK, Mr. RANDOLPH, Mr. HARTKE, Mr. McGEE, and Mr. BYRD of West Virginia):

S. 3755. A bill to amend the public assistance provisions of the Social Security Act so as to enable States to establish more adequate general assistance programs, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. McCARTHY when he introduced the above bill, which appear under a separate heading.)

By Mr. KERR:

S. 3756. A bill to amend the Internal Revenue Code of 1954 to permit a deduction by life insurance companies in determining gain or loss from operations of an amount equal to 2 percent of the premiums from individual accident and health insurance contracts; to the Committee on Finance.

By Mr. SMATHERS:

S. 3757. A bill for the relief of Stanley Bulski (Zdzislaw Rekosz); to the Committee on the Judiciary.

By Mr. MORSE (for Mr. KENNEDY):

S. 3758. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes; placed on the calendar.

(See the remarks of Mr. MORSE when he reported the above bill from the Committee on Labor and Public Welfare, which appear under the heading "Reports of Committees.")

By Mr. HILL:

S. 3759. A bill authorizing the Secretary of Agriculture to convey certain lands to Auburn University, Auburn, Ala., to the Committee on Agriculture and Forestry.

By Mr. RANDOLPH:

S. 3760. A bill to amend the Vocational Education Act of 1946 in order to assist the States in providing training and retraining for the unemployed and underemployed; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. RANDOLPH when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART (for himself and Mr. ROBERTSON):

S. 3761. A bill for the relief of Irene Theresia Rothlin; to the Committee on the Judiciary.

By Mr. MURRAY (by request):

S. 3762. A bill to provide for the withdrawal of certain public lands 40 miles east of Fairbanks, Alaska, for use by the Department of the Army as a Nike range; to the Committee on Interior and Insular Affairs.

By Mr. GORE (for himself and Mr. YARBOROUGH):

S. 3763. A bill to provide for the payment of hospital and other health services furnished to aged retired individuals, and to provide for a continuing study of the health needs of such individuals; to the Committee on Finance.

(See the remarks of Mr. GORE when he introduced the above bill, which appear under a separate heading.)

By Mr. HARTKE:

S.J. Res. 211. Joint resolution to establish a commission to study and report on the organization of the Federal Communications Commission and the manner in which the electromagnetic spectrum is allocated in the agencies and instrumentalities of the Federal Government; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. HARTKE when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTIONS

DEVELOPMENT OF INTERNATIONAL EDUCATIONAL PROGRAMS THROUGH UNITED NATIONS

Mr. McGEE submitted the following concurrent resolution (S. Con. Res. 111), which was referred to the Committee on Foreign Relations:

Whereas the United States has benefited greatly from the exchange of students between our own country and other countries through the Fulbright Acts and Smith-Mundt Acts; and

Whereas the other nations of the world have in recent years experienced remarkable growth in the number of persons trained through the operations of these and similar programs; and

Whereas increasing the level of education of the peoples of the world is the most productive investment that the nations of the world can make for the well-being of all mankind; and

Whereas programs of international cooperation in education enhance international understanding and thereby promote the cause of peace; and

Whereas many nations or regions of the world not now possessing sufficient educational facilities, such as necessary schools, universities, colleges, and technical institutes are ready to establish, expand and improve such facilities: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States hereby expresses its interest in encouraging the development of international programs for the expansion and improvement of education at all levels, including provisions for teachers colleges, technical institutes, as well as other necessary schools, colleges, and universities, national or regional in scope; and be it further

Resolved, That the Congress hereby recommends that the United States Government encourage the organizations of the United Nations system to develop programs for increased international cooperation in the field of education that would best serve the needs of the several member countries, as well as the cause of world peace and international economic and social development; and be it further

Resolved, That the Congress hereby expresses its willingness to accept a reasonable share of the cost of bringing into operation certain aspects of such programs through the use of foreign currencies available for these uses.

HERBERT KAEMPF

Mr. LONG of Louisiana. Mr. President, I introduce, for appropriate reference, a bill for the relief of Herbert Kaempf. I ask unanimous consent that an explanatory statement of the bill, prepared by me, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3749) for the relief of Herbert Kaempf, introduced by Mr. LONG of Louisiana, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. LONG is as follows:

STATEMENT ACCOMPANYING BILL FOR RELIEF OF HERBERT KAEMPF

The bill for the relief of Herbert Kaempf would allow him to be considered as having resided in and as having been physically present in the United States for a 10-year period immediately prior to 1959. The purpose of this bill is to satisfy an Immigration and Nationality Act requirement that in the event that a child is born abroad to parents, one of whom is an alien and the other a citizen of the United States, for the child to become a citizen of the United States at birth, the citizen parent must physically have been present in the United States or its outlying possessions for a period or periods totaling 10 years, at least 5 of which were after attaining 14 years of age.

Herbert Kaempf was born in 1930 in Czechoslovakia of German parents. He immigrated to the United States in 1952; and be enlisted in the U.S. Air Force later that year. On October 23, 1953, Kaempf was naturalized. In 1957, Kaempf married a German girl and they resided in England, where he was stationed. In May 1959, a son was born to the Kaempfs in an American hospital in England.

Not until Sergeant Kaempf was preparing to return to the United States later that year, having been transferred, and was seeking an American passport for his infant son, did he discover that his son was not a citizen of the United States because of the regulation of the Immigration and Nationality Act cited above.

The only reason why the son of Sergeant Kaempf is not considered native born is because he was born outside the United States to parents, one of whom is not a U.S. citizen. Nevertheless, the reason he was born outside the United States is because his father, Sergeant Kaempf, was stationed there with the U.S. Air Force. If by mere chance, Sergeant Kaempf had been assigned to a location within the United States by the Air Force, his son would have been born in the United States and thus have become a U.S. citizen at birth, without question.

The Kaempfs are presently living in Biloxi, Miss., where Sergeant Kaempf is assigned to Keesler Air Force Base. They have set up permanent residence in Lake Charles, Calcasieu Parish, La., where the sergeant is a registered and participating voter. There is no question that the Kaempfs are intending to remain in the United States, and that the son will be brought up as an American. The only question is whether the son will have to become a citizen through naturalization or whether he may be granted citizenship as a birthright.

Because of the unusualness of the situation which finds a boy, for all intents and purposes an American citizen by birth, denied such birthright due to a curious combination of happenstance and restrictive law, petition is made for relief which will ultimately allow the boy to gain this birthright.

TRAINING FOR THE UNEMPLOYED

Mr. RANDOLPH. Mr. President, I introduce, for appropriate reference, a bill to amend the Vocational Education Act of 1946, to assist the States in providing training for the unemployed and underemployed.

It is hoped that other Senators will join in sponsoring the bill; therefore, I ask unanimous consent that the bill lie on the desk until Thursday, for that purpose.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred; and, without objection, the bill will be held at the desk as requested.

The bill (S. 3760) to amend the Vocational Education Act of 1946 in order to assist the States in providing training and retraining for the unemployed and underemployed, introduced by Mr. RANDOLPH, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. RANDOLPH. Mr. President, in introducing the bill, I wish to state that by this means we can well lay the groundwork for intelligent action in this vital field when the 87th Congress convenes in January 1961.

I had hoped the area redevelopment bill would have provided us with some pilot studies in regard to how best to train the unemployed who are living in the surplus labor areas of the country, where there are pernicious pockets of unemployment. But the President's veto of that desperately needed and very worthwhile measure has denied us this opportunity.

The Special Committee on Unemployment Problems, on which I had the responsibility of serving, called for expansion of the Nation's vocational education after Congress had obtained a consensus in regard to what types of programs will best serve our manpower needs. As chairman of the new Subcommittee on Employment and Manpower, it is my desire—and I am certain it will be accomplished—to hold hearings this summer on the feasibility of such an approach to unemployment, through vocational education, in an effort to help us reach a helpful consensus.

Mr. President, one dimension of our manpower problems is the serious unemployment threatened by automation, which already has hit the coal-mining areas of West Virginia and of many other States. The tragic problem in the years ahead will be felt with very tremendous impact as accelerated mechanization spreads to other industries. So Congress should now begin to consider appropriate programs for an all-out frontal attack on the basic causes of technological employment.

Of course, we need to encourage higher productivity; but we also have the duty of aiding those whose skills have become obsolete, so they can benefit from increased efficiency.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the bill and a press announcement.

There being no objection, the bill (S. 3760) and the release were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Vocational Education Act of 1946 (20 U.S.C. 15i–15m, 15o–15q, 15aa–15jj, 15aaa–15ggg) is amended by adding after title III the following new title:

"TITLE IV—VOCATIONAL EDUCATION PROGRAMS FOR THE TRAINING AND RETRAINING OF THE UNEMPLOYED AND UNDEREMPLOYED

"Authorization of appropriations

"SEC. 401. There is authorized to be appropriated for the fiscal year ending June 30, 1961, and for each of the four succeeding fiscal years the sum of $12,000,000 for training and retraining of the unemployed and underemployed in vocational education programs, to be apportioned for expenditure in the States as provided in section 402.

"Allotments to States

"SEC. 402. (a) From the sums appropriated for any fiscal year pursuant to section 401,

each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the total of the amounts apportioned under title I of this Act, the Act of March 18, 1950 (20 U.S.C. 31–33), and section 9 of the Act of August 1, 1956 (20 U.S.C. 34), to such State for such year bears to the total of the amounts so apportioned to all the States for such year, except that the allotment to any State under this section shall not be less than $20,000 in any fiscal year.

"(b) The amount of any allotment to a State under subsection (a) for any fiscal year which the State certifies to the Commissioner will not be required for carrying out vocational education programs (under the part of the State plan meeting the requirements of section 405) shall be available for reallotment from time to time, on such dates as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year. Any amount so reallotted to a State shall be deemed part of its allotment under subsection (a).

"Payments to States

"SEC. 403. (a) Any amount paid to a State from its allotment under section 402 for any fiscal year shall be paid on condition:

"(1) That such State pay 25 per centum of the cost of carrying out the State plan under section 402 in the case of each of the fiscal years ending June 30, 1961, and 50 per centum of such costs in the case of the next three fiscal years.

"(2) that funds appropriated under this title will not be used to reduce the amount of State or local funds, or both, being spent for vocational education programs operated under provisions of the Smith-Hughes Vocational Education Act and titles I and II of this Act and reported to the Commissioner, but such State or local funds, or both, in excess of the amount necessary for dollar for dollar matching of funds allotted to a State under provisions of the Smith-Hughes Vocational Education Act and titles I and II of this Act may be used to match funds appropriated under this title:

"(3) that funds appropriated under section 401 of this title shall be used for the training of individuals over 18 years of age who can reasonably be expected to secure gainful employment after such training has been completed.

"(b) The commissioner shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State for area vocational education programs under this title for such period; and shall pay to the State, from the allotment available therefor, the amount so estimated by him for such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this subsection), by which he finds that his estimate of the amount to be paid to the State for any prior period for such purpose under this title was greater or less than the amount which should have been paid to the State for such prior period under this title for such purpose. Such payments shall be made in such installments as the Commissioner may determine.

"Use of funds

"SEC. 404. (a) Funds paid to a State under this title for vocational education programs may be used, in carrying out such programs (under the part of the State plan meeting the requirements of section 405), for—

"(1) maintenance of adequate programs of administration, supervision, and teacher-training;

"(2) salaries and necessary travel expenses of State or local school personnel, including teachers, coordinators, supervisors, vocational guidance counselors, teacher-trainers, directors, administrators, and others;

"(3) travel expenses of members of advisory committees or State boards;

"(4) purchase, rental, or other acquisition, and maintenance and repair, of instructional equipment;

"(5) purchase of instructional supplies and teaching aids;

"(6) necessary costs of transportation of students;

"(7) securing necessary educational information and data as a basis for the proper development of vocational education programs and programs of vocational guidance under the provisions of this title;

"(8) training of the unemployed and underemployed individuals over 18 years of age in order to provide to them a reasonable expectation for gainful employment;

"(9) training programs established pursuant to agreements with prospective employers either in established vocational training facilities or in work areas destined for production by such employers.

"(b) Any equipment and teaching aids purchased with funds appropriated to carry out the provisions of this title shall become the property of the State.

"(c) The cost of administration of a State plan providing for training and retraining of the unemployed and underemployed may not include any portion of the cost of the purchase, preservation, erection, or repair of any building or buildings or the purchase or rental of any land.

"Additional State plan requirements

"SEC. 405 (a) To be eligible to participate in this title the State plan must be amended to include a new part which—

"(1) designates the State Board as the sole agency for administration of such part of the plan (or for the supervision of the administration thereof by State or local educational agencies);

"(2) provides minimum qualifications for teachers, teacher-trainers, supervisors, directors and others having responsibilities under the plan;

"(3) shows the plans, policies, and methods to be followed in carrying out such part of the State plan;

"(4) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of such part of the State plan;

"(5) provides that the State board will make such reports to the Commissioner, in such form and containing such information, as are reasonably necessary to enable the Commissioner to perform his functions under this title;

"(6) provides, to the extent possible under State law, that individuals shall not be disqualified from unemployment compensation benefits during training under this title of persons who can reasonably be expected to secure gainful employment upon the completion of such training;

"(7) provides a general definition of an individual who is unemployed or underemployed who shall be trained under this part of such plan; and

"(8) provides appropriate procedures developed by the State board after consultation with the State bureau of employment security or its equivalent for determining qualifications and standards pursuant to which individuals shall be eligible for training.

"(b) The Commissioner shall approve a part of any plan for purposes of this title if he finds that it fulfills the conditions specified in subsection (a) of this section.

"(c) Whenever the Commissioner after reasonable notice and opportunity for hearing to the State board finds that—

"(1) the part of the State plan approved under subsection (b) has been so changed that it no longer complies with any provision required by subsection (a) of this section to be included in such part; or

"(2) in the administration of such part of the plan there is a failure to comply substantially with any such provision;

the Commissioner shall notify such State board that no further payments will be made to the State from its allotments under section 402 (or, in his discretion, that further payments will not be made to the State for projects under or portions of such part of the State plan affected by such failure) until he is satisfied that there is no longer any such failure. Until he is so satisfied the Commissioner shall make no further payments to such State from its allotments under section 402 (or shall limit payments to projects under or portions of such part of the State plan in which there is no such failure).

"(d) (1) If any State is dissatisfied with the Commissioner's action under subsection (c) of this section, such State may appeal to the United States Court of Appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Commissioner shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

"(2) The findings of fact by the Commissioner, unless substantially contrary to the weight of the evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive unless substantially contrary to the weight of the evidence.

"(3) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

"Appropriations for administration

"SEC. 406. There are hereby authorized to be included for each fiscal year in the appropriations for the Department of Health, Education, and Welfare such sums as are necessary to administer the provisions of this title.

"Definitions

"SEC. 407. For purposes of this title—

"(a) The term 'State' includes the Virgin Islands, Puerto Rico, the District of Columbia, and Guam.

"(b) The term 'Commissioner' means the Commissioner of Education.

"(c) The terms 'State Plan' and 'State Board' shall have the meaning which said terms have in the Act approved February 23, 1917 (39 Stat. 929, ch. 114).

"(d) The term 'Training and Retraining of the Unemployed or Underemployed' means training of less than college grade which is given under public supervision and control and is conducted as a part of a program designed to prepare individuals for gainful employment. In addition, the term includes vocational guidance necessary in connection with any such program and the training of teachers, teacher-trainers, supervisors, and directors for any such program, but does not include courses which have only incidental relationship to the specialized training needed by an individual for useful employment.

"(e) The term 'unemployed or underemployed' means a person over 18 years of age who is certified as being unemployed or underemployed within the meaning of the State regulations approved pursuant to section 405 of this title, provided a person is determined to be unemployed or underemployed by the appropriate State agency.

"(f) The term 'local educational agency' means a board of education or other legally

constituted local school authority having administrative control and direction of public secondary schools in a county, township, independent, or other school district, or having such control and direction over vocational education in such schools."

EXPLANATION OF BILL SUBMITTED BY SENATOR JENNINGS RANDOLPH

WASHINGTON.—Senator JENNINGS RANDOLPH, Democrat, of West Virginia, today introduced a bill which would provide $12 million a year to assist the States in providing training for the unemployed and the underemployed.

"My purpose in introducing this bill now is to lay the groundwork for intelligent action by Congress next January," Senator RANDOLPH explained.

"I had hoped that the area redevelopment bill would have provided us with some pilot studies of how best to train the unemployed," he said. "But the President's veto of that much needed and worthwhile legislation has deprived us of this opportunity."

Senator RANDOLPH announced that the recently created Senate Subcommittee on Employment and Manpower, of which he is chairman, will hold hearings on the bill this summer. At least one of the hearings will be held in West Virginia.

"Our subcommittee wants to reexamine the entire field of vocational education in the light of America's manpower needs of the 1960's," he continued.

"One dimension of our manpower problems is the serious unemployment threatened by automation, which already has seriously affected the coal producing States. Other States doubtless will face the same problem in the years ahead as automation spreads to other industries."

RANDOLPH'S bill would amend the Vocational Education Act of 1946 to enable States to match Federal funds for financing training programs for unemployed persons over 18 years of age "who can reasonably be expected to secure gainful employment after such training has been completed."

During the first year of the State-administered program, the Federal Government would pay 75 percent of the cost. After that the program would be financed on a 50–50 matching basis.

The bill would permit training to be done on the premises of a prospective employer before his business actually is in production, Senator RANDOLPH said.

"This type of training has been used successfully in several States as an additional inducement for attracting new industries into labor surplus areas," he explained.

Representative KEN HECHLER, Democrat, of West Virginia, introduced a similar bill in the House today.

STUDY OF TELECOMMUNICATIONS

Mr. HARTKE. Mr. President, not long ago we sent aloft a weather satellite. Then we orbited a navigation satellite. And soon, we are told, we shall have an "eye in the sky" to take pictures and transmit them to earth. Radio signals are being transmitted back and forth to a host of spheres circling the earth.

In addition to this, we have begun the use of radioed "instructions" to missiles, airplanes and other vehicles. Airplanes and ships have come to use radar and radio as simply as they use gasoline. We are using radio telescopes. Nearly every community makes use of radio in emergency vehicles. Thousands of amateur radio operators broadcast back and forth in this country and overseas. Thousands of commercial radio and television stations are in operation.

These electronic wonders are controlled by the Federal Communications Commission, National Aeronautics and Space Agency, State Department, Defense Department, Office of Civil Defense and others. Experts tell us we do not know exactly where we stand in telecommunications.

If we cannot figure out where we are and who has charge of what in the myriad of present-day communications problems, we certainly will not be able to cope with the pyramiding problems to come. Yet, this is an infant field. It has, unfortunately, grown like Topsy.

In this session of Congress we have been faced with a few of the problems of commercial radio and television—problems in regulating advertising, payola and rigged programs and coverage of political campaigns.

In addition, we have seen overlapping of agencies and of civilian and military control. There is chaos in parts of the communications field. Where there is no overlapping, members of the Commission in charge often cannot agree.

Legislation of some kind, perhaps centralizing authority and clarifying development, must come soon. We intend to offer some kind of such legislation in the early days of the next Congress. Meanwhile, a study of the status and needs in telecommunications is vital. I am not so much interested in the form of this study as I am in seeing that there is a study.

Mr. President, I therefore introduce, for appropriate reference, a joint resolution to provide for establishing a commission to study and to report on the organization of the Federal Communications Commission and the manner in which the electromagnetic spectrum is to be allocated in the agencies and instrumentalities of the Federal Government.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 211) to establish a commission to study and report on the organization of the Federal Communications Commission and the manner in which the electromagnetic spectrum is allocated in the agencies and instrumentalities of the Federal Government, introduced by Mr. HARTKE, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed as a part of my remarks a short statement outlining further the need for such legislation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NEED FOR LEGISLATION

The development of so valuable a natural resource as the radio spectrum is a matter of paramount importance. The spectrum is a publicly owned natural resource the importance of which increases year by year as its use for varied purposes grows. It has long been apparent that the capacity of this resource is not unlimited and that its effective utilization cannot be expanded indefinitely. The interdependence of regulatory measures and technology in making possible the most effective use of the spectrum is a significant point that requires most painstaking study. The use of the spectrum requires as careful planning and administration as any other national resource.

As early as 1951, in a report of the President's Communications Policy Board, headed by the distinguished Dr. Irving Stewart and entitled "Telecommunications—A Program for Progress," it was recognized among other things that:

"Measured in terms of spectrum space rather than in number of discrete frequency channels, the Federal Government's share of the spectrum, though not so great as is commonly believed, is nevertheless large. While we do not know that it is out of proportion to the Government's responsibilities, it must have the most adequate justification and careful management if the greatest benefit is to be obtained from it.

"There is need for a continuing determination of the changing requirements of Federal Government users both among themselves and in relation to the requirements of other users."

The Communications Act of 1934, as amended, was written when radio was not so highly developed, when television as we know it today was in the stages of invention and experimentation, and long before the technical advances made in this field which have led to the unprecedented demands for spectrum space that exist today. Under the provisions of the Communications Act, a dual system of allocating radio frequencies as between Federal Government and non-Government users was established. The responsibility for the assignment of nongovernmental radio frequencies rests with the Federal Communications Commission, while the President is empowered to assign frequencies to Federal Government users. Information concerning the users of the FCC-controlled frequencies is a matter of public record while on the other hand very little has been made public with reference to frequencies assigned to the Government. The limitations of the Communications Act of 1934, as amended, and of the Federal Communications Commission whose responsibility it is to administer this act, has been the subject of much consideration by the Congress in recent years.

In a report submitted to the Senate Committee on Interstate and Foreign Commerce by Edward L. Bowles, consulting professor of industrial management of the Massachusetts Institute of Technology, and specialist in communications and electronics, it was stated with respect to allocations and other communications policy that:

"There is no high-level agency within the Government to resolve conflicts arising among governmental interests, much less those arising between governmental and nongovernmental interests. Government policy and administrative development have not kept pace with technical and industrial development in communications. The modernization of the national air control facilities presents, in itself, a vital problem. Radar and other communications developments in the military area, under present lack of overall administration, promise to present serious conflicts with civil communications, including interference with television broadcasting, if allocations plans are not scrupulously coordinated. In ordinary circumstances, a lack of overall unity may be simply inconvenient, in times of emergency it can prove disastrous—techniques have advanced at a prodigious rate and two existing new modes of radio communication have been discovered, ionospheric and tropospheric scattering. The military have particular reason to be interested in the potentialities of these new techniques. Ionospheric scattering points to new applications in the lower VHF band, tropospheric scattering, the UHF band.

"In 1959 there is to be an International Radio Conference. Our needs must be clearly understood if we are to plead them successfully and secure them by international agreement. There is thus an imperative need for a critical study of the radio spectrum in terms of governmental and nongovernmental needs."

It must be emphasized that in this electronics age each Government agency must have the share of spectrum space required for the full discharge of its responsibilities. But, in view of the increasing demand and the relatively limited number of channels available, every precaution should be taken to insure that the Government has not unnecessarily preempted spectrum space. Unless our Government knows specifically its current use of the spectrum and what its future needs are, or are likely to be, the best interests of the United States will suffer. Demands by non-Government users are increasing as each day passes. The need for facts which would be developed by the Commission are urgent and compelling. Careful planning and skilled administration are essential if we are to make the effective use of this most valuable resource—the radio frequency spectrum—and advance the interests of the United States.

VOLUNTARY PENSION PLANS FOR SELF-EMPLOYED INDIVIDUALS—AMENDMENTS

Mr. LONG of Louisiana submitted amendments, intended to be proposed by him, to the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals, which were ordered to lie on the table and be printed.

Mr. HARTKE submitted amendments, intended to be proposed by him, to House bill 10, supra, which were ordered to lie on the table and be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. KEATING. Mr. President, I submit two amendments to H.R. 12580, the Social Security Act passed by the House which is now before the Senate Finance Committee. I ask that these amendments be printed and also request unanimous consent that they appear at this point in my remarks so that the Members may have an opportunity to study them prior to our consideration of H.R. 12580.

The PRESIDING OFFICER. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments will be printed in the RECORD.

The amendments were referred to the Committee on Finance, as follows:

On page 27, line 17, strike out "(A)".

On page 27, line 22, strike out "(B)" and insert in lieu thereof "(2)".

On page 28, line 1, strike out "(2)", and insert in lieu thereof "(b)".

On page 28, beginning with line 7, strike out all through line 14.

On page 42, line 13, strike out "subsection (a)" and insert in lieu thereof "subsections (a) and (b)".

On page 80, between lines 3 and 4, insert the following new section:

"ELIMINATION OF DEDUCTIONS FROM BENEFITS ON ACCOUNT OF WORK

"SEC. 211. (a) Subsections (c), (e), (g), (j), and (k) of section 203 of the Social Security Act are repealed.

"(b) Subsection (b) of such section 203 is amended by (1) striking out 'Work or' in the heading, and (2) striking out paragraphs (1) and (2) thereof.

"(c) (1) The first sentence of subsection (d) of such section 203 is amended by striking out 'subsections (b) and (e)' and inserting in lieu thereof 'subsection (b).'

"(2) The second sentence of such subsection (d) is repealed.

"(d) Subsection (f) of such section 203 (as amended by section 209(a) of this Act) is amended by striking out '(other than an event specified in subsection (b)(1))'.

"(e) Paragraph (1) of subsection (h) of such section 203 is amended by striking out ', (f), or (g)' and inserting in lieu thereof ', or (f)'.

"(f) Subsection (l) of such section 203 is amended by striking out 'or (g)'.

"(g) Paragraph (1) of subsection (n) of section 202 of the Social Security Act is amended by striking out 'section 203 (b) and (c)' and inserting in lieu thereof 'section 203(b)'.

"(h) Paragraph (7) of subsection (t) of section 202 of the Social Security Act is amended by striking out 'subsection (b) and (c)' and inserting in lieu thereof 'subsection (b)'.

"(i) The amendments made by this section shall apply only with respect to monthly benefits payable under title II of the Social Security Act for months beginning after the month in which this Act is enacted."

On page 80, between lines 3 and 4, insert the following new section:

"SEC. 211. (a)(1) Paragraphs (1) and (2) of subsection (e) of section 203 of the Social Security Act are amended by striking out '$1,200' wherever it appears therein and inserting in lieu thereof '$1,800', and (2) such paragraphs and paragraph (1) of subsection (g) of such section are amended by striking out '$100 times' whenever it appears therein and inserting in lieu thereof '$150 times'.

"(b) The amendments made by subsection (a) shall be effective, in the case of any individual, with respect to taxable years of such individual ending after 1960."

Mr. KEATING. Mr. President, let me briefly explain these amendments. Both relate to the limitation on the earnings of persons receiving social security old-age benefits. The first calls for the complete elimination of the existing $1,200 per year earnings limitation and is based on a bill which I have introduced in the Senate (S. 1168) and which I also introduced for many years as a Member of the House.

My second amendment would raise the earnings limit to $1,800. Recognizing that many Members are unprepared at the present time to go along with the complete elimination of the so-called earnings test, it is my hope that they will give consideration to the second of these two amendments—which may be a somewhat more accurate reflection of the present tenor of the sentiments of the Congress with respect to the unrealistic and, I believe, unnecessary social security earnings test.

The last change in the basic earnings test dollar amount was in 1954, when the earnings limit, then $75 a month, was raised to $100 a month. My second amendment would raise this figure to $150 a month. Certainly, in view of the increased cost of living, a moderate revision along these lines is merited in order to reduce the extent to which the present earnings ceiling serves as a definite and direct disincentive for a social security recipient to do substantial and rewarding work after reaching the legal retirement age.

Many of our older people between the ages of 65 and 72 are anxious to do a limited amount of work. They can contribute to our economy, in many cases, and they live longer and feel better if they are engaged in gainful work. People are constituted differently, but that is certainly the view of many.

The objection that has always been made to such amendments is keyed to their effect upon the Social Security Trust Fund. I have had some estimates made, the first on what it would cost to completely remove the earnings limitation. This is estimated to cost about one-half of 1 percent of taxable earnings to both the employer and his employee, or a total of 1 percent, and would affect a little over 2 million persons between the ages of 65 and 72.

It is my impression that employers and employees generally are prepared for such an increase in order to keep the trust fund fiscally sound.

There is no reason why there should be a social security earnings limitation. It is an arbitrary and artifical barrier, and although it perhaps was necessary at one time, it no longer is of any use, and, in fact, is now frequently a detriment to a happy retirement for those affected.

The second amendment, to raise the limitation on earnings to $1,800 a year, is estimated to cost less than one-eighth of 1 percent to both employer and employee, or a total payroll cost of less than one-quarter of 1 percent. It would affect somewhere between a half and three-quarters of a million retired persons. The additional cost here, in my judgment, might well be absorbed in the presently scheduled increases in the social security tax rates over the next 4 years. During that time, it will be remembered, the taxes on both employer and employee are scheduled to increase by 1½ percent.

Nevertheless, whatever the fiscal result is, I believe employers and employees are fully prepared to increase the tax, certainly to this modest extent, in order to rectify, or at least mitigate, the existing inequity in our social security laws with respect to the amount of money which a person may earn without losing the benefits under the act.

It will be my purpose to offer both of these amendments. I hope I shall have an opportunity to discuss them with or before the Senate Finance Committee. It will be my intention to offer them when the social security bill reaches the floor; the first one in order to have discussion on it, and, frankly, to determine how some of the other Members may feel about the elimination of the earnings test completely. I know that there is a strong sentiment for it among Members of this body, I believe perhaps a majority of the Members, but it may be necessary to withdraw this amendment and then offer the more moderate one at the present time.

In the interest of time, I ask unanimous consent that certain excerpts from a statement which I wrote for the

magazine Greater Rochester Commerce, in which I outlined my views on this subject, be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT ON THE SOCIAL SECURITY EARNINGS TEST

(By KENNETH B. KEATING, U.S. Senator from New York)

As is well known, a person receiving social security payments is limited as to the amount of income which he can earn and still receive benefits under existing social security procedures. The law states that if an individual earns more than $100 a month, he is not entitled to receive social security for that month. Spread over the year, this means that if he has an annual earned income of more than $2,080, or monthly wage of more than $100 he forfeits OASI payments for the period.

I do not believe that there is any justification for this arbitrary limitation on earnings. If an individual regularly pays into the social security trust fund, he should be entitled to the full benefits for which he has paid. Social security payments are not simply relief. * * *

There is another important humane reason for removing this limitation on earnings. Many older persons are much happier and contented to continue working, even at a reduced pace but they are deterred from doing so because they feel they have paid for their social security and should not surrender its benefits. They should not be forced to do so.

I have introduced a bill which would remove the limitations on earnings for persons covered under social security. This bill (S. 1168) was referred to the Senate Committee on Finance where it is still pending. The bill is straightforward and uncomplicated. It would simply remove the limitation by deleting those sections of the existing law which limit earnings to $100 per month.

I shall continue to press for this legislation and in this way seek to bring our social security program more in line with our economic system and our ideas about government. It is my hope that in the near future every person covered under social security will receive equal treatment as to the level and frequency of benefits and the present discriminations will be removed.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. COTTON. Mr. President, I wish to commend the distinguished Senator from New York not only for what he has said on the floor this morning but also for the work he has given in past years, to my knowledge, in the matter of enabling our elder citizens who have retired and are under social security to have the privilege of earning more.

It is a subject in which I am deeply interested. I have introduced a bill in the Senate every session since I have been a Member of the Senate, and also in the House during the last session that I was a Member of the House to increase the limit on earnings.

I, too, feel very strongly that it is fundamentally wrong and unsound for medical science to extend the span of vigor and usefulness of life, and then for the Government to place such citizens "on the shelf," so that in their latter days they are discontented, unhappy, and frustrated.

So long as their retirement is an actual retirement, and not in any sense a retirement of such people while permitting them to go on with their same responsibilities and their same duties, I see no reason why there should be any limitation on what they may earn and still enjoy the social security for which they have paid.

I agree that even a step in the right direction is necessary and would be very helpful. I assure the Senator from New York that I shall second all of his efforts to try to secure before we adjourn, if possible, a relaxation of what most of us feel is a very unjust limitation on our older people, and one that is casting a shadow over the latter days of many a fine and useful life.

Mr. KEATING. Mr. President, I very much appreciate the comments of the distinguished Senator from New Hampshire. I know from my own personal interest in this problem of his long-time, vigorous and vocal interest in seeing to it that our elder citizens get a better break under our social security laws. I am aware of the fact that he has introduced proposed legislation very similar to that which I have mentioned here this morning. His interest in and support for this proposed legislation will, I know, be a powerful and persuasive assistance when these amendments are offered. I welcome his interest and support.

Mr. JAVITS submitted an amendment, intended to be proposed by him, to House bill 12580, the social security bill, which was referred to the Committee on Finance, and ordered to be printed.

Mr. MORSE. Mr. President, I submit an amendment to H.R. 12580, and ask that it be printed and lie on the table. I also ask unanimous consent that it be printed in the RECORD at this point.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment was referred to the Committee on Finance, as follows:

TITLE VI—HOSPITAL AND SURGICAL INSURANCE

Amendments to title II of the Social Security Act

SEC. 601. (a) Title II of the Social Security Act is amended by adding after section 225 the following new section:

"HOSPITALIZATION AND SURGICAL INSURANCE

"Eligibility for insurance

"SEC. 226. (a)(1) The cost of hospital or nursing home services furnished to any individual during any month for which he is entitled to monthly benefits under section 202 (whether or not such benefits are actually paid to him) or is deemed entitled to such benefits under the provisions of paragraph 2, or the cost of such services furnished to him during the month of his death where he ceases to be entitled by reason of his death, and the cost of surgical services which are not of an elective nature, shall, subject to the provisions of this section, be paid from the Federal Old-Age and Survivors Insurance Trust Fund to the hospital, physician, and nursing home which furnished him the services. Services to be paid for in accordance with the provisions of this section include only services provided in the United States.

"(2) For purposes of this section, (A) any individual who would upon filing application therefor, be entitled to monthly benefits for any month under section 202 shall, if he files application under this section within the time limits prescribed in section 202(j) be deemed, for purposes of this section only, to be entitled to benefits for such month, (B) such individual shall, whether or not he files application under this section, be deemed to be entitled to benefits under section 202 for such month for purposes of determining whether the wife, husband, or child of such individual comes within the provisions of clause (A) hereof, and (C) any individual shall, for purposes of this section, be deemed entitled to benefits under section 202 if such individual could have been deemed under clauses (A) or (B) of this paragraph to have been so entitled had he not died during such month.

"(3) For purposes of paragraph (2), an individual's application under this section may, subject to regulations, be filed (whether such individual is legally competent or incompetent) by any relative or other person, including the hospital, physician, or nursing home furnishing him hospital, surgical, and nursing home services and, after such individual's death, his estate.

"(4) Payments may be made for hospital services furnished under this section to an individual during his first sixty days of hospitalization in a twelve-month period that begins with the first day of the first month in which the individual received hospital services for which a payment is made under this section, and during his first sixty days of hospitalization in each succeeding twelve-month period; and for nursing home services furnished under this section to an individual if the individual is transferred to the nursing home from the hospital, and if the services are for an illness or condition associated with that for which he received hospital services: *Provided*, That the number of days of nursing home services for which payments may be made shall, in any twelve-month period as described above, not exceed one hundred and twenty less the number of days of hospital services (in the same twelve-month period) for which payments are made under this section.

"(5) The provisions of section 205 relating to the making and review of determinations shall be applicable to determinations as to whether the costs of hospital, nursing home, and surgical services furnished an individual may be paid out for the Federal Old-Age and Survivors Insurance Trust Fund under this subsection, and the amount of such payment.

"Description of hospital, nursing home, and surgical services

"(b)(1) For purposes of this section, the term 'hospital services' means the following services, drugs, and appliances furnished by a hospital to any individual as a bed patient; bed and board and such nursing services, laboratory services, ambulance services, use of operating room, staff services, and other services, drugs, and appliances as are customarily furnished by such hospital to its bed patients either through its own employees or through persons with whom it has made arrangements for such services, drugs, or appliances; the term 'hospital services' includes such medical care as is generally furnished by hospitals as an essential part of hospital care for bed patients; such term shall include care in hospitals described in paragraph (1) of subsection (d); such term shall not include care in any tuberculosis or mental hospital.

"(2) The term 'nursing home services' means skilled nursing care, related medical and personal services and accompanying bed and board furnished by a facility which is equipped to provide such services, and (A) which is operated in connection with a hospital, or (B) in which such skilled nursing care and medical services are prescribed by,

or are performed under the general direction of, persons licensed to practice medicine or surgery in the State.

"(3) The term 'surgical services' means surgical procedures (other than elective surgery) provided in a hospital, or in case of an emergency or for minor surgery, provided in the outpatient department of a hospital or in a doctor's office. Surgical services may include oral surgery when provided in a hospital. The term 'elective surgery' means surgery that is requested by the patient, but which in the opinion of cognizant medical authority is not medically required.

"Free choice by patient

"(c) (1) Any individual referred to in paragraphs (1) and (2) of subsection (a) may obtain the hospital or nursing home services for which payment to the hospital or nursing home is provided by this section from any hospital or nursing home which has entered into an agreement under this section, which admits such individual and to which such individual has been referred by a physician or (in the case of hospital or nursing home services furnished in conjunction with oral surgery) dentist licensed by the State in which such individual resides or the hospital or nursing home is located, upon a determination by the physician or dentist that hospitalization or nursing home care for such individual is medically necessary; except that such referral shall not be required in an emergency situation which makes such a requirement impractical.

"(2) Any individual referred to in paragraphs (1) and (2) of subsection (a) may, with respect to the surgical services for which payment is provided by this section, freely select the surgeon of his choice, provided that the surgeon is certified by the American Board of Surgery or is a member of the American College of Surgeons except that such certification shall not be required in cases of emergency where the life of the patient would be endangered by any delay, or in such other cases where such certification is not practicable, and except that, in the case of oral surgery, such individual may select a duly licensed dentist.

"(3) Regulations under this section shall provide for payments (in such amounts and upon such conditions as may be prescribed in such regulations) to (A) hospitals for hospitals services rendered in emergency situations to individuals referred to in paragraphs (1) and (2) of subsection (a) by hospitals which have not entered into an agreement under this section, and (B) physicians for surgical services rendered by physicians not certified by the American Board of Surgery or not members of the American College of Surgery.

"Agreements with hospitals, nursing homes and providers of surgical services

"(d) (1) Any institution (other than a tuberculosis or mental hospital) shall be eligible to enter into an agreement for payment from the Federal Old-Age and Survivors Insurance Trust Fund of the cost of hospital or nursing home services furnished to individuals referred to in paragraphs (1) and (2) of subsection (a) if it is licensed as a hospital or nursing home pursuant to the law of the State in which it is located.

"(2) Each agreement with a hospital under this section shall cover all hospital services included under subsection (b) (which services shall be listed in the agreement), shall provide that such services shall be furnished in semiprivate accommodations if available unless other accommodations are required for medical reasons, or are occupied at the request of the patient, shall be made upon such other terms and conditions as are consistent with the efficient and economical administration of this section, and shall continue in force for such period and be terminable upon such notice as may be agreed upon.

"(3) An agreement with a hospital or nursing home under this section shall provide for payment, under the conditions and to the extent provided in this section, of the cost of hospital and nursing home services which are furnished individuals referred to in paragraphs (1) and (2) of subsection (a): *Provided*, That no such payment shall be made for services for which the hospital or nursing home has already been paid (excluding payments by such individuals for which reimbursement to them by the hospital has been assured); but no such agreement shall provide for payment with respect to hospital or nursing home services furnished to an individual unless the hospital or nursing home obtains written certification by the physician (if any) who referred him pursuant to subsection (c) that his hospitalization or care in the nursing home was medically necessary and, with respect to any period during which such services were furnished, written certification by such individual's attending physician during that period that such services were medically necessary. The amount of the payments under any such agreement shall be determined on the basis of the reasonable cost incurred by the hospital or nursing home for all bed patients, or, when use of such a basis is impractical for the hospital or nursing home or inequitable to the institution or the Federal Old-Age and Survivors Insurance Trust Fund, on a reasonably equivalent basis which takes account of pertinent factors with respect to services furnished to individuals referred to in paragraphs (1) and (2) of subsection (a). Any such agreement shall preclude the hospital or nursing home with which the agreement is made from requiring payments from individuals for services, payment of the cost of which is provided by this section, after it has been notified that the cost of such services is payable from the Federal Old-Age and Survivors Insurance Trust Fund, except that it may require payments from such individuals for the additional cost of accommodations occupied by them at their request which are more expensive than semiprivate accommodations.

"(4) Except as provided by regulation, no agreement may provide for payments (A) to any Federal hospital, or to any other hospital for hospital services which it is obligated by contract with the United States (other than an agreement under this section) to furnish at the expense of the United States, or (B) to any hospital for hospital services which it is required by law or obligated by contract with a State or subdivision thereof to furnish at public expense except where the eligibility of the individual for such services is determined by application of a means test.

"(5) No supervision or control over the details of administration or operation, or over the selection, tenure, or compensation of personnel, shall be exercised under the authority of this section over any hospital or nursing home which has entered into an agreement under this section.

"(6) Agreements under this subsection shall be made with the hospital or nursing home providing the services, but this paragraph shall not preclude representation of such institution by any individual, association, or organization authorized by the institution to act on its behalf.

"(7) The Secretary shall enter into agreements with qualified providers of surgical services as defined in paragraph (2) of subsection (c). Such agreements shall stipulate that the rates of payment agreed on shall constitute full payment for these services. Such agreements may be made with any qualified individual, or with any association or organization authorized by the surgeons, dentists, or physicians to act in their behalf.

"(8) Nothing in such agreements or in this Act shall be construed to give the Secretary supervision or control over the practice of medicine or the manner in which medical services are provided.

"(9) Except to the extent the Secretary has made provision pursuant to subsection (h) for the making of payments to hospitals and nursing homes by a private nonprofit organization or for the making of payments to physicians, dentists, and surgeons by their designated representatives, he shall from time to time determine the amount to be paid to such provider of service under an agreement with respect to services furnished, and shall certify such amount to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund, except that such amount shall, prior to certification, be reduced or increased, as the case may be, by any sum by which the Secretary finds that the amount paid to the provider of services for any prior period was greater or less than the amount which should have been paid to it for such period. The Managing Trustee prior to audit or settlement by the General Accounting Office, shall make payment from the Federal Old-Age and Survivors Insurance Trust Fund, at the time or times fixed by the Secretary, in accordance with such certification.

"Nondisclosure of information

"(e) Information concerning an individual, obtained from him or from any physician, dentist, nurse, hospital, nursing home, or other person pursuant to or as a result of the administration of this section, shall be held confidential (except for statistical purposes) and shall not be disclosed or be open to public inspection in any manner revealing the identity of the individual or other person from whom the information was obtained or to whom the information pertains, except as may be necessary for the proper administration of this section. Any person who shall violate any provision of this subsection shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine not exceeding $1,000 or by imprisonment not exceeding one year, or both.

"Medical and hospital services under workmen's compensation

"(f) The provisions of subsection (a) shall not be applicable to any services which an individual required by reason of any injury, disease, or disability on account of which such services are being received or the cost thereof paid for, or upon application therefor would be received or paid for, under a workmen's compensation law or plan of the United States or of any State, unless equitable reimbursement to the Federal Old-Age and Survivors Insurance Fund for the payments hereunder with respect to such services have been made or assured pursuant to agreements or working arrangements negotiated between the Secretary and the appropriate public agency. Notwithstanding the above sentence, if (1) the individual's entitlement to receive such services (or to have the cost thereof paid for) under such a workmen's compensation law or plan is in doubt when such services are required, (2) the cost of such services is otherwise payable from the Federal Old-Age and Survivors Insurance Trust Fund pursuant to this section, and (3) the individual makes an appropriate application under such workmen's compensation law or plan and agrees, in the event that he is subsequently determined to be entitled to receive such services (or to have the cost thereof paid for) under such law, to reimburse the Federal Old-Age and Survivors Insurance Trust Fund in the amount of any loss it might suffer through its payment for such services, then the cost of such services may be paid from such Trust Fund in accordance with this section. In any case

in which the cost of services is paid from the Federal Old-Age and Survivors Insurance Trust Fund pursuant to the immediately preceding sentence, or is paid from such Trust Fund with respect to any such injury, disease, or disability for which no reimbursement to such Trust Fund has been made or assured pursuant to the first sentence of this subsection, the United States shall, unless not permitted under the law of the applicable State (other than the District of Columbia) be subrogated to all rights of such individual, or of the provider of services to which payments under this section with respect to such services are made, to be paid or reimbursed pursuant to such workmen's compensation law or plan for such payments. All amounts recovered pursuant to this subsection shall be deposited in the Treasury of the United States to the credit of the Federal Old-Age and Survivors Insurance Trust Fund.

"Regulations and functions of Advisory Council

"(g) All regulations specifically authorized by this section shall be prescribed by the Secretary. In administering this section, the Secretary shall consult with a National Advisory Health Council consisting of the Commissioner of Social Security, who shall serve as Chairman ex officio, and eight members appointed by the Secretary. Four of the eight appointed members shall be persons who are outstanding in fields pertaining to hospital and health activities, and the other four members shall be appointed to represent the consumers of hospital, nursing home, and surgical services, and shall be persons familiar with the need for such services by eligible groups. Each appointed member shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and the terms of office of the members first taking office shall expire, as described by the Secretary at the time of appointment, two at the end of the first year, two at the end of the second year, two at the end of the third year, and two at the end of the fourth year after the date of appointment. An appointed member shall not be eligible to serve continuously for more than two terms but shall be eligible for reappointment if he has not served immediately preceding his reappointment. The Council is authorized to appoint such special advisory and technical committees as may be useful in carrying out its functions. Appointed Council members and members of advisory or technical committees, while serving on business of the Council, shall receive compensation at rates fixed by the Secretary, but not exceeding $50 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence. The Council shall meet as frequently as the Secretary deems necessary, but not less than once each year. Upon request by three or more members it shall be the duty of the Secretary to call a meeting of the Council.

"Utilization of private nonprofit organizations

"(h)(1) The Secretary may utilize, to the extent provided herein, the services of private nonprofit organizations exempt from Federal income taxation under section 501 of the Internal Revenue Code of 1954 which (A) represent qualified providers of hospital, nursing home, or surgical services, or (B) operate voluntary insurance plans under which agreements, similar to those provided for under subsection (d), are made with hospitals, nursing homes, and physicians for defraying the cost of services. Such organizations shall be utilized by the Secretary to the extent that he can make satisfactory agreements with them and to the extent he determines that such utilization will contribute to the effective and economical administration of this section. Such agreements shall not delegate (A) his functions relating to determinations as to whether the costs of hospital, nursing home, and surgical services furnished an individual may be paid for out of the Federal Old-Age and Survivors Insurance Trust Fund under this section and the amount of such payment, and (B) his functions relating to the making of regulations.

"(2) An agreement under paragraph (1) shall provide for payment from the Federal Old-Age and Survivors Insurance Trust Fund to the organization of the amounts paid out by such organization to hospitals, nursing homes, physicians, and dentists, under this section and of the cost of administration determined by the Secretary to be necessary and proper for carrying out such organization's functions under its agreement pursuant to this subsection. Such payments to any organization shall be made either in advance on the basis of estimates by the Secretary, or as reimbursement, as may be agreed upon by the organization and the Secretary, and adjustments may be made in subsequent payments on account of overpayments or underpayments previously made to the organization under this subsection. Such payments shall be made by the Managing Trustee of the Trust Fund on certification by the Secretary and at such time or times as the Secretary may specify and shall be made prior to audit or settlement by the General Accounting Office.

"(3) An agreement under paragraph (1) with any organization may require any of its officers or employees certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from the Federal Old-Age and Survivors Insurance Trust Fund.

"Certifying and disbursing officers

"(i)(1) No individual designated by the Secretary pursuant to an agreement under this section, as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payments certified by him under this section.

"(2) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by a certifying officer designated as provided in paragraph (1).

"Adjustments in cash benefits

"(j) For purposes of section 204, any payment under this section to any hospital, nursing home, physician, or dentist, with respect to hospital, nursing home, or surgical services furnished an individual shall be regarded as a payment to such individual."

(b) The amendments made by subsection (a) shall be effective on the first day of the twelfth calendar month after the month in which this Act is enacted.

(c) Notwithstanding the provisions of section 226(a)(2) of the Social Security Act, as amended by this title, and subsection (b) of this section, applications filed under such section 226 which would otherwise be valid shall, subject to regulations of the Secretary, be considered valid even though filed more than three months prior to the effective date of this title, but not if filed prior to the first day of the fourth calendar month after the month in which this title is enacted.

Amendments to the Internal Revenue Code

SEC. 602. (a) Section 1401 of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income) is amended to read as follows:

"SEC. 1401. RATE OF TAX.

In addition to other taxes, there shall be imposed for each taxable year, on the self-employment income of every individual, a tax as follows:

"(1) in the case of any taxable year beginning after December 31, 1960, and before January 1, 1963, the tax shall be equal to 4⅞ percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1962, and before January 1, 1966, the tax shall be equal to 5⅝ percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1965, and before January 1, 1969, the tax shall be equal to 6⅜ percent of the amount of the self-employment income tax for such taxable year; and

"(4) in the case of any taxable year beginning after December 31, 1968, the tax shall be equal to 7⅛ percent of the amount of the self-employment income for such taxable year."

(b) Section 3101 of such Code (relating to rate of tax on employees under the Federal Insurance Contributions Act) is amended to read as follows:

"SEC. 3101. RATE OF TAX.

"In addition to other taxes, there is hereby imposed on the income of every individual a tax equal to the following percentages of the wages (as defined in section 3121(a)) received by him with respect to employment (as defined in section 3121 (b))—

"(1) with respect to wages received during the calendar years 1961 and 1962, the rate shall be 3¼ percent;

"(2) with respect to wages received during the calendar years 1963 to 1965, both inclusive, the rate shall be 3¾ percent;

"(3) with respect to wages received during the calendar years 1966 to 1968, both inclusive, the rate shall be 4¼ percent; and

"(4) with respect to wages received after December 31, 1968, the rate shall be 4¾ percent."

(c) Section 3111 of such Code (relating to rate of tax on employers under the Federal Insurance Contributions Act) is amended to read as follows:

"SEC. 3111. RATE OF TAX.

"In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the following percentages of the wages (as defined in section 3121(a)) paid by him with respect to employment (as defined in section 3121 (b))—

"(1) with respect to wages paid during the calendar years 1961 and 1962, the rate shall be 3¼ percent;

"(2) with respect to wages paid during the calendar years 1963 to 1965, both inclusive, the rate shall be 3¾ percent;

"(3) with respect to wages paid during the calendar years 1966 to 1968, both inclusive, the rate shall be 4¼ percent; and

"(4) with respect to wages paid after December 31, 1968, the rate shall be 4¾ percent."

(d) The amendment made by subsection (a) shall apply only with respect to taxable years beginning after December 31, 1960. The amendments made by subsections (b) and (c) shall apply only with respect to remuneration paid after December 31, 1960.

Mr. MORSE. Mr. President, this amendment is the same as the bill I introduced on February 2, 1959, S. 881, to add surgical and hospital insurance to the social security benefits available to people 65 and over.

It is almost identical to the bill sponsored in the House of Representatives by Representative FORAND. My bill has been pending in the Senate Finance Committee now for nearly 17 months, and was before the committee in the 85th Congress, as well. I am offering it now as an amendment to this House-passed bill, as a substitute for title 6 of that bill.

As long ago as March 26 of this year, I served notice that this measure would be offered on the floor of the Senate. At that time, it appeared that the whole question of health care for the aged would not get out of the House Ways and Means Committee. Speaking at a Midwest Democratic conference in Detroit, Mich., I served notice that I would exercise the right which every Senator has of offering floor amendments, and that my bill would be put before the Senate as an amendment to some tax bill, if that appeared to be the only way to have it considered.

We now have a good chance of considering this subject matter through regular committee proceedings. However, I believe the original version of the Forand bill should be considered, along with the various alternatives proposed by the House of Representatives, by those of us who joined last week in sponsoring the McNamara amendment, and by the administration.

I offer the amendment again today, giving notice that I shall call it up when the House bill is before the Senate.

Mr. SCHOEPPEL submitted an amendment, intended to be proposed by him to House bill 12580, the social security bill, which was referred to the Committee on Finance, and ordered to be printed.

Mr. JAVITS (for himself, Mr. COOPER, Mr. SCOTT, Mr. FONG, Mr. AIKEN, Mr. KEATING, and Mr. PROUTY) submitted an amendment, intended to be proposed by them, jointly, to House bill 12580, the social security bill, which was referred to the Committee on Finance, and ordered to be printed.

DOMESTIC SHRIMP INDUSTRY—ADDITIONAL COSPONSOR OF BILL

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the name of the Senator from Alaska [Mr. BARTLETT] may be added as a consponsor of the bill (S. 3639) for the relief of the domestic shrimp industry, introduced by me on June 7, 1960.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF REPORT ON INTERIM REPORT ON CHICOPEE RIVER BASIN, MASS. (S. DOC. NO. 110)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a favorable report dated June 1, 1960, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on an interim report on Chicopee River Basin, Mass., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted September 14, 1955, and authorized by the Flood Control Act, approved August 28, 1937.

I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

THE U–2 INCIDENT AND COLLAPSE OF SUMMIT CONFERENCE—SUPPLEMENTAL MINORITY VIEWS

Mr. WILEY. Mr. President, as we know, the Senate Foreign Relations Committee recently completed its report on the U–2 flight incident, and the subsequent Paris debacle.

As I understand it, this report is to be presented to the Senate.

In the report, I was privileged to join the distinguished Senator from Ohio [Mr. LAUSCHE] in minority views.

At this time I request unanimous consent of the Senate to have some supplemental minority views by myself included as part of the overall report.

In addition, I request unanimous consent to have these views printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The supplemental minority views presented by Mr. WILEY are as follows:

Unfortunately, I find the report—to a large degree—unsatisfactory.

Insofar as the document reflects the testimony of witnesses from the executive branch, I believe that it does shed light on the situation.

However, I find that the interpretative aspects of the report leave much to be desired.

In some instances the report gives the impression of trying to find evidence—by microscopic scrutiny of departmental activities—to blame somebody in the administration for the U–2 incident on May 1, and consequently, the failure of the summit conference.

From the evidence, Khrushchev alone was responsible for the blowup.

In addition, the program of overflying the Soviet Union—conducted in accordance with a basic law of national life—self-preservation—was deemed essential for our national security.

In 1947, Congress enacted a law setting up the National Security Council and the Central Intelligence Agency. Prior to that time, we had been a Nation without a centralized effort—in peacetime—to coordinate intelligence in the interests of our security. The experiences of World War II, however, demonstrated that such an agency was necessary. Consequently, the Congress established the CIA to participate in acquiring, as well as coordinating from other agencies and departments, information relating to our national security.

The U–2 flight—under the direction of CIA—was a significant part of that agency's attempt to gather information from behind the Iron Curtain to protect us from sneak attack by secret buildup for a military offensive within the Soviet Union.

Overall, the policy of such flights has been almost unanimously approved as serving the United States and the free world interest.

Now, turning further to the Senate foreign relations report—the conclusions—in my humble judgment—are to a large degree falsely premised, illogical and politically loaded.

To help put the highlights of these events in better perspective, I would like to briefly review the following factors:

REFUTATION OF MAJORITY CONCLUSIONS

First, I do not share the disappointment of the majority in not learning from the Executive the exact specific intelligence objective of the May 1 flight. This is not our business. I am puzzled by the extraordinary reasoning of the majority which at one point in the report declares that it is not possible, because this objective had not been revealed, for the committee "to come to any conclusion as to whether the information sought justified the risks that were taken (in sending the May 1 flight)." Yet in the closing passages of the report the majority, despite this stated inability to reach a conclusion on this vital point, proceeds nevertheless to conclude that the May 1 flight should not have been sent. This, despite their earlier complaint that they were not in a position to reach a conclusion on this point one way or the other.

The majority declares that "little, if any, consideration was given to the proximity of May 1 to the date of the summit conference." The record shows that approval for a flight during a specific period within which this date fell was given by the President, the Secretary of State and the Secretary of Defense. The conclusion of the majority can rest only on the extraordinary assumption that these officials were unaware of the approaching summit.

I believe this to be an assumption that reasonable persons will not accept.

On the contrary, these officials were very much aware of the approaching conference. They were aware also of the importance of the flights and of the necessity of getting vital information during that particular period which would not be available later. They were aware, as the majority has stated, that these flights "had a record of almost 4 years of unbroken success"; that "against this background there would seem to be no reason to assume that the May 1 flight would be any different from any of its predecessors." They were aware that there is almost always at hand some diplomatic reason for not sending flights at a particular time and that if these reasons were made overriding it was difficult to ascertain when such flights could be sent. Further, they were aware that the Soviets knew of these flights and had not made an issue of them.

Under all these circumstances, the decision was made to proceed. It would seem apparent to the minority that this was a sound decision clearly made in the national interest of the United States.

The basic fact is that our difficulties arose not as a result of bad planning or judgment, but as a result, to use the majority's phrase, of "just plain bad luck." Frankly, I do not believe that we can survive in this world if we abandon all enterprise where just plain bad luck could mean failure.

The majority report makes the point that neither the President nor the Secretaries of State and Defense actually knew that this particular flight was in the air. I fail to see the significance of this. The majority alleges that this shows how routine these flights had become. The record shows that all three of these officials knew that such a flight was likely in this period and had given their considered consent to it. This is the matter of importance. I do not believe they had to know the exact details of the flight's progress. When there was trouble, they were immediately informed.

The majority states that the Executive should have expected, because "of the almost psychopathic addiction to secrecy which characterizes the Russian Government," the most violent reaction to be forthcoming when

the U–2 penetration of their territory was made public. This statement overlooks the almost 4 years of perfect performance of this operation and the fact is that the majority has stated there was no reason to believe that this flight would be any different than its predecessors.

The majority states that with regard to the cover story the coordination within the Executive broke down. This statement reflects on our judgment and lack of understanding of the purpose of the Executive in its employment of the cover story. The simple fact is that the cover story, which the records show had been thought out in advance, was maintained as long as, in the opinion of responsible officials, there was any possibility of protecting the security of this particular operation.

It is obvious that the cover story was maintained during a period when our officials did not know the extent of the Soviet's knowledge. Our officials knew that there was a possibility that the Soviets had complete knowledge of the circumstances surrounding the flight but as long as there was any possibility that this was not the case, they maintained the cover story. They did this, realizing that the cover story in the end might be totally repudiated, but, in my judgment, they had no choice but to persist in the cover story as long as there was any possibility of protecting the security of the operation.

Once it was apparent that this possibility had vanished, the cover story was properly abandoned. I continue to believe, however, that it was the proper exercise of judgment to maintain the cover as long as they did.

The majority stresses the fact that the President in ultimately assuming responsibility for the flight took a step unprecedented in intelligence operations. This flight was, itself, an unprecedented type of intelligence operation. Once it was compromised, it seems the President made the wise choice in assuming personal responsibility. I fail to see how, if he had not done so, the demands that Khrushchev made upon him in Paris, would have been altered in any way. In addition, the United States would have been vulnerable to the allegation that the President was not in charge of the activities of the Executive and that our system was such that irresponsible subordinates could act on vital matters without the knowledge or approval of the President.

The majority concludes that the U–2 incident was the immediate "excuse" for not proceeding with the conference. While I concur that the U–2 incident provided the Soviets with an excuse, I do not believe the incident itself was the real reason why the conference did not go forward. The record of the hearings provides ample evidence that the Soviets had concluded some time in advance of the summit conference that they were not going to be able to accomplish the objectives which they sought there. What has been overlooked is the fact that the Soviets did not have to break up the conference because of the U–2 incident. Once the incident had taken place, the Soviet Government had a clear choice. On the one hand, it could have, during the days preceding the summit, simply used the incident as grist for their propaganda operations throughout the world. It could have done this at considerable advantage without at the same time carrying it to the point of actually jeopardizing the summit itself. In addition, it could have used it as an excuse after the summit had taken place to explain the failure of that meeting from their point of view.

On the other hand, the Soviets could choose to use this as an excuse to break up the conference before it began. The important point to remember is that the Soviet Government had these two clear alternative courses open to it. It was not inevitable that they chose the latter course. The U–2 incident gave them an excuse, but it does not provide the answer as to why they chose to use the excuse. The real answer is that they had concluded that the firmness and unity of the Western Powers would prevent them from accomplishing their objectives at the conference.

Hence, I reject the notion that the U–2 episode was a major factor in preventing a fruitful summit conference. In fact, I am convinced that the Soviet realized that, because of the unity of the three Western Powers, they could not gain any of their objectives and had decided in advance to wreck the conference either in its course or before it took place. Whether the conference was wrecked rudely or politely, at the beginning or at the end, is, in the long run, a matter of academic concern in our dealings with the Soviet Union.

Finally, I am disturbed by the criticism implicit in the majority report on the U–2 incident. I do not believe the U–2 operations on May 1, or previously, are something for which our Government should be criticized. Rather, I believe Americans have been heartened by this great demonstration of our country's capacity and that they take pride in the courage and vision of our Government and its leaders for this ingenious and highly successful operation which has immeasurably enhanced the security of our country.

BACKGROUND

For several years, the United States has carried on data-gathering, nonaggressive U–2 flights over Soviet territory. The purpose: to provide us with information necessary to protect ourselves—and the free world—from sneak attack resulting from clandestine military build-ups within the Soviet Union. These flights have been considered essential by our military and intelligence experts for our security.

On May 1, a U–2 plane on an intelligence mission was downed in Soviet territory.

Upon reports of the downing of the plane, the National Aeronautics and Space Administration—under standard procedure in such activities—provided a cover story.

After it became confirmed that the pilot, and possibly part of the plane and equipment, were in Communist hands, then President Eisenhower assumed responsibility for the U–2 flight.

In acknowledging responsibility, President Eisenhower established a new candidness—on a previously hush-hush topic—in international affairs.

Only history will portray the real significance of the decision. In supporting the President, however, I believe that the nations of the world cannot afford to pay nuclear-missile hide-and-seek. The stakes are too high. The fate of nearly 3 billion people around the globe hangs in the balance.

As a world seeking to avoid a devastating nuclear-missile war, we cannot afford to fake about—or sweep under the rug—the necessity of protecting nonaggressive nations against surprise attack—as long as war-oriented, domination-bent countries—like the Communist-dominated ones—exist on earth.

The so-called rules of the game for carrying on such information-gathering activities, may also be obsolete. Traditionally, these required that a nation, if detected in information-gathering activities, deny them at high levels, or shunt responsibility to lower echelons.

Throughout history, however, almost all nations—in the spirit of self-preservation—have found it necessary to collect data essential to their security.

At the United Nations, Ambassador Lodge reviewed only a few of the many ways in which the Communists are engaged in sabotage, espionage, subversion, and other activities.

On May 16, the heads of the United States, France, England, and the Soviet Union—President Eisenhower, President de Gaulle, Prime Minister Macmillian, and Premier Khrushchev, were scheduled to meet in Paris, France, for a so-called summit meeting.

Under the impression that the meeting would take place as scheduled, the heads of the Western Powers proceeded to the conference site. Unfortunately, Premier Khrushchev—for reasons unknown to the West—decided to torpedo the meeting.

Utilizing the U–2 flight as an excuse the Soviet Premier, in an insulting manner, unfitting the leader of a powerful nation, made demands upon the United States that could not be met. As a result, Premier Khrushchev refused to attend a conference of the four powers.

In the light of the Khrushchev blowup at Paris, the question then arose: Did he know about the flights prior to the Paris conference? The answer is: Yes. At a followup meeting in Berlin, he admitted such knowledge.

Why, then, did the Soviet Premier torpedo the meeting?

Although it is not possible to assess motivation—known, perhaps only to him—the following conclusions seem logical from the analysis of events:

In the face of the Western Powers' shoulder-to-shoulder stand against making one-sided concessions favoring the Communists in Berlin or anywhere else, the outlook for attaining Soviet goals was dim.

Behind the Iron Curtain, Mr. Khrushchev has his own troubles which include economic problems and unrest among the intellectuals, creating pressure and a need for a diversionary tactic.

Mao Tse-tung prodded Khrushchev for a tougher line against the West.

The Soviet Premier, too, may have been afraid of the favorable impact which President Eisenhower would have on the people of the Soviet Union if he visited them, as he had been invited to do. Consequently, Mr. Khrushchev "drummed up" an excuse to withdraw the invitation.

And, finally, after all his bragging about the rocket-missile power of the Soviet armed services, Mr. K. found it difficult to "explain away" the freedom with which the United States has been overflying the country.

Was the U–2 flight program, with its inherent dangers, worth the risk? In my opinion, unquestionably, yes. During the program, the United States was able to obtain information essential to our defense planning, on Soviet airfields, aircraft, missile testing and training, special weapons storage, submarine production, atomic production, and aircraft deployments.

The sequence of events prior to, and following, the unfortunate failure of the U–2 flight of May 1, and the torpedoing of the Paris Conference by Soviet Premier Khrushchev, illustrates: Not only the program of overflying the Soviet Union was the cause of the breakdown of the meeting; but, rather, that the Soviet Premier came to Paris with the decision already made of breaking up the conference.

In the aftermath, it is important that the United States—and particularly the Senate Foreign Relations Committee—not provide ammunition for the Soviet Premier to use against our country.

CONCLUSIONS

After a review of the facts of the flights and events surrounding the Paris affair, the following conclusions seem to follow:

1. The U–2 flight program—a dramatically successful program for behind the lines acquisition of information—was a necessary effort in our national and free world defense.

2. The U–2 program of overflying the Soviet Union was not the underlying cause

of the blowup of the Paris Conference by Khrushchev.

3. While there are differences of opinion on the handling of the U–2 flight cover story, this in no way detracts from the significance of the program; nor did it, to any substantial degree, affect the outcome of the Paris Conference.

4. According to testimony before the committee, a decision—it is generally concluded—had been made to blow up the conference before Khrushchev went to Paris.

5. The Soviet Premier is experiencing rising pressures at home; as well as greater competition from the Red Chinese, for ideological leadership of the Communist world.

Following the breakup of the Paris meeting, the Western Powers closed ranks, demonstrating a greater degree of dignity, unity, and dedication to opposing communism.

The challenge now is to strengthen free world efforts to cope effectively with the seemingly tougher line emerging from Moscow; as well with the voices emerging more strongly from Peiping, the citadel of communism in the Far East.

AUTHORIZATION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT ON PROCUREMENT STUDY AFTER ADJOURNMENT

Mr. THURMOND. Mr. President, Public Law 86–89 requires that the Committee on Armed Services submit a report to the Senate not later than September 30, 1960, on the results of a study of the procurement policies and practices of the Department of Defense and the three military departments.

Since it seems clear that the Senate will adjourn in the not too distant future, I ask unanimous consent that this report may be filed and printed after adjournment.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3117) to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage.

The message also announced that the House had passed the following bills and joint resolution of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1502. An act to provide for adjustments in the annuities under the Foreign Service retirement and disability system;

S. 1886. An act to amend the Communications Act of 1934 with respect to certain rebroadcasting activities;

S. 1965. An act to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies;

S. 2197. An act to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on foods, drugs, and cosmetics, in accordance with regulations prescribing the conditions (including maximum tolerances under which such additives may be safely used;

S. 2669. An act to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska;

S. 3487. An act to amend the "Anti-Kickback Statute" to extend it to all negotiated contracts;

S. 3545. An act to amend section 4 of the act of January 21, 1929 (48 U.S.C. 354a(c)), and for other purposes; and

S.J. Res. 41. Joint resolution to establish a National Institute for International Health and Medical Research, to provide for international cooperation in health research, research training, and research planning, and for other purposes.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 1283. An act to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use;

S. 1509. An act to amend the Interstate Commerce Act, as amended, to provide "grandfather" rights for certain motor carriers and freight forwarders operating in interstate or foreign commerce within Alaska and between Alaska and the other States of the United States, and for certain water carriers operating within Alaska, and for other purposes; and

S. 2857. An act to amend the Civil Service Retirement Act so as to provide for refunds of contributions in the case of annuitants whose length of service exceeds the amount necessary to provide the maximum annuity allowable under such act.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 8186) to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 8226) to add certain lands to Castillo de San Marcos National Monument in the State of Florida.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9322) to make permanent the existing suspension of duties on certain coarse wool.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9862) to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9881) to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12381) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7990) to convey certain land of the United States in trust to the Citizen Band of Potawatomi Indians of Oklahoma; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. HALEY, Mr. EDMONDSON, Mr. SAYLOR, and Mr. BERRY were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 10455) to amend the Mineral Leasing Act of February 25, 1920; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. ROGERS of Texas, Mr. MORRIS of New Mexico, Mr. SAYLOR, and Mr. WHARTON were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11776) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1961, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. YATES, Mr. CANNON, Mr. OSTERTAG, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 808. An act to authorize the Secretary of State to evaluate in dollars certain financial assistance loans expressed in foreign currencies arising as a result of World War II, and for other purposes;

H.R. 1970. An act relating to the retired pay of certain retired officers of the Armed Forces;

H.R. 2367. An act to amend sections 3253 and 8253 of title 10, United States Code;

H.R. 3900. An act to permit the admission to registry and the use in the coastwise trade of certain foreign-built hydrofoil vessels;

H.R. 4390. An act for the relief of certain persons involved in the negotiation of forged or fraudulent Government checks issued at Parks Air Force Base, Calif.;

H.R. 5436. An act to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked;

H.R. 6721. An act to validate the conveyance of certain land in the State of California by the Central Pacific Railway Co. and the Southern Pacific Co.;

H.R. 6871. An act to amend title III of the Public Health Service Act, to authorize project grants for graduate training public health, and for other purposes;

H.R. 7209. An act to accord certain naturalization privileges to veterans of the Korean hostilities;

H.R. 7593. An act to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes;

H.R. 7810. An act to credit periods of internment during World War II to certain Federal employees of Japanese ancestry for purposes of the Civil Service Retirement Act and the Annual and Sick Leave Act of 1951;

H.R. 8424. An act to amend section 505 of the Classification Act of 1949 with respect to positions in the Library of Congress;

H.R. 10511. An act to grant an additional benefit to persons receiving cash relief under the Panama Canal Cash Relief Act of July 8, 1937;

H.R. 10598. An act to clarify certain provisions of the Criminal Code relating to the importation or shipment of injurious mammals, birds, amphibians, fish, and reptiles (18 U.S.C. 42(a), 42(b)); and relating to the transportation or receipt of wild mammals or birds taken in violation of State, national, or foreign laws (18 U.S.C. 43), and for other purposes;

H.R. 11499. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes;

H.R. 11813. An act to amend the Menominee Termination Act;

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12313. An act to increase the pay of certain permanent professors at the U.S. Military Academy and the U.S. Air Force Academy;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

H.R. 12415. An act to amend section 6387 (b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service;

H.R. 12530. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the John H. Kerr Reservoir, Va.-N.C.;

H.R. 12532. An act to provide compensation for certain property losses in the Tuttle Creek Reservoir project, Kansas;

H.R. 12533. An act to amend the Migratory Bird Treaty Act to increase the penalties for violation of that act, and for other purposes;

H.R. 12564. An act to authorize multiple-purpose development at Victory Reservoir site, Vermont;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects;

H.R. 12572. An act to amend the Armed Services Procurement Act of 1947;

H.J. Res. 311. Joint resolution authorizing the erection of a statue of Taras Shevchenko on public grounds in the District of Columbia; and

H.J. Res. 658. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Jane Addams, founder and leader of Chicago's Hull House.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H.R. 808. An act to authorize the Secretary of State to evaluate in dollars certain financial assistance loans expressed in foreign currencies arising as a result of World War II, and for other purposes; to the Committee on Foreign Relations.

H.R. 1970. An act relating to the retired pay of certain retired officers of the Armed Forces;

H.R. 2367. An act to amend sections 3253 and 8253 of title 10, United States Code;

H.R. 12313. An act to increase the pay of certain permanent professors at the U.S. Military Academy and the U.S. Air Force Academy;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects; and

H.R. 12572. An act to amend the Armed Services Procurement Act of 1947; to the Committee on Armed Services.

H.R. 3900. An act to permit the admission to registry and the use in the coastwise trade of certain foreign-built hydrofoil vessels;

H.R. 5436. An act to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked;

H.R. 10511. An act to grant an additional benefit to persons receiving cash relief under the Panama Canal Cash Relief Act of July 8, 1937; and

H.R. 12533. An act to amend the Migratory Bird Treaty Act to increase the penalties for violation of that act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4390. An act for the relief of certain persons involved in the negotiation of forged or fraudulent Government checks issued at Parks Air Force Base, Calif.;

H.R. 7209. An act to accord certain naturalization privileges to veterans of the Korean hostilities;

H.R. 10598. An act to clarify certain provisions of the Criminal Code relating to the importation or shipment of injurious mammals, birds, amphibians, fish, and reptiles (18 U.S.C. 42(a), 42(b)); and relating to the transportation or receipt of wild mammals or birds taken in violation of State, national, or foreign laws (18 U.S.C. 43), and for other purposes; and

H.J. Res. 658. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Jane Addams, founder and leader of Chicago's Hull House; to the Committee on the Judiciary.

H.R. 6721. An act to validate the conveyance of certain land in the State of California by the Central Pacific Railway Co. and the Southern Pacific Co.; and

H.R. 11813. An act to amend the Menominee Termination Act; to the Committee on Interior and Insular Affairs.

H.R. 6871. An act to amend title III of the Public Health Service Act, to authorize project grants for graduate training public health, and for other purposes; to the Committee on Labor and Public Welfare.

H.R. 7810. An act to credit periods of internment during World War II to certain Federal employees of Japanese ancestry for purposes of the Civil Service Retirement Act and the Annual and Sick Leave Act of 1951; and

H.R. 8424. An act to amend section 505 of the Classification Act of 1949 with respect to positions in the Library of Congress; to the Committee on Post Office and Civil Service.

H.R. 11499. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes; to the Committee on Government Operations.

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury; and

H.R. 12415. An act to amend section 6387 (b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service; placed on the calendar.

H.R. 12530. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the John H. Kerr Reservoir, Va.-N.C.;

H.R. 12532. An act to provide compensation for certain property losses in the Tuttle Creek Reservoir project, Kansas; and

H.R. 12564. An act to authorize multiple-purpose development at Victory Reservoir site, Vermont; to the Committee on Public Works.

H.J. Res. 311. Joint resolution authorizing the erection of a statue of Taras Shevchenko on public grounds in the District of Columbia; to the Committee on Rules and Administration.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts of address by him, delivered over Wisconsin radio stations, relating to conservation of natural resources.

Article entitled "Forging a Nation's Will—Via the Ballot Box," written by him, published in the Wisconsin Telephone News.

By Mr. SALTONSTALL:

Address delivered by Hon. CHESTER BOWLES, at the commencement exercises at Smith College, Northampton, Mass., June 5, 1960.

DISPOSAL OF AGRICULTURAL COMMODITIES UNDER PRESENT ADMINISTRATION

Mr. DIRKSEN. Mr. President, it is encouraging to note that the Eisenhower-Benson administration has never faltered in its aggressive policy of trying to keep down our tremendous surpluses by enterprising programs of sale and promotion.

In fact, the latest word is that since 1953, this administration has set a recordbreaking pace of disposing of more than $20 billion worth of agricultural commodities from Commodity Credit Corporation stocks.

Think how much greater the damage would have been from these old, wornout farm programs we inherited had we not embarked on greater sales effort, more widespread donations to the needy, and the imaginative food for peace program that incorporates the Public Law 480 sales for foreign currencies.

The recent agreement with India for disposing of large quantities of surplus wheat and rice to that country in the next 4 years has won justified praise. But it should never be considered as an answer to the very real and basic problem of obsolete farm legislation that keeps building up unneeded and unwanted surpluses of some crops.

In connection with these observations, Mr. President, I ask unanimous consent

to have printed in the RECORD an editorial from the Chicago Sun Times entitled, "Seventeen Million Tons of Food for Peace."

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

SEVENTEEN MILLION TONS OF FOOD FOR PEACE

It never has made sense that great surpluses of food should be piled up in warehouses in the United States while millions were undernourished in countries such as India. It is good and important news, therefore, that the United States intends to send a substantial part of its surplus to India, relieving for the first time in centuries, the threat of famine there.

Forty percent of the rupees the Indians will pay for wheat and rice will be returned to India in the form of outright grants, another 40 percent will be loaned back and the rest will be spent in India for official American uses such as embassy expenses.

A shipload a day over the next 4 years will deliver 587 million bushels of wheat and 22 million bags of rice. By 1964 India will have stored up a million tons each of rice and wheat as a reserve that can be rushed to people when shortages strike. It is far better to store food in India, where it is needed, than here, where it is not.

The benefits of this historic deal to India are obvious. What are the benefits to the United States? It shows America's true nature to the world compared with Russia's. It benefits the United States by helping reduce the glut of grain that jams our warehouses. Storage costs for the wheat that will go to India alone would run $80 million a year.

America's surplus of rice should be wiped out by the deal and this should restore the law of supply and demand in that field. But at the rate surplus wheat has been accumulating the shipments will only serve to keep the inventory down to its present level which presently is more than double the amount going to India. The Indian deal is an encouraging start in the right direction, but America's surplus food will remain a deadweight on the economy until Congress faces reality and begins in earnest to hoe the long hard row back to the law of supply and demand.

LIQUIDATION OF EAST GERMAN FARMING CLASS

Mr. DIRKSEN. Mr. President, yesterday, while going through a quantity of material, I had occasion to examine the NATO newsletter for June 1960, which carried an article entitled "Liquidation of East German Farming Class." The article is written by Franz Thedieck, State Secretary in the Federal Ministry for All-German Affairs. It is quite an account of what has happened to the farmer in East Germany, the gradual liquidation of agricultural freedom and of the free farmer. I think it is so timely that it deserves wider currency, so I ask unanimous consent to have it printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIQUIDATION OF EAST GERMAN FARMING CLASS

(By Franz Thedieck, State Secretary in the Federal Ministry for All-German Affairs)

What has been happening in recent weeks and months to agriculture in the Soviet-occupied zone of Germany rightly gives rise to profound concern among people in the Federal Republic of Germany and, to an increasing degree, also in the other countries of the free world. In order to understand what is happening it may be useful to recall agrarian developments in the Communist-ruled part of Germany between 1945 and today.

It started in 1945–46 with the so-called democratic land reform, which was a political rather than an economic measure as regards both the underlying idea and its implementation. It goes without saying that, consistent with well-tried Soviet tactics, that reform was proclaimed a voluntary land reform movement of the poor and landless farmer. It was carried out under the slogan of free farmers on free land. Its real objective was the liquidation of the last free men in the country, that is to say the liquidation of the so-called capitalist farmers and the proletarization of the rural population as a prerequisite to, and point of departure for, eventual collectivization.

UNFIT FOR FARMING

This was plainly shown by the way the farmland was redistributed. About 57 percent of the expropriated land was given to applicants who had never had any connection with farming before or who were incapable on other grounds of managing a farm. This high percentage of expropriated land allotted to persons unfit for farming plainly shows that the Communist reformers were chiefly interested in infiltrating the villages with people more amenable to communism than were the indigenous farmers firmly rooted in their soil. It was obvious that the new settlers established on holdings only 8 hectares large on the average, could never become really free or independent farmers, but were from the beginning dependent on government aid, a fact which made them mere human material in the hands of the Communist planners working toward collectivization along Bolshevist lines.

A STEP BACKWARD

Thus, the so-called land reform was a political move, ruthlessly and skillfully carried out from an ulterior motive which even many German Communists failed to recognize at the time. It is known, however, that the then president of the zonal office for agriculture and forestry, Herr Hörnle, a Communist trained in the Soviet Union, stated confidentially even then in official circles: This land reform is, of course, not a step forward, for reducing horse farmers to cow farmers and cow farmers to goat farmers is not a step forward but a step backward. This step is, however, necessary and imperative, considering the mentality of the German farmer, if we are to arrive at our final objective, namely, the kolkhoze. One should always keep in mind that in examining or judging Soviet measures it is not sufficient to consider their immediate effects. Measures with adverse effects are often applied deliberately for a transitional period by the Communist Party out of tactical considerations for the sake of a quite different final goal which is pursued, even though it be by detours incomprehensible to Western observers, with adamant consistency; namely, the creation of living conditions which will automatically enable politicians to transform persons into pliant tools within the proletarian society.

It was likewise clearly discernible from the beginning of the so-called land reform that the liquidation of all the then existing farmers' organizations as well as of their economic and scientific institutions, and the foundation of new ones, only served the aim of preparing for the collectivization of agriculture in the Soviet Zone of Germany. During the years from 1945 to 1952, this objective was vigorously denied and camouflaged. Then, after a preparatory propaganda campaign by the press of the Soviet Zone, a few so-called farmers at the 1952 Party Congress of the (Communist) Socialist Unity Party solemnly and voluntarily proposed a resolution calling for the collectivization of agriculture in the Soviet Zone of Germany, a resolution which had been drafted in Moscow and duly approved in East Berlin. It was adopted, unanimously, of course, and a few weeks later an implementing resolution by the Council of Ministers of the Soviet Zone of Germany gave official sanction to the new policy of collectivization.

DANGEROUS "GIFTS"

The first stage of the action planned since 1945 had thus been completed in accordance with the usual Communist method: collectivization had not been decreed from above involving compulsion, but the farmers themselves had asked for it and the Government, of course, had to comply with their demand; land reform had originally been given to them, farmers' mutual aid had been given to them, machine and tractor stations had been given to them, and now, when notwithstanding all this they asked for collectivization, the Government would comply again and give them kolkhozes.

This short review of developments between 1945 and 1952 shows how consistently the legislative stage of collectivization was prepared and completed. The road led from expropriation and redistribution to the proletarization of the rural population, from the liquidation of the farmers' own organizations and institutions to the setting up of new agricultural institutions on the Soviet model, and from independent and free farmers to a farming population depending on government aid and, therefore, forced to submit to government policies.

MASSIVE TERROR

The first step toward the practical implementation of the 1952 resolutions, taken in 1953, nevertheless proved a failure because too many farmers responded to the first collectivization campaign by fleeing into the Federal Republic of Germany. While 5,312 farmers fled in 1952, the number of escapees rose to 14,564 in 1953. This fact, together with Stalin's death in 1953, the temporary softening of Stalinism, the uprising throughout the Soviet Zone of Germany on June 17, 1953, the struggle for power in 1954 within the Kremlin, and the internal thaw of 1956 and 1957 following the 20th congress of the Communist Party of the Soviet Union, led to a mitigation between 1953 and 1957 of the policy of collectivization. By the end of 1957 only 25.2 percent of the total farm and forest area in the Soviet Zone of Germany had been turned into kolkhozes. With the reestablishment of Stalinism in the German Soviet Zone, however, collectivization rapidly increased: by the end of 1959, 45.1 percent of the agricultural farm and forest area had been transformed into kolkhozes, and the proportion rose to over 60 percent between January and the middle of March 1960.

The recent steep rise of this curve was obtained by the Socialist Unity Party through indescribable terror applied to farmers. Hundreds of party functionaries occupied village after village and affronted every farmer incessantly until he "voluntarily" joined the kolkhoze. Recalcitrants were jailed, threatened, and branded as enemies of the state; their water and current were turned off; their orders for seed and fertilizer were "lost." The scale of pressure extended from incessant argumentation to brute violence.

Tears, fear, dejection, and despair are the bitter fruits of Ulbricht's agricultural policy. The area of over 60 percent of farm

and forest in the Soviet Zone of Germany managed today as kolkhozes is not the result of an agricultural policy guided by considerations of technology or productivity, but the result of terror directed to the annihilation of the last traces of independence and freedom among the rural population.

THE AREA REDEVELOPMENT BILL

Mr. DIRKSEN. Mr. President, a letter over the signature of the Secretary of Commerce, Frederick H. Mueller, and the Secretary of Labor, James P. Mitchell, was addressed to the Honorable Brent Spence, chairman of the Committee on Banking and Currency of the House of Representatives, on June 23, 1960, expressing concern over the possibility that this session of Congress may close without action upon a revised area redevelopment bill as requested by the President in his message to Congress. I believe this letter will be of interest not only to all Senators but also to all areas in the country where this is a problem, and for that reason I ask unanimous consent that it be included in the body of the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington.

Hon. BRENT SPENCE,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN SPENCE: We are deeply concerned, as this session of Congress draws to a close, that no action has yet been taken to pass a revised area redevelopment bill, as the President requested in his message to the Congress. There has been general agreement in the Congress and in the administration on the importance of giving financial aid and technical assistance to areas of substantial and persistent labor surplus. With such general agreement on the needs of these areas, we want to urge that action be taken in the present Congress to pass H.R. 12286, which the administration has proposed and which the President has indicated that he favors.

It is most important that legislation be enacted to alleviate persistent unemployment in those localities where outside financial and technical assistance, such as the Federal Government could provide, would give an important stimulus to local efforts to solve this problem. H.R. 12286 provides an effective program to achieve the mutual objectives of the administration and the Congress. It is more selective with reference to the eligibility of areas, and provides somewhat smaller amounts of funds than were proposed in the bill which was passed by the Congress, but these differences are not so great that they should stand in the way of enactment of this legislation.

Passage of a bill in this session would make possible planning and technical assistance and immediate financial aid through loans to those areas which have acceptable area redevelopment plans. We are all agreed that it will take some time to get such programs into effective action, and therefore, it is important to make a start as soon as possible. If, in the years ahead, it proves advisable to modify or extend this legislation, the Congress can readily do so.

There have been extensive hearings and debate in the Congress on this legislation, and it should therefore not require further hearings or extended discussion if this measure were to be brought up for consideration.

We are aware of the press of business toward the close of the session; nonetheless, we believe that if your committee were to report this bill, a favorable reception in both Houses of Congress could be anticipated.

We sincerely hope that you will give this suggestion your earnest consideration.

Sincerely yours,

FREDERICK H. MUELLER,
Secretary of Commerce.
JAMES P. MITCHELL,
Secretary of Labor.

CORRECTION OF THE RECORD

Mr. WILEY. Mr. President, recently I was privileged to refer to a splendid article published in the Milwaukee Journal by Victor Gruen, entitled "What's Happening to Our Cities." The article was a reprint from U.S. News & World Report, but regrettably there was an omission of reference to the original publisher.

At this time, I request unanimous consent to have the RECORD corrected to give proper credit to this splendid publication.

The PRESIDING OFICER. The correction will be made, as indicated.

NEEDED: EXTENSION OF LIBRARY SERVICES ACT

Mr. WILEY. Mr. President, the national library services program, enacted by Congress in 1956, has made a significant contribution to providing better library services for the country.

The accomplishments of the expanded program include:

Extension of the advantages of new or improved library services to 30 million rural people;

The making available of approximately 200 new bookmobiles to rural routes, bringing enlightenment and information to people in remote areas; and

Under this program, plans have been made for over 200 separate project activities, to extend and develop rural library services.

However, as we recognize, there is still a good deal of work to be done. For example:

Twenty-five million people in rural areas in 1959 still were without any public library service;

Twenty-two million more still have had no opportunity to benefit directly by cooperative local-State-Federal library development projects;

Two hundred and fifty-three counties still have no public library service within their borders.

On May 26, 1960, the Senate passed legislation for a 5-year extension of this meritorious program. Unfortunately, it is now bottled up in the Rules Committee of the House of Representatives. Recognizing the need for carrying forward this program, I have urged the Rules Committee to reconsider its recent action denying a rule for, and thus consideration of, the bill, H.R. 12125, by the House of Representatives.

In our fast-changing complex age, education for our citizens does not end with completion of formal schooling. Instead, we face the challenging task of attempting to keep up to date on rapidly evolving events at local, State, national, and international levels. Across the country, our libraries are making a splendid contribution to a better informed citizenry. Although the present law does not expire until June 30, 1961, the local communities, cooperating in the program, can best plan and operate on a longer range, not a short-range basis, to better serve the public.

The extension of the Library Service Act, on a long-range basis, I believe would continue to provide a real impetus to State and local efforts for further improving the library system for the country.

At this time, I request unanimous consent to have printed following my remarks letters from individuals in Wisconsin, stressing the need for carrying forward this program beyond the expiration date of 1961.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DWIGHT PARKER LIBRARY BOARD,
Fennimore, Wis., June 16, 1960.

The Honorable ALEXANDER WILEY,
Senate Chamber,
Washington, D.C.

DEAR MR. WILEY: The members of our Dwight Parker Library Board of Fennimore are concerned about the extension of the Library Services Act (H.R. 12125).

The Library Processing Center which serves 21 public libraries, of which we are one of the libraries, spreads over five counties—Crawford, Grant, Lafayette, Iowa, and Richland—in the Third District. This center was established with funds available to Wisconsin under the Library Services Act. It has been functioning for 1½ years and has proved so successful and so important a service to our libraries in this area, which is not adequately served by libraries. If the Federal funds were to be withdrawn, all that has been accomplished might be lost, as we do not have time to develop plans for local financial support.

As members of the Dwight Parker Library Board we want to urge your support of the extension of this Library Services Act beyond its present date of expiration, June 30, 1961. Thank you.

Mrs. BERT B. POWERS.
President of the Board.

OFFICE OF SUPERINTENDENT
OF BAYFIELD COUNTY SCHOOLS,
Washburn, Wis., June 14, 1960.

Senator ALEXANDER WILEY,
U.S. Senate,
Washington, D.C.

DEAR SIR: It is with a great deal of regret that it has come to my attention that the House of Representatives bill to extend the Federal Library Services Act from July 1, 1961, to June 30, 1966, is lodged in the Rules Committee and there seems to exist serious doubt if it will come up for a vote.

I am very sure that your constituents in northern Wisconsin and especially in the area of the four-county library project would greatly appreciate anything you could do to urge a rule on this bill.

Thanking you for this consideration and for all past favors.

Very sincerely,

JOHN W. HOWELL,
Superintendent.

OFFICE OF COUNTY CLERK
OF IRON COUNTY,
Hurley, Wis., June 17, 1960.

Hon. ALEXANDER WILEY,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR MR. WILEY: At an adjourned annual meeting of the Iron County Board of Supervisors held June 10, 1960, a motion was made, seconded, and carried that the clerk write to Senators WILLIAM PROXMIRE and ALEXANDER WILEY and Congressman ALVIN E. O'KONSKI requesting their support on the bill to extend the Federal Library Services Act.

I have been informed by Ione A. Nelson, coordinator of field services, Wisconsin Free Library Commission, Field Services Division, that the House of Representatives bill to extend the Federal Library Services Act is lodged in the Rules Committee at this time and there is serious doubt if it will come up for vote. I know that there is no Wisconsin Representative on the House Rules Committee, but perhaps you can get through to that committee to urge a rule on the bill.

A four-county library project sponsored jointly by Price, Ashland, Bayfield, and Iron Counties was organized here last August, and a bookmobile began a tour of rural areas in the four counties on a regular schedule on October 21, 1959.

The project has been very successful, and the extension of the Library Services Act is very important to the four-county library project.

Would appreciate any assistance that you can give us on this matter.

Very truly yours,

EINO S. NEVALA,
Iron County Clerk.

PUBLIC SUPPORT FOR FEDERAL TRADE COMMISSION'S CONTINUED VIGILANCE

Mr. WILEY. Mr. President, in election years, it is always fashionable for partisan politicians to make critical assaults on the outgoing administration.

The press, always looking for headlines, is usually much too willing to provide widespread publicity to such charges—quite often baseless—against governmental agencies and the many hundreds of thousands of loyal public servants staffing them.

It is important, however, that in this heat of political passion, we do not forget the dedication and loyalty of our career public servant. Let us remember the importance of the work he is doing. Let us remember that the political health of the Nation depends as much on the caliber of its public servant as on any other political tool we possess.

It is, therefore, a special pleasure for me to present in the CONGRESSIONAL RECORD today a statement from Florian W. Harvat, president of the National Hairdressers & Cosmetologists Association, Inc., and a resident of Fond du Lac, Wis., expressing his association's support for the important work the Federal Trade Commission is carrying out.

A letter from the National Hairdressers & Cosmetologists Association addressed to me and dated June 22, reads as follows:

DEAR SENATOR WILEY: At the request of the association representing more than 60,000 cosmetologists in nearly 40,000 beauty salons of the country, I am sending to you herewith a copy of the June issue of the National Hairdressers & Cosmetologists Association Bulletin containing an article by the national president, Mr. Florian W. Harvat, 19 Sheboygan Street, Fond du Lac, Wis.

This article is about the Federal Trade Commission in relation to the investigation of fake and misleading advertising claims of beauty products over the air and in the press.

It notes that FTC has a problem in this serious situation and asks that Congress assist the Commission by furnishing a larger staff to investigate the many complaints of the public.

It is our hope that you could insert this important message in the CONGRESSIONAL RECORD.

NATHAN E. JACOBS.

The support that more than 60,000 cosmetologists in nearly 40,000 beauty salons all over the country are expressing for the Federal Trade Commission is certainly a true indication of the public concern and awareness of the operations of our Government. The statement by Florian W. Harvat, which appears in the June issue of the association bulletin, is as follows:

FTC NEEDS OUR SUPPORT FOR CONTINUED VIGILANCE

For the past several years, the Federal Trade Commission has been receiving more and more protests from individuals, business organizations, and such professional associations as ours, against false and misleading advertising claims that are assailing the public via television, radio, and in newsprint.

With public opinion so overwhelmingly directed against this common evil, we sincerely hope that Congress will provide the relatively small amount of money that is necessary to provide FTC with the much-needed manpower to make its task more beneficial to the American public. A larger appropriation is needed.

The National Hairdressers & Cosmetologists Association has made many complaints to FTC against false and misleading advertising. Many of these complaints have had to gather dust in the heavily ladened files of FTC, not by desire nor discrimination, but simply because of lack of funds to thoroughly investigate, fairly judge, and stop evil, false and misleading abuses of some firms which have assumed a privilege to deceive the American public.

Fortunately, some of our complaints have received the cooperation and assistance of FTC in the gathering of all of the necessary evidence to process them and arrive at a conclusion. However, the responsibility of proof is now on Mr. and Mrs. Consumer, on you and on me, not because FTC personnel does not desire to be helpful, but because there is not sufficient personnel, nor necessary funds for such operation.

Nevertheless, NHCA will continue its program of viligance to protect the profession of cosmetology, its members and the American public, and we sincerely hope that Congress will respond to the public need for a well staffed and supplied Federal Trade Commission.

FLORIAN W. HARVAT,
President, NHCA.

THE GROWTH OF THE AMERICAN ECONOMY

Mr. PROXMIRE. Mr. President, there has been a great deal of talk lately about the growth or the lack of growth in the American economy.

There are some of us who feel that we face a tremendous challenge and danger in the rapid fire economic development of tyrannical Communist economies, particularly of Red China and of Russia. We are concerned, because we know that America is a bastion of freedom in part because we have enjoyed an incomparably productive economic system which provides the muscle and sinew of modern war and defense—the planes, the tanks, the missiles, the submarines, and the scientific know-how.

Mr. President, this is only part of our concern. We are also worried about the fact that in virtually every free country of the world growth has also been far more rapid than it has been in our own country.

Recently a group of top American business leaders predicted that our growth would slow down in the next 10 years.

Mr. President, this morning's Wall Street Journal seems to take both sides of the issue in different sections of the paper. Mr. George Shea, in his splendid front-page column, expresses and documents the way which many Americans feel about our failure to keep pace in growth with the rest of the free world.

Mr. Shea says:

While Russia shouts its slogan of catching up with America, a good many other countries are seeking likewise to do it, at least on a per capita basis, without shouting about it.

Industrial production indexes tell the story. Our own output is around 122 percent of the 1953 level. But Great Britain and Sweden this year are above 130 percent, Norway is at 146, Holland at 142, Germany and Italy close to 170, France above 170, and Japan well above 200. The latest Russian figure, for all of 1959, is 191.

He also says:

It also means, of course, that the question of whether the United States enjoys a growth trend as rapid as desirable shouldn't be expressed merely in terms of the so-called "Russian challenge." What we want to know is whether, in the industrial race, we are likely to fall behind not just Russia but many other nations. Have we lost our drive, and must we look forward to a world which pulls steadily ahead of us?

On the editorial page of today's Wall Street Journal, on the other hand, there is the contrary opinion as to whether we are suffering any growth lag. Almost no documentation is offered that we are not, but the implication is that if we are it is no business of the Government. This is a strange view, in light of the fact that the Government is the way, in a free democracy, in which our people can work together to solve their problems. The growth of our economy certainly is one of our most vital problems.

SENIOR CITIZENS FACED BY RISING MEDICAL COSTS AND PITIFULLY LOW INCOME SUFFER DEADLY SQUEEZE

Mr. PROXMIRE. Mr. President, I ask unanimous consent that a letter from Wisconsin poignantly presenting the urgent need for congressional action on insurance for health care for our senior citizens, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

I am writing you in regard to the Forand bill as I believe it would be good for the people on social security when sickness strikes them. We have had our share the last 6 months as my wife has been under doctor's care and the medicine costs at the least $15 a week and the doctor's calls $6 a call.

I have Blue Cross and Blue Shield but that is not much help as you only have 31 days in the hospital and then you pay 20 percent of the first $300. It costs me $49.95 every 3 months.

I know of others who have no insurance and the doctors and the hospitals want to see the money before they will do anything for them as they will not take any chance of not being paid.

Yours truly,

———— ————.

THE FORTHCOMING TARIFF NEGOTIATIONS

Mr. BUSH. Mr. President, Senate Concurrent Resolution 110, which I have submitted, would express the sense of Congress concerning positions to be taken by representatives of the United States in the forthcoming tariff negotiations at the GATT Conference in Geneva, which will open in September.

The resolution would urge our negotiators to:

First, put into effect President Eisenhower's recommendation to withhold reductions in tariffs on products made by workers receiving wages which are substandard in the exporting country.

Second, consider wage differentials, as between foreign and domestic producers, in order to protect American labor and industry against damaging concessions.

Third, work for the development of fair labor standards in the interests of fair competition in international trade.

Mr. President, I ask unanimous consent that the text of my resolution may be printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the preservation of existing jobs in American industry is vital to the national economy, and the expanding population of the United States requires the constant creation of new employment opportunities;

Whereas the general levels of wages paid to industrial workers in foreign countries are substantially below levels prevailing in the United States, thus increasing the competitive standing of foreign producers in international trade;

Whereas foreign labor unions generally have weaker bargaining powers than those of this country, which makes closing of the wage cost differential between foreign and domestic producers a difficult and slow process;

Whereas the Eighty-fifth Congress passed the Trade Agreements Extension Act in August 1958, authorizing the President within the four-year period ending June 30, 1962, to reduce existing customs duties in stages by any one of three alternative methods as follows:

1. Reducing the rate existing on July 1, 1958, by not more than 20 per centum, provided that no more than a 10 per centum reduction may be made effective in any one year;

2. Reducing the rate existing on July 1, 1958, by not more than 2 per centum ad valorem (or the ad valorem equivalent, in the case of a specific rate or a combination of ad valorem and specific rates), provided that no more than a 1 per centum reduction may be made effective in any one year.

3. Reducing to 50 per centum ad valorem or its equivalent a rate which is in excess of that level, provided that no more than one-third of the total reduction may be made effective in any one year;

Whereas an international conference held under the auspices of the General Agreement on Tariffs and Trade will be convened in Geneva, Switzerland, in September 1960, and continue into 1961;

Whereas the Interdepartmental Trade Agreements Organization, consisting of the Departments of State, Treasury, Defense, Agriculture, Commerce, Labor, and Interior, the United States Tariff Commission, and the International Cooperation Administration, has published a Notice of United States Intention To Negotiate and a List of Products To Be Considered for Possible United States Concession, subject to modications following a "peril point" investigation by the United States Tariff Commission; and

Whereas the President has recommended that the United States "withhold reductions in tariffs on products made by workers receiving wages which are substandard in the exporting country" and that the United States seek to raise labor standards in foreign countries "through consultative procedures and cooperation in international conferences such as those sponsored by the International Labor Organization": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the representatives of the United States to the forthcoming tariff negotiations under the auspices of the General Agreement on Tariffs and Trade must not only put into effect the President's recommendation to withhold reductions in tariffs on products made by workers receiving wages which are substandard in the exporting country, but should also consider wage differentials, in order to protect American labor and industry, and work for the development of fair labor standards in exporting countries in the interests of fair competition in international trade.

Mr. BUSH. Mr. President, the competitive problem created by differentials between the low wages prevailing in foreign countries and the high wage levels in the United States is becoming increasingly acute.

One of the industries adversely affected by the increase in imports arising from the competitive price advantage enjoyed by foreign producers as a result of low wages they pay is the great brass-producing industry, which is largely centered in my own State.

The problems faced by this industry were described by Theodore E. Veltfort, managing director of the Copper & Brass Research Association, in testimony last week before the Senate Small Business Committee. The information he presented should be useful to the Senate Committee on Finance, to whom my resolution was referred. Although it is late in the session, I hope that the Finance Committee will proceed promptly to consideration of the resolution and report it to the floor so that Congress may act before we adjourn.

Mr. President, I ask unanimous consent that a statement regarding this problem, and the appendixes thereto, may be printed in the RECORD following these remarks.

There being no objection, the statement and appendixes were ordered to be printed in the RECORD, as follows:

IMPACT OF IMPORTS ON BRASS MILL INDUSTRY—STATEMENT FOR HEARINGS OF SENATE SMALL BUSINESS COMMITTEE, JUNE 16, 1960

This statement is made by Theodore E. Veltfort, managing director of the Copper & Brass Research Association. This is a trade association having for its members essentially all of the brass mills in this country. It should be emphasized that this statement applies to the brass mills only. Other segments of the copper industry may have quite different problems and their attitude toward the import situation may therefore also diverge from that given here.

The brass mills roll, draw, and form sheet, plate, strip, rod, shapes, wire, tube, and pipe of copper and its alloys. They do not produce the copper or other metals which they convert into mill products. Nor do they produce wire and cable for electrical transmission or foundry products. Appendix A, attached, lists the principal brass mills in the United States, giving their locations and the brass mill products which they make, and indicating those that are not members of this association.

While the industry is an important one, both in the peacetime economy and in the national defense, and investment in plant and equipment is high, it consists numerically mostly of relatively small companies. Seventy-five percent of the association members engage less than 500 production workers, and 50 percent less than 250 production workers.

The industry has ample capacity to serve all foreseeable domestic needs for many years to come. It is alert and progressive, as it must be to hold its own against the growing and aggressive competition from other materials such as aluminum, stainless steel, and plastics.

The industry is seriously threatened by steadily increasing imports of its products. The problem can be succinctly indicated by pointing out that instead of the average annual exports of 50 million pounds by the industry prior to World War II, the industry has to face 200 million pounds of imports today. Exports have dwindled to a mere 6 million pounds. This adverse change in the international trade situation of the brass mills means that the equivalent of more than 3,000 workers have been lost to the industry. Yet imports are rising continuously, irrespective of domestic business conditions. So far this year, imports are preempting about 12 percent of the domestic market. This is for brass mill products as a whole. For products for which a ready market has been built up in this country through the expenditure of many millions of dollars in research and promotion by the domestic mills and for standard products for which considerable labor is required, the proportion of the domestic market taken by imports is considerably higher. For brass tube it is more than 22 percent; for copper sheet over 18 percent; and for copper water tube which has been popularized in this country by the mills for economical plumbing and heating in the home, the proportion is known to be higher, although the Government makes no date available as to imports of this particular commodity.

Why has this happened? Principally because wages abroad are substantially lower than ours. They run from about one-third to one-fifth of ours in Western Europe and about one-tenth of ours in Japan. Coupled with these lower wages is increasing productive efficiency abroad to levels closely approaching our own. This is due in part to

the financial assistance given by our Government (that is, our taxpayers) to the rehabilitation, improvement and expansion of the foreign mills; in part to the free exchange of information between our mills and those abroad; and in no small part to the ingenuity and progressiveness of our competitors abroad.

The difference in the wage levels under these circumstances is most important. A very large part of the cost of producing brass mill products, exclusive of the cost of copper which tends to be equalized in the markets throughout the world, is directly affected by the wage level. Because the wage level tends to rise by percentage increments, but unit costs are determined by wages in cents per hour, the disparity between foreign labor costs and ours has tended to grow, since wage levels abroad were generally on a lower level than ours to begin with. This is confirmed by the UN Economics Commission for Europe which in its survey for 1959 found that labor costs of European manufacturers have steadily declined in relation to those of their U.S. competitors in the past 20 years. Thus, since 1937, hourly earnings in manufacturing have decreased relative to those in the United States by about 15 percent in France, 50 percent in Germany, 35 percent in Switzerland and 30 percent in Britain. In view of these data, it is quite significant that over 60 percent of brass mill imports come from Germany and Britain. It is also pertinent to note that the average value of brass mill imports for 1959 was 42 cents a pound against an average base price of about 47½ cents a pound for domestically produced brass mill products. Moreover, the domestic average price excludes all quantity, size and other extras, whereas a substantial part of the imports consisted of products to which such extras generally apply.

Added to all this has been the substantial reduction in the tariffs applicable to imports of brass mill products. Due to reduction of the specific duties affected by the various trade agreements and because of inflation, the equivalent ad valorem duty, as indicated by the available data on imports, has declined from an average of 48 percent in 1938 to 6 percent in 1959. This does not include the import excise tax of 1.7 cents a pound on the copper content of imports imposed since 1958, as the intent of this is to equalize domestic copper costs with those abroad; it merely removes a cost advantage for foreign mills besides that accruing from their lower labor costs.

And now, to make matters still worse, a number of brass mill products which in the past have not been imported in as great volume as the rest, appear on the list for consideration of further concessions in the coming GATT negotiations this fall. Apparently this action is aimed toward insuring that all brass mill products will be subjected to intense import competition.

This action is a serious threat to the integrity of the entire domestic brass mill industry. But it falls with a particularly heavy impact on the smaller mills. These generally make only one or two lines of products and would find it difficult to switch to another without substantial sacrifice, if at all. Nor can they move their operations abroad to take advantage of the lower labor rates there. Certainly they do not have the resources to meet for long the lower prices which the low labor costs abroad permit importers to charge. If their domestic competitors, through some special dispensation relieving them from the requirements of our labor laws, were permitted to pay their labor the low wages prevalent abroad, and charge correspondingly low prices, the situations would be so palpably unfair that drastic action would quickly ensue. But because the competitors are thousands of miles away in foreign lands, should a different set of standards apply?

Of course, we know that the Trade Agreements Act provides for relief where an industry is damaged or threatened by increasing imports. But apparently this has been interpreted to mean that an industry must be in really dire straits before relief is forthcoming and an enormous amount of effort and expense must be devoted to make a plea for aid effective even then. Is it really sound economics for our country, that the earnings of an industry, the seed grain on which its future integrity and effectiveness depends, must be in a precipitate decline before it is considered sufficiently hurt by low priced labor produced imports? So it appears from the record of the escape clause: 105 cases considered by the Tariff Commission; 32 cases sent to the President with recommendation for relief; and only 12 cases actually granted relief by the President.

What is the remedy? First of all, no industry whose products have already been subjected to substantial tariff reduction, whose products are being imported in steadily increasing quantities, due principally to much lower labor costs abroad, and whose capacity is ample to serve domestic need, should be subjected to further tariff reduction on any of its products in the coming GATT negotiations.

Second, for an industry which faces a serious threat from such imports and cannot meet this sort of competition without jeopardizing its financial integrity, an equalizing tax or charge should be imposed on imports to eliminate or at least reasonably reduce, the great advantages of foreign producers which result from labor costs which American labor standards make it impossible for the domestic producers to meet. Formulas could be worked out in connection with specific products which would reflect the relative real wages and the proportion which wages and wage related other costs are of the total price. Such a tax would have several desirable effects. It would go a long way toward easing the insuperable handicap which the domestic manufacturer has in trying to match his high labor rates with low wages abroad. Such a tax would decrease with relative increase in wages abroad, which should be an incentive for increases in foreign wages, and, if our philosophy is correct that high wages bring higher standards of living, it would certainly carry out one of the purposes of the Trade Agreements Act of 1934. Also, the tax proceeds from this procedure could be utilized to help our friends abroad to enter markets elsewhere than in our own country. Their relative low labor costs should give them an advantage in such markets.

Finally a realistic review of our entire international trade policy might be in order. Recently the Government, disturbed at our steadily deteriorating position in international payment balances, has been making an especial effort to increase our exports. This is quite right, but it should not be overlooked that the balance of payments results from a number of different kinds of transactions on both sides of the ledger. The reduction of imports, where that is justified, can also improve our position. Perhaps with all the financial assistance we are extending abroad, we just cannot afford any longer to import as much as we have been absorbing. In this connection, pertinent talks by outstanding experts at the annual meeting of our association in May 1960, copies of which are attached to appendix B, are quite significant.

Realistic treatment of the import problem as suggested would keep domestic unemployment from growing, avoid a runaway trend to establish plants abroad to the detriment of domestic investment, labor, and small business, and with resultant increase in payments abroad. It would also permit greater utilization of the growing spare manufacturing capacity here, so vital to small business. The many menacing aspects of this problem of destructively low priced imports can no longer be safely ignored.

APPENDIX A

Name, location, and products of principal brass mills in the United States

Name of company	Location	Products									
		Copper					Alloy				
		Sheet	Wire	Rod	Pipe and tube for plumbing	Tube, all other	Sheet	Wire	Rod	Pipe and tube for plumbing	Tube, all other
The American Brass Co.	Connecticut, Michigan, New York, and Wisconsin.	X	X	X	X	X	X	X	X	X	X
Ampco Metal Co.[1]	Wisconsin						X		X		
Bohn Aluminum & Brass Corp.	Michigan								X		
Bridgeport Brass Co.	Connecticut and Indiana	X	X	X	X	X	X	X	X	X	X
Bridgeport Rolling Mills Co.	Connecticut						X				
The Bristol Brass Corp.	Connecticut						X	X	X		
Chase Brass & Copper Co., Inc.	Connecticut and Ohio	X	X	X	X	X	X	X	X	X	X
Chicago Extruded Metals Co.	Illinois			X				X	X		X
Detroit Gasket & Manufacturing Co.[1]	Michigan								X		
Wilbur B. Driver Co.	New Jersey							X			
Electric Materials Co.[1]	Pennsylvania			X							
C. G. Hussey & Co.											
Division of Copper Range Co.	Pennsylvania	X		X							
Kensico Tube Co., Inc.	New York				X	X					
Lewin-Mathes Co.											
Division of Cerro de Pasco Corp.	Missouri				X	X			X	X	X
The Linderme Tube Co.	Ohio				X	X				X	X

See footnote at end of table.

Name, location, and products of principal brass mills in the United States—Continued

Name of company	Location	Products									
		Copper					Alloy				
		Sheet	Wire	Rod	Pipe and tube for plumbing	Tube, all other	Sheet	Wire	Rod	Pipe and tube for plumbing	Tube, all other
The Miller Co.	Connecticut						X				
Murdock Manufacturing Co., Inc.	New Jersey							X			
Mackenzie Walton Corp.											
Subsidiary of Reading Tube Corp.	Rhode Island					X					X
Mueller Brass Co.	Michigan				X	X			X		
The National Copper & Smelting Co.	Ohio				X	X				X	X
New England Brass Co.	Massachusetts						X				
The New Haven Copper Co.	Connecticut	X									
North American Copper Co.[1]	Delaware	X									
Olin Mathieson Chemical Corp.											
Western Brass Mills Division	Connecticut and Illinois	X					X				
Penn Brass & Copper Co.	Pennsylvania				X	X				X	X
Phelps Dodge Copper Products Corp.	California and New Jersey			X	X	X				X	X
The Plume & Atwood Manufacturing Co.	Connecticut						X	X			
Precision Tube Co., Inc.	Pennsylvania					X					X
Reading Tube Corp.	do				X					X	
Revere Copper & Brass, Inc.	California, Illinois, Maryland, Massachusetts, Michigan, and New York.	X	X	X	X	X	X	X	X	X	X
Riverside-Alloy Metal Division											
H. K. Porter Co., Inc.	New Jersey						X	X	X		
Scovill Manufacturing Co.	Connecticut		X	X	X	X	X	X	X	X	X
The Seymour Manufacturing Co.	do	X					X	X	X		
Small Tube Products, Inc.	Pennsylvania					X					X
Somers Brass Co., Inc.	Connecticut	X					X				
Stamford Rolling Mills Co.	do	X					X				
The Thinsheet Metals Co.	do	X					X				
Titan Metal Manufacturing Co.[1]	Pennsylvania								X		
Triangle Conduit & Cable Co., Inc.	New Jersey				X						
United Wire & Supply Corp.	Rhode Island				X	X		X		X	X
Viking Copper Tube Co.	Ohio					X					
Volco Brass & Copper Co.	New Jersey	X	X				X	X			
Waterbury Rolling Mills, Inc.	Connecticut						X				
A. H. Wells & Co., Inc.	do					X					X
Wolverine Tube Division of Calumet & Hecla, Inc.	Alabama and Michigan				X	X				X	X

[1] Nonmembers of the Copper & Brass Research Association.

APPENDIX B

A CHANGE OF ERAS

(By Elliott V. Bell, editor and publisher, Business Week)

We saw this poignantly illustrated in the late twenties and early thirties in the case of Great Britain. Sterling had been restored to gold at too high a level. It was under constant pressure in the foreign exchange market. Each time Britain tried to reflate in order to meet unemployment at home, she was faced with a run on sterling from abroad. Beyond that, it seemed as though each time there was an international conference or a difference of opinion among nations, there would be fresh withdrawals of gold from London, weakening and embarrassing the British Government.

Some Britons accused France of practicing financial frightfulness by deliberately withdrawing balances from London to put pressure on Britain. The French said: "Nonsense. It was simply that every time Britain pursued policies the French didn't like, French people naturally lost confidence in sterling and regretfully withdrew their money from London."

There can be no sentiment in the realm of international exchange. If our allies disagree with some of our policies, there will be distrust of the dollar. If foreign central banks and governments get the idea in their heads that the dollar is overvalued or that we are not going to take effective steps to deal with the longstanding deficit in our balance of payments, they will ask for gold, no matter how well disposed they may be.

There are those who would like to brush aside the dollar deficit as a matter of no importance or as just a temporary imbalance that will cure itself. It is feared that calling attention to this persistent large deficit may arouse a new wave of isolationism or protectionism—bring forth a new Smoot-Hawley tariff.

There is no retreat to isolation open to us in today's world. A reversion to high tariffs would rip apart our political alliances and mark a crushing defeat in the struggle between the free world and communism. Moreover, U.S. business has gone heavily international. International trade is in and of itself a powerful force for growth and efficiency. The answer to our problem will not be found in trying to shut our markets to foreign goods. Neither, in my opinion, will the whole answer be found, as the State Department and Commerce Department seem to hope, in a vast expansion of our exports.

Look at the figures. Even in 1959, when our overall deficit was $3.7 billion, we had a surplus on merchandise trade of over $1 billion. To overcome our current rate of deficit solely by increasing exports would require a merchandise trade surplus of more than $4.5 billion.

Given the present policies in the United States on the one hand and those of Western Europe and Japan on the other, it is most unlikely that this country can expand its export surplus in the next 2 or 3 years to any such startling extent.

Such a course, if successful, might only result in seriously disrupting the economies of Europe and Japan, creating new international problems as bad as the one it seeks to solve. Bear in mind that at this moment Europe is unwilling to spend all the dollars she is earning, preferring the money to the goods. The countries that need and want more American goods are the underdeveloped countries of Asia and Africa—and they do not have the money to buy.

The point is our adverse balance does not come from merchandise trade or from normal commercial transactions. It comes from the following, using the figures for 1959: Net military spending abroad, nearly $3 billion ($2.9 billion); Government grants (excluding military aid grants) $1.7 billion. Here is a total of nearly $5 billion of American money, spent or given away abroad.

Here is the source of our deficit and it is in these items that we will have to look for a prompt solution.

The time has come for some plain speaking. This problem has been developing for 10 years. It has been serious for 2 years. It is still serious. It will not go away by itself. It is real. It is urgent. If we temporize, delay, or neglect it, we shall do so to our great peril. If our friends abroad try to ignore or evade it, they will find that they too have done so to their peril.

There are, of course, certain steps we must take. The efforts now being made to stimulate our exports are good. To this end, we must make our people understand that keeping costs—including wage costs—in line with economic reality has now become a matter of national urgency. American prices must be kept competitive. Credit restraint and budgetary conservatism are no longer a matter of free choice—our creditors will insist upon them. If we are slack, they have the means to discipline us by pulling out gold.

When we have done all we must do in this respect, there still remains a stark choice—either we must have from our friends and allies in the free world the same sort of cooperation we have given them or we probably shall be forced to take drastic unilateral action to protect the dollar.

The United States is providing substantial sums for military aid to Western Europe and spending very large amounts there for our own military forces. The time has now clearly come when our European allies must take a bigger share of these joint defense costs. The fact that Europe is accumulating dollar reserves at such a high rate is proof that at least some European countries could pay for a larger share of the costs of common defense without hardship. Why, for instance, should U.S. military expenditures in West Germany add $600 million or more a year to our balance of payments deficit, while Germany is in so strong a surplus position?

Our program of foreign economic aid should be confined to the underdeveloped countries and here, too, certain of the European nations, notably Germany and Italy, ought to be able to take up some of the burden.

Nations that we have aided should now accelerate the repayment to us of loans we made them in their time of need. Great Britain has already done something along this line.

The division of Western Europe into two trading blocs also is a matter that affects our balance-of-payments position. Six nations of the continent, led by France and Germany, have established a Common Market, while seven other nations, including Great Britain and the Scandinavian countries, have formed a rival free-trade area. These are moves toward political and economic integration such as we have advocated; but they have provoked a good deal of tension among some of the countries involved, especially Britain on the one hand and France and Germany on the other. There is the danger of Europe becoming divided into rival trading blocs that might discriminate against each other and against us. In an effort to avert this, we are planning with Canada to join a new 20-nation organization embracing both the so-called Inner Six and the Outer Seven. But when this organization will be in operation and what it may cost in concessions of our own freedom of action is still unknown.

The far-reaching character of these newly emerging economic problems suggests the danger that the free nations, committed as they are to an economic cold war with the Soviet bloc and its state trading system, may become inadvertently involved in an economic battle royal among themselves.

Under the circumstances, the time is ripe, it seems to me, for the United States to take the lead in calling a new world economic conference.

The kind of conference I have in mind would be comparable in scope with the London Economic Conference of 1933. But I devoutly hope that its outcome would be different. It was to that conference, you will remember, that President Roosevelt sent his famous message rejecting currency stabilization and the gold standard as "old fetishes of so-called international bankers." This threw the talks into confusion, and the conference broke up without reaching any agreement.

It is important to realize that in the quarter century since 1933, the world has become almost universally committed to the welfare state. And yet it has returned, almost inadvertently, as it were, to a gold standard. It has done this without any certainty that the people are prepared to accept gold standard discipline. We must now face up to the problems that are inherent in this situation. We must, in short, bring the knowledge that we have gained in the past quarter century to bear on the problems that the London Conference failed to solve. And we would be very wise—I may add—to do this while the world is still riding the floodtide of prosperity instead of waiting for an international economic crisis to force our hand.

A conference such as I have suggested should ask whether there is need for a fundamental reform of the International Monetary Fund, or for some new device by which the liquidity of the international system can be expanded without continuously increasing foreign holdings of key currencies such as the dollar and the pound. Short of this, it might consider whether we need merely a better means for coordinating policies between key currency centers, particularly New York and London, and whether this should be done through the IMF.

Such a conference would do well to face up to the question whether European currencies have been stabilized at too low a level, leaving the dollar permanently overvalued. It has not escaped notice that the deficit in the U.S. balance of payments dates almost from the moment in 1949 when the pound sterling and other European currencies were devalued.

There are other questions:

Do we need coordination aimed not just at dealing with balance of payments strains or capital flight, but also at interest rates and monetary policies—so that one nation does not take countercyclical action to the detriment of others?

What do we do about the problem of trade liberalization? The United States has gone far toward liberalizing its trade policy vis-a-vis the rest of the world. Other nations, particularly some whose payments position now is stronger than ours, have not kept up. Discussion of commercial policy in all its aspects would be an important item on the agenda. Incidentally, this discussion should be concerned with Europe's liberalization not only toward United States goods but also toward Japanese goods.

Declining commodity prices and the consequent falling income of raw material producers at home and abroad pose still another problem that needs careful consideration by a world economic conference.

By means of such a conference, we could guard against the possibility that deflation, rather than inflation, may be our major problem. We could examine carefully the adequacy of international monetary reserves and the possible need for new devices to economize on gold and to strengthen central banks and governments in the event of a liquidity crisis. We could face up to the fact that thus far the United States has acted both as pump primer and stabilizer for the free world and that it is time to share this job with others.

I certainly do not wish to appear here in the role of prophet of gloom. On the contrary, I am confident that the knowledge we have acquired and the strength we have built into the national economies of the free world will make it possible for us to deal with our problems without repeating the disastrous experiences of the past. I have great confidence in the ability of intelligent men to find a way out of any difficulties that present themselves. I fear only the very human tendency to keep applying yesterday's solutions to today's problems.

The policies of the past 15 years have succeeded brilliantly in restoring the productivity of war torn Europe and Japan. They have helped to bring about the greatest and most widespread prosperity in history. Now the problem is no longer reconstruction and recovery. It is the seemingly less dramatic but, in fact, far more challenging question of economic stability, of making certain this hard won prosperity endures. On the solution of this tough, stubborn problem will ride all the free world's hopes. We must bring to bear upon it the highest wisdom, imagination, and generosity of spirit our age can command.

The U.S. International Economic Posture—Prospects and Proposals

(By Wilson E. Schmidt, the George Washington University and the Johns Hopkins University)

Some of the key facts of our changed international economic position are as follows:

1. Imports as a percentage of all movable goods produced in this Nation reached a new postwar high in 1959.

2. The share of the United States in the free world's exports of manufactured goods fell from 30 percent in 1953 to 27 percent in 1958.

3. From 1956 and 1957, our merchandise surplus fell $3.5 billion and $5 billion respectively. About 70 percent of this change is attributable to changes in our trade with Western Europe and Japan.

4. From 1954 to the middle of last year, labor costs per unit of output fell 12 percent in the Common Market countries while they rose 3 percent in the United States.

5. The U.S. balance of payments showed deficits of $3.5 and $5 billion in 1958 and 1959, as indicated in table I. In 1959 we paid foreigners almost $30 billion, half on account of imports. They chose to spend only $25 billion for our goods and services and a modicum of investment here. This left them with 5 billion of surplus dollars. They used $1 billion of these surplus dollars to buy our gold, and the rest they left here in the form of liquid assets. Imports of merchandise are the most important factor explaining the rise in payments to foreigners between 1950 and 1957, and each of the last 2 years.

Table I.—*U.S. balance of payments*

[Billions of dollars]

	1950–57	1958	1959
Payments to foreigners	21.5	27.1	29.7
Merchandise imports	11.3	12.9	15.3
Services	3.3	4.6	5.0
Military expenditures	2.2	3.4	3.1
Remittances and pensions	.6	.7	.8
Private capital, net	1.6	2.8	2.1
Government grants and loans, net	2.5	2.6	3.4
Receipts from foreigners	20.2	23.6	24.7
Merchandise exports	14.2	16.2	16.2
Services	5.3	7.0	7.1
Long-term investment	.3	.....	.6
Errors and omissions	.4	.4	.8
Deficit	1.3	3.4	5.0
Gold exports	.2	2.3	1.0
Liquid dollar assets	1.1	1.1	4.0

6. The recent accumulations of liquid assets by foreigners has brought our total liquid liabilities to foreigners to $21.5 billion. The form of these liabilities is shown on the left side of table II while the ownership of them is shown on the right side. Against these liabilities we have gold of $19.4 billion, but $11.5 billion of our gold is not available for export because it is held as reserve against certain liabilities of the Federal Reserve System. We are left with about $8 billion of spare gold against our liquid liabilities to foreigners of $21.5 billion.

Table II.—*The U.S. liquidity position*

	Billions
Liquid liabilities to foreigners:	
Demand deposits	$1.0
Time deposits	6.8
Treasury bills and certificates	9.7
Bankers' acceptance and commercial paper	1.9
Government bonds and notes	2.1
Total	21.5
Gold:	
Gold stock	19.4
Required reserve	11.5
Free gold	7.9
International institutions	3.9
Official	8.9
Private	7.3
Unclassified	1.4
Total	21.5

The situations described in tables I and II cannot be allowed to continue. We cannot run a deficit forever for the obvious reason that we have only a finite supply of gold. We cannot expect foreigners to continue to accumulate, at substantial rates, additional liquid dollar assets because, at some date, they will begin to question the value of the dollar in terms of foreign currencies; to avoid capital losses, they will withdraw their assets in the form of gold. Even if this were not the case, we would still not want rapid accumulation of dollar assets in foreign hands because it shifts our bargaining power in political relations. For

example, in the early 1930's the French asked certain concessions from us under the threat of drawing out French balances in the United States.

The deficit for 1960 will probably be between $2 and $3 billion. Beyond that it is difficult to say. Forecasting the balance of payments is tricky. The deficit is the difference between two large numbers—payments to foreigners and receipts from foreigners. A minor error in forecasting either causes a magnified error in the forecast of the deficit. Despite this uncertainty, it is difficult to be optimistic. Western Europe is showing tremendous strength—a true industrial renaissance is going on there. One needs to look no further than the growing flow of technology to the United States from Western Europe to see how changed the balance of economic power is. The formation of the Common Market and the European Free Trade Association bodes ill for our exports, and the economies of large-scale production which will be achieved only partly because of these new arrangements will make it easier for Western Europe to penetrate our markets. In any event, for almost a quarter of a century this country has been free of balance-of-payments difficulties. This is almost unparalleled in the history of international finance, and it resulted from the great depression and the Second Great War. There is no reason to assume that, in the absence of such cataclysms, the United States is immune from balance-of-payments problems.

The question is what shall we do?

One possibility is to do nothing. If the deficit continues, our gold would flow out and, without the ability to support the dollar with gold, the dollar would fall in value relative to other currencies. This would remove the deficit in the balance of payments through a well-known mechanism. For example, if the price of a pound rose to $3.50, each American exporter would be stimulated to export more goods because, instead of getting $2.80 for each pound's worth of goods he sold in England, he would get $3.50. Imports would fall because foreign currencies would cost more dollars, making foreign merchandise more expensive. Even though it involves a reduction of imports, this is probably the most liberal, most free-trade solution to the problem of the deficit because it reduces governmental intervention, i.e., it ends the fixing of the price of gold by the U.S. Government.

Another possibility is talk. Many speeches are given to induce businessmen to export more. But it is difficult to be optimistic about the success of these efforts; jawbone control of inflation did not work.

Still another possibility is the proposal for the formation of a new international institution which would hold the liquid dollar liabilities of the United States, thereby relieving the danger of their withdrawal for gold. One of several difficulties in this proposal is that it would concentrate in the hands of that institution dollar assets sufficient to allow it to dictate U.S. monetary and fiscal policy.

Foreign aid reduction would ease the balance of payments. But the sinking of the summit in Paris makes this an unlikely coure of action. There is little point in discussing the effect of such a proposal.

The administration has undertaken a number of efforts to promote exports with Government aid to exporters. Whether or not these will succeed in improving the balance of payments depends upon a number of factors. A nation has an export surplus (an excess of exports over imports) only when its national output exceeds its national spending, i.e., when it produces more than it uses at home so that it has something left over for net exports. To improve the export surplus in order to ease the balance of payments, it is necessary either to raise the national output or cut the national spending. The export promotion efforts will do nothing to cut national spending. And they may do nothing to expand national output: to produce more exports, additional resources are required; to the extent that these are drawn from other industries or employments, the export promotion effort merely changes the composition of national output without raising the total output. Hence, no long-term improvement in the balance of payments is obtained.

Still another possibility is to raise tariffs and impose quotas on imports. Entirely apart from the general arguments for and against trade restrictions to protect American industry, it should be noted that the effect on the balance of payments is subtle. To the extent that Americans spend less on imports and an equal amount additionally on domestic goods produced in protected industries, total spending by Americans remains unchanged so that nothing is contributed to improving the export surplus by means of cutting national spending.

If there is no help to the balance of payments on the spending side, would tariffs and quotas help the situation by raising national output? To the extent that resources are drawn into the protected industries from other employments, only the composition and not the total of national output is changed. But where the protected industries have excess capacity and unutilized resources, so that their expansion will not draw resources from other industries or will not require resources which would go to other industries, the imposition of tariffs and quotas will raise national output and thereby contribute to improving the balance of payments.

U.S. Foreign Economic Policy—Time for a Change

(By Horace B. McCoy, president, Trade Relations Council)

Last year—1959—imports into the United States were over $15 billion—an alltime record.

The U.S. balance of international payments for this same period showed a deficit of $3.7 billion—also a record. This deficit is an extremely serious threat against the value of the dollar and our gold supply.

The U.S. Tariff Commission last week rejected the appeal of two typewriter manufacturers for a duty on typewriter imports. This decision is consistent with other recent decisions of that Commission.

The Department of the Army last week decided to award contracts to a Japanese firm for supplying electric locomotives to the Panama Canal, one of our most strategic and perhaps vulnerable national defense facilities.

It is against this background of selected and fragmentary current events that I want to discuss with you our foreign economic policy; its current and potential effects on U.S. industry; and make some suggestions for changes in legislation and policy governing our trade relations with the free world.

For purposes of this discussion, I will confine most of my remarks to our trade with Europe, particularly the Common Market area. Europe is our largest foreign trading area, both as to exports and imports. I am not ignoring Japan which has become a formidable competitor in world trade, and has made great inroads into our home markets. Most of my observations on policy and competitive matters apply equally to Europe and Japan.

The genesis of our current foreign economic policy was the first enactment of the Trade Agreements Act in 1934. This act has constituted the hard core of our foreign trade relations with the free world for over 25 years. Under authority of this legislation, which has been extended over the years until June 30, 1962, the executive branch has by agreement with other countries lowered U.S. import duties on a reciprocal basis with more than 30 countries. During the period 1934 to the present, U.S. import duties have been reduced by about 80 percent from the 1930 level. These trade agreement rates have been available to all free world countries without other restrictions. At the same time, many of the countries which have received the benefits of our reduced tariffs have maintained discrimination against dollar imports. These restrictions have been either for balance-of-payment reasons, or other forms of burdens on imports. This situation was recently described by the Under Secretary of State in a speech on February 19 this year as follows:

"Throughout the period of postwar reconstruction, we vigorously put forward our firm belief that liberal international trade policies are essential to free world economic progress.

"Until fairly recently, however, ours has been a rather lonely position. The industrial nations, with few exceptions, clung to exchange controls and severe quantitative import restrictions to protect their meager foreign exchange reserves. Many of the less developed countries also maintained import restrictions for balance-of-payment reasons. In addition, most of them felt that a measure of protectionism would foster much needed industrial growth."

It is one of the ironies of contemporary international economic relations that the countries which have been the chief beneficiaries of our low tariff structure, and have been the chief sources of discrimination against dollar imports, have been the most articulate critics of any proposed changes in U.S. import duties or Government procurement that might be justified under terms of law or trade agreements. In a large measure, the administration of our tariff policy has been subject to the consent and desires of those countries having the most direct interest in U.S. import trade, without regard to our own.

Important results of our foreign economic policy over the years are now clearly evident. I summarize these results as follows:

General reduction of import duties by the countries which are members of GATT, on a reciprocal basis.

Economic aid and mutual security expenditures, loans and grants for industrial development abroad, and extensive technical assistance, has been the vital ingredient in the economic recovery and current progress in Western Europe and Japan.

The revival of international trade on a greatly expanded scale has been largely financed by U.S. dollars.

Due to balance-of-payment problems and protectionist measures, there has been discrimination for many years against dollar imports.

Through the aid program and otherwise, the United States has financed its principal international competition.

U.S. imports reached a record level in 1959, with an increasing proportion of such imports being highly manufactured goods.

Deficits in the U.S. balance of payments have existed for some time but reached a record level of $3.7 billion in 1959, a serious threat to the dollar, and gold reserve, if continued.

Foreign countries now appear to claim vested rights in U.S. tariff policy, if not in the economic aid program.

Domestic industry has found it almost impossible to secure any measure of relief, provided for in the Trade Agreements Act, from destructive imports.

If some of the adverse aspects of the results of our foreign economic policy were not enough, the competitive position of U.S. industry in domestic and foreign markets has deteriorated.

The inflationary effects of costs in our economy have steadily reduced the competitive margin of U.S. manufacturers. This is reflected in reduced exports which was one of the chief factors in the deficit in the balance of payments last year. Concurrently with the loss of competitive ability, U.S. industry is increasing its private investment abroad. The purpose of these investments is to regain former export markets, to participate in the expected economic growth in certain areas, especially Western Europe, and to produce for export to the United States to supplement domestic production. There is ample evidence that more and more U.S. manufacturers are considering expansion abroad as a method of increasing their competitive position in domestic markets. A continuation of our present foreign economic policy would certainly add emphasis to the internationalization of U.S. industry. While in theory the expansion of U.S. private investment abroad is desirable and not adverse to U.S. interests, the extension of private investment to displace or substitute for domestic expansion raises serious implications with respect to economic growth at home. While I do not believe that U.S. industry investment abroad is as yet having any appreciable influence on industrial expansion in the domestic section, I do believe, unless our policies are changed, the inducements for foreign investment, not only to profitably employ capital but also to increase the amount of goods the domestic corporations introduce for sale into U.S. markets, will have serious effects on our balance of payments and on our industrial employment.

The formation of the European trade blocs—the European Economic Community and the Free Trade Association—is certainly going to produce important changes in our trade relations with those areas. The nature of the two trade areas suggests that the policies and operations will result in an undetermined degree of discrimination against nonmembers, including the United States. I fully expect that the full development of a Common Market in Europe will further enhance the international competitive position of European industry to the disadvantage of U.S. industry in both domestic and foreign markets.

I will briefly review our trade and competitive situation with the European Common Market group. I shall cite only a few summary statistics. With respect to exports, our shipments have been on an upward trend—from $1.5 billion in 1953 to $2.4 billion in 1959. A similar trend has existed for all other European areas. U.S. imports from Common Market areas increased from $1 billion in 1953 to $2.4 billion in 1959. While increasing our exports during this period by 60 percent, we have increased our imports by 140 percent. Imports from the Free Trade Association area for the same period increased 80 percent.

I believe that this trend of increasing imports over our exports to that area will continue over the long term. My reasons, which I think have valid justification, are several. One of the most important factors in the rising competitive status of Common Market areas is the relative wage levels and other costs of manufacture in relation to U.S. industry. In addition, there is evidence that productivity in European industry is rising more rapidly than in this country. Many of the plants in the six countries are new plants having been completely rebuilt or modernized since the end of World War II, and have additionally been automated as markets and demand have expanded.

The business press recently reported the substance of a report on European wage levels by a large Belgian bank. I quote from an article which appeared in the Journal of Commerce of May 5, as follows:

"The Banque de Bruxelles, one of Belgium's leading financial institutions, recently issued an analysis indicating that the disparity between U.S. and European unit labor costs has been growing rather than diminishing.

"Average costs for the six members of the Common Market (France, Germany, Italy, Holland, Belgium, and Luxembourg) had dropped by the middle of last year to a level some 12 percent under that of 1953. The bank estimated that U.S. costs has gone up by 3 percent over the same period."

I have summarized some of the more important competitive issues which I believe will confront U.S. exports to the Common Market and other areas. It is difficult to give any precise measurement to a competitive gap with so many variables present, the influence of which must be the subject of conjecture only. The Trade Relations Council has endeavored to collect some specific information from its members on their competitive experience.

I will endeavor only to summarize the reports received from our members who could furnish useful information. According to these reports, competing foreign products were found to range from approximately 10 to 70 percent below the price of comparable American products, with differentials of 30 to 50 percent, the most frequent. The geographical areas in which U.S. products were underpriced were in virtually every section of the world. Next to Latin America, Europe was the area most frequently reported as the place where sales were lost due to lower prices of foreign products. In the Common Market area, France, Italy, and West Germany were most frequently mentioned.

On the question of comparable productivity, none of the responding members reported that foreign productivity on the competitive products was greater than theirs. Some reported that productivity abroad appeared to be about the same as in their U.S. operations and a smaller number reported less productivity abroad than at home.

All reports showed substantially lower foreign than U.S. wage rates. In terms of percentage of U.S. rates reported, wage levels range from 5 percent (Far East) to 45 percent. In the Common Market area, wage levels were reported varying from 20 to 30 percent of U.S. levels.

American industry has for a great many years made investment in foreign countries. There are many and various reasons for such investment. Recently I believe that international competition has been an increasingly important factor in stimulating management decisions to establish production facilities in Europe and elsewhere. Since World War II, the quotas and other restrictions on dollar imports among European areas has provided the incentive for U.S. firms to establish production facilities in those markets to capture lost export trade. A large number of American firms have, in effect, moved their former export business to the consuming market.

U.S. private investment in Western Europe and elsewhere has been growing rapidly. According to announcements in business papers, there appears to be a growing number of U.S. firms making direct investments in almost all industrial areas of the world. The most common reasons given for such expansion are the inability to compete in those areas with exports from the United States and a desire to participate in a prospective expanding local market.

I expect that the competitive advantage of production within the Common Market area and the extension of this competitive position to all world markets, will induce more and more U.S. private investment in that area. This will bring about changes in the character and volume of U.S. exports to the Common Market and also affect U.S. exports to other competitive world markets.

Should the competitive advantage of European and Japanese production be maintained, or the gap widened in favor of European costs with relation to domestic U.S. production costs, a powerful incentive will exist to induce U.S.-owned enterprises abroad to export to the United States. To some extent this is now taking place. Parts, components, and in some cases, complete products are being exported to this country from foreign sources by U.S.-owned or controlled plants to supplement domestic production and sales.

It is abundantly clear that economic progress in the free world during the past few years is now producing, and will continue to produce, dramatic and far-reaching changes in the balances of economic power and consequent shifts in the sources of international trade. To deal with these fast-moving events, which are producing highly complex economic relationships with the rest of the world, the United States needs a new and revised statutory framework under which to conduct our foreign economic relations. Present laws, institutions, and policies lack cohesion, are cumbersome in operation and do not permit the establishment and achieving of clear and consistent national objectives in our economic relations with the rest of the world.

I am not prepared at this time to give precise specifications of a new and revised foreign economic policy for the years ahead. I can indicate what the principal elements and objectives should be, all of which are clearly indicated by the results and future portents of our present policy. In my judgment, our foreign trade policy should—

1. Provide opportunities for private enterprise, at home and abroad, to carry on international trade on a basis that is mutually profitable for each participating nation.

2. Provide prompt and adequate remedy against dumping, or destructive selling, of materials or goods for purposes of disruption of international markets or absorption of excess production.

3. Provide for effective procedures, when necessary, for safeguarding domestic employment and industrial expansion against imports from areas of substandard wages, with measures for tariff reduction incentives related to wage levels in those countries.

4. Provide effective procedures for general safeguarding of domestic economic growth, and national security, from imports which cause serious dislocation of employment, adversely affect new capital investment and threaten national security.

5. Provide for definite measures to deal with discrimination against imports from the United States.

6. Insure flexibility in administration of foreign trade policy to cope with foreign trade blocs.

7. Provide authority to negotiate reciprocal trade agreements whenever this can be done to the mutual trade advantage of the United States and other countries, on a bilateral basis when necessary.

8. Reorganize Federal institutions and procedures with centralization and cohesion of administration to achieve national objectives in our foreign economic policy.

I have not discussed the specific foreign trade problems of the copper and brass products industry. I am sure this audience is completely informed on this subject. I understand that representatives of the industry recently conferred with the Department of Commerce on ways and means of expanding export trade in your products. I hope the Commerce Department was able to prescribe ways and means whereby members of this industry can overcome foreign tariffs,

exchange restrictions, lower your prices and outsell foreign competition in world markets.

According to the various press releases and speeches by Government officials, U.S. firms are not trying hard enough to sell their products and services in foreign markets. The "hard sell" is just now being practiced abroad as it is at home. Could it be that the Government's sudden enthusiasm for export trade effort—neglected for so many years by Government itself—is to divert attention from mounting competitive imports?

It is considered good form, I believe, to end a talk on a climactic note or a message from the "summit." Perhaps even a funny story is sometimes suitable. I am not going to follow this principle on this occasion.

Just before I left Washington, I read an article in the May 13 edition of the "Daily News Record." A correspondent reported that some GATT members are expected to attack U.S. tariff policies, particularly those on textiles. It was stated that the underdeveloped countries, who are getting loans and grants from the United States to establish textile plants, will claim that the U.S. textile industry is marginal to the U.S. economy, but it is crucial to the ambitions of these countries as an export market for their new production. These countries will claim, according to this report, their balance-of-payments problems are acute, especially with reference to hard currencies.

It may well be that those countries which are now exporting copper and brass products to this country will decide that your industry is marginal. It is conceivable they could ask the United States to consider your industry expendable in the interest of our foreign policy. Generally speaking, our Government has been very accommodating to the wishes of other countries on economic matters. If this is likely to happen, perhaps each of you might want to take the advice of the undertaker who advertised "Investigate our layaway plan."

ACCOMPLISHMENTS OF THE REPUBLICAN ADMINISTRATION IN NATURAL RESOURCES AND CONSERVATION, 1953–60

Mr. WILEY. Mr. President, the distinguished senior Senator from South Dakota [Mr. MUNDT] has compiled an excellent report on the accomplishments of the Republican administration in natural resources and conservation. I ask unanimous consent that this report be printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ACCOMPLISHMENTS OF THE REPUBLICAN ADMINISTRATION IN NATURAL RESOURCES AND CONSERVATION, 1953–60

(By U.S. Senator KARL E. MUNDT, of South Dakota)

More progress has been made between January 1953 and May 1960 in the intelligent conservation, prudent use, and orderly development of America's priceless natural resources, than in any comparable 7-year-plus period in our history.

With the Republican Party giving true meaning to national conservation goals, these have been some of the salient accomplishments:

1. Vast new sections of the arid West have been opened to productive life through the Republican administration's insistence on accelerated construction of reclamation dams and reservoirs.

2. Unprecedented increases in the production of hydroelectric power have contributed to a blossoming of industrial development throughout many of the Western States.

3. Our great network of national parks has been expanded and revitalized.

4. Fish and wildlife conservation has moved forward at a rate unmatched in previous history.

5. Effective steps have been taken to insure wise development of our mineral resources.

6. During fiscal year 1959, the Department of the Interior's Bureau of Land Management took in revenues of over $136,700,000 from the conservation and development of the Nation's public domain lands. Since 1785, total revenues from the lease and sale of public domain lands and resources have exceeded $2 billion. The significance of the fact that more than half of this sum has come in since January 1953 needs little emphasizing. At the same time—recognizing the growing values of public domain lands under departmental management—a set of stringent antispeculation policies have been adopted to provide full protection of the public interest.

7. The urgent short-term and long-range water needs of the Nation are being met through imaginative new programs.

8. Statehood has been won for Alaska and Hawaii, thus opening vast new resource reserves to increased productivity and development.

9. Important new programs have been launched to conserve and develop the human resource represented by our Indian population.

This list consists of only the highlights of a massive total conservation upsurge that has, directly or indirectly, helped to better the lives of all Americans under the Republican administration.

These striking accomplishments, achieved through forward-looking programs, are in close accord with the basic conservation philosophy of the Republican Party.

Promotion of cooperative planning and effort—teamwork—in natural resource conservation and development has been a cornerstone of the positive resource policies of the Eisenhower-Nixon Republican administration. This teamwork approach has paved the way for a resource development effort by both public and private enterprise without parallel in our history. The 1953–60 period seems certain to go down in history as our most golden era in resource progress.

The Republican Party is keenly aware of the fact that today's generation has a solemn obligation to conserve our physical and scenic resources for tomorrow's children. At the same time, the Nation's high standards of living give ample proof that intelligent conservation and orderly development of natural resources are compatible.

RECLAMATION

Today—after nearly 50 years of the Federal Government's reclamation program which was proposed and started by the Republican Party under President Theodore Roosevelt—some 7,500,000 acres of irrigable land in the 17 Western States are served by reclamation projects. Power-generating capacity stands at more than 5 million kilowatts. Crops produced with reclamation water are worth nearly $1 billion a year.

These are impressive figures.

But far more impressive is the record of accomplishment in the more recently 1953–60 Republican years. This Republican administration has under way the largest water resources construction program in history—a record $1.2 billion was requested in the 1961 budget for flood control, navigation, irrigation, power, and related water resources projects.

In the field of reclamation, since 1953 the Republican Administration has sponsored, and Congress has authorized, 51 reclamation projects, or project units, including the billion-dollar Colorado River storage project, the largest reclamation undertaking ever approved in a single piece of legislation.

Included also were the Glendo Unit of the Missouri River Basin project in Wyoming, recently dedicated; the Talent division of the Rogue River Basin project in Oregon; the Trinity River division of the Central Valley project in California; the Lavaca Flats, Mirage Flats extension, and O'Neill Units of the Missouri River Basin project in Nebraska.

Taken together, these 51 new projects or project units will have a storage capacity of nearly 42 million acre-feet—an increase of 50 percent over the Bureau of Reclamation's storage capacity in mid-1953.

These 51 new projects will ultimately provide full or supplemental irrigation water for nearly 890,000 acres of land—an area larger than Rhode Island and a 12 percent increase over the total irrigable acreage of reclamation projects for the 1953 crop year.

Their hydroelectric powerplants will deliver each year about 8½ billion kilowatthours of energy—an increase of one-third over the total energy generated at Bureau hydroelectric plants during the fiscal year ending June 30, 1953—the last fiscal year planned by the Truman administration.

Over the same 7-year period, on some of these projects and on units of others authorized earlier, the administration has undertaken 44 new construction starts including nine supplementary projects, and involving a total present and future investment of nearly a billion dollars.

For the 8 fiscal years ending June 30, 1961, the Department of Interior has had or requested a total of $1,765 million appropriated for the work of its Bureau of Reclamation. In other words, nearly one dollar out of every three made available for reclamation activities since 1902 ($4,723 million) will have been appropriated during the Eisenhower administration.

This impressive financial support for western resource development has been possible in spite of record peacetime defense costs, and in spite of the fact that in every fiscal year but one, the Congress, controlled in every session but one by the Democrats, has failed to appropriate as much money as the Republican administration requested for reclamation work.

The importance of the reclamation program to the West cannot be overestimated. Bureau of Reclamation projects deliver annually about 260 billion gallons of water for 106 municipalities and 68 industrial entities scattered throughout the West. Irrigation water is delivered to more than 128,000 farms, embracing more than 8 million acres. These farms produce crops valued at nearly $1 billion annually. The daily activities of nearly 10 million persons who live on farms in industrial areas, and in cities provided with water from reclamation projects are vitally affected by these artificially developed supplies of life-giving water.

These, then, are some of the spectacular accomplishments in reclamation by the Eisenhower-Nixon Republican administration in the short span of a little more than 7 years. The results of this achievement have contributed immeasurably to the economic stability, not only of the West, but the Nation as a whole.

In addition to authorization of the billion-dollar Colorado River Storage project, which will store and transport water for consumption in a four-State, semiarid area larger than New England, a second far-reaching legislative accomplishment of the Eisenhower-Nixon administration was the enactment of legislation to provide loans and grants for local construction of small (less than $5 million in Federal participation)

reclamation projects and distribution systems for existing reclamation irrigation projects. This program—long advocated by western water-user groups—was not finally authorized until 1955, yet a total of nearly $40 million had been appropriated for loans and grants by early 1960, and other requests were awaiting final action.

A third highly significant legislative milestone of this Republican administration in regard to reclamation was passage of Public Law 85–500, known as the Water Supply Act of 1958.

This act provides authority for the U.S. Army Corps of Engineers and the Bureau of Reclamation of the Department of the Interior to make provision for storage, not only for immediate but also for future water supply needs in connection with Federal multipurpose projects, thereby permitting the Federal Government and local interests to share equitably in the benefits of multiple-purpose construction.

HYDROELECTRIC POWER

Some indication of the almost incredible scope of the natural resource accomplishments of the Republican administration may be found in an examination of the results achieved from a single phase of conservation in a single area of America.

The Pacific Northwest today, with its plentiful and low-cost hydroelectric energy—increasing more than twofold in the years since 1953—is the strong right arm of a burgeoning era of progress and prosperity. In little more than 7 years, the Federal Government's Columbia River power system grew from two multipurpose dams—Bonneville and Grand Coulee with an installed capacity of 1,814,400 kilowatts—to 17 multipurpose projects completed or under construction with an ultimate installed capacity of 7,818,650 kilowatts.

Currently, the Pacific Northwest region has 161 hydroelectric plants with nearly 10,600,000 kilowatts of installed capacity—two-thirds of them completed or placed under construction during this administration.

Presently under construction, scheduled, or under active consideration are 74 additional projects with an installed capacity of nearly 12 million kilowatts. Half of this capacity is either actively under construction now, or firmly scheduled.

Since 1953, power generated at Federal dams in the Pacific Northwest has totaled 228.3 billion kilowatt-hours—a figure nearly three and one-half greater than that for the preceding 10 years. During this same period, generation from non-Federal dams nearly doubled.

Over $1.5 billion has been allocated to power facilities in the short span of something more than 7 years, a fourfold increase over the total for the previous 10 years due to the progressive construction of hydroelectric dams by the U.S. Army Corps of Engineers and the Department of the Interior's Bureau of Reclamation, together with the transmission facilities of Interior's Bonneville Power Administration. As of May 1, 1960, more than $647 million has been repaid to the United States Treasury from power revenues—all of this under the Republican administration.

RECREATIONAL RESOURCES

Probably in no other area of our national life are the immediate demands being placed on an invaluable resource by the explosive nature of our population growth more dramatically illustrated than in the increasing pressures on America's recreational resources.

Fantastic as they have been, the Nation's population gains do not begin to approach the corresponding rate of increase in outdoor recreational activities by countless millions of Americans.

In our national parks, for example, there were just 1 million visitors in 1920. By 1959 this figure had risen to over 62 million—an increase of more than 6,000 percent—and the upward curve was continuing.

In the progressive years of the Republican administration, the Department of the Interior spearheaded intensified efforts of recreational planners at all levels of government to provide wholesome outdoor recreational facilities for the multiplying millions of Americans today—and to assure at least corresponding benefits for the generations yet unborn.

Through the dynamic programs of its agencies, the Department, in less than 8 years, has achieved advances in this important era of national life unmatched in previous history. These were some of the accomplishments:

1. The National Park Service, with its 10-year program, Mission 66, made spectacular forward strides in preserving, protecting, and improving the irreplaceable National Park System. At the same time, since January 1953, more than 600,000 acres have been added to the system, and a number of new areas have been established within the jurisdiction of the National Park Service, including the establishment of the 29th national park in the Virgin Islands. The total budget for the National Park Service for the first 4 years of Mission 66—a sum approaching $300 million—exceeded the total for the 13 years prior to this administration.

2. The Bureau of Reclamation, whose prime responsibility is development of irrigation for the water-hungry West, established important new water recreational facilities in the arid areas of the Nation through the creation of great manmade lakes at reservoirs.

3. The Fish and Wildlife Service carried out far-reaching programs to provide abundant supplies of fish and game for recreational hunting without depleting wildlife resources.

4. In less spectacular, but equally important ways, the Bureau of Land Management and the Bureau of Indian Affairs made positive contributions to improving and increasing America's recreational facilities.

Under Mission 66, the National Park Service—which administers about 180 areas of scenic, scientific, or historical importance—made rapid strides during the Republican administration years in restoration and development of park areas.

When this long-range program was inaugurated in 1956, the Nation's parks were neither staffed nor equipped to protect their irreplaceable features, nor to provide proper facilities for the increasing millions of visitors—expected to reach or surpass a total of 80 million when Mission 66 is completed. Lodging and eating facilities were inadequate and outmoded. Interpretive services for proper park enjoyment were lacking, while priceless park facilities were deteriorating.

From mid-1956 to early 1960, the Park Service, through the investment of more than $100 million, provided new and better park roads, trails, parkways, visitor centers, museums, campsites, utility systems, and a variety of interpretive services throughout the Nation. The sign, "A Mission 66 Project" became a familiar landmark to millions of traveling Americans. Again, all of this under the Republican administration.

During the same period, private enterprise invested more than $17 million to provide new hotels, lodges, motels, restaurants, and other accommodations which allow park visitors to do more than merely drive through park areas.

In the years of the Eisenhower-Nixon Republican administration, the Department of the Interior moved to salvage some of the remaining potential park areas when it requested Congress to approve legislation which would authorize the acquisition of at least three additional national shoreline areas.

In 1959, the national wildlife refuge administered by the Department's Fish and Wildlife Service recorded some 10 million visitors—in contrast with about 3.5 million in 1951.

Like other owners of land in scenic areas away from metropolitan centers, Indian tribal groups during the progressive years of this administration have become increasingly aware of the attractiveness of certain reservation areas to sportsmen and tourists. The White Mountain Apache Tribe in Arizona, for example, has on its reservation about 80 percent of that State's trout stream mileage. It created a large manmade lake in a mountain setting, stocked it with fish, and laid out 500 summer cottage sites for lease. In this and other ways, the Indians during this administration—with the encouragement of the Bureau of Indian Affairs—developed important new recreational resources for the enjoyment of many Americans.

Recognizing America's swiftly growing interest in water recreation, the administration won congressional approval of recreation as one of the specific beneficial uses of the gigantic upper Colorado River storage project.

This enormous project will contribute not only large amounts of water for irrigation and hydroelectric power generation, but also, because of the positive conservation leadership of this administration, will create a great network of manmade lakes which will provide many hours of wholesome recreation for our growing population in years to come.

Use of the manmade reservoir lakes of the Department's Bureau of Reclamation has mounted phenomenally during the Republican administration. In 1955, some 10 million people visited and enjoyed the water recreational facilities of reclamation reservoirs. By 1959 a total of 19.5 million persons used these recreational resources—an increase of almost 100 percent in about 5 years.

FISH AND WILDLIFE CONSERVATION

Typical of the greater recognition given during this administration to the need for improved conservation of our fish and wildlife resources was the reorganization of the Department's Fish and Wildlife Service under the Fish and Wildlife Act of 1956.

Under this far-reaching legislation, the sport fisheries and wildlife and the commercial fisheries activities of the Department were divided into separate bureaus of the Service under a Commissioner. A new Assistant Secretary of the Interior was designated to supervise all fish and wildlife programs.

A spectacular action under this administration was the laying of the necessary groundwork for establishment of the 9 million acre Arctic Wildlife Range, an area three times as large as any existing American national wildlife area. When the action is completed, the total of national wildlife areas will soar close to 27 million acres—protected for present and future generations of Americans.

In the period of little more than 7 years, a total of 23 refuges, with a total acreage of 114,152 in 22 States, were added to the national wildlife refuge system, and action was begun for the establishment of several others.

Another outstanding action was passage of the new $3 duck stamp law designed to greatly accelerate additions to the network of national waterfowl refuges in the four flyways. The Duck Stamp Act of 1958 ended the diversion of duck stamp funds for other than refuge purposes. Under it, all net rev-

enues on stamp sales are earmarked for selection and acquisition of habitat for waterfowl.

Highly important in the conservation and development of the Nation's fish and wildlife resources were these additional departmental action during the Eisenhower-Nixon Republican administration.

1. A controversial issue which had been unsolved for many years—oil and gas leasing on refuges—was settled by prohibiting such activity on national wildlife refuges in the 48 contiguous States except in case of oil drainage.

2. In the interest of the salmon fishery of the Northwest, the Department of Interior actively urged that no further dams be built on the Middle Snake River in Idaho below the mouth of the Imnaha until other possibilities for water storage on that river system had been thoroughly explored and considered.

3. Amendments to the Coordination Act of 1946 were sponsored by the Department and now make possible enhancement of fish and wildlife values, as well as the mitigation of losses of such values in Federal water development projects. These amendments make improvement of fish and wildlife a specific purpose of Federal water resource projects—making fish and wildlife an equal partner in this resource development field.

4. The Federal aid program administered by the Fish and Wildlife Service resulted in new high marks of conservation progress. The magnitude of this program may be judged by the expenditures since January 1953. A total of some $150 million—Federal aid and State funds combined—was invested by the various States on Federal aid projects for the restoration of game, and nearly $50 million for the restoration of fish. This, of course, did not include restoration projects wholly financed by the States. In the Federal aid fish restoration work, States completed or initiated construction of 186 lakes with a total surface of 25,000 acres. For the restoration of game, States acquired in fee title, through the Federal aid program, approximately 1¼ million acres of land at a cost of more than $45 million, about one-third of which is being used for waterfowl management.

5. In addition to the 23 new refuges established in the national refuge system, the Department of Interior also brought about the establishment of more than 40 new units in the system of cooperative areas—Federal lands operated as wildlife management areas by the States under agreements developed by the Fish and Wildlife Service.

6. Research in the early years of the administration proved a definite link between unwise use of pesticides and the destruction of several species of desirable birds, land animals, and fish. As a result of these findings, the Department supported legislation which authorizes long-range studies on the effects of pesticides and to recommend formulations and practices which would not endanger fish and wildlife. A measure of the growing importance attached to this program may be seen in the fact that the 1958 appropriation of $280,000 was increased to $2,565,000 in 1959.

At the same time, departmental programs aimed at combating various forms of threats to our commercial fisheries resources made important progress since January 1953. For example, explosive increases in the abundance of sea lampreys in the Great Lakes in recent years brought about the destruction of the once valuable lake trout fisheries in Lake Huron and Lake Michigan and greatly reduced the trout population in Lake Superior. During the productive years of this Republican administration, the Bureau of Commercial Fisheries developed electrical barriers to kill spawning adult lampreys, and chemical lampricides to kill developing lamprey larvae in the spawning stream gravels. These methods show excellent promise of reducing the lamprey populations to low levels so that the valuable lake trout fishery can be restored.

Here, too, the Republican concept of teamwork between Federal, State, and local agencies, together with private industry, has led to a unified approach to the problems of our commercial fishing industry.

7. A program of standards development for inspection fishery products was initiated by the Department's Bureau of Commercial Fisheries, and was carried out in close cooperation with the industry. The result has been development of five voluntary U.S. standards for major fishery products. These standards define the characteristics of good quality fish and are available to everyone.

SOUND PUBLIC LAND MANAGEMENT

During fiscal year 1959, the Bureau of Land Management took in revenues of over $136,700,000 from the conservation and development of the Nation's public domain lands. Since the Bureau was created in 1946, revenues have totaled more than $1.2 billion. Over 80 percent of these revenues have come in since the Republican administration took office in 1953. Since that year revenues have exceeded appropriations by more than 6.4 to 1.

Major developmental actions affecting the resource programs of the public domain in recent years have included the opening of some 20 million acres of northern Alaska lands to mining and mineral leasing development. The area is known as PLO 82 and is adjacent to Naval Petroleum Reserve No. 4. The opening of these lands to exploration and development may pave the way for major new economic development for the new State.

Of no less importance to the conservation of public lands has been the recent improvement of fire detection and suppression methods in the western States. The Bureau has placed into effect regulations to carry out the Department's responsibilities under Public Law 167, which provides for multiple use of surface resources on public lands and protects the public interest in those resources through regulatory provisions. Public Law 167 represents the most important change in the mining laws since enactment of the Mineral Leasing Act of 1920, and constitutes one of the most vital conservation measures in history.

MINERALS AND METALS PROGRAMS

Twice, in 1957 and 1958, the Republican administration presented a comprehensive minerals program to the Democratic-controlled Congress. Congress failed both times to enact this recommended legislation. The only significant portion of the two major minerals programs which was authorized by Congress was the long-range domestic minerals exploration plan. This legislation established the Office of Minerals Exploration within the Department of the Interior. The program of this office provides for the sharing of the risk between the Government and private industry to carry out minerals exploration projects which would not normally be undertaken with private capital alone.

The administration has also recommended passage of S. 1537, which would establish policy guidelines by the Congress, to be followed by the Government in recommending and establishing minerals programs. The effect of such legislation would make the maintenance of a sound and healthy minerals industry a major consideration of the Federal Government. It has not been enacted.

The Department of the Interior's Bureau of Mines continues its emphasis on research involving high-temperature and special-structural metals, and is attempting to develop new uses for materials having unusual properties.

An outstanding accomplishment of the Bureau during 1959 was the development of a method for making shaped castings of molybdenum at the Electrometallurgical Research Laboratory at Albany, Oreg. Recently, deposition of high purity tungsten into simple controlled shapes by a novel process developed by the Bureau has generated tremendous interest among the designers of missiles. Its possible application in helping to solve the problems incident to high-temperature alloys is significant.

Emphasis was placed by the Department's geological survey on the development of new geologic concepts, techniques, and tools to aid in the search for mineral deposits and to determine the water supplies of the Nation.

As a result of geochemical research, a tungsten deposit was located in western Colorado, and new methods of interpreting rock alterations and geochemical anomalies led to a major discovery of silver-lead-zinc ore in Utah. About $11,760,000 for geologic and mineral resources surveys and mapping will be expended during the 1960 fiscal year.

After failure of the Democratic-controlled Congress to enact either recommended program, quotas on imports of lead and zinc were imposed by President Eisenhower, October 1, 1958. In conjunction with moderately increased consumption, these quotas served to improve the situation of these two commodities during 1959. Mine production of lead and zinc have increased.

By proclamations dated March 10 and April 30, 1959, the President provided for regulating imports of crude oil and its principal products into the United States. Subsequently, regulations were issued implementing the proclamations and establishing in the Department of the Interior an Oil Import Administration under the direction of an Administrator and an Oil Import Appeals Board.

This program was initiated to encourage a healthy climate for domestic oil exploration.

MINERAL RESOURCE DEVELOPMENT

Under the Eisenhower-Nixon policy of "creative conservation," the years since January 1953 have witnessed a period of rapid economic growth and scientific advancement despite substantial defense stockpiling of strategic materials. During this period, the Nation's mines and mineral plants have sustained a high level of output and, largely through improved technology, developed new resources to meet future needs.

At the beginning of the Republican administration, petroleum production from the public lands amounted to some 80 million barrels a year.

Today—just a little more than 7 years later—annual production has soared to more than 142 million barrels—enough oil to heat 5 million homes.

In 1949, 124 billion cubic feet of natural gas was extracted from public domain lands.

By early 1960, this total had been raised to nearly 446 billion cubic feet—an increase of more than 300 billion cubic feet in a decade.

In 1949, there were some 22,000 outstanding mineral leases on public lands in the United States covering slightly over 19 million acres.

Today—after little more than 7 years of this Republican administration—over 107 million acres are covered by more than 132,000 leases.

As with water and land resources, the spectacular advances in mineral resource development since January 1953 have been made possible in large measure by the successful sponsoring by the administration of vital new legislative measures.

Passage of the Outer Continental Shelf Lands Act in 1953 marked the beginning of Federal mineral leasing of offshore submerged lands and the rapid expansion of private exploratory development investments in mineral production.

Providing legal sanction for the application of modern day multiple-use land management, Public Law 585 of 1954 opened the door to mining and mineral leasing development on the same tracts of land. This law was followed a year later by two laws, one authorizing the extraction of uranium and other source materials from lignite coal deposits, and the other permitting mining claims on some 7.2 million acres set aside as power and water sites in 24 States.

In 1955, Congress passed Republican-backed legislation often described as the most important single conservation measure since passage of the Taylor Grazing Act in 1934. Public Law 167, the Multiple Surface Use Act, had the effect of unlocking immense values of surface resources on millions of acres in dormant and abandoned mining claims.

Early in the administration, the Department of the Interior initiated an incentive program to encourage exploration for domestic sources of critical and strategic minerals and metals by providing for Government participation in the costs and risks involved.

The program is unique in that for the first time a joint effort was made by the Government and private industry for minerals exploration. The results have been highly satisfactory, adding substantial mineral reserves to the Nation's resources.

MEETING OUR WATER PROBLEM

Realizing that the enormous demands for water will continue to increase as our population expands and our standard of living rises, the Eisenhower administration has pursued with urgency a vigorous program to find an economical means of converting saline water.

The Department of the Interior's Office of Saline Water has already made a sevenfold reduction in the cost of converting salt water to fresh water and the outlook for the future is bright, despite the fact that the Democratic-controlled Congress has refused in 4 years out of the last 7 to appropriate as much money as requested for this program.

Saline water conversion pilot plant tests give strong indication of a breakthrough in preventing the formation of scale on distillation equipment. Scale formation is one of the major technological problems in distillation processes. This exciting new development will be utilized in the first of five saline water conversion demonstration plants to be built by the Department of the Interior. U.S. Senator FRANCIS CASE, of South Dakota, has established himself as a farsighted statesman in pushing this program from the start.

One of the plants will work by an electrodialysis process, and will be located in the northern Great Plains in Webster, S. Dak. It will be designed to convert brackish water to fresh at the rate of 250,000 gallons per day.

Imagine the blessings which will be brought to the arid area of this country, and to the world, if we can be successful in this program. Republican leadership will assure success, if it is at all possible.

STATEHOOD WON FOR ALASKA AND HAWAII

Congressional approval of the Republican platform promise and President Eisenhower's request that both Alaska and Hawaii be admitted into the Union was largely due to the persistence of the Eisenhower administration's ardent statehood advocate, Secretary of the Interior Fred A. Seaton. As spokesman for the administration, Secretary Seaton helped lead both statehood campaigns.

INDIAN AFFAIRS

The policies of the Republican administration have struck at the root of the problems of the American Indian, and mark a turning point in the history of Indian affairs in the United States.

In 1953, only 79 percent of the Indian children between the ages of 6 and 18 on reservations were enrolled in school. For the current school term, the figure is 93 percent, and when the new term begins in the fall there will be facilities to meet the educational needs of all school-age Indian children on reservations throughout the United States, most, of course, being located in the Western States.

During this administration, the Department has taken positive steps to repair the damages of past educational deficiencies among adult Indian people. Today, an adult education program is being conducted at 80 locations, and 3,000 Indians and native Alaskans are enrolled.

Since 1956, the Bureau of Indian Affairs also has conducted a program of vocational training in trade schools and on-the-job training in industrial plants.

IN CONCLUSION

Never in our history has there been such progress, in so short a time, to benefit so many people, as the progress made under the Republican administration in its two terms.

COMMERCE, TRANSPORTATION, BUSINESS—A BRIEF SURVEY OF ADVANCES IN THESE FIELDS UNDER THE REPUBLICAN ADMINISTRATION, 1953–60

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a report on the activities of the Department of Commerce during the past 7½ years. This report was compiled and presented by the distinguished senior Senator from Kansas [Mr. SCHOEPPEL], the ranking Republican member of the Senate Interstate and Foreign Commerce Committee.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMERCE, TRANSPORTATION, BUSINESS—A BRIEF SURVEY OF ADVANCES IN THESE FIELDS UNDER THE REPUBLICAN ADMINISTRATION—1953–60

(By U.S. Senator ANDREW F. SCHOEPPEL, of Kansas, senior Republican member, Senate Interstate and Foreign Commerce Committee)

Good times mean more jobs, good wages and decent profits; and under the Republican administration times have never been better.

The gross national product has soared from $345 billion in 1952 to over $500 billion today. The Department of Commerce, under the Republican administration, helped make our economy strong.

In January 1953, when the Republican administration took office, the average weekly wage in manufacturing was $69.60 for a 40-hour week. Today it is $91.20.

TRANSPORTATION

The long overdue St. Lawrence Seaway was finally made a reality by the relentless efforts of the administration, turning the Great Lakes area into our "fourth seacoast."

It was formally opened in 1959 by Queen Elizabeth and President Eisenhower.

The NS *Savannah*, the world's first nuclear merchant ship, was launched in 1959 by Mrs. Eisenhower. It is a joint project of the Maritime Administration and the Atomic Energy Commission.

The National System of Interstate and Defense Highways was begun in 1956 and is now progressing as rapidly as available funds will allow. The Federal financing of these highways is on a pay-as-you-go basis, thus directing the financial burden toward the users of the highways rather than the general taxpayer.

Exhaustive transportation studies were completed with a view to stimulating competition and reorganizing those Government departments directly concerned.

Over 500 commercial-type Federal activities have been abolished; for example, the Inland Waterways Corporation's Federal barge line was sold to a private firm, turning a deficit liablity into a taxpaying asset.

SCIENTIFIC AND TECHNOLOGICAL RESEARCH

In 1960 the Coast and Geodetic Survey began a full-scale oceanographic examination which will add to our knowledge of the sea and will undoubtedly uncover new sources of food, fuel, and metals. The Survey's modernized seismic wave warning system saved hundreds of lives following the recent Chilean earthquake.

In basic scientific research the National Bureau of Standards is now in the vanguard, contributing significantly not only to business but also to our national defense and space efforts.

The research work of the Weather Bureau has brought us near to a major breakthrough in understanding and predicting the weather of the world. The successful launching of the Tiros weather satellite captured the attention of the entire world.

The installation of advanced computers in the Patent Office has revolutionized its patent search procedure, making it feasible to speed up processing of an accelerating number of patent applications.

BUSINESS STATISTICS AND SERVICES

Taking its cue from the President's special message to Congress in March 1960, the Department's Bureau of Foreign Commerce launched an extensive export promotion program.

It is expected that this export drive will contribute significantly to the attainment of new markets and profits for American business and, in so doing, create new jobs and minimize the deficit in our balance of international payments.

The Bureau of the Census, operating with the latest electric computers and tabulating machines, is completing the decennial census of population in record time and with unparalleled accuracy and efficiency.

Various commercial statistics now compiled by the Bureau of the Census have been of great assistance to private business planners.

The Office of Business Economics has become the oracle to the question, "How is business?" Its basic indices are used by economic prognosticators and planners with greater reliance than ever before. Government, labor, and business can now plan for tomorrow without relying on the divining rod approach of yesterday. The story depicted by these economic statistics dramatically demonstrates the strength of the free-enterprise system.

The Business and Defense Services Administration was set up in 1953 with 25 industry divisions to provide American business with up-to-date information and advice. Its Office of Area Development was established to cope with the problems of diversifying industry and relieving chronic unemployment. Mindful of the chaos in Government during World War II, the administration created the National Defense Executive Reserve, consisting of business and professional men who would occupy key posts in the event of an emergency.

President Eisenhower proclaimed 1960 as "Visit the U.S.A. Year," and it is expected that in 1960 there will be a 20-percent increase over 1959 in the amount of money spent by visitors to the United States. This money will help to relieve the balance of payments deficit, without the use of artificial controls.

To demonstrate the strength of our free-enterprise system and to achieve better international economic relations, the Office of International Trade Fairs has stimulated

U.S. participation in 83 oversea fairs in 28 countries since 1954. By this means, the administration, in cooperation with free enterprise, is helping sell more American products in previously untapped foreign markets.

The Republican administration has diligently administered the Export Control Act to assure an embargo on trade with Red China and to prevent strategic commodities from falling into the hands of the Communists.

CORPUS CHRISTI CITY COUNCIL RECOMMENDS PADRE ISLAND PARK NOW—RESOLUTION

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution by the City Council of Corpus Christi favoring the creation of a national seashore recreation area on Padre Island.

This resolution was passed June 22, 1960, in recognition that the need for establishment of Padre Island National Seashore "creates a public emergency."

The resolution was forwarded to me by the Honorable Mayor Ellroy King and was unanimously approved by Councilmen James L. Barnard, Joseph B. Dunn, Patrick J. Dunne, R. A. Humble, Gabe Lozano, Sr., and Councilwoman Mrs. Ray Airheart.

I ask unanimous consent that the resolution be printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A RESOLUTION EXPRESSING THE POSITION OF THE CITY OF CORPUS CHRISTI AS BEING IN FAVOR OF CREATION OF A NATIONAL SEASHORE AREA ON PADRE ISLAND; AND DECLARING AN EMERGENCY

Whereas Padre Island has remained relatively unchanged for centuries as an object of natural beauty; and

Whereas Padre Island is a vital part of our natural heritage and is unsurpassed in its form of natural beauty anywhere in the world; and

Whereas the Government of the United States of America has indicated an interest in preserving some part of Padre Island in its natural state for the enjoyment of present and future generations as a national seashore area: Now, therefore, be it

Resolved by the City Council of the City of Corpus Christi, Tex., this 22d day of June 1960, That this city council of the city of Corpus Christi, Tex., favors the creation of a national seashore area on Padre Island and that the position of the city of Corpus Christi as so favoring said national seashore area be expressed to the Members of the U.S. Congress, and that a copy or copies of this resolution be forwarded to and filed with the proper Federal authorities.

SECTION 1. The necessity for an expression from the elected representatives of the city of Corpus Christi, in an official session of said body, for the information of the Federal authorities concerned in the matter of creation of a national seashore area on Padre Island, creates a public emergency and an imperative public necessity requiring the suspension of the charter rule that no ordinance or resolution shall be passed finally on the date of its introduction and that such ordinance or resolution shall be read at three several meetings of the city council, and the mayor, having declared such emergency and necessity to exist, having requested the suspension of said Charter rule and that this resolution be passed finally on the date of its introduction and that this resolution take effect and be in full force and effect from and after its passage, it is accordingly passed and approved, this the 22d day of June 1960.

Attest:

ELLROY KING,
Mayor, the city of Corpus Christi, Tex.
T. RAY KRING,
City Secretary.

Approved as to legal form this 22d day of June 1960:

I. M. SINGER,
City Attorney.

FARM CREDIT IMPROVEMENTS

Mr. KEATING. Mr. President, the distinguished and very capable Senior Senator of Colorado [Mr. ALLOTT] has written a report on farm credit improvements under this administration, between 1953 and 1960. I hope this important activity will receive the widespread attention which it deserves. I commend the report to the Senate and ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FARM CREDIT IMPROVEMENTS UNDER THE REPUBLICAN ADMINISTRATION—1953–60

(By U.S. Senator GORDON ALLOTT of Colorado)

As a young lawyer in the farm community of Lamar, Colo., many years ago, I saw firsthand the hazards which beset the farmer and have marveled since that time at the courage and self-reliance with which the American farmer approaches his problems.

Situations outside his power, such as drought, wind, and erosion, create havoc. Other conditions over which he has no control also occur. In these the farmer and rancher can rightly expect assistance from their Government.

Since the beginning of my service in the Senate, I have sought new legislation to simplify the national farm credit laws. Every means should be utilized to help the farmer help himself by alleviating the problem of obtaining suitable and adequate financing at the time it is needed.

Farmers and ranchers have traditionally demonstrated the ability to handle their myriad of problems with the least possible Government interference. An outstanding example of the Government working shoulder to shoulder with the farmer is the cooperative farm credit system under this Republican administration.

SUMMARY OF MAJOR ACCOMPLISHMENTS IN THE COOPERATIVE FARM CREDIT SYSTEM

Legislative accomplishments

Beginning with the Farm Credit Act of 1953, in the first year of the Republican administration, a series of laws have constituted major steps in increasing farmer participation in ownership, improving credit service, reducing Federal Government investment and subsidies in the system, and strengthening the system in other ways. Important features of each law are summarized below.

A. Farm Credit Act of 1953 (Public Law 202, 83d Cong):

1. Established congressional policy of increasing borrower participation in ownership of the Federal Farm Credit System.

2. Again made the Farm Credit Administration an independent agency in the executive branch of the Government.

3. Improved coordination through changing the basic organization of the Governor's staff.

4. Increased farmers participation in the management and control of the Farm Credit System through establishment of the Federal Farm Credit Board and through an increase in the elected members of the district farm credit boards.

5. Provided for increased decentralization and for delegation by the Farm Credit Administration to the Federal land banks and the production credit corporations (FICB's after January 1, 1957) of certain powers and duties of the administration over the Federal land bank associations (formerly national farm loan associations) and the production credit associations.

The 1953 act was the foundation for the subsequent laws. It restated the objectives of the cooperative system, and directed the Federal Farm Credit Board to make recommendations of means for carrying out these objectives. The following acts were based on recommendations made by the Federal Farm Credit Board.

B. Farm Credit Act of 1955 (Public Law 347, 84th Cong.):

1. Federal land banks:

(a) Loan service of land banks to part-time farmers was expanded; more than 30,000 loans amounting to about $160 million were made to part-time farmers through 1959.

(b) Permitted land bank loans to be closed on the basis of appraisals by land bank designees.

(c) Eliminated the restriction that loans to farming corporations be limited to livestock operations so that land banks may make loans to closely held or family-type farming corporations. Loans totaling about $24 million were made to 387 such corporations through 1959.

(d) Increased the land bank loan limit from $100,000 to $200,000. Since the 1955 act about 777 loans were made for amounts exceeding $100,000.

2. Production credit associations:

(a) Authorized the production credit associations to pay dividends on class A (investment) stock without requiring like dividends to be paid on class B (voting) stock.

(b) Removed restrictions on guarantee funds of production credit associations, thereby giving the associations more freedom in the use of their capital funds to meet the credit needs of their members.

3. Banks for cooperatives:

(a) Provided a plan under which the borrowers from the banks for cooperatives will gradually acquire ownership of the banks and retire all Government-owned stock in the banks.

(b) Provided for retirement of Government-owned stock in the banks through quarterly stock purchases by borrowers and from net savings of the banks.

(c) Reorganized the Central Bank for Cooperatives and provided for election by its borrowers and by district banks for cooperatives of three members of the seven-member board of directors. Directors not so elected are appointed by the Governor.

C. Farm Credit Act of 1956 (Public Law 809, 84th Cong.):

1. Merged the production credit corporation in the Federal intermediate credit bank in each farm credit district, thereby simplifying the district organization and effecting a saving in operating costs.

2. Provided a plan under which production credit associations will gradually acquire ownership of the credit banks and retire all Government-owned stock in the banks.

3. Authorized the distribution of credit bank earnings on a patronage basis to the production credit associations and other financing institutions (OFI's). Patronage dividends must be paid in stock (to production credit associations) or participation certificates (to OFI's) as long as there is Government capital in the banks, but thereafter such dividends may be paid in cash.

4. Authorized each district bank to borrow from and lend to each of the other district banks.

5. Authorized the credit banks to discount or purchase loans with maturities up to 5 years.

6. Broadened the purposes for which production credit association loans may be made.

7. Removed the credit banks from budget control under the Government Corporation Control Act, effective January 1, 1959. This gave the credit banks the same authority as the land banks and the banks for cooperatives to expend corporate funds without regard to certain restrictive statutes.

D. Farm Credit Act of 1959 (Public Law 86–168, 86th Cong.):

1. It transferred from the Farm Credit Administration to the Federal land banks responsibility for making appraisals in connection with Federal land bank loans. The designee program was retained but the requirement of a second appraisal was repealed. It transferred land bank appraisers from the Farm Credit Administration to the land banks, except that certain appraisers were retained by the Farm Credit Administration on the staffs of the Chief Reviewing Appraisers to be known as farm credit appraisers.

2. The 5-percent interest rate limitation on farm loan bonds was repealed.

3. The $200,000 maximum loan limit applicable to land bank loans was repealed but loans exceeding $100,000 continue to require Farm Credit Administration approval.

4. The face amount of a land bank loan may exceed 65 percent of the appraised normal value of the farm by the amount of stock which is paid for out of the loan.

5. The names of the national farm loan associations and the secretary-treasurers of such associations were changed to "Federal land bank associations" and "managers" respectively.

6. The Federal land banks were authorized to make unamortized or partially amortized loans under rules and regulations issued by the Farm Credit Administration.

7. The status of employees of the farm credit banks was clarified and employees of the district banks are exempt from the provisions of civil service laws and rules and regulations and various other laws relating to Federal employees.

E. Other legislation:

1. Banks for cooperatives:

(a) Authorized the Central Bank for Cooperatives and regional banks for cooperatives to issue consolidated debentures.

(b) Enlarged the Board of Directors of the Central Bank for Cooperatives to 13 members.

2. Federal land banks (Public Law 55, 84th Cong.): (a) Authorized Federal land banks to purchase certain remaining assets of the Federal Farm Mortgage Corporation.

3. Developments and improvements in loan service: Many improvements in credit service resulted from the foregoing legislation. The developments and improvements listed below are partly the result of and partly in addition to the authorities and changes provided in the legislation.

(a) Credit extended reached peak levels. Total amount loaned by all banks and associations, excluding interagency loans and discounts, increased from $2.2 billion in 1953 to $4 billion in 1959. Loans outstanding December 31 increased from $2.2 billion to $4.4 billion during the same period.

(b) The total volume of bonds and debentures issued, the principal source of funds used in making loans, reached peak levels, increasing from $1.4 billion in 1953 to $3.3 billion in 1959. This period provided a good test of the ability of the banks to market their securities under varying conditions ranging from recession and credit ease to high levels of business activity and credit restraint. No applicants were denied loans because of a lack of funds during this period.

(c) The making and discounting of intermediate-term loans for capital purposes such as machinery, farm improvement, and foundation livestock were tried out experimentally in 1954 and approved on a permanent basis in 1956. By June 30, 1959, such loans had grown to a total which constituted about 12 percent of all loans held by the Federal intermediate credit banks.

(d) In 1956 production credit associations, on an experimental basis, began entering into agreements with purchasing cooperatives to help finance their members when buying supplies. Such arrangements have now been made with hundreds of supply cooperatives and a number of independent supply dealers in several farm credit districts.

4. General operating improvements:

As in the case of developments in loan service, improvements in other phases of operations have resulted partly from the legislative changes and partly from administrative action.

(a) In accordance with the 1953 act numerous delegations of authority have been made by the Farm Credit Administration to the Federal land banks and to the production credit corporations (and Federal intermediate credit banks since they were merged under the 1956 act). These delegations have had the effects of streamlining operations and reducing the personnel required in supervision of the system.

(b) Although the work has increased, indicated by a doubling of the total loan volume outstanding, substantial reductions in personnel employed have been made in both the Farm Credit Administration, the supervisory organization, and the banks and associations supervised.

(c) Major adjustments of standards used in appraising farms for land bank loans, in order to adapt loan policy better to changing agricultural conditions, were made in 1954 and 1958.

(d) Although substantial amounts of Government capital in the banks and associations were repaid to the Treasury, their total net worth was increased:

[Millions of dollars]

	Dec. 31, 1953	Dec. 31, 1959	Change
Government capital	277.2	219.2	−58.0
Farmer capital	185.4	336.4	+151.0
Surplus and reserves	531.9	650.2	+118.3
Total net worth	994.5	1,205.8	+211.3

THE GENESIS OF COMMUNISM

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the RECORD a lecture entitled "The Genesis of Communism," delivered at Gonzaga University in Spokane, Wash., by the Reverend Francis J. Conklin, S.J.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

THE GENESIS OF COMMUNISM

During our discussions of the philosophy of Karl Marx we purposely abstained from any detailed analysis of the fascinating aspects of Marx's careers as a journalist and as an organizer of the workers of the world. Now that we have completed our study of his formidable, integral philosophical system, these more prosaic aspects of his life can be understood from the proper perspective—both the fiery tirades of the young Marx denouncing Prussian autocracy and the often pathetic attempts to lead the proletariat, which consumed many hours of the mature genius.

From 1841 to 1843 Marx worked as a journalist. Three problems dominating his every waking hour were: censorship in Prussia; the inequitable land distribution of the Prussian Junkers; and a quite private and personal obsession with Russia as the most reactionary of all governments. This newspaper period abruptly terminated through the rather thinly veiled intrigue of the Czar's agents and Marx fled to exile in Paris.

Wilhelm Weitling, the first person to give a clear stimulus to the organization of German workers and the leading force in uniting labor and the Socialist movements in Germany, met Marx during this Parisian exile. Weitling had formed the League of the Just composed of German artisans, but not true proletarians. The members of the league were skilled craftsmen such as would originally have been claimed by the AFL rather than the CIO and we shall have further occasion to refer to this league in connection with the commencement of the international labor movement.

Another gentleman whom Marx knew in Paris at this time was Proudhon, the father of anarchism. The ceaselessly integrating Proudhon assimilated ideas from all quarters without stopping to pay tribute to any particular thinker. Unquestionably, Proudhon was impressed with Marx's exposition of Hegel, but being a Frenchman, Proudhon had a mind of his own and little patience with the Teutonic abstractions which are Hegel. After Proudhon had passed to his reward, Marx belittled Proudhon's understanding of Hegel as a failure to penetrate the mystery of scientific dialetic, and a sharing in the illusions of speculative philosophy. Marx was indebted to Proudhon because Proudhon's interest in economic factors spurred Marx along a road of thought Marx had entered upon before leaving Germany, and which would eventually terminate at economic determinism.

The Marx-Proudhon friendship was certainly of short duration and their estrangement was in no little part due to Proudhon's frankness and Marx's need to reign alone. The irreconcilable break occurred when Proudhon published "La Philosophie de la Misere," in which the evidence of a practically assimilated Marxist Hegelianism was overwhelming. Marx replied with the cannonade: "Misere de la Philosophie," in which he demolished a straw Proudhon because the latter was not abstract (as a German would be in analyzing the social and economic order). These wounds never healed and we will find their infection spread to Proudhon's anarchists locked in mortal combat with the Marxists both within and without the First and Second Internationals.

During this Parisian exile Marx also met Bakunin, the Russian prince who subsequently gained fame as a practicing anarchist who not only preached, but practiced terror and violence.

Finally, Marx met Engels at this time. We have deliberately avoided placing any stress upon the role of Engels prior to this lecture because Engels was not the thinker that Marx was and Engels' writings can easily mislead the unwary by their very clarity. Without doubt Engels was a very talented man and facility of speech was not the least of his gifts. A quick check of Engels' writing will show that he starred in the field of what we might call applied philosophy—especially the pseudoscientific. But the real thinking was done by Marx. And Engels' philosophical endeavors to bolster Marxism come off second best. The classical example of this comes in Engels' chief philosophical work: the Anti-Dühring ("Herr Eugen Dühring's Revolution in Science"), in which Engels arrayed a host of pseudoscientific arguments but missed the whole point of Dühring's attack on dialectical materialism. (Dühring had questioned the legitimacy of transferring Hegel's idealistic concepts to matter and using them to explain the motion of material beings in a philosophical system that rejects all the spiritual characteristics which render the dialectical thought process possible for humans).

In January 1845, Marx was expelled from Paris and moved on to Brussels, contacted the League of the Just once again, and joined with the Just to help form the Communist League. The declaration of policy of the Communist League, published in 1848, would subsequently gain international fame as the Communist Manifesto. But, note: Marx's Manifesto had absolutely no influence upon the world of 1847 nor the European revolutions of 1848. These uprisings were political in origin and had been brewing ever since the Congress of Vienna in 1815, and/or the unrest in 1832. Marx neither started them nor determined their outcome in the slightest degree. However, true Communists pride themselves on their revolutionary heritage (e.g., in France you will hear the slogan "We are the sons of Robespierre") and for these romantic revolutionaries the Manifesto receives credit as the spark which ignited Europe in 1848. It didn't.

In 1848, Marx migrated rapidly from Paris to Cologne, because the Rhineland stirred with a certain freedom of the press. Marx savored this new freedom in his homeland until the irresistible forces of reaction inevitably triumphed. After winning a sort of moral victory in the famous Cologne trials (issue: Freedom of the press), Marx returned to exile in Paris and eventually to London. In his hours of repose in London Marx assimilated a profound lesson from the Europe of 1847–49: the political revolutions were preceded by an economic depression.

The 1850's were years of golden promise and prosperity. The Communist League split into warring factions (each claiming to have just returned from Sinai with all the answers). Marx spent his days writing for the New York Tribune (London correspondent); in writing "Capital"; and publishing a few smaller works which the prophetically minded might have discerned as straws tossed into the wind.

Perhaps the most important new persons in Marx's life at this time was the brilliant Jew, Ferdinand Lasalle, the down-to-earth organizer of the German proletariat. Unfortunately for Marx's peace of soul, Lasalle was not an automaton and had no intention of letting Marx run the entire labor movement and take the entire credit. Lasalle classified himself as a Marxist—but: there were theoretical chasms separating master and disciple. Lasalle was a nationalist. He believed that the state expresses the spirit of the people. Marx had been, was, is, always will be an internationalist. ("The worker has no country.") And although Lasalle was a brilliant organizer, able to bring a revolutionary and proletarian consciousness to the masses, Lasalle lacks the internationalist vision of a true Marxist. In a word, Marx finally dismissed Lasalle as a reformist.

On September 28, 1864, in St. Martin's Hall in London, the International Workingmen's Association was formed. Almost 100 years later the romantic name of the First International evokes a sympathetic response from the downtrodden throughout the world: never has any human organization promised mankind so much.

Marx delivered the inaugural address for the First International, but despite his prominence on the organizing committee and the adoption of some of his ideas, Marx's influence in the International was not as extensive as is sometimes imagined. As a matter of fact, this First International embraced almost every conceivable shade of political and/or economic reformism. Disagreement was the soupe de jour from the outset.

The first real crisis for the International came in 1870 with the outbreak of the Franco-Prussian War. In general, the International was anti-French and pro-German, yet advocated an honest peace for France. This odd combination excellently illustrates the antithetical compromises which permitted the continued existence—or postponed the inevitable collapse—of the First International. However, on March 18, 1871, a city revolution triumphed in Paris and the famous Commune swept into power.

The Paris Commune consisted of 92 elected members. Of this group, 17 were members of the First International. By an adroit public relations campaign the International vociferously supported the Commune and gained the credit and blame for what the Commune did. The iron fist was apparently necessary, or at least felt to be desirable by those directing the Commune's struggle to consolidate its power. Paris was drenched with blood. Whatever stability the Commune achieved was soon swept away when in May 1871, the troops at Versailles swept into Paris and annihilated the Commune.

Back in London, Marx set pen to paper to extol the workingman's Paris in "The Civil War in France," as the harbinger of a new society. Guilt by association began to plague the International after the blood red days of the Commune. The English delegates found it expedient to resign in horror over the excesses in Paris, because they could not support a revolution which required dirty hands.

Finally, in 1872, the inevitable transpired (sic evolvere Parcas). At The Hague, Marx, supported by Germany, Switzerland, and England fought the anarchist Bakunin, who had the support of Belgium, France, and Spain. Marx won a Pyrrhic victory and moved the general council to New York. In Marx's hour of triumph Bakunin was excommunicated on two counts: (1) Bakunin's alliance (an unorganized group of radical revolutionaries) was allegedly a secret society opposed to the International; (2) Bakunin failed to fulfill a promise to translate Marx's "Capital" into Russian. Finally, the First International sputtered to an inglorious end in Philadelphia in 1878.

One other event in the life of Marx is worthy of attention. Alarmed by the uprisings of 1848, the Prussian State had passed the Allegemeine Gewerkordnung Deutschebund, a law forbidding the combinations of labor. During the late sixties and seventies this law was repealed and ignored, but its spirit remained to haunt the German labor movement. The fears of the Prussian authorities did not lack foundation; the European workers were being organized and led by the intellectuals, and these new leaders were committed to programs which stopped little short of anarchism. The militant unionists denounced compromise or reforms of any sort. Engels was a vociferous spokesman for the radicals of all shades of red, and he roundly denounced Kautsky in Germany, Turatti in Italy, Jouhaux in France, Gompers in America, Thomas in England, etc., because these latter reformists betray the workingman by teaching that strikes are an instrument of reform and not of revolution.

In this atmosphere, representatives of two important German labor movements met at Totha in 1875. The German Social Democrats were controlled by Marx's men, Bebel and Liebknecht; the General Union of German Workers was Lasalle's group. The joint program adopted here urged the unionists not to be practical and seek for reforms, but to be political. Business unions are of no use to the proletariat because social insurance, wage and hours legislation, child labor laws, etc., only serve to delay final victory and revolution. Such palliatives sap the strength of working class and erode the keen edge of revolutionary fervor. Marx bitterly attacked the joint effort in his book "The Critique of the Gothic Program" on the pretext that both his own men and Lasalle's made too many concessions to the Prusso-German state. More probably his feelings were hurt because his program was not adopted without question.

On March 14, 1883, Karl Marx passed to his eternal reward, and in conclusion I believe that we should pay a few words of tribute to his genius. At the outset we stated that we would not offer a "refutation" of Marx's system. True, Marx did deny the existence of God and he denied many other Christian truths. So what else is new?

When one approaches many "refutations" of Marx's analysis of capitalism we are reminded of the reasoning behind corporate grants to liberal arts colleges. Certain stockholders have sought to enjoin these grants as ultra vires on the part of the directors, etc. The majority of U.S. courts have denied equitable relief on the grounds that corporations are benefited by liberal arts colleges which emphasize the dignity of the individual (and the right of corporations to own property). In a word, economics sometimes colors the best value judgments.

Marx's predictions concerning the Gotterdamerung of capitalism have not been fulfilled. Perhaps this makes him a false prophet. Or could the reason partly be that Marx has not so much been proven wrong because capitalism has triumphed, but that the capitalism against which Marx inveighed has changed its spirit and, possibly, its very nature?

The capitalist mode of satisfying material wants through the organization of a staggering technological knowledge seems animated by a spirit of acquisition, competition, and somewhat enlightened self-interest. Innovations in a capitalist society are carried out through borrowed money so that capitalism cannot exist without credit—a parody of Christian faith and hope.

Marx had no quarrel with the capitalist method of production. His chief attack is against the spirit which permeates the capitalist system. He called the new rich a race of undertakers—men who had made their own fortunes, who prided themselves in their own success and despised the poor and the weak.

The model society which Marx proposed to substitute for the capitalist system is every bit as utopian as those of Proudhon, Fourier, or Owen—all dismissed by Marx as visionaries. Marx's proposal was made viable by his vigorous description of the exploitation and misery resulting from the progress of the capitalist system as it prepared the way for the inevitable triumph of the dictatorship of the proletariat.

The pragmatic basis upon which Marx bedrocked his speculations was a world in transition. Particularly in England the prosperity anticipated at the close of the Napoleonic wars had not dropped from the skies and amidst the postwar confusion and misery England tried to adjust herself to a system of economic liberalism in which prosperity was expected to arise—like Athena, full grown—from the natural forces of the market. Marx regarded the proliferation of new machines as a method for enslaving those of slight muscular power because the labor of women and children was the first thing sought by the capitalists who used the new machinery. Labor was, of course, a commodity, but not such a stable commodity that it could be stored and conserved until such time as the market would require it. All of this we have previously discussed in detail.

Intimately associated with the very air which men breathed in the 19th century was Giovanni Vico's intuition of the inevitability of progress. Imbued with this spirit, Marx had faith—faith that the workingman as a class-conscious proletarian would scorn all gains in these material conditions and in his individual status as a trade unionist to face an uncertain future for the sake of the dictatorship of the working class. Of course, when Marx wrote the Manifesto, the workingman had very little to lose but his chains. And although 100 years later we can

perceive all the evils which rose with the new economic system of capitalism when the world had forgotten (or never really assimilated) the simple truth that the rich have duties, as well as rights.

Our conclusion: Capitalism has not defeated Marx. Marx defeated himself by forcing capitalism to change ethically and morally—as well as technologically.

Lenin stands out in the annals of Marxism as the great organizer—the doer. However, Lenin did not lack theoretical ability and any discussion of Marxism must touch upon Lenin's three great contributions: (1) his concept of the role of the party; (2) his doctrine of imperialism; (3) his philosophical defense of materialism.

Even during his years of repose and exile, when he was not pressed with the problems of fomenting a revolution, Lenin did not achieve the intellectual stature of Karl Marx. In fact, Lenin ventured into philosophy only when he absolutely had to—or so it would seem from his writings.

The problem which Lenin faced in philosophy was the existence of transempirical concepts in the science of physics. Certain concepts used in physics cannot be reduced to sense experience. For example; "cause," "number," "time," "space," etc., all have use and a certain established validity in the science of physics. But these "things" cannot be directly reduced to sense experience.

Physics has always been the darling of the positivists and the materialists. Ergo: if transempirical concepts are valid in physics, other transempirical concept (God, truth, immortality, etc.) may also be valid.

Ernst Mach, the great physicist, tried to solve this dilemma. His premises were that science alone can give true knowledge. Accordingly, he distinguished those things which may be proved scientifically as facts, and those things which are unverifiable constructs. According to Mach, science achieves its goal by describing phenomena and eliminating subjectivity. Only sensations give elements of knowledge because only sensations can provide real data universally verifiable under controlled conditions by people in distant parts of the world. In addition to directly verifiable sensations there are auxiliary concepts such as cause, number, time, space, etc. These auxiliary concepts, the transempirical concepts, are points of reference. In themselves, they designate nothing but are simply useful to organize facts.

In reality Mach is attacking determinism in the physical sciences. In a determinist view, everything happens with absolute necessity, somewhat similar to the conclusions of general principles. For the determinist, the world works like Euclidean geometry, where all is necessary, immutable, eternal. In attacking determinism, or "causality and necessity" as auxiliary or transempirical concepts, Mach has struck the death blow to all materialism because if determinism may be dismissed, so must all materialism.

Of course, Marxism, being dialectical, supposedly opposes mechanistic materialism. However, any mechanism must be determined. And in Marxism, the determinism is refined and stabilized by the laws of the dialectic.

Expressing this problem in somewhat similar terms: If determinism is out, so is all materialism because in a materialist psychology, the world is reflected in the mind. If the world is undetermined, so is the mind. Thus, the undetermined world reflected in the undetermined mind means: (1) there is no cognoscible conformity or truth relation between mind and object; (2) historical materialism and economic determinism is unknown and unknowable; (3) Marx is wrong.

Mach and Avanarius were the chief proponents of this attack against all materialism, but their reasoning (respected because advanced by eminent scientists) strikes home with special force against dialectical materialism. For Mach, knowledge is not objective, nor is matter primary over spirit. Such concepts as space and time are quite relative. These doctrines, coming from so famous a physical scientist as Mach, shook the Marxist camp to its foundations. Bogdanov and Lounatarsky, two minor Marxists, went so far as to assert that to save materialism, it may be necessary to appeal to idealism. In other words, to save materialism and materialist determination one must assert the existence of the "things" signified by the transempirical concepts.

Lenin rose as one man to the defense of Marxism in his book: "Materialism and Empiriocriticism," published in 1909. Lenin denounces Mach as an idealist, but the exposition of Marxist epistomology begins to resemble a broken record:

Nature exists before man, and therefore, prior to man. This makes mind a product of matter. Before man existed, time, space and causality existed, not in the sense of Kant's categories, but as real things. Therefore, when Mach states that bodies are complexes of sensations, Mach is a subjective idealist. For the true materialist, thought is a function of the brain. Therefore, we know things as they are, quite contrary to the Kantian ignortum x. The thing in itself is not unknown and unknowable. Both agnosticism and idealism are wrong.

Things exist independently of us and there is no difference between phenomena (i.e., what we see) and the thing as it actually is in itself. The difference lies in what is known and what is not known. Likewise, knowledge grows dialectically and constantly becomes more and more complete. What is reflected in our thoughts exists independently of us. This means that objective truth does exist. Some simple truths, few in number, are objective. But most of our knowledge, as any person of experience can tell you, consists in a cautious grouping of partial terms, which, in terms of the dialectic, is a constant progress to a new and higher synthesis.

Practice remains the test of truth. This is not an absolute relativism but what might be called a relative relativism. The constant refining of partial truth occurs relative to a given economic and historical context, etc., etc. Economics colors all the judgments—the rest should be familiar to you. Thus, Mach fails and dialectical materialism returns to the throne of respectability.

The next point we must consider is Lenin's doctrine of imperialism. The 19th century was a period of great expansion for Britain, France, Holland, Russia, Italy, Germany, Belgium, Japan and the United States. All wanted a slice of the cheese. Great Britain got the lion's share: India, most of Africa; Cyprus; Hong Kong; the Yangtze area of China; Persia; Afghanistan; Tibet. France acquired the French Congo; the Ivory Coast; Madagascar; Algeria; Tunis; Morocco; Indo-China. Holland settled for Indonesia and Sumatra. The United States pushed the Monroe Doctrine to protect South America and unwittingly sowed the seeds of "Yankee Imperialism." Belgium settled for the Congo; Japan for Korea; Russia for Manchuria; Germany for South West Africa; the Camaroons; East Africa; and in China, Shantung. (Of course, the jury is still out on the final evaluation of the moral, economic and social benefits and/or dire consequences of 19th century imperialism.)

In 1902, John A. Hobson published a booklet: "Imperialism," in which he emphasized an internal contradiction within the capitalist system: The rich are constantly growing richer, the poor, poorer. Neither rich nor poor can afford to buy the products of the capitalist economic system, because the poor have no money and the rich cannot consume enough to keep the system going. The rich, of course, are compelled to hoard the money they cannot spend and idle capital depreciates. For this reason, an autodynamism permeates the capitalism system, forcing its chosen and specially blessed few to invest in new markets overseas. Since the affluent control the wealth, and hence the politics, of the capitalist country, each capitalist nation is forced to seek colonies or "spheres of influence." Conflicts and wars are inevitable.

Without so much as a "by your leave" Lenin adopted Hobson's theories in his book: "Imperialism, the Highest Stage of Capitalism." In Lenin's view, World War I was an imperialist war and an inevitable stage in capitalism. The proletariat, naturally, cannot profit from the imperialist war and should turn to civil war in order to foment a worldwide revolution. Lenin here remains true to Marx. The proletariat is international ("The worker has no country"). German workers, French workers, etc., should refuse to support the war effort because proletarian solidarity is deeper than the nationalistic solidarity forged in the heat of Ypres, Chateau-Thierry, etc.

However, Lenin must meet and answer a primary objection: Why was it that although Marx prophesied the imminent rising up of the proletariat, nothing happened? Lenin explains this by blaming trade unionism for deceiving the proletariat after 1871. In capitalist countries after 1871 the standard of living gradually crept upward, due partially, to the exploitation of the backward countries. This rising standard of living explains why the revolution did not occur in the most technologically advanced countries. Lenin insists that the "trade union proletarianism" is a product of a bourgeoise mentality. He castigates it as a loss of class consciousness; a social chauvinism; a loss of interest in class warfare; a desire to share in imperialist profits. Lenin believed that World War I would cure this epidemic of trade union proletarianism and reawaken the class consciousness which will produce the world revolution.

Marx, as you will recall, penetratingly pointed to the need for capital to accumulate in a capitalism system. Lenin goes farther and shows how accumulation leads to national monopoly. From 1860 to 1870 monopoly began to become an appreciable modern economic force; from 1870 to 1900 monopoly grew to full flower; after 1900 the combination of monopoly and politics constitutes a sort of state capitalism. Planning by the monopolists, supported by the political power of the state, removes the anarchy of production which so disturbed Marx. However, a national monopoly in continental Europe cannot remain stagnant. A soundly planned production scheme in the home country provides a secure basis in the struggle for international dominion and monopoly.

Although Kipling speaks of carrying the white man's burden, and there are spots which shall be forever England, the basic economic fact is that a struggle for political power in backward countries is necessitated by the sated market which monopoly capitalism enjoys at home. Such an economic struggle motivating the political, evidences a profound contradiction within the capitalist system. By its very nature the capitalist system must expand internationally, yet national capitalism or monopoly with its high tariff barriers, etc., makes the natural growth of capitalism impossible. Imperialism alleviates this situation for a short time because the export of capital is a temporary relief of the surplus at home. But this relief is only temporary because the new surplus created in the backward countries undermines the parent's monopoly.

Briefly: Capitalism metaphysically requires a profit motive; constant expansion for profit keeps capitalism alive. Inevitably expansion must someday stop. When this crisis arrives

the Marxist solution will prevail because by destroying private ownership and the greed for profit the capitalist system itself is destroyed. The new dialectic exists between the imperialist capitalist nation and the backward, proletarian nation. The backward proletarian nation combines two features that are of extreme importance. By its nationalist tendencies the backward nation hates the Western World and any talk of imperialism. Yet, by its need to catch up and become an industrialized or modern nation, the backward nation is in love with the West and with what the West has accomplished.

In 1960 the Leninist argument runs: Oppressed people are the hope of the future. In the 19th century the industrial proletariate in the most technologically advanced countries were the oppressed people upon whom Marx relied. In the 20th century the oppressed proletariate in backward nations have now come to be the hope of the future. Political revolution remains impossible in stabilized and advanced countries because of the high standard of living achieved through exploitation of the backward countries. Proletarian revolution remains imminent in all backward countries, especially since the Second World War, because the economic injustice of imperialism cannot withstand the rising tide of nationalism. For the Marxist-Leninist: the road to Paris lies through Peiping.

Khrushchev insists that the only way for the backward countries to catch up is to follow Russia's Socialist example; i.e., bypass capitalism and directly introduce "socialism." Consequently, Leninism skillfully unites both fear and hatred of the West (expressed in nationalism) with the promise to catch up and overtake Western industrialization (the envy of the backward nations). At the Second Congress of the Third International in the 1920's Lenin changed the famous "Workers of the world unite" to "Proletarians of all countries and oppressed nations unite."

The Leninism permeating Khrushchev's domestic and foreign policies are evident: In Brazil where Torgbraz offers crude oil drilling equipment and refining equipment to the national oil company; in India, Russia has granted $270,000 worth of credits and the Bhilai steel mill; in Ceylon $29 million from China in exchange for rubber; in Afghanistan $145 million for arms, hydroelectric power, street paving etc.; in Egypt the Aswan Dam; etc., etc. You have to understand these deals in the proper perspective: Even if Communist China were to be free tomorrow, it would be economically dependent upon Russia for years to come, because all the new machines in the Chinese economy are Russian and all parts and replacements must be Russian. A dependent economy cannot be rebuilt overnight.

Turning away from these fascinating digressions: we must mention the fascinating instrument of Lenin's political genius: the party. Marx has overshadowed Proudhon, St. Simon and other social reformers because Lenin developed the irresistible political tool of the Communist Party. The nature of this party can best be understood in its historical context.

For Lenin the immutable laws of historical development were fine things to discuss, but more important was the development of a revolutionary consciousness. A revolutionary consciousness was best achieved by forming a party—an elite—a vanguard of the most class-conscious group. A small, underground, conspiratorial organization should bring the revolution to the masses. Lenin's "proletarian discipline" of bringing the revolution to the masses contrasts sharply with Marx's teaching regarding the forces of economics which are supposed to produce the inevitable unaided. In Lenin's view, the revolution must be brought to the people. Thus, trade unionism is not a form of true socialism (and/or communism) because those who belong to trade unions are themselves reformers. They seek to mutate the capitalist order and sustain or prolong capitalism's catabolic processes. But trade unionists lack purpose because they are not bent upon the annihilation of capitalism.

The same is true of the Bernstein revisionists who succumbed to the plausibilities proffered by Edward Bernstein in 1889 and believed that there is no need for the violence so implicit in Marx's statements. Lenin's party cannot tolerate trade unionism nor "reform Marxism" or "evolutionary socialism."

In Russia, the Marxists were part of the Social Democratic Party. Plekhanov (1856–1918) is commonly regarded as the father of Marxism in Russia. His program was to ignore the peasant and seek to advance an ordered revolution. In other words, Plekhanov advocated the development of a feudal stage; a building up of capitalism; and, finally, the triumph of socialism. In this scheme, middle-class democracy was the next logical step for semifeudal Russia. (It is worthy of note that Marx indicated that socialism might be developed directly in some countries without passing through the stage of capitalism development, but this fact was ignored by the Social Democrats around the turn of the century.)

Lenin's get-up-and-go attitude toward bringing the revolution to the workers contrasts sharply with what he called revisionism or waiting for society to develop according to classic Marxist theory. In the year 1902, Martov and Axelrod led a faction of the Social Democratic Party maintaining that the party should be a mass organization. They wanted the Social Democrats to be an open and large party, bent upon establishing middle-class democracy in Russia and attaining its objectives by legal action. Opposed was Lenin with his concept of the party as a small, dedicated elite, bringing revolution by any means at their disposal. As you know, Lenin (the Bolsheviks) won.

While this struggle continued within the Social Democratic Party, Davidovich Bronstine (Leon Trotsky) was coming to the fore as an important figure in the Russian revolutionary movement. Trotsky was neither a Menshevic nor Bolshevik. However, he was shrewd enough to diagnose the nature of Lenin's party and made a prophecy which subsequent events proved to be a very shrewd insight. Trotsky prophesied that in Lenin's type of party: "The party organization will replace the party itself; the central committee will replace the party organization; and one dictator will replace the central committee"—democratic centralism, with a vengeance.

Trotsky is one of the truly tragic figures in history. Everything that Trotsky said was true; everything he did was wrong—and when the chips were down Stalin triumphed over him ruthlessly.

Prior to World War I, the program proclaimed by Trotsky had three points: (1) Establish political democracy in Russia with the help of the peasants; (2) by a process of concurrent or permanent revolution establish proletarian hegemony over the peasants (which Lenin denounced as undemocratic); (3) once the peasants were disposed of, promote the international proletarian revolution.

Point 1 was the program adopted by Lenin to sweep into power in 1917 on the slogan of "Peace, Land, Bread." Point 2 was the precise method whereby Stalin consolidated his power in the latter twenties and early thirties by dekulakization. Point 3 Stalin denounced as vulgar cosmopolitanism—the first of the truly great heresies. Yet in 1936, when socialism had triumphed in Russia, Stalin piously announced that the cruel, harsh dictatorship of the proletariat must continue during the period of capitalist encirclement—that is, until the third step in Trotsky's program had been adopted.

By the "proletarian hegemony" of the Communist Party over the masses and the "democratic centralism" which gave the chairman control of the party—Trotsky's prophecy was fulfilled verbatim in the person of Joseph Stalin. There were, of course, objectors—Trotsky, perhaps the most vociferous. In the "Revolution Betrayed" Trotsky denounced the Thermidorian reaction which had set in when Stalin succeeded Lenin—just as the French Revolution ground to a halt when Robespierre was ousted in July, the month of Thermidor. But the long arm of Stalin triumphed over all dissenters—over Trotsky by a bloody ax in Mexico in 1940.

The apotheosis of Lenin's party may be found described in Lenin's book, "The State and Revolution": "The dictatorship of the proletariat is in itself an instrument of power and suppression. Consequently, the dictatorship is not intended to be, nor can it be free and democratic. It must be despotic in stamping out the counterrevolution if it ever hopes to create a new economic and social order."

Marx believed that the workers were idealistic and would seek the benefits of communism and a rule of the proletariat in preference to the increased welfare benefits which the directors of capitalistic enterprises would be forced to concede. Lenin abandoned all illusions of idealism. By bringing the revolution to the masses he has forged a system of state capitalism, based, not upon economic but upon political determinism. The ownership of the means of production is scarcely a meaningful phrase in Lenin's new society because control of the army, police, and communications are what really matter. Lenin and his successors have inverted Marx and set Hegel back on his feet, by wagering their lives upon the simple principle that in a confused society a well-disciplined minority can seize power.

PROPOSED AMENDMENTS TO WAGE-HOUR STANDARDS

Mr. MUNDT. Mr. President, in view of the fact it appears the Congress will soon have before it legislation dealing with proposed amendments to the wage-hour standards in this country, I take this occasion to call to the attention of the Congress and the country a pertinent editorial appearing in the June 27 issue of Barron's Weekly. I ask unanimous consent that the editorial may be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FALSE STANDARDS—WAGE-HOUR BILLS ARE A THREAT TO THE GENERAL WELFARE

In the frantic effort to block the nomination of Senator JOHN F. KENNEDY, much has been said (or whispered) about his religion, wealth and, most recently, his comparative youth (a presidential nominee, averred one Democratic hopeful with magnificent irrelevance the other day, "should be a man with a little gray in his hair"). Generally speaking, however, friend and foe alike have chosen to ignore what is, or ought to be, the most significant test of qualification for high office: a candidate's public record. By this uncompromising yardstick, if that is the word, even the Senator's stanchest adherents must suffer occasional qualms. For on an extraordinary number of issues—Algerian freedom, labor reform, the collapse of the summit—the Senator has taken positions which, in the light of subsequent events, reflect scant credit on his statesmanship.

Having returned to Washington after a triumphant sweep of the primaries, Mr. KENNEDY evidently is back doing business at the

same old stand. Specifically, he is seeking passage in the Senate of various amendments to the Fair Labor Standards Act, designed, among other things, to extend its provisions to several million additional workers and to increase the national minimum wage. Like so much other welfare legislation, the pending bill enjoys great political appeal; even the administration discreetly has objected not to its philosophy, but to its size and cost. Owing to such excessive caution, several basic precepts, of private enterprise and fair play alike, seem in peril of losing by default. For one thing, contrary to the plain intent of Congress in the past, the new wage-hour law would blanket workers with little or no linkage to interstate commerce. It not only would perpetuate discriminatory provisions already in effect, but also would establish a flock of new ones. Finally, in the competitive business climate which now prevails, it would run the grave risk of curtailing job opportunities and contributing to unemployment. Regardless of whether it wins votes, in short, the measure plainly will not serve the general welfare.

To judge by recent history, similar suspicions have begun to assail a growing number of lawmakers. For since it first was introduced last January, at the behest of the AFL–CIO, the bill has gone through a constant process of pruning and slashing. Originally it would have hiked the minimum wage in one fell swoop from the present level of $1 an hour to $1.25; in addition, it would have expanded coverage from 24 million workers to an estimated 32 million or by one-third. Under modified versions now making their way through both Senate and House, the goals have been scaled down sharply. The minimum wage would rise in three steps, not reaching $1.25 an hour until January 1, 1963. Coverage, moreover, would be extended to fewer than 5 million workers, largely in retailing. Even in their present form, however, the bills are repugnant to influential Members of Congress, notably the conservative chairman of the House Labor Committee. Whether or not they will be enacted into law remains to be seen.

Whatever the outcome, this is bad legislation. To begin with, owing to the tugging and hauling of various pressure groups, it is outrageously arbitrary in its impact. To illustrate, it would cover only gasoline stations which do a yearly volume of business totaling $250,000 or more, thereby discriminating in favor of the small operator and against large oil company chains. As to retail enterprises in general, those with gross receipts (exclusive of excise taxes) of $1 million or more are covered; all others are exempt. Rarely has a measure reeked so thoroughly of bias against efficiency and size.

At the same time it constitutes an unwarranted, and legally doubtful, Federal foray into realms traditionally reserved to State and local regulation. In its original draft, and as subsequently amended, the wage-hour law applied solely to enterprises "engaged in interstate commerce." Now it would cover all concerns affecting interstate commerce, a definition which, for the first time, make possible inclusion of the Nation's retailers. Here in truth is paternalism run wild. For as the National Retail Merchants Association persuasively argues, an individual store, regardless of ownership, sales volume, or size, is an essentially local enterprise, which serves a limited trading area and must be responsive to local economic conditions. To force such concerns into a national wage-hour pattern, especially one that is openly discriminatory, is to violate long-established ways of doing business. Such a course also must jeopardize job opportunities in retail trade.

The same threat, indeed, exists with respect to employment as a whole. True, the evidence on this point is scarcely overwhelming. A survey made by the Labor Department, seeking to appraise the impact of the latest rise in the minimum wage 4 years ago, is noncommittal. "We think it had an effect on employment," one official is quoted as saying, "but it's anybody's guess as to how much." The Department, however, records at least one instance—that of Puerto Rico, in 1945—where a minimum wage law helped throw people, especially in the needle trades, out of work. Moreover, it's worth observing that 1960 is not 1956. In the latter year inflation, fanned by a whopping settlement in steel and the Suez crisis, was an accepted way of economic life. Today, in contrast, rising industrial prices are noteworthy for their absence, competitive pressures are intense and unemployment, especially among the unskilled, relatively high. In such circumstances, higher wage rates for some are bound to mean fewer jobs for others.

On balance, then, the apparent benefits of the legislation, in purchasing power, welfare, and the like, are far outweighed by the probable costs. The whole episode thus is a sad commentary on an administration which, in this case as in others, has failed to take a firm stand on principle. It also is a clear-cut indictment of those who seek to put temporary political advantage ahead of the national interest. Higher living standards undoubtedly are desirable. However, as the postwar record suggests, they cannot be legislated into being. They must be earned.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BUSH in the chair). Without objection, it is so ordered.

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRODUCTION AND CONSERVATION OF COAL IN THE UNITED STATES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1555, H.R. 3375.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 9, after the word "shall", to insert "establish within the Department of the Interior an Office of Coal Research, and through such Office shall"; on page 2, after line 20, to insert a new section, as follows:

SEC. 3. (a) Any advisory committee appointed under the provisions of this Act shall keep minutes of each meeting, which shall contain as a minimum (1) the name of each person attending such meeting, (2) a copy of the agenda, and (3) a record of all votes or polls taken during the meeting.

(b) A copy of any such minutes or of any report made by any such committee after final action has been taken thereon by the Secretary shall be available to the public upon request and payment of the cost of furnishing such copy.

(c) Members of any advisory committee appointed from private life under authority of this section shall each receive $50 per diem when engaged in the actual performance of their duties as a member of such advisory committee. Such members shall also be entitled to travel expenses and per diem in lieu of subsistence at the rates authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for all persons employed intermittently as consultants or experts receiving compensation on a per diem basis.

(d) Service by an individual as a member of such an advisory committee shall not subject him to the provisions of section 1914 of Title 18 of the United States Code, or, except with respect to a particular matter which directly involves the Office of Coal Research or in which the Office of Coal Research is directly interested, to the provisions of sections 281, 283, or 284 of that title or of section 190 of the Revised Statutes (5 U.S.C. 99).

On page 3, after line 23, to insert a new section, as follows:

SEC. 4. The Secretary may appoint a Director of Coal Research without regard to the provisions of the Civil Service Laws, or the Classification Act of 1949, as amended. Section 107(a) of the Federal Executive Pay Act, as amended (5 U.S.C. 2206(a)) which prescribes an annual rate of basic compensation of $17,500 for certain positions is amended by adding at the end thereof the following paragraph:

"(23) Director of Coal Research, Department of the Interior".

On page 4, at the beginning of line 9, to change the section number from "3" to "5"; at the beginning of line 12, to change the section number from "4" to "6"; at the beginning of line 24, to change the section number from "5" to "7"; and on page 5, at the beginning of line 6, to change the section number from "6" to "8".

Mr. JOHNSON of Texas. Mr. President, this bill was cleared by the policy committee after a very thorough hearing before that committee. The distinguished Senator from West Virginia [Mr. BYRD] has been vitally interested in it, and has had a number of conferences with the leadership about it.

He appeared personally before the policy committee and attempted to demonstrate to us the benefits that would flow from enactment of the proposed legislation and authorization of the research and development program under it.

My friend, Tom Pickett, a former Member of Congress, who is now with the Coal Institute, has discussed this subject with me many, many times, as have representatives of the United Mine Workers. They all seem to be agreed on the necessity of legislation of this type.

Some questions were raised in the policy committee concerning the details of the bill, and I understand there have been some questions raised downtown. The Committee on Interior and Insular Affairs has attempted to meet the objections that were voiced in the veto of the bill last year. We trust now that the bill will enlist the support of not only the membership of Congress, but also the executive agencies.

The Senator from Utah [Mr. Moss] reported the bill and has been very active in supporting it and attempting to have it cleared for consideration, as has the Senator from Pennsylvania [Mr. CLARK], who has discussed the subject with me a number of times.

The senior Senator from West Virginia [Mr. RANDOLPH] has been greatly interested in the bill, and all Senators who are very familiar with the details of this great industry and the results they anticipate would flow from the proposed legislation feel that the earlier we act, the better it will be.

As Senators will observe, this is a House bill, and if we can pass it without any injurious or crippling amendments, we can send it direct to the President, and we hope the President will support it in the revised form, because it is my information that the bill has been revised in an attempt to meet the objections of the President. Is that correct?

Mr. BYRD of West Virginia. That is correct.

Mr. JOHNSON of Texas. Mr. President, I yield the floor. I shall watch the progress of the bill with great interest.

Mr. BYRD of West Virginia. Mr. President, H.R. 3375 is a bill which is of great importance to my own State of West Virginia and it is important to the entire country. Its purpose is to encourage and stimulate the production and conservation of coal through a program of scientific, technical, and economic research. This bill would permit the Secretary of the Interior to establish within the Department of the Interior an Office of Coal Research and to appoint a Director of Coal Research whose salary would be $17,500 per year. The Secretary of the Department of the Interior would be directed to develop, through the Office of Coal Research, new and more efficient methods of mining, preparing, and utilizing coal. The Secretary would be authorized to contract for research and such contracts could be with coal trade associations, coal research associations, educational institutions, agencies of the States and political subdivisions thereof.

Provision is made for the establishment of technical advisory committees composed of recognized experts in coal research, and such committees would examine and evaluate research proposals, research contracts, and research data. The departments and agencies of State and Federal Governments would cooperate with each other and with all other interested agencies, whether governmental or nongovernmental. Provision is made for the receipt of per diem pay for members of the appointed advisory committees when engaged in the actual performance of their duties.

Under this bill, all information, processes, products, and patents resulting from the program of research would be made available to the general public, except where the Secretary of the Interior would find it necessary, in the interest of national defense, to withhold it from the public. Both the President and the Congress would receive a report each year concerning the research activities conducted under the authority of the act.

The bill authorizes an appropriation not to exceed $2 million for the fiscal year beginning July 1, 1960, and it authorizes the appropriation for each following year of such sums as may be necessary to carry out the purposes of the act.

Mr. President, the poor earnings record of the coal industry, as reflected in the income-tax returns of all corporations engaged in bituminous coal mining, is indicative of the impoverished condition and ill health of the industry as well as the inability of the industry to finance the large amount of research and development work necessary to sustain the health and progress of modern industry.

From 1925 to 1953, the bituminous coal-mining industry experienced a net loss in 13 of the 27 years for which data are available, and in only 2 of those 27 years were good profits obtained. I call attention to the fact that 1,572 corporations engaged in bituminous coal mining in 1953 earned an average profit after Federal taxes of a little less than 3¾ cents per ton on the 350 million tons of coal which they minded. Viewing industry's earnings from another angle, it was found that the value, f.o.b. mines, of the total production of bituminous coal in 1953 was on the order of $2,247 million, from which the incorporated producers, who accounted for 80 percent of the production, realized a profit after Federal taxes of less than $13 million—or a calculated net profit of less than three-quarters of 1 percent on the gross value of the coal produced. It is doubtful that any other major industry, vital to the economy of the Nation, has experienced anything approaching the depressed financial condition of the coal-mining industry over the past quarter of a century.

Mr. President, I ask unanimous consent to have printed, at this point in the RECORD, a table from a 1957 report of the Special Subcommittee on Coal Research, House Committee on Interior and Insular Affairs, setting forth the net income and Federal income taxes of bituminous coal-mining corporations, 1917 to 1953, inclusive.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Net income and Federal income taxes of corporations engaged in bituminous coal mining as shown by income tax returns

[Money figures in thousands]

Year	Number of returns	Number reporting net income	Number reporting no net income	Net income of companies showing income	Deficit of companies showing loss	Net income or loss	Federal taxes	Profit or loss (—) after Federal taxes	Year	Number of returns	Number reporting net income	Number reporting no net income	Net income of companies showing income	Deficit of companies showing loss	Net income or loss	Federal taxes	Profit or loss (—) after Federal taxes
1917	1,234	1,149	85	$204,564	$646	$203,918	$70,962	$132,956	1938	1,887	363	1,524	$11,112	$37,779	—$26,667	$1,661	—$28,328
1918	1,234	1,106	128	150,095	1,248	148,847	65,764	83,083	1939	1,820	505	1,315	18,257	24,425	—6,168	2,844	—9,012
1919	1,234	817	417	72,203	9,943	62,260	12,934	49,326	1940	1,756	676	1,080	30,013	15,617	14,396	6,593	7,803
1920	1,234	1,152	82	251,026	1,658	249,368	76,224	173,144	1941	1,722	859	863	56,831	14,180	42,651	19,065	23,586
1921	1,234	503	731	59,164	30,275	28,889	10,559	18,330	1942	1,737	906	831	77,042	9,127	67,915	33,790	34,125
1925	3,650	1,065	2,585	40,463	62,826	—22,363	4,517	—26,880	1943	1,623	975	648	103,153	6,996	96,157	49,244	46,913
1928	2,705	863	1,842	33,477	57,985	—24,508	3,442	—27,950	1944	1,584	932	652	101,000	8,263	92,737	48,926	43,811
1929	2,469	934	1,535	40,069	51,891	—11,822	4,000	—15,822	1945	1,544	915	629	81,412	10,119	71,293	35,613	35,680
1930	2,239	781	1,458	25,077	67,148	—42,071	2,637	—44,708	1946	1,640	1,013	627	89,553	9,016	80,537	29,975	50,562
1931	2,095	582	1,513	9,957	57,702	—47,745	1,039	—47,784	1947	1,837	1,371	466	264,751	6,093	258,658	90,224	168,434
1932	1,864	289	1,575	5,956	57,123	—51,167	777	—51,944	1948	2,163	1,434	729	318,597	8,971	309,626	113,038	196,588
1933	1,851	396	1,455	7,243	54,792	—47,549	1,029	—48,578	1949	2,070	1,033	1,037	122,803	25,480	97,323	43,038	54,285
1934	2,017	660	1,357	23,634	31,218	—7,584	3,308	—10,892	1950	1,988	1,104	884	180,350	17,162	163,188	69,423	93,765
1935	1,975	591	1,384	19,566	35,142	—15,576	2,750	—18,326	1951	1,813	912	901	139,464	25,769	113,695	57,096	56,599
1936	1,945	590	1,305	25,183	28,493	—3,310	3,214	—6,524	1952	1,665	789	876	88,263	19,069	69,194	35,713	33,481
1937	1,815	539	1,276	22,289	23,066	—777	3,208	—3,985	1953	1,572	632	940	72,747	31,192	41,555	28,825	12,730

Source: National Coal Association, which assembled data from statistics of Income, pt. 2, U.S. Bureau of Internal Revenue.

Mr. BYRD of West Virginia. Mr. President, I also ask unanimous consent to have printed in the RECORD a table from the same committee report, which provides financial data on leading coal petroleum and refining, chemical, lumber, and stone and clay products companies, 1941 to 1955, inclusive. The table shows the very low percent of return on net worth accruing to the coal companies as compared with the profits accruing to the other companies.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Financial data on leading coal, petroleum and refining, chemical, lumber, and stone and clay products companies, 1941 to 1955, inclusive

[Money figures in thousands]

Year	Coal companies [1]			Petroleum and refining companies			Chemical products companies			Lumber companies			Stone and clay products companies		
	Number of companies	Net income	Percent return on net worth	Number of companies	Net income	Percent return on net worth	Number of companies	Net income	Percent return on net worth	Number of companies	Net income	Percent return on net worth	Number of companies	Net income	Percent return on net worth
1941	30	$20,623	3.8	[2]	[2]	[2]	49	$230,691	13.2	23	$15,795	15.3	[2]	[2]	[2]
1942	28	23,026	4.3	[2]	[2]	[2]	51	190,856	10.4	23	11,696	11.4	[2]	[2]	[2]
1943	25	23,697	4.3	[2]	[2]	[2]	54	187,718	10.5	20	8,156	8.9	[2]	[2]	[2]
1944	26	30,819	5.7	[2]	[2]	[2]	57	214,760	10.4	21	9,243	9.0	38	$22,499	6.4
1945	23	23,858	4.2	[2]	[2]	[2]	59	216,701	10.2	24	20,165	6.8	37	29,047	6.8
1946	24	37,316	7.6	[2]	[2]	[2]	60	320,672	14.8	21	23,065	21.1	41	63,622	13.7
1947	33	66,191	11.4	[2]	[2]	[2]	65	416,110	17.2	29	69,120	33.1	40	92,916	17.8
1948	30	99,225	16.1	[2]	[2]	[2]	65	494,083	16.9	28	101,584	23.1	45	118,205	18.2
1949	27	49,002	7.2	[2]	[2]	[2]	65	543,411	17.1	28	56,411	10.7	46	101,225	13.7
1950	31	62,032	8.7	91	$1,875,150	15.2	62	743,574	21.4	25	96,083	17.0	46	144,831	18.5
1951	29	61,941	9.0	91	2,247,118	16.6	64	628,332	16.3	25	98,088	16.0	43	125,994	14.9
1952	24	49,017	6.6	95	2,174,935	14.5	65	599,830	13.5	26	81,573	11.4	43	116,804	12.5
1953	27	29,030	3.5	94	2,423,985	14.7	65	645,584	13.2	28	82,378	10.3	49	122,483	11.8
1954	21	12,565	1.7	92	2,413,900	13.8	61	765,142	14.4	27	79,928	9.7	48	143,957	13.2
1955	21	40,961	5.6	92	2,770,552	14.2	61	999,367	17.7	27	125,149	14.2	48	194,647	16.4

[1] Coal companies include producers of both bituminous and anthracite.
[2] Data not collected.

Source: National Coal Association, which obtained data from reports of the National City Bank, New York City.

Mr. BYRD of West Virginia. Mr. President, it is obvious that the impoverished and sick coal industry cannot provide moneys for adequate research under the depressed conditions that have confronted the industry for so long. Just by way of comparison, a total of approximately $17,382,400 was spent on bituminous coal research in 1955 and probably not more than $1 million was spent on arthracite research during the same year. Yet, according to the National Science Foundation, in 1953 the research expenditures by the petroleum industry amounted to $146 million. The chemical industry, according to the same source of information, spent $361 million, the rubber products industry spent $53.6 million, and the textile industry spent $28 million.

Mr. President, coal research abroad is being conducted on a much more intensive scale than in the United States. In 1955, not more than 1,000 professional people were engaged in coal research in the United States. More than twice, and possibly three times, this number were similarly employed in England, France, Germany, and Holland, combined. Russia appears to employ about five times the number of professional people on coal research as are similarly engaged in the United States. According to a recently issued report of the National Coal Board, London, England, the coal industry of the U.S.S.R.:

> The facilities for mining research and development work are on a massive scale in the U.S.S.R.

The report stated that there are 10 research institutes under the Ministry of Coal, and that—

> several thousand (probably not less than 5,000) experienced scientists, engineers, and technologists work in these research establishments.

In contrast, Mr. President, only 944 professional employees were engaged in bituminous coal research in the United States in 1955, and probably no more than 50 professional employees were engaged in anthracite coal research.

Mr. President, through an accelerated program of coal research, enormous potentials exist for improving and expanding the use of coal, for improving the condition of the coal industry, for benefiting potential consumers of coal, and for strengthening the economy and security of the United States. However, the conversion of these technical potentials into realities requires large amounts of research—much more than has been conducted heretofore and more than the earnings of the coal industry can support. Therefore, Mr. President, since the welfare of the coal industry is highly important to the economy and security of the United States and since the public would derive substantial and lasting benefits from expanded coal research, research which would result in a more economic and effective utilization of the Nation's fuel resources, I submit that it is in the national interest for the Federal Government to support a greatly expanded and accelerated coal research and development program, and I urge the passage of H.R. 3375 by the Senate.

Mr. President, before I close, I wish to express my gratitude to our able majority leader for permitting me to appear before the Democratic policy committee last Friday in behalf of H.R. 3375. I am grateful for the courteous and sympathetic hearing accorded me by the policy committee, of which the majority leader is chairman, and I appreciate the prompt action taken by the committee on Friday afternoon in clearing the bill for floor action. The majority leader, Senator LYNDON JOHNSON, assured me that the bill would be taken up early this week and, as usual, he has stood by his word. This is another instance in which he has shown an active and helpful interest in matters affecting the welfare of my State and its people, and I would be remiss if I did not thank him at this time. I also wish to thank the able Senator from Utah [Mr. Moss], for the splendid service he has rendered in regard to the bill and I express my gratitude to Mr. Tom Pickett and other officers of the National Coal Association, together with Mr. James Mark, legislative representative of the United Mine Workers of America for the advice and assistance they have given to all of us in bringing this measure to what will soon be its final enactment into law.

I ask unanimous consent, Mr. President, to insert in the RECORD 209 research possibilities for bituminous coal as listed by the U.S. Bureau of Mines—IC–7754.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TWO HUNDRED AND NINE RESEARCH POSSIBILITIES FOR BITUMINOUS COAL [1]

I. COAL RESERVES

1. Investigate the formation and development of coalbeds and the effects of physical, chemical, and biologic factors.

2. Develop new geophysical methods of finding and estimating extent of coal deposits.

3. Map reserves more intensively, including information on variations in quality of coal with location and on the nature of minerals associated with coal.

II. PRODUCTION AND DISTRIBUTION

A. Mining

Mining Methods and Equipment

4. Develop rugged mining machines requiring low maintenance and with power and cutting ability sufficient for rapid development work and maneuverable enough for retreat mining.

5. Study means of providing automatic directional control for continuous mining equipment.

6. Develop means for remote control of continuous miners that are in view of the operator.

[1] Source: U.S. Bureau of Mines Information Circular 7754.

7. Develop improved equipment for conventional mining where continuous-type equipment is not applicable.

8. Standardize mining equipment to lower maintenance and supply costs.

9. Develop improved mining methods and machines for us in thin and thick coal seams.

10. Develop improved methods of selective mining to remove the more valuable sections of the coalbed separately.

11. Study the influence of physical characteristics of coalbeds, roof, and bottoms on the problems of mining and the development of improved mining equipment.

12. Investigate means for rapidly strengthening soft bottoms or soft spots to support heavy equipment.

13. Study economic disposal or refuse underground.

Underground haulage

14. Develop new face conveying methods and new equipment to provide continuous transport of coal from the face to main haulage.

15. Study improved methods of transporting supplies to the working face.

16. Study new means of mainline transportation, including hydraulic and pneumatic methods.

Roof control

17. Conduct research on roof control to provide better roof-bolting methods, help in the development of better means of support and develop a guide for selecting the type of roof support that will provide adequate permanence of control, based upon the life of the area being worked.

18. Develop simple means of indicating stress on roof bolts or on other roof-control devices.

19. Determine conditions under which auxiliary supports to roof bolts are required.

20. Develop temporary roof supports that are lightweight, easily installed, and easily reclaimed.

21. Investigate means of controlling newly exposed roof near the working face.

22. Study problems of roof control during long-wall mining, especially problems resulting from use of new planer-type mining equipment.

Ventilation

23. Study the effect of mine layout on ventilation problems.

24. Develop improved methods for degasifying coalbeds, including efficient use of the recovered gas.

25. Develop methods for pneumatically removing dust at the working face.

Power

26. Develop improved methods of supplying power at the working face, including the economic and technical aspects of a.c. versus d.c. power.

Lighting

27. Develop improved lighting underground approaching factory standards of illumination.

Causes and Control of Acid Mine Water

28. Develop additional fundamental data on the causes and prevention of acid mine drainage.

Strip mining

29. Develop improved machines and methods for removing overburden and coal.

30. Develop methods and machinery for dry blasthole drilling.

31. Develop more durable materials for bucket teeth and similar applications.

32. Develop improved equipment and methods for recovering coal under overburden too thick to be removed economically by stripping, including the development of improved methods for auger mining.

B. Underground gasification

33. Develop improved methods for seam preparation, using electrolinking, hydraulic fracturing, or other methods.

34. Study factors that determine the voltage, total energy requirements, and path of the linkage.

35. Study effect of rank of coal (coking and noncoking) on electrolinking.

36. Investigate optimum pressure required for hydraulic fracturing, the type of liquids and solids suitable for coal fracturing, methods for retaining the fracture in the coalbed, and the effect of strata above and below the coalbed on the fracturing.

37. Investigate the control of the inflow of water on the gasification system.

38. Study methods for reducing leakage losses of the product gas.

39. Investigate methods for developing the gasification passage by combustion under pressure.

40. Investigate combustion control to obtain the maximum quantity of gas of desired quality.

41. Study the effects of seam preparation and combustion methods on the extent of coal utilization.

42. Study the economics of underground gasification as affected by type of linkage, depth and thickness of seam quality of coal, and gasification pattern.

C. Preparation

Coarse-Coal Cleaning

Dense-medium washing

43. Develop a viscometer to measure viscosity of dense mediums.

44. Study physical characteristics of dense mediums and their effect upon cleaning efficiencies.

45. Develop other dense mediums.

46. Extend effectiveness of dense-medium cleaning to entire mine-run size range.

Jig washing

47. Determine effect of impulse cycle on separation.

48. Investigate influence of bed action on both stratification and capacity.

49. Develop improved means to control and remove impurities.

Fine-Coal Cleaning

Pneumatic cleaners

50. Study conditions under which it is economically advantageous to predry coal and clean pneumatically rather than to wet wash and then dry coal.

51. Develop improved pneumatic coal-cleaning methods, especially ones that are not susceptible to variation in surface moisture.

Wet-concentrating tables

52. Investigate design changes in table construction to increase capacity.

53. Study table stratification in relation to operating variables to develop automatic controls.

Froth flotation

54. Use froth flotation theory to evaluate the effect of operating variables upon performance.

55. Use froth flotation to concentrate certain petrographic constituents of coal.

Drying and Dewatering

56. Study various polymers, wetting agents, and use of sonics and ultrasonics to improve flocculation and mechanical drying of coal.

57. Develop improved equipment and methods for thermal drying of fine coal.

58. Study the effect of bin design and wetting agents on gravity drainage of coal.

Crushing and Blending Coal

59. Examine the basic principles of coal breakage to reduce the energy required for crushing and to control the size composition of crushed materials.

Performance Testing of Equipment

60. Study performance characteristics of auxiliary coal preparation units (screens, crushers, belts, conveyors, feeders, etc.).

61. Study the use of electrostatics, electronics, X-rays, and optics for improved coal cleaning.

62. Develop a continuous method for recording moisture and ash content in the raw-coal feed and in the product.

63. Study sources, extent, and prevention of size degradation in the preparation plant.

64. Investigate means of dust control in the units of preparation equipment.

65. Study the influence of characteristics of solids on kindred settling in water, air, and dense medium.

Sulfur Removal From Coal by Chemical Means

66. Study the removal of sulfur from coal by chemical methods.

Salvage of Valuable Products From Washery Refuse

67. Develop more economical methods of salvaging fine coal from washery water.

68. Study possible utilization of refuse material discharged from coal preparation plants, including production of lightweight aggregate and mineral wool, for fuel value by gasification or combustion, as an aggregate for asphaltic road materials, and recovery of sulfides for chemical use.

Surface Treatment of Coal

69. Study factors influencing freezing of coal in transit and storage.

70. Investigate improved surface treatment agents for allaying dust and freezeproofing coal.

D. Transportation and storage

71. Study and compare costs of transportation by various means, including hydraulic, pneumatic, and belt, and compare these, for various tonnages and distance, with water, rail, and truck haulage. This would include research and development work on hydraulic, pneumatic, and belt transport, where data are not already available.

72. Study the causes and cures for difficulties in moving coal, including study of flow characteristics of coal, effect of bin design, and effects of additives upon flow and freezing properties.

73. Study efficient and economic methods for storing and handling coal and ash at industrial sites.

74. Study the causes of spontaneous ignition and methods of alleviating it, including the effects of particle size, sulfur and moisture content, and effectiveness of additives, methods of piling, and sealing piles.

75. Study methods of alleviating degradation in handling.

76. Study the effect of storage on mineral matter and/or coking characteristics of coal.

77. Study freezeproofing of coals during storage.

III. COAL MARKETS

A. Power generation

Public Utilities

Improved performance of coal burning and handling equipment

78. Investigate behavior of coal minerals at high temperatures and the effect of trace elements in coal on the formation of boiler deposits.

79. Study mechanical and chemical methods for removing fireside deposits from large boilers.

80. Develop a standard test to determine ash-fouling tendencies of different coals.

81. Investigate the effect of additive compounds to coal on its ash-fouling tendencies and combustion characteristics.

82. Investigate the use of ultrasonic and electromagnetic energy to effect complete combustion.

83. Study combustion of solid fuels under pressure, study of flames, and the effect of steam and flue gas in flame characteristics.

84. Determine the viscosity and thermal conductivity of gases at elevated temperatures. These data are needed for improved

design of equipment used in industrial combustion processes.

85. Investigate the mechanisms of simultaneous transfer of heat and mass to assist in designing more efficient boilers and auxiliaries. Develop improved equipment for pulverized fuel and cyclone-furnace methods of firing.

86. Investigate the use of chars as boiler fuel.

Elimination of stack emission

87. Investigate improved means for removing sulfur dioxide from stack gases, among which are scrubbing (1) with an aqueous slurry of manganese oxides with production of concentrated sulfur dioxide, (2) with water followed by conversion of the sulfur dioxide in solution directly into sulfuric acid by catalytic oxidation, and (3) with ammonia to form ammonium bisulfite-sulfite liquor for production of free sulfur and ammonium sulfate; (4) catalytic gas-phase oxidation of sulfur dioxide in the stack for subsequent recovery as sulfuric acid or sulfate; and (5) use of lime slurry.

88. Study improved and economic methods for removing solids from flue gas without sacrificing boiler efficiency, including new design of mechanical dust collectors, improved use of electrostatic separation, and high-frequency sound waves.

Utilization of waste products

89. Develop new and expanded uses for fly ash, including use (1) as a pozzolanic material to replace cement in part, (2) as a replacement for I–A slag, (3) as a lightweight aggregate (after sintering), and (4) as a filter in bituminous materials.

90. Study improved methods of storing, handling, and transporting fly ash.

Economic aspects of coal-heat energy and power transmission

91. Determine the extent to which coal quality influences the overall cost of operation to enable purchasers and producers to determine economic limitations of cleaning coal for thermal power generation.

92. Study the use of the coal-fired gas turbine as a stationary powerplant, particularly for industries that can utilize the energy from the hot exhaust gases.

B. Motive power

Railroads

93. Develop and service-test gas-turbine locomotives powered by coal, using either a closed-cycle gas turbine or producer-gas firing of gas turbines. Present development of open-cycle gas turbines for this use should be continued.

94. Study interchangeability of the coal-fired gas turbine with diesel units on existing diesel locomotives.

Ships

95. Develop improved methods for controlling air pollution produced by coal-burning vessels.

96. Improve storage, bunkering, and handling methods for solid fuels.

97. Investigate the potentials for using colloidal fuels.

C. Other industrial

Coal-burning Equipment for Small Industrial Plants

98. Develop further a vibrating feeder and grate that can be applied to a new type coal burner to bring about complete automation.

99. Develop further an eccentric-ring stoker with rim feed and center discharge for completely automatic operation.

100. Make further combustion studies of thin-bed burning, using the down-jet principle to achieve maximum burning efficiency and smokeless operation.

101. Investigate adaptation of pulverized-coal burners and cyclone furnaces to smaller industrial plants.

102. Develop new equipment and conversion parts for existing equipment that will burn low-grade coal efficiently.

Stack Emission

103. Study the use of additives to coal for more complete combustion of gaseous and particulate pollutants.

104. To reduce the cost of collection equipment, study the possibility of reinjecting into the furnace material collected at the stack.

105. Investigate reasons why the amount of fly ash emitted is not directly related to the ash content of coal.

106. Study the use of water sprays in the stack to reduce air pollution, especially during soot-blowing periods of operation of smaller boilers.

107. Develop devices for instantaneous sampling and determination of the amount of solids in flue gases.

108. Investigate the size of coal-ash particles in the unfused and semifused condition.

109. Develop improved instruments, standards, and methods for collecting, measuring, and analyzing dusts, especially in the subsieve range.

Other Fundamental Aspects of Coal Combustion

110. Investigate the effects of oil and chemical treatment of coal on the combustion, handling characteristics, smoke yield, caking and swelling powers of coal, and ignition and decomposition temperatures.

111. Study the effect of water and steam on the chemical reactions of coal mineral matter that lead to clinker formation in fuel beds.

112. Study the plastic behavior of coal in an oxidizing atmosphere, particularly with regard to the operation of crossfeed-type stokers.

Other Process Uses

113. Develop equipment to use coal in blast furnaces and for metallurgical heating, such as in open-hearth furnaces, soaking pits, heat treating, etc.

114. Develop improved methods for processing clays and shales and waste materials from other industries to produce a superior lightweight aggregate bysintering with very fine coal sizes (one-eighth by 0).

115. Study the types and grades of coal suitable for pelletizing low-grade iron ores.

116. Investigate improved coal-fired rotary cement kilns.

117. Study the use of finely divided coal as a filler or pigment for rubber, plastics, etc.

118. Investigate the alkaline hydrolysis of coal for producing chemicals and low-ash carbon. This includes process-variable studies, development of a continuous process, and processes for separating and refining products.

119. Investigate the oxidation of alkaline slurries of coals for producing carboxylic acids. This includes process-variable studies, development of a continuous process, and processes for separating, refining, and further processing of the products.

120. Investigate nitric acid oxidation of coal as a process for the direct production of chemicals from coal.

121. Develop a coal-fired furnace for use in the direct production of nitric acid from nitrogen.

Reverberatory Furnaces

122. Study the effects of changes in furnace and equipment design on combustion characteristics of the coal and ascertain which characteristics of coals are most suitable for use in reverberatory furnaces.

Solvent Extraction

123. Investigate the mechanisms of the "solution" of coal in various solvents, including the extent to which this is due to depolymerization, to miscibility in hot oil, to true solution, etc.

124. Investigate uses for ultrafine ash-less coal obtained by precipitation, such as compounding rubber and plastics and use as a fuel in diesel-type engines.

125. Investigate products obtained by action of strongly basic amine solvents, such as ethylenediamine, and other solvents on coal for chemical and industrial uses.

126. Investigate the copolymerization of coal extracts with various organic reactants to produce materials for the plastics industry.

127. Study the preparation of coal for special uses by removing virtually all of the ash.

128. Investigate methods of removing most of the sulfur from coal.

129. Study the production of ultrafine coal particles without mechanical grinding, by precipitating coal from coal solutions.

130. Develop methods for increasing the fluidity of hot-coal solutions to facilitate the removal of mineral impurities (ash, pyrite, and fusain), for example, by light hydrogenation, or treatment under moderate pressure with oils capable of transferring some of their hydrogen and to use the hot-coal solution as a fuel for pressure gasifiers.

Electrode-Carbon Manufacture

131. Study processes for de-ashing coal (for subsequent coking) that will meet the specifications of the aluminum or other industries for electrode carbon, including dissolving coal in organic solvents to permit removal of ash, extraction of ash with hot acid or alkali solution, selective mining of low-ash coal, and/or intensive cleaning by froth flotation, and volatilization of ash constituents during carbonization or subsequent high-temperature preparation of electrode carbons.

Manufacture of Specific Chemicals

132. Determine the types and grades of coal best suited to the manufacture of sulfides and sulfites.

133. Develop special activated carbon that could be used for separating the constituents of coal gas (for use as chemical raw materials).

134. Determine the suitability of types of coke, coal, and low-temperature chars for the manufacture of chlorides.

135. Investigate the adaptability of coal chars to the manufacture of carbon disulfide.

136. Investigate the manufacture of sulfuric acid and cement in the United States from anhydrite, coal, sand, and shale.

137. Investigate the substitution of reactive char made from coal for other carbon sources in the manufacture of calcium carbide, and as fuel for calcining the lime.

D. Residential and commercial heating

Combustion Equipment

138. Develop packaged-type coal-burning equipment in which the stoker, heat exchanger, controls, and automatic coal- and ash-handling equipment are easily and cheaply installed.

139. Develop underfeed stokers of improved design with automatic ignition and ash removal and capable of burning a wide range of coals.

140. Further testing of crossfeed-type stokers to develop a completely automatic small coal burner.

141. Develop low-draft-loss dust-collection equipment for use with coal burners operating on natural draft.

142. Develop improved methods of coal pulverization and delivery for use in pulverized-coal burners in small plants.

143. Develop equipment for warm air industrial space heating with capacities exceeding 150,000 B.t.u. per hour.

Handling and Storage

144. Improve methods of storing and handling coal in retail-dealer yards to reduce degradation, segregation, and dust.

145. Improve home- and plant-bin design to provide maximum live storage with existing conveyor equipment.

146. Study the use of pneumatic coal- and ash-handling systems for offtrack customers.

New Market Areas

147. Develop improved coal-fired heating equipment to replace wood-burning units for curing tobacco.

148. Develop coal-fired central-heat systems for use in broiler-chicken barns.

149. Develop coal-fired equipment for forced warm-air drying of forage crops.

E. Coke and coal chemicals

Availability and Quality of Coals for Coking

150. Determine the behavior of the petrographic constituents of coals during cleaning and coking, and apply this knowledge to improve the coking qualities of coals through selective preparation and blending. The study would include the use of controlled amounts of deduster dust, washery fines, and other waste material to achieve high quality, more uniform coke.

151. Develop equipment to control and record automatically the moisture content of crushed coal being charged into coke ovens.

152. Determine possible advantages of crushing separately the high- and low-volatile components of coke-oven blends to control the size consist of each component.

153. Investigate the effect of blending low-temperature chars on the carbonizing properties of coals.

Pretreatment of Coals for Coking

154. Investigate methods of pretreating weakly coking or noncoking coals to make them suitable for manufacturing metallurgical coke or other large-size carbon agglomerates, either alone or in blends with strongly coking coals.

155. Investigate the behavior of coals during carbonization with reference to the effect of the rank and type of coal and operating variables on the carbonizing process.

156. Develop full-size test ovens or pilot-scale test ovens and procedures that will give reliable results for predicting the behavior of coals or coal mixtures in commercial coke ovens.

157. Study effect of pretreating coal, below the plastic temperature, on carbonizing characteristics.

158. Determine the effect of additives to the coal charge on the yields, properties, and value of the coke, tar, gas, etc.

159. Investigate the coking of special mixtures, such as mixtures of coal and iron ore, to produce Ferrocoke for blast furnaces.

High-Temperature Carbonizing Equipment and Conditions

160. Study means of accelerating the rate of heat transfer in conventional coke ovens, using new materials of construction, new design, and faster coking processes.

161. Develop a continuous process for manufacturing coke, including the use of horizontal chain-grate-type ovens.

162. Study methods for eliminating sulfur during carbonization and of minimizing the effects of sulfur in blast-furnace operation.

163. Investigate the use of chemical additives to coal charges to produce less pitch and a higher yield of the more valuable low-molecular-weight compounds.

164. Investigate the free radicals present during the volatilization of coal and devise means for controlling their reactions to improve the products.

Upgrading Primary Coke-Oven Products

165. Develop better methods for separating the constituents of coke-oven gas (hydrogen, methane, ethane, ethylene, etc.) for the production of chemicals.

166. Study the upgrading of primary coal products in the nascent state to obtain products that have a better commercial market.

167. Study the use of coke-plant ammonia to control sulfur dioxide emission from powerplant stack gases, with production of ammonium sulfate (and concentrated SO_2 if desired).

168. Study the upgrading of coal tar at the coke plant by converting high-molecular-weight constituents into more valuable chemicals, through thermal vapor-phase cracking of tars or tar fractions, hydrogenation refining, and dealkylation of tars or tar fractions to produce larger yields of the simpler aromatic hydrocarbons.

Low-Temperature Carbonization

169. Conduct research on physical conditions and chemical reactions during low-temperature carbonization to develop improved processes.

170. Develop reliable small-scale test methods for predicting the performance of any coal during low-temperature carbonization.

171. Develop better methods for separating solid particles (of char, ash, or coal) from tar in the vapor phase.

172. Develop better methods for safe handling and transporting of hot char to the point of consumption without loss of heat.

173. Develop methods for increased elimination of sulfur from the char during low-temperature carbonization.

174. Develop improved methods for cracking primary low-temperature tar during the carbonizing process, to yield more valuable tar products.

175. Study the characteristics of products from low-temperature carbonization to improve the design of low-temperature carbonizing plants and accessory equipment.

176. Investigate the fundamental physical and chemical differences between chars and cokes and the effect of operating variables upon the physical and chemical properties.

Special or Upgraded Products From Low-Temperature Carbonization

177. Determine the optimum operating conditions for producing chars for blending with coking coals for high-temperature coking, carbons for use in low-shaft furnaces, reactive carbons for reducing agents in various metallurgical and chemical processes and carbons for electrode manufacture.

178. Study the production of agglomerated or nodulized products from mixtures of coking coal, iron ore, etc., that will be suitable for smelting iron ores to iron or crude steel by various processes.

179. Make a comprehensive investigation of the nature and composition of low-temperature tars and conversion of these tars into more valuable low-molecular-weight materials.

180. Develop better methods for separating the constituents of low-temperature-carbonization gas.

F. Gasification and uses of synthesis gas

Production of Synthesis Gas

181. Study mechanism and rate of gasification.

182. Investigate feeding and gasification methods for powdered coal, especially under pressure.

183. Study gasification processes that do not use oxygen.

184. Study gasification with nuclear energy as a source of heat.

185. Investigate cleaning of raw synthesis gas, including removal of gaseous, liquid, and solid impurities.

186. Study process variables for oxygen-gasification processes in fixed, entrained, and fluidized beds.

Utilization of Synthesis Gas

187. Investigate producing electricity by the indirect fuel cell, using gases.

188. Study the structure of catalysts and the mechanism of catalytic reactions, including sulfur poisoning of Fischer-Tropsch catalyst methods of reactivation of poisoned catalysts, and the development of sulfur resistant catalysts.

189. Develop new types of catalysts (powder and fiber metallurgy, alloy, and skeletal catalysts) that are active and durable.

190. Determine operating conditions most suitable for desired products, including selection of the most suitable catalysts.

191. Develop reaction systems suitable for large-scale use (adequate cooling by gases and/or liquids), including systems for methanation.

192. Study methods for characterizing, separating, and upgrading products.

193. Study methods of combining processes to produce maximum amounts of desired products with the cheapest available gases.

G. Coal hydrogenation

194. Make a systematic study of effect of process variables on rates of reaction and product distribution.

195. Investigate the mode of action of various catalysts, the chemical changes produced in catalyst during hydrogenation, and the development of improved catalysts.

196. Investigate methods for reducing the high pressures required in conventional process, by use of catalysts, inhibitors, and temperature-time relationships.

197. Study the combination of hydrogenation with other processes, for example, carbonization or solvation.

198. Study methods of characterizing, separating, and upgrading products.

199. Develop improved equipment for removing solid residue from heavy oils.

200. Study processes for coal hydrogenation at temperatures higher than usual, including production of pipeline gas.

IV. PHYSICAL AND CHEMICAL PROPERTIES OF COAL

201. Introduce simplification and automation of analysis procedures, adaptation of new analytical and research tools, and development of continuous analytical equipment for process control.

202. Apply statistical methods to analysis and process control.

203. Standardize procedures and terminology.

204. Study distribution and nature of plant residues, moisture, and minerals in coal.

205. Study the physical properties of coal, such as surface and pore structure, density, molecular weight, hardness, plasticity, absorption of radiation, and electrical and magnetic behavior.

206. Study the arrangement of coal carbon in ordered arrays, identify molecular groups and fragments, and determine the type and strength of chemical bonds.

207. Study the reaction of coal with acids, alkalies, oxidants, reductants, solvents, and living organisms (bacteria, fungi, molds).

208. Determine the products obtained upon heating coal in various atmospheres, at different pressures, and with catalysts.

209. Investigate the analogies between reactions of coal and those of coal models and pure chemicals.

WELCOME HOME, PRESIDENT EISENHOWER

Mr. WILEY. Mr. President, yesterday, President Eisenhower returned from a trip to the Far East.

If we put the factors of the trip into perspective, I believe that again, President Eisenhower has demonstrated a capability for eliciting good will for the people of this great country.

We regret, of course, the developments in Japan.

Of course he is not to blame for the developments in Japan, because they are entirely the result of Khrushchev's hand and of the Communists.

Fundamentally, however, I believe these reflect: First, the efforts of communism to stir up anti-U.S. sentiment among the Japanese people; and second, internal political strife within Japan itself.

Again, there will be a wide variety of interpretations as to what the real significance of the events in Japan were. Again, in all likelihood, there will be attempts to crystal-ball gaze, and lay the blame on this individual, or that policy—an effort to find a "whipping boy" of some nature. This is very apparent.

We recognize, however, that this is a political year. As a result—and, unfortunately, I believe—there is a constantly recurring effort by some to make "political hay" out of such events.

Let us face it: There is trouble in Japan. As yet, it is difficult to assess just how far reaching will be the internal political turmoil. Overall, however, I believe that we need to keep perspective in reviewing the President's trip to the Far East, as well as his other successes in being a good will ambassador for the United States.

During his term of office, the President has served his country in a unique way. At no time in history has a leader of a nation elicited the homage shown to Mr. Eisenhower—and our country, as reflected in his trips to Asia, the Middle East, Europe, South America—and yes—the Far East.

The question, of course, arises: Can one—in such a complex, troubled world—expect an unbroken sequence of outstanding successes?

Realistically, the answer is "No."

In Japan—and in Paris—the President faced circumstances beyond the control of himself, or the U.S. Government, or the free world.

Whenever there is difficulty on the globe, however, there is a tendency—illogical as it is harmful—to blame the United States or its policies for all troubles.

It is too bad that that should be the case. It is illogical, as it is harmful, to blame the President of the United States or its policies for all these troubles. It is illogical that newspapers should print such stories, in which they blame this Government for the mistakes of other governments.

Let us remember that Kishi, a friend of this country, did not recognize the seriousness of the situation in Japan until just after the President had left home. Then he thought, in the interest of the safety of the President, it was necessary that he call off the trip. Is the President to blame for the mistakes of that group in Japan, blind as it is and forgetful as it is of all that we have done for those people? Is the President to blame? Is it a mistake of foreign policy, or is it the mistake of the internal policy of Japan?

We did not create the world; neither are we responsible for all its ills and faults arising outside the boundary of our country. Let us remember that.

I believe it is time for us to stop, look, and listen, and to recognize, when we evaluate world affairs, that we must not get into the habit all the time of saying "This is a mistake of foreign policy."

Even though we are not responsible for such shortcomings, the United States as a Nation has made a greater effort than any other country in history to help resolve world difficulties and promote order, justice, and peace. We have spent billions of dollars in that effort. We hope that those who are hungry and in want will not let these conditions upset them to pull stunts, or let happen what has happened in Japan.

Upon his return, the President again warrants the high respect and deep gratitude of the Nation for an outstanding accomplishment.

Well done, Mr. President. Well done. The people recognize the great value of your accomplishments.

I could not close these remarks without asking in this day of the world's history, when ferment is everywhere, especially in Africa, where the nations are seeking for the light—spiritual light, economic light, the light to achieve a higher standard of living—are we to blame when they, in their desire to have more of that light, overstep the bounds of what we think is proper? No. Ours is a problem, but it is not our responsibility, concerning the nations which are coming up through the darkness of the past, many of them living in the dark ages. Ours is the responsibility to shed the light, but we cannot be responsible when they make the mistakes.

Let me say something about Kishi. He could have followed the course of Napoleon, who suppressed the mob in Paris. Instead, Kishi let the mob run its course. Now the people of Japan are called upon to say whether that course was right. Be it right or wrong, America is not responsible. The United States has placed billions of dollars in Japan. We have brought Japan up from the status of a conquered nation to the point where she can stand on her feet. Let us give praise where praise is due, but do not attribute to American foreign policy or to our President the overt acts of others who have not been thinking the problem through.

Mr. KEATING. Mr. President, will the distinguished Senator from Wisconsin yield?

Mr. WILEY. I yield to the Senator from New York.

Mr. KEATING. I commend the Senator from Wisconsin for setting this matter in proper focus. There has been in some quarters a distorted view expressed of the effect of the unfortunate events in Japan. It is my belief that the riots, which occurred, Communist inspired, may result in a strengthening, in Japan, of the forces of freedom and democracy, because what has taken place has been a grim illustration to the Japanese people, as well as to the world, of what a small, minuscule, but militant and organized Communist minority can do.

It is my confident hope that Mr. Kishi's party will be successful in the forthcoming elections. Mr. Kishi himself, with commendable fortitude, may have jeopardized his personal political future; but men throughout history have been willing to do that for an ideal. It is my impression that the recent events, unhappy as they were, tragic as they were, may actually strengthen the free forces within Japan and outside Japan.

The distinguished Senator from Wisconsin, who occupies so respected a position in the Senate and on the Committee on Foreign Relations, has performed a real service by making the remarks he has made this morning.

Mr. WILEY. I thank the distinguished Senator from New York. He recalls to my mind when he says that what has taken place in Japan may result in a more democratic Japan what Prime Minister Macmillan said about the U–2 incident. There has been much misrepresentation about the reaction to that event. Mr. Macmillan said that what it has accomplished has been to alert the people in Britain who were blind. His exact language does not come to my mind but he said many people in Great Britain were asleep to the real threat of communism they had been as it were mentally sabotaged.

Another result of the U–2 incident is that it has strengthened NATO. The NATO nations have again come together.

Another result is that the nations of the West once more recognize the serious threat of communism and have drawn closer together than they have been for years.

We could continue to relate many other benefits resulting from the U–2 incident and the happenings in Japan. They have alerted the American people to the imperative need of doing what the legislature is doing. Congress has provided for the increased strength of the Armed Forces, including manpower, by appropriating money for more planes and the strengthening of our defenses.

So I think it may properly be said that out of so-called negative events, for which we are not to blame, great good will come if we take the right attitude.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. COOPER. I join the Senator from New York in commending the Senator from Wisconsin, a distinguished member of the Senate Foreign Relations Committee, for his statement. After the breakdown of the summit meeting and before the Japanese Government withdrew its invitation to the President to visit Japan, questions have been raised whether the President should have started his journey to Japan; and whether the withdrawal of the invitation represents a blow to American prestige and is a result of American policy.

As one Member of the Senate, I state that it is my view that once the President had been invited to go to Japan and had accepted the invitation, he took the correct course and fulfilled his obligation.

If there was a mistake of judgment about the intensity of the riots in Japan, it was a mistake of judgment by the Japanese Government. The United States—President Eisenhower had to rely

upon the judgment of the Japanese Government.

A second question raised is whether the moving cause, for the riots in Japan, were the result of mistaken policies of the United States. I do not think so. Without question, they were instigated as a result of the U–2 flights, and the action of Mr. Khrushchev in Paris. Will blame be fixed upon the United States and the President, because of the U–2 flights as the moving cause, the riots in Japan, and the conditions in Japan which supported the riots? If blame is assessed against the United States on this point, then logically, the critics must say the U–2 flights were wrong. But I have just read in today's newspapers that the Senate Committee on Foreign Relations has filed its report and its finding that, after hearing the evidence, they agree that the U–2 flights were necessary, for the security of the country. Although I am not a member of the committee, I attended every meeting of the committee when the U–2 incident was being studied, with one exception.

I came out of those hearings with the firm conviction that the U–2 flights were necessary for our national security.

Having had some experience in Asia, I would say the riots grew from several causes. They were instigated and fomented by the Communists by Soviet Russia and Communist China. But they were supported by others who are not Communists. Without doubt there is a strong neutralist movement in Japan, as throughout all Asia; the fear of war, about which they can do little, leads many in these countries to seek a policy which is almost one of "peace at any price," in the hope of avoiding involvement in war. Others realize that without the strength of the United States their countries would be helpless against Communist expansion. Have our policies brought into being these attitudes of the Asian people—since World War II—in Japan and in the countries of Asia? I do not believe so. These attitudes exist in the consciousness, in the minds of the people of the Asian countries. They are encouraged by the Communists; but, they exist. We have not created these attitudes, and we cannot remove them. We can only deal with them.

From my limited experience, I say the tendency now to blame the President for the events which have occurred in Japan makes no sense whatsoever.

A few days ago the press, intellectuals and, I would say, many decent people of our country were very much exercised because at the time of the Korean war, many in this country blame our own people for the mishaps in the world, charged that they were caused by Communists behind every door or in every corner.

Today, when these untoward and unhappy events have occurred, although they express Soviet policy, as the Senator knows, there is a tendency to derogate the strength of the United States and the purposes of the United States.

Yesterday, I read again a quotation from Montesquieu, saying that if the loss of a battle means the country was lost then there was a cause at work that made the state ready to perish. That is not true in our country.

I believe we have great strength, will, and purpose and we can move forward from the situation in which we find ourselves today.

Mr. WILEY. Mr. President, I wish to thank both distinguished Senators for their comments.

Let me add, in relation to the U–2 planes, that in 1955 a conference was held in Geneva, and at that time the President suggested the overflights. But the President got nowhere with the Kremlin. As a result, the Congress of the United States created the fund, and made it available for the U–2 planes; and from July 1956, the U–2 planes have gathered information necessary for the defense of this country. Some of us have been fortunate enough to see the pictures which were taken, and to observe that they were not as scanty as Khrushchev is now saying they are, because Khrushchev is trying to excuse himself for not telling the people of Russia what he has known all the time about the U–2 flights.

These pictures tell the story in no uncertain terms. As a consequence, the U–2 planes carried on in the interest of the national defense.

Of course, the accident happened. At best, it is an accident. Are we going to blame the President or the country for carrying out a policy which was instigated by the Congress of the United States? The answer is, of course not.

EIGHTIETH BIRTHDAY OF HELEN KELLER

Mr. GRUENING. Mr. President, today is the 80th birthday of Helen Keller, that unique and wonderful woman who has conquered adversity in a way that has made her not merely memorable, but immortal.

I desire to join in the congratulations and plaudits which are deservedly given to Helen Keller on this occasion, and to associate myself with my colleagues, the Senator from Alabama [Mr. HILL], the Senator from Connecticut [Mr. BUSH] and the Senator from New York [Mr. JAVITS] who acclaimed this great human being on the floor of the Senate last Thursday and secured the passage of a resolution of congratulations to Helen Keller. I want to join them because, among other reasons, I was fortunate in being the first newspaperman ever to interview Helen Keller after she acquired the faculty of speech.

Helen Keller—blinded and made deaf and dumb by illness in infancy—communicated, during the first quarter century of her life, through the method employed by deaf people—by the use of her fingers. But as she was also blind, this communication from other deaf-mutes could not be received by her, and consequently, was made into the hand of her devoted teacher, Anne Sullivan, later Mrs. John A. Macy. But this method of communication would have limited Helen Keller to communicating only with her teacher. During the years of Helen's childhood, adolescence, and early womanhood, Miss Sullivan with infinite patience and devotion gradually trained Helen's voice. In short, she taught Helen to speak.

Helen Keller made her first public appearance at the Harvard Medical School, during an annual meeting of the American Otological Society, in Boston, in 1912. I was then a reporter on the Boston Herald. I covered that meeting, to which my father, Dr. Emil Gruening, was a delegate. He was both an otologist and an ophthalmologist, and had been a past president of the American Otological Society, as well as a former president of the American Ophthalmological Society. As I had recently been graduated from Harvard Medical School, my city editor thought it would be appropriate for me to report this meeting, at which Helen Keller's voice was to be heard, and was heard, for the first time in public. Her performance fascinated the assembled ear specialists. It was the demonstration of a miracle in more than one sense.

It occurred to me that Helen Keller should be further interviewed and her achievement made more widely known; and I sought, and obtained, permission from my city editor to do this. I called upon her at home in Wrentham, Mass. Much that she said then is of interest now, because it reveals how her loss of sight and loss of hearing were to a marked degree overcome by a phenomenally compensating increase in the sensitivity of her remaining faculties—her sense of touch and her sense of smell. In this interview, I communicated to her by having her fingers laid on my lips. As the article reveals, she understood me perfectly.

So I think it would be interesting to reproduce this article—the first newspaper interview with Helen Keller—published 48 years ago, when Helen Keller was a young woman of 32.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Helen Keller's Birthday," from the New York Times of today; an article entitled "At 80—The Miracle of Helen Keller," written by Robert L. Duffus, and published yesterday in the New York Times magazine section; and my own reportage, published 48 years ago in the Boston Herald, entitled "Helen Keller, Born Dumb, Gains Power of Speech."

There being no objection, the editorial and the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 27, 1960]

HELEN KELLER'S BIRTHDAY

The important fact about Helen Keller, whose 80th birthday will be remembered today in every civilized country on earth, is not that she can neither see nor hear. The important fact about her is the warmth of her heart, her love for her neighbors near and far, and the work she has done during all her adult life for the deaf, the blind, for the sick and wounded and for all she could reach who needed her help. Earlier in her career Miss Keller may have been known as a prodigy who accomplished great things in spite of her handicaps. Today it is the achievements that we think of, and it is hard to believe she has done so much in darkness and silence.

The truth is, of course, that the darkness and silence have been purely physical and accidental. Helen Keller has heard the troubled voices of humanity, seen its dire needs, spoken to it in many languages. Mankind is the richer for her 80 years.

[From the New York Times, June 26, 1960]

AT 80—THE MIRACLE OF HELEN KELLER—DESPITE HER INABILITY TO SEE OR HEAR, FEW OTHERS IN OUR TIME HAVE COMMUNICATED WITH THEIR FELLOWS SO FULLY AND SO EFFECTIVELY

(By R. L. Duffus)

For more than 78 years Helen Keller, who reaches her 80th birthday tomorrow, has heard no sound and seen no ray of light. She knows the human voice, the echo of music, the singing of birds, the faces of people and of nature only as a child 1½ years old, or as she is aware of them by touch or smell.

Yet there can be very few persons in this world who have managed to communicate with their fellows as fully, as intelligently, and as effectively as Helen Keller. One cannot meet her even casually without being aware of a warmly outgoing personality that is in harmony with the best thoughts and aspirations of mankind and with all the beauty and majesty of Nature.

Such is the miracle, as it has truthfully been called, of Helen Keller. At 80, as during the long preceding years, Miss Keller is a soul released from the prison that a seemingly unkind destiny imposed upon her when she was hardly out of babyhood. The woman who achieved this miracle, Anne Sullivan, and the woman who kept the miracle alive, Polly Thomson, are both now dead. Miss Thomson laid down her task only last March after a long struggle against the stroke that had affected her speech and her ability to get around.

But these devoted women live on in the Helen Keller who is so vigorously alive at 80. They live on, but it is clear that Helen Keller, deeply and devoutly grateful as she is for what they did for her, is a great person in her own right. In her generosity, in her natural humility, in the loving quality that is a part of her, she might think this more praise than she deserves.

The mystery remains. We do not know what Helen Keller would have achieved if she had not been handicapped. We do not know to what extent the high intelligence and the purity of soul that she achieved would have come into being, except under the limitations she had to overcome and with the deep love that her two friends and helpers inspired in her.

Helen Keller will not mind, perhaps, if one quotes two sentences from a private letter she wrote after Polly Thomson's death: "The tears come into my eyes as I think of the warm-hearted letters of sympathy I have received from India and other foreign lands. It is a splendid experience for me to have had two friends—Teacher and Polly—to help forward my work for the blind during many years of my life, and I feel humble indeed that such a privilege has been granted me."

But no letter, no formal writing can fully convey Helen Keller's spiritual quality and warm affection, her deep compassion and—a saving grace in what she has had to endure and what she has felt it her duty to do—a keen sense of fun.

A guest at her house some years ago remembers a dinner party at which Miss Keller sat at one end of the long table and the late Jo Davidson, sculptor and humanitarian, sat at the other end. She adored Jo Davidson and Jo Davidson adored her. During the meal, as Mr. Davidson was telling some humorous story, Miss Keller raised her hands with a typical gesture. She had not caught Mr. Davidson's words, but she had caught his spirit. "What fun Jo is," she cried.

She recognizes her friends almost by their vibrations. After a few meetings she can identify almost anybody by a handshake. She has a sensitivity, an almost psychic delicacy, that makes up in part for her heavy handicap.

What is outstanding about her personality? Friends who have known her for years might say that it is the outgoing quality. Since Anne Sullivan first taught her the words with which she could express herself, she has never been in the least self-centered. One cannot find in all her writings, and nobody has ever detected in her conversation, the slightest trace of self-pity.

Her pity has been saved for others—for the blind, for the deaf, for those who are falsely called dumb, for the ill, for the wounded and the bereaved. During the Second World War she visited hospitals and brought comfort to many hundreds of wounded men who had been embittered cr terrified. To these men she gave faith, hope and the cheerfulness that faith and hope can produce.

Today she is proudly—and modestly—listed in "Who's Who" as "Counselor on International Relations, American Foundation for the Blind." Her heart goes out to the whole world of suffering and aspiring humanity.

In the book called "This I Believe," she wrote: "* * * Belief in God as infinite good will and all-seeing Wisdom whose everlasting arms sustain me walking on the sea of life. Trust in my fellow men, wonder at their fundamental goodness and confidence that after this night of sorrow and oppression they will rise up strong and beautiful in the glory of morning. Reverence for the beauty and preciousness of earth, and a sense of responsibility to do what I can to make it a habitation of health and plenty for all men."

Recently she was asked if hers had been a happy life. "I am happy," she replied. "I believe that if we make up our minds to do something great we can accomplish it." By something great she meant, as she said, "All things that benefit others." She looks ahead with hopefulness, even though she is saddened as she thinks of the world's prejudices, of its poverty and, above all, of the threats of war.

At 80 the energy of her spirit, and even of her body, remains. She has retained much of the beauty she had as a young girl. Her blue eyes look out at the world smilingly, almost as though there were sight in them. Her gestures are never fumbling. She has a grace of motion just as she has seemingly a sense of music in the words she writes.

Rhythm is obviously a part of her being. Even though she cannot hear, she can catch with her sensitive fingers some of the vibrations of a musical instrument and from this she takes pleasure. Her serenity may be due in part to subtle enjoyments and perceptions of which those of us who see and hear are hardly aware.

She looks forward, at 80 years of age, to more work for the blind. She talks of the blind as might a seeing person. It almost seems as though she might have chosen to be blind and deaf herself if she had known that this would best enable her to help others.

In spite of her grief at Polly Thomson's death, Helen Keller remains essentially a cheerful person. She likes to go shopping for a new dress. She likes to see her friends and have them come to see her. She does not fear death and she is perfectly certain that "Teacher"—as she always calls Anne Sullivan—Polly Thomson, and others will be waiting for her when she steps through the last door.

One hardly dares ask her if she thinks of a future life in which she will see again and hear again, but certainly she thinks of it in terms of laughter as well as tenderness.

[From the Boston Herald of 1912]

HELEN KELLER, BORN DUMB, GAINS POWER OF SPEECH—WILL AID SIMILARLY AFFLICTED PERSONS IN CITY OF SCHENECTADY—APPOINTED BY MAYOR LUND

Helen Keller is too well known to require a lengthy introduction. The Nation has followed with the greatest solicitude the progress of the girl who since infancy has been blind, deaf, and dumb.

But Miss Keller is no longer dumb. She is still blind, her ears do not hear, but she has astonished the scientific world by regaining, through sheer persistence and unremitting effort, her power of speech. This feat, which had always been held an impossibility for the congenitally deaf, was the more remarkable in that her vocal chords, atrophied through long disuse, had to redevelop before they could produce even the simplest sounds.

Recently Mayor Lunn of Schenectady asked Miss Keller to assist him in some of the branches of civic administration, and it was about her work there that I wanted to question her.

After the first greeting, as she came out onto the spacious porch of her Wrentham home on the arm of her friend, she asked me my name.

"You are going to Schenectady, and you are to be a city official?" I asked.

"Yes, that is so. Mayor Lunn has said that he would appoint me to the board of public welfare."

"Won't you tell me about the nature of your work?" I asked.

"It's not very definite yet," Miss Keller told me, "I am not going out there till later in the fall, and know only in a general way what I will do. Before I go on I am hopeful of trying something new. I want to give a few short lectures and talks to women's clubs and other organizations. You know I have not talked in public for any length of time—only once—at the Harvard Medical School. Talking is one thing, but to make myself understood is another. Did you understand what I said at the congress?"

"I told Miss Keller that I had understood every word of it. And I repeated to her the consensus of opinion at the time that her speech was in every way clearer and more natural than that of the two deaf pupils, who had their vision, who also spoke at the time. Later, when I asked her the reason why she, who had not their opportunity of seeing the lips, yet who had succeeded so much better, she gave her explanation:

"Perhaps I have had more patient teachers. Maybe I applied myself more. It means work and untiring application."

"In Schenectady," she resumed, "my work will be to help along the cause of better health and more healthful living conditions. I hope to make my work preventive rather than amelliorative.

"I was reading the statistics of the physical condition of our schoolchildren the other day. Do you know that over 75 percent of our schoolchildren are suffering from some physical defect or other? A great many of them have defective eyesight. These are conditions that can to a large extent be remedied by getting at their homes and their living conditions. So much can be done by education in just such cases. So many of the causes of disease and suffering could be eliminated by prevention.

"More schools are needed for the blind and for the deaf. The oral method of talking for the deaf should be universalized as far as it can. It is not possible everywhere, perhaps, because it requires so much concentration. But it is a wonderful boon to have it. It puts one in touch with the whole world where one was formerly so much shut off."

I asked Miss Keller why she was a Socialist. She told me with the utmost enthusiasm. Under socialism only, she said, could every one obtain the right to work and be

happy. She is very ardent in her socialistic doctrines, and kept referring to socialism as the cure for any of the economic ills which came up in the course of our talk. In her study, over her desk, is a Socialist banner of the Industrial Workers of the World.

"What do you think of the imprisonment of Ettor and Giovannitti?" I asked.

"Outrageous." The word burst out before I had spoken the first man's name. "A burning shame. A disgrace to the whole country and to Massachusetts. They ought to be let out at once."

While we were talking visitors came up on the porch, and entered the house. This prompted another question.

"When you speak to an audience do you know that there are many people in the room. For instance, when you were speaking at the Harvard Medical School, did you know that there was a big crowd there?"

"I should say I did. I could feel them and smell them."

"How did you feel them?"

"By any number of vibrations through the air, and through the floor, from the moving of feet or the scraping of chairs, and by the warmth which is present when there are people around."

"How could you tell by your sense of smell?"

"There was the doctor's odor and the odor of clothing."

"Do you mean to say that doctors have a special odor which you can recognize?"

"A very decided odor. It's partly the smell of ether and partly the smell that lingers from the sickrooms in which they have been. But I can tell many professions from their odor."

"Which ones?"

"Doctors, painters, sculptors, masons, carpenters, druggists, and cooks."

"What does the carpenter smell like, and the druggist?"

"The carpenter is always accompanied by the odor of wood; the druggist is saturated with various drugs. There is a painter who comes here often and I can always tell the minute he comes anywhere near me."

"Could you tell my work in that way," I asked. "Did you smell any ink?"

"No, a typewriter, I think," Miss Keller answered quickly, laughing.

"Could you really tell that," I asked in surprise.

Miss Keller's rippling laugh continued, "I'm afraid that was a guess," she admitted.

"Is there any difference between the odors of children and grownups?" I asked, "and between the two sexes apart from the women's use of perfume."

"A big difference. Odors in children are far less pronounced and less varied than in grownups. Men and women have entirely different odors."

"Do different individuals have distinct odors? Can you tell people by their odor?"

"Everyone has a distinct odor. I can recognize anybody whom I have known at all well, in that way."

"Do you receive many sensations by means of vibrations? Can you tell, for instance, when it's thundering?"

"Yes. And I can tell when it's raining. Not only from the dampness, but from the vibrations through the air and from the odor of fresh turf, as well as from the suppression of most other odors."

"But can you tell the difference between the time that it's raining and the period immediately following rain, when practically the same conditions prevail?"

"I can judge pretty nearly when the rain starts and stops."

"Can you distinguish between noise and music?"

"Oh, yes, there is the rhythm."

"Aside from the rhythm, if someone were to beat rhythmically with a hammer, could you tell?"

"There is an entirely different feeling between music, which is pleasant, and noise, which is harsh."

"In listening to an orchestra, can you distinguish the instruments?"

"I can tell a violin, piano, and, best of all, the organ, with its full tones. And, of course, a drum is easy to recognize. I can tell the difference between brass and wood wind instruments. The brass are much more pointed, the sound from the wooden one seems more cut off."

"Aside from the matter of rhythm, can you distinguish a singing voice from spoken words?"

"Yes, there is the difference in pitch. I was out walking in the woods the other day with a friend of mine—a German. He sang to me in German. The song, 'Gypsy John,' was all about a poor old organ grinder."

"Can you understand German as well as English," I asked Miss Keller's fingers.

"Not nearly so well. I can understand it, as well, to read, but I haven't had the practice in reading lips in German."

"Konnen Sie mich jetzt verstehen?" I asked without any intimation of the sudden change.

Miss Keller hesitated for just a moment longer than usual. "Jawohl, Ich verstehe ja ganz gut," she answered with perfect fluency.

Miss Keller's companion was good enough to suggest that we visit the study. It is a long oblong room, one side lined with shelves, filled with great quarto size volumes. Miss Keller ran the tips of her fingers lightly over their backs. "These books for the blind are pretty big, aren't they?" she said. "Here is 'David Copperfield' in five volumes, Green's short history in five, and Carlyle's 'French Revolution' in 15 volumes."

Among the books I saw two large volumes of one of Miss Keller's own writings—"The Story of My Life," and a wide variety of books in English, French and German.

On the long table in the middle of the room, where Miss Keller attends to her voluminous correspondence, are two typewriters, one a special machine for writing the raised print used for the blind, the other the ordinary style of typewriter. It was marvelous to see the agility with which her fingers flew over the keys of the latter. Without means of knowing whether she is striking the right keys or not, she turns out pages without a single typographical error. I was shown a letter which she had just written to a teacher of the blind in South America, who had written asking for advice on certain questions of instruction. In all four pages there was not a mistake that had been left uncorrected by the typewriter.

I felt that I had imposed on Miss Keller's good nature long enough. It was an effort to tear myself away, however. Doubtless many have felt the charm of her personality.

"I haven't stood on the order—" I began—half in curiosity.

"Of your going." Miss Keller finished the quotation and laughed happily. All through, her rapid-fire mind had more than kept pace—it had continually leaped ahead of the lip to finger transmission.

But before I took final leave, she wrote for me on her typewriter with that same agility, which like much that I had seen that hour left me marveling, her favorite verse, from a poem of Henley. And she signed it in her own hand—that wonderful hand which serves as organ of sight and of hearing.

"Out of the night that covers me,
Black as the pit from pole to pole,
I thank whatever gods may be,
For my unconquerable soul."

And perhaps it is ill fitting to add to this embodiment of Helen Keller's indomitable spirit and to her sweet personality, by further comment, the acknowledgment of an inadequate effort to reproduce and reimpart a slight trace of the thrill of admiration that must inevitably come to those who have had the good fortune to know her—if only for a brief while. It is in the presence of nature's wonders, that man is supposedly brought to a realization of his own littleness. Yet never were the feeble successes of full-equipped man more infinitely dwarfed than by the accomplishment in the face of hopeless handicap of this one fellow being. But Helen Keller has done more than to help concretely both herself and those who to a lesser degree were afflicted as she is. Indelibly she has furnished proof of unsurmountable obstacles surmounted and established for all the ideal of fighting the good fight.

RETURN ADVICE TO KHRUSHCHEV ON SOVIET ELECTIONS—THE SOVIET CITIZENS' BILL OF RIGHTS

Mr. KEATING. Mr. President, one of the most interesting political phenomena of the present day is the close personal interest that Premier Khrushchev is displaying in the outcome of our national elections. In a speech in Bucharest, last Tuesday, he declared that the Soviet Union was looking to the American people to elect a President to correct the mistakes of the Eisenhower administration. After generously conceding that it was for the people of the United States to decide who would be their next President—and the idea of mere people deciding a matter like this must be hot news in Russia—textually, here is what the Soviet Premier said:

> Our state, our people, of course, are interested in the election of such a President and the formation of such a government as would remedy the mistakes made by the present Government of the United States.

So the people of the United States have their instructions. If there is anything Nikita despises it is a non-Communist chief of state who makes mistakes. A mistake, of course, in the Kremlin dictionary is any act or policy contrary to the best interests of the U.S.S.R., and detrimental to its advance across the map of the world.

In view of Khrushchev's gratuitous offer of advice to the people of America as we approach our national elections, it is perhaps not unwarranted for us to seek to influence the choice of leaders in Russia.

Now, as a prefatory remark, may I say that we are all familiar with the Russian counterpart of our Bill of Rights. I shall quote a few passages to indicate the spirit of the document by which Soviet citizens live:

1. The right to assent fully and instantly to all Government decrees is an inalienable right.

2. Whatever a loyal Soviet citizen wants, he is fully entitled to want, but he must not open his mouth to ask for it.

3. The Soviet citizen is guaranteed by law that no deviation from his complete and unquestioning allegiance to the Kremlin will be tolerated.

4. The right of free assembly in front of foreign embassies, to protest the acts of imperialist capitalistic powers in imposing freedom on their peoples will never be denied to any Soviet citizen.

5. The Soviet Union will defend to the death—the citizen's death, if need be—his right to say and write and believe the truth as the party sees it.

6. No Soviet voter, regardless of race, creed, or present condition of servitude, will be denied the right to cast his vote for the candidate of his party's choice.

7. No test of moral character will ever be required of any aspirant to public office.

The simplicity of his own election system doubtlessly makes it impossible for Khrushchev to appreciate fully the complexities of our own. He is accustomed to a single platform and a single, prefabricated public opinion which accepts that platform without question. No need to pay for television time—or to ask for equal time in order to blast the opposition. In Soviet Russia the citizen's mind can tune in to only one channel—and whether the show pleases him or not, when the "applause" sign goes up he had better applaud.

Here in America our candidates vie with one another in depicting the better life, the greater area of success and opportunity, that they think their election to office will assure. In Russia, no need for this competition. The better life is one of the best guarded secrets in the Communist world. Khrushchev, of course, would be reluctant to admit it, but the most popular and widely used home appliance in the Soviet Union is powered entirely by muscle and is known as the Soviet wife. The electric refrigerator is on the classified list, and the home incinerator is still on the drawing board.

In Russian elections, unlike those in America, there is no need to wonder how the farm bloc will vote, whether the workers will go along with a minimum wage law, how much unrest there is among the citrusgrowers, or whether taxes can be raised without lowering hopes for victory. This removes all necessity for election debate. And on election night nobody is obliged to stay up, wondering, hoping or praying. Their goose is not only cooked. It is precooked.

Thus, Mr. Khrushchev does not need a Gallup Poll to see how well his party is doing. He knows! The first election slogan a Russian learns is: "He who deviates is lost." There are no capitalist prize contests in Soviet Russia, but everybody is eligible for a one-way, all-expense trip to Siberia. He can sign up an election booth by writing the one word "Nyet."

Let us assume, however, that the will of the people did find the opportunity to assert itself in Russia. Let us consider what the voting trend would be in an election where the traditional one-party system was abolished, and the Soviet citizen, the manacles on his mind and heart removed, was allowed to choose freely the political platform which responded to his convictions, his yearnings, his aspirations.

In such an election struggle between the forces of communism and the forces of freedom, is there any question as to the final outcome?

Does a citizen vote for the truth or for lies dressed up as the truth?

Does a citizen vote for his freedom or does he vote to relinquish that freedom?

Does a citizen vote for the right to speak or the right to be silent?

Does a citizen vote for his dignity as a man or for his nonentity as a statistic?

Does a citizen vote to make the dove of peace an authentic dove, or a vulture dressed up like a dove?

Does a citizen vote for the policy of capturing foreign peoples and caging them in compounds of tyranny, or does he vote for the love of freedom which he finds in his own heart?

Does a citizen vote self-realization into his life, or does he vote for the power of the state to move him at will on the chessboard of political expediency?

Does a citizen vote for an economic system which gives him his rightful share of the blessings and advantages of modern technology, in the form of consumer goods, or does he vote to make a colossus a bigger colossus, to spend his life fattening and extending the black shadow which his nation casts across the world?

These and many comparable election choices would face the Soviet citizen in the kind of balloting which is presently denied him. We know what the final tally would be. We know that is precisely the reason why such an election is not in the mind of Mr. Khrushchev. He has no desire to commit suicide in an election booth.

We would ask him, therefore, not to intrude personally in the area of freedom represented by our national elections. It is an area where he would not feel at home, and where his advice has the authentic ring of a convicted murderer preaching a sermon on the sanctity of life.

At the same time, it would be starry-eyed on our part to pretend that our national elections are going to take place in an isolation booth unaffected by the hard realities and the existent pressures when Khrushchev and communism represent in this world. Whether we like it or not, our thinking, our policies, our acts as a nation must inevitably be equated with what communism stands for, with what it seeks to achieve, and with the methods and techniques it employs. To say that the shadow of communism must not fall over our national election is like saying that if we close our eyes the ominous dark clouds will disappear. It is not a case of wisdom or stupidity. It is the acceptance of life as it is, of the climate we cannot change by wishing, of a disease against which this Nation, like other free nations, has not yet been able to seal itself hermetically. Khrushchev will not be a delegate to either of the two political conventions—but what he represents will be there, and what this man represents cannot be ignored.

I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks, a very brief analysis of the Japanese situation which was enunciated by the distinguished Under Secretary of State, Douglas Dillon, as guest on my television program in New York State yesterday. I think it is helpful and illuminating to all of us.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM INTERVIEW OF HON. DOUGLAS DILLON, UNDER SECRETARY OF STATE, BY SENATOR KENNETH B. KEATING ON TELEVISION PROGRAM, "LET'S LOOK AT CONGRESS," SUNDAY, JUNE 26, 1960

Senator KEATING. I want to ask you now about the Japanese situation. In your opinion, was the State Department kept properly informed of the events in Japan?

Mr. DILLON. Oh, yes. We were fully informed regularly every day by Ambassador MacArthur, and we have no fault to find whatsoever with the information he gave us.

Senator KEATING. Well, then, why wasn't the President's visit canceled earlier?

Mr. DILLON. Well, the situation there was that the President's visit was part of an exchange of visits with the Crown Prince of Japan to celebrate the hundredth anniversary of Japanese-American relations. It became obvious that this was being caught up—this celebration—in an extraneous manner, the passage of this mutual security treaty. The Communists were making a great effort here—this small minority—so naturally we asked the Japanese Government what their views were on this subject. We were in very close touch with them all through this period but the President has been invited and we felt and we still do feel that it is up to the Japanese Government to make this decision. The Japanese Government did feel right up to the last, and they were the best people to judge this thing, that they could handle the situation. Finally, they decided that they could not handle it without violence which they thought would do greater harm to the United States-Japanese relations than having the visit postponed. They asked the President if he would postpone it and that time he readily assented.

It would have been improper for him to tell the Japanese that he wouldn't come.

Senator KEATING. Do you think there was any mistake made in not canceling it earlier?

Mr. DILLON. No, I do not.

Senator KEATING. How do you reconcile the fact that the news reports say that the Japanese are not anti-American with the large number of rioters that opposed the United States-Japanese Treaty and also opposed the President's visit.

Mr. DILLON. Well, I'd like to say one thing about that. First there were large numbers of people in Tokyo who demonstrated—marched—in opposition to this treaty. But the rioters were a much smaller number, and the rioters were distinctly Communist-led and were pretty solidly composed of Communist elements in Japan. And one of the good things that has come out of this is that it has opened the eyes of the Japanese people to the ways the Communists operate and what they are able and willing to do. Now the mass of people that demonstrated—marched—were motivated by something quite different. It's a feeling of extreme pacifism in Japan which came from the results of the war, a feeling that they would like to let the world go by and not bother them and the feeling that maybe by this arrangement they will in some way get themselves too closely involved in the world struggle between communism and freedom. I think that now they have seen it is more difficult to stay to one side and the actions of the Communists, in dragging them in against their will, into a major political problem here, this may be very good. Now these same people have no anti-American feeling. There were no demonstrations against American citizens in Japan and none against any of our bases.

Senator KEATING. Do you foresee any change in our policies as a result of these recent events in Tokyo?

Mr. DILLON. No, I think that we'll continue. What will happen will be, I presume, a change in government in Japan and an election in Japan. Information we get from Japanese sources and from our people is that the Party which Prime Minister Kishi belongs to—which has been in power in Japan since the liberation—will again be returned to office. It will be a question of working together with the Japanese people to help them as we have in the past.

PRODUCTION AND CONSERVATION OF COAL IN THE UNITED STATES

The Senate resumed the consideration of the bill (H.R. 3375) to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes.

Mr. RANDOLPH. Mr. President, I speak in support of H.R. 3375. In 1955, the President's Advisory Committee on Energy Supplies and Resources Policy referred to the "great national asset" of our coal industry and resources and recommended a cooperative industry-Government study for research and development possibilities. The failure to implement this recommendation has resulted in the loss of much valuable time that cannot be regained. Yet, we may at least forestall further delay by acting with dispatch on the measure before us. In so doing, we shall acknowledge the demands for research and development in a vital industry which are increasingly called for by domestic conditions and international tensions.

In the present era of technological change, whole industries—and the businesses and people which depend upon them—have a vital stake in keeping pace with the scientific and technical advances that occur. The growing importance of industrial research and resources development is particularly relevant to the coal industry and the coal-producing regions.

Citizens in these regions are singularly aware of the results of and need for research and development. They have felt in their own lives the impact of technological changes which have been made in order that coal might maintain a reasonably competitive position in the fuel markets.

Though the coal industry is still sustained by the traditional users of the steel and electrical power industries, the utilization of coal must be diversified in the interest both of broadening the base for coal markets and to provide new industries and new employment for the chronic labor surplus in the coal regions.

Though I have advocated the kind of diversification which one might hope will result from an expanded research program, there is little doubt that the principal coal uses within the foreseeable future will continue to be in the production of steel and steam-generated power.

It is expected that a growing steel capacity and expanded need will account for as much as a 35-percent increase in the requirement for metallurgical or coking coal—or to perhaps 135 million tons—in the decade of the 1970's. Yet, an executive of one of the large coal producers with extensive operations in West Virginia recently stated that his company has expanded its coke research facilities into one of the top specialized installations in order to keep coal and coke uses abreast of technological changes in steelmaking and competitive with other fuels or potential fuels in that segment of the market.

Our national security and the requirements of a sturdy national economy demand a healthy coal industry and the development and maintenance of a balanced fuels policy. This should be one of the prime objectives of our Federal Government in an era of continuing international crises. For this reason I have aggressively advocated a mandatory and effective quota system to control imports of foreign residual oil, Federal and State governmental programs for research in coal and other natural resource fuels, and a joint congressional study to determine whether or not there is need for a national fuels policy.

Unrestricted import of cheap foreign residual oil has worked grave hardship upon our domestic fuel industries, and if allowed to continue, can be destructive of both our coal industry and our independent oil and gas industry. Neglect of research and development, especially in view of the rapid and aggressive technological development of the Soviet Union, can be a catastrophe. And the failure to adopt a coherent and balanced national fuels policy would place our Nation in grave peril in time of a national emergency.

It is my faith in the belief that these actions will be taken that leads me to foresee the time in the not-too-distant future when there will occur a dramatic research breakthrough which will portend significant and economically feasible new uses for coal. We have seen the pattern of such development in the petrochemical industry. With the will to apply our tremendous research and scientific talents to the task, we can repeat the process in the coal industry. One exciting prospect is held forth in the development of a coal-based binder for bituminous concrete highway and airport surfaces, now under investigation.

My personal interest in the subject of Government participation in research investigations of our vital natural resource minerals is a longstanding one. During my membership in the House of Representatives, dating back to the early 1930's, I was a member of the Committee on Mines and Mining of that body and chairman of its subcommittees on coal.

With the distinguished senior Senator from Wyoming, who is voluntarily retiring from this body after a remarkable record of achievement, I coauthored and cosponsored the O'Mahoney-Randolph Synthetic Liquid Fuels Act of 1944. This measure, originally conceived and passed under the stress of wartime demands for liquid fuels to supply our Armed Forces, was extended into a 10-year plan which authorized the establishment of a Government research project to ascertain the possibility of producing synthetic fuels from coal and oil shale. Unfortunately, after the pressure of wartime demands had receded this important research activity was allowed to drift and finally expire, despite the achievement of substantial progress.

Mr. President, I continue to be an advocate of cooperative public and private research programs to find new or improved extractive methods as well as new and more effective uses for our natural resource minerals.

Last year, private industry spent an estimated $4 billion on research. Surely, the Federal Government should not do less than is provided in the relatively modest provisions of the pending bill for promoting the development and utilization of one of our basic natural resource minerals.

Mr. President. I congratulate the Senator from Utah [Mr. Moss] for his efforts in this particular problem. I also wish to commend our able leadership through Senator JOHNSON and Senator DIRKSEN, and the activity of my esteemed colleague, the Senator from West Virginia [Mr. BYRD], and all Members of the Congress who have supported this legislation.

Mr. CLARK. Mr. President, the coal research bill—H.R. 3375—now being considered by the Senate, has the support of all Senators from the 27 coal States—Republicans and Democrats alike. I think that the bill deserves, and I am confident that it will have, the support of all other Senators as well.

The case for this bill cannot be stated more cogently than it was in the excellent report—85th Congress, 1st session, House Report 1263—submitted on May 27, 1957, by Senator ENGLE, then chairman of the House Interior Committee. That report emphasized the following points:

First. The coal reserves of the United States, good for 1,900 years at the current rate of production of 500 million tons per year, are this Nation's "greatest mineral resource available for immediate development and use."

Second. The coal-mining industry, strong and thriving 50 years ago, has been beset in recent decades with "economic ills, widespread mine shutdowns, staggering unemployment among coal miners, and an uphill struggle for survival."

Third. Research and development to promote new and improved means of using coal have been "woefully inadequate," totaling $17,382,400 for bituminous coal and not more than $1 million for anthracite coal in 1955.

Production, unemployment, and research in the coal industry have changed little in the intervening period.

Production, while rising, is still running at a rate of less than 500 million tons per year. According to a speech given by Secretary of the Interior Seaton in Pittsburgh on May 10, total coal production this year will be approximately 430 million tons.

Chronic unemployment in the coal areas persists. The finding of the Special

Committee on Unemployment Problems included the following:

The bituminous coal mining industry offers a dramatic illustration of the displacement of men by machines. In 1937, the industry produced over 445 million tons of coal with 491,864 employees. Increased use of machinery caused an 80-percent rise in average productivity in the last decade. The use of machinery was necessary if coal was to maintain its competitive position with other fuels, but the mechanization displaced almost 180,000 mineworkers and caused serious economic and social distress in the coal regions.

The Unemployment Committee recommended the establishment of a coal research and development agency as a step toward restoration of a strong economy in the coal regions of the Nation.

The sums being spent for coal research and development continue to be woefully inadequate. I have been advised by the Bureau of Mines that the total sum spent on coal research in the United States at present is probably still less than $20 million per year. This sum is less than two-tenths of 1 percent of the $12.5 billion spent for research and development last year by Government laboratories, scientific associations, and private research organizations. Compared with the $3.3 billion spent for research and development by the aircraft industry in 1959, the $1.6 billion spent by the electrical industry, the $638 million by the chemical industry, and the $260 million by the petroleum industry, the sums spent for coal research pale into insignificance.

The reason that more funds have not been spent by the coal industry for coal research is apparent from the decentralized nature of the industry. As noted on page 5 of the committee report, the latest information available shows that there were approximately 4,000 bituminous and lignite coal producers operating 7,856 mines in 27 States and some 800 anthracite producers in Pennsylvania and at least 98 percent of these producers are small and medium-sized operators. Modern research and development is an expensive activity and can be undertaken only by large business enterprises. The fragmentation of the coal industry and its highly competitive conditions have ruled out research activities on the part of all except a small handful of affluent mine operators.

Significantly, coal research has been given a higher priority in foreign countries than in the United States. Information I have received from the Bureau of Mines indicates that in West Germany alone about $15 million is spent annually for coal research. Coal research under three different Government agencies in Great Britain totaled $12½ million in 1957.

The Soviet Union, the world's largest producer of coal, has put about 50 percent more money into coal research than we have done in the United States. A letter which I received from Marling J. Ankeny, Director of the Bureau of Mines, dated February 26, includes the following statement:

Relying now on Russian reports of their own efforts as published in "The Coal Industry of the U.S.S.R., 1917–57," 14 scientific research institutes working on coal had a total research budget of approximately $20 million, and employed 7,000 people, of whom 300 or more had advanced degrees. In addition, 5 coal mine and equipment development and construction institutes, employing another 4,000 people, had a research budget of about $11 million. The total research effort appears to represent an investment of $31 million.

Director Ankeny added that "important research is also going on in Poland, Czechoslovakia, and East Germany."

I am gratified that the committee saw fit to amend the House bill—H.R. 3375—by adopting the major proposals contained in the coal research bill—S. 2885—which I introduced on January 22, 1960, on behalf of Senators MURRAY, MCGEE, CARROLL, RANDOLPH, DOUGLAS, BYRD of West Virginia, and myself.

The first committee amendment, which specifies that the research activities called for in the bill shall be carried out by an Office of Coal Research within the Department of the Interior, was suggested in our bill. The House-passed bill merely stated that the Secretary of the Interior should undertake certain research projects. It seemed to us that it would be desirable to require that R. & D. projects authorized in the bill be undertaken by a new Office of Coal Research, so that the work would not be placed under the jurisdiction of the Bureau of Mines.

While I have the highest respect for the Bureau of Mines and its personnel, the research work which it has carried on in recent years, as noted on page 7 of the report, has been almost exclusively devoted to long-range theoretical research not designed to solve the immediate and pressing problems confronting the industry.

The other major amendment approved by the committee was the adoption of the provisions in our bill—S. 2885—spelling out the duties and obligations of the technical advisory committees to advise the Secretary on coal research matters. The powers and duties of the advisory committees were not detailed in the House-passed measure.

I am pleased to note that the committee amendments have been approved by the Department of the Interior.

We passed a good coal research bill last year but the President ignored the urgent needs of the men who work in the coal industry and vetoed the bill on the stated ground that the research called for in that bill should have been under the direction of the Secretary of the Interior. The bill now before the Senate conforms to the President's requirements.

Nine long months have been lost because of the President's veto. I trust that the research program called for in the pending bill will be carried out as expeditiously as possible. We must create without further delay the best coal research and development program modern science will permit.

Mr. MOSS. Mr. President, this is a very important piece of legislation and is an answer to a need that has long been recognized.

Last year the Congress passed a somewhat similar bill which was vetoed by the President. Every effort has been made by those who drafted H.R. 3375 in the House and Senate Interior and Insular Affairs Committees to eliminate from it those features which the President found objectionable when he vetoed the predecessor bill.

The principal difference between H.R. 3375 and the bill vetoed is that the previous bill would have created a special Coal Research and Development Commission, operating with a degree of independence from the Department of the Interior. In his veto message the President gave as his reason for doing so that the establishment of such an agency outside the Department of the Interior "could only be a blurring of the lines of governmental responsibility in this important area of concern."

The veto message also pointed out that legislation authorizing the Secretary of the Interior to contract for coal research, as is done in H.R. 3375, "is highly desirable and I urge the Congress to enact legislation granting such authority to the Secretary."

H.R. 3375 as passed by the House would authorize the appropriation of not more than $2 million for the fiscal year beginning July 1, 1960. Additional sums as needed for the following years are authorized. All sums appropriated will remain available until expended.

The Senate Interior and Insular Affairs Committee saw fit to propose two principal amendments, neither of which is violative of administration proposals. One would insure the setting up of a separate Office of Coal Research within the Department of the Interior whose functions it is expected will be supplemental to and in addition to coal research programs now carried on by the Bureau of Mines, it having become evident that these current research projects are not wide enough in their scope.

The second amendment would spell out the duties and functions of technical advisory committees which the Secretary of the Interior may appoint.

The language of these two amendments, as is pointed out in Report No. 1494 which accompanies the bill, "was carefully and painstakingly worked out in a series of conferences with the Assistant Secretary of the Interior in charge of minerals and with the Office of Secretary of the Interior Fred A. Seaton, and the amendments have the approval of the Department of the Interior."

Other amendments offered by the Senate Interior and Insular Affairs Committee are technical in nature and involve, in the main, renumbering of sections.

The only change in existing law is that the Office of Director of Coal Research, created by the bill, is added to the list of officers and positions covered by the Federal Executive Pay Act of 1956.

Mr. President, I am prepared to vote, and I hope the Senate will support and pass H.R. 3375.

Mr. COOPER. Mr. President, I support the bill, H.R. 3375, to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research.

I congratulate the distinguished Senator from Utah [Mr. Moss] and other Senators for their work in the Committee on Interior and Insular Affairs in presenting the bill to the Senate.

It will be remembered that a year ago the Congress passed a bill to establish a special Coal Research and Development Commission which would operate outside the Department of the Interior. At that time Congress had before it a bill which had been recommended by the President. The President vetoed the bill which had been passed by Congress. He did so, among other reasons, upon the ground that he believed it would be proper for the work to be kept within the Department of the Interior. I am very glad that the bill carries out the recommendations made by the President at that time. He supports the bill which is now before us.

The bill provides for a comprehensive coal research program. It will promote coordination of all Government and private research projects. It will develop, in conjunction with advisory committees, specific projects. It will give to the Office to be established within the Department of the Interior the authority to negotiate contracts for research by trade associations, educational institutions, and responsible State agencies.

I may say also that the administration has carried out its commitment, made last year, when it said it would provide the money for the proposed Office in the Department of the Interior.

It appears from the committee report that $1 million will be immediately allocated to the Office on Coal Research from the President's Emergency Fund; and further, a supplemental appropriation of $1 million will be recommended to meet the authorization of $2 million proposed by H.R. 3375.

Frankly, my interest in the proposed legislation arises primarily from my interest in the coal industry in the State of Kentucky. Kentucky is the third largest coal producer among the States, and is estimated to be the fifth richest State in coal reserves in the Nation.

In the past, Kentucky had a prosperous coal industry. Today, thousands of Kentucky's coal miners are out of work, and their families depend chiefly on surplus food. Mine operators face the loss of their investments, and the total economy in the coal regions, particularly in eastern Kentucky, is threatened. This is due chiefly to technological advances in the industry. One miner today can produce an average of 14 to 15 tons of coal a day, compared with an average of 3 or 4 tons a day immediately prior to World War II. In fact, in some of the more advanced mines, one miner can produce from 35 to 40 tons a day with help of modern machinery.

Throughout the years, coal has represented a major source of income to Kentucky miners, mine operators, the railroads, and the business community generally in the eastern Kentucky and western Kentucky coal fields. The development of the Ohio and Green Rivers in western Kentucky has given assistance to the western Kentucky coal fields. In fact, production in the western Kentucky coal fields has increased chiefly because of the development of the Green River. I am glad that in 1953 and 1954 the development was commenced and it has progressed year after year. In eastern Kentucky coal production has gone down.

However, taking into account the present situation, whether in Kentucky or in other coal-producing States, it became evident that it was imperative that Congress take positive steps to initiate a program of coal research. The Bureau of Mines and the Bituminous Coal Institute, the latter comprising both mine and union—the United Mine Workers of America, under the leadership of Mr. John L. Lewis, and the present president, Mr. Thomas Kennedy—have valiantly attempted to do their part in coal research—and they have done much. However, if any substantial breakthrough in coal research is to occur, there must be substantial encouragement, funds, and organization provided by Congress, such as would be made available by the current legislation.

The bill we consider today offers the way. This is not a sectional program; there are large coal-producing States and significant coal reserves in almost every region of the United States. The difficult problems of the coal industry apply to all regions.

I agree with the Senators from West Virginia and Pennsylvania that, from the standpoint of the national interest, we should ever keep in mind the national dependence on coal as a source of energy, both in peacetime and in time of national emergency. Our coal reserves at the present rate of consumption are sufficient for the next 1,900 years. Other sources of energy may be limited. Coal is far and away our greatest available source of energy. The history of World War I, World War II, and the Korean war testify that coal is crucial for national defense purposes. Wholesale conversions to other fuels have taken place in recent years. There has been an increasing and growing dependence upon imported oils and residual oils.

In time of war, or other emergency, these foreign sources might be cut off, and our domestic fuel reserves would be inadequate.

Little has been done thus far to correct the basic reasons for this situation or to provide research. Witness after witness has testified that there is a desperate need for research in the industry to uncover new uses and production methods for coal. The committee heard the story that in a typical year—1955—only $17.4 million was spent on research in the coal industry. However, in the petroleum industry, research expenditures totaled $145.9 million, and in the chemical industry they amount to $361.1 million.

Tremendous possibilities in research exist, but they have not yet been sufficiently financed or explored.

The bill, in the introduction of which I have joined as a cosponsor, and in which my colleague from Kentucky [Mr. MORTON] and Senators from other coal-producing States have also joined as cosponsors, is a step toward providing the necessary research. As I have said, Bituminous Coal Research, Inc., an agency of the private coal industry, and the United Mine Workers of America, carry on a continuous research program and have contributed much to coal research. However, it has not been possible for them, with their resources, to do more than scratch the surface in comparison with competitive industries. Nevertheless, even in their research, they have found that there are some 209 projects which could be undertaken in the field of coal research. Nine major categories were listed: Coal resources, mining, preparation, storage and transportation, combustion, coke and coal, chemicals, gasification of coal, coal hydrogenation, oil, and chemical properties. And undoubtedly there are others.

We are hopeful that the bill, which would establish an Office of Coal Research in the Department of the Interior, and which the administration, carrying out its commitments, agrees to finance, will provide a basis for the beginning of a fruitful coal research and development program.

As one of the representatives of Kentucky, which is the third largest producer of coal in the Nation, I am happy that this forward step is being taken. I am glad it is being taken because it has been demonstrated that coal is the greatest source of energy for our Nation today, and for its future, and that it is absolutely essential in time of national emergency, and for the national defense.

I speak for this bill. I have supported it throughout the years, I have joined in the introduction, and I am glad to vote for it today.

Mr. MOSS. Mr. President, I ask that the amendments be considered en bloc.

The PRESIDING OFFICER (Mr. BUSH in the chair). Is there objection? Without objection, it is so ordered.

The question now is on agreeing to the committee amendments.

The committee amendments were agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. CAPEHART. Mr. President, the coal research bill has not yet been passed, has it?

The PRESIDING OFFICER. No; that bill is still open to amendment, and the Senator from Indiana has the floor.

WOODROW WILSON MEMORIAL COMMISSION

The PRESIDING OFFICER. The Chair asks the Senator from Indiana to suspend, for the morning hour has ended; and the Chair now lays before the Senate the unfinished business, which will be read by title.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 152) authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson.

PRODUCTION AND CONSERVATION OF COAL IN THE UNITED STATES

Mr. BIBLE. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate resume the consideration of Calendar No. 1555, House bill 3375, to encourage and stimulate the production and conservation of coal through research.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H.R. 3375) to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes.

Mr. CAPEHART. Mr. President, I have no objection at all to the bill; in fact, I am a great believer in research. As a businessman, I practiced research in a very, very successful way; and I favor research in the coal industry.

But I wish to call the attention of the Senate to the fact that a research bill for the purpose of finding new uses for farm products in industry and for the purpose of finding new markets for farm products is pending. I have introduced that bill on a number of occasions, in the past 3 or 4 years, and practically every Senator has joined me in sponsoring the bill. There is now in conference between the House and the Senate such a bill. But, for some reason—and I do not know what it is—there has been no meeting of the conferees.

I should like to ask those who are responsible for this particular measure and the Senators who are responsible for the conference report why they have not met with the House conferees and reported favorably to both Houses an agreement.

Why are we so much interested in finding new uses for coal, in order to permit coal to compete with farm products; and yet we fail to have a conference—here at the tail end of the session—on a bill to find new uses for farm products? In the United States there are 5 million or 6 million farmers, whereas we do not have too many coal mines.

Mr. President, again I wish to say that I am in favor of the coal research bill and research to find new uses for coal. I am 100 percent in favor of that, just as I am in favor of all kinds of research.

But at a time when farm commodity prices are going down, and when the farmers are having smaller net incomes, and when the total cost to the American taxpayers of supporting the prices of agricultural commodities is rising, and when the agricultural surpluses are increasing in quantity, and when there is long delay in awaiting a conference report on the bill to solve this situation why is it that, although Senators are interested in a coal research bill, not nearly so many of them seem to be interested in the bill to find new uses for farm products in industry?

Mr. President, who is responsible for holding up the conference report on the bill to find new uses for farm products in industry?

Who is responsible for holding up that research bill on farm products? I do not know; I am asking the question. I find that the bill went to conference on June 1, almost 1 month ago.

Mr. President, why is it that no effort, so far as I can ascertain, is being made to arrive at a conference agreement on the bill, a bill which, if enacted into law, will decrease the surpluses of agricultural commodities and will increase the income of the farmers. Why is it that nothing is being done about that bill; and yet now we are about to pass a new bill, which is for the purpose of finding new uses for coal, in order to permit coal to compete with farm products? I hasten to state again that I favor the coal research bill; I am not opposed to it. For instance, the other day the Vice President said, during the speeches he made in the West, that the biggest domestic problem is the farm problem; and I have heard many Senators say the same thing, here on the floor of the Senate; and I am sure that when the taxpayers find that the bill for supporting the prices for agricultural commodities amounts to several billions of dollars a year, most will agree that it is quite an issue. Yet we have not been able to have a conference agreement. We have not been able to get that bill through the Congress and sent to the President, for his signature. Yet that bill is, at the moment, in conference between the two Houses, and it has been there for the biggest part of 30 days.

I should like to ask the able majority leader whether in his opinion it will be possible to get that bill out of conference and finally acted on by the two Houses and sent to the President, for him to sign, so that it will become law, before the Congress ends this session.

Mr. JOHNSON of Texas. I hope so.

Mr. CAPEHART. I know the Senator from Texas hopes so.

Mr. JOHNSON of Texas. I do not know what the conferees will be able to agree to. I do not even know that they will agree on the coal research bill, if it goes to conference.

I think the coal research bill should be passed and should go to conference, just as the agricultural research bill—as I understand—has been passed and has gone to conference. I know of no reason why we should hold up this bill.

Mr. CAPEHART. I have already stated three times that I am 100 percent in favor of this coal research bill, and I will vote for it. I am only trying to find out why the farm research bill is being held up in conference, and no action is being taken on it. As I recall, the Senate passed the bill some months ago. In fact, the Senate has passed such a bill three or four times, but each time it has gotten bogged down in the House of Representatives.

This time, both the House and the Senate have passed a farm research bill, but it seems to be bogged down in conference.

My question is whether there is any way to get the conferees to act on the farm research bill, so it can become law at this session.

I am 100 percent in favor of the coal research bill and any other research bill which may come before the Congress, for I am a great believer in research. In fact, research is the only way we can keep the Nation prosperous.

Mr. JOHNSON of Texas. I am glad we have a RECORD, and that it records what the Senator from Indiana has to say. I am sure the Members of Congress will read that RECORD, and the conferees will review what the Senator from Indiana has said and the recommendations he has made, and will give them such credit as in their judgment they think they are entitled to.

I should like to see an agricultural research bill passed. The Senator has talked to me about it several times. We brought up the bill by motion, and it was passed in the Senate. I have no control over the conferees, and neither does the Senator from Indiana. All we can do is express the hope that, in their wisdom, the conferees will reach some agreement which both Houses of Congress can accept.

Mr. CAPEHART. I thank the majority leader.

I hope the conferees will agree upon a conference report which will be accepted by both the House and the Senate, and that the President will sign the bill, with the result that it will become law, because I see no sense in continuing to spend billions and billions of dollars to support the price of agricultural commodities, when the answer and the solution is in finding new markets and new uses for farm products in industry, in order to eliminate the surpluses and give the farmers new outlets for all they can raise, and thereby insure their prosperity, which in my opinion will insure the prosperity of the Nation.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3375) was read the third time and passed.

Mr. MOSS. Mr. President, I move that the Senate insist on its amendments, ask for a conference with the House, and that conferees on the part of the Senate be appointed.

The motion was agreed to; and the Presiding Officer appointed Mr. Moss, Mr. GRUENING, Mr. CARROLL, Mr. ALLOTT, and Mr. KUCHEL conferees on the part of the Senate.

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. Would it be in order to move to reconsider the vote by which the bill was passed?

The PRESIDING OFFICER. The motion would be in order.

Mr. CLARK. I so move.

Mr. BIBLE. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada to lay on the table the motion of the Senator from Pennsylvania.

The motion to lay on the table was agreed to.

IMPROVEMENT OF MASS TRANSPORTATION SERVICES IN METROPOLITAN AREAS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1653, Senate bill 3278, the mass transportation bill, and ask for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3278) to amend section 701 of the Housing Act of 1954 (relating to urban planning grants), and title II of the Housing Amendments of 1955 (relating to public facility loans), to assist State and local governments and their public instrumentalities in improving mass transportation services in metropolitan areas.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with an amendment, to strike out all after the enacting clause and insert:

POLICY AND PURPOSE

SECTION 1. It is the declared policy of the Congress to assist wherever possible the States and their political subdivisions to provide the services and facilities essential to the health and welfare of the people of the United States. The Congress finds that among the most serious problems confronting metropolitan areas are the lack of adequate and coordinated mass-transportation facilities and services, and a lack of comprehensive and interrelated transportation and metropolitan area planning and development. The Congress further finds that the economic welfare of our major metropolitan centers is a matter of critical national concern and that such welfare is threatened by inadequate mass transportation services.

It is the purpose of this Act to assist and encourage the States and local governments, and their public instrumentalities, to undertake the necessary studies and planning, along with other urban planning activities presently assisted by the Federal Government (1) to determine the total transportation needs of metropolitan areas, (2) to formulate a program for the most efficient and economical coordination, integration, and joint use of existing mass-transportation facilities, and (3) to study the interrelationship between metropolitan area growth and the establishment of various transportation systems for such areas in order to promote the most comprehensive planning and development of both.

It is further the purpose of this Act to broaden the public facility loan program to specifically authorize financial assistance to the States and local governments, and their public instrumentalities, to provide facilities and equipment for use in mass-transit or commuter service in urban areas, and to integrate and coordinate highway, bus, surface-rail, underground, and other mass-transportation systems in such areas.

URBAN PLANNING GRANTS

SEC. 2. (a) Section 701(a) of the Housing Act of 1954 is amended by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"SEC. 701. (a) In order to assist State and local governments in solving planning problems resulting from the increasing concentration of population in metropolitan and other urban areas, including smaller communities, to facilitate comprehensive planning on a continuing basis by State and local governments for urban development and the coordination of transportation systems in urban areas, and to encourage State and local governments to establish and develop planning staffs, the Administrator is authorized to make planning grants to—".

(b) Section 701 of the Housing Act of 1954 is further amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and by inserting after subsection (c) a new subsection as follows:

"(d) The Administrator shall encourage (1) planning to determine transportation needs and to coordinate and integrate the various elements of mass-transportation systems in metropolitan areas, (2) the coordination of planning activities of the public bodies or agencies responsible for regulating or providing mass-transportation services in such areas, and (3) the carrying out of studies concerning the interrelationship of transportation and urban development, including the impact of land use and metropolitan growth on the total transportation needs of such areas."

PUBLIC FACILITY LOANS

SEC. 3. (a) Section 202(a) of the Housing Amendments of 1955 is amended to read as follows:

"SEC. 202. (a) The Housing and Home Finance Administrator, acting through the Community Facilities Administration, is authorized to purchase the securities and obligations of, or make loans to, States, counties, municipalities, and other political subdivisions of States, public agencies, and instrumentalities of one or more States, municipalities, and political subdivisions of States, and public corporations, boards, and commissions established under the laws of any State—

"(1) to finance specific public projects under State or municipal law: *Provided*, That no such purchase or loan shall be made for payment of ordinary governmental or nonproject operating expenses; and

"(2) to finance the acquisition, construction, reconstruction, maintenance, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass-transit or commuter service in urban areas, and to integrate and coordinate highway, bus, surface-rail, underground, and other mass-transportation systems in such areas: *Provided*, That the total amount of purchases and loans which are outstanding at any one time under this clause (2) shall not exceed $100,000,000. As used in this clause (2), facilities shall be construed to include land, excluding public highways, and any other real or personal property necessary for use in mass transportation."

(b) Subsection (b) of section 202 of the Housing Amendments of 1955 is amended (A) by striking out the matter preceding the first comma in paragraph (1) and inserting in lieu thereof the following: "No financial assistance shall be extended (i) under subsection (a)(1) of this section unless the financial assistance applied for is not otherwise available on reasonable terms, or (ii) under subsection (a)(2) of this section unless the financial assistance applied for is not otherwise available on equally favorable terms"; and (B) by adding at the end of such subsection a new paragraph as follows:

"(3) Interest shall be charged on loans made under subsection (a)(2) of this section at a rate determined by the Administrator which shall not be more than the total of one-quarter of 1 per centum per annum added to the rate of interest paid by the Administrator on funds obtained from the Secretary of the Treasury as provided in section 203 of this title."

(c) Section 202(c) of the Housing Amendments of 1955 is amended (1) by striking out "this section" in the first sentence and inserting in lieu thereof "subsection (a)(1) of this section", and (2) by inserting immediately after the first sentence a new sentence as follows: "In the processing of applications for financial assistance under subsection (a)(2) of this section the Administrator shall give priority to the applications of those eligible applicants which he determines (1) have workable plans for the development of a coordinated mass transportation system and (2) have the most pressing need for such assistance."

(d) Section 203(a) of the Housing Amendments of 1955 is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "In order to finance activities under this title, the Administrator is authorized and empowered to issue to the Secretary of the Treasury, from time to time and to have outstanding at any one time, notes and other obligations in an amount not exceeding $300,000,000: *Provided*, That of the funds obtained through the issuance of such notes and other obligations not less than $100,000,000 shall be available for purchases and loans under section 202(a)(2) of this title."; and

(2) by inserting before the period at the end of the third sentence a semicolon and the following: "except that any notes or other obligations issued by the Administrator to the Secretary of the Treasury to obtain funds to provide financial assistance under section 202(a)(2) shall bear interest at a rate determined by the Secretary of the Treasury which shall not be more than the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the issuance by the Administrator of such notes or other obligations, and adjusted to the nearest one-eighth of 1 per centum".

Mr. WILLIAMS of New Jersey. Mr. President, the United States is rapidly becoming an urban, cosmopolitan nation. The transformation is taking place so swiftly that it might almost be characterized as a revolution. This revolution of shifting populations and technological change is breeding a host of problems which we are only beginning to appreciate in full dimension and which we are only beginning to come to grips with.

The huge metropolitan concentrations lie like splotches on the map of the United States. Fundamentally their existence, their vitality and growth, depend on the urban transportation networks that sustain them and on the ribbon of roads, rails, and airlanes that tie them together.

By and large, our intercity transportation facilities are unexcelled. It is only when we enter the heart of our metropolitan centers that we run into an appalling bottleneck in the movement of people and goods.

The costs of urban traffic congestion are staggering. It has given impetus to the decline of central city population and to the deterioration of its economic health. It has accelerated the urban sprawl and the disappearance of open space and the pastoral landscape. It has spread urban slums and rural roadside

blight. It has snared millions of people in hours of frustrating, irritating, and costly delay. It has clogged the free flow of goods in the metropolitan areas, and therefore in interstate commerce. It is reducing the effectiveness of all forms of transportation—from buses and trucks to rail and airplane. Even a modest increase in urban traffic congestion could more than cancel out the advantages of the jet age, for example.

The problem is critical now. It threatens to become a catastrophe in the years ahead.

We are taking steps—and costly steps—to come to grips with this most fundamental of our urban problems, primarily with our $41 billion Federal highway program. But I am convinced that this badly needed effort in highway investment will itself be jeopardized if we do not soon begin to make a concerted, and balanced, attack on the urban transportation problem.

I emphasize balanced because our approach has so far been piecemeal and one sided. We have tried to meet all our urban transportation needs with the construction of roads and highways.

As a consequence, mass transportation has declined and deteriorated, partly because of our preoccupation with serving the needs of the automobile, and partly because the automobile has offered stiff competition. In the last 10 years ridership on all forms of mass transportation has declined 38 percent. By 1975 the number of vehicles on the road is expected to soar from the current level of 70 million to 113 million.

We must, of course, build for this increase in the number of cars on the road. But we have failed to realize the consequences of our roadbuilding effort if the serious decline in mass transportation is continued.

The consequence must inevitably be either a virtual paralysis of urban transportation—which this country cannot afford—or a vast enlargement of our highway program in urban areas.

To give just one illustration, the American Municipal Association, in a mass transportation survey, has estimated that if the cities of New York, Boston, Philadelphia, Cleveland, and Chicago were to lose just their rail commuter service, it would cost $31 billion at 30-year, 4-percent financing to build the highways necessary to serve a comparable number of people.

Applying this illustration nationwide, it is evident the attempt to compensate for the decline of mass transportation in urban areas by building more highways will require much higher gas taxes or a severe reduction in badly needed road construction in less populous outlying areas, where the automobile is the only mode of transportation available or feasible.

Thus, if only to preserve our huge investment in the highway program—to say nothing of the problems of providing adequate parking facilities in the cities and the loss of tax ratable property through urban highway construction—it is imperative that we revitalize our mass transportation systems.

They have been long neglected and ignored. Scarcely any attention has been paid to possible technological breakthroughs that would lessen the inconveniences and disadvantages of mass transportation travel in comparison with the automobile. In fact, we have not even paid enough attention to keep existing facilities up-to-date. Instead, we have permitted the financial squeeze of rising prices and falling revenue to continue unabated. The result has been an inevitable effort on the part of our mass transport carriers to abandon or curtail service, increase fares, defer maintenance, and forgo the modernization and improvement of their equipment and facilities.

The bill that is now before the Senate is a modest attempt to launch a more balanced attack on one of the most serious problems facing our metropolitan areas, which are the economic backbone of the Nation, inasmuch as they account for more than 75 percent of all the manufacturing, wholesale, and retail sales in the country.

Briefly, S. 3278 is divided into two parts. The first part authorizes the use of section 701 urban planning grants for comprehensive transportation and other urban planning. Its purpose is to emphasize the importance and inseparable relationship of comprehensive transportation planning, including mass transportation planning, to the overall development of metropolitan areas. This is particularly important because the Federal highway program is on the verge of making major changes on the urban landscape that will last for decades to come.

Most urban communities presently lack adequate comprehensive plans and they are virtually without plans for an areawide road and mass transportation network. Inasmuch as the urban communities must bear ultimate responsibility for the future growth of their own areas, it is important to encourage them in the kind of planning that will prepare them to incorporate the new highways to the best possible advantage of the community as a whole, taking future mass transportation requirements into consideration.

The second part of the bill provides low-cost loans, not to exceed $100 million, to State and local governments and their public instrumentalities to help them improve their mass transportation services.

The purpose of this program, which would be administered by the Housing and Home Finance Agency, is to permit the flexibility that will encourage local public bodies to experiment in meeting what they consider their most pressing needs in the field of mass transportation.

The bill recognizes that cities of differing size and character are faced with equally diverse transportation needs and that local public bodies, rather than the Federal Government, should have primary responsibility for determining the allocation of funds within prescribed limitations.

In many cases, the greatest need may be for the purchase of new railroad commuter cars. In other cases, there may be a need for the relocation of an antiquated railroad station closer to new population centers and arterial highways. The need in another city may be for the improvement and expansion of a downtown bus terminal, or the elimination of a stub-end subway terminal, or construction of fringe-area parking lots adjacent to bus or rail stations, or the modernization of traffic control systems. The needs will vary with each urban area.

In addition, the procedure of making the loans available to public bodies, in contrast to a program of direct Federal assistance to individual mass transportation carriers, is intended to stimulate the maximum degree or concern, involvement, and initiative on the part of the State and local governments, which in the long run will be as important as the dollar value of the assistance given.

One other feature of the bill is that it directs the Administrator to give priority to applicants that have a workable plan for the development of a coordinated mass transportation system and that have the most pressing need for such assistance.

This section will provide for a review by the Federal Government necessary to insure the most efficient use of funds. It is also intended, together with the planning authorization section, to stimulate more comprehensive planning on the part of the local communities.

Mr. President, I ask unanimous consent that a portion of the Banking and Currency Committee's report on S. 3278, which further documents the need for this bill, be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

NEED FOR LEGISLATION

Justification for legislation was clearly established in hearings held by the Subcommittee on Housing. While testimony received during these hearings produced abundant and forceful documentation of the problem and support for the bill, numerous prior studies and investigations also lend weight to the committee's recommendations.

In September 1957, the Governors of six Eastern States sponsored the Arden House Conference, which stated in its summary report that "at the heart of the problems of most metropolitan areas is the problem of mass transit. Because of the increasing use of private automobiles, the mass transit system is in serious difficulty, yet it is essential that it be preserved."

In 1959, a leading urban transportation authority, Wilfred Owen, in a book summarizing the results of a symposium devoted to the challenge of the new highways to the metropolitan region and sponsored by the Connecticut General Life Insurance Co., wrote that:

"The answer to the transportation problems of our densely built up urban centers does not lie in the private car alone * * *. Any real effort to make our vertical cities completely accessible by automobile would eliminate much of the downtown development that makes access worth while. In order to preserve the core of the large city, there should be a more balanced attention to all methods of movement—and this means that an adequate public-transit system is essential. Without it the motorist in today's big city may strangle in his own congestion * * *. Where rapid-transit lines already exist, facilities and equipment should be preserved and modernized to meet the requirements of present users. Subsidies for this purpose are warranted where they

will mean a net saving in total outlays for the transport system as a whole."

In a report to the National Academy of Sciences' Committee on Urban Research, Dr. Coleman Woodbury of the University of Wisconsin, cited a pressing need for study of the role of mass transit in metropolitan areas and observed: "In some of the larger urban areas at least, the postition of mass transit, particularly of rail commuting, seems to be at or very near a crisis * * *. Certainly, however, very little in the traffic situations in the most thoroughly motorized cities supports the rather common opinion that mass transit, per se, is obsolete and soon will be only a relic of the past in the United States, except in New York City and perhaps one or two other centers."

An important and tangible illustration of the growing recognition of the importance of rapid mass transit has resulted from extensive hearings in the 1st and 2d sessions of the 86th Congress by the Joint Committee on Washington Metropolitan Problems on a transportation plan for the area and on implementing legislation. The evidence leading to the formulation of the pending legislation, which is supported by the administration, has nationwide applicability.

The problem of commuter railroad losses has received special attention by both congressional committees and the executive departments, not only because the railroads provide a vital link in the mass transportation network, but also because they handle nearly 45 percent of all intercity freight.

As the Senate Interstate and Foreign Commerce Committee stated in its report on the Transportation Act of 1958, the commuter service problem is "a matter of deep concern to the Federal Government because of the impact that losing commuter service can have on the ability of an interstate rail carrier to render its interstate service."

Expressing the same sentiment in its March 1960 report on Federal transportation policy and program, the Department of Commerce noted that the Federal Government "has a deep concern in the railroad commutation passenger losses because of their effects upon the health of the railroad system and upon the extent to which the Nation can secure the benefit of the railroads' capability for mass long-distance transport of freight."

The Interstate Commerce Commission, following an exhaustive study of the railroad passenger train aspect of the problem, concluded in its report on May 18, 1959, that "railroad passenger service is, and for the foreseeable future will be, an integral part of our national transportation system and essential for the Nation's well-being and defense."

The Commission added: "We are impressed, however, with the urgency of the situation if existing rail passenger service is to be preserved and suggest that relief in obviously inequitable areas should not await detailed study of possible long-range adjustments but rather should be immediate."

During the course of the committee's hearings, the theme echoed by witness after witness was ably expressed by Luther Gulick, president of the Institute of Public Administration and lifetime scholar in the field of urban problems:

"So what we must recognize is that we are now * * * at the beginning of an extraordinary revolution in the pattern of urban life. This is not true only in the United States * * *. It is true all over the world * * *. The population is expanding, and they are crowding into the cities. So that the new pattern of urban life is a new pattern socially and economically and spacially, and the key of the whole business is transportation. Therefore, when I saw that your committee * * * was tackling this problem, I said 'This is the beginning of a new day for the American urban communities' * * *. S. 3278 represents, in the judgment of myself * * * an important step in the right direction. It could be as important for the metropolitan development of this country as were the early moves when this Government undertook to give direct help and assistance in the development of rural life in this country."

The committee received statements from Governors, mayors, urban transportation experts, railroad officials, businessmen, and planning officials representing all parts of the country, from Los Angeles and San Francisco to New York and Atlanta. Following are some excerpts from the record of the hearings:

Gov. Robert B. Meyner (State of New Jersey):

"Our cities are the nerve centers of this Nation, and if there is a breakdown of the transport network that sustains their economic health, the repercussions will be felt in every corner of this land. Each year we become more urbanized. There are population studies which indicate that by 1975 nearly 80 percent of a projected population of 215 million people will be concentrated in urban areas * * *. With each year the problem of moving great masses of people to and from work in the peak hours will grow more critical. We in New Jersey shudder at the new dimension that would be added to this problem if commuter railroads were to cease their services altogether, a prospect that grows more likely every day * * *. It has been my feeling that, considering the national overtones of this problem, the ultimate answer lies with some Federal action, but we have made determined efforts to mount a program locally * * *. (One) plan would make new equipment available to the (railroad) lines through financing by the Port of New York Authority. These are the first stages of the plan and they could be initiated promptly if funds under S. 3278 were to become available."

Harland Bartholomew, Chairman, National Capital Planning Commission:

"Mass transportation plans for our growing American communities have long been neglected. There are several reasons for this neglect. First is the fact that mass transportation was originally considered to be the exclusive field of private enterprise * * *. The second reason * * * was the belief, and the ill-favored hope that with the advent of the private automobile there would be no further need for extension of the mass transportation system. As a result of this general attitude, our mass transportation languished * * *. We only recently have come again to realize that mass transportation is a most necessary public service. Proper community development depends in many ways upon the free movement of people between places of residence, work, and shopping. Mass transportation as one of the means of achieving that free movement exerts a profound influence upon the direction of community growth. It can stimulate either an orderly or a disorderly and unbalanced growth, a congested or dispersed pattern of development. In short, mass transportation can be a major tool in shaping the form of the city * * *. S. 3278 will encourage and stimulate much-needed planning for metropolitan city areas and particularly for mass transportation planning as an urgent and dynamic part thereof. It will thus meet one of today's greatest public needs."

Dr. Detlev Bronk, president of the National Academy of Sciences:

"We have gotten into a perfectly ridiculous national situation with regard to transportation * * *. It is not so simple to say, 'We will just move out of the great congested centers of population.' There are very important economic implications for the whole country. We must solve the problems, not abandon them * * *. What the total bill for the commuters of this country is, I daresay, would be staggering. But what is perhaps even more important is the economic loss of unproductive time spent in sitting in cars, crowded with traffic, getting from one place to another, unproductive, unsatisfying, frequently irritating and frustrating. I could go on endlessly. The matter of getting food into places is becoming increasingly difficult because of the transportation situation. Consequently, the cost of feeding the people of the country is increasing beyond what it need be if we had more effective transportation facilities."

C. M. Gillis, executive director of the Los Angeles Metropolitan Transit Authority:

"In California, we believe we have the finest system of highways and freeways in the United States. Governor Brown recently joked that the Hollywood Freeway was the longest parking lot in the world. These freeways perform an amazing job, and yet they are filled to capacity on the day they are opened * * *. We in Los Angeles are attempting to find a (rapid transit) system that can be financed with revenue bonds, because that is the authority we now have in the State act, although to many, such financing appears to be highly unlikely. Certainly, Federal partnership in one of several ways would help a great deal. * * * It has been said that the metropolitan areas of the United States cannot afford a modern mass rapid transit system. I think it can just as reasonably be said that the metropolitan areas cannot afford not to have an up-to-date mass rapid transit system."

John M. Peirce, general manager, San Francisco Bay Area Rapid Transit District:

"The San Francisco Bay Area Rapid Transit District is now in the final weeks of developing plans for its five-county system of rail rapid transit [calling for] 132 miles of rail lines connecting the population centers of the bay area * * *. There is almost complete recognition of the fact that with the doubling of the San Francisco Bay area's population in the next 20 or 25 years, major dependence on private automobiles is virtually impossible. Water barriers, irregular terrain and limited land area for motor vehicle use, all contribute to the problem with which we are faced. Worst of all, if within the next 10 years we are unable to provide for accessibility to the core areas of our region and for free circulation of people within the area, our economy will be adversely affected and our future will be less optimistic than we otherwise hope it will be. Accordingly, we urge upon the Congress its favorable consideration of S. 3278, which we hope will give at least initial recognition to the congestion problem which is becoming worse in all of the Nation's metropolitan areas. In California the problem is compounded because of our dependence on motor vehicles for most public and private transportation, and also because of our tremendous population growth. And I should add that population growth in California's metropolitan areas is four times as great as in our rural areas."

Col. C. K. Harding, planning division, Georgia Department of Commerce:

"Transportation of the people from the entire metropolitan area and, of course, beyond those limits * * * is a terrific problem in Atlanta * * *. The city has * * * a metropolitan planning commission which was created by the general assembly of the State for the purpose of coming up with a master plan for the * * * metropolitan area * * *. They have determined that any system of expressways that are at all practical or feasible financially or physically, engineeringingly, will not be the answer to this problem. Their thinking now is that there must be some form of rapid transit, surface rapid transit, to take care of a great part of this burden * * *. One reason the * * * bill is attractive to us is because it does furnish money which is now not available. We just do not have the money. We need the Federal help."

Mayor ROBERT F. WAGNER (city of New York:

"The future of the country's major cities and metropolitan areas depends upon good transportation, including mass transit. * * * We need automobiles, of course. But if we are to accommodate the needs of people, now and in coming years, we must find ways to rehabilitate the movement of people in large numbers—and that means mass transportation * * *. The prospects for mass transportation in the New York-New Jersey-Connecticut metropolitan region are indeed grim unless immediate and decisive action is taken. We are not coming here hat in hand asking the Federal Government to take over * * *. My position is that New York City is prepared to carry its share of the burden. We provide tax abatement for communter railroads. We subsidize our New York City transit system to the tune of $90 million a year. And we think it is worth it. * * * But the preservation of urban transportation is a Federal problem too. * * * The provision * * * for a long-term, low-interest Federal loans, not to exceed $100 million, is a modest beginning for Federal participation."

James M. Symes, chairman of the board, Pennsylvania Railroad Co.:

"I have described our problems, and why we cannot afford to provide, let alone improve these services. I have shown how the Federal Government has poured millions of dollars into capital expenditures for other transportation facilities * * *. I have also told you of the terrific increase in debt of our local governments, and our State governments are in the same condition, all as a result of Federal activities. These are the reasons why funds for capital expenditures for mass transportation must come from the Federal Government. * * * S. 3278 represents an adequate vehicle with which to begin a transportation loan program upon which Congress can build in the future if the program proves to be successful in meeting the real need, and I am sure it will * * *. If this is not [passed], then the Federal Government will continue to waste money by destroying the central core of our cities, and will then spend billions to rehabilitate the damage and chaos it has created."

Mayor Anthony J. Celebrezze (city of Cleveland):

"The city of Cleveland was able to acquire the modern rapid transit system it now has through RFC financing. Other loans made throughout the Nation by the RFC were used to revive economic activities which I am sure have returned billions of dollars of additional revenue to our Federal Treasury. Similarly today, if you will take the prudent step of authorizing long-term, low-interest loans to improve mass transit facilities in our major metropolitan centers the additional wealth you will create by restoring business activity in these centers, the staggering loss in man hours you will eliminate, the protection of Federal investments in urban renewal you will achieve, will in the long run create billions of dollars of additional revenue for the Federal Government for a very modest investment."

E. Willard Dennis, past president and board chairman of Sibley, Lindsay & Curr Co., Rochester, N.Y., and former chairman of the Downtown Development Committee of the National Retail Merchants Association:

"When I make the brash statement that the problems of mass transit—meaning the daily movement of people by other means than the private automobile—must be solved very early in this decade, it should be noted that the observations following come from a businessman, a former department store executive * * *. In every one of the present and potential metropolitan areas, large or small, the central core city, the downtown, if you will, must be virile, progressive, aggressive, if its surrounding community hopes to grow and prosper in this highly competitive free enterprise system of ours. More importantly, the economic strength of each of these entities across the Nation must continue to develop and expand if this country is to cope successfully with the heightened competition rapidly developing in the economies of our allies of the free world and to provide an unbeatable bulwark against the threatening pressures of communism * * *. While cities have done too little in the field of mass transportation, and are late in starting, undoubtedly with the impetus given by the proposals listed in S. 3278, real progress will be made in this most important field of building downtown with mass transportation, controlling disorganizing congestion by good transit while making possible orderly mass distribution so vital to our economic life."

Charles A. Blessing, president, American Institute of Planners:

"We regard this bill as a particularly important supplement to other programs of aid to local communities. It encourages a coordination of land use and highway planning; it recognizes the competition between the highways and other forms of transportation and the necessity for the preservation of the other forms in order to maintain efficient highway systems. It offers a modest program of aid through an established Government agency with experience in this type of program. Of particular importance, this bill acknowledges the fact that differences can and do exist between urban areas, with respect to transportation needs and patterns of development. It offers communities the opportunity to exercise a reasonable local public choice of equitably financed transportation needs, based on their own determination of their own needs."

In considering the need for Federal assistance to help improve mass transportation services, the committee took careful note of the availability of funds from private sources, and of the efforts and ability of local governments to overcome the problem without Federal help.

With respect to the question of private financing, it is evidence that the financial condition of many transit and rail lines are such that borrowing at commercial rates would result in higher fixed charges of principal and interest than could be recovered through lower maintenance costs and possible passenger revenue increases. In such cases private borrowing would only increase losses.

The conclusion that mass transportation carriers are unable to utilize commercial sources is substantiated by the experience of the $500 million guarantee loan program provided for by the passage of the Transportation Act of 1958.

The act guarantees commercial lenders against any losses sustained through loans to the railroad industry for capital expenditures and maintenance of property. At present, loan applications have been filed for somewhat more than $90 million and approval has been given for $53 million. However, none of the loan guarantee applications has been for the purpose of directly improving rail commuter service. In some few cases, the improvements sought by the railroads have been of such a nature as to provide small incidental benefit to their commuter services.

As for the activity of local communities, the information supplied to the committee demonstrates that, while some communities have neglected the problem, the large majority of local governments are exerting very great and increasing efforts in a variety of ways to preserve, improve, and expand existing mass transportation services.

However, the public debt of State and local governments has risen 169 percent since 1950, or 15 times as fast the Federal debt increase of 11 percent in the same period; this has imposed severe strains on their ability to cope with the problem.

Local governments are particularly hampered by a convergence of forces requiring public expenditures at an accelerating pace on a diminishing tax base.

Most urban communities have been required to operate within constitutional debt limits and with considerably smaller allocations of funds from Federal and State Governments than the local communities originally contribute in taxes to those bodies.

In addition, the core cities which must provide mass transportation for a rapidly expanding areawide population have suffered a loss of retail sales and real estate tax revenue as traffic congestion drives more and more commercial business to outlying areas beyond the jurisdiction of the central city.

The same adverse effect on the tax base of the central city has resulted from the flight of middle- and upper-income families to the suburbs, leaving the core area with a predominantly low-income population which makes the smallest contribution to the revenue of the city but which requires the highest proportion of social and welfare services. But the families moving beyond the city's jurisdiction generally continue to require adequate transit services to and from the city.

Another serious drain on the city's tax base is caused by road and highway construction which replaces taxable property with nontaxable asphalt and cement. It was noted during the hearings that 68 percent of the land space of downtown Los Angeles is devoted to streets, highways, access roads, loading areas, and parking facilities. A similar decrease in tax-yielding land usage is being experienced by other cities.

As Mayor Celebrezze stated during the course of his testimony:

"In Cleveland our basic tax is a real estate tax. We have now the inner belt freeway which is in the process of completion. That is 3½ miles, and at a cost of some $75 million. But the sad part of it was that it went through a commercial district, and it took about $30 million worth of taxable property off the tax duplicate. Of course, it does not stop there. Then you have the question of maintenance. Well, part of the maintenance comes out of your gasoline tax, but taking care of the slopes and cutting the grass comes out of general operating funds, and therefore you have a greater burden on your general operating funds, and your tax duplicate keeps going down.

Finally, limited political jurisdictions have made it extremely difficult for most cities to make the areawide improvements necessary if mass transportation service is to be of maximum effectiveness. Most new suburban communities—already overburdened by the costs of providing new schools, roads, sewerage, gas facilities, fire and police protection—are hard pressed to help the central cities provide better mass transportation services. State governments are faced with much the same problem by virtue of the fact that 53 of the 180 standard metropolitan areas either cross or border State lines. A great deal of commutation is thus interstate in character.

It is clear that many urban communities will require the creation of public agencies with jurisdictions broad enough to cope with the problem on an areawide basis. It is hoped that the bill will stimulate this development, but it is unlikely that such agencies will have the kind of credit rating or borrowing capability to obtain independently, the kind of low-cost capital that is needed.

The committee concludes, therefore, that a need for the bill has been clearly demonstrated and that the most appropriate form of assistance at this time would be low-cost loans. The provision of a new source of funds would help overcome the severe ob-

stacles facing State and local governments in their attempts to improve mass transportation services. The provision for low interest rates would help insure that the acceptance of additional economic burdens by the mass transportation carriers will not further aggravate their losses.

The committee wishes to emphasize that the bill is intended to encourage and stimulate greater State and local effort, not to supplant it.

Mr. WILLIAMS of New Jersey. Mr. President, Dr. Luther Gulick, president of the Institute of Public Administration and a lifelong scholar of urban affairs, has written an interesting statement on the question of whether the commuter problem is a purely local problem.

Charles K. Agle, a noted planning consultant from Princeton, N.J., has also sent me a memorandum setting forth a new proposal for rapid transit in our metropolitan areas. He makes the important point that there is a great need for new thinking and for investment in new technological developments which would make rapid mass transportation comfortable, convenient, and fast.

Several editorials and articles on the mass transportation bill I introduced have also come to my attention. They are from the Boston Herald, the Christian Science Monitor, the St. Louis Post-Dispatch, the Asbury Park Evening Press, the Newark Star-Ledger, the New York Times, and the Bergen Evening Record.

Mr. President, I ask unanimous consent that these items be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARE NOT THE METROPOLITAN TRANSPORTATION AND THE COMMUTER PROBLEMS STRICTLY LOCAL, AND THUS OUTSIDE THE APPROPRIATE SPHERE OF FEDERAL ACTION?

(By Luther Gulick)

The present problem of transportation in the great urban centers is much more than a local problem. Of course, urban transportation has its local aspects, but it also has its State aspects and its Federal aspects.

The urban governments working alone cannot get to first base. Their commuters, and much of the freight coming and going, are handled by railroads which are regulated by the National Government, with services and rates fixed by the ICC. The automobile and bus traffic, as well as the freight trucks, which stream into the metropolis, come on Federal and State highways, and enter by limited access exchanges set and designed by Federal and State highway engineers, running on highways some of which are paid for 90 percent by the Federal Government. Most of the interurban buses and commercial truckers are regulated not by the locality but under National and State authority. Our increasing air traffic originates and terminates on airfields located, designed, and built with Federal supervision and Federal aid as part of the national airways system. Even urban renewal and civil defense—with its heavy concern for safety, movement and rehabilitation after attack—have a direct relation to the national interest.

The economic integration of the United States has now turned our highways and our city streets into parts of the American assembly line. The efficiency of this Nation now depends as never before on the efficiency of this pattern of life and production, particularly in the metropolitan concentrations. When the Congress ordered and underwrote the vast new expressway system, it set in motion economic and social forces which are having a direct bearing on the efficiency of the national economic system, as well as on the military security of this Nation. These induced developments are chiefly located in urban areas and cannot be beyond the concern of the National Government which intentionally set them in motion.

And how can a national government which provides national parks and spends millions of dollars raising the levels of agricultural life be unconcerned as to how urban people are to reach the parks, and how the farm-to-market products get into the markets? Once these problems were out in the rural areas, and the National Government and the States moved to meet the situation without asking, "Is this an appropriate national or State function?" Now the farm-to-market problem is in the big urban concentrations. It is here that the costs of handling and delay pile up. It is all the same road, Mr. Senator. If one end is a national concern, why is the other end less so?

The urban transportation problem—with or without rail commuters—is not one of those problems which can be neatly labeled "local," or "State," or "National" and dealt with accordingly. No one of these jurisdictions, with all its powers can solve our urban transportation problem. Nobody can go it alone. It will require the joint efforts of all three working together.

And that is why I say there is a national aspect of the metropolitan transportation problem, which the Government of the United States cannot neglect. And the way to start is through cooperative surveys and cooperative planning, drawing into the process the private interests, such as the railroads, as well. When that has been done comprehensively, each level of government, and each common carrier, can go about its agreed tasks, and we will begin to work our way toward real solutions of a problem which is by its very nature, national, State, and local. How can the National Government fail to take up its responsibility in this total national picture?

FROM HERE TO THERE—AN ANALYSIS AND PROPOSAL FOR TRANSIT

(By Charles K. Agle)

EXISTING CONDITIONS

We are stumbling all over ourselves. Literally.

Our present forms of local transit, mass or individual, give little hope of meeting the expanding needs of our present and future cities.

PRESENT TYPES OF TRANSIT

Automobiles have serious limitations. They have the advantage of door-to-door travel but are highly inefficient in their demands for highway and terminal space. A large headway is needed on highways for few passengers carried. Terminal storage, either for shopping or full-day business use, is greater than can be afforded in our urban centers. For example, if Manhattan Island south of 59th Street were to be served exclusively by automobile, and if we assume a free-flowing turnpike with no time lost for parking, and if we staggered office hours by minutes from 7 a.m. to 10 a.m., the width of the turnpike would have to be greater than the width of Manhattan Island. The parking lot, moreover, would have to be 40 square miles.

Rail transit is an intermittent linear form. It cannot solve the problem because of the limitation of train length and terminal space, and the fact that a line alone cannot serve an area. Attempts to make it serve even a small area on either side of the line results in such a multiplicity of local stops that flow and capacity is curtailed still further and additional time lags are introduced. Reduction of stops exaggerates the burden on secondary distribution systems.

Air transportation is unusable for mass local circulation. Even with vehicles landing vertically, both the amount of ground space and amount of air space per passenger carried makes it still less efficient, spacewise, than the automobile, which is already less efficient than rail travel.

Buses in their present form cannot cope with the overall problem. The vehicle carries small numbers, needs headway, and with respect to the serving of both collection and distribution areas remote from each other, takes on the characteristics of rail travel. It is filled to capacity when collecting from a very small local area. It can make quick distribution only to a corresponding small area, but this, in a large city, cannot satisfy the diverse destination desires of the passengers collected at any one point. For this reason cross-country buses have taken on a different form from local buses and bus terminals as such are beginning to present the same constricted space problems that characterize rail terminals. They have become a linear form with substantially the same limiting factors as railroads.

Compound systems of transport currently offer the only means of travel but have serious time limitations and will become worse. First, it is necessary to use either a car or a local bus to get from home to the bus terminal or railroad station. Pedestrian congestion, discomfort, confusion, and loss of time waiting for a scheduled vehicle at the terminal is inevitable. Next, the bus or rail goes from one terminal to another, usually with delays for intermediate stops. At the second terminal, these difficulties are even greater because of the greater numbers involved. Then comes the third system which, if a linear form such as a subway, may be followed by a fourth, a local bus. Even in the subway system, if it is necessary to change from express to local, an additional phase is added. As our metropolitan areas grow there seems to be little hope of simplifying this and it can only be expected to become worse.

PATTERN OF OUR CITIES

But the cohesive gravitational force of our cities is not to be denied. Because of farm machinery the need for personnel to operate our agricultural industry is decreasing rather than increasing, and the drift from rural to urban life will continue as a matter of livelihood. The shifting pattern of our cities is also clear. The great expansion of residential population is taking place in the suburbs and the "regional city" is already here. This means that living areas are distant from working areas. There is little indication that a sufficient dispersion of employment centers will take place to match the dispersion of working population. The only visible change is some lowering density of both employment and of residential use. This increases transit demands as the area and distance increase. Such an increase of area makes the extension of linear forms of transportation progressively less efficient.

Recent history has shown the practical absurdity of hoping for small self-contained new towns with simple transit, such as the special purpose examples of Kitimat and the AEC communities. If we should think in terms of self-contained communities with 50,000 population, newly designed, in which the automobile could serve, about 500 such new towns would be necessary to take care of the population increase each decade. Except for the special cases noted, we have not built, in the last decade, even example No. 1.

Accordingly, it appears that we must accept ever-expanding regional urban masses. They may be dense in some spots and sparser elsewhere. Even though spongy in character, they are cohesive and present a single overall problem.

Space is a function of travel time which in turn is a direct function of dollars lost in productive energy and social frustration. There is no reason to distinguish between portal to portal pay in a mine and the home to home working time of other citizens. This period is potential earning time, and its inefficient use constitutes an economic and neurotic loss of increasing magnitude.

There is no reason to deplore these facts. At present the urban area represents about 1 percent of the area of the country and the proper treatment of our problem is merely technical. There is no limit to the technical potential of this country, once we put our minds to a problem.

SUMMARY OF THE PROBLEM

The problem has four aspects:

1. There must be door-to-door delivery in a single system, with no break. Otherwise we cannot compete with the sole advantage of automobile travel. Every point in a collection area must be tied to every point in a distant distribution area without interruption of motion.

2. The system must be fast with no intermediate stops or transfers which consume time and energy and harass the individual. As our regional city becomes larger we cannot tolerate the increasing loss of time implicit in compound systems of transit.

3. On the practical economic side, we must use and increase the efficiency of everything we have installed in or on the ground: rails, turnpikes, tunnels, bridges, streets, and subways, with as little dislocation or readjustment as possible. The investment in our real estate and present facilities is such that scrapping everything and starting over from scratch would be economically unthinkable and politically impossible.

4. The system must be both flexible and universal, so that additions and changes can be made to keep pace with urban growth, without interruption of service or destruction of investment.

SOLUTION

The proposed solution consists of a new type of vehicle and a new system of circulation, both within the scope of present technology:

1. The vehicle is a cross between a self-propelled bus and a subway car, with automatic doors both on the ends and on the sides. It will be capable of independent operation or, through coupling and relays, of operation as part of a train. It will be equipped both with tires and flanges and can operate either on highways or rails and capable of immediate transfer from one to the other. It might even have a monorail hook and be capable of using all three means of support even in the course of one trip. It will be capable of coupling and uncoupling with a sister vehicle while in motion.

2. The circulation system consists of (a) local bus routes on existing streets in collection areas, (b) intermediate major or collector streets or tracks, (c) a major artery such as a rail track or turnpike lane between cities or between areas within an overall regional city pattern, (d) dispersion arteries, and (e) local bus routes, on existing streets in distribution areas. This simply corresponds to execution of current highway thinking, except that in (b), (c), and (d) the reservation of a lane for the exclusive use of the system will be desirable.

3. The operation of the system can be explained by two examples. Let us assume that one bus circulates in a residential area of Trenton and half of its passengers are bound for Wall Street and the other half for the Grand Central area of Manhattan. A second bus circulates through the residential areas of Princeton and picks up passengers, half bound for the city hall area and half for Radio City. While in motion the two buses meet and couple either on the turnpike or on a Pennsylvania Railroad track. The rear bus is then designated "downtown" and the head bus "uptown." The end doors are opened when the vehicles are coupled and the control of the two-car train is automatically in the lead bus. The passengers regroup themselves en route, depending upon their destinations. Beyond Newark the buses uncouple, return to individual operation and take to the highways. One goes uptown through the Lincoln Tunnel and stops at Radio City and nearby Grand Central. The other goes downtown through the Holland Tunnel and stops at the city hall and nearby Wall Street.

This simple illustration, of course, can become more elaborate and the same process takes place in lengthy trains serving diverse collection and distribution areas.

For greater distances in the regional city, say on a generally northbound line, Baltimore passengers originating in Washington can be in the last three buses, dropping off a long train as it approaches Baltimore. These may be replaced by buses, having collected northbound passengers in Baltimore, which overtake the train as it proceeds through and north of Baltimore. The same would be true of all intermediate focal points such as Wilmington, Philadelphia, Trenton, and Newark. In this way, there is no such thing as a local stop, and all trains are express.

Only passing mention need be made of technical problems to illustrate their visible ease of solution: Short range intercom radio, electric eyes, or radar for comparative speed control in the overtaking action; automatic transfer of relay control and opening of end car doors on coupling; safety alinement of buses in a train form by curbs, submerged rail and retractable flange, or magnetic or electronic cable; and fare control by punch cards at points of origin and destination, as with turnpikes.

Substantial efficiency could be achieved in personnel operation by borrowing maritime pilot practice. In the above illustration, local Washington drivers could drop off in the last bus as the train clears that city. Beyond Newark, local New York drivers overtake and distribute. In the intervening run, only one driver is needed for a lengthy train.

RESULTS AND ADVANTAGES

With this system substantially door-to-door travel becomes possible in a single system with continuous high speed between a small collection area and a small distribution area. There is no such thing as an express and local train. There is no terminal space nor any parking space. There is no compounding of transfer from one form of transportation to another.

Since this speed and convenience is provided, it can compete with the automobile even under the most ideal circumstances and would make it feasible to reduce substantially the use of such vehicles in our congested centers. It will then be possible to use streets efficiently and reduce the need for major dislocations of real estate now necessary for highways and parking. Since it would be capable of speeds equivalent to rail and turnpike travel, there would be no advantage to still greater investments in those facilities. The present limitations on train length is governed by the length of stations and timing is hampered by terminal handling. A further characteristic of rail transit is long headways compared with the operation of the individually more high-powered automobiles and buses on our turnpikes (5 minutes for railroads, 1½ minutes for subways, and 2 seconds for automobiles). In the proposed system it would be possible for passenger trains of 25 or 50 cars to assemble, and headways to correspond to highway practice, with a corresponding increase in the capacity of a single lane.

The system therefore can make the most efficient use of everything we have; conversely everything we are now thinking of building would fit into the system efficiently with only minor and inexpensive later changes. Its complete flexibility makes extensions and reroutings easy. It is capable of serving, with equal facility, city to city, suburb to city, and intersuburb travel. It is not limited either by the size or shape of an area.

Technical problems are elementary in light of the present development of science and industry.

DISADVANTAGES

The only perceptible disadvantage is the shifting of the passengers within the moving train. This is already common on New York subways. For example, the head car on a southbound 8th Avenue subway is always loaded with passengers bound for the Pennsylvania Railroad while the rear car is always loaded with passengers bound for 34th Street. As a matter of humanity, we should develop a system of transportation with enough seats to go around. In our present age of enlightenment, we should be able to find a workable compromise between 4 vacant seats in every automobile and 30 standees in every bus. The single shift of passengers walking from one car to another therefore appears to be only a minor inconvenience compared with changing from a car to a railroad train, then from a train to a subway, then changing trains at Times Square, then at Grand Central, and finally walking several blocks because our office is not sitting on top of a subway station. In return for the equivalent of walking to a diner on a railroad train, the passenger can enjoy substantially door-to-door transportation in a fraction of the time, and with much greater comfort and convenience than are now available or foreseeable in any other system.

[From the Boston Herald, May 28, 1960]

MASS TRANSIT PITTANCE

The American Municipal Association originally asked Congress this year to establish a $500 million loan fund for the improvement of public mass transportation equipment and facilities in metropolitan areas. This seemed a modest request, considering the billions the Government has been pouring into outright grants for highway planning and construction.

But evidently it was not modest enough to rate a chance of enactment, for the AMA has lowered its sights to $100 million, the sum sought in a bill filed by Senator WILLIAMS, Democrat of New Jersey, and others.

The inadequacy of a fund of $100 million was made dramatically clear the other day by John M. Pierce, general manager of the San Francisco Bay Rapid Transit District, in testimony before a congressional committee which is studying the Williams bill. His district, said Pierce, needs $1.2 billion to construct a modern, high speed public transportation system but its maximum bonding capacity is only $800 million, or $400 million short of the mark.

But this $100 million pittance is a good deal better than nothing. It should enable a number of cities to deal with small but nagging problems. In Boston, for example, the MTA might be able to utilize the fund for at least part of the purchase of badly needed new rolling stock for the Dorchester-Cambridge rapid transit line.

The Williams bill provides, moreover, for the use of current Federal planning grant moneys to help in the formulation of integrated transportation plans for metropolitan areas.

But the real significance of the bill is that it would place Congress on record as recognizing that the transportation paralysis which affects all our major metropolitan areas in varying degree is not a "local" matter of no legitimate concern to the Federal Government.

The great majority of the people of this Nation live in these urban areas. In 1958, as Senator WILLIAMS has pointed out, urban area residents held $203 billion, or 66 percent of the total disposable personal income in the United States. They are the ones who produce most of the Nation's wealth—and most of its taxes. They are the ones whose economic welfare is menaced by transportation paralysis.

[From the Christian Science Monitor, May 16, 1960]

ANYTHING-BUT-EASY STREET

The need for better public mass transportation systems in American cities has seldom been made more clear than by a recent projection of public works needs in Los Angeles.

A responsible inventory of the city's requirements over the next decade discloses that the average family in that area would have to be assessed $13,290 to pay for necessary public improvements if population continues to grow and to sprawl.

That projection is startling enough. But what really hits home is the estimate that of this amount $10,200—almost 77 percent—would have to go for streets and roads.

Los Angeles, because it is the home of the freeway rather than the subway, presents a picture that is perhaps exaggerated in comparison to other, less sprawling big cities. But not enough exaggerated to bring comfort to taxpayers elsewhere.

It is a simple and irrefutable fact that efficient mass transit systems can handle the same number of travelers as new city expressways at a very small fraction of the expressways' cost to taxpayers. It is also a fact that in the average American city rush-hour traffic speeds have been slowed down to from 6 to 10 miles per hour—almost back to the 4 miles per hour downtown pace of the horse-and-buggy age.

City streets and throughways are needed to provide flexibility and freedom for car-owning city families. But if urban areas are left, unzoned and unplanned, to spread aimlessly, and then have no good mass transit system, that flexibility and freedom are lost.

Urban taxpayers should back those seemingly costly long-range programs to improve public transport systems—to make transit more attractive, more extensive, more efficient. If they do not, they will find themselves faced with even more costly future street needs, similar to those in Los Angeles.

[From the St. Louis Post-Dispatch, May 29, 1960]

BILL BEING PUSHED TO HELP CITIES IMPROVE MASS TRANSPORTATION COULD BECOME POLITICAL ISSUE—ADMINISTRATION OPPOSES $100 MILLION LOAN FUND PLAN—MAYORS WARN SENATE GROUP THAT AUTO USE HAS REACHED SATURATION POINT

(By James Deakin)

WASHINGTON, May 28.—Over the opposition of the Eisenhower administration, 13 Senators are pushing a bill which would give the Federal Government a modest role in helping the Nation's cities cope with the critical problem of mass transportation.

The bill's sponsors are convinced that metropolitan areas must either modernize and improve their transportation and public transit facilities or face eventual suffocation under a never-ending deluge of automobiles.

With many cities at or near the limit of their borrowing authority, the Senate group has concluded that the Federal Government must step in with financial assistance in this field. The amount has been set at a comparatively low level—a revolving fund of $100 million in Federal loans.

The bill, introduced by Senator HARRISON A. WILLIAMS, Jr., Democrat of New Jersey, and cosponsored by eight Democrats and four Republicans, represents, in WILLIAMS' words, "a sound, modest, and constructive approach to a very serious problem."

The proposal could become a political issue in an election-year Congress. Parliamentary maneuvering now going on may result in the bill being packaged with other liberal legislation presently in the works, thus increasing its chances for passage as a Democratic votegetter.

In this event, the loan plan almost certainly would run into a Presidential veto, but its backers point out that at least it would have gone through Congress. By itself, the bill has only slim prospects in the House and Senate.

At hearings before a Senate subcommittee this week, mayors of large cities, railroad executives and independent experts told of the burdens imposed on cities by the automobile. The warning emphasized again and again in their testimony was that the use of private automobiles has reached a saturation point.

Speaking as president of the American Municipal Association, which represents more than 13,000 municipalities, Mayor Raymond R. Tucker of St. Louis declared:

"If we are forced to abandon mass transportation and force all of those now using it to rely solely on the private automobile * * * the congestion on our streets and highways will become so unmanageable that the private automobile will cease to be a convenient and flexible mode of transportation. * * *

"The plain fact of the matter is that we just cannot build enough lanes of highways to move all our people by private automobile and create enough parking space, without completely paving over our cities and removing all of the business establishments, office buildings, factories, restaurants, hotels, theaters, libraries, museums, hospitals, and other economic, social and cultural establishments that the people are trying to reach in the first place.

"It is incontestable, therefore, that we must find ways and means of moving more and more of our people by some form of mass transportation.

"But here is the dilemma in which we find ourselves. Because of the competition of the private automobile, it has become increasingly unprofitable for the railroad commuter lines, rapid transit lines and bus systems to operate profitably without reducing schedules and service and raising fares. * * *

"Because the operations are unprofitable, many mass transportation companies find it impossible to borrow money to replace worn-out and inefficient equipment."

In the belief that the Federal Government must help break this vicious circle, Senator WILLIAMS proposes a revolving fund of $100 million from which low-interest, long-term loans would be made to States, cities, and public agencies to assist them in setting up integrated, comprehensive mass transportation systems serving an entire urban area.

The loans could be used also to help purchase and modernize commuter equipment. Ultimately the fund would be self-sustaining, with payments on old loans used to make new loans. The interest rate would be set at the average annual interest rate on all Government obligations, now about 3⅛ percent.

WILLIAMS' bill also would authorize matching grants to encourage the planning of mass transportation systems on an areawide basis in an effort to get away from the fragmentation and overlapping so often produced by planing which ends at the boundary line.

Although the amount contemplated for the loan fund is relatively small, the administration has taken a dim view of the proposal. A Treasury Department report on the Williams bill stated that Federal assistance in this field should be limited to those areas where it is "necessary to achieve impelling national policy objectives."

The Department criticized also the proposed interest rate as a subsidy rate, the same objection the administration has raised to other interest levels based on the overall cost of money to the Government rather than on current borrowing rates alone. A spokesman for Senator WILLIAMS termed the Treasury report "completely negative."

Administrative resistance to the loan plan was forecast last March when Secretary of Commerce Frederick H. Mueller submitted a 78-point program aimed at meeting the pressing need for major improvements in our transportation system.

The massive problem posted by traffic congestion in cities, lack of parking space and financial losses on rapid transit and commuter service, the Commerce Department report said, is "primarily a local problem" and must be solved, essentially, at the local level.

Asked whether the administration planned to present any legislative recommendations on transportation problems at this session of Congress, Mueller replied that "there is nothing of such great urgency that I would urge the President to send a special message saying this must be done right now."

Witnesses at the subcommittee hearings this week disputed the contention that mass transportation in the Nation's cities nowadays is primarily a local problem.

"Today, two-thirds of our population live in the 160 standard metropolitan areas of our Nation," Mayor Richardson Dilworth of Philadelphia pointed out. "In the next decade, almost 80 percent of our people will live in these areas."

Dilworth described the steps taken by Philadelphia to alleviate its transit crisis, including the preparation of a faster mass transportation plan for the area and a combined bus-subway-rail commuter arrangemen with a reduced fare, to get commuters from downtown to outlying areas of the city by bus or subway and then home by train.

Bus and commuter train schedules were coordinated with the cooperation of the transit company, parking facilities were provided at train stations, and commuter traffic rose by more than 20 percent in less than 6 months, the mayor said.

The experiment led to the formation of a nonprofit corporation which will furnish low-cost transportation on commuter trains into the city, Dilworth continued. He said the city is putting up $500,000 a year to guarantee the participating railroads against operating losses.

"I have gone into our local efforts in some detail to dispel the frequently heard complaint that we have just thrown up our hands and then come down here with our hands out for help from the Federal Government," Dilworth declared.

Other witnesses at the 3 days of hearings included Gov. Robert B. Meyner of New Jersey; Mayor Robert Wagner of New York; Mayor Richard C. Lee of New Haven, Conn.; Mayor James Kelly of East Orange, N.J.; John M. Pierce, general manager of the San Francisco Bay Transit District; James M. Symes, board chairman of the Pennsylvania Railroad; George Alpert, president of the New York, New Haven & Hartford Railroad Co.; Mayor Anthony J. Celebrezze of Cleveland, and Detlev W. Bronk, chairman of the National Science Foundation, which is conducting a study of transportation systems.

Several of the city officials agreed with Mayor Tucker that the $100 million loan fund which would be authorized by the Williams bill "is far from adequate." Tucker pointed out that the recently completed St. Louis metropolitan area transportation study called for improvements costing an estimated $175 million.

The bill's sponsors, including Senators THOMAS C. HENNINGS, Jr., and STUART SYMINGTON, Missouri Democrats, believe, however, that the measure represents a vital first step—establishing the principle that the Federal Government has a responsibility in the field of urban transportation.

[From the Asbury Park Evening Press, June 17, 1960]

MASS TRANSPORTATION THE ONLY REMEDY

Increasing traffic congestion and the revelations of the 1960 census have brought home to the cities of the United States the need for action. So congested has traffic become that it is often quicker to walk than to ride through metropolitan streets. As a result, city residents are moving to the suburbs and the census confirms the fact.

The automobile has been a voracious consumer of the land in our downtown areas. Moving or parked, its appetite has been described by one architectural authority as insatiable, devouring urban land and "leaving the buildings as mere islands of habitable space in a sea of dangerous and ugly traffic." Another architectural consultant condemns the freeway building boom of the last 10 years as a "murder plot against our urban areas."

Call it what you will, the plight of our cities cannot be ignored. With all their advantages, the suburbs can never take the place of cities. Culturally alone there are advantages in the large city that can never be duplicated in the sprawling suburbs which surround it. Actually, there is a mutual dependence of city upon suburb and suburb upon city which makes both the losers when either deteriorates.

It is rapidly becoming obvious that only mass transportation can save our cities. The wave of roadbuilding which has brought into our cities thousands of cars, often with a single occupant, has brought permanent benefit to no one. Railroads have suffered as their passengers left the coaches and entered automobiles, city streets have been crowded to the point where they are almost impassable, and transportation costs have increased when tolls, parking, gasoline, tires, and the rest of the expense is totaled. Individual transportation just doesn't work.

The problem exists in every metropolitan area. It is especially perplexing to New Jersey residents who must travel to New York. The acuteness of the problem must be attributed to shortsighted planning and, for this, the Port of New York Authority cannot escape responsibility. With all the outstanding service the Authority has rendered to the metropolitan area it has lacked the discernment to see the inevitable consequence of its policies. It should have known, as did hundreds of individuals, including this newspaper, that we cannot afford to permit our railroads to go out of business or provide inadequate service. Highways with their bridges and tunnels; airports providing access to all parts of the world in a matter of hours, together with bus and truck terminals, all have their place in a modern civilization and are a vital part of the life of a metropolis. And to completely neglect the railroads while offering subsidies to their competitors could not possibly produce any other result than the one which confronts us.

City and suburb are interdependent. One cannot achieve its fullest development alone. Easy access between them is essential for the success of both and this means improved mass transportation. Any Government agency that thinks otherwise is closing its eyes to the situation that exists and doing less than its duty to the public it is designed to serve.

[From the New York Times, June 7, 1960]

RAILROAD SUBSIDY VOTED BY JERSEY TO AID COMMUTERS—MEYNER APPROVAL EXPECTED—INCOME TAX AND RISE IN CIGARETTE LEVY GAIN

(By George Cable Wright)

TRENTON, June 6.—The State assembly assured New Jersey commuters today of continued essential rail services.

It approved unanimously and sent to Gov. Robert B. Meyner a bill that would provide for contracts between the State and its major passenger railroads to guarantee the continuance of commuter services.

Each contracting line would receive an annual subsidy from the State, the amount of which would depend on the number of passengers carried and the distance that they were transported.

Mr. Meyner is expected to sign the measure without delay. It would cost the State about $6 million a year, but the necessary funds have already been appropriated by the legislature for the year beginning July 1.

ADDED TAXES VOTED

In its most productive session of the year and its last meeting until the fall, the assembly took the following actions:

Approved and sent to the Senate, which is in recess until September 12, bills that would impose an income tax on all New York-New Jersey commuters and that would increase the State cigarette tax from 5 to 6 cents a pack.

Gave final legislative approval to and sent to Governor Meyner bills designed to end the State's property assessment dilemma; to provide for a referendum in November on a $40 million bond issue to finance an expansion of State institutional facilities, and to restrict installment sales practices and the activities of consumer-finance concerns.

The decision to bring both the cigarette tax and the $40 million bond issue proposal to the floor for a vote was made after a hurried conference between Speaker Maurice V. Brady and Pierce H. Deamer, Jr., Republican minority leader.

ONE MILLION SIX HUNDRED NINETY-EIGHT THOUSAND FOR PENNSY

Under the contracts between the State and the commuter railroads, the Pennsylvania Railroad would be entitled to a $1,698,000 subsidy in the year beginning July 1; the Jersey Central to $1,392,000; the Delaware, Lackawanna & Western, to $1,656,000 and the Erie to $582,000.

The New Jersey and New York would get $78,000; the Lehigh Valley, $30,000; the New York, Susquehanna & Western, $58,000; the Pennsylvania-Reading Seashore, $437,000, and the Reading, $9,600.

The contract proposal was part of a plan for ending the critical commuter-rail situation in the metropolitan area that was proposed earlier this year by Dwight R. G. Palmer, State highway commissioner, in a report to Mr. Meyner and the legislature.

The plan called also for the consolidation of passenger rail facilities in north Jersey and the rerouting of Jersey Central passenger trains through the Pennsylvania Station in Newark, where they would connect with the Hudson and Manhattan tubes.

It was also recommended that the Port of New York Authority, at its own expense, purchase new passenger cars for the Hudson tubes and lease them back to that line, and purchase the existing Lackawanna and Jersey Central ferries and similarly lease them back to the railroads.

Should the commuter income tax be approved by the senate, which at the moment appears somewhat doubtful, Mr. Meyner has indicated that some of the funds raised thereby could be used to finance these recommended actions by the port authority.

TRAFFIC SAFETY UNIT VOTED

As the evening wore on, the assembly approved and sent additional bills to Mr. Meyner.

One called for a referendum in November to give the legislature the right to grant $800 property assessment exemptions to persons over 65 years whose annual incomes do not exceed $5,000.

Another would appropriate $15,000 for a legislative investigation into the activities of New Jersey's welfare and relief agencies.

The assembly also voted and sent to the senate a measure that would create a temporary tristate traffic safety commission. This bill would become law only if and when New York and Connecticut adopted identical legislation, and the compact was approved by the Congress.

The income tax bill was adopted by a vote of 35 to 23 after an hour of acrid debate in which its constitutionality was questioned and fears were expressed that it might serve to open the door to a general statewide income tax.

Proposed by Mr. Meyner, it would affect not only interstate commuters but would apply also to persons living in the one State and deriving income from the commuter area of the other State. The tax is patterned after the New York income tax law.

In effect, it would siphon from Albany to Trenton the $35 million to $40 million now paid annually to New York by 150,000 residents of New Jersey who are employed in that State. The 70,000 New Yorkers working in New Jersey would face tax increases, since all taxpayers, under the pending bill, would be entitled only to such exemptions and deductions now granted nonresidents by New York.

Mr. Meyner has indicated that he will seek to induce the senate to return during the summer to act on the commuter and cigarette taxes. Senate leaders insist that he cannot order their house into special session, since the senate is in recess and has not adjourned sine die.

[From the Bergen Evening Record, June 22, 1960]

THE CASH PRICE OF DELAY

The Senate Banking and Currency Committee has adopted a report declaring the metropolitan transportation problem to be of such gravity as to warrant immediate Federal action. But what's new? Says the report:

"The committee believes further that the impact of the urban transportation crisis on the economic health of the metropolitan areas, on the free flow of goods in interstate commerce, and on the Federal highway program is of such gravity as to warrant immediate Federal action."

Still, what's new? The report of the full committee is a powerful endorsement of Senator WILLIAMS', Democrat, of New Jersey, bill to encourage planning and to set up low-cost loans to State and local governments for transit improvement.

Haven't all these been around so long that the very language has been worn into illegibility?

One element of the report is in fact arresting, and should be given attention even if that takes a special effort. This is its emphasis on the suddenness with which the crisis has developed. the speed at which it is racing to its resolution, and hence the need for acting faster than large masses of people and their governments are accustomed to act.

Since 1950 the number of riders on all forms of mass transportation (not railroads alone) has decreased by 38 percent. And:

"The metropolitan areas appear destined for a total breakdown of their transporta-

tion networks if by 1976 the number of vehicles rises, as predicted by the U.S. Bureau of Public Roads, from the current level of 70 million to 113 million and if at the same time the downward trend of mass-transportation services is perpetuated."

Never before have we been faced with so precipitate a change in national habit or with so high a price for neglecting to deal with it. The American Municipal Association has calculated that if five cities—New York, Chicago, Philadelphia, Boston, and Cleveland—lose their rail commuter service it will cost $31 billion (financed over 30 years at 4 percent) to build roads enough to move comparable numbers of people.

The point of the Senate committee report is that we have no time to lose.

That too has been said before. But with every passing day it acquires an added force that imparts to it something like startling novelty. And the days keep passing.

[From the Newark Star-Ledger, June 16, 1960]

MODEST SHARE

Committee approval of Senator WILLIAMS' bill on commuter transit aid marks progress in efforts to get the Federal Government to lend some assistance toward improved commuter services.

The measure is only over its first hurdle, but the initial approval amounts to recognition of Federal responsibility in the mass transportation crisis. The program would set up a loan procedure for helping to modernize commuter facilities.

The bill is one of several recent developments in the battle for action on the mass transit mess. There is a greater awareness today at all levels of government on the necessity for a constructive mass transit program.

The Federal Government is not expected to take on the whole job. But it should be expected to do its share. The share called for in the Williams bill certainly is modest enough.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield to the Senator from Connecticut.

Mr. BUSH. I have listened with interest to the Senator from New Jersey, who is the sponsor of the bill on mass transportation now pending before the Senate. I believe this is a highly important measure, because the problem of mass transportation within our great cities today has become such a pressing one as to be almost frustrating when we consider how it can be dealt with.

If this bill shall be enacted, it will provide for cooperation between the Federal Government, the States and the localities in studying how best to come to grips with this overpowering problem of mass transportation and of congestion within our cities.

The problem is so bad in the New York City area, for instance, that if it gets any worse traffic will probably simply come to a stop. The situation is apt to be frozen.

This issue also involves the commuter problem, which is part of the mass transportation problem affecting some of our great cities. This is a particularly pressing problem in the New York, Connecticut, and New Jersey area.

I believe the Senator has done a service for the greater area in which we live, and also for the other communities which are faced with this difficult problem, by bringing the bill to the Senate today. I am very glad to assure the Senator that it has my complete support.

I thank the Senator for yielding.

Mr. WILLIAMS of New Jersey. Mr. President, I thank the Senator from Connecticut. I wish to point out that we had extensive hearings within the Housing Subcommittee, of which the Senator from Connecticut is a distinguished member. The Senator made a very vital contribution to the effort of bringing the proposed legislation through the subcommittee, through the Committee on Banking and Currency, and to the Senate. I am very grateful for the Senator's statement today and for his help in the committee.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I am happy to yield to the Senator from Alabama.

Mr. SPARKMAN. I wish to take this opportunity to commend the Senator from New Jersey for the outstanding work he has done in connection with the proposed legislation. The Senator introduced the bill early in the session. He started work on it. He asked me, as chairman of the Housing Subcommittee, to have hearings on the bill at the same time we were holding hearings on proposed housing legislation. After all, it is an amendment to the housing law, section 701 of the Housing Act of 1954, and the public facilities loan program passed in the Housing Amendments of 1955.

The hearings were held. I compliment the Senator from New Jersey for having worked up as good a presentation of his case as I have ever seen during the years I have been in Congress. Anyone who reads the hearings will understand what I mean by that statement. A fine case was presented.

It was never intended that this proposal should be a part of the regular housing bill. The Senator from New Jersey will recall that he and I discussed the matter, and it was agreed from the beginning this would be reported as a separate bill. It was so reported. It is now before the Senate for consideration. I think those who are primarily concerned with the problem certainly should be everlastingly grateful to the Senator from New Jersey for the masterful job he has done in handling this proposed legislation.

Mr. WILLIAMS of New Jersey. In reply to my chairman and good friend the Senator from Alabama, I am undeserving of the high praise, much as I appreciate hearing it. We would not be in the position we are today, with the bill before the Senate, if it had not been for the generous attitude and cooperative spirit of the Senator from Alabama, in bringing the bill to the attention of the subcommittee. This was another demonstration of why those of us who serve under our chairman so much respect him and love him for his kindness in the subcommittee. I am grateful indeed.

Mr. President, without the help of our committee staff and the staff of my office our presentation would not have been as complete. I am very grateful for their help.

Mr. KUCHEL. Mr. President——

Mr. WILLIAMS of New Jersey. I am happy to yield to the Senator from California.

Mr. KUCHEL. I wish to say to my able friend from New Jersey, first, that in the pending legislation, he has placed his finger upon an important problem confronting the people of the United States today with respect to transportation.

Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 9, between lines 19 and 20, it is proposed to insert a new subsection as follows:

(c) Any amounts expended by any State, local, or other agency eligible for financial assistance under section 701 of the Housing Act of 1954 in connection with planning for the coordination of transportation systems in urban areas, may, under regulations prescribed by the Housing and Home Finance Administrator, be considered in determining the amount of local contribution required of such agency in connection with any grant made under such section after date of enactment of this Act, if

(1) such amounts were expended within five years prior to the date of enactment of this Act, and

(2) credit for the expenditure of such amounts has not heretofore been allowed in connection with any grant under such section.

Mr. KUCHEL. Mr. President, I am happy to say that the able Senator from New Jersey has told me he will accept the amendment.

Briefly stated, Mr. President, my amendment would make this legislation retrospective in character for the 5 years immediately preceding its enactment, as well as prospective it would provide that any community in America—or any State or local body, otherwise qualified—recognizing the problems of mass transportation and acting independently with respect to any solutions it believes feasible in the field of mass transportation, including the expenditure of local moneys, may have those expenditures considered in any Federal assistance otherwise authorized under the pending legislation. There is a cutoff provided for in the bill, as I say, for any expenditures made by the community, for the 5 years last passed.

We have in the State from which I come two great metropolitan areas, San Francisco and Los Angeles. The head of each of the rapid transportation authorities, in those two areas, testified before the subcommittee on which the Senator from New Jersey serves. I ask unanimous consent that the brief comments by these gentlemen on pages 6 and 7 of the report, on the proposed legislation, be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

C. M. Gillis, executive director of the Los Angeles Metropolitan Transit Authority:

"In California, we believe we have the finest system of highways and freeways in the United States. Governor Brown recently joked that the Hollywood Freeway was the longest parking lot in the world. These freeways perform an amazing job, and yet they are filled to capacity on the day they are opened * * *. We in Los Angeles are attempting to find a rapid transit system that can be financed with revenue bonds, because that is the authority we now have in the State act, although to many, such financing appears to be highly unlikely. Certainly, Federal partnership in one of several ways would help a great deal. * * * It has been said that the metropolitan areas of the United States cannot afford a modern mass rapid transit system. I think it can just as reasonably be said that the metropolitan areas cannot afford not to have an up-to-date mass rapid transit system."

John M. Peirce, general manager, San Francisco Bay Area Rapid Transit District:

"The San Francisco Bay Area Rapid Transit District is now in the final weeks of developing plans for its five-county system of rail rapid transit [calling for] 132 miles of rail lines connecting the population centers of the bay area * * *. There is almost complete recognition of the fact that with the doubling of the San Francisco Bay area's population in the next 20 or 25 years, major dependence on private automobiles is virtually impossible. Water barriers, irregular terrain and limited land area for motor vehicle use, all contribute to the problem with which we are faced. Worst of all, if within the next 10 years we are unable to provide for accessibility to the core areas of our region and for free circulation of people within the area, our economy will be adversely affected and our future will be less optimistic than we otherwise hope it will be. Accordingly, we urge upon the Congress its favorable consideration of S. 3278, which we hope will give at least initial recognition to the congestion problem which is becoming worse in all of the Nation's metropolitan areas. In California the problem is compounded because of our dependence on motor vehicles for most public and private transportation, and also because of our tremendous population growth. And I should add that population growth in California's metropolitan areas is four times as great as in our rural areas."

Mr. WILLIAMS of New Jersey. Mr. President, of course, I am always happy to cooperate with our good friend, the senior Senator from California, and I wish to cooperate with him in this connection by accepting the amendment which has been offered.

Mr. President, the testimony, which has been ordered printed in the RECORD, of Mr. John M. Peirce, the general manager of the San Francisco Bay Area Rapid Transit District, and Mr. C. M. Gillis, executive director of the Los Angeles Metropolitan Transit Authority, was most helpful in our understanding of the metropolitan problems, and very helpful in support of the effort which goes to the heart of trying to unsnarl transportation difficulties.

I am happy to cooperate with my friend from California.

Mr. KUCHEL. I thank my friend very much. Mr. President, I move that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the Senator from California.

The amendment to the amendment was agreed to.

Mr. KUCHEL. I thank the Senator.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK. Mr. President, after the third reading of the bill I wish to be recognized.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading the bill.

The bill (S. 3278) was ordered to be engrossed for a third reading, and was read the third time.

Mr. CLARK. Mr. President, as a cosponsor of the bill I should like to record my strong support for it.

I wish to join in the commendation of the junior Senator from New Jersey, who has so skillfully piloted the bill through the committee and before the Senate. He has done an extremely able piece of legislative work. The Senator is one of our new and able lights in the Senate. I am sure this is a forerunner of many other legislative victories for the future.

We are indeed fortunate, in the Committee on Banking and Currency, to have as a member the junior Senator from New Jersey, who is so able and alert.

I join the Senator from New Jersey in paying tribute to the chairman of the Subcommittee on Housing of the Committee on Banking and Currency, the Senator from Alabama [Mr. SPARKMAN], for without his cooperation the bill never would have come from the subcommittee.

I also join in commendation of our beloved chairman of the Committee on Banking and Currency, the Senator from Virginia [Mr. ROBERTSON], who gave his strong support to the measure, which insured a unanimous and favorable report of the bill from the committee.

Mr. President, this measure will be of valuable assistance in solving our transportation and traffic difficulties not only in the larger cities of the country but also in some of the middle-sized cities.

Actually the genesis of this bill arose in the fertile brain of two Philadelphians—James M. Symes, the president of the Pennsylvania Railroad, and Richardson Dilworth, Mayor of Philadelphia, and now serving as the president of the U.S. Conference of Mayors.

Mr. Symes, who has been a fine public servant, interested in civil matters in Philadelphia, testified before the committee and stated his reasons why the railroads could not afford to provide, let alone improve, commutation services. He showed how the Federal Government poured millions of dollars into capital expenditures for other transportation facilities, and the terrific increase of the debt of local governments and State governments, all as a result of Federal activities.

He then pointed out the reasons why funds for capital expenditures for mass transportation must come from the Federal Government.

In cooperation with Mayor Dilworth and the Senator from New Jersey [Mr. WILLIAMS], S. 3278 was drafted.

The bill is indeed an adequate vehicle with which to begin a transportation loan program upon which the Congress can build in the future. If the bill should not pass, the Federal Government will continue to waste money by destroying the center core of our cities, and will then spend billions of dollars to rehabilitate the damage and the chaos which will have been created.

Mayor Dilworth was among the first to see this development. Under his initiative a conference was called in Chicago, at which a number of the presidents of our great railroads met with a number of the mayors of our large American cities.

As a result of that conference the group came to the Senator from New Jersey and asked his support in drafting and carrying through this bill. I am happy indeed that two of my fellow Philadelphians should have played so strong a part in the framing of this measure. I am happy to be a cosponsor, and I am hopeful that the bill will pass not only the Senate, but also the House, and be signed by the President of the United States before adjournment.

Mr. WILLIAMS of New Jersey. Mr. President, I do not wish to delay proceedings any further. I thank my very good friend the Senator from Pennsylvania [Mr. CLARK], not only for the generosity of his remarks in the Senate today, but for his monumental assistance in bringing the bill forward to the point it has reached.

I yield the floor.

Mr. KEATING. Mr. President, I wish to commend the Senator from New Jersey for his introduction of the proposed legislation, of which I am a cosponsor. This measure represents an all-important step toward surmounting one of the major obstacles to the orderly and vigorous economic growth of the Nation. S. 3278, of which I am a cosponsor, will provide Federal planning and financial aid to urban areas to assist them in developing effective means of moving goods and people in and out and through, the vital economic centers of our metropolitan areas.

It will afford a comprehensive approach to the whole transportation problem through the coordination of highway, bus, surface-rail, underground, and other mass transportation systems. The need for such integration has been clearly evident for some time. It is imperative for the future well-being of our Nation.

Anyone who has given consideration to this problem must recognize the need for a national effort, spearheaded by the Federal Government, to help clear up congestion in our cities. A number of cogent arguments can be advanced to support the logic and advisability of Federal assistance for the improvement and expansion of urban transportation. The major arguments can be grouped under these three brief headings: First, the ur-

gent need; second, national economic significance and third, the lack of local financial resources.

THE NEED

The first of these—the need for improvement and expansion of metropolitan transportation facilities—is self-evident. We are surrounded by congestion and delay each day as we travel in and around our cities. A pleasant Sunday afternoon excursion into the countryside is virtually out of the question nowadays simply because it is not pleasant to travel bumper to bumper. This is the dilemma of the automobile age—the need for fast, efficient transportation in the face of growing congestion. Indications are that the number of automobiles will probably double within the next 15 years. It has been estimated that by 1975 there will be more than 100 million cars caught up in the traffic streams of streets and highways.

It is obvious that many of our great cities are slowly strangling to death due to downtown congestion. The onset of the automobile as the normal means of transportation has turned centers of cities into veritable nightmares of snarled traffic and overstuffed parking facilities. The hit-or-miss manner in which much municipal planning has been carried out in recent years has served to compound the problem with regard to means of transit to and from our cities and their burgeoning suburbs. Unless all levels of Government—Federal, State, and local—cooperate in the elimination of this massive traffic jam the futures of our urban areas will be in grave jeopardy.

The effect of this traffic congestion on mass transportation facilities has been the exact opposite of what is needed. Mass transit systems have been steadily deteriorating in both quality and quantity at a time when efficient mass transportation is sorely needed. The preference for the door-to-door convenience of the automobile and the ability of more and more consumers to meet the expense of automobile ownership have drastically reduced utilization of the passenger services offered by intracity and intercity public transportation systems, at a time when such services may be the only answer to the alleviation of the traffic jams.

NATIONAL ECONOMIC SIGNIFICANCE

Luther Gulick has said in testimony before the Senate Subcommittee on Housing:

> The streets of our cities, the highways of our country are part of the assembly line of the American economy. To this extent they have been woven into a national system of life and the national system of economics. So that when we talk about the problem of mass transportation in the cities, we are dealing with a circulation problem of human beings within a new urban pattern, a pattern which must be made efficient from the standpoint of economics and must be made satisfactory from the standpoint of good life.

This eminent scholar and planning expert focuses our sights on the very heart of the matter when he refers to the need for an efficient circulation pattern from the standpoint of economics and from the standpoint of good life.

Cities are, after all, the centers of culture and commerce. Today's city owes its very existence to the marketplace around which it developed. Its future prosperity depends, most emphatically, upon the ability to maintain a system of transportation which will facilitate the marketplace activities, and efficiently conduct the movement of people from home, to the office, to recreational and cultural accommodations, to the halls of learning, to the temples of worship, to the retail establishments, and to the numerous appurtenances which converge in the urban areas to create the social and economic environment which constitutes our modern civilization.

It is paradoxical that the technological progress which fostered the growth of our great urban centers through improved transportation is today being hampered by the need for improved and expanded transit systems. The orderly, effective movement of goods and people is vitally necessary for healthy, vigorous market centers. Yet, either many of our cities are suffering from the inability of antiquated, inadequate mass transit systems to affect the competent conveyance of goods and people, or public facilities are so totally lacking that transportation depends almost exclusively upon the space-consuming motor vehicle.

The economic tragedy of the traffic jam due to the overuse of the automobile and its radial effects is very readily discernible in many of the large metropolitan centers of my home State, but perhaps the best example I can cite is New York City. According to Mayor Wagner, 3 million persons enter Manhattan south of 60th Street on a typical business day. Two-thirds of these use mass transportation. More than 500,000 automobiles come into the area from outlying communities. Commuter rail service in and out of the city has been declining steadily and prices have been on the increase.

For many years this great metropolis has been able to function as a cultural, educational, business, and commercial center because of its transportation systems of buses and subways and its commuter railroads. Today, however, it finds itself faced with tremendous congestion and policing and traffic problems because of the growth of its automobile population. In 1924, 10 percent of the persons entering Manhattan used automobiles. In 1959, 22 percent used automobiles. Viewed in monetary terms, or in terms of human values, the losses which can accrue from this continued disorganizing congestion are awesome to behold.

It has been estimated that the loss from the normal traffic jams in the 10 major cities of the country approaches $5 billion a year. The total losses suffered by the smaller urban areas would probably be more than double this figure, for they, too, are experiencing congestion, traffic, and parking problems.

A study which appeared in the magazine Business Horizons in the spring of 1959 observed that cities of 100,000 or under in population have been the hardest hit in terms of the discontinuance of transit services. Again, the use of the automobile has forced transit companies to reduce services and raise fares. In fact, the Bureau of Public Roads reports that travel patterns studied in 50 U.S. cities revealed that the privately owned automobile was the predominant choice for trips for all purposes in cities of less than 1 million population.

One of the greatest losers in the transportation predicament is the downtown. We are all familiar with current abundance of predictions as the presumed demise of our urban cores. A careful analysis of the historical growth of cities, and their contribution to the economic and social life of the population, coupled with the forecasts of demographers of even larger urban population concentrations in coming years, will immediately belie the theory of the death of downtown business centers, and the lessening of their importance to economic progress.

We must remember that business and commerce thrive on a certain degree of congestion. It brings groups of people together, creating the need for additional businesses and establishing an environment for growth and progress. But too much congestion could strangle our urban centers.

The stock exchange will certainly not move to Englewood. "My Fair Lady" will not have a 3-year run in West Hempstead. The Metropolitan Museum of Art will not move to Tarrytown.

It has been estimated that retail sales will increase from the present $221 billion to an overwhelmingly high total of $400 billion by 1970. Most of this retail business will continue to be generated downtown where people work and shop.

Thus, under proper conditions, the future of our cities is secure.

Although somewhat changed in emphasis, the downtown will continue to be a place to gather to work, to play, to learn and to engage in commerce, and these functions must be facilitated by coordinated systems of mass transportation.

The accommodation of peak loads is one of the major areas in which transit companies and local governments have been unsuccessful. S. 3278 would assist in establishing an integrated, balanced, system of transportation which will keep the automobile from carrying the full burden of traffic needs, and will permit the economical operation of mass transit systems. It will stimulate corrective action at the local and State levels, giving an impetus which has been sorely lacking in some communities.

LACK OF LOCAL FINANCIAL RESOURCES

The third major argument for Federal assistance—namely, the lack of adequate local finance—is an oft-repeated argument made in support of Federal aid, but it is a distinctly logical and supportable point of view in this instance. No one will refute the logic of the fact that our cities are the economic and social foundation of the Nation. Their well-being is vitally important to the well-being of our entire society. Surely, problems which affect the welfare of almost two-thirds of the American population must be of paramount importance to the National Government.

Most States, and many lower levels of government have for some time been operating barely within the legal limit of their debt ceilings. In an effort to defray the expenditures required for the expansion and improvement of public services, taxes at the lower levels of government have doubled, and officials are hard pressed to meet the costs arising from the demands of increasing urban populations.

In many instances, the governments which are burdened with the additional public expenditures do not have the authority to tap the revenue sources of the groups whose activities have generated the demand for public services. Only through Federal and State cooperative assistance can the problems which cross political and geographical boundaries be satisfactorily solved.

The tax structure of the Federal Government also has been an impediment to increased local and State financing. If the Federal Government continues to draw from the States and municipalities those funds which could be used in the financing of needed improvement and expansion of necessary public facilities, it is only fitting and proper that some of these funds be returned to the subordinate levels of Government for use in the renewal, redevelopment, and improvement of the Nation's cities and towns.

Recognition of the Federal Government's responsibility for the maintenance of socially and economically healthy local areas is inherent in the urban renewal program, urban planning assistance, interstate highway financing and such other areas as agriculture and sewage and pollution treatment and disposal. By the same token the Federal Government must assist in the improvement of the total urban transportation system by working in cooperation with communities.

Facilitation of automobile travel through Federal aid for highway construction is but a small part of a much broader problem, and this program has had a profound effect on all of the other segments of the transportation industry. The concentration of efforts and finances in accommodation of motor vehicle travel, without coordination with other modes of travel, has compounded congestion and traffic problems and contributed to the further erosion of the local financial base. This result, which I am sure was not anticipated when the Federal Highway Act was enacted and extended, can only be corrected through coordinated planning, and cooperative financing of broad transportation systems which encompass highways, rail service, buses, and other surface-type travel and subways.

No one segment of the transportation industry, or single level of Government can absorb the total responsibility for expediting and improving the movement of people and goods. It requires the cooperative efforts of all transportation industry units and municipal, county, State, and National Governments.

S. 3278 contains fundamental provisions for undertaking a program for improving mass transit systems for intercity, intracity, and regional transportation of people and goods. It is neither a complicated, nor a costly piece of legislation, but its benefits would be broad and concrete. The bill would amend the urban planning assistance provision of section 701 of the Housing Act of 1954 to require that a metropolitan or regional planning project include in its comprehensive plan, specific programs for handling mass transit and commuter services on a coordinated basis, and grants would be provided to assist in the financing of this planning.

The loan provisions of this bill go to the heart of the city transit problem. The long-term, low-interest loans made possible by this measure constitute a proper area for Federal assistance, in the light of the national interest in the urban transit crisis.

These loans will fill the void now confronting many large cities which have already reached their debt limit in their efforts to meet the demand for greater services for city residents. The purchase of commuter equipment and the financing of the construction of integrated transportation facilities in metropolitan areas which will be made possible by these loans can result in the more modern, efficient, and attractive service which is needed. This can help attract more customers back to the use of commuter facilities.

Thus, by wise and vigorous application of the loan provisions of this bill, mass transit systems all across America can be shored up and revitalized. A direct result can be significant alleviation of the problem of urban strangulation and paralyzing traffic congestion, thus contributing to revived business activity in our central cities.

It is my firm belief that in the long run America's taxpayers will benefit from the implementation of this bill and the resultant improvement in mass transportation systems. New wealth can be created by stimulating business activity in downtown areas. Staggering losses in man-hours can be eliminated by utilization of speedy and efficient commuter systems. The substantial Federal investment in the commendable urban renewal program can be protected by insuring that eradication of center city blight will be coordinated with the establishment of mass transportation facilities.

Clearly, if we do not take this modest first step, the present costs in these fields will multiply to tremendous proportions. In my view, we cannot delay any longer in bringing the facilities and resources of the Federal Government to bear on this problem.

I am pleased to note that this program is to be administered by the Housing and Home Finance Agency. This constitutes a recognition that there is a close relationship and there must be close coordination between urban planning and urban renewal projects and the development of mass transit programs.

It is my hope that eventually the Housing and Home Finance Agency will form the nucleus of a Federal Department concerned with urban problems, such as envisioned in S. 2397, which I am sponsoring, or in S. 3292, sponsored by the senior Senator from Pennsylvania [Mr. CLARK]. One of the major divisions of a Department of Urbiculture or Urban Affairs should, in my view, deal with mass transportation problems and with the administration of the programs to be launched as a result of the bill before us today.

Mr. President, while we must recognize that S. 3278 is no panacea or cure-all for the ills of our ailing mass transit systems, it is a decisive step in the right direction.

The vital thing is that this legislation recognizes that there must be a national interest and a national effort directed toward the creation of coordinated, balanced mass transportation systems in the major metropolitan areas where some two-thirds of our people today live and work.

It provides the machinery to assist in a comprehensive study of our overall transportation problem. It will encourage the formulation of workable master transit plans in congested areas. It authorizes loans which are essential to bring local transportation facilities up to date so that they can attract additional business and fulfill their vital role in urban life.

These are three essential ingredients in any long-range Federal program to end the mass transit problems which today threaten to stifle the very existence of our urban areas and thus sap the strength of the entire Nation. The impetus given by the proposals in S. 3278 should produce real progress in providing our downtowns with efficient mass transportation and controlling disorganizing congestion by good transit, while making possible the orderly mass distribution upon which our economic growth and advancement so emphatically depend.

It is my hope that the Senate will respond to the national crisis and the national need in the field of urban transportation by approving overwhelmingly this important piece of legislation.

Mr. WILLIAMS of New Jersey. Mr. President, I wish to make the comment that when the bill was first introduced, both Senators from New York were cosponsors. It meant a great deal to the whole metropolitan area to know that together we were going to find solutions and answers to transportation problems in the New York-New Jersey-Connecticut area, as well as in the hundreds of other metropolitan communities across the country. I am grateful for the support of the Senator from New York.

Mr. KEATING. I thank the Senator from New Jersey. The proposed legislation is of great importance to the New York City area.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. THURMOND. Mr. President, I have no illusions about the passage of the bill. I wish to be on record, however, as opposing it. I know of no authority under the Constitution for the National Government to enact a law of this kind. I know of no authority under our Constitution for the central Government in Washington to give or lend money to cities for the purposes specified in the bill. In my opinion we have

passed many measures for which there is no constitutional authority.

Moreover, if we did have the constitutional authority to go into the field of the proposed legislation, I think it would be unwise to do so. Where is the money to come from? We now have a debt of $292 billion. We are running deficits annually. We have run deficits in 25 of the last 35 years.

The interest on our national debt today amounts to 11 cents on every dollar received in taxation.

We cannot continue as we are going at present. If our cities, which are the richest sections in the Nation, cannot finance the proposed transportation study and cannot make provision to carry out the recommendations resulting from the studies after they have been made, who can do so?

There are only two sections in the Nation. They are the cities and the rural areas. Are we going to impose an additional tax on the rural areas in order to finance a solution of the problems of the cities? I do not think such action is right. Furthermore, the rural areas are unable to stand the expense.

If that is the case, then why not let each city and each State go forward with such programs as are here proposed, and not plunge the Federal Government into a new program, such as the one before us, which would require hundreds of millions of dollars?

On page 8 of the bill, under the heading "Urban Planning Grants," appears the following:

SEC. 701. (a) In order to assist State and local governments in solving planning problems resulting from the increasing concentration of population in metropolitan and other urban areas, including smaller communities, to facilitate comprehensive planning on a continuing basis by State and local governments for urban development and the coordination of transportation systems in urban areas, and to encourage State and local governments to establish and develop planning staffs, the Administrator is authorized to make planning grants to—.

The Administrator is authorized to do what? He is authorized to make planning grants. In other words, if the bill is enacted, the Administrator will be authorized to make grants to the cities for the purposes set out in the bill.

Again, Mr. President, where is the money coming from?

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield to the distinguished Senator from New Jersey.

Mr. WILLIAMS of New Jersey. I appreciate the Senator's yielding to me. I should like to say, in reply, that this money has been provided. Twenty million dollars has been authorized under the planning section for urban planning grants. Twelve million four hundred thousand dollars has been appropriated to date, and $4 million is expected to be appropriated for this year. That is where the money is coming from.

Mr. THURMOND. I thank the Senator for his remark. However, we can appropriate and we can authorize, but still, where is the money coming from?

Mr. WILLIAMS of New Jersey. About 75 percent of it is coming from the cities we are concerned about in the pending bill.

Mr. THURMOND. Where is the rest of it coming from?

Mr. WILLIAMS of New Jersey. I trust it will come from other areas which have income to support taxation.

Mr. THURMOND. I am sure the Senator realizes that there are only two categories of population in this Nation, and that is the cities and the rural areas. Is it the Senator's idea that the rural areas must come forward to help the cities?

Mr. WILLIAMS of New Jersey. I believe the time has come when the stark economic facts suggest that if we do not find ways to keep the rapid transit systems which exist, and improve those which exist, and restore those that have been abandoned, all of us will be called upon to spend billions of dollars, instead of the small amount that is called for in the bill, to keep the country free for travel, growth, communication, and interstate commerce.

Let us consider what happened to the city of Los Angeles. The city of Los Angeles discontinued its rapid transit system. They thought they saw their answer in the highways and in the automobile. I hope the Senator will take the time to read the record and note the disaster which now faces the city of Los Angeles in trying to recover from what I would think was the earlier mistake of discontinuing its rapid transit system. It will take far more to restore the rapid transit system in the city of Los Angeles than any amount involved in the program we suggest; and it has been found that the rapid transit system must be restored in downtown Los Angeles.

Mr. THURMOND. I heartily agree with the Senator that rapid transit must be provided for. I heartily agree with the Senator in his statement. However, I say it is not the problem of the Federal Government. It is the problem of the cities involved. If the cities involved, which are the cities with the greatest wealth in the United States, cannot go forward and undertake the responsibilities which are theirs, how can the Federal Government get the means from any other source except from the rural people?

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield.

Mr. WILLIAMS of New Jersey. I recognize how deeply the Senator feels that this is a local problem and a problem for the cities. I trust the Senator will be perfectly consistent when he considers the fact that the cities are called on to pay for storage and purchase of surplus farm commodities, which cost billions of dollars annually. Those of us who vote for these farm programs, and who live in cities and metropolitan areas, have the view that we do not think it is a mistake to do so, but that we are one Nation, and therefore when the farmers need help, we are ready to give them help. If the record is read by my good friend from South Carolina, he will note that we need some help in the cities to straighten out transportation, which is the lifeblood of communication and commerce in this country.

Mr. THURMOND. In reply to the distinguished Senator from New Jersey, I should like to say that I am sure his motives are of the highest. However, whether it is for the farms in the State or whether it is for the cities in the States, the National Government has no authority under the Constitution to go into this type of program.

I realize that it has been customary in the past few years for the Federal Government to enter into almost every type of program, and to be the banker of the Nation. Therefore I can see how my good friend from New Jersey has been misled into believing that this is the proper way to proceed. In my opinion, it is not constitutional. This is a matter which concerns urban areas. It is a matter which is entirely within a State. It is a matter that should be cared for within the State.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. THURMOND. The Senator from New Jersey referred to interstate commerce. If there is any provision concerning interstate commerce in the bill, that is a different matter. If it is for interstate loans, that can be taken care of under the Interstate Highway System. This is no place for the commingling of the problems of cities with problems of the National Government. It is my firm opinion that the problems of the cities should be solved by the cities. If the cities will assume their responsibilities, and if the States will assume their responsibilities toward the cities, that is the proper way for it to be done.

When the Constitution was written, the fields of activity in which the National Government was to operate were listed in the Constitution. These are the coining of money, national defense, and interstate commerce, and foreign affairs. Those are the things that the National Government can do better for each State than each State can do for itself.

Under the 10th amendment all other rights were reserved to the States. The National Government has no jurisdiction in this field. Furthermore, as I stated, we do not have the money. There is no State in the Nation that is not better able to care for its schools than is the National Government. There is no State in the Nation that is not better able to take care of the problems of its cities than is the National Government.

This is another example of the National Government entering a field in which it has no constitutional authority. Even if it did have the constitutional authority, we do not have the money with which to do it. Every dollar that will go to these cities will have to be borrowed, as the Senator knows. The hundreds of millions of dollars that will go into the program will have to come out of the National Treasury. We do not have the money in the National Treasury. We have a debt of $292 billion, on which we ought to begin paying something. We have been running deficits more often than not for 25 or 30 years. Where is it all going to stop?

Is it the obligation of the National Government to assume all the problems of the cities of the Nation, of all the school districts of the Nation, of the local towns and cities of the Nation? I say it is not. For that reason I oppose the bill. As I stated, I have no illusions about the Senate passing the bill, because I know what the Senate has done on similar matters. I believe we should follow the Constitution. If it is thought necessary to do so, we should amend the Constitution to provide for this matter, and not usurp the rights of the States and put the Federal Government in a field in which it has no authority. That is my position on this subject.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield to the distinguished Senator from New Jersey.

Mr. WILLIAMS of New Jersey. In reply to the Senator's statement with respect to the ability of States and municipalities to meet the heavy demands for public transportation, planning, and growth, I should like to point out that since 1950 State and local debt has risen 169 percent, or 15 times as fast as the Federal debt, which has risen only 11 percent.

In connection with the program for improving transportation, the record will reflect the fact that this program will not be a net loss but that it is a loan program, and if the program follows the history of the college housing program we can fully expect that all of the money will be returned with interest to the Federal Government.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. THURMOND. On that point, I may say that from 1787, when the Constitution was adopted at Philadelphia, until 1937—150 years—the United States had spent $157 billion to meet Government expenses. Within the last 2 years, $159 billion has been spent in the operation of the Government. In other words, during the past 2 years $2 billion more has been spent in the operation of the Federal Government than was spent in the first 150 years of the existence of the Nation. It is my firm opinion that that is not a sound fiscal operation. It is my firm opinion that it is necessary to begin to reduce Government expenses rather than to increase them.

The Senator referred to the housing bill. I should like to know the authority for the housing bill under the Constitution. If the Senator has an answer to that question, I shall be glad to hear him state what authority the Government has for entering the housing field in each State and in each city.

Mr. BUSH. Mr. President, if the Senator from South Carolina will yield to me, I shall be glad to comment on that question, if he would care to have me do so, because I am a member of the Committee on Banking and Currency.

Mr. THURMOND. I am glad to yield to the Senator from Connecticut to answer my query.

Mr. BUSH. Mr. President, I congratulate the Senator for not having, to any great degree, a transportation problem in the State of South Carolina. I believe the problem of mass transportation is not an aggravated one in that area, and that is very fortunate.

Mr. THURMOND. It is not a question whether South Carolina has that problem; the question is whether there is any authority under the Constitution for the Federal Government to enter that field. The next question is, Where will the money come from, if we go into that field? I realize that the Senator from Connecticut makes the point that South Carolina does not have such a problem, and therefore I should not be taking the position I am taking. But that is an altogether incorrect position for him to take.

Mr. BUSH. May I continue with my point? I want to come to grips with the Senator's question as to what business of the Federal Government, the question of mass transportation is, anyway.

There are many issues in towns within a State which are communal in nature. In such cases, the State itself frequently takes the leadership in studying the problems on behalf of the towns, and even finances the solution of the problem, so that a satisfactory result may be accomplished. The State will secure the best advice and widest advice which can be brought to bear upon the problems concerned.

In this instance, a similar situation exists among many of the great congested areas. In other words, the transportation problems of Chicago, Philadelphia, New York, Los Angeles, and many other large, congested areas are not dissimilar. They are quite similar. Therefore, it is not inappropriate, it seems to me, for the Federal Government to interest itself in trying to find a solution to the problems which will give aid and comfort to the cities where the problem is acute.

What appeals to me in the bill is the urban planning grants and assistance which the Federal Government is offering in trying to find solutions for a very aggravated transportation problem. The problem itself is somewhat aggravated, not by the Federal Government, but by interstate commerce, over which Congress certainly has the authority to legislate. The area comprising the State of the Senator from New Jersey [Mr. WILLIAMS] and my State of Connecticut, in the midst of which is the State of New York, poses a communal problem. Pennsylvania also has a very direct interest in the solution of the problem. I certainly think that that is an interstate problem. Therefore, I do not believe there is any question about the constitutionality of the bill; in fact, I should say there is far less question about that than about many other bills in which Federal assistance has been sought. The problem sought to be solved by the bill has national proportions.

The development of the highways, which has been financed by the Federal Government, to a great extent, through the system of interstate defense highways, under an act passed in 1956, has aggravated the problem materially.

So I believe the national interest is involved. The question is how to unfreeze the terrible congestion, which is getting worse and worse in the big centers of population, which are important factors in industry and commerce, and therefore in the defense of the United States.

Mr. THURMOND. In reply to the distinguished Senator from Connecticut, whom I hold in the highest esteem, I realize that a transportation problem exists in the cities of Connecticut and of a number of other States, perhaps even in my own State. However, that is not the question on which I am hinging my argument. The problem exists, no doubt; but the problem should be met by the States and the cities involved, not by the Federal Government. I know of no constitutional authority which would allow the Federal Government to attempt to solve the transportation problems of the cities.

If interstate questions are involved—questions of the national defense or of traveling from one State to another—I can see a basis for the Federal Government to enter into the question.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. BUSH. That is the question which is involved. There is an interstate question in the very area I was discussing. That is a part of the problem.

Mr. THURMOND. The problem is one for each State to solve in conjunction with the other States, as the States have done in the past in connection with interstate bridges and highways, such as to have them meet at certain points, and so forth. But it is still a local problem. Unless an interstate problem affecting the Nation is involved, I do not see how the Federal Government has authority to enter into this field. The States involved could enter into compacts, as some States have done with respect to regional education, for instance. When I was Governor of South Carolina, my State entered into a compact with a number of other States with respect to regional education. Five States were joined in that compact.

I believe the problem of mass transportation is one on which the States should work together. The great preponderance of the problem rests in the urban areas of each State. A few highways may cross from one State to another, but the main purpose of the bill, as I construe it, is to help the urban areas to provide for transportation studies and to help solve them.

Mr. BUSH. Mr. President, will the Senator further yield?

Mr. THURMOND. I yield.

Mr. BUSH. The Federal Government has subsidized almost every form of transportation in the United States except the railroads. Involved in the problem of mass transportation is the fact that we must come to grips, in part, with the problems of the railroads, particularly those which are connected closely with commuting to and from the major cities. The Interstate Commerce Commission is today holding hearings in New Haven, Conn., in connection with this very problem. The Interstate Commerce Commission is a Federal agency, as the

Senator knows. So there is nothing new about the Federal Government having an interest and a stake in this situation. It is a Federal responsibility.

Mr. THURMOND. Is there a segregation of grants and loans, and so forth, for interstate problems, as compared with problems directly affecting the urban areas in a State?

Mr. BUSH. If I understand the Senator's question correctly, I should say that any loan made under the bill within, let us say, the city of New York would have a direct benefit on the welfare and the convenience of the citizens of New Jersey and Connecticut, where a tri-State situation is involved, without any doubt. For instance, if there is a more adequate mass transportation system in the vast metropolitan area of New York, including New Jersey and Connecticut, much of the automobile traffic would be dispensed with, and movement in the city of New York would become more efficient and more viable. The city would become a better place in which to work and live. That would be to the advantage of people from other States who come from all the States and of visitors from all over the world.

Mr. THURMOND. Is there any reason why those States should not join together and solve this problem themselves?

Mr. BUSH. I think the solution of the problem will eventually devolve upon them. What the Federal Government will do under the bill will simply be to assist in the premises in order to provide some wise planning and research.

With respect to the question, What is the best way to come to grips with the problem of fiscal responsibility, I think the Senator's argument about the impropriety of the Federal Government in this particular matter is not consistent with the actual facts of the matter.

Mr. THURMOND. The Senator knows, of course, that the bill provides for planning grants for the cities, does he not?

Mr. BUSH. That is correct.

Mr. THURMOND. The grants will be used by the cities within the State boundaries. There may be a few isolated instances in which they may cross State boundaries. However, the bill is designed primarily to help cities and urban areas, is it not?

Mr. BUSH. Did the Senator ask me a question?

Mr. THURMOND. I did.

Mr. BUSH. I am sorry; I did not hear the Senator's question.

Mr. THURMOND. The bill is designed primarily to be of assistance to cities and urban areas. It is not designed as an interstate bill. It is designed primarily to help cities and urban areas.

Mr. BUSH. That is where the problem is. But that problem also affects the lives of hundreds of thousands of other citizens who move back and forth between those areas and in those areas. So the problem is not only a local one; it also involves the areas around the great metropolitan centers.

Mr. THURMOND. But all the States are contiguous; and I do not think that answer should be taken as a plausible one, because a problem in any State might affect the people in adjoining or continguous States.

When it is said that these problems are interstate problems, let me say that the problems to which this bill, as I construe it, is primarily directed are city and urban problems, not interstate problems.

Of course, in a few isolated instances, they might be interstate problems; if so, they could be considered separately.

But the bill is entitled "to amend section 701 of the Housing Act of 1954—relating to urban planning grants—and title II of the Housing Amendments of 1955—relating to public facility loans—to assist State and local governments and their public instrumentalities in improving mass transportation services in metropolitan areas."

I do not think there is any question that the bill is designed to help the metropolitan areas.

My position is that the metropolitan areas should solve these problems themselves, and should not attempt to dump them into the lap of the National Government. The National Government already has all the problems it can deal with, including the matter of national defense, which is of vital importance to the Nation, and even to the very survival of the Nation; and we should be providing more missiles and more airlift, and so forth, and should be concentrating on the things the Constitution says are primarily within the jurisdiction of the National Government. We should leave to the States and to the cities the things which are primarily their responsibility.

The National Government has gone into all kinds of other fields; and I realize that the problem dealt with by this bill is a similar one.

But it is my opinion that the National Government has no constitutional authority to do those things; and even if it does have such authority, it does not have sufficient funds to deal with them.

Today, there is an attempt to concentrate more and more authority in Washington and to have the National Government solve almost every conceivable problem. But that was not the intent of the Founding Fathers in 1787; neither was it the intent of those who wrote the various amendments to the Constitution.

All these additional moves are attempts to chip off, here and there, the Constitution itself. In short, today we have been violating the Constitution and its provisions in regard to the three separate and independent branches of the Government; and certainly we shall be violating the Constitution if we have the National Government operate in the field of transportation in the cities and other urban areas of the Nation.

Mr. BUSH. Mr. President, in the committee I objected to the backdoor method of financing the bill. However, I consider the bill of sufficient merit to justify its enactment, even though I object to the financing method, for I see no possibility of avoiding that method of financing the bill.

Therefore, Mr. President, I shall support the bill.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The Senator from New York is recognized.

Mr. JAVITS. Mr. President, coming from an area which pays approximately 20 percent of the taxes received by the Federal Government, which has to handle probably 50 or 60 percent of the problem involved in the bill, I should like to declare to the Congress, first, my tremendous respect for the Senator from South Carolina [Mr. THURMOND], who has laid the constitutional problem before us. He is entirely correct; and I think my colleagues have been entirely correct in their efforts to answer, because it is a perfectly proper question to be answered on the record.

In our area, we have metropolitan areas and cities which are parts of the States, whereas in the report these metropolitan areas are dealt with as parts of the Nation. Hence, the Nation can deal with these problems, whereas we must deal with them through the States.

It is true that some States, such as New York and New Jersey, have done a great deal to help with the commutation problem. The Federal Government is involved because of the interstate commerce factor. For the same reason, the Congress passed the Transportation Act of 1958, which authorizes the appropriation of approximately $500 million for guaranteed loans to the railroads.

The second reason why we must deal with this problem is that the Federal Government is conducting an extremely large highway construction program.

One of the very interesting facts in regard to the commuter railroad business is that it takes between 10 and 20 lanes of highway—according to the estimate made by the staff of the Senator from New Jersey—to replace a 2-track commuter railroad. In short, mass transportation takes some of the very great burdens, and avoids the necessity to construct many roads.

On pages 2 and 3 of the committee report is to be found an estimate in that connection—namely, that the American Municipal Association, in a survey of mass transportation in five major cities, estimated that if New York, Chicago, Philadelphia, Boston, and Cleveland were to lose their rail commuter service it would cost $31 billion, with 30-year 4-percent financing, to build the highways necessary to serve a comparable number of people.

In short, although I deeply respect the argument which has been made, I desire to point out that this bill deals with, first, an interstate problem; second, a roadbuilding problem; third, a problem of the facilitation of commerce and trade and the ability to get people to work—all of which are directly and importantly of interest to the Nation.

Therefore, Mr. President, coming from the largest commutation center in the country, I join, along with the Senator from New Jersey [Mr. WILLIAMS], in endorsing the bill; and I think enactment of the bill is fully justified under modern concepts and modern constitutional principles, because of the new situation which has arisen because of the development of modern technology.

Mr. DODD. Mr. President, I am very strongly in favor of the bill. All who live in Connecticut need very much the help this bill will provide.

Like the Senator from New York [Mr. JAVITS], who spoke a moment ago, I am particularly conscious of the constitutional questions; and I understand the difficulties which confront our colleague, the Senator from South Carolina [Mr. THURMOND].

But, Mr. President, this help is very badly needed in the heavily congested areas, such as the State in which I live.

Therefore, I should like to commend the Senator from New Jersey [Mr. WILLIAMS] for giving leadership to this measure; and I also wish to commend my colleague from Connecticut [Mr. BUSH], who has done great work in this field. Both of them deserve the gratitude of the people of our respective States and also the gratitude of the Senate.

Mr. THURMOND. Mr. President, in reply to the statement made by the Senator from New York about making loans to the railroads, let me state that the theory for that, as I understood it, was that they were vital and essential to the national defense. In short, in the event of emergency, the railroads will be needed for transportation from one side of the country to the other; they will be needed to haul troops, equipment, and materiel. That was also the main argument which was advanced when this mass transportation program was brought forward.

A similar argument was made in regard to the highway system and the program for it—namely, that the highways are needed in order to provide transportation across the Nation—from north to south, and from east to west—in order to haul equipment, tanks, troops, and other necessary items in the event of an emergency. In fact, I predict that perhaps they will also be needed to facilitate the hauling of missiles, because I believe it will not be too long before we shall have transportable bases for missiles. That factor is highly important, because the Communists could zero in on our missile bases. Just as we have the Polaris submarines, which are movable bases under the water, if we have movable bases for our missiles, they can move up and down the highway and up and down the railroad. In that way the Communists will not be able to zero in on them.

There is no question in my mind that the railroads and the interstate highways are essential to our national defense. That was the theory on which, as I understood, the Federal Government entered this field.

Someone has said the cities need help. I certainly do not deny there is help needed. There is no question that the cities probably need help. But I say there is only one of two ways to do it: One is to let the cities or States finance and provide for it, and the other is to amend the Constitution of the United States to delegate this field to the National Government. It has never been delegated, and therefore it is reserved to the States.

For those reasons, I think it is clear that the National Government does not have authority to go into this field. Furthermore, we do not have the money, if we desired to do it.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill (S. 3278) was passed.

Mr. CLARK. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE MEETINGS DURING SESSION OF THE SENATE TOMORROW

Mr. McCLELLAN. Mr. Preisdent, I ask unanimous consent that the Committee on the Judiciary, considering S. 3548, be authorized to meet tomorrow to hold hearings while the Senate is in session. I may state that I have cleared this request with the leadership and I have also cleared it with the distinguished Senator from Oregon, who objected to a similar request a few days ago.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate tomorrow.

INCLUSION IN CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY LIMITATION ON THE TYPE AND EXTENT OF SERVICES

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1630, Senate bill 1543.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1543) to amend the Federal Aviation Act of 1958, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of services authorized, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment.

AMENDMENT OF PUBLIC ASSISTANCE PROVISIONS OF SOCIAL SECURITY ACT

Mr. McCARTHY. Mr. President, I introduce, for appropriate reference, a bill to amend the public assistance provisions of the Social Security Act to enable the States to establish more adequate general assistance programs.

Joining me as cosponsors of the bill are the other majority members of the Special Senate Committee on Unemployment Problems: Senators McNAMARA, of Michigan; CLARK, of Pennsylvania; RANDOLPH, of West Virginia; HARTKE, of Indiana; and McGEE, of Wyoming.

Mr. President, this is the 25th anniversary of the Social Security Act. This legislation was a historic step toward the solution of social welfare programs in this country.

The Social Security Act was drafted with the conviction that the great majority of Americans would be able to care for their personal and social needs through their work and income, and that the only sound basis of a social welfare program is a healthy economy with a rate of growth which will assure jobs and a fair return to workers. To this was added the security of mass insurance: that by taking a small percentage of income regularly citizens could be insured against the major hazards of old age.

In addition, the Social Security Act reflected an understanding of the fact that some needs could not be met through insurance programs. In keeping with our moral principles regarding the worth of every individual, we recognized a responsibility for the citizens who, through some misfortune, were unable to provide for themselves. The act provided for Federal grants-in-aid to the States to assist in care of the aged, dependent children, and the blind. In 1950 the permanently disabled were added to those eligible.

Through the years, improvements have been made in coverage and in the amount of benefits to keep the programs in line with economic and social changes. Only one group of needy persons is still excluded from Federal assistance. These are the some 400,000 cases in the general assistance category where State and local governments must bear the full cost.

The evidence is clear that in most instances the States have been unable to maintain adequate services and that the general assistance recipients are among our most neglected citizens. Federal participation would enable the States to provide somewhat comparable services for these needy people.

The hearings conducted by the Special Committee on Unemployment Problems brought out the need for this program. In 14 States the underemployed and the unemployed who have exhausted their unemployment insurance benefits are generally ineligible for general assistance.

In 17 States the local communities are expected to bear the full cost, and consequently the programs are often very inadequate, especially in areas of chronic unemployment. The testimony given to the committee about the suffering of thousands of American children was shocking. If a father is not covered by unemployment insurance, or if he has exhausted his benefits, and if he is medically approved as employable, then in several States neither he nor his family is eligible for any kind of benefits.

We had extensive evidence of families without sufficient food for minimum health needs, of children without sufficient clothing to start school, and of great numbers of children for whom the school hot lunch was the only substantial food in their day. I believe that anyone who reads the testimony in the hearings of the Committee on Unemployment Problems will agree that this is a most serious problem. A system of State programs in which the Federal Government assumes some responsibility is the most equitable solution and will guarantee that no American family is without some place to turn in times of extreme emergency.

Mr. President, I ask unanimous consent that the summary and recommendations of the committee regarding public assistance be printed in the RECORD at this point.

There being no objection, the summary and recommendations were ordered to be printed in the RECORD, as follows:

PUBLIC ASSISTANCE

There is at the present time no Federal assistance program for the unemployed person. A man who becomes unemployed usually assumes that he will soon be called back to work, or that he will be able to get another job. He cuts down on normal expenditures, draws on his resources, and relies on unemployment compensation to get him through the period between layoff and return to work. For many of the unemployed this is a typical sequence and the man resumes work. For many millions of American workers in the past decade, however, the story has not ended this way. And if the period of unemployment compensation ends while the worker is still unemployed, he and his family face economic disaster and must look to the community for public assistance.

During the first part of the 1930's, the Federal Government assumed responsibility for providing assistance, or relief, and for supplying jobs for the unemployed. With the adoption of the Social Security Act and the unemployment insurance system, the responsibility for providing public assistance to the needy was returned to the States and to local governmental units. The Federal Government has since confined its assistance to four groups: the aged, dependent children, the blind, and the permanently and totally disabled.

In practice, counties and States have not as a general rule assumed full responsibility for assisting the unemployed. The failure to aid those who have exhausted their unemployment benefits was described in detail at every hearing conducted by the committee. It has been assumed, apparently, that a man who wants to work can get a job within the period of unemployment compensation, but the high rate of exhaustions following long-term unemployment contradicts the assumption.

The belief persists widely among Americans that the man who experiences continued unemployment is personally at fault and that his condition is his own responsibility. This view is not shared by those who deal personally with the problem. A district supervisor of public assistance for five West Virginia counties who has been in social welfare work for 27 years told the committee:

I would like to talk to you just a moment about the results of unemployment. It is heartbreaking sometimes, as I talk to some of these people in need, that I am in the position, or our department is in the position that we cannot help them. They want work. They want work that produces; they don't want work that is merely set up as a plan instead of assistance. They want work that produces a commodity that is useful, that is needed, that boosts their morale and is an incentive to make better citizens.

A man came into the office not too long ago and he said, "Lady, I am not disabled, and I don't want assistance. But * * * I am 45 years of age, I have two children in high school, the rest of my children are in the grades, and they can't go to school because they don't even have shoes."

I wish that I had the answer to the problem * * *. My department has been criticized time and time again by some people who are cynical. They don't like to see anybody get assistance; in fact they believe anybody who gets assistance is no good * * *. They have never had a bare cupboard for their folks. We don't know what it means to be without food until we experience it, until we see it. And I have seen it.

THE ADVISORY COUNCIL ON PUBLIC ASSISTANCE

On January 1, 1960, the Advisory Council on Public Assistance appointed a year earlier by the Secretary of Health, Education, and Welfare, issued a report. The Council's recommendations include the following:

Extension of coverage of financially needy people: The Social Security Act should be amended to add a new provision for Federal grants-in-aid to States for the purpose of encouraging each State to furnish financial assistance and other services to financially needy persons regardless of the cause of need (including for example, the unemployed, the underemployed, and the less seriously disabled).

Extension of the aid to dependent children program: Under existing provisions for aid to dependent children. Federal grants-in-aid are available to the States only for the assistance of children deprived of support or care because of the absence, death, or incapacity of one parent. As a result, in many States destitute children living with two able-bodied parents are actually penalized. On the premise that a hungry, ill-clothed child is as hungry and ill-clothed if he lives in an unbroken home as if he were orphaned or illegitimate, the program for aid to dependent children should be expanded to include any financially needy children living with any relative or relatives "in place of residence maintained by one or more of such relatives as his or their own home."

Residence requirements: The great majority of States have residence requirements that exclude many financially needy persons from public assistance. Federal grants-in-aid should be available only for those public assistance programs imposing no residence requirement that denies any needy person in the State help to which he would otherwise be entitled.

Adequacy of assistance: In view of the evidence of unmet need, steps should be taken by Federal, State, and local governments toward assuring that assistance payments are at levels adequate for health and well-being * * *. [Further] the Federal Government should exercise greater leadership in assuring that assistance payments are at levels adequate for health and well-being * * *. [The Federal Government] should promote greater public understanding as to what constitutes a level of living sufficient to maintain health and well-being, and the relationship of present payments to such level * * *.

The recommendations of the Advisory Council on Public Assistance are directed to correction of the same deficiencies in existing programs which the committee found at its hearings. Eligibility requirements for assistance to the unemployed are determined by State and/or local governmental units and vary among States and among localities within the same State (chart 18). The following 14 States and 3 jurisdictions provide no regular assistance to needy families with employable members: Arizona, District of Columbia, Georgia, Hawaii, Iowa, Louisiana, Maryland (except 4 counties), Mississippi, Missouri, Nevada, North Carolina, Oklahoma, Puerto Rico, South Carolina, Texas, Virgin Islands, and West Virginia. Four other States provide no general assistance to employable single persons or to couples without children.

RESIDENCE REQUIREMENTS

Most of the 32 States that provide some aid to employable persons place varying limitations on the availability of assistance. Twenty-two of these States have residence requirements, which may mean that continuing assistance is not available except to persons who have been in the State (and sometimes in the county) for 1, 2, 3, or more years. Two States give no aid to nonresidents; the 20 other States with residence requirements provide assistance in emergency situations or pending the return of the needy person to his place of legal residence. A man who moves his family to obtain employment thus risks being ineligible for assistance should he be laid off; in that case, he would be in a worse situation than if he had remained home.

Residence requirements impose particularly severe hardships on migratory workers. A subcommittee of the Senate Committee on Labor and Public Welfare has made an extensive study of this problem, so the Committee on Unemployment Problems took no testimony on the subject.

As long as public assistance is exclusively a State or local responsibility, residence requirements appear to the States to be necessary to prevent people from leaving localities with inadequate programs to take up residence in localities with better programs. A Federal program providing more nearly equal assistance would remove this incentive.

INADEQUATE PROGRAMS

The amount of general assistance provided in States which do take care of needy, unemployed persons is inadequate. According to a committee study, the general assistance programs of seven States meet emergency needs only. Sixteen States impose limitations on the amount of assistance regardless of the need. Other States which have no legal maximums have actually paid less than the amounts prescribed as minimum because funds available for assistance have been limited.

In most States, general assistance standards and payments are lower—often considerably lower—than those under federally aided programs. In October 1959, the average monthly payment across the Nation for a general assistance case was $23.66 per person. Even payments for aid to dependent children, which are lowest in the federally aided categories and generally most inadequate in relation to need, exceeded the averages for general assistance (chart 19). The average payment per dependent child in October 1959 was about $28.33. In the same month, the nationwide average payment to an individual receiving old-age assistance was $66; aid to the blind averaged $69 per individual.

One of the conditions for receipt of Federal aid in the programs for the aged, blind, and so forth, is that assistance, except for medical care, be in the form of cash payments to the individual. About one-third of the amounts spent for maintenance needs (that is, for needs other than medical care) under the States' general assistance programs, however, is in the form of vendor payments to grocers, landlords, and utility companies. The recipient is thus deprived of effective choice of foods or other items of consumption and is marked in the community as a person on relief.

An important reason for insufficient assistance to the unemployed is lack of funds. The costs of assistance payments overall are now met on a nearly equal basis by local and State funds. Local taxes are usually based on property; this gives local communities a much narrower tax base than the Federal or State Governments. Moreover, local communities and States which have been hardest hit by chronic unemployment are least able to provide the large sums necessary when unemployment benefits expire.

In many States which provide assistance, eligibility depends upon an applicant's having exhausted all family assets. A person must have disposed of his home, his automobile, and various durable household goods before applying for assistance. Certainly requirements such as these do not strengthen the unemployed person's ability to find work when jobs become available.

Some measure of relief has been attempted by the distribution of surplus foods to the unemployed. This type of relief is inadequate as well as demeaning, and has the additional disadvantage of providing an unbalanced and unpalatable diet, because distribution is limited to foods which happen to be surplus.

SUMMARY

An adequate general assistance program including the unemployed would provide the necessary supplement to our unemployment insurance system and to any special programs of retraining or rehabilitation which may be developed. It would also be consistent with other measures designed to raise the standard of living and economic potential of communities and States which have fallen behind the general pace of economic development in this country. The more successful the other measures, the smaller the reliance on general assistance.

The lack of a nationwide general assistance program leaves a serious gap in our total effort to deal with the problems of persistent unemployment in a rapidly changing economy.

The committee recommends that the Federal public assistance program be amended as follows:

1. Federal grants-in-aid should be available to the States to encourage each State to furnish financial assistance and other services to all needy persons, including the unemployed and underemployed.

2. Federal grants-in-aid should be available only to those States whose public assistance programs impose no residence requirements which deny any needy person help to which he otherwise would be entitled.

3. The level of assistance payments should be reviewed and made adequate for health and well-being.

4. The Federal Government should match State and local funds on the basis of an appropriate formula.

Mr. McCARTHY. Mr. President, I ask unanimous consent that there be printed in the RECORD four tables compiled by the Department of Health, Education, and Welfare. These tables provide a basis for judging the size and adequacy of the various forms of public assistance and of the general assistance programs of the States.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

SOURCE OF FUNDS EXPENDED FOR PUBLIC ASSISTANCE PAYMENTS, FISCAL YEAR ENDED JUNE 30, 1959

TABLE I.—*Special types of public assistance and general assistance: Expenditures for assistance to recipients, by program and source of funds, fiscal year ended June 30, 1959 (including vendor payments for medical care)*

[Dollar amounts in thousands]

Program	Expenditures from—				Percentage distribution by program			
	Total	Federal funds	State funds	Local funds	Total	Federal funds	State funds	Local funds
Total	$3,574,327	$1,847,971	$1,281,160	$445,196	100.0	100.0	100.0	100.0
Special types of public assistance	3,148,114	1,847,971	1,056,436	243,707	88.1	100.0	82.5	54.7
Old-age assistance	1,858,004	1,092,347	655,375	110,282	52.0	59.1	51.2	24.8
Aid to dependent children	956,380	574,351	282,690	99,338	26.8	31.1	22.1	22.3
Aid to the blind	89,066	44,515	37,971	6,579	2.5	2.4	3.0	1.5
Aid to the permanently and totally disabled	244,664	136,758	80,399	27,507	6.8	7.4	6.3	6.2
General assistance	426,214	----------	224,724	201,490	11.9	----------	17.5	45.3

TABLE II.—*General assistance: Expenditures for assistance to cases, by source of funds, fiscal year ended June 30, 1959* [1]

[Amounts in thousands]

State	Total assistance including vendor payments for medical care	Vendor payments for medical care		Total including vendor payments for medical care			
				State funds		Local funds	
		Amount	Percent of total	Amount	Percent	Amount	Percent
Total	$426,214	$95,954	22.5	$224,724	52.7	$201,490	47.3
Alabama	16	(2)	1.0	15	98.8	(2)	1.2
Alaska	584	423	72.4	584	100.0	----------	----------
Arizona	1,474	----------	----------	1,474	100.0	----------	----------
Arkansas	86	----------	----------	86	100.0	----------	----------
California	25,280	885	3.5	----------	----------	25,280	100.0
Colorado	2,969	1,970	66.4	----------	----------	2,969	100.0
Connecticut [3]	7,265	2,585	35.6	3,269	45.0	3,996	55.0
Delaware	1,417	----------	----------	709	50.0	709	50.0
District of Columbia	1,133	7	.6	1,133	100.0	----------	----------
Florida [3]	3,290	----------	----------	----------	----------	3,290	100.0
Georgia	662	----------	----------	----------	----------	662	100.0
Hawaii	1,115	----------	----------	1,115	100.0	----------	----------
Idaho [4]	22	----------	----------	----------	----------	22	100.0
Illinois [1]	57,372	14,836	25.9	42,612	74.3	14,760	25.7
Indiana	10,830	3,664	33.8	----------	----------	10,830	100.0
Iowa	5,832	3,836	65.8	----------	----------	5,832	100.0
Kansas	2,210	616	27.9	1,085	49.1	1,125	50.9
Kentucky	1,139	----------	----------	----------	----------	1,139	100.0
Louisiana	5,600	51	.9	5,600	100.0	----------	----------
Maine [1]	3,150	1,605	51.0	1,567	49.7	1,583	50.3
Maryland	2,156	----------	----------	1,076	49.9	1,081	50.1
Massachusetts	10,055	2,038	20.3	2,145	21.3	7,911	78.7
Michigan [1]	64,807	17,580	27.1	26,013	40.1	38,794	59.9
Minnesota	10,927	3,544	32.4	866	7.9	10,061	92.1
Mississippi	169	----------	----------	----------	----------	169	100.0
Missouri	5,973	133	2.2	5,774	96.7	199	3.3
Montana	$3,084	$2,368	76.8	$711	23.0	$2,373	77.0
Nebraska	1,485	775	52.2	----------	----------	1,485	100.0
Nevada [3]	198	30	15.2	----------	----------	198	100.0
New Hampshire	1,008	278	27.6	----------	----------	1,008	100.0
New Jersey	13,457	2,167	16.1	6,442	47.9	7,015	52.1
New Mexico [1]	419	151	35.9	360	85.8	60	14.2
New York	49,147	7,130	14.5	26,174	53.3	22,973	46.7
North Carolina	3,499	2,795	79.9	----------	----------	3,499	100.0
North Dakota	598	261	43.6	29	4.8	569	95.2
Ohio	50,407	16,550	32.8	41,922	83.2	8,485	16.8
Oklahoma	1,275	----------	----------	360	28.2	915	71.8
Oregon	4,611	742	16.1	3,228	70.0	1,383	30.0
Pennsylvania [1]	29,227	1,267	4.3	29,227	100.0	----------	----------
Puerto Rico	154	----------	----------	154	100.0	----------	----------
Rhode Island	3,656	687	18.9	2,559	70.0	1,097	30.0
South Carolina	486	129	26.4	275	56.5	211	43.5
South Dakota	1,759	1,423	80.9	----------	----------	1,759	100.0
Tennessee	482	----------	----------	----------	----------	482	100.0
Texas [3]	2,846	----------	----------	----------	----------	2,846	100.0
Utah	1,751	19	1.1	1,751	100.0	----------	----------
Vermont [3]	837	----------	----------	84	10.0	753	90.0
Virgin Islands	35	2	4.7	35	100.0	----------	----------
Virginia	1,104	149	13.5	565	51.2	539	48.8
Washington	14,628	2,108	14.4	14,628	100.0	----------	----------
West Virginia [1]	1,362	183	13.5	357	26.2	1,004	73.8
Wisconsin	12,474	2,687	21.5	417	3.3	12,056	96.7
Wyoming	690	280	40.6	325	47.1	365	52.9

[1] Includes expenditures for medical care program administered by public assistance agency and financed from funds other than those for old-age assistance, aid to dependent children, aid to the blind, aid to the permanently and totally disabled, or general assistance.

[2] Less than $500.
[3] Estimated.
[4] Incomplete.

TABLE IV.—*Amount expended per inhabitant [1] for public assistance payments including medical care vendor payments, fiscal year ended June 30, 1959*

	Old-age assistance	Aid to dependent children	General assistance	AB [2]	APTD [3]		Old-age assistance	Aid to dependent children	General assistance	AB [2]	APTD [3]
U.S. average	$10.54	*$5.42	$2.42	*$0.51	*$1.39	Nebraska	$8.74	*$2.42	$1.02	*$0.64	*$0.86
Oklahoma	35.29	9.41	.56	*.89	*3.73	Wisconsin	8.48	3.98	3.17	*.24	*.44
Colorado	34.86	*5.94	1.74	*.17	*2.41	Tennessee	*8.34	*5.12	.14	*.46	*1.08
Louisiana	31.41	*8.24	*1.80	*.74	*3.07	Montana	*8.27	*4.05	4.48	*.47	*1.79
Washington	20.78	8.09	5.28	*.33	*2.68	Arizona	8.24	7.04	1.29	.57	0
Massachusetts	19.80	*5.32	*2.07	*.59	[4] 2.77	Nevada	7.96	3.85	[5] *.74	*.72	0
Missouri	18.93	6.05	*1.40	.90	2.46	Utah	7.70	*6.10	*2.02	*.21	*2.02
California	18.62	9.24	*1.76	*1.22	.34	Ohio	7.65	*3.13	5.39	*.30	*.85
Arkansas	18.12	*3.06	.05	*.73	*1.67	New Hampshire	7.40	*3.23	*1.73	*.37	*.65
Alabama	*16.28	*2.25	*([5])	*.20	*1.50	Rhode Island	7.16	7.76	4.18	*.13	*2.78
Texas	14.52	2.27	[6] .30	.45	.28	Michigan	7.03	*5.16	8.24	*.21	*.50
Minnesota	14.41	4.87	3.24	*.38	*.45	Virgin Islands	*6.68	*4.38	*1.45	*.26	*1.25
Georgia	14.27	4.31	.17	.57	2.70	Illinois	6.63	6.24	5.80	*.30	*1.76
Mississippi	13.13	3.89	.08	1.22	1.18	South Carolina	6.52	2.62	*.20	.37	1.34
Kansas	13.05	*4.19	*1.04	*.29	*1.93	Alaska	6.51	8.07	3.50	.46	0
North Dakota	11.42	*4.48	*.92	*.13	[4] 1.78	New York	6.42	7.99	*3.03	*.32	[4] 2.80
Iowa	*10.89	*4.53	2.07	*.53	0	North Carolina	*5.16	*4.98	.77	*.65	*2.03
Vermont	10.26	3.82	[6] 2.25	.25	1.38	Indiana	4.60	*2.98	2.36	*.35	0
Florida	*10.08	4.26	[6] .74	*.40	*1.14	West Virginia	*4.55	*10.94	*.69	*.26	*1.72
Oregon	9.66	*5.33	*2.60	*.16	[4] 2.82	New Jersey	3.34	*3.06	*2.34	*.16	*1.07
Wyoming	9.55	*3.63	2.16	*.18	*1.44	Pennsylvania	*3.25	*5.50	*2.63	*1.20	*1.00
Kentucky	9.39	5.83	.37	.54	1.29	District of Columbia	*2.93	*7.37	*1.37	*.23	*2.65
Maine	9.16	*6.43	3.31	*.38	*1.41	Maryland	*2.26	*3.66	.73	*.11	*1.39
New Mexico	9.04	11.17	*.50	*.34	*1.98	Delaware	1.94	3.86	3.12	*.50	.53
Idaho	*8.91	5.04	[7] .03	*.22	*1.19	Virginia	*1.83	2.19	*.28	*.17	*.81
South Dakota	8.86	5.14	2.52	.16	1.00	Hawaii	*1.74	6.97	1.93	*.12	*1.54
Connecticut	8.79	5.79	[6] 3.14	*.17	*1.46	Puerto Rico	1.72	3.65	.07	.08	.95

[1] Based on population as of July 1, 1958, excluding Armed Forces overseas estimated by Bureau of Census with exception of Alaska, Hawaii, Puerto Rico, and the Virgin Islands; population for these jurisdictions estimated by the Bureau of Public Assistance.
[2] Aid to the blind.
[3] Aid to the permanently and totally disabled.
[4] Vendor payments for medical care per inhabitant of $1.06 for Massachusetts, 71 cents for New York, 56 cents for North Dakota, and 60 cents for Oregon.
[5] Less than 1 cent.
[6] Estimated.
[7] Incomplete.
*Vendor payments for medical care of less than 50 cents per inhabitant.

TABLE III.—*Proportion of population receiving public assistance (recipient rates) in the United States, June 1959* [1]

[Except for general assistance, includes recipients receiving only vendor payments for medical care. Caution should be used in making comparisons with earlier rates because of revisions in population estimates on which rates are based].

OLD-AGE ASSISTANCE

Persons aided per 1,000 population age 65 and over:	
U.S. average	156
Louisiana	572
Mississippi	446
Alabama	406
Oklahoma	384
Puerto Rico	378
Georgia	356
Colorado	330
Texas	326
Virgin Islands	292
Arkansas	290
Missouri	256
South Carolina	223
California	215
New Mexico	211
Alaska	210
Kentucky	205
Nevada	201
Tennessee	200
Washington	200
Arizona	176
North Carolina	169
Massachusetts	157
Florida	151
Utah	147
Minnesota	142
Wyoming	139
North Dakota	135
Vermont	133
South Dakota	132
Idaho	131
Kansas	129
West Virginia	120
Maine	115
Montana	112
Iowa	111
Michigan	108
Ohio	106

[1] Based on population estimated by Bureau of Public Assistance as of July 1959.

TABLE III.—*Proportion of population receiving public assistance (recipient rates) in the United States, June 1959* [1]—Continued

Persons aided per 1,000 population age 65 and over—Continued	
Oregon	104
Nebraska	100
Wisconsin	96
Rhode Island	83
Illinois	83
New Hampshire	79
Indiana	70
Connecticut	67
Virginia	57
New York	55
Hawaii	50
Maryland	48
Pennsylvania	47
District of Columbia	47
Delaware	44
New Jersey	38

AID TO DEPENDENT CHILDREN

Children aided per 1,000 population under age 18:	
U.S. average	34
Puerto Rico	141
West Virginia	83
Mississippi	62
Virgin Islands	59
Louisiana	58
Oklahoma	58
New Mexico	55
Alabama	55
District of Columbia	52
Missouri	51
Florida	49
Kentucky	48
Tennessee	46
North Carolina	45
Rhode Island	44
Maine	43
Arizona	41
California	38
New York	37
Alaska	36
Pennsylvania	35
Arkansas	35
Hawaii	33
Colorado	32
Illinois	31
Washington	30

TABLE III.—*Proportion of population receiving public assistance (recipient rates) in the United States, June 1959* [1]—Continued

Children aided per 1,000 population under age 18—Continued	
South Dakota	30
South Carolina	29
Georgia	29
Delaware	28
Vermont	25
Oregon	25
Maryland	25
Nevada	24
Iowa	24
Utah	24
Michigan	23
Massachusetts	23
Connecticut	22
Kansas	22
Ohio	21
Texas	21
Minnesota	20
Montana	20
Idaho	20
Virginia	20
North Dakota	20
Indiana	18
Wisconsin	18
Wyoming	16
New Hampshire	16
Nebraska	15
New Jersey	14

AID TO THE BLIND

Persons aided per 100,000 population, age 18 and over:	
U.S. average	97
Mississippi	467
Pennsylvania	[4] 237
Arkansas	188
North Carolina	186
Missouri	[4] 184
Kentucky	167
Georgia	156
Virgin Islands	154
California	[4] 151
Puerto Rico	151
Louisiana	142
Tennessee	133
Oklahoma	128
South Carolina	127
Arizona	119
Texas	112

TABLE III.—*Proportion of population receiving public assistance (recipient rates) in the United States, June 1959* [1]—Continued

Persons aided per 100,000 population, age 18 and over—Continued

Nevada	107
Alaska	106
Nebraska	98
Delaware	89
Florida	85
New Mexico	85
Alabama	85
West Virginia	85
Montana	82
Iowa	79
Maine	77
Massachusetts	65
Indiana	65
New Hampshire	62
Ohio	61
Vermont	57
Minnesota	52
Virginia	52
Illinois	47
Kansas	46
Washington	43
Idaho	43
District of Columbia	41
Utah	41
Wisconsin	40
South Dakota	38
Michigan	36
New York	36
Wyoming	34
Colorado	29
Hawaii	27
North Dakota	24
Maryland	24
New Jersey	24
Oregon	24
Rhode Island	22
Connecticut	20

AID TO THE PERMANENTLY AND TOTALLY DISABLED

Persons aided per 1,000 population age 18–64:

U.S. average [2]	3.7
Puerto Rico	19.0
Georgia	9.5
Louisiana	9.5
Virgin Islands	9.2
Mississippi	8.0
Arkansas	8.0
Alabama	7.4
North Carolina	7.3
Oklahoma	7.2
West Virginia	6.9
Missouri	6.6
South Carolina	6.5
Colorado	6.0
Rhode Island	5.6
New Mexico	5.4
District of Columbia	5.4
Oregon	5.1
Kentucky	4.9
Utah	4.9
Vermont	4.2
Tennessee	4.1
Washington	4.1
New York	4.0
Montana	3.9
Kansas	3.8
Maine	3.7
Massachusetts	3.7
Hawaii	3.4
Maryland	3.2
Florida	3.2
Wyoming	3.2
Illinois	3.1
North Dakota	3.1
South Dakota	3.1
Idaho	2.9

[2] Average for 48 States; no program in Alaska, Arizona, Indiana, Iowa, and Nevada.

TABLE III.—*Proportion of population receiving public assistance (recipient rates) in the United States, June 1959* [1]—Continued

Persons aided per 1,000 population age 18–64—Continued

Virginia	2.9
Pennsylvania	2.5
Ohio	2.0
Nebraska	2.0
New Jersey	1.8
Connecticut	1.6
Delaware	1.3
New Hampshire	1.2
Minnesota	1.2
Texas	1.0
Michigan	1.0
California	.8
Wisconsin	.6

GENERAL ASSISTANCE

Persons aided per 1,000 population under age 65:

U.S. average [3]	6.6
Michigan	17.7
Indiana	14.8
Illinois	12.9
Ohio	12.8
Maine	9.7
Rhode Island	9.4
Delaware	8.0
New York	7.8
Washington	7.7
Pennsylvania	7.4
Connecticut	6.7
Minnesota	6.6
Virgin Islands	6.0
New Jersey	6.0
Wisconsin	5.7
Montana	5.6
New Hampshire	5.2
Arizona	4.9
California	4.8
Massachusetts	4.7
Wyoming	4.4
Hawaii	4.4
Utah	4.3
Louisiana	3.4
Iowa	3.0
Kansas	2.9
Missouri	2.9
West Virginia	2.5
Colorado	2.4
Alaska	2.3
Nebraska	2.2
North Dakota	2.1
District of Columbia	2.1
Kentucky	1.9
Tennessee	1.8
Maryland	1.7
Nevada	1.6
South Dakota	1.6
Puerto Rico	1.3
Georgia	1.2
North Carolina	1.2
New Mexico	1.1
South Carolina	.8
Mississippi	.7
Arkansas	.5
Alabama	(5)

[3] Average for 46 States; number aided not available for Florida, Idaho, Oklahoma, Oregon, Texas, Vermont, and Virginia.

[4] Includes recipients of payments made without Federal participation. Recipient rates excluding these recipients would be as follows: California, 148; Missouri, 158; Pennsylvania, 89.

[5] Less than 1 cent.

Mr. McCARTHY. Mr. President, the bill which I am introducing today would accomplish the following things:

First. It would establish a new title under the public assistance provisions of the Social Security Act. In effect, it means a fifth category, to include needy individuals and their families who are not qualified for assistance under the present titles for old age, aid to dependent children, the blind, and the disabled.

Second. Federal grants-in-aid would be made available to States with approved programs on a matching basis of 50 percent for high income States up to 70 percent for low income States. The Federal maximum would be $33 per month.

Third. Adoption of the program would be optional for the States. No State will be required to establish an approved program; rather, the objective is to encourage the States to improve their programs so that all needy persons will be eligible for some aid and so their family life can be strengthened.

Fourth. An approved State program is one which the Secretary of Health, Education, and Welfare certifies as meeting the usual conditions. The bill provides, in addition, that the Secretary "shall not approve any plan which imposes, as a condition of eligibility for assistance or welfare service under the plan any residence requirement which excludes any individual actually residing, permanently or temporarily, in the State."

Fifth. Those States which elect to participate in the general assistance program would also be eligible for slight increases in the maximums under present titles. For these States the matching formula for all categories would be from 50 to 70 percent instead of the existing 50 to 65 percent. The Federal maximum for old-age assistance, aid to the blind and to disabled persons would increase from $65 to $66 per month, while aid to dependent children would go from $30 to $33, with the Federal Government providing five-sixths of the first $18 instead of fourteen-seventeenths of the first $17. Thus, under the expanded program, the maximum Federal contribution would be $33 per month for aid to dependent children and general assistance cases, while it would be twice that amount, or $66 per month, for old-age assistance, for the blind and the disabled.

Sixth. A cost estimate supplied by the legislative reference specialists of the Library of Congress shows that if all the States elected to participate, the Federal cost of the first full year of operation would be $289 million for grants-in-aid to the States and $30 million for administration. Increases in the present titles of the public assistance program would amount to an additional $61 million.

I ask unanimous consent that a table showing the estimated annual increase in Federal funds available to each State be printed in the RECORD. It is necessary to point out that this estimate has been made on the basis of several assumptions. Since the conditions in the States are not parallel, it is assumed that some States might receive more, and others less, than the estimate. The States which now have comparatively adequate general assistance programs would receive approximately the estimated amounts.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Public Assistance: 50 percent to 70 percent Federal participation in general assistance payments within average maximum of $33 per recipient,[1] and return to House-passed version of 1958 amendments for OAA, ADC, AB, and APTD[2] (based on expenditures for January 1960)—Annual increase in Federal funds for assistance for general assistance[3] and the special types of public assistance

States (in order of per capita income):	
Total 51 States	$346,100
16 high income	204,095
19 middle income	68,290
16 low income	73,715
Delaware	697
Connecticut	3,690
New York	32,449
California	24,916
District of Columbia	2,194
New Jersey	8,077
Nevada	200
Illinois	28,867
Massachusetts	5,890
Ohio	26,829
Michigan	26,808
Maryland	2,844
Washington	7,494
Pennsylvania	20,968
Rhode Island	1,912

[1] Federal percent applies to total average payment up to the maximum.

[2] Federal share under House-passed version of the 1958 amendments: Maximum average payments: $66 per recipient in OAA, AB, and APTD, $33 per recipient in ADC. First part of average payment: four-fifths of $30 in OAA, AB, and APTD; five-sixths of $18 in ADC. Second part of average payment: 50 percent to 70 percent in all four programs.

Federal percent for State equals 100 percent minus State percent. State percent is computed as follows:

State percent = State's per capita income[2] / U.S. average per capita income[2] × 50%

[3] Assumptions underlying estimates: It was assumed that there would be Federal matching at least on the State and local funds released from OAA, ADC, AB, and APTD as a result of the return to the House-passed version of the 1958 amendments. States were divided into two groups on the following basis: (1) States with comparatively adequate general assistance programs now, as determined by relatively high recipient rates and/or comparatively high expenditures per inhabitant. The released State and local funds plus present State and local expenditures for general assistance payments would be matched for the present number of general assistance recipients up to the maximum amount permissible within the $33 maximum average or, if the average payment in January 1960 was less than $33 for both aid to dependent children and general assistance, up to the amount that would bring the general assistance payment to the level of the average payment in aid to dependent children. The following States fell in this group: Arizona, California, Connecticut, Delaware, Hawaii, Idaho, Illinois, Indiana, Massachusetts, Maine, Michigan, Minnesota, Montana, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Utah, Washington, Wisconsin, and Wyoming. (2) States that will expand the scope of their general assistance programs by adding recipients to the rolls and increasing payments to recipients. The released State and local funds plus present

Public Assistance: 50 percent to 70 percent Federal participation in general assistance payments within average maximum of $33 per recipient, and return to House-passed version of 1958 amendments for OAA, ADC, AB, and APTD (based on expenditures for January 1960)—Annual increase in Federal funds for assistance for general assistance and the special types of public assistance—Continued

States (in order of per capita income)—Con.	
Indiana	10,260
Wyoming	516
Oregon	3,032
Colorado	3,615
Missouri	8,354
Montana	2,128
Wisconsin	6,756
New Hampshire	857
Minnesota	8,274
Florida	5,745
Kansas	5,359
Texas	5,152
Arizona	1,603
Iowa	6,811
Nebraska	1,701
Maine	2,123
Utah	2,585
Virginia	2,635
Vermont	1,399
Idaho	2,346
Oklahoma	9,965
New Mexico	2,514
Louisiana	15,423
West Virginia	4,746
North Dakota	2,945
Georgia	7,345
South Dakota	2,408
Tennessee	4,019
Kentucky	5,498
North Carolina	5,336
Alabama	4,101
South Carolina	2,241
Arkansas	2,529
Mississippi	900
Alaska [4]	371
Hawaii [4]	673

expenditures for general assistance payments were matched in full except for Louisiana and Oklahoma where only the released funds were matched. These States include: Alabama, Alaska, Arkansas, Colorado, District of Columbia, Florida, Georgia, Iowa, Kansas, Kentucky, Maryland, Mississippi, Missouri, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, and West Virginia.

[4] Not ranked on basis of average per capita income; estimate made on basis of 50 percent Federal matching.

Mr. McCARTHY. Mr. President, the extension of Federal grants-in-aid and the elimination of restrictive residence requirements for general assistance are recommendations made by the Advisory Council on Public Assistance. This Council was created in accordance with section 704 of Public Law 85-840, approved by the Congress in 1958. Appointment was made by the Secretary of Health, Education, and Welfare. The introduction to the Council's report states briefly their assumptions about the social security program. I ask unanimous consent that a section of the introduction and the names of the Advisory Council members appear in the RECORD.

There being no objection, the excerpt and list were ordered to be printed in the RECORD, as follows:

PUBLIC ASSISTANCE

INTRODUCTION

The Advisory Council on Public Assistance was appointed early in 1959. It held seven meetings from February 1959 through December 1959.

To our deliberations we brought a wide variety of backgrounds. Some of us had prior knowledge of the complexities of public assistance programs through years of professional work in them. Some, though we had wide experience in public affairs, were seriously studying public assistance for the first time. Also, the Council not only embodied a diversity of interests, as the statute provides, but also of philosophies.

Nevertheless, by the democratic process of talking things through, giving and taking, yielding and standing firm, we came to agree on certain basic premises. These, in effect, are the warp for the woof of our recommendations.

Briefly, the assumptions underlying all our carefully deliberated conclusions and recommendations are that—

Public assistance in the United States is deep rooted in our Judeo-Christian heritage with its principle that man is morally responsible for the welfare of his fellow men.

The maintenance of a healthy, dynamic economy is of paramount importance; the Nation prospers when all prosper; social security works best when there are job opportunities and full employment.

The social insurances are a bulwark against common risks to financial security.

No man, woman, or child should go hungry, be cold or ill, lack shelter or otherwise be in need without the opportunity to get effective help.

Voluntary efforts by families, churches, and privately supported social agencies meet great areas of need.

Public assistance is the resource when other means of preventing financial need have failed.

In our complex national economy, with its parts interdependent, and as industry relocates and individuals and families move about when real or wishful job opportunities open up far from home, breadwinners are subject not only to the financial risks of death, disability and old age, but also, to economic risks and disasters beyond personal control.

Historically and by function, Government has a responsibility for those whose income needs are not met by benefits from social or private insurance, nor by voluntary effort, nor who because of mental, physical, educational or vocational deficiencies or membership in a minority group, must work in such low-paid occupations or so sporadically that they cannot earn enough to provide even the barest necessities for themselves and their families.

Public assistance payments should be adequate for health and well-being.

The Federal-State partnership in public assistance is valid and desirable; it is necessary that the National Government participate financially in public assistance; the flexible administration of public assistance rests properly with the States and localities.

It has been both a great responsibility and a great privilege to serve on the Council appointed to review and advise on an immense program involving the lives of many people and the dollars of many taxpayers. About 4 out of every 100 men, women, or children in the United States today, nearly 7 million, depend on public assistance for all or part of their income. The public assistance programs are administered by 59 State agencies and over 3,000 local agencies. Their cost in 1958 totaled $3½ billion.

MEMBERSHIP OF THE ADVISORY COUNCIL

William L. Mitchell, Commissioner of Social Security, Department of Health, Education, and Welfare, Washington, D.C., Chairman.

Frank Bane, consultant to the Director, Office of Civil and Defense Mobilization, Washington, D.C.

Harry A. Bullis, former chairman of the board, General Mills, Inc., Minneapolis, Minn.

John E. Burton, vice president, Cornell University, Ithaca, N.Y.

Wilbur J. Cohen, professor of public welfare administration, University of Michigan, school of social work, Ann Arbor, Mich.

Miss Loula Dunn, director, America Public Welfare Association, Chicago, Ill.

Mrs. Katherine Pollak Ellickson, assistant director, department of social security, American Federation of Labor and Congress of Industrial Organizations, Washington, D.C.

Raymond W. Houston, commissioner, New York State Department of Social Welfare, Albany, N.Y.

Bernard Lander, associate professor of sociology, Hunter College, New York; chairman, Commission of Family and Youth Welfare of the Synagogue Council of America.

William R. MacDougall, general counsel and manager, County Supervisors Association of California, Sacramento, Calif.

William H. Robinson, chairman, Illinois Commission on Public Aid and Assistance, Chicago, Ill.

Charles J. Tobin, secretary, New York State Catholic Welfare Committee, Albany, N.Y.

Rev. William J. Villaume, executive director, department of social welfare, National Council of the Churches of Christ in the U.S.A., New York, N.Y.

Mr. McCARTHY. Mr. President, the bill likewise carries out general recommendations of professional groups and individuals. I ask unanimous consent that there be printed in the RECORD a letter from Mr. Joseph P. Anderson, executive director of the National Association of Social Workers, and the list he submitted of individuals representing various national organizations which favor legislation of this type. There is included also a list of professional people who have given their personal endorsement.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

NATIONAL SOCIAL WELFARE ASSEMBLY, INC.,
New York, N.Y., May 26, 1960.

Hon. EUGENE J. MCCARTHY,
U.S. Senate, Washington, D.C.

DEAR SENATOR MCCARTHY: In my capacity as chairman of a clearinghouse group of organizations and individuals interested in 1960 social security amendments, recently organized under the auspices of the National Social Welfare Assembly, I write you to convey their urgent hope that you will sponsor legislation to extend Federal aid to public assistance for all needy persons without residence restrictions as recommended by the Special Committee on Unemployment Problems. I enclose herewith the statement supporting this position and list of signatory organizations and individuals.

You will note that this request has been endorsed by 17 organizations representing millions of individuals, including the AFL–CIO and the American Legion, and all major fields of social welfare activity. It has also been signed by outstanding leaders in social welfare including two former Social Security Commissioners, the former Director of the Bureau of Public Assistance and five persons who have served as president of the National Conference on Social Welfare. These signatories were drawn from organizations and individuals participating in the committee on social issues and policies and the ad hoc committee on residence laws of the National Social Welfare Assembly. Other organizations, including the National Council of the Churches of Christ in the U.S.A. and the American Public Welfare Association, have communicated their support for this position in separate communications. Had we sought wider social welfare support it would undoubtedly have been forthcoming as this gap in our national protection against want is a matter of top priority concern to all persons working in this field.

The investigations and report of the Special Committee on Unemployment Problems and the recommendations of the Advisory Council on Public Assistance appointed pursuant to the Social Security Amendments of 1958 make it amply clear that legislative action in this direction is long overdue.

Very truly yours,

JOSEPH P. ANDERSON.

STATEMENT ON PUBLIC ASSISTANCE FOR ALL NEEDY, ADDRESSED TO SENATOR EUGENE MCCARTHY, CHAIRMAN OF THE SPECIAL COMMITTEE ON UNEMPLOYMENT PROBLEMS

The undersigned have noted with satisfaction that the report of the Special Committee on Unemployment Problems includes a recommendation for extension of Federal grants-in-aid to the States for financial assistance to all needy persons and for the prohibition of residence requirements in such assistance. We hope that you as chairman of this committee will take the lead in sponsoring legislation to carry out this recommendation in connection with pending amendments to the Social Security Act.

ORGANIZATIONS

AFL–CIO Industrial Union Department, by John Brophy, special representative.

AFL–CIO Community Services Activities, by Julius F. Rothman, special representative.

American Foundation for the Blind, by Irvin P. Schloss, legislative analyst.

The American Legion, by Randel Shake, national child welfare director.

Association of American Indian Affairs, Inc., by LaVerne Madigan, executive director.

Child Welfare League of America, by Joseph H. Reid, executive director.

Council of Jewish Federations and Welfare Funds, by Philip Bernstein, executive director.

Family Service Association of America, by Clark W. Blackburn, general director.

International Social Service, American branch, by Mrs. Susan Pettis, associate director.

National Association of Social Workers, by Joseph P. Anderson, executive director.

National Committee on Employment of Youth, by Eli E. Cohen, executive secretary.

National Council of Jewish Women, by Mrs. Samuel Brown, chairman, national committee on public affairs.

National Federation of Settlements and Neighborhood Centers, by Miss Fern M. Colborn, secretary, social education and action.

Essex West Hudson CIO Council, by Alfred W. Wagner, director.

Pennsylvania Citizens Association, by A. David Bouterse, executive director.

State Charities Aid Association, by Lowell Iberg, deputy executive director.

Welfare Council of Metropolitan Chicago, by Robert H. MacRae, executive director.

INDIVIDUALS

Arthur J. Altmeyer, former Commissioner of the Social Security Administration.

Chester R. Brown, lieutenant colonel, the Salvation Army.

Dr. Eveline M. Burns, professor of social work, New York School of Social Work, and former president, National Conference on Social Welfare.

Miss Ethlyn Christensen, executive secretary, Public Affairs Committee of the National Board of the YWCA.

Miss Fern L. Chamberlain, secretary, South Dakota Social Welfare Conference.

Wilbur J. Cohen, professor of public welfare administration, School of Social Work of the University of Michigan.

Cynthia Anne Gibson, Field Institute of the New York School of Social Work.

Hyman Grossbard, associate professor of social work, New York School of Social Work, Columbia University.

Miss Jane W. Hoey, former Director, Bureau of Public Assistance, Social Security Administration.

Sidney Hollander, chairman, committee on social issues, Family Service Association of America.

Miss Katherine A. Kendall, associate director, Council on Social Work Education.

Leonard W. Mayo, executive director, Association for the Aid of Crippled Children.

John H. Moore, welfare consultant and farmer.

Mrs. Louise N. Mumm, social worker.

Charles I. Schottland, dean, the Florence Heller Graduate School for Advanced Studies in Social Welfare, Brandeis University, and former Commissioner of the Social Security Administration.

Mrs. Savilla Millis Simons, general director, National Travelers Aid Association.

Miss Marietta Stevenson, director, University of Illinois School of Social Work.

Bertram A. Weinert, community council director.

Miss Elizabeth Wickenden, social welfare consultant.

Ernest F. Witte, executive director, Council on Social Work Education.

Goesta Wollin, executive director, Big Brothers of America, Inc.

Mr. McCARTHY. I ask that there also be printed in the RECORD a letter from Rev. Edwin J. Villaume, executive director of the department of social welfare of the National Council of the Churches of Christ; and excerpts from "A Pronouncement of the Churches' Concern for Public Assistance," adopted in 1958 by the general board of the National Council of the Churches of Christ in the U.S.A.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF SOCIAL WELFARE,
NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE U.S.A.,
New York, N.Y., May 26, 1960.

The Honorable EUGENE J. MCCARTHY,
U.S. Senate, Washington, D.C.

DEAR SENATOR MCCARTHY: I have noted with satisfaction that the report of the Special Committee on Unemployment Problems includes a recommendation for extension of Federal grants-in-aid to the States for financial assistance to all needy persons and for the prohibition of residence requirements in such assistance. The general board of the National Council of Churches is on record in support of these principles. As executive director of the department of social welfare, may I convey the hope of the Council that you will sponsor appropriate legislation to achieve the desired ends.

I am pleased to enclose of copy of the pronouncement of the National Council of Churches entitled "The Churches' Concern for Public Assistance," which deplores the inequities imposed on thousands of needy persons by the low standards of general assistance programs and by residence requirements which are "archaic in present-day mobile America."

Legislation to make public assistance programs more adequate and equitable should be introduced in connection with the pending amendments to the Social Security Act.

Sincerely yours,

WILLIAM J. VILLAUME.

A PRONOUNCEMENT ON THE CHURCHES' CONCERN FOR PUBLIC ASSISTANCE—ADOPTED BY THE GENERAL BOARD OF THE NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE U.S.A., JUNE 4, 1958

During any one month, more than 5 million men, women and children in the United States are dependent in whole or in part for their livelihood on the programs of public assistance: Old-age assistance, aid to dependent children, aid to the blind, aid to the disabled, and general assistance.[1] These programs represent an effort of a society informed by the Judeo-Christian tradition to insure that everyone in that society shall live at a standard compatible with decency and health without regard to race, color or religion.

The National Council of Churches affirms that the use of social insurance as exemplified by old-age, survivors and disability insurance is to be preferred to economic dependence upon the public assistance programs. However, it wishes to call to the attention of the churches the needs, spiritual and social, as well as economic, of the large numbers of people who must depend on public assistance. It believes the churches have grave responsibility for the well-being of the people who depend on these programs.

The primary objective of public assistance programs is to furnish monetary assistance to persons in accordance with the determined degree of their economic need. Through grants-in-aid the Federal Government contributes the major portion of the cost of these programs, except for general assistance programs which (where they exist) are maintained by State and local governments.

Recent years have seen many improvements in the administration of public assistance programs and the extent to which they meet the needs of people. However, serious deficiencies exist in many States and communities and demean the people who must depend on these programs for the physical necessities of life. Many people who are ineligible for the federally aided programs do not have their needs met in some States, even on a minimal level. In most States residence requirements, archaic in present-day mobile America, prevent or modify the way in which people can be assisted by all these programs. Some States continue to impose citizenship requirements which are often more damaging in their consequences. The National Council of Churches believes that such requirements which serve to penalize people in need should be eliminated.

The fact that general assistance programs usually have lower standards than federally aided programs serves to introduce inequities that cannot be defended by thoughtful Christians. These lower standards of help for those who cannot qualify for the federally aided programs by reason of age, residence, or degree or kind of physical impairment, compel tens of thousands of people to exist at a standard below that of decency and health.

For the people dependent on all of these programs there is universal need for an improvement in the standards of assistance so that health and decency may be maintained. The churches have a vital role to play in raising these standards, and churches need to work for the elimination of all inequitable and punitive policies. It is also a responsibility of the churches to be concerned with the way public assistance programs are administered, and to advocate programs which will make available to needy people the whole range of services which may help them become self-supporting and self-respecting persons. Considerations of race, religion and family mores should not be factors in determining eligibility for public assistance.

In order to meet these responsibilities certain activities are suggested. Local churches should become vitally concerned with the administration of public assistance programs in their communities and at other governmental levels. They should work to the end that all these programs have available for their administration personnel adequately trained to meet the variety of needs which the recipients of public assistance will have. The churches should recruit Christian young people to work in these public programs, as well as in church-related programs.

The churches should seek to make certain that standards of the general assistance programs are comparable to the federally aided programs. They should, to this end, support Federal aid for the general assistance programs. Further, all churches should seek improvement of all these programs so that assistance and services will be in such amount and so administered that recipients are offered the opportunity for decent healthful living and opportunity to develop to the maximum their capacities for service to God and fellow men.

[1] The form of public assistance provided by State and local governments for some needy persons ineligible for aid under the federally supported programs cited.

Mr. McCARTHY. Finally, Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3755) to amend the public assistance provisions of the Social Security Act so as to enable States to establish more adequate general assistance programs, and for other purposes, introduced by Mr. McCARTHY (for himself, and Senators MCNAMARA, CLARK, RANDOLPH, HARTKE, and MCGEE), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

That this Act may be cited as the "General Assistance Act of 1960".

SEC. 2 The Social Security Act is amended by adding at the end thereof the following new title:

"TITLE XVI—GRANTS TO STATES FOR GENERAL ASSISTANCE

"Appropriation

"SEC. 1601. For the purposes of enabling each State to furnish financial assistance, so far as is practicable under the conditions in such State, to needy individuals and families who are not qualified for assistance under title I, title IV, title X, and title XIV, and of encouraging each State, so far as practicable under such conditions, to help such individuals and families to maintain and strengthen family life, and to attain maximum self-support and personal independence, there is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year commencing July 1, 1960, a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") State plans for general assistance.

"State general assistance plans

"SEC. 1602. (a) A State plan for general assistance must (1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; (2) provide for financial participation by the State or political subdivisions thereof; (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan; (4) provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for general assistance is denied or is not acted upon with reasonable promptness; (5) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis for employees, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan; (6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports, (7) provide that the State agency shall, in determining need, take into consideration any other income or resources of an individual claiming general assistance; (8) provide that individuals who receive general assistance and who are determined to be employable by the State agency shall register as available for employment with the appropriate public employment office (established pursuant to the Act of June 6, 1933 (48 Stat. 113)) and that failure to accept suitable employment by any such individual shall be taken into account in determining his need for general assistance; (9) provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of general assistance; (10) provide that all individuals wanting to make application for general assistance shall have opportunity to do so, and that general assistance shall be furnished with reasonable promptness to all eligible individuals; (11) provide, if the plan includes payments to individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions; and (12) provide a description of the services (if any) which the State agency makes available to applicants for and recipients of general assistance to help them maintain and strengthen family life and to attain maximum self-support and personal independence.

"(b) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes, as a condition of eligibility for assistance or welfare service under the plan (1) any residence requirement which excludes any individual actually residing, permanently or temporarily, in the State, or (2) any citizenship requirement which excludes any citizen of the United States or any alien who has been admitted as a permanent resident into the United States and who has filed pursuant to the Immigration and Nationality Act a declaration of intention to become a citizen of the United States, or (3) any age requirement.

"Payment to States

"SEC. 1603. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has a plan approved under section 1602, for each calendar quarter, beginning with the calendar quarter commencing October 1, 1960—

"(1) an amount equal to the Federal percentage of the total amounts expended during such quarter as general assistance under

the State plan, not counting so much of any expenditure with respect to any month as exceeds the product of $33 multiplied by the total number of recipients of general assistance for such month, plus

"(2) an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of local agencies administering the State plan in the political subdivisions) to individuals and families in order to help such individuals and families to maintain and strengthen family life and to attain maximum self-support and personal independence.

"(b) The method of computing and paying such amounts shall be as follows:

"(1) The Secretary shall, prior to the beginning of each quarter, estimate the amount to be paid to the State for such quarter under the provisions of subsection (a), such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, (B) records showing the number of needy individuals in the State, and (C) such other investigation as the Secretary may find necessary.

"(2) The Secretary shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary of Health, Education, and Welfare, (A) reduced or increased, as the case may be, by any sum by which the Secretary of Health, Education, and Welfare finds that his estimate for any prior quarter was greater or less than the amount which should have been paid to the State under subsection (a) for such quarter, and (B) reduced by a sum equivalent to the pro rata share to which the United States is equitably entitled, as determined by the Secretary of Health, Education, and Welfare, of the net amount recovered during any prior quarter by the State or any political subdivision thereof with respect to general assistance furnished under the State plan; except that such increases or reductions shall not be made to the extent that such sums have been applied to make the amount certified for any prior quarter greater or less than the amount estimated by the Secretary of Health, Education, and Welfare for such prior quarter.

"(3) The Secretary of the Treasury shall thereupon, through the fiscal service of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary of Health, Education, and Welfare, the amount so certified.

"Operation of State plans

"SEC. 1604. In the case of any State plan for general assistance which has been approved by the Secretary of Health, Education, and Welfare, if the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan finds—

"(1) that the plan has been so changed as to impose any age, residence, or citizenship requirement prohibited by section 1602(b), or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of the State agency, in a substantial number of cases; or

"(2) that in the administration of the plan there is a failure to comply substantially with any provision required by section 1602(a) to be included in the plan;

the Secretary shall notify such State agency that further payments will not be made to the State until the Secretary is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply. Until he is so satisfied he shall make no further certification to the Secretary of the Treasury with respect to such State.

"Federal percentage

SEC. 1605. (a) The 'Federal percentage' for any State shall be 100 per centum less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 50 per centum as the square of the per capita income of such State bears to the square of the per capita income of the fifty States of the United States and the District of Columbia; except that the Federal percentage shall in no case be less than 50 per centum or more than 70 per centum.

"(b) The Federal percentage for each State shall be promulgated by the Secretary between July 1, and August 31, of each even-numbered year, on the basis of the average per capita income of each State and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall, for purposes of this section, be conclusive for each of the eight quarters in the period beginning July 1 next succeeding such promulgation. For the purposes of the preceding sentence the term 'United States' means the fifty States of the Union plus the District of Columbia.

"Definition

"SEC. 1606. For the purposes of this title—

"(a) The term 'general assistance' means money payments to, or medical care in behalf of or any type of remedial care recognized under State law in behalf of, needy individuals or families who are not in receipt of assistance under titles I, IV, X, or XIV, but does not include—

"(1) any such payments to or care in behalf of any individual who is an inmate of a public institution (except as a patient in a medical institution) or any individual who is a patient in an institution for tuberculosis or mental disease, or

"(2) any such payments to any individual who has been diagnosed as having pulmonary tuberculosis or psychosis and is a patient in a medical institution as a result thereof."

SEC. 3. (a) Section 3(a)(1)(B), section 1003(a)(1)(B), and section 1403(a)(1)(B) of the Social Security Act are amended by inserting immediately after "$65" in each such section the following: "(or, in the case of any State which has an approved plan under title XVI, $66)".

(b) Section 403(a) of such Act is amended by—

(1) inserting immediately after "fourteen-seventeenths" the following: "(or, in the case of any State which has an approved plan under title XVI, five-sixth)";

(2) inserting immediately after "$17" the following: "(or, in the case of any State which has an approved plan under title XVI, $18"; and

(3) inserting immediately after "$30" the following: "(or, in the case of any State which has an approved plan under title XVI, $33)".

(c) Section 1101(a)(8) of such Act is amended by inserting immediately after "65 per centum" the following: "(or, in the case of any State which has an approved plan under title XVI, 70 per centum)".

(d) The amendments made by the preceding subsections of this section shall be effective with respect to the calendar quarter commencing October 1, 1960, and all subsequent calendar quarters.

THE REPUBLICAN RECORD ON LABOR-MANAGEMENT

Mr. BUSH. Mr. President, the distinguished minority leader [Mr. DIRKSEN] recently reported on the record of this administration in the area of labor-management relations. This concise report is well worth the attention of all my colleagues, and I commend it to them. Mr. President, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE REPUBLICAN RECORD ON LABOR-MANAGEMENT—1953–60—A SUMMARY

(By U.S. Senator EVERETT MCKINLEY DIRKSEN, of Illinois, Senate Republican floor leader)

MINIMUM WAGE

In 1955 the minimum wage under the Fair Labor Standards Act was raised from 75 cents to $1 and the Department of Labor has continuously recommended an extension of minimum wage protection to several million additional workers.

The average weekly wage in the Nation's manufacturing industry has jumped from $69.60 for a 40-hour week when Mr. Truman left office to $91.20 (as of May 1960) under the Republican administration.

UNEMPLOYMENT INSURANCE

The benefits of the unemployment insurance program were extended under the Republican administration to provide, for the first time, permanent coverage for 2.6 million ex-servicemen. Coverage was also extended to 2.4 million Federal employees and 1.2 million employees of small businesses.

Temporary additional benefits were initiated for those whose payments had been exhausted during periods of high unemployment; this action greatly relieved personal hardship and helped to stabilize the economy.

Legislation was sponsored and enacted under which advances were made to States for unemployment compensation purposes where State benefit funds were seriously depleted.

The States were actively encouraged to improve their unemployment compensation benefits. Since 1953 all States have made improvements in their unemployment compensation laws. All States, except one, increased the benefits under their plans; as a result, average weekly benefits have been increased by 40 percent and maximum duration of benefits has been extended more than 2 weeks.

The Railroad Unemployment Insurance Act was materially strengthened by increased benefits and extended periods of coverage.

LABOR-MANAGEMENT LEGISLATION

The Republican administration sponsored and supported the enactment of legislation to encourage and permit greater participation of union members in the affairs of their unions and to rid labor-management relations of racketeers and crooks.

COLLECTIVE BARGAINING

It has been the firm policy of the Republican administration to strengthen and promote the processes of free collective bargaining. The administration has conducted a continuing and vigorous campaign to encourage a better understanding between labor and management and to improve the entire tenor of labor-management relations.

In 1959 there were 27.5 percent fewer strikes involving 46.9 percent fewer workers than in 1952, demonstrating a remarkable improvement in general industrial peace in spite of the prolonged steel strike which, by itself, accounted for over three-fourths of the man-days idle which occurred during the year 1959.

In 1959 agreements were concluded without appreciable work stoppage in a great many major industries, including anthracite coal, electric and gas utilities, west coast longshore, paper, and petroleum refining.

OCCUPATIONAL SAFETY AND HEALTH

Enforcible safety standards, regulating equipment, processes, and work places, were established for longshoremen and ship repair workers, which will greatly reduce the hazards of their work.

Field offices in the major ports of the United States provide safety services to the maritime industries, State governments, Federal agencies, and labor unions.

Comparisons are being made of existing State safety regulations with American safety standards. These studies will assist States in improving their safety regulations and promote greater uniformity in such standards.

Four President's Conferences on Occupational Safety have been held in the past 7 years. The Conferences, under the chairmanship of the Secretary of Labor, have provided a forum for all groups, large and small, to discuss means of reducing work injuries.

MAXIMUM USE OF MANPOWER

The Department of Labor, under the Republican administration, has made comprehensive analyses and projections of the manpower resources of the Nation covering the present decade and, in advance, the decade 1960–70. It has informed leaders in industry, education, unions, and local and State governments, and mobilized public action and resources to meet the manpower requirements of the future.

YOUTH IN THE LABOR FORCE

The Department of Labor, through its Bureau of Labor Standards, has promulgated and administered a broad program to meet the developmental needs of the young worker to fill job opportunities. Services cover a broad range, including the distribution of effective advisory information to employers.

A program, designed to prevent school dropouts and to keep children in school until they have received the maximum educational training commensurate with their abilities, has been highly successful.

Cooperative arrangements were made with 9,271 high schools for testing and counseling about 300,000 seniors in 1959. A new edition of the Occupational Outlook Handbook, covering employment outlook for about 600 major occupations, was issued in November.

OLDER WORKERS

The Republican administration has vigorously promoted the employment of older workers by employers so that the crucial deficit in our human resources can be effectively met during the coming decade. Educational programs to dispel unfounded beliefs as to older worker employability and specialized counseling and job placement, in conjunction with the affiliated State employment services, have been emphasized and expanded.

WOMEN WORKERS

The Department of Labor has placed new emphasis upon the activities of the Women's Bureau and elevated its head to the position of an Assistant to the Secretary. Much progress has been made in securing legislation to promote the welfare of women workers. A number of new programs have been initiated to expand opportunities for women, in higher level jobs and new occupations.

FARM LABOR

The use of foreign labor has been rigidly scrutinized to insure that it would not adversely affect the employment of domestic farm workers. In addition, the Department of Labor, operating on its own initiative and with the cooperation of the President's Committee on Migratory Labor, has encouraged the development of State standards in the migratory farm labor area. Of the 28 State migratory farm labor committees which now exist, 22 have been established since the President's committee was created in August 1954. The emphasis of both the Federal and State committees has been in securing adequate housing, transportation, child labor, and crew leader legislation codes.

EQUAL JOB OPPORTUNITY

More progress has been made in the last 7½ years in eliminating discrimination in employment than ever before. Each year the nondiscrimination clause in Government contracts has taken effect in 7 million contractual transactions involving over $25 billion in goods and services. The President's Committee on Government Contracts (of which Vice President NIXON is Chairman and the Secretary of Labor, Vice Chairman), set up by President Eisenhower to make that clause effective, has been very successful in its task. An increasing number of skilled positions and promotions are becoming available for Negro workers.

EMPLOYMENT OF VETERANS

The Republican administration has maintained a vigilant campaign to insure the full observance of the reemployment rights of veterans. In the past 7 years the Department of Labor has handled 53,000 ex-servicemen's cases. Of these, only 1½ percent had to be referred to the Department of Justice; the remainder were settled to the satisfaction of all parties concerned through discussion and negotiation.

Since 1952 almost 10 million veterans were placed in jobs through the local offices of our Federal and State employment service; a great many of these veterans received individual employment counseling.

PENSION AND WELFARE FUNDS

As a first step, protection was provided beneficiaries of pension and welfare funds through a disclosure act requiring reporting of financial operation of funds to the Secretary of Labor. The Department has continuously pressed for legislation essential to make the act effective and enforceable.

COOPERATIVE EFFORTS WITH THE STATES

The Department of Labor has since 1953 placed particular stress upon improving the wages, hours, and working conditions of America's working men and women through action by State and local communities. Gratifying results have been achieved by close cooperation with State authorities; more progress in good labor legislation has been made by State legislatures since 1953 than in any comparable period since the basic labor laws were originally enacted.

Substantial headway has been made in minimum wage legislation. Thirty-five States now have minimum wage laws. Since January 1953, five States have enacted such laws for the first time. In five more States, which already had such legislation, new and improved laws were adopted. In addition, 10 States raised their statutory minimum limits.

Because of legislative action since the Republican administration took office in 1953 to date, workmen's compensation benefits of $40 or more are now being paid in 30 jurisdictions, with 16 of these providing benefits of $50 or more.

Major improvements in child-labor laws were made in about a dozen States from 1953 to date. In the same period, the number of States having Fair Employment Practices Acts, prohibiting discriminatory practices of employers, employment agencies, and unions, has increased from 8 to 16.

ENFORCEMENT OF FAIR LABOR STANDARDS LEGISLATION

Diligent efforts have been made to prevent unscrupulous employers from taking advantage of their employees and unfairly competing by violating the provisions of fair labor standards legislation.

In fiscal year 1959 a total of 1,360 enforcement actions took place under the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act.

This is the largest number of cases litigated in any years since these acts have been in effect and more than twice the number of cases which occurred in 1955.

In the last 7 fiscal years, more than $60 million has been paid to over 700,000 employees by employers who had violated the minimum wage and overtime provision of these laws.

This represents approximately 20 percent more back wages than was collected in a comparable period under the previous Democratic administration.

Since January 1953, almost 300 firms and individuals have been ruled ineligible as a result of violating the Davis-Bacon Act and related legislation. This is in striking contrast to a total of only four actions imposed in the entire 17-year history of this law from 1935 through 1952.

ADMINISTRATIVE IMPROVEMENTS

The established services of the Department of Labor have been evaluated and many new programs initiated to improve the skills and employment opportunities of the labor force to provide statistical and other essential data to labor, management, and the public; the Washington and field offices have been reorganized and the career service strengthened

INTERNATIONAL AFFAIRS

To achieve U.S. foreign policy objectives, the Government's international labor activities have been strengthened. Labor attachés have been increased from 35 to 62 and the United States has provided effective leadership in the International Labor Organization. These efforts have been reinforced by active cooperation with American trade unions.

NEED FOR SUPERCARRIER

Mr. SALTONSTALL. Mr. President, the Secretary of Defense, Thomas S. Gates, Jr., recently appeared with me on a radio-television interview. During this interview he again appealed for the inclusion of funds for a new attack aircraft carrier in this year's Department of Defense appropriation bill.

It is essential that we maintain a strong modern carrier force. Moving in international waters these mobile airfields under U.S. sovereignty can project U.S. power in the interest of peace anywhere in the world.

I ask unanimous consent to have printed in the RECORD an article from the New York Times of June 27, 1960, setting forth the views of Mr. Gates on this important part of our defense forces.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 27, 1960]

GATES CITES NEED OF SUPERCARRIER—HE TERMS SHIP NECESSARY DURING A LIMITED CONFLICT—FUNDS CUT BY HOUSE

WASHINGTON, June 26.—Secretary of Defense Thomas S. Gates Jr., renewed his appeal today for congressional approval of a supersized aircraft of the *Forrestal* class.

A House-Senate conference committee began deliberations yesterday to compose their differences over the carrier proposal and other items in the appropriations measure for the next fiscal year, beginning July 1.

The House cut the $293 million requested for the huge carrier from the administration proposal. The Senate restored the ship in its military money bill of $40,514,897,000. The bill exceeded the administration's total request by more than $1 billion.

While Secretary Gates has made it clear that he is opposed to the Senate's increase over the administration's total appropriations request, he emphasized that "we very much want the Congress to approve this carrier."

Mr. Gates gave his views in a radio-television interview with Senator LEVERETT SALTONSTALL, of Massachusetts, prepared for stations in the Senator's home State.

He reiterated the administration position that the money President Eisenhower had requested was adequate and that the Nation's defense was adequate.

"I believe that our readiness is intact and sensible, and we can quickly deploy forces and augment forces if we need to do so," Secretary Gates said.

GATES SEES CONFUSION

The Defense Secretary said that "people get confused" between the country's existing readiness and the stories about weapons that would not be ready for some time.

Discussing the carrier, which he said would be ready in "3 or 4 years" if approved now, Mr. Gates said:

"We very much want the Congress to approve this carrier. This is a mobile airbase, and in many parts of the world where it's difficult to overfly countries, and where existing airfields are inadequate, this is the best means for the United States to project its power, particularly in case of limited trouble."

The colloquy with the Republican Senator brought out that the Navy had 14 aircraft carriers, of which 7 were about 20 years old—"already overage or becoming overage."

It was noted that the size of the carrier should be dictated by the size of modern jet airplanes. Mr. Gates said that "much of the money that goes into the increased size of the aircraft carrier is paid for by the increased safety on airplanes, to say nothing of lives or people."

Supporters of the carrier are advancing the argument that the riots in Japan and the possible division of the country's policy on oversea bases reinforce the need for aircraft carriers.

However, the House Members in the congressional conference committee are understood to be adamantly opposed to the carrier. Last year, the House killed a similar request but agreed to funds for a powerplant for a future nuclear-powered carrier.

The administration argued, however, that a nuclear-powered carrier would be too expensive, and renewed its appeal for a conventionally powered one.

PUBLIC BUILDING PROJECTS AND SMALL WATERSHED PROJECTS APPROVED BY THE COMMITTEE ON PUBLIC WORKS

Mr. CHAVEZ. Mr. President, in order that the Members of the Senate and other interested parties may be advised of public building and small watershed projects approved by the Committee on Public Works, I ask unanimous consent to submit a list of such projects for inclusion in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Resolutions approving projects under the Public Buildings Act of 1959 (Public Law 249, 86th Cong.)

CONSTRUCTION PROJECTS

Date referred to committee	Location	Project	Estimated Federal cost	Date approved
May 17, 1960	Concord, N.H.	Post office and courthouse	$4,036,000	June 22, 1960
May 24, 1960	Washington, D.C.	U.S. Court of Claims	12,000,000	June 23, 1960

ALTERATION PROJECTS

June 15, 1960	New York, N.Y.	Federal office building	$1,078,000	June 22, 1960
Do	do	General post office and Morgan annex	240,000	Do.
Do	Pittsburgh, Pa.	Post office and courthouse	657,000	Do.

Small watershed projects (Public Law 566, 83d Cong., as amended)

Date referred to committee	Location	Estimated Federal cost	Date approved
May 24, 1960	Upper Black Bear Creek, Okla.	$2,627,739	June 22, 1960
Do	Reelfoot-Indian Creek, Tenn. and Ky.	1,773,365	Do.
Do	Olmitos and Garcias Creek, Tex.	995,664	Do.
June 7, 1960	Big Prairie and French Creeks, Ala.	2,402,972	Do.
Do	Misteguay Creek, Mich.	702,638	Do.
Do	Mill Run, Pa.	339,318	Do.

INCLUSION IN CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY OF LIMITATIONS ON THE TYPE AND EXTENT OF SERVICES

The Senate resumed the consideration of the bill (S. 1543) to amend the Federal Aviation Act of 1958 to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of services authorized and for other purposes.

Mr. HARTKE. Mr. President, in regard to the matter which is under consideration today, the supplemental airlines justly deserve the major share of the credit for developing low-fare air travel. Right now, with authority to fly 10 regular scheduled flights between any 2 cities in the United States, they find themselves in the position of bringing air travel to many people who could not normally afford to fly. Although the equipment used for these flights are DC–6's, DC–6B's, and Constellations, the same type aircraft still in use by the big airlines, the interiors are not expensively decorated, and the cabins are arranged for volume seating in keeping with CAB and FAA regulations. The advertising budgets and other promotional costs are trimmed to accommodate not much more than flight schedules. There is nothing elaborate or "plush" about supplemental air travel, but the safety record for this type air service has been remarkable since its origin, and the price has been kept within the reach of people who must look for economy.

Just last week the big airlines were granted a 2½ percent, plus $1 per seat, rate increase. I am not questioning the merits of this decision by the CAB, but I certainly cannot see any harm in keeping alive a slight suggestion of competition for the big lines. As I understand it, the supplemental airlines' civilian ticketed business represents less than 1 percent of all the civilian ticketed business in the air transportation industry.

Because of the flexibility of their certificated authority, these supplemental air carriers currently provide prompt air service to the Department of Defense for the movement of troops. The system used represents the only tried and proven readymade airlift, geared to respond to an emergency in a matter of hours. These airlines have not been subsidized by the Government. They had to match sound management, efficiency, and vision against the many obstacles of a pioneer business.

I think the Congress will do well for our national defense, the air transportation industry, and the system of free enterprise and competition, to encourage the supplemental airlines, especially when all that is required of Congress is simply to back up the CAB after its 8 years of hearings.

SUSPENSION OF EQUAL OPPORTUNITY REQUIREMENTS FOR NOMINEES FOR PRESIDENT AND VICE PRESIDENT

Mr. BIBLE. Mr. President, I ask unanimous consent to lay aside temporarily the unfinished business and proceed to the consideration of Calendar No. 1602, Senate Joint Resolution 207.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 207) to suspend for the 1960 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for nominees for the office of President and Vice President.

The PRESIDING OFFICER. Is there objection to the present consideration of the Senate joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. PASTORE. Mr. President, the Senate Joint Resolution 207 is designed to suspend for the period of the 1960

presidential and vice-presidential campaigns, with respect to nominations for the offices of President and Vice President of the United States, a part of the so-called equal opportunity provision of section 315(a) of the Communications Act of 1934, as amended. That is the part which requires a licensee of a broadcast station who permits any legally qualified candidate for a public office to use a broadcast station to afford equal opportunities and all other candidates for that office in the use of broadcasting stations.

Mr. President, I have prepared an opening statement, which I ask unanimous consent to have inserted in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PASTORE

Senate Joint Resolution 207 is designed to suspend for the period of the 1960 presidential and vice presidential campaigns with respect to the nominees for the Offices of President and Vice President of the United States a part of the so-called equal opportunity provision of section 315(a) of the Communications Act of 1934, as amended. That is the part which requires a licensee of a broadcast station who permits any legally qualified candidate for a public office to use a broadcast station to afford equal opportunities to all other candidates for that office in the use of the broadcasting station.

This joint resolution would also provide that the Federal Communications Commission shall make a report to the Congress not later than March 1, 1961, with respect to the provisions of the joint resolution and any recommendations the Commission may have for amendments to the Communications Act of 1934 as the result of experience under the provisions of the legislation.

Ever since the 1952 presidential campaign the question of the costs and the need for making television time available for presidential and vice presidential candidates has been widely discussed. Various suggestions and bills over the years have been introduced to accomplish this purpose, but for one reason or another little has been done. It will be recalled that in the last session of this Congress, after the so-called Lar Daly case was ruled on by the Federal Communications Commission, this committee recommended and the Congress passed an amendment to section 315 of the Communications Act exempting from its reaches appearances of legally qualified candidates on bona fide news interviews, newscasts, news documentaries, and on-the-spot coverage of news events.

The purpose of the amendment was to permit the broadcast stations and the networks to be free in their coverage of the news, to show or permit to be heard the various candidates as in their honest news judgment might be necessary to give full, meaningful coverage to the significant events of the day. Not enough time has elapsed to permit full evaluation of this amendment.

As the 1960 presidential and vice presidential campaign approached, great concern had been expressed about the serious limitations that were involved in the full application of section 315 to such candidates. For years broadcasters have been criticized for failure to make adequate time available for the major political candidates particularly the vice presidential and presidential candidates. The broadcasters' response has been consistent and direct and to the effect that under section 315 if a station provides time for any presidential candidate it is compelled to make available equivalent time to every other candidate for the same office.

In 1952 for instance it was shown that there were 18 parties with presidential candidates who qualified in 1 or more States. As a result of this number of parties the Communications Act, specifically section 315, precluded giving free time to the Republican or Democratic presidential candidates either for discussions, debates, or any other reason, without providing the same amount of time for each of the presidential candidates of each of the other 16 parties. Accordingly, it was contended this requirement stifled the broadcasters' efforts to present or encourage the presentation of the major political candidates on radio and television during the campaign.

In order to meet this situation 22 Senators on May 10 cosponsored S. 3171 which would require stations and networks to give a specific amount of free time to the presidential candidates of the major parties.

Full and complete hearings were scheduled and held on May 16, 17, and 19, and during that period witnesses representing every phase of the problem were heard. The views of interested Government agencies were received and made part of the record. Numerous statements and communications were received from the general public and outstanding leaders in the business, broadcasting, and educational field reflecting their views on the proposed legislation.

Many questions were raised about the legality and constitutionality of S. 3171. Strong objections were also voiced to the compulsory feature of the bill. The statements and testimony offered to the committee revealed very little disagreement about the need, the importance, and the urgency of making time available over broadcast facilities for the major presidential and vice presidential candidates. The basic disagreement arose as to the method of accomplishing this objective. Should it be required by legislation as outlined in S. 3171, or should the broadcaster be permitted to do it on a voluntary basis?

The broadcast officials and many others who filed statements indicated that the bill was unnecessary since adequate free time would be offered voluntarily to the significant candidates during the so-called prime viewing hours if section 315 were amended to permit such action. It was suggested that the mere suspension of section 315 for the 1960 presidential campaign as this section applies to the presidential and vice presidential candidates would be adequate to permit the broadcaster the discretion to adopt the voluntary action the broadcasters recommended during the hearings. Of course, no one has any desire to force legislation in a field where it is not needed. It is only when the overwhelming public interest is involved, as in this case, that the idea of legislation is even entertained. In a free enterprise system, competition and minimum Government regulation should be the controlling forces.

The committee was impressed by the sincere desire of the broadcasters to meet their obligation of public service in the national political arena provided this obligation was voluntary and adopted Senate Joint Resolution 207 which would suspend section 315(a), the equal time provision, for the period of the 1960 presidential and vice presidential campaign with respect to the nominees for the Offices of President and Vice President of the United States. This suspension is temporary in nature and is to terminate the day of the 1960 presidential and vice presidential election and applies only to the legally qualified candidates after they have been duly nominated by their respective parties.

In suspending section 315(a) full discretion is being given to the broadcaster. He is being afforded full opportunity to demonstrate by fact and act what he has contended he was unable to do because of the restrictions contained in section 315. He is being offered this chance to show how he will meet his public service obligation during the 1960 presidential and vice presidential campaign and the committee will have an opportunity to evaluate his performance in the next Congress.

Fear has been expressed that the adoption of this legislation would tend to weaken the present requirements of fair treatment of public issues. I want to make it crystal clear that the committee in recommending this legislation does not diminish or affect in any way the FCC policy or existing law which holds that a licensee's statutory obligation to serve the public interest is to include the broad encompassing duty of providing a fair, cross section of opinion in the station's coverage of public affairs and matters of public interest.

Sufficient flexibility is being afforded the broadcaster to put to test his ingenuity. He cannot in the event of difficulties encountered later state that he has been restricted or limited by legislation. He has asked for this opportunity to develop a voluntary plan and it is being granted.

In adopting this course of action as recommended by this legislation the committee was aware of the opportunity it affords a broadcaster to favor a candidate. This is a risk that the committee feels is outweighed by the substantial benefits the public will receive through the full use of this dynamic medium in presidential campaigns on a voluntary basis. I have faith in the maturity of our networks and broadcasters and their recognition to discharge their obligation in the public interest.

I feel that the proposals contained in this legislation are in the public interest and worth a risk being taken because the suspension is of a temporary nature and voluntary action is always preferable to Government action and therefore urge the passage of Senate Joint Resolution 207.

Mr. PASTORE. Mr. President, I shall make a very brief explanation of what the joint resolution provides, and I shall be happy and willing to answer any questions that may be asked of me by my colleagues concerning the joint resolution.

As a preface to my remarks, I will state that some time ago a bill was introduced which provided for the granting of free time during the campaign period to the presidential and vice presidential nominees at certain specified times each week up to the time of the election. We held hearings on that bill before our committee, and it became quite evident that the time was rather premature for that type of mandatory legislation. Pursuant to a suggestion, I introduced the joint resolution, which provides that broadcasters shall be relieved of their obligations under the so-called equal-time provision of section 315 of the Communications Act.

The representatives of the three major networks appeared before our committee and testified that they would be willing to assume this responsibility on a voluntary basis. They had already conferred with their affiliates and had organized in their own minds a plan which they thought would be satisfactory. It was one which they could and would carry out, provided they were relieved of the responsibility and the obligations under the equal-time provisions of the law.

If the joint resolution is passed, all we shall have provided is that from now on until the next election in November

broadcasters may grant free time to the nominees of the major parties for the offices of President and Vice President without being obliged to grant the same opportunity to all other candidates of all other parties for those two particular offices.

The joint resolution is a rather indirect way of accomplishing this purpose, but it is the only way it can be done. In short, if the joint resolution is adopted, we shall free the broadcasters from the equal-time provisions of section 315 so that they can inaugurate their voluntary plan to grant free time to the nominees of the major parties for the offices of President and Vice President.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. YARBOROUGH. I wish to thank the distinguished Senator from Rhode Island for his concise explanation. I ask the Senator from Rhode Island if, under the terms of Senate Joint Resolution 207, a broadcasting station could not grant an hour a day, if it wished, to one nominee for the presidency and grant no time whatsoever during the entire campaign to any other nominee of any other party?

Mr. PASTORE. The Senator is correct. Under the joint resolution the provisions could be stretched and strained with that result. But the members of the committee have every conviction and every belief that, in view of the presentations made by representatives, who laid before the committee their plan, such would not be the case. Such a result would be possible, but the only way by which networks might inaugurate their voluntary plan is to free them by way of exception from the provision of section 315. What the Senator has said is absolutely correct. However, I think they would be in bad faith if they did so.

Mr. YARBOROUGH. Under the provisions of the Senate joint resolution any station could grant to a candidate for the Presidency or a candidate for the Vice Presidency any time it chose without any obligation to grant any time to an opponent of either of those candidates.

Mr. PASTORE. That is correct under the joint resolution, but the stations and networks would come under the rules of fair and impartial treatment by all with respect to their public service responsibility. I think they would be in a difficult position when their licenses came up for renewal if, to use a harsh word, they betrayed the committee and the Congress by doing what the Senator has suggested.

Mr. YARBOROUGH. But there is no obligation for them to grant an opponent time.

Mr. PASTORE. There is no legal obligation, and I have already stated that.

Mr. YARBOROUGH. They are free from all restraint.

Mr. PASTORE. That is correct.

Mr. YARBOROUGH. The proposed Senate joint resolution would make it legal for any broadcaster to grant free time to a candidate and no time to any of his opponents. What law would be violated if an amendment were agreed to which would provide that it is perfectly legal to grant any amount of time to a candidate and none to his opponent?

Mr. PASTORE. The networks would not violate any law; they would merely violate the confidence which the committee has reposed in them.

Mr. YARBOROUGH. Representatives of the networks appeared before the committee, but is it the position of the Senator from Rhode Island that representatives of each individual broadcasting station have appeared and made such a statement as he indicates? Is it not true that only the networks have appeared?

Mr. PASTORE. That is true.

Mr. YARBOROUGH. I do not recall that any appearances were made on behalf of individual stations.

Mr. PASTORE. Nevertheless, broadcasters are the affiliates of the networks. Programs originate over a network. Therefore the broadcasters work in close harmony and in close association with networks which originate the program. Naturally, the broadcasters have contracts with the networks, and any deviation from the terms of those contracts would be a breach of that relationship.

I shall admit again the possibility of the suggestion made by the Senator from Texas, but I say that, judging from the presentation that was made to our committee, it would be a pretty far-fetched action if they carried out the plan suggested by my distinguished colleague, the Senator from Texas.

Mr. YARBOROUGH. Mr. President, will the Senator yield for an additional question?

Mr. PASTORE. I yield.

Mr. YARBOROUGH. Did the FCC give any written report on the Senate joint resolution?

Mr. PASTORE. No. The representative of the FCC testified on the bill (S. 3171) itself.

Mr. YARBOROUGH. Did they testify on the pending joint resolution? Did the FCC give the committee the benefit of its views?

Mr. PASTORE. Not precisely; no.

Mr. YARBOROUGH. So the measure is before the Senate without the benefit of the opinion of the regulatory agency with respect to it?

Mr. PASTORE. That is correct. It has been reported unanimously by the committee, with the exception of the distinguished Senator from Texas, who is the only one on the committee who filed dissenting views. However, I believe it has been pretty well explained.

Mr. YARBOROUGH. Did the broadcasters give any formula or format or plan as to how they would carry out the provisions of the joint resolution?

Mr. PASTORE. No; one had suggested a sort of "Meet the Press" program during the hearings.

Mr. YARBOROUGH. They suggested that Congress abdicate its authority and leave it up to private broadcasters to decide how these presidential elections will be run this year. Is that correct?

Mr PASTORE. No, no; nothing could be further from the truth.

Mr. YARBOROUGH. I asked the distinguished Senator from Rhode Island to tell us what plan the broadcasters gave the committee as to how they would carry out this great program if Congress abdicated its rights and said to the broadcasters, "It is up to you."

Mr. PASTORE. There is no abdication involved at all. As a matter of fact, it is a question of take it or leave it. The broadcasters cannot work out a program until they talk with the nominees. I do not say that I even know whether Senator KENNEDY, if he is the nominee for President, or Vice President NIXON, if he is the nominee for President, will accept this free time. If they do not want to accept it, they cannot be made to accept it. All of these matters have to be worked out with the nominees and with the national committees. We could not compel the nominees to accept something they did not want to accept. This is a matter that can be worked out. It will have to be worked out. Nothing may come of it. On the other hand, a great deal of good could come from it.

We have been saying for a long time, in order to educate the people of this country on the issues of the day, so that they may see their candidates, and so that they may hear their candidates, and so they may see how a candidate will answer questions on the issues of the day, we should provide that these licensees should give some time for the benefit of the people of this country, that these candidates should be given some free time, so that the people can hear the issues of the campaign discussed. The networks thereupon said to us, "Do not compel us to do it, because we believe such a proposal is unconstitutional. However, in the public interest, we are willing to give free time. We are willing to give time to both candidates if they will accept the free time, provided you release us from the obligation of the equal opportunity section of the law." That is all that is involved here.

Mr. YARBOROUGH. Mr. President, will the Senator yield further?

Mr. PASTORE. I yield.

Mr. YARBOROUGH. Under the Magnuson-Monroney bill, is it not true that the networks would be required to give this time, and if they did not have a joint debate cr discussion between two or more candidates, the bill required the networks to give time to each candidate, and did provide for a discussion of the issues and for debate, and that Senate Joint Resolution 207 is a substitute for that bill?

Mr. PASTORE. The Magnuson- Monroney bill required the giving of free time to the candidates, so that the candidate might appear on their own format for a certain period of time, for a certain number of weeks before the campaign. The networks came to us and said, "We want to cooperate with you, we do not want to be mandated."

Mr. YARBOROUGH. The candidates were to appear together.

Mr. PASTORE. Not necessarily. They may appear separately. The networks did not want to be compelled to give this free time. They said, "We will give it voluntarily, if you will release us from the equal-time provision of the law."

Mr. YARBOROUGH. Mr. President, I send to the desk an amendment to S. J. Res. 207, and ask that it be reported.

Mr. ENGLE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. ENGLE. I should like to say that our committee did the best it could do with a difficult situation. The legislation that was proposed would be compulsory in character, requiring the networks to give equal time for certain periods of time to the candidates of the major parties. The networks vigorously resisted that legislation on several grounds. As the distinguished chairman of the subcommittee has stated, the networks came in and said, "We will do it voluntarily, if you will give us a chance to show what we can do on a voluntary basis."

We got into the situation where it was perfectly plain that we were not going to be able to get mandatory legislation passed, however meritorious it might be. So it is a matter of either taking the voluntary program, or leaving the law stand where it is. If we leave the law as it is, the networks are under compulsion of giving equal time. That means that they would not give any time to any candidate, because in giving time to the Republican candidate, for example, and to the Democratic candidate, the two major candidates, it would necessarily require them, under the law, to give time to all the splinter party candidates—the Prohibition Party, the Socialist Party, the Constitution Party, and all other parties that happen to be involved. Sometimes there are a great number of those parties in a presidential election year. There may be 15 or 20 such parties. The very nature of these network sytems would not permit them to be exposed to that kind of situation. Therefore they would be in the position of not making any time available on their networks to any candidates, to neither of the major candidates. They said, "We will do this voluntarily, and we will be willing to give time to each of the major candidates, provided that we are relieved of the obligation or requirement with respect to the splinter candidates." That is what the joint resolution would provide.

Admittedly, it is a test proposition. They say, "If you have any criticism about it you can change the rules." Of course from the standpoint of the coming election, that would do no good. In my opinion, on the other hand, they will not do anything to warrant criticism, and that they will be fair, and that they will try to establish a history of handling this situation on a fair basis, in order not to be exposed to legislation at a future date which would be adverse to them. Certainly at this late period in the session, and considering the difficulty of proposed legislation in this field, this is the only thing we can do which will make any kind of constructive contribution to the situation. That is the reason why I am supporting the bill.

Mr. PASTORE. I thank the Senator. Let me say this also. The joint resolution has the endorsement and approbation of the Republican and Democratic National Committee chairman. I walked up to the desk a moment ago and read very hurriedly the amendment which was being prepared by my distinguished friend from Texas [Mr. YARBOROUGH]. I hope he will not press it. It requires the candidates to appear in debate. It requires them. I am sure we would be forcing something on the candidates that they might not want to accept. It might not be satisfactory to them. Under the joint resolution they could debate if they wanted to. There is nothing to prohibit that. I would hope that we will not enact compulsory or restrictive legislation which would create a situation that would be in itself ineffective. It is only a trial program. As my distinguished friend from California has already mentioned, if it does not work out, it need not be continued. The joint resolution itself will expire after the coming election, and we will go back to the status quo.

In view of the presentations and representations made to the committee, I believe that at this moment, since we are in the twilight of our session, if we expect to do anything in connection with the object of granting the people of the country a better opportunity to hear and see the nominees for the office of President and Vice President, this is our last opportunity to do something affirmative about that.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SCHOEPPEL. I should like to say to the distinguished Senator from Rhode Island, who handled the bill in committee, and who has made some remarks on the measure on the floor, that I wish to associate myself with the position he has stated, and also with the position taken by the distinguished Senator from California [Mr. ENGLE]. As has been said, if we had attempted to provide compulsory legislation we would not have been able to have it approved in the form in which we are approaching the situation today.

I think it is a most practical approach, in the closing days of the session, when the broadcasters are willing, on the basis of an offer, to make this service available. It will give us an opportunity, as has been pointed out, to see how the system works, and to have a report made on it.

I associate myself with the distinguished Senators who have spoken in favor of the measure. I think it is a sensible approach to the subject. I hope the Senate will pass the resolution.

Mr. PASTORE. I thank the Senator from Kansas. I yield to the Senator from Pennsylvania.

Mr. SCOTT. In my opinion, the distinguished Senator from Rhode Island has made a very persuasive presentation as to why the resolution should be passed without amendment. I ask the Senator from Rhode Island if he does not agree that while we must preserve the freedom of debate, we ought also to preserve the freedom not to debate. It seems to me that the amendment offered by the Senator from Texas [Mr. YARBOROUGH] appears to say, in effect, "You will debate, or else." I think that is an impingement on the freedom of the candidates of the political parties.

Mr. PASTORE. I do not believe the one candidate to the other that they delanguage construed in exactly that fashion.

Mr. SCOTT. I agree that he does not mean that.

Mr. PASTORE. In the presidential campaign of 1952, an offer was made by one candidate to the other that they debate. The offer was refused on the other side.

I am afraid that such a proposal as that of the Senator from Texas will lead to complications and implications. One candidate may be a man who is profound in his knowledge of government, but does not seem to have the personality appeal, by comparison with the other candidate, and might refuse to appear jointly and debate with him.

Under the provisions of the joint resolution, they could still appear jointly, if they wished. The important point is that whatever time stations grant to one major candidate an equal amount of time will be granted to the other, according to the plan laid before us. There will be a free discussion of the issues according to a pattern or a format upon which both major candidates must agree.

Mr. SCOTT. I was about to say to the Senator that the American people are entitled to hear both candidates, and, under the public service reservation in the resolution, are entitled to hear, in the interest of fairness, the candidates of minor parties, in the fair exercise, by the broadcasting services, of discretion and judgment.

However, I do not believe the American people ought to be put in the position of being required by Congress to judge the next President of the United States on the basis of whether he is a good debater or not. There are many other qualifications which should be considered.

Nothing ought to appear in the resolution which will in any way attempt to hamstring the freedom of the candidates for President and Vice President to make use of the communications media of the country as may seem best to them.

Mr. PASTORE. There may be a thousand different reasons to impel a candidate to accept or not to accept an invitation to debate. I think that question should be left to the candidates of the parties to resolve.

The language of the resolution as it is drawn meets with the approval of the Republican national chairman and of the Democratic national chairman. If we seek to change it at this time, I fear that any deviation might lead to ineffectiveness. The worst thing that can happen is that nothing will happen. The plans will be unacceptable to both nominees, and we will be where we would be if exactly nothing had been done.

The chances are that time will be given on an equal basis to both major nominees, and certainly the American people will be the beneficiaries of that gratuity.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MONRONEY. I compliment the distinguished Senator from Rhode Island for bringing the joint resolution to the floor, and for his usual patience and consideration in bringing the matter of Presidential-candidate-broadcasting time on a public service basis before the Senate.

Ever since 1952, when I first served on the Committee on Interstate and Foreign Commerce, this subject has been before us in election years. Each time several of us wanted to move in one direction, the networks wanted to move in another, and the campaign managers of the candidates for President wanted to go in another. The net result was that we had no legislation and television did not make the contribution which it could have made toward bringing the genuine issues, the real positions of the presidential candidates, to the people concerned.

As one of those who drafted the original bill, of which the joint resolution is an outgrowth, I believe we now have provided the very best possible arrangements for trying to reach the result desired. I agree wholeheartedly. Although the resolution is not as simple and direct an approach as the bill I had the privilege to sponsor originally, it is the best measure we can possibly secure in the short time remaining. If we tried to change it very much, we would find that one or the other of the major parties would react unfavorably. We must remember that this proposal has not passed the House, and will not pass the House until after the Senate has acted.

If we are not in wholehearted agreement on this approach to allotting free time, then we will never achieve the result that we all wish in this campaign. Let us afford the great media of communication a trial before the people of the country in this coming campaign.

I am grateful, indeed, for the patience which the distinguished Senator from Rhode Island has exhibited and for the way in which he has struggled to have the resolution reported. I hope it will pass the Senate by a unanimous vote.

Mr. PASTORE. I thank the Senator from Oklahoma for his forceful contribution.

Mr. JAVITS. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. JAVITS. I support the Senator from Rhode Island and join with the Senator from Oklahoma in expressing my support of the resolution.

I call attention to one point, namely, the public stake in the matter. There is no more searching medium than television for finding out the point of view of a man and for plumbing his character. This the public has learned. I think that by making it simple for the networks to provide this kind of exposure, the public interest will be best served.

Moreover, it will take some of the terrible strain of financing campaigns off the backs of the candidates. One of our worries is that so much money is required for the purpose of campaigning. We do not know what, by implication, a candidate may be undertaking when he must raise large sums of money.

I give the Senator from Rhode Island this factual backing for the joint resolution. I had a debate at the Academy of Television Arts and Sciences with Mr. Paul Butler and Senator THRUSTON MORTON, the respective chairmen of the national committees; former Gov. Averell Harriman, of New York, a representative of CBS; and the moderator, on this very subject. The conclusion, after an exhaustive, 2-hour session, which was viewed by the leaders in the television industry, who asked many questions, was that there is no single technique which is greater and more effective to acquaint the public with what they were buying in a presidential candidate than to have an exposure on television.

Mr. PASTORE. I thank the Senator from New York for his factual example. I now yield to the Senator from Texas.

Mr. YARBOROUGH. The distinguished Senator from Pennsylvania [Mr. SCOTT] in his colloquy with the distinguished Senator from Rhode Island—and I regret that the Senator from Pennsylvania has left the Chamber—suggested that under my amendment it was "either debate, or else." Of course, there is nothing in the amendment which would prevent either party from buying all the time it wanted, or any type of program it wanted. It was the view in the hearings before the committee that even if free time were a requirement under the original Magnuson-Monroney bill, or under Senate Joint Resolution 207, neither party intended to reduce its expenditures for presidential campaigning by way of radio and television.

Mr. PASTORE. Why does the Senator want to force the nominees to debate, if they do not wish to debate?

Mr. YARBOROUGH. I really do not desire to force them to debate.

Mr. PASTORE. That is what would be required under the Senator's amendment.

Mr. YARBOROUGH. I will change the language of the amendment. My purpose is to make certain that equal and fair time is granted to the major candidates.

As the Senator has said, if S.J. Res. 207 becomes law, any station could grant, free, all the time it wanted to grant to any candidate for the Presidency, without any requirement that it grant a single minute to the candidate of any other party.

Of course, the Lar Daly case makes it mandatory, in the granting of time, where it is required under existing law, that the media grant equal time to all candidates.

Mr. PASTORE. In view of the report, the hearings on the resolution, and the historical background leading up to it, would not the Senator admit that even if anyone did what the Senator suggested he could do legally, he would be in bad faith with respect to that action?

Mr. YARBOROUGH. My question is, What law would be violated?

Mr. PASTORE. I understand that. I concede that legally he could do it. However, after all, we have developed a record. If there were any deviation, it could happen in only one campaign. We have limited the resolution to the coming campaign. It is true that there could happen what the Senator has suggested; but if a broadcaster dared do that, he would be in breach of this whole record and would be in bad faith before the subcommittee. Such a breach would be subject to the reprisals of more stringent laws before the next election.

I do not have the fear that possesses the Senator from Texas. I do not fear that what he has suggested would necessarily happen just because it could legally be done. I believe it would be in violation of our understanding. It would be in violation of the entire background and history we have developed here. It would be a violation of this report, and would be a violation of the understanding with the affiliates, because the network program could never be received unless the network sent it through its affiliates.

The PRESIDING OFFICER (Mr. RANDOLPH in the chair). Let the Chair suggest that the amendment of the Senator from Texas has not officially been placed before the Senate or read by the clerk. The Chair suggests that the Senator from Texas permit his amendment to be stated at this time.

Mr. PASTORE. Mr. President, I have been hoping that the distinguished Senator from Texas would withdraw the amendment before it was reported.

Mr. YARBOROUGH. Mr. President, if the reporting of the amendment is withheld, I may withdraw the amendment, if by means of our colloquy we can clear up the point I have in mind.

Mr. PASTORE. I ask for the indulgence of the Chair in that respect.

The PRESIDING OFFICER. Certainly.

Mr. YARBOROUGH. I should like to point out to the distinguished chairman of the Communications Subcommittee that in the committee I offered several amendments, one of which was adopted. It appears in the joint resolution on page 2, in lines 2 to 4, as follows:

> Nothing in the foregoing shall be construed as relieving broadcasters from the obligation imposed upon them under this Act to operate in the public interest.

Mr. PASTORE. I think that is a very illuminating and very clarifying statement of the philosophy of the law, and we were very happy to accept the amendment.

Mr. YARBOROUGH. My question is this: Does the distinguished Senator from Connecticut——

Mr. PASTORE. From Rhode Island, if you please. [Laughter.]

Mr. YARBOROUGH. Does the distinguished Senator from Rhode Island—and I apologize to the distinguished Senator, and also to the State of Rhode Island——

Mr. PASTORE. Mr. President, Connecticut is a very delightful State. As far as the Senator from Rhode Island is concerned, he loves it; but he loves it most as he drives through Connecticut, on his way home.

Mr. YARBOROUGH. As the distinguished senior Senator from Rhode Island has said, how nice to be the small-

est State in the Union, but how horrible it would be to be the next to the smallest State in the Union.

So my question to the distinguished Senator from Rhode Island is whether this language, which we adopted in the committee—in other words, my amendment—is broad enough to require the broadcasters to be fair to each of the candidates.

Mr. PASTORE. Yes.

Mr. YARBOROUGH. But without requiring them to provide equal time—but to be fair.

In that connection, I point out that among the minor parties in 1956, for example, was the Socialist Party, which in the general election received only approximately 2,000 votes, whereas at one time the Socialist Party, under the leadership of Eugene Debs, received more than 1 million votes in a national election. I do not think anyone would expect a network or a station to give a candidate of a party which has had a long history, but which received only 2,000 votes in the entire Nation, in a general election, as much time as the amount of time given to the candidate of a party which polled more than 20 million votes, and which has in office a number of Governors, Senators, Members of the House of Representatives, and other public officials.

Mr. PASTORE. But under the equal-opportunity law, that is precisely what they are required to do.

Mr. YARBOROUGH. And I favor relaxation of that law.

My inquiry about the joint resolution is whether it is broad enough to require equal or fair treatment as between the candidates of the two major parties.

Mr. PASTORE. I think the amendment suggested in the committee by the distinguished Senator from Texas will take care of that equitably and adequately.

Mr. YARBOROUGH. And do I correctly understand that the chairman of the subcommittee construes it to mean that they will have to do that in a fair manner, so that the American people will have a real opportunity to hear the candidates of the parties which are responsible in size and have a real opportunity to win the election?

Mr. PASTORE. That is correct.

Mr. GORE. Mr. President, will the Senator from Rhode Island yield to me?

Mr. PASTORE. I yield.

Mr. GORE. I have listened with interest to the debate. The distinguished junior Senator from Rhode Island has several times referred to the understandings which have been had or reached. I wonder whether there is an understanding between the committee, the networks, and representatives of the affiliated stations, upon which the able Senator thinks he and the Senate can justifiably rely, in order to assure fair assignment of time.

Mr. PASTORE. I think there is definitely a moral understanding. It was made clear before our committee. It is true that, even under this joint resolution, they could legally grant all their time to only one candidate, if we relax the equal opportunity section of the law, as we are doing by means of this joint resolution. But I do not think they will do that. I have every confidence that they will not do it. By means of this joint resolution we open the door slightly; but if they dare trespass on equity, we will close the door so quickly, next January, that it will be no laughing matter.

Mr. GORE. Mr. President, will the Senator from Rhode Island yield further to me?

Mr. PASTORE. I yield.

Mr. GORE. In asking the question, I do not indulge in any presumption that the networks would be unfair. But I wish to elicit from the Senator an answer to the inquiry as to whether the understanding to which he has referred involves an understanding between the committee and the networks. Will the Senator please state just what the understandings are?

Mr. PASTORE. The understanding is set forth in the record of the hearings. They appeared before our committee, and said, "There is only one way we can do this—by you granting us an exception to the equal-time section of the law—section 315—and granting the exception to apply only to the major candidates for the office of President or Vice President in the next campaign. If you do that, then we, ourselves, on a voluntary basis, will inaugurate a program which will give proper time to these major nominees."

We feel it can be worked out; and I understand they have already discussed it with the chairman of the Republican National Committee and with the chairman of the Democratic National Committee. We do not know what the program will be, because we do not know who the candidates will be.

As a matter of fact, the other distinguished Senator from Texas [Mr. JOHNSON] might be invited to engage in debate on the program, because certainly he is one of the best debaters in the country. On the other had, he might not wish to participate in the debate. In fact, his prospective opponent might be fearful of opposing him in debate on the program—knowing him to be so skillful a debater. In that event, there would be no program at all.

Mr. CARLSON. Mr. President, will the Senator from Rhode Island yield to me?

Mr. PASTORE. I yield.

Mr. CARLSON. I wish to commend the distinguished Senator from Rhode Island for working out what could be a very difficult problem in the coming campaign. Even though the pending measure will suspend certain sections of the existing law, in view of the colloquy which has been had this afternoon and in view of the understandings worked out in the committee, I believe the plan will work out very satisfactorily.

Mr. YARBOROUGH. Mr. President, will the Senator from Rhode Island yield for a question?

Mr. PASTORE. I yield.

Mr. YARBOROUGH. Is it the understanding of the distinguished Senator from Rhode Island that the agreement with the networks binds the affiliates of the networks?

Mr. PASTORE. I would say it is my understanding it does, because they represented to us that they had already discussed it with their affiliates, and that the affiliates are in accord.

Mr. YARBOROUGH. And their affiliates are bound by the agreement, are they?

Mr. PASTORE. Yes, that is my understanding because, actually, the only control we have is over the affiliates, not over the networks.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that my amendment may be withdrawn.

The PRESIDING OFFICER. The amendment will be withdrawn.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 207) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That that part of section 315(a) of the Communications Act of 1934, as amended, which requires any licensee of a broadcast station who permits any person who is a legally qualified candidate for any public office to use a broadcasting station to afford equal opportunities to all other such candidates for that office in the use of such broadcasting station, is suspended for the period of the 1960 presidential and vice presidential campaigns with respect to nominees for the Offices of President and Vice President of the United States. Nothing in the foregoing shall be construed as relieving broadcasters from the obligation imposed upon them under this Act to operate in the public interest.

(2) The Federal Communications Commission shall make a report to the Congress, not later than March 1, 1961, with respect to the effect of the provisions of this joint resolution and any recommendations the Commission may have for amendments to the Communications Act of 1934 as a result of experience under the provisions of this joint resolution.

INCLUSION IN CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY OF LIMITATIONS ON THE TYPE AND EXTENT OF SERVICES

Mr. BIBLE. Mr. President, I ask that the Senate resume the consideration of Calendar No. 1630, Senate bill 1543, the supplemental air carrier certificate bill.

There being no objection, the Senate resumed the consideration of the bill (S. 1543) to amend the Federal Aviation Act of 1958 to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes.

TEMPORARY AUTHORIZATION OF CERTAIN AIR CARRIERS TO ENGAGE IN SUPPLEMENTAL AIR TRANSPORTATION

Mr. MONRONEY. Mr. President, I ask unanimous consent that in lieu of

Senate bill 1543, the Senate now proceed to the consideration of House bill 7593, the companion House bill.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7593) to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the Senate proceeded to consider the bill (H.R. 7593) to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes, which was read twice by its title.

Mr. MONRONEY. Mr. President, because of an agreement we have with the ranking Republican member of the Aviation Subcommittee, I suggest the absence of a quorum, so that he may be notified.

The PRESIDING OFFICER. The absence of a quorum has been suggested; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, in behalf of myself and my distinguished Republican colleague on the Aviation Subcommittee [Mr. COTTON], I send to the desk an amendment which we offer as a compromise amendment to the House bill.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 1, line 5, it is proposed to strike "twelve" and insert "twenty-four".

Page 2, line 6, it is proposed to strike "twelve" and insert "twenty-four".

Page 2, line 7, it is proposed after the word "any" to insert "person or".

Page 2, line 10, it is proposed to strike "and" and insert "or".

Mr. MONRONEY. Mr. President, the bill, which would provide for the continued operation of the so-called supplemental or irregular air carriers, is before the Senate because of a recent decision of the U.S. Court of Appeals for the District of Columbia Circuit, on April 7, 1960, which denied these carriers the right to continue as small businesses or as commercial aviation operators. The court in overruling what has been the practice of the Civil Aeronautics Board since January 1959, which was to license supplemental air carriers to operate on the basis of limited certificates of convenience and necessity, overruled the practice upon the ground that the Board, under the existing law, does not have the right to issue a limited certificate; in other words, a certification which would provide for more limited and flexible service than the regularly scheduled trunk, feeder, or international air service.

The court repeatedly stated that if the Congress desired to provide for this class of service, Congress should say so, and the court raised no question as to our ability to legislate in this field to provide for so-called supplemental air-transportation service.

The Senate subcommittee conducted adequate hearings and considered all sides in regard to the question. We reported a bill providing the CAB with authority for the permanent certification of these supplemental carriers, and for a continuation of individually ticketed flights at a level of 10 round trips per month between any 2 points for 1 year, with the statement that we could look into the matter of such noncharter operation further.

However, the House has already acted on its bill, H.R. 7593. Because of the lateness of the session and the feeling that there was not ample opportunity to properly explore the matter, the House passed the bill authorizing a continuation of these various types of supplemental service for only 12 months, as a stopgap measure, agreeing to look into the matter next year.

We have conferred with all members of the Aviation Subcommittee. The distinguished Senator from New Hampshire [Mr. COTTON] has been most helpful.

We propose to accept the House bill, which is now before the Senate, with the amendment we have offered, which, among other things, increases the time to 24 months. We seek to do this for the simple reason that the financing of these small air operators would be nearly impossible if we limited the authorization to a 12-month period of time. The testimony before the committee was that these operators have bought many DC–6's, "Connies," and other high-performance-type aircraft, which the regularly scheduled airlines sold to them. The financing is on a 3-year basis. It would be almost fatal to the continued operation of these operators if their lease on life were only for 12 months.

We are also aware of the fact that there is a danger with respect to the changing of the administration. With a new President and a new President's program, Congress may not be able to complete action upon hearings regarding permanent certification during the next session, although we hope and desire to do so. We do not wish to have a death sentence and a date of execution hinged on the adjournment of Congress next year. That is the reason why we wish to provide for 24 months.

I have discussed the matter with Members of the House of Representatives. I feel sure that members of the House committee will look with some favor upon the 24 months' extension, rather than the permanent extension, as proposed in the Senate bill.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. SMATHERS. First, I wish to congratulate the able Senator from Oklahoma and the other members of the Aviation Subcommittee for reporting the bill favorably.

The only question which I would like to ask of the able Senator is this: He offered an amendment before I was able to get to the Senate Chamber, and I was wondering what the amendment offered by the able Senator from New Hampshire and himself, which was agreed to, is intended to accomplish.

Mr. MONRONEY. The distinguished Senator from Florida helped us materially in the preparation of the original Senate bill, and therefore he knows that we undertook to give permanent extension of life to the subject carriers. However, we provided that for a period of 1 year those carriers should be limited to 10 round trips a month on individually ticketed operations as distinguished from charter operations.

Before we could act, we ran into conflict with the House. The House passed a bill which provided a temporary extension for 12 months only. The House is strongly opposed to permanent certification at this late hour. For that reason, rather than run the risk at this late date of losing the bill in conference, we decided that we would join with our distinguished colleague, the Senator from New Hampshire [Mr. COTTON], who had submitted an amendment which provided for a 12-month extension similar to what the House proposed, and who would agree to a 24-month extension, which will give us time to have proper hearings and consider the whole subject of permanent certification at that subsequent time.

Mr. SMATHERS. Does the able Senator state then that if this particular proposal should become law on a 24-month basis, that would not only authorize the supplemental carriers to continue to do that which they are now doing with respect to all charter flights, but, in addition, would permit them still to make as many as 10 round trips a month?

Mr. MONRONEY. The Senator is exactly right. It does not change one iota the law under which they were operating before the circuit court of appeals handed down the "death sentence" decision. They gave such carriers a "death sentence," not because they disapproved of the service, but because the act, which did not envision supplemental or less than regular route-type airline service, did not clearly give the CAB the right to authorize less than regular route-type certificated operation.

Therefore, the bill, as amended will give the CAB power to extend the life of the supplemental carriers exactly as is for 24 months. Before the expiration of that time we hope to be able to report a bill for permanent certification and to define, if necessary, the number of round trips of a noncharter character, or leave to the Board the power to make the decision.

Mr. SMATHERS. Mr. President, will the Senator yield to allow me to make a brief statement?

Mr. MONRONEY. I am happy to yield.

Mr. SMATHERS. Again I wish to congratulate the Senator from Okla-

homa [Mr. MONRONEY], the Senator from New Hampshire [Mr. COTTON], and the Senator from California [Mr. ENGLE], who have worked so arduously on the bill. I think everyone who has taken time to study the problem recognizes that the supplemental air carriers perform a very useful service for the Nation. I think the testimony shows that during the crisis in Berlin and the crisis in Korea, it was the supplemental air carriers which actually provided the large bulk of manpower which went into those areas, as well as the supplies. Those carriers supply the Nation with reservoirs of transportation which we otherwise would not have. They also employ many persons throughout the United States. They supply employment not only to service people, but to pilots. They make available a type of service which we could not get in any other way. I am delighted to see the bill, which I think the Senate will favorably pass upon, become law, because it will strengthen the transportation industry in the United States.

Mr. MONRONEY. I thank the Senator for his contribution, and I agree completely with him.

Mr. ENGLE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to my distinguished friend, the Senator from California [Mr. ENGLE], who is a member of the Aviation Subcommittee.

Mr. ENGLE. I regret that we must necessarily take the step that we are taking, but I am sure that it is the only practical thing to do, because I am convinced that we would not be able to get the proposed legislation reported by our committee, which I regard as excellent legislation, passed by the House at this time.

I have in mind, of course, that next year, since the extension provided is for only 24 months, we will have to reexamine this problem and go into it on a more permanent basis.

I should like to inquire with reference to some of the suplemental airlines. Is my understanding correct that if we adopt the House version, with the suggested change to extend the period from 12 months to 24 months, we shall include all carriers which are presently certificated on the same basis on which they now are able to operate?

Mr. MONRONEY. The Senator is absolutely correct. The bill as it is proposed to be amended, would empower the Board to validate the certificated and operating carriers, the supplemental carriers, as they are operating today.

Second: It provides that the Board may validate the certificated but nonoperating carriers, those who may not have fully used their certificates since they received them.

Those are the two certificated classes.

It may be the Board may wish to take a quick look at the charters of those companies to see that they are in the same hands or in equally as responsible hands as they were when the lines were certificated, but I see no reason for any long or expensive or dilatory hearings in the case of either of those two classes of certificated carriers.

Furthermore, the bill would empower the Board to confer interim authorizations upon carriers which have operated under Board Order No. E–9744, issued in 1955. This is the order under which some carriers, having appealed to the courts, are now operating, and also the classes of carriers which have applications that are pending before the Civil Aeronautics Board but upon which decision has not yet been reached. Some of these two groups have been operating throughout this period, operating generally because the Board has been restrained from stopping them from operating until their cases had been determined in the court. It leaves those carriers exactly in the position in which they have been for the past several years, and it also provides the same treatment for those lines that have applications pending and are operating through the Board's permission under those categories.

Mr. ENGLE. There are some carriers, such as those mentioned in the final category on page 6 of the Senate report, whose authority was denied under Order No. E–13436, and who have appealed and are operating under stays by the court. The bill would not affect those but would leave them in status quo. Is that correct?

Mr. MONRONEY. In my opinion, it affects them in no way. The court has jurisdiction. The matter is before the court, and until the court decides, they will continue to operate, provided the proposed legislation is passed. But obviously, if the entire authority to operate any type of supplemental service is not reinstated, as is provided by the bill, then obviously none of those operators, no matter what their condition, would be able to fly after the final mandate from the court of appeals comes down pursuant to the decision of April 7, 1960.

Mr. ENGLE. Which serves to emphasize the importance and the urgency of getting this bill through even in the modified form in which we are willing to accept it, does it not?

Mr. MONRONEY. The Senator is correct.

Mr. ENGLE. I should like to ask one further question. I observe that the Board is empowered to validate for a period of not to exceed 24 months under the amendment. I take it the provision is not a direction, that it is not made mandatory, because if it were made mandatory the Board could simply comply with the law and review the certificates; is that correct?

Mr. MONRONEY. That is correct. The Board has that right. Even if we attempted through legislation to do otherwise, which we have not done in respect to any class of carrier, the Board has that right. It is empowered to issue certificates for trunklines, for feeder lines, and other certificated carriers. If we try to direct them, first we might be violating the Administrative Procedure Act in that Congress would be directing them to do something without the Board making its decision. All categories are cast in the same group. There is no distinction between one class of supplemental carrier and another, because the Board is empowered to validate for a period of not to exceed 24 months from the enactment of this act, without further proceedings, any temporary certificate of public convenience and necessity or to issue a type of similar operating authority.

Mr. ENGLE. But the Board did come before the committee and urge the passage of the proposed legislation or legislation of this type, and it is believed, and it is our intention, as I understand, that the Board will act on this power unless the position of these companies has substantially changed in some particular since the issuance of the certificate.

Mr. MONRONEY. The Senator is absolutely correct. I believe this is the proper form. I believe the Board will respect the attitude and the history of the act as enunciated in the debate.

Mr. ENGLE. I thank the distinguished Senator from Oklahoma and compliment him, as I have in the past, on doing an excellent and industrious and constructive job for the aviation industry.

Mr. MONRONEY. I thank the Senator. I am deeply grateful for his remarks.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield.

Mr. CANNON. First I wish to say that I associate myself with the remarks of the Senator from California and compliment the Senator from Oklahoma for the very fine job he has done as chairman of the subcommittee. I should also like to associate myself with the remarks of the Senator from Florida in the tribute he paid to the supplemental air carriers. I believe they are a very important part and cog in our air transportation industry today, as I said on the floor on May 18, I believe.

The Senator from Oklahoma has answered, in his colloquy, a number of questions which I had in mind. I note on page 6 of the Senate bill that one of the provisions reads, in part, as follows:

> Any carrier whose operating authority in interstate air transportation under Board order E–9744 is continuing solely by virtue of a judicial stay is hereby authorized to continue to operate, subject to all conditions and limitations contained in such order or imposed by the court, until the court shall lift such stay or until the final disposition of the judicial review proceeding, whichever shall first occur.

In the House bill I find no similar language. I am not a member of the subcommittee, and I should like to have the record made clear, if I may, on this point. I should like to ask the distinguished chairman of the subcommittee if it is the intention that the House bill as now proposed shall cover those particular carriers to whom he has referred and to any situation referred to on page 6 of the bill, which I have just read.

Mr. MONRONEY. Yes. The difference between the Senate bill, the language of which we have stricken and have substituted therefor the language of the House bill, is that we were contemplating authority for permanent certification. Once a carrier is in court, if

the Senate bill were passed, and once a favorable judicial decision was issued, those carriers would be eligible to be permanently certificated, and the authority to operate under the CAB proposal would then be of an indefinite and permanent duration.

Since there is now only a temporary extension—in the House bill for 12 months—we did not see any need for the kind of language we had put in the Senate bill, to provide for interim operating authority. We are not requiring any carrier to file applications for certificates because the law does not now permit them to do so.

So far as I am able to understand, and as our committee counsel understands, the House bill will continue in operation all of those carriers who are now proceeding to fly while their cases are in court, that being exactly what the language of the Senate bill provided.

Mr. CANNON. In other words, the committee report makes it clear that the litigants who were on appeal under these orders were not being deprived of any rights to exercise their operating authority which they now enjoy under a judicial decree, and it would be the intention that that same situation would exist under the House bill as it now exists.

Mr. MONRONEY. The Senator is absolutely correct. This is the understanding of all of the staff and all of the members of the subcommittee in approaching the subject. It is not necessary, because this authority rests in the court, and the basic authority of the CAB to grant this type of operating authority exists. Of course, the court will respect the pendency of the case and will allow the line to operate until final determination is had in court.

Mr. CANNON. Is it the intention of the House bill that mandatory words be not used, for the reason that some of the carriers' certificates that were heretofore granted would expire during this 2-year interim period?

Mr. MONRONEY. The Senator is correct. The word used is "empowered," and would validate for periods not to exceed 24 months. So, if a carrier has only 12 months to run, the CAB has the authority and is empowered to issue a certificate for the remaining 12 months, which usually has been done on a pro forma basis.

Mr. CANNON. It is not the intention in the legislation that these carriers who have already been certificated—the four categories the Senator has mentioned—would again have to appear before the Board before they would receive their certificate under the 2-year period?

Mr. MONRONEY. No; they would not have to be recertificated. However, if their certificate expired within 12 months, they would have to make a pro forma appearance to be extended for the remaining 12 months.

Mr. CANNON. The issuance of the certificate now would be almost automatic to all the four categories the Senator has mentioned, namely, those that were certificated and operating carriers, those that were certificated but not operating carriers, those that have operated under the Board Order E–9744, on appeal, and those that have applications pending. Is that correct?

Mr. MONRONEY. It is automatic as to the first two, because those are the ones that have been certificated. The others include those that are operating while their cases are on appeal. It is a matter, as to those, for the court. They can be terminated if the court denies the appeal. If an application is not filed, that is up to the court. They are empowered to make that apply or not apply until they have proven their case and their right and entitlement as an operating carrier.

Mr. CANNON. The Board would use normal procedure, as heretofore, in these cases with reference to applications that are now pending.

Mr. MONRONEY. That is right. As I understand, and as counsel of the committee understands, it merely continues the existing situation for a period of 2 years.

Mr. CANNON. I thank the Senator.

Mr. COTTON. On that point, I can understand the apprehension of the Senator from Nevada. I should like to call his attention to the language in the House bill, which it is suggested the Senate pass, which provides:

> The Board is empowered to validate for a period not to exceed twelve months from the date of the enactment of this act, for air transportation issued pursuant to Board Order E13436 of January 28, 1959, or Board Order E14196 of July 8, 1959, which certificate has not been revoked or otherwise terminated by the Board on or before the date of the enactment of this Act.

I would suggest to the Senator that that is a clear invitation on the part of Congress for the Board to go ahead to continue the certificates which have already been issued, and if necessary to renew them, unless something has occurred, by way of revocation, or something that would prevent it.

I know what the Senator is interested in, and I would say that it is clearly the legislative history of this act, if it is enacted into law in the form we suggest, that, in the absence of some misconduct, the Board has clear authority to renew the existing certificates as they expire for the next 24 months, without formality and without the requirement of going through proceedings ab initio. I wonder whether the Senator from Oklahoma, who knows more about this subject than I, would agree with me.

Mr. MONRONEY. I do agree with the Senator. We agreed that the enforcement provisions were necessary. The Senator from Nevada being a flyer, knows how necessary this is.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CANNON. I wish again to commend the Senator for the outstanding work that his committee has done. I thank the Senator from New Hampshire also for clearing up this one point. I believe the legislative history has been made abundantly clear. The only thought remaining would be with respect to the 24-month period. I hope that it will be possible for these people to secure financing, because I am satisfied that when the Senator's committee meets and holds hearings on this matter, they will certainly determine it to be in the public interest that the authority for extending the life of the supplemental air carriers be extended for longer than the 2-year period that is provided for in the act.

Mr. MONRONEY. The Senator is absolutely correct. We realize that if legislation is not passed at this session, planes in the supplemental carrier fleet will become practically idle, employees will become unemployed. Therefore, we are not asking to go beyond 24 months, because we hope to take up the question of the certification of nonscheduled carriers next year.

Mr. COTTON. Mr. President, as a minority member of the Subcommittee on Aviation of the Committee on Interstate and Foreign Commerce, serving under the chairmanship of the distinguished Senator from Oklahoma [Mr. MONRONEY] I say most emphatically that he has, in the conduct of this matter, as he does in the conduct of any matter which comes under his jurisdiction, pursued a careful, conscientious, considerate, and fair method of dealing with this problem. It is a privilege and a pleasure to work with the Senator from Oklahoma on any subcommittee or any committee.

We have had some slight disagreement, some slight difference in our approach to this problem. I think every member of the subcommittee and the full committee has been in accord with the feeling that the nonscheduled, supplemental air carriers should be protected from being put out of business by a court order. That would have resulted in harshness, unfairness, and a catastrophe for them. It was the feeling of the Senator from Oklahoma and of many other members of the committee—the majority of the committee, in fact—that permanent legislation establishing the rights and privileges of supplemental air carriers could and should be enacted at this time. It was the feeling of some of the rest of us that that was not a matter with which we could deal in the closing weeks and hours of this session.

I favored, in committee, an amendment which would have conformed with the House bill. It would merely have extended the present arrangements and privileges of the supplemental carriers for 12 months, so as to give Congress and the committees time to consider the situation carefully and thoroughly. Such a bill has passed the House of Representatives. The Senator from Oklahoma, in a practical, fair, and cooperative approach, has agreed that, for the time being, we should proceed on this basis. He offered—and I was happy to join with him in offering—certain changes, not entirely minor, to the House bill, the most important of which permits a 24-month period of extension, instead of 12 months. This, I believe, is a good feature. I join with the Senator from Oklahoma in offering the amendment because it provides ample time and breathing space for the committees of Congress to consider legislation which

will be beneficial to the supplemental carriers and will at the same time protect the rights of the public and the rights of the regular certificated carriers.

I must say at this time, in view of the very pertinent remarks of the distinguished Senator from Florida and other Senators, that I hope Congress will proceed slowly and cautiously in dealing with the supplemental air transportation industry. I come from a section of the Nation which is literally starved for airline transportation; a section where the profitability of airline operations is marginal at best. The carriers which provide our service on a nonsubsidized basis—and I think this is true of many other sparsely populated sections of the country—must rely on more profitable long hauls in other areas in order to secure the revenue they require to sustain the service in northern New England. In the more profitable long-haul markets, they face the direct competition of the nonscheduled airlines, which are frequently disposed to skim the cream off the top of these lucrative routes.

The supplemental air carriers have never evidenced the slightest interest—and this is perfectly natural—in providing any kind of airline service to sparsely settled areas of the Nation, such as northern New England. They are interested only in the high-density routes. They can capture a significant share of the revenues in these areas, leaving the regular airlines still saddled with a heavy burden of essential airline services in less profitable areas of the country.

The only hope which we in New Hampshire have for improved airline services comes from the regularly certificated carriers, which can afford to operate in our area because they have heavily traveled routes elsewhere in the country. Unbridled competition from the nonscheduled airlines in those areas could spell the end of service for us. That is why I believe Congress must take a long, hard look at the entire supplemental airline industry before enacting any permanent legislation. That is why I say Congress must make a study, before any type of permanent legislation is passed, to make certain that the more sparsely populated sections of the country do not suffer because of operating rights given to the nonscheduled companies. We must be sure their status is thoroughly and completely defined, with guidelines laid down, and congressional intent made crystal clear, in order to protect the essential service of the entire country.

That does not mean, however, that I and other Members of the Senate—and there are several—who are naturally deeply concerned for our respective areas, have any desire to penalize the nonscheduled air carriers or to put them out of business.

We want to see this measure enacted, so as to save those carriers from the so-called death sentence decision of the court. That is why we stand ready to cooperate, in the next session of the Congress, to try to work out a thorough, careful means of dealing with the situation.

I think, in view of the hour in the session, this bill, which conforms with the House bill, with a slight variation, the most important one being the 24-month period of grace, instead of the 12-month period, is not only the very best we can pass under the circumstances, but is the safest, most cautious, most accurate way to legislate on this subject.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. COTTON. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. I feel that proceeding as we are today, in substituting the House bill with certain amendments added, comes nearer to meeting the present needs until we can examine more closely into the situation. Perhaps we should consider the question with the Department of Justice and others who are interested in it. I am one who is interested in the subject. However, I feel that some safeguards should be placed in the bill, before we finally pass it, so that it will not do violence to the regularly scheduled certificated carriers, who are under an obligation to meet schedules and to maintain uninterrupted service.

I had some question about the extension of time. However, after listening to the arguments made today by the Senator from Oklahoma [Mr. MONRONEY], and by the Senator from California [Mr. ENGLE], and now by the Senator from New Hampshire [Mr. COTTON], I am led to believe provision for the 2-year period of time, because of the problem of finance and the opportunity to be afforded Congress when it reconvenes to look into the matter, is perhaps a move on the safe side. I had thought that the 12-month period, or perhaps an 18-month period, would be one which would adequately take care of the situation.

I commend the Senator from Oklahoma and the Senator from New Hampshire for getting together on this proposal. I believe it is very important that there be legislation on this subject at this session, because a difficulty has arisen owing to the court decision.

Mr. COTTON. I thank the Senator from Kansas. I now yield to the distinguished Senator from Alaska.

Mr. BARTLETT. Mr. President, I desire to backstop the distinguished Senator from New Hampshire in what he has said about the desirability of the proposed legislation. It will give everyone concerned an opportunity to study the question further and to come forward with an objective conclusion after sufficient time has been granted to make possible the kind of study which is indicated in such an important matter. I think the proposed legislation is desirable of enactment, and its enactment is needed in the public interest.

I wish to pay tribute to the Senator from Oklahoma [Mr. MONRONEY] for the diligence and perseverance he has demonstrated in holding the hearings on the bill and in bringing it to the floor.

Mr. COTTON. Mr. President, in conclusion, I merely say, and particularly with reference to what the able Senator from Kansas has said, that in view of the fact that all parties interested—both the regularly certificated airlines and the so-called nonscheduled airlines and elements of the public—need to be heard thoroughly, and in view of the fact that the committees of both branches of the Congress must consider and must act, and in view of the fact—one which frequently we refrain from commenting on, but which we cannot deny—that sometimes Congress moves with some deliberation, the 24-month period is, in my opinion, a decided improvement, in order to give us full opportunity to act.

To the Members of the Senate who are called upon to vote on this measure, I wish to say, in closing, that it has received long and careful attention by the subcommittee and by the full committee; and I believe that any proposal which has passed the House and has, as a temporary expedient, at least, the full approval of the distinguished Senator from Oklahoma [Mr. MONRONEY], who is so faithful and so able in considering these matters, and has the agreement of his entire committee, is a measure for which every Senator can vote today with complete confidence.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The question is on agreeing to the Monroney-Cotton amendment.

Mr. SPARKMAN. Mr. President, I shall take only a minute.

I merely wish to say how pleased I am that this bill is before the Senate and is about to be passed.

I wish to commend the distinguished Senator from Oklahoma and his subcommittee and his full committee for the prompt and efficient manner in which they have handled this measure, following the court decision to which reference has been made.

I appeared before the subcommittee, and made a very brief statement in behalf of this measure.

My interest in this matter has been a long one. In 1951, the Senate Committee on Small Business made a study of the irregular carriers. There was then no plan for direct certification; they were simply allowed to fly, under very strict conditions, by sufferance of the CAB.

There came a time when it appeared that they were going to be knocked out completely. Our committee made a report in which it recommended that there be worked out a plan whereby the nonscheduled carriers or the irregular carriers might be used; and we pointed out the fact that these carriers had a great potential which ought to be utilized.

I was pleased when, at the conclusion of that long-drawn-out study, the CAB adopted the plan of certification. I was disappointed when the court upset that, by ruling that the CAB had no such authority.

I am delighted that the Senate is about to take action, and that the House has already acted.

Certainly I hope that during the 24 months that this may be expected to be continued, the matter may be looked into further. I am confident that some plan on a permanent basis will be worked out, and that the plan will make it possible for the country to enjoy the potential which these carriers have for us. It is a matter of concern to our economy and our national security.

I wish to commend particularly the Senator from Oklahoma [Mr. MONRONEY] for the leadership he has shown in handling this proposed legislation.

Mr. MONRONEY. I thank my distinguished friend, the chairman of the Select Committee on Small Business, who for many years has given voice to the rights and needs of small business to participate in the great and advancing aviation industry.

I thank my colleagues on the other side of the aisle, the Senator from New Hampshire [Mr. COTTON] and the Senator from Kansas [Mr. SCHOEPPEL], for their great help. Whenever we have a problem on air safety or air progress, there is no dividing line between the Republican Members and the Democratic Members. That is the result of our very enthusiastic subcommittee which is devoted to the advancement of aviation.

Mr. President, if there is no further request for time in connection with the consideration of this measure, I ask that the question be put on agreeing to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the Monroney-Cotton amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 7593) was read the third time and passed.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. COTTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, Senate bill 1543, the companion bill of H.R. 7593, will be indefinitely postponed.

MEDICAL CARE FOR THE AGED—AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. JAVITS. Mr. President, I send to the desk, for printing, under the rule, an amendment to the so-called social security bill relating to medical care for the aged.

On that subject, I make the following statement:

The Senate may recall that, together with a group of other Senators on this side of the aisle, I introduced a bill in the nature of a substitute for, or an alternative to, the so-called Forand plan for medical care to the aged. This amendment in the nature of a substitute makes certain revisions of a major character in the bill we previously introduced; and in my opinion this amendment will have a major impact, as a very plausible substitute, upon the bill from the other body, which now is awaiting action by us.

The principal changes which this amendment calls for include, first, the establishment of a minimum schedule of health insurance benefits to be provided subscribers by the States; second, authorization of the States to determine the schedule of fees to be paid by a subscriber for health insurance, as determined by the subscriber's income, or—and this is very important—to require no fees at all; and, third, permission for a State to act as its own insurance carrier, as an alternative to having insurance coverage provided by nonprofit service agencies and private or nonprofit insurance carriers under contract with a State agency.

The important features of this amendment are that it guarantees a minimum of benefits, as follows:

First, physician's services for 12 home or office visits; second, 21 days of hospital or equivalent nursing home care; the first $100 of costs for ambulatory diagnostic laboratory and X-ray services; and, fourth, 24 visiting-nurses home service visits, as prescribed by a physician—and all of these each year.

The important point is that this schedule of benefits can be provided free of charge to those over 65 years of age; and it would cost all participating governmental entities $840 million a year. This means that the cost of participation to the Federal Government would be approximately $400 million a year. Hence, our plan is entirely feasible from the point of view of Federal expenditures, as a voluntary plan outside the social security system, and yet with no charge to any subscriber if a State chooses to make none. But if a State chooses to provide greater benefits, our amendment in the nature of a substitute will allow a joint Federal-State subscriber plan, too.

It seems to us that this measure gives such flexibility in dealing with the entire problem of medical care for the aged as to make completely unnecessary the social security approach, particularly in view of the manifest disadvantages—which have been referred to many times—of that approach, which would put on an open-end basis the entire program of medical care for the aged, with no end in sight, and would make it comparable to the scheme in the United Kingdom, which is not adaptable to our country.

I refer particularly to the fact, as noted yesterday in the newspapers, that 127 million Americans are now covered by some kind of health insurance. To junk all of that, rather than build upon it, would seem to me to be most ill advised.

Of course, we shall have an opportunity to debate all these matters.

I ask unanimous consent that I may have printed at this point a news release on this subject:

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

Senator JAVITS today introduced in the Senate an amendment to H.R. 12580 containing amended language of S. 3350, the Health Insurance for the Aged Act, which was introduced originally by the Senator and cosponsored by several Republican colleagues on April 7, 1960. An analysis of the bill, as amended, is attached.

Commenting on the legislation, Senator JAVITS said: "The principal changes in the bill as it now reads include (1) the establishment of a minimum schedule of health insurance benefits to be provided subscribers by the States, (2) authorizing the States to determine the schedule of fees to be paid by a subscriber for health insurance as determined by the subscriber's income or to require no fees at all; and (3) permitting a State to act as its own insurance carrier as an alternative to having insurance coverage provided by nonprofit service agencies, and private or nonprofit insurance carriers under contract with a State agency.

"The minimum benefits specified per year include (a) physician's services for 12 home or office visits; (b) 21 days of hospital or equivalent nursing home care; (c) first $100 of costs for ambulatory, diagnostic, laboratory, and X-ray services, and (d) 24 visiting nurses home service visits as prescribed by a physician.

"The important thing here is that this schedule of benefits can be afforded to those over 65 free at a gross cost of $840 million annually to be shared by the Federal and State Governments. This means that Federal Government participation would be about $400 million and the plan is therefore entirely feasible from the point of view of Federal expenditure as a voluntary plan outside the social security system and yet with no charge to any subscriber if a State does not choose to make one. Yet if a State chooses to give greater benefits, the bill allows a joint Federal-State subscriber plan, too."

Mr. JAVITS. I have always said, and repeat at this time, in the final analysis it is the fact that so many Democrats and a large group of Republicans now see eye to eye on the proposition that there should be legislation on this subject in this session which is perhaps the greatest gain of all in this type of discussion.

So I send this amendment in the nature of a substitute to the desk for printing under the rule, so it may be available to the committee.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the desk.

Mr. JAVITS. Mr. President, I ask unanimous consent that there may be incorporated as a part of my remarks an analysis of the health insurance bill sponsored by myself and my colleagues as amended today by the document which I have sent to the desk.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF HEALTH INSURANCE BILL S. 3350 AS AMENDED JUNE 27, 1960

Title: Health Insurance for the Aged Act.

Sponsors: Senators JAVITS, COOPER, SCOTT, AIKEN, FONG, KEATING, and PROUTY.

Organization: Administered by State plans subject to approval of Department of Health, Education, and Welfare.

Purpose: To assist States in establishing State plans for health insurance for individuals 65 years of age and over on a voluntary basis and at subscription rates they can afford to pay.

State plan must designate a single State agency; provide for financial participation by the State; permit every individual over 65 (and spouse) to subscribe; provide both service and indemnity types of benefits; provide physician's care up to one-third premium cost; provide coverage during temporary absence from State.

Benefits: Minimum benefits specified per year include (a) physician's services for 12 home or office visits; (b) 21 days of hospital or equivalent nursing home care; (c) first $100 of costs for ambulatory diagnostic laboratory and X-ray services; and (d) 24 visiting nurses home service visits as prescribed by a physician, maximum benefits computed as generally practicable under income divisions at stepped up rate schedule starting at 50 cents monthly for subscribers with income of $500 to $1,000 per annum to maximum subscription charge of income of $3,600 per annum—no subscription charge for income under $500 annum. Maximum benefits can receive Federal matching grants up to $165 per annum per capita; minimum benefits above can be obtained at $70 per person per annum.

Subscription rate: Schedule to be determined by the State, proportioned to subscriber's income by negotiation with Secretary of HEW.

Coverage: Insurance will be placed with either nonprofit service agencies (i.e., Blue Cross, Blue Sheild, etc.), private or nonprofit insurance carriers under contract with State agency, or with an insurance carrier set up by the State for such purpose.

Federal participation: Federal percentage worked out on a ratio of State per capita income to national per capita income. Similar to Hill-Burton Hospital Act formula, which has been so successful. In no case shall Federal percentage exceed 75 percent or be less than 33⅓ percent.

Cost of program: Minimum benefits program would cost at maximum a total of $840 million with Federal share about $400 million estimated on participation of million over 65 without any payment by any benefited individual; maximum benefits would cost $1.5 billion and with estimated payments by subscribers of $400 million would make Federal Government share of $480 million.

Controls: Act provides for cutting off Federal funds if State fails to comply; for appeals to U.S. Court of Appeals for reports to Congress.

FOURTH CONSECUTIVE PUBLIC HEALTH SERVICE SPECIAL CITATION TO UNITED STATES LINES

Mr. JAVITS. Mr. President, it is noteworthy when an American shipping company achieves such excellence of performance as to warrant awards by the U.S. Government. Such a development has just taken place for the United States Lines Co., which has been cited by the Public Health Service for most satisfactory results in vessel sanitation.

The special citation was presented because each of the 57 vessels operated by the United States Lines achieved a rating of 95 or higher on an official Public Health Service inspection involving 166 separate items of sanitary construction and maintenance.

Particularly noteworthy is this recognition of highly satisfactory service to the traveling public because United States Lines is receiving the award for the fourth consecutive year. The previous citations were awarded in January 1957, May 1958, and September 1959.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 1844) to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended by the acts of July 2, 1940, and July 12, 1950.

The message also announced that the House had concurred in the amendments of the Senate numbered 1 through 42, inclusive, and amendments numbered 45 through 49, inclusive, to the bill (H.R. 12232) making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes; that the House concurred in the amendments of the Senate numbered 43 and 50 to the bill; that the House disagreed to the amendment of the Senate numbered 44 to the bill; and that the House had concurred in amendment of the Senate numbered 51 to the bill, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1018. An act to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work;

S. 1508. An act to provide for economic regulations of the Alaska Railroad under the Interstate Commerce Act, and for other purposes;

S. 1752. An act for the relief of Stamatina Kalpaka;

S. 2053. An act to provide for the acceptance by the United States of a fish hatchery in the State of South Carolina;

S. 2174. An act to permit the filing of applications for patents to certain lands in Florida;

S. 2331. An act to provide for hospitalization, at St. Elizabeths Hospital in the District of Columbia or elsewhere, of certain nationals of the United States adjudged insane or otherwise found mentally ill in foreign countries, and for other purposes;

S. 2443. An act for the relief of Edgar Harold Bradley;

S. 2481. An act to continue the application of the Merchant Marine Act of 1936, as amended, to certain functions relating to fishing vessels transferred to the Secretary of the Interior, and for other purposes;

S. 3072. An act to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States;

S. 3106. An act to change the title of the Assistant Director of the Coast and Geodetic Survey;

S. 3189. An act to further amend the shipping laws to prohibit operation in the coastwise trade of a rebuilt vessel unless the entire rebuilding is effected within the United States, and for other purposes;

S. 3226. An act to amend section 809 of the National Housing Act; and

S. 3485. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes.

UNMET NEEDS OF CHILDREN AND YOUTHS—REPORT FROM MARION COUNTY (OREG.) WHITE HOUSE CONFERENCE COMMITTEE

Mr. MORSE. Mr. President, on June 27 I received a letter from Mrs. L. E. Marschat, chairman of the Marion County White House Conference Committee, the letter being dated June 21, 1960, relating to a report on unmet needs of children and youths from the Marion County White House Conference Committee.

I ask unanimous consent that the letter and a copy of the report referred to in the letter be printed in the RECORD.

There being no objection, the letter and report were ordered to be printed in the RECORD, as follows:

SALEM, OREG., *June 21, 1960.*

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Attached you will find a copy of the report on unmet needs of children and youth from the Marion County White House Conference Committee.

We are taking the liberty of addressing this letter directly to you, with a copy of our report, because of your concern with the problem of migrant children. This, of course, is a concern of Oregon, and especially of Marion County.

You will find this copy is marked to call your particular attention to recommendations Nos. 5 and 6, page 5.

We appreciate the efforts you have made and urge your continued interest in good legislation, to help Oregon meet the needs of migrant families.

Sincerely,

LULA MARSCHAT
Mrs. L. E. Marschat,
Chairman, Marion County White House Conference Committee.

REPORT TO THE GOVERNOR'S STATE COMMITTEE ON CHILDREN AND YOUTH FROM THE MARION COUNTY WHITE HOUSE CONFERENCE COMMITTEE, JUNE 1960

The following report of the activities of the Marion County committee for the past year is respectfully submitted to the Governor's Committee, to the citizens and appropriate officials of Marion County, and to interested people everywhere. This is the second stage in the work of the Marion County committee, and is part of the total national and State effort revolving around preparation for, and followup on, the President's White House Conference on Children and Youth for 1960. This report, like the first report of a year ago, represents many hours of hard and devoted service by many citizens of Marion County, and the sincere appreciation of the county committee is extended to each of them.

INTRODUCTION

The first report of the Marion County committee was prepared and presented in June 1959. That report included a listing of the unmet needs of children and youth in Marion County, as developed by four, hard-working committees. Early in the fall of 1959, in keeping with the continuing plan developed by the Governor's State committee, the work in Marion County was reactivated under the leadership of the same county core committee that had directed the work leading to the first report. The committee includes Mrs. L. E. (Lula) Marschat, chairman; Dr. George B. Martin, vice chairman; Charles Woodcock, secretary; Mrs. L. E. (Miriam) Carlson, Mrs. Roy (Trudy) Green, Mrs. Harmon (Bernice) Yeary, Miss Jane Irving, Mrs. Cecil (Helen) Monk, and consultants Circuit Judge Joseph Felton and Mrs. Carl (Agnes) Booth, county school superintendent.

It was decided that the best procedure for a study-in-depth of some of the needs of Marion County boys and girls would be to reorganize the working committees. After careful study of the original county report, the reports and working materials received

from the State committee, and a review of the thinking of the county committee, it was agreed to assign the personnel who served during the first year to four new working committees. These were entitled: (a) "Educational and Extended School Services," (b) "Counseling and Guidance, and Work Opportunities for Youth," (c) "Juvenile Protection Services," and (d) "Coordinating Activities and Services."

In the assignment of personnel to these committees, each individual who participated in the preparation of the first report (June 1959) was asked to express a preference for a new committee. Special effort was made to get young people of high school age, both leaders and others, to accept appointment to a committee. A number not only served, but did so with enthusiasm and with real acceptance of responsibility.

The major work of the four committees will be found reflected in the reports and recommendations that follow.

An important additional committee assignment was to assist the county committee in suggesting procedures and in helping to carry out plans to make it possible for the Marion County representative, Mrs. Marschat, to attend the President's White House Conference. Through the efforts of many fine individuals and organizations, it was possible to secure the financial support required to send Mrs. Marschat to this meeting. The thanks of the Marion County committee is extended to all these fine people for their interest in this program and their willingness to support it with their dollars.

It should be noted, in passing, that a small amount of money was available upon Mrs. Marschat's return to help her make personal reports to groups and organizations in Marion County, in order that as many citizens as possible might learn the real significance of the Conference and its implications to all of us.

COMMITTEE REPORTS

The first decisions that were made by the members of each of the four committees, at the organizational meeting last fall, involved the need to select from the many unmet needs and other problems that might logically belong to a given committee, the few to which intensive time and study might be given. The decision, in each case, was based on those most pressing problems for which data might be available and profitable action decisions proposed.

Each committee then held a series of working sessions during the next few months, involving hard and devoted effort.

The following represents a synthesis of the reports, as presented by the four committees. The specific recommendations are numbered consecutively through the reports for easy identification.

A. Education and extended school services.

One of the most important factors in the educational program is the teacher. The requirements for teacher preparation and certification, through which one becomes qualified as a public school teacher, have been increasing in recent years. It is impossible to include all areas of instruction during this preparation period, and it is impossible to anticipate the changing needs of our society during these 4 years of college study.

The public, generally, has no real way to judge good instruction and has no basis on which to fully understand teacher qualifications. It is therefore important that members of the school community understand that the initial training of a teacher needs regular upgrading.

Recommendation 1: It is recommended that ways be explored to help school districts assume greater responsibility for the in-service education of teachers in order to help them meet the changing needs and conditions of the community, society and youth, and that ways should be explored to help members of the community recognize good instructional practices. Inservice, and continuing improvement is needed, also, to help good teachers qualify for special teaching with the gifted, the retarded and other special groups.

Considerable attention has been given in the past, and continues today with renewed vigor, to recreational programs of all kinds and to membership in the YMCA or YWCA and other youth groups. The opportunities for real creative experiences in school and the community are quite limited, however.

Recommendation 2: It is recommended that the attention of many groups be directed to thinking about and to the promotion of programs planned to provide creative experiences for youth, both in school and in the community; as illustrated by such activities as the junior symphony orchestra and the Marion County PTA-sponsored student art exhibit.

It is generally recognized that the forces that positively motivate a person are often much more important than the knowledge one possesses about a subject or a business. It is the enthusiasm with which a person approaches a task that determines success, whether it be a school lesson, or a sales assignment, or a machine job.

Recommendation 3: It is recommended that since the factor of motivation is so very important, that this topic be further explored in depth with the intent of spreading greater knowledge among all members of the community to find and use greater potentials for adequate personal motivation of boys and girls.

Some libraries in the elementary schools in the county, particularly outside Salem, are inadequate. Community library services and elementary and secondary school libraries are normally mutually supporting and coordinated. However, in this area, community libraries are not universally available to fill this need. A full knowledge of present library services in Marion County communities and schools would focus attention on the problem and emphasize the total needs.

Recommendation 4: It is recommended that a study of the present library services be conducted throughout the county; and that the county court be requested to give assistance in promoting a study of a program planned to strengthen the services that are available in the county.

Marion County is affected at least as much as any other county in Oregon by an influx each year of children of migrant workers. The school facilities and educational programs are not adequate to meet the needs of all of these children. There appears to be a lack of basic knowledge of the extent of the migrant problem and of the effect it has on schools. It seems that a majority of these children are not receiving a minimum educational program.

The last session of the Oregon Legislature provided for a pilot program to study the educational needs and other services required for children of migrant families.

Recommendation 5: It is recommended that the county and State committees give particular attention to this problem, and that work of the new State program be followed with care to determine its effectiveness and the areas of continuing need and action.

Recommendation 6: It is further recommended that continuing attention should be given by the U.S. Congress to the need for funds for migrant programs, and that this recommendation be communicated to our Congressmen.

Oregon has recently enacted legislation which has provided a more adequate framework and the administrative machinery for schools to provide better services for mentally retarded children, but the program is not fully implemented, and local communities will need help in carrying the program into schools of the county.

Recommendation 7: It is recommended that continued attention be given by each county committee for mentally retarded children, so that full responsibility will be accepted by each school district, and so that complete understanding will be gained by the patrons of each community.

B. Counseling and guidance, and work opportunities.

Most educators, and many people, are aware that education does not begin in the first grade, but at the very instant a child is born. They are also aware that the fundamental concepts that the child begins to acquire at birth are the concepts that will accompany the child to school and on out into adult life. It is in the home that the child first learns the value of cooperation and working together; of respect and appreciation for those in authority; of tolerance for all peoples.

Case studies of the inmates of various institutions show that a majority of the problems of individuals may be traced back to childhood maladjustments or unpleasant conditions that existed during these early years.

There is a strong conviction that "an ounce of prevention is worth a pound of cure" and that the development of adequate guidance services in all schools at early periods in a child's development, as well as in the high school, would serve desirable preventive as well as other useful services.

Every high school in Marion County, but one, does have some kind of counseling service, but in all cases the number of periods devoted to counseling is inadequate and, in some cases, conducted by inadequately trained personnel. It is also agreed that the work of the counselor must be supplemented by the interest, insight, and understanding of every classroom teacher.

The National Defense Education Act has recently focused attention on the need for more adequate counseling services at the high school level.

Recommendation 8: It is recommended that ways be explored to meet the counseling and guidance of all children, preschool age, elementary and secondary, and that a program be developed to build community understanding and to provide these services.

Recommendation 9: It is also recommended that every channel be used to explore the opportunities for the use of parent education on the importance and use of guidance and counseling services, both for the school and for the community.

Recommendation 10: It is further recommended that each high school evaluate the effectiveness of its guidance program in terms of the services offered, the training of personnel, and the availability of time devoted to such service.

In recent years, emphasis in the study of youth has shifted from child labor and related problems to youth employment and the transition from school to work. Special emphasis seems to be given in our schools to the preparation of those going on to college, while little new attention or study has been devoted to the appropriate type of school training and experience needed by the noncollege bound and for those who may be, in fact, mentally retarded. The schools, generally, have not yet started new, nor enlarged present, programs for these young people of high school age.

The noncollege bound youth has one or more of these problems: No high school diploma, no special or ordinary skills, a court record, and/or is a member of a minority group. Present trends suggest that special training, job placement and follow-up programs are needed for these youth, with emphasis on the community rather than the school doing something about it.

An interesting approach, generally referred to as the "job upgrading program," is reported to be found in Detroit, Mich. It is flexible, voluntary, and informal, and is pro-

vided for young people from 16 to 21 who are out of school and unemployed. The community and its agencies, public and private, with the public school, sponsor the program. Emphasis is on the skills needed to secure, hold and become upgraded in a job.

General conclusions coming from this and similar attempts to meet the needs of youth suggest that:

1. Programs of studies need to be instituted for those students who are just "sitting in seats" and accomplishing little in the school day.

2. It is more economical to make productive citizens than to rehabilitate them after they experience failure.

3. For students who graduate from high school, but do not go on to college, it is generally agreed that the comprehensive high school provides the best possible training.

4. Schools can help these youth by providing supervised work experience in the comprehensive high school.

Recommendation 11: It is recommended that a committee be established to investigate in depth the problems of youth who need vocational and/or technical training, and to study appropriate followup activities for these young people.

Recommendation 12: It is further recommended that a joint study be conducted by the State employment service, the secondary schools of the county, the section for vocational rehabilitation, and other interested groups and individuals to determine the area of responsibility of the schools as distinct from that of the community for these noncollege bound young people.

The record indicates that 23 percent of divorces in Oregon in 1956 were granted to persons married less than 2 years. One in every seven children now under 18 years of age lives with but one or with neither parent. Three years ago one out of every three marriages in Marion County ended in divorce, a ratio greater than that of the Reno divorce courts.

The marriage clinic now operating in Salem was started in March 1957, with counsel provided only for husband and wife who came together for help. To date, a total of over 100 couples have come for this service, representing some 25 communities as far away as Portland and Roseburg. This clinic is not available for individual or for premarital counseling.

Recommendation 13: It is recommended that the Salem Marriage Clinic be commended for its excellent accomplishments, but that it be expanded to provide: Counseling for the individual marriage partner, and premarriage classes and counseling to assist couples in their preparation for marriage.

C. Juvenile protection services.

The members of this committee had an initial concern for improvement in the fields of preventive services, designed to reduce the need for protective services. Their inquiry and discussions ranged into such areas as:

1. The place and need for child guidance clinics.

2. Early marriages and high incidence of divorce (covered above).

3. The employment scene as it relates to those not in school (covered above).

4. The counseling needs of parents and children (covered above).

5. The particular problems of those who drop out of school prior to graduation (covered above).

6. Recreation services and opportunities for those not now reached or who are just above the school-age groups. (See below.)

7. Health problems, particularly those relating to increases in venereal infection in teen-age groups.

8. The problems faced by youth while in, and immediately following, institutional care in Marion County.

As so many of these were the concern of other committees involved in this current study, it was agreed to concentrate on a study of the field services available to children and youth in need of immediate protective services.

The committee made a thorough visit to the juvenile court, the detention and jail facilities in the courthouse, and discovered the need for more office space, for shelter care, and for a receiving home and detention center.

Recommendation 14: It is recommended that the program presented by the advisory council to the juvenile court be approved and that support be given to all efforts to provide a juvenile court facility, and that thought also be given to a camp or "Highfields" type facility.

Recommendation 15: It is further recommended that a concerted effort be made to alert the community to the need for adequate and additional foster homes to serve both the juvenile and welfare departments of the county, and that a common pattern be developed governing the care and payment to be provided by each agency.

In the time available to it, the committee was able to visit only one of the State institutions located in Marion Couny: Hillcrest School for Girls.

Recommendation 16: It is recommended that study should be given to the advantages that may be found in the use of a "half-way house" for girls who may be ready for release from the school, but not completely ready to return to and be accepted by the home community.

D. Coordinating activities and services.

The committee sought first to gather information about the various agencies, clubs, and other groups in Marion County whose programs involved youth in some manner. It was hoped that a "social service directory" might be developed, but more time was found to be required to complete this formidable task. A list of the agencies and groups already identified will be found on pages 14 and 15.

The attempt to locate and identify all of these groups, and to bring some possible order to their efforts provided only a modest approach to any real solution to these problems of integration of effort. It is clear that a real need exists in this community for more positive, cooperative efforts to direct into more effective channels the efforts of many people who are concerned about the needs of children and youth.

Recommendation 17: It is recommended that a countywide survey be made, under the sponsorship of the Governor's office, to adequately determine all the services that are available to the youth of Marion County.

Recommendation 18: It is also recommended that the important work being done by the many community service clubs and related organizations be recognized and more effectively coordinated by: conducting a survey of their youth programs, establishing a clearinghouse where the clubs may learn what is being done and what unmet needs exist, and attempting to set up some form of coordinating agency for these activities.

Recommendation 19: It is also recommended that some means be devised so that an agency, club or organization planning to make a study or gather data with regard to children and youth may gain information about these proposed programs in order to avoid duplication of effort by both organizational personnel and by those who are requested to provide information.

Recommendation 20: It is also recommended that a clearinghouse, or informal meeting at stated intervals be provided for school counselors, social caseworkers, agency staff members and others who would meet each other personally, share information about programs and procedures, and exchange data about cases common to two or more programs. A pilot program or approach to this step should be started immediately, perhaps with the title—"Council of Community Services for Youth." (A small beginning in this direction has already been started by members of this committee.)

Recommendation 21: It is further recommended that an official "Social Service Exchange" be established and placed into operation in the near future.

Recommendation 22: Finally, it is recommended that careful, critical study be given to the program of, the need for, and the effectiveness of the present "Community Council."

CONCLUSION

The entire Marion County committee, with the chairmen of the four working committees whose reports appear above, have reviewed these recommendations. The county committee, after careful study, has reached the conclusion that an additional important area of concern should be included. On many occasions during the discussions that led to this report, both within the four committees and in the county committee, comment was made on the pressing need that exists for immediate and effective study and planning for young adults, those whose ages lie between 16 and 25. This is closely related to our concern for the noncollege boy and girl.

Recommendation 23: It is recommended that immediate steps be taken by all appropriate groups to determine and plan to meet the particular social, emotional and personal needs of young people from ages 16 to 25, including the problems of job getting and holding; dating, marriage and family responsibility; social and recreational outlets; and identification with other established groups in the community, including the church.

The county committee, with the committee chairman, urge local attention to the various recommendations that appear above on the following priority basis. The first to merit immediate implementation and followup activity should be recommendations 11 and 12, as they relate to the need for vocational and/or technical training for Marion County youth. The second priority for further work should go to recommendations 9 and 10, as they relate to a broad counseling service for all children and youth; preschool, elementary and secondary ages.

The county committee also urges immediate and consistent attention to recommendation 14, and recommends that all community agencies join in the support of a program leading to a juvenile court facility.

The Marion County committee further recommends that the State committee give particular attention to recommendation 5, relating to the needs of the children of migrant families, and to the importance of followup activities on the program initiated by the 1959 Oregon Legislature. It is also urged that the State committee consider the particular problems outlined in recommendation 23, dealing with the needs of noncollege young people of ages 16 to 25.

In conclusion, the Marion County Committee would like to commend these hard workers, who were most active in the development of the four committee reports and recommendations, and in the work leading to this final report. For committee A.—Walter Shold, chairman, and Helen Monk, adviser; committee B.—Ted Hobart, chairman, and Trudy Green, adviser; committee C.—Verne Merrick, chairman, and Bernice Yeary and Judge Joe Felton, advisers; and committee D.—Betty Lou Jones, chairman, and Miriam Carlson, adviser.

(NOTE.—The Marion County committee is distributing copies of this report to all who

participated in its preparation, to the Governor's Oregon State committee, to all agencies, groups and individuals, public and private, mentioned in the recommendations and to other interested persons.)

AGENCIES AVAILABLE TO MARION COUNTY YOUTH

Character building: YMCA and YWCA, Boy Scouts and Girl Scouts, Camp Fire Girls, 4-H and Future Farmers, Salvation Army, church youth groups.

Educational: Public and nonpublic schools, public and State library, adult and vocational education, American Red Cross.

Medical and health: Marion County Health Department, U. of O. medical and dental schools, Oregon State Hospital, TB Hospital, Fairview Home, American Red Cross, arthritis and rheumatism funds, cancer and heart societies, New March of Dimes, Anti-TB Association, Salem Dental Clinic.

Recreational: School activities, city and community recreation, public and State libraries, city, county, and State parks.

Religious: Churches, YMCA and YWCA, Salvation Army, Young Life.

Service clubs: Men—Lions, Rotary, and Kiwanis, 20/30, Active and Civitan, Exchange and Optimist, Downtown Merchants, Chamber of Commerce, Junior Chamber of Commerce.

Service clubs: Women—Lions Auxiliary, Rotarian Women, Rotana and Altrusa, Co-Active and Civenette, LeSertoma and Soroptimist, Zenith and Zonta, JayCee Ettes, Business and Professional Women.

Fraternal orders: Adult—Elks, Masons, and Eagles, Shriners, Eastern Star, Odd Fellows and Rebekahs, Pythian Sisters and Royal Neighbors, B'nai B'rith and PEO.

Youth—Job's Daughters and Rainbow, De Molay and Theta Rho, Junior Odd Fellows.

Armed Services: American Legion and Auxiliary, Veterans of Foreign Wars, Daughters of the American Revolution.

Counseling and guidance: Vocational education—school counseling, State employment service, State department of vocational rehabilitation, State correctional institution, general extension division, State system of higher education.

Emotional and personal problems—churches, State correctional institution, Marion County Welfare, YMCA.

Legal—Salem Legal Clinic.

Psychiatric—State correctional institution, U. of O. Psychiatric Department, Child Guidance Clinic, outpatient department, Oregon State Hospital.

Law enforcement: City juvenile officer, city and State police, county sheriff, county juvenile court.

Group care institutions:

Correctional: Hillcrest and MacLaren, Villa St. Rose, State intermediate correctional institution, Louise Home and Juvenile Hospital.

Handicapped and retarded: Fairview Home Schools for the Deaf and the Blind, Baby Louise Haven School.

Dependent: Christie Home, St. Mary's Home for Boys, Our Lady of Providence Nursing Home, the Children's Home, Inc., Catholic Services for Children, Albertina Kerr Nursery, Waverly Baby Home, Children's Farm Home of OWCTU, Boys and Girls Aid Society.

Homes for unwed mothers: Louise Home and Juvenile Hospital, Volunteers of America of Oregon, Inc., Salvation Army White Shield Home, and E. Henry Wemme Memorial Hospital.

Adoption: Boys and Girls Aid Society, Waverly Baby Home, Albertina Kerr Nursery, Catholic Services for Children, Jewish Family Child Services, State Public Welfare Commission.

NATIONAL CAPITAL TRANSPORTATION ACT OF 1960

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1703, Senate bill 3193, the National Capital transit bill.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3193) to aid in the development of a unified and integrated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize creation of a National Capital Transportation Corporation, to authorize negotiation to create an Interstate Transportation Agency, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia, with an amendment, to strike out all after the enacting clause and insert:

TITLE I—SHORT TITLE, STATEMENT OF FINDINGS AND POLICY, AND DEFINITIONS

Short title

SEC. 101. This Act may be cited as the "National Capital Transportation Act of 1960".

Statement of findings and policy

SEC. 102. The Congress finds that an improved transportation system for the National Capital region (1) is essential for the continued and effective performance of the functions of the Government of the United States, for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital; (2) requires the planning on a regional basis of a unified system of freeways, parkways, express transit service on exclusive rights-of-way, and other major transportation facilities; (3) requires cooperation among the Federal, State, and local governments of the region and public carriers in the development and administration of major transportation facilities; (4) requires financial participation by the Federal Government in the creation of certain major transportation facilities that are beyond the financial capacity or borrowing power of the public carriers, the District of Columbia, and the local governments of the region; and (5) requires coordination of transportation facilities with other public facilities and with the use of land, public and private. The Congress therefore declares that it is the continuing policy and responsibility of the Federal Government, in cooperation with the State and local governments of the National Capital region, and making full use of private enterprise whenever appropriate, to encourage and aid in the planning and development of a unified and coordinated transportation system for the National Capital region.

Definitions

SEC. 103. When used in this Act—

(a) "National Capital region" means the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, Arlington, Fairfax, Loudoun, and Prince William Counties and the cities of Alexandria and Falls Church in the Commonwealth of Virginia, and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of said counties and cities.

(b) "Government agency" and "government agencies" mean the Government of the United States, District of Columbia, Commonwealth of Virginia, State of Maryland, or any political subdivision, agency, or instrumentality thereof which is located within, or whose jurisdiction includes all or part of the National Capital region; the term includes, but is not limited to, public authorities, towns, villages, cities, other municipalities, and counties.

TITLE II—CREATION OF A NATIONAL CAPITAL TRANSPORTATION AGENCY

National Capital Transportation Agency

SEC. 201. (a) There is hereby established the National Capital Transportation Agency (hereinafter referred to as the "Agency"). The Agency shall be subject to the direction and supervision of the President, or the head of such department or agency as he may designate. The Agency shall be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, plus $500 per annum.

(b) To assist the Administrator in the execution of the functions vested in the Agency there shall be a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended. The Deputy Administrator shall perform such duties as the Administrator may from time to time designate and shall be Acting Administrator during the absence or disability of the Administrator.

(c) No Administrator or Deputy Administrator shall during his continuance in office, be engaged in any other business, but shall devote himself to the work of the Agency. No Administrator or Deputy Administrator or member of the Advisory Board (established in section 202) shall have financial interest in any corporation engaged in the business of providing public transportation nor in any corporation engaged in the manufacture or selling of passenger transportation equipment or facilities.

Advisory Board

SEC. 202. There is established an Advisory Board of the National Capital Transportation Agency. The Advisory Board shall be composed of five members appointed by the President, by and with the advice and consent of the Senate, at least three of whom shall be residents of the National Capital region. The President shall designate one member as chairman. The Advisory Board shall meet at least once every ninety days. The Advisory Board shall advise the Administrator in respect of such matters as the general policies of the Agency; Agency policies in connection with acquisition, design, and construction of facilities; fees for the use of Agency facilities and property; planning and administration generally; and such other matters as may be referred to it by the Administrator or which the Advisory Board, in its discretion, may consider. Each member of the Advisory Board, when actually engaged in the performance of his duties, shall receive for his services compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b-2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis.

Advisory and coordinating committees

SEC. 203. (a) The Administrator is authorized to establish such advisory and coordinating committees composed of representatives of State and local governments, Federal agencies, other Government agencies, and such private organizations and per-

sons as may be necessary or helpful to obtain the maximum amount of cooperation and correlation of effort in order that a unified and integrated system of transportation be developed for the National Capital region. These advisory and coordinating committees shall consider problems referred to them by the Administrator and shall make recommendations to the Administrator concerning the activities of the Agency as they affect transit, traffic and highway conditions, and other matters of mutual interest to the Agency and to the Government agencies, organizations, and persons represented on the advisory and coordinating committees.

(b) The advisory and coodinating committees shall serve the Agency solely in an advisory capacity. Members of such committees shall serve thereon without additional compensation. Members who are not representatives of an agency of the United States may receive travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b–2), for persons serving without compensation.

Preparation and approval of Transit Development Program

SEC. 204. The Agency—

(a) Shall prepare, and may from time to time revise, a Transit Development Program. The Transit Development Program shall consist of a plan or plans indicating the general location of facilities in which the Agency will participate for the transportation of persons within the National Capital region, a timetable for the provision of such facilities and comprehensive financial reports including costs, revenues, and benefits. The Transit Development Program may indicate (1) the routes of surface, subsurface, and elevated carriers, including bus and other motor vehicle carriers, rail carriers, waterborne carriers, air carriers, and other carriers, and (2) the location and extent of terminals, stations, platforms, motor vehicle parking facilities for transit users, extra-wide median strips and other rights-of-way, docks, rails or tracks or other similar facilities, bridges, tunnels, buildings or structures, powerplants, repair shops, yards, garages, and other necessary facilities relating to the transportation of persons. The Transit Development Program shall, to the extent practicable, conform to the general plan for the development of the National Capital region and to the comprehensive plan for the National Capital within the meaning of sections 3, 4, and 5 of the National Capital Planning Act of 1952 (66 Stat. 781), except as may be determined by the President.

(b) Shall, in the preparation of the Transit Development Program, give special consideration to:

(1) Expanded use of existing facilities and services, including expanded use and development of existing railroad lines into the District of Columbia, and coordinated and efficient transit service across jurisdictional boundaries and between areas served by different companies: *Provided*, That the Public Utilities Commission of the District of Columbia, before granting its approval to any further conversion by the D.C. Transit System, Inc., of street railway operations to bus operations as provided in section 7 of the Act of July 24, 1956 (70 Stat. 598), shall consult with the Agency on the possible use of street railway facilities and equipment in the Transit Development Program. The Commission may withhold its approval of such conversion and require the preservation of equipment and facilities already withdrawn from service if it finds that there is a substantial possibility that the Transit Development Program will provide for the continued use of street railway facilities and equipment, in which case the program of conversion of street railway operations to bus operations contemplated by section 7 of said Act shall be considered to be so substantially completed that the taking effect of subsection 9(g) of said Act would be appropriate in the public interest, and subsection 9(g) of said Act shall immediately take effect.

(2) Early development of a subway from Union Station capable of rapid dispersal of passengers from the railhead to the principal employment centers in the District of Columbia and its immediate environs, and capable of being extended to serve other parts of the region: *Provided*, That no freeway, or new parkway more than two lanes in width, shall be built within the District of Columbia west of Twelfth Street, Northwest, and north of either the north or the west legs of the proposed Inner Loop Freeway, the proposed Potomac River Expressway, or the proposed Palisades Parkway, before July 1, 1962; and the Agency shall not later than January 10, 1962, submit to the President, for transmittal to Congress, its recommendation as to whether any such freeway or parkway should thereafter be built.

(3) Acquisition and development of rights-of-way and related facilities for providing express transit lines in conjunction with major highways and bridges.

(c) Shall prepare proposals for implementing each part of the Transit Development Program, including preliminary engineering plans, descriptions of the character of services to be rendered, estimates of costs and revenues, arrangements for financing and organization, and other information setting forth the manner in which the program is to be carried out: *Provided*, That no part of the Transit Development Program shall be carried out by the Agency until a report containing a full and complete description of that part of the program has been transmitted to the Congress, and the execution of that part of the program has been approved in appropriation Acts thereafter enacted by the Congress.

(d) In order to facilitate the transition from a Federal agency to an interstate proprietary agency and to further coordination within the National Capital region, shall submit the Transit Development Program and any revision thereof: (1) to the governing bodies of the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, and Arlington, Fairfax, Loudoun, and Prince William Counties and the cities of Alexandria and Falls Church in the Commonwealth of Virginia, and the transit regulatory bodies having jurisdiction in the National Capital region for review and comment; (2) to such organizations of government agencies or officials concerned with the solution of the community development problems of the National Capital region on a unified metropolitan basis that is now in existence or which may be created by agreement, law, or compact for review and comment; (3) to the Commission of Fine Arts for review and comment; (4) to private companies transporting persons in the National Capital region for review and comment; and (5) to the Governors of Maryland and Virginia or such government agencies as they may designate for approval of the location and extent of proposed Agency facilities and the timetable for the provision of such facilities within Maryland and Virginia, respectively; and except as provided in subsection (e) of this section, the Agency shall not acquire, construct, or operate property, rights-of-way, or facilities indicated in the Transit Development Program or a revision thereof within the State in which such property, rights-of-way, or facilities are located unless prior thereto the Governor of the State involved or such government agency as he may designate shall have approved the Transit Development Program or the pertinent revision thereof.

(e) Until the Transit Development Program has been approved by the Governor of Maryland or Virginia as provided in subsection (d) of this section, shall, when it proposes to acquire, construct, or operate property, rights-of-way, or facilities located in Virginia or Maryland, first submit plans and other information showing in detail the purposes for which such property, rights-of-way, or facilities are to be used to the Governor of the State in which the property, rights-of-way, or facilities are to be located, or to such government agency as may be designated by the Governor. In implementing programs approved by the Congress in accordance with section 204(c), the Agency may acquire, construct, or operate such property, rights-of-way, or facilities, as the case may be, in the State upon approval of the Governor thereof, or of the designated government agency.

(f) Shall conduct research, surveys, experimentation, evaluation, design and development, in cooperation with other Government agencies and private organizations when appropriate, on the needs of the region for transportation; on facilities, equipment, and services to meet those needs; on organization and financial arrangements for regional transportation; and on other matters relating to the movement of persons in the region. The Agency's studies shall include a continuation of the work begun in the mass transportation survey conducted by the National Capital Planning Commission and the National Capital Regional Planning Council, pursuant to the Second Supplemental Appropriations Act of 1955 (69 Stat. 33), and shall include further studies as may be necessitated by changed conditions, the availability of new techniques, and the response of Government agencies and the public to the transportation plan adopted by the Commission and Council. The Agency's studies shall also include evaluations of the transportation system recommended in the transportation plan, and of alternative facilities and kinds of services.

(g) Shall submit to the President for transmittal to Congress, not later than November 1, 1962, recommendations for organization and financial arrangements for transportation in the National Capital region. The Agency shall consider the following organizational alternatives, among others: a Federal corporation, an organization established by interstate compact, and continuation or modification of the organization established by this Act. In preparing its recommendations the Agency shall consult with the governments of the District of Columbia, Maryland, and Virginia, the local governments of the National Capital region, and the Federal agencies having an interest in transportation in the National Capital region: *Provided*, That any recommendations submitted by the Agency shall provide as far as possible for the payment of all costs by persons using or benefiting from regional transportation facilities and services, and shall provide for the equitable sharing of any remaining costs among the Federal, State, and local governments.

Functions, duties, and powers

SEC. 205. (a) Subject to the provisions of this title, the Agency—

(1) in order to implement those parts of the Transit Development Program approved by statute in accordance with section 204(c), and except as provided in the proviso of paragraph (2) of this subsection, may acquire (by purchase, lease, condemnation, or otherwise) or construct transit facilities, property, and rights-of-way for the transportation of persons within the National Capital region. Such facilities, property, and rights-of-way may include those enumerated under section 204(a) or any other necessary transit facilities, property, or rights-of-way relating to transportation of persons. The Agency may contribute funds for the acquisition of rights-of-way for, and the construction of limited amounts of freeways, parkways, and other arterial highway facilities, including construction incidental to

the use and protection of such rights-of-way for transit facilities, to the government agencies having jurisdiction thereof if, in the opinion of the Agency, such contributions are necessary to the fulfillment of the objectives of this Act:

(2) may operate all facilities acquired or constructed by it, or may enter into agreements with government agencies, private transit companies, railroads, or other persons for the operation of its facilities, the use of its operating rights, or the provision of transit services making use of other facilities and operating rights: *Provided,* That the Agency shall not acquire the facilities, property, or rights-of-way of private motorbus companies and persons; or operate buses or similar motor vehicles or make agreements for the provision of motorbus services competitive with private transit companies; but may make agreements for the provision of service which is not competitive with services of private transit companies and persons;

(3) shall encourage private transit companies to provide needed services in a manner consistent with the Transit Development Program;

(4) may lease space or property owned or acquired by the Agency, or may contract with persons for the purpose of constructing and operating facilities, which, in the opinion of the Agency, will encourage or facilitate the use of transit facilities of the Agency. Rentals or other fiscal arrangements in connection with such leases or contracts shall be adjusted so that undue competitive advantage is not given over other persons in the National Capital region: *Provided,* That in the operation of such facilities, the lessee or franchise holder shall comply with all applicable Federal, State, and local building and zoning laws, ordinances, and regulations;

(5) may enter into and perform contracts, leases, and agreements, and other transactions with any government agency, private transit company, railroad, or other persons;

(6) may sell or lease advertising space or may contract with responsible persons for the sale or lease of such space: *Provided,* That the lessee or contractee shall comply with all applicable Federal, State, and local zoning and advertising laws, ordinances, and regulations;

(7) shall cooperate with government agencies to facilitate coordination of location, design, and construction of freeways, parkways, and other arterial highway facilities with the Transit Development Program. The purpose of such coordination is to assure the comprehensive development of transportation facilities best suited to meet the objectives of this Act and to achieve maximum benefits from moneys available for such purposes. The responsibility and authority for location, design, construction, and operation of freeways, parkways, and other arterial highway facilities shall remain with the government agencies having jurisdiction thereof, but all Federal agencies' plans for location and design of highway facilities shall be forwarded to the Agency, and all State and local agencies' plans for location and design of highway facilities may be requested by the Agency for its review and comment. The Agency shall cooperate with all planning agencies of the National Capital region and the appropriate government transportation regulatory agencies including the Washington Metropolitan Area Transit Commission in the development of transportation facilities and, wherever feasible and desirable, develop joint plans with such agencies;

(8) may initiate proposals for regulating and coordinating the flow of traffic in the National Capital region so as to promote the optimum use of the highway network and other transportation facilities;

(9) may make or participate in studies of all phases of transportation into, within, and out of the National Capital region, including transit vehicle research and development and fiscal research studies. The Agency may publicize and make available the results of such studies and other information relating to transportation;

(10) may appoint and fix the compensation of officers, attorneys, agents, and employees; may define their powers and duties; may require bonds for the faithful performance of their duties; may employ experts and consultants or organizations thereof to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed the usual rates for similar services.

(11) may, subject to the standards and procedures of section 505 of the Classification Act of 1949, as amended, place not to exceed five positions in grades 16, 17, or 18 of the General Schedule established by such Act. Such positions shall be in addition to the number of positions authorized to be placed in such grades by such section 505; and

(12) may make such expenditures at the seat of government and elsewhere as may be necessary for the exercise and performance of the powers and duties vested in the Agency and as from time to time may be appropriated for by the Congress, including expenditures for (1) rent and personal services at the seat of government and elsewhere; (2) travel expenses; (3) office furniture, equipment and supplies, lawbooks, newspapers, periodicals, and books of reference (including the exchange thereof); and (4) printing and binding.

(13) May, by agreement with the Board of Commissioners of the District of Columbia, designate such Board as the instrumentality through and by which facilities of the Agency in the District of Columbia are to be designated and constructed.

(14) The Agency, its property, income, and transactions are expressly exempted from taxation in any manner or form or from the imposition of any licenses or fees of any kind whatsoever by any State or political subdivision thereof and by the District of Columbia but such exemption shall not extend to contractors for, or lessees of, the Agency, or to any person, company, or association which engages in any business activity pursuant to any franchise, grant, or agreement of the Agency.

(b) Every agency or instrumentality of the Government of the United States and of the government of the District of Columbia may enter into agreements with the Agency in respect of any matter for which such agreements are authorized pursuant to this Act.

(c) The provisions of section 355 of the Revised Statutes, as amended (40 U.S.C. 255), shall be applicable to property acquired by the Agency. Proceedings in behalf of the Agency for the condemnation of property in the District of Columbia shall be instituted and maintained under the Act of March 1, 1929 (45 Stat. 1415), as amended, and of property elsewhere, under the Act of August 1, 1888, as amended (40 U.S.C. 257), and Act of February 26, 1931 (46 Stat. 1421 and the following, 40 U.S.C. 258), or other applicable Act. This subsection shall apply to both real and personal property: *Provided,* That no action in condemnation of any property shall be commenced in behalf of the Agency until a reasonable effort has been made to negotiate with the owner of the property.

(d) Subject to the provisions of section 204(c), such sums as shall be required to carry out the purposes of this title are authorized to be appropriated.

TITLE III—AUTHORIZATION FOR NEGOTIATION OF INTERSTATE COMPACT

SEC. 401. (a) It is the intent of Congress to promote and encourage the solution of problems of a regional character in the National Capital region by means of an interstate compact entered into by the State of Maryland, the Commonwealth of Virginia, and the Board of Commissioners of the District of Columbia, with the consent of Congress. To further this policy, the consent of Congress is hereby given to the State of Maryland and the Commonwealth of Virginia and the Board of Commissioners of the District of Columbia to negotiate a compact for the establishment of an organization to serve as a means of consultation and cooperation among the Federal, State, and local governments in the National Capital region, to formulate plans and policies for the development of the region, and to perform governmental functions of a regional character, including but not limited to the provision of regional transportation facilities. No such compact shall be binding upon the parties thereto unless and until it has been approved by the Congress.

(b) As promptly as practicable after the State of Maryland and the Commonwealth of Virginia have approved a compact for the establishment of an organization empowered to provide regional transportation facilities, the President shall submit to the Congress such recommendations as may be necessary or desirable to transfer to such organization such real and personal property, personnel, records, other assets, and liabilities as are appropriate in order that such organization may assume the functions and duties of the Agency.

(c) The President shall appoint a person to participate in the compact negotiations and to represent the United States generally. The Federal representative shall report to the President either directly or through such agency or official of the Government as the President may specify.

(d) The Federal representative, if not otherwise employed by the United States, shall receive for his services, when actually engaged in the performance of his duties, compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (6 U.S.C. 73b–2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis: *Provided,* That if the Federal representative shall be an employee of the United States he shall serve without additional compensation.

(e) The Federal representative shall be provided with office space, consulting, engineering, and stenographic service, and other necessary administrative services.

(f) The compensation of the Federal representative shall be paid from the current appropriation for salaries in the White House Office. Travel and other expenses provided for in subsection (d) and (e) of this section shall be paid from any current appropriation or appropriations selected by the head of such agency or agencies as may be designated by the President to provide for such expenses.

(g) The State and Federal representatives appointed to participate in the compact negotiations are authorized to request from the Agency any information they deem necessary to carry out their functions under this section; and the Agency is authorized to cooperate with the compact representatives and, to the extent permitted by law, to furnish such information upon request made by the compact representatives.

Separability

SEC. 402. If any part of this Act is declared unconstitutional, or the applicability thereof

to any person or circumstances is held invalid, the applicability of such part to other persons and circumstances and the constitutionality or validity of every other part of the Act shall not be affected thereby.

Mr. BIBLE. Mr. President, I ask unanimous consent that Mr. Frederick Gutheim and Mr. Henry Bain, staff specialists on this particular legislation, be permitted the privileges of the floor while we are discussing the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I should like to make a brief explanation concerning the bill.

In July of 1959 a Transportation Plan for the National Capital Region was sent to Congress by the President. The plan was prepared by the National Capital Planning Commission and the National Capital Regional Planning Council.

The plan recommended four steps to meet the transportation needs of the Washington area between now and 1980.

The first step recommended in the transportation plan was the construction of four rail transit lines extending outward from downwtown Washington to Bethesda, Silver Spring, Anacostia, and Alexandria. The rails would be in subways in downtown Washington, and would occupy an exclusive right-of-way throughout their entire length.

Second, high-speed bus service running from downtown Washington into the suburbs along freeways and parkways.

Third, expanded and improved bus service on local streets and roads.

Fourth, an expanded highway program, including an acceleration of highway work already planned, and the construction of several newly proposed freeways.

The Bureau of the Budget, acting on behalf of the President and consulting with representatives of the State and local governments, prepared a draft of legislation to establish an organization to carry out the transportation plan. This draft legislation was transmitted to Congress in March 1960, was referred to the Joint Committee on Washington Metropolitan Problems, and has been reported by the Joint Committee to the Committee on the District of Columbia, with certain suggested amendments. The legislative committee has in turn recommended that legislation and reported it to the Senate for its present action.

The bill, as amended, sets up a Federal Agency to be called the "National Capital Transportation Agency," to help provide the Washington area with a modern transit system, making use of private enterprise wherever appropriate.

The Agency will be headed by an Administrator and a Deputy Administrator. There will be a five-man advisory board.

The Agency will do the following:

First. Review the transportation plan submitted by the planning agencies, and make any changes indicated by public reaction to the plan, engineering analyses, and financial realities.

Second. Carry out the detailed engineering and design work. The Agency will make detailed studies of the best locations for the subways, it will design stations and other structures, it will decide what kinds of rolling stock and equipment should be used, and it will make estimates of costs and revenues.

Third. Submit to the President and Congress a transit development program, giving detailed information of the facilities to be built, the kinds of service to be rendered, construction timetables, costs and revenues.

Fourth. Build and operate transit facilities.

The transit development program is to be prepared in consultation with the States of Maryland and Virginia, the local governments of the area, the planning agencies, transit companies, and other interested organizations.

The Agency's program is to be submitted to Congress. The Agency may not carry out any part of the program until Congress has expressly approved such action by legislation. The Agency must also get the approval of the Governors of Maryland and Virginia before it acquires or builds anything in those States.

The Agency, in preparing the transit development program, is to give special consideration to:

First. Improvement of the present transit service, using existing equipment and facilities. In this connection, the bill permits the Public Utilities Commission of the District of Columbia to prohibit further conversion from streetcars to buses, if the Agency finds that there is still a use for streetcars.

Second. Use of the existing railroads to provide commuter service.

Third. Construction of a subway from Union Station through the downtown area, with extensions into the suburbs. The bill prohibits construction of a freeway, or a parkway wider than two lanes, west of 12th Street NW., and north of the inner loop and the highways along the Potomac River, until use of rail transportation to the northwest has had a fair trial.

Fourth. Incorporation of facilities for transit in new highways and bridges. This could include rail transit in the median strips of freeways, special lanes for express buses, and parking space at transit stations.

The transit development program will provide for the creation of an improved transit system in stages. Each stage will be subject to careful consideration by Congress, and each stage will be put into operation and evaluated before the next stage is begun. This will enable Congress to determine from time to time what results are being obtained, and what justification exists for further expenditures.

The Agency will be financed by appropriations. In the first few years, only modest annual appropriations will be needed to pay for engineering and design work and for acquisition of limited rights-of-way. Later, when the Agency is ready to build, some of its money might come from loans from the Treasury.

Finally, the bill authorizes the negotiation of an interstate compact to set up an agency that would replace this one. The compact would be negotiated by Maryland, Virginia, and the District of Columbia, and would have to have the approval of Congress. The Agency so established might deal with other regional problems, such as water supply and sewage disposal, if the compact so provided. The committee has recommended very strongly that the compact solution of the problem constitutes the ideal solution.

Mr. BIBLE. Mr. President, I yield now to the distinguished Senator from Oregon [Mr. MORSE], who is a very valuable member of the committee, as is the Senator from Maryland [Mr. BEALL], both of whom are on the floor. The Senator from Oregon has an amendment he would like to offer. He is pressed for time.

Mr. MORSE. Mr. President, I offer my amendment to the pending bill, identified as amendment L, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 51, it is proposed to insert after line 15 the following, and reletter the remaining subsections:

(b) If the Agency engages in the construction, operation, maintenance, or repair of transit facilities and equipment, the following provisions shall apply to the employees of the Agency engaged in such work, but shall not apply to executive, administrative, or professional employees.

(1) The National Capital Transportation Agency shall bargain collectively with and enter into written contracts with duly authorized labor organizations representing such employees concerning wages, salaries, hours, working conditions and benefits, including, but not limited to, health and welfare, insurance, vacation, holiday, sick leave, seniority, and pension or retirement provisions.

(2) In case of any labor dispute where collective bargaining does not result in agreement, the Agency shall offer to submit such dispute to arbitration by a board composed of three persons, one appointed by the Agency, one appointed by the labor organization representing such employees, and a third member to be agreed upon by the labor organization and the Agency. The member selected by the labor organization and the Agency shall act as Chairman of the Board. The determination of the majority of the Board of Arbitration thus established shall be final and binding on all matters in dispute. If, after a period of ten days from the date of the appointment of the two arbitrators representing the Agency and the labor organization, the third arbitrator has not been selected, then either arbitrator may request the Federal Mediation and Conciliation Service to furnish a list of five persons from which the third arbitrator shall be selected. The arbitrators appointed by the Agency and the labor organization, promptly after the receipt of such list, shall determine by lot the order of elimination and thereafter each shall in that order alternately eliminate one name until only one name remains. The remaining person on the list shall be the third arbitrator. The term "labor dispute" shall be broadly construed and shall include any controversy concerning wages, salaries, hours, working conditions and benefits, including, but not limited to, health and welfare, insurance, vacation, holiday, sick leave, seniority, and pension or retirement provisions, and including any controversy concerning any differences or questions that may arise between the

parties, including but not limited to the making or maintaining of collective bargaining agreements, the terms to be included in such agreements, and the interpretation or application of such collective bargaining agreements, and any grievances that may arise. Each party shall pay one-half of the expenses of such arbitration.

(3) If the Agency acquires an existing transportation system, all of the employees of such transportation system, except executive, administrative or professional employees, shall be transferred to and appointed as employees of the Agency, subject to all the rights and benefits of this Act. Those employees shall be given seniority credit and sick leave, vacation, insurance, health and welfare, holiday and pension or retirement credits in accordance with the records and labor agreements from the acquired transportation system. Members and beneficiaries of any pension or retirement system or other benefits established by the acquired transportation system shall continue to have rights, privileges, benefits, obligations, and status with respect to such established system. The Agency shall assume the obligations of any transportation system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare, insurance, vacation, holiday, seniority, and pension or retirement provisions for employees. It shall assume the provisions of any collective bargaining agreement between such acquired transportation system and the representatives of its employees. The Agency and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary, to have pension trust funds presently under the joint control of the acquired transportation system and the participating employees through their representatives transferred to the trust fund to be established, maintained, and administered jointly by the Agency and the participating employees through their representatives.

All such employees shall be covered by a sound pension and retirement system, adequate to providing for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. No such employee of any acquired transportation system who is transferred to a position with the Agency shall, by reason of such transfer, be placed in any worse position with respect to workmen's compensation, pension or retirement, seniority, wages, sick leave, vacation, health and welfare, insurance, holiday, or any other benefits than he enjoyed as an employee of such acquired transportation system.

(4) Such employees of the Agency shall, notwithstanding any other provision of law, be subject to the following laws and parts of laws.

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act, as amended.

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended.

(c) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended.

(d) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended.

(e) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended, and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States.

(f) Section 6 of the Act approved May 10, 1916 (39 Stat. 66, 120), as amended, relating to double salaries.

(g) Section 212 of the Act approved June 30, 1932 (47 Stat. 406), as amended, relating to the retired pay of members of the Armed Forces.

(h) The second sentence of section 2 of the Act approved July 31, 1894 (28 Stat. 205), as amended, relating to dual employment.

(5) Notwithstanding any other provision of law, such employees of the Agency shall not be subject to the following laws:

(a) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended.

(b) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended.

(c) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended.

(d) The Classification Act of 1949 (63 Stat. 954), as amended.

(e) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended.

(f) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended.

(g) The Act entitled "An Act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended.

(h) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098).

(i) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(6) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (Sec. 46-301, D.C. Code, 1951 ed.) as amended, is hereby further amended by adding the following new paragraph:

"For the purpose of this Act, and notwithstanding the provisions of subparagraph 1(b)(5)(D), the National Capital Transportation Agency shall be deemed to be a covered employer and the employees of said Agency other than executive, administrative, and professional employees shall be deemed to be covered employees."

(7) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended is hereby further amended, by inserting at the end thereof a new subsection reading as follows:

"EMPLOYEES OF THE NATIONAL CAPITAL TRANSPORTATION AGENCY.—For the purposes of this chapter and notwithstanding the provisions of paragraph (6) of subsection (c) hereof, the term "employment" shall include service in the employ of the National Capital Transportation Agency in other than an executive, administrative, or professional capacity, and the Agency, as employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(8) EMPLOYEE PROTECTION.—Any such employee of an existing mass transportation system, property, or facility, who is adversely affected by the establishment of new transit operations by the Agency or by a private transit company through contract with the Agency, or by a private transit company conducting new competing transit operations established pursuant to a development plan adopted by the Agency, shall be entitled to employment by the Agency or the private transit company and to the benefits of the protective conditions and provisions provided for under the Burlington formula (as set forth in 257 I.C.C. 700), conditions 1 through 6, inclusive. For purposes of enforcement or protection of rights, privileges, and immunities granted or guaranteed under this section, any employee adversely affected shall be entitled to the same remedies as are provided under the National Labor Relations Act in the case of employees covered by said Act, and the National Labor Relations Board and the courts of the United States (including the court of the District of Columbia) shall have jurisdiction and power to enforce and protect such rights, privileges and immunities in the same manner as in the case of enforcement of the provisions of the National Labor Relations Act.

Mr. MORSE. Mr. President, this amendment is designed to correct a serious omission in the bill before the Senate. I wish to make it very clear, of course, that I voted for the bill in the committee.

I think we are all indebted to the leadership of the Senator from Nevada [Mr. BIBLE] and the Senator from Maryland [Mr. BEALL] as we voted to report the bill from the committee, we did so with the understanding that we reserved to ourselves the right, as always, to offer amendments in the Senate. The problem was raised in the committee, Mr. President. It is true—and I wish to have the RECORD show it—that there were no special hearings on this particular amendment, although the subject matter of what is involved in the amendment has been before the Committee on the District of Columbia for some time.

As I shall show, in 1956 when we set up an operating transit authority in the District of Columbia for the transit lines in the District of Columbia, we covered then the very point I think we ought to cover now in this bill.

Mr. President, the bill would establish an agency with the power to build and to operate transit facilities. In all the argument this afternoon, Mr. President, I wish to stress the word "operate." I wish to point out that this not only is a bill to provide for the building of a transit system, but also it is a bill which carries with it legislative authority to proceed to operate the facilities which are to be built. Therefore I think, Mr. President, that now—the present—is the time for us to lay down in the bill, at, least the broad framework of policies which are going to govern the labor policies affecting the operating personnel of any transit service which may be set up as the result of passage of the bill.

The bill does not make any provision for a personnel system or a labor relations policy appropriate to a transit operating agency. Apparently the personnel of the agency are all to be subject to the same body of laws that apply to the professional and clerical personnel in the Federal departments. This would be an altogether unsatisfactory arrangement.

When the agency reaches the operating stage, it will no doubt employ trainmen, station attendants, ticket sellers, right-of-way crews, repairmen, and many other personnel needed in operating a transit system. A labor force of this kind obviously must be dealt with in a way quite different from most other Federal personnel.

The Senate recognized this fact in 1956, when it was considering a similar proposal. That was Senate bill 3073, 84th Congress, 2d session, establishing a transit authority to replace the Capital Transit Co., whose franchise has been revoked by Congress in the previous session. That bill, as passed by the Senate, exempted the personnel of the transit authority from the Civil Service Act, the Classification Act, and various other acts relating to Federal personnel. That bill also provided that the personnel of the authority be covered by the Social Security Act, the D.C. Unemployment Com-

pensation Act, and other enactments which do not apply to most Federal personnel. The Senate thus recognized that a transit operating agency requires a different type of a personnel system from the ordinary Federal agency.

The amendment before the Senate, following the precedent established in 1956, exempts the operating personnel of the agency, from the following acts, as amended: Civil Service Act of 1883, Federal Employees Group Life Insurance Act of 1954, Civil Service Retirement Act of 1930, Classification Act of 1949, Federal Employees Pay Act of 1945, Annual and Sick Leave Act of 1951, an act to provide certain employment benefits for employees of the Federal Government, approved September 1, 1954, Performance Rating Act of 1950, and Veterans Preference Act of 1944.

The amendment, again following the precedent set by the 1956 bill, provides that the operating personnel of the agency shall be covered by the following acts. We should remember, Mr. President, this would not become applicable until operations were started with an operating system which may be the result of passage of the bill.

Mr. President, today is the day to write into the bill the policy which is to govern, so far as the operating personnel are concerned. I think today is the day we ought to remove any doubt whatsoever from the minds of the operating personnel of the various transit systems which will be involved eventually, after passage of this legislation, as to what is going to happen with respect to the labor relations policy which is to be followed.

I say, most respectfully, the Senate will be "kidding itself"—to use a descriptive term—if it thinks today that the passage of such a bill as this one is not going to start the creation of labor problems in these transit systems. I do not have to tell the Senate how the grapevine works through the labor personnel of an organization.

If the Senate today passes the bill without laying down at least the framework of a labor policy which is going to exist once operating personnel start to be hired by any operating system which may result from passage of such a measure as this, we shall be sowing the seeds today, for labor unrest in the Capital Transit System and in the transit system of every other transit organization which may eventually be involved under the operations of this legislation.

Today is the day to put at rest the fear of the operating personnel who may be eventually involved in regard to any operating transit system which may result from passage of the bill.

Therefore, I say, today is the day to make perfectly clear that the operating personnel shall be covered by the following acts: Title II of the Social Security Act as amended and related provisions of the Federal Insurance Contributions Act; the Longshoremen's and Harbor Workers' Compensation Act of 1927; the District of Columbia Unemployment Compensation Act, as amended; the Federal Unemployment Tax Act, as amended; section 9 of the Universal Military Training and Service Act, as amended; section 6 of the act approved May 10, 1916, relating to double salaries, as amended; section 212 of the act approved June 30, 1932, relating to retired pay of members of the Armed Forces, as amended; and second sentence of section 2 of the act approved July 31, 1894, relating to dual employment, as amended.

Once it is recognized that transit operating personnel require a different kind of a personnel system, it is also obvious that a transit operating agency should follow a labor relations policy appropriate to this kind of an organization. Specifically, there should be statutory provision for collective bargaining and arbitration of disputes.

The transit system of this country, so far as the transit unions are concerned, is one of the leaders in the field of voluntary arbitration. Transit-collective-bargaining agreement after transit-collective-bargaining agreement has written into it voluntary arbitration provisions, and I think it would be a great setback to harmonious relations in the transit industry if the Conrgess in any way should retreat in regard to sound labor policies in the transit industry, no matter what the intention of the Senate is. I know that is not the intention of the committee, because I am a member of the committee.

If we do not underwrite, specifically, an arbitration provision in the bill, we shall raise fears and weaken the standing of some union leaders in some of the transit unions who have done a magnificent job in protecting the arbitration rights of their employees, because the dissident members who are bound to develop in any organization are going to say about their leadership, "Well, why did you not get written into the new law an underwriting again of the principle of voluntary arbitration?" My amendment does so. My amendment would apply if, as, and when an operating system is set up flowing from the law that we hope to pass today.

So I say again that there should be specific statutory provisions, for collective bargaining and arbitration of disputes. Here, again, the Senate's action in 1956 provides a satisfactory precedent. We did it then, why not now? The bill passed by the Senate in that year authorized the transit authority to bargain collectively, and to submit disputes to arbitration. The present amendment requires the agency to bargain collectively, and sets forth a detailed procedure to be followed in the arbitration of disputes.

Finally, it must be recognized that any transit operating agency is likely to offer serious competition to existing transit companies serving the same areas. Or, a transit operating agency might eventually take over an existing company, though that is prohibited in the bill as it now stands. The bill passed by the Senate in 1956 contained detailed provisions safeguarding the employment rights, seniority, retirement rights, and other rights and benefits of employees of the existing transit companies, so that none of them should be placed in a worse situation because of competition from the new transit authority, or acquisition by it. The amendment now before the Senate does the same.

To summarize, this amendment simply provides for a personnel system and a labor relations policy for the new agency, appropriate to a transit operating agency.

I recognize that the Committee on the District of Columbia was aware of this problem, and attempted to meet it by inserting in its report a paragraph calling for enactment by Congress of legislation dealing with collective bargaining, arbitration, and protection of job rights before the new agency reaches the operating stage. This falls far short of meeting the need. The time to deal with these important questions is now, when the operating powers that raise these questions are being enacted.

I wish to stress the fact that today we seek to put legislative sanction upon the creation of the operating powers. We cannot separate from the granting of those powers the responsibility of the Congress at least to lay down the general rules of the game, so to speak, as to what is going to be applicable, so far as a labor relations policy is concerned, to any operating company which develops as a result of the power to create the operating agency encompassed in this bill.

I wish to stress again that unless those fears are removed by enacting the amendment I am offering, in my judgment we shall be creating the seedbed for labor trouble in the transit industry while this particular agency is at work on the proposals or the objectives that the bill calls for. And I favor those objectives.

But I do not like to see a bill for which I have voted become the cause, as I think it would be, of great unrest in the transit industry in the Washington metropolitan area.

Since 1956 we have enjoyed a remarkable period of labor stability in the transit industry in this area, and I think one of the main reasons we have enjoyed such stability is that we had the foresight in 1956 to incorporate into the bill the Senate passed at that time the very doctrines in regard to a sound labor policy which I have outlined this afternoon, and that I am urging be adopted in the pending bill. If this bill were to be enacted in its present form, the transit agency would be free to build and operate facilities without further congressional action, other than the appropriation of funds. It is all very fine to say that eventually the kind of legislation I am talking about this afternoon ought to be adopted. The fact remains that there is nothing in this bill which would prevent an operating agency from going ahead and operating a transit system, and if it did, it would not be bound by any labor policy at all, so far as the bill is concerned. The only possible check, as I point out, would be the check of appropriation.

I have not been in the Senate for 16 years to learn absolutely nothing about what happens when we do not do the job that, at the time, ought to be done.

It is quite all right to put fine-sounding language in the committee report and say that at some time in the future Congress ought to enact legislation, once an operating policy goes into operation, but the interesting thing is that there is nothing to stop that facility from going into operation in the years immediately ahead. It can go into operation on the basis of any labor policy the management may wish to lay down.

I do not think we ought to buy that kind of guarantee of future labor trouble in the transit industry. I do not have to tell Members of the Senate that the transit industry, so far as labor problems are concerned, is a very volatile industry anyway. It does not take much to stop a transit system from operating. When we have the type of labor leadership that we have and the kind of managerial leadership that we now have, I think we ought to take advantage of that joint leadership and we ought to extend, in this bill, the principles that we in the Senate agreed upon in 1956 in respect to the Washington, D.C., transit system.

In essence, that is what my amendment does.

Therefore, the consideration of an appropriation act is hardly the proper occasion for Congress to deal with questions of personnel policy and labor relations.

This amendment is in keeping with the labor policy that has been followed in various Federal operations of an industrial character, such as the Tennessee Valley Authority and the Alaska Railroad.

It is in keeping with the labor policies of the public transit systems that have had the most satisfactory experiences in dealing with their personnel, such as the Chicago and Boston transit authorities. These precedents are described in detail in the testimony of representatives of the transit workers' union in the hearings on S. 3193 held by the Joint Committee on Washington Metropolitan Problems, at pages 152 through 166.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point in my remarks the language of resolution No. 16 and resolution No. 17, adopted by the Second Convention of the Maryland State and District of Columbia AFL–CIO, at the Sheraton-Park Hotel, Washington, D.C., on November 30, 1959.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY SECOND CONVENTION OF THE MARYLAND STATE AND DISTRICT OF COLUMBIA AFL–CIO, SHERATON PARK HOTEL, WASHINGTON, D.C., NOVEMBER 30, 1959

RESOLUTION NO. 16—TRANSIT COMPACT

Whereas there has been adopted recently by the General Assembly of the State of Maryland a compact, previously adopted by the Virginia General Assembly; and

Whereas this compact has to do with the establishment of a Metropolitan Transit Regulatory Agency governing the flow of passenger and vehicular traffic in the adjoining metropolitan areas of Maryland, Virginia, and the District of Columbia; and

Whereas this compact is now before the Congress of the United States; and

Whereas this compact has been opposed by organized employees affected by this legislation because the compact does not provide for minimal protection of collective bargaining rights long established and minimal security protection; and

Whereas there may be from time to time other compacts of similar nature introduced in the Maryland General Assembly and the Congress of the United States: Therefore be it

Resolved, That this Second Constitutional Convention of the Maryland State and District of Columbia AFL–CIO goes on record as espousing the right of employees to appear before the Maryland General Assembly and the Congress of the United States to present their case; and be it further

Resolved, That if the legislation finally proposed does not contain the minimal employee protection above mentioned, this convention is opposed to the enactment of any such compacts.

RESOLUTION NO. 17—RAPID MASS TRANSIT FACILITIES STUDY

Whereas there has been reported recently to the President of the United States a study concerning the building of highways and the planning of enlarged mass transportation facilities for the residents of the Washington, D.C., metropolitan area; and

Whereas this study has been referred to a joint committee of the Congress of the United States; and

Whereas it may be, in part, introduced before the Maryland General Assembly; and

Whereas this study has as its objective the establishment of rapid transit facilities for the residents of the region by bus and by rail; and

Whereas the emphasis of the study appears to be upon the establishment of governmental agencies to own and to operate such rapid transit facilities: Therefore be it

Resolved, That this Second Constitutional Convention of the Maryland State and District of Columbia AFL–CIO goes on record as requesting the appropriate authorities and legislative bodies that organized labor be given a voice before, and an opportunity to serve on, the study commissions, committees, agencies, and other such bodies in order that the workers of the communities affected may be represented in such matters; and be it further

Resolved, That this convention be on record as endorsing the general proposal of regional planning for redevelopment and mass transit facilities on an area or regional basis, giving private enterprise opportunity to achieve such programs as set forth by the Congress; and that the convention further endorses the establishment of governmental agencies to provide mass rapid transit services wherever and whenever enterprise fails to accomplish the necessary goals.

Mr. MORSE. Mr. President, the language of resolution 17 bears directly upon the warning I am trying to give the Senate this afternoon. It bears directly upon the point that I make, that now is the time to put language in the bill which will guarantee stable labor relations in the future. The AFL–CIO has served clear notice on Congress of the position it is going to take in regard to labor policies in the transit industry. It has the obligation to its membership to fight for this policy. We ought to get ahead of them by enacting these sound principles of labor policy this afternoon. I respectfully say that it will make no difference how long we debate this subject or how long we consider it, the fact is that we will have to come back to the same conclusion that we reached in 1956 in regard to this matter.

In further support of the position I take and as an evidence of the high regard in which all members of the Committee on the District of Columbia hold Mr. Walter J. Bierwagen, president of Local Division 689, Amalgamated Association of Street, Electric Railway, & Motor Coach Employees of America, AFL–CIO, and vice president of the International Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America, AFL–CIO, and of the reasonableness which he has demonstrated with reference not only to the interest of the transit workers but also the interest of the public, and the very careful concern on the part of his union, I ask unanimous consent that his statement, as a witness before the committee on this subject, be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF WALTER J. BIERWAGEN, PRESIDENT, AMALGAMATED ASSOCIATION OF STREET, ELECTRIC RAILWAY, & MOTOR COACH EMPLOYEES OF AMERICA, AFL–CIO, ACCOMPANIED BY HERMAN STERNSTEIN, COUNSEL

Mr. BIERWAGEN. Mr. Chairman, my name is Walter J. Bierwagen. I am president and business agent of Local Division 689, Amalgamated Association of Street, Electric Railway, & Motor Coach Employees of America, AFL–CIO. Local division 689 represents the operating and maintenance employees of the D.C. Transit System, Inc. Our organization was chartered in 1916, and has been representing the employees of the Washington transit system since that time. There are approximately 3,000 employees of the D.C. Transit System, Inc.

I am also a vice president of the International Amalgamated Association of Street, Electric Railway, & Motor Coach Employees of America, AFL–CIO, whose local divisions in this area are the collective bargaining representatives of the approximately 1,000 employees of other transit employers in this area, including the Alexandria, Barcroft & Washington Co., and the Washington, Virginia & Maryland Co.

These employees constitute the overwhelming majority of the employees who would be affected by the legislation before this committee.

These employees have a very real interest in this legislation because it concerns their livelihoods and the health and well-being of their families as well as their own.

They are responsible people; men who have devoted, in many instances, a substantial part of their lives to providing urban transit service in the Washington metropolitan area. On their behalf I want at the outset to express my appreciation to this committee for the opportunity to be heard.

The members of our organization are citizens and residents of the communities which make up the Washington metropolitan area, and as such have a vital interest in plans for the future of mass transportation in the National Capital region.

As citizens and residents we endorse the general proposal of regional planning for mass transit facilities on an area or regional basis, and support the formation of the necessary regional organization to implement the mass transportation survey report and the planning of an integrated mass transit system.

We believe, as we have previously told this committee, that there are still too few people in this area who recognize that the mass transportation system of a community is one of its great assets.

I am much afraid that too few of our citizens and neighbors understand that a larger role for mass transportation must be

an integral part of any sound plan for the growth and development of the National Capital region. We heartily support the declared policy of the bills before you that an improved transportation system for the National Capital region is essential for the continued and effective performance of the functions of the Government of the United States and of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital. We agree that city planners in the past have placed too much emphasis on the private automobile as a method of transporting people, and too little on maintaining, improving, promoting, and extending our mass transportation system. We believe that the improvement of our mass transportation system requires coordination with other public facilities and with the use of land, public and private.

Our members are also, of course, the employees of the major mass transportation system in the area, and it is primarily wearing that hat that I appear before you today.

I want to discuss with you the omissions of the proposed legislation and its failures from the point of view of labor relations. I am sure that this joint committee is aware that the legislation before it is very complex and that it is appropriate to consider a veritable horde of interests in determining whether and what bill should be enacted.

I am sure that the many expert witnesses who are testifying before this committee are better able than I to discuss many of the other very important issues involved in enacting such a bill. My testimony is concerned only with that area of which I myself have some real knowledge, the labor aspects of the bill.

It is perhaps appropriate to suggest at this point that problems are not avoided by not dealing with them, in not facing them. Yet this is precisely what has been done in the preparation of the bills before you. The fact that labor problems may be involved has previously been brought to the attention of the drafters of the legislation. No effort, however, has been made to deal with the subject.

I should like also to call to your attention the fact that in all of the publicity with respect to S. 3193, and its companion bill, H.R. 11135, the notion is prevalent that the National Capital Transportation Agency created by the bill is temporary in nature, and its sole purpose is to initiate the detailed programing and development of the transportation system pending the creation of an appropriate agency in which is vested the function of operating.

Despite these statements the simple fact is that section 205 authorizes that agency to operate all facilities acquired or constructed by it, and provides that the Agency may enter into agreements with Government agencies, private transit companies, railroads, or other persons for the operation of its facilities, the use of its operating rights, or the provision of transit service making use of other facilities and operating rights.

This authority to operate is limited in that the Agency is not authorized to acquire the facilities, property, or rights-of-way of private transit companies and persons, nor is it authorized to operate buses or similar motor vehicles, or make arrangements for the provision of such services.

Frankly I'm not sure I know what it is intended that the Agency shall operate. If indeed the intention is that the Agency shall not have authority to operate, I can't see why authority to operate is specifically given it. If, on the other hand, the authority to operate which is given the Agency is meaningful, even though couched in these ambiguous terms, it could seem to me important that the Congress consider the labor relations problems which will necessarily be involved.

The National Capital Transportation Corporation established by title III is not to be created if the tristate proprietary agency described in title IV has taken over. The corporation is not, however, temporary in nature. The limitations on the authority of the National Capital Transportation Agency to acquire and operate transit facilities of specific nature are not applicable to the Corporation. The Corporation's authority to operate facilities is unlimited.

The bills before you ignore the collective bargaining history of transit in this city, the labor policy of the United States, and the experience of other cities and communities.

1. THE COLLECTIVE BARGAINING HISTORY OF TRANSIT IN THIS CITY

During the 33 years prior to the time, in 1949, that the Wolfson interests took over Capital Transit, division 689 and Capital Transit and its predecessors maintained a fine collective bargaining relationship. Between 1916, when a brief strike to obtain recognition took place, and 1951, a period of 35 years, only one strike occurred. That took place in 1945 immediately after the war, and it lasted only 3 days. Our disputes during that period were handled through negotiation of arbitration, and the community benefited as well as the company and the workers from this long period of industrial peace.

With the advent of the Wolfson group there was a substantial change. The company boldly overthrew the longstanding policy of arbitration of unsettled disputes. In 1951 a 3-day strike resulted when the company refused to arbitrate a dispute over contract changes. As you well know, in 1955 the company's refusal to arbitrate forced a 52-day strike and ultimately the company's franchise was revoked.

With the lessons of that experience bright in our minds and in the minds of the community, when Mr. Chalk took over the local transit system, our union insisted upon writing into the contract a clear and all-inclusive requirement of arbitration of any unsettled disputes between the parties.

Both Mr. Chalk and the union have regarded this clause as a guarantee of uninterrupted service to this community. That clause provides that whenever either party requests changes in the existing collective bargaining agreement or requests termination of all or any part of the agreement, and if negotiations fail to result in an agreement between the parties, then and in that event all issues in dispute are submitted to a board of arbitration on the written demand of either party.

The findings of a majority of such a board of arbitration are final and binding on the employer and on the union. During the arbitration proceeding all conditions in the contract remain undisturbed. The parties also agree that during the period covered by the agreement service upon and operation of the lines of the company will not be interrupted or interfered with by either party. There has been no strike or threat of a strike since this clause was adopted.

I have reviewed this history because I believe it contains a useful lesson in the planning of mass transportation facilities for the Washington metropolitan area. The Wolfson era was an unhappy one for our community, and for the company, and for its employees. Placed side by side, the use of collective bargaining and arbitration by the Chalk interests and the pre-Wolfson owners, contrasts sharply with the Wolfson era.

2. THE LABOR POLICY OF THE UNITED STATES

The national labor policy is based upon collective bargaining as its foundation. The Labor-Management Relations Act, 1947, familiarly known as the Taft-Hartley Act, states:

"It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection."

The Railway Labor Act, which provides the procedures for handling labor disputes on railroads and airlines, industries with problems closely related to those of local transit, is likewise firmly based on a foundation of collective bargaining. That act requires the prompt and orderly settlement of all disputes concerning rates of pay, rules, or working conditions through collective bargaining, and also contains provisions designed to encourage the process of voluntary arbitration.

The development of collective bargaining and arbitration in the transit industry is no accident. That development has been responsive to the special needs of the industry. Transit is an industry which provides an essential public service. Orderly procedures are necessary, therefore, in the same fashion as they are necessary in railroad and airline transportation where the Federal Government has established a special system for collective bargaining, mediation, and arbitration.

The transit industry is unique in its operations and in many of the conditions of employment. The transit employee's job is distinctly different from that of a typical Government worker whose wages, hours, and working conditions are established with some degree of uniformity by civil service regulations and congressional action.

Collective bargaining has been used to solve in an equitable, orderly, and effective manner the problems peculiar to the transit industry. Experience has shown that except through collective bargaining the process of wage determinattion in the transit industry cannot be handled successfully.

In the first place, in establishing wage rates for any dominant city transit system the wage rates must be compared with those paid employees in other comparable cities since there is only one dominant city transit system in a particular area. Collective bargaining has recognized in general in the transit industry that the employees in transit are entitled to keep in step with the progress of workers in the Nation as a whole, in their own community, and in comparable transit systems elsewhere in the industry.

These standards are not susceptible of simple arithmetical application. Nor is unilateral application of such standards by either public or private managements feasible or appropriate. These standards also can only be applied fairly through collective bargaining conducted intelligently by experienced negotiators who are familiar with the industry and its problems.

3. TRANSIT EXPERIENCE IN OTHER CITIES AND COMMUNITIES

When it comes to public operation, moreover, we do not write on a clean slate. A substantial number of our larger cities today operate publicly owned transit systems either directly or through an authority established for that purpose.

Chicago, New York, Boston, Cleveland, Los Angeles, Detroit, San Francisco, and Seattle are among those which now operate transit systems. In nearly all of these cities collective bargaining and arbitration in some form or other have been accepted as the best method for resolving unsettled disputes.

Perhaps the most successful of these procedures have been those used in Chicago and Boston. These cities took over public operation of their transit systems in 1947. There have been no transit strikes since they started public operations. Their problems have been resolved either in negotiations or in arbitration. They have recognized that when private operation becomes public operation the systems of collective bargaining and arbitration, developed during private operation, must be continued.

The procedures which are used in these cities have insured industrial peace and continuous transit operation.

The lessons of experience have been drawn upon in the adoption of the most recent State statute which deals with public operation of transit systems. Governor Lawrence of Pennsylvania, on October 8, 1959, signed into law House Bill No. 1297, which contemplates the public operation of mass transportation systems in counties of the second class in that State. This will have particular application to the Allegheny County area, which includes, of course, Pittsburgh. A port authority is established which will have functions with reference to the operation of mass transportation systems somewhat similar to those contemplated here. That Pennsylvania statute makes collective bargaining and binding arbitration the foundation of the labor relations policies of the State.

The authority there created is required by law to assume the obligations of existing collective-bargaining agreements, to deal with the union, or unions, which represent the employees, to take steps to have existing pension trust funds transferred to a trust fund to be established and administered jointly by the authority and the participating employees where that is presently the case.

The employee's seniority and other rights and benefits are protected. The authority is required to take over as its employees any employees necessary for the operation of the transit system. The authority is also required to bargain collectively and to arbitrate.

Where public ownership or operation has not been accompanied by provisions for collective bargaining and arbitration, the results have been serious and unfortunate. As I have already stated, labor relations problems in this complicated industry do not cease when the Government takes over the transit system.

If, however, collective bargaining and arbitration are not adopted, there is apt to be a transfer from the collective-bargaining process to the area of political maneuvering. The New York Transit Authority is a good illustration. Proposals for changes in wages and working conditions in New York become a political problem and one which the mayor of the city normally must get into in one way or another. Strikes and threats of strikes have, in fact, taken place in New York City.

We believe the people of the National Capital region and transit managements would agree that labor relations problems should not be handled by political pressures. If no satisfactory procedures are provided by statute, labor relations problems may very well become an everyday burden for the Senate and House District Committees.

Unfortunately the drafters of the bills before you have not drawn any lessons from congressional consideration concerning the establishment of a transit authority. Such consideration was given as recently as 1956 when the revocation of the Capital Transit Co. franchise presented Congress with the problem of insuring transit service in the District of Columbia after August 14, 1956.

Ultimately the problem was resolved by granting the franchise to D.C. Transit System, Inc. Much of what I have said here I said before the Senate District Committee at the time proposed legislation establishing a transit authority was before that committee.

The Senate bill, S. 3073, would have established a transit authority. That bill passed the Senate. As it passed the Senate it provided for collective bargaining and arbitration. It provided for the protection of seniority rights and pension and other benefits. It also provided for the taking over of the employees of the operating and maintenance divisions of the acquired transit system to the extent required for the operation of the system, and granted for a period of 1 year top priority for employment for those not needed and not taken over at the time of transfer, and preserved the seniority rights of such employees. It preserved existing retirement and pension benefits and required the authority to establish a sound pension and retirement system.

It required the transfer of pension trust funds then under joint control of the transit company and the employees to the authority to be administered jointly by the authority and the employees through their representatives. The bill continued the employees under the Social Security Act, and under the Longshoremen and Harbor Workers' Compensation Act, among others. I have had the provisions of section 210 of S. 3073 reproduced and appended to this statement (app. A).

These illustrations of the experience in the transit industry should be determinative here in providing for labor relations under any proposed transit authority. Washington is one of the great American cities. Its transportation problems are problems which are common to all American cities. That the transit authority as proposed would be a Federal corporation is not material or relevant.

It should be pointed out, however, that the use of collective bargaining and arbitration by Federal agencies has persuasive precedents. We also call to your attention the departmental manual of the Department of the Interior. Provision is made for election of employee representatives in appropriate bargaining units. Provision is also made for collective bargaining and for arbitration. Under this manual, and its predecessor policy memorandum, many collective bargaining agreements have been negotiated. The Bureau of Reclamation, region 7, has made such an agreement with the International Brotherhood of Electrical Workers Local No. 1759. Section 9.4 of that agreement provides:

"When agreement is not reached in direct negotiation upon any matter which is or may be the subject of direct negotiation between the union and the region, such as the determination of rates of pay or modifications and revisions in this agreement, either party may invoke the services of a mediator who shall be the joint selection of both parties from a panel of five suitable persons previously agreed to by the union and the region, said panel to be designated as soon as possible after this agreement becomes effective. The mediator shall use his best efforts to bring the parties to an agreement by mediation.

If such efforts to bring about an agreement through mediation are not successful, the union and the region shall submit their controversy to arbitration and each of the parties shall appoint an arbitrator, and those two arbitrators shall, with the help of the mediator endeavor within 5 days to agree upon a third arbitrator. If the parties are unable to agree upon an arbitrator the mediator shall then appoint such arbitrator. The decision of the majority of said arbitrators shall be submitted to the Secretary and when approved by him, shall be final and binding on both parties."

Other bureaus and subordinate agencies of the Department of the Interior have made similar agreements through collective bargaining, usually including arbitration. The Alaska Railroad, for example, has agreements with many of the standard railway labor organizations.

The Bonneville Power Administration and Tennessee Valley Authority made collective bargaining agreements with many organizations. Thus the general agreement between the Tennessee Valley Authority and the Tennessee Valley Trades and Labor Council covering hourly employees provides for collective bargaining and arbitration.

Illustrative clauses are:

"VII. GRIEVANCE ADJUSTMENT PROCEDURE

"The procedure for adjusting grievances shall provide the employee with full opportunity for the presentation of his grievance and for the participation of union representatives. Provision shall also be made for appeal from the final decision of TVA to an impartial referee.

* * * *

"XIV. PROCEDURE FOR REVISING SUPPLEMENTARY SCHEDULES, INCLUDING MEDIATION AND VOLUNTARY ARBITRATION

"1. Rates of pay, hours of work, other working conditions, and other negotiated understandings established under this agreement shall be in the form of supplementary schedules attached hereto. Such schedules relating to matters other than the determination of rates of pay may be amended in joint conference called upon 30 days' notice of either party by the other after they have been in effect for 1 year. If, however, agreement in such joint conference is not reached, either party may invoke the services of a mediator. The mediator shall be the joint selection of both parties from a panel of five suitable persons previously agreed to by the council and TVA. The compensation and expenses of such mediator shall be borne jointly by TVA and the council.

"A mediator so selected shall use his best efforts by mediation to bring the parties to an agreement. If such efforts to bring about an amicable settlement through mediation are unsuccessful, the said mediator shall at once endeavor to induce the council and TVA to submit their controversy to arbitration.

"2. If arbitration is agreed to, the parties shall each appoint an arbitrator, and the third arbitrator shall be designated by the mediator. The decision of a majority of said arbitrators shall be final and binding on both parties. The expenses of arbitration shall be borne equally by TVA and the council. If arbitration, after being proposed by the mediator or by either party, is not accepted within 10 days, the mediator shall notify both the council and TVA to that effect, and no modification or termination of any provision of any of these schedules shall be made by either party for a period of 30 days from expiration of said 10-day period."

We have merely outlined for you the basic facts concerning labor relations on transit systems, public and private. We would be glad to furnish more factual data if requested.

The employees I represent are just as interested as the governmental agencies, the Congress, and the people of the National Capital region in efficient and continuous transit service.

We have tried to place before your committee the results of our experience, not only here in Washington, but in other large-, small-, and medium-sized cities throughout the United States, both under public and private operation.

Our international union has always endorsed the principles of voluntary arbitration. Its constitution is unique in that no strike will be approved unless and until the

local division has offered and the employer has rejected arbitration.

More than 60 years of experience are the basis for the conclusion of this union that the labor problems in the transit industry are best solved through collective bargaining accompanied by arbitration of disputes which cannot be directly settled.

Many private managements have reached the same conclusion as have the employees. Their joint conclusions have frequently been written into labor agreements, or have been expressed through the utilization of arbitration where the agreement does not expressly call for arbitration.

Public authorities have drawn upon experience where transit operations have been taken over by public agencies and they have adopted substantially the same machinery for settling labor disputes. Their experience, too, demonstrates that under public ownership and operation collective bargaining and arbitration are essential to the continuity and efficiency of transit operations.

The Federal Government itself has provided collective bargaining machinery and arbitration procedures in other activities analogous to transit operations.

There can be no justification for the failure to adopt here the lessons of experience. It would be contrary to the best interests of the public, of the management of the transit authority, and of the employees to fail to establish a sound basis for labor relations in the transit operations which a Federal corporation may be called upon to undertake.

Moreover, if Congress were now to fail to approve collective bargaining and arbitration in the proposed transit operation there would be an adverse effect throughout the United States upon the continuation and development of these processes for handling transit labor problems.

It is imperative that the bills before you be amended to provide for collective bargaining and arbitration between the transit operating agency and the representatives of its employees.

As has been stated above, the operating agency should be required to take over the employees of any transit system it acquires; should be required to take over the collective bargaining agreement and to observe the practices in connection therewith which have been followed by the acquired transit system.

It should also be required to provide the benefits enjoyed by such employees at the time of acquisition. In addition, the employees should not be deprived of statutory benefits which they presently enjoy.

It would be most unfair to deprive those employees of their social security, unemployment compensation, and workmen's compensation benefits. The bills contain no provision for saving these benefits for the employees; accordingly, those employees who are not permanently insured under the Social Security Act may lose the benefits of the contributions they and their employers have made, and others would have the amount of their benefits seriously diluted.

When Congress enacted the Social Security Amendments of 1950 it took cognizance of the inequity that was done by the transfer of private transit systems to public operation after the enactment of the Social Security Act and prior to 1951. (Sec. 210(1) of the Social Security Act, added by sec. 104(a) of the 1950 amendments.)

Those amendments provided for mandatory coverage of the employees of most such systems. In other words, in the case of transit systems such as Chicago and Boston which had been privately operated prior to the enactment of the Social Security Act, but which came under public operation subsequently, the amendment required that in most instances the employees continue to be covered under social security, and their employers and employees were required to continue to make contributions thereunder.

Similar considerations are applicable here not only to social security but also to other beneficial legislation such as workmen's compensation and unemployment compensation.

S. 3073 recognized these principles and provided that laws such as the above should be applicable to the employees of the agency.

Moreover, the employees should not be subject to the Civil Service Retirement Act, the Civil Service Act of January 16, 1883, and the Classifications Act of 1949.

There is another situation which has not been contemplated by the bills. It may be that the new rail transit lines for example would be operated by employees of the Federal agency while the rest of the transportation system would be operated by the private companies now operating them. Such newly hired employees of the Federal agency should, of course, be granted the right to self-organization and the right to bargain collectively through representatives of their own choosing. Election machinery should be established for the selection of bargaining representatives and the agency should be mandated to bargain with the certified collective bargaining representative of the employees.

These are not the only respects, however, in which the proposed legislation is deficient in its protection of employees. It seems clear that the building of new rapid transit lines and new freeways and parkways on which express buses will operate will divert passengers from existing operations of D.C. Transit as well as other transit companies operating in the area.

Some employees will inevitably be displaced as a result of such diversion of passengers. Equity demands that employees adversely affected be granted protection against losses which are no fault of their own.

Consequently, we recommend that any employees adversely affected: (1) be entitled to employment by the Agency or any private operator of the new service, the operation of which has adversely affected the employee; and (2) that such adversely affected employee, for a period of 4 years from the date of the adverse effect upon him, not be placed in any worse position with respect to his employment. For example, he should be entitled to compensation during the protective period for the difference between what he earns in his new employment and what he would have earned had he been continued in the employment from which he was displaced.

Similarly, he should not be placed in any worse position with respect to rules governing his working conditions.

Nor should he be deprived of benefits relating to this prior employment such as free transportation, pensions, hospitalization and so forth to the extent such benefits continue to be accorded other employees of his original employer.

He should be entitled to compensation for any necessary moving expenses and for any loss resulting from sale of his home at less than fair value or under any contract to purchase a home and should be saved harmless against loss in obtaining a cancellation of any unexpired lease. These principles of employee protection have precedents in mergers and consolidations on the railroads and airlines, and they should be applied to this kind of situation, too.

Section 204(b) provides that the Agency shall submit its transit development program to the Governors of Maryland and Virginia, to the governing bodies of the District of Columbia, the adjacent cities and counties and the transit regulatory bodies, to certain organizations of government agencies or officials, to the Commission of Fine Arts, and to private transit companies. We respectfully suggest that such programs should also be submitted to labor leaders in the community, particularly labor leaders in the transit industry.

I have prepared in appropriate language, provisions which are appropriate for addition to the present bills, which will incorporate the suggestions that I have here made. These are appended to my statements as appendix B.

The proposed amendments would provide briefly, section 1, for instance, on appendix B, would provide that the National Capital Transportation Agency shall bargain collectively and enter into written contracts.

Section 2 would require that such Agency would submit disputes to arbitration, which would be final and binding.

Section 3 would provide that all of the employees of such a transportation system shall be transferred and appointed as employees of the Agency. And that these employees will be protected by the continuation of any pension or retirement system, and continue to have the rights and assume the obligations of any transportation system acquired by it with respect to any wages, salaries, hours, and working conditions, and so forth.

Section 4. The employees of the agency or corporation—this I shall read in full—"notwithstanding any other provisions of the law shall be subject to the following laws and parts of laws:

"(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act, as amended.

"(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended.

"(c) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended.

"(d) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended.

"(3) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended, and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States.

"(4) Section y of the act approved May 10, 1916 (39 Stat. 66, 120), as amended, relating to double salaries.

"(g) Section 212 of the act approved June 30, 1932 (47 Stat. 408), as amended, relating to the retired pay of members of the Armed Forces.

"(h) The second sentence of section 2 of the act approved July 31, 1894 (29 Stat. 205), as amended, relating to dual employment."

Section 5 of the proposal provides that many laws applying to civil service shall not be applicable.

Section 6. Our proposals would provide that to amend the District of Columbia Unemployment Compensation Act, and be made applicable to the employees here. And that section 7, the Federal Unemployment Tax Act be made applicable in this particular instance. Section 8 would provide employee protection.

This is our formal presentation, Mr. Chairman, and I want to thank you for being given the opportunity to be heard.

Vice Chairman McMillan. I thank you for coming here and giving us proposed opinion on this proposed legislation and I wonder if you would like to identify the gentleman.

Mr. Bierwagen. Mr. Sternstein is counsel for the union.

Vice Chairman McMillan. Would you care to make an additional statement?

Mr. Sternstein. No, Mr. Chairman, I have no additional statement here.

Mr. McMillan. Mr. Foley.

Representative Foley. Mr. Chairman, I would like to comment that these are important substantive proposals that rank on a level with the proposals that were submitted yesterday by representatives of the private transit companies of the metropolitan area and being, of course, of such great

importance, I am sure that the joint committee is going to study them very carefully and give them the very fine consideration that you have with all other proposals submitted. I have no further question.

Vice Chairman McMILLAN. Thank you very much, Mr. Bierwagen.

APPENDIX A

S. 3073, 84TH CONGRESS, 2D SESSION

* * * * *

SEC. 210. (a) The Board shall establish a system of organization to fix responsibility and promote efficiency; establish such positions as may be necessary to perform the business of the Authority; define the duties of such positions; fix the rates of pay therefor; make appointments thereto; and require bonds to be given by the incumbents of such of the said positions as the Board, in its discretion, may determine, and the Board may make provision for the payment by the Authority of the premiums for such bonds for such periods as the Board may consider desirable. The Board shall establish a personnel system independent of the Federal civil service system and the personnel systems governing employment in the municipal government of the District of Columbia, and shall make and promulgate rules and regulations governing the conditions of employment of such personnel as may be employed by the Authority, including, but not limited to, the selection, appointment, reemployment, promotion, demotion, suspension, and dismissal of such personnel according to merit and fitness and without regard to political, religious, or racial considerations; the fixing of pay and hours of employment; the establishment of an employee grievance procedure; and the establishment of leave, welfare, and pension privileges, subject to the provisions of any collective bargaining agreement then in effect or thereafter adopted.

The Authority shall have the power to bargain collectively with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees concerning wages, salaries, hours, working conditions, health and welfare, insurance and pension or retirement provisions: *Provided*, That nothing herein shall be construed to permit hours of labor in excess of those provided by law or to permit working conditions prohibited by law. In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

(b) If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility and all other employees except corporate officers with less than 10 years' service shall be offered transfer and appointment as employees of the Authority up to the maximum number of employees required, subject to all rights and benefits of this Act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the transit utility. Any person employed by such transit utility who is not, at the time the Authority acquires such utility, offered transfer and appointment as an employee of the Authority shall, for a period ending August 14, 1958, have a right of seniority for purposes of employment and employment benefits under the Authority in a position comparable to the position he last occupied while employed by such transit utility or in any other position the duties of which he is qualified to perform, in accordance with any collective bargaining agreement then in effect. Employees who left the employ of such transit utility to enter the military service of the United States shall have the same rights as to the Authority, under the provisions of the "Universal Military Training and Service Act," as amended, as they would have had thereunder as to such transit utility. Members and beneficiaries of any pension or retirement system or other benefits established by that transit utility shall continue to have the rights, privileges, benefits, obligations, and status with respect to such established system. There shall be established and maintained by the Authority a sound pension and retirement system adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. The Authority and the employees through their representatives for collective bargaining purposes shall take whatever action may be necessary to have the pension trust funds, presently under the joint agreement or arbitration. The Authority and the employees through their representatives, transferred to the trust fund to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives. Provision shall be made by the Authority for all officers and employees of the Authority appointed pursuant to this Act to become, subject to reasonable rules and regulations, members or beneficiaries of the pension or retirement system with uniform rights, privileges, obligations, and status as to the class in which such officers and employees belong. The terms, conditions, and provisions of any pension or retirement system or of any amendment or modification thereof affecting employees who are members of any labor organization may be established, amended, or modified by agreement or arbitration with such labor organization.

(c) The employees of the Authority shall, notwithstanding any other provision of law, be subject to the following laws and parts of laws:

(1) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U.S.C. App., sec. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States:

(2) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21), as amended;

(3) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U.S.C., secs. 58 and 59), relating to double salaries;

(4) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U.S.C., sec. 50a), relating to the retired pay of members of the Armed Forces;

(5) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U.S.C., sec. 62), relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U.S.C., secs. 901–945, 947–950; title 36, chapter 5, D.C. Code, 1951 edition);

(7) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(8) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended.

(d) Notwithstanding any other provision of law, the employees of the Authority shall not be subject to the following laws:

(1) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(2) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(3) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(4) The Classification Act of 1949 (63 Stat. 954), as amended;

(5) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(6) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(7) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended;

(8) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(9) The Veterans' Preference Act of 1944 (58 Stat. 387), as amended.

(e)(1) Subparagraph 1(b)(5)(E) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (section 46–301, D.C. Code, 1951 edition) is amended by inserting immediately before the semicolon at the end thereof the following: ": *And provided further*, That this subparagraph (E) shall not apply to the employees of the Washington Metropolitan Transit Authority, which for the purposes of this Act shall be deemed to be a covered employer."

(2) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended, is amended by inserting at the end thereof a new subsection "(o)" reading as follows:

"(o) EMPLOYEES OF THE WASHINGTON METROPOLITAN TRANSIT AUTHORITY.—For the purposes of this chapter, and notwithstanding the provisions of paragraph (7) of subsection (c) hereof, the term 'employment' shall include service in the employ of the Washington Metropolitan Transit Authority, and the Board of Directors of such Authority, as the employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(f) The Authority is authorized to borrow, and the United States Government or any department or agency thereof and the municipal government of the District of Columbia are authorized to lend to the Authority, the services of United States or District of Columbia employees. The Authority shall reimburse the United States or the District of Columbia for such services. Any such reimbursement shall be credited to the appropriation from which is paid the compensation of any person whose services may be borrowed by the Authority.

(g) As used in subsections (c) and (d) of this section, the word "employees" includes officers, but does not include members of the Board of Directors.

APPENDIX B

LABOR PROVISIONS

SECTION 1. The National Capital Transportation Agency and National Capital Transportation Corporation shall bargain collectively with and enter into written contracts with duly authorized labor organizations representing employees of the Agency or Corporation concerning wages, salaries, hours, working conditions and benefits, including, but not limited to, health and welfare, insurance, vacation, holiday, sick leave, seniority, and pension or retirement provisions.

SEC. 2. In case of any labor dispute where collective bargaining does not result in agreement, the Agency or Corporation shall offer to submit such dispute to arbitration by a board composed of three persons, one appointed by the Agency or Corporation, one appointed by the labor organization representing the employees, and a third member to be agreed upon by the labor organization and the Agency or Corporation. The mem-

ber selected by the labor organization and the Agency or Corporation shall act as chairman of the board. The determination of the majority of the board of arbitration thus established shall be final and binding on all matters in dispute. If, after a period of ten (10) days from the date of the appointment of the two (2) arbitrators representing the Agency or Corporation and the labor organization, the third arbitrator has not been selected, then either arbitrator may request the Federal Mediation and Conciliation Service to furnish a list of five (5) persons from which the third arbitrator shall be selected. The arbitrators appointed by the Agency or Corporation and the labor organization, promptly after the receipt of such list, shall determine by lot the order of elimination and thereafter each shall in that order alternately eliminate one (1) name until only one name remains. The remaining person on the list shall be the third arbitrator. The term "labor dispute" shall be broadly construed and shall include any controversy concerning wages, salaries, hours, working conditions and benefits, including, but not limited to, health and welfare, insurance, vacation, holiday, sick leave, seniority, and pension or retirement provisions, and including any controversy concerning any differences or questions that may arise between the parties, including but not limited to the making or maintaining of collective bargaining agreements, the terms to be included in such agreements, and the interpretation or application of such collective bargaining agreements, and any grievances that may arise. Each party shall pay one-half of the expenses of such arbitration.

SEC. 3. If the Agency or Corporation acquires an existing transportation system, all of the employees of such transportation system, except executive and administrative officers, shall be transferred to and appointed as employees of the Agency or Corporation, subject to all the rights and benefits of this Act. These employees shall be given seniority credit and sick leave, vacation, insurance, health and welfare, holiday and pension or retirement credits in accordance with the records and labor agreements from the acquired transportation system. Members and beneficiaries of any pension or retirement system or other benefits established by the acquired transportation system shall continue to have rights, privileges, benefits, obligations, and status with respect to such established system. The Agency or Corporation shall assume the obligations of any transportation system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare, insurance, vacation, holiday, seniority, and pension or retirement provisions for employees. It shall assume the provisions of any collective bargaining agreement between such acquired transportation system and the representatives of its employees. The Agency or Corporation and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired transportation system and the participating employees through their representatives transferred to the trust fund to be established, maintained, and administered jointly by the Agency or Corporation and the participating employees through their representatives.

All employees of the Agency or Corporation shall be covered by a sound pension and retirment system, adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. No employee of any acquired transportation system who is transferred to a position with the Agency or Corporation, shall, by reason of such transfer, be placed in any worse position with respect to workmen's compensation, pension or retirement, seniority, wages, sick leave, vacation, health and welfare, insurance, holiday, or any other benefits than he enjoyed as an employee of such acquired transportation system.

SEC. 4. The employees of the Agency or Corporation shall, notwithstanding any other provision of law, be subject to the following laws and parts of laws:

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act, as amended.

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended.

(c) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended.

(d) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended.

(e) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended, and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States.

(f) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended, relating to double salaries.

(g) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended, relating to the retired pay of members of the Armed Forces.

(h) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended, relating to dual employment.

SEC. 5. Notwithstanding any other provision of law, the employees of the Agency or Corporation shall not be subject to the following laws:

(a) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended.

(b) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended.

(c) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended.

(d) The Classification Act of 1949 (63 Stat. 954), as amended.

(e) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended.

(f) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended.

(g) The act entitled "An Act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended.

(h) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098).

(i) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

SEC. 6. Amend the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (sec. 46-301, D.C. Code, 1951 ed.), as amended, by adding the following new paragraph:

"For the purpose of this Act, and notwithstanding the provisions of subparagraph 1(b)(5)(D), the National Capital Transportation Agency or Corporation shall be deemed to be a covered employer and the employees of said Agency or Corporation shall be deemed to be covered employees."

SEC. 7. Amend section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended, by inserting at the end thereof of new subsection reading as follows:

"EMPLOYEES OF THE NATIONAL CAPITAL TRANSPORTATION AGENCY OR CORPORATION.—For the purposes of this chapter and notwithstanding the provisions of paragraph (6) of subsection (c) hereof, the term 'employment' shall include service in the employ of the National Capital Transportation Agency or Corporation, and the Agency or Corporation, as employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

SEC. 8. Employee Protection—Any employee of an existing mass transportation system, property, or facility, who is adversely affected by the establishment of new transit operations by the Agency or Corporation or by a private transit company through contract with the Agency or Corporation, or by a private transit company conducting new competing transit operations established pursuant to a development plan adopted by the Agency or Corporation, shall be entitled to employment by the Agency or Corporation or the private transit company and to the benefits of the protective conditions and provisions provided for under the Burlington Formula, as set forth in 257 I.C.C. 700, Conditions 1 through 6, inclusive. For purposes of enforcement or protection of rights, privileges, and immunities granted or guaranteed under this section, any employee adversely affected shall be entitled to the same remedies as are provided under the National Labor Relations Act in the case of employees covered by said Act, and the National Labor Relations Board and the courts of the United States (including the court of the District of Columbia) shall have jurisdiction and power to enforce and protect such rights, privileges, and immunities in the same manner as in the case of enforcement of the provisions of the National Labor Relations Act.

Mr. MORSE. Mr. President, no one can read Mr. Bierwagen's testimony without recognizing the soundness of the position being taken this afternoon by the senior Senator from Oregon, namely, that we are making a mistake in not laying out in the bill the broad principles of a labor policy with respect to transit workers in any operating agency which will actually flow from the enactment of the pending bill.

I close with my final rebuttal to the argument I expect to hear: "Well, we will come to that problem when we set up, in fact, the operating facility."

Let me say that now is the time to lay down these general principles of labor relations, in regard to the general scope of the agreement, the provision for voluntary arbitration, the exception, so far as the workers are concerned, from the application of laws that are already on the statute books with respect to civil service personnel, and the application of those laws so far as non-civil-service personnel are concerned.

If, as, and when an operating facility goes into operation, if it appears then that these policies should be changed, that is the time to change those policies. I argue this afternoon from a record of experience since 1956 with respect to the labor relations policies which I am offering this afternoon. What I am offering this afternoon is a labor policy that the Senate previously found to be acceptable in the operation of the D.C. Transit System. All I say is that we ought to apply the same set of policies to this new agency that we are about to create—an agency which no one can deny is being given legislative authority for the setting up of an operating facility.

Mr. BIBLE. I should like to reply briefly to the argument of the able Senator from Oregon. I share with him the high regard for Mr. Bierwagen, the president of the Transit Workers Union. It

is true that he submitted to the committee a number of suggestions and recommendations in this field. I believe the committee was aware of the problem that was ahead of us in this particular field. I am certain they recognized this fact in part, at least, when they wrote into the report, as the Senator from Oregon has indicated in his remarks, a statement or caveat that I believe is very clear and positive. The report states:

One further step will be needed, which should be taken by Congress before the agency moves into the operating stage. Congress should establish for the agency a labor relations policy, defining labor's right to organize, to bargain collectively, to arbitrate disputes, and to safeguard job rights.

I believe the committee was completely cognizant of this situation. The legislative history which the distinguished Senator from Oregon has made on the floor of the Senate this afternoon is very helpful.

Mr. President, as the Agency moves into the exercise of its operating powers, then, it seems to me, will be the proper time to move in and determine and decide these very complicated and intricate and complex problems.

The amendment of the Senator from Oregon covers nine pages of rather fine type. It is a complicated problem. There were no extensive hearings whatever on this particular phase of the transit problem. The committee felt that now was not the time to write into legislation the amendment suggested by the Senator from Oregon. The committee did not feel that consideration should be given to it. In fact, the committee did not have this amendment before it.

I would assure the Senator from Oregon—and he can write it in his own language—that we are not going to move into an operating agency until such time as there has been a full hearing on these very important problems of labor-management relationships. I may say to my good friend that that is still a number of years away. The bill as it now comes to the Senate is one which contemplates largely design, engineering, and development plans. The committee early in its hearings was not satisfied that a showing was made as to, first, the form of organization, and, second, the financing that was proposed.

So in the next few years, it is very apparent to us on the committee, much more work will have to be done. As a matter of fact, the bill specifically provides in one section of the bill, section 204(g) at page 45 that the Agency:

(g) Shall submit to the President for transmittal to Congress, not later than November 1, 1962, recommendations for organization and financial arrangements for transportation in the National Capital region.

It seems to me that that time would be the proper time—after we have received the recommendation—to consider the problem of labor policy to which the senior Senator from Oregon properly and correctly has addressed himself this afternoon. At this time I would hope the Senator would not persist in his amendment.

Mr. MORSE. I shall persist in my amendment. I had hoped that the chairman would take the amendment to conference. My answer is that all the Senator from Nevada offers is a promise. All that he offers is a hope. He does not have a word in the bill that makes it mandatory that before an operating facility can proceed to operate under the bill there will have to be legislation enacted by Congress in regard to labor policies governing that facility.

If the chairman wishes to include in the bill language that will make it perfectly clear that not one individual can be hired as operating "blue collar" personnel until after Congress passes legislation determining what the labor personnel policies of the Agency shall be, then I shall not press for my amendment.

However, what the chairman says, in effect, is that at some time in the future Congress can have before it the question as to what the labor policy shall be. The fact is, as we read the present language of the bill, that there is nothing to stop an operating facility in the future, which may be an outgrowth of the bill, to proceed to operate and adopt any labor policy it wishes to adopt. That is what the transit workers are concerned about. That is why I think my amendment ought to be taken to conference. I believe the chairman should see what he can do in conference to reach some agreement on the amendment, or at least some agreement on a statement of labor policy to be written into the bill itself.

All I ask for is statutory language on the subject matter. I am not at all interested in just the nice promises set forth in the language of the committee report. I want the language in the law. The fact is, there is not a word in the bill which makes it mandatory upon any operating facility or agency in the future to follow, for example, a policy of arbitration; to follow a policy with respect to unemployment compensation or workmen's compensation. So far as the bill is now drafted, the transit workers will have no protection whatsoever in the future under any operating facility which may be developed under the bill. In my judgment, that is not fair; it is not right. In my judgment, we ought, at least, to provide some language related to the last comment of the chairman. We ought to be willing to have a certain understanding this afternoon that language will be written into the bill which will make it clear that no operating facility can proceed to operate, once it is established under the law in its present language, until further legislation has been passed, setting forth the labor policy which shall prevail.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BIBLE. Perhaps we are not too far apart in our thinking. If I understand the Senator's statement, he objects because the language contained in the report on this subject is not in the bill, and he believes it should be.

Mr. MORSE. The reference in the report is in the future tense.

Mr. BIBLE. The Senator from Oregon believes the language should be the law of the land, so that there will be no misunderstanding. When the committee reported the bill and included this particular provision in the report, it meant what it said. I assume the Senator would feel more secure to have in the bill a proviso to the effect:

Provided, Before the Agency moves into the operating stage, Congress shall establish for the Agency a labor relations policy, defining labor's right to organize, to bargain collectively, to arbitrate disputes, and to safeguard job rights.

I have no objection to the inclusion of such a provision.

Mr. MORSE. We will be in agreement, if such language can be included in the bill. I think that will put to rest the fear of the workers. It will make it perfectly clear that the operating Agency cannot use the law as a subterfuge to adopt what could become a union-busting procedure. This could be a vicious union-busting bill, if a situation arose, in a future Congress, under which some operating facility might want to use it so. I think it is necessary to include such a check in the law.

Before suggesting the absence of a quorum, so as to enable us to prepare suitable language for an amendment, I may say that I have another amendment, as the Senator from Nevada knows, on page 9. The amendment simply provides that the transit development program to be developed by the Agency shall be referred for review and comment not only to the transit companies but to the unions representing the transit workers as well.

Mr. BIBLE. I see no objection to that amendment. I am perfectly willing to accept it.

Mr. MORSE. I am willing to have that amendment go to conference.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). Without objection, it is so ordered.

PROMOTION AND INVOLUNTARY RETIREMENT OF CERTAIN OFFICERS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1795) to amend title 10, United States Code, to revise certain provisions relating to the promotion and involuntary retirement of officers of the regular components of the armed forces, which were, to strike out all after the enacting clause and insert:

That chapter 335 of title 10, United States Code, is amended—

(1) by adding the following new sentence at the end of section 3297(d): "Notwithstanding any other provision of law, a board that is to recommend officers for promotion

whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified.";

(2) by amending the last sentence of section 3300(c) to read as follows: "However, the number prescribed by the Secretary for recommendation must be at least 80 percent of those listed for consideration for the first time."; and

(3) by amending section 3303(d)(3) by striking out the words "the date he would have been retired under section 3913 of this title if he were eligible" and inserting the words "such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Army, but not later than the first day of the seventh calendar month after the Secretary approves the report of that board" in place thereof.

SEC. 2. (a) Chapter 359 of title 10, United States Code, is amended to read as follows:

"CHAPTER 359—SEPARATION FROM REGULAR ARMY FOR SUBSTANDARD PERFORMANCE OF DUTY

"Sec.

"3781. Selection boards: composition; duties.

"3782. Boards of inquiry: composition; duties.

"3783. Boards of review: composition; duties.

"3784. Removal of officer: action by Secretary of the Army upon recommendation.

"3785. Rights and procedures.

"3786. Officer considered for removal: voluntary retirement or honorable discharge; severance benefits.

"3787. Officers eligible to serve on boards.

"§ 3781. Selection boards: composition; duties

"The Secretary of the Army may at any time convene a board of officers to review the record of any commissioned officer on the active list of the Regular Army to determine whether he shall be required, because his performance of duty has fallen below standards prescribed by the Secretary, to show cause for his retention on the active list.

"§ 3782. Boards of inquiry: composition; duties

"(a) Boards of inquiry, each composed of three or more officers, shall be convened, at such places as the Secretary of the Army may prescribe, to receive evidence and make findings and recommendations whether an officer, required to show cause under section 3781 of this title, shall be retained on the active list of the Regular Army.

"(b) A fair and impartial hearing before a board of inquiry shall be given to each officer so required to show cause for retention.

"(c) If a board of inquiry determines that the officer has failed to establish that he should be retained on the active list, it shall send the record of its proceedings to a board of review.

"(d) If a board of inquiry determines that the officer has established that he should be retained on the active list, his case is closed. However, at any time after one year from the date of that determination, he may be again required to show cause for retention under section 3781 of this title.

"§ 3783. Boards of review: composition; duties

"(a) Boards of review, each composed of three or more officers, shall be convened by the Secretary of the Army, at such times as he may prescribe, to review the records of cases of officers recommended by boards of inquiry for removal from the active list of the Regular Army under section 3782 of this title.

"(b) If, after reviewing the record of the case, a board of review determines that the officer has failed to establish that he should be retained on the active list, it shall send its recommendation to the Secretary for his action.

"(c) If, after reviewing the record of the case, a board of review determines that the officer has established that he should be retained on the active list, his case is closed. However, at any time after one year from the date of that determination, he may be again required to show cause for retention under section 3781 of this title.

"§ 3784. Removal of officer: action by Secretary of the Army upon recommendation

"The Secretary of the Army may remove an officer from the active list of the Regular Army if his removal is recommended by a board of review under this chapter. The Secretary's action in such a case is final and conclusive.

"§ 3785. Rights and procedures

"Each officer under consideration for removal from the active list of the Regular Army under this chapter shall be—

"(1) notified in writing, at least 30 days before the hearing of his case by a board of inquiry, that he is being required to show cause for retention on the active list;

"(2) allowed reasonable time, as determined by the board of inquiry under regulations of the Secretary of the Army, to prepare his defense;

"(3) allowed to appear in person and by counsel at proceedings before a board of inquiry; and

"(4) allowed full access to, and furnished copies of, records relevant to his case at all stages of the proceeding.

"§ 3786. Officer considered for removal: voluntary retirement or honorable discharge; severance benefits

"(a) At any time during proceedings under this chapter and before the removal of an officer from the active list of the Regular Army, the Secretary of the Army may grant his request—

"(1) for voluntary retirement, if he is otherwise qualified therefor; or

"(2) for honorable discharge with severance benefits under subsection (b).

"(b) Each officer removed from the active list of the Regular Army under this chapter shall—

"(1) if on the date of removal he is eligible for voluntary retirement under any law, be retired in the grade and with the pay for which he would be eligible if retired at his request; or

"(2) if on that date he is ineligible for voluntary retirement under any law, be honorably discharged in the grade then held with severance pay computed by multiplying his years of active commissioned service, but not more than 12, by one month's basic pay of that grade.

"(c) For the purposes of subsection (b)(2), a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded.

"§ 3787. Officers eligible to serve on boards

"(a) No officer may serve on a board under this chapter unless he holds a regular or temporary grade above lieutenant colonel, and is senior in regular grade to, and outranks, any officer considered by that board.

"(b) No person may be a member of more than one board convened under this chapter for the same officer."

(b) The analysis of subtitle B and the analysis of part II of subtitle B are each amended by striking out the following item:

"359. Separation from Regular Army for Failure to Meet Standards---------- 3781"

and inserting the following item in place thereof:

"359. Separation from Regular Army for Substandard Performance of Duty---------- 3781".

(c) The amendments made by this section do not apply to any proceedings begun under chapter 359 of title 10, United States Code, before the enactment of this section.

SEC. 3 (a) Subtitle B of title 10, United States Code, is amended by inserting the following new chapter after chapter 359:

"CHAPTER 360—SEPARATION FROM REGULAR ARMY FOR MORAL OR PROFESSIONAL DERELICTION OR IN INTERESTS OF NATIONAL SECURITY

"Sec.

"3791. Selection boards: composition; duties.

"3792. Boards of inquiry: composition; duties.

"3793. Boards of review: composition; duties.

"3794. Removal of officer: action by Secretary of the Army upon recommendation.

"3795. Rights and procedures.

"3796. Officers considered for removal: retirement or discharge.

"3797. Officers eligible to serve on boards.

"§ 3791. Selection boards; composition; duties

"The Secretary of the Army may at any time convene a board of general officers to review the record of any commissioned officer on the active list of the Regular Army to determine whether he shall be required, because of moral dereliction, professional dereliction, or because his retention is not clearly consistent with the interests of national security, to show cause for his retention on the active list.

"§ 3792. Boards of inquiry: composition; duties

"(a) Boards of inquiry, each composed of three or more general officers, shall be convened at such places as the Secretary of the Army may prescribe, to receive evidence and make findings and recommendations whether an officer, required to show cause under section 3791 of this title, shall be retained on the active list of the Regular Army.

"(b) A fair and impartial hearing before a board of inquiry shall be given to each officer so required to show cause for retention.

"(c) If a board of inquiry determines that the officer has failed to establish that he should be retained on the active list, it shall send the record of its proceedings to a board of review.

"(d) If a board of inquiry determines that the officer has established that he should be retained on the active list, his case is closed. However, at any future time, he may be again required to show cause for retention under section 3791 of this title.

"§ 3793. Boards of review: composition; duties

"(a) Boards of review, each composed of three or more general officers, shall be convened by the Secretary of the Army, at such times as he may prescribe, to review the records of cases of officers recommended by boards of inquiry for removal from the active list of the Regular Army under section 3792 of this title.

"(b) If, after reviewing the record of the case, a board of review determines that the officer has failed to establish that he should be retained on the active list, it shall send its recommendation to the Secretary for his action.

"(c) If, after reviewing the record of the case, a board of review determines that the officer has established that he should be retained on the active list, his case is closed. However, at any future time, he may be again required to show cause for retention under section 3791 of this title.

"§ 3794. Removal of officer: action by Secretary of the Army upon recommendation

"The Secretary of the Army may remove an officer from the active list of the Regular Army if his removal is recommended

by a board of review under this chapter. The Secretary's action in such a case is final and conclusive.

"§ 3795. Rights and procedures

"Each officer under consideration for removal from the active list of the Regular Army under this chapter shall be—

"(1) notified in writing of the charges against him, at least 30 days before the hearing of his case by a board of inquiry, for which he is being required to show cause for retention on the active list;

"(2) allowed reasonable time, as determined by the board of inquiry under regulations of the Secretary of the Army, to prepare his defense;

"(3) allowed to appear in person and by counsel at proceedings before a board of inquiry; and

"(4) allowed full access to, and furnished copies of, records relevant to his case at all stages of the proceeding, except that a board shall withhold any records that the Secretary determines should be withheld in the interests of national security.

In any case where any records are withheld under clause (4), the officer whose case is under consideration shall, to the extent that the national security permits, be furnished a summary of the records so withheld.

"§ 3796. Officers considered for removal: retirement or discharge

"(a) At any time during proceedings under this chapter and before the removal of an officer from the active list of the Regular Army, the Secretary of the Army may grant his request—

"(1) for voluntary retirement, if he is otherwise qualified therefor; or

"(2) for discharge under subsection (b).

"(b) Each officer removed from the active list of the Regular Army under this chapter shall—

"(1) if on the date of removal he is eligible for voluntary retirement under any law, be retired in the grade and with the pay for which he would be eligible if retired at his request; or

"(2) if on that date he is ineligible for voluntary retirement under any law, be discharged in the grade then held with severance pay computed by multiplying his years of active commissioned service, but not more than 12, by 1 month's basic pay of that grade.

"(c) For the purposes of subsection (b)(2), a part of a year that is 6 months or more is counted as a whole year, and a part of a year that is less than 6 months is disregarded.

"§ 3797. Officers eligible to serve on boards

"(a) No officer may serve on a board under this chapter unless he is senior in regular grade to, and outranks, any officer considered by that board.

"(b) No person may be a member of more than one board convened under this chapter for the same officer."

(b) The analysis of subtitle B and the analysis of part II of subtitle B are each amended by inserting the following new item:

"360. Separation From Regular Army for Moral or Professional Dereliction or in Interests of National Security ..... 3791".

SEC. 4. Section 3913 of title 10, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a) A deferred officer who is not recommended for promotion under section 3303(c) of this title, or an officer who is found disqualified for promotion under section 3302(f) of this title, shall, if he has at least 20 years of service computed under section 3927(a) of this title, be retired, except as provided by section 47a of title 5, on such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Army, but not later than the first day of the seventh calendar month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned."; and

(2) by amending subsection (b) by striking out the words "so entitled to retire" and inserting the words "the date he completes 20 years of service computed under section 3927(a) of this title, or the first day of the seventh calendar month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned, whichever is later" in place thereof.

SEC. 5. Chapter 573 of title 10, United States Code, is amended—

(1) by adding the following new sentence at the end of each of subsections (a) and (b) of section 6382: "However, if he so requests, he may be honorably discharged at any time during that fiscal year.";

(2) by adding the following new sentence at the end of each subsections (d) and (e) of section 6383: "However, if he so requests, he may be honorably discharged at any time during that fiscal year.";

(3) by inserting the words "or, in the discretion of the Secretary of the Navy, on any earlier date if the officer so requests" after the words "his name is so reported" in section 6384(b);

(4) by adding the following new sentence at the end of section 6401(a). "However, if she so requests, she may be honorably discharged at any time during that fiscal year."; and

(5) by adding the following new sentence at the end of section 6402(a): "However, if she so requests, she may be honorably discharged at any time during that fiscal year."

SEC. 6. Chapter 835 of title 10, United States Code, is amended—

(1) by adding the following new sentence at the end of section 8297(d): "Notwithstanding any other provision of law, a board that is to recommend officers for promotion whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified.";

(2) by amending the last sentence of section 8300(c) to read as follows: "However, the number prescribed by the Secretary for recommendation must be at least 80 percent of those listed for consideration for the first time."; and

(3) by amending section 8303(d)(3) by striking out the words "the date he would have been retired under section 8913 of this title if he were eligible" and inserting the words "such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Air Force, but not later than the first day of the seventh calendar month after the Secretary approves the report of that board" in place thereof.

SEC. 7. (a) Chapter 859 of title 10, United States Code, is amended to read as follows:

"CHAPTER 859—SEPARATION FROM REGULAR AIR FORCE FOR SUBSTANDARD PERFORMANCE OF DUTY

"Sec.

"8781. Selection boards: composition; duties.

"8782. Boards of inquiry: composition; duties.

"8783. Boards of review: composition; duties.

"8784. Removal of officer: action by Secretary of the Air Force upon recommendation.

"8785. Rights and procedures.

"8786. Officer considered for removal: voluntary retirement or honorable discharge; severance benefits.

"8787. Officers eligible to serve on boards.

"§ 8781. Selection boards: composition; duties

"The Secretary of the Air Force may at any time convene a board of officers to review the record of any commissioned officer on the active list of the Regular Air Force to determine whether he shall be required, because his performance of duty has fallen below standards prescribed by the Secretary, to show cause for his retention on the active list.

"§ 8782. Boards of inquiry: composition; duties

"(a) Boards of inquiry, each composed of three or more officers, shall be convened, at such places as the Secretary of the Air Force may prescribe, to receive evidence and make findings and recommendations whether an officer, required to show cause under section 8781 of this title, shall be retained on the active list of the Regular Air Force.

"(b) A fair and impartial hearing before a board of inquiry shall be given to each officer so required to show cause for retention.

"(c) If a board of inquiry determines that the officer has failed to establish that he should be retained on the active list, it shall send the record of its proceedings to a board of review.

"(d) If a board of inquiry determines that the officer has established that he should be retained on the active list, his case is closed. However, at any time after 1 year from the date of that determination, he may be again required to show cause for retention under section 8781 of this title.

"§ 8783. Boards of review: composition; duties.

"(a) Boards of review, each composed of three or more officers, shall be convened by the Secretary of the Air Force, at such times as he may prescribe, to review the records of cases of officers recommended by boards of inquiry for removal from the active list of the Regular Air Force under section 8782 of this title.

"(b) If, after reviewing the record of the case, a board of review determines that the officer has failed to establish that he should be retained on the active list, it shall send its recommendation to the Secretary for his action.

"(c) If, after reviewing the record of the case, a board of review determines that the officer has established that he should be retained on the active list, his case is closed. However, at any time after 1 year from the date of that determination, he may be again required to show cause for retention under section 8781 of this title.

"§ 8784. Removal of officer: action by Secretary of the Air Force upon recommendation.

"The Secretary of the Air Force may remove an officer from the active list of the Regular Air Force if his removal is recommended by a board of review under this chapter. The Secretary's action in such a case is final and conclusive.

"§ 8785. Rights and procedures

"Each officer under consideration for removal from the active list of the Regular Air Force under this chapter shall be—

"(1) notified in writing, at least 30 days before the hearing of his case by a board of inquiry, that he is being required to show cause for retention on the active list;

"(2) allowed reasonable time, as determined by the board of inquiry under regulations of the Secretary of the Air Force, to prepare his defense;

"(3) allowed to appear in person and by counsel at proceedings before a board of inquiry; and

"(4) allowed full access to, and furnished copies of, records relevant to his case at all stages of the proceeding.

"§ 8786. Officer considered for removal: voluntary retirement or honorable discharge; severance benefits

"(a) At any time during proceedings under this chapter and before the removal of an officer from the active list of the Regular Air Force, the Secretary of the Air Force may grant his request—

"(1) for voluntary retirement, if he is otherwise qualified therefor; or

"(2) for honorable discharge with severance benefits under subsection (b).

"(b) Each officer removed from the active list of the Regular Air Force under this chapter shall—

"(1) if on the date of removal he is eligible for voluntary retirement under any law, be retired in the grade and with the pay for which he would be eligible if retired at his request; or

"(2) if on that date he is ineligible for voluntary retirement under any law, be honorably discharged in the grade then held with severance pay computed by multiplying his years of active commissioned service, but not more than 12, by one month's basic pay of that grade.

"(c) For the purposes of subsection (b) (2), a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded.

"§ 8787. Officers eligible to serve on boards

"(a) No officer may serve on a board under this chapter unless he holds a regular or temporary grade above lieutenant colonel, and is senior in regular grade to, and outranks, any officer considered by that board.

"(b) No person may be a member of more than one board convened under this chapter for the same officer."

(b) The analysis of subtitle D and the analysis of part II of subtitle D are each amended by striking out the following item:

"859. Separation from Regular Air Force for Failure to Meet Standards..... 8781"

and inserting the following item in place thereof:

"859. Separation from Regular Air Force for Substandard Performance of Duty..... 8781".

(c) The amendments made by this section do not apply to any proceedings begun under chapter 859 of title 10, United States Code, before the enactment of this section.

SEC. 8. (a) Subtitle D of title 10, United States Code, is amended by inserting the following new chapter after chapter 859:

"CHAPTER 860.—SEPARATION FROM REGULAR AIR FORCE FOR MORAL OR PROFESSIONAL DERELICTION OR IN INTERESTS OF NATIONAL SECURITY

"Sec.

"8791. Selection boards: composition; duties.

"8792. Boards of inquiry: composition; duties.

"8793. Boards of review: composition; duties.

"8794. Removal of officer: action by Secretary of the Air Force upon recommendation.

"8795. Rights and procedures.

"8796. Officers considered for removal: retirement or discharge

"8797. Officers eligible to serve on boards.

"§ 8791. Selection boards: composition; duties.

"The Secretary of the Air Force may at any time convene a board of general officers to review the record of any commissioned officer on the active list of the Regular Air Force to determine whether he shall be required, because of moral dereliction, professional dereliction, or because his retention is not clearly consistent with the interests of national security, to show cause for his retention on the active list.

"§ 8792. Boards of inquiry: composition; duties.

"(a) Boards of inquiry, each composed of three or more general officers, shall be convened at such places as the Secretary of the Air Force may prescribe, to receive evidence and make findings and recommendations whether an officer, required to show cause under section 8791 of this title, shall be retained on the active list of the Regular Air Force.

"(b) A fair and impartial hearing before a board of inquiry shall be given to each officer so required to show cause for retention.

"(c) If a board of inquiry determines that the officer has failed to establish that he should be retained on the active list, it shall send the record of its proceedings to a board of review.

"(d) If a board of inquiry determines that the officer has established that he should be retained on the active list, his case is closed. However, at any future time, he may be again required to show cause for retention under section 8791 of this title.

"§ 8793. Boards of review: composition; duties

"(a) Boards of review, each composed of three or more general officers, shall be convened by the Secretary of the Air Force, at such times as he may prescribe, to review the records of cases of officers recommended by boards of inquiry for removal from the active list of the Regular Air Force under section 8792 of this title.

"(b) If, after reviewing the record of the case, a board of review determines that the officer has failed to establish that he should be retained on the active list, it shall send its recommendation to the Secretary for his action.

"(c) If, after reviewing the record of the case, a board of review determines that the officer has established that he should be retained on the active list, his case is closed. However, at any future time, he may be again required to show cause for retention under section 8791 of this title.

"§ 8794. Removal of officer: action by Secretary of the Air Force upon recommendation

"The Secretary of the Air Force may remove an officer from the active list of the Regular Air Force if his removal is recommended by a board of review under this chapter. The Secretary's action in such a case is final and conclusive.

"§ 8795. Rights and procedures

"Each officer under consideration for removal from the active list of the Regular Air Force under this chapter shall be—

"(1) notified in writing of the charges against him, at least 30 days before the hearing of his case by a board of inquiry, for which he is being required to show cause for retention on the active list;

"(2) allowed reasonable time, as determined by the board of inquiry under regulations of the Secretary of the Air Force, to prepare his defense;

"(3) allowed to appear in person and by counsel at proceedings before a board of inquiry; and

"(4) allowed full access to, and furnished copies of, records relevant to his case at all stages of the proceeding, except that a board shall withhold any records that the Secretary determines should be withheld in the interests of national security.

In any case where any records are withheld under clause (4), the officer whose case is under consideration shall, to the extent that the national security permits, be furnished a summary of the records so withheld.

"§ 8796. Officers considered for removal: retirement or discharge

"(a) At any time during proceedings under this chapter and before the removal of an officer from the active list of the Regular Air Force, the Secretary of the Air Force may grant his request—

"(1) for voluntary retirement, if he is otherwise qualified therefor; or

"(2) for discharge under subsection (b).

"(b) Each officer removed from the active list of the Regular Air Force under this chapter shall—

"(1) if on the date of removal he is eligible for voluntary retirement under any law, be retired in the grade and with the pay for which he would be eligible if retired at his request; or

"(2) if on that date he is ineligible for voluntary retirement under any law, be discharged in the grade then held with severance pay computed by multiplying his years of active commissioned service, but not more than 12, by one month's basic pay of that grade.

"(c) For the purposes of subsection (b) (2), a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded.

"§ 8797. Officers eligible to serve on boards

"(a) No officer may serve on a board under this chapter unless he is senior in regular grade to, and outranks, any officer considered by that board.

"(b) No person may be a member of more than one board convened under this chapter for the same officer."

(b) The analysis of subtitle D and the analysis of part II of subtitle D are each amended by inserting the following new item:

"860. Separation from Regular Air Force for Moral or Professional Dereliction or in Interests of National Security..... 8791"

SEC. 9. Section 8913 of title 10, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a) A deferred officer who is not recommended for promotion under section 8303(c) of this title, or an officer who is found disqualified for promotion under section 8302 (f) of this title, shall, if he has at least 20 years of service computed under section 8927(a) of this title, be retired, except as provided by section 47a of title 5, on such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Air Force, but not later than the first day of the seventh calendar month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned."; and

(2) by amending subsection (b) by striking out the words "so entitled to retire" and inserting the words "the date he completes 20 years of service computed under section 8927(a) of this title, or the first day of the seventh calendar month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned, whichever is later" in place thereof.

SEC. 10. (a) Not more than once in each fiscal year, the Secretary of the Army and the Secretary of the Air Force may convene one or more boards, each consisting of at least five officers of the Regular Army or the Regular Air Force, as the case may be, in a grade above colonel, to review the records of, and recommend for continuation on the active list, officers of that component on the active list in the regular grade of colonel or lieutenant colonel who have at least 20 years of service computed under section 3927(a) or 8927(a) of title 10, United States Code, whichever applies, and who have been considered more than twice but not recommended for promotion to the next higher regular grade.

(b) A board convened under this section shall recommend officers for continuation on the active list in the number specified by the Secretary. The Secretary may specify separate numbers for particular categories of officers. However, except with respect to the first board convened under this section in the Army and in the Air Force, the number specified by him for officers in any category must be at least 80 percent of the officers in that category being considered. An officer may be considered for continuation on the active list under this section only once while serving in the regular grade of colonel and only once while serving in the regular grade of lieutenant colonel.

(c) Except as provided by section 1 of the Act of April 23, 1930, ch. 209, as amended (5 U.S.C. 47a), if the Secretary approves the report of a board, he shall, not later than the first day of the seventh calendar month beginning after he approves that report, retire each officer who is considered but not recommended for continuation.

(d) A member of the Army or the Air Force who is retired under this section is entitled to retired pay computed under formula A of section 3991 or 8991, respectively, of title 10.

(e) This section does not apply to—

(1) members of the Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps;

(2) Air Force nurses or medical specialists; or

(3) female members of the Air Force who are not designated under section 8067(a)–(d) or (g)–(i) of title 10.

(f) This section is not effective after June 30, 1965.

SEC. 11. Notwithstanding section 1431 of title 10, United States Code, a change or revocation of an election made under that section by an officer who is retired under section 10 of this Act is effective if made at such a time that it would have been effective had he been retired on the earliest date prescribed for an officer of his kind by section 3916, 3921, 8916, or 8921 of title 10, as appropriate.

SEC. 12. Effective as of August 11, 1959, section 3 of the Act of August 11, 1959, Public Law 86–155 (73 Stat. 336), is amended to read as follows:

"SEC. 3. Notwithstanding section 1431 of title 10, United States Code, a change or revocation of an election made under that section by—

"(1) an officer who is retired under this Act; or

"(2) an officer who has been considered but not recommended for continuation on the active list under section 1 of this Act and who hereafter retires voluntarily before the date specified for his retirement under this Act;

is effective if made at such a time that it would have been effective had he been retired on the date prescribed by section 6376, 6377, or 6379 of title 10, United States Code, as appropriate."

SEC. 13. An officer who has been considered but not recommended for continuation on the active list under section 1 of the Act of August 11, 1959, Public Law 86–155 (73 Stat. 333), and who retired or retires voluntarily before the second day of the month following the month in which this Act is enacted, may, within six months following the enactment of this Act, affirm a change or revocation of an election made under section 1431 of title 10, United States Code, before his retirement, if the change or revocation would have been effective under section 3 of the Act of August 11, 1959, Public Law 86–155, as amended by this Act, but for his voluntary retirement. If an officer takes no action under this section, his currently valid election under section 1431 of title 10, United States Code, shall remain unchanged. The computation of the revised reduction in retired pay in the case of an officer who affirms a change of election under this section shall be in accordance with section 1436 of title 10, United States Code, and according to the conditions that existed on the day the officer became eligible for retired pay. An affirmation or revocation made under this section is effective on the first day of the month in which made. No refund may be made and no additional payment may be required with respect to any period before that date.

And to amend the title so as to read: "An act relating to the promotion and separation of certain officers of the regular components of the armed forces."

Mr. CANNON. Mr. President, the House accepted the principal provisions of the Senate bill providing authority whereby Regular officers in the grade of lieutenant colonel and colonel who have 20 years of service and have twice failed of selection to the next higher grade could be mandatorily retired by board action prior to completing their normal points of service for twice-failed officers. The House did amend the bill in the following named respects: First, the elimination authority was limited to a period of 5 years, ending July 1, 1965, whereas the Senate version would have provided permanent authority; second, the bill was made applicable only to the Army and Air Force, whereas the Senate version also included the Navy and Marine Corps. I may say the Navy and the Marine Corps contend that they have special authority, under the "hump" bill, to take care of the problem, so far as they are concerned.

Third. The House added new language aimed at redrafting and clarifying the present provisions relating to the show cause procedures under which officers of the Army and Air Force charged with substandard performance or character defects may be eliminated by statutory boards.

Mr. President, the full Committee on Armed Services has recommended acceptance of the House amendment. I urge the Senate to concur in the House amendments of Senate bill 1795.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

NATIONAL CAPITAL TRANSPORTATION ACT OF 1960

The Senate resumed the consideration of the bill (S. 3193) to aid in the development of a unified and integrated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize creation of a National Capital Transportation Corporation, to authorize negotiation to create an Interstate Transportation Agency, and for other purposes.

Mr. BIBLE. Mr. President, the Senator from Oregon [Mr. MORSE] discussed his amendment with me just after he suggested the absence of a quorum. He asked me to state that his amendment should be withdrawn. In lieu of the amendment he previously offered, I am now in a position to offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment previously offered by the Senator from Oregon will be withdrawn. The clerk will state the amendments offered by the Senator from Nevada.

The LEGISLATIVE CLERK. It is proposed:

On page 43, line 14, to insert after "region" the following: "and to unions representing the employees of such companies."

On page 47, line 9, after the colon, to insert the following:

Provided, That the Agency shall not operate any transit facilities, or provide by agreement for the operation of transit facilities, until the Congress shall establish for the Agency a labor relations policy, defining labor's right to organize, to bargain collectively, to arbitrate disputes, and to safeguard job rights.

On page 47, line 10, to strike the word "*Provided,*" and insert in lieu thereof "*Provided further,*".

Mr. BIBLE. I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the amendments of the Senator from Nevada.

Mr. BIBLE. Mr. President, before the amendments are put to a vote, I should like to say I have discussed this matter thoroughly with the Senator from Oregon. Members of the Senate who had followed the colloquy on the floor would have learned that the key language we have put into the bill by way of an amendment is taken word for word from the language we adopted in the report. It was the feeling of the Senator from Oregon that, properly, it should be put in the bill, and the matter not left to language contained in the report. I am happy to agree with his position on that question.

I ask that the amendments be voted on en bloc.

The PRESIDING OFFICER. The question is on agreeing, en bloc, to the amendments to the committee amendment offered by the Senator from Nevada.

The amendments to the amendment were agreed to.

Mr. BIBLE. Mr. President, I have other amendments at the desk, technical in nature. I ask that they be stated, and I ask unanimous consent that the amendments be considered en bloc.

I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, the reading will be dispensed with.

The amendments to the amendment are as follows:

Page 37, line 8, strike out the word "to" after the word "work" and insert in lieu thereof the word "of".

Page 50, line 8, strike the period after the word "services" and insert in lieu thereof a semicolon.

Page 50, line 15, strike the word "and".

Page 51, line 5, strike the period after the word "constructed" and insert in lieu thereof a semicolon and the word "and".

Page 52, line 15, strike the numeral "401" and insert in lieu thereof "301".

Page 53, line 10, strike the word "has" and insert in lieu thereof "have".

Page 55, line 7, strike the numeral "402" and insert in lieu thereof "302".

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments to the committee amendment were agreed to, en bloc.

The PRESIDING OFFICER. The question is now on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of H.R. 11135, which is the companion House bill, which I am informed passed the House of Representatives earlier today.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H.R. 11135) to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which was read twice by title.

Mr. BIBLE. Mr. President, I move to strike out all after the enacting clause of H.R. 11135 and insert in lieu thereof the text of Senate bill 3913, as amended, as an amendment to H.R. 11135.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 11135) was read the third time.

Mr. BIBLE. Mr. President, before yielding to the distinguished Senator from Maryland [Mr. BEALL], the ranking minority member of the Senate District of Columbia Committee, I ask unanimous consent to have inserted in the RECORD at this point a detailed analysis of the bill, on a section by section basis.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

S. 3193—ANALYSIS OF PROPOSED AMENDMENTS IN THE NATURE OF A SUBSTITUTE

TITLE I—SHORT TITLE, STATEMENT OF FINDINGS AND POLICY, AND DEFINITIONS

Short title

Section 101 provides that the act may be cited as the National Capital Transportation Act of 1960.

Statement of findings and policy

Section 102 sets forth the congressional finding of the need for an improved transportation system for the National Capital region, for the planning on a regional basis of a unified transportation system, for cooperation among all levels of government and public carriers, for Federal financial participation, and for coordination of transportation with other public facilities and land use.

It is declared to be the continuing policy and responsibility of the Federal Government, in cooperation with State and local governments and private enterprise, to aid in the development of a unified and integrated system for the transportation of persons in the National Capital region.

Definitions

Section 103, in subsection (a), defines the "National Capital region" as used in the act to mean the District of Columbia; Montgomery and Prince Georges Counties in Maryland; Arlington, Fairfax, Loudoun, and Prince William Counties in Virginia; Alexandria and Falls Church cities in Virginia; and all other cities existing within the boundaries of those counties. The area defined is identical in substance to the National Capital region defined in section 1(b) of the National Capital Planning Act of 1952.

Subsection (b) of section 103 defines the term "government agency" or "government agencies" as used in the act to mean the governments of the United States, District of Columbia, Virginia, and Maryland, and their subdivisions, agencies and instrumentalities located in, or whose jurisdiction includes all or part of the National Capital region. The language provides a convenient, short reference to the large group of public bodies covered.

TITLE II—CREATION OF A NATIONAL CAPITAL TRANSPORTATION AGENCY

National Capital Transportation Agency

Section 201, in subsection (a), establishes, as a Federal instrumentality, the National Capital Transportation Agency and provides that it be headed by an Administrator, appointed by the President with Senate confirmation. The Administrator would receive compensation at a rate not in excess of the maximum rate for grade 18 of the general schedule of the Classification Act of 1949, as amended, plus $500 per annum.

Subsection (b) provides for the appointment, by the President with Senate confirmation, of a Deputy Administrator to perform duties assigned by the Administrator and to act for the Administrator during his absence or disability. The Deputy Administrator would receive compensation at a rate not in excess of the maximum rate for grade 18 of the general schedule of the Classification Act of 1949, as amended.

Subsection (c) requires the Administrator and Deputy Administrator to engage only in the business of the Agency during their time in office and requires that they, and members of the Advisory Board established in section 202, have no financial interest in any other enterprise engaged in providing public transportation or the manufacture or selling of passenger transportation equipment or facilities. The language is intended to prevent possible conflicts of interest between the public and the private activities of Agency officers.

Advisory Board

Section 202 provides for the establishment of the Advisory Board of the Agency to be composed of five members, appointed by the President with Senate confirmation. At least three members are to be residents of the National Capital region. The President is required to designate one member as chairman. The Board would be required to meet at least every 90 days and would advise the Administrator generally on Agency policies. Board members would receive compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the general schedule under the Classification Act of 1949, as amended (5 U.S.C. 1113(b)), when performing their duties. They would also receive travel expenses as authorized for experts and consultants by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–2).

Advisory and coordinating committees

Section 203, in subsection (a), authorizes the Administrator to establish, for varying periods, other necessary advisory and coordinating committees composed of representatives of public and private organizations and other persons to obtain maximum cooperation, assistance, and local coordination in the development of a transportation system for the National Capital region. The committees would consider problems referred to them by the Administrator and make recommendations to him on matters of mutual interest.

Subsection (b) of section 203 provides that members of committees established under subsection (a) will receive no additional compensation for their activity on such committees, but authorizes members who are not Federal employees, to receive travel expenses as authorized for persons serving without compensation by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–2).

Preparation and approval of transit development program

Section 204, in subsection (a), requires the Agency to prepare a basic and comprehensive plan to be called the Transit Development Program and authorizes the Agency to revise such program from time to time. The program would consist of plans, including routes and locations, for facilities, for the transportation of persons in the National Capital region, a timetable for providing the facilities, and comprehensive financial reports on costs and revenues. The program is to conform, insofar as practicable, to general plans for the National Capital region developed under sections 3, 4, and 5 of the National Capital Planning Act of 1952 (66 Stat. 781).

Subsection (b) of section 204 requires the Agency, in preparing the transit development program, to give special consideration to (1) making expanded use of existing facilities and services, including expanded use and development of existing railroad lines, and coordinated and efficient transit service across jurisdictional boundaries and between areas served by different companies; (2) early development of a subway line; and (3) acquisition and development of rights-of-way for express transit lines in conjunction with major highways and bridges. This subsection also contains two provisos:

1. The Public Utilities Commission of the District of Columbia is required, before authorizing any further conversion from streetcar to bus operations by the District of Columbia Transit System, Inc., to consult with the Agency to determine whether there may be some use for streetcars in the latter's program. This Commission is authorized to bar further conversion, and to declare the conversion completed for the purposes of certain tax concessions made contingent on conversion in the company's franchise.

2. There is a prohibition against the construction of any freeway, or new parkway wider than two lanes, in a sector of Northwest Washington west of 12th Street and north of the Inner Loop and the freeways along the Potomac River, before July 1, 1962; and the Agency shall, not later than January 10, 1962, submit to the President, for transmittal to Congress, its recommendation as to whether any such freeway or parkway should thereafter be built.

Subsection (c) of section 204 provides that the Agency may not proceed to carry out any

part of the transit development program until that part of the program is approved in an appropriation act.

Subsection (d) of section 204 requires that the program and revisions thereof be submitted for review and comment to the governments of the District of Coulmbia; Montgomery, Prince Georges, Arlington, Fairfax, Loudoun, and Prince William Counties; the cities of Alexandria and Falls Church; the transit regulatory bodies of the region; any governmental organization concerned with community development problems in the National Capital region; the Commission on Fine Arts and the private transit companies of the region. The program and revisions thereof would also have to be submitted to the Governors of Maryland and Virginia for approval of the location and extent of Agency transportation facilities and the timetable for their provision in Maryland and Virginia, respectively. The Agency would not be permitted to acquire, construct, or operate any transportation facilities (including rights-of-way or parking lots) in Maryland or Virginia unless (1) the Governor of the State involved or his designee shall have approved the program or the revision thereof in which the pertinent facilities are set forth, or (2) the procedure prescribed in subsection (e) of section 204 is followed.

Subsection (e) provides that, until the program is approved as provided in subsection (d), the Agency may acquire, construct, or operate transportation facilities in Maryland or Virginia only if it submits plans and information thereon to the Governor of the State in which the facilities are to be located and secures his approval of such plans. The Governor may designate a government agency to act for him in this matter.

Subsection (f) directs the Agency to proceed with research, experimentation, surveys, and development on transportation needs and ways of meeting them.

Subsection (g) directs the Agency to make a study of the organizational and financing problem, and to submit its recommendations for any further legislation to the President for transmittal to Congress by November 1, 1962.

FUNCTIONS, DUTIES, AND POWERS

Subject to other provisions of title II, section 205, in paragraph (1) of subsection (a), provides that the Agency may acquire or construct facilities and other property for the transportation of persons in the National Capital region, and that the Agency may contribute funds to government agencies for limited acquisition of rights-of-way for, and construction of arterial highway facilities, if such contributions are deemed necessary to the fulfillment of the objectives of the act. It is anticipated that the authority to make contributions may be used to provide funds for construction of short essential connecting links in road systems, acquisition of median strips, and the like, which would be needed mainly for transit operations. The broad authority to acquire or construct facilities provided in this paragraph would be limited by the need to secure approval from Maryland and Virginia for the establishment of facilities in those States as provided in subsections (d) and (e) of section 204. The broad authority would also be limited by the proviso in paragraph (2) of subsection (a) of section 205 that the Agency shall not acquire the facilities or other property of private transit enterprises, operate buses or similar motor vehicles, or make agreements for the operation of buses in competition with existing transit companies. Paragraph (2), otherwise, authorizes the Agency to operate its facilities or enter in agreements with public or private establishments for their operation or use. Such operations are not to be undertaken until Congress has provided by legislation for labor relations of the agency. (Floor amendment.) Paragraph (3) requires the Agency to encourage expansion of private transit services.

Paragraph (4) of subsection (a) authorizes the Agency to lease its space or property and contract for the construction and operation of service facilities (such as cafeterias or shops at terminals) which will, in turn, encourage use of Agency transit facilities. The rentals, fees, and other charges on such leases and contracts are to be sufficient to prevent lessees and contractees from having an undue competitive advantage in the region. Lessees and contractees would also be required to comply with State and local building and zoning laws and regulations (including those of the District of Columbia).

Paragraph (5) of subsection (a) provides necessary general authority for the Agency to enter into contracts and other transactions with public and private establishments and other persons. Paragraph (6) authorizes the Agency to sell or lease advertising space or contract for disposal and use of such space, provided the lessees and contractees comply with applicable zoning and advertising laws and regulations. Paragraph (7) requires the Agency to cooperate with other Government agencies to coordinate development of arterial highway and transit facilities. While the Agency would have no authority or responsibility for arterial highway development, the language would permit maximum, mutually beneficial integration of highway and transit facilities. To assist in coordinating transit and highway development in the region, paragraph (7) provides for Government agencies to submit plans for arterial highways in the National Capital region to the Agency for review. This paragraph further requires the Agency to cooperate and, where possible, develop joint plans with other planning agencies and transportation regulation agencies in the National Capital region, especially the Washington Metropolitan Area Transit Commission which would be established under the Washington metropolitan area transit regulation compact, approved by Maryland and Virginia and now pending congressional approval.

Paragraphs (8) and (9) of subsection (a) authorize the Agency to make proposals for regulating the flow of traffic in the National Capital region and to study all phases of transportation including transit vehicle research and fiscal research. Authority to regulate the flow of traffic would remain vested in existing agencies.

Paragraphs (10) and (11) of subsection (a) authorize the Agency to appoint and fix the compensation of its personnel, require bonds, and employ experts and consultants at rates not to exceed the usual rates for similar services. The laws generally applicable to the Federal competitive civil service would apply to Agency personnel. The Administrator is further authorized to place five Agency positions in grades 16, 17, or 18 of the general schedule pursuant to provisions of section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105), and such positions are to be in addition to the number authorized to be placed in such grades by that section.

Paragraph (12) of subsection (a) contains necessary general language authorizing the Agency to make expenditures from funds which may be appropriated by Congress.

Paragraph (13) of subsection (a) authorizes the Agency to designate the Board of Commissioners of the District of Columbia to design and build its facilities within the District.

Paragraph 14 of subsection (a) provides that the Agency, its property, income, and transactions are exempted from taxation, licenses, and fees, but that this exemption does not extend to the Agency's contractors, lessees, and others with whom it does business.

Subsection (b) of section 205 provides standard language authorizing other Federal and District of Columbia agencies to enter into any authorized agreements with the Agency. Subsection (c) makes condemnation actions and land acquisitions by the Agency subject to certain general laws governing Federal agencies. Cited are sections 355 of the Revised Statutes (40 U.S.C. 255) concerning title searches and validity of titles, the act of March 1, 1929, as amended, the act of August 1, 1888, as amended (40 U.S.C. 257), and the act of February 26, 1931 (40 U.S.C. 258), which vest in the Attorney General the function of initiating condemnation proceedings for Federal agencies. It is provided that no action in condemnation shall be undertaken in behalf of the Agency until a reasonable effort has been made to negotiate with the owner of the property.

Subsection (f) of section 205 contains the authorization for appropriations for the Agency.

TITLE III—AUTHORIZATION FOR NEGOTIATION OF INTERSTATE COMPACT

Interstate Proprietary Agency

Section 401, in subsection (a) gives to Maryland, Virginia, and the District of Columbia, the consent of Congress to their negotiating a compact to establish an agency to provide transportation facilities and perform other regional functions. Such agency would take over the functions of the Agency established in this act. The compact would become effective upon approval of Maryland and Virginia and the Congress. Subsection (b) requires the President to submit to Congress recommendations for transferring the Agency's assets and liabilities to the interstate agency as soon as possible after the interstate compact has been approved by Maryland and Virginia. Subsection (c) requires the President to appoint a Federal representative to the compact negotiations, and such representative, as provided in subsection (d), if not otherwise federally employed, would receive compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the general schedule under the Classification Act of 1949, as amended (5 U.S.C. 1113(b)), together with travel expenses authorized for experts and consultants by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 37b–2). Subsection (e) provides that the Federal representatives be provided with necessary space, engineering, and administrative aid, and subsection (f) provides that his compensation be paid from the White House Office appropriation for salaries and that other expenses under subsections (d) and (e) be paid from current appropriations selected by the heads of agencies designated by the President to pay such expenses.

Subsection (g) of section 401 authorizes the Agency to cooperate with compact representatives and to furnish information to them to the extent permitted by law.

Separability

Section 402 provides a standard separability clause.

Mr. BIBLE. Mr. President, I also ask unanimous consent to have inserted at this point in the RECORD the estimated costs of the National Capital Transportation Agency as compiled from the evidence that was brought before the joint committee.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

ESTIMATED COSTS OF THE NATIONAL CAPITAL TRANSPORTATION AGENCY

Operating expenses,[1] $500,000 per year.

Costs of land acquisition during first year or 18 months (for the most urgently needed transit rights-of-way in conjunction with new freeways), $1 million to $1,500,000.

Costs during first 3 years (mainly acquisition of transit right-of-way in conjunction with freeways), $20 million to $25 million.

Costs of construction of all facilities for express buses on freeways, plus first workable segment of subway system (first 8 years), $265 million.

Costs of entire system recommended by planning commissions, $600 million.

The PRESIDING OFFICER. The question is on passage of the House bill.

Mr. BIBLE. Mr. President, before the bill is put to a vote on final passage, may I express my thanks and gratitude to the members of the joint committee, the distinguished Senator from Maryland [Mr. BEALL], the distinguished Senator from Oregon [Mr. MORSE], and the equally distinguished Members in the other body, Representatives MCMILLAN, BROYHILL, and SMITH, who attended these hearings quite regularly. They have worked in unison in bringing forth a bill which, properly implemented, will go a long, long way in working out the complex transportation problems of the Washington metropolitan area.

I likewise would pay special tribute to Mr. Frederick Gutheim, staff director, who has labored so faithfully over the last 2 years in attempting to work out a myriad of metropolitan problems, and his able assistant, Mr. Harry Bain, and their able assistant, Mrs. Betty Kraus.

I now yield to the Senator from Maryland [Mr. BEALL].

Mr. BEALL. Mr. President, I simply take this opportunity to congratulate and thank the Senator from Nevada, who has worked so hard for more than 2 years on this subject. I also wish to commend the other members of the subcommittee, the joint committee, and the staff, but particularly the Senator from Nevada, who has worked so diligently, and without cease, for more than 2 years, on this proposed legislation.

This bill does not do all we would like it to do. I am glad to see we have had an amendment adopted affecting labor, the personnel who may be employed if and when the transit facilities are built. When the bill goes to conference, I believe a bill acceptable to all of us will be adopted.

The PRESIDING OFFICER. The question is on passage of House bill 11135.

The bill (H.R. 11135) was passed.

Mr. BIBLE. Mr. President, I move that the Senate insist on its amendment, request a conference with the House of Representatives thereon, and that the Chair appoint conferees on the part of the Senate.

[1] Administrative expenses, preparation of transit development program, route location studies, preliminary engineering and design work, analysis of costs and revenues.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. MORSE, and Mr. BEALL conferees on the part of the Senate.

Mr. BIBLE. Mr. President, I ask unanimous consent that Calendar No. 1703, Senate bill 3193, be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

SUBMISSION OF REPORTS BY RAILROADS WITH RESPECT TO CERTAIN ACCIDENTS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1606, Senate bill 1964, the railroad accident reporting bill, and I ask for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1964) to amend the act requiring certain common carriers by railroad to make reports to Interstate Commerce Commission with respect to certain accidents in order to clarify the requirements of such act.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

RECENT STRIKE AT STACKPOLE CARBON CO., ST. MARYS, PA.

Mr. CLARK. Mr. President, my attention has been called to a statement about a recent strike at the Stackpole Carbon Co. in St. Marys, Pa., made in the course of certain remarks by the senior Senator from South Dakota [Mr. MUNDT] on May 26, 1960, appearing at page 11141 of the CONGRESSIONAL RECORD.

Local 502 of the International Union of Electrical, Radio, and Machine Workers hold collective-bargaining rights at the Stackpole Carbon Co. in St. Marys. Mr. Al Hartnett, secretary-treasurer of the IUE contends that the facts set forth in the statement of the Senator from South Dakota [Mr. MUNDT] are incorrect.

Accordingly, I asked Mr. Hartnett to prepare a statement describing his version of the true situation involved in the St. Marys strike. I ask unanimous consent that this statement in behalf of the IUE may be printed in the RECORD at the conclusion of my remarks. My office has, of course, advised the Senator from South Dakota [Mr. MUNDT] of my intention to place the statement in the RECORD at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I should like to know what is the request. Apparently it was in response to a statement made by my colleague. Has my colleague [Mr. MUNDT] been notified?

Mr. CLARK. The senior Senator from South Dakota [Mr. MUNDT] has been notified of my intention to place the statement in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY AL HARTNETT, SECRETARY-TREASURER OF THE INTERNATIONAL UNION OF ELECTRICAL, RADIO, AND MACHINE WORKERS

The strike to which Senator MUNDT referred was at the Stackpole Carbon Co. in St. Marys, Pa., where our local 502 holds collective bargaining rights. Senator MUNDT claims that the strike of 3½-month duration was ordered without the benefit "of a secret ballot authorization of the workers who were affected." In this he is wrong. A secret ballot election among the union members on the question of strike or no strike took place at the St. Marys public high school at a special meeting of the local union attended by 625 of its members at 7:30 p.m. on the evening of January 26, 1960.

The result of the balloting conducted in secret, I emphasize, was 485 for a strike, 89 against, with 2 voided ballots. The election was witnessed by a member of our international executive board. It was conducted in an orderly manner with the members approaching the balloting station from one side of the hall and passing out through the other. Their ballots were cast after a last offer of the employer was reported.

Senator MUNDT was further quoted in the CONGRESSIONAL RECORD as saying: "On Sunday, May 15, the balloting was held in the local school building (and here he speaks of the strike termination balloting) with the result that the workers voted by a ratio of 2 to 1 to accept the employer's last offer and return to work."

Here again Senator MUNDT is in error unless he means the last improved offer made by the company because of the existence of the strike, was voted upon.

The facts are that several important changes were made in the employer's offer as a result of the strike. The wage increase for 1960 was increased from 5 cents an hour to 8 cents an hour. Instead of 2 cents an hour for the elimination of inequities, 3 percent additional increase was provided to relieve inequities on jobs where they existed. The contract expiration date was changed from January 31 (5 days after the strike vote was taken) to March 21, 1963. If Senator MUNDT has experienced northwestern Pennsylvania winters, he will appreciate the significance in the change of the contract expiration date from January 31 to March 21. The weather grows warmer in March and makes more comfortable the democratic right to picket in the event the employer persists in his reluctance to enter into a fair and equitable agreement with the union and its members.

Another very important change was made in the agreement as a result of the strike. The Stackpole Carbon Co. has been of the habit—in conflict with generally accepted collective bargaining principles—of having supervisors do work which results in the layoff of production and maintenance employees. Three pages of new rules or limitations governing this type of activity were arrived at as a result of the strike.

Our pension agreement with this company was not due to expire until February of 1961. The company insisted on disregarding the terms of that agreement and wanted to combine next year's pension negotiations with

other collective bargaining negotiations properly scheduled to take place in this year and in that, too, they were frustrated as a result of the properly called strike decided upon by a secret ballot of the members of Local 502, IUE AFL–CIO.

Finally, I cannot accept Senator MUNDT's proposal that nonmembers of a union be permitted to participate in decisions of the union and this would be one of the effects of his proposed legislation.

He suggests that this kind of a ballot would in no way differ from those involved in the selection of bargaining representatives, authorization of union shop contracts, or emergency strike situations. That this is manifestly untrue must be obvious to Mr. MUNDT. He deals here with the internal operations of a union—an organization already in existence—not one whose right to exist is in question, as is the case in a certification election; or one whose right to have a union shop collective bargaining agreement is questioned; nor does he deal here with an emergency strike situation such as that contemplated by the National Labor Relations Act as it sets up balloting procedures.

In conclusion, I think I need hardly point out to you that IUE has a proud record for democracy and militancy and for safeguarding the rights of its members.

ORDER OF BUSINESS

Mr. SMATHERS. Mr. President, I understand the able Senator from Virginia desires to present a conference report on which he wishes the Senate to act. However, the bill I shall present will require only a few moments consideration of the Senate, if the Senate will be so kind as to permit action in that regard.

Mr. President, I ask unanimous consent that the able Senator from Nevada [Mr. CANNON] may present a bill, which he desired to do a moment ago, which somehow got lost in the shuffle.

DEFINITION OF TOTAL COMMISSIONED SERVICE OF CERTAIN OFFICERS OF THE NAVAL SERVICE

Mr. CANNON. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of H.R. 12415.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12415) to amend section 6387(b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the bill.

Mr. CANNON. Mr. President, this bill is identical to S. 3734 Calendar No. 1746.

The House bill corrects a technical error contained in the Navy "hump" legislation enacted last year in the Congress. This error relates to the definition of total years of service. The House bill restores to this definition the same meaning it had prior to the enactment of the "hump" law.

The executive branch is highly desirous of having this bill passed immediately, since it should be signed into law prior to June 30, which is next Thursday. Otherwise, some of the officers scheduled to be retired under the "hump" legislation on June 30 of this year cannot be retired on this date and one of the principal purposes of the basic legislation cannot be carried out.

I urge the Senate to pass H.R. 12415.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 12415) was ordered to a third reading, read the third time, and passed.

Mr. CANNON. Mr. President, I move that S. 3734 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, S. 3734 will be indefinitely postponed.

SUBMISSION OF REPORTS BY RAILROADS WITH RESPECT TO CERTAIN ACCIDENTS

The Senate resumed the consideration of the bill (S. 1964) to amend the act requiring certain common carriers by railroad to make reports to the Interstate Commerce Commission with respect to certain accidents in order to clarify the requirements of such act.

Mr. SMATHERS. Mr. President, Calendar No. 1606, S. 1964, is a bill which would require the railroads to make reports of accidents with respect to injuries to their employees and to their passengers, and with respect to damage to property, in more nearly the same fashion and same manner required today of the airlines and motor bus companies.

Thus far the law has required, when there have been accidents, unless the injured person was unable to work for some 72 hours, the railroad company was not required to make any report of the accident. For many years the competing transportation services have felt the railroads should be brought more in line with the requirements under which they operate.

As a result of this particular argument the Subcommittee on Surface Transportation of the Committee on Interstate and Foreign Commerce held hearings, listened to both sides, and requested recommendations from the Interstate Commerce Commission.

As a result of those rather lengthy hearings we finally evolved that which we like to refer to as a sort of compromise measure. It was our judgment that the best way to resolve the problem was to require the railroads to make reports in regard to accidents involving injury to the employee or to the passenger, and even accidents involving damage to physical property, when the person was incapacitated for 24 hours or more. In such accidents it would be necessary to file the report with the Interstate Commerce Commission.

The very able Senator from Kansas [Mr. SCHOEPPEL], the ranking minority member on the Surface Transportation Subcommittee, I believe made the recommendation in regard to the limitation of 24 hours. In any event, the subcommittee adopted it. It was finally adopted by the full committee, I believe without a dissenting vote. It is our judgment that the Senate would be wise to adopt the proposal.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to my able friend from Kansas.

Mr. SCHOEPPEL. The distinguished Senator from Florida has had very much to do with this measure as chairman of the important Subcommittee on Surface Transportation. It has been a pleasure to work with the Senator.

I know the discussions which take place at the time bills and amendments are before the Senate for consideration provide some guidelines as to interpretation of any law which is passed. In that spirit I should like to ask the Senator a few questions.

First, what types of accidents will have to be reported to the ICC under the terms of the bill?

Mr. SMATHERS. An accident to a person, when the person is either an employee or a passenger, if the employee is away from work for a period of 24 hours and unable to do his job, or if the passenger is laid up for a period of 24 hours and is not able to do his job or is confined to his home unable to work, on doctor's orders. Any accident involving a personal injury for a period of 24 hours would have to be reported.

Mr. SCHOEPPEL. I should like to ask the Senator a question regarding reports which must be made of accidents involving nonoperating personnel employed by other industries.

Must reports be made of accidents involving nonoperating personnel employed by the airline industry?

Mr. SMATHERS. The answer to that question is "Yes," although the laws are not necsesarily uniform. Today all of the major industries are required to make reports on accidents to the appropriate agency which regulates the industry.

Mr. SCHOEPPEL. Reports must be made of accidents involving nonoperating personnel employed by the trucking industry?

Mr. SMATHERS. The Senator is correct.

Mr. SCHOEPPEL. And the same is true with regard to the maritime and water carrier industry?

Mr. SMATHERS. The Senator is correct.

Mr. SCHOEPPEL. And that is also true with regard to the interstate bus industry?

Mr. SMATHERS. The Senator is correct.

Mr. SCHOEPPEL. If the Senator will indulge me for a moment or two, I wish to say that I do not believe the committee desired that this proposed legislation should become a means for aiding lawyers in preparation of injury cases for trial. I am hopeful the rules and regulations of the ICC will provide some means of keeping the information reported to them on a restricted basis, which will be for their own administrative use. In my opinion, there is no public need for disclosure of the names of employees who may have been involved in any accident, whether it be a major one or a trivial accident.

In other words, as the phrase is used quite often, we do not wish to have "ambulance chasing" result. Does the Senator from Florida concur with me on that?

Mr. SMATHERS. I concur with the Senator from Kansas. Actually, the Interstate Commerce Commission rules now provide that the names are not to be released. The Commission releases only the numbers of accidents, but does not release the names of the persons involved.

It is to be presumed that the Interstate Commerce Commission—and certainly based upon the legislative record we are making—will be informed it is the will of the Congress that the Interstate Commerce Commission continue to follow the practice of not revealing the names of individual persons involved in accidents.

Mr. SCHOEPPEL. I appreciate the Senator's comments.

I have one further and final statement which I desire to make.

The committee, as I understand it, has recommended that the ICC have broad power to promulgate and prescribe a method and the form of making reports. Can the Senator assure me that under such rules and regulations the railroads of this country will not be burdened with filing unnecessary reports on trivial personal injury accidents and on accidents involving minor property damage to railroad property?

Does the Senator concur with me that there is no desire to cause an undue burden in regard to reports to be filed?

Mr. SMATHERS. I again concur with the able Senator from Kansas. Obviously, the bill is not intended to be a burden on anyone. If that were the only purpose of the legislation, it should not be passed. I agree with the able Senator from Kansas that the Interstate Commerce Commission, in formulating its regulations under the authority granted in the bill, should not promulgate regulations on unimportant or trivial matters which are irksome or burdensome to the carriers.

Mr. SCHOEPPEL. I thank the distinguished Senator.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the able Senator from New York.

Mr. JAVITS. We have received information that the railroads were opposed to the bill, but that railroad labor favored it. Of course, that is not unusual in respect of legislation.

However, I note that the ICC, according to its letter of June 24, 1959, which is contained in the committee report, is opposed to the bill also. Has anything been done to meet the objections which were raised by the ICC in respect to this bill?

Mr. SMATHERS. The ICC objected to the fact that the bill originally required the railroads to have filed with them a report on any accident without any limitations whatsoever. That provision, of course, has been changed to provide now that reports will be required only when the people injured cannot perform their regular work for 24 hours. So I think essentially such provision takes care of the primary objection of the Interstate Commerce Commission.

Actually, the ICC was, in point of fact, not completely desirous of taking on the job which would result from the enactment of the proposed legislation, because, as I said, they would be required to increase their personnel, and they would require additional space in which to store the accident reports, should they become numerous. But a somewhat similar reporting requirement exists with respect to motor carriers, and so all that is proposed is to make the procedure more nearly uniform as between the railroads and the motor carriers, insofar as the ICC is concerned.

Mr. JAVITS. Have either the ICC or the railroads changed their position about the bill in view of the more limited character of the bill?

Mr. SMATHERS. I think the ICC has changed its position about it. I do not believe the railroads have.

Mr. JAVITS. Can the Senator state in a word why he wishes the bill to pass nonetheless?

Mr. SMATHERS. I think it needs to be passed, because we need to bring about equity and balance and similar treatment with respect to other industry and competing modes of transportation. Members of the airline and motorbus industries are in varying degrees required to make accident reports of this type now. We think there is no sound reason for saying that the railroads should not also make the same kind of reports.

Mr. JAVITS. Can the Senator from Florida give us one further assurance. I know the Senator from Florida well enough to have great faith in his recommendation. The Senator recommends to the Senate that this is a fair thing to do. I would just like to suggest that the Senator put on record the fact that if the fears of the railroads—that this bill may cause really an onerous and difficult burden—prove to be well founded, the Senator will have an open mind and be ready to serve the interest of undoing the requirement if it turns out to be wrong.

Mr. SMATHERS. There is no question about it.

Mr. JAVITS. I thank my colleague.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 1, line 8, after the word "amended", to strike out "(1) by inserting 'any' before 'injury', and (2) by striking out 'under such rules and regulations as may be prescribed by the said Commission'." and insert "to read as follows:

" 'It shall be the duty of the general manager, superintendent, or other proper officer of every common carrier engaged in interstate or foreign commerce by railroad to make to the Interstate Commerce Commission, at its office in Washington, District of Columbia, a monthly report, under oath, of all collisions, derailments, or other accidents resulting in death or injury to any person sufficient to incapacitate such person from performing his regular work for 24 hours or more, or damage to equipment or roadbed arising from the operation of such railroad, which report shall state the nature and causes thereof and the circumstances connected therewith: *Provided,* That hereafter all said carriers shall be relieved from the duty of reporting accidents in their annual financial and operating reports made to the Commission.' "; on page 2, line 22, after the word "reports", to strike out "required in this Act" and insert "hereinbefore provided"; in line 24, after the word "Act", to strike out the comma and "but nothing in this Act shall be deemed to"; in line 25, after the amendment just above stated, to insert a colon and "*Provided however,* That this shall not"; on page 3, line 1, after the word "way", to strike out "such"; in the same line, after the word "reports", to insert "required under this Act"; in line 3, after the word "in", to strike out "any"; and in line 4, after the word "railroad", to insert "as provided in section 1 of this Act"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act requiring common carriers engaged in interstate and foreign commerce to make full reports of all accidents to the Interstate Commerce Commission, and authorizing investigations thereof by said Commission", approved May 6, 1910 (45 U.S.C., sec. 38), is amended to read as follows:

"It shall be the duty of the general manager, superintendent, or other proper officer of every common carrier engaged in interstate or foreign commerce by railroad to make to the Interstate Commerce Commission, at its office in Washington, District of Columbia, a monthly report, under oath, of all collisions, derailments, or other accidents resulting in death or injury to any person sufficient to incapacitate such person from performing his regular work for 24 hours or more, or damage to equipment or roadbed arising from the operation of such railroad, which report shall state the nature and causes thereof and the circumstances connected therewith: *Provided,* That hereafter all said carriers shall be relieved from the duty of reporting accidents in their annual financial and operating reports made to the Commission."

SEC. 2. Section 5 of such Act of May 6, 1910, is amended to read as follows:

"SEC. 5. The Interstate Commerce Commission is authorized to prescribe such rules and regulations and such forms for making the reports hereinbefore provided as are necessary to implement and effectuate the purposes of this Act: *Provided, however,* That this shall not authorize the Commission to limit in any way reports required under this Act of all collisions, derailments, or other accidents resulting in injury to persons, equipment, or roadbed arising from the operation of such railroad as provided in section 1 of this Act."

SEC. 3. Section 7 of such Act of May 6, 1910, is amended (1) by inserting "(a)" after "SEC. 7.", and (2) by inserting at the end thereof a new subsection as follows:

"(b) The phrase 'arising from the operation of such railroad', as used in this Act, shall include all activities of the railroad which are related to the performance of its transportation business."

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1964) was ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960—CONFERENCE REPORT

Mr. BYRD of Virginia. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12381) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 27, 1960, p. 14542, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CANNON in the chair). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 11646) to amend the act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton, as amended, by defining certain offenses in connection with the sampling of cotton for classification and providing a penalty provision, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 8186. An act to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces;

H.R. 8226. An act to add certain lands to Castillo de San Marcos National Monument in the State of Florida;

H.R. 9322. An act to make permanent the existing suspension of duties on certain coarse wool;

H.R. 9862. An act to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing, and to extend suspension of duty on imports of casein; and

H.R. 9881. An act to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, at its meeting the majority policy committee cleared for scheduling the following measures still remaining on the Senate Calendar. I should like to list them in the RECORD at this point for the information of all Senators if they should have any reason for wishing to read the reports on them or discussing them with the minority leader or with the majority leader concerning the times they will be scheduled, and so forth:

Calendar No. 1581, S. 1868, to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia.

Calendar No. 1607, H.R. 4601, to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes.

Calendar No. 1610, H.R. 10596, to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States.

Calendar No. 1654, S. 2917, to establish a price support level for milk and butterfat.

Calendar No. 1671, S. 3421, to amend the Federal Employees' Group Life Insurance Act.

Calendar No. 1675, S. 3650, to supplement and amend the act of June 30, 1948, relating to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936.

Calendar No. 1678, H.R. 10, to encourage the establishment of voluntary pension plans by self-employed individuals.

Calendar No. 1679, H.R. 9662, to make technical revisions in the income tax provisions of the Internal Revenue Code of 1954 relating to estates, trusts, partners and partnerships, and for other purposes.

Calendar No. 1681, H.R. 5055, to change certain restriction on the use of certain real property heretofore conveyed to the city of St. Augustine, Fla., by the United States.

Calendar No. 1683, S. 3483, to make the antitrust laws and the Federal Trade Commission Act applicable to the organized team sport of baseball and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes.

Calendar No. 1684, H.R. 3313, to amend section 200 of the Soldiers and Sailors Civil Relief Act of 1940 to permit the establishment of certain facts by a declaration under penalty of perjury in lieu of an affidavit.

Calendar No. 1689, H.R. 9201, to validate certain mining claims in California.

Calendar No. 1691, S. 2709, directing the Secretary of the Interior to convey to the city of Flandreau, S. Dak., any interest remaining in the United States to certain property which it conveyed to such city by the act of August 21, 1916.

Calendar No. 1692, S. 2914, to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways.

Calendar No. 1693, S. 3264, to abolish the Arlington Memorial Amphitheater Commission.

Calendar No. 1694, S. 3399, to authorize the exchange of certain property within Shenandoah National Park, in the State of Virginia, and for other purposes.

Calendar No. 1696, H.R. 8740, to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas.

Calendar No. 1697, H.R. 9142, to provide for payment for land heretofore conveyed to the United States as a basis for lien selections from the public domain, and for other purposes.

Calendar No. 1698, H.R. 11953, to provide for the assessing of Indian trust lands and restricted fee patent Indian lands within the Lummi Indian diking project in the State of Washington.

Calendar No. 1699, H.R. 3122, directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm.

Calendar No. 1700, S. 3267, to amend the act of October 17, 1940, relating to the disposition of certain public lands in Alaska.

Calendar No. 1701, H.R. 6597, to revise the boundaries of Dinosaur National Monument and provide an entrance road or roads thereto and for other purposes.

Calendar No. 1702, S. 2757, to supplement the act of June 14, 1926, as amended, to permit any State to acquire certain public lands for recreational use.

Calendar No. 1705, S. 3195, to exempt from taxation certain property of the Army Distaff Foundation.

Calendar No. 1706, S. 3258, to amend the District of Columbia Alcoholic Beverage Control Act.

Calendar No. 1707, S. 3274, to permit certain veterans pursuing courses of vocational rehabilitation training to continue in pursuit thereof for such period as may be necessary to complete such courses.

Calendar No. 1708, H.R. 4306, act to provide education and training for the children of veterans dying of a service-connected disability incurred after January 31, 1955, and before the end of compulsory military service.

Calendar No. 1709, S. 3275, to extend, with respect to World War II veterans, the guaranteed loans programs under chapter 37 of title 38, United States Code, to February 1, 1965.

Calendar No. 1710, H.R. 7758, to improve the administration of oversea ac-

tivities of Government of the United States, and for other purposes.

Calendar No. 1711, S. 3228, to amend the provisions of part II of the Interstate Commerce Act which authorize certain operations within a State as a common carrier by motor vehicle engaged in interstate or foreign commerce if State authorized.

Calendar No. 1712, S. 3416, to provide for the restoration to the United States of amounts expended in the District of Columbia in carrying out the Temporary Unemployment Compensation Act of 1958.

Calendar No. 1713, S. 2363, to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons and for other purposes.

Calendar No. 1714, House Joint Resolution 397, to enable the United States to participate in the resettlement of certain refugees.

Calendar No. 1715, H.R. 10021, providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia.

Calendar No. 1717, S. 2806, to revise the boundaries of the Coronado National Memorial and to authorize the repair and maintenance of an access road thereto in the State of Arizona and for other purposes.

Calendar No. 1718, S. 3623, to designate and establish that portion of the Hawaii National Park on the island of Maui in the State of Hawaii as the Haleakala National Park, and for other purposes.

Calendar No. 1719, H.R. 6179, to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr.

Calendar No. 1720, Senate Resolution 329, to provide additional funds for the Committee on Interior and Insular Affairs.

Calendar No. 1721, Senate Resolution 330, to study the conditions in American Samoa.

Calendar No. 1722, Senate Resolution 333, to print additional copies of the report entitled "Documentation, Indexing, and Retrieval of Scientific Information."

Calendar No. 1723, Senate Resolution 335, to provide funds for the Committee on Appropriations.

Calendar No. 1724, Senate Resolution 343, to pay a gratuity to Thelma Marguarette Hedge.

Calendar No. 1725, Senate Resolution 342, to pay a gratuity to Leon R. De Ville, Jr.

Calendar No. 1726, Senate Resolution 341, to pay a gratuity to Rosanne Willcox Purvis.

Calendar No. 1727, Senate Resolution 337, to print a certain number of copies of the prayers of the Chaplain of the Senate for the 85th and 86th Congresses.

Calendar No. 1728, Senate Resolution 328, amending Senate Resolution 244, authorizing the Committee on Interstate and Foreign Commerce to investigate certain matters within its jurisdiction.

Calendar No. 1729, Senate Joint Resolution 176, authorizing the preparation and printing of a supplement to the Constitution of the United States of America Annotated, as published in 1953 as Senate Document 170, 82d Congress.

Calendar No. 1730, Senate Concurrent Resolution 107, to print for the use of the Internal Security Subcommittee of the Senate Judiciary Committee, copies of certain publications.

Calendar No. 1731, House Concurrent Resolution 691, authorizing the disposal of certain publications now stored in the folding room of the House of Representatives and the Warehouse of the Senate.

Calendar No. 1732, H.R. 7965, to amend section 612 of title 28, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans.

Calendar No. 1733, H.R. 9751, for the relief of Mrs. Icile Helen Hinman.

Calendar No. 1734, H.R. 9541, to amend section 109(g) of the Federal Property and Administrative Services Act of 1949.

Calendar No. 1735, Senate Resolution 344, relating to pay of clerical and other assistants as affected by termination of service of appointed Senators.

Calendar No. 1737, Senate Joint Resolution 152, authorizing the creation of a commissioner to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson.

Calendar No. 1739, S. 2587, to require an act of Congress for public land withdrawals in excess of 5,000 acres in the aggregate for any project or facility of any department or agency of the Government.

Calendar No. 1741, House Joint Resolution 627, to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property.

Calendar No. 1742, S. 3558, to authorize and direct the transfer of certain Federal property to the Government of American Samoa.

Calendar No. 1743, H.R. 8212, to amend title 10, United States Code, with respect to the procedure for ordering certain members of the Reserve components to active duty, and for other purposes.

Calendar No. 1744, S. 3733, to place Naval Reserve Officers Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates.

Calendar No. 1745, H.R. 9702, to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased member's final accounts without the necessity of settlement by General Accounting Office.

Calendar No. 1747, H.R. 5040, to amend and clarify reemployment provisions of the Universal Military Training and Service Act, and for other purposes.

Calendar No. 1748, H.R. 11787, to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1961

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate make as its unfinished business Calendar No. 1754, H.R. 12231.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12231) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12381) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal tax rate and certain excise tax rates.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. JOHNSON of Texas. Mr. President, earlier today, the distinguished Senator from Virginia [Mr. BYRD], chairman of the Committee on Finance, called up the conference report. The Senate has been delayed in reaching the consideration of the report because other bills which have been brought up took more time for consideration than it was expected they would take. The Senator from Virginia is now prepared to make his statement.

I am informed that some Senators do not desire to have a yea-and-nay vote on the conference report this evening. I am prepared to ask the Senate to remain in session until late this evening if there is any possibility of voting on the report. As I said earlier today, we shall try to accommodate as many Senators as possible. Some of them are unable to be prepared to vote on the conference report tonight.

Unless it is possible to obtain a unanimous-consent agreement, I shall ask the Senate to remain in session until a reasonable hour, so that all the arguments which Senators believe should be made may be made this evening. The Senate will convene early tomorrow morning.

Mr. CLARK. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. CLARK. Would the Senator object to having a quorum call, so that the Senator from Minnesota [Mr. MCCARTHY] and I may have a brief conference?

Mr. JOHNSON of Texas. We have just finished a quorum call. We had a quorum call which we finished within the last minute. It has not been a minute since it was concluded.

Mr. CLARK. Very well.

Mr. BYRD of Virginia. Mr. President, the conference report on H.R. 12381 is to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal tax rate and certain excise tax rates. The Senate accepted the provisions of the House bill in this respect, but added to it four amendments. The Senate conferees conferred with the House conferees on the four amendments added by the Senate.

Amendment No. 1: This was a technical amendment adding to the bill a new heading: "Title I—Miscellaneous Provisions." The House conferees receded on this amendment.

Amendment No. 2: This Senate amendment repealed the 4-percent dividend credit with respect to dividends received from domestic corporations. The House conferees refused to accept this amendment, and we were forced to recede in order to secure a conference agreement.

Amendment No. 3: This amendment added a new section 302 to the bill, relating to the disallowance as trade or business expenses of deductions of certain expenditures for entertainment, gifts, and club dues. The House conferees were sympathetic with the objective of the amendment, but believed that the language was too vague and far reaching in its implications to accomplish the purpose intended. For that reason, they refused to agree to the amendment in its present form. In fact, most of the argument in the conference concerned this amendment. Finally, the Senate conferees were able to persuade the House conferees to accept a substitute for Senate amendment No. 3. This substitute added a new section 301 to the bill.

Subsection (a) of new section 301 added to the bill under the conference agreement provides for an investigation and report by the Joint Committee on Internal Revenue Taxation with respect to the treatment of entertainment and certain other expenses. Under this provision, the joint committee is to make a full and complete investigation and study of the operation and effects of present law, regulations, and practices relating to the deduction—as ordinary and necessary business expenses—of expenses for entertainment, gifts, dues or initiation fees in social, athletic, or sporting clubs or organizations, and similar or related items. The joint committee is to report to the House of Representatives and to the Senate the results of its investigation and study as soon as practicable during the 87th Congress, together with the recommendations of the joint committee for any changes in the law and administrative practices which in its judgment are necessary or appropriate.

Subsection (b) of the new section 301 provides for a report by the Secretary of the Treasury of the results of the recently adopted enforcement program of the Internal Revenue Service relating to the deduction—as ordinary and necessary business expenses—of expenses for entertainment, travel, yachts, hunting lodges, club dues, and similar or related items, together with such recommendations with respect thereto as he considers necessary or appropriate to avoid misuse of the business expense deduction. The report is to be made to the House of Representatives and to the Senate as soon as practicable during the 87th Congress.

On April 4, 1960, the Internal Revenue Service issued Technical Information Release No. 221 in order to secure additional information from corporations, partnerships, and proprietorships at the time when they file their business income returns for taxable years beginning after December 31, 1959.

The additional information required relates to deductions claimed for:

First. Allowances—including expense account allowances—paid to or on behalf of certain officers, employees, partners, and proprietors;

Second. The use of hunting lodges, working ranches and farms, fishing camps, resort properties, pleasure boats and yachts, and similar facilities;

Third. The use of hotel rooms and suites, apartments, and other dwellings;

Fourth. The attendance of members of families of officers and employees at conventions or business meetings; and

Fifth. Vacations for officers or employees, or members of their families.

Technical Information Release No. 221 also states that the field offices of the Internal Revenue Service have been instructed to place increased emphasis on the examination of returns involving entertainment, travel, and expenses of a similar nature.

Subsection (c) of the new section 301 provides that the staff of the Joint Committee on Internal Revenue Taxation, and the staff of the Secretary of the Treasury, are to consult and cooperate with each other in performing any duties assigned to carry out the purposes of the new section 301.

I believe that the substitute will provide a way to put a stop to the practices toward which Senate amendment No. 3 was directed and that if these practices cannot be prevented under the existing law, appropriate legislation will be proposed to remove these abuses.

The need for the study which the conferees agreed should be made is pointed up by some of the problems which would have arisen under the amendment adopted by this body. The amendment would disallow any deduction for entertainment expenses except expenses for food or beverages. It is understood that the amendment is not intended to affect legitimate advertising expenses. However, it is extremely difficult to devise a statutory distinction between gifts and entertainment on the one hand and advertising on the other. One of the cases most widely cited to show that present law permits abuses of business expense deductions is the case of a big game hunting expedition in Africa undertaken by the principal owners of a dairy. In allowing the deduction of the expenses for this safari, the Tax Court stated that "the evidence shows that advertising of equal value to that here involved could not have been obtained for the same amount of money in any more normal way." In another case a corporation was able to deduct the cost of maintaining show horses and Russian wolfhounds as an advertising expense over the contention of the Commissioner that the exhibition of these animals was a hobby of the corporation, as a controlling stockholder.

The status of gifts, both as to deductibility by the payor and taxability to the recipient, is one of the most difficult areas in the Internal Revenue Code. This is pointed up by three cases decided just this month by the Supreme Court where taxpayers contended that items received by them in various business relations were nevertheless nontaxable gifts.

The term "gift," within the meaning of the Code, does not apply to the extent the donor receives something of value in return. Thus, taxpayers can validly argue that the amendment has no application where a payment is in fact made to advertise, to compensate, to develop good will, or to effectuate other business purposes. In the short time we have had to study this proposal, it has become apparent that it is very broad, and possibly affects many other provisions of the Code in such a way as to bring about unintended results. We cannot be sure that these results will not ensue. For example, gifts to widows of deceased employees, which currently are fully deductible by employers, may be limited to $10. Similarly, the payment of certain scholarship and fellowship payments by employers to employees, excludible from the income of the recipients, and fully deductible by the employers as compensation, may be deductible only to the extent of $10 per employee per year. The deduction in this area should not be confused with the charitable contribution deduction permitted under section 170.

These examples barely begin to touch on the many problems we found could arise under the Senate amendment. Another reason for deferring legislation in this area until completion of a study and report by the Joint Committee and by the Treasury Department is that the Internal Revenue Service announced in Technical Information Release No. 221, less than 3 months ago, a new program of reporting requirements and enforcement activities dealing with a variety of items in this area. These reporting requirements will go to such items frequently claimed as business-expense deductions as yachts, hunting lodges, trips to conventions and vacation resorts, the renting or ownership of hotel rooms, and other similar facilities, and so forth. I share the hope of the Treasury Department that this improved program of reporting will not only eliminate many of the abuses in this area but also will point the direction for fair and workable corrective legislation.

Amendment No. 4: This is the amendment offered to the bill by the Senator from Tennessee [Mr. GORE]. It deals with the so-called cutoff point for the processing of minerals for purposes of determining the rate on which percentage depletion is computed for various minerals and other items. This amend-

ment was approved by the Senate by a vote of 87 to 0.

Today, the Supreme Court has handed down a decision on this question. The decision—as I understand it—is in favor of the Government's position. I ask unanimous consent that the decision be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES—No. 513, OCTOBER TERM, 1959

(*United States of America, Petitioner,* v. *Cannelton Sewer Pipe Company* (on writ of certiorari to the U.S. Court of Appeals for the Seventh Circuit), June 27, 1960.)

Mr. Justice Clark delivered the opinion of the Court:

This income tax refund suit involves the statutory percentage depletion allowance to which respondent, an integrated miner-manufacturer of burnt clay products from fire clay and shale, is entitled under the Internal Revenue Code of 1939.[1]

The percentage granted by the statute is on respondent's "gross income from mining." It defines "mining" to include the "ordinary treatment processes normally applied by mine owners * * * to obtain the commercially marketable mineral product or products." Respondent claimed that its first "commercially marketable mineral product" is sewer pipe and other vitrified articles. Alternatively, it contended that depletion should be based on the price of 80 tons of ground fire clay and shale actually sold during the tax year in question. The District Court agreed with respondent's first claim. The Court of Appeals affirmed, holding that respondent could not profitably sell its raw fire clay and shale without processing it into finished products, and that its statutory percentage depletion was therefore properly based on its gross sales of the latter (268 F. 2d 334). The Government contends that the product from which "gross income from mining" is computed is an industrywide test and cannot be reduced to a particular operation that a taxpayer might find profitable. The Government further argues that, while the statute permits ordinary treatment processes normally applied by miners to the raw product of their mines to produce a commercially marketable mineral product, it does not embrace the fabrication of the mineral product into finished articles. In view of the importance of the question to taxpayers as well as to the Government, we granted certiorari (361 U.S. 923). We disagree with respondent's contention that the issue is not presented by this record, and we therefore reach the merits. We have concluded that, under the mandate of the statute, respondent's "gross income from mining" under the findings here is the value of its raw fire clay and shale, after the application of the ordinary treatment processes normally applied by nonintegrated miners engaged in the recovery of those minerals.[2]

I

During the tax year ending November 30, 1951, the respondent owned and operated an underground mine from which it produced fire clay and shale in proportions of 60 percent fire clay and 40 percent shale. It transported the raw mineral product by truck to its plant at Cannelton, Indiana, about one and one-half miles distant. There it processed and fabricated the fire clay and shale into vitrified sewer pipe, flue lining and related products. In this process, the clay and shale is first ground into a pulverized form about as fine as talcum powder. The powder is then mixed with water in a pug mill and becomes a plastic mass, which is formed by machines into the shape of the finished ware desired. The ware is then placed in dryers where heat of less than 212° is applied to remove all of the water. This process takes from 12 hours to 3 weeks, depending on the size of the ware. Thereafter the ware is vitrified in kilns at 2,200° Fahrenheit, requiring from 60 to 210 hours. It is then cooled, graded and either shipped or stored.

Not all clays and shales are suitable for respondent's operations. They must have plasticity, special drying qualities and be able to withstand high temperatures. Respondent's clay, known as Cannelton clay, is the deepest clay mined in Indiana and, respondent says, yields the best sewer pipe. Its cost of removing and delivering the same to its plant was $2,418 per ton in 1951. Respondent used some 38,473 tons of clay and shale in its operations that year and sold approximately 80 tons of ground fire clay and shale in bags at a price of $22.88 per ton. Net sales of its finished wares amounted to approximately one and a half million dollars.

In connection with its tax assessment for the year in question, respondent filed a document in which it stated that "we used as a basis for calculating the gross income from our mining operations of shale and fire clay the point in our manufacturing operations at which we first arrive with a commercially marketable product, which is ground fire clay. This product arrives after the raw mineral is crushed and granulated to such extent that by the addition of water it can be made into a mortar for use in laying or setting fire or refractory brick. This ground fire clay has a definite market and an ascertainable market value at any particular time and is the same product from which our end product, sewer tile, is made simply by the addition of water and the necessary baking process." In this return it based the value of the ground fire clay at $22.81 per ton, the price for which it sold some 80 tons of that material in bags during 1951. At this figure the depletion allowance would have been slightly above $2 per ton. Thereafter respondent claimed error and asserted that its mineral product, rather than being commercially marketable when it reached the stage of ground fire clay, only become commercially marketable when it became a finished product; i.e., sewer pipe. On this basis, the depletion allowance on petitioner's gross income would be approximately $4 per ton, since the mineral would have a value of about $40 per ton. On the other hand, if the mineral it used in 1951 was valued at $1.60 to $1.90 per ton, the going price elsewhere in Indiana, the depletion allowance would be approximately 20 cents per ton.

The record shows and the District Court found that in 1951 there were substantial sales of raw fire clay and shale in Indiana, mostly in the vicinity of Brazil, about 140 miles from Cannelton. The average price there was $1.60 to $1.90 per ton for fire clay and $1 per ton for shale. Transportation costs from Brazil to Cannelton ran from $4.58 to $5.50 per ton. In Kentucky, across the river from respondent's plant, it appears that fire clay and shale of the same grade were mined and sold[3] before, during and subsequent to 1951. In fact, since 1957 respondent has secured all of its mineral requirements from this source on a lease basis under which the lessor mines and delivers the raw material to its plant. The exact cost is not shown, but the haul in 1957 from pit to plant, including the ferry crossing, was some seven miles.

II

We have carefully studied the legislative history of the depletion allowance, including the voluminous materials furnished by the parties, not only in their briefs but in the exhaustive appendices and the record.[4] We shall not burden this opinion with its repetition.

In summary, mineral depletion for tax purposes is an allowance from income for the exhaustion of capital assets. *Anderson* v. *Helvering* (310 U.S. 404 (1940)). In addition, it is based on the belief that its allowance encourages extensive exploration and increasing discoveries of additional minerals to the benefit of the economy and strength of the Nation. We are not concerned with the validity of this theory or with the statutory policy. Our sole function is application of the congressional mandate. A study of the materials indicates that percentage depletion first came into the tax structure in 1926, when the Congress granted it to oil and gas producers. The percentage allowed was based on "gross income from the property," which was described as "the gross receipts from the sale of oil and gas as it is delivered from the property." Preliminary Report, Joint Committee on Internal Revenue Taxation, Vol. I, Part 2 (1927). The report continued that, as to the integrated operator, "the gross income from the property must be computed from the production and posted price of oil, as the gross receipts from a refined and transported product cannot be used in determining the income as relating to an individual tract or lease." The Treasury Regulations confirmed this understanding. Treas. Reg. 74 (1929 ed.), Arts. 221(i), 241.

Thereafter, in 1932, percentage depletion was extended to metal mines, coal, and sulphur. The representative of the American Mining Congress, Alex R. Shepherd, urged in a report to the Congress[5] that depletion for metal mines be computed, as in the oil and gas industry, on a percentage-of-income basis, and the Revenue Act of 1932 was so drawn. The Shepherd Report pointed out that the percentage basis for oil and gas depletion had been in force for over a year

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[1] The applicable provisions of the Code are § 23(m) and § 114(b)(4). In general, they provide for a depletion allowance based on a percentage of "gross income from mining," which is specifically defined. See note 8, *infra*. The percentage permitted on shale is 5%, and on fire clay, 15%.

[2] The quantity of ground and bagged fire clay and shale actually sold is too negligible to furnish an appropriate basis for computing depletion.

[3] The evidence indicates that, for $50, Owensboro Sewer Pipe Company bought from L. R. Chapman five acres of ground under which the shale and clay deposits lay. Contemporaneously it made a contract with L. R. Chapman, Inc., to mine and deliver shale and fire clay from this tract to the Owensboro plant for $1.40 per ton. Chapman also testified that in addition he furnished shale and fire clay to other manufacturers in the same area in Kentucky. The arrangements varied. Some were similar to the Owensboro agreement, while others, were leases on a royalty basis with a contemporaneous agreement to mine and deliver the clay at a set price. The exact year or years are not clear, but appear to have been between 1949 and 1956. Respondent began using shale and fire clay from the same source by lease arrangement in 1957. The reason for lease arrangements and paper transfer of title is not shown. However, Chapman testified that the manufacturers "didn't seem to want to do the prospecting or the sampling until they were sure they could get either a lease or a deed."

[4] The briefs cover 294 pages and the appendices an additional 685, not including 10 charts. The record is 276 pages.

[5] Preliminary Report on Depletion, Staff Report to the Joint Committee on Internal Revenue Taxation (1930), Appendix XXXI (Shepherd report).

and had "functioned satisfactorily both from economical and administrative viewpoints and without loss of revenue." It added that "careful study of this method as applied to metal mines indicates that the same results will be attained in practice as in the case of oil and gas," but that, because of varied practices in the mining industry, it would be necessary to determine "the point in accounting at which" gross income from the property mined could be calculated. It recommended that "it is logical to peg 'gross income from the property' f.o.b. cars at mine," i.e., net smelter returns, recognizing that processing beyond this point should not be included in calculating "gross income from the property." While as to certain metals, viz., gold, silver, or copper, the report suggested that gross income should be based on receipts from "the sale of the crude, partially beneficiated or refined" product, this was but to make provision for the specific operations of miners in those metals. In this regard the report also proposed that the depreciation base "in the case of all other metals, coal and oil and gas, [should be] the competitive market receipts, or its equivalent, received from the sale of the crude products, or concentrates on an f.o.b. mine, mill, or well basis."

The Congress in fashioning the 1932 Act took into account these recommendations of the industry. It incorporated a provision in the Act allowing percentage depletion for coal and metal mines and sulphur, based on the "gross income from the property." § 114 (b)(4), Revenue Act of 1932, 47 Stat. 169. On the following February 10, 1933, the Treasury issued its Regulation 77, which defined "gross income from the property" as "the amount for which the taxpayer sells (a) the crude mineral product or (b) the product derived therefrom, not to exceed in the case of (a) the representative market or field price * * * or in the case of (b) the representative market or field price * * * of a product of like kind and grade from which the product sold was derived, before the application of any processes * * * with the exception of the processes listed. * * *" Treas. Reg. 77, Art. 221(g). These exceptions listed processes normally in use in the mining industry for preparing the mineral as a marketable shipping product. The regulation was of unquestioned validity and, in 1943, at the instance of the industry, the Congress substantially embodied it into the statute itself, 58 Stat. 21, 44, including the basic definition of the term "gross income from the property."[6] Since that time the section on percentage depletion—§ 114(b)(4)(B) of the 1939 Code—has remained basically the same.[7] Additional minerals have been added from time to time—shale and fire clay in 1951—until practically all minerals are included.

As now enacted, the section provides that "mining" includes "not merely the extraction of the ores or minerals from the ground but also the ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products," plus transportation from the place of extraction to the "plants or mills in which the ordinary treatment processes are applied thereto," not exceeding 50 miles.[8] It then defines "ordinary treatment processes" by setting out specifically in four categories those covering some 17 minerals. Fire clay and shale are not within these specific enumerations. The Government, however, contends that they should come within clause (iii) of the section, which provides that, "in the case of iron ore, bauxite, ball and sagger clay, rock asphalt and minerals which are customarily sold in the form of a crude mineral product—sorting, concentrating, and sintering to bring to shipping grade and form, and loading for shipment * * *" are included in "ordinary treatment processes." Clause (iv) lists specific metals such as lead, zinc, copper, etc., "and ores which are not customarily sold in the form of crude mineral product," and specifically excludes from the permissible processes certain ones used in connection with these metals. To recapitulate, the section contains four categories of dealing with "ordinary treatment processes": the first enumerating those permissible as to the mining of coal; the second, as to sulphur; the third, as to minerals customarily sold in the form of the crude mineral product; and the fourth, as to those minerals not customarily so sold. We note that the Congress even states the steps in each permissible process, and in addition specifically declares some processes not to be "ordinary treatment" ones, viz., "electrolytic deposition, roasting, thermal or electric smelting, or refining." Furthermore, none of the permissible processes destroy the physical or chemical identity of the minerals or permit them to be transformed into new products.

From this legislative history, we conclude that Congress intended to grant miners a depletion allowance based on the constructive income from the raw mineral product if marketable in that form, and not on the value of the finished articles.

III

The findings are that three-fifths of the fire clay produced in Indiana in 1951 was sold in its raw state. This indicates a substantial market for the raw mineral. In addition, large sales of raw fire clay and shale were made across the river in Kentucky. This indicates that fire clay and shale were "commercially marketable" in their raw state unless that phrase also implies marketability at a profit. We believe it does not. Proof of these sales is significant not because it reveals an ability to sell profitably—which the respondent could not do—but because the substantial tonnage being sold in a raw state provides conclusive proof that, when extracted from the mine, the fire clay and shale are in such a state that they are ready for industrial use or consumption—in short, they have passed the "mining" state on which the depletion principle operates. It would be strange, indeed, to ascribe to the Congress an intent to permit each miner to adopt processes peculiar to his individual operation. Depletion, as we have said, is an allowance for the exhaustion of capital assets. It is not a subsidy to manufacturers or the high-cost mine operator. The value of respondent's vitrified clay products, obtained by expensive manufacturing processes, bears little relation to the value of its minerals. The question in depletion is what allowance is necessary to permit tax-free recovery of the capital value of the minerals.

Respondent insists that its miner-manufacturer status makes some difference. We think not. It is true that the integrated miners in Indiana outnumbered the nonintegrated ones. But in each of the three basic percentage depletion Acts the Congress indicated that integrated operators should not receive preferred treatment. Furthermore, in Regulation 77, discussed above, the Treasury specifically provided that depletion was allowable only on the crude mineral product. And, as we have said, this regulation was substantially enacted into the 1943 Act. We need not tarry to deal with any differences which are said to have existed in administrative interpretation, for here we have authoritative congressional action itself. Even since the first percentage depletion statute, the cut-off point where "gross income from mining" stopped has been the same, i.e., where the ordinary miner shipped the product of his mine. Respondent's formula would not only give it a preference over the ordinary nonintegrated miner, but also would grant it a decided competitive advantage over its nonintegrated manufacturer competitor. Congress never intended that depletion create such a discriminatory situation. As we see it, the miner-manufacturer is but selling to himself the crude mineral that he mines, insofar as the depletion allowance is concerned.

IV

We now reach what "ordinary treatment processes" are available to respondent under the statute. As the principal industry witness put it at hearings before the Congress: "Obviously it was not the intent of Congress that those processes which would take your products and make them into different products having very different uses should be considered, as the basis for depletion."[9] But respondent says that the processes it uses are the ordinary ones applied in the indus-

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[6] See, e.g., Hearings before Senate Committee on Finance on H.R. 3687, 78th Cong., 1st Sess. 528; S. Rep. No. 627, 78th Cong., 1st Sess. 23–24; Hearings before House Committee on Ways and Means on Revenue Revisions, 80th Cong., 1st Sess., part 3, at 1857; Hearings before Senate Committee on Finance on H.R. 8920, 81st Cong., 2d Sess. 771; S. Rep. No. 2375, 81st Cong., 2d Sess. 52–53.

[7] The present statute, § 613 of the Internal Revenue Code of 1954, is essentially unchanged.

[8] Internal Revenue Code of 1939, § 114(b)(4)(B):

"Definition of Gross Income from Property.—As used in this paragraph the term 'gross income from the property' means the gross income from mining. The term 'mining' as used herein shall be considered to include not merely the extraction of the ores or minerals from the ground but also the ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products, and so much of the transportion of ores or minerals (whether or not by common carrier) from the point of extraction from the ground to the plant or mills in which the ordinary treatment processes are applied thereto as is not in excess of 50 miles unless the Secretary finds that the physical and other requirements are such that the ore or mineral must be transported a greater distance to such plants or mills. The term 'ordinary treatment processes,' as used herein, shall include the following: (i) In the case of coal—cleaning, breaking, sizing, and loading for shipment; (ii) in the case of sulphur—pumping to vats, cooling, breaking, and loading for shipment; (iii) in the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and minerals which are customarily sold in the form of a crude mineral product—sorting, concentrating, and sintering to bring to shipping grade and form, and loading for shipment; and (iv) in the case of lead, zinc, copper, gold, silver, or fluorspar ores, potash, and ores which are not customarily sold in the form of crude mineral product—crushing, grinding, and beneficiation by concentration (gravity, flotation, amalgamation, electrostatic, or magnetic), cyandiation, leaching, crystallization, precipitation (but not including as an ordinary treatment process electrolytic deposition, roasting, thermal or electric smelting, or refining) or by substantially equivalent processes or combination of processes used in the separation or extraction of the product or products from the ore, including the furnacing of quicksilver ores. The principles of this subparagraph shall also be applicable in determining gross income attributable to mining for the purposes of sections 450 and 453." 26 U.S.C. (1952 ed.) § 114

[9] Robert M. Searls, Attorney, San Francisco. Silver Subcommittee Hearings, 1942, p. 764.

try. As to the miner-manufacturer, that is true. But they are not the "ordinary" normal ones applied by the nonintegrated miner. It was he whom the Congress made the object of the allowance. The fabrication processes used by respondent in manufacturing sewer pipe would not be employed by the run-of-the-mill miner—only an integrated miner-manufacturer would have occasion to use them.

Respondent further contends, however, that it must utilize these processes in order to obtain a "commercially marketable mineral product or products." It points out that its underground method of mining prevents it from selling its raw fire clay and shale. This position leads to the conclusion that respondent's mineral product has no value to it in the ground. If this be true, then there could be no depletion. One cannot deplete nothing. On the other hand, respondent alleges that its minerals "yield the best sewer pipe which is made in Indiana." If this be true, then respondent's problem is one purely of cost of recovery, an item which, as we have said, has nothing to do with value in the depletion formulae. Depletion, as we read the legislative history, was designed not to recompense for costs of recovery but for exhaustion of mineral assets alone. If it were extended as respondent asks, the miner-manufacturer would enjoy, in addition to a depletion allowance on his minerals, a similar allowance on his manufacturing costs, including depreciation on his manufacturing plant, machinery and facilities. Nor do we read the use by the Congress of the plural word "products" in the "commercially marketable" phrase as indicating that normal processing techniques might include the fabrication of different products from the same mineral. We believe that the Congress was only recognizing that in mining operations often more than one mineral product was recovered in its raw state.

In view of the finding that substantial quantities—in fact, the majority—of the tonnage production of fire clay and shale were sold in their raw state, we believe that respondent's mining activity during the year in question would come under clause (iii) of the section here involved. That clause includes "minerals which are customarily sold in the form of a crude mineral product." We believe that the Congress intended integrated mining-manufacturing operations to be treated as if the operator were selling the mineral mined to himself for fabrication. It would, of course, be permissible for such an operator to calculate his "gross income from mining" at the point where "ordinary" miners—not integrated—disposed of their product. All processes used by the nonintegrated miner before shipping the raw fire clay and shale would under such a formula be available to the integrated miner-manufacturer to the same extent but no more.

Nor do we believe that the District Court and Court of Appeals cases involving percentage depletion and cited by respondent are apposite here.[10] We do not, however, indicate any approval of their holdings. It is sufficient to say that on their facts they are all distinguishable.

In view of these considerations, neither of respondent's alternate claims for depletion allowance is appropriate. The judgment of the Court of Appeals is therefore reversed, and the cause remanded for further proceedings in conformity with this opinion.

It is so ordered.

SUPREME COURT OF THE UNITED STATES—No. 513, OCTOBER TERM, 1959

(*United States of America, Petitioner*, v. *Cannelton Sewer Pipe Company* (on writ of certiorari to the U.S. Court of Appeals for the Seventh Circuit), June 27, 1960.)

Mr. Justice Harlan, concurring in the result:

In joining the judgment in this case I shall refer only to one matter which, among the voluminous data presented by the parties, is for me by far the most telling in favor of the Government position.

Treasury Regulation 77, promulgated in 1933 under the Revenue Act of 1932 (47 Stat. 169), defined the basic term "gross income from the property" contained in § 114(b)(4) of the 1932 Act and carried forward in its successors. Art. 221(g). It concededly supports, by its express terms (see *ante*, p.—), the position of the Government in the present case. In my opinion the regulation was undoubtedly a valid exercise of the Commissioner's power to construe a generally worded statute. See Preliminary Report on Depletion, Staff Reports to the Joint Committee on Internal Revenue Taxation (1930), p. 68 (Shepherd Report); *Helvering* v. *Wilshire Oil Co.*, 308 U.S. 90, 102–103. The Revenue Act of 1943 (58 Stat. 21, 45), which added to the 1939 Code the provisions governing this case, represented only a limited departure from the 1933 Regulation, or from the administrative action taken under it, principally in the area of extractive processes applied to minerals not customarily sold in the form of a crude product, and did not basically affect the meaning of the term "gross income from the property." See, e.g., Revenue Act of 1943, Hearings Before the Senate Committee on Finance, 78th Cong., 1st Sess., on H.R. 3687, pp. 527–529; S. Rep. No. 627, 78th Cong., 1st Sess., pp. 23–24, Revenue Revision of 1942, Hearings Before the House Committee on Ways and Means, 77th Cong., 2d Sess., p. 1202; compare id., at 1199; Silver, Hearings Before the Senate Special Committee on the Investigation of Silver, 77th Cong., 2d Sess., pursuant to S. Res. No. 187 (74th Cong.), pp. 761–764. Respondent's efforts to impugn the force of that regulation, see Shepherd Report, supra, at 70, 71; Revenue Revisions, 1947–1948, Hearings Before the House Committee on Ways and Means, 80th Cong., 1st Sess., p. 3283; Mineral Treatment Processes for Percentage Depletion Purposes, Hearings Before the House Committee on Ways and Means, 86th Cong., 1st Sess., pp. 258, 264, seem to me quite unpersuasive.

This history, in my view, provides an authoritative and controlling gloss upon the term "commercially marketable mineral product or products" in the statutory definition of "mining," which in turn constitutes the "property" with which the statute deals. See *Helvering* v. *Wilshire Oil Co.*, *supra*. It results, on this record, in limiting respondent's basis for depletion to its constructive income from raw fire clay and shale.

Mr. GORE. Mr. President, will the Senator from Virginia yield?

The PRESIDING OFFICER (Mr. CANNON in the chair). Does the Senator from Virginia yield to the Senator from Tennessee?

Mr. BYRD of Virginia. I yield.

Mr. GORE. I am glad the Government has won the case. The fact that the Supreme Court has sustained the Government's position adds weight to the rectitude of the position the Senate took.

I would point out to the distinguished chairman of the committee, however, that the decision pertains to only one case, and does not correct many of the other cases which the Government has lost, which will be dealt with by the amendment the Senator from Virginia has brought back from the conference.

Mr. BYRD of Virginia. I am glad the Senator from Tennessee has made that point. As he knows, I voted for his amendment.

Mr. GORE. Yes; and I wish to thank the Senator from Virginia for obtaining the approval by the House conferees.

Mr. BYRD of Virginia. Mr. President, we have been successful in retaining the Gore amendment in the conference agreement, with certain modifications which I shall now attempt to explain.

The amendment the Senator from Tennessee offered was one prepared by the Treasury Department, on which the House Committee on Ways and Means held hearings in March 1959. Those hearings disclosed certain technical deficiencies in the earlier Treasury draft; and to correct these, the Treasury and committee staffs this last summer made certain technical corrections in the earlier draft. This revised draft, with a relatively few changes, is the one which is in the conference agreement. These changes were suggested by the Treasury and staff to the conferees.

Like the Gore amendment, the conference agreement strikes out of present law all reference to "ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products." It is this phrase which has for the most part resulted in the court decisions providing for percentage depletion based upon finished products. Its omission means that the term "mining" will include the extraction of ores or minerals from the ground and also the specifically named processes, as well as the treatment processes necessary or incidental thereto. This, in effect, is substantially the same as the Gore amendment, except for the addition of the flexible phrase "and treatment processes necessary or incidental thereto."

The specifically named treatment processes in the case of coal are identical under the Gore amendment and under the conference agreement.

In the case of sulfur, the named treatment processes are identical under the Gore amendment and under the conference agreement, except for the addition of "cleaning" in the conference agreement. This is allowed under existing law, and might have been allowed under the Gore amendment; but it was thought best to make it specific.

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[10] Respondent's cases are based on *United States* v. *Cherokee Brick & Tile Co.*, 218 F. 2d 424 (adhered to in *United States* v. *Merry Bros. Brick & Tile Co.*, 242 F. 2d 708), which went off on factual concessions not present here. They have been pyramided into a statistically imposing number of cases, predicated upon one another. Close analysis indicates that they either go off on concessions or findings not present here, or deal with controversies over particular treatment processes claimed as "ordinary" in the industry involved. For our purposes, we need not reach the question of whether in those cases the minerals in place had any "value" to be depleted. Other than the decision here under review, only two of the Court of Appeals cases cited by respondent, both from the same Circuit (*Commissioner* v. *Iowa Limestone Co.*, 269 F. 2d 398; *Bookwalter* v. *Centropolis Crusher Co.*, 272 F. 2d 391), adopted the profitability test, which we find unacceptable.

The Gore amendment would have combined the categories which appear as subparagraphs (C) and (D) of paragraph (4) of section 613(c) of existing law. The conference amendment keeps the separate categories of existing law in this respect, because it was found that combining the two categories, as the Gore amendment would have provided, made treatment processes allowable for certain minerals which are not allowable under existing law. Your conferees did not believe that the Senator from Tennessee in offering his amendment intended to expand allowable treatment processes.

In subparagraph (C), which deals with iron ore, bauxite, ball and sagger clay, rock asphalt, and ores or minerals customarily sold in the form of a crude mineral product, the treatment processes are the same as under existing law and under the Gore amendment, except for the addition of the phrase "and substantially equivalent processes," which is designed to provide some flexibility in the provision.

In the case of subparagraph (D), which deals with certain named minerals, as well as those not customarily sold in the form of the crude mineral products, the named processes are substantially the same as under the Gore amendment and under present law.

The conference agreement also provides for a specific cutoff point for calcium carbonates and other minerals when used in making cement. The cutoff point is prior to the introduction of the kiln feed into the kiln, except for any preheating of the kiln feed. However, no subsequent process in this case is to be allowed. The Gore amendment did not provide a specific cutoff point for minerals used in making cement.

The conference agreement also provides a new subparagraph (G) which supplies a specific cutoff point for clays used or sold for use in the manufacture of building or paving brick, drainage or roofing tile, sewer pipe, flower pots, and kindred products. The specific processes allowed in this case are crushing, grinding, and separating the mineral from waste, but not including any subsequent process. The Gore amendment in this case also did not provide a specific cutoff point.

The conference agreement also adds a new subparagraph (H) to provide administrative flexibility in the application of this provision, but providing that the Secretary or his delegate may by regulations provide for the allowance of any other treatment process which is not specifically denied in the other subparagraphs of paragraph (4). Your committee hopes that the Secretary will use this subparagraph to equalize treatment insofar as possible under the different processing techniques and with respect to competitive minerals. This subparagraph also is new under the conference agreement.

Like the Gore amendment, the conference agreement adds a new paragraph providing that certain treatment processes are not to be considered as mining unless they are otherwise provided for in the listed categories which I have already described or are necessary or incidental to these processes. The disallowed processes under the conference agreement and under the Gore amendment are the same. They are electrolytic deposition, roasting, calcining, thermal or electric smelting, refining, polishing, fine pulverization, blending with other materials, treatment effecting a chemical change, thermal action, and molding or shaping.

The Gore amendment would also have provided that notwithstanding any other provisions in this subsection, any treatment process which follows a process not considered as mining will not be considered as mining for the purpose of this subsection. This is omitted in the conference agreement, except in the case of cement and the clays, to which I have previously referred. It was thought best to omit this, because the otherwise allowable processes are not always applied by various manufacturers in this same order; and to omit a process in the case of one mineowner merely because it occurs after a disallowed process, would appear to discriminate against him.

I believe that the conference agreement retains the basic intent of the Gore amendment, in that it will not permit percentage depletion allowances to be based upon final products, but, rather, upon the minerals or other materials taken from the ground, plus a limited number of treatment processes ordinarily directly associated with mining, through long mining practice. The revenue saving under the bill is at least as great as under the Gore amendment, and perhaps more. Thus, there will be no immediate loss of $50 million a year or possible eventual loss of as much as $600 million a year. The bill will, however, generally continue the treatment provided under the law prior to the court cases in recent years which have expanded the depletion base.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

Mr. JOHNSON of Texas. I am informed that it is impossible to get a vote on the conference report tonight. Because of the absence of certain Senators, we cannot vote on it tonight, but we can tomorrow.

A call of the calendar is planned for tomorrow. I therefore announce that the Senate will stay in session as long tonight as necessary for Senators to make any statements or inquiries they care to make regarding the conference report.

I should like to proceed to take up the military construction bill, about which there is no controversy, and which we expect to be able to pass and send to conference. There are many items which must be considered in conference.

ORDER FOR ADJOURNMENT TO 10 O'CLOCK A.M. TOMORROW—LIMITATION OF DEBATE ON TAX BILL CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn until 10 o'clock tomorrow morning; that at that time it proceed to the call of the calendar; that not to exceed 1 hour be allotted to Senators favoring the conference report, to be controlled by the chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], and that 1 hour be controlled by the minority leader, to be allocated to Senators opposed to the conference report; and that the Senate proceed to a final vote on the conference report or on motions to recommit at 2 o'clock p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The unanimous-consent agreement was subsequently reduced to writing, as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That on tomorrow, June 28, 1960, after the calendar call has been concluded, the Senate resume the consideration of the conference report on H.R. 12381—the Public Debt and Tax Rate Extension Act of 1960; that debate on the said report be limited to 2 hours, to be equally divided between the proponents and the opponents and controlled, respectively, by the chairman of the Finance Committee and the minority leader; and that at the hour of 2 o'clock p.m. the Senate proceed to vote on the question of agreeing to the said report.

MILITARY CONSTRUCTION APPROPRIATIONS, 1961

The Senate resumed the consideration of the bill (H.R. 12231) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, has the Senator from Virginia concluded his statement?

Mr. BYRD of Virginia. Yes.

Mr. JOHNSON of Texas. Mr. President, I understand the pending business is the military construction appropriation bill. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, the Senator from Mississippi [Mr. STENNIS] is prepared to proceed with the military construction appropriation bill at this time, since it is the pending business.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with. I shall renew it as soon as the yeas and nays are ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on passage of the military construction bill.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Without objection, it is so ordered.

Mr. STENNIS. Mr. President, this is the appropriation bill in regard to the military construction both at home and abroad. The total amount of the appropriation recommended in the bill is $1,067,227,000. This amount is $191,082,000 more than the $876,145,000 provided in the House bill, and $120,773,000 less than the budget estimates for fiscal year 1961.

A great part of the difference in amount as between the House bill and the Senate version arises from the fact that there were new and additional budget estimates of considerable amount which came in after the House had considered and passed the bill. For example, one new and additional item is for $60 million. This item has to do with an additional missile base.

Mr. President, the report is very complete. It contains all the necessary information. I do not expect to discuss the bill at length, but I shall be glad to answer questions, as, I am sure, will the Senator from Massachusetts [Mr. SALTONSTALL] and other Senators who are members of the subcommittee and of the full committee.

The bill has been very carefully considered. It was prepared by the Department of Defense. Extensive hearings were held by the House of Representatives. Extensive hearings were held, involving every item in the bill, by the Senate committee.

This money to be provided has been reduced to the point where we think the bill represents bone and muscle, and includes the items we consider to be essential and in line for this year in connection with our military program.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I join in what the Senator from Mississippi has said. The Senator has gone over this bill with a great deal of care, as chairman of the subcommittee of the Armed Services Committee and also as chairman of the subcommittee of the Appropriations Committee.

I have personally gone over the bill with the Senator in the Appropriations Committee. I join with the Senator in saying that I believe it represents, to the best of our knowledge, the needs of the armed services for the coming fiscal year.

Mr. President, I wish to commend the Senator for the amount of conscientious hard work he has done as chairman of these two subcommittees in regard to this bill, which is of great importance to our security, and which also involves very substantial amounts of money.

Mr. STENNIS. I thank the Senator from Massachusetts very much.

The Senator from Massachusetts performed very valuable assistance, by his consistent attention to the many line items in the bill. As always, the Senator from Massachusetts has been extremely helpful. He has a fine background of knowledge with reference to all the questions involved.

Mr. President, if Senators have had inquiries made as to the disposition of certain items in their areas or in their States, I invite their attention to the fact that the list, by States, is to be found beginning on page 25 of the report, a copy of which is on the desk of each Senator.

I wish to point out two or three facts which should be mentioned especially, for the information of Senators.

The committee has stricken from the bill all sums for the building of family housing overseas. To a large degree that action was prompted by the fact that the committee thought there should be a reappraisal of the entire question, worldwide in its application, with regard to how far we should go in building dwellings or housing units for dependents of military personnel and civilian personnel employed by the military services overseas.

There are now approximately 484,000 dependents of military personnel and civilians employed by the military services who are beyond the borders of the 50 States of the United States. That raises a very serious question as to what should be done, and what the burden will be, with reference to dependents, should war break out.

The figure in regard to personnel has been mounting. This is an overall basic policy question as to which the committee was unanimous. We felt that the subject should be reevaluated, and even more so in view of recent happenings, because world events are changing fast, and serious questions are being raised as to how long we may occupy some of these many military installations overseas. The 484,000 dependents are scattered through 99 foreign countries. When we add to the 484,000 the number who are in Alaska and Hawaii the total is approximately 684,000. We have taken the housing provisions out of the bill, so that we may have a reappraisal of the grave question involved.

We have added an amount of money for the Air National Guard, in keeping with the revised air defense plan submitted since the bill was considered by the House of Representatives.

We have added an amount for the National Guard armories. All of these sums are placed in the bill under a formula, not with special favor for any particular State.

We now have money in the State treasuries, already earmarked and provided by some local taxing authority—State, county, or municipal—in the amount of over $40 million, waiting to be matched by Federal funds, to build National Guard armories. This program has been moving rather slowly for the past few years. The committee believes it is one of the more certain ways by which we may be able in the future to hold down the costs of our military program. This helps us to keep trained the talent for which we already have paid the expense of training, keeping our men in a state of readiness for possible utilization.

These sums have been provided under the formula. First, the armory project must be approved by the department in the individual State of the Union involved, and then the project must come to the National Guard Bureau and be approved under the formula relating to priorities. That is the way the items were added to the bill. If some Senator finds that there is no provision for one of these armories in his State, it may be that the formula did not reach the State, perhaps due to the fact that there are already many armories in the State, so that the State does not qualify for a new one.

Only three items were provided in addition to the ones I have mentioned, beyond the budget requests. There were two barracks at Fort Huachuca, which were deleted last year in conference because the unit cost was considered to be too high. The cost has been adjusted.

There was another item of $1.3 million for a bridge on a military installation in Kansas, which was considered to be an emergency in character, so it was included as a special item in the bill.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Kansas. The Senator from Kansas is the author of the amendment that caused the bridge at Fort Riley to be authorized this year.

Mr. CARLSON. Mr. President, I appreciate very much, as I know the senior Senator from Kansas [Mr. SCHOEPPEL] does also, the inclusion of an amount to provide for the replacement of a bridge at Fort Riley, Kans., which is an old one-way engineer bridge. Since the construction of that bridge an airfield has been established there. The need for the construction of that bridge has been established, and it is most necessary that we get the new bridge constructed in order to take care of the traffic. I was glad to note in the report that—

> The committee added $1,332,000 for a bridge over the Kansas River at Fort Riley, Kans. This project has been studied by the Defense Department, the Corps of Army Engineers, and the State highway department and all have expressed the urgent need for construction of this bridge. It will replace an old one-way span which has been inadequate for many years, and which is especially inadequate because of the establishment of an airfield across the Kansas River from the main post base.

Mr. STENNIS. I am glad the Senator from Kansas has presented the matter. We consider the bridge a hazard under present conditions.

Mr. President, what I have stated covers the insertions of items in the bill We removed all funds which would provide for telephone exchanges. Until a further review is made by the Department of Defense as to just what the policy will be in respect to such exchanges, we feel they should not be included. In some places, we have been constructing buildings to house telephone exchanges, but until there is a definite policy, we have decided to let them remain as they are.

We also struck out items which would provide for new commissaries, asking the military installations concerned to continue to use the space they now have. We were impressed with the very generous request made for $1.2 million to house a grocery store, so to speak, at one military installation. I do not know of any A. & P. store or Giant store building anywhere that has cost as much as $1,200,000. But that item shows how far the requests went. We removed all of those from the bill.

Mr. President, although questions may be asked later, if there are further questions now, I shall attempt to answer them.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. HOLLAND. I should like to address a question to the distinguished Senator from Mississippi. I understand that one of the items omitted from the budget request and from the House bill was an item of $500,000 for the acquisition of land for two bombing ranges to serve the Naval Air Station at Jacksonville and its outlying fields, Cecil Field, Sanford Naval Air Station, and perhaps others. Am I correct in that understanding?

Mr. STENNIS. The Senator is correct. Substantially, at one time the item to which he refers was proposed to serve that purpose.

Mr. HOLLAND. Mr. President, I am sorry that I cannot give to the Senator from Mississippi of my own knowledge the complete details of this matter, but I have just been talking with Captain Shields at the Navy Department. He told me that those items are very badly needed for this reason: He said that the bombing ranges that they are presently using are two in number, one of which is saturated, and can handle no more planes or activities, and the other of which he describes as the Switzerland field, which must be abandoned because it is in the way of commercial airlines. The Navy urgently needs these additional bombing range facilities at an early date; if it fails to receive the necessary appropriation it will be badly handicapped.

I shall not ask the Senator from Mississippi to accept an amendment on the basis of any information that I can furnish at this time, but I did wish to say to him that that is the statement made to me within the past few minutes by the Navy. I hope, therefore, since the item will be in conference, that the Senator will allow the representatives of the Navy to give a clear picture of just why it is felt that this need is so immediate, and why, if the request is not granted, it will work a hardship upon training activities in that area.

Mr. STENNIS. I assure the Senator from Florida that his request will certainly be considered. Naval air training is highly essential, and target practice is one of the primary activities that are essential. Of course, the committee wishes the Navy to have whatever is needed as a bombing range. Of course, we will consider this question again in conference, when the bill is in conference.

The item to which the Senator from Florida refers was authorized in 1956, and the Navy has done nothing since that time to acquire this land. Frankly, we were told by the Department of Defense that it was doubtful whether it would ever approve—under present conditions, at least—the acquisition of this additional land. That statement is really what brought the project before us for consideration. After all, the acquisition of the land might not be essential, especially when the Navy was requesting such items as $14 million to rebuild the old Anacostia naval station. We removed the item with the idea I have stated. Of course, we will reconsider it.

Mr. HOLLAND. So far as the Senator from Florida is concerned, he is not urging that the item be included. He certainly does not want it included if the facility is not needed, because he has a file of letters from citizens that he received some 4 years ago when the item was authorized, complaining very vigorously and bitterly about having to sustain such an activity in their neighborhood. But the Senator from Florida wants the assurance, which he has now been given, that the actual need of the Navy will be restudied prior to conference, so that if there is an actual need, it will be granted at that time.

Mr. STENNIS. Absolutely. This is a highly important field of activity, as the Senator from Florida knows.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. BENNETT. Mr. President, it is my understanding that the Senate Appropriations Committee removed from the bill, funds it was asked to recommend in the amount of $2,900,000 which would have been spent to provide facilities at the Hill Air Force Base for the maintenance and repair of the Minuteman missile. Of course, these missiles have not yet become operational, but it is the understanding of the Senator from Utah that when they do, it will probably be necessary to supply equipment and facilities to maintain, repair, and probably to upgrade some of the earlier models. We had hoped that arrangements could be made now to provide those facilities so that they would be ready when the Minuteman missile becomes available.

I understand that the committee recommend to the Air Force that it restudy the problem to determine whether these facilities should be supplied by the Government or by the contractor who built the missiles.

Can the Senator from Mississippi tell the Senator from Utah whether the committee was given any information as to the amount of time such a study would require?

Mr. STENNIS. In the first place, I think the inquiry of the Senator from Utah is very pertinent, and I certainly appreciate his interest in this project. We were advised by the Department of Defense that it had not yet made a firm decision as to whether it would have the Minuteman missile kept in condition by the Air Force or by the manufacturers. There is always an interest in the service involved having its own maintenance facilities and maintenance crews. But there is a grave question as to whether it cannot be done as well and much cheaper by the manufacturer. Three or four months was considered a reasonable time to make this additional study and to reach a firm decision.

Mr. BENNETT. So the Senator expects that when we return in January the Air Force will have made its decision and probably we can then proceed?

Mr. STENNIS. I hope so. I said the Department of Defense rather than the Air Force itself.

Mr. BENNETT. I see.

Mr. STENNIS. This service must be supplied. It is merely a question of whether the manufacturer supplies the service or whether we build these additional facilities.

The Senator from Utah may not have had this point brought to his attention. The factories that we are discussing now are factories that the Federal Government built. The buildings and other facilities are really a part of the bid on the missile. So if we can get the work done at those facilities, I think as a matter of policy, not only in respect to this missile, but many others, we will save much money by doing so.

Mr. BENNETT. The Senator from Utah would not quarrel with that, but he is interested, as is the Senator from Mississippi, in making sure that when there is a need for the maintenance or upgrading of these missiles, the facilities will be available.

Mr. STENNIS. I am sure that our mission is the same in this respect, and that there is plenty of time.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. SALTONSTALL. We felt that we would avoid duplication of facilities at this time by a little further study, and that if we went ahead at this time we might have a very substantial duplication of facilities which we could not study.

Mr. STENNIS. That is correct.

Mr. BENNETT. I thank the Senator.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. KUCHEL. First of all I wish to salute my able colleague from Mississippi for once again, as chairman of this important subcommittee, holding long and arduous hearings, and helping to fashion a military construction appropriation bill which is in the national interest.

Mr. STENNIS. I thank the Senator. The Senator from California was quite helpful to us in the full committee.

Mr. KUCHEL. I recall our colloquy in committee on a problem which, as the Senator knows, is of continuing interest to California, and if I may say so in a very real sense, I believe, in the continuing interest of our national defense.

The Long Beach Naval Shipyard represents a Federal investment of approximately $170 million. As the Senator knows, it has suffered in the last few years a unique and disastrous subsidence. The naval installation was badly damaged, as were other contiguous areas in the vicinity of the shipyard. As the Senator knows, the State of California en-

acted legislation to authorize assistance in eliminating the subsidence by scientific means. The city of Long Beach has generously participated in solving the problem, as have other public and private interests in the area.

The Secretary of the Navy, regrettably too late for this year's budget, indicated that in his judgment local attempts had been made and made successfully so as to authorize Federal assistance which Congress previously had indicated would be available. Would my good friend the Senator from Mississippi comment on this subject, as he did the other day?

Mr. STENNIS. The Senator from California is correct in his facts. He is correct in saying that the local authorities have carried out their part of the agreement or understanding, and that the Government must supply funds to reinforce this important and essential naval installation at Long Beach. I wish these items had been included in the original budget as submitted. It certainly would have had the support of the Senator from Mississippi. The Senator from California, in his usual way, is looking after these projects, and I have assured him that in full committee it will have my support at a future time. I felt these items were brought in after the committee on authorizations and Congress had deleted certain items in the original budget of the Navy, and it was our judgment that it was not well to bring these items in now, at this late date, but that we should take another look at it in January or at such time as the Navy will resubmit them. We are not rejecting them.

Mr. KUCHEL. I thank the Senator very much.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, first I should like to commend the committee for the restrictions it set up in section 109 with regard to the availability of appropriations for construction of family quarters. I should like to ask the distinguished Senator from Mississippi if the limitations will apply to housing constructed in the so-called Capehart program, or whether this language is limited to military housing built directly by the Government with appropriate funds.

Mr. STENNIS. The Senator from South Dakota is familiar with the law with reference to housing, and has made a very fine contribution in connection therewith. Section 109 of the pending bill applies merely to appropriated funds. It is a limitation as to appropriated funds. The authorization bill carries limitations as to Capehart housing, as the Senator knows.

Mr. CASE of South Dakota. It is to be hoped that those responsible for programing Capehart housing will not try to work in the type of housing which they could not acquire with appropriated funds.

I should like to ask a question with respect to section 111, which reads as follows:

SEC. 111. No part of the funds provided in this Act shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Corps of Engineers or the Bureau of Yards and Docks, except: (a) where there is a determination of value by a Federal court, (b) purchases negotiated by the Attorney General or his designee, and (c) where the estimated value is less than $25,000.

It is my interpretation that that is a limitation only on the funds provided in the bill; otherwise it would be legislation.

Mr. STENNIS. Yes; that is carried from year to year.

Mr. CASE of South Dakota. Yes. It applies to funds for the purchase of real estate for military construction, and would not apply to lands purchased for reservoir projects under the civil works program.

Mr. STENNIS. The Senator is correct. It is a limitation carried in the pending bill every year. It applies only for this year and to the funds the Senator has mentioned.

Mr. CASE of South Dakota. The second question is whether it applies to the Attorney General or his designee in negotiating purchases for the Defense Department.

Mr. STENNIS. The Senator from Mississippi understands that it covers a case in which a matter has gone to court and the Attorney General, representing the United States, negotiates a settlement of the case.

Mr. CASE of South Dakota. When he is able to achieve a settlement without going to trial.

Mr. STENNIS. Yes. I believe it covers that situation.

Mr. CASE of South Dakota. I appreciate that statement, because it is important in the legislative history on the bill to have that made clear. I am moved to do this partly because in the omnibus rivers and harbors and flood control bill passed by the Senate, which will be in conference tomorrow, we included a special section dealing with real estate acquisitions. There is quite a different problem when whole farms are taken for reservoirs from a situation in which a portion of a man's land is taken for military purposes.

Mr. STENNIS. I thank the Senator for his contribution and help on this and related bills.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. LAUSCHE. I direct the Senator's attention to page 3 of the report, dealing with family housing. The following statement is contained in the report:

Approximately 485,000 dependents are overseas and plans are in the making to increase this number considerably.

Will the Senator please explain the latter part of that statement, that plans are in the making to increase the number considerably?

Mr. STENNIS. That statement covers the building of additional houses, the ones that are in the bill, and the prospective program for the next year. This continues every year, and we felt compelled to call a halt and to call for a reappraisal of the entire situation, particularly with reference to how much further it is to go. Congress must stop and take an overall look and decide how much further, if any, we will go.

Mr. LAUSCHE. That is, the plans that are in the making to increase the number would be through the building of additional housing, thus inducing more and more dependents to go to foreign lands.

Mr. STENNIS. The Senator is correct. We were not giving any battle plans in the report, but were merely referring to the tendency. As the number of houses is increased, the number of dependents also increases. Some of the housing is for remote areas and for so-called hardship cases, where it is really not easy to get a place in which to live. However, the question of greatly increasing the number of dependents overseas will have to be reevaluated. I think the study will be quite revealing when all the facts are developed. We are no longer willing to make piecemeal additions.

We found, upon examining into the question, that already $862,716,000 has been expended, and additional houses are already authorized to raise the total to almost $1 billion for housing units overseas alone.

Mr. President, if there are no other questions, I ask unanimous consent that the committee amendments be agreed to en bloc; that the bill as thus amended be considered as original text for the purpose of further amendment; and that any point of order against a committee amendment may be reserved.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 1, after line 7, to insert:

"MILITARY CONSTRUCTION

"For construction as authorized by title IV of the Act of June 8, 1960 (Public Law 86-500), to remain available until expended, not to exceed $20,000,000, to be derived by transfer from funds available to the Office of the Secretary of Defense for advanced research projects."

On page 2, line 10, after the word "expended", to strike out "$147,042,000" and insert "$169,816,000".

On page 2, line 19, after the word "expended", to strike out "$156,459,000" and insert "$166,583,000".

On page 3, line 5, after the word "expended", to strike out "$518,644,000" and insert "$656,400,000", and in the same line, after the amendment just above stated, to insert a colon and "*Provided*, That the words 'solar furnace' under this head in the Military Construction Appropriation Act, 1959, are amended to read 'solar facilities.'"

On page 3, line 16, after the word "expended", to strike out "$12,000,000" and insert "$16,038,000".

On page 4, line 24, after the word "expended", to strike out "$8,000,000" and insert "$17,540,000".

On page 5, line 13, after the word "expended", to strike out "$7,000,000" and insert "$13,850,000".

On page 9, after line 18, to insert a new section, as follows:

"SEC. 113. The unexpended balance of amounts heretofore made available under the heading "Military construction, foreign countries" shall be merged with appropriations available during fiscal year 1961 for military assistance authorized by Chapter I of the Mutual Security Act, 1954, as amended."

On page 10, line 1, to change the section number from "113" to "114".

Mr. STENNIS. Mr. President, that completes the committee amendments. If no other amendments are to be offered, I suggest that the bill be read the third time.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. STENNIS. Mr. President, I ask unanimous consent to have printed in the RECORD, prior to the vote on the military construction appropriation bill, certain additional remarks which I have prepared by way of a summary of the bill.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF MILITARY CONSTRUCTION BILL, FISCAL YEAR 1961

The total appropriation recommended by the Senate Appropriations Committee amounts to $1,067,227,000. This is an amount $191,082,000 over the $876,145,000 provided by the House and $120,773,000 under the budget estimate of $1,188,000,000.

For the Department of Defense, the committee recommends an appropriation of $19 million for loran stations. This is a decrease of $1 million from the budget estimate and the amount provided by the House.

For the Advanced Research Projects Agency, the committee has approved $20 million by transfer from funds available to the Office of the Secretary of Defense for advanced research projects.

For military construction for the Department of the Army the committee has approved an amount totaling $169,816,000. This is an increase of $22,774,000 over the $147,042,000 approved by the House, and a decrease of $41,184,000 from the budget estimate of $211 million, which included special foreign currency programs.

For military construction for the Department of the Navy the committee has approved an amount totaling $166,583,000. This is an increase of $10,124,000 over the $156,459,000 allowed by the House, and a decrease of $26,417,000 from the budget estimate of $193 million, which included special foreign currency programs.

For military construction for the Department of the Air Force the committee has approved an amount totaling $656,400,000. This is an increase of $137,756,000 over the $518,655,000 allowed by the House, and a decrease of $72,600,000 from the budget estimate of $729 million, which included special foreign currency programs.

For the Army Reserve, the committee has recommended an appropriation of $16,038,000, an increase of $4,038,000 over the budget estimate of $12 million, the amount allowed by the House.

For the Naval Reserve, the committee recommends an appropriation of $4 million, the budget estimate.

For the Air Force Reserve, the committee recommends an appropriation of $4 million, the budget estimate and the amount allowed by the House.

For the Army National Guard, the committee recommends an appropriation of $17,540,000, an amount $9,540,000 over the $8 million contained in the budget and House recommendations.

For the Air National Guard, the committee recommends an appropriation of $13,850,000, an amount $6,850,000 over the budget estimate of $7 million, the amount recommended by the House.

Later on in this statement I shall discuss in detail some of the major points of the increases and decreases made by the committee. However, first I would like to detail to the Senate the method by which we arrived at our decisions in this appropriation bill.

Mr. President, it is never an easy job to decide which projects to keep in the bill and which projects to delete. The committee very meticulously conducted hearings on every line item contained in this bill. Nine hundred and fifty-six pages of testimony were taken in open hearings and 150 pages were taken in executive session. In addition numerous documents and memorandums were filed with the committee by the Department of Defense, the Army, the Navy, and the Air Force. During the hearings each project was reviewed line by line with departmental witnesses and a discussion was held on each line item, and the professional staff gathered additional information from the service departments.

The committee did not wholly agree with the House in the projects that were to be left in or to be taken out. In fact, the Senate deleted a number of projects that the House approved and put back into the bill a number of projects deleted by the House. This is not to infer that the House was not justified in the decisions they made on this bill. However, as I stated before, the subcommittee made its decisions on the basis of information made available by the services, the justification of the projects in open hearing and executive session, and information gathered by the professional staff.

Before I go into the respective services, I would like to mention a number of large problems that faced the committee in making its decision on large items. The House deleted a number of laboratories from the bill. The committee, both in open hearing and in executive session, went into the question of these laboratories in great detail. We feel that the services made a very good case for the retention of the laboratories and the committee restored them to the program.

First of all, if America is to continue in our progress in this space and atomic age, we must have laboratories within which to do the basic and the applied research. The committee went to agencies outside the Department of Defense and inquired if these laboratories were in any way a duplication of scientific facilities already in existence. In regards to the laboratories that apply to space and aeronautics, the National Aeronautics and Space Agency was contacted, to ascertain if the service laboratories were in any way a duplication of work that is presently being undertaken by NASA. We were given written assurance by the Space Agency that the laboratories were an urgent need and, in two instances the National Space Agency advised that they were going to use the laboratories in a joint effort with the named service.

We also found that the laboratories had been approved by a committee within the Department of Defense whose function it is to see that there is no scientific duplication in laboratory facilities within the Department of Defense.

So, in view of the urgent need that was explained for these laboratories, the committee has placed them back in the bill.

Another problem—and I must say a very complicated problem—concerns the one of family housing overseas. The committee agreed with the House in all instances that the oversea family housing projects should be stopped for the present and that an overall study should be made of our needs and requirements.

The committee, of course, is well aware that if we are going to keep the large numbers of families overseas they must have housing and community support facilities. The question is: Just how much larger should we expand these housing and community support facilities?

We have on file with the committee figures showing the number of dependents overseas. In 99 counties and territories, exclusive of the States of Alaska and Hawaii, the Department of Defense has a staggering total of 484,098 dependents. This is broken down as follows: Army, 248,788; Navy/Marine Corps, 37,837; Air Force, 197,488; Office of the Secretary of Defense, 35.

These figures were furnished by the Department of Defense as of March 31, 1960. This is an increase over the last reporting date of September 30, 1959. The family housing and dependents overseas is becoming an increasingly expensive undertaking for our Department of Defense. I do want to say this: that in view of the figures which we have on the dependent situation overseas, it was the firm opinion of the committee that most certainly we must stop at this time and study this vital situation to see just how much more housing is needed, what the long-range plans are, and whether there are any plans to cut down on our oversea installation. Certainly we know of some. In other words, we cannot continue building houses and community support facilities overseas in a haphazard manner. Thus in our report we have requested the Department of Defense to make an overall study of this situation and to report to the Congress in order that we may build in an orderly manner for our dependents overseas.

The committee has questioned the service departments need to build additional commissaries. This is a furthering of action which was taken by the Senate Armed Services Committee on the question of commissaries. The House took exception to approving commissaries and our committee agreed with this action.

It is very difficult to reconcile the information which was presented to us with the request by the Department of Defense for a $1,200,000 commissary. The committee's investigation showed that the largest grocery store in a well-known grocery chain did not cost $1,200,000. In other words, it was the feeling of the committee that this was not a realistic approach to the problem of the commissary. It is very difficult to understand—and most certainly it is against Department of Defense policy—that when community support facilities such as stores, and particularly grocery stores, are right at the front door of a base, why the taxpayers should put up a commissary building costing from $300,000 to $1,200,000.

There were 34 maintenance docks that the committee approved. These docks are a basic requirement for the dispersal of SAC. The need for reducing the vulnerability of the strategic forces through dispersal continues to be a matter of great importance to the national defense. The maintenance docks requested in the Air Force construction program are in direct support of the dispersal program which has been approved by the Congress. The committee obtained convincing testimony from the Air Force which shows that the SAC mission will be impaired if these maintenance docks are not provided. It is apparent, Mr. President, we will lose the advantages of dispersal if we do not provide the docks.

The committee took action and deleted from the bill a number of telephone exchanges. It was found, through investigation, that these facilities are replacements for existing facilities which still have a usable life. In addition, the committee believes that the use of commercial facilities, where military necessity cannot be substantiated, should be studied by the Department of Defense and a firm recommendation made.

I would next like to address myself to the Army National Guard construction program. In the present fiscal year $8 million is the budget figure for the construction of National Guard armories. The committee believes that this figure is too low. Not only is it too low, but if we are to modernize our National Guard armory system, we, of necessity, must have an accelerated program. Last year the committee increased the budget for armory construction by $12,100,000. This year the committee has increased the National Guard construction program by $9,540,000. This increase will allow for the construction of 59 projects located in 30 States or a total of 107 projects in 43 States. Also within this sum is provided minor construction projects numbering 18 in 8 States. It also provides for a number of nonarmory projects and advanced planning and design of these projects.

All of the projects that the Senate has added are on the priority list as submitted by the National Guard Bureau and with the exception of 18 projects the planning is almost complete. Furthermore, the State funds are available and awaiting the appropriation of Federal funds to get these projects under way.

Our Air National Guard is expanding its operational base to assume part of the air defense mission. This action necessitates additional construction money to make the Air National Guard's fields capable of handling Century series aircraft. The committee has approved an appropriation of $13,850,000 for the air guard. This is $6,850,000 over the budget estimate. It is the opinion of the committee that this additional money will be well spent and that in air defense we do not get any better return on our defense dollar than that money expended with our Air National Guard.

From this point on I will now proceed to the individual services and explain in an overall manner just what the bill accomplishes.

DEPARTMENT OF THE ARMY

The military construction appropriation bill, 1961, is the means by which the Army can build an increment of what is needed to provide the Army with effective and modern bases and in effect to help with the modernization of our Army.

This appropriation bill for the Army has funds for construction of badly needed gasoline and ammunition storage facilities in Germany to improve the combat effectiveness of the U.S. Seventh Army. I would like to comment that this Army is the largest and best trained peacetime Army in the history of the United States and sharing with other NATO troops the first line of defense against a ground attack in Europe. This bill also provides for construction of a prestocked forward depot which will permit the Army more rapid and effective action in the event of hostilities in potential trouble spots.

In Okinawa, funds have been approved for construction of facilities for storage and security of ammunition necessary to carry out the missions and responsibilities of the United States in the Far East.

In Korea, funds have been approved to continue a program for the improvement of operational facilities and living conditions of American combat and support troops. Appreciable construction is required for logistics support in forward and rear areas of Korea to provide covered storage, troop housing, and adequate utility systems, and to disperse reserves.

I need hardly remind you of the importance these days of our ability to react promptly to ever-changing worldwide situations. Provisions have been made to strengthen the Army's portion of the worldwide defense communications net. Included in this is construction to add superpower and antijamming equipment to assure dependable, interruption-proof communications.

A small, though important portion of the Army's requirement for construction funds is that portion requested to support research and development activities for Nike-Zeus, the Army's antimissile missile.

This bill provides funds for modernization and improvements to the Army's training facilities throughout the United States and for the very important installation base which must be provided for the spearhead of the Army, the Strategic Army Corps. This corps must be in a high degree readiness and mobility.

One of the expanding missions of the Army in the role of Army aviation is requiring a good deal of new construction money. The new and lethal missiles with which our Army is equipped requires much earlier and more precise methods of target identification and report than did the conventional artillery of World War II. This bill provides funds for construction of operational and maintenance facilities for aircraft with our field forces and for training of Army aviation personnel.

The Army's capability to provide a quick and effective response to threats against the Nation's safety is dependent to a great degree on a well-planned and efficient logistics system.

In support of these responsibilities the technical services are constantly striving to develop new and more effective weapons, equipment and supplies. Funds are included in this bill for construction to help carry out these missions.

In order to provide for planning and design; for minor construction to meet urgent and unforeseen construction requirements; for utilities for Capehart housing to fund offsite utility connections and access streets; and for provision of the Federal Government's share of the cost to construct adequate public thoroughfares to Army installations and activities, the bill provides general funding.

Finally, the bill provides funds for facilities for the training and administration of the Reserve components of the Army. These facilities are required to replace inadequate leased and donated facilities, and for new armories and conversion or modification of State-owned armories, when required by the Department of the Army's request for State acceptance of major changes in organization and mission of the assigned Army National Guard units so as to aline these units with the modern organization of the Active Army.

DEPARTMENT OF THE NAVY

The program submitted by the Navy is one of the smallest received from that service in recent years. The Navy testified that the program this year is very tight. It reflects the policy of the Department to allocate available resources in such a way as to enable maximum use of funds to the extent practicable for the procurement of military hardware.

The funds approved provide essential support facilities for the construction, overhaul and operation of nuclear powered and fleet ballistic missile submarines; for submarine and antisubmarine warfare forces in the area of research, training and readiness operations considered mandatory to our national defense; for berthing space of aircraft carriers; for more effective use of research and development facilities as related to new weapons system; and for the construction of facilities to support the Polaris and Pacific missile range programs. Funds have also been approved for the construction of urgently required supporting facilities to properly house the Marine Corps and to support the training program of the Marines for its air and ground forces; for the orderly completion of the development of two new air stations; for the modernization of a small segment of troop housing; for the rehabilitation of a portion of the midshipmen's living quarters at the Naval Academy; for the construction of a 20,000-kilowatt generating plant on Guam and for the replacement of certain deteriorated utility systems at a small number of hard-core stations which directly support the fleet. A significant portion of the approved program is directed to the improvement of existing communications facilities and to the provision of additional indispensable links in our worldwide communications system which will enhance the Navy's ability to exercise command and control of the fleet and the farflung Shore Establishment speedily, reliably, and effectively.

The safety of our military personnel has been an all-important consideration by the committee and a number of items have been approved to improve safety conditions for personnel especially in the area of high performance aircraft operations.

The program, as approved by the committee, contains little which reflects new missions. It is a program which will provide the Navy with the funds urgently required to support fleet operations and to meet approved operational dates for new strategic requirements.

On the construction program for Naval Reserve Forces, the committee approved all of the funds requested for the program. The program this year is modest in scope involving 38 items of which 4 exceed $500,000 in estimated construction cost.

DEPARTMENT OF THE AIR FORCE

The provision of operating facilities for the strategic forces is still the Air Force's most pressing responsibility. In support of this very vital deterrent role of SAC, about 55 percent of the total fiscal year 1961 military construction appropriation program for the Air Force is in this area.

Three-fourths of the Air Force amount in this bill is for our overall strategic forces, and, provides funds for construction of facilities for the Atlas, Titan, and Minuteman missiles.

A basic philosophy has been to disperse the ICBM missile sites and to "harden" the construction. The last six squadrons of Atlas and all Titan and Minuteman squadrons will be protected by "hardened" construction-underground silos.

This appropriation request provides only minor additional facilities for Atlas. It provides facilities for four additional Titan squadrons (the 7th through the 10th), and for test and technical support as well as training facilities for Atlas-Titan.

Mr. President, the Congress has approved $90 million of construction authorization in Public Law 86-500 for these additional squadrons. The Air Force proposes to fund the largest part of this construction with savings from prior years appropriations and the balance from new funds in the new requested for fiscal year 1961. The bill before us will support the Air Force in these plans to expedite the very vital intercontinental ballistic missile program. Some additional adjustments will be necessary in the Air Force program to provide full funding.

The latest ICBM is the solid propellant Minuteman. The fiscal year 1961 military construction program includes funds for construction for the first three operational squadrons plus additional silos for test and training, and advance site preparation for squadrons which it is anticipated will be constructed under next year's program.

A total of $17 million is requested for construction for the Samos and Midas satellite systems. The improvement in warning notices expected from the satellites will be an invaluable assist to the exercise of our retaliatory force, when the act of retaliation must be determined in less than 30 minutes.

On March 24, General White proposed certain changes in the air defense program to accomplish three primary objectives: More timely completion of an improved defense against the air breathing threat; acceleration of systems designed to provide ballistic missile warning; and an improved deterrent posture.

The impacts on construction that the Air Force has been able so far to identify are primarily in the Bomarc and super-SAGE areas. There are no funds for these programs in the fiscal year 1961 appropriation program.

The proposed construction for the air defense area shows that a major portion of the funds requested for air defense relate to the modernization of radar and communication equipment, necessary operational and maintenance facilities and miscellaneous items in the aircraft control and warning nets which protect the approach to the country.

Finally, about 32 percent of the total program is requested for construction to support our tactical forces, the Military Air Transport Service, and general support functions which do not specifically relate to any single mission area but which are indispensable to the effective performance of the overall Air Force mission.

Mr. President, this concludes my remarks. I would be happy to answer any questions my colleagues may have on this Department of Defense construction appropriation bill.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. DOUGLAS], the Senator from North Carolina [Mr. ERVIN], the Senator from Arizona [Mr. HAYDEN], the Senator from North Carolina [Mr. JORDAN], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], and the Senator from Montana [Mr. MURRAY] are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MANSFIELD], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois [Mr. DOUGLAS], the Senators from North Carolina [Mr. ERVIN and Mr. JORDAN], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], and the Senator from Missouri [Mr. SYMINGTON] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from New Jersey [Mr. CASE] is absent because of illness in his family.

The Senator from Iowa [Mr. MARTIN] is absent, by leave of the Senate, on official business.

The Senator from Iowa [Mr. HICKENLOOPER] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from New Jersey [Mr. CASE] would each vote "yea."

The result was announced—yeas 81, nays 0, as follows:

[No. 255]

YEAS—81

Aiken	Engle	Magnuson
Allott	Fong	Monroney
Anderson	Frear	Morton
Bartlett	Fulbright	Moss
Beall	Goldwater	Mundt
Bennett	Gore	Muskie
Bible	Green	Pastore
Brunsdale	Gruening	Prouty
Bush	Hart	Proxmire
Butler	Hartke	Randolph
Byrd, W. Va.	Hill	Robertson
Cannon	Holland	Russell
Capehart	Hruska	Saltonstall
Carlson	Jackson	Schoeppel
Carroll	Javits	Scott
Case, S. Dak.	Johnson, Tex.	Smathers
Chavez	Johnston, S.C.	Smith
Church	Keating	Sparkman
Clark	Kerr	Stennis
Cooper	Kuchel	Talmadge
Cotton	Lausche	Thurmond
Curtis	Long, Hawaii	Wiley
Dirksen	Long, La.	Williams, Del.
Dodd	Lusk	Williams, N.J.
Dworshak	McCarthy	Yarborough
Eastland	McClellan	Young, N. Dak.
Ellender	McGee	Young, Ohio

NAYS—0

NOT VOTING—19

Bridges	Hickenlooper	Martin
Byrd, Va.	Humphrey	Morse
Case, N.J.	Jordan	Murray
Douglas	Kefauver	O'Mahoney
Ervin	Kennedy	Symington
Hayden	McNamara	
Hennings	Mansfield	

So the bill (H.R. 12231) was passed.

Mr. STENNIS. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. CHAVEZ, Mr. RUSSELL, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES the conferees on the part of the Senate.

ORDER OF BUSINESS

During Mr. SCHOEPPEL's address on the Federal Aviation Agency,

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I am glad to yield.

Mr. JOHNSON of Texas. I ask unanimous consent that the Senator from Kansas may yield without losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, the distinguished minority leader inquired as to whether we anticipated any more record votes tonight. The answer is "No." We will ask the Senate to stay in session so long as Senators desire to discuss the conference report on the tax bill.

There will be no rollcalls so far as the leadership can prevent them.

ORDER FOR ADJOURNMENT TO 10:30 A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for convening at 10 o'clock tomorrow be modified to provide that the Senate convene at 10:30 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UNANIMOUS-CONSENT AGREEMENT TO LIMIT DEBATE ON PROFESSIONAL SPORTS ANTITRUST ACT OF 1960

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that following action on the conference report on H.R. 12381, the Public Debt and Tax Rate Extension Act of 1960, tomorrow the Senate proceed to the consideration of S. 3483, the Professional Sports Antitrust Act of 1960; that during consideration of the bill the time be limited to 1 hour on all amendments and to 2 hours on the bill, to be equally divided. I have cleared this with this distinguished minority leader and with those Senators interested in the proposed legislation, on both sides of the aisle.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That on Tuesday, June 28, 1960, following action on the conference report on H.R. 12381, the Public Debt and Tax Rate Extension Act of 1960, the Senate proceed to the consideration of the bill S. 3483, the "Professional Sports Antitrust Act of 1960," and that during its consideration, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

AIRCRAFT OWNERS & PILOTS ASSOCIATION CRITICISM OF SENATOR SCHOEPPEL'S DEFENSE OF THE FEDERAL AVIATION ADMINISTRATION

Mr. SCHOEPPEL. Mr. President, through a letter addressed to my administrative assistant by Max Karant, vice president of Aircraft Owners & Pilots Association, I have learned of that organization's plan to mail to every cer-

tificated civil pilot in Kansas a copy of my floor remarks of June 15 about the Federal Aviation Agency. I had not, myself, planned such widespread dissemination; and I am grateful to AOPA for its thoroughness.

It is possible that the mailing is motivated less by a desire to make my views known than by a desire to take a punch at me—and to get every certificated civil pilot in Kansas to do the same. There are 12,985 of them, including 7,753 who are active; and I await their reaction with more curiosity than nervousness. Frankly, I think they are considerably sharper about the abuse being heaped on the FAA than some folks in Washington think.

The "report" being mailed by AOPA has been constructed by chopping my floor remarks into arbitrary sections and then "commenting" on them.

At this point, Mr. President, I ask unanimous consent that the mailing piece sent out by the Aircraft Owners & Pilots Association be printed in the RECORD as a part of my remarks, together with the Max Karant letter transmitting it to my administrative assistant.

There being no objection, the letter and the circular were ordered to be printed in the RECORD, as follows:

AIRCRAFT OWNERS & PILOTS ASSOCIATION,
Washington, D.C., June 24, 1960.

Mr. JOE SKUBITZ,
Senate Office Building,
Washington, D.C.

DEAR MR. SKUBITZ: This is a copy of the report we contemplate mailing to every certificated civil pilot in Kansas.

I would particularly appreciate it if you would check to be sure that Senator SCHOEPPEL still subscribes to the views he stated in the RECORD. Of course, your comments on AOPA's comments also will be of interest.

Cordially,

MAX KARANT.

[From Aircraft Owners & Pilots Association Report]

SENATOR SCHOEPPEL SPEAKS

Civil pilots in Kansas will be interested in the following comments of Senator ANDREW F. SCHOEPPEL. They appeared on page 12638 of the June 15, 1960, issue of the CONGRESSIONAL RECORD. Senator SCHOEPPEL's office address is room 5313, Senate Office Building, Washington, D.C. His home is 115 South Rutan Avenue, Wichita.

"ACTIVITIES OF THE FEDERAL AVIATION AGENCY

"Mr. SCHOEPPEL. Mr. President, during the past several weeks, I have received many letters from physicians in Kansas and elsewhere who are protesting a Federal Aviation Agency regulation, effective June 15, 1960, requiring private pilots to take their qualifying physical examinations only from physicians designated by the Agency. This very matter is one of the subjects considered in hearings just completed by the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce.

"Also, recently, I have been receiving a barrage of communications protesting the requirement of the Federal Aviation Agency that during in-flight inspections of jet operations the FAA inspector sit in the seat immediately behind the pilot and copilot. Some of the pilots on Eastern Airlines, in particular, assert that by contract that particular seat must be occupied by a third pilot, even though the aircraft is certificated for operation without him.

"The communications I have received from the physicians and pilots have certain qualities in common. They are unusually well written. They are carefully reasoned. They express genuine woe about activities of the FAA's Administrator, Elwood Quesada. But they also contain evidence that they have been cleverly inspired by sophisticated lobbyists. Those lobbyists have slanted the information furnished to the people who have been in touch with me.

"No man's opinion or judgment can have higher quality than the information from which that opinion or judgment rises. In consequence, I expect to find bias in communications from people whose principal information about the FAA comes from biased sources."

AOPA comment: Senator SCHOEPPEL uses the same technique here so often used by General Quesada himself: Members of organizations like AOPA, the National Business Aircraft Association, the Air Line Pilots Association, etc., are largely irresponsible, unthinking, uninformed citizens out in the grassroots. They are gullible, and easily vulnerable to the insidious blandishments of "sophisticated lobbyists," and are blindly parroting what they're told, etc. This, of course, applies only to FAA critics. Those who happen to agree with the FAA (like the American Medical Association, for example) are "highly respected professional groups," "leaders of thinking in their fields," "stanch champions of aviation safety."

AOPA frankly admits bias. We doubt that Senator SCHOEPPEL's record could support any contention that he is unbiased. To say that General Quesada is unbiased borders on humor. But AOPA's bias, at least, rigidly avoids political party lines; our bias is solely and exclusively concerned with all U.S. civil aviation. Our bias strongly favors the democratic processes, and if Senator SCHOEPPEL had attended the hearings he criticizes, he would have had ample opportunity to question all the "sophisticated lobbyists" as thoroughly as he chose, to see for himself if the many statements about the FAA from all segments of industry and the public are founded in fact.

"I regret that I have not been able to attend all of the hearings of the Aviation Subcommittee during its review of the Aviation Act of 1958. However, the transcripts of the hearings have been available to me and I know the points made by the various witnesses. In my judgment, the hearings have failed to demonstrate that Administrator Elwood Quesada is an arrogant tyrant, as so many of my correspondents claim. Neither have they shown that he is lawmaker, prosecutor, judge and jury, as is likewise asserted."

AOPA comment: This sweeping generalization is easily checked. AOPA and many others put into the voluminous record many detailed, factual case histories. If Senator SCHOEPPEL read the record, as he claims, then his definition of the democratic processes, and ours, differs widely. AOPA will nevertheless stand on the record.

"What the hearings have shown is that the Administrator of the FAA, as head of an agency with some 36,000 employees, has used them well in carrying out the mandate of the Congress. That mandate included a direction to make flying safe—for passengers, for people on the ground, and for the air crews themselves. It implied support for whatever action might be necessary to control the flier who thinks it is nobody's business if he wants to risk his own neck. If Administrator Quesada has erred, it is in a public-relations way; he has hurt the feelings of the executives of certain organizations by declining to accept them as exclusive spokesmen for all who fly or as the sole arbiters of the public good.

"I have been disappointed that organizations with an honorable record of dedicated service to aviation now present a public image of churlish resentment against constituted authority. They are entitled to consideration and redress of sound grievances, but they ill prepare the way for such consideration when they engage in vest-pocket revolts against Federal authority or snipe at Federal officials."

AOPA comment: Again, AOPA will stand on the factual record. If Senator SCHOEPPEL thinks all this is a "vest-pocket veto," he'd be well advised to make a careful check with the general aviation industry in his own State—including two of the world's largest general aircraft manufacturers—to make sure he is right.

"The Aviation Act of 1958 was a major undertaking designed to meet the needs of an aviation industry that has grown almost explosively. The act gave the Federal Aviation Agency a single head because decisiveness was and is a prime requirement. As a result, actions have come fact. But there has been nothing to indicate that any regulation has been promulgated solely to harass, punish, or annoy anybody, or that bureaucracy needlessly has been throwing its weight around.

"There may be ways in which the Aviation Act of 1958 needs amending. Our Aviation Subcommittee hearings have revealed some rough spots on which our committee may want to work next year. Unfortunately, the hearings have also revealed a studied effort on the part of a few people to propagandize their way to domination of the Agency that is supposed to regulate them. In the process they have been intemperate to the point of abusiveness and have sought to badger Administrator Quesada into resigning. Fortunately for all of us, he has had the courage to resist and to answer calumny with reason."

AOPA comment: In his zeal for defending General Quesada, Senator SCHOEPPEL overlooks many things—again from the factual record. U.S. civil aviation eclipsed that of all the rest of the world combined, long before General Quesada or the Federal Aviation Act of 1958 arrived on the scene. Every major safety effort, every major safety accomplishment was achieved before the advent of the FAA. All were conceived and put into use in an atmosphere of democratic cooperation and comparative freedom from bureaucracy. Senator SCHOEPPEL's defense of General Quesada, against the interests of an important segment of his own State's contribution to U.S. civil aviation, is particularly puzzling because of the ready availability to him of this voluminous factual record.

Mr. SCHOEPPEL. Mr. President, the first "AOPA comment" would imply that I have accused the members of that association and some others of being "largely irresponsible, unthinking, uninformed citizens out in the grassroots." Let me point out, Mr. President, that those words are the language of the "AOPA comment." They are not my words, and they do not express my views.

While I cannot claim to know more than a few of the certificated civil pilots in Kansas, the ones whom I do know are fine people. They are responsible, thoughtful, and better informed than the general run of citizens. At the same time, because of their very natural desire to fly with as few restraints as possible, they are inclined to give sympathetic ear to anyone who shouts "Down with those who would regulate us." This is not an unusual nor an immoral attitude; I do not condemn it, but I must recognize it and be fully aware of its implications.

I commend AOPA for frankly admitting its bias. I could commend it even more if, in communicating with its members, it would report facts and editorial

views separately, instead of mixing the two together. Nevertheless, an organization like AOPA is important and valuable in the legislative process. It helps to mobilize and get on the record many of the elements that have to be considered in legislation.

We would be still better off if there were also an organization made up of people who do not own aircraft and who are not pilots. I know of no such organization, but there are many such people. I try to keep their interests in mind, along with those of the AOPA members.

The first "AOPA comment," availing itself of the opportunities for ambiguity inherent in the English language, makes it easy for a reader to infer that I could have attended more aviation hearings if I had chosen to do so. That is correct, but I would have had to neglect other hearings and other duties. Here is my problem: There are four standing subcommittees in the Senate Committee on Interstate and Foreign Commerce, and I am on two of them as well as three special subcommittees. Commonly, they hold hearings at the same time. I am not the ranking minority member of the Aviation Subcommittee, but when I cannot attend its sessions, I am represented by either the assistant chief clerk or the assistant chief counsel, who work under my direction and report to me.

In addition, I am a member of the Senate Committee on Agriculture and Forestry and serve on two of its subcommittees. I am a member of the Select Committee on Small Business, and two of its subcommittees. I am a member of the National Water Resources Committee.

I do the best I can in apportioning my time, being guided somewhat by the nature of the hearings, the importance of the subject matter to my constituents, and my appraisal of whether I personally need to query the witnesses. In this connection, it might be well to point out that the aviation hearings were simply a general review intended to lay the groundwork for later legislative action. They were not concerned with specific bills.

The second AOPA comment disagrees with my statement that the hearings failed to demonstrate that FAA Administrator Elwood Quesada is an arrogant tyrant or that he is lawmaker, prosecutor, judge, and jury. I acknowledge that AOPA witnesses, and others, put much testimony into the record and raised some serious questions. But there was other testimony as well, and much of it served to put the AOPA testimony in full perspective. My job as a member of the Aviation Subcommittee is not to choose which witness to go along with, but to arrive at a sound appraisal of the legislative need.

As I see it, the hearings did demonstrate that there is need for some sort of review procedure within the FAA. To give review powers to the Civil Aeronautics Board would be a little awkward, as both it and the FAA are administrative agencies created by the Congress. More appropriate would be some structuring of powers within the FAA that would permit an aggrieved pilot, or an aggrieved AOPA, to put its problem before new people after an adverse decision from an administrative subordinate. No doubt the Congress will work on some such solution in the next session.

The third AOPA comment implies that I am out of touch with the general aviation industry in my own State and recommends that I check the views of "two of the world's largest general aircraft manufacturers" located in Kansas. The general manager of one of those manufacturers, Mr. John P. Gaty of Beech Aircraft Corp., wrote a letter to a mailing list of pilots on May 23 of this year. His letter was introduced into the record of the aviation hearings and reads in part as follows:

> You undoubtedly are familiar with the efforts that have been made to improve safety for all users of the airspace by FAA Administrator E. R. "Pete" Quesada. He has instituted a very forceful campaign to require alertness and continued attention by all pilots toward other aircraft using the same airspace. A good many people have been reprimanded and some of them have been fined for not taking this campaign seriously, and for not complying with the directives. * * *
>
> These and other controversial actions have created a considerable body of unhappy people, which is always bound to occur when accepted practices are changed and old rules are reinvigorated.
>
> * * * * *
>
> We do not completely endorse every action which has been taken, but we are convinced that the net results of all the actions of "Pete" Quesada has been very beneficial to the safety of those who fly in the skies over America. * * *

I must admit that so far nobody in Kansas has written me to say that I am on the right track in supporting the safety efforts of the FAA under Elwood Quesada and that I have received a few letters critical of my views. More, I suppose, are on the way inasmuch as my address at Washington and at home is being sent by AOPA to every certificated civil pilot in Kansas. Again, it seems pertinent to note that there is no organization of people who are not aircraft owners or who are not pilots.

The final AOPA comment points out that U.S. civil aviation eclipsed that of all the rest of the world "long before General Quesada or the Federal Aviation Act of 1958 arrived on the scene," and that "every major safety effort, every major safety accomplishment was achieved before the advent of the FAA." I agree. But I also can remember when it was possible to drive an automobile without having a driver's license, and when it was possible to get a driver's license without knowing the law or taking a test.

Those days are gone. Before this session ends, we may have our first law setting up in the Department of Commerce central registration of violations of motor vehicle laws. Regulation is the penalty we pay for population growth and progress.

Now, Mr. President, I wish to quote briefly from two of my colleagues who were debating on the Senate floor the evening of June 22. Both are experienced pilots, but their views are diametrically opposed. The Senator from Arizona [Mr. GOLDWATER] said, in part:

> When a man has flown, as I have, for 30 years, and has never been asked to show, first, his license; second, his medical certificate; third, a certificate of proficiency in the aircraft he is flying; or fourth, an instrument ticket indicating his proficiency to fly on instruments, I say it is time for some kind of strong action.

The Senator from California [Mr. ENGLE] then asked:

> How much safer would the Senator have been while flying if he had to show a private pilot's license, if he had to show a medical certificate, if he had to show a certificate of competency in the aircraft he was flying, and if he had to show an instrument ticket?

And this was the reply of the Senator from Arizona [Mr. GOLDWATER].

> I think I would have been a much safer pilot. I can remember times when I have flown aircraft which I had not been in for a year of two. It is not that I would not have been safe, but I had not been in the aircraft for a long period of time.
>
> I have friends who fly under instrument conditions but who do not have an instrument ticket. They have trained themselves. On occasions, I have known persons who obtained a medical certificate merely by picking up the phone and saying, "George my time is up. Send me a card." One can get a card for a few dollars. But such a person might have had diabetes or a heart attack in the meantime.
>
> I maintain that while these requirements are just as distasteful to me, as a pilot, they will nevertheless promote safety; and particularly in the minds of the people there will be instilled a desire for safety.

Last Saturday, Mr. President, there was delivered to my office a release issued by the Air Transport Division, Transport Workers Union, AFL–CIO. It reads as follows:

> WASHINGTON, June 25.—The Air Transport Division of the Transport Workers Union, concluding its week-long annual meeting here today voted unanimous support for the policies and actions of the Federal Aviation Agency Administrator, E. R. "Pete" Quesada.
>
> James F. Horst, director of the ATD which represents approximately 22,000 airline employees (mechanics, stewardesses, navigators and other ground personnel), asked for the vote of confidence in his closing speech.
>
> Horst told the ATD delegates:
>
> "We have seen Mr. Quesada take over a hopelessly mismanaged agency which had been strangling in its own red tape for 20 years. From the day he took over this agency he was under the gun of public concern due to one of the worst safety records in the history of aviation during the previous year.
>
> "With little regard for the special interests and pressure groups which had been running the aviation industry for more than 20 years, Mr. Quesada set about the business of improving safety. We can find no action he took this year that was not aimed at this objective.
>
> "While our membership has not always been in agreement with some of the FAA decisions, it has entirely supported the overall workings of the agency.
>
> "We feel that some of the attacks on Mr. Quesada have been ill deserved and ill advised. We therefore feel it urgent to have our expressed support of Mr. Quesada added to the record of those criticisms in the hope that some balance may be reached. If we are to continue to have dedicated public

servants guiding the aviation industry and avoid the old days of political hacks, we must support the Agency and its Administrator.

"I, therefore, ask for a vote of confidence for the Agency, its Administrator and policies."

Unanimous approval was voted following Horst's speech.

In closing, Mr. President, I urge the officers of the organizations which are feuding with Administrator Quesada and the FAA to stop shouting long enough to take a good look at themselves and what they are doing. They misjudge the caliber of their membership if they think they have to keep up a running fight with the FAA in order to keep dues coming in.

There is no blinking the fact that we are running out of airspace. The faster planes fly, the greater is the block of airspace needed for each aircraft during a given period of time. To keep the airways safe for scheduled airline flights, for general aviation, and for people on the ground calls for all the talent and self-discipline we can muster.

Organizing aviation for safety is a job that government has to do. Nostalgia for a simpler way of life is no substitute for regulation we must have. The rules adopted must be of uniform application.

This means that sparsely settled areas of the country may get more regulation than they alone need, but if a pilot from a sparsely settled area flies into a congested area, we want him to be skilled enough and healthy enough to do it with safety for all. There simply cannot be separate rules—for there is no separate airspace—for the uncomplicated individual who wants only to do a little country flying, and who confuses the privilege of private flying with the constitutional Bill of Rights.

I do not want my defense of Administrator Quesada and the FAA to be taken to mean that I think either the Administrator or the Agency is 100 percent right 100 percent of the time. Mr. Quesada would be the first to admit that he makes mistakes. But I have noticed that he tries to profit from them. After he had been criticized in our aviation hearings on the ground that the FAA conferred too little with the industry before proposing rules under the rule-making procedure, Mr. Quesada called a conference to help formulate a proposed rule for aerial crop sprayers, or aerial applicators as they are often called.

He acted at the urging of a large segment of the aviation trades industry, but the date he set for the meeting was all wrong for aerial applicators in Kansas. They still have not forgiven him, even though he was acting in complete good faith. This was amply demonstrated when he offered to call a supplementary conference on the same subject to be held at a time convenient to aerial applicators in Kansas and other wheat-growing States. The date has not yet been set, but I have no doubt that Administrator Quesada will follow through in complete good faith.

Mr. President, after Congress adjourns and the campaign drums start rolling—and they will—the people of this great land will be so preoccupied that organizations and individuals feuding with the FAA can drop their feud and no one will ever notice it. In the belief that such a course is best for them and for the Nation, I commend it to their thoughtful consideration.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I am glad to yield.

Mr. GOLDWATER. Mr. President, I shall be brief.

I compliment the distinguished Senator from Kansas for speaking out on a subject on which I think many of us have remained silent too long.

I think the Senator's reasoned approach to the AOPA feeling in this matter is to be complimented. I have been a member of AOPA for more years than I can remember. I must say it is one of the finest organizations in the United States. It has done many fine, wonderful things for flying. It has promoted flying. It has made insurance easy for pilots to obtain. It has promoted better and easier-to-follow navigational charts and systems. On the whole it has done a really outstanding job.

However, as a member of this organization I must express some concern about the methods which it has used in attacking our positions.

As the Senator from Kansas knows, I have supported General Quesada. I think he is an individual long overdue in civilian aviation. I have received letters from lifelong friends of mine in Arizona, with whom I have flown all the years I have been flying, who are at a complete loss to understand my positions. They have learned of those positions from only one source—and not from me.

For instance, let us consider what I believe the Senator will agree is the most contested decision of Mr. Quesada—the medical examinations by trained medical doctors. I cannot say at this early stage in the game if I believe this is the ultimate answer to the problem. As one who has to be examined by a flight surgeon every 2 years in the Air Force, I know there is no comparison between the examination given to these pilots and the examination which the Air Force long ago found necessary to give by specially trained doctors in this field to its pilots. It might be that every family doctor could be trained in the different approaches to examination that are needed in examining for flight. But glaring mistakes, which we can document, occur. I have talked in the Senate about such mistakes as those to which the Senator has alluded. One such incident was a telephone call which would bring a medical certificate. That certainly is not safe. I would shudder to think of flying in an airplane with a man who had had a heart attack and yet held a perfectly valid medical certificate which he had obtained by making a telephone call.

I think possibly General Quesada's steps will do away with that abuse, and if pilots are required to go to established flight doctors, they will take a little better care of themselves because they know they cannot fool the flight doctor. He is not a personal friend.

This is a field we shall have to watch develop. There has been a tendency in the field of strictly private flying ever since its inception to resist change.

An admiral, whose name unfortunately I cannot recall, in a series of articles a few years ago suggested that before a man or a woman receives his or her private pilot's license, he or she should have training in the use of instruments, so that if he inadvertently got caught on top of an overcast or in weather, he could perform a simple maneuver that we call the 180 degree turn to get out. Private pilots resist such changes. Now such a requirement is part of a private pilot's license test, and the requirement will cut down immeasurably the losses of men and women who, through sheer ignorance or bad fortune, find themselves in instrument weather, but are not able to control the aircraft and therefore crash with death as a result.

That requirement was a step forward, although at first it was resisted. I am hopeful, in view of the fact that we have so much to do in the field of safety, that the AOPA will not be too harsh on those of us who have chosen to stand by Quesada in his insistence that the rules be observed. I am hopeful that the AOPA will show the same good judgment it has always shown. We will find out what the innovations in enforcement of the rules will do. I cannot help but think of the strenuous type of examination that the airline pilot constantly undergoes and the strenuous type of examination to retain his proficiency that the military pilots take. I cannot equate for one moment that idea with the private pilot's requirements which permit him to fly because he has somehow learned how to get an airplane up and down, and therefore he should be allowed to do pretty much what he wants to do on the airways or off the airways.

I can remember the old open cockpit days when I had the wind in my face; I know many of us long for those days. However, I realize that with the crowded conditions of our airways today we must have more and more of the application of efficiency of the airlines and the military to our private flying, even though we need never go all the way.

Mr. SCHOEPPEL. I am sure the distinguished Senator from Arizona, who is a great flyer with long experience and uses good judgment in relation to those things, has added greatly to this discussion of a very important matter.

I know a number of fine pilots who belong to this organization. They are good, careful, and conscientious men. Last week I flew with some of them. Frankly they have said to me that they have been somewhat distressed by the turn of events here.

Our committee is holding a series of hearings to determine what should be done with reference to a new look at some of these regulations, whether an appeal procedure should be devised, and how it should work. This was not a series of hearings on certain bills. However, the pilots feel that way.

I am sure the great Senator from Arizona feels that if we are to have constituted authority, chargeable with the responsibility of administering a law, which the pilots did not ask for—the Congress of the United States gave it to them—we should back up that constituted authority in every practical way, and the Administrator should not be subjected to unnecessary harassment that sometimes goes beyond the record, the facts, and the circumstances, for if such harassment continues good men are discouraged from accepting those responsible positions.

By that I do not mean that General Quesada has always been right. I have disagreed with him. But I give him the benefit of doubts.

If good men leave responsible positions by reason of unjust criticism, it will be hard to find men of stature, standing, experience, and ability to fill these important spots under laws which Congress itself has passed, making it mandatory that someone of responsibility fill that position.

Mr. GOLDWATER. My friend is absolutely right. One of the reasons we have these new laws and regulations has been because of the insistence of excellent flying organizations such as AOPA. Now I am distressed as a member to find that organization using political subterfuge, it might be said, to try to get us to change our positions by implying that 36,000 pilots in Kansas could be influenced to vote against my friend from Kansas because he does not agree 100 percent with the AOPA. I regret such action. I wish this organization had not taken that step. I wish that it had taken the position that the laws must be obeyed. The regulations are the result of the laws. We either enforce them or we do not enforce them.

In closing, I say to my friend that for at least 30 years of my life as a pilot the regulations were not enforced. Ninety-four percent of our accidents are due to pilot error, not to aircraft failure. We must therefore do something to keep pilots from getting into trouble.

The situation is similar to that in relation to automobiles. I can remember the days when we did not have drivers' licenses. Then came the day when all anyone needed to do in order to obtain a license was to send a letter and he would get the license. Today a test is required.

Frankly I do not think the tests for automobile driving are difficult enough. But we have reached a point of maturity in our flying when I feel that more stringent applications of the rules and regulations will result in greater safety, and the private pilot will not be restricted in the use of his aircraft.

I make that statement as one who has flown in days of no enforcement and is flying now in days of enforcement. If we do what we know is right, there is no difference. I wish again to compliment my good friend from Kansas for this long overdue statement on the AOPA and its relationship to the whole question of the modernization of our FAA.

Mr. SCHOEPPEL. I wish to thank the Senator from Arizona. I am sure he knows that I made these remarks in the spirit of trying to be constructive. So far as I am personally concerned, I have no score to settle. I simply feel that we ought to approach this question in a fair and logical manner and within the spirit of the legislation which is sought to make better and safer flying conditions, not only for the men who are in the cockpits but for the many people who fly back of the cockpit, the private fliers, and their friends when they go up.

Mr. GOLDWATER. I wish to say that the airplanes that I fly are made in the State of Kansas. Not only is the Senator from Kansas constructive, but I think the Beech aircraft factory, Cessna, and the other aircraft companies in his State are certainly among the most constructive leaders in the manufacture of aircraft for private and commercial use.

Mr. SCHOEPPEL. They are great people, and we are happy they are in Kansas.

Mr. CLARK obtained the floor.

Mr. CLARK. Mr. President, I ask unanimous consent that I may yield to the junior Senator from Tennessee [Mr. GORE] briefly without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICAL CARE AND HOSPITAL CARE FOR THE AGED AND AGING

Mr. GORE. Mr. President, I introduce a bill the provisions of which I propose to offer as a substitute for title VI of H.R. 12580, a bill which, among other things, deals with medical care and hospitalization for our aged and aging citizens.

After careful study, I have concluded that title VI of H.R. 12580 is not only wholly inadequate but that it is erroneous in method of treatment.

Mr. President, as an illustration of the inadequacy of this portion of the House bill, I call attention to a table at page 11 of the report of the Committee on Ways and Means of the House of Representatives with respect to H.R. 12580. The table indicates an estimated annual cost of $23,000 as the Federal share of the cost of the proposed program of medical care benefits for Tennessee citizens other than those receiving old-age assistance. As of now, there are 223,494 citizens of Tennessee who are receiving benefits under the social security program. The $23,000 would amount to approximately 10 cents a year per person, as a contribution to the cost of hospitalization and medical care for these persons. I point out that in the State of Louisiana only $141,000 additional would be available for all the aged and aging people, including those permanently disabled, and their dependents. This is wholly inadequate.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. CLARK. Mr. President, I ask unanimous consent that I may yield from time to time to the three Senators who are on the floor, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YARBOROUGH. Mr. President, I thank the distinguished Senator from Pennsylvania and the distinguished Senator from Tennessee for yielding.

Of the total which is contained in the House social security bill—a better name for it would be a poorhouse bill—there would be available for medical care in the State of Texas, for persons on social security, to be contributed by the Federal Government for the 475,000 persons in the State who would so qualify, the total sum of $161,000 a year, or about 30 cents a person a year. This amount would be spent on medical care for persons on social security, retired and permanently disabled, and dependent children and widows. That would average 30 cents for each. It would include hospitalization and visits by doctors to homes and to doctors' offices. It would amount to 30 cents a year, Mr. President. That is what we are told would be spent for the aged people who need this care in the State of Texas. I thank the Senator for pointing out these facts to the Senate. I ask unanimous consent that I may be permitted to be a cosponsor of the measure the Senator has introduced.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. I thank the Senator.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG of Louisiana. Can the Senator give us some idea as to what is hoped to be accomplished with $141,000, which works out to about a dollar per person per year in Louisiana?

Mr. GORE. I am not prepared to justify the House bill. I am reading from page 11 of the House report, table A, entitled "Estimated Annual Cost Under the Proposed Medical Services for the Aged, Title XVI, and the Program for Improvement in Medical Services Under the Old Age Assistance Program."

I can hardly visualize very much improvement in medical care and hospitalization at a cost of $1 a year per person.

Mr. LONG of Louisiana. In the State of Louisiana a charity hospital system has been established, which I believe spends in excess of $20 million a year in providing medical care for persons who feel they are unable to pay for hosiptal care. By contrast, I must say that what the Senator has mentioned is a pitifully meager figure. As we know, the medical bills of the aged people are far higher than those of the younger people. How much would the bill provide for persons who are on the public welfare rolls in Louisiana? I believe there are about 150,000 persons on those rolls. What would be provided for them?

Mr. GORE. The table does not list any amount in that category for the State of Louisiana.

Mr. LONG of Louisiana. Zero?

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. GORE. I yield

Mr. YARBOROUGH. I note that there is a footnote at the bottom of the table which states that Louisiana has a monthly payment in excess of $65. The footnote states that in such States under this program the Federal matching would be 5 percent. So it would mean that the

Federal Government would put up 5 percent of the money in Louisiana under the House bill. I should like to make plain my previous statement, if I did not make it clear before, that the amendment the distinguished Senator from Tennessee has offered does not have any reference to the total from which we are reading.

We are reading from the House committee table. The Senator from Tennessee has offered an amendment which would very markedly change the situation.

Mr. LONG of Louisiana. If only 5 cents is involved from the standpoint of Federal matching funds, as against 95 cents of State matching funds, I wonder whether we should bother with Federal suggestions as to how the program should be operated, if all the Federal Government is to contribute is 5 cents. Complying with all the Federal red tape that would be involved would hardly be offset by the 5-cent contribution of the Federal Government.

Mr. GORE. Lest I do an injustice to the House bill, let me make it plain that I do not claim to be an authority on it. I am referring to the table on page 11 of the committee report.

These figures are apparently based upon the proposed establishment of a needs test to qualify for medical care and hospitalization. As I understand, the needs test under the bill would not be uniform throughout the country. Two States having different tests or qualifications for old-age assistance would receive different amounts under the bill.

I do not claim that the bill I have introduced is the last word on the subject. However, I do believe that it would be preferable to the House bill.

I ask unanimous consent at this point in my remarks to have printed a summary of the major provisions of the bill I have introduced.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

MAJOR PROVISIONS OF THE HEALTH INSURANCE BENEFITS BILL INTRODUCED BY SENATOR GORE

I. COVERAGE

The bill covers all retired individuals (men over 65 years of age, women over 62 years of age) except individuals receiving retirement or annuity benefits under the Civil Service Retirement Act or the Railroad Retirement Act. In addition to OASI beneficiaries, the bill covers recipients of old-age assistance and other men and women who meet the qualifications for retirement as set out in the bill.

II. BENEFITS

Under the bill, payment is provided for the following health services:

(a) Hospitalization—up to 60 days in any calendar year.

(b) Nursing home care—up to 120 days in any calendar year.

(c) Home health service—up to 180 visits in any calendar year.

(d) Professional services by physicians, either office visit or home visit—up to a total of 25 visits in any calendar year.

(The foregoing services are available in any combination so long as the total does not exceed 60 units in any calendar year. For the purpose of this computation, 1 day of hospitalization equals one unit, 2 days of nursing home care equals one unit, 3 days of home health services equals one unit, two home visits by a physician equals one unit, and four visits to a physician's office equals one unit.)

(e) Diagnostic outpatient services, including laboratory tests and X-rays.

(f) Surgeon's fees.

(g) Such drugs as may be specified by the Secretary of Health, Education, and Welfare, provided they are prescribed generically, not to exceed the amount of such drugs prescribed for use within a period of 30 consecutive days in any calendar year.

III. FINANCING

That portion of the cost attributable to OASI beneficiaries would be financed by a one-fourth percent increase in the social security tax, both on the employee and employer (three-eighths percent increase in tax on self-employed who are covered under OASI).

That portion of the cost attributable to beneficiaries who are not covered under OASI would be financed by appropriations from the general fund of the Treasury. A substantial portion of this cost would be offset by reductions of payments for medical assistance now being made under the old-age assistance program and other programs.

The bill would create a Federal medical insurance trust fund from which payments would be made on account of services rendered for which benefits are payable under the bill.

Mr. GORE. Mr. President, on tomorrow the Senate Finance Committee is scheduled to begin consideration of H.R. 12580, which has been referred to it, and the problems with which it deals. I think these problems which affect, or will affect, nearly every man, woman, and child in America deserves and require careful consideration, including public hearings. If Congress had no bill except this one with which to deal, I would seriously question if adequate attention could be given to the subject by both the Senate and by a conference committee this week. This bill, however, is but one of the many important questions with which this Congress should or must deal before adjourning sine die.

Earlier today I recommended to the distinguished majority leader, the senior Senator from Texas, that Congress recess at the end of this week until a specified date after the two national party conventions. This recommendation was very much against my personal preference as I, like many other Members, had planned to spend the month of August with my family and friends at a place of our choosing, and had planned to visit throughout my State during September. Nevertheless, I think, in the interest of orderly consideration of legislation of overwhelming importance, such a course of action is the only prudent course, given the situation facing us today.

True, we will be in the throes of a national campaign after the conventions, but the Senate has been in the throes of a presidential campaign almost all year. At least after the conventions each party will have only one candidate.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3763) to provide for the payment of hospital and other health services furnished to aged retired individuals, and to provide for a continuing study of the health needs of such individuals, introduced by Mr. GORE (for himself and Mr. YARBOROUGH), was received, read twice by its title, and referred to the Committee on Finance.

Mr. CLARK. Mr. President, I commend the Senator from Tennessee for the statement he has just made, and, with very deep reluctance, express my strong support for his view that we should come back after the conventions and do the business we should have done months ago. I believe it is unwise for Congress to run out of Washington in a hurry, not having taken care of the national interests with respect to so much proposed legislation which is still pending and which deserves the careful and unfatigued consideration of this body. I, too, had hoped to take the month of August for vacation; but I believe it is our duty to come back, as the Senator from Tennessee has suggested.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12381) to increase for 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal tax rate and certain exise tax rates.

Mr. CLARK. Mr. President, I oppose the conference report on the tax bill, H.R. 12381. No one has become more keenly aware than I, after four sessions in this body, of how futile it is to make long speeches at night, when the Senate Chamber is almost empty, and one is imposing on a good friend who is presiding and another good friend who is under the obligation of remaining here as the acting minority leader. I apologize to them and to the staff, and also as appears to my bewildered, aging eyes, four weary, but extremely competent members of the press gallery, who I suppose, must stay at their posts until the conclusion of today's session. I hope that a few words of what I may say may go out to the press services and perhaps even appear in the news columns, if not the editorial page, of the Wall Street Journal. Perhaps that will have some effect on my colleagues and also on the general public in connection with the vote the Senate has agreed to take on the conference report at 2 o'clock tomorrow afternoon.

Mr. President, I wish to make two points: First, the conference report, if adopted, will commit Congress to a course of conduct which is fiscally irresponsible; second, the objections of the Treasury to the amendments adopted by the Senate, but which were deleted by the conferees, are largely frivolous.

First, with respect to fiscal irresponsibility, on several days last week I undertook to place in the RECORD a box score of what Congress had done and was about to do to the President's $4,200,000,000 surplus. That box score, of necessity, has to change from day to day.

For example, this afternoon, in passing the military construction appropriation bill, the Senate approved a bill providing $120 million less than the budget estimates. The House went even further under those estimates. The conference report may result in further savings; no one can tell. Nevertheless, viewed on an overall basis, I think few Senators would deny that the actions which Congress has taken and will take have come so close to wiping out the entire $4,200 million surplus that we cannot see with the naked eye what is left. Let me tick off the items totaling more than $4,200 million which support my last statement.

The defense appropriation bill is $1,200 million over the budget estimates. The health, education, and welfare appropriation bill is close to $500 million over the budget estimates.

The pay bill, which was not in the budget at all, knocks another $700 million-plus off the surplus.

It is perfectly clear that Congress will not pass the postal rate bill which the President requested, so there goes more than a half billion dollars more off the surplus.

It does not look as though Congress will pass a bill to provide for an additional tax on aviation fuel, as the President recommended. There goes more than $100 million more off the surplus.

Pending, although not yet in conference between the two Houses, are two different versions of a Federal Aid to education bill. The Senate bill calls for $900 million a year over and above the budget figures; the House bill, $325 million. Let us be conservative and say that the conferees, when they meet—and I hope they will meet—will report a bill which will cost perhaps $600 million more than the budgeted figure. So that amount will come off the surplus.

Then we have passed a housing bill which will cost another $100 million.

The bill we are to take up shortly providing medical care for the aged may cost another $100 million.

H.R. 10, which I hope we shall not pass—but I suspect the votes are here to pass it—will cost another $200 million.

We have made some savings in appropriation bills—around $400 million, and we may make more.

However, as I think almost everyone will agree, the items which I have ticked off just about abolish the surplus of $4.2 billion.

The amendment of the Senator from Tennessee [Mr. GORE], which the conferees approved, might conceivably save $50 million in fiscal 1961. However, there are offsetting items, such as the Department of the Interior appropriation bill and the Federal tax credit bill, which pretty well wipe out any additional revenue which will come from the amendment of the Senator from Tennessee, which I have not mentioned heretofore.

So I think I can sustain the proposition that the most intelligent guess one could make as of tonight is that Congress has wiped out the contemplated surplus. The situation, though, is worse than that, because the surplus was based upon estimated revenues of more than $84 billion, and that figure, in turn, was based upon an economy producing at a gross national product rate of $510 billion in calendar 1960.

Now the year is almost half through, but we have not yet reached that figure, and we see on the horizon ominous signs in regard to steel, housing starts, and a decline in the number of automobiles that it is believed will be sold this year.

So I suspect that the revenue the President has estimated will not come in. In that case, Mr. President, not only shall we have wiped out the surplus, but we shall also have created a deficit. I say that is fiscal irresponsibility at its worst—coming, as it does, at a time of a reasonably high level of personal income and a reasonably high level of industrial production, despite the fact that there is substantial unemployment and substantial underemployment. If the Congress cannot balance the budget in the fiscal year 1961, I do not know when the Congress will ever be able to do so.

So I say we should be looking for new sources of revenue, instead of finding ways—as the Treasury seems to be doing—of preventing us from obtaining those revenues.

In a moment I shall proceed to discuss the objections raised to my amendment; and tomorrow the Senator from Minnesota [Mr. MCCARTHY] will discuss his amendment. The objections of the Treasury to the McCarthy amendment are based on philosophical objections; and the result of the position taken by the Treasury would be to require a man who works for a living to pay higher income taxes than those paid by a man who does not work for a living. I do not believe that philosophical concept has the approval of the American people, and I hope it will not have the approval of the Senate of the United States. That was a philosophical concept which was written into the Revenue Act of 1954, during the only period in recent history when the Republican Party controlled both Houses of the Congress. Not to repeal it during a year when the Democratic Party controls the Congress by the large majorities by which it now controls them would, I suggest, be unfortunate, to put the matter mildly.

Because our party is firmly committed to closing tax loopholes, I shall like to read a plank from the Democratic Party's platform adopted on August 15, 1956, on which I ran, and which I take seriously:

> The immediate need is to correct the inequities in the tax structure which reflect the Republicans determination to favor the few at the expense of the many.

Mr. President, could you think, no matter how hard you tried, of two tax loopholes in our tax structure which favor the few at the expense of the many any more glaring than the dividend credit provision, which requires a man who works for his living to pay more income taxes than those paid by a man who does not work for his living, and the great swindle-sheet racket, which has bloomed to a flowering weed far more noxious than anyone thought possible during the 8 years of the Eisenhower administration? I suggest that to fail to close these two tax loopholes would be a repudiation of our platform.

I also wish to refer to a pamphlet published in December of 1959 by the Democratic Advisory Council. It is entitled, "The Decision in 1960, and the Need To Elect a Democratic President."

I read from page 12 of that pamphlet:

> Close the loopholes in the tax law. We are gratified the House Ways and Means Committee is now undertaking an intensive study of loopholes and inequities in the tax laws. Among the more conspicuous loopholes are high depletion allowances on oil and gas wells, special consideration for recipients of dividend income—

And here I point out that the McCarthy amendment, which the conferees discarded, was intended to wipe out that special consideration—

> and deductions for extravagant business expenditures which have reached scandalous proportions.

My amendment, which the conferees rejected, would have stricken out those deductions.

I turn now to the detailed comments made by my good friend, the senior Senator from Virginia [Mr. BYRD], in connection with bringing in the conference report earlier today.

I do not think I am telling any tales out of school when I suggest that this conference report was largely prepared by the Treasury, rather than by the distinguished members of the conference committee. Mr. Glasmann, Assistant to the Secretary of the Treasury, sat through all the meetings of the conference. The Senator from Delaware [Mr. WILLIAMS] came to the floor on Friday with a long letter signed by Mr. Glasmann, raising objection to my amendment. And when I answered those objections, on Friday, I found, later, that my answer was ignored not only by the Treasury, but also by the press.

Mr. President, I have been in politics long enough not to have my feelings hurt when the Treasury and the press ignore what I have to say on the floor of the Senate. But I suggest in all candor that one reason why the Treasury Department ignored my comments of last Friday is that the Treasury Department did not have any sensible answers to them. If the Treasury has, perhaps it will present them later.

Certainly, I found quite unpersuasive the objections which were placed in the RECORD by the senior Senator from Virginia [Mr. BYRD] earlier today.

I wish now to discuss briefly each of those objections.

Mr. PROXMIRE. Mr. President, at this point will the Senator from Pennsylvania yield?

The PRESIDING OFFICER (Mr. LONG of Louisiana in the chair.) Does the Senator from Pennsylvania yield to the Senator from Wisconsin?

Mr. CLARK. I am happy to yield to my good friend, the Senator from Wisconsin, who has been such a valiant ally in this effort to persuade the Democratic Party to stick by its commitments and to overrule the frivolous objections of the Treasury to my amendment to elimi-

nate these serious and highly objectionable tax loopholes. I only regret that the amendment of the Senator from Wisconsin, which had to do with withholding the taxes due on dividends and interest payments, did not meet with the favor of the Senate. Frankly, I think that amendment was the best one of the entire lot and I regard its rejection as the most unsustainable.

Mr. PROXMIRE. I thank the Senator from Pennsylvania.

In regard to his own amendment, let me ask whether the Treasury has admitted that there are expense-account abuses under the present law.

Mr. CLARK. Yes.

Mr. PROXMIRE. In admitting that, has not the Treasury at least implied clearly that the present law is defective?

Mr. CLARK. Yes.

Mr. PROXMIRE. Has the Treasury ever made any constructive proposal to reform the law?

Mr. CLARK. Never.

Mr. PROXMIRE. Has the Treasury at any time indicated how the amendment of the Senator from Pennsylvania could be improved, in order to make it acceptable to the Treasury?

Mr. CLARK. Never.

Mr. PROXMIRE. Then the Senator from Pennsylvania is telling us that the Treasury admits the present law is defective and inadequate, that the Treasury has consistently refused to come up with any reform of the present law, and that the Treasury has not made any positive response, but has made only a negative response, to the efforts of the Senator from Pennsylvania to plug what the Treasury Department concedes is a substantial tax loophole. Is that correct?

Mr. CLARK. The Senator from Wisconsin is correct. The position of the Treasury Department, which I hope to show is unsound, is that much of this can be done by administrative regulation, and that the matter needs further study.

Mr. PROXMIRE. On that point, let me ask the Senator from Pennsylvania how long the present administration has had to study this problem.

Mr. CLARK. I hope the CONGRESSIONAL RECORD tomorrow will show "laughter" when I made that comment about the need for further study. I would think the Treasury should have been studying this amendment ever since the income tax law was passed in 1913, but they certainly should have been studying it since the swindle sheet racket became so open and notorious shortly after the Eisenhower administration took office.

In fact, last fall, the Collector of Internal Revenue, Mr. Dana Latham, told the Tax Institute, to which he was speaking, that abuses exist in the claiming of business expense deductions. I quote him: "Reprehensible practices do exist and they are of the type that arouse deep resentment in the hearts of those who are paying their taxes voluntarily and fully."

So while, in my judgment, the Treasury should have been studying this problem for at least 8 years, they have admitted awareness of the problem at least since last fall. I point out a quite similar amendment to the one now under consideration was presented by me and cosponsored by the Senator from Wisconsin [Mr. PROXMIRE] in the Senate on May 21, 1959, more than a year ago. The number of the bill was S. 2040.

In spite of these facts, I found the fantastic statement made by the Treasury, and I am paraphrasing, "In the short time we have had to study this proposal, very broad, unintended results may follow."

Mr. PROXMIRE. Last year, I recall very well, when the Senator from Pennsylvania pressed his amendment, the amendment was considered so very seriously by the distinguished chairman of the committee that, at one point, he offered to accept the amendment.

Mr. CLARK. The Senator is correct.

Mr. PROXMIRE. So there not only was a very serious effort on the part of the Senator from Pennsylvania, but there was very serious concern about and understanding of the problem by the Senator from Virginia [Mr. BYRD], who is an outstanding expert in this field, as recognized by all. In spite of this fact, and the fact that the Treasury should have been put on notice that the Congress was deeply concerned with this problem, in more than a year the Treasury has failed to come up with any kind of suggestion or proposal as to how this problem can be worked out. As the Senator from Pennsylvania has emphasized, they have had 7 years to make the law workable by administrative means and take care of practices that are reprehensible, as they themselves have characterized them.

Mr. CLARK. Will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. CLARK. I can only conclude that the somewhat strong language in the Democratic platform of 1956 was completely justified. I think the attitude of the Treasury reflects the Republican determination to favor the few at the expense of the many.

Mr. PROXMIRE. I should like to ask the Senator from Pennsylvania whether, in his judgment, there are any family farmers who can take advantage of these loopholes.

Mr. CLARK. Not in Pennsylvania. I do not know about Wisconsin.

Mr. PROXMIRE. Are there any retired people on social security who could take advantage of these loopholes?

Mr. CLARK. I think there are some retired people who could take advantage of these loopholes, but they are not living on social security, I can assure my friend. They are probably living on some of these yachts in Florida which are a part of the business expense racket which my amendment would knock out of the law.

Mr. PROXMIRE. I should like to ask the Senator from Pennsylvania if there are any people working in the mines and factories of America who can take advantage of these loopholes.

Mr. CLARK. No; there are not.

Mr. PROXMIRE. Are there any people working as clerks in stores throughout America who can take advantage of these loopholes?

Mr. CLARK. No.

Mr. PROXMIRE. Is it not a fact that the overwhelming majority, let us say 95 percent, of the American people cannot take advantage of these loopholes?

Mr. CLARK. I think the Senator is ultraconservative in his estimate.

Mr. PROXMIRE. Let me simply conclude my colloquy by saying here we have a loophole that only a tiny proportion of the American people can take advantage of. Those are people whose salaries or incomes are high and who enjoy a privileged position in the country.

Mr. CLARK. The Senator should not forget that corporations take advantage of these loopholes and can have the Government pay, for them, 52 cents on each dollar the luxury expenditures they make to woo their customers.

Mr. PROXMIRE. That is right. The Treasury has known about it. It admits there are reprehensible practices. It uses very strong language. Yet it has not been able to correct those practices by administrative action or by any constructive proposal. Yet the Treasury is the principal opponent in having the will of the Senate prevail in conference.

Mr. CLARK. The Senator is correct.

I should like the Senator's attention while I read the first short paragraph of a letter I received on July 24, 1959, from Mr. David A. Lindsay, assistant to the Secretary of the Treasury, and now General Counsel of the Treasury. In view of what I am about to read, it is hard for me to understand how Mr. Glasmann, who has taken Mr. Lindsay's place as assistant to the Secretary, while Mr. Lindsay has been promoted to be Under Secretary of the Treasury, could take the position Mr. Glasmann has taken in the conference committee, because on that date, namely, July 24, 1959, Mr. Lindsay wrote me:

> MY DEAR SENATOR CLARK: Thank you for your letter of July 21 requesting comments on the revised version of the amendment you offered to H.R. 7523 to disallow entertainment and gift expenses.

Now, get this:

> The Commissioner has been giving high priority to an examination of proposals which, in the view of the Internal Revenue Service, should improve enforcement in this area.
>
> This inquiry includes administrative as well as legislative proposals. I am forwarding your letter to him today requesting his comments on your amendment.

I have never received those comments from the Treasury, although the letter I have just quoted was dated July 24, 1959.

Mr. President, I would like to know, and I want to watch my words very carefully, how that conduct by the Treasury can be justified. Perhaps some of our friends on the other side of the aisle who will read the RECORD in the morning will enlighten us before we vote.

Mr. President, I return now to the objections raised by the Treasury as stated by the Senator from Virginia [Mr. BYRD] in connection with the conference report.

First, they say it is difficult to devise a statutory definition distinguishing between gifts and entertainment on the one hand, and advertising on the other. Well, maybe it is. I did not ask them to. There was nothing in the amendment requiring them to. It is unexplicable to me why they feel it is necessary to make such a distinction. Why do they not write administrative regulations saying advertising is a proper business deduction and gifts and entertainment are not? It seems to me it is almost as simple as that.

They cite in support of that alleged difficulty two notorious cases. In one, a couple who owned a small dairy corporation went to Africa on a safari, ran up a bill of $18,000 for shooting wild animals in the jungles of Africa after traveling around Rome, Paris, and London, and the corporation wrote it off as a business expense and the Tax Court confirmed it as a proper tax deduction on the ground that it was an advertising expense, because they took some motion pictures, and they shot some zebras, and then came back and showed the motion pictures to some friends. They put the zebra heads up in the dairy office.

Well, Mr. President, that was an iniquitous decision. I deplore the result arrived at by the court. My amendment would not touch it. I have never said the amendment would stop all the abuse in the business expense swindle sheet racket.

Last year we had a provision in the amendment which would have knocked out certain deductions for foreign travel. So much objection was raised to that provision on the floor of the Senate that we did not try to put it in the amendment this year. The expenses of that safari would not be covered by my amendment. Nobody said it would be.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. LONG of Louisiana. The Senator knows I did not sign the conference report.

Mr. CLARK. I congratulate my friend for his great courage and his sound judgment.

Mr. LONG of Louisiana. The point was made by some of the Treasury representatives, which I believe included Mr. Lindsay as well as Mr. Glasmann, that these people in the case to which the Senator made reference actually brought zebra heads and one thing and another back home, as the Senator says, and used them to advertise their business. The people contended this brought some business to them.

Likewise, it was contended that the fantastic party which I believe Mike Todd gave in New York actually got for him far more publicity and notoriety than he could ever have purchased if he had bought advertising space all over the Nation.

I do not know exactly how to reach that problem. The contention is that a person can do something which would ordinarily be a personal expense or personal entertainment, but in so doing can achieve a lot of advertisement for his business, and perhaps even more than he would receive if he actually did the more conventional type of advertising.

I say, as one of the conferees, that was one point which confused the junior Senator from Louisiana.

Mr. CLARK. I wish to point out that this is entirely irrelevant to my amendment. I personally do not think that Mike Todd should have been permitted to get away with such conduct. I do not think the safari should have been allowed as a business deduction. However, all that has nothing to do with my amendment.

Mr. LONG of Louisiana. It is entirely possible an amendment could provide that this type of advertisement would not be deductible; in other words, that a safari or an enormous party in New York City would not be deductible even if it did achieve an advertising effect. It could be provided that a person could simply pay income taxes on the money used for such a party. If he thought the party was worth what it cost, he could use the money, accomplish that form of advertising, and pay the tax along with the money required for the party.

Mr. CLARK. I will say to my good friend from Louisiana, who is himself a lawyer, and a good one, who practiced before the Louisiana Federal courts for a good many years before coming to the Senate, that my friend from Louisiana knows perfectly well how to deal with tax matters. One must write general language into a statute. Then there must be written some administrative regulations. If a person wishes to obtain tax advice, the lawyer can consult the regulations and interpretations in the Prentice-Hall or the Commerce Clearinghouse tax services, so that he can advise a client as to what the client can or cannot deduct as a business expense. The law must be worked out through administrative holdings and through court holdings, until there is a body of law upon which conscientious lawyers can base their opinions, to advise their clients.

That has been done with respect to the income tax codes ever since 1913. It is simply not a proper criticism made in good faith to expect or to suggest that the general form of amendment should carry with it all the regulations which the Treasury should be developing. That is the way to cover the matter.

Mr. LONG of Louisiana. I will say to the Senator from Pennsylvania, as one member of the conference committee it seems to me that if the Treasury experts are to be permitted to sit with the conferees and to advise them—and to pretty well torpedo the amendment which the Senator offered in the Senate, to which the Senate agreed—it would only be fair for the Senator who offered the amendment to be given the opportunity to sit with the conferees and to similarly advise while the amendment was being torpedoed. The Senator did not have that opportunity, and I am sorry he did not.

Mr. CLARK. I thank my friend for his kind compliment. I am forced to say it is a little difficult to conduct unilateral negotiations with the Treasury Department. I can talk to them, but they will not talk to me. They do not even answer my letters.

Mr. President, I return to the second point.

Mr. PROXMIRE. Mr. President, I do not wish to interrupt the Senator too much, but will the Senator yield at this time?

Mr. CLARK. I yield.

Mr. PROXMIRE. I wish to emphasize what the distinguished Senator from Louisiana, a member of the conference committee, has said. I think it is enormously significant.

The Senator from Louisiana said what the Senator from Pennsylvania and I suspected but were not able to establish. A member of the conference committee has established the fact that the Treasury Department representatives were present and that the Treasury torpedoed the Senator's amendment, as the Senator from Louisiana put it. The Senator from Pennsylvania had no opportunity to reply.

It seems to me upon this kind of a basis it might be possible, even if the Senator from Pennsylvania were not present, to at least adjourn the conference committee to give the Senator from Pennsylvania an opportunity to reply in detail, and to give the Senator full knowledge as to exactly what were the objections, so that he would have an opportunity to give his response to the Treasury position.

Mr. CLARK. The conferees did not have to do that. They could have read the speech I made on Friday afternoon. The speech answered those questions. The conferees could have held up the conference report until they had had an opportunity to determine whether the points I made in that Friday speech were correct.

Even up to the present I have never had an answer to any of those points I made indicating that the objections of the Treasury Department are largely without substance.

Mr. PROXMIRE. I should like to make one other observation. Is it not true that the Senator from Pennsylvania did not submit the amendment on the basis of impulse, or of 1 week's or 2 weeks' study? This is an amendment which has been worked on for a period of years. As I recall, the Senator from Pennsylvania has considered this matter with the greatest of care for 4 years. The Senator has met the objections which were offered to the amendment previously. Although it is general language to be interpreted, as the Senator from Pennsylvania so well brought out, by regulations, or at least to be administered upon the basis of that——

Mr. CLARK. To be amplified by regulations.

Mr. PROXMIRE. To be amplified by regulations, this was the most careful development of an amendment which the Senator from Pennsylvania could provide.

I wish to say—and I know the Senator from Pennsylvania does not wish to say it—I think there are few Members of the Senate who are more able, who have a deeper understanding and a

greater appreciation of the tax laws, or who have more competent staffs than the Senator from Pennsylvania. The Senator from Pennsylvania has given this matter great thought and great study. He has done all that any Senator could possibly do to meet all objections raised. He has spent a great deal of time in developing the amendment.

I noticed in the RECORD that the Senator from New York suggested the amendment should be chiseled out, or that it should be more finely sculptured. I do not know how anyone could have gone to greater pains or greater lengths to work out general language than the Senator from Pennsylvania. It is not as though one had to dot every "i" or to cross every "t." The regulations establish the fact that one cannot write everything into the law. No one expects the law to contain every point.

Mr. CLARK. I thank my friend from Wisconsin for his compliment. I say again, as I said to the Senator from New York [Mr. JAVITS] the other day, there comes a time when the sculptor has to put down his chisel and say, "The statue is finished." That time has come.

We have worked on this amendment year after year after year. We had more than the assistance of my own able staff.

I wish to pay particular tribute to Mr. Benjamin Read, my legislative assistant, who is sitting with me in the Chamber. He comes from the fine Pennsylvania law office of Duane, Morris & Heckscher. He is as good a "Philadelphia lawyer" of his age as anybody I know.

In addition, we have had the assistance of the very able staff of the Senate legislative counsel. We have discussed this matter with the joint committee.

I do not wish to get the employees into any trouble, but I repeat what I said before, that certain very able individuals from the Treasury Department were so shocked by the attitude of their superiors toward the amendment that we received some enormous and off-the-record help from them. I certainly hope they will not lose their jobs as a result of this comment upon my part. I hope the Treasury Department will not be able to identify them.

Mr. President, I return to a consideration of the second irrelevant case which the Treasury Department raised in connection with the alleged difficulty in devising a statutory definition as between gifts and entertainment on the one hand and advertising on the other.

The Treasury pointed out the notorious and well-known Tax Court case in which the controlling stockholder in a closely held corporation was allowed to deduct as a business expense the cost of maintaining racehorses and Russian wolfhounds. Such activity was said to be an advertising expense and not a hobby of the controlling stockholder. That is a pretty shocking case. I think the decision was very clearly wrong as it is read. But again I say what has that to do with my amendment? No one could conclude that maintaining Russian wolfhounds and race horses for one's own pleasure was an entertainment expense. Nobody could contend it was a gift. Nobody thinks it is a payment of dues to a social or an athletic club. Why must they drag that one in by the heels? What has that to do with the ball game?

I suggest that this kind of tactic on the part of the Treasury Department does not do it much credit.

The next objection raised by the Treasury Department was that it is extremely difficult to tell just what is a gift, and since it is so hard to tell just what is a gift, we had better not have any amendment forbidding deductions for gifts. The Department referred to three recent Supreme Court decisions in which taxpayers successfully argued that certain payments they had received were gifts, not taxable as part of their income, although the Treasury had maintained that the payments constituted taxable income.

What do these cases have to do with my amendment which prohibits deductions on the part of the donor, of certain gift expenses? It seems to me this is another complete nonsequitur.

Those Supreme Court cases really do not meet the issue posed by my amendment at all, because each one of them was decided on the basis of whether the donee—the person who got the alleged gift—had to include the amount of the gift or its fair value as income, and he contended that he did not because it was a gift. The Government contended that he did, because actually it was money received in consideration for services rendered. These cases have nothing whatever to do with what is a proper deduction of a gift in connection with the income tax return of the donor, the giver, be it a corporation or an individual.

I ask unanimous consent that there be printed in the RECORD at this point in my remarks brief summaries of the three Supreme Court cases to which I have referred.

There being no objection, the summaries were ordered to be printed in the RECORD, as follows:

U.S. AGAINST KAISER, NO. 55, OCTOBER TERM, 1959

The UAW gave Kaiser a food voucher for $6 a week and $9 for weekly room rent for his participation in the strike against the Kholer Co. in Sheboygan, Wis. Kaiser was not a member of the UAW but he went out on strike with the UAW members, and he joined the union shortly after he began to receive benefits. The issue in the case was whether Kaiser had to report as income the sums received for strike assistance from the UAW.

The Court held (6–3) that Kaiser did not have to report the strike assistance receipts as income because they constituted "gifts" within the meaning of section 102(a) of the code.

COMMISSIONER AGAINST DUBERSTEIN, NO. 376, OCTOBER TERM, 1959

Duberstein was president of an Ohio corporation which had done business for some years with the Mohawk Metal Corp. and its president, Mr. Berman. Duberstein and Berman transacted their business by phone and Duberstein stated at the trial that he had known Berman "personally" for over 7 years. Berman frequently asked Duberstein whether the latter knew of potential customers for Mohawk's products and Duberstein provided the names of potential customers on a number of occasions. In 1951 Berman telephoned Duberstein and said that the information Duberstein had given him had proved so helpful that he wanted to give Duberstein a Cadillac, and Duberstein accepted the car.

The Court held (7–2) that the car constituted taxable income to Duberstein for services rendered, not excluded under section 102(a) of the code.

STANTON AGAINST U.S., NO. 546, OCTOBER TERM, 1959

Stanton was employed as the comptroller of the Trinity Church in New York City and as president of the church corporation which managed the church's real estate; his salary was $22,500 a year. When he resigned in 1942 after 10 years' service, the church operating company's board of directors resolved "in appreciation of services rendered by Mr. Stanton" to give him a "gratuity * * * of $20,000." The district court made a finding that the payment was a "gift" under section 102(a) of the code and not taxable income to the taxpayer. The court of appeals reversed the lower court.

The Court held (5–4) that the case should be returned to the district court for further determination as to whether or not the "gratuity" constituted taxable income or gift.

Mr. CLARK. I suggest to my colleagues that even a cursory examination of these decisions will show that they have nothing whatever to do with my amendment.

I have already commented on the incredible statement of the representatives of the Treasury Department that they have had only a short time in which to study this proposal. They cannot be too sure that results will not ensue which they would consider deplorable.

I raise the question as to what they are afraid of. I can only come to the conclusion that they must be afraid that some part of the swindle-sheet racket might be knocked out by the proposed amendment. This is the kind of rather captious objection to the amendment which the Treasury makes. It says that because of this amendment gifts to widows of faithful employees, if they amounted to more than $10, would not be deductible. To that objection, I reply, "If this shocks your conscience, Mr. Glasmann, why do you not propose a change in my amendment that would permit a corporation to make Uncle Sam pay 52 cents out of every dollar of a gift that it makes to widows?" I wonder a little why Uncle Sam should pay for more than half the cost of such gifts. If the widow of the deceased employee happened to be the employee of a man of great wealth, one who was in the 91 percent tax bracket, then Uncle Sam would pay not 52 cents on every dollar of the gift, but 91.

It occurs to me that should the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Louisiana [Mr. LONG], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from West Virginia [Mr. BYRD], out of the goodness of their hearts wish to make a gift to the widow of some old family retainer—assuming we are rich enough to have some old family retainers, as probably not

many of us are—we would not expect Uncle Sam to pay a large share of that gift. We make the gift because we were fond of the employee, and we think the widow ought to be compensated.

As a practical matter, most gifts made to deceased employees are on a contractual basis anyway, as a part of some kind of survivorship benefit which has been worked out as a part of a pension plan in advance. Such payments are now deductible and they would continue to be deductible under my amendment. So I suggest that this objection of the Treasury Department is entirely frivolous and without merit.

Representatives of the Treasury Department make the extraordinary suggestion that scholarships and fellowships to employees may not be deductible by employers if the scholarship or the fellowship is worth more than $10, because that would be a "gift."

I say to Mr. Glasmann, and I say to the lawyers of the Treasury Department, "Why do you not go back and look up some law before you make statements of that kind?"

I ask them again to come in and tell the Senate tomorrow morning whether it is not true that a payment to send an employee to a business or vocational school where he goes to improve his value to the company or the individual for whom he works is clearly deductible under present law and would clearly be deductible after my amendment. It is just as clear as the nose on one's face.

I do not think one could find a really competent lawyer who would be prepared to argue that a scholarship or a fellowship could be treated as a gift if it were made to an employee for the purpose of going to college to improve himself so he could be more valuable to the company when he came back.

Finally, I wish to commend my colleagues for their patience in listening so carefully through all of my statement. The representative of the Treasury Department says, "Let us postpone this amendment for another year. Let us make a study—for example—let us put it off until the next administration comes in."

Meanwhile, the Treasury Department asserts that its new regulations requiring more information about expense account spending to be submitted on returns will end the widespread abuses generally known to exist.

Honestly, whom do they think they are kidding? Do they not know that we know that there are now 600 million information returns which come in every year, the overwhelming majority of which go straight to dead storage somewhere out in St. Louis, where nobody ever looks at them at all because the Internal Revenue Service does not have the staff or the personnel to do so?

Do they not know that we know that most of the information which they request will not be looked at by anyone at all? And that only 3 percent of the returns filed will be audited? What causes them to think that by getting much more information they will be able to tell us next year whether they need more legislation to break up the swindle sheet racket?

Mr. President, I conclude as I began. The attitude of the Treasury is fiscally irresponsible. Their objections to my amendment are largely frivolous. I hope the Senate will reject the conference report tomorrow and that before we adjourn we will be able to pass a bill which will close these loopholes.

PAYMENT OF ANNUITIES AND RETIRED PAY TO OFFICERS AND EMPLOYEES OF THE UNITED STATES

Mr. CLARK. Mr. President, on May 12, 1960, the Senate debated the bill (H.R. 4601) to amend the act of September 1, 1954, to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States. During that debate the senior Senator from Delaware [Mr. WILLIAMS] cited 17 cases in which he charged that the bill under consideration would restore retirement benefits unwisely. Largely because of the allegations made by the Senator, the Senate voted to recommit H.R. 4601 to the Post Office and Civil Service Committee for further consideration.

The committee asked all interested executive agencies to reconsider their views on the bill and resubmit views on the measure in the light of Senator WILLIAMS' charges and all other pertinent information.

The Civil Service Commission, the Bureau of the Budget, the Comptroller General of the United States, the Postmaster General, and the Department of Defense all reconsidered the bill and reported to the committee that they favored its enactment without amendment. Accordingly, the committee voted unanimously to report the bill and that report was filed as Senate Report No. 1544 on June 10, 1960.

I hope it will be called up for determination before we adjourn.

Subsequently the Civil Service Commission supplied me with memoranda discussing 16 of the 17 cases discussed by Senator WILLIAMS; a memorandum on the other case will be submitted shortly.

These memorandums show that six of the cases discussed by Senator WILLIAMS are irrelevant to a discussion of the bill, either because the bill would not restore benefits or because benefits have already been restored by court or administrative action. In the other cases the Commission has indicated why it believes that retirement benefits should be restored. I ask unanimous consent that the 16 memoranda prepared by the Civil Service Commission be placed in the RECORD at this point in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CASE NO. 1: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 38; EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference: Middle, column 2, page 9430; bottom, column 1, page 9432; bottom, column 3, page 9433; bottom, column 1, page 9439: "This man was an internal revenue agent. He was under investigation in connection with charges of accepting bribes for fixing cases for taxpayers. * * * He was subpenaed to appear before a Federal grand jury in the Southern District of New York. He refused to answer questions in the case in regard to his Government service on the ground that it might involve matters of self-incrimination. In other words he 'took the fifth amendment.' Under the present law that man is not entitled to retirement benefits. If the bill is passed he will be."

CASE HISTORY

Last position: Agent, Internal Revenue Service.

Annuity denied: $292 per month; $13,084 accrued to April 30, 1959; total value, $39,000.

Federal service, 32 years 3 months: U.S. Army (military), October 3, 1918, to December 7, 1918; Internal Revenue Service, February 17, 1923, to March 31, 1955.

Offense: In connection with alleged acceptance of bribes by Internal Revenue agents, individual was subpenaed to testify before a Federal grand jury, Southern District of New York. Upon appearance April 25, 1955, he refused to answer questions regarding his Government service on the ground of self-incrimination.

Status of annuity (restored retroactively to April 1, 1955, on December 1, 1959): Annuity originally denied under section 2(a), Public Law 83–769.

However, following the precedent set in the case of *Steinberg* v. *U.S.*, decided July 16, 1958, holding section 2(a) of Public Law 83–769 to be unconstitutional, the U.S. Court of Claims gave judgment February 19, 1960, granting annuity in this case.

Annuity allowed by CSC: $292 per month effective from December 1, 1959. Annuity covering period April 1, 1955, to November 30, 1959, is to be paid under the terms of the Court of Claims judgment.

CASE NO. 3: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 41; EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference: Top, column 1, page 9432: Case of postmaster, charged with falsification of records and embezzlement of postal funds, who was suspended from office and separated from service January 6, 1955. Conviction, with 3-year suspended sentence followed. "If this bill passes he will be eligible to receive retirement benefits of $120 a month. He would also receive a retroactive payment of $3,220."

CASE HISTORY

Last position: Postmaster, Post Office Department.

Annuity denied: $120 per month, $3,220 accrued to April 30, 1959; total value, $15,000.

Federal service 21 years, 9 months: U.S. Army (military), May 3, 1918, to June 19, 1919; Post Office Department, May 3, 1934 to January 6, 1955.

Convicted March 28, 1955, of falsification of post office records, apparently in violation of 18 U.S.C. 2073, "False entries and reports of moneys and securities." (Record incomplete.)

Maximum penalty specified by law: 18 U.S.C. 2073 imposes a fine of not more than $5,000, imprisonment for not more than 10 years, or both.

Penalty imposed by the court: Sentence (imprisonment for 3 years) suspended and defendant placed on active probation for period of 3 years.

COMMENT

Based on the evidence the court imposed a sentence well below the 10-year maximum permissible under the criminal statute, and moreover, apparently found mitigating circumstances warranting suspension of the sentence and the granting of probation in lieu of actual imprisonment. It is not believed that an additional penalty—denial of annuity—should be imposed by a civil statute.

CASE NO. 4: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 140: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference: Middle, column 2, page 9432; top, column 1, page 9437; middle, column 3, page 9439: Case of clothing inspector, Quartermaster Corps, Army, charged with solicitation and acceptance of bribe in violation of 18 U.S.C. 202, who was removed from office, convicted, and sentenced to 3 years in prison. "He would be eligible for retirement at $95 a month, and he would get a total of $1,457 in retroactive payment. * * * Remember, this man was convicted of solicitation and acceptance of a bribe in connection with his official duties. * * * Surely we are not going to put that man back and say that nothing was wrong. * * * Surely that is not the purpose of the Senator from Pennsylvania."

CASE HISTORY

Last position: Clothing inspector, Army, Quartermaster Corps.

Annuity denied: $95 per month, $1,457 accrued to April 30, 1959; total value, $13,000.

Federal service, 15 years, 6 months: U.S. Army (military), August 28, 1918, to June 3, 1919; Post Office Department, October 3, 1935, to May 7, 1947; Army, Quartermaster Corps, September 6, 1938, to February 18, 1939; Army, Quartermaster Corps, June 28, 1939, to September 19, 1939; Army, Quartermaster Corps, December 8, 1939, to November 14, 1952 (last paid June 8, 1951).

Convicted September 21, 1951, as charged, of "asking and receiving a certain sum of money * * * with intent to have influenced thereby his decision and action on a question, matter, cause, and proceeding which was at that time pending and which might at any time and which might by law be brought before him in his official capacity," in violation of 18 U.S.C. 202.

Maximum penalty specified by law: A fine of not more than three times the amount of the bribe, imprisonment for not more than 3 years, or both. Automatic disqualification from holding an office of trust or profit under the United States.

Penalty imposed by the court: $500 fine and 3 years' imprisonment. (Automatic statutory removal from Federal position ensued.)

COMMENT

Based on the evidence, the court apparently concluded that imposition of a fine and the maximum prison sentence was warranted. The civil statute, however, materially enlarges this penalty prescribed and intended in the criminal statute.

In so doing, the civil statute runs counter to the American legal concept, designed to afford equal justice—that crimes and penalties for their commission be defined and established solely through the criminal statutes.

CASE NO. 5: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 111: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference: Middle, column 1, page 9433; top, column 1, page 9434:

"We had another Government official appear before the Senate Permanent Subcommittee on Investigations; and there he 'took the fifth amendment' when he was asked questions about charges involving his official duties.

"The bill would put that man back on the retirement rolls of the American taxpayers, at $234 a month; and, in addition, he would be given a check for $5,616 covering retroactive retirement benefits."

Last position: Clothing inspector, Department of the Army.

Annuity denied: $234 per month, $5,616 accrued to April 30, 1959; total value, $39,000.

Federal service, 30 years 4 months: U.S. Army (military), July 25, 1917, to October 7, 1919; Department of the Army, October 22, 1928, to December 31, 1956.

Offense: On May 1, 1957—before the Senate Permanent Subcommittee on Investigations—this individual refused, on the ground of self-incrimination, to answer questions with respect to his Government service.

Status of annuity (restored retroactively to May 1, 1957, on March 11, 1960): Annuity of $234 per month, commencing January 1, 1957, originally awarded April 12, 1957, discontinued April 30, 1957, upon notification of refusal to testify.

Initial CSC holding was that annuity from and after May 1, 1957, was denied by section 2(a), Public Law 83–769.

However, based on Court of Claims decision, July 16, 1958, in *Steinberg* v. *U.S.*, that section 2(a) of Public Law 83–679 is unconstitutional (which precedent was followed by the Court in *DeMayo* v. *U.S.*, decided July 10, 1959, and *Smith* v. *U.S.*, decided February 19, 1960), Civil Service Commission determined, after a full reappraisal of all evidence, that the original action of denial could not be sustained and restoration of annuity, dating from May 1, 1957, was approved March 11, 1960.

CASE NO. 6: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 112: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, bottom, column 1, and top, column 2, page 9433: "* * * Then we have the case of a man charged with the embezzlement of funds from the mails. He was convicted. If the bill passes, we would give back pay to this man of $2,121 in retroactive payments plus $94 per month. I do not know how much he embezzled, but embezzlement of funds from the mails is a serious crime. * * * We have no right to say to the taxpayers that they must continue to pay a person who betrayed their confidence as a public servant."

CASE HISTORY

Last position: Post office clerk, Post Office Department.

Annuity denied: $94 per month, $2,121 accrued to April 30, 1959; total value, $12,000.

Federal service, 24 years 5 months: U.S. Army (military), from July 1, 1916, to January 5, 1917; U.S. Army (military), from June 3, 1917, to ——; Post Office Department, July 6, 1923, to October 18, 1945; last day of pay July 15, 1945.

Convicted September 19, 1945, as charged, with embezzlement of mails in violation of then section 318 (now 1709) of title 18, United States Code.

Maximum penalty specified by law: 18 U.S.C. 318 (now 1709) provided for a fine of not more than $500 or imprisonment of not more than 5 years, or both.

Penalty imposed by the court: Two years imprisonment.

COMMENT

Based on the evidence, the court apparently felt that this was a case where judicial discretion could be exercised and imposition of less than the maximum penalty called for by the criminal statute was justified. It is believed that an additional penalty—denial of annuity—should not be imposed by civil statute.

(NOTE.—We have just learned from Federal Records Center, St. Louis, Mo., that their files indicate this individual has been reemployed in the Federal service, with Veterans' Administration, Wadsworth, Kans., effective Dec. 1, 1959.)

CASE NO. 6—EXHIBIT 4

Supplemental items requested: (1) Correct ending date, second military service period; (2) amount embezzled.

1. Second period of military service ended May 7, 1919. (Typo error.)

2. Retirement file contains no report of amount embezzled by this former postal clerk. Report of offense and conviction from Post Office Department stated: "Charges were preferred * * * by post office inspectors on July 14, 1945, for embezzlement of three first-class letters on July 13, 1945. * * * The employee was further charged with opening and resealing at least six additional first-class letters on the same date, searching for money therein.

"In addition, it was charged that, during the past 3 to 5 years, while employed as a clerk * * * he had rifled and embezzled several hundred first-class letters.

* * * * *

"Our records show [he] pled guilty to the embezzlement of mail in violation of title 18, United States Code, section 318. He was sentenced on September 19, 1945."

(NOTE.—A representative of the General Accounting Office has been assigned to assist the committee staff in gathering data on Public Law 769 cases not available in the retirement files. The GAO representative plans to examine Post Office Department's disciplinary files in certain cases. No doubt Mr. Kerlin would arrange that such examination include a check of the postal file in this case for the amount embezzled or misappropriated if desired.)

CASE NO. 7: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 52: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, middle, column 2, page 9433; top, column 1, page 9434: "* * * another internal revenue agent. This one appeared likewise before the grand jury of the southern district of New York and refused to testify with respect to acts performed by him in his official capacity on the ground of self-incrimination. * * * Does it make any sense to tell the American taxpayers that we are going to give a pension to a public official who comes before a grand jury and refuses to testify by taking the fifth amendment?"

Last position: agent, Internal Revenue Service.

Annuity denied: $297 per month, $15,038 accrued to April 30, 1959; total value, $36,000.

Federal service, 30 years, 3 months: Treasury, Internal Revenue Service, November 30, 1920, to February 28, 1951.

Offense: Was subpenaed and appeared, September 2, 1954, before a Federal Grand Jury sitting in the southern district of New York investigating into the operations of the Internal Revenue Service.

Refused, on the ground of self-incrimination, to testify with respect to acts performed in his official capacity while a Federal employee.

Status of annuity (restored retroactively to August 1, 1955 on January 1, 1959): Annuity commencing March 1, 1951, awarded March 21, 1951, was discontinued July 31, 1955, and held subject to denial from and after September 1, 1954, under section 2(a) of Public Law 83–769. Recovery of annuity paid over period September 1, 1954, to July 31, 1955, was attempted but not accomplished.

Suit was brought in the U.S. Court of Claims against the United States to secure the annuity denied. Court in decision dated July 16, 1958 (Court of Claims No. 74–57) held that "Congress in prescribing a punishment for persons who exercised a constitutional right has acted beyond the scope of the Constitution. * * * Section 2 (a) of Public Law 769 * * * must not stand as a bar to plaintiff's annuity."

Civil Service Commission restored individual to the annuity roll (at $297 per month) effective January 1, 1959. Amount due for period August 1, 1955 to December 31, 1958, reduced to Court of Claims money judgment, such judgment to be satisfied

through General Accounting Office procedures.

CASE NO. 8: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 36: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, bottom, column 2, page 9432: "* * * Here is one who would get $5,566. * * *"

CASE HISTORY

Last position: Post office clerk, Post Office Department.

Annuity denied: $107 per month, $5,566 accrued to April 30, 1959; total value, $13,000.

Federal service, 25 years 10 months: U.S. Army (military), April 1, 1918, to April 30, 1919.

Post Office Department, April 7, 1920, to September 21, 1944.

Convicted on September 6, 1944, for misappropriation of postal funds in violation of 18 U.S.C. 355 (recodified 1711).

Maximum penalty specified by law: 18 U.S.C. 355 (now 1711) provides for a fine in a sum equal to the amount or value of the money or property embezzled or imprisonment of not more than 10 years, or both. If the amount or value does not exceed $100 a fine of not more than $1,000 or imprisonment of not more than 1 year or both may be imposed. (Revised 1711 added smaller punishment.)

Penalty imposed by the court: No fine. Prison sentence suspended and defendant placed on probation for 1 year.

COMMENT

Despite the severity of the penalties possible under the criminal statute (which imposes a penalty of a fine and/or imprisonment up to 10 years) the court, based on the evidence, further minimized the penalty by deferring sentence and placing the defendant on probation for a period of 1 year. It is not believed that an aditional penalty—denial of annuity—should be imposed by civil statute.

CASE NO. 8: EXHIBIT 4

Supplemental item requested: Amount embezzled.

Retirement file contains no report of amount embezzled by former postal clerk. Report of offense and conviction from Post Office Department states only that he "was indicted * * * September 6, 1944, for violation of title 18, United States Code, section 355 (now 1711). He was sentenced * * * September 12, 1944, on a plea of guilty."

The offense covered by 18 U.S.C. 355 is that of misappropriating postal funds.

(NOTE.—A representative of the General Accounting Office has been assigned to assist the committee staff in gathering data on Public Law 769 cases not available in the retirement files. The GAO representative plans to examine Post Office Department's disciplinary files in certain cases. No doubt Mr. Kerlin would arrange that such examination include a check of the postal file in this case for the amount embezzled or misappropriated if desired.)

(ERRATUM.—Correct ending date of military service to August 30, 1919. April 30, 1919, shown was typo error.)

CASE NO. 9: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 37: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, bottom, column 2, page 9432: "Here is one who * * * would get $4,840."

CASE HISTORY

Last position: Postmaster, Post Office Department.

Annuity denied: $112 per month, $4,840 accrued to April 30, 1959; total value, $13,000.

Federal service, 16 years, 5 months: U.S. Army (military), May 25, 1918, to May 3, 1919; Post Office Department, July 1, 1936, to January 20, 1952.

Convicted March 17, 1952, of violation of 18 U.S.C. 1711, "Misappropriation of postal funds." (Embezzlement.)

Maximum penalty specified by law: 18 U.S.C. 1711 imposed a fine equal to the amount embezzled ($1,000 fine if $100 or less embezzled), imprisonment of not more than 10 years, or both.

Penalty imposed by the court: No fine, sentence of 1 year's probation.

COMMENT

Despite the severe penalties possible under the criminal statute (a fine and/or imprisonment up to 10 years), the court on weighing all the evidence imposed only a sentence of 1 year's probation. It is not believed that an additional penalty—denial of annuity worth $13,000—should be imposed by civil statute.

CASE NO. 9: EXHIBIT 4

Supplemental item requested: Amount embezzled.

Retirement file contains no statement of the amount embezzled by this former postmaster. Report of offense and conviction from Post Office Department states that he "was arrested on March 10, 1952, waived indictment, and pleaded guilty to the charge of violation of title 18, United States Code, section 1711. On March 17, 1952, the defendant was sentenced to one year's probation."

The offense covered by 18 U.S.C. 1711 is misappropriation of postal funds.

(NOTE.—A representative of the General Accounting Office has been assigned to assist the committee staff in gathering data on Public Law 769 cases not available in the retirement files. The GAO representative plans to examine Post Office Department's disciplinary files in certain cases. No doubt Mr. Kerlin would arrange that such examination include a check of the postal file in this case for the amount embezzled or misappropriated if desired.)

CASE NO. 10: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 42: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference—bottom, column 2, page 9432: "* * * another $4,992."

CASE HISTORY

Last position: Assistant postmaster, Post Office Department.

Annuity denied: $106 per month, $4,992 accrued to April 30, 1959; total value, $12,000.

Federal service, 25 years, 5 months: Post Office Department, August 1, 1911, to August 31, 1911; Post Office Department, April 1, 1912, to February 28, 1919; Post Office Department, March 22, 1924, to April 16, 1936; Post Office Department, January 16, 1937, to May 22, 1943.

Convicted July 29, 1943, of conspiracy to embezzle Government funds in violation of 18 U.S.C., 1940 ed. 88 (now 371), "Conspiracy to commit offense against United States."

Maximum penalty specified by law: Fine of not more than $10,000 or imprisonment of not more than 5 years, or both.

Penalty imposed by the Court: Five months' imprisonment.

COMMENT

Based on the evidence, the court imposed a sentence well below the maximum permitted by the criminal statute. It is not believed that an additional penalty—denial of annuity valued at $12,000—should be imposed by a civil statute.

CASE NO. 10: EXHIBIT 4

Supplemental item requested: Added details on nature of and number of persons involved in conspiracy.

Indictment charged that this assistant postmaster and a postal clerk conspired in October 1942 to convert postal funds to their own use. Between October 1, 1942, and February 15, 1943, they carried out a plan of (1) not affixing and canceling postage-due stamps to letter-mail of a charitable organization, (2) falsifying records to indicate that postage-due stamps had been used and canceled, and (3) withdrawing from an advance deposit of funds for postage-due stamps sums to match the false entries and converting such sums to their own use. The amount charged to have been thus converted was $646.09.

CASE NO. 11: EXHIBIT 4 (17-CASE SUMMARY)—CASE NO. 43: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, bottom, column 2, page 9432: "Here is one who would get * * * $4,435."

CASE HISTORY

Last position: Motor vehicle inspector, District of Columbia government.

Annuity denied: $88 per month, $4,435 accrued to April 30, 1959; total value, $10,300.

Federal service: 14 years 6 months: U.S. Army (military), May 20, 1918, to May 31, 1919; Department of Commerce, June 4, 1919, to June 13, 1920; District of Columbia government, April 15, 1939, to September 25, 1951.

Convicted April 24, 1952, of corruptly receiving a bribe ($5) to influence his decision in the matter of approving or disapproving an auto for operation, in violation of 22 D.C. Code 701 and 704.

Maximum penalty specified by law: 22 D.C. Code 701 imposes a fine of not more than $500, imprisonment for not more than 3 years, or both; 22 D.C. Code 704 imposes a penalty of imprisonment for a term of not less than 6 months nor more than 5 years.

Penalty imposed by the court: Sentence (6 to 18 months) suspended; placed on probation for a period of 2 years.

COMMENT

After weighing the evidence, the court imposed a sentence well below the 3-year and 5-year maximum permissible under the criminal statutes, and, moreover, apparently found mitigating circumstances warranting suspension of sentence and the granting of probation in lieu of actual imprisonment. It is not believed that an additional penalty—denial of annuity worth $10,300—should be imposed by a civil statute.

CASE NO. 12: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 45: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, bottom, column 2, page 9432: "Here are some of the retroactive amounts (as of April 30, 1959), that will be paid under this bill. * * * $10,274. * * * Those are retroactive payments in addition to putting the individuals on a lifetime pension from here on out."

Last position: Clerk, Post Office Department.

Annuity denied: $197 per month, $10,274 accrued to April 30, 1959; total value, $24,900.

Federal service, 30 years, 1 month: U.S. Army (military), October 3, 1917, to January 18, 1919; Post Office Department, September 8, 1925, to July 31, 1954.

Offense: In an application filed with the Post Office Department May 11, 1954, and in subsequent proceedings before the Post Office Department Loyalty Board, individual denied membership in the Communist Party or any organization which advocates the overthrow of the Government of the United States by force or violence. Investigation established, and individual later admitted, past Communist Party membership; revealing his denial to have been false.

Status of annuity (would continue to be denied): Annuity originally and currently denied under section 2(b) of Public Law 83–769.

Section 1 of H.R. 4601 as it amends section 2(b) of Public Law 83–679 would continue the denial of annuity in this case.

CASE NO. 13: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 35: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, middle, column 1, page 9434; top, column 2, page 9436; middle, column 3, page 9438; top, column 1, page 9439. "One man who was working for the U.S. Government executed, on standard form 84, an affidavit, at the request of his employer; and in the affidavit he concealed his past or his present membership in the Communist Party. Later he admitted he was a member of the Communist Party. He was removed from office. This bill would give him $7,715 in retroactive retirement benefits, and he would draw a monthly check of $153 for the rest of his life."

Last position: Clerk, Post Office Department.

Annuity denied: $153 per month, $7,715 accrued to April 30, 1959; total value, $17,000.

Federal service, 25 years, 9 months; U.S. Army (military), December 15, 1917, to February 2, 1918; U.S. Army (military), October 30, 1918, to May 10, 1919; Post Office Department, May 24, 1925, to September 13, 1950.

Offense: On July 22, 1941, individual executed and filed with the Post Office Department an affidavit (SF 84) stating that he did not advocate overthrow of the Government of the United States by force or violence and that he was not a member of the Communist Party or any organization which advocated such overthrow of the Government. At hearing before the Post Office Department Loyalty Board on September 15, 1949, and at a July 27, 1950, hearing before the CSC Loyalty Review Board, he reiterated these denials.

Investigation established denials of Communist Party membership to have been false. At a third hearing held August 10, 1950, individual admitted he had been a member of the Communist Party since approximately 1936 or 1937.

Status of annuity (would continue to be denied): Annuity originally and currently denied under section 2(b) of Public Law 83–769.

Section 1 of H.R. 4601 as it amends section 2(b) of Public Law 83–769 would continue the denial of annuity in this case.

CASE NO. 14: EXHIBIT 4 (17 CASE SUMMARY—CASE NO. 103: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, middle, column 2, page 9434 and bottom, column 1, page 9439: " * * * For instance, one Treasury agent willfully made fraudulent statements in connection with a report he filed with the Department. He was convicted and sentenced to imprisonment for a year and fined $1,000. He received a suspended sentence."

CASE HISTORY

Last position: Internal revenue agent, Treasury Department.

Annuity denied: $316 per month, $17,822 accrued to April 30, 1958; total value, $43,000.

Federal service, 33 years, 3 months: Internal Revenue Service, Treasury Department, October 30, 1920; to January 15, 1954.

Convicted September 27, 1956, of making a false statement in violation of 18 U.S.C. 1001. (Understated net worth in I.R. Form 1361 "Financial Statement of Employee.")

Maximum penalty specified by law: 18 U.S.C. 1001 imposes a fine of not more than $10,000 or imprisonment of not more than 5 years or both.

Penalty imposed by the court: Prison sentence suspended and defendant was placed on probation for a period of 1 year and fined $1,000.

COMMENT

The court imposed a penalty well below the maximum permissible under the criminal statute, a fine of $1,000 instead of $10,000 and 1 year of probation instead of the maximum 5-year imprisonment. It is not believed that an additional penalty—denial of annuity worth $43,000, 43 times the amount of the fine imposed by the court—should be exacted by civil statute.

CASE NO. 14: EXHIBIT 4

Supplemental items requested: (1) Amount agent understated his net worth; (2) purpose of form 1361.

1. The indictment charged false statement by filing "Form 1361, 'Financial Statement of Employee' in which he stated that his net worth was $41,880.20 as of October 31, 1951, whereas he then and there well knew his real net worth was $64,790.50, in violation of 18 U.S.C. 1001." Based on these figures, the amount by which the agent understated his net worth was $22,910.30.

Investigator's report indicated that a large portion of the difference in the stated and actual net worth was represented by the value of securities owned by the former agent. Claimed value of securities was $8,900.50 as of October 31, 1951; the actual number and value of securities owned, ascertained by IRS as of December 31, 1951, was $27,390.50, of which only $54.51 was purchased in the months of November and December 1951.

2. Form 1361 was a statement all agents of the Internal Revenue Service were required to file in compliance with Commissioner of Internal Revenue Mimeograph No. 6701, dated October 19, 1951 (RA No. 1864), aimed at obtaining a full account of the private financial status of Internal Revenue enforcement personnel.

CASE NO. 15: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 75: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, middle, column 3, page 9435; bottom, column 3, page 9436: "This particular gentleman was charged with forgery of U.S. Treasury checks in violation of title 18, section 495, of the United States Code. He was charged with forgery and convicted in court; he was sentenced to 1 year in the custody of the Attorney General. * * * If this bill is passed he will be eligible for $169 a month in retirement benefits from here on out, and he will retroactively receive a payment of $5,833. Surely that was not intended by the Senate committee. * * * This man is a convicted forger, a man convicted of forging Treasury checks. Surely, the Senator from Pennsylvania does not want to put such a man back on the Federal payroll."

CASE HISTORY

Last position: Carrier, Post Office Department.

Annuity denied: $169 per month, $5,833 accrued to April 30, 1959; total value, $21,200.

Federal service, 26 years, 5 months: U.S. Army (military), August 4, 1918, to December 6, 1918; Post Office Department, May 1, 1927, to June 5, 1953 (last paid April 1953).

Convicted May 5, 1953, of forging and cashing two U.S. Treasury checks (in amounts of $161 and $48.20) in violation of 18 U.S.C. 495.

Maximum penalty prescribed by law: 18 U.S.C. 495 imposes a fine of not more than $1,000, imprisonment for not more than 10 years, or both.

Penalty imposed by the court: No fine or imprisonment; sentenced to serve 1 year in the custody of the Attorney General.

COMMENT

Under a criminal statute prescribing a possible punishment of $1,000 fine and up to 10 years' imprisonment, the court, after weighing all the evidence, imposed neither a fine nor a prison sentence, and remanded the defendant to the custody of the Attorney General for a 1-year period. It is not believed that an additional penalty—denial of annuity worth $21,200, many times the amount of the fine which could have been imposed—should be exacted by a civil statute.

CASE NO. 15: EXHIBIT 4

Supplemental item requested: Nature of forgery.

Report of offense and conviction from Post Office Department states this former carrier removed two U.S. Treasury checks from the mails (in amounts of $161 and $48.20), forged endorsements upon them and cashed them. Prosecution for mail theft was not undertaken, indictment and conviction being had on forgery only.

CASE NO. 16: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO 33: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, bottom, column 3, page 9438: "* * * the Senator will observe No. 382,083. This man will get $164 per month, and his accrued annuity amounts to $10,798."

Last position: Clerk, Post Office Department.

Annuity denied: $164 per month, $10,798 accrued to April 30, 1959; total value, $21,000.

Federal service, 27 years, 10 months: U.S. Army (military), June 27, 1918, to May 22, 1919; Post Office Department, July 2, 1923, to August 14, 1950.

Offense: In an affidavit filed with Post Office Department November 29, 1948, in connection with his tenure of postal employment, and at a hearing before the Loyalty Review Board December 16, 1949, this individual denied membership in the Communist Party.

Investigation established his membership in the Communist Party from some time in 1945 through 1948, thus evidencing a concealment and false denial of such membership.

Status of annuity (would continue to be denied): Annuity originally and currently denied under section 2(b) of Public Law 83–769. Section 1 of H.R. 4601 as it will amend section 2(b) of Public Law 83–769 will continue denial of the annuity in this case.

CASE NO. 17: EXHIBIT 4 (17 CASE SUMMARY)—CASE NO. 61: EXHIBIT 1 (189 CASE SUMMARY)

Senator WILLIAMS' reference, top, column 2, page 9439: "There is the case of another man who was charged with embezzlement and with conduct prejudicial to good discipline in the Navy. He was one of the chief accountants of the Federal Public Housing Authority. The bill would give him $8,111 in retroactive retirement benefits. These are serious charges. * * * We do not want to reduce this [retirement] system to the point where every crook will be drawing payments from the Government."

CASE HISTORY

Last position: Chief accountant, Federal Public Housing Authority.

Benefits denied.

Previous reports: Annuity, $199 per month, $8,111 accrued to April 30, 1959; $10,499 accrued to April 30, 1960.

Present information (based on full record—file recently obtained from permanent storage repository):

(a) $849 in annuity denied former employee, covering period June 1, 1955 (age 62) to September 26, 1955 (date of death).

(b) Final lump sum of deductions, plus interest to September 1, 1954, paid widow. Interest over period September 1, 1954, to May 31, 1955 (deferred retirement date) withheld, Public Law 769.

(c) H.R. 4601 would restore only interest item ($123.69) withheld from lump sum paid widow.

Federal service, 27 years, 4 months: U.S. Navy (honorable military), December 31, 1912, to February 6, 1922; Civil Works Administration, February 8, 1934, to June 28, 1934; Treasury Department, July 26, 1935, to September 30, 1941; FPHA, October 1, 1941, to May 31, 1953.

While pay clerk, U.S. Navy (final period naval service February 7, 1922, to March 3, 1927), tried by general court-martial and found guilty under military laws of: (1) embezzlement of money of United States intended for naval services, three specifications; (2) conduct to the prejudice of good order and discipline, five specifications.

Maximum penalty specified by law: Information on maximum penalty imposed by military laws in 1927 not available.

Penalty imposed by court martial: Dismissal from U.S. Navy; 5 years' imprisonment at hard labor.

COMMENT

All of this individual's civilian Federal service and retirement credit was built up after he had served his sentence and discharged his debt to the United States on account of his offenses against military law. It is not believed that the additional penalty—denial of benefits built up during subsequent employment—should be imposed by civil statute.

CASE NO. 17: EXHIBIT 4

Supplemental item requested: Amount embezzled.

Report of offense and conviction from Navy Department recites that this former officer was tried (1927) by general court-martial and "found guilty of: (1) Embezzlement of money of the United States intended for the naval service thereof (3 specifications $4,680.35)."

Mr. CLARK. Mr. President, the Department of Defense is only now beginning to realize what an adverse effect the 1954 act is having on its personnel. I ask unanimous consent to insert in the RECORD at this point articles dealing with this subject published in the New York Times and in the Air Force Journal.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 22, 1960]

HISS ACT IS VOIDING MANY GI PENSIONS

(By Jack Raymond)

WASHINGTON, June 21.—Thousands of servicemen with small offenses on their military records are losing or will lose their retirement pay under the so-called Hiss Act. A Pentagon official said today the situation was a "gross injustice."

The Defense Department has already advised 200 servicemen to delay retirement, the official said. A bill to amend the act is given little chance of passage in this session of Congress.

The Hiss Act was intended to add to the punishment of Alger Hiss, former State Department official, who was convicted of perjury in denying that he had revealed Government secrets.

The act, adopted in 1954, cited convictions for such felonies as subversion, embezzlement, and similar failures in keeping a public trust as cause for denial of Government retirement benefits.

The General Accounting Office, which is responsible for approving the payments, has ruled that the maximum punishment possible under the law—not merely the punishment that actually was meted out—is the criterion for determining whether the Hiss Act would apply.

All of the major departments of the Government have advocated amending the law to protect employees guilty of minor infractions from suffering loss of substantial sums in retirement pay.

J. Vincent Burke, General Counsel of the Defense Department, noted today that it worked a special hardship on military personnel.

"An effort was made almost immediately after the act was first passed to get it amended," Mr. Burke said. "But as soon as the name Hiss comes up in Congress everyone turns tail."

The Pentagon legal officer said that "serious morale problems," had been raised within the Department of Defense and cited examples of the "harsh effect" the law has had "and will continue to have on members of the Armed Forces unless remedial action is taken."

One example was that of a Marine Corps sergeant whose infraction of regulations in 1947 is barely remembered by superiors. His service record includes the following two lines:

"Unauthorized use of Government vehicle.

"Proved by plea."

Now, ready to retire, the sergeant stands to lose retirement pay valued at $48,922.

In another case, a chief warrant officer drew money without authorization in advance of his family's movement from one post to another. He ultimately was transferred but he was accused under regulations. He agreed to plead guilty to facilitate the case and was punished with a reprimand and a fine.

The plea of guilty cost retirement pay valued at $103,000.

[From the Army, Navy, Air Force Journal, June 18, 1960]

THOUSANDS IN SERVICES FACE "GROSS INJUSTICE" PAY LOSS UNDER HISS ACT

Thousands of career servicemen, who have been convicted of minor offenses by inferior" military courts have lost entitlement to retired pay.

The "gross injustice," as it has been labeled by the Defense Department, stems from the so-called Hiss Act passed by Congress in 1954.

This act was designed to bar former State Department official Alger Hiss from receiving Government benefits after he had been convicted of perjury in a widely publicized case.

In drafting the measure, however, the Government did not confine its actions to Mr. Hiss, or to cases involving national security, but wrote an all-embracing measure covering all Federal workers and dozens of unlawful acts.

In the 6 years since passage of the act, it has resulted in many cases of unexpected and, in the words of the Budget Bureau, "unwarranted hardships," to both employees and survivors.

The Government has asked that the act be substantially rewritten so as to remove certain "offending provisions" and confine the penalties of the act to security cases.

The suggested change has been approved by the House and by the Senate Post Office and Civil Service Committee, but was recommitted to the Senate committee after a heated floor argument in which some Senators objected to the Government's making any kind of payment to former employees convicted of crimes.

Gathering news evidence to take the measure back to the Senate floor, the Post Office and Civil Service Committee has asked a number of top Government agencies to restate their views on the new bill.

Defense Department General Counsel J. Vincent Burke, Jr., has revealed in his reply that thousands of military men will lose their retired pay under the act even though convicted of offenses which drew only "reprimands or small fines."

He cited several cases of the "harsh effect" of the act.

One involves a sergeant who, while driving a Government vehicle on a scheduled route, deviated eight-tenths of a mile off that route. He was tried by a summary court-martial and reduced to a lower grade.

Under the Hiss Act, he has lost entitlement to pay valued at almost $33,000.

In another case, a sergeant was convicted by a deck court of unauthorized use of a Government vehicle, and "for his minor offense he has lost retirement pay valued at $38,922," General Counsel Burke reported.

Another example cited was that of a chief warrant officer who was reprimanded and made to forfeit $400 for an offense to which he had pleaded guilty. Mr. Burke said this officer "will lose retirement pay estimated to be worth $103,000."

The Defense Department General Counsel said cases such as those cited "will number in the thousands."

He noted that the "harshness" resulting from the Hiss Act "was never intended by the Congress. If remedial action is not taken, it will undoubtedly have a drastic effect on the morale of our Armed Forces. As in the case of Chief Warrant Officer "P" above, even the attorneys in the case evidently did not realize that a plea of guilty would result in a loss of retirement pay valued at over $103,000."

As it applies to the services, the Hiss Act bars retired pay for any member of the armed services who has been convicted of any offense before any type of military court, regardless of the sentence, provided that the offense would have been punishable by at least a year and a day in jail if he had been convicted by a civilian court.

In order to maintain discipline many members of the Armed Forces are tried by courts-martial and given appropriate punishment, such as reprimand or small fines, for minor infractions of the rules, General Counsel Burke said.

To apply the Hiss Act to these cases, "is in our judgment a gross injustice to the man and his family."

MEMO

The services will be astonished to learn that thousands of career military men—many of them with decorations for combat service—face loss of retirement pay because it has been ruled that they come under the Hiss Act. Unless Congress remedies this deplorable situation immediately, there will be a drastic impact on military morale. The facts, just brought to light, show that the act is being administered against military men in a manner in which Congress never intended. Cited is the case of an enlisted man who will lose $33,000 in retirement pay for a summary court-martial conviction in which he drove a Government vehicle 0.8 of a mile off a scheduled route.

A Comptroller General's ruling has tied the hands of the Pentagon, which is seeking remedial legislation as a top priority matter. General Counsel J. Vincent Burke, Jr., has declared that the present interpretation of the Hiss Act, from which the Pentagon has no out, is a "gross injustice."

AMENDMENT OF THE SMALL BUSINESS ACT

Mr. PROXMIRE. Mr. President, earlier today I presented to the Senate a report from the Committee on Banking and Currency on a small business bill, H.R. 11207. The bill is of very great significance to small business in America and also to the taxpayers, because the bill provides that small business will

have a much greater opportunity to bid competitively on Government contracts, particularly defense contracts.

I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION BY SECTION ANALYSIS OF H.R. 11207, AS AMENDED, A BILL TO AMEND THE SMALL BUSINESS ACT

Sections 1 and 2 are technical.

Section 3 would increase the authorization for the SBA revolving fund for its regular business loan program by $75 million.

This increase will make the total amount of the revolving fund $1,050 million. The SBA estimates that this increase will permit the continuation of its loan program until well into fiscal 1962.

Section 4 provides that section 3648 of the Revised Statutes shall not apply to the prepayment of rentals for safety deposit boxes which the SBA requires to store collateral for its loans. Section 3648 states that "no advance of public money shall be made in any case unless authorized by the appropriation concerned or other law."

Section 5(a) amends section 10 of the act—

1. To require the SBA to make reports to Congress and the President annually (on December 31) rather than semiannually as presently required.

2. To permit SBA to include in its yearly report the quarterly report it now is required to make on its progress in liquidating the assets formerly held by the RFC.

3. To require the Attorney General to make surveys and submit yearly reports to Congress on any activity of the Government which may affect small business, for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, promote undue concentration of economic power, or otherwise injure small business. The Administrator of SBA may also request the Attorney General to make supplemental surveys if special need for such surveys should occur.

Section 5(b) amends section 708 of the Defense Production Act by eliminating the requirement that the Attorney General must make quarterly reports to Congress and the President setting forth the results of his surveys of mobilization programs authorized under the Defense Production Act. It would, however, leave in the requirement that the Attorney General report quarterly on activities under the voluntary agreements under that section.

Section 6 would amend subsection 2(a) of the act to add the words "or subcontracts" to the policy declaration of the act. The intent of this proposal is to encourage a greater allocation of subcontracts to small business.

Section 7 amends subsection 8(b) of the act—

1. By inserting in paragraph (8) after the word "reports" the words "and records for review."

This would allow SBA to have available to it more complete records of all procurement actions.

2. By rewriting paragraph (11) to authorize SBA to make studies of the Government procurement and disposal processes at all stages thereof and make recommendations to the appropriate agencies to insure that a fair proportion of Government purchases, contracts or subcontracts for property, services, and research and development programs be placed with small business.

This is designed to broaden SBA's authority to make studies of the Government's procurement and disposal processes to insure that more procurement subcontracts are placed with small business concerns.

Section 8 would add a new subsection 8(d) to the act to provide that SBA shall institute a small business subcontracting program. This program shall contain provisions to insure that small business concerns participate equitably as subcontractors and suppliers to prime contractors or subcontractors of Government procurement contracts. Such prime contractors or subcontractors would be required under the terms of all prime contracts over $1 million and all subcontracts over $500,000 to consult with and utilize the services of SBA when requested to do so by SBA and furnish SBA any information and records concerning subcontracting as it may require.

This program will place the Small Business Administration in a position to act as an effective salesman for the interests of the small business community.

Section 9 would add a new subsection 8(e) to the act to empower the Secretary of Commerce to obtain notice of all defense procurement actions of $10,000 and above, and all civilian procurement actions of $1,000 and above, except those procurements (1) which for security reasons are of a classified nature, (2) which involve perishable subsistence supplies, (3) which are for utility services, or (4) which are of unusual or compelling emergency, and publish such notices in the daily "Synopsis of U.S. Government Proposed Procurements, Sales and Contract Awards."

This amendment is designed to give notice of a larger number of Government procurement actions to businessmen.

Section 10 amends subsection 7(d) of the act regarding grants for studies, research and counseling—

1. To permit a corporation formed by two or more eligible entities to be eligible to receive a grant.

These new corporations would be able to give a broader financial and scholastic scope to the subject matter of the grant than would a single grantee.

2. To provide that SBA may require as a condition to a grant that an amount not exceeding the amount of the grant be furnished from sources other than SBA.

3. To provide that if the grant or any part of it is used to provide counseling to individual small business enterprises SBA shall require a matching of the amount of the grant.

The additional money received as a result of these amendments should improve the effectiveness of the grants program.

Section 11: Section 502 of the Small Business Investment Act of 1958 provides for loans to State and local development companies to assist an identifiable small business concern in plant construction, conversion or expansion.

Paragraph (6) of section 502 provided for termination of the authority to loan to local development companies after June 30, 1961.

Section 11 of H.R. 11207, as amended, would strike paragraph (6) of section 502 thereby permitting continuing authority in the Small Business Administration for loans to local development companies.

Mr. PROXMIRE. I do this because it is my understanding that the bill may be motioned up tomorrow or in the near future. I believe it will be helpful to Members of the Senate to have an opportunity to read the summary, which is a concise summary of a significant bill, and shows exactly what the bill provides.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960—CONFERENCE REPORT

The Senate resumed the consideration of the conference report.

Mr. PROXMIRE. Mr. President, I enthusiastically support the position taken by the senior Senator from Pennsylvania [Mr. CLARK]. He is absolutely right. I join him in the hope that the Senate tomorrow will vote to reject the conference report, with the understanding, of course, that the conferees will meet again and try to prevail upon the House to recede from its position.

Mr. President, trying to close loopholes in the Internal Revenue Code is one of the rockiest, most booby-trapped roads in the Senate. We have not succeeded, in some cases, although year after year we have attempted to close certain loopholes, because we have been unsuccessful in getting enough votes in the Senate to do that.

I submitted an amendment, which the Senator from Pennsylvania very graciously praised. It would provide for a withholding tax on dividends. It would raise a billion dollars without increasing anyone's tax, and would result in the Federal Government getting money that is due the Federal Government. That amendment was defeated. When an amendment is defeated, the sponsor must accept the will of the majority for the present and then must try again.

In the case of the Clark amendment to end this business expense scandal, however, we succeeded in persuading the Senate to agree with us. The Senate agreed with the Senator from Pennsylvania and with the Senator from Minnesota on the amendment which would eliminate the 4-percent exclusion privilege given a dividend recipient. We who believe in plugging loopholes won on the floor of the Senate; but we lost in conferences.

I wish to take a few minutes to discuss the situation tonight, and to put it into perspective. I asked the Library of Congress to draft for me a review of the success or lack of success the Senate has had in conference with the House on revenue bills. I did this because we have been told again and again on the floor that the House is very much concerned about its constitutional prerogatives to originate revenue legislation. We have been told that it guards those prerogatives very jealously and considers itself as the body which is primarily concerned with passing revenue legislation; and some people even feel that the Senate has a secondary role to play in that regard.

The study which I have had made by the Library of Congress indicates that any feeling of inferiority on the part of the Senate simply is not merited, because in case after case the Senate has prevailed.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. CLARK. It occurs to me that the point the Senator from Wisconsin has made is of great importance, because it has always been my view that the precedents, at least in recent years, were on the side of the House in this regard. Nevertheless I am sure that the research the Senator has had made on this subject will establish that not only in the Constitution as it was written, but also as it has been interpreted through long

years since the founding of the Republic, the Senate is a body of equal authority in the field of tax law, and that the only priority which the House has is that of starting measures, but that once a measure comes to the Senate the Senate does not have to yield to the House, either constitutionally, or in justice, or in equity, in connection with the passage of tax laws. Is that not correct?

Mr. PROXMIRE. The Senator is absolutely correct. As a matter of fact—and I know that the Senator has a commitment to keep which calls him off the floor—I should like to call the Senator's attention to one situation in particular. In 1954, when our friends on the minority side had control of both Houses in Congress, the Internal Revenue Code was substantially revised. The House sent the bill to the Senate, and the Senate added 553 amendments, of which, according to the Library of Congress, 173 could be considered as truly substantive. The House accepted 157 of the 173 substantive Senate amendments.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. PROXMIRE. I yield.

Mr. CLARK. It occurs to me that these figures are of the utmost importance. I hope that our colleagues will consider them carefully before they come to vote on the bill tomorrow. If the Senator will yield further, I should like to ask him also if he will treat in his talk tonight the question of whether a catastrophe will overcome the country if the tax bill is not passed and signed by the President before the end of this month. My own view is that no such catastrophe will arise, and that clearly the corporate income tax could be made retroactive by a few weeks or even a few months, and that the loss in excise taxes for a few days would be minuscule as compared with the loss to the Treasury if the tax loopholes are not closed. I wonder if the Senator would concur with me in that statement.

Mr. PROXMIRE. I concur completely. I believe it is extremely important. I know that the Senator from Pennsylvania has been urged, as I have been urged also, to speak at considerable length on this subject. There is a great deal of merit to speaking for 5 or 6 or 7 days on it. However, we have cooperated completely with the leadership, and we have agreed to vote on the conference report at 2 o'clock tomorrow afternoon, because we do not want to delay it. I have raised this point because it seems to me completely responsible for us to vote to reject the conference report tomorrow. If the Senate agrees with the Senator from Pennsylvania and with the Senator from Wisconsin, there could still be a second conference. There would be ample time for the conferees to report back to the House and Senate. If the House should recede from one or both of its amendments, action could be taken by the House and Senate in plenty of time before the deadline. However, in the event action could not be taken before the deadline, there is no question in my mind, and I assume in the mind of anyone who has considered the question thoughtfully or carefully, that there would be no penalty to the Treasury at all. Not a nickel of revenue would be lost. The taxes could be made retroactive by a carefully worked out plan.

The Senator from Pennsylvania is correct. Far from depriving the Treasury of revenue, the fact is that if we can persist and win the fight, the Treasury will be helped, because the budget will be substantially balanced.

Mr. CLARK. I commend the Senator from Wisconsin for his clear, and clearly sound, remarks. I thank him again for the strong support he has given to the fight to close tax loopholes since he first came to the Senate, and I express my appreciation for his position in this regard.

I hope we shall win tomorrow; but I know that even if we lose tomorrow, the day will come—and quite soon—when these iniquitous loopholes will be eliminated.

Mr. PROXMIRE. I thank the Senator from Pennsylvania whose leadership of this fight has been magnificent.

As I said in 1954, the record was clearly established that the Senate made a large number of amendments to the Revenue Act which came from the House. I repeat these figures, because they were very persuasive to me. One hundred and seventy-three amendments were considered to be substantive by the Library of Congress, and the overwhelming majority—better than 90 percent—of those amendments were accepted by the House—157 of the 173 amendments—indicating that on the basis of precedent, the position of the House was that the Senate's action should be respected wherever possible, and wherever the Senate's logic could prevail.

A whole series of similar examples is contained in the study. For instance many persons have wondered how the oil depletion amendment developed, an amendment which has given such a tremendous advantage to the oil industry. The amendment was not initiated in the House; it was added as a Senate amendment to a House bill. As the report states, it started in 1926 in the form of a Senate amendment, applicable only to oil and gas wells. Since that time, the percentage depletion has been extended in piecemeal fashion, sometimes as the result of House initiation, sometimes as the result of Senate initiation, to minerals.

The study contains many other examples.

Mr. President, I ask unanimous consent that the study by the Library of Congress on revenue legislation originating in the Senate be printed at this point in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS STUDY ON REVENUE LEGISLATION ORIGINATING IN THE SENATE

(By Raymond E. Manning)

THE CONSTITUTION AND ITS LIMITATIONS

The Constitution of the United States, article 1, section 7, provides:

"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills."

Explaining the operation of this provision, it has been remarked: [1]

"The power to originate tax legislation is one of the few exclusive prerogatives of the House of Representatives, and one to which it jealously clings. However, as tax legislation has developed in practice, the Senate has been a full and equal partner in determining its content. An observer would find it difficult to say which body over the years has had the greater influence on tax policy."

The same author continued: [2]

"The exclusive constitutional authority of the House of Representatives to originate revenue legislation in no way restricts the Senate's equal legal authority in determining the substance of the legislation. Once a revenue measure reaches the Senate from the House, it may be added to, modified, or radically changed in any way the Senate may see fit. If the House agrees to the amendment, the fact that it originates in the Senate does not impair its validity."

The Supreme Court has dealt with the validity of several Senate-added amendments, and has consistently upheld them. In one of the cases, for example, the Court had before it the validity of a corporation tax. The tariff bill proposed in 1909 carried a section approved by the House which imposed an inheritance tax. The Senate omitted the inheritance tax and substituted a corporation tax. The Court said: [3]

"The bill having properly originated in the House, we perceive no reason in the constitutional provision relied upon why it may not be amended in the Senate in the manner which it was in this case. The amendment was germane to the subject matter of the bill, and not beyond the power of the Senate to propose."

OTHER PRECEDENTS

The passage by the Senate of certain amendments to House-approved revenue bills has caused considerable discussion in both Houses over the years. For a collection of precedents on the prerogatives of the House as to revenue legislation, see "Hind's Precedents of the House of Representatives" (vol. 2, secs. 1480–1489 (1907)) and "Cannon's Precedents of the House of Representatives" (vol. 6, secs. 314–318 (1936)).

Set forth below are a variety of instances where the Senate has added important provisions to House-approved bills. The listing is intended in no sense to be complete and represents only a scattering of examples brought together from memory or as disclosed through a somewhat hit-or-miss search.

INTERNAL REVENUE CODE OF 1954

Over the years the Senate has from time to time raised or reduced rates of taxes proposed by the House; and no effort is made at collecting examples of these here. Similarly, the Senate has frequently made many substantive changes in House-approved revenue legislation. For example, in the passage of the Internal Revenue Code of 1954, the Senate made 553 amendments of which 173 could be considered as "truly substantive." The House accepted 157 (of the 173) amendments without change.

REVENUE ACT OF 1950

An outstanding example of Senate leadership in revenue legislation is found in the Revenue Act of 1950. This act started its way in the House as a measure to reduce excise taxes. The expected loss from reduced or repealed excise taxes was nearly $1 billion, although supplementary provisions and "loophole" closings were estimated

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[1] Roy Blough, "The Federal Taxing Process," p. 62.

[2] Ibid., p. 65.

[3] *Flint* v. *Stone Tracy Co.* (1911) 220 U.S. 107.

to provide a net yield of $55 million. Between House passage of the bill and its consideration in the Senate, the situation in Korea greatly worsened, and the revised bill as finally passed was predicted to yield a total revenue gain of $4.5 billion. The Senate version eliminated the excise tax cuts, retained most of the revenue-raising provisions of the House bill, and increased individual and corporation income taxes. Among other provisions added by the Senate were sections providing rapid amortization for emergency facilities, special tax treatment for employee stock options, and excluding combat pay of members of the Armed Forces.

PERCENTAGE DEPLETION

One additional substantive bit of legislation may be noted here before listing some special taxes (principally excise taxes) which had their origin in Senate initiated legislation. Earlier legislation had successively provided for tax recognition of cost depletion and discovery cost depletion for natural resources, but it was not until 1926 that percentage depletion was introduced. This started out in 1926 in the form of a Senate amendment applicable only to oil and gas wells. Since that time, percentage depletion has been extended in a piecemeal fashion, sometimes at House initiation and sometimes at Senate initiation, to all minerals. Today this constitutes one of the most controversial aspect of our income tax laws.

VICTORY TAX (1942)

The Revenue Act of 1942 as passed by the Senate carried the so-called Victory tax which imposed a tax of 5 percent on income of individuals in excess of $624. The act also carried a postwar credit provision which in effect reduced the levy to 3.75 percent for single persons and 3 percent for married persons. The tax was to be collected by withholding at the source. The bill, as it passed the House carried no similar provision. The amendment was accepted in conference with minor changes.

ELECTRIC-LIGHT BULBS AND GAS AND OIL APPLIANCES (1941)

The Revenue Act of 1941 as passed by the Senate included an excise tax on gas and oil appliances. The House bill had a provision for taxing electric appliances, but not oil and gas appliances. The Senate amendment was accepted by the House and became law. The Senate also added an amendment to tax electric-light bulbs; there was no comparable provision in the House bill. With amendments, both were accepted by the conference.

CAPITAL STOCK-EXCESS PROFITS TAX (1933, 1934)

The National Industrial Recovery Act of 1933 as it passed the Senate carried a provision imposing a new type capital stock-excess profits tax. There was no corresponding provision in the bill as it passed the House. The provision was accepted by the House with amendments. This tax was temporary in nature and would have gone out of existence by its own terms in 1934. The Revenue Act of 1934 as it passed the House made no provision for its continuance or a substitute therefor. The Senate added new taxes patterned after the expiring provisions and the addition was accepted by the House.

CHECKS (1932)

The Revenue Act of 1932 as passed by the Senate imposed a tax of 2 cents each on all checks. There was no comparable provision in the bill as it passed the House. The Senate change was accepted in conference.

IMPORTS OF LUMBER AND COPPER (1932)

The Revenue Act of 1932 as passed by the Senate imposed manufacturers excise taxes on the importation of lumber and copper. There were no comparable provisions in the bill as passed by the House. The provision was accepted by the conference with amendments.

ELECTRIC ENERGY (1932)

The Revenue Act of 1932 as it passed the Senate carried a tax on sales of electrical energy. There was no similar provision in the House bill. The Senate change was accepted in conference with substantial amendment.

GASOLINE (1932)

The Revenue Act of 1932 as it passed the Senate carried a tax of 1 cent per gallon on gasoline. There was no similar provision in the bill as it passed the House. The Senate change was accepted by the conference.

Mr. PROXMIRE. Mr. President, two amendments added by the Senate were not accepted by the House. One amendment added by the Senate was accepted. Of the two which were not accepted, the first was a provision to strike the privilege accorded to dividend recipients to take 4 percent of their dividend income and deduct it from their tax—not from their income in computing the tax, but from the tax itself. Thus, a wealthy stockholder enjoying an income of $100,000 from stocks could subtract $4,000 from his tax. Thus, the $4,000 which he otherwise would have to pay in taxes, he could put into his pocket.

The justification for this provision was largely philosophical, as the Senator from Pennsylvania said. That has been the position of those who supported it. I think it is a very sincere position. It is a position however, for which I cannot find any support on the part of economists, or even on the part of those who stanchly defend the position if they are pressed far enough.

It is said that the incidence of the corporation income tax falls on the stockholder; that the 52 percent corporation income tax is a tax which is borne by the person who invests in stock in American corporations. It is contended that since that person's income is thus taxed at 52 percent through the corporation's income tax, he is taxed again with a personal income tax on his dividend, and thus is taxed twice on the same income.

If this were true, it would be a very persuasive and strong argument for some kind of concession to stockholders. It is true that in many cases people consider this to be the situation. I shall point out exactly why I think it is not.

First, much of the stock which is listed on the exchanges in the United States, and is held by stockholders all over the country, is stock in utilities of various kinds. As a matter of fact, the company in America which has the largest amount of stock outstanding, in terms of value, is the American Telephone and Telegraph Co. That company is a public utility. Also, literally billions of dollars are invested in the stock of numerous electric light and power utilities.

Not a single nickel of the corporation income tax of the vast majority of utilities is borne by the stockholders. The reason is that the rates charged by the utilities are determined on the basis of a return on capital after taxes. For example, suppose a utility enjoys an income of $100,000 before taxes, which represents, after taxes, a 6 percent return, and the utility regulatory body feels that 6 percent is a fair return. Now let us assume taxes are increased by $50,000, through an increase in the corporation income tax. The utility body will then permit the utility to increase its rates to compensate itself for the additional tax, and the entire burden of tax falls not on the stockholders, but on the consumers. This is true of every electric light and power company, every telephone company, every other regulated monopoly which is able to pay its way. A few utilities have not enough income to enable them to earn the return which the regulatory body will permit them to earn, but these situations are certainly rare in America today.

Therefore, in the case of a very substantial part of the utility stock held in America, the burden lies, not to the extent of one penny on the stockholder, but entirely on the consumer. Yet the stockholders are entitled to deduct 4 percent of their dividend income from their taxes.

Many companies in this country enjoy either a monopolistic or what economists call an oligopolistic position. That is, either a company is alone in an industry, or two, three, or four companies, or a handful of companies, control the industry sufficiently so that they can regulate their production and also set their prices.

I think we all know this is true of the steel industry; it is true of the oil industry to a very great extent. It is true to a lesser extent in the automobile industry. It is true to an extent in the insurance industry; it is true in many other areas of American life. In those industries, the leaders control the prices. The leaders determine to a very great extent the prices which will be paid. They establish their own prices. They establish their prices, as economists have said over and over again, on the basis of cost. That is the purpose of cost-accounting systems. The industry can determine its costs, and price it sells accordingly. It can cover all its costs and set prices on that basis.

In my own little corporation, of which I owned 50 percent, and of which I was the president, that is the way we always determined our prices. Ours was a small company; certainly we are not in any way a monopoly in our field or our area. However, we found that other businesses follow the same practice. Every prudent businessman, if he intends to stay in business, finds that the price at which he sells his commodity must cover his costs. It is necessary to include all costs, including capital invested. There are many exceptions to this rule, it is true; but generally it is the position of those who have control of the industry and control of the price, and who can establish the prices, as is done in steel, through price leadership, and as is done in many other industries, to establish the price which will cover the cost, and cover it fully, including return on all capital.

Therefore, that very large group of concerns, not utilities, but in a monopoly position or a price-controlled position, also are subject to shifting the burden of taxation from the stockholder to the consumer.

Some concerns are very competitive, pricewise; and it may be that in some of these cases increased taxes are borne by the stockholders. But I believe we can recognize that what happens in some of these industries is that when a fairly heavy tax is imposed, over a certain period of time—and certainly over a long period of time—capital refuses to go into the industry, because of the taxes; competition lessens, prices rise, and the long term effect is to shift the burden of taxation from the stockholders to the consumers.

Mr. President, even if what I have said is disputed, it seems to me that if any case can be made for the argument that the burden of taxation is shared equally by the consumers and the stockholders or is shared partly by the consumers and the stockholders and also by the employees of the corporation, the argument for permitting a special tax privilege for the dividend recipients is destroyed.

I have before me a study by the Tax Foundation, project No. 45, "Allocations of the Tax Burden, by Income Classes." I may say the Tax Foundation is an organization of outstanding economists and very prominent businessmen. I should like to read the names of some of them and their positions, to indicate that the position taken by the Tax Foundation on the question of who pays the corporation income tax is not the position of college professors or labor economists or Democratic Senators. The members of this group include some of the following:

S. Sloan Colt, Bankers Trust Co.

It is my recollection that Mr. Colt is chairman of the board of that company.

Jay E. Crane, of the Standard Oil Co. of New Jersey.

Frederic G. Donner, chairman, General Motors Corp.

Lamar Fleming, Jr., chairman, Anderson Clayton & Co.

Fred Florence, chairman, Republic National Bank of Dallas.

Robert W. French, president, Tax Foundation, Inc.

Gordon Grand, vice president, Olin Mathieson Chemical Corp.

Edmund L. Grimes, chairman, Commercial Credit Co.

John W. Hanes, Olin Mathieson Chemical Corp.

And so the list goes. All of them are outstanding business executives who are looking at this matter from a business standpoint.

On page 11 of the study, we find that the Tax Foundation finds the following about the burden of the corporation income tax:

> The corporation income tax, as already noted, presents the most significant question of tax incidence. In the absence of general agreement on the incidence of this tax, it is assumed here that half of the corporation income tax burden is shifted forward to consumers and accordingly is distributed in accordance with the distribution of consumption expenditures by income classes.

Mr. President, as I have said, that is the conclusion of a competent businessmen's group headed by some of the outstanding businessmen of the Nation. It is not the conclusion of people who have an ax to grind in terms of wishing to impose additional taxes on businesses or their stockholders. This group is composed of men who have precisely the opposite point of view.

Last November, I was startled to discover on the front page of the Wall Street Journal an article, by George Shea, the Wall Street Journal's very fine columnist, in which Mr. Shea wrote as follows:

> When there was talk of reducing the corporate tax, the alternative frequently suggested is a manufacturers' sales tax. The difficulty is that many people, including this writer, don't see too much difference in the net effect of the two. Corporations must collect the income tax they pay from their customers through the prices they charge them, just as they would have to do with a tax on the goods they sell.

Mr. President, there the Wall Street Journal was saying that the incidence of the corporate income tax is the same as the incidence of the sales tax—namely, that it falls on the consumers.

Mr. President, the man who has been the foremost defender in this country of this special privilege to stockholders, the man who has argued the most persistently that the incidence of the corporate income tax falls on the taxpayers, is the president of the New York Stock Exchange, G. Keith Funston. Of course, one would expect him to take that position. Keith Funston is a very fine man and a very able man. He formerly was president of Trinity University. I have had correspondence with him on this issue. I wrote to him shortly after the article to which I referred a moment ago appeared in the Wall Street Journal, and I called it to his attention. Incidentally, after I had called the article to his attention, Mr. Shea, of the Wall Street Journal, revised his position, and said perhaps he was wrong in the position he took before, and that perhaps the burden did fall on the stockholders. But the initial position of Mr. Shea, in the Wall Street Journal, was that the incidence largely fell on the consumers.

Mr. Funston wrote to me on November 30, 1959, in part as follows:

> On the question of shifting the corporate tax burden, a careful reading of the papers submitted to the committee—

That is to say, to the Ways and Means Committee—

> by panel experts reveals that there is no clear agreement. Highly regarded economists find as much evidence on one side as the other. There is, in short, ample support for my conviction that the greater part of the corporation income tax is borne by shareholders. By way of illustration, here are typical comments submitted to the committee:

Then Mr. Funston quotes Prof. Carl Shoup, of Columbia.

Second, he quotes Prof. Dan T. Smith, of Harvard.

Third, he quotes Prof. Paul G. Darling, of Bowdoin College.

Fourth, he quotes Prof. Daniel Holland, of Massachusetts Institute of Technology. The comment of Prof. Daniel Holland is typical. He said:

> Thus, as regards the incidence of the corporate income tax, the behavior of the rate of return on invested capital over time suggests, in a loose sense, that the tax has been shifted; the constancy in the percent that profits (pretax) comprise of income originating in corporations suggests that it has not been shifted.

In other words, the tax shifts to the consumers. That is the kind of comment that the experts who were selected by Mr. Funston agree upon. So even Mr. Funston has to admit that he cannot make a clear case, on the basis of the testimony given by those experts, for the argument that the stockholders bear the burden of the corporate income tax.

Mr. President, if it is argued that this is double taxation, I submit there is a very easy solution for that problem. It is not to give the stockholders a special and very unusual deduction, so they can subtract a portion of their dividend income from the part of their income subject to tax. The solution is, instead, to reduce the corporation income tax. I would favor that, and it would take care of everyone. It would take care of the employees of the corporations, for, of course, when the corporations bargain with the unions, they bargain to some extent with their own employees; and all are to some extent consumers of what the corporations sell, so that arrangements would take care of the corporations and the stockholders and the employees, and, thus, the consumers generally. It seems to me this is the fair way to make sure that everyone is covered, rather than to single out the employees or the stockholders and give them a special advantage. But that was provided by the 1954 law, which many of us feel is unfortunate and improper.

So to conclude this part of my presentation, I say that in the case of the incidence of the corporate income tax, the principal argument that is made by those who support this dividend exclusion is that if we do not do this, there will be double taxation. I think that argument is completely met on the basis of statistics which are available, and on the basis of any kind of theoretical reasoning, and on the basis of any kind of practical experience.

Mr. President, I think it fair to determine who secures the advantage from this particular tax. I should like to point out that the advantage is very, very heavily concentrated. The fact is that, on the basis of press reports, a study by the Survey Research Center of the University of Michigan shows that only 14 percent of American families own any stock. To begin with, that means that the total privilege in this case goes to only one out of every seven or eight families. In the second place, 55 percent of the families who own stock have annual incomes of $15,000 or more. Two and a half percent of American families own 42 percent—nearly half—of the stock. Five and seven-tenths percent of the families of the United States own more than two-thirds—more than 66⅓ percent—of the stock.

So the fact is that less than 6 percent of the families of this country would get over two-thirds of the benefits. One family in 19 will get, roughly, two-thirds of all the tax privilege.

I ask unanimous consent to place in the RECORD at this point an article from the Washington Post and Times Herald,

dated June 22, 1960, by J. A. Livingston, which discusses this report in great detail.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 22, 1960]

BUSINESS OUTLOOK

TWO AND FIVE-TENTHS PERCENT OF FAMILIES OWN 42 PERCENT OF STOCK

(By J. A. Livingston)

The best advertisement for the Irish sweepstakes is the printing of the names of winners in newspapers. The best come-on-in-the-water-is-fine for Wall Street is a bulk market. But people don't jump in hastily.

In the long advance from 1952 to 1960, stocks have more than doubled in value. Yet, families owning stocks in U.S. corporations increased only from 8 percent to 14.3 percent, or about three-quarters of 1 percentage point a year.

Why so slow?

I'd say because people are not stock minded. They are set in their ways of saving. First comes money in the bank, then life insurance and/or a home. Then, perhaps, stocks.

STILL HIGHLY CONCENTRATED

And, despite this growth, ownership is still highly concentrated. A just completed study of the survey research center of the University of Michigan brings out that America has a long way to go before being the land of "people's capitalism." This, in spite of slogan-slinging exertions of the New York Stock Exchange and Madison Avenue.

This isn't a strikingly new finding. I made the same point in the American Stockholder. But Michigan gives the assertion status and heft.

Interviewers asked stockholding families: What is the value of the stock you own? How many stocks do you own?

Previous surveys have been directed at answering: How many stockholders? That figure has recently been estimated at 13 million. Michigan puts the number of families at about 7.7 million. In earlier surveys, a family or individual owning $100 of stock was given as much weight as a family or individual owning $10,000 or $100,000 of stock.

The Michigan study takes value into account. It establishes that the preponderant holdings of stock are not with the masses, but with the upper income classes. Note this progression:

Only 6 percent of families with incomes under $5,000 a year own stock.

Sixteen percent of families with incomes between $5,000 and $10,000 own stock.

Thirty-six percent of families with incomes between $10,000 and $15,000 own stock.

And 55 percent of families with incomes of $15,000 and over own stock.

Up to this time, the pyramidal character of stockownership—heavy in the upper income brackets, light in the lower income brackets—has been conjecture. Now it can be discerned in two tabulations. The first compares the percentages of families at each income level with the percentage of stock-owning families:

Income	Percent of all families in United States	Stockowners as percent of all families
Under $5,000	46.7	2.6
$5,000 to $9,999	39.0	6.0
$10,000 to $14,999	9.8	3.2
$15,000 and up	4.5	2.5
Total	100.0	14.3

The second tabulation shows which families own the most stock by value.

All stock owned, percent of value of Income:	
Under $5,000	10
$5,000 to $9,999	26
$10,000 to $14,999	22
$15,000 and up	42
Total	100

Thus, 2.5 percent of the Nation's families own 42 percent of the value of stock, and 3.2 percent own 22 percent. Or, 5.7 percent of the families own nearly two-thirds of all stock.

CONSUMERISTIC SOCIETY

As a corollary, more than half the families with incomes of less than $5,000 own only one or two stocks. In contrast, more than half the families with $15,000 or more income own three or more different stocks.

The Survey Research Center cautions that when people are asked to give the value of their assets "underestimates far exceed overestimates. Since large stockholdings are primarily in the possession of high-income people, it is probable that the concentration ratios are likewise underestimated." Two observations are in order.

Differences in income are narrowing more rapidly than differences in wealth (including stockholdings). Differences in consumption likewise are narrowing more rapidly than differences in wealth.

A more appropriate term than people's capitalism to describe our economic system would be consumeristic society.

[From the Washington Post, June 19, 1960]

UPPER INCOME FAMILIES LEAD AS STOCKHOLDERS

ANN ARBOR, MICH., June 18.—Although buying stocks has become increasingly popular in recent years, common stock ownership continues to remain highly concentrated in upper income families, a study by the University of Michigan Survey Research center showed today.

The study which is based on interviews with 4,773 families conducted between November 1959 and February 1960 said that slightly more than 14 percent of America's families own publicly traded common stock today, compared with less than 10 percent in 1955 and around 8 percent in 1952.

Comparison of the survey with 1955 data shows there has been "no substantial change" in the concentration of stock ownership by dollar value in the upper income group in recent years, the research centers said.

As expected, however, ownership is concentrated among professional and managerial families, where the breadwinners have a college education and among family heads whose age is between 45 and 65.

Nearly one-third of the stock owners estimate their total holdings are worth less than $1,000; another third said their boldings run between $1,000 and $5,000; while only one family in 50 has holdings worth $25,000 or more, the findings showed.

Those who first bought common stock in the past few years generally have lower incomes than older shareholders. "Stock-ownership has spread to broader groups of the population" the survey said.

On a dollar value basis, families earning under $5,000 owned 10 percent of the common stock total: $5,000–$9,999 owned 26 percent; $10,000–$14,999 owned 22 percent; and the $15,000 and over income groups owned 42 percent.

The research center pointed out that people tend to underestimate the value of their holdings. For this reason, it said, the concentration of ownership outlined above probably is underestimated.

Mr. PROXMIRE. Mr. President, as the Senator from Pennsylvania has said, one of the unfortunate incidents, to me at least, was the fact that the amendment I proposed to the bill was rejected. This was an amendment which would put stockholders in the same position as wage earners in terms of having taxes withheld at source.

When you go to work in a company these days, the company withholds the income tax from your check before you receive your check. The overwhelming majority of Americans earn incomes from which income taxes are withheld at the source. But those who rely for their income on dividends enjoy a special privileged position, because their taxes are not withheld. As we were able to demonstrate in discussing my amendment, 15 percent of the dividend income paid to stockholders never shows up on income tax returns, and that means that there are a number of stockholders, apparently in the hundreds of thousands, who are evading their income tax. So this is an additional privilege that stockholders enjoy over wage earners in terms of income.

Mr. President, there was a time a few years ago, under the Roosevelt administration, when there were higher taxes on unearned income than on earned income. That law was passed on the ground that people who earned their income by the sweat of their brow enjoy some sort of special advantage. I am not sure that was wise. Perhaps it was unwise. However, the fact is that today we have a tax system that gives such a privilege and advantage to unearned income. The man who earns income by straining his muscle or brain in work suffers a tax discrimination.

If a man has earned income, his tax is withheld. He does not enjoy a special tax privilege. But if a man does not have earned income, but gets his income on the basis of dividends received from stock ownership, there is no withholding of his income. And 15 percent of such income does not show up on the income tax returns. What is more, he enjoys the special privilege of deducting a portion of that income from his tax.

Mr. President, the Senator from Pennsylvania has already made a very excellent and persuasive argument in favor of his amendment to end the swindle-sheet racket, or at least limit it. He says it will not end it, but cut it down. This question of giving very expensive presents and entertainment, and deducting them as expenses, has reached scandalous proportions. The Treasury Department acknowledges it is serious. In spite of that fact, the Treasury Department has failed to come up with any remedy 8 long years. They have had completely negative reaction to the amendment of the Senator from Pennsylvania, who has taken 4 long years to work up his amendment and refine it, and he has some of the best staff assistants anyone has in the U.S. Senate. In spite of that fact, he has had no help from the Treasury, which admits expense account abuses constitute a loophole which is depriving the Federal Government of taxes which should be paid. On that basis, there is now only a tiny minority of the American people, who are in control of income from corporations, who are taking advantage of that loophole. The factory

workers, or farmer, or old person relying on social security payments cannot have the advantage or the privilege, which is confined to a very few.

Mr. President, the Senator from Pennsylvania has stressed, in his request that the bill be sent back to conference, the need for revenue. That is the basis for this proposal. Nobody likes to pay taxes. Everyone likes to take every opportunity to secure tax relief. It is always more popular to open loopholes. It is always more popular to reduce taxes, whether it be for people with small incomes, large incomes, or incomes in between. Reducing taxes is the popular thing to do. Requiring that taxes be paid is not the popular thing to do, because we are all human. Nevertheless, the fact is we urgently need revenues. We have a very large national debt. We have, in many respects, substantially increased the budget requests and the amounts of money provided in bills the House has sent to us. The fact is that the next President of the United States, whether he is a Democrat or a Republican, is likely to have an even more serious concern about our defenses, and perhaps about the welfare of this country. A time when we are increasing public spending to meet the Communist challenge, a time when we expect a new administration to go further and faster is not the time for responsible United States Senators to kick away $600 million in revenues that goes to a few generally wealthy Americans who enjoy unjust tax privileges.

For this reason, it would seem to me the responsible action for Congress to take, if we are not going to increase general taxes—and I agree it is not practical, or perhaps not possible at this time—is at least to see that our tax laws are as fair and equitable and just as they can be.

The case has been made that these two amendments together would raise something like $600 million—which amount we could very urgently use in our Federal Government.

More important than the money we would raise, and more important than the needs of the Treasury, is the matter of simple equity in our tax system. America is the envy of the world in the responsible and conscientious manner in which taxpayers pay their taxes. Anyone who questions that statement has only to examine the situation in Italy or France, or many other free countries, where dodging taxes is a great national pastime or sport. We know how immoral and improper that is. It can disintegrate a country's morale as well as a country's revenues.

The overwhelming majority of taxpayers in this country pay their taxes not because they are afraid of getting caught if they do not, but because they recognize that they have a deep moral obligation to their country. We have something that is very precious and very important. Why do we have it in this country when they do not in other countries? I submit it is because of our feeling that our tax system is fair and properly administered and enforced. If the American people begin to recognize, as unfortunately they are beginning to recognize, that there are groups in our country who enjoy special privileges and are not paying a fair share of their taxes, there will be less of a tendency for tax evasion to develop to scandalous proportions in this country. I think, for those reasons alone, we should insist on the amendments.

Mr. President, I conclude by emphasizing what I said when I began. There are many rocky roads in the Senate. There are many rocky roads in the way of securing passage of proposed legislation. Whether the proposed legislation be popular legislation or unpopular legislation, a bill has to be introduced. The bill has to go to a committee. It is necessary to secure hearings in the committee. It is sometimes not easy to secure hearings in the committee. The bill must be reported by the committee. That is often difficult. After the bill is reported by the committee it has to be presented to the Senate. The bill can be rejected in the Senate. After the bill passes the Senate, it must go to the other body, and it must go through the same procedure in the House of Representatives. Then it must be submitted to the President for his signature.

But, Mr. President, the most difficult kind of legislation to secure is tax legislation. The amendment of the Senator from Minnesota [Mr. McCARTHY] to eliminate the dividend exclusion was passed last year by a majority vote of the Senate. The Senate was with us. But of course that amendment had to go to conference. It was deleted in the conference. The amendment was passed again this year. A majority of the Senate said this was the just, the proper, the necessary, and the desirable thing to do. Again the amendment went to conference. Again the conferees refused to accept it.

Mr. President, in view of the record, in view of the fact that the Library of Congress has established, on the basis of precedent as well as on the basis of theory, that the Senate is at least a coequal branch with the House of Representatives—that we have every right to insist on our amendments—it seems to me at least there should be a good argument before the amendment of the Senator from Minnesota is rejected.

I very carefully scrutinized the fine speech made by the chairman of the Finance Committee [Mr. BYRD of Virginia]. Perhaps I missed it, but I cannot find any justification for the conferees accepting the House position, refusing to accept the McCarthy amendment.

In view of the fact that the Senate has taken this position not once but twice, it seems to me we deserve to have a fight made for our position on the amendment.

The report indicates that almost all of the time in the conference was concerned with a discussion of the amendment of the Senator from Pennsylvania. I am glad the conferees devoted time to the amendment. I think we ought to devote more time to the amendment of the Senator from Pennsylvania, and we ought to win the fight. However, I think the amendment of the Senator from Minnesota deserves very careful and thorough consideration, also.

Mr. President, before I yield the floor, I wish to say I earnestly hope the Members of the Senate will consider the fact that the only way we can secure these tax reforms, on the basis of our sad experience over the past few years, is to insist that we reject a conference report once in a while, and send our conferees back to make a real fight for these reforms in which we believe.

These are very honorable gentlemen who serve on the conference committee, but I think we have every right—the rules of the Senate give us the right—to reject a conference report. If we do that, there will be ample time for the conference to act. We can still pass the bill before the end of the fiscal year. As the Senator from Pennsylvania pointed out, even if we do not, the loss to the Treasury will be nil, because it will be possible to make the corporation income tax retroactive.

AMENDMENT OF SOCIAL SECURITY ACT—ADDITIONAL TIME FOR AMENDMENTS TO LIE ON THE DESK

Mr. BYRD of West Virginia. Mr. President, on Friday I submitted two amendments to H.R. 12580, the Social Security bill, and asked that they be permitted to lie at the desk until today. I ask unanimous consent that those two amendments be permitted to lie at the desk until tomorrow for the convenience of additional cosponsors.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 27, 1960, he presented to the President of the United States the following enrolled bills:

S. 1018. An act to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work;

S. 1508. An act to provide for economic regulations of the Alaska Railroad under the Interstate Commerce Act, and for other purposes;

S. 1752. An act for the relief of Stamatina Kalpaka;

S. 2053. An act to provide for the acceptance by the United States of a fish hatchery in the State of South Carolina;

S. 2174. An act to permit the filing of applications for patents to certain lands in Florida;

S. 2331. An act to provide for hospitalization, at St. Elizabeths Hospital in the District of Columbia or elsewhere, of certain nationals of the United States adjudged insane or otherwise found mentally ill in foreign countries, and for other purposes;

S. 2443. An act for the relief of Edgar Harold Bradley;

S. 2481. An act to continue the application of the Merchant Marine Act of 1936, as amended, to certain functions relating to fishing vessels transferred to the Secretary of the Interior, and for other purposes;

S. 2618. An act to authorize the exchange of certain war-built vessels for more modern and efficient war-built vessels owned by the United States;

S. 3072. An act to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States;

S. 3106. An act to change the title of the Assistant Director of the Coast and Geodetic Survey;

S. 3189. An act to further amend the shipping laws to prohibit operation in the coastwise trade of a rebuilt vessel unless the entire rebuilding is effected within the United States, and for other purposes;

S. 3226. An act to amend section 809 of the National Housing Act; and

S. 3485. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States and for other purposes.

ADJOURNMENT TO 10:30 A.M. TOMORROW

Mr. PROXMIRE. Mr. President, I am about to move that the Senate adjourn. I ask the acting minority leader, the Senator from California [Mr. KUCHEL], if he knows of any further business.

Mr. KUCHEL. No, I will say to my friend. So far as I know, there are no Senators on this side who desire to have the Senate continue in session later tonight.

Mr. PROXMIRE. Mr. President, in accordance with the previous order, I move that the Senate stand in adjournment until 10:30 tomorrow morning.

The motion was agreed to; and at (8 o'clock and 24 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, June 28, 1960, at 10:30 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 27, 1960:

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointments to the grades indicated in the Coast and Geodetic Survey:

To be ensigns

William F. Hamm	James E. McKee
Paul W. Hund, Jr.	Walter J. Senhow
Emilio F. Landy	Robert A. Trauschke
Michael C. McGuire	Joseph D. Williams

PUBLIC HEALTH SERVICE

Dr. Hugh Hudson Hussey, Jr., of the District of Columbia, Dr. Robert Morgan Stecher, of Ohio, and Dr. William Lowell Valk, of Kansas, to be members of the Board of Regents, National Library of Medicine, Public Health Service, for terms of 4 years, from August 3, 1960.

FEDERAL COMMUNICATIONS COMMISSION

Charles H. King, of Michigan, to be a member of the Federal Communications Commission for the unexpired term of 7 years, from July 1, 1954, vice John C. Doerfer, resigned.

ASSOCIATE JUDGE OF THE MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA

Thomas C. Scalley, of the District of Columbia, to be associate judge of the municipal court of the District of Columbia for a term of 10 years. He is now serving in this office under an appointment which expired March 2, 1960.

CALIFORNIA DEBRIS COMMISSION

Col. Herbert N. Turner, Corps of Engineers, to be a member and secretary of the California Debris Commission, under the provisions of section 1 of the act of Congress approved March 1, 1893 (27 Stat. 507) (33 U.S.C. 661), vice Col. Howard A. Morris, Corps of Engineers, reassigned.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Jimmie N. Puccio, Clio, Ala., in place of J. T. Easterling, resigned.

James L. DeWitt, Grove Hill, Ala., in place of M. C. Farish, deceased.

CALIFORNIA

George V. Peetris, Big Bear Lake, Calif., in place of R. F. Smith, resigned.

Willis W. Brown, Bijou, Calif., in place of L. F. Hillhouse, removed.

Sylvan C. Smith, San Pedro, Calif., in place of L. B. Chapman, deceased.

Dallas P. Murphy, Shingle Springs, Calif., in place of L. E. Heinz, resigned.

FLORIDA

Warren C. Harden, Sopchoppy, Fla., in place of O. M. Ashmore, retired.

Francis E. Earl, Tarpon Springs, Fla., in place of H. W. Craig, retired.

GEORGIA

Horace U. Whitaker, Rutledge, Ga., in place of Emory Davis, retired.

ILLINOIS

Richard A. Markuson, Batavia, Ill., in place of A. J. Mier, retired.

Floyd L. McCracken, Greenville, Ill., in place of D. J. McAlister, retired.

Michael C. Mott, Rio, Ill., in place of N. S. Junk, retired.

INDIANA

Warren P. Roberts, Wheatfield, Ind., in place of C. R. Keene, deceased.

IOWA

John F. Coffin, Conesville, Iowa, in place of J. R. Horton, transferred.

Dale M. Magnussen, Traer, Iowa, in place of Milo Mochal, retired.

Charles E. Boyles, Woodward, Iowa, in place of H. C. Calonkey, retired.

KANSAS

Earl A. Mountford, Selden, Kans., in place of B. S. Vaughn, retired.

KENTUCKY

Bryant J. Nugent, Jr., Hawesville, Ky., in place of W. T. Miller, retired.

LOUISIANA

Boyd Wilkins, Jr., Columbia, La., in place of C. D. Redditt, deceased.

Sharon B. Parker, Sikes, La., in place of Monroe Erskins, retired.

MASSACHUSETTS

Edward B. Waite, Jr., Southboro, Mass., in place of C. A. Torcoletti, removed.

Frank Baldwin, South Wellfleet, Mass., in place of S. P. Taylor, resigned.

MICHIGAN

Robert C. Steger, Lathrup Village, Mich., office established March 1, 1956

Albert H. Manley, Midland, Mich., in place of B. E. Voorhees, Jr., resigned.

MINNESOTA

Esther M. Nelson, Babbitt, Minn., E. J. Shega, resigned.

Harold O. Turbenson, Silver Bay, Minn., in place of F. V. Erickson, resigned.

MISSISSIPPI

Charles W. Erwin, Duncan, Miss., in place of B. J. Holt, retired.

MISSOURI

Gladys I. Woods, Blythedale, Mo., in place of C. M. VanHoozer, retired.

NEBRASKA

Walter D. Yokley, Genoa, Nebr., in place of A. D. Irish, transferred.

NEW JERSEY

Carl A. Brueckner, Allenhurst, N.J., in place of A. G. King, deceased.

James P. DeMaio, Sr., Cedar Grove, N.J., in place of O. P. Jacobus, retired.

NEW YORK

Robert C. Haring, Groton, N.Y., in place of C. R. Gleason, retired.

Kenneth A. Hotaling, New Paltz, N.Y., in place of C. S. VanValkenburgh, Jr., resigned.

Elsie J. Barber, Pine Bush, N.Y., in place of G. H. Stanton, retired.

NORTH CAROLINA

James A. Rooks, Jr., Brunswick, N.C., in place of Redden Gaskin, retired.

Bonnie L. Mason, Holly Ridge, N.C., in place of C. C. Hines, Jr., deceased.

Rose M. McMillan, Parkton, N.C., in place of V. D. Martin, retired.

NORTH DAKOTA

Lesie G. Freese, Beach, N. Dak., in place of A. J. Gilman, retired.

Lillian E. Johnson, Horace, N. Dak., in place of C. H. Thue, retired.

Berthold E. Sackman, West Fargo, N. Dak., in place of K. A. Peterson, deceased.

OKLAHOMA

Minnie E. Kocher, Avant, Okla., in place of H. F. R. Higdon, deceased.

PENNSYLVANIA

Augustus T. Archfield, Devon, Pa., in place of J. F. Woodruff, transferred.

Thomas S. Duncan, Edinburg, Pa., in place of R. E. Raub, retired.

David G. Riggle, Ligonier, Pa., in place of C. F. Cairns, retired.

Homer G. Jeffries, Marion Center, Pa., in place of R. M. Dodson, retired.

Grace E. Miller, Williamsburg, Pa., in place of J. G. Butler, resigned.

SOUTH DAKOTA

Wayne E. Hansen, Mount Vernon, S. Dak., in place of L. W. Malde, transferred.

TEXAS

Clemmie W. Woodard, Azle, Tex., in place of E. G. Parker, retired.

Wayne H. Lowrance, Denton, Tex., in place of M. D. Pendry, deceased.

VERMONT

Alfred E. Turner, Saint Johnsbury Center, Vt., in place of E. H. Chase, retired.

WEST VIRGINIA

Raymond A. Addis, Superior, W. Va., in place of S. L. Sinnett, retired.

WISCONSIN

Robert L. Mink, Clyman, Wis., in place of G. C. Stanton, retired.

Roy A. McMahon, Pardeeville, Wis., in place of M. J. Potratz, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27, 1960:

NATIONAL SCIENCE BOARD

To be members of the National Science Board, National Science Foundation, for a term of 6 years expiring May 10, 1966

Theodore M. Hesburgh, of Indiana.
William V. Houston, of Texas.
Joseph C. Morris, of Louisiana.
William W. Rubey, of Maryland.
Glenn T. Seaborg, of California.
William O. Baker, of New Jersey.
Conrad A. Elvehjem, of Wisconsin.
Eric A. Walker, of Pennsylvania.

Rufus E. Clement, of Georgia, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1962.

WITHDRAWALS

Executive nominations withdrawn from the Senate June 27, 1960:

POSTMASTERS

William F. Anderson to be postmaster at Allandale, in the State of New Jersey.

E. Herman Evans to be postmaster at Fort Gibson, in the State of Oklahoma.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 27, 1960

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 118: 24: *This is the day which the Lord hath made; we will rejoice and be glad in it.*

Almighty and ever-blessed God, may we accept this new day as a beautiful gift from Thy hand and a glorious opportunity for heroic endeavor to serve Thee and our generation faithfully.

Grant that we may be wiser today because of the failures of yesterday and more trustful when we are assailed by fears which darken our way and dwarf our capacities.

We humbly acknowledge that we often allow ourselves to become cushioned in complacency and are frequently indifferent to life's tremendous obligations and responsibilities.

Teach us to discern Thy will more clearly, to walk circumspectly and to carry on with an intrepid spirit when the winds are contrary and the road is rough and beset by the most formidable obstacles.

Hear us in the name of our Lord and Master who knows the way and who will never forsake us. Amen.

THE JOURNAL

The Journal of the proceedings of Saturday, June 25, 1960, was read and approved.

WORK PLANS, WATERSHED PROTECTION AND FLOOD PREVENTION ACT

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on Appropriations:

JUNE 25, 1960.

Hon. SAM RAYBURN,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Public Works has approved the work plans transmitted to you which were referred to this committee. The work plans involved are given below.

Sincerely yours,

CHARLES A. BUCKLEY,
Member of Congress, Chairman, Committee on Public Works.

State	Watershed	Executive Communication No.	Committee approval
Kansas	Upper Verdigris	1964	June 9, 1960
Tennessee and Kentucky	Reelfoot-Indian Creek	2183	Do.
Texas	Olmitos and Garcias Creeks	2183	Do.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 12381) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume the gentleman will take ample time to explain what happened in the conference; is that correct?

Mr. MILLS. That is the purpose, I will say to the gentleman.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2005)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12381) to increase for 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 301. INVESTIGATION OF, AND REPORTS ON, TREATMENT OF ENTERTAINMENT AND CERTAIN OTHER EXPENSES.

"(a) INVESTIGATION AND REPORT BY JOINT COMMITTEE ON INTERNAL REVENUE TAXATION.—The Joint Committee on Internal Revenue Taxation is hereby authorized and directed to make a full and complete investigation and study of the operation and effects of present law, regulations, and practices relating to the deduction, as ordinary and necessary business expenses, of expenses for entertainment, gifts, dues or initiation fees in social, athletic, or sporting clubs or organizations, and similar or related items. The joint committee shall report to the House of Representatives and to the Senate the results of its investigation and study as soon as practicable during the 87th Congress, together with its recommendations for any changes in the law and administrative practices which in its judgment are necessary or appropriate.

"(b) REPORT BY SECRETARY OF THE TREASURY.—The Secretary of the Treasury is hereby authorized and directed to report as soon as practicable during the 87th Congress to the House of Representatives and to the Senate the results of the enforcement program of the Internal Revenue Service (announced in Technical Information Release 221, dated April 4, 1960) relating to the deductions, as ordinary and necessary business expenses, of expenses for entertainment, travel, yachts, hunting lodges, club dues, and similar or related items, together with such recommendations with respect thereto as he considers necessary or appropriate to avoid misuse of the business expense deduction.

"(c) CONSULTATION OF STAFFS.—The staff of the Joint Committee on Internal Revenue Taxation, and the staff of the Secretary of the Treasury, shall consult and cooperate with each other in performing any duties assigned to carry out the purposes of this section."

And the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 302. DEPLETION RATE FOR CERTAIN CLAYS; TREATMENT PROCESSES CONSIDERED AS MINING FOR COMPUTING PERCENTAGE DEPLETION IN THE CASE OF MINERALS AND ORES

"(a) DEPLETION RATE FOR CERTAIN CLAYS.—Subsection (b) of section 613 of the Internal Revenue Code of 1954 (relating to percentage depletion rates) is amended as follows:

"(1) Paragraph (3) is amended to read as follows:

"'(3) 15 percent—

"'(A) metal mines (if paragraph (2)(B) does not apply), rock asphalt, and vermiculite; and

"'(B) if paragraph (5)(B) does not apply, ball clay, bentonite, china clay, sagger clay, and clay used or sold for use for purposes dependent on its refractory properties.'

"(2) Paragraph (5) is amended to read as follows:

"'(5) 5 percent—

"'(A) gravel, mollusk shells (including clam shells and oyster shells), peat, pumice, sand, scoria, shale, and stone, except stone described in paragraph (6);

"'(B) clay used, or sold for use, in the manufacture of building or paving brick, drainage and roofing tile, sewer pipe, flower pots, and kindred products; and

"'(C) if from brine wells—bromine, calcium chloride, and magnesium chloride.'

"(3) Paragraph (6) is amended by striking 'refractory and fire clay,'.

"(b) TREATMENT PROCESSES CONSIDERED AS MINING.—Subsection (c) of section 613 of the Internal Revenue Code of 1954 (relating to the definition of gross income from property) is amended as follows:

"(1) By amending paragraph (2) to read as follows:

"'(2) MINING.—The term "mining" includes not merely the extraction of the ores or minerals from the ground but also the

treatment processes considered as mining described in paragraph (4) (and the treatment processes necessary or incidental thereto), and so much of the transportation of ores or minerals (whether or not by common carrier) from the point of extraction from the ground to the plants or mills in which such treatment processes are applied thereto as is not in excess of 50 miles unless the Secretary or his delegate finds that the physical and other requirements are such that the ore or mineral must be transported a greater distance to such plants or mills.'

"(2) By striking out paragraph (4) and inserting in lieu thereof the following new paragraphs:

"'(4) TREATMENT PROCESSES CONSIDERED AS MINING.—The following treatment processes where applied by the mine owner or operator shall be considered as mining to the extent they are applied to the ore or mineral in respect of which he is entitled to a deduction for depletion under section 611:

"'(A) In the case of coal—cleaning, breaking, sizing, dust allaying, treating to prevent freezing, and loading for shipment;

"'(B) in the case of sugar recovered by the Frasch process—cleaning, pumping to vats, cooling, breaking, and loading for shipment;

"'(C) in the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and ores or minerals which are customarily sold in the form of a crude mineral product—sorting, concentrating, sintering, and substantially equivalent processes to bring to shipping grade and form, and loading for shipment;

"'(D) in the case of lead, zinc, copper, gold, silver, uranium, or fluorspar ores, potash, and ores or minerals which are not customarily sold in the form of the crude mineral product—crushing, grinding, and beneficiation by concentration (gravity, flotation, amalgamation, electrostatic, or magnetic), cyanidation, leaching, crystallization, precipitation (but not including electrolytic deposition, roasting, thermal or electric smelting, or refining), or by substantially equivalent processes or combination of processes used in the separation or extraction of the product or products from the ore or the mineral or minerals from other material from the mine or other natural deposit;

"'(E) the pulverization of talc, the burning of magnesite, the sintering and nodulizing of phosphate rock, and the furnacing of quicksilver ores;

"'(F) in the case of calcium carbonates and other minerals when used in making cement—all processes (other than preheating of the kiln feed) applied prior to the introduction of the kiln feed into the kiln, but not including any subsequent process;

"'(G) in the case of clay to which paragraph (5)(B) of subsection (b) applies—crushing, grinding, and separating the mineral from waste, but not including any subsequent process; and

"'(H) any other treatment process provided for by regulations prescribed by the Secretary or his delegate which, with respect to the particular ore or mineral, is not inconsistent with the preceding provisions of this paragraph.

"'(5) TREATMENT PROCESSES NOT CONSIDERED AS MINING.—Unless such processes are otherwise provided for in paragraph (4) (or are necessary or incidental to processes so provided for), the following treatment processes shall not be considered as "mining": electrolytic deposition, roasting, calcining, thermal or electric smelting, refining, polishing, fine pulverization, blending with other materials, treatment effecting a chemical change, thermal action, and molding or shaping.'

"(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be applicable only with respect to taxable years beginning after December 31, 1960."

And the Senate agree to the same.

Amend the title so as to read: "An Act to increase for a one-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for one year the existing corporate normal-tax rate and certain excise-tax rates, and for other purposes."

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
THOMAS J. O'BRIEN,
N. M. MASON,
JOHN W. BYRNES,
HOWARD H. BAKER,
Managers on the Part of the House.

HARRY F. BYRD,
ROBT. S. KERR,
J. ALLEN FREAR, JR.,
JOHN J. WILLIAMS,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12381) to increase for one-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for one year the existing corporate normal-tax rate and certain excise-tax rates, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This is a technical amendment adding to the bill a new heading "TITLE III—MISCELLANEOUS PROVISIONS". The House recedes.

Amendment No. 2: Section 34 of the Internal Revenue Code of 1954 provides that there shall be allowed (subject to the limitations provided in the law) to an individual, as a credit against the income tax imposed by subtitle A of the Code for the taxable year, an amount equal to 4 percent of the dividends received from domestic corporations which are included in gross income. Senate amendment No. 2 added a new section to the bill which provided, effective with respect to taxable years beginning after December 31, 1960, for the repeal of section 34 of the Internal Revenue Code of 1954. The Senate recedes.

Amendment No. 3: This amendment added a new section 302 to the bill relating to the disallowance, as trade or business expenses, of deductions of certain expenditures for entertainment, gifts, and club dues.

Subsection (a) of the new section 302 amended section 162 of the 1954 Code (relating to trade or business expenses) to provide that no deduction was to be allowed under section 162(a) of the Code for any expenses paid or incurred for (1) entertainment (unless entertainment is the trade or business of the taxpayer and the expenses are paid or incurred to further such trade or business), except that the expenses paid or incurred for food or beverages for the primary purpose of providing an opportunity to advance the trade of business of the taxpayer may be deducted, if such expenses would have been deductible prior to the enactment of this new provision; (2) gifts, except that any gift by the taxpayer in the course of his trade or business to any person may be deducted in an amount not exceeding $10 per person per year, if such expenses would have been deductible prior to the enactment of this new provision; or (3) dues or initiation fees in social, athletic, or sporting clubs or organizations.

Subsection (b) of the new section 302 provided that subsection (a) thereof was to apply to taxable years beginning after the date of the enactment of H.R. 12381.

Under the conference agreement the House recedes on amendment No. 3 with an amendment which is a substitute for the Senate amendment.

Subsection (a) of new section 301 added to the bill under the conference agreement provides for an investigation and report by the Joint Committee on Internal Revenue Taxation with respect to the treatment of entertainment and certain other expenses. Under this provision, the joint committee is to make a full and complete investigation and study of the operation and effects of present law, regulations, and practices relating to the deduction (as ordinary and necessary business expenses) of expenses for entertainment, gifts, dues or initiation fees in social, athletic, or sporting clubs or organizations, and similar or related items. The joint committee is to report to the House of Representatives and to the Senate the results of its investigation and study as soon as practicable during the 87th Congress, together with the recommendations of the joint committee for any changes in the law and administrative practices which in its judgment are necessary or appropriate.

Subsection (b) of the new section 301 provides for a report by the Secretary of the Treasury of the results of the recently adopted enforcement program of the Internal Revenue Service relating to the deduction (as ordinary and necessary business expenses) of expenses for entertainment, travel, yachts, hunting lodges, club dues, and similar or related items, together with such recommendations with respect thereto as he considers necessary or appropriate to avoid misuse of the business expense deduction. The report is to be made to the House of Representatives and to the Senate as soon as practicable during the 87th Congress.

On April 4, 1960, the Internal Revenue Service issued Technical Information Release numbered 221 in order to secure additional information from corporations, partnerships, and proprietorships at the time when they file their business income returns for taxable years beginning after December 31, 1959.

The additional information required relates to deductions claimed for:

(1) Allowances (including expense account allowances) paid to or on behalf of certain officers, employees, partners, and proprietors;

(2) The use of hunting lodges, working ranches and farms, fishing camps, resort properties, pleasure boats and yachts, and similar facilities;

(3) The use of hotel rooms and suites, apartments, and other dwellings;

(4) The attendance of members of families of officers and employees at conventions or business meetings; and

(5) Vacations for officers or employees, or members of their families.

Technical Information Release 221 also states that the field offices of the Internal Revenue Service have been instructed to place increased emphasis on the examination of returns involving entertainment, travel, and expenses of a similar nature.

Subsection (c) of the new section 301 provides that the staff of the Joint Committee on Internal Revenue Taxation, and the staff of the Secretary of the Treasury, are to consult and cooperate with each other in performing any duties assigned to carry out the purposes of the new section 301.

Amendment No. 4: This amendment added a new section to the bill relating to the depletion rate for certain clays, and to the treatment processes considered as mining for computing percentage depletion in the case of minerals and ores.

SENATE AMENDMENT

Depletion rates for certain clays

Under paragraph (3) of section 613(b) of the Internal Revenue Code of 1954 the percentage depletion rate for ball clay, bentonite, china clay, and sagger clay is 15 percent, and under paragraph (6) of such section (relating to rate for all minerals not provided

for in paragraphs (1) to (5), inclusive) the rate for refractory and fire clay is 15 percent unless it is used or sold for use for certain specified purposes (in which case the rate is 5 percent). Under the Senate amendment, the percentage depletion rate is 15 percent for ball clay, bentonite, china clay, sagger clay, and "clay used or sold for use for purposes dependent on its refractory properties". However, the 15-percent rate is not to apply to any clay described in the preceding sentence used, or sold for use, in the manufacture of building or paving brick, drainage and roofing tile, sewer pipe, flowerpots, and kindred products.

Under paragraph (5) of section 613(b) of the 1954 Code the percentage depletion rate is 5 percent for brick and tile clay. The Senate amendment strikes out the reference to brick and tile clay and provides that the 5 percent rate is to apply to all clay used, or sold for use, in the manufacture of building or paving brick, drainage and roofing tile, sewer pipe, flowerpots, and kindred products.

Treatment processes considered as mining

Subject to the limitation (50 percent of taxable income from the property) in section 613(a) of the Code, the allowance for percentage depletion in the case of ores or minerals is the percentage (specified in the statute) of the gross income from mining. Section 613(c)(2) of the 1954 Code provides that the term "mining" includes not merely the extraction of the ores or minerals from the ground but also the ordinary treatment processes normally applied by mineowners or operators in order to obtain the commercially marketable mineral product or products and (within specified limits) transportation to the plants or mills in which the ordinary treatment processes are applied.

Under the Senate amendment, the term "mining" is defined to mean the extraction of the ores or minerals from the ground, the treatment processes considered as mining described in new paragraphs (3) and (4) (which are substituted for existing paragraph (4) of section 613(c) of the 1954 Code), and (within the same limits as provided by existing law) transportation to the plants or mills in which the treatment processes (provided by the amendment) are applied. Under the amendment, the phrase "ordinary treatment processes normally applied my mineowners or operators to obtain the commercially marketable product or products" is deleted.

Specifically included treatment processes: Under the Senate amendment the treatment processes considered as mining are limited to those specifically listed in the amendment. Subparagraphs (A), (B), and (D) (relating to coal, sulfur, talc, magnesite, quicksilver ores, and phosphate rock) of the new paragraph (3) listed the same processes which under existing law are listed as included in the processes which are ordinary treatment processes. Subparagraph (C) was in effect a substitute for existing subparagraphs (C) and (D) of section 613(c)(4) of the 1954 Code. Under existing subparagraph (C), the listed processes are included in the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and minerals which are customarily sold in the form of a crude mineral product. Under existing subparagraph (D), the listed processes are included in the case of lead, zinc, copper, gold, silver, or fluorspar ores, potash, and ores which are not customarily sold in the form of the crude mineral product.

Specifically excluded treatment processes: Under the new paragraph (4) as contained in the Senate amendment it is provided that the following treatment processes shall not be considered as mining:

(A) In the case of all minerals or ores—electrolytic deposition, roasting, calcining, thermal or electric smelting, refining, polishing, fine pulverization, blending with other materials, treatment effecting a chemical change, thermal action, and molding or shaping, unless such processes are otherwise provided for in the new paragraph (3) contained in the Senate amendment.

(B) Any treatment process which follows a process that is not considered as mining, notwithstanding any other provisions of section 613(c) of the 1954 Code as changed by the Senate amendment.

Effective date

Under the Senate amendment, the changes made by the amendment apply only with respect to taxable years beginning after December 31, 1960.

CONFERENCE SUBSTITUTE

Under the conference agreement the House recedes on Senate amendment No. 4 with an amendment which is a substitute for the Senate amendment.

Depletion rates for certain clays

Subsection (a) of new section 302 added to the bill under the conference agreement relates to the depletion rate for certain clays. Subsection (a) makes the same changes in section 613(b) of the 1954 Code as were proposed by the Senate amendment and explained above.

Treatment processes considered as mining

Under the conference agreement, subsection (b) of the new section 302 added to the bill relates to treatment processes considered as mining.

Paragraph (1) amends paragraph (2) of section 613(c) of the 1954 Code to provide that the term "mining" includes not merely the extraction of the ores or minerals from the ground but also the "treatment processes considered as mining described in paragraph (4) (and the treatment processes necessary or incidental thereto)" and (within the same limits as provided by existing law) transportation to the plants or mills in which the treatment processes are applied. As under the Senate amendment, the phrase "ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable product or products" is deleted under the conference agreement.

Paragraph (2) of section 302(b) added to the bill under the conference agreement strikes out paragraph (4) of section 613(c) of the 1954 Code and inserts in lieu thereof new paragraphs (4) and (5).

Specifically included treatment processes: The new paragraph (4) of section 613(c) describes (in subparagraphs (A) to (H), inclusive) treatment processes which are to be considered as mining, where applied by the mine owner or operator, to the extent such processes are applied to the ore or mineral in respect of which the mine owner or operator is entitled to a deduction for depletion under section 611 of the 1954 Code. As under existing law, a described process is to be treated as mining where performed by another person for the mine owner or operator if the mine owner or operator has not disposed of his depletable interest in the ore or mineral to which such process is applied. Under the language of this provision, a described process is not treated as mining where applied to a purchased ore or mineral.

The changes in the text of existing paragraph (4) which are made under the conference agreement are as follows (matter to be omitted is enclosed in black brackets and new matter is printed in italic):

"(4) [Ordinary] Treatment processes *considered as mining*.—[The term "ordinary treatment processes" includes the following:] *The following treatment processes where applied by the mine owner or operator shall be considered as mining to the extent they are applied to the ore or mineral in respect of which he is entitled to a deduction for depletion under section 611:*

"(A) In the case of coal—cleaning, breaking, sizing, dust allaying, treating to prevent freezing, and loading for shipment;

"(B) in the case of sulfur recovered by the Frasch process—*cleaning*, pumping to vats, cooling, breaking, and loading for shipment;

"(C) in the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and *ores or* minerals which are customarily sold in the form of a crude mineral product—sorting, concentrating, [and sintering] *sintering, and substantially equivalent processes to* bring shipping grade and form, and loading for shipment;

"(D) in the case of lead, zinc, copper, gold, silver, *uranium*, or fluorspar ores, potash, and ores *or minerals* which are not customarily sold in the form of the crude mineral product—crushing, grinding, and beneficiation by concentration (gravity, flotation, amalgamation, electrostatic, or magnetic), cyanidation, leaching, crystallization, precipitation (but not including [as an ordinary treatment process] electrolytic deposition, roasting, thermal or electric smelting, or refining), or by substantially equivalent processes or combination of processes used in the separation or extraction of the product or products from the ore *or the mineral or minerals from other material from the mine or other natural deposit;* [, including the furnacing of quicksilver ores; and]

"(E) the pulverization of talc, the burning of magnesite, [and] the sintering and nodulizing of phosphate [rock;] *rock, and* the *furnacing of quicksilver ores;*

"*(F) in the case of calcium carbonates and other minerals when used in making cement—all processes (other than pre-heating of the kiln feed) applied prior to the introduction of the kiln feed into the kiln, but not including any subsequent process;*

"*(G) in the case of clay to which paragraph (5)(B) of subsection (b) applies—crushing, grinding, and separating the mineral from waste, but not including any subsequent process; and*

"*(H) any other treatment process provided for by regulations prescribed by the Secretary or his delegate which, with respect to the particular ore or mineral, is not inconsistent with the preceding provisions of this paragraph.*"

The above material indicates that all of the specifically allowed processes under existing law will continue to be allowed under the bill. In addition, certain other processes are specifically provided for. These include cleaning in the case of sulfur recovered by the Frasch process, and in the case of the minerals and ores coming under subparagraph (C) substantially equivalent processes to those named therein. Under the conference agreement, the treatment processes allowable under existing law with respect to coal and sulfur (recovered by the Frasch process) are to continue to be allowable. Under subparagraph (C), "sintering" is to be allowed to the same extent as under existing law. Under the amendment uranium is specifically named in subparagraph (D); and the furnacing of quicksilver ores is shifted to subparagraph (E) which contains the specialized processing allowed by present law. In addition, subparagraphs (C) and (D) have been modified so that each relates to minerals or ores otherwise qualifying under such subparagraph.

For calcium carbonates and other minerals when used in making cement, a new subparagraph (F) has been added providing for the allowance of all processing up to the point of the introduction of the kiln feed into the kiln (except for preheating of the kiln feed), but not including any subsequent process. In the case of clay used or sold for use in the manufacture of building and paving brick, drainage and roofing tile, sewer

pipe, flower pots, and kindred products, a new list of allowable processes is provided for in the new subparagraph (G). The allowable processes in the case of clay so used or sold for use include crushing, grinding, and separating the mineral from waste, but not any subsequent process. In addition, new subparagraph (H) includes as an allowable process any other treatment process provided for by regulations prescribed by the Secretary of the Treasury or his delegate which, with respect to the particular ore or mineral, is not inconsistent with the preceding provisions of the new paragraph (4).

Specifically excluded treatment processes: The new paragraph (5) added to section 613(c) of the 1954 Code under the conference agreement provides that, unless such processes are otherwise provided for in paragraph (4) (or are necessary or incidental to processes so provided for), the following treatment processes shall not be considered as "mining": electrolytic deposition, roasting, calcining, thermal or electric smelting, refining, polishing, fine pulverization, blending with other materials, treatment effecting a chemical change, thermal action, and molding or shaping.

Effective date

Subsection (c) of the new section 302 provides that the amendments made by subsections (a) and (b) of the new section 302 are to apply only with respect to taxable years beginning after December 31, 1960.

W. D. MILLS,
AIME J. FORAND,
CECIL R. KING,
THOMAS J. O'BRIEN,
N. M. MASON,
JOHN W. BYRNES,
HOWARD H. BAKER,
Managers on the Part of the House.

Mr. MILLS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, your House conferees have reached agreement with the conferees of the other body on the bill H.R. 12381, the bill which, you recall, provides for continuation of certain tax rates and provides a temporary increase in the national debt limit.

Mr. Speaker, all of the language of the bill that passed the House is in the bill that passed in the other body. Action had been taken in their committee to change the bill as it passed the House, but those actions of the committee were reversed by the Senate itself, so that the part of the bill that passed the House also passed the Senate in identical form and was not a subject matter in the conference.

The Senate did, however, add three substantive amendments to the bill unrelated to the specific subjects which were in the bill, and these were in conference.

The first, Mr. Speaker, had to do with the question of percentage depletion cutoff point for determining the allowance under the depletion section. The second had to do with the question of certain expenditures in connection with a trade or business being allowed or disallowed. The third substantive amendment had to do with the repeal of the dividend credit which was enacted in connection with the code changes of 1954.

Mr. Speaker, the conference report, that was unanimously agreed to by the managers on the part of the House, retained one of the substantive amendments but in different form from that contained in the Senate amendment. I refer to the percentage depletion cutoff point amendment. The second substantive amendment; namely, that dealing with the question of the deduction of entertainment expenses, and so forth, in connection with a trade or business, was not agreed to in conference, but the conference committee did agree to a provision, which will be found on the first page of the conference report, directing some additional studies by the staff of the Joint Committee on Internal Revenue Taxation, and requiring the Secretary of the Treasury to report to Congress some time in the next Congress with respect to experience under the new procedures of the Internal Revenue Service in this area, which were dated April 4, 1960. We asked them to tell us in this recommendation what might be necessary or appropriate to avoid misuse of these business expense deductions.

In this area of claimed ordinary and necessary business expenses for outlays on certain entertainment, gifts, and club dues, there are problems with which I have been deeply concerned long before this conference. This was involved in the general revision on which we held extensive panel discussions before the Ways and Means Committee last fall and on which we have had continuing studies. In this and other aspects of tax revision, one cannot easily define new rules to replace rules that have been developed through 40 years of experience. There are problems but the basic rules have developed out of this experience on the basis of real cases and a new structure requires careful building.

It was clear to your conferees that the language adopted by the other body would have created many problems. It would have disallowed deductions in unintended ways. It would not have dealt with many of the abuse situations in the business expense area, particularly connected with travel allowances. We were convinced that these problems could not be easily corrected, nor properly corrected by the Senate language.

I will cite only a few examples. The amendment specifically disallows a deduction for business gifts in excess of $10. The author of the amendment stated on page 13526, June 21, and again on page 14184, June 24, of the RECORD that—

> Legitimate advertising expenses cannot be considered gifts under any reasonable construction of the term.

In the time available to the conferees, we could find no way to devise a statutory distinction between gifts that were just plain gifts and gifts that were advertising. If the businessman sends to his important customers an expensive present with his name inscribed on it, is this a gift or is this advertising? In one of the most widely cited cases alleged to show that present law permits abuse of business expense deductions, the case of a big game hunting expedition in Africa undertaken by the principal owners of a dairy, the deduction was allowed by the Tax Court on the grounds that—

> The evidence shows that advertising of equal value to that here involved could not have been obtained for the same amount of money in any more normal way.

The operation of the language of the amendment was clearly erratic. A businessman could take a client to a night club and spend lavishly for food and liquor and still get this as a business deduction but if he took him to a concert, this would be disallowed entertainment.

In later efforts to clarify the meaning of the amendment, its author was willing to classify a very large number of business transactions as between gifts and compensation. Even if we wanted to follow this distinction, the fact is that words used in the Internal Revenue Code must have some consistent meaning that can be intelligible to taxpayers and their representatives who must live with this Code. The concept of gift arises in a number of tax situations beyond the scope of expenses affected by this amendment. Clearly a new set of definitions of a gift developed without reference to the basic terminology of the tax law could only create confusion. There are court cases, for example, holding certain payments to widows of employees to be gifts.

Although we made efforts to do so, all of these things emphasized to us the impossibility of developing in the brief time we had a workable piece of legislation that would produce sensible results in the enormous variety of transactions that arise in normal business practice.

Another aspect of this matter is that the Internal Revenue Service announced in Technical Information Release 221, dated April 4, 1960, a new program of reporting requirements and enforcement activities dealing with tax returns involving a number of items in this entertainment-gift area, actually a more extensive list of items than was dealt with in the amendment. I hope that this program will result in the elimination of many of the abuses which the amendment was intended to cure. This program also recognizes that in many of the situations of so-called abuse of business expenses there should be no question as to the deductibility of the expenses, but the real issue deals with the point that the value of this personal item carried as a business expense should be recognized as income to the employee who benefits from it. The amendment was designed to deal exclusively on the deduction side. Another important aspect of this program of the Internal Revenue Service is that it will give us much information on the character of specific items in the broad categories of gifts, dues, travel, entertainment, and so forth, and thereby assist us in a precise form of any type of expenses that we want to disallow and the magnitudes involved. The author of this amendment on several occasions cited a speech of the Honorable Dana Latham, Commissioner of Internal Revenue, on the existence of these problems. The language in the same speech which was not cited, however, was the Commissioner's statement:

> I believe these public pronouncements vastly exaggerate the frequency and significance of the abuses.

To make clear our intention to deal with this matter, the bill, as amended by

the conferees, includes specific direction for a study by the Joint Committee on Internal Revenue Taxation and the Treasury with respect to this enforcement program and with respect to possible changes in the law and administrative practices in this area. The fact is that I do not know without such a study what statutory language we could use that would give us the particular pattern of allowed items and disallowed items which the author of this amendment stated as his objective.

No one can avoid the conclusion on observing the present business scene that there are serious abuses of the presently allowed tax deduction for business entertainment and business travel. In addition, there are substantial questions of public policy. Even assuming that it is common business practice to curry favor with customers by lavish gifts and tickets to theater performances and prize fights, there is to my mind a question as to whether or not it is sound public policy to permit a tax deduction for this particular method of advancing one's business interests.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. HAYS. I understand that under the law Mr. Jack Knight took a tax deduction for belonging to 12 country clubs, as a business expense. Is that permitted?

Mr. MILLS. It has been my thought that such an extreme case is not to be permitted under existing law. It would certainly seem to me to require ample and proper justification. There are some other flagrant situations that have come to my attention. But the question about the Senate amendment had to do with entertainment deduction more than with respect to that.

Mr. HAYS. Is it possible, as I understand this gentleman also does, to deduct losses on a racing stable, from newspaper profits?

Mr. MILLS. That is highly questionable procedure, I might say, where there is any question of the racing stable being a real business. You are probably referring to the so-called hobby or hobby farming provision. Under existing law, there are cases where it should not be permitted. If the law does permit it in flagrant cases, those are the things that we ought to look at. But here we have this amendment that dealt with entertainment expenses. It dealt with gifts; with the deduction of dues. But those are not the only areas where there is misuse of this business deduction, in my opinion. In any event in any of these areas we must be sure to get at the abuse situations and not hit what we would generally agree are legitimate deductions.

Mr. HAYS. Is it true that under the present law you can deduct $50,000 a year for racing losses?

Mr. MILLS. I think it is more complicated than that. There is a disallowance of the part of the loss over $50,000 a year when there have been such losses in 5 consecutive years. I have always thought it should have been further tightened, but the committee has felt differently about it.

The third amendment I referred to, the one eliminating the dividend credit, was added by the Senate by a 42 to 41 vote.

In the process of enacting the amendments of 1954 I voted against the inclusion of this amendment at that time. I have never felt that it offered a satisfactory solution in the area of what to do about the so-called double taxation of the same dollar of business earnings. My colleagues on the committee have heard me express myself in the past as to whether or not this is a proper way to handle this whole matter, but, Mr. Speaker, I am thoroughly convinced the proper way to handle it is not through just a simple repeal of the provision of law. I think there are perhaps better ways of going about it. I do not know what the effect upon the economy might be today of just a straight repeal of this provision. We have had no hearings on this matter in our committee in recent years. I was not prepared to accept this very significant change in tax policy as an amendment on the floor of the Senate with no committee consideration at a time when our committee had not had hearings and had not full understanding of what the implications of it might be.

Mr. Speaker, we did accept the amendment in the area of the cutoff point of depletion.

The percentage depletion cutoff point amendment deals with the results of several court decisions which allowed considerably more percentage depletion than was originally intended by the Congress. The Committee on Ways and Means held public hearings on this matter last spring. We deferred action, however, in view of the fact that the Supreme Court had granted a writ of certiorari on an extremely important case in this area which may throw a great deal of light on the meaning of present law and possibly make much of the amendment unnecessary. I regretted that this matter was precipitated before the decision in the Cannelton case was rendered. It was the judgment of the other body expressed by an 87 to 0 roll call vote that congressional action was required without waiting for the decision of the Supreme Court. In view of that decisive vote, we were told that we would have to accept something in this area in order to have the bill enacted before July 1.

The language accepted by the House conferees accomplishes the objective of the original amendment. The language of the original amendment was the same language which was proposed by the Treasury Department and on which the Ways and Means Committee held public hearings last year. In general, we concluded from the hearings that this language would have a number of unintended effects in the way of upsetting long-established Treasury practices in the depletion area which were clearly within the congressional intent and were not involved in the court decisions.

The new language adopted by the conferees follows much more closely the language in the existing statute to avoid these unintended effects.

The first part of the amendment more aptly classifies certain clays. Under present law, so-called refractory and fire clay and certain other specifically listed types of clay are entitled to a percentage depletion rate at 15 percent and so-called brick and tile clay is entitled to a percentage depletion rate at 5 percent. Your conferees accepted the part of the Senate amendment which would make it clear that clay used for purposes dependent on its refractory properties, such as firebrick, would be entitled to a rate of 15 percent. Clay used for making the equivalent of brick and tile would be entitled to percentage depletion at 5 percent.

The more substantive part of the Senate amendment had to do with the definition of mining. Under present law a taxpayer is entitled to percentage depletion at a certain rate on his gross income from mining. The principal change in the amendment was to remove from present law the language including in the scope of mining "the ordinary treatment processes normally applied by mineowners or operators in order to obtain the commercially marketable mineral product or products." It is this language that has led the courts to conclude that if a mineowner does not have a ready market for, say, the raw clay that he digs out of the ground, he may process this into bricks and take percentage depletion on the gross income from the sale of the bricks because this would be his first commercially marketable product.

In lieu of the present statutory reference to "ordinary treatment processes," the new language refers to specifically named treatment processes. The list of these specifically included processes retains all of the processes specifically allowed in present law and, in addition, "the treatment processes necessary or incidental" to the specifically named processes. This language is consistent with existing Treasury practice. The new language affects only the includibility of certain processes and has no effect on the issue of who is entitled to the percentage depletion deduction.

In view of the shift away from the general reference to ordinary treatment processes to a specifically defined list of treatment processes, some statutory flexibility was deemed necessary to deal particularly with changes in the mining art. This was done by providing in section 613(c)(4)(C) allowance for processes which are "substantially equivalent" to the presently allowed sorting, concentrating, and sintering to bring to shipping grade and form. In addition, a new subparagraph (H) was added which permits the Treasury by regulation to include as an allowable treatment process with respect to a particular ore or mineral any other process which is not inconsistent with the general provisions in the present definition of mining.

The new language has several specific limitations in addition to the removal of the general reference to ordinary treatment processes.

One limitation applies to limestone used in making cement. It provides that all processes other than preheating of the kiln feed which are applied prior to the burning of the ground limestone shall be allowable but not the kiln operation nor any subsequent process. A paragraph which applies to clay used in the manufacture of brick, title, pipe, pots, and kindred products provides that the allowable processes will include crushing, grinding, and separating the mineral from the waste but not any subsequent process.

The remaining limitation in the new language is provided by a new paragraph (5). Under present law, certain treatment processes like smelting and refining are specifically disallowed with respect to one group of ores which are not customarily sold in crude form. In the new language this disallowance is applied generally to all of the ores and minerals to the extent that they have not otherwise been specifically provided elsewhere in the definition of allowable treatment processes. In addition, several new concepts have been added to this list of disallowed treatment processes to make more specific the congressional concept of where mining stops and manufacturing starts. The new terms are "polishing, fine pulverization, blending with other materials, treatment effecting a chemical change, thermal action, and molding or shaping."

In the matter of revenue, many estimates were given on assumptions as to future court decisions under existing law. The statement, for example, that the original amendment would increase Federal revenues by $600 million means that if there were no changes in the law and if the Government continues to lose all of the court cases involving the commercially marketable test in present law, we could eventually incur revenue losses of about $600 million a year. The language adopted by the conferees will foreclose this potential loss as effectively as the original amendment. To get this matter out of the realm of speculation, it is fair to say that the language adopted by the conferees will increase Federal revenues by $55 million a year, as estimated by the Treasury, compared with what they would have been under the decided cases.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. CURTIS of Missouri. I want to thank the gentleman for the explanation. He, of course, as head of our committee, has given a great deal of time to this subject of tracing depletion cutoff.

Mr. MILLS. My colleague from Missouri will also observe, I think, that we have not had an opportunity to give consideration in the committee to the same extent to these other two propositions.

Mr. CURTIS of Missouri. That is certainly true, and I certainly commend the gentleman for the action he has taken.

I have a specific question to ask with respect to an item contained in this bill for future reference. Essentially the amendment that is in the conference report was discussed in our hearings, was it not?

Mr. MILLS. That is true.

Mr. CURTIS of Missouri. Here is the question, and I am reading this to be accurate:

Treasury representatives testified that acceptance of this amendment would mean that in determining the value of the mineral at the conclusion of the mining process the so-called proportionate profits method would be used exclusively. Other testimony at those hearings indicated that indiscriminate use of this method by the various field offices of the Internal Revenue Service might have the effect of penalizing an operator who had a more efficient mining operation than his competitors.

The question I am directing to the chairman is this: Is it true that this method will be used exclusively?

Mr. MILLS. Let me say to the gentleman from Missouri that that is one of the points that we are not changing in existing law. There was confusion, as the gentleman will recall, with respect to the language submitted to us on this point.

Mr. CURTIS of Missouri. May I ask the gentleman if he will in revising his remarks, if he cares to do so, do what he can to clarify this point for the sake of the record?

Mr. MILLS. Yes. I would point out that the proposed regulations on this part of the law specify a number of ways to compute the gross income from mining. The bill makes no changes here.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. MILLS. Mr. Speaker, I yield myself 3 additional minutes.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. HAYS. I have received some telegrams and letters from clay and clay pipe manufacturers and others in my district with reference to the depletion allowance on clay. I understand there have been some changes made in that section and other depletion allowances that go as high as 10 to 15 percent.

Was anything done about the big ones, the 27-percent depletion allowances?

Mr. MILLS. As the gentleman knows, the question of the percentage depletion rates was not involved in this conference at all. They were not affected by the Senate amendment. To have done anything about oil or gas in connection with this conference would have made the conference report subject to a point of order. It was not a subject in conference, I may say to the gentleman from Ohio. The question of the cutoff point for those items is with respect to values as they come from the earth.

Mr. HAYS. I realize that, but I may say to the gentleman it is unfortunate that this does not reach the big people. The people who have the small operations are affected whereas the others were not considered at all. Of course, I realize the situation that exists.

Mr. MILLS. I agree with the gentleman the whole subject matter should have been looked into before a part of it was resolved in this manner on the floor of the Senate.

Mr. HAYS. Does the gentleman think he will get to equalizing those things next year?

Mr. MILLS. A lot of things can happen between now and January for the Congress to decide after that time.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from West Virginia.

Mr. BAILEY. What would this do with respect to the 10-percent depletion allowance on coal?

Mr. MILLS. There is no change in this provision at all with respect to the cutoff point on coal. The provisions of existing law remain in effect.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. I would like to join the gentleman from Ohio [Mr. HAYS] in suggesting to the committee that next year it go into the oil and gas depletion allowance matter.

Mr. MILLS. The gentleman from Iowa knows that I perhaps have had more to say about the desirability of reforming and revising this law that we call the Internal Revenue Code than anybody. I am anxious for us at the very earliest date to begin revising a number of provisions in this law.

Mr. YOUNG. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Texas.

Mr. YOUNG. Would the gentleman advise whether or not crushed stone is involved?

Mr. MILLS. Yes; stone is involved in this, including granite. The bill will permit rough cutting of stone but not permit polishing and cutting to the customer's specifications.

Mr. YOUNG. Will the bill permit crushing and other treatment which will permit the sizing of stone?

Mr. MILLS. Oh, yes; it is the clear intent to permit some crushing.

Mr. YOUNG. All the way from boulder size down to powder size?

Mr. MILLS. Well, pulverization would not be permitted under the bill.

Mr. YOUNG. I thank the gentleman.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Mississippi.

Mr. COLMER. The gentleman made reference a moment ago to the cutoff point on clay. Now, would the gentleman explain briefly and as thoroughly as he can what the law now is and what change was made?

Mr. MILLS. The whole point, I might say to the gentleman from Mississippi, is that we do not know with any degree of certainty what the present law is in view of the court cases that have arisen in an attempt to ascertain what the Congress intended. The case that went to the Supreme Court is there because

there has been a different interpretation in various circuits, but on the whole the decisions of the court have led us to believe that the Court thinks we intended in connection with clay that the cutoff point in the manufacture of brick be established after molding and burning has occurred. One of the problems we are trying to correct here is that cutoff point, and we are saying that it is short of the molding and the burning in the case of clay used for bricks, sewer pipe, and things of that kind.

Mr. COLMER. As I understand, your committee took no action on this and there was nothing in the House bill dealing with this.

Mr. MILLS. That is correct.

Mr. COLMER. But the Senate did adopt an amendment in connection with it.

Mr. MILLS. By a vote of 87 to nothing, I might say.

Mr. COLMER. I am just wondering if the gentleman does not agree with me that it would have been much better to have followed the House position and awaited the Supreme Court decision than to attempt to legislate on the subject at this point.

Mr. MILLS. We had hoped we could delay legislating until the Court rendered a decision, but the other body exercising its wisdom decided it should act ahead of that. I would have preferred that there be no amendment to this bill.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. DENT. Will you tell me why, if the depletion allowance was originally set up for the purpose of paying sort of a premium on depleted minerals, how you can separate and distinguish between the uses of those minerals after they have been separated from the ground?

Mr. MILLS. The gentleman raises a very interesting point. There are those who would confine the cutoff point for the depletion purposes to the value of the mineral in its original state as taken from the mine. Now, we are not doing that in this language. We are not taking that extreme position. We are allowing for some degree of processing to add to the value of the mineral as it comes from the ground. In the area of clay, particularly, if you confine depletion to the value of the clay itself as it comes from the ground, in many instances it would have very little, if any, value whatsoever, for depletion purposes.

Mr. DENT. Is it not true that oil has a specific set point of depletion, and yet not all oils retail at the same value?

Mr. MILLS. Let me tell the gentleman what we are talking about here. We are talking about a cutoff point. We are not talking about the percentage that will be allowed for oil and gas or any of the minerals. We are talking about what value we establish for purposes of that depletion and as it goes up through the mining process, as it goes up through the manufacturing process it takes on greater value. What we are saying is this: At this point you take your 5 percent, you take your 10 percent or you take your 15 percent. There has never been any question about where the 27½ percent for oil and gas applies. It applies as it comes out in crude form from the ground. That is where some people would place the depletion cutoff point with respect to all of the minerals.

Mr. DENT. Is it not true that in this particular bill you are allowing 15-percent depletion on refractory products and yet anyone in the business knows that refractory brick sells for a much greater per-unit price than any building or paving brick? If we are to apply the cutoff point because of the manufacturing process added value, then what are we using as a criterion? Are we using end price of the product or end use? It appears to me that we are using end use solely.

Mr. MILLS. No; you are using both. You are using an end-use purpose in determining, for one thing, among clays, whether it be a 5 percent or 15 percent. The point of your cut-off may well be determined, the value at that point may well be determined by looking to the value of the finished product itself and scaling down. If there are other ways it can be done, other ways would be developed in determining the values.

Mr. DENT. What is wrong with the present system?

Mr. MILLS. In the present system, under the court cases, they have allowed clay used for brick purposes a cutoff point after the burning in the kiln of the brick or the finished product itself. If oil were given the same cutoff point, you would have oil depletion at 27½ percent of your finished gasoline that goes into your car.

Mr. DENT. Is it not true that you are still allowing in the refractory products under this amendment that very procedure to be applied and further, in the depletion on refractory brick and refractory pottery and the rest of the items used in manufacturing process; but when it comes to using it for building materials, then the percentage drops down to 5 percent? That is as I read the law.

Mr. MILLS. Your percentage for refractory clay is left at 15 percent. But we are not allowing refractory clays a depletion cutoff at the finished product. We are not doing that any more than we are with respect to clay used for building materials.

Mr. DENT. Why do we not have the same 15-percent depletion allowance on the basic price the same as we do in coal?

Mr. MILLS. The gentleman is talking about whether one kind of clay would be given 5 percent, and another kind would be given 15 percent. Beyond the specific end-use test in the Senate amendment, that was not a matter in the conference at all. We could not bring that into the conference because it would have made the conference report subject to a point of order.

Mr. YOUNG. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. YOUNG. The gentleman stated a moment ago that fine pulverization would not be included as a mining operation. I would like a little further clarification of "mining operation" as to a crushed limestone operation. I have a situation in my district where an organization sells limestone. They drill and blast it out of the mountain. Their customers need it in various sizes from large boulders down to pebbles, and so forth. Then they crush, grind, sort, screen, wash, dry, store, and load it to meet the sizes that their customers need. It is the same product. There is no chemical change, there is nothing different except a difference in its use. I would like a clarification, if possible, whether or not this operation would continue to be considered mining under the conference report.

Mr. MILLS. There is no change in the processes allowed under present law with respect to that operation. What we are talking about in this is the cutoff point for limestone that is used, say, in the cement business. We have a particular section here on that. We say that we will not permit that cutoff point to go beyond the kiln feed, where it is fed into the kiln for purposes of processing. Up to that point, yes, we allow percentage depletion, but not in the manufacturing process.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from South Carolina.

Mr. HEMPHILL. Can the gentleman tell me where the cutoff is on the price of granite which is made into grits and is used in asphalt?

Mr. MILLS. That in general is what I was talking about a moment ago. We did not cover fine pulverization. That is part of the manufacturing process.

Mr. HEMPHILL. My question is as to stone that is to go onto roads, and that is used for chicken grit and also certain forms of asphalt.

Mr. MILLS. Of course, the gentleman knows there are large parts of this matter that one could take a long time studying before he could give a firm answer. Many of these things will have to be worked out.

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, the language agreed to by the conferees as a substitute for subsection (b) of the Senate amendment to H.R. 12381 as passed by the Senate on the subject of treatment processes in the area of percentage depletion is typical of the kind of hasty and misguided legislation that can be pushed through in the rush of adjournment.

Without hearings before the Senate Finance Committee, without considered and factual study of the effect of this legislation on the small businessmen who make up the brick and tile and sewer pipe industries, the other body enacted under misguided leadership and misleading statements made during the debate.

Before the beginning of this present session of Congress the Ways and Means Committee of the House held extended hearings on the Treasury's proposal, which is for all practical purposes, the same as the one now before us. It was concluded that the proposal was unworkable and unacceptable and the chairman of the Ways and Means Committee advised this body on January 12 that no legislation involving any depletion matters would be considered by this session of Congress.

Furthermore, there is pending before the U.S. Supreme Court a case involving the very issues in this amendment which should be decided before any drastic action such as this is taken by this House.

In a surprise move last Saturday, the Senator from Tennessee, Mr. GORE, aided by other Senators, including the senior Senator from my own State, seized control of the floor debate in the Senate and began a debate grossly misinterpreting the facts concerning the effect of this legislation on the mineral industries of this country.

The senior Senator from Ohio repeatedly asserted that the failure to enact this amendment would cost the taxpayers $600 million a year.

The Senator failed to point out that these figures were supplied by the Treasury Department and were not facts, but merely "potential" losses if the miners of certain minerals took depletion on their finished products which they do not now do—I repeat, which they do not now do—nor can they under the law. Note this well, under the present law, a producer can apply his depletion rate to the first commercially marketable product, and a bauxite producer could never take it on an aluminum coffeepot, as was alleged, or an iron ore producer could never take it on an automobile. Where a great industry is concerned we should not recklessly accept as facts mere speculation.

The facts are that in the case of brick and tile, the total dollar amount of depletion in 1957 ascertained by a survey of 447 of the 467 plants, was only $4,400,000. The same figure for sewer pipe manufacturers was $2,285,740.

No figures are available on the actual depletion taken by all the minerals included in this amendment, but it is far from $600 million, as repeatedly stated to the Senate.

No mention was made of the fact that a clay producer is limited in the amount of depletion he can take by the law, which places a limit of 50 percent of his net income.

There is another, far-reaching point which goes to the very heart of the administration of depletion on all minerals—for many years great confusion existed in determining the value against which depletion percentages would apply. Much litigation was instituted and many inequities resulted. In 1943, the Congress amended the law and established the first commercially marketable product rule which resulted in an easy and definite factual basis upon which to apply the rate.

Now we are abandoning that wise principle and returning to the confusion which preceded its adoption. The Treasury will now concoct formulas to determine fictitious values at varying points and this will result in disputes, litigation, inequities, and increasing misunderstanding and confusion.

Statements were made during debate in the other body that depletion was being based on manufacturing rather than mining processes. This argument is completely without foundation in fact.

Whether or not the first marketable product happens to be a manufactured product, the dollar value of that product merely affords an easily ascertainable dollar base to which any rate fixed by Congress can be applied to determine the dollar allowance for depletion on the natural deposit. Whatever processes, manufacturing or mining, have been applied to obtain a marketable product, the application of a proper rate will produce any dollar allowance Congress feels is fair. If, in fact, the depletion allowance for any particular mineral is excessive, that situation can be readily corrected by reducing the applicable rate. It is not necessary to depart from the statutory scheme of basing depletion on some percentage applied to the first marketable product.

If the amount of depletion on any mineral is unjust, it could easily be rectified by a change in the rate rather than placing power in the Internal Revenue Service to determine through some formula or other hocus-pocus what depletion will be given.

This whole subject of depletion is complicated and requires careful study before legislation is adopted modifying existing conditions. The Ways and Means Committee of the House had determined to let this subject alone until more careful study could be given it. The Finance Committee of the Senate concurred.

Mr. Speaker, no tax legislation of such great importance affecting an industry composed of small businessmen who are greatly affected by any tax law should be enacted without the most careful study. This has not been the basis of this ill-conceived amendment.

Under our Constitution, tax legislation should be inaugurated in the House of Representatives. The procedure has always been to hold hearings and study proposed amendments by the Ways and Means Committee and, after enactment by this body, send the bill on to the other body for hearings before its Finance Committee. By the action of the Senate last week, this orderly procedure was completely discarded. The prerogatives of this body were disregarded entirely and tax legislation was written on the Senate floor without following the process as provided in the Constitution.

We are enacting unwise legislation.

The only recourse is to reconsider this matter at the earliest opportunity in the next session of Congress and undo the injustice being done here today. I hope to introduce before we adjourn legislation which may be studied before we reconvene.

Mr. Speaker, let us not in the haste to adjourn destroy the prerogatives of the House. Sound and reasonable legislation is far more important than haste to political conventions, or politically inspired, irresponsible amendments which tend to injure or in some cases destroy one segment of industry.

Mr. MILLS. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Speaker, it is my purpose to speak in support of the conference report on H.R. 12381. I make my support of the conference agreement clear at the outset because some of my remarks that I plan to make in the brief time that is available to me may give the impression that I am critical of the legislation that is before us. The simple truth is that the conference agreement must be accepted by both Houses of the Congress and the legislation signed into law by the President by midnight June 30, 1960. Therefore, I support the conference report, and urge the membership of the House to join with me in this necessary action.

As was described by the respected and able chairman of the Committee on Ways and Means, the legislation that is now before us, H.R. 12381, passed the House in a form providing, first, for a temporary increase for 1 year through June 30, 1961, of $8 billion in the statutory debt limit; and second, for a 1-year continuation of the 52-percent corporate tax rate and the excise tax rates that are scheduled under existing law to be removed or reduced on June 30, 1960.

I will not spend further time in discussing those aspects of the pending legislation. They were approved in the other body in the same form in which they passed the House. Suffice it to say on the subjects of debt limit and tax rates that I join a substantial group in this Chamber in wishing that both the Federal debt limitation and taxes could go down, and go down now. The fiscal facts are that they cannot go down now, and will not in the future unless we in the Congress are willing, and have the courage to reverse what seems to be the prevailing propensity to spend to the limit of our resources and beyond. As I said during the original consideration of this legislation in the House, the passage of H.R. 12381 is essential if we are to be fiscally responsible. The adoption of this conference report is equally as essential.

The balance of my remarks I will direct to supplementing the comments of the committee chairman in describing the conference agreement.

The other body passed H.R. 12381 with three amendments of substantive significance.

The first of these Senate amendments would have repealed the 4-percent dividend received credit allowed to individuals under section 34 of the Internal Revenue Code. This amendment was deleted in conference.

I would make this individual comment on the position of the House conferees in insisting that the Senate conferees recede with respect to the Senate repeal of the dividend received credit. The partial tax relief granted by the credit against the double taxation of corporate business income paid out in

dividends was provided by the Congress as a matter of considered tax policy. It should not be taken away from the more than 12 million shareholders, about 75 percent of whom are in the under $10,000 per year income category. Furthermore, this credit serves as an inducement to the equity financing of economic growth in America's free enterprise system. We have heard a great deal of discussion on the need for economic growth. Under our economic system it would be foolhardy to retard that growth by repealing this credit and thereby restricting the capital formation necessary to permit that growth as the adoption of the Senate amendment would have done.

The second of the three substantive amendments to H.R. 12381 adopted in the other body had as its intended objective the disallowance as trade or business expense deductions of certain expenses incurred for entertainment, gifts, and club dues purposes. The amendment sought, first, to disallow entertainment expenses, except for food or beverages, incurred to advance a trade or business; second, to limit gift expense deductions with respect to any donee to $10 per year; and third, to prohibit deductions for dues in certain clubs.

It was pointed out to the House-Senate conferees that the amendment presented substantial problems in terms of equity, administration, and statutory construction. For example, the amendment could have had the effect of disallowing to an employer the deduction of expenses incurred by him to provide recreational facilities for the use of his employees. The amendment could have had the effect of interfering with company sponsored scholarship programs. The amendment would not have prevented the expenditure of sums of any amount for the prohibited purposes if such expenses could be claimed as an advertising expense. The amendment could have resulted in a liberalization rather than a tightening of the law.

Mr. Speaker, people who are unfamiliar with our Federal tax structure have referred to the tax treatment accorded the deductions, which the second Senate amendment purports to deal with as a tax loophole. The admitted problems that exist in this area are not attributable to any statutory deficiency but are instead attributable to the difficulty of tax administration presented by the need for auditing literally millions of returns. Thus we are not dealing with statutory tax loopholes but instead we are concerned with tax abuses that are correctable through improved tax administration.

On this second substantive Senate amendment the House conferees receded with an amendment. The amendment provides for the Joint Committee on Internal Revenue Taxation to make a full and complete investigation and study of this subject. The joint committee will inquire into the operation and effect of present law, regulations, and practices relating to the deduction of expenses such as were included within the scope of the original Senate amendment. The joint committee will be required to report to the Congress as soon as practicable during the 87th Congress the results of its investigation and study along with any recommendations it may have for any changes in the law and administrative practices which in its judgment are necessary or appropriate. In addition, the amendment approved by the conferees provides for a report by the Secretary of the Treasury of the results of the recently adopted enforcement program of the Internal Revenue Service designed to improve the administration of our Federal tax laws in this area. This report by the Secretary of the Treasury is to be made to the Congress as soon as practicable during the 87th Congress.

Mr. Speaker, the problem of tax compliance on the part of our citizens and proper and effective tax administration has existed since the beginning of organized society and the imposition of taxes by the sovereign. In the United States it can be properly said that most of our citizens honestly report their taxes and the persons responsible for tax administration and enforcement diligently endeavor to assure the timely payment of full tax liability by everyone. The present Commissioner of Internal Revenue, the Honorable Dana Latham, in April of this year, issued a Technical Information Release No. 221, designed to secure additional information from corporations, partnerships, and proprietorships at the time they file their business income returns for taxable years beginning after December 31, 1959. To a large extent this additional information is directed to improved administration and enforcement of our tax laws in the area we are discussing in connection with this Senate amendment.

It is my expectation that the steps taken by the responsible officials in the Internal Revenue Service to assure improved tax compliance and administration along with the studies to be made by the Joint Committee on Internal Revenue Taxation and the Treasury Department will be beneficial to the Congress in determining an appropriate course of action to correct any abuses that may exist in this difficult area.

The third substantive Senate amendment pertained to the depletion rate for certain clays and to the treatment processes considered as mining for computing percentage depletion in the case of minerals and ores. On this amendment the House receded from its disagreement to the Senate amendment and agreed to the Senate amendment with an amendment.

Mr. Speaker, it will be recalled that in the budget message submitted to the Congress a year ago last January the President of the United States proposed legislative changes in the Internal Revenue Code to preclude excessive depletion allowance deductions. Subsequently the Secretary of the Treasury submitted to the Congress a specific legislative proposal which in effect departed from the existing law concept of allowing the commercially marketable product as the cut-off point for depletion and substituted therefor a statutory enumeration of the mining processes that would be allowed for the purpose of computing percentage depletion.

In March 1959 the Committee on Ways and Means conducted public hearings on this proposal. During the course of these hearings numerous witnesses appeared before the committee suggesting changes and improvements in the proposal of the Treasury Department.

The amendment approved by the Senate to the bill H.R. 12381 embodied the provisions of the original Treasury recommendation on minerals and ores. It is essentially this Treasury recommended amendment with modifications approved by the Senate-House conferees that is before us at this time.

I will deliberately refrain from commenting on the meaning of individual provisions of this depletion amendment. The hearings held by the committee last year pointed up to the many uncertainties present in this area and in the proposed legislation. Those hearings clearly demonstrated the need for careful study of the proposal in executive session. In the absence of such executive consideration I frankly do not know how these provisions will affect an individual producer of a particular mineral, and I regret to say that absence of definitive knowledge is general. I believe it is true of everyone concerned.

The Ways and Means Committee recognized problems in this area and was proceeding to direct its attention to the correction of these problems when the Supreme Court granted certiorari in cases involving the question of the cut-off point for depletion purposes. Because of the pendency of the Supreme Court decision on the matter, the committee deferred further legislative action. Those cases have been argued before the Court. A decision is expected at any time. If the Government prevails in its position taken during the argument of these cases, this conference amendment instead of representing a tightening of the depletion privileges of the law may well represent a liberalization of the law. We are legislating in a legal No Man's Land. We do not know whether we are cutting back or liberalizing existing law until the Supreme Court speaks. I for one prefer to know what I am doing before I legislate, but the circumstances under which this bill is being considered and the legislative matter involved in those circumstances deny us that opportunity.

I would point out that the effective date for the proposed changes in the depletion amendment approved by the other body and modified in conference is with respect to taxable years beginning after December 31, 1960. Thus, this amendment does nothing that the Congress could not have done after the Supreme Court decision and in the light of all the facts and information available.

I have cited the uncertainty that exists in connection with this amendment because in my judgment it is essential that the membership of the House recognize what we are doing on this depletion amendment. We have been denied the opportunity to have the benefit of the views of expert and knowledgeable individuals on this very technical subject of depletion. We must stand ready next January to approve prompt-

ly any corrective legislation that may prove necessary as a consequence of the hasty action we are forced to take at this time on this important subject of depletion. Involved in this question is more than just a determination of what is a fair and equitable depletion allowance on a particular mineral. There are also involved problems concerned with national security and the proper conservation of our natural resources. We can all hope that what we are doing is correct and equitable, but we must stand ready to correct any shortcomings that may develop in the light of more thorough examination in this area.

Mr. Speaker, because this legislation contains an essential temporary increase in the statutory debt limit and contains an essential extension for 1 year of the tax rates to which I have previously alluded, I urge my colleagues in the House to support this conference agreement so that it may become law by June 30, 1960.

Mr. BETTS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BETTS. Mr. Speaker, when the Treasury Department requested legislation dealing with gross income from mining for percentage depletion purposes, the Ways and Means Committee held lengthy hearings—in March of 1959. During the course of those hearings, it became quite obvious that the proposed legislation submitted by the Treasury Department was defective in many vital respects. Even the Treasury Department witnesses conceded that their proposed language needed revision in order to carry out the stated objectives.

During the course of our consideration of this proposal, we were very much impressed with the complexities involved in this area and the difficulties inherent in legislating in this field without doing unnecessary and unintended harm to the mining industry. As a matter of fact, many witnesses appearing before our committee pointed out that the Treasury Department was still contesting cases involving the definition of gross income from mining, and it is apparent that as of today, the courts have not finally decided the proper interpretation of these provisions.

In January of this year, the chairman of the Ways and Means Committee stated that further consideration of this legislation would be postponed until after the Supreme Court's decision in U.S. against Cannelton Sewer Pipe Co. This case, which may be decided by the Supreme Court this afternoon, involves the proper interpretation of the statute which is amended by H.R. 12381. It is quite possible that the decision of the Court will prove the Treasury Department's fears to be groundless.

I wish to point out, also, that even if the Supreme Court's forthcoming decision in the Cannelton case fails to eliminate the Treasury Department's fears of heavy revenue losses, the amendment before us today will not correct the problems involved for years prior to 1961. Obviously, then, the Ways and Means Committee decided upon the proper procedure—to wait until the Supreme Court's decision in Cannelton, and then write proper legislation if legislation is still needed. We would have had a full opportunity to do this, effective for the year 1961—the same effective date as this amendment before us today.

During consideration of this problem by the conferees, some of the more glaring deficiencies in the Gore amendment were corrected. However, it is quite apparent that legislation in such a complex field cannot properly be written in the rush of last-minute legislation, and without giving the public a proper opportunity to suggest necessary corrections.

I very strongly criticize the procedure by which this amendment was adopted and I urge that we refrain from dealing with such important matters under such circumstances.

If, as the Treasury Department suggested, the law actually needed revision with respect to certain minerals, then at least the amendment should have been confined to those areas. Instead, in this amendment, we are making substantive and possibly serious changes affecting all minerals without having had an opportunity to consider the possible effect and range of those changes.

I strongly urge that we bear in mind the fact that this legislation is being enacted without proper consideration, and that we be prepared to make necessary legislative corrections in the future if the industry can show us that they have been rendered unintentional harm through this method of legislating in the dark.

Mr. MILLS. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Speaker, under the original Treasury proposal which the Senate adopted and which we had before our committee last year, the Treasury stated that they would apply this kind of yardstick: Take the end product, remove from that the manufacturing cost, and apply the cutoff point to the residue. That was the formula. Under this amendment which we agreed to in conference, will the Treasury be permitted, as question No. 1, to use that formula?

Mr. MILLS. The gentleman from Tennessee [Mr. BAKER] was a member of the conference group, and I am sure he recognizes there is nothing in the language that says to the Treasury the manner in which this valuation will be determined. That is not settled.

Mr. BAKER. It did not come up in conference?

Mr. MILLS. No, sir.

Mr. BAKER. There is nothing in the statement on the part of the managers?

Mr. MILLS. No, sir.

Mr. BAKER. I think this legislation is very important. If the Treasury should apply this formula under the language we have, is it not your interpretation that that would not be an exclusive method; that it would only be one method of arriving at the gross income from mining.

Mr. MILLS. The gentleman is entirely correct.

Mr. BAKER. May I say particularly to the brick and clay people who seem unhappy about the report that they should explore this method, because when you take out the actual manufacturing cost, then they have left to apply the cutoff point to everything but the manufacturing costs of the finished product. That is all they have any right to expect. It might be more than they will get from the Supreme Court of the United States.

Mr. MILLS. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. SHIPLEY].

Mr. SHIPLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SHIPLEY. Mr. Speaker, one of the basic industries of our Nation, and of my home State of Illinois, is petroleum. As such the health of this industry is a matter of utmost concern, not only to oil producing States but to the Nation as a whole.

In Illinois, where I have closely followed the conditions of the industry, I find deterioration of the crude price structure, decreased development activity, economic uncertainty, and generally depressed conditions throughout the oil segment of the economy.

The same is true of the entire tristate area which includes the States of Kentucky, Indiana, and Illinois. The prevalence of these same conditions in neighboring States is naturally a matter of deep concern to me for the entire region in one contiguous oil producing unit, and conditions existing in any one State are necessarily reflected in the welfare of the other two.

These circumstances are to be deplored whether they relate to petroleum or any other essential industry.

These conditions are the result of a complex of factors. They have expressed themselves particularly in production per well per day, in the price the operator receives for his crude oil production, and in the spread between operating costs and the per barrel price; a differential that has now reached the vanishing point.

Let me call attention to certain fundamental elements of this constantly worsening situation. First, imports in the 1946–50 period averaged 564,000 barrels daily, or the equivalent of 9.9 percent of domestic demand. Through the first 6 months of 1960 imports reached a daily level of 1,790,000 barrels daily, or 18.3 percent of domestic demand.

In this tristate area, of which Illinois is a part, the crude oil price declined from a $3.15-per-barrel level in October of 1957 to a present $2.85 per barrel. The last cut, only recently made, was for 15 cents per barrel.

For the industry as a whole, exploration at the present time is down 13 percent as compared with 1959, active

rotary rigs have declined 15 percent during the same period, and well completions are off 14 percent. Also, crude production, product prices, and oil industry employment are similarly down as compared with 1959.

During the same period costs of exploration, development drilling, producing, pipe, steel, and other material requirements have steadily increased.

To illustrate specifically, the price of crude oil, nationally, has dropped to near the 1953 level while the price of finished steel has gone up 37 percent since 1953, wages have increased 30 percent, oilfield machinery has risen 26 percent, and oil well casing costs have jumped 41 percent.

Mr. Speaker, these are the facts. As such they represent conditions that cannot be ignored.

The end result is that the oil producer is facing a three-way squeeze between the price he receives for his crude oil, rising costs, and imports that are appropriating his market. In effect, the operator is selling his stock in trade—crude oil—at less than replacement cost. This is one sure way to go out of business.

Imagine a shoestore owner faced with no alternative but to sell his stock below cost of replacement. Just how long will be remain in business? It is as simple as that.

In the case of the oil producer, his stock in trade is oil in the ground. This investment, resulting from successful exploration undertaken in prior years, represents dormant capital until the oil is produced. Only by increasing his capital recovery per day can the operator regain his investment and provide the economic strength required for future exploration and development.

In the tristate area, as in other oil-producing regions, there are bright prospects for development of new reserves. Also, we are in the midst of developing secondary recovery operations in older fields that give every evidence of providing a "second crop" of crude oil. These undertakings certainly cannot be forthcoming in the light of present conditions.

While there are a number of factors which have contributed to the present deteriorated conditions in the oil industry, two are basic, these are crude oil price and imports of foreign oil.

A firm and realistic crude price is vital, reductions solve nothing. Instead, they only serve to aggravate already critical economic conditions in the industry. While internal conditions have had their detrimental influences the ever-increasing flood of foreign oil has exerted a disastrous impact.

The mandatory import program instituted a little better than a year ago was designed to "insure a stable, healthy industry in the United States capable of exploring for and developing new hemispheric reserves to replace those being depleted."

Mr. Speaker, I offer to you the fact that this objective of the mandatory oil import program has not been achieved nor is there prospect that it will be met at the present import level.

Actually, the controls placed on imports did not decrease the rate at which they were coming into the United States to compete with domestic production, but instead only stabilized a rate that was already excessive. We have here a problem that must be solved. And the one way this can be done is to substantially reduce the import level.

I propose that a new look be given to the mandatory import program to see just how it has operated in the past year. From all tabulations, from all statistics, from firsthand information from the oil-producing areas there can be but one conclusion; imports remain at an excessive level.

The time to take these matters under consideration is right now. Delay will only advance what has been termed "demoralized" conditions existing in the district which I represent, in the State of Illinois through the tristate area, and throughout the Nation.

In these times of international tension and uncertainty there is little excuse to permit essential and basic industry to become economically prostrate. No industry can be expected to operate below capacity but with a surplus of production, and in the face of rising costs, and in competition with a flood of imports without disastrous results.

I submit that in the interest of national security this matter of imports of foreign oil which bears a direct influence not only on the daily volume of crude produced by domestic operators but upon the price received for their production be thoughtfully and promptly reviewed to the end that the process of gradual deterioration of the domestic petroleum industry be halted.

Current comparisons, 1959–60 tristate area oil activities

Wells drilled:	
1959	2,208
1960	1,999
Decrease (12 percent)	209
Rotary rigs active:	
1959	63
1960	53
Decrease (16 percent)	10

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this conference report.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. DENTON. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Indiana.

Mr. DENTON. I want to ask about clause 5. I have a number of clay manufacturers in my district. First they say it is very difficult to put a price on raw clay. Second, they have some fear about losing their factory. They built a big factory to deal with a special kind of clay. There is only a certain kind of clay to be used in this sewer pipe. When that is exhausted they have to remove their plant.

It seems to me this is treating them rather unfairly, because they do not get the benefit of where the longtime loss occurs.

Mr. MILLS. As I understand, those losses are deductible.

Mr. DENTON. You mean if they lose their business they would have a deduction?

Mr. MILLS. They have, if they lose on the sale of their factory in the process of moving.

Mr. DENTON. They tell me that they could take off only a limited percentage.

Mr. MILLS. That has nothing whatsoever to do with this question that we are considering here of the cutoff point.

Mr. DENTON. That is a longtime loss. They said it did not begin to compensate for their loss.

Mr. MILLS. That is an ordinary loss under section 1231.

Mr. DENTON. I understand there are only two or three places where they make this kind of sewer pipe.

Mr. MILLS. But the gentleman is talking about something that is not in this conference report. You are talking about a loss that a business will incur somewhere along the line. Under section 1231 the losses you are talking about are ordinary losses.

Mr. DENTON. They figure their loss will come from the fact that the clay is exhausted.

Mr. MILLS. Let me say this in order to clarify the matter. There is no doubt but what this proposition does cut back with respect to the point of depletion in the area of clay used for sewer pipe, used for brick, used for pots, and so forth. The reason for the legislation being necessary is the fact that the courts have interpreted Congress intent to give depletion on the finished product after manufacturing processes have been used. This does not include all of those manufacturing processes. It takes them back toward the original value of the clay as it comes from the ground and allows certain processes. It is in between.

Mr. DENTON. I think it is too bad the Court has not decided the case; then we would know what to do.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. HEMPHILL. Mr. Speaker, I wish the gentleman would put in the RECORD an explanation of the effect this legislation, if enacted, would have on decisions in the Cherokee Brick and Tile case and the Dragon Cement case.

Mr. MILLS. I can tell the gentleman now that the Court under this language would not reach the conclusion it did in those cases; that those cases would not be decided the way they were. Under this language they would be reversed. The Treasury's position in those cases would be sustained by this language.

Mr. HEMPHILL. These cases will not be affected by this legislation?

Mr. MILLS. Let me say this, I think they resulted from the misinterpretation by the courts of the intention of Congress. In the first place, I do not think the law ever provided a basis for the decision reached by the Court in some of these cases.

Mr. HEMPHILL. Then does the committee favor or not favor the rule which is most favorable to the taxpayer?

Mr. MILLS. The committee favors the interpretation of the law as intended by Congress. The Committee on Ways and Means has not made any interpretation, it is entirely a matter of court decisions.

Mr. BYRNES of Wisconsin. Then the gentleman is pointing out that this is merely prospective law for the years beginning after December 31 of this year.

Mr. MILLS. This is prospective. That is the reason I said the Court under this language could not reach those decisions in the future.

Mr. MOELLER. Mr. Speaker, I wish to go on record as opposed to the minerals depletion allowance Senate amendment to the Tax Rate Extension Act of 1960. This amendment will adversely affect the clay products industry in my district, as well as other areas in the great State of Ohio, which is the largest clay products producing State in the United States. This industry is already operating at a reduced rate and will be curtailed even more as the result of this amendment. Most of the clay products producers in Ohio are small businessmen—the largest clay pipe producer in Ohio has sales of only $12 million per year.

As we all know, our Ways and Means Committee held extended hearings on this proposal and it was concluded that no legislation involving depletion matters would be considered this session of the Congress. Every Member of this House knows that under our Constitution, tax legislation is initiated in the House of Representatives after appropriate hearings and study by the Ways and Means Committee. For the Senate to inaugurate tax legislation is an improper seizure of the prerogative of the House of Representatives and unconstitutional.

Reports of the amount of tax loss to the Treasury, if this amendment were not enacted, are grossly exaggerated. To begin with, a clay producer is limited in the amount of depletion he can take under the law. Also no depletion allowance can be taken unless the clay producer shows a profit and then it is only 50 percent of the net income. If the Congress feels that the depletion rate has been excessive, the House Ways and Means Committee had ample opportunity to reduce it during the hearings held prior to this session of the Congress. To undertake a remedy by this means is without due process and a complete disregard of our legislative process.

I realize we are in the last days of this Congress and the adjournment rush is on. However, this is no license to vote on legislation without proper deliberation. The damage to this industry has been done and our only recourse is to consider remedial legislation during the 87th Congress. I plan to join with my colleague, FRANK T. BOW, in sponsoring a bill to remedy the injustice that has been done.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE APPROPRIATION BILL 1961

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table and consider the bill (H.R. 12232) making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes, with Senate amendments thereto.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the Senate amendments, as follows:

1. Page 1, line 6, insert:

"SENATE

"Salaries of Senators, mileage of the President of the Senate and of Senators, expense allowance of the majority and minority leaders of the Senate, and salary and expense allowance of the Vice President."

2. Page 1, after line 6, insert:

"COMPENSATION OF SENATORS

For compensation of Senators, $2,433,370.

3. Page 1, after line 6, insert:

"MILEAGE OF PRESIDENT OF THE SENATE AND OF SENATORS

"For mileage of the President of the Senate and of Senators, $58,370."

4. Page 1, after line 6, insert:

"EXPENSE ALLOWANCE OF MAJORITY AND MINORITY LEADERS

"For expense allowance of the majority leader and the minority leader of the Senate, $2,000 each; in all, $4,000."

5. Page 1, after line 6, insert:

"COMPENSATION OF THE VICE PRESIDENT OF THE UNITED STATES

"For the compensation of the Vice President of the United States, $37,775."

6. Page 1, after line 6, insert:

"EXPENSE ALLOWANCE OF THE VICE PRESIDENT

"For expense allowance of the Vice President, $10,000."

7. Page 1, after line 6, insert:

"SALARIES, OFFICERS AND EMPLOYEES

"For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:".

8. Page 1, after line 6, insert:

"OFFICE OF THE VICE PRESIDENT

"For clerical assistance to the Vice President, at rates of compensation to be fixed by him in basic multiples of $5 per month, $112,140."

9. Page 1, after line 6, insert:

"CHAPLAIN

"Chaplain of the Senate, $8,195: *Provided,* That effective July 1, 1960, the gross compensation of the chaplain of the Senate shall be $8,195 per annum."

10. Page 1, after line 6, insert:

"OFFICE OF THE SECRETARY

"For office of the Secretary, $646,805."

11. Page 1, after line 6, insert:

"COMMITTEE EMPLOYEES

"For professional and clerical assistance to standing committees, and the Select Committee on Small Business, $2,372,960."

12. Page 1, after line 6, insert:

"CONFERENCE COMMITTEES"

13. Page 1, after line 6, insert:

"For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, $44,020."

14. Page 1, after line 6, insert:

"For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, $44,020."

15. Page 1, after line 6, insert:

"ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

"For administrative and clerical assistants and messenger service for Senators, $11,078,850."

16. Page 1, after line 6, insert:

"OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

"For office of Sergeant at Arms and Doorkeeper, $2,309,660: *Provided,* That effective July 1, 1960, the basic compensation of the superintendent of mails, Senate post office, shall be $3,540 per annum."

17. Page 1, after line 6, insert:

"OFFICES OF THE SECRETARIES FOR THE MAJORITY AND THE MINORITY

"For the offices of the secretary for the majority and the secretary for the minority, $115,575: *Provided,* That effective July 1, 1960, the respective secretaries may fix the basic compensation of the chief telephone pages for the majority and minority at not to exceed $3,780 per annum each; may fix the basic compensation of one telephone page for the majority and minority at not to exceed $2,880 per annum each; and may fix the basic compensation of one telephone page for the majority and minority at not to exceed $2,520 per annum each."

18. Page 1, after line 6, insert:

"OFFICES OF THE MAJORITY AND MINORITY WHIPS

"For two clerical assistants, one for the Majority Whip and one for the Minority Whip, at not to exceed $5,580 basic per annum each, $22,050."

19. Page 1, after line 6, insert:

"OFFICIAL REPORTERS OF DEBATES

"For office of the Official Reporters of Debates, $208,500: *Provided,* That effective July 1, 1960, the official reporters of debates heretofore or hereafter appointed by resolution of the Senate shall be employees of the Senate and shall be compensated at the gross rate of $17,050 per annum each: *Provided further,* That the said official reporters are authorized to appoint such reporters, transcribers, and other employees as may be necessary and fix their compensation in basic multiples of $60 per annum."

20. Page 1, after line 6, insert:

"OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

"For salaries and expenses of the Office of the Legislative Counsel of the Senate, $216,950."

21. Page 1, after line 6, insert:

"CONTINGENT EXPENSES OF THE SENATE"

22. Page 1, after line 6, insert:

"LEGISLATIVE REORGANIZATION

"For salaries and expenses, legislative reorganization, $117,150."

23. Page 1, after line 6, insert:

"SENATE POLICY COMMITTEES

"For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $124,685 for each such committee; in all, $249,370."

24. Page 1, after line 6, insert:

"JOINT ECONOMIC COMMITTEE

"For salaries and expenses of the Joint Economic Committee, $156,950."

25. Page 1, after line 6, insert:

"JOINT COMMITTEE ON ATOMIC ENERGY

"For salaries and expenses of the Joint Committee on Atomic Energy, $280,145."

26. Page 1, after line 6, insert:

"JOINT COMMITTEE ON PRINTING

"For salaries and expenses of the Joint Committee on Printing, $106,515; for expenses of compiling, preparing, and indexing the Congressional Directory, $1,600; in all, $108,115."

27. Page 1, after line 6, insert:

"VICE PRESIDENT'S AUTOMOBILE

"For purchase, exchange, driving, maintenance, and operation of an automobile for the Vice President, $8,245."

28. Page 1, after line 6, insert:

"AUTOMOBILE FOR THE PRESIDENT PRO TEMPORE

"For purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $11,000."

29. Page 1, after line 6, insert:

"AUTOMOBILES FOR MAJORITY AND MINORITY LEADERS

"For purchase, exchange, driving, maintenance, and operation of two automobiles, one for the majority leader of the Senate, and one for the minority leader of the Senate, $16,490."

30. Page 1, after line 6, insert:

"FURNITURE

"For services and materials in cleaning and repairing furniture, and for the purchase of furniture, $31,190: *Provided*, That the furniture purchased is not available from other agencies of the Government."

31. Page 1, after line 6, insert:

"INQUIRIES AND INVESTIGATIONS

"For expenses of inquiries and investigations ordered by the Senate or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including $380,000 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, $3,568,355."

32. Page 1, after line 6, insert:

"FOLDING DOCUMENTS

"For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $1.77 per hour per person, $31,900."

33. Page 1, after line 6, insert:

"SENATE RESTAURANTS

"For repairs, improvements, equipment, and supplies for Senate kitchens and restaurants, Capitol Building and Senate Office Buildings, including personal and other services, to be expended under the supervision of the Committee on Rules and Administration, United States Senate, $85,000."

34. Page 1, after line 6, insert:

"MAIL TRANSPORTATION

"For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, $16,560."

35. Page 1, after line 6, insert:

"MISCELLANEOUS ITEMS

"For miscellaneous items, exclusive of labor, $1,974,105."

36. Page 1, after line 6, insert:

"POSTAGE STAMPS

"For postage stamps for the Offices of the Secretaries for the Majority and Minority, $140; and for airmail and special-delivery stamps for Office of the Secretary, $160; Office of the Sergeant at Arms, $125; Senators and the President of the Senate, as authorized by law, $55,550, and the maximum allowance per capita of $450 is increased to $550 for the fiscal year 1961 and thereafter; in all, $55,975."

37. Page 1, after line 6, insert:

"STATIONERY (REVOLVING FUND)

"For stationery for Senators and the President of the Senate, $181,800; and for stationery for committees and officers of the Senate, $13,200; in all, $195,000, to remain available until expended."

38. Page 1, after line 6, insert:

"COMMUNICATIONS

"For an amount for communications which may be expended interchangeably for payment, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, such telephone calls to be in addition to those authorized by the provisions of the Legislative Branch Appropriation Act, 1947 (60 Stat. 392; 2 U.S.C. 46c, 46d, 46e), as amended, and the First Deficiency Appropriation Act, 1949 (63 Stat. 77; 2 U.S.C. 46d–1), $15,150."

39. Page 1, after line 6, insert:

"ADMINISTRATIVE PROVISIONS"

40. Page 1, after line 6, insert:

"The ninth paragraph under the heading 'Administrative Provisions' in the appropriations for the Senate in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 127) is amended by striking out 'two' where it appears therein and inserting in lieu thereof 'four.' "

41. Page 1, after line 6, insert:

"No part of any appropriation disbursed by the Secretary of the Senate shall be available hereafter for the payment to any person, at the time of the service upon him of a subpena requiring his attendance at any inquiry or hearing conducted by any committee of the Congress or of the Senate or any subcommittee of any such committee, of any witness fee or any sum of money as an advance payment of any travel or subsistence expense which may be incurred by such person in responding to that subpena."

42. Page 11, after line 14, insert:

"JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

"For an amount to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $24,910, to be disbursed by the Secretary of the Senate."

43. Page 13, line 6, strike out "$10,000" and insert "$20,000".

44. Page 14, after line 15, insert:

"RESTORATION OF OLD SENATE CHAMBER AND OLD SUPREME COURT CHAMBER IN THE CAPITOL

"To enable the Architect of the Capitol to afford to the American people an opportunity to observe in its historic form, and to maintain as objects of interest to the youth of the United States, the rooms in the Capitol in which the United States Senate and the United States Supreme Court conducted their respective sessions in the early decades of our Nation, the Architect of the Capitol is authorized to make such expenditure as may be necessary to restore the Old Senate Chamber on the principal floor of the Capitol and the Old Supreme Court Chamber on the ground floor of the Capitol substantially to the condition in which these chambers existed when last occupied in 1859 and 1860, respectively, by the Senate and the Court, including expenditures for procurement, restoration, and repair of furniture and furnishings for these chambers, $400,000 to be expended without regard to section 3709 of the Revised Statutes, as amended, and to remain available until expended.

"Said chambers are hereby dedicated as permanent historic shrines of the Senate of the United States and of the Supreme Court of the United States, and, when restored, shall be exhibited to the public and used for no other purpose."

45. Page 14, after line 15, insert:

"SUBWAY TRANSPORTATION, CAPITOL AND SENATE OFFICE BUILDINGS

"For maintenance, repairs, and rebuilding of the subway transportation system connecting the Senate Office Buildings with the Capitol, including personal and other services, $6,000."

46. Page 14, after line 15, insert:

"SENATE OFFICE BUILDINGS

"For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services, including eight female attendants in charge of ladies' retiring rooms at $1,800 each, for the care and operation of the Senate Office Buildings; uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); to be expended under the control and supervision of the Architect of the Capitol; in all, $2,338,400."

47. Page 14, after line 15, insert:

"EXTENSION OF ADDITIONAL SENATE OFFICE BUILDING SITE"

48. Page 14, after line 15, insert:

"For an additional amount to enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to carry out the provisions of Public Law 85–429, Eighty-fifth Congress, relating to the acquisition of property in square 724 in the District of Columbia, including necessary expenses, $69,500, to remain available until expended."

49. Page 14, after line 15, insert:

"For an additional amount to enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to carry out the provisions of Public Law 85–591, Eighty-fifth Congress, relating to the acquisition of property in square 725 in the District of Columbia, including necessary expenses, $70,000, to remain available until expended."

50. Page 17, lines 11 and 12, strike out "H.J. Res. 352, Eighty-sixth Congress" and insert "Public Law 68–469".

51. Page 23, after line 19, insert:

"SEC. 105. (a) The second sentence of section 502(b) of the Mutual Security Act of 1954, as amended, is amended to read as follows: 'Within the first sixty days that Congress is in session in each calendar year, the chairman of each such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member and employee of such committee or subcommittee, and shall forward such consolidated report to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate).'

"(b) Each member of the United States group or delegation to the Interparliamentary Union, the NATO Parliamentarians' Conference, the Canada-United States Interparliamentary Group, the Mexico-United States Interparliamentary Group, or any

similar interparliamentary group of which the United States is a member, and each employee of the Senate or House of Representatives, by whom or on whose behalf expenditures are made from funds appropriated for the expenses of such group or delegation, shall file with the chairman of the Committee on Foreign Relations of the Senate in the case of Members or employees of the Senate, or with the Committee on Foreign Affairs of the House of Representatives in the case of Members or employees of the House, an itemized report showing all such expenditures made by or on behalf of each Member or employee together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within sixty days after the beginning of each regular session of Congress, the chairman of the Committee on Foreign Relations and the chairman of the Committee on Foreign Affairs shall prepare consolidated reports showing with respect to each such group or delegation the total amount expended, the purposes of the expenditures, the amount expended for each such purpose, the names of the Members or employees by or on behalf of whom the expenditures were made and the amount expended by or on behalf of each Member or employee for each such purpose. The consolidated reports prepared by the chairman of the Committee on Foreign Relations of the Senate shall be filed with the Committee on Appropriations of the Senate and the consolidated reports prepared by the chairman of the Committee of Foreign Affairs of the House shall be filed with the Committee on House Administration of the House. Each such consolidated report shall be printed in the CONGRESSIONAL RECORD within ten days after receipt by the Committee on Appropriations of the Senate or the Committee on House Administration of the House.

"(c) Section 60 of the Revised Statutes (2 U.S.C. 102) is amended by adding at the end thereof a new paragraph as follows:

" 'Reports of the Secretary of the Senate and the Clerk of the House of Representatives under this section shall be printed as Senate and House documents, respectively.' "

Mr. NORRELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NORRELL moves that the House concur in the amendments of the Senate numbered 1 through 42, inclusive, and 45 through 49, inclusive.

The SPEAKER. The question is on the motion of the gentleman from Arkansas.

The motion was agreed to.

Mr. NORRELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NORRELL moves that the House concur in the amendment of the Senate numbered 43.

The SPEAKER. The question is on the motion of the gentleman from Arkansas.

The motion was agreed to.

Mr. NORRELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NORRELL moves that the House disagree to the amendment of the Senate numbered 44.

The motion was agreed to.

Mr. NORRELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NORRELL moves that the House concur in the amendment of the Senate numbered 50.

The motion was agreed to.

Mr. NORRELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NORRELL moves that the House concur in Senate amendment numbered 51 with an amendment as follows: At the end of said amendment, add the following:

"No funds made available in this or any other act shall be used to pay the expenses of travel or subsistence for any trip made by any Senator or Representative between the District of Columbia and his home State in the case of a Senator, or his district in the case of a Representative, other than (1) trips which are specifically authorized by law for mileage or transportation expense of Senators and Representatives, (2) official participation in the funeral services of deceased Senators or Representatives, or (3) official trips originating in the Senator's State or Representative's district during periods when Congress is not in session."

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Ohio.

Mr. BOW. I should like to inquire of someone on the committee in regard to several items not related to this amendment, which I understand is the so-called Williams amendment which the House is accepting with an additional amendment which strengthens it a great deal.

I note that the other body has in this bill increased the stamp allowance for Senators from $450 to $550 a year. I would like to inquire whether or not the bill carries any increase in the stamp allowance for Members of the House.

Mr. NORRELL. The answer is "No."

Mr. BOW. I have studied this bill, and I note the other body has increased from 2 to 4 the number of employees in Senators' offices eligible for a round trip each year between Washington and their respective States at no cost to themselves. Is there anything in the bill which will permit four trips by employees in offices of House Members back and forth at taxpayers expense, such as the Senate proposes?

Mr. KIRWAN. No, there is not.

Mr. BOW. May I inquire whether or not there is anything in this bill which follows the rules of the other body permitting the hiring of boats or aircraft by traveling Senators and the right to pay rent for the hangars of the aircraft and the boathouses of the boats that are used?

Mr. KIRWAN. So far as I am aware, there is nothing of that kind in the bill.

Mr. BOW. So we have taken the so-called Williams amendment and added to it a provision designed to prevent the use of funds for an excessive number of trips back and forth to their States.

Mr. KIRWAN. We hope the further amendment now proposed will help in correcting the situation.

Mr. BOW. I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Iowa.

Mr. GROSS. I understand the Williams amendment provides for the individual accounting of what is spent on trips abroad.

Mr. KIRWAN. Yes; that is what the amendment is designed to get at.

Mr. GROSS. If the amendment is adopted that will include the continental United States?

Mr. KIRWAN. Yes; it covers trips abroad under sections (a) and (b). It also covers trips in continental United States and abroad under section (c) relative to expenditures from the contingent funds of the two Houses.

Mr. GROSS. That is, an individual accounting of all expenditures including appropriate funds as well as counterpart funds?

Mr. KIRWAN. Yes; everything has to be accounted for.

Mr. GROSS. I thank the gentleman.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Arkansas.

Mr. HARRIS. I have two questions, one following the question of the gentleman from Iowa: Is the accounting supposed to be made under this procedure by the member himself, or is it to be made by the chairman of the committee?

Mr. KIRWAN. It is made to the chairman and he makes it to the House Committee on Administration.

Mr. HARRIS. That is what I would like to know. I want to know about this individual responsibility. Suppose a situation were to arise where the individual member did not give such an accounting to the chairman of the committee?

Mr. KIRWAN. He would not get anything.

Mr. HARRIS. That is true, but if the chairman is going to be responsible for this accounting and he does not get an accounting from a member, how can the chairman give an accounting?

Mr. KIRWAN. That bridge would have to be crossed when it is reached.

Mr. HARRIS. I am afraid we have gone past that point, I will say to the gentleman, from experience.

Mr. TABER. Mr. Speaker, if the gentleman will yield, if the individual member of the committee does not make his report to the chairman, it is not in any way a reflection on the chairman.

Mr. HARRIS. Yes; if the gentleman will yield further, that is the question I raise at this point. You provide, if it was done as a procedural matter, that the chairman of the committee file a joint accounting for the entire committee. Now, as I understand, you require now an individual accounting of a member, but it has got to come to the chairman to be filed with the House Administration Committee.

Mr. KIRWAN. He can only file what the member or employee gives to him.

Mr. HARRIS. Suppose he does not give it. Is the chairman still responsible?

Mr. KIRWAN. The chairman does not know what the individual Congressman has done unless it is reported to him.

Mr. TABER. Mr. Speaker, if the gentleman will yield, how could the chairman be responsible unless he was furnished the information? There is nothing in here that says he should be responsible.

Mr. HARRIS. That is what I want to make clear. If we are going to have a procedure, which I think we should have, that the right accounting be made, why do you not have the individual member make the accounting?

Mr. KIRWAN. The amendment says, in part:

Provided, That each member or employee of any such committee shall make to the chairman of such committee in accordance with the regulations prescribed by such committee—

And so on. That is what it says. The member is required to make the report of what is used.

Mr. HARRIS. That is true, but I still raise the question, Mr. Speaker, if the individual member does not make an accounting to the chairman, how can you hold the chairman responsible for it? That is the point I want to make.

Mr. KIRWAN. We are not saying that this amendment holds the chairman responsible for it. The member will make his report to the chairman. Now, if he does not make it, we do not hold the chairman responsible.

Mr. HARRIS. What is the procedure if you do not make it?

Mr. KIRWAN. I do not know that it is any different than it is under present law. How are you going to make him do it? If he does not make it, what are you going to do about it?

Mr. TABER. There is no penalty provided on anybody for failure to comply with the Williams amendment.

Mr. HARRIS. Well, I would like to be in a position to carry out the law and the spirit of the law——

Mr. KIRWAN. It seems to me the chairman is fully protected here.

Mr. HARRIS. But I think we are dealing with the Congress in general.

Mr. KIRWAN. As to the conference report that just preceded this bill, many Members wanted to question it.

Mr. HARRIS. I do not want to question it. All I am doing is trying to find out from the gentleman and the other Members explicitly what I, as chairman, should do about it.

Mr. KIRWAN. By putting in the so-called Williams amendment, we will have done something to try to correct the abuses.

Mr. HARRIS. I agree with the gentleman that these abuses ought to be corrected, and I am for it. Let me ask one other question. As I understand the question raised by the gentleman from Ohio [Mr. Bow], no funds or money out of the contingency fund can be spent for transportation from the member's district to Washington; is that correct?

Mr. KIRWAN. Unless he is called back on committee business.

Mr. HARRIS. That is what I want to get at. If there is a committee call, for instance.

Mr. KIRWAN. Yes. We are not depriving anyone of that.

Mr. HARRIS. I thank the gentleman very much.

Mr. HORAN. Mr. Speaker, if the gentleman will yield, I think the language is broader than "contingency fund." It says "no funds in this or any other Act." I think that wording is clear. It is presumed on any official trip, a member has to get the approval of his chairman, and then he is required to report back to the chairman. If he does not report back to the chairman, he is subject to having inserted in the CONGRESSIONAL RECORD information showing he failed to file a report. So, I think the chairman is protected in two ways: First, in approving any travel; and, second, in submitting an itemized report.

Mr. TEAGUE of Texas. Mr. Speaker, will the gentleman from Arkansas yield?

Mr. NORRELL. I yield.

Mr. TEAGUE of Texas. Mr. Speaker, will the gentleman explain whether or not these same rules apply to all committees of the House in the same way?

Mr. NORRELL. In the same way, yes.

Mr. TEAGUE of Texas. Every committee of the House is covered by these same rules and regulations in exactly the same way?

Mr. NORRELL. Yes. The amendment pending—the so-called Williams amendment, as proposed to be further amended—applies to all committees and in the same manner.

Mr. TEAGUE of Texas. Mr. Speaker, I should like to ask other members of the committee whether that is true or not.

Mr. KIRWAN. Yes, it is true; there is no question about that.

Mr. TEAGUE of Texas. It is my understanding that there are two committees of the House that are exempt from these rules and regulations, that they are handled in a different way. As chairman of a committee, I would like to know whether that is so or not; and if so, why, and what is the difference?

Mr. KIRWAN. Which are these committees?

Mr. TEAGUE of Texas. Committee on Appropriations and Committee on Armed Services.

Mr. KIRWAN. That is not so. This amendment applies to all committees, and all alike.

Mr. TEAGUE of Texas. The gentleman is saying that when members of the Armed Services and Appropriations Committees travel, the money for that purpose is handled in exactly the same way as it is for members of any other committee of the House?

Mr. KIRWAN. The reporting of expenses will be handled in the same way; the Appropriations Committee is not exempt from this amendment, or treated any differently under it.

Mr. TEAGUE of Texas. I am sorry, I did not understand the gentleman.

Mr. KIRWAN. Under this amendment, the Appropriations Committee is not treated any differently than any other committee.

Mr. TEAGUE of Texas. And every member of every committee comes under the same rules and their money is handled in exactly the same way?

Mr. KIRWAN. This amendment applies to all committees of the House.

Mr. TEAGUE of Texas. I would like to ask the chairman of the House Administration Committee whether his committee has that understanding.

Mr. KIRWAN. It applies to all of us, and in the same identical way.

Mr. BURLESON. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. BURLESON. The Appropriations Committee does not receive its travel allowance and its committee operating funds from the Contingent Fund of the House as does other committees. Therefore, I would have to disagree with the gentleman, as a technical matter, when he says that they are handled the same way.

Mr. TEAGUE of Texas. Why are the funds of any committee handled any differently from the funds of any other committee?

Mr. BOW. Mr. Speaker, if the gentleman will yield, under the amendment which is now being offered on the legislative appropriations bill, all funds of all committees would be reported alike, including the Armed Services Committee and the Appropriations Committee. That has not been true in the past, I will say to the gentleman; he is correct in that. But in the future, under this amendment, expenditures from all appropriated funds and all counterpart funds will be reported in exactly the same way.

Mr. VINSON. Mr. Speaker, when the gentleman refers to the Armed Services Committee, does the gentleman mean the Subcommittee on Armed Services of the Committee on Appropriations?

Mr. BOW. That is right it would be included along with all other subcommittees of appropriation committees and committees of the House.

Mr. TEAGUE of Texas. Mr. Speaker, I would like to ask whether or not all funds come from the same source?

Mr. TABER. They do not. There are all sorts of laws providing for such funds; but this pending amendment covers every situation—whether covered by this act or any other act.

Mr. TEAGUE of Texas. Other committees usually go to the Committee on Rules and get a rule to secure their money. I would like to know whether or not that is true of all committees; and if it is not so, why the difference? Why is one committee treated differently from another?

Mr. TABER. Because of difference in basic laws. They do not go to the Committee on Rules on every occasion. Only when a committee is granted a specific fund to investigate something does it go to the Committee on Rules for consideration.

Mr. TEAGUE of Texas. I would like to ask the gentleman from New York whether or not his committee reports to the House Administration Committee, as do all the other committees?

Mr. TABER. They will have to, under this amendment.

Mr. TEAGUE of Texas. It will be exactly the same.

Mr. TABER. Yes.

Mr. TEAGUE of Texas. I would like to ask the chairman of the House Administration Committee whether he understands it that way?

Mr. BURLESON. As I understand this amendment all committees will follow the same reporting procedures, but it has not been that way in the past; and that was the gentleman's inquiry, as I understood him.

Mr. TEAGUE of Texas. Under this bill, all committees in the House will be handled exactly the same?

Mr. BURLESON. That is what the committee members say and I therefore do not question the intent.

Mr. TEAGUE of Texas. And the reports will be made in the same way?

Mr. GROSS. If the amendment is adopted.

Mr. KIRWAN. We have been subject to the same reporting requirements as any other committee in the past. The Appropriations Committee has not been subject to special treatment on reporting travel expenses.

Mr. TEAGUE of Texas. I have been told by people who should know that there are committees that are treated differently; some committees report and some do not.

Mr. KIRWAN. We have not traveled on counterpart funds, and therefore have not been required to report prior to this year.

Mr. TEAGUE of Texas. If the Committee on Appropriations does not travel on counterpart funds, what funds do they use?

Mr. KIRWAN. We travel under the departments' funds.

Mr. TEAGUE of Texas. What does the gentleman mean by that, that they travel under a department?

Mr. KIRWAN. The department appropriation takes care of the cost.

Mr. TEAGUE of Texas. In other words, if the Appropriations Committee travels under the State Department, the State Department pays for the trip?

Mr. KIRWAN. Yes; that is the way it is done with the Committee on Appropriations. The applicable department's funds are used.

Mr. TEAGUE of Texas. They make a report the same as other committees?

Mr. KIRWAN. As I have already said, this amendment applies to the Appropriations Committee as well as all other committees, and in the same way.

Mr. BURLESON. If I may reply to the gentleman from Arkansas [Mr. HARRIS], chairman of the Committee on Interstate and Foreign Commerce, relative to the question he raised about the responsibility of the committee chairman, I certainly feel that the responsibility of the chairman is a continuous one from the time he authorizes the activity. When the activity is authorized the expenses incident to it are the concern right now and it certainly seems proper that the chairman of a committee must exercise his judgment, along with the member of his committee who incurred the expense, of meeting the requirements of reporting.

I know the gentleman is not implying that the chairman desires or intends to absolve himself of all responsibility after he authorizes an activity by his committee but I doubt if enough attention has been paid to the matter in the past. Certainly I would feel that he is responsible along with the other members—we all are—to follow through on the report as provided under the law and under rules and regulations promulgated to carry out the intents and purposes of the Congress.

Mr. HARRIS. I do not desire to absolve myself of responsibility at all. All I am trying to do is find out what is the procedure. What is the chairman supposed to do under given circumstances? If we are required to make a report, the gentleman says this is an individual accounting, but if the individual does not account to the chairman how can the chairman account to the House Administration Committee?

All I want to know is the procedure. Our friend from Washington [Mr. HORAN] a moment ago advised what to do. All you would do is make a report and name the individual who did not make the account.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from New York.

Mr. TABER. The chairman of a committee ought not to give a member permission to travel or to spend money unless he is satisfied that such member will render the proper accounting to him.

Mr. HARRIS. The chairman has to assume that the member when he receives permission for such responsibility will comply. We cannot develop that in advance. We know we have to assume that.

Mr. BURLESON. If the gentleman will yield further, this is the basic provision. We do have a set of rules and regulations promulgated to carry out the purpose and intent of the law. Those rules and regulations are in process of being revised in accordance with anticipated changes in the basic requirement.

Mr. SCHENCK. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Ohio.

Mr. SCHENCK. May I bring up one situation here that I believe has been misunderstood. In the first place, there is no money advanced by anyone to any Member of Congress to take a trip anywhere. The Clerk of the House Disbursing Office is not authorized to advance any funds. Therefore, the Member must pay his own bill.

The point is you must file a voucher. The voucher must be supported by supporting information. If a Member does not file his voucher when he comes back, then he does not get paid for it. That is all. That is under the rules of the House Administration Committee and also under this amendment.

Mr. BURLESON. That is my understanding of the intent of what we are trying to do.

Mr. TEAGUE of Texas. Mr. Speaker, will the gentleman yield?

Mr. SCHENCK. I yield.

Mr. TEAGUE of Texas. I am still disturbed as to whether or not the reports from all committees are handled in exactly the same way. The gentleman from Ohio says that members of the Appropriations Committee travel through the departments. Does that mean that if the Veterans' Administration wants to do so, they could take members of the Veterans' Affairs Committee on visits to hospitals and be paid by the Veterans' Administration?

Mr. KIRWAN. The Appropriations Committee does not use counterpart funds and has not for many years. The department handles it.

Mr. TEAGUE of Texas. The Veterans' Administration continually asks me to send Members to visit hospitals. Can they take up a check on that, and the Members make a report on it?

Mr. KIRWAN. If you sent Members out, they must make a report under this amendment now under consideration.

Mr. TEAGUE of Texas. I understood the gentleman to say he did not have to make a report.

Mr. KIRWAN. No; because we did not use counterpart funds and therefore have not had to make a report.

Mr. TEAGUE of Texas. Where does that money come from to the department?

Mr. KIRWAN. It is included in the regular appropriation bills. When we go out on an investigation we submit to the department the expense account. That has been the law and the custom for many years.

Mr. TEAGUE of Texas. Can I, as chairman of the Committee on Veterans' Affairs, go to New York and look at a hospital and turn that bill over to the Veterans' Administration? Do they have the money to pay that bill?

Mr. KIRWAN. I think so.

Mr. TEAGUE of Texas. I am still confused. I wish somebody on the committee would clear this up.

Mr. BOW. I should like to clear this up, because it is important.

Under this so-called Williams amendment, as we hope it will be strengthened by an amendment in the House today, every committee of the House will be treated exactly alike. The only difference between the House and Senate is that the report in the Senate will be made to the Appropriations Committee, and in the House the reports will be made to the House Administration Committee. There will be no trip by any member of the Appropriations Committee, or any other committee, that will not be itemized and printed in the CONGRESSIONAL RECORD. This has not been true in the past but there has been a reason. But under this so-called Williams amendment, which enacts a whole new set of reporting requirements, there will be no chance for anyone to avoid disclosure of all expenses.

I will be glad to answer any other questions.

Mr. TEAGUE of Texas. Will the chairman of the House Administration Committee say that is his understanding?

Mr. BURLESON. I understood that to be the intent. It has not been the case in the past. Just what the Appropriations Committee will do about

appropriating funds to the various departments and the departments pay the expenses of members out of those funds, I do not know. For instance, if the Subcommittee on Military Appropriations goes to California to look at a military installation and the Defense Department pays the bill out of funds appropriated to them for that purpose, who reports to whom? We assume that under this amendment they report the same as other committees.

Mr. BOW. Pardon me. The gentleman yielded to me. He infers that there might be some manner in which we can get around this; but that does not exist.

Mr. BURLESON. No. I am referring to the situation as it has been in the past. The difference is simply because you do not go to the House Administration Committee for expenses from the contingent fund.

Mr. BOW. Regardless of where the funds come from, whether we appropriate the funds to the State Department, to the Veterans' Administration, or what not, whenever a member travels he will report back to the chairman of his committee, and the chairman will report that same detail to the CONGRESSIONAL RECORD. There cannot be any question about it under this Williams amendment, if the amendment as the House recommends it should be adopted.

Mr. BURLESON. Let me ask this one additional question of the Appropriations Committee. I think perhaps it would be interesting to the Members of this body to know that your committee carries on a broad number of activities, which is not apparent to those of us who are not members of that committee. You have to have special investigators, you have accountants, you must have people out of various departments on a reimbursable basis, and specialists of one sort or another. Some of the work performed is of a highly confidential nature.

I am aware generally of the situation; and, I repeat, it is necessary. There is no complaint on my part about that. I mention it as a matter of explaining the practical and to further draw attention to the fact the committee does not draw its funds from the contingent funds of the House and therefore makes no report to the Committee on House Administration.

Mr. BOW. That is correct.

Mr. BURLESON. Therefore, that makes the difference in all other committees, and that was the question asked by my colleague the gentleman from Texas [Mr. TEAGUE].

Mr. BOW. I may say to the gentleman that under this provision, wherever those funds may be or wherever they may be drawn from, whoever uses them has got to make a report to his committee chairman, and he in turn to the Committee on House Administration. There is just no question about that. Under this provision, if I may say, which we made stricter than the Senate provision, there will be no one from either body traveling to or from his district other than the trips permitted by law which for the House is one, and for the other body three trips during a session, or under the other specific exceptions set out in the pending motion.

Mr. TABER. I want to say to the gentleman that no member of the Appropriations Committee has ever had a cent out of the funds that are appropriated in this bill for investigations to the Appropriations Committee. A report is filed every 6 months with the Clerk of the House showing just what has been done with the money, and that is published in the RECORD.

Mr. JENSEN. The Appropriations Committee, Mr. Speaker, several years ago adopted a policy which provided that no member of the House Appropriations Committee henceforth could take and use counterpart funds; and no member of the Appropriations Committee of the House has since that time taken or used any counterpart funds to my knowledge.

The reason we did not urge other committees to do likewise was the custom which has been established for many, many years in this House, that each committee should discipline itself.

I am quite proud of the fact that the Appropriations Committee of the House, of which I am a member, took this action in this matter.

Mr. FRIEDEL. If the gentleman will yield, in other words, you encouraged the use of American dollars in foreign countries instead of counterpart funds.

Mr. JENSEN. At one time, no accounting to speak of was made of those counterpart funds. I was a member of the committee when the committee action was taken.

Mr. FRIEDEL. My question was: Did you use American dollars or did you use counterpart funds in foreign countries for hotel bills and meals?

Mr. JENSEN. The Appropriations Committee did not use counterpart funds.

Mr. FRIEDEL. Did you get counterpart funds from the State Department?

Mr. JENSEN. We used no counterpart funds.

Mr. FRIEDEL. None whatsoever?

Mr. JENSEN. Not since we adopted that policy in the committee.

Mr. NORRELL. We do not use them. We have not for several years.

Mr. HALEY. Regardless of whether you use American dollars or counterpart funds you are using something that belongs to the American people, and the American taxpayers, and the Member of Congress ought to come here and account for them.

Mr. JENSEN. Absolutely. I am glad, as every member of the committee is glad, that this matter has been brought before the House forcibly and that we are taking this action here today.

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, it is indeed heartening to note the overwhelming approval by the House of Representatives for the amendment to require strict accounting of public funds for travel expenses by Representatives, Senators, and their staffs while on official business.

Passage of this amendment, coupled with the excellent administrative recommendations put forth by the chairman of the House Administration Committee on the use of such funds, will certainly answer the critics of the Congress who predicted no action in clearing up this problem.

Many of us here in the House of Representatives have introduced bills along the lines of the amendment which has been made an integral part of the legislative appropriations bill, and I am sure it is satisfying to all of us to see that adequate controls are provided for a strict accounting of funds spent on congressional trips.

Our constituents, who after all pay our salaries and provide the funds for these trips, certainly have a right to know that their money has been spent wisely and that their interests are being served.

Strict accounting of counterpart funds abroad is another reform which I feel can do nothing but good for our Nation and its prestige. It has come to my attention that there is a great deal of resentment not only at home, but abroad as well, to excessive spending by Members of Congress and their staffs who are traveling as official representatives of our Federal Government.

Public disclosure of expenses also will be a step toward clearing away another obstacle which has bothered a number of newsmen here in Washington, and that is the difficulty of obtaining detailed information on matters which do not affect national security. I believe that this amendment is a move toward greater freedom of the press to gather information and to present it to the people of our Nation.

We, as Members of Congress, are entrusted with the task of establishing the policy, the laws, for our Nation. By adoption of this amendment today, we have demonstrated we are willing to live by the rules we have placed on others, and that Congress is not afraid nor unwilling to give a strict accounting of its expenses and actions, to its masters, the people of our Nation.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas [Mr. NORRELL].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

STABILIZING MINING OF LEAD AND ZINC

The SPEAKER. The unfinished business is to vote on the passage of the bill H.R. 8860 to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. The question is on the passage of the bill.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 197, nays 192, not voting 42, as follows:

[Roll No. 156]

YEAS—197

Albert	Healey	O'Konski
Allen	Hébert	Oliver
Andersen, Minn.	Hemphill	Passman
Anfuso	Hogan	Patman
Aspinall	Holifield	Pfost
Avery	Holland	Poage
Bailey	Horan	Preston
Baker	Hull	Price
Baring	Ikard	Prokop
Barrett	Inouye	Pucinski
Bass, Tenn.	Jarman	Quigley
Beckworth	Jennings	Rabaut
Belcher	Johnson, Calif.	Rains
Bennett, Fla.	Johnson, Colo.	Randall
Bennett, Mich.	Johnson, Md.	Reece, Tenn.
Berry	Jones, Ala.	Rees, Kans.
Blatnik	Jones, Mo.	Reuss
Boggs	Karsten	Rhodes, Ariz.
Bolling	Karth	Rhodes, Pa.
Bowles	Kasem	Riley
Brademas	Kastenmeier	Rivers, Alaska
Breeding	Kearns	Rivers, S.C.
Brock	Kee	Roberts
Brooks, Tex.	Kelly	Rogers, Colo.
Brown, Ga.	Kilday	Rogers, Mass.
Brown, Mo.	King, Calif.	Rogers, Tex.
Burke, Ky.	King, Utah	Rooney
Byrne, Pa.	Kirwan	Roosevelt
Casey	Kluczynski	Rostenkowski
Cheif	Kowalski	Roush
Chenoweth	Landrum	Rutherford
Clark	Lankford	Saund
Coad	Lesinski	Saylor
Cohelan	Libonati	Shelley
Curtis, Mo.	Loser	Shipley
Davis, Tenn.	McCormack	Sisk
Dent	McDowell	Slack
Denton	McFall	Smith, Iowa
Diggs	McGinley	Smith, Kans.
Dingell	McGovern	Smith, Miss.
Dixon	McMillan	Spence
Dorn, S.C.	Macdonald	Staggers
Doyle	Mack	Steed
Dulski	Madden	Stubblefield
Edmondson	Mahon	Sullivan
Elliott	Marshall	Thomas
Everett	Matthews	Thompson, Tex.
Evins	Merrow	Thornberry
Fallon	Meyer	Toll
Feighan	Miller, Clem	Tollefson
Flood	Miller, George P.	Trimble
Flynn	Mills	Udall
Foley	Mitchell	Ullman
Forand	Montoya	Vinson
Friedel	Morgan	Wainwright
Garmatz	Morris, N. Mex.	Walter
Gathings	Moss	Wampler
George	Moulder	Wier
Gilbert	Murphy	Wilson
Gray	Natcher	Withrow
Green, Pa.	Nix	Wolf
Griffiths	Norrell	Wright
Hagen	O'Brien, Ill.	Yates
Hargis	O'Brien, N.Y.	Young
Harmon	O'Hara, Ill.	Zablocki
Harris	O'Hara, Mich.	

NAYS—192

Abbitt	Budge	Dorn, N.Y.
Abernethy	Burke, Mass.	Dowdy
Adair	Burleson	Downing
Addonizio	Byrnes, Wis.	Dwyer
Alexander	Cahill	Farbstein
Alger	Canfield	Fascell
Andrews	Cannon	Fenton
Arends	Cederberg	Fisher
Ashley	Chamberlain	Fogarty
Ashmore	Chiperfield	Ford
Auchincloss	Church	Forrester
Baldwin	Collier	Frelinghuysen
Barr	Colmer	Fulton
Barry	Conte	Gary
Bass, N.H.	Cook	Gavin
Bates	Cooley	Giaimo
Baumhart	Corbett	Glenn
Becker	Cramer	Goodell
Betts	Cunningham	Grant
Boland	Curtin	Green, Oreg.
Bolton	Curtis, Mass.	Griffin
Bonner	Daddario	Gross
Bosch	Dague	Gubser
Bow	Daniels	Haley
Bray	Delaney	Halleck
Brewster	Derounian	Halpern
Brooks, La.	Derwinski	Hardy
Broomfield	Devine	Harrison
Brown, Ohio	Donohue	Hays
Broyhill	Dooley	Hechler
Henderson	McIntire	Schenck
Herlong	Machrowicz	Scherer
Hess	Mailliard	Schneebeli
Hiestand	Martin	Schwengel
Hoeven	May	Scott
Hoffman, Ill.	Meader	Selden
Hoffman, Mich.	Michel	Short
Holt	Miller, N.Y.	Sikes
Holtzman	Milliken	Siler
Hosmer	Minshall	Simpson
Huddleston	Moeller	Smith, Calif.
Irwin	Monagan	Smith, Va.
Jensen	Moore	Springer
Johansen	Moorhead	Taber
Johnson, Wis.	Murray	Teague, Calif.
Jonas	Nelsen	Thomson, Wyo.
Judd	Norblad	Tuck
Keith	Osmers	Utt
Kilburn	Ostertag	Vanik
Kilgore	Pelly	Van Pelt
Kitchin	Perkins	Van Zandt
Knox	Philbin	Wallhauser
Kyl	Pilcher	Watts
Lafore	Pillion	Weaver
Laird	Pirnie	Weis
Lane	Poff	Westland
Langen	Porter	Wharton
Latta	Quie	Whitener
Lennon	Ray	Whitten
Levering	Riehlman	Widnall
Lindsay	Robison	Williams
Lipscomb	Rodino	Winstead
McCulloch	Rogers, Fla.	Younger
McDonough	St. George	

NOT VOTING—42

Alford	Fino	Mumma
Anderson, Mont.	Flynt	O'Neill
Barden	Fountain	Powell
Bentley	Frazier	Santangelo
Blitch	Gallagher	Sheppard
Boykin	Granahan	Stratton
Buckley	Jackson	Taylor
Burdick	Keogh	Teague, Tex.
Carnahan	McSween	Teller
Celler	Magnuson	Thompson, La.
Coffin	Mason	Thompson, N.J.
Davis, Ga.	Metcalf	Willis
Dawson	Morris, Okla.	Zelenko
Durham	Morrison	
	Multer	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Keogh with Mr. Taylor.
Mr. Santangelo with Mr. Mumma.
Mr. Burdick with Mr. Mason.
Mr. Fogarty with Mr. Jackson.
Mr. Multer with Mr. Fino.
Mr. Morrison with Mr. Bentley.

Mr. VANIK changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA CALENDAR

The SPEAKER. This is District Day. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN].

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 1844) to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended by the acts of July 2, 1940, and July 12, 1950, with Senate amendments thereto, and ask unanimous consent to concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 3, line 7, after "association" insert "whose eligible members have the same profession, trade, or occupation".

Page 3, line 16, strike out "associations" and insert "association".

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AMENDING DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12497) to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VII of the District of Columbia Income and Franchise Tax Act of 1947, as amended (D.C. Code 47–1571 and the following) is amended by adding at the end thereof the following new section:

"SEC. 3. EXEMPT FOREIGN CORPORATIONS.—A foreign corporation authorized to invest in loans secured by real estate, which does not maintain any office or employees in the District of Columbia, shall not be subject to taxation under this article if the only activities of such foreign corporation in the District of Columbia are one or more of the following:

"(1) the acquisition of loans (including the negotiation thereof) secured by mortgages or deeds of trust on real property situated in the District of Columbia pursuant to commitment agreements or arrangements made prior to or following the origination or creation of such loans;

"(2) the physical inspection and appraisal of property in the District of Columbia as security for mortgages or deeds of trust;

"(3) the ownership, modification, renewal, extension, transfer, or foreclosure of such loans, or the acceptance of substitute additional obligors thereon;

"(4) the making, collecting, and servicing of such loans through a District of Columbia concern engaged in the business of servicing real estate loans for investors;

"(5) maintaining or defending any action or suit or any administrative or arbitration proceeding arising as a result of such loans;

"(6) the acquisition of title to property which is the security for such a loan in the event of default on such loan;

"(7) pending liquidation of its investment therein within a reasonable time, operating, maintaining, renting, or otherwise dealing with selling, or disposing of, real property acquired under foreclosure, sale, or by agreement in lieu thereof."

SEC. 2. Section 99 of the District of Columbia Business Corporation Act (D.C. Code, sec. 29–933) is amended by adding at the end thereof the following new subsections:

"(c) No foreign corporation which is exempt from taxation under the District of Columbia Income and Franchise Tax Act of 1947 by section 3 of title VII of such Tax Act of 1947 shall be subject to the provisions of this Act.

"(d) Nothing in subsection (c) of this section shall be construed as affecting the

amenability of any foreign corporation to the service of any process, notice, or demand to which such corporation would be amenable without reference to the provisions of such subsection (c)."

SEC. 3. The amendment made by the first section of this Act shall take effect with respect to taxable years beginning on and after December 31, 1960.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, the purpose of this legislation is to clarify the local status of lenders from jurisdictions outside the District of Columbia, so that such lenders who make loans secured by mortgages or deeds of trust on properties situated in the District of Columbia may be assured that solely by reason of having made such loans or having conducted any of the other activities necessarily engaged in by lenders on real estate, and in the servicing and collection of such loans, they will not be considered as "doing business" in the District of Columbia, nor thereby become subject to taxes, licensing and regulations which might apply to lenders domiciled in the District of Columbia.

It is essential to the economy of the District of Columbia that adequate funds be available for the financing of real estate sales and purchases, and for new construction in the city of Washington. Such adequate funds can be provided only through the availability of investment capital over and beyond that which exists locally. Uncertainty as to whether a foreign lender, that is, a lender from any jurisdiction outside of the District of Columbia, would be adjudged to be "doing business" in the District of Columbia by reason of having made real estate loans here has effectively prevented a majority of the savings banks throughout the United States, and various pension funds, from being willing to make loans secured by real property located here. As a practical matter, for the most part, foreign lenders invest principally in loans insured by the Federal Housing Association, or guaranteed by the U.S. Veterans' Administration, and for that reason it is not likely that by this clarification of the District of Columbia law they would become a competitive factor to the District of Columbia banks. On the contrary the availability of funds provided by foreign lenders for this type of investment may alleviate some of the difficulties and even unsound financing which are prevalent in the middle to low-cost brackets in today's housing market.

AMENDING THE DISTRICT OF COLUMBIA SALES TAX ACT

Mr. McMILLAN. Mr. Speaker, by direction of the House Committee on the District of Columbia I call up H.R. 10346, to amend the District of Columbia Sales Tax Act so as to increase the rate of tax imposed on gross receipts from certain sales, and for other purposes, and ask unanimous consent that this bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 125 of the District of Columbia Sales Tax Act (D.C. Code 47–2602) is amended by striking out "2 per centum" and by inserting in lieu thereof "3 per centum".

(b) Subsection (a) of section 127 of such Act (D.C. Code 47–2604(a)) is amended to read as follows:

"(a) On each sale, other than sales of food for human consumption off the premises where such food is sold, and other than sales or charges for rooms, lodgings, or accommodations furnished to transients, such amounts as may be prescribed by the Board of Commissioners of the District of Columbia to carry out the purposes of this section."

SEC. 2. Section 212 of the District of Columbia Use Tax Act (D.C. Code 47–2702) is amended by striking out "2 per centum" and inserting in lieu thereof "3 per centum".

SEC. 3. The amendments made by the first two sections of this Act shall take effect on the first day of the first month which begins more than sixty days after the date of enactment of this Act. From and after the effective date of such amendments, all references in the District of Columbia Use Tax Act to sections 125 and 127 of the District of Columbia Sales Tax Act shall be deemed to be references to such sections 125 and 127, as amended by the first section of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, the sales tax is unquestionably the most equitable type of excise tax. It not only spreads the collection of taxes over all products, but it also spreads the burden of paying to nonresidents as well as residents.

Objections have been voiced to the effect that a 3-percent sales tax would drive business out of the District into Virginia where there is no sales tax. However, a 3-percent sales tax is no more likely to drive business out of the District than a 2-percent sales tax does. Maryland raised its rate to 3 percent on January 1, 1959, and increased its collection from the sales tax more percentagewise than the rate increase. It is significant that the collections from the sales tax in neighboring Montgomery and Prince Georges Counties were even greater in relation to the rate increase. Here are the facts as reported by the State of Maryland, comptroller of the currency, retail sales tax division:

	Montgomery County	Prince Georges County	State of Maryland
Year ended Jan. 31, 1959, at 2-percent rate	$3,917,518	$2,882,941	$44,864,181
Year ended Jan. 31, 1960, at 3-percent rate [1]	6,619,243	5,096,822	71,473,079
Increase	2,701,725	2,213,881	26,608,898
Percent increase	69	77	60

[1] Actual increase in sales tax rate was 47.62 percent rather than 50 percent.

Bear in mind that this increase occurred despite the fact that the District sales tax was 2 percent and Virginia had no sales tax whatever.

AMENDING AN ACT TO PROVIDE ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, by direction of the House Committee on the District of Columbia I call up H.R. 12563 to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended, and ask unanimous consent that this bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 3 of title IV of the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937 (50 Stat. 681), as amended (sec. 40–103(a), D.C. Code, 1951 ed., Supp. VIII), is amended by inserting immediately before the period at the end of such subsection the following: ", except that in the event the Commissioners prescribe and issue as the official identification tags for the District of Columbia tags treated with special reflective materials designed to increase the visibility and legibility of such tags, the Commissioners may charge a fee not exceeding fifty cents in addition to all other fees which may be required".

SEC. 2. Subsection (b) of section 3 of title IV of such Act (sec. 40–103(b), D.C. Code, 1951 edition, Supp. VIII), as amended, is amended (a) by striking "gasoline-propelled" wherever such words appear in the subsection; (b) by striking, in class F of such subsection, "three sets of tags, $50", and inserting in lieu thereof "set of tags, $30"; and (c) by adding at the end of such subsection the following:

"Class G. For each motor vehicle propelled by fuel not subject to taxation under the Act entitled 'An Act to provide for a tax on motor fuels sold within the District of Columbia, and for other purposes', approved April 23, 1924 (43 Stat. 106), as amended (sec. 47–1901, and the following, D.C. Code, 1951 edition), and motor vehicles propelled by any means other than motor fuels as defined in said Act, double the fees provided in this subsection for classes A through D."

SEC. 3. The second sentence of subsection (e) of section 3 of such Act is amended by striking "and class C" and inserting in lieu thereof "and class C and G".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, the purpose of this bill is to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 681), as amended (sec. 40–103, D.C. Code, 1951 ed., Supp. VIII), in three respects.

Section 1 of this bill will amend section 3(a) of title IV of the above-mentioned act to authorize the Board of

Commissioners of the District of Columbia, in the event that they prescribe and issue District of Columbia automobile identification tags treated with special reflective materials, to charge a fee not to exceed 50 cents per set of such tags, in addition to all other fees which may be required. According to the Director of the Department of Motor Vehicles of the District of Columbia, this reflective surface material is very effective in increasing the visibility and legibility of automobile tags at night. He said that such specially treated tags are now being used by the States of Delaware, Hawaii, Louisiana, Maine, Minnesota, North Dakota, South Dakota, Wyoming, and West Virginia. Connecticut, which used this reflective material on its automobile tags for several years, has abandoned the practice this year. We are told that this was done because Connecticut had never charged any additional fee for such tags, and now finds it necessary to eliminate this extra cost to the State, as an economy measure.

A tag so treated, we are informed, is a safety feature for night driving as well as a means for easier police identification of tag numbers at night, as the surface of the tag enables it not only to be seen but to be read as well, at night, whether the vehicle bearing such tags has its own lights burning or not, by the illumination furnished by the lights of the other vehicle. Thus, if a car bearing such treated tags is operating at night with only one headlight burning, the operator of an oncoming car can readily tell, by the position of the front reflective license plate, which light is not functioning on the first vehicle. This, of course, is a safety measure which cannot be provided with ordinary license tags. Mr. England said also that the cost to the District of Columbia for so treating the tags will not exceed 32 cents per set, and thus the nominal fee authorized in this bill will be sufficient to make the operation completely self-supporting.

Section 2 of this bill will amend section 3(b) of title IV of the present act in three respects. First, it will call for striking out the words "gasoline-propelled" wherever these words appear in the subsection. This will have the effect of authorizing the charging of registration fees for all motor vehicles registered in the District of Columbia, regardless of the type of fuel used to propel the vehicle, whereas the present law restricts this authority to motor vehicles propelled by gasoline only. This present law therefore, excludes from such fee all diesel-fueled trucks and other vehicles, including the entire fleet of buses owned and operated by the D.C. Transit Co. Actually, fees are being charged for the registration of these vehicles at present, but such fees are not authorized in the present law. In addition, it is reported that automobiles which will operate on fuels other than gasoline—such as kerosene, diesel oil, and other petroleum derivatives, gaseous fuels such as propane and butane, and electric batteries—may soon be placed on the market in the District of Columbia. Hence, the purpose of this amending language is to require a registration fee for all motor vehicles in the District of Columbia.

The second amendment provided in this section will strike, in class F of the above-cited subsection, the words "three sets of tags, $50," and insert in lieu thereof "set of tags, $30." This language refers to dealers' tags, which at present cost $50 for the first three sets and $10 for each additional set. As a consequence, a small dealer is obliged to pay $50 for three sets of dealers' tags whereas he may have need for only one or two such sets. We are told that this system not only imposes a hardship on the small dealers, but also when a minimum number of sets of dealers' tags in excess of the number actually needed by the dealer must be purchased, there is a tendency for misuse to be made of the excess number. Specifically, we have been informed that many complaints and some prosecutions have ensued from these excess dealers' tags being illegally used, as for example on automobile crane trucks and other service vehicles. The new language proposed in this bill will establish a fee of $30 for the first set of dealers' tags and $10 for each additional set.

The third amendment to the present act proposed in this section will add a new class G, which will authorize doubling the registration fees provided in the present subsection for classes A through D for motor vehicles propelled by fuel not subject to taxation under the act designated as "43 Stat. 106," as amended, and for motor vehicles propelled by any means other than motor fuels as defined in that act.

In the act cited, the term "motor vehicle fuels" is defined for the purpose of taxation to include all volatile and flammable liquid fuels produced or compounded for the purpose of operating or propelling internal-combustion engines. However, kerosene is specifically excluded. Hence, the doubled registration fee authorized in this section would be imposed upon motor vehicles fueled by kerosene, gaseous fuels such as propane or butane, or electricity, as far as presently developed fuels are concerned. The purpose of this provision is to establish a fair rate of taxation upon the owners of motor vehicles utilizing fuels which are not taxed in the District of Columbia, who otherwise would not contribute an equitable share of the cost of maintenance of the city's highway facilities. As a matter of fact, such a provision existed in the present law until 1954, when it was repealed by a provision of the Public Works Act of 1954—Public Law 364, 83d Congress. Until that time, class E of section 40–103 of the D.C. Code, 1951, read as follows:

> Motor vehicles not propelled by gasoline, double the fees for similar vehicles propelled by gasoline.

This class E was replaced by a provision of the act of 1954 mentioned above, with new language providing for an annual registration fee of $5 for antique motor vehicles manufactured prior to January 1, 1930, and now owned solely as collectors' items, with their use limited to participation in club activities, tours, parades, and so forth. The reason for this amendment, given in the House Report No. 1358 of the 83d Congress, was as follows:

> Title VI substitutes for the present system of registration fees and personal property tax on motor vehicles a single "flat fee" system. * * * The flat fee system will produce approximately the same revenue as that now received under the present system.

This reasoning was unquestionably sound in 1954. At present, however, the likelihood of motor vehicles which would be affected by the double registration fees provided for in this proposed legislation being marketed in the District of Columbia in appreciable numbers is a very real one; hence, the amendment in this bill which would restore the doubled fee is based on the anticipation of this situation becoming a reality.

Section 3 of the bill simply provides some amending language to section 3(e) of the present act to make it conform with the above-mentioned amendments. No substantive change is involved.

NATIONAL CAPITAL TRANSPORTATION ACT OF 1960

Mr. McMILLAN. Mr. Speaker, by direction of the House Committee on the District of Columbia I call up H.R. 11135, to aid in the development of a unified and integrated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize creation of a National Capital Transportation Corporation; to authorize negotiation to create an interstate transportation agency; and for other purposes, and ask unanimous consent that this bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

TITLE I—SHORT TITLE, DECLARATION OF POLICY, AND DEFINITIONS

Short title

SEC. 101. This Act may be cited as the "National Capital Transportation Act of 1960".

Declaration of policy and purpose

SEC. 102. The Congress finds that an improved transportation system for the National Capital region is essential for the continued and effective performance of the functions of the Government of the United States and of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital. The Congress further finds that improved transportation of persons requires coordination of the planning, financing, construction, and administration of highways and public transit and railroad facilities; and that improved transportation also requires coordination with other public facilities and with the use of land, public and private. The Congress therefore declares that it is the continuing policy and

responsibility of the Federal Government, in cooperation with the State and local governments of the National Capital region, to make full use of private enterprise wherever appropriate for the transportation of persons in the region; to administer this Act so as to recognize and preserve the advantages of both private and public contributions to the development of such transportation; to promote safe, adequate, economical, and efficient service within the region without unjust discriminations, undue preferences or advantages—all to the end of developing a unified and integrated system of transportation of persons in the National Capital region.

In order to bring into being an improved transportation system, the Transportation Plan National Capital Region, prepared pursuant to the National Capital Planning Act of 1952 (66 Stat. 781) and the Second Supplemental Appropriation Act of 1955 (69 Stat. 33), recommends, among other things, that the Congress consent to and approve the Washington Metropolitan Area Transit Regulation Compact and create a temporary Federal agency to initiate the detailed programing and development of the transportation system, pending the negotiation and execution of an interstate compact creating a new interstate proprietary agency to succeed both the Federal agency and the Washington Metropolitan Area Transit Regulation Compact Agency.

It is the purpose of this Act to create such temporary Federal agencies as are necessary and to authorize the negotiation of an interstate compact to create an interstate proprietary agency to take over the functions of either the temporary Federal Agency or Corporation provided for under titles II and III of this Act in order to enable each agency of government, Federal, State, and local, to play its most effective role in providing a unified and integrated system of transportation for the National Capital region.

Definitions

SEC. 103. When used in this Act—

(a) "National Capital region" means the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, Arlington, Fairfax, Loudoun, and Prince William Counties and the cities of Alexandria and Falls Church in the Commonwealth of Virginia, and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of said counties and cities.

(b) "Government agency" and "government agencies" mean the Government of the United States. District of Columbia, Commonwealth of Virginia, State of Maryland, or any political subdivision, agency, or instrumentality thereof which is located within, or whose jurisdiction includes all or part of the National Capital region; the term includes, but is not limited to, public authorities, towns, villages, cities, other municipalities, and counties.

TITLE II—CREATION OF A NATIONAL CAPITAL TRANSPORTATION AGENCY

National Capital Transportation Agency

SEC. 201. (a) There is hereby enlisted the National Capital Transportation Agency (hereinafter referred to as the "Agency"). The Agency shall be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $20,000 per annum.

(b) To assist the Administrator in the execution of the functions vested in the Agency there shall be a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $19,000 per annum. The Deputy Administrator shall perform such duties as the Administrator may from time to time designate and shall be Acting Administrator during the absence or disability of the Administrator.

(c) No Administrator or Deputy Administrator shall, during his continuance in office, be engaged in any other business, but shall devote himself to the work to the Agency. No Administrator or Deputy Administrator or member of the Advisory Board (established in section 202) shall have financial interest in any corporation engaged in the business of providing public transportation nor in any corporation engaged in the manufacture or selling of passenger transportation equipment or facilities.

Advisory Board

SEC. 202. There is established an Advisory Board of the National Capital Transportation Agency. The Advisory Board shall be composed of five members appointed by the President, by and with the advice and consent of the Senate, at least three of whom shall be residents of the National Capital region. The President shall designate one member as chairman. The Advisory Board shall meet at least once every ninety days. The Advisory Board shall advise the Administrator in respect of such matters as the general policies of the Agency; Agency policies in connection with acquisition, design, and construction of facilities; fees for the use of Agency facilities and property; planning and administration generally; and such other matters as may be referred to it by the Administrator or which the Advisory Board, in its discretion, may consider. Each member of the Advisory Board, when actually engaged in the performance of his duties, shall receive for his services compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b–2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis.

Advisory and coordinating committees

SEC. 203. (a) The Administrator is authorized to establish such advisory and coordinating committees composed of representatives of State and local governments, Federal agencies, other Government agencies, and such private organizations and persons as may be necessary or helpful to obtain the maximum amount of cooperation and correlation of effort in order that a unified and integrated system of transportation be developed for the National Capital region. These advisory and coordinating committees shall consider problems referred to them by the Administrator and shall make recommendations to the Administrator concerning the activities of the Agency as they affect transit, traffic and highway conditions, and other matters of mutual interest to the Agency and to the Government agencies, organizations, and persons represented on the advisory and coordinating committees.

(b) The advisory and coordinating committees shall serve the Agency solely in an advisory capacity. Members of such committees shall serve thereon without additional compensation. Members who are not representatives of an agency of the United States may receive travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b–2), for persons serving without compensation.

Preparation and approval of transit development program

SEC. 204. The Agency—

(a) Shall prepare, and may from time to time revise, a transit development program. The transit development program shall consist of a plan or plans indicating the specific location and extent of facilities in which the Agency will participate for the transportation of persons within the National Capital region, a timetable for the provision of such facilities and comprehensive financial reports including costs, revenues, and benefits. The transit development program may indicate (1) the routes of surface, subsurface, and elevated carriers, including bus and other motor vehicle carriers, rail carriers, waterborne carriers, air carriers, and other carriers, and (2) the location and extent of terminals, stations, platforms, motor vehicle parking facilities for transit users, extra-wide median strips and other rights-of-way, docks, rails or tracks or other similar facilities, bridges, tunnels, buildings or structures, powerplants, repair shops, yards, garages, and other necessary facilities relating to the transportation of persons. The transit development program shall, to the extent practicable, conform to the general plan for the development of the National Capital region and to the comprehensive plan for the National Capital within the meaning of sections 3, 4, and 5 of the National Capital Planning Act of 1952 (66 Stat. 781), as except as may be determined by the President.

(b) In order to facilitate the transition from a Federal agency to an interstate proprietary agency and to further coordinate within the National Capital region, shall submit the Transit Development Program and any revision thereof: (1) to the governing bodies of the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, and Arlington, Fairfax, Loudoun, and Prince William Counties and the cities of Alexandria and Falls Church in the Commonwealth of Virginia, and the transit regulatory bodies having jurisdiction in the National Capital region for review and comment; (2) to such organizations of government agencies or officials concerned with the solution of the community development problems of the National Capital region on a unified metropolitan basis that is now in existence or which may be created by agreement, law, or compact for review and comment; (3) to the Commission of Fine Arts for review and comment; (4) to private companies transporting persons in the National Capital region for review and comment; and (5) to the Governors of Maryland and Virginia or such government agencies as they may designate for approval of the location and extent of proposed Agency facilities and the timetable for the provision of such facilities within Maryland and Virginia, respectively; and except as provided in subsection (c) of this section, the Agency shall not acquire, construct, or operate property, rights-of-way, or facilities indicated in the Transit Development Program or a revision thereof within the State in which such property, rights-of-way, or facilities are located unless prior thereto the Governor of the State involved or such government agency as he may designated shall have approved the Transit Development Program or the pertinent revision thereof.

(c) Until the Transit Development Program has been approved by the Governor of Maryland or Virginia as provided in subsection (b) of this section, shall, when it proposes to acquire, construct, or operate property, rights-of-way, or facilities located in Virginia or Maryland, first submit plans and other information showing in detail the purposes for which such property, right-of-way, or facilities are to be used to the Governor of the State in which the property, rights-of-way, or facilities are to be located, or to such government agency as may be designated by the Governor. The Agency may acquire, construct, or operate such property, rights-of-way, or facilities, as the case may be, in the State upon approval of the Governor thereof, or of the designated government agency.

Functions, duties, and powers

SEC. 205. (a) Subject to the provisions of this title, the Agency—

(1) except as provided in the proviso of paragraph (2) of this subsection, may acquire (by purchase, lease, condemnation, or otherwise) or construct facilities, property, and rights-of-way for the transportation of persons within the National Capital region. Such facilities, property, and rights-of-way may include these enumerated under section 204(a) or any other necessary facilities, property, or rights-of-way relating to transportation of persons. The Agency may contribute funds for the acquisition of rights-of-way for, and the construction of limited amounts of freeways, parkway, and other arterial highway facilities, including construction incidental to the use and protection of such rights-of-way for transit facilities, to the government agencies having jurisdiction thereof if, in the opinion of the Agency, such contributions are necessary to the fulfillment of the objectives of this Act;

(2) may operate all facilities acquired or constructed by it, or may enter into agreements with government agencies, private transit companies, railroads, or other persons for the operation of its facilities, the use of its operating rights, or the provision of transit services making use of other facilities and operating rights: *Providing,* That the Agency shall not acquire the facilities, property, or rights-of-way of private transit companies and persons; or operate buses or similar motor vehicles or make agreements for the provision of such services;

(3) shall encourage private transit companies to provide needed services in a manner consistent with the Transit Development Program;

(4) may lease space or property owned or acquired by the Agency, or may contract with persons for the purpose of constructing and operating facilities, which, in the opinion of the Agency, will encourage or facilitate the use of transit facilities of the Agency. Rentals or other fiscal arrangements in connection with such leases or contracts shall be adjusted so that undue competitive advantage is not given over other persons in the National Capital region: *Provided,* That in the operation of such facilities, the lessee of franchise holder shall comply with all applicable Federal, State and local building and zoning laws, ordinances, and regulations;

(5) may enter into and perform contracts, leases, and agreements, and other transactions with any government agency, private transit company, railroad, or other persons;

(6) may sell or lease advertising space or may contract with responsible persons for the sale or lease of such space: *Provided,* That the lessee or contractee shall comply with all applicable Federal, State, and local zoning and advertising laws, ordinances, and regulations;

(7) shall cooperate with government agencies to facilitate coordination of location, design, and construction of freeways, parkways, and other arterial highway facilities with the Transit Development Program. The purpose of such coordination is to assure the comprehensive development of transportation facilities best suited to meet the objectives of this Act and to achieve maximum benefits from moneys available for such purposes. The responsibility and authority for location, design, construction, and operation of freeways, parkways, and other arterial highway facilities shall remain with the government agencies having jurisdiction thereof, but all Federal agencies' plans for location and design of highway facilities shall be forwarded to the Agency, and all State and local agencies' plans for location and design of highway facilities may be requested by the Agency for its review and comment. The Agency shall cooperate with all planning agencies of the National Capital region and the appropriate government transportation regulatory agencies including the Washington Metropolitan Area Transit Commission in the development of transportation facilities and, wherever feasible and desirable, develop joint plans with such agencies;

(8) may initiate proposals for regulating and coordinating the flow of traffic in the National Capital region so as to promote the optimum use of the highway network and other transportation facilities;

(9) may make or participate in studies of all phases of transportation into, within, and out of the National Capital region, including transit vehicle research and development and fiscal research studies. The Agency may publicize and make available the results of such studies and other information relating to transportation;

(10) may appoint and fix the compensation of officers, attorneys, agents, and employees; may define their powers and duties; many require bonds for the faithful performance of their duties; may employ experts and consultants or organizations thereof as authorized by section 15 of the Act of August 2, 1946 (60 Stat. 810), at rates not to exceed $100 per diem for individuals;

(11) in carrying out the functions vested in him by this Act, the Administrator, subject to the standards and procedures of section 505 of the Classification Act of 1949, as amended, is authorized to place not to exceed five positions in grades 16, 17, or 18 of the General Schedule established by such Act. Such positions shall be in addition to the number of positions authorized to be placed in such grades by such section 505; and

(12) may make such expenditures at the seat of government and elsewhere as may be necessary for the exercise and performance of the powers and duties vested in the Agency and as from time to time may be appropriated for by the Congress, including expenditures for (1) rent and personal services at the seat of government and elsewhere; (2) travel expenses; (3) office furniture, equipment and supplies, lawbooks, newspapers, periodicals, and books of reference (including the exchange thereof); and (4) printing and binding.

(b) The powers vested in the Agency shall not be exercised beyond the confines of the National Capital region, but this subsection shall not affect the carrying out by the Agency and by other government agencies or private persons of developmental or research work within or outside of the National Capital region.

(c) Every agency or instrumentality of the Government of the United States and of the government of the District of Columbia may enter into agreements with the Agency in respect of any matter for which such agreements are authorized pursuant to this Act.

(d) The provisions of section 355 of the Revised Statutes, as amended (40 U.S.C. 255), shall be applicable to property acquired by the Agency. Proceedings in behalf of the Agency for the condemnation of property in the District of Columbia shall be instituted and maintained under the Act of March 1, 1929 (45 Stat. 1415), as amended, and of property elsewhere, under the Act of August 1, 1888, as amended (40 U.S.C. 257), or other applicable Act.

(e) The Agency shall prepare annually a report of its activities. The Administrator shall forward copies of the report to the President, and the President shall transmit a copy thereof to the Congress, the State of Maryland, and the Commonwealth of Virginia, and to each county and city in the National Capital region.

(f) Such sums as shall be required to carry out the purposes of this title are authorized to be appropriated.

TITLE III—CREATION OF A NATIONAL CAPITAL TRANSPORTATION CORPORATION

National Capital Transportation Corporation

SEC. 301. (a) On or after July 1, 1963, the President is authorized to create a National Capital Transportation Corporation (hereinafter referred to as the "Corporation") which shall be an agency and instrumentality of the United States, subject to the direction and supervision of the President, or the head of such department or agency as he may designate. On the date the Corporation is created, the Agency shall cease to exist. The Corporation shall not be created if the operations of the Agency have previously been assumed by the interstate proprietary agency to be developed under the compact contemplated in title IV of this Act, and, prior to creating the Corporation, the President shall give due regard to progress which may have been made toward the negotiation of such compact and the establishment of the interstate agency.

(b) When created, the Corporation shall assume the powers and functions of the Agency as provided in sections 203, 204, and 205 of this Act, together with such additional functions as are set forth in this title: *Provided,* That the provisions of sections 204(b)(5) and 204(c) and the proviso in section 205(a)(2) shall not apply to the Corporation: *And provided further,* That the Governors of Maryland and Virginia shall be afforded the opportunity to review and comment on the Transit Development Program of the Corporation and any revision thereof.

(c) When created, the President may transfer to the Corporation the property, real, personal, and mixed, tangible or intangible, or any interest therein, owned and held by the Agency, together with the records and personnel of the Agency and all sums due or to become due to the United States by virtue of any service rendered or facilities furnished in connection with the operations of the Agency, or under any contract executed by, or on behalf of, the Agency in connection with its activities. The Corporation shall assume the performance on behalf of the United States of all existing contracts and agreements therefore executed by, or on behalf of, the Agency in connection with its activities, and shall further assume all liabilities of the United States in connection with such activities.

Management of the Corporation; Advisory Board

SEC. 302. (a) The management of the Corporation shall be vested in an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $20,000 per annum.

(b) To assist the Administrator in the execution of the functions vested in the Corporation there shall be a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $19,000 per annum. The Deputy Administrator shall perform such duties as the Administrator may from time to time designate and shall be Acting Administrator during the absence or disability of the Administrator.

(c) There is established an Advisory Board of the National Capital Transportation Corporation. The Advisory Board shall be composed of five members appointed by the President, by and with the advice and consent of the Senate, at least three of whom shall be residents of the National Capital region. The President shall designate one member as chairman. The Advisory Board shall meet at least once every ninety days. The Advisory Board shall advise the Administrator in respect of such matters as the general policies of the Corporation; the Corporation's policies in connection with

acquisition, design, and construction of facilities; fares, tariffs, rentals, or other fees for the use or operation of Corporation facilities and property; planning and administration generally; and such other matters as may be referred to it by the Administrator or which the Advisory Board, in its discretion, may consider. Each member of the Advisory Board, when actually engaged in the performance of his duties, shall receive for his services compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b–2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis.

(d) No Administrator or Deputy Administrator shall, during his continuance in office, be engaged in any other business, but shall devote himself to the work of the Corporation. No Administrator or Deputy Administrator or member of the Advisory Board shall have financial interest in any corporation engaged in the business of providing public transportation nor in any corporation engaged in the manufacture or selling of passenger transportation equipment or facilities.

Principal office; venue; other offices; use of funds for office buildings

SEC. 303. The Corporation shall have its principal office in the District of Columbia and, for the purposes of venue in civil actions, shall be a resident thereof. The Corporation may establish offices in other parts of the National Capital region.

Powers of Corporation

SEC. 304. For the purposes of carrying out the objectives and functions of the Corporation as set forth in this Act, and in the conduct of its business, the Corporation—

(1) may adopt, alter, and use a corporate seal, and such seal shall be judicially noticed;

(2) may adopt, amend, and repeal bylaws, rules, and regulations;

(3) may sue and be sued in its corporate name in any court of competent jurisdiction: *Provided,* That nothing herein shall be construed to exempt the Corporation from the application of sections 507(b) and 2679 of title 28, United States Code, or of section 367 of the Revised Statutes (5 U.S.C. 316);

(4) may accept gifts or donations of property;

(5) may acquire, by purchase, lease, condemnation, or in other lawful manner, any property whether real, personal, or mixed, tangible or intangible, and any interest therein, and may hold, maintain, use, and operate such property and may sell, lease, or otherwise dispose of the same at such time, in such manner, and to the extent deemed necessary or appropriate to carry out authorized corporate functions;

(6) may operate all facilities acquired or constructed by it or may enter into agreements with government agencies, private transit companies, railroads, or other persons for the operation of its facilities, the use of its operating rights, or the provision of transportation services making use of other facilities and operating rights;

(7) shall contribute, from the respective appropriation or fund used for payment of salaries, pay, or compensation, to the civil service retirement disability fund, a sum as provided by section 4(a) of the Civil Service Retirement Act, as amended (70 Stat. 747; 5 U.S.C. 2254(a)), except that such sum shall be determined by applying to the total basic salaries (as defined in that Act) paid to the employees of the Corporation covered by that Act, the per centum rate determined annually by the Civil Service Commission to be the excess of the total normal cost per centum rate of the civil service retirement system over the employee deduction rate specified in said section 4(a). The Corporation shall also contribute at least quarterly from such appropriation or fund, to the employees' compensation fund, the amount determined by the Secretary of Labor to be the full cost of benefits and other payments made from such fund on account of cases arising from injuries to its employees which may hereafter occur. Such Corporation shall also pay into the Treasury as miscellaneous receipts that portion of the cost of administration of the respective funds attributable to its employees, as determined by the Civil Service Commission and the Secretary of Labor;

(8) may determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations.

(9) may use the United States mails in the manner, and under conditions prescribed for the executive departments, agencies, and independent establishments of the United States Government;

(10) shall set fares, tariffs, and other rates and charges to the public for the services rendered by its facilities. Such fares, tariffs, or other rates and charges shall be established at such levels that the revenues of the Corporation may be reasonably expected to cover all costs of operating and maintaining the facilities under the administration of the Corporation, including depreciation, payment of interest as prescribed in subsection (b) of section 305 of this Act and on the obligations issued to the Treasury of the United States, and payments in lieu of taxes. In determining its fare structure, the Corporation shall also take into account the fare structure of existing transit companies subject to regulation by the Washington Metropolitan Area Transit Commission or other appropriate regulatory agencies to the end that, to the extent possible, fares throughout the National Capital region shall be reasonably comparable and nondiscriminatory. The Corporation is not required, however, to operate any particular portion of its facilities without loss but may set fares, tariffs, or other rates and charges on the basis of all of its facilities considered as a whole. When, in the opinion of the Corporation, it is in the best interest of the Corporation not to charge fares, tariffs, or other rates and charges for a particular facility, the Corporation is not required to levy such charge, but no free passes or other similar remunerative benefits shall be given any individual or class of persons without specific approval by the Corporation after notice and hearing. The Corporation may enter into agreements with other government agencies or persons for the establishment of combination fares. Except as herein provided the Corporation is authorized to charge any government agency for facilities and services at the rates charged to the public, or to charge a lump sum which in the aggregate would approximate the total of the individual charges incurred by the using government agency.

(11) shall have in the payment of debts and of bankrupt or insolvent estates, the priority of the United States under section 3466 of the Revised Statutes (31 U.S.C. 191);

(12) may execute, in accordance with its bylaws, rules, or regulations all instruments necessary or appropriate in the exercise of any of its powers;

(13) may settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation;

(14) may take such actions as may be necessary or appropriate to carry out the powers and duties specifically conferred upon the Corporation by this Act; and

(15) shall, prior to establishing, extending, curtailing or abandoning any transportation or other service and prior to prescribing or changing any fares or charges to the public for the use of its services or facilities, hold a public meeting, upon thirty days' notice given by release to all the daily newspapers of general circulation published in the National Capital region, at which interested persons or organizations shall be afforded an opportunity to comment, either orally or in writing as may be determined by the Corporation, on the action proposed to be taken by the Corporation. The Corporation, however, shall have sole and exclusive control over all matters relating to services rendered by its facilities and to fares, tariffs and other rates and charges therefor.

National Capital transportation fund

SEC. 305. (a) Upon creation of the Corporation, there shall be established a National Capital Transportation Corporation Fund (hereinafter referred to as the "Fund"), to be held and administered by the Corporation. The capital of the Fund shall consist of:

(1) Such amounts as may be advanced to the Fund upon the request of the Administrator from appropriations made for that purpose;

(2) The unexpended balances of any appropriations available for the operations of the Agency as may be determined by the Administrator and approved by the Director of the Bureau of the Budget; and

(3) The value of the assets of the Agency, less its liabilities, as the date of the creation of the Corporation. The value of the assets shall be determined by the Administrator, subject to the approval of the Director of the Bureau of the Budget, taking into consideration original cost, less depreciation, the usable value of the properties transferred, if clearly less than cost, and other reasonably determinable factors which would affect the value of the assets of the Agency.

(b) Unless the Congress otherwise directs, the Corporation shall pay into the Treasury of the United States as miscellaneous receipts at the close of each fiscal year interest on the capital of the Fund as follows:

(1) the interest rate on the capital advances made at the time the Fund is established shall be determined by the Secretary of the Treasury, taking into consideration the average yield to maturity at the end of the calendar month next preceding the date of such determination on all outstanding interest-bearing marketable obligations of the United States having a maturity date of fifteen or more years from the end of such calendar month. The interest rate so established shall remain in effect for so long as any part of the amount to which such interest applies remains in the capital of the Fund; and

(2) The interest rate on the subsequent portion of the capital advances to the Fund on which interest is to be paid shall be determined by the Secretary of the Treasury at the time such advance is made, taking into consideration the average yield to maturity at the end of the calendar month next preceding the date of such determination on all outstanding interest-bearing marketable obligations of the United States having a maturity date of fifteen or more years from the end of such calendar month. Such interest rate shall remain in effect for so long as any part of such advance remains in the capital of the Fund.

(c) Whenever any capital in the Fund is determined by the Administrator to be in excess of the Corporation's current needs, such capital shall be credited to the appro-

priation from which advanced, where it shall be held for future advances. The capital of the Fund shall be considered reduced by the net amount of such credits. Appropriations or other funds received shall be used solely for the purposes of the Corporation as set forth in this Act. Whenever it is determined that the appropriation contains funds in excess of the needs of the Corporation, the appropriation shall be reduced by an amount equivalent to such excess.

(d) Such sums as may be required to carry out the purposes of this title are authorized to be appropriated without fiscal year limitations.

(e) Receipts from operations under this Act shall be credited to the Fund. The Fund shall be available for payment of all obligations and expenditures of the Corporation under this Act.

(f) Appropriations are hereby authorized for payment of such amounts as may be shown in the annual budget program of the Corporation as necessary to cover actual losses of prior years sustained in the conduct of its activities under this Fund. Amounts appropriated to the Fund under authority of this subsection shall not be added to the amount of advances and shall not require payment of interest under subsection (b) of this section.

Borrowing from Treasury

SEC. 306. To finance its activities the Corporation may borrow from the Treasury of the United States within amounts approved in appropriation Acts sums of money not to exceed an amount equal to the total capital of the Fund outstanding at any one time. For this purpose the Corporation may issue to the Secretary of the Treasury its bonds, notes, debentures, or other obligations. Such obligations shall have maturities agreed upon by the Corporation and the Secretary of the Treasury. At the option of the Corporation, such obligations may be redeemed before maturity in such manner as may be stipulated in the obligations. Each obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average yield to maturity at the end of the calendar month next preceding the date of issuance on all outstanding interest-bearing marketable obligations of the United States having a maturity date of fifteen or more years from the end of such calendar month. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Corporation to be issued pursuant to this section and, for such purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended. The purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include any purchases of the Corporation's obligations hereunder.

Exercise of powers; new programs

SEC. 307. The Corporation shall have and may exercise such specific powers, in addition to those elsewhere conferred in this Act, as may be deemed necessary to protect, operate, improve, and maintain its transit facilities and other properties, and appurtenances thereto, as business enterprises and public service facilities: *Provided*, That the Corporation shall undertake no new types of activities not included in the annual budget program prescribed by section 102 of the Government Corporation Control Act of 1945 (59 Stat. 598), as amended (31 U.S.C. 847).

Payments to States and local governments in lieu of certain taxes

SEC. 308. The Corporation is authorized to make payments to State and local governments, including the District of Columbia government, in lieu of property taxes upon property within the National Capital region which was subject to State and local taxation before acquisition by the Corporation or the Agency. Such payments shall be in the amounts, at the times, and upon such terms as the Corporation in its discretion determines to be appropriate. No payment shall be made in excess of the taxes which would have been payable for such property except where special burdens are placed upon the State, District of Columbia, or local government by the activities of the Corporation or its agents. The Corporation, its property, franchises, and income are expressly exempted from taxation in any manner or form by any government agency but such exemption shall not extend to contractors for the Corporation.

Amendment of Government Corporation Control Act

SEC. 309. Upon establishment of the National Capital Transportation Corporation by the President, section 101 of the Government Corporation Control Act, as amended, is further amended by inserting therein, after the words "Saint Lawrence Seaway Development Corporation;", the words "National Capital Transportation Corporation;".

Succession

SEC. 310. The Corporation shall have succession until dissolved by Act of Congress. It is the intent of the Congress that the Corporation shall continue as a wholly owned United States Government corporation only until such time as Congress, by consenting to a compact contemplated by title IV of this Act, authorizes the Corporation to be replaced by an interstate proprietary agency.

TITLE IV—AUTHORIZATION FOR NOGOTIATION OF INTERSTATE COMPACT

Interstate proprietary agency

SEC. 401. (a) The consent of Congress is hereby given to the State of Maryland and the Commonwealth of Virginia and the Board of Commissioners of the District of Columbia to negotiate a compact for the establishment of an interstate proprietary agency to implement generally the objectives of this Act. No such compact shall be binding upon the parties thereto unless and until it has been approved by the Congress.

(b) As promptly as practicable after the State of Maryland and the Commonwealth of Virginia have approved a compact for the establishment of an interstate proprietary agency to implement generally the objectives of this Act, the President shall submit to the Congress such recommendations as may be necessary or desirable to transfer to the interstate proprietary agency such real and personal property, personnel, records, other assets, and liabilities as are appropriate in order that the interstate proprietary agency may assume the functions and duties of the Agency or Corporation.

(c) The President shall appoint a person to participate in the compact negotiations and to represent the United States generally. The Federal representative shall report to the President either directly or through such agency or official of the Government as the President may specify.

(d) The Federal representative, if not otherwise employed by the United States, shall receive for his services, when actually engaged in the performance of his duties, compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b–2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis: *Provided*, That if the Federal representative shall be an employee of the United States he shall serve without additional compensation.

(e) The Federal representative shall be provided with office space, consulting, engineering, and stenographic service, and other necessary administrative services.

(f) The compensation of the Federal representative shall be paid from the current appropriation for salaries in the White House Office. Travel and other expenses provided for in subsections (d) and (e) of this section shall be paid from any current appropriation or appropriations selected by the head of such agency or agencies as may be designated by the President to provide for such expenses.

(g) The State and Federal representatives appointed to participate in the compact negotiations are authorized to request from the Agency or Corporation any information they deem necessary to carry out their functions under this section, and the Agency or Corporation is authorized to cooperate with the compact representatives and, to the extent permitted by law, to furnish such information upon request made by the compact representatives.

Separability

SEC. 402. If any part of this Act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the applicability of such part to other persons and circumstances and the constitutionality or validity of every other part of the Act shall not be affected thereby.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"TITLE I—SHORT TITLE, STATEMENT OF FINDINGS AND POLICY, AND DEFINITIONS

"Short title

"SEC. 101. This Act may be cited as the 'National Capital Transportation Act of 1960'.

"Statement of findings and policy

"SEC. 102. The Congress finds that an improved transportation system for the National Capital region (1) is essential for the continued and effective performance of the functions of the Government of the United States, for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital; (2) requires the planning on a regional basis of a unified system of freeways, parkways, express transit service on exclusive rights-of-way, and other major transportation facilities; (3) requires cooperation among the Federal, State, and local governments of the region and public carriers in the development and administration of major transportation facilities; (4) requires financial participation by the Federal Government in the creation of certain major transportation facilities that are beyond the financial capacity or borrowing power of the public carriers, the District of Columbia, and the local governments of the region; and (5) requires coordination of transportation facilities with other public facilities and with the use of land, public and private. The Congress therefore declares that it is the continuing policy and responsibility of the Federal Government, in cooperation with the State and local governments of the National Capital region, and making full use of private enterprise whenever appropriate, to encourage and aid in the planning and development of a unified and coordinated transportation system for the National Capital region.

"Definitions

"SEC. 103. When used in this Act—

"(a) 'National Capital region' means the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, Arlington, Fairfax, Loudoun, and Prince William Counties and the cities of

Alexandria and Falls Church in the Commonwealth of Virginia, and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of said counties and cities.

"(b) 'Government agency' and 'government agencies' mean the Government of the United States, District of Columbia, Commonwealth of Virginia, State of Maryland, or any political subdivision, agency, or instrumentality thereof which is located within, or whose jurisdiction includes all or part of, the National Capital region; the term includes, but is not limited to, public authorities, towns, villages, cities, other municipalities, and counties.

"TITLE II—CREATION OF A NATIONAL CAPITAL TRANSPORTATION AGENCY

"National Capital Transportation Agency

"SEC. 201. (a) There is hereby established the National Capital Transportation Agency (hereinafter referred to as the 'Agency'). The Agency shall be subject to the direction and supervision of the President, or the head of such department or agency as he may designate. The Agency shall be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, plus $500 per annum.

"(b) To assist the Administrator in the execution of the functions vested in the Agency there shall be a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended. The Deputy Administrator shall perform such duties as the Administrator may from time to time designate and shall be Acting Administrator during the absence or disability of the Administrator.

"(c) No Administrator or Deputy Administrator shall, during his continuance in office, be engaged in any other business, but shall devote himself to the work of the Agency. No Administrator or Deputy Administrator or member of the Advisory Board (established in section 202) shall have financial interest in any corporation engaged in the business of providing public transportation nor in any corporation engaged in the manufacture or selling of passenger transportation equipment or facilities.

"Advisory Board

"SEC. 202. There is established an Advisory Board of the National Capital Transportation Agency. The Advisory Board shall be composed of five members appointed by the President, by and with the advice and consent of the Senate, at least three of whom shall be residents of the National Capital region. The President shall designate one member as Chairman. The Advisory Board shall meet at least once every ninety days. The Advisory Board shall advise the Administrator in respect of such matters as the general policies of the Agency; Agency policies in connection with acquisition, design, and construction of facilities; fees for the use of Agency facilities and property; planning and administration generally; and such other matters as may be referred to it by the Administrator or which the Advisory Board, in its discretion, may consider. Each member of the Advisory Board, when actually engaged in the performance of his duties, shall receive for his services compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b–2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis.

"Advisory and coordinating committees

"SEC. 203. (a) The Administrator is authorized to establish such advisory and coordinating committees composed of representatives of State and local governments, Federal agencies, other Government agencies, and such private organizations and persons as may be necessary or helpful to obtain the maximum amount of cooperation and correlation of effort in order that a coordinated system of transportation be developed for the National Capital region. These advisory and coordinating committees shall consider problems referred to them by the Administrator and shall make recommendations to the Administrator concerning the activities of the Agency as they affect transit, traffic, and highway conditions, and other matters of mutual interest to the Agency and to the Government agencies, organizations, and persons represented on the advisory and coordinating committees.

"(b) The advisory and coordinating committees shall serve the Agency solely in an advisory capacity. Members of such committees shall serve thereon without additional compensation. Members who are not representatives of an agency of the United States may receive travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b–2), for persons serving without compensation.

"Preparation and approval of transit development program

"SEC. 204. The Agency—

"(a) Shall prepare, and may from time to time revise, a Transit Development Program. The Transit Development Program shall consist of a plan or plans indicating the general location of facilities in which the Agency will participate for the transportation of persons within the National Capital region, a timetable for the provision of such facilities and comprehensive financial reports including costs, revenues, and benefits. The Transit Development Program may indicate (1) the routes of surface, subsurface, and elevated carriers, including bus and other motor vehicle carriers, rail carriers, waterborne carriers, air carriers, and other carriers, and (2) the location and extent of terminals, stations, platforms, motor vehicle parking facilities for transit users, extra-wide median strips and other rights-of-way, docks, rails or tracks or other similar facilities, bridges, tunnels, buildings or structures, powerplants, repair shops, yards, garages, and other necessary facilities relating to the transportation of persons. The Transit Development Program shall, to the extent practicable, conform to the general plan for the development of the National Capital region and to the comprehensive plan for the National Capital within the meaning of sections 3, 4, and 5 of the National Capital Planning Act of 1952 (66 Stat. 781), except as may be determined by the President.

"(b) Shall, in the preparation of the Transit Development Program, give special consideration to:

"(1) Expanded use of existing facilities and services, including expanded use and development of existing railroad lines into the District of Columbia, and coordinated and efficient transit service across jurisdictional boundaries and between areas served by different companies: *Provided,* That the Public Utilities Commission of the District of Columbia, before granting its approval to any further conversion by the D.C. Transit System, Inc., of street railway operations to bus operations as provided in section 7 of the Act of July 24, 1956 (70 Stat. 598), shall consult with the Agency on the possible use of street railway facilities and equipment in the Transit Development Program. The Commission may withhold its approval of such conversion and require the preservation of equipment and facilities already withdrawn from service if it finds that there is a substantial possibility that the Transit Development Program will provide for the continued use of street railway facilities and equipment, in which case the program of conversion of street railway operations to bus operations contemplated by section 7 of said Act shall not be considered to be so substantially completed that the taking effect of subsection 9(g) of said Act would be appropriate in the public interest.

"(2) Early development of a subway from Union Station capable of rapid dispersal of passengers from the railhead to the principal employment centers in the District of Columbia and its immediate environs, and capable of being extended to serve other parts of the region: *Provided,* That no freeway, or new parkway more than two lanes in width, shall be built within the District of Columbia west of Twelfth Street, Northwest, and north of either the north or the west legs of the proposed Inner Loop Freeway, the proposed Potomac River Expressway, or the proposed Palisades Parkway, until after the Agency shall have reported to the President that the use of rail transportation to carry passenger traffic to points northwest of downtown Washington has had a fair trial.

"(3) Acquisition and development of rights-of-way and related facilities for providing express transit lines in conjunction with major highways and bridges.

"(c) Shall prepare proposals for implementing each part of the Transit Development Program, including preliminary engineering plans, descriptions of the character of services to be rendered, estimates of costs and revenues, arrangements for financing and organization, and other information setting forth the manner in which the program is to be carried out: *Provided,* That no part of the Transit Development Program shall be carried out by the Agency until a report containing a full and complete description of that part of the program has been transmitted to the Congress, and the execution of that part of the program has been expressly authorized by legislation thereafter enacted by the Congress.

"(d) In order to facilitate the transition from a Federal agency to an interstate proprietary agency and to further coordination within the National Capital region, shall submit the Transit Development Program and any revision thereof: (1) to the governing bodies of the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, and Arlington, Fairfax, Loudoun, and Prince William Counties and the cities of Alexandria and Falls Church in the Commonwealth of Virginia, and the transit regulatory bodies having jurisdiction in the National Capital region for review and comment; (2) to such organizations of government agencies or officials concerned with the solution of the community development problems of the National Capital region on a unified metropolitan basis that are now in existence or which may be created by agreement, law, or compact for review and comment; (3) to the Commission of Fine Arts for review and comment; (4) to private companies transporting persons in the National Capital region for review and comment; and (5) to the Governors of Maryland and Virginia or such government agencies as they may designate for approval of the location and extent of proposed Agency facilities and the timetable for the provision of such facilities within Maryland and Virginia, respectively; and except as provided in subsection (e) of this section, the Agency shall not acquire, construct, or operate property,

rights-of-way, or facilities indicated in the Transit Development Program or a revision thereof within the State in which such property, rights-of-way, or facilities are located unless prior thereto the Governor of the State involved or such government agency as he may designate shall have approved the Transit Development Program or the pertinent revision thereof.

"(e) Until the Transit Development Program has been approved by the Governor of Maryland or Virginia as provided in subsection (d) of this section, shall, when it proposes to acquire, construct, or operate property, rights-of-way, or facilities located in Virginia or Maryland, first submit plans and other information showing in detail the purposes for which such property, rights-of-way, or facilities are to be used to the Governor of the State in which the property, rights-of-way, or facilities are to be located, or to such government agency as may be designated by the Governor. In implementing programs approved by the Congress in accordance with section 204(c), the Agency may acquire, construct, or operate such property, rights-of-way, or facilities, as the case may be, in the State upon approval of the Governor thereof, or of the designated government agency.

"(f) Shall conduct research, surveys, experimentation, evaluation, design and development, in cooperation with other Government agencies and private organizations when appropriate, on the needs of the region for transportation; on facilities, equipment, and services to meet those needs; on organization and financial arrangements for regional transportation; and on other matters relating to the movement of persons in the region. The Agency's studies shall include a continuation of the work begun in the mass transportation survey conducted by the National Capital Planning Commission and the National Capital Regional Planning Council, pursuant to the Second Supplemental Appropriations Act of 1955 (69 Stat. 33), and shall include further studies as may be necessitated by changed conditions, the availability of new techniques, and the response of Government agencies and the public to the transportation plan adopted by the Commission and Council. The Agency's studies shall also include evaluations of the transportation system recommended in the transportation plan, and of alternative facilities and kinds of services.

"(g) Shall submit to the President for transmittal to Congress, not later than November 1, 1962, recommendations for organization and financial arrangements for transportation in the National Capital region. The Agency shall consider the following organizational alternatives, among others: a Federal corporation, an organization established by interstate compact, and continuation or modification of the organization established by this Act. In preparing its recommendations the Agency shall consult with the governments of the District of Columbia, Maryland, and Virginia, the local governments of the National Capital region, and the Federal agencies having an interest in transportation in the National Capital region: *Provided,* That any recommendations submitted by the Agency shall provide as far as possible for the payment of all costs by persons using or benefiting from regional transportation facilities and services, and shall provide for the equitable sharing of any remaining costs among the Federal, State, and local governments.

"Functions, duties, and powers

"SEC. 205. (a) Subject to the provisions of this title, the Agency—

"(1) in order to implement those parts of the Transit Development Program approved by statute in accordance with section 204(c), and except as provided in the proviso of paragraph (2) of this subsection, may acquire (by purchase, lease, condemnation, or otherwise) or construct transit facilities, property, and rights-of-way for the transportation of persons within the National Capital region. Such facilities, property, and rights-of-way may include those enumerated under section 204(a) or any other necessary transit facilities, property, or rights-of-way relating to transportation of persons. The Agency may contribute funds for the acquisition of rights-of-way for, and the construction of limited amounts of freeway, parkway, and other arterial highway facilities, including construction incidental to the use and protection of such rights-of-way for transit facilities, to the government agencies having jurisdiction thereof if, in the opinion of the Agency, such contributions are necessary to the fulfillment of the objectives of this Act;

"(2) may operate all facilities acquired or constructed by it, or may enter into agreements with government agencies, private transit companies, railroads, or other persons for the operation of its facilities, the use of its operating rights, or the provision of transit services making use of other facilities and operating rights: *Provided,* That the Agency shall not acquire the facilities, property, or rights-of-way of private motorbus companies and persons; or operate buses or similar motor vehicles or make agreements for the provision of motorbus services competitive with private transit companies; but may make agreements for the provision of service which is not competitive with services of private transit companies and persons;

"(3) shall encourage private transit companies to provide needed services in a manner consistent with the Transit Development Program;

"(4) may lease space or property owned or acquired by the Agency, or may contract with persons for the purpose of constructing and operating facilities, which, in the opinion of the Agency, will encourage or facilitate the use of transit facilities of the Agency. Rentals or other fiscal arrangements in connection with such leases or contracts shall be adjusted so that undue competitive advantage is not given over other persons in the National Capital region: *Provided,* That in the operation of such facilities, the lessee or franchise holder shall comply with all applicable Federal, State, and local building and zoning laws, ordinances, and regulations;

"(5) may enter into and perform contracts, leases, and agreements, and other transactions with any government agency, private transit company, railroad, or other persons;

"(6) may sell or lease advertising space or may contract with responsible persons for the sale or lease of such space: *Provided,* That the lessee or contractee shall comply with all applicable Federal, State, and local zoning and advertising laws, ordinances, and regulations;

"(7) shall cooperate with government agencies to facilitate coordination of location, design, and construction of freeways, parkways, and other arterial highway facilities with the Transit Development Program. The purpose of such coordination is to assure the comprehensive development of transportation facilities best suited to meet the objectives of this Act and to achieve maximum benefits from moneys available for such purposes. The responsibility and authority for location, design, construction, and operation of freeways, parkways, and other arterial highway facilities shall remain with the government agencies having jurisdiction thereof, but all Federal agencies' plans for location and design of highway facilities shall be forwarded to the Agency, and all State and local agencies' plans for location and design of highway facilities may be requested by the Agency for its review and comment. The Agency shall cooperate with all planning agencies of the National Capital region and the appropriate government transportation regulatory agencies including the Washington Metropolitan Area Transit Commission in the development of transportation facilities and, wherever feasible and desirable, develop joint plans with such agencies;

"(8) may initiate proposals for regulating and coordinating the flow of traffic in the National Capital region so as to promote the optimum use of the highway network and other transportation facilities;

"(9) may make or participate in studies of all phases of transportation into, within, and out of the National Capital region, including transit vehicle research and development and fiscal research studies. The Agency may publicize and make available the results of such studies and other information relating to transportation;

"(10) may appoint and fix the compensation of officers, attorneys, agents, and employees; may define their powers and duties; may require bonds for the faithful performance of their duties; may employ experts and consultants or organizations thereof to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed the usual rates for similar services;

"(11) may, subject to the standards and procedures of section 505 of the Classification Act of 1949, as amended, place not to exceed five positions in grades 16, 17, or 18 of the General Schedule established by such Act. Such positions shall be in addition to the number of positions authorized to be placed in such grades by such section 505; and

"(12) may make such expenditures at the seat of government and elsewhere as may be necessary for the exercise and performance of the powers and duties vested in the Agency and as from time to time may be appropriated for by the Congress, including expenditures for (1) rent and personal services at the seat of government and elsewhere; (2) travel expenses; (3) office furniture, equipment and supplies, lawbooks, newspapers, periodicals, and books of reference (including the exchange thereof); and (4) printing and binding.

"(13) may, by agreement with the Board of Commissioners of the District of Columbia, designate such Board as the instrumentality through and by which facilities of the Agency in the District of Columbia are to be designated and constructed.

"(14) the agency, its property, income, and transactions are expressly exempted from taxation in any manner or form or from the imposition of any licenses or fees of any kind whatsoever by any State or political subdivision thereof and by the District of Columbia but such exemption shall not extend to contractors for, or lessees of, the Agency, or to any person, company or association which engages in any business activity pursuant to any franchise, grant or agreement of the Agency.

"(b) Every agency or instrumentality of the Government of the United States and of the government of the District of Columbia may enter into agreements with the Agency in respect of any matter for which such agreements are authorized pursuant to this Act.

"(c) The provisions of section 355 of the Revised Statutes, as amended (40 U.S.C. 255), shall be applicable to property acquired by the Agency. Proceedings in behalf of the Agency for the condemnation of property in the District of Columbia shall be instituted and maintained under the Act of March 1, 1929 (45 Stat. 1415), as amended, and of property elsewhere, under the Act of August 1, 1888, as amended (40 U.S.C. 257), and Act of February 26, 1931 (46 Stat. 1421 and the following, 40 U.S.C. 258), or other applicable Act. This subsection shall apply to both real and personal property: *Provided,* That

no action in condemnation of any property shall be commenced in behalf of the Agency until a reasonable effort has been made to negotiate with the owner of the property.

"(d) Subject to the provisions of section 204(c), such sums as shall be required to carry out the purposes of this title are authorized to be appropriated.

"TITLE III—AUTHORIZATION FOR NEGOTIATION OF INTERSTATE COMPACT

"SEC. 301. (a) It is the intent of Congress to promote and encourage the solution of problems of a regional character in the National Capital region by means of an interstate compact entered into by the State of Maryland, the Commonwealth of Virginia, and the Board of Commissioners of the District of Columbia, with the consent of Congress. To further this policy, the consent of Congress is hereby given to the State of Maryland and the Commonwealth of Virginia and the Board of Commissioners of the District of Columbia to negotiate a compact for the establishment of an organization to serve as a means of consultation and cooperation among the Federal, State, and local governments in the National Capital region, to formulate plans and policies for the development of the region, and to perform governmental functions of a regional character, including but not limited to the provision of regional transportation facilities. No such compact shall be binding upon the parties thereto unless and until it has been approved by the Congress.

"(b) As promptly as practicable after the State of Maryland and the Commonwealth of Virginia have approved a compact for the establishment of an organization empowered to provide regional transportation facilities, the President shall submit to the Congress such recommendations as may be necessary or desirable to transfer to such organization such real and personal property, personnel, records, other assets, and liabilities as are appropriate in order that such organization may assume the functions and duties of the Agency.

"(c) The President shall appoint a person to participate in the compact negotiations and to represent the United States generally. The Federal representative shall report to the President either directly or through such agency or official of the Government as the President may specify.

"(d) The Federal representative, if not otherwise employed by the United States, shall receive for his services, when actually engaged in the performance of his duties, compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (6 U.S.C. 73b–2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis: *Provided,* That if the Federal representative shall be an employee of the United States he shall serve without additional compensation.

"(e) The Federal representative shall be provided with office space, consulting, engineering, and stenographic service, and other necessary administrative services.

"(f) The compensation of the Federal representative shall be paid from the current appropriation for salaries in the White House Office. Travel and other expenses provided for in subsection (d) and (e) of this section shall be paid from any current appropriation or appropriations selected by the head of such agency or agencies as may be designated by the President to provide for such expenses.

"(g) The State and Federal representatives appointed to participate in the compact negotiations are authorized to request from the Agency any information they deem necessary to carry out their functions under this section; and the Agency is authorized to cooperate with the compact representatives and, to the extent permitted by law, to furnish such information upon request made by the compact representatives.

"Separability

"SEC. 302. If any part of this Act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the applicability of such part to other persons and circumstances and the constitutionality or validity of every other part of the Act shall not be affected thereby."

Mr. FOLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FOLEY. Mr. Speaker, I rise in support of H.R. 11135 and urge its passage by the House.

The growing transportation problem within the Metropolitan Washington area has received increasing and intensified consideration by the Congress in recent years. On June 2, 1960, the House unanimously approved House Joint Resolution 402 granting its consent and approval to Virginia, Maryland, and the District of Columbia to enter into a compact to regulate mass transit of passengers by motor carriers in the Washington metropolitan area. Approval of this mass transit compact was the first step recommended in the transportation plan for the National Capital region submitted to the Congress by the President on July 10, 1959. This plan was the result of specialized studies for which $460,000 was appropriated by the Congress.

The National Capital Planning Act of 1952 (66 Stat. 781) was adopted by the 82d Congress. It provided for the joint operations by the National Capital Planning Commission and the National Capital Regional Council in preparing a regional plan for land use, major thoroughfares, park, parkway, recreation system, mass transportation, community facilities, and services for the Washington area. In 1955, the 84th Congress, by Public Law 24, made a specific appropriation to the National Capital Planning Commission and the Regional Planning Council to conduct jointly a survey of present and future mass transportation need of the National Capital region. The first $200,000 for the survey was provided in the Second Supplemental Appropriations Act of 1955, the second $200,000 in the 1957 Appropriation Act. The final $60,000 was provided in the Second Supplemental Appropriation Act of 1958. Pursuant to these appropriations, the National Capital Planning Commission and the National Capital Regional Planning Council entered into contracts with private firms to prepare surveys and reports of existing and foreseeable metro transportation problems and their solutions.

On January 5, 1959, a "Traffic Engineering Study for the Mass Transportation Survey" was forwarded to the Commission and Council. This is a 125-page report prepared by a private contractor complete with projections of trip data for future years, tables, and maps. In the letter of transmittal, the contractor stated:

This report contains an exploratory investigation of travel within the National Capital region. The studies were designed to correlate the generation of urban travel with population, wealth, and employment throughout the urban community. * * *

The studies reported were undertaken in accord with * * * agreement, dated April 20, 1956, "to develop traffic potentials for two or more alternate mass transportation plans to facilitate the optimum movement of people within the National Capital region for designated years 1965 and 1980 in connection with the mass transportation survey authorized by Public Law 24, 84th Congress."

On January 26, 1959, another private contractor forwarded to the Commission and Council a "Civil Engineering Report for the Mass Transportation Survey of the National Capital Region." This is a 95-page report. It consists of an express bus and rail rapid transit plan, recommended freeways, summaries of construction costs of freeways, parkways, and major streets, with alternate plans, exhibits, maps, and aerial photographs. Included are preliminary architectual designs for bus station, bus to rail transfer terminal, subway cross section with recommended subway routes and stations.

On page 5 of the civil engineering report, chapter II, the following appears:

PLAN 4—RECOMMENDED HIGHWAY-TRANSIT SYSTEM

In developing the recommended transportation system, consideration was given to plans which bracketed all likely solutions. As will be described more fully in later sections of this report, an auto-dominant plan was prepared. This postulated a system of freeways in 1980 adequate to serve the area on the assumption that almost everyone would customarily use automobiles as drivers or passengers. There would be relatively few people who would be unable or unwilling to furnish their own individual transportation. This latter group—accounting for about one-seventh of total person-trips—would use local buses. At the time of the 1955 survey, about one-fifth of all person-trips in the area were made on buses or streetcars.

Another plan featured a comprehensive rail rapid transit system. Nine transit routes for the operation of high-speed trains would cover the metropolitan area under this scheme. Trains would operate on private rights-of-way both in subway and other fully grade separated and insulated facilities. Also studied was a second transit-dominant plan with 11 express bus lines on private rights-of-way or on freeways serving all major flows of passenger movement. This plan is also more fully described in a later section. The best features of each of these plans, in our opinion, were consolidated in a single scheme which is hereafter referred to as the recommended plan.

The recommended transportation system to serve the National Capital region would be composed of a network of freeways together with a rather extensive system of rail rapid transit and express bus facilities. Express buses would be used in the early years on the routes ultimately to be served by rail rapid transit. The highways recommended for construction by 1980 are more extensive than those now programed. The 326 route-miles of freeways and parkways would be almost as great as the 344 route-miles required under the assumptions for an auto-dominant

scheme, but the lane-miles would be considerably less. * * * Improvements to arterial surface streets are also contemplated in the recommended plan.

The proposed transit service would consist partially of rail rapid transit trains going on separate rights-of-ways. It would also include express buses operating in the general traffic stream on freeways and parkways. A supporting system of local bus routes is assumed to be provided as an integral part of the service. The local buses would serve as feeders to the network of rail and bus rapid transit lines and as distributors of express traffic in the central business district. It would also provide public transportation in areas where express service would not be justified, both in the District and in the suburbs.

On July 1, 1959, the Commission and the Council forwarded to the President a transportation plan for the National Capital region along with the foregoing survey and report. In the letter of transmittal, the following was stated:

The survey has been a complex task, requiring the integration of the efforts of many organizations and individuals under the joint direction of the National Capital Planning Commission and the National Capital Regional Planning Council. The work was supervised by a joint steering committee consisting of representatives of these two bodies and the public utility commissions of Maryland, Virginia, and the District of Columbia. * * * In this undertaking, advanced and extensive research has been applied to the transportation problems of the National Capital region. We believe the survey is one of the most thorough transportation analyses ever completed in any American city. A transportation system recommended for the National Capital region will consist of an expanded network of highways and new express transit facilities. New highways will be modern freeways and parkways, while the new transit service will be provided by express buses and by rail transit reaching out to all parts of the urban area.

As stated previously, the first step recommended was the approval of the interstate regulatory compact adopted by the Virginia Legislature when it passed Senate bill 326, chapter 627, 1958 Acts of Assembly. In 1959, House bill 34 containing the Virginia compact proposal passed the Maryland Legislature and was approved by the Governor on April 28, 1959. This was the compact approved by this body, June 2, 1960.

The second step recommended by the national transportation plan was the creation of an agency "to secure rights-of-way for highway and transit routes, to begin planning the rail transit system, and to accelerate the highway construction work." H.R. 11135 makes provision for this second step to meet and solve the growing transportation problems in the Washington metropolitan area. This bill provides for the development of a unified and coordinated system of transportation for the National Capital region. It further creates a temporary National Capital Transportation Agency and authorizes negotiations by the States of Virginia and Maryland and the District of Columbia to create an interstate agency. In the terms of the bill, this interstate agency would be "an organization to serve as a means of consultation and cooperation among the Federal, State, and local governments in the National Capital region, to formulate plans and policies for the development of the region, and to perform governmental functions of a regional character, including but not limited to the provision of the regional transportation facilities." Upon the establishment of such an organization "empowered to provide regional transportation facilities, the President shall submit to the Congress such recommendations as may be necessary or desirable to transfer to such organization such real and personal property, personnel records, other assets, and liabilities as are appropriate in order that such organization may assume the functions and duties of the National Capital Transportation Agency.

H.R. 11135 is the direct result of hearings conducted by the Joint Congressional Committee on Washington Metropolitan Problems, from November 9 to 14, 1959, on the transportation plan for the National Capital region. Subsequently the Bureau of the Budget prepared a draft bill containing its recommendations for a National Capital Transportation Agency and a National Capital Transportation Corporation. Hearings on this draft bill were held May 5 and 6, 1960, by the joint committee which thereafter reported S. 3193 and H.R. 11135. The reported bill eliminates the proposed authorization to create a National Capital Transportation Corporation. However, it includes provisions not originally contained in the Bureau of the Budget bill.

On page 40 from line 17 to an including line 19 on page 42 are provisions inserted by the joint committee. These proposals are in the nature of specific recommendations which the National Capital Transportation Agency is required to "give special consideration to" in the preparation of the transit development program.

The proposal deserving particular attention is contained in section 204(b)(2), as follows:

Provided, That no freeway, or new parkway more than two lanes in width, shall be built within the District of Columbia west of Twelfth Street, Northwest, and north of either the north or the west legs of the proposed Inner Loop Freeway, the proposed Potomac River Expressway, or the proposed Palisades Parkway until after the Agency shall have reported to the President that the use of rail transportation to carry passenger traffic to points northwest of downtown Washington has had a fair trial.

Page 14 of the report accompanying H.R. 11135 states:

A proviso prohibits the construction of any new freeway or major parkway in a large sector of Northwest Washington until the use of railroads and subways has had a full trial. This proviso would prohibit the construction on Interstate Route 70–S along the Wisconsin Avenue corridor, or along any alinement west of Twelfth Street, Northwest. It would also prohibit the construction of the closely connected Glover-Archbold Parkway. Such highways might offer serious competition to the use of subways and railroads to carry people between downtown Washington and the western portions of the outer District of Columbia and Montgomery County. The proviso would not interfere with the construction and improvement of the District's street system or with park roads. * * *

It should be emphasized that this proviso is not intended to be a permanent ban on freeway construction in the Northwest sector. Once the use of rail transportation has had a fair trial, the prohibition terminates. If rail transportation has done what is hoped of it, the highway agencies will no doubt prefer to spend their money elsewhere. If, on the other hand, they feel that a new freeway is needed in the Northwest corridor, they will be free to request appropriations and, if these are granted, to build under the usual procedures. If no subway line is built to the Northwest after a reasonable time, rail transportation will still have had a fair trial within the meaning of this proviso, and the highway agencies would be free to proceed with their own plans for the area.

It should also be noted that the proviso is not a ban on all highway construction. It is only intended to prohibit the construction of freeways and major parkways that would offer the most serious competition to a rail line, and do the most damage to the neighborhoods and parks through which they pass.

The inclusion of such a proviso is made imperative by the recent decision of the Bureau of Public Roads that the extension of Interstate Route 70–S from Pooks Hill to the Inner Loop must, under the Bureau's interpretation of the Federal-Aid Highway Act, be routed to the west of Rock Creek Park. Since revised cost estimates on the Interstate System, based on the latest ruling, are to be submitted to the Bureau in August, the freeway might become immovably fixed in the so-called Wisconsin Avenue corridor before the new agency has even had a chance to consider the use of rail transportation to serve that area, unless Congress intervenes.

For the following reasons, the proviso does not and cannot accomplish the intent set forth in the report quoted.

The inserted proviso cannot be fully understood unless initial reference is made to its section heading, page 40, lines 1 and 2, is as follows: "Preparation and Approval of Transit Development Program."

The provision on page 41, line 4, is as follows:

SEC. 204. The Agency shall, in the preparation of the transit development program, give special consideration to the proviso in subsection (b)(2).

Though the word "shall" is mandatory, all the Agency is required to do is to "give special consideration to" the items set forth in subsections (b) (1), (2), and (3). As an express limitation on "consideration" it is fair to conclude that it is a limitation on Agency planning activity. The duration of this limitation is for an indefinite period, "until after the Agency shall have reported to the President that the use of rail transportation to carry passenger traffic to points northwest of downtown Washington has had a fair trial"—page 42, lines 13 to 16.

There is no prohibition against planning the use of freeways or parkways in Northwest Washington, only a suspension of such planning for an indefinite period of time. The report on page 14 refers to a "full trial" and on page 15 to "any additional highways that will eventually be built should be deferred until

the railroads and rapid transit lines have had an opportunity to develop their full patronage," and again, on page 15:

> If no subway line is built to the northwest after a reasonable time, rail transportation will still have had a "fair trial" within the meaning of this proviso.

The meaning of "fair trial" is vague, meaningless, and no effective guide or standard to agency decision and action. Moreover, the proviso limitation runs counter to the stated findings and policy of the bill. Page 34, section 102, provides, in part, as follows:

> The Congress finds that an improved transportation system for the National Capital region * * * (2) requires the planning on a regional basis of a unified system of freeways, parkways, express transit service on exclusive rights-of-way, and other major transportation facilities; * * * (5) requires coordination of transportation facilities with other public facilities and with the use of land, public and private.

Section 102 concludes with the following strong language:

> The Congress therefore declares that it is the continuing policy and responsibility of the Federal Government, in cooperation with the State and local governments of the National Capital region, and making full use of private enterprise whenever appropriate, to encourage and aid in the planning and development of a unified and coordinated transportation system for the National Capital region.

The foregoing statement clearly emphasizes that a unified system of coordinated transportation facilities on a regional basis, including freeways, parkways, express transit service on exclusive rights-of-way and other major transportation facilities, is the fundamental purpose to be served, and the basic reason for establishing the National Capital Transportation Agency.

Establishment of such a unified system of coordinated facilities on a regional basis requires logically a plan that encompasses the whole National Capital region. If the Agency is inhibited by the bill from planning on a total regional basis, then the very purpose of the bill is defeated. The proviso on page 42, vague and indefinite as it is, clearly runs counter to the stated purpose of a regional plan. If adopted, the proviso would instruct the Agency to plan in the whole of the National Capital region except in Northwest Washington. Thus Northwest Washington would not have the benefit of this legislation. Moreover those sectors in the National Capital region adjacent to Northwest Washington would have no benefit from this legislation.

Furthermore, the Congress would be instructing the Agency not only that it could not prepare a unified plan on a coordinated basis including the Northwest Washington section of the National Capital region, but it specifically could not plan with reference to freeways, or parkways, in Northwest Washington. Thus the Congress would be saying in its findings and policy that it wants regional transportation planning of a unified system of freeways, parkways, express transit service, and other major transportation facilities for the District of Columbia, Montgomery and Prince Georges Counties, Arlington, Fairfax, Loudoun, and Prince William Counties, Alexandria and Falls Church, but not in Northwest Washington. This limiting proviso effectively destroys the planning purpose of the legislation. By singling out a fraction of the total regional area and exempting it from the comprehensive planning process, the Congress destroys the whole concept of a unified transportation system on a regional basis.

It would appear an elemental proposition that, if a feasible regional plan is to result from the Agency's actions, it must have full power to plan throughout the whole of the region. It must be free to plan, as the stated purpose of the legislation indicates, a unified system of freeways, parkways, express transit service, and other major transportation facilities. There can be no unified system if any part of the region is left out of the plan. There can be no planning on a regional basis if any geographical area is left out of the plan. There can be no coordinated transportation system in the region if any type of transportation is left out of the plan. There cannot be a solution to the regional transportation problem if coordination with other public facilities and with the use of public and private land is prevented by exempting a small but vital part of the region from the planning and coordination process.

The major defect of the proviso is that it is legally ineffective. Section 205, beginning at page 46, outlines the "functions, duties, and powers" of the Agency. On page 49, beginning with line 13, the following appears:

> The responsibility and authority for location, design, construction, and operation of freeways, parkways, and other arterial highway facilities shall remain with the government agencies having jurisdiction thereof, but all Federal agencies' plans for location and design of highway facilities may be requested by the Agency for its review and comments.

The foregoing language is contained in subsection (7) of section 205, which begins on page 48, line 5, as follows:

> The Agency, * * * shall cooperate with government agencies to facilitate coordination of location, design, and construction of freeways, parkways, and other arterial highway facilities with the transit development program. The purpose of such coordination is to assure the comprehensive development of transportation facilities best suited to meet the objectives of this Act and to achieve maximum benefits from moneys available for such purposes.

This language clearly indicates that the Agency has no power to decide where a freeway, parkway, or other arterial highway facility is to be located or constructed in the region. The Federal Bureau of Public Roads retains this undiminished power. Moreover, the Agency has the duty to cooperate with Federal Bureau of Public Roads officials to coordinate the location and construction of freeways, parkways, and arterial highway facilities in the region. It should be emphasized that the language cited appears under the heading, "Functions, Duties, and Powers." It is significant that the proviso limitation, appearing as it does under the heading "Preparation and Approval of Transit Development Program," clearly is a limitation on planning activity by the Agency itself. This reveals congressional intent that the proviso is expressly not intended to be a limitation on the powers or functions of the Bureau of Public Roads authorized by other laws not referred to or affected by this bill. If the Bureau of Public Roads intends to go ahead with its plans, the new Agency must cooperate and coordinate the location, design, and construction of the freeways and parkways at the request of the Bureau.

The proviso was deliberately inserted by the joint committee in the section on "Preparation and Approval of Transit Development Program." It was not inserted in the section defining "Functions, Duties, and Powers." Thus, by its wording and its placement in the bill, it is not a limitation of any power other than that of the Agency's own planning activity. In this narrow compass only can the proviso have any legal significance, but since it vitiates the basic purpose of the bill, it cannot be deemed to have any practical legal effect.

Though the proviso has no legal effect and is a practical hindrance to carrying out the purpose of the bill, no fears should arise that a heavy-footed development of the transit program will take place. Positive assurance of this is found in H.R. 11135 on page 43, beginning with line 1, which states:

> *Provided*, That no part of the transit development program shall be carried out by the Agency until a report containing a full and complete description of that part of the program has been transmitted to the Congress, and the execution of that part of the program has been expressly authorized by legislation thereafter enacted by the Congress.

A similar provision appears in S. 3139, as amended, limited to approval "in appropriation acts thereafter enacted by the Congress." Under the House version, each part of the transit program must first be approved by the House District Committee, that is, the legislative authorization committee. Thereafter, the same part of the program, must receive the additional approval of the District of Columbia Subcommittee of the House Appropriations Committee.

S. 3193 provides for approval only by the Appropriation Subcommittee. It eliminates submission of the program to the legislative authorization committee. Thus, the Senate bill would speed up the congressional authorization process.

If lengthy congressional consideration of each part of the program is desired, then the House provision requiring approval by two House committees and two Senate committees is to be preferred. If more expeditious congressional approval of each part of the program is desired then the Senate provision requiring submission to one House and one Senate committee is to be preferred.

It should be pointed out that section 204(c) requiring congressional approval of the program was inserted by the joint committee. Such approval was not required by the original Bureau of the

Budget draft bill. Since the Senate provision insures more expeditious congressional action, the Bureau of the Budget favors the Senate version. House conferees may well accept the Senate provision without substantial derogation of the requirement that Congress approve each part of the program.

H.R. 11135 contains an ambiguous section granting to the Agency operating rights of all facilities acquired or constructed by it. Beginning on page 47, line 15, section 205(a)(2) provides as follows:

> The Agency (2) may operate all facilities acquired or constructed by it, or may enter into agreements with government agencies, private transit companies, railroads, or other persons for the operation of its facilities, the use of its operating rights, or the provision of transit services making use of other facilities and operating rights: *Provided,* That the Agency shall not acquire the facilities, property, or rights-of-way of private motorbus companies and persons; or operate buses or similar motor vehicles or make agreements for the provision of motorbus services competitive with private transit companies; but may make agreements for the provision of service which is not competitive with services of private transit companies and persons.

The effect of the proviso is to prohibit Agency acquisition of private motorbus facilities, property, or rights-of-way. Furthermore, the proviso prohibits the Agency from engaging in "motorbus services competitive with private transit companies." It would appear plain that if the Agency cannot acquire motorbus operating rights from existing carriers and cannot itself organize a service in competition with existing carriers, it has no substantive effective operating rights. The grant of operating rights is nullified by the proviso in section 205(a)(2). Otherwise, the bill would be defective in a basically material respect. If the Agency in fact could exercise operating rights, then provision should be made to protect the collective-bargaining rights of all Agency employees engaged in operating the transportation facilities. Unless such provision is made, the bill would be in conflict with numerous Federal statutes providing and protecting rights of the employees presently engaged in operating transportation facilities in the Metropolitan Washington area.

Here again the Senate-House conferees can remove all doubt as to the meaning of section 205(a)(2) by proper language in the conference report.

Despite the demonstrated defects in the bill, the House is urged to pass H.R. 11135 with the knowledge that differences with S. 3193 can be resolved in conference.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill sets up a Federal agency, to be called the National Capital Transportation Agency. The Agency is to be under the direction of an Administrator and a Deputy Administrator, each appointed by the President by and with the advice and consent of the Senate.

The Agency is to prepare a transit development program for the Washington metropolitan area. This program is to be submitted to Congress, and no part of the program is to be carried out until the Congress has by legislation expressly authorized the Agency to proceed.

Once the Agency obtains authorization, and funds are appropriated, it is empowered to design and build transit facilities in the National Capital region. Any acquisition of property of construction in the States of Maryland and Virginia is subject to the approval of the Governors of those States.

The Agency is to make a start on a rapid transit system for the Washington area, but it is to be replaced as soon as possible by an agency created by an interstate compact entered into by the States of Maryland and Virginia with the approval of Congress.

The Agency is to be financed initially by appropriations, but it is expected that the interstate compact would provide that construction work be financed largely by bonds to be repaid by the users of the transit system, and perhaps by the taxpayers of the area benefiting from the system. The Federal contribution is thus limited to making a start on the project, and working with the States of Maryland and Virginia to establish an interstate agency to carry on the work.

This legislation constitutes a big step forward in solving Washington's traffic problem. It is a realistic proposal, and it is designed to prevent the commitment of the Federal Government to any capital expenditures until Congress considers and authorizes them by legislation. This bill provides for the essential next step that must be taken in order to create the modern transportation system that is so badly needed here in the Nation's Capital.

The Committee on the District of Columbia received a report on this bill from the Joint Committee on Washington Metropolitan Problems, of which I am vice chairman, which has held very extensive hearings on the subject. The joint committee unanimously recommended that the bill pass as amended, and the Committee on the District of Columbia, after making a few minor revisions, likewise endorsed the bill. I am pleased to recommend it to the Congress.

Transportation problems in the Nation's Capital and the metropolitan area have grown increasingly complex in recent years. To meet both the present and future mass transportation needs of the area, studies were started in 1955 by the National Capital Planning Commission and the National Capital Regional Planning Council. Their report was submitted to Congress about 1 year ago. The bill H.R. 11135 is designed to carry forward the recommendations contained in their report.

In conjunction with the planning study, the Joint Committee on Washington Metropolitan Problems composed of members of the House and Senate Committees on the District of Columbia, has held hearings and developed the pending bill for submission to the regular legislative Committees on the District of Columbia.

This bill will establish a temporary Agency called the National Capital Transportation Agency. The Agency will be staffed with an Administrator and a Deputy Administrator appointed by the President by and with the advice and consent of the Senate. The compensation will be at the maximum rate for grade 18 of the Classification Act, except that the Administrator shall receive a payment of $500 per year above this rate.

An Advisory Board of five members appointed by the President, by and with the advice and consent of the Senate, will act in conjunction with the Agency.

The Agency is directed to design and develop the program for mass transportation for the National Capital region in coordination with the State and local officials. The development program is to be presented to the President not later than November 1, 1962, for transmission to the Congress for authorization of the program.

The estimated cost annually for the preparation of the design and development program is approximately $500,000 per year. The Agency has no authority to make financial commitments nor make expenditures for facilities prior to the authorization by the Congress of the design and development program.

The bill also authorizes the negotiation of an interstate compact between the State of Maryland, the Commonwealth of Virginia, and the Board of Commissioners of the District of Columbia. The purpose of the compact is to establish an organization for the formulation of policies for development of the National Capital region and the performance of government functions of a regional character including regional transportation facilities. The compact shall not become binding until approved by the Congress.

The President will appoint a person to represent the United States in the compact negotiation. The Federal representative shall report to the President or to such Agency or official as specified by the President.

Under the terms of this bill and following the authorization of the design and development program submitted by the Agency, the Agency may proceed with the exercise of the powers set forth in the bill, subject to approval by the States of Maryland and Virginia, or under the terms of any compact approved by the Congress. If otherwise determined by the Congress or under the terms of any compact, a successor to the Agency may take over the development program as a Federal corporation or through some organization established by the compact agreement.

Mr. FALLON. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Maryland.

Mr. FALLON. Mr. Speaker, I notice on page 42 of the bill it recommends that railroad transportation be used to carry passenger traffic from points in Northwest Washington. It also goes on further to say that no freeways or highways of more than two lanes will be built until after this other means of transportation has had a fair trial.

What period of time does that mean?

Mr. McMILLAN. I would like to say to the gentleman that the committee gave a good deal of time in considering

this one point in the bill. We were advised that it was not contemplated to build this U.S. 240 or the Wisconsin corridor route for another 5 years or so. I notice the Senate amendment to a similar bill provides for a 2-year freeze and, so far as I am concerned, I have no objection to it being 2 years. This bill will be sent to conference.

Mr. FALLON. I call the gentleman's attention to page 8 of the report where $460,000 have been appropriated and used to conduct a study in this regard. One of the recommendations coming from the National Capital region, the National City Planning Commission, and the National Capital Regional Planning Council recommends an expanded highway program, including acceleration of highway work or planning on the construction of several newly proposed freeways.

Mr. McMILLAN. Yes. The committee took that into consideration. It decided since it would cost $100 million to build this proposed freeway the gentleman mentions it thought it best to find out first if the problem would be solved by a subway at a much lower cost.

Mr. FALLON. I call the gentleman's attention to the fact if we are going to wait for 5 to 10 years, then decide to build a highway, it is going to cost more than $100 million. It will cost double that.

Mr. McMILLAN. I think the gentleman misunderstood me. We are not holding it up at all. We understood the highway departments of Maryland and the District of Columbia were contemplating waiting 5 years before they build this road.

Mr. FALLON. I understand the District of Columbia Highway Department and the Maryland Highway Authority have gotten together, and, as the gentleman knows, they do not think the Wisconsin corridor is the proper place for the highway and they are having new engineering studies made for a new route which they propose, after this study, to construct immediately after agreement is reached.

Mr. McMILLAN. I certainly agree with the gentleman. I do not think the Wisconsin Avenue corridor is the proper route, and I do not have any objection to amending the bill according to the way the Senate has and if the transportation agency has not made its recommendation the freeze can be extended. I do not think we can do anything in 2 years other than check plans and the feasibility of building subways.

Mr. FALLON. The bill says until the subway and the railroad transportation is given a fair trial. It will be many years before the railroad and the subway will be completed, so that there will not be any highway built in the northwest section of Washington and Maryland, probably one of the most difficult traffic problems as anywhere in the country; so that there will be no highway construction for at least 10 years.

Mr. McMILLAN. That was not the contention of the people who appeared before our committee. We held almost 2 years of hearings on this proposal which was sent down by the Bureau of the Budget, and we came to the conclusion that there was no reason to have a subway system and a freeway both leading into the city of Washington.

Mr. FALLON. I might say further, I hope that this does not set a precedent for all urban areas of the Nation, and that they give up the idea of bringing traffic in and out of the city by automobile. I hope that it does not set a pattern for all other urban areas.

Mr. McMILLAN. I hope not, but I also hope that the people of the cities will discontinue trying to build freeways in the metropolitan areas that cost $10 million a mile.

Mr. FALLON. I do not know whether the gentleman is accurate about the $10 million a mile figure. We do not value the cost of a road on the mileage basis. We value it on the number of vehicle miles which is the only true way that you can evaluate a road.

Mr. ROGERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Texas.

Mr. ROGERS of Texas. Is there anything in this bill that would grant an advantage to the present owners or holders of franchises having to do with mass transportation?

Mr. McMILLAN. Not a single item.

Mr. ROGERS of Texas. Is there any provision in the bill that would grant any advantage to the present holders of mass transportation franchises over other competitive business or prevent this authority from establishing a public authority for mass transportation if it so desired?

Mr. McMILLAN. Not that I know of.

Mr. ROGERS of Texas. Is there any provision in this bill that gives the authority hereby created the right to grant any franchise, powers, or privileges without first submitting the matter to the Congress?

Mr. McMILLAN. This proposed legislation does not grant any company or anyone, any authority other than to make some recommendations back to the Congress, after which the Congress will act on the recommendations either favorable or unfavorable.

Mr. Speaker, I yield to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BROYHILL. Mr. Speaker, this bill deals with a subject of which every Member of this House has personal knowledge—the transportation situation in the city of Washington and its environs. I am sure that every Member here will agree with me that transportation conditions in the Washington area leave a great deal to be desired. We have congestion on the streets and highways leading out of the city. We have congestion on the bridges across the Potomac and Anacostia Rivers. We have a shortage of parking space in downtown Washington, and we certainly have a parking problem here on Capitol Hill.

The traffic problem has always been something like the weather—everybody talked about it, but nobody seemed to be able to do very much about it. The question has always been, what should be done—should we build more highways, or should we build a monorail system, or should we decentralize the major office buildings into the suburbs near peoples' homes, or what?

Today, the Washington area has at least some of the answers to these questions. We have some answers because Congress, 5 years ago, directed the planning agencies of the area to make a study of the transportation problem and to recommend steps to solve that problem. This study was one of the most extensive and thorough studies of transportation ever undertaken in any American city. It took 4 years to complete. This study showed what the Washington area will look like 20 years from now—how many people will be living here, where the new residential areas will be located, where the new office buildings and commercial centers will be located, and how much traffic will be moving back and forth each day between the various parts of the region.

This study showed that traffic in the Washington area is going to keep on increasing at a rapid rate, and that most of our present streets, highways, and bridges are at or near the saturation point. The study showed that the new bridges and highways now under construction will fall far short of carrying the increased traffic that will be with us in even a very few years.

Finally, the study showed what kind of a transportation system we will need, if we are to save the city of Washington from traffic strangulation.

The transportation study showed conclusively that we cannot provide enough highways and parking space to enable everybody to travel to work by private automobile. We cannot even meet the need with private automobiles plus the kind of transit service that we have now—slow-moving buses trapped on the congested streets along with the automobiles. What we need is a rapid transit system—transit operating at high speeds on its own right of way. The planners here in Washington have thus arrived at the same conclusion as those in San Francisco, Philadelphia, Chicago, and other American cities, who are turning more and more to rapid transit.

What kind of rapid transit do we need here in Washington? We need two kinds. First, we need rail transit, in subways downtown, and on the surface in the outlying areas, but always on its own grade-separated right of way. Second, we need a new kind of high-speed express bus service, moving along the new freeways and parkways leading into the District of Columbia.

The alternative to such a transit system is to build more and more highways—far more than the various highway departments have ever planned in this area. This is an unsatisfactory

answer to the problem. It will damage many fine residential areas, both in Washington and in the suburbs. It will remove much valuable property from the tax rolls. It will destroy many of our parks, and do harm to churches and schools.

Furthermore, even a greatly expanded highway program would not solve the transportation problem. It would only dump more cars into the downtown area than the street system can handle, and it would turn downtown into a sea of parked cars—assuming they could find a place to park. Indeed, it would be literally impossible to provide all of the highways that would be needed if we are not to have a new rapid transit system. For instance, it has been found that the proposed Inner Loop Freeway, which will encircle the downtown area, would have to be widened from the proposed 8 lanes to as much as 14 lanes, in some places, to accommodate all the cars that would be trying to go to or around the downtown area. We would need a freeway to Silver Spring 14 lanes wide. Needless to say, it would be practically impossible, and it would certainly be extremely expensive, to build freeways that wide.

The answer to our problem is therefore to build the highways that have been planned, such as the inner loop in the District of Columbia and Interstate Route 66 in Virginia, but to proceed at the same time with a new transit system, including both rail rapid transit and express bus service on new freeways.

This transit system, as envisioned by the planning agencies, would consist of four rail lines radiating from downtown Washington to Bethesda, Silver Spring, Anacostia, and Alexandria; and about eight express bus lines likewise radiating from the downtown area along freeways and parkways such as the Suitland Parkway and Interstate Route 66. Of course, these route proposals are only tentative, since much detailed engineering work would be necessary before a final determination could be made. Nevertheless, the transportation plan gives a good indication of the kind of a transit system that the Washington area is going to need in the not too distant future.

That is what the planners have recommended, in their report submitted to the President in July 1959. The President forwarded that report to Congress, and the Bureau of the Budget, speaking for the President, announced that it supported the plan. Not only does the Bureau of the Budget endorse the proposal for a rapid transit system, but it has even urged that more emphasis be placed on rapid transit than the planners had recommended. The Bureau's reasons were twofold. First, the Federal Government has a vital interest in transportation in the Washington area. The Government has much to lose if it takes Government employees ever longer to get to work each day, and the Government departments will be less efficient if traffic congestion makes it more difficult to get from one Government building to another. Second, the Bureau of the Budget recognized that a rapid transit system might enable the Federal Government and the government of the District of Columbia to save a substantial amount of money, by building fewer highways than would otherwise be necessary.

I am sure that the question that comes to the mind of every Member of the House is this: Who would pay for a transit system for the Washington area? Who would build it and operate it?

I believe everyone who has considered this matter has come to a single conclusion—transportation is a local function, and a transportation system for the Washington area should ultimately be the responsibility of the people and the taxpayers of this area. Since the area extends over two States and the District of Columbia, no one local government can do the job. Instead, the proper approach is to set up an authority, by interstate compact, to build and operate the transit system. This is the approach that has been followed in dealing with other problems, elsewhere in the country, that overlap State boundaries. Interstate compacts have been very successful in dealing with water problems in the Western States, and here in the East we have an outstanding example of interstate cooperation in transportation, in the Port of New York Authority.

However, it must be recognized that the negotiation of an interstate compact is a long and difficult job, especially when the compact deals with such a complex and costly proposition as a metropolitan transit system. Furthermore, in the Washington area we have not only the interests of the States and the District of Columbia, but the Federal Government has a strong interest in the problem. The Federal interest is of two kinds. First, as the employer of many thousands of people in the Washington area, the Federal Government needs a good transportation system in order to carry on its activities efficiently. Second, as the largest owner of property in the District of Columbia, the Federal Government has a responsibility to help the District provide the transportation facilities which might otherwise be paid for out of taxes, if the Government were a taxpayer.

For these two reasons, the creation of a modern transportation system in the Washington area should be a two-step process. First, the Federal Government should get the work started. Second, the States of Maryland and Virginia, together with the District of Columbia, should negotiate an interstate compact which, on approval by Congress, should create an organization to carry on the work, pay for the system, and operate it.

This is the approach that was recommended by the Bureau of the Budget in draft legislation submitted to Congress last March, which was introduced by me in this House, and which is before us today in amended form.

This bill sets up an agency to do the initial engineering and design work, to acquire right-of-way, and to begin construction. The bill also authorizes negotiation of an interstate compact to create an agency that will replace the first one, and will proceed with construction and operation.

Before explaining the provisions of the bill in more detail, I want to tell the Members of the House that this bill, and the whole subject of transportation in the Washington area, have been the subject of exhaustive hearings by the Joint Committee on Washington Metropolitan Problems, whose chairman is the senior Senator from Nevada, and whose vice chairman is the gentleman from South Carolina, the chairman of the Committee on the District of Columbia of the House of Representatives. The joint committee held 3 days of hearings on Washington's transportation problems in May and June of 1958, and it held 6 days of hearings on the transportation plan that I have described to you in November of 1959. The joint committee also, under the authority of Senate Concurrent Resolution 101, held 2 days of hearings last month on the bill that is now before the House. The joint committee submitted a report and an amended version of the bill to the Committees on the District of Columbia of both Houses of Congress. The Committee on the District of Columbia of this House has adopted the recommendations of the joint committee with only two small changes.

I want to emphasize the fact that these extensive hearings were held, because this bill has been subjected to very close scrutiny, and it is the product of a cooperative effort on the part of a great many Government agencies and private organizations. At the hearings before the joint committee, the bill was supported by the various interested Federal agencies, by the Governors of the States of Maryland and Virginia, by the governing bodies of the counties and cities in the suburbs, and by the representatives of many businessmen's organizations, citizens associations, and other groups. Indeed, there is well-nigh universal support, in all quarters, for a prompt start on a rapid transit system, and for action by the Federal Government to get the work started while the State and local governments prepare to take over.

The bill before the House, then, is the product of long study and extensive hearings by the Joint Committee on Washington Metropolitan Problems. The amended bill differs in several important respects from the bill as introduced.

First, and most important, the joint committee has recommended, and the Committee on the District of Columbia has adopted, an amendment which would strike from the bill a title that would have provided for the establishment of a Federal corporation, with full power to build and operate transit facilities. The corporation was to have been established in 1963 unless the proposed interstate agency, established by compact, was ready to take over. The joint committee felt that it would not be wise to set up an Agency that could proceed without further legislation upon an ambitious construction program, which might commit the Federal Government to spend large amounts of money in order to complete the work. The bill has therefore been amended to eliminate the proposed Federal corporation, and to provide that

the Agency established by this bill must secure authorization, in the form of legislation enacted by Congress, before it acquires any right of way, and before it builds or operates transit facilities. The Agency may have some use for the tailed information on the program that it proposes to undertake, including general engineering plans, a description of the kind of transit service that is to be provided, and estimates of costs and revenues. This will provide Congress with information on the basis of which it can decide whether to authorize the Agency to proceed with construction or operation of any particular project.

In amending the bill in this manner, our aim has been to provide for the creation of an improved transit system in a series of steps, and to require that each step be carried out, and the results evaluated, before the Agency proceeds with the next one. In this way it will be possible for Congress to get an accurate picture of what results are being obtained before it grants a further authorization. And in this way we will not find the Federal Government committed to a large expenditure by a modest initial appropriation.

The joint committee also amended the bill to spell out the most urgent steps in the improvement of transit, to which the Agency should give its early attention. These include:

First. Immediate improvements in bus service. The joint committee felt that, in addition to designing subways and other major facilities, the Agency should make an effort to improve the existing bus service. For instance, the Agency could work with the bus companies to arrange more through routes between areas served by different companies, following the recent example of the two Virginia bus companies in establishing a cooperative cross-country route in Arlington.

Second. The use of existing railroads to carry more commuters. The joint committee felt that the possible use of the existing railroads should be explored to the fullest, since it would cost much less to use them than to build entirely new facilities.

Third. Incorporation of transit facilities (rail or bus) in new highways and bridges. Here again, it will cost much less to build rail lines in conjunction with new freeways, or to provide for express bus service on the freeways, than to build separate rapid transit lines.

Fourth. Design of a downtown subway system. This is a must, both to carry people from the Union Station and bus terminals to their destinations in the downtown area, and to extend into the suburbs to serve areas not reached by the railroads.

The joint committee included in the bill two provisos, which have been adopted in the report of the Committee of the District of Columbia, to assure that no opportunities for improving transit service are overlooked during the months and years just ahead. One proviso requires the Public Utilities Commission of the District of Columbia to consult with the transit agency, before authorizing the D.C. Transit System to abandon any more of its street car lines. The Public Utilities Commission is authorized to withhold its approval of any further abandonment, if it finds that the agency may have some use for the streetcars in its transit improvement program. The other proviso provides that no new freeway, or parkway more than two lanes in width, shall be built in the area west of 12th Street NW. and north of the Inner Loop Freeway, the Potomac River Express, and the Palisades Parkway, until the use of rail transportation to carry people to the northwest parts of the area has had a fair trial. This proviso bans the construction of the Interstate Route 70–S in any location west of 12th Street NW., and in particular in the so-called Wisconsin Avenue corridor. It also bans the construction of the Glover-Archbold Parkway. It does not prohibit the construction or improvement of secondary streets or highways within the District, nor does it affect the construction of park roads such as the one that is planned through the grounds of the National Zoological Park. There are two reasons for including this proviso. It may be that the use of rail transit will meet the need for improved transportation between downtown Washington and the northwest suburbs, so that no freeway or major parkway will have to be built through the area in question. This will both save the Federal and District Governments a substantial amount of money, and spare the fine residential areas, schools, and parks of northwest Washington from the damage that would result from the construction of a freeway there. Furthermore, even if it eventually proves necessary to build a freeway or parkway through northwest Washington, this should not be done until the rail transit system is in operation and has had a chance to build up its patronage. If the highway were built first, or simultaneously, the transit line would suffer from unbeatable competition, and would probably never attract very many riders, since most people would prefer to use the new freeway. But if the transit line is built first, there will undoubtedly be many apartment houses and office buildings built near the transit stations, and this pattern of development will naturally lead to increased use of transit. The proviso relating to freeways and parkways in northwest Washington is thus both a possible means of saving a substantial amount of money, and of protecting the investment in transit facilities.

I have emphasized that the longrun solution of the Washington area's transportation problem should lie in the hands of the people of the area, working through an interstate compact. I want to emphasize, particularly, that a modern transit system can and should be paid for by the people of the area, mainly out of transit fares, and possibly also out of taxes paid by the people of the area benefiting from the system.

Nevertheless, I want to make it clear that this legislation does contemplate the expenditure of Federal funds. The expenses of the transit agency, in carrying out the necessary engineering work and preparing the transit development program, will probably be on the order of $500,000 per year.

The other principal expense during the first few years will be for the acquisition of right-of-way for transit in conjunction with new highways and bridges. Any such expenditure will have to secure separate authorizing legislation before funds can be appropriated. It is to be hoped that, before the Agency passes beyond this stage, an interstate compact will have been negotiated to turn the job over to the people of the region. If there is any delay in the compact, the Agency is directed to submit a report by November 1, 1962, on further organizational and financial arrangements necessary to carry out its program, and in the meantime it is endowed with the necessary powers to operate any facilities that it may build.

The justification for Federal participation in this project, if I may repeat, is first that the Federal Government may well save a substantial amount of money by investing in transit and thereby reducing the need for highways. Second, that the Federal Government, as the largest property owner in the District, and a nontaxpaying property owner, has an obligation to the District to help do what might be accomplished by municipal taxes in any other city. And third, that the Federal Government, as the largest employer in the area, will benefit greatly from an improved transit system that will enable its employees to get to work more easily, and to travel from one Federal building to another quickly in the course of official business.

To conclude, we have here the opportunity to take the next step in the process that Congress began 5 years ago when it appropriated money for the study of Washington's transportation needs. The study and the planning have been done and done well, and we have now reached what might be called the design and development stage. The Agency that is proposed in this legislation is well equipped to carry out the next step. The program that is presented in this legislation is a conservative one, designed to assure that every step in the process is thoroughly justified to Congress before it is undertaken. The bill, as presently drawn, represents just about the minimum for a realistic and prompt solution to the problem. In fact, the only criticisms that have been made is that the bill does not provide for more sweeping powers on the part of the Agency, thus enabling it to move even more rapidly. However, it was the studied judgment of the joint committee that the step-by-step approach provided in the bill, providing as it does an opportunity for the Congress to study each major phase of the program before that phase actually is started, is the best insurance that the maximum results will be accomplished with a minimum of waste and false motion. Passage of this legislation will be an epoch-making event in the history of the Nation's Capital.

Mr. GROSS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I want to call attention to the fact this bill creates one or two

additional agencies. It is proposed to create two additional agencies, is it not, the National Capital Transportation Agency, and an advisory board within the National Capital Transportation Agency?

Mr. BROYHILL. That is correct, it does create the National Capital Transportation Agency.

Mr. GROSS. And there will be two officials paid supergrade salaries or above?

Mr. BROYHILL. That is right.

Mr. GROSS. An administrator at $20,000 and a deputy administrator at $19,000 a year; is that correct?

Mr. BROYHILL. Well, the top salary of the GS–18 plus $500 a year for the administrator and a top salary of GS–18 for the deputy administrator.

Mr. GROSS. Then it also calls for five supergrades in one or the other of these agencies; is that correct?

Mr. BROYHILL. It makes it possible; it does not set them up, because we do not know yet just what technical assistance will be needed.

Mr. GROSS. Does the gentleman think, if they are authorized, they will not be used?

Mr. BROYHILL. I cannot predict what they will do.

Mr. GROSS. I never heard of an Agency in Government being authorized 1 or 5 or 15 supergrades that they did not go on the payroll.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I am happy to yield; I am looking for information.

Mr. BROYHILL. Actually everyone recognizes that there is a very serious transportation problem here. We are building highways, expressways, and bridges that will not ultimately solve the problem. The main objective of this Agency is to coordinate all of the planning activities going on with the objective of solving our transportation congestion. It will help utilize existing facilities such as railways, and so forth, in an effort to get the best use of them, before we build more highways, expressways, and bridges. It is felt highly necessary to develop some sort of mass transit system. However, this Agency does not have the authority to build that unless it comes back to Congress and explains their justification for such a system and its economic feasibility.

Mr. GROSS. What is this new administrative setup going to cost the taxpayers of all the country?

Mr. BROYHILL. It is estimated that it will cost approximately $500,000 a year. However, if they go into a transportation business they will have to come back to Congress for additional authority.

Mr. GROSS. Then this is the situation, I will say to my colleagues, that if you vote for this bill you are voting to spend $500,000 of the taxpayers' money gathered from all over the country to set up administrative agencies that will serve the interests of the District of Columbia and the States of Virginia and Maryland. This is another cute little raid on the taxpayers of all the country.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. McMILLAN. I should like to say to the gentleman that the Bureau of the Budget is the author of this proposed legislation. They sent it to the Congress and it was referred to the Committee on the District of Columbia. We spent almost 2 years holding hearings on this proposed legislation and completely rewrote it. It should not cost anything like the amount it was estimated to cost when they sent it down here, $600 million.

Mr. GROSS. I appreciate the fact that the gentleman and his committee have cut it down to the figure in the bill. But it is still too rich for my blood.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. TABER. Does the gentleman mean that this bill is going to cost the Government $600 million?

Mr. GROSS. This bill is going to cost the Government an estimated $500,000 a year as I understand, to do the job that the States of Virginia and Maryland and the District of Columbia ought to be doing; in other words, taking care of the transportation and traffic problems that are peculiar to this area.

Mr. TABER. That is coming out of the U.S. Government?

Mr. GROSS. That is right and I am opposed to it.

Mr. WIER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, as a member of the District Committee it is rather difficult for me to come here with the view that I hold on this particular project because, following this project you will have some tax measures. The District comes to us again in desperate financial shape. They have a proposal here to increase taxes in about seven different fields.

I think the District Committee is bringing up one of those tax proposals this afternoon for House consideration.

Mr. GROSS. If the gentleman will yield, I think the gentleman will find they have already passed one of these tax bills.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. WIER. I yield to the gentleman from South Carolina.

Mr. McMILLAN. How does the gentleman stand on the sales tax?

Mr. WIER. On the sales tax? After having served on the District Committee the few years that I have, I just hesitate to pick on the District because I can readily see the conditions under which they try to operate here, depending of course upon Government aid in lieu of taxes on the property the Government owns in this District.

Speaking to this bill, this is an expenditure for planning. I hold no brief for this planning because every one of our major cities and every one of our States is confronted with a terrific traffic problem. So it is here in the District. But after what I have seen here in the District in the way of projects construction, I hesitate to support this bill that is before us this afternoon.

But one thing I took careful observation of was the tunneling that is proposed herein. These tunnels are going to converge at the Union Depot; tunnels, mind you. With the experience I have witnessed here and that you have witnessed for the last 2 years with this tunneling between the two Senate Office Buildings and the Capitol, I think we ought to stop, look, and listen to the figures that that tunneling costs.

Mr. McMILLAN. This proposal does not give any power to build tunnels.

Mr. WIER. The tunnels are involved, evidently.

Mr. McMILLAN. All this bill does is give permission to investigate and make recommendations to the Congress and the officials of the States of Virginia and Maryland.

Mr. WIER. Is it not true that the advisory committee of the District has proposed it, and did they not bring it up to the gentleman?

Mr. McMILLAN. No; the Budget Bureau submitted it to the Speaker of the House and referred to my committee.

Mr. WIER. The Budget Bureau got it from the District. The Budget Bureau does not run an engineering department.

So I say this is an expenditure you are going to have to meet with considerable of the funds of every State of the Union. I join my colleague here, the gentleman from Iowa [Mr. GROSS] in deploring the fact that everything that is done in the District here has some relation to the abutting States. The District of Columbia just so happens to be located where they automatically have to include all the improvements in the northern part of Virginia and the southern part of Maryland in connection with helping the District of Columbia. Both States get into this picture. I must confess with my understanding of what we did in the committee the other day concerning the huge and tremendous projects that will eventually come into this picture, those tunnels the other day caused me to take a second look as far as the people of my State was helping to pay for them.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. WIER. I yield to the gentleman from West Virginia.

Mr. BAILEY. Will the gentleman from Minnesota agree with me that we have a group of so-called economizers here in Congress who, when we want to do something for the benefit of the Nation as a whole, call it socialistic spending, but when it is something to do for the District, Virginia, and Maryland, then they will raid the Treasury.

Mr. WIER. I know some of us have a difficult time getting projects for our own States.

Mr. Speaker, I reluctantly will have to oppose this bill until I have a clear picture of what the eventual project will mean. This is only the beginning of a major project.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield?

Mr. WIER. I yield to the gentleman from Virginia.

Mr. BROYHILL. If the gentleman will examine the bill, he will find that we struck all that out and gave them the authority to come back to the Congress with a complete report justifying any program before they undertake it. The gentleman is right about the problem. It is the problem of every metropolitan area, but we cannot approach it that way here because this is the Nation's Capital and we are the legislative body for the Nation's Capital.

Mr. WIER. You certainly have admitted that you stripped the Department of the Budget plan temporarily to get this thing started. That is correct. Let us start with a minor sum, but you cannot touch the eventual cost of this whole plan as originally proposed.

Mr. BROYHILL. The Congress will have an opportunity to act upon that later.

Mr. WIER. After we get about $20 million put into the project, are we going to back away from it?

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 72, noes 42.

So the bill was passed.

A motion to reconsider was laid on the table.

The title was amended to read: "A bill to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes."

AUTHORIZING THE SECRETARY OF THE ARMY TO LEASE A PORTION OF FORT CROWDER, MO., TO STELLA REORGANIZED SCHOOLS R–I, MISSOURI

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8315) to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R–I, Missouri, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That upon payment to the Secretary of the Army by the Stella Reorganized Schools R–I, State of Missouri, of 50 per centum of the fair market rental value of the space it occupied at Fort Crowder, Missouri, from February 2, 1959, through February 15, 1960, the Secretary is authorized and directed to release such Stella Reorganized Schools R–I from all liability for the rental of such quarters for such period."

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TO AMEND DISTRICT OF COLUMBIA REDEVELOPMENT ACT OF 1945

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 8697) to amend the District of Columbia Redevelopment Act of 1945 with respect to the requirements for adoption of a redevelopment plan for a project area, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code, sec. 5–701), is amended by inserting "alone" immediately after "; and control by regulatory processes".

SEC. 2. Section 3(j) of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code, sec. 5–702(j)), is amended to read as follows:

"(j) 'Project area' is an area of such extent and location as may be adopted by the District Commissioners, in accordance with section 6(b) of this Act, as an appropriate unit of redevelopment planning for a redevelopment project separate from redevelopment projects for other parts of the District of Columbia. In the provisions of this Act relating to lease or sale by the Agency, for abbreviation 'project area' is used for the remainder of the project area after taking out those pieces of property which in accordance with section 7(a) of this Act shall have been or are to be transferred for public uses."

SEC. 3. Paragraphs (1) and (2) of subsection (b) of section 6 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code, sec. 5–705(b)) are amended to read as follows:

"(1) The Agency shall submit to the District Commissioners a proposed redevelopment survey area defined with reference to the comprehensive or general plan authorized by subsection (a) of this section, together with a certification by the Agency that it has surveyed such proposed redevelopment survey area and determined that more than 20 per centum of such proposed redevelopment survey area is a blighted area within the meaning of section 2 of this Act and that such area otherwise meets the requirements of this Act.

"(2) After submission of the proposed redevelopment survey area the District Commissioners shall hold a public hearing on such proposed redevelopment survey area notice of the time and place of which shall be given by mail, at least ten days prior to the hearing, to the then owners of the real properties in the project in the proposed redevelopment survey area and of the real properties immediately adjoining, or across the street from, the proposed redevelopment survey area.

"(3) The District Commissioners after the public hearing required by paragraph (2) may adopt a project area the boundaries of which shall be entirely within the proposed redevelopment survey area.

"(4) After the District Commissioners shall have adopted a project area in accordance with paragraph (3), the District Commissioners shall, in consultation with the Agency, prepare a complete redevelopment plan of the project area. The District Commissioners may delegate all or any part of the preparation of such redevelopment plan to any officer or employee of the government of the District of Columbia, or of the Federal Government.

"(5) After completion of the redevelopment plan of a project area in accordance with paragraph (4), the District Commissioners shall hold a public hearing on such redevelopment plan notice of the time and place of which shall be given by mail, at least ten days prior to the hearing, to the then owners of the real properties in the project area and of the real properties immediately adjoining or across the street from the project area.

"(6) After such public hearing the District Commissioners may adopt, in whole or in part the redevelopment plan of the project area, which shall contain a site and use plan for the redevelopment of the area, including the approximate locations and extents of the land uses proposed for and within the area, such as public buildings, streets, and other public works and utilities, housing, recreation, business, industry, schools, public and private open spaces, and other categories of public and private uses. Such plan shall also contain specifications of standards of population density and building intensity. Any such plan may also specify, by means of specification of maximum rentals or other basis, the amount or character or class of any low-rent housing for which the area or part thereof is proposed to be redeveloped."

SEC. 4. Subsection (d) of section 6 of the District of Columbia Redevelopment Act of 1945 is amended to read as follows:

"(d) After a redevelopment plan for a project area shall have been adopted by the District Commissioners, the Agency shall proceed to the exercise of the powers granted to it in this Act for the acquisition and assembling of the real property of the area. Following adoption of a redevelopment plan for a project area, the District Commissioners shall not authorize any new construction in such project area, including substantial remodeling or conversion or rebuilding, enlargement or extension or major structural improvements on existing buildings, but not including ordinary maintenance or remodeling or changes necessary to continue the occupany."

SEC. 5. Section 6 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code, sec. 5–705), is further amended by adding at the end thereof the following new subsections:

"(e) The District Commissioners shall not adopt under this Act any redevelopment plan for a project area after the date of enactment of this subsection until at least 70 per centum of redevelopment project area plans B, C, and C, for the redevelopment of the Southwest area of the District of Columbia have been completed, and thereafter the District Commissioners determine, after public hearing, that such redevelopment of such Southwest areas has proven to be economically feasible. For the purpose of the requirement of 70 per centum completion of this subsection, such project area plans B, C, and C, shall be considered as one plan.

"(f) If any proposed redevelopment plan for a project area fails to be adopted by the District Commissioners, no other redevelopment plan for such project area shall be eligible for adoption by the District Commissioners under this section for a period of three years from the date of the last public hearing held under this section in connection with such rejected redevelopment plan."

SEC. 6. Section 7(c) of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code, sec. 5–706 (c)) is amended to read as follows:

"(c) Any such lease or sale shall be made to the highest bidder at a public offering, after no less than thirty days' public notice of such offering, by the Agency of the proposed lease or sale and the provisions thereof."

SEC. 7. The second sentence of section 12 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code, sec. 5–711), is amended to read as follows: "Before approval, the District Commissioners shall hold a public hearing on the proposed modification, notice of the time and place of which shall be given by mail, at least 10 days prior to the hearing, to the then owners of the real properties in the project area and of the real properties immediately adjoining or across the street from the project area."

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert: "That section 2 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code 5–701), is amended by inserting 'alone' immediately after '; and control by regulatory processes.'

"SEC. 2. Section 3(j) of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code, sec. 5–702 (j)), is amended to read as follows:

"'(j) "Project area" is an area of such extent and location as may be adopted by the District Commissioners, after public hearing, as an appropriate unit of redevelopment planning for a redevelopment project separate from redevelopment projects for other parts of the District of Columbia. In the provisions of this Act relating to lease or sale by the Agency, for abbreviation "project area" is used for the remainder of the project area after taking out those pieces of property which in accordance with section 7(a) of this Act shall have been or are to be transferred for public uses.'

"SEC. 3. Section 3(r) of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code 5–702(r)), is amended by inserting 'or any other structure,' immediately after 'or housing accommodations for human beings,'.

"SEC. 4. Paragraphs (1) and (2) of subsection (b) of section 6 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code 5–705(b)) are amended to read as follows:

"'(1) The Agency shall submit to the District Commissioners a proposed project area defined with reference to the comprehensive or general plan authorized by subsection (a) of this section, together with a certification by the Agency that it has surveyed such proposed project area and determined that more than 20 per centum of such proposed redevelopment survey area is an area of substandard housing conditions within the meaning of section 3(r) of this Act and that such area otherwise meets the requirements of this Act.

"'(2) After submission of the proposed project area the District Commissioners shall hold a public hearing on such proposed project area, notice of the time and place of which shall be given by mail, at least ten days prior to the hearing, to the then owners of the real properties in the project in the proposed project area and of the real properties immediately adjoining, or across the street from, the proposed project area, as such owners may be listed on the tax rolls in the Office of the Assessor for the District of Columbia. In the case of multiple ownership of real property referred to in this paragraph, any such notice mailed to more than one such owner shall be deemed to be notice to all such owners.

"'(3) The District Commissioners after the public hearing required by paragraph (2) may adopt such proposed project area or any part thereof.

"'(4) After the District Commissioners shall have adopted a project area in accordance with paragraph (3), the District Commissioners shall, in consultation with the Agency, prepare a complete redevelopment plan of the project area. The District Commissioners may delegate all or any part of the preparation of such redevelopment plan to any officer or employee of the government of the District of Columbia, or of the Federal Government.

"'(5) After completion of the redevelopment plan of a project area in accordance with paragraph (4), the District Commissioners shall hold a public hearing on such redevelopment plan, notice of the time and place of which shall be given by mail, at least ten days prior to the hearing, to the then owners of the real properties in the project area and of the real properties immediately adjoining, or across the street from, the project area. In the case of multiple ownership of real property referred to in this paragraph, any such notice mailed to more than one such owner shall be deemed to be notice to all such owners.

"'(6) After such public hearing the District Commissioners may adopt, in whole or in part, the redevelopment plan of the project area, which shall contain a site and use plan for the redevelopment of the area, including the approximate locations and extents of the land uses proposed for and within the area, such as public buildings, streets, and other public works and utilities, housing, recreation, business, industry, schools, public and private open spaces, and other categories of public and private uses. Such plan shall also contain specifications of standards of population density and building intensity. Any such plan may also specify, by means of specification of maximum rentals or other basis, the amount or character or class of any low-rent housing for which the area or part thereof is proposed to be redeveloped.'

"SEC. 5. Subsection (d) of section 6 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code 5–705(d)), is amended to read as follows:

"'(d) After a redevelopment plan for a project area shall have been adopted by the District Commissioners, the Agency shall proceed to the exercise of the powers granted to it in this Act for the acquisition and assembling of the real property of the area. Following adoption of a redevelopment plan for a project area, the District Commissioners shall not authorize any new construction in such project area, including substantial remodeling or conversion or rebuilding, enlargement or major structural improvements on existing buildings, but not including ordinary maintenance or remodeling or changes necessary to continue the occupancy.'

"SEC. 6. Section 6 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code 5–705), is further amended by adding at the end thereof the following new subsection:

"'(e) The District Commissioners shall not adopt any project area after the date of enactment of this subsection until after the physical completion of all improvements on not less than 50 per centum of the land in project areas B, C, and C_1 in the Southwest area of the District of Columbia in accordance with the redevelopment plans for such project areas. For the purpose of the requirement of 50 per centum completion under this subsection, project areas B, C, and C_1 shall be considered as one project area.

"'(f) If any proposed redevelopment plan for a project area fails to be adopted by the District Commissioners, no other redevelopment plan for such project area shall be eligible for adoption by the District Commissioners under this section for a period of three years from the date of the last public hearing held under this section in connection with such rejected redevelopment plan.'

"SEC. 7. Section 7(c) of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code 5–706(c)), is amended to read as follows:

"'(c) Any such lease or sale shall be made to the highest bidder at a public offering, after not less than thirty days' public notice of such offering, by the Agency of the proposed lease or sale and the provisions thereof.'

"SEC. 8. The second sentence of section 12 of the District of Columbia Redevelopment Act of 1945, as amended (D.C. Code 5–711), is amended to read as follows: "Before approval, the District Commissioners shall hold a public hearing on the proposed modification, notice of the time and place of which shall be given by mail, at least ten days prior to the hearing, to the then owners of the real properties in the project area and of the real properties immediately adjoining, or across the street from, the project area. In the case of multiple ownership of real property referred to in this paragraph, any such notice mailed to more than one such owner shall be deemed to be notice to all such owners.'"

Mr. ABERNETHY (interrupting the reading of the amendment). Mr. Speaker, this is a rather long amendment, and I ask unanimous consent that it be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. GROSS. I assume the gentleman will take 2 or 3 minutes or a few seconds at least to explain the bill.

Mr. ABERNETHY. I will be happy to do so.

Mr. Speaker, the purpose of this legislation is to eliminate the division of authority and responsibility for urban renewal and redevelopment in the District of Columbia that exists at present between various boards and agencies and to vest such authority and responsibility solely in the Board of Commissioners of the District of Columbia.

The bill also provides for the disposal of the lands on a competitive bid basis rather than by negotiation. It makes other provisions which I think are very essential, for instance, the requirement that 50 percent of the Southwest area be redeveloped before they can move into other areas. That is the substantial purpose of the bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. GROSS. What is this going to cost the taxpayers?

Mr. ABERNETHY. This bill is not going to cost the taxpayers a dime.

Mr. GROSS. I am glad to hear that.

Mr. ABERNETHY. This program is already a matter of law. This simply amends existing law. It will, if anything, result in the saving of money.

Mr. GROSS. I hope the gentleman is right.

Mr. ABERNETHY. I think I am.

Mr. FARBSTEIN. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. FARBSTEIN. I presume this bill deals with urban renewal.

Mr. ABERNETHY. Yes; it deals with urban renewal.

Mr. FARBSTEIN. Is there any restriction in the proposed amendments as to preference being given to low rental, medium, or luxury housing?

There are some restrictions in the current law but, as I understand it, under this bill luxury housing will be permitted despite the fact that low-rental areas may be condemned and redeveloped in the acquisition of the land.

Mr. ABERNETHY. I think that is the philosophy of urban renewal. In establishing this particular program in the District of Columbia, that was made the law. We are simply attempting to add some amendments to move this program forward in an orderly and appropriate manner and also to save some money

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. ALGER. On page 8 of the bill appears certain language which I wish the gentleman would explain, line 12, the figure 20 per centum, reading "20 per centum of such proposed redevelopment survey area is an area of substandard housing conditions."

Mr. ABERNETHY. The amendment simply means that as to present urban renewal projects the area must be far deteriorated before it can be rebuilt.

Mr. ALGER. That has to do with substandard housing conditions. In other words, if 20 percent of a project area is substandard it falls into the category which permits redevelopment under this program.

Mr. ABERNETHY. That is correct.

Mr. ALGER. Is there not the danger that some area which may not have 20 percent substandard housing might have its boundaries extended to include enough substandard housing to bring it within such provisions? Would not that seem to be possible in Georgetown, for instance?

Mr. ABERNETHY. I would think so.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. RABAUT. The 20 percent at the present time is only an administrative policy. If what we are attempting to do today becomes law more than 20 percent of an area would have to be substandard.

Mr. ALGER. If the gentleman will yield, then the committee recognized the danger of this practice and is trying to protect against it.

Mr. RABAUT. That is the reason for this 20 percent.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. SPRINGER. I would like to direct a question to the gentleman from Michigan dealing with the language on page 11 of the bill. We have now established 50 percent as the amount of redevelopment that must be completed before you can go to another area. As I recall, some weeks or months ago the gentleman from Michigan proposed that 70 percent of the Southwest area be completed before they went to another area.

Mr. RABAUT. Yes.

Mr. SPRINGER. May I ask the gentleman if he thinks that 50 percent is adequate?

Mr. RABAUT. Yes. In consultation with members of the committee we developed the further thought that there would be quite a bit of public works down in this area. We changed the percentage from 70 to 50.

Mr. SPRINGER. I thank the gentleman.

Mr. ALGER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Speaker, I take this time, first of all, to commend the committee for bringing this bill before us. Frankly, I wish we had more time to discuss it.

I have been privileged to talk with one or two members of the District Committee about this. There is much I do not know about this bill, and I want you to know that. But I know something about real estate, my background being real estate. I want to call your attention to this bill in the hope that when this redevelopment question comes before us next year we can correct some of the existing injustices and miscarriages under present law that were not intended. Gerrymandering of the slum area, as mentioned by the gentleman from Michigan [Mr. RABAUT] is only one.

We ought to approve this bill, and I hope it will pass without a dissenting vote, because the 50 percent provision will give us time to study some of the urban redevelopment in Washington, and its results. It will correct some basic weaknesses in the act. And, third, it will slow down rapid population and business shifts. This matter deserves our study and I say this to those of you particularly who have not personally looked into this matter. Possibly we can correct some of the basic weaknesses in the act by the 50-percent limitation.

Some time ago, probably because of my expressed views on the urban renewal program generally, I was asked though not a member of the District Committee, to meet, with the Southwest Displaced Persons Grievance Committee. Here were a number of people who, unfortunately, the law had mistreated. Let me assure you, Mr. Speaker, there are cases here in the District of Columbia where people have been mistreated, their homes, property and income taken from them without recourse, their lives blasted in the name of progress. You would not believe such situations could occur in this free land of ours.

I should like to introduce into the RECORD at this point some excerpts from testimony prepared for the District Committee by one of the members of that particular group. I want to stress that these people were not crackpots, but struck me as representative Americans appalled at the treatment accorded them by their own Government.

HEARING ON H.R. 8697, MAY 12, 1960

I am Miss Mary Cavanagh, director of Vincent House, 11th Street SW. Vincent House was, until the urban renewal project took it over nearly 2 years ago, a small, self-supporting but hopeful social service project. * * *

Vincent House also had a small house in the next block as a shelter for a few evicted single people and others in need of shelter but not eligible for public assistance. Here we had a small beginning of our workshop with donated equipment and materials and had our first orders ready to be filled when our houses were take by RLA and our small income stopped in the course of time by the removal of tenants from our larger house. Our overhead was very small as we had no paid workers, but the condition of surrounding blocks, as demolition began, made it almost impossible to continue as the prospective members of our study group lived in other parts of the District and seemed to consider it unsafe to come into our area for evening sessions.

I am speaking today for myself and for a group of evicted, or about to be evicted, persons in the Southwest under sponsorship of a group known as the Citizens' Rights Council. Some of these evictees met April 25 to tell their stories—in some cases, very tragic ones—to a small delegation from Congress that wanted to hear firsthand what was happening to the people most concerned in this urban renewal project. The group includes the Southwest Displaced Persons' Grievance Committee whch has joined with the larger group for more effective action.

We are in favor of House bill 8697 as far as it goes, but with the urgent request that certain amendments be added to protect the people most concerned in the urban renewal project; namely, the evicted people who are losing their homes or means of support and, in many cases, both.

I have done social work in this country and in Europe, both in peacetime and in wartime, and I have never seen such misery, injustice, and hardships inflicted on a population by its own Government. If you think this is an overstatement of case, I hope you will permit me a little later to outline a few of the most tragic cases which were presented to this small delegation from Congress a few weeks ago. I really believe that if General MacArthur's command had inflicted this much hardship on a conquered enemy in Japan, there would have been an immediate outcry from all over the civilized world. Before outlining a few of the more severe cases, I wish to make it clear that I feel that no blame should be attached to Mr. James Banks, of RLA, or to most of those under him as far as I know them, for any part of this tragic situation. I believe that most of the injustice and misery has been caused by defects and inadequacies of the original law which failed to make proper provision for or provide adequate compensation for the various types or classes of persons to be displaced and for their proper relocation. Most of all, for the middle class, I have heard no criticism of Mr. Banks from those who suffered most and are most bitter about the urban renewal project. I think it only fair to make that clear. He has an incredibly difficult job—as has Mr. Shea of the Welfare Department—and I believe they have done as much as the law and their limited staff permit them to do to alleviate the distress.

The most urgent recommendations which have been suggested by our group are as follows:

1. That the law requiring that safe, decent, and sanitary housing be provided for

evicted people be obeyed, and that suitable steps be taken to see that it is obeyed. Evidence presented at the above meeting indicated that the public housing provided does not meet the requirements on any of the three points.

2. That cases be handled in a more humane way.

3. That women alone, and others deprived of income as well as their homes, shall be given special consideration in housing and employment or in some income arrangement other than getting in line at public assistance, perhaps through extra priority assignment.

4. That usable, proper, and suitable housing be provided at once for elderly and middle class evicted persons. The fact that this was not prepared and ready before the evictions began, and is still not available, has worked intolerable hardship and is evidence of unbelievably poor planning. Blueprints are not enough. They do not provide shelter from the elements into which some were actually evicted.

5. That the promised investigation mentioned in various press accounts take place as soon as possible. This is long overdue, and something the victims of urban renewal have waited for in vain. The investigation should include an examination into the absence of any apparent attempt to provide legal or proper housing for middle class evicted people. It has resulted in the exodus of middle class people to places outside the District. The evicted people, and many other citizens who are concerned about the welfare of the District, have begun to ask whether this is a plan or policy of the architects of urban renewal, and, if so, what the purpose back of it may be? * * *

6. Family pets should be permitted to accompany evicted persons moving into row or walkup public projects where their loss would add to the grief of persons or families deprived of their homes. My next-door neighbor was refused public housing because she was unwilling to part with her old, halfblind, K–9 dog, a war veteran, and a former seeing-eye dog who was quiet, clean, and completely inoffensive. (The no-pets rule could be enforced after these beloved pets die off.) This is an example of the lengths to which devotion to redtape in the Housing Department is carried and the lack of a humane interpretation of the rules and regulations. In this case, the pet owner was a widowed elderly lady, alone, with no other companion or protection.

7. A suitable location on the waterfront should be found without delay for one of the most unjustly treated groups among Southwest evictees, the merchants from the fish pier area, many of whom have been in business there for over 50 years. Some have family conections with the pier which go back around 100 years. If they had to lose the intangible value in well-established businesses, they should, as a matter of simple justice, be given an equally good waterfront site large enough for all of them and a suitable building built for them as has been done for similar groups in other cities. This is a particularly shocking case because it was an injustice to the people of Washington as well as to the merchants, inasmuch as this was one of their favorite recreation and marketing spots and has been for several generations. It was also valuable to the city as a popular tourist attraction. We know of at least two deaths which were caused by this cruel injustice. One was that of Mr. Cy Ellis, a much loved and respected figure on the waterfront for 45 years. The other—a brother of Mr. George Carroll, whose family have had their fish business there for nearly a century. The press accounts on which the public depends for knowledge of urban renewal and its evil results never do more than skim the surface of tragedies.

Mr. Cy Ellis remarked to his counselor after the taking of his business that he had been coming to that wharf every morning for 45 years and did not know how he could go on without it. In less than a month he was dead. The fine woman who is his widow is left to struggle alone to salvage something from the wreckage as a heritage for their children.

The case of Mr. George Carroll is much more tragic than one would gather from press accounts as these have failed to mention that his home was taken, as well as his business; that he is a widower with four children; or that it cost the life of his most valuable helper, his brother, whose wife had looked after the children in their father's absence, although the father's business being only 2 blocks away, he was able to come home often enough to help look after the children. I know of his devotion to his children, because they lived across the street from me in the beautiful, old Depew Mansion—about a block from where he was born. His brother died in a public housing project where he was housed after the family home was taken. He was a very gentle person, and the family felt that, in addition to the shock of eviction, the nervous strain of life in the housing project greatly hastened his death. You see, he lived in fear of being beaten. His neighbor in the housing project had been beaten, and died soon thereafter. I mention this as further evidence that, as we have contended, these places are not safe for women alone.

Mr. Carroll has temporary quarters in the Old Claxton Fish Building on 12th Street next to McLachlen's Bank. We feel that he should be allowed to remain there until the District finds permanent quarters for him on the waterfront. He should not have the threat of another eviction hanging over his head as at present. There is a limit to what one person can endure.

8. Investigation of the effect of renewal on small businessmen and people employed by them should be included in the general investigation of the Southwest project. Numerous small businesses on 4th, 7th, 10th, and other streets in the area were displaced. Our liaison with them claims that only one of these businesses has been able to relocate in Southwest Washington, and that unbelievable hardships have been inflicted upon them and the many people who depended upon them for employment. It is thought that some payment for intangibles of good will and established clientele might have helped tide these people over until they are reestablished.

DISTRESS CASES

Case 1: Miss A, single, middle-aged lady, living in family home where she was born; a large, fine, old, brick home, in a middle-class neighborhood, where, after the death of their large family, she and her sister earned an adequate living taking lodgers. RLA took their house over 3 years ago, pressured lodgers out, but found no home for the sisters. Without income, they could not buy much fuel for so large a house, even without a complicating furnace repair problem.

In the second winter, the older sister became ill from worry and shock and died during a very cold spell, apparently from the cold, as the undertaker found ice on the sheet when he removed the body. Miss A had no other way to earn income as she has been crippled from the age of 3 years. Refused public housing as she had no income and was unwilling to part with the family cat to which she was attached, she was removed to an unsatisfactory wooden house which she says is overrun with vermin, rats and mice, and is noisy. She has no income except board money from a very elderly pensioner, and must depend on public assistance when he passes away. She grieves over treasured furnishings left behind in her confusion at leaving the only home she had ever known. Her health suffered from living in a cold house three winters without heat.

NOTE.—Miss A has a list of hardship cases in her neighborhood whom she tried to help in spite of her own straitened circumstances: One, a pregnant mother of six children evicted with furniture on a cold, snowy day—mother slept in old car that night and children in shed. Also case of Julie (last name not known and only colored person on list) evicted from small home, took refuge in ruined building, removed from there by police, and found dead in weeds of front yard next day. She also helped a middle-aged couple, Mr. and Mrs. B, who after having their water shut off for 6 months and begging water from neighbors were evicted with their furniture and slept in hallways, until Miss A gave them shelter in the rear of their home and found a home for the aged which took them in. All three of these people (Miss A and Mr. and Mrs. B) told their story at our meeting on April 25.

Case 2: Mrs. C, an elderly widow in her 80th year, had a fine, large, brick home facing the Mall where she had come as a bride over 50 years ago. She supported herself 25 years by the rental of apartments to Government workers until RLA took the house and pressured her tenants out. The amount given her was much less than the market value of the house, and her small equity was soon used up for living and medical expenses which afflict the aged disturbed by losing their homes and which, in her case, was increased by the fact that she tripped over a board left on the sidewalk by the wreckers, striking her head and one eye and creating a leg stiffness which makes it difficult for her to climb the two flights of stairs to her small walk-up. Although a proud and independent woman all her life, she was finally obliged to ask for old-age assistance, which was refused. She was told that her only child, a married son with a child, should contribute one-third of his already inadequate wages to support her, which he did. It made things very difficult for him in his home and, as he was soon to be laid off at the Navy Yard, prevented his being able to save for the expected period of unemployment. Worry over the situation gave him the two ailments increasingly common in the Southwest—high blood pressure and heart trouble.

We have apparently secured for her a part of the monthly allotment which is due her but a part of her support still will rest upon her son, and it grieves her so much to feel herself a burden to him that her once cheerful disposition has vanished, and she prays to die.

Her troubles would have been greatly lessened had she been given the type of housing which is required by law to be given to evicted people. There was, of course, no public housing usable or safe for an elderly woman alone accustomed to a clean home. But there were at that time a number of new public housing projects just being finished in the Southwest. These were of the 3-story, walk-up, 12-apartments-to-a-door type. One of these set aside for women alone in a safe neighborhood would have been a great help and comfort to women deprived of their homes and incomes, and former neighbors placed together could have continued to look after the aged and infirm as they have in the past.

Because of this situation, we asked a member of this committee during the absence of Congress to see what could be done to have one of the new houses set aside for that purpose, and were told that the RLA had given favorable consideration to the idea. A letter from the RLA to that effect was enclosed with the letter sent to us. Since I had indicated that only one of the new houses was in even a moderately safe location, I assumed that that house was

being saved for this purpose. It was in front of a bus stop and a street light on a main traveled road.

After the April 25 meeting, one member of the delegation from Congress who had been present at the meeting, and was concerned about the plight of the people present, called the Public Housing Department and asked about the house to be reserved. He was told they had only unofficial news about it, but would look into it.

The next morning 3 families were moved into the 12-family section and the fresh new building had been made uninhabitable. Testimony at the April 25 meeting indicated that even the cleanest tenants cannot keep vermin, rats and mice from coming in from other improperly cared for apartments, and the amount of noise is unbearable to quiet people, elderly ones in particular.

I can give no clearer example of the indifference of authorities concerned to the proper, legal housing of middle-class people especially those who have been deprived of income as well as home by urban renewal. Reports on some other cases made at the April 25 meeting are on file with the House Committee on the District of Columbia.

Attached with this memorandum is a list of 19 added points suggested by various members of a group of about 40 property owners—many of whom are Government-employed, professional workers or retired Government employees with homes and/or properties in the area.

COLUMBIA PLAZA PUBLIC HEARING, MAY 24, 1960; MRS. A. C. HAGEN, SOUTHWEST DISPLACED PERSONS GRIEVANCE COMMITTEE, SOUTHWEST REPRESENTATIVE, HEALTH AND WELFARE COUNCIL, MEMBER OF SOUTHWEST CITIZENS ASSOCIATION, AHEA

As one who serves on the Southwest displaced persons grievance committee, which has collected information on and tried to help some problem cases that have been created by urban renewal in Southwest Washington, I am here today for that committee in behalf of people, human beings, in a proposed new urban renewal area.

Urban renewal is a traumatic experience for people involved in it. Loss of home, neighbors, money, months of sleepless nights of worry are the common lot. But on some the effect is even more disastrous. In a small area near 12th and Independence—8 or so square blocks—we know of 11 deaths since this program began, 4 cases of mental illness, 2 strokes, 2 college dropouts, 3 families broken, tension, allergies, numerous hospitalizations, mounting medical expense, and nearly everyone feeling upset or unwell. This was a middle-class neighborhood, mainly professional people employed in or retired from Government, with many women dependent on rental income. It is impossible to say what the causes of all this misery were. but it is possible to say that many health problems were aggravated by renewal problems.

Proud or humble, competent or incompetent, rich or poor, no one wants to be branded by the scarlet letter of the 20th century: "S" for slum, made synonymous with Southwest. It is a badge of shame, generally undeserved, to wear all your life, making you unwanted in any community. If you believe what you read in the papers, you undoubtedly think that Southwest was a rat-ridden, disease- and crime-infested area, full of homes that were dilapidated, overcrowded, and lacking electricity, running water, and indoor plumbing. It may come as a surprise to you, unless you knew the area well, that most of Southwest was a pretty good place to live, and that good, decent families who had lived there 20 to 50 years had no wish to live elsewhere. The area had many lovely old homes, many remodeled homes, some fine architectural gems, a quaint charm and atmosphere lent by artists, writers, Hall's, Harrigan's, the wharves, and Mall cultural attractions.

True, Southwest had its Dixon Court, and it had some other scattered spots that could have been and were being upgraded. But Southwest is a lost cause now, except that we can warn you as Commissioners and others that for the people involved, urban renewal is no rosy dream. It is a hair-raising, long drawn out nightmare, disrupting home and community life. Research in Archives on congressional hearings indicates that the results are outside of the intent of the law except as defined by Supreme Court decision. We didn't think it could happen here, and we were unorganized to combat it.

Last week, someone said that owners in this new urban renewal area will "come out whole." To Southwest owners, this is a mockery or ignorance, and misleading to you as Commissioners. RLA may know of some few who are satisfied, but we do not know of a single one. As a home economist experienced in housing, who has lost nearly $20,000 in cash and far more in value, I personally know that owners do not "come out whole." Many think they come out more nearly cut in half when they looked for comparable property. Losses of $5,000, $10,000, $15,000 were commonly claimed, and business losses were unbelievable. Some who had homes free and clear now have no better places, less desirably located, with mortgages on them. Some who were self-sustaining find themselves public charges, or potential public charges. In the worst plight of all are those who had homes and businesses taken with inadequate funds and failing strength to begin again. Or, there are those, like a favorite baker, who failed in a new location and now bakes for others; or a man who had his own restaurant and now runs somebody else's feeding problems.

Another sad group are those with homes who now live in public housing where they can't keep track of their children's associates, as is the case of a cleaning woman in our area. Or the elderly, who find public housing too noisy after quiet homes. The press has covered some of these problems, which our findings corroborate.

It is our general observation as a committee that urban renewal wipes out or weakens the middle class by destroying margins of saving represented by equity in a home, or source of income. These are proud, self-sufficient people driven to despair and illness by their plight. It also complicates problems for those who must live near work.

Why anyone lends himself to this ruin of owners and lowering of living standards is hard to fathom, as a thinking person must know that the cost will have to be borne by the tax rolls. One personal example: On 3,000 square feet of land we owned on the Mall, bought in 1952 on an appraisal at $5 per square foot, RLA offered us $1.26 per square foot. After spending $4,500 fighting our case, we got $2 per square foot from a jury—an asinine value for some of the most valuable land in the city, zoned apartment 90C. (No publicity; we are appealing.)

Let me cite some cases of ruination of middle class property owners: A colonel who says he lost $25,000 to $30,000 is selling other property downtown. Another case—an apartment was settled on a neighbor at $30,000. It cost nearly $29,000 in 1952–53 with no overhead for remodeling. This owner, an older well-educated gentlewoman, who has a roomy apartment in it, depended on rental income of about $200 per month to supplement a small salary and put a daughter through college. The property had $18,000 indebtedness; RLA's offer was $16,500. After spending $2,500 fighting, she got a jury award of $21,500. RLA pressured her tenants out, left her with utilities and rent to pay to RLA. And worry increased medical bills for her and her daughter who dropped out of college. She says that she now has $1,000 left to relocate. She has become eligible for public housing, but this is not satisfactory solution for two educated women alone. (This is on appeal.)

A retired professional couple with a charming house solved their financial and relocation problems after urban renewal loss with a house trailer. Another owner's new place shown on the recent Capitol Hill tour cost double what he realized on a similar Southwest property. He now has an extra bath and garage inconveniences he did not need. Just one more case: An economical widow has held her head above water 25 years with apartment rentals, but was unable to pay off a mortgage incurred by her husband's long illness. Now, at 79, she lives in a small one-room, one-window, hot apartment, two flights up, has been unable to get old-age assistance, has drained a low-paid son with a family for her support and medical bills increased by renewal. She envies those who died. Many former owners now live in apartments, without the gardens or space they loved.

Tenants fared little better. Our street-cleaner, who had modern facilities at $55 per month, now pays $80 per month, and transportation and lunches which doubles his cost for no better living. Two retired librarians have hunted more than a year for comparable quarters downtown, now pay storage and live temporarily in a friend's empty house. A family of four moved from a rented house with plumbing and central heat to one bought in the country with neither, and two earners stay in town during the week. Their old house stands empty and could have been used to keep the family together until its head retired.

We could cite other cases of loss, mental anguish, and unsatisfactory relocation in public and private housing. The committee gathered several even more tragic cases together to talk to congressional representatives recently. When papers were full of rescue of dogs and cats in Southwest, most of us thought that rescuing humans would have been more fitting activity for the well intentioned. We recommended it in any new area as charity work for retired lawyers, appraisers, civil leaders, and philanthropists. We also recommend a permanent citizens' renewal aid group. Those involved in renewal losses cannot carry on the needed charity and advisory work.

The Southwest Citizens Association has long fought this battle and has made excellent suggestions. A research study made also has great value to those interested in improvements.

In closing, the Southwest displaced persons grievance committee opposes having more human beings subjected to what we have been through and seen happen in the Southwest urban renewal project. We take this opportunity to aid people in the Columbia Plaza area, and to put you as Commissioners on notice that we are appalled by our experience and suffering we have witnessed in Southwest. We oppose this and any similar projects in the future unless basic changes to give greater protection to citizens' rights are made. We think the cost to displaced people and taxpayers is too high to create a show window of urban renewal for the Nation and the world to view.

SOUTHWEST OWNERS' SUGGESTIONS ON IMPROVING THE RLA PROGRAM

1. Prevention: Emphasis should be placed on slum prevention, rather than on drastic slum clearance. Suggestions: Vocational work-study school programs; urban extension service to retrain residents; tighter inspection of rental property.

2. Definition: Terms—"blight", "slum," "substandard"—should be clearly defined for legal purposes and owner protection. Even professional housing people vary widely in criteria of judging light, ventilation, and faulty interior arrangement.

3. Percent substandard: 20 percent substandard housing is too low a criteria for taking an area. Suggestion: Limit it to 50 percent on a block-by-block basis.

4. Census housing data: Census data on delapidated housing as obtained by regular census takers, not equipped by profession to judge condition of housing nor permitted to inspect the whole house, was used to reinforce plans in southwest area C as evidence in court. Such official use of unreliable data obtained by people with only cursory training should not be permitted.

5. Inspection: No part of an area should be established on basis of external inspection as in area C Southwest. Inspectors should be qualified to judge housing, and they should not confuse living conditions with housing standards.

6. Notification: Owners should be notified when included in an urban renewal area and informed on the paragraph of the law on further expenses for improvement.

7. Hearings: Notice of any public hearing should be sent to all property owners with instructions on arranging to be heard, in addition to legal publication.

8. Change in area: If a taking area is enlarged or changed, the new section should bear a new designation to avoid chance of an owner being uninformed. Example: original southwest area C (now C1) was enlarged from below area B to include a larger and entirely different area, resulting in many missing news notices.

9. Appraisal visits: Advance notice of approximate time of appraisal visits should be given to owners to permit them to put property in order as if for sale and also to be on hand to properly show property features.

10. Appraisers: Only qualified appraisers active in the market and familiar with cost of replacing with comparable property in other areas where similar property is available should be used to appraise property. Fees should be high enough to permit full inspection and appraisal investigation.

11. Valuation: Each owner should receive a copy of the basis of appraisal estimate on which an offer is made. This could be on a simple, standard form. Owners should be left whole, able to relocate in as good or better position after taking.

12. Reappraisal: Owner's request for reappraisal should be carefully evaluated. Unless taking is immediate, owner should be notified of inflationary upward changes to plan his action and relocation. In some cases, lag was 2 years.

13. Tenancy: Action to deprive an owner of rental income before he has exhausted full possibilities of getting just compensation should be prohibited. Leases should not prevent owners from filling vacancies to try to regain losses.

14. Rental: All owners should be treated alike in time when rental begins, and no rent should be charged until 4 months after owner has obtained initial court deposit to permit him time to get a return from invested funds to pay rent.

15. Moving expense: Full moving cost should be borne by the taking agency.

16. Demolition: Demolition contracts should not be awarded before all owners, including those who want to go to jury trial have full settlement money in hand. Contracts should prevent partial mutilation of property when adjoining properties are occupied. The taking agency should keep up property appearance if anyone lives nearby.

17. Study of problem: All forms of Government condemnation need review to lessen widespread dissatisfaction and bitterness among those involved.

SUMMARY

In closing, on behalf of the Southwest displaced persons grievance committee and the citizens' rights council, we wish to say in filing this statement that if, as we have been told, urban renewal in Washington is to serve as a pilot project for the rest of the country, it is a horrible example of what not to do in that field. If it were just a slum clearance project, we would be heartily in favor of it, but it is something more than that, and more than a plan to provide housing for the lower income groups:

It is, as is obvious from its inability to provide for rehousing of middle-income people (much less, for lower-middle-income groups) a program to eliminate them from the city. It is a plan that takes leases of ownership away from the masses of the people and replaces it with corporately owned luxury apartments and upper-middle-income rental homes, with private upper-middle-income homes, and with public housing—the latter in spite of the fact that in most principal cities large public housing projects are known to be incubators of juvenile delinquency and incipient slums of the most dangerous type. In addition, few of the displaced businesses can relocate in the area.

It nullifies an important part of the Constitution of this country, which is our main protection against tyranny, by disregarding the intent of the Founding Fathers who carefully protected the rights of the people by allowing private property to be taken with eminent domain only if it is needed for public use.

It weakens or destroys the bulwark of private enterprise—the small family-run business.

It works a grave and double injustice on those who are deprived of home and income and in many cases reduced to public assistance level. The most pitiful of these are women alone who depended for their living on income from tenants and are left without income or home. There seems to be a conspiracy of silence as to how many of these once self-supporting people have been added to the already overburdened welfare rolls. The taxpayers have a right to know.

The remark has often been heard in the Southwest that if the intelligent restoration and rehabilitation which was started after the war had been permitted to be carried on as in Georgetown, there would have been another charming and attractive area added to the many tourist attractions of Washington. It is too late to do that now since the bulldozers have done their work, but it is not too late to save other historic areas of the city, such as Capitol Hill, Foggy Bottom, and nearby Virginia areas which are already threatened.

If the remainder of our potentially lovely old homes are allowed to stand for another generation at least, the level of culture might have risen by that time to the point where they could be appreciated enough to merit restoration instead of destruction. The same is true of the waterfront market areas, and other points of interest which attract tourists from the United States and abroad.

We need to remember that the welfare and fate of Washington is not only a matter of concern to its inhabitants but also to all the other citizens of our country who would feel very keenly the destruction of the historical areas of the Nation's Capital.

Responsible citizens who are, or have been residents of Southwest Washington and/or owned property there and who can, and will, assist in providing any more information wished are: Miss Mary Cavanagh, retired social worker; J. A. Detwiler, Old Timers; George A. Carroll and Mrs. Cy Ellis, waterfront group; Mrs. Dorothy Dyer Hill, retired minister; Mr. and Mrs. A. C. Hagen, the latter qualified on housing; Col. Albert J. Headley, owner and lawyer, president of Southwest Citizens' Association; Mrs. Marge Sartwell, former president of the Southwest Citizens' Association; Col. L. I. Peak, who did not testify as planned at the Rabaut hearing because of a conflict with a jury trial on property value, would undoubtedly still be available.

Mr. BENNETT of Florida. Mr. Speaker, I move to strike out the last word.

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT of Florida. Mr. Speaker, I had intended to offer an amendment to this bill. However, after talking with the sponsor of the legislation, he is anxious to get on with the legislation, since we are coming to the close of the session. Perhaps the amendment I intended to offer, or the object of it, is included in the legislation anyway.

I refer to page 14396 of Saturday's CONGRESSIONAL RECORD for background for the amendment I thought I would offer, which follows:

Each unit of public low-rent housing which has been approved for construction in the southeast quadrant of the District of Columbia and has not been completed before the date of enactment of this sentence, shall be constructed on suitable land in the southwest quadrant of the District of Columbia; and no additional units of public low-rent housing shall be constructed in the southeast quadrant of the District of Columbia until the number of units of public low-rent housing in each of the quadrants of the District of Columbia, other than the southeast quadrant, is equal to or greater than the number of such units in such southeast quadrant.

To explain this to you, the Commissioners are at the present time engaged in the idea of establishing a large low-rent housing project in Southeast Washington called the Fortside project. This will move in on residential areas where people have nice homes. There is no slum involved whatsoever. They are going to tear down these homes. There are nice yards around the homes. They are going to tear them all down and build a tremendous low-rent housing project. Southeast Washington already has a disproportionate amount of low-rent housing. This is admitted by the Administrator.

There are only two basic reasons offered for this new low-rent housing for Southwest Washington. One is that if they would not use Federal money now available, it will revert to the Treasury, and the second, in order to get low-rent housing, they must do this in an area where they can afford to buy the land. I would not object at all if they were going to tear down slums, but they are going to nice residential areas and tear down homes that people worked many years for. It sets a horrible example for the Government coming down there and destroying the value of property owned by people who are trying to live in the District of Columbia and raise their children here. It is very depressing indeed. May I say to you, there is no race question involved in this, because the Negro organizations vigorously oppose

this project. In fact, all organizations, both white and black, who have taken a position in this matter have overwhelmingly denounced this project for Southeast Washington. It depreciates the value of the property in that area and in many instances brings in people with criminal records. So, I hope as a result of the legislation now before us that this low-rent housing proposed for Southeast Washington will be built in Southwest Washington, where all land is completely denuded now of housing and buildings. We should not destroy property values and encourage people of medium income to move away from the District. The money to do this is being taken from tax money collected from all over the United States. It seems to me one of the most horrible examples of government that I have ever seen in my 49 years.

Mr. GREEN of Pennsylvania. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I am a little bit leery about this piece of legislation, and I would like to ask the gentlemen on the committee some questions. We have many redevelopment projects in Philadelphia today under way. I know that this does not apply to the city of Philadelphia; it applies only to the area here. But, I am afraid that it sets a precedent. You would not be able to start another project unless the project you were working on was 50 percent completed; is that correct?

Mr. RABAUT. That is correct.

Mr. GREEN of Pennsylvania. As far as Philadelphia is concerned, we would not be able to get any redevelopment projects under way if that was the case.

Mr. RABAUT. Mr. Speaker, if the gentleman will yield, there is a big difference between Philadelphia and the District of Columbia. The District of Columbia is an area comprising a land area of 7 by 10 miles. The other 3 miles of the square 10 are in the Potomac. Philadelphia has a great area. We are not trying to control other cities, but we are trying to say that you cannot take down in the District of Columbia projects of the size of 55 acres or 900 acres. You have seen editorials in the papers saying that it is too bad that the cities are losing population. So, it does not compare; there is no comparison with other cities. It simply says that this is the Capital City——

Mr. GREEN of Pennsylvania. I am afraid when you do these things, when you do them in the Capital City, it sets a precedent for the rest of the country. We have a big redevelopment project in Philadelphia, Society Hill, around Independence Hall Mall, we have two projects under development there, and if they had to be 50 percent completed before we could go into other projects in the city, we never could get anything done.

Mr. RABAUT. We have a similar project in Detroit, Mich.

Mr. GREEN of Pennsylvania. The people in Philadelphia are seriously concerned that this sets a precedent, and I do not think we have had enough time to look into it. I am going to vote against the bill, and I think everybody in the big cities interested in redevelopment ought to give it consideration.

Mr. RABAUT. You know you pay some of the taxes here, do you not?

Mr. GREEN of Pennsylvania. Yes, I pay taxes in Philadelphia, I pay taxes in Pennsylvania, and I probably pay them in the District of Columbia, but that is no reason why I should vote for a bill that I do not understand and I do not know exactly what it does.

Mr. RABAUT. What do you want to know about the bill?

Mr. GREEN of Pennsylvania. I asked you about the 50-percent feature, and you said if it is not completed 50 percent you cannot go into another project.

Mr. RABAUT. This is in the District of Columbia.

Mr. GREEN of Pennsylvania. Well, you start in the District of Columbia and the next thing you know you are in Philadelphia, you are in New York, you are in Chicago, and you are in all the big cities around the country where redevelopment is needed so badly.

Mr. RABAUT. Do not put words in my mouth.

Mr. GREEN of Pennsylvania. I am not attempting to put any words in the gentleman's mouth; if he thinks I am, I will apologize.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Pennsylvania. I yield.

Mr. YATES. Let us find out what words the gentleman will give us. Will this legislation serve as a precedent, possibly, for comparable patterns in other cities?

Mr. RABAUT. The area of the District is only 7 by 10 miles.

Mr. GREEN of Pennsylvania. It is a very dangerous piece of legislation, in my opinion.

Mr. YATES. We are not talking about the District of Columbia now.

Mr. RABAUT. Yes, we are.

Mr. YATES. Will the gentleman permit me to ask the question first. Will the pattern established by this legislation be sought to be impressed upon other large cities of the country, like Detroit and Chicago?

Mr. RABAUT. Not in my opinion, unless there are abuses in both places.

Mr. YATES. Does that mean that it will or it will not be? Suppose there are abuses.

Mr. RABAUT. I said not, in my opinion.

Mr. YATES. Mr. Speaker, I join the gentleman from Pennsylvania in his position. I am going to vote against the bill, too.

Mr. GREEN of Pennsylvania. I thank the gentleman. I ask everybody to take a long look at this before he votes for it.

Mr. SPRINGER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it seems to me that before people make flat statements that they are going to vote against legislation which is going vitally to affect the District of Columbia for a long time, they ought to propound some questions here, if they think it is important, because we have spent a long time studying this particular question.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. YATES. Some questions were propounded and the answers were not satisfactory. We sought to find out whether or not the pattern in this legislation for the District of Columbia is likely to serve as a precedent for other cities of the Nation; we were told that it might very well do that.

Mr. SPRINGER. I do not think it would.

Mr. YATES. The gentleman from Michigan [Mr. RABAUT] thought that it very well might and that was the reason we made the statements we did.

Mr. SPRINGER. I do not think that it would. I think all that the gentleman from Michigan was trying to bring out is the fact that they have a very limited area here in the District of Columbia. If you were going in to tear down an enormous area and then moved into some other area, and there was no place for these people to go, the point is that there ought to be a certain amount of this completed and in operation so that people can move in before moving to another area and displacing more people. I think the gentleman from Illinois realizes that that is not the situation in Chicago at all. He is not faced with that in Chicago. Chicago has a landed area of probably 20 times that of the District of Columbia.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. ABERNETHY. Mr. Speaker, I can appreciate the concern of my friend from Pennsylvania [Mr. GREEN] and my friend from Illinois [Mr. YATES] about this matter, but I would like to call attention of the Members of the House to the fact that this legislation is offered by a city Member, our colleague from Detroit [Mr. RABAUT]. The gentleman from Michigan [Mr. RABAUT] serves as chairman of a most important committee to the District of Columbia—that is, the Subcommittee on Appropriations for the District of Columbia. He has worked with the tax problems and the financial structure of this city for many years. One of the things of which it was his duty to review is the urban renewal program. And after months and months of work and study with this problem he has come up with a piece of legislation which he, as a city Member, I tell you, feels is in the interest of another large city, the city of Washington.

He has pointed out to you that the boundaries of this District are circumscribed and cannot be extended, as can that of other cities. He has also pointed out to you and to us that in the southwest area of the city of Washington, there is block after block which has been torn down and not reconstructed. The occupants have been spread out all over this town, or else they have had to leave town. Probably many of them did leave, because it is quite notable that this city his lost population.

What does this agency propose to do, and what does the gentleman from

Michigan [Mr. RABAUT] propose as a remedy? This agency proposes to move into the northwest section of this city, when there is house after house already torn down in the southwest area of the city, and tear down further housing in Northwest—acre after acre of it, not block after block—and displace 55,000 more people before they all have any place to go to. All he is doing—and I think it is apparent to the gentleman—is this: He is just saying to the agency, "We are not opposing your program." He is saying, "I approve the program, but I am asking you to do the tearing down just a little bit easier and put a little bit more emphasis on the construction." When you shift your emphasis from tearing down and put more emphasis on reconstruction the displaced people will have places to move into. That is what this bill does, and I think it is a very fine piece of legislation.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Illinois.

Mr. YATES. Is it not one of the requirements of the urban renewal program that before it can be approved there must be a program offered that will show that the people being displaced have suitable housing in other parts of the community? That is a part of the law.

Mr. ABERNETHY. Yes, and they do not do it.

Mr. GROSS. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I am glad to see a little more interest being stimulated in what is going on in the District of Columbia. Earlier this afternoon an increase in the District of Columbia sales tax glided through the House with the greatest of ease, with no questions asked and no answers given. This in spite of the fact that it is notorious that real property in the District of Columbia is not assessed as it is in the State of Iowa and elsewhere in the country. I am opposed to that sort of procedure, and I want the record to show that I am opposed to the increase in sales tax until real property is made to carry its share of the tax load.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from South Carolina.

Mr. McMILLAN. I am sure the gentleman would not object to the people who are filling up the schools here in the District paying some tax for services here in the Nation's Capital.

Mr. GROSS. If the gentleman wants to know how the real property tax compares with that of the rest of the country, I will be glad to go into that.

Mr. McMILLAN. That is proposed to be raised 20 cents per $100 in connection with this bill.

Mr. GROSS. Then there is the $500,000 just voted out of the Federal Treasury to take care of the transportation and traffic problems for District of Columbia and adjacent areas. This despite the fact that among those directly benefited are thousands of people who live on the fringes of the District, in the States of Maryland and Virginia, who should be taxed to help pay the bills to set up these transportation traffic boards and commissions. Instead the taxpayers of all the country get the bill. The last information available to me is that there is a $40 million surplus in the Treasury of the State of Maryland. May I ask the gentleman from Michigan [Mr. MEADER] if the State of Michigan has a $40 million surplus?

Mr. MEADER. I think the whole country knows that Michigan is broke.

Mr. GROSS. Still the gentleman's State is going to help pay the bills here. I am glad Maryland has a $40 million surplus, and it is not right that the U.S. Treasury should be raided to take care of expenditures such as determining how the District of Columbia and the States of Virginia and Maryland should solve their transportation and traffic difficulties.

Mr. CLEM MILLER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I feel that this matter of the replacement of homes for those who are evicted should be gone into in a little more detail. I have before me a copy of the report on this bill, and I do not find this basic question dealt with. I would appreciate an answer from the committee that if these people are not being rehoused—and this is clearly a requirement of the law, before anything can be torn down—why this is not being done. It seems to me that this report should not have been silent on this important point.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. CLEM MILLER. I yield to the gentleman from Michigan.

Mr. RABAUT. We are talking about the redevelopment bill. What is being asked under the original bill has been slowed up for some 8 years. There are statements in the hearings that it might be about 16 years if somebody does not do something to see that the people displaced are rehabilitated. The only thing we are saying in this bill, we want the work completed 50 percent, in Southwest before they start tearing down the rest of the town. We want to put the authority back. There are too many agencies connected with the progress that slows it down.

Mr. CLEM MILLER. I was addressing myself to the question raised by the gentleman from Mississippi [Mr. ABERNETHY] that acres and acres of houses were destroyed when the occupants had no place to go. It is a condition of destroying acres and acres to provide the people with some place to go.

The local redevelopment agency must have some position. I see no place in this report as to what the position of the redevelopment agency is on this bill. That should be summed up in the report. This relocation law is complicated, and difficult to comply with, and I do not feel the other side of the picture has been presented.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. CLEM MILLER. I yield to the gentleman from Michigan.

Mr. RABAUT. They will keep their position under the Commissioners of the District of Columbia where they should have been in the first place.

Mr. CLEM MILLER. Did they register any voice on this bill?

Mr. RABAUT. Surely. If I were as far behind as they are in their work, I would register some views too. That is what we are objecting to.

Mr. CLEM MILLER. I would like to ask whether the people removed from these houses that were destroyed were furnished alternative housing?

Mr. RABAUT. There could not have been in the District of Columbia, because that is why we have a shortage of population.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. CLEM MILLER. I yield to the gentleman from Illinois.

Mr. YATES. If the gentlemen have conceded that it is in the law that the program of rehousing be drafted before this project can be proposed, why is not this the proper basis of an injunction suit before they can be evicted?

Mr. CLEM MILLER. That is a good point, but it still does not tell us why the law was not obeyed in the beginning.

Mr. BENNETT of Florida. Mr. Speaker, will the gentleman yield?

Mr. CLEM MILLER. I yield to the gentleman from Florida.

Mr. BENNETT of Florida. When I appeared before the Commission this question came up. The Commissioners told me that for every individual displaced in Southeast Washington there was going to be one destroyed in Northwest Washington or elsewhere in the District of Columbia. I said, "Do you really think this is so?" They said it was so in their opinion. I made an investigation and have had very thorough correspondence with those people and it is revealed now that it is not so that for every unit built a slum unit is destroyed or rehabilitated. As a matter of fact, a sort of tandem arrangement is taking place in the District which is this sort of an arrangement: The people are moved from the Northwest to Southeast Washington, for instance. They move people from the slums in Northwest Washington and they do not destroy or rehabilitate the slums. So people come in to occupy the slums from residences outside the District, when the former occupants move to newly built low-rent housing. In due course the newcomers to the District can qualify for still further low-rent housing projects. If this keeps up most of the citizens of the District of Columbia will be public charges or on relief. This is not a happy prospect for the Capital City of the most important country on earth.

The SPEAKER. All time has expired.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Chair being in doubt, the Committee divided and there were—ayes 98, noes 14.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—yeas 348, nays 35, not voting 48, as follows:

[Roll No. 157]

YEAS—348

Abbitt	Daniels	Johansen
Abernethy	Davis, Tenn.	Johnson, Calif.
Adair	Dawson	Johnson, Colo.
Addonizio	Delaney	Johnson, Md.
Albert	Denton	Johnson, Wis.
Alexander	Derounian	Jonas
Alger	Derwinski	Jones, Ala.
Allen	Devine	Jones, Mo.
Andersen, Minn.	Diggs	Judd
	Dingell	Karsten
Andrews	Dixon	Karth
Anfuso	Donohue	Kasem
Arends	Dooley	Kastenmeier
Ashley	Dorn, N.Y.	Kearns
Ashmore	Dorn, S.C.	Kee
Aspinall	Dowdy	Keith
Auchincloss	Downing	Kelly
Avery	Doyle	Kilburn
Ayres	Dwyer	Kilday
Bailey	Elliott	Kilgore
Baldwin	Everett	King, Calif.
Baring	Evins	King, Utah
Barr	Fallon	Kitchin
Barry	Farbstein	Kluczynski
Bass, N.H.	Fascell	Knox
Bass, Tenn.	Feighan	Kyl
Bates	Fenton	Lafore
Baumhart	Fisher	Laird
Becker	Flood	Landrum
Beckworth	Flynn	Lane
Belcher	Flynt	Langen
Bennett, Fla.	Fogarty	Lankford
Bennett, Mich.	Foley	Latta
Berry	Forand	Lennon
Betts	Ford	Lesinski
Blatnik	Forrester	Levering
Boggs	Frelinghuysen	Lindsay
Boland	Friedel	Lipscomb
Bolling	Fulton	Loser
Bolton	Garmatz	McCormack
Bonner	Gary	McCulloch
Bosch	Gathings	McDonough
Bow	Gavin	McDowell
Boykin	George	McGinley
Brademas	Gilbert	McGovern
Bray	Glenn	McIntire
Breeding	Goodell	McMillan
Brewster	Grant	Macdonald
Brock	Gray	Machrowicz
Brooks, Tex.	Green, Oreg.	Mack
Broomfield	Griffin	Madden
Brown, Ga.	Griffiths	Magnuson
Brown, Mo.	Gross	Mahon
Brown, Ohio	Gubser	Mailliard
Broyhill	Haley	Marshall
Budge	Halleck	Martin
Burke, Ky.	Halpern	Matthews
Burke, Mass.	Hardy	May
Burleson	Hargis	Meader
Byrnes, Wis.	Harmon	Merrow
Canfield	Harris	Michel
Cannon	Harrison	Miller, George, P.
Casey	Hays	
Cederberg	Healey	Miller, N.Y.
Chamberlain	Hemphill	Milliken
Chelf	Henderson	Mills
Chenoweth	Herlong	Minshall
Chiperfield	Hess	Moeller
Church	Hiestand	Monagan
Coad	Hoeven	Montoya
Cohelan	Hogan	Moore
Collier	Holifield	Morris, N. Mex.
Colmer	Holt	Moss
Conte	Horan	Moulder
Cook	Hosmer	Murphy
Cooley	Huddleston	Murray
Corbett	Hull	Natcher
Cramer	Ikard	Nelsen
Cunningham	Inouye	Norblad
Curtin	Irwin	Norrell
Curtis, Mass.	Jarman	O'Brien, N.Y.
Curtis, Mo.	Jennings	O'Hara, Ill.
Dague	Jensen	O'Hara, Mich.
O'Konski	Rogers, Fla.	Thomas
O'Neill	Rogers, Mass.	Thompson, Tex.
Oliver	Rogers, Tex.	Thomson, Wyo.
Osmers	Rooney	Thornberry
Ostertag	Roosevelt	Tollefson
Passman	Roush	Trimble
Patman	Rutherford	Tuck
Pelly	Santangelo	Ullman
Perkins	St. George	Utt
Pfost	Schenck	Van Pelt
Philbin	Scherer	Van Zandt
Pilcher	Schneebeli	Vinson
Pirnie	Schwengel	Wainwright
Poage	Scott	Wallhauser
Poff	Selden	Walter
Porter	Shelley	Wampler
Preston	Shipley	Watts
Price	Short	Weaver
Pucinski	Sikes	Weis
Quie	Siler	Westland
Rabaut	Simpson	Wharton
Randall	Slack	Whitener
Ray	Smith, Calif.	Whitten
Reece, Tenn.	Smith, Iowa	Widnall
Rees, Kans.	Smith, Kans.	Wier
Reuss	Smith, Miss.	Williams
Rhodes, Ariz.	Smith, Va.	Wilson
Rhodes, Pa.	Springer	Winstead
Riehlman	Staggers	Wolf
Riley	Stubblefield	Wright
Roberts	Sullivan	Young
Robison	Taber	Younger
Rodino	Teague, Calif.	Zablocki
Rogers, Colo.	Teague, Tex.	

NAYS—35

Barrett	Hoffman, Ill.	Prokop
Bowles	Holland	Quigley
Byrne, Pa.	Holtzman	Rivers, Alaska
Cahill	Kowalski	Rostenkowski
Clark	Libonati	Saund
Daddario	McFall	Saylor
Dent	Meyer	Sisk
Du'ski	Miller, Clem	Toll
Giaimo	Moorhead	Udall
Green, Pa.	Morgan	Vanik
Hagen	Nix	Yates
Hechler	O'Brien, Ill.	

NOT VOTING—48

Alford	Fountain	Pillion
Anderson, Mont.	Frazier	Powell
	Gallagher	Rains
Baker	Granahan	Rivers, S. C.
Barden	Hébert	Sheppard
Bentley	Hoffman, Mich.	Spence
Blitch	Jackson	Steed
Brooks, La.	Keogh	Stratton
Buckley	Kirwan	Taylor
Burdick	McSween	Teller
Carnahan	Mason	Thompson, La.
Celler	Metcalf	Thompson, N.J.
Coffin	Mitchell	Willis
Davis, Ga.	Morris, Okla.	Withrow
Durham	Morrison	Zelenko
Edmondson	Multer	
Fino	Mumma	

And so the bill was passed.

The Clerk announced the following pairs:

Mr. Sheppard with Mr. Taylor.
Mr. Fountain with Mr. Mumma.
Mr. Alford with Mr. Hoffman of Michigan.
Mr. Morrison with Mr. Jackson.
Mr. Hébert with Mr. Fino.
Mr. Zelenko with Mr. Baker.
Mr. Teller with Mr. Pillion.
Mr. Gallagher with Mr. Bentley.
Mr. Anderson of Montana with Mr. Withrow.
Mr. Stratton with Mr. Mason.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

ABOLISHMENT OF MANDATORY CAPITAL PUNISHMENT FOR FIRST DEGREE MURDER IN DISTRICT OF COLUMBIA

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12483) to amend section 801 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 801 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189, 1321), is amended to read as follows:

"SEC. 801. PUNISHMENT.—The punishment of murder in the first degree shall be death by electrocution unless the jury by unanimous vote recommends life imprisonment; or if the jury, having determined by unanimous vote the guilt of the defendant as charged, is unable to agree as to punishment it shall inform the court and the court shall thereupon sentence the defendant to life imprisonment.

"Notwithstanding any other provision of law, a person convicted of first degree murder and upon whom a sentence of life imprisonment is imposed shall be eligible for parole only after the expiration of twenty years from the date he commences to serve his sentence.

"Whoever is guilty of murder in the second degree shall be imprisoned for life or not less than twenty years.

"The provisions of this legislation shall be applicable to all defendants sentenced following the effective date hereof. Cases tried prior to the effective date of this Act and which are before the court for the purpose of resentence shall be governed by the provisions of law in effect prior to the effective date of this Act: *Provided,* That the judge may, in his sole discretion, consider circumstances in mitigation and in aggravation and make a determination as to whether the case in his opinion justifies a sentence of life imprisonment, in which event he shall sentence the defendant to life imprisonment. Such a sentence of life imprisonment shall be in accordance with the provisions of this Act.

"In any case tried under this Act as amended where the penalty prescribed by law upon conviction of the defendant is death except in cases otherwise provided, the jury returning a verdict of guilty may fix the punishment at life imprisonment; and thereupon the court shall sentence him accordingly; but if the jury shall not thus prescribe the punishment the court shall sentence the defendant to suffer death by electrocution unless the jury by its verdict indicates that it is unable to agree upon the punishment, in which case the court shall sentence the defendant to life imprisonment."

With the following committee amendments:

On page 2, line 3, strike out "sentence the defendant to life imprisonment" and insert in lieu thereof "have jurisdiction to impose and shall impose either a sentence of death by electrocution or life imprisonment."

On page 3, line 7, after the word "to" insert "death or".

The committee amendments were agreed to.

Mr. LINDSAY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LINDSAY: On page 1, line 8, after the words "shall be" strike out "death by electrocution" and everything following on page 1; and on page 2, strike out lines 1 through 3 and lines 23, 24, and 25, and on page 3 strike out lines 1 through 7, and insert on page 1, line 8, after the words "shall be" the words "life imprisonment."

The SPEAKER. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. LINDSAY. Mr. Speaker, this amendment abolishes the death penalty for first-degree murder in the District of Columbia. The bill as it stands is a good bill, because it corrects a bad condition in existing law. It does away with the mandatory death sentence in the case of first-degree murder. This jurisdiction is the only jurisdiction left in the United States where there is a mandatory death penalty; that is to say, the court is required to impose the death penalty upon conviction of first-degree murder.

The bill is a step forward, but we can do better. I think it is high time that the U.S. Congress went on record as being in favor of abolishing the death penalty. I do not think there is a single set of figures that anyone can point to that will argue in favor of the retention of the death penalty as a deterrent to crime. In the last century, between 30 and 35 countries in the world have abolished the death penalty. A number of States have abolished it in recent years. The history of those States indicates there has not been any increase in the commission of crimes which theretofore were punishable by the death sentence.

The death sentence is totally inconsistent with modern principles of enlightened penology. It is morally wrong, and now is an opportunity for the U.S. Congress to go on record in opposition to this outmoded, archaic, barbaric, useless form of punishment.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. LINDSAY. I yield to the gentleman from Ohio.

Mr. FEIGHAN. Will you please elaborate on your statement that the death penalty is morally wrong.

Mr. LINDSAY. The gentleman has asked me to repeat what I said about the death penalty being morally wrong. There are arguments on both sides of this. I do not expect to change anyone's mind on the question of the morality of the death penalty. I personally do not think it is consistent with moral principles for human beings to take the lives of other human beings. But it is not necessary to argue it on this basis. The possibility of mistakes makes the abolition of the death penalty justifiable under principles of jurisprudence. I do not think any person can point to any evidence, and much has been published, which argues persuasively for the retention of the death penalty.

Without taking up the time of the House any further——

Mr. POFF. Mr. Speaker, will the gentleman yield?

Mr. LINDSAY. I yield to the gentleman from Virginia.

Mr. POFF. I understood the gentleman to say he did not feel the death penalty was a deterrent.

Mr. LINDSAY. That is right.

Mr. POFF. Does he consider life imprisonment a deterrent?

Mr. LINDSAY. There is a possibility in any life sentence of rehabilitation. A life sentence has the advantage of flexibility also with the prospect of adjustments for good behavior and by parole.

Mr. POFF. In reply to the gentleman from Ohio [Mr. FEIGHAN], I have a feeling that you would like to withdraw the use of the word "moral."

Mr. LINDSAY. No, I do not. I personally do not feel that there is a moral justification. Others must feel the same. Perhaps this is why 30 to 35 nations and many States in the United States have abolished it. The reason I hesitated to go into a discussion of the morality of it is that I know people have strong feelings on one side or another. It is not necessary to base the argument as to the uselessness of the death penalty on moral grounds, you can ground it upon modern penological thinking, which I think favors the abolition of the death penalty. Mr. James Bennett, Director of the U.S. Federal System of Prisons, argues for the abolition of the death penalty except in the case of treason and the murder of Federal officers in the line of duty.

Mr. POFF. Mr. Speaker, will the gentleman yield further?

Mr. LINDSAY. In just a moment. Warden Lawes of Sing Sing, in my own State of New York, one of the great wardens, I think, of all time, wrote a book when he retired from active life, in which he pointed out that in all his years at Sing Sing, he had arrived at the clear and unequivocal conclusion that the death penalty was totally useless.

Mr. POFF. Then I believe my colleague does not intend to indict his colleagues on the floor who disagree with him or attribute to them with any immoral purpose in advocating the death penalty.

Mr. LINDSAY. Of course, I do not.

Mr. JOHNSON of Colorado. If the gentleman will yield to me, I say that I agree with everything the gentleman has said. The warden of my own State prison has stated that every time the death penalty has to be inflicted it sets back the whole program of the rehabilitation of other prisoners very noticeably. It has its effect throughout the whole prison system. Its retention is archaic.

Mr. ABERNETHY. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the question before the House is not whether we shall perpetuate the death penalty in the District of Columbia; that was not before the committee. The District of Columbia is the only jurisdiction in the United States where the death penalty is mandatory for murder. If one in the District of Columbia is convicted of murder there can be but one penalty, and that is death. That is not the case in any other jurisdiction of this Nation.

As a result of that situation the U.S. district attorney informed our committee that they were having trouble in some instances in getting convictions in cases where guilt was proved, and proved beyond a reasonable doubt and to a moral certainty, because there were some who hesitate to convict because the only penalty is death. Therefore, they vote to acquit. If the jury or jurors could vote to fix the penalty at life imprisonment in some cases then they would vote to convict. Therefore the U.S. district attorney's office recommended that Congress adopt an amendment bringing the District in line with most other jurisdictions of the United States, that an alternative sentence be provided in first degree murder cases, that it might be death or it might be a life sentence. So the bill amends the law to the extent that it permits one convicted of murder to be sentenced to the penitentiary for life in the event the jury so recommends.

That is all there is to it, although it is very important.

The amendment offered by our colleague the gentleman from New York [Mr. LINDSAY] is entirely beside the point. It was never intended that this bill be used as a vehicle for the complete elimination of the death penalty; in fact, that matter was never discussed in committee. No testimony was so offered.

No amendment was so offered. We have no recommendation in any shape, manner, or form from the Office of the U.S. District Attorney on that subject.

So I respectfully ask the House to vote down the amendment and to vote for the passage of the bill.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from South Carolina.

Mr. McMILLAN. Mr. Speaker, someone has called to my attention an item which appeared in the Washington Post this morning intimating that the House has passed only six bills pertaining to the District of Columbia area this session.

I would like to say that the committee has recommended and the House has passed 25 House bills, 6 Senate bills, and 1 Senate resolution exclusive of the bills we hope to pass today.

You can readily see that this is the type of information the people of the District of Columbia are receiving from the press concerning the work of the House of Representatives.

The bills I refer to follow:

H.R. 7124, tuition, payment of by certain persons who attend public schools in the District of Columbia.

H.R. 9451, Veterans of Foreign Wars, tax exemption granted effective with respect to taxable years beginning on or after July 1, 1959.

H.R. 9737, corporations, District of Columbia, eliminate requirements that majority of trustees be citizens of the District of Columbia.

H.R. 10000, inheritance taxes erroneously collected, to extend time for overpayment and refund of.

H.R. 10021, securities, transfer of, to, and by fiduciaries in District of Columbia, provide uniform law.

H.R. 10183, insurance, fire, marine and casualty, amend act regulating business of.

H.R. 10683, to provide for regulation of finance charges for retail installment sales of motor vehicles in District of Columbia.

H.R. 10684, premiums, adjusted, amend life insurance act relative thereto.

H.R. 10761, indigents in judicial proceedings in District of Columbia, provide for representation.

H.R. 10921, insurance, life, amend act of 1934 concerning investments which an insurance company may make.

H.R. 10952, National Society Daughters of the American Colonists, use certain real property in District of Columbia as national headquarters.

H.R. 10964, insurance, life, amend act to provide variable annuities.

H.R. 11415, Plaza of the Americas, provide for designation of a portion of the District of Columbia.

H.R. 11931, wills, filing of caveat to, amend act with respect to the time within which it must be filed.

H.R. 12055, Metropolitan Police Relief Association, provide for incorporation of.

H.R. 12063, Dulles International Airport, authorize Commissioners of District of Columbia to plan, construct, operate and maintain a sanitary sewer connecting airport with District of Columbia system.

H.R. 12520, Group Hospitalization, Inc., enter into contracts with certain dental hospitals for care and treatment of individuals.

H.R. 12584, Narcotic Drug Act, District of Columbia, amend relative to certain cough medicines containing dihydrocodeinone.

H.R. 12597, Motor Vehicle Parking Facility Act of 1942, amend relative to parking meter attendants.

S.J. Res. 42, Metropolitan Region Development Act, provide for.

S. 715 (amended), Indecent publications, amend law relating thereto.

S. 1315, Blue Star Mothers of America, Inc., provide for incorporation of.

S. 1159, Real property, to facilitate the acquisition of, amendment to District of Columbia Alley Dwelling Act.

S. 2327, Births, amend act providing for registration of.

S. 2439, teachers, given service for retirement purposes for authorized leave without pay taken for educational purposes.

S. 2954, alien employees, to exempt from District of Columbia income tax compensation paid by certain international organizations.

H.R. 12497, H.R. 1844, H.R. 12483, H.R. 8697, H.R. 11135, H.R. 12563, and H.R. 10346.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I did not hear all of the gentleman's explanation but, as I understand the bill, it simply allows the jury in effect to recommend clemency, as they allow in my State. If the jury does not get together on that recommendation the matter of determination of sentence is turned over to the court to decide whether or not the death penalty shall be inflicted or the penalty shall be life imprisonment.

Mr. ABERNETHY. I do not want the wrong interpretation to be placed on the bill. I am going to try to state to the gentleman what the bill does. It provides that in the event the jury finds a defendant guilty without any recommendation, the penalty would be death.

Mr. BROOKS of Louisiana. That is by unanimous decision of the jury.

Mr. ABERNETHY. Yes. If they find him guilty and recommend life imprisonment, then the court will so sentence him. If they find him guilty and disagree as to the punishment, then the matter of penalty passes to the court to make a determination.

Mr. BROOKS of Louisiana. And the court can decide whether it will be the death penalty or life imprisonment?

Mr. ABERNETHY. Yes.

Mr. GROSS. That is for first-degree murder?

Mr. ABERNETHY. Yes.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from New York.

Mr. SANTANGELO. I seem to have misunderstood the gentleman's explanation. As I read the bill, if the jury after having found the defendant guilty of first-degree murder is undecided whether punishment should be death, and there is one vote which says "life imprisonment," it means, then, that the sentence must go to the court, and the judge must sentence him to life imprisonment, and it shall not be by electrocution or death.

Mr. ABERNETHY. That portion was amended on recommendation of the U.S. District Attorney. We just adopted the amendment.

Mr. SANTANGELO. The bill which I have before me indicates that if there is a disagreement as to the sentence by the jury, the sentence shall be life imprisonment. Has there been a change?

Mr. ABERNETHY. Yes. An amendment was adopted a few moments ago which changed that portion of the bill. That amendment was submitted to the committee by the U.S. District Attorney with the recommendation that it be adopted in order to bring it in line with what is known as the *Andres* case (333 U.S. 740). The amendment would bring the new statute in line with that decision. If there is a disagreement as to the punishment, jurisdiction as to the punishment then passes to the court.

Mr. SANTANGELO. And it may or may not be death?

Mr. ABERNETHY. That is right.

The SPEAKER. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. O'HARA of Illinois. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Illinois: On page 1, strike out the following word "electrocution" in line 8, and inserting on line 9 to the semicolon and continuing on line 9 to the semicolon, and substitute therefor the words "when the jury by unanimous vote so decrees" and further on line 1, on page 2, insert the words "by unanimous vote" after the word "unable."

Mr. O'HARA of Illinois. Mr. Speaker, I do not know whether there is a proper case for capital punishment or not. Everyone has responsibility to his God and himself to decide. I do not know that there is a God in heaven. I do not know that if there be a God in heaven He said, "Thou shalt not kill," and I do not know, if there be a God in heaven and He did say, "Thou shalt not kill," he had His fingers crossed and with crossed fingers said, "Yes; when you are safe in the jury box and you are not going to be punished on earth; yes, then you may kill." I do not know. I do not believe in a God who crosses His fingers, but I do believe in God. That is my faith.

Now, I appreciate today that it is not the sentiment of this body to abolish capital punishment. If we had done so, I think it would have been the thing most far reaching in its wholesome repercussions we could have done, particularly at this period in the world's history, in this crisis, for all over the world the message would have gone out that here in Washington, the Capital of our country, we had decreed that man does not have the right to kill another man. Detain him, yes—imprisonment; keep him from other crimes, certainly. But, to kill him because we have the power and to say that we are creatures of God, to me is incongruous.

Now, all my amendment does is to say that when the death penalty is inflicted, there is certainty that the judgment is that of all 12 persons on the jury. It provides that the 12 persons on the jury must affirmatively vote the death penalty; not, as the language now reads, that the penalty shall be death unless the jury by unanimous consent recommends life imprisonment. Let us have positive action. If 12 persons in the jury box can agree to take a man's life, let that life under the law be taken, but let every member of the 12 understand that his vote is the one that is taking that life.

Mr. Speaker, I trust that my amendment is adopted.

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. O'HARA of Illinois) there were—ayes 24, noes 110.

So the amendment was rejected.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON AGRICULTURE

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have permission to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PENALTY PROVISION, SAMPLING OF COTTON FOR CLASSIFICATION

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11646) to amend the act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton, as amended, by defining certain offenses in connection with the sampling of cotton for classification and providing a penalty provision, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 12, strike out all after "(c)" down to and including "sample" in line 16 and insert "for any person knowingly to alter or cause to be altered a sample taken for classification under this Act by any means such as trimming, peeling, or dressing the sample, or by removing any leaf, trash, dust, or other material from the sample for the purpose of misrepresenting the actual quality of the bale from which the sample was taken".

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. HOEVEN. Mr. Speaker, reserving the right to object, will the gentleman explain the purpose of the Senate amendment?

Mr. GATHINGS. I will be glad to. This bill was passed unanimously by the House. An amendment was put on the bill in the Senate. The effect of it was to use the word "knowingly" for the purpose of misrepresenting the actual quality of the bale, and so forth. We did not object to that amendment; it was acceptable to us.

Mr. HOEVEN. That was the only amendment?

Mr. GATHINGS. That is correct.

Mr. HOEVEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

COMMUNICATIONS ACT AMENDMENTS, 1960

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 1898, with Mr. ELLIOTT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday, June 24, 1960, the gentleman from Arkansas [Mr. HARRIS] had 5 minutes remaining and the gentleman from Michigan [Mr. BENNETT] had 45 minutes remaining.

The Chair recognizes the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT of Michigan. Mr. Chairman, I yield 3 minutes to the gentlemen from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I have asked for this time to address a question to the chairman or the ranking minority member of the committee. This matter was called to my attention by my colleague from the Sixth District of Michigan [Mr. CHAMBERLAIN], who received from one of the citizens of his district a question to which I should like to refer. Mr. CHAMBERLAIN's correspondent referred to the power of the Commission in this bill to suspend or revoke a station's license as a penalty for unknown or unauthorized payola. I quote the following sentence which poses a question I want to address to the managers of this bill.

I am sure every station will do everything within its power to prevent such practices, but if an employee is found guilty of accepting payola or a bribe it should not result in the station losing its license or the suspension of its service to the public.

I should like to ask either the gentleman from Michigan or the gentleman from Arkansas if the fears of Mr. CHAMBERLAIN'S constituent are justified that his license may be revoked because of the acceptance of a bribe or payola by an employee of the station.

Mr. BENNETT of Michigan. Subsection (c) on page 26 reads as follows:

The licensee of each radio station shall exercise reasonable diligence to obtain from its employees, and from other persons with whom it deals directly in connection with any program or program matter for broadcast, information to enable such licensee to make the announcement required by this section.

If an employee of a station licensee has been accepting money and in the exercise of reasonable diligence the owner has no way of knowing that, then there is no penalty as far as he is concerned. If by the exercise of reasonable diligence he should have known the employee was taking money to plug some product or other, then of course he would be subject to the penalties provided in the bill.

Mr. MEADER. My attention was drawn to the various sanctions provided by this bill. I am just as much against payola or dishonest contests and quiz programs as anyone else, but it strikes me that there are a lot of duplicating remedies and sanctions provided in this bill. As I understand, they are not exclusive of one another but are cumulative. Am I correct?

Mr. BENNETT of Michigan. That is correct.

Mr. MEADER. May I ask whether or not the Committee on Interstate and Foreign Commerce has any intention of making these sanctions available to other regulatory bodies such as the Interstate Commerce Commission? The National Labor Relations Board of course does not come under your jurisdiction, but if these sanctions are necessary to carry out public policy is there any reason why they should not be extended to all of these administrative tribunals?

Mr. BENNETT of Michigan. None that I know of.

Mr. MEADER. May I ask that question of the gentleman from Arkansas?

Mr. HARRIS. What the Committee endeavored to get at here is primarily the broadcasting industry. The other regulatory agencies are not involved with this kind of problem. The other agencies do have problems to which sanctions would apply, such as the Civil Aeronautics Board and the Interstate Commerce Commission with reference to their administrative functions. But these are primarily matters concerned with the broadcasting industry. I might say to further assure the gentleman that there will be no arbitrary action taken by the Commission against someone who did not intentionally commit some act of failure to observe some rule or regulation that there will be amendments offered to the suspension section that will make it very positive that the licensee or someone operating for the licensee would have to commit such act intentionally, knowingly, or negligently.

Mr. BENNETT of Michigan. Mr. Chairman, I yield myself 10 minutes.

First I yield to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I would like permission to express my own objection, not to S. 1898 but as to the bill amended by the House Committee on Interstate and Foreign Commerce that puts legal sanctions in the bill and provides for the suspension of licenses and rather heavy fines.

I would like to offer in support of my statement four communications from outstanding broadcasting and television stations in my State as to that provision.

I ask unanimous consent, Mr. Chairman, that I be permitted to insert them in the RECORD at this point.

The CHAIRMAN. That will have to come with permission in the House.

Mr. BAILEY. I would like at this point to say that I think the amendment by the House is entirely too strict. The gentleman from North Carolina and the gentleman from Georgia have indicated their intention to offer an amendment, and if said amendment is not offered by them or somebody else, unless an agreement can be reached within the committee, I shall vote for the amendment, to strike that provision or to modify it.

Mr. BENNETT of Michigan. Mr. Chairman, there are some provisions in this legislation which are very worthwhile. They will help to correct some of the abuses that the Legislative Oversight Committee found to exist during the investigations of the past 3½ years. An attempt was made to do that very thing. I must say, however, that there are a number of important omissions in this bill which I want to discuss.

The first really important thing, as far as correcting abuses is concerned, will be

found on page 19 of the bill. There the committee has endeavored to deal with the question of payoffs. A payoff occurs when you have two or more applicants contesting for the same radio or television license and one of the applicants makes an agreement with one of the other applicants whereby he withdraws his application and thus lessens the number of people who are competing for the application. This came to be a racketeering proposition, as we found in our investigations. We found it was something that the Commission did not have adequate authority to cope with. So, on page 19 of the bill, we provide that an applicant may withdraw his application in favor of some other applicant only if the consideration involved does not exceed the actual expenses that have been expended by the person withdrawing. The purpose of this is to prevent conniving between the parties and the blackmail situations which we found to exist. But when the full committee considered this matter the committee adopted a five-word amendment. This effectively destroyed what we had sought to do in eliminating the abuses I have just discussed. In lines 2 and 3 on page 19 we exempted mergers from the prohibition against payoffs. So, as the language now stands, the applicants can get together and merge. A merger can be a form of payoff. The same blackmail situation can occur. Therefore, what we have done here is to prohibit payoffs but at the same time we have provided a method of evading the prohibition through merger.

So, at the proper time, Mr. Chairman, I intend to offer an amendment to strike out those words permitting a merger, for, as I say, it effectively destroys our purpose and intention of avoiding these payoff propositions.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. Briefly.

Mr. ANFUSO. Mr. Chairman, I should like to tell the gentleman that, in my opinion, this is a worthwhile measure and I believe that it deserves the unanimous support of the House. It is like voting against sin or against crime.

All of us well remember the hearings conducted by the Special Subcommittee on Legislative Oversight, under the chairmanship of the distinguished gentleman from Arkansas [Mr. HARRIS], last year and also this year, when the abuses involving payoffs or payola were uncovered. I want to commend the committee for bringing these abuses out into the light and for suggesting the necessary corrections.

It seems to me that the broadcasting industry, and television in particular, is still not fully aware how much harm it has done to itself by these abuses. It will take years before its prestige and honor is reestablished in the public eye. People have lost confidence in television, regard it with cynicism, and in numerous instances have learned to ignore it. The American public does not like when it is so taken for granted and its trust abused.

I regret this state of affairs. The broadcasting media should and could be a great source of public enlightment, entertainment, and education. It is still not too late to make them so. Abuses such as payola should be eliminated and outlawed for the benefit of the industry and the American people, and the sooner that is done the better it will be for all concerned. To permit this type of racketeering to exist only makes a laughing stock of our broadcasting industry in the eyes of our own people and visitors from abroad.

I may not be present for the final vote since I am leaving soon to keep a speaking engagement, but I should like to utilize this opportunity to state my views and to urge my colleagues for affirmative action on the bill.

Mr. BENNETT of Michigan. Mr. Chairman, one of the abuses, as I said, had to do with mass media deals that were made particularly in the television business before a national license was issued. Probably the greatest abuse arose in the days when the Commission was in the process of issuing these lucrative television licenses. After a license was issued and the licensee had his license for a week or 10 days, or 2 or 3 months, he sold it at a tremendous profit to somebody who was not a party to the licensing proceeding before the Commission. The only thing the Commission could do, if the licensee were a person or a corporation that could operate in the public interest, was to approve the sale. Thus the Commission's hearing on the original application, which may be long and complicated, is made meaningless.

Our distinguished chairman made a very eloquent speech the other day on this very question. He devoted a considerable part of his time to the abuses that were practiced by people who got these television licenses for the purpose of trafficking in them, reselling them at tremendous profit, people who had never been before the Commission, people whose qualifications had never been evaluated by the Commission or by anyone else. Some of the people who the Chairman mentioned the other day came in after the original license had been granted, and bought out the winning applicant at colossal prices. I agree with what Mr. HARRIS said about stopping that kind of procedure. I agree that the voluntary transfer of a license should be prohibited for a period of 3 years after the original grant except in unusual circumstances where the Commission finds that a change in circumstances would make an earlier transfer the best thing in the public interest.

But, Mr. Chairman, while in my judgment that is one of the most important things the Legislative Oversight Subcommittee unanimously recommended, in spite of the fact that our distinguished chairman himself introduced a bill—H.R. 11340—which would go a long way toward correcting the thing he complained about for over an hour the other day, in spite of all that, there is not a single provision in this bill that deals with the question of transfers.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield myself an additional 10 minutes.

Mr. Chairman, I hope the chairman will take the language of his own bill in respect to transfers and offer it as an amendment to the committee amendment. Without such an amendment this bill falls far short of correcting one of the greatest abuses that was developed during the course of the last 3 or 4 years of investigation of the subject. If he does not offer the amendment, I will offer it myself because I think it is eminently important that something be done to prevent the trafficking in these licenses once they have been issued. The Commission under present circumstances for all practical intents and purposes loses complete control of who the licensee may be. I do not understand why this was not done in the first instance since the Oversight Subcommittee and the Commission recommended it and since Mr. HARRIS feels so strongly about the subject that he spent a major portion of his lengthy speech Thursday discussing it.

I want to discuss for a minute some of the other things we have done here in respect to giving the Federal Communications Commission additional authority. Under existing law the Commission has authority to revoke licenses and it has authority to issue cease and desist orders under certain circumstances. But it does not have any other intermediate authority to deal with a licensee who violates either the regulations of the Commission or the law itself. Revocation is, in effect, a death sentence. It takes all of the man's investment and he is left without recourse. The Commission has never revoked a radio or television license for this reason. So it is an ineffective penalty. We felt the Commission should have some power to invoke lesser penalties. Therefore, two additional provisions were added to this bill.

The first gives the Commission authority under certain conditions to suspend a radio or television license for up to 10 days. The other provision gives the Commission the right for the same reasons or essentially the same reasons to impose a forfeiture of up to $1,000 a day.

As I said, the Commission needs some intermediate authority to deal with the less serious offenses that are committed by station owners. I think we have bent over backward in this respect by giving both the suspension power and the forfeiture power. Under the bill, as we bring it to you today, the Commission could suspend a license for a period of 10 days and at the same time it could impose $1,000 a day in fines for the same identical violation. We do not have any limit here on the length of time that the forfeiture may be imposed except it is related to the length of time of the violation.

Now, in my opinion, the Commission needs some additional authority to properly enforce this act, but it does not need this much authority. In other

words, we are giving the Commission a double-barreled right to penalize the radio and television licensee for violations which may or may not be serious. I do not believe that is necessary, and I think one of those provisions ought to be stricken from the bill.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from West Virginia.

Mr. BAILEY. Did the committee give any consideration to the harm that might come to a station whose license was revoked in regard to its contract with companies supplying his program and also contracts involving these people doing advertising over the station?

Mr. BENNETT of Michigan. Yes; we gave consideration to that.

Mr. BAILEY. This $1,000 fine is only the beginning of the harm that is going to be done.

Mr. BENNETT of Michigan. The Commission can impose both suspension and a fine. I think certainly one or the other would be a sufficient penalty to impose to keep the licensees in line for any offenses that are not serious enough to require revocation.

Mr. BAILEY. I thank the gentleman from Michigan.

Mr. BENNETT of Michigan. That brings me to another important omission in this bill. We have gone to great lengths here, as I have just said, to impose additional penalties and to give the Federal Communications Commission additional authority to punish violators of the act. But, we have carefully in this legislation avoided a provision which would bring the radio and television networks under the same general type of regulation and control as we do individual licensees.

Now, bear in mind in this subject we are dealing with the right to use the airwaves. Congress back in 1927, under a Republican administration established the concept that the airways belong to all the American people and that those who are accorded the privilege of using them must do so in the public interest. That is a perfectly proper thing; that is as it should be. If there were not any regulation or control or allocation of these stations, we would be in a terrible state of chaos. We have a regulated industry and I think we should have. I cannot see how we could operate in any other way and still protect the public.

But, we have left the most important part of the industry free and exempt from all regulation. The networks have no responsibility to conduct their business in the public interest as does the individual licensee.

Now, when the old Radio Act was first adopted and later when the Communications Act was passed in 1934, no one could foresee the dominant role that the networks would play in the control of the Nation's television and radio programing. Today, more than 78 percent of all television programing during the prime hours of the day from 6 until 11 o'clock in the evening, are packaged, controlled, and handled exclusively by the networks. All but 35 of the over 500 television stations are affiliated with networks. The individual affiliate has nothing to say about what kind of program it gets. It has no control over it in any way, shape, or manner whatsoever. The licensee takes it and transmits it over his station in a package as it comes to him from the network. Over 51 percent of all programs, taking the entire broadcast day, comes from the networks. So it can be seen that for all practical purposes, the great bulk programing that comes to the American people today via radio and television comes from sources that are owned and controlled by the several networks.

No one in the beginning expected the networks to exert the influence they presently have over this entire industry. No one recognized the need for doing something about the networks. But as a result of our 3½ years of investigation, the Legislative Oversight Subcommittee recommended that radio and television networks be licensed, the same as individual stations. The Attorney General of the United States made the same recommendation to the President after a careful study. The Federal Communications Commission has recommended that networks be regulated. As early as February 1959, a year and a half ago, I introduced a bill to regulate the networks. Despite my repeated requests, the chairman never held hearings on my bill.

Following the recommendation of the Legislative Oversight Subcommittee our chairman introduced his own bill, H.R. 11340, which would license radio and television networks. In that bill was also included a provision to take care of transfers of licenses, concerning which he devoted an hour's speech the other day. But the committee, upon consideration of this bill, refused to do anything whatsoever so far as networks are concerned. Instead it imposed additional punitive provisions upon the individual station licensees, big and small, all over the United States, and in spite of the network control, practically 100 percent control, over programing, they go scot free. They can be as negligent and irresponsible as they wish to be. The Commission has no authority over them whatsoever.

Take these quiz show scandals that were put over on the American public; the dishonesty, the fraud and deceptive practices in those programs can be charged to the negligence and callous indifference of the networks. They came in my opinion, Mr. Chairman, because the networks had no obligation to operate their business in the public interest. They are not subject to the Federal Communications control, as is the individual station licensee and thus have no obligation, at least no legal obligation, to see that the programing they put out to several hundred television stations all over the United States is honest.

In my opinion, this kind of fraud and deception would never have occurred if it were not for the highly negligent indifference and careless attitude on the part of the television networks of this country.

What harm is it going to do to bring networks under regulatory control? The amendment I shall offer to this legislation will merely give the Commission authority to regulate their operations in the public interest. My amendment does not license them, it does not go as far as the law goes with respect to an individual station. It merely gives the Commission the authority to regulate the networks in the public interest. I would like to have anyone in this Chamber give me a valid reason why networks should not be included in this legislation.

This amendment is offered after 3 years of study, after the unanimous recommendation of the Legislative Oversight Subcommittee, the subcommittee that disclosed and developed the scandalous programs that the networks put out to the American public, a recommendation in stronger terms than I propose here. What possible reason can there be to oppose this amendment? I can only tell you the reason that has been given to me, "We have not had enough hearings; the committee has not had any testimony on the subject." That is nonsense. The chairman refused to hold hearings on my bill but in hearing after hearing I questioned witnesses, including the network presidents, on the subject.

Our hearings are replete with testimony; weeks and months at a time we held hearings that were directly related to the kind of thing the networks were doing in respect to the programing. Day after day we had these people in one way or another before our committee telling us the full story.

I do not have any prejudice against the networks. I think they are legitimate business enterprises. But they are intimately associated with a completely regulated industry. They are the ones who control these programs that go into the American home, and they ought to have some responsibility, I will say to the House, and that is all I am asking in my amendment. I think without that kind of thing we have made a farce and a sham out of the kind of legislation we are bringing here before you today. It is mere window dressing; a sop to the public for all the big scandal headlines.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Kansas.

Mr. AVERY. The gentleman from Michigan said he would like to have an answer as to why these networks should not come under the bill. I think he further said that the only reason that had been given him was the fact that no hearings had been held. To me, a member of the legislative committee but not a member of the Oversight Committee, that is a pretty good reason all by itself. I think the record should be abundantly clear at this point in the proceedings today. The record of the Oversight Committee has never been officially adopted as a part of the legislative committee. Those of you who happened to serve on both committees I presume

could draw conclusions from the Oversight Committee proceedings and immediately transpose those conclusions into support of any position you might like to take. For the rest of us, I think we are entitled to some further information.

Mr. BENNETT of Michigan. The Legislative Oversight Subcommittee is the same as any other subcommittee. We have four other subcommittees. As those subcommittees hold hearings they report them with the bills they recommend to the full committee and we act on them. I say our record is replete, and when I say that I mean the record of the Committee on Interstate and Foreign Commerce, so replete we made this recommendation. Do you think the Oversight Subcommittee acted on idle gossip and rumor when we specifically recommended in our report on February 9 of this year the licensing of networks? Do you think the investigation of the Attorney General that was carried on for several months in this same area was based on rumor and gossip, or do you think it was based on facts? I do not care whether the testimony comes as the result of hearings before the full Committee on Interstate and Foreign Commerce or one of its subcommittees. That is a lot of eyewash. It is just an excuse, and a poor excuse, for delaying action on one of the most important regulatory gaps that is existent in the act today.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I know that some people in the radio and television industry are in sympathy with the bill and very much for it, but they are worried about the suspension for 10 days and the fine of $1,000 per day. I wonder what the gentleman's attitude is toward that section.

Mr. BENNETT of Michigan. There is no need to give the suspension authority on top of the authority to impose forfeitures.

I think we should take either one of these sections out of the bill. The Commission needs some intermediate authority to deal with offenses that are not serious enough to warrant revocation.

Mr. CHENOWETH. This indicates that the Commission has full authority.

Mr. BENNETT of Michigan. The Commission has authority to revoke licenses.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield myself 2 additional minutes.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Georgia.

Mr. FLYNT. I would like to compliment the gentleman from Michigan for his statement. I would like to say I am in accord with practically all that he says. I know the gentleman has spent many hours working in both the subcommittee and the full committee on this bill. However, I must say I feel that the amendment which the gentleman referred to in his remarks to license networks to operate should be accomplished in a separate bill. An amendment of this nature should not be included in this bill when there have been few hearings on that subject and the result might be that we might wind up this session with no legislation at all on this important subject.

Let me tell the gentleman he knows my feelings on the subject matter of his amendment. If I oppose it under the 5-minute rule it is not because I am opposed to the principle of it. It is because I feel that the timing of it may be better if proposed in separate legislation rather than as an amendment to this bill.

Mr. BENNETT of Michigan. I thank the gentleman from Georgia for his comment.

I must say, however, in response to his statement about our not having the evidence to act on this, you could use that same argument in respect to almost any other provision in the bill, because most of these provisions, were not subject to legislative hearings. I think the legislative hearings on all the provisions in this bill did not consume more than 1 day; whereas our investigative hearings on these same subjects consumed more than 3 years. Nothing is more pertinent to this legislation than a provision regulating networks. To further delay and procrastinate on this vital matter is totally inexcusable.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I support this legislation, but I have a little different viewpoint on this legislation than some of the other Members.

It is my feeling that when any individual comes to the Federal Government to secure a route, a license, or a charter in the public interest, necessity, and convenience, he must be prepared to submit to regulations, and especially here, in this field where you are using a natural resource that belongs to the people.

I realize that once in a while, when these organizations that have routes or charters get into difficulty, it frequently happens that Members of Congress go to the regulatory bodies, through committees and otherwise, and try to get them not to use their regulatory authority.

That, to my mind, is unfortunate. I think whoever receives from the Government a license to operate a radio or television station should be prepared to yield to regulation in the public interest. That is all this legislation is for, nothing else. It is so easy for us as Monday morning quarterbacks to say that the Communications Act of 1934 should have been this way or that way; as a matter of fact, I doubt if anyone in the United States at the time the Communications Act of 1934 was passed had any conception of the impact television would have not only on the economy of the country but on the thinking and actions of our people.

Our subcommittee brought out a number of cases of violation. I am not excusing the FCC for not doing something; as a matter of fact, if you will read the record you will find that we asked the members of the Commission why they did not exercise the rights they already had, because they could have issued renewals on the basis of 6 months or a year, or even for 1 month, to any licensee who was not acting in good faith; but they never did; they always extended the licenses for 3 years, regardless of the violations of the licensees. I am hopeful that if this legislation passes, the Federal Communications Commission will try to carry out the will of Congress in the matter of assessing penalties, and that they will be assessed to fit the infraction.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I certainly agree with the gentleman from Michigan, the ranking minority member of the committee, that the penalties provided in these two sections are exceedingly severe. I believe in requiring submission to regulation, when a charter or license is given to a station to operate in the public interest, but I do not think it is ever necessary to burn down the barn in order to get rid of the rodents. When you give a commission or administrative agency of the Federal Government the power to suspend for 10 days the business of any individual, firm, or corporation, and at the same time impose a penalty upon that individual, firm, or corporation, of $1,000 a day ad infinitum, you are clothing that administrative agency with more power than it should have. In our zeal to clean up this industry I do not think we are required to completely destroy the business of some little operators who could not survive these harsh penalties.

I call your attention to the fact that as this bill now stands, authority to suspend the license is granted even without any finding that the violation was willful or intentional and that strikes me as too harsh a remedy for an unintentional violation of regulations.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Georgia.

Mr. FLYNT. I would like to say to the gentleman from North Carolina that there will be amendments offered providing for the insertion of the word "knowingly" at the appropriate place, and for the insertion of the words "negligent" and "intentional" at the appropriate place. I feel that will take care of the objection that the gentleman mentions.

Mr. JONAS. I will support the amendments, but I have one or two to propose myself.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. HEMPHILL].

Mr. HARRIS. Mr. Chairman, I yield the gentleman from South Carolina [Mr. HEMPHILL] 3 minutes also.

Mr. HEMPHILL. Mr. Chairman, I take this time for the purpose of pointing out what I consider to be the dangers of this legislation. Let me say here that I think the Committee on Legislative Oversight has done a great job, and I think legislation is necessary. But if you go back to the courts of this land you who have had experience, as most of the lawyers here have, and you know that if a person commits a misdemeanor that is a very small crime. It has been the ruling of the supreme courts of the various States and, I believe, affirmed by the Supreme Court of the United States, that every person convicted or sentenced should have the sentence in the alternative.

Now we have a situation in which we have the right to revoke a license or we have a right to issue a cease and desist order. That is the present law. We come along here, and on page 21 we say that the FCC through the processes we have outlined has the right to go to a station and suspend it for up to 10 days. There is no provision here for an alternate fine. A suspension, as you know, is not so bad as a forfeiture. At least, I believe it is not. Perhaps it is worse. In any event, we have on page 24 a forfeiture.

Here is the situation: We are putting in the hands of the Commission, whose activities have been so nefarious as to cause us to have to come to the Congress and ask for legislation, the right to hold the sword of Damocles or a hammer over the heads of radio and television stations. We are saying "you can fine them up to $1,000 a day or you can suspend them from 2 to 10 days." All that does is to put too much power in a regulatory body whose faults have been in the headlines of the papers, it gives them too much power in small matters.

Mr. HECHLER. Mr. Chairman, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from West Virginia.

Mr. HECHLER. Mr. Chairman, does not this provision make it unusually hard for small stations?

Mr. HEMPHILL. That is exactly my point. I have passed up to the Chairman a copy of this legislation. On page 21 at the end of line 15, I have written the amendment, and I ask the Committee to listen to me for a minute, where the Commission may suspend any station license for 10 consecutive days or may assess a daily fine of up to $500.

Then I went over to page 24 and I said on line 17, strike out $1,000 and insert $500. Suppose they suspend some license for 2 days and they kick about it. Suppose they say they are going to kick him out for 2 days. Do you not know, with the power that they have misused so far, they will say, "All right. If you are going to kick that much about 2 days now, the next time we will make it 10."

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from Michigan.

Mr. DINGELL. As the gentleman knows, I have great affection and high regard for him and high regard for his ability. I was wondering if, in his consideration of this matter, does the gentleman recall that this is to be an additional penalty which is available to the Federal Communications Commission as a substitute for the present literal death penalty in the Federal Communications Act which is the only penalty now available.

As such it presents the Federal Communications Commission with a vastly lesser penalty which could be utilized in the case of a lesser offense on a smaller or weaker station.

Mr. HEMPHILL. I think if the gentleman heard my remarks in the beginning, it is obvious that my remarks were channeled in that direction. But, I say this, if you are going to amend it, and if this law is necessary at all—and I do not question that; I have too much confidence in my chairman who sat in on these hearings—but if this law is necessary, then let us not put into the hands of the bureaucracy too much power in small things where a station can be so penalized—just taking a station off the air for 2 days, suspending it for 2 days; he has advertised a program that is all washed up and he is out of business for 2 days. He does not have the alternative to pay the fine under the suspension.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman, of course, did express some concern about the suspension section when we had this up for consideration in the committee, and the gentleman will recall that we explained what the procedure would be and how the station licensee would be protected by it. The gentleman will further recall that in order to meet the lesser offense the committee adopted section 6 forfeiture or civil penalty, and the reason for adopting section 6 was to give the Commission the authority to assess fines. And that is precisely what we have here. As the gentleman from Kansas [Mr. AVERY] pointed out last week, the committee has gone very carefully over this and tried to not only give assurance that licensees would have to assume their responsibility, but they would be protected and proper procedure would be applied in carrying it out.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I yield to the gentleman from Illinois [Mr. MACK].

Mr. MACK. Mr. Chairman, I rise in support of S. 1898. This bill known as the Communications Act Amendments of 1960 is designed to carry out the recommendations of the Legislative Oversight Committee after one of the most extensive and constructive investigations ever conducted by a congressional committee, which is designed to correct many irregularities which have occurred in these agencies. Our subcommittee has worked long and hard on this investigation. It has been a most revealing and fruitful investigation. Thousands of pages of testimony clearly indicate great deficiencies and this bill is the first part of a legislative program recommended in reports by our committee to correct these deficiencies.

Mr. Chairman, I wish to commend our very able and distinguished chairman in the way he has revealed the irregularities in the regulatory agencies. This investigation was successful despite the many efforts by industry and others to sabotage our operation. No investigating committee of Congress has ever encountered such a determined effort on the part of those investigated to block the investigation. No investigating committee has been subjected to such tremendous pressures. Multimillion dollar industries were investigated by this committee with only a limited staff. This committee revealed gross irregularities within many of the regulatory agencies. It exposed payoffs, payola, deceptive practices and rigged television quiz shows on programs carried on the publicly owned airwaves.

In my opinion, this committee has rendered a great service to America.

Mr. Chairman, this bill would reassert governmental authority to regulate the Nation's airwaves. It would give the Federal Communications Commission new tools to deal with the industry it regulates. This bill does not provide for censorship in any form but it does reassert the Federal authority over the use of publicly owned airwaves and would permit the FCC to evaluate the performance of radio and television stations. It would give them the opportunity to reward television and radio stations which live up to elementary standards of honesty and integrity. In this way the FCC would not necessarily have to reward stations which thrive on sadistic westerns, rock and roll, deceptive shows, and other trash which have been appearing over the publicly owned airwaves.

Mr. Chairman, under the provisions of this bill it would be impossible for anyone to participate in payola or deceptive television quiz shows without committing a Federal crime. Because of the unusual nature of these slick operations, it is necessary to amend the law so that even an unenthusiastic regulatory commission would have the power to stop these deceptive shows and proceedings could be brought against the participants.

Mr. Chairman, payola was a national disgrace but perhaps the most colossal fraud ever perpetrated on the American people was the controlled or rigged quiz shows. These shows affected over $100 million worth of business and by dishonesty and deception almost succeeded in driving some of the competing firms out of business. The "$64,000 Question," apparently controlled from its very inception, according to the testimony of the sponsor, ran for some 2 years undetected. Its success was so fabulous that the producers started another rigged program called the "$64,000 Challenge." These programs were so successful and attracted

such a large audience that the competing network found it necessary to start its own rigged television quiz shows. Millions and millions of Americans watched these shows week after week and even refused to believe the truth when they were told that these shows were rigged. It was perhaps the greatest job of "brainwashing" this country has ever seen and it was all done over the publicly owned air waves.

Mr. Chairman, I am not primarily concerned about the ethics of the contestants who participated in these controlled shows although it is a reflection upon our standards of morality. Many of the contestants were innocent but it was shocking to know that the district attorney of New York estimated that some 100 contestants probably committed perjury as witnesses before the New York grand jury investigating this matter. While I feel that the law should apply to the contestants, I believe that the real crime was committed by the limited number of individuals who assisted in planning and rigging the shows. Therefore, this bill is designed to cover all those who were responsible for the productions as well as all of those who assisted each week with the rigging of the shows. This bill would include those people who represented the window dressing which set the stage so that these frauds could be perpetrated. In the quiz shows great precautions were taken to convince the audience that the controlled shows were not rigged. The "$64,000 Question" used a nationally known college professor and the vice president of an internationally known bank to deceive the American people. It has been revealed that the college professor assisted in rigging the shows by designing questions that the producers knew the contestants could answer. It was revealed in testimony that the vice president did not have custody over the question.

Mr. Chairman, if this bill is enacted it will eliminate the slick Madison Avenue operations in the future years and the provisions of this bill would apply to all those who participated directly or indirectly in the rigging of shows.

Mr. Chairman, this has been a shocking incident for Americans. It is especially shocking for many people in our society to have been guilty of this deception. It has rewarded dishonesty in business as well as private life. It seems that our society hit an all-time low by the reprehensible practice of teaching young boys and girls to be dishonest while participating in these rigged shows.

Mr. Chairman, we wonder today why crime has been increasing especially among our young people and why we are having such a problem with juvenile delinquency. We wonder why many children today do not seem to know right from wrong and why many of our American homes do not provide the moral and ethical upbringing of youngsters which is necessary in a healthy and wholesome society. We wonder why business and politics appear to be more corrupt now than in years gone by. I have given considerable study to this problem and I am wondering if our Nation has failed to properly recognize and reward those individuals who do right and to penalize those who do wrong. It seems to me that in this day and age we have failed to recognize honest leadership, honest business, and that we have had a tendency to accept dishonesty in all walks of life. We have even given some credence to the statement that money buys respectability.

We all recognize that television has had a tremendous impact on our way of life. It has had a substantial effect in formulating opinions in the minds of our young citizens. It can be used to formulate good or bad opinions. I hope that this bill will have a favorable effect.

Mr. Chairman, I hope very strongly that this bill is adopted so that millions of American viewers will be protected from these frauds in the future and that the FCC will have complete authority to act in these areas.

Mr. HARRIS. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. LENNON].

Mr. LENNON. Mr. Chairman, I would like to ask the chairman of the committee a question. As I understand the situation, the original act of 1934, the Communications Act, provides under the Administrative Procedure Act for a judicial review where there is a forfeiture of license; is that true?

Mr. HARRIS. It provides the procedure by which it can be effected.

Mr. LENNON. Under the Administrative Procedure Act, where there is a forfeiture of license, it provides for judicial review; is that true?

Mr. HARRIS. Yes, that is true.

Mr. LENNON. Where is that review held; in what court?

Mr. HARRIS. It is held in the circuit court of appeals.

Mr. LENNON. Here in the District of Columbia?

Mr. HARRIS. Here in the District of Columbia.

Mr. LENNON. Now, where you have a cease and desist order and there is an appeal from it, is there a judicial review of that order?

Mr. HARRIS. Yes, there is.

Mr. LENNON. There is a provision in law now, you say, to guarantee the licensee that he will have a judicial review in the event his license is suspended for 1 day or 10 days or if he is fined $500 or $1,000 or $10,000?

Mr. HARRIS. That is true.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HARRIS] has expired. All time has expired.

Pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill, for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Communications Act Amendments, 1960".

Mr. BENNETT of Michigan. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

Mr. HARRIS. Mr. Chairman, reserving the right to object, I think probably it would be better for us to go along for a few minutes and then consider the gentleman's request.

Mr. BENNETT of Michigan. Mr. Chairman, I withdraw my unanimous consent request.

Mr. FLYNT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a few minutes ago, the gentleman from North Carolina yielded to me, and I advised him and I now advise the Committee of the Whole House on the State of the Union that at the proper time I shall offer certain amendments which I believe will cure nearly every objection anyone could have to the so-called suspension section. For those of you who are concerned with the provisions of the suspension section, if you will turn to page 21 of the bill and follow me, I shall give you exactly the statements which will be contained in the three amendments which I propose to offer and which I shall ask unanimous consent that they be considered en bloc.

On page 21, line 16, subparagraph (c)(1) after the word "statements" insert the word "knowingly."

On page 21, line 22, in subsection (c)(3), after the word "for" which is the first word in the section, insert the words "negligent or intentional."

Further, on page 21, line 24, in subsection (c)(4) after the word "for" which is the first word in the subsection, strike out the next three words "violation of or" and insert in lieu thereof the words "negligent or intentional violation of, or negligent or intentional."

Mr. Chairman, the purpose and the only purpose of these amendments which I shall offer and ask unanimous consent they be considered en bloc is to relieve what might be construed, and properly so, an abuse of power by the Federal Communications Commission.

During the several days which the Committee of the Whole has been considering this legislation, S. 1898, a great many of our colleagues have raised questions concerning the granting of power to the Federal Communications Commission to suspend station licenses for as much as 10 days, for violations which could be innocently or unintentionally made. I feel the objections which have been raised to the language presently contained in the bill are good and valid objections. Mr. Chairman, to overcome any real objection which Members might have to this suspension section, at the proper time I shall offer these amendments en bloc, and it is my sincere hope that these amendments, if adopted, will cure any objections which Members might have to this section.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to my chairman.

Mr. HARRIS. I would like to suggest at this time that it is my understanding that the gentleman from Kansas [Mr. AVERY] intends to offer amendments along the lines the gentleman has suggested to the forfeiture section on page 24.

Mr. AVERY. The gentleman from Arkansas is eminently correct. These amendments were worked out by quite a number of Members of the House. Their language is essentially the same as the language the distinguished gentleman from Georgia is offering to the suspension section. I will offer comparable language to apply to the forfeiture section, section 6.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I commend the gentleman on his amendment, and intend to support them. Do I correctly understand now that the committee feels that both of these sections should remain in the bill, the suspension and the forfeiture?

Mr. FLYNT. In reply to the gentleman I will say that the gentleman from Georgia might not be the proper person to answer that question but as far as the gentleman from Georgia is concerned it is his feeling that the sections should remain in the bill with the amendment which the gentleman from Georgia has just explained.

Mr. CHENOWETH. Do I understand the gentleman feels that we should have in this bill both the forfeiture and the suspension provisions? I might say that our television and radio feel this is going a little strong, that it is giving the Commission something they already have. They are in sympathy with what the gentleman is trying to do but they feel that this section may give the Commission power to impose a censorship, which I am sure the committee itself does not want to give them.

Mr. FLYNT. I am afraid that efforts may have been made to mislead the gentleman if those statements have been made to the gentleman by important segments of the broadcast industry, because existing law empowers the Commission to literally impose a death sentence, that is, a total revocation of a license. It is the feeling of the gentleman from Georgia that what we are trying to do in adding this suspension, and I am confident that is what the gentleman from Kansas [Mr. AVERY] had in mind with the forfeiture section, which was his amendment in committee, is to try to give some latitude to the Federal Communications Commission to permit the punishment of violators without having to impose what amounts to a revocation or a death sentence. What these amendments do is to make it possible to have some real, bona fide regulation of the licensees charged with operating these stations.

Mr. CHENOWETH. Do I correctly understand that by the adoption of this language you are really then doing a favor for the television industry?

Mr. FLYNT. We are doing a favor for those segments of the broadcast industry who want to do a good job in operating in the public interest.

Mr. CHENOWETH. The gentleman feels these sections should remain in the bill?

Mr. FLYNT. I do so feel.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Michigan.

Mr. MEADER. I call the gentleman's attention to section 6, regarding forfeiture, and the language in line 13, the following phrase, "or has violated or failed to observe any cease and desist order issued by the Commission." Then he is subject to a $1,000-a-day forfeiture provision for failure to observe this cease and desist order. What I am afraid of is that all these agencies that enforce their orders by cease and desist orders may come in and want the $1,000-a-day provision. The National Labor Relations Board, the Federal Trade Commission, and others, all these agencies that have to go into court to get cease and desist orders will now want the $1,000-a-day section added to that.

Mr. FLYNT. That particular forfeiture section, section 6 of the committee amendment, was offered by the gentleman from Kansas. I support his amendment. I think the questions raised by the gentleman from Michigan to this section might some day apply to every regulatory agency, but the only thing we can do is cross those bridges when we come to them. We are dealing now with only one agency—the Federal Communications Commission.

Mr. MEADER. Would the gentleman feel bad if that cease and desist phrase were stricken from that provision?

I yield to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. I would like to say to the gentleman from Michigan [Mr. BENNETT] I can explain this very clearly as soon as time permits, and I will do it. I think I can satisfy the gentleman on the point he raises without any question as soon as we can get to it, and I will do that.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Michigan.

Mr. MEADER. I would hate to see a precedent established in this legislation, no matter how desirable it may be, that will lead all of these administrative tribunals to try to add to the present enforcement authority a thousand dollars.

Mr. HARRIS. That is not true. That is not what this does. I will tell the gentleman as soon as I can get to it, and I will explain to him precisely what the procedure is.

Mr. FLYNT. Mr. Chairman, I yield to the gentleman from Georgia [Mr. FORRESTER].

Mr. FORRESTER. I think I am one of those who spoke to the gentleman about his amendments.

Mr. FLYNT. The gentleman is correct.

Mr. FORRESTER. I certainly appreciate the fact that you have offered these amendments. I think they will go far toward making this legislation what you want it to be. I congratulate the gentleman upon it, and I intend to support each and every one of the amendments.

Mr. FLYNT. I thank the gentleman.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Michigan.

Mr. DINGELL. I would like to point out to the gentleman from Michigan [Mr. MEADER] that he apparently has an idea that this language will lead to arbitrary and capricious action by the Commission. That is probably the farthest thing from the truth. As a matter of fact, they have never imposed sanctions against any applicant. I would like to point out that the provisions of this section are subject to full and complete judicial review at every point, and accordingly it will be impossible for the Commission, no matter how much they might like to act arbitrarily or in a capricious manner, under the circumstances to do so.

Mr. FLYNT. I would like to say I concur in the position the gentleman from Michigan [Mr. DINGELL] is taking.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. FLYNT] has again expired.

(By unanimous consent, at the request of Mr. JENSEN, Mr. FLYNT was granted 2 additional minutes.)

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Iowa.

Mr. JENSEN. I would like to be sure about the amendments which you have offered.

Mr. FLYNT. They have not been offered yet, but I will offer them at the proper time.

Mr. JENSEN. Your first amendment is on subsection 1, page 21?

Mr. FLYNT. Line 16 on page 21.

Mr. JENSEN. You add the word "knowingly" after the word "statements".

Mr. FLYNT. That is correct.

Mr. JENSEN. And your next one is on the same page, subsection 3, where you add the words "negligent or intentional."

Mr. FLYNT. On line 22. The gentleman is correct.

Mr. JENSEN. And on line 24 you add the words "negligent or intentional violation of" or "negligence or intention."

Mr. FLYNT. The gentleman is subtantially correct.

On line 24, page 21, subsection (4), after the word "for" strike out the next three words "violation of or" and insert in lieu of those words "negligent or intentional violation of, or negligent or intentional."

Mr. JENSEN. You strike out the words "violation of or"?

Mr. FLYNT. That is right.

Mr. JENSEN. And you add the words "negligent or intentional violation of, or negligent or intentional"?

Mr. FLYNT. Yes.

Mr. JENSEN. That is the identical language to the language we worked out over here. I want to thank the gentleman.

Mr. FLYNT. The language is identical.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BENNETT of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BENNETT of Michigan. My amendment comes between lines 15 and 16 on page 8.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT of Michigan: On page 8, between lines 15 and 16, insert the following section:

"REGULATION OF NETWORKS

"SEC. 2. (a) Section 2(a) of the Communications Act of 1934 is amended by inserting after 'all radio stations' the following: ', and to the regulation of networks,'.

"(b) Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended by adding at the end thereof the following new subsection:

"'(hh) "Network" means a person or organization which, as a part of its regular business, by contract or agreement, express or implied, with two or more affiliated broadcast stations, offers or supplies program service to such stations under prescribed conditions for the purpose of effecting a coordinated broadcast of identical programs by such stations.'

"(c) Title III of the Communications Act of 1934 is amended by redesignating parts II and III thereof as parts III and IV, respectively, and by inserting after part I the following new part:

"'PART II—REGULATION OF NETWORKS

"'*Informational statement*

"'SEC. 341. Each network shall file an informational statement with the Commission which shall contain such information and set forth such facts regarding (1) the ownership and (2) the operational policies, practices, and activities of such network which affect the ability of broadcast licensees to operate their stations in the public interest, as the Commission shall require; and each such network shall file with the Commission amendments to such statement, from time to time, as the Commission shall deem to be necessary to keep current the facts and information required in such statement. The Commission, at any time after the filing of such statement, may require the filing of further written statements of fact by each such network to assist the Commission in the enforcement of this Act and in determining whether such network has complied with the provisions of this Act and the rules and regulations thereunder. Each such statement, amendment thereto, or further statement shall be in writing and shall be signed by the principal officer of such network under oath or affirmation.

"'*Limitations on ownership and operation of networks*

"'SEC. 342. No network shall be owned or operated by—

"'(1) Any alien or the representative of any alien;

"'(2) Any foreign government or the representative thereof;

"'(3) Any corporation organized under the laws of any foreign government;

"'(4) Any corporation of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives thereof or by any corporation organized under the laws of a foreign country; or

"'(5) Any corporation directly or indirectly controlled by any other corporation of which any officer or more than one-fourth of the directors are aliens or of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country.

"'*Authority to regulate networks*

"'SEC. 343. The Commission shall, from time to time, as in its judgment the public interest, convenience, or necessity may require, (1) classify television and radio networks, and (2) issue such rules and regulations with respect to each such class of networks, as the Commission may determine to be necessary or appropriate to assure that the policies, practices, and activities of such networks shall not adversely affect the ability of broadcast licensees to operate their stations in the public interest.

"'*Authority to define terms*

"'SEC. 344. The Commission, as to matters within its jurisdiction under this part, shall have power by rules and regulations to define technical, trade, accounting, or industry terms used in this part insofar as such definitions are not inconsistent with the provisions of this Act.

"'*Enforcement*

"'SEC. 345. Where any network has violated or failed to observe any of the provisions of this part or of any rule or regulation of the Commission authorized by this part, the Commission may issue either affirmative orders or cease and desist orders to any such network, to compel compliance with this part or any regulations issued thereunder. Such process shall be instituted by the Commission by the issuance of an order to show cause to the person or persons affected to appear before the Commission at a time and place stated in the order, but in no event less than thirty days after receipt of such order and give evidence upon the matters specified therein. The burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission, except that the burden of proceeding with the introduction of evidence and the burden of proof shall be upon a network to establish that the contents of an informational statement filed under section 341 are not materially false or misleading or incomplete.'

"And renumber the subsequent sections of the committee substitute accordingly."

Mr. AVERY (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, that it be printed in the RECORD, and that the gentleman from Michigan be given an opportunity to explain it.

Mr. HARRIS. Mr. Chairman, reserving the right to object, do I understand that this is the same amendment the gentleman offered in the committee?

Mr. BENNETT of Michigan. It is essentially the same, yes.

Mr. HARRIS. What is the difference?

Mr. BENNETT of Michigan. In the committee I offered the so-called Federal Communications Commission amendment, the one they had recommended. I have taken the criteria part on page 4 of the amendment——

Mr. HARRIS. Does the gentleman have any copies of his amendment?

Mr. BENNETT of Michigan. Yes, I have.

Mr. HARRIS. Mr. Chairman, I withdraw my reservation of objection.

Mr. FLYNT. Mr. Chairman, reserving the right to object, and I shall not, I wonder if either the gentleman from Michigan or the gentleman from Kansas could make available to members of the committee copies of the amendment so we can follow it? I would like to save the time of reading it, but I think the committee has the right to know what is being offered.

Mr. AVERY. If the gentleman will yield? I have not seen a copy of the amendment myself, but it will take about 15 minutes to read it and I doubt if we understand it after we hear it read. I think it would be better for the gentleman to explain it.

Mr. FLYNT. Mr. Chairman, I withdraw my reservation of objection, but I hope the gentleman will make copies available.

Mr. BENNETT of Michigan. Mr. Chairman, I have several copies available and I will be glad to have one furnished to the gentleman from Georgia. I did not understand it was customary to have copies made for every Member of the House or I would have done so.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. BENNETT of Michigan. Mr. Chairman, this is a very simple amendment. All it does is to give the Federal Communications Commission authority to regulate radio and television networks in the public interest. In other words, to assure under Federal Communications Commission control and supervision that they will operate their enterprise in the same general manner as an individual licensee is required to operate his facilities, namely, in the public interest. That is all it requires. It does not license networks. I want to make that clear, because there is a considerable difference between licensing a network and merely requiring it to operate in the public interest.

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield briefly, but I hope the gentleman will get me more time.

Mr. MACK. I understood the gentleman a few minutes ago to say that the committee had recommended licensing, but as I understand the gentleman's amendment and the statement he just made, he does not want to license the networks.

Mr. BENNETT of Michigan. The gentleman is correct.

Mr. MACK. My question is, Why do you not carry out the recommendations of the Legislative Oversight Committee?

Mr. BENNETT of Michigan. I will say to the gentleman, and I mean it in all sincerity, if he wants to offer an amendment to license networks, which I am sure he will not, but if he wants to offer such an amendment I will support it. I do not think we would be doing the networks any harm by licensing them. The reason I have not offered an amendment going that far is because the Federal Communications Commission, following the introduction of my bill and the introduction of a bill by the gentleman from Arkansas [Mr. HARRIS], recommended this intermediate method which I think will do all that is necessary to be done. I say again I will stand by the recommendation of the Legislative Oversight Committee. I hope the gentleman from Illinois [Mr. MACK], the rank-

ing majority member of that committee, will also stand by those recommendations because it was a unanimous recommendation of that committee after 3½ years of study.

Mr. MACK. I think it was my suggestion that we license the networks originally and the gentleman, in my opinion, is not carrying out the intent of the unanimous recommendation of the Legislative Oversight Committee by offering this type of amendment which does not license the networks.

I appeal to the gentleman to join with me in handling this matter in separate legislation.

Mr. BENNETT of Michigan. If the gentleman will offer the amendment I will support it, but I do not think the gentleman will offer such an amendment, and he may offer any excuse he wants to offer. The plain fact is he is not for this amendment, and neither is he for any amendment that will license the networks. I challenge the gentleman to dispute that statement.

Mr. Chairman, this amendment is in the nature of an intermediate method of control. It brings the networks under regulation in the public interest without requiring them to be licensed as individual stations. This is the very least, the very minimum, in my judgment, that we should go in extending the authority of the FCC to regulate these large chains.

Let me call your attention again to the fact that this bill deals primarily with putting further primitive restrictions upon individual station licensees, both radio and television. It fails completely to place any regulatory requirements on networks.

Let me give you a specific example. There is a provision in this bill which provides for forfeiture.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent (at the request of Mr. BENNETT of Michigan) he was allowed to proceed for an additional 5 minutes.)

Mr. BENNETT of Michigan. Mr. Chairman, the individual station owner is responsible for what goes out over his station, but in some instances he is 1,200 miles, 2,000 miles, it could be 3,000 miles if between the coasts, from the place where his station is located and the place where the program originates. Is he in a position as a station licensee to determine whether the program being carried over his facilities coming from that long distance is free from fraud or deception or is not in accordance with the regulations of the Federal Communications Act? Certainly not. But he is responsible nonetheless for everything broadcast by his station.

We had testimony during our payola hearings in the Dick Clark matter that ABC, the network carrying that show, had a royalty, a financial interest, in what is known as the Dick Clark record case. That record case was shown on most of Dick Clark's programs. The American public did not know that the American Broadcasting Co. got a large royalty out of every one of those cases that was sold. Is the public entitled to know if a station or network has a financial interest in the product that is being sold over their facility?

A person looking at a television program, seeing something that is advertised, should he not have a right to be apprised whether the person broadcasting it is financially interested and might make $10 or $10,000 as the result of sales of that product? Of course he has. There is nothing in the present law that requires this disclosure and nothing in this bill that requires it. Actually this is the worst kind of payola. Moreover, there is nothing in this bill that does anything with respect to network responsibility for decent, clean-type programing. Networks are not required under present law to take a look at the packaged program which comes to them from the producer or advertiser. They accept these packages at face value. There is no responsibility on the part of the network to go behind the scenes and check the producer or check the advertiser to see whether there is anything false or misleading or deceptive in what is being presented to the public; not a single thing. All my amendment would do is to give the Commission the right to say to the networks: You be a little bit more careful about the kind of deception, misrepresentation, and fraud that goes on behind the scenes in the programs you present to your affiliates.

Mr. QUIGLEY. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Pennsylvania.

Mr. QUIGLEY. Assuming your amendment were to be adopted and assuming that the practices you have just outlined were found by the Commission to exist, and assuming the Commission told a given network to cease and desist and the network declined to, what enforcement provision would you provide, since you do not provide for licensing the network?

Mr. BENNETT of Michigan. The forfeiture provision in this bill would be applicable to the network. Furthermore, if that section is not applicable it could easily be made so.

Mr. QUIGLEY. Might I ask the gentleman, what would be the networks' forfeiture, if you say the forfeiture provisions applied?

Mr. BENNETT of Michigan. Up to $1,000 a day.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. QUIGLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. BENNETT] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Chairman, if the gentleman will yield further, as I read the forfeiture provisions on page 24, the present language would have it apply only to licensees and you made it crystal clear that you did not intend to license the networks; therefore they would not be licensed. I think I am in general sympathy with the gentleman's views, but I have some serious doubts as to how his proposed amendments are going to accomplish the purpose desired.

Mr. BENNETT of Michigan. I can assure the gentleman that if my amendment is adopted, the provisions of section 6 would apply to the networks. If not, a simple amendment would take care of it. Moreover, the provisions relating to cease and desist orders would also be applicable. The provision of section 401 under existing law would be applicable. This section gives the Commission the right to go into court to have their cease and desist orders enforced.

Mr. QUIGLEY. I am in agreement with the gentleman on his purpose, but I am not clear as to what the Commission would be empowered to do in the event the network failed to furnish the information or if, after having furnished the information, it failed to cooperate.

Mr. BENNETT of Michigan. I suggest the gentleman read sections 401, 501, and 502 of the Communications Act in relation to the provisions of this bill, and he will find there is ample authority here to enforce what the Commission needs to enforce.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Chairman, no one can question the sincerity of the gentleman from Michigan [Mr. BENNETT] in proposing this amendment. The gentleman has been interested in this kind of a program for some time. The gentleman has contributed immensely to the work of our committee both in the investigation and study of this field by the special subcommittee and in dealing with these matters by the full Committee on Interstate and Foreign Commerce. I compliment him on his work and on his interest and sincerity in this field. However, I cannot support the amendment. I do not think this is the proper time or the proper place. The debate that took place during the gentleman's time was the best reason that I know of for disapproving this amendment. The gentleman from Pennsylvania raised a very important question and the sponsor of the amendment, the gentleman from Michigan, simply was not able to give an emphatic and categorical answer.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. BENNETT of Michigan. Will my distinguished Chairman answer the question? He says I did not answer the question satisfactorily; will he answer the gentleman's question? He heard it.

Mr. HARRIS. No; I do not think I can answer it satisfactorily.

Mr. BENNETT of Michigan. There is no answer.

Mr. HARRIS. No; I think the gentleman's amendment is ill considered at this point.

Mr. BENNETT of Michigan. Is the Chairman contending that if my amendment were adopted, sections 401, 501, and 502 would not apply?

Mr. HARRIS. I did not say that at all. The gentleman asked the gentleman from Michigan how you could regulate a network if it was not licensed and the gentleman from Michigan replied, "Apply the forfeiture section." But the forfeiture section we propose here does not apply to anyone except a person who has a license.

Mr. BENNETT of Michigan. I can answer that very easily. If the gentleman will offer his bill which does license them, I will be tickled to death to support it.

Mr. HARRIS. The gentleman has on several occasions suggested that if someone else will offer something that is acceptable he will support it. That is another illustration why in my humble judgment the gentleman's amendment has not been satisfactorily worked out. We have proposed several bills as a result of our committee report.

One of them is the bill which we have here before us. Another bill, H.R. 11340, I believe, has to do with the subject the gentleman discussed, transfers, and the licensing of networks. In addition to that, we have other bills pending before the committee as the result of this work.

The committee held extensive hearings on H.R. 11341, which is the bill we have here before us today, notwithstanding the fact that we had extensive hearings by the Special Legislative Oversight Subcommittee. We introduced a bill to carry out the recommendations of the Oversight Subcommittee and the legislative committee held extensive hearings on the proposed bill and completely rewrote the bill. During the course of the hearings of the legislative committee people who were affected by this bill had an opportunity to come in and testify, and as a result gave the committee the benefit of a lot of information that was helpful in formulating the bill. We conferred also with all groups interested in this bill in an effort to get the kind of legislation we should have. The legislative committee has not held hearings yet on the bill that was proposed to regulate networks and to deal with the problem of transfers. I am sure that when the committee goes ahead on this very important subject hearings will disclose, perhaps, that there are needed changes that will have to be made if and when the committee reports those provisions.

The same is true with the other bills pending before the committee, the so-called ethics or ex parte bill. The legislative committee held hearing after hearing following our report and we have rewritten that bill at least a half a dozen times in order to make sure that we do what should be done and to have the kind of language that would meet the problem.

One of the things that I have heard from the broadcasting industry, here in the Congress, and everywhere else is that we should not give to the Government the authority to regulate programing. That has been my position too. That is the thing that is most feared by everybody, the power of the Government to regulate what shall or shall not go out over these broadcasting facilities. The networks provide programing. I do not know at this time in my own mind whether licensing the networks would be the same thing as the Government's controlling all programs. I do not know in my own mind what the gentleman from Michigan means by networks. What networks are you going to control? The three major networks, ABC, NBC, and CBS? Is that it? You have innumerable regional and occasional networks all over this country. Nearly every university in the United States has a network for the broadcasting of its football games, its educational courses, and so forth. Are you going to bring those networks under regulation of the Federal Communications Commission? I do not think you are going back down there and say to the University of West Virginia that "We are going to let the Federal Trade Commission regulate the broadcasting of your football games." No, I do not think you are going to do that.

And there are innumerable regional networks. This amendment has not been as carefully worked out as the bill dealing with those other subjects. I think we had better be careful. Here today we have a committee that in my humble judgment will stand by its recommendations.

We also have a committee that will say to this House that we have got to be sure what we do. Consequently, when we can get to it and hold hearings, and those who are most directly involved are given an opportunity to be heard, to come down and testify and help the committee work out the programs, as well as those who regulate, such as the Federal Communications Commission, and others that have to do with this important problem, then we can go ahead. I say this is a dangerous way to legislate on such an important subject. I think we had better be a little more careful and come back and hold some hearings before the legislative committee.

One of the biggest points that my esteemed friend has raised as a reason for authorizing regulation of the networks is that these networks——

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

(By unanimous consent, Mr. HARRIS was granted 3 additional minutes.)

Mr. HARRIS. I want to make this point because it is important.

The gentleman contends the networks ought to be regulated because they produce and send out programs, 70 percent of it, in the prime hours of the day. Of course we have to maintain the responsibility with the licensee. That is the basis of the Federal Communications Act. If something comes in on the facilities at the station and the person sitting there knows it is something that should not go out, he should detect it immediately and turn the knob, stop it right there. But my friend from Michigan claims the network, 1,500 miles away, should be regulated because they are responsible for the program. Well, the producer is responsible for the program. Are we going to regulate the producer? We should, if this is going to be the criteria. What about the advertisers? They go out and work up a contract for programs. Are we going to regulate the advertisers? I do not think the gentleman dares suggest that today. What about the sponsors? Some of them were so deeply involved in the problems that we developed. There is just as much reason for regulating the sponsors, the advertisers, and the producers under this procedure as it is to include the networks. For that reason I think that at this time, until the committee has an opportunity to hold hearings, take the course in the regular legislative way, we had better be careful of such action as this.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from West Virginia.

Mr. BAILEY. I heard the distinguished gentleman from Arkansas earlier today say that some kind of a compromise or some amendment removing the sting from the bill with reference to suspensions and licenses for 10 days; am I to understand the gentleman from Georgia or the gentleman from Kansas will offer these amendments?

Mr. HARRIS. The gentleman from Georgia [Mr. FLYNT], intends to offer an amendment in one section and the gentleman from Kansas [Mr. AVERY] will offer an amendment in another section, but that is not involved here.

Mr. BAILEY. Do I understand the committee will look with favor on those amendments?

Mr. HARRIS. I personally will, and I think most Members will.

I urge that this amendment be defeated.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. DEROUNIAN. Mr. Chairman, I rise in favor of the amendment.

I regret, Mr. Chairman, that I must disagree with my distinguished chairman, but I do. I will support the amendment offered by the gentleman from Michigan [Mr. BENNETT]. I think this amendment is long overdue. I do not believe in the policy of waiting and waiting and waiting where we have had ample sworn testimony for the need, for some degree of responsibility to be placed not on the little fellow with the station up in the woods somewhere, but on the giant who controls, most of the time, what is fed to those little stations. For example, just to show you what degree of care these networks use, I quote from page 1043 of the hearings, Legislative Oversight, from the statement of Dr. Stanton:

> I want to say here and now that I was completely unaware until August 8, 1958, of any irregularity in the quiz shows on our network. When gossip about quiz shows in general came to my attention, I was as-

sured by our television network people that these shows were completely above criticism of this kind.

With benefit of hindsight, it is now clear that I should have gone further.

Here is a network president telling you in effect that the charges are true, that these quiz shows were fraudulent. He asked if someone in one of his departments whether or not the quiz show was fraudulent; he was told "no"; and that was the end of it.

Dr. Stanton further testified—page 1045:

We accept that responsibility, and the quiz show scandal has led us to reexamine the whole area of our responsibility.

This may seem to you, as it does to us in hindsight, a belated recognition of the scope of our obligations. It is possible that we have had all along more elbow room for exercising authority than we believed.

Again an admission of omission of duty.

A statement by Dr. Stanton on page 1067:

Certainly, in the face of what we know now, the answer has to be we did not exercise due diligence. I tried to say in my statement here, and I said it in New Orleans, that we should have gone further, and that hindsight is always 20–20.

What about Mr. Kintner of NBC? I refer you to page 914:

By hindsight, we recognized we should have dug deeper. But I cannot fault the judgment of the NBC people who had to act without the benefit of what is in the present hindsight.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. DEROUNIAN. I yield.

Mr. FLYNT. I agree with what the gentleman from New York is saying. I wish he could point out for our enlightenment where any language in the amendment offered by the gentleman from Michigan would correct the abuses the gentleman has so ably pointed out?

Mr. DEROUNIAN. Presently, without the amendment offered by the gentleman from Michigan, nothing is done to the networks to place upon them the degree of responsibility they should assume. The vendor should stand behind his product. The principal-agent relationship should apply.

Mr. FLYNT. If the gentleman will yield further, I would say that I agree with the gentleman, but where in the amendment offered by the gentleman from Michigan is any authority given to the Federal Communications Commission to do that which the gentleman from New York says needs to be done?

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield that I may answer?

Mr. DEROUNIAN. I yield.

Mr. BENNETT of Michigan. Of course, the authority to require the network to operate in the public interest is all the authority the Commission needs to prevent the abuse the gentleman is talking about.

Let me tell my friend from Georgia, these quiz programs that were discovered were fraudulent were sent over every television station practically in the United States. The individual station licensee, the television station in the gentleman's congressional district which sent out that program is responsible under the law for the kind of program they put out, whether it is false, misleading, or deceptive. But under present law and under this bill the network has no responsibility whatsoever.

Mr. FLYNT. If the gentleman will yield further, there is no responsibility placed on the network by the language of the amendment offered by the gentleman from Michigan. Everything in existing law and, as near as I can tell, everything in the committee substitute, S. 1898, emphasizes revocation, suspension, supervision, forfeiture, which applies in the case of negligence of the licensee, but there is nothing in the gentleman's amendment that would correct the abuse which the gentleman from New York points out.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. DEROUNIAN was allowed to proceed for 5 additional minutes.)

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DEROUNIAN. I yield.

Mr. BENNETT of Michigan. I want to get the record straight. My distinguished chairman has got it confused by his statement. I want to read into the RECORD subsection (b) of section 401, "Procedural and Administrative Provisions under the Communications Act of 1934." This is what it says:

(b) If any person fails or neglects to obey any order of the Commission other than for the payment of money, while the same is in effect, the Commission or any party injured thereby, or the United States, by its Attorney General, may apply to the appropriate district court of the United States for the enforcement of such order. If, after hearing, that court determines that the order was regularly made and duly served, and that the person is in disobedience of the same, the court shall enforce obedience to such order by a writ of injunction or other proper process, mandatory or otherwise, to restrain such person.

If this amendment that I have offered is adopted, and the Commission issues regulations and the networks defy or violate them, the Commission can issue an order of cease and desist and if the network does not obey that order the Commission, under the provisions of section 401 of the present law that I just read, could petition the court for an injunction or other type of relief to enforce their order.

Mr. DEROUNIAN. I thank the gentleman.

Mr. BENNETT of Michigan. May I say one more thing. My distinguished chairman talked about football games over the networks and putting the program out over a university station. That is simply a smokescreen. My amendment would not do anything further than the present law does in respect to individual stations carrying football games. I do not think it is fair to put that kind of an interpretation on this amendment and I am sure the chairman knows that nothing in this amendment would give the Commission any more authority to regulate the transmission of a football game over a network than it does over an individual station regardless of where it is.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DEROUNIAN. I yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, the gentleman from Michigan offered an amendment, which was considered as read. I would like to read the definitions which the gentleman has placed in his own amendment:

"Network" means a person or organization which as a part of its regular business by contract or agreement, express or implied, with two or more affiliated broadcast stations offers or supplies program service to such stations under prescribed conditions for the purpose of effecting coordinated broadcast of identical programs by such stations.

If that does not include a station which is under contract with someone who produces the program, I would be glad to have the gentleman explain it.

Mr. BENNETT of Michigan. The present law gives the Commission jurisdiction over the licensees.

Mr. HARRIS. We are talking about networks, now. We are not talking about licensees.

Mr. BENNETT of Michigan. It does not give the Commission any greater authority in respect to control or regulating a football game than they presently have over the station.

Mr. DEROUNIAN. If the college networks are deceiving the people they should be brought in too. Throughout the hearings almost every member of the committee including the gentleman from Illinois [Mr. MACK], the gentleman from Texas [Mr. ROGERS], the gentleman from Georgia [Mr. FLYNT], the chairman of the committee [Mr. HARRIS], pursued the questioning of these network presidents and all of the questioners agreed the networks needed some kind of correction. In fact, the gentleman from Illinois [Mr. MACK] related about going into one of the TV stations in his district and asking the manager whether or not he was concerned about deception on these quiz programs, and the man said: "I do not know. We take what CBS or NBC gives us."

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. DEROUNIAN. I yield to the gentleman from Illinois.

Mr. MACK. I was not testifying before the committee.

Mr. DEROUNIAN. This was in reply to questions the gentleman was asking.

Mr. MACK. I was asking the question, and CBS replied to the question.

Mr. DEROUNIAN. That is right.

I hope the amendment will be approved and responsibility thus placed on the networks, where such responsibility belongs.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think one of the things that has been lost sight of is

what the Committee has been trying to do as the result of 78 days of investigation last year and this year. There are essentially three things the Committee has been trying to do.

First, we have been trying to come up with this bill today, which commonly has been known as the payola bill. That is one part of what the Committee has been trying to do. Second, we have had under consideration the matter of what ought to be done, if anything, with reference to networks. And, the third thing has been ex parte hearings. All of this is covered under three bills now under consideration by the Committee of which the principal one seems to be H.R. 4800, on which we have held weeks and weeks of hearings plus executive committee meetings.

Today we are talking about just the payola bill. If anything is going to be done with networks, it seems to me that ought to come up under a separate matter; it ought to be considered separately; it ought to be gone into separately, just as we have gone into the question of payola and just as we are now going into the question of what ought to be done about ex parte contact hearings. So, we ought not to get sidetracked from the principal thing we are trying to undertake here today, and that is to dispose of the one thing that we have under consideration, and that is payola.

If anything is going to be done constructively as the result of these extended hearings, which I repeatedly mentioned on the floor, we will have to do it in some kind of orderly fashion. In my opinion, this whole question of networks and what ought to be done about them ought to be taken up separately and considered separately, and we ought to hold hearings on them separately.

I know how deeply the ranking minority Member has felt about this problem, and I certainly respect him for it, but if we are going to take these matters up and accomplish anything we will have to consider each matter on its own merits and concentrate on each issue in some orderly way.

I would like to read how the gentleman from Michigan has defined "network" in his amendment, and I quote:

" 'Network' means a person or organization which, as a part of its regular business, by contract or agreement, express or implied, with two or more affiliated broadcast stations, offers or supplies program service to such stations under prescribed conditions for the purpose of effecting a coordinated broadcast of identical programs by such stations."

Now, as you turn to section 343, of the gentleman's amendment, titled "Authority To Regulate Networks," I quote as follows:

The Commission shall, from time to time, as in its judgment, the public interest, convenience, or necessity may require, (1) classify television and radio networks, and (2) issue such rules and regulations with respect to each such class of networks, as the Commission may determine to be necessary or appropriate to assure that the policies, practices, and activities of such networks shall not adversely affect the ability of broadcast licensees to operate their stations in the public interest.

From this I assume that the gentleman intends to have classes of networks, all of which will be regulated by the Commission. In my opinion, this part of the amendment is so complicated that I do not know how it will work. And certainly it is not definite enough for me to get an understanding from this quick reading as to what the effect of the gentleman's amendment would be upon an affiliate of two or more stations.

This brings me back to my original point, that in a matter so involved as what should be done about networks, we ought to have hearings on this in detail. Nothing could be more disastrous to America than to have the networks become involved in regulations which would not be definitely in the public interest. I certainly will do my part insofar as any regulation is necessary, but it does appear to me that there ought to be further hearings, in order that we may be certain that what we are doing is in the public interest. Today, on the spur of the moment is not the time to undertake all of the involvement set out in the amendment from the gentleman from Michigan.

Mr. AVERY. Mr. Chairman, I rise in opposition to the amendment.

Mr. HARRIS. Mr. Chairman, will the gentleman yield to me?

Mr. AVERY. I yield to the chairman of the committee.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. AVERY. Mr. Chairman, I do not think I will use the 5 minutes. I think the most persuasive attack I could make on this amendment is to yield back part of my time.

I think we should look at what we seek to accomplish. If you are merely seeking to effect more regulation, vote for the amendment. If you are trying to protect a natural resource that belongs to the people and to provide for moderate and essential control of broadcasting, you should vote it down because, as the sponsor of the amendment pointed out himself, it does not provide any further regulation of broadcasting other than the provisions that are already in the bill or in the present act. So it will accomplish nothing.

I do not think it has been mentioned that the networks own four or five stations, and they are among the most valuable licenses. Do you think for 1 minute that a network is going to be stupid enough to broadcast material that is in violation of any act or regulation and thereby jeopardize its own license? Why, of course, not. They possibly needed some guidance on the direction of their programing. I think the bill before the committee points up to them the areas in which they have possibly been derelict, and they now, I am sure, will assume their full responsibility. But as far as furthering anything in the public interest is concerned, the amendment of the gentleman from Michigan will accomplish nothing.

Some mention has been made about the little station off in the woods—how can he protect himself? Let me remind the committee that "the poor little station off in the woods" is not affiliated with a network anyhow, so this amendment does not touch him. We are talking primarily about those licensees in the metropolitan areas. Those are the stations that are primarily affiliated with the networks. Some of them are owned by the networks. They are already subject to regulation.

If you think a part of this bill is good, you should reject the amendment of the gentleman from Michigan, because if adopted it could result in the defeat of the bill when it gets to the other body. We have approximately a week left in this session. How can you reconcile a completely new provision such as this with necessary action in the other body.

I urge the committee to vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. WOLF].

Mr. WOLF. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Illinois [Mr. MACK].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. MACK].

Mr. MACK. Mr. Chairman, I think that the gentleman from Michigan and I are very much in agreement. I think we want to accomplish the same thing. But we are very much in disagreement on how it should be accomplished. I have always favored licensing of networks. I think that the Federal Communications Commission should exert the same authority over the networks that it exerts over the individual station.

I was glad to hear many Members refer to them as small stations. Many of the hundreds that have complained to me about this legislation are a long ways from small, but I think we ought to regulate the entire industry; I think we should regulate the networks as well as the individual stations.

The gentleman from Michigan has made quite an issue today about the quiz programs. I maintain that his amendment would have no effect on quiz programs but that the bill before us would correct this problem. I think it is very highly commendable that this provision, section 8, has been included in the bill.

Mr. Chairman, it is my understanding that section 8 concerning deceptive contests would apply to employees of the network if they participated in the deception which appeared over their network.

Mr. HARRIS. The gentleman is correct.

Mr. MACK. I am very happy to make that point because this bill does exactly

what the gentleman from Michigan has been maintaining he wants to do by his amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I rise to oppose the amendment. We had no consideration at all of this in the legislative committee. Not being a member of the Oversight Committee I did not have the advantage of what they found out or the investigations they conducted in regard to the networks. I do hope, however, that the chairman of our committee will schedule early hearings before our committee on the question of how best to control or supervise the networks.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I asked for this time simply to correct any misunderstandings with regard to enforcement against the networks.

I have looked at the amendment offered by the gentleman from Michigan [Mr. BENNETT]. Under the section "Enforcement," provision is made for the Federal Communications Commission to proceed against the networks by a cease and desist order. That would be a means of enforcement.

With reference to the forfeiture provision, if this amendment is adopted, the gentleman from Michigan, or other Members, can offer amendments later on to bring the networks within section 6, covering enforcement of the law and orders of the Commission by means of a forfeiture up to $1,000 a day. So I believe that the amendment offered by the gentleman from Michigan is clearly enforcible.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. BENNETT].

The question was taken; and on a division (demanded by Mr. BENNETT of Michigan) there were—ayes 16, noes 101.

So the amendment was rejected.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

(The remainder of the bill reads as follows:)

SHORT-TERM GRANTS

SEC. 2. Subsection (d) of section 307 of the Communications Act of 1934 (47 U.S.C. 307) is amended by adding at the end thereof a new sentence as follows: "Consistently with the foregoing provisions of this subsection, the Commission may by rule prescribe the period or periods for which licenses shall be granted and renewed for particular classes of stations, but the Commission may not adopt or follow any rule which would preclude it, in any case involving a station of a particular class, from granting or renewing a license for a shorter period than that prescribed for stations of such class if, in its judgment, public interest, convenience, or necessity would be served by such action."

PRE-GRANT PROCEDURE

SEC. 3. (a) Section 309 of the Communications Act of 1934 (47 U.S.C. 309) is amended to read as follows:

"ACTION UPON APPLICATIONS; FORM OF AND CONDITIONS ATTACHED TO LICENSES

"SEC. 309. (a) Subject to the provisions of this section, the Commission shall determine, in the case of each application filed with it to which section 308 applies, whether the public interest, convenience, and necessity will be served by the granting of such application, and, if the Commission, upon examination of such application and upon consideration of such other matters as the Commission may officially notice, shall find that public interest, convenience, and necessity would be served by the granting thereof, it shall grant such application.

"(b) Except as provided in subsection (c) of this section, no such application—

"(1) for an instrument of authorization in the case of a station in the broadcasting or common carrier services, or

"(2) for an instrument of authorization in the case of a station in any of the following categories:

"(A) fixed point-to-point microwave stations (exclusive of control and relay stations used as integral parts of mobile radio systems),

"(B) industrial radio positioning stations for which frequencies are assigned on an exclusive basis,

"(C) aeronautical en route stations,

"(D) aeronautical advisory stations,

"(E) airdrome control stations,

"(F) aeronautical fixed stations, and

"(G) such other stations or classes of stations, not in the broadcasting or common carrier services, as the Commission shall by rule prescribe,

shall be granted by the Commission earlier than thirty days following issuance of public notice by the Commission of the acceptance for filing of such application or of any substantial amendment thereof.

"(c) Subsection (b) of this section shall not apply—

"(1) to any minor amendment of an application to which such subsection is applicable, or

"(2) to any application for—

"(A) a minor change in the facilities of an authorized station,

"(B) consent to an involuntary assignment or transfer under section 310(b) or to an assignment or transfer thereunder which does not involve a substantial change in ownership or control.

"(C) a license under section 319(c) or, pending application for or grant of such license, any special or temporary authorization to permit interim operation to facilitate completion of authorized construction or to provide substantially the same service as would be authorized by such license,

"(D) extension of time to complete construction of authorized facilities,

"(E) an authorization of facilities for remote pickups, studio links and similar facilities for use in the operation of a broadcast station,

"(F) authorizations pursuant to section 325(b) where the programs to be transmitted are special events not of a continuing nature,

"(G) a special temporary authorization for nonbroadcast operation not to exceed thirty days where no application for regular operation is contemplated to be filed or pending the filing of an application for such regular operation, or

"(H) an authorization under any of the proviso clauses of section 308(a).

"(d)(1) Any party in interest may file with the Commission a petition to deny any application (whether as originally filed or as amended) to which subsection (b) of this section applies at any time prior to the day of Commision grant thereof without hearing or the day of formal designation thereof for hearing; except that with respect to any classification of applications, the Commission from time to time by rule may specify a shorter period (no less than thirty days following the issuance of public notice by the Commission of the acceptance for filing of such application or of any substantial amendment thereof), which shorter period shall be reasonably related to the time when the applications would normally be reached for processing. The petitioner shall serve a copy of such petition on the applicant. The petition shall contain specific allegations of fact sufficient to show that the petitioner is a party in interest and that a grant of the application would be prima facie inconsistent with subsection (a). Such allegations of fact shall, except for those of which official notice may be taken, be supported by affidavit of a person or persons with personal knowledge thereof. The applicant shall be given the opportunity to file a reply in which allegations of fact or denials thereof shall similarly be supported by affidavit.

"(2) If the Commission finds on the basis of the application, the pleadings filed, or other matters which it may officially notice that there are no substantial and material questions of fact and that a grant of the application would be consistent with subsection (a), it shall make the grant, deny the petition, and issue a concise statement of the reasons for denying the petition, which statement shall dispose of all substantial issues raised by the petition. If a substantial and material question of fact is presented or if the Commission for any reason is unable to find that grant of the application would be consistent with subsection (a), it shall proceed as provided in subsection (e).

"(e) If, in the case of any application to which subsection (a) of this section applies, a substantial and material question of fact is presented or the Commission for any reason is unable to make the finding specified in such subsection, it shall formally designate the application for hearing on the ground or reasons then obtaining and shall forthwith notify the applicant and all other known parties in interest of such action and the grounds and reasons therefor, specifying with particularity the matters and things in issue but not including issues or requirements phrased generally. When the Commission has so designated an application for hearing the parties in interest, if any, who are not notified by the Commission of such action may acquire the status of a party to the proceeding thereon by filing a petition for intervention showing the basis for their interest at any time not less than 10 days prior to the date of hearing. Any hearing subsequently held upon such application shall be a full hearing in which the applicant and all other parties in interest shall be permitted to participate. The burden of proceeding with the introduction of evidence and the burden of proof shall be upon the applicant, except that with respect to any issue presented by a petition to deny or a petition to enlarge the issues, such burdens shall be as determined by the Commission.

"(f) When an application subject to subsection (b) has been filed, the Commission, notwithstanding the requirements of such subsection, may, if the grant of such application is otherwise authorized by law and if it finds that there are extraordinary circumstances requiring emergency operations in the public interest and that delay in the institution of such emergency operations would seriously prejudice the public interest, grant a temporary authorization, accompanied by a statement of its reasons therefor, to permit such emergency operations

for a period not exceeding ninety days, and upon making like findings may extend such temporary authorization for one additional period not to exceed ninety days. When any such grant of a temporary authorization is made, the Commission shall give expeditious treatment to any timely filed petition to deny such application and to any petition for rehearing of such grant filed under section 405.

"(g) The Commission is authorized to adopt reasonable classifications of applications and amendments in order to effectuate the purposes of this section.

"(h) Such station licenses as the Commission may grant shall be in such general form as it may prescribe, but each license shall contain, in addition to other provisions, a statement of the following conditions to which such license shall be subject: (1) The station license shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof nor in any other manner than authorized therein; (2) neither the license nor the right granted thereunder shall be assigned or otherwise transferred in violation of this Act; (3) every license issued under this Act shall be subject in terms to the right of use or control conferred by section 606 of this Act."

(b) Section 319(c) of the Communications Act of 1934 (47 U.S.C. 319(c)) is amended by striking out "and (c)" and inserting in lieu thereof "(c), (d), (e), (f), and (g)".

(c) Section 405 of the Communications Act of 1934 (47 U.S.C. 405) is amended—

(1) by striking out "and party" in the first sentence and inserting in lieu thereof "any party", and

(2) by inserting after the fourth sentence a new sentence as follows: "The Commission shall enter an order, with a concise statement of the reasons therefor, denying a petition for rehearing or granting such petition, in whole or in part, and ordering such further proceedings as may be appropriate: *Provided*, That in any case where such petition relates to an instrument of authorization granted without a hearing, the Commission shall take such action within ninety days of the filing of such petition."

(d)(1) Subsections (a) and (b) of this section shall take effect ninety days after the date of the enactment of this act.

(2) Section 309 of the Communications Act of 1934 (as amended by subsection (a) of this section) shall apply to any application to which section 308 of such Act applies (A) which is filed on or after the effective date of subsection (a) of this section, (B) which is filed before such effective date, but is substantially amended on or after such effective date, or (C) which is filed before such effective date and is not substantially amended on or after such effective date, but with respect to which the Commission by rule provides reasonable opportunity to file petitions to deny in accordance with section 309 of such Act (as amended by subsection (a) of this section).

(3) Section 309 of the Communications Act of 1934, as in effect immediately before the effective date of subsection (a) of this section, shall, on and after such effective date, apply only to applications to which section 308 of such Act apply which are filed before such effective date and not substantially amended on or after such effective date and with respect to which the Commission does not permit petitions to deny to be filed as provided in clause (C) of paragraph (2) of this subsection.

(4) The amendment made by pargraph (2) of subsection (c) of this section shall only apply to petitions for rehearing filed on or after the date of the enactment of this Act.

LOCAL NOTICE AND LOCAL HEARINGS; PAY-OFFS

SEC. 4. (a) Section 311 of the Communications Act of 1934 (47 U.S.C. 311) is amended to read as follows:

"SPECIAL REQUIREMENTS WITH RESPECT TO CERTAIN APPLICATIONS IN THE BROADCASTING SERVICE

"SEC. 311. (a) When there is filed with the Commission any application to which section 309(b)(1) applies, for an instrument of authorization for a station in the broadcasting service, the applicant—

"(1) shall give notice of such filing in the principal area which is served or is to be served by the station; and

"(2) if the application is formally designated for hearing in accordance with section 309, shall give notice of such hearing in such area at least ten days before commencement of such hearings.

The Commission shall by rule prescribe the form and content of the notices to be given in compliance with this subsection, and the manner and frequency with which such notices shall be given.

"(b) Hearings referred to in subsection (a) may be held at such places as the Commission shall determine to be appropriate, and in making such determination in any case the Commission shall consider whether the public interest, convenience, or necessity will be served by conducting the hearing at a place in, or in the vicinity of, the principal area to be served by the station involved.

"(c)(1) If there are pending before the Commission two or more applications for a permit for construction of a broadcasting station, only one of which can be granted, it shall be unlawful, without approval of the Commission, for the applicants or any of them to effectuate an agreement whereby one or more of such applicants withdraws his or their application or applications.

"(2) The request for Commission approval in any such case shall be made in writing jointly by all the parties to the agreement. Such request shall contain or be accompanied by full information with respect to the agreement, set forth in such detail, form, and manner as the Commission shall by rule require.

"(3) The Commission shall approve the agreement only if it determines that the agreement is consistent with the public interest, convenience, or necessity. If the agreement does not contemplate a merger, but contemplates the making of any direct or indirect payment to any party thereto in consideration of his withdrawal of his application, the Commission may determine the agreement to be consistent with the public interest, convenience, or necessity only if the amount or value of such payment, as determined by the Commission, is not in excess of the aggregate amount determined by the Commission to have been legitimately and prudently expended and to be expended by such applicant in connection with preparing, filing, and advocating the granting of his application.

"(4) For the purposes of this subsection an application shall be deemed to be 'pending' before the Commission from the time such application is filed with the Commission until an order of the Commission granting or denying it is no longer subject to rehearing by the Commission or to review by any court."

(b) Section 313 of such Act (47 U.S.C. 313) is amended—

(1) by inserting after the word "LAWS" in the heading of such section the following: "; REFUSAL OF LICENSES AND PERMITS IN CERTAIN CASES"; and

(2) by inserting "(a)" after "SEC. 313." and adding at the end of such section the following subsection:

"(b) The Commission is hereby directed to refuse a station license and/or the permit hereinafter required for the construction of a station to any person (or to any person directly or indirectly controlled by such person) whose license has been revoked by a court under this section."

SUSPENSION, REVOCATION, AND CEASE AND DESIST ORDERS

SEC. 5. (a) Section 312 of the Communications Act of 1934 (47 U.S.C. 312) is amended to read as follows:

"ADMINISTRATIVE SANCTIONS

"SEC. 312. (a) The Commission may revoke any station license or construction permit—

"(1) for false statements knowingly made either in the application or in any statement of fact which may be required pursuant to section 308;

"(2) because of conditions coming to the attention of the Commission which would warrant it in refusing to grant a license or permit on an original application;

"(3) for willful or repeated failure to operate substantially as set forth in the license;

"(4) for willful or repeated violation of, or willful or repeated failure to observe any provision of this Act or any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States;

"(5) for violation of or failure to observe any cease and desist order issued by the Commission under this section; or

"(6) for violation of section 1304, 1343, or 1464 of title 18 of the United States Code.

"(b) Where any person (1) has failed to operate substantially as set forth in a license, (2) has violated or failed to observe any of the provisions of this Act, or section 1304, 1343, or 1464 of title 18 of the United States Code, or (3) has violated or failed to observe any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States, the Commission may order such person to cease and desist from such action.

"(c) The Commission may suspend any station license for a period of not more than ten consecutive days—

"(1) for false statements made either in the application or in any statement of fact which may be required pursuant to section 308;

"(2) because of conditions coming to the attention of the Commission which would warrant it in refusing to grant a license on an original application;

"(3) for failure to operate substantially as set forth in the license;

"(4) for violation of or failure to observe any provision of this Act or any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States;

"(5) for violation of or failure to observe any cease and desist order issued by the Commission under this section; or

"(6) for violation of section 1304, 1343, or 1464 of title 18 of the United States Code.

"(d) Before revoking a license or permit pursuant to subsection (a), issuing a cease and desist order pursuant to subsection (b), or suspending a license pursuant to subsection (c), the Commission shall serve upon the licensee, permittee, or person involved an order to show cause why an order of revocation or suspension or a cease and desist order should not be issued. Any such order to show cause shall contain a statement of the matters with respect to which the Commission is inquiring and shall call upon the licensee, permittee, or person to appear before the Commission at a time and place stated in the order, but in no event less than thirty days after the receipt of such order, and give evidence upon the matter specified therein; except that where safety of life or property is involved, the Commission may provide in the order for a shorter period. If after hearing, or a waiver thereof, the Com-

mission determines that an order of revocation or suspension or a cease and desist order should issue, it shall issue such order, which shall include a statement of the findings of the Commission and the grounds and reasons therefor and specify the effective date of the order, and shall cause the same to be served on said licensee, permittee, or person.

"(e) In any case where a hearing is conducted pursuant to the provisions of this section, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission.

"(f) The provisions of section 9(b) of the Administrative Procedure Act which apply with respect to the institution of any proceeding for the suspension or revocation of a license or permit shall apply also with respect to the institution, under this section, of any proceeding for the issuance of a cease and desist order."

(b) The first sentence of section 307(d) of the Communications Act of 1934 (47 U.S.C. 307(d)) is amended by inserting "suspended or" before "revoked".

(c) The second sentence of section 308(b) of such Act (47 U.S.C. 308(b)) is amended by inserting "suspended or" before "revoked".

(d) Section 402(b)(5) of such Act (47 U.S.C. 402(b)(5)) is amended by inserting ", suspended," after "modified".

FORFEITURE PROVISIONS RELATING TO BROADCAST LICENSEES

SEC. 6. (a) Section 503 of the Communications Act of 1934 (47 U.S.C. 503) is amended (1) by striking out the center heading and inserting in lieu thereof "Forfeitures"; (2) by inserting "(a)" after "SEC. 503."; and (3) by adding at the end thereof the following subsection:

"(b) In any case where the licensee or permittee of a broadcast station has failed to operate his station substantially as set forth in his license, or has violated or failed to observe any of the provisions of this Act or any rule or regulation of the Commission authorized by this Act or by any treaty ratified by the United States, or has violated or failed to observe any cease and desist order issued by the Commission, the Commission may order such licensee or permittee to forfeit to the United States a sum not to exceed $1,000 for each day during which the Commission finds that such violation or failure has occurred. Such forfeiture shall be in addition to any other penalty provided by this Act."

(b) Section 504(b) of such Act is amended by striking out "section 507" and inserting in lieu thereof "sections 503(b) and 507".

PROVISIONS REQUIRING ANNOUNCEMENTS AND DISCLOSURE OF CERTAIN PAYMENTS WITH RESPECT TO MATTER BROADCAST

SEC. 7. (a) Section 317 of the Communications Act of 1934 (47 U.S.C. 317) is amended to read as follows:

"ANNOUNCEMENT WITH RESPECT TO CERTAIN MATTER BROADCAST

"SEC. 317. (a)(1) All matter broadcast by any radio station for which any money, service or other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person: *Provided*, That 'service or other valuable consideration' shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, a broadcast unless it is so furnished in consideration for an identification in a broadcast of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property on the broadcast.

"(2) Nothing in this section shall preclude the Commission from requiring that an appropriate announcement shall be made at the time of the broadcast in the case of any political program or any program involving the discussion of any controversial issue for which any films, records, transcriptions, talent, scripts, or other material or service of any kind have been furnished, without charge or at a nominal charge, directly or indirectly, as an inducement to the broadcast of such program.

"(b) In any case where a report has been made to a radio station, as required by section 508 of this Act, of circumstances which would have required an announcement under this section had the consideration been received by such radio station, an appropriate announcement shall be made by such radio station.

"(c) The licensee of each radio station shall exercise reasonable diligence to obtain from its employees, and from other persons with whom it deals directly in connection with any program or program matter for broadcast, information to enable such licensee to make the announcement required by this section.

"(d) The Commission may waive the requirement of an announcement as provided in this section in any case or class of cases with respect to which it determines that the public interest, convenience, or necessity does not require the broadcasting of such announcement.

"(e) The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section."

(b) Title V of the Communications Act of 1934 (47 U.S.C., subchapter V) is amended by adding at the end thereof the following section:

"DISCLOSURE OF CERTAIN PAYMENTS

"SEC. 508. (a) Subject to subsection (d), any employee of a radio station who accepts or agrees to accept from any person (other than such station), or any person (other than such station) who pays or agrees to pay such employee, any money, service or other valuable consideration for the broadcast of any matter over such station shall, in advance of such broadcast, disclose the fact of such acceptance or agreement to such station.

"(b) Subject to subsection (d), any person who, in connection with the production or preparation of any program or program matter which is intended for broadcasting over any radio station, accepts or agrees to accept, or pays or agrees to pay, any money, service or other valuable consideration for the inclusion of any matter as a part of such program or program matter, shall, in advance of such broadcast, disclose the fact of such acceptance or payment or agreement to the payee's employer, or to the person for whom such program or program matter is being produced, or to the licensee of such station over which such program is broadcast.

"(c) Subject to subsection (d), any person who supplies to any other person any program or program matter which is intended for broadcasting over any radio station shall, in advance of such broadcast, disclose to such other person any information of which he has knowledge, or which has been disclosed to him, as to any money, service or other valuable consideration which any person has paid or accepted, or has agreed to pay or accept, for the inclusion of any matter as a part of such program or program matter.

"(d) The provisions of this section requiring the disclosure of information shall not apply in any case where, because of a waiver made by the Commission under section 317(d), an announcement is not required to be made under section 317. The inclusion in the program of the announcement required by section 317 shall constitute the disclosure required by this section.

"(e) The term 'service or other valuable consideration' as used in this section shall not include any service or property, furnished without charge or at a nominal charge for use on, or in connection with, a broadcast, or for use on a program which is intended for broadcasting over any radio station, unless it is so furnished in consideration for an identification in such broadcast or in such program of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property in such broadcast or such program.

"(f) Any person who violates any provision of this section shall, for each such violation, be fined not more than $10,000 or imprisoned not more than one year, or both."

DECEPTIVE CONTESTS

SEC. 8. Title V of the Communications Act of 1934 (47 U.S.C., subchapter V), as amended by section 7(b) of this Act, is further amended by adding at the end thereof the following section:

"PROHIBITED PRACTICES IN CASE OF CONTESTS OF INTELLECTUAL KNOWLEDGE, INTELLECTUAL SKILL, OR CHANCE

"SEC. 509. (a) It shall be unlawful for any person, with intent to deceive the listening or viewing public—

"(1) To supply to any contestant in a purportedly bona fide contest of intellectual knowledge or intellectual skill any special and secret assistance whereby the outcome of such contest will be in whole or in part prearranged or predetermined.

"(2) By means of persuasion, bribery, intimidation, or otherwise, to induce or cause any contestant in a purportedly bona fide contest of intellectual knowledge or intellectual skill to refrain in any manner from using or displaying his knowledge or skill in such contest, whereby the outcome thereof will be in whole or in part prearranged or predetermined.

"(3) To engage in any artifice or scheme for the purpose of prearranging or predetermining in whole or in part the outcome of a purportedly bona fide contest of intellectual knowledge, intellectual skill, or chance.

"(4) To produce or participate in the production for broadcasting of, to broadcast or participate in the broadcasting of, to offer to a licensee for broadcasting, or to sponsor, any radio program, knowing or having reasonable ground for believing that, in connection with a purportedly bona fide contest of intellectual knowledge, intellectual skill, or chance constituting any part of such program, any person has done or is going to do any act or thing referred to in paragraph (1), (2), or (3) of this subsection.

"(5) To conspire with any other person or persons to do any act or thing prohibited by paragraph (1), (2), (3), or (4) of this subsection, if one or more of such persons do any act to effect the object of such conspiracy.

"(b) For the purposes of this section—

"(1) The term 'contest' means any contest broadcast by a radio station in connection with which any money or any other thing of value is offered as a prize or prizes to be paid or presented by the program sponsor or by any other person or persons, as announced in the course of the broadcast.

"(2) The term 'the listening or viewing public' means those members of the public who, with the aid of radio receiving sets, listen to or view programs broadcast by radio stations.

"(c) Whoever violates subsection (a) shall be fined not more than $10,000 or imprisoned not more than one year, or both."

Amend the title so as to read: "An Act to promote the public interest by amending the Communications Act of 1934, to provide a pre-grant procedure in case of certain applications; to impose limitations on payoffs between applicants; to grant authority to suspend station licenses; to require disclosure of payments made for the broadcasting of certain matter; to grant authority

to impose forfeitures in the broadcast service; and to prohibit deceptive practices in contests of intellectual knowledge, skill, or chance; and for other purposes."

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 15 minutes.

Mr. BAILEY. Mr. Chairman, reserving the right to object, for the purpose of asking a question, will this cut out the gentleman from Kansas [Mr. AVERY] or the gentleman from Georgia [Mr. FLYNT] from offering amendments?

Mr. HARRIS. No; we are not cutting them out.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent that all debate on the bill and all amendments thereto close in 15 minutes. Is there objection?

Mr. AVERY. Mr. Chairman, I object.

Mr. HARRIS. Mr. Chairman, I move that all debate on the bill and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mr. HARRIS. Mr. Chairman, I offer an amendment.

Mr. AVERY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. AVERY. How is the time to be divided? May I inquire how many amendments are pending at the desk?

The CHAIRMAN. Fourteen amendments have been sent to the desk.

The time will be divided equally between the Members the Chairman noted standing at the time debate was limited.

The gentleman from Arkansas offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: On page 8, between lines 15 and 16, insert the following:

"REPEAL OF PROVISION PERMITTING ACCEPTANCE OF HONORARIUMS

"SEC. 2. The third sentence of subsection (b) of section 4 of the Communications Act of 1934 (47 U.S.C. 154(b)) is amended by striking out the following: '; but this shall not apply to the presentation or delivery of publications or papers for which a reasonable honorarium or compensation may be accepted.'"

Redesignate the following sections accordingly.

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. HARRIS. Mr. Chairman, this amendment passed the Senate. It was recommended by the Federal Communications Commission and everybody involved. Feeling about it is unanimous. I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The amendment was agreed to.

The CHAIRMAN. The gentleman from Georgia [Mr. FLYNT] is recognized.

Mr. FLYNT. Mr. Chairman, I have three amendments at the Clerk's desk which I ask be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. FLYNT of Georgia: On page 21, line 16, after the word "statements" insert the word "knowingly."

Page 21, line 22, after the word "for" insert "negligent or intentional."

Page 21, line 24, after the word "for" strike out "violation of or" and insert "negligent or intentional violation of or negligent or intentional."

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Iowa.

Mr. WOLF. Mr. Chairman, I rise in support of the Flynt amendment.

Mr. Chairman, most of the radio stations in my district are small, individually owned and operated stations—not connected with the huge networks or chain stations—and they have no control on the subject matter of the programs fed to them over the major networks. The suspension of a license would mean the death knell for a small station and would penalize the public for the misdeeds of the station. If a station is not operating according to the rules, the Federal Communications Commission already has the power to revoke its license. To authorize suspension for a violation, made unknowingly, I feel is too harsh a penalty for the small station. The Flynt amendment would merely require that the violation be made knowingly, willfully, or repeatedly before suspension could be effected.

The Federal Communications Commission apparently felt that any violation should be committed knowingly, willfully, or repeatedly before a suspension might be made. Page 66 of the hearings before the House Interstate and Foreign Commerce Committee reads as follows:

We would accomplish this by modifying section 312 of the Communications Act to read as follows:

"SEC. 312. (a) Any station license or construction permit may be revoked or suspended for a period of not to exceed ninety days:

"(1) for false statements knowingly made either in the application or in any statement of fact which may be required pursuant to section 308;

"(2) because of conditions coming to the attention of the Commission which would warrant it in refusing to grant a license or permit on an original application;

"(3) for willful or repeated failure to operate substantially as set forth in the license;

"(4) for willful or repeated violation of, or willful or repeated failure to observe, any provisions of this Act or any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States;

"(5) for violation of or failure to observe any cease-and-desist order issued by the Commission under this section.

"(b) Where any person (1) has failed to operate substantially as set forth in a license, or (2) has violated or has failed to observe any of the provisions of this Act, or (3) has violated or failed to observe any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States, the Commission may order such person to cease and desist from such action."

To support my position on this and subsequent amendments, I offer the following communications from leaders in the broadcast industry from my district:

DUBUQUE, IOWA.

Congressman LEN WOLF,
House Office Building, Washington, D.C.:

Urgently request your careful thought to serious impact of provisions contained in recent amendment added to Senate-passed bill S. 1898 by House Committee on Interstate and Foreign Commerce.

This bill makes possible for FCC to fine $1,000 and suspend radio station operation for 10 days for failure to operate as set forth in license, or violation or failure to observe any provision of the Communications Act, or any rule or regulation of the Commission authorized by this act, or by a treaty ratified by the United States.

Firmly believe this provision applies whether the act has been willful and/or repeated, our license could be suspended when we had no intention of violation of rule or law and opens the door to day-by-day censorship and control.

TELEGRAPH-HERALD LICENSE
RADIO STATION KDTH,
K. S. GORDON,
General Manager.

RADIO STATION KOEL,
Oelwein, Iowa, June 17, 1960.

Congressman LEONARD G. WOLF,
Second Congressional District,
House of Representatives,
Washington, D.C.

DEAR SIR: The House Committee on Interstate and Foreign Commerce has tacked onto Senate-passed bill—S. 1898. Specifically, they include a proposal to allow the Commission to suspend a station license for 10 days, and for forfeitures of $1,000 per day for any violations.

This amendment which has been added does many ominous things. This provision applies whether the act has been willful and/or repeated. In other words, your license can be suspended when you have had no intention of violating any rule or law and it opens the door to an almost day-by-day censorship and control.

I respectfully submit, however, that the present authority of the Commission to revoke and to issue cease and desist orders is adequate authority in this area. Specifically, I am opposed to the concept of the suspension of a station license because this would be a deprivation to the public and, in effect, make the public pay for the broadcaster's misdeeds. I believe that revocation and cease and desist provide clear opportunities for determination of a given situation.

Suspension, however, represents a device to be used to effect compliance through a lesser remedy than revocation, but presents the potentiality and greater probability of Government moving more into the programing area as such.

In the broad public interest, I believe this concept should be opposed by you Congressmen.

I believe there would be less likelihood of a licensee, whose license has been suspended, appealing such a Commission order than in the case of revocation or a cease and desist order. Consequently, from the overall governmental, public, and industry standpoint, I believe that the legislative and administrative procedures for the regulation of this industry will be more clearly delineated, and the proper role of Government in the communications media will be better clarified by retaining the present remedies and not adding the new ones of suspension and for forfeitures of $1,000 per day for any violations. If a licensee has conducted himself in such a fashion as to warrant revocation, then the license should be revoked and there should be no in-between area for the lifted-eyebrow tech-

nique of governmental regulation and supervision.

Most sincerely yours.

W. J. TEICH,
General Manager.

BLACK HAWK BROADCASTING CO.,
Waterloo, Iowa, June 14, 1960.

The Honorable LEONARD WOLF,
U.S. House of Representatives,
Washington, D.C.

MY DEAR MR. WOLF: It has come to my attention that the House Committee on Interstate and Foreign Commerce has reported out its proposals for legislation covering payola, rigged quiz shows, and so forth, which it intends to add as an amendment to S. 1898 which has already passed the Senate.

I have, under oath, stated to the Commission that the personnel of the stations owned and operated by the Black Hawk Broadcasting Co. and the Minnesota-Iowa Television Co., have not engaged in any payola practices. I would not object, however, to legislation which would make payola, or the rigging of a quiz show a crime, or that would prohibit payoffs for the withdrawal of competing applicants for an amount above that which had been legitimately expended.

I do, however, object strenuously to the following proposed legislation:

1. Commission authority to suspend station licenses for 10 days.

2. The Commission's right to impose a forfeiture of $1,000 for each day's violation.

If a licensee is not operating in the public interest and is not conforming with the license requirements, the Commission already has the authority to revoke the station's license and to issue cease and desist orders. In my opinion, this is adequate authority in this area. I believe this authority provides a clear opportunity for determination of a black-and-white decision. If a licensee has conducted himself in such a manner as to warrant revocation, then the license should be revoked and there should be no in-between gray area for the lifted-eyebrow technique of regulation or supervision.

Sincerely,

RALPH J. MCELROY,
President.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Iowa.

Mr. JENSEN. Mr. Chairman, I rise in support of the amendments offered by the gentleman from Georgia [Mr. FLYNT].

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Chairman, I rise in support of the amendments offered by the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, these are the same amendments to which the gentleman from Georgia referred at the beginning of the reading of the bill under the 5-minute rule. It is our feeling, and I am certain I speak for the chairman of our committee, Mr. HARRIS of Arkansas, as far as these three amendments are concerned, they have, at least, the informal support of the members of the Committee on Interstate and Foreign Commerce.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Arkansas.

Mr. HARRIS. I would like to say that these amendments will take care of the problems that many Members have asked about. It will protect the licensees and will assure them that there can be no punitive action taken.

Mr. FLYNT. I thank the gentleman. I know of no opposition to the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Georgia [Mr. FLYNT].

The amendments were agreed to.

Mr. HECHLER. Mr. Chairman, I ask unanimous consent to extend my remarks as this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Chairman, I have listened to the debate on this bill with some interest because of my concern with the suspension provision of the bill as originally contained in the bill reported by the committee. The amendments of the gentleman from Georgia [Mr. FLYNT] and the gentleman from Kansas [Mr. AVERY] make sense to me because they make it clear that the potentially dangerous suspension procedure will not be used as a club to enter the field of programing. In this connection, the able vice president of the Cowles Broadcasting Co., Robert R. Tincher, of WHTN in Huntington writes me:

> Perhaps you have heard the story of the man who presented a program idea to the Government's "decider of what's in the public interest" official, and the story's synopsis went as follows:
>
> "A little girl was persuaded by a nasty, mean old woman to take poison, whereupon she dropped into a deep coma and was carried off by seven misshapen and malformed midgets, one of whom was an idiot."
>
> Naturally, the program decisionmaker turned such a horrible story down—

Mr. Tincher writes—

> Equally, of course, you will recognize that this story was the story of "Snow White and the Seven Dwarfs."

It would seem to me that the cease-and-desist order which the Federal Communications Commission can issue, as well as the Commission's present power to revoke a license, should be sufficient without automatic power of suspension and a fine which would be staggering for the smaller stations.

Mr. Chairman, I want to see these stations operate with the utmost freedom consistent with responsible standards. I have long felt that the emphasis placed in some programs on crime, violence, and the degradation of moral standards is to be abhorred. We must raise the moral standards of our society, but I do not feel that it is possible—in fact, I believe it would be dangerous to do this or attempt it by Government fiat.

Leroy E. Kilpatrick, vice president of WSAZ in Huntington, has also written me a cogent letter concerning the suspension features of the original bill. Mr. Chairman, these two stations, WSAZ and WHTN, are performing an outstanding public service in the type of programs they are bringing to the Ohio Valley and a vast area throughout a wide region of West Virginia, Kentucky, and Ohio. I believe that under the wise and imaginative leadership provided at these and similar stations in the industry we would be going too far to slap them with the threat of unconditional suspension accompanied by huge and cumulative fines. Before we vote on the final measure tomorrow, I intend to examine the RECORD carefully to assess the effects of these amendments, but I am satisfied that they are clearly a step in the right direction and certainly produce an improvement over the original bill.

Mr. AVERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. AVERY: On page 24, line 9, after the word "has" strike out the balance of line 9 and line 10 to the word "failed" and insert "negligently or intentionally fails to operate his station substantially as set forth in his license or has negligently or intentionally violated or has negligently and intentionally."

Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the time allotted me be given to the gentleman from Kansas.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Iowa.

Mr. KYL. Mr. Chairman, I want to join with the gentleman from Kansas in these amendments.

The gentleman from Iowa has no financial interest either direct or indirect in any broadcasting facility. However, he has been associated with radio and television stations before coming to Congress—as an employee and not an owner. He knows a few thing about that segment of the industry which includes the small operators who have such a tremendous record of public service and low profits.

These amendments are directed to making punitive sections as fair as possible without minimizing the effect of the bill.

Now, the committee has recognized the same desire through their language on page 22, line 8, section D, and page 20, line 23(4). The distinguished gentleman from Arkansas who has done such a notable job in preparing this legislation has made special reference to that section and to the committee's desire to see proper justice accomplished. Thus, this amendment being proposed seems to make all provisions more consistent with that desire.

There are so many possibilities for errors in the small operations that some additional protection is needed. Local stations in many parts of the country operate with very limited staff. Yet, they provide public service in almost emergency fashion repeatedly. It is at times when regular schedules are disrupted for emergency assistance to the public that inadvertent violations are most likely.

In the Midwest, there have been countless occasions on which the local radio station is depended on completely for emergency messages. The gentleman recalls, for instance, winters when normal communication media were tied up for almost 2 months. On another

occasion of a destructive flood the airwaves provided exclusive assistance of inestimable value. On several days, the regular programing of the stations was thrown out the window in the public interest, and the station's effort was almost extemporaneous morning to night.

It is in the interest of protecting these small operations that the amendments are offered. The total effect of the legislation will not be minimized. The amendments simply help guarantee that the rule of reason can be applied.

(By unanimous consent, the time allotted Mr. KYL and Mr. WOLF was given to Mr. AVERY.)

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Iowa.

Mr. WOLF. Mr. Chairman, I intend to support the gentleman's amendment.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Chairman, I wish to compliment the gentleman for offering these amendments. Some of these points have been called to our attention by some of the smaller stations in my district. I believe the amendments are good and I thank the gentleman for offering them.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, I support the amendment offered by the gentleman from Kansas. I think the same remarks which I made in support of my amendments are applicable in support of the amendment offered by the gentleman from Kansas.

Mr. AVERY. I thank the gentleman from Georgia.

It is obvious to the Members of the Committee, I think, that these amendments were worked out jointly between the gentleman from Iowa [Mr. JENSEN], the gentleman from Iowa [Mr. KYL], the gentleman from Georgia [Mr. FLYNT], the gentleman from Minnesota [Mr. NELSEN], and myself.

I am going to read a sentence from the Commission. I want to dispel any doubt among the Members of the Committee this afternoon that the forfeiture section is apt to be applied for a violation in addition to the other penalties of suspension or revocation that are in the act, or will be in the act after the bill is passed. I want to make it abundantly clear it is not the intention of the committee or of the House to invoke a dual penalty on one licensee for one violation. I am sure the chairman will support me in that point of view.

If you are apprehensive about the interpretation by the Commission of this act or how the Commission might consider it, let me read you this one sentence. This is a direct quotation from a unanimous statement of the Commission when they appeared in support of this provision in the other body:

The Commission is of the view that authority to impose a mandatory forfeiture on broadcast licensees would provide it with an effective tool in dealing with violations in situations where either revocation or suspension does not appear to be appropriate.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from North Carolina.

Mr. JONAS. That is a statement of the present Commission, which is of short duration. There is no assurance that succeeding Commissions will take that view. Does not the gentleman think it is unwise to put a provision in the law saying this $1,000 a day fine shall be in addition to any other penalty?

Mr. AVERY. I am advised that is the usual language throughout acts passed by the Congress in reference to independent agencies. Certainly we have had a Federal Communications Commission now for some time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. AVERY].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS: On page 24, line 13, after the comma following "United States" insert "and such failure or violation continues for five days after written notice is served upon him by the Commission".

Mr. JONAS. Mr. Chairman, that simply provides that this forfeiture of $1,000 per day shall not be invoked in the absence of giving notice to the licensee that he is in violation and liable for this forfeiture unless he makes correction. I think it is a fair amendment and certainly should appeal to the fairness of the Committee.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. JONAS) there were—ayes 49, noes 90.

So the amendment was rejected.

Mr. HARRIS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ELLIOTT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act, had come to no resolution thereon.

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, at the request of the gentleman from South Carolina [Mr. MCMILLAN] I ask unanimous consent that all Members may extend their remarks in the RECORD on the various bills brought up by the Committee on the District of Columbia today.

The SPEAKER. Is their objection to the request of the gentleman from Arkansas?

There was no objection.

CONCERNING THE NONREFUNDABLE CAPITAL CONTRIBUTIONS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7885) relating to the income tax treatment of nonrefundable capital contributions to Federal National Mortgage Association, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 162 of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by adding at the end thereof the following new subsection:

"(d) NONREFUNDABLE CAPITAL CONTRIBUTIONS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION. For purposes of this subtitle, whenever the fair market value of Federal National Mortgage Association stock issued pursuant to section 303(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1716), on the date of issue, shall be less than the amount of the capital contributions evidencing such stock, the difference shall be treated by the initial holder of the stock as ordinary and necessary expenses paid or incurred during the taxable year in carrying on a trade or business."

SEC. 2. (a) Part IV of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to special rules as to basis of property) is amended by redesignating section 1054 as 1055, and by inserting after section 1053 the following new section:

"SEC. 1054. Certain stock of Federal National Mortgage Association.

"The basis of stock to which section 162(d) applies, which constitutes capital assets, shall be the amount of the capital contributions evidencing such stock or the fair market value of such stock on the date of issue, whichever is less."

(b) The table of sections of such part IV is amended by striking out the last line and inserting in lieu thereof the following:

"Sec. 1054. Certain stock of Federal National Mortgage Association.

"Sec. 1055. Cross references."

SEC. 3. The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That section 162 of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"'(d) CAPITAL CONTRIBUTIONS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION.—For purposes of this subtitle, whenever the amount of capital contributions evidenced by a share of stock issued pursuant to section 303(c) of the Federal National Mortgage Association Charter Act (12 U.S.C., sec. 1718) exceeds the fair market value of the stock as of the issue date of such stock, the initial holder of the stock shall treat the excess as ordinary and necessary expenses paid or incurred during the taxable year in carrying on a trade or business.'

"SEC. 2 (a) Part IV of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to special rules as to basis of property) is amended by redesignating section 1054 as 1055, and by inserting after section 1053 the following new section:

"'SEC. 1054. CERTAIN STOCK OF FEDERAL NATIONAL MORTGAGE ASSOCIATION.

"'In the case of a share of stock issued pursuant to section 303(c) of the Federal National Mortgage Association Charter Act (12 U.S.C., sec. 1718), the basis of such share in the hands of the initial holder shall be an amount equal to the capital contributions evidenced by such share reduced by the amount (if any) required by section 162(d) to be treated (with respect to such share) as ordinary and necessary expenses paid or incurred in carrying on a trade or business.'

"(b) The table of sections for such part IV is amended by striking out the last line and inserting in lieu thereof the following:

"'Sec. 1054. Certain stock of Federal National Mortgage Association.

"'Sec. 1055. Cross references.'

"SEC. 3. The amendments made by the first section and section 2 of this Act shall apply with respect to taxable years beginning after December 31, 1959."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there any objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, this is the second time in this Congress that legislation relating to the income tax treatment of nonrefundable capital contributions to the Federal National Mortgage Association has been before the House. As Members of the House will recall, on September 9, 1959, the House passed by unanimous consent H.R. 7947, which had been reported unanimously by the Committee on Ways and Means. That bill was amended in the Senate, and subsequently sent to the President. The President vetoed that bill, and we now have the subject again before the House.

Before explaining the differences in the two bills, let me refresh the recollection of the Members as to the general subject matter and purpose of the legislation.

Financial institutions selling mortgage paper to the Federal National Mortgage Association must subscribe to its common stock in an amount equal to 2 percent of the mortgages sold. This stock, which is issued at a par value of $100, has been selling on the market at appreciably less than the issuance price.

This bill provides that where FNMA stock is purchased under these conditions, any excess of the issuance price over the fair market value on the date of issuance is to be treated as an ordinary and necessary business expense in the year of purchase rather than as a part of the cost of acquiring the stock. The year of purchase for this purpose is to be the taxable year in which occurs the date of issuance rather than the date of payment. This treatment is to be available for taxable years beginning after December 31, 1959.

As I have indicated, a bill—H.R. 7947—identical to this bill, except that it also applied in certain cases in past years, has previously been passed by this Congress but vetoed by the President. The vetoed bill made the deduction described above available for prior years to which the 1954 code generally applied if for those past years the deduction did not result in a refund or credit. The President in his veto message stated that he was sympathetic with the objectives of the bill but indicated that he objected to the retroactive application of the proposed amendment, particularly in that it applied in some cases but not where it would result in refunds or credits. As noted above, this bill entirely removes the retroactive application of the provision to which the President objected. The Treasury Department has indicated that it has no objection to this bill in its present form.

This bill was reported unanimously by the Committee on Ways and Means.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, may I ask the gentleman whether there have been any additions to or subtractions from the program as announced last week?

Mr. McCORMACK. No. Tomorrow we will finish the bill that was just under consideration. Then we will go to the Gorgas Memorial Laboratory bill, the U.S. Military and Air Force Academy bill, and then to the International Development Association, and so forth.

Mr. GROSS. I was afraid of that last one.

Mr. McCORMACK. I mean, that will be the order.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON FOREIGN AFFAIRS

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on the Philippine war damage claims bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GEN. JOHN J. PERSHING AND THE VETERANS OF WORLD WAR I

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, on September 13, 1960, all Americans should pay homage and respect to Gen. John J. Pershing and the men that served under him—the veterans of World War I. In connection with this occasion, the following letter from the national headquarters of the Veterans of World War I of the U.S.A., Inc., will be of interest to the readers of the RECORD:

VETERANS OF WORLD WAR I
OF THE U.S.A., INC.,
Washington, D.C., June 27, 1960.

Hon. THOMAS J. LANE,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE LANE: "Not even a postage stamp for the Veterans of World War I, from Commanding General John J. Pershing down to the last private," seems to be the program of our present administration.

Here are the facts to support the above somewhat startling statement: Under the provisions of Public Law 86-433, the President issued a proclamation which designates the 13th of September 1960 as "a day upon which all Americans should pay honor and respect to General of the Armies John J. Pershing and the men who served under him."

In the implementation of the proclamation and under the public law, the Assistant Secretary of Defense, Murray Snyder, has issued a memorandum containing instructions for the coordination of plans and arrangements through the various branches of the military service. The Department has set up a competent and well-manned staff project to handle these activities, in coordination with various civic and veterans organizations in this country and overseas.

At the convention of the Veterans of World War I of the U.S.A., Inc., in Louisville, Ky., in September 1959, a mandate was passed directing the officers of this organization to endeavor to have a commemorative stamp issued by the Post Office Department honoring Gen. John J. Pershing, their commanding general and leader.

Advice has been received by national headquarters of this organization from the office of the Postmaster General that it has been decided not to issue such a stamp, the above-mentioned public law and proclamation notwithstanding, as it is not considered to be warranted. The national chief of staff, in conversation with Postmaster General Summerfield on Saturday, June 25, 1960, was unable to obtain any concession or satisfactory statement regarding this decision. All this, in addition to the recent vicious attack on the proposed pension legislation of this organization now before the Congress, is appalling.

The aforementioned attack on pension legislation is contained in report No. 237 dated May 3, 1960, addressed to the Committee on Veterans' Affairs, House of Representatives, and signed by Sumner G. Whittier, Administrator, relative to pension bill H.R. 9336. This report was issued without objection from the Bureau of the Budget, and also specifically referred to some 40 bills before the committee with almost identical provisions for $100 per month pension.

In that document the Administrator states that the above bill does not contain the provisions which are commonly referred to as the "pauper's oath" which must be executed before such a pension can be paid, and he categorically states "in my opinion it goes beyond the Government's pension obligation to these veterans."

Notwithstanding the above, 118 Representatives have signed discharge petition No. 7, to take this legislation from further consideration by the Veterans' Affairs Committee and report it to the House of Representatives for debate.

All of the above is cited to give a picture of the apathetic attitude existing in the various agencies of our Government toward the aging veterans of World War I and their dependents. The average age of these men according to the estimates of the Veterans' Administration is past 66, and they are dying at a rate in excess of 500 per day, many of them without adequate medical attention or sufficient nutrition to keep them alive. Is there any wonder these men are bitter and disillusioned—and that they are convinced that they are the forgotten veterans of the Armed Forces of this country?

It is fully realized that our Nation faces great problems externally and internally. Notwithstanding the above citation of their grievances, it is the attitude of these men as good soldiers, sailors, and marines, to stand aside and not create a fight in the closing days of our Congress when such tremendous issues are being considered; rather, to patiently accept the facts as they are in the sincere hope and confidence that the next Congress and the next administration will have a different attitude.

In the meantime, we make one final request, do not overlook our general. At least give him a postage stamp, even if only of 1-cent denomination.

It is conceivable that within some 30 years, this precedent may be repeated in the case of General Eisenhower, and the men who served under him in both wars will certainly want to see him similarly honored. There is a grave division of opinion over the question that he might not be commemorated by a stamp in connection with (1) the withdrawal of our troops in Korea, (2) the events at Paris, and (3) the recent developments in Japan, but we do want him commemorated as the general of the armies which he led so brilliantly.

Give us our stamp.

By direction of the national commander:

F. B. TAYLOR,
National Chief of Staff.
WILBUR C. COCHRAN,
National Quartermaster-Adjutant.

U.S. SENATOR AT LARGE: A PROPOSAL TO AMEND THE CONSTITUTION

Mr. UDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I have introduced today a constitutional amendment resolution which, I believe, would strengthen parliamentary government and give new vigor to our two-party system. If this amendment is adopted any losing candidate for President who receives more than 25 percent of the popular vote would be entitled to take office as Senator at Large of the United States and serve during the term of the President who won the election he contested. Under this amendment such Senator at Large would stand on equal footing with his senatorial colleagues and enjoy full voting rights and all of the privileges of that office.

As matters now stand our also-rans are left to dabble at the fringes of public life as writers and speechmakers, and their talents for creative leadership are largely lost to the country. Clearly the times are too demanding for us to shunt aside the chosen leader of either of our great political parties. Surely the national interest would be served if we gave place and power—at the very center of our political system—to the leader of the "out" party.

The Senate, as Daniel Webster once put it, is "the great pulpit" of the American political system, and it seems wholly logical that the leader of the opposition should have the Congress as a forum—and speak to the whole country on the great issues of the day.

NOW OR NEVER FOR THE SENECA INDIANS

Mr. GOODELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GOODELL. Mr. Speaker, it is now or never for the Seneca Indians. The death knell of their great nation is sounding. Only action by Congress in the next 10 days can save the integrity of our Nation's commitment. House Joint Resolution 722, by Congressman HALEY, will recoup our honor.

There are those who are already expressing hope that defeat this year can be translated into victory next year. That is just wishful thinking. If Congress allows the present $4.5 million appropriation to stand, without provision for further studies, a total of $8 million will be committed to the Kinzua Dam. The ranks of Seneca friends in Congress have today reached an alltime high, but they will inevitably recede if nothing is done this year. It would be cruel and inhuman punishment to both the Seneca Indians and other residents of our area to hold out any hope for relief beyond this session of Congress.

If we are to have an adequate study of alternatives to the Kinzua Dam, it must be ordered now. It has been my consistent position that the Federal Government should never commit $120 million to such a massive project, when competent engineers differ so radically on questions of engineering detail that are normally matters of undisputed fact.

The Seneca Indians and people of the Conewango Valley require an answer now so that other plans for development in the area can go forward accordingly. People are going to be severely injured as well as benefited by a project of this immensity. They deserve the assurance that all facts are known and evaluated impartially before they are asked to give up their lands. This applies equally to Indians and white residents of the Conewango Valley. Anyone who recommends that the agony of our people be prolonged is, in my opinion, doing an injustice to those who are directly and personally concerned in this matter.

Let us marshal our forces for a final assault on the citadel of Congress. The honor of our country, bound by our Nation's oldest treaty, is at stake. Letters to Congressman JAMES HALEY, House of Representatives, Washington, D.C., will help, but they must be sent immediately. Congressman HALEY, as chairman of the Indian Affairs Subcommittee of the House Interior and Insular Affairs Committee, is sympathetic to the cause of the Indians, but public opinion is the only weapon which can reverse the present momentum of Congress toward constructing the Kinzua Dam, regardless of consequences.

SPECTACULAR FIRE IN LOWELL, MASS.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have in my hand an article from the Lowell Sun for Sunday morning which describes a fire that took place almost next door to my office, which is in the Lowell Sun Building. It was the most spectacular fire, I am told, that ever occurred in this country. The fire was prevented from spreading by the action of the wonderful firefighters all through my district. The Bedford Airport, which is in my district, voluntarily sent their firefighters and they were instrumental in preventing the fire from spreading to the building next door. We owe them a great deal.

I ask unanimous consent that the captions in the newspapers may be printed as part of my statement.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(The matter referred to follows:)

REX FIRE LOSS TOPS $1,200,000—REPLACEMENT COST OVER $2 MILLION

(By Fred W. Dudley)

LOWELL.—Raging out of control for nearly 4 hours yesterday, one of the most spectacular fires in recent city history completely destroyed the Rex Center, 41 Kearney Square, with a loss estimated at more than $1,200,000.

Based on today's building and replacement costs of equipment, the loss will soar well above $2 million for the building, 65 bowling alleys, restaurant, and bar.

Originating from an explosion in the auxiliary boiler room in the rear basement of the sprawling 300-foot building, the fire quickly gained major proportions on feeding on freshly lacquered bowling alleys, raced through the restaurant, penthouse, bowling alley, and billiard hall sections of the one- and three-story structure.

At least 17 men, 16 of them firemen, were injured, as they fought to contain the inferno which threatened the entire Kearney Square section and gave indications of mounting into a conflagration.

Brought under control after a 3½-hour battle, the fire literally burned itself out in the early evening, after raking the center from end to end, leaving only the exterior walls standing.

One of the greatest concentrations of firefighting equipment and men ever seen in Lowell, including those at the Central block and Mongeau Building fires of 1955, and earlier major fires, fought to halt the inferno, a mixture of overpowering odds of searing flames, choking smoke and winds which shifted from southeast to northwest, all against them.

At no time during the long battle did the firemen from a score of cities and towns appear to have a chance against the rapidly spreading flames, and when portions of the

roof collapsed, and explosions punctured the fire, the odds against them stiffened to seemingly insurmountable proportions.

When the fire ate its way through the center portion of the building, flames 200 feet high tinged the swirling, billowing smoke into lurid reds and yellow. From then on, it was only a question of time.

Throughout the fire, property across the driveway was menaced, the searing heat of the flames forcing the crews of radio station WLLH to go off the air for a few minutes, then resume broadcasting from the street.

The A. & P. supermarket was forced to close its doors and Transport Clearings of New England, Inc., over the market, evacuated some 100 employees.

Even Dillon Cleaners on the far side of the Concord River, and the Towne Shoppe were evacuated as well as the 24-apartment block and Connerton and Gray florist shop adjacent to them at Davidson and East Merrimack Street were cleared of residents and personnel.

The main doors of the post office, directly across the street from the Rex, were closed before the noon hour, at the direction of Postmaster James J. Gallagher who posted a guard over the structure.

The 27-year-old Rex landmark, which was to have closed last night for the summer season as is the custom, included 65 bowling alleys, 30 billiard tables, restaurant, bar and dining halls, all of which were completely destroyed.

Only the Herculean efforts of local and out-of-town firefighters saved the adjacent building housing the radio station, motor transport firm and A. & P. from being consumed by the rapidly spreading flames. Firemen succeeded in halting the fire's spread at the west end of the overhead walk from the bowling alleys to the radio station building.

The first alarm for the fire was received at 10:51 a.m., and within minutes Deputy Chief Walter J. Kane, who responded with the first companies, ordered three alarms sounded. Chief Francis J. Kelleher, then summoned aid, under the mutual aid system from surrounding communities to help at the fire and fill in at local stations.

Fire departments responding included those from Billerica, Chelmsford, Tyngsboro, Tewksbury, Dracut, Westford, State forestry patrols under Deputy Warden Arthur Hallenborg and Richard Gross, Methuen, Lawrence, Reading, Wilmington, Lexington, Nashua, N.H., and Hanscom Air Field, Bedford, departments.

Three local ambulances and one each from Natick and Haverhill also responded to emergency calls sent out as it appeared the oxygen supply, being used rapidly as firemen were given treatment for inhalation of the choking smoke which blanketed the entire area, would run out.

At one point, flying embers caught onto a window sill in the apartment block and set fire to debris in an alley on East Merrimack Street, but both were quickly extinguished by firemen who had been stationed at the sites along with others who climbed to the roofs of the Buick Co. building, Chet's filling station, and Lower Memorial Auditorium and other property in the lower Belvidere section in precautionary moves.

At times, smoke was so thick St. John's Hospital and the Immaculate Conception church were enveloped.

As the flames raced through the building, and the dense smoke billowed down through the Rex yard, Engines 3 and 4 and Ladder 3 were trapped. Braving intense heat, firemen rushed in and drove the valuable pieces of equipment to safety.

Pumping from canals and hydrants throughout the area, firemen fought the inferno from every point possible, using high-pressure lines and deck guns wherever possible.

Every available off-duty fireman in the city was summoned to the scene and both City Manager Frank Barrett and Chief Kelleher were loud in their praise of their work and the job done by out-of-town companies responding to the calls for help.

Alan Dunlop of the General Adjustment Bureau, Lawrence, said the establishment was covered for approximately $630,000 insurance.

As the floor of the bowling alleys caved in below them and moments before the rear roof caved in, Lt. Anthony Carnevale and Firemen Francis McCabe and Charles April scrambled down a ladder to safety.

Charles Dancause, of Dancause Road, president-treasurer of Rex, Inc., said he was in his office in the front of the building when the fire broke out. He said the lights flickered, there was a muffled explosion, and the place started filling with smoke.

Earl Rogers, secretary to Dancause, and James S. Harkins, yard police officer, telephoned in the alarm simultaneously.

Last night Chief Kelleher asserted that he would ask the State fire marshal's office for assistance in investigating the origin of the fire.

Floodlights Focus on Entire General Fire Area

Lowell.—Late last night thousands of people were still pouring into the downtown area to view the ruins of the fire that roared through the Rex Center.

A civil defense unit from Malden set up floodlights to light up the entire general fire area.

East Merrimack Street was shut off to traffic up to High Street and a large detail of police were still on hand late last night to handle the traffic and crowds.

One of the biggest bottlenecks was at Prescott and Merrimack Streets where cars were not allowed to make a right-hand turn into East Merrimack Street.

As late as 11 o'clock last night crowds were still estimated to be in the thousands. According to fire officials some of the trucks will remain on the scene all night and a few will still be on hand today.

Record Amount: 13 Million Gallons of Water Used To Fight Fire

Lowell.—A note for city councilors and others probing Lowell's water problem was evident in statistics of today's general alarm fire at the Rex Amusement Center in Kearney Square.

According to estimates given by Chief Francis J. Kelleher, today's fire necessitated the use of some 13 million gallons of water as compared to a total of 11 million gallons used at the Central block fire.

Most of the water, however, was pumped from the Concord River on one side of the burning building and from the post office canal on the other. The city's fire hydrants were used only for the first few minutes of the fire which raged for hours.

Chief Kelleher said that if the department had been forced to use the city's hydrants, the reservoirs would have been dangerously low by tomorrow.

The dependable yield of the present groundwater supply from all-well fields in this city is 10,200,000 gallons daily according to a recent survey by the engineering firm of Metcalf and Eddy.

Fire Injury Toll

Lowell.—The injury toll in yesterday's spectacular Rex Center fire stood as follows last night:

William J. Mullen, 252 Methuen Street, Engine 4, smoke inhalation, held and resting comfortably at St. John's Hospital.

Lt. James Keefe, 13 Jordan Street, Engine 5, smoke inhalation, treated and released from St. Joseph's Hospital.

Timothy J. Vaughan, 41 Rockingham Avenue, Engine 10, eye injury and smoke inhalation, treated and released from St. Joseph's Hospital.

Treated at the scene were: Ronan Donohoe, Engine 10, left-hand burns.

Edmond Page, Hanscom Field, left-hand cuts.

Leslie Brown, Engine 5, eye injury and smoke inhalation.

Lt. James Cryan, Ladder 4, smoke inhalation.

John Dalton, Engine 2, smoke inhalation.

Chief James Gallagher, Hanscom Field, smoke inhalation.

Deputy Chief Walter J. Kane, eye injury.

Lt. Anthony Carnevale, Engine 11, eye injury.

Steve Valdo, Hanscom Field, hand cuts.

James Spinney, Engine 7, cut wrist.

Richard Burrell, Tewksbury, eye injury.

John Cordingly, auxiliary police, nose injury.

Capt. William Baldwin, Ladder 3, eye injury.

Virgil Stall, Hanscom Field, eye injury.

Will Not Rebuild

Lowell.—Charles Dancause, president-treasurer of the Rex, Inc., bowling alleys, bar and dining rooms, which were destroyed by fire yesterday, last night stated his insurance didn't cover even half the loss.

He stated that he did not believe he would rebuild the center, one of the largest of its type in New England, explaining that he felt the cost of rebuilding at today's prices would be prohibitive.

Rear Wall, Roof Collapse

Sheets of flame and huge billows of dense, black, acrid smoke soar hundreds of feet into the air as the rear wall and section of the roof of the Rex Center collapse during million and quarter general alarm fire which destroyed the entire building, housing bowling alleys, restaurant, and bar, yesterday afternoon. Several firemen and hundreds of spectators who crowded too close to the scene, narrowly escaped injury as flaming debris was scattered in all directions.

The Start

Flame and clouds of smoke are shown billowing from the roof of the Rex Center a relatively short time after the general alarm fire started yesterday. The fire spread with terrific rapidity from the rear of the long structure, at the left, to the East Merrimack Street front. (All pictures of the Rex fire were taken by Sun Staff Photographers Leonard Irvin, Tony Alves, John Lawlor, and Robert Wallace.)

Intent on Their Job

The grim intensity of the firemen fighting the Rex fire is shown in this picture of a crew directing a high-pressure line into the blazing building. They had eyes for only one thing—the fire.

Canal Gets Big Play

Firemen and apparatus from Bedford Air Force Base, Lowell, and Nashua, N.H., are shown here drafting water from the Prescott Canal, which provided an unlimited supply and saved the city water supply from a terrific beating.

Another View

This picture was taken about midway through the fire, showing its progress from the rear of the building up to the front.

First Aid

Chief James Gallagher of the Bedford Air Force Department collapsed from smoke inhalation and is shown as he was given resuscitator treatment by firemen from various units.

TANGLE OF HOSE LINES

An idea of the number hose lines used by firemen at the Rex fire yesterday is given by this picture, which shows the lines which extended from the pumpers stationed all along East Merrimack, Bridge, Merrimack, and Prescott Streets as well as from the canal.

THE FINISH

It was practically all over but the cleanup job when this picture was taken early last night, and it gives a good idea of what was left of the 65 bowling alleys, the restaurant and bar that made up the Rex Center.

STATE AND LOCAL TAX BURDEN OF SELECTED TAXES

Mr. WOLF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a table.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WOLF. Mr. Speaker, recently I saw inserted in the body of the CONGRESSIONAL RECORD a table purporting to compare State and local taxes throughout the country for a model family.

At best such comparisons are slippery and dangerous exercises and may or may not have any resemblance to the real world. The crucial items to such analysis are the assumptions which are made—are they valid? Therefore, I recomputed the tax comparison table on the basis of revised assumptions which economists and tax experts say are closer to reality.

Here is an explanation of the method of arriving at the figures in the accompanying table:

First. A family of four with a man, wife, and two dependents.

Second. A family annual income of $5,000 per year.

Third. The family own their residence, which has a market value of $10,000.

Fourth. The family own an automobile, which is driven 10,000 miles per year and consumes 666 gallons of gasoline.

Fifth. The family smokes one pack of cigarettes daily.

So far as the assumptions for the individual taxes are concerned, this listing shows the assumptions used on pages 11091–11092 and the same assumptions used in the revision.

SALES TAX

Revised assumption: That the family will make purchases of $3,000 per year which are subject to the sales tax. This is 60 percent of the family income, and we believe much more representative of the actual experience of families of this type under the sales tax provisions of the States which have a retail sales tax.

STATE INCOME TAX

Revised assumption: In all cases, the standard deduction allowed by the individual State was used. The actual allowable credit for Federal income taxes permitted in each State was used. The actual allowable personal and dependent credits or exemptions permitted in each State were used. There are very substantial differences in the income tax burden computed for most of the States under these two approaches. Information for these calculations was taken from the Prentice-Hall Tax Service publication, and the rates applicable to 1959 income were used throughout.

REAL PROPERTY TAX

Revised assumption: In computing the real property tax, the data were taken from volume V of the 1957 Census of Governments, revenue for State and local governments derived from the general property tax in 1957 as shown in table 1 of this publication was divided by the total assessed value subject to tax in 1956, as shown in table 2. This produced an average mill rate for each of the States.

The value of the house—$10,000—was multiplied by the simple sales-based average ratio of assessed value to sales price for all houses appearing in table 14. This gave us the indicated assessed value of a $10,000 house by State. The indicated assessed value was multiplied by the average mill rate to give us the estimated real property tax levy on the house. The revised computations of the real property tax burden vary substantially from the burdens shown in the other table. They are lower for all of the States and quite substantially lower for many of them.

TANGIBLE PROPERTY TAX

These seem reasonable and are incorporated in the revised burden computations.

TOBACCO AND GASOLINE TAXES

Revised assumptions: The assumptions used on pages 11091–11092 seem entirely reasonable and the burden computations accurate. These computations were incorporated as is in the revision.

The conclusions after applying the revised assumptions are drastically different from those derived in the table on pages 11091–11092. I contend that while the taxes are not precisely what may actually be paid in each State by our model family as defined, that they are much closer to the facts.

In my revision Florida takes the lead, followed by Maine, Massachusetts, Vermont, Maryland, Pennsylvania, Rhode Island, Wisconsin, Georgia, and Connecticut—to name the top 10. Minnesota, which led the table on pages 11091, now falls to the 11th spot while my own State of Iowa slips from No. 14 to No. 15.

I invite the attention of interested Members to the revised table of comparative State and local taxes and ask them to draw their own conclusions as to its accuracy:

State and local tax burden of selected taxes, family of 4, $5,000 income

State	Total (table, pp. 11091–11092)		Total revised		Sales tax		Income tax		Real property		Total (table, pp. 11091–11092)		
	Amount	Rank	Amount	Rank	Table, pp. 11091–11092	Revised	Table, pp. 11109–11092	Revised	Table, pp. 11091–11092	Revised	Tangible property	Tobacco	Gasoline
Alabama	$197.84	39	$233.39	34	$24.00	$90.00	$27.00	$9.45	$71.82	$58.92	$6.50	$21.90	$46.62
Arizona	229.20	32	269.94	18	24.00	90.00	22.00	10.38	142.60	128.96		7.30	33.30
Arkansas	167.91	46	224.53	36	24.00	90.00	17.00	13.00	61.72	56.34		21.90	43.29
California	235.93	28	277.24	12	24.00	90.00	8.00	4.66	153.02	131.67		10.95	39.96
Colorado	255.69	19	248.98	26	16.00	60.00	30.00	11.20	169.73	137.82			39.96
Connecticut	246.98	22	292.99	10	24.00	90.00			172.07	152.08		10.95	39.96
Delaware	182.05	44	152.65	49			53.00	28.60	84.80	79.80		10.95	33.30
District of Columbia	219.98	33	248.49	28	16.00	60.00	40.00	37.50	116.72	103.73		7.30	99.96
Florida	238.01	26	361.32	1	24.00	90.00			149.14	206.45		18.25	46.62
Georgia	239.94	25	303.22	9	24.00	90.00	8.00	3.00	151.07	146.18	2.50	18.25	43.29
Idaho	298.11	13	210.35	38			119.00	60.40	120.90	91.74		18.25	39.96
Illinois	216.55	34	268.11	19	24.00	90.00			144.65	130.21		14.60	33.30
Indiana	281.66	16	233.68	33		11.25	60.00	60.00	170.75	111.52		10.95	39.96
Iowa	294.72	14	275.43	15	16.00	60.00	67.50	43.85	156.66	117.02		14.60	39.96
Kansas	244.48	23	245.98	30	20.00	75.00	45.00	26.70	131.58	96.38		14.60	33.30
Kentucky	206.77	36	191.57	44			28.00	48.74	111.20	85.26		10.95	46.62
Louisiana	203.08	38	240.65	31	16.00	60.00	0	0	105.51	99.08	5.75	29.20	46.62
Maine	425.04	4	341.50	2	24.00	90.00			336.17	186.63		18.25	46.62
Maryland	303.29	12	334.89	5	24.00	90.00	54.00	36.00	173.04	156.64	1.34	10.95	39.96
Massachusetts	448.75	3	339.20	3			0	33.00	319.50	247.67		21.90	36.63
Michigan	248.54	21	273.79	16	24.00	90.00			166.33	125.58		18.25	39.96
Minnesota	480.18	1	286.65	11			114.50	72.60	312.31	160.68		20.07	33.30
Mississippi	232.14	30	273.08	17	24.00	90.00	0	0	139.63	114.56		21.90	46.62
Missouri	185.32	43	192.50	43	16.00	60.00	17.00	11.50	125.04	93.72		7.30	19.98
Montana	348.61	10	208.93	39			48.00	27.00	231.45	112.77		29.20	39.96
Nebraska	235.00	29	198.99	42					173.78	137.77		14.60	46.62
Nevada	157.04	48	202.18	41	16.00	60.00			90.13	91.27		10.95	39.96
New Hampshire	354.72	9	254.52	24					297.15	196.95		10.95	46.62
New Jersey	386.62	6	253.33	25					335.07	201.78		18.25	33.30
New Mexico	171.08	45	206.50	40	16.00	60.00	21.00	16.80	72.22	67.84		21.90	39.96
New York	405.47	5	276.34	14			88.00	**29.00**	259.26	189.13		18.25	39.96
North Carolina	237.81	27	263.24	21	24.00	90.00	76.00	**57.00**	91.19	69.62			46.62

State and local tax burden of selected taxes, family of 4, $5,000 income—Continued

State	Total (table, pp. 110091-11092)		Total revised		Sales tax		Income tax		Real property		Total (table, pp. 11091-11092)		
	Amount	Rank	Amount	Rank	Table, pp. 11091-11092	Revised	Table, pp. 11091-11092	Revised	Table, pp. 11091-11092	Revised	Tangible property	Tobacco	Gasoline
North Dakota	$265.03	18	$256.61	23	$16.00	$60.00	$23.00	$16.51	$164.17	$118.24		$21.90	$39.96
Ohio	230.42	31	261.62	22	24.00	90.00			135.55	100.75	$6.00	18.25	46.62
Oklahoma	207.50	35	235.70	32	16.00	60.00	25.00	8.50	104.43	105.13		18.25	43.82
Oregon	358.64	8	248.95	27			132.00	68.00	186.68	140.99			39.96
Pennsylvania	318.39	11	324.81	6	32.00	120.00			230.19	149.61		21.90	33.30
Rhode Island	286.44	15	322.83	7	24.00	90.00			204.23	174.62		18.25	39.96
South Carolina	187.44	42	224.57	35	24.00	90.00	46.00	34.00	52.57	35.70		18.25	46.62
South Dakota	274.01	17	247.91	29	16.00	60.00			199.80	129.70		18.25	39.96
Tennessee	242.70	24	277.09	13	16.00	90.00	0	0	161.83	122.22		18.25	46.62
Texas	194.09	41	162.78	48					131.59	100.28		29.20	33.30
Utah	203.58	37	218.67	37	16.00	60.00	48.00	24.44	85.02	79.67		14.60	39.96
Vermont	457.16	2	338.23	4			100.00	80.00	288.32	189.39		25.55	43.29
Virginia	252.67	20	174.45	46			52.00	47.00	160.71	87.49			39.96
Washington	195.86	40	264.59	20	32.00	120.00			98.67	79.40		21.90	43.29
West Virginia	139.03	49	168.49	47	16.00	60.00			58.16	43.62		18.25	46.62
Wisconsin	360.25	7	306.38	8			64.50	64.75	237.54	183.42		18.25	39.96
Wyoming	158.82	47	185.07	45	16.00	60.00			94.92	77.17		14.60	33.30

NOTE.—Revised income tax amounts are based on 1959 rates. Date: June 10, 1960.

RESOLUTION ON PROHIBITION OF CARCINOGENIC CHEMICALS IN FOODS AND COSMETICS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, the Kansas Public Health Association, affiliated with the American Public Health Association, recently adopted a resolution on prohibition of carcinogenic chemicals in foods and cosmetics. The Kansas Public Health Association is to be commended for its diligence in submitting this resolution. It deals with the dread diseases of cancer.

It reads as follows:

RESOLUTION ON PROHIBITION OF CARCINOGENIC CHEMICALS IN FOODS AND COSMETICS

Whereas the incidence of cancer has increased until it is predicted that it will cause the death of one person out of each four now alive in the United States; and

Whereas the cause of cancer and the mechanisms of its development are largely unknown; and

Whereas it is known that certain chemical substances are capable of causing a statically significant increased incidence of cancer in tests on laboratory animals; and

Whereas at this time tests on laboratory animals afford the best known indication of possible cancer-causing action in man; and

Whereas it is not possible at this time to state with certainty that any given minimum dosage or application of such chemical substances is devoid of some cancer-promoting effect; and

Whereas certain food, chemical, and cosmetic industries wish to introduce such chemicals into the public food and cosmetic supply: Therefore be it

Resolved, That in the opinion of the Kansas Public Health Association, no amount whatsoever of any chemical known to produce or promote cancer by virtue of its intrinsic properties, as determined by animal and other tests, should be permitted in the public food or cosmetic supply under any circumstances; and be it further

Resolved, That copies of this resolution be forwarded to the Representative of Kansas in the Congress of the United States to guide them in their consideration of pending legislation on artificial colors, and to such other persons as the executive committee deems appropriate.

REA: DISCORD OR HARMONY?—THE SCORE ON THE ELLIS VOTING RECORDS

The SPEAKER. Under previous order of the House, the gentleman from Minnesota [Mr. NELSEN] is recognized for 60 minutes.

Mr. NELSEN. Mr. Speaker, a common characteristic of all Congressmen is to feel that their district is the most outstanding in the land. I am no different.

The Second Congressional District in Minnesota is outstanding for many reasons—good land, fine schools and churches, wonderful people.

In my district is the fine community of New Ulm, known as the polka capital of the world, the home of many German bands which travel the district, playing at dances, and providing hilarious, boisterous music that stirs the most stoic citizen.

Many of these musicians still use the old-fashioned German concertina which can produce music of great harmony. It is a very small instrument as size goes—actually it could be hidden away unnoticed under your arm, yet when the bellows are opened it can be stretched to a tremendous length.

But, unless the player wants harmony, this concertina can often sound more like a squawk-box, and sometimes it produces just an ignominious blast of hot air.

This being an election year, it now appears that the good citizens of the Second Congressional District in Minnesota, and many other citizens throughout rural America, are going to be treated to such a performance.

The man who will supply the blast of air is Mr. Clyde T. Ellis, general manager of the National Rural Electric Cooperative Association. His instrument?—the recently published document known as the rural electrification Voting Records.

Yes, Mr. Speaker, again this session we are faced with another performance by Mr. Ellis, as he fills the bellows, and lets go at the Members of Congress through his Voting Records.

My purpose today is to examine the performance of Mr. Ellis at the bellows—the hot air, the squawks, the great stretching of the voting record, and the times when an issue is conveniently hidden under the arm and disappears.

This examination reveals—as many farmers connected with REA have long feared—that Mr. Ellis is prejudiced as well as partisan in passing judgment on the rollcall votes of the Members of this House.

And more serious, it reveals that a fine organization—a beautiful instrument—the National Rural Electric Cooperative Association—has been trapped into playing the unharmonious tune of a single man—Mr. Ellis.

At the outset, Mr. Speaker, I want to make one thing clear. I believe all Members of Congress are proud of the votes they have cast. We have no desire to conceal our position, and the CONGRESSIONAL RECORD lists our votes on every question, with the arguments on both sides of the issue. No vote is ever 100 percent right or wrong, and together we produce the rich harmony of a democracy at work.

But when a one-man, twisted interpretation of this music cuts the air in the name of 4 million farmers, then the time has come to do more than pass the earplugs. When the record of the Congress is distorted, it then becomes our duty to set the record straight on behalf of all the Members of Congress, and on behalf of the farmers who use REA power.

If I may be personal a moment, Mr. Speaker, I believe my case illustrates the point.

Being a farmer whose farm is served by REA, a farmer who helped originally organize his REA co-op, and having served for 3 years as REA Administrator of this great and wonderful program, I was certain that there would be little question in anyone's mind but that my record in Congress would reflect myself to be a strong advocate and defender of REA.

Rural electrification to me is a necessity. And on the wall in my office is a large picture. In it you can see the powerlines running from the house to the barn to operate the milking machines, the barn cleaner, the milk coolers, and the electric welders. In the house are many household appliances making use of this REA electricity. The power flows over lines of a rural electric co-op that I helped organize and of which I was vice president when those lines were built.

However, I now find that in spite of my REA background, according to Mr. Ellis' Voting Records I was right only once and wrong 8 times on REA in the 2 short years I have been in Congress. Let us start with a brief look at some of those recent votes from Ellis' Voting Records to determine just what issues were involved.

On the 8 minus votes, Mr. Ellis has been able to stretch the bellows to include 3 on the TVA self-financing bill, and 4 on the one public works bill. The TVA votes are found in the Ellis Voting Records as votes Nos. 44, 45, and 46.

On those votes I supported a bill that gave TVA 60 years to amortize its loans; that gave proper administrative authority to coordinate financing operations of TVA with the Government of the United States—amendments that would assure the Congress and the Secretary of the Treasury proper safeguards so that TVA financing would not clash with that of the Government. That is the kind of a bill I voted for.

Mr. Ellis demanded that I vote for a bill giving TVA 120 years to pay off the loans—that would deny the Congress supervisory authority, also denying the Secretary of the Treasury any coordinating authority, which could drive interest rates up for everyone. To grant a 120-year amortization period for TVA loans, when farmers in other parts of the country must amortize their REA loans in 35 years, would not be fair. Let us treat every section alike. And I am sure that the folks in the TVA area will agree that the bill I supported was a fair and reasonable approach to the TVA financing problem.

The four public works votes are listed by Ellis as votes Nos. 47, 48, 49, and 50 in the Ellis Voting Records.

On those votes I supported a bill as recommended by the Appropriations Committee of the House of Representatives. The Senate pork-barreled the bill, throwing in 67 projects that did not measure up to the criteria of justification set up by the House Appropriations Committee.

As the bill was originally written by the committee and first passed by the House, Mr. Ellis gave me a "right" vote. Yet when the bill came back from the Senate loaded with 67 projects that did not measure up to proper standards and I voted against such pork barreling, Mr. Ellis gave me three "wrong" votes. Now, Mr. Speaker, if I was "right" to begin with, how could I be "wrong" in fighting to preserve the very bill that Mr. Ellis originally wanted? Right or wrong, Mr. Ellis has stretched the bellows on one bill to rack up four votes on one issue.

Mr. Speaker, my voting record is by no means the only one that reflects these distortions as compiled by Mr. Ellis. Let us look at how Mr. Ellis operates the bellows so as to manufacture the political hot air for election time.

In doing so, let us consider votes Nos. 33, 24, 25, 26, 1, 4, 5, 8, 9, 11, 42, and 43 of Ellis' Voting Records. What particular technique has Mr. Ellis used in operating the bellows?

1. ELLIS PICKS THE VOTES

First of all, just how is this Ellis voting record compiled? I thought that possibly Mr. Ellis gave it some aura of respectability by having some independent research firm determine which votes are related to rural electrification and, then, whether the vote as cast was favorable or unfavorable.

My research failed to reveal any such objective approach. Next, I considered that possibly some committee composed of grassroots farmers discussed the rollcalls and made a decision on the votes. I found no such means being employed.

Possibly a group from NRECA's board of directors? The answer was again "No." How do I know? I called a number of them on the telephone to ask. They were frankly in the dark as to how these conclusions were reached. Mr. Speaker, the amazing answer is that it is the decision of one man, and one man alone, that determines which votes cast by the Congress are related to rural electrification, and whether that vote is favorable or unfavorable. That one man is Clyde T. Ellis.

If there is any thought of Mr. Ellis being fair, impartial, and nonpartisan in making his selections, than I invite you to study the written record Mr. Ellis has produced these last 7 years. It reveals that he has traveled the length and breadth of America heaping vilification on our President and make dire predictions that the REA program was about to be destroyed. He has grasped every opportunity to fill congressional hearing records with slanted information of the same vintage. He has persuaded certain Members of this Congress to spend hundreds of thousands of dollars in "investigations" of this administration's REA program. In fact, he even persuaded one committee of this House to launch an investigation of me when I was Administrator.

The Ellis-inspired investigation disrupted the operation of the Rural Electrification Administration for weeks. Records were pawed over, the files were taken out of the offices, and staff members were paraded on the Hill before committee. Questions that were thrown at me were read from papers which showed the NRECA letterhead. The charges have not stood the light of day.

He has sought to launch this Government on a program of federally constructed and operated atomic powerplants with a "utility responsibility" of furnishing power in widely dispersed areas. He has used the money of his organization, its mailing list—granting it to a favored few and denying it to others—and its equipment in partisan political campaigns in efforts to defeat candidates who refused to do his bidding.

This is the man who, with his obvious lack of objectivity, selected the issues and determined whether they were favorable or unfavorable votes.

2. ELLIS LEAVES OUT CERTAIN VOTES

Let us take a closer look at some of Mr. Ellis' voting tabulations. Mr. Ellis has consistently advocated and supported all Federal hydroelectric projects. He maintains that it is his duty and responsibility toward his membership to "go down the line" for complete Federal development of all such projects. He steadfastly maintains this before congressional committees. This being so, consistency would suggest that any bills calling for development by any agency other than the Federal Government would be like waving a red flag in Mr. Ellis' face. Furthermore, votes on such bills could hardly escape Mr. Ellis' attention. Yet, the Ellis Voting Records reveal that some such votes have been deliberately left out.

We can all well remember the great issue that was built up over the Hells Canyon development. Mr. Ellis went "all out" to vilify Congress and the administration because of their support of private power company development in this instance.

Yet, when it comes to the Coosa River bill, providing for private development of certain hydroelectric sites on the Coosa River in Alabama, we find that this bill has been completely eliminated from the Ellis Voting Records.

Now, I ask you, Mr. Speaker, would not consistency demand that Mr. Ellis treat the Coosa River development the same as Hells Canyon? Yet he has not. A study of the bill reveals that it was sponsored by certain "men" Mr. Ellis could ill afford to cross; thus he conveniently ignored that vote in compiling the Voting Records.

Again this pick-and-choose technique was employed on a crucial vote involving the proposed Fryingpan-Arkansas project in Colorado. REA directors and managers, as well as many citizens of Colorado, traveled to Washington begging for this much needed facility. It is indeed strange that Mr. Ellis failed to list as a crucial vote this worthy project that had been recommended by both the administration and the Interior and Insular Affairs Committee of the House. Could it be that the vote as cast would embarrass the "perfect" REA voting record of certain Members of Congress? That record rollcall can be found in the CONGRESSIONAL RECORD, volume 102, part 11, page 14801. Its exclusion from the Ellis Voting Records can only lead to one conclusion—partisan politics.

The same can be said for H.R. 7665 which provided for private development of the Priest Rapids Dam on the Columbia River. It was sponsored by Ellis 100 percenters. The inclusion of this bill in the Ellis Voting Records would have been indeed embarrassing to Mr. Ellis and some of his friends. It was not included.

Do not misunderstand, Mr. Speaker. I am not objecting to how Members of this body voted on specific issues, or why.

What I am saying is that in the interest of fair play, Mr. Ellis should not hunt and pick his issues—but rather should list them all.

3. ELLIS STRAYS FAR AFIELD

Another technique Mr. Ellis has used is that of choosing an issue completely foreign to REA and building it into a favorable or unfavorable vote to suit his own personal philosophies of government and economics.

For example, Mr. Ellis lists a vote on House Resolution 85 on March 27, 1957, as directly affecting REA. The record reveals that this measure has nothing to do with REA. This is found as REA record vote No. 33. The debate on the bill clearly shows that this was a measure dealing with the general monetary policy of the United States and could not be related to REA any more than any other question in this country. Yet, Mr. Ellis singled it out as a crucial REA vote.

The same can be said for the patent provisions in the atomic energy bill of 1954. These votes are Nos. 24, 25, and 26 of Ellis' Voting Records. Evidently Mr. Ellis' economic philosophy is against private patents; consequently he selected these patent votes as key REA issues.

And how about H.R. 3, Mr. Speaker? This bill was on the issue of States rights. Evidently Mr. Ellis is against States rights, so he threw his organization into an abortive attempt to defeat the bill.

I say abortive, Mr. Speaker, for when he got caught with the goods on the floor of this House, he first denied his action saying that he was talking of an amendment in existence or contemplated when he sent his ill-fated letter to certain Members of this body.

When this was revealed, he finally took refuge in that old excuse that he signed the letters without knowing the contents. A study of the compiled record on Mr. Ellis' H.R. 3 fiasco reveals his true tactics. I would have thought that Mr. Ellis might have also included H.R. 3 as a key vote, but evidently his better judgment prevailed on that one.

4. ELLIS DISTORTS TRUE MEANING OF BILLS

A fourth technique Mr. Ellis has used on his concertina is to not properly explain the full meaning of the vote as listed. One of these is House Joint Resolution 2 of February 19, 1958. This is found as vote No. 38 in the Ellis Voting Records. This bill authorized payment to the Crow Indian Tribe for right-of-way for Yellowtail Dam. Actually, the bill provided for a payment far in excess of the prior appraised value of the land. Hearings reveal that this land had been appraised at $50,000. The bill allowed $2½ million. The effort to recommit was not a vote against the project but was an effort to save our Government over $2 million.

In adopting this method of taking land, the Congress was departing from traditional and approved appraisal techniques. That was the real issue, Mr. Speaker, not whether one was for or against the project itself. Yet Mr. Ellis seized upon an interpretation in his Voting Records which gives a completely distorted and untrue picture of the actual situation.

5. ELLIS ERECTS STRAWMAN

A fifth technique found in the Voting Records is the "made" issue. For example, on many appropriation votes for REA, amendments have been offered forcing more money on the Agency than it needs. Those who reject such uncalled-for amendments then find themselves branded in Mr. Ellis' Voting Records as having voted against REA loan funds. These are scattered throughout the publication and found as votes Nos. 1, 4, 5, 8, 9, and 11.

One of the most glaring examples of the "made" issue was H.R. 1321, the Humphrey-Price bill, listed by Ellis as a bill to "restore REA Administrator's loan-making authority; and retain REA in USDA." This is found as votes Nos. 42 and 43. If ever there was a "strawman" set up by Mr. Ellis for political purposes, it was this bill.

Because of my efforts to reveal the true nature of this "strawman" I was given two unfavorable votes by Mr. Ellis. Yet, I know of my own knowledge that no authority had been taken away from the REA Administrator.

In studying that bill I discovered that Mr. Ellis, as a Member of Congress from Arkansas in 1939, cast three votes on practically the same issue. He voted to put REA under the Department of Agriculture and he opposed amendments to this measure. Yet today, on H.R. 1321, on the same issue of REA independence, he counts my votes as unfavorable when I voted to support that same position that he himself took in this Congress.

ELLIS' BOARD OF DIRECTORS DISAGREE

Mr. Speaker, in the short space of time since the Ellis Voting Records have last been out, I have had occasion to talk personally with many members of the board of directors of NRECA. I have explained my votes to them and the issues involved.

Strangely enough, in discussing this with the members, I found that they offered no criticism or disagreement. In view of this, I suggest that Mr. Ellis consult his board of directors on all of these votes before publishing such distortions as his Voting Records reveal.

LET'S LOOK AT THE RECORD

What is the true test as to whether the Congress and the present administration have helped or hurt REA? Mr. Speaker, to find the answer, let us look at the record of performance revealed in the REA program these last 7½ years.

What have Mr. Ellis' predictions been in those years, and what does the record of performance show to be the actual truth?

Ellis has predicted that the "G. & T. program is dead." The record reveals that during the 7½ years of this administration, 1,200,000 kilowatts of generating capacity have been provided for, compared to 1,145,000 kilowatts of capacity during the previous 17½ years.

Ellis has headlined: "Telephone Program Running Like a Dry Creek." The record reveals there were 7,500 REA connected telephone subscribers before 1953; 1 million REA telephones have been added under the Eisenhower administration these last 7½ years.

Ellis has charged this Republican administration is "jacking up power costs" to the farmers. The record reveals that power costs in 1952, the year before this administration took over, averaged 3.35 cents per kilowatt-hour. The record reveals that by June 1959, after 6½ years of Republican administration of REA, the average cost was 2.65 cents per kilowatt-hour.

In addition, the record reveals that there are plenty of unadvanced funds to be loaned; that the delinquency rate among the cooperative borrowers is the lowest in history; that advance payments are at their highest level in REA's history.

In the power industry, a plant cannot be operated successfully as an isolated operation. One of the biggest contributions that can be made to reduce power costs is to stimulate an atmosphere of harmony and cooperation between the many elements in the industry.

A good example of what I mean is the so-called Minnesota plan where we brought bureau power into the State of Minnesota with the entire power industry joining hands, making maximum use of existing facilities in distributing and firming up the power. As a result of this plan millions of dollars have been saved to the farmers of Minnesota.

CONCLUSION

Mr. Speaker, Mr. Ellis may attempt to justify his distortions by saying that he has compiled the Voting Records on authority from the NRECA membership or board of directors. Actually, the authority quoted on page 2 of the April 1960 Voting Records reveals that he has received no affirmation from his organization since January 14, 1954, on this question. Consequently, what about these votes happening after that date? Furthermore, the specific votes of the Congress as listed in the Ellis Voting Records have not been brought before the membership of NRECA or its board of directors and explained in full. My personal conversations last week with a representative group of these fine men convinces me that they have had no part in this process.

We are inevitably driven to the conclusion that Mr. Ellis has not only used this voting record technique to wrong many Members of Congress, but has also used it to mislead the very people who are paying him his salary.

I believe it is high time that the Ellis Voting Records be given a complete airing by this Congress in order that REA not be made a partisan political issue. REA can continue to have bipartisan support here in Congress, but not if we allow unwarranted partisan attacks. We cannot have harmony in an atmosphere where obvious misrepresentation and partisanship are in the score as in the Ellis Voting Records.

Mr. Speaker, I am now calling these errors and inconsistencies to Mr. Ellis' attention, and in the spirit of fair play I believe the Voting Records need to be carefully reviewed.

In fact, Mr. Speaker, because I am one of the farmers paying dues to NRECA, and because I am a Member of Congress

who has been intimately connected with the entire REA movement, I am offering to meet with the NRECA board of directors at any time to discuss these glaring misuses of the Voting Records.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Colorado.

Mr. CHENOWETH. The gentleman referred to the Fryingpan-Arkansas project which I have sponsored for some years. Did I understand the gentleman to state that the vote on the Fryingpan-Arkansas project was not included in the voting tabulation?

Mr. NELSEN. It does not appear in the voting tabulation as an important project in spite of the fact the Committee on Interior and Insular Affairs approved it, in spite of the fact the administration and the Budget Bureau approved it, and it was a project of great interest to the REA cooperatives in Colorado. It does not appear as an issue and it is obvious for reasons I think are very plain.

Mr. CHENOWETH. I would like to say to the gentleman that as I recall the National Rural Electric Cooperative Association, of which Mr. Ellis is general manager, was strongly in favor of the Fryingpan-Arkansas project. If my memory serves me correctly, I believe Mr. Ellis mailed a letter to every Member of the House urging support of the bill authorizing the project.

Mr. NELSEN. That is right. You will find in the magazine that he sends out that that project was endorsed. However, in spite of this, it was not included in the Ellis voting records.

Mr. CHENOWETH. I will say to the gentleman that the Fryingpan-Arkansas project is of great importance to the REA cooperatives in my district. This project will furnish power to several cooperatives in southern Colorado, who have always given this project their full and enthusiastic support.

Mr. NELSEN. The gentleman is quite right.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Iowa.

Mr. SCHWENGEL. I want to say at the outset I think it is important that the gentleman from Minnesota has taken this time to set the record straight on this very important matter. It is an area that concerns so many of our people in the farm economy. I have a special interest in this because I have many, many members of the REA in my district, and I think it is a very wonderful organization. I am glad they have an organization so that they can present their case before the Congress.

I would like to say, too, it is my feeling that the gentleman speaking on this subject is eminently qualified to speak on it because he has had experience in the REA as a user, he has had experience in the REA as an administrator, and he has had experience now with the REA as a legislator. I want to say to the gentleman that we recognize his record as an Administrator as outstanding. The people in my district still sing his praises for the fine work he did in connection with some of the projects that were developed during the time he was Administrator.

I believe the record of REA achievements in their legitimate area is a good one, and I would think that a citing of that excellent record should be all that would be needed to promote the interests of REA. Therefore, I think it is unfortunate that some of the leaders—or one leader in particular—resorts to the type of attack revealed in the voting record.

I am hopeful that as a result of this endeavor on the part of the gentleman from Minnesota the many fine, fair, and faithful members of the REA will take note of the problem and do what they can to correct this very unfortunate maneuver and influence that is apparent in this fine organization.

Mr. NELSEN. I thank the gentleman for his kind remarks.

UPSTREAM BENEFIT BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 60 minutes.

Mr. HEMPHILL. Mr. Speaker, I have asked for this time today in order to discuss some of the opposition to H.R. 7201, commonly known as the upstream benefit bill, which was introduced in the House of Representatives by the gentleman from Montana, the Honorable LEE METCALF. This bill was voted out of the Interstate and Foreign Commerce Committee of the House of Representatives and is scheduled for hearing before the House of Representatives sometime during the week of June 27. This is not a bill which is of peculiar benefit of public power or of peculiar benefit to private power. This is a good bill dealing in a fair manner with a difficult and important subject.

Unfortunately, we Members of Congress do not have the time to study every piece of legislation as much as we would like. We have to depend upon the report which accompanies the legislation. We depend upon the opinions of our constituency because we are close to the people, so to a large extent we depend upon the opinions of the people back home. Let us carry the sequence one step beyond. In many instances people back home depend upon lobbying organizations here to inform them about the legislation. The lobbyists, many of whom are specialists, analyze the legislation and send their opinion down to the districts and the Congressmen begin to get letters.

Now there is nothing wrong with such a system when good government is their goal; there is nothing wrong with such a system when honesty is their practice, and there is no effort to disguise the truth or to misinterpret. Unfortunately, however, there are instances of misinformation and deceit, and there is an example that I am going to talk about in a few minutes in connection with H.R. 7201.

H.R. 7201 is a benefit bill, designed to benefit the American public, American economy, public and private power. It is designed to insure the most beneficial and efficient use of our water for the production of power and the maximum utilization of storage facilities to produce power.

We find, however, that the general manager of the National Rural Electric Cooperative Association, one Clyde T. Ellis, has gone all out in his efforts to torpedo H.R. 7201. I could not understand this because Ellis should be for this bill because it helps so many public utility districts, a great public river authority in Oklahoma will generally help the country so far as production of power is concerned. It is only simple arithmetic to figure that no project, public or private, can fill any power contract except with firm power it can guarantee. This bill will give more power with more power for consumption and more power for production. Because I questioned the motives of Mr. Ellis, who apparently is trying to castigate those of us who are for this bill as "anti-REA." I thought it best to examine Mr. Ellis' conduct on another occasion when he strongly fought against H.R. 3.

Everybody in South Carolina knows I have been a friend of the REA. Some of my best friends are directors or managers. I do not believe the directors would approve Mr. Ellis' actions with H.R. 3. I am going to document it right here because it shows what we are dealing with. They should not examine his ballot on H.R. 7201. May I remind all that neither Mr. Ellis nor anyone from the organization he tries to dominate had the interest to testify against H.R. 7201. If they were on the ball they should have known it was coming up. Where were they? Were they lurking and waiting to do a smear job like they tried on H.R. 3?

I have just looked at the hearings held on H.R. 3. No testimony from Ellis or his crowd. Do we see a pattern? This legislation will provide public and private power projects with a means of getting more power to sell, cheaper power to sell, to REA cooperatives and to industry.

He may get away with it, but I am calling his bluff and I shall document here and now.

I have always personally supported REA. It is a good program, and it deserves the wide support it enjoys among the Members of Congress. However, I believe the leadership of NRECA needs to concern itself with the performance of its executive director, who in the judgment of many Members of Congress has played a peculiar game.

This is not the first time Mr. Ellis has used NRECA to promote his personal philosophy. I have recently examined Mr. Ellis' performance during the first session of the 86th Congress—1959—when he took it upon himself to involve NRECA in opposing H.R. 3, the States rights bill.

This important piece of legislation had wide support, especially among my colleagues from the South, who believe firmly in the perservation of States rights. We passed the bill in the House despite Mr. Ellis' frantic maneuvers, but the story of Mr. Ellis' involvement in

this legislation makes an amazing document and deserves careful study. H.R. 3 was supported by such great southerners and great friends of REA as Mr. SMITH, of Virginia, Mr. WILLIS, of Louisiana, Mr. FORRESTER, of Georgia, Mr. POFF, of Virginia, Mr. TUCK, of Virginia, Mr. DOWDY, of Texas, Mr. CRAMER, of Florida, and I could name a host of others.

Mr. Ellis' activities started shortly before debate on the floor of this House, when he sent a secret letter of opposition to H.R. 3 to certain Members of this House. That letter created a storm of opposition to Mr. Ellis because he was again attempting to involve the rural electrification people in legislation that did not concern REA.

The evidence which I have now gathered shows the duplicity and misrepresentation Mr. Ellis has attempted to practice on the Members of this House in regard to his reasons and purposes in opposing H.R. 3. Furthermore, the evidence which I shall now present raises a serious question in my mind of Mr. Ellis' individual honesty and integrity in that it shows he attempted, in writing, to falsify a position he had already taken.

This is a serious matter, Mr. Speaker, because I am personally concerned as to the repercussions this affair will have on the good will of the rural electrification program. I personally feel that each of us has a duty in representing our constituents who are REA users to inform them of this entire affair in order that they may take whatever action they deem necessary to keep their organization free from those individuals who will only do them harm by such tactics.

What does the record reveal?

When H.R. 3 was being debated on the floor of this House, a letter written by Mr. Clyde T. Ellis purportedly representing the sentiment of the entire 4 million membership of the National Rural Electric Cooperative Association was revealed which placed him in opposition to H.R. 3. In order that the record will reveal all the facts in this affair, I now introduce the original Ellis letter. It states:

NATIONAL RURAL
ELECTRIC COOPERATIVE ASSOCIATION,
Washington, D.C., June 16, 1959.

As you know, H.R. 3 which purports to establish rules of interpretation for Federal courts involving the doctrine of Federal preemption is due for floor debate and action this week.

The National Rural Electric Cooperative Association, the service organization for the rural electric system of the United States which represents some 4 million member consumers, has a vital and direct interest in this legislation.

In addition to the reasons why H.R. 3 should be rejected, as set forth on page 28 of the minority report, Report No. 422, the enactment of legislation as contained in H.R. 3 would also as the minority report set forth, throw into "chaos * * * all possible areas of concurrent powers * * * including forms of transportation, labor-management relations, criminal law, aliens, power and natural gas regulation, matters affecting the national defense, etc."

Some 450 of the rural electric cooperatives receive either directly or indirectly all or part of their wholesale power supply from Federal power projects such as for example, the Tennessee Valley Authority, the Bonneville Power System, Southwestern Power Administration, Bureau of Reclamation, etc. In addition the commercial utilities from whom many of the rural electric systems purchase power are subject to the scrutiny of the Federal Power Commission. We feel that passage of legislation embodied in H.R. 3 would seriously hamper the operations of the Federal Power Commission. We feel that passage of legislation embodied in H.R. 3 would seriously hamper the operations of the Federal Power Commission and those Federal agencies which over the years have time and time again been delegated the authority and responsibility by the courts and the Congress to have control over navigable waterways and streams, water rights, and use of water for irrigation, navigation, power development, etc.

In addition, passage of such legislation would throw into chaos the interpretation of the Federal property clause of the Constitution, section 3, clause 2, under which all the Federal power projects have operated these many years.

The reasons as stated above, plus others, clearly indicate the great harm that could be done directly and indirectly to the rural electric systems if such provisions as embodied in H.R. 3 were allowed to become law.

For these reasons we respectfully urge your consideration of our position on this matter.

Sincerely,

CLYDE T. ELLIS,
General Manager.

I might add at this point, Mr. Speaker, that the letter did not have the support of the membership, because our able colleague, the gentleman from Georgia, Congressman PILCHER, contacted Mr. Walter Harrison, NRECA president, and learned otherwise from him.

The repercussion to Ellis' position came very quickly from REA folks themselves. In fact, the Virginia Association of Electric Cooperatives speaking through Mr. Earl Shiflet, the executive secretary, contacted Mr. Ellis. After doing so, Mr. Shiflet then wrote to the members of the Virginia delegation in this body and gave them Mr. Ellis' explanation of the first letter. That explanation in the form of a telegram from Ellis to Shiflet attempted to justify the first letter as trying to get an amendment to H.R. 3 rather than outright opposition to it. The telegram states:

I did write five Members of the House in the hope of getting an amendment to exclude matters affecting the rural electrification program from H.R. 3 and such an amendment was offered on the floor.

The fakeness of this telegram has been revealed by material introduced in the RECORD by our able colleague, the gentleman from Virginia, Congressman RICHARD H. POFF. On Wednesday, July 1, 1959, the gentleman from Virginia [Mr. POFF] revealed that Ellis knew nothing about the amendment before its introduction on the House floor. Congressman POOF stated:

In reply to Mr. Shiflet's letter, I wrote the following letter dated July 1, 1959:

"After dictating my letter of June 29, in reply to your letter of June 26, I decided to explore further the excerpt from the telegram sent to you by Mr. Clyde T. Ellis, general manager of the National Rural Electric Cooperative Association. As quoted in your letter, that excerpt read as follows:

" 'I did write five Members of the House in the hope of getting an amendment to exclude matters affecting the rural electrification program from H.R. 3 and such an amendment was offered on the floor.'

"Clearly that language was phrased in a manner calculated to convey the implication that the amendment was offered at the instance of Mr. Ellis. This amendment was offered by Hon. JAMES G. FULTON, of Pennsylvania. I have just talked with Congressman FULTON and he advises me that he did not receive a letter from Mr. Ellis; that he himself, with the assistance of legal counsel and members of his staff, conceived and drafted the amendment; and that he did so without the request or even the suggestion of Mr. Ellis.

"The letter which Mr. Ellis wrote to a few Members of Congress appears in the CONGRESSIONAL RECORD, volume 105, part 9, page 11796. Contrary to the inference in Mr. Ellis' telegram, nowhere in that letter did Mr. Ellis suggest an amendment to exclude matters affecting the rural electrification program from H.R. 3. Rather, the letter registered unequivocal opposition to H.R. 3 and clearly was designed to leave the impression that H.R. 3 was opposed by the some 4 million member consumers in the REA system.

"As I stated to you in my letter of June 29, H.R. 3 does not in any way adversely affect REA, the views or comments of Mr. Clyde T. Ellis to the contrary notwithstanding, and I think it is extremely unfortunate that Mr. Ellis should undertake to convey the erroneous impression that he was speaking the views of 4 million farmers in opposition to a bill which is designed to preserve the principle of States rights. I am sure that the overwhelming majority of REA members and consumers in the congressional district I am privileged to represent do not share Mr. Ellis' views.

"Sincerely,

"RICHARD H. POFF."

Now, Mr. Speaker, there has come to light another statement by Mr. Ellis which shows, in his very own words, the falsity of the telegram referred to above. On July 9, 1959, Mr. Ellis wrote our able colleague, Congressman JOHN PILCHER, as follows:

Prior to the day on which the letter (referring to the secret letter to certain Congressmen) was written, I personally had no knowledge of the contents or purpose of H.R. 3.

Now, Mr. Speaker, you are familiar with the doctrine of self-impeachment by a witness. There is no question but what Mr. Ellis has impeached himself because these two statements from his own mouth are inconsistent. One of these statements must be false. For in one he contends he did send the letter in the hope of getting an amendment. Now he says he had no personal knowledge of that bill. If he had no personal knowledge how could he have been hoping for an amendment?

Mr. Speaker, had these inconsistent statements been made under oath in a court of justice, the consequences would be serious indeed. Is it any less serious in view of the fact that these statements have been made in an obvious attempt to mislead the Members of Congress? We as a body are responsible for the welfare and well-being of the rural electrification program, yet, how can we judge properly if false statements are made to us by one who is in a position of authority such as Mr. Ellis?

I believe a full and complete investigation of this entire affair will be in the

interests of those who wish to preserve the rural electrification program.

There is no question but what these attempts by Mr. Ellis to mislead as to the original intent of his letter have already had an adverse reaction amongst Members of this House of Representatives. I will now refer to two specific instances of that reaction. I now offer for the RECORD an article from the Tupelo Daily Journal of July 9, 1959, in regard to certain remarks made by our able colleague, Congressman ABERNETHY, of Mississippi. The article is as follows:

ABERNETHY RAPS REA CHIEF ON STATES RIGHTS

WASHINGTON, July 8.—Representative THOMAS ABERNETHY, Democrat, of Mississippi, said today the general manager for the National Rural Electric Cooperative Association rendered a great disservice to the REA program by opposing the States rights bill.

"The bill, aimed at curbing the Supreme Court, passed the House despite opposition of organized labor, the NAACP, and the REA manager, Clyde T. Ellis," ABERNETHY said.

ABERNETHY said opposition of labor and the NAACP was not surprising but "Capitol Hill was left aghast over the plunge taken by the manager of the national REA group."

"In opposing the States rights bill he could not have been speaking for the patrons of REA," he added. "Many observed that he had rendered a great disservice to the rural electrification program."

ABERNETHY said he hoped the Senate's conservative bloc could muster sufficient strength to pass the House bill.

"It can if the conservatives of the country will fight as strongly for the bill as the liberals, the AFL–CIO, and the NAACP will fight against it."

If further proof be needed I wish to quote a letter from the author of H.R. 3, Congressman HOWARD W. SMITH of Virginia:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 14, 1959.

Hon. CLYDE T. ELLIS,
General Manager, National Rural Electric Cooperative Association, Washington, D.C.

DEAR MR. ELLIS: I acknowledge receipt of your letter of July 9 in which you undertake to explain your unjustified and inaccurate attack on the States rights bill, H.R. 3, when it was under debate in the House. You did so in the name of the National Rural Electric Cooperative.

As the letter has done incalculable harm to REA amongst its best friends in the House of Representatives and the Senate, I have been trying to ascertain whether you spoke with authority for the National Rural Electric Cooperative or whether you were acting from some other motives. Certainly, your letter of explanation of July 9 has very little resemblance to your letter of June 16 in which you urge the defeat of the States rights bill in behalf of the NRECA. The fact stated in your letter that you permitted some other person, evidently unfamiliar with the merits of the legislation, to dictate such a letter for your signature reflects seriously on the present management of the National Rural Electric Cooperative Association.

The REA needs no lobbyist. It is stronger with the people than you or I, or the Congress itself. Its friends in both Houses of Congress are alert to any legislation that would in anywise handicap its legitimate purpose.

It is a serious reflection that the popularity of REA is apparently being used to pull the chestnuts out of the fire for other organizations in matters in which the REA has no direct concern.

Very truly yours,

HOWARD W. SMITH.

Why did Mr. Ellis attempt to cover up the intent of his original letter by resorting to plain misstatements of facts? Mr. Speaker, this is the perplexing question I now pose for the consideration of the Members of this House of Representatives. Had he only erred and admitted such it would have been one thing, but when he diligently attempts to mislead that is an entirely different matter.

This is the reason I bring this entire affair with the record intact to the attention of the membership of this body. In doing so, I hope they will study it and judge for themselves whether that record reveals a deliberate falsehood.

I believe this performance needs to be exposed. It should give the Members of Congress a good picture of the man who now seeks to interfere in legislation that I believe to be fair and in the public interest.

We have examined Mr. Ellis' record on H.R. 3. Now let us look at some of the things he said about H.R. 7201.

In the issue of Rural Electrification magazine, we find that Mr. Charles A. Robertson, Jr., staff engineer, has written an article, "Another Subsidy for Private Power." This contains not only that article but an editorial, both of which follow the Ellis line, but both of which misrepresent the truth.

I have made particular reference to these articles because they misrepresent that a 50-year-old power company in South Carolina would receive a million-dollar annual subsidy. This not only misrepresents the truth, but attempts to take the testimony found on page 80 of the hearings and distort it to read that a South Carolina utility executive testified that his company expected to receive benefits of over $1 million per year. Mr. Ellis and his crowd failed to perceive that the figures quoted were not annual averages, but were for a 6-year period, 1950–56, and to arrive at his $1 million figure he included an item for damages to Stevens Creek from Clark Hill which amounted to $896,000. In this testimony, Mr. Williams, the witness, was testifying as to information given the power company by representatives of the Federal Power Commission. The Ellis crowd misrepresented this because it was in their interest to misrepresent it and they could beat themselves on the chest and brag about what they did for public power, when they know the defeat of H.R. 7201 will hurt public and private power.

They misrepresented the situation entirely and ignored the fact that on page 85 of the hearings colloquy occurred between Mr. AVERY and Mr. Williams showing the loss over a 6-year period.

Mr. AVERY. I think I understand the general premise you are working on. It is a little hard for me, I am trying to understand with no larger reservoir than that how you could account for that large damage. That is an annual damage?

Mr. WILLIAMS. No, sir; that is over a 6-year period, 1950–56.

Mr. AVERY. That would make a little difference then.

Mr. WILLIAMS. The other two I had put annual. Those are the figures I corrected orally. I should have even made it stronger by saying that all three of these figures represent the time during the Federal Power Commission's study which covered 1950 to 1956.

They have misrepresented all the facts and they know this bill will do nothing, absolutely nothing, to make up for the damage which the Stevens Creek plant, according to Federal Power Commission, has suffered. Even if it did something about the damage, and it does not, in America we have private claims in the Congress every day for somebody damaged by being hit by a Government vehicle, injured by Government neglect, and the like. But for those who desire Socialist power in this country, private power can do no right, just because it is private power.

They have not told the REA people of the public service districts in California that want this bill, they have not told the REA people that certain people formerly opposed to this legislation now know that we have agreed to an amendment, which will assure that the Federal Government will pay no more than the cost of furnishing such storage had it owned all the storage in the river basin.

Ellis did not propose the amendment. Certain public power people asked for it, and we thought it fair and we are going to take care of them.

As you go to vote on H.R. 7201, look at the record I have documented here, look at the pages in the hearings I have referred to, read the report, and listen to our distinguished friend, LEE METCALF, who has just been nominated to the U.S. Senate, and view the statements of Clyde Ellis in the light of the information and documentation I have here set forth.

H.R. 7201 is a good bill.

Let us examine H.R. 7201 and show its merits.

H.R. 7201, UPSTREAM BENEFIT BILL

This week we hope to consider H.R. 7201, the upstream benefit bill, introduced and sponsored by the Honorable LEE A. METCALF, distinguished Representative, and now nominee for the U.S. Senate, from the great State of Montana. I introduced companion legislation and I believe it is good legislation.

Every now and then there comes along one of those proposals so logical it causes everyone to scratch his head and ask, "Now, why did I not think of that?"

Such is the proposal now before Congress and supported by a group of public and private power generating utilities in the Northwest and elsewhere that all owners coordinate their facilities in such manner as to get the most out of the river. It offers real hope for the most efficient and productive operation of the reservoir and power-generating facilities in this country in a way that is fair to everyone. LEE METCALF is to be complimented for his foresight.

The essence of the solution is that Federal, private, and non-Federal public reservoirs be operated in concert to assure the most efficient utilization of water for power generation. As things now stand, each dam owner is free to operate his reservoir without regard to the needs of other owners' downstream dams, and there is now no real inducement to operate in any other way. Thus, dam A upstream may release its reservoir water because it needs to use it, at a time when it might flow unused over the spillways of the downstream dams. By coordinating their operations, water can be released in a manner by which it can be used not only by dam A, but by dams B, C, D, and so on, downstream. If, and only if, these downstream dams are assured of proper storage released above them each year for a period of years can they make use of such stored water for dependable firm energy. In turn, for coordination of storage releases, each downstream dam would pay a share of the storage costs of the reservoir, and, most important, provide some of his surplus power to tide the upstream dam over until the optimum release time for his stored water.

The net effect of the proposal is to assure 1,268,000 kilowatts of firm energy from coordinated use of the different owners' storage on the Columbia River system, alone, as an example, a large part of which could not otherwise be guaranteed firm. Some of this 1,268,000 kilowatts now is obtained even when operators are using their facilities only for their own best advantage. Some additional amount is received due to informal arrangements between some owners, but this amount is received on a hit-and-miss basis, therefore cannot safely be sold as firm energy. Hydroelectric firm energy is energy that can be guaranteed to a customer regardless of variation in stream flows—the energy that can be generated at a dam during the dry season of the lowest water year of record.

This unconscionable waste of a natural resource plagues every operator on the river and jeopardizes the firm energy supply of every consumer in the region. To plug this leak the public and private dam owners together with Federal agencies have worked together for more than a year on legislation that would make it possible to transform this waste into the most valuable form of useful energy. Every phase of the bill has been mutually discussed and tailored to be fair to all and to assure the region of its full legacy in the resources of the Columbia.

The firm energy assured by their solution is put into the transmission lines of the Northwest region without the capital investment of one additional dollar in dams or generators. It will be the cheapest block of firm energy that the Northwest or any other region ever received—and it will have been achieved by the patient cooperation of publicly and privately owned utilities to solve a common problem. I use the Northwest as it has a great power problem, a great need for this bill, but other parts of the country need the bill, too.

THE NECESSITY OF THE BILL

There has been a whole lot of propaganda put out to the affect that this legislation is not necessary. This propaganda ignores the fact that under the present section 10(f), the maximum benefits from the river cannot be achieved and has not been achieved in many areas of these United States. I can quote from the hearings, from people eminently qualified, and I will give the page number for the benefit of those who might want to look at the actual testimony in the hearings:

A. Page 14, Mr. Gatchell, General Counsel, Federal Power Commission:

"At the time the Power Act was passed in 1920, however, the potentialities of the vast integrated power systems which now span every section of the country were not fully comprehended and Congress did not provide the machinery for compelling electric coordination and interconnection of separately owned powerplants or power systems, correctly judging this to be then a matter of mutual interest rather than governmental intervention.

"The growth of interconnection of electric generating plants into large systems has been so successful that it is not difficult to demonstrate the advantages of interconnections and coordination between separately owned power systems. These three bills are drawn upon the principle that the advantages of coordinated operation will induce publicly and privately owned power systems to coordinate their operations and thereby reduce power costs, obtain better services, and provide for more complete utilization of water resources.

"One strong inducement for coordinated operation is the sharing of costs which contribute to power benefits and a saving of investment in generating capacity. These savings in costs and improvements in service should be sufficient to encourage interconnection and coordination on a voluntary basis and to bring together privately owned power companies, States, municipalities, public utility districts, cooperatives, and such agencies as the Bonneville Power Administration and other marketers of power developed at Federal projects.

"It is our belief that these advantages are offered by the bills which the subcommittee is considering. The Federal Power Commission urges the enactment of legislation along these lines."

B. Page 16:

"Mr. GATCHELL. I think it is merely a matter of emphasis in the language, that the purpose of the three bills is one with which we are in complete accord, and either one of them could be made fully effective by some amendments which would be very minor in detail.

"The principle, however, is sound. It looks to voluntary arrangements because there is not now, and I don't see any prospect of having, real coordinated integration of systems under the present arrangement."

C. Pages 17 and 18:

"Mr. GATCHELL. You do not have to have the law to do it, if they want to enter into these arrangements. One of the things that is present in the bills, H.R. 7201, and H.R. 7494, is that they offer a little prod.

"The CHAIRMAN. What is that?

"Mr. GATCHELL. A prod, or inducement. A company that would not enter into the voluntary arrangement, cannot secure the benefits which are given in the bill. I think that prod is a very desirable thing. They don't enter into these arrangements at present, Mr. Chairman, under the present act, because there is a fear on the part of the Federal projects that the private companies might be tying them up unnecessarily, and the private companies vice versa, are suspicious of the public utility districts, and the municipalities and Federal projects. That, to me is uneconomic. It should not control.

"These bills work on the principle that we have these powerplants here, and I don't see any reason for not utilizing them as fully as possible. These bills offer the inducement to do that."

D. Pages 31 and 32, Mr. METCALF, author of the bill:

"I do not know whether we can go in and require these people that have been licensed by the Federal Power Commission to operate their facilities and their reservoirs and their generators and so forth in any other way than what is for the best interests of the power company and its stockholders. In the license given to Brownlee Dam by the Federal Power Commission, there is a requirement that there be this coordinated operation. I should think that the Federal Power Commission in the future should make such a requirement, so that we would not have to come in and give this bait to the coordinated operation. But we have not done that in the past, as Mr. Gatchell testified. We did not realize the necessity for this coordinated operation, and certainly there would be some grave doubt about our going in and forcing these private power people to operate their dams in any other way than was for the best interests of their stockholders.

"But this way, we have encouraged them, by the payment for the benefit they confer, to enter into a voluntary agreement for such coordinated operation. And the Government only pays for the benefit it receives as a result of that, and it pays at a rate to be established by the Federal Power Commission. And the end result is a half a million or a million more kilowatts, without the cost of building an additional dam."

E. Page 91, Mr. Stevens, representing Grant and Chelan County Public Utility Districts, Seattle, Wash.:

"Now gentlemen, the power operators in the Northwest recognize the values to be gained from coordinated operations, but they are helpless to obtain assured benefits under the present voluntary method of operation."

F. Page 97, Mr. Stevens:

"Now, this is the electrical integration. Power flows back and forth. The Bonneville Power Administration has in the last few years been sending energy over to hold this storage so that the downstream beneficiaries can get 4.7 kilowatt-hours for every one that is sent over. Bonneville has not elected to do this, however, with regard to Long Lake, Coeur d'Alene, or Priest Lake storage. They have elected to do it in the case of Flathead Lake.

"Also, this is an annual voluntary arrangement. It can be discontinued by either party at any time."

G. Page 98, resolution of Pend Oreille PUD:

"Recently prepared figures show that storage benefits to the non-Federal plants from Federal storage are twice as much as the benefits to Federal plants from non-Federal storage. The Federal Government will pay for headwater benefits on the basis of 350,000 kilowatts of firm energy which it received from non-Federal storage releases and will receive payment on the basis of 708,000 kilowatts of firm energy which the other utilities receive from Federal storage releases. In this situation, the Federal Government stands to take in much more money than it is spending for storage benefits."

H. Page 105, Mr. Elmore, assistant manager, Chelan County Public Utility, Wenatchee, Wash.:

"From our experience to date in the operation of our hydroelectric plants, we realize that it is not possible to obtain their

full power potential without assured coordination both hydraulically and electrically with other plants."

I. Page 105, Mr. Elmore:

"It is apparent now that something at least approaching a common basis of treatment for all project owners operating in the Northwest power pool must be found if the benefits of full coordinated operation are to be realized."

J. Pages 106 and 107, Mr. Elmore:

"These and similar situations as they relate to other pool utilities in the Northwest have resulted in the realization that there is an urgent need for the establishment of understandings that will make real coordination possible.

"One of the obvious essentials appears to be need for a change in the Federal Power Act that will establish some basis of equality among utilities in the matter of sharing benefits that result from adapting their system operations to benefit others for the purpose of producing the maximum amount of load-carrying power for themselves and for the region. This could certainly be considered conservation of our water and power resources and worthy of intelligent and open-minded consideration.

"Specifically, the change needed is in section 10(f) of the Federal Power Act which would permit the Federal Government to compensate a non-Federal project when such project is coordinated with the Federal system and operated to the Federal system's benefit, in a similar manner, if not to the same degree, that the Federal system requires compensation for benefits to others."

K. Page 107:

"Mr. FLYNT. Have you found out that it is virtually impossible to work out any voluntary cooperative agreements that would cover every project within a given area?

"Mr. ELMORE. I would say under the present situation it is.

"Mr. FLYNT. That it has been impossible?

"Mr. ELMORE. That it has been. That has been our experience."

L. Page 111, Mr. Avery: "I have a question. Senator, I take it that Bonneville Power Administration interprets section 10(f) to mean that they are precluded from compensating for any upstream benefits even though they might be so inclined?"

Mr. Bandelin, Northern Lights Rural Electric Cooperative, Sandpoint, Idaho:

"That is the position generally that they take, although they won't come out and definitely state that. They reserve something for the future at all times.

"We did our best to get together with them under this partnership theory. The State of Idaho is in partnership with also the Washington Power Co., and our cooperative, but that is as far as the partnership went.

"When we went down to Bonneville we could not get to first base with them."

M. Page 113, Mr. O'Kelly, Washington Water Power Co., Spokane, Wash.:

"In 1956 it was finally decided that while we were continuing our efforts to determine payments under section 10(f) it would be also of great value to everyone concerned if we, at the same time, set up on an informal basis a separate committee to attempt to work out the principles of coordination.

"One of the first problems that this committee ran into was the fact that the Federal Government, and particularly the Bonneville Power Administration, had some severe limitations put on it because of the wording of present statutes. Bonneville took the position, which position was supported by the Grand River Dam Authority case, that in any coordination agreement Bonneville would be unable to give any credits for interest, maintenance, or depreciation of any headwater improvements, so that somehow these charges would have to be separated out from the costs of coordination.

"This and other legal complications which, I understood, cast some doubt on the right of Bonneville to make full coordination agreements, made it impossible for this committee to proceed."

N. Page 115, Mr. Chase, senior vice president and counsel, Montana Water Power Co., Butte, Mont.:

"Beneficial as this method of operation has been, it falls far short of full coordination. Additionally, since it is on a year-to-year basis, there is no assurance that the power and energy will be available beyond the current year, and this precludes downstream owners from being able to sell it as firm power."

O. Page 151, Secretary Aandahl, Assistant Secretary for Water and Power, Department of the Interior:

"Again let me say we can negotiate agreements of that kind to quite a sizable extent under present law. Subsection (a) of the two bills under consideration would give a little further congressional encouragement to that and we have no objection to subsection (a) with a modification that we have suggested which I will discuss in just a moment."

P. Page 157:

"The CHAIRMAN. Now, Governor, while discussing your explanation of this and the reasons for the proposed amendment, assuming that this section, subsection (a), would be approved, would that give you any authority that you did not now have by law?

"Secretary AANDAHL. It would not add much to our authority. It would give the area of contract negotiation a very specific incentive as far as congressional intention and desire is concerned, and we think that it is desirable to have legislation of this kind."

THE GIVEAWAY ARGUMENT

There is going to be an argument that this will be a giveaway to private power companies. Nothing could be further from the truth and I want to document here from the hearings in support of my contention that it is not a giveaway. In fact, there is no reliable testimony in the record to support the argument that this is a giveaway.

A. Page 14, Mr. Gatchell:

"If there is an increase in power output or power capacity at one plant by reason of the construction of a storage dam and reservoir at another site, the power users purchasing power from the benefited plant should, as a simple matter of equity, contribute to the cost of the facilities."

B. Page 14, Mr. Gatchell:

"At the time the Power Act was passed in 1920, however, the potentialities of the vast integrated power systems which now span every section of the country were not fully comprehended and Congress did not provide the machinery for compelling electric coordination and interconnection of separately owned powerplants or power systems, correctly judging this to be then a matter of mutual interest rather than governmental intervention.

"The growth of interconnection of electric generating plants into large systems has been so successful that it is not difficult to demonstrate the advantages of interconnections and coordination between separately owned power systems. These three bills are drawn upon the principle that advantages of coordinated operation will induce publicly and privately owned power systems to coordinate their operations and thereby reduce power costs, obtain better services, and provide for more complete utilization of water resources."

C. Page 31, Mr. Gatchell:

"I do not regard any power company or State or municipality nor even the United States as owning a stream. The stream belongs to the people. That, Congressmen, is what we are talking about here. You control it by dams and reservoirs, which cost money, and the whole question here is: Shall the cost of this upstream storage reservoir be shared, or shall it not be shared?"

D. Pages 34 and 35, Mr. METCALF (sectional analysis):

"Once a plan for coordinated operation is found to be reasonable the Commission will determine a reasonable and equitable annual charge which will be paid to the reservoir owner and will also apportion such charge among all beneficiaries in proportion to the additional amount of firm energy that each beneficiary can produce as a result of the coordinated operation. The amount of such annual charge to be paid by a particular beneficiary is further limited to the value of the benefits realized by such facility. Thus, the total amount to be paid to any reservoir owner is limited to an equitable portion of the fixed costs and operation costs of the reservoir, and the amount that will be paid by a particular beneficiary is limited by the value of the benefits he receives. All determinations to be made by the Commission will be made after notice and opportunity for hearing."

E. Page 90, Mr. Stevens:

"If large amounts of secondary energy are transferred to the Montana Power Co., it can hold this storage for later use at downstream plants. For every kilowatt-hour is sent to Montana during the summer months, the region gains back 4.7 kilowatt-hours.

"This charge shows the generation at downstream plants that would result from storage releases at Flathead Lake if—

"1. Flathead storage were used by the Montana Power in an independent operation; and

"2. If Flathead storage operations were coordinated with other plants and reservoirs in the river system.

"The downstream firm energy benefit is 187,000 kilowatts on an independent basis compared with 351,000 kilowatts on a coordinated basis. The increase due to holding Flathead storage until it can all be used downstream amounts to 164,000 average kilowatts of firm energy. At the present Federal rate of $17.50 per kilowatt-year, this increase in firm energy would be worth $2,870,000 each year. This is but a single example of the benefits of coordination."

F. Page 98, Mr. Stevens: "Recently prepared figures show that storage benefits to the non-Federal plants from Federal storage are twice as much as the benefits to Federal plants from non-Federal storage. The Federal Government will pay for headwater benefits on the basis of 350,000 kilowatts of firm energy which it receives from non-Federal storage releases and will receive payment on the basis of 708,000 kilowatts of firm energy which the other utilities receive from Federal storage releases. In this situation, the Federal Government stands to take in much more money than it is spending for storage benefits."

G. Page 100, Mr. Sewell:

"It is these producing public utility districts which recognize the necessity of full coordination and are supporting legislation such as S. 1782."

H. Page 101, Mr. Sewell, consulting engineer:

"This proposed bill is not a perpetual appropriation bill. The payments to the upstream utilities will come out of the rates paid by the downstream utilities and since the downstream utilities receive benefits greater than their payments, these rates will not be increased but actually will be lowered. At the same time, the customers of the upstream facilities will be compensated by rate reductions."

I. Page 107, Mr. Elmore:

"We do not subscribe to the idea that the Federal Government should not compensate others for benefits received from the operation of non-Federal projects because of the claim that 'This is asking the American people to pay rent on their own property.' Such a claim might have merit if the Government would, by so doing, lose more than it would gain. Such might have been the situation when section 10(f) was enacted, but in the Northwest today, it is obviously not the case. Compensation made by the Government for benefits received from non-Federal projects cannot be considered no more of a subsidy when applied to power than when applied to flood control.

"Furthermore, we maintain that the public property being used by a non-Federal project developer is the powersite and the water in the river and not the structure financed and built by the developer.

"Until such a structure might someday be acquired by the Federal Government, it cannot be considered Government property and therefore, payment by the Government for benefits received as a result of construction and operation of such a project can hardly be considered as payment of rent by the Government on its own property."

J. Page 114, Mr. O'Kelly:

"The charge is made that this bill will provide a bonanza to some of the private power companies at the expense of the Federal Government. Nothing could be further from the truth.

"Under this bill the beneficiaries will be every person who uses electricity in the Northwest and, I assume, in other parts of the country, and I cannot see how it is going to cost the Federal Government a cent.

"In the first place, these are the type of expenses that under all utility systems, whether Federal, local, public, or investor-owned, flow directly to the persons who purchase electricity.

"Secondly, with the tremendous benefits to be attained through coordination and an equitable division of those benefits among all parties concerned, everyone, including the Federal Government, is going to benefit and be substantially better off.

"It is quite apparent, at least to me, that people who make these charges have had little, or no, experience with settlements under section 10(f).

"It is my opinion that coordination is impractical, if not impossible, without the major changes made by this legislation."

K. Page 116, Mr. Chase:

"Those who want no dams except Federal dams go to new lengths in opposing this legislation. Not satisfied with opposing the equal treatment of the customers of investor-owned companies, they now oppose the equal treatment of customers of non-Federal generating companies.

"It is almost incredible to me that anyone should oppose a bill which will increase the available hydroelectric power without additional cost, and which will treat equally, fairly, and equitably the consumers of that power, regardless of its source."

L. Page 139, Mr. Paul Smith:

"The provisions of H.R. 7201 which encourage the coordinated operation of the hydroelectric facilities in a river basin, would be highly beneficial to the ratepayers served by the public utilities over which our commission has jurisdiction.

"The bill provides for agreements between the owners of water-control facilities, whether Federal or non-Federal, to operate these facilities in such a manner as to produce the maximum amount of energy. Such coordinated operation would increase hydroelectric production without any increase in the capital investment, with no increase in interest charges, and with little increase in operating costs. Such coordinated operation, by increasing the amount of firm energy available from existing plants at no increase in costs, would help achieve our objective of assuring adequate electric service at the most economical cost to ratepayers."

M. Page 162:

"Mr. YOUNGER. Where you have a federally operated facility which has only hydroelectric production, it would be treated exactly the same and be subject to the same conditions as a privately operated facility?

"Secretary AANDAHL. Yes. We would have no objection to that."

LEGISLATIVE HISTORY

The legislative history of section 10(f) of the Federal Power Act is such as to support the intent of Congress, emphasized by this legislation and spelled out in the report on this legislation to require the people using the stream, in storing water therefrom, to operate its facilities in the best interest of all of the facilities on the stream, and produce a maximum power from the water:

PART I. FINAL FORM OF 10(F), 65TH AND 66TH CONGRESSES

A. The language that eventually became section 10(f) of the 1920 Water Power Act of the 66th Congress (H.R. 3184)—although it evolved from the general dam act of 1910—was originally added to the Shields bill, S. 1419, of the 65th Congress on the House floor on September 3, 1918. It was submitted by Representative John Esch, Republican, of Wisconsin, who was then ranking Republican on the House Select Committee on Water Power, and who became chairman of the committee in the 66th Congress.

The amendment was introduced on behalf of a subcommittee of the Water Power Committee under circumstances described in the 56 CONGRESSIONAL RECORD 9915–9916.

B. The language of the Esch amendment was modified in conference committee to make the first paragraph read as follows:

"(f) That whenever any licensee hereunder is directly benefited by the construction work of another licensee or of the United States of a storage reservoir or other headwater improvement, the Commission may in its discretion require as a condition of the license that the licensee so benefited shall reimburse the owner of such reservoir or other improvements for such part of the annual charges for interest, maintenance, and depreciation thereon as the Commission may deem equitable. The proportion of such charges to be paid by any licensee shall be determined by the Commission."

(The second paragraph of subsec. (f) remained unchanged.)

The addition of the words "or of the United States" in the first sentence, and the change in the second sentence were explained only as follows in the conference report:

"In the opinion of your conferees these changes are necessary in order to make the section workable." (Conference Rept. No. 1147, 65th Cong., 3d sess.; CONGRESSIONAL RECORD, Feb. 28, 1919, vol. 57, pt. 5, p. 4635.)

There were no floor discussions of these changes.

C. S. 1419 as it was reported from the conference committee of the 65th Congress, was reintroduced as H.R. 3184 in the 66th Congress. The House had adopted the conference report, but the Senate failed to pass it in the closing days of the 65th Congress, which ended on March 3, 1919. The 66th Congress convened on May 19.

D. House Report 61, 66th Congress, dated June 24, 1919, described section 10 of H.R. 3184 without mentioning subsection (f), although it explained subsections (a), (b), (c), (d), (e), and (h). (The reason probably lay in the fact that this report was a reproduction—without updating—of the text of H. Rept. 715 of the previous Congress, which described a bill that did not yet contain the new subsection (f)).

The House debate on H.R. 3184 included no comment on 10(f). On June 28, 1919, subsections 10 (a) and (h) were read to the House without interruption (58 CR 2040). When amendments were considered, 10(f) was skipped over when (e) and (g) were taken up (58 CR 2136).

E. The Senate report (S. Rept. 180, 66th) dated September 12, 1919, was identical to the House report (H. Rept. 61) except for adding the text of the bill, which included the new (f). Nevertheless, again there was no updating of the report to include mention of headwater benefit charges in the descriptive explanation of the bill.

F. There were no committee amendments to subsection (f) when it was taken to the Senate floor on January 6, 1920 (59 CR 1107); but on January 14, 1920, Senator Phipps, Republican of Colorado, proposed two amendments that were immediately adopted after acceptance by Senator Nelson, Republican, of Minnesota. One of the two amendments changed the benefits charge from discretionary to mandatory.

The conference report on H.R. 3184 (H. Rept. No. 910 and S. Doc. No. 269, 66th Cong.) dated April 30, 1920, explained amendments 40 and 41 as follows:

"Amendment No. 40: This amendment is verbal and perfects the text.

"Amendment No. 41: This amendment makes it mandatory upon the licensee to reimburse the owner of a reservoir or other improvement for such part of the annual charges for interest, maintenance, and depreciation thereon as the Commission may deem equitable." (CONGRESSIONAL RECORD, May 4, 1920, vol. 59, pt. 7, p. 6521.)

There was no further discussion of subsection (f).

G. The hearings of the House Water Power Committee from March 18 to May 27, 1918, were described in House Report No. 61, 66th Congress, as "the most elaborate hearing on the subject of waterpower ever undertaken by the Congress." Over 50 witnesses testified, but so far as can be ascertained, the subject of headwater benefits charges was never brought up in the hearings.

PART II. EVOLUTIONARY LANGUAGE IN PREDECESSOR BILLS, 1910–17

The General Dam Act of June 23, 1910 (H.R. 24375, Public Law 246, 61st Cong.), amending the June 21, 1906, Dam Act, added the following language to section 1:

"Provided further, That the Chief of Engineers and the Secretary of War are hereby authorized and directed to fix and collect just and proper charge or charges for the privilege granted to all dams authorized and constructed under the provisions of this Act which shall receive any direct benefit from the construction, operation, and maintenance by the United States of storage reservoirs at the headwaters of any navigable streams, or from the acquisition, holding, and maintenance of any forested watershed, or land located by the United States at the headwaters of any navigable stream, wherever such shall be, for the development, improvement, or preservation of navigation in such streams in which such dams may be constructed."

This language was added to H.R. 24375 in committee by the House Interstate and Foreign Commerce Committee, House Report No. 1160, 61st Congress, 2d session, dated April 28, 1919, explains as follows:

"The bill is amended by striking out on page 3, in line 25, and on page 4, lines 1, 2,

and 3, the following language: 'including a just and proper share of the expense of construction and maintenance of storage reservoirs provided by the United States by which such dam and its accessory or appurtenant works shall receive direct benefits.'

"And inserting in lieu thereof the following: *'Provided further,* That the Chief of Engineers', etc.

"Appended is a statement showing the principal changes which this bill makes in the existing law.

* * * * *

" 'Fourth. The Secretary of War and Chief of Engineers are directed to collect charges for the privileges granted to dams which receive direct benefit on account of the ownership and maintenance by the United States of storage reservoirs, forested watersheds, or lands located at the headwaters of navigable streams for the improvement of navigation.

" 'Your committee has extended to the limits allowed by the Constitution of the United States the principle of reimbursement to the United States for any outlay or expense incurred by the Government and for any benefit received by private interests by reason of public improvement by the Federal Government which shall confer an incidental benefit upon such private interests for which the United States has a constitutional right to be reimbursed' " (pp. 1 and 2).

A. Among the several water power bills considered in the 63d Congress (1914), H.R. 16053 and H.R. 17854 contained language modifying the headwater benefits provision.

The House report on H.R. 16053 (H. Rept. No. 592, 63d Cong., 2d sess.) included the following explanation (51 C.R. 11069):

"Section 4, paragraph (b), changes existing law by providing that the compensation required from the owner of the dam on account of benefits accruing because of headwater improvements, the erection of reservoirs, etc., shall be collected to an amount not exceeding 5 percent per annum upon the total investment cost of such improvements to the United States, headwater improvements, all of which shall be divided among all the dams on the stream receiving benefits from the increased flow, and shall be equitably apportioned among all the beneficiaries."

B. The Shields bill, S. 3331 of the 64th Congress (1916), included the following language in section 2(3)(e):

"SEC. 2. That the Secretary of War may grant a permit or permits for such dam or dams and accessory works upon the following conditions:

"(3) * * * the Secretary of War * * * include any or all of the following provisions or requirements: * * *(d) that such grantee shall pay to the United States reasonable charges in consideration of the benefits accruing to and used by such grantee through the construction, operation, and maintenance by the United States of headwater improvements, including storage reservoirs, on any such waterway, such charges to be fixed from time to time by the Secretary of War and to be based upon a reasonable compensation proportionate to the benefit actually received by the grantee by reason of any increase of flow past or over the waterpower structures artificially caused by such headwater improvement, and all moneys received from such charges are hereby reserved and appropriated as a special fund in the Treasury to be known as 'the headwater improvement fund,' from which fund expenditures for headwater improvements and maintenance may be made by and in the discretion of the Secretary of War." (CONGRESSIONAL RECORD, vol. 53, pt. 3, p. 2197.)

On March 21, 1916, the House Committee on Interstate and Foreign Commerce reported out S. 3331 (H. Rept. No. 404, 64th Cong., 1st sess.) with recommendations for passage of a substitute Adamson bill. Section 5(b) of the Adamson bill—which is in 53 CONGRESSIONAL RECORD 10467–10468—was the same as section 2(b) of the Shields bill, except that the Shields bill provided for preserving the moneys in a special fund for headwater improvement.

House Report No. 404 contained no explanation of the subsection other than to state that "Section 5 provides * * * (b) payment for benefits of headwater improvements and storage dams" (p. 10).

An important insertion in the debate at this time was a letter from the Chief of Army Engineers dated February 16, 1916, incorporated in the RECORD of July 5, 1916 (53 CONGRESSIONAL RECORD 10468).

In a July 5, 1916, speech on the House floor on S. 3331, Representative John Esch, Republican of Wisconsin, described the General Dam Act of 1910 in part as follows:

"Another charge was authorized to in part reimburse the Government for headwater improvement in the way of reservoirs and forested watersheds. This latter provision is retained in the pending bill (S. 3331) with a limitation that the charge shall not exceed annually 5 percent on the cost of the improvement to the Government. Personally, I do not think that either of the charges for restoring navigability at the point of construction of the dam or this charge for reimbursement for headwater improvement, including reforested watersheds, amounts to very much in the last analysis." (CONGRESSIONAL RECORD, vol. 53, pt. 15, p. 1513.)

Representative William Kent, Independent of California, on July 25, 1916, inserted in the appendix a parallel column comparison of the Shields bill S. 3331 and the proposed House substitute. At the end of the comparison (which had not included the headwater benefits language), the following note appears:

"NOTE.—There is a provision in both bills which provides for a charge to the Government for benefits derived from headwater improvements including storage reservoirs, such charges 'to be based upon a reasonable compensation proportionate to the benefits actually received by the grantee by reason of an increase of flow past or over the waterpower structure artificially caused by such headwater power improvement.' The Army engineers and experts have stated there is no way of estimating such benefits, and it is clear, even from the operation of the present law, that such a charge provision is worthless." (CONGRESSIONAL RECORD, vol. 53, pt. 15, p. 1560.)

The Shields bill S. 3331 of the 64th Congress ended in conference with the two Houses unable to agree before adjournment time. The language of the headwater benefits section was not at issue, however, both Houses having agreed on substantially the same language.

C. As introduced into the 65th Congress late in 1917, the Shields bill S. 1419 contained the same language in section 2(3)(e) as the Shields bill S. 3331 of the previous Congress (56 C.R. 226).

Exhaustive hearings were held from March to May in 1918 by the newly created House Select Committee on Water Power, composed of the six ranking members of the Committees on Interstate and Foreign Commerce, Public Lands, and Agriculture. So far as can be determined, the 1,000 pages of testimony included no discussion of headwater benefits at any point.

When the House Water Power Committee reported the Shields bill S. 1419 on June 28, 1918, it submitted a complete substitute bill (H. Rept. No. 715, 65th Cong., 2d sess.). The licensing conditions were listed this time in section 10; but subsections (a) through (g) included no provision for headwater benefit charges.

At this stage, subsection (f) was the one that became (g) after the new (f) was added on the floor of the House on September 3, 1918 (as described on page 1 of this legislative history).

The bill as amended passed the House on September 5, 1918. The House later adopted the conference report, which included a modified 10(f), but the Senate failed to act on the conference report before adjournment. It was this conference report that became H.R. 3184 of the 66th Congress, which in modified form became the Federal Water Power Act of June 10, 1920.

(Part I of this legislative history records the details of H.R. 3184 in the 66th Cong.)

PART III. REFERENCES TO COL. HUGH COOPER

Col. Hugh Cooper is mentioned frequently throughout the decade 1910–20 in the CONGRESSIONAL RECORD.

In connection with debate on the water power bill, the following entries are in addition to the two references attached from the 1916 debates (53 C.R. 2862–3 and 10972–3):

June 30, 1914: Remarks of Mr. Murdock in House. Article from St. Louis Post Dispatch on Keokuk Dam and Colonel Cooper's role in it (51 C.R. 11431–11432).

July 23, 1914: Remarks of Mr. Smith of Minnesota in House testimony of Cooper cited (51 C.R. 12587).

February 13, 1917: Takoma Daily News item mentioning Cooper in connection with Priest Rapids (54 C.R. 3189).

HOW THE BILL WORKS

Because of the misrepresentations which have been erroneously reported by those who apparently hate for private power to get any benefit so much that they are willing to sacrifice the benefit that public power is receiving in the process. We used to call it "dog in the manger," and I know the Congress knows who I am talking about. I made a request of Mr. J. D. Stevens, a consulting engineer from Seattle, Wash., who is recognized by both public and private power, to give me some examples for the Congress. These examples were made on Senate bill 1782, which has the identical structure as H.R. 7201. I enclose the following examples:

A. EXAMPLE OF PAYMENT TO BE MADE TO OWNERS OF WATER CONTROL FACILITIES WHEN SUCH FACILITIES HAVE BEEN COORDINATED UNDER SECTION 31(b) OF SENATE BILL 1782

To obtain the maximum benefits from a hydroelectric river system there must be close coordination between the operators of each of the hydroelectric projects of the river system.

Among the major functions that must be coordinated is the filling and the holding of the upstream reservoirs of water control facilities during runoff periods when combined flows and power production are in excess of combined requirements, such stored water to be held in storage until useful to carry the combined load of the parties of the river system. Another major function is the coordination of water releases from the reservoirs of the water control facility during the storage control period to produce maximum firm power and energy and maximum usable secondary energy for each of the parties with facilities on the river system. In order to accomplish these objectives energy must be exchanged between the parties in such a manner that the firm capability of each party is maintained at all times and

that each party has the opportunity to produce the maximum amount of secondary power after the prime objective of firm power and energy has been assured.

The costs of the coordinated operation consist of the annual costs of the water control facility and the yearly costs of each operator on the river system for filling and holding reservoirs, regulating river flows and exchanging energy. Such yearly costs depend on current load demands, current river flows, and the needs of each operator to meet his firm and secondary demands for power and are not determinable until after the operation has occurred.

The annual costs of the water control facility and the allocation of these costs to each benefit provided by the water control facility can be reasonably determined in advance of an operating year. Such costs are subject to change only as labor and other current costs vary or whenever a new facility is constructed or the basic operation of the river system is changed.

The benefits arising from capital expenditures made for upstream water control facilities may include among other flood control, navigation, irrigation, power and energy production at site of water control facilities, and energy production at downstream hydroelectric facilities.

After elimination of the capital costs of upstream water control facilities allocated to flood control, navigation, etc., the remaining capital costs are the costs of the facilities used to produce power and energy at site of the water control facility and the cost of stored water.

The costs of the facilities required to produce power and energy at site of the water control facility include the cost of control gates, powerhouses, turbines, generators, switchyards, etc. (specific power facilities), and in addition the cost of head to provide falling water. Head is created by the dam at site, and a part of the costs of the dam and reservoir (joint power costs) are chargeable to head benefits.

The remaining benefits are the energy production from stored water at site and at downstream hydroelectric facilities. The remaining costs after adjusting for the costs of the specific power facilities at site and after the allocation of the costs for head benefits at site, are chargeable to stored water. The annual costs of stored water used for the production of energy at site of the water control facility and at each of the hydroelectric facilities downstream is allocated to each in proportion to the benefits each receives in increased firm energy production arising from the use of the stored water, assuming a recurrence of the minimum power water year of record.

To establish a maximum limit on annual costs to be allocated to downstream hydroelectric facilities, an alternate cost of storage was determined for each type of financing used by the respective parties downstream. The costs to the downstream users were limited to the established alternate storage costs whenever the allocation of the water control facility exceeded such limit.

I particularly asked him to make a statement with reference to the Columbia River Basin since that basin has both public and private powers and he made the following:

EXAMPLE OF ESTIMATE OF PAYMENTS TO BE MADE TO OWNERS OF WATER CONTROL FACILITIES IN THE COLUMBIA RIVER BASIN UNDER SENATE BILL 1782

The assumptions and procedures discussed herein are those used in estimating the payments to be made to owners of water-control facilities in the Columbia River Basin by the owners of hydroelectric facilities benefiting from coordinated storage releases, as provided in Senate bill 1782.

It should be noted that the payments computed herein cover only the direct payments for the firm energy benefits received, which shall be a fixed annual payment.

The Federal Power Commission is to take into account, on an after-the-fact basis, costs incurred by owners of water-control facilities and downstream facilities for the following services when not compensated for by the exchange of energy:

1. Cost of energy purchased to maintain firm energy capability.

2. Cost of regulation or load factoring to maintain firm energy capability.

This example is based upon a minimum water year. Since the cost of the water-control facility is thereby provided for, in years in which there is more than minimum water all excess water which is useful in the production of secondary energy should be released on a coordinated basis without additional charge. If the bill does not clearly provide for this, it should be amended.

1. Annual fixed charges, page 1:

Annual fixed charge percentages are the same as used by the Federal Power Commission in its "Notes on Determination of Headwater Benefits—Columbia River," issued February 1959, except that the percentage for Federal income taxes has been deleted from the Federal Power Commission percentage for total taxes.

2. Capital costs, page 2:

With the exception of Brownlee the capital costs of the water control facilities are the latest data used by the Federal Power Commission for joint dam and reservoir costs allocated to power. These Federal Power Commision costs do not include the costs of specific power facilities such as powerhouses and generating equipment. Brownlee costs are recent estimates prepared by the Idaho Power Co.

3. Annual charges, page 2:

Total annual costs are computed on page 2 of the tables for each reservoir in accordance with the type of financing used by the owner of the reservoir. These actual costs are shown underlined. Alternate annual costs are computed for each reservoir by use of the type of financing used by each downstream owner. In addition to the fixed annual charges shown on page 1 charges are added for dam and reservoir operation and maintenance costs, administration costs, and, for the Federal projects, interim replacements. These additional costs, including miscellaneous costs, are the same as those used by the Federal Power Commission, except that for Flathead, the total Indian land rental fee is included, and for Coeur d'Alene, the full cost of the overflow rights is included.

4. Calculation of alternate cost of storage, page 3:

Each downstream owner is subject to charges by the owner of the water control facility only to the extent of the "value of the benefits realized." The measure of "value" of storage to downstream facilities in this example follows the approach of the Federal Power Commission and is assumed to be the average alternate cost of storage to each classification of ownership, Army Bureau, public non-Federal and private. To obtain the alternate cost of storage for each classification of ownership the annual cost of each reservoir for each assumed ownership is first allocated between head and storage benefits as explained later in paragraph 5. The costs allocated to storage are then totaled for all reservoirs for each assumed ownership and divided by the total firm energy benefits produced during the drawdown period from all the reservoirs. The result, in mills per kilowatt-hour, is then used as the "value of storage" for each classification of ownership. In case the actual charges from a particular reservoir exceed the applicable alternate cost, the payments are then limited to the alternate cost of storage applicable to that particular classification of ownership.

5. Dam and reservoir costs divided between head and storage, page 4:

The dam and reservoir provide two basic functions at a water control facility, namely, head at site and storage for use at site and downstream. The dam and reservoir costs should be assigned logically to these two basic functions. The most important functions of head are to produce firm energy during the storage drawdown period from:

(a) Natural streamflow of the minimum water year.

(b) Upstream storage releases.

(c) At site storage releases.

The use of storage at site and downstream is also in terms of firm energy production during the storage drawdown period of the minimum water year. The dam and reservoir costs are assigned directly to these two functions of head and storage in terms of firm energy production.

6. Plants included, amounts of storage releases, and conversion factors, pages 5–13:

The total available storage is drafted from each reservoir during the 7-month drawdown period in the minimum water year in accordance with regulation studies for the river basin to produce the maximum total amount of firm energy. The conversion factor at each plant is the average factor throughout this drawdown period and applies alike to use of all storage water and natural flow water. Plants in the system include those under construction.

7. Apportionment of payments for coordinated storage releases among beneficiaries, pages 5–13:

The portion of the dam and reservoir costs chargeable to the use of storage is that remaining after subtracting the costs assigned to the head function from the total dam and reservoir costs. The costs assignable to storage are then distributed among the hydroelectric facilities at site and downstream, using the storage, in proportion to the firm energy each beneficiary produces from the storage of each water control facility. The at-site generating facility is included as a beneficiary in the use of its own storage.

8. Calculation of payments to water control facilities, pages 5–13:

The payment which is to be made by each owner of a downstream hydroelectric facility to the owner of each upstream water control facility is equal to the portion of the water control facility's cost apportioned to the downstream plant, or to the alternate cost of storage for the particular downstream owner, whichever is the smaller.

9. All basic figures used in this example to indicate costs or other values or amounts were chosen only to illustrate the formula submitted. They are intended as neither agreed nor established physical facts. However, we believe that such figures, taken as a whole, and the conclusions drawn from them, present a picture which is substantially correct.

We also asked him to determine whether or not, on the Columbia River Basin, he could make any estimate as to who would benefit and how much. He included the Montana Power Co., Washington Water Power Co., Pend Oreille County PUD, Chelan County PUD, Grant County PUD, Idaho Power Co., and other power companies, including the public authority districts, in calculating the amount the United States would benefit, which nets the United States $927,700 annually. In addition, the United States will benefit by 349 megawatts, which is a million watts of firm energy produced

from the stored water received from others. The public power Socialists who are opposed to this bill, even though it benefits the United States, will not admit this but they have absolutely no evidence to compare the estimates of Engineer Stevens.

We attach hereto his estimate:

Summary: Annual payments and receipts for coordinated releases of stored water

	Firm energy produced from stored water received from others	Payment for stored water	Cost per kilowatt-hour of stored water received [1]	Firm energy produced from stored water provided to others	Receipts for stored water	Mills per kilowatt-hour for stored water provided	Net	
							Payment	Receipt
	Average megawatts		*Mills*	*Average megawatts*		*Mills*		
Montana Power Co	117.0	$227,000	0.381	304	$325,000	0.210		$98,000
Washington Water Power Co.	184.0	309,000	.330	78	133,600	.337	$175,400	
Pend Oreille County PUD	37.5	64,400	.338				64,400	
Chelan County PUD	274.0	476,200	.342	57	99,500	.343	376,700	
Grant County PUD	306.5	536,200	.344				536,200	
Idaho Power Co				74	127,000	.340		127,000
United States	349.0	478,300	.269	755	1,406,000	.366		927,700

[1] Costs shown are only the costs for coordinated releases of stored water during the storage control period. This is not the total cost of producing firm energy from storage releases. Total cost of energy produced at downstream plants would also include the costs of power facilities used to convert the storage releases into energy.

NOTE.—In addition to the above payments, the Federal Power Commission is to take into account, after the fact: (1) Cost of energy purchased to maintain firm energy capability; (2) cost of regulation or load factoring to maintain firm energy capability.

Various objections will be made to this legislation and questions will be asked to try to confuse the issue. May we be pardoned for trying to anticipate some of those objections at this time. On page 5 of the bill, legislation is proposed to provide that in the event that an operator of a water control facility in operating as a part of a coordination agreement or plan, so operates as to unlawfully interfere with the natural flow of the river or to interfere with the storage or other facilities on the stream, then the Commissioner, if such interference is detrimental, can assess changes. There will be talk on the floor of the House of Representatives of what the meaning of the word "unlawful" is. The simple explanation is—it is in variation of the structure of the purposes of this bill, if enacted, but I remind the Members of the House, that the Federal Power Commission will not determine whether it is unlawful or lawful as that determination will be made by the Federal court, which usually determines what is lawful or unlawful.

Some argument has been presented that the Commission will be burdened because of additional staff work. The Commission has asked for this legislation. The Commission has not given any estimate of any great increase in their staff load. Since the filing for benefits is given incentive on the voluntary plan, if this bill is enacted, it is only reasonable to assume that this incentive will be productive of agreements which the Federal Power Commission will approve.

Arguments will be advanced that the bill does not provide anything that cannot be done now. If this were true, what is wrong with the passage of the bill?

Charges will be made that this is a windfall. This is not true because the provision of the bill to provide that in no case shall the result of the change affect the value of the benefits realized. See line 21 on page 3 of the bill. I want to know who can grumble about being charged for some benefits if they are receiving benefits? If those benefits are instrumental in the production and operating power at a particular facility, firm power that can be sold—who can grumble over paying those benefits, which they are not now getting and get firm power to a market and which firm power can be marketed at a profit?

Much talk has been made about the Tennessee Valley Authority and I understand that propaganda has been forthcoming that this would have a bad effect on the Tennessee Valley Authority. Nothing could be further from the truth. It has no effect on the TVA. All the non-Federal facilities in TVA presently operate under agreements with the Federal. There is no testimony in the record and no grounds for saying that these agreements will be disturbed or that there will be the slightest change expected in any operation there. As a matter of fact, the last three lines of the bill are productive to the extent, and section (a) of the bill takes care of voluntary agreements such as presently exists in the TVA. Someone has asked me why section (a) is in the bill. It is because some of the agreements existing today are interstate and some are intrastate and we want to make sure that they are approved by the Federal Power Commission in order that the maximum use of the river can be promoted and obtained.

Will anyone doubt that there is a need for more power in this country? Certainly there is a need for more power in the Northwest.

Let me remind this Congress that for 2 or 3 years the Federal Power Commission has been trying to work out some solution. The solution has not materialized and without this legislation will not and we have wasted stored water.

The lack of this legislation stems back to the difficulty of getting coordination in the Pacific Northwest thus not letting the service public districts get the power they need and by not letting the consumer get the power at the lowest cost—all of which this bill will accomplish.

WHO IS FOR THIS BILL

Perhaps some of you have received telegrams from your REA people. They were inspired by certain misinformation which has been circulated by Clyde T. Ellis, general manager of the National Rural Electric Cooperative Association, and I call the attention of this House to my extension of remarks in the CONGRESSIONAL RECORD of June 27, 1960. Of course, private power is for the bill. Private power recognizes the necessities, especially when the Public Treasury is not open for a raid. The private power people want all the firm energy they can get and as cheap as they can get it. If they fail in their operation, the Government does not pick up the check.

I enclose a letter and some material which was sent to me and sent to another Congressman by the Mountain-Pacific States Conference of Public Service Commissions:

DENVER, COLO., *June 8, 1960.*

DEAR CONGRESSMAN: By direction of the Mountain-Pacific States Conference of Public Service Commissions. I am forwarding herewith for your consideration the enclosed resolution adopted unanimously by the conference on June 8, 1960.

The conference is composed of public service commissions of the following States: Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.

Yours very truly,

JOSEPH F. NIGRO,
Secretary, Mountain-Pacific States Conference of Public Service Commissions.

Be it resolved, That the Mountain-Pacific States Conference of Public Service Commissions now in session at their annual conference at Sun Valley, Idaho, June 5 through 8, 1960, recommend to the Congress the enactment of H.R. 7201 by Congressman METCALF, of Montana, relating to the coordination of hydroelectric power resources of the United States; and be it further

Resolved, That a copy of this resolution be forwarded to each Member of the House of Representatives.

SUN VALLEY, IDAHO, *June 8, 1960.*

The Public Utility District No. 1 of Chelan County, Wenatchee, Wash., wrote me a letter and I enclose same:

WENATCHEE, WASH., *May 11, 1960.*

Hon. ROBERT HEMPHILL,
Congress of the United States,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: On behalf of Chelan County Public Utility District, I wish to express our thanks and appreciation for your consideration and time spent with us on the matter of H.R. 7201. Your efforts in support of this urgently needed legislation are sincerely appreciated. It is our firm conviction that legislation, such as this, is essential if we are to obtain maximum use of our water resources for power production, particularly in the Pacific Northwest.

You are to be commended for the good work you have done to date on this legislation, and we sincerely appreciate your continued efforts in this regard.

For your information, you will find enclosed copy of a letter addressed to members of the House Rules Committee, including attached resolutions and statements from public power groups relating to this legislation. You will note that the position taken for the most part in these resolutions and statements favors legislation in the field

of coordinated operation of hydroelectric facilities and payment to all reservoir owners for headwater benefits created downstream. You will note, also, that the public power groups are practically unanimous in opposing H.R. 7201 in its present form. The language changes now proposed for this bill as discussed with you and set forth in our resolution No. 2855, attached, along with other language changes that are proposed for incorporation in companion bill S. 1782, we believe will remove substantially all of the significant objections to this legislation.

Thank you again for your cooperation and assistance.

Sincerely yours,

HOWARD C. ELMORE,
Assistant Manager, Public Utility District No. 1 of Chelan County.

I also enclose a letter written to Congressman BUDGE as late as June 11, 1960:

PUBLIC UTILITY DISTRICT NO. 1
OF CHELAN COUNTY,
Wenatchee, Wash., June 11, 1960.

Congressman HAMER H. BUDGE,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BUDGE: The accompanying editorial states the position of the generating public utility districts of the State of Washington concerned with headwater benefits relative to H.R. 7201, the bill for comprehensive use of hydroelectric facilities.

This bill will make possible sensible hydroelectric operation and will assure firm energy to the Northwest worth millions of dollars without any capital investment. We urge careful and sympathetic consideration of this bill.

For over 1 year, these generating public utility districts in this region have worked cooperatively with the other non-Federal utilities to create legislation that will enable the people of the region to achieve the full potential of our water resources. Divergent interests have agreed to forego individual advantages for the overall benefit of the region. This is the purpose of H.R. 7201.

Since the bill was introduced, the generating public utility districts have continued to work to clarify further the language and intent of the legislation. A few important amendments have been suggested which will be introduced during the floor consideration. These amendments, we believe, meet the substantive objections made to this bill by public power organizations.

This bill subsidizes no one. It provides a means for coordinated operation not now possible. The Federal Power Commission and the Department of the Interior have suggested amendments which are in the reported bill, eliminating their previous objections.

Those who know and have direct responsibility for hydroelectric operations know that effective coordination is impossible in the present state of the law and have so testified. They further testified that this bill will make it possible.

H.R. 7201, as to be amended, provides for payments only for assured benefits received by downstream utilities. Costs to a downstream utility will not exceed the annual costs which would have been incurred if the downstream utility owned and operated that portion of the upstream facility allocated to the production of benefits to the downstream plant.

In practical operation no Federal project will be burdened to an extent that will increase the power rates of that project. In the Pacific Northwest, payments will actually be on the order of one-tenth the market value of the assured resulting benefits. Far from being a subsidy to any company, this bill will assure that all hydroelectric consumers of the United States receive their fair share of the benefits from intelligent use of the Nation's water resources.

In the Northwest, this legislation will make possible a bloc of assured and dependable firm power for the use of REA cooperatives, P.U.D.'s and other preferred users of electrical energy.

Very sincerely yours,

CHELAN COUNTY P.U.D.,
KIRBY BILLINGSLEY,
Manager.
GRANT COUNTY P.U.D.,
E. B. GIBBONS,
Manager.
PEND OREILLE COUNTY P.U.D.,
V. P. CAMPBELL,
Manager.

I also enclose an editorial from the Ruralite, a cooperative paper in the State of Oregon.

I also submit herewith an editorial from the Wenatchee Daily World, from Wenatchee, Wash., as late as June 5, 1960:

[From the Ruralite, June 1960]

COORDINATION

Almost lost sight of in the burning issues of summit, integration, and the presidential contest, is a problem now before the Congress relative to full coordination of hydro resources on our rivers.

Nonetheless, the issue exists and it may be decided within the next 30 days in the U.S. House and Senate.

The legislators have before them two measures, practically identical in content. One is H.R. 7201. The other is S. 1782. Both provide that public and private power dams on any U.S. river shall be operated in a coordinated fashion in order to produce the greatest maximum of hydropower supply.

As things now stand, it is, in considerable measure, every man for himself. On the Columbia, for example, Bonneville operates the Federal dams to produce the most salable power at those dams. The power companies operate their dams to produce the most for them.

Yet all experts are agreed that there are times when some dams should produce less in order to make a greater total overall.

It has been estimated by recognized specialists, that complete coordination of all dams on the Columbia River system could increase total effective power supply by perhaps 1 million firm kilowatts without any additional investment in generators.

The two bills now before the Congress offer an incentive to all dam owners, public and private, to coordinate their operations. The incentive takes the form of payments in money, or power supply, to those who sacrifice production at their own plants in order to increase total production of the system.

If these bills were to become law, the Federal Government would pay for upstream storage water furnished by non-Federal dams for use in downstream Government dams—and vice versa.

Proponents of the bills say that, on the Columbia, the balance of payments would be heavily in favor of the Government: Uncle Sam would have more water to sell than he would need to buy.

Public power forces in the Columbia Basin generally agree to the coordination principle.

A number of them think that the detailed working arrangements set forth in the two bills, if somewhat amended, are adequate to the stated purpose.

However, a number of other public agencies feel doubtful that the bills will work as proposed. They doubt that the bills, as drafted, can be adequately enforced. They fear that the additional benefits from coordination may fall mainly into the hands of the private power companies with the result that the gains in power supply cannot be sold under terms and conditions which would benefit the region.

Certainly some legislation is needed to insure coordinated use of Columbia hydro facilities and there are several statutory methods by which this might be done.

These two bills, properly amended, constitute one way. And at this writing it seems certain that some amendment—perhaps extensive amendment—is necessary.

The experts, whose opinions are divided, but upon whom Congress depends for enlightenment, would do well to sharpen their pencils and try to agree on the details.

[From the Wenatchee (Wash.) Daily World, June 5, 1960]

TALKING IT OVER

(By Wilfred R. Woods)

With the construction of more and more non-Federal power facilities in the Northwest, the need for better coordination of the Columbia River's power dams become apparent.

This is particularly true of the use of upstream storage in relation to such dams as Rock Island, Rocky Reach, Priest Rapids, and Wanapum Dams.

At the present time Federal storage reservoirs at Grand Coulee and Hungry Horse Dams are operated as best suits the needs of Federal powerplants alone.

Legislation is needed to enable the Bonneville Power Administration to coordinate its operations with non-Federal dams dependent upon their storage releases.

The proper solution to this matter of coordination would mean more overall power for the area, and more revenue to the Federal Government.

This would come through payments to the Government for use of this water stored upstream.

At the present time a strange situation exists.

There is a statute on the books whereby non-Federal dams can be assessed for these upstream storage benefits.

But to date the Federal Power Commission has never set down a formula for such payments. Chelan PUD did work out an interim arrangement on Rock Island Dam. But it is tentative only.

The PUD is willing to pay for this storage upstream benefit, but at the present time it wants assurance that the storage dams will be coordinated.

Under the present arrangement, the Federal Power Commission may someday assess Rocky Beach Dam for upstream storage benefits. But how much and on what basis nobody knows.

This is the thing that the PUD is trying to avoid.

Chelan PUD officials estimate that the Federal Government could realize from $900,000 to $1 million per year from headwater benefit payments.

It is true that there are some year-to-year arrangements made on power coordination. But much of the revenue and power is being lost, the power experts say.

Under legislation proposed to correct this situation, the Federal Government would pay benefits for upstream storage to non-Federal agencies as well as the reverse.

However, it would receive more than anyone else from such a program (primarily from Chelan and Grant PUD's).

The legislation has been approved in principle by power agencies of the area.

There are several reasons why it should be pressed.

Several of our PUD dams are coming into operation now.

The longer a solution is put off, the more loss to the region.

There is another important point.

Before we can effectively settle our storage water problems with Canada, we had best get our own house in order.

I also enclose a letter from a REA cooperative out in Idaho to Congressman BUDGE.

I want you to take a look at this letter to Congressman BUDGE, as it shows that the power will be low-cost power and it will benefit the REA customers and not raise their rates as some have tried to misrepresent:

NORTHERN LIGHTS, INC.,
Sandpoint, Idaho, June 14, 1960.

Hon. HAMER H. BUDGE,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BUDGE: This REA cooperative urges your sympathetic consideration and support of H.R. 7201.

Since the introduction of this bill, our cooperative has worked with other REA cooperatives and non-Federal public agencies to suggest amendments which will assure that the bill conforms to the policy objective of the public power movement as well as meeting the rules of sensible hydroelectric operation. We believe that this has been achieved; and these suggested amendments will be introduced during congressional consideration of the bill.

The National Rural Electric Cooperative Association, of which we are a member, passed a resolution relating to this subject during the 1960 annual meeting. We believe that the dangers described in that resolution have been fully met and the bill as amended will have good results for everyone.

The bill, as it will be amended, does not impose unrestricted liability on Federal hydroelectric developments—it severely limits Federal payments to assure that no owner receives more than fair compensation for benefits actually provided.

The Federal Power Commission has assured us that it cannot increase the cost of Federal power.

It includes a method of discouraging wasteful development of reservoir sites and encourages Federal development of waterpower facilities more than it encourages any other type of development.

A detailed and careful engineering study of the operation of the bill in the Columbia River system has been prepared, conclusively showing the results in assured firm energy which will be available in the Pacific Northwest at a small fraction of the cost by which such energy could otherwise be assured. This study was not completed in its last details in time for printing in the House hearings; however, it is set forth in the Senate hearings on S. 1782, the companion bill.

When these amendments are included, we are certain that the bill will assure a huge block of low-cost, firm power for use by the preferred consumers we serve, and that it will be a permanent benefit to the entire region.

Yours very truly,
ORA E. BEASLEY, *Manager.*

I call your attention to a statement by the chairman of the Montana Public Service Commission on page 139 of the hearings that—

Unless this bill is passed, Montana consumers will continue to suffer unjustly by paying a substantial amount for use of upstream storage water while getting no credit from downstream Federal plants that use water stored in Montana at private utility plants paid for by Montana consumers.

The Lewis-Clark G & T Cooperative, in Idaho, Washington, and Oregon, favors the legislation and the Grand River Dam Authority in Oklahoma favors the legislation.

The truth is, everybody who is thinking about the consumer public and the utilization of the natural resources favors this legislation, except a few selfish individuals that I described above.

There has been distributed, particularly among the members of the Alabama delegation, the false information that this legislation would disturb the Coosa River cost-benefit ratio. I tried to impress on some of those fine men from that State that this was not the case. I claim no power expertness on power, and I thought it best to go to those who know and I enclose in this documentation a letter from the office of the Chief of Engineers. This letter was written before we had the amendments which are to be proposed and I am sure the amendments will be even more beneficial.

HEADQUARTERS,
DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., March 25, 1960.

Hon. ROBERT W. HEMPHILL,
House of Representatives.

DEAR MR. HEMPHILL: H.R. 7201, 86th Congress, a bill to provide for the comprehensive operation of hydroelectric power resources of the United States, would authorize procedures under which non-Federal owners of headwater improvements could enter into agreements with the owners of downstream hydroelectric powerplants, including Federal plants, for payment for benefits provided by such upstream projects. You have inquired whether the enactment of this bill into law would affect the feasibility of construction of Federal projects.

I can foresee no circumstance under which the economic justification of Corps of Engineers' projects would be decreased under this bill. In the economic analyses of our projects the total benefits expected to be realized are compared with the total project costs. Reimbursement of non-Federal interests for benefits they provide would not alter the economic justification of the projects from an overall public viewpoint. However, the provision of H.R. 7201 could have the effect of permitting more effective integration of the operating procedures for the upstream and downstream projects to increase the benefits over those which would otherwise be obtained if operated separately.

The procedures proposed in H.R. 7201 would, however, be expected to have some impact on the rates charged for power. Existing laws governing the sale of power require that all costs incurred in the production of power be returned to the Treasury through power revenues. Thus payments to the owners of water control facilities would have to be recouped through increased power revenues. If the payments to the owners of the upstream projects were made in terms of hydroelectric power, an increase in rates would be required for the remaining power in order to recover the same cost. However, the increase in power made possible through coordinated operation might in some instances be more than sufficient to offset this effect on rates.

Sincerely yours,
WILLIAM F. CASSIDY,
Major General, U.S. Army, Assistant Chief of Engineers for Civil Works.

WHY DO WE NEED COORDINATION OF POWERPLANTS?

COORDINATION OF POWERPLANTS

Section 202(a) of the Federal Power Act empowers and directs the Commission to encourage the voluntary interconnection and coordination of electric facilities in adjacent areas for the purposes of assuring an abundant supply of electric energy throughout the area with the greatest possible economy and with due regard to the conservation of natural resources. Furthermore, pursuant to section 4 of the Federal Power Act, the Commission is given broad authority to make investigations and collect the data concerning the utilization of our waterpower resources.

Pursuant to this direction and purpose announced in the act, the Commission has, from time to time, made many interconnection and coordination reports showing the technical and economic advantages of various proposed system interconnections. These studies embrace both hydroelectric and thermal electric plants. Regarding rivers and streams, the Commission on its own or in cooperation with the Corps of Engineers has made river basin studies covering all of the rivers in the United States which have any hydroelectric power potential. These studies have been based upon coordinated operation of projects involved so as to make the fullest use of the water resources for various purposes including power.

Except in cases where the Commission's licensing authority is involved, the Commission is not empowered to enforce the proposals resulting from these studies but must depend on voluntary action on behalf of the parties involved. In situations where the Commission's licensing authority applies, the results of these studies have been put into effect through conditions in the license. For example, the license issued to Idaho Power Co. for project No. 1971, covering three developments on the Snake River, provides that this project shall be operated in coordination with the Pacific Northwest power pool. Similarly, the license issued to Duke Power Co. for project No. 2232, covering 11 developments on the Catawba and Wateree Rivers provides that the project shall be operated in coordination with the systems of Carolina Power & Light Co. and Carolina Aluminum Co., and others which it might be interconnected with.

The voluntary coordination of power systems which would be encouraged under subsection (a) of the bill H.R. 7201 is the same type of coordination toward which the Commission has been directing its attention under the Federal Power Act.

ASSURANCE OF WATER SUPPLY

It is obvious that a hydroelectric plant cannot contract to deliver electric power which cannot be produced from the water available. Under the present law there is no assurance that water will be made available for use at downstream powerplants at such times as it can be used to develop power advantageously. This is particularly important insofar as firm and dependable capacity gains are

concerned. The ideal would be for the interconnection and coordination of power systems in a river basin to be so complete that the greatest benefits are derived for the river basin system as a whole. It is anticipated that the present bill would provide assured operation of the stored waters with the result that blocks of additional capacity will be provided which are not realized under the present law and that this additional dependable capacity can be used to generate additional firm electric energy which at present is not being produced and cannot now be contracted for sale.

ADMINISTRATIVE COSTS OF FPC

During the present fiscal year, 1960, 11 man-years are assigned by the Commission to headwater benefits work under the provisions of section 10(f) of the Federal Power Act, calling for expenditures of $86,896. There are a large number of powerplants located on streams which might be subject to Federal jurisdiction where the powerplants have not been brought under an FPC license. During the present fiscal year, 1960, the Commission has assigned 6.4 man-years to work determining which of these unlicensed projects are subject to license.

It is estimated that there are at present 48 river basins in connection with which headwater benefit investigations and determinations are required. At present, only 12 of the 48 investigations have been formally instituted by the Commission. Assuming that investigations would be instituted in all 48 river basins during the next 5 fiscal years, the estimated man-years required would be as follows:

Fiscal year	Number of investigations	Man-years required
1961	17	14
1962	25	21
1963	33	25
1964	41	28
1965	48	30

Under section 10(f) of the Federal Power Act, headwater benefit investigations and determinations must be made after the actual benefits have been received by the powerplants subject to the requirement for payments. Investigations of these benefits and of the upper storage reservoir costs are of a continuing nature and under the present statute would continue as long as the projects involved are in operation and the benefits are provided. The estimate of 30 man-years given above for fiscal year 1965 represents the peak requirement insofar as manpower is concerned. It is estimated, however, that this maximum will level off in subsequent years to about 24 man-years.

In order to determine which of the unauthorized power projects are subject to licensing under the Federal Power Act, it is estimated that the following staff requirements will be necessary over the next 5 fiscal years:

Fiscal year:	*Man-years required*
1961	15.9
1962	20.0
1963	20.0
1964	20.0
1965	20.0

HEADWATER CHARGES TO BE PAID BY THE UNITED STATES

It is not possible to state the amounts of payments which the United States would be required to make to non-Federal water-control facilities under the bill without making the detailed studies involved.

However, if the United States is required to pay annual charges for power benefits which it now receives without charge it is obvious that its operating costs will be correspondingly increased by the amounts so paid. It is anticipated, however, that these new charges would be minimal with relation to the total power sales from the respective Federal plants and on the whole should be so offset by additional benefits expected to be realized by the Federal powerplants as to have no effect upon the rates. In addition, it is anticipated that the coordination arrangements and commitments for dependable capacity will result in new net benefits to the Federal projects as actually to reduce annual costs.

If there are net benefits to any privately owned power companies, the operating costs of those companies will be correspondingly reduced, and of course operating costs have a direct relationship to the rates. The net practical effect of the bill, therefore, should be beneficial to the consumers.

[From the Oregon Journal, May 25, 1960]

"EVERYBODY WINS" BILL COVERS POWER PROPOSAL

(By Tom Humphrey)

How would you like to have someone come along and offer you 1,268,000 kilowatts of firm hydroelectric power—the equivalent of the capacity of the $425 million Dalles Dam—without the investment of an additional dime?

Sounds crazy, doesn't it?

Nevertheless that's an oversimplified interpretation of the purposes and possibilities of H.R. 7201 and its companion bill, S. 1782. This measure would, if approved by the Congress, provide the legal machinery for complete coordinated operation of all storage facilities, Federal and non-Federal, on the Columbia River system.

It also would make the Federal Power Commission responsible for developing a formula for paying or reimbursing upstream plants (public or private) for falling water released from storage which would firm up, on a year-around basis, the power capacity of downstream plants.

WRITTEN BY PAIR

This program, developed after a year's work by the public and private agencies with generating capacity in the Columbia Basin, was reduced to bill form by Senator MURRAY, Democrat of Montana, and his colleague in the House, Representative METCALF.

Revised after public hearings to meet some of the reservations or objections of the Department of Interior and the Northwest Public Power Association, it was approved by the House Interstate and Foreign Commerce Committee 21 to 6 and is pending before the Senate committee of which Senator MAGNUSON, Democrat of Washington, is chairman.

Supported by both Federal and non-Federal agencies with generating facilities on the Columbia, the bill may go to the floor of the House in the next 2 weeks.

And since original questions by the Department of Interior and some public power agencies without generating facilities have been answered by amendments, the bill has a good chance of passage at this session of the Congress.

It should pass.

WOULD BE BONANZA

Implemented by contracts which would be negotiated between the affected power producing agencies, Federal and non-Federal, coordinated operation of the Columbia River system could produce a huge power bonanza without additional capital investment by firming up the salable power capacity in low water periods. In dollars this power would be worth $21,500,000 a year at a 3.32 mill rate.

The only costs would be for sharing the burden of storing water in existing reservoirs for release at the optimum time. These costs which would be paid by the downstream beneficiaries, are estimated at $2 million a year, or about one-tenth of the value of additional assured firm energy.

Federal and non-Federal public power producing agencies, particularly the Interior Department's Bonneville Power Administration, would be the big gainers in such a program, by reason of their great size. But other beneficiaries, in addition to the Grant, Chelan, and Pend Oreille County PUD's, would include Montana Power Co., Washington Water Power Co., and Idaho Power Co., which operate dams in the Columbia-Snake system.

Nonpower obligations at Federal multipurpose projects (irrigation, reclamation, navigation, and fish facilities, for example) would be recognized by law and in the voluntary contracts between coordinated agencies. Downstream benefits for upstream storage could be paid in power or money. The amended bill even includes an alternative cost of storage concept sought by the Northwest Public Power Association.

Altogether this is an "everybody wins, nobody loses" measure. It is so simple and logical that one wonders why it wasn't thought of years ago.

[From the Seattle Times, June 12, 1960]

COLUMBIA POWER ISSUES NEARER SETTLEMENT

(By E. B. Fussell)

A new effort to settle the upstream-downstream issue in Columbia River power development is scheduled for the closing weeks of Congress.

Operators of both publicly and privately owned power utilities on the Columbia River system are now reported agreed upon amendments to a coordination bill originally sponsored by Senator MURRAY, Montana Democrat.

House action on a companion bill, sponsored by Representative METCALF, also of Montana, is expected this week. METCALF recently won Democratic nomination for the Senate seat of MURRAY, who is retiring. The coordination bill was a factor in the campaign.

MORE OUTPUT POSSIBLE

The coordination plan is designed to require the fullest possible use of all water storage on the river system. An engineering analysis prepared by the bill's sponsors indicated that complete coordination can add 1,268,000 kilowatts to the river's firm power.

Under existing law the Federal Government is entitled to collect from downstream non-Federal plants if their power output is increased by releases from upstream Federal dams.

There is no provision, however, by which non-Federal operators can collect from Uncle Sam, if their releases add to power production at Federal dams.

VOLUNTARY CONTRACTS

The basic purposes of the Murray-Metcalf bill is to encourage voluntary contracts between all operators of power facilities on the Columbia River system, including the Federal Government.

The bill calls for agreements on the value to be placed on storage releases. If agreement proves impossible, a reservoir operator may place its proposed plan before the Federal Power Commission.

Supporters of the bill say Senate approval is expected if House action can be assured in the next week or 10 days. The Senate version of the bill is in the Commerce Committee. Senator MAGNUSON of Washington is chairman.

[From the Eastern Oregon Review, June 16, 1960]

NEW POWER PROGRAM

In the development of the natural water resources of the Snake-Columbia River system the Review has always favored the development by the Federal Government. We have felt that only through that method could the best in the development be secured for the people of the area and the Nation.

For quite a while the Government was the only big operator in that business but within the past few years private companies and public power companies have been able to get a foothold in the development. As a result there has been no plan for complete development.

Now comes Senator MURRAY, Democratic Senator of Montana, with a plan. He is assisted by Congressman LEE METCALF, Democratic Representative from the same State, in proposing a method where the ultimate in power development may be gained from the river. Strangely enough the program is being endorsed by both the private and public power groups on the river. It is not so strange when one finds that all elements will profit through the program for there will be one and a quarter million kilowatts of power developed by such a program of cooperation and this vast amount of additional power will be sold to the financial advantage of all groups involved.

When one considers that it would cost an amount of $300 million to $500 million, to create a power load of that magnitude it is only good business that all interests involved get together to capture that amount, especially when the extra costs involved in water storage is paid for out of profits from the projects.

It was the dream of the early sponsors of the comprehensive development of these streams, that the entire project be developed by the Federal Government for the benefit of all. Now it remains for those who have had a part in the development to work together to gain the same end by coordinating the river water usage to the best advantage of all who take kilowatts from the falling waters of the streams.

The plan of MURRAY and METCALF involves no new construction. The only factor is the development of a plan of water release at all sites to produce the peak of power production so that the vast amount of firm power may be realized. Firm power is the power which brings in the money to the power developers. Most of this vast harvest of extra power is lost to all through the operation when each unit operating, Government, PUD, or private power company operates its storage facilities at their own discretion with no thought of the others downstream.

It may well be that the Senate bill 1782 may become the vehicle which will give the nearest thing to a partnership development on the river yet suggested. If worked out as planned the Northwest will gain the equivalent of one big dam without the expenditure of 1 cent for additional construction. According to the backers of the project this plan will bring in enough additional revenue to the manufacturers of kilowatts along the river to be able to save the public an increase in power costs even with the power costs in all other sections on the increase.

ANSWER TO THE MINORITY REPORT ON H.R. 7201

The opponents of H.R. 7201 have filed a minority report—House Report No. 1414—in which they set up various strawmen and proceed to knock them down with righteous indignation. If their assumptions were correct, some of their indignation would, indeed, be justified. However, it is clear that the authors have been completely misled as to the purposes, operation, and results of the bill. For that reason, I submit this explanation of the matters raised by the minority report with the hope it may help the Congress to decide the issue on its merits.

Section designations and titles are from the minority report.

SECTION 1—"GENERAL STATEMENT"

H.R. 7201 does not create any subsidies to private utilities and does not constitute any drain on the Federal Treasury. As stated by Mr. Gatchell, General Counsel for the Federal Power Commission:

> The United States has far more to gain from the passage of this legislation than it has to receive under the present law. This legislation would not only be of direct financial benefit to the United States, but in providing impetus for more practical cooperation between Federal and non-Federal power interests, the legislation would be of genuine benefit to the economy of the country, especially in the Pacific Northwest where so many of the municipalities and public utility districts are urging its enactment (H. Rept. No. 1414, p. 9).

It is also a fact which some people refuse to recognize that private utilities' profits are dependent entirely upon their investment in utility plant, and any savings in operating cost are savings to the ratepayers and cannot, in the long run, increase the company's profits. Thus, no regulated private utility can make one cent of profit as a result of this bill.

Page 44 of House Report No. 1414 contains the following description:

> Indeed, the conservation movement, whose principles have become part of the fabric of this country, grew out of the strong belief that the water resources of the Nation must be devoted to the good of the people and be used only under conditions designed to benefit the common good.

The proponents heartily agree, and they support H.R. 7201 as a sensible and sizable stride toward this laudable objective. At the present time there is no inducement for a particular reservoir owner to operate for the benefit of anyone but himself and his own customers. The bill would encourage all owners, be they States, municipalities, Federal, cooperative, or private, to operate their facilities for the overall benefit of their region and all of its consumers. Only by such coordination of effort and an equitable sharing of the total benefits can the Nation's water resources serve their full purpose for the common good.

The opponents say the bill would undermine the Federal control over interstate waterways. Quite the opposite is true. The bill is a confirmation and exercise of Federal authority. It establishes a policy that all people who have been authorized by the United States—including the Federal Government itself—to use water resources for power purposes shall use them for the maximum common good, and all people shall bear their fair share of the costs which make such use possible.

Section 3, "H.R. 7201 would authorize the FPC to impose on the Federal Government a perpetual charge of huge but unknown amount for use of property belonging to the public."

There is no foundation for any element of the position taken in the third section of the minority report—pages 46 and 47, House Report No. 1414.

The consumers served by a utility must pay the costs incurred by that utility, whether it be a Federal agency, a private company, or a State or municipal agency. All costs connected with the bill are the ultimate responsibility of the consumers, and the benefits from the bill inure to the benefit of the consumers. Thus, there can be no "burden on the Federal Treasury," as alleged by the minority report. Also, the payments to be made by anyone are limited to the value of the benefits realized. Under those circumstances, a burden on the Treasury is impossible.

The opponents refer to any Federal payments as a "tribute." It can hardly be a "tribute" when the consumers of Federal power pay their fair share of the costs necessarily underwritten by other consumers to provide such Federal power. It cannot be either proper or logical that one group of consumers should be asked to make a contribution for benefits received to relieve the burden of their Federal power consuming neighbors upstream and, at the same time, be required to bear the full burden of costs necessary to provide identical benefits to their Federal power consuming neighbors downstream. To propose the continuation of such practice, as the opponents do propose, is to espouse a very strange and disturbing definition of "conditions designed to benefit the common good."

The opponents repeatedly describe such payments as "perpetual." This is also misleading. Capital costs are only paid once. When they are paid off, no one need continue paying them and the benefits are available for a fair contribution to operation, maintenance, and similar current costs only. The situation is no different than any other where Federal or non-Federal capital costs are required to secure benefits. When they are paid, the consumers reap the benefits of a paid-up project.

The third section of the minority report also restates the old assertion that the bill would require "the American people to pay rent on their own property." There is no foundation for this argument. The American people, as such, pay nothing—Federal power consumers just share in the costs from the expenditure of which they derive a benefit. The people of the United States own certain rights to use navigable waterways. Under the bill, neither the Federal Government nor anyone else pays a cent for the use of waterways or for the water or for the right to produce power from it in a downstream facility. The people of the

United States do not own the structures which have been built and financed by local governments, cooperatives, and licensed private utilities to improve the condition and usefulness of the streamflows over their natural state. Most of these structures have been built with Federal approval, and their cost is assumed and guaranteed by the consumers, and in some cases the local taxes, of their region. These structures are owned by the people who pay for them. The bill only requires Federal consumers to assume their fair share of the costs of that portion of each such structure which is maintained and operated for the benefit of those Federal consumers. This is merely sharing the cost of a service performed for their benefit. The Federal control of navigable waterways does not justify the free use of non-Federal storage facilities any more than the Federal control of airways justifies free airline tickets.

However, the question of "paying rent" on anyone's property is largely a philosophic exercise. As a practical matter, no one will suffer any injury. In areas where coordinated operation of hydroelectric facilities for the production of firm energy is not the proper criterion, payments required of the United States will not increase rates or diminish feasibility of Federal projects. We are so assured by the Federal Power Commission. In areas where coordination will assure increased firm energy capability, every Federal and non-Federal facility—and, of course, all of their consumers—will realize a tremendous net benefit. Happily, the sensible coordination of all facilities on a river system results in a situation where everyone wins and no one loses. Among the winners, the Federal Government and its consumers come out with the greatest net benefit. Just from the standpoint of contributions toward the costs of Federal reservoirs, the Government will realize a higher net contribution than the gross it can ever expect to receive under present law. On the Columbia River system, where this bill and coordinated operation have the most dramatic impact, the Federal Government will each year realize in excess of $900,000 net contribution to its reservoir costs from projects in existence or under construction and be assured of almost $6 million worth of firm energy from the use of non-Federal storage—all without 1 cent of additional capital investment. Under present law the determination of benefits is so complex that the Federal Government has collected a total of only 69,000-odd dollars for all the Federal reservoirs on the Columbia system and that was paid on a tentative determination. Even if a suitable formula under present law could be worked out, the possible payments to the Government could not come near equaling the net payments to the Government under this bill. Thus, there are no huge expenditures, as alleged in the minority report, which the Congress is being asked to authorize.

The last paragraph of section 3 is equally misleading. If the operating conditions in an area are such that coordination will result in an increase in firm energy, the bill provides that no reservoir owner can receive any payment at all from anyone unless and until such coordination is assured. If he chooses to operate only for his own benefit and ignore the needs of the region as a whole, he is not qualified to seek contributions from downstream facilities. In practice, it is virtually certain that reservoir owners in such areas will give the necessary assurance. They, too, stand to gain from coordination; and an intentional forfeiture of such benefits as well as forfeiture of all contributions to their costs would be an act of unthinkable political and/or fiscal irresponsibility.

In areas where coordination for the production of firm energy is not economic, obviously, coordination should not be the criterion for sharing the benefits from reservoirs. In such circumstances, an equitable charge must be established for benefits of other types, and it must apply whether the facility creating the benefit is upstream or downstream from the beneficiary facility.

Section 4, "H.R. 7201 is not necessary to achieve coordinated operation of projects, nor would it in fact do so."

(a) Existing law is adequate for voluntary agreements (p. 48, H. Rept. No. 1414).

One of the shortcomings in the argument on page 48 of the report is obvious from the quotation set forth in the middle of the page. The legal authority there being described by Secretary Aandahl is so hedged and illusory as to constitute no authority at all. Moreover, the quotation makes no mention of the terms on which the Government can legally agree. Therein lies the shoal on which attempts at real coordination have floundered and failed. Other testimony by Secretary Aandahl supplies the proper perspective. Consider the following—hearings, page 151:

Again, let me say we can negotiate agreements of that kind—i.e., coordination agreements—to quite a sizable extent under present law. Subsection (a) of the two bills under consideration would give a little further congressional encouragement to that and we have no objection to subsection (a).

Hearings, page 157:

The CHAIRMAN. Now, Governor, while discussing your explanation of this and the reasons for the proposed amendment, assuming that this section, subsection (a) would be approved, would that give you any authority that you did not now have by law?

Mr. AANDAHL. It wouldn't add much to our authority. It would give the area of contract negotiation a very specific incentive as far as congressional intention and desire is concerned, and we think that it is desirable to have legislation of this kind.

Consider now the testimony of other witnesses who have had experience with the problem.

Mr. Willard Gatchell, General Counsel, Federal Power Commission, hearings, page 16:

The bill looks to voluntary arrangements because there is not now, and I don't see any prospect of having, real coordinated integration of systems under the present arrangement.

Mr. Howard C. Elmore, assistant manager, Chelan County, Wash., Public Utility District—hearings, page 107:

Specifically, the change needed—

To insure real coordination—

is in section 10(f) of the Federal Power Act which would permit the Federal Government to compensate a non-Federal project when such project is coordinated with the Federal system and operated to the Federal system's benefit, in a similar manner, if not to the same degree, that the Federal system requires compensation for benefits to others.

Mr. Glenn E. Bandelin, attorney, Northern Lights, Inc., an REA cooperative, Sandpoint, Idaho—hearings, page 111:

Mr. AVERY. I have a question. Senator, I take it that Bonneville Power Administration interprets section 10(f) to mean that they are precluded from compensating for any upstream benefits even though they might be so inclined?

Mr. BANDELIN. That is the position generally that they take, although they won't come out and definitely state that. They reserve something for the future at all times. We did our best to get together with them under this partnership theory. The State of Idaho is in partnership with also the Washington Power Co., and our cooperative, but that is as far as the partnership went. When we went down to Bonneville we could not get to first base with them.

Mr. Alan P. O'Kelly, attorney, the Washington Water Power Co., Spokane, Wash.—hearings, page 113:

In 1956 it was finally decided that while we were continuing our efforts to determine payments under section 10(f) it would be also of great value to everyone concerned if we, at the same time, set up on an informal basis a separate committee to attempt to work out the principles of coordination.

One of the first problems that this committee ran into was the fact that the Federal Government, and particularly the Bonneville Power Administration, had some severe limitations put on it because of the wording of present statutes. Bonneville took the position, which position was supported by the Grand River Dam Authority case, that in any coordination agreement Bonneville would be unable to give any credits for interest, maintenance, or depreciation of any headwater improvements, so that somehow these charges would have to separated from the costs of coordination. This and other legal complications which, I understood, cast some doubt on the right of Bonneville to make full coordination agreements, made it impossible for this committee to proceed.

Thus, contrary to the opinion in the minority report, the need for the bill is clear.

The minority report refers us to page 152 of the hearings for examples of agreements in effect under present law. At page 152, Secretary Aandahl specifies agreements with Pend Oreille PUD and Montana Power Co. Both of these entities strongly support H.R. 7201, and deny the adequacy of the existing law; and neither has what could be considered a real coordination agreement on the basis of which it could commit itself for the sale of power. See pages 98–102 and pages 114–116 of the hearings.

In referring to the coordination benefits now realized on the Columbia system the proponents of the bill approve

and applaud all of the efforts heretofore made and the limited successes accomplished. That does not detract from the fact that an additional 500,000 to 600,000 kilowatts of firm energy can be added through real coordination. The last sentence of subsection 4(a), page 49 is utterly false. The Department of the Interior did not and does not object "to the enactment of H.R. 7201." The Department made some suggestions which were accepted by the Committee and the favorable position taken by the Department can be seen from the letters of July 29, 1959—hearings, page 143—and February 17, 1960—hearings, page 163—and the testimony of Secretary Aandahl.

(b) Coordination of Federal projects should be effected by the Federal operating agencies, and not be subject to FPC jurisdiction.

The minority report tries to enlist the support of the Department of the Interior in their argument that H.R. 7201 would somehow make the FPC a watermaster of the rivers. But the Department does not support them. In the departmental report of July 29, 1959, Secretary Aandahl supports the purposes of the bill and suggests changes to protect the nonpower uses of Federal facilities. In the letter of February 17, 1960, Secretary Aandahl proposes the amendments he deems necessary for such protection. These amendments were accepted by the committee.

(c) The Federal Power Commission has adequate authority under existing law to require coordination of licensed projects.

The statement that "the Federal Power Commission has adequate authority under existing law to require coordination of licensed projects" ignores all of the testimony presented to the committee and particularly the testimony of the General Counsel of the Federal Power Commission—page 14 of committee report. The Federal Power Act and some licenses under the act have some general language concerning the requirement of a comprehensive plan and coordination with the Northwest Power Pool. However, as pointed out by Mr. Gatchell, there is no legislation and no principle or way established to effect coordination. Coordination is not a one-way street. It is like cooperation. One person cannot cooperate or coordinate by himself. There must be some plan or way to effect coordination. This bill provides the machinery and the inducement necessary to implement existing law and policies.

(d) The bill would promote only partial, rather than effective, coordination.

The statement that "the bill would promote only partial, rather than effective, coordination" and particularly the implication that the bill would reduce the incentive of operators to negotiate the best coordination agreements has no foundation in fact. The bill in fact is designed specifically to encourage voluntary agreements and to induce reservoir owners to coordinate their operations with those of downstream owners. The inducement is furnished by the fact that they do not receive any payments at all unless they agree to coordinate. If they want help in paying for the storage reservoir and cannot reach agreement with downstream owners, they can still secure contributions by filing a commitment to "reasonably coordinate the operation of its facility so as to produce the optimum amount of firm energy for itself and all downstream hydroelectric facilities."

Such coordination is an engineering fact which is capable of being calculated by competent engineers. I am assured that there would or should be little dispute between engineers as to what type of coordination meets this test. The Northwest Power Pool during war years and during emergency periods operated voluntarily on this basis with no difficulties that were impossible to resolve. All of the generating utilities, both public and private, in the Columbia River system, who are all supporting this bill, seem to find no problem in knowing what would be expected of a reservoir owner under such a commitment. The sole problem is and has been the difficulty under present law of arriving at any type of fair and equitable coordination agreement on the basis of which each of the parties can safely go out and commit themselves to supply power to customers. This has impeded the full and orderly development of the region.

(e) Deficiencies in definitions in the coordination proposal.

The claimed deficiencies in definition are primarily ones manufactured by ignoring important language contained in the bill. Mr. Stevens, an engineer who testified for some public utility districts of the State of Washington, seemed to have no difficulty in determining what is meant by coordination to "produce the optimum amount of firm energy"; and the Federal Power Commission seemed to have no serious problem as to its proposed duties and procedures under the Federal Power Act, to which this is an amendment.

5. The procedure by which the bill would permit an owner's plan to become effective upon filing unless disapproved by the Federal Power Commission virtually eliminates adequate opportunity for others to object thereto.

This objection indicates a lack of understanding of the problem this bill is designed to solve. The only part of the procedure that requires a quick decision is the determination of whether coordination is proper for the facilities involved. This decision must necessarily be made quickly because no operator can afford to operate for the benefit of the region at his own expense unless he knows that he is going to be at least made whole. Also, this is not a difficult decision to make. The only matter that will create substantial problems is the determination of the amount of money that each must contribute to the coordinated operation. There is no specific time limit on this part of the procedure as is clearly provided in subsection (b) of section 31.

6. The change of formula which H.R. 7201 makes for computing downstream benefits would make the Federal projects pay three times as much as private projects for the same amount of power: this is not "equity," but "unfair subsidy."

Section 6 of the minority report reveals the antiquity of the facts and theories that have been supplied to its authors by the opponents of the bill. For many years some opponents have dragged out their favorite goblin—the supposed cost discrimination against the Government—to oppose other bills. But that argument does not apply to this bill, and the opponents who have advised the authors of the minority report know it.

The determination and allocation of costs is the duty of the Federal Power Commission, both under present law and under the bill. The latest pronouncement from the Commission on a proposed formula for headwater payments on the Columbia River system includes the "alternative cost of storage" method of computing the value of downstream benefits. The sponsors of the bill and the proponents in the industry, both public and private, concluded that that method would be used under the bill. Legislative history in the form of an engineering example, based on that method, was prepared for inclusion in the record and now appears in the printed Senate hearings on S. 1782, the companion bill. The hearings on H.R. 7201 had already gone to press when the example was approved in the last detail by all of the public and private generating utilities on the Columbia. The acceptance of this method of computation by all affected utilities had been well known to the opponents for months, but they apparently neglected to so inform the authors of the minority report.

Since introduction of the measure, the proponents have suggested that the "alternative cost of storage" method of computing value in coordinated areas be spelled out in the bill itself so that any lingering doubts would be dispelled and any future change in methods of computation would absolutely require prior congressional action. An amendment for this purpose has been drawn and will be introduced on the floor by the proponents—also a fact well known but apparently not divulged by the opponents.

The "alternative cost of storage" method of computation means that no downstream owner can be required to pay more for the downstream benefits he receives than such benefits would have cost him based on the actual cost of the reservoir or based on what would have been his own costs—at his own financing rates and other costs—if he owned all the storage facilities in the river basin, whichever is less. Thus, the Federal Government cannot pay more than what its own costs would have been.

Therefore, section 6 of the minority report describes a hypothetical situation exactly opposite to the results of the bill. In a hypothetical situation where a Federal reservoir provides certain benefits to a private plant and a private reservoir provides identical benefits to a Federal plant, the Federal Government will receive much more payment than the private utility. The amount of payments is further limited so that no reservoir owner may recover from all down-

stream sources combined any more than the actual annual costs of that portion of his reservoir which is operated for the overall good of the region. The Federal Government and its consumers are the biggest winners, but everyone wins.

For the same reasons, all entities are encouraged to build new storage projects. The Federal Government receives the greatest encouragement. Non-Federal public agencies receive somewhat less and the private utilities receive the least encouragement of the three. This is because under the "alternative cost of storage" policy the Federal Government has the best opportunity to recover its allocable costs. The non-Federal public agencies will most likely recover only a portion and private utilities will be able to recover only a smaller portion of their actual allocable costs. In this way the bill facilitates the proper application of the Federal authority to build appropriate multipurpose structures. It also encourages other entities to develop sites which are not appropriate for Federal construction. The advantages and disadvantages in construction costs as between the different classes of owners are left as they now are—the bill only makes construction more feasible for everyone, a patently laudable result.

The theory propounded with relish in section 6 of the minority report attempts to show a black and devious scheme—the only trouble is that it is wholly superstition. It also ignores the advice of people, Federal, non-Federal public and private who have spent their lives learning and understanding the immense complications of hydroelectric power generation and who are daily and directly concerned with the subject matter of this bill—it is such people in the Federal agencies, in the Pacific Northwest, and elsewhere who support H.R. 7201.

8. The bill has numerous additional objectionable deficiencies in draftsmanship.

The objection to the draftsmanship of the bill is the type of flyspecking that could be used against most legislation passed by the Congress. Where a technical subject is involved, we must rely to some extent on the technicians. The normal, longstanding practice in such matters has been for Congress to set out the general principles and the policy with regard to such matters and rely on a commission composed of experts to work out the details. If the Federal Power Commission could not understand the language or intent of the bill they surely would have suggested clarification. Since they have studied and reported on the bill and have not found the great difficulties envisoned in the minority report, these difficulties are undoubtedly more imaginary than real.

9. This bill is an undue bonanza to private utilities.

Section 9 of the minority report has little or nothing to do with the merits of this bill. It is again predicated on the false assumption that the purpose of this bill is to make some private power companies rich.

The real purpose, intent, and character of this bill is best indicated by the fact that it is supported by every operating utility both public and private, Federal and non-Federal that has had experience with this problem. Despite the attempts of the minority to make this into a public versus private power fight, the fact is quite apparent that it is only a fight engendered by people with no experience in the operation of hydroelectric systems who have vague and uncertain fears that somehow any change in the status quo will hurt them. That this fear is groundless is conclusively proved by witnesses appearing before the committee.

H.R. 7201 is a fair and sensible proposal to reap the maximum good for all people from our existing hydroelectric facilities and to encourage the careful and proper development of remaining sites. Therefore, the bill is a big step toward proper conservation.

TENTH ANNIVERSARY OF 1949 AGREEMENT BETWEEN UAW AND FORD MOTOR CO.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. MACHROWICZ] is recognized for 60 minutes.

Mr. MACHROWICZ. Mr. Speaker, in Detroit in recent months there have been historic and moving observances of the 10th anniversary of the payment of the first pensions under the 1949 agreement negotiated between the UAW and the Ford Motor Co.

These observances were remarkable in that, instead of merely pointing with pride to past achievements and the beneficial effects of 10 years or more nearly adequate pensions, the anniversary was used to emphasize the need for further improvements in provisions for retired workers and their families, adding provisions for medical care such as are proposed in the Forand bill.

This use of the past and present to make new gains in the future is characteristic of the UAW or, to give its full name, the International Union of United Automobile, Aircraft & Agricultural Implement Workers of America.

This union pioneered in improving the entire structure of privately negotiated pensions and, in doing so, provided practical incentives for employers and Congress to increase monthly payments to insured retired workers and their dependents and survivors under the OASI title of the Social Security Act.

Back in 1949, the Ways and Means Committee of the 81st Congress had been sitting on bills to improve the OASI title of the Social Security Act for many months. Labor was urging improvement as necessary for the well-being of the retired workers, their dependents and survivors and equally necessary for the strength and health of the entire economy. Employers, resisting anything which might result in an increase in their share of the social security payroll tax, were doing their best to block action and were being quite successful in doing so.

Then, in September 1949, the UAW which, along with rest of labor, had been rebuffed again and again by Congress in attempts to obtain improvements in OASI monthly benefit payments, won the famous $100 a month pension agreement in negotiations with the Ford Motor Co.

Under this agreement the employer had to pay 100 cents in each dollar, whereas under OASI employer payments were 50 cents of each dollar of contribution, the other 50 cents of social security tax coming out of the insured worker's pay. Thus, by putting the entire load of the private pension on the employer, the UAW overnight gave the Ford Motor Co. and, in prospect, every other major employer in the Nation a powerful pocketbook incentive for switching from opposition to support of improved benefits for OASI beneficiaries.

To date, 15 million retired workers have benefited from this pioneering victory. This benefit is in the very tangible form of larger OASI monthly payments.

Mr. Speaker, I deem it worth while on this occasion, particularly because the UAW, its officers and members have so often been the targets of abuse, unfounded and exaggerated statements inserted in this RECORD and spread throughout the country, to put on the record a brief summary of the great contributions this union has made not only to the welfare of its own members, but to all labor and to the general welfare of our Nation, to our economic health and strength and to the buttressing of our standing among the free nations of the world.

Mr. Speaker, when I hear glib generalizations about "big labor," about alleged past misdeeds, some dating back 20 years or more, I marvel at the selective indignation of some of these critics. It seems that they can reach the boiling point in denunciation of labor every hour on the hour, but never—let me repeat—never find one syllable of criticism to utter about great corporations who, before the appearance of the UAW, made the great motor plants of the city of Detroit and elsewhere in our Nation into literal hellships, vast buildings echoing with the noise of production and, above and below that noise, the atmosphere of systematic labor espionage and terror, fear of discharge, fear of violent reprisal.

Such critics never find time, breath or space to talk about industrial munitions, about blacklists, about labor spies, about use of the machinery of State and local governments to prevent and break up attempts at union organization.

They say nothing about the conditions which made inevitable the birth and growth of such unions as the UAW.

Mr. Speaker, out of my own knowledge and observation, I can testify that the UAW is now and long has been one of the great strengths of our society. In my own district in the heart of Detroit, I have seen how the work of the UAW in civilizing conditions in the automobile plants, in obtaining fair working conditions inside those plants, in winning better wages, in winning a system of supplemental unemployment benefits that tends to regularize employment, has given the families of auto workers better incomes, higher standards of living and, of at least equal importance, a sense of

belonging, of being a part of the community, a sense of common purpose and security that inspires responsible participation in all phases of community life.

Mr. Speaker, today the UAW, its officers and members are participants in a community which has a new sense of common destiny and responsibility.

Twenty years ago many thousands of auto workers in Detroit and other centers of automobile production did not think of themselves as residents of Detroit or Flint or Lansing or Jackson or Saginaw. Asked where they came from, they often said Kentucky or Tennessee or Illinois or Indiana and, when pressed, would admit that they had come from those States, 6, 8, or 15 years earlier and had no real plan or intention to return to those States.

Yet they did not feel themselves members of the community in which they had lived for so many years. Why?

Because they were in and out of the automobile plants, working a full day now, a short day tomorrow, not at all another day, then overtime in the rush of new models, then laid off for months at a time. This was before the union won recognition, won bargaining rights, won contracts and renewal of contracts, before the UAW had stabilized conditions in the plants and in the entire community.

Out of my own knowledge and observation I can say with absolute certainty that the UAW has strengthened the economy in my own congressional district, in the city of Detroit, in Wayne County, and elsewhere in the State of Michigan.

It has made thousands of business enterprises, including stores and service trades, more profitable and secure year in and year out.

It has increased homeownership and given homeowners greater equities in their homes.

It has provided better incomes for more doctors, dentists, nurses, and other professional people and has given them more security year in and year out.

Because of its cooperation in political life, Federal, State and local legislation for the general welfare has been strengthened.

Private enterprise is stronger; public enterprise is stronger. Our economy at every level is stronger. Community life has been made healthier and happier.

Beyond the borders of Michigan, I believe the influence of the UAW is an important factor in supporting effective liberal measures necessary for the defense, eventual survival and victory of free men in competition forced upon us by Khrushchev, and Soviet and Red Chinese satellites.

Under the leadership of its president, Walter P. Reuther, the UAW was one of the first unions to urge all-out support and practical implementation of the Marshall plan which saved Europe from communism. This step was taken early in 1948 at a time when Communist-infiltrated unions were seeking to delay and sabotage such support and implementation.

Since that time, the UAW, its officers, and members have been effective fighters against communism at home and throughout the world. They have clearly seen the need to make our own economy strong, our defense adequate, and our civil rights and liberties secure. Only with such a base can we help the free and uncommitted areas of the world to be strong and secure. This has been a UAW theme for the past 10 years and more.

The UAW, its officers and members do more than talk a good fight for democracy and against communism; they organize, negotiate, bargain, and conduct themselves as citizens in ways that support their words with deeds. They live up to the slogan they have carried on hundreds of picket lines in the past 23 years: "Progress with the community, not at the expense of the community."

In these 23 years, the UAW, at first feared by the so-called respectable and responsible elements in the community, has become respected and admired by the people of Detroit and Michigan. One recent example will prove this statement: In the 1959 statewide election to the board of governors of Wayne State University, one of the candidates was UAW Vice President Leonard Woodcock, at one time director of UAW region 1D, Grand Rapids, now having among his duties the job of director of the UAW General Motors and aircraft departments. In the campaign, Woodcock was identified as a UAW official; he was attacked by reactionaries on the sole ground that he was a UAW official. There were 12 candidates, 6 to be elected to vacancies on the board of governors. When the votes were counted the leading candidate received 612,297 votes, and that man was Leonard Woodcock, who is now serving the State of Michigan on that important board.

UAW officers and members serve on many local, county, State, and Federal boards and committees. They are active in many voluntary activities, including churches, veterans, civic, welfare, parent-teachers', and political organizations. Nowadays, almost no new community activity is undertaken without first enlisting the interest and cooperation of the UAW.

It has been incomprehensible to me, Mr. Speaker, to see the Republican Party in Michigan and in the Nation in the 1958 elections and, it now seems likely, in the oncoming 1960 elections, running against the UAW and labor in general and UAW President Walter Reuther in particular.

This seems to be an attempt to apply the devil theory to politics. In 1958, in many parts of the country, the high Republican strategy was to nominate Mr. Reuther for every office on the Democratic ticket and then to run against him.

This suicidal strategy resulted in the greatest Democratic congressional victory since the early days of the New Deal. It resulted in Republican National Committee Chairman Meade Alcorn being released from his job and shipped back to Connecticut.

Yet now, from what I can gather, the Republicans are planning to do it again. It is rather hard on Mr. Reuther to look forward to another campaign of abuse and villification probably as vicious as in 1958.

One reason for these remarks today is that I want to spread the facts about the UAW and about Mr. Reuther's role on the record now. Later attacks can be checked against these facts about the role of this great union and this courageous and untiring labor official.

America at this moment is paying unprecedented attention to the problems of its elder citizens. And, in the Congress, we are again examining the need to bring our social security legislation up to date.

This session of Congress will, I hope, respond to the nationwide recognition of a primary need of elder citizens by liberalizing the Social Security Act to provide for hospital and medical care for beneficiaries of old-age and survivors insurance.

For years following the passage of the Social Security Act, and despite the ravages of inflation which eroded the living standards of social security beneficiaries, those in Congress who sought much needed improvements in the law were unsuccessful in their efforts to liberalize and modernize the act.

Then, 10 years ago, an event of far-reaching importance occurred which, I believe, more than any other single happening made possible the beginning of the steady improvements in the law during the past decade.

That event took place in the fall of 1949 when negotiators for the United Automobile Workers Union and Ford Motor Co., signed the first company-paid pension plan for production workers in a mass production industry. And, 10 years ago, on March 1, 1950, under this agreement the first retirees walked out of the Ford plants into retirement with the dignity and security of the negotiated pension added to the social security payment.

It is my belief that in the future historians will give greater prominence to this human victory than we have—or the UAW itself has—in recognition of this union's finest hour.

On March 1, 1960, more Ford workers retired. And more will retire from employment in the hundreds of other plants which have pension agreements styled along UAW lines. Since 1950, the union has negotiated more than 500 separate pension plans covering more than a million UAW members.

UAW-negotiated pension funds are paying out nearly $6 million a month—$72 million a year—to UAW members on normal, early, and disability retirement. More than 100,000 UAW members in the automobile, agricultural implement, aircraft, and other industries, have retired on union negotiated pensions.

In just one local union in my district—the big UAW Dodge Local 3—almost 2,500 workers have retired on combined UAW-Federal social security pension income in the past 10 years.

This flow of pension checks has given dignity and comfort to the lives of these

older citizens and their families. And these fast moving dollars have benefited every dentist, doctor, home repairman, grocer, and other businessmen in our community.

Millions of American industrial workers are now covered by collectively bargained agreements modeled on the principles of the UAW pension plans.

The 1949 Ford-UAW agreement provided a top pension of $100 a month including the social security payment. In 1949, the average American worker and his wife could look forward to a retirement income of no more than the $54 a month Social Security Act pension. If he or his wife required medical care, he quickly exhausted his limited savings, often became a burden on relatives, or was forced to accept public charity.

For 12 years—1937 to 1949—despite continuous efforts by organized labor and by Members of Congress sympathetic to improvement in social security, no progress was made in increasing Federal social security benefits. The original level of benefits—made more inadequate because of inflation—remained frozen.

Then in 1949 the UAW made its successful drive for pensions and signed the pension agreement with the Ford Motor Co. That agreement was a base for increasing the level of Federal social security benefits.

In that agreement and in all of the UAW's pension agreements with major employers negotiated in the following year, it was the union's policy to integrate social security benefits with negotiated pension benefits; the employer was to pay the difference between the Federal social security benefit to which the individual retiree was entitled and $100 a month.

In this way the UAW helped to create the leverage needed to improve Federal social security, because at the point employers were obligated by collective bargaining agreement to pay the total cost of private pension benefits as contrasted to half the cost of social security, the companies supported increased social security benefits for which employees pay half.

For the first time, America's giant corporations, which had vigorously opposed social security from its birth, reversed their position and backed social security improvements. And within months of the signing of the first UAW pension, the Congress acted to increase social security benefits.

The UAW pension agreements not only advanced the interests of UAW members, but helped make possible much needed increases in Federal social security benefits in which all America shared.

This, I believe, is constructive trade unionism at its best. The UAW's policy of progressing with, not at the expense of, the community was never more indelibly written. I believe the American people owe a debt of gratitude to the million and a half men and women of this union and to its president, Walter P. Reuther.

The winning of pensions for industrial workers required a long and arduous struggle against an unrelenting industry.

Growing old was a kind of industrial crime in the big auto corporations until the UAW won its fight for recognition and the right to bargain for the workers in the industry.

In automobile plants, the age of 40 was an age of economic fear and insecurity. Men in their forties and over were the first laid off and the last to be recalled. Many men who reached their middle years in the 1930's were laid off in the great depression and were never rehired until the country was at war.

The elder Henry Ford opposed the New Deal of President Roosevelt and claimed that social security would enslave the American people. In those days, we in Detroit used to hear on the radio W. J. Cameron, a Ford Motor Co. spokesman, tell the American people social security was "a sop to the social conscience, a new form of permanent pauperization." Other auto companies stood against the union on this issue.

Then in the winter of 1948, the UAW announced its determination to win pensions in the next round of negotiations. The mass media of America—newspapers and magazines through their columnists and editorialists and commentators—had their say about the UAW and the revolutionary idea of pensions for factory workers. Few editorial voices spoke out on the union's side. Pensions for high-salaried executives employed by the year, yes; pensions for production workers employed by the day, ridiculous, not feasible, dangerous nonsense, it was said. Executives could stand up against the demoralizing loss of incentive, lower paid workers could not. They needed the whip and spur of insecurity in their old age to keep them working hard.

Ford workers in every plant discussed the new pension proposal and expressed their support in secret ballot strike votes from coast to coast. In September 1949, in the face of the determination of Ford workers to strike for pensions, the Ford Motor Co. agreed to the historic pension program.

During this 10-year period, the union has negotiated improvements in its pension agreements.

Instead of the meager 1949 social security retirement income of $54 a month, a retiring auto worker with 30 years of service and his wife now receive a monthly income of $245 from social security and his UAW-negotiated pension.

This same fine union—the UAW—was one of the first supporters of the Forand bill, which will provide our senior citizens medical and hospital protection at the time they need it most, when their income has been reduced and their health needs have increased.

The UAW has also been a pioneer in recreational and educational centers, the so-called drop-in centers, for retired workers. These centers, in my congressional district and elsewhere in Detroit, are staffed by people who are trained in group work and geriatrics. To thousands of Detroit retired persons—not just UAW retirees—the centers are social and recreational hubs which help make their late years enjoyable and purposeful.

In 1957, the delegates to the UAW's 16th constitutional convention earmarked 1 cent per member per month from local union dues, and a similar amount as the International Union's share of dues to be used exclusively "to promote and support programs benefiting retired members."

UAW local unions are obligated by the union's constitution to "carry out this policy in conjunction with community groups, where community groups exist for the purpose of promoting and supporting programs benefiting retired members and other retired workers."

Here again, as in its pension negotiations, this union, in increasing its activities in the field of aging, carefully plans to assist the general community of the aging as well as its own members.

If more organizations in the United States were as aware and as willing to work and spend in this field as is the UAW, the lives of our rapidly growing population of older people would be the richer for it.

I can think of no more eloquent appraisal of the role of the UAW in the field of pensions than that delivered by Frank B. Tuttle, a UAW member—the first Chrysler worker to retire on a union-won pension.

He wrote this valedictory just after his retirement in 1950:

> Today, I punched my last clock card out of Dodge forge plant. I am balancing my account with the UAW-CIO, of which I was a charter member.
>
> I was hired as a millwright at Dodge in 1919, at 85 cents an hour. There was no union then, nor 15 years after that. In 1921, the rate was cut to 70 cents; in 1933, after a series of cuts, it was 60 cents. In 15 years, a net loss of 25 cents an hour.
>
> Then came the union. By 1936, the rate rose from 60 to 72. Since then, to the present rate of $1.83.
>
> Add the value of six paid holidays, vacation pay, increased payments by company for unemployment and social security, and the value of the recent pension and insurance provisions, and it comes to an even $2 an hour.
>
> Averaging the increase of $1.40 over the 17-year period, you have just about $24,000, assuming that without the union, wages would not have fallen any more, after 14 years constant reduction.
>
> At the end of my service, the union has won for me a life annuity of $100 a month. My Prudential agent tells me that he can sell me a life annuity of $100 a month—for $15,300 cash. And a paidup policy of $1,000 for $650. Adding up those items, we have a total of $39,950.
>
> I have paid, in dues and assessments, $225. I have spent $1,200 worth of working time on picket lines. A total investment of $1,425. For every dollar of dues and lost time invested, I have received $28 back.
>
> This much is simple arithmetic. But who can calculate the added years of usefulness to thousands of us, because the union blocked the plans of the company to get rid of "deadwood," to bring in "new blood"—and held down the speed of operations that made it possible for us to continue until we reached our pensions?
>
> Who can appraise the value of the knowledge that when we were laid off, we would be called back in our exact turn? What price the grudgingly conceded decent treatment from supervision? Above all, what

allowance for the abiding conviction that we have been building a better world to work in, that we can leave as an inheritance to our children and grandchildren?

Neither Newton, Steinmetz, nor Einstein can give you an equation that will measure these things.

That is the statement of a rank and file member of this union—an assessment of its meaning.

What kind of an organization is this union which devotes its time and energy and dues dollar to the constructive task of making life more meaningful and rewarding, not only for its members but, to the extent of its influence, for all our citizens? To understand and appreciate it you need to know its origins and the struggles which have formed its character.

FORMATIVE YEARS OF THE LAW

The automobile industry in which this great union came into being was typical of the great industrial expansion of the early decades of the 20th century. From 1886 to 1936 the industry grew financially strong and technically competent. But as the corporations became bigger and better specimens of engineering and enterprise, the individual workman became a part of the apparatus or production, a number in the personnel record, a clock-card ringer. He had a role on the assembly line but it was not the role of a man. His value and use and cost were tallied up like the value and use and cost of wheels or pistons or door handles. Attention was on production and no one cared about the men who forged and ground and punched the parts or welded and bolted them together.

With no organized voice to speak for his interest, the auto worker was helpless in the giant corporate hands of the Ford Motor Co., and of Chrysler and General Motors. His wages were reduced at the whim of the company. He was employed or not when the line needed him. When he came to work in the morning he was often told to wait, and then he might not be used at all that day.

Production line speeds were set arbitrarily with production goals and machine limits the only considerations. Workers who complained were given no hearing. They were fired or driven out of the plant by reprisals of powerful and unrestrained supervisors. A secret spy system was set up, with company-paid thugs hired to rough up workers, to keep them sweating on the assembly line, to prevent their free association as human beings.

The depression hit Detroit and other auto cities like a famine. Nearly every auto worker and every man in the community who depended on him was stricken. Auto workers lost their jobs, their savings, their homes.

In 1932, workers had little left but their right to vote and they voted for the Roosevelt New Deal. But the new administration in Washington did not produce new jobs immediately.

Jobs were scarce in the auto centers and the sad circumstances of the unemployed were used by the companies. Auto worker was pitted against auto worker in competition for work

Bitterness and hostility were cleverly drafted into group bonus schemes and piecework plans to mask factory speedups.

Queues of men waiting hours for a few hours' work were a common sight at the plants. Safety and health laws were ignored, no right to a job was recognized. Favoritism and petty corruption were common. Jobs were exchanged for payoffs, for free work for foremen, and for spying on other workers. Older workers were dumped out on the human scrap heaps at lower and lower wages.

In the midst of the great depression, when national income had dropped over 50 percent in 3 years and 15 million people were unemployed, Henry Ford called the depression, a "wholesome thing in general."

In Detroit, this "wholesome thing" produced newspaper reports of people unconscious on our streets, poisoned by food snatched from garbage cans. We had 400 children a day in Detroit breadlines. Hundreds of thousands there were on relief.

In 1933, Congress passed the National Industrial Recovery Act which guaranteed workers the right to organize in unions, and a great organizing upsurge took place.

But management fought hard against union organization. The labor-spy business prospered. The assembly lines moved faster. Employment remained seasonal and uncertain. The worker still had no voice in deciding conditions of his employment.

The U.S. Department of Labor Monthly Labor Review for March 1936 reported that in the year of 1934 only one out of three auto workers worked throughout the year, and one-fourth of them worked less than 6 months. Federal Government investigators took testimony in Detroit, Toledo, Flint, Cleveland, and other auto centers regarding irregularity of employment and labor conditions in the industry and reported in January 1935 that these industrial workers were cursed by inadequate annual incomes, that they worked at speeds beyond human endurance, that methods of compensation were complicated and hard to understand, that workers were not always fully compensated for their work, that safety and health conditions were outrageous.

The main complaints of the witnesses were about labor spies and the irregularity and uncertainty of work.

In his study, "The Origins of the United Automobile Workers, 1933–35," Journal of Economic History, September 1958, pages 249–282, Dr. Sidney Fine of the University of Michigan reports that fear was a major obstacle to union organization during this period:

> The marked seasonality of automobile employment, coupled with the very heavy unemployment as the result of the depression, further complicated the (union's) task. With seasonal layoffs and outright discharge staring them in the face, automobile employees were reluctant to risk the displeasure of their employers by alining themselves with a trade union. Fear was one of the (union's) greatest problems.

The companies formed company unions and increased the spy network. Professor Fine reports:

> The facts concerning espionage in the auto industry did not come out until the La Follette committee hearings in 1937. At these hearings Herman L. Weckler of Chrysler Corp. conceded that Chrysler used espionage reports as "the background on which we built our whole structure," and General Motors officials also testified to their company's use of detective services for labor espionage purposes. La Follette concluded that "perhaps nowhere" was the correlation between labor organizing activities and expenditures for spy services "more marked than in the automobile industry."
>
> The Big Three in the automobile industry, GM, Ford, and Chrysler, were on the whole able, particularly in Detroit, to resist unionism during most of the period 1933–35.

Union members in the Chrysler plants and GM plants in Flint were being discharged for union activity and were being discriminated against in layoff and rehiring.

According to Dr. Fine:

> When the unions sought to present their grievances to their employers and to attain a measure of recognition, they were told to refer their complaints to the company union representatives or to supply a list of union members so that management would know for whom the union representatives were speaking. The unions retorted that the company unions had been imposed upon the workers and that the submission of membership lists would simply invite discrimination.

In spite of management's determination, unions began to take shape in the auto plants. Some skilled auto workers organized the Mechanics Educational Society. Other forerunners of the UAW, including Federal locals chartered by the AFL, joined together in a meeting in Detroit in early 1935. But membership in this new AFL organization dropped 90 percent—from 100,000 to less than 10,000—in a few months because of weak leadership and the rigid craft union practices which did not fit the new industrial union.

Out of protest against the craft union policy of the AFL, the Committee for Industrial Organization was established in November 1935. The first unions in CIO were the ladies garment workers, printers, clothing workers, oil workers, hat workers, mine, mill, and smelter workers. Steel workers, rubber workers, flat glass workers, and auto workers joined the CIO before the month was out.

The United Auto Workers met in South Bend, Ind., in their first convention as a CIO union in the spring of 1936, just 24 years ago.

The Wagner Act had been passed in 1935, but, despite the fact that it guaranteed workers the right to join unions, the auto companies had refused to obey it, claiming the act was unconstitutional.

Those auto workers who came together at South Bend to write a union constitution and lay down plans for organizing the unorganized, represented 7,500 UAW members in the United States and Canada. They had nothing but dreams and hopes for a great democratic union, and they were conscious of the big victory of the CIO rubber workers in Akron,

Ohio. There the rubber workers had won recognition and a contract by a monthlong sitdown strike.

The idea was simply that a man's right to a job was as important as the property rights of corporations. When enough men in a plant believed this and were willing to fight for their rights, they had the makings of a union.

UAW men left the South Bend convention excited by this idea and determined to put to to work in the auto plants.

In June, the UAW local at Bendix in South Bend, Ind., put the idea to test and won union recognition, seniority rules, and a wage increase.

In October 1936 workers at the big Dodge plant in my district threatened to strike if violation of seniority rules was not stopped. The company stopped the violations. The idea that workers have rights in the factory had proved itself again.

In the November 1936 election Roosevelt's New Deal was kept in Washington but the old deal had been changed but little in the automobile plants. The auto workers' union meetings were still often called secretly by word of mouth and convened in cellars. Then a series of successful strikes brought the union out of the cellars and auto workers openly joined together to build their union. Throughout the industry revolts against arbitrary rule by management carried the day: a strike in Fisher Body, in Flint, Mich., a successful 7-day sitdown strike at Bendix, in South Bend, Ind., and strikes at Midland Steel and Kelsey-Hayes Wheel, in the heart of Detroit, were exemplary. They all won recognition of the union and contracts setting up seniority rules and new wage schedules.

And the General Motors workers were on the move. They wired GM to ask for a collective bargaining conference and they were turned down. GM told them to see the local plant managers. The new unionists presented their demands to plant managers. Everywhere the plant managers, instructed from GM's Detroit headquarters, said no to all demands.

That was what set off the big sitdown strikes in January and February of 1937.

The new labor law said that corporations—including the General Motors Corp.—were required to bargain with representatives of their employees and it outlawed labor espionage. But GM refused to bargain and continued its espionage activities.

Workers insisted on bargaining under the law and sat down in plant after plant to make the corporation bargain. By mid-January 1937 more than two-thirds of GM's 150,000 production workers were on strike.

It was a winter of sitdowns, conferences, press releases, headlines, editorials, and letters to editors and involvement of both State and Federal Government officials. The American public was taking a close look at General Motors. And more and more auto workers were coming to realize what it meant to speak out together and to be heard, to be a part of the union.

The center of focus of the auto-plant sitdowns was in Flint. There, after a tense month of siege and countersiege, a Flint judge ordered the strikers out by February 3 under pain of imprisonment and fines up to $15 million for contempt of the order.

In "Labor on the March," Edward Levinson tells of the workers' reactions:

The sitdown strikers called meetings in their plants on the evening before the ominous deadline. Seated on boxes, cans of paint, and kegs of nails, determined men in gray shirts, overalls, and work pants, all with loved ones at home, discussed a problem which they knew held life or death for some of them. The entire Nation watched, fearing the bloodiest of industrial battles. It was obvious that only an army of sheriff's deputies and militiamen could enforce the court's ruling. In Fisher 2, surrounded by troops who barred all civilians from approaching, the sitters could not take counsel with their outside leaders. Nevertheless, the discussion in both plants was brief and arrived at unanimous conclusions. The decisions were conveyed to Governor Murphy in two telegrams.

"We the workers in the plant," said the message sent by the strikers in Fisher 1, "are completely unarmed, and to send in the military, armed thugs, and armed deputies * * * will mean a bloody massacre of the workers.

"We have carried on a stay-in strike over a month in order to make General Motors Corp. obey the law and engage in collective bargaining. * * * Unarmed as we are, the introduction of the militia, sheriffs, or police with murderous weapons will mean a blood bath of unarmed workers. * * * We have decided to stay in the plant. We have no illusions about the sacrifices which this decision will entail. We fully expect that if a violent effort is made to oust us many of us will be killed, and we take this means of making it known to our wives, to our children, to the people of the State of Michigan, and the country that if this result follows from the attempt to eject us, you are the one who must be held responsible for our deaths."

Machineguns and 37-millimeter howitzers were set up in the streets that morning. The scene was set for terrible violence. But Michigan's great peaceable Gov. Frank Murphy, and President Franklin Roosevelt, who had arranged a meeting between corporation officials and representatives of the strikers, prevented police action for a week while negotiations went on.

On February 11, General Motors settled with the union. Mr. Levinson describes the event:

The settlement which Governor Murphy finally announced included a written pledge by the corporation that it would not, without the Governor's consent, for a period of 6 months recognize or deal with any other employee spokesman than the United Automobile Workers in the 17 plants closed by strikes. In all other GM automotive plants, the union was to be recognized as the agent of its members. There was to be no discrimination against union members, and all strikers were to be rehired regardless of their union membership or strike activities. Union members were to be permitted to discurs the union with other workers during lunch and rest hours in the plant. Injunction and contempt proceedings against the Flint sitdown strikers were to be dropped. Negotiations were to start at once looking toward a signed contract on those of the eight original union demands which were not disposed of.

The agreement constituted a monumental advance for unionism in the automobile industry. * * * The prestige of the union was enhanced in all union plants * * * led to enrollment in the union of a great majority of all GM's production workers. * * * These were more than academic gains. They effectively ended the spy system, for every man could now talk freely and proclaim openly his union affiliations without fear of reprisal.

That was the ferment out of which the UAW grew.

During the next 3 years the battles for recognition and contracts continued.

In the Ford Motor Co., the third of the big three auto corporations, the union was frustrated by the huge Ford Service Department organized by Harry Bennett on instructions from the senior Henry Ford. Bennett's private army of secret police, gangsters, and thugs maintained an incredible rule through comprehensive surveillance and intimidation.

Harry Bennett himself boasted half of his personal staffmen were working undercover in the union.

His men took down license numbers of cars parked on the streets near union halls and checked owners' names against Ford payrolls. They forced workers to be company spies at the price of keeping their jobs.

The Ford spies routinely searched workers' lunch pails and overcoats while the men worked on the line.

They listened in grocery stores, bars, and restaurants for union talk and suspected workers were summarily fired.

To look good on Bennett's records these agents sometimes fabricated stories, framed workers, and had them fired off the job.

Also, there was deliberate brutality, cruelly planned to frighten workers out of their legal right to organize a union.

In Kansas City a union organizer was trapped in a filling station and beaten with baseball bats and blackjacks.

In Dallas the Ford Motor Co. maintained two terror squads; one patrolled the plant, the other the city.

A Federal agency called the Ford espionage and intimidation activity in Dallas organized gangsterism.

Union organizers and sympathizers were shadowed, their phones tapped and some were beaten by Ford servicemen. The twin brother of a union sympathizer was kidnapped and flogged by mistake.

More than 50 workers were flogged by whips made of ignition wires. The Dallas Ford goons flogged and pistol-whipped and kicked in the ribs and heads of the auto workers who were trying to build a union. And Ford was successful for a while.

In Kansas City Ford fought the union with the same weapons—blackjacks, shotguns, brass knuckles, discharges, and a company union.

Workers on the witness stand told Federal examiners the same tale of illegal discharges, organized bullying, and terror wherever Ford had plants from Richmond, Calif., to Edgewater, N.J.

The Government found that thousands of workers had been threatened, unlawfully discharged, and denied their right to organize. Workers who had not been frightened into withdrawing their charges were ordered reinstated and awarded back pay by the NLRB. Repeated orders of the Board told the Ford Motor Co. to stop violating the law.

More than a year after the Flint sitdowns, on May 26, 1937, the Nation's press published news pictures of the now famous "Battle of the Overpass" at the huge Ford Rouge plant just outside Detroit. These pictures were an eye opener on Ford brutality.

About 50 union men and women appeared at the Ford Motor Co. to handbill the workers coming out of the plant. The group had a proper city permit to distribute their leaflets. The leaders, including Walter Reuther, then a local union president, walked onto an overpass, which crosses Miller Road, a street that borders the Rouge plant. There they were surrounded and brutally beaten, knocked to the ground, and kicked by Ford's men. Newsmen and photographers who had withstood Ford Motor Co. threats were on hand. Their pictures exposed Ford servicemen, foremen, and known gangsters.

Some Ford thugs attacked the men and women handbillers at the gates. They knocked down women and kicked them. They broke a man's back and fractured another's skull.

Time, Life, and Fortune were blacklisted by the Ford Motor Co. for 18 months because they dared to take pictures and to report the Ford beatings.

Infiltration by the Ford Motor Co. into the affairs of the union even involved Homer Martin, the union's first president, but the union's delegates defeated Martin at the 1938 UAW convention. A new president was elected and new democratic safeguards were written into the union constitution.

Defeated, Martin left the UAW and led some local unions out of the CIO into a splinter AFL union of which he became president.

Seizing on this division in the auto workers' ranks, General Motors then refused to bargain with the UAW on the ground that it could not be sure which union group represented the workers.

The union whose members had suffered from years of irregular employment was weakened by this division. GM absolutely refused to negotiate with the UAW from October 1938 to June 1939.

A dramatic strike by GM tool and die workers made the company step up and bargain under the law. The tool and die strike began in Detroit, followed by other GM skilled workers throughout the country. Then GM production plants started to close down. Detroit's mayor, Richard Reading, who was later sent to prison for crimes in office, turned the city police on the tool and die pickets.

The discredited Homer Martin group tried to break the tool and die picket lines.

But the strike held.

On August 4, 1939, the UAW was recognized in 42 GM plants and won its first corporationwide contract. The contract provided for call-in pay, premium pay for Saturday and Sunday work, and overtime over 40 hours a week.

Violence to prevent union organization continued. On January 19, 1937, the Detroit News carried this headline: "2,000 Pickets Gassed; Line Shuts Briggs Plant."

Ken Morris, UAW Regional Director in Detroit—who almost died from an alley beating administered by mobsters—looking at the headline recently, said:

> The passing of time dims the record of our history. The headline brings into sharp memory the open shop monstrosity that was the Briggs Manufacturing Co. The Briggs plants were better known then as the "butcher shop" and the slogan in the depression days was "if poison fails, try Briggs," the sweatshop of the Detroit area.

Briggs was a low wage plant where workers seldom talked and hardly ever talked union, a factory where the foreman had the economic power of life and death over each employee.

Briggs was the auto industry example of the "open shop." Against this background of a hostile factory life, the UAW came into Briggs. Workers lined up by the thousands to join the UAW after their leaders refused to be beaten into submission.

When we think today of the attacks leveled by employers against the union shop we can't help but wonder, do they mean to go back to the open shop days before 1937.

THE WAR YEARS

In the summer of 1940, after the fall of France, when German land forces and the huge fleets of Luftwaffe poised to strike at Britain, the U.S. auto industry was producing thousands upon thousands of 1940 model chrome-bright peacetime cars.

This industry policy of production and profits as usual was jarred by a proposal of Walter Reuther that excess capacity in the industry be used for the mass production of military aircraft.

CIO President Philip Murray took the Reuther plan and a CIO all-out industrial mobilization plan to President Roosevelt. The idea was taken up and handed over to the dollar-a-year men from industry. But the idea that auto plants could be used to produce planes and tanks, trucks and engines did not go over with the manufacturers. They called the plan impractical. And for over a year they stuck to their contention that American industry could get through a comfortable part-time war, holding back aggressors with a part of the industrial plant, but keeping the major producing industries in capital and consumer goods.

Pearl Harbor blasted that illusion and underscored the practical necessity of Reuther's fundamental notion: that an industry could shift from civilian to military production.

UAW–CIO joined with CIO and the AFL in a no-strike pledge for the war's duration. But it protected the contractual rights gained in its years of struggle even though the corporation officials, urged on by Communist Party line leaders, often yielded to the temptation to attack the fundamental rights of the unions bound by the no-strike pledge.

A great organizing drive at the Ford Motor Co. had ended in victory in the spring of 1941. And dozens of organizing campaigns in the huge new plants of the aircraft industry swelled the membership of the UAW to 1,225,000 by the end of the year.

Less than 10 years after it started from nothing more than a resolution in men's minds to get the foremen off their backs, to get steady work, to get a fair day's pay it had grown from no members at all to the world's largest trade union.

AFTER THE WAR

In the postwar years, the UAW began a public argument between the world's largest union and the world's largest corporation on the subject of wages, prices, and profits—still a family topic.

Walter Reuther, then a vice president and director of the Union's General Motors Department, stated the union's case in a brief, "Purchasing Power for Prosperity," presented to the corporation in October 1945.

The union wanted to keep the wartime level of real take-home wages. Reuther argued that this was necessary to maintain purchasing power required to buy the products of an expanding peacetime economy.

The union said that industry could grant the required increase in wage rates without raising prices.

General Motors was the most profitable corporation in the industry and the industry was one of the best off of the war fed industries.

At that time, Congress was rushing tax relief to business to stimulate expansion. Pent-up demand for industrial products pointed to years of peaceful prosperity and capacity operations.

But the UAW said real prosperity would be short lived without an equitable relationship among wages, prices, and profits. The union wanted a sound economy based on broad mass purchasing power and the General Motors workers struck the plants for higher wages without higher prices.

The real trouble started when union negotiators insisted on getting the facts about the relationship of wages, prices, and profits of General Motors.

UAW negotiators said, "Let's remove collective bargaining from the jungle of name calling and table pounding and negotiate on facts and figures."

GM replied, "We'll talk about wages with you, but prices and profits are our business."

What GM's negotiators were asking each other was: How strong is the union, after the wartime years of no-strike, of easy rapid expansion, of great organization but little unionization of the new members? Can we break a strike? How strong are workers' loyalties to the union? How fresh are the memories of the hundreds of thousands of new members who are now the majority in the huge GM locals?

The question: Was GM big enough to unmake history and sink the union?

The corporation decided to take the union on. GM refused to bargain on the facts about wages, prices, and profits.

GM rejected the union's wage increase out of profits approach and abruptly offered a wage increase in the stage money of inflation. And along with it was no guarantee of holding the price line. The public would have to pick up the tab for the wage increase and higher profits in the form of higher automobile prices.

The union team bargained on the principle of higher real wages as a national base for prosperity and full employment.

The GM workers told the country they were tired of the old private management-union deal behind the public's back in which finally everybody lost. They were bound to point the way for new kinds of public interest bargaining.

General Motors was adamant. So were GM workers in their secret strike votes, and the picket shacks went up, the picket lines formed on November 21, 1945.

On December 21, a break came. President Truman's Fact Finding Board in the GM–UAW dispute declared that "ability to pay will be regarded as one of the factors relevant to the issue of an increase in wages."

GM refused to comply or to participate in the Board's proceedings "so long as ability to pay is to be treated as a subject of investigation, factfinding, and recommendations."

GM walked out.

Shortly before the Board had published its findings, a series of nationwide ads appeared in newspapers proposing repeal of the National Labor Relations Act, the Wage and Hour Act, the Social Security Act, price control, all laws to aid farmers, and an end to Federal housing. The ads were sponsored by a Society of Sentinels. A few days after the report was published, Stephen DuBrul, chief economist for General Motors and a member of the GM bargaining team, was exposed as an officer of the Sentinels. GM was in the fight with both feet and kicking hard.

Then on January 10, President Truman's factfinders said GM could grant a wage increase of 19½ cents an hour without raising prices.

The strike could still have been settled on the basis of the Board's ruling. The union agreed. GM turned it down.

The Board ruling vindicated the union's position that GM was able to raise wages without increasing prices.

GM was in no hurry to get back into production because tax rebates would make up its 1945 losses. What GM wanted was to break the remaining price barriers. GM let the strike continue.

Agreement was reached on March 13, 1946, on the 113th day of strike. The workers won an 18½-cent hourly increase which, with correction of plant inequities, brought the settlement to the factfinding board's 19½ cents.

Industry's assault on price controls was successful.

The principle advanced in General Motors negotiations in 1945 was kept alive and in the 1948 contract with General Motors, the principle was written into an escalator clause to keep wages up with the cost of living. And with it went a corollary idea—the improvement factor—wage increase based on the growth in efficiency of the national economy.

These two results of the union's postwar struggle with General Motors are now, of course, common features of wage contracts in many American industries.

More recently, we have seen another example of the UAW's continuing struggle to make life more secure and our economy healthier.

How much more steeply would America have plunged toward full-scale depression were it not for the UAW victory in 1955. That was the year the union took its first big step toward guaranteed regular work and regular paychecks for auto workers. The plan is called supplemental unemployment benefits—SUB.

Unemployment compensation is the workers' first line of defense against the jolt of losing his job. And it puts the brakes on the downward economic spiral in a recession by injecting purchasing power in local communities where and when it is most needed.

Building on the base of the State unemployment compensation programs, the UAW SUB plans added strength to the Nation's antidepression tools.

During the first 3 years of benefit experience under the UAW's SUB plans—from June 1956 when benefit payments began, until June 1959—the union reports that more than $105 million was paid to totally or partially unemployed UAW members in the United States.

The importance of these SUB payments as an aid to an economy in trouble may be seen by comparing them with the total State unemployment compensation payments during the same period.

UAW SUB plans alone—to say nothing of the plans of other unions which followed UAW—contributed more to national consumer purchasing power than the unemployment compensation systems of most of the States.

The $105 million paid out of the UAW-negotiated SUB funds during the 3-year period exceeded the total unemployment compensation benefits paid out to all unemployed workers in each off 36 of the 51 jurisdictions—50 States and the District of Columbia—for the same 3 years.

In its struggle to win SUB protection for its members, the UAW followed again the constructive path of forging progress for the whole community. Instead of negotiating a simple supplemental benefit, the UAW formulated a plan similar in conception to its original pension program, which helped get social security off dead center. The UAW SUB plan called for the integration of SUB payments with State unemployment compensation benefits. A laid-off worker who qualified for State unemployment compensation, received from both sources an amount equal to 65 percent of his pay—after taxes—for 4 weeks and 60 percent for up to 22 weeks. Thus, the higher the State unemployment compensation benefits, the lower the payments from the SUB trust fund. In States where lower compensation levels existed, the SUB fund was required to pay a greater amount to reach the 65-percent level. Therefore, the employers had a direct financial stake in increasing State compensation benefits to reduce their liability under the SUB plan. This logic encouraged employers to support, rather than oppose, increases in State UC benefits. Since the inauguration of the SUB plans by the UAW—and these plans have been given wider and wider acceptance by other unions—many States have improved their unemployment compensation laws.

These improvements, of course, help all laid-off workers, whether UAW members or not. A good deal of the credit for the impetus to improve these laws must go to the UAW for taking the lead in the field of supplementary unemployment benefits. And of course, this union has given me and the gentleman from Missouri strong support for our Federal unemployment compensation standards bill introduced last year by 132 Members of this body and currently before the Ways and Means Committee.

While the memory of the near-crash of 1958 is still with us, I think it is appropriate to recall the words of Dr. Sumner H. Slichter, professor of economics at Harvard University, in a mid-1958 address:

> The behavior of businessmen would have converted the mild contraction into a serious recession had it not been for the stabilizing influence of steady personal income. Quite different from the behavior of businessmen has been the behavior of the Federal Government.
>
> While businessmen were acting as if the country were facing a serious recession, the Federal Government went to the other extreme—it took the position that there was no need for vigorous antirecession measures. The steps eventually taken by the Federal Government to retard contraction were in the main belated steps initiated by Congress, not by the Executive.
>
> The Eisenhower administration should be thankful that steady personal income prevented the Government's policy of a minimum of action from exposing the country to grave hardships.

Mr. Speaker, I believe it is clear from the record that the "steady personal income" credited as saving America from recession really was due, in large part, to the policies and action of American trade unions—and the UAW in particular. Certainly, if this Congress and the State legislatures had listened to the National Association of Manufacturers we never would have had the great State-Federal system of unemployment insurance. And, if organizations like the UAW had not done the hard work at the bargaining table, our economic defenses against recession would certainly be the weaker for it.

THE UAW AS A FORCE FOR WORLD PEACE

The UAW has not restricted its activities to national economics or to shop conditions. This organization knows that inseparably tied together with the struggle for social and economic justice at home is the struggle for security and dignity for all the people in the world.

At the end of World War II, America's friends overseas were in a life-and-death economic struggle, and the Soviet Union

reached to extend its political sphere of influence. The United States faced a clear choice:

Either support our friends, the free governments and free unions of the world, or let them go down the drain one by one until we stood alone against Soviet imperialism.

Either give Europe the food and the machines she needs or let misery and bitterness draw her countries to communism.

The UAW urged that America's farm surpluses be used to help feed and clothe the world's hungry and ill-clad through a practical program that would assist their countries' economic development and—at the same time—benefit American farmers without upsetting the economies or political stability of surplus-producing countries.

It was obvious that America inevitably would have company in the atomic world; that America some day would face a world bargaining table with atomic bombs—and the then-whispered hydrogen bomb—on both sides of the table. And fortunate the world would be that the bargaining table still held respect in the world.

Walter Reuther urged time and again a total offensive for peace. He called for "a dramatic reversal of the direction of the negative prosecution of the cold war to a more positive offensive against worldwide poverty and disease—the human tragedies which communism so frequently and so cleverly exploits and forges into political power."

It was the UAW that urged a World Fund for Peace, a fund to which America would commit herself to contribute a sum equal to 2 percent of her gross national product for the next 25 years. The fund would have just one outlet: to the economically less developed countries to help them develop their own resources and raise their own living, health, and educational standards.

The UAW said the Soviet Union could prove its interest in the destitute peoples of the world by contributing 2 percent of U.S.S.R. gross national product also—and both nations should contribute one-half the economic savings that would result from a general reduction in armaments.

THE STRUGGLE AGAINST TOTALITARIANISM AT HOME

While speaking out for America in a world of rising communism, the UAW was forced into vicious infighting at home against a small but hard-working minority who took their cue from the Soviet Union.

The Communist minority in America had begun to make trouble during the war. In 1940, after the Stalin pact with Hitler, American Stalinists fomented strikes to disrupt the flow of supplies to the embattled British. After Hitler's attack on Russia and the U.S. entry into the war, the American Communist Party's line shifted to a policy of utter surrender of labor's rights in the plants.

In each instance the American interest was ruthlessly and cynically cast aside. But as long as the Communists were supporting the war they were not seriously molested and only within the labor movement was there a true appreciation of the threat they posed to free institutions.

At the 1941 UAW convention, the union's international constitution was amended to bar Communists, Fascists, and Nazis from elective or appointive office in both the international and in local unions. Everybody knew it was easier to amend the constitution than to smoke out a Stalinist during the all-out-for-victory phase of Communist tactics. But the record was being written; the ground was being prepared for the inevitable showdown.

The election of Walter Reuther to the presidency of the UAW at the Atlantic City convention of 1946 signaled the beginning of the end of Communist influence in that union and in the entire labor movement.

Hope lay in the rank and file and a tradition of democracy in union affairs. In 1 year there was a quiet revolution in the shops and union halls. Local party line leaders were voted out of office in nearly every plant where they had enjoyed power. The executive board elected with Mr. Reuther in 1947 was committed to a progressive, militant trade union program, in which the workers' interests as wage earners and citizens were paramount—a program which identified those interest with the interests of the national and world community of freedom-loving peoples.

COMMUNISTS, FASCISTS, GANGSTERS

Communists were not the only enemies of the UAW. Their political kin, the Fascists, kept propaganda guns trained on the UAW at a time when the shotguns of mobsters were splitting the quiet of the night.

In April 1948 a would-be killer shot and nearly killed Walter Reuther, shattering the bone in his right arm into 17 pieces. A year later Detroit was shocked again by a shotgun attempt on the life of his brother, Victor Reuther. The shotgun charge took Victor Reuther's right eye but he, too, survived.

Special grand jury investigations and, later, hearings of the Kefauver Crime Committee, revealed the depth of the hatred toward the UAW and its leadership felt by certain elements in management and the underworld—hatred generated out of the UAW's success in fighting the labor spies, in fighting the rackets, in fighting gangster-management collusion, and in fighting the good fight for economic and political dignity for its members.

Few unions in America have been more a target of violence and terror as has the UAW. To the best of my knowledge, the leadership of no other union has been more brutally and viciously attacked than has the leadership of this union.

That its leaders continue the struggle in the face of the threats and terror is proof of the degree of dedication of these courageous Americans.

While some enemies used shotguns, it was not easy to tell who hated the UAW and its leaders more—the Communists, the gangsters shorn by the UAW of their in-plant rackets or the professional hatemongers in the extreme right wing pro-Fascist lunatic fringe.

The New York Times in September 1958 revealed the direct tie-ins on the part of influential and high-ranking Republicans with the notorious Joseph P. Kamp, a professional hatemonger and poison-pen pamphleteer convicted for contempt of the Congress. As long as the hate and poison was directed at the UAW, it seemed some industrial leaders would buy and promote this propaganda arm of fascism.

Around the Nation, just before the 1958 congressional elections, Republican orators used Kamp material to charge that the labor movement and its leaders were a greater threat to America than Russia.

Ford Vice President John Bugas, a former FBI man who knew Kamp's record, dissociated himself and the Ford Motor Co. from Kamp. Kamp, said Bugas, "was one of the worst men in America." Bugas acknowledged Walter Reuther's contribution to America in helping to negotiate the collective bargaining contracts which have meant so much to American people in wages, working conditions, health, and social security.

Despite the wave of public revulsion which followed the disclosures of the conspiracy between some Republicans and these professional hate-peddlers, and despite the sharp rebuff administered at the polls in 1958 to those who employed such tactics, some men prominent in the Republican Party who must be presumed to know what they are doing, continue to use and be used by the hatemongers.

Some contribute smear-labor articles to the Spotlight, published by the Committee for Constitutional Governent, of which Dr. Edward Rumely is executive secretary.

This man Rumely served a term in Federal prison for concealing the fact that the German Government invested more than $1 million in his newspaper. His specialty is anti-Negro, anti-Semitic, and antilabor attacks.

Kamp, director of the Constitutional Educational League, works closely with Rumely and Gerald L. K. Smith, another notorious racist and hatemonger.

Kamp was twice convicted in Federal courts for contempt of Congress, and went to prison for refusing to reveal his backers in big business who finance his antidemocratic literature.

If a man or an organization can be judged by their enemies, the UAW is truly distinguished. The union and its leaders are the targets of obsessive hate by the underworld, by the extremist reactionary politicians, by the unreconstructed freebooters of American industry, by the Communists at home and abroad, and by the masters of organized hate.

The reasons are clear—Walter Reuther and the UAW have been militant, effective forces in America and the world for a richer, fuller existence for all men based on freedom and justice. The UAW has been successful in demonstrating the strength of free democratic institutions in a free society, and for that they

merit the hatred of those who would destroy our freedom and our democratic institutions.

While the UAW has been and continues to be successful in combating the underworld and the Communists, the union has continued vigilant in keeping its own house in order.

The executive board of the union went on record in favor of the creation of a committee to investigate abuses in labor and management even before the McClellan committee was authorized. It was a leader in getting the ethical practices codes adopted by the AFL–CIO, and then it put the same codes in its own constitution.

Finally, despite the demonstrable fact that there was neither corrupt nor Communist influences in the UAW, the leadership recommended—and the delegates to the 16th convention in 1957 unanimously adopted—a proposal to establish a public review board. This board, which operates completely independently of the UAW, was given constitutional authority to hear complaints from any member who feels his rights have in any way been violated by the union at any level. The board, made up of seven distinguished public-spirited citizens, was given authority also to overturn the decisions of the union's international executive board, and in its nearly 3 years of existence, has had occasion to do just that.

Moreover, the public review board was given the authority and the obligation to investigate on its own initiative any suspicion of corrupt or Communist influences in the UAW.

The seven members who made up the first public review board were Rabbi Morris Adler, of Detroit; Monsignor George Higgins, of the National Catholic Welfare Conference; Methodist Bishop G. Bromley Oxnam, of Washington; Dr. Clark Kerr, president of the University of California; Dr. Edwin Witte, professor emeritus of the University of Wisconsin; Magistrate J. Arthur Hanrahan, of Windsor, Ontario; and Wayne County Circuit Judge Wade McCree, of Detroit.

At the conclusion of the first term of the public review board in October 1959 Dr. Kerr was forced to resign because of his heavy work schedule. He has been replaced by Dr. Jean McKelvey, of the School of Industrial Relations, Cornell University.

Thus in the UAW the Nation has a union which fought the good fight in winning greater security and dignity for its members and workers all across the Nation, which successfully defeated Communist and racketeering elements in its own union, which today stands as a model of democracy and justice—turning over many of its key prerogatives and much of its authority to a panel of outside citizens. What other organization—labor, commercial, educational—has been willing to subject its internal decisions to an equal degree of public scrutiny, and review, and power to change?

I would like to commend the UAW, its leadership, and particularly its president, Walter P. Reuther, for the magnificent achievements registered over the past 24 years.

Their contribution to the economy, to the well-being of America generally, and to the highest ethical standards of a free society, has been enormous.

On this 10th anniversary of the inauguration of the first pension plan in mass production industry, I would like to salute them and wish them God speed in their future work to make their union, the Nation, and the free world strong enough to survive and win against the competition of antidemocratic forces inside and outside our borders.

If, as it now seems likely, Republican strategists again seek to make them the political devils in the 1960 campaign, and attempt to run against them instead of the Democratic Party, I suggest that they will again fall on their faces as they did in 1958. America has proved that it simply does not believe that Walter Reuther and the UAW are more dangerous than the sputniks. On the contrary, they have won the respect of millions, not only in Detroit and Michigan, but throughout the Nation and the world.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to my colleague from Michigan [Mr. RABAUT]

Mr. RABAUT. Mr. Speaker, I wish to associate myself with the statements of my splendid colleague from Michigan, "THAD" MACHROWICZ, including his statement concerning the president of the UAW, Walter Reuther, and their great organization.

Their contribution has done well to the economy of Detroit and to the Nation. Their interest in humanity is widespread, in their devotion, for instance, to the minimum wage. All members of the UAW receive a wage in excess of that which they are striving to get for others. Their interest in humanity speaks loud. It is very appropriate that the gentleman makes the statements he is making today in regard to this great organization. I commend him.

Mr. MACHROWICZ. I thank the gentleman.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentleman from Michigan.

Mr. DINGELL. I want to join my colleagues in commending my friend from the First District of Michigan on his very fine statement. I also wish to associate myself with the remarks he has made today on the United Auto Workers Union, and also to join him in recognizing this very happy occasion, the 10th anniversary of the first pension program in heavy industry.

I should like to join him in pointing out that the present leadership of the United Auto Workers has thrown out almost without exception from positions of leadership and indeed from membership Communists and corrupt unions and that this union is now recognized as a clean and a completely honorable and fine union. Indeed, they are a credit to the highest principles and ideals of trained union leadership.

I think it is well to point out that this organization has well and carefully looked after the interests of the people, as has been pointed out by my friend and colleague. They have continually sought, although not vitally personally concerned by reason of high wages, to establish a high and a uniform wage for the benefit of the workers of this country. They have carefully looked after the interests of the United States abroad by contributing to the International Labor Organization and their leadership and example here at home. They have sought to help with programs of vital interest to the United States. The mutual security program has always received their very vigorous support. Without their support it may well have been that many of the votes that went to the carrying out of this great program might have been lost.

They have vigorously supported, and I think at the request of the administration very often, the reciprocal trade program, one of the cornerstones of our trade system. They have worked unceasingly for liberalizing social security for the benefit of all of our people. They have proposed measures clearly in the public interest, like fair trade, the gas bill, and a number of other measures. Although they have no direct individual interest, they regard it as their purpose to protect and perpetuate all consumer interests that their members have and that the members of the public at large generally find facing them.

I think it is well to point out that the president of this union, Walter Reuther, was among the few in this country who vigorously debated and met and talked issues with Premier Khrushchev when perhaps some members of the American community are to be criticized for having been too much in favor of seeking and currying his favor rather than discussing issues with him when he was here on his visit.

So I think it is indeed a happy day today, and I would join my colleague in commending the United Automobile Workers for a long period of public service and for high devotion to the great principles of unionism.

Mr. MACHROWICZ. I thank the gentleman.

NO MORE CUSHIONS FOR CASTRO'S CUBA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, since we now recognize that Castro has placed communism at our doorstep, the time has come to face up to this reality without false compromise or foolish compassion.

We know that the common people of Cuba like the populations of the rest of the world know the American people for their humanity and generosity. This does not mean that we must temporize with leadership and governments who are as dangerous to their own countries as they are a menace to us.

I was gratified to read in the New York Times of Sunday, June 26, a report that "this was the week in which the U.S. Government jettisoned the last vestige of its policy of patience and forbearance with the Cuban revolutionary government of Premier Fidel Castro."

I only pray, Mr. Speaker, that this is so. Our Government has shown a degree of tolerance for the hysterical outbursts of Fidel Castro and the minions of his administration and for the overt acts of disdain for property rights of American nationals in Cuba which reaches far beyond the limits of ordinary diplomatic relations. Our diffidence in areas of participation in the internal affairs of our Latin-American neighbors is understandable and commendable. Castro's nose-thumbing gestures have propelled Cuba beyond the area of our dealings with friendly neighbors south of the border. As the able Senator from New York [Mr. KEATING], stated in a recent speech on the other side of Congress "instead of encouraging the good will of Cuba's traditional friend, he persists in making vicious attacks on the United States and its interests in Cuba."

Despite the warnings of serious-minded people who were skeptical of the motives of Castro and his associates, the revolutionary movement in Cuba at the outset a year and a half ago encountered a reception here which, if not completely sympathetic, promised patience and consideration. When Castro came to this country he received courteous treatment and frequent applause.

Castro in turn embarked upon and has continued a course which follows in every detail the pattern of communism and has increased the tempo and volume of his vilification of the United States taking his cue from current policy in Moscow.

The Castro government has held drumhead courts in which capital punishment has been handed out like traffic tickets. It has seized property without compensation; recently Castro took over Havana's largest hotels, the Nacional and the Havana-Hilton.

While mauling our friendly hands in his bearded jaw Castro continues a vitriolic campaign against the United States which in some respects outdoes Khrushchev and Mao Tse-tung. In the face of patent insults and policies repugnant to basic principles prevailing in our country, our President within the past week or two has told newspaper reporters, "We are not going to be a party to reprisals or anything of that kind." There are indications that even our patient President and Secretary of State are losing their stomach for the further antics of faithless Fidel. The Secretary of State has appeared before the Agriculture Committee in connection with proposed legislation to extend the Sugar Act. He has urged that we adopt a flexible sugar policy giving the President, while Congress is not in session, power to reduce the sugar quota of any foreign supplier and to reallocate any deficit resulting from such an act to other producing areas.

Obviously, we have an opportunity now in connection with revised sugar legislation to take one practical step in communicating to Castro and his Soviet bloc our distaste for their uncouth outbursts and destructive maneuvers close to our shoreline. We should neither condone their antics by a preservation of the status quo in sugar imports nor indulge in any wrist-slapping or cushion-throwing pugnacity in demonstrating our disapproval.

We are told that there are "pinprick" and "deep slash" schools of thought on the subject of dealing with Cuba. Whatever else you might say about Fidel Castro you cannot call him a sissy and I do not believe that any polite methods will be effective in an engagement with him and his seconds.

The action taken by this Congress in connection with sugar imports I submit should be a telling one. A substantial reduction of the Cuba quota for the coming year should indicate that we have embarked upon a policy of which this is only the first manifestation. If time does not remain in this Congress for any extensive recalculation of our sugar needs and quotas, then at least we should accept the administration recommendation that for the coming year during the time when Congress will not be in session the President be given the power to readjust and reallocate quotas as he may see fit in the public interest.

I may take this occasion again to point out to the Congress that the opportunity to supply sugar to the United States at premium prices will be welcomed by foreign countries which are more friendly to us than Cuba under its present Communist regime. Mexico, our good neighbor on the south, and Peru, desperately in need of economic aid, could be the beneficiaries of our bounty. Also, there is Panama, a small but important ally which according to recent press reports is the object of a major propaganda move by Red Cuba. According to a report in the New York Times of June 24, the secret police of Panama seized a shipment of 18 packages of air freight from Havana headed for the Cuban Embassy in Panama containing Communist propaganda.

Moreover, the Philippines, with an existing surplus of 300,000 tons of raw sugar, the only foreign supplier which was not given an opportunity to participate in annual increases under the extension of the Sugar Act in 1956, is anxiously awaiting an opportunity to participate in supplying the sugar needs of the United States. I am sure that the President under the delegation of authority would consider the Philippines high among those to whom any deficit occurring by reason of the reduction of the Cuban quota would be allocated. In this connection it might be interesting to quote some of the headlines in papers in the United States and in the Philippines bringing out in sharp contrast the difference between the attitudes of our friendly neighbors 15,000 miles away in the Pacific and the hostile little government a few hundred miles to our south.

Recent articles have been captioned "Castro Charges Eisenhower Regime Is Incompetent," "Castro Renews Seizure Threat," "Red Cuban Data Seized in Panama," and on the contrary, from papers in Manila, "Two Million Greet Ike," "Welcome Ike, 500,000 Set To Attend Rally," "Ike's Here, 1.5 Million People Welcome U.S. President," "Millions Hail Ike on Arrival," "One and a Half Million Acclaim Ike, Reception Is Biggest Seen Here."

May I submit in conclusion, Mr. Speaker, that to coddle the Castro tyranny will be a disservice to our friends, the Cuban people; to submit to threats and intimidation will not add to our already diminishing influence in the eyes of the rest of the world; to shift our attitude of excessive temperance and patience with a ridiculously violent and radical group in Cuba to one of firmness and conviction in the right will not only be consistent with American principles but actually will be of practical assistance in the long run to the kind Cuban people with whom we have been friends for many generations. Any step which we take in the implementation of a revised policy of this kind will be practical and useful; the reduction of the Cuban sugar quota, or at least the delegation of power to the President to make such revisions in the importation of sugar as he may in the public interest determine is such a practical step which we in Congress now have the opportunity to take.

TENTH ANNIVERSARY OF EXECUTION OF CZECH CHAMPION OF LIBERTY, DR. MILADA HORAKOVA

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Iowa [Mr. WOLF] is recognized for 10 minutes.

Mr. WOLF. Mr. Speaker, last year as a result of the combined efforts of numerous Congressmen, including myself, Senators, and Czechoslovak national organizations, the Post Office Department authorized the printing of a champion of liberty stamp to be issued in 1960 in honor of the founder and first President of the Czechoslovak Republic, Dr. Thomas Masaryk. This stamp became available on March 7, 1960, and people of Czechoslovak descent in the United States hoped in this way that their relatives in Communist-held Czechoslovakia would know that they have not been forgotten in their struggle for freedom.

These hopes have not been realized, Mr. Speaker, because the Communist-dominated Government of Czechoslovakia has not allowed mail bearing the Masaryk champion of liberty stamp to be delivered in that country. Many, many letters sent by Americans to their relatives in Czechoslovakia have reached their destination—minus the Masaryk stamp.

Although there is no action which the U.S. Government can take to stop this practice by the Czech Communist government, it is proof that the present leaders in that country do not want the people to be reminded of their former leader who did so much to establish a democratic government there. They do not want the yearning for political freedom to be encouraged by the memories which this stamp would invoke in the minds and hearts of the subjugated Czech people.

If the present Czechoslovak Government were what it says it is—a "people's democracy" in fact—then obviously this Government would have no fear of honoring one of the great men who established democracy in that country. But the very fact that this Government sees fit, either officially or unofficially, to try to remove any memory of this great man from the minds of its citizens, proves beyond any shadow of doubt that it is the very opposite of a people's democracy and instead is a dictatorship where the people have absolutely no freedom under their government.

Mr. Speaker, it is most appropriate that I should call to the attention of the House the action of the Communist leaders in Czechoslovakia in banning the Masaryk stamp at the same time that I speak in recognition of the 10th anniversary of the execution of Dr. Milada Horakova, of Czechoslovakia, another true champion of liberty.

After many years of public leadership in the field of social welfare in her native Czechoslovakia, she experienced 5 years' imprisonment by the Nazi occupation forces.

In May 1945 she was liberated from Nazi prison by the American Army.

After her return from Nazi jails to her reunited family in Prague, she once more took up the pursuit of social welfare questions and held a leading position in the national and international women's movement. She was chairman of the Czechoslovak Women's Council and a member of the International Federation of Democratic Women, vice president of the Union of Former Political Prisoners, where she valiantly fought against the Communist infiltration and terror. She entered also national politics as a member of the Czechoslovak Nationalist Party, founded on the principles of President Thomas G. Masaryk and led by Edward Benes, and was elected to the provisional national assembly and then to the constitutional assembly.

In the frenzied days of the February overthrow of 1948, she fearlessly maintained contact between democratic political leaders then already under Communist guard in their homes, but still struggling to avert the Red avalanche led by delegates from Moscow, among them Valerian Zorin, and backed by the Red army maneuvering across Czechoslovak borders. She refused every approach of Communists in the attempt to win her over to their side before the inevitable "victory of the revolution," resigned all public offices, and went underground again in the struggle to regain national liberty.

Then she was arrested on September 27, 1949, and after 9 months in prison without contact with counsel or the outside world she was brought, with 12 others, before a people's court of 1 judge and 2 Communist Party henchmen, was sentenced to death on June 8, 1950. She was executed on the gallows in Pancrac Prison on June 27, 1950, along with three others. Throughout the trial, Dr. Horakova's character shone through that gloomy courtroom as a beacon of courage and indestructible patriotism. Her last words rang out across the nation like a challenge to dauntless resistance when she said that she was content to take the consequences for her every action.

It is significant that leaders of various Christian church groups from all over the world joined in sympathy over the tragedy of Dr. Horakova's death.

The archbishop of Westminster, B. Cardinal Griffin, said:

I and my fellow Catholics are deeply distressed at the unhappy course of events in Czechoslovakia and we join with you in a solemn protest against the acts of violence being perpetrated in your country by the present regime.

The archbishop of Canterbury, on July 6, 1950, said:

I gladly associate myself with the protest against the savage sentences imposed by the Communist government in Czechoslovakia on certain Czechoslovak citizens. They were people of distinction who had earned the respect of their countrymen for their services in the past, and though they may have displeased the Communist rulers, they had not committed any offense which could be regarded as serious by any civilized government.

That great English statesman, and friend of the United States, Winston Churchill, observed the execution of Dr. Horakova with these remarks:

I fully share the grief and indignation which you feel at the cruel judicial murders in Czechoslovakia. They have, as you know, already been denounced by His Majesty's Government.

We join today with Czechoslovakians in the free world in paying tribute to Dr. Milada Horakova, and other lesser known champions of liberty, who truly gave their lives that democracy might live. We know that democracy will ultimately win and that they will not have died in vain.

DEAL ELEMENTARY SCHOOL, DEAL, N.J.

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. AUCHINCLOSS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, when the eighth grade class of the Deal Elementary School of Deal, Monmouth County, N.J., visited Washington, I had the pleasure of meeting with them. There were about a hundred in the group and I offered prizes for the four best essays written by the members of the class about their trip to Washington with their teachers who accompanied them to be the judges. I have just been notified of the winners and I am very pleased to have these essays written by these young Americans printed in the CONGRESSIONAL RECORD.

The first prize was won by Jean Serine and her winning essay follows:

WHAT OUR NATION'S CAPITAL MEANS TO ME

As an eighth grade pupil of Deal Elementary School I was fortunate to have visited our Nation's Capital, Washington, D.C. Its elegance and magnificence made me feel the great need of world peace. As I gazed at the towering spires or great monuments, and the colossal dome of the Capitol Building, I knew of the great work of the men who planned this city. They must have known the peace that I felt when I was there.

I really haven't said what Washington, D.C., means to me. To a person from a foreign country it might look like just any city with many buildings. But to me, an American, it stands for all the ideals of freedom and of a freedom-loving people. The vast monuments in honor of great men gave me the feeling of freedom for which these men fought.

Sometimes when I say I have visited Washington, D.C., people don't seem to think of it the way I do. When I was there, I tried to seek the feeling of a great and powerful Government of which I am a part.

Even though there are many historic places in the United States, I think Washington, D.C., is the center of all democracy. As Lincoln once said if the Union were divided democracy would be lost to the world. I think he meant that the United States was such a strong democracy and that if it failed there would be no real example of liberty left for the world. To me that is what Washington, D.C., symbolizes.

Amid the hustle and bustle of everyday life it still remains as an emblem of the U.S. Government. The Government this city houses is one that I can be proud of. This Government was not born in a short time. It took years of struggle and mistakes and even several wars to make our Government what it is today.

As I walked through the vastness of the buildings I knew what actually went on in these premises. I had often heard about them on the radio or television and read about them in books. Now I was actually seeing them. Learning more and more about these buildings and their function was a thrilling experience.

I can't really see how anyone can debate and argue with another person in this peaceful atmosphere. But I must also realize that this is the main purpose of this city.

As I try to learn more about our Government I will never forget governmental Washington, D.C. Seeing how my Government worked and its many hard-working leaders was immensely moving.

Washington, D.C., at night with all its radiance and brilliancy is like a glowing torch for the world. To me, Washington, D.C., will always represent the American people's way of life, ideals, Government, and the American people themselves.

I know I may never again go to Washington, D.C., but I do know, too, that I will never forget the feelings I received there.

The second prize was won by Josephine Lewis and her essay follows:

WHAT OUR NATION'S CAPITAL, WASHINGTON, D.C., MEANS TO ME

The day has just begun. Congressmen are hurrying to committee meetings, other assemblies, and offices. Workers are busy turning out many articles, and the printer is just finishing printing today's copy of the CONGRESSIONAL RECORD. Everywhere people are busy. This is our Capital.

Outwardly, the Capital looks much like any other city, except for an abundance of statues, Victorian buildings, and lovely fountains and parks. But it differs from other cities in the fact that this is a political city, and here the farsighted laws of our Nation are made. Many of the men and women employed here are connected with the Government in some way, even if it is only small.

Washington, D.C., is the hub of the Nation's politics. Situated here are the goals of politicians—the House of Representatives,

the Senate, the Supreme Court, the department heads, the Vice Presidency, the Presidency. Around this hub spins the wheel of campaign speeches, America alive to their ringing, petitioning of new bills, and the activity of primaries and conventions.

When I viewed Washington, D.C., the tremendous size and massiveness of the buildings impressed me greatly. The sturdy columns and structures seemed to show the solidness of our Government, the strength of its laws, and the beauty and wisdom of our Government—so carefully thought out that its Constitution has been amended only 22 times during its life, a period of almost 2 centuries.

This flourishing city of Washington symbolizes a nation of freedom-loving peoples, brought together under a strong tie of democracy. Every year thousands of people visit this famous shrine of freedom. Located here are the House of Representatives and the Senate, where elected Members representing the people of the United States draw up the Nation's laws. The decisions of these men are not made to gain personal power, but to fulfill the wishes of the people. The Capitol is an example, for all the world to view, of a democracy—a government made for the people, without shaping the people to fit its needs.

Through the Nation's Capital, using our country as an example, we hope to one day free all the countries of the world that they might have the privileges and deep happiness of a democratic government. This in turn would make for a much more peaceful world, without a few men of too much power and dictating to the peoples of many countries.

But besides this, Washington is a great storehouse and treasure chest holding many memories in its faded documents. Resting in the stately Archives Building are the Declaration of Independence, the Constitution of the United States, and the Bill of Rights. Here also are many historical papers from all over the country. Other buildings of Washington hold treasured Bibles, other papers and documents, and historical relics.

But in a larger sense Washington, D.C., is not just a city, not just a place to argue about bills, not just an arsenal of history, but the promise of democracy in the future. For within the stately chambers of many governmental buildings are the devoted minds of people working to preserve this freedom, and within our Constitution is the delicately balanced plan that insures everyone an everlasting freedom that is close to the hearts of all.

The third prize was won by Susan Howard and her essay follows:

WHAT OUR NATION'S CAPITAL MEANS TO ME

For quite some time when I was asked the Capital of the United States, I would respond Washington, D.C. This was the right answer so I was labeled an intelligent child. But was I? Did I have the comprehension of the true meaning of Washington, D.C.? Of course not.

Now as I sit here writing my humble opinion of what such a vital thing as our Nation's Capital means to me I feel a thirst for knowledge and historical facts concerning the subject. I feel that I, as an eighth grader, am just beginning to open my eyes and realize how privileged am I to have been born in such a country.

The laws made in Washington, D.C., are just beginning to affect my life. I have come to the assumption that people are not interested in subjects that do not involve them directly. This was true of myself. Until the laws and regulations of my country touched me directly I was not conscious of the vitality of the matter. Now as I stand on the threshold of my adolescent life I feel that I will someday be a part of the many adults all over the country who help lead the Nation.

A couple of weeks ago I went on a trip with our class to the Nation's Capital and encountered here the most thrilling and breathtaking experience of my life. When you first enter the city it distinguishes itself apart from all others by its precise pattern of the city's layout. The incomparable importance of the city can be sensed by its rare beauty of each building and monument.

The U.S. Capital today represents one of the finest democracies in the world. We here in the United States have a government for the people, by the people, and of the people.

In the United States we are fortunate enough to enjoy the freedom of worship. This freedom to me is more important than any other freedom or right.

This freedom alone points out the high standard of civilization that the United States has been able to attain.

Ever since 1492 when America was first discovered, people had a yearning for freedom and democracy. People wanted this so much that they were willing to give their lives that this Nation might live.

I often wonder, if when the blueprint of the city of Washington, D.C., was laid out, if they had any idea that a supreme Capital would someday stand there.

On my trip to Washington, D.C., I was mainly impressed with three things: The Capitol, of which is incomparable to any other in governmental value. Secondly, the Bureau of Printing and Engraving, where the Nation's currency is produced, counted and recounted until it is impossible for the slightest amount to be missing. And the Federal Bureau of Investigation, where criminals are captured with just the slightest bit of clues to go on.

As I approach the age of 21 when I, too, will be given the privilege of voting, I hope that I will be able to make the right decisions in life.

To do this job we must profuse ourselves with knowledge of our Nation's Capital and keep up to date with the current happenings.

For it is for us, the living, rather than to pay tribute to those who have thus far so nobly advanced in the eternal climb for the superlative, to instead continue where they have left off and contribute our portion to support this worthy cause.

The brave men, living and dead, that fought for this Nation deserve a bit of credit for their courageous deeds. Since the 15th century men have died to protect the United States and help make it what it is today. But I feel assured that if they could somehow vist the Nation's Capital of today that they would again give their lives to this country.

Now I can earnestly say that I hope our Nation's Capital, Washington, D.C., will never perish from the earth and that someday other nations will try and adapt themselves to better understanding of the American way of life.

The fourth prize was won by Nancy Weiser and her essay follows:

WHAT OUR NATION'S CAPITAL MEANS TO ME

Our Nation's Capital, Washington, D.C., means, to me, the nucleus of our democratic way of life.

It is a city where people think much about the past, the present, and the future.

The shrines, monuments, and memorials there remind me of what the past Presidents and other famous people have done for our country.

The documents, such as the Constitution, remind me of the works of men who gave so much to and for our country.

Our Central Government has its home in Washington. It works for the country with a system called checks and balances. The three branches of the Government, which are executive, judicial, and legislative, check each other on everything that they do.

Visiting Washington, its buildings and shrines, memorials and monuments, has taught me much about the history of our country and what the Government of today is doing to help the country.

What about tomorrow and the future?

The Nation's Capital has helped me to see that we all must contribute something to make a stronger government. We all must help each other.

This is just as true today as it was during the time that our Constitution was written. The men who wrote this document had to make compromises and also contribute something to it. By making compromises and working together, each State, sooner or later, was satisfied.

It is the duty of each U.S. citizen to know what the Government is doing and also to know something about the Government.

We can do this in one way, by voting and also we can keep up with the actions of the Government by reading the newspapers.

Seeing the Capital, and all of the sights there, has made me feel more patriotic toward my country. It has made me understand much about my duties as a U.S. citizen. I hope to fulfill them.

COMMEMORATION OF POLAND'S ACCEPTANCE OF CHRISTIANITY

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONTE. Mr. Speaker, on May 30 of this year, I was accorded the honor, along with dignitaries of State and church, of participating in religious festivities and a great parade held in Springfield, Mass. This event, commemorated the millenium of Poland's acceptance of Christianity and its beginning as a nation. The Polish-American Congress has programed events throughout these United States during the next few years. In Poland itself, the celebration of these events of over a thousand years ago, will take place from 1960 to 1966.

History seems to have foretold the constant struggle which Poland would have with her neighbors in order to maintain her national integrity. From the onset, in A.D. 960, the Poles were obliged to fight against the encroachments of the Germans from the west, the Prussians from the north, the Bohemians from the south, and the Hungarians also in the south. In 966, Miesko I, of the house of Piast, was converted to Christianity by Bohemian missionaries. The acceptance of the Latin Rite meant the connection of Poland with Western European culture. Thus, by this act, Poland became heir to the great civilization which had its cradle of origin in Rome.

Throughout its history, Poland has had to suffer from the avarice of its neighbors through partitioning and occupation, thus resulting in the loss of its liberty and independence. However, there is one outstanding phenomenon about the people of Poland, their incredible ability to maintain a national purpose and integrity against odds which would make lesser peoples despair. Their fierce love for the ideals of liberty and their steadfast will to keep it alive, pro-

duced such great fighters for freedom as Kosciusko and Pulaski who, even though their native land was in dire straits, volunteered in assisting our efforts for independence. Remember, too, that John III Sobieski and Polish troops helped preserve Western Europe from the advance of the Ottoman Turks by stopping them at Lemberg and Vienna. Indeed, our civilization owes Poland a debt of gratitude.

Not only has Poland contributed to the cause of liberty, but also to the benefit of all humanity by the works of her famous men and women in the arts and sciences. We are fortunate, indeed, that she has enhanced Western civilization to which she became heir 1,000 years ago. Famous names such as Copernicus, Sienkiewicz, Conrad, Chopin, Kochanowski, Mickiewicz, Curie, and Paderewski have all, in their fields, made those contributions which have given meaning and progress to culture and science for the ultimate benefit of all men.

Unfortunately, during these years during which the Polish millenium is celebrated, we are presented with a situation not unlike that which existed during the early periods of Poland's foundation. Although seemingly a nation, with all the exterior trappings and so-called national purpose, the Polish people must accept by force and by virtue of the menacing specter of its mighty and ruthless neighbor, a form of government whose philosophical basis is totally alien to those principles for which Polish patriots have made great sacrifices throughout her history. The present rule in Poland cannot be said to have been the spontaneous outgrowth of the Polish people's fierce love of liberty and self-determination. How incongruous and tragic, that this great nation which has struggled so valiantly for freedom should find itself, today, in a situation which is completely adverse. Yet, while we know that the odds against which liberty must struggle are overwhelming, we also know from the lessons of her history that, somehow, free Poland will rise again. We know that the intense fire and traditions of freedom are not dead. Above all, because of the deep-rooted religious faith of the Polish people, hope cannot give way to despair. Those philosophical principles implanted in the soul of Poland—free will, the integrity of man, and belief in a personal God—are part of the Polish spirit and cannot be eradicated by the Communists no matter how hard they try.

Let us hope that before this celebration of Poland's millennium is over, that we will see the resurgence of a new Poland, dedicated to those ideals and concepts which are a very integral part of the Polish nature—true liberty and independence.

I join my sentiments with those Polish-Americans and the people of Poland, who are commemorating this great event of their history, in a feeling of recognition for that nation's contribution to American independence and, indeed, to the civilization and culture of the West. I join with them, in the fervent hope and sincere prayer, that Poland will be, once again, master of its own destiny based on the God-given rights in which it so firmly believes.

FARMING INCOME, MARKET FIGURES REQUIRE SOME EXPLANATION

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. TEAGUE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, one of the problems we have in trying to find solutions to the problems facing agriculture is reflected in the confusion over how to compute farm income.

There have been several articles recently by experts in the field of agricultural economics suggesting that the farmers of the Nation are not as bad off as some demagogic spokesmen would have us believe.

This is not to suggest that the problem areas are to be ignored or even treated lightly. It is to say that there is much we should know and understand before we continue these glib and frequently inaccurate references to depressed farm income.

The whole field of misunderstanding was best pointed up in an article by Washington AP farm writer, Ovid Martin, and I would like to insert this in the RECORD so that all of my colleagues might examine more fully the points Mr. Martin raises:

[From the Fresno (Calif.) Bee, May 29, 1960]

FARMING INCOME: MARKET FIGURES REQUIRE SOME EXPLANATION

(By Ovid A. Martin)

WASHINGTON.—American agriculture is sometimes called an $11 billion enterprise, sometimes a $45 billion industry.

One figure gives the impression that agriculture is in poor condition economically, the other presents a somewhat rosier picture.

This all adds up to confusion, not only among farmers, but Congressmen, Government officials, businessmen, and the public in general. The figure used depends on how agricultural returns are measured and on the terms used in talking about the economic well-being of people who live on the land.

BOOTED ABOUT

The confusion finds expression in agitation for farm aid programs and in political campaigns for farm votes.

Much of the mixup comes through confused use of such terms as farm operators and farm population. The two terms are not synonymous.

Income of farmers, that is, operators of farms, is much smaller than the income of the farm population. Hence, when the income of farmers is used to express the income of farm people, it falls far short of the mark and gives an untrue picture.

Farm operators as a group get income from two general sources, from their farms and from nonfarm sources. Hence, to measure farmer income by earnings of their farms does not give a full measurement of their financial situation.

Likewise, the farm population gets income from these same two general sources. Much criticism of this confusion has come lately from some farm leaders and industries closely related to agriculture.

They say the figures most often used by the Government give the impression that people who live on the land have much less to spend than actually is the case. As a result, they say, advertising and market development budgets often penalize newspapers, magazines and other media in rural areas.

The agriculture department is the official measurer of agricultural income. It reports on gross and net income of farm operators and on the net income of the farm population. The figure it emphasizes most is the net income of farm operators.

WHAT IS LEFT?

The net income of farm operators is the amount they have left from gross receipts after paying production costs. Net income is their profit and pay for work and management. This figure was about $11 billion last year.

Broad, unexplained use of this figure tends to give the impression that that amount is all that farm people have. In other words, that agriculture is only an $11 billion market.

But this figure ignores the fact that farmers spent about $25 billion last year on production items, covering tractors, other machinery, gasoline, fertilizers, building and fencing materials, feeder cattle, livestock feed, baby chicks and countless other items.

In other words, farm operators themselves provided a $36 billion market last year.

ANOTHER STORY

The Department estimates the net income of the entire farm population, farmers, members of their families, farm laborers and their families, at $20,319 million. This includes the $11 billion of net returns to farm operators, the converting of $808 million worth of farm inventory into cash, $1,811 million paid farmworkers in wages and $6,700 million farm people earned off the farm. Most of the last was pay for work done in nearby towns and cities.

If the gross income of farm operators is added to the income of farmworkers and the money earned from nonfarm sources are added together, the farm population had around $45 billion to spend last year.

The Agriculture Department defends the use of the net income figure as a yardstick for measuring the well-being of farmers. They explain that the earnings of corporations are not measured by the gross amount of their receipts, but by the amount they have left after paying expenses.

POINTS ARE BACKED

Those who argue that agriculture is much better off than some of the income figures imply are supported by these facts:

Total agricultural assets are at a record high of $208 billion.

The total debt of farmers is only 11.5 percent of total agricultural assets.

The net equity of U.S. farmers in their land, buildings and other holdings is $184 billion, an increase of $33 billion since 1952.

Farm ownership is at a record high, with two out of three farms free of mortgage debt. Farm foreclosures are near a record low.

COMMITTEE ON THE JUDICIARY

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit during general debate on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent that Subcommittee No. 3 of the Committee on Banking and Currency may be permitted to sit during general debate on Tuesday and Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

IRV KUPCINET'S TELEVISION PROGRAM "AT RANDOM"

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Illinois [Mr. LIBONATI] is recognized for 15 minutes.

Mr. LIBONATI. Mr. Speaker, to the worthy must go the reward of public acclaim. A new approach in television programs was introduced by Irv Kupcinet, Sun Times columnist, called "At Random" on CBS. It answered a public need for intelligent and informed "conversationalists" discussing public questions and events in an on-the-spot live program. The invitees to almost every sitting have won public acclaim as authorities on the specific subject in question presented for treatment.

The program attracts a tremendous audience, even though it is presented at midnight on Saturday of each week and continues to the complete analysis of their views upon subjects by the participants regardless of time.

During the discussion period interested viewers constantly phone in giving suggestions, proposing questions, and commenting upon the statements of the participants.

Kupcinet feels that talk is interesting and informative when it stimulates the mind to think. It is also a forum for well-informed people who are expert in the subject that is under discussion—have plenty of time to talk about it and are able to set forth with positive confidence and strength their position on controversial questions without fear of interruption or emotional complications or interference.

The subjects are primarily on subjects touching the home, that is, religion, politics, sex, the theater, the professions—both scientific and theoretical—and so forth.

It is rarely that people are given the opportunity to watch on live television the intellectuals and celebrities of our time in an off-the-cuff discussion of interesting subjects upon which each is expert or distinguished in these areas. Kupcinet states that, although it is especially true that men excel in most fields of knowledge, yet women thinkers who have appeared on "At Random" were champions in their field of knowledge.

"At Random" stimulates thinking in everyone interested in public events, problems of the day and the world. In order to think and act as an American on public questions, one must know what is going on in the world today and how it will affect their own lives.

Kupcinet has opened up a new avenue of action in order to stimulate public interest in more reading of periodicals, newspapers, and books. As a celebrated columnist he has always endeavored to bring before his readers events and incidents of interest that would stimulate thought and action. Even if powerful groups disagreed with him or his viewpoint in matters, yet all admitted that he stood solidly behind his position and never retreated under fire.

In bringing "At Random" to the air lanes, he has contributed much to the intellectual advancement of the thinking people of America; he has created an outlet for talented men and women to air their views on interesting subjects and questions upon which each is expertly informed; he has permitted the public to enjoy listening to the expert opinions of opinionated people, who as authorities on the subject discussed, stimulate the public mind—more power to him.

We, the members of the Congress from the State of Illinois, are proud and happy that our mutual friend, Irving Kupcinet, was duly honored by his fellow citizens for his valuable services to the community, State, and Nation. His promotions for the veterans and many charities for the public have earned for him the respect and honor of all citizens. His fearlessness and courage mark him as a valiant champion in the cause of good government.

Mr. Speaker, at the Morrison Hotel in Chicago, Ill., on April 6, 1960, a dinner was given to our illustrious newspaper columnist and mutual friend, Irving Kupcinet—called Kup by his intimate friends—at which many distinguished Chicagoans were in attendance, including Mayor Daley and Colonel Arvey, as speakers.

"There is no one who deserved this honor more than Irv Kupcinet," quoting Gen. Julius Klein, who further commented that—

I concurred wholeheartedly with the many fine speeches made and the many messages received from dignitaries throughout the country. Irv Kupcinet is, indeed, a courageous, fine commentator and columnist.

He has, at all times, given his very best for every good cause, whether Americanism, charity, veterans, the sick or the unfortunate ones, and he has always strictly adhered to the ethics of his profession. Chicago is richer because we have a Kupcinet in our midst.

So wrote Gen. Julius Klein to me from Rome, Italy.

The speeches at the banquet were pertinent to the occasion and in their presentation, by illustrious speakers, reflected the important contributions that Irv Kupcinet has made to his fellow Americans—as a newspaperman and as a citizen and friend.

EXCERPTS FROM MAYOR RICHARD J. DALEY'S REMARKS

Our community is blessed because it has the capacity for inspiring such demonstrations of causes that seem distant from us, but are really close to the hearts of all that love democracy.

EXCERPTS FROM COL. JACOB M. ARVEY'S REMARKS

This remarkable assembly of men and women, represented on the dais and in the audience—one of the greatest arrays yet seen at a public function—attests to Irv Kupcinet's capacity for identification with all groups and all causes.

As one trained in the field of politics, I know the pressures that are brought to bear upon people in public life. Kup has consistently demonstrated a capacity to resist pressures, so that his principles would be preserved—principles which represent the ideals upon which our country was founded, and in which the image of Israel is determined to live.

SPEECH DELIVERED BY RABBI WILLIAM Z. NOVICK, AT TESTIMONIAL TO KUP DINNER, APRIL 6, 1960, CHICAGO

Mr. Chairman, dear friends, I join in expressing appreciation to Mr. Robinson, our president, Mr. Leibman, the chairman, Mr. Zahn and Mr. Weiner, the chief architects of tonight's great and unique successful event.

Our very much beloved Colonel Arvey used a text from the Bible, which I think has striking significance for us tonight. The text reads: "And Moses went unto Jethro, his father-in-law, and said: 'Let me return unto my people in Egypt to see if they are yet alive'." This is the beginning of Jewish history.

Moses starts his historic role as a redeemer, as a lawgiver, with this searching question, with this powerful plea: "I must return to see if my people are still alive." What a way for the history of a people to begin, not with, "Shall I build?"—not with, "Shall I live?"—but, "Is there still life?" And this has been the eternal question of the Jewish people for 4,000 years * * * the question was asked in Babylonia * * * the question was asked in Spain * * * the question was asked in Poland * * * the question was asked in north Africa * * * and, finally, the question was asked in our time, in Nazi Germany, "Are my people still alive?"

How does a people survive in the face of this challenging, searing, searching, and almost overwhelming tragic query? How does a people find strength? How does a people find courage? How does a people find a willingness? How does a people find a determination to live on in the face of this burning, challenging threat? How are the hundreds of leaders, who follow in the moral image of Moses, to find the strength to lead a people confronted by these overwhelming tragic threats of oppression, real and imaginary?—the answer is given to us in the same Bible, where we read that the same Jew, oppressed and burdened with this text from ancient scriptures, remembers other terms from the Book of Isaiah and the Book of Jeremiah and the Book of Ezekiel, where we are told—Comfort Ye—Comfort Ye—our people. This juxtaposition of words and concepts offset through the centuries the awesome magnitude of the words first uttered by Moses of old.

What a privilege, dear friends, to be part of a generation where these historic words are no longer heard—where the voice of fear has been silenced, but in place of it, the words of the prophets come forth: "I will restore the children of Israel to the land of Israel; thou shall come unto the land and plant vineyards, and care for thine and the strangers within thy gates; and the hungry and the oppressed shall come from distant lands and know not fear; for thou shall be a blessing unto me and unto the peoples of the world" this, sayeth the Lord.

Tonight, dear friends, we gather in this warm, glowing sense of tribute to a remarkable human being. Permit me the personal privilege of saying that having worked with Kup these many months, I have found him to be a man with enormous warmth, great judgment, and an uncanny sense of doing the right thing at the right time. Those of us who have watched him faithfully on his

"At Random" show, know him as a quick-witted, quick-thinking, observant individual, with an absence of prejudice and an abundance of love for all peoples.

It is appropriate that we join in tribute to Kup, through the establishment of this forest in Israel, because Israel is close to all Western faiths; it is sacred to the Jewish people, of which Kup is a cherished member; it is sacred to the Christian community, whose religious heritage is in ancient Jerusalem. And so, we turn to you and answer the question that many of you have rightfully asked: "Why do we invite your support for a cause that many identify as an exclusively Jewish problem? What right has the Jewish community to come to the Christian community and invite and elicit their support?"

We have an answer that we think is valid: You remember the recent Asian flu epidemic. It started in the Pacific, and because it was not stopped in time, we watched the wave of sickness flow across oceans and attack men, women, and children. Dictatorship is like the evil flu bug. It doesn't stop at its own borders; it crosses boundaries; it crosses seas; it races across valleys and hills, and infects the weak and the timid and the afraid. Democracy, wherever it is, stands like a powerful immunization in stopping the ravages of hatred and oppression. And when you have democracy in London or in France or in Israel, standing like isolated citadels, we must hold her hand up strong, we must strengthen her, encourage her, and buttress her.

When Cuba is threatened with dictatorship, we become concerned, whether we are of Cuban origin or not; and when France was recently threatened, our safety as a democracy was involved, though none of us may be of French origin.

The security of Israel's democracy is your and my problem. And when we say—support her by planting trees—we are saying, in effect, teach other nations of the world that her swamplands and her arid soil and her neglected lands and her eroded people can live and prosper in the hills sacred to them.

In ancient Greece they used to have a practice, that when a nation became involved in war, at the conclusion of the hostilities, the only ones upon whom the victors would inflict punishment were those who remained neutral. Never were the vanquished oppressed, but only those who refused to take a stand and who refused to take a position—but who said: "Let Charlie do the job."

It seems to me that one of the great tragedies of our time is that we have developed a philosophy of "let Charlie do the job," and that in these tremendous battles, invisible perhaps to the naked eye, but nevertheless real and threatening and of enormous concern to us, to our children, and to unborn nations, the real fear is of the many who stand aside and remain neutral and refuse to participate in communal affairs and to activate their lives, their energies, their resources, their know-how, their intellects, their emotions, on the side of righteousness and of justice.

How many times, friends, have you and I failed to respond to the challenges placed before us? There are so many burning issues which threaten the survival of what we like to think is the correct way of life, and yet there are so few voices and so few of courage who do not remain neutral.

The world is engulfed, not with two great orbits of influence—Western and Eastern—but with a third; the orbit of neutrality * * * of nations who refuse to become identified with the side of democracy. I do not know what history holds in store for those nations, but I pray that Israel, which has never remained neutral in the face of many blandishments and inducements from the East and many disillusionments and disappointments from the West, but has always stood within the orbit of Western democracy and always allied her interests, her way of life with that of America and with that of England and with that of other freedom-loving peoples, will enjoy your support and that of others who see in her a courageous example for other nations to emulate.

It is appropriate, dear friend, that we salute Kup tonight, for he, too, has never stood neutral on the moral and challenging issues of our time. His column, his TV program, his own way of life, has always been on the side of righteousness, of integrity, and of freedom for all. This assemblage of men and women, representing every section of Chicago life, speaks for the integrity that he has demonstrated so consistently in his public career.

When others feared to open their instruments of communication to public issues, Kup always said: "Let the story be told," giving a full exposure to both sides of every issue.

And his TV show and his writings are in the image of the words of John Morley, who, in his essay on "Compromise," in 1874, said: "You have not converted a man because you have silenced him."

Neutrality is a curse when it fears to take a stand between good and evil. Israel wishes to build her nation in the image of her cherished traditions and in the image of the prophet, Isaiah, when he said: "Return unto me thy sick and thy weak and thy hungry and thy oppressed." Our own Nation was built on these principles, and the Statue of Liberty proclaims to all * * * "Bring me your hungry, your tired, your oppressed," in the image of the words of the Bible, which calls forth—"Proclaim Thee Liberty for All."

Ladies and gentlmen—every tree that you plant tonight will represent new earth that is created through the blessings that come from trees * * * increased rainfall * * * improved irrigation * * * increased agriculture for a nation that isn't neutral, but on the side of justice, and to help encourage other nations to leave the orbit of neutrality, to build creatively, to redeem their own lands, to restore her arid soil, and to emerge from their bondages, as Israel has.

Ladies and gentlemen, our very much beloved president, Mr. Robinson, and myself were in Israel with Tom Flannery, Jr., who is on the dais. Tom said he wanted the privilege of purchasing a gift to present to our guest of honor tonight for this occasion. It's a chalice—a cup used for sanctified purposes—a cup that is many hundreds of years old—a cup that has inspired benedictions and blessings and hopeful prayers.

We present it tonight from the Jewish National Fund to you, Kup, because this is symbolic of you.

A cup to Kup—a cup that has been overbrimming, as your life has been, and as the future years, we pray, may be for you, for Essee, and for the children—with love and with service; with understanding and with graciousness—and with continued courage to use the powers that are yours as a representative of the press and of the TV industry, and to remind people of the importance of courageous stands on moral challenges that affect us and future generations.

EXCERPTS FROM MORRIS I. LEIBMAN'S REMARKS

The major of Kup's qualities is demonstrated in his capacity for growth. Through the years he has grown from a sports hero to an intellectual leader.

EXCERPTS FROM MR. LOU ZAHN'S REMARKS

Kup is interested in the problems of the small, not alone the great; the less privileged, not alone the privileged; and this is the great need of man today, to remember those who don't have spokesmen and representatives to lift their voices in their behalf.

EXCERPTS FROM DANNY KAYE'S REMARKS

It isn't often that someone in my profession finds it possible to become as intimately identified with a man of the newspaper profession as I have with Kup.

I have found this possible, only because Kup's capacity for friendship is greater than his extraordinary gifts as a newspaperman. His devotion to his friends is of primary concern.

I share with Kup a great love for Israel, which represents another citadel devoted to the ideals for which Kup stands—freedom of speech—freedom of worship—and freedom of the press.

To Jew and non-Jew alike, the inviolate rights of man must be secure. Israel is helping to perpetuate this under very difficult circumstances.

EXCERPTS FROM WILLIAM J. ROBINSON'S SPEECH

We now stand at the threshold of the holiday of Passover, which represents one of the milestones in man's quest for freedom. The Jew found freedom from the oppression and slavery of Egypt.

Freedom is manifested in many ways; one of them is through the instrument of a free press.

Irv Kupcinet, our guest of honor tonight, has always demonstrated the unique qualities and gifts of a free press.

SPEECH DELIVERED BY IRV KUPCINET AT MORRISON HOTEL, WEDNESDAY, APRIL 6, 1960

The ancient Greek Archimedes, engineer and physicist, who was a great authority in the principles of leverage, once said—"Put me in the right spot and I can lift the world."

Each of us ought to feel, through life, that in whatever spot we are in, represents the right spot, the right opportunity, the right moment, to lift the world just a little.

The press, one of the most powerful instruments available to the free world, has done much to lift the sights and the hopes of man. I am privileged to be a member of the press and its sister instrument, the TV industry, and if I have been able, in any way to "lift the world," I am grateful; for what greater reward can there be for man to stand in the presence of his fellow citizens and feel the warmth of this evening's tribute, and to learn that I am identified, justifiably or not, in furthering this function of man.

I hope that I have responded to the challenge that has been mine as a member of my profession, for as a Jew and as an American, I have always felt it incumbent upon myself to contribute to the ideal embodied in the beautiful words of Archimedes.

The Jew has been trained in these traditions, going back to the time of Moses, when he handed to the world the Ten Commandments and the Bible. And our people have long learned to love the written word of the prophets and the psalmists. Our own Nation was founded on the written word of the Constitution, which granted every man the right to dream of a better world, to aspire to a better society, and to create a more noble image of man.

Israel, a nation to which freedom-loving people throughout the world are dedicated—whether Jews or non-Jews—has, similarly, taken its position, reflecting the teachings of Archimedes, and helped raise the sights of man; though oppressed as she was, ravaged by decades of devastation, she rose phoenix-like from ashes to demonstrate a vibrancy and a determination to live, which has inspired other peoples in Africa and in other parts of the world, to reach forth for freedom and economic and political security.

As a member of the press in this great American community, and as a son born and devoted to the cherished traditions of my ancient faith, I feel it incumbent upon myself to reflect wherever possible this ideal of

lifting the world just a little. If, through tonight's meeting, I have served as the symbol to rally groups of all faiths to serve the democratic cause of Israel, I feel richly inspired, deeply honored and moved, and, I assure you, forever grateful.

The Jewish National Fund is dedicated to a program that means so much, not alone to its people within the confines of Israel, but to all nations of the world who face the serious problem of how to use wasteland in a more creative manner. The tree planting program, the land redemption program, and the afforestation work have given the Jewish National Fund the unique historic role, not alone for Israel, but for other nations that must resolve their great agricultural and economic problems.

The Jewish National Fund reflects another great teaching that many can hope for a better world—man can aspire for a better tomorrow, for 59 years ago a handful of people began to redeem the swamplands and the rocky hills of Israel and said: "These swamplands will be dry and these hills will flourish and these valleys will be fertile"—and dunam by dunam, and acre after acre of land was born through the Jewish National Fund program, which inspired pioneers of vision and of courage to help and plan for a better tomorrow.

Peoples in other parts of the world can look toward Israel and say they, too, will have a better tomorrow, even though their today is under the yoke of oppression and the yoke of swamps, both physical and moral. The land deeded to us by God must give birth to freedom and to the food and the sustenance, to which all children of man yearn and rightfully aspire.

I want to thank the Jewish National Fund, under the leadership of its president, Mr. William J. Robinson, for all the courtesies extended to me during these many months of planning. I want to thank, especially, my good friend, Morrie Leibman, my dedicated friends, Lou Zahn, Red Weiner, and the many, many others who helped make tonight's event memorable for Essee, for the children, and for myself.

To all of you, thank you for coming, thank you for enriching a cause which raises the hopes of all men, for these can be a better tomorrow if each of us just lifts the world a little today.

REMARKS BY DORE SCHARY

Ladies and gentlemen, a heavy program of work prevents me from being with you in person to pay tribute to Kup. If I know my friend as well as I think I know him, he is sitting there tonight, his face rather flushed and occasionally he will dab at it with a handkerchief, and in between his moments of embarrassment he will be puffing on cigars which are much too large and much too black and much too many. He will laugh at the wisecracks leveled at him; he will look down modestly as someone says something extravagant about his many talents and virtues and as he will feel pride at the "kuvod" paid to him, he will also feel a degree of shyness.

I suppose I've known Kup for about 17 or 18 years—maybe it's longer—and during that time I've seen him happy; sometimes sad. I've seen him tired; sometimes exuberant. I've seen him in Hollywood, Chicago, New York—and I've discussed with him motion pictures, the theater, politics, medicine, sports, and newspapers. I've seen him calm and sometimes irritated, but I've never known him to express truly vindictive thoughts about anyone. Don't misunderstand: he has the capacity to get angry and the capacity to be impatient with bigotry and stupidity, but one of the reasons I admire him is because he separates ideas from people. He gets angry at what people stand for and avoids, what the lawyers call "ad hominem," arguments.

He also is a very good master of ceremonies on his program, At Random. I appeared on the show once and discovered that Kup was that rare bird of a moderator who actually lets his guests talk. This was a true delight, because what the hell is the use of being a guest on a program if you never get a chance to get on? As a matter of fact, the real difficulty with Kup's program is that it's hard to get off; I think we started talking on Kup's show at midnight—and sometime the following Tuesday I finally got back to the hotel.

There's another virtue that Kup has. If you are Kup's friend, you get the feeling that his interest in you runs beyond any possible news item that you may give him. Kup remembers to write you a note of congratulations if something pleasant happens to you, or a note of consolation if bad fortune taps you on the back. And this thoughtfulness has earned him the solid friendship of people all over the country.

As I write this it occurs to me, as it has undoubtedly occurred to many of you, that it is fitting that Irv Kupcinet should have the nickname of "Kup," which is the Jewish word for "head." He has a good head. Physically, it is a head that has miraculously survived the hard knocks of college and pro football. However, the true miracle is how that elegant beak of a nose has retained its shape. Mentally, he has a good head. It is full of decent thoughts about the world in which he lives, and he carries his Americanism as a proud banner, along with the banner of his religious faith as a Jew, and always in his consciousness is his devotion to his wife and his children. He adores them and makes them part of his life, and at the same time he makes himself parts of their lives.

We are living in an advanced age, with problems of urgency and tension. In such an age our newspapers have a responsibility to reflect honestly the daily developments that constantly alter our lives. In such a time it is good to know that in the Chicago Sun-Times there is a voice and a pen and a heart that is on the side of the angels. And it is good to know that somewhere in the Holy Land, in the hills that look down at the vibrant nation of Israel, there will be trees growing in honor of Kup. It is so apt that these trees be there in Kup's name because they are a symbol of growth and life.

I congratulate all of you for participating in this evening with Kup, and I congratulate him and express to him my constant admiration and affection.

NATIONAL AGRICULTURAL ECONOMY

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Iowa [Mr. WOLF], is recognized for 10 minutes.

Mr. WOLF. Mr. Speaker, possible solutions to our many farm problems are foremost in the minds of many of our leaders these days, for it is acknowledged that a healthy agricultural economy is essential to a healthy national economy in general.

Many proposals have been put forward, and I have, myself, worked diligently on some of them. In the first session of this Congress, I introduced a domestic food bill by which it is proposed to get more of our surplus foods into the diets of our people here at home, and a United Nations food-for-peace bill by which it is hoped that multilateral arrangements can be made whereby the agricultural products of surplus-producing nations can be pooled and distributed to the hungry peoples of the world through the United Nations. I am convinced that these two proposals would do much to reduce our stored surpluses, and, consequently, would reduce our storage costs.

I have had another idea for several years, which would have a healthy effect on our agricultural surplus problem and which would also place our Nation in a position of readiness to meet food problems which might result from the destruction or disruption of the usual channels of food supply. This proposal requires the establishment of food storage depots near the major population centers in the United States to prevent the people of the United States from suffering from starvation as a result of war, flood or other catastrophe which would destroy the usual channels of food supply.

Recently Vice President NIXON supported Governor Rockefeller who gave expression to my own thoughts and past research when he proposed that a year's supply of food for the Nation be set aside against the eventuality of an atomic attack, and that emergency food reserves be stored close to centers of population.

Last year I prepared a bill, which I am introducing today, to provide for the establishment of food storage depots near the major population centers in the United States, to prevent the people of the United States from suffering as a result of war, flood, or other catastrophe, which would destroy the usual channels of food supply.

Under the terms of my bill, the Director of Civil Defense shall determine where such food storage depots are needed. Each food storage depot will be stocked with all kinds of food, milk, bread, meat, and processed vegetables.

Under this program the Director of Civil Defense will take those steps necessary to turn some of our food resources presently held in surplus into packaged food ready to eat.

While I realize that my bill has not been fully refined, the idea embodied in it is an important one, and I hope that in the legislative process it can be improved upon. This bill will provide a basis for the implementation of such a proposal.

We have been too lax in our civil defense efforts. If we are going to take our responsibilities seriously in this area of public policy we must present workable suggestions and act upon them so that they become law.

Civil defense does not concern itself only with war. It concerns itself, also, with disasters such as floods, droughts, and other kinds of hardships which may occur to men. What the Government must do is prepare for such disasters by taking all reasonable steps which can alleviate the hardships of our citizens in such situations.

At the present time far too much of our agricultural surplus lies dormant. So little is processed for use that if famine or war occurred, we would be

woefully unprepared for the dangers that it would cause in terms of disrupting our food supply.

Of course, we hope that we will never experience the kind of catastrophes that have occurred through natural circumstances such as the earthquake some months ago in Morocco, or in Chile, where thousands experienced acute hunger because their already tenuous food supply had been completely destroyed. We hope, also, that the world will never see an atomic war. However, if such eventualities occur, we should be prepared to protect our citizens through civil defense, which means being prepared with food already processed. In this way food presently held in storage will do a job that is vital to our health and survival.

Mr. Speaker, I realize that the Congress cannot take action on this bill this year, but I hope that it will provide those Members who approve of the idea of storable food bunkers in our great centers of population a basis on which to formulate and refine their own ideas. I hope further that by next year sufficient thought will have been given to this proposal that it will be possible to enact legislation to accomplish its objective.

The wording of this civil defense bill follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the purpose of this Act to provide for maintaining, in readily accessible locations, quantities of food, which would otherwise be held as surplus, which has been processed so as to be ready for immediate use in the event of a catastrophe.

SEC. 2. The Director, Office of Defense and Civil Mobilization (hereinafter referred to as the "Director"), shall determine the population centers at which, in the event of war, flood, or other local or national castastrophe which destroys the usual channels of food supply, a food storage depot would be needed, and he shall, as rapidly as possible within the limits of available appropriations, establish food storage depots at or near each such population center.

SEC. 3. (a) Each food storage depot shall be stocked with such food as the Director shall determine will adequately provide for the persons in the population centers who would be affected by a catastrophe. Food for such depots shall be obtained from the stocks of the Commodity Credit Corporation and shall consist of food commodities which the Secretary of Agriculture determines are in surplus supply. The Director shall recompense the Commodity Credit Corporation for commodities received from it in an amount equal to the cost to the Corporation of acquiring such commodities.

(b) Commodities in food storage depots shall be packaged in such manner and stored in such facilities (including refrigerated storage where appropriate) as to be protected from radioactive fallout, heat, moisture, dryness, and other conditions tending to make such commodities unusable as food.

SEC. 4. The Director shall provide, by contract, entered into after advertising, with individuals and organizations for the processing necessary to convert food obtained from the Commodity Credit Corporation into forms suitable for immediate human consumption.

SEC. 5. In carrying out the purposes of this Act, the Director shall cooperate with the American Red Cross, State and local governments, and with all other persons who would be of assistance in establishing the program authorized by this Act.

SEC. 6. (a) The stocks of food storage depots shall be replenished from time to time as the Director deems advisable.

(b) In order that no stocks shall be unnecessarily destroyed or wasted by reason of storage in a food storage depot for undue periods of time, the Director is authorized to sell or transfer to other departments, agencies, and instrumentalities of the Federal Government, or other agencies or organizations, at such times and under such terms and conditions as he deems necessary, for disposition under other programs and policies established by law, such items stored in the food storage depots, as the Director deems necessary to prevent such destruction or waste.

SEC. 7. There are hereby authorized to be appropriated such amounts as may be necessary to carry out the purposes of this Act.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FOUNTAIN (at the request of Mr. KITCHEN), for today, June 27, on account of official business.

Mr. KEOGH (at the request of Mr. ANFUSO), for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FLOOD, for 15 minutes, today; and for 60 minutes, on Thursday.

Mr. WOLF, for 10 minutes, today, and to revise and extend his remarks.

Mrs. ROGERS of Massachusetts, for 10 minutes, tomorrow, vacating her special order for today.

Mr. SCHWENGEL, for 30 minutes, on July 1.

Mr. LIBONATI (at the request of Mr. BURKE of Kentucky), for 15 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. HEMPHILL (at the request of Mr. BURKE of Kentucky), for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HEMPHILL, his remarks today under special order of the House and to include tables and other extraneous matter.

Mr. OLIVER.

Mr. ZABLOCKI and to include extraneous matter.

Mr. BENNETT of Florida in two instances and to include extraneous matter.

Mr. PHILIBIN and to include extraneous matter.

(At the request of Mr. BROOMFIELD, and to include extraneous matter, the following:)

Mr. BETTS.

(At the request of Mr. BURKE of Kentucky, and to include extraneous matter, the following:)

Mr. EDMONDSON.

Mr. PORTER in two instances.

Mr. WOLF.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 77. An act to establish the Chesapeake and Ohio Canal National Historical Park in the State of Maryland, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 8186. An act to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces;

H.R. 8226. An act to add certain lands to Castillo de San Marcos National Monument in the State of Florida;

H.R. 9322. An act to make permanent the existing suspension of duties on certain coarse wool;

H.R. 9862. An act to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing, and to extend suspension of duty on imports of casein; and

H.R. 9881. An act to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1018. An act to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work;

S. 1508. An act to provide for economic regulations of the Alaska Railroad under the Interstate Commerce Act, and for other purposes;

S. 1752. An act for the relief of Stamatina Kalpaka;

S. 2053. An act to provide for the acceptance by the United States of a fish hatchery in the State of South Carolina;

S. 2174. An act to permit the filing of applications for patents to certain lands in Florida;

S. 2331. An act to provide for hospitalization, at St. Elizabeths Hospital in the District of Columbia or elsewhere, of certain nationals of the United States adjudged insane or otherwise found mentally ill in foreign countries, and for other purposes;

S. 2443. An act for the relief of Edgar Harold Bradley;

S. 2481. An act to continue the application of the Merchant Marine Act of 1936, as amended, to certain functions relating to fishing vessels transferred to the Secretary of the Interior, and for other purposes;

S. 3072. An act to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States;

S. 3106. An act to change the title of the Assistant Director of the Coast and Geodetic Survey;

S. 3117. An act to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage;

S. 3189. An act to further amend the shipping laws to prohibit operation in the coastwise trade of a rebuilt vessel unless the entire rebuilding is effected within the United States, and for other purposes;

S. 3226. An act to amend section 809 of the National Housing Act; and

S. 3485. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 4964. An act for the relief of Mrs. Betty L. Fonk;

H.R. 6081. An act for the relief of M. Sgt. Emery C. Jones;

H.R. 6479. An act to provide for the conveyance of certain real property of the United States to the village of Highland Falls, N.Y.;

H.R. 8241. An act to amend certain provisions of the Civil Service Retirement Act relating to the reemployment of former Members of Congress;

H.R. 9443. An act for the relief of Mrs. Ethel B. Morgan; and

H.J. Res. 688. Joint resolution for the relief of certain aliens.

ADJOURNMENT

Mr. BURKE of Kentucky. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 6 o'clock and 43 minutes p.m.) the House, pursuant to its previous order, adjourned until tomorrow, Tuesday, June 28, 1960, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

2304. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report on examination of the pricing of P–2 aircraft cameras under Department of the Air Force subcontracts negotiated by North American Aviation, Inc., Los Angeles, Calif., with J. A. Maurer, Inc., Long Island City, N.Y., was taken from the Speaker's table and referred to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. Report on Hydrofoil development (Rept. No. 2006). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. S. 2576. An act to authorize the addition of certain donated lands to the Everglades National Park; without amendment (Rept. No. 2007). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 10831. A bill to authorize the acquisition of certain lands for addition to Harpers Ferry National Monument, and for other purposes; without amendment (Rept. No. 2008). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 4684. A bill to revise the boundaries and change the name of the Fort Donelson National Military Park, and for other purposes; with amendment (Rept. No. 2009). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 11541. A bill to abolish the Arlington Memorial Amphitheater Commission; without amendment (Rept. No. 2010). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 8576. A bill to amend the Tariff Act of 1930 to extend to residents of the United States who are crew members on vessels, aircraft, and other conveyances arriving in the United States, within specified limits, the same exemptions from duty on personal and household articles as are granted passengers arriving on such conveyances; with amendment (Rept. No. 2011). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 11573. A bill to provide for the duty-free importation of scientific equipment for educational or research purposes; with amendment (Rept. No. 2012). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 11876. A bill to authorize the establishment of the Fort Bowie National Historic Site in the State of Arizona, and for other purposes; with amendment (Rept. No. 2013). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. H.R. 12078. A bill to authorize the payment of the balance of awards for war damage compensation made by the Philippine War Damage Commission under the terms of the Philippine Rehabilitation Act of April 30, 1946, and to authorize the appropriation of $73 million for that purpose; with amendment (Rept. No. 2014). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H.R. 12823. A bill to amend title 10 of the United States Code with respect to loans or gifts of condemned or obsolete material to certain organizations, to establish an Armed Forces Museum, and for other purposes; to the Committee on House Administration.

By Mr. COHELAN:

H.R. 12824. A bill to provide for the conveyance of certain lands which are a part of the Fort Baker Military Reservation in California to the State of California; to the Committee on Government Operations.

By Mr. DOYLE:

H.R. 12825. A bill to prohibit the discharge of members of the Armed Forces under conditions other than honorable except pursuant to the sentence of a court-martial; to the Committee on Armed Services.

By Mr. GEORGE:

H.R. 12826. A bill to provide that the Federal Bureau of Investigation shall cooperate with the several States in the apprehension of parents for whom a warrant of arrest has been issued for abandonment, desertion, or nonsupport of children; to the Committee on the Judiciary.

By Mr. HARMON:

H.R. 12827. A bill to authorize the establishment of the Wilbur Wright National Historic Site, in the township of Liberty, county of Henry, State of Indiana, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 12828. A bill to reduce the cost to the U.S. Treasury of farm price and income stabilization programs, to provide means by which producers may balance supply with demand at a fair price, to reduce the volume and costs of maintaining Commodity Credit Corporation stocks, to provide for distribution to needy people and public institutions of additional needed high-protein foods, to preserve and improve the status of the family farm through greater bargaining power, and for other purposes; to the Committee on Agriculture.

By Mr. THORNBERRY:

H.R. 12829. A bill to designate the reservoir formed by Canyon Dam on the Guadalupe River, Comal County, Tex., as Ed Cape Reservoir; to the Committee on Public Works.

By Mr. YOUNG:

H.R. 12830. A bill to designate the reservoir formed by Canyon Dam on the Guadalupe River, Comal County, Tex., as Ed Cape Reservoir; to the Committee on Public Works.

By Mr. DINGELL:

H.R. 12831. A bill to amend the Federal Trade Commission Act to require that drug advertisements must contain certain information; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS:

H.R. 12832. A bill to authorize an additional Assistant Secretary of Commerce; to the Committee on Interstate and Foreign Commerce

By Mr. WOLF:

H.R. 12833. A civil defense bill to provide for a program to establish food storage depots near major cities in the United States to prevent the population from suffering from lack of food as a result of war, flood, or other local or national catastrophe which destroys the usual channels of food supply; to the Committee on Armed Services.

By Mr. GALLAGHER:

H.R. 12834. A bill to authorize the Secretary of the Army to convey the Caven Point Army Terminal, Jersey City, N.J., to the New Jersey Public Market Commission; to the Committee on Armed Services.

By Mr. HECHLER:

H.R. 12835. A bill to amend the Vocational Education Act of 1946 in order to assist the States in providing training and retraining for the unemployed and underemployed; to the Committee on Education and Labor.

By Mr. UDALL:

H.J. Res. 772. Joint resolution proposing an amendment to the Constitution of the United States providing that certain unsuccessful candidates for the office of President shall be Members of the Senate; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H. Res. 579. Resolution expressing the sense of the House of Representatives with respect to the administration by the Secretary of Commerce of the Federal-aid highway program; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KASEM:

H.R. 12836. A bill for the relief of Tadashi A. Okada; to the Committee on the Judiciary.

H.R. 12837. A bill for the relief of Donna L. I. Carlisle; to the Committee on the Judiciary.

H.R. 12838. A bill for the relief of Bahran Ansary and Paridokht Ansary; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 12839. A bill for the relief of Ralph (Yunsoo) Kahn; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 12840. A bill for the relief of Helena Rams; to the Committee on the Judiciary.

By Mr. SAUND:

H.R. 12841. A bill to provide for the conveyance of certain real property of the United States to the former owner thereof; to the Committee on Agriculture.

H.R. 12842. A bill for the relief of Viola Borwick Warbis; to the Committee on the Judiciary.

By Mr. FORRESTER:

H.R. 12843. A bill for the relief of Mrs. Elsie J. Beamon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

509. By Mr. CANFIELD: Resolutions adopted by the New Jersey State Bar Association, at its annual meeting in Atlantic City on May 21, 1960, on matters of Federal legislation; to the Committee on the Judiciary.

510. By the SPEAKER: Petition of Albert J. Herman, department adjutant, Veterans of of World War I of the U.S.A., Department of the District of Columbia, Washington, D.C., commending the House Committee on Un-American Activities for its devotion to duty, and urging the Congress of the United States of America to continue this valuable committee; to the Committee on Un-American Activities.

511. Also, petition of Phillip Acker, city clerk, San Diego, Calif., relative to a resolution adopted, which requests legislation which would repeal the tax on transportation of persons; to the Committee on Ways and Means.

512. Also, petition of Joseph B. Greenfield, Board of Aldermen, Chelsea, Mass., relative to a resolution adopted, which asks for the adoption of the Forand bill; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Opinions From the Eighth District of Ohio

EXTENSION OF REMARKS
OF
HON. JACKSON E. BETTS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1960

Mr. BETTS. Mr. Speaker, during the course of the year I receive ballots from members of the National Federation of Independent Business in the congressional district I represent. These persons are small businessmen and since small business constitutes an important part of our economy, I am always interested in the views expressed on these ballots. I have tallied the results of the balloting and believe it reflects the thinking of this group on some of the important issues we are considering in Congress.

Here is the way the average small businessman in the Eighth District of Ohio feels about some of these subjects:

He is overwhelmingly opposed to any further raising or extension of the Federal minimum wage law.

He believes imports should be curbed.

He believes tariffs should be tied into foreign wage rates.

He strongly favors the taxation of co-ops.

He supports a program to retire the national debt.

He is in favor of reducing subsidies and a cut in spending.

The distressing thing about the small businessman's position becomes apparent when it is realized that he is opposed by powerful pressure groups. On every one of the issues noted above, he represents a small voice against the labor union, the free traders, the spenders, and a variety of organizations whose ultimate effect is to oppress him.

It is not possible to marshal any arguments here for or against these issues, but I do believe it is necessary that Members of Congress are made aware of the position of the small businessman and appreciate the fact that he is entitled to some consideration in the legislative process.

Mr. Speaker, 2 years ago I felt it necessary to speak up for the small businessman in almost these same words. Unfortunately, the plight of the small businessman has not improved in that time and, in fact, his difficulties continue to increase. It is significant to note the 86th Congress has done little to help him. Once again, then, I can only hope that the Congress which convenes next January will give more attention to the independent businessman than has been evident in the past.

Nothing Is Small, Begun With Prayer

EXTENSION OF REMARKS
OF
HON. CHARLES E. BENNETT
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1960

Mr. BENNETT of Florida. Mr. Speaker, 396 years ago there were no European settlements in what is now the United States. Then on June 30, 1564, the permanent settlement of our country began when Rene Laudonniere and his French followers, seeking religious freedom in the new world, came to near where Jacksonville, Fla., stands today, and began the settlement of our land, which has never been interrupted since.

Significantly, they began their efforts with prayer. As Laudonniere recorded it in his acount of the events:

> I commanded a trumpet to be sounded, that being assembled, we might give thanks to God for our favorable and happy arrival. Then we sang a psalm of thanksgiving to God, beseeching Him that it would please Him of His grace to continue His accustomed goodness toward us his poor servants, and aid us in our enterprise that all might turn to His glory.
>
> Afterward having measured out a piece of ground in the form of a triangle, we all exerted ourselves, some to bring earth, some to cut fagots, and others to raise and make the rampart, for there was not a man that had not either a shovel, cutting hook, or hatchet, as well to clear the ground by cutting down the trees, as for building of the fort, which we did hasten in such cheerfulness that within a few days the effect of our diligence was apparent.

It is doubtful that in their days these people had any firm feeling of significance in history in what they did. They were few in number; and severe suffering and sacrifice were ahead for them. It was from the beginning a nip-and-tuck matter of whether or not they would abandon their adventure. They did persist and their deeds inspired England to settle to the north in Virginia and stimulated the Spanish to settle at St. Augustine in 1565. The Spanish coming eliminated the French flag from Florida, at least for that century. The French beginners of things at Fort Caroline in 1564 probably thought of themselves as failures; but their courageous acts in an unknown wilderness almost 400 years ago came at an opportune time in history, when civilized man sought a new freedom in a new land and their fragile beginning started our great America. We should all be thankful that they began their efforts in prayer. Surely nothing is small begun with prayer.

"Tiger" Teague: Hard-Hitting, Honest, and Able Chairman of the Veterans' Affairs Committee

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1960

Mr. PORTER. Mr. Speaker, OLIN E. TEAGUE, chairman of the Committee on Veterans' Affairs, is a hard-hitting, honest, and able leader. He is liked and respected by his colleagues. They heed his words when he speaks on the floor of the House or when he writes them letters like the one I am including hereafter.

A veteran who was wounded in action during World War II, "TIGER" TEAGUE is a sympathetic and conscientious Member of Congress. He is also a responsible and informed legislator. He knows that this House is not going to give a hundred-dollar-a-month across-the-board pension to all veterans of World War I, regardless of need, at a cost of almost $2 billion.

His letter of June 20 to me and other Members of the House speaks for itself. I commend the letter and the enclosure to the attention of all persons who are willing to consider the facts about the proposal embodied in H.R. 9575:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., June 20, 1960.

DEAR COLLEAGUE: I am receiving inquiries concerning the discharge petition on the bill H.R. 9575.

This is the measure which seeks to provide a $100 a month pension to all veterans of World War I, regardless of need, who served for 90 days or more. The first year's cost is estimated at $1,940,384,000. An identical bill to H.R. 9575 and more than 100 other pension proposals were before the Committee on Veterans' Affairs when it reported the bill last year which became Public Law 86-211. This law will become effective July 1, 1960. It will give increases to more than 1 million veterans, widows, and children. The Veterans' Administration is placing the new program in operation now. A change as proposed by H.R. 9575 would completely disrupt the pension program. Public Law 86-211 passed the House with only 34 votes against it. There were six votes against it in the Senate and the bill was supported by the American Legion, VFW, DAV, and AMVETS.

I am enclosing a copy of an editorial which appeared recently in the National News, the official paper of the Veterans of World War I of the U.S.A., Inc. Please note that the editorial expresses the opinion that an unlimited pension, with no needs provision, such as is proposed by H.R. 9575, is not justified. (I do not have additional copies of the editorial.) Of course, there is no doubt there are some who support an unlimited pension, regardless of need, but this is not the viewpoint expressed in the editorial and such a program has not been supported by the American Legion, VFW, DAV, or AMVETS.

Sincerely yours,

OLIN E. TEAGUE,
Chairman.

[From National News, April 1960]

AN UNTENABLE POSITION

The editor of the National News in this issue of the paper proposes to set forth in type his views on the pension program of the veterans of World War I. It should be carefully noted that the sentiments expressed represent only his thinking and he does not in any manner want to infer or imply that his views are shared by any of the national officers of the organization.

The Louisville mandate on pension legislation is unrealistic, unworkable and threatens the prestige of the veterans of World War I which has taken years to build.

The mandate completely ignores the advice of experienced congressional leaders who have the best interests of the veterans at heart. It proposes a pension of $100 per month for all veterans of World War I regardless of length of service or present income.

Every pension law on the statute books was initiated with small monthly awards and then the amounts were increased over the years. The first Civil War pension law provided for payments of $6 to $12 per month if the veteran served 90 days or more. These rates were gradually increased so that by 1947, the amount payable was $90 per month.

The first provision of pensions for those men who served in the war with Spain was adopted June 5, 1920, and the amounts were set at $12 to $20 per month depending upon disability. Increases over the years brought the amount payable to the present rate of $101.59.

This was the formula recommended to the delegates to the Louisville convention but unfortunately they were confused and ill-informed when the resolution was brought up for a vote and the present mandate was adopted to the extreme regret of many delegates who had serious doubts as to the logic of endeavoring to push such a proposal through the Congress.

Now it is apparent that their misgivings were well founded. It is rare indeed that a Member of Congress can be found who will make a forthright statement that he will vote and work for a pension of $100 per month for every veteran of World War I, regardless of length of service or income. Chairman TEAGUE at the hearings on March 15, warned that a measure of this description faced a long and rocky road in the Congress. Other Congressmen have not hesitated to express their opposition to this type of legislation. They resent being asked to sponsor such legislation and have been honest and frank in advising the leaders of the veterans of World War I that a measure of this description can be enacted into law.

Your national commander faces a momentous decision. Should he adhere strictly to the Louisville mandate which he has been informed has absolutely no change of passage or should he endeavor to secure some benefits for our aging buddies and later seek liberalizing amendments that would ultimately bring us in sight of our goal. The writer prefers the latter course.

Even Lincoln and Roosevelt Had Many Critics in the Press

EXTENSION OF REMARKS
OF
HON. LEONARD G. WOLF
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1960

Mr. WOLF. Mr. Speaker, many of my friends are disturbed by the constant attacks made on me in the editorial pages of various newspapers in my district. They are disturbed by the concentrated efforts of some newssheets to do me great harm personally and politically. It is for this reason, Mr. Speaker, that I offer the following remarks.

Mr. Speaker, the great Civil War President, Abraham Lincoln, answered his critics this way:

If I were trying to read,
Much less answer, all the attacks made on me,
This shop might well be closed for any business.
I do the best I know how, the very best I can
And I mean to keep doing so until the end
If the end brings me out all right
What is said against me won't amount to anything
If the end brings me out all wrong
Ten angels swearing I was right would make no difference.

Our great leader through the depression years and through the Second World War was Franklin D. Roosevelt. A researcher recently discovered that during his almost four terms as President, 97 percent of the editorials written about him were negative in nature. Yet not one single law enacted during his administration for the benefit of people has ever been repealed.

Being the object of criticism by some unfriendly members of the press may be the only similarity I have with these two great humanitarians, but even for this I am proud.

Regardless of the criticism which may be directed against me, I intend to continue working just as hard and just as honestly as I can for the benefit of my country and my district.

Forging a Nation's Will Via the Ballot Box

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, June 27, 1960

Mr. WILEY. Mr. President, in 1960—a presidential election year—the American people fortunately are becoming increasingly aware of their duties as citizens—particularly of the need for participating in elections.

Unfortunately, the record of votership in this country has been far too low.

I am delighted, therefore, that across the country a great many organizations, including management as well as employee groups, are endeavoring to stimulate greater recognition of people on the need to vote, as well as participate in other ways in our Nation's political life.

For example, I was privileged recently to contribute an article entitled "Forging a Nation's Will Via the Ballot Box" to a splendid publication, Wisconsin Telephone News, published by the Wisconsin Telephone Co., for its employees.

Reflecting on the need for greater participation in public affairs by citizens—as well as amplifying the splendid way in which management is encouraging such participation, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FORGING A NATION'S WILL VIA THE BALLOT BOX

The lifeblood of a republic is its people—well informed, creative, thinking, knowledgeable citizens.

In our country we have been endowed with a rich heritage of freedom, including a voice in our government. Tragically, however, too few eligible voters exercise this great privilege—for which our forefathers fought and many died, and for which millions of peoples around the world still yearn.

Currently, barely one-half of the people in this country are participating in its political life. What does this mean? Among other things, it threatens: Rule of a minority, loss of voice in government for millions of people, disproportionately "strong voice" in government for the special interests crusading for their own goals, and a general loss of creativeness and strength which patriotic, dutiful, forward-looking citizen support can bring to government.

The dismally poor record of U.S. voting ranges from 24 percent in 1904 to 63 percent in 1952. By contrast, voting in other coun-

tries has ranged as follows: Italy, 93 percent; West Germany, 89 percent; Turkey, 87 percent; Denmark, 80 percent; England, 89 percent.

We realize, of course, that voting is more than just marking and "X" on the ballot, or pulling a lever on a voting machine. Fundamentally, the exercise of this precious right includes educating ourselves on: The issues in a political campaign, the candidates and their qualifications, informing eligible voters of—and encouraging them to meet—registration requirements, educating potential voters on the processes of government—and the value of citizen support, participation in—and, if deemed advisable, constructive opposition, and finally, launching a counterattack against the apathy which, regrettably, is allowing to go unheard the voice of millions of people.

In the spirit of good citizenship, civic-minded management—including the Wisconsin Telephone Co., as well as employee organizations—are now, constructively and wisely, encouraging greater voter participation in elections. This opportunity of voting challenges us to creatively attempt to find ways and means in which our Government—now the greatest in the world's history—can still better serve the Nation.

In a republic, the governmental machinery is the adopted method of carrying out the community, State, or National "business of the people."

If we allow somebody else to "attend to our business," there can be a dangerous loss of freedom.

The ballot box is the means by which "We, the people, speak." If we speak en masse, then the ordinances and laws of the land will reflect our will.

Cape Cod

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1960

Mr. PHILBIN. Mr. Speaker, while I am strongly in support of a suitable bill to protect the magnificent natural resources and advantages of lovely, historic Cape Cod in my home State, I think it is most essential that any such measure should contain adequate safeguards for the State, various communities, and private owners.

Sometime ago when I introduced the very first of the measures for the proper protection and development of Cape Cod, I had in mind a thorough exploratory study and appraisal to delineate the problems and try to solve them. I was not committed then, and I am not committed now, to inflexible specific provisions in this legislation. In fact, I think that flexibility and agreement should be among the desirable aims of any law or laws enacted by the Congress for Cape Cod.

In a general sense, I believe it should be the objective of any legislation of this character to minimize rather than to maximize the amount of community and private land to be taken for the project.

Secondly, I would look with extreme disfavor upon technical provisions of any bill which would arbitrarily wash out certain community and private lands and real estate holdings, by immediate or suspended condemnation proceedings without first striving for common ground and agreement between the parties.

I see no reason why a policy of taking land and buildings in wholesale lots and over widespread areas against the will of the inhabitants, the communities, and possibly the State of Massachusetts is necessary to carry out the fine objective of the conservation of Cape Cod. Actually, it would appear that apart from the taking of limited areas of presently unimproved and unused land which can, I think, be agreed upon, relatively little other land and few homes and buildings need to be taken, or should be taken, by the Government in the furtherance of the project.

I think it is unquestionably true that careful study of the area by Government experts and by the committee would disclose the fact that it would be comparatively easy to secure substantially full agreement upon this legislation that would not involve extreme interference with community and private property on the cape.

As I see it, the objectives of the legislation are clear or should be clear: to conserve these great natural resources for the people, and to prevent deterioration of this beautiful area by cheap commercial exploitation that would besmirch, if not destroy, the natural beauties of the cape.

As Congress moves to carry out sound and wise conservation policies, or in fact any policies that involve interference with community, State, and private rights, we should, I think, exercise great care and discretion in order to implement commendable objectives in such a way that their accomplishment will work least interference with and detriment to the people who reside in affected areas. If this standard is applied in the case of the proposed Cape Cod program it will in the long run bring salutary results. It will conserve the cape's natural beauties for the people.

I appreciate the deep interest and work on this project of our able and distinguished friend, Congressman HASTINGS KEITH, as well as the contributions of our able and distinguished Senators from Massachusetts, Hon. JOHN F. KENNEDY and Hon. LEVERETT SALTONSTALL. At a recent meeting of the Massachusetts House delegation, Congressman KEITH gave a very fine exposition of the progress and status of present plans and possible agreements. After listening to his able talk and explanations, I got the distinct impression that a substantially satisfactory agreement could be worked out on the basis of zoning laws and selective use of the property involved that would permit a practical bill and a workable program.

I am sure that the committee is desirous of enacting a reasonable, helpful, and constructive bill for the protection and improvement of Cape Cod. I hope and urge that any legislation reported to the House will be predicated on agreement and will avoid unreasonable confiscation of property and the encouragement of undesirable conditions on the cape.

Let me compliment the House Committee on Interior and Insular Affairs upon the careful consideration it has given to this matter. I thank the learned chairman and all the members of the committee for the opportunity given me to present my views.

In conclusion, I may say that I have every confidence that the very able and distinguished chairman and members of this great committee of the House will give penetrating and equitable consideration to the problems posed by the pending bill.

In that way, I sincerely believe that satisfactory solutions can be found to conserve lovely Cape Cod so that its beauties, advantages, and historic shrines can be secured for the people of this generation and for posterity.

Facilities for Capitol Pages Long Overdue

EXTENSION OF REMARKS
OF
HON. CHARLES E. BENNETT
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1960

Mr. BENNETT of Florida. Mr. Speaker, an event of the past weekend points up the urgent need for proper facilities for our pages in the House of Representatives, and for the other pages on Capitol Hill. One of the pages who were attacked last Saturday was Michael Madigan, a young man serving here because of my appointing him. Ever since 1951 I have had a bill pending in Congress to establish proper housing, recreational, and other needed facilities for our pages. I have testified, along with other Congressmen, in a number of hearings in favor of such facilities. Polls have been taken among Members of Congress showing that, in the opinion of the vast majority, the establishing of such facilities is one of the most urgent needs of this community. Actually it is the most urgent need.

We have the responsibility for these young men whether we do anything constructive about it or not. Our responsibility does not diminish one iota because of our failure to act.

The current proposal before the committee is House Resolution 23 and reads as follows:

Resolved, That the Committee on House Administration is authorized and directed to rent or otherwise acquire a suitable residence, within a reasonable distance from the Capitol, to be maintained as a home for pages employed by the House, and to appoint an individual or individuals of mature years to act as supervisor of the home and to be responsible for its operation under rules and regulations made by the committee.

SEC. 2. Each page employed by the House shall be required to reside in such home unless he is authorized to live elsewhere by the committee. Pages employed by the Senate, with the approval of the committee, may reside in such home.

SEC. 3. The expenses of renting and operating such home shall be paid out of the contingent fund of the House on vouchers approved by the committee and signed by

the chairman thereof. The committee shall establish such rates for room and board as it may deem appropriate to carry out the purposes of this resolution and to make the maintenance of such home, including the supervisor's salary, a self-sustaining proposition. The obligations for room and board incurred by each page shall be deducted by the House Disbursing Office from the compensation which such page is entitled to receive from the United States and shall be transferred to the contingent fund.

This is a modest proposal. Actually, if the Congress would approve it I believe that the funds for an adequate building could be secured from private donations. However, with the tremendous expenditures we are making on new developments on Capitol Hill, all probably well justified, there certainly should be no niggardly approach to question of erecting or renting adequate quarters for this purpose. Such structure would not have to be an expensive type of building but it should not be delayed any further. A newspaper account of the event of last Saturday is as follows from Sunday's Washington Post:

TWO HELD IN ATTACK ON FOUR HOUSE PAGES

Two 18-year-old youths were charged with robbery yesterday in connection with an attack on four 16-year-old House of Representatives pages.

Arrested were Willie L. Yelverton, of 1313 C Street NE., and Ronald M. Moore, listed at 211 Sixth Street NE. The pages identified them as members of a band of about 10 youths, armed with knives, who attacked them at Fifth and East Capitol Streets early yesterday, police said.

Yelverton denied being involved. Moore told of being with the group, but denied participating in the attack, police said. Other members of the group are being sought.

The pages, all of whom suffered minor cuts and injuries, were George Dozier, of Anniston, Ala.; Jack Thompson, of Fayetteville, W. Va.; Michael Madigan, of Jacksonville, Fla., and Arthur Kaspar, of Milwaukee. Dozier and Thompson live at 207 Constitution Avenue NE., and Madigan and Kaspar at 101 Fifth Street NE.

Dozier told police the gang took his watch and wallet containing $4.

Soviet Beachhead in Cuba Endangers All Americas

EXTENSION OF REMARKS
OF
HON. JAMES C. OLIVER
OF MAINE
IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1960

Mr. OLIVER. Mr. Speaker, on Sunday, June 26, I delivered the following speech over radio station WGAN in Portland, Maine:

Good afternoon, ladies and gentlemen, this is your Congressman JIM OLIVER reporting developments on the Washington scene.

Fifteen years ago, at the end of World War II, our country was the undisputed leader of the world. Not only had we proven, beyond the shadow of any doubt, our military strength by making the "world safe for democracy" for a second time in one generation; but our productive capacity, in making armaments and later consumer goods to meet the great hunger built up by wartime curtailment of consumption, was greater than all of the other nations of the world combined.

And today, a short 15 years later, recent incidents on the international front cause us to reflect whether we are still occupying the position of leadership which was earned by the blood of battle and the precepts of freedom which have historically served as our basic guide; or have we as a nation been relegated by recent events almost overnight to the status of being considered "a second-class power?"

There can be no question in the minds of thinking people but that our posture of leadership is relatively weaker, in spite of the billions of dollars we have given to nations in all quarters of the globe. Our President, it appears, cannot, without risk of his personal safety, visit friendly nations to say nothing of visiting our cold war enemies. In many areas we are the most hated nation on the face of the earth. The architects of our foreign policy continue to be blinded by the pre-engineered, Kremlin directed, prestige-destroying debacles such as we have witnessed in the Japan incident which, following the summit collapse, added to a decline of our national prestige through the personal embarassment and insults to our President.

Over these past few years we have learned a few things about Communist tactics in every part of the world. We know their techniques including provocative and, at first, peaceful mass meetings designed to whip the mob into a frenzy toward ultimate violence. But in order for communism to succeed, we must first be defeated from within. Belief in a supreme being and a respect for law and order are the antithesis of the immoral doctrine of this cult. Hence, God must be denied and the existing legal structure destroyed before freedom can be enslaved my Marxism. Two thousand five hunded years ago, San Tzu, a Chinese militarist wrote:

"To fight and conquer in all your battles is not supreme excellence; supreme excellence consists in breaking the enemy's resistance without fighting."

This, my friends, is exactly what Khrushchev and his henchmen are trying to do today; to get us to quit without fighting. By downgrading us culturally, scientifically, diplomatically, and economically, and in every other way to convince the world that the United States of America is a second-class power; that free enterprise does not and cannot work and hence they—the other free nations—should accept the extended invitation of the Communists to "join 'em" because they can't "lick 'em."

Our diplomatic failures abroad have tended to obscure the threat to our Latin American neighbors from the Communistic menace of penetration. It is unquestionably desperately vital to the security of our country each time a nation overseas embraces the Communistic philosophy; but it could be catastrophic if one of our hemispheric neighbors embraced and practiced this credo; for the nations of the American continent are interdependent.

For years since the good neighbor policy was introduced in the 1930's, the United States together with all of the countries of the American continent have been bonded together not only geographically, but, which is more important, by a spirit of friendship and cooperation.

The United States and the rest of the continent are vitally important to each other. Billions of U.S. dollars have flowed into these countries in the form of purchases of raw materials and investments. In turn, we have in most instances, been their prime supplier of finished products. This is democracy in action. This has been the greatest living example of peaceful co-existence. Our relation with these countries has, for the most part, been that of a partner rather than a competitor.

With improved transportation facilities, we are growing even more dependent on each other. The potential of mutual benefit for the nations of the American Hemisphere is tremendous; but this potential could be lost to our mutual destruction if we fail to be alert to the covetous eyes from overseas envying our material resources and if we make the traditional American mistake of taking our friends for granted and not applying in time the ounce of prevention needed now to preserve the integrity of the continent from the grasping designs of the Kremlin. For, it should be obvious to all that our Latin American neighbors are a prize which the Kremlin will go all out to capture and plans to do just this may be further advanced than we commonly realize, or are willing to admit.

Is the island of Cuba, located only minutes by air from the mainland of the United States, becoming the beachhead of the Soviets to be utilized for the organizing and training of Communist legions to infiltrate and conquer the Latin American nations, preparatory to their main objective—the conquest and control of the United States?

To answer this, we must closely analyze and evaluate, in a cold, hard, realistic light, occurrences currently taking place in that country with which we are all familiar. We must shake off the rosy-hued glasses of complacency which have clouded the administration's evaluation of the developments in Cuba. We can no longer afford the luxury of smugness and complacency, which have been ablinding us for these past 8 years. We must call a spade and recognize these facts:

1. The constant, unrelenting vitriolic attacks on the United States by Castro on manufactured pretexts, certainly are not necessary to preserve or solidify his so-called revolution. These attacks make sense only if Castro as a communistic agent is deliberately attempting to undermine the prestige of our Nation.

2. Soviet cargo ships are calling at as many Cuban ports as possible to load sugar but what is more important to unload undisclosed cargoes.

3. Confiscation without compensation of "foreign"—(American) property in Cuba.

4. Expulsion of American officials as spies.

5. The important economic discussions currently under way in Moscow with a Cuban trade mission. Reportedly, the Soviet Union is ready to offer maximum trade to Cuba and to send any material, specialists, and technicians, which Castro wants to order.

There is no question but Cuba is supplying the Communist bloc the beachhead in America which they have been trying for years to obtain.

Through excuses such as solidifying the revolution the Cuban leader and his lieutenants will continue to expand and integrate Cuba into a model commune of the Communist network.

From this springboard, the Communists will throw their full efforts into an all-out drive to infiltrate and organize Latin America, with Cuba as the model the Communists envision that the other nations of the hemisphere will follow and supplant their independence with the status of becoming Soviet satellites. Through Castro, the voice of the Kremlin will then be heard and felt throughout the Western Hemisphere.

On June 10th, Cuba entered into a 5-year commercial agreement with Red Czechoslovakia, which in effect gives credit in the amount of $20 million to Cuba, repayable in 10 years, for purchases, not specified, in the pact, in Czechoslovakia.

The pact includes an agreement for technical and scientific cooperation which provides for sending Czech technical missions to Cuba. Cuba has signed other similar

pacts with the Soviet Union and its bloc of satellites. It should be clear to us that Castro and his communistic advisers are well on the way toward being totally economically welded into the Communist bloc of nations and moving rapidly toward a military alliance as well. Castro, with no constitutional limitations to check his personal power has made Cuba a virtual party to the Warsaw Pact, which as we well know, was organized to enslave by infiltration, subversions and bloodletting if necessary, the rest of the free world.

Cuba's current informal recognition of Red China is expected to blossom into full diplomatic recognition preparatory to an increased effort on the part of the Communists to draw the Latin American nations into supporting Red China's bid for membership in the United Nations.

To us, a people dedicated to the cause of liberty and diametrically opposed to communism in any and all of its many forms, these acts of Castro should wave a flag—yes, my friends, a red flag for all of us to see. The past, it is said, is prolog to the future. We need only to open our eyes to see the arrogant militaristic bastions which have replaced freedom and democracy in other parts of the world, to recognize that, not only are the symptoms of infection present, but that the malignant cancer of communism is restlessly awaiting an opportunity to contaminate insidiously the bloodstream of this continent, with its venom.

The beautiful island of Cuba, only 90 miles from our shores will be, under current plans of the Kremlin, is to be a Russian naval and missile base poised at the very heart of our country.

This Communist beachhead is being clearly established. We must reappraise and reevaluate our foreign policy toward Cuba in this realistic light. We must find an approach upon which our people and Cuba's people can work together to salvage the longstanding friendship which burned brightly in the pre-Castro days.

This is essential. Unless we face up to the threat of this Soviet beachhead, our country in the near future may be jolted out of its complacency some morning by waking up to find a fully developed Soviet war machine aimed at our jugular. It is highly possible that before this year ends, communistic staged demonstrations will take place in such areas as Italy and West Germany, as a diversionary tactic, to allow a major communistic Cuban victory, such as the one I mentioned, to go unnoticed and unchallenged until too late.

The vigorous opposition of Americans to international communism is axiomatic. In our national interest, America's obligation to the world is clear. Our objective must be more than a containment of this vile menace. We must turn back this rising Red tide and restore the dignity of freedom to men. But first, we must concentrate on throwing them out of the American Continent. The Monroe Doctrine is even more applicable today than it was when first drafted in 1823. It extends not only to direct attack but to subversion and infiltration, as well. This we must reaffirm.

The administration should be given authorization for a flexible sugar policy. A reappraisal of our current 2-cent-per-pound "gift" over the world market price for Cuban sugar should be made, working toward a repeal of the same.

The formal omnibus indictment of Cuban anti-American action, which is currently being drafted for the consideration of the Organization of American States is a good move. The OAS is the proper body to deliberate and act in this critical period of emergency.

Furthermore, an inter-American army, operating within the framework of the OAS, could and should, it seems to me, provide a vehicle whereby desirable inter-American action and policies could be implemented.

And, finally, to meet this ever present, ever recurring Communistic threat we must realize that its success depends on decay of the soul, and hence the best defense to this menace rests with the nations of the free world to reevaluate, reaffirm, and strengthen our moral standards.

An Urgent Report on Domestic Oil

EXTENSION OF REMARKS
OF

HON. ED EDMONDSON

OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1960

Mr. EDMONDSON. Mr. Speaker, as this session of the 86th Congress draws to a close, I believe it of utmost importance to discuss with my colleagues the situation existing in this Nation, including my State of Oklahoma, with respect to the oil-producing industry.

Mr. Speaker, it will be recalled that a little over a year ago, President Eisenhower instituted mandatory controls over oil imports. This action was taken because conditions in the domestic petroleum industry had been growing steadily worse due to an ever-increasing flood of foreign oil imports. He acted pursuant to the national defense amendment which Congress had made a part of the Trade Agreements Act, and which required the President to take the necessary steps to curb the imports of any commodity which were threatening the national security.

In announcing this mandatory program, President Eisenhower stated:

> The new program is designed to insure a stable, healthy industry in the United States capable of exploring for and developing new hemispheric reserves to replace those being depleted. The basis of the new program, like that for the voluntary program, is the certified requirements of our national security which make it necessary that we preserve to the greatest extent possible a vigorous, healthy petroleum industry in the United States.

Note his words, "the new program is designed to insure a stable, healthy industry in the United States." Surely all will agree this is a noteworthy goal.

Let us examine matters to see just how much of this goal has been accomplished.

Shortly after the program was announced, there seemed to be some renewed confidence instilled in the domestic petroleum producing industry. Drilling picked up. The price of crude oil, which had been steadily declining in the face of climbing drilling costs and and ever-increasing imports, began to level off.

Operators began to feel they could plan future drilling programs in the knowledge that they could sell the oil they found at a fair price which would not be chipped away by cheap foreign produced oil.

Thus, the search for and development of the vitally needed future oil reserves received encouragement as intended by the President's action under the defense amendment. For example, for the Nation as a whole, oil well completions rose in 1959 about 3½ percent over 1958. However, the record will show that this momentary bright outlook has faded away to a point that it can be said that the domestic petroleum industry is neither, to use the words of the President, "stable" or "healthy."

Just what do we find when we look at the facts?

For the Nation, we see this:

First. Geophysical and core drilling crews—the real barometer on oil exploratory activity—are down 13 percent from 1959.

Second. Active rotary rigs are down 19 percent from 1959.

Third. Crude oil production is down 131,000 barrels per day below 1959 averages.

Fourth. Crude oil price reductions have become the order of the day. These price cuts coming in the face of rising costs for everything the operator uses in looking for oil.

Employment in the industry has likewise decreased by many thousands over the last year.

In my own State of Oklahoma, conditions are even worse than for the United States as a whole.

Crude production during the first 5 months of this year is 20,000 barrels less daily than during same period last year and 60,000 barrels less daily than same months in 1956. Allowables have just been reduced to the lowest level in 5 years.

Price cuts have been widespread.

On June 15 last year, 248 rotary rigs were active—this year on June 13, the figure is 173—a decline of 75 rigs or 30 percent.

The number of wells drilled so far this year is 1,743, a decline of 868 wells or 33 percent from same months last year.

The number of Oklahomans employed in the oil- and gas-producing industry in March was 42,400 compared with 44,700 in March of 1959—a drop of 2,300 employees or more than 5 percent in just 1 year. Here again comparing this year with 1956, we see that there has been a drop of 7,000 employees—or 14 percent.

All of these factors have had a depressing effect on the entire economy of Oklahoma.

Does this sound like the oil-producing industry in my State or the Nation as a whole is stable and healthy, capable of meeting the goals laid down for it by President Eisenhower when he established the oil import program in March 1959?

The answer is an emphatic "No."

Mr. Speaker, I must say that had we not had this mandatory program, things would be much worse.

But we must not overlook this fact—that even with this program, total oil imports into this Nation—including residual oil, last year amounted to more than 650 million barrels. That is a lot of oil. In fact, today, total imports amount to more than 25 percent of our domestic oil production, the highest rate in the history of our industry.

Mr. Speaker, we hear many of the experts say that the domestic oil-producing industry is in dire straits because of

other factors and not imports. This kind of an answer does not impress me. We must recognize that we are weakening our domestic oil industry because of excessive imports. Solve this problem first. It is this simple. Are we going to continue to allow foreign produced oil to continue to share U.S. markets in ever-increasing amounts while our own industry shrinks and becomes less and less able to meet the goals and challenge of our national security needs?

The answer is clear. I, therefore, call on the executive department to substantially reduce allowable oil imports now—reductions that will be sufficient to meet the executive department's own goal as laid down last year. If this cannot be done, then in the interest of national security Congress will have to reconsider this whole matter to the end that legislation will be enacted to preserve this vital industry in a strong and healthy condition—a position of strength, capable of meeting the challenge of any enemy in the world today.

Fifteenth Anniversary of the United Nations

EXTENSION OF REMARKS
OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1960

Mr. ZABLOCKI. Mr. Speaker, I would like to take a moment to comment on a very significant anniversary—the 15th anniversary of the signing of the United Nations Charter which took place in San Francisco on June 26, 1945.

On that memorable day, the representatives of 50 nations affixed their signatures to the basic document of a new international organization, open to all peace-loving nations of the world on the basis of the principle of sovereign equality, and dedicated to the achievement and maintenance of international peace.

Four months later, on October 25, 1945, the Charter of the United Nations came into force, having been ratified by more than two-thirds of its signatories, including the five permanent members of the Security Council.

The purposes and principles of the United Nations Organization were outlined clearly in article 1 of the charter. In brief, they were and continue to be as follows:

First. To maintain international peace and security.

Second. To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples.

Third. To achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and to promote respect for human rights and for fundamental freedoms for all.

Fourth. To be a center for harmonizing the actions of nations in the attainment of these common ends.

Much has transpired in the world since that memorable day 15 years ago. We have seen the United Nations Organization grow in membership, in prestige, and in the scope of the functions which it performs. Today, the United Nations is engaged in activities throughout the globe. Its programs serve and affect the lives of countless millions of people. Through its social, economic, educational, legal, and political activities, the United Nations is endeavoring to enlarge the area of freedom and order in the world, to assist the peoples of the various continents in realizing their aspirations for a better life, and to promote the maintenance of peace.

There is a difference of opinion in some quarters about the United Nations, about its endeavors and about its achievements. The facts, however, speak for themselves. In an uncertain and strife-torn world, divided by communism, the United Nations has tried to transcend political boundaries and to promote peace, order, and social welfare of the peoples of its member states. While the organization is far from perfect, it has done a better job with the tools at its disposal than most critics will admit. Its record on this score is clear and open for all to see.

In my opinion, the United Nations has proved itself to be an important instrument for promoting, on the international scene, the attainment of goals which are vital to all of us. The hopes of millions of peoples, aspiring to a better and a peaceful future, are centered upon it. I am hopeful that, in the troubled years that lie ahead, the United Nations will continue to exercise its constructive influence and enjoy success in its worthy undertakings.

Mr. Speaker, under leave to extend my remarks I include in the RECORD the text of an address by President Harry S. Truman, delivered yesterday in San Francisco at an observance of the 15th anniversary of the founding of the United Nations.

It is a very thought-provoking and forceful statement of some of the basic international problems of our day—and of the way in which the United Nations has and can continue to help in solving those problems.

There is one particular passage in President Truman's address which I would like to quote at this point. It reads:

> In this nuclear age, no nation can live unto itself alone. There is no hope for any nation in isolationism or in imperialism. The United Nations is the best hope of mankind for deliverance from mutual destruction.

I commend this statement, and the entire text of President Truman's address, to the attention of the membership of this body:

TEXT OF PRESIDENT TRUMAN'S SPEECH ON THE 15TH ANNIVERSARY OF THE FOUNDING OF THE UNITED NATIONS

A most important development within the last year has been the presentation before the United Nations General Assembly of a disarmament plan by the head of the Soviet Government, Nikita Khrushchev.

I thought it was the most important event of Khrushchev's visit because he considered the United Nations the proper place to deal with so vital an issue as disarmament. This is a forward step in Russian thinking about the United Nations. I regard this as a sign of the growth of the United Nations as a force in working out the problems of peace.

I would like to believe that the fact that he used the United Nations forum for the only concrete and public proposal of his visit is evidence of his esteem today for this international organization.

I hope that Khrushchev was not making just a grandstand play. But whether or not events reveal that Khrushchev made his proposal in good faith, the fact is that the United States is the one place where disarmament should be dealt with.

Disarmament, to succeed, should be a steady process of creating conditions which make it more and more difficult for any nation to break the peace. Effective disarmament should remove from the world not only the terror of nuclear weapons and guided missiles, but also the threat of mass armies.

INSPECTION CALLED KEY POINT

Effective disarmament means an open world with no secret armies, no secret war plans. If we are to achieve effective international control of armaments, we have to have every nation open to inspection.

This is what I said 5 years ago on the occasion of the 10th anniversary of the establishment of the United Nations. And in all the years since the founding of this international organization I have seen evidence of the continued need for service of the United Nations in the cause of peace.

New and ancient jealousies over sovereignty have made some of the work of the organization difficult and, at times, frustrating. As we have seen in Korea and in the Middle East, and as I hope we shall see in the Far East, the role of the United Nations has been more than theoretical and academic. It has been practical and effective. In my opinion, it has helped keep some explosive areas from plunging us all into a third world war.

I have felt from the very beginning, and my convictions have been confirmed by the experience of the United Nations to date, that we must have an international police force at the disposal of the United Nations.

The international police force must be strong enough to undertake such police action as the United Nations deems necessary to maintain the peace.

CHARTER'S SPIRIT PRESERVED

It is my belief that the sovereignty of no nation will be impaired. In reality, sovereignty of nations will be made more secure. The establishment of the international police force would require only the delegation of certain limited authority.

Time and experience will teach us just how much authority it will be necessary to delegate to the United Nations to make this international police force a more and more effective arm for helping keep the peace.

The United Nations today is a living institution. Like all living things, it follows a development of its own. Some of the things we put down on paper in the charter have not come to pass—some of the procedures originally planned have proved unworkable; but they have been replaced by new activities, new procedures, all within the spirit of the charter, that we did not foresee 10 years ago. This is the course of all written constitutions if they are to endure and meet the changing needs of the years.

Fifteen years ago in San Francisco all the nations represented agreed on the goal of world peace. They also agreed that to achieve peace would require determination and effort. On that occasion I said:

"If we had had this charter a few years ago—and above all the will to use it—mil-

lions now dead would be alive. If we should falter in the future in our will to use it, millions now living will surely die.

"It has already been said by many that this is only a first step to a lasting peace. That is true. The important thing is that all our thinking and all our actions be based on the realization that it is in fact only a first step. Let us all have it firmly in mind that we start today from a good beginning, and, with our eye always on the final objective, let us march forward."

The question of armaments has clouded the international horizon for many years. It grows more and more serious. Every year science places new and more terrible weapons in our hands. Every year the financial burdens of defense grow heavier and heavier. Every year the consequences of sudden attack and the perils of inadequate defense become more deadly. Today, the battles of World War II are almost as far behind us technologically as the battles of Napoleon or the techniques of Genghis Kahn. The use of force in international affairs today raises the threat, the almost incomprehensible threat, of total destruction, not only of cities and nations, but of all human life.

I earnestly hope that the time has come when we may break the deadlock on international disarmament.

A communique issued by President Eisenhower and Chairman Khrushchev at the conclusion of their private meetings at Camp David stated, among other things, that no disputes would be settled by force.

There was nothing new in this declaration that the Soviet Union was not already obligated to observe as a member of the United Nations.

The Charter of the United Nations embodies the obligation of the members not to use force except in defense of the charter. This is both a legal and moral obligation. It binds all the nations that signed and ratified the charter, even those that may be strong enough to violate it. It is a powerful, if intangible restraint on all the member nations. It is sustained by the mighty force of the moral judgment of mankind.

FREEDOM IS EMPHASIZED

Second only to peace in the United Nations Charter is the emphasis it lays on improving the standards of living of mankind and safeguarding the fundamental freedoms and the dignity of men. This work must be carried on at the same time that we strive to eliminate war. Indeed, this humanitarian program strikes at one of the main causes of war. It is a tribute to the framers of the United Nations Charter that they gave this objective such great importance, and set up machinery for pursuing it effectively even before the framework of international peace was completed.

One of the arguments that has gone on since the very beginning is that between the liberal constructionists and the strict constructionists. To the Soviet bloc, much that the United Nations has done is illegal, because it was accomplished in circumvention of the big-power veto. For this liberal interpretation, the United States is more responsible than any other nation, because the Uniting for Peace Resolution of 1960 made it possible to switch the center of gravity from the Security Council to the General Assembly. The General Assembly then took over the direction of affairs in Korea, because it was clear that when the Russians returned to the Security Council they would block the Korean program in the Council.

A few weeks ago, another step taken for a liberal interpretation from the chair laid the ghost of the double veto. Ten members of the Security Council were to set up an investigating committee for Laos and they wanted to determine that the setting up of such a committee was a procedural matter, because the charter grants the Security Council the right to create subsidiary bodies to help the performance of its functions. The Russians insisted that they could have a veto in the vote to determine whether or not the matter was procedural. The Security Council by a vote of 10 to 1 swept such nonsense aside and thus laid the ghost of the double veto.

The United Nations has grown profoundly: First, through the liberal interpretation of the charter. The second way in which the United Nations has grown is by the addition of new bodies and the expansion of existing functions.

One of the greatest inspirations given the United Nations was the point 4 program, which led to the expanded technical assistance program; the Paul Hoffman program for the special fund, and the agreement last fall to establish an international development authority as part of the International Bank (as recently suggested by Senator MIKE MONRONEY). Thus a last effort is now going on to help underdeveloped areas.

The agency for the peacetime use of atomic energy is another addition to the United Nations family of agencies.

Another argument that has gone on in the United Nations has been over the question of the freedom of dependent areas. It is not too much of an oversimplification to say that the argument is between the colonial-minded and the others. The Colonies in 1776 struck the first blow against the colonial system. Within the last 15 years, over one-fourth the population of the world has thrown off the yoke of colonialism. And some of these nations were helped to independence by the United Nations, such as in the case of Israel, Libya, and Korea. In most of the cases, the new nations have been welcomed into the United Nations, where they have found an opportunity for self-expression. Indeed, I think if this great revolt against the colonial system had occurred in a world of anarchy, the dislocations might have been quite serious.

CONSERVATIVE FEARS DISCOUNTED

There are those conservative people who are afraid of what the new states will do. But just as we had a right to make our own mistakes in 1776, and it looked as though in what John Fiske has called the critical period our mistakes would destroy us, so the other new states have a right to make their mistakes. It is true that with the admission of so many new states into the United Nations the United States does not have the automatic domination of the General Assembly, we will have no trouble in having a two-thirds majority with us. I think this has been demonstrated in the last few years. But I stress that we must be on the side of human freedom and our position must be right and, I might add, clearly expressed. So it is up to us to do right by the rest of the world—free and slave or dominated by totalitarians.

As I think back over the past years, I am encouraged by what has been done in the economic and social field. But all our accomplishments to date are only a good beginning. There is much that remains to be done. Here is a challenge to the understanding, the generosity and the ingenuity of man.

We now take it as a matter of course that one nation should offer scientific instruction and technical advances to another, free, without expecting a return of any kind except the consciousness of being part of the brotherhood of man. What a tremendous step forward this is in the realization of our common international responsibilities. Fifty years ago, a program of technical assistance would have been considered completely visionary. Nowadays, the only real question is—how big should such a program be? This revolutionary change in public opinion is the result, at least in part, of the economic and social portions of the United Nations Charter, and the general acceptance of their underlying philosophy.

I am glad to see that technical assistance and economic development are a growing part of the work of the United Nations. While all international good works need not be confined to the United Nations, there are many situations in which this organization is the best channel for such international activities. I hope all the member governments will support these activities of the United Nations wholeheartedly and generously.

In this nuclear age, no nation can live unto itself alone. There is no hope for any nation in isolationism or in imperialism. The United Nations is the best hope of mankind for deliverance from mutual destruction.

FOUNDING SPEECH RECALLED

Will you please be patient with me while I repeat a statement or two from the speech I made here in San Francisco just 15 years ago? While I am no prophet nor the son of one, my viewpoint 15 years ago has not changed with regard to the United Nations, its effect on the peace of the world and the necessity for its existence to maintain that peace.

"The charter, like our own Constitution, will be expanded and improved as time goes on. No one claims that it is now a final or a perfect instrument. It has not been poured into any fixed mold. Changing world conditions will require readjustment—but they will be the readjustments of peace and not of war.

"There were many who doubted that agreement could ever be reached by these 50 countries differing so much in race and religion, in language and culture. But these differences were all forgotten in one unshakeable unity of determination—to find a way to end war.

"Out of this conflict (World War II) have come powerful military nations, now fully trained and equipped for war. But they have no right to dominate the world. It is rather the duty of these powerful nations to assume the responsibility for leadership toward peace.

"It [the United Nations] has set up machinery of international cooperation which men and nations of good will can use to help correct economic and social causes of conflict.

"This should be a cooperative enterprise in which all nations work together through the United Nations and its specialized agencies wherever practicable.

"Under this document, we have good reason to expect the framing of an international bill of rights, acceptable to all nations involved. That bill of rights will be as much a part of international life as our own Bill of Rights is a part of our Constitution. The charter is dedicated to the achievement and observance of human rights and fundamental freedoms. Unless we can attain those objectives for all men and women everywhere—without regard to race, language, or religion—we cannot have permanent peace and security."

Now here is what happened. The United Nations establishd a Commission on Human Rights, of which Mrs. Franklin D. Roosevelt, whom I appointed to the Human Rights Commission, was the first chairman. It has produced a Universal Declaration of Human Rights. This universal delaration was adopted in Paris on December 10, 1948, without a no vote. While the declaration was not ratified by the U.N. it has been incorporated into the Constitution of New States cited in U.N. resolutions and in court decisions. It has become a source of law, according to the U.N. Secretary General.

"If we fail to use it [the U.N.] we shall betray all those who have died in order that we might meet here in freedom and safety to create it."

"If we seek to use it selfishly—for the advantage of any one nation, or any small group of nations—we shall be equally guilty of that betrayal."

"The successful use of this instrument will require the united will and firm determination of the free peoples who have created it. The job will tax the moral strength and fiber of us all."

The U.N. is the permanent "summit." That's where conferences should be held.

Private Power Company Propaganda Advertising: False and Deliberately Misleading

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1960

Mr. PORTER. Mr. Speaker, for some time, a private electric power group, America's electric light and power companies, has been flooding the American press with full-page advertisements designed as blatant propaganda against legal public power systems in the United States. One of these recently appeared in U.S. News & World Report, for June 6, 1960, with the caption, "Would You Invest $10,000 To Lose $350 a Year?"

Now I would like to analyze this advertisement paragraph by paragraph to refute the false and deliberately misleading statements, recklessly dangled before the eyes of the American people. Such propagandizing, it is claimed by the private electric light and power companies, is an attempt to educate the citizenry in the proper point of view regarding public power. These advertisements are in fact nothing more than vicious misrepresentation and slander.

The advertisement following the caption starts out:

Doesn't make business sense, does it? Yet that is exactly what is being urged on the United States by the lobbyists for more Government-in-the-electric business.

Here's how it works. The advocates of Federal electric power systems want Government to spent $10 billion more on top of about $5,500 million of taxpayers' money already spent.

How the private power interests derived the figures $10 billion and $5.5 billion is not readily understandable. As far as can be determined, the total investment in Federal power programs is actually estimated at closer to $3 billion.

FANCIFUL FIGURES

Next the question of taxation is introduced into the picture as follows:

These so-called public power systems are exempt from all Federal taxation, and largely from any State or local taxing. On the other hand, $10 billion spent by independent electric companies would produce about $350 million yearly in Federal, local, and State taxes, at today's rates.

So the public power proposal boils down to hitting most taxpayers twice: Use their taxes to build Government power systems, and tap them for the share of taxes that Government systems escape.

These statements are gross exaggerations and misrepresentations.

Again, where did the figures of $10 billion and $350 million come from? No source or method of computation is revealed in the advertisement. Apparently, the method of deriving these statistics is that of the "big lie."

As to escaping taxation, the following quotation from an exhaustive study of Government and business by Vernon A. Mund stands in refutation:

The facts are that often public power pays its full share of State and local taxes in other ways.

Municipal utilities and public utility districts typically pay State taxes on gross revenues from retail sales, State sales taxes, regular State business taxes, State gasoline taxes, State generating license fees, industrial insurance, and unemployment taxes, in line with those paid by privately owned utilities. They also usually pay local business and occupation taxes and local franchise taxes. It is common for publicly owned enterprises to furnish services, such as street lighting, at little or no cost. On some occasions, moreover, they pay special gross-revenue taxes or make cash contributions to State and local agencies in lieu of property taxes. The value of such payments and services may fully offset the property tax burden which privately owned utilities must pay.[1]

PUBLIC POWER PAYS PUBLIC DIVIDENDS

There are numerous instances of the construction of local public buildings with moneys from the earnings of locally own utility systems:

One such example, is the municipal building of the city of Ilion, N.Y., which was erected by funds contributed by the municipal electric system. Although such a contribution would not appear in the income statement as a tax item, there is no question that, if this contribution had not been made by the municipal utility, it would have been necessary to utilize tax revenues in order to construct this civic improvement.[2]

Regarding the question of Federal taxation, it is true, of course, that publicly owned utilities are exempt from Federal taxation. But this is not the whole story, by any means. Take as an example the Tennessee Valley Authority, perhaps the most common target of private power interests. Rates for its electricity provide not only for all costs of rendering the service and State and local tax equivalents, but also yield net earnings for the Federal Treasury of more than 4 percent.

These net earnings give the Federal Government an interest return on the money appropriated for construction, as well as a return which is equivalent to Federal income tax payments. To quote from Mr. Gordon Clapp, a former director of TVA:

TVA is not required to pay Federal income taxes. This is logical, since TVA is owned by the Federal Government. All of TVA's income belongs to the Government. But if a share of TVA's power earnings, after setting aside the equivalent of interest, were earmarked for income taxes in the same proportion as for private utility companies, there would still be something left for a dividend to the taxpayers.

IMPORTANCE OF LOW-COST POWER

No fair-minded discusion of private and publicly owned powerplants should omit mention of the great expansion in industry and employment resulting from the availability of low-cost public power. Such industrial benefits inevitably broaden the tax base. Economic expansion in the Tennessee Valley and the Columbia Basin, for example, bears out this statement. It is difficult, of course, to measure exactly the increase in tax returns due to these Federal public power systems. However, Brooks Hays, Director of the Tennessee Valley Authority, estimates that since 1933 when TVA was inaugurated, $12 billion more have been collected in Federal taxes from residents of the TVA area than would have accrued to the Federal Government had pre-TVA conditions prevailed.

Furthermore, an attack on public power on the score of tax evasion is particularly uncalled for and malicious, since private utility companies in actual fact receive a huge subsidy in the form of tax reductions.

PEOPLE WHO LIVE IN GLASS HOUSES

For private power interests to sponsor an advertisement accusing public power systems of avoiding their share of taxes is an irony of ironies.

Through provisions for accelerated amortization and liberalized depreciation in the tax laws, private power firms are subsidized to the tune of hundreds of millions of dollars. During World War II, Congress enacted legislation to provide accelerated amortization of defense plants. Extraordinary expansion was needed in plant capacity to manufacture arms and munitions for the national defense. Quite understandably, the Federal Government stood ready to aid in financing such expansion.

The rapid amortization program provided that the cost of a defense plant could be amortized over a 5-year period instead of over its longtime useful life. The sum set aside for depreciation was deductible from income as a business expense. Thus the Federal Government largely paid the cost of the new defense plants by reduced taxes. Certificates of necessity were issued to industrial companies in authorization of rapid amortization. Some utilities were issued these certificates during World War II and the Korean conflict. However, the Office of Defense Mobilization began in 1953 to issue certificates of necessity for the ordinary expansion of powerplants. The 85th Congress put a stop to these manipulations. However, according to the Federal Power Commission and the American Public Power Association, because of rapid amortization, tax benefits of $1.5 billion have been amassed in the coffers of private utilities concerns.

WRITEOFFS FOR PRIVATE COMPANIES

But this is only part of the story left untold by those who complain of tax evasion. Liberalized depreciation allowances were written into the Revenue Code in 1954. Section 167 increased the amount of the cost of a plant that may

[1] Mund, Vernon A. Government and Business. New York. Harper & Bros. 1955, p. 572.

[2] "More Power at Lower Cost," American Power Public Power Assoc. APPA Document No. 53–S–01 p. 17.

be written off in the early years of its life for tax purposes. Therefore the tax bill of the company is reduced.

This is not all. Utility companies have approached State utility commissions to urge higher utility rates, and have based their estimates for such increases on a normal tax bill, not a tax bill which allows for liberalized deductions for depreciation.

And let us make no mistake about it, liberalized depreciation is a tax reduction, not a tax deferral, since the utilities have been experiencing unprecedented expansion in recent years. The stockholders in the utility companies, not the consumers of power, are reaping tremendous gains from these tax provisions.

The truth of the matter is this: the utilities are deriving huge profits from one of the most extensive subsidies ever handed out by any government. Reliable estimates place the Federal tax subsidy granted to private utilities through accelerated amortization certificates and liberalized depreciation practices available since 1954 at more than $10 billion.[3]

Next, the old, familiar, and false refrain appears in the advertisement:

> The tragic fact is that more spending for such Federal power programs would be unnecessary. The hundreds of independent electric companies are able and ready to provide for the Nation's electric needs. They've already proved they can supply plenty of low-priced power without using tax money to do it.

DEFAULT OF PRIVATE COMPANIES

The truth is this: Public power systems such as the Tennessee Valley Authority were constructed because private companies either would not or could not provide electricity at moderate cost. Referring again to the TVA, private interests believed that a wide market for the electricity generated by a system of dams on the Tennessee River could not possibly be developed. Today, TVA is having difficulty in meeting all demands for electricity.

The rates of publicly owned utilities are typically below the rates of private utilities. To quote again from Mund:

> Some 60 publicly owned utilities in the United States and Canada, in particular, sell electricity for residential use at rates under 1 cent a kilowatt-hour. This rate is fully 60 percent below the average residential rate in the United States.[4]

Rural electrification is another case in point. Modern methods of agriculture demand extensive application of electricity. The use of individual plants generating electricity on a single farm is prohibitively expensive. Should American agriculture then be penalized because private companies believe a program of rural electrification would be unprofitable? And in this connection it should be emphasized that rural electric cooperatives pay back every cent they borrow from the Federal Government for construction and operation of generating plants, transmission lines, and distribution systems, with interest.

[3] Clyde T. Ellis, general manager, National Rural Electric Cooperative Association.

[4] Mund. op. cit, p. 568.

MULTIPURPOSE DAMS

Then too, private companies rarely think in terms of multipurpose dams for flood control, irrigation, and national defense, as well as electric power for home, office, and industry.

The experience of waging World War II and subsequent inauguration of the new atomic and space age have proved the need for vast quantities of cheap electric power. For precisely this reason, atomic energy installations are located at Oak Ridge in the Tennessee Valley.

The advertisement winds up its propaganda by urging the reader to send for a booklet entitled "How Federal Government Electricity Affects the Businessman." This pamphlet contains, of course, further doses of the same type of half-truths and untruths as appear in the advertisement.

No such statements as those which are used to smear public power in a large, authoritative-looking advertisement in U.S. News & World Report and other publications should remain unrefuted.

Both public and private power have a place in the American economic system. And public power, legalized by the laws of the land, has a right to exist without continual harassment from private power interests using their ratepayers' money in a scurrilous campaign.

Expanded Efforts To Preserve Natural Resources

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, June 27, 1960

Mr. WILEY. Mr. President, to assure a necessary reservoir of natural resources for generations of the future, the Nation, I believe, needs to expand its efforts to better utilize, conserve, and manage these resources.

Over the weekend, I was pleased to review the challenge in the field of conservation, as well as to make some recommendations, in a broadcast over Wisconsin radio stations. I ask unanimous consent to have excerpts from this broadcast printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

WILEY URGES GREATER EFFORT TO PRESERVE NATURAL RESOURCES; OUTLINES 11-POINT LONG-RANGE PROGRAM

(Excerpts of address by Senator ALEXANDER WILEY over Wisconsin radio stations)

Friends, in a fast-growing nation—existing in an increasingly complex world—we face a great many large and varying challenges.

At this time, I'd like to discuss with you the task of maintaining, preserving, conserving and best utilizing our natural resources—without which a nation would "dry up and wither away"; and without which a nation—and a people—would not be able to meet its challenges. The fundamentals of a good resources program include: Efficient use; adequate development to expand reservoirs to meet the requirements of national security and a growing economy; effective conservation to provide for future generations; and equitable distribution of benefits from resources and efforts to discourage wasteful exploitation.

With the fast-increasing population—as well as urban and industrial expansion, there is—as you and I recognize—a great need to assure that these resources are handled wisely.

NATIONAL OBJECTIVES OF CONSERVATION PROGRAM

Question. What, then, are some of the national objectives of our conservation program, Senator WILEY?

Answer. (1) Increased understanding and assumption of responsibility for conservation leadership by local people, their local soil conservation districts, and their county and State governments;

(2) Acceleration of on-farm soil and water conservation practices, including land use, not only for local benefit, but in light of the effect on, entire watersheds and river basins;

(3) Greater planning, within river basins and watersheds, for multiple use of water, including efforts to promote improved and efficient water use and management.

(4) Expansion of basic, as well as applied, research in the fields of soil, water, and forest conservation;

(5) Further improving, management, and development of our public lands, recognizing the growing pressures for recreational use as well as for the production of crops of timber, livestock, and water;

(6) Strengthening educational efforts in the field of soil and water conservation through the medium of general education as well as through specific organized youth and adult groups, both rural and urban.

Question. Now, what are some of the long-range objectives?

Answer. More emphasis on long-life (as contrasted to annual and recurring) conservation practices in, for example, the cost-sharing phase of the soil conservation program; use of a basic soil and water conservation plan as a basis for technical assistance, credit and cost-sharing aid in conservation on farms or ranches; as possible, separate identification and administration of those programs, aimed primarily at stabilization of production, from those with primary soil and water conservation objectives; better correlation of Federal conservation programs with the programs of State conservation agencies; encourage new investment of private capital in the application of soil and water conservation work and watershed development.

Question. Now, turning to the preservation of our outdoor heritage, what progress is being made, for example, in expanding our national park system?

Answer. You will recall that the National Park Service undertook a program, initiated in 1956, called the Mission 66 program. This program is working to improve conservation and expansion of the national park system. The objectives include: Providing more adequate recreational facilities; assuring protection of natural and historic features of our park lands; and making these out-of-door areas more accessible to visitors.

Included in the national program are efforts for new and improved roads, trails and parkways, visitors' centers, museums, campsites, utility systems, and other services.

In addition, the National Park Service is attempting to appraise the Nation's outstanding scenic, scientific, and cultural resources and evaluate and meet the future public demand for them.

Question. Along these lines, we recall that you cosponsored legislation for the establishment of a Moraine National Park in Wisconsin. What is the status of this project?

Answer. Initially, the Park Service conducted a preliminary survey. The study revealed that there was real geological, biological, historic significance to the glacially formed moraines. Unfortunately, the Department has been hampered by lack of funds for carrying out the necessary follow-up studies to determine the extent of moraines for inclusion in a possible park system.

Within the limitation of their capabilities, I have suggested that the Department go forward on this as early as possible.

We recognize that if this is too long delayed, there may well be serious deterioration of the valuable moraine features on our Wisconsin landscape.

EXPANSION OF FISH AND WILDLIFE PROGRAMS

Question. As the senior Senator of a conservation-minded State, what's the outlook for improvement of our fish and wildlife programs?

Answer. Currently, there are 18 million acres of national wildlife refuges, 100 fish hatcheries, laboratories, and other facilities for fish and wildlife research.

Nationally, under the supervision of the Department of Interior, programs of research, planning, management, and protection are being carried forward in close cooperation with States, like Wisconsin, to stem the decline of fish and wildlife resources. The Bureau of Sport Fisheries and Wildlife, for example, administers two national wildlife refuges in Wisconsin, the Necedah National Wildlife Refuge of 40,000 acres, and the Horicon National Wildlife Refuge of 21,000 acres.

Question. What's being done in the fisheries management program?

Answer. Two fish hatcheries are operated in Wisconsin: The Lake Mills Hatchery and Genoa Hatchery which, together, produce about 4,300 pounds of warm water species such as bass, and bluegills, and small quantities of trout, for stocking local waters. The La Crosse Research Laboratory now conducts research on methods for selective control of fishes for better management and conservation of Wisconsin's lakes, streams, and ponds.

Question. What is the outlook on the eradication of lamprey in the lakes?

Answer. Sea lamprey control operations conducted from a field station in Marquette, Mich., include electric barriers and chemical treatment of Wisconsin streams.

The Bureau of Commercial Fisheries is conducting research on lake trout and white fishes from a field station in Ashland. This research is directed to rehabilitation after depredation by sea lampreys to the balance between planted and natural trout in Lake Superior.

CONSERVATION OF WATER

Question. What about conservation of water, Senator WILEY?

Answer. Fortunately, Wisconsin has been blessed with rich water resources. With a fast-expanding population, however, it is expected that we will need more effective methods of use and reuse of water for industrial and similar purposes as well as a more effective conservation program.

National experts indicate that by 1980, the United States will have to turn to ocean water for industrial, agricultural, and human consumption. To help meet this need, I cosponsored legislation to set up a program for converting saline and brackish water suitable for industrial, agricultural, and human utilization purposes. Five demonstration plants are being constructed for sea water conversion. Fortunately, the program is going forward encouragingly. As a matter of fact, reports already indicate that it has been possible to substantially cut the cost of converting sea water for human, industrial, and agricultural purposes.

Question. What are some of the highlights of the work in Wisconsin?

Answer. Under the Department of Interior, the following programs are under way.

In the face of a possible future water shortage, we are carrying on extensive water resources investigations in Wisconsin. Information on streamflow and lake stage is being obtained in about 90 locations. Groundwater investigations are in progress in nine areas. Most of this work is financed cooperatively with the University of Wisconsin, the Public Service Commission, and the Commission on Water Pollution.

SOIL CONSERVATION

Question. Now, turning to soil conservation, Senator, we recognize that the organization of soil conservation districts has become a practical means for carrying on effective measures to conserve our natural resources. What is the scope of this program?

Answer. Nationally, there are 2,865 soil conservation districts. These include about 90 percent of the land in farms and 95 percent of all the farms and ranches in the United States. In Wisconsin, for example, the agricultural land by November 1956 had all been organized into soil conservation districts. By June 1959, over 39,000 farmers—operating more than 6½ million acres of land—were cooperating with Wisconsin's 71 soil conservation districts. Some of the outstanding practices include: stripcropping, totaling more than 971,000 acres; crop rotations, more than 173 million acres; pasture planting, 247,000 acres; tree plantings, 66,000 acres; waterway development, 12,403 acres; terracing, nearly 4,000 miles; and contour farming, 173,195 acres. Under the agricultural conservation program, also, a remarkable amount of progress has been made toward putting into effect real, constructive conservation practices.

SCOPE OF AGRICULTURE RESEARCH AND SERVICE

Question. Senator, what about research in agriculture?

Answer. We recognize that research is a key to progress in agriculture, as in other fields. Currently, the Agriculture Research Service is conducting a wide variety of programs in soil and water management and conservation designed to permit more efficient, sustained, and profitable use of these resources. The studies include plant and animal life, soil chemistry, methods of cultivation, irrigation and crop rotation, efforts to produce crops of high nutritive value and soil-water-plant relationships that may affect management of different soils.

Research is also under way in such fields as watershed hydrology, stream and reservoir sedimentation, runoff, engineering aspects of drainage and irrigation, and other programs.

Incidentally, a large portion of this research is carried out in cooperation with State agricultural experiment stations and State departments of agriculture. For example, the Upper Mississippi Valley Conservation Experiment Station at La Crosse, Wis., and Madison, Wis., are focal points of such research and does a splendid job.

FOREST RESOURCES

Question. Now, turning to our forestry program, Senator, in view of the increasing population demands for homebuilding as well as for industrial progress, are we making adequate progress in carrying on forest tree plantings, conservation, and management programs?

Answer. Fortunately, the Federal Forest Service—as well as constructive State programs—are making a fundamentally significant contribution to assuring an adequate volume of forests and forest products for generations of the future.

We recall, of course, that the Forest Products Utilization Laboratory, in Madison, Wis.—celebrating its 50th anniversary this month—is making a significant contribution in the field of research.

Overall, our 181 million acres of forest lands grouped into 151 national forests—including two in Wisconsin, the Nicolet and Chequamegon Forests—yield water, timber, forage, recreation, game and other wildlife, and minerals. All of the renewable resources are managed under principles of multiple use and to produce a sustained yield of products and services.

In fiscal year 1959, 8.3 billion board feet of timber was harvested in the national forests. The cut in 1960 is expected to reach 9.6 billion board feet. In addition, 6 million livestock graze on national forest range; also watersheds are managed to regulate streamflow, prevent floods, and provide water for power, irrigation, navigation, and municipalities.

Recreation, too, ranks with water and timber as a major use of the national forests. Visits to these forests for recreation climbed from 68.5 million in 1958 to 81 million in 1959, and the trend is steadily upward.

Developing the recreation resources, improving the habitation for wildlife, and the prevention and controlling of fires and pests go hand in hand with the management of other resource values of the national forests.

By the year 2000 a nearly doubled timber growth will be needed by a population of nearly 300 million. Consequently, the Nation cannot just haphazardly expect that our natural soil, water, and forest resources will be able to make these ever-increasing demands of the future. Instead, these resources must be protected, developed, and managed to assure that we will have ample resources for the times ahead.

CONCLUSION

This, then, is a brief review of conservation practices and programs for soil, water, and forest resources under way—and for the future.

As stewards of these important resources, you and I—and the Nation—have a responsibility for vigilantly improving and expanding these programs for assuring a reservoir of such invaluable resources for the future.

At this time, I greatly appreciate your being with us for this program.

Thank you very much.

Address of Hon. Chester Bowles, of Connecticut, at Commencement Exercises at Smith College, Northampton, Mass.

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, June 27, 1960

Mr. SALTONSTALL. Mr. President, recently I interviewed Congressman CHESTER BOWLES on a TV show for the people of Massachusetts. We talked of various issues of public policy, including some of the more imperative considerations of foreign policy.

Congressman BOWLES' background as a Governor, public servant in the Federal Government, writer, and Ambassador qualifies him to discuss matters of public importance to all of us.

Recently Mr. BOWLES delivered the principal address at the commencement exercises at Smith College, Northampton, Mass. In this speech, he discussed the basic dimensions of the challenge before us in a historical perspective. This address is really another contribu-

tion to the free debate on the national purpose, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SMITH COLLEGE COMMENCEMENT ADDRESS, NORTHAMPTON, MASS., JUNE 5, 1960, BY HON. CHESTER BOWLES, MEMBER OF CONGRESS

President Mendenhall, members of the board of trustees, honored guests, alumnae, parents, and, most especially, members of the graduating class of 1960, it is a very real pleasure to join you here in Northampton for this last official occasion of your college careers.

Since your first freshman assembly in the fall of 1956, I have come to know many of you and to feel personally involved with interest, affection, and pride in much that you have done.

Over the years I have also become well acquainted with the traditional requirements of commencement speakers.

These rules are very clear.

The current state of affairs should be viewed with proper concern.

The inheritance being handed down by the speaker's own generation (so powerfully represented on such occasions by trustees, parents, and alumnae) should be commented upon modestly.

It should be stressed that this particular class is at a crossroads in history, and that great decisions lie ahead.

The graduating seniors, whose thoughts are properly concerned with new jobs, new tours, and new husbands, should then be called upon to drop everything and save the world before it is too late.

This year speakers from the University of Maine to the University of Southern California can be expected to sound an additional note. From hundreds of platforms such as this they will be saying that our moral values are not what they should be, and if anything, that they are slightly worse than at this time last year.

I wish I could promise to say something dramatically different. However it is undeniably true that in most walks of our national life we have not been doing as well as we should. It is also true that our complex and explosive world is in urgent need of your fresh energy and vision.

Although pessimism on such questions has always been considered un-American, and I think properly so, every thoughtful person knows that we are facing profound changes and that the course of events has never been less clear.

Views, assumptions, hopes, and expectations which succeeding generations of Americans have taken for granted are being jolted abruptly.

This situation is not unique in American history. Indeed, my generation faced something similar in the early thirties when the sudden collapse of our economy shocked us out of our easy assumptions that money, at least for the fortunate few, grew on trees.

But the present challenge involves far more than jobs, pay increases, and material comforts.

Now for the first time in American history, our future is tied to that of hundreds of millions of other human beings whose objectives, hopes, and fears appear different from our own, but who, like ourselves, are contending with new forces of massive strength and uncertain direction.

What convinces me that we may learn to deal effectively with this new world is the persistence in the American character of precisely those qualities of creative inquiry and flexible, pragmatic action which have enabled previous generations of Americans to cope with lesser challenges in the past.

Throughout our Nation a reexamination of our policies and purposes is under way. You sense it not only in Washington, D.C., but on college campuses, at crossroads and byways, in buses and in supermarkets, in business offices, and in grange halls.

This reexamination is particularly impressive because this time thoughtful Americans are digging so much more deeply into the nature of the challenge which we face. Dangerously oversimplified views of the world struggle are rapidly giving way to a more realistic understanding of what we are up against.

Let us review briefly three stages of American thinking about world affairs which succeeded one another in the 1950's.

Ten years ago the North Korean Army, armed and directed by the Kremlin, struck without warning across the South Korean border. Suddenly we found ourselves face to face with the militaristic, aggressive nature of world communism.

Before the Korean invasion, we knew that Soviet military power was formidable. But we had comfortably assured ourselves that it would not be used either by the Soviet Union or its satellites. As a result, our military forces had been reduced below the danger point.

In our hurry to redress this error, we adopted a norrowly militaristic interpretation of the challenge which confronted us.

Constructive, creative programs such as the Marshall plan and point 4 were downgraded. The new emphasis was on military force, military alliance, and military thinking. And this in turn set our national mood.

Military problems, being highly specialized and shrouded in secret, logically belong to generals, admirals, and heads of government.

Once the challenge of world communism was accepted primarily as a military challenge, there was little that the ordinary citizen could do except pay his taxes cheerfully and hope that our military experts knew their jobs.

After Stalin's death in 1953, we moved toward a second and much broader interpretation of the world contest.

As Mr. Khrushchev threatened to bury us economically rather than militarily, we became less concerned with the previously assumed inevitability of a military struggle, and more and more alarmed over the Soviet rate of industrial growth.

Our newspapers outdid one another, graphically, in portraying the burgeoning Soviet economy, and, editorially, in worrying over how we could stay ahead.

Although this broader view of the challenge was a long step toward reality, it still left the American citizen in the role of an anxious, but not yet directly involved, bystander.

Worldwide and indeed domestic economic problems, like military problems, had always appeared infinitely complex, and to belong primarily to the great corporations, the great labor unions, and to the distant Federal Government. And so to most Americans in this second stage the world contest still remained remote and impersonal.

In recent months, unless I am seriously mistaken, we have begun to move into a third stage of interpretation, and for the first time to understand what we are really up against.

We are beginning to see that the future may not necessarily belong to those nations which can set off the most rockets or produce the most bathtubs, and that the contest, stripped to its essentials, is between two widely varying interpretations of the meaning of life—one which believes in the inherent dignity of the human individual—the other which believes that man was born to serve the state.

As this becomes more clear, our attention will shift beyond the question of how our society can survive to what we Americans have to offer.

This, I suggest, brings us to the central point—the urgent need for direct involvement by each of us as individuals.

A contest that is primarily military or economic could reasonably be considered beyond our personal powers to influence in any way. But if the primary challenge for the long haul is what I believe it to be—the quality of American society—then each of us has an important part to play that cannot be delegated to a distant government.

Now at this point it may be proper for me cautiously to suggest that history may be more tolerant toward your parents' generation than many of you have been.

After all, we were totally untrained, your parents and I, for the kind of world we have had to live in and even help manage.

I can remember little that I or my fellow students learned in college that was relevant to the world in which we were to live our adult lives.

Nor was there anything in the roaring twenties, into which most of us graduated, to prepare us for the economic collapse and social dislocations of the thirties, or for world involvement again in the forties.

But in spite of our unreadiness in terms of what history required of us, I think our record will stand up well under scrutiny.

We broke with 160 years of tradition to put isolationism behind us in world affairs.

We took action, born of economic and social distress, to give new depth and meaning to our national unity.

We pioneered in the postwar world with the bold, creative concepts of the Marshall plan, NATO, point 4, and the mutual security program.

Indeed, some of our more economically timid members still view some of our technological achievements with considerable alarm. Our cows, they say, give too much milk, and our new machines produce too much steel.

Yet in the most crucial area of all our performance has been admittedly and dangerously weak. In our efforts to deal effectively with a vast agenda of new and unfamiliar problems, we have neglected the cultivation of those very human values which are basic to the health and vigor of our American society, and which in the next decade may determine our capacity to survive as a great and influential nation.

We have not only condoned the slick operator and cynical manipulator, we have glorified them. Indeed, in an upside down sort of way we have adopted the semantics of materialism and manipulation to explain some of our most admirable actions.

It is as though we have felt it necessary to justify decency by proving that the real reasons for our actions are not as decent as they seem.

Thus we argue that the time has come to grant our Negro citizens first-class citizenship, not because they have been patiently waiting for it since the Declaration of Independence asserted that all men are created equal, but because the colored majority of mankind is said to be breathing down our necks.

In order to win public support for urgently needed scholarships for our colleges and universities, we call the legislation the National Defense Education Act, and then for safety's sake surround it with disclaimers and loyalty oaths.

Instead of proudly presenting our foreign aid program for what it is—an honest effort to help new nations ease poverty, illiteracy, and disease so that they may create the conditions of freedom within their own cultures—we explain that our real purpose is to buy friends and supporters in the United Nations, or to fill empty bellies on the cynical assumption that well-fed Asians and Africans will not question the injustices and

harassments of the feudal societies in which many of them live.

When our Government generously rushes large shipments of food and medicine to shattered Chile, some of us tell each other that this is smart propaganda to set back the Communists.

Even when we set out to do the wrong things in world affairs—like hiking the tariffs on British bicycles or foreign clothespins—we explain that we are taking these actions in the interests of national defense.

Through our fears and frustrations we have come to act as though our chief national purpose in world affairs is not to maintain and extend our basic American commitment to human dignity, but simply to thwart the Russians.

Nor is this twisted pattern of behavior limited to foreign affairs. Here at home businessmen contributing to boys' summer camp funds and hospital building drives rush to cover up their decent motivations by pointing out that it is good business to do what they are doing, and in any event the tax laws keeps their out-of-pocket costs low.

In the face of some of the highest crime rates in the world we tolerate sadistic exhibitions on radio, TV, in the movies and in comics on the ground that they help keep the children quiet and their minds occupied.

We nod our heads in understanding when Charles Van Doren tells us that he continued his fradulent TV presentation because the whole academic profession had such a stake in his performance, and he did not want to let his fellow teachers down.

We shrug our shoulders when 600 or Mr. Van Doren's students at Columbia announce that they admire him for his slick performance, and that they cannot for the life of them see how it affects his usefulness as a teacher of liberal arts.

Thus, at the very moment in history when the true nature of the world contest is coming into focus, we find ourselves caught up in a maze of payola and quiz scandals, of spying and lying, of tax evasion and false expense accounts—of the fake advertisement, the thumb on the scale, the adulterated product, and the exploitation of violence as entertainment.

In our effort not to seem gullible, not to seem to be suckers, not to seem vulnerable to criticism from any quarter, to avoid controversy, to prove that we are realists who do not go off half cocked, we have developed a moral gap between beliefs to which we subscribe and our day-to-day performance which in its own way may become as dangerous to our long-term future as any missile gap.

This is particularly true if the cold war continues indefinitely. Can an open society like ours remain an open society indefinitely under the pressure of the military, technological, and psychological requirements of 20th century nuclear terror?

No one can be sure.

Already there are some among us who prefer the simple terror of the cold war to the complex search for realistic means to ease it.

This kind of mind is unhappy about complexity, about shades of gray, about difficult choices, about the necessity to pursue various alternative policies at once, about the requirements in the modern world for principles, balance, dexterity, and nerve.

Such individuals are good people to keep out of the control room in the age of push-button war. In the days of bayonets and machineguns they were dangerous enough—in today's nuclear world they have the cataclysmic touch.

So much for the challenge that we face. How best can we cope with it?

As members of an open society it is our primary responsibility to maintain the right of future generations to live in similar societies.

An open society is not a vacant one. It is open for inventiveness in statecraft as well as in science, for controversy in public as well as in private, for competition in ideas as well as in goods, for incentive for leadership as well as for leisure.

Admittedly, an open society faces disadvantages in a world where it coexists with closed societies. This is particularly so when the opposing closed societies are doing everything possible to demolish it.

Yet an open society is the kind of society we want. If we are to keep it, we must see that our individual family, community, college, and professional lives are freer, more creative, and more affirmative than the lives people lead in closed societies.

If we were free to ask them, and they were free to tell us, what difference would there be?

Three meals a day, hard physical work, the bare essentials of life, uncritically believing what the newspapers say, avoiding controversy, sticking resolutely to safe thoughts and simple comments, concentrating on the trite and the unspectacular, never probing, never arguing—these we might agree are the common lot of most of the 800 million people who live under Communist rule.

Now how can we, as members of an open society, successfully compete with a closed society of this kind? Only in living by significantly different values and for significantly different goals.

We must learn to make use of the freedom that our open society provides to do the things others cannot do because of their closed one.

We must accentuate the use of that marginal element in our lives which really is different from theirs—that goes beyond the essentials of eating, sleeping, and keeping alive, to the individual, distinguishing element that enables us to be different.

We must concentrate as free individuals in making use of our margin for living free lives, the margin which in the closed society has been stifled by the threat of fear, eavesdropping, secret police, and regimentation.

What is the outlook? Much, of course, depends on the cold war which, as I have suggested, has dangerously strengthened the negative forces in our own society.

Yet I am heartened because I think that our temptations toward lethargy, apathy, and a cynical retreat into simple pleasures have once again nearly run their course.

For one thing, my informants here at Smith and elsewhere tell me that our campuses are wakening up again.

The first stirrings are said to have occurred in your freshman year with the bitter news that 25,000 young Hungarians had died in the streets of Budapest in an effort to achieve the kind of open society which we take for granted.

More recently many of you have demonstrated your sympathy and support for the sit-in movements in our own American South because of your convictions that what is right in respect to human dignity must win out in the end.

Although some of my generation may disagree, I suggest that such actions are what help keep an open society alive and free. Indeed right here is a major distinction between a closed society and an open one—the closed society makes no pretense of relating its private to its public morals. The open, democratic society must do so continually.

Most impressive of all, the call for a new dedication of American young people seems to be coming from the students themselves. An editorial by Genevieve Lauterbach in your own Smith newspaper, the Sophian, has been widely quoted. It even found its way into the CONGRESSIONAL RECORD.

Some of you may remember what it said—"so sometimes we write home to mummy and daddy about the world situation. And occasionally we mention it to dear ole Joe. Dear Joe smiles and asks us to dance.

"We think of the money America spends on beer and cigarettes and we worry about the economy, and democracy, and things, when we see another TV antenna go up across the street. We remember the News of the Week in Review as we reread Vogue.

"We frown about our culture and its values as we tip the Negro waiters, and we promise we'll talk about the image of America sometime to somebody when we tour Europe this summer. * * *

"We're the very picture of American youth. We gaze at the wide horizons of the world before us with a questioning mind, filled with faith, hope and charity. We forget that challenge, like charity, begins at home."

All of this strikes me as healthy evidence that we are waking up.

We are beginning to see that the conflict between the closed Communist societies and our own open one is far more than a conflict between rival defense establishments, rival economies, rival espionage systems, and rival summit negotiators.

It is a conflict that touches directly the lives, the energy, the sense of purpose, and the faith of each one of us.

To leave it to admirals, generals and politicians is to abdicate our responsibilities as citizens in a free society.

We must, of course, face the real possibility that even if we Americans rise fully and effectively to the challenge the game may still be lost for reasons beyond our control.

Mankind's hope for a more rational and meaningful existence depends not only on what we do and what we are, but also what happens in the closed societies of Russia and China.

Although here the future is the cloudiest of all, is there not some reasonable basis for hope?

Is it not possible that behind the ruthless, totalitarian leadership of Communist China, humanistic sparks may be smouldering and that out of the ashes of the dead past may again arise the creative genius which made possible the long miracle of Chinese civilization?

Can the Kremlin open the laboratories and lecture halls of the Soviet Union to the inquiring young minds necessary for scientific achievement, while still denying the right to think about, and absorb, the great truths of human history?

But whatever we do, let us not become so preoccupied with the forces and counterforces within China and Russia that we neglect to do the great and good things we are able to in partnership with the majority of mankind for whom communism is still an unappealing foreign ideology.

Every enduring civilization since the beginning of time has been built on the proposition that man is more than a chemical accident.

We ourselves are deeply committed to the concept that man is surrounded by belief and lives for a purpose.

Forty years ago on three continents, Ghandi, Wilson, and Sun Yat-sen represented triumphant moving forces of wider freedom and more significant life.

Although these forces were blunted defensive by two world wars and the chaos that followed them, much of the world is now again on the march.

Africa, Asia, and Latin America are undergoing a revolution based on rising expectations. Hundreds of millions of men and women who were once doomed to endless poverty, misery, and disease, are reaching out not only for bread but for dignity and respect.

The proper position of the American people is at the head of this revolution, acting boldly in the faith of Jefferson and Lincoln and backing our efforts not only with the solid muscle of our material strength but with our historic dedication to the universal rights of man.

SENATE

TUESDAY, JUNE 28, 1960

The Senate met at 10:30 o'clock a.m., and was called to order by Senator GALE W. MCGEE, of Wyoming.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father who art in Heaven and in all heavenly things on the earth.

As for this solemn and searching moment our words are hushed to silence, breathe upon our thinking, we pray, with Thy truth; breathe upon our understanding with Thy light; breathe upon our attitudes to others with Thy love.

The cries of the crowd about us but bring us to confusion without and perplexity within. May the pressures of the world not mold us this day but may we be so strengthened that we may help mold the world nearer to the fashion of Thy righteous will.

May our blessings and privileges be transparent windows in the temple of service and sharing so that Thy spirit can shine through them in glory for human good. We ask it through riches of grace in Christ Jesus our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 28, 1960.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GALE W. MCGEE, a Senator from the State of Wyoming, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. McGEE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 27, 1960, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 27, 1960, the President had approved and signed the following acts and joint resolutions:

S. 1185. An act to provide for the preservation of historical and archeological data (including relics and specimens) which might otherwise be lost as the result of the construction of a dam;

S. 1358. An act to authorize the Secretary of the Interior to provide a headquarters site for Mount Rainier National Park in the general vicinity of Ashford, Wash., and for other purposes;

S. 1892. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Norman project, Oklahoma, and for other purposes;

S. 2327. An act to amend the act entitled "An act to provide for the better registration of births in the District of Columbia, and for other purposes";

S. 2439. An act to authorize certain teachers in the public schools of the District of Columbia to count as creditable service for retirement purposes certain periods of authorized leave without pay taken by such teachers for educational purposes;

S. 2954. An act to exempt from the District of Columbia income tax compensation paid to alien employees by certain international organizations; and

S. J. Res. 42. Joint resolution to establish an objective for coordinating the development of the District of Columbia with the development of other areas in the Washington metropolitan region and the policy to be followed in the attainment thereof, and for other purposes.

REPORT ON WEATHER MODIFICATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 438)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith for the consideration of the Congress the First Annual Report on Weather Modification (for fiscal year 1959) as submitted to the President by the National Science Foundation.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *June 28, 1960.*

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 3117) to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage, and it was signed by the Acting President pro tempore.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, at the conclusion of the morning hour, we shall have a quorum call. I ask the attachés of the Senate on both sides to notify absent Senators that their presence will be desired, and then we will proceed to the call of the calendar.

At the conclusion of the call of the calendar, we will have not to exceed 2 hours of debate on the tax bill conference report. Then we will expect to vote at 2 o'clock on that report.

We will proceed then under the unanimous-consent agreement to the consideration of the so-called baseball bill and the other bills that were listed yesterday.

We expect to have an evening session. I ask the cooperation of all Members of the Senate that they arrange their engagements so that they will be able to attend.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the Territory of American Samoa; to the Committee on Interior and Insular Affairs:

"SENATE CONCURRENT RESOLUTION 42

"Resolution requesting the enactment of S. 2839

"Whereas on the 18th day of January 1960, the Honorable OREN E. LONG, Senator from the State of Hawaii, introduced in the Senate of the United States of America a bill designated as S. 2839; and

"Whereas the Legislature of American Samoa is in complete agreement and accord with the intent and purposes of said bill: Now, therefore, be it hereby

"*Resolved by the Senate of American Samoa* (the House of Representatives concurring), That the Congress of the United States be, and it is hereby, informed of the concurrence of the Legislature of American Samoa with said bill; and be it further

"*Resolved*, That the Congress of the United States be informed of the wish of the Legislature of American Samoa that said bill be enacted by the forwarding of a certified copy of this concurrent resolution to the Vice President of the United States for distribution to the chairman of the committee to which said bill has been referred."

A resolution adopted by the City Council of the City of San Diego, Calif., favoring the enactment of legislation to repeal the tax on transportation of persons; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUSK, from the Committee on Interior and Insular Affairs, with amendments:

S. 2195. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the western division of The Dalles Federal reclamation project, Oregon, and for other purposes (Rept. No. 1752).

By Mr. JACKSON, from the Committee on Government Operations, with an amendment:

S. Res. 338. Resolution relative to tenure of office of individuals appointed to administrative and policymaking posts in the Federal Government (Rept. No. 1753).

By Mr. ROBERTSON, from the Committee on Banking and Currency, without amendment:

S. 3619. A bill to make permanent law the provisions of section 408 of the National Housing Act regulating savings and loan holding companies (Rept. No. 1754).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 7004. An act to facilitate the administration of the public lands, and for other purposes (Rept. No. 1755).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

H. Con. Res. 225. Concurrent resolution expressing the sense of the Congress with respect to official recognition by the United States of the centennial anniversary of the unity of Italy (Rept. No. 1762).

PROPOSED LEGISLATION TO AMEND THE FEDERAL SECURITIES LAWS—REPORTS OF A COMMITTEE

Mr. WILLIAMS of New Jersey. Mr. President, from the Committee on Banking and Currency, I report five original bills to amend the Federal securities laws, and I submit reports thereon. I ask that the reports be printed.

The ACTING PRESIDENT pro tempore. The reports will be received and printed; and the bills will be placed on the calendar.

The bills, reported by Mr. WILLIAMS of New Jersey, were read twice by their titles and placed on the calendar, as follows:

S. 3769. A bill to amend certain provisions of the Securities Act of 1933, as amended (Rept. No. 1756);

S. 3770. A bill to amend certain provisions of the Securities Exchange Act of 1934, as amended (Rept. No. 1757);

S. 3771. A bill to amend certain provisions of the Trust Indenture Act of 1939, as amended (Rept. No. 1758);

S. 3772. A bill to amend certain provisions of the Investment Company Act of 1940, as amended (Rept. No. 1759); and

S. 3773. A bill to amend certain provisions of the Investment Advisers Act of 1940, as amended (Rept. No. 1760).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Administrator of General Services, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Edward C. Sweeney, of Illinois, to be a member of the Subversive Activities Control Board, for the remainder of the term expiring August 9, 1960, vice R. Lockwood Jones, resigned; and

Edward C. Sweeney, of Illinois, to be a member of the Subversive Activities Control Board, for a term of 5 years expiring August 9, 1965; reappointment.

By Mr. HART, from the Committee on the Judiciary:

Hyman Freehof, of the District of Columbia, to be an examiner in chief, U.S. Patent Office.

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Winthrop G. Brown, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Kingdom of Laos.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. EASTLAND:

S. 3764. A bill for the relief of Chou Kwoon Tai; to the Committee on the Judiciary.

By Mr. HARTKE:

S. 3765. A bill to amend the Internal Revenue Code of 1954, as amended; to the Committee on Finance.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

By Mr. YARBOROUGH:

S. 3766. A bill for the relief of Po Part Li; to the Committee on the Judiciary.

By Mr. KUCHEL:

S. 3767. A bill for the relief of Carlos Trevino; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself and Mr. HENNINGS):

S. 3768. A bill for the relief of Godofredo M. Herzog; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 3769. A bill to amend certain provisions of the Securities Act of 1933, as amended;

S. 3770. A bill to amend certain provisions of the Securities Exchange Act of 1934, as amended;

S. 3771. A bill to amend certain provisions of the Trust Indenture Act of 1939, as amended;

S. 3772. A bill to amend certain provisions of the Investment Company Act of 1940, as amended; and

S. 3773. A bill to amend certain provisions of the Investment Advisers Act of 1940, as amended.

(See reference to the above bills when reported by Mr. WILLIAMS of New Jersey, which appears under the heading "Reports of Committees.")

By Mr. MORSE:

S. 3774. A bill for the relief of Yick Yuen Lee; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS:

S.J. Res. 212. Joint resolution designating the fourth Wednesday in April as National Teachers Recognition Day; to the Committee on the Judiciary.

(See the remarks of Mr. JAVITS when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. O'MAHONEY:

S.J. Res. 213. Joint resolution establishing a National Shrine Commission to select and procure a site and formulate plans for the construction of a permanent memorial building in memory of the veterans of the Civil War; to the Committee on Rules and Administration.

By Mr. SCHOEPPEL (for himself and Mr. CARLSON):

S.J. Res. 214. Joint resolution authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th anniversary of the admission of the State of Kansas into the Union; to the Committee on the Judiciary.

(See the remarks of Mr. CARLSON when the above joint resolution was introduced, which appear under a separate heading.)

RESOLUTION

DESIGNATION OF EASTERN ORTHODOXY AS A MAJOR FAITH

Mr. CASE of New Jersey submitted a resolution (S. Res. 346) to proclaim the Eastern Orthodox Church as a major faith in the United States, which was referred to the Committee on the Judiciary.

(See the remarks of Mr. CASE of New Jersey when he submitted the above resolution, which appear under a separate heading.)

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO DEPRECIABLE RAILROAD PROPERTY

Mr. HARTKE. Mr. President, the Committee on Interstate and Foreign Commerce in its report of June 3, 1958, on S. 3778 made certain recommendations which, while not within the jurisdiction of that committee, represented important findings. Among those was a recommendation with respect to the depreciation of railroad property. The committee said:

> As it is now, extremely long service lives, ranging in some cases from 50 to 100 years, are assigned to depreciable railway property of the railroads. These long lives attributed to railroad property for tax purposes are wholly unrealistic and constitute a severe handicap.

Since that report the need for more realistic treatment of depreciable railroad property for tax purposes has received widespread recognition. Among numerous groups expressing such recognition was the Great Lakes Regional Advisory Board, on September 30, 1959, in action taken by delegates representing the States of Indiana, Michigan, New York, Ohio, and Pennsylvania. Similar action was taken by other groups and by the National Association of Railroad and Utilities Commissioners, representing the State regulatory authorities.

Unrealistic and unsound tax policies governing the depreciation of plant and equipment may actually deter modernization progress of the Nation's railroads.

The financial plight of the railroad industry is well known. Its low rate of return has precluded equity financing for capital improvements. To augment funds derived from meager earnings and from depreciation charges, the railroads have resorted to the sale of equipment trust obligations. Not too long ago, funds from this source could be procured at a cost of from 2 to 3 percent. Today, however, even the most prosperous roads are required to pay from 4 to 5 percent, and others between 5 and 6 percent.

For an industry earning only 2.63 percent on its net investment these rates for money for investment in new equipment are very real deterrents.

Relatively little free cash is available from present depreciation rates, due to the unusually long lives of railroad depreciable property. Lives of 50 to 100 years have been used generally in respect of roadway and structures and lives up to 35 years on equipment. The average overall rate for depreciable property is but little more than 2 percent. The average rate for equipment is about 3 percent. It is thus obvious that this meager flow of free cash is inadequate in the light of present technological advancement and high costs. Present depreciation policy is not equitable and realistic and does not contribute to the necessary modernization of the railroad plant.

Under existing conditions, railroads are hard pressed to find sufficient capital funds. The freight car which 20 years ago cost $2,500 costs today about $10,000. So, it is seen that present depreciation accruals are wholly insufficient to permit improvement or expansion.

In such an era of change, both in the way of doing things and in the diminishing value of the dollar, it is clear that the railroads must be permitted to recover their capital costs in a much shorter period of time. Prime consideration must be given to the factors of obsolescence and economic useful life.

There is room for reasonable doubt that some parts of the national railroad system will continue to be operated for any such period of time as is contemplated by the lives assigned to the property for depreciation purposes; and, if they continue, it seems certain that they will be replaced or modified to meet inevitable substantial changes in forms and methods of railroad transportation. There have been more innovations and technological advances in the railroad industry within the past 10 years than in all of the preceding century. These improvements and advances must continue at an accelerated pace if the railroads are to retain a place in the competitive transportation picture.

In this situation, therefore, service lives and depreciation rates cannot properly be judged solely in terms of physical exhaustion of assets. Prime consideration must be given to the factors of obsolescence and economic useful life. In brief, depreciation rates must be based on present experience and expectations rather than on past history. Private enterprise cannot be expected to make the large investments required in the railroad plant if depreciation deductions are to be geared to imputed lives double and treble those justified by their economic efficiency.

It is perfectly clear that with inadequate operating earnings, inability to resort to equity financing for capital funds, equipment trust financing becoming increasingly costly, and relatively little free cash available from undepreciable property, relief in some form must be provided if the railroads are to continue their essential service in the future as they have in the past.

Legislation is necessary because of the untenable position in which the railroad industry finds itself as the owner of historically long-lived property which does not, in this modern day and age, actually have a long economic useful life. It is proposed that no more than the cost of the property, less salvage, is to be recovered through depreciation charges. The cost simply is to be recovered in a more reasonable period of time.

Accordingly, I introduce, for appropriate reference, a bill which would amend the Internal Revenue Code of 1954 so as to authorize any railroad, subject to Part I of the Interstate Commerce Act, to compute its reasonable allowance for depreciation, provided by the code, by electing, under regulations prescribed by the Secretary of the Treasury or his delegate, first, to treat any property other than rolling stock acquired on or after January 1, 1959, as having a maximum useful life of 20 years, and rolling stock as having a maximum useful life of 15 years, and second, to treat any property other than rolling stock acquired before January 1, 1959, as having a remaining useful life of 20 years, and rolling stock as having a remaining useful life of 15 years.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3765) to amend the Internal Revenue Code of 1954, as amended, introduced by Mr. HARTKE, was received, read twice by its title, and referred to the Committee on Finance.

YICK YUEN LEE

Mr. MORSE. Mr. President, I introduce a bill for the relief of Yick Yuen Lee, the adopted child of Mr. and Mrs. Soon Lee who are residents of my State. My bill would grant nonquota immigrant status to Yick Yuen Lee, a native and citizen of China and now living in Hong Kong, British Crown Colony.

When Mr. and Mrs. Soon Lee were last in China in 1953 they took care of and became attached to the 3-year-old son of Soon Lee's nephew, and the adoption was subsequently entered into by a written agreement with the child's parents in Hong Kong in 1957. However, the adopted child was not in the physical custody of the adoptive parents for at least 2 years in China and therefore does not qualify for nonquota status under the Immigration and Nationality Act.

Mr. President, this is another case where a young life may be rescued from the bitter fate of poverty and starvation being endured by and facing the refugees and their children who have managed to escape from the Communist regime of the Peoples' Chinese Republic. I ask for sympathetic consideration at the earliest possible time of the bill I am introducing for this purpose, that it be appropriately referred, and printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3774) for the relief of Yick Yuen Lee, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Yick Yuen Lee, shall be held and considered to be the natural-born alien child of Soon Lee, a citizen of the United States: *Provided,* That the natural parents of the said Yick Yuen Lee shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

NATIONAL TEACHERS RECOGNITION DAY

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a joint resolution which would authorize the President to proclaim the fourth Wednesday in April as National Teachers Recognition Day.

The National Education Association has designated the month of April as Teacher Career Month in an effort to interest the youth of America in the teaching profession. The task of properly stimulating and guiding our developing citizens is a most important function of our society and those who accept this task as their life's work are making a most valuable contribution to the welfare of our Nation.

Too often we take for granted the dedication of the individuals involved in this vital vocation and we do not acknowledge sufficiently one of our leading professional groups. In conjunction with Teacher Career Month, we should correct this situation by recognizing those who educate our citizenry and it is toward this objective that I submit the resolution, designating the fourth Wednesday in April of each year as National Teachers' Recognition Day.

The text of the resolution is as follows:

Whereas the teachers of America are the base of our educational system which in turn will mold the character of our citizens of tomorrow; and

Whereas the teachers make up one of the leading professional groups in our Nation; and

Whereas the teachers, who are so necessary for the advancement of our society, often have their valuable contributions to it taken for granted; and

Whereas individual teachers have been responsible for inspiring and developing many of our leading citizens: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the fourth Wednesday in April as National Teachers Recognition Day, and inviting people of the United States to celebrate such a day with appropriate ceremonies and activities.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 212) designating the fourth Wednesday in April as National Teachers Recognition Day, introduced by Mr. JAVITS, was

received, read twice by its title, and referred to the Committee on the Judiciary.

COMMEMORATION OF 100TH ANNIVERSARY OF ADMISSION OF KANSAS INTO THE UNION

Mr. SCHOEPPEL. Mr. President, on behalf of myself and my colleague, the junior Senator from Kansas [Mr. CARLSON], I introduce, for appropriate reference, a joint resolution authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th anniversary of the admission of the State of Kansas into the Union.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 214) authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th aniversary of the admission of the State of Kansas into the Union, introduced by Mr. SCHOEPPEL (for himself and Mr. CARLSON) was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. CARLSON. Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue, on or before January 29, 1961 (the one-hundredth anniversary of the date on which the State of Kansas was admitted into the Union), a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the one-hundredth anniversary of the admission of the State of Kansas into the Union.

DESIGNATION OF EASTERN ORTHODOXY AS A MAJOR FAITH

Mr. CASE of New Jersey. Mr. President, I submit, for appropriate reference, a resolution to designate the Eastern Orthodox Churches as a major faith in the United States.

The Eastern Orthodox Churches, by universal consent, constitute one of the major divisions of worldwide Christianity. The Eastern Orthodox family of churches, third in membership among Christian faiths, is surpassed by only four among the great non-Christian religion of the world: the Moslem, Hindu, Confucian, and Buddhist beliefs. In the United States, membership in the various Eastern Orthodox Churches is conservatively estimated, by the National Council of Churches, at 2,545,318. Thus, in the United States, Orthodoxy ranks fourth in membership among the broad religious groups, being surpassed only by the Roman Catholic, Protestant, and Jewish faiths.

The Eastern Orthodox Churches are a well defined group. Both in the world generally, and in the United States, they claim a membership entitling Orthodoxy to rank as a major faith. To those who may fear that the precedent here set may open the door to similar claims by numerous other faiths, it may be pointed out that no other, among the great world faiths not now recognized by the Government of the United States, has a comparable membership in the United States.

The proposed resolution does not envisage any expenditure of money, or any action in support or preference of the Eastern Orthodox faith. It is intended as public recognition of the fact that the American citizens of Eastern Orthodox faith constitute a substantial segment of our community, separate from the three major faiths hitherto recognized, and justly entitled to courteous consideration in any Federal action or statement related to religious matters.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 346) was referred to the Committee on the Judiciary, as follows:

SENATE RESOLUTION 346

Whereas the Eastern (Greek) Orthodox Church is a major faith in the United States and throughout the world; and

Whereas Senate bill 106, 84th Congress, led to the designation of the Eastern Orthodox faith as a separate religious faith in the Armed Forces of the United States; and

Whereas several Federal agencies have omitted Eastern Orthodoxy in projects which Protestant, Catholic, and Jewish faiths have been invited to participate; and

Whereas more than half of the States in the United States through their legislators have passed resolutions recognizing Eastern Orthodoxy as a major religious faith; and

Whereas the Eastern Orthodox faith has millions of communicants throughout the world including several million in the United States; and

Whereas where anything is said concerning the major faiths, usually the Protestant, Catholic, and Jewish faiths are referred to; and

Whereas it therefore follows that a religious distinction is being made in omitting the Eastern Orthodox Church, which is contrary to the prevailing principle of democracy and freedom of religion in this country: Now, therefore, be it

Resolved by the Senate, That the Eastern Orthodox Church is a major faith in this country; and that all references by Federal agencies to major faiths now limited to Protestants, Catholics, and Jews include the Eastern Orthodox Church.

AMENDMENT OF CODE TO AUTHORIZE INTERCEPTION OF CERTAIN COMMUNICATIONS—AMENDMENT

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the bill (S. 3340) to amend title 18 of the United States Code to authorize certain communications to be intercepted in compliance with State law, and for other purposes, which was ordered to lie on the table and to be printed.

SOCIAL SECURITY AMENDMENTS OF 1960—AMENDMENTS

Mr. HUMPHREY submitted amendments, intended to be proposed by him, to the bill (H.R. 12580) to extend and improve coverage under the Federal Old-Age, Survivors, and Disability Insurance System and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

Mr. HUMPHREY (for himself and Mr. JAVITS) submitted an amendment, intended to be proposed by them, jointly, to House bill 12580, supra, which was referred to the Committee on Finance and ordered to be printed.

U.S. PARTICIPATION IN RESETTLEMENT OF CERTAIN REFUGEES—AMENDMENT

Mr. FONG submitted an amendment, intended to be proposed by him to the joint resolution (H.J. Res. 397) to enable the United States to participate in the resettlement of certain refugees, which was ordered to lie on the table and be printed.

INTERNATIONAL FOOD AND RAW MATERIALS RESERVE—ADDITIONAL COSPONSOR OF RESOLUTION

Mr. MURRAY. Mr. President, I ask unanimous consent that the name of the Senator from Alabama [Mr. SPARKMAN] be added to the sponsors of Senate Resolution 340, in regard to an international food and raw materials reserve. Inasmuch as the resolution has been printed, I request that his name be added to any new print which may become necessary.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 12052) to extend the Defense Production Act of 1950, as amended, for an additional 2 years.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 12231) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHEPPARD, Mr. SIKES, Mr. CANNON, Mr. JONAS, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills,

in which it requested the concurrence of the Senate:

H.R. 7885. An act relating to the income tax treatment of nonrefundable capital contributions to Federal National Mortgage Association;

H.R. 8697. An act to amend the District of Columbia Redevelopment Act of 1945 with respect to the requirements for adoption of a redevelopment plan for a project area;

H.R. 8860. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes;

H.R. 10346. An act to amend the District of Columbia Sales Tax Act so as to increase the rate of tax imposed on gross receipts from certain sales, and for other purposes;

H.R. 12483. An act to amend section 801 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901;

H.R. 12497. An act to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations; and

H.R. 12563. An act to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 7885. An act relating to the income tax treatment of nonrefundable capital contributions to Federal National Mortgage Association; to the Committee on Finance.

H.R. 8697. An act to amend the District of Columbia Redevelopment Act of 1945 with respect to the requirements for adoption of a redevelopment plan for a project area;

H.R. 10346. An act to amend the District of Columbia Sales Tax Act so as to increase the rate of tax imposed on gross receipts from certain sales, and for other purposes;

H.R. 12483. An act to amend section 801 of the act entitled "An Act to establish a code of law for the District of Columbia," approved March 3, 1901;

H.R. 12497. An act to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations; and

H.R. 12563. An act to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended; to the Committee on the District of Columbia.

H.R. 8860. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other lands, and for other purposes; to the Committee on Interior and Insular Affairs.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JOHNSON of Texas:

Statement released by the organization, Soul of America, Potomac, Md.

By Mr. WILEY:

Article entitled "Text of Eisenhower's Report on His Trip," published in the Washington Post and Times Herald of today, June 28, 1960.

THE OLD SWIMMIN' HOLE

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may be permitted to proceed for 5 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, although the month of June is the only month that has not witnessed the birth of an American President, it can lay claim to the June wedding, and especially is it remembered because it ushers in summer, that season most wished for by the typical American schoolboy. It is then that he can lay aside his schoolbooks and while away the hours down at the old swimming hole or by some cool mountain stream waiting for a nibble at the hook. I can see him with the tousled hair and patched overalls, with the hole in his worn straw hat, and with his faithful dog at his side. For him the world has no cares except one—summer will end and then the whining schoolboy, with his satchel and shining morning face, will go creeping like a snail unwilling to school.

Summer is here again, and, although I can never again experience the summer thrills of my boyhood years, I shall never cease to enjoy walking back through memory's garden to the old swimming hole of yesteryear. There I meet again with the friends of my youth and lose the cares of my manhood. Perhaps Shakespeare was right when he said that the "last scene of all, that ends this strange eventful history, is second childishness and mere oblivion, sans teeth, sans eyes, sans taste, sans everything."

But I prefer to believe that even in that last and seventh age of man he is not without everything. He still may be possessed of the resplendent memories of the happy summers of those bygone years.

Mr. President, 77 years ago, James Whitcomb Riley issued the little collection entitled "The Old Swimmin' Hole and 'Leven More Poems." I am reminiscing today as I recall those lines so expressive of my own youth and my own thoughts at this time.

Oh! the old swimmin' hole! whare the crick so still and deep
Looked like a baby-river that was laying half asleep,
And the gurgle of the worter round the drift jest below
Sounded like the laugh of something we onc't ust to know
Before we could remember anything but the eyes
Of the angels lookin' out as we left Paradise;
But the merry days of youth is beyond our controle,
And it's hard to part ferever with the old swimmin' hole.

Oh! the old swimmin' hole! In the happy days of yore,
When I ust to lean above it on the old sickamore,
Oh! it showed me a face in its warm sunny tide
That gazed back at me so gay and glorified,
It made me love myself, as I leaped to caress
My shadder smilin' up at me with sich tenderness.
But them days is past and gone, and old Time's tuck his toll
From the old man come back to the old swimmin' hole.

Oh! the old swimmin' hole! In the long, lazy days
When the hum-drum of school made so many run-a-ways,
How pleasant was the journey down the old dusty lane,
Whare the tracks of our bare feet was all printed so plane
You could tell by the dent of the heel and the sole
They was lots o' fun on hand at the old swimmin' hole.
But the lost joys is past! Let your tears in sorrow roll
Like the rain that ust to dapple up the old swimmin' hole.

Thare the bulrushes growed, and the cattails so tall,
And the sunshine and shadder fell over it all;
And it mottled the worter with amber and gold
Tel the glad lilies rocked in the ripples that rolled;
And the snake-feeder's four gauzy wings fluttered by
Like the ghost of a daisy dropped out of the sky,
Or a wownded apple-blossom in the breeze's controle
As it cut acrost some orchurd to'rds the old swimmin' hole.

Oh! the old swimmin' hole! When I last saw the place,
The scenes was all changed, like the change in my face;
The bridge of the railroad now crosses the spot
Whare the old divin' log lays sunk and fergot.
And I stray down the banks whare the trees ust to be—
But never again will theyr shade shelter me!
And I wish in my sorrow I could strip to the soul,
And dive off in my grave like the old swimmin' hole.

WHY THE ANTARCTIC TREATY SHOULD NOT BE RATIFIED

Mr. DODD. Mr. President, since it appears that we will soon be called upon to give our advice and consent to the Anctarctic Treaty, I wish to make my views on this treaty known now. So I speak to oppose the ratification of the Antarctic Treaty.

This treaty was signed in Washington on December 1, 1959, by the United States, the Soviet Union, Great Britain, and nine other countries who participated in the Antarctic phase of the International Geophysical Year program of 1956–58.

The treaty provides that the Antarctic shall be used for peaceful purposes only; calls for freedom of scientific investigation and international cooperation in science; and bans military bases and

nuclear tests in the area. It freezes claims and rights to claims at their present status, without requiring that any of the contracting parties recognize the claims of the other parties; and it rules out any new claim or enlargement of an existing claim while the treaty is in force.

To those who are unfamiliar with the history of the Antarctic, all of this may sound innocent enough. But in reality the treaty is an act of appeasement. It endangers our security. It is a clear betrayal of our national interest. It is a sorry example of the spinelessness and pathological softheadedness that has affected our foreign policy over the past 2 years.

I wish to make it clear that I do not accuse the administration of engaging in a deliberate act of appeasement or the Foreign Relations Committee of approving such an act. But objectively the Antarctic Treaty does constitute appeasement, because it surrenders or partially surrenders something we have in the hope that this will somehow nullify and improve relations with an implacable adversary.

OUR RIGHTS IN THE ANTARCTIC CONTINENT

The Antarctic Treaty is not an incident in itself. It is part of the broad pattern of catastrophe that first became manifest in mid-1958, at a time when John Foster Dulles' physical energies were already waning. It ties in with the indecent haste with which we called for a nuclear test ban conference in June of 1958; with the surrender of our nuclear superiority through the voluntary observance of a total moratorium on nuclear testing; with our decision to enter into negotiations on Berlin without demanding a formal retraction of Khrushchev's ultimatum; with the West's pitiful record of unbroken retreats at the Foreign Ministers conference in Geneva last year; with our shameless invitation to Khrushchev to visit our country.

It is noteworthy that this treaty was conceived in May of 1958, approximately at the time we issued our call for the Geneva test ban conference, and that it was signed on December 1, 1959, a little over 2 months after Khrushchev's triumphal tour of the United States. The treaty, in short, is the spawn of the illness of coexistence euphoria from which we suffered until the U-2 incident and the Paris summit conference jolted us awake.

What sets this surrender apart from all of our other retreats and concessions is the fact that it was completely gratuitous. The Soviets did not demand a treaty, nor did they exercise any pressure or issue any ultimatum. As the State Department has explained, the initiative was entirely ours. We convened the conference and we presented the draft of the treaty. The fact that the Kremlin signed the treaty with such unconcealed eagerness should have caused some of those in charge of our foreign policy to pause and think. Apparently, it did not.

The Antarctic Continent is a vast area, as large as the United States and Europe put together. It has untold mineral resources which someday will be tapped. Its strategic position at the bottom of the world places it within easy reach of three continents—South America, Africa, and Australia. In the hands of the free world, the Antarctic Continent could not, by any stretch of the imagination, constitute a threat to the Soviet Union. But Soviet bases on the Antarctic Continent would constitute a serious threat to the security of the entire free world.

By all the standards that commonly apply, the United States can claim sovereignty over the better part of the Antarctic Continent. Seven other nations of the free world—Great Britain, France, Norway, Chile, Argentina, Australia, New Zealand—had carried on activities in the Antarctic prior to the International Geophysical Year. On the basis of these activities, these nations had filed claim to certain portions of the continent.

Prior to the International Geophysical Year, the Soviet Union's activity in the Antarctic was zero. It had claimed nothing, and it had reserved no rights, for the simple reason that it was not in the position to do either.

In 1775, the British explorer, Capt. James Cooke, crossed the Antarctic Circle and circumnavigated the Antarctic Continent—but without ever seeing it. In 1821, the Russian explorer Admiral von Bellinghausen also crossed the Antarctic Circle. But his records indicate that while he sighted two islands lying near the continent, he did not at any point sight the continent itself.

There is every reason to believe that the first man to see the continent of Antarctica was the American sealing captain, Nathaniel Brown Palmer, who sailed from Stonington in my home State of Connecticut where his descendants still live. From 1830 to 1890 there were more than 28 expeditions to the Antarctic by the sealers of New England. Our sealing ships occupied islands, landed boat crews on the continent, and succeeded in giving this country claims to the area which were never properly investigated or exploited.

In 1839, Capt. Charles Wilkes, an enterprising U.S. naval officer, first proved the existence of the Antarctic Continent by sailing for thousands of miles along its coastline, making sightings and drawings as he went. Captain Wilkes' claims resulted in his court-martial on his return home and Europeans were prone to ridicule them until recently. In an article on January 10 of this year, however, the New York Times stated that Australian explorers in the Antarctic had come up with findings which substantially vindicate Wilkes.

By all counts, we can claim priority in the Antarctic. But beyond this, the scale of our total effort in the Antarctic dwarfs that of all of the other nations combined.

We owe our unrivaled record in the Antarctic primarily to the imagination, courage, persistence and faith of one American—the late Adm. Richard E. Byrd. Admiral Byrd was the first man to fly over the South Pole and the first man to use the airplane as an instrument of exploration in the Antarctic. He was also the only man who ever spent the winter night alone in the shadow of the South Pole. Through his two privately financed expeditions in 1928 and 1934, through the U.S. Antarctic Service Expedition which he headed in 1939, through his Operation High Jump in 1946, Byrd was responsible for the exploration of more than 1 million square miles of the Antarctic Continent. Throughout the world, even in the Soviet Union, the name of Admiral Byrd became synonymous with the Antarctic.

The success of Admiral Byrd inspired other Americans to join in the task. Lincoln Ellsworth in 1935 and Capt. Finn Ronne in 1946 also flew over and explored substantial parts of the Antarctic Continent.

Our efforts since the inception of the International Geophysical Year of 1956 have been on a gigantic scale. Scores of ships have been involved and thousands of men. As a result of this activity, it is now estimated that Americans have explored from the air and on the ground perhaps as much as 4 million square miles, or 80 percent of the Antarctic Continent.

As long as I live, I shall never be able to understand why the United States filed no claim to any portion of the Antarctic, while other nations with much more modest records of accomplishments, filed claims as early as 20 years ago. I confess I do not understand the logic of the position which simply reserves the right to file claims at some future date.

I shall also never be able to understand why the free nations who had legitimate interest and records of accomplishment in the Antarctic failed to take the only measure that could have prevented the Soviet Union from becoming an Antarctic power as a result of its participation in International Geophysical Year. I feel that a conference between the United States and the seven other claimant nations, prior to the International Geophysical Year, could have resolved the question of claims. At the very least, the effort should have been made.

I agree with the distinguished Senator from California and the distinguished Senator from Alaska that the central effect of the Antarctic treaty will be to invalidate our very great rights in the Antarctic.

Article 4 of the treaty says:

> Nothing contained in the present treaty shall be interpreted as: (a) Renunciation by any contracting party of previously asserted rights of or claims to territorial sovereignty in Antarctica; (b) a renunciation or diminution by any contracting party of any basis of claim to territorial sovereignty in Antarctia which they may have, whether as a result of its activities or those of its nationals in Antarctia or otherwise; (c) prejudicing the position of any contracting party as regards its recognition or nonrecognition of any other state's rights or claim or basis of claim to territorial sovereignty in Antarctica.

The State Department spokesman before the Foreign Relations Committee, Mr. Herman Phleger, stated that the

treaty "does not relinquish in one iota any claim or basis of claim of the United States of America."

I challenge this.

Claims that are not asserted, like muscles that are not used, lose their force and legal validity.

Despite our vast activity in the Antarctic, our rights become more tenuous with each passing year that we do not claim them. If we fail to assert our rights in advance of offering the proposed treaty, I see little reason to believe that we will become more aggressive in this respect once the treaty is signed.

I believe that Dr. Philip Jessup, former U.S. Ambassador at Large, who testified in favor of the treaty, hit the nail on the head when he said:

> It would prevent the development of previously asserted claims of other countries to parts of Antarctic.

By the same token, would it not prevent the development of our own claim?

The treaty also stipulates that no activities carried out in Antarctica during its 30-year term can be the basis of any new claim or support any old claim. Which nation loses the most from this stipulation? Obviously—the United States. Because it can be taken for granted that over the coming 30 years our effort in Antarctica will continue to be the largest, the costliest, the most intensive, and the most productive.

The treaty prohibits the establishment of bases in the Antarctic and also prohibits all nuclear weapons tests and disposal of nuclear waste. It provides for unilateral rights of inspection of scientific bases and of ships operating in the Antarctic, and for the unlimited right of overflight.

The arguments advanced in favor of these provisions are spurious at every point.

In the test ban negotiations in Geneva we have consistently taken the position—although I admit we have compromised this in recent months—that a test ban must be accompanied by an adequate system of inspection. Adequate inspection would be impossible in the Antarctic without a gigantic system of control stations and aerial surveillance. Even then, deep underice and deep underwater tests could be conducted without any risk of detection.

In some of the testimony before the Senate Foreign Relations Committee this inspection system was described as foolproof. This foolproof inspection system is meaningless because it can detect nothing. It is also silly and dangerous. Imagine the charges that would start flying back and forth and the tensions that would be generated if the Soviets, acting unilaterally, boarded our ships to inspect them, while American crewmen, acting under our own unilateral right, boarded Soviet ships to inspect them.

As far as the continent of Antarctica is concerned, we have, in effect, concluded a geographically limited test ban treaty on Soviet terms. As I see it, the agreement undercuts our entire position in Geneva. The Kremlin would have logic entirely on its side if it now proposed the extension of this agreement to the Pacific, the south Atlantic, and other parts of the world.

Why have we surrendered our rights in Antarctica in this way? Why have we legitimized in perpetuity the Soviet presence there?

I say "in perpetuity" advisedly. Although the IGY ended in 1958, the Soviet still maintains its five bases in Antarctica. It is now bringing in its satellites. One base is to be turned over to Poland, and another may be turned over to Czechoslovakia.

Two reasons were advanced in support of our surrender in testimony before the Foreign Affairs Committee.

Mr. Phleger, the State Department representative, appealed for a realistic attitude. He pointed out that the Soviet Union has refused to recognize any claims in the Antarctic and has asserted the right to move freely throughout the continent without asking the permission of anyone. Since Australia and some of the Latin American countries were understandably frightened by this development, said Mr. Phleger, it was important to have a treaty preventing the use of Antarctica for military purposes.

This argument, I believe, needs no further demolition than the published record of Soviet violations of virtually every treaty it has entered into.

I was much more shocked by the argument presented by Dr. Jessup. Dr. Jessup said that—I quote—"Just as soon as the United States began to stake out a claim for sovereignty, the Soviet Union would follow suit, and perhaps could not be prevented except by force, which could lead to war." "I have seen no argument," he said, "which suggests that it is so important for the United States to be the sole sovereign of Antarctica or some part of it, that we should necessarily go to war to secure it."

Even in Antarctica where there is not 1 chance in 100,000,000 that the Kremlin would or could go to war, the apostles of appeasement hold up the specter of world war to panic us into the surrender of our rights. I can only say that if we continue to yield to such blackmail, then we shall as a Nation deserve the fate that will inevitably overtake us.

The final argument in favor of the treaty is that the State Department—which convened the conference and proposed the treaty—would be seriously embarrassed if we failed to ratify it. My reply to this is that it is not the duty of the Senate to save the State Department from the consequences of is own folly. It is our clear duty to protect the national interest, and to pass on treaties in the light of their intrinsic merits.

The Antarctic treaty is a bad treaty and should not be ratified. At the very least, as the distinguished Senator from Alaska has suggested, the treaty should be revised and ratification should be delayed until the United States has formalized its rights and its claims in Antarctica, and has resolved the matter of territorial sovereignty with the seven other free nations who had claims in the Antarctic prior to International Geophysical Year.

Mr. President, I ask unanimous consent to have the text of the Antarctic treaty entered into the RECORD at this point.

There being no objection, the text of the treaty was ordered to be printed in the RECORD, as follows:

THE ANTARCTIC TREATY

The Governments of Argentina, Australia, Belgium, Chile, the French Republic, Japan, New Zealand, Norway, the Union of South Africa, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America,

Recognizing that it is in the interest of all mankind that Antarctica shall continue forever to be used exclusively for peaceful purposes and shall not become the scene or object of international discord;

Acknowledging the substantial contributions to scientific knowledge resulting from international cooperation in scientific investigation in Antarctica;

Convinced that the establishment of a firm foundation for the continuation and development of such cooperation on the basis of freedom of scientific investigation in Antarctica as applied during the International Geophysical Year accords with the interests of science and the progress of all mankind;

Convinced also that a treaty ensuring the use of Antarctica for peaceful purposes only and the continuance of international harmony in Antarctica will further the purposes and principles embodied in the Charter of the United Nations;

Have agreed as follows:

ARTICLE I

1. Antarctica shall be used for peaceful purposes only. There shall be prohibited, *inter alia*, any measures of a military nature, such as the establishment of military bases and fortifications, the carrying out of military maneuvers, as well as the testing of any type of weapons.

2. The present Treaty shall not prevent the use of military personnel or equipment for scientific research or for any other peaceful purpose.

ARTICLE II

Freedom of scientific investigation in Antarctica and cooperation toward that end, as applied during the International Geophysical Year, shall continue, subject to the provisions of the present Treaty.

ARTICLE III

1. In order to promote international cooperation in scientific investigation in Antarctica, as provided for in Article II of the present Treaty, the Contracting Parties agree that, to the greatest extent feasible and practicable:

(a) information regarding plans for scientific programs in Antarctica shall be exchanged to permit maximum economy and efficiency of operations;

(b) scientific personnel shall be exchanged in Antarctica between expeditions and stations;

(c) scientific observations and results from Antarctica shall be exchanged and made freely available.

2. In implementing this Article, every encouragement shall be given to the establishment of cooperative working relations with those Specialized Agencies of the United Nations and other international organizations having a scientific or technical interest in Antarctica.

ARTICLE IV

1. Nothing contained in the present Treaty shall be interpreted as:

(a) a renunciation by any Contracting Party of previously asserted rights of or claims to territorial sovereignty in Antarctica;

(b) a renunciation or diminution by any Contracting Party of any basis of claim to

territorial sovereignty in Antarctica which it may have whether as a result of its activities or those of its nationals in Antarctica, or otherwise;

(c) prejudicing the position of any Contracting Party as regards its recognition or non-recognition of any other State's right of or claim or basis of claim to territorial sovereignty in Antarctica.

2. No acts or activities taking place while the present Treaty is in force shall constitute a basis for asserting, supporting or denying a claim to territorial sovereignty in Antarctica or create any rights of sovereignty in Antarctica. No new claim, or enlargement of an existing claim, to territorial sovereignty in Antarctica shall be asserted while the present Treaty is in force.

ARTICLE V

1. Any nuclear explosions in Antarctica and the disposal there of radioactive waste material shall be prohibited.

2. In the event of the conclusion of international agreements concerning the use of nuclear energy, including nuclear explosions and the disposal of radioactive waste material, to which all of the Contracting Parties whose representatives are entitled to participate in the meetings provided for under Article IX are parties, the rules established under such agreements shall apply in Antarctica.

ARTICLE VI

The provisions of the present Treaty shall apply to the area south of 60° South Latitude, including all ice shelves, but nothing in the present Treaty shall prejudice or in any way affect the rights, or the exercise of the rights of any State under international law with regard to the high seas within that area.

ARTICLE VII

1. In order to promote the objectives and ensure the observance of the provisions of the present Treaty, each Contracting Party whose representatives are entitled to participate in the meetings referred to in Article IX of the Treaty shall have the right to designate observers to carry out any inspection provided for by the present Article. Observers shall be nationals of the Contracting Parties which designate them. The names of observers shall be communicated to every other Contracting Party having the right to designate observers, and like notice shall be given of the termination of their appointment.

2. Each observer designated in accordance with the provisions of paragraph 1 of this Article shall have complete freedom of access at any time to any or all areas of Antarctica.

3. All areas of Antarctica, including all stations, installations and equipment within those areas, and all ships and aircraft at points of discharging or embarking cargoes or personnel in Antarctica, shall be open at all times to inspection by any observers designated in accordance with paragraph 1 of this Article.

4. Aerial observation may be carried out at any time over any or all areas of Antarctica by any of the Contracting Parties having the right to designate observers.

5. Each Contracting Party shall, at the time when the present Treaty enters into force for it, inform the other Contracting Parties, and thereafter shall give them notice in advance, of

(a) all expeditions to and within Antarctica, on the part of its ships or nationals, and all expeditions to Antarctica organized in or proceeding from its territory;

(b) all stations in Antarctica occupied by its nationals; and

(c) any military personnel or equipment intended to be introduced by it into Antarctica subject to the conditions prescribed in paragraph 2 of Article I of the present Treaty.

ARTICLE VIII

1. In order to facilitate the exercise of their functions under the present Treaty, and without prejudice to the respective positions of the Contracting Parties relating to jurisdiction over all other persons in Antarctica, observers designated under paragraph 1 of Article VII and scientific personnel exchanged under subparagraph 1(b) of Article III of the Treaty, and members of the staffs accompanying any such persons, shall be subject only to the jurisdiction of the Contracting Party of which they are nationals in respect of all acts or omissions occurring while they are in Antarctica for the purpose of exercising their functions.

2. Without prejudice to the provisions of paragraph 1 of this Article, and pending the adoption of measures in pursuance of subparagraph 1(e) of Article IX, the Contracting Parties concerned in any case of dispute with regard to the exercise of jurisdiction in Antarctica shall immediately consult together with a view to reaching a mutually acceptable solution.

ARTICLE IX

1. Representatives of the Contracting Parties named in the preamble to the present Treaty shall meet at the City of Canberra within two months after the date of entry into force of the Treaty, and thereafter at suitable intervals and places, for the purpose of exchanging information, consulting together on matters of common interest pertaining to Antarctica, and formulating and considering, and recommending to their Governments, measures in furtherance of the principles and objectives of the Treaty, including measures regarding:

(a) use of Antarctica for peaceful purposes only;

(b) facilitation of scientific research in Antarctica;

(c) facilitation of international scientific cooperation in Antarctica;

(d) facilitation of the exercise of the rights of inspection provided for in Article VII of the Treaty;

(e) questions relating to the exercise of jurisdiction in Antarctica;

(f) preservation and conservation of living resources in Antarctica.

2. Each Contracting Party which has become a party to the present Treaty by accession under Article XIII shall be entitled to appoint representatives to participate in the meetings referred to in paragraph 1 of the present Article, during such time as that Contracting Party demonstrates its interest in Antarctica by conducting substantial scientific research activity there, such as the establishment of a scientific station or the despatch of a scientific expedition.

3. Reports from the observers referred to in Article VII of the present Treaty shall be transmitted to the representatives of the Contracting Parties participating in the meetings referred to in paragraph 1 of the present Article.

4. The measures referred to in paragraph 1 of this Article shall become effective when approved by all the Contracting Parties whose representatives were entitled to participate in the meetings held to consider those measures.

5. Any or all of the rights established in the present Treaty may be exercised as from the date of entry into force of the Treaty whether or not any measures facilitating the exercise of such rights have been proposed, considered or approved as provided in this Article.

ARTICLE X

Each of the Contracting Parties undertakes to exert appropriate efforts, consistent with the Charter of the United Nations, to the end that no one engages in any activity in Antarctica contrary to the principles or purposes of the present Treaty.

ARTICLE XI

1. If any dispute arises between two or more of the Contracting Parties concerning the interpretation or application of the present Treaty, those Contracting Parties shall consult among themselves with a view to having the dispute resolved by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, or other peaceful means of their own choice.

2. Any dispute of this character not so resolved shall, with the consent, in each case, of all parties to the dispute, be referred to the International Court of Justice for settlement, but failure to reach agreement on reference to the International Court shall not absolve parties to the dispute from the responsibility of continuing to seek to resolve it by any of the various peaceful means referred to in paragraph 1 of this Article.

ARTICLE XII

1. (a) The present Treaty may be modified or amended at any time by unanimous agreement of the Contracting Parties whose representatives are entitled to participate in the meetings provided for under Atricle IX. Any such modification or amendment shall enter into force when the depository Government has received notice from all such Contracting Parties that they have ratified it.

(b) Such modification or amendment shall thereafter enter into force as to any other Contracting Party when notice of ratification by it has been reecived by the depositary Government. Any such Contracting Party from which no notice of ratification is received within a period of two years from the date of entry into force of the modification or amendment in accordance with the provisions of subparagraph 1(a) of this Article shall be deemed to have withdrawn from the present Treaty on the date of the expiration of such period.

2. (a) If after the expiration of thirty years from the date of entry into force of the present Treaty, any of the Contracting Parties whose representatives are entitled to participate in the meetings provided for under Article IX so requests by a communication addressed to the depositary Government, a Conference of all the Contracting Parties shall be held as soon as practicable to review the operation of the Treaty.

(b) Any modification or amendment to the present Treaty which is approved at such a Conference by a majority of the Contracting Parties there represented, including a majority of those whose representatives are entitled to participate in the meetings provided for under Article IX, shall be communicated by the depositary Government to all the Contracting Parties immediately after the termination of the Conference and shall enter into force in accordance with the provisions of paragraph 1 of the present Article.

(c) If any such modification or amendment has not entered into force in accordance with the provisions of subparagraph 1(a) of this Article within a period of two years after the date of its communication to all the Contracting Parties, any Contracting Party may at any time after the expiration of that period give notice to the depositary Government of its withdrawal from the present Treaty; and such withdrawal shall take effect two years after the receipt of the notice by the depositary Government.

ARTICLE XIII

1. The present Treaty shall be subject to ratification by the signatory States. It shall be open for accession by any State which is a Member of the United Nations, or by any other State which may be invited to accede to the Treaty with the consent of all the Contracting Parties whose representatives are entitled to participate in the meetings provided for under Article IX of the Treaty.

2. Ratification of or accession to the present Treaty shall be effected by each State in accordance with its constitutional processes.

3. Instruments of ratification and instruments of accession shall be deposited with the Government of the United States of America, hereby designated as the depositary Government.

4. The depositary Government shall inform all signatory and acceding States of the date of each deposit of an instrument of ratification or accession, and the date of entry into force of the Treaty and of any modification or amendment thereto.

5. Upon the deposit of instruments of ratification by all the signatory States, the present Treaty shall enter into force for those States and for States which have deposited instruments of accession. Thereafter the Treaty shall enter into force for any acceding State upon the deposit of its instrument of accession.

6. The present Treaty shall be registered by the depositary Government pursuant to Article 102 of the Charter of the United Nations.

ARTICLE XIV

The present Treaty, done in the English, French, Russian and Spanish languages, each version being equally authentic, shall be deposited in the archives of the Government of the United States of America, which shall transmit duly certified copies thereof to the Governments of the signatory and acceding States.

In witness whereof, the undersigned Plenipotentiaries, duly authorized, have signed the present Treaty.

Done at Washington this first day of December, one thousand nine hundred and fifty-nine.

For Argentina:
ADOLFO SCILINGO.
F. BELLO.

For Australia:
HOWARD BEALE.

For Belgium:
OBERT DE THIEUSIES.

For Chile:
MARCIAL MORA M.
E. GAJARDO.
JULIO ESCUDERO.

For the French Republic:
PIERRE CHARPENTIER.

For Japan:
KOICHIRO ASAKAI.
T. SHIMODA.

For New Zealand:
G. D. L. WHITE.

For Norway:
PAUL KOHT.

For the Union of South Africa:
WENTZEL C. DU PLESSIS.

For the Union of Soviet Socialist Republics:
V. KUZNETSOV [Romanization].

For the United Kingdom of Great Britain and Northern Ireland:
HAROLD CACCIA.

For the United States of America:
HERMAN PHLEGER.
PAUL C. DANIELS.

COMMITTEE MEETINGS DURING SESSION OF THE SENATE

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Committee on Foreign Relations.

The Committee on Finance.

The Subcommittee on Public Roads of the Committee on Public Works.

The Subcommittee on Public Health, Education, and Welfare of the Committee on the District of Columbia.

The Surface Transportation Subcommittee of the Committee on Interstate and Foreign Commerce.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Subcommittee on Labor of the Committee on Labor and Public Welfare be permitted to meet during the session of the Senate today.

Mr. KUCHEL. Mr. President, let the RECORD show that a Member of the minority has lodged with the minority leadership an objection to the pending unanimous consent request. On that basis, as acting minority leader, I object.

The PRESIDING OFFICER (Mr. Moss in the chair). Objection is heard.

GRAVE SERIOUSNESS OF UNEMPLOYMENT

Mr. PROXMIRE. Mr. President, on a Sunday telecast a distinguished woman leader of the Republican Party, appearing as a Republican spokesman, asserted that our country has never had such a low level of unemployment.

Mr. President, this absolutely erroneous notion is tragically widespread. Too few people realize that unemployment in this country today is a deeply serious problem. The fact is that a higher percentage of our people seeking work are without it than in any month with very few exceptions, including recession months, in the past 20 years. A whopping 3½ million Americans are seeking work without success this very day.

This is especially ominous because on most other indices of business we are in a period of relative prosperity. If a huge 5 percent of our workers are out of work now, what will the situation be when the business cycle coasts into the next recession? I might indicate at this point that there is a higher proportion by far of persons out of work in this country than in any other free country in the world.

Mr. President, another woman who has a deep and well documented understanding and appreciation of our unemployment problems, Sylvia Porter, has sympathetically and expertly discussed this problem in a recent column and I ask unanimous consent that the column be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOBLESS PROBLEM UNSOLVED

(By Sylvia Porter)

After a business advance lasting more than 2 years and pushing the Nation's output above a half-trillion dollars a year, 5 percent of all Americans able and willing to work are still jobless.

This 5 percent is not just a statistic on an economist's chart. It is "people," and not one authority even pretends that this percentage of unemployed men and women isn't big at this late stage in the business rise. It is "politics," and not one responsible politician in either party pretends that the percentage of unemployed won't be an election issue.

Why, then, is it that unemployment is continuing at this level and in 91 areas, including Detroit and Providence, joblessness is officially tagged as "substantial," "chronic," and a "persistent problem"?

REASONS ARE LISTED

It is imperative to understand the "why" before we can figure out what to do about it. So here goes:

1. Unemployment is high because machines and men at work are capable of turning out more goods in a shorter time than ever before.

Productivity—output per man per hour—has been increasing steadily, and recently at an accelerating rate. Automation is paying off. Modernization is paying off. The informed estimate is that productivity this year is up 3 percent over 1959 and some experts believe the percentage is bigger.

1. Unemployment is high because every year thousands of new workers enter the labor force.

In the past decade the average increase in the labor force ran about 857,000 a year. In this decade, the estimate is that the labor force will be swelling at 1 to 2 percent a year.

3. Unemployment is high because the Nation is not growing fast enough to create sufficient new jobs to offset jobs lost through increased production efficiency and to absorb the expanding volume of workers.

All you need do is look at the few statistics in this column. Obviously, a national growth rate of at least 4 percent, and more probably 5 percent, is essential to offset a rise in productivity of 3 to 4 percent and an expansion of workers of 1 to 2 percent a year. There can be many arguments about precisely how fast we are growing, but we certainly aren't hitting the 4- to 5-percent rate now.

WHAT TO DO

Simply as this is put, it dramatizes why joblessness has mounted even during the most prosperous decade of our history. What then, can be done about it?

A superficial answer might be, "Cut the work week; spread the number of jobs." But that is superficial. We'll cut the work week, but not sufficiently to erase the problem of joblessness.

The only fundamental answer lies in a speedup in our rate of growth—and here we cannot expect that we'll be able to achieve this simply by turning out more houses, more cars, more TV, etc. Those answers were adequate in 1950, but they aren't for 1960.

In the 1960's we must look for the speedup through the invention of new products, new industries which will electrify demand. We must look for growth in the building of better and more highways, schools, hospitals, waterways, sewers, the like. We must look for it in the rehabilitation of cities, in meeting the needs of our expanding teenage and over-65 population.

Once we understand clearly why joblessness is a long-term problem, the debate on how to spur growth in many of these areas can be placed on a level which will produce the right answers. Just understanding the problem will help us toward the solution.

SENIOR CITIZEN DESCRIBES FIGHT FOR SURVIVAL IN FACE OF HIGH MEDICAL COSTS

Mr. PROXMIRE. Mr. President, letters from Wisconsin's older residents continue to pour in, pleading for assistance in meeting mounting medical costs through the fiscally sound and responsible use of the present social security system. For instance, a constituent has written me of the cruel financial burden for him and his wife because of asthma, dental surgery, and expensive drugs on a pitifully small social security income. I ask unanimous consent that his letter may be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

I am writing you in regard to the Forand bill, H.R. 4700. I wish you would do your utmost to bring this to a vote. I have all the confidence you will do everything you can for us older citizens.

From my past experience, it is impossible to pay the high cost of drugs, medical and hospital care and all our other needs with our social security monthly checks. I am still in debt for my wife's dental surgery and set of dental plates. I also have a bad case of asthma and need constant medical care and drugs to get relief, especially in our section of the State.

After just 2 years of retirement, all my funds are exhausted. This is not a living, this is a fight for survival.

Sincerely yours,

——— ———.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

Mr. KUCHEL. Mr. President, will the Senator withhold that request?

Mr. PROXMIRE. I withhold it.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. Is there further morning business?

Mr. PROXMIRE. The majority leader suggested, before he left the Chamber, that when I finished my remarks, and if there was no further morning business, that I suggest the absence of a quorum until he returns. Therefore I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 256]

Aiken	Green	Lusk
Anderson	Gruening	Morse
Bartlett	Hart	Moss
Bible	Hartke	Murray
Brunsdale	Hickenlooper	Proxmire
Cannon	Hill	Robertson
Chavez	Hruska	Russell
Church	Johnson, Tex.	Smith
Cooper	Johnston, S.C.	Sparkman
Curtis	Jordan	Stennis
Dodd	Keating	Wiley
Fong	Kuchel	Williams, Del.
Frear	Lausche	Yarborough
Gore	Long, Hawaii	Young, Ohio

Mr. JOHNSON of Texas. I announce that the Senator from Montana [Mr. MANSFIELD], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The PRESIDING OFFICER. A quorum is not present.

Mr. JOHNSON of Texas. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. ALLOTT, Mr. BEALL, Mr. BENNETT, Mr. BRIDGES, Mr. BUSH, Mr. BUTLER, Mr. BYRD of Virginia, Mr. BYRD of West Virginia, Mr. CAPEHART, Mr. CARLSON, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CLARK, Mr. COTTON, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DWORSHAK, Mr. EASTLAND, Mr. ELLENDER, Mr. ENGLE, Mr. ERVIN, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. HAYDEN, Mr. HOLLAND, Mr. HUMPHREY, Mr. JACKSON, Mr. JAVITS, Mr. KERR, Mr. LONG of Louisiana, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MCGEE, Mr. MCNAMARA, Mr. MORTON, Mr. MUNDT, Mr. MUSKIE, Mr. PASTORE, Mr. PROUTY, Mr. RANDOLPH, Mr. SALTONSTALL, Mr. SCHOEPPEL, Mr. SCOTT, Mr. SMATHERS, Mr. SYMINGTON, Mr. TALMADGE, Mr. THURMOND, Mr. WILLIAMS of New Jersey, and Mr. YOUNG of North Dakota entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

If there is no further morning business, morning business is closed.

CALL OF THE CALENDAR

Mr. BARTLETT. Mr. President, I ask that the Senate proceed to the call of the calendar.

The PRESIDING OFFICER. Under the order previously entered, the Senate will proceed with the call of the calendar. The clerk will state the first measure on the calendar.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 1075) to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within such school district by the Department of the Interior, was announced as first in order.

Mr. BARTLETT. Mr. President, I ask that all bills and resolutions beginning with Calendar No. 95 through Calendar No. 331, inclusive, be passed over.

The PRESIDING OFFICER. The bills and resolutions will be passed over.

The bills and resolutions passed over are as follows:

S. 1075, to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within such school district by the Department of the Interior.

S. 1474, to make permanent the provision of the Reorganization Act of 1949.

S.J. Res. 69, proposing an amendment to the Constitution of the United States relative to the equal rights for men and women.

H.R. 4012, to provide for the centennial celebration of the establishment of the land-grant colleges and State universities and the establishment of the Department of Agriculture, and for related purposes.

H.R. 5140, to further amend the Reorganization Act of 1949, as amended, so that such act will apply to the reorganization plans transmitted to the Congress at any time before June 1, 1961.

The resolution (S. Res. 131) referring S. 882, a bill for the relief of the heirs of J. B. White, to the Court of Claims, was announced as next in order.

Mr. PROUTY. Over, Mr. President, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 1851) for the establishment of a Commission on a Department of Science and Technology, was announced as next in order.

Mr. PROUTY. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BARTLETT. Mr. President, I ask that all bills and resolutions beginning with Calendar No. 447 through Calendar No. 1669, inclusive, be passed over.

The PRESIDING OFFICER. The bills and resolutions will be passed over.

The bills and resolutions passed over are as follows:

S. 1789, to amend section 1(14)(a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes.

S. 2308, to validate certain extended oil and gas leases.

S. 1711, to promote the foreign policy of the United States by the more effective use of U.S. agricultural commodities for the relief of human beings and for promoting economic and social development in less developed countries.

S. 2522, to provide for the enrichment and sanitary packaging of certain donated commodities and to establish experimental food stamp allotment programs.

S. 1734, to amend section 409(c) of the Communications Act of 1934 with respect to presentations in any case of adjudication which has been designated for a hearing by the Federal Communications Commission.

S. 2086, to provide for the establishment of a National Wildlife Disease Laboratory.

S. 883, to confer jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon claims of customs officers and employees to extra compensation for Sunday, holiday, and overtime services performed after August 31, 1931, and not heretofore paid in accordance with existing law.

S. 2402, to clarify the authority of the Postmaster General to provide for the expeditious, efficient, and economical transportation of mail, and for other purposes.

S. 2673, to provide for the appointment of additional circuit and district judges, and for other purposes.

S. 2850, to provide for the appointment of 1 circuit judge for the 7th judicial circuit.

S. 511, for the relief of the estate of Eileen G. Foster.

S. 3560, to amend sec. 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damages to certain communication facilities.

S. 1787, to protect consumers and others against misbranding, false advertising, and false invoicing of decorative hardwood or imitation hardwood products.

H.R. 7895, for the relief of Gloria Anne Loveday.

S. 2893, to permit weekly publications to suspend publication for not more than 2 issues in any 1 calendar year without loss of 2d-class mail privilege.

S. 1868, to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia.

H.R. 4601, to amend the act of Sept. 1, 1954, in order to limit to cases involving the

national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes.

S. 1638, to provide for an effective system of personnel administration for the executive branch of the Government.

S. 1425, to amend the Interstate Commerce Act so as to provide for the protection of railroad employees by regulating the use of track motor cars and for other purposes.

H.R. 10596, to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States.

S. 3672, to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes.

S. 2917, to establish a price support level for milk and butterfat.

S. 3292, to provide for the establishment of a Department of Housing and Metropolitan Affairs, and for other purposes.

The bill (S. 3421) to amend the Federal Employees' Group Life Insurance Act was announced as next in order.

Mr. BARTLETT. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

Mr. JOHNSTON of South Carolina. Mr. President, I think Calendar No. 1671, S. 3421, is an important bill. I do not see why any Senator would object to the bill.

Mr. JOHNSON of Texas. Mr. President, the bill has been cleared by the policy committee. We will make a motion that the bill be considered.

Mr. JOHNSTON of South Carolina. If there has been an objection it must be because the bill is not understood. I shall be happy to explain it fully at the proper time.

FORT HALL INDIAN IRRIGATION PROJECT

The bill (S. 3650) to supplement and amend the act of June 30, 1948, relating to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the order of the Secretary of the Interior dated May 12, 1960, which provides for the elimination from the Fort Hall Indian irrigation project of four hundred sixty-eight and twenty one-hundredths acres and one hundred twenty-nine and thirty-seven one-hundredths acres of land, and which provides for the cancellation of penalty charges against the eliminated land, which order was made pursuant to the Act of June 22, 1936 (49 Stat. 1803), is hereby approved, and the lands where eliminated shall not thereafter be entitled to water from the project.

SEC. 2. Section 4 of the Act of June 30, 1948 (62 Stat. 1167), is hereby amended to read as follows:

"SEC. 4. The net irrigable area of the Fort Hall Indian irrigation project is hereby established at forty-seven thousand sixty-four and sixty-three one-hundredths acres, more or less, and the Secretary of the Interior is authorized to redesignate the project within the limit of the acreage authorized by this Act. The noninclusion of the Fort Hall townsite within the net irrigable area of the project shall not prevent the obtaining of water rights therefor in accordance with the Act of March 1, 1907 (34 Stat. 1015, 1025), as amended or supplemented."

SEC. 3. Section 2 of the Act of June 30, 1948 (62 Stat. 1167), is amended to read as follows:

"SEC. 2. The duty of water on the Fort Hall Indian irrigation project until modified by the Secretary of the Interior shall be three and five-tenths acre-feet per acre per annum if available, and available excess water may be furnished for use on project lands on terms, conditions, and rates prescribed by the Secretary."

BILLS PASSED OVER

The bill (S. 1342) to create a Federal Limited Profit Mortgage Corporation to assist in the provision of housing for moderate-income families and for elderly persons was announced as next in order.

Mr. KEATING. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals was announced as next in order.

Mr. KEATING. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 9662) to make technical revisions in the income tax provisions of the Internal Revenue Code of 1954 relating to estates, trusts, partners, and partnerships, and for other purposes, was announced as next in order.

Mr. PROUTY. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

CHANGE OF RESTRICTIONS ON CERTAIN REAL PROPERTY CONVEYED TO THE CITY OF ST. AUGUSTINE, FLA.

The Senate proceeded to consider the bill (H.R. 5055) to change certain restrictions on the use of certain real property heretofore conveyed to the city of St. Augustine, Fla., by the United States, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury shall amend, by appropriate written instrument to the city of Saint Augustine, Florida, the restriction on use with respect to the land conveyed to such city under the provisions of the Act of August 27, 1935 (49 Stat. 896), in order that such land may also be used for educational purposes.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend the restriction on the use of certain real property heretofore conveyed to the city of St. Augustine, Fla., by the United States."

BILLS PASSED OVER

The bill (S. 3483) to make the antitrust laws and the Federal Trade Commission Act applicable to the organized team sport of baseball and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes, was announced as next in order.

Mr. PROUTY. Mr. President, over by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 3313) to amend section 200 of the Soldiers and Sailors Civil Relief Act of 1940 to permit the establishment of certain facts by a declaration under penalty of perjury in lieu of an affidavit was announced as next in order.

Mr. BARTLETT. Mr. President, over by request.

The PRESIDING OFFICER. The bill will be passed over.

VALIDATION OF CERTAIN MINING CLAIMS IN CALIFORNIA

The Senate proceeded to consider the bill (H.R. 9201) to validate certain mining claims in California.

Mr. YOUNG of Ohio. Mr. President, I desire to speak on this bill for a few minutes.

The PRESIDING OFFICER. The Senator is limited to 5 minutes.

Mr. YOUNG of Ohio. Mr. President, may I express the hope that the Senate will remain steadfast in the position we recently took by record votes to end the supposedly temporary excise tax on local telephone service, and other essential services, and the action we took in repealing the 4-percent tax credit on dividend income.

The 10-percent tax on local telephone service, on telegrams, on train, bus, and airplane fares is an obnoxious tax. This tax has supposedly been temporary since 1951.

Furthermore, it is well remembered that a year ago, we in the Congress gave the executive officials of the Government a full year to provide for any additional revenue if they considered it needed to replace the loss in revenue of these atrocious sales or excise taxes which we expressed our determination to end.

Now, at the last moment, on the excuse that because of the inept handling of the U–2 incident and the failure of the summit conference which never convened, and the resultant withdrawal of invitations to our President to visit as a guest the Soviet Union and Japan, it is stated that by reason of present grim international tension this is no time to reduce revenue, and these so-called temporary taxes must again be extended.

I assert we should not vote to continue these nuisance taxes. They are regressive. They violate every principle of just taxation that taxes should be levied according to ability to pay. Excise taxes on telephone service and on travel by

planes, railroads or bus lines are additional restrictions on small business. They are burdensome taxes on individuals; in fact, frequently they tax most those who have the least.

It appears to me entirely proper that taxes should be imposed upon liquor, perfumes, and cigarettes, for example. These could hardly be considered necessities.

A Federal tax upon automobile parts and automobiles, particularly on automobiles selling at $2,500 or under, could hardly be considered taxing luxuries. Even the most modest businessman requires an automobile. Workingmen require automobiles.

As Philip W. Porter, associate editor and noted columnist of the Cleveland Plain Dealer, a great newspaper in my State, so aptly writes, "You might as well tax bread, milk, and meat as to impose such taxes."

I read and embody as a part of my remarks a part of his column which was published in the Cleveland Plain Dealer which came to my attention today.

He wrote:

I'm conscious of the need for revenue, and certainly conscious of the income tax bite the Government puts on us all, but I don't get the theory of taxing phones and transportation. Are they supposed to be a luxury? How long could you go without a phone in our present complex society? And why keep a 10-percent tax on railroads which have had passenger trouble for years, and plane lines, which are now hurting and getting ready to raise rates? The only reason I can figure is that it's easy for the Government to collect.

He added:

There's a growing taxpayer's revolt under way already, and Congressmen would do well to take it into account. Item by item, these phone, travel, and auto taxes are small, but the irritation they produce is large. A backfire is already taking place in another spot where the taxpayer has some voice—in extra levies for schools and municipal service. An unusually large number of these have been voted down, and more will be. The weary taxpayer can fight back on the local level. But on the national level he's hooked. All he can do is take it out on Congressmen, which isn't so easy.

The same old bunk is dished out every time one of these long-standing temporary taxes comes up for repeal. The money is needed for defense. You can't cut now—not even a little bit. Well, defense is not the entire budget and in a big-spending Government like ours, $750 million could easily be saved. That's about what the phone and travel taxes bring in.

Mr. Porter, who has rendered notable service in peace as well as in war, having served in the Armed Forces in World War II, concludes his column with this wise and apropos statement:

A government will always find a way to spend every cent that's voted. If your Congressman is running for reelection this year—and he usually is—don't worry whether he is a Republican or Democrat, or where he stands on foreign aid or Federal aid to education or the tariff. Just ask, "Did you vote to keep the nuisance taxes?" And if he says yes, the second question is, "Why? How long does an emergency last?"

The answer is already known. It lasts forever.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 9201) was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2709) directing the Secretary of the Interior to convey to the city of Flandreau, S. Dak., any interest remaining in the United States to certain property which it conveyed to such city by the act of August 21, 1916, was announced as next in order.

Mr. BARTLETT. Mr. President, over by request.

The PRESIDING OFFICER. The bill will be passed over.

PURCHASE AND EXCHANGE OF LAND ON BLUE RIDGE AND NATCHEZ TRACE PARKWAYS

The bill (S. 2914) to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to consolidate, on the Blue Ridge Parkway and the Natchez Trace Parkway, the land forming each such parkway, to adjust ownership lines, and to eliminate hazardous crossings of and accesses to these parkways, the Secretary of the Interior is authorized to acquire, by purchase or exchange, land and interests in land contiguous to the parkways. In consummating exchanges under this Act, the Secretary may transfer parkway land, interests therein, and easements: *Provided,* The property rights so exchanged shall be approximately equal in value.

ABOLITION OF ARLINGTON MEMORIAL AMPHITHEATER COMMISSION

The bill (S. 3264) to abolish the Arlington Memorial Amphitheater Commission was considered, order to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Defense or his designee may send to Congress in January of each year, his recommendations with respect to the memorials to be erected, and the remains of deceased members of the Armed Forces to be entombed, in the Arlington Memorial Amphitheater, Arlington National Cemetery, Virginia.

(b) No memorial may be erected and no remains may be entombed in such amphitheater unless specifically authorized by Congress.

(c) The character, design, or location of any memorial authorized by Congress is subject to the approval of the Secretary of Defense or his designee.

SEC. 2. The Act of March 4, 1921, chapter 169 (24 U.S.C. 291–295) is repealed.

EXCHANGE OF CERTAIN PROPERTY WITHIN THE SHENANDOAH NATIONAL PARK

The bill (S. 3399) to authorize the exchange of certain property within Shenandoah National Park, in the State of Virginia, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior may accept title to approximately 37.44 acres of land within the authorized boundaries of the Shenandoah National Park, said land fronting on United States Highway Numbered 211 and being more particularly described as follows:

Beginning at park monument H–8, thence with the park boundary line the following courses and distances: north 51 degrees 57 minutes, east 2,242.0 feet to park monument H–9; south 26 degrees 40 minutes, east 51.0 feet to park monument H–10; south 32 degrees 40 minutes, east 340.0 feet to park monument H–11; south 11 degrees 35 minutes, east 190.0 feet to park monument H–12; south 41 degrees 26 minutes, east 329.0 feet to park monument H–13; thence crossing Pass Run south 57 degrees 00 minutes 36 seconds, west 1,871.32 feet to a marked white oak tree near the northeast edge of the fire road on top of Piney Mountain, thence north 58 degrees 36 minutes, west 771.16 feet to the point of beginning.

In exchange for the aforesaid land the Secretary is authorized to convey on the basis of approximately equal values a parcel of park land containing approximately 38.58 acres, being more particularly described as follows:

Beginning at park monument P–153, a point in the center of Route 666, Virginia Department of Highways, thence with the park boundary line the following courses and distances: north 66 degrees 27 minutes, west 345.0 feet to park monument P–152; north 41 degrees 08 minutes, east 705.0 feet to park monument P–151; north 63 degrees 01 minutes, west 302.0 feet to park monument P–150; north 30 degrees 38 minutes, east 1,110.0 feet to park monument P–149; south 74 degrees 36 minutes, east 443.0 feet to park monument P–148; north 41 degrees 33 minutes, east 109.0 feet to park monument P–147; south 69 degrees 50 minutes, east 668.0 feet to the center of the said Route 666; thence leaving the courses of the park boundary line and following the alinement of said Route 666 for the following courses and distances; south 36 degrees 26 minutes, west 436.0 feet; south 33 degrees 45 minutes, west 398.0 feet; south 29 degrees 39 minutes, west 388.0 feet; south 13 degrees, 55 minutes, west 100.0 feet; south 04 degrees 16 minutes, west 70.0 feet; south 32 degrees 37 minutes, west 49.0 feet; north 89 degrees 45 minutes, west 43.0 feet; north 66 degrees 43 minutes, west 50.0 feet; north 89 degrees 26 minutes, west 100.0 feet; north 73 degrees 39 minutes west 78.0 feet; north 84 degrees 11 minutes, west 45.0 feet; south 72 degrees 08 minutes, west 100.0 feet; south 43 degrees 17 minutes, west 50.0 feet; south 30 degrees 57 minutes, west 73.0 feet; south 47 degrees 22 minutes, west 70.0 feet; south 65 degrees 32 minutes, west 68.0 feet; south 80 degrees 05 minutes, west 130.0 feet; south 51 degrees 40 minutes, west 118.0 feet; south 66 degrees 51 minutes, west 36.0 feet; to the point of beginning.

LEASING OF OIL AND GAS INTERESTS IN CERTAIN LANDS

The bill (H.R. 8740), to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas was considered, ordered to a third reading, read the third time, and passed.

PAYMENT FOR LAND HERETOFORE CONVEYED TO THE UNITED STATES

The bill (H.R. 9142), to provide for payment for land heretofore conveyed to the United States as a basis for lien selections from the public domain, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

ASSESSMENT OF INDIAN TRUST LANDS WITHIN THE LUMMI INDIAN DIKING PROJECT, WASHINGTON

The Senate proceeded to consider the bill (H.R. 11953) to provide for the assessing of Indian trust lands and restricted fee patent Indian lands within the Lummi Indian diking project in the State of Washington, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, after line 21, to strike out:

SEC. 2. The Secretary of the Interior is authorized and is hereby directed to cancel all outstanding charges of whatsoever nature for both operation and maintenance and construction assessments including any interest or penalties outstanding on the date of the approval of this Act, against all lands within the limits of the Lummi diking project as established by the Act of March 18, 1926 (44 Stat. 211–212). The effective date of such cancellation shall be within one year after the date of the approval of this Act.

And, in lieu thereof, to insert:

SEC. 2. The Secretary of the Interior is authorized and is hereby directed to cancel all outstanding operation and maintenance assessments including any interest or penalties outstanding on the date of the approval of this Act, against all lands within the limits of the Lummi diking project as established by the Act of March 18, 1926 (44 Stat. 211, 212). The effective date of such cancellation shall be the date of the establishment of the diking and drainage district that may be formed pursuant to section 1 of this Act.

And, on page 4, after line 16, to insert a new section, as follows:

SEC. 4. The Secretary of the Interior is authorized to contract with the diking and drainage district organized under the State law for collection by the district as an agent of the Secretary of assessments for construction charges heretofore incurred by the United States.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ISSUANCE OF HOMESTEAD PATENT TO HEIRS OF FRANK L. WILHELM

The bill (H.R. 3122) directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm was considered, ordered to a third reading, read the third time, and passed.

DISPOSITION OF CERTAIN PUBLIC LANDS IN ALASKA

The bill (S. 3267) to amend the act of October 17, 1940, relating to the disposition of certain public lands in Alaska was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 17, 1940 (54 Stat. 1191; 48 U.S.C. 353, note), is hereby amended—

(1) by striking out the words "$1.25 per acre" appearing in section 2 thereof and by substituting therefor the words "their fair market value as determined by the Secretary by appraisal or otherwise";

(2) by adding a new section 3 thereto reading as follows: "The State of Alaska may, with the approval of the Secretary of the Interior, select any of the lands described in section 2 of this Act in partial satisfaction of land grants made or confirmed by the Act of July 7, 1958 (72 Stat. 339, 340), subject to the terms and conditions of that Act"; and

(3) by adding a new section 4 thereto reading as follows: "Notwithstanding the provisions of section 2 of this Act, the Secretary of the Interior may sell to each of those persons who, on August 1, 1959, had on file in the Anchorage Land Office of the Bureau of Land Management, a valid application to purchase lands under this Act, the lands described in his application at the prices heretofore recommended by the Alaska Rural Rehabilitation Corporation but at not less than $1.25 per acre."

REVISION OF BOUNDARIES OF DINOSAUR NATIONAL MONUMENT

The Senate proceeded to consider the bill (H.R. 6597) to revise the boundaries of Dinosaur National Monument and provide an entrance road or roads thereto, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 4, after line 24, to strike out:

thence northerly along the east line of said section 1, said township 5 south, range 24 east, and sections 36 and 25, township 4 south, range 24 east, to the southwest corner of section 19, township 4 south, range 25 east;

thence easterly along the south line of said section 19 to the southeast corner of the said section 19;

thence northerly along the east lines of said section 19 and section 18 of the northeast corner of said section 18 of said township and range;

thence easterly along the south lines of sections 8 and 9 to the northwest corner of section 15 of said township and range;

thence southerly along the west line of said section 15 to the west quarter section corner of said section 15;

thence easterly along the east-west quarter-section line of said section 15 to the center of said section 15;

thence southerly along the north-south quarter section line of said section 15 to the south quarter-section corner of said section 15;

thence easterly along the south line of said section 15 to the northwest corner of section 23, said township and range;

thence southerly along the west line of said section 23 to the southwest corner of the northwest quarter of the southwest quarter of the said section 23; thence easterly along the south one-sixteenth latitudinal section lines of said section 23 and fractional section 24, said township 4 south, range 25 east, Salt Lake meridian, Utah, to a point on the Utah-Colorado State boundary line;

thence southerly along the Utah-Colorado State boundary line, being the west line of fractional section 23, fractional township 6 north, range 104 west, sixth principal meridian, Colorado, to the southwest corner of lot 12, said fractional section 23;

On page 6, after line 10, to insert:

thence northerly along the east lines of said section 1, said township 5 south, range 24 east, and sections 36, 25, 24 and unsurveyed section 13, township 4 south, range 24 east, to the northeast corner of said unsurveyed section 13, said township and range;

thence easterly along the south lines of sections 7, 8, 9, 10, 11 and fractional section 12, township 4 south, range 25 east, Salt Lake meridian, Utah, to a point of the Utah-Colorado State boundary line;

thence southerly along the Utah-Colorado State boundary line, being the west line of fractional sections 11, 14, and 23, fractional township 6 north, range 104 west, sixth principal meridian, Colorado, to the southwest corner of lot 12, said fractional section 23, said fractional township and range;

And, on page 16, after line 22, to insert a new section, as follows:

SEC. 4. Any portion of the lands and interests in lands comprising the Dinosaur National Monument shall be made available upon Federal statutory authorization for public nonmonument uses when such uses shall have been found in consideration of the public interest to have a greater public necessity than the uses authorized by this Act.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ACQUISITION OF CERTAIN PUBLIC LANDS FOR RECREATIONAL USE

The Senate proceeded to consider the bill (S. 2757) to supplement the act of June 14, 1926, as amended, to permit any State to acquire certain public lands for recreational use, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 7, after the word "amended", to insert "by inserting after the word 'State' the words '(including any agency or instrumentality thereof)' and", and on page 2, at the beginning of line 3, insert "other than small roadside parks and rest sites", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective as of September 21, 1959, subsection (b) (1) (A) of the Act of June 14, 1926 (44 Stat. 741), as amended by the Acts of June 4, 1954 (68 Stat. 173, 174) and of September 21, 1959 (73 Stat. 571; 43 U.S.C. 869), is hereby amended by inserting after the word "State" the words "(including any agency or instrumentality thereof)" and by substituting a colon for the period at the end thereof and by adding the following thereafter:

"*Provided, however,* That should any State fail in any one calendar year to secure the maximum herein specified, other than small roadside parks and rest sites, additional conveyances may be made thereafter to that State pursuant to any application on file with the Secretary of the Interior on the last day of said year, to the extent that the conveyances would not have exceeded the limitations of said year."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXEMPTION FROM TAXATION OF CERTAIN PROPERTY OF THE ARMY DISTAFF FOUNDATION

The Senater proceeded to consider the bill (S. 3195) to exempt from taxation certain property of the Army Distaff Foundation, which had been reported from the Committee on the District of Columbia, with amendments, on page 3, line 19, after "47–801c", to insert "and", and after line 20, to insert a new section, as follows:

SEC. 2. The tax exemption authorized by this Act shall become effective on the first day of the fiscal year next following the completion of construction by the Army Distaff Foundation of facilities necessary to carry out the purposes of the Foundation as described in its certificate of incorporation.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That parts of the tract of land known as "Poor Tom's Last Shift" described as follows: Beginning for the same at the intersection of the westerly line of Oregon Avenue, formerly Daniels Road, and southerly line of Tennyson Street, both as dedicated and shown on plat recorded in liber 103, folio 157, of the records of the Office of the Surveyor of the District of Columbia and running thence southwesterly along said westerly line of Oregon Avenue as shown on said plat, and as shown on plat record in liber 88, folio 34, of said surveyor's office records to a point of curve; thence southwesterly still along the said westerly line of Oregon Avenue and the northwesterly line of Nebraska Avenue, both as shown on said plat recorded in liber 88, folio 34, of said surveyor's office records, on the arc of a cirle deflecting to the right, the radius of which is 440 feet, an arc distance 370.23 feet to a point of tangent; thence southwesterly along said northwesterly line of Nebraska Avenue to the northerly line of Stephenson Lane, as dedicated and shown on plat recorded in liber 116, folio 175, of said surveyor's office records; thence along said northerly line of Stephenson Lane, north 65 degrees 55 minutes 50 seconds west 176.66 feet to a point of curve; thence northwesterly on the arc of a circle deflecting to the left, the radius of which is 460 feet, an arc distance of 144.87 feet to a point of tangent; thence north 83 degrees 58 minutes 30 seconds west 159.38 feet to a point of a curve; thence westerly on the arc of a circle deflecting to the right, an arc distance of 237.18 feet to the most southerly corner of the land conveyed to George L. Quinn and wife by deed dated May 28, 1941, and recorded June 3, 1941, in liber 7622, folio 349, among the land records of the District of Columbia; thence northeasterly and parallel with Twenty-ninth Street 400 feet to the most easterly corner of the land conveyed to Edwin S. Hoffman and wife by deed dated June 9, 1937, and recorded July 22, 1937, in liber 7133, folio 233, among the land records of the District of Columbia; thence northwesterly along the northeasterly line of said conveyance to Hoffman, 125 feet to the southeasterly line of Twenty-ninth Street as dedicated and shown on plat recorded in liber 102, folio 59, of said surveyor's office records; thence along the said line of Twenty-ninth Street north 44 degrees 58 minutes 30 seconds east 373.83 feet to the said southerly line of Tennyson Street, and thence east along said southerly line of Tennyson Street 726.83 feet to the place of beginning, situated at 6200 Nebraska Avenue Northwest, in the city of Washington, District of Columbia, owned by the Army Distaff Foundation, is hereby exempt from all taxation so long as the same is owned and occupied by the Army Distaff Foundation, and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (56 Stat. 1091; D.C. Code, secs. 47–801b, 47–801c, and 47–801e).

SEC. 2. The tax exemption authorized by this Act shall become effective on the first day of the fiscal year next following the completion of construction by the Army Distaff Foundation of facilities necessary to carry out the purposes of the Foundation as described in its certificate of incorporation.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3258) to amend the District of Columbia Alcoholic Beverage Control Act, was announced as next in order.

Mr. BARTLETT. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 3274) to permit certain veterans pursuing courses of vocational rehabilitation training to continue in pursuit thereof for such period as may be necessary to complete such courses was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARTLETT. Over.

The PRESIDING OFFICER. The bill will go over.

The bill (H.R. 4306) to provide education and training for the children of veterans dying of a service-connected disability incurred after January 31, 1955, and before the end of compulsory military service was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARTLETT. Over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 3275) to extend, with respect to World War II veterans, the guaranteed loans programs under chapter 37 of title 38, United States Code, to February 1, 1965, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARTLETT. Over, by request.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

The bill (H.R. 7758) to improve the administration of oversea activities of the Government of the United States, and for other purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARTLETT. Over by request.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 3228) to amend the provisions of part II of the Interstate Commerce Act which authorize certain operations within a State as a common carrier by motor vehicles engaged in interstate or foreign commerce if State authorized was announced as next in order.

Mr. KEATING. Over by request.

The PRESIDING OFFICER. The bill will go over.

RESTORATION OF AMOUNTS EXPENDED UNDER THE TEMPORARY UNEMPLOYMENT COMPENSATION ACT OF 1958

The bill (S. 3416) to provide for the restoration to the United States of amounts expended in the District of Columbia in carrying out the Temporary Unemployment Compensation Act of 1958 was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, I ask unanimous consent that a memorandum in explanation of the bill be filed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

The purpose of this bill is to provide necessary authorization for appropriations and of procedures which will enable the District of Columbia Unemployment Compensation Board to reimburse the Treasury of the United States for certain expenditures made pursuant to the provisions of the Temporary Unemployment Compensation Act of 1958, and to avoid the necessity of increasing the Federal Unemployment Compensation taxes upon employers of four or more employees in the District of Columbia.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to transfer from the account of the District of Columbia in the Unemployment Trust Fund in the Treasury of the United States to the United States, an amount equal to the amount of temporary unemployment compensation paid in the District of Columbia under the Temporary Unemployment Compensation Act of 1958 (except amounts paid to individuals who exhausted their unemployment compensation under title XV of the Social Security Act and title IV of the Veterans Readjustment Assistance Act of 1952, prior to their making their first claim under the Temporary Unemployment Compensation Act of 1958), whenever such amount has been determined with respect to the District of Columbia, but prior to December 1, 1963.

SEC. 2. There is hereby appropriated, pursuant to section 14 of the District of Columbia Unemployment Compensation Act (49 Stat. 946, 954), as amended (sec. 46–314, D.C. Code, 1951 edition, supp. VII) from the moneys credited pursuant to section 903 of the Social Security Act (49 Stat. 640), as amended (68 Stat. 670; 42 U.S.C. 1958 ed., sec. 1103), to the account of the District of Columbia in the Unemployment Trust Fund in the Treasury of the United States, $150,000

or so much thereof as may be necessary to pay over to the United States an amount equal to the amount of costs incurred by the District Unemployment Compensation Board in the administration of the Temporary Unemployment Compensation Act of 1958. This amount shall be paid whenever such amount is determined but not later than two years from the date of the enactment of this appropriation. In any event this payment shall be made prior to December 1, 1963. The amount obligated pursuant to this section during any fiscal year shall not exceed the amount by which (a) the aggregate of the amounts credited to the account of the District of Columbia pursuant to section 903 of the Social Security Act during such fiscal year and the four preceding fiscal years exceeds (b) the aggregate of the amounts obligated for administration and paid out for benefits and charged against the amounts credited to the account of the District of Columbia during such five fiscal years.

SEC. 3. (a) There is hereby created a special fund in the Treasury of the United States, separate and apart from the District Unemployment Fund, to be known as a Special Administration Fund. Notwithstanding any contrary provisions of the District of Columbia Unemployment Compensation Act—(1) Interest and penalties collected from employers after the end of the month in which this Act is enacted shall be deposited into the clearing account in the District Unemployment Fund in the Treasury of the United States for clearance only and shall not, except as provided in subsection (c), be deemed a part of the District Unemployment Fund; (2) thereafter, during each calendar quarter there shall be transferred from the clearing account to such Special Administration Fund all interest and penalties collected from employers during the preceding calendar quarter; and (3) refunds of interest and penalties paid into the Special Administration Fund shall be made from such fund or, after such fund is discontinued as hereinafter provided, from the balance transferred from such fund to the clearing account in the District Unemployment Fund.

(b) The District Unemployment Compensation Board is authorized and directed to requisition from such Special Administration Fund an amount equal to the District's proportionate share of other costs incurred in the administration of the Temporary Unemployment Compensation Act of 1958 as prescribed in section 104(a) thereof, whenever such amount has been determined with respect to the District of Columbia and sufficient funds are available in such Special Administration Fund, and prior to December 1, 1963, to pay such amount to the United States.

(c) Thereafter, and as soon as the amount in the Special Administration Fund exceeds $5,000, such amount shall be transferred to the clearing account in the District Unemployment Fund, such Special Administration Fund shall be discontinued, and all interest and penalties subsequently collected from employers shall be paid into the District Unemployment Fund as provided by the District of Columbia Unemployment Compensation Act.

ADMINISTRATION OF PUBLIC ASSISTANCE IN THE DISTRICT OF COLUMBIA

The bill (S. 2363) to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 4, after the word "of", to strike out "1959" and insert "1960"; on page 2, line 21, after the word "the", to strike out "Commissioner" and insert "Commissioners"; on page 4, line 7, after "July 1,", to strike out "1959" and insert "1960"; on page 5, line 8, after the word "check", to insert "except that"; on page 7, line 15, after the word "Commissioners", to strike out "are authorized, in their discretion, to" and insert "shall"; on page 10, line 1, after the word "and", to strike out "shal" and insert "shall"; in line 18, after the word "assistance", to insert "in the form of old age assistance or aid to the disabled"; on page 11, line 7, after the word "assistance", to insert "in the form of old age assistance or aid to the disabled"; in line 11, after the word "real", to insert "and personal"; in line 18, after the word "real", to insert "and personal"; on page 12, line 1, after the word "assistance", to insert "in the form of old age assistance or aid to the disabled"; on page 13, after line 18, to strike out:

RELIEF FROM LIABILITY

SEC. 21. The Comptroller General may, in his discretion, relieve any disbursing, certifying, or approving officer of liability on account of any otherwise proper payment for public assistance made by the District prior to the effective date of Public Law 84, Eighty-second Congress (65 Stat. 124), whenever he finds (1) that the disbursement, certification, or approval was based on official records and the responsible officer did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (2) that the payment, certification, or approval was made in good faith and that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved.

On page 14, at the beginning of line 9, to change the section number from "22" to "21"; at the beginning of line 14, to change the section number from "23" to "22"; at the beginning of line 19, to change the section number from "24" to "23"; on page 15, at the beginning of line 2, to change the section number from "25" to "24"; at the beginning of line 20, to change the section number from "26" to "25"; on page 16, at the beginning of line 9, to change the section number from "27" to "26", and at the beginning of line 15, to change the section number from "28" to "27"; so as to make the bill read:

Be it enacted by the Senate and House of of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "District of Columbia Public Assistance Act of 1960."

DEFINITIONS

SEC. 2. As used in this Act, the word "District" means the District of Columbia; the word "Commissioners" means the Commissioners of the District of Columbia or the agents, agencies, officers, and employees designated by them to perform any function vested in them by this Act; the term "public assistance" means payment in or by money, medical care, remedial care, goods or services to, or for the benefit of, needy persons; the word "recipient" means a person to whom or on whose behalf public assistance is granted and the word "State" includes Puerto Rico, Guam, and the Virgin Islands.

FUNCTIONS OF COMMISSIONERS

SEC. 3. This Act shall be administered by the Commissioners, who shall—

(a) establish such categories of public assistance as they deem appropriate;

(b) (1) provide for maximum cooperation with other agencies rendering services to maintain and strengthen family life and to help applicants for public assistance and recipients to attain self-support or self-care, and (2) provide such services directly under this Act to the extent that they are not available from other agencies: *Provided,* That as used in this paragraph the term "other agencies" shall include programs administered by or under the Commissioners under the authority of any law other than this Act;

(c) establish and enforce such rules and regulations as may be necessary or desirable to carry out the provisions of this Act;

(d) cooperate in all necessary respects with agencies of the United States Government in the administration of this Act, and accept any funds, goods, or services payable to the District for public assistance and for administering public assistance;

(e) enter into reciprocal agreements with any State relative to the provision of public assistance to residents and nonresidents.

ELIGIBILITY FOR PUBLIC ASSISTANCE

SEC. 4. Public assistance shall be awarded to or on behalf of any needy individual who either (a) has resided in the District for one year immediately preceding the date of filing his application for such assistance; or (b) who was born within one year immediately preceding the application for such aid, if the parent or other relative with whom the child is living has resided in the District for one year immediately preceding the birth; or (c) is otherwise within one of the categories of public assistance established by the Commissioners pursuant to this Act.

AMOUNT OF PUBLIC ASSISTANCE

SEC. 5. (a) The amount of public assistance which any person shall receive shall be determined in accordance with regulations approved by the Commissioners.

(b) Such amount as referred to in subsection (a) of this section shall not be less than the full amount determined as necessary on the basis of the minimum needs of such person as established in accordance with such regulations. No ceiling shall be administratively imposed with respect to the amount of public assistance which any person, or class of persons, may receive.

(c) The provisions of subsection (b) of this section shall become effective on July 1, 1960.

APPLICATION FOR PUBLIC ASSISTANCE

SEC. 6. Application for public assistance shall be accepted from, or on behalf of, any person who believes himself eligible for public assistance. Such application shall be made in the manner and form prescribed by the Commissioners, and shall contain such information as the Commissioners shall require.

INVESTIGATION OF APPLICANT

SEC. 7. Whenever the Commissioners shall receive an application for public assistance, they shall promptly make an investigation and record of the circumstances of the applicant in order to ascertain the facts supporting the application and to obtain such other information as they may require.

AWARD AND PAYMENT OF PUBLIC ASSISTANCE

SEC. 8. (a) Upon completion of the investigation, the Commissioners shall determine whether the applicant is eligible for public assistance, the type and amount of public assistance for which he is eligible, and the

date from which such public assistance shall begin, and shall furnish public assistance with reasonable promptness to all eligible persons: *Provided,* That such date shall not be prior to the first day of the calendar month in which such determination is made.

(b) Money payments of public assistance shall be made by check, except that in emergency cases under section 10 of this Act, money payments of public assistance may be made in cash, and to accomplish such purpose the Commissioners are authorized to make necessary provisions for advancing from time to time to one or more officers or employees of the District such sum or sums as the Commissioners may determine: *Provided,* That no such advance shall be made to any such officer or employee who has not been previously bonded in such amount and form as the Commissioners shall determine.

RECIPIENT INCAPACITATED

SEC. 9. Whenever a recipient has been found by the Commissioners to be incapable of taking care of himself, his property, or his money, and a person has been judicially appointed as legal representative, or a responsible person has been appointed by the Commissioners, on behalf of such incapacitated individual for the purpose of receiving and managing such individual's public assistance payments (whether or not he is such individual's legal representative for other purposes), public assistance payments may be made on behalf of such individual to such judicially appointed legal representative, or to such responsible person appointed by the Commissioners.

EMERGENCY PUBLIC ASSISTANCE

SEC. 10. The Commissioners may grant emergency public assistance pending completion of investigation when eligibility has been established pursuant to section 4 of this Act: *Provided,* That such emergency assistance shall not be granted in any case for a period exceeding sixty days.

REDETERMINATION OF GRANTS

SEC. 11. All public assistance grants made under this Act shall be reconsidered by the Commissioners as frequently as they may deem necessary. After such further investigations as the Commissioners may deem necessary, the amount of public assistance may be changed, or may be entirely withdrawn, if the Commissioners find that any such grant has been made erroneously, or if they find that the recipient's circumstances have altered sufficiently to warrant such action. If at any time during the continuance of public assistance the recipient thereof becomes possessed of income or resources in excess of the amount previously reported by him, or if other changes should occur in the circumstances previously reported by him which would alter either his need or his eligibility, it shall be his duty to notify the Commissioners of such fact immediately on the receipt or possession of such additional income or resources, or on the change of circumstances.

RECORDS

SEC. 12. (a) The Commissioners are directed to prescribe regulations governing the custody, use, and preservation of the records, papers, files, and communications of the Commissioners relating to public assistance. Except as herein otherwise provided, such regulations shall provide safeguards restricting the use or disclosure of information concerning applicants for, or recipients of, public assistance to purposes directly connected with the administration of public assistance. The Commissioners shall include in such regulations provisions for the public to have access to the records of disbursement or payment of public assistance made after the effective date of this Act.

(b) No person who obtains information by virtue of any regulation made pursuant to subsection (a) of this section shall use such information for commercial or political purposes.

(c) This section and section 13 of this Act shall be construed as State legislation conforming to the requirements of section 618 of the Revenue Act of 1951 (Public Law 183, Eighty-second Congress).

PENALTIES

SEC. 13. Any person violating subsection (b) of section 12 of this Act shall be punished by a fine of not more than $500, or by imprisonment of not more than ninety days, or by both such fine and imprisonment. Prosecutions for such violations and for violations of section 17(a) of this Act shall be brought to the municipal court for the District of Columbia by the Corporation Counsel or any of his assistants.

FUNERAL EXPENSES

SEC. 14. On the death of a recipient, reasonable funeral expenses may be paid, subject to rules and regulations approved by the Commissioners.

HEARINGS

SEC. 15. An applicant for, or recipient of, public assistance aggrieved by the action or inaction of the Commissioners shall be entitled to a hearing. Each applicant or recipient shall be notified of his rights to a hearing. Upon request for such hearing, reasonable notice of the time and place thereof shall be given to such applicant or recipient. Such hearing shall be conducted in accordance with rules and regulations prescribed by the Commissioners. The findings of the Commissioners on any appeal shall be final.

PUBLIC ASSISTANCE NOT ASSIGNABLE

SEC. 16. Public assistance awarded under this Act shall not be transferable or assignable at law or in equity, and none of the money paid or payable to any recipient under this Act shall be subject to execution, levy, attachment, garnishment, or other legal process, or to the operation of any bankruptcy or insolvency law.

FRAUD IN OBTAINING PUBLIC ASSISTANCE—REPAYMENT

SEC. 17. (a) Any person who by means of false statement, failure to disclose information, or impersonation, or by other fraudulent device obtains or attempts to obtain or any person who knowingly aids or abets such person in the obtaining or attempting to obtain, (1) any grant or payment of public assistance to which he is not entitled; (2) a larger amount of public assistance than that to which he is entitled; or (3) payment of any forfeited grant of public assistance; or any person who with intent to defraud the District aids or abets in the buying or in any way disposing of the real property of a recipient of public assistance, shall be guilty of a misdemeanor and shall be sentenced to pay a fine of not more than $500, or imprisoned not to exceed one year, or both.

(b) Any person who obtains any payment of public assistance to which he is not entitled shall be liable to repay such sum. In any case in which, under this section, a person is liable to repay any sum, such sum may be collected without interest by civil action brought in the name of the District. Any repayment required by this subsection may, in the discretion of the Commissioners, be waived in whole or in part, upon a finding by the Commissioners that such repayment would deprive such person, his spouse, parent, or child of shelter or subsistence needed to enable such person, spouse, parent, or child to maintain a minimum standard of health and well-being.

PROPERTY

SEC. 18. (a) At the death of any person who has received public assistance in the form of old age assistance or aid to the disabled pursuant to the provisions of this Act, or of any Act repealed by this Act, the District shall have a preferred claim for the amount of any such public assistance against the estate of the deceased recipient. Notwithstanding the provisions of any other law, no statute of limitations shall be deemed applicable as a defense to any claim of the District made pursuant to this section. The Commissioners are authorized to waive any such claim when in their judgment they deem it appropriate to do so.

(b) In addition to the remedy provided by subsection (a) of this section, or by any other provision of law, the Commissioners may file a notice in the office of the Recorder of Deeds in any case where public assistance in the form of old age assistance or aid to the disabled is granted to any person under this Act, and such notice shall constitute and have the effect of a lien in favor of the District against the real and personal property of such person for the amount of the public assistance which theretofore has been granted or which may thereafter be granted to, or on behalf of, such persons. Any such lien may be enforced by a proceeding filed in the United States District Court for the District of Columbia. The Commissioners shall file in the office of the Recorder of Deeds a release of any such real and personal property from the effect of such lien whenever there has been repaid to the District the amount of the public assistance theretofore granted to, or on behalf of, such person. The Commissioners are also authorized to release any such lien when in their judgment they deem it appropriate to do so. Such notices and releases may be filed without payment of fees.

(c) If the District collects from any recipient of public assistance in the form of old age assistance or aid to the disabled or from his estate, or otherwise, any amount with respect to public assistance furnished him under this Act, or under any Act repealed by this Act, the pro rata share to which the United States is equitably entitled shall be paid to the United States in accordance with the provisions of the Social Security Act, as amended (42 U.S.C. 303, 603, 1203, 1353). The pro rata share due the District shall be deposited as a miscellaneous receipts to the credit of the District.

RESPONSIBLE RELATIVES

SEC. 19. (a) The husband, wife, father, mother, or adult child of a recipient of publice assistance, or of a person in need thereof, shall, according to his ability to pay, be responsible for the support of such person. Any such recipient of public assistance or person in need thereof or the Commissioners may bring an action to require such husband, wife, father, mother, or adult child to provide such support and the court shall have the power to make orders requiring such husband, wife, father, mother, or adult child to pay to such recipient of public assistance or to such person in need thereof such sum or sums of money in such installments as the court in its discretion may direct and such orders may be enforced in the same manner as orders for alimony.

(b) The Commissioners shall be empowered on behalf of the District to sue such husband, wife, father, mother, or adult child for the amount of public assistance granted under this Act or under any Act repealed by this Act to such recipient or for so much thereof as such husband, wife, father, mother, or adult child is reasonably able to pay.

(c) All suits, actions, and court proceedings under this section shall be brought in the domestic relations branch of the municipal court for the District of Columbia. To the extent applicable, the provisions of the Act entitled "An Act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other pur-

poses", approved April 11, 1956, shall be followed in suits, actions, and proceedings brought pursuant to this section.

PAYMENT OF EXPENSES

SEC. 20. All necessary expenses incurred by the District in carrying out the provisions of this Act shall be disbursed in the same manner as other expenses of the District are disbursed.

DELEGATION OF AUTHORITY

SEC. 21. The Commissioners are authorized to make provisions for delegation and subdelegation of any function vested in them by this Act to any agency, officer, or employee of the District.

VOLUNTARY SERVICES

SEC. 22. The Commissioners are authorized to accept voluntary services in administering the provisions of this Act. Such voluntary services shall not create any obligation against the District.

APPROPRIATIONS

SEC. 23. (a) The Commissioners shall include in their annual estimates of appropriations such sums as may be needed to carry out the provisions of this Act.

(b) Unobligated balances of appropriations for the Department of Public Welfare are hereby made available for the purposes of this Act.

REPEALS

SEC. 24. The following Acts are hereby repealed: The Act entitled "An Act to provide aid to dependent children in the District of Columbia", approved June 14, 1944 (58 Stat. 277); the Act entitled "An Act to amend the code of laws for the District of Columbia in relation to providing assistance against old-age want", approved August 24, 1935 (49 Stat. 747); and the Act entitled "An Act to provide aid for needy blind persons of the District of Columbia and authorizing appropriations therefor", approved August 24, 1935 (49 Stat. 744), as amended. Notwithstanding such repeal, all claims of the District of Columbia for recovery of amounts expended for aid or assistance granted under such repealed Acts which it now has, or which would have accrued had such Acts not been repealed, shall be recoverable in the same manner and to the same extent as such amounts would be recoverable had such aid or assistance been granted under the provisions of this Act.

REORGANIZATION

SEC. 25. This Act shall not be considered as affecting the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan numbered 5 of 1952 (66 Stat. 824), and the performance of any function vested by said plan in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners shall continue to be subject to delegation by said Board of Commissioners in accordance with section 3 of such plan. Any function vested by this Act in any agency established pursuant to such plan shall be deemed to be vested in said Board of Commissioners and shall be subject to delegation in accordance with said plan.

VALIDITY

SEC. 26. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 27. Except as otherwise provided in this Act, the provisions of this Act shall take effect on the first day of the second month following the date of enactment.

Mr. HART. Mr. President, may we have an explanation of the bill?

Mr. MORSE. I was about to file an explanation. Does the Senator wish me to read it?

Mr. HART. It will be satisfactory if the Senator files his explanation.

Mr. MORSE. Mr. President I ask unanimous consent to have printed in the RECORD at this point an explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

The purpose of this bill is to consolidate into one act, present statutes governing the granting of public assistance in the District of Columbia, which at the present time is administered under the following separate laws: old-age assistance; aid to the blind; aid to dependent children; aid to the permanently and totally disabled; and general assistance.

The bill also would authorize the Commissioners of the District of Columbia to establish such categories of public assistance as they may deem appropriate; make uniform in all categories a 1-year residence requirement for public assistance eligibility; make uniform the provisions of all categories of assistance respecting the responsibility of relatives to contribute to the support of the applicant; permit the Commissioners of the District to prescribe by regulation the periods of time which may elapse in each category of assistance prior to a reinvestigation of the recipient's financial and physical circumstances; authorize the Commissioners of the District of Columbia to enter into reciprocal agreements with any State for the provision of public assistance to residents and nonresidents; and the Commissioners are authorized to accept voluntary services in administering the provisions of the act.

The bill provides penalties for fraud in obtaining public assistance.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H.J. Res. 397) to enable the United States to participate in the resettlement of certain refugees was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. BARTLETT. Over.

The PRESIDING OFFICER. The joint resolution will go over.

TRANSFER OF SECURITIES TO AND BY FIDUCIARIES IN THE DISTRICT OF COLUMBIA

The bill (H.R. 10021) providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia, was considered, ordered to a third reading, read the third time, and passed.

CORONADO NATIONAL MEMORIAL

The bill (S. 2806) to revise the boundaries of the Coronado National Memorial and to authorize the repair and maintenance of an access road thereto in the State of Arizona, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in furtherance of the purposes of the Act of August 18, 1941 (55 Stat. 630), as amended, and to facilitate the administration and development of the Coronado National Memorial, Arizona, the boundaries thereof are hereby revised by the following additions and deletions of land:

(1) Inclusion in the memorial and exclusion from the Coronado National Forest of lots 2 and 7 and a portion of Homestead Entry Survey 310 situated in section 18, township 24 south, range 21 east, Gila and Salt River base and meridian, said portion of Homestead Entry Survey 310 being more particularly described as follows: Beginning at the southwest corner (identified as corner number 1), of Homestead Entry Survey 310, said point being located on the present boundary of Coronado National Memorial and marked by an iron pipe with a brass cap and a rock cairn placed by the United States Bureau of Land Management in 1955; thence north zero degrees thirty-three minutes west, one thousand two hundred ninety-four and twenty-six hundredths feet, more or less, along the west boundary of said tract, which line is also the present boundary of said memorial, to the northeast corner of lot 8, section 18, said point being marked by an iron pipe with a brass cap and a rock cairn placed by the United States Bureau of Land Management in 1955; thence north zero degrees twenty-three minutes east, two hundred thirty and eight-tenths feet, more or less, along the west boundary of Homestead Entry Survey 310 to a point on a circular curve marked by an iron pipe with a National Park Service brass cap, said point being located south eight-one degrees forty-four minutes east, exactly one hundred forty feet from the point of curvature of said curve; thence southeasterly five hundred forty-eight and two-tenths feet along said circular curve to the right of radius one thousand seven hundred thirty-two and four-tenths feet and having a beginning tangent bearing of south eighty-four degrees three minutes east (from point of curvature to point of intersection), to the point of tangency of said curve; thence south sixty-one degrees sixteen minutes east, two hundred twenty-four and eight-tenths feet to the point of curvature of a circular curve to the right; thence southeasterly two hundred ninety-two and six-tenths feet along said circular curve to the right of radius six thousand twenty-nine and six-tenths feet to the point of tangency of said curve; thence south fifty-eight degrees twenty-nine minutes east, five hundred eighty-eight and seven-tenths feet to the point of curvature of a circular curve to the right; thence southeasterly two hundred twenty-five and nine-tenths feet along said circular curve to the right of radius two thousand two hundred nine and nine-tenths feet to the point of tangency of said curve; thence south fifty-two degrees thirty-eight minutes east, twenty-eight and eight-tenths feet to the point of curvature of a circular curve to the left; thence southeasterly two hundred sixteen and nine-tenths feet along said circular curve to the left of radius one thousand six hundred nine and nine-tenths feet to the point of tangency of said curve; thence south sixty degrees twenty-one minutes east, thirty and seven-tenths feet to the point of curvature of a circular curve to the right; thence southeasterly seven hundred thirteen and six-tenths feet, more or less, along said circular curve to the right of radius one thousand two hundred fifty-four and nine-tenths feet to a point on the southern boundary

line of Homestead Entry Survey 310 marked by an iron pipe with a National Park Service brass cap, said point also being located on the present northern boundary line of Coronado National Memorial thence north eighty-nine degrees forty-nine minutes west two thousand three hundred and sixty-one feet, more or less, along the southern boundary line of Homestead Entry Survey 310, which line is also the present northern boundary of the said memorial, to the point of beginning (all bearings referred to the true meridian).

(2) Inclusion in the Memorial and exclusion from the Coronado National Forest of lots 5 and 6 in section 20, township 24 south, range 21 east, Gila and Salt River base and meridian.

(3) Exclusion from the Memorial and inclusion in the Coronado National Forest of the north half southwest quarter northwest quarter section 13, and the north half southeast quarter northeast quarter section 14, all in township 24 south, range 20 east, Gila and Salt River base and meridian.

SEC. 2. The Secretary of the Interior is authorized to acquire lands and interests in lands within the revised boundaries of the Coronado National Memorial by purchase, donation, with donated funds, or by such other means as he may consider to be in the public interest. Lands and interests in lands acquired pursuant to this Act shall become a part of the Memorial and be administered by the Secretary of the Interior in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended, and pursuant to sections 2, 3, and 4 of the Act of August 18, 1941 (55 Stat. 630), as amended.

SEC. 3. The Act approved August 7, 1946 (60 Stat. 885), is hereby amended by substituting a semicolon for the period at the end of subsection (a), section 1, and inserting immediately thereafter the following: "repair and maintenance of the class 'C' road lying between the terminus of F.A. 383 at the east boundary of Coronado National Forest and the point where said class 'C' road enters Coronado National Memorial in the vicinity of Montezuma Pass, approximately 5.3 miles."

HALEAKALA NATIONAL PARK

The bill (S. 3623) to designate and establish that portion of the Hawaii National Park on the island of Maui in the State of Hawaii as the Haleakala National Park, and for other purposes was considered ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective July 1, 1961, the detached portion of the Hawaii National Park which lies on the island of Maui is hereby established as a separate unit of the national park system to be known as Haleakala National Park. The park so established shall be administered in accordance with the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with any other applicable provision of law relating to the Maui portion of Hawaii National Park.

GRANTING OF RIGHT, TITLE, AND INTEREST TO CERTAIN LANDS IN CRAWFORD, NEBR.

The bill (H.R. 6179) to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. I have no objection to the bill, but I should like to read a brief statement.

There being no objection the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 5, after the word "of", to strike out "$880" and insert "$500", and after line 8, to strike out:

Starting at the northeast corner of the tract of land granted, subject to certain conditions, to the village of Crawford, Nebraska, by the Act of June 25, 1906 (34 Stat. 461), and running thence due west a distance of 1,156.98 feet, thence due south, a distance of 1,300 feet, thence due east 1,156.98 feet, thence due north 1,300 feet to the place of origin, containing 34.5 acres more or less.

And, in lieu thereof, to insert:

Starting at a point where the north line of the corporate limits of the city of Crawford, Dawes County, Nebraska, intercepts the east line of the tract of land granted, subject to certain conditions, to the village of Crawford, Nebraska, by the Act of June 25, 1906 (34 Stat. 461), and running thence due west a distance of 660 feet, thence due north a distance of 660 feet, thence due east a distance of 660 feet, thence due south a distance of 660 feet to the place of origin, containing 10 acres more or less.

Mr. MORSE. Mr. President, H.R. 6179, as reported by the Senate Committee on Interior and Insular Affairs, would authorize the conveyance of a tract containing 10 acres, more or less, to the city of Crawford, Nebr., in consideration of the payment of $500.

According to Senate Report No. 1656, a tract of 34.5 acres was conveyed to the city by the United States pursuant to the act of June 25, 1960, for park and waterpower purposes. The 1906 act provided for a reversionary interest for the United States under which title would revest if the city should fail to use the land for the prescribed purposes.

By the act of March 20, 1922, the city of Crawford was permitted to use 5 acres of the tract for livestock pavilion purposes. In order to modernize the sales barn, the city desires to obtain the land but the reverter clause makes it impossible to proceed with the improvement loan.

The city would be authorized to use land for the above-designated purposes in perpetuity so that if this bill were not to pass, the property could be used by the city for an indefinite period of time in the future provided the original uses were maintained. The Morse formula requires the payment of fair market value for the Federal Government's reversionary interest in a case of this type.

The Senator from Nebraska [Mr. CURTIS] advises me that this land, if sold in fee would command approximately $100 per acre. The payment of $50 per acre for the Government's reversionary interest seems fair and reasonable under the circumstances. Therefore, I find no objection to the bill under the Morse formula.

Mr. CURTIS. Mr. President, I thank the distinguished Senator from Oregon. I ask unanimous consent that a letter which I addressed to the Senator from Oregon in further explanation of the bill be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 24, 1960.

Hon. WAYNE MORSE,
U.S. Senate, Washington, D.C.

DEAR WAYNE: You were very kind to me in our conversation on the floor of the Senate the other day concerning H.R. 6179, Senate Calendar No. 1719, a bill to convey certain land to the city of Crawford, Nebr. The purpose of this letter is to supplement the information carried in the committee report and to clear up the picture in reference to the legislation and its purpose.

In 1906 the Congress granted to the city of Crawford a tract of land adjacent to the city limits which had been a part of the Fort Robinson military reservation. It consisted of approximately 360 acres. This 1906 act of Congress specified that the land was for park and waterpower purposes. This act of 54 years ago gave this land to the city of Crawford for these purposes. The conveyance did, however, carry a reverter clause which in substance provided that if the land was not used for public park purposes and waterpower purposes it would revert to the United States. The city of Crawford took possession of the land and have used it since that time.

In 1922 in an act of Congress approved by the President on March 20, 1922, the United States made a further grant relating to a portion of this land to the city of Crawford. It was an amendment to the 1906 act. In substance it provided that the city of Crawford might use a portion of this land not to exceed 5 acres for a "site for a pavilion to be used for the sale and exhibition of livestock and for auditorium purposes."

The 1922 act did not describe the 5 acres. Actually the need for this legislation is largely due to that error.

Pursuant to the 1922 act a sales barn pavilion was placed on the land and it is still operating.

In order to meet the needs in this cattle country and for modernization of the sales barn a small business loan was sought in order to improve the sales barn or sales pavilion. As a condition of providing a satisfactory title for the small business loan a requirement was laid down that the reverter clause in the original act of 1906 be waived.

H.R. 6179 and the companion Senate bill which I introduced sought to have the Federal Government waive the reverter clause on 34½ acres which included the 5 acres where the sales pavilion now exists. The consideration was to be $880.

Further negotiations were had and the Senate committee looked into the matter in considerable detail. The city of Crawford agreed that they could meet their modernization and other requirements of the sales barn if the reverter clause was waived and absolute title was given for 10 acres. This 10 acres is accurately described in the bill and a certificate of the county surveyor is on file with the committee. It includes the area comprising the 5 acres so in reality all that the United States is parting with in this legislation is the reverter clause for 5 additional acres. The Senate fixed a fair value for this of $500. Actually the $500 is excessive. That is all the full 10 acres are worth to buy outright. Crawford is a small non-county-seat town. Fort Robinson has long since closed. The Northwestern Railroad no longer has any passenger trains through there. Crawford is near enough to the larger city of Chadron so that its trade territory is limited. In view of all of these facts, $500 for the waiver of the reverter clause for 5 acres is more than an adequate price. It is true there are 10 acres involved but we re-

gard the 5 covered in the 1922 act as already taken care of even though the act in 1922 failed to describe it.

I might also call to your attention the fact that according to modern standards this reverter clause placed in the original act of Congress in 1906 would have long since expired. I believe that present reverter clauses only run for 20 or 25 years.

This matter is not of great importance to the Government of the United States. It is highly important to the people of the community involved and I would appreciate it deeply if you can assist in expediting its passage.

Thanking you, I am,

Sincerely yours,

CARL T. CURTIS,
U.S. Senator.

The PRESIDING OFFICER. Without objection, the question is on agreeing to the committee amendments en bloc.

The amendments were agreed to en bloc.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

ADDITIONAL FUNDS FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The resolution (S. Res. 329) to provide additional funds for the Committee on Interior and Insular Affairs, which had been reported from the Committee on Interior and Insular Affairs without amendment and subsequently reported from the Committee on Rules and Administration, without amendment, was considered and agreed to, as follows:

Resolved, That the Committee on Interior and Insular Affairs is hereby authorized to expend from the contingent fund of the Senate, during the Eighty-sixth Congress, $10,000, in addition to the amount, and for the same purposes specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

STUDY OF CONDITIONS IN AMERICAN SAMOA

The resolution (S. Res. 330) to study the conditions in American Samoa which had been reported from the Committee on Interior and Insular Affairs without amendment and subsequently reported from the Committee on Rules and Administration, without amendment, was considered and agreed to, as follows:

Resolved, That the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to conduct a full and complete study and investigation of conditions in American Samoa for the purpose of determining what should be done to improve economic and other conditions and to give the people of American Samoa a greater amount of self-government.

SEC. 2. For the purposes of this resolution, the committee, from the date on which this resolution is agreed to, to January 31, 1961, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ on a temporary basis technical, clerical, and other assistants and consultants; and (3) with the prior consent of the head of the department or agency concerned and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for such legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1961.

SEC. 4. The expenses of the committee, under this resolution, which shall not exceed $20,000, shall be paid from the contingent fund of the Senate by vouchers approved by the chairman of the committee.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "DOCUMENTATION, INDEXING, AND RETRIEVAL OF SCIENTIFIC INFORMATION"

The resolution (S. Res. 333) to print additional copies of the report entitled "Documentation, Indexing, and Retrieval of Scientific Information," was considered and agreed to, as follows:

Resolved, That the report entitled, "Documentation, Indexing, and Retrieval of Scientific Information", prepared by the staff of the Committee on Government Operations, be printed with illustrations as a Senate document, and that four thousand three hundred additional copies be printed for the use of that committee.

FUNDS FOR THE COMMITTEE ON APPROPRIATIONS

The resolution (S. Res. 335) to provide funds for the Committee on Appropriations, was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-sixth Congress, $5,000 in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946, Senate Resolution 137, agreed to July 6, 1959, and Senate Resolution 282, agreed to April 11, 1960.

THELMA MARGUARETTE HEDGE

The resolution (S. Res. 343) to pay a gratuity to Thelma Marguarette Hedge was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Thelma Marguarette Hedge, widow of Porter M. Hedge, an employee of the Senate at the time of his death, a sum equal to 10 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

LEON R. DEVILLE, JR.

The resolution (S. Res. 342) to pay a gratuity to Leon R. DeVille, Jr., was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Leon R. DeVille, Jr., son of Leon DeVille, an employee of the Senate at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

ROSANNE WILLCOX PURVIS

The resolution (S. Res. 341) to pay a gratuity to Rosanne Willcox Purvis was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. JOHNSTON of South Carolina. Mr. President, I send an amendment to the desk and ask that it be stated. The amendment does not change the resolution; it merely provides that the payment shall be made to executors.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 3, strike out "Rosanne Willcox Purvis, widow of" and insert in lieu thereof "Hugh Willcox and A. P. Skinner, executors of the estate of."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Hugh Willcox and A. P. Skinner, executors of the estate of Melvin H. Purvis, an employee of the Senate at the time of his death, a sum equal to eight and one-half months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The title was amended, so as to read: "To pay a gratuity to Hugh Willcox and A. P. Skinner, executors of the estate of Melvin H. Purvis."

PRINTING OF COPIES OF PRAYERS OF THE CHAPLAIN OF THE SENATE

The Senate proceeded to consider the resolution (S. Res. 337) to print a certain number of copies of the prayers of the Chaplain of the Senate for the 85th and 86th Congresses, which had been reported from the Committee on Rules and Administration with an amendment, to strike out all after the resolving clause and insert:

That the prayers by the Reverend Frederick Brown Harris, Doctor of Divinity, Chaplain of the Senate, at the opening of the daily sessions of the Senate during the Eighty-fifth and Eighty-sixth Congresses, together with certain prayers offered by him at national occasions sponsored by the Senate, be printed as a Senate document, and that one thousand eight hundred additional copies be printed and bound for the use of the Senate.

The amendment was agreed to.

The resolution as amended was agreed to.

INVESTIGATION OF CERTAIN MATTERS BY THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Senate proceeded to consider the resolution (S. Res. 328) amending Senate Resolution 244 authorizing the Committee on Interstate and Foreign Commerce

to investigate certain matters within its jurisdiction, which had been reported from the Committee on Rules and Administration with an amendment in line 3, after the word "Commerce", to strike out "to investigate certain matters within its jurisdiction" and insert "to undertake a study of transportation policies in the United States", so as to make the resolution read:

Resolved, That Senate Resolution 244, agreed to March 24, 1960, authorizing the Committee on Interstate and Foreign Commerce to undertake a study of transportation policies in the United States, is amended on page 4, line 5, by striking out "$194,100" and inserting in lieu thereof "$269,100".

The amendment was agreed to.

The resolution, as amended, was agreed to.

The title was amended, so as to read: "Resolution amending Senate Resolution 244 authorizing the Committee on Interstate and Foreign Commerce to undertake a study of transportation policies in the United States."

PRINTING OF SUPPLEMENT TO THE CONSTITUTION

The Senate proceeded to consider the joint resolution (S.J. Res. 176) authorizing the preparation and printing of a supplement to the Constitution of the United States of America Annotated, as published in 1953 as Senate Document No. 170, 82d Congress, which had been reported from the Committee on Rules and Administration with an amendment to strike out all after the resolving clause and insert:

That the Librarian of Congress is authorized and directed to have prepared a revised edition of the Constitution of the United States of America—Analysis and Interpretation, published as Senate Document Numbered 170, Eighty-second Congress, which shall contain annotations of decisions of the Supreme Court of the United States after June 30, 1952, construing the several provisions of the Constitution. Such revised edition shall be printed as a Senate document, and three thousand and twenty-nine additional copies shall be printed, of which two thousand two hundred and five copies shall be for the use of the House of Representatives and eight hundred and twenty-four copies shall be for the use of the Senate.

SEC. 2. There are authorized to be appropriated such sums, to remain available until expended, as may be necessary to carry out the provisions of this joint resolution.

The amendment was agreed to.

The joint resolution, as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the preparation and printing of a revised edition of the Constitution of the United States of America—Analysis and Interpretation, published in 1953 as Senate Document Numbered 170 of the Eighty-second Congress."

The preamble was amended so as to read:

Whereas the Constitution of the United States of America, Analysis and Interpretation, published in 1953 as Senate Document Numbered 170, Eighty-second Congress, serves a very useful purpose by supplying essential information;

Whereas such document contains annotations of cases decided by the Supreme Court of the United States to June 30, 1952; and

Whereas many cases bearing upon the analysis and interpretation of the Constitution have been decided by the Supreme Court since June 30, 1952: Now, therefore, be it

PRINTING OF COPIES OF CERTAIN PUBLICATIONS FOR USE OF THE INTERNAL SECURITY SUBCOMMITTEE OF THE SENATE

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 107) to print for the use of the Internal Security Subcommittee of the Senate Judiciary Committee, copies of certain publications, which had been reported from the Committee on Rules and Administration with amendments, on page 1, at the beginning of line 3, to strike out "Subcommittee on Internal Security of the", and in line 5, after the word "publications", to insert "of its Internal Security Subcommittee", so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring) That there shall be printed, for the use of the Senate Committee on the Judiciary, the numbers of copies specified of the following publications of its Internal Security Subcommittee:

(1) The Effect of Red China Communes on the United States (Hearing before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, March 24, 1959), five thousand copies;

(2) Statement by J. Edgar Hoover (S. Doc. 80, Eighty-sixth Congress, second session), ten thousand copies;

(3) The Revival of the Communist International and Its Significance for the United States (Committee Print, Eighty-sixth Congress, first session), five thousand copies;

(4) Contradictions of Communism (Committee Print, Eighty-sixth Congress, first session), twenty thousand copies;

(5) Report of the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws to the Committee on the Judiciary, United States Senate, for the Year 1958 (Committee Print, Eighty-sixth Congress, first session), ten thousand copies; and

(6) The Communist Party of the United States of America—A Handbook for Americans (S. Doc. 117, Eighty-fourth Congress, second session), twenty thousand copies.

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

The title was amended, so as to read: "Concurrent resolution printing for the use of the Senate Committee on the Judiciary additional copies of certain publications of its Internal Security Subcommittee."

DISPOSAL OF CERTAIN PUBLICATIONS

The concurrent resolution (H. Con. Res. 691) authorizing the disposal of certain publications now stored in the folding room of the House of Representatives and the Warehouse of the Senate was considered, and agreed to.

OUTPATIENT TREATMENT FOR CERTAIN VETERANS

The bill (H.R. 7965) to amend section 612 of title 28, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans was considered, ordered to a third reading, read the third time, and passed.

Mr. YARBOROUGH subsequently said: Mr. President, I ask unanimous consent that an explanation of the bill be printed in the RECORD, at the point of the passage of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF BILL

This bill would authorize the Administrator of the Veterans' Administration to furnish medical service for a non-service-connected disability under the following circumstances:

(1) Where such care is reasonably necessary in preparation for admission of a veteran who has been determined to need hospital care and who has been scheduled for admission; and

(2) Where a veteran has been granted hospital care, and outpatient care is reasonably necessary to complete treatment incident to such care.

This new authority conferred upon the Administrator would be limited to non-service-connected cases, inasmuch as authority for providing such care to veterans with service-connected disabilities already exist.

The purpose of the bill is to accelerate the rate of patient turnover, in Veterans' Administration hospitals. Presently the rate of patient turnover in VA hospitals does not compare favorably with the turnover rate in private hospitals. Generally private hospitals conduct preadmission procedures before a patient actually occupies a bed. Similarly, at the terminal part of care, the patient is usually discharged from the hospital as soon as medically feasible, leaving various terminal procedures to be conducted on an outpatient basis. In contrast, the Veterans' Administration has the authority to offer such preadmission and posthospital care only with respect to veterans with service-connected disabilities. Since X-ray and other preadmission procedures cannot be performed for non-service-connected cases until the patient is actually admitted to a VA hospital, this means that in some instances non-service-connected veterans occupy VA hospital beds before the patient is medically ready for bed care. With respect to terminal care, it means that the non-service-connected patient is likely to remain in a bed-care status longer than necessary from a medical viewpoint.

A direct approach to this problem is provided by this bill which authorizes a complete workup on a prehospital outpatient basis for those cases which are found to be eligible and in need of hospital care and which have been actually scheduled for admission. This procedure, of course, would shorten the time of the patient in the hospital in many instances and it is essentially similar to the procedure now followed in private practice.

Posthospital outpatient care would speed the hospital discharge of many patients who need medical supervision but do not necessarily require hospital care. The bill is not intended to authorize outpatient care on an indefinite basis or without any close relationship to the purpose and completion of hospital benefit.

As indicated in the Veterans' Administration report, the definite benefits which

might be reasonably expected from the enactment of this legislation are:

(1) An increased turnover of veterans hospitalized for treatment, with the resulting effect of a reduction in the length of patient stay in the hospital;

(2) A decrease in the cost per patient treated; and

(3) A partial check on the development of longer waiting lists as the veteran population ages.

The committee believes that, while this proposal does not provide a complete solution to the problems presented by the ever-increasing demand for veterans hospitalization, it does represent a constructive positive approach to the patient turnover problem.

A subcommittee of the House Committee on Veterans' Affairs recently conducted hearings on the Veterans' Administration medical program. During the course of those hearings, the Veterans' Administration expressed favorable views on the proposal in this legislation.

COST

The Veterans' Administration has provided an estimate of cost on this bill which indicates that the increased annual operating cost of the medical care program might range from $11.3 to $17.4. In elaborating on the cost implications of this legislation, the Veterans' Administration stated that, "While these estimates of cost are substantial, it is well to consider what the alternative might be if the Government should undertake, contrary to present plans, to provide the same patient turnover on an inpatient basis. To produce an equivalent 10-percent inpatient turnover through additional hospital facilities would require some 5 additional 1,000-bed fully staffed general medical and surgical hospitals at an estimated annual operating cost of $40 million. If the patient turnover were increased by 5 percent by the bill, the operating costs for new facilities would be proportionately less. These figures do not take into consideration the initial cost for constructing such additional hospital facilities."

The favorable report of the Veterans' Administration follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, D.C., March 16, 1960.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D.C.

DEAR MR. TEAGUE: On H.R. 7965, 86th Congress, the Veterans' Administration furnishes the following comments.

The bill would authorize the Administrator to furnish medical services for a nonservice-connected disability when reasonably necessary (1) in preparation for admission of a veteran for hospital care, or (2) in determining whether hospital care is needed. Outpatient treatment reasonably necessary to complete treatment incident to a veteran's hospital care also would be permitted.

Section 2 of the bill is apparently intended to prevent the furnishing of prosthetic appliances when the veteran is receiving outpatient attention prior to being hospitalized. However, that section as drafted might limit existing authority to furnish necessary appliances as part of the treatment on nonservice-connected cases while actually hospitalized. To clarify this we suggest deletion of the entire text after "following:" in section 2 and substitution of "(except under the conditions described in sec. 612(f)(1)".

The bill no doubt would accelerate the turnover rate in Veterans' Administration hospitals. This would lead to greater utilization of available beds and seems to be a sound approach to the problem. However, to better reflect what we believe to be the intent of the bill, we suggest its further amendment as follows:

Delete lines 8 and 9, page 1 and lines 1 and 2, page 2, and insert in lieu thereof:

"(1) Where such care is reasonably necessary in preparation for admission of a veteran who has been determined to need hospital care and who has been scheduled for admission."

Our recommendation would thus delete the specific language of the bill that the Administrator may furnish medical services for a non-service-connected disability "where such care is reasonably necessary in determining whether or not hospital care is needed." This authority already exists to a sufficient degree under the provision of the law (38 U.S.C. 610) authorizing the Administrator to furnish hospital care "which he determines is needed." If the present law is supplemented by the additional language of the bill concerning outpatient services in determining hospital need, it might give rise to pressures for treatment of applicants for hospital care on an extensive scale on the theory that more is intended than the examination procedures now authorized by law.

Our suggested amendment would avoid any interpretation that outpatient treatment for non-service-connected disabilities shall be provided for all applicants on our waiting lists. These lists include veterans whose names might never be reached or whose applications might be withdrawn, canceled, or rejected prior to scheduling for admission.

If our amendment is adopted, no outpatient treatment would be authorized in preparation for admission to the hospital until such time as the veteran is actually scheduled for admission. This is usually within 15 days of the date of admission. Sufficient time would thus be allowed to permit completion of most of the necessary admission procedures. This would accomplish the essential purposes of the bill without opening the door to outpatient care to an extent not directly and closely related to a planned episode of hospitalization.

Some definite benefits that may be anticipated from enactment of this bill are:

(1) An increased turnover of veterans hospitalized for treatment with the resulting effect of a reduction in the length of patient stay in the hospital;

(2) A decrease in the cost per patient treated; and

(3) A partial check on the development of longer waiting lists as the veteran population ages.

In appropriate cases, a complete workup would be performed on a prehospital outpatient basis. This would cover a good deal of ground in preparing the patient for hospital care which must now be covered after admission. While the essential purpose of our amendment would be preparatory, there might be some instances in which a by-product of this procedure would be a finding that, contrary to the initial determination, inpatient care is not needed in the particular situation. This procedure would also shorten the time in hospital in a very high percentage of the cases in which applied. It would be similar to the procedure now followed in private practice.

The posthospital outpatient care authorized by the bill would speed the hospital discharge of many patients with non-service-connected conditions who need medical supervision, but not necessarily as hospital patients. As the bill specifies, this aftercare is care which is reasonably necessary to complete and round out the hospital care itself. It is obviously not intended to authorize continuing outpatient treatment indefinitely into the future, without any close relationship to the purpose and completion of the hospitalization benefit.

In this respect, the bill expressly provides for posthospital outpatient care of a kind generally similar to the followup care which is now furnished, within limits, on a nonbed basis. This is done through visits at the hospital without discharging the veteran from his hospital status, but only where it is necessary properly to complete his hospital care.

The bill will permit some expansion of this existing procedure by classifying the followup care as outpatient treatment and permitting more flexibility in its administration. For example, the necessary hospital care of non-service-connected patients could be supplemented adequately by followup care for a reasonable period in our clinics without requiring that the treatment take place at the hospital itself. These clinics are now restricted to treatment of patients suffering from service-connected disabilities. We would expect, however, that most patients would generally be provided followup care at the hospital itself so that the hospital medical supervision would be continued as required to attain the maximum benefit which would otherwise be wholly provided through continued hospitalization.

With the increased aging of the war veterans, we must anticipate a concomitant increase in the demand for care for chronic disabilities. Such treatment generally requires extended periods of hospitalization. This will result in an increase in the number of "frozen beds." Consequently, we will be treating fewer patients in the currently authorized 125,000 beds at a time when the demands for beds is on the increase and our waiting lists will be extended. This may generate a demand for additional hospital beds in excess of the current ceiling. While this bill will not eliminate that problem, it will tend to reduce the current length of patient stay and thus enable us to care for more patients in the available beds.

To that extent, it would improve our capability of meeting the ever-increasing demand for hospitalization within the limits of available facilities.

The possible adverse effects of the proposed legislation should also, I believe, be considered. This bill would for the first time mean that non-service-connected veterans would be receiving outpatient treatment even though we have endeavored to make revisions which would relate this only to hospital care. The outpatient treatment of the non-service-connected might be an opening wedge to a further extension of this type of medical treatment.

Another consideration is that it has been the position of the present administration that other non-Federal governmental jurisdictions have a responsibility for providing medical assistance to all their citizens including veterans. This proposed legislation expands the number of non-service-connected veterans who would be cared for in our hospitals.

It is difficult to develop a reliable estimate of the cost of the bill. We believe, however, that the following information will indicate broadly its fiscal impact.

Probably no additional cost would accrue with respect to the specific outpatient diagnostic services preparatory to admission as authorized by the bill. These services are currently provided on an inpatient basis. The additional costs which would flow from the bill are based on a reasonable increase in the number of patients treated on a posthospital basis and a more rapid turnover of inpatients. With these assumptions, the following estimates indicate the potential annual cost of the bill:

Increased cost for posthospital care

	Million
Medical services and supplies, 720,000 visits, at $8	$5.8
Beneficiary travel, 720,000 visits, at $5	3.6
Total	9.4
Less estimated current cost followup program	3.2
Net cost to VA	6.2

Estimated cost of increased turnover of patients based on assumptions shown

	Million
Assumption (1): If patient turnover increased by 10 percent	$10.2
Assumption (2): If patient turnover increased by 5 percent	5.1

From the above, the increased annual operating cost might range from $11.3 million to $16.4 million. These figures are necessarily inexact but furnish some guidance as to the additional operating cost which might be experienced annually in the early years after enactment.

While these estimates of cost are substantial, it is well to consider what the alternative might be if the Government should undertake, contrary to present plans, to provide the same patient turnover on an inpatient basis. To produce an equivalent 10-percent inpatient turnover through additional hospital facilities would require some 5 additional 1,000-bed fully staffed general medical and surgical hospitals at an estimated annual operating cost of $40 million. If the patient turnover were increased by 5 percent by the bill, the operating costs for new facilities would be proportionately less. These figures do not take into consideration the initial cost for constructing such additional hospital facilities.

Because of the basic question of policy raised by this bill I have endeavored at considerable length to point out important factors involved. I would recommend that our respective staffs study in detail its impact before proceeding further. I would also be happy to discuss it with you and members of your committee.

The Bureau of the Budget has advised that while there is no objection to the submission of such report to the committee as we may deem appropriate, the Bureau does not favor enactment of H.R. 7965 at the present time because of the adverse considerations mentioned on page 4 of this report and because of its substantial cost impact.

Sincerely yours,

BRADFORD MORSE,
Deputy Administrator
(For and in the absence of Sumner G. Whittier, Administrator).

MRS. ICILE HELEN HINMAN

The bill (H.R. 9751) for the relief of Mrs. Icile Helen Hinman was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

The bill (H.R. 9541) to amend section 109(g) of the Federal Property and Administrative Services Act of 1949 was considered, ordered to a third reading, read the third time, and passed.

PAY OF CLERICAL ASSISTANTS ON TERMINATION OF SERVICE BY APPOINTED SENATORS

The resolution (S. Res. 344) relating to pay of clerical and other assistants as affected by termination of service of appointed Senators was considered and agreed to, as follows:

Resolved, That in any case in which (1) a Senator is appointed to fill any portion of an unexpired term, (2) an election is thereafter held to fill the remainder of such unexpired term, and (3) the Senator so appointed is not a candidate or if a candidate is not elected at such election, his clerical and other assistants on the payroll of the Senate on the date of termination of his service shall be continued on such roll at their respective salaries until the expiration of 30 days following such date or until they become otherwise gainfully employed, whichever is earlier, such sums to be paid from the contingent fund of the Senate. A statement in writing by any such employee that he was not gainfully employed during such period or the portion thereof for which payment is claimed shall be accepted as prima facie evidence that he was not so employed. The provisions of this resolution shall not apply to an employee of any such Senator if on or before the date of termination of his service he notifies the Disbursing Office of the Senate in writing that he does not wish the provisions of this resolution to apply to such employee.

THEODORE ROOSEVELT MEMORIAL—BILL PASSED OVER

The bill (S. 2561) to amend the act entitled "An act to establish a memorial to Theodore Roosevelt in the National Capital" to provide for the construction of such memorial by the Secretary of the Interior was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARTLETT. Over.

The PRESIDING OFFICER. The bill will be passed over.

WOODROW WILSON MEMORIAL COMMISSION

The joint resolution (S.J. Res. 152) authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established a commission, to be known as the Woodrow Wilson Memorial Commission (hereinafter referred to as the "Commission"), for the purpose of considering and formulating plans for the design, construction, and location of a permanent memorial to Woodrow Wilson in Washington, District of Columbia, or in its immediate environs. The Commission shall, in general, decide on the advisability of one of two kinds of memorials: One which would be a monument similar to those which honor Presidents Washington, Jefferson, and Lincoln; or one which will serve as a building of a functional nature, or, as it is often called, a "living memorial". The Commission shall study, among others, proposals to associate the memorial with the Washington International Center program for international visitors.

(b) The Commission shall be composed of the following members:

(1) Former Presidents of the United States, at their pleasure;

(2) Two persons to be appointed by the President of the United States;

(3) Two Senators to be appointed by the President of the Senate;

(4) Two Members of the House of Representatives to be appointed by the Speaker of the House of Representatives; and

(5) Three members to be appointed by the President of the United States, one from each of the following:

(A) The Woodrow Wilson Foundation;

(B) The Woodrow Wilson Centennial Commission (now discharged); and

(C) One member of the Department of the Interior, who shall be the Director of the National Park Service, or his representative.

(c) The Commission shall select a chairman and a vice chairman from among its members. Vacancies occurring in the membership of the Commission shall be filled in the same manner as the original appointment.

(d) The members of the Commission shall serve without compensation, but shall be reimbursed for expenses incurred by them in carrying out the duties of the Commission.

(e) The Commission shall report such plans, together with its recommendations, to the President and Congress at the earliest practicable date, and in the interim shall make annual reports of its progress to the President and Congress.

SEC. 2. The Commission is authorized to—

(a) make such expenditures for personal services and otherwise for the purpose of carrying out the provisions of this joint resolution as it may deem advisable from funds appropriated or received as gifts for such purpose;

(b) accept gifts to be used in carrying out the provisions of this joint resolution or to be used in connection with the construction or other expenses of such memorial;

(c) hold hearings, organize contests, enter into contracts for personal services and otherwise, and do such other things as may be necessary to carry out the provisions of this joint resolution; and

(d) avail itself of the assistance and advice of the Commission of Fine Arts, the National Capital Planning Commission, and the National Capital Regional Planning Council, and such Commissions and Council shall, upon request, render such assistance and advice.

SEC. 3. There is authorized to be appropriated not more than $10,000 to carry out the provisions of this joint resolution.

The preamble was agreed to.

Mr. JAVITS subsequently said: Mr. President, I was necessarily detained at a meeting of the Subcommittee on National Policy Machinery when this bill was reached on the call of the calendar.

As I understand, Calendar No. 1737, Senate Joint Resolution 152, authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson, was passed; and that Calendar No. 1736, S. 2561, a bill introduced by me to amend the act entitled "An act to establish a memorial to Theodore Roosevelt in the National Capital" to provide for the construction of such memorial by the Secretary of the Interior, was passed over.

Apparently there is objection to S. 2561—at least at the moment—on the other side of the aisle. I understand the policy committee of the majority is considering whether to clear the bill. If that is so—and I shall be glad to yield for the purpose of establishing the fact—I should like to make an observation on the subject.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to my colleague from New York.

Mr. KEATING. I was a little upset at the action which was taken; but I have been in conference with Senators on the other side of the aisle who are interested in the proposal, and I am of the distinct impression that the difficulty will be solved.

Mr. JAVITS. I feel as does my colleague.

I shall simply say that I would not dream of objecting to Calendar No. 1736, Senate Joint Resolution 152, which relates to the memorial to Woodrow Wilson. I am glad the joint resolution was passed. I hope the Senate approaches the study and construction of memorials to both great Presidents in exactly the same spirit, strictly upon the merits of the particular measure, but with complete parity of the fact that each great President is entitled to his memorial and recognition in the National Capital.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. BARTLETT. The information given to me on the subject, which is admittedly somewhat sketchy, is that in all probability objection would have been made to the Woodrow Wilson memorial if it had not been for the fact that the joint resolution contemplates merely a study, whereas the Senator's bill provides for the actual construction of a memorial.

I desire to assure the distinguished senior Senator from New York that no partisan considerations whatsoever were involved.

Mr. JAVITS. I am confident of that. What is even more important, I express the expectation that none will be involved. Had I been on the floor, I would not have objected, of course; but I express the feeling that there will be complete parity of understanding in the whole situation.

Mr. KEATING. I hope the explanation given by the Senator from Alaska is not final, because it will be remembered that a bill or a resolution was reported by the Committee on Rules and Administration and was passed by this body, involving a donation of Federal land for the erection of a memorial to Franklin D. Roosevelt. That proposal involved many, many times the amount which is involved in the erection of the proposed memorial to President Theodore Roosevelt.

I hope the recommendations which have been made to me in the past in the Committee on Rules and Administration will be followed through. I feel certain they will be, and that before this session is concluded, we shall have been able to come to an agreement, and that S. 2561 will be enacted in this session. That, I believe, is in accordance with the proprieties and the understandings which certainly were very clear in my mind.

Mr. JAVITS. I thank my colleague. I point out that I serve on the Franklin D. Roosevelt Memorial Commission; and I repeat that there is no desire, and never will be, on my part in any way to stand in the way of any memorial to a great President. I do express quite openly and directly the expectation that this joint resolution will be passed and this memorial will be proceeded with.

Mr. WILLIAMS of New Jersey subsequently said: Mr. President, the Senate today passed Senate Joint Resolution 152, a proposal to establish a Woodrow Wilson Memorial Commission. The Commission would, after careful study, make recommendations to the Congress on the form that such a memorial to Wilson could take within the District of Columbia.

The affirmative action by the Senate is particularly gratifying to me and, I am sure, to the 48 Senators who joined in introducing it on January 21. In the House of Representatives, 20 identical bills have been introduced. I am hopeful, therefore, that similar action will be taken there in the final days of this session.

Such action would, I believe, offer the Nation a suitable method of expressing the esteem felt by all citizens for one of its greatest men. Wilson had the power to liberate us from timeworn ideas. He expressed new thoughts in challenging fashion; he reenforced the American conviction that the moral strength of a nation is one of its basic strengths.

Many Americans have expressed their admiration for Wilson. And so have other people in many other nations. His message was universal; the truths he expressed were understood by everyone who yearns for peace with justice. In his words and in his deeds we can find, if we will look for it, much that will help us today.

Forty years ago, at the beginning of the 3d session of the 66th Congress, President Wilson gave us just one of the many credos which can help us to understand the challenge facing us in 1960:

Democracy—

He said—

is an assertion of the right of the individual to live and to be treated justly as against any attempt on the part of any combination of individuals to make laws which will overburden him or which will destroy his equality among his fellows in the matter of right or privilege, and I think we all realize that the day has come when democracy is being put upon its final test. The Old World is just now suffering from a wanton rejection of the principle of autocracy as asserted in the name but without the authority and sanction of the multitude. This is the time of all others when democracy should prove its purity and its spiritual power to prevail. It is surely the manifest destiny of the United States to lead in the attempt to make this spirit prevail.

We find many other reminders of Wilson's greatness in his spoken and written words. The time has come, I believe, for another form of reminder, too—a memorial in the Nation's Capital, a building or monument so striking and appropriate that it will be a source of inspiration and dedication for all Americans or patriotic pilgrimage to Washington, D.C.

As I said before I am gratified that the Senate has already approved the establishment of a Wilson Memorial Commission. I believe that the Commission will make the careful, intensive study which must precede any attempt to establish a truly worthy memorial.

I am pleased, too, at this point to ask unanimous consent for the addition of the name of Senator SMATHERS, of Florida, as one of the sponsors of this bill. The Senator from Florida has distinguished New Jersey forebears. His father, Judge Frank Smathers, served as campaign manager for Wilson when Wilson ran successfully in the New Jersey gubernatorial race of 1910. New Jersey and the Nation are grateful, I am sure, for the successful outcome of that campaign effort, and I am proud that Senator SMATHERS is among the sponsors of this resolution.

Mr. YARBOROUGH. Mr. President, I wish to commend my distinguished colleague from New Jersey [Senator WILLIAMS] for his fine leadership in bringing the resolution (S.J. Res. 152) before the Congress for the construction of a suitable memorial to be erected in the Nation's Capital in honor of the late President Woodrow Wilson. The passage of this bill in Congress fulfills the hopes and plans of a great many citizens of the United States and of other countries. It is a privilege for me to join with other Members of this Congress, with Senator HARRISON WILLIAMS, JR., and his colleagues, in sponsoring this bill.

I hope that the construction of the memorial can start at an early date, and that representatives from the various States and other countries can attend suitable ceremonies on this occasion.

During the last session of the present Congress, a memorial to Franklin Delano Roosevelt was authorized. Hence, by the action we have just completed in the Congress, the two Presidents who presided over our destinies during World War I and World War II and who did the most to advance world action by the League of Nations and the United Nations will be honored by these memorials. Both men will always occupy prominent positions in the history, both of the United States and of the entire world, during the 20th century period.

To few men has it ever been given, for weal or for woe, to influence the lives and fortunes of so many of their fellow men; the one by birth a Virginian, the other, from New York. Both belonged to the party of Jefferson and Jackson; both sought in their own times to carry the message of democracy to other lands which had known it not. It was in the Chamber at the other end of this building that Woodrow Wilson, on that evening of April 2, 1917, so fraught with fateful consequences to his own and future generations, uttered the unforgettable words, "The world must be made safe for democracy." In that pronouncement, at once a challenge and a high call to duty, Wilson summoned the armed might of America—a might which has never been turned toward conquest and subjugation, and is, therefore, thrice as powerful when applied in the prosecution of a righteous cause.

On December 15, 1924, at the invitation of the Congress of the United States, the late Edwin A. Alderman, president of the University of Virginia,

Mr. Wilson's friend of many years, delivered a memorial address. I quote from his concluding paragraph:

"Thus Woodrow Wilson had spoken in the days of his strength to highhearted American youth, and now, broken in body, but crowned with days, he could of right claim the supreme distinction as his very own. And so even as death enfolded him in its shadows, men paused in their busy lives and came to comprehend that a man of great faith had lived in their era, akin in heart and blood to John Milton and John Hampden, Mazzini, and Luther; that a prophet had guided their country and stirred the heart of mankind in an hour of destiny, and that an incorruptible liberal aflame with will to advance the slow ascent of man had joined those whom men call immortal and stood among that high fellowship."

In the United Nations today we have the orderly and peaceful evolution from the League of Nations which Woodrow Wilson brought before a troubled world. The world was not ready for it. But "Great is the truth and it will prevail." If Wilson could be with us today, who can doubt that he would rejoice over the great international structure of which his own country is the mightiest pillar? After all, as he himself remarked long ago:

"What difference does it make if we ourselves do not reach the uplands? We have given our lives to the enterprise, and that is richer, and the moral is greater."

PUBLIC LAND WITHDRAWALS

The bill (S. 2587) to require an act of Congress for public land withdrawals in excess of 5,000 acres in the aggregate for any project or facility of any department or agency of the Government was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PROUTY. I object.

Mr. CASE of South Dakota. Mr. President, will the Senator withhold his objection?

Mr. PROUTY. I withhold it.

Mr. CASE of South Dakota. May I ask the Senator from Alaska whether the bill applies only to lands in Alaska and Hawaii?

Mr. BARTLETT. No. This bill is of general application, and conforms with the so-called Engle law, which requires the Department of Defense to come to Congress for legislative approval for all withdrawals in excess of 5,000 acres. The bill would apply the same standard to all other departments of the Federal Government.

Mr. CASE of South Dakota. It seems very desirable that the law, as amended, should do that.

Personally, I have had some reservations about the proposal for the so-called wilderness bill. It has seemed to me that if the wilderness bill were to be enacted, it might be possible for wilderness areas to be created without any approval or act of Congress. I doubt whether or not we should give to the Secretary of the Interior or any other appointive official the right to take vast tracts of public land and create wilderness areas without specific approval.

In reading the committee report relating to S. 2587, I notice that the sentence to be amended would be amended by striking out "Department of Defense for defense purposes" and inserting in lieu thereof "any department or agency of the Government," and then leaving the present law to read "of the public lands in the Territories of Alaska and Hawaii." I asked the question to determine whether the bill is limited in its application to Hawaii and Alaska.

Mr. BARTLETT. Mr. President, will the Senator from South Dakota be so kind as to state the reference?

Mr. CASE of South Dakota. Page 20 of the report.

Mr. BARTLETT. I refer the Senator from South Dakota to the bill itself. From a reading of the bill, I am certain it will be clear that it is not the purpose to have it apply only to Hawaii and Alaska.

Mr. CASE of South Dakota. Section 3 creates a new section to replace section 156 of chapter 7, title 43, of the code; but the first section of the bill amends section 155. The part of the present law which is amended is shown in brackets with italics following.

If the Senator from Alaska will notice, immediately after the italics, the law would be left to read "of the public lands in the Territories of Alaska and Hawaii."

Mr. President, since objection has been made to the present consideration of the bill, I shall not prolong the debate at this time. However, I should like to confer with the Senator from Alaska, because it seems to me that if the bill is intended to be general legislation it should be clear in our minds that we are not amending a law relating to areas in territories which are now States. I want to be certain that the law will have general application.

Mr. ANDERSON. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. ANDERSON. Mr. President, I wonder if it might not be well to ask that the bill go to the foot of the calendar. I assure the Senator from South Dakota that the bill had careful consideration. I believe the question which has been raised can be cleared up very quickly by the two Senators from Alaska.

Although the bill may not ordinarily be regarded as calendar business, it is, however, a piece of proposed legislation which is very vital. If it cannot be placed at the foot of the calendar, it might be taken up by motion.

Mr. CASE of South Dakota. I have no objection to its going to the foot of the calendar. I am not opposed to the purpose of passing the bill as general legislation; in fact, that is what I want it to be.

Mr. BARTLETT. That is what we want it to be.

The PRESIDING OFFICER. Is there objection to the bill going to the foot of the calendar?

Mr. PROUTY. Yes, Mr. President. I think the bill is not properly calendar business.

Mr. ANDERSON. Mr. President, I believe the Senator from Vermont is correct. We are approaching the end of the session. I fully agree with the Senator's position.

The PRESIDING OFFICER. The bill will be passed over.

U.S. PARTICIPATION IN THE INTERNATIONAL BUREAU FOR THE PROTECTION OF INDUSTRIAL PROPERTY

The joint resolution (H.J. Res. 627) to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF CERTAIN PROPERTY TO THE GOVERNMENT OF SAMOA

The bill (S. 3558) to authorize and direct the transfer of certain Federal property to the Government of American Samoa was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is hereby authorized and directed to transfer, without reimbursement or transfer of funds, to the Government of American Samoa, within ninety days after the date of enactment of this Act, title to all property, real and personal, which is located in American Samoa on the date of enactment of this Act and which is owned by the United States and is within the administrative supervision of the Department of the Navy on such date: *Provided,* That title to any personal property which was located in American Samoa on July 1, 1951, and was made available to the Government of American Samoa by the Department of the Navy, but which has been consumed or disposed of since such date, shall be deemed to have been transferred to the Government of American Samoa on July 1, 1951.

PROCEDURE FOR ORDERING CERTAIN MEMBERS OF THE RESERVE COMPONENTS TO ACTIVE DUTY

The bill (H.R. 8212) to amend title 10, United States Code, with respect to the procedure for ordering certain members of the Reserve components to active duty, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

STATUS OF NAVAL RESERVE OFFICERS TRAINING CORPS GRADUATES (REGULARS)

The bill (S. 3733) to place Naval Reserve Officers Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That title 10, United States Code, is amended as follows:

(1) Section 6907 is repealed.

(2) The analysis of chapter 601 is amended by striking out the following item:

"6907. Officer candidate training program: officers other than naval aviators; retention or transfer to reserve.".

AUTHORIZING CERTAIN PAYMENTS OF DECEASED MEMBERS' FINAL ACCOUNTS

The Senate proceeded to consider the bill (H.R. 9702) to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased Members' final accounts without the necessity of settlement by the General Accounting Office.

Mr. THURMOND. Mr. President, I offer a perfecting amendment to correct a typographical error. The amendment is as follows: On page 1, line 6, it is proposed to strike out "paid" and insert in lieu thereof "made."

The amendment does not change the effect of the bill.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. In line 6, after the word "be," it is proposed to strike out "paid" and insert in lieu thereof "made."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CLARIFICATION OF REEMPLOYMENT PROVISIONS OF THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT

The Senate proceeded to consider the bill (H.R. 5040) to amend and clarify reemployment provisions of the Universal Military Training and Service Act, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment, on page 1, after line 5, to strike out:

(1) By adding the following words at the end of paragraph (A) of subsection (b): "unless his restoration under subparagraph (i) or (ii) of this paragraph would require the separation of an employee with a higher standing for reduction in force purposes;".

(2) By adding the following new paragraph at the end of subsection (e):

"(4) Any person who is restored to a position in accordance with the provisions of paragraph (A) of subsection (b) may be included in a reduction in force at any time in accordance with rules applicable to all other employees."

(3) By inserting in paragraph (2) of subsection (g) the words "and other than for training" after the words "physical fitness" in the parenthetical phrase thereof.

(4) By amending paragraph (3) of subsection (g) to read as follows:

"(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within sixty days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from that training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a position in accordance with the provisions of his paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following)."

(5) By adding the following new paragraphs at the end of subsection (g):

"(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall be permitted by his employer to report for the purpose of being inducted into, entering, determining his physical fitness to enter, or performing active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his rejection, or upon his discharge from hospitalization incident to that training or rejection, such employee shall be reinstated in his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes, if he applies for reinstatement at the beginning of his next regularly scheduled working period after expiration of the time necessary to travel from the place of rejection or training to the place of employment following his rejection or release, or within a reasonable time thereafter. If that employee is hospitalized incident to active duty for training, inactive duty training, or rejection, he shall be required to apply for reinstatement within a reasonable time after the expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within one year after his rejection or release from active duty for training or inactive duty training whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay or the nearest approximation thereof consistent with the circumstances in his case.

"(5) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training."

(6) By redesignating subsections (i) and (j) as "(j)" and "(k)", respectively, and by inserting a new subsection "(i)", as follows:

"(1) No rights or remedies which would otherwise be available under this section shall be denied solely because a person has left or leaves a position in employment on probation."

SEC. 2. Section 262(f) of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1013(f)), is repealed.

SEC. 3. This Act shall take effect upon the expiration of sixty days from the date of its enactment.

And, in lieu thereof, to insert:

(1) By inserting in paragraph (2) of subsection (g) the words "and other than for training" after the words "physical fitness" in the parenthetical phrase thereof.

(2) By amending paragraph (3) of subsection (g) to read as follows:

"(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from that training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a position in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following)."

(3) By adding the following new paragraphs at the end of subsection (g):

"(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by his employer for the period required to report for the purpose of being inducted into, entering, determining his physical fitness to enter, or performing active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his rejection, or upon his discharge from hospitalization incident to that training or rejection, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of rejection or training to the place of employment following his rejection or release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absences from scheduled work. If that employee is hospitalized incident to active duty for training, inactive duty training, or rejection, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or

within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within 1 year after his rejection or release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay or the nearest approximation thereof consistent with the circumstances in his case.

"(5) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training."

SEC. 2. Section 262(f) of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1013(f)), is repealed.

SEC. 3. This act shall take effect upon the expiration of 60 days from the date of its enactment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONTINUATION OF FLIGHT INSTRUCTION FOR MEMBERS OF THE RESERVE OFFICERS' TRAINING CORPS

The bill (H.R. 11787) to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964, was considered, ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. PROXMIRE. Mr. President, I rise to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wisconsin will state it.

Mr. PROXMIRE. It is now 12 o'clock. I understand that under the second unanimous-consent order, 2 hours are to be set aside for debate, or at least debate will be limited to 2 hours, on the Public Debt and Tax Rate Extension Act of 1960. My inquiry is whether that will have to await conclusion of the call of the calendar, which could continue until 1:30 or 2 o'clock?

Mr. JOHNSON of Texas. Mr. President, will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield.

Mr. JOHNSON of Texas. I was attempting to obtain recognition following the remarks of the Senators from New York, in order to ask unanimous consent that the call of the calendar might be extended 20 minutes, and also to extend the time for voting on the tax bill conference report to 2:20 p.m., instead of 2 p.m. I so request, Mr. President.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will continue the call of the calendar.

TRANSFER OF CERTAIN REAL PROPERTY IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3648) to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency title to certain real property in said District, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 9, after the word "Agency", to strike out "title in fee simple to part or all of certain property in the said District over which the said Commissioners may exercise jurisdiction," and insert "all right, title, and interest of the United States in and to part or all of certain property in said District,"; on page 2, line 19, after the word "Agency", to strike out "title in fee simple" and insert "all right, title, and interest of the United States in and"; on page 3, line 8, after the word "lease", to strike out "such real property as may be transferred to it under the authority of this Act, or otherwise to dispose of such property" and insert "to a redevelopment company or other lessee such real property as may be transferred to it under the authority of this Act, but may not otherwise dispose of such property except", and in line 15, after the word "the", where it appears the first time, to strike out "agency" and insert "Agency"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subject to the provisions of this Act the Commissioners of the District of Columbia are authorized on behalf of the United States to transfer to the District of Columbia Redevelopment Land Agency established by section 4 of the Act approved August 4, 1946 (60 Stat. 793), as amended (sec. 5–703, D.C. Code, 1951 edition), hereinafter referred to as "Agency", *all right, title, and interest of the United States in and to part or all of certain property in the said District,* as follows: The area bounded by the east line of Fourteenth Street south, the existing southerly (or westerly) building line of Maine Avenue Southwest, the northerly line of Fort Lesley J. McNair at P Street Southwest, and the bulkhead line established pursuant to the Rivers and Harbors Act of 1899 (30 Stat. 1151), as amended, together with any land area extending channelward from said bulkhead line.

SEC. 2. The said Commissioners shall, prior to transferring to the Agency title to any of the said property described in the preceding section, determine whether such property is necessary to the redevelopment of the Southwest section of the District of Columbia in accordance with an urban renewal plan approved by them, and, if they so find, they shall, acting on behalf of the United States, transfer and donate to the Agency *all right, title, and interest of the United States in and* to so much of said property as they determine is necessary to carry out such urban renewal plan.

SEC. 3. Subject to the provisions of section 5 of this Act, the Commissioners shall, at the time of transferring to the Agency title to any of the property described in the first section hereof, also transfer to the Agency their jurisdiction as provided by the first section of the Act approved March 3, 1899 (30 Stat. 1377, ch. 458; 9–101, D.C. Code, 1951 edition), over so much of the said property as may be so transferred.

SEC. 4. The Agency is hereby authorized in accordance with the District of Columbia Redevelopment Act of 1945, to lease *to a redevelopment company or other lessee such real property as may be transferred to it under the authority of this Act, but may not otherwise dispose of such property except* to the United States or any department or agency thereof, or to the District of Columbia. In the event that real property acquired by the *Agency* from the United States pursuant to this Act is transferred to the District of Columbia or to any department or agency of the United States pursuant to this section, such transfer shall be without reimbursement or transfer of funds.

SEC. 5. Notwithstanding the preceding provisions of this Act, if any of the real property transferred to the Agency under the authority of this Act is not leased by the Agency in accordance with an urban renewal plan approved by the Commissioners, or otherwise disposed of, on or before the date the Housing and Home Finance Administrator makes the final Federal capital grant payment to the Agency for the project pursuant to title I of the Housing Act of 1949, as amended, then the title to so much of the said real property as is not so leased or otherwise disposed of by such date shall revert to the United States, subject to the exclusive control and jurisdiction of the Commissioners of the District of Columbia, and subject to the provisions of the Act approved May 20, 1932 (47 Stat. 161; secs. 8–115 and 8–116, D.C. Code, 1951 edition).

SEC. 6. Nothing herein contained shall be construed as requiring the said Commissioners to transfer title to so much of the property described in the first section of this Act as the Commissioners may determine, in their discretion, is required for municipal purposes or is to continue to be owned by the United States under the jurisdiction of the Commissioners, for the benefit of the District of Columbia.

SEC. 7. No transfer or donation of any interest in real property under the authority of this Act shall constitute a local grant-in-aid in connection with any urban renewal project being undertaken with Federal assistance under title I of the Housing Act of 1949, as amended.

Mr. HART. Mr. President, I ask that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, a statement showing the purpose of this measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to enable the Board of Commissioners to transfer on behalf of the United States certain waterfront property on Maine Avenue in the Southwest Redevelopment Area of Washington, D.C. to the District of Columbia Redevelopment

Land Agency, in order that such land may be leased by the Agency to redevelopment companies in accordance with the District of Columbia Redevelopment Act of 1945.

All of the property described in the bill lies within the boundaries of Washington's Southwest Urban Renewal Area. Enactment of this bill would enable the Redevelopment Land Agency to carry out the District of Columbia's renewal plan by creating in the waterfront area a focal point of waterfront commercial activities, boating, and recreational and tourist interest. The area will become a center of marine-related commercial activities and waterside recreation.

Priority in the occupancy of commercial facilities would be given to establishments displaced through redevelopment activities under Redevelopment Land Agency's established policy giving priority of opportunity for displaced business firms.

The redevelopment of the waterfront would be accomplished by private developers who would construct improvements permitted by the approved urban renewal plan on the land which they would lease on a long-term basis from the Agency. Title to the land would be retained by the Agency. Land and buildings would be fully taxable. Waterfront land is not taxable at the present time.

DISPOSITION OF NEW REVENUES FROM POWER DEVELOPMENT, GRAND VALLEY FEDERAL RECLAMATION PROJECT, COLORADO

The Senate proceeded to consider the bill (H.R. 5098) to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado, which had been reported from the Committee on Interior and Insular Affairs, with an amendment to strike out all after the enacting clause and insert:

That upon the expiration of the contract between the United States, the Grand Valley Water Users' Association, and the Public Service Company of Colorado, dated July 2, 1959, the Grand Valley Water Users' Association, with the approval of the Secretary of the Interior, is authorized to enter into a contract or contracts for a cumulative total period of not to exceed twenty-five years for the sale or development of any power or power privileges in the Grand Valley Power Plant, Grand Valley reclamation project: *Provided*, That such sale or development of power or power privileges shall be without expenditure of funds by the United States. Any such contract shall provide, among other things, that annual net power revenues from the plant, minus the annual operation and maintenance cost of delivering the power water, will be applied in the following order and manner: (a) on the aggregate of the annual sums due and payable by the Association to the United States as provided in article 12, paragraphs (c), (d), and (e), of contract numbered I1r-644 between the United States and the Association, dated January 27, 1945, until such time as the obligation under said contract has been paid in full; and (b) in any year in which the net power revenues exceed the aggregate of the annual sums due and payable under said contract between the United States and the Association and after the obligation under said contract has been paid in full against the total obligations incurred for the rehabilitation of the project works under contracts between the United States and the Association existing on the date of this Act: *Provided*, That such application shall not reduce the annual sums payable under such contracts.

Mr. ANDERSON. Mr. President, to the committee amendment, I submit three amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 3, in line 18, after "(e)," it is proposed to insert "and Article 22(a)(ii)."

On page 4, in line 2, after the word "Association", it is proposed to insert a comma.

On page 4, in lines 5 and 6, it is proposed to strike out "existing on the date of this Act," and insert in lieu thereof "now or hereafter entered into."

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from New Mexico to the committee amendment.

Mr. MAGNUSON. Mr. President, I wish to ask the distinguished Senator from New Mexico whether this measure will establish a new precedent in connection with the disposition of power revenues as they relate to reclamation projects.

Mr. ANDERSON. That is what all the argument was about within the Interior Committee. The original bill would have established what I regarded as a very bad precedent. The situation is unusual, however; and therefore we had a vote, which I regret to say was almost a straight party vote. Afterwards we decided to try to do something about the matter.

I wish to have printed in the RECORD three paragraphs in regard to these amendments; but, first, I say that these amendments will not establish any precedent whatever. There is no parallel to this.

Mr. MAGNUSON. I thank the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I ask unanimous consent that three paragraphs sent to me by the chairman of the House Committee on Interior and Insular Affairs, in explanation of these amendments, be printed at this point in the RECORD.

There being no objection, the excerpt from the letter was ordered to be printed in the RECORD, as follows:

The first amendment was suggested by Mr. Dominy during the hearings on the bill. It corrects an oversight by the Bureau in the language originally recommended in the Department's report (see marked portion on p. 7 of printed hearings).

The second amendment, which was also recommended by Mr. Dominy during the hearings, simply adds a comma to clarify the meaning of language originally recommended (see p. 7 of printed hearings).

The third amendment would make it clear that if there are net power revenues remaining during the 25-year contract period, such revenues, after meeting the existing construction and rehabilitation obligations, could be used for meeting obligations for future rehabilitation work incurred during the 25-year period. Mr. Dominy testified during the hearings on this legislation that the Department would have no objection to this amendment. This testimony occurs on page 8 of the printed hearings and is marked for your ready reference.

Mr. ANDERSON. Mr. President, I have consulted the able Senator from Colorado [Mr. ALLOTT], who was very active in connection with the bill, regarding the amendments. He agrees that they are proper.

Although I have not consulted the full committee, it is my opinion that these amendments will remove the necessity for a conference, and will do no damage whatever to the bill.

Therefore, I ask that the amendments be considered and agreed to en bloc, and that the bill as thus amended be passed.

The PRESIDING OFFICER. Is there objection to the consideration en bloc of the amendments of the Senator from New Mexico to the committee amendment? Without objection, they will be considered en bloc.

The question now is on agreeing to the amendments of the Senator from New Mexico to the committee amendment.

The amendments to the amendment were agreed to.

The committee amendment as amended was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF CERTAIN LAWS RELATIVE TO ADMISSION OF STATE OF HAWAII INTO THE UNION

The Senate proceeded to consider the bill (H.R. 11602) to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 4, after line 6, to strike out:

SMALL BUSINESS INVESTMENT ACT

SEC. 8. Paragraph (4) of section 103 of the Small Business Investment Act of 1958 is amended by striking out the words "the Territories of Alaska and Hawaii,".

At the beginning of line 12, to change the section number from "9" to "8"; at the beginning of line 24, to change the section number from "10" to "9"; on page 5, at the beginning of line 6, to change the section number from "11" to "10"; at the beginning of line 12, to change the section number from "12" to "11"; on page 6, at the beginning of line 2, to change the section number from "13" to "12"; at the beginning of line 8, to change the section number from "14" to "13"; at the beginning of line 22, to change the section number from "15" to "14"; on page 10, at the beginning of line 23, to change the section number from "16" to "15"; on page 11, at the beginning of line 4, to change the section number from "17" to "16"; at the beginning of line 8, to change the section number from "18" to "17"; on page 13, at the beginning of line 18, to change the section number from "19" to "18"; on page 15, at the beginning of line 14, to change the section number from "20" to "19"; at the beginning of line 18, to change the section number from "21" to "20"; on page

17, at the beginning of line 5, to change the section number from "22" to "21"; at the beginning of line 18, to change the section number from "23" to "22"; at the beginning of line 21, to change the section number from "24" to "23"; on page 18, at the beginning of line 23, to change the section number from "25" to "24"; on page 19, at the beginning of line 4, to change the section number from "26" to "25"; at the beginning of line 18, to change the section number from "27" to "26"; at the beginning of line 24, to change the section number from "28" to "27"; on page 20, at the beginning of line 17, to change the section number from "29" to "28"; at the beginning of line 21, to change the section number from "30" to "29"; on page 22, at the beginning of line 18, to change the section number from "31" to "30"; on page 25, at the beginning of line 18, to change the section number from "32" to "31"; at the beginning of line 22, to change the section number from "33" to "32"; on page 26, at the beginning of line 2, to change the section number from "34" to "33"; at the beginning of line 8, to change the section number from "35" to "34"; at the beginning of line 12, to change the section number from "36" to "35"; on page 27, at the beginning of line 5, to change the section number from "37" to "36"; at the beginning of line 11, to change the section number from "38" to "37"; at the beginning of line 16, to change the section number from "39" to "38"; at the beginning of line 22, to change the section number from "40" to "39"; on page 28, at the beginning of line 2, to change the section number from "41" to "40"; at the beginning of line 10, to change the section number from "42" to "41"; at the beginning of line 16, to change the section number from "43" to "42"; at the beginning of line 24, to change the section number from "44" to "43"; on page 29, at the beginning of line 16, to change the section number from "45" to "44"; on page 30, at the beginning of line 2, to change the section number from "46" to "45"; at the beginning of line 9, to change the section number from "47" to "46"; after line 13, to strike out:

TARIFF ACT OF 1930

SEC. 48. Section 309(a) of the Tariff Act of 1930, as amended (19 U.S.C. 1309(a)), is amended by inserting "or between Hawaii and any other part of the United States or between Alaska and any other part of the United States" immediately after "possessions" wherever it appears.

At the beginning of line 21, to change the section number from "49" to "47"; on page 33, after line 12, to strike out:

(h) The amendment made by section 48 shall apply only with respect to articles withdrawn as provided in section 309(a) of the Tariff Act of 1930, as amended, on or after the date of the enactment of this Act.

At the beginning of line 18, to change the section number from "50" to "48"; on page 34, at the beginning of line 9, to change the section number from "51" to "49", and at the beginning of line 15, to change the section number from "52" to "50".

Mr. HART. Mr. President, I ask that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question now is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. FONG. Mr. President, this measure brings to Hawaii the full benefits of statehood. It is a very complex piece of legislation, and I am indeed grateful to the many persons who have lent their assistance and cooperation in the drafting and in the consideration of this measure. I would particularly like to call attention to the fine and conscientious work performed by Dr. Harold Seidman and Mr. Howard Schnoor, of the Bureau of the Budget; and Mrs. Ruth Van Cleve, of the Department of the Interior. We of Hawaii thank them for a job well done and for their sincere interest.

BILLS PASSED OVER

The bill (H.R. 5068) to amend the Shipping Act, 1916, to provide for licensing independent foreign freight forwarders, and for other purposes, was announced as next in order.

Mr. HART. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3739) to amend the District of Columbia Teachers' Salary Act of 1955, as amended, was announced as next in order.

Mr. KEATING. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

REGISTRATION AND PROTECTION OF TRADEMARKS

The Senate proceeded to consider the bill (S. 2429) to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes, approved July 5, 1946, as amended, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "of", to insert "certain"; on page 2, at the beginning of line 19, to strike out "granted" and insert "issued"; on page 4, line 9, after the word "of", to insert a semicolon and "and by striking the words "the grant of""; in line 13, after the word "for", to strike out "cancellation" and insert "cancelation"; in line 14, after the word "upon", to strike out "cancellation" and insert "cancelation"; on page 5, line 5, after the word "the", to strike out "Patent Office;"" and insert "Patent Office";"; on page 9, line 6, after "(c)", to strike out the comma and "(d),"; on page 14, line 23, after the word "wrappers", to strike out "receptables," and insert "receptacles"; on page 16, line 18, after the word "by", to strike out "inserting a period after the word "mark", third occurrence, and"; on page 17, line 15, after the word "certification", to strike out "of" and insert "or"; on page 18, line 8, after the word "television", to strike out "prorgams" and insert "programs", and after line 23, to strike out:

SEC. 22. Section 48 is amended by adding, after "sec. 4" and within the parenthesis, the following: "; later repealed and replaced by U.S.C., title 18, sec. 706" and by adding after "sec. 248" and within the parenthesis, the following: "; later repealed and replaced by U.S.C., title 18, sec. 708".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (1) of subsection (a) of section 1 of the Act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946 (60 Stat. 427), as amended, is amended by striking the words "as might be calculated to deceive" and inserting in lieu thereof "as to be likely, when applied to the goods of such other person, to cause confusion, or to cause mistake, or to deceive"; and by striking the words "or services" from the proviso thereof.

SEC. 2. Subsection (d) of section 2 is amended by striking the language beginning with the word "confusion", first appearance, and ending with the word "herewith" at the end of said subsection and inserting in lieu thereof the following: "confusion, or to cause mistake, or to deceive: *Provided,* That when the Commissioner determines that confusion, mistake, or deception is not likely to result from the continued use by more than one person of the same or similar marks under conditions and limitations as to the mode or place of use of the marks or the goods in connection with which such marks are used, concurrent registrations may be issued to such persons when they have become entitled to use such marks as a result of their concurrent lawful use in commerce prior to (i) the earliest of the filing dates of the applications pending under this Act; or (ii) the date of a registration issued under this Act; or (iii) July 5, 1947, in the case of registrations previously issued under the Act of March 3, 1881, or February 20, 1905, and continuing in full force and effect on that date; or (iv) July 5, 1947, in the case of applications filed under the Act of February 20, 1905, and registered after July 5, 1947. Concurrent registrations may also be issued by the Commissioner when a court of competent jurisdiction has finally determined that more than one person is entitled to use the same or similar marks in commerce. In issuing concurrent registrations, the Commissioner shall prescribe conditions and limitations as to the mode or place of use of the mark or the goods in connection with which such mark is registered to the respective persons."

SEC. 3. Section 6 is amended by striking the entire section and inserting in lieu thereof the following:

"SEC. 6. (a) The Commissioner may require the applicant to disclaim an unregistrable component of a mark otherwise registrable. An applicant may voluntarily disclaim a component of a mark sought to be registered.

"(b) No disclaimer heretofore or hereafter made, or made under paragraph (d) of section 7 of this Act, shall prejudice or affect the applicant's or registrant's rights then existing or thereafter arising in the disclaimed matter, or his right of registration on another application if the disclaimed matter be or shall have become distinctive of his goods or services."

SEC. 4. The first sentence of subsection (a) of section 7 is amended by striking therefrom the word "either"; by striking the words "name printed" and inserting in lieu thereof the words "signature placed"; by striking the

words "and attested by an assistant commissioner or by one of the law examiners duly designated by the Commissioner," and by striking the words "and a record thereof, together with printed copies of the drawing and statement of the applicant, shall be kept in books for that purpose" and inserting in lieu thereof the words ", and a record thereof shall be kept in the Patent Office." The second sentence of subsection (a) of section 7 is amended by striking therefrom the word "certificate" and inserting the word "registration" in lieu thereof; and by striking therefrom the words "the drawing of"; and by striking the words "the grant of".

Subsection (d) of section 7 is amended by striking the entire subsection and inserting in lieu thereof the following: "Upon application of the registrant the Commissioner may permit any registration to be surrendered for cancellation, and upon cancellation appropriate entry shall be made in the records of the Patent Office. Upon application of the registrant and payment of the prescribed fee, the Commissioner for good cause may permit any registration to be amended or to be disclaimed in part: *Provided*, That the amendment or disclaimer does not alter materially the character of the mark. Appropriate entry shall be made in the records of the Patent Office and upon the certificate of registration or, if said certificate is lost or destroyed, upon a certified copy thereof."

Subsection (e) of section 7 is amended by striking the words "certificates of"; by adding an "s" to the word "registration"; and striking the words "a chief of division" and inserting in lieu thereof "an employee of the Office".

Subsection (f) of section 7 is amended by striking from the first sentence the words ", signed by the Commissioner and sealed with the seal of the Patent Office"; by striking the word "certificate", second occurrence; and by striking the word "certificate", third occurrence, and inserting the word "registration" in lieu thereof.

SEC. 5. Section 9 is amended by striking the entire section and inserting in lieu thereof the following:

"SEC. 9. (a) Each registration may be renewed for periods of twenty years from the end of the expiring period upon payment of the prescribed fee and the filing of a verified application therefor, setting forth those goods or services recited in the registration on or in connection with which the mark is still in use in commerce and attaching thereto a specimen or facsimile showing current use of the mark, or showing that any nonuse is due to special circumstances which excuse such nonuse and it is not due to any intention to abandon the mark. Such application may be made at any time within six months before the expiration of the period for which the registration was issued or renewed, or it may be made within three months after such expiration on payment of the additional fee herein provided.

"(b) If the Commissioner refuses to renew the registration, he shall notify the registrant of his refusal and the reasons therefor.

"(c) An applicant for renewal not domiciled in the United States shall be subject to and comply with the provisions of section 1(d) hereof."

SEC. 6. Section 10 is amended by changing the colon following the word "conducted" to a period and striking the words *"Provided*, That any assigned registration may be canceled at any time if the registered mark is being used by, or with the permission of, the assignee so as to misrepresent the source of the goods or services in connection with which the mark is used"; and striking the sentence "The Commissioner shall keep a separate record of such assignments submitted to him for recording." and inserting in lieu thereof "A separate record of assignments submitted for recording hereunder shall be maintained in the Patent Office."

SEC. 7. Subsection (a) of section 12 is amended by changing the period at the end thereof to a colon and inserting after the colon the following: *"Provided*, That in the case of an applicant claiming concurrent use, or in the case of an application to be placed in an interference as provided for in section 16 of this Act, the mark, if otherwise registrable, may be published subject to the determination of the rights of the parties to such proceedings."

Subsection (c) of section 12 is amended by striking therefrom the first word of the last sentence and inserting in lieu thereof the words "Marks published under this".

SEC. 8. Section 13 is amended by striking the words "notice of" each occurrence, and by adding at the end thereof the following sentence: "An opposition may be amended under such conditions as may be prescribed by the Commissioner."

SEC. 9. Section 14 is amended by striking said section in its entirety and inserting in lieu thereof the following:

"SEC. 14. A verified petition to cancel a registration of a mark, stating the grounds relied upon, may, upon payment of the prescribed fee, be filed by any person who believes that he is or will be damaged by the registration of a mark on the principal register established by this Act, or under the Act of March 3, 1881, or the Act of February 20, 1905—

"(a) within five years from the date of the registration of the mark under this Act; or

"(b) within five years from the date of publication under section 12(c) hereof of a mark registered under the Act of March 3, 1881, or the Act of February 20, 1905; or

"(c) at any time if the registered mark becomes the common descriptive name of an article or substance, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of section 4 or of subsection (a), (b), or (c) of section 2 of this Act for a registration hereunder, or contrary to similar prohibitory provisions of said prior Acts for a registration thereunder, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services in connection with which the mark is used; or

"(d) at any time if the mark is registered under the Act of March 3, 1881, or the Act of February 20, 1905, and has not been published under the provisions of subsection (c) of section 12 of this Act; or

"(e) at any time in the case of a certification mark on the ground that the registrant (1) does not control, or is not able legitimately to exercise control over, the use of such mark, or (2) engages in the production or marketing of any goods or services to which the certification mark is applied, or (3) permits the use of the certification mark for purposes other than to certify, or (4) discriminately refuses to certify or to continue to certify the goods or services of any person who maintains the standards or conditions which such mark certifies:

"Provided, That the Federal Trade Commission may apply to cancel on the grounds specified in subsections (c) and (e) of this section any mark registered on the principal register established by this Act, and the prescribed fee shall not be required."

SEC. 10. Section 15 is amended by striking "(c) and (d)" in the first paragraph and inserting in lieu thereof the following: "(c) and (e)".

Section 15 is amended by striking "or trade name" from paragraph numbered (4).

SEC. 11. Section 16 is amended by striking therefrom the word "purchasers".

SEC. 12. Section 21 is amended by striking the entire section, and inserting in lieu thereof the following:

"SEC. 21. (a)(1) An applicant for registration of a mark, party to an interference proceeding, party to an opposition proceeding, party to an application to register as a lawful concurrent user, party to a cancellation proceeding, a registrant who has filed an affidavit as provided in section 8, or an applicant for renewal, who is dissatisfied with the decision of the Commissioner or Trademark Trial and Appeal Board, may appeal to the United States Court of Customs and Patent Appeals thereby waiving his right to proceed under section 21(b) hereof: *Provided*, That such appeal shall be dismissed if any adverse party to the proceeding, other than the Commissioner, shall, within twenty days after the appellant has filed notice of appeal according to section 21(a)(2) hereof, files notice with the Commissioner that he elects to have all further proceedings conducted as provided in section 21(b) hereof. Thereupon the appellant shall have thirty days thereafter within which to file a civil action under said section 21(b), in default of which the decision appealed from shall govern the further proceedings in the case.

"(2) When an appeal is taken to the United States Court of Customs and Patent Appeals, the appellant shall give notice thereof to the Commissioner, and shall file in the Patent Office his reasons of appeal, specifically set forth in writing, within such time after the date of the decision appealed from, not less than sixty days, as the Commissioner appoints.

"(3) The court shall, before hearing such appeal, give notice of the time and place of the hearing to the Commissioner and the parties thereto. The Commissioner shall transmit to the court certified copies of all the necessary original papers and evidence in the case specified by the appellant and any additional papers and evidence specified by the appellee, and in an ex parte case the Commissioner shall furnish the court with the grounds of the decision of the Patent Office, in writing, touching all the points involved by the reasons of appeal.

"(4) The court shall hear and determine such appeal on the evidence produced before the Patent Office, and the decision shall be confined to the points set forth in the reasons of appeal. Upon its determination, the court shall return to the Commissioner a certificate of its proceedings and decision, which shall be entered of record in the Patent Office and govern the further proceedings in the case.

"(b)(1) Whenever a person authorized by section 21(a) hereof to appeal to the United States Court of Customs and Patent Appeals is dissatisfied with the decision of the Commissioner or Trademark Trial and Appeal Board, said person may, unless appeal has been taken to said Court of Customs and Patent Appeals, have remedy by a civil action if commenced within such time after such decision, not less than sixty days, as the Commissioner appoints or as provided in section 21(a). The court may adjudge that an applicant is entitled to a registration upon the application involved, that a registration involved should be canceled, or such other matter as the issues in the proceeding require, as the facts in the case may appear. Such adjudication shall authorize the Commissioner to take any necessary action, upon compliance with the requirements of law.

"(2) The Commissioner shall not be made a party to an inter partes proceeding under this subsection, but he shall be notified of the filing of the complaint by the clerk of the court in which it is filed and shall have the right to intervene in the action.

"(3) In all cases where there is no adverse party, a copy of the complaint shall be served on the Commissioner; and all the expenses of the proceedings shall be paid by the party bringing them, whether the final decision is in his favor or not. In suits

brought hereunder, the record in the Patent Office shall be admitted on motion of any party, upon such terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court imposes, without prejudice to the right of any party to take further testimony. The testimony and exhibits of the record in the Patent Office, when admitted, shall have the same effect as if originally taken and produced in the suit.

"(4) Where there is an adverse party, such suit may be instituted against the party in interest as shown by the records of the Patent Office at the time of the decision complained of, but any party in interest may become a party to the action. If there be adverse parties residing in a plurality of districts not embraced within the same State, or an adverse party residing in a foreign country, the United States District Court for the District of Columbia shall have jurisdiction and may issue summons against the adverse parties directed to the marshall of any district in which any adverse party resides. Summons against adverse parties residing in foreign countries may be served by publication or otherwise as the court directs."

SEC. 13. Section 23 is amended by striking from the last paragraph thereof the words "has begun the lawful use of his mark in foreign commerce and that he".

SEC. 14. Section 24 is amended by inserting in the second sentence thereof, following the word "time", the following: ", upon payment of the prescribed fee and the filing of a verified petition stating the ground therefor,"; and by inserting in the third sentence following the word "Board" the word "which".

SEC. 15. Section 29 is amended by deleting the following: "under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register established by this Act, shall" and inserting in lieu thereof the following: "in the Patent Office, may"; and by deleting "so to mark goods bearing the registered mark, or by a registrant under the Act of March 19, 1920, or by the registrant of a mark on the supplemental register provided by this Act" and inserting in lieu thereof "to give such notice of registration,".

SEC. 16. Section 30 is amended by striking the word "shall" in the first sentence and inserting in lieu thereof the word "may"; and by striking therefrom all of said section except the first sentence thereof and inserting in lieu thereof the following: "The applicant may file an application to register a mark for any or all of the goods and services upon or in connection with which he is actually using the mark: *Provided*, That when such goods or services fall within a plurality of classes, a fee equaling the sum of the fees for filing an application in each class shall be paid, and the Commissioner may issue a single certificate of registration for such mark."

SEC. 17. Subsection (1) of section 32 is amended by striking the entire subsection and inserting in lieu thereof the following:

"Any person who shall, without the consent of the registrant—

"(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

"(b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive;

shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) hereof, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive."

Paragraph (b) of subsection (2) of section 32 is amended by striking the word "published" and inserting in lieu thereof the word "publisher".

SEC. 18. Subsection (a) of section 33 is amended by striking therefrom the words "certificate of" in the first line, and changing "certificate", second appearance, to "registration".

Subsection (b) of section 33 is amended by striking the word "certificate", first appearance, and inserting the word "registration" in lieu thereof and by striking therefrom the word "certificate", second appearance, and inserting in lieu thereof "affidavit filed under the provisions of said section 15".

Paragraph (3) of subsection (b) of section 33 is amended by striking therefrom the words "has been assigned and"; and by striking therefrom the word "assignee" and inserting in lieu thereof the words "registrant or a person in privity with the registrant".

Paragraph (5) of subsection (b) of section 33 is amended by striking therefrom the word "the" following the words "date prior to", and inserting in lieu thereof the words "registration of the mark under this Act or"; by striking therefrom "(a) or" following the word "subsection"; and by changing the period to "; or".

Paragraph (6) of subsection (b) of section 33 is amended by inserting the words "registration under this Act or" after the word "the", second appearance; by striking therefrom "(a) or" following the word "subsection", first appearance; by striking from the proviso the words "only where the said mark has been published pursuant to subsection (c) of section 12 and shall apply"; by striking the words "the date of" following the words "prior to" in said proviso and inserting in lieu thereof "such registration or such"; by striking therefrom the words "under subsection (a) or (c) of section 12 of this Act"; and by changing the period to "; or".

SEC. 19. Section 35 is amended by striking "31(1)(b)" and inserting in lieu thereof "32".

SEC. 20. Subsection (b) of section 44 is amended by striking said subsection in its entirety and inserting in lieu thereof the following:

"(b) Any person whose country of origin is a party to any convention or treaty relating to trademarks, trade or commercial names, or the repression of unfair competition, to which the United States is also a party, or extends reciprocal rights to nationals of the United States by law, shall be entitled to the benefits of this section under the conditions expressed herein to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of a mark is otherwise entitled by this Act."

Subsection (e) of section 44 is amended by inserting after the word "a" in the second sentence the words "certification or a"; and by striking from said second sentence the words "application for or".

SEC. 21. Section 45 is amended as follows: The sixth paragraph of said section, relating to the definition of "applicant, registrant", is amended by changing "and", second appearance, to ", predecessors,".

The ninth paragraph of said section, relating to the meaning of the terms "trade name" and "commercial name", is amended by inserting a comma between the words "commercial" and "agricultural".

The eleventh paragraph of said section, being the definition of "service mark", is amended by striking the definition in its entirety and inserting in lieu thereof:

"The term 'service mark' means a mark used in the sale or advertising of services to identify the services of one person and distinguished them from the services of others. Titles, character names and other distinctive features of radio or television programs may be registered as service marks notwithstanding that they, or the programs, may advertise the goods of the sponsor."

The fifteenth paragraph of said section, relating to use in commerce, is amended by changing the period at the end of said paragraph to a comma and adding the words "or the services are rendered in more than one State or in this and a foreign country and the person rendering the services is engaged in commerce in connection therewith."

The seventeenth paragraph of said section, relating to the meaning of the term "colorable imitation", is amended by changing "terms" to "term" and deleting the word "purchasers" at the end thereof.

The final paragraph of said section is amended by striking therefrom the word "commence" and inserting in lieu thereof the word "commerce".

Mr. HART. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Act entitled 'An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes', approved July 5, 1946, as amended."

FORBIDDING REMOVAL OF CERTAIN BOUNDARY MARKERS ON INDIAN RESERVATIONS

The Senate proceeded to consider the bill (H.R. 4386) to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap, which had been reported from the Committee on the Judiciary, with amendments, on page 2, line 14, after the word "fishing", to insert "thereon", and in line 15, after the word "fish", to insert "therefrom".

Mr. HART. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NATIONAL PUBLIC WORKS WEEK

The joint resolution (S.J. Res. 202) providing October 2, 1960, as National Public Works Week was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the seven-day period commencing October 2, 1960, as "National Public Works Week", and calling upon the people of the United States to celebrate such week with activities and ceremonies paying tribute to the public works engineers and administrators of the Nation and the important work which they perform.

The preamble was agreed to.

LIMITATION OF USE OF FALSE FINANCIAL STATEMENTS

The bill (H.R. 4346) to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge was considered, ordered to a third reading, read the third time, and passed.

CLARIFICATION OF TIME FOR REVIEW OF ORDERS OF REFEREES

The Senate proceeded to consider the bill (H.R. 6556) to amend subdivision c of section 39 of the Bankruptcy Act (11 U.S.C. 67c) so as to clarify time for review of orders of referees, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 3, after the word "thereto", to insert "Unless the person aggrieved shall petition for review of such order within such 10-day period or any extension thereof, the order of the referee shall become final.".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NATIONAL VOTERS' DAY

The joint resolution (S.J. Res. 186) to provide for the designation of the first Tuesday after the first Monday in November as National Voters' Day was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the first Tuesday after the first Monday in November of each year as "National Voters' Day", and calling upon Federal, State, and local governments; civic, industrial, and business groups and organizations; and upon the people of the United States, in general, to observe such day with activities and ceremonies designed effectively (a) to impress upon the American people the importance of the elective franchise under our republican form of government; (b) to educate them in respect to the qualifications requisite for the privilege of voting and the manner in which ballots are cast; and (c) to encourage all who are eligible to do so to exercise the privilege of voting.

LAW DAY

The joint resolution (S.J. Res. 203) to designate the 1st day of May each year as Law Day in the United States of America was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first day of May each year is hereby designated as Law Day in the United States of America, to be set aside as a special day for public observances and educational programs serving to foster increased respect for law, enhance understanding of the vital role of law in all of the avenues of American life, and strengthen the dedication of the American people to the ideals of freedom and justice under law in their relations with each other and with other nations. The President of the United States is authorized and requested to issue a proclamation inviting all citizens to participate in the observance through public bodies and private organizations, through the schools, churches, and courts, and in all other appropriate ways.

HAJIME ASATO

The bill (S. 1701) for the relief of Hajime Asato was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hajime Asato shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

RALPH E. SWIFT AND HIS WIFE SALLY SWIFT

The bill (S. 1578) for the relief of Ralph E. Swift and his wife, Sally Swift, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any statute of limitations or lapse of time, jurisdiction is hereby conferred upon the United States District Court for the Northern District of Illinois to hear, determine, and render judgment upon any claims of Ralph E. Swift, and his wife, Sally Swift, both of Melrose Park, Illinois, against the United States arising out of an accident which occurred when a United States Air Force plane crashed into a house owned by the said Ralph E. Swift and Sally Swift on July 28, 1953.

SEC. 2. Suit upon any such claims may be instituted at any time within one year after the date of the enactment of this Act. Proceedings for the determination of such claims and review thereof, and payment of any judgment thereon, shall be in accordance with the provisions of law applicable to cases over which the court has jurisdiction under section 1346(b) of title 28 of the United States Code. Nothing in this Act shall be construed as an inference of liability on the part of the United States.

ZLATA DUMLIJAN AND DJURO (GEORGE) KASNER

The bill (S. 2626) for the relief of Zlata Dumlijan and Djuro (George) Kasner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Zlata Dumlijan Djuro (George) Kasner shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

ENNIS CRAFT McLAREN

The bill (S. 2872) for the relief of Ennis Craft McLaren was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Ennis Craft McLaren, boatswain's mate, first class, United States Navy, is hereby relieved of all liability to repay to the United States the sum of $750, representing the amount paid to him for travel allowances in connection with his transfer from Yokosuka, Japan, to Boston, Massachusetts, in September 1956, for humanitarian reasons, the payment of such amount having occurred as a result of administrative error.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Ennis Craft McLaren, the sum of any payments received or withheld from him on account of the administrative error referred to in the first section of this Act.

REDUCTION OF SENTENCES OF IMPRISONMENT

The bill (S. 2932) to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3568 of title 18, United States Code, is amended to read as follows:

"§ 3568. Effective date of sentence; credit for time in custody awaiting trial.

"The sentence of imprisonment of any person convicted of an offense in a court of the United States shall commence to run from the date on which such person is received at the penitentiary, reformatory, or jail for service of said sentence: *Provided,* That the Attorney General shall give any such person credit toward service of his sentence for any days spent in custody for want of bail set for the offense under which sentence was imposed.

"If any such person shall be committed to a jail or other place of detention to await

transportation to the place at which his sentence is to be served, his sentence shall commence to run from the date on which he is received at such jail or other place of detention.

"No sentence shall prescribe any other method of computing the term."

(b) Item 3568 of the analysis of chapter 227, immediately preceding section 3561 of title 18, United States Code, is amended to read as follows:

"3568. Effective date of sentence; credit for time in custody awaiting trial."

SEC. 2. The amendments made by the first section of this Act shall be effective only with respect to persons sentenced to imprisonment on or after the thirtieth day after the date of enactment of this Act.

EDWARD C. TONSMEIRE, JR.

The bill (S. 3169) for the relief of Edward C. Tonsmeire, Jr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Edward C. Tonsmeire, Junior, of Biloxi, Mississippi, is hereby relieved of liability to the United States in the sum of $1,382.64, which he accepted in good faith, the said amount representing basic allowance for quarters paid to him as an officer in the United States Coast Guard at $67.50 per month from June 13, 1951, to April 30, 1952, and at $77.10 per month from May 1, 1952, to August 12, 1952, in violation of section 302(b) of the Career Compensation Act of 1949 (63 Stat. 813), and station per diem allowance at $9 from June 14, 1951, to July 28, 1951, in violation of paragraph 4300 of the joint travel regulations, issued under authority of section 303(b) of the Career Compensation Act of 1949 (63 Stat. 814); the said Edward C. Tonsmeire, Junior, having occupied during the entire period from June 13, 1951, to August 12, 1952, Government quarters at Fort DeRussy, Honolulu, Territory of Hawaii.

SEC. 2. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

EDWARD W. SCOTT III

The bill (S. 3406) for the relief of Edward W. Scott III was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Edward W. Scott III, who was born in the Republic of Panama on May 25, 1938, of an American citizen mother, shall be deemed to have been born in the Canal Zone.

MRS. MARIA GIOVANNA HOPKINS

The bill (S. 3408) for the relief of Mrs. Maria Giovanna Hopkins was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of the Immigration and Nationality Act, Mrs. Maria Giovanna Hopkins shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 20, 1950, and her residence in the United States since July 20, 1950, shall be held and considered to meet the residence and physical presence requirements of section 316 of that Act.

GOURGEN H. ASSATURIAN

The bill (H.R. 2584) for the relief of Gourgen H. Assaturian was considered, ordered to a third reading, read the third time, and passed.

BRICCIO GARCES DE CASTRO

The bill (H.R. 2665) for the relief of Briccio Garces de Castro was considered, ordered to a third reading, read the third time, and passed.

ANTONIA MARTINEZ

The bill (H.R. 2671) for the relief of Antonia Martinez was considered, ordered to a third reading, read the third time, and passed.

FUMIE YOSHIOKA

The bill (H.R. 2823) for the relief of Fumie Yoshioka was considered, ordered to a third reading, read the third time, and passed.

EPIFANIO TRUPIANO

The bill (H.R. 3534) for the relief of Epifanio Trupiano was considered, ordered to a third reading, read the third time, and passed.

PRECIOLITA V. CORLISS (NEE PRECIOLITA VALERA)

The bill (H.R. 3789) for the relief of Preciolita V. Corliss (nee Preciolita Valera) was considered, ordered to a third reading, read the third time, and passed.

RELIGIOSA LUIGIA FRIZZO AND OTHERS

The bill (H.R. 3805) for the relief of Religiosa Luigia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone was considered, ordered to a third reading, read the third time, and passed.

KARNAIL SINGH MAHAL

The bill (H.R. 4670) for the relief of Karnail Singh Mahal was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 7263) for the relief of Edward Ketchum was announced as next in order.

Mr. PROUTY. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF SECTION 678 OF THE BANKRUPTCY ACT

The bill (H.R. 7726) to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings was considered, ordered to a third reading, read the third time, and passed.

WILLIAM E. DULIN

The bill (H.R. 7932) for the relief of William E. Dulin was considered, ordered to a third reading, read the third time, and passed.

PIERRE R. DEBROUX

The bill (H.R. 8253) for the relief of Pierre R. DeBroux was considered, ordered to a third reading, read the third time, and passed.

ROBERT L. STOERMER

The bill (H.R. 9711) for the relief of Robert L. Stoermer was considered, ordered to a third reading, read the third time, and passed.

MICHIKO (HIRAI) CHRISTOPHER

The Senate proceeded to consider the bill (S. 3030) for the relief of Michiko (Hirai) Christopher, which had been reported from the Committee on the Judiciary, with an amendment, in line 3, after "sections 101(a)(27)" to insert "(A)", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Michiko (Hirai) Christopher shall be held and considered to be the natural born alien child of Mr. and Mrs. Adolphus Christopher, citizens of the United States: *Provided,* That the natural parents of Michiko Christopher shall not by virtue of such parentage be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

DAISY PONG HI TONG LI

The Senate proceeded to consider the bill (S. 3076), for the relief of Daisy Pong Hi Tong Li, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Act of September 11, 1957 (8 U.S.C. 1153; 71 Stat. 642), to amend the Immigration and Nationality Act, and for other purposes, Daisy Pong Hi Tong Li shall be deemed to be within the purview of section 12 of that Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

HADJI BENLEVI

The Senate proceeded to consider the bill (S. 3118), for the relief of Hadji Benlevi, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "available", to insert a colon and "*Provided*, That the said Hadji Benlevi executes and files with the Attorney General, in such form as he shall require, a written waiver of all rights, privileges, exemptions, and immunities under any law or any executive order which would otherwise accrue to him if he retains his occupational status as a treaty trader.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hadji Benlevi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That the said Hadji Benlevi executes and files with the Attorney General, in such form as he shall require, a written waiver of all rights, privileges, exemptions, and immunities under any law or any executive order which would otherwise accrue to him if he retains his occupational status as a treaty trader.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

RENATO GRANDUC O'NEAL AND GRAZIA GRANDUC O'NEAL

The Senate proceeded to consider the bill (S. 3357) for the relief of Renato Granduc O'Neal and Grazia Granduc O'Neal, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the name "Granduc," where it appears the first time, to strike out "O'Neal"; at the beginning of line 6, to strike out "O'Neal"; in line 9, after the name "Granduc," to strike out "O'Neal," and in line 10, after the name "Granduc," to strike out "O'Neal"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, Renato Granduc and Grazia Granduc, shall be held and considered to be the natural-born alien children of Captain William L. O'Neal and Mary Granduc O'Neal, citizens of the United States: *Provided*, That the natural parents of the said Renato Granduc and Grazia Granduc shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Renato Granduc and Grazia Granduc."

ATHANSIA G. KOUMONTSOS

The Senate proceeded to consider the bill (S. 3506) for the relief of Athansia G. Koumontsos, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "child", to strike out "Athansia G. Koumontsos" and insert "Athanisia G. Koumoutsos", and in line 9, after the word "said", to strike out "Athansia G. Koumontsos" and insert "Athanisia G. Koumoutsos", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Athanisia G. Koumoutsos, shall be held and considered to be the natural-born alien child of Frank Demopoulos and Christina Demopoulos, citizens of the United States: *Provided*, That the natural parents of the said Athanisia G. Koumoutsos shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Athanisia G. Koumoutsos."

SISTER CAROLINA (ANTONIETTA VALLO) AND OTHERS

The Senate proceeded to consider the bill (H.R. 3524), for the relief of Sister Carolina (Antonietta Vallo) and others, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 7, after the name "Carbone", to strike out "and", and at the beginning of line 8, to insert "Sister Maria Carmen Mercero-Penagricano, Sister Milagros Cuezva-Samaniego, Sister Teresa Uribarren-Bengoa, Sister Mercedes Jauregui-Zabala, Sister Maria Teresa Guijarro-Burro, Sister Begona Perez Caballero-Garay, Sister Maria Pilar Latasa-Loizaga, Sister Felisa Perez-Iturriago, Sister Inmaculada Ochoa de Retana-Gutierrez, Sister Maria Angeles Amunarriz-Aguirre, Sister Sabina Maria Mercedes Irala-Rodriguez, Sister Gregoria Hornes-Ortega, Sister Maria Dolores Mendoza-Negrillo, Sister Mariana Lecumberri-Ardanaz, Sister Libia Anuzita-Zubizarreta, Sister Maria Teresa Arias-Martinez, Sister Ana Maria Puyo-Ochandiano, Sister Ana Maria Basaldua-Gaminde, Sister Maria Teresa Gonzales-Garcia, and Sister Isabel Prieto-Sanchez".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act for the relief of certain aliens".

JACK DARWIN

The Senate proceeded to consider the bill (H.R. 7033) for the relief of Jack Darwin, which had been reported from the Committee on the Judiciary, with amendments, on page 1, after line 5, to insert a new section, as follows:

SEC. 2. For the purposes of the Immigration and Nationality Act, Adolphe Herstein shall be deemed to have been born in France.

And, after line 8 to insert a new section, as follows:

SEC. 3. For the purposes of the Immigration and Nationality Act, Nicholas Anthony Marcantonakis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this section of this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Jack Darwin, Adolphe Herstein, and Nicholas Anthony Marcantonakis."

BILLS PASSED OVER

The bill (S. 3340) to amend title 18 of the United States Code to authorize certain communications to be intercepted in compliance with State law, and for other purposes, was announced as next in order.

Mr. HART. Over, as not appropriate calendar business.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 5196) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes was announced as next in order.

Mr. PROUTY. Over, as not proper calendar business.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN REAL PROPERTY FOR HIGHWAY PURPOSES

The bill (H.R. 11522) to amend the act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes, was considered, ordered to a third reading, read the third time, and passed.

AIR POLLUTION PROBLEMS

The Senate proceeded to consider the bill (S. 3108) to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes, which had been reported from the Committee on Public Works, with an amendment, on page 3, after line 18, to strike out:

SEC. 3. Section 5 of such Act (42 U.S.C. 1857d) is amended—

(1) by striking out "for each of the nine fiscal years during the period beginning July 1, 1955, and ending June 30, 1964, not to exceed $5,000,000" in the first sentence and inserting in lieu thereof "for each fiscal year such sum as may be necessary"; and

(2) by striking out ", and shall be allotted in accordance with regulations prescribed by the Secretary of Health, Education, and Welfare" in the last sentence.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Act of July 14, 1955 (42 U.S.C. 1857b), is amended by striking out ", upon request of any State or local government air pollution control agency,", by striking out "such State or local government air pollution control agency" and inserting in lieu thereof "any State or local government air pollution control agency", and by inserting before the period at the end thereof ", but only if requested to do so by such State or local government air pollution control agency or if, in his judgment, such problem may affect or be of concern to communities in various parts of the Nation or may affect any community or communities in a State other than that in which the matter causing or contributing to the pollution originated".

SEC. 2. Such Act is further amended by redesignating sections 6, 7, and 8 as sections 7, 8, and 9, respectively, and inserting after section 5 the following new section:

"SEC. 6. (a) Whenever, on the basis of reports, surveys, or studies, he believes it appropriate, or whenever requested by any State or local government air pollution control agency, the Surgeon General may call a public hearing on any problem of air pollution which may affect or be of concern to communities in various parts of the Nation or which may affect any community or communities in any State other than the State in which the matter causing or contributing to the pollution originates. Any such hearing shall be conducted before a board composed of not less than five members, appointed by the Secretary of Health, Education, and Welfare, who shall be representative of the public, industry which is affected by or concerned with the problem, persons who are expert or have special knowledge in the matter, interested Federal agencies, and interested State or local government air pollution control agencies.

"(b) Subject to regulations of the Surgeon General, an opportunity to be heard at such hearing shall be accorded to all interested persons.

"(c) After consideration of the information presented at the hearing and such other information as is available to it, the board shall make a report and recommendations to the Surgeon General on such matters as the existence, cause, and effect of the air pollution on which the hearing was held, progress toward its abatement, and other related matters. Such report and recommendations, together with the comments and recommendations, if any, of the Surgeon General with respect thereto, shall be available to the community or communities, Government agencies, and industries concerned and, to the extent the Surgeon General deems appropriate, to the public, but shall not be binding on any person, agency, or organization."

Mr. KUCHEL. Mr. President, I send to the desk an amendment to the committee amendment on page 3, after line 18, and ask that it be stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 3, after line 18, in lieu of the matter proposed to be stricken by the committee amendment, it is proposed to insert the following:

SEC. 3. Section 5 of such Act (42 U.S.C. 1857d) is amended by striking out "nine fiscal years, beginning July 1, 1955, and ending June 30, 1964, not to exceed $5 million" in the first sentence, and inserting in lieu thereof "eleven fiscal years, beginning July 1, 1955, and ending June 30, 1966, not to exceed $5 million.

Mr. KUCHEL. Mr. President, this amendment would authorize the Department of Health, Education, and Welfare to continue its research into all phases of air pollution for 5 fiscal years starting at the end of fiscal year 1961.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California to the committee amendment on page 3, after line 18.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KUCHEL. Mr. President, I ask unanimous consent that certain excerpts from the report of the Committee on Public Works on this legislation be printed in the RECORD at this point.

There being no objection, the excerpts from the report (No. 1723) were ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 3108, as amended, is to authorize the Surgeon General to make investigations and to hold public hearings on air pollution problems which are interstate in nature and are of broad significance.

GENERAL STATEMENT

Public Law 159, 84th Congress, approved July 14, 1955, authorized a program for research and technical assistance to obtain data and to devise and develop methods for control and abatement of air pollution, by the Secretary of Health, Education, and Welfare, and the Surgeon General of the Public Health Service. The act recognizes the primary responsibilities and rights of the States, local governments, and other public agencies in controlling air pollution, but provides Federal grants-in-aid to those agencies concerned with air pollution and control, to assist them in the formulation and execution of their air pollution abatement research programs.

Under the provisions of the act, the Surgeon General is authorized to prepare or recommend research programs, and to encourage cooperative activities, collect and disseminate information, conduct and support research, and to make available to all agencies the results of surveys, studies, and investigations, research and experiments relating to air pollution and abatement. Reports of such studies as considered desirable may be published from time to time by the Surgeon General, together with appropriate recommendations.

The act authorized an appropriation of $5 million annually for each of the fiscal years beginning July 1, 1955, and ending June 30, 1960. In 1959 this act was amended to extend the duration of the Federal air pollution control law to June 30, 1964.

Under this authorized program, approximately $200 million was expended in 1955; $1.7 million during fiscal year 1956; $2.7 million for 1957; $4 million for each of 1958 and 1959; $4.3 million for fiscal year 1960 and the request for fiscal year 1961 amounts to about $4.9 million.

The Federal effort has contributed materially to difficult problems of sampling, identifying, and measuring airborne contaminants, such as the improvement of the methods of analyzing gaseous contaminants, present in the atmosphere of virtually every city.

Appraisal has been made of some important modern sources of urban air pollution such as oil refineries, automobile exhausts, and combustion processes, which are inevitable results of our increasing mechanization and industrialization.

Studies of chemical, meteorological, and physical influences and of atmosphere reactions are making available new knowledge that must ultimately be required for proper and economical procedure for controlling air pollution.

Scientists have generally concurred that a major source of fumes which are ingredients of smog and pollution in most cities is the motor vehicle, and that phase of the problem is under study on all fronts including the automobile and petroleum industry. The Federal Government has increased its work in this field, and will continue to expedite the program for investigating the part that motor vehicle exhaust and combustion play in the problem of atmospheric contamination.

Health studies have developed evidence as to the effect of air pollution on human health and well-being, creating much discomfort from obstruction of breathing, and causing disease and even death.

The Federal Government is not carrying this entire program alone, as many agencies are participating in the attack on the air pollution problem. In the great concern for the health of the American people, this very acute problem must be recognized, together with the fact that increased urbanization and industrialization will undoubtedly produce new air pollution problems in the future.

DISCUSSION

When Public Law 159 was enacted, the committee acknowledged that the desired aims and objectives envisioned under the program could not be entirely accomplished within the authorized 5-year period. Accordingly, in 1959, the act was amended to extend the program to June 30, 1964. The committee is of the opinion that the extension allowed should be adequate for the present and that the program should be subject to periodic review by the appropriate committees and Congress. Accordingly, the proposal to remove the time limitations and ceilings on authorizations for annual appropriations was deleted from S. 3108, as introduced. The committee is also of the opinion that the funds appropriated for grants-in-aid and contracts should continue to be allotted in accordance with regulations prescribed by the Secretary of Health, Education, and Welfare. The present allocation or allotment procedure seems to be working well and the committee can see no useful purpose in changing the procedure.

The committee is of the opinion that the Department of Health, Education, and Welfare could make a significant contribution by exercising Federal leadership in dealing with air pollution problems of broad significance. This contribution would result through the development and publication of recommendations based on the evaluation of data developed by the Department or presented by others, as well as a full consideration of the points of view of all parties having a significant interest in such problems. Some of these problems, although essentially local in character, manifest themselves in many communities throughout the Nation. Others

involve pollution from sources within one State which, through the movement of air masses, affect communities in other States. Both types of problems can be expected to increase in number and extent with further urbanization and the development of solutions for them may in many cases transcend the capabilities of local agencies, and even of State control authorities. The recommendations resulting from hearings would not be binding upon the participants in the hearings or anyone else; the purpose of the hearings would be simply to develop such recommendations as a means of focusing public attention on and developing support for the most carefully considered solutions to the problems which occasioned the hearings.

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., June 20, 1960.

Hon. DENNIS CHAVEZ,
Chairman, Committee on Public Works,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in reply to your request of February 29, 1960, for the views of the Bureau of the Budget on S. 3108, a bill to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes.

This proposed legislation is identical with the draft bill transmitted with a letter to the President of the Senate by the Secretary of Health, Education, and Welfare on February 19, 1960.

The Bureau of the Budget concurs with the views expressed by the Secretary in his letter. The President, in his 1961 budget message, stated that the Secretary of Health, Education, and Welfare will make legislative recommendations to authorize greater Federal leadership in combating air pollution. The provisions of S. 3108 are designed to accomplish that objective.

Accordingly, I am authorized to advise you that enactment of S. 3108 would be in accord with the program of the President.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
March 8, 1960.

Hon. DENNIS CHAVEZ,
Chairman, Committee on Public Works,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of February 29, 1960, for a report on S. 3108, a bill to provide for public hearings on air-pollution problems of more than local significance under, and extend the duration of, the Federal air-pollution control law, and for other purposes.

S. 3108 is the same as the draft bill which we submitted to the President of the Senate on February 19, 1960. For the reasons stated in the letter transmitting the draft bill, we recommend enactment of the legislative proposal.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,

BERTHA ADKINS,
Acting Secretary.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 20, 1960.

Hon. DENNIS CHAVEZ,
Chairman, Committee on Public Works,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Your letter of February 29, 1960, requested that your committee be furnished suggestions with reference to S. 3108, a bill, to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes.

The purpose of S. 3108 is, under certain conditions enumerated therein, to provide that the Surgeon General of the Public Health Service of the Department of Health, Education, and Welfare may call a public hearing on any problem of air pollution which may affect or be of concern to communities in various parts of the Nation or which may affect any community or communities in any State other than the State in which the matter causing or contributing to the pollution originates.

The measure also provides the necessary mechanics for conducting the hearings and reporting thereon, authorizes appropriations for each fiscal year such sum as may be necessary, and extends the Federal air pollution control law indefinitely by removing the present limitation of June 30, 1964.

General Services Administration is in accord with the objectives of the underlying legislation and favors its amendment as provided in S. 3108.

We are not in a position at this time to estimate the increase, if any, in the fiscal requirements of GSA which would result from enactment of the measure.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

FRANKLIN FLOETE,
Administrator.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

[Public Law 159, 84th Cong., ch. 360, 1st sess.; and as amended by Public Law 365, 86th Cong., 1st sess.]

"AN ACT TO PROVIDE RESEARCH AND TECHNICAL ASSISTANCE RELATING TO AIR POLLUTION CONTROL

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the dangers to the public health and welfare, injury to agricultural crops and livestock, damage to and deterioration of property, and hazards to air and ground transportation, from air pollution, it is hereby declared to be the policy of Congress to preserve and protect the primary responsibilities and rights of the States and local governments in controlling air pollution, to support and aid technical research to devise and develop methods of abating such pollution, and to provide Federal technical services and financial aid to State and local government air pollution control agencies and other public or private agencies and institutions in the formulation and execution of their air pollution abatement research programs. To this end, the Secretary of Health, Education, and Welfare and the Surgeon General of the Public Health Service (under the supervision and direction of the Secretary of Health, Education, and Welfare), shall have the authority relating to air pollution control vested in them respectively by this Act.

"SEC. 2. (a) The Surgeon General is authorized, after careful investigation and in cooperation with other Federal agencies, with State and local government air pollution control agencies, with other public and private agencies and institutions, and with the industries involved, to prepare or recommend research programs for devising and developing methods for eliminating or reducing air pollution. For the purpose of this subsection the Surgeon General is authorized to make joint investigations with any such agencies or institutions.

(b) The Surgeon General may (1) encourage cooperative activities by State and local governments for the prevention and abatement of air pollution; (2) collect and disseminate information relating to air pollution and the prevention and abatement thereof; (3) conduct in the Public Health Service, and support and aid the conduct by State and local government air pollution control agencies, and other public and private agencies and institutions of, technical research to devise and develop methods of preventing and abating air pollution; and (4) make available to State and local government air pollution control agencies, other public and private agencies and institutions, and industries, the results of surveys, studies, investigations, research, and experiments relating to air pollution and the prevention and abatement thereof.

"SEC. 3. The Surgeon General may[, upon request of any State or local government air pollution control agency,] conduct investigations and research and make surveys concerning any specific problem of air pollution confronting [such State or local government air pollution control agency] *any State or local government air pollution control agency* with a view to recommending a solution of such problem *but only if requested to do so by such State or local government air pollution control agency or if, in his judgment, such problem may affect or be of concern to communities in various parts of the Nation or may affect any community or communities in a State other than that in which the matter causing or contributing to the pollution originated.*

"SEC. 4. The Surgeon General shall prepare and publish from time to time reports of such surveys, studies, investigations, research, and experiments made under the authority of this Act as he may consider desirable, together with appropriate recommendations with regard to the control of air pollution.

"SEC. 5. There is hereby authorized to be appropriated to the Department of Health, Education, and Welfare for each of the nine fiscal years during the period beginning July, 1955, and ending June 30, 1964, not to exceed $5,000,000 to enable it to carry out its functions under this Act and, in furtherance of the policy declared in the first section of this Act, to (1) make grants-in-aid to State and local government air pollution control agencies, and other public and private agencies and institutions, and to individuals, for surveys and studies and for research, training, and demonstration projects, and (2) enter into contracts with public and private agencies and institutions and individuals for surveys and studies and for research, training, and demonstration projects. Such grants-in-aid and contracts may be made without regard to sections 3648 and 3709 of the Revised Statutes. Sums appropriated for such grants-in-aid and contracts shall remain available until expended, and shall be allotted in accordance with regulations prescribed by the Secretary of Health, Education, and Welfare.

"Sec. 6. (a) Whenever, on the basis of reports, surveys, or studies, he believes it appropriate, or whenever requested by any State or local government air pollution control agency, the Surgeon General may call a public hearing on any problem of air pollution which may affect or be of concern to communities in various parts of the Nation or which may affect any community or communities in any State other than the State in which the matter causing or contributing

to the pollution originates. Any such hearing shall be conducted before a board composed of not less than five members, appointed by the Secretary of Health, Education, and Welfare, who shall be representative of the public, industry which is affected by or concerned with the problem, persons who are expert or have special knowledge in the matter, interested Federal agencies, and interested State or local government air pollution control agencies.

"(b) Subject to regulations of the Surgeon General, an opportunity to be heard at such hearing shall be accorded to all interested persons.

"(c) After consideration of the information presented at the hearing and such other information as is available to it, the board shall make a report and recommendations to the Surgeon General on such matters as the existence, cause, and effect of the air pollution on which the hearing was held, progress toward its abatement, and other related matters. Such report and recommendations, together with the comments and recommendations, if any, of the Surgeon General with respect thereto, shall be available to the community or communities, Government agencies, and industries concerned and, to the extent the Surgeon General deems appropriate, to the public, but shall not be binding on any person, agency, or organization.

"SEC. [6.] 7. When used in this Act—

"(a) The term 'State air pollution control agency' means the State health authority, except that in the case of any State in which there is a single State agency other than the State health authority charged with responsibility for enforcing State laws relating to the abatement of air pollution, it means such other State agency;

"(b) The term 'local government air pollution control agency' means a city, county, or other local government health authority, except that in the case of any city, county, or other local government in which there is a single agency other than the health authority charged with responsibility for enforcing ordinances or laws relating to the abatement of air pollution, if means such other agency; and

"(c) The term 'State' means a State or the District of Columbia.

"SEC. [7.] 8. Nothing contained in this Act shall limit the authority of any department or agency of the United States to conduct or make grants-in-aid or contracts for research and experiments relating to air pollution under the authority of any other law.

"SEC. [8.] 9. It is hereby declared to be the intent of the Congress that any Federal department or agency having jurisdiction over any building, installation, or other property shall, to the extent practicable and consistent with the interests of the United States and within any available appropriations, cooperate with the Department of Health, Education, and Welfare, and within any interstate agency or any State or local government air pollution control agency in preventing or controlling the pollution of the air in any area insofar as the discharge of any matter from or by such property may cause or contribute to pollution of the air in such area."

MODIFICATION OF CERTAIN LEASES FOR PROVISION OF RECREATION FACILITIES

The Senate proceeded to consider the bills (S. 3260) to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas, which had been reported from the Committee on Public Works, with an amendment, to strike out all after the enacting clause and insert:

That the Chief of Engineers, under the supervision of the Secretary of the Army, is authorized to amend any lease entered into before November 1, 1956, providing for the construction, maintenance, and operation of commercial recreational facilities at a water resource development project under the jurisdiction of the Secretary of the Army so as to provide for the adjustment, either by increase or decrease, from time to time during the term of such lease of the amount of rental or other consideration payable to the United States under such lease, when and to the extent he determines such adjustment or extension to be necessary or advisable in the public interest. No adjustment shall be made under the authority of this Act so as to increase or decrease the amount of rental or other consideration payable under such lease for any period prior to the date of such adjustment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

BILLS PASSED OVER

The bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, was announced as next in order.

Mr. HART. I ask that the bill be passed over, as not being appropriate calendar business.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2959) to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit was announced as next in order.

Mr. PROUTY. Over, as not appropriate calendar business.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN PUBLIC LANDS TO MINERAL COUNTY, NEV.

The Senate proceeded to consider the bill (S. 3212) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the county of Mineral, State of Nevada, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 6, after the word "county", to strike out "the purchase price of an amount equal to the fair market value of the lands to be conveyed as determined by the Secretary upon the appraisal of those lands" and insert "of the purchase price, which shall be an amount equal to the sum of the costs of extinguishing any adverse claims to the lands to be patented, the costs of any necessary survey, and the fair market value of the lands as determined by the Secretary after the appraisal of the lands by contract appraisal or otherwise"; on page 3, after line 15, to insert a new section, as follows:

SEC. 4. All moneys received from the conveyance of lands under the terms of this Act shall be disposed of in the same manner as moneys received from the sale of public lands, except that moneys received as reimbursement for costs of appraisal, surveys, and extinguishing adverse claims may be used by the Secretary for said purposes without appropriation.

And, after line 22, to insert a new section, as follows:

SEC. 5. The lands described in section 1 of this Act shall be segregated from all forms of appropriation under the public land laws, including the mining and mineral leasing laws, from the date of approval of this Act until the Secretary shall provide otherwise by publication of an order in the Federal Register.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall issue to the county of Mineral, State of Nevada, upon the payment by the county into the Treasury of the United States, not more than five years after the Secretary has notified the county of the purchase price, which shall be an amount equal to the sum of the costs of extinguishing any adverse claims to the lands to be patented, the costs of any necessary survey, and the fair market value of the lands as determined by the Secretary after the appraisal of the lands by contract appraisal or otherwise, a patent for the following described lands situated in the State of Nevada and comprising approximately two thousand and forty acres (all range references are to the Mount Diablo base and meridian):

(1) The south half of the south half of section 22; the southeast quarter of section 32; all of section 28; the northwest quarter, the northeast quarter, the southwest quarter, and the northwest quarter of the southeast quarter of section 33; the northwest quarter of the northeast quarter, the northeast quarter of the northwest quarter, and the northwest quarter of the northwest quarter of section 34, township 8 north, range 30 east.

(2) The northwest quarter of the northwest quarter of section 4; the northeast quarter, the west half of the southeast quarter, and the northeast quarter of the southeast quarter of section 5, township 7 north, range 30 east.

(3) The north half of the northwest quarter and the northwest quarter of the northeast quarter of section 10, township 7 north, range 29 east.

SEC. 2. The conveyance authorized by this Act shall be made subject to any existing valid claims against the lands described in the first section of this Act, and to any reservations necessary to protect continuing uses of those lands by the United States.

SEC. 3. Nothing contained in the preceding provisions of this Act shall be construed to preclude the county of Mineral, State of Nevada, from purchasing, in accordance with such preceding provisions, only such portion or portions, by legal subdivision of the public land surveys, of the above-described lands as such county elects, nor shall the purchase by such county of only a portion or portions of such lands be construed to constitute a waiver or relinquishment of any of its rights under this Act to purchase, in accordance with such preceding provisions and by legal subdivisions of the public land surveys, the remainder of such lands, or any portion thereof.

SEC. 4. All moneys received from the conveyance of lands under the terms of this Act shall be disposed of in the same manner as moneys received from the sale of public lands, except that moneys received as reimbursement for costs of appraisal, surveys, and extinguishing adverse claims may be used by the Secretary for said purposes without appropriation.

SEC. 5. The lands described in section 1 of this Act shall be segregated from all forms of appropriation under the public land laws including the mining and mineral leasing laws, from the date of approval of this Act until the Secretary shall provide otherwise by publication of an order in the Federal Register.

Mr. BIBLE. Mr. President, I offer a series of amendments which I send to the desk and ask to have stated. I ask that they be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc. The clerk will state the amendments.

The LEGISLATIVE CLERK. On page 1, line 3, after the word "Interior" to insert "or the Administrator of General Services, if the lands described in paragraph (1) of this section come within his jurisdiction for disposal purposes,".

In line 6, after the word "Secretary" to insert "or the Administrator".

On page 2, line 3, in the amendment of the committee, after the word "Secretary", to insert "or the Administrator".

On page 2, line 4, after the word "patent" to insert "or deed".

On page 2, line 16, after the word "east", to strike out the period, insert a comma and "but the Administrator of General Services shall not issue a deed for the northeast quarter of the northwest quarter of section 34, township 8 north, range 30 east, until such time as this land shall have become available for disposal as surplus property as prescribed by the Federal Property and Administrative Services Act of 1949, as amended".

On page 2, line 20, strike out the period and insert in lieu thereof a comma and "but the Secretary of the Interior shall not issue a patent for the west half of the southeast quarter and the northeast quarter of the southeast quarter of section 4, township 7 north, range 30 east, until such time as this land shall be returned by the Department of the Navy to the Department of the Interior."

Amend the title so as to read: "A bill to direct the Secretary of the Interior and the Administrator of General Services to convey certain public and acquired lands in the State of Nevada to the county of Mineral, Nevada."

Mr. BIBLE. Mr. President, these amendments are offered at the suggestion of the Department of the Navy which states that there is no objection to the passage of the bill if so amended.

The amendments would provide that the Secretary would be required to delay sale of 160 of the 2,040 acres included in the bill unless and until:

First. It has been determined by the Navy that it has no further use for and releases 120 acres of land included within its present reservation.

Second. It has been determined by the General Services Administration that the 40 acres within its jurisdiction can be disposed of as surplus property under the Federal Property and Administrative Services Act of 1949, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Nevada [Mr. BIBLE], en bloc.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior Administrator of General Services, if the lands described in paragraph (1) of this section come within his jurisdiction for disposal purposes, shall issue to the county of Mineral, State of Nevada, upon the payment by the county into the Treasury of the United States, not more than five years after the Secretary or the Administrator has notified the county of the purchase price, which shall be an amount equal to the sum of the costs of extinguishing any adverse claims to the lands to be patented, the costs of any necessary survey, and the fair market value of the lands as determined by the Secretary or the Administrator after the appraisal of the lands by contract appraisal or otherwise, a patent or deed for the following-described lands, situated in the State of Nevada and comprising approximately two thousand and forty acres (all range references are to the Mount Diablo base and meridian):

(1) The south half of the south half of section 22; the southeast quarter of section 32; all of section 28; the northwest quarter, the northeast quarter, the southwest quarter, and the northwest quarter of the southeast quarter of section 33; the northwest quarter of the northeast quarter, the northeast quarter of the northwest quarter, and the northwest quarter of the northwest quarter of section 34, township 8 north, range 30 east, but the Administrator of General Services shall not issue a deed for the northeast quarter of the northwest quarter of section 34, township 8 north, range 30 east, until such time as this land shall have become available for disposal as surplus property as prescribed by the Federal Property and Administrative Services Act of 1949, as amended.

(2) The northwest quarter of the northwest quarter of section 4; the northeast quarter, the west half of the southeast quarter, and the northeast quarter of the southeast quarter of section 5, township 7 north, range 30 east, but the Secretary of the Interior shall not issue a patent for the west half of the southeast quarter and the northeast quarter of the southeast quarter of section 5, township 7 north, range 30 east, until such time as this land shall be returned by the Department of the Navy to the Department of the Interior.

(3) The north half of the northwest quarter and the northwest quarter of the northeast quarter of section 10, township 7 north, range 29 east.

SEC. 2. The conveyance authorized by this Act shall be made subject to any existing valid claims against the lands described in the first section of this Act, and to any reservations necessary to protect continuing uses of those lands by the United States.

SEC. 3. Nothing contained in the preceding provisions of this Act shall be construed to preclude the county of Mineral, State of Nevada, from purchasing, in accordance with such preceding provisions, only such portion or portions, by legal subdivision of the public land surveys, of the above-described lands as such county elects, nor shall the purchase by such county of only a portion or portions of such lands be construed to constitute a waiver or relinquishment of any of its rights under this Act to purchase, in accordance with such preceding provisions and by legal subdivisions of the public land surveys, the remainder of such lands, or any portion thereof.

SEC. 4. All moneys received from the conveyance of lands under the terms of this Act shall be disposed of in the same manner as moneys received from the sale of public lands, except that moneys received as reimbursement for costs of appraisal, surveys, and extinguishing adverse claims may be used by the Secretary for said purposes without appropriation.

SEC. 5. The lands described in section 1 of this Act shall be segregated from all forms of appropriation under the public land laws including the mining and mineral leasing laws, from the date of approval of this Act until the Secretary shall provide otherwise by publication of an order in the Federal Register.

NATIONAL FOREST PRODUCTS WEEK

The joint resolution (S.J. Res. 209) providing for the establishment of an annual National Forest Products Week was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the seven-day period beginning on the third Sunday of October in each year is hereby designated as National Forest Products Week, and the President is requested to issue annually a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NEW JERSEY TERCENTENARY CELEBRATION COMMISSION

The Senate proceeded to consider the joint resolution (S.J. Res. 68) providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the 300th anniversary of the State of New Jersey, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment, on page 5, after line 19, to strike out:

SEC. 6. There are authorized to be appropriated such sums, not to exceed $75,000, as may be necessary to carry out the provisions of this joint resolution.

So as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established a commission to be known as the New Jersey Tercentenary Celebration Commission (hereafter referred to in this joint resolution as the "Commission") which shall be composed of fifteen members as follows:

(1) Four members who shall be Members of the Senate, to be appointed by the President of the Senate;

(2) Four members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(3) Seven members to be appointed by the President.

(b) The President shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman. The members of the Commission shall receive no salary.

SEC. 2. (a) The functions of the Commission shall be to develop and to execute suitable plans for the celebration of a series of anniversaries occurring between 1959 and 1964, both years inclusive, commemorating the three hundredth anniversary of the State of New Jersey.

(b) In carrying out its functions the Commission is authorized to cooperate with and to assist the New Jerey Tercentenary Commission and any other agency created or designated by the Legislature of the State of New Jersey for the purpose of planning and promoting the New Jersey Tercentenary Celebration. If the participation of other nations in the celebration is deemed advisable, the Commission may communicate to that end with the governments of such nations through the Department of State.

SEC. 3. The Commission may employ, without regard to the civil-service laws or the Classification Act of 1949, as amended, such employees as may be necessary in carrying out its functions. Service of an individual as a member of the Commission or employment of an individual by the Commission, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes of the United States (5 U.S.C. 99).

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this joint resolution. The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property and make contracts, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this joint resolution.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within two months following the celebration as prescribed by this joint resolution.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

SEC. 5. The Commission shall expire upon the completion of its duties, but in no event later than March 1, 1965.

The amendment was agreed to.

The joint resolution, as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. WILLIAMS of New Jersey. Mr. President, New Jersey was founded as a separate colony 300 years ago. The State tercentenary commission is already at work planning a celebration program which will last until 1965. Today, the Senate of the United States took a step to help in this celebration; it voted to establish a 15-member National Commission to work with the State commission to plan and promote the celebration. In the House of Representatives sponsors of similar legislation are hopeful that passage there will be possible before the end of the session.

The Senate action is particularly gratifying to me because I believe that the tercentenary celebration has great national significance and interest.

New Jersey was one of the Thirteen Original Colonies. Its charter was a step forward to the principles expressed in the later great documents of American history. Every grade school student has some knowledge of the great Revolutionary War battles fought in New Jersey, often called the cockpit of the revolution. Many people from many nations have made their home in New Jersey since then. As the National Geographic Magazine recently said, "The whole world sired the Jerseyman."

Today, only six States turn out more goods annually than New Jersey John Cunningham, a reporter for the Newark News, recently wrote that there are 12,000 factories and 500 industrial research organizations in the Garden State, as well as 2 million acres of forest lands and hundreds of thousands of acres of rich farmland. Many persons from other States are familiar with its Atlantic shore beaches, its lakes, its mountains, its much-used highways. Though not as large in area as many other States, New Jersey has become well known to many Americans in many parts of the Nation.

The State tercentenary celebration of New Jersey will include the creation of advisory committees, and stimulation and coordination of local celebrations by counties, municipalities, patriotic, historical, and other groups. A one-volume tercentenary history of New Jersey will be printed. Historical sites in many parts of the State will be rehabilitated; an initial State planning grant of $85,000 is expected to be augmented in the 1961 session of the State legislature.

The State commission has many other responsibilities. I have mentioned only a few in order to emphasize the ways in which a Federal Commission could work together with the State forces. A Judiciary Committee report on the tercentenary resolution gives an example of such Federal-State cooperation:

> The resolution creating the Federal New Jersey Tercentenary Celebration Commission is similar in purpose to Senate Joint Resolution 62 (Public Law 263, 83d Cong., 1st sess., ch. 433) approved August 13, 1953, which established the Jamestown-Williamsburg-Yorktown Celebration Commission to commemorate in 1957 the 350th anniversary of the founding of Jamestown.
>
> The committee is advised that the Virginia experience was that a Federal commission was by far the most expeditious and efficient way to bring to bear upon that celebration the talents and resources of the Federal-State department, the National Park Service, the Bureau of Public Roads, the armed services, the Members of Congress, and others in the Federal Government who contributed greatly to important events in Virginia.

Congress has in the past approved the establishment of other Federal commissions for similar purposes. In 1935, for instance, a commission was established for the 300th anniversary of the founding of Connecticut. In 1930, another was established for the 300th anniversary of the Massachusetts Bay Colony.

Mr. President, I believe that a similar Commission could do much to advance the National and State interest in the tercentenary celebration for New Jersey, and I am grateful that this proposal has received favorable consideration here today.

DEFINITION OF THE TERM "VETERANS' ADMINISTRATION FACILITIES"

The Senate proceeded to consider the bill (S. 2201) to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities."

Mr. JAVITS. Mr. President, I should like to have the attention of both Senators from Alaska in connection with this bill, which was discussed in the committee of which I am a member. I raised some objections to it, but I think they can be adjusted on the floor of the Senate with the Senators from Alaska. At any rate, I hope so.

As I understand, the bill involves a very small number of cases—my understanding is only nine.

For the information of the Senate, the bill proposes that the Veterans' Administration shall pay for the hospitalization of veterans with nonservice-connected disabilities in certain hospitals in Alaska, because there are no Veterans' Administration facilities there. Apparently, this was the practice of the Veterans' Administration in Alaska before it became a State. The idea is to legalize that practice now that it is a State.

I ask the Senators from Alaska to answer these two points: First, this proposal concerns only nine veterans, or thereabouts—I will not tie down the Senators to the number nine as any magic figure.

Second, it is an authorization. It is not a direction.

My reason for raising both the points is this: This proposal represents a distinction in treatment between veterans in other States and veterans in Alaska. Veterans in other States who have nonservice-connected disabilities cannot get hospitalization unless beds are available, whereas in Alaska they can obtain such hospitalization, because apparently that has been the practice. Under the terms of the bill, they would be assured of hospitalization in the future.

The bill does represent a difference between the way in which veterans in Alaska are treated and the way in which other veterans are treated. However, I shall not object to the bill, because I think there is something to be said for

the doctrine of what we lawyers call de minimis. Not a great deal is involved, and a certain practice has been followed in Alaska. Personally I would not want to feel that I was standing in the way of it. But I do wish to be sure, first, that the number is small, and second, that the bill involves an authorization, and not a mandate. So if there is any abuse in the future, not only may the Administrator come back and tell us about it, but I should like to express the hope, in which I trust the sponsors of the bill will join, that he will come back and tell us about it. He should come and tell us about it.

Mr. BARTLETT. Mr. President, the Senator from New York is correct in his assumption that this would be an authorization and not a mandate. Likewise, the Senator is correct when he says the caseload is very small. Nine is an appropriate figure, perhaps, for any given day. The next day the figure might be somewhat larger or somewhat smaller.

There is no Veterans' Administration facility within the State. In order to serve the more or less emergency cases my colleague from Alaska and I introduced the bill.

Mr. JAVITS. Mr. President, would the Senator from Texas [Mr. YARBOROUGH] join with me in the injunction to the Administrator to come back to the Congress with an appropriate report should he see any evidence of abuse in this matter, and should it get beyond a modest compass?

Mr. YARBOROUGH. Yes, Mr. President.

The passage of this Alaska-Hawaii veterans bill, as it is called, will apply only to veterans in Alaska and in Hawaii. It will restore the same treatment which these veterans had when the States were in territorial status. This would merely give to the veterans the right to receive the treatment which they received while Alaska and Hawaii were territories. They do not receive that treatment now.

One cannot put a veteran in an ambulance in either Hawaii or Alaska and take him to a hospital, as one can do in the 48 stateside States, as the older States are sometimes called. It is necessary to take certain veterans to the hospitals by aircraft. The heart cases in Alaska cannot be taken on the aircraft.

The bill would merely permit treatment in private hospitals in special circumstances. There are very few cases involved. The cost will be infinitesimal.

Mr. JAVITS. Mr. President, will the Senator from Texas join me in expressing the belief that should it become appreciable and thereby work out to a practice of discrimination against veterans in other States we shall expect the Administrator to come to the Congress to tell us about it?

Mr. YARBOROUGH. I agree with the Senator from New York. I do not think this will become appreciable as compared to the expense of building veterans' hospitals. There is no veterans' hospital in Alaska.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that we may have an additional 10 minutes for the call of the calendar.

Mr. GRUENING. Mr. President, reserving the right to object, on the basis of the previous unanimous-consent agreement I had planned to speak for about 5 minutes. If there is no objection I should like to speak for about 5 minutes, and not have the time counted. The agreement was that we were to have 2 hours on the tax bill.

Mr. JOHNSON of Texas. I think we can finish the call of the calendar in perhaps 5 minutes, and not over 10 minutes.

Mr. GRUENING. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none; and, without objection, the time for the call of the calendar will be extended 10 minutes.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that an excerpt from the report, an explanation of S. 2201, be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 2201

This bill amends the definition of the term "Veterans' Administration facilities" contained in section 601(4)(C), title 38, of the United States Code, to include private contract facilities for veterans in any war in a State if—

(1) no Veterans' Administration hospital is located in the State on the effective date of the act, and

(2) no Veterans' Administration hospital is located within 500 miles of the border of the State.

The amended definition of "VA facilities" would permit the use of private contract hospitals for the care of veterans with non-service-connected disabilities in the States of Alaska and Hawaii. In practical effect, this merely restores privileges to Alaskan and Hawaiian veterans which they enjoyed prior to admission of these States to statehood.

Inasmuch as the VA now has authority to use private contract facilities for the care of service-connected cases, the authority conferred upon the Administrator by this bill is limited to non-service-connected disabled veterans. To qualify for care in a private contract facility, the non-service-connected veteran would have to meet the same standards as would apply to a veteran in any one of the other 48 States.

Before statehood, private contract facilities were used by the VA in Alaska and Hawaii to provide hospital care to veterans with non-service-connected disabilities. However, since private contract facilities could be used only in a "territory, commonwealth, or possession of the United States," the VA had no authority to continue the practice after Alaska and Hawaii became States.

At the present time there is no VA hospital in either Alaska or Hawaii. Hospital care for non-service-connected disabilities is presently provided through other Government hospitals. In Alaska the Department of Defense and the Department of Health, Education, and Welfare has allocated beds to VA hospital use. In Hawaii the Department of Defense has allocated beds in Tripler General Hospital. Experience has demonstrated, however, that these allocations are not providing hospital care on a par with that which was available prior to admission of Hawaii and Alaska to statehood.

In reporting on this bill, the Veterans' Administration stated:

"The exception to permit hospital care in private facilities for war veterans with nonservice conditions in a territory or possession was based upon special considerations. These apparently included the factors of great distances from the mainland, difficulty in transferring patients to the States, and the relatively small volume of patient demands in the territories and possessions * * *."

The committee believes that these factors which initially caused Congress to authorize private contract facilities in Alaska and Hawaii for treatment of non-service-connected disabilities are equally pertinent today. The geographical, transportation, and population factors present the same difficulties as prior to statehood. The committee, therefore, has no hesitation in recommending this legislation. It represents an inexpensive opportunity for the Government to provide humanitarian treatment for veterans of the armed services, respecting whom its responsibiliteis have long been recognized.

Mr. JAVITS. Mr. President, I wish to state that based upon the colloquy in which we have engaged I shall interpose no objection to passage of the bill. I am glad, so far as I am personally concerned, that there are facilities for the care of veterans.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2201) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 601(4)(C) of title 38, United States Code, is amended by striking out "or (iii)" and inserting in lieu thereof "(iii)", and by adding immediately before the period at the end thereof the following: "; or (iv) for veterans of any war in a State (not including a Territory, Commonwealth, or possession) if no hospital under the direct and exclusive jurisdiction of the Administrator is located in such State on the effective date of this Act, and if no such hospital is located within five hundred miles of the border of such State."

BILL PASSED OVER

The bill (S. 299) for the relief of Dalworth C. Ebner was announced as next in order.

Mr. KEATING. Over, Mr. President, by request.

The PRESIDING OFFICER (Mr. ENGLE in the chair). The bill will be passed over.

THE FLORIDA CITRUS INDUSTRY

Mr. HOLLAND. Mr. President, I wish to take this opportunity to read into the RECORD an Associated Press dispatch taken from the ticker tape a few minutes ago, as to which I have considerable interest, and as to which I think all Senators will be interested who are interested in agriculture, and in encouraging agricultural groups to try to solve their own problems.

The dispatch is dated at Lakeland, Fla., today, and reads as follows:

The Florida Citrus Commission starts the new fiscal year Friday with a $7,048,180 budget for use in governing and promoting the State's big citrus industry.

More than 90 percent of the total will be used for promotion in one form or another. The largest single item is $4,080,000 allocated to consumer advertising in magazines, newspapers, and on television.

The budget was based on an estimate of next season's crop.

Mr. President, not only does the $7 million item represent the effort, which has been a very successful effort, of the Florida citrus industry, which is the biggest fruit industry in the Nation, to handle its own affairs in large measure by voluntary action under State law, but also it represents a source of considerable pleasure to the Senator from Florida, who, as a member some years ago of the Florida State Senate, was the author of the bill to set up the Florida Citrus Commission, and also the author of the bill to impose the citrus tax on a per box basis for advertising, sales promotion, research, and the like, based on the production of all citrus producers.

Mr. President, the Florida citrus industry, with a production now of over 200 million bushels per year, is seeking with its own money to solve its problems and to create goodwill and firm demand for its products. At the same time the industry is seeking to insure the giving of fair treatment to those who consume its products throughout this Nation and in other nations of the world.

Mr. President, we do not hope to solve all of our problems in this way, but we wish that other agricultural industries of this Nation would use more frequently the voluntary methods being used by the Florida citrus producers, at their own expense, to seek to solve their own problems. Largely as a result of its own efforts the Florida citrus industry is prosperous and strong, despite the fact that it is now producing more than three times the amount of fruit which it was producing when the citrus commission program was set up in 1935, at which time the industry was in perilous and unstable condition, due to what it then regarded as surplus production.

ADJUSTMENTS IN ACCOUNTS OF OUTSTANDING OLD SERIES CURRENCY

The bill (S. 3714) to authorize adjustments in accounts of outstanding old series currency, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3714) to authorize adjustments in accounts of outstanding old series currency, and for other purposes, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Old Series Currency Adjustment Act".

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to transfer to the general fund of the Treasury, to be credited as a public debt receipt, the following:

(1) Gold held under the provisions of—

(A) section 4 of the Act of March 14, 1900, entitled "An Act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes" (31 U.S.C., sec. 146), and

(B) section 254 of the Revised Statutes of the United States (31 U.S.C., secs. 428 and 429),

as security for gold certificates issued prior to January 30, 1934.

(2) Standard silver dollars held under the provisions of—

(A) section 4 of such Act of March 14, 1900 (31 U.S.C., sec. 146),

(B) section 3 of the Act of February 28, 1878, entitled "An Act to authorize the coinage of the standard silver dollar, and to restore its legal-tender quality" (31 U.S.C., sec. 405), and

(C) section 5 of the Silver Purchase Act of 1934 (31 U.S.C., sec. 305a),

as security for, or for the redemption of, silver certificates issued prior to July 1, 1929.

(3) Standard silver dollars held under the provisions of—

(A) section 4 of such Act of March 14, 1900 (31 U.S.C., sec. 146),

(B) section 5 of such Act of March 14, 1900 (31 U.S.C., sec. 411), and

(C) section 5 of the Silver Purchase Act of 1934 (31 U.S.C., sec. 405a),

as security for, or for the redemption of, Treasury notes of 1890 (issued under the provisions of the Act of July 14, 1890, entitled "An Act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes" (26 Stat. 289)).

SEC. 3. The Board of Governors of the Federal Reserve System, with the approval of the Secretary of the Treasury, may require any Federal Reserve Bank to pay to the Secretary of the Treasury, to be credited as a public debt receipt, an amount equal to the amount of Federal Reserve notes of any series prior to the series of 1928 issued to such bank and outstanding at the time of such payment.

SEC. 4. Any currency the funds for the redemption or security of which have been transferred pursuant to the provisions of section 2 of this Act, and any Federal Reserve notes as to which payment has been made under section 3 of this Act, shall thereafter, upon presentation at the Treasury for redemption, be redeemed by the Secretary of the Treasury from the general fund of the Treasury and thereupon retired.

SEC. 5. (a) Except as provided in subsection (c) of this section, upon completion of the transfers and credits authorized and directed by section 2 of this Act there shall be carried on the books of the Treasury as public debt bearing no interest the following:

(1) Gold certificates issued prior to January 30, 1934.

(2) Treasury notes of 1890 (issued under the provisions of the Act of July 14, 1890, entitled "An Act directing the purchase of silver bullion and the issuance of Treasury notes thereon, and for other purposes" (26 Stat. 289)).

(3) United States legal-tender notes issued prior to July 1, 1929.

(4) Silver certificates issued prior to July 1, 1929.

(b) Except as provided in subsection (c) of this section, there shall be carried on the books of the Treasury as public debt bearing no interest Federal reserve notes as to which payment has been made to the Secretary of the Treasury under section 3 of this Act and the amount of the payment credited as a public debt receipt in accordance with such section.

(c) The Secretary of the Treasury is authorized to determine, from time to time, the amount of—

(1) outstanding currency of any type designated in subsections (a) and (b) of this section,

(2) circulating notes of Federal Reserve banks, issued prior to July 1, 1929, for which the United States has assumed liability, and

(3) circulating notes of national banking associations, issued prior to July 1, 1929, for which the United States has assumed liability,

which, in his judgment, have been destroyed or irretrievably lost and so will never be presented for redemption, and to reduce accordingly the amount or amounts thereof outstanding on the books of the Treasury and to credit such amounts to the appropriate receipt account.

SEC. 6. The first paragraph of the Act of May 31, 1878, entitled "An Act to forbid the further retirement of United States legal-tender notes" (31 U.S.C., sec. 404), is amended by inserting immediately before the period at the end thereof the following: ": *And provided further*, That in the event of any determination by the Secretary of the Treasury under section 5 of the Old Series Currency Adjustment Act that an amount of said notes has been destroyed or irretrievably lost and so will never be presented for redemption, the amount of said notes required to be kept in circulation shall be reduced by the amount so determined".

SEC. 7. (a) The fifth paragraph of section 16 of the Federal Reserve Act (12 U.S.C., sec. 415) is amended by adding at the end thereof the following new sentence: "The liability of a Federal Reserve bank with respect to its outstanding Federal Reserve notes shall be reduced by any amount paid by such bank to the Secretary of the Treasury under section 3 of the Old Series Currency Adjustment Act."

(b) The seventh paragraph of section 16 of the Federal Reserve Act (12 U.S.C., sec. 416) is amended by striking out the third sentence and inserting in lieu thereof the following: "Any Federal Reserve bank shall further be entitled to receive back the collateral deposited with the Federal Reserve agent for the security of any notes with respect to which such bank has made payment to the Secretary of the Treasury under section 3 of the Old Series Currency Adjustment Act. Federal Reserve banks shall not be required to maintain the reserve or the redemption fund heretofore provided for against Federal Reserve notes which have been retired, or as to which payment has been made to the Secretary of the Treasury under section 3 of the Old Series Currency Adjustment Act."

SEC. 8. Nothing contained in this Act shall impair the redeemability of any currency of the United States as now provided by law.

SEC. 9. In order to provide a historical collection of the paper currency issues of the United States, the Secretary of the Treasury is authorized, after redemption, to withhold from cancellation and destruction and to transfer to a special account one piece of each design, issue, or series of each denomination of each kind of paper currency of the United States, including bank notes, heretofore or hereafter issued, and to make appropriate entries in the redemption accounts and other books of the Treasury to cover any such transfers.

INCENTIVE PAY FOR CERTAIN SUBMARINE SERVICE

The Senate proceeded to consider the bill (H.R. 10500) to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine

service, which had been reported from the Committee on Armed Services, with an amendment, on page 1, at the beginning of line 10, to insert "and duty as an operator or crew member of an operational, self-propelled submersible, including undersea exploration and research vehicles".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LIMITATION ON TRANSPORTATION OF HOUSEHOLD EFFECTS

The bill (S. 3747) to amend section 303 (c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects was announced as next in order.

The PRESIDING OFFICER. A companion House bill is before the Committee on Armed Services.

Without objection, the Committee on Armed Services is discharged from further consideration of the House bill.

Is there objection to the consideration of the House bill?

The Chair hears none. The House bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12570) to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 12570) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3747 will be indefinitely postponed.

ADMINISTRATION OF OATHS AND NOTARIAL SERVICES

The bill (S. 3746) to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States, was announced as next in order.

Mr. HART. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1815, H.R. 12265.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none; and, without objection, the Senate will proceed to the consideration of Calendar No. 1815. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12265) to amend title 10, United States Code to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 12265) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, S. 3746 will be indefinitely postponed.

PRESENTATION OF MEDALS TO MEMBERS OF ANTARCTICA EXPEDITION

The bill (H.R. 3923) to provide for the presentation of a medal to persons who have served as members of a U.S. expedition to Antarctica, was considered, ordered to a third reading, read the third time, and passed.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that excerpts from the committee report on H.R. 3923 be printed in the RECORD. I make the request because of the original merit of the bill, and also because the excerpts may be of interest to Senators when we consider the antarctic treaty.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this bill is to provide authority for the Secretary of Defense to issue a commemorative medal to persons who serve or who have served as members of a U.S. expedition to Antarctica between January 1, 1946, and a date to be subsequently established by the Secretary of Defense. This bill will provide a treasured honor for those men, military and civilian, who have actively participated in expeditions in the Antarctic and experienced the hardships and hazards incident thereto. Under the regulations which the Secretary of Defense would be authorized to prescribe, the awards should assist both the Navy and the National Science Foundation in recruitment of personnel for winter service in the Antarctic. Without the contribution of those persons who have spent time in the Antarctic under its most rigorous conditions, the results of scientific and geographic value and the grounds for U.S. territorial claims alike would be very meager. The bill is intended to honor those who have made such contributions and to provide an incentive for others.

NECESSITY FOR THE LEGISLATION

At the present time the Secretary of Defense has no authority upon which he may issue a special commemorative medal to recognize the achievements of those persons who participated in the various Antarctica expeditions since January 1, 1946. The various campaign service and commemorative-type medals which have heretofore been authorized were established to recognize a specified type of service, a specific expenditional campaign, or service in a particular geographical area, during a specified time. Thus, the various commemorative medals heretofore authorized cannot be used as a basis for an award of a proposed Antarctica Medal for service since January 1, 1946.

The bill authorizing the award of an appropriate medal will provide recognition to the estimated 14,650 persons, both military and civilian, who have been involved in the Antarctica expeditions since January 1, 1946. It would also permit the issuance of this medal to persons who may participate in future operations in Antarctica. It should be observed that among the expeditions which have been the most valuable and involved the greatest hardship have been some which have been privately financed and carried out by civilians.

The bill provides a closing date for the issuance of the Antarctica Medal, the date to be established by the Secretary of Defense. The reason for this cutoff authority is that, in the future, expeditions to Antarctica may become so routine that it will no longer be appropriate to award the medal.

It is also noted that the bill does not provide that personnel must have served continuously for a period of more than 30 days in Antarctica since it is conceivable that an individual might, during an overall period of several months, be flying in and out of the Antarctica on various hazardous missions in support of the expeditions and yet not qualify with a requirement that such service be for a continuous period of 30 days.

It would be expected that while the bill has no requirement for 30 days of continuous presence in the Antarctica, the Secretary of Defense by regulation would make certain that the general intent and spirit of the bill requiring membership in an expedition would be observed in making the award of the medal.

It should be emphasized that in order to be entitled to the medal, a person must be a member of an Antarctica expedition. This limitation in the bill would therefore exclude persons who might visit the area as observers or otherwise be in the area not as members of the expedition.

PREVIOUS COMMEMORATIVE AWARDS AND MEDALS

There is ample precedent for the authority contained in this bill. Previous expeditions to the polar regions in the past have been recognized by the Congress in the form of legislation authorizing the issuance of commemorative awards. Included among these are the following:

1. Peary Polar Expedition Medal.
2. Byrd Antarctic Medal (1928–30).
3. Second Byrd Antarctic Expedition Medal (1933–35).
4. U.S. Antarctic Expedition Medal (1939–41).

Peary Polar Expedition Medal

A commemorative medal for the purpose of recognizing the efforts and services of those persons who either accompanied the Admiral Peary Expedition or aided in the discovery of the North Pole by Admiral Peary. Such was authorized by Private Law 166, 76th Congress, approved January 28, 1944. Approximately six received the award. The Secretary of the Navy was authorized and directed by the act to cause to be made, silver medals to be presented in the name of the Congress to the six individuals named in the act. There was no criteria of eligibility specified particularly with regard to time required to be spent in an area.

Byrd Antarctic Medal

This medal commemorated the First Byrd Antarctic Expedition. The medal was struck in gold, silver, and bronze and was authorized by the act of Congress and approved May 23, 1930.

To the officers and men of the Byrd antarctic expedition to express the high admiration in which the Congress and the American people hold their heroic and undaunted services in connection with the scientific investigations and extraordinary aerial explorations of the Antarctic Continent.

There were 82 persons who received medals—66 of those, gold medals; 7, silver medals; and 9, bronze medals. The gold medal was awarded for full participation in the expedition; the silver medal was awarded to members of the expedition at

the time of its demobilization, these individuals having only partial time with the expedition. The bronze medals were given to personnel serving with the expedition at the time of departure, but released prior to demobilization of the expedition.

Second Byrd Antarctic Medal

This medal was a silver medal commemorating deserving personnel of the Second Byrd Expedition. It was authorized by an act of Congress, approved June 2, 1936. The act authorizing the medal said in part:

"To the deserving personnel of the Second Byrd Antarctic Expedition that spent the winter night at Little America or who commanded either one of the expedition ships throughout the expedition, to express the high admiration in which the Congress and the American people hold their heroic and undaunted accomplishments for science, unequaled in the history of polar exploration."

Fifty-seven expedition members received the silver medal. The Secretary of the Navy was authorized, pursuant to the recommendations of Rear Adm. Richard E. Byrd, U.S. Navy (retired), leader of the expedition, to award the above medals. There were several members of the Second Byrd Expedition who received military decorations; one, the Distinguished Service Medal; three, the Navy Cross; and two, the Distinguished Flying Cross.

U.S. Antarctic Expedition Medal

This was a commemorative medal awarded in recognition of valuable services to the Nation in the field of polar exploration and science. It was struck in gold, silver, and bronze. One hundred and sixty members of the expedition received the medal. Sixty received gold medals; 50, silver medals; and 50, bronze medals. The Secretary of the Navy was authorized to make the awards pursuant to recommendations made by Rear Adm. Richard E. Byrd, U.S. Navy (retired), leader of the expedition. Gold medals were awarded the members who wintered-over in Antarctica; silver medals to those who made trips to Antarctica in 1939–40 and again in 1940–41; and bronze medals were awarded to those who made only one trip to Antarctica.

HISTORY OF U.S. ACTIVITIES IN ANTARCTICA

Printed below as a part of this report is a review of the history of U.S. activities in Antarctica:

U.S. interest in Antarctica dates to the early part of the 18th century. Capt. Nathanial B. Palmer, of Stonington, Conn., sighted the continent near the tip of the Palmer Peninsula. The date was November 17, 1820. On February 7, 1821, Capt. John Davis, of New Haven, Conn., landed on the shore of Antarctica along what is now known as Hughes Bay. Davis wrote in his logbook: "I think this southern land to be a continent." He was right, for an expedition led by Lt. Charles Wilkes, of the U.S. Navy, proved the point. This was the first time our Government sent its ships to explore Antarctica.

Sailing from the United States, late in 1838, Wilkes first reached the Antarctica, south of Cape Horn, early the following year. After sailing along the icepack, westward, he went to Australia for the Antarctic winter.

He returned to the Antarctic, south of Australia, in December 1840. There he saw land at numerous points over a distance of 1,500 miles. People now knew there was a southern continent and they called it Antarctica. Today, a considerable area of Antarctica is known as Wilkes Land.

Various nations, from time to time, made minor probings along the shores of Antarctica, and several made direct dashes to the South Pole. Among these were the Norwegian, Roald Amundsen, who was first to reach the South Pole, and about a month later, Capt. Robert Falcon Scott arrived at the southernmost extremity of the globe, only to discover that Amundsen had arrived first.

The first real assault upon Antarctica was made by the Byrd Expedition (1928–30) and it is best remembered by most Americans for the flight over the South Pole, on November 29, 1929. No doubt, more important were the discoveries of the Edsel Ford Range, the Rockfeller Mountains, and Marie Byrd Land—and the accomplishments, scientifically—for Admiral Byrd served more than 20 branches of science.

The second Byrd Expedition (1933–35) concentrated on scientific work and used tractors more than any previous expedition. It was on this expedition that Admiral Byrd stayed alone at an advance weather station. There he kept careful records from March 28 through August 10, 1934. No man ever wintered so far south before.

Due to a faulty stove and exhaust fumes from a motor, Admiral Byrd almost lost his life before a party from Little America arrived.

Byrd led another expedition to Antarctica in 1939, known as the U.S. Antarctic Service, and in which our Government played a large part. Two bases were set up: one called west base, at Little America III, and the other called east base, on an island off the west coast of the Palmer Peninsula. Much scientific and geographic work was accomplished by ground parties and the use of aircraft for exploration and photography beyond the reach of the ground parties. The men returned to the United States early in 1941.

American interest in Antarctica was further extended in 1946–47, with the activities during the antarctic summer carried on with 13 ships and 4,000 men. It was called Operation Highjump. Much of value was accomplished. One outstanding event was the flight of six, two-engine transport planes from a Navy aircraft carrier used in the expedition. Another was the success of icebreakers in freeing a path through the pack ice. Still a third was the use of aircraft tenders and seaplanes to photograph large areas of Antarctica never seen previously. It is known that Operation Highjump, under the leadership of Admiral Byrd and Admiral Cruzen, discovered more of Antarctica than all previous expeditions combined.

During the antarctic summer, a small U.S. expedition called Operation Windmill (1947–48) arrived in Antarctica. Helicopters were used extensively on this expedition for photographic purposes.

Before 1950, two other American expeditions visited Antarctica, one led by Lincoln Ellsworth and the other by Finn Ronne. Ellsworth, in 1935, made the first long-distance flight, in easy stages, from Dundee Island to within a few miles of Little America. He returned to Antarctica in 1938–39, during which time he made aerial surveys over the area now known as American Highland.

Finn Ronne, a veteran of two expeditions with Admiral Byrd, used the east base on the west coast of Palmer Peninsula. Ronne extended the work of Americans.

The problems of our physical environment is of fundamental, continuing interest. The things which make up this environment control much of our physical life, such as our food, clothing, housing, transportation, and communication, and the weather of the world around us, and in a large way, affect our total environment. It is essential that we know more about our physical world and environment and how such affects our lives—favorably or otherwise.

Scientists throughout the world joined to establish the International Geophysical Year. An important sector for study was Antarctica and 12 nations joined in establishing bases or stations at the edge of Antarctica, and inland, even at the South Pole itself. The International Geophysical Year opened formally on July 1, 1957, and ended December 31, 1958. But the preparation for U.S. participation in the Antarctic began in November 1954, when the U.S. Navy sent the icebreaker *Atka* to look for scientific stations.

That was only the beginning, for under the operations leadership of Rear Adm. George J. Dufek, an Antarctic veteran of two previous expeditions, and with Rear Adm. Richard E. Byrd as officer in charge of the broad program, six stations were established on Antarctica and the air facility base at McMurdo Sound was established.

Our scientific interests were handled by the National Academy of Sciences. This organization set up the framework of scientific plans to carry out our part in the International Geophysical Year, a special committee for this purpose with a subcommittee on the Antarctic. The subcommittee was headed by Dr. Laurence Gould, with Admiral Byrd as honorary chairman.

The Navy was given the task of getting the scientists to the Antarctic, building their stations, and seeing that they were fed and supported.

The Navy designated the project Operation Deep Freeze. Admiral Dufek was able to secure the assistance of the Army, Air Force, Marines, and the Coast Guard to help accomplish the vast project of locating, building, and establishing the bases for the use of our International Geophysical Year scientists.

On Operation Deep Freeze I (1955–56) the Navy built two stations on the shore of the Ross Sea—one at McMurdo Sound, the other near Admiral Byrd's earlier Little America.

In addition to establishing the bases the Navy flew four Navy aircraft from New Zealand to McMurdo Sound. These notable flights marked the first to fly from another land mass to Antarctica. While the planes were in Antarctica that season, they flew over 1,800,000 square miles, of which approximately a million square miles had never been seen before. One of the notable flights was from McMurdo Sound across the Antarctic Continent to the Weddell Sea and return, nonstop.

When the airplanes and ships left the Antarctic early in 1956, Americans had seen about 4 million of the total 5½ million square miles of Antarctica. At the termination of Deep Freeze I, 73 men remained at Little America and 93 at McMurdo Sound. In addition, supplies and equipment were left with which to construct two more stations, one in Marie Byrd Land and the other at the South Pole.

Deep Freeze II, the following season (1956–57) saw great accomplishments. The Byrd station was constructed after great hardship and by efficiency of the men who set out to build this base. This project took the combined effort of the three services, big tractors, aircraft, and a great amount of patience in covering approximately 600 miles over rough ice and, at points, giant crevasses which had to be bridged in order that the tractor supply trains could pass.

On October 31, 1956, Rear Adm. George J. Dufek and a Navy crew flew to and landed at the South Pole. This was the third group in history to land at the pole; Amundsen, in 1911, and Scott, in 1912. But the admiral's mission was not the matter of a "first" but to determine the feasibility of establishing a South Pole scientific station.

Before the work was completed at the South Pole station, the Air Force had dropped more than 700 tons of material, equipment, and supplies. Those who were to spend the long winter night at the pole—scientists and military—were flown in by Navy aircraft. That winter the temperature went down to a 102° below zero.

During Deep Freeze II, three other stations were built by the Navy—one at Cape Hallett, occupied by American and New Zealand staffs; another at the Knox Coast, named "Wilkes" for the naval explorer; and the third across the continent at the ice shelf of the Weddell Sea, called "Ellsworth."

Deep Freeze III (1957–58) and Deep Freeze IV (1958–59) were largely operations of resupply and logistical support.

The U.S. scientists have carried on what is believed to be the most effective scientific exploratory work and coordination of scientific interest ever attempted in Antarctica. In addition to the scientific disciplines studied and compiled, the United States has participated in exploring between 15,000 and 20,000 miles of Antarctica as a part of the IGY programs. In these scientific treks the American, and eight other nations, have found mountain ranges and explored extensive areas in unexplored regions. The resulting discoveries included new mountains and knowledge that there is about 40 percent more ice in Antarctica than was previously estimated. Other scientific work was accomplished on the trails.

During the period from July 1, 1957, to December 31, 1958, the scientists working in the south polar region have studied cosmic rays, geomagnetism, meteorology, ionospheric observations, gravity, seismology, glaciology, aurora, and airglow. The data from these observations are being collected and it is hoped that the results will be made available to extend and broaden knowledge of our physical world.

It is readily understood that Antarctica presents special problems, because of its severe climate and its remoteness, which has made the vast, mysterious and icelocked continent relatively inaccessible. As a result, this forbidding area of the world required exploratory expeditions in advance, before selected locations for the construction of the scientific stations could be fully determined.

The scientists were prepared to carry out the necessary plans of scientific study programed for the International Geophysical Year. They required substantial logistical support in order to operate their laboratories in remote areas of Antarctica.

This logistic support provided by the Department of Defense is one of the greatest achievements in the history of polar exploration, and was under the able leadership of Admiral Dufek, commanding officer of Task Force 43.

Plans are now being made to continue U.S. scientific programs in Antarctica, in the post-IGY at the Byrd, Pole, Hallett stations and McMurdo Air Facility, with some summer activity at Little America. The Ellsworth and Wilkes stations are to be operated by Argentina and Australia, respectively, with American scientists participating at the stations.

AMENDMENT OF TITLE 10, UNITED STATES CODE, WITH RESPECT TO CERTAIN MEDALS

The bill (H.R. 3291) to amend title 10, United States Code, with respect to certain medals was considered, ordered to a third reading, read the third time, and passed.

AWARD OF CERTAIN MEDALS

The bill (H.R. 5569) to amend title 10, United States Code, to authorize the award of certain medals within 2 years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed was considered, ordered to a third reading, read the third time, and passed.

REDUCTION IN ENLISTED GRADE ON APPROVAL OF CERTAIN COURT-MARTIAL SENTENCES

The Senate proceeded to consider the bill (H.R. 12200) to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment, on page 2, after line 17, to strike out:

SEC. 2. (a) Any enlisted member of an armed force who, as a result of an approved court-martial sentence that included a dishonorable or bad conduct discharge, confinement, or hard labor without confinement, has, after February 19, 1959, been paid pay and allowances at a rate less than those of the pay grade applicable to the enlisted grade in which he actually served, is entitled to the pay and allowances of the pay grade applicable to that enlisted grade and shall continue to serve in that enlisted grade unless he is demoted to a lower enlisted grade or promoted to a higher enlisted grade.

(b) This section does not apply to an enlisted member—

(1) during any period that he was in confinement as a result of a court-martial sentence, unless the sentence is subsequently set aside or unless the sentence as finally approved does not include confinement; or

(2) who was discharged with a dishonorable or bad-conduct discharge as a result of a court-martial sentence.

(c) This section is effective as of February 20, 1959.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An Act to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences."

AMENDMENT OF CAREER COMPENSATION ACT OF 1949 RELATING TO TRAVEL AND TRANSPORTATION ALLOWANCES

The bill (H.R. 10068) to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

PROMOTION OF ECONOMIC AND SOCIAL DEVELOPMENT IN THE RYUKYU ISLANDS

The Senate proceeded to consider the bill (H.R. 1157) to provide for promotion of economic and social development in the Ryukyu Islands, which had been reported from the Committee on Armed Services, with amendments, on page 2, after line 17, to strike out:

SEC. 4. Beginning with the fiscal year ending June 30, 1960, and annually thereafter, the Secretary of the Treasury shall ascertain, from information furnished by the High Commissioner of the Ryukyu Islands, the amount of Federal income taxes withheld at the source during the fiscal year, under the internal revenue laws of the United States, from persons stationed or employed in the Ryukyu Islands. An amount equivalent to that so determined, less the estimated amount of refunds and credits, and not to exceed $6,000,000 in any fiscal year, is hereby set aside to the High Commissioner of the Ryukyu Islands. Such credits shall be kept in a separate account to be established by the High Commissioner of the Ryukyu Islands, and shall be available for obligation and expenditures, within such limitations as may be provided hereafter in appropriations acts in accordance with programs approved by the President, for: (a) promoting the economic development of the Ryukyu Islands and improving the welfare of the inhabitants thereof; (b) reimbursing the Government of the Ryukyu Islands for services performed for the benefit of and by reason of the presence of the Armed Forces of the United States within the Ryukyu Islands, including but not limited to reimbursement for such services in the fields of public health and safety, in annual amounts which may be paid in advance to the Government of the Ryukyu Islands; and (c) emergency purposes related to typhoons or other disasters in the Ryukyu Islands. Preference shall be given to programs in which the Government of the Ryukyu Islands participates by sharing part of the costs or contributing other resources. Any unobligated balance in the account in excess of $6,000,000 at the end of any fiscal year shall be transferred and paid over to the United States Treasury as miscellaneous receipts.

SEC. 5. There are hereby authorized to be appropriated by the Congress of the United States such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act.

On page 4, after line 3, to insert:

SEC. 4. There is hereby authorized to be appropriated not to exceed $6,000,000 in any fiscal year for obligation and expenditure in accordance with programs approved by the President, for: (a) promoting the economic development of the Ryukyu Islands and improving the welfare of the inhabitants thereof; (b) reimbursing the Government of the Ryukyu Islands for services performed for the benefit of and by reason of the presence of the Armed Forces of the United States within the Ryukyu Islands, including but not limited to reimbursement for such services in the fields of public health and safety, in annual amounts which may be paid in advance to the Government of the Ryukyu Islands; and (c) emergency purposes related to typhoons or other disasters in the Ryukyu Islands. Preference shall be given to programs in which the Government of the Ryukyu Islands participates by sharing part of the costs or contributing other resources.

At the beginning of line 20, to change the section number from "6" to "5"; on page 5, at the beginning of line 1, to change the section number from "7" to "6", and at the beginning of line 5, to change the section number from "8" to "7".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RIGHTS OF STATES TO SELECT CERTAIN PUBLIC LANDS SUBJECT TO MINERAL LEASE OR PERMIT

Mr. PROUTY. Mr. President, I asked before that Calendar No. 1796 go over, because the report was not clear. I have received an explanation. I ask

unanimous consent that the Senate now consider Calendar No. 1796.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont?

There being no objection, the Senate proceeded to consider the bill (S. 2959) to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit, which had been reported from the Committee on Interior and Insular Affairs, with an amendment to strike out all after the enacting clause and insert:

That subsection (a) of section 2276 of the Revised Statutes (43 U.S.C. 852(a)) is amended by the deletion of the existing paragraph (3) and the substitution therefor of the following paragraphs:

"(3) Land subject to a mineral lease or permit may be selected if none of the land subject to that lease or permit is in a producing or producible status, subject, however, to the restrictions and conditions of the preceding and following paragraphs of this subsection.

"(4) If a selection is consummated as to a portion but not all of the lands subject to any mineral lease or permit, then, as to such portion and for so long only as such lease or permit or any lease issued pursuant to such permit shall remain in effect, there shall be automatically reserved to the United States the mineral or minerals for which the lease or permit was issued, together with such further rights as may be necessary for the full and complete enjoyment of all rights, privileges and benefits under or with respect to the lease or permit: *Provided, however,* That after approval of the selection the Secretary of the Interior shall determine what portion of any rents and royalties accruing thereafter which may be paid under the lease or permit is properly applicable to that portion of the land subject to the lease or permit selected by the State, the portion applicable being determined by applying to the sum of the rents and royalties the same ratio as that existing between the acreage selected by the State and the total acreage subject to the lease or permit; of the portion applicable to the selected land 90 per centum shall be paid to the State by the United States annually and 10 per centum shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(5) If a selection is consummated as to all of the lands subject to any mineral lease or permit or if, where the selecting State has previously acquired title to a portion of the lands subject to a mineral lease or permit, a selection is consummated as to all of the remaining lands subject to that lease or permit, then and upon condition that the United States shall retain all rents and royalties theretofore paid and that the lessee or permittee shall have and may enjoy under and with respect to that lease or permit all the rights, privileges, and benefits which he would have had or might have enjoyed had the selection not been made and approved, the State shall succeed to all the rights of the United States under the lease or permit as to the mineral or minerals covered thereby, subject, however, to all obligations of the United States under and with respect to that lease or permit."

SEC. 2. Paragraph (1) of subsection (d) of section 2276 of the Revised Statutes (43 U.S.C. 852(d)(1)) is amended to read as follows:

"(d)(1) The term 'unappropriated public lands' as used in this section shall include, without otherwise affecting the meaning thereof, lands withdrawn for coal, phosphate, nitrate, potash, oil, gas, asphaltic minerals, oil shale, sodium, and sulphur, but otherwise subject to appropriation, location, selection, entry, or purchase under the nonmineral laws of the United States; lands withdrawn by Executive Order Numbered 5327, of April 15, 1930, if otherwise available for selection; and the retained or reserved interest of the United States in lands which have been disposed of with a reservation to the United States of all minerals or any specified mineral or minerals."

SEC. 3. The second and third sentences of subsection (h) of section 6 of the Act of July 7, 1958 (72 Stat. 342), are hereby replaced by the following sentences: "Such selections shall be made only from lands that are otherwise open to selection under this Act. When all of the lands subject to a lease, permit, license, or contract are selected, the patent for the lands so selected shall vest in the State of Alaska all the right, title, and interest of the United States in and to that lease, permit, license, or contract that remains outstanding on the effective date of the patent, including the right to all the rentals, royalties, and other payments accruing after that date under that lease, permit, license, or contract, and including any authority that may have been retained by the United States to modify the terms and conditions of that lease, permit, license, or contract: *Provided,* That nothing herein contained shall affect the continued validity of any such lease, permit, license, or contract or any rights arising thereunder. Where only a portion of the lands subject to a lease, permit, license, or contract are selected, there shall be reserved to the United States the mineral or minerals subject to that lease, permit, license, or contract, together with such further rights as may be necessary to the full and complete enjoyment of all rights, privileges, and benefits under or with respect to that lease, permit, license, or contract; upon the termination of the lease, permit, license, or contract, title to the minerals so reserved to the United States shall pass to the State of Alaska."

SEC. 4. Subsection (a) of section 6 of the Act of July 7, 1958 (72 Stat. 340), is hereby amended by the addition of the following: "*Provided further* That for the purposes of this section the term 'public lands of the United States in Alaska which are vacant, unappropriated, and unreserved' shall include, without limiting the use thereof, the retained or reserved interest of the United States in lands which have been disposed of with a reservation to the United States of all minerals or any specified mineral or minerals."

Mr. HART. Mr. President, I offer an amendment to the committee amendment to correct a typographical error.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 5, line 14, strike out the word "reserve" and insert in lieu thereof the word "reserved."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the Senator from Michigan.

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PURCHASE OF U.S. OBLIGATIONS BY FEDERAL RESERVE BANKS DIRECT FROM THE TREASURY

The bill (S. 3702) to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HART. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1814 (H.R. 12346).

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12346) to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

There being no objection, the Senate proceeded to consider the bill.

Mr. KEATING. Mr. President, apparently the reports are not available on that bill as yet. I ask that it go over. It is undoubtedly all right, but we should have the report.

Mr. HART. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. HART. It is my understanding a report is available on Calendar 1812, which is identical with the bill we are now considering, Calendar No. 1814.

Mr. KEATING. Is Calendar 1814 identical with 1812?

Mr. HART. That is the information we on this side have been given.

The PRESIDING OFFICER. The Chair is informed that the report is available on Senate bill 3702.

Mr. KEATING. May I inquire whether the House bill is identical with the Senate bill?

Mr. HART. We are making an independent check. That was our information.

Mr. KEATING. I withdraw any reservation of objection.

The PRESIDING OFFICER. The question is on the third reading of H.R. 12346.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Calendar No. 1812, Senate bill 3702, is indefinitely postponed.

The Chair advises that the time allocated for the consideration of the calendar has expired.

Mr. HART. We ask unanimous consent that further proceedings under the calendar call be dispensed with. Reports are not available on the remainder of the items.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC DEBT AND TAX RATE EXTENSION ACT OF 1960—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee on conference on the disagreeing votes of the two Houses on the amendments of the

Senate to the bill (H.R. 12381) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal tax rate and certain excise rates.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of the conference report.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum before we proceed with consideration of the tax bill conference report, and that we move the time back accordingly.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

[No. 257]

Aiken	Engle	McGee
Allott	Ervin	McNamara
Anderson	Fong	Magnuson
Bartlett	Frear	Morse
Beall	Fulbright	Morton
Bennett	Goldwater	Moss
Bible	Gore	Mundt
Bridges	Green	Murray
Brunsdale	Gruening	Muskie
Bush	Hart	Pastore
Butler	Hartke	Prouty
Byrd, Va.	Hayden	Proxmire
Byrd, W. Va.	Hickenlooper	Randolph
Cannon	Hill	Robertson
Capehart	Holland	Russell
Carlson	Hruska	Saltonstall
Carroll	Humphrey	Schoeppel
Case, N.J.	Jackson	Scott
Case, S. Dak.	Javits	Smathers
Chavez	Johnson, Tex.	Smith
Church	Johnston, S.C.	Sparkman
Clark	Jordan	Stennis
Cooper	Keating	Symington
Cotton	Kerr	Talmadge
Curtis	Kuchel	Thurmond
Dirksen	Lausche	Wiley
Dodd	Long, Hawaii	Williams, Del.
Douglas	Long, La.	Williams, N.J.
Dworshak	Lusk	Yarborough
Eastland	McCarthy	Young, N. Dak.
Ellender	McClellan	Young, Ohio

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the conference report.

Mr. JOHNSON of Texas. Mr. President, under the unanimous consent order entered on yesterday, the RECORD shows that the minority leader was to allocate the time in opposition to the conference report. It was the general understanding among the leadership that the proponents of the report would be allocated time by the distinguished chairman of the committee, the Senator from Virginia [Mr. BYRD] and that the opponents of the report would be allocated time through the leadership.

Therefore I ask unanimous consent that I may be permitted to allot the hour of time in opposition to the Senator from Pennsylvania [Mr. CLARK], and to permit him to yield to any Senators to whom he may choose to yield.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CLARK. Mr. President, it is my understanding that the senior Senator from Virginia will open the debate.

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oklahoma will state it.

Mr. KERR. Is the 2-hour period of time beginning now, or has it already started?

The PRESIDING OFFICER. It is beginning now. The time for the quorum call did not come out of the 2 hours allotted for debate.

How much time does the Senator from Virginia yield himself?

Mr. BYRD of Virginia. Mr. President, I yield myself 5 minutes.

I have already spoken with respect to this bill which would extend the debt limit, extend the corporate tax rate from 47 percent to 52 percent, and extend certain excise taxes.

The House bill as it came to the Senate dealt with the debt limit and the extension of the taxes. The Senate agreed to the House provisions and added three material amendments. One amendment was to repeal the 4-percent dividend credit with respect to dividends. The House conferees refused to accept that amendment, and the Senate conferees were forced to recede in order to secure the conference agreement.

The second important amendment of the Senate would add a new section 302 to the bill, relating to the disallowance as trade or business expenses of deductions of certain expenditures for entertainment, gifts, and club dues. This amendment, known as the Clark amendment, was offered by the distinguished senior Senator from Pennsylvania. The amendment was discussed at great length in the conference with the House, and the House conferees were adamant. The conferees had three rollcall votes, and not a single House conferee was willing to agree to the amendment. So the Senate was forced to recede with respect to the amendment.

The third important amendment was the depletion amendment, which has been discussed at length in the Senate. The House agreed to that amendment practically as the amendment passed the Senate.

So of the three important Senate amendments, the Senate succeeded in retaining probably the most important, but was forced to recede on the other two.

The Senate conferees made a great effort to induce the House to accept the two amendments but the House conferees would not agree.

As the Senate knows, unless the bill shall be enacted by midnight on Thursday, the excise taxes will expire, the 5 percent additional tax on corporations will expire, and the debt ceiling at that time will be exceeded by the actual debt. In other words, unless the bill becomes law by midnight, June 30, the national debt will be in excess of the authorized debt ceiling. That will mean, so we are told by the Secretary of the Treasury, that the Treasury will have to stop paying bills, and the Government will practically be at a standstill. Thus it is absolutely imperative that the bill be enacted before midnight June 30.

The House has already adopted the conference report. It would be practically impossible to have reconsideration of it by the House before midnight on Thursday.

With respect to the amendment relating to the deduction as business expenses relating to entertainment, I shall read a letter I received from Mr. Dana Latham, Commissioner of Internal Revenue. I pay my respects to Mr. Latham. I believe he is one of the more able men who have served in that position. He is keenly aware of and is very anxious to clear up any misconduct with respect to deductions for entertainment. He has written me this letter:

U.S. TREASURY DEPARTMENT,
INTERNAL REVENUE SERVICE,
Washington, D.C., June 27, 1960.

Hon. HARRY F. BYRD,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: This is in response to your request for the administrative measures the Internal Revenue Service is taking to prevent abuses of the business expense deductions under existing provisions of the income tax laws.

I want to make it clear that within the framework of existing law and court decisions we are constantly on the alert in the audit of returns to deny deductions for expenses which are not proper under the law. We recently impressed the importance of this matter upon our field offices, with particular emphasis on expenses for entertainment, the upkeep and maintenance of hunting lodges, pleasure boats and yachts, convention and business meetings, and similar or related items of such expenses. Beginning with the 1960 income returns, we are requiring additional information with respect to expense allowances of employees, and the furnishing of information by business taxpayers as to whether expense deductions are claimed for the facilities and activities named above; and in addition, fishing camps, vacation resort property, hotel rooms or suites, apartments, or similar facilities. Attached are copies of our Technical Information Release No. 221 of April 4, 1960 (which is referred to in the conference report on H.R. 12381) to our field offices which indicates the attention we are giving to this matter. The release of this document was preceded by a press conference at which wide publicity was given to this program.

We have specifically instructed our field offices to emphasize the examination of returns involving such expenses, and to give particular attention to those entertainment and similar expenses which appear to be disproportionate in relation to the income and business activities of the particular taxpayer whose return is being examined. Large or unusual expenses for entertainment are being closely examined to determine whether they are proper deductions. In making examinations, our examining officers are also determining whether the taxpayer's records and accounting procedures for payments for travel, entertainment, and other business expenses of his employees, are adequate to support the fact that such expenses are proper deductions. If the taxpayer's records and accounting procedures are not adequate, then the employee's returns are examined and allowances for such expenses are included in income.

We believe the procedures we are following, including the enforcement and reporting program outlined in the Technical Information Release, will minimize the allowance of deductions which are not proper business expenses.

In view of the fact that entertainment is generally viewed as a legitimate means of conducting business affairs, whether called entertainment, advertising, promotion, or recreational expenses of employees, we have thought it appropriate to deal with such

expenses through continued improvement of our administration and enforcement of the law.

While we are unable to report complete data as to the results of our 1960 enforcement program, we believe that the report required under the conference agreement on H.R. 12381 will indicate improvement in our efforts to deny deductions for business expenses which are not proper deductions under the law. I feel that present administrative procedures should be adequate to accomplish the purposes desired by the Congress. Certainly, we will be in a position to know a great deal more of the scope of the problem by this time next year and will have definite information that can be made available to the Congress.

Sincerely yours,

DANA LATHAM,
Commissioner,
(by C.I.F.).

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. BYRD of Virginia. Mr. President, I yield myself 3 additional minutes.

The conference report directs the Joint Committee on Internal Revenue Taxation and the Treasury to join in an exhaustive investigation of the claims which have been made concerning the illegal deductions of expenses for entertainment. I have confidence that great progress will be made in the study. I have confidence that the Internal Revenue Service is fully aware of the situation. All over the country, efforts are being made to prevent illegal deductions.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. PROXMIRE. Mr. President, will the senior Senator from Pennsylvania yield time to me in opposition to the report?

Mr. CLARK. Mr. President, I yield such time, up to 15 minutes, as the Senator from Wisconsin may need. I understand he desires to interrogate the chairman of the committee of conference, but that the time for the interrogation will be charged to the time in opposition to the conference report.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 15 minutes.

Mr. PROXMIRE. The Senator from Virginia has disclosed to us that 3 rollcall votes were taken on the Clark amendment. On the McCarthy amendment, which would have abolished the dividend credit provision, how many rollcall votes were taken?

Mr. BYRD of Virginia. I should like to say to the Senator from Wisconsin that the Senate conferees insisted three times upon the adoption of the amendments. But not one vote was given by the conferees on the part of the House in favor of accepting any one of these three amendments.

Mr. PROXMIRE. How much discussion was there of the McCarthy amendment? The Senator from Virginia has given us an excellent indication of how extensive was the discussion in regard to the Clark amendment. Now I wish to inquire about the McCarthy amendment.

Mr. BYRD of Virginia. Of course, we do not keep a timetable of the discussions.

Mr. PROXMIRE. I understand.

Mr. BYRD. of Virginia. We had 2 days of meetings. The Senator from Louisiana was a member of the conference; and he asked questions and discussed the amendment at length, and the rest of us discussed the amendment at length. But the House conferees were adamant. I asked the chairman of the House conferees if there was any possibility that the House would recede, and he said there was none. Furthermore, all of us realize that the bill must be passed by June 30, or these taxes will expire, and cannot be collected, and the revenue will be decreased and the debt limit will be exceeded.

Mr. PROXMIRE. What reason was there for opposition to the McCarthy amendment?

Mr. BYRD of Virginia. I cannot answer as to that.

Mr. PROXMIRE. What reason was advanced during the discussions?

Mr. BYRD of Virginia. The House conferees simply did not approve of it.

The Senator from Wisconsin knows that a year ago the House refused to accept such an amendment which had been adopted by the Senate, and so stated in the report. I imagine that the House conferees feel that the present system of taxation is a just one.

Mr. PROXMIRE. But in the course of the discussion, no theoretical or practical or statistical objection was developed as to why this amendment, which would raise $350 million of revenue, and which the majority of the Senate has voted for three times, should not be accepted by the House?

Mr. BYRD of Virginia. The House does not have to agree unless it wishes to do so. We had a free discussion. The House conferees said they were opposed to the amendment.

Mr. PROXMIRE. Then is the Senator from Virginia saying that the House conferees did not give any reasons for their objection, but simply said they were opposed to the amendment?

Mr. BYRD of Virginia. Since 1954 the House has believed in the justice——

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield for a parliamentary inquiry?

Mr. PROXMIRE. I yield.

Mr. KERR. Is there any basis, under the rules of the Senate, for the chairman of the Senate conferees to be interrogated and cross-examined as to why the conferees for the other body did or did not do certain things?

Mr. BYRD of Virginia. Mr. President, I have no objection; I will make the best answer possible.

The PRESIDING OFFICER. Unless there is objection——

Mr. BYRD of Virginia. Mr. President, I cannot answer as to what was in the minds of the House conferees. But generally I do say that there is a widespread difference of opinion as to whether the credit for dividends is a proper tax deduction or not. Many persons believe that the taxation of dividends, in addition to the corporate income tax, constitutes double taxation. In my State of Virginia we do not pay a tax on the dividends which are paid by corporations, but we tax the corporations themselves. So there is that difference of opinion.

The House originated this provision in 1954; and the Senator from Wisconsin understands that.

Mr. PROXMIRE. I understand it, and I have no disrespect for the Senator from Virginia. However, I have examined the report in detail, and I cannot find any reasons for the rejection of the McCarthy amendment.

Mr. BYRD of Virginia. I suggest that the Senator from Wisconsin communicate with Representative MILLS, of the House Ways and Means Committee. I cannot speak for him, as to what his objections are.

Mr. PROXMIRE. At any rate, the Senator from Virginia is stating that his feeling that the taxation of dividends constitutes double taxation was perhaps one of the reasons——

Mr. BYRD of Virginia. I did not say that. I was on the Finance Committee when it approved the bill which was passed by the House in 1954. There is this difference of opinion.

I suggest that the Senator from Wisconsin write a letter to Representative MILLS, of the House Ways and Means Committee, who said definitely and positively that he would not accept the amendment—not once, but three times. Let the Senator from Wisconsin ask Representative MILLS to give his reasons. Representative MILLS can then decide whether he wishes to give that information or not.

Mr. PROXMIRE. Then I shall conclude by saying that I understand that the conclusion of the Senator from Virginia is that one objection, at least, is that this tax might constitute double taxation.

Mr. BYRD of Virginia. I did not say that, and I do not want the Senator from Wisconsin to put words into my mouth. I did not say any such thing. It is not incumbent upon me to determine what were the objections by the House conferees. They act as a separate body, and the Senate conferees do likewise. The House conferees represented the House.

All I can say is—and I think every member of the committee will sustain my statement—that we made every effort to have the three amendments adopted. But every time the vote was taken, not one of the seven House conferees said he would vote to recede.

Mr. PROXMIRE. Then I simply say that it is the observation of the Senator from Wisconsin—not the observation of the Senator from Virginia—that the only reason, on the basis of the understanding of the Senator from Wisconsin, was that there was objection to the McCarthy amendment, inasmuch as its adoption might mean double taxation of dividends.

Mr. BYRD of Virginia. That may be the conclusion of the Senator from Wisconsin.

Mr. PROXMIRE. Yes, that is my own conclusion.

Mr. BYRD of Virginia. That may be the conclusion of the Senator from Wisconsin; but if he wishes further information, I suggest that he address a letter to Representative MILLS, the chairman of the Ways and Means Committee of the House of Representatives.

Mr. PROXMIRE. Then I ask the Senator from Virginia, is it correct that when this provision was adopted as part of the 1954 Revenue Act, by the House of Representatives, it was adopted under a rule which did not permit the Members of the House to vote on this provision as such?

Mr. BYRD of Virginia. Again, the Senator from Wisconsin will have to ask that question of the Ways and Means Committee of the House of Representatives.

Mr. PROXMIRE. Is it not true that if this amendment were taken back to the House by the House conferees, for a vote, it might then provide an opportunity for the Members of the House for the first time to have a chance to vote on this particular amendment to the tax law which the majority of the Senate has consistently approved, but which the Members of the House have not had a chance to vote on, as such?

Mr. BYRD of Virginia. Again, I say I have no information as to that; and I respectfully suggest to the Senator from Wisconsin that he communicate to the chairman of the Ways and Means Committee of the House of Representatives, who no doubt will give the Senator from Wisconsin the information.

Mr. PROXMIRE. I have one other question: Is there not precedent for the Congress failing to enact into law a measure to renew the excise taxes or other taxes at the end of the period when they will expire, without any substantial loss of revenue to the Federal Government?

Mr. BYRD of Virginia. I do not know of any such precedent, because these are excise taxes. Such a procedure could be followed with the tax on corporations; but these are excise taxes on liquor, tobacco, automobiles, and so forth. If these excise taxes temporarily expired for 1 day, there would be great confusion. This was the testimony before our committee. People say, "We bought these while the tax did not exist."

Mr. PROXMIRE. So the position of the Senator from Virginia is that there could be considerable confusion and difficulty with respect to collecting the excise taxes on liquor, and so forth?

Mr. BYRD of Virginia. Yes.

Mr. PROXMIRE. But not in connection with the corporation income tax?

Mr. BYRD of Virginia. That is right. The corporation income tax could be made retroactive. But these are excise taxes; and they cannot be made retroactive, because they are collected at the time of sale. A person who buys liquor on a day when the $1.50 excise tax does not apply to the sale of liquor will not pay that tax; and thereafter it could not be collected retroactively.

If the Senator from Wisconsin thinks there is some precedent of that sort, certainly I do not know about it.

In regard to the dividend credit, I have before me what Representative BYRNES, a House conferee said.

Incidentally, this statement was made by Mr. BYRNES, a House conferee who comes from the same State as the Senator:

> The first of these Senate amendments would have repealed the 4-percent dividend received credit allowed to individuals under section 34 of the Internal Revenue Code. This amendment was deleted in conference.
>
> I would make this individual comment on the position of the House conferees in insisting that the Senate conferees recede with respect to the Senate repeal of the dividend received credit. The partial tax relief granted by the credit against the double taxation of corporate business income paid out in dividends was provided by the Congress as a matter of considered tax policy. It should not be taken away from the more than 12 million shareholders, about 75 percent of whom are in the under $10,000 per year income category. Furthermore, this credit serves as an inducement to the equity financing of economic growth in America's free enterprise system. We have heard a great deal of discussion on the need for economic growth. Under our economic system it would be foolhardy to retard that growth by repealing this credit and thereby restricting the capital formation necessary to permit that growth as the adoption of the Senate amendment would have done.

I might also state that the House conferees were unanimous in insisting on rejection of this Senate amendment. The Senate conferees were forced to yield on this amendment.

There is a statement coming from a Member of Congress from the Senator's own State, who is on the Ways and Means Committee of the House and was a House conferee. I think that statement should be adequate for the Senator. If he desires any further information, he can take it up with his own colleague, Representative BYRNES, who made this statement and was a member of the conference.

Mr. PROXMIRE. I thank the distinguished chairman of the committee. Before I reserve the remainder of my time, I should like to point out what the distinguished Senator from Virginia, in replying to my questions, has indicated is the principal objection raised by the House, as indicated by the statement of Representative BYRNES, which he has just read. First let me say BYRNES is chairman of the Republican policy committee in the House, an able and vigorous spokesman for the Republican high command. What he said is exactly what you would expect from JOHN BYRNES. He charges primarily that the McCarthy amendment would constitute double taxation, and that it would retard equity financing. Last night, in my extensive speech on this matter, I answered these objections. The double taxation charge has been thoroughly refuted on the basis of a study by economists, on the basis of statistical evidence, and indeed on the basis of the arguments of the very people who are themselves the foremost advocates of dividend exclusion. The argument that this special privilege is necessary to encourage equity financing is ridiculous. Is there a fragment of evidence that common stock prices are too low? The fact is that the stock market today is twice the classic 1929 super high. Stock prices are selling excessively high in relation to earnings on the basis of historical experience, opportunity for equity financing are overflowing in abundance. Stock prices are too fat, not too thin.

Mr. BYRD of Virginia. If the Senator cares to, he can contact the Representative from his own State.

Mr. McCARTHY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota have control of the opposition time?

Mr. McCARTHY. Yes. Will the Chair advise how much time there is remaining to the opponents of the conference report?

The PRESIDING OFFICER. Forty-eight minutes remain to the opponents.

Mr. McCARTHY. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. McCARTHY. I regret very much that the Senate conferees yielded on the amendment to repeal the dividend credit provision of the tax code. This provision was written into the law in 1954, in the 83d Congress, which was controlled by a Republican majority. The members of the House Ways and Means Committee, the committee to which reference has been made, filed a unanimous report against the passage of the 1954 revision of the income tax law, and included in the items which were objected to in that minority report was the repeal of the dividend credit provision. Only one Democratic member of that committee filed a special report on the point of dividend credit.

The distinguished chairman of our committee has just made reference to a statement by Representative BYRNES, ranking Republican member of the House Ways and Means Committee, with regard to the arguments in favor of the dividend credit provision. He raises again the old question of double taxation.

In the debate on this particular amendment when it was last considered by the Senate, and when it was considered a year ago, we effectively answered the charge that this was double taxation, pointing out that, fundamentally, the corporate profits tax is a tax on a legal entity, the corporation, and that the tax on dividends is the tax on the income of individual persons. We pointed out, in addition, that if we were to make the rule of double taxation the standard, then we should never have enacted the excise tax, because the excise tax is a tax which is imposed on expenditures made from income on which an income tax has already been imposed. If a question of equity, or, as some Members have said, even a moral question is involved in double taxation, certainly the offense and the injustice, if we are to judge the question in terms of money involved, are greater in extending excise taxes than in repealing the dividend credit.

I ask this question again, as I have in the past, why do those concerned about double taxation not propose to reduce the corporate profit taxes? I have not gotten a satisfactory answer to that question. The answer rests on the fact that the corporate profits tax is a regressive tax, which most economists are coming to believe is imposed on the consumer. I point out again, as I did in the debate last week, the recommendations of this administration have all been in the way of extending an excise tax or imposing a new excise tax, and to the extent that the corporate profits tax is really an excise tax, it fits into the same category.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARTHY. I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for an additional 5 minutes.

Mr. McCARTHY. I repeat, I am somewhat disappointed our conferees have yielded on this amendment to the members of the House Ways and Means Committee. Last year the Senate passed this amendment by a vote of 46 to 31. We went to conference. I was a member of the conferees. At that time, under the same kind of pressure that is on us today; namely, that because of the fact that the fiscal year was running out in 2 or 3 days, we must act immediately, and not to delay action. The same argument is raised here today. Always the talk is about the excise taxes that will not be collected if this bill is not passed. I say even if we were to delay action for 2 or 3 days to the point of not collecting excise taxes which would result in a loss of revenue to the Federal Government of several million, the enactment of this amendment would result in collecting additional millions. However, we do not run the risk of losing any excise taxes. The Senate and the House can act very quickly to pass a resolution to continue the excise taxes for 10 or 15 days or for as long as necessary. Those who had served in the House and the Senate know that such action can be taken in 20 or 30 minutes. So we do not need to act under any fear that excise taxes will be lost if we go back to conference and consider this particular amendment.

When the Senate approved the repeal of the dividend this year and the conferees went to conference I was hopeful the results might be better. Last year I was the spokesman for the amendment. This year the able Senator from Louisiana [Mr. LONG] was substituted for me. I hoped that he would have better success. If we can measure success by the amount of time he kept the conference going, he was more successful than I. However, in the way of results, the outcome is the same.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LONG of Louisiana. I am looking at pages 116 and 117 of the Senate Manual, dealing with conferees:

> They are usually three in number, but on important measures the number is sometimes increased. In the selection of the managers the two large political parties are usually represented, and, also, care is taken that there shall be a representation of the two opinions which almost always exist on subjects of importance.

I stress this next sentence:

> Of course the majority party and the prevailing opinion have the majority of the managers.

As the Senator knows, a majority of the conferees did not vote for his amendment. I am sure the majority of the conferees undoubtedly should have voted to sustain the Senator's position in the conference. The fact that the Senator did not have support from a majority changed what the rules would have given to him.

It is my judgment that, with respect to an amendment of such significance, a Senator who is the author of the amendment should be satisfied with the conferees when they are appointed. This amendment was the major difference between the Senate bill and the House bill in the conference. It is the judgment of the junior Senator from Louisiana that if the House would not yield at all on this proposal, inasmuch as this was the second time we had sent the proposal to the House, the conferees should have reported disagreement and should have gone back to the Senate and to the House of Representatives and requested instructions. It seems to me, rather than to bring a conference report to the Senate to try to get the Senate to agree to surrendering the Senate's position a second time in this Congress, the conferees should have instead reported a disagreement and asked the Senate for instructions.

Mr. BYRD of Virginia. Mr. President, will the Senator yield to me?

Mr. McCARTHY. I yield to the Senator from Virginia.

Mr. BYRD of Virginia. I wish to make it clear that both bodies had an equal representation in the conference.

There were four Democrats and two Republicans among the Senate conferees. This is a 2-to-1 ratio.

There were two members of the conference who voted for the McCarthy amendment; the Senator from Delaware [Mr. FREAR] and the Senator from Louisiana [Mr. LONG]. The Senator from Delaware [Mr. FREAR] signed the conference report, and the Senator from Louisiana [Mr. LONG] did not sign the report.

Those who have been chairmen of committees know that with respect to a half dozen amendments, representation cannot be given to all Senators who are for or against the amendments.

We were considering three vital amendments. I regard the Gore amendment as the most important amendment in the bill. That would have saved $600 million in the event the Supreme Court had decided to the contrary. The Gore amendment received no special consideration as to the appointment of conferees.

There were three important amendments involved. The chairman feels compelled to give representation to the Republicans. The Republicans select their conferees.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARTHY. Mr. President, I yield myself an additional 5 minutes.

I will say to the chairman of the committee, I was not disposed to protest the membership of the conference. Upon the basis of the voting in the Senate, we did have representation from among those who supported the amendments in the conference.

I think there is a continuing fundamental question which we must face in the Senate as to the makeup of the conferees and their conduct in the conference committee.

My one feeling of regret is that in 2 years we have not stood firm, to the point of asking the conferees from the House to go back to the House and let their Members vote upon the matter. They have not given the House Members a chance to vote upon the proposal since 1954.

In 1954, it was not an open opportunity to vote upon the single proposal, which was included in a bill with many other items, involving some $3½ billion in taxes.

I wish to point out that the vote, in 1954, on the motion to recommit the proposed legislation, which included the special tax grant, was 204 to recommit and 210 against. That was the vote in 1954. That was the last House vote on the proposal.

With respect to those who voted against recommitting the bill—the 210 who voted against recommitting the bill—some 101 are no longer Members of the House of Representatives.

In the years since 1954, since the Senate has acted twice upon this matter and in the House there are approximately 150 Members who were not Members in 1954, it seems to me we would not be unreasonable to ask the members of the conference from the House to take the amendment to the House and to let the House Members vote on it. If they were to do that, and if the amendment were to be defeated, then I would say, "Let the Ways and Means Committee take the initiative from now on."

Mr. BYRD of Virginia. Mr. President, will the Senator yield to me on my time?

Mr. McCARTHY. I yield to the Senator, on his own time.

Mr. BYRD of Virginia. I recognized that the Senator from Louisiana was the leader among the conferees in respect to the amendment of the Senator from Minnesota. We appeared to be in deadlock. I asked the Senator from Louisiana whether he thought we should continue to confer, when it was very apparent it would be a useless thing to do. He said he did not think we should continue, but he said he thought it might be advisable for the conferees to take the proposal back to the House for a vote, which in my judgment would not have accomplished anything. We would then have to run the risk of having the bill not enacted by midnight June 30.

The debt limit extension is in the bill. I had nothing to do with that. I think the debt limit extension should have been

put in a separate bill, as has been done in the past. The House put it in this bill.

If this proposed legislation is not passed by midnight June 30, the debt will be considerably greater than the authorized limit. That is the situation we face.

We did all we could. There is no way the Senate conferees can force the conferees of the other body to do what they wish done. We can come back to the Senate; that is true.

I respectfully disagree with the very distinguished Senator from Minnesota, for whom I have real affection and admiration.

I wish to state for the information of the Senate the excise taxes which will expire this week unless the bill is enacted. They are as follows: Distilled spirits, $158 million; beer, $88 million; and wine, $10 million.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD of Virginia. Mr. President, I yield myself 5 minutes.

Cigarettes, $231 million; passenger cars, $420 million; auto parts and accessories, $71 million; transportation of persons, $145 million; general telephone tax, $450 million; and corporate taxes, $2,375 million. That is a total of $3,948 million.

Testimony was given before our committee with respect to each one of these taxes. If these excise taxes expire for only a short time it will be impossible to collect them. I think the Senator from Minnesota will agree with me that we cannot make excise taxes retroactive, since they are taxes on sales.

I do not think we could put these taxes back into effect except with great confusion, if they are permitted to lapse for any length of time. If the bill is not enacted into law at this time, it may have to go over until after the political conventions.

Mr. McCARTHY. I respond to the Senator from Virginia by saying two things.

First, if we did permit the law to expire, at most all we would lose would be the excise taxes for those days during which the collection was not made, which would be a small amount.

The second point is that even such a loss is not necessary, since it would be easy to pass a resolution extending the excise taxes for a period of 1 week, 2 weeks, or 3 weeks, if it is necessary. This is not, it seems to me, a very serious problem.

I should like to make one other point for the RECORD. At the time the dividend credit was adopted, there was a counter proposal made to raise the personal exemption from $600 a year to $700 a year. I know that the stock exchanges and the brokers around the country have been writing to Members of Congress, and have had other people write to Members of Congress, to state the great hardship which would be placed upon widows, orphans, and poor old people who are retired. I wish to point out that if the proposal which was made in 1954 to raise individual exemptions from $600 to $700—and which was made in essentially the same form in 1958—had been agreed to, the average person would have received about a $20 tax deduction. In order to equal that tax deduction the same person would have to receive about $500 a year in the way of dividend income, so that the 4-percent dividend credit when applied would give the $20 tax credit.

If this were done with respect to a person over 65, there would be a double deduction involved, and the poor widow or the older retired person under those circumstances would have to have dividend income of approximately $1,000 a year before the benefits which such a person would receive would be comparable to the benefit received if the $100 increase in personal exemption had been granted.

I say, let us not be taken in by the argument that the widows and orphans and people with low incomes have benefited by the dividend credit. The record is very clear it gives special and unusual benefits to those who are in the high income brackets.

I reserve the remainder of my time.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I think the dilemma in which we find ourselves today really flows out of the organization of both Houses and the composition of the political parties. It is not the fault of individuals. I should like to speak very frankly about these matters, and I hope my colleagues will not think that I am making any personal reflection upon their conduct. The truth of the matter is that the House Ways and Means Committee generally postpones the passage of a continuing resolution on the indirect taxes and on the debt limit until the very last moment.

Each year, in October or November, the chairman of the House Ways and Means Committee gives notice that he intends to have a very thoroughgoing analysis of the defects in the revenue system, and at times hearings are held. In those hearings, various loopholes are developed, and the evidence becomes overwhelming that if we are to preserve the revenue system, great changes should be made.

But after all these hearings no action results, no new bill is introduced, and no thoroughgoing revision is proposed. The House Ways and Means Committee holds back until almost the last moment, and then presents a bill merely continuing the existing system of taxes, with all the injustices and inequities which are embodied in the general revenue structure unaltered. The bill generally goes to the floor of the House accompanied by a very strict rule imposed by the Rules Committee greatly restricting amendments which can be proposed, and in some cases I believe restricting the decision of the House to a simple yea or nay upon the bill itself.

The bill then comes over to the Senate and we have very limited time. It is not generally possible to have adequate hearings, so that public opinion cannot be developed on revisions which I think most of us believe should be embodied in the Internal Revenue Code. It comes to the floor. The plea is made that we cannot tie up the bill because if we do, then we shall imperil its acceptance by the House, the excise taxes will lapse and the fiscal resources of the Government will be threatened.

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. CLARK. Is it not obvious and clear to anyone who really wishes to study this problem that a joint resolution could be passed by both Houses of Congress in perhaps 20 minutes which would extend the excise taxes for as long as necessary, and would also take care of the national debt question on a temporary basis, so that really this business of holding a bludgeon over our heads is completely unsound?

Mr. DOUGLAS. I think it is a fictitious bludgeon, but it seems to be quite effective.

A group of us have proposed measures which would have plugged some of the loopholes in the tax system which needed reform. I do not complain because some of those proposed measures were voted down by the Senate. That is the prerogative of the Senate. I think the votes were mistaken, but in a democracy the minority bows to the will of the majority, reserving the right to continue its research and exposition in the hope that either it may convert the majority or, if it feels its position is unsound, may abandon the position which it has previously taken.

As the Senator from Minnesota has pointed out, on two occasions since the general revision of 1954 went into effect, in spite of all the obstacles thrown in the way of the Senate, the Senate has voted to repeal the 4-percent dividend credit. This year it added another provision which was proposed by the Senator from Pennsylvania in an attempt to reduce the gross abuses in deduction of entertainment expenses by business firms.

What happens—and I hope my senior colleagues will not take this amiss—is that when these bills go to conference, the members of the conference committee representing the Senate are chosen from among the senior members of the Finance Committee. All those Senators are very estimable and very able gentlemen. I like them personally. I have great respect for them as individuals. I am sure they act conscientiously. Nevertheless, it is true that on tax matters there is very little difference between the opinions of the senior Republican Members and the opinions of the senior Democratic Members. Party lines mean very little on tax matters.

Mr. KERR. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. KERR. I raise the point of order that when the Senator from Illinois says there is no difference between the senior Democrats on the committee and the senior Republicans on the committee he is violating the rule.

Mr. DOUGLAS. I said in respect to tax matters.

Mr. KERR. On tax matters or anything else. I object.

The PRESIDING OFFICER. The Senator must proceed in order.

Mr. DOUGLAS. Does the Chair rule that I am out of order in making that statement?

The PRESIDING OFFICER. Will the Senator from Oklahoma restate his point of order?

Mr. KERR. I made a point of order that the Senator from Illinois, in making the statement that there was no difference between the senior Democrats on the committee and the senior Republicans on the committee, was speaking out of order with respect to Members of the Senate.

Mr. DOUGLAS. I said on tax matters.

Mr. KERR. If I am wrong in my point of order, I shall sit down. If I am not, I ask that the rule be observed.

Mr. DOUGLAS. The Senator from Illinois is waiting for the ruling of the Chair.

I hope that the interjections of the Senator from Oklahoma will be charged to his own time.

Mr. KERR. The Senator from Oklahoma has no time. The Senator from Illinois was making a misstatement on his allotted time.

The PRESIDING OFFICER. The Chair rules that any Senator who is called to order for a reflection upon another Senator must take his seat.

Mr. DOUGLAS. Does the Chair rule that I reflected adversely upon the senior Members on the Democratic side? I was very careful to make no reflection upon their character, their conduct, or their sincerity, but their honest beliefs simply tend to coincide with the honest beliefs of the Republican minority.

Mr. KERR. That is what the Senator said.

Mr. DOUGLAS. Five hearts beat as one.

The PRESIDING OFFICER. The Chair has no discretion to pass on the point of order made under rule XIX. He must ask the Senator to take his seat.

Mr. DOUGLAS. The Senator from Illinois cannot hear the rulings of the Presiding Officer. He requests that he be informed as to whether he is in order or out of order.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. McCARTHY. I believe we should hear from the Republicans. They may be offended in the opposite way.

Mr. WILLIAMS of Delaware. Mr. President, as one of the senior Republicans on the committee, I consider it a compliment to be placed in the category with the senior Senator from Virginia [Mr. BYRD].

Mr. DOUGLAS. The statement of the Senator from Delaware is circumstantial evidence to indicate that the statement of the Senator from Illinois was correct.

The PRESIDING OFFICER. The Chair is advised that when a Senator is called to order, he shall sit down. Rule XIX provides:

> When a Senator shall be called to order, he shall sit down.

The Senator may not proceed except on motion that he be permitted to proceed in order, with the motion being agreed to by the Senate.

Mr. PROXMIRE. Mr. President, I move that the Senator from Illinois be allowed to proceed in order.

Mr. KERR. Mr. President, I am asking for recognition.

Mr. BYRD of Virginia. I yield to the senior Senator from Oklahoma such time as he may need.

Mr. LONG of Louisiana. Mr. President, I move that the Senator from Illinois may be permitted to proceed in order.

The PRESIDING OFFICER. The Senator from Illinois will take his seat.

The question is on the motion of the Senator from Wisconsin [Mr. PROXMIRE] that the Senator from Illinois [Mr. DOUGLAS] may proceed in order. The motion is not debatable.

The question is, Shall the Senator be permitted to proceed in order?

The motion was agreed to.

The PRESIDING OFFICER. The Senator from Illinois may proceed in order.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG of Louisiana. It seems to me that the RECORD should show at this point that in the Senate we adopted three amendments, and that those are the only three amendments that were in disagreement between the Senate and the House versions of the bill. We had, first of all, the Gore amendment, which was agreed to unanimously, and with regard to which there could not be any problem in conference. On that amendment the conferees necessarily have to represent the position of the Senate, because it would be necessary to go outside the Senate to find someone who did not vote for the Gore amendment.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DOUGLAS. I ask for 5 additional minutes.

Mr. McCARTHY. How much time do the opponents of the conference report have remaining?

The PRESIDING OFFICER. Twenty-eight minutes.

Mr. DOUGLAS. To whom was charged the time used by the Senator from Oklahoma for his interjections?

The PRESIDING OFFICER. The time was not charged to either side, because it involved a question under Rule XIX, clause 4.

How much time does the Senator yield to the Senator from Illinois?

Mr. McCARTHY. I yield 5 additional minutes to the Senator from Illinois.

Mr. LONG of Louisiana. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield, but briefly.

Mr. LONG of Louisiana. Merely to make the Senator's point, I should like to say that there could not possibly be any problem confronting the conferees with reference to the Gore amendment. The Senate voted for that amendment unanimously. I believe that everyone would agree that the six senior members of the conference committee would be appropriate members on the committee on conference. However, at pages 13340 and 13375–13376 of the CONGRESSIONAL RECORD of Monday, June 20, 1960, there appear the votes on the McCarthy amendment and on the Clark amendment, the two amendments on which there was controversy in the Senate. These amendments were the dividend credit amendment offered by the Senator from Minnesota [Mr. MCCARTHY], which was adopted by a vote of 42 to 41, and the Clark amendment relating to entertainment expenses, which was agreed to by a vote of 45 to 39. At this point in the RECORD I ask unanimous consent that the votes on those two amendments be printed in the RECORD.

There being no objection, the votes were ordered to be printed in the RECORD, as follows:

[No. 239]

The result was announced—yeas 42, nays 41, as follows:

Yeas, 42: Anderson, Bartlett, Bible, Byrd of West Virginia, Cannon, Carroll, Case of South Dakota, Church, Clark, Cooper, Dodd, Douglas, Engle, Ervin, Frear, Fulbright, Gore, Gruening, Hart, Hill, Jackson, Johnson of Texas, Lausche, Long of Hawaii, Long of Louisiana, Lusk, McCarthy, McGee, Mansfield, Monroney, Morse, Moss, Muskie, O'Mahoney, Pastore, Proxmire, Symington, Talmadge, Wiley, Williams of New Jersey, Yarborough, Young of Ohio.

Nays, 41: Aiken, Allott, Bennett, Brunsdale, Bush, Butler, Byrd of Virigina, Capehart, Carlson, Case of New Jersey, Chavez, Cotton, Curtis, Dirksen, Dworshak, Ellender, Fong, Hickenlooper, Holland, Hruska, Javits, Johnston of South Carolina, Jordan, Keating, Kuchel, McClellan, Martin, Morton, Mundt, Prouty, Randolph, Robertson, Saltonstall, Schoeppel, Scott, Smathers, Smith, Stennis, Thurmond, Williams of Delaware, Young of North Dakota.

Not voting, 17: Beall, Bridges, Eastland, Goldwater, Green, Hartke, Hayden, Hennings, Humphrey, Kefauver, Kennedy, Kerr, McNamara, Magnuson, Murray, Russell, Sparkman.

So Mr. MCCARTHY's amendment was agreed to.

[No. 243]

The result was announced—yeas 45, nays 39, as follows:

Yeas, 45: Aiken, Anderson, Bartlett, Byrd of West Virginia, Cannon, Carroll, Case of New Jersey, Case of South Dakota, Clark, Cooper, Dodd, Douglas, Dworshak, Engle, Frear, Fulbright, Gore, Gruening, Hart, Jackson, Keating, Kennedy, Lausche, Long of Hawaii, Long of Louisiana, McGee, McNamara, Mansfield, Monroney, Morse, Moss, Mundt, Muskie, Pastore, Proxmire, Randolph, Russell, Symington, Talmadge, Thurmond, Wiley, Williams of New Jersey, Yarborough, Young of North Dakota, Young of Ohio.

Nays, 39; Allott, Beall, Bennett, Bible, Bush, Butler, Byrd of Virginia, Capehart, Carlson, Chavez, Cotton, Curtis, Dirksen, Ellender, Ervin, Fong, Hickenlooper, Hill, Holland, Hruska, Javits, Johnson of Texas, Johnston of South Carolina, Jordan, Kerr, Kuchel, McCarthy, McClellan, Martin, Morton, Prouty, Robertson, Saltonstall, Schoeppel, Scott, Smathers, Smith, Stennis, Williams of Delaware.

Not voting, 16: Bridges, Brunsdale, Church, Eastland, Goldwater, Green, Hartke, Hayden, Hennings, Humphrey, Kefauver, Lusk, Magnuson, Murray, O'Mahoney, Sparkman.

So Mr. CLARK's amendment was agreed to.

Mr. LONG of Louisiana. Mr. President, the RECORD shows that of the six Senate conferees who were named there were only two who had voted for these two amendments. Those are the two amendments that were disagreed to by the conference. The Senate did not have on the conference committee a majority of conferees representing the prevailing position on those two amendments.

The rules of the committee provide for that almost, without saying so, because the Senate Manual states that it is of course recognized that the prevailing view of the Senate will be recognized in the naming of conferees. That was not the case in this instance.

It is the position of the junior Senator from Louisiana that a Senator should not wish to serve on a conference under those circumstances. Certainly I would not wish to serve on a conference committee if I had to advocate a position which was contrary to my convictions. The conferees under such circumstances should be those who genuinely believe in the amendment. It was my feeling, as one conferee, that we should have gone back to the Senate and report disagreement and ask for instructions. I do not see how the House could have declined to do likewise. It may be that the result would have been the same. Nevertheless, it is my judgment that we will never have the point of view of the liberal Senators, who are in a substantial number in the Senate, prevail in conferences when the House Members are unwilling to agree, unless we appoint a majority of the Senators who genuinely support and believe in what they are saying.

The concept that we should demand or expect a Senator to go to conference and fight diligently to the best of his ability contrary to his own conviction seems to me to be not a proper concept. The rules take it almost for granted that there could be no doubt about the fact that a majority of the conferees should represent the majority position of the Senate. In this case that was not so.

I believe all this lends additional support to the point of view of the offerers of amendments, like the Senator from Minnesota and the Senator from Pennsylvania, when they object to agreeing to the conference report, that they do so because they feel that the proper procedure would be to report disagreement and go back to the Senate.

Frankly I do not see any indication whatever that the House would consider the Senate's position; at least, however, we could have come back and reported disagreement to the Senate, and at least expected that the House members of the conference committee would also take the amendment back and have a vote on it in the House also.

Mr. DOUGLAS. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARTHY. Mr. President, I yield 2 additional minutes to the Senator from Illinois.

Mr. BYRD of Virginia. I yield 2 minutes to the Senator also.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Illinois is recognized for 2 minutes.

Mr. DOUGLAS. Mr. President, the conference committee is appointed, consisting of the senior Members on the Republican side and on the Democratic side of the Finance Committee. They are all honorable gentlemen, but their views on tax matters tend to be substantially similar, and, in some cases, virtually identical. Then the conference committee comes back saying that it has been overpowered by the House and has been compelled to yield the provisions which the Senate had voted.

This has been going on for some time. The consequences are fairly evident. What it means is that as long as the bipartisan coalition which controls the seats of power in both the Democratic and Republican Parties in the House and in the Senate dominate the conference committees, the will of the Senate can be negated.

The PRESIDING OFFICER. The 2 minutes yielded to the Senator have expired.

Mr. DOUGLAS. My good friend from Virginia, with the graciousness which always characterizes a true Virginia gentleman, has yielded me 2 minutes.

Mr. BYRD of Virginia. How much time does the Senator desire?

Mr. DOUGLAS. I do not wish to be a a suppliant——

Mr. BYRD of Virginia. I shall be glad to yield 5 minutes.

Mr. DOUGLAS. No, no; I will take only 2 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 additional minutes.

Mr. DOUGLAS. It is hard to maintain a continuity of thought under these conditions. Let me say that what happens is that as long as the bipartisan coalition can occupy the positions of seniority on the various committees and dominate conference committees, the will of the Senate can be negated, and in practice the House can be deprived of the opportunity of voting, as it has been in this instance.

In conclusion let me say that this is no reflection whatever upon the personal character of the senior members of the bipartisan coalition. However, it does indicate the position in which the great industrial States and the States of the North and the West find themselves, at least so far as the northern and western Democrats are concerned, and it is one more very powerful straw placed upon the back of the camel, and which contributes to not merely frustration which the Senators from these States feel, but also the frustration which the people in those States feel.

I think we must have an improvement in the whole organization of the House and Senate, and the place to begin is with the organization of the committees of conference themselves. I call attention to the fact that last year, in conjunction with 21 other Senators, I cosponsored Senate Resolution 118, submitted by the Senator from Pennsylvania [Mr. CLARK], stating as follows:

Resolved, That rule XXIV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. A majority of the Senate Members of a committee of conference shall have indicated by their votes their sympathy with the bill as passed and their concurrence in the prevailing opinion of the Senate on the matters of disagreement with the House of Representatives which occasion the appointment of the committee."

In other words, we want in the conference committees such representation of the opinion of the Senate in the matters in dispute. That does not mean there will be no opportunity for compromise in the committee of conference; it simply means that there should not be premature surrender. It means that the struggle inside the conference committee should not be predetermined by the composition of the membership.

I thank the Senator from Virginia for his kindness in yielding additional time.

The PRESIDING OFFICER. Is further time yielded? If so, to whom?

Mr. McCARTHY. Mr. President, does the Senator from Virginia wish to yield additional time?

Mr. BYRD of Virginia. Does the Senator from Minnesota desire to yield time?

Mr. McCARTHY. I yield myself 2 minutes.

Mr. BYRD of Virginia. We on our side are prepared to vote.

The PRESIDING OFFICER. The Senator from Minnesota yields himself 2 minutes.

Mr. McCARTHY. Mr. President, the question of proper respect for the Committee on Ways and Means has been raised either directly or indirectly. This is a matter of serious concern.

The PRESIDING OFFICER. The Senator from Minnesota will suspend his statement.

Senators will please take their seats and refrain from audible conversation. Persons not having business on the Senate floor will withdraw from the Chamber.

The Senator from Minnesota may proceed.

Mr. McCARTHY. Under the Constitution, the Committee on Ways and Means has a special kind of responsibility with respect to taxes. As I pointed out in my earlier remarks, I think the RECORD shows quite clearly that during the years since 1954 the Committee on Ways and Means has not given Members of the House of Representatives an opportunity to vote on propositions to which the majority of the members of the committee—at least those who were Members of the House in 1954—were opposed.

I have noted the remarks of the chairman of that committee through the years since 1956 concerning the question of tax loopholes and other inequities in the tax code. It seems to me that on the basis of those remarks, the Senate could very well proceed to adopt an amendment, as we have done, and insist strongly in conference that the chairman of the House Committee on Ways and Means take the proposition back to the House and ask the House to vote upon it.

The U.S. News & World Report of July 27, 1956, published an interview with the

chairman of the Committee on Ways and Means, Representative WILBUR D. MILLS.

The PRESIDING OFFICER. The 2 minutes which the Senator from Minnesota yielded himself have expired.

Mr. McCARTHY. Mr. President, I yield myself 2 additional minutes.

His answer to a question was:

As I've said, there are certain sections of the law, of course, that I would change, but the theory of ability to pay is the best basis for us to have in our tax system.

Certainly the principle of ability to pay is of vital concern in the question of exemption for dividend credit. Again, in the same interview, the chairman said:

Now, you asked the question: "What broad principles should we base taxation on?" I think the first and foremost principle we should adopt is the tax that we levy—the income tax—shall be applied neutrally upon those who are subject to the payment of the tax. By "neutrally" I mean simply this: That the tax law should not offer any advantage of getting your income one way rather than another.

Surely in dividend credit an advantage is given to the income which is derived from investments in corporate securities.

In 1957, the chairman of the Committee on Ways and Means again made a statement with respect to taxes and possible tax changes. He said:

The point is, if we could apply the same rules to all income, the rate of tax would not have to be so high. The rates have to be high if we are to derive the present amount of revenue because the base to which we apply those rates is not as large as it would be in the absence of the exceptions we have made in the past to the general rule.

What is proposed by repealing the dividend credit is a broadening of the tax base. In the CONGRESSIONAL RECORD, volume 105, part 8, page 10179, the chairman of the Committee on Ways and Means said:

Everybody is in favor of broadening the base of taxation. Everybody is for fairness and equity. Everybody is for simplicity. But in the process of broadening the tax base, some people are going to have to give up something that they have today that other people do not have. Now, we will find out how far we can go when we begin to look at this particular provision and see how much support there is for it.

Mr. President, for the sake of equity, for the sake of imposing taxes on the basis of ability to pay, for the sake of simplicity of administration, the amendment to repeal the dividend credit should be adopted.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired. Does the Senator from Virginia or the Senator from Minnesota desire to yield additional time? If so, to whom?

Mr. McCARTHY. I yield 30 seconds to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I desire to have the attention of the Senator from Virginia [Mr. BYRD]. I should like to propose a unanimous-consent agreement that there be a live quorum, the time for which will be charged to neither side; that following the development of a quorum, all but 5 minutes on either side be yielded back; and that the Senate then proceed to a vote on the conference report. I make that request.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD of Virginia. I think the proposal is satisfactory.

Mr. McCARTHY. Mr. President, following the quorum call, the Senator from Oregon [Mr. MORSE] desires to be recognized for 1 minute.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 258]

Aiken	Engle	McGee
Allott	Ervin	McNamara
Anderson	Fong	Magnuson
Bartlett	Frear	Morse
Beall	Fulbright	Morton
Bennett	Goldwater	Moss
Bible	Gore	Mundt
Bridges	Green	Murray
Brunsdale	Gruening	Muskie
Bush	Hart	Pastore
Butler	Hartke	Prouty
Byrd, Va.	Hayden	Proxmire
Byrd, W. Va.	Hickenlooper	Randolph
Cannon	Hill	Robertson
Capehart	Holland	Russell
Carlson	Hruska	Saltonstall
Carroll	Humphrey	Schoeppel
Case, N.J.	Jackson	Scott
Case, S. Dak.	Javits	Smathers
Chavez	Johnson, Tex.	Smith
Church	Johnston, S.C.	Sparkman
Clark	Jordan	Stennis
Cooper	Keating	Symington
Cotton	Kerr	Talmadge
Curtis	Kuchel	Thurmond
Dirksen	Lausche	Wiley
Dodd	Long, Hawaii	Williams, Del.
Douglas	Long, La.	Williams, N.J.
Dworshak	Lusk	Yarborough
Eastland	McCarthy	Young, N. Dak.
Ellender	McClellan	Young, Ohio

The PRESIDING OFFICER (Mr. TALMADGE in the chair). A quorum is present.

Under the unanimous-consent agreement, each side has 5 minutes remaining, before the vote is to be taken.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized. How much time does the Senator from Pennsylvania desire to use at this time?

Mr. CLARK. Mr. President, I yield 1 minute to the Senator from Oregon [Mr. MORSE].

The PRESIDING OFFICER. The Senator from Oregon is recognized for 1 minute.

Mr. MORSE. Mr. President, in my opinion, the conference report has eliminated the advances made by the House of Representatives in reducing excises, and it has also eliminated the advances made by the Senate in closing tax loopholes.

Therefore, although I am entirely aware of the amount of revenue involved in this measure, I cannot support the conference report.

It is a matter of record that I have been seeking the elimination of wartime excise taxes since 1947, when I first offered the tax reform program drafted by the Committee for Economic Development. The CED recognized the fact that excises levied upon nonluxury goods are both a burden to the industry upon which they are levied and are unfair to taxpayers because they are not based upon ability to pay.

During a wartime emergency, those considerations are outweighed by the urgent need for revenue easily collected and by the need to reduce consumer demands upon scarce goods and services.

Neither of these considerations can by any stretch of the imagination be applied to these excises today. In my opinion, there is simply no justification whatsoever for continuing the taxes upon telephone and telegraph service, upon passenger tickets, or upon automobiles and auto accessories.

Although the Senate Finance Committee amendments reducing the passenger and communications taxes were lost on the Senate floor, I voted for the bill here on final passabe because we adopted some other desirable amendments closing serious tax loopholes. These included the amendment by the Senator from Tennessee [Mr. GORE] relating to lower court interpretation of the mineral depletion allowance, the Clark "swindlesheet" amendment tightening up tax treatment of so-called business expenses, and the McCarthy amendment repealing the 4-percent dividend credit.

When these loopholes were plugged, I believed the final Senate bill justified my support, even though it perpetuated the wartime excises.

However, the conference did its best to continue the status quo with regards both to the excises and the tax loopholes. Yesterday the U.S. Supreme Court rendered unnecessary the only major improvement agreed to by the conference, the Gore amendment, by overturning the lower court decisions which threatened to make a big, new loophole out of the mineral depletion allowance.

We have heard a great deal on this floor lately about fiscal irresponsibility. It has come to be a term applied to any attempt to reduce a tax however unfair, inequitable, or unjust the tax may be and however many other desirable tax proposals are offered to make up the revenue lost.

Personally I think the fiscal irresponsibility lies with those who persist in extending year in and year out consumer taxes which were enacted during wartime with the solemn promise that they would be dropped once the war emergency was over.

What we have in fact seen is one more year's proof that so long as this administration and its spokesmen in the Congress are able to raise money through excises, they will never raise money by closing the big-business loopholes. So long as we accept continuation of these excises, we shall never be able to close the dividend credit loophole, or the swindlesheet loophole, or the oil-depletion allowance, or the loophole which permits millions of dollars of interest and dividend income to go untaxed because

the tax on it is not withheld at the source. I do not know how much more proof we need of the existence of that situation.

I am convinced that the time has come to reverse this fiscal-irresponsibility argument. Let us drop the excises; and if there is need for compensatory revenue, let the Treasury and its congressional agents help raise it by helping us close these loopholes.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article from the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HIGH COURT PLUGS TAX LAW LOOPHOLE—BARS DEPLETION ALLOWANCES FOR MINING COMPANIES ON FINISHED PRODUCTS—CONGRESS ALSO ACTS—HOUSE PASSES BILL TO LIMIT CLAIMS TO RAW MATERIAL VALUE, NOT ON GROSS

WASHINGTON, June 27.—The Supreme Court ruled today that mining companies that also are manufacturers may claim depletion allowances only on the value of their raw material and not on gross income from the finished product.

The 9–0 decision was a victory for the Government, which said it stood to lose some $600 million in annual revenues through this tax loophole.

Congress has been considering legislation to plug the loophole, and a Senate-House conference committee recently worked out a final version. The House gave its approval to the measure today in passing a $4 billion tax bill. Senate action was expected later.

The High Court ruling made the congressional action unnecessary since it overturned lower court rulings against the Government.

Mineral depletion allowances ranging from 5 percent to 27 percent on gross income were put into the tax law by Congress on the theory that special consideration was due taxpayers when the source of their income was being constantly diminished.

CANNELTON'S CLAIM

Today's test case concerned the Cannelton (Ind.) Sewer Pipe Co., which mines fire clay and shale and manufactures its own products.

The depletion allowance on this kind of clay is 15 percent, and on shale, 5 percent.

During 1951, the year involved in the suit, Cannelton sought a depletion allowance on sales totaling $1,409,145. This amounted to more than $4 a ton, whereas a mining company which simply sold the raw product would get only 15 or 20 cents a ton.

A Federal district court and the Seventh U.S. Circuit Court of Appeals both ruled in favor of Cannelton.

Justice Tom C. Clark spoke for a unanimous Court in reversing the lower courts. He sent the case back for more proceedings.

The Government said there are 380 claims of this kind pending, amounting to some $297 million in revenues.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The Senator from Pennsylvania is recognized. How much time does he yield, and to whom?

Mr. CLARK. I yield 15 seconds to the Senator from Indiana [Mr. HARTKE].

The PRESIDING OFFICER. The Senator from Indiana is recognized for 15 seconds.

Mr. HARTKE. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Minnesota [Mr. MCCARTHY] concerning opposition to the conference report.

Also I ask unanimous consent to have printed as a part of the RECORD at this point a memorandum submitted to the conference committee.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM RE DEPLETION AMENDMENT

(The following is a copy of a statement presented to the members of the Senate-House conference committee on the proposed amendment to H.R. 12381 by the National Clay Pipe Manufacturers, Inc.)

1. The Senate held no hearings whatever on the depletion amendment, and the taxpayers had absolutely no opportunity to explain the unfair and unworkable features of the Treasury's bill.

2. The Ways and Means Committee held extended hearings on the Treasury's identical proposal in the spring of 1959, and concluded that the bill was unworkable and unacceptable.

3. In January of this year, Chairman MILLS announced that no action would be taken on the bill until after the Supreme Court hands down its decision in the Cannelton case which involves the same subject matter. That case is still before the Supreme Court.

4. The subject matter of the depletion amendment is very complicated and is of extreme importance to hundreds of small independent businesses. It is not a matter that should be handled hurriedly and without proper hearings and consideration during the closing days of this session.

5. Moreover, no Treasury substitute bill should be adopted by the conference committee, because the affected taxpayer will not have had an opportunity to be heard on any such proposal.

6. The Treasury will not lose a dollar in revenue if the matter is carried over into the next session, at which time it can be given careful and thoughtful consideration. The amendment does not become effective until January 1, 1961, and any legislation on the subject adopted next year can be made effective on the same date.

7. The estimates of revenue loss furnished by the Treasury are grossly inaccurate and highly misleading. They completely ignore the fact that all depletion is limited to 50 percent of net income, and they are based largely on alleged tax claims that have never been allowed by any court under the present statute.

8. This amendment will increase, rather than decrease, litigation in this area, because the amendment results in much depletion being based on products for which there is no readily ascertainable (i.e., market) value, and the Treasury and the taxpayers will be in endless litigation as to what values should be assigned. This is best demonstrated by the fact that in its proposed regulations under the 1954 code, even the Treasury abandoned the "proportionate profits" value formula it used under the 1939 code and substituted three new formulae, of which the following is typical:

"The value of a product for which there is no market, shall be based on the taxpayer's cost of producing the product plus an appropriate rate of profit ascertained by any appropriate method." (Proposed 1954 regulations issued on Nov. 3, 1956.)

9. The Treasury argument that depletion on clay is excessive because it is based on the value of a manufactured product, is completely deceptive. Whether or not the first marketable product happens to be a manufactured product, the dollar value of that product merely affords an easily ascertainable dollar base to which any rate fixed by Congress can be applied to determine the dollar allowance for depletion on the natural deposit. Whatever processes, manufacturing or mining, have been applied to obtain a marketable product, the application of a proper rate will produce any dollar allowance Congress feels is fair. If, in fact, the depletion allowance for any particular mineral is excessive, that situation can be readily corrected by reducing the applicable rate. It is not necessary to depart from the statutory scheme of basing depletion on some percentage applied to the first marketable product.

10. The Treasury has never mentioned it, but the first portion of the depletion amendment, deviously but effectively, reduces the depletion rate on much refractory and fire clay from 15 percent to 5 percent. This is accomplished by introducing an end-use test, which is manifestly unfair, since the clay is equally depleted and exhausted regardless of whether it is used in making fire brick, building brick or vitrified clay sewer pipe.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CLARK. Mr. President, do the proponents of the conference report desire any time to speak at this time?

The PRESIDING OFFICER. Does the Senator from Virginia desire to yield to any Senator?

Mr. BYRD of Virginia. No.

Mr. CLARK. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Three minutes.

Mr. CLARK. I yield myself 3 minutes.

I doubt, at this late hour, whether any speeches are going to change any votes, but I should like to summarize why a number of us are opposed to the conference report: First, because we consider the position of the Treasury, which, to a large extent, has determined this conference report, to be one of fiscal irresponsibility. The Congress having eliminated the entire $4.2 billion surplus of the President by action or inaction in the last 30 days, we now are faced with the obligation to restore some part of that surplus so we shall not have another deficit for fiscal 1961. This the Treasury has set its heart, mind, and head against.

Secondly, the objections made to our amendments on the part of the Treasury are, in our judgment, frivolous. These points were made at great length on Friday and on yesterday. I shall not reiterate them now.

Finally, to the argument that we are acting under a deadline, namely, the end of this month, let me make this reply: The House of Representatives, under the Constitution of the United States, has the obligation to initiate revenue measures. If they do not wish the national debt limit to expire on the 30th of June, if they do not wish the excise taxes to expire at the end of this month, if they do not wish the corporate taxes to expire at the end of this month, they could, in 20 minutes, pass a joint resolution extending all these taxes and the national debt limit for 30, 60, or 90 days.

I have already had such a resolution prepared, and I hold it in my hand. It is the obligation, not of the Senate, but of the House of Representatives.

I think we should be keenly aware of the fact that these amendments would result in raising $550 million for the Treasury. We should stand firm and stand on what the Senate conferees want, and let the House propose a joint resolution extending the taxes, which I am confident the leadership on both sides would support. We could then go back to conference.

I hope the Senate will reject the conference report and stand for fiscal responsibility.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Pennsylvania has 1 minute remaining.

Mr. CLARK. I yield to the Senator from Alaska [Mr. GRUENING].

Mr. GRUENING. Mr. President, I rise in support of both amendments put forward by my able and distinguished colleagues, the senior Senator from Pennsylvania and the junior Senator from Minnesota.

Those two amendments—one to close the dividend credit loophole and the other the entertainment expense loophole—are, in my opinion, vital amendments and in the highest interests of fiscal responsibility.

It is one thing for the Congress to pass a tax law which later—after administrative interpretation and court decisions—turns out to have tax loopholes in it. Even the most careful legislative drafting cannot always preclude such an eventuality.

It is still another thing—and to me a shocking thing—to have Congress refuse to close a tax loophole when it is clearly pointed out to exist.

I say it is shocking because this Congress—and its predecessor—have had constantly thrown at them by this administration the need for economy, for a balanced budget, and for keeping within our means. And when the distinguished senior Senator from Pennsylvania seeks to bring more revenue into the Treasury by closing two loophopes in our present tax structure, what is the reaction of the administration?

As to one—the entertainment amendment—the Treasury Department—whose function it really should have been to be up here pleading with the Congress to enact legislation speedily to close this loophole—does what the able senior Senator from Pennsylvania describes as a "snow job."

It seeks to becloud the true meaning of this amendment by raising all sorts of questions—questions which can be raised concerning any of the tax laws passed by the Congress and which are, by usual practice, settled by the regulations issued by the Bureau of Internal Revenue.

But the Treasury Department has gone further than that. The intent of the Senator from Pennsylvania has been made abundantly clear on the floor of the Senate not only this year but last year as well. Now it is customary for one of the executive departments, when it questions the draftsmanship of a particular piece of proposed legislation, to suggest amendments which will clarify the language of the bill or amendment. Did the Treasury Department do so in this case? It did not. It only raised the questions and suggested no new language.

From this curious behavior on the part of the Treasury Department I can but draw one of two conclusions.

Either the administration is for economy only at the expense of programs of benefit to the people and is not really anxious to close this loophole of great benefit to those in the high income brackets, and therefore will not suggest language modifications, or that the amendment is properly drafted and the Treasury Department—still motivated by a desire to avoid the enactment of legislation to close this loophole—is seeking through this array of questions to give us the impression that it is not clearly drafted.

In any event, the Treasury's letter is abundant proof to me that it does not in any event want this amendment to be adopted.

This is just another example of this administration's double standard. It talks one way and acts another way. It cries to high heaven for economy, for balancing the budget on the one hand, but opposes the most logical means to bring this fiscal responsibility about.

Well, Mr. President, I hope this amendment will be adopted.

I am tired of seeing part of my tax dollar diverted to paying for yacht trips, theater parties, the wining and dining of prospective customers at expensive restaurants and nightclubs, for tickets for prizefights, and for the host of other types of entertainment and of gifts.

It is my opinion that some of the businessmen of this country are on a merry-go-round in which one is trying to outdo the other in utilizing more expensive gifts and entertainment to curry favor with the clients and customers. It is productive of payola, and this administration appears to be highly tolerant of payola.

It is time we brought that to a halt.

It is time that the businessmen of the United States sold their merchandise or services on the quality of the product alone and not on the size of the nightclub check they pick up.

The dividend credit loophole is equally bad.

This amendment was originally sponsored by the able junior Senator from Minnesota and was designed to increase revenues flowing into the Federal Treasury by $350 million. Why should the tax rate on incomes derived from dividends be lower than when derived from wages and salaries?

I can see no logical and valid reason for this distinction. As a matter of fact, the reverse of this situation would seem more logical. I do not say, of course, that thrift and frugality are not noble virtues. They are and should be encouraged.

But should they be encouraged at the expense of the man who toils with his hands or with his brains? Is this individual not also a valuable, contributing member of our society? Why should his income be less than on an equal income derived from dividends?

I shall vote to reject the conference report on these two matters. It is the height of fiscal irresponsibility—no matter the state of the National Treasury—to retain tax loopholes which work injustice upon our citizens. It is even more irresponsible to do while at the same time decrying others as spenders.

Mr. BYRD of Virginia. I yield 1 minute to the Senator from New Hampshire [Mr. COTTON].

Mr. COTTON. Mr. President, I wish the RECORD to show that I had to be hospitalized in New Hampshire, and thus was necessarily absent when this bill passed the Senate. Had I been present, I would have been compelled to vote against the reinstatement or continuance of the taxes on local telephone calls and transportation of persons. I believe that we were morally bound in these two matters by our action last year. I am making this statement because I intend to vote for the conference report, with which I am in general accord, but I do not wish to have my vote interpreted as approving the continuance of these two taxes.

Mr. CLARK. Mr. President, I ask for the yeas and nays on the conference report.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time of the opponents has expired.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Will the Chair state the question before the Senate?

The PRESIDING OFFICER. The question is on the adoption of the conference report.

Mr. BYRD of Virginia. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back or has expired.

The question is on agreeing to the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Montana [Mr. MANSFIELD], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Tennessee [Mr. KEFAUVER] and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

The Senator from Missouri [Mr. HENNINGS] is absent because of illness.

On this vote, the Senator from Oklahoma [Mr. MONRONEY] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Wyoming would vote "yea."

I further announce that, if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Montana [Mr. MANSFIELD] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The result was announced—yeas 61, nays 32, not voting 7, as follows:

[No. 259]

YEAS—61

Aiken	Dworshak	Morton
Allott	Eastland	Mundt
Anderson	Ellender	Murray
Beall	Ervin	Prouty
Bennett	Fong	Randolph
Bible	Frear	Robertson
Bridges	Goldwater	Russell
Brunsdale	Hayden	Saltonstall
Bush	Hickenlooper	Schoeppel
Butler	Holland	Scott
Byrd, Va.	Hruska	Smathers
Byrd, W. Va.	Javits	Smith
Capehart	Johnson, Tex.	Sparkman
Carlson	Johnston, S.C.	Stennis
Case, N.J.	Jordan	Talmadge
Case, S. Dak.	Keating	Thurmond
Chavez	Kerr	Wiley
Cooper	Kuchel	Williams, Del.
Cotton	Lausche	Young, N. Dak.
Curtis	Lusk	
Dirksen	McClellan	

NAYS—32

Bartlett	Gruening	Magnuson
Cannon	Hart	Morse
Carroll	Hartke	Moss
Church	Hill	Muskie
Clark	Humphrey	Pastore
Dodd	Jackson	Proxmire
Douglas	Long, Hawaii	Symington
Engle	Long, La.	Williams, N.J.
Fulbright	McCarthy	Yarborough
Gore	McGee	Young, Ohio
Green	McNamara	

NOT VOTING—7

Hennings	Mansfield	Monroney
Kefauver	Martin	O'Mahoney
Kennedy		

So the report was agreed to.

Mr. BYRD of Virginia. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

PROFESSIONAL SPORTS ANTITRUST ACT OF 1960

The PRESIDING OFFICER. Pursuant to the order entered yesterday, the Chair lays before the Senate the unfinished business, which will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3483) to make the antitrust laws and the Federal Trade Commission Act applicable to the organized team sport of baseball and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes.

Mr. AIKEN. Mr. President, I move to amend the bill on page 10, line 21, by striking out the word "forty" and inserting the word "fifty."

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

CONGRESSIONAL INVESTIGATIONS

Mr. BRIDGES. Mr. President, the Baltimore Sun of June 27 carries a very significant column on its editorial page written by the newspaper's commentator, Mr. C. P. Ives, in which it is pointed out that a recent Supreme Court opinion "gave the firmest argument yet available in the current cases for broad investigative powers in the congressional committees."

The column points out that "it is good to have the Supreme Court majority" stating in firm terms that neither subversives, security risks, crooks, and others should enjoy expanded defenses against justified congressional investigations.

Because of the significance of this column, I ask unanimous consent that it be placed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONDAY MORNING VIEW—THEY ARE NOT COURTS

(By C. P. Ives)

Last Monday the Supreme Court majority gave the firmest argument yet available in the current cases for broad investigative powers in the congressional committees. Oddly enough, the committee powers were not directly at issue in the matters decided by the Chief Justice's majority opinion. Their defense came by analogy in a rousing support of the Civil Rights Commission in two Louisiana voting cases.

The Louisana cases began when aggrieved Negroes put in some 67 complaints to the effect that they had been denied the sufferage on racial grounds. The commission scheduled a hearing and summoned election officers and certain private citizens to appear.

The Louisianians hit back in a way showing their careful study of recent episodes involving communism. They insisted that the summons was invalid because (a) the Commission refused to supply them the names of complainants, (b) it refused to state just what the charges were and (c) it denied them the right to confront and cross-examine the complainers.

As will be recognized immediately, these three claims have been the staple of the systematic attack against the investigating committees of the Congress. And as the Louisianians knew very well, these claims had received a good deal of sympathy in high places, including the Supreme Court itself (two Justices dissent in the present cases).

There had, however, from the very beginning, been another and soberer school of constitutionalists which had defended the committees, while conceding and rebuking the abuses to which their powers were in theory liable and had on occasion been put. The gist of these defenses of the committees was that the safeguards demanded in their proceedings were the safeguards enjoyed by accused persons in court; but that the committees were not courts, their proceedings were not courtlike, and therefore they need not grant court safeguards.

Or, as the Chief Justice says in behalf of the Civil Rights Commission's denial of the courtlike safeguards: "The Commission's * * * function is purely investigative. * * * It does not adjudicate. It does not hold trials or determine anyone's civil or criminal liability. It does not issue orders.

"Nor does does it indict, punish, or impose any legal sanctions. It does not make determinations depriving anyone of his life, liberty, or property. In short, the Commission does not and cannot take any affirmative action which will affect an individual's legal rights. The only purpose of its existence is to find facts which may subsequently be used as the basis for legislative or Executive action. * * *"

And the Court points the whole argument by an approving analogy to the congressional committees: "In the vast majority of instances, congressional committees have not given witnesses detailed notice or an opportunity to confront, cross-examine, and call other witnesses. * * *"

But what about the plea, also frequently heard in the congressional investigations, that, while criminal penalties admittedly do not attach, nevertheless adverse publicity would blight careers and even lives in a way far more disastrous than fines or imprisonment? The Louisiana petitioners made exactly this claim plus the plea that they might be made liable to criminal prosecutions. But the Chief Justice gave the wholly appropriate answer:

"That any of these consequences will result is purely conjectural. * * * However, even if such collateral consequences were to flow from the Commission's investigations, they would not be the result of any affirmative determinations made by the Commission, and they would not affect the legitimacy of the Commission's investigative function."

And the reason why the Commission could not grant the full panoply of courtlike defenses was just the reason for their denial in the congressional investigations: "[This] would make a shambles of the investigation and stifle the agency in its gathering of facts. * * *" Which, of course, is precisely what some of the more sophisticated critics of the commissions and committees want to do.

For the Chief Justice is suggesting here something which one of his predecessors, Taft. put into plain and worried words: that the criminal safeguards have been shaped historically in behalf of the accused to the point sometimes where "the interests of society are lost sight of. * * *"

Defensible as that arrangement is in matters involving fines, imprisonment, or capital punishment, it should obviously not be extended into areas where those gravities are not encountered. Otherwise the antisociety bias described by Taft would gradually permeate all Government activity.

That neither racists nor segregationists, neither security risks nor subversives, neither business crooks nor union racketeers should enjoy expanded defenses against the fact-finders of the Republic is something on which sober citizens have insisted all along. It is good to have the Supreme Court majority stating this consensus in such emphatic and inclusive terms.

THE SACCO-VANZETTI CASE

Mr. BRIDGES. Mr. President, I have been at some pains to set straight the factual record of the Sacco-Vanzetti case, which was once again brought into prominence by a television presentation of 1 hour each on two successive Friday evenings in the early part of June. The presentation was based on a play by Reginald Rose which seemed to be most biased. The great majority of television reviewers and other concerned with historical accuracy have supported that view. It is interesting that the National Broadcasting Co., over whose network the presentation was made, has now admitted the slanted character of the presentation.

Mr. President, at this point in the body of the RECORD, I ask unanimous consent to insert an article from the June 21, 1960, edition of the Standard Times of New Bedford, Mass., clearly pointing out the bias; two reviews by Edward B. Simmons of the television performance which appeared in the Standard Times issues of June 4, 1960

and June 11, 1960; an article giving direct quotes from persons involved in the trial which appeared also in the June 4, 1960, issue of the Standard Times; and an editorial from the Manchester (N.H.) Union Leader of June 9, 1960, referring to the fact that Attorney Robert H. Montgomery will soon have in print an authoritative historical volume which completely refutes the implications in the television presentation.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New Bedford (Mass.) Standard Times, June 4, 1960]

MEN WHO WERE THERE COMMENT

(Few persons are alive who had official connection with the Sacco-Vanzetti trial and heard the evidence presented in court, including but four surviving jurors. Those who could be reached for comment by the Standard-Times are quoted below. No juror or person in official capacity at the trial was consulted by the producers of the TV drama.)

Former Bridgewater Police Chief Michael P. Stewart, who questioned Sacco and Vanzetti the night of their arrest and attended their trial:

"A complete farce. No court would stand for, or survive, with such lack of dignity and one-sided presentation of evidence. Sacco never shouted about his innocence in court; he never raised his voice. I never used a 'crystal ball' to find the shed, as the TV drama alleged. There was no mention of the obsolete bullets carried by Sacco. And in the questioning of Vanzetti, they left out anything as to why he had the missing gun of the dead guard Beradelli.

"That drama was a crying shame. They did a job on Judge Thayer. He was sprightly, full of pep; but in the show, they killed him.

"It is time a group imbued with love of Massachusetts and its citizens got together and petitioned the legislature to erect a plaque to Judge Thayer. That would silence them.

"I don't know how any right-thinking citizens could think that the judge, the jury, the prosecution, the presidents of Harvard and MIT, Judge Grant and justices of various courts to which appeals were taken, were in on a conspiracy to convict these men. Of course, they were not."

Harry E. King of Millis, who was a member of the Sacco-Vanzetti jury:

"Well, I laughed. Quite a show. My only reaction is that it is hard to reconcile anything I saw last night with the actual trial. The only purpose behind that drama is what they have always tried to do, to persuade people that Sacco and Vanzetti were convicted because they were radicals and not because they were murderers.

"The show made Captain Proctor quite prominent. But they were not convicted on his evidence. He testified he knew little about disassembling a gun and the jury didn't give him much weight. On the other hand, Van Amburgh was an expert ballistics witness and the drama skipped over him.

"The performance hasn't altered my opinion one bit, and my conscience is clear, that the verdict was a just one based on the evidence heard and seen in the courtroom. The whole drama was built on the premise they were prosecuted as radicals, but it was never shown that the prosecution brought in nothing about radicalism until the defense did so itself.

"My mind is just as clear now, as it was then, in regard to the evidence. Where was the evidence about the rare bullets? I can't forget that every effort was made to purchase bullets like those found on Sacco, same type that killed Beradelli. But none could be found. A discontinued make, but Sacco had them.

"The jury did its duty, under lots of notoriety, and a great deal of inconvenience. We were called in twice, in addition to the trial, you know, and all the evidence carefully reviewed."

Robert E. Riordan, city editor of the Brockton Enterprise, who covered the trial for his newspaper:

"That was a thoroughly dishonest, biased and unfair presentation. It never gave a break to the prosecution and presented many things never given to the jury or heard by it. The TV show did not show that one of the bandits pumped two bullets into Beradelli because, as the prosecution claimed, Beradelli knew Sacco and recognized him.

"The Sacco-Vanzetti case was not a frameup because they were foreigners, Italians and radicals. All of those concerned with the prosecution were men of the highest caliber—I knew them all. It was impossible for any of them to be a part of a frameup.

"I knew the defense counsel well and often went to the courthouse with them. No mention ever was made to me by them that they thought their clients were being framed."

Massachusetts Supreme Court Justice Harold P. Williams, who was a member of the prosecution staff in the Sacco-Vanzetti trial:

"I think it is better that I don't comment. You understand my position. You know what that drama was."

Alfred L. Atwood, member of the Sacco-Vanzetti jury: Mr. Atwood could not see the TV drama, being on an island off Maine, without a TV set.

"I hope the producer of the drama heard all the evidence or read the record," he told the Standard-Times. "If so, this record, even today, should show that the verdict was a just one. In 40 years no one has told me where I was wrong. Some have wished there might have been another trial. I am sure a second trial would have shown our finding to be correct."

The two other surviving jurors, Seaward Parker of Massachusetts, and R. Frank Waugh of California, are without telephones and could not be reached immediately.

[From the New Bedford (Mass.) Standard-Times, June 21, 1960]

SACCO-VANZETTI STORY SLANTED, NBC ADMITS

The National Broadcasting Co. has admitted that its controversial two-part television drama based on the Sacco-Vanzetti case was slanted. The huge broadcasting-TV network, through its executive producer, also has gone on record as criticizing news media and reviews that pointed out that slant to their readers.

This unusual expression of policy came from Robert Alan Aurthur of NBC, who was the producer of the Sacco-Vanzetti show, and who is identified by the company as executive producer.

"There never was any doubt as to the slant of our story since Reginald Rose made that clear long before the play went on the air and so to point this out to your readers is really quite unnecessary," Mr. Aurthur wrote Edward B. Simmons of the Standard-Times.

"ASTONISHING"

In a reply to Aurthur, Simmons called the above statement "astonishing." He pointed out that far from the slant being clear, the president of NBC, Robert W. Sarnoff had pledged "fairness and accuracy" for the show and the writer, Rose, had declared just before it was presented to millions throughout the Nation that, "I hope I am not biased."

Simmons said it was "astonishing" that NBC, through an official would admit the slant in a letter to a single person and that the network official should feel it unnecessary for news media to point out slant.

The six-page typewritten letter to the Standard-Times writer was provoked by Simmons' reviews of the drama. In his communication Aurthur challenged Simmons to substantiate certain points of his criticism.

Typical was such language as, "Prove that figure, Mr. Simmons."

These are the points challenged by Mr. Aurthur, for which there is an answer in the printed record of the trial and its associated activity.

1. By Aurthur: "Your allegation unsupported in any of the trial records about the rarity of a so-called old-fashioned bullet. May I ask for the documentation in the court record of this statement since it does not appear in the complete records of the trial?"

By Simmons: "Page 5378W of the Henry Holt & Co. edition of the transcript of the trial, this quotation from the report of the Governor's Advisory Commission: 'Then, again, the fatal bullet found in Beradelli's body was of a type no longer manufactured and so obsolete that the defendants' expert witness, Burns, testified that, with the help of two assistants, he was unable to find such bullets for purposes of experiment; yet the same obsolete type of cartridges were found in Sacco's pockets on his arrest * * *. Such a coincidence of the fatal bullet and those found on Sacco would, if accidental, certainly be extraordinary.' * * * Burns' testimony may be found on pages 2447, 2449, 2450, 2462, 2500, 2501, and 2504 of the typed transcript of the trial."

2. By Aurthur: "There is no evidence in the trial testimony to support your statement that the prosecution and presiding judge ever advised the defense not to introduce this question" of radicalism of the defendants.

By Simmons: "The introduction of radicalism is explained by Judge Thayer in his decision of October 22, 1926, on the Medeiros motion, and is corroborated by the testimony of two defense lawyers, the McAnarney brothers, before the Governor's Commission. Said Thayer:

" 'Before the trial of these cases opened, at a conference with the court, counsel were informed that the court could see no reason at that time why radicalism should enter into the trial of these cases; but notwithstanding this fact, counsel for the defendants on three different occasions opened up the question of radicalism.'

"The judge pointed out that prosecutor Katzman had agreed that mention of radicalism should be stricken from the record when it was introduced by defense counsel, and had, in fact, moved to have it stricken. On pages 4993 and 5057 of the Holt transcript, the McAnarneys testified that the defense was intent upon introducing radicalism because without it their case was lost."

3. By Aurthur: "I deny as absolute fact that $100,000 was contributed to their defense before their first trial. Prove that figure, Mr. Simmons."

By Simmons: "The records of the Sacco-Vanzetti Defense Committee Fund, published by the committee and on file in the archives of the State of Massachusetts and probably the New York Public Library, are my proof. The committee admits to receiving $91,179 before the trial was over * * * far more was received than ever reported * * * therefore it is no exaggeration to add 10 percent to the $91,000 and come up with a figure of $100,000 available for the trial; it was, I believe, an understatement."

4. By Aurthur: "You fail to mention that, he (Fred H. Moore, chief defense counsel) served his last 5 months in the case without pay."

By Simmons: "Ridiculously in error. The above-cited report of the Sacco-Vanzetti Defense Fund shows that in the 5-month period you mention, Moore was paid $2,325 * * * after he was out of the case he drew $500.

Altogether the man you claim, in error, served a period without pay, was paid more than $122,000 for himself and 'expenses' by the defense committee."

5. By Aurthur: "You should certainly check your facts relating to the Daly affidavit as to the remark made by Jury Foreman Walter L. Ripley. You said that Ripley's 'alleged remark was not brought out until 2 years after it was reportedly made, and long after Ripley was in no position to reply to it—he was dead.' I repeat Mr. Simmons you should be more accurate in your facts if one is to give your point of view any importance. * * * The Daly affidavit referring to the quote, 'Damn them, they ought to hang, anyway' was appended September 30, 1923. * * * But Ripley did not die until 10 days after this second affidavit. * * *"

By Simmons: You are in total error. This was an understatement. The remark was allegedly made May 31, 1921, and the Daly affidavit was filed September 30, 1923, which is considerably more than 2 years later. Ripley died October 10, 1921, almost exactly 2 years before the affidavit was filed, which is, by any criterion, long after he could reply to it."

Simmons concluded his reply to Aurthur by stating, "I would point out that in every instance in which you have challenged on a point of record, or of fact, you were wrong."

The response of the "executive producer" of NBC to this rebuttal of his charges?

In a letter received today, Aurthur declares, "Let me simply say that in my opinion I am completely right and you are completely wrong."

[From the New Bedford, (Mass.), Standard Times, June 4, 1960]

TV SACCO-VANZETTI STORY ONE-SIDED BRAINWASHING

(By Edward B. Simmons)

An audience that probably reached the millions saw television used nationwide as a plaything last night—a deadly plaything—in what was billed as the first part of the Sacco-Vanzetti Story. The reenactment over NBC–TV of the arrest and trial of two men for a double payroll murder some 40 years ago was a brainwashing process that presented only one side of one of the most famed murder cases in the history of American jurisprudence.

The tragedy is that a great many of last night's livingroom audience must have asked themselves when it was over, "What went on in Massachusetts in those days? Where was the evidence? What could the jury possibly have been acting on, when they found those defendants guilty of first-degree murder?"

The first half dealt with the arrest and trial of Sacco and Vanzetti, in 1920–21, for the double murder of paymasters Parmenter and Beradelli outside of a South Braintree shoe company.

It was a particularly coldblooded murder, in which one of the assailants walked over to Beradelli, lying in the roadway, and finding him alive, pumped two extra bullets into his body.

The actual murder scene occupied approximately 10 seconds of the 1-hour drama.

On the other hand, script writer Reginald Rose, who regards Sacco and Vanzetti as "two lovely, gentle people," although he never met them and never attended a day of the trial, devoted a major part of the drama to imaginary conversations between the two men while they were behind bars.

These conversations depicted Sacco and Vanzetti as two loving family men, philosophical liberals, indifferent to the day's events, clean-living, kindly fellows, bewildered by the inexorability of the law.

The fact that they were arrested while carrying fully loaded guns was dismissed—Vanzetti needed a gun to protect his receipts from selling fish in Plymouth; Sacco the hardworking family man, needed his gun because he was doubling as a night watchman.

Just two of God's average creatures, who happened to be out at night with guns, Rose radiates, and he so well confused fiction and fact that no viewer could know what was heard in court and what was not.

Not even mentioned was the stark fact that Sacco was carrying 23 extra bullets in his pocket. And some of those bullets were duplicates of the type of old-fashioned bullet found in the heart of Beradelli. The type of bullet was so rare that neither prosecution nor defense could obtain a duplicate from the maker, the Remington Arms Co., or a retail outlet, to use for ballistic-test purposes.

This evidence was regarded by the jury as the most damning against Sacco. Yet it was not even alluded to in last night's drama.

Scenes of the actual trial emphasized prosecution questioning of Sacco and Vanzetti on the subject of their radical views and their evasion of the draft during World War I. But at no time did script-writer Rose point out that it was the defense which, against advice of the prosecution and the presiding judge, introduced the radical background of its own clients.

Rose also injected examples of alleged bigotry and prejudice by Judge Webster Thayer and Walter L. Ripley, foreman of the jury. But the drama did not show that in the instance of Thayer, the remark was hearsay, was not even brought to light until years after the trial and, being hearsay, was not legally admissible as evidence, then or now.

Nor did the drama show that Ripley's alleged remark was not brought out until 2 years after it was reportedly made, and long after Ripley was in no position to reply to it—he was dead.

The cast in last night's first part was excellent, but the characterization, as prescribed by Rose, was incredibly slanted. No viewer could have estimated the wrinkled, mummified appearance of the judge as less than 80. Yet Judge Thayer was only 61 at the trial, an energetic, spry, vigorous man, by all accounts.

SLATED AS VILLAIN

But he was slated by Rose to be the villain, and had to be portrayed, physically, as one. Thayer, too, is dead and cannot reply to the distortion of his character and appearance.

All the tricks in the book were employed by Rose: Use of a "detective machine," a crystal ball by a crackpot who said he had evidence; the defendant "cage" in the courtroom, used for every capital crime in those days; frisking of persons entering the courthouse, flowers on the judge's desk the day the jury went out, the use of manacles on persons arrested as radicals.

And the jury? Rose dismissed it with the gratuitous remarks at the drama's close, "There was no reason to doubt the jurors believed their verdict justified." This was tantamount to saying about a man, bending over the corpse of his wife whom he had shot in anger, "there is no reason to doubt that he believes he was justified."

Nothing in the drama disclosed that it was the most carefully selected jury in the State's history, probably in the Nation—that 642 talesmen were scrutinized before 12 were selected.

SICKNESS OF A PEOPLE

And the quality of the defense of Sacco and Vanzetti? Nowhere did the drama make clear that long before their trial, the defendants had been given more than $100,000 for defense; that the most famed trial attorney in the Nation, Fred H. Moore, had been brought from San Francisco.

It was "the sickness of a people" commented the narrator of the TV script, at its close, that brought about the conviction of Sacco and Vanzetti.

Anyone unfamiliar with the case depending on last night's half-version would be inclined to agree. But that is what Rose wanted to accomplish in his tailored version and he violated every standard but written law to accomplish that end.

Did anyone in the audience hear a word about the rarity of Sacco's bullets, the "Sacco cap" found at the scene, the lie that Sacco told his employer when he took a day off—the day of the murders—or about the shotgun shell found on Vanzetti linking him with another payroll holdup, or about Beradelli's missing gun, which the prosecution charged was found on Vanzetti?

These things and many others on which the jury based its verdict, will have to await a later day in the TV court.

[From the New Bedford (Mass.) Standard Times, June 11, 1960]

GOVERNOR FULLER DEFILED BY RECKLESS TV PLAY

(By Edward B. Simmons)

Last night's concluding installment of the Sacco-Vanzetti story, on NBC–TV, was such a twist, squeeze and distortion of truth as to leave one aghast. Scriptwriter Reginald Rose exhumed Sacco and Vanzetti and with the assistance of superb acting from the cast gave them flesh and blood and a poignant tale to tell.

At the same time, however, Rose defiled and smeared to the ultimate degree the names and reputations of men, now dead, whose only sin was to have served the people in public office. Rose murdered the late Governor Alvan T. Fuller with a brutality and recklessness for the truth that made any alleged injustice to Sacco and Vanzetti seem trivial by comparison.

The world is full of examples of lost faith—personified in the youthful, wild mobs of Tokyo and Korea. Such violence is more often than not the work of a few who distort and pervert truth and thereby destroy the faith of people in their institutions.

This was Rose, warping the truth over nationwide television about a landmark in American judicial history.

Rose and his adviser, Judge Michael Musmanno of Pennsylvania, who entered the case in 1927, 6 years after the trial, and who came out a hero in last night's drama, slashed their way over the people of Massachusetts, their courts, their sense of fair play, their elected officials and in fact, the framework of their lives.

And this destruction was not confined to Massachusetts. "Even the best of democratic institutions are not better than the people composing them," the drama concluded, which is to say that two innocent men, evidence of their innocence plain, can be railroaded to death by the established judicial processes for a crime they did not commit in any old place, anywhere in the United States of America.

Last night dealt with the 6 years between the conviction in 1921 of Sacco and Vanzetti and their execution in 1927, years of appeals for a new trial.

New Bedford contributed to the Rose version of this period. Much was made of a confession by Celestino Medeiros of New Bedford, who was in Dedham jail, where Sacco and Vanzetti were confined.

Medeiros, awaiting sentence for the murder of a 70-year-old candy store proprietor, to which he had confessed, made a new confession, that he and a Providence gang had committed the crime for which Sacco and Vanzetti were accused. He said he received $2,600 for his part.

The drama showed a wizened, dried-up Judge Webster Thayer denying a new trial based on this Medeiros confession and painted the judge as a heartless villain.

HAD MIND OF CHILD

But not a word in the drama that when Medeiros was on trial for the store murder his mother, his sister, his friends all testified he was "mentally subnormal, had the mind of a child of 10, was subject to epileptic fits and had an ancestral history of simple-mindedness."

Not a word about Medeiros' arrest by New Bedford police as a vagrant and for larceny on May 1, 1920, just 2 weeks after the crime for which he said he received $2,600 for participating in.

Medeiros was 18 at the time of the South Braintree murders, for which Sacco and Vanzetti were convicted. Can anyone imagine an 18-year-old shiftless bum in New Bedford coming into that much money and (1) not having the police or neighbors noticing it, and (2) not being arrested for petty larceny while so newly rich?

FULLER TRAGIC LOSER

Neither Judge Thayer nor the Supreme Court of Massachusetts, to which an appeal was taken (not mentioned in the drama) nor Governor Fuller, nor the Governor's commission of President Lowell of Harvard, President Stratton of MIT, and Judge Grant of the probate court, found reason to believe Medeiros either. But Medeiros got six reprieves from a death sentence by his confession, a fact TV denied the viewer.

The tragic loser in last night's parody was Governor Fuller. For he was indicted, tried, and convicted by one man—Rose—many years after his death. While Sacco and Vanzetti had 6 years of review, including appeals to 14 justices in 4 courts, one of whom was the late Judge Henry K. Braley, father of District Court Judge Abner L. Braley, of Edgartown.

For those who may not recall, Fuller was a self-made man, who began as a pushcart peddler, made a fortune and somewhat shocking his plusher friends, became "a man of the people" and was elected governor by grassroots, popular support.

But writer Rose depicts Fuller as a sneering bigoted millionaire, deaf to the trials of poverty and elemental justice for his fellow man. To cap it, there is a scene so brazen to be astonishing in which the drama purports Fuller tried to bribe Medeiros into recanting his confessions. The source for this incredible smear—why Medeiros, of course, the confessed murderer and feeble-minded.

LA GUARDIA QUOTED

Thus is Fuller defiled, the Governor about whom Fiorello LaGuardia once said, "he is free from bigotry and prejudice and will investigate fairly and fully. There is no prejudice in his makeup."

The two-part revival of the Sacco-Vanzetti case was so prejudiced that Rose may have done a great injustice to his view, and that of a not-inconsiderable number of well-intentioned people, that Sacco and Vanzetti were innocent.

After all, the Vanzetti that Rose showed, with arms outstretched declaiming, "in all my life, I never killed, I never spill blood, I never steal" was convicted on positive identification of an earlier armed holdup attempt in Plymouth and when arrested after the South Braintree crime, was carrying a fully loaded pistol and shotgun shells in his pocket.

Maybe some of the TV audience, who never got this from the drama, will find it out for themselves—with shocked surprise.

For nobody ever got the kind of a raw deal that this TV drama showed Sacco and Vanzetti getting from Americans trying as best they knew how to do their duty.

[From the Manchester (N.H.) Union Leader, June 9, 1960]

SACCO-VANZETTI IN FOCUS

The biased presentation of the Sacco-Vanzetti case on television, in books and in at least one soon to be produced opera and play lend urgency to the publication of Robert H. Montgomery's book, "Sacco-Vanzetti: The Murder and the Myth," by Devin-Adair Co.

Mr. Montgomery, a distinguished member of the Boston bar, is considered one of the foremost legal minds in Massachusetts. With a lawyer's concern for facts rather than fiction, Attorney Montgomery has approached his subject in an honest attempt to set the record straight. This newspaper is well aware of the careful research that has gone into this book.

Montgomery, who himself knew many of the principals involved in the 1921 trial and the final review in 1927, has reached some definite conclusions from his years of study of the evidence, basing his judgment on the facts of the case rather than on emotionalism or political opportunism. Among his conclusions are these:

That Sacco and Vanzetti were guilty of murder as charged and were properly convicted by a jury of their peers; that the conviction was based solely on evidence unfolded in the course of a fair trial; that judge and jury were untouched by the war of ideologies which was waged around the world on behalf of the accused but which did not figure in the trial; that subsequent reviews by Governor Fuller and the advisory committee were fair and exhaustive; that the reputations of good men were ruined by Sacco and Vanzetti supporters in their zeal to uphold civil liberties; that bribery, blackmail and intimidation were used by defense attorneys who finally were obliged to withdraw from the case; that proved facts of the case have been distorted and suppressed by Felix Frankfurter, Arthur Schlesinger, Jr., and other mythmakers.

In view of the current rash of misinformation, the September publication date of "Sacco-Vanzetti: The Murder and the Myth" comes none too soon.

FAITH OR FEAR—ADDRESS BY J. EDGAR HOOVER

Mr. BRIDGES. Mr. President, "Faith or Fear," an address by J. Edgar Hoover, Director of the Federal Bureau of Investigation, has captured the attention of religious and political leaders throughout the Nation.

I had heard a great deal of comment about it and read some excerpts of it. Finally, at my request, Mr. Hoover sent me a copy of it.

It is a magnificent document. It rekindles the fires of faith and morality which, in an earlier age, ignited the American Revolution and inspired our Declaration of Independence and the Constitution. It recalls for all who read it the patriotism and good citizenship that has carried this Nation through nearly 2 centuries of peace and war.

This address, originally given before the Quinn Chapel, African Methodist Episcopal Church in Chicago, deserves our attention and study. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FAITH OR FEAR

(Address by J. Edgar Hoover, Director, Federal Bureau of Investigation, before Quinn Chapel, African Methodist Episcopal Church, in Chicago, Ill., April 18, 1960)

The honor you have conferred upon me this evening I accept on behalf of my associates, without whose dedication to duty and personal sacrifices the accomplishments of the FBI would not be possible.

My pleasure in being with you is deeply enhanced by the fact that your invitation was personally extended by Dr. Archibald J. Carey, a trusted official of our Government at the White House, and a devoted servant of God. As Chairman of the President's Committee on Government Employment Policy, he is helping to promote the basic American concept of fairness and equal opportunity for all. In this undertaking, he has the full endorsement and support of every right-thinking citizen.

It is a privilege to share this evening with the members and friends of Quinn Chapel of the African Methodist Episcopal Church. Quinn Chapel is steeped in rich tradition. This was the first congregation established by Negro Americans in Chicago and it is the city's second oldest Protestant church.

The development of the African Methodist Episcopal Church into a vigorous member of the Christian army is truly a great American story. The founder of this church, Bishop Richard Allen, was born to slavery in Philadelphia 200 years ago. Today, his name occupies a place high and respected distinction in the annals of American history. Bishop Allen, like all other Americans who have made positive and lasting contributions to the growth of our Nation, possessed a true faith in God.

This Republic was born out of such faith held by the Founding Fathers in a Supreme Being and His divine plan. It can continue to exist in freedom only if that faith remains forthright and strong, and the voice of the people, bulwarked by intelligent and basic moral concepts, guides its destiny. Reason and patriotism are still the Republic's first line of defense in these troubled times.

The truth of these words is found time and again in the stories of the lives of great patriots from the contemporaries of Bishop Allen to the outstanding national figures of the present day. No one can dispute that deep religious conviction dominated the thoughts and actions of Abraham Lincoln, that great humanitarian and statesman whom the State of Illinois sent to the White House nearly 100 years ago. It was Abraham Lincoln who, during a time of grave peril, told the American people, "Let us have faith that right makes right, and in that faith let us to the end dare to do our duty as we understand it." The words of our martyred President still ring true today.

As we enter the new decade of the 1960's, doubt and unrest plague the minds of people everywhere. Fear silences the voice of freedom for nearly 1 billion people who have been forced under the yoke of Communist oppression. Fear silences the voices of protest even in a certain non-Communist area in our own hemisphere where intimidation and terror at the hands of Communists and their dupes is the ruling force. And fear silences the voices of decency in many communities across the United States where racketeers—often posing as officials of industrial, labor, or political organizations—use strong-arm tactics and lawless economic pressures in their lust for profit and power.

The crime syndicates, the ruthless mobsters, the lawless legions that infiltrate legitimate business, unions, political organizations and government constitute a deadly enemy to our society. They use every type of terrorism, force, and trickery to suit their

sinister purposes. These parasites are a shame to our Nation as well as to our honest law-abiding businessmen and labor leaders. They are a blight on every taxpayer.

NO COMPROMISE ON MORAL ISSUES

The two greatest problems confronting the law-enforcement profession today are presented by those persons who, through indifference or fear, fail to carry out the responsibilities of good citizenship—and by those who complacently tolerate explosive social conditions in their own backyards. Where moral issues are concerned, there can be no compromise. Too many apathetic persons are unwilling to take an active part in the clearance of moral slums. Righteous anger is an inevitable ingredient of a truly noble life. Supine indifference always is a sign of moral deterioration.

Either we display the courage and determination to actively uphold our God-given heritage of freedom and decency, or we surrender ourselves to an evil cause. If the values we profess to hold dear are to be protected and nurtured, we must have a rebirth of faith and belief in their worth.

In the fight against crime and subversion, a critical need exists today for all of us to share Abraham Lincoln's faith "that right makes might" and to dare to do our duty as we understand it.

THE CRIMINAL ARMY

We, the American people, are confronted with a very serious era of criminality. Each time the clock ticks off 20 seconds, another serious crime is added to the Nation's total. A murder, forcible rape, or assault to kill is committed every 4 minutes. There is a burglary each 46 seconds; a robbery each 7 minutes. More than 30 automobiles are stolen every hour.

During the past decade, the Nation's crime problem has grown four times as fast as our increasing population. Despite the best efforts of law-enforcement agencies, day by day our vast criminal army continues to grow.

In terms of dollars and cents alone, crime exerts a tremendous burden upon all of us. The Nation's annual cost of crime now totals $22 billion—the equivalent of $128 for every man, woman, and child. For every $1 contributed to churches, $9 goes to crime. And for every $1 we spend on education, crime costs us $1.11. We cannot afford a $22 billion a year tribute to the barons of the underworld. We need funds for churches, homes, schools, and defense purposes.

But by far the greatest tragedy in this appalling crime picture is the role played by our youth. Teenage hoodlums—too long and too often shielded under a cloak of considered leniency and incredible tenderness—constitute a critical threat to decency and personal safety and, more seriously, to the future of our country.

During the past 5 years, arrests of persons aged 10 through 17 have increased 50 percent. Today, youthful offenders account for one-fourth of all the arrests for robberies, one-half of the burglary and larceny arrests, and two-thirds of all automobile theft arrests. No generation has ever before witnessed such extreme sadism, sacrilege, and senseless brutality as that practiced by the young thugs who have turned their backs on God to join a surging juvenile underworld.

There can be no worse indictment of adult society than facts such as these. America's juvenile criminality is directly traceable to the failure of adults to meet their obligation to train young people for their rightful responsibilities to society. Obviously, the basic needs of thousands of young people have not been met. In almost every instance, primary responsibility rests with the parents. Healthy homes do not produce morally sick children such as the ruthless young muggers, brawlers, and rapists who terrorize entire sections of our cities.

YOUTH IS NO EXCUSE FOR LAWBREAKING

The solution to our youth problem does not lie in the unrealistic approach which is followed in many communities. Pampering and overprotection, whether practiced in the home or the courts, do not educate a child to respect the law or the rights of others. Vicious young criminals must be required to face moral and legal responsibility for their acts of violence. Youthfulness is no excuse for brutality and lawlessness.

For many years, we have seen the advocates of soft justice, the coddling of youthful criminals, and easy clemency gain more and more control in high places. Now we can see where they have brought us—to an avalanche of crime and terror which threatens decent citizens everywhere.

The soft approach to juvenile treatment sponsored by many well-meaning but misguided sentimentalists is becoming more and more damaging to our moral fabric and to lawful authority. There is no justification for treating those on the threshold of legal maturity as if they were prankish children when they commit vicious crimes.

Juvenile delinquency and its inevitable road to more serious crime is our greatest tragedy because young people are the Nation's most important asset and its greatest investment. Our hope for the future rests squarely in their hands. Either we imbue the younger generation with the faith and moral courage to resist all forms of indecency and lawlessness, or the United States is destined to fall from its pinnacle of leadership into the ranks of other nations, once great, which have crumbled from within.

COMMUNISM IS VILEST ATHEISM

Morality cannot be maintained without religion. The Holy Scripture gives us our guide: "The people that do know their God shall be strong, and do exploits."

Faith in God is the time-tested armor which neither crime nor subversion nor any other form of moral debauchery has been able to penetrate. That is why you will not find a man who truly believes in God among the vast legions of America's criminal and subversive enemies. And that is why you find such intense fear and hatred of our Judiac-Christian principles among the peddlers of atheistic communism.

In the past four decades, we have seen the forces of international communism reach out from the Kremlin to threaten all nations of the world. Today, the Communists control approximately one-fourth of the earth's land surface—an area inhabited by nearly 1 billion people. And the ultimate goal of communism is to dominate the entire earth.

International communism is the vilest form of atheism ever devised by the mind of man. It is completely unrestrained by moral considerations. Its methods are lies, immorality, treachery and deceit. Its agents are the almost 35 million fanatics who comprise the 83 Communist Parties throughout the world today. Here are the legions from which world atheism draws its strongest support.

Last year, the official Soviet newspaper, Isvestia, openly declared, "The narcotic of religion must be combated with skill and persistence. Our ideology will never compromise with religion." These same views are share by the Communist Party, U.S.A., a group of fanatically pro-Soviet conspirators led by a Moscow-trained ex-convict who constitute the largest subversive organization in our Nation today.

Despite the party's public record of treachery, deceit, and inhumanity, tolerance of the danger of communism continues to grow. Today, those of us who actively oppose the subtle tactics of the Communist Party find ourselves subjected to mounting abuse and ridicule. Misguided and ill-informed persons, posing as alleged "experts" on Communist subversion, would have it believed that the party is a shattered, broken and threadbare group of harmless misfits. Nothing could be further from the truth.

The war between communism and the free world is not fought with bombs or other tangible weapons. It is being fought now by subversion through the medium of ideas.

It is not an accident that the greatest concentration of Communist workers has been found in three fields—education, unions, entertainment. These are the areas where ideas flourish and thinking patterns are formed.

The Communists are not the only purveyors of an alien ideology in our midst. Nor are they the sole subversive element which seeks to capture the minds of America's youth.

PREJUDICE AND INTOLERANCE ARE INFECTIOUS DISEASES

In recent months, still another dangerous threat against decency and life has asserted itself with renewed vigor on the American scene. I refer to the hate groups, the rabble rousers and other lawless elements which have dedicated themselves to maligning, intimidating and terrorizing vast segments of our population.

Prejudice and intolerance, hate and fear, are a disease as infectious as a virus. The general increase in organized prejudice is most disturbing. It includes anti-Protestant, anti-Catholic, anti-Jew and anti-Negro individuals and groups. These merchants of hate, slander and insinuation clutter the mails with their obscenity. Some of it falls into the hands of impressionable juveniles, neurotic dupes and moronic adults who then resort to smearing and damaging churches, synagogues, schools and homes.

All the various forms of the virus of bigotry exist, either dormant or active, in every community—large or small.

These elements have hurled a critical challenge at the law enforcement profession and other forces for decency across the Nation. The person who would bomb a school, desecrate a house of worship, or spread the doctrine of hate toward his fellow man constitutes a real threat to our American way of life. He lives in a vacuum of moral degeneracy. His crimes are so outrageous it is unthinkable that anyone except the extreme "lunatic fringe" could rationalize or condone them.

Invariably, these hate mongers attempt to drape themselves in a cloak of patriotism, but their real objective is to destroy the very American ideals which they claim to uphold. They preach "mobocracy"—disrespect for the law, for our Constitution, and disregard for the welfare of others.

I place the fiery cross of the vicious Ku Klux Klan in the same category as the swastika of the Nazis and the godless hammer and sickle of atheistic communism. All ignore the rights of everyone to life, liberty and the pursuit of happiness.

COMMUNITY ACTION, BUT NO VIGILANTES

All right-thinking citizens know that there is no place in America for vigilantes, rabble rousers, the "lunatic fringe" and those who make a profit—political or material—out of merchandising prejudice.

No problem is so acute, no crisis so severe, that terrorism can be tolerated in our society. Intimidation and mob action are not the American way—nor are they God's way—of accomplishing any objective which is truly worthwhile.

The best answer to the outrages perpetrated by these elements is effective action within the local community. No human force is more powerful than the indignation

of a free and God-fearing people. Throughout our Nation's history, this fact has been proved over and over. In President Lincoln's words, the real strength of America does not rest in the Government but in those citizens who dare to do their duty as they understand it.

We must be ever alert to the evil influences of groups which spread hatred and bigotry. We cannot have full citizenship for some and part citizenship for others. We must all work together to dispel intolerance and promote brotherhood among all men.

America was carved out of the rugged wilderness by the heroic efforts of men and women who made great sacrifices that they and those to come after them might live in freedom under God. Faith, courage, devotion to a noble cause: These were the driving forces which spurred the early settlers to blaze new trails through virgin forests, across uncharted mountains, into valleys where civilized man never before had trod.

Our forefathers had a great vision of a Nation where men could live together and worship together without fear. Today, we hold this same vision for the future—the faith and determination to insure that America remains the beacon of freedom and promise for the oppressed peoples of the world.

Freedom is not the absence of discipline but the use of disciplines which will enable us to enter into our inheritance and accomplish our destiny.

When man surrenders his ideals, he dies spiritually. Only by protecting America's God-given heritage of liberty and justice for all can we preserve this Republic for generations yet to come to live in "freedom's holy light."

THE UNITED STATES-JAPANESE TREATY

Mr. BRIDGES. Mr. President, President Eisenhower, in his report to the American people last night, placed the Japanese situation in its proper focus. The important thing is ratification of the United States-Japanese Treaty, not the cancellation of his visit to Japan.

And the President demonstrated his clear understanding of the nature and depth of the threat of international communism, when he said:

> We must recognize their tactics as a deliberate attempt to split the free world, causing friction between allies and friends. * * * We cannot win out against the Communist purpose to dominate the world by being timid, passive, or apologetic when we are acting in our own and the free world's interests.

Mr. President, in the decades and centuries ahead, so long as accurate history is available for free men to read and interpret for themselves, it never will be said that Dwight David Eisenhower was "timid, passive, or apologetic" as he led the free world against communism. And in my opinion, it truly will be said in history that President Eisenhower stanchly reflected and represented the will of the American people.

The President's report was candid and firm. Those who have been sniping at this administration's record in foreign relations should give it a second reading. History will show that the years of the Eisenhower administration were years of peace for the American people. And it will show that the opponents and opportunists were out of step with reality and out of touch with the American people.

We must not, as Mr. Eisenhower declared, be bluffed or frightened by Communist tactics. The United States must accept with coolness and courage the risks of bold action, when necessary. We must not fall into any errors of blaming ourselves for the godless international messes deliberately caused by the forces of international communism.

LIMITATION OF DEBATE DURING ADDITIONAL ROUTINE MORNING BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that we may have at this time a morning hour, for the introduction of bills and the transaction of routine business; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNIST ETHICS AND ACTIVITIES

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the RECORD a lecture entitled "Communist Ethics and Activities," delivered at Gonzaga University in Spokane, Wash., by the Reverend Francis J. Conklin, S.J.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

COMMUNIST ETHICS AND ACTIVITIES

To whatever heights man may rise in reflecting on matters of a spiritual or mystical nature, he should never lose touch with the concrete reality—the vessels of clay—in which such considerations are grounded, because whatever divine or human, natural or supernatural, goals may be established for mankind, adequate preparation must take into account the whole reality of human nature. A code of morality cannot exist isolated and apart from its raison d'être; a spirituality of a context of spiritual beliefs. Morality must meet the test of actual experience and become a striving, a renunciation, a control of self, a steadfastness in the face of repeated lapses. But without a dynamic source, a final cause, a purpose, there can be no morality because the moral world is a world in motion toward a goal and to cease to move means to cease to be.

Conversely, wherever we find a spirituality we find a morality. If the spirituality be shallow and superficial, as was the reasoning of Justice Holmes in *Buck* v. *Bell* (three generations of imbeciles are enough), the corresponding morality will be exceedingly flexible, permitting, in the instant case, the punitive sterilization of the innocent, to alleviate the burden upon the taxpayer.

Although Marxism, including its refinements in Leninism, Stalinism, Maoism, and Khrushchevism, dismisses what other men venerate as a world of spiritual realities, this same many-sided "ism" abides in real men. Hence it is a spirituality—a compilation of dogmas—a world view. And translating these beliefs into the world of human affairs formulates a Communist morality.

The discussion of any ethical system is not without problems because certitude diminishes in direct arithmetic proportion to our assimilation of particulars. That problem is here complicated by the flexibility of the teleology in question. Any ethical system, of course, follows a radically simple pattern: To distinguish right from wrong an end or purpose becomes established. The good leads to that end; evil leads away from it. Within the Marxist fold we have several contradictory, or, at least, partially exclusive, final causes: (1) the classless society; (2) the international revolution (Trotsky's vulgar cosmopolitanism); (3) the establishment of proletarian hegemony; (4) the building of socialism in a country where proletarian hegemony has been established (current line in U.S.S.R.). So, remembering that morality will change as the paramount spiritual objective shifts, let us proceed to discuss Communist or Socialist ethics.

At the Third All-Russian Congress of the Young Communist League of the Soviet Union, in October 1920, Lenin stated:

> "Is there such a thing as Communist ethics? Is there such a thing as Communist morality? Of course, there is. It is frequently asserted that we have no ethics and very frequently the bourgeoise make the charge that we Communists deny all morality. In what sense do we deny ethics and morals? In the sense in which they are preached by the bourgeoise which deduces the morals from God's commandments. Of course, we say that we do not believe in God. We know well that the clergy, the landlords, and the bourgeoise all claim to speak in the name of God in order to protect their own interests as exploiters. Instead of deducing their ethics from the commandments of morality and the commandments of God, they deduced them from the idealistic or semi-idealistic phrases which in some instances were similar to divine commandments. We deny all morality taken from the superhuman or nonclass conceptions. We say this is a deception, a swindle, a defrauding of the issues. We say that our morality is wholly subordinated to the interests of the class struggle of the proletariat."

All morality, a human creation, reflects an economic mode of production and changes as material conditions change. Since the economic struggle involves a power struggle the currently dominant morality will crystallize the ideology of the ruling class in any given historical epoch. For example, the precept, "Thou shalt not steal" is a moral principle, derived from the fact that the means of production are privately owned. "Good," "right," "justice," "law" are all distilled or derived from the economic structure. These abstractions are set up by the ruling class to facilitate the exploitation of the unfortunate. Consequently, law (i.e., the entire judicial system—courts, constitution, statutes, regulations, etc.) canonizes and codifies the customs regulating production, distilled and embodied in organs set up to preserve the status quo. (A perfect example: the Uniform Negotiable Instruments Act.) And the ever evasive eternal justice which men seek merely persists as the most abstract expression of this law because eternal justice simply consists of a societal super ego embodying all existing economic and social conditions.

The spiritual principle underlying Marxist morality can be nothing other than the intuition of mankind's goal: material progress through the satisfaction of men's needs. The good leads to this end.

We come now to the real crisis in all ethical systems: Who is going to decide what leads to the end and what leads away? We must establish a norm of morality. Of course, some years ago when the spirit of rationalism permeated scholastic philosophy, we might be tempted to rely upon self-evident propositions as the norm of morality. But we hope we have outgrown this geometrical framework.

Since Marx was a speculative thinker his excursions into the moral order were few and far between. He solved his personal moral problems by doing what he thought was right—at least, we can give him the benefit of the doubt. But it was left to Lenin to establish the true norm of Marxist or Communist morality: the party.

By a somewhat esoteric process those who are members of the party are automatically the most class conscious of the working class. The world spirit endows them with a special gnosis, enabling them to discern the real and "be like unto gods knowing the difference between good and evil." Is this the ghost of Marcion or Tertullian? You recall from your ecclesiastical history that the gnostics were a group of early heretics who believed they possessed a special knowledge (gnosis) which kept them free from moral tain. The party has been founded upon the same psychological principles as this early Christian heresy and by virtue of this gnosis the party leaders intuit and adjudicate with a power not given to ordinary mortals.

Remember Hegel's irresistible, cunning reason which uses men and circumstances? Compare Hegels' spirit, which permeates history and makes men progress in the direction it wants to go, with the dynamic dialectic of matter, which underlies the Marxist world and, through the party, uses men and circumstances to lead the world in the proper direction. This is why the party possess this gnosis and why victory is inevitable.

Shifting now to a detailed discussion of specific virtues, for the sake of convenience, we will try to follow a traditional scholastic outline. You know that a virtue is a good habit and a vice is a bad habit. The whole purpose of habits is to facilitate our progress toward the final end by strengthening us with a constant and perpetual determination to do the proper thing. The Christian habits make a good Christian. What habits make a good Communist?

We begin with justice: the constant and perpetual determination to render to each one what is due to him.

When you go to an honest storekeeper and exchange $1 for an article of goods offered for sale at that price, the form of justice which regulates this exact exchange is called commutative or dollar-for-dollar justice. Under this broad heading of things which are due to a man without restriction nor qualification we include some of our fundamental American constitutional guarantees: Right to life, protection against seizure of property without compensation, protection against unjust imprisonment, and deportation, etc.

Within the Soviet Union a somewhat different view of commutative justice prevails. To render to each his due means primarily that the ends of the dictatorship of the proletariat (currently: building socialism) must be served. A striking example of Soviet commutative justice occurred in the famous law of December 1 (1934). Occasioned by the murder of Stalin's friend Kirov, and prompted by Stalin's pathological fears for his own life, this law provided that (1) the parties accused in these criminal proceedings could not participate when the case was heard; (2) any appeal and pardon after sentence was impossible; (3) the sentence was to be carried out immediately. (The man who won fame as the public prosecutor in the showcase, purge trials under this law was Andrei Vichinski.)

Parenthetically we should mention the famous book, "Darkness at Noon," a brilliant psychological insight into the nature of Communist criminal justice, and the psychological problem of innocence becoming guilt in the service of the party.

Another such instance of Soviet justice: Khrushchev's famous speech on February 24, 1956. In the course of this speech, Khrushchev mentioned the doctor's plot in which certain Jewish doctors were charged with having killed Zhdanov and Sheherbakov. When these charges were made, Stalin curtly told one official that if he did not obtain confession from the doctors, "We will shorten you by a head."

"When Stalin said that one or another should be arrested, it was necessary to accept on faith that he was an enemy of the people. And how is it possible that a person confesses to crimes which he has not committed? Only in one way—because of application of physical methods of pressuring him, torture, bringing him to a state of unconsciousness, deprivation of his judgment, taking away of his human dignity. In this manner were confessions acquired." (Thus spake Khrushchev.)

The second aspect of justice, called distributive, regulates the distribution of the benefits and burdens in society according to needs and merits. In the U.S.S.R., the class system may be broken down as follows:

	Percent of population	*Percent of national income*
Class A:		
Top officials	.02	-----
Government employees	.12	10–35
Class B: Laboring class	24	33
Class C: Peasants	53	29
Class D: Forced labor	10	2.5

Legal justice binds the individual citizen to render to society what is due to it and finds expressions and implementation in codified statutes and regulations which spell out the citizen's obligations. In 1935 Stalin promulgated the Soviet Constitution, primarily as a propaganda effort. Chapter 10 of this document outlines the rights and duties of every Soviet citizen; e.g.: the right to work (this had a special propaganda effect during the depression when willing men could not find employment); the right to maintenance in old age; to maintenance during sickness and disability; women are granted equal rights; state aid to large families and unmarried mothers; freedom of religion and freedom of antireligious propaganda; freedom of speech, press, assembly; freedom or organization for union, cultural or athletic activities, etc. (The exercise of these rights is usually permitted only with party sanction.)

In paragraph 133 of chapter 10, all citizens are exhorted to stand in defense of the motherland. Trotsky castigated this greater Russian chauvinism but Stalinism meant building socialism in one country and that program could not be undertaken without reliance upon nationalistic feeling.

Regarding three ethical problems: euthanasia, abortion, and sterilization, this much can be said. Euthanasia has not found favor in the Soviet Union, although there is no intrinsic reason why it shouldn't. Stalin did use the old and weak as front line troops when the Germans attacked, so as to keep the best in reserve. This type of patriotic euthanasia met approval as an expedient. Regarding abortion: immediately following the revolution it was quite simple to obtain legal abortions in Russia. However, the declining birth rate frightened the Soviet planners, and today abortion may be permitted only for therapeutic reasons and in highly controlled situations. Sterilization has never been approved in principle, and eugenic sterilization was bitterly opposed by Stalin due to certain political implications which we shall discuss later under the title of Lysenkoism.

The virtues connected with justice are legion. The most important of them for purposes of our discussion is truthfulness.

When you speak of truthfulness among members of the party, you must distinguish carefully between their attitude toward their own people and toward outsiders. Party superiors, of course, have everything to deceive inferior members as the need may arise. For example, in this country, one Communist was ordered to go to Ohio to organize an underground in that State. When he arrived he was taken to a private home, beaten with hoses, slightly carved up and expelled from the party. The fact that he was skillfully deceived into falling into this trap, is merely a logical application of the fact that his superiors had the right to deceive him as the need should arise.

However, when an inferior is reporting to someone higher up in the party echelons, the report must be strictly documented and there is no margin allowed for human error. Toward people outside the party, Lenin had a dictum: Communists will use every lie, trick, and deceit. (Obviously, anyone in a conspiratorial party must conceal motives.)

In this country we must distinguish three classes of Communists: (1) the official party members (most of the higher officials have been in and out of the courts constantly for the past few years); (2) the underground party, i.e., the members of the official party who are in hiding because of political or other reasons; (3) the group actively engaged in espionage.

The Communist Party in the United States (or in any other democracy) attracts sympathy, financial support and achieves ultimate objectives in a variety of ways:

Mass agitation: When some public event hits the headlines, especially a lynching or spy trial, the party rushes to the assistance of the underdog. Many a persecuted person has found it hard to shake off Communist assistance. This type of agitation follows four, more or less classical stages: arrest; trial; appeal; clemency: (1) During the time of arrest the party members insist that the arrest was illegal; that the magistrate had no jurisdiction to issue warrants, etc.; (2) during the trial: the jury is picked; the evidence is false; impartiality is impossible; (3) the appeals stage arises if the jury trial goes against the accused; (4) the clemency stage: necessary when every other approach has failed. In the recent Rosenburg case you will recall that mass meetings in Madison Square Garden and other places were held; there were regular rallies for clemency; the White House was picketed, etc. In brief, mass agitation means that the party exploits a public event and attempts to use the sincere and honest beliefs of people for its own purposes.

Infiltration: The purpose of this activity is to obtain key posts, especially in labor unions, so that the union may be diverted into accomplishing the party's purposes. The party readily bypasses honorific posts in a union (e.g., the presidency, and some vice presidential positions) to seek the "key" or controlling posts, such as secretary-treasurer. Frequently, the real day-to-day control may best be exercised through properly selected and placed bureaucrats.

Parliamentary procedure has always been a prime weapon of the party in its drive to control unions. Through parliamentary devices meetings are prolonged, etc., until the requisite type of majority is present, i.e., the opposition has gone home because it is worn out and has to go to work in the morning. Another famous tactic for dominating public meetings is the diamond formation. With the proper placing of 4 or 5 people a large group can be quite effectively controlled: If you have 300 in a hall, put 2 people down in front near the speaker. One of these men must be an expert heckler, who will make his presence felt whenever someone in the opposition is trying to get an idea across. Another member will be seated close to him; midway back in the hall we place one member on each side; finally, the fifth member is placed in the rear. The purpose

of this spread formation which takes the form of a diamond: When a question comes up for debate, one of our spotted performers enunciates the party line; then, someone in the rear stands up and agrees with the person up front; next someone on the side chimes in his agreement; then someone from the other side. The impression created on the whole group is that everyone is in agreement on this particular proposition. Thus, 5 men can convince 300 that all are thinking and speaking alike.

Another very important tactic is the famous united front: to win sympathy, members, and especially to control political assemblies. The united front proceeds upon the realization that the party alone lacks the ballot box strength to control parliamentary assemblies in the Western democracies, and must rely upon a partial fusion with other radical groups. In France and Italy since the war, consummate skill has toppled government after government by the device of the united front. Prior to World War II this device was eminently successful here: For example, in 1940 the American Peace Mobilization Movement stumped the grassroots for peace. But in 1941, the same organization came out strongly against fascism and became the American Peoples' Mobilization. After the war, of course, the general trend has been a united front for peace.

The front organization exists to create pressure on Congress or State legislatures through respectable people. For example, a committee on the recession and/or unemployment will suddenly spring up in New York, or Spokane, or Seattle. Various members of the clergy, doctors, professors, etc., will be requested to join. When prominent people can be found who will lend their names to the accomplishment of this public service (and have usually forgotten about it), their names will later appear on the masthead of the committee's stationery. Without warning the new organization will shift from recession or unemployment to personal liberty (e.g., no loyalty oaths); ban bomb tests; peace, etc. Congressmen find themselves deluged with letters carrying prominent names on the mastheads—all the letters aimed at achieving the party's objectives. And the real problem is that reasonable men can differ over the program which our country should adopt; and in their disagreement find that they may agree with the Communist Party upon one point or another, e.g., on the desirability of ceasing bomb tests, etc.

Any party member must be ready to shift from violence to legal methods as the need arises. For example, in France after World War II Moscow kept two strings on its bow by supporting almost two distinct Communist parties so that the violent wing could be repudiated when and if the need arose. The quiet wing was led by Thorez and Duclos, conducting the peace crusades. The violent wing was in charge of Marty (an inspector general in the international brigade during the Spanish civil war) and Tillon (a famous leader of the French underground in World War II). The violent wing conducted the party's violent protest; e.g., the Ridgeway riots.

Before concluding this general topic of truthfulness (and/or duplicity), it's good to recall that the party decries certain vices in its members. The loss of popular support by using too much deception ranks high on this list of vices. Again, being used by another group is one of the worst things a party cell or division can have happen to it. Finally, there is philistinism: the hesitance or refusal to use illegal methods.

On the international plane, truth between states means that treaties bind only so long as they are useful to the U.S.S.R. ("Pacta sunt servanda," cried Vishinski one day, to the complete consternation of the United Nations Assembly.)

Regarding science in the U.S.S.R.: One incident in the field of science before sputnik gave the Western World—especially the Americans—a very bad misconception of the true nature of Soviet science. This unfortunate incident was the battle about Micuhurinism or Lysenkoism. The dogma involved was whether environment determines everything. Stalin settled the controversy by repealing Mendel's laws of genetic inheritance. The problem: The doctrine of biological inheritance had political implications under Stalin's attempt to build socialism in one country. The U.S.S.R. is a conglomeration of many languages, nationalities, and cultures. Now, if we were to wait until natural biological inheritance broke down all these barriers, it would be generations before the capitalist world confronted a united Russia. Stalin could not afford to wait. Consequently, he had to defend the theory that what creates a nation or a nationality or a culture is the environment. Where one lives determines everything.

Logical consistency on Stalin's part required the repudiation of certain established biological principles of inheritance. The fact that Lysenko falsified evidence to bolster the new look in genetics gave the whole Soviet science a bad name and perhaps allowed the West to lower its guard a bit until sputnik. Incidentally, Lysenko himself was recently downgraded by Khrushchev because Lysenko had conducted several false agricultural experiments. What seems to have happened is that after Stalin's death and Khrushchev's triumph, Lysenko conducted unproductive agricultural experiments in connection with Khrushchev's opening of the virgin lands in the eastern U.S.S.R.

In short order now, we will attempt to dwell upon the remaining major categories of the moral virtues: prudence, temperance, fortitude.

Prudence, the correct way of acting, combines many laudable character traits for the prudent Marxist: (1) Remembrance, a solid knowledge of the past so that the same mistakes will not be repeated; (2) understanding, a clear grasp of current situations in the party, as elsewhere, there is no substitute for clear thinking; (3); sagacity, a promptness in making decisions; (4) foresight, meaning a world view which excludes Pyrrhic victories; (5) circumspection, doing the right thing at the right time; (6) suspicion, never trust anyone; and (7) avoid expedients.

The contrary vices more or less parallel the virtues: (1) Ignorance of the past and lack of experience; (2) indeterminate view and excessive caution; (3) adventurism, undertaking political or military activity with insufficient forces; (4) trusting others too much; (5) making temporary solutions, etc.

Our next general topic, temperance, in the scholastic system regulates the sense pleasures in accord with right reason. The Marxists, in their own way, regard abstinence in food and drink as virtues absolutely necessary to carry on revolutionary activity. The party jargon denoting excesses in food, drink, or sex, "bourgeoise or capitalist decadence injurious to the class struggle."

Lenin once remarked that in the classless society sex would be taken like a "glass of water" (i.e., when needed). In the first glorious days of the 1917 revolution excesses were inevitable, but for 20 years or more the party has emphasized family togetherness and monogamy. In this country a somewhat different attitude prevailed—prompted by the exigencies of the situation: Party members have been ordered to marry promising immigrants in this country so that the immigrants could legally remain here and work for the party without having to bother with or wait for naturalization proceedings. In other instances, the party has ordered the breakup of marriages when a particular union was thought to endanger the interests of the party. And in the good old days of the depression, free love was unblushingly used to attract young men to the party.

Other vices opposed to temperance are: sentimental attachment to revolution: compassion, pity or mercy. And under this general heading of temperance, the real habit which the party seeks to instill into its members is what we call insensibility: a self-control which is callously indifferent to the sufferings of others. The party lacks room for sentiment or moral feeling. We speak of the defeminization of women in Communist society because we expect women to be more (I don't like the word sentimental) but let's say attentive to the needs of others. Perhaps it could be more accurate to say that women are more compassionate than men (in the pristine meaning of that word).

Incidentally, insensibility should not be confused with the psychological tricks used by both Stalin and Hitler, to get children to turn against those whom they should love (parents, etc.) and testify against them. Both Nazis and Communists rely upon the psychological factors of adolescence to achieve this purpose. The teenager, as you know, struggles to win acceptance by adult society. The adolescent resents a patronizing attitude displayed by older people and acutely feels the "status deprivation" which is necessary while waiting to mature into the responsibilities of adult society. Consequently, the adolescent or teenager creates a tyrannical subsociety, united in its opposition to adult rejection. By pretending to destroy what adult society holds sacred these teenagers seek emancipation by borrowing adult compensations: drink; smoke, late hours; full sexual gratification, etc. The moral here is that young people are generous idealists who rebel against the tyranny of established order. Consequently, shrewd dictators ride to power on these waves of teenage frustration and, once in power, skillfully exploit this idealism and frustration by utilizing it to eliminate possible opponents.

Examples will best demonstrate the true meaning of Marxist insensibility: During the period from 1934 to 1939 Stalin ordered the liquidation of between seven and fourteen million people. Khrushchev, himself, has plenty of blood upon his hands; in the 1920's Khrushchev was one of the men primarily responsible for the liquidation of the Kulaks. In 1938, at Kiev, he personally supervised the death sentences passed upon three thousand party members—not to mention others.

Of course, for sheer numbers, China is worse. By 1956 the official Chinese reports were that the revolution and the stabilization of communism had required the death of over 20 million people, and that another 23 million had been condemned into forced labor. The Communists justified this slaughter by the slogan "It is impossible to build socialism with clean hands."

The two men who seem to best embody the party's attitude regarding insensibility are Liu Shao chi, chairman of the Chinese People's Republic (No. 2 man in Red China) and Gen. Lo Jui-ching, the bloody-minded former boss of the secret police and present army chief of staff. The latter coined the phrase "boundless magnanimity" to condemn those who manifested some remnant sparks of decency and humanity when dealing with prisoners. Under their direction the communes, or human anthills, have developed a fantastic refinement of human cruelty. In a commune all notion of personal life and freedom of choice have vanished. Communal mess halls provide rice; communal kitchens, nurseries, and mending brigades relieve wives of household work; departed comrades are dipped into chemical

treated pools and converted into fertilizer. This is cradle-to-grave security with a vengeance.

In the scholastic system, fortitude moderates the soul in facing difficulties and dangers, especially the danger of death. Under this heading, incessant activity and effort are required of the party member, at all times. (We can leave to others the psychological implications of the need for unremitting effort.) Moreover, the true Communist must stand apart from the masses—somewhat akin to Aristotle's magnanimous man—lest too close association with the mob serve to mislead or contaminate. Each party member must exercise patience in the smallest details; be constantly ready to retreat (one step forward, two steps back); and never tire of stirring up worn areas of conflict and tension.

Opposed to Marxist temperance are (1) complacency in success; (2) relying on words and slogans while failing to carry revolutionary activity through to its logical consequence (blood); (3) brooding over insults; (4) listening to the opposition; and (5) refusing to change or relax futile efforts.

So we conclude our analysis of Marxist justice, prudence, temperance, and fortitude. When discussing Marxist morality, we would present a distorted picture if we failed to single out certain specifically Russian characteristics which have strongly influenced the formation of these Communist value judgments.

The first fact about Russia is a geopolitical factor. You are acquainted with MacKinder's concept of the vast heartland bordered by the Volga, the Yangtze, the Himalayas, and the Arctic—a land untouched by Mahan's cherished seapower. The heartland of Russia, of course, revolves around Moscow, and, somewhat according to the theory of Friedrich Ratzel, the Russian state always has been expanding geographically and would seem to be a living organism which must grow or die.

Moreover, Russians regard themselves as embodying a historic mission as saviors of the world. The origins of this deeply rooted messianic complex are far too complicated to explain now—they partially relate to the Caesaro-papism of the early Church and the concept of Moscow as the Third Rome. However, do not confuse this deeply rooted Russian messianic complex with the dynamic world view of communism because dialectical materialism has its own built-in messianic implications.

Under the Czars, the Russian people were deliberately isolated from foreign contact so that foreign values and views were regarded intolerantly. This practice has been continued by the Stalinists, and is of extreme importance for an understanding of the Russians. Xenophobia seems to permeate the Russian character. Another factor: under both the Czars and the Communists, secretiveness and duplicity in diplomacy have been long suits of the Russians.

Due in great part to Russia's topography, particularly the absence of natural barriers between the Urals in the East and the Carpathian Mountains in the West, the history of Russia has been a history of war. Consequently, "peace" for Russians has come to signify a provisional armistice, because war is the normal relation betwen nations and peoples.

Upon this abrupt and dissonant note we conclude. What began as a respectful scholarly inquiry into the life and teachings of the genius of Karl Marx, has inevitably led us to make certain somewhat superficial comments about our foremost religious and political foes. Since the death of General Patton, the last noble knight of battle, the way men make war no longer looks grand and catches at the throat, as if some great value beyond values were incomprehensively mixed in it at all. Today is our Palm Sunday; we may not live to see Easter. American Catholics are burdened with dialectical swords: "the solicitude for all the churches" and the resolve that the Government "of the people, by the people, and for the people shall not perish from the earth."

THE DIVIDEND CREDIT AMENDMENT TO THE TAX BILL

Mr. JOHNSON of Texas. Mr. President, after voting last Monday on sending to conference the 4-percent dividend credit amendment, I was told there were statements made, including one in the Wall Street Journal, which were derogatory to the junior Senator from Delaware [Mr. FREAR] and to me.

I did not demand that the junior Senator from Delaware change his vote. I made a plea, suggesting that we send the dividend credit amendment of the Senator from Minnesota [Mr. MCCARTHY] to conference, in order that the full legislative processes of the Senate could be utilized by having the amendment go to conference. The amendment went to conference. It was fully discussed.

We have acted on the conference report, and I think the Senate has acted wisely in adopting it.

I state emphatically there was no demand made upon any Senator as stated by the press.

AMERICAN TEXTILE INDUSTRY

Mr. TALMADGE. Mr. President, it is a lamentable day in the history of our Nation when an agency of the U.S. Government gives more consideration to a foreign industry than it does to one in our own country. But that is what happened yesterday when the U.S. Tariff Commission refused to invoke the safeguards of section 22 of the Agricultural Adjustment Act to protect the American textile industry, American textile workers and American cotton farmers from the economic ravages of the swelling flood of cheap foreign textiles which is swamping American markets.

In denying the desperately sought relief, the Commission majority embraced the policy of the Department of State and the Eisenhower Administration that the American textile industry is expendable in the international game of attempting to buy allies. In effect, the Commission by its decision sustained a national trade policy of forcing American cotton producers and processors to compete with industries abroad which operate under conditions which would be illegal in this country and which enjoy a further advantage of being able to purchase subsidized American cotton at a price 25 percent under that prevailing in this country.

Two of the six members of the Commission—Commissioners Glenn W. Sutton and Walter R. Schreiber—did recognize the worsening plight of the American textile industry and the country's growers of cotton. In an eloquent and penetrating dissent, they clearly and emphatically summarized the problem with which Congress, as industry's court of last resort, sooner or later is going to have to come to grips if our industrial economy is to be sustained and our standard of living to be preserved.

I ask unanimous consent, Mr. President, that the text of the Sutton-Schreiber minority views be printed herewith in the body of the RECORD, and I urge every Member of the Senate to give careful consideration to the grave problem which it outlines. I hope the 1st Session of the 87th Congress convening next January will act to solve it, and I pledge my full efforts toward that end.

There being no objection, the minority views were ordered to be printed in the RECORD, as follows:

STATEMENT AND FINDINGS OF COMMISSIONERS SCHREIBER AND SUTTON

We the undersigned, Commissioners Schreiber and Sutton, dissent from the findings of the majority of the Commission. We find that articles containing cotton are being imported into the United States under such conditions and in such quantities as to render or tend to render ineffective and to materially interfere with the programs for cotton and cotton products undertaken by the U.S. Department of Agriculture, including the export programs therefor; and that to prevent imports of articles containing cotton from rendering or tending to render ineffective and materially interfering with the said programs, it is necessary that a fee, as hereinafter recommended, be imposed, under section 22 of the Agricultural Adjustment Act, as amended, on dutiable articles wholly or in chief value of cotton.

In view of the foregoing findings, we recommend that a fee of 9 cents per pound but not less than 25 percent ad valorem or more than 50 percent ad valorem be imposed (in addition to existing duties) on all dutiable articles wholly or in chief value of cotton, which are entered, or withdrawn from warehouse, for consumption, on and after August 1, 1960.

The considerations which support our particular findings and recommendations are set forth below.

(1) The basic predicament now confronting the Department of Agriculture in administering the programs currently in effect on cotton stems, as we see it, from the failure to integrate national policy on imports of textiles and other cotton products with the broad objectives of the statutory agricultural program on cotton. On the one hand, for example, the Department of Agriculture is making major efforts to remove cotton from the domestic supply by encouraging maximum domestic consumption and by subsidizing exports. But these efforts, on the other hand, are being significantly nullified by the already large and continuously growing volume of imports of cotton products—imports which operate to decrease the quantity of cotton consumed domestically and which add to the pile of unused domestic cotton that must be dealt with under the export programs. Such contrary and schizophrenic economic consequences cannot be permitted to continue—that is, they should not continue unless we are ready to consign the domestic cotton programs to the limbo. But on this point Congress has left no doubt: It has provided for mandatory cotton programs that are to be protected against offending imports.

(2) Although the export subsidy programs have been primary topics in this investigation, the consideration in vacuo of individual programs that are in reality segments of the total extensive national program on cotton is not a rational procedure. This is because all of the individual programs—or segments—are interrelated, interdependent, and operate together to attain major objectives. Hence, the individual programs cannot be viewed as mutually exclusive with regard to either economic influences or purposes.

In broad perspective both the total cotton program and congressional policy call for an expanding domestic cotton agriculture with an increasing offtake of cotton in both domestic and export markets. To this end Congress has provided for marketing quotas and acreage allotments, for decreasing minimum annual price supports through 1962 to encourage larger domestic consumption, and for export and other aids. Clearly, developments which limit or thwart the increased disposition of American cotton constitute interference with objectives of the total cotton program to which the various individual programs are oriented.

(3) The recent zooming of U.S. imports of cotton articles to record levels has been, of itself, a disrupting influence in the domestic cotton market. Following gradual increases in imports in the early fifties, a startling acceleration took place after 1954 in the volume of annual imports, which more than doubled over the next 2 years. By 1959 entries were more than threefold the 1954 level and also represented a 50-percent increase over 1958. It is hardly surprising that the rapidly increasing imports have not been regarded as a blessing by the administrators of the cotton programs.

Information submitted at the hearing (exhibit 5, charts 4, 5, and 6, and tables 4 and 5) indicates that Japan, the largest supplier of foreign cotton articles in recent years, was not responsible for the recent spectacular increase in imports. Imports from Japan, though high, have not increased significantly under the Japanese export quota in effect since 1957. Five other Asian countries—India, Pakistan, Korea, Hong Kong, and Formosa—have been mainly responsible for the most recent bulge in entries. In the fourth quarter of 1959, for example, U.S. imports of cotton cloth from these five sources greatly exceeded cotton cloth imports from Japan.

The newer sources of U.S. imports are basically large-labor-supply and low-wage countries and they have a further big advantage over U.S. textile manufacturers in the cost of raw cotton. Planned industrial development programs have also provided them with modern and expanding textile industries. We see no surcease from continuous and more intensified efforts by these countries to materially increase their exports of cotton articles to the United States. We also believe it is inevitable that these efforts will be highly successful unless imports are further restricted as we recommend.

(4) Rapid acceleration, however, is not the only headache with regard to imports of cotton articles. A second aggravation is that the imports are now large in volume; in 1959 they were equivalent to the entry of 350,400 bales of raw cotton. The rise in imports from 1958 to 1959 alone represented the added entry in a single year of 116,800 bales in terms of cotton equivalent.

Although these figures may not appear large in relation to total domestic cotton production and consumption, they are of most respectable proportions indeed. The cotton equivalent of the 1959 imports, for example, is larger than, or approximately equal to, cotton production in each of the States of North Carolina, Missouri, Oklahoma, and New Mexico—all of which are regarded as important cotton producers. The import figures are also large in terms of functions performed under the individual cotton programs, such as under the export subsidy program on cotton products. Calculated at the average spot price for Upland cotton,[1] the value of the cotton equivalent of the 1959 imports of cotton articles comes to $55,923,840. This amount is hardly so picayune—even from the standpoint of the National Treasury—that it can be passed over lightly or easily collapsed with words. Manifestly, the market loss to domestic cotton farmers by virtue of the large imports of cotton articles is of a magnitude that they can ill afford.

(5) Foreign cotton articles that enter the United States do not conveniently evaporate out of the economy. They are, of course, sold to customers who buy them in lieu of articles that would otherwise be furnished by domestic textile mills utilizing domestic cotton. Hence, every sale of an imported cotton article reduces the domestic mill consumption of U.S. cotton, damages the market for the cotton farmer, and interferes with the objective of expanding the off-take of U.S. cotton under the national cotton program. That the displacement of domestic cotton taking place as a result of cotton product imports is of major magnitude is clear from our foregoing statements regarding the volume of such imports. On this basis alone the imports of cotton articles materially interfere with the agricultural program on cotton.

It is also obvious that the imports of cotton articles materially interfere with the export subsidy programs on cotton and cotton products. To the extent that these programs are now faced with larger surplus disposal problems because domestic cotton consumption is reduced as a result of imports of cotton products, the burdens thrust upon the export programs, and the expenses of handling them, are accordingly increased. Furthermore, when cotton is imported in any form, subsidy payments made to encourage the export of an equivalent amount of cotton are nullified and represent a waste of public funds. Hence, the cotton product imports tend to render ineffective the agricultural programs involving export subsidies.

(6) The need to recapture the market now lost to domestic cotton by virtue of imports of cotton articles is made more urgent by the shrinking export market for U.S. cotton products. Since progressively less domestic cotton is being used to manufacture domestically-produced cotton articles for export, an offsetting increase in domestic cotton use must be found if the overall consumption objectives of the cotton program are to be met.

Over the past decade, U.S. exports of cotton articles have been nearly halved. In the late forties, on a cotton equivalent basis, annual exports were in the range of 800,000 to 950,000 bales. By 1955 exports had declined to 547,500 bales, and in 1959 they were only 491,800 bales.

The most important cause of the decline in exports of domestic cotton articles has been the establishment and rapid growth of textile industries in foreign countries, many of which did not previously produce cotton goods for export, or which had been, in fact, traditionally net importers. Of particular importance in this connection is the large output now spewing forth in the five Asian countries previously mentioned, and which presses for outlets in world markets, including the U.S. market. These low-wage and low-raw-material-cost producers have major advantages over domestic manufacturers even in the U.S. market as shown by the growth of U.S. imports. Little wonder that U.S. manufacturers have growing difficulties in meeting such competition in world markets.

(7) It is a specious and unwarranted allegation that imported cotton articles are unique products with a special market, and, therefore, that the restriction of such imports would not be accompanied by increased consumption of domestic cotton articles. Proponents of this view suggest that Americans would pout if supplies of imported cotton articles are reduced, and that they would go on a buyers' strike rather than meet their needs with purchases of domestically produced articles.

The facts are that imported cotton articles are generally identical in style, use and quality with domestically manufactured articles, and they move in the regular channels of trade and in direct competition with domestic products. Surely a shirt is a shirt, a blouse is a blouse, sheeting is sheeting, toweling is toweling, and gingham is gingham regardless of where these articles are produced, and both foreign and domestic plants now supply such articles in the U.S. market. It would hardly be consistent with the well-known consumption patterns of the American people to believe that they would simply do without in event imported cotton articles become less readily available.

(8) It is also a spurious contention that the restriction of imports of cotton articles would be substantially detrimental to exports of domestic cotton, since foreign users of U.S. cotton who export cotton articles to the United States would retaliate by instituting measures that would discourage the use of U.S. cotton. Such a position ignores certain important facts. It overlooks, for example, that many major foreign users of U.S. cotton are not important suppliers of cotton articles to the U.S. market. It also fails to recognize that certain important suppliers of U.S. imports of cotton articles have not been, and are not likely to be, significant markets for U.S. cotton. The major error in this position, however, is that it obfuscates the realities of international trade. Such trade between two nations is something more than a vendetta, usually covers a variety of products, and actions are usually determined by germane economic considerations. Since retaliatory action hindering the use of U.S. cotton could have no economic value for a foreign country supplying U.S. imports of cotton articles, and since such action might even impair other important aspects of trade with the United States, it would be most unlikely that foreign countries would even seriously consider invoking retaliatory measures.

(9) The remedy we recommend conforms in part with the views of the Department of Agriculture, which requested that a fee, equivalent to the per pound export-subsidy rate on raw cotton, be applied on cotton used in the manufacture of imported articles. At the time of the hearing, when the Department's recommendation was put forth, the export-subsidy rate was 8 cents per pound. Subsequently, the Department announced that under the export program for 1960–61, the subsidy rate would be reduced to 6 cents per pound, effective August 1, 1960.[2]

The application of a fee per pound of cotton used in the manufacture of imported articles would require the accurate determination of cotton used in the production of many kinds of articles imported, and possibly in the manufacture of individual importations since manufacturing losses vary among foreign plants as they do in the United States. These losses are generally quite small for cotton articles carried only through the early stages of processing, but are more significant for fine fabrics and end products where cutting and trimming wastes add to losses in spinning and weaving. It would simplify administration, we feel, to apply a per pound fee on all imports that are wholly or in chief value of cotton as we recommend, and to include in said fee an allowance for cotton losses in manufacture generally.

[1] Calculated at 33.25 cents per pound, the 1959 average monthly price for Middling 1-inch upland cotton in the U.S. 14 spot markets.

[2] Department of Agriculture Announcement CN–EX–9; 25 F.R. 3309, Apr. 16, 1960.

(10) An important consideration in determining the total remedy appropriate in this instance, however, is that a flat fee derived on the basis of the export-subsidy rate would not, of itself, be an adequate deterrent to a large segment of the offending imports. Such a fee would serve to prevent the displacement of American cotton by cotton imports to a limited extent, but to a limited extent only. This is because the fee would be effective in restricting imports of only those products in which the labor content is low in relation to raw cotton costs. With regard to end products and finer fabrics where labor costs are relatively high in relation to raw material cost, the fee would be largely ineffective as a deterrent. On imports of long-sleeved blouses, for example, which weigh about half a pound per blouse, the fee we recommend would mean only 4.5 cents per blouse and would have virtually no restrictive effect. Since end products, apparel items and fine goods constitute a large and rapidly expanding part of U.S. imports of cotton articles, it is necessary to supplement the fee with other measures to adequately deter imports. To this end we recommend the application of an ad valorem duty on imports that would not be adequately restricted by the fee alone.

Respectfully submitted.

WALTER R. SCHREIBER,
Commissioner.
GLENN W. SUTTON,
Commissioner.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. TALMADGE. I am delighted to yield to my friend from South Carolina.

Mr. THURMOND. I commend the able and distinguished Senator from Georgia for bringing this subject to the attention of the Senate. Since the decision of the U.S. Tariff Commission was rendered I have been disturbed. I am pleased that the minority views are being placed in the RECORD so that all Senators may read them. It is my sincere hope that Senators will do so.

I call to the attention of the Senate this point particularly. There is a Textile Subcommittee of the Interstate and Foreign Commerce Committee, which was appointed by the able and distinguished chairman of that committee, the Senator from Washington [Mr. MAGNUSON]. The Textile Subcommittee held long hearings in 1958 and went carefully into the textile situation.

At the hearings the fact that textiles are classified by the Defense Department as second only to steel, was brought out. That fact shows the importance of textiles to the Nation in the event of an emergency.

Furthermore, there was brought out at the hearings the great activity in connection with foreign manufactured imports that are brought into this country from low-wage countries, which are competing with our own people. The seriousness of the situation is reflected in the fact that from 1946 to 1957, 717 mill liquidations have been reported. This fact was brought out during the investigation. From 1947 to 1957, 325,000 employees lost their jobs because of the competition of foreign manufactured goods coming into this country. Not only are manufactured goods now coming in, but the thread from which cloth is manufactured is coming in, and we are becoming extremely disturbed about the situation.

I am much pleased that the distinguished Senator from Georgia has brought this subject to the attention of the Senate.

Mr. TALMADGE. I thank my able and distinguished friend who hails from one of the great textile States of our Union. As a member of the subcommittee which investigated this situation, the Senator from South Carolina [Mr. THURMOND] did an outstanding job in that area. I commend him for his efforts to preserve a great industry which is in danger of being liquidated by the policies of our Government.

Mr. President, I ask unanimous consent that I may yield to other Senators who are standing in order that they may address themselves to this question.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. TALMADGE. I yield now to the able Senator from North Carolina, who rose first, I believe.

Mr. ERVIN. Mr. President, I wish to commend the junior Senator from Georgia and to associate myself with his remarks. If the State Department were as successful in its other endeavors as it is in its attempt to liquidate American industries and to export the jobs of Americans, the world would be in a much better condition than it is today. The situation would not be so precarious. If the State Department would spend more of its time trying to promote the peace of the world and less of its time in the liquidation of American industries, this Nation would be in far better condition today and so would the world.

Mr. TALMADGE. I thank the able Senator, and I concur fully with the views he has expressed.

I believe the able Senator from South Carolina was next on his feet. When he has finished, I will yield to the able junior Senator from North Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, I am very much pleased that the junior Senator from Georgia [Mr. TALMADGE] has brought this matter to our attention. We all know what is happening to industry throughout America. I am mostly interested in the fact that continued action of the kind described by the able Senator from Georgia will result in many people in the United States being thrown out of employment. A few weeks ago Steel magazine reported that many thousands of workers were being thrown out of employment. I am familiar with what such action as that described is doing in the textile and plywood industries of the United States.

If we continue on the road on which we are now traveling, looking after industries in other countries and not looking after the industries in America, we in this country shall be doomed on the road to progress.

I commend the Senator from Georgia for bringing this subject to our attention, and I hope that not only Senators but all citizens will examine every treaty and every action of the State Department. The State Department is urging treaties looking to the interests of other countries rather than the interests of the United States in every instance. If we do not stop that procedure, we shall be doomed.

Mr. TALMADGE. I thank the distinguished and able senior Senator from South Carolina for his contribution. I fully agree with him. It is incredible that an agency of our Government could take more interest in creating new jobs overseas than in protecting the jobs of the American citizens and taxpayers here at home.

I now yield to the able and distinguished junior Senator from North Carolina, who has long been interested in this subject.

Mr. JORDAN. I thank the Senator. I wish to associate myself with the remarks of the Senator from Georgia. Last week I had the situation brought to my attention as it deals with cotton yarn. Cotton yarn imports into the United States have increased since 1948. A proposal was made on the floor of the Senate to establish a body to investigate the situation and to find out if it is doing any harm. Within a half day I had all the figures that anyone would need. I found that since 1958 the imports of cotton yarn alone—not fabrics or the finished products, or anything else—have jumped from less than a million pounds a year to 16 million.

Mr. TALMADGE. That is a 1600 percent increase.

Mr. JORDAN. Yes. Most of the increase has occurred in the last few months. If the increase goes on at the rate is has been going on—and it will be, because there is no tariff restriction and there are no curbs on it whatever—there will be no textile mills operating in the United States in a few years.

As I have said previously on the floor of the Senate, we are going to do untold damage to our friendships abroad, or whatever friendship we have left in the world, when we put up money to extend production abroad and then pass restrictions, which we are going to do. With respect to that, the adopting of restrictions, I shall associate myself in January with the Senator from Georgia to place some curbs on the State Department in this respect. I pledge to the Senator from Georgia [Mr. TALMADGE] my support in January, to help him and anyone else in the promotion of legislation which will require the State Department to pay some attention to American industry.

This has reference not only to cotton goods, but also to other goods. The carpet industry, which did not exist in Japan 3 years ago, is bringing in 25 percent of all the carpets used in the Nation. It was not in existence in Japan 3 years ago. In Japan now they have the broadest looms in the world for the looming of broadloom carpets. That industry was brought into being in the last 3 years because there are no tariffs to speak of and no limitation whatever on imports. Last year 52 percent of all the woolen goods consumed in the United States were produced abroad. As the Senator knows, woolen mills have shut down all over the United States.

Mr. TALMADGE. The Senator is absolutely correct.

Mr. JORDAN. Very soon we will not have any textile industry left in the United States. I pledge to the Senator from Georgia and to the people of the United States that I will support any legislation to force the Tariff Commission to make recommendations that they should make, and with respect to which the State Department makes them do something that they should not be doing.

Mr. TALMADGE. I thank the Senator. He speaks with more knowledge of this subject than any other Member of our party. He has always been diligent in his efforts to protect the interests of American workers and American investors.

He is fully cognizant of the fact that foreign textile products can now be put on the market at any point in America at prices which cannot be matched by our domestic industry. That is true because wages in foreign countries are in many cases only 10 percent or less of the wages in this country. Furthermore, foreign textile manufacturers can buy American cotton 25 percent cheaper than American mills can buy it in North Carolina, Georgia, or anywhere else in this country. I now yield to the able and distinguished Senator from Alaska.

Mr. GRUENING. Mr. President, I should like to ask my friend, the able junior Senator from Georgia, whether he knows, whether in addition to the special advantages given foreign textile industries in the way of tariffs and also with respect to the lower wage scales in those countries, they are not also the beneficiaries of foreign aid, through our giving them American taxpayers' dollars, as is being done with many other industries which are being subsidized abroad through our foreign aid program and are now competing ruinously with our own industries?

Mr. TALMADGE. The Senator is entirely correct. I believe it was during my first year as a Member of the Senate, in 1957, that I happened to see a copy of a letter in which an official of the ICA offered loans to persons who would set up textile mills in Indonesia as well as a guarantee against expropriation by the Government of Indonesia.

It is ironic indeed that the Federal Government would be willing to lend money it is borrowing from future generations to finance the building of a textile industry in a foreign country, to guarantee against its expropriation, and to let it ship its products back to the United States, thereby depriving American taxpayers of jobs in this country.

The able and distinguished Senator from Alaska has made many brilliant speeches on this subject. He has pointed out time and time again cases in which American taxpayers are called on to do for foreign countries what our Government is either unwilling or unable to do for our own citizens at home. I commend his magnificent effort in that regard.

Mr. GRUENING. I thank my friend from Georgia. I should like to ask whether from his knowledge of American history he has ever known of an administration which consistently and militantly prefers the interest of people of foreign countries to those of our own country, and that taxes us to create and aggravate that discriminatory situation.

Mr. TALMADGE. I have never heard of it. I should like to add further that, never since the dawn of history, has another government put the interests of other countries above its own. It is incomprehensible to me how such can be the case.

Mr. GRUENING. It is inconceivable, yet it is a fact, and to say that it is the height of folly, is an understatement.

Mr. TALMADGE. It is.

Mr. GRUENING. It is incredible that this policy could have, and has, I regret to say, bipartisan support in Congress.

Mr. TALMADGE. It has certainly amazed me, and I cannot understand it. I now yield to the distinguished Senator from Texas.

Mr. YARBOROUGH. Mr. President, I wish to congratulate the distinguished Senator from Georgia for his contribution to this subject and for his action in so forcefully bringing our attention to it.

Although most of the colloquy has been directed toward the textile industry, I wish to mention the second part of the Senator's remarks, dealing with the cotton industry itself, the raising of cotton. I believe that we ought to establish some kind of economic council. We already have the Joint Economic Council on Business, but I am speaking about an economic council that would study the sources of American wealth. It would be a council that would go back to see what the wealth and prosperity of our country was built on decade after decade and century after century. Of course, such a study would find that it was first built on tobacco, when as far back as 1686 there was one planter in Virginia whose net income from tobacco was 60,000 pounds sterling a year. That is $300,000 net in 1686, when there were no income taxes. Equating that to the present purchasing power, there would be one tobacco farmer with a net income equivalent to $10 million annually, tax free. The wealth of America was built on agriculture.

With the invention of the cotton gin by Whitney, shortly before 1800, cotton took the ascendancy over tobacco, and the greatest source of wealth that we acquired in America came from exporting our goods abroad. Cotton held that position for more than a century.

Then we had other products, manufactured products, and they too brought much money into the country. That was particularly true of oil. With the discovery of oilfields around the Persian Gulf and the great oilfield in Venezuela and the Sahara fields, we are importing quantities of oil, and we are no longer an exporter of oil.

Time after time, in dealing with other countries, we have sacrificed our agricultural interests and have accepted the imports of agricultural products, provided that those whose products we took would take from us something else manufactured from something besides farm products.

We need to study where we are going. We need to study our overall economic policy.

The Senator from Georgia has put his finger on a matter as to which I differ with some Senators. I do not believe the State Department has deliberately sold America down the river simply to help some foreign country. I think there has been a lack of consideration of the source of American wealth and power; there has been a sacrifice of American agricultural interests and some commercial interests. I think we have been giving away our agricultural interests because some other interest wanted to secure something.

We are simply taking the agricultural production of foreign countries and are giving them in return material with which to build mills to produce products which will be imported into the United States. Textiles is an example. If a foreign country will take a certain amount of some American crop, we will make concessions on the importation of oil or minerals or something of that nature.

Considering the matter from the standpoint of foreign countries, they are paying a quid pro quo for the privilege of sending something to the United States.

I ask the Senator from Georgia if it is not true that in all these instances it was the agricultural interests in the United States who got the short end of the stick.

Mr. TALMADGE. All one has to do to answer the Senator's question in the affirmative is to drive through any agricultural area of America today, particularly in the Southeast, where cotton traditionally has been grown. He will see hundreds of abandoned farms and farmhouses. Their occupants and owners have been forced off the farms and have been required to move into the towns and cities to seek a living for themselves and their families.

The acreage of cotton production in the United States has been reduced more than 50 percent in the last few years, and more and more people have been driven off the farms.

While cotton acreage has been restricted in the United States to the point where the average cotton farmer in Georgia now plants less than 5 acres and cannot make a living, cotton acreage has been expanding in the Sudan, Turkey, Brazil, Mexico, Egypt, and every other cotton-producing country in the world.

Mr. YARBOROUGH. We hear much about the number of automobiles which are manufactured each year. The number of automobiles manufactured is used as an index of American prosperity. If a large number of cars is manufactured, it is said that the country is prosperous.

But we overlook the fact that each year the American people use on the farms, in the form of agricultural machinery more steel and steel products than the total amount of steel used for the manufacture of automobiles.

I ask the Senator from Georgia, has not the U.S. Government been negligent and uninformed about the American

economy in basing the index of American prosperity solely on the number of automobiles manufactured, when it has neglected agricultural interests as the prime user of steel in the Nation?

Mr. TALMADGE. The Senator from Texas is entirely correct. I thank the able Senator for his contribution to the discussion.

I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, the Senator from Georgia has focused the attention of this forum upon a most important question, which is of considerable impact on numerous of the industries and workers within the economy of the United States.

It has been my privilege, I say to the diligent Senator from Georgia, to act as chairman of a subcommittee of the Select Committee on Small Business, in recent days, which has been considering the impact of imports on American business.

We have listened to testimony on hardship cases. We have heard witnesses describe distress, but not alone in the area of textiles, to which the able junior Senator from Georgia has called attention very properly and very effectively this afternoon. Numerous witnesses called to our attention the fact that, in regard to our handling of world trade, we find that apparently we have become unrealistic concerning the relationship to our productivity to that of industries within other nations.

In West Virginia, we have the Rolland and Fourco glass companies. They are presided over by a very splendid businessman, Mr. Russell Rice. In Clarksburg, in the central part of our State, these companies employ, in the manufacture of flat glass, approximately 1,000 workers.

It was not a threat that Mr. Rice brought to our people when, at a public meeting within the last month, he indicated that, in all probability, if the meeting of foreign competition cannot be accomplished effectively by the agencies of the Federal Government referred to today, there is absolutely no way in which he and his associates can continue to operate the plant at Clarksburg, W. Va., to which I have referred.

So long as our United States industries were competing only with the so-called cheaper labor in foreign nations, the creativeness and the resourcefulness within our own industrial machine enabled us, in a degree, to adjust to the competitive factors.

Now, very frankly, the know-how has gone into other countries. In Japan, for instance, where the people are adept at copying, the Japanese are able to reproduce or recreate a product or a process which has not yet been patented in the United States. While the patent is pending, the Japanese make a copy of the product or the mechanism and then go into production even before our domestic industry gets underway fully with its manufacture or marketing.

Over and over again, our subcommittee was faced with this challenging information as presented by witnesses who testified.

We know that we cannot shut ourselves off from foreign trade completely. But there has to be realism in our import and export policies and management.

In West Virginia, the pottery and glass industries are, frankly, operating with their backs to the wall. Hundreds of skilled workers have lost or are facing the loss of their jobs. This situation is highlighted by the very able manner in which the forthright Senator from Georgia has brought the textile problem to our attention today.

Residual oil is another example. It is dumped in this country, frequently at fantastic prices, thereby pulling markets away from West Virginia's bituminous coal.

In phase after phase of our economy this foreign competition problem exists.

Mr. TALMADGE. I thank the able Senator from West Virginia for his brilliant contribution to the debate. I am well aware of what he states about West Virginia, because some of the workers in the glass plants to which the Senator has referred visited me more than a year ago and pointed out what was happening. Their jobs were being displaced by imports from foreign countries.

The Senator is entirely correct when he points out that the condition is not limited to one industry alone. We in the United States do not have a monopoly on technical ingenuity and manufacturing talent and know-how. The people of other countries have the same abilities. However, when we are forced to compete with no protection whatever, when our workers and our investments are placed in competition with economies many times lower than our own, when the raw product can be purchased 25 percent cheaper than our own, when our State Department abjectly makes no effort to protect us, then any job in America which is similarly situated can be wiped out immediately.

Mr. President, if no other Senator desires to have me yield, I thank the Chair and the Senate for their generosity and yield the floor.

REGULATION OF INTERSTATE DISTRIBUTION AND SALE OF CERTAIN HAZARDOUS SUBSTANCES INTENDED FOR HOUSEHOLD USE

Mr. MAGNUSON. Mr. President, I ask the Chair to lay before the Senate the amendments of the House of Representatives to S. 1283.

The PRESIDING OFFICER (Mr. LUSK in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1283) to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use, which were, on page 3, line 14, strike out "bulk"; on page 5, line 24, strike out "solids," and insert "solids"; on page 6, line 11, strike out "appearing" and insert "appear"; on page 8, line 25, strike out "third" and insert "fourth"; on page 11, strike out lines 21 and 22 inclusive, and insert:

(g) The manufacture of a misbranded package of a hazardous substance within the District of Columbia or within any territory not organized with a legislative body.

On page 12, line 10, strike out "offense," and insert "offenses,"; on page 13, line 9, after "country" insert ", but if such hazardous substance is sold or offered for sale in domestic commerce, this clause shall not apply"; page 15, line 20, strike out "Territory" and insert "territory"; on page 24, line 9, after "provisions" insert "of the Flammable Fabrics Act, as amended (15 U.S.C. 1191–1200), or any regulations promulgated thereunder; or"; on page 25, line 9, after "Act" insert ", except that the Federal Caustic Poison Act shall remain in full force and effect with respect to any 'dangerous caustic or corrosive substance' (as defined by that Act) which is an article subject to the Federal Food, Drug, and Cosmetic Act and which is, by virtue of paragraph 2 of section 2(f) of this Act, excluded from the term 'hazardous substance' as defined in this Act", and on page 25, line 17, strike out "remains" and insert "remain".

Mr. MAGNUSON. Mr. President, the House amendments to the so-called Magnuson-Bush bill have been examined by the Senator from Connecticut and by me. They are really clarifying, technical amendments, in attempting to describe what is a hazardous substance.

Because of the necessity to enact the bill, I believe the Senate should accept the House amendments.

Mr. BUSH. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. BUSH. Mr. President, I fully concur in what the distinguished Senator from Washington has said. I desire to take this opportunity to congratulate him upon getting the bill through both Houses of Congress. The bill is a very valuable one, and it will be a very useful law for the protection of citizens and consumers. I am delighted that the Senator from Washington permitted me to associate myself with him in sponsoring the bill.

Mr. MAGNUSON. Mr. President, the Senator from Connecticut has been a great help.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wyoming will state it.

Mr. O'MAHONEY. What is the pending business?

The PRESIDING OFFICER. The question is on agreeing to the amendments of the House of Representatives to Senate bill 1283.

Mr. O'MAHONEY. Am I mistaken in the belief that after the vote on the conference report on the tax bill, the majority leader called up Senate bill 3483?

The PRESIDING OFFICER. Senate bill 3483 was laid before the Senate; and, following that, the majority leader obtained unanimous consent to speak; and, following that, there was an order for further morning business.

Mr. O'MAHONEY. Mr. President, how much more time remains for the transaction of morning business?

The PRESIDING OFFICER. The present occupant of the chair is not advised as to that.

Mr. O'MAHONEY. Let me say to the Senator from Washington that today I have been drafted, like a baseball player. Of course, I am willing to withdraw, in order that the Senator from Washington may have action taken on his bill. But inasmuch as I am supposed to open the debate on the baseball bill, I am anxious to know how long I must wait before the morning hour will end.

Mr. MAGNUSON. It will take only about 1 more minute for the Senate to conclude its action on this bill.

Mr. President, I move that the Senate concur in the amendments of the House of Representatives to Senate bill 1283.

Mr. KEATING. Mr. President, in order to clarify the situation, and because all of us love the Senator from Wyoming and wish to do everything possible to comply with his wishes, I wish to ask a question: Is it not a fact that the majority leader requested unanimous consent that, following the remarks of the Senator from Georgia, the Senate proceed with the usual morning hour; and is it not likely that the morning hour will continue for so long as there is morning business to be transacted?

The PRESIDING OFFICER. The Chair understands that is the situation.

Mr. AIKEN. Mr. President, is it not a fact that when the majority leader requested that there be a morning hour, subject to a 3-minute limitation on debate, it was understood that I was recognized, and that I yielded merely to permit the transaction of morning business under that unanimous-consent procedure?

Mr. MAGNUSON. Mr. President, if the Senator from Vermont will bear with me, I shall not take more than 3 minutes further, whereas we have now taken almost 10 minutes to discuss the order of procedure.

Mr. President, I move that the Senate concur in the amendments of the House of Representatives to Senate bill 1283.

The motion was agreed to.

AMENDMENT OF COMMUNICATIONS ACT OF 1934 WITH RESPECT TO CERTAIN REBROADCASTING ACTIVITIES

Mr. MAGNUSON. Mr. President, I have spoken to both the majority leader and the minority leader about the matter to which I shall now refer; and I now ask that the Chair lay before the Senate the amendment of the House of Representatives to Senate bill 1886.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1886) to amend the Communications Act of 1934 with respect to certain rebroadcasting activities, which was on page 2, line 5, strike out "Act" and insert "sentence".

Mr. MAGNUSON. Mr. President, the Senate passed this bill unanimously, in order to allow the Federal Communications Commission to authorize, when in the public interest and convenience, so-called booster stations in the remote sections of the country.

The House has adopted a technical, clarifying amendment.

I move that the Senate concur in the amendment of the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. MAGNUSON. I thank all the Senators for their courtesy.

AUTHORIZATION FOR SENATE JUDICIARY SUBCOMMITTEE TO MEET AND HOLD HEARINGS DURING SENATE SESSION TOMORROW

Mr. AIKEN. Mr. President, I yield now to the Senator from Arkansas [Mr. McCLELLAN], to permit him to propound a unanimous-consent request.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that on tomorrow the Senate Judiciary Subcommittee, to which was referred Senate bill 3548, be permitted to meet and to hold hearings while the Senate is in session.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

A DECLARATION OF PURPOSE

Mr. AIKEN. Mr. President, on behalf of 14 of my Republican colleagues and myself, I desire to read into the RECORD a declaration of purpose:

President Eisenhower wrote of the 1960 election, "This year's elections will be won by the party which presents the issues most forcefully and forthrightly, and works most aggressively for victory."

With that statement we agree. We want that party to be the Republican Party.

The Republican administration has made an outstanding record of peace and progress in the last 8 years.

We have been instrumental in controlling outbreaks of war in many areas of the world, notwithstanding the surprises and vicissitudes of foreign policy incident to the nature of the Soviet Communist regime.

We have brought the national economy as represented by the gross national product, personal income, consumer spending, total employment, and standards of living to the highest level in history.

It is not enough to rest upon a positive record of accomplishment, however. Our program for the future as depicted in the Republican national platform for 1960 must commit our party to the service of the American people in unequivocal terms.

Therefore, we commend to all Republicans and especially to the members of the platform committee for the Republican Convention these principles:

I. We believe that the Republican Party should be clearly imbued with the principles upon which it was founded—individual freedom and individual dignity and equal opportunity.

II. We believe that no American should be denied the rights of an American because of race, creed, color, or economic status, and that the law should underwrite, implement, and protect these rights.

III. We believe in positive domestic programs for housing, education, medical care for the aging, an adequate minimum wage, aid to depressed areas and assistance for small business. We recognize responsibility for such programs as a proper obligation of the Federal Government, the States and the private economy.

IV. We believe that the maintenance of a prosperous agriculture, with increased emphasis on the family farm, is in the interest of all the people and not for farmers alone. Therefore, it is essential that adequate farm programs be established and maintained with primary emphasis being placed on—

1. Conservation and improvement of our soil, water and forest resources.

2. A bountiful production so that the specter of want may never haunt our Nation.

3. The intelligent use of such surpluses with which we may be blessed to eliminate poverty, famine and disease among less fortunate people at home and abroad.

V. We believe that the liberty of our country rests on the interdependence of free nations everywhere. The maintenance of American freedom is immeasurably strengthened by the economic and social progress of all states maintaining free institutions. We believe that our mutual security system, by which we help small and developing nations, is simply an honorable discharge of our responsibility as leader of the cause of freedom.

VI. We believe in fiscal responsibility, in paying our bills, in a balanced budget, but we also believe that when it is necessary to choose between values we must place human values above material consideration. It is entirely possible to achieve fiscal responsibility and efficiency in government without sacrificing human responsibility.

VII. We believe in the free competitive system of private enterprise and that under this system our economy must be stimulated into an upsurge in economic growth and productivity which will enhance our national security, our national prosperity and peace in a free world.

VIII. We believe our principles to be distinctly Republican in the Lincoln tradition. We identify ourselves with the main stream of progressive Republicanism. We believe that the Republican Party is best able to give the people of the United States the programs demanded for tomorrow. For this reason we welcome every opportunity to state our policies within our party or to defend them whenever challenged from without. As public discussion and public knowledge of increasingly complex issues are encouraged, so will the independent voter more and more identify himself with a responsible Republican position.

IX. We believe that the adoption of the principles which we are submitting will commit our party to a course which is worthy of its traditions and of another national mandate in 1960.

This declaration of purpose is sponsored by Senators JAVITS, KUCHEL, COOPER, SMITH, CARLSON, WILEY, PROUTY, YOUNG of North Dakota, KEATING, ALLOTT, FONG, CASE of New Jersey, SCOTT, BUSH, and myself.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Connecticut.

Mr. BUSH. I am glad to associate myself with the declaration of purpose which has been endorsed by a group of my colleagues under the leadership of the distinguished senior Senator from Vermont.

It is an excellent statement of the beliefs of progressive Republicanism. As one who will serve on the platform committee of the Republican National Convention in Chicago next month, I hope

that the sound principles it enunciates will be reflected in the document that will be drafted.

In only one respect would I change the language which has been drafted. I would substitute the following for paragraph VI:

> We believe in human values, in fiscal responsibility, in paying our bills and in a balanced budget. We place human values first, recognizing that government must have a sympathetic understanding of human problems and must exercise human responsibility as well as fiscal responsibility. We hold that human values normally are best served by a government which is responsible in fiscal matters, thus maintaining a stable currency and preventing the social evils resulting from inflation.

With that one modification, which I offered too late to be considered by the Senators who endorsed the declaration, I subscribe wholeheartedly. I agree that while what I have suggested does not materially change the language of paragraph 6, it places the emphasis slightly differently and proclaims the thinking that human values are best served by sound government, by fiscal responsibility, by stability of the price level, and by government policies which make for stability of the price level.

I thank the Senator for yielding to me.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. AIKEN. I yield to the senior Senator from New York.

Mr. JAVITS. I am pleased to be associated with this declaration of purpose. I think it is a historic declaration, reminiscent of the declaration of conscience made a decade ago under the auspices of the distinguished Senator from Maine, MARGARET CHASE SMITH, who is also a party to this one.

In response to the Senator from Connecticut, I would say, as one signer of this declaration, what I had in mind in subscribing my name to the principle to which the Senator has referred in such an eloquent way, the principle of placing human values above material consideration, was whether those human values relate to the element of national interest, in respect of security, winning the cold war, or domestic emergencies. I make that specification because we have to be exact in this matter. That is really what I had in mind, and not merely what anybody might want to call a human value, because I agree with the Senator from Connecticut it is also a human value to run a sound government.

This is a declaration which I think is properly made on the floor, and I must say I am impressed by the number of Senators in my party who found they were able to sign it. These are all Senators of completely good conscience. I do not think they would qualify a word of the declaration if they had any doubts about it. I say that because there will be a whole host of measures which are going to be before us in the next 10 days, many of which involve these principles. It should be tremendously encouraging to our country and to our party that a group of us not only feel this way, but I am sure, knowing the caliber of those making the declaration, they will know we intend to carry it out.

Therefore, may I say, I am glad our very distinguished leader in this effort has seen fit to make the statement where it properly deserves to be made because of its impact on what we will be doing here in voting our respective positions, in representing our respective States.

Mr. AIKEN. I thank the Senator from New York and the Senator from Connecticut. I subscribe to the statement that, with their explanations, it is apparent the purpose of all of us is the same.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. AIKEN. I yield now to the junior Senator from New York.

Mr. KEATING. Mr. President, I commend the senior Senator from Vermont for his leadership in formulating the statement of principles, to which I subscribe wholeheartedly. They represent, to me, a timely and statesmanlike utterance.

The Senator from Vermont has made an excellent summation of the record of the Republican administration over the past 8 years, and has underscored the solid, constructive, and all too frequently ignored achievements of that administration in maintaining the climate of peace in the world and in creating the climate of prosperity and of citizen opportunity in this great land of ours.

The Republican principles the Senator from Vermont has so well enunciated are the enduring principles upon which our Nation was founded. In reminding us of our historic tradition of individual freedom, individual dignity, and equal opportunity, he has struck a note which rings as true and meaningful today as it did in the heroic first years of the Republic.

What the Republican Party stands for is not locked in the vault of the past. It is a living, dynamic, and forward-looking philosophy of government. It responds alike to the realities of circumstance and to the aspirations of the human heart. It does not believe in making people smaller so that government may be bigger. It believes that opportunity is no less an inalienable right than freedom itself, and that it must never be construed as a largesse the government grants, but as a sacred right to which the citizen is entitled.

As we approach the political conventions, and the election campaigns which follow, the excellent summation of the distinguished Senator from Vermont represents a distinct service to the Nation, in illuminating the issues which confront us, and in stating in such a cogent and impressive manner both the record on which the Republican Party is proud to stand, and the pledge of new horizons of future accomplishment which it makes to the American people.

Mr. President, if my distinguished colleague will bear with me a little further——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KEATING. I seek recognition in my own right, then, Mr. President.

Mr. AIKEN. Mr. President, I did not think I was speaking in the morning hour; I thought I was speaking in the time on the amendment which I offered.

The PRESIDING OFFICER. The Chair understands the Senate is in a continuation of the morning hour and that speeches are limited to 3 minutes.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSH. May I ask unanimous consent that the discussion continue as though it were a discussion of the Senator's amendment?

Mr. AIKEN. Mr. President, I am perfectly willing to have the time used.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and the Senators may proceed.

Mr. KEATING. Mr. President, if the Senator will yield further, it is my desire to make a few comments about the President's speech last evening, which to my mind provided a clear, concise, and convincing case for the diplomacy of this administration over the last 7 years. President Eisenhower and his two Secretaries of State, John Foster Dulles and Christian Herter, have worked tirelessly in the cause of peace.

As the President pointed out, he does not believe in the policy of letting the dust settle, either in the Far East or anywhere else. Thus this administration has been marked by a steady stream of policies and actions with the aim of blocking Communist aggression through military and economic coordination with the rest of the free world. The President's trips in the cause of peace and world fellowship have been only one small manifestation of the indefatigable efforts of this administration in that field.

The last 7 years have seen important steps in Europe to achieve a great degree of cooperation on economic, political, and military grounds. They have seen increasing links between the United States and the free countries of Asia, with the various political divisions of Africa, and between the United States and most of our good neighbors to the south.

To all of these projects, and to the perennial battle for economic growth, this administration has given full and effective support. As a result, nations the world over are more aware of the Communist threat. These nations are more anxious to meet the threat squarely.

Communist policy during these years has been a zigzag of contradictions and counterpressures. The much vaunted cry for conciliation and peaceful coexistence was followed by brutal repression in Hungary. The demand for economic competition was followed by war and genocide in Tibet. One moment the Communists, as in Italy and in India, try to outdo everyone else in their welcome to President Eisenhower. The next moment, as in Japan, they threaten to assassinate him.

We can hardly call ourselves responsible for the Communist demonstrations in Tokyo, any more than we can consider ourselves responsible for the fact that the Communists walked out of the disarmament talks when we were about to present our new proposals. In fact, the Communist actions in both cases offer a very interesting parallel. In both cases, a free world initiative was being taken. In the first instance, it was by the President's planned visit to Japan and by the new Japanese-American security treaty. In the second instance, it was by a renewed Western attempt to reach a disarmament agreement. In both cases, the Communists had no constructive answer to give, so they reverted to obstruction, a policy which comes very naturally to them.

We are disappointed, as everyone must be disappointed, who had hoped for some gain, however slight, from the summit conference and from the disarmament proceedings. But these Communist actions should not surprise us nor should we let them throw us off balance into a timid policy of apology or retreat. To those who are familiar with Communist methods, it seems nothing more than another trap for the unwary. We have not been caught by these tactics before; there is no reason for us to be caught now. Soon enough the Communists will see that we are not "suckers" to swallow their line every time they change the bait.

The very fact that the Soviets are unwilling to meet us on the fair and equal terms of diplomacy and must turn instead to gangsterism and obstruction is a sign of the long-run weakness of communism.

We must maintain our strength economically, militarily, diplomatically, and spiritually, while the Communists bluster, but we must be ready, as the President has promised to be, to talk business again in a businesslike way as soon as the Communists recover from their present wave of rage and hysteria. When the Communists see that we have not been taken in by their program of threats, any more than we were taken in by the phony smiles and the so-called "spirit of Camp David," they are bound to come around to rationality all the sooner.

Mr. President, I appreciate my friend from Vermont yielding to me for this length of time, because while he stressed the future, quite properly, in his statement, as did all of us, it is important, I think, that we tie in the firm and successful policies of the present administration, for if a future administration follows the principles enunciated in the declaration we have every reason to believe this progress will be continued for another 4 years.

Mr. AIKEN. Mr. President, the Senator from Colorado [Mr. ALLOTT] subscribes to the language which was put forth by the Senator from Connecticut [Mr. BUSH] a short time ago. Some change in verbiage was also suggested by the Senator from Vermont [Mr. PROUTY].

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. AIKEN. Mr. President, if I may yield a couple of minutes more to the senior Senator from New York I shall not ask for any time on the amendment at all.

Mr. JAVITS. Mr. President, I simply wish to commend the Senator for the historic service which I think he has performed by rallying those who have signed this declaration and by being responsible for leadership in bringing it into being. I think it is tantamount to the service rendered by our colleague from Maine [Mrs. SMITH] a decade ago. I think it reflects very importantly upon the constructive and creditable record made by the administration under Dwight D. Eisenhower, who, through all these vicissitudes, remains a revered, respected, and great American—a great leader in war and in peace.

I think the Senator is also rendering a very distinct service to the future in establishing such a legislative base of agreement for policies which are traditional for our party and which at the same time are such vital guidelines to modern action.

Mr. President, I feel that all the people of my State who are interested in matters of this kind will be very grateful to the Senator. I think our Governor, Governor Rockefeller, will feel that the discussion is a very important one, something such as he has tried to stimulate. At the same time, I think our Vice President also will feel that this kind of discussion, this kind of crystalization of opinion in our party, can only be helpful and constructive.

I simply wish to express my gratitude to the Senator from Vermont. I honestly feel no one else could have done this. No one else has quite the position, the prestige, and the honor among us to have carried this off as well as the Senator from Vermont has done.

Mr. AIKEN. I thank the Senator from New York.

Mr. President, I withdraw my amendment, which was proposed earlier.

Mr. YARBOROUGH. Mr. President, I was most interested to hear the discussion of our friends across the aisle. Occasionally they get up as they have today and talk like Democrats, but in office they legislate like McKinley. It is quite interesting to hear this reversal of form of our friends across the aisle in advocating housing, Federal aid to education, and other measures that they have assiduously blocked for 7 long years.

GIVE PRESIDENT DISCRETIONARY POWER OVER SUGAR IMPORTS

Mr. YARBOROUGH. Mr. President, the decision of Fidel Castro to enter into economic agreements with Russia, and his continuing hostile and insulting manner in whipping up Cuban resentment by trumped-up charges against America makes it mandatory that we approve President Eisenhower's request for discretionary powers to alter the Cuban sugar quota.

The possibility that we may have to alter the Cuban sugar quota does not grow as an act of economic reprisal against the Cuban people who we have long and still regard and treat as good neighbors. But events of Castro's own making are driving us to a position where we cannot afford to be reliant on Cuban supply for too large a share of our sugar.

When I say that as a Nation and a people we have befriended Cuba and went even to extreme to use her sugar, many Texas farmers know what I am talking about. As a matter of fact, at considerable injustice to some Texas and other American farmers, the administration has limited American farmers' sugar production to only 27 percent of the American market, while allowing Cuba—heretofore a friendly nation—and other friendly nations large shares of our sugar quota.

We grow in this country only 27 percent of the sugar that we use, not because we could not grow more or could not grow enough, but because of the quota system that limits our production to 27 percent and accepts 73 percent in imports. We allow Cuba and other friendly nations—Cuba was formerly a friendly nation—large shares of our sugar quota. For example, farmers of many counties of the Texas Panhandle and Upper South Plains area can produce excellent beet sugar crops, and it will bring more money, about $100 to $150 per acre, than most other crops. Nothing else grown in that area would produce so much per acre. Yet Texas farmers are allotted only 1,800 acres for sugar beet production.

That is less than 3 square miles, or about 3 square miles, equivalent to an area a mile wide and 3 miles long. The Mall is a larger area than the area which the entire State of Texas is allocated for sugar beet production, despite the fact that for many years the State of Texas has been requesting additional allotments.

Ironically, instead of being permitted to raise more sugar for the tables of America, a commodity which can be used, they are left with land on which they raise wheat or grain sorghums, grains already in fantastic surplus.

With this situation confronting us, I strongly urge the administration to take firm steps to allocate more of the American sugar quota to the American farmer and to establish new quotas which will not to a substantial degree leave supply of this vital commodity in America to the whim of an unsound, slanderous, double-dealing tyrant.

I ask unanimous consent to have printed in the RECORD at this point in my remarks two recent editorials from the Washington Post on this subject, one entitled "Flexibility on Sugar" appearing on Sunday, June 26, 1960, and the other entitled "Politics of Sugar" appearing on Tuesday, June 28, 1960.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 26, 1960]

FLEXIBILITY ON SUGAR

It now appears likely that Congress will accede to an administration request for discretionary powers to alter the quota of sugar guaranteed to Cuba. The present Sugar Act expires on December 31, and originally this

newspaper agreed with Chairman HAROLD C. COOLEY of the House Agriculture Committee in urging a 1-year extension of the law without change. But subsequent events in Fidel Castro's Cuba have raised a real question of whether the United States can continue to count on Cuba to supply its 3-million-ton share of the sugar quota.

This, we take it, is a major reason advanced by Secretary of State Herter for the need of a flexible sugar policy. In order to give teeth to the proposed legislation, it is essential that the President also have the power to reallocate any deficit in the Cuban sugar quota to another producing area. Otherwise, Cuba could manipulate sugar supplies and prices without risking a loss of its assured market at premium prices in the United States.

Whatever the United States does will, of course, be condemned as "imperialistic" by the Castro regime. The present retaliatory threats were wholly predictable. Far more important is opinion elsewhere in Latin America. In solemn treaty, the United States has pledged itself not to wage economic warfare in the hemisphere, and every care must be taken not to provide a free issue to a government which seems bent on provoking reprisals.

For this reason, it is good that Mr. Herter stressed in his news conference Friday that no decision has been made on whether to use the proposed powers. Some of Mr. Herter's previous statements were ambiguous on this point, and his clarification was needed. When, and if, the powers are granted, Mr. Herter ought to make it clear again that the change is not a threatening act aimed at undoing land reform or punishing the Cuban people for the policies of their Government. Rather, in an admittedly unpredictable situation, it is a way of assuring that this country will receive the sugar it needs whatever happens in Cuba.

Stated this way, a flexible sugar policy could command support in countries that would oppose anything smacking of heavy-handed reprisals.

[From the Washington Post, June 28, 1960]

POLITICS OF SUGAR

A decision is due this week in the House on the touchy problem of renewing the Sugar Act, and the temptation will be enormous to be as emotional and intemperate as Fidel Castro. One of the Cuban Prime Minister's dubious gifts is his ability to bring out the worst in American politicians. Last week, for example, the Republican congressional campaign committee issued a malicious statement asserting that a proposal endorsed by Democrats to extend the Sugar Act without change was pro-Castro and amounted to giving a bonus for communism. This is absurd and dangerous talk, and the Democrats retaliated in kind with the mischievous suggestion that all of the Cuban sugar quota be taken away unless President Eisenhower decreed otherwise—thus placing the onus on the administration for any sugar quota awarded to Cuba.

Plainly, the sugar debate affords a classic demonstration of the fact that controversy of this sort ought to stop at the water's edge. The only interest that is served by extravagant partisan debate is that of Mr. Castro himself—who can quote the CONGRESSIONAL RECORD to prove that the United States is bent on using vast economic powers to bring a small neighbor to its knees.

The wisest course that the House can take is to grant the administration discretionary powers to alter the Cuban quota, if necessary to protect the U.S. interests as a consumer of sugar. This would give the President the flexible power needed to deal with a rapidly changing situation. It would also remove from an impassioned arena the problem of adjusting the quota, if such an adjustment should prove necessary. Doubtless election-year pressures are bound to stimulate anti-Castro bombast in Congress, but a little reflection ought to persuade responsible legislators that jingoism in Cuba does not deserve the compliment of imitation in Washington.

TEXAS POLICE ASSOCIATION FIGHTS TRAFFIC IN OBSCENITY

Mr. YARBOROUGH. Mr. President, I desire to have printed in the RECORD a resolution by the Texas Police Association urging congressional approval of Senate Joint Resolution 160, which is intended to help stop the circulation of obscene materials across the Nation.

The Texas Police Association, representing one of the finest and most efficient group of law-enforcing officers in the world, which is basically interested in curbing the circulation of such material to our children, asks congressional action on the joint resolution providing for a conference of Federal, State, and local officials and other interested persons to consider methods of combating traffic in obscene materials.

This resolution, signed by Glen H. McLaughlin, chairman, Texas Police Association resolution committee, and passed by the membership at its June 15, 1960, State convention in Corpus Christi, was forwarded to me by Mr. Paul H. Ashenhust, secretary. I ask unanimous consent to have it printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas there is a growing flood of smut and filth breaking the bounds of decency and spreading out over our land; and

Whereas this traffic in obscene matters and material is of much concern and alarm to the parents of America, and of Texas, as individuals and in their organizations; and

Whereas there is pending in the Senate of the United States Senate Joint Resolution 160, a joint resolution to provide for a conference consisting of Federal, State and local officials, and members of public and private groups or organizations to consider and propose methods of, and to coordinate action for, combating the traffic in obscene matters and materials; and

Whereas the distribution of pornography is of grave concern to the peace officers of Texas; and

Whereas the Texas Police Association by its very nature supports any movement designed to protect the children of America and of Texas; and

Whereas this joint resolution has been introduced in the Senate and referred to the Committee on Government Operations of which Senator JOHN L. MCCLELLAN is chairman;

Now, therefore, the Texas Police Association, in convention assembled at Corpus Christi, Tex., this 15th day of June 1960, respectfully calls upon the Committee on Government Operations to report this resolution favorably and take the necessary steps to urge its immediate approval and we further urge both Senators from Texas, the Honorable LYNDON JOHNSON and the Honorable RALPH YARBOROUGH, to give their vigorous support to this proposal.

AMISTAD DAM ON RIO GRANDE

Mr. YARBOROUGH. Mr. President, last Friday a very significant step was taken in the Senate with Senate passage of a law for the building of a multiple purpose Amistad Dam, a great new water project on the Rio Grande, west of Del Rio, Tex., on the location formerly called Diablo, now Amistad or Friendship Dam. This is one of the biggest water projects in Texas. Approval of this Amistad Dam was vitally important for a number of reasons.

First. This project is needed to protect the lives and property of hundreds of thousands of people living on both sides of the Rio Grande, downstream through Del Rio, through Eagle Pass, Laredo, and all the cities downstream on the Rio Grande through Brownsville and Matamoros.

Second. The annual savings of 3.5 million acre-feet of water and the eventual generation of hydroelectric power will be of tremendous value in the growth and development of both Texas and Mexico on both sides of the Rio Grande. In addition to the annual savings of 3.5 million acre-feet of water, there will be an additional capacity of 2.5 million acre-feet of water for flood control in event of floods.

Third. The construction of this great new dam as a companion to Falcon Dam, further downstream and near the Lower Valley, in a joint venture with Mexico, will be another important step toward improving relations with our friends south of the border.

Costs of the new project will be proportionately split between the United States and Mexico with America's share being $56.6 million. Studies of economic feasibility of the project show that the benefit-to-cost ratio will be 2.2 to 1 over the first 50 years of life of the project. And this proves that the project is economically feasible. That means in simple terms that it will pay for itself—more than pay for itself. This is an exceptionally high return which proves that Amistad Dam is a sound investment in the development of America.

Another important factor is the very great savings that will be accrued from flood control. Most of us recall the heavy floods of 1954, which left flood damage estimated at nearly $20 million on the U.S. side of the Rio Grande alone, and at the same time, Mexico not only had heavier property damage but undetermined numbers of lives were lost. Many of you saw that damage at Laredo and Nuevo Laredo that year.

The engineers tell us that Amistad Dam, had it been completed at that time, would have prevented the loss of property and lives and that that loss would have been cut almost to nothing in 1954, and that flooding could have been almost completed controlled.

Well, it was only 2 years ago when another flood occurred on the Rio Grande, which again caused heavy damage, and most of it also could have been prevented if Amistad Dam had been constructed and completed. And the savings in property damage alone from controlling those two floods during the last 6 years would almost pay for the dam.

This dam and the resulting lake will also add to the recreation value of the Trans-Pecos and in an area that includes

Big Bend Park and Fort Davis and the Davis Mountains and the Carlsbad Cavern area.

It was my privilege to work in support of the Amistad Dam project at both the committee levels and in the final passage. Senate Majority Leader LYNDON JOHNSON took the lead on the proposal in the Senate. President Eisenhower stated his support of the project in his budget message at the opening of the session in January, so it is expected that he will promptly sign the bill and the Texas Congressmen whose districts were affected were very, very diligent in pushing the matter through the House.

It is a sound progressive measure that will help in the growth and development of this area of our Nation and in our sister Republic of Mexico—along the international boundary of the Rio Grande.

It is a measure of international good will, as well as for our economic development.

LUMMI INDIAN DIKING PROJECT IN THE STATE OF WASHINGTON

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate proceed to reconsider the vote by which Calendar No. 1698, H.R. 11953, was passed through inadvertence on the last call of the calendar.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 11953) to provide for the assessing of Indian trust lands and restricted fee patent Indian lands within the Lummi Indian diking project in the State of Washington.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

Mr. FULBRIGHT. I ask unanimous consent that the bill be restored to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, may I inquire what the subject of Calendar No. 1698 is?

Mr. FULBRIGHT. It is a bill to provide for the assessing of Indian trust lands and restricted fee patent Indian lands within the Lummi Indian diking project in the State of Washington. The junior Senator from Washington [Mr. JACKSON] has asked that this request be made.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3179) to increase the authorization for appropriations for construction of facilities for the Gorgas Memorial Laboratory.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11748) to continue until the close of June 30, 1961, the suspension of duties on metal scrap, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. FORAND, Mr. KING of California, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

PROFESSIONAL SPORTS ANTITRUST ACT OF 1960

Mr. O'MAHONEY. Mr. President, is morning business concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

The Senate resumed the consideration of the bill (S. 3483) to make the antitrust laws and the Federal Trade Commission Act applicable to the organized team sport of baseball and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the statement I am about to make will not be charged against the limited time.

The PRESIDING OFFICER (Mr. LUSK in the chair). Does the Senator desire to have the order for the quorum call rescinded first?

Mr. O'MAHONEY. No; I want to say why I will ask that. I am asking unanimous consent that I may make an explanatory statement about the lack of response to the quorum call, without having the time charged.

The PRESIDING OFFICER. The Chair will say to the Senator from Wyoming that the Parliamentarian advises the Chair that the order for the quorum call must first be rescinded.

Mr. O'MAHONEY. I want to ask for the rescinding of the quorum call, but I want to state why.

The PRESIDING OFFICER. Debate is not in order until the quorum is rescinded.

Mr. O'MAHONEY. Yes. I may say to the Parliamentarian that that is a perfectly proper request. However, since the Parliamentarian does not agree, I ask unanimous consent that the order for the quorum may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, I now ask unanimous consent that I may state why I asked for the rescinding of the quorum call without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. O'MAHONEY. This statement I make to the occupants of the galleries.

It must have been perfectly apparent to everyone present that there were very few responses to the last quorum call. The reason is that many committees of the Senate are now in session. Senators are so busy working upon measures which must be handled before this session adjourns, within a week or so, that Senators do not respond to the quorum calls.

Mr. President, I now ask unanimous consent that the clerks of the Senate, both for the majority and the minority, may notify every committee which is now in session that the baseball bill has been laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming is recognized for 30 minutes on the committee amendments.

Mr. O'MAHONEY. Mr. President, I desire to take not more than 10 minutes.

As I said earlier, I am acting like a baseball player today. I am under draft, because of the unavoidable absence of the Senator from Tennessee [Mr. KEFAUVER], whose bill this is. I have been called upon to make the opening statement. That I shall do.

The bill before the Senate is a very simple one. Those who have had the opportunity to examine the testimony which has been presented and the arguments which have been made in the committee know that even among baseball people, who are resisting the bill, there is substantial agreement that the measure should be passed.

I have before me a telegram which I received on June 7 from Mr. Ford Frick. At the end of the telegram he states:

> Title I of S. 3483 should be enacted to give football, basketball, and hockey needed exemption from antitrust laws. Title II is a discriminatory regulation of baseball which its record does not merit. Therefore, I urge that title II be stricken from the bill and that title I be enacted with or without baseball.

So there is no objection, really, to title I of the bill; but this fact exemplifies the reason why the struggle is before us.

More than 40 years ago, when the Baltimore Club of the Federal Baseball League sued the National League for treble damages, baseball was held by the Supreme Court not to be commerce. The Supreme Court, thinking that baseball was a sort of amateur exercise, held that it was not commerce. It overlooked the fact that the players were called from all parts of the Union and drafted for work by the 8 clubs of the National League in a very restricted area in the northeastern part of the Union. The Supreme Court overlooked the fact that not only was interstate travel involved, but that contracts which were enforceable throughout the United States were involved, as well.

Some years afterward—only recently—after football became so popular, a football player by the name of Radovich sued the American Football League. That case also went to the

Supreme Court of the United States. The result was that football, unlike baseball, was determined to be commerce and to be within the antitrust laws.

In the course of that decision, the Supreme Court stated, in effect, that if they had been considering the old baseball case again, they would have held that baseball was commerce. But they said they would not do that, because the matter was a question for Congress. Now the question is before Congress.

Hearings have been held in the House and Senate, and everyone who has any knowledge at all of the practice of the leagues knows that they are both engaged in commerce.

The unfortunate phase of the bill is that under the present system maintained by the two major leagues, so-called, baseball players sign away their professional lives when they sign contracts with the owners of clubs in either of the leagues, because they are then required to sign a reserve clause, which holds them as chattel property for the rest of their lives. A baseball player usually does not have more than 8 years of playing life. Under the contract system, major league owners have a monopolistic control of the baseball players, from which the players ought to be released.

With respect to title 2, the desire which Mr. Frick stated in his telegram was made the subject of a motion in the Committee on the Judiciary. The motion was made to strike out title 2 and to make baseball a part of title 1.

That motion was rejected by the committee, because it realized that the first section of title 2 reads as follows:

> Except as provided by this title, the act of July 2, 1890, as amended (26 Stat. 209); and the Federal Trade Commission Act, as amended (38 Stat. 717), shall apply to the organized professional team sport of baseball.

In other words, the language provides that the Sherman Act and the Federal Trade Commission Act shall apply to baseball as well as to football or any other team sport.

It is perfectly normal, it seems to me, that as we progress, we should realize that it is necessary to do away with the distinction between baseball, football, and the other team sports. They are commerce; they are business; they are big business. The monopoly in players is something which very few persons understand.

I have here a statement published in the St. Paul Pioneer Press that more than 3,000 baseball players are held in ownership by the 16 teams of the National and American Leagues.

After the telegram was received from Mr. Frick, I replied by immediate mail. I think the letter sets forth, in brief, the real issues of the bill. It reads:

U.S. SENATE,
Washington, D.C., June 16, 1960.

MR. FORD FRICK,
Commissioner of Baseball,
New York, N.Y.

DEAR MR. FRICK: Let me acknowledge receipt of your telegram of June 7 and your letter of June 14 transmitting copies of a "Statement of Organized Baseball on S. 3483—'Professional Sports Antitrust Act of 1960.'" You state that it would be "entirely acceptable to organized baseball if title II is stricken out and 'baseball' is included in title I."

It is my very great fear that you and the owners of major league baseball teams feel that you are fully equipped to handle organized baseball as you and they desire without regard to the antitrust laws. With this contention I cannot agree. Organized baseball is a commercialization of what ought to be developing with the growth of the country as the national game. It is not so developing because the owners have become accustomed to the thought that they and they only can decide what teams and what if any leagues may be organized in this Nation to play major league baseball.

You hold this concept in spite of the fact that the owners of the Dodgers and the Giants of the National League demonstrated by moving their franchises respectively to Los Angeles and San Francisco that the people of the west coast had been waiting eagerly for the opportunity of giving their support to major league teams, but if you were to have your way no new major league team or major baseball league could come into existence without a franchise granted by you and the other owners. The owners of the National League teams at the beginning of this century were of the same opinion and Ban Johnson had to fight with skill and courage to bring the American League into existence.

Minor leagues are not the beneficiaries of the farm system of the 16 major league teams. They are rather the victims because the farms are operated in a manner to prevent baseball players from making the major leagues unless they happen to be the property of one of the favored wealthy teams of the present 16.

Two amendments were defeated by the Judiciary Committee, as was broadly published early this week, by overwhelming votes. One of these amendments would have brought about the situation advocated by your letter of June 14 and, as just noted, was rejected by a substantial majority of the Judiciary Committee.

Let me urge you to abandon the position you have taken and give major league baseball back to the Nation. The bill now before the Senate would do just this because it would enable free independent owners who have money to invest and cities whose fans will support new major league teams with modern stadiums like those at Los Angeles and San Francisco to proceed if you will only let them.

Don't forget your journey 2 years ago to Casper, Wyo., to address the Little League players. That occasion was also a demonstration of the devotion which the fans of this country give to major league baseball, and that's not because it's limited by your private rules but because it is the national game.

Sincerely yours,
JOSEPH C. O'MAHONEY.

Mr. President, not enough attention has been given to the fact that television has had a tremendously harmful effect upon the minor leagues. But they would not be injured at all by means of this bill. As I have said, they would be benefited by the bill.

The fact is—and everyone who watches television knows it—that the baseball fans of the country would rather by far listen to and watch a televised baseball game than attend, personally, a minor-league game.

The language of this bill is such that it would knock down the monopoly which is held by the two major leagues now in existence; and it would permit the people all through the country to see real major-league teams, personally, rather than by television.

My feeling about the bill is that it has two great objectives: It will give the baseball game back to the Nation, taking it away from the monopoly; and it will set the baseball players free, because it will allow the baseball players in the minor leagues, who now are held as the chattels of the major leagues, to be drafted by the new major league.

Let me say that the amendments in title I, on page 1 and on page 4, are merely technical amendments. They strike out the Clayton Act, and leave in only the Sherman Act and the Federal Trade Commission Act. So there is no reason why these technical amendments should not be adopted without any debate whatsoever.

The first amendment in title II is also one for the mere elimination of the Clayton Act.

Mr. President, I ask that the first two amendments be adopted now, because they are merely technical amendments by means of which the sponsor of the bill has narrowed the effects of this measure from all the antitrust laws to only two—the Sherman Act and the Federal Trade Commission Act.

So, Mr. President, I now ask that these two committee amendments be adopted.

The PRESIDING OFFICER. The question is on agreeing to the first two committee amendments.

Mr. KEATING. Mr. President, do I correctly understand that the request of the Senator from Wyoming is that the Senate adopt, en bloc, the two committee amendments in title I?

Mr. O'MAHONEY. That is correct.

Mr. KEATING. I think that is a good suggestion.

The PRESIDING OFFICER. The question is on agreeing to the first two committee amendments.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. FULBRIGHT. I wish to offer an amendment to one of the committee amendments. Will my amendment be in order after these committee amendments are agreed to? My amendment applies to the committee amendment on page 10.

The PRESIDING OFFICER. If the amendment of the Senator from Arkansas applies to the first two committee amendments, his amendment would not be in order after those committee amendments are agreed to.

Mr. FULBRIGHT. I did not hear the request made by the Senator from Wyoming.

Mr. O'MAHONEY. My request was that the first two committee amendments—they are in title I and are merely technical amendments striking out the Clayton Act—be agreed to en bloc.

Mr. FULBRIGHT. I understand now. Mr. President, I withdraw any objection.

The PRESIDING OFFICER. The question is on agreeing to the first two committee amendments.

The amendments were agreed to, as follows:

On page 1, line 7, after "(26 Stat. 209)", to strike out "the Act of October 15, 1914, as amended (38 Stat. 730);"; and on page 4, line 21, after the word "the", to strike out "antitrust laws" and insert "Act of July 2, 1890, as amended (26 Stat. 209); and the Federal Trade Commission Act, as amended (38 Stat. 717)".

Mr. O'MAHONEY. Mr. President, in the first section of title II there is the same amendment—namely, to eliminate the Clayton Act. I ask for the adoption of that amendment.

The PRESIDING OFFICER. The question is on agreeing to the next committee amendment.

The amendment was agreed to, as follows:

On page 5, line 6, after "(26 Stat. 209)", to strike out "the Act of October 15, 1914, as amended (38 Stat. 730);"

Mr. O'MAHONEY. Mr. President, on page 5, in line 10, there is a technical amendment—merely to strike out the numeral "(1)"; and beginning in line 13, on the same page, the next committee amendment proposes to strike out the remainder of page 5, being lines 13 through 24. That portion of the bill undertakes to define the word "control". I think there is nothing controversial about the committee amendment to eliminate that language; and I ask that these two committee amendments be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the next two committee amendments on page 5.

The amendments were agreed to, as follows:

On page 5, in line 10, after "Sec. 202.", to strike out "(1)"; and after line 12, to strike out:

(2) As used in this title, "control" shall be defined as including but not limited to players on a major league club's active or reserve list; players on minor league clubs owned in part or in entirety by a major league club; players on any minor league club having a "working agreement", "optional agreement" or "gentlemen's agreement" with a major league club which agreements provide rights to a major league club to purchase player contracts from minor league clubs; and players involved in private or personal agreements whereby the player contract is subject to purchase or directional disposal or assignment by a major league club by any means whatsoever.

Mr. O'MAHONEY. Mr. President, at this point I shall cease my discussion for the present.

The PRESIDING OFFICER. The next committee amendment will be stated.

The LEGISLATIVE CLERK. On page 6, in line 11, after the word "That", it is proposed to strike out the comma and "excluding nonplaying managers and coaches, and players who are voluntarily retired, disqualified, restricted, or ineligible, or on the National Defense Service list, no major league baseball club, directly or indirectly, by contract or otherwise, may have title to, ownership or control of more than forty players at any given time; however, such a major league baseball club also may be a contracting party to, own, possess, or have under contract, directly or indirectly, through minor league baseball clubs or otherwise, not more than sixty additional contracts of professional baseball players, provided that every such player, not included by any major league club in the limitation of forty players authorized in this paragraph shall be subject to unrestricted draft at a price not to exceed one-half the interleague or intraleague waiver price recognized by the major leagues, whichever is lesser, at least one time in each calendar year after the conclusion of the World Series, but in no event later than December 10 of such year by any major league club that guarantees to include such drafted player within its forty player limitation. In the event that a player is drafted by more than one major league club, the election as to which club a drafted player's contract shall be assigned shall remain and be vested in the drafted player." and insert "all professional baseball players, directly or indirectly owned or controlled by any major league baseball club, except forty players for each such club, and except voluntarily retired, disqualified, restricted, or ineligible players, or players on the National Defense Service list, and nonplaying managers and coaches, shall be subject to an unrestricted draft at least once each year after the World Series and before December 10, by any major league club that in good faith intends to include a drafted player within its forty-player exception: *Provided, however,* That the unrestricted draft shall not apply to any player directly or indirectly owned or controlled by any major league baseball club at the time of the passage of this Act until such player has completed four years in organized professional baseball;".

The PRESIDING OFFICER. The question is on agreeing to this committee amendment.

Mr. KEATING. Mr. President, is this question debatable?

The PRESIDING OFFICER. Yes, and 30 minutes is available on it.

Mr. KEATING. Mr. President, does the Senator from Arkansas seek recognition at this time?

Mr. FULBRIGHT. Mr. President, I wish to offer an amendment to a committee amendment.

Mr. KEATING. To this committee amendment?

Mr. FULBRIGHT. I wish to offer an amendment to the committee amendment on page 10. I did not realize that the committee amendments were to be taken up in this order.

The PRESIDING OFFICER. If the Senator from New York desires to discuss the pending committee amendment, it is in order for him to proceed at this time.

Mr. KEATING. Mr. President, I yield myself such time as I may require.

Mr. President, I believe it is a good thing that, at long last, the Senate is being given an opportunity to air all sides of this controversy.

Mr. O'MAHONEY. Mr. President, will the Senator from New York yield?

Mr. KEATING. I am happy to yield.

Mr. O'MAHONEY. Let me ask whether the Senator from Arkansas will hand me a copy of his amendment.

Mr. FULBRIGHT. In just a moment, Mr. President; first, I wish to consult the Parliamentarian.

The PRESIDING OFFICER. The Senator from New York may proceed.

Mr. KEATING. Mr. President, it may be a little bit confusing to some of the Members of the Senate to find a report with several individual views, the first individual views by Senators KEFAUVER and DODD; the next by Senator O'MAHONEY; the next by Senator CARROLL; the next by Senator HART; the next by Senator WILEY; the next by Senators DIRKSEN and HRUSKA; and the final views by the junior Senator from New York.

The bill was reported to the Senate without recommendation. I am hopeful that, as a result of our deliberations, the Senate can do its part in enacting a law which may be of historic importance to professional sports in America.

This legislation was stimulated originally by several conflicting decisions of the Supreme Court. Under these decisions, professional baseball has been granted a complete exemption from the antimonopoly laws while other professional team sports have been denied even a partial exemption. This discriminatory treatment is intolerable, and the status of these sports under the law must be clarified.

It has long been my feeling that all professional team sports should have equal status under the law and that none should be exposed to potentially ruinous antitrust litigation. We must proceed with extreme caution on any bill which proposes to differentiate among professional baseball, football, basketball, and hockey.

My interest in this subject is both deep and of long standing. I have studied it, as part of my official duties in Congress, for nearly a decade. I have watched and enjoyed these sports for as long as I can remember. I, therefore, approach this subject as a fan, as a legislator, and as a lawyer. I am convinced we can do justice to all concerned within the precepts of our laws, if we will but proceed with care and with caution.

As a Member of the House of Representatives I participated in extensive Judiciary Committee hearings on this subject, hearings which covered a number of years and produced literally mountains of evidence. In the other body I sponsored several bills which sought, broadly speaking, to place the strictly business aspects of professional team sports under the antitrust laws, while exempting the purely playing aspects. I continue to believe this is the soundest and most realistic approach to this problem, and I am glad to note that the legislation before us today at least partially hews to that line of thinking.

As a member of the Senate Committee on the Judiciary these past 2 years, I have had a further opportunity for fresh study of this complex and challenging subject. I am more convinced

than ever that our laws need to be brought up to date and clarified on this matter of where professional sports stand with relation to the antimonopoly statutes.

A brief review of the history of this subject should be helpful in placing this bill in its proper perspective. This history begins with the 1922 decision of the Supreme Court in the Federal Baseball case. In that decision the Supreme Court unanimously ruled that the business of baseball was a purely State affair and that the playing of ball games could not be considered trade or commerce among the States.

I want to emphasize that this decision was not based either on the view that baseball was not a business or on the view that baseball did not, at the time of the ruling, use the facilities of interstate commerce in presenting its exhibitions. The Supreme Court's opinion expressly refers to professional baseball as a "business" and points out that baseball was then using the facilities of interstate commerce in the conduct of its business. What the Supreme Court held was that baseball was unique and that the antitrust laws were inapplicable to it despite the fact that it was a business and that it used the facilities of interstate commerce. I dwell upon this because it shows early recognition of the uniqueness of the business engaged in by professional team sports and because it completely discredits any cavalier rejection of the Federal Baseball case on the ground that baseball was not then using the facilities of interstate commerce.

The decision of the Supreme Court in the Toolson case in 1953 was the next major milestone in the development of the law on this subject. In that case a 7–2 majority of the Supreme Court reaffirmed the decision in Federal Baseball that the business of baseball was not within the scope of the antitrust laws. The Court pointed out that in the 30 years since the Federal Baseball case Congress had not seen fit to bring baseball under the antitrust laws by legislation. In language which leaves no doubt as to the present status of baseball, the Court declared that "Congress had no intention of including the business of baseball within the scope of the antitrust laws."

These decisions did not produce any public outcry. It was apparently recognized and accepted as reasonable that professional team sports were not the kind of activity with which Congress meant to concern itself in adopting the antitrust laws. If there had been no further legal developments or if these decisions had been consistently applied to other team sports, I am sure that we would not today be considering this legislation. The 30 years of nonintervention would have been extended indefinitely without any suggestion that the Court misconstrued the intention of Congress on this subject.

However, in 1957, a majority of the Supreme Court in the Radovich case refused to apply the baseball cases to professional football. The dissenting opinions in the Radovich case forcefully point out the lack of any basis for the majority's holding that the business of baseball was not within the scope of the antitrust laws while the business of football was within their scope. In the language of Mr. Justice Harlan:

> I am unable to distinguish football from baseball under the rationale of Federal Baseball and Toolson and can find no basis for attributing to Congress a purpose to put baseball in a class by itself.

Even the majority recognizes in its opinion that its ruling may be "unrealistic, inconsistent, or illogical." They suggest that the orderly way to eliminate the discrimination is "by legislation and not by court decision"—which, I may say parenthetically, I know would be a welcome statement by the court to many Members of this body who have complained from time to time that the Supreme Court tried to legislate rather than interpret.

The majority concludes, in a plain invitation to legislative action, that:

> Congressional processes are more accommodative, affording the whole industry hearings and an opportunity to assist in the formulating of new legislation. The resulting product is therefore more likely to protect the industry and the public alike.

It is interesting to note that none of the opinions of the Court indicate that the problems raised by the inconsistent treatment of baseball and other team sports should be solved merely by enacting legislation placing organized baseball under the antitrust laws.

When I was a Member of the other body, a determined effort was made to do the very simple thing of putting baseball under the antitrust laws, along with other sports which had been declared to be under the antitrust laws. That is a proposal which I do not believe would serve a useful purpose. I opposed it then, and I would do so now.

In response to the situation created by these rulings of the high court, a number of bills have been discussed in the Judiciary Committees of the House and Senate. One bill, which I supported, actually passed the other body in 1958, but died in the Senate.

Now, for the first time, the entire Senate will have an opportunity to work its will on legislation in this field. The Senate Judiciary Committee during this Congress has had several legislative proposals under study. Included among these is S. 616, which I sponsored with a number of other Senators, and which seeks to carry out the intent of various bills I sponsored in the House of Representatives. That is, this proposal seeks to place the purely business activities of professional team sports under antitrust regulations, while exempting the playing aspects.

This proposal was not considered favorably by the Judiciary Committee, and as a result there was reported from the subcommittee the proposed legislation sponsored by the distinguished Senator from Tennessee [Mr. KEFAUVER], S. 3483.

The version now before the Senate, however, is a great improvement over the original bill which was reported to the full committee by the subcommittee. Without going into detail, the bill contained a good many objectionable features. As will be observed, a great many changes have been made.

Many provisions of S. 3483 deserve speedy approval in order to help certain sectors of the American sports world. I do not anticipate there will be any serious opposition to these provisions.

For example, the television aspect of this bill is of great importance, particularly to baseball's minor leagues and our colleges and universities. The provision in this bill will provide badly needed protection to the minors against the televising of competing big league games. There is ample evidence from executives in minor league baseball that the telecasting of major league games into minor league territories is the greatest single factor contributing to the decline of minor league baseball. Since the minors are literally the lifeblood of the majors—supplying the talent with which the majors operate—it is vital that legislative language be provided so the minors can prevent undue intrusions of big league games via TV.

I have also held conferences with college athletic officials about the impact of professional football telecasts on attendance and gate receipts at college football contests. The need for providing safeguards for college football is emphasized by the fact that in most colleges most other sports are largely supported by income from the football season. The protection supplied by this bill, while not unduly restrictive, should be adequate to this task without hampering too much the dissemination of pro football games. I therefore support this provision wholeheartedly.

Another vital, but often overlooked provision of S. 3483 is the protection provided for players' associations. Explicit safeguards are written into this bill to save the right of professional athletes to bargain collectively or engage in other activities for their mutual aid or protection. This will help insure continuation of the players associations which have already brought great benefits to professional athletes in terms of pension plans and improved playing conditions. A congressional stamp of approval for these activities is of great importance and should help prod further work and progress in this field which is of such a special and personal interest to the competitors in our great national sports.

The clarification of professional football's status under the antitrust laws is a noteworthy and relatively noncontroversial part of this measure. In the light of the Radovich decision, to which I have referred, it is vital that the record be set straight in this regard and football brought in line with other professional team sports. I hope enactment of this aspect of the bill will help football continue its splendid progress and its expansion to all sections of the country.

Definition of the place of professional basketball and hockey should also prove beneficial to those great games. The former, at least, is already in the process of expansion into new cities and new

territories—another healthy sign of interest in the sport, and its general well-being.

Now, Mr. President, these provisions were included in the original bill offered earlier this year by Senator KEFAUVER. The real controversy surrounds the treatment accorded professional baseball in this measure, and specifically the inclusion of provisions for the operation of an open draft.

In this regard, substantial improvements have already been made in the committee, partially motivated by the fact that the original proposal might well have sounded the death knell of baseball's minor leagues by placing a lid on the number of players a big league team could control. The addition of language to protect from the draft players now under contract until their fourth year is also an excellent change.

It is clear, however, that additional improvements can and must be made on this bill before final passage. It will be necessary to deal with each individual amendment as it comes up. However, in evaluating the bill as a whole, and in judging the merits of the various amendments, certain broad principles must be borne in mind.

First, it must be recognized that, generally speaking, it is preferable to accord equal treatment under the law to all four of these sports. Although there are of course certain differences between each of them with regard to their operations, they are essentially alike and, therefore, logically should be treated alike in our laws. Clear and convincing evidence, based on extreme exigencies, must be produced before a case can be made for differentiating among professional baseball, football, basketball, and hockey under the antitrust laws. A strong case must be made before we should condone any kind of inequality on the statute books.

It appears that the emergence of a new factor—the proposed third major baseball league and its concomitant problems with organized baseball—is the kind of urgent exigency which demands special treatment for baseball on our statute books.

In this connection, it must be recognized that we live today in a far larger nation—both in terms of population and geography—than when the present two major baseball leagues were established. There is no doubt in my mind that America is ready, willing and able to support not three but four major leagues today. The great popularity of our national pastime, the great upsurge in our population and the growing ease of rapid transportation, demands that the major leagues be expanded to make the game truly national in scope.

It is therefore incumbent upon Congress to be aware of and responsive to, the undeniable forces at work to create a third big league. This is an effort to which I have been dedicated since it became a serious matter, and I shall continue to help in any way I properly can to see that this shining goal is realized.

I must frankly confess a somewhat partially selfish attitude in that regard.

I am particularly desirous, of course, to bring at least one more big league team to New York City. Fans in Gotham are literally thirsting for a team to replace the New York Giants and Brooklyn Dodgers. To my way of thinking it is preposterous and unthinkable that the Nation's largest city should long remain with only one major league club.

The third major league provides the means for bringing that much-needed and much-hoped for new team to New York City. The Congress must, by every legitimate means, provide assistance for this important movement.

However, we must be careful in our natural enthusiasm to get the new league under way, that we do not take steps or enact legislation which will not be in the overall interests of the millions of baseball fans of America. We must not, in our haste to help this new and exciting prospect for our national pastime, undermine the present structure of organized baseball. We must not unduly intrude the Federal Government into the day-to-day operations of professional baseball. We must not open the door to costly litigation which could bring down the whole establishment of baseball in this Nation.

I say all this with a full recognition that self-regulation has generally produced honest and fair practices on the part of organized baseball. Not since 1919 has there been any serious charge made against the players or the playing in organized baseball.

Whatever thorny problems have arisen between present big leagues and the third league can and should be solved by the parties themselves.

That is the way professional sports have always operated; and I do not believe the present impasse is so great that they cannot continue to do things that way. I dislike extremely the whole concept of involving the Federal Government in yet another field of endeavor. Particularly I feel this way when we are considering an enterprise which has performed so well and so honestly thus far, and which, because of its unique features, simply does not lend itself to Federal regulation and Federal controls.

In summary then, my firm belief is that the record of professional baseball has been generally good. It can be relied upon to continue to improve if it is let alone. The solutions to the problems of sports do not lie in conforming their practices to varying judicial conceptions of the requirements of the antitrust laws or what outsiders believe are needed changes in its rules.

Constant intervention into the affairs of baseball and other sports by paternalistic meddlers will lead to nothing but trouble for all concerned.

Certainly, the enactment of any kind of special legislation must not be regarded by the third major league as a panacea or Federal crutch to be substituted for the hard work and good faith negotiations which must still be undertaken before the great dream becomes a reality.

Thus, no matter what legislative action Congress takes, organized baseball and the third league must still sit down and iron out the thorny problem of indemnities for minor league teams which the new league plans to supplant. In this instance, it is clear that both sides thus far have been at fault and are partially responsible for the present stalemate. But it must be made clear that a barrage of publicity is no substitute for good faith negotiations. If the parties themselves cannot reach an understanding soon, I would hope they will turn to some form of arbitration in order to solve this most important, and admittedly complex, problem.

In addition, I hope that the new league and the present leagues can get together on the problem of the distribution of players. This is a key situation and one to which the main controversial section of the bill before us is directed. In this area, again, it is apparent that much more heat than light has been generated thus far.

Continued obstinacy will serve no useful purpose, and I hope that both sides will recognized this soon so that some kind of equitable agreement can be evolved which will serve the best interests of all concerned and will contribute to the much-needed expansion of major league baseball.

I have stated rather carefully my philosophy that the less the Federal Government has to do with the operations of professional sports the better. That has been my view through all the years of my study of this field.

However, the appearance on the horizon of the third major league adds a new imperative to the picture.

My dedication to this ideal is so great that I am prepared to support features of this bill which appear to offer the only way to get the new league on its feet. I frankly am not 100 percent convinced that the new league has done all it could do to solve its player dilemma. I am not completely convinced that special interest legislation is needed to give the league the players it must have.

However, I am prepared to support the open draft provision of this bill, unsound as it may seem when viewed out of the context of the present situation in professional baseball.

I would also be prepared to support an amendment which would protect American Legion and high school players from tampering by pro baseball teams, but I am glad to note that any inference that the new league would tap such sources has been repudiated by officials of the proposed third league.

Finally, Mr. President, I want to express the hope that we will approach this whole problem with the idea in mind that the main goal must be to serve the best interests of the millions of sports fans of America. In voting on this legislation we must be concerned about their desire to see more big league baseball, but in our hurry to stimulate the achievement of that objective we must make certain that we do not provide a field day for litigation or for ruination for baseball's minor leagues. We must avoid transferring the scene of sports clashes from the playing fields to the courtrooms. We must also avoid any action which would tend to crumble

the foundations of the present structure of baseball or scare off potential investors in the proposed third major league.

In my view, the bill as presently drafted is inadequate to the task, but it is a step in the right direction.

In the end, it is my hope that a bill will be evolved which will provide a shot in the arm to the proposed third league, without unduly discriminating against professional baseball vis-a-vis other team sports. It is my further hope that action by Congress in this area will spur all parties involved to greater efforts at good faith bargaining and hard work negotiations, rather than campaigns of public abuse and recrimination.

Mr. President, we Americans pride ourselves on our love of sport and our dedication to fairplay. To carry on that proud tradition, the Congress must come to the aid of the proposed third major league. This bill provides the vehicle for providing that needed boost, which will help insure that our national pastime will become fully worthy of that grand title.

Mr. President, I therefore urge very careful evaluation of the various amendments, as they are proposed, and I hope for final approval of the bill along the lines I have described.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. KEATING. I am happy to yield to the Senator from Ohio.

Mr. LAUSCHE. In the opinion of the Senator from New York, are the provisions regulating the right to broadcast adequate protection for college football and the minor leagues?

Mr. KEATING. In reply to the inquiry of my friend from Ohio, I would say that top officials of the National Collegiate Athletic Association have expressed approval of the terms of this provision so far as television is concerned. There has been a great deal of work done on it. I believe the answer to the Senator's question is "yes."

Mr. LAUSCHE. What about the minor leagues? Are they of a different opinion?

Mr. KEATING. The minor leagues would probably, if we asked them to write language, like something more than this, but I believe that there is pretty general agreement among the minor leagues that this provision is satisfactory.

Mr. LAUSCHE. To what extent has there been a difference of opinion in the committee concerning the limitation of 40 players to be held under restrictions, as provided in the bill?

Mr. KEATING. The Senator will remember that the original bill contained provisions to limit the number of players a big league team could control. The original bill, as it appears at page 10, reads:

> That each club having title to, or ownership control of more than 100 players on the passage of this act, shall have two years from the date of its passage in which to dispose of such players.

That language has been stricken. The 40-player limitation is in general in accord with the present rules of organized baseball insofar as such players may be placed on a draft-exempt list.

Mr. LAUSCHE. Is it the opinion of the Committee that the number of players a team may have under control being limited to 40 is adequate?

Mr. KEATING. Players who are not subject to the unrestricted draft; yes.

Mr. LAUSCHE. May I ask to what extent discussions were had in committee dealing with the constant threats of ball clubs, such as Washington moving out of Washington, Cleveland moving out of Cleveland, and Brooklyn and the New York Giants moving out of New York?

Mr. KEATING. The Senator from New York was disappointed in seeing the Dodgers and the Giants move out of New York. However, there was not, as I remember, any substantial number in committee, if any, who felt that by legislation we should try to dictate as to the geographical areas where teams might operate.

Mr. LAUSCHE. The purpose of the bill is to keep free from the antitrust laws those aspects of professional baseball which are indispensably needed to conduct baseball as a sport and entertainment for the people without governmental interference. Is that correct?

Mr. KEATING. That is right. It goes farther as regards football, basketball, and hockey than it does with regard to baseball. If it were not for the element of the third major league, to which I referred, I would like to see the whole thing handled with complete equality among all four sports. It is only the exigencies of the situation which seem to me to arise from the efforts of the third major league to organize that call for these special provisions in title II.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEATING. I am glad to yield.

Mr. CARROLL. I may say to the Senator from Ohio that there was discussion in committee about the power of the major league owners, whether it be in Boston or Washington or New York, for the 16 major league owners, at any time, to pull up stakes and move whenever they wish to move. There is nothing in the present law to stop them, and there is nothing in the bill to stop them. The controversy really arises from the growing and expanding population of 180 million people. There is an effort on the part of some cities to establish a new major league. It is that simple. Sixteen major league owners control about 4,000 players by unilateral contracts. There is no way in which the new league can start unless it has access to this so-called raw material.

One of the purposes of the bill is to spell out the granting of certain exemptions to baseball with respect to the antitrust laws and to try to establish certain reasonable standards. In the words of a distinguished former Member of this body, Ed Johnson:

> We must never forget that a human being is the commodity that pro baseball buys and sells in the marketplace.

If the baseball clubs have contracts with the players, and the players are not subject to some sort of draft, obviously a new league cannot come into being. This, in my opinion, is the real purpose of the proposed legislation.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CARROLL. I yield.

Mr. LAUSCHE. Is my understanding correct that while it is not attempted to assign teams geographically, the fact that a limitation has been placed on the number of players which one club may have under control acts to neutralize the threat of a team moving out of town?

Mr. KEATING. I want to clear up one point in the Senator's mind. The provision relating to the total number of players which a club may have under its control has been stricken out. The only provision is that there shall be a limit of 40 players who will be exempt from draft by other teams.

Mr. LAUSCHE. I understand.

Mr. KEATING. I realize there was a discussion, but I believe the Senator from Colorado will agree that it was the unanimous feeling of the committee that we should not, by legislation, provide that a team may or may not move from one locality to another.

Mr. LAUSCHE. That still does not negate my inference that when it becomes possible for a third league to start, a blanket will be thrown over the threats of clubs to move from one town to another, because the third league will be in existence to move into the vacant places.

Mr. KEATING. That is perhaps so; but the third league will have to make financial arrangements, gain access to a stadium, and so on, in the area where it expects to operate.

Mr. President, I prefer not to take more time. I am usurping some of the controlled time in yielding so much of it to myself. I yield the floor.

Mr. FULBRIGHT. Mr. President, I submit an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, it is proposed to strike out lines 11 through 21 as far as the word "provided."

The PRESIDING OFFICER. The Senator from Arkansas is recognized for one-half hour.

REPORT ENTITLED "EVENTS RELATING TO THE SUMMIT CONFERENCE"—REPORT OF A COMMITTEE—ADDITIONAL VIEWS (S. REPT. NO. 1761)

Mr. FULBRIGHT. Mr. President, on behalf of the Committee on Foreign Relations, I submit a report entitled "Events Relating to the Summit Conference," together with individual views.

The report is the result of the committee's hearings on the same subject from May 27 to June 2. It was approved by the committee last Thursday, June 23, by a vote of 14 to 1. I may say that in all of my service on the Foreign Relations Committee, never before have I known a report to receive such careful,

minute, prolonged attention from the committee. Thirteen committee meetings were held, during which the report was gone over, sentence by sentence, with the most exacting care. A second draft received the same attention. Every member of the committee had ample opportunity to comment on everything from the most delicate shades of phrasing to the most profound questions of policy.

I might also say that throughout these proceedings the committee had the wholehearted cooperation and support of the Senate leadership, particularly of the majority leader, the distinguished Senator from Texas [Mr. JOHNSON]. I discussed the matter in advance with the Senator, and he agreed that the inquiry was a proper one and that the Committee on Foreign Relations was the proper committee to conduct it.

As is inevitable in a case of this kind where compromise is involved, the end product is probably not wholly satisfactory to any member of the committee. Yet it is generally satisfactory to most members of the committee, and I venture the hope that it will be read and pondered by the Senate, by the public at large, and especially by the officials of the executive branch. Considering the number of cooks involved, and the diversity of their feelings about the matter, this broth has turned out rather well.

Nevertheless, Mr. President, it is with a heavy heart and with some regret that I present the report to the Senate and thereby to the people of the Nation. It is never pleasant to admit error in our private lives. It is far more painful for a great nation to admit that its policies have been lacking in wisdom and foresight and one may be sure that whoever calls attention to the errors will not be thanked for his effort.

In spite of the fact that I may well expect to receive criticism, I feel a duty to express my views for whatever they are worth.

In some systems of government, notably the Communist system, error is rarely admitted by those who govern. Infallibility of the ruler is accepted by the people, who, indeed, have nothing to say about, or any power to change, the policy in any case.

In a democratic system, such as ours, the people do have much to say about policy, and they decide who shall govern them. How, may I ask, can our people be expected to discharge their duty as citizens of a self-governing republic, if they are not told the truth about their affairs? It would be easier, more pleasant, and I am sure more popular, to joint those who pretend that all is well, that the summit meeting was a triumph for the West and that the Japanese fiasco only demonstrates once again the viciousness of the Communists.

Mr. President, in this connection I call attention to an article entitled "Eisenhower's Tactic: His Procedure on U–2, Summit, and Trip Is To Ignore the Critics," written by James Reston, the head of the Washington bureau of the New York Times, and published in the New York Times of today, June 28, 1960. I think the article is most appropriate, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EISENHOWER'S TACTIC—HIS PROCEDURE ON U–2, SUMMIT, AND TRIP IS TO IGNORE THE CRITICS

(By James Reston)

WASHINGTON, June 27.—President Eisenhower has devised a simple procedure for dealing with his critics and his defeats: He simply ignores the critics and claims victories.

This is what he did in his explanation of the U–2 and the summit incidents last month, and this is what he did in his report on the Japanese situation tonight. The effect of this is serious in a democracy, for it confuses the public, infuriates the political opposition, and leaves mistakes unexplained and uncorrected.

What the President did tonight was merely to say that everything that had been done on our side was all right, and that all that was necessary was to carry on steadily as before.

The demonstrations in Okinawa were ignored: "Relations with Okinawa have been strengthened," he said. The cancellation of the trip to Japan was a nuisance, perhaps, but it was all the fault of the Communists, he said.

There was no analysis of the effect of the U–2 incident on U.S. bases in Japan, or of the immense crowds demonstrating against the treaty, though they numbered considerably more at times than the total membership of the Japanese Communist Party.

LOSS OF PRESTIGE IGNORED

Nor was there any reference to the criticism in the American press of the Japanese incident, or to the widespread discussion of loss of U.S. prestige in the press of the allied world.

Beyond this, there was only one reference to the U–2 spy plane flight over the Soviet Union and the Paris summit meeting, which were clearly connected with the demonstrations against the Japanese treaty. This was a remark that the President's trip to the Soviet Union was canceled after a series of false and elaborate excuses by Premier Khrushchev.

There is, of course, much that can be said for the other trips made by President Eisenhower in the last year. It was perfectly fair to argue that these had done much to create good will for the United States in India, Pakistan, the Near East, and Europe.

Nobody has denied this. But the President's two speeches on Paris and Tokyo were a blanket denial of the very misjudgments his own officials concede in private and Secretary of State Herter has actually made in public.

EFFECT IN ELECTION YEAR

As a political device in an election year, of course, this carries great weight. The President is immensely popular. The public does not like to be told that its Government has made mistakes, and when the President in effect denies that mistakes were made, he no doubt helps restore the political balance.

He does nothing, however, to restore confidence within his own Government or within the alliance, or to institute any review of the policies that may have gone wrong.

If the President had taken up the criticism that has preoccupied the Western World in his absence, and answered the serious points raised, for example, in the report of the Senate Foreign Relations Committee this last weekend, then it would have been possible to reach fair judgments on the events of these last few months.

This, however, is what he did not do. His conclusion on the basis of his last two reports is inescapable: He feels no responsibility for anything that went wrong, and therefore no need to do anything except carry on as before.

PROBLEM REMAINS

Accordingly, even if everything he said was absolutely true and in perspective, a serious problem remains. For if his account of where the Western alliance now stands is correct, then his allies and even the American press which has been so favorable to him in the past, are wrong and guilty of misleading the people about the principal leader of the West.

Democracies cannot operate effectively when their leaders and their public opinion do not come to grips with widely publicized criticism. The special gift of this system is that it has the power of self-criticism which corrects mistakes as they go along.

But the President is not answering the criticism; he is merely brushing it aside as the work of Communists and opposition Democrats.

Mr. FULBRIGHT. Mr. President, I believe the prestige of our country among nations has reached a new low, and I believe that before we can begin to regain our position in the world we must admit our errors and examine the causes thereof; then carefully plan and execute a program for the restoration of that power and influence.

The matter which I present to the Senate today is, of course, but a small facet of the total national picture, but it is a facet which is illustrative, I believe, of the grave problems which confront us and to which solutions must be found.

Mr. President, the complete report of the committee is before the Senate, but there are a few points which seem to me to require emphasis.

The first of these is that it was a serious error of judgment to order the U–2 flight of May 1. It is true, of course, as administration spokesmen have repeatedly said, that there is no good time for a failure.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. YARBOROUGH. Has it been ascertained yet who ordered the U–2 flight?

Mr. FULBRIGHT. All that we know about it, I think, is contained in the record which was made at the time of the hearings, and as was presented in the report of the committee.

Mr. YARBOROUGH. I thank the Senator from Arkansas for yielding.

Mr. FULBRIGHT. Mr. President, to say that there is no good time for a failure is to overlook the fact that there are bad times and worse times. Certainly May 1 was one of the worst times. Little or no consideration was given to the international consequences of a failure on May 1. It has been argued that in view of the unbroken success of almost 4 years, there was no reason to anticipate this failure. But, Mr. President, in an enterprise as risky as this, it is imprudent not to take into account the consequences of failure. Such consequences are routinely taken into account in thousands of decisions in the day to day conduct of our affairs. All of us are accustomed, in considering any

plan of action affecting either our private or public affairs, to ask ourselves the question, "What happens if this does not work?" Nobody asked that question in connection with the May 1 flight.

We are told that this particular flight was in a special category; that it was seeking information of extraordinary importance which might not be available later. However, we are not told, even under conditions of the utmost secrecy, what that information was. In view of the sensitivity of some of the other things we were told, this reticence on the part of the executive branch raises the question of whether the information sought on May 1 was in fact as important as it has been represented. There is ground here for the conclusion that the alleged extraordinary importance of this information is the administration's cover story for its own costly mistake.

It might be argued that if we come now to the judgment that the May 1 flight should not have taken place, it is incumbent upon us to come also to a judgment as to what date prior to May 1 should have been fixed as a cutoff. I am not sure that this follows, but I should say that sometime around the middle of April, or perhaps after the flight of April 9, the flights should have been suspended. If the April 9 flight had failed, there would have remained time perhaps to restore some sort of normalcy to international relations before the summit conference. There was plainly not sufficient time after the May 1 failure.

Moreover, the time available was improperly used. So, although sending the May 1 flight at all was the first mistake, what we did after it failed was the second mistake.

There are three aspects of the U.S. reaction to the failure which should have been handled differently. The cover statements made about the flight were far too specific, and made us look ridiculous when the full extent of Soviet knowledge was revealed. The gravest mistake was made when the President assumed responsibility for the flight. Finally, after the truth became known, the State Department and the White House assumed a self-righteous attitude which further complicated our situation in Paris.

The crux of the matter is found in these last two points—the assumption of Presidential responsibility and the self-righteous attempts to justify the flights in terms which implied their continuation. These are interrelated and each served to compound the mischievous effects of the other.

As is pointed out in the report, it is unprecedented among civilized nations for a chief of state to assume personal responsibility for covert intelligence operations. The traditional method would have been to allow the chief of the intelligence agency to take the responsibility. One reason intelligence agencies exist is to serve as a whipping boy in cases of this kind.

Mr. President, I am not so hidebound as to argue that any departure from precedent is a mistake ipso facto. We must examine the reasons for the precedents and ask ourselves why, up until the 9th of May, 1960, it had been the unvarying practice in international relations for chiefs of state to hold themselves above and apart from espionage. These reasons are sound and persuasive and go to the heart of a system of diplomatic conventions which have developed over the centuries and which make it possible for nation states of differing characteristics to carry on amicable, impersonal relations with each other.

In this system of diplomatic forms, the chief of state embodies in his person the sovereignty and dignity of his country. It is totally unacceptable for one chief of state because of this personal embodiment to impinge upon the sovereignty of another, and much less so for him to assert the right to do so. It is begging the question to say that the sovereignty of nations is violated all the time by espionage, and that the Soviet Union is the worst offender. The violations of this type, as carried out by the covert intelligence activities of any nation state, are insitutional in nature, and hitherto have not been considered as challenging the sovereignty of the nation. This is a subtle, but an important distinction.

So long as international relations are kept on an institutional, impersonal basis, states can disagree strongly and still maintain channels of communication with each other. This is why the rather stylized language of diplomacy has been developed. This is why a diplomatic note may contain strong, even harsh, statements, but still close with the phrase, "Accept, sir, renewed assurances of my highest esteem."

Within our own Federal system of 50 States, even though the members are somewhat less jealous of their own dignity, and are more friendly and tolerant of one another, than are the members of the international community, nevertheless, similar impersonal conventions govern our conduct, even here in the Senate. We do not refer to each other even by name, but as "the Senator from X State." And we usually preface a reference to one of our colleagues with adjectives such as "able," "distinguished," or "eminent." These adjectives are used even by a Senator who is describing a colleague whom he does not admire. If Senators said on the floor of the Senate what they really feel about some of their colleagues, the orderly conduct of legislative business would quickly become impossible. It is against the rules of the Senate for a Member to question the motives of another Senator. This derives from the fact, not that Senators are different from others in their motives, but from the tradition that they represent sovereign States, and from the fact that without the rule, the work of the Senate would be disrupted.

It seems clear to me that if chiefs of state begin the practice of personally admitting the violation of each other's sovereignty, the orderly conduct of international affairs will quickly become impossible—as, indeed, it did become in Paris, last month.

Historically, the deliberate and intentional assertion by a head of state of the right to violate the territorial sovereignty of another nation has been considered an unfriendly act of the utmost seriousness.

It is quite unacceptable to any state to be in the position in which this Government put the Soviet Union last month. Although another man would have most likely been more temperate in his choice of language, it is difficult to see how anyone could have been expected to act substantially different from the way Chairman Khrushchev acted under the circumstances which confronted him in Paris.

This is not said in defense of Khrushchev; it is said in an attempt to bring understanding of our own difficulties. Either we have got to resign ourselves to the inevitability of war; or we have got to get along, somehow, some way, with the Soviet Union. And if we are going to get along with that country, we have got to preserve the traditional conventions by means of which we can at least talk to its representatives.

Suppose, Mr. President, that the U–2 incident had occurred the other way around. Suppose a Russian counterpart of the U–2 had come down over Kansas City on May 1. This event in itseslf, I daresay, would have brought speeches in the Senate powerful enough to rock the Capitol Dome with denunciations of the perfidy of the Soviets on the eve of the summit conference and with demands that the President not go to Paris. But then, Mr. President, reflect how much more violent the reaction here would have been if Mr. Khrushchev had said he was personally responsible for the flight, and at the same time left the impression that he had every intention of trying it again. In this connection, it is well to remember Dwight Morrow's observation that one of our troubles is that we judge ourselves by our motives, and others by their actions.

Although it was bad enough for our Chief of State to assume personal responsibility for the U–2, it was worse for us then to leave the impression that the flights were to be continued, and, even more, to go to such lengths to justify the flights. I am not arguing here that the flights were not justified as an espionage operation; but the justification rested solely and simply on the need of the United States for the kind of intelligence which the flights provided. This is the kind of justification which the Soviet Union, and every other government, for that matter, can understand. But it becomes quite intolerable to go beyond this, and attempt to make it appear that the flights were really the Soviet's own fault; that if the Soviets had not been so secretive, we would not have had to spy on them. This attitude of smug self-righteousness must have been unbearably provocative to the Soviet Government and contributed substantially to the violence and intemperate bad manners of their representative, Mr. Khrushchev, at Paris.

I suppose, Mr. President, that this statement will be twisted to have me saying that we must be nice to the Russians and to Khrushchev and not offend him. The truth is that in the orderly

conduct of international relations, one ought not to be either nice or offensive; one ought to be impersonal and objective. Heaven knows our basic differences of substance with the Soviet Union make the conduct of our relations difficult enough, without our creating novel obstructions to the traditional means of communication and negotiation.

But a larger, and rather more elusive, issue is also involved here. It is one thing to say, "We tried to get intelligence, because we needed it." It is quite another thing to say, "We needed intelligence, and this gave us the right to try to get it."

If a man is starving to death, and if he robs a grocery store, we can understand his action on the basis of need; but his need does not give him a right to become a burglar. Hitler used to argue that Germany's need for lebensraum gave him the moral right to commit aggression. The same kind of argument was heard from Mussolini and from the Japanese war lords of the thirties. It has even been heard from the Soviet Union. I hope it will not be heard even by implication, in the United States.

Discussion of the wisdom of having our Head of State assume responsibility for the U–2 has frequently been confused by irrelevant arguments over whether or not President Eisenhower should lie or should tell the truth. Stated in these terms, the answer obviously always is that the President should tell the truth, and that he should be commended for following the rigorous standards of honesty set by young George Washington. But, Mr. President, although Washington admitted chopping down the cherry tree, he did not go on to say, "Yes, I did it, and I'm glad. The cherry tree was offensive to me, because it had grown so tall. I needed some cherries, and I shall chop down other cherry trees whenever I want more cherries."

In any event, Mr. President, my argument is not that the President should not have told the truth; my argument is that he should not, as the Head of our Nation, have become personally involved in the incident, one way or the other.

We have not yet seen the last of the results of the bumbling and fumbling of the U.S. Government during the first 2 weeks of May 1960. One result was that there was no summit conference. It is perfectly clear that the U–2 incident and our handling of it were the immediate cause of the collapse of the conference. It is irrelevant in this connection to argue that Khrushchev came to Paris with a predetermined position to prevent the conference from taking place. The determining factor in reaching this position was the U–2 incident which had occurred 2 weeks before the conference. We also have the testimony of the Secretary of State that there were no indications, prior to May 1, that the Soviets did not intend to go through with the conference. And we have the testimony of former Ambassador Bohlen, now a high-ranking official in the Department of State, and our outstanding expert on Soviet affairs, and who was at Paris, that—and I quote from the report:

> Had there been no plane incident, I believe the conference would have run its full course. The plane incident, the whole development connected with that, moved things into a totally new dimension.

It contributes little to our understanding of these events to say Khrushchev wrecked the conference. Of course he did. The essential point is that the U–2 was the reason he did. Secretary Gates said it was the tool Khrushchev used. Secretary Herter said it was a convenient handle for Khrushchev. This is not essentially different from saying he used it as a crowbar and sledgehammer. One might even go further and say that we forced Khrushchev to wreck the conference by our own ineptness. Walter Lippmann, one of the most eminent and respected of our commentators, has put it best. Referring to the implication that the flights would be continued, he wrote on May 12, before the Paris conference:

> To avow that we intend to violate Soviet sovereignty is to put everybody on the spot. [The Soviet Government] is compelled to react because no nation can remain passive when it is the avowed policy of another nation to intrude upon its territory.
>
> What is unprecedented about the avowal is not the spying as such but the claim that spying, when we do it, should be accepted by the world as righteous. This is an amateurish and naive view of the nature of spying.
>
> The spy business cannot be conducted without illegal, immoral, and criminal activities. But all great powers are engaged in the spy business, and as long as the world is as warlike as it has been in all recorded history there is no way of doing without spying.
>
> All the powers know this and all have accepted the situation as one of the hard facts of life. Around this situation there has developed over many generations a code of behavior.
>
> The cardinal rule, which makes spying tolerable in international relations, is that it is never avowed.

Another result of this unfortunate series of blunders has been a loss of confidence, worldwide, in the United States. It is true that our allies stood by us stanchly and loyally in Paris. It is equally true that the technical skill demonstrated by almost 4 years of U–2 flights aroused widespread admiration. The loss of confidence to which I refer has to do with faith in the ability of the United States to coordinate its governmental machinery and its vast power, and engage this power positively and effectively in the defense of the free world.

Lack of confidence leads to neutralism, and I daresay this was a contributing factor to the riots in Japan protesting our new treaty. I also call the Senate's attention to the following report from Mexico City in the New York Times of May 22:

> Pressures were put on the Mexican Government this week to force the United States out of a planned missile-tracking site in the State of Sonora.
>
> Mounting sentiment against the proposed installation apparently resulted from a combined public determination to maintain Mexico's neutrality following the shooting down of an American U–2 reconnaissance plane in the Soviet Union, the collapse of the summit conference and the whipping up of anti-United States emotion by leftist sources here.
>
> Mexican reaction to the U–2 incident and the summit breakdown could probably reflect with fair accuracy that of a large part of Latin America.

And I fear that we may see other manifestations of this same loss of confidence in other countries where we have military bases.

Mr. President, since I prepared this speech on Sunday, there appeared in the New York Times on Monday an article which is datelined Murree, Pakistan, special to the New York Times, under the headline "Ayub Doubts United States Can Act Swiftly." This is an article concerning a statement by President Ayub, one of our stanch allies, one for whom many people, including the President recently, have expressed admiration. The article reads, in part:

> President Mohammad Ayub Khan declared today that Pakistanis were beginning to doubt that the governmental machinery of the United States was attuned to the requirements of the nuclear age.

I shall not read the entire article. I ask unanimous consent that it be inserted in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, it will be a long time before we can get back to where we were on April 30.

In the meantime, if we can disabuse ourselves of the habit of self-delusion, of viewing defeats as victories and of advertising blunders as strokes of genius, there are some things we can learn from these sad events. One is the need for better coordination and much firmer direction of all governmental activities affecting foreign relations. If this is not to come from the White House, it should come from the State Department.

Much has been said about the lack of coordination in handling the U–2 incident and about the defects in our governmental machinery which this reveals. What is lacking, Mr. President, is not so much coordination as direction.

I shall read one sentence from the report itself, which appears on page 24:

> Further, there are few, if any, references in the record to direction, and this seems to the committee to be what was most lacking in this period. There were many interagency meetings to coordinate activities, but there was apparently no one official or agency to direct activities.

Mr. President, it is not the machinery which is at fault so much as the people who operate it. The need for coordination varies inversely with the strength and vigor of leadership. Elaborate arrangements for coordination are really nothing more than a poor substitute for a firm hand directing affairs. It is the difference between making a hurried phone call to Gettysburg for approval of a coordinated position and receiving clear instructions based upon reflective consideration from the White House.

Another thing we can learn is that there should be no direct, public link between the President, as Chief of State,

and the covert activities of our intelligence agencies. This, I think, has been amply discussed. At the same time, it is equally clear that closer policy control needs to be exercised over these agencies. This can most appropriately be done by the executive branch. But if that branch will not do it, then Congress may have to try to do it along the line of the suggestion of the distinguished Senator from Montana [Mr. MANSFIELD].

Finally, Mr. President, I feel impelled to take note of a point of view which is beginning to be heard to the effect that the U–2 flights must be resumed and that it was a great mistake ever to stop them. This point of view is most clearly expressed in an interview in the June 27 issue of U.S. News & World Report with an anonymous source said to represent "the viewpoint of important groups of officials in the military services of this country and in the U.S. Department of State." The basic theme is that in abandoning the U–2 flights the United States has lost an important source of intelligence and that the Soviets have gained a corresponding advantage. There can be no great quarrel with that as a statement of fact. What really disturbs me about the interview is the attitude reflected in the statement that the "United States has given up a highly important device for reconnaissance without getting a single thing in return."

This clearly implies, Mr. President, that the United States should and could have used the U–2 flights as a bargaining counter and that we should not have given them up unless the Soviets had given something to us. This must be based on the premise that the United States had a real choice in the matter, that we had some kind of right to continue to overfly the Soviet Union, and that in the meantime we could negotiate about it. This is getting dangerously close to the point of view I mentioned earlier—namely, that our need for this intelligence gives us a right to go after it. This is untenable, and completely ignores the realities of our position.

Those who deplore the giving up of these flights might well reflect that the renunciation of the flights in the future was a direct consequence of the assumption of responsibility by the Head of State. In the words of Walter Lippmann:

> Having avowed too much, the President has had to renounce too much, much more than was necessary.

Mr. President, short of the madness of preventive war, I can think of nothing more dangerous than to resume overflights of the Soviet Union. These overflights were useful while they lasted, but they have now obviously become, as the professionals describe it, compromised.

Mr. President, with the completion of this report in hand, I hope that all of us may now direct our thoughts and best efforts to the problem of improving the policymaking procedures and the executive machinery of our Government. There are lessons to be learned from these experiences, if we can avoid beclouding and obfuscating them with wishful thinking or partisan bickering.

In the deliberations of the committee, which were long and arduous, the members displayed a minimum of partisanship. They acted as good Senators and good Americans should, although there were, of course, legitimate differences of opinion. In the beginning I was doubtful that a report could be agreed upon. It has been and I wish to express my deep appreciation to all those who gave so much of their time and wisdom to its accomplishment.

Mr. President, I ask unanimous consent to have the individual views printed as a part of the committee report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

EXHIBIT 1

[From the New York Times, June 27, 1960]

AYUB DOUBTS UNITED STATES CAN ACT SWIFTLY—PAKISTANI CHIEF SAYS CLUMSY GOVERNMENT SYSTEM COULD DELAY REPLY TO AN ATTACK

(By Paul Grimes)

MURREE, PAKISTAN, June 25.—President Mohammad Ayub Khan declared today that Pakistanis were "beginning to doubt" that the governmental machinery of the United States was attuned to the requirements of the nuclear age.

The President said there was no doubt that the United States had the striking power to repel any attack. However, he questioned whether the governmental machinery would permit it to act rapidly enough.

This machinery "appears cumbersome, sluggish, and a clumsy juggernaut," President Ayub asserted in an interview here. "In my mind, that is the greatest danger to the free world."

MORE MILITARY AID SOUGHT

The President's remarks were made in reference to recent criticism in the United States of military aid to Pakistan. Field Marshal Ayub left no doubt, however, that his government still considered itself one of the United States stanchest allies.

He said the United States had been approached about increasing its military assistance. Indications in diplomatic circles here were that the response would be favorable.

Discussing Pakistan's economic problems, the President bitterly attacked the controversy in the United States about providing information on birth control. He said it was "very selfish" and "very unwise."

If the United States, like Pakistan, were faced with a population growth that threatened its economic development, he said there would be no controversy. He urged that, instead of arguing, Americans spur their scientists to develop a cheap, simple, effective method of contraception.

In another interview, at nearby Nathia Gali, Foreign Minister Manzoor Qadir said it was his inclination not to reply to a second Moscow protest against the alleged use of a Pakistani airbase by a U.S. U–2 plane. The plane was shot down May 1 on a spying mission over the Soviet Union.

The note warned that if any aircraft made "provocative" flights against the Soviet Union from Pakistan, the Soviet Government would be forced to take such counter-measures as striking at the bases used. It said Pakistan, in rejecting an earlier Soviet protest, appeared to underrate the seriousness of the situation.

CABINET TO DISCUSS NOTE

Mr. Qadir said that the note would be discussed by the Pakistani Cabinet but that he doubted a reply would be sent. He said Moscow would take advantage of a reply only to make new charges and warnings.

President Ayub asserted that he thought Pakistan had made quite clear to Moscow that she had "no aggressive designs against anyone."

"We are in military alliances purely for defense," he declared. "We have every right to do this. There is no reason why Russia should misunderstand that."

The general impression among usually informed sources here is that Pakistan strongly suspected for some time that U.S. aircraft were using her base at Peshawar for flights over the Soviet Union. Pakistan is believed to have chosen to look the other way rather than cause possible embarrassment.

High Pakistani opinion is believed to hold that all alert nations must gather information about their potential enemies and that the U–2 missions might have indirectly helped Pakistan by helping the United States.

LACK OF UNDERSTANDING SEEN

Field Marshal Ayub said he had "no doubt that thinking Americans are aware of Communist intentions, designs, and activities." He added, however, that the East-West struggle presented a "difficult military situation" in South Asia that "sometimes our friends in America do not quite understand."

The intellectual, he said, is a "dangerous chap who may be good at debating but cannot make up his mind."

The President declared that the United States appeared to lack a "clear-cut policy" and, as a result, lost considerable prestige.

The 53-year-old President was interviewed in his spacious office overlooking the Himalayan foothills. He has been staying in Murree, at 7,000 feet above sea level, while Rawalpindi, his new capital, 35 miles to the southwest, has been simmering in 110° heat.

The President's appearance was anything but typically Pakistani. He wore a light gray suit, a cream-colored shirt and a sky blue tie. He sat erect in the best British military manner behind a huge wooden desk covered with green felt.

The President said he had been "trying very hard" to reach a settlement of outstanding problems with neighboring India. He said his main objective was disengagement of the Indiana and Pakistani armies that face each other along long frontiers.

He added, however, that he saw no real hope for this until a settlement was reached on the disputed state of Jammu and Kashmir.

The President observed that he saw no reason why Pakistan could not "do business", with the Soviet Union. His Foreign Minister said that the Soviet Embassy in Pakistan had had talks about possible petroleum exploration but that there had been no progress since the U–2 incident.

Mr. FULBRIGHT. Mr. President, I withdraw the amendment I offered.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Wisconsin.

Mr. WILEY. I listened with interest to the very scholarly remarks of the Senator. I simply wish to say that it seems to me there are many points which have not been discussed.

For instance, in this age of nuclear weapons, we must think in terms of the law of human nature. The first law of human nature is the law of self-defense. That law applies to national self-defense.

There are other things which have not been discussed. I expect to have an answer ready in a day or two to analyze the very fine production given today. I have in mind particularly what I think is very important. I summarized it in a previous statement on the results which followed the breakup of the summit conference. Prime Minister Macmillan said:

> Khrushchev has done some service by dispelling some of the illusions of our defeatists and pacifists at home.

We also know that NATO is stronger because of the summit blowup. We also know that our allies are closer than they have been in years. We also know that the Japanese incident, which followed, further exposed the hand of Khrushchev and added to the alertness of our allies overseas.

I, for one, feel that when the President acknowledged the responsibility, while he may have dispensed with some old, out-of-date methods of the past——

The PRESIDING OFFICER. The Chair will interrupt the Senator to inquire whose time the Senator is using. The amendment offered by the Senator from Arkansas has been withdrawn.

Mr. WILEY. I shall offer an amendment, and use time on the amendment. I did not intend to talk for more than a few minutes. I ask that I may have 3 minutes to complete my sentence.

Mr. KEATING. Mr. President, I yield 5 minutes to the Senator from Wisconsin from the time on the bill.

Mr. WILEY. Mr. President, I am going to prepare a reply to the very scholarly—I emphasize "scholarly"—remarks of the distinguished Senator from Arkansas. I admire the Senator very much. Through the years I have felt a sort of friendly feeling toward him and his wife. I recognize how definite and certain he is in his conclusions.

I will say, with respect to the particular subject on which I was speaking when I was interrupted by the Presiding Officer, the matter of national defense, when the President acknowledged his responsibility we know he had the responsibility. We know the Congress of the United States had the responsibility. The Congress passed the law and appropriated the money which created the U–2. Congress was in on this particular, necessary machinery to defend the Government of the United States.

When the President made the acknowledgment, it was under his responsibility. He knew when the money was appropriated. He knew when the machinery was set up 4 years before. He did that which was echoed around the world as a man who speaks the truth.

Instead of there being an interference with our prestige, what happened? Senators saw what happened. When polls were taken on Mr. NIXON, after the U–2 incident, his stock went up, which indicates that the people recognized, at long last, what had happened. The world was aware of what was going on. America was aware. The common citizens became aware. Congress became aware.

Congress appropriated more money for defense.

In all sincerity, I say that I agree with the scholarly production, in part, but I think it missed the point in this challenging age when one bomb can destroy New York City. We have to use the weapons which are necessary for the preservation of America and of the free world.

I trust that in the next 48 hours I shall be able to prepare a reply, which I trust will be a little more analytical than these remarks and will at least be acceptable in part. As soon as I prepare my remarks, I shall submit a copy to the Senator. I received this copy this afternoon, as I sat in the Chamber, so I am not prepared to answer further at this time.

PROFESSIONAL SPORTS ANTITRUST ACT OF 1960

The Senate resumed the consideration of the bill (S. 3483) to make the antitrust laws and the Federal Trade Commission Act applicable to the organized team sport of baseball and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. CARROLL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARROLL. What is the parliamentary situation at this time? How much time remains for the proponents and how much time remains for the opponents?

The PRESIDING OFFICER. The proponents of the committee amendment have 30 minutes remaining. The opponents have used up all their time.

Mr. CARROLL. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARROLL. Are there other committee amendments?

The PRESIDING OFFICER. There are other committee amendments.

Mr. CARROLL. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc. I think there is no controversy about the committee amendments. If I correctly understand the parliamentary situation, after we dispose of the committee amendments the bill will be open to further amendment.

The PRESIDING OFFICER. Any part of the bill not affected by the committee amendments, if agreed to, would be open to further amendment.

Mr. CARROLL. Mr. President, I move that the committee amendments be agreed to en bloc.

The ACTING PRESIDENT pro tempore. The question is on the motion of the Senator from Colorado.

The motion was agreed to.

The committee amendments agreed to en bloc are as follows:

On page 6, line 11, after the word "That," strike out the comma and "excluding nonplaying managers and coaches, and players who are voluntarily retired, disqualified, restricted, or ineligible, or on the National Defense Service list, no major league baseball club, directly or indirectly, by contract or otherwise, may have title to, ownership or control of more than forty players at any given time; however, such a major league baseball club also may be a contracting party to own, possess, or have under contract, directly or indirectly, through minor league baseball clubs or otherwise, not more than sixty additional contracts of professional baseball players, provided that every such player, not included by any major league club in the limitation of forty players authorized in this paragraph shall be subject to unrestricted draft at a price not to exceed one-half the interleague or intraleague waiver price recognized by the major leagues, whichever is lesser, at least one time in each calendar year after the conclusion of the World Series, but in no event later than December 10 of such year by any major league club that guarantees to include such drafted player within its forty player limitation. In the event that a player is drafted by more than one major league club, the election as to which club a drafted player's contract shall be assigned shall remain and be vested in the drafted player." and insert "all professional baseball players, directly or indirectly owned or controlled by any major league baseball club, except forty players for each such club, and except voluntarily retired, disqualified, restricted, or ineligible players, or players on the National Defense Service list, and nonplaying managers and coaches, shall be subject to an unrestricted draft at least once each year after the World Series and before December 10, by any major league club that in good faith intends to include a drafted player within its forty-player exception: *Provided, however,* That the unrestricted draft shall not apply to any player directly or indirectly owned or controlled by any major league baseball club at the time of the passage of this Act until such player has completed four years in organized professional baseball;".

On page 8, after line 12, strike out:

"SEC. 204. Any contract, agreement, rule, course of conduct or other activities by, between or among persons conducting, engaging in or participating in the organized professional team sport of baseball which prevents, hinders, obstructs or affects adversely the formation, organization, or operation of additional major baseball leagues not presently in operation or in existence: *Provided,* That such additional major baseball league or leagues shall consist of a group of not less than eight communities which group has a total metropolitan or territorial population within a thirty-five-mile radius with its center at each baseball park of not less than twelve million, and expressing in their constitution, bylaws, or rules the willingness to observe and comply with maximum major league standards respecting player limits, minimum major league standards respecting salaries, recognized waiver practices of the existing major leagues, major league standards respecting retirement programs, and playing schedules equal to the existing major leagues, shall be in violation of the Acts named in section 201 of this title."

On page 9, at the beginning of line 8, change the section number from "205" to "204"; on page 10, at the beginning of line 9, to change the section number from "206" to "205"; at the beginning of line 12, to change the section number from "207" to "206"; at the beginning of line 16, to change the section number from "208" to "207", and in line 22, after the word "this", to strike out "title: *And provided further,* That each club having title to, ownership or control of more than one hundred players on the passage of this Act, shall have two years

from the date of its passage in which to dispose of such players" and insert "title"; so as to make the bill read:

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the 'Professional Sports Antitrust Act of 1960.'

"TITLE I

"SEC. 101. The Act of July 2, 1890, as amended (26 Stat. 209); and the Federal Trade Commission Act, as amended (38 Stat. 717), shall not apply to any contract, agreement, rule, course of conduct, or other activity by, between, or among persons conducting, engaging in, or participating in the organized professional team sports of football, basketball, or hockey to the extent to which it relates to—

"(1) the equalization of competitive playing strengths;

"(2) the employment, selection, or eligibility of players, or the reservation, selection, or assignment of player contracts;

"(3) the right to operate within specific geographic areas: *Provided,* That such geographic areas when used with respect to any football, basketball, or hockey club shall mean the area included within the circumference of a circle having a radius of thirty-five miles with its center at the football field, basketball court, or hockey rink of the respective football, basketball, or hockey club: *And provided further,* That the exemption which relates to the right to operate within the specified geographic areas shall not apply to cities having a population of more than two million people; and

"(4) the preservation of public confidence in the honesty in sports contests.

"SEC. 102. No contract, agreement, rule, course of conduct, or other activity by, between, or among persons conducting, engaging in, or participating in the organized professional team sports of football, basketball, and hockey shall constitute a violation of the acts named in section 101 of this title to the extent to which it relates to the regulation of the granting by one or more clubs of the right to telecast reports or pictures of contests in the organized professional team sports of football, basketball, or hockey from telecasting stations located within seventy-five miles of the home community of another club on the day when such club is scheduled to play there a regularly scheduled league game in the same sport, or to the distribution to other clubs in the same or different leagues of all or any part of the revenues of whatever nature received from telecasting any or all contests in the same sport of football, basketball, or hockey: *Provided, however,* That the granting by one or more clubs in one league of the right to telecast reports or pictures of its contests in such organized professional sports from telecasting stations located within seventy-five miles of the home community of another club in a different league in the same sport on a day when such club is scheduled to play there a regularly scheduled league game, or with respect to telecasting football contests only from telecasting stations located within seventy-five miles of the game site chosen by a college on a day other than Sunday when such college is scheduled to play there an intercollegiate contest in football, shall be unlawful whenever such granting of the right to telecast has not been consented to in writing by the other professional club or such college and the effect of such telecasting is injurious to or may tend to destroy such other club or the sport of football at that college.

"SEC. 103. (1) As used in this title, "person" means any individual, partnership, corporation, or unincorporated association, or any combination or association thereof.

"(2) As used in this title, "college" means any university or other institution of higher education which confers degrees upon students following completion of sufficient credit hours to equal a four-year course.

"SEC. 104. Nothing in this title shall be construed to deprive any players in the organized professional team sports of football, basketball, or hockey of any right to bargain collectively, or to engage in other associated activities for their mutual aid or protection.

"SEC. 105. Except as provided in section 101 and 102 of this title, nothing contained in this title shall affect the applicability of the Act of July 2, 1890, as amended (26 Stat. 209); and the Federal Trade Commission Act, as amended (38 Stat. 717) to the organized professional team sports of football, basketball, or hockey.

"SEC. 106. Nothing in this title shall affect any cause of action existing on the effective date hereof in respect to the organized professional team sports of football, basketball, or hockey.

"TITLE II

"SEC. 201. Except as provided by this title, the Act of July 2, 1890, as amended (26 Stat. 209); and the Federal Trade Commission Act, as amended (38 Stat. 717), shall apply to the organized professional team sport of baseball.

"SEC. 202. As used in this title, "person" shall mean any individual, partnership, corporation, or unincorporated association, or any combination or association thereof.

"SEC. 203. No contract, agreement, rule, course of conduct, or other activity by, between, or among persons conducting, engaging in, or participating in the organized professional team sport of baseball shall constitute a violation of the Acts named in section 201 of this title, to the extent to which it relates to—

"(1) the equalization of competitive playing strength;

"(2) the employment, selection, or eligibility of players, or the reservation, selection, or assignment of player contracts: *Provided,* That all professional baseball players, directly or indirectly owned or controlled by any major league baseball club, except forty players for each such club, and except voluntarily retired, disqualified, restricted, or ineligible players, or players on the National Defense Service list, and nonplaying managers and coaches, shall be subject to an unrestricted draft at least once each year after the World Series and before December 10, by any major league club that in good faith intends to include a drafted player within its forty-player exception: *Provided, however,* That the unrestricted draft shall not apply to any player directly or indirectly owned or controlled by any major league baseball club at the time of the passage of this Act until such player has completed four years in organized professional baseball;

"(3) The right to operate within specific geographic areas: *Provided,* That such geographic areas when used with respect to any baseball club shall mean the area included within the circumference of a circle having a radius of thirty-five miles with its center at the baseball park of the baseball club: *And provided further,* That the exemption which relates to the right to operate within the specified geographic areas shall not apply to cities having a population of more than two million people; and

"(4) The preservation of public confidence in the honesty of sports contests.

"SEC. 204. No contract, agreement, rule, course of conduct, or other activity by, between, or among persons conducting, engaging in, or participating in the organized professional team sport of baseball shall constitute a violation of the Acts named in section 201 of this title, to the extent to which it relates to the regulation of the granting by one or more clubs of the right to telecast reports or pictures of contests in the organized professional team sport of baseball from telecasting stations located within seventy-five miles of the home community of another club on the day when such club is scheduled to play there a regularly scheduled league game in the same sport, or to the distribution to other clubs in the same or different league, or all or any part of the revenues of whatever nature received from telecasting any or all contests in the sport of baseball: *Provided, however,* That the granting by one or more clubs in one league of the right to telecast reports or pictures of its contests in such organized professional sport from telecasting stations located within seventy-five miles of the home community of another club in such league or in a different league in the same sport on a day when such club is scheduled to play there a regularly scheduled league game shall be unlawful whenever such granting of the right to telecast has not been consented to in writing by the other club and the effect of such telecasting is injurious to or may tend to destroy such other club.

"SEC. 205. Nothing in this title shall affect any cause of action existing on the effective date hereof in respect to the organized professional team sport of baseball.

"SEC. 206. Nothing in this title shall be construed to deprive any players in the organized professional team sport of baseball of any right to bargain collectively, or to engage in other associated activities for their mutual aid or protection.

"SEC. 207. This Act shall take effect thirty days after its passage: *Provided, however,* That in the calendar year in which this Act is passed each major league baseball club shall make available not later than December 10 of that year for unrestricted draft all players of whom it has title to or ownership or control in excess of forty players as provided in section 203(2) of this title."

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

Mr. KEATING. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KEATING. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MCGEE in the chair). Without objection, it is so ordered.

Mr. WILEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning with line 4 on page 5 it is proposed to strike out all to and including line 8 on page 11.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

LEGISLATIVE APPROPRIATION BILL, 1961

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 12232, which was read as follows:

In the HOUSE OF REPRESENTATIVES, U.S.,

June 27, 1960.

Resolved, That the House concur in the amendments of the Senate numbered 1

through 42, inclusive, and amendments numbered 45 through 49, inclusive, to the bill (H.R. 12232) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes";

That the House concur in the amendments of the Senate numbered 43 and 50;

That the House disagree to the amendment of the Senate numbered 44;

That the House concur in Senate amendment numbered 51, with an amendment, as follows:

At the end of said amendment, add the following:

"No funds made available in this or any other act shall be used to pay the expenses of travel or subsistence for any trip made by any Senator or Representative between the District of Columbia and his home State in the case of a Senator, or his district in the case of a Representative, other than (1) trips which are specifically authorized by law for mileage or transportation expense of Senators and Representatives, (2) official participation in the funeral services of deceased Senators or Representatives, or (3) official trips originating in the Senator's State or Representative's district during periods when Congress is not in session."

Mr. STENNIS. Mr. President, on the legislative branch appropriation bill for fiscal year 1961, H.R. 12232, the House of Representatives has agreed to all Senate amendments except amendment No. 44, relating to the old Senate Chamber, and amendment No. 51, relating to the listing of travel expenses of Senators and Representatives.

The House has adopted a proviso which has been added to Senate amendment No. 51.

I move that the Senate further insist upon its amendment No. 44, and that it disagree to the House amendment to Senate amendment No. 51; and that it further insist on its amendment No. 51.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

Mr. STENNIS. I move that the Senate request a further conference with the House on the two amendments, and that the Chair appoint the conferees on the part of the Senate at the further conference.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. CHAVEZ, Mr. HAYDEN, Mr. JOHNSON of Texas, Mr. BRIDGES, Mr. SALTONSTALL, Mr. ALLOTT conferees on the part of the Senate at the further conference.

PROFESSIONAL SPORTS ANTITRUST ACT OF 1960

The Senate resumed the consideration of the bill (S. 3483) to make the antitrust laws and the Federal Trade Commission Act applicable to the organized team sport of baseball and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes.

Mr. WILEY. Mr. President, as we read the report on the pending bill we note that there are a great number of individual views. There are the individual views of Senators KEFAUVER and DODD; the individual views of Senator O'MAHONEY; the individual views of Senator CARROLL; the individual views of Senator HART; my own individual views; the individual views of Senators DIRKSEN and HRUSKA; and the individual views of Senator KEATING.

In addition there have been printed in the hearings a series of telegrams received from minor league teams.

When there is an illness the question is, What is the appropriate remedy? We have here a number of opinions as to what the appropriate remedy is. First we must find out whether the patient is ill.

There is no illness in baseball. The teams are in healthy condition. They are doing fine. My Braves are doing fine. The problem is that starting from Mississippi and going west, a great deal of that territory does not have any professional baseball teams, so to speak. The real issue is, Will the pending bill cure the disease, or will it kill the patient?

If we consider the telegrams received from minor league teams, as I understand their position, the minor leagues are not in favor of the pending bill.

I offer the amendment. It really strikes out title II and, as it were, puts baseball in the same category as the other sports. The purpose of the amendment is to put baseball among the sports listed in title I and to strike out title II.

The legal standing of the professional team sports has been, for several years now, subject to speculation and uncertainty—due to the Supreme Court decisions in the Federal Baseball Club case—1922—the International Boxing case—1955—and the Radovich case—1957. In principle, I, therefore, favor legislation which would clarify the applicability of the antitrust laws to professional sports. Furthermore, since the U.S. Supreme Court, apparently on historical reasons, made a distinction between the sport of baseball on one hand and football, basketball, and hockey on the other hand—I believe it is the duty of Congress to provide all the team sports equal treatment.

The purpose of the bill is to make the business aspects of the professional sports subject to the antitrust laws and the Federal Trade Commission Act. At the same time, this bill would exempt from these laws those aspects of the team sports which pertain to the rules of the game and to the manner in which these sports conduct their professional activities. The bill has great merit, therefore, in that it undertakes to give football, basketball, and hockey the same protection against antitrust violations afforded to baseball through the Supreme Court decision in the Federal Baseball Club opinion, rendered in 1922. The bill will eliminate the discrimination currently existing in favor of the sport of baseball. This I support.

Unfortunately, the purpose of this bill is not merely to remove this discrimination, but also to accomplish through legislation and governmental action what, I believe, must be carried out through free economic enterprise. For title II of the bill, which pertains to baseball alone, undertakes to disrupt some of the present practices in the sport of baseball by limiting the manpower of any ball club to 40, and by providing that any players over that number be subject to unrestricted draft.

I do not believe that that idea is basic in the American way of thinking, in any particular sport or in any particular line of business.

It is the philosophy behind title II that the country requires an expansion in the number of baseball clubs; that too many of the baseball players are currently controlled by a small number of baseball clubs; that no additional ballplayers can be easily recruited and developed; and that the only way in which an expansion could occur in the number of clubs is by breaking up the control that the existing clubs now exert over players.

I heard a statement made a while ago that about 4,000 players are controlled by 16 clubs. If we multiply 16 by 40, we get a total of 640 players. Since the major league clubs control 4,000 players, where are the rest? Fortunately, they are farmed out, so to speak. They are attached to minor league clubs and are becoming major league baseball players. But what are 4,000 compared with a population of 180 million? What about the stretch of territory to the west of us? Are we attempting to do something by the bill which may damage the 16 major league clubs and do nothing beneficial for the sport of baseball?

Some of my constituents who have written to me are very much concerned about the question. They feel the bill may have an adverse effect upon baseball clubs which are now operating satisfactorily; that it may have the effect of undermining them; that it may have an adverse effect on public interest in baseball.

I believe that the population and economic growth in the United States in recent years certainly justified all endeavors to make baseball available to new parts of the country. Since the end of the century the population of the United States has doubled. The centers of population have changed and have moved westward. It is certainly my belief that the people of the Midwest, the South, and the West, are entitled to have their own baseball clubs and to enjoy the benefits of major league baseball. The question, however, is, how this could be best accomplished.

Can it best be accomplished by cutting the heart out of the present organization, which utilizes 4,000 players?

Testimony before the Antitrust and Monopoly Subcommittee has indicated that only a small portion of the human raw material available for professional baseball is tapped at the present time. If a new major league is to come into being I believe that it would be most equitable and most proper for it to develop its own sources for player supply. For the Government to disrupt the present contractual relationships between the ball clubs and the players would certainly appear unjustified. I realize that it may take longer for a third league to blossom into being if they had to cul-

tivate their own players. Yet, unless it is shown that no other player sources are available for the development of new leagues, it would appear inappropriate to disrupt by governmental action the system under which baseball has been successful by recruiting and developing its manpower for over 100 years.

The contemplated provisions of title II, by limiting the number of players that any baseball club may have under contract and by providing for unrestricted annual draft, may tend to disrupt not merely the present operations of the major leagues, but may also cause harm to the minor leagues which are currently supported by major league clubs. The minor leagues have been fighting a hard battle for survival. And if the major leagues were to be deprived of their contractual rights to minor club players, there will certainly be no reason for them to continue the support of minor leagues.

I am fearful that the proposed title II, in undertaking by legislative fiat to bring into being a third league, will tend to disrupt the successful present operations of professional baseball. Furthermore, it has been suggested that title II which will permit any "major league club"—a term which this title leaves undefined—to draft players from other clubs is legally ambiguous and will encourage litigation. I must, therefore, stress again that new major league clubs can come into being, and should come into being, not by legislative finding but through professional recognition and accomplishment.

It, therefore, appears to me that the internal management of baseball affairs should be left to those professionally concerned with it and that Congress should remain in the grandstand.

Yes, we should remain in the grandstand. We should not be tinkering with every piece of human activity. We have enough to do to look after what we might call international problems.

I should like to urge the existing major leagues and those undertaking to provide the people of this country with new major league clubs to do all that is possible to reach agreement under which the benefits of professional baseball will be made available to a larger number of our people, and in new parts of the country. I believe also, that those undertaking to create major league clubs should act to develop their own player resources, rather than expect to derive all their manpower from existing sources. I do not believe, however, that restrictions should now be put into effect to deprive the existing baseball clubs of their contractual freedom to train prospective players through minor league arrangements.

In order to provide equal protection for baseball, football, basketball, and hockey, title II of S. 3483 should be eliminated and baseball should be included in the sports listed in title I.

Mr. President, I submit a substitute amendment for the one I originally submitted. I had two amendments before me at the time.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 5, immediately following "basketball", it is proposed to insert "baseball".

On page 3, line 3, after "basketball", it is proposed to insert "baseball".

On page 4, line 24, after "basketball", it is proposed to insert "baseball".

On page 5, line 2, after "basketball", it is proposed to insert "baseball".

Beginning with line 4, page 5, it is proposed to strike out all to and including line 8, page 11.

The ACTING PRESIDENT pro tempore. Without objection, the amendments will be considered en bloc.

Mr. WILEY. Mr. President, this is a substitute amendment. It provides that all of title II shall be stricken out, and that "baseball" be inserted in title I. That is the sum and substance of the amendment.

Mr. COOPER. Mr. President, will the Senator from Wisconsin yield?

Mr. WILEY. I yield.

Mr. COOPER. I ask the Senator from Wisconsin whether a majority of the committee agreed to the bill as reported by the committee to the Senate.

Mr. WILEY. I have indicated clearly the diversity of opinions. As to what the majority of the committee agreed on, I cannot say at this time, because I have not had time to read the individual opinions. But I feel that there was agreement on this—that they would like to have baseball included with the other sports, so that all would be in the same basket. I may be wrong about that, but that is my impression. That is why I have proposed this amendment.

Mr. COOPER. The Senator from Wisconsin wishes to strike out title II, as I understand, and thus give baseball the same protection as that to be given to the other team sports by means of title I—for instance, with respect to television.

Mr. WILEY. That is correct.

Mr. COOPER. I understand that title II would prevent the teams of a new major league from being established in certain cities—eight in number—or within a radius of 35 miles from the existing ball parks, except in the case of cities with a total population of more than 2 million. In other words, the Senate would practically name the cities in which a third baseball major league could be established.

Is it also correct to state—as the Senator has suggested—that after the present major league baseball clubs have built up minor league clubs and have developed players and purchased players and have supported the minor league clubs, this bill would turn all of them loose and would permit other teams to secure those players, who have been developed by the existing major league teams?

Mr. WILEY. I think so. If the bill is enacted in its present form, each existing club would have the first right to 40 players. After that, any club could pick them.

Mr. COOPER. Taking into consideration the lack of unanimity on the part of the committee members and all the differing views the committee members have expressed, and also my own views about the bill, and also the fact that in Louisville, Ky., we have a fine baseball team, I wish to state that I shall support the Senator's amendment.

Mr. CARROLL. Mr. President, does the Senator from Wisconsin desire to continue?

Mr. WILEY. I shall be glad to yield. Does the Senator from Colorado wish to speak at this time?

Mr. CARROLL. I do not wish to cut short the very able presentation by the Senator from Wisconsin.

Mr. HART. Mr. President, has the Senator from Wisconsin concluded his presentation?

Mr. WILEY. Yes.

Mr. HART. Will the Senator from Wisconsin yield time to me, to permit me to speak in support of his amendment?

Mr. WILEY. Yes.

How much time remains under my control, Mr. President? Do not I have a total of 30 minutes on each amendment? I believe I have used not more than 20, thus far.

The ACTING PRESIDENT pro tempore. Twenty-six minutes remain on the latest amendment.

Mr. WILEY. Twenty-six?

The ACTING PRESIDENT pro tempore. Yes.

Mr. WILEY. I yield to the Senator from Michigan such part of that as he may desire to use.

Mr. HART. Mr. President, I thank the distinguished senior Senator from Wisconsin for offering this amendment, and I congratulate him on doing so.

I understand that if this amendment is adopted and is enacted into law, the Congress will recognize, first, that the other team sports—football, basketball, and ice hockey—are entitled to certain safeguards against the application of the antitrust laws; and, second, that baseball—which today is free from any such restraint—should be brought within the same limitation.

The great danger of the bill as reported by the committee lies in the fact that if we were to enact into law the bill as the committee has reported it, the Senate would then have taken the position that football, ice hockey, and basketball are being given the same protection, but that baseball—which after 80 years has become the national game—is now to be subjected to greater restraints than those to which the other three team sports are to be subjected.

Mind you, Mr. President, the one team sport which today is without restraint would then be subjected to greater restraint than would the other three team sports, which today are subject to the antitrust laws. To me, such an arrangement makes no sense.

I think the fans of the Nation generally would insist that Congress recognize that organized baseball has demonstrated, over a long period of years, its high sense of responsibility. Otherwise, how could the Nation point with such great pride to baseball as the national game?

If we propose to move in on part of the baseball playing field—as would be done by the Kefauver proposal—why should we move further and deeper into

baseball than we propose to move into the other three team sports? What is the equitable justification for saying to baseball, "You are not as good as professional football or ice hockey or basketball, and we have to move in on you further than we do on the other three?"

Surely the history of sports in the United States does not justify such action by the Congress; and what would we say to a fan as our justification?

The distinguished Senator from New York discussed the bill at some length, and did so from many aspects; and he included in his remarks the assertion that it would be better if Congress did not try to run baseball or professional football or ice hockey or basketball—and I am sure that many fans would agree—but that if Congress is to take any action in this field, it should do so with restraint, and, especially, should treat all these team sports alike.

Then, as I recall, he said that a new imperative has developed—namely, the attempted emergence of a third major baseball league—and because of that fact, he has asked us to write bad law.

In my opinion, if it is the judgment of Congress that the antitrust laws should be applied to baseball, then surely there is absent from this record any justification for our moving farther and harder on baseball than we do on the other three team sports.

Admittedly, I speak from a parochial standpoint and against a background that involves participation in both professional football and baseball. I acknowledge—and most of my colleagues realize that, anyway—that no one can assert that he is completely objective and completely free from prejudice.

But I believe that Congress should give organized baseball an opportunity to adjust to the same antitrust law limitations and obligations under which Congress will permit the other three team sports to operate. Congress should not go beyond that. Congress should give organized baseball an opportunity to operate for a while within the same framework which Congress is imposing on the other three team sports.

Mind you, Mr. President, ever since the early 1920's, when the Supreme Court took the position that baseball was free from this limitation, baseball has operated on the basis of that assumption.

Today, this bill would have us turn back the clock, and give to football, basketball, and ice hockey more immunity from this law, to which today they are completely subject, under the same court decision, than would be had by baseball, which for all these years has operated free from the application of this law.

Mr. President, if Congress is to act honorably and responsibly and ably and if Congress is, this year, to pass proposed legislation dealing with such sports, is it not proper that Congress write the law in such a way that it will apply equally and uniformly to all?

Time will remain for us to judge whether this limited application of the antitrust laws to baseball is wise or unwise; but let us not go too deeply at first.

I have heard much said here, as I have in years past, to the effect that baseball players are enslaved and that one of the obligations we must meet is to free them from bondage. That is not the voice of the organized baseball players. No representative of the organized baseball players came to the committee and asked us to free them from that bondage. On the contrary, the spokesman for the organized baseball players asked that we not go to the extent proposed in the Kefauver bill.

I rather share with the junior Senator from New York the hope that if the third emerging league could meet with the spokesman for organized baseball, both in good faith, even without any legislation, there would be progress in the growth of a third league. But failing that, what about the advisability of adopting legislation which penetrates more deeply into the practices of baseball than any of the other three organized sports?

Though Congress prides itself on a great variety of skills, developed in part from the broad backgrounds of its Members, which contribute to their judgments here, I think all of us would be very hesitant to say this is the instrument in America which is best equipped to define who is a big leaguer or what is a big league. That is not the business of Congress. I think if we should undertake that kind of legislation, we would find ourselves in much deeper than the spokesmen for the Continental League assert themselves to be in. Even those who have spent a lifetime in baseball have said it is difficult to define who is a big leaguer, and Senators are not in a better position to make that determination.

This bill leaves wide open and unresolved a great many important and basic questions. What about the annual draft? What shall be the price paid for the player? The bill is silent on it. How many players from the roster of 40 on the clubs shall be permitted to be drafted? Can we cull the whole roster?

Mr. President, this is intended to be a criminal statute. Is there clarity enough in this bill to assure that its constitutionality will not be challenged? There are thousands of questions unanswered by the bill, I suggest, which should give us very serious pause.

For these many, many reasons, I urge the Senate, if it is to move in on baseball, not to move in deeper than it does on the other sports.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. LAUSCHE. Will the Senator from Michigan explain how the bill as now written deals more severely with baseball than football, basketball, and hockey?

Mr. HART. In response to the question of the Senator from Ohio, there is no limitation on player roster numbers in football or hockey—which incidentally, has a farm system—and basketball.

Mr. LAUSCHE. Yes.

Mr. HART. Additionally, there is provision, by action of Congress, to set up an annual player draft. Organized baseball has taken a good many years to develop a draft pattern which is livable within its own structure. Here we propose, in 1960, to organize draft rules for organized baseball.

Mr. LAUSCHE. Will the Senator yield further?

Mr. HART. Yes.

Mr. LAUSCHE. Title II is the one that applies to baseball, but this bill applies to the other sports; does it not?

Mr. HART. It does.

Mr. LAUSCHE. In that respect, the bill is more severe in its treatment of baseball than the other sports. Is that correct?

Mr. HART. Exactly; and it is for that reason that the junior Senator from Michigan supports the amendment offered by the senior Senator from Wisconsin to strike title II, the title which discriminates against baseball, and add baseball to title I, in order that all of these professional team sports shall be treated equally under the antitrust laws. If experience under this measure proves to be unsatisfactory, then, and only then, should we move deeper on baseball.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. WILEY. I yield to the Senator from Alaska.

Mr. BARTLETT. I came into the Chamber late, during the discussion of the Senator from Michigan. I am not fully acquainted with what striking title II would do to the proposal for another major baseball league. I wonder if the Senator will enlighten me.

Mr. HART. The Senator is asking a spokesman who admitted at the outset that he felt it was not the role of Congress, in view of the protests of those who are seeking to form a new league, by legislative action here today to write a rule of law that treats of the sport in which they have an interest—and I am sure it is not a mere passing interest—differently than we treat the sports of football, basketball, and hockey. If we should not trim our legislative action in light of the anxiety on the part of the Continental League promoters, we would, I suggest, be making the same mistake that, on occasion, courts have made when faced with a difficult and appealing case, they write bad law.

Mr. BARTLETT. Is it the opinion of the Senator that the new league could organize if title II were stricken?

Mr. HART. I doubt very much if any major league ever came into existence by any legislative action. Nor would any sound major league come into existence as a result. I feel that the opportunities remaining for those who seek to come into organized baseball or to establish a big league would be made easier if title II were included, but I feel that is not the function or role of the Congress. We hear many lectures here about the desirability of permitting competition to seek its own level. Here assuredly is an instance where, because sports are involved, not just business, give and take should be permitted full freedom.

I feel strongly if the parties in question did not feel they could look to Congress to create their league, they would have long since created their league. It is not the function of Congress to do this.

Mr. BARTLETT. I thank the Senator.

Mr. WILEY. Mr. President, if no Senator wants me to yeld time to him, I yield the floor.

Mr. CARROLL. Mr. President, there has been a great deal of misunderstanding about the amendment that is before the Senate. I am sorry the able Senator from Tennessee [Mr. KEFAUVER] is not present.

Mr. KEATING. Mr. President, may I inquire how much time has been allotted to the Senator?

The PRESIDING OFFICER. How much time does the Senator allot to the Senator from Colorado?

Mr. KEATING. Mr. President, how much time does the Senator from Colorado need?

Mr. CARROLL. I am handling the time, I assume, from this side of the aisle, and I wanted to inquire what the parliamentary situation was.

The ACTING PRESIDENT pro tempore. The Senator has 30 minutes.

Mr. CARROLL. Mr. President, I yield to myself 5 minutes of this time.

The ACTING PRESIDENT pro tempore. The Senator from Colorado is recognized for 5 minutes.

Mr. CARROLL. Mr. President, the amendment started out to be a motion to strike title II entirely.

The able Senator from Wisconsin really did not seek at the outset to put baseball in title I. Then we had a substitute, which was an amendment, really, to strike title II and then put baseball in title I.

We must understand the issue, and how it arose.

The courts, by their decisions, brought football, basketball, and hockey within the purview of the antitrust laws. On two previous occasions the courts said that baseball was not included under the antitrust laws.

What was the great concern of the baseball representatives, which caused them to come to Congress and ask for relief? They were afraid of the trend of the decisons. They were afraid baseball would be included in the next decision, in the same category with football, basketball, and hockey.

The baseball representatives came to Congress, requesting legislation. What sort of legislation did they wish? They wished to have the very type the able Senator from Wisconsin desires to put in title I.

How can we exempt a sport from the antitrust laws if it is not covered? The baseball representatives wish to be absolutely sure to preclude the Supreme Court at some future date. That is why they want baseball in title I.

Why do we object to having it go into title I? Why do we not object to football, basketball, and hockey being there?

We are talking about entirely different sports, under an entirely different system. Baseball has developed through the years, from the farm system. It takes year to train a baseball player. A football player normally comes from a college. This is the crux of the problem.

For many years there have been 16 teams in the major leagues, which have controlled thousands of baseball players. I mean "controlled." There has been absolute control by 16 major league owners.

I will give an example for Senators. In the year 1921, when the United States had a population of 105 million, there were 16 major league teams. We had a total overall of 28 minor league teams. In 1960, when we have 180 million people, we still have 16 major league teams, and the minor league teams have now dropped to 20.

It should not be said that the bill would sound the death knell of the minor leagues. I wish to read to Senators a telegram from a minor league representative. This telegram comes from Jacksonville, Fla., and is signed by Bill Terry. Senators all remember Bill Terry, who was a great baseball player. He is the president of the Jacksonville Baseball Club, in the minor league. He sent a telegram. He said:

> Telegram June 14 to Florida Senators opposing S. 3483 over my signature was sent without my knowledge by Braves office. Contrary to my original telegram, I have studied this bill and am thoroughly in favor of it.
>
> If minor leagues are to survive on a sound basis baseball needs legislation like bill S. 3483 with title II reserved intact.

The purpose of the amendment is to strike title II and to incorporate baseball in title I. This is the crux of the matter.

In Colorado, in Texas, in Georgia, and in States throughout the West there is a desire to establish a Continental League, another baseball league. The money is available. Men want to build stadiums. Where will they get the baseball players? This is the whole issue.

There are 16 major league owners who control 3,000 to 4,000 baseball players and who have their own rules, which provide for 40 men on a club roster. This is the total permitted under the major league rules and regulations, 40 men on a roster. However, the major league team owners have all the other players under contractual control, and no other person can deal with them.

What would we do if we pass the bill? We would say to them, "Keep your 40 men. You can have unilateral contacts with those players, but there must come a time when you have to let the young material develop."

I have been told that on the Yankee team there is a man named Elston Howard, who is a catcher. They also have Yogi Berra, who is a catcher. They may have some wonderful young catchers in the minor leagues, but those men cannot come up to the Yankees, who already have two good catchers. No one else can obtain their services. This is a monopoly on human beings. It is a controlled monopoly, and it ought to be stopped.

That is what the Congress seeks to do.

Mr. HART. Mr. President, will the Senator yield?

Mr. CARROLL. I am glad to yield.

Mr. HART. I appreciate the Senator's yielding to me.

To make the RECORD understandable, is it not true that organized baseball, in recent years, by internal rulings, has provided an open draft on all first-year men?

Mr. CARROLL. That is my understanding.

Mr. HART. And an open draft on all fourth-year men?

Mr. CARROLL. That is my understanding.

Mr. HART. I know the story about the Yankees being seven deep in catchers. Whether it is true or false, it is a serious matter in debate.

In the past 4 or 5 years, at least——

The ACTING PRESIDENT pro tempore. The time the Senator from Colorado yielded has expired.

Mr. CARROLL. Mr. President, I yield myself 5 more minutes.

The ACTING PRESIDENT pro tempore. The Senator from Colorado is recognized for 5 more minutes.

Mr. HART. One can pay $100,000 for a "bonus baby" and put him in the minor leagues, but if he is not brought up to the major leagues at the end of the first year, anybody can obtain his services by draft, under the present law.

Mr. CARROLL. The able Senator from Michigan offered an amendment in the committee which I thought was sensible. I supported it. If I correctly understand the purport of the amendment, it was to provide that a player must complete a period of 4 years in organized baseball before he could be drafted. We also considered a 1-year open draft. This is the section of the bill we are now talking about. We have accepted this language:

> The unrestricted draft shall not apply to any player directly or indirectly owned or controlled by any major league baseball club at the time of the passage of this Act until such player has completed four years in organized professional baseball.

That is a long time but I thought it was a reasonable amendment.

I was the first to raise a question of whether the Congress might pass some legislation which would be confiscatory in nature. I understand the problems which can arise from the draft. But these problems will never be solved unless Congress takes some specific action.

Why is that? It is because we have 16 major league owners who not only control all baseball players' contracts but who also can move out of any city, anywhere, at any time they wish to. They control the franchises. They make the rules.

I say that this is too broad a power for 16 men to have. They are not that "big," in my opinion. We should not let them get away with it.

What would we do under the provisions of the bill? We would make certain requirements. By their own rules and by their own agreement they have really opened up the door to go into court to test the reasonableness or the unreasonableness of their right to reject a new major league group. We also would provide access to some of these minor league players.

We seek to place a limitation upon them.

I say to Senators that if we agree to the amendment of my friend from Wisconsin we will simply wash out the bill. That is what the baseball people have been trying to do for years. There is the example of football, basketball, and hockey. They wish to overrule the court decisions. They wish to put baseball in the bill in such a way that the court cannot give a decision with regard to baseball in the future.

Do we wish to do nothing to expand baseball? Do we wish to do absolutely nothing in this area?

I have a map which I will show to Senators. This shows the area of the Nation. It shows the major league baseball teams. It shows where the players are.

As the able Senator from New York has said, the Brooklyn Dodgers have moved to Los Angeles, and the Giants have moved to San Francisco. The Senator from New York wants other teams in his area. This bill would help New York.

We want a real national game. The proposed legislation would not interfere with television. Actually, so far as television is concerned, while it has been injurious to some minor league teams, it has been extremely helpful to baseball generally. As an old sandlot baseball player, when I know a game will be carried on television, I turn quickly to the station on television upon which the game is being shown.

There will not be a lessening of interest in baseball if eight additional teams are created which will be based in the South, the West, and the Southwest.

The same situation is true with reference to football. In Denver we have no professional football team. It will come.

Denver is a better town for baseball than is Washington, D.C. The people of Denver, as I understand, are willing to build a stadium, but they want access to the raw material.

I should think New York City would want a new baseball league. If I understood the arguments of the able Senator from New York [Mr. KEATING], New York would not be unfavorable to a new Continental League.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. CARROLL. I am glad to yield to the Senator from New York.

Mr. KEATING. New Yorkers would like very much to see another baseball team in New York City. They deserve one. New York is the biggest city in the country and it should have another team.

Mr. CARROLL. I agree with the Senator. I was trying to choose my words. I thought I understood his position very clearly. New York, one of the great metropolitan areas not only of the Nation but the world, wants more baseball. The West wants more baseball. I do not know whether Wisconsin could use another baseball team or not. At present it has a wonderful team.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. CARROLL. I yield to myself 5 minutes additional.

It has been pointed out to me that in 1952, when Milwaukee had only a minor league team—before they got the big shots up in Wisconsin—attendance in the minor league was 195,000. When Milwaukee obtained a major league team in 1953, one year later, what was the attendance? One million eight hundred thousand. That is the lesson. If someone had tried to stop the Braves from moving to Milwaukee, I should like to have seen the color of the neck of the able Senator from Wisconsin [Mr. WILEY]. He has a wonderful baseball team in Wisconsin.

In all fairness, I suggest that we keep this subject open. Let us discuss it. The bill will go over to the other body. In a few words, the shortest way to strike down the bill would be for this body to accept the amendment of the Senator from Wisconsin.

I yield the floor.

Mr. KEATING. Mr. President, will the Senator yield to me 5 minutes?

Mr. CARROLL. I am happy to yield to the Senator from New York 5 minutes.

Mr. KEATING. Mr. President, under normal circumstances I would wholeheartedly support the amendment. A year or two ago I would have supported it, because it is based on a principle for which I have stood.

I believe that the Federal Government ought to keep its fingers out of baseball, as well as other sports, as much as possible. I adhere to the principle generally that all sports should have equal treatment. They are all essentially alike in their operations, at least insofar as being dealt with under a Federal statute is concerned.

However, in the remarks which I made in the general debate on the bill I made it clear that I do not believe that normal circumstances exist. I believe that today, with the emergence on the horizon of a proposed third major league, we have a new and vital factor which should be considered in evaluating the proposed legislation. This is an exciting prospect for the expansion of topflight baseball.

At the same time, I do want to make clear that I do not agree with the rather bitter attacks which have been made by some people on organized baseball and its record. In my view, the men who have guided the destinies of professional baseball in America have been honorable men who have compiled a generally creditable record on most counts. I therefore agree wholeheartedly with the Senator from Michigan with regard to the responsible manner in which organized baseball has operated over the years.

I also agree with the Senator from Michigan about the feelings of the ballplayers themselves concerning the reserve clause. Those who compete in professional baseball do not object to the present procedures and to the reserve clause, because they recognize that these unique arrangements are necessary for the continued good health and progress of this unique business.

As I pointed out earlier, the problems encountered by the proposed third major league and organized baseball are complex and complicated, to say the least. Speaking with full candor, I had hoped that the new league and organized baseball could solve their own problems on their own without turning to Congress for special help.

I believe that is the way those questions should be handled. I would be inclined to say that probably both sides are not without some fault in their lack of progress to this date. I think it is quite possible, as was indicated here, that they might reach an understanding on their own, supplemented by the utilization of some kind of arbitration proceeding with regard to the indemnification problem.

I speak with considerable interest on the question of getting another big league club in New York City. As the Senator from Colorado has pointed out, in the western areas and in many other cities in our country there is a real desire to get another big league team.

I have stated time and again my dedication to this goal. The backers of the new league vigorously claim that they must have substantially the provisions of title II of the bill if they are to get off the ground. Frankly, I think that is a debatable point. I feel that an agreement might be reached without such a provision with respect to the distribution of players in organized baseball. But in my opinion there is sufficient evidence that an open draft is needed.

The crux of the problem is to stock the proposed new league with the proper kind of baseball players. For that reason, I feel that we should retain title II in the bill.

Only the extreme situation in which the third major league finds itself with the necessity of a provision for a draft in order to get the right kind of baseball players, causes me to deviate from a long-held position that these sports should be equally treated under the law.

Therefore I entirely understand the attitude of the distinguished Senator from Wisconsin in offering the amendment. In treating all teams in the same way it follows principles which are very hard to oppose. However, I feel that the formation of a third major league creates a special circumstance, and the effort would be seriously impaired if the amendment were adopted.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CARROLL. Mr. President, I yield myself 5 minutes.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. CARROLL. I yield.

Mr. LAUSCHE. I notice that a number of individual views have been filed. To what extent was there agreement among the members of the committee on the bill generally?

Mr. CARROLL. What we did with respect to the amendment which is now before the Senate—and I believe the senior Senator from Wisconsin will agree with me on this—was to reach a general agreement on the amendment, which was offered in committee. There was majority agreement on the amendment, and I believe the vote was 8 to 5 not to merge

the two titles into one title; in other words, it was decided to retain both titles. We were clear on that issue.

There were other complicating factors, of course. That is one reason for the individual views. The members of the committee hoped to get a bill onto the floor of the Senate and to discuss it, and the crux of the situation is the unrestricted draft of players.

Mr. LAUSCHE. I observe from the report that nine Senators have, either individually or in combination with other Senators, filed individual views. Have the other members of the committee, other than the nine who filed individual views, taken a position on the bill?

Mr. CARROLL. I understand that they have not, so far as filing individual views is concerned, but I believe that they did take positions in voting on the amendments. In answer to the Senator's question specifically, only those who have taken a position on the bill reflected their views in the report. They are the only ones who have taken a position on the bill.

Mr. LAUSCHE. It is fair to say, is it not, that there is no majority report, as such, that has been filed with the Senate on the bill?

Mr. CARROLL. The Senator will note that Senators KEFAUVER and DODD filed individual views. Senator O'MAHONEY also filed individual views. I believe the Senator will find that I, too, filed individual views. However, in the main all of us agreed generally with the individual views of Senators KEFAUVER and DODD. I direct the Senator's attention to my individual views, for example.

There is not a majority report, so to speak, because there are so many different issues. However I believe it can be said that the majority agrees that we should get some kind of bill to the Senate. What we really wanted to do was to get the program working and perhaps into court, so that there could be a determination and someone could exercise some reason.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. WILEY].

Mr. WILEY. First I should like to answer the question of the Senator from Ohio [Mr. LAUSCHE]. The Senator will note that the bill was reported without recommendation. The very fine argument made by the Senator from Colorado [Mr. CARROLL], which is the kind of argument he always makes, did not clear up the situation so far as I am concerned. I wish to tell the Senate why that is so. First, in all these cases there are three parties; there is the player, then there is the public, and, of course, there is Congress.

We are called upon to apply a remedy. The committee could not find a remedy. The committee reported the bill without recommendation. Why? Let me read the last sentence of the individual views filed by Senators DIRKSEN and HRUSKA:

> We firmly believe, however, that Congress has no more right to interfere with the internal affairs of professional teamed sports than they do with the internal affairs of any business.

People disagree. The players were heard from. In the individual views of Senators DIRKSEN and HRUSKA there appears a telegram from President Vincent M. McNamara, of the New York Penn League. Mr. McNamara indicates clearly that he is against the bill. If we turn to page 24 of the report we find a list of 50 minor league clubs. They are made up of players, of whom we have heard so much. They write to say that they are not in favor of the bill.

Mr. President, I now yield 2 minutes to the Senator from Kansas [Mr. CARLSON].

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LAUSCHE. May I ask how many minor leagues there are which are not listed on page 24 of the report?

Mr. WILEY. I cannot tell the Senator.

Mr. CARLSON. Mr. President, many citizens of Kansas have expressed concern with regard to the pending bill from the standpoint of the broadcasting and televising of games.

I ask unanimous consent to have printed in the RECORD at this point a telegram which I received from Mr. H. B. Lee, athletic director of Kansas State University; a letter from Mr. A. C. Lonborg, director of athletics, University of Kansas; and an excerpt from a statement made by Thad M. Sandstrom, general manager, Radio Station WIBW–TV before the Subcommittee on Antitrust of the House Committee on the Judiciary.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MANHATTAN, KANS., *June 23, 1960.*

Senator FRANK CARLSON,
Senate Office Building,
Washington, D.C.:

As a member of the National Collegiate Association we strongly support the proviso, title 1, section 102, of S. 3483 which affords television protection to college football. We urge your favorable vote on this issue.

H. B. LEE,
Athletic Director,
Kansas State University.

UNIVERSITY OF KANSAS,
Lawrence, Kans., June 16, 1960.

Senator FRANK CARLSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CARLSON: It isn't often that I write you regarding legislation that I am vitally interested in; however, there is a bill presently coming before the Senate which I am very much interested in, since it has to do with college athletics.

Senate bill S. 3483, title I, section 102, containing a proviso that "professional football teams may not televise on any day other than Sunday." I feel strongly that if the professional football teams decide to televise on Saturday, in opposition to college football games, that the colleges will soon have to curtail their athletic program. As you know, football pretty much pays "the freight" for all other sports. For that reason, I am vitally interested in not hurting the college football program.

Anything that you can do to help will be greatly appreciated.

Thanks and with every good wish.

Cordially,

Dutch,
A. C. LONBORG,
Director of Athletics.

STATEMENT OF THAD M. SANDSTROM, GENERAL MANAGER, RADIO STATION WIBW AND WIBW–TV, BEFORE THE SUBCOMMITTEE ON ANTITRUST, HOUSE COMMITTEE ON THE JUDICIARY, SEPTEMBER 3, 1959

Television stations can and do help minor league teams, as we are trying to do and shall continue to try to do in Topeka, but I do not believe that you can legislate people into becoming baseball fans. You cannot pass a law which says, in effect, the only baseball you can see is the baseball the baseball people want you to see. If you live in a minor league city, your baseball must be minor league * * * at the park * * * through the turnstiles.

This is a major league country. We have major league automobiles, major league jet planes, major league motels, and major league recreation areas. And, gentlemen, the people want major league baseball on their television screens. It would be vastly unfair to the people of Kansas to blackout major league baseball because one team, with an attendance of less than 1,000 persons, was playing a game the same day.

The radio and television industry stands to help baseball—minor and major leagues—with all the publicity it wants and deserves. But our industry would be severely crippled in serving the public if vast areas of the country were cut off from professional football, major league baseball, and professional basketball and hockey. I urge that the proposed legislation not be adopted.

Mr. WILEY. Mr. President, may I ask what is the position of the persons who have communicated with the Senator from Kansas?

Mr. CARLSON. They are in favor of the Senator's amendment.

Mr. WILEY. They are in favor of my amendment?

Mr. CARLSON. Yes.

Mr. WILEY. The Senate has the obligation to pass constructive legislation. The pending bill would not be constructive legislation. It would not do the job that should be done. We have been shown a picture of a vast part of the United States, and it is said that people in that area want big league teams. What happened in Milwaukee? We had a minor league team. Then we got a big league team. We increased the percentage of attendance by 500 percent. Milwaukee did it. What about the other cities?

There has been a great deal of talk about an independent league. I am in favor of other cities having baseball. I do not want to deprive them of any of their rights. However, I do not want to kill the patient who is doing such a good job now. That is my argument in a nutshell.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. FREAR. Is this the Hart amendment that we are talking about?

Mr. WILEY. We are talking about my amendment, striking out section 2.

Mr. FREAR. I thought it was the Hart amendment. I am sorry to be confused.

Mr. WILEY. The Senator from Delaware is not the only one who is confused.

Mr. FREAR. I am glad to be "unconfused."

Mr. KEATING. I think it would clarify matters if we pointed out that

this is the amendment which was offered by the Senator from Michigan [Mr. HART] during the consideration of the bill in committee.

Mr. WILEY. Yes.

Mr. FREAR. It is the same amendment. In other words, if a Senator is in favor of the Hart amendment, he would be in favor of the Wiley amendment.

Mr. WILEY. If the Senator says so, it is so.

Mr. FREAR. I do not know who is more important than the Senator from Wisconsin. I have always been led to believe that Milwaukee was the home of the brave.

Mr. WILEY. The Senator is right.

Mr. CARROLL. I should like to say to the Senator from Delaware and to the Senator from New York that the Senator from Michigan [Mr. HART] did not offer the amendment in the Judiciary Committee. The Senator from Wisconsin [Mr. WILEY] offered the amendment. However, it is true that the Senator from Michigan made reference to it in his individual views.

Mr. KEATING. The Senator has correctly stated the situation. It was offered by the Senator from Wisconsin [Mr. WILEY] in committee, but it was referred to at page 18 of the report in the individual views of the Senator from Michigan [Mr. HART], and it is supported by the Senator from Michigan.

Mr. CARROLL. I know that the junior Senator from Delaware always wishes to get absolutely correct information.

The ACTING PRESIDENT pro tempore. Does the Senator from Colorado yield back the remainder of his time?

Mr. ALLOTT. Mr. President, will the junior Senator from Colorado yield 1 minute to me?

Mr. CARROLL. I am happy to yield 1 minute to my colleague from Colorado.

Mr. ALLOTT. Mr. President, while I do not claim to be an authority on organized baseball, for many years I have been aware of the fact that something needed to be done in order to provide major league baseball for the baseball fans of the country. Therefore, I shall resist the amendment of the Senator from Wisconsin.

I may say particularly to the Senator from Kansas, who has just raised the question of broadcasting, that I intend to offer subsequently an amendment on that subject which I think would solve the problem and make the broadcasting of games workable and livable, so far as television stations are concerned.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield back the remainder of his time?

Mr. WILEY. I was not present when the Senator from Michigan [Mr. HART] talked on certain matters except in relation to my amendment. In his individual views, on page 18 of the report, he states:

> This can be achieved by eliminating title II and including baseball with the other professional team sports in title I.

So the Senator from Michigan agrees fully with my amendment.

Mr. President, I yield back the remainder of my time.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Maryland will state it.

Mr. BUTLER. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. BUTLER. Is it desired that the yeas and nays be ordered?

Mr. WILEY. I do not request them, because a yea-and-nay vote would consume too much time. However, there might be a division.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CANNON in the chair). Is there objection?

Mr. CARROLL. Mr. President, reserving the right to object——

Mr. BUTLER. Mr. President——

The PRESIDING OFFICER. Is there objection?

Mr. CARROLL. At this time, I object.

The PRESIDING OFFICER. Objection is heard.

The call of the roll will be continued.

The legislative clerk resumed the call of the roll.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. A parliamentary inquiry is not in order at this time.

The clerk will proceed with the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. CARROLL. I object.

The PRESIDING OFFICER. Objection is heard.

The call of the roll will be continued.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

[No. 260]

Aiken	Church	Hickenlooper
Allott	Cooper	Hill
Anderson	Cotton	Holland
Bartlett	Curtis	Hruska
Beall	Dodd	Humphrey
Bennett	Douglas	Jackson
Bible	Dworshak	Javits
Bridges	Eastland	Johnson, Tex.
Brunsdale	Ellender	Johnston, S.C.
Butler	Engle	Jordan
Byrd, Va.	Ervin	Keating
Byrd, W.Va.	Fong	Kerr
Cannon	Frear	Kuchel
Carlson	Fulbright	Lausche
Carroll	Goldwater	Long, Hawaii
Case, N.J.	Green	Long, La.
Case, S. Dak.	Hart	Lusk
Chavez	Hartke	McCarthy
McClellan	Pastore	Sparkman
McGee	Prouty	Stennis
McNamara	Proxmire	Symington
Magnuson	Randolph	Talmadge
Monroney	Robertson	Thurmond
Morse	Russell	Wiley
Morton	Saltonstall	Williams, Del.
Moss	Schoeppel	Williams, N.J.
Mundt	Scott	Yarborough
Murray	Smathers	Young, Ohio
Muskie	Smith	

The PRESIDING OFFICER. A quorum is present.

Mr. BUTLER. Mr. President, I ask for the yeas and nays on the Wiley amendment——

Mr. WILEY. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. WILEY. Mr. President, I wish to modify my amendment so that the word "baseball" appears after the word "basketball." I am referring to title I.

The PRESIDING OFFICER. The modification of the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. It is proposed at each place in title I where the word "basketball" appears to insert thereafter the word "baseball."

Mr. CARROLL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARROLL. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. Does the Wiley amendment do anything other than insert the word "baseball" after the word "basketball"? Does it strike out title II?

The PRESIDING OFFICER. The amendment does not strike out title II.

The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. WILEY], as modified.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Did the Chair say the amendment did not strike out title II?

Mr. WILEY. That comes later.

Mr. BUTLER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CARROLL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARROLL. I think there has been some confusion about the situation before us. Is there one issue or are there two issues at the desk at the present time?

The PRESIDING OFFICER. The pending amendment does not affect title 2. The proposal is to insert the word "baseball" after the word "basketball" each time the word "basketball" appears in title 1.

Mr. CARROLL. Was there or is there another amendment at the desk at this time, which will follow the vote on this amendment, which would strike out title 2?

The PRESIDING OFFICER. There is no other amendment pending.

Mr. CARROLL. Mr. President, how much time is left on the bill?

The PRESIDING OFFICER. The proponents have 60 minutes; and the opponents have 40 minutes.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HRUSKA. Is it not true that there was pending an amendment which would have stricken title 2, and it was withdrawn in favor of the pending amendment?

The PRESIDING OFFICER. The Senator is correct. The amendment that was pending was modified.

Mr. HRUSKA. On the advice of the Parliamentarian, is it not the intention of the Senator from Wisconsin that if the present amendment prevails, he will then submit the amendment which has been withdrawn?

The PRESIDING OFFICER. The Chair is unable to answer that inquiry. It is not a parliamentary inquiry.

Mr. KEATING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEATING. In order to expedite matters, would it be in order for the Senator from Wisconsin, if he desired to do so, to ask unanimous consent that his amendment to include the word "baseball" and his amendment to strike out title 2 be considered en bloc?

The PRESIDING OFFICER. It would be in order if such unanimous consent were requested and obtained.

The question is on agreeing to the amendment of the Senator from Wisconsin, as modified.

Mr. CARROLL. Mr. President, I yield myself 2 minutes.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Has not all time on the amendment expired?

The PRESIDING OFFICER. All time on the amendment has expired. The Senator from Colorado has said he will yield himself 2 minutes on the bill. Does the Senator from Colorado control the time?

Mr. CARROLL. The Senator from Colorado does control the time.

The PRESIDING OFFICER. It is the understanding of the Chair that the majority and minority leaders control the time.

Mr. CARROLL. I was under the impression that the Senator from Wyoming [Mr. O'MAHONEY] controlled the time.

Mr. JOHNSON of Texas. Mr. President, how much time does the Senator from Colorado want?

Mr. CARROLL. Two minutes.

Mr. JOHNSON of Texas. I yield the Senator 2 minutes.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. CARROLL. Mr. President, the able statement made by the Senator from New York is precisely the question before this body. That issue should be merged into this issue. The minute the Senate approves of the Wiley amendment which is now pending before this body, the moment the Senate puts the word "baseball" in title I, the next motion will be to strike title II. Those of us who have worked on this matter for months believe we should have a new league, and that we should give the 16 major league owners some notice. I can say to Senators that this issue will go into court; they can rest assured that it will go into court and be considered. This bill will break the grip 16 major league team owners have on some three or four thousand ball players. That is the whole crux of the issue involved in the Wiley amendment.

I speak in behalf of the able Senator from Wyoming [Mr. O'MAHONEY], who has fought for the bill, as has the Senator from Tennessee [Mr. KEFAUVER], neither of whom could be present at this time.

Mr. BUTLER. Mr. President, will the Senator yield for a question?

Mr. CARROLL. I am happy to yield.

Mr. BUTLER. When the Committee on the Judiciary reported the bill, were there not eight separate individual reports presented, and was it not impossible for anyone reading the report to come to any conclusion?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JOHNSON of Texas. I yield 2 additional minutes to the Senator from Colorado.

Mr. BUTLER. Mr. President, I made an error. There were nine reports.

Mr. CARROLL. I am sure the Senator from Maryland has asked a question which clarifies the issue. This matter was presented before the Judiciary Committee. This very motion was made by the able Senator from Wisconsin. It was defeated. There was a majority vote on this one, 8 to 5. It is true that there were many individual views. The Senator from Tennessee [Mr. KEFAUVER], the Senator from Connecticut [Mr. DODD], the Senator from Wyoming [Mr. O'MAHONEY], and the junior Senator from Colorado agreed generally that this was a very difficult, complex subject.

Mr. BUTLER. Mr. President, will the Senator yield for a further question?

Mr. CARROLL. I have not quite answered the first question.

Mr. BUTLER. The Senator has answered it sufficiently for my purposes.

Mr. CARROLL. There were not nine separate reports.

Mr. BUTLER. Does the Senator seriously contend that a bill——

Mr. CARROLL. Will the Senator from Maryland permit me to answer the question?

Mr. BUTLER. I am sorry. I thought the Senator had.

Mr. CARROLL. The Senator from Illinois [Mr. DIRKSEN] and the Senator from Nebraska [Mr. HRUSKA], in their individual views, stated that they realized "that there have been problems created by the entry of the third league"—this is what we are talking about—"known as the Continental League, into organized baseball. For this reason, and in order to secure equal treatment for professional football, basketball, and hockey, we agreed to allow S. 3482, as amended, to go to the Senate Calendar without recommendation."

So we not only have baseball, but we have hockey, football, and basketball involved. That is what makes this a complex bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUTLER. I wish to say to the Senator——

The PRESIDING OFFICER. Time has expired.

Mr. KEATING. Mr. President, I yield 1 minute to the Senator from Maryland from the time on the bill.

Mr. BUTLER. Mr. President, the bill was before the Committee on the Judiciary for many months. The committee took extensive testimony. The committee could come to no conclusion whatever upon this matter. There were nine separate reports. I say that a bill such as that is not worthy of serious consideration by this body.

Mr. KEATING. Mr. President, I yield 2 minutes to the Senator from Nebraska from the time on the bill.

Mr. HRUSKA. Mr. President, there has been a suggestion that the pending amendment would "gut" the bill and that it is the crux of the entire proposal. I suggest that the amendment would not "gut" the bill, but it is the crux of the entire measure. Actually, it would put football, basketball, hockey, and baseball—all four professional sports—on a parity so far as the antitrust laws are concerned.

So far as the problem of going to court is concerned if the bill is amended in accordance with the Wiley amendment, it is true that in all likelihood the bill will have to go to court, but I suggest, Mr. President, that if the amendment is not agreed to and the bill is passed in its present form it will go to court anyway. I think it would be a better bill to go into court on the basis of the amendment proposed by the Senator from Wisconsin than without it.

I urge that the Senate approve the Wiley amendment in its present form, to be followed by approval of the amendment which would strike title II, except for sections 205, 206, and 207.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. JOHNSON of Texas. Mr. President, I yield such time as he may desire to the Senator from Michigan [Mr. HART].

Mr. HART. Mr. President, I shall take only 1 minute.

I wish to state, it seems to the junior Senator from Michigan, that if Congress at long last is going to move into the field of baseball we would be well advised not to be more rigorous or more restraining with respect to baseball than we propose to be with respect to football, to basketball, and to hockey. When we take the first step, let us be consistent in our treatment of all games. Let time prove whether we should be more rigid with the national game than with any other game.

I hope the amendment will be agreed to.

Mr. YARBOROUGH. Mr. President, will the majority leader yield me a half minute?

Mr. JOHNSON of Texas. I yield such time as he may desire to my colleague.

Mr. YARBOROUGH. I need only a half minute.

I wish to invite attention to the fact that under the present monopoly, enjoyed by the 16 major league teams for the past 11 years, organized baseball has shrunk from 59 teams to the present 22, and the number of professional players has been reduced from 12,000 of 11 years ago to some 3,600 now.

The creation of another national league will increase opportunities for all.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, will the Senator from Texas yield me 2 minutes?

Mr. JOHNSON of Texas. I yield 2 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I rise to support S. 3483, the Professional Sports Antitrust Act of 1960. If this bill passes it will greatly assist the formation of a third major league and thereby increase competition and interest in this great American sport.

It is my understanding that title II of S. 3483 was found necessary because the Supreme Court ruled, in 1922, and again in 1953, that baseball is not under the antitrust laws because it is not a commercial enterprise, whereas in 1957 the Court decided that professional football was a business and therefore subject to the Federal antitrust laws. The Court recognized the discrimination between sports, but stated that it was up to the Congress to correct the situation. Section 201 of this bill does this by placing baseball under the Sherman Act and the Federal Trade Commission Act in the same relationship as the Court has decided for the other sports.

Title II will settle, once and for all, the troublesome reserve clause in player contracts by placing certain limitations on the right of organized professional baseball to control the employment, eligibility, and selection of players, and the reservation, selection, and assignment of player contracts. Baseball, unlike other professional team sports, needs minor leagues which are controlled by the major leagues. But this necessity should not be used as the excuse for present practices under which some major league clubs control, directly or indirectly, as many as 450 players or player contracts. The present bill reduces such practices by providing that player control of all baseball players, directly or indirectly owned or controlled by any major league baseball club, except for 40 players for each such club, shall be subject to an unrestricted draft, at least once each year after the world series and before December 10, by any major league club that intends in good faith to include a drafted player within its 40-player limitation. This bill would limit the monopoly control of large numbers of ballplayers and make them available to a third major league and to teams within the present major leagues.

Mr. President, I believe that these provisions are necessary if we are to see the establishment of a third major league which will bring a new vitality to baseball. I am particularly pleased, of course, that the Twin Cities of Minneapolis and St. Paul would be a part of the new league.

It is fitting, too, that a nation which has skyrocketed in population since 1903 should at last have more than 16 major league ball clubs—which has been the total for over half a century. Modern-day transportation has made possible the extension of major league baseball to great metropolitan areas which have so long been denied this sport, and I am confident that the new teams will find strong and enthusiastic home support.

It has been argued, however, that S. 3483 might weaken the minor leagues because under the unrestricted draft provision the major leagues would lose much of their incentive to invest in the minor leagues. But the present major leagues would not lose by draft a single player now included in their overall list of 3,200, except when those players became liable to universal draft under the 4-year rule. Therefore, it is not likely that, as a result of the passage of this bill, the major leagues would reduce their minor league affiliation during that 4-year period.

Moreover, after 4 years, there will probably be at least one additional major league to support additional minor leagues, and it can be safely assumed that, even after the 4-year period, every club in the American and National Leagues will still have vigorous incentive to acquire for itself the 40 best players from throughout the country.

If this bill passes, Mr. President, I believe that it will bring new vitality to the game of baseball. It will tend to equalize the distribution of player talent by minimizing the power of money to determine the club standings, and will extend the game nationally to meet the recreational needs of all our people.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. WILEY], as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], and the Senator from Montana [Mr. MANSFIELD] are absent on official business. I further announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that if present and voting, the Senator from Montana [Mr. MANSFIELD] and the Senator from Tennessee [Mr. KEFAUVER] would each vote "nay."

On this vote the Senator from Arizona [Mr. HAYDEN] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting the Senator from Arizona would vote "yea," and the Senator from Wyoming would vote "nay."

On this vote the Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting the Senator from Massachusetts would vote "yea," and the Senator from Pennsylvania would vote "nay."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business. The Senator from Connecticut [Mr. BUSH], the Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH] would vote "nay."

On this vote, the Senator from Illinois [Mr. DIRKSEN] is paired with the Senator from North Dakota [Mr. YOUNG]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from North Dakota would vote "nay."

The result was announced—yeas 45, nays 41, as follows:

[No. 261]

YEAS—45

Aiken	Dworshak	McNamara
Anderson	Engle	Magnuson
Beall	Ervin	Morton
Bennett	Fong	Mundt
Bible	Frear	Muskie
Bridges	Fulbright	Prouty
Brunsdale	Goldwater	Proxmire
Butler	Hart	Robertson
Byrd, Va.	Hickenlooper	Saltonstall
Cannon	Hruska	Scott
Carlson	Jackson	Smith
Cooper	Jordan	Thurmond
Cotton	Kuchel	Wiley
Curtis	Lausche	Williams, Del.
Douglas	McCarthy	Young, Ohio

NAYS—41

Allott	Holland	Moss
Bartlett	Humphrey	Murray
Byrd, W. Va.	Javits	Pastore
Carroll	Johnson, Tex.	Randolph
Case, N.J.	Johnston, S.C.	Russell
Case, S. Dak.	Keating	Schoeppel
Chavez	Kerr	Smathers
Church	Long, Hawaii	Sparkman
Dodd	Long, La.	Stennis
Eastland	Lusk	Symington
Ellender	McClellan	Talmadge
Green	McGee	Williams, N.J.
Hartke	Monroney	Yarborough
Hill	Morse	

NOT VOTING—14

Bush	Gruening	Mansfield
Capehart	Hayden	Martin
Clark	Hennings	O'Mahoney
Dirksen	Kefauver	Young, N. Dak.
Gore	Kennedy	

So Mr. WILEY's amendment, as modified, was agreed to.

Mr. WILEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BUTLER. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. WILEY. Mr. President, I call up the second amendment which I offered and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 5, line 4, it is proposed to strike out all down to and including line 8 on page 11.

The PRESIDING OFFICER. How much time does the Senator from Wisconsin yield to himself?

Mr. WILEY. I will yield back my time with this brief explanation——

Mr. CASE of South Dakota. Mr. President, will some Senator explain the amendment?

Mr. CARROLL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Wisconsin has the floor. Does he yield to the Senator from Colorado?

Mr. WILEY. I called up my amendment, by which it is proposed to strike out a certain section of the proposed legislation. I was asked to explain it.

The PRESIDING OFFICER. How much time does the Senator yield to himself?

Mr. WILEY. I yield to the Senator from Colorado. I understand he wishes to make a motion.

Mr. CARROLL. Mr. President, the hour is late. The deed has been done. I move to recommit the bill to the Senate Judiciary Committee without instructions. I ask for the yeas and nays.

The PRESIDING OFFICER. The Chair will state that the Senator from Wisconsin [Mr. WILEY] is entitled to use his time on the amendment if he so desires. Until the time is either used or yielded back, the motion will not be in order. Does the Senator from Wisconsin desire to yield back his remaining time?

Mr. WILEY. Mr. President, to clarify the situation, I asked for consideration of my second amendment. I understand that the distinguished Senator from Colorado [Mr. CARROLL] has moved to recommit the bill.

The PRESIDING OFFICER. The amendment of the Senator from Wisconsin has been stated. The Senator from Wisconsin now has time on his amendment if he desires to use it. The motion to recommit is not in order until the time has either been used or yielded back.

Mr. BENNETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BENNETT. Under the rules, can the Senator from Wisconsin ask unanimous consent that the action on the amendment which he has called up be temporarily set aside pending consideration of the motion of the Senator from Colorado?

The PRESIDING OFFICER. The Senator may either ask for unanimous consent to set aside consideration or withdraw his amendment.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Has the amendment been stated?

The PRESIDING OFFICER. The amendment has been stated.

Mr. HUMPHREY. The Senator from Minnesota asks that it be stated again.

The PRESIDING OFFICER. The request of the Senator from Minnesota is not a proper parliamentary inquiry.

Mr. CASE of South Dakota. Mr. President, will the Senator from Wisconsin yield for a question?

The PRESIDING OFFICER. The Chair will have the amendment restated for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out commencing on page 5, line 4, all down to and including page 11, line 8.

Mr. CASE of South Dakota. Mr. President, will the Senator from Wisconsin yield for a question?

Mr. WILEY. I yield.

Mr. CASE of South Dakota. During the discussion on the previous amendment the Senator from South Dakota understood the Senator from Nebraska [Mr. HRUSKA] to state that the second amendment would strike out the first part of title II, but would not impair sections 205, 206, 207, and 208. Does the Senator from South Dakota understand that the amendment is to strike out all of title II?

Mr. WILEY. That was my amendment, but I understood that the Senator from Nebraska [Mr. HRUSKA] wished to retain sections 206 and 207. Am I correct in my understanding?

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CARROLL. Mr. President, is it in order for me to make a motion to recommit?

The PRESIDING OFFICER. The Senator may make such a motion.

Mr. CARROLL. I move that the Senate recommit the bill to the Committee on the Judiciary without instructions. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CARROLL. I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I wish to read into the RECORD a telegram which I received from a personality in the baseball world who is well known to all Americans, certainly to all my colleagues. He is Jackie Robinson, who made a great career in baseball and a great impression upon the American people. The telegram reads as follows:

NEW YORK, N.Y., *June 27, 1960.*

Senator JACOB K. JAVITS,
Senate Office Building,
Washington, D.C.:

Passage of all-sports bill S. 3483 into law without amendment will open many avenues of needed opportunity for players everywhere. Adding word baseball to title I and striking title II will be disastrous by legalizing permanent extension of airtight monopoly now enjoyed by the existing major leagues and will forever close off expansion of baseball in America. Because of the control by the majors, it must be obvious why you have not heard from the players. Strongly urge your unqualified support of S. 3483 by voice and vote so that baseball can be truly the national pastime.

JACKIE ROBINSON.

Mr. President, I have received a similar telegram from the mayor of New York, Hon. Robert F. Wagner.

Mr. CARROLL. Mr. President, after months of consideration the committee could not agree to come forward with a majority report. Instead, we have before us six or seven individual views. I believe the bill should be sent back to committee, so that the committee may study the bill further.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has been yielded back.

The question is on agreeing to the motion of the Senator from Colorado to recommit the bill without instructions. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Montana [Mr. MANSFIELD], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MANSFIELD], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Connecticut [Mr. BUSH], the Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Connecticut [Mr. BUSH] would each vote "yea."

The result was announced—yeas 73, nays 12, not voting 15, as follows:

[No. 262]

YEAS—73

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Green	Moss
Beall	Hartke	Murray
Bennett	Hayden	Pastore
Bible	Hickenlooper	Prouty
Brunsdale	Hill	Randolph
Byrd, Va.	Holland	Robertson
Byrd, W. Va.	Hruska	Russell
Cannon	Humphrey	Saltonstall
Carlson	Jackson	Schoeppel
Carroll	Javits	Scott
Case, N.J.	Johnson, Tex.	Smith
Chavez	Johnston, S.C.	Sparkman
Church	Jordan	Stennis
Clark	Keating	Symington
Cooper	Kerr	Talmadge
Cotton	Kuchel	Thurmond
Curtis	Lausche	Wiley
Dodd	Long, Hawaii	Williams, N.J.
Dworshak	Long, La.	Williams, Del.
Eastland	Lusk	Yarborough
Ellender	McClellan	Young, Ohio
Engle	McGee	
Ervin	Magnuson	

NAYS—12

Bartlett	Goldwater	Morton
Butler	Hart	Mundt
Case, S. Dak.	McCarthy	Muskie
Douglas	McNamara	Proxmire

NOT VOTING—15

Bridges	Gore	Mansfield
Bush	Gruening	Martin
Capehart	Hennings	O'Mahoney
Dirksen	Kefauver	Smathers
Fong	Kennedy	Young, N. Dak.

So Mr. CARROLL's motion to recommit was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 12465) to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 1844. An act to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended by the acts of July 2, 1940, and July 12, 1950;

H.R. 4786. An act declaring certain lands to be held in trust for the Cheyenne River Sioux Tribe of Indians of South Dakota;

H.R. 5888. An act to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands;

H.R. 7966. An act to amend section 601 of title 38, United States Code, to provide for the furnishing of needed services of optometrists to veterans having service-connected eye conditions;

H.R. 8315. An act to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R–1, Missouri;

H.R. 10108. An act to authorize reimbursement of certain Veterans' Administration beneficiaries and their attendants for ferry fares, and bridge, road, and tunnel tolls;

H.R. 10644. An act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title, and for other purposes;

H.R. 10695. An act to provide for rotation in oversea assignments of civilian employees under the Defense Establishment having career-conditional and career appointments in the competitive civil service, and for other purposes;

H.R. 11646. An act to amend the act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton, as amended, by defining certain offenses in connection with the sampling of cotton for classification and providing a penalty provision, and for other purposes;

H.R. 12263. An act to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes;

H.R. 12381. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, and for other purposes; and

H.R. 12415. An act to amend section 6387(b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service.

HOUSE BILL REFERRED

The bill (H.R. 12465) to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I announce that it is not expected that there will be any more yea-and-nay votes this evening. While there is some business to be transacted, it is not expected to be controversial.

ARKANSAS POST NATIONAL MEMORIAL, ARKANSAS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1816, H.R. 6108.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 6108) to provide for the establishment of the Arkansas Post National Memorial, in the State of Arkansas.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of H.R. 6108, as amended, is to provide for the establishment of the Arkansas Post National Memorial to be located on and near the site of the present Arkansas Post State Park.

The memorial will commemorate a series of events important in American history which took place on the proposed site or in fairly close proximity to it. This is the area in which the first setttlement of somewhat permanent character in the Mississippi Valley was established in 1686 as a fur trading post by Henry de Tonty, a lieutenant of La Salle's. It was involved in the "Mississippi Scheme" or "Mississippi Bubble" of the Scotch promoter, John Law. A military garrison was maintained here continuously for many decades beginning in the 1730's, and it was an important Indian trading center before and after the Louisiana Purchase in 1804. From 1819 to 1821 it was the capital of the Arkansas Territory. In 1863, it was captured by Federal troops under Maj. Gen. John A. McClernand and remained under the control of the United States during the remainder of the Civil War.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. HOLLAND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION OF APPROPRIATIONS FOR THE CONSTRUCTION OF CERTAIN HIGHWAYS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1795, H.R. 10495, a bill to authorize appropriations for the construction of certain highways.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with amendments.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ONE ROAD TOWARD WORLD PEACE KHRUSHCHEV COULD NOT BLOCK

Mr. HUMPHREY. Mr. President, the Denver Post, in a recent editorial urging Senate action on my proposal, Senate Resolution 94, explained in clear, commonsense terms the need for the repeal of the Connally amendment, the self-judging reservation in the U.S. adherence to the World Court statute.

The Post argues that—

> If our domestic courts could not hear a case unless all parties to the dispute were willing to let it go to trial, laws would be meaningless, policemen would be powerless, every home would have to be fortified and no one would dare venture out of doors without a weapon in hand.

I believe this is an accurate description of the sort of world we will have if we do not establish an international system of justice and law.

Mr. President, I ask unanimous consent that the editorial entitled "One Road Toward World Peace Khrushchev Could Not Block," published in the Denver Post of June 14, 1960, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE ROAD TOWARD WORLD PEACE KHRUSHCHEV COULD NOT BLOCK

The despair for the cause of peace which has accompanied the collapse of the summit conference could be turned into new hope if 67 of the 100 members of the U.S. Senate would vote, before adjourning their present session, to repeal the Connally amendment.

The amendment adopted in 1946, has been the roadblock which has prevented the International Court of Justice, known also as the World Court, from developing into a recognized and respected agency for settling disputes between countries without recourse to war, or threats of war.

The United States, under the amendment, reserves the right to refuse to recognize the authority of the World Court to hear or render a decision in any case involving us, if we decide we do not want to be sued.

This reservation has to work both ways, of course. So, because we insist on the privilege of deciding for ourselves in each case whether we will let the court handle the matter, any country we may want to sue automatically has the same right to refuse to let the court handle our complaint.

If our domestic courts could not hear a case unless all parties to the dispute were willing to let it go to trial, laws would be meaningless, policemen would be powerless, every home would have to be fortified and no one would dare venture out of doors without a weapon in his hand.

Until a start is made toward giving the World Court the same kind of compulsory jurisdiction in disputes between countries that domestic courts have in cases between individuals or in cases between States of the United States, efforts to find a solid basis for disarmament and peace are not likely to have much success.

Thirty-three countries, including Britain and France, have recognized the necessity of giving the World Court compulsory jurisdiction. No one of them now reserves the right to refuse to submit to the authority of the court if sued by any of the 32 other countries.

The United States and Russia are the principal holdouts. If we would repeal the Connally amendment and show our devotion to the idea of settling international disputes by recourse to international law, Russia would be placed under great compulsion to do the same.

If that were accomplished, the next logical step would be to provide through the United Nations some police force for enforcing the Court's decisions.

If history teaches anything, it is that the law of the jungle that might makes right will prevail so long as no tribunal, universally revered, is established for determining international arguments according to principles of rectitude to which humanity in general subscribes.

By moving now to make the World Court a towering institution for the preservation of peace, we would resume the position of leadership in international affairs that the Communists aspire to attain.

And why do we hesitate to give our full backing to the idea of world law administered by a World Court?

It is because of our fixation for the age-old but no longer tenable theory of absolute national sovereignty. This theory, a latter-day outgrowth of the divine right of kings, holds that no country is answerable to anyone for what it chooses to do.

"Is our country going to let a handful of foreigners on the World Court tell us when we are right and when we are wrong?" Supporters of the Connally amendment ask.

Actually, we have a choice. We can cling to the idea of absolute sovereignty while more and more countries acquire nuclear bombs and the ability to devastate the earth any time it may suit any of them.

Or, we can set up a system of law and order by agreeing to give up enough of our cherished sovereignty to recognize, in a commonsense way, that all countries have a stake in the survival of the planet and the adjudication of disputes which otherwise might spark oblivion.

Those who pretend to see great danger to our sovereignty through the repeal of the amendment should realize that, if their dire predictions came true and the World Court gave a decision unfavorable to this country, say in a dispute with Communist Russia, we would still have recourse to the United Nations and could terminate our adherence to the World Court at any time on 6 months' notice.

Law would not have come to the old West if the first settlers had not decided to try it by setting up justices of the peace.

Law will not come to the world community until we are convinced of the necessity and make a conscientious effort to get it established.

The first step must be the repeal of the Connally amendment which cripples the World Court.

DISARMAMENT: THE PROBLEM AND THE PROSPECTS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD a speech entitled "Disarmament: The Problem and the Prospects," delivered by Dr. Francis O. Wilcox, Assistant Secretary of State for International Organization Affairs, before the annual meeting of the American Society of International Law on Thursday, April 28, 1960.

Although at this moment the prospects for any progress on disarmament are dim, I believe that eventually discussions on this crucial topic must be resumed and that the statement by Dr. Wilcox is a definite contribution to our understanding of the problem. I commend this speech to other Members of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DISARMAMENT: THE PROBLEM AND THE PROSPECTS

(Address by Francis O. Wilcox, Assistant Secretary of State for International Organization Affairs, before the annual meeting of the American Society of International Law, Washington, D.C., Thursday, April 28, 1960)

I warmly welcome the opportunity to meet with members of the American Society of International Law, whose signal contributions to scholarship and whose continuing influence on international affairs are recognized throughout the world.

It is a special challenge to address this distinguished group. That is so primarily because your interests and qualifications cover a very wide spectrum—ranging from particular questions of international law and practice to fundamental issues of international peace and order. And it is a high tribute to this organization that this is indeed the case.

Tonight, I would like to speak to you about one of these fundamental questions, perhaps the most vital and the most critical of world problems. I refer to the problem of disarmament.

THE URGENT NEED FOR DISARMAMENT

The infinitely destructive capabilities of modern warfare have given new focus and urgency to disarmament efforts.

I fear that we now take for granted "kilotons" and "megatons" as measures of destructive power. These words, describing nuclear and thermonuclear explosive power in terms of its equivalent in thousands or millions of tons of TNT, have become commonplace. Their impact on the human mind has accordingly tended to diminish. Yet the fact remains that a single plane today can deliver more destructive power than all of the planes in all of the air forces delivered during the Second World War.

Let us clearly note, moreover, that nuclear weapons technology and capacity may not remain the exclusive province of those who now possess them. Others can no doubt develop this capability. We thus face clear prospects of the proliferation of nuclear weapons among the states of the world, with all that this would portend in added hazard to international peace.

I do not need to emphasize here other aspects of the problem of peace and security—the rapid development of missiles, the entry of manmade objects—and soon man himself—into outer space, the advances in chemical and biological methods of warfare. Nor do I need to address myself to the tremendous economic burden of armaments in the world.

Yesterday in his press conference, President Eisenhower said that he could "see no reason why the sums which now are going into these sterile, negative mechanisms that we call war munitions shouldn't go into something positive." In this connection it is significant that the amount of money spent for national defense in this world in 1 year would pay for all the activities and programs of the United Nations for the next 500 years.

For the totality of this problem is such that the search for disarmament has become a prime imperative of our times.

But we must not be maneuvered into disarmament at any price. The disarmament arrangements we seek—and must find—are those that through mutual application and safeguarded implementation will enhance our security and not leave us and our free world associates open and vulnerable to aggressive action.

Tomorrow, in Geneva, the Ten-Nation Disarmament Group, which is the focal point of present disarmament efforts, will recess for 6 weeks until after the meeting at the summit.

There are some who have criticized us for agreeing to a disarmament forum based on equal representation with the Communist bloc. However, the reasons for this are clear and, I think, substantial.

The withdrawal of the Soviet Union from the United Nations Disarmament Sub-Committee in 1957 left us without an agreed forum for disarmament negotiations. We believed that no avenue should be left unexplored which might offer prospects for progress on this crucial problem. We were convinced that, although detailed disarmament negotiations would take place for the time being outside the U.N. by the establishment of the Committee of Ten, this would not diminish the United Nations responsibility for general disarmament. As a matter of fact, if agreement can be achieved among the 10 in Geneva, it will contribute substantially to a fuller realization of the purposes and principles of the charter.

This view was reflected by the General Assembly in a resolution unanimously adopted at its past session. The resolution expressed the hope that measures leading toward the goal of general and complete

disarmament under effective international control would be worked out in detail and agreed upon in the shortest possible time.

U.S. OBJECTIVES AT GENEVA

We approach the disarmament problem with two basic aims:

First, to try urgently to create a more stable military environment in order to curtail the risk of war.

Second, to reduce national armed forces and armaments and to strengthen international peace-keeping machinery to the point where aggression will be deterred by international rather than national force.

To accomplish the first objective, we believe it is necessary to undertake measures to guard against surprise attack, to halt future nuclear weapons production, to reduce existing nuclear weapons stockpiles, to bring about balanced reductions in conventional arms and armed forces, and to initiate measures to assure the peaceful use of outer space.

But we would not be satisfied to stop with these achievements.

We want to move on toward the elimination of weapons of mass destruction and toward the reduction of national armed forces and armaments to levels required only for internal security purposes and to carry out obligations under the United Nations Charter. At the same time we want to foster universally accepted rules of law, backed by a world court and an international armed force, which would prevent any nation from launching an aggression.

This, in brief, sets the scene for the first round of negotiations which have taken place over the past weeks in Geneva. The Soviets thus far have not been willing to discuss the obvious and specific initial measures I have outlined. Without burdening you with the details, I should like to outline some of the basic differences in approach to the problem of disarmament taken by the Communist bloc and ourselves.

THE MIRAGE OF AGREEMENT IN PRINCIPLE

So far the Communist representatives at Geneva have refused to consider any proposals which do not endorse in principle the Soviet version of general and complete disarmament. This Soviet tactic in negotiation is all too familiar. All too often the Communists seem more interested in slogans than in serious negotiations.

We have been exposed before to these tactics. "Ban the bomb," "stop all nuclear testing"—these are familiar slogans which have a certain superficial appeal.

This time the Communists talk about "general and complete disarmament" as if this were a trademark which they had registered and as if its acceptance constituted the only way to make progress in disarmament. During the first 3 days of negotiations at Geneva, the Communist delegates used the phrase "general and complete disarmament" 135 times. They dodge the question of effective international controls and thus the slogan is just as misleading and just as superficial as the earlier mirages.

Even the General Assembly resolution, which was cosponsored by all of the members of the United Nations and which expressed the hope for "general and complete disarmament under effective international control" becomes in Mr. Zorin's speeches and in his satellites' echoes, United Nations endorsement of the Soviet plan. But when this resolution is cited by the Communists, it is usually rewritten, and the vital provision "under effective international control" conveniently disappears. Even when the Soviets do make reference to controls, they tend to give only lipservice to a concept and do not make a serious effort to develop an effective system of verification.

The Soviets seem interested only in what label is put on the disarmament package. In the light of our previous experience with them in the use of slogans, we are interested primarily in the contents. Until agreement is reached on the contents, how can the label mean anything?

What we seek is a secure, free, and peaceful world in which there would be general disarmament under effective international safeguards and agreed procedures for the settlement of disputes in accordance with the principles of the United Nations Charter.

To this end, we have submitted concrete proposals on the basis of which the 10-nation group could begin immediately to hammer out specific measures of real disarmament. The Communist side has not been willing to negotiate on specific disarmament measures, but has contented itself with urging agreement in principle on abolition of all armies, armaments and war ministries within 4 years.

THE NEED FOR VERIFICATION

At Geneva the Soviets have thus far sought to avoid any serious negotiation about the question of control and inspection, although they acknowledge that this is an essential element in any general disarmament agreement. In this approach they are reflecting the historic reluctance of Communist disarmament negotiators to talk about, much less to agree upon, concrete arrangements to assure that disarmament measures are actually observed.

I find it wholly understandable that the Soviet Union, with its phobia for secrecy and with its broad access to information about developments in the free world, should find disarmament control arrangements highly undesirable on the one hand and perhaps even unnecessary on the other. Yet precisely these same factors make it imperative for the free world to insist upon an adequate system of inspection for verifying compliance with disarmament agreements. In this area, which is clearly vital to our own security, we cannot rely on promises alone. Control and inspection procedures must be part and parcel of any agreed disarmament measures.

The Communist group frequently alleges that proposals for a verification system are designed for purposes of espionage. They characterize these proposals as a wish on our part to look into everybody's bedroom and into everybody's garden. Now obviously effective international control machinery will certainly result in the gathering and exchange of information. But this should not go beyond what is necessary to establish and sustain confidence. Equal assurance to both sides that commitments under a disarmament agreement are being carried out is essential. This is the essence of international control.

In my dictionary, espionage is defined as the practice of spying on others, or the employment of spies and the systematic secret observation of the words and conduct of others.

This is by no means the definition of the operations of an internationally agreed organization whose task is to gather and receive information which will assure both sides that the disarmament agreement is being carried out.

In spite of this essentially negative and grudging approach to the central problem of control and inspection, the Soviets must come to realize that we will insist upon adequate control arrangements in any disarmament agreement.

I would like to be quite clear on one point. In this imperfect world we do not expect to see a 100 percent perfect system of controls. Nor are we seeking controls for the sake of controls. Our prime purpose has been, and remains, to work out disarmament agreements that will reduce the prospects of war and the burden of armaments. We attach the utmost importance to our efforts to achieve this goal. As a part of such arrangements, we seek only that degree of control and verification which will permit the world to know that the agreements are being kept by all parties. We ask the Soviets to accept nothing that we will not ourselves accept. If the Soviet Union will approach this question in the same reasonable way, I am confident that significant progress can be made.

MEASURES OF NUCLEAR DISARMAMENT

I now turn to the question of our respective approaches to the problem of nuclear armaments. It is clear that the Soviet attitude on this matter is motivated by both political and strategic considerations.

The Soviet Union has attempted to create pressures throughout the world which would inhibit free world use of nuclear weapons in defense against aggression. In strategic terms, there can be little doubt that the Soviets have regarded nuclear weapons as an important element in Western strength. They have undoubtedly reasoned that if we could be effectively precluded from the possibility of using nuclear weapons in our own defense, while Soviet strength in conventional armaments was retained, our strategic position would be impaired.

Thus, over a period of years the Soviet purpose has been to "ban the bomb." In the present negotiations at Geneva this theme is once again being played. The Soviets have again proposed that each nuclear power should agree not to use nuclear weapons first. They also propose the complete elimination of nuclear weapons, but have admitted that this could not be verified by existing techniques.

How does the United States look at this problem?

We have recognized, and continue to recognize, the need to deal effectively with nuclear weapons in any comprehensive disarmament arrangement. We believe, however, that nuclear and conventional disarmament measures must be balanced so that no country or group of countries will obtain, at any stage, a significant military advantage. We proposed that early steps be taken to limit the continuing build-up in nuclear weapons. As an initial step we seek an agreed cutoff, under proper safeguards, in the future production of nuclear materials for weapons purposes. We also propose to begin reduction of existing stockpiles of nuclear weapons materials by siphoning off agreed quantities for peaceful uses.

One of our ultimate goals in a disarmament agreement is the final elimination of nuclear weapons as may be feasible in the light of technical and scientific knowledge. Let me note this important point: At the present time, it would not be scientifically possible to establish means of verification to confirm whether nuclear stockpiles had in fact been eliminated. Today a would-be aggressor could conceal nuclear weapons without any fear of detection.

But, as I have noted, there are important steps that can be taken now. We hope that the Soviets will agree to the specific measures in this area which I have already outlined.

OUTER SPACE

Recognizing that the world stands on the threshold of the space age, the United States has again proposed at Geneva, as it has in the United Nations for the past 3 years, that steps be taken toward insuring the use of outer space for peaceful purposes only. We have specifically proposed that there should be a prohibition, with appropriate controls, against placing into orbit or stationing in outer space vehicles carrying weapons of mass destruction. Technological advances in this field have been astounding. Satellites are being sent aloft with increasing frequency. Scientists will no doubt soon discover ways to bring orbiting bodies back to

a predetermined point on earth. The military implications of this are profoundly evident.

It is for these reasons that Soviet failure to deal concretely with the problems of preventing weapons of mass destruction from being introduced into outer space is so disquieting. There may be real danger that we will soon reach the point of no return so far as control of vehicles in outer space is concerned.

One could draw an unhappy parallel with the Soviet rejection in 1947 of the U.S. proposal to forego the American monopoly of atomic weapons and establish full international control of atomic energy. We know now that the Soviet out-of-hand refusal to consider this extraordinary proposal was a tragic turning point in history.

We hope the present attitude of the Soviet Union with respect to outer space does not portend the same kind of fateful choice. It would be tragic indeed if the nations of the world were to extend to the vast reaches of outer space the military rivalries which plague man here on earth.

MAINTAINING PEACE IN A DISARMED WORLD

Another basic difference between the Western and the Communist approach to disarmament is highlighted by our proposal that, as disarmament is achieved, steps must be taken to strengthen and build up the machinery to maintain peace. The Soviet Union seems to maintain that existing arrangements are adequate and vigorously opposes the concept of an international force.

Fortunately, we already have a strong foundation on which to build such peacekeeping machinery. The United Nations was established for the purpose of maintaining international peace and security.

Our aim, accordingly, is a stronger United Nations. Perhaps the time is approaching when new efforts should be made toward making this organization a more effective instrument for peace. Let me repeat—we have in the United Nations the structure on which to build. There is nothing wrong with the charter that good will could not cure.

We must also seek to accelerate the development of international law, looking toward the rule of law in the world. Certainly it would make a tremendous difference if states showed a fairminded and careful regard for generally recognized legal rules. Far more use should be made of the International Court of Justice. Greater use should be made of advisory opinions. And further steps should be taken to extend the compulsory jurisdiction of the Court.

In this connection, may I say that I regret very much that it has not yet been possible to take the steps necessary to permit this Government to embrace with complete fidelity the principle of compulsory jurisdiction.

It would be a mistake to assume that, if the point is reached where national Armed Forces have been reduced by mutual agreement to the militia level, the danger of aggression will have been automatically eliminated. There have been many cases in the past few years when frontiers were crossed and distinctly military actions were carried out by lightly armed forces. We are all too familiar with the pattern of indirect aggression and know that men armed with only light weapons—rifles, submachineguns, pistols and hand grenades—can promote civil disorder and contribute to the overthrow of the government of a neighboring state.

In the light of these present-day experiences it is clear that there would be need for an effective international force to help keep the peace and repel aggression in a world where national armaments have been substantially reduced. As we have proposed in Geneva, such a force should operate within the framework of the United Nations. Without such a force a world fully disarmed except for rifles or, for that matter, sticks and stones would still not adequately guarantee peace and security.

The Soviets do not accept this concept. In an article published last fall—incidentally, at both the same time the Soviet Union was putting forth its slogan of "general and complete" disarmament—Pravda warned against the creation of an international police force "armed to the teeth" which would be used for "suppressing peoples determined to change the social system in their countries."

We must consider seriously, even if the Communists choose not to, the anarchy and risks of aggression to which a disarmed world would be exposed if there were not at the same time recognized rules of law enforced by strong United Nations peacekeeping machinery.

NUCLEAR TEST TALKS

The differences in approach which I have briefly described on certain fundamental areas of the disarmament problem suggest to you, I am sure, why our negotiators at Geneva fully realize that they have a long and difficult road ahead. Thus far, perhaps not unexpectedly, they have little reason to be encouraged by the Soviet attitude.

But our efforts in the disarmament field cover a broad front. And we do find some reason for encouragement. The atmosphere in an adjoining conference room at Geneva is cautiously optimistic. I refer to the talks where American, British, and Soviet delegations have been working for the past 18 months on an agreement looking toward a controlled ban on the testing of nuclear weapons.

Here we have proposed that a treaty be concluded which would end all nuclear weapons tests where adequate controls can be agreed. This would exempt small underground explosions. However, we recently stated a willingness to agree to a temporary, voluntary moratorium on these small underground explosions where adequate control is not now possible. Such a moratorium, however, is conditioned on progress being made in the negotiations on various important issues that now separate the two sides and on arrangements being made for a coordinated research program aimed at finding more reliable means of identifying small underground disturbances.

However, there are still important political and technical issues to work out. Agreement must still be reached on such critical matters as the basis and frequency of on-site inspections of areas where unidentified seismic events have occurred within the territories of the parties. This is a major obstacle. The Soviets insist that the number of such inspections should be limited and based on a purely political decision.

We believe that this is not a political question but that inspections should be based on detection capabilities and scientific facts.

Still another matter at issue is the composition of the staff manning the control posts which will be established within the three countries and throughout the world.

The Soviets wish to have a predominance of host country nationals in the control posts. We cannot accept this since it would amount to self-inspection. In the light of the need to insure objectivity, we have proposed that the control posts be manned by an international staff made up of one-third host country nationals, one-third from the other side, and one-third from other countries.

Further issues include voting procedures, where the shadow of the veto is still with us, procedures to govern explosions for peaceful purposes, and the composition of the seven-nation control commission.

However, in the 18 months of painstaking and patient negotiations—a prerequisite for conducting diplomatic talks with the Soviets—we have reached agreement on a preamble and 17 draft articles and an annex of a treaty as well as certain important technical matters.

The most significnt point is that the Soviets have agreed to the establishment of control posts in Soviet territory to be manned in part by non-Soviet personnel to verify compliance with the treaty.

Thus there is some basis for cautious optimism at that conference and we can only hope that some of this optimism will pervade the adjoining conference room where the disarmament negotiators will be meeting when they resume their talks in June.

DO THE SOVIETS WANT DISARMAMENT?

In view of the frustrations we have experienced over many years in trying to negotiate disarmament arrangements with the Soviet Union, people often ask whether the Soviets really want disarmament. I do not pretend to know the answer but I would suggest that there may be several reasons why the Soviet Union should be genuinely interested in agreement on disarmament. First of these is the very human fear of the devastation that would be visited on all peoples alike by a total nuclear war. The ravages of World War II in destruction of their manpower and capital plant and equipment, must have left a profound impression on the Communist leaders. They are intelligent men, and they must be able to visualize the incomparably greater ravages which a nuclear war would bring.

In the second place, the burden of supporting military establishments in the nuclear age is extremely costly both in men and materials. The losses of World War II also resulted in a deficiency in Soviet manpower, a particularly critical problem in light of the intensive Soviet campaign to increase industrial output and reclaim lands in Siberia. There are also increasing demands by Soviet citizens for more of the comforts of life. It is difficult to know exactly how much of a role each of these considerations might play in Soviet policy formulation, but there can be no denying the increasing competition for the resources and the productive energies of the State.

There are certainly other considerations as well. These could involve such matters as Soviet assessment of the balance of military advantage in any disarmament agreement, their estimate of the political advantages that might be derived from any such agreement, and their relative view of the prospects for achieving their objectives by either military or nonmilitary means.

I do not propose to attempt to strike a balance of all these factors. And I am sure there are others as well.

But there are at least some reasons why the U.S.S.R. could be seriously interested in making progress toward disarmament. We strongly hope this is the case.

Perhaps the most difficult part of the equation is how much they might be willing to pay for disarmament by way of opening up their system to the inspection that would be required. I have already spoken of the difficulties we have experienced over a long period in this regard. But we must not, and will not, give up hope.

CONCLUDING COMMENT

What then, are the prospects for progress in the months ahead?

With the adjournment of the conference in Geneva tomorrow, we turn our eyes to the summit. In just 2 weeks, the heads of Governments of the United States, France, the United Kingdom, and the Soviet Union will meet in Paris. Disarmament will assuredly be one of the topics of highest priority. It is our fervent hope that the Soviets will join with us in giving the necessary

impetus to the disarmament negotiations so that when the 10-nation conference reconvenes in June it can come to grips with the concrete measures which could eventually relieve man of the tremendous burden of armaments and free him from the specter of war.

Until acceptable disarmament arrangements are negotiated, we must continue to look to our own defenses. There is no other way if negotiations are to succeed. There is no other way if world peace is to be maintained. We know that the realization of the ultimate goal of world disarmament which we seek lies in the distant future. But this is no reason for us to be fatalistic and to concede that nuclear catastrophe is inescapable. As Thucydides reminds us, "Fatalism tends to produce what it dreads, for men do not oppose that which they consider inevitable."

I continue to believe that if mankind is ingenious enough in the scientific field to forge the weapons capable of destroying himself, he has the innate wisdom and capacity in the political field to work out the means of preserving and advancing civilization.

ARMS CONTROL STUDIES

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Congress Nears Arms-Curb Test," written by Courtney Sheldon, and published in the Christian Science Monitor of June 21, 1960. The article discusses the efforts of several other Senators and myself to include an appropriation for the Department of State to conduct urgently needed studies covering arms control problems. The article presents a good summary of the present situation regarding the need for this money.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 21, 1960]

CONGRESS NEARS ARMS-CURB TEST

(By Courtney Sheldon)

WASHINGTON.—Congress is arriving at the point of final decision on whether there should be greater U.S. diligence in searching out new ways of worldwide arms control.

In the past few years there has been growing criticism of both Congress and the Eisenhower administration for not ordering intensified research into mid-20th-century disarmament problems.

Until recently there has been only lukewarm interest displayed by the State Department. Only a few Congressmen have persistently pushed for it.

But with the Soviets now loosing barrages of propaganda in behalf of their disarmament proposals, there has been some concern in Washington that free-world positions on disarmament may have not been imaginative enough.

The question of what to do about it reached the Senate Subcommittee on State Department Appropriations on June 21.

ROUGH ROAD LOOMS

Before the committee, headed by Senator LYNDON B. JOHNSON, Democrat of Texas, majority leader and an aspirant for the Democratic presidential nomination, is the State Department proposal for $400,000 for independent studies and preparations for arms-control negotiations.

The road ahead could be difficult. The House has already ignored the State Department request, though it did not speak out against it in its report as it did last year.

Whatever hopes advocates of intensified study of disarmament problems still have center on Senator JOHNSON.

If he stamps his approval on the proposition, the likelihood is that the full Appropriations Committee and the Senate will go along.

Pushing Senator JOHNSON to go along with the State Department request is Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, chairman of the Senate Subcommittee on Disarmament. Senator JOHN F. KENNEDY, Democrat, of Massachusetts, is beginning to make a campaign issue of what he describes as administrative "unpreparedness" on disarmament negotiations.

Under these circumstances, it is not impossible that House and Senate conferees will come up with a bill to give the State Department some funds for independent studies.

If it does not, congressional sources speculate that the State Department may be so interested in getting started that it will find some means to juggle its allotments and fund the required investigation by that means.

Above and beyond this, it is anticipated that the State Department will soon reorganize its setup for policymaking on disarmament questions.

Senator HUMPHREY's subcommittee urged the State Department to get going on the problem of keeping the pipeline filled with ideas on disarmament back in 1957 and again in 1958.

By 1959, there was stirring within the State Department on behalf of independent studies. But in presentation of its request to Congress, the State Department did not place high priority on its request.

By 1960, Secretary of State Christian A. Herter was back of the proposition with some force. He told the House Appropriations Committee:

"The rapid increase in the technical problems of arms controls makes it essential for us to have access to the services of specialists outside the Government if we are to make effective use of our negotiating opportunities."

And Raymond Hare, Deputy Under Secretary of State, told the same committee:

"What is lacking is a sustained study effort concerning the effect of various possible arms-control agreements on United States, Allied, and Soviet capabilities, together with further exploration of new possibilities of arms control which might enhance U.S. security."

PROBLEMS SPOTLIGHTED

In testimony submitted to the Senate Appropriations Committee, Senator HUMPHREY said on June 21:

"There are signs that, either through inaction or inability, we are permitting the weapons-development race to proceed much faster than the race for effective means of control."

And further, "As we are determining scientific means of detecting and inspecting in one area of arms control, a countermeasure, such as the decoupling theory in hiding underground explosions, is discovered or a newer and more devastating weapon is produced, thus increasing the scope of disarmament problems."

Citing the separate request of the administration for $60 million for research on detection of nuclear-weapons tests, he said, "Much more than this will be needed eventually on such problems as:

"Methods to control a cutoff of production of fissionable materials for weapons purposes;

"Methods to determine that armed forces are at levels stated by various countries;

"Measures to guard against surprise attack;

"Control systems for the elimination of missiles and other delivery systems."

OPPOSITION TO ADMISSION OF COMMUNIST CHINA TO UNITED NATIONS

Mr. HUMPHREY. Mr. President, the congregation of Lakeview Covenant Church, of Duluth, Minn., has unanimously adopted a resolution opposing the admission of Red China to the United Nations because it is in fact an aggressor nation and has violated the provisions of the U.N. Charter. These are the reasons why I oppose admission of Red China.

Mr. President, I ask unanimous consent that the resolution of the Lakeview Covenant Church be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE LAKEVIEW COVENANT CHURCH

We continue to oppose the seating of Communist China in the United Nations, thus upholding international morality and keeping faith with the thousands of American youths who gave their lives fighting Communist aggression in Korea. To seat a Communist China which defies, by word and deed, the principles of the U.N. Charter would be to betray the letter, violate the spirit, and subvert the purposes of that charter. We further continue to oppose U.S. diplomatic recognition or any other steps which would build the power and prestige of the Chinese Communist regime to the detriment of our friends and allies in Asia and of our national security. Any such action would break faith with our dead and the unfortunate Americans still wrongfully imprisoned by Communist China and would dishearten our friends and allies in Asia whose continued will to resist Communist China's pressures and blandishments is so vital to our own security interests in that part of the world.

A CONFERENCE TO PLAN A STRATEGY FOR PEACE

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD the recommendations from A Conference To Plan a Strategy for Peace.

This conference was held at Arden House from June 2 to June 5, 1960. It was organized by Mrs. Mary Lasker and Mr. Tom Slick. Included in the list are recommendations on arms control and the extension of the rule of law throughout the world.

I believe these are sound recommendations and are made by a group of very responsible and knowledgeable people. Following the recommendations is a list of persons who attended the conference.

There being no objection, the recommendations were ordered to be printed in the RECORD, as follows:

A CONFERENCE TO PLAN A STRATEGY FOR PEACE

ARDEN HOUSE, HARRIMAN, N.Y., June 5.—One hundred and thirty individuals from the fields of business, the professions, the military and foundations completed a 4-day seminar and study at Arden House of a "strategy for peace" with four recommendations for public concern.

They agreed generally that there is too little research and study and available knowledge on the critical subject of whether or not it will be possible at some future date

to exert the control over world armaments required to bring safety and security to the world. The recommendations called for greater study and research into these unexplored areas by government, by private organizations, by foundations, by universities.

The group recommended that new research should be divided betwen the urgent short-range problems of maintaining strength and security in a world threatened by war, and on the other hand, research into the long-range problems of eventually creating a system of world security against war.

The consensus of the seminars was that greater study should be encouraged on many levels into the emerging new concept of world law, that the public become aware of the world environment which must be created as a precondition to world law.

Although seminar members were drawn from a wide spectrum of political, economic and professional points of view, the recommendations were advanced as the general consensus of the whole body rather than in relation to any individuals identified with the positions.

The strategy-for-peace seminar was sponsored by Mrs. Mary Lasker and Mr. Tom Slick, with the assistance of a steering committee composed of a number of prominent people.

Discussions were stimulated by talks by Dr. Leo Szilard, prominent atomic scientist; Robert R. Bowie, director of the Center for International Affairs, Harvard University; Dr. Jerome B. Wiesner, director, research, Laboratory of Electronics, MIT; Richard S. Leghorn, president of Itek Corp.; C. M. Stanley, Stanley Engineering Co.; Leo Cherne, executive director, Research Institute of America; Arthur Larson, director, the World Rule of Law Center, Duke University Law School. Sessions were chaired by Dr. Arthur N. Holcombe, chairman, Commission To Study the Organization of Peace.

Four independent seminars were conducted by Dr. Max F. Millikan, Massachusetts Institute of Technology; Dr. Robert G. Neumann, University of California; C. M. Stanley, Stanley Engineering Co.; and Dr. Roger Hilsman, Johns Hopkins University.

Participants were present in an individual capacity and did not represent any organizations, centers of study, or business firms.

RECOMMENDATIONS FROM A CONFERENCE TO PLAN A STRATEGY FOR PEACE, ARDEN HOUSE, JUNE 2–5, 1960

We look upon arms control measures as an essential means of enhancing national security and international peace. Their efficacy must be measured in terms of the degree to which they contribute to these goals. From this views, arms control and armament are not contradictory, but rather complementary aspects of a responsible national security policy.

We are impressed by the need for basic research and planning in the entire arms control field—including the military political, diplomatic, legal, economic, and technological facets of the problem. This research should devote equal attention to the short-range problem of next steps toward arms control and the long-range problem of the kind of world peace system toward which the United States should be working. The research should emphasize the relation of shortrun tactics to ultimate objectives. An accelerated effort in this field is needed if the United States is to provide the leadership commensurate with its world responsibilities.

In the light of this tremendous need, we strongly urge the establishment of a permanent staff at a high level, charged with research and analysis of all aspects of the arms control problem, including American policy toward international regulation and reduction of armaments.

This conference calls upon the U.S. Government to recommend to the United Nations the establishment of a corps of experts recruited by the Secretary General for the purpose of studying and assessing the methods and techniques of arms control.

Such a corps of experts, within the Office of the Secretary General, could advise the Secretary General on the technical aspects of various proposals and would permit the Secretary General, should he feel it appropriate, to initiate proposals for study by all interested governments; it would also permit him to promulgate standards and principles which might be useful in guiding individual nations in their subsequent formulation of national arms control proposals.

We further urge the United States to join with other nations in the financial support of an operation of significant size, and to encourage its own nationals to engage in such work.

Many universities, foundations, research centers, and other private institutions are already planning expanded effort in research relating to the strategy of peace. These efforts deserve support and extension.

There is need not only for more continuity in these efforts but also for more coordination among private groups and between them and the Government.

The current conference which included among its functions a first step in communication among private groups has produced a significant intellectual exchange on the vital issues. As a further step the conference should be followed by another meeting within a year which should include on its agenda discussion of proposals for a continuing organization to relate private activities to each other and to the Government.

We endorse the stated objective of the United States Government to work for the universal rule of law and wish to emphasize the need for more active steps to develop and implement a working system of international law, without which a permanent and just peace cannot be achieved. We recognize that a primary condition for such progress is the repeal of the national, self-judging reservations to the optional clause of the statute of the International Court of Justice.

To this end, we support and encourage efforts by all groups, private and governmental, to study the conditions upon which commonly accepted principles of law for international application might be developed.

PARTICIPANTS IN A CONFERENCE TO PLAN A STRATEGY FOR PEACE, AT ARDEN HOUSE, JUNE 2–5, 1960

Aley Allan, staff counsel, Atomic Industrial Forum, Inc.

Michael Amrine, American Psychological Association.

Robert C. Angell, chairman, executive committee, the Center for Research on Conflict Resolution.

George S. Armstrong, president, George S. Armstrong & Co., Inc.

Herbert Barchoff, president, Eastern Rolling Mills, Inc.

George A. Beebe, director, Institute for International Order.

Haughton Bell, vice president, and general counsel, Mutual of New York.

Emile Benoit, Graduate School of Business, Columbia University.

Edward L. Bernays.

Lincoln P. Bloomfield, Center for International Studies, MIT.

Courtney C. Brown, dean, Columbia University Graduate School of Business.

Mrs. William Bray.

Arthur E. Burns, dean of the graduate council, the George Washington University.

John F. Chapman, Harvard Business Review.

Leo Cherne, executive director, Research Institute of America.

John Cogley, Center for the Study of Democratic Institutions, the Fund for the Republic, Inc.

Gen. J. Lawton Collins, vice chairman of the board, Pfizer International Inc.

Father E. A. Conway, S.J., the Creighton University.

R. J. Coveney, vice president, Arthur D. Little, Inc.

Myron M. Cowen.

Thomas J. Craven.

Capt. Ed. D. Davis, Department of Social Sciences, U.S. Military Academy.

James E. Dougherty, Foreign Policy Research Institute, University of Pennsylvania.

Robert W. Dowling, president, City Investing Co.

Gen. William H. Draper, Jr., Draper, Gaither & Anderson.

Mel Dubin, president, Siant/Fin Radiator Corp.

Vernon Eagle, New World Foundation.

Lawrence S. Finkelstein, vice president, Carnegie Endowment for International Peace.

Roger Fisher, Law School of Harvard University.

William R. Frye, U.N. correspondent.

Lt. Gen. James Gavin, president, Arthur D. Little, Inc.

Melvin J. Gordon, president, Manchester Hosiery Mills.

Mrs. Margaret Grant, Council on World Tensions.

Dean Ernest S. Griffith, School of International Service.

Robert W. Hartley, vice president, the Brookings Institution.

Prof. Robert Hefner, University of Michigan.

Charles M. Herzfeld, Catholic Association for International Peace.

Roger Hilsman, Washington Center of Foreign Policy Research, Johns Hopkins University.

Charles Hitch, head, Economics Division, the Rand Corp.

Dr. Arthur N. Holcombe, chairman, Commission To Study the Organization of Peace.

Herman Kahn, Physics Division, the Rand Corp.

Amrom H. Katz, the Rand Corp.

Edward L. Katzenbach, Jr., National Academy of Sciences.

Nicholas deB. Katzenbach, professor of law, University of Chicago.

Stephen D. Kertesz, chairman of the Committee on International Relations, University of Notre Dame.

Prof. John Andrews King, Jr., secretary, International Legal Studies Law School of Harvard University.

Fred Korth, president, Continental National Bank.

Howard G. Kurtz, Handy Associates, Inc.

Dr. Arthur Larson, director of the World Rule of Law Center, Duke University.

Mrs. Albert D. Lasker.

Ernest W. Lefever, consultant to the international affairs program of the Ford Foundation.

Col. Richard S. Leghorn, president of ITEK.

David D. Lloyd, director, Research & Education Committee for a Free World.

John F. Loosbrock, editor, Air Force.

Isador Lubin, economist, Rutgers University.

Gerald J. Mangone, professor, Political Science and International Law, Syracuse University.

Mrs. Dorothy Marvin.

John Marvin, associate editor, Forbes magazine.

Porter McKeever, director of the information division, Committee for Economic Development.

John L. McLucas, HRB-Singer, Inc.

Thomas Patrick Melady, president, Consultants for Overseas Relations, Inc.

Clark B. Millikan, director, California Institute of Technology.

Dr. Max Millikan, director of the Center of International Studies, MIT.

John K. Moriarty, colonel, USAFR.

Carter Murphy, chairman, Committee on Research in International Conflict and Peace.

Dr. William J. Nagle, director, Operations and Policy Research, Inc.

Robert G. Neumann, director, Institute of International and Foreign Studies, University of California.

Henry E. Niles, president, the Baltimore Life Insurance Co.

J. L. Nogee, assistant professor of political science, University of Houston.

Prof. Robert J. Nordstrom, the Ohio State University.

John Nuveen.

Earl D. Osborn, president, Institute for International Order.

Dr. William V. O'Brien, chairman, Institute of World Polity, Georgetown University.

Dr. Jay Orear, Laboratory of Nuclear Studies, Cornell University.

Miles Pennybacker, president, Voltarc Tubes, Inc.

Ithiel de Sola Pool, Center for International Studies, MIT.

Charles C. Price, University of Pennsylvania.

Dr. Darrell Randall, associate executive director, Department of International Affairs, National Council of Churches.

Robert H. Reno, Orr & Reno.

Richard C. Rodgers.

Dean Robert H. Roy, school of engineering, Johns Hopkins University.

Harry J. Rudick, Lord, Day & Lord.

Roger W. Russell, chairman, department of psychology, Indiana University.

Peter J. Schenk, vice president, the Mitre Corp.

A. W. Schmidt, T. Mellon & Sons.

M. J. Shapp, president, Jerrold Electronics Corp.

Leonard Silk, senior editor, Business Week.

S. F. Singer, professor of physics, College of Arts and Sciences, University of Maryland.

Tom Slick.

Jerome H. Spingarn, Fanelli & Spingarn (arms control project, National Planning Association).

C. M. Stanley, Stanley Engineering Co.

Mrs. Eleanor B. Stevenson, board member of Fund for the Republic (Ford Foundation).

Dr. Joseph W. Still, director, Bucks County Department of Health.

A. M. Stone, technical assistant to the director, applied physics laboratory, the Johns Hopkins University.

Dr. Robert Strausz-Hupe, Foreign Policy Research Institute, University of Pennsylvania.

Joseph L. Sutton, chairman, Asian studies program, Indiana University.

Wayne C. Taylor.

Kenneth W. Thompson, director of the social sciences program of the Rockefeller Foundation.

Basil Thornton, president, Broadcasting Foundation of America.

J. Carlton Ward, Jr., chairman of the board, Vitro Corp. of America.

Ralph J. Watkins, director of economic studies, the Brookings Institution.

John L. Weller, president, Seatrain Lines, Inc.

Robert West.

David Winton.

Hugh C. Wolfe, Physics Department, the Cooper Union for the Advancement of Science and Art.

Keneth T. Young, Jr., Standard Vacuum Oil Co.

George B. Young, vice president, Field Enterprises, Inc.

Arnold S. Zander, international president, American Federation of State, County, and Municipal Employees.

CARELESS PROCUREMENT BY DEPARTMENT OF DEFENSE

Mr. WILLIAMS of Delaware. Mr. President, once again we have had called to our attention by the Comptroller General a glaring example of careless procurement by a unit of the Department of Defense in which a negotiated contract by a prime Air Force contractor resulted in excessive costs to the taxpayers of about $188,000 on a half-million-dollar order.

This particular contract was negotiated by the Air Force with North American Aviation, Inc., the prime contractor, who in turn negotiated with J. A. Maurer, Inc., a manufacturer of cameras for aircraft, designated as P–2.

Under this contract, North American was charged $706 per camera more than the Air Force was already getting the same cameras for from the same manufacturer.

In his report to the Congress, the Comptroller General says that subcontract prices of $1,820 a unit, proposed by Maurer and accepted by the Air Force prime contractor, North American, were excessively high in relation to Maurer's prior experienced cost of producing those cameras and exceeded by $706 a unit the price the Air Force had earlier negotiated with Maurer for identical cameras. The subcontract prices, together with other costs and profit added by North American, resulted in a total cost of $521,000 for P–2 cameras under Air Force prime contracts and appear to have been excessive by about $188,000.

A few weeks prior to the execution of this contract, the Air Force negotiated another contract with the same manufacturer in which the Air Force agreed to purchase 1,069 P–2 cameras for a price that ultimately averaged out to $1,114 per unit.

In discussing the second contract, the manufacturer agreed to reduce the price to North American if the order was received in time to combine its production with separate Air Force procurement of P–2 cameras. However, even though North American placed an immediate order with Maurer for the cameras, no action was taken by either party to reduce the price. As a result, the higher price to North American prevailed and was, of course, ultimately passed along to the Air Force for the taxpayers to pay. The Comptroller General goes on to state that the Air Force contracting officials accepted North American's estimate of subcontract costs for cameras apparently without knowledge of the substantially lower price that another unit of the Air Force had negotiated with Maurer separately.

According to this report, the 110 P–2 cameras produced by Maurer for North American, at a unit price of $1,820, cost Maurer an average of about $1,013 a unit, and they thereby realized a profit of $807 a unit, or about 80 percent of cost.

This is another example of the indefensible waste of the taxpayers' money, resulting from negotiated contracts, when the procurement of these goods could just as readily be obtained on a competitive bid basis.

Last week the Senate approved an amendment, which I sponsored, which would make mandatory that the Defense Department solicit competitive bids and then award the contract only to the lowest responsible bidder. This amendment is now pending in the House, and I am hopeful that it will be enacted.

WHO ARE THE AGED?

Mr. GOLDWATER. Mr. President, Miss Dorothy Thompson, the noted columnist, has written an article entitled "Who Are the Aged?" which has been published in the Ladies Home Journal. The article bears so completely on the subject with which we shall soon be engrossed that I ask unanimous consent that the article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHO ARE THE AGED?

(By Dorothy Thompson)

I say the "aged," not the "old," because in bureaucratic and sociological language old is now an obsolete word.

I don't like the word aged. Reams of adulatory poetry has been written to or about the old, but I can't think of one written to the aged. Shakespeare, who died in his early fifties detested age, and on numerous occasions compared it, most unfavorably, with youth. (One of his sonnets declares, "Age, I do abhor thee; youth, I do adore thee.") Robert Browning (when he was 52) wrote, "Grow old along with me. The best is yet to be"—which was, to say the least, optimistic.

Aged thus has the connotation of decrepitude which old does not. People speak of gay old blades, but not of gay aged blades, and of spry old ladies but never of spry aged women.

How old really are individuals? Mrs. Anna Eleanor Roosevelt will be 76 in October of this year.

Justice Learned Hand was 88 in January. His mental vigor, precision of thought and expression, interest in and knowledge of contemporary books and events are surpassed by very few of his fellow citizens.

Sir Winston Churchill, by all clinical estimates, should have been in his grave long since. He will be 86 in November; was on his way to 66 when he became Prime Minister, First Lord of the Treasury and Minister of Defense for five of the most grueling war years in British history. He nearly broke the nerves and health of numerous young secretaries. Sir Winston defies doctor's orders. Though no physician would recommend smoking to a man who has had three strokes, or even one, he still enjoys his Havanas; and although there are various views about drinking, he follows his own, which is that champagne and brandy are good for him. His biography shows that he has lived every moment of his life to the hilt.

Gen. Charles de Gaulle, President of France, will be 70 in November. He is, like Churchill, a soldier, an intellectual, an artist, and a patriot for whom France is a grand passion. France, rent end to end and on the verge of civil war, called him from his long retreat to save the nation because, literally, no one else could do so. Too old to take up such a burden? Ninety percent of his prestige in France rests on the virility

of his character. He makes no concessions to political opportunism; when he says "no" he means exactly that.

Nowadays the accent is on youth, and many people believe we should choose a young President. I shall not here express my preference for any candidate, nor do I believe his years should be determinant.

But what of the record of relatively young heads of great states in contemporary times? All of them were dictators.

Stalin became secretary general of the Russian Communist Party at 42. He gradually absorbed all the powers of the state, killed his own leading colleagues, and sent millions to slave camps where they perished, initiated policies that led to the death of millions of peasants, made military blunders that nearly lost the war in Russia, and when he died was in an advanced condition of paranoia. This is the testimony of his survivors and successors, among them Mr. Khrushchev.

Mussolini came to power at 39. He did some tremendous things for his country, but by a fatal misjudgment and against the wishes of almost all the Italian people (he was convinced of a German victory) took Italy into a disastrous war, and perished at the hands of his own countrymen.

Hitler came to power at 43. Quite apart from the horrors that he perpetrated as a result of his racial theories, he precipitated a war, against the advice of his ablest staff officers (aided by the agreement with his fellow dictator Stalin), which reduced Germany to a shambles. He died a theatrical suicide, unmourned by anybody.

These men were not only corrupted by power and ambition. They made errors of judgment, fatal or near fatal, to their nations. They lacked wisdom.

This is not to say that wisdom is confined to people well past middle life; but if one can generalize at all, there does seem to be an age of discretion.

If how old one really is depends on many factors besides chronological date, several things are almost universally true. Although vital energy is immensely stronger and more durable in some people than in others, somewhere in the 60's energy, and especially physical energy, manifests a decline. An enormously greater percentage of our population reach the age of 60 than did 30 or 40 years ago, but the life expectancy over 60 for men has increased startlingly little—by only about 2 years. For women it has extended notably—old cemeteries which record family histories of fathers' burying a succession of wives and their children, borne one after another, year by year, are from a past epoch.

There are health needs peculiar to the old, and the question is to what extent these are adequately being dealt with on a private, public, semipublic, or philanthropic basis.

How many of the aged are able financially, or with the aid of financially able close relatives, to take care of their own health needs? How many need only partial assistance and how much? What kind of assistance do they need? What assistance is already available?

There is almost unanimous opinion that all existing forms of aid for the old are inadequate and need reconsideration. As I write, it is most probable that some legislation will go through Congress before this session adjourns—perhaps before this article appears. The Democrat-sponsored bills are backed and have been nationally publicized for months by the most powerful pressure groups in and out of Washington—the CIO–AFL and the Americans for Democratic Action.

For these organizations, whatever Federal health legislation is introduced will be only an entering wedge. Their goal is socialized medicine, on the model of many European countries. Whatever one argues for or against this, one thing can safely be predicted. The cost of modified Federal health insurance for the old cannot be accurately computed. Insurance experts and the experience of all countries with which I am familiar testify that costs will not be covered by the fraction of a percent to be added to payroll taxes. Everywhere people tend to abuse services falsely described as free.

Whatever Federal old-age health insurance is offered will not be available to some 3 million adult persons who are not covered by social security or any other Government retirement scheme.

It will furnish no service to elderly people in a mental or tuberculosis hospital.

It will probably furnish no services from physician or nurse performed in one's own home or place of residence.

It will not be related to need.

It will predictably overcrowd hospitals and nursing homes, both of which are the most expensive places in which to be ill, no matter who pays the bills.

It will be a blow to insurance companies in which many thousands of old people have equities.

In short, it will create new problems and leave many basic ones unsolved.

What is the economic status of the old?

It is statistically true that a considerable percentage of people over 65 have incomes of not more than $1,000 a year. But the figure takes no account of other assets, or of how these oldsters are living, or of the incomes of close relatives able (where necessary) to contribute to their support.

A larger proportion of them are living with one or another of their children than were doing so a generation ago. To an unknown extent such living facilities are, by family agreement in exchange for financial considerations. A parent or parents with a home that has become too large for their needs or capacity to manage may deed it to a son or daughter in exchange for the right to share it, while contributing from a small income to its running expense.

And this is not all that thousands of them contribute. Where both a son and daughter-in-law, or daughter and son-in-law, are working outside the home, mother often does a large share of the housework and is an unpaid babysitter. Older people in good health hate to be idle, and nothing ages them more quickly than uselessness.

The actual economic status of people over 65 has just never been satisfactorily broken down. If it is true that a considerable percentage are poor in relation to other age groups, it is just as true that they form a very high percentage of the richest people in the country. Where wealth is not inherited, individuals who amass fortunes usually begin to do so around the age of 50, and thereafter the fortune, if wisely invested, grows by itself.

Compulsory government health-insurance plans may be exellent for low-wage-and-salary countries where government services supplement otherwise very inadequate family incomes.

It does not follow that they are the best means for dealing with this social problem in the nation with the highest per capita income and one which, on average, is keeping well in advance of the cost of living—to the rise of which Government spending is the chief contributory.

It may be that we are drifting with almost the inevitability of a law into an all-embracing welfare state, ever more centralized, where the anonymous bureaucrat governs all, with more and more responsibilities removed from the States, communities, and free institutions, in this vast and so diverse Nation.

If so, we shall be moving further and further from the American way, and into a modern form of feudal society.

The welfare state is a copy of European systems in countries which have quite other traditions and experiences from ours. Americans have always been an inventive people. Should we not be able to invent social policies that are better for us than European systems sparked by Socialist Parties?

Mr. YARBOROUGH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

RESOLUTION OF MINNESOTA DEPARTMENT, VETERANS OF FOREIGN WARS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Department of Minnesota, Veterans of Foreign Wars of the United States in convention at Mankato, Minn., June 16–18, 1960, calling for authorization of selection of benefits by World War I veterans under either Public Law 86–211 or its predecessor be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

RESOLUTION 181

Whereas Public Law 86–211, to become effective July 1, 1960, will have become law a few years prior to the great majority of World War I veterans reaching age 65; and

Whereas the requirement that a veteran be in receipt of or entitled to receive pension under the old or present law by June 30, 1960, will result in one group of World War I veterans having entitlement to a higher pension than another group; and

Whereas this great majority of World War I veterans in their last years of employability and with good reason looked forward to a VA pension as part of their retirement income and had so adjusted their retirement plans: Therefore be it

Resolved, That the Department of Minnesota, Veterans of Foreign Wars, assembled June 16, 17, and 18, 1960, at Mankato, Minn., go on record as strenuously urging Congress to pass a law permitting the World War I veteran and his dependents to have the indefinite privilege of selecting pension benefits under the old law, or Public Law 86–211; be it further

Resolved, That a copy of this resolution be immediately furnished each of our Congressmen and Senators and our national legislative chairman in Washington, D.C.

Adopted by the Department of Minnesota, Veterans of Foreign Wars of the United States, in convention assembled at Mankato, Minn., June 16–18, 1960.

LOWELL J. EASTLUND,
Adjutant.

RESOLUTION OF MINNESOTA STATE BAR ASSOCIATION

Mr. HUMPHREY. Mr. President, I have been greatly encouraged in my efforts to repeal the Connally amendment

to the U.S. adherence to the World Court statute by the support of the Minnesota State Bar Association as officially expressed in a resolution adopted at its convention in Duluth, Minn., on June 17, 1960.

Arguing that repeal of the self-judging reservation presently invoked by the United States is essential to strengthening the International Court of Justice in its striving toward world peace through an effective system of international law, the Minnesota Association joins the house of delegates of the American Bar Association which in 1947 first sought repeal of the Connally amendment.

Mr. President, I would hope that the calm, reasoned appeal of our Nation's legal experts would be heard before the emotional appeals of the extremely vocal minority opposing my proposal, Senate Resolution 94.

Mr. President, I ask unanimous consent that the resolution of the Minnesota State Bar Association calling for repeal of the Connally amendment be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

RESOLUTION OFFICIALLY ADOPTED BY THE MINNESOTA STATE BAR ASSOCIATION ON JUNE 17, 1960, IN CONVENTION ASSEMLED AT DULUTH, MINN.

Whereas the American Bar Association is taking a lead in emphasizing the role of law in international affairs through the activity of its special committee on world peace through law, and by promoting the observance of May 1 as "Law Day"; and

Whereas the International Court of Justice is the tribunal set up by the charter of the United Nations to resolve disputes between nations according to law, but its effectiveness has been restricted by reservations to the Court's jurisdiction like the so-called Connally amendment, by which the United States in 1946 reserved to itself the right to decide whether a dispute brought to the Court involved a matter essentially within the domestic jurisdiction of the United States; and

Whereas the American Bar Association took a stand in 1947 for the repeal of the so-called Connally amendment, and in today's shrinking world it is important as never before that disputes between nations be resolved by rule of law: Be it therefore

Resolved, That the house of delegates of the American Bar Association is memorialized to reaffirm its 1947 stand for repeal of the so-called Connally amendment.

ADDITIONAL REPORT OF A COMMITTEE

The following additional report of a committee was submitted:

By Mr. ERVIN, from the Committee on the Judiciary, with amendments:

H.R. 2339. An act to revise, codify, and enact into law, title 39 of the United States Code, entitled "The Postal Service" (Rept. No. 1763).

SOCIAL SECURITY ACT AMENDMENTS OF 1960—ADDITIONAL COSPONSORS OF AMENDMENT

Under authority of the orders of the Senate of June 24, and June 27, 1960, the names of Senators YOUNG of Ohio, RANDOLPH, LONG of Hawaii, MOSS, MCGEE, MANSFIELD, CHAVEZ, DODD, BARTLETT, JACKSON, PROXMIRE, MURRAY, HARTKE, JOHNSTON of South Carolina, CLARK, DOUGLAS, YARBOROUGH, and HUMPHREY were added as additional cosponsors of the amendment, intended to be proposed by Mr. BYRD of West Virginia to the bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes, submitted by Mr. BYRD of West Virginia on June 24, 1960.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 28, 1960, he presented to the President of the United States the enrolled bill (S. 3117) to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. HARTKE. Mr. President, I move that the Senate now adjourn, pursuant to the order previously entered.

The motion was agreed to; and (at 8 o'clock and 5 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Wednesday, June 29, 1960, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 28, 1960:

DIPLOMATIC AND FOREIGN SERVICE

Andrew G. Lynch, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Somali Republic.

DEPARTMENT OF AGRICULTURE

Carl J. Stephens, of Iowa, to be General Counsel of the Department of Agriculture, vice Frank A. Barrett, resigned.

IN THE ARMY

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Brig. Gen. Chester Arthur Dahlen, O19020, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert Hackett, O18380, U.S. Army.

Brig. Gen. Alfred Dodd Starbird, O18961, U.S. Army.

Brig. Gen. Carl Willard Tempel, O18284, Medical Corps, U.S. Army.

Brig. Gen. George Robinson Mather, O18696, U.S. Army.

Brig. Gen. Van Hugo Bond, O18601, U.S. Army.

Brig. Gen. Gunnar Carl Carlson, O18515, U.S. Army.

Brig. Gen. Edgar Collins Doleman, O19131, Army of the United States (colonel, U.S. Army).

To be brigadier generals

Col. Andrew Jackson Boyle, O19924, U.S. Army.

Col. John Hart Caughey, O19885, U.S. Army.

Col. Selwyn Dyson Smith, Jr., O20194, Army of the United States (lieutenant colonel, U.S. Army).

Col. Robert Estes Blount, O19612, Medical Corps, U.S. Army.

Col. Ferdinand Thomas Unger, O20734, Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles Billingslea, O20367, Army of the United States (lieutenant colonel, US Army).

Col. John Harold Daly, O20284, Army of the United States (lieutenant colonel, U.S. Army).

Col. David Woodrow Hiester, O20191, Army of the United States (lieutenant colonel, U.S. Army).

Col. Alexander Day Surles, Jr., O20622, Army of the United States (lieutenant colonel, U.S. Army).

POSTMASTERS

The following named persons to be postmasters:

ALABAMA

Thomas H. Christian, Northport, Ala., in place of C. S. Brown, resigned.

ARKANSAS

Harold D. Byrd, Gassville, Ark., in place of S. K. Coffee, retired.

FLORIDA

Richard F. Weinmann, Sorrento, Fla., in place of Floie Torbert, retired.

KANSAS

John J. Hein, Buhler, Kans., in place of F. F. Pauls, retired.

MINNESOTA

Harry L. Solberg, Goodridge, Minn., in place of C. E. Peterson, transferred.

NORTH CAROLINA

Joseph P. Hamilton, Whitakers, N.C., in place of M. S. Ray, retired.

OREGON

L. Houston Valentine, Jacksonville, Oreg., in place of L. M. Matheny, deceased.

SOUTH CAROLINA

J. Wade Hughston, Spartanburg, S.C., in place of H. D. Moseley, retired.

TENNESSEE

John B. Howe, Rogersville, Tenn., in place of G. B. Kyle, retired.

WISCONSIN

Earl E. Malles, Trempealeau, Wis., in place of H. W. Stimson, retired.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 28, 1960

The House met at 11 o'clock a.m.

The Reverend Father Alban A. Maguire, O.F.M., Holy Name College, Washington, D.C., offered the following prayer:

PRAYER OF ST. FRANCIS OF ASSISI

Lord, make me an instrument of your peace.
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
And where there is sadness, joy.

O Divine Master,
Grant that I may not so much seek
To be consoled as to console;
To be understood as to understand;
To be loved as to love;
For it is in giving that we receive;
It is in pardoning that we are pardoned, and
It is in dying that we are born to eternal life.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 12, 1960:

H.R. 1542. An act for the relief of Biagio D'Agata;

H.R. 2645. An act for the relief of Jesus Cruz-Figueroa;

H.R. 6816. An act to amend section 57a of the Bankruptcy Act (11 U.S.C. 93(a)) and section 152, title 18, United States Code;

H.R. 8888. An act for the relief of Angela Maria;

H.R. 10572. An act to authorize and direct that the national forests be managed under principles of multiple use and to produce a sustained yield of products and services, and for other purposes;

H.R. 10646. An act to amend the Merchant Marine Act, 1936, in order to extend the life of certain vessels under the provisions of such act from 20 to 25 years;

H.R. 10964. An act to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended;

H.J. Res. 638. Joint resolution relating to deportation of certain aliens; and

H.J. Res. 678. Joint resolution relating to the entry of certain aliens.

On June 27, 1960:

H.R. 10000. An act to amend further certain provisions of the District of Columbia tax laws relating to overpayments and refunds of taxes erroneously collected;

H.R. 10183. An act to amend the Fire and Casualty Act regulating the business of fire, marine, and casualty insurance in the District of Columbia;

H.R. 10684. An act to amend sections 1 and 5b of the Life Insurance Act for the District of Columbia; and

H.R. 10761. An act to provide for the representation of indigents in judicial proceedings in the District of Columbia.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 12415. An act to amend section 6387 (b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3375. An act to encourage and stimulate the production and conservation of coal in the United States through research and developments by authorizing the Secretary of the Interior to contract for coal research, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Moss, Mr. GRUENING, Mr. CARROLL, Mr. ALLOTT, and Mr. KUCHEL to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 7593. An act to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11135. An act to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes.

The message also announced that the Senate insists on its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. MORSE, and Mr. BEALL to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12231. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. CHAVEZ, Mr. RUSSELL, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1964. An act to amend the act requiring certain common carriers by railroad to make reports to the Interstate Commerce Commission with respect to certain accidents in order to clarify the requirements of such act;

S. 3278. An act to amend section 701 of the Housing Act of 1954 (relating to urban planning grants), and title II of the Housing Amendments of 1955 (relating to public facility loans), to assist State and local governments and their public instrumentalities in improving mass transportation services in metropolitan area; and

S.J. Res. 207. Joint resolution to suspend for the 1960 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for nominees for the offices of President and Vice President.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1795. An act to amend title 10, United States Code, to revise certain provisions relating to the promotion and involuntary retirement of officers of the regular components of the Armed Forces.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 60–17.

THE LATE PAUL J. KVALE

Mr. ANDERSON of Minnesota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I regret to inform the House that death has claimed my immediate predecessor in the House of Representatives, the late Paul John Kvale.

Mr. Kvale was born in Orfordville, Wis., on March 27, 1896, and the family moved to Benson, Minn., in 1917. A veteran of World War I, he served as a sergeant in a machinegun corps from September 7, 1917, to August 4, 1919. After the war, he returned to Minnesota and attended the University of Minnesota until his appointment as editor of the Swift County News in 1920.

In 1921, Mr. Kvale joined the staff of the Minneapolis Tribune, and when his father, the late Congressman Ole J. Kvale, took office, Paul came to Washington to help his father in the capacity of secretary, serving in that position during Congressman Ole J. Kvale's 7 years as a Member of Congress.

The tragic and untimely death of the elder Kvale called for a special election which Paul won and he served our Seventh District as a Farmer-Laborite in the 71st, 72d, 73d, 74th, and 75th Congresses. He was a member of the Committee on Military Affairs and was one of the original organizers of the "maverick" group of Democratic Congressmen who at that time rebelled against what they considered a conservative House leadership. He was a champion of liberal causes and his activities in the Congress drew nationwide attention. His pleasing personality attracted many to him.

Following his retirement from Congress and active participation in politics Mr. Kvale became a patient in the veterans' hospital at Fort Snelling where, after a long illness, he recently passed

away. His many friends join us in extending our deepest sympathy to his surviving relatives.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman from Minnesota.

Mr. MARSHALL. Mr. Speaker, we were sorry to learn of the death of former Representative Paul J. Kvale, of Minnesota, at the Veterans' Administration hospital at Fort Snelling.

Representative Kvale served his district during a difficult period of our history when a great country was locked in the depths of an economic depression. He played a role in passing the recovery acts of the early years of the Roosevelt administration.

During those years he pursued an independent course and is remembered for his oratorical skill in the debates of the 1930's.

After his service in the Congress, he suffered ill health and spent most of the remaining years at the veterans' hospital in Minneapolis.

To his loved ones, we extend our heartfelt sympathy.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ANDERSEN of Minnesota. Mr. Speaker, I ask unanimous consent that any Members who desire to do so may have permission to extend their remarks at this point in the RECORD on the life and character of the late Paul Kvale.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

EXTENDING DEFENSE PRODUCTION ACT OF 1950 FOR AN ADDITIONAL 2 YEARS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12052) to extend the Defense Production Act of 1950, as amended, for an additional 2 years, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

After line 6, insert:

"SEC. 2. The second proviso to the first sentence of subsection (b) of section 304 is amended by striking out the word 'quarter' and inserting in lieu thereof the words 'six months'."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

A BILL TO PROHIBIT THE LICENSING OF CERTAIN INDIVIDUALS AS OPERATORS OF COMMUNICATIONS FACILITIES

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I have just introduced a bill providing that no individual who willfully fails or refuses to answer or falsely answers certain questions relating to Communist activities, when summoned to appear before certain Federal agencies, shall be issued radio operators' licenses.

Mr. Speaker, it is the information of the Committee on Un-American Activities that in the recent past approximately 100 persons regarded as security risks have received radio operators' licenses and that a number of other people who are likewise security risks have applications pending with the Federal Communications Commission for such licenses. I shall not attempt in this brief presentation to elaborate on the potential damage which Communists and other subversives can do to the national security when they have access to vital communications facilities. I expect at the proper time when my bill becomes the subject of hearings that we shall receive an abundance of testimony on this score.

While I do not, of course, expect that my bill will receive active consideration in the remaining days of this Congress, I am introducing it at this time so that it may be the subject of consideration by interested Federal agencies and by nongovernmental groups and organizations, so that it may be the subject of hearings and legislative consideration at an early date in the next Congress.

CALL OF THE HOUSE

Mr. VAN PELT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 158]

Alford	Forrester	Metcalf
Anderson, Mont.	Fountain	Mitchell
	Frazier	Morris, Okla.
Anfuso	Gallagher	Mumma
Ashley	Gray	Patman
Bailey	Halleck	Powell
Barden	Hargis	Preston
Bass, Tenn.	Healey	Scott
Blitch	Hemphill	Stratton
Buckley	Holt	Taylor
Burdick	Hosmer	Teller
Carnahan	Jackson	Udall
Coffin	Kearns	Vanik
Davis, Ga.	Kilgore	Weis
Dorn, S.C.	Lesinski	Willis
Dulski	Lindsay	Withrow
Durham	McCulloch	Zelenko
Edmondson	McSween	
Fallon	Mason	

The SPEAKER. On this rollcall 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

NUMBER OF CADETS AT MILITARY AND AIR FORCE ACADEMIES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 12417) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4343 of title 10, United States Code, is amended to read as follows:

"§ 4343. Cadets: appointment; to bring Corps to full strength

"(a) The Secretary of the Army shall determine each year the number by which the number of cadets at the Academy during the succeeding academic year will be below the authorized number. Within that determination, the Secretary may select for admission to the Academy qualified candidates who have been nominated by the persons named in clauses (1)–(6) of section 4342(a), and clause (2) of section 4342(e), of this title, and from qualified candidates holding competitive nominations under any other provision of the law who are recommended and found qualified by the Academic Board.

"(b) At least 85 per centum of those selected for admission under this section shall be selected from qualified alternates who have been nominated by the persons named in clauses (1)–(6) of section 4342(a), and clause (2) of section 4342(e), of this title, and the remainder from qualified candidates holding competitive nominations under any other provision of law. An appointment under this section is an additional appointment and is not in place of an appointment otherwise authorized by law."

SEC. 2. Section 9343 of title 10, United States Code, is amended to read as follows:

"§ 9343. Cadets: appointment; to bring to full strength

"(a) The Secretary of the Air Force shall determine each year the number by which the number of cadets at the Academy during the succeeding academic year will be below the authorized number. Within that determination, the Secretary may select for admission to the Academy qualified candidates who have been nominated by the persons named in clauses (1)–(6) of section 9342 (a), and clause (2) of section 9342(e), of this title, and from qualified candidates holding competitive nominations under any other provision of the law who are recommended and found qualified by the Academy Board.

"(b) At least 85 per centum of those selected for admission under this section shall be selected from qualified alternates who have been nominated by the persons named in clauses (1)–(6) of section 9342(a),

and clause (2) of section 9342(e), of this title, and the remainder from qualified candidates holding competitive nominations under any other provision of law. An appointment under this section is an additional appointment and is not in place of an appointment otherwise authorized by law."

SEC. 3. Section 52(b) of the Act of August 10, 1956 (ch. 1041, as amended (71 Stat. 463)), is amended by striking out the last two sentences thereof.

With the following committee amendment:

Page 3, line 15, strike out section 3.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Resolution 577 was laid on the table.

COMMUNICATIONS ACT AMENDMENTS, 1960

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 1898, with Mr. ELLIOTT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday it was agreed that the committee amendment in the nature of a substitute now in the bill be considered as read and open to amendment at any point. It was also agreed that all time for debate on the committee amendment and all amendments thereto would be limited to 15 minutes. The time remaining under this limitation is 8½ minutes, one-half minute being reserved to the gentleman from North Carolina [Mr. JONAS].

Does the gentleman from North Carolina [Mr. JONAS] have an amendment to offer at this time?

Mr. JONAS. Mr. Chairman, I do.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS: On page 24, line 19, after "Act" strike out the period and quotation marks and insert: "*Provided*, That the procedures prescribed in Section 312(d)(e) and (f) shall be followed by the Commission before entering any such order of forfeiture."

Mr. JONAS. Mr. Chairman, unless this amendment is adopted, the only opportunity a licensee will have to be heard will be in court when the Department of Justice brings an action to collect the fine imposed upon him. The issues in such a suit will be very narrow.

The order of forfeiture will have been entered against him without notice, without a hearing and without any opportunity to interpose a defense. This is not my idea of due process of law. I think any citizen should have an opportunity to be heard in his own defense before and not after the order of forfeiture has been entered. This is a reasonable amendment and should appeal to your sense of fairness. It will not harm anyone but will simply assure citizens of their constitutional right to due process.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. JONAS] has expired.

Mr. MOSS. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Arkansas [Mr. HARRIS].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HARRIS. Mr. Chairman, on this particular amendment, I yield myself one-half minute.

Mr. Chairman, the gentleman's amendment is similar to the one—that is, the effect of it—that he offered yesterday. As we have explained in this debate the two proceedings provided for in the act amply protect a licensee who is alleged to have violated the act or some regulation. In the case of a cease-and-desist order there is a public hearing before the Commission, and the Commission's order is subject to judicial review. The second proceeding involves forfeitures, and if the licensee fails to pay them the Department of Justice goes to court to collect the forfeitures and there again he gets his days in court.

The amendment should not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. JONAS].

The question was taken; and on a division (demanded by Mr. JONAS) there were—ayes 76, noes 105.

So the amendment was rejected.

Mr. JONAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS: On page 24, line 17, strike out "$1,000," and insert "$200".

The amendment was rejected.

Mr. MEADER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADER: On page 24, line 13, after "United States" strike out the comma and all that follows on line 13, all of line 14, and to the comma in line 15.

Mr. MEADER. Mr. Chairman, my amendment would delete the language which would empower the Commission to assess a $1,000 a day forfeiture against a respondent for each day that he defied a cease-and-desist order.

I shudder to think of the precedent these 16 words establish.

We have created a multitude of boards and commissions possessing legislative, judicial, and administrative powers exercizing regulatory authority in a wide variety of human endeavors: The Federal Trade Commission to combat unfair trade practices, the National Labor Relations Board to combat unfair labor practices, the Security and Exchange Commission to combat stock frauds, Federal Power Commission, Interstate Commerce Commission, Civil Aeronautics Board, and many others.

The most recent of these creations is the Civil Rights Commission which so far has only investigatory powers. But when we become used to it, after another extension or two, it may blossom into a full-blown, permanent administrative tribunal carrying out the general policies of the Congress and the Supreme Court to combat discrimination and may well be given power to issue cease-and-desist orders. There are also proposals to create a Fair Employment Practices Commission.

If we now grant to the Federal Communications Commission the power to impose a forfeit of $1,000 a day for failure to comply with its cease-and-desist orders, how can we in all conscience deny that same power to other regulatory boards and commissions.

These freewheeling independent agencies are only remotely subject to the control of the President, through appointment; the Congress, through appropriations and possible repeal or modification of authority, and the courts, through limited judicial review.

Until today no one could suffer from the orders of these powerful Commissions until the Commissions applied to the courts for enforcement of their cease-and-desist orders and the court decree, after hearing, was enforced by contempt proceedings, in both of which proceedings, the respondent, in a somewhat limited fashion, is given a day in court.

But now we are going to authorize a commission, before going to court, to assess up to $1,000 forfeiture against a respondent for each day he contests and challenges the order of the Commission.

This novel, untried, and dangerous legislation will strike a telling blow at enterprise and initiative.

I happen to be one who believes that the power of the regulatory commissions is already too great and that it now inhibits the small and growing business—unable to withstand the threats and the cost of extended litigation. But it affects big business—with its writeoffs and allowances for administrative and legal expenses—only remotely, if at all.

This $1,000-a-day forfeiture for failing to knuckle under to a commission is a tyrannical, oppressive sanction which we should never approve. We will rue the day we establish such a precedent.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, the gentleman from Michigan would have us believe this is a novel proceeding in the law. The gentleman is too good a lawyer, I am sure, to believe the statement that he just made. I would point out that statutes of the United States

time after time provide for forfeiture by administrative action. It is true in the case of the Coast Guard, the SEC, and a number of other Government agencies which may make such forfeiture for violation of statute and administrative order. The gentleman tells us that this particular provision in the law is going to have no judicial review. That is not at all in accordance with the facts. There is full provision for judicial review before and after the forfeiture.

I yield to the gentleman from Georgia to make further comment.

Mr. FLYNT. The gentleman from Michigan has just neglected to do his homework on that particular amendment. He remembers quite well the Aviation Act of 1958. I think he participated in the debate on the floor of the House on it. It provides for the identical type of forfeiture that is provided here. The gentleman has simply just not stated the facts as they are.

Mr. MACK. Mr. Chairman, our Committee on Interstate and Foreign Commerce has given much consideration to this problem. We have studied the regulatory agencies. I do not see anything unusual about the provisions in this bill. The SEC has similar authority. They can issue a cease-and-desist order and still suspend firms trading on the stock exchange. I do not see anything unusual about this procedure or the language of this bill. I think it will make a great contribution in solving some of the problems that exist.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. MACK. I yield to the gentleman from Michigan.

Mr. MEADER. Is the gentleman saying that the SEC can enforce its cease-and-desist order by forfeiture of a thousand dollars a day?

Mr. MACK. No. I am saying that the SEC has greater authority. They can suspend them from trading on the stock exchanges.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. MEADER].

The question was taken; and on a division (demanded by Mr. MEADER) there were—ayes 64, noes 91.

So the amendment was rejected.

Mr. BENNETT of Michigan. Mr. Chairman, on yesterday, I spoke at length about the significant abuses developed by our investigation which the chairman of our committee has refused to deal with in this bill. I would now like to give you the essence of this bill as we are about to vote it up or down. It is a bill which may severely penalize many of the 3,800 radio and television stations who have not been proven guilty of any wrongdoing. In the course of our hearings we found less than a handful of station licensees guilty of any misconduct, but this bill makes the whole group villains. It is a bill providing penalties for a group of small-fry, rinky-dink diskjockeys. It completely exempts the bigtime diskjockeys whom we found responsible for the major deceptive payola practices. It is a bill, Mr. Chairman, that continues a regulatory exemption for the real culprits, the completely dominant, all-powerful networks who, for all intents and purposes, are radio and television today. We heard many loud, headline-producing statements from the other side of the aisle at the time of our hearings, but action today speaks louder than words.

In summary, this bill hammers the little fellow over the head and lets the big monopolies, who control this industry, go scot free.

Mr. Chairman, I intend to offer a motion to recommit with instructions to report back as an amendment, the provisions of the Harris bill, H.R. 11340, which authorizes the FCC to license networks. Mr. HARRIS introduced this bill following the positive, unanimous recommendation of the Legislative Oversight Committee in its report of February 9, 1960. This recommendation, which was urged on the committee by our chairman, will be found on page 38. It reads as follows:

> To bring to an end existing abuses in the use of the airwaves, and to provide greater assurance that they will be used in the public interest, the subcommittee makes the following recommendations for legislation:
>
> * * * * *
>
> A new section should be added to the act requiring that radio and television networks be licensed by and be subject to the regulations of the Federal Communications Commission for a term of not to exceed 3 years, with provisions for renewals thereof. The license and renewal should be conditioned upon a determination by the FCC after a hearing of record that the issuance or renewal is in the public interest. The section should also provide guidelines as to what constitutes the public interest as used in this section. Included in such guidelines should be a requirement prohibiting the network (a) from furnishing deceptive material to any radio or television station; (b) surrendering control of material to be broadcast to an advertiser, advertising agency, producer, or any person other than a licensee; (c) using any broadcasting facility, directly or indirectly, in promoting the sale or distribution of the product or service of any company or person in which it has any direct or indirect financial or beneficial interest; and (d) entering into any contract which would limit the ability of any station licensee to fulfill its responsibility to operate in the public interest.

I was willing to take an intermediate step providing merely for FCC regulation, not licensing, of networks. But this proposal was attacked as not being in line with the recommendation of our Legislative Oversight Subcommittee. Now, I propose to give the chairman of our committee and my colleagues on the subcommittee a chance to vote for or against the precise legislative proposal they presented to the House.

If my distinguished chairman, the gentleman from Arkansas [Mr. HARRIS], desires to sidestep a showdown on this issue on the grounds that no hearings were held on this proposal, I need only point out that the scheduling of hearings is a prerogative of the majority of a committee and especially the leader of the majority, the chairman. I introduced H.R. 5042 in February 1959 and have repeatedly—publicly and privately—requested the chairman to hold hearings on it. Furthermore, the Legislative Oversight Committee hearings during the past 3½ years provide a valid basis for legislating on any of these questions.

Mr. Chairman, the vote on this question will determine whether we prefer a show and a sham to an effective cure of the abuses revealed in radio and television broadcasting, revealed by our committee. It will expose the desire of some to make motions and loud talk about curing abuses but visit their wrath on the little men in television and radio—the station owner—while leaving the big men—the giant monopolistic radio and television networks—as free from regulation as they now are.

And where have the abuses been. Fraudulent quiz show contests were network shows. How could the engineer twisting the dial, as the gentleman from Arkansas [Mr. HARRIS] suggests, in Cedar Rapids, Iowa, possibly know that Mr. Van Doren had been given answers in advance when he—the engineer—had no knowledge of the questions and the answers but accepted—or rather his superior accepted according to contract—whatever the networks chose to send over the air?

We tighten up already formidable controls—revocation—on the station owner and his subordinates and continue to leave free and untrammeled the monopolistic trilogy which feeds out the programs to the stations.

This is a case of punishing the innocent for the acts of the guilty. How perverted can our notion of justice become?

This bill is a sham.

It punishes the little man who may be innocent, for the acts of the greedy monopolist who puts a price tag on deception.

If we pass this bill, we will take off the heat which has been built up by 3½ years of investigation. It will be said, and the radio and television networks will do their best to spread the word, that all the evils have been cured by this bill. The public may swallow this story and that will be the end of any reform legislation. Behind such a shield and, thus armed with a clean bill of health, the networks will be more arrogant, more monopolistic and more greedy to prey on gullibility regardless of the public interest than they have been in the past.

Why deal in piecemeal fashion with abuses in broadcasting? I venture the statement based on continuous attendance at our hearings that the great bulk of the abuses in broadcasting are within the discretion and control of the networks and outside the control, for all practical purposes, of the individual stations.

The gentleman from Arkansas [Mr. HARRIS] appears to be aiming at the villain, but his shot will hit the innocent bystander. I think he knows what he is doing, but I confess I have no idea why he is doing it.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SPRINGER. Are there other amendments at the desk?

The CHAIRMAN. There are two amendments at the desk.

Mr. SPRINGER. I would like to take my time at the last, after all amendments have been acted upon. I would like to be recognized at that time for my 60 seconds.

The CHAIRMAN. The gentleman's name appears on the list as one of four remaining. They are the gentleman from Colorado [Mr. CHENOWETH], the gentleman from Illinois [Mr. SPRINGER], the gentleman from Arkansas [Mr. HARRIS], and the gentleman from South Carolina [Mr. HEMPHILL].

The Chair recognizes the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHENOWETH. On page 24, line 1, strike out all of page 24.

The CHAIRMAN. The gentleman from Colorado is recognized.

Mr. CHENOWETH. Mr. Chairman, there seems to be some confusion as to whether or not the commission would have the power to proceed under the suspension sectior and also invoke the forfeiture provision. In offering this amendment, I propose to strike the forfeiture section from the bill. I think the suspension provision in this bill is ample to give the commission the power it needs without this additional penalty of $1,000 per day. I call attention to the language in this section which states that such forfeiture shall be in addition to any other penalty. In my opinion the Commission now has adequate authority to enforce its orders without including either the suspension or forfeiture provisions in this bill. In any event, I submit it is not necessary to impose both penalties, and I feel the forfeiture section should be deleted.

I commend the committee on reporting a good bill, but I think the committee has gone too far in adopting these penalty provisions.

I have received information that there is concern in the radio and television industry over these penalty sections. I feel that the amendments we have adopted to both the suspension and forfeiture sections are most constructive and helpful. However, I contend that we do not need both of these penalties in this bill, and I hope the amendment eliminating the forfeiture provision will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I must use the remaining 30 seconds I have in opposition to the amendment.

If this amendment is adopted, you will have no procedure whereby a lesser penalty can be imposed. Consequently, if thus the Commission feels impelled to take some action, it will have to take the station off the air for a period of time and thus deprive the community of the service rendered by the station.

The committee approved forfeitures on the basis that service to the people should be retained even though there might have been a violation. This way we can get at the violation and deal with it. If you want to make the penalty more severe for the station, just adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The amendment was rejected.

Mr. HARRIS. Mr. Chairman, the gentleman from Massachusetts [Mr. BATES] has received an inquiry from Parker Bros., Inc., manufacturers of games in Salem, Mass., with regard to the practice engaged in by certain leading stars of the major networks to permit use of their names by certain manufacturers of games. Then the leading stars would proceed to publicize their games editorially on radio and television programs in which they are taking leading parts.

The gentleman from Massachusetts raised the question whether anything in the present bill would prevent such practices which are injurious to Parker Bros.

In reply, I say to the gentleman that the question raised by Parker Bros. involves a possible application of section 317 in case payments are made to the network performers for the editorial mentioning of these games. However, if no direct payments are involved, section 317 does not apply. For example, if a star has a stock interest in a corporation which produces such games and then proceeds on his show to mention the game manufactured by such company, section 317 would not apply.

This section was specifically recognized in the committee report which accompanied the bill S. 1898. The report at page 19 contains the following statement:

Indirect benefits which may accrue to station licensees and their employees or other persons concerned with the selection of programs or program matter for broadcasting by reason of ownership of stock or other interests in companies engaged in the preparation or production of programs or program matter are not covered by section 317, as it is being amended, or by the proposed disclosure provisions. Disclosure of such benefits may be required by the Commission under its general rulemaking powers.

The committee report refers to a passage contained in the report to the President by the Attorney General on deceptive practices in broadcasting media, dated December 30, 1959, which at page 47 refers to the Commission's general rulemaking powers and which suggests that these powers be used to prevent improper influence with regard to programing on account of interests owned by network performers and others concerned with the selection of program matter.

I say to the gentleman from Massachusetts that the Committee on Interstate and Foreign Commerce is deeply interested in this problem area involving indirect interests. The Special Subcommittee on Legislative Oversight, in connection with its "payola" investigation, uncovered improper practices in this regard and it is the purpose of the Committee on Interstate and Foreign Commerce to follow closely developments in the broadcast industry which might indicate improper practices in this regard. However, as suggested by the committee report and by the Attorney General, the Federal Communications Commission has general powers to seek information with respect to indirect interests and to issue rules to prevent practices which are contrary to the public interest involving indirect interests by stations, employees, networks, and others who are concerned with the selection of program matter.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. SPRINGER] for 1 minute to close the debate.

Mr. SPRINGER. Mr. Chairman, our committee has had this bill under consideration for weeks and months in open hearings and in executive sessions. We feel that this is a sound, well-drawn bill. And, may I say, this is not radical, as has been pictured on the floor; it is a rather conservative bill. We believe this is fair to the industry. We believe these are the minimum protective features that ought to be encompassed in any bill, if you are to do the job.

A statement has been made here today that this penalizes 3,400 radio and television stations which have not done anything. Nothing could be further from the facts. This is a law like any other containing a penalty that is prescribed for the one-half of 1 percent of any profession or any group of people that violate the law. There is nothing in this bill that penalizes anyone until there is a violation. In my opinion, this is a good bill and ought to be passed.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ELLIOTT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act, pursuant to House Resolution 563, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time and was read the third time.

Mr. BENNETT of Michigan. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BENNETT of Michigan. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BENNETT of Michigan moves to recommit the bill (S. 1898) to the Committee on Interstate and Foreign Commerce with instructions to report the same to the House forthwith with the same amendments proposed by the committee in the bill as reported, amended as follows: On page 8, between lines 15 and 16, insert the following section:

"PROVISIONS RELATING TO NATIONAL NETWORKS

"SEC. 2. (a) Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended by adding at the end thereof the following new paragraphs:

"'(hh) "National network" means any person which supplies to broadcast station licensees in all or substantially all of the fifty most populous cities in the United States a schedule of programs which constitutes a substantial portion of the programs broadcast by such licensees.

"'(ii) "Operating certificate" means the instrument of authorization granted by the Commission under section 341 of this Act which must be held by any person operating as a national network.'

"(b) Section 301 of such Act (47 U.S.C. 301) is amended by adding at the end thereof the following new sentence: 'No national network shall operate in any State except under and in accordance with this Act and an operating certificate in that behalf granted under the provisions of this Act.'

"(c) Title III of the Communications Act of 1934 (47 U.S.C., subchapter III) is amended by inserting immediately after part I thereof a new part as follows:

"'PART I–A—NATIONAL NETWORKS

"'*Operating certificates for national networks*

"'SEC. 341. (a) Subject to the provisions of this Act, the Commission shall grant an operating certificate, or a renewal of an operating certificate, to an applicant therefor if the Commission decides after a hearing of record that the public convenience, interest, or necessity will be served by granting such certificate or renewal, as the case may be, to such applicant.

"'(b) No operating certificate for a national network or renewal of such an operating certificate shall be for a longer term than three years.

"'(c) Each application for an operating certificate for a national network or for a renewal of such operating certificate shall be in writing and shall set forth such facts as the Commission by regulation may prescribe as to the citizenship, character, and financial, technical, and other qualifications of the applicant to operate the national network with respect to which such application is made. The Commission, at any time after the filing of the original application and during the term of any such operating certificate, may require from an applicant for or holder of such an operating certificate further written statements of fact to assist it in deciding whether such original application should be granted or denied or such operating certificate revoked or suspended. Each such application and statement of fact shall be signed by the applicant for or holder of the operating certificate for a national network under oath or affirmation.

"'*National network operations*

"'SEC. 342. The Commission (1) may include in any operating certificate granted to a national network under section 341 of this Act such terms and conditions as it may determine to be necessary to require such national network to serve the public convenience, interest, or necessity, and (2) shall issue such rules and regulations from time to time as in its judgment the public convenience, interest, or necessity may require to insure that each national network operates in such a manner as to serve the public convenience, interest, or necessity. Included in such rules and regulations shall be such rules and regulations as the Commission may determine to be necessary—

"'(A) to prohibit any national network from supplying any program, in connection with which any person has violated section 509 of this Act, to any licensee for broadcasting;

"'(B) to require each national network to exercise supervision and control over the preparation of all matter supplied by such network to any licensee for broadcasting;

"'(C) to prohibit any national network from giving unfair advantage, by means of any matter supplied to any licensee for broadcasting, to any person in which such network has any direct or indirect financial or beneficial interest in connection with promoting the sale or distribution of any product or service of such person; and

"'(D) to prohibit any national network from entering into a contract or understanding with any broadcast stations licensee which would limit the ability of such licensee to operate in such a manner as to serve the public convenience, interest, or necessity.

"'*Applicability of certain provisions to national networks*

"'SEC. 343. The provisions of sections 310, 311, 312, 313, 314, 315, 316, and 317 of this Act, insofar as they apply to any licensee, shall apply to any national network, and, insofar as such provisions apply to any station license, they shall also apply to any operating certificate.'

"(d) Notwithstanding the amendments made by this section, any person which—

"(1) is a bona fide operation on the date of enactment of this Act as a national network, as defined in section 3(hh) of the Communications Act of 1934, and

"(2) files an application for an operating certificate in accordance with the provisions of section 341 of such Act within ninety days after such date,

may continue such operation without such a certificate until the date on which public notice is given of an order of the Federal Communications Commission granting or denying such application."

Mr. HARRIS (interrupting reading of the motion to recommit). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

Mr. BENNETT of Michigan. Mr. Speaker, reserving the right to object, this motion is a bill introduced by our distinguished chairman, the gentleman from Arkansas [Mr. HARRIS], to license radio and television networks. He is familiar with it, and I have no objection to his request.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. HARRIS]?

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. BENNETT of Michigan) there were—ayes 35, noes 149.

Mr. BENNETT of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-three are present, a quorum.

Mr. BENNETT of Michigan. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. Seventeen have risen. Not a sufficient number.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. HARRIS) there were—ayes 208, noes 15.

So the bill was passed.

The title was amended so as to read: "An act to promote the public interest by amending the Communications Act of 1934, to provide a pre-grant procedure in case of certain applications; to impose limitations on payoffs between applicants; to grant authority to suspend station licenses; to require disclosure of payments made for the broadcasting of certain matter; to grant authority to impose forfeitures in the broadcast service; and to prohibit deceptive practices in contests of intellectual knowledge, skill, or chance; and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MILITARY CONSTRUCTION, DEPARTMENT OF DEFENSE, 1961

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12231) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California?

The Chair hears none, and appoints the following conferees: Messrs. SHEPPARD, SIKES, CANNON, JONAS, and TABER.

GORGAS MEMORIAL LABORATORY

Mr. SELDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the

State of the Union for the consideration of the bill (H.R. 11123) to increase the authorization of appropriations for construction and equipment of facilities for the Gorgas Memorial Laboratory.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11123, with Mr. HOLIFIELD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SELDEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill now under consideration, H.R. 11123, will permit the construction of an urgently needed new building to house the Gorgas Memorial Laboratory in the city of Panama, Republic of Panama, by increasing the authorization for this purpose from $250,000 to $500,000.

Last year the Committee on Foreign Affairs considered a bill, S. 2219, to permit an increase in the authorization of annual appropriations for the maintenance and operation of the Gorgas Memorial Laboratory and to also authorize an appropriation for construction and equipment of facilities for the Laboratory. Rather than report a bill as the other body had done containing no limitation on the amount to be authorized for construction purposes, the committee asked the Gorgas Memorial Institute of Tropical and Preventive Medicine, the parent organization of the Laboratory, to give an estimate of the amount that would be required. From a wide range of estimates, varying from $250,000 to $500,000 for the probable costs of basic construction alone, the committee accepted the lowest figure of $250,000.

After the bill was enacted into Public Law 86-296, and, incidentally, it was passed last year on the Consent Calendar, the executive committee of the Gorgas Memorial Institute here in Washington engaged the services of a competent consultant on research laboratory planning who had planned many of the buildings for the National Institutes of Health. The consultant, Mr. Clarence W. May, went to Panama to make preliminary plans of a building which would provide sufficient space, properly equipped for present-day research, to meet the immediate needs of the Laboratory and provide for projected expanded activities in the near future.

Mr. May conferred with Dr. Carl M. Johnson, the Director of the Laboratory in Panama; and they then prepared an outline of the additional working facilities that they felt were required. Mr. May also conferred with local architects. From the preliminary plans, he found that the 3-story building that was envisaged by the officers of the Institute could not possibly be constructed, with the physical equipment needed, for less than $500,000. The committee has carefully reviewed Mr. May's report and believes that the plans are not extravagant and that the cost of $500,000 for the building and equipment is not excessive.

The Gorgas Memorial Laboratory was established in 1929 in accordance with a law enacted by Congress in May of 1928 which also authorized a permanent annual contribution to the Gorgas Memorial Institute for the operation and maintenance of a research laboratory to be located on the Isthmus of Panama. This annual contribution now amounts to $150,000. The Institute was named for the great American general who made possible the building of the Panama Canal by the conquest of yellow fever and malaria, Gen. William Crawford Gorgas of my home State of Alabama.

The Government of Panama made a substantial contribution by donating the land and building presently occupied by the Laboratory, with the stipulation that it be used continuously by the Laboratory to conduct investigations of tropical and preventive medicine.

The Laboratory has always been a very popular activity in Panama. Over the years, the Panamanians have shown appreciation for the Laboratory and have cooperated with its activities. Through the Republic of Panama, personnel of the Laboratory have been given ready access to other countries of Central America, making it possible for them to follow their investigations across national frontiers without the delays usually experienced in international research.

From 1929 to 1934 there were only two scientists on the staff of the Laboratory, and until 1948 never more than five. In recent years the number of permanent staff members, as well as the number of visiting scientists, has increased substantially. At the same time more long-term projects, such as the studies of yellow fever—a disease which reappeared in Panama in 1948 and has been moving northward at the rate of 13 miles a month—are being undertaken by the laboratory.

Since the institution formerly supported investigations of short duration, with the exception of malaria research, many additional facilities are needed to carry on the vital long-term projects now underway. I might interject here that it was a former director of the laboratory, Dr. Herbert Clark, who discovered after a period of several years research at the Gorgas Memorial Laboratory that malaria could be treated effectively with atabrine. His research in this respect took on tremendous importance in World War II when the U.S. imports of quinine were stopped and atabrine was used as a substitute to protect our troops fighting in the South Pacific and other tropical areas. This protection, so vital to our troops in the successful conduct of the war, would not have been possible without the benefit of research carried on at the Gorgas Memorial Laboratory.

Today the Laboratory is carrying on research in many other diseases, such as eastern equine encephalitis and St. Louis encephalitis, a type of sleeping sickness that causes many deaths in the United States annually; lieshmaniasis, a troublesome skin disease which is related to the oriental sore in the eastern hemisphere; Chagas' disease, which leads to chronic heart disease; and many additional dangerous diseases that are transmitted by insects.

The most urgent need at this time is laboratory space designed specifically for virology and tissue culture. The facilities of the present buildings are not adequate to carry on additional studies in this important field, and testimony presented to the committee pointed out that they are not safe because the viruses are easily transmitted to laboratory workers. Also badly needed is space to accommodate visiting scientists who come to the Laboratory from all over the world. In addition to the necessity for more working space, many items of equipment that are now obsolete or imperfect must be replaced. Temperature controls, essential in the isolation of contagious and infectious research, require air conditioning—a feature taken for granted in the construction of new buildings for ordinary use.

The proposed new building would take care of all these needs. After some renovation, the present building would continue to be used for administrative offices, a much needed library, conference space, facilities for guest scientists not requiring laboratory equipment, and for storage. Two smaller buildings adjacent to the main building will continue to be used to house larger animals, and as an insectary.

Mr. Chairman, with new areas being opened for resettlement and for agricultural and industrial purposes, particularly in tropical areas, we can expect increased travel. New highways, such as the Pan American Highway, and expanded sea and air facilities throughout the world are not only providing new arteries of traffic, but are also providing new channels for the transmission of tropical diseases. I would like also to emphasize that every military emergency that this country has faced has shown us that we know too little of the diseases not ordinarily occurring in this country and which in both World Wars and in the Korean conflict led to unnecessary death and disability.

If the Gorgas Memorial Laboratory is to continue its extraordinarily important work or assume any obligations that may be conferred upon it in the future, it should be properly housed to do the job. The relatively modest sum of $500,000 will provide the necessary facilities and structure for the Laboratory to operate in a safer and more efficient manner.

I therefore respectfully urge the Members of the House to act favorably on this legislation.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Ohio.

Mr. BOW. The gentleman has said that the people of Panama have shown appreciation for this Gorgas Memorial facility. I should like to ask the gentleman in what manner the people of Panama have shown appreciation for the Gorgas Memorial Laboratory?

Mr. SELDEN. As I pointed out in my statement, the Panamanians provided the land and the present facilities that

we are now using for the Gorgas Memorial Laboratory. The value of this property is estimated to be $250,000. Also, the Panamanians have cooperated in the important research that is being undertaken at the Laboratory.

Mr. BOW. They might have cooperated, but the gentleman said they had shown appreciation. Will this be in the Canal Zone or in Panama?

Mr. SELDEN. It is in the Republic of Panama.

Mr. BOW. It is in the Republic of Panama and not in the Canal Zone?

Mr. SELDEN. That is correct.

Mr. BOW. So that this building that we would build would be subject to all of the regulations of the Government of Panama?

Mr. SELDEN. We hold title to this property in perpetuity as long as it is maintained for research purposes in tropical and preventive medicines. The distinguished Speaker of this House is one of the directors of the institute which determines the policies of the Gorgas Memorial Laboratory.

Mr. BOW. Has the gentleman given any consideration to the possibility of the construction of this memorial Laboratory along with the possibility of a new Gorgas Hospital in the Canal Zone so that we might have it in the zone over which we have complete control and I trust will continue to have complete control?

Mr. SELDEN. I, too, hope we will continue to have complete control in the Canal Zone. I am sure the gentleman recalls it was my resolution which passed the House earlier this year, in which our position of sovereignty in the Canal Zone was reemphasized. The Gorgas Memorial Laboratory has been in existence for some 30 years. It has been operated successfully. The land is available on which to construct the new Laboratory building. We have a lease in perpetuity for this land as long as research continues. The committee felt that instead of moving the Laboratory from this site at a tremendous cost, the new building should be built at the present location.

Mr. BOW. Would the gentleman consider an amendment to this bill which would require in this construction that any materials purchased other than in Panama would be purchased from the United States and shipped there, and not do as we did recently, build a bridge in Panama with American taxpayers' money and buy the steel abroad. Would the gentleman, perhaps, consider a buy-American provision in this legislation so that we would be sure that American steel and other products would be used in its construction?

Mr. SELDEN. I would have no objection to a buy-American provision. However, I think this legislation is important and it should be passed during this session of the Congress. I would not want to do anything that would hold it up. It passed the Senate in this same form, and it is my hope that we can pass this bill today and substitute the Senate bill for it.

Mr. BOW. I thank the gentleman.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to my colleague from New York.

Mr. SANTANGELO. About 3 years ago under the chairmanship of the gentlewoman from Missouri [Mrs. SULLIVAN] I had the opportunity of visiting Panama and the Canal Zone and going through the Gorgas Memorial Hospital and its facilities. I recognize the importance of this laboratory in the study of tropical diseases, especially malaria, and I want to commend the gentleman from Alabama for bringing this bill to the House, because if there is one thing by which we can show the peoples of South America that we are the leaders for humanity, it is by granting additional funds to expand and build health facilities which are eliminating the scourges of those tropical countries such as malaria. If we do not grant these funds, it may be considered a refusal to recognize certain conditions by nations which are expecting us to be leaders in this field. I commend the gentleman for bringing this matter before the House.

Mr. SELDEN. I thank the gentleman for his contribution.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to my colleague from Alabama.

Mr. ROBERTS. I would like to correct one impression. It is my understanding that the Gorgas Memorial Laboratory is operated under an American corporation. These funds do not go to the pan-American government, but would go to the corporation that operates the facility.

Mr. SELDEN. That is quite correct.

Mr. ROBERTS. I would like to compliment the gentleman for sponsoring this legislation. I know he feels as I do that Alabamians are extremely proud of General Gorgas' work and its recognition throughout the world. He was a leader in conquering yellow fever, malaria, and other tropical diseases. It was his work that made possible, I think, the building of the canal where others had failed.

This Laboratory is a field study station. As the gentleman pointed out, it made possible our successful occupation of many of the islands in the South Pacific during World War II. When our supplies of quinine were cut off by the enemy, this Laboratory developed atabrine, and many people who cannot take quinine can take atabrine. If for no other reason, this laboratory should be continued for its contribution to our knowledge of the treatment and conquest of tropical diseases. There is the dreaded sleeping sickness which is studied there. Of course, in this modern day of fast communications, many of these things are just as close as the next plane or the next ship. We are really helping ourselves in maintaining this Laboratory. In my opinion, unless we have such a laboratory, we could not possibly successfully operate the Panama Canal and keep our civilian employees there safe from these tropical diseases.

I might call to the attention of the committee the fact that as late as 1948 yellow fever had started on a rampage up through Central America and came as close as the Mexican border to reaching this country. The only way that we can know our vaccines are effective is to apply them in countries where these diseases are prevalent.

Again I commend the gentleman on his efforts and I hope the House will go along with him in this bill.

Mr. SELDEN. I thank the gentleman from Alabama. I would like to point out that Mr. ROBERTS was one of the original sponsors of this legislation. His support of this measure has been outstanding.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Indiana.

Mr. ADAIR. I would like to add my commendation to those others which have been extended to the gentleman for bringing this worthwhile legislation before the House today. In these days we are all anxious to establish closer relations with our friends to the South, and this is certainly one means by which we can do so. Furthermore, the research which will be accomplished in this new facility will be helpful and appreciated, Mr. Chairman, throughout Central and South America.

It will bring closer together the peoples of North and South America, and will be a continuing influence for the good of mankind.

Mr. SELDEN. I thank the gentleman from Indiana.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I would like to say, Mr. Chairman, I do not oppose this bill, of course, and that makes my friend very happy. But I have in mind the remarks of my distinguished friend from New York that this is a need because it will show our friends in Panama and in Latin America that we are interested in public health.

Mr. Chairman, if there ever was a people or a republic on the face of the earth who should be convinced beyond peradventure of intelligent doubt of the interest of the United States in public health, it is Panama. It is a classic example to the world of the heartfelt concern of our Nation for public health throughout the world.

As my friend from Alabama has indicated, this Nation has destroyed the scourge of malaria, the first place in the world that scourge was destroyed and eliminated. But let me add this: When the other body for reasons that are beyond my understanding and without proper consideration and without proper debate late one afternoon amended the treaty between Panama and the United States, the original treaty had control of sanitation and public health in the Zone and in the terminal areas, and in Panama, because the Panama Government felt it offended their national dignity and they had shown their inability to maintain sanitation and public health to the same degree this nation did there, and when there has been an incident of the increase of yellow fever down there among the Indians within the last cou-

ple of years, I say while this proposal will contribute what we have always done and will do again, we want to make it clear out of an abundance of caution that our great record should not be doubted by anyone, especially by anyone in Panama.

May I finish by saying that despite all we have done, despite the resolution passed by this House overwhelmingly, 380 to 20, which carries your proud name, a great name in your State, I say, Mr. Chairman, it is my considered judgment that before this House is adjourned 10 minutes the State Department is going to recommend to the President that the flag of Panama be flown over the Canal Zone and by ships in transit through there, I say despite everything we have done, as an affront to the dignity of the House and in violation of the treaty between the two countries, they are going to do it. I repeat, that is going to be done, and I think it will be an outrage and I know the gentleman does, too.

Mr. SELDEN. I thank the gentleman for his remarks. I regret to say that I am afraid the gentleman is correct in his prediction that the State Department will recommend to the President that the flag of Panama be flown over the Canal Zone.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Ohio.

Mr. BOW. I recall perhaps in the last session or at the end of the first session of the 86th Congress, we passed a bill for the creation of a pan-American sanitation building here in the city of Washington. Am I right? Is my memory correct? Up on Virginia Avenue we built some new building dealing with Panamanian sanitation.

Mr. SELDEN. I am not familiar with the details of that particular legislation.

Mr. BOW. Or Pan American Health Organization. Does anybody know how much we spent on that? What is the purpose of this new building, the Pan American Health Organization, that we are going to have here in Washington? Is there any overlapping here between what the Gorgas Memorial Laboratory will do in Panama and what the Pan American Health Organization is doing here in Washington?

Mr. JUDD. Mr. Chairman, if the gentleman will yield, perhaps I can shed a little light on that. The Pan American Sanitary Bureau, as it was originally called, was the first regional organization in the world in the field of health. Now it is called the Pan American Health Organization. Its primary purpose is not research. Its primary purpose is the application of existing public health measures and knowledge to situations that arise or that already exist. The laboratory for which this building is to be constructed, is strictly a research laboratory. It is run by the Gorgas Memorial Institute for tropical and preventive Medicine, which is here in Washington. The Laboratory has to do with research on tropical diseases. It cannot do that research in Washington. It has to do it in the areas where the diseases are, and most of them are found in Central and Latin America. This is not a laboratory to help just Panama. This bill will enable us to build adequate and well-equipped facilities in Panama in an area where the diseases to be studied exist, in order to help ourselves, the whole hemisphere, and the world.

Mr. BOW. Will the gentleman from Minnesota tell us why—and I think this is a $5 million hospital we are going to build in Panama—why we do not do it at the Gorgas Hospital, if the purpose is to help Panama. Why do we not use the Gorgas Hospital and save this money?

Mr. JUDD. I think the basic reason is that this Institute was set up by the Congress in 1928. The Republic of Panama gave the land and gave the buildings in which the Laboratory is presently operating. It was constructed originally for a medical school. It is completely unsuitable for a laboratory. A lot of the facilities are in a big auditorium without cubicles or precautions for proper isolation. Panama has donated a very desirable piece of land on which to build these additional facilities so that the laboratory can do a better job. This is to be done for the whole world.

Mr. BOW. The gentleman has not yet answered why it could not be done at the Gorgas Hospital in Panama in the Canal Zone. The gentleman knows as well as I do that they may have given us this land, but how do we know when they will want it back again? We have a treaty dealing with the canal, but they may want it back.

Mr. JUDD. In general you will not find research organizations of this sort in connection with hospitals. They are dealing with viruses and diseases that are extremely communicable and dangerous, and the research laboratories ought to be apart from the hospital where general patients are being treated.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Iowa.

Mr. GROSS. I would like to point out to the gentleman from Minnesota that at Walter Reed Hospital there is a laboratory on the same grounds carrying out research in diseases.

Mr. JUDD. That is right. Some persons who have tropical diseases are brought here for study and treatment. But many of these diseases cannot be transmitted from one patient to another except through certain types of mosquito or other insect vectors which are not found in Washington.

Mr. GROSS. The gentleman says we do not have them coordinated. You have them all over the world that way, and the gentleman knows it.

Mr. JUDD. Some diseases are transmitted by vectors which we do not have here, fortunately. The necessary vectors are present only in tropical areas, and patients and vectors should not be handled together with patients with other kinds of ailments than the ones the researchers are dealing with in this laboratory.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from California.

Mr. JACKSON. I should like to associate myself with the presentation made by the distinguished chairman of the subcommittee. I think the proposal is very much worthwhile and I support it strongly.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Chairman, I am very much in favor of this legislation before us now, but I do want to bring up a subject to carry on what the gentleman from Pennsylvania brought out. That is, the State Department's action once Congress adjourns. There is a very strong rumor, and I think it has a basis in fact, that the moment we adjourn the Panama Line is to be discontinued. The Panama Line is run especially to provide service needed to supply the Canal Zone, to take care of the traffic and the commissary needs, and so forth; that is, to take care of our people down there. I understand that the basis for discontinuing these ships is the Drake report that has not been made available to anyone in Congress to study. It was turned over to the executive department, and to the Bureau of the Budget. Why the Bureau of the Budget should be able to take upon itself the closing off of the Panama Line I would like to know.

There is one other thing. I think we should all be aware of the fact that if these ships are stopped it means that the Grace Line, the line that is pressing for this action, would have to put another ship in service; and remember, the Grace Line is a subsidized line. So the taxpayers would be paying for something that is now being paid for under the general revenue by the tolls paid by ships using the Panama Canal Company.

Mr. SELDEN. I thank the gentlewoman for her contribution, and I share her concern.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Florida.

Mr. FASCELL. Do I understand that this authorization covers renovation of existing buildings and construction of a new building on the same site as that of the present operation?

Mr. SELDEN. That is correct.

Mr. FASCELL. If the gentleman will yield further, I certainly support this legislation and would like to associate myself completely with the presentation made by our distinguished chairman of the subcommittee. It would seem to me that an operation that has been in existence for 31 years, under a very fine partnership arrangement, which has made outstandingly significant contributions to medical research such as this Laboratory has made, as well as this Institute, and which has a potential to continue in the future, certainly ought to be supported by the action of this Congress through the adoption of this legislation.

Mr. SELDEN. I thank the gentleman from Florida.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Chairman, I desire to commend the able chairman of our subcommittee for introducing one of the most meritorious measures we have had before this body. Either we rebuild hemispheric solidarity and enter a more wholesome climate of understanding and friendship, or else our country will be very seriously handicapped in its march into the future. This measure that the distinguished and dedicated chairman of our subcommittee has introduced will make a marked contribution to hemispheric solidarity.

Mr. SELDEN. I thank the gentleman from Illinois.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Alabama [Mr. SELDEN] has expired.

Mr. JUDD. Mr. Chairman, I yield the gentleman from Alabama 2 minutes.

Mr. SELDEN. Mr. Chairman, I yield to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, do I understand that the gentleman's subcommittee took into consideration the rather extensive remodeling of the present Gorgas Hospital for which funds have already been appropriated?

Mr. SELDEN. No, we did not take into consideration the remodeling of the present Gorgas Hospital. Our study was confined to the Gorgas Memorial Laboratory.

Mr. HORAN. I think it is lamentable that the study of the rather extensive work that is going to be done to bring the Gorgas Hospital up to date was not considered in connection with this matter.

Mr. SELDEN. I might say to the gentleman that the Gorgas Hospital, located in the Canal Zone, does not come under the jurisdiction of the Committee on Foreign Affairs.

Mr. HORAN. Mr. Chairman, we have allowed, I believe, $5 million for a rather complete modernization of this very fine hospital. I am not complaining about the objective this subcommittee had, but it seems to me some study of the relationship of the use of Federal moneys in this case should have been fully considered by the subcommittee when it reported out this bill or while it was having hearings on it.

Mr. JUDD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to make clear at the outset just what this bill does. It does not authorize the construction of a new laboratory—that has already been done. The bill does not set up any new program or project. This bill merely increases by a quarter of a million dollars the existing authorization enacted by the Congress last year for the construction of this research Laboratory in Panama.

As has been said, the Gorgas Memorial Institute of Tropical and Preventive Medicine has been in existence a little more than 30 years. It is here in Washington. It carries on a variety of activities in the field indicated by its name. One is research in tropical diseases, and it has made a brilliant record. Its main laboratory for research in tropical diseases is in Panama and has been for 31 years. These facilities are antiquated and very inadequate. So the Committee on Foreign Affairs last year held hearings and decided to report out a bill to authorize the construction and equipment of a new research building.

I myself am responsible, I suppose, for H.R. 11123 being before us today, because the original authorizing bill before the House committee last year did not have any limitation on the amount authorized. I have never liked to authorize appropriation of funds without a limitation stated in the act. So I asked the proponents how much they estimated the new Laboratory would cost—$100,000, $500,000, $10 million, or what? They considered it over night and the next day said they thought $250,000 would be enough, so I offered an amendment in committee which was adopted, that not to exceed $250,000 was to be appropriated for this purpose. It passed the House and became law.

When they sent their architect and expert consultant down to Panama to make actual plans, they found that amount simply is not enough to do a good job. Clearly, if we are going to build a new laboratory it is too bad not to do it adequately. The patriarch of our Public Health Service, Dr. Louis Williams, brought this to my attention. I checked with the National Institutes of Health which strongly concurred. They agreed the amount needed was approximately $480,000. So the gentleman from Alabama [Mr. SELDEN] and I introduced bills to increase the authorization from $250,000 to $500,000. That is all this bill does.

I think nobody will question the merit of the Gorgas Memorial Laboratory, and I do not believe anybody can think it is unreasonable to put $500,000 into a building, which has to have special air conditioning and other equipment to provide for maximum efficiency and safety in dealing with these dangerous diseases. Since we are going to build a new laboratory anyway, since the authorization for $250,000 is already there, the only question before us in this bill is, Shall we do half a job or a good job? Good judgment dictates the latter.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from North Carolina.

Mr. JONAS. Please clear up this matter for me. The bill provides for an increase in the permanent annual appropriation for the maintenance and operation of the Laboratory from $250,000 to $500,000.

Mr. JUDD. No; this bill does not. There is an existing authorization of $250,000 a year for the operation of this laboratory. The Committee on Appropriations has regularly approved roughly $150,000 a year. This bill does not change the annual authorization for operations. This merely changes the limitation on the amount that can be spent for the construction of a new laboratory from $250,000 to $500,000.

Mr. JONAS. Are we considering the bill H.R. 11123?

Mr. JUDD. Yes.

Mr. JONAS. May I quote what it says then and ask the gentleman to explain it.

Mr. JUDD. Yes.

Mr. JONAS. It says:

> That section 4 of the act entitled, "An act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory" * * * is amended by striking out "$250,000" and by inserting in lieu thereof "$500,000."

Mr. JUDD. The gentleman failed to read, "as added by section 2 of the act of September 21, 1959." That act added to the original act whose title the gentlemen read, a new section 4 authorizing the construction of new facilities. If the gentleman will look at the Ramseyer rule part of the committee report, it is perfectly clear that the first three sections of the existing act deal with this institution and the authorizations for financing its operations are in those sections. The bill before us amends only section 4 of that act. You will notice at the top of page 7, the striking out of the "$250,000" and putting in "$500,000," so that the section reads:

> There are hereby authorized to be appropriated not to exceed $500,000 for construction and equipment of facilities for the Gorgas Memorial Laboratory.

And so on.

Mr. JONAS. Mr. Chairman, will the gentleman again yield?

Mr. JUDD. I yield to the gentleman from North Carolina.

Mr. JONAS. Therefore this is not an annual authorization?

Mr. JUDD. It is not.

Mr. JONAS. This is a lump sum of $500,000 for construction?

Mr. JUDD. That is correct. This does not change the existing authorization for operation of the Laboratory. This is a one-shot authorization for construction which will then go to the Committee on Appropriations to provide the funds as they are needed for the construction of the new Laboratory.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Iowa.

Mr. GROSS. Of course that is not what the bill says.

Mr. JUDD. I think it does say that. It reads "that section 4 of the act entitled * * * is amended." If you will look at the committee report, page 7, you will see that section 4 is an authorization for construction as follows:

> SEC. 4. There is hereby authorized to be appropriated not to exceed $500,000 for construction and equipment of facilities for the Gorgas Memorial Laboratory, including preparation of plans and specifications, acquisition, alteration, expansion, and remodeling of buildings, and site improvements; but excluding the cost of the acquisition of the land.

This bill amends only section 4.

Mr. Chairman, I do not think it is necessary to argue this further. The first reason for its passage is its scientific value. This institution has a high reputation for its scientific accomplishment. It has done wonderful work. Its

record is as good as that of any research laboratory in the world in this field. We are entitled to be very proud of it. A second reason is its humanitarian value, which must be cogent with every Member.

Mr. Chairman, our own health agencies, the Public Health Service and the National Institutes of Health, responsible for the health of the people of the United States, favor this because it will enable them better to protect the health of the people of the United States.

It will also have good political benefits, I believe. I am not so much concerned about the psychological effect in Panama, as on the whole hemisphere. This bill is not primarily to help Panama, Panama and we are cooperating to build new facilities to do work beneficial to the whole world. I have heard no opposition to the bill on its merits and I hope it will be adopted promptly.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I agree with my friend, the eminent doctor, who knows much more about this than all the rest of us put together. As long as this is being an international contribution to public health, it is as important to the United States as it is to Panama. But when you introduce political aspects, well, while I agree with you, bear in mind that the flag of the United States does not fly over the Embassy in Panama today, and the reason it does not is because the Communist-inspired mobs tore down our flag and made obscene gestures about it. I agree with the gentleman and I will vote with him. I think he is right. But let us have no misunderstanding about the fanatic and unfortunate political problem there. This will not do anything about it one way or the other.

Mr. JUDD. I think that is probably right. I think it will have favorable political repercussions around the world and in the hemisphere.

Mr. Chairman, I reserve the remainder of my time, and I now yield 5 minutes to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I am not going to vote against this bill. I am not going to try to amend it. I think it should be amended on the question of the use of materials, so that we do not get the same bind we got in the use of foreign steel in the building of a bridge with American taxpayers' funds across the canal. I want to point out that we appropriated this year in a bill just passed in this House and the Senate, $4,811,000, for the rebuilding of the Gorgas Memorial Hospital in the Canal Zone. Now that has been done. It seems to me consideration should have been given to the possibility of this memorial Laboratory being put in these facilities. Here we have one committee that has jurisdiction over one part and another committee over another part, which does not refute the fact that some consideration should be given to the entire picture, because, after all, we are spending taxpayers' funds. This is a great thing. The great General Gorgas was a wonderful man and rich in the history of this Nation, and the gentleman from Alabama [Mr. SELDEN] and all the Alabama delegation have a right to be proud of this great man.

I just would not want this bill to be passed, Mr. Chairman, without saying that there is leaving the Panama Canal now a great general, General Potter, who has been down there doing a splendid job as Governor of the Panama Canal. He has been a great Governor of the Panama Canal.

In my opinion, if his policies would have been followed and could be continued, we would not have had some of the difficulty we have had down there.

I want to pay this tribute to General Joe Potter.

Does the gentleman from Illinois want me to yield to him?

Mr. O'HARA of Illinois. I thank the gentleman very much. The gentleman referred, I think, to the Pan American Health Organization here in Washington.

Mr. BOW. Yes.

Mr. O'HARA of Illinois. I think the gentleman will be interested to know—I realize that he knows, but to be reminded—that the Pan American Health Organization was formed in 1902. It is the oldest continuous health organization in the world. It is now the regional office of the World Health Organization. The headquarters have been in Washington all these years. Recently Mexico, Panama, and Peru sought by attractive offers to get the headquarters away from Washington. To meet this challenge and retain in the United States the head offices of the world's oldest health organization, we authorized in Public Law 395 the donation of a site of land in the District of Columbia on which the organization with its own funds can build a $4 million building.

Mr. BOW. I thank the gentleman. He is quite right. The Gorgas Hospital in the Panama Canal also is well known throughout the hemisphere. It is unfortunate that we are not using it to a greater extent in the exchange of doctors. It seems to me that this is one place that interns could be trained, interns from all the countries of the hemisphere, in the Gorgas Hospital in the Panama Canal Zone.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Washington.

Mr. HORAN. My colleague mentioned the name of Gen. Joe Potter who has made such an outstanding reputation as the Governor of the Panama Canal Zone. I would like to add my word of commendation to that of the gentleman from Pennsylvania and the gentleman from Ohio. I have studied his work in the Panama Canal Zone. I think he has been an outstanding Governor. I express my regret that this administration did not see fit to continue his appointment in this field of public service.

Mr. BOW. I agree completely with the gentleman.

In conclusion, I urge my colleagues to support this work. This is a fine laboratory. But, there is also a fine laboratory and school for the study of tropical diseases and medicines in Puerto Rico. They have made a great contribution in this field.

I am not opposed to this bill; I will support the bill, but I do hope that in the future we can coordinate these activities and perhaps save the taxpayers' dollars, if we have the organizations working in the same field under the jurisdiction of one committee instead of several.

Mr. JUDD. Mr. Chairman, I yield myself one-half minute to call attention to the fact that one of the members of the board of directors of the Gorgas Memorial Institute of Tropical and Preventive Medicine is the Honorable SAM RAYBURN, Speaker of the House of Representatives.

Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, the first question I should like to ask concerning the bill is how much we are spending through the United Nations and various inter-American organizations on health measures in this area of the world? Does anyone have any idea how many millions of dollars we are already spending?

Mr. JUDD. I cannot give the gentleman the figure right now, but I can get it for him. There are two main organizations, the Pan American Sanitary Bureau, now called the Pan American Health Organization, and the World Health Organization. There is also some health work under UNICEF, the United Nations International Children's Emergency Fund which deals with health problems of children.

Mr. GROSS. But the fact is that through these various health services, we are already contributing millions of dollars annually. Is that not correct?

Mr. JUDD. I cannot give you the figure but whatever we have spent on health, it has brought us greater returns than almost anything else for which we spend money.

This is the day when we are not isolated by 3,000 miles of ocean. People leave with a disease, and they are here in 8 to 12 hours. The incubation period may be from 1½ days to 3 weeks. People leave in good health, and they land in the United States a week or so later and they come down with this, that, or the other disease. It would spread in our country and, therefore, it is important to protect the American people to have health operations go on in all these areas from which persons inoculated or infected with it might bring the disease into the United States.

Mr. GROSS. Is the gentleman saying we should all have something on the order of fallout shelters or caves so we can isolate ourselves from all foreigners who come to this country?

Mr. JUDD. Not all foreigners. Actually, it is not so much foreigners who bring these diseases in as it may be Americans returning from abroad. Many of the nationals of those countries have been subjected to the diseases in repeated small exposures and they have developed immunity to them. But when

Americans go there who have never been exposed to the diseases and come down with one of them, it is much more likely to be fatal, or in a more violent form and more communicable to Americans here.

I now have the figures the gentleman referred to. The budget of the World Health Organization is about $16 million for the whole world, of which the United States puts up about 31 percent.

Mr. GROSS. I understand that some of the fast-traveling Members of Congress touring the world have come back with serious cases of dysentery. I do not know whether that is contagious or not.

Mr. JUDD. They did not travel fast enough to miss it.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Florida.

Mr. FASCELL. Did I understand the distinguished gentleman from Iowa to be advocating a national plan of atomic fallout shelters?

Mr. GROSS. No. I was suggesting that maybe we ought to have underground shelters so we could all dive into them when a foreigner appeared on the scene with the appearance of having some disease. I did not know until this afternoon that it is the menace some people would make it. By the way, what happened to the story we heard last year that $250,000 would be ample for this laboratory?

Mr. SELDEN. I attempted to explain that in my opening remarks. When the bill came over from the Senate last year it had no limitation on the amount that could be spent. Since this bill was considered during the closing days of the session, we called in several directors of the Institute and asked them to give us an estimate of the amount needed. Those estimates ranged from $250,000 to $500,000. We selected the lowest figure, $250,000.

Since the passage of the bill last year, an architect has gone to Panama and has submitted a detailed estimate. We have reviewed the figures submitted, and we think $500,000 is a reasonable amount. Therefore, this bill will increase the authorization to $500,000.

Mr. GROSS. In the meantime, as usual, somebody hired a consultant or consultants and sent them to Panama. They came back with the answer that somebody wanted. Now there is another $250,000, or a total of a half million dollars involved in this thing. That usually happens when the Government hires consultants. The spending is usually doubled.

Mr. SELDEN. After carefully reviewing the estimates submitted, the Committee on Foreign Affairs concluded that $500,000 was reasonable for construction of the proposed building.

Mr. GROSS. A 100-percent increase in less than a year is a pretty fair increase.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JUDD. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. GROSS. Mr. Chairman, I do not like the idea of expanding any facilities in the Republic of Panama in view of the scurrilous and profane cartoons that appeared in the newspapers of Panama a few months ago demanding that Americans get out of that country.

I do not know what we are going to do if the Panamanians make conditions so onerous for Americans in the Republic of Panama that they cannot operate the Laboratory. Then our investment will have gone down the drain.

Will the gentleman from Alabama agree if that happens we have lost everything?

Mr. SELDEN. Let me say to the gentleman from Iowa that there certainly was no evidence submitted to the committee that would indicate that working conditions in that Laboratory for our people have not been excellent. By defeating this bill, the gentleman from Iowa would not accomplish the purpose that he seeks. However, defeat of this measure would jeopardize future research in tropical diseases which might benefit not only the people of this country but all mankind.

Mr. JUDD. Mr. Chairman, I yield myself 1 minute to make this additional statement. It so happens that there is on the floor of the House with us today, under the rules of the House, the very distinguished former Member of Congress from Kentucky who introduced in 1928 and sponsored to its passage the original bill which established the Gorgas Memorial Institute about which we are talking. He had been a close personal coworker of General Gorgas, and he has had his heart in this fine institution all of these years. He testified convincingly before our committee as to the value and the importance of it. I want to pay tribute to him also as the only surviving member of the Isthmian Canal Commission which had charge of the building of the Panama Canal. It was this Commission under General Gorgas which succeeded in organizing and carrying through the construction of the canal when others had failed. We all want, I know, to compliment and honor the distinguished gentleman from Kentucky, the Honorable Maurice H. Thatcher. It was our misfortune that none of us was privileged to serve with him, but we welcome him back today and wish him many more years of happy and useful life.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory", approved May 7, 1928, as added by section 2 of the Act of September 21, 1959 (Public Law 86-296; 73 Stat. 573), is amended by striking out "$250,000" and by inserting in lieu thereof "$500,000".

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11123) to increase the authorization of appropriations for construction and equipment of facilities for the Gorgas Memorial Laboratory, pursuant to House Resolution 557, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. SELDEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3179) to increase the authorization for appropriations for construction of facilities for the Gorgas Memorial Laboratory.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Act of May 7, 1928, as added by section 2 of the Act of September 21, 1959 (73 Stat. 573), is amended by striking out "$250,000" and inserting in lieu thereof "$500,000".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 11123) was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SELDEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING FEDERAL AVIATION ACT OF 1958

Mr. WILLIAMS submitted a conference report and statement on the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 571 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11001) to provide for the participation of

the United States in the International Development Association. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 159]

Alford	Fountain	Metcalf
Anderson, Mont.	Frazier	Mitchell
	Gallagher	Morris, Okla.
Anfuso	Garmatz	Mumma
Auchincloss	Gubser	Norrell
Barden	Hargis	Powell
Blatnik	Healey	Smith, Iowa
Blitch	Hemphill	Smith, Kans.
Bowles	Holt	Smith, Miss.
Buckley	Karth	Steed
Burdick	Kearns	Stratton
Carnahan	Keogh	Taylor
Coffin	Kilgore	Teller
Davis, Ga.	Kluczynski	Udall
Derwinski	McMillan	Willis
Diggs	McSween	Withrow
Dorn, S.C.	Macdonald	Younger
Durham	Machrowicz	Zelenko
Edmondson	Mason	

The SPEAKER. On this rollcall 375 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. SPEAKER. Is there objection to the request of the gentleman from Indiana.

There was no objection.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 571 provides for the consideration of H.R. 11001, a bill to provide for the participation of the United States in the International Development Association. The resolution provides for an open rule with 2 hours of general debate.

H.R. 11001 would authorize the President to accept membership on behalf of the United States in the International Development Association, which will be an affiliate of the International Bank for Reconstruction and Development, and which is proposed as an international cooperative venture to provide development financing on flexible terms to the less developed countries of the free world. It is designed to complement the development financing that is now available through national and international agencies providing capital to the less developed areas. Like the International Bank, it would not provide financing when such financing is available from private sources on reasonable terms.

IDA is designed to perform on a multilateral basis roughly the same functions which the U.S. Development Loan Fund performs bilaterally. Financing will be provided by the association to its less-developed members for purposes of high developmental priority and, except in special circumstances, for specific projects. This financing will not be provided if it can be obtained from private sources on reasonable terms or through a loan of the type made by the International Bank.

The initial resources of IDA will total $1 billion, if all members of the International Bank join. For subscription purposes, member countries are divided into two groups: Seventeen designated countries will contribute about $763 million in gold or convertible currencies; the other 51 countries will provide the remaining $237 million—10 percent in gold or convertible currencies and the balance in their own national currencies. Subscriptions are based upon the relative capital subscriptions to the International Bank, and voting rights are roughly proportionate to subscriptions. The 90-percent portion contributed by the less developed countries may not be converted into other currencies by the IDA or used to finance exports from the country concerned without its consent.

Mr. Speaker, I urge the adoption of House Resolution 571.

Mr. Speaker, I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN. Mr. Speaker, I yield 6 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, it is almost impossible to believe that President Eisenhower would have the nerve to ask for passage of this bill and if he did that a committee of Congress would yield to such pressure and bring it to the floor of the House.

What is here proposed is the creation of a seventh international lending agency with a "soft" or "softer" loan window. In other words, and on top of the hundreds of millions of dollars that have already been ladled out in so-called loans through a variety of other international lending agencies, the pockets of American taxpayers would be picked for another $320,290,000 under the terms of this bill. And, get this straight. That would be the initial contribution on the part of the United States.

And if these so-called loans are ever repaid it will be in the funny money of the country that gets the loans. The dollars filched from the pockets of our taxpayers will be gone where the woodbine twineth and the whangdoodle whangeth.

According to the report accompanying this bill, an interesting array of lobbyists appeared before the Banking and Currency Committee in support of this latest foreign handout. These included Secretary of the Treasury Anderson, who with President Eisenhower can be counted upon to scream to high heaven when some domestic program threatens to unbalance the budget.

Then we are told the U.S. Chamber of Commerce and the AFL–CIO crawled into the same bed and snuggled up to each other in support of this proposed raid on the Federal treasury to help the "less-developed" from Iceland to Timbuktu. It apparently matters not to the chamber of commerce and the AFL–CIO that industry and labor in this country are becoming "less-developed" from being plastered with foreign imports and loss of markets abroad as a result of the billions of dollars already spent—billions that were taken from American industry, labor, and farmers.

And there was Chairman McCloy of the board of New York's Chase Manhattan Bank, who along with other international bankers stand to reap a golden harvest from international financing.

And Under Secretary of State C. Douglas Dillon, another name well known in international banking circles, was on hand to describe, as usual, how the "less-developed" are "overwhelmed by massive problems."

When the issue is virtue versus sin on a global scale, and the money of other people is to be spent in behalf of virtue, there is no question about where the internationalists and freewheeling spenders will take their stand. It makes no difference that Americans—those who will pay the bills if ever paid—are bogged down with nearly a trillion dollars of debts, public and private.

Returning for a moment to the Eisenhower demand for this legislation: It was not so long ago that with a stroke of his pen he vetoed a bill providing $251 million—not $320 million—to provide relief for those in distressed areas of this country. This proposal is allegedly designed for the same general purpose abroad. Can it be that the fortunes of our own citizens are less important? Can it be that there are those in this country who, in yielding to a form of glorified international blackmail, would consign many Americans to the status of second-class citizens?

To be consistent, why does not the President and his supporters in this enterprise lead the drive to establish a federally financed domestic lending agency equipped with two windows—one for the "highly developed," hard-money borrowers, and the other a "soft-loan" window for the "less-developed" or "underprivileged" borrower? And let the latter pay off the so-called loan in script or some other issue of funny money.

Let us turn briefly to the basis on which the United States is contributing to this latest foreign handout program, and I call your attention to page 4 of the report on this bill, which shows that our initial contribution will be $320,290,000. The second highest contributor is the United Kingdom, in other words, Britain, at $131,140,000.

It was not so long ago that Congress suspended all principal and interest payments on some $13 billion of debts the British owe us. Now the British claim they will put $130 million into this fund, despite the billions they owe us. This is check kiting at its best.

Then there is Japan proposing to contribute $33,590,000. It was only a few days ago in the foreign giveaway bill that Congress gave the Japanese more than $70,000,000. That is check kiting with a vengeance.

But Members can read the list of nations in this report that are supposed to be contributors to this fund and then check for themselves the millions of dollars being handed them annually in one way or another.

In conclusion let me say to those of you who voted for the distressed areas bill, only to see it vetoed, that I would think you would have your work cut out for you to explain to your constituents how you could now vote to ransack the U.S. Treasury for more than $300 million in interest-free money—and this is interest-free money—to hand over to a new bureaucracy to dispense abroad.

And I would think it utterly impossible for anyone who voted against the distressed areas bill to now vote to do for foreigners that which you denied your fellow Americans.

Mr. ALLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, naturally, when I can, and once again I can, I like to go along with the leader of the economy and efficiency of the party. And while I cannot, in his words, subscribe to all that he has said, I get the idea all right and it occurs to me that the President may be a little, as the rest of us are, inconsistent. It has been only a few days that the House, all except 40, voted to increase the pay of Federal workers. Now I understand a survey is being made to learn how many of the Members—and I was one of the 40 who voted against this bill—how many of the Members will vote to override a veto of that bill, on the theory that we cannot afford to pay the Federal workers the wage increase because we do not have the money and here we go authorizing an expenditure of $320,290,000. Well, I do not think we can, but probably they are going to get it. But that is no excuse, to my mind, at least, for giving away the $320-odd million mentioned in this bill. And so, without a long harangue or oration, whichever you want to designate it, the first two sections of the report and the last one convince me that I should not vote for this bill. I suppose my leader would call it a giveaway, would he not?

Mr. GROSS. I certainly would; and I did.

Mr. HOFFMAN of Michigan. And then I take it the gentleman wants to save something for our own people?

Mr. GROSS. I would like to; I certainly would like to.

Mr. HOFFMAN of Michigan. What is the idea back of that?

For the first time since I have been associated with the gentleman, he does not seem to have any answer. I suppose there is no real answer—other than an interest to serve our own people. In this, shall I say, "ignorance"—will the gentleman permit me to use that word?—in his ignorance which I share in full he cannot find any real, sound reason for enslaving ourselves to give to somebody else who is not quite as industrious or does not have sufficient initiative to take care of himself. I can go along with the gentleman. Is it all right if I go along with the gentleman in his vote?

Mr. GROSS. I would appreciate it very much.

Mr. HOFFMAN of Michigan. I thank the gentleman. Perhaps I am in the same category as some of those I have criticized. I let my colleague do the real work who does so painstakingly and so thoroughly and I go along.

We all owe the gentleman a debt of gratitude.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDMENTS TO FEDERAL DEPOSIT INSURANCE ACT

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 573 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12465) to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield myself such time as I may consume, after which I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 573 provides for the consideration of the bill, H.R. 12465, to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes. The resolution is an open rule, and provides for 1 hour of general debate. I know of no opposition to the rule; as a matter of fact, I know of no opposition at all. I urge its adoption.

Mr. ALLEN. Mr. Speaker, I know of no one on this side that opposes the bill, but I should like to ask the chairman of the committee one question: How did the vote go in the Committee on Banking and Currency?

Mr. SPENCE. By a vote of 21 to 1.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations:

To the Congress of the United States:

I transmit herewith for the consideration of the Congress the First Annual Report on Weather Modification (for fiscal year 1959) as submitted to the President by the National Science Foundation.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 28, 1960.*

SUSPENSION OF DUTIES ON METAL SCRAP

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11748) to continue until the close of June 30, 1961, the suspension of duties on metal scrap, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MILLS, FORAND, KING of California, MASON, and BYRNES of Wisconsin.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11001) to provide for the participation of the United States in the International Development Association.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11001, with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. SPENCE] will be recognized for 1 hour, and the gentleman from New York [Mr. KILBURN] will be recognized for 1 hour.

The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill is the result of a meeting of the minds of 68 nations, practically all the free nations of the world, practically all of those who wish us well. This meeting was instigated by authorities of the United States. Those nations were invited to come here, and they met here, and they formed the charter for this organization. They believed that we would ratify this charter, by providing for the participation of the United States in the organization. They went home confident of that. In many of the legislative bodies of the world this same question is being submitted to them. I am sure they will ratify it.

We assumed leadership of the world in finance and forward-looking legislation when we asked them to organize this International Development Association. If we repudiate that now, it was a tragic mistake we made when we asked them to come here.

I know many of you do not believe in foreign aid, but you who are opposed to foreign aid—and it is an accepted policy now—you who are opposed to foreign aid ought to vote for this bill. This bill does by cooperative effort, by multilateral approach, what we have been carrying on alone heretofore.

We have with us 16 other developed nations of the world saying they are willing to carry this burden with us. We appropriate $320 million. They appropriate $443 million. The underdeveloped nations contribute $237 million. Part of that $237 million, it is true, is in local currencies, but I do not anticipate that when those loans are made for the economic growth and development of those countries, that we will be paid in soft currencies. I think this organization will follow a policy of requiring payment in the currencies loaned; the special accommodation will come in the form of longer maturities, low interest rates, and other favorable terms rather than in permitting repayment in local currencies. These loans will help the less developed countries develop the sound economies needed to service more conventional loans.

Expedition is essential, because to carry out our agreement we will have to have the legislation to authorize the appropriation. The organization bill probably be perfected late this year, before the next Congress meets. Our first payment should be made at the time the organization is perfected. To delay that payment would produce lack of confidence in our sincerity in carrying out the agreements made by our representatives at the conference which drew up this charter. I hope the Congress without delay will pass this bill. I hope this act will instill friendship in these other nations that are looking to us for leadership. I think it would be a tragic thing if we should refuse to do this. I think instead of doing what we hope it will do and what I think it will do, bring friendship to us by the cooperation of these nations in a common enterprise, it will bring lack of confidence and an unfriendly attitude.

I do not think this is a trivial matter. We have spent billions of dollars for the friendship of foreign nations. It may be said that in many instances we have found ingratitude. Whether we have or not, who knows what would have happened had we not resorted to this method? Who knows what chaos there might have been in foreign countries? Who knows what the condition would be now with instrumentalities of warfare so powerful as to destroy mankind? Who knows what there would have been had we not resorted to these measures?

I think now we are approaching it in a very much better way, a very much better way for us, and a better way to spend our funds, a better way to bring friendships to our Nation.

I cannot conceive of any argument that could be made against this bill unless you believe that we ought to have no relationship with our neighbors, unless you believe we ought to stop giving any foreign aid, unless you believe we should live behind a Chinese Wall and do nothing at all to help those upon whom we rely and upon whom we must rely should we be attacked.

I hope you will vote for the bill and I hope it will be passed expeditiously. I hope the countries of the world will know we have kept our agreement. I do not say that we could not repudiate a bad agreement, if the agencies of the United States have made one, but we should support this beneficial agreement, beneficial to our country and its people. To me this is the best method that has been devised for doing the things that we are trying to do; it is the best method that has ever been devised to help the underdeveloped countries of the world.

Those who argue that we have not done anything for our own distressed areas cannot shake their gory locks at me, for I have done all I could, as chairman of the Committee on Banking and Currency. I introduced the area development bill. I did what I could to see that it was passed.

It was passed, and the President saw fit to veto it. I think he made a mistake, but whether he did or not that certainly has nothing to do with the vote you should cast on this proposition.

This is a new proposition, this is the best thing that has yet been proposed if we are going to continue to help those we consider our friends. It is essential not only to pass this bill, but to do so expeditiously.

Under leave to extend my remarks, I include an excerpt from the President's message to the Congress on this bill:

> The peoples of the world will grow in freedom, toleration, and respect for human dignity as they achieve reasonable economic and social progress under a free system. The further advance of the less-developed areas is of major importance to the nations of the free world and the Association provides an international institution through which we may all effectively cooperate toward this end. It will perform a valuable service in promoting the economic growth and cohesion of the free world. I am convinced that participation by the United States is necessary, and I urge the Congress to act promptly to authorize the United States to join with the other free nations in the establishment of the Association.

Mr. KILBURN. Mr. Chairman, I agree with our very distinguished chairman, the gentleman from Kentucky. I think he has done a masterful job in explaining this bill.

Mr. Chairman, I now yield 10 minutes to the gentleman from New Jersey [Mr. WIDNALL] the ranking minority member of the committee considering this matter.

Mr. WIDNALL. Mr. Chairman, our distinguished chairman, Mr. SPENCE, has ably stated the reasons for H.R. 11001, and I heartily support his views. This legislation is not something that comes fresh and new on the scene. To those who may have forgotten, this proposal dates back to February 24, 1958, when Senator MONRONEY of Oklahoma introduced Senate Resolution 264 in the 85th Congress, 2d session, calling for the establishment of a new institution in the field of international development and finance. Hearings were held in March 1958, at which time testimony was taken from many branches of the Government.

A study was made by the National Advisory Council. This was requested by the resolution that had been passed by the Senate. An interim report was made on January 16, 1959, to the Foreign Relations Committee of the Senate which had been assigned the responsibility for consideration of the proposal.

On August 14, 1959, the Council submitted its report.

This agreement would constitute a new international institution known as the International Development Association. Actually, it is the first opportunity we have had as a Nation to participate in something where we have the minority interest. We have been carrying the load in respect to efforts to develop undeveloped nations of the world in one program after another. The Development Loan Fund and mutual security programs use our money entirely.

In this proposal the original contributions of $1 billion would be made up as follows:

The United States would put in in gold or hard currencies $320 million, or 32 percent of the total amount.

Sixteen other developed countries would put in $443 million, or 44 percent.

The less developed countries would put in $24 million in hard currency or gold, and $213 million in their own soft currencies.

The amount contributed by the United States totaling $320 million would be spread over a 5-year period. In the first year, 1961, the amount would be $74 million. Incidentally, this amount was included in the President's budget as submitted to the Congress this year, so this is not a new proposal involving spending that was not in the original budget. The second year's contribution would be $62 million and like contributions for the ensuing 3-year period in 1963, 1964, and 1965.

Under the proposal the voting rights would be based on 500 votes plus 1 for each $5,000 original subscription. The United States would have 64,500 votes, or 28 percent of the total. The other 16 developed countries would have 96,600 votes, or 41 percent of the total. The 51 less-developed countries would have 29,000 votes, or 31 percent of the total.

The organization itself would be operated in the same framework as the

International Bank for Reconstruction and Development. And, I think we can look forward to sound leadership, sound programing, sound policies in the operation of this new agency. Every witness that appeared before us emphasized this. Here is a chance, the first opportunity for us to participate in a program without making the majority contribution; the first time that we will be in a program where we cannot be attacked as having purely selfish interests—dollar diplomacy—as we have bitterly been charged in the past. I feel that it is a great opportunity for us to get out of the type of foreign aid lending in which we have been involved.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Virginia.

Mr. POFF. I wonder if the gentleman could explain what kind of loans IDA would make which the International Bank for Reconstruction and Development does not now make.

Mr. WIDNALL. The International Bank for Reconstruction and Development makes hard money loans. This would enable soft currency loans to be made, repayable in soft currencies of the countries that are to obtain the loans. There are many underdeveloped countries in the world that do not have hard currencies and they do not have the ability to obtain funds that will enable the development of those countries.

Mr. POFF. When the repayments are made in soft currencies, will the soft currencies become a part of a revolving fund?

Mr. WIDNALL. Yes. They will be retained in the bank and reutilized for additional loans.

Mr. POFF. What additional authority, if any, would have to be obtained from this body or the legislative body of any member of the association to make new loans from the revolving fund in each new fiscal year?

Mr. WIDNALL. As I understand, there will be no new authority for relending of money that is in the original institution. If there were to be any additional hard currency contributions on the part of the United States, it would be necessary for Congress to act on such a proposal.

Mr. POFF. Will any interest be paid by the fund to the contributing nations on their contributions?

Mr. WIDNALL. I do not believe that there is any contemplated interest to any of the contributing nations for their initial capital contribution.

Mr. POFF. I thank the gentleman.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from California.

Mr. HIESTAND. Can it be said that the organization of this fund would relieve the pressure on the Development Loan Fund, a part of the Mutual Security Act?

Mr. WIDNALL. I believe it definitely would.

Mr. HIESTAND. In that event, it would spread the responsibility and the contribution?

Mr. WIDNALL. That is right. The gentleman from California might be interested in who are the other nations that would participate in making hard-currency contributions to this fund: Australia, Canada, France, Germany, Norway, United Kingdom—I have a list of them here.

Mr. HIESTAND. The purpose of my question was to bring out that this is a more desirable and a more businesslike way than simply the United States contributing everything or running the program.

Mr. WIDNALL. Far more businesslike, and I think it has far more appeal to our people to know that it is on a loan basis and to know that it is participated in by the other countries we have helped in the past.

Here are the names of the other countries making this hard-currency contribution. I will start again. Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Luxembourg, Netherlands, Norway, Sweden, Union of South Africa, United Kingdom, for a total of $442.78 million. Of the total of $763 million we contribute $320 million.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Iowa.

Mr. GROSS. Would the gentleman state how many of the countries he has just identified get no assistance of any kind from the United States through the foreign giveaway program or any other handout program?

Are there any of those countries that do not get some assistance from the United States?

Mr. WIDNALL. I do not have any figures in my possession to indicate whether they do or do not.

Mr. GROSS. That question was not asked when the hearings were held?

Mr. WIDNALL. I do not believe it was.

Mr. GROSS. On page 8 of the report I notice this sentence:

> Financing can thus be provided to less-developed member countries or to less-developed dependent and associated territories of members of the Association.

My question is, Does that mean that States and territories of the United States can borrow from this fund, as well as foreign countries?

Mr. WIDNALL. I believe—and I hope my chairman will correct me on this—that they would have the opportunity to borrow. Am I correct in making that statement, that territories of the United States could borrow from this fund?

Mr. GROSS. And the States of the United States.

Mr. MULTER. Political entities within a country do not qualify for this borrowing. The United States has its own institutions and agencies which will take care of the States and their political subdivisions, such as territories.

Mrs. DWYER. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentlewoman from New Jersey.

Mrs. DWYER. Mr. Chairman, I rise to support this legislation and wish to associate myself with my distinguished colleague from New Jersey in the remarks that he has made.

Mr. Chairman, this is one of the most constructive and far-reaching proposals Congress has ever had before it. The International Development Association will make it possible for the free world to do a much more effective job of helping the less-developed countries strengthen their economies and provide greater opportunities for their people.

In the context of the worldwide competition between the free and the Communist worlds, this new endeavor is certain to become one of our most valuable instrumentalities.

It will place an increasing amount of our economic assistance activities on a multilateral, rather than unilateral, basis by bringing into active cooperation with the United States the other industrialized nations of the free world.

As a supplement to the World Bank, the International Development Association will enable us to reach many of the newer nations and many of their most necessary projects with long-term loans at reasonable rates of interest.

As an international agency, the IDA will help provide a new and constructive use for the increasing supply of local currencies owned by the United States as a result of our sales of agricultural surpluses. While the United States is faced with many practical restrictions on the use of these soft currencies, an international agency like IDA will be able to make maximum use of these resources.

It would be useful to recall, Mr. Chairman, that the great growth and expansion of the United States during the 19th century was made possible in large measure by the financial investment of foreign interest. In effect, we now have an opportunity to adopt this far-sighted course ourselves and invest our own resources in the future of freedom and opportunity in the new and less fortunate countries of the world.

This is a sound and practical and eminently wise endeavor, Mr. Chairman, and I urge the House to approve the legislation and authorize United States participation in the International Development Association.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. The gentleman was asked the question if this would not lessen the strain on the Development Loan Fund and he said he thought so. Is it not a fact that it very definitely would lessen the strain on the Development Loan Fund just as the International Bank lessens the strain upon the Export-Import Bank?

Mr. WIDNALL. One would expect that to be the result, but I do not know that you can say positively it would happen.

Mr. O'HARA of Illinois. But that is part of the expectation?

Mr. WIDNALL. Yes, it is.

Mr. O'HARA of Illinois. I thank the gentleman.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

DISTRESSED AREAS BILL FOR COUNTRIES OUTSIDE OF THE UNITED STATES

Mr. PATMAN. Mr. Chairman, this bill is, in effect, a distressed-areas bill for foreign countries. As one who has previously supported foreign aid and loan programs, I appreciate both the reasoning and the motives of those Members of Congress who now support this legislation. In good conscience, however, I cannot agree to this bill, or to any similar proposal for establishing still another foreign lending agency. I cannot reconcile the totally different attitudes and policies of our Federal Government toward the economic problems of our own people and those of people in foreign lands.

Only a few weeks ago the President vetoed a distressed-areas bill which was intended to help spark economic recovery in the distressed areas of the United States. That bill proposed to use only $251 million of Federal funds for this purpose. The present bill proposes to use another $320 million of Federal funds for such purposes abroad.

Two years ago the President vetoed a similar bill to help distressed areas in the United States. Yet at that time our Government was already operating or contributing to four different agencies making foreign loans for economic development. Meanwhile the administration has requested Congress to authorize, and Congress has authorized, two additional agencies to make foreign loans for these purposes. This now gives us a total of six as follows:

The Export-Import Bank of Washington.

The International Bank for Reconstruction and Development—World Bank.

The International Cooperation Administration.

The Development Loan Fund.

The International Finance Corporation.

The Inter-American Development Bank.

This bill would establish still a seventh agency. In addition, there are at least 17 other foreign lending agencies in operation by the Western nations.

Please ask for a copy of the hearings on this bill and turn to page 50. Mr. John J. McCloy was testifying. He lists in the record about 25 agencies in the international lending field today. I sent a written request to the chairman of the committee asking that he obtain the names of these agencies; they appear at page 50 of the hearings, as named by Mr. McCloy, who is chairman of the Chase Manhattan Bank. This will make about the 26th agency in the international field making loans to other countries, other distressed areas, but not a penny for our own country for the same purposes.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN of Michigan. I should like to thank the gentleman for consolidating and making clear the situation, doing some of the work I should have done. Does not the gentleman think we ought to have a quorum to hear that?

Mr. PATMAN. No, I do not.

Mr. HOFFMAN of Michigan. I do.

Mr. Chairman, I make the point of order that a quorum is not present.

Mr. PATMAN. No, the gentleman should not do that.

Mr. HOFFMAN of Michigan. How else can the gentleman get this before the Members of the House?

Mr. PATMAN. The gentleman has been here as long as I have.

Mr. HOFFMAN of Michigan. Yes, I know; but I have not learned as much, and I do not know how.

The CHAIRMAN. Does the gentleman from Michigan withdraw his point of order?

Mr. HOFFMAN of Michigan. No, I do not. I want the rest of the Members to hear it. It is the most informative statement I have heard in a long time.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eight Members are present, a quorum.

Mr. PATMAN. Mr. Chairman, when this administration came into office there were 2 foreign lending agencies already established and in operation, one the Export-Import Bank of Washington, the other the International Bank for Reconstruction and Development—the World Bank. Yet the administration has asked Congress to approve new foreign lending agencies, and the Congress has approved them, at the rate of better than one new agency every 2 years. The new agencies were not intended to replace, and have not replaced, the old agencies.

These agencies are duplicating. I am not criticizing any Member for his vote on this bill; I know that many are in sympathy with its purpose, but I wonder what you must think of having 7 different foreign lending agencies in Washington and 17 others in the other Western nations, all to do practically the same thing.

Any other country in the world, except the United States and the Iron Curtain countries can get aid from the 25 different agencies to help in economic development of their distressed areas. We are the only free country that is excepted. Our own people are not eligible even to apply for this aid.

How ridiculous can this Congress get? People are going to ask how ridiculous we can get. We now have more foreign lending agencies than we have personnel to staff them. The new agency to be created by this bill is to be manned by the personnel of the International Bank. The new agency is to have the same directors, the same officers, and the same staff. The only real difference between the new agency and the present World Bank is that the new agency is to make what are called soft loans. That has been the usual justification for almost all of the new foreign lending agencies set up during these past 8 years. The new agencies were needed, we were told, to make softer loans than the older agencies could make. These soft loan agencies are now making loans to help the borrowing countries make the payments due on the hard loans previously made to them.

Here is an agency that is to be superimposed upon another agency in its entirety. Its purpose is only to make softer loans. It is to make long-term loans at low rates of interest—at 2 percent or 1 percent—or at no interest at all; and the repayment of the loan, if any, can be in the local currency of the country borrowing the money.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I will be glad to yield if the gentleman can give me a little more time.

Mr. SPENCE. Mr. McCloy has the greatest respect for the American people. When he mentioned all of these agencies, was he testifying for or against this bill?

Mr. PATMAN. I assume he was testifying for it, but he was not advancing the cause of the bill when he said there were 25 other agencies doing the same thing.

Mr. SPENCE. He was testifying for the bill, was he not?

Mr. PATMAN. Certainly he was; you would not have had him here otherwise.

The following appears at page 50 of the hearings:

In Mr. John J. McCloy's testimony (p. 42), a reference is made to "a considerable number of agencies in the various countries of the West, including, of course, the international agencies, which prospective borrowers from the less-developed lands might approach." In response to a request by Hon. WRIGHT PATMAN that these agencies be identified, the following information was furnished:

SOURCES OF FINANCIAL ASSISTANCE FOR LESSER DEVELOPED LANDS FROM GOVERNMENTS OF WESTERN COUNTRIES

U.S. Export-Import Bank.
U.S. Development Loan Fund.
U.S. International Cooperation Administration.
U.S. Public Law 480 (not a lending agency but a source of foreign assistance).
International Bank for Reconstruction and Development.
International Finance Corporation.
Inter-American Development Bank.
United Nations Special Fund.
European Investment Bank (European Common Market).
The Development Fund (European Common Market).
Common Market Loan Fund for African Countries.
Colombo Plan (about half the 18 members lend directly through this).
Overseas Countries and Territories Loan Fund (British).
Commonwealth Development Finance Corporation (British).
Colonial Development Corporation (British).
Fonds d'Investissements pour le Developpement Economique et Social des Departements d'Outre Mer (French).
Fonds d'Aide et de Cooperation (French).
Caisse Centrale de la France d'Outre Mer (French).
Ente Nazionale Idrocomburi (Italian).
Banco de Fomento Nacional (Portuguese—to dependencies only).
Direct loans from governments of Netherlands, Germany, Belgium, Switzerland.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Alabama.

Mr. ANDREWS. As I understand, the loans made under this bill would be repaid in soft currency.

Mr. PATMAN. In soft currency, yes. In the local currency of whatever country borrows from the agency.

Mr. ANDREWS. Is it not a fact that we have at the present time about $3 billion worth of soft currency?

Mr. PATMAN. Oh, we own more than that. You are underestimating the amount, I believe.

Mr. ANDREWS. Will the gentleman tell me how much we do have?

Mr. PATMAN. I do not have the exact figure in mind, and I may be wrong, but it is my impression that it is in excess of $3 billion.

Mr. ANDREWS. As a matter of fact, does not the gentleman consider repayable in soft currency to be just another form of economic aid?

Mr. PATMAN. Yes; the worst thing about this proposal is that our Government has just rejected a distressed areas bill of $251 million for our own people, which provided for repayment in hard American dollars. We are denying our own people any aid, yet we come along and vote for this bill, which is $320 million—and this amount is only the start—to help distressed areas in other countries outside of the United States. Does that make sense?

There is no agency and no money for doing for our own people what any of these foreign lending agencies are doing for people abroad. I do not argue that charity should begin at home. But it does seem to me that if such assistance as all of these foreign lending agencies are providing for peoples abroad is based upon sound economics, such assistance for our own people is equally sound economics. Alternatively, if this Nation cannot afford the money to help distressed areas at home, we cannot afford the money to help distressed areas abroad.

As has been indicated, this bill would provide a program of foreign lending in cooperation with, and in coordination with, other friendly nations able to contribute funds for this purpose. In this respect the bill is good. Yet the need is not, as I see it, for still another lending agency. Rather the need is for a consolidation of lending programs and a cooperative endeavor to develop a rational plan of economic development. If our efforts are to be effective in raising living standards in the underdeveloped countries, they must, I think, plan for trade as well as for local productive resources.

Mr. HOFFMAN of Michigan. Just a few moments ago I heard something when I was over on the other side of the aisle that I would like cleared up for I do not know whether the gentleman who said it meant it or not, but he said that we gave the Federal employees a raise and now we are going to take it away from them. Is that true?

Mr. PATMAN. I do not know; I cannot answer that question.

Mr. HOFFMAN of Michigan. Who is going to pay for it?

Mr. PATMAN. You have a lot of people around Washington who can say "No," but almost nobody who can say "Yes." That is one thing about a democratic government—parliamentary government—a lot of people are in bottleneck positions and can say "No," but there is hardly anybody who can say "Yes."

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I take this time in order to ask a question or two of the chairman or ranking minority member of the committee.

It is my understanding from reading the bill and the committee report that the International Development Association will be under some sort of control of the World Bank. Is that a valid observation?

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from New York.

Mr. MULTER. The answer is that the same personnel of the World Bank will operate this association. There will be no additional personnel employed as a result of this bill; they will use the same personnel from top to bottom.

Mr. RHODES of Arizona. The World Bank makes loans, as I understand, in hard currencies, and they have to be repaid in hard currencies. Is that correct?

Mr. MULTER. That is substantially correct.

Mr. RHODES or Arizona. The International Development Association, however, will make loans in hard currencies repayable in soft currencies.

Mr. MULTER. No. Will the gentleman yield further?

Mr. RHODES of Arizona. I yield.

Mr. MULTER. While they have been talking here about soft currencies, it is not quite that simple. They say these hard currency loans are repayable in soft currencies. What they should have been talking about is soft terms meaning these underdeveloped areas may get as much as 50 years at low interest rate to repay the loans.

There may be soft currency loans repayable in soft currency. Payment of loans is permitted in soft currencies if approved by the Bank. Soft currencies that are paid in will be used to make loans in soft currency repayable in soft currencies.

Mr. RHODES of Arizona. As I understand, do you mean that IDA will not be making loans in dollars payable in rupees, for instance?

Mr. MULTER. That is not intended. Dollar loans are intended to be repaid in dollars.

Mr. RHODES of Arizona. I thought this really was the same function the Development Loan Fund performs. Is this something entirely different? I now gather instead that this is similar to what the World Bank does.

Mr. MULTER. The Development Loan Fund is unilateral. Unlike this new institution, only U.S. funds are used in the Development Loan Fund.

Mr. RHODES of Arizona. I am addressing myself only to the manner of the repayment of the loans. The Export-Import Bank makes loans in American dollars repayable in American dollars, whereas the Development Loan Fund makes loans in American dollars repayable in some other currency. I had thought that IDA also made loans repayable in soft currencies.

Is that a valid statement?

Mr. MULTER. One thing that must be understood is that when they pay for commodities under the operation of Public Law 480, soft currencies are generated abroad. In such a country we can lend those soft currencies instead of lending them hard currencies.

Mr. RHODES of Arizona. Will the gentleman explain to me how this is possible? We have certain soft currencies which belong to the Government of the United States. We are going to put $320,290,000 into the capital of this Development Loan Association. These are dollars, not local currency.

Mr. MULTER. That is right.

Mr. RHODES of Arizona. How do we get any local currencies which belong to the Government of the United States into the International Development Association?

Mr. MULTER. Every dollar that is going to be subscribed by each of these countries, and there are 68 of them, will be in U.S. dollars.

Mr. RHODES of Arizona. Correct.

Mr. MULTER. Hard currencies in hard U.S. dollars. The loans in the first instance will be made to borrowers who are members of this association in hard currencies. They will call for repayment in hard currencies. If any of those hard currencies should be used under Public Law 480 with which to buy any of our surplus commodities, which are then sent to one of these member countries, then in lieu of repaying hard currencies, those countries may be permitted to pay soft currencies and those soft currencies will in turn be used for other soft currency loans.

Mr. RHODES of Arizona. The gentleman means the International Development Association will make loans of dollars so that other countries may buy our surplus commodities under title 3 of Public Law 480?

Mr. MULTER. That is one of the ways in which this Association may operate.

Mr. RHODES of Arizona. If we are going to do that we had better repeal some of the laws we now have. I cannot imagine any country doing this when it has the opportunity now of getting such fine terms under Public Law 480.

Mr. MULTER. The purpose of this is to replace the Development Loan Fund. We hope eventually to terminate the Development Loan Fund and this in part takes the place of it, plus the fact we have all these other countries participating instead of our doing it alone.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. KILBURN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. RHODES of Arizona. Mr. Chairman, if the gentleman and the distin-

guished members of the Committee had brought in a bill which repealed the Development Loan Fund in favor of a multilateral basis of making loans in hard currency, repayable in soft, it would have found much more favor on the floor. To me all this only does multilaterally what we now do on a bilateral basis. If it is preferable to do it multilaterally—I do not say it is—then that is the route we should adopt. I think it is fine that the nations listed in the committee report are going to make contributions, so that we will not have to continue to bear this whole burden. My main objection however, is about the same as that of the gentleman from Texas [Mr. PATMAN]. It seems to me we are piling agency on top of agency, and are creating another agency which is something for us to watch, and it makes no sense at all.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from New Jersey.

Mr. WIDNALL. I would like to read from testimony of the Secretary of the Treasury, Mr. Anderson, given before the committee:

> The articles of agreement allow the Executive Directors a great deal of flexibility in setting the terms and conditions of the loans. The IDA will be empowered to make loans wholly or partly repayable in the borrower's own currency. It will also be empowered to make loans repayable in hard currencies, but with longer maturities than are possible for International Bank loans in view of the Bank's own financing conditions. Loans may be made at rates of interest which will be below the rate on Bank loans. In short, it must be understood that the International Development Association is to make loans which will bear less heavily on the balances of payments of the borrowing countries than loans of the type now made by the International Bank or the Export-Import Bank. This, indeed, is the purpose of an International Development Association.
>
> The IDA articles specify that it will not provide financing when it is available from private sources on reasonable terms for the recipient or could be provided by a loan of the type made by the Bank.
>
> The effect on the balances of payments of the borrowing countries will vary somewhat, depending upon the policy which the IDA evolves within the flexibility as to terms of loans that is provided by the articles. Long schedules of amortization or lower interest rates enable countries to pay off hard-currency loans at a lower annual cost. When the repayment is made in local currencies, there is, of course, no burden on the balance of payments of the borrower. By these methods the developing countries will be able to obtain more finance than they could otherwise obtain.

Mr. RHODES of Arizona. Mr. Chairman, I would like to make a comment on another provision of the bill I do like, although I do not understand.

On page 4, section (c), it is stated:

> Any payment made to the United States by the association as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

In the case of the Development Loan Fund the money never gets back to the Treasury. It is a revolving fund. Something of this may come back to the Treasury. We make the contribution in dollars. Will we be receiving dividends in local currencies, to add to our already rather large stock of local currencies, or will we actually get dollars back as a result of this transaction?

Mr. MULTER. I think it is clearly intended to mean repayment in the funds available to the International Development Association and the World Bank. Now, it is not contemplated that they are going to wind up with nothing but soft currencies. But, when the time comes to liquidate the bank and they have nothing left but soft currencies, that is what each subscribing country will get. We are very hopeful that they will wind up with hard currencies.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Illinois.

Mr. COLLIER. Just one question. Is it not true that in the origination of this program, it was intended to replace or to some degree replace our contribution to the International Loan Fund?

Mr. MULTER. Mr. Chairman, will the gentleman yield so that I may answer that question?

Mr. RHODES of Arizona. Yes.

Mr. MULTER. I think when you say "International Loan Fund," you should say "Development Loan Fund," which is solely a U.S. fund, set up by our country with our own money.

Mr. COLLIER. I fully understand that.

Mr. MULTER. This bill is intended to bring all these 68 countries into this new International Development Association. Eventually we can liquidate the Development Loan Fund and the United States will cease doing this on its own.

Mr. COLLIER. Does the gentleman honestly believe that this will come about in the immediate future, or is this another instance where a new program is being created with the intention that this will be done; but in reality, will we ever see the day when this will take place?

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. KILBURN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman from Arizona keeps mentioning the possibility of a dividend. How can a dividend be paid if they loan them the money without interest?

Mr. RHODES of Arizona. As I understand, the transactions of the International Development Association will bear interest as any other loan transaction would.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, it is the considered opinion of the House Committee on Banking and Currency, as indicated by a vote of 21 to 1, that this is a good program and a good bill.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a correction?

Mr. MULTER. I yield.

Mr. PATMAN. I do not mind standing alone when I am right, but it happens that I have a little company in this case. The vote was 20 to 3 or something like that. I do not mind being singled out in this case, however.

Mr. KILBURN. Mr. Chairman, if the gentleman will yield, the vote was 18 to 3.

Mr. MULTER. Obviously there is a difference of opinion. Let me revise my statement to say that the Committee on Banking and Currency overwhelmingly endorses this legislation and urges its enactment.

Mr. Chairman, may I call attention to the fact that I am sure the gentleman from Texas inadvertently has given the impression that we have some 26 agencies set up to do this work. He referred to the testimony of a very distinguished gentleman, Mr. John McCloy, who, incidentally, was the first president of the World Bank, a very distinguished and honorable gentleman whose opinions are valued by all of us. We have taken his recommendations and suggestions many times on various matters.

Now, if you will look at the statement that the gentleman from Texas referred to as having been furnished to us by Mr. McCloy, you will find that he has listed there four countries outside of the United States that make direct loans. They are not agencies of this Government. They are not international agencies, even though they may be considered as making international loans; that is, loans to other countries. So, too, you will find also listed by Mr. McCloy three institutions set up by Great Britain making loans to British dominions.

You will find three institutions set up by France which are making loans to French communities. Then there is an Italian organization, and a Portuguese organization, each of which makes loans to their own dependencies.

So, if you eliminate all of those countries, and the organizations of foreign countries, and eliminate the European Investment Bank, which is just that, a European investment bank, and the Development Fund of the European Common Market, and the Common Market Loan Fund for the African Countries, you will find that all we have left are six agencies on the international scene organized or participated in by the United States, included in which are the U.S. Export-Import Bank which, as you know, is intended primarily to help Americans. There is the Development Loan Fund which has been referred to; there is the International Cooperation Administration about which I am sure you all know, the International Bank which is what we refer to as the World Bank, the International Finance Corporation and the Inter-American Development Bank.

Here, after 2 long years of hard, serious and determined negotiation, under the leadership of the distinguished former Member of this House and now a Senator from the State of Oklahoma, Mr. MONRONEY, with the aid of the Department of State and the Treasury Department, we have obtained the commitment of 68 foreign countries to participate in this joint cooperative endeavor

to help the underdeveloped countries, countries which up to now, we have been helping almost alone.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from West Virginia.

Mr. BAILEY. Is it not true that this method of approach was a choice made by the Treasury Department and the State Department, possibly on the advice of the distinguished Senator from Oklahoma, who realized that the Members of this House are getting tired of draining the United States Treasury. Setting up this kind of an organization and financing it with $300 million-plus of American money means that this program will be carried on even if the Congress, in the future, refused to make direct appropriations for mutual aid.

Mr. MULTER. I will not attribute that motive to those who participated in this fine endeavor. I would rather think that they were motivated primarily by the desire to bring all of the free countries into one cooperative movement so that we would not be doing this job alone. Here in these trying times, with a setback at the summit and a setback in Japan, after having over 2 long years worked so hard to bring all of the free countries together in one real cooperative effort to show we can stand up against the Communist nations of the world and can fight them, not with bullets, but with the kind of aid that makes it possible for these nations to build themselves up as free countries—I say to you we dare not turn down a bill of this kind. All this bill calls for in 1961 is a total contribution to this association of $73 million on our part and during each of the next 4 years thereafter a total contribution of $61 million. That is all it calls for. And bear in mind this is only an authorization. There is no appropriation in this bill. After this is passed, they will then have to go to the Appropriations Committee and get $73 million for next year and $61 million for each of the succeeding 4 years.

Mr. BAILEY. Mr. Chairman, will the gentleman yield further?

Mr. MULTER. Yes.

Mr. BAILEY. I notice on page 50 of the hearings that Mr. McCloy, whose name has come into the discussion quite frequently, was being questioned by the gentleman from Ohio [Mr. VANIK], a member of the gentleman's committee. In reply to a question by the gentleman from Ohio [Mr. VANIK], Mr. McCloy said:

> Bear in mind this is only a small portion of the aid program. A good part of the aid program today is tied to American goods.
>
> Mr. VANIK. Yes, but it is contemplated, is it not, that this lending authority will be something that will probably increase? They undoubtedly are going to come back for more and more authority.
>
> Mr. MCCLOY. If the administration of this is a success, I think it would be almost necessary that they should come back for replenishment; not only replenishment, but perhaps some expansion of the funds.

It just means that it is going to be a program to take over the program right now that is represented in direct appropriations by the Congress for mutual aid.

Mr. MULTER. It means that if we put $320 million into this program over a 5-year period, and thus eliminate the Development Loan Fund which up to the present time has cost us, I think, about $1.4 billion, I think IDA will have done a very good job. If in the second 5 years we have to give them another $320 million as against a possible $4 billion to the Development Loan Fund I think we will have done an even better job.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from California.

Mr. HIESTAND. There is one point I am sure the gentleman would like to have cleared up, and I am sure he can do it. The present terms of loaning by the World Bank are not limited, as I recall it. There is no limitation on interest rates or anything like that. They have used their judgment, and again we say it has been quite successful.

Mr. MULTER. The operation of the World Bank today has been a very successful operation even to the extent of being able to float their bonds in the open market and borrow additional funds from the money market instead of coming back to the Congress.

Mr. HIESTAND. Exactly; and the management of the proposed new fund is the same as the management of the World Bank, is it not?

Mr. MULTER. It is so provided.

Mr. HIESTAND. Therefore, it is fair to assume that there will be no loans at no interest or at ridiculous interest rates, as has been charged.

Mr. MULTER. I think they are going to run this International Development Association as an affiliate of the Bank on good sound business principles.

Mr. HIESTAND. On a sound business basis.

Mr. MULTER. I trust so.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. HOFFMAN of Michigan. I understood the gentleman to say a few minutes ago in support of his theory that we should adopt this bill that this is only an authorization.

Mr. MULTER. That is correct. That is what I said.

Mr. HOFFMAN of Michigan. Does the gentleman not believe that an authorization is one of the strongest arguments that can be made to the Committee on Appropriations?

Mr. MULTER. There is no doubt about it, we should not authorize unless we expect the Appropriations Committee to appropriate.

Mr. HOFFMAN of Michigan. So in substance what you are doing is asking for an appropriation.

Mr. MULTER. No. We are not asking for an appropriation. If the people who are going to be charged with doing this job cannot justify the appropriation and show that they are ready to use the money, and that the money when appropriated will be used in accordance with the provisions of this bill, then the Appropriations Committee can call a halt.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KILBURN. Mr. Chairman, I yield 3 minutes to the gentleman from New York.

I wish the gentleman would just take a minute to explain that due to the fact that the other 68 countries have passed this agreement through their parliaments or congresses, attaching any amendment to this bill is pretty nearly the same as killing it.

Mr. MULTER. There is no doubt about it. The gentleman is correct. We thought in committee we might add some amendments to it. After long and serious deliberation and conferences with those concerned in the State Department and the Treasury Department, as well as with our colleagues in the other body, it was made amply plain that any amendment to this bill will make it impossible to implement the agreement that has been entered into with all these other countries.

In that connection, I should like to say that we had some very serious reservations as to whether or not this operation would be in accordance with American public policy as laid down by the U.S. Congress in the various bills, resolutions, and sense resolutions that have been passed from time to time. We have been assured that such U.S. policy will be furthered and followed to the fullest degree in connection with the operation of the International Development Association, and that the provisions written into the enabling legislation authorizing our membership in the World Bank, will apply with equal force and effect so that U.S. policy will be implemented in connection with this operation.

I have not agreed with everything the World Bank has done. I took strong exception to the recent loan to the United Arab Republic because in my opinion that loan was in violation of U.S. policy.

Since then the Congress has written into law that U.S. policy demands that no loans or grants be made to any country which interferes with the free transit of international seaways.

We in our committee thought that we should write such a provision into this bill. Our distinguished colleague from Pennsylvania [Mr. MOORHEAD], then directed our attention to section 14 of the Bretton Woods Agreements Act—22 U.S.C. 286(K) which provides:

> In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the Association, it is declared to be the policy of the United States to seek to bring about further agreement and cooperation among members of the Association as soon as possible on ways and means which will best reduce obstacles to and restrictions upon international trade, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the Association the Council and the U.S. representatives on the Association shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

Mr. MOORHEAD is entitled to much of the credit for having shown the way in resolving a difficult situation.

Accordingly our distinguished colleague, the gentleman from New York [Mr. HALPERN], who also was of tremendous assistance in this matter, joined me in writing to the Secretary of the Treasury, as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 1, 1960.

Hon. ROBERT B. ANDERSON,
Secretary of the Treasury,
Washington, D.C.

DEAR MR. ANDERSON: As you know, many of our colleagues have been greatly concerned about the U.S. policies in support of the principle of the freedom of navigation of international waterways in relation to the lending policies of international financial institutions. This question arises in connection with the proposed International Development Association.

Section 14 of the Bretton Woods Agreements Act of July 31, 1945 (22 USC 286K) contains a declaration of the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies in order to facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations on the basis of stated objectives. It further provides that in considering the policies of the United States in foreign lending and the policies of the International Monetary Fund and the International Bank, the National Advisory Council and the U.S. representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

In connection with the proposed International Development Association Act, H.R. 11001, we would appreciate your informing us whether or not U.S. policy as expressed in section 14 will apply to the operations of the International Development Association.

Sincerely yours,

ABRAHAM J. MULTER.
SEYMOUR HALPERN.

He answered as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., June 2, 1960.

Hon. ABRAHAM J. MULTER,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. MULTER: This is in reply to your letter of June 1, 1960, in which you refer to your concern about the policies of the United States in support of the principle of the freedom of navigation of international waterways and request advice as to whether section 14 of the Bretton Woods Agreements Act of July 31, 1945, would be applicable to the consideration by the United States of the policies of the proposed International Development Association.

I am pleased to confirm my understanding that section 14 would be applicable to the consideration by the United States of the policies of the proposed International Development Association.

The administration has been, and remains, fully in accord with the basic thought which you have expressed both publicly and privately in the recent past, that is, that freedom of navigation through international waterways is an essential condition for the growth of fruitful international trade and the further development of peaceful relations among nations. The United States has consistently urged this view through every appropriate means at its disposal, in the United Nations and through normal diplomatic channels. We feel that the International Development Association, through its overall contribution to the economic betterment of the less developed areas of the free world, can be of great help in supporting our broad aims of expanding international trade, free of restrictions and discrimination, including freedom of navigation of international waterways.

You may be assured that the policies of the United States in all of the foreign lending activities in which it participates are and will be formulated within the framework of these goals.

Sincerely yours,

ROBERT B. ANDERSON.

Our committee has accepted that representation as an undertaking by our Government that it will instruct our representatives to the World Bank to act and vote accordingly.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa.

Mr. GROSS. If we accept the gentleman's statement, we are in this position, that the Congress of the United States cannot work its will on this legislation. What kind of a situation is it when a group of men can meet somewhere and lay down rules for legislation in the Congress of the United States?

Mr. MULTER. Oh, I am sure the gentleman does not intend to misinterpret what I have said. Those 68 countries have met together over a period of 2 years and have come forth with this agreement. If this agreement is bad, it should not be implemented, and we should then of course kill the bill. But after carefully considering this agreement as entered into by these different countries, if we say it is good for them and good for us and good for the free world, then we should accept the agreement and authorize the entrance of the U.S. Government into this agreement.

Mr. GROSS. But I am not willing to have some group of nonelected representatives tell this Congress what it has to do.

Mr. MULTER. Then we should repeal all legislation we have ever enacted because our Government cannot possibly operate except by delegating authority.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Indiana.

Mr. DENTON. This session of Congress has previously authorized expenditures of over $4 billion for the World Monetary Fund and International Bank; $2 billion for the Export-Import Bank; $450 million for the Inter-American Bank and over a billion for the Development Loan Fund. Now we are coming in with this appropriation. I realize some of these loans will be paid back, but they do tend to unbalance the budget. Will you tell me how we can authorize loans of several billion to the other countries when we have a distressed area bill of approximately $250 million vetoed because it will unbalance the budget. Should not the same rule apply at home as does abroad?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KILBURN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DENTON. If an expenditure, made in this country, which unbalances the budget is dangerous is it not also dangerous to spend money abroad for the same purpose? Can we not do for the distressed areas of this country what we do for foreign undeveloped countries?

Mr. MULTER. This is an authorization which will not unbalance the budget. The budget as presented contemplates an authorized appropriation of $73 million for 1961. Of course it does not include the money that will be advanced in the next 4 years. These are not grants. They are in the nature of loans. Every one of the items the gentleman referred to, except grants under ICA, are loans. The Export-Import Bank has not lost a dollar. It has been a most profitable operation, so has the World Bank.

Mr. DENTON. The ICA collected about 10 percent of the loans they made. There are the same type of soft loans?

Mr. MULTER. These are not soft loans. I must interrupt the gentleman to say these are not soft loans. There may be soft terms, meaning by that that some of these loans may run as long as 50 years, but they are not soft loans.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HALPERN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York.

There was no objection.

Mr. HALPERN. Mr. Chairman, I rise in support of this legislation. It is, in my opinion, a long step forward in our policy of encouraging multilateral international economic cooperation. The Association will provide financing on flexible terms to the less developed countries of the free world and will function in a capacity complementary to the World Bank. It will perform roughly, on a multilateral basis, the same functions as our own Development Loan Fund, and will enable the new, underdeveloped countries to secure financing for desperately desired capital needs. Hereafter, other nations will participate in the economic development of the less developed countries, a function that up to now has been carried on solely by us through our own Development Loan Fund. I am proud that the United States has taken the lead in the establishment of the Association.

To further promote our policy of seeking peace through law and justice I would have liked to have seen written into the legislation a declaration of principle regarding freedom of navigation in international waterways. However, unlike the unilateral mutual security bill in which such a provision was included, this measure concerns a multilateral institution involving the participation of some 67 other nations. Independent action by us would run into ratification problems and perhaps invite less honorable reservations from other countries.

In view of this, we have little choice but to accept the assurances of our Government that our representatives to the Association will, in carrying out their duties, uphold the principle that the United States is opposed to the denial

of freedom of navigation in international waterways. This assurance has been given to us by the Secretary of the Treasury who is our representative on the World Bank and who will exercise a similar function in respect to the Association.

This principle was not applied in the instance of the recent unfortunate World Bank loan to the UAR for the widening and deepening of the Suez Canal. This, regretfully, despite existing statutes relative to United States participation in the World Bank which read in part:

It is declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the Fund and the Bank, particularly in conducting exchange transactions, the Council and the United States representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

It is heartening that since that loan Congress has expressed its feelings by adopting an amendment to the recently enacted mutual security authorization bill in support of the principle of freedom of navigation through international waterways.

It is further heartening that our Government, in the words of the Secretary of the Treasury in commenting on H.R. 11001 has made clear its full recognition of this principle.

I join my colleague from New York—whose strong views on this subject as well as my own are a part of our committee's record on this legislation—in accepting the good faith of the Secretary of the Treasury in his unequivocal statement of U.S. policy supporting the principle of freedom of navigation through international waterways.

In his exchange of correspondence with my colleague and myself, the Secretary set forth the position of our Government. Mr. Chairman, I submit herewith copies of our communications for insertion in my remarks at this point.

JUNE 1, 1960.

Hon. ROBERT B. ANDERSON,
Secretary of the Treasury,
Washington, D.C.

DEAR MR. ANDERSON: As you know, many of our colleagues have been greatly concerned about the U.S. policies in support of the principle of the freedom of navigation of international waterways in relation to the lending policies of international financial institutions. This question arises in connection with the proposed International Development Association.

Section 14 of the Bretton Woods Agreements Act of July 31, 1945 (22 U.S.C. 286K), contains a declaration of the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies in order to facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations on the basis of stated objectives. It further provides that in considering the policies of the United States in foreign lending and the policies of the International Monetary Fund and the International Bank, the National Advisory Council and the U.S. representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

In connection with the proposed International Development Association Act, H.R. 11001, we would appreciate your informing us whether or not U.S. policy as expressed in section 14 will apply to the operations of the International Development Association.

Sincerely yours,

ABRAHAM J. MULTER.
SEYMOUR HALPERN.

THE SECRETARY OF THE TREASURY,
Washington, June 2, 1960.

Hon. SEYMOUR HALPERN,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. HALPERN: This is in reply to your letter of June 1, 1960, in which you refer to your concern about the policies of the United States in support of the principle of the freedom of navigation of international waterways and request advice as to whether section 14 of the Bretton Woods Agreements Act of July 31, 1945, would be applicable to the consideration by the United States of the policies of the proposed International Development Association.

I am pleased to confirm my understanding that section 14 would be applicable to the consideration by the United States of the policies of the proposed International Development Association.

The administration has been, and remains, fully in accord with the basic thought which you have expressed both publicly and privately in the recent past, that is, that freedom of navigation through international waterways is an essential condition for the growth of fruitful international trade and the further development of peaceful relations among nations. The United States has consistently urged this view through every appropriate means at its disposal, in the United Nations and through normal diplomatic channels. We feel that the International Development Association, through its overall contribution to the economic betterment of the less developed areas of the free world, can be of great help in supporting our broad aims of expanding international trade, free of restrictions and discrimination, including freedom of navigation of international waterways.

You may be assured that the policies of the United States in all of the foreign lending activities in which it participates are and will be formulated within the framework of these goals.

Sincerely yours,

ROBERT B. ANDERSON.

Mr. Chairman, it is our sincere belief that the policy enunciated in the Secretary's letter will be reflected in the actions of our representatives to the Association and the Bank whenever a situation involving a violation of this principle might arise.

I have been pleased to associate myself with my New York colleague and fellow committee member [Mr. MULTER] throughout the hearings on this legislation, and through the meetings of both the subcommittee and full committee, as well as in the conferences and communications with the Secretary of the Treasury and the others concerned with this legislation which is so vital to the free world.

We accept, together with the membership of the House Banking and Currency Committee, clarification of the U.S. position as expressed by Secretary Anderson and we have complete faith that this policy will be fulfilled in the carrying out of the duties of the U.S. representatives to the International Development Association.

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman, I am fearful this bill will do exactly the opposite of what is intended. It is my belief that by establishing a seventh international bank you are getting the foreign countries who seek loans so confused and so worn out, going from one bank to another to find out where they can get a loan, that they will get discouraged and give up. You are not going to be able to loan any money that way. This is the seventh such international bank. There is an international bank, then a soft international bank, then a soft, soft international bank, then a soft, soft, soft international bank and world without end. Pray tell me if a country wants a loan which of the seven banks are they to go to?

Another thing that confuses me is all this reference to hard and soft money. I may be old fashioned, but to me there is only one kind of money, and that is hard money. It is hard to get, hard to keep, and hard to pay taxes on. It is the only kind of money the taxpayers know too. If you doubt it ask them sometimes.

This gobbledygook about hard money and soft money, hard loans and soft loans is just a means to confuse you and to confuse the people of the Nation. It is typical wordtwisting by international bankers to bleed the people. They say this is only going to cost the United States of America only $320 million in hard money. When they say that they are propounding a falsehood and they know it. Let me give you the facts. Let us go over this list of countries that are alleged to contribute money into this seventh international bank.

Take the case of China; that is Nationalist China. We are now giving Nationalist China hundreds of millions of dollars of assistance each year. Where is Nationalist China going to get the dollars, $30 million worth, to put into this seventh world bank?

Nationalist China of course will get the money from the United States. She may make the contribution of $30 million, but she is going to ask us to give additional money under foreign aid to make it possible. It means we have got to give Nationalist China $30 million more in foreign aid to make up what she will contribute to this seventh world bank. Where else could Nationalist China get the money? So we will actually pay her share.

Take another case, the island of Cuba which is down here for $4,710,000. Do you mean to tell me that when Khrushchev goes to Havana, he is going to

allow "In-Fidel" Castro to give $4,710,000 to this seventh international bank? Of course not. We are going to have to pay it. We will pay it by giving Castro $150 million a year as a bonus for sugar. It is our money Cuba will put in if Khrushchev gives such permission.

Let us go through the list further. There is Afghanistan, Argentine, Bolivia, Brazil, Burma. I could go on and name every one of those countries that are already getting our foreign aid, and for every dollar they contribute to this seventh international bank, it means they are going to ask us for more money and it means that we are going to give them the money to pay it. Make no mistake about it it is only our money that will go into this international gimmick.

Let us go to the hard currency countries. Here is Japan down for $33½ million. In the foreign aid bill we passed just here recently, we gave them $71 million in foreign aid already for the coming year. They are now going to ask us to give them the $33 million additional so they can contribute to this seventh bank. So this will bring up to $100 million our foreign aid to Japan. Every one of these countries who are supposed to contribute to this seventh fiasco will just ask us for so much more foreign aid. So in the end it is our money and ours alone which will go into this misnamed seventh international bank.

It is said that it is going to cost us only $320 million. It reminds me of a friend who came to see me when I was home last fall. He was a man who wanted to start a bank. He came to see me and was complaining about the situation. I asked him what the trouble was. He said:

> All my friends who were asked to "take stock in the bank" said: "Sure we will take out stock. If you will give me $500, I will take out $500 worth of stock in your bank."

This is exactly what is happening here. All these countries are really saying: "Sure we will join your seventh world bank but you got to give us the money to do so."

Here is Italy down for $18,160,000. Where will they get that $18 million? They are already living off of us. We are giving foreign aid to Italy by the millions. They will be merely asking us to increase our aid to them so that they can afford to join this super-super soft, soft, soft seventh international bank. How silly can we be? And how long are we going to continue to fool the people of our Nation?

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Illinois.

Mr. COLLIER. The gentleman from New York in summarizing his remarks said this is a good thing for the free nations of the world. Has the gentleman from Wisconsin considered Yugoslavia as a nation of the free world?

Mr. O'KONSKI. Oh, yes, there is Yugoslavia down for $4 million. Do you know how much money is in the foreign aid bill we passed just a few days ago for Yugoslavia? It is a considerable sum, and yet they are down here for $4 million. They will be asking us for $4 million more because they have to join this new world gimmick to the tune of $4 million.

In the case of Japan it is $33 million and they are getting $71 million in foreign aid. This thing is going to cost us double. Instead of this thing adding up to a cost roughly of $1 billion, the total cost will turn out to be pretty nearly $2 billion before we get through because in reality every dollar that goes into this bank will come from one source only and that is the United States of America. For every dollar any other nation puts in they are going to ask for $2 in additional foreign aid. How long are we going to continue this dogma of deception and outright falsification to our own people?

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, I rise in support of this measure.

Mr. Chairman, I agree implicitly with what the distinguished chairman of our committee, the gentleman from Kentucky [Mr. SPENCE], has said about the necessity for favorable consideration of this legislation and also the great importance of this legislation being acted upon promptly. There have been a number of points during this debate that have been interesting, to say the least. The notion that the 26 international lending institutions that have been referred to, the notion that all perform identical functions and, therefore, that the legislation before us is unnecessary simply has no basis in fact. The fact of the matter is, Mr. Chairman, that from a functional standpoint the bill before us is necessary to establish U.S. participation in an institution that would be unique, that would not overlap or have any duplicate functions with existing organizations.

Secondly, Mr. Chairman, the legislation now before us has been characterized as distressed area legislation, possibly with some basis in fact. Certainly the loans contemplated are soft-term loans, which will be made principally to underdeveloped countries. It has been suggested at the same time, however, that inasmuch as the domestic distressed area legislation has failed, therefore it would be improvident and inconsistent for this body to consider favorably the enactment of distressed area legislation for the underdeveloped countries of the world.

Let me say first of all, Mr. Chairman, that this body acted favorably, as did the other body of Congress, on domestic distressed area legislation. It was harpooned by Presidential veto. I do not think, however, there is anything inconsistent about the President putting forward in his budget funds for the International Development Association Act and at the same time being convinced that local distressed area legislation as presented by the Congress is wrong. I see nothing inconsistent in that. These are two separate pieces of legislation and each must be considered on its own merit.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman talks about consistency. Would the gentleman think that the President would veto this bill, as he did the distressed area bill?

Mr. ASHLEY. No, I do not think for a moment that he will, and there is nothing inconsistent about it. I think he was wrong in vetoing the first bill, but having done so I do not see anything inconsistent in allowing this one to come to his desk for his signature and signing it.

The best minds in the country agree that the cold war conflict in which we are engaged will be decided in the underdeveloped countries of the world. We have a tremendous stake in these countries. The issue before us, not only now, but in the House continuously, is whether or not these underdeveloped countries shall be given such assistance as to enable them to develop their economies without having to turn to the Communist camp or adopting the Communist economic system in order to establish a capital base.

It is in this regard, Mr. Chairman, that I think favorable consideration of the bill before us is essential. The purpose of this bill is good. It has been carefully considered by the Committee on Banking and Currency. We have had outstanding people with exceptional international banking experience come before the committee. We have listened to leaders of the present administration, people who presumably are familiar with the problems of our foreign affairs and the state of the underdeveloped countries. We got all the information that we could and it supports overwhelmingly the need for enactment of the bill before us.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. There is no question but that there are many, many people in the executive department and some, undoubtedly, in the Congress, who know much more about the world situation than do many of us who are in the House, and who know very little about the real situation or what may happen. At the same time, some of us do know a little something about what happens when an individual or a nation continues indefinitely spending more than he or it has, and putting off payments to future generations. Does the gentleman think that is the fair thing to do—keep piling onto the debt and let somebody that comes later pay it?

Mr. ASHLEY. There has been no one who has paid more service, lipservice or otherwise, to the balancing of the budget than has the President of the United States; yet he has included this item in his budget.

Mr. HOFFMAN of Michigan. Mr. Chairman, if the gentleman will yield further, I remember well when the President told us that business and industry must hold the line. And, then

they sent somebody over to settle the steel strike. The line was not held. I remember, too, when we raised the pay of the military people. Was that holding the line? Is that consistent? I am not criticizing the President, because I am a Republican. I cannot vote for JACK KENNEDY. I admire him very, very much. I think he is a wonderful man, but I will have to vote for Mr. NIXON, because I am a Republican and so is he and his principles are those in which I have faith.

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, I think it would be rather interesting in the debate on this question to see just what our position is with the rest of the world and why we are paying the largest amount to this fund. Under contributions to be made by the various countries may I point out that Australia is going to contribute $3,694,000 and has a per capita debt of $369. Austria will contribute $3,160,000 and has a per capita debt of $101. Belgium and Luxembourg, total contribution $6,952,000 and a per capita debt of $737. I shall put these in the RECORD complete. But, in each one of these countries the national debt is low and the per capita debt is low. I might say that France has a debt of $16 billion and a per capita debt of $375. The United Kingdom is high. They have a debt of $77 billion and a per capita debt of $1,492.

Let me point out to you—and you will find these figures in the RECORD—that the United States has a national debt today of $289 billion and a per capita debt of $1,606. Now, these are the figures given to me by the Treasury during our hearings before the supplemental subcommittee just recently. These countries, none of them, have the national debt that we have. You take the combined national debt of all these countries, they do not equal ours. None of them have our per capita debt. Take Japan, for instance, that we are going to help. Japan has a per capita debt of $29, and yet we are buying from them; we are spending our money over there, taxpayers' money, and still setting this up to give them some more.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from New York.

Mr. MULTER. Is it not also true that none of these countries have either the per capita income nor the gross national income that the United States has?

Mr. BOW. Their total gross national income exceeds ours while our debt exceeds their total combined debts. Well, does the gentleman mean to say to me that because we are making more, because we have increased the national debt, that we should continue to go further and further into debt; that we will put more debts upon the unborn generations; that we will continue to increase our debt, increase our taxes? Is that what this great Committee on Banking and Currency believes in? If that is the philosophy, I think it is about time that we do something about it, because we have a debt of $289 billion and a per capita debt of $1,606. Even the poor baby that is born, before it ever gets a stitch of clothing on, has a right to be crying out loud, with this great debt hanging over its neck before it comes in. Does the committee feel this is fiscal responsibility?

Mr. MULTER. My answer is, as long as the world is in its present turmoil, with the Communists on the march, those who have must share with those who have not.

Mr. BOW. The gentleman is subscribing, then—and I do not yield further—to that sort of philosophy. The gentleman is referring now to the philosophy that Mr. Lenin had that he would have the capitalist nations spend and spend and spend themselves into bankruptcy. And then what will we have?

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from North Carolina.

Mr. JONAS. The gentleman from Ohio may be familiar with the story of the new father who was looking through the window in a maternity ward in the hospital and saw all of the newborn babies bawling and he turned to the nurse and said, "Why are all of the babies bawling?"

The nurse was tired, having been on duty all day, so in some impatience she turned to him and said, "Mister, if you were just 1 day old, and were wet and hungry and already owed $1,700 on the national debt, you would be bawling, too."

Mr. BOW. I think the gentleman is absolutely correct; that is the fact. Here we have it. Here are all these other countries, low in national debt. Why are we called upon to make the greatest contribution, $320 million under part 1? Why do not these other countries with a lesser national debt, a lesser per capita debt, come in and take their share? It is time that the rest of the free world began to accept its responsibility and began to make some of these payments. We should not be called upon constantly to make a contribution larger than that of any other nation.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. WIDNALL. What the gentleman has just said is exactly the purpose of this legislation, to have the other countries, the hard money countries, make the contributions which they have not made in the past, and which they are going to make to the extent of $433 million to our $320 million in this program.

Mr. BOW. The combined debt of all of those countries today does not anywhere near equal the national debt of this country. Does not the gentleman think their contributions ought to be a little higher? Does not the gentleman think it is about time someone else bore some of that burden, some other country put that burden upon their own taxpayers? We have to help the underprivileged, but it is time the rest of these people, most of whom we are supporting all over the world—we are buying from them, we are taking their products—let us give the American taxpayer some little relief.

International Development Association

SCHEDULE A—INITIAL SUBSCRIPTIONS

[In millions of U.S. dollars [1]]

Pt. I:	
Australia	20.10
Austria	5.04
Belgium	22.70
Canada	37.83
Denmark	8.74
Finland	3.83
France	52.96
Germany	52.96
Italy	18.16
Japan	33.59
Luxembourg	1.01
Netherlands	27.74
Norway	6.72
Sweden	10.09
Union of South Africa	10.09
United Kingdom	131.14
United States	320.29
Subtotal	763.07
Pt. II:	
Afghanistan	1.01
Argentina	18.83
Bolivia	1.06
Brazil	18.83
Burma	2.02
Ceylon	3.03
Chile	3.53
China	30.26
Colombia	3.53
Costa Rica	.20
Cuba	4.71
Dominican Republic	.40
Ecuador	.65
El Salvador	.30
Ethiopia	.50
Ghana	2.36
Greece	2.52
Guatemala	.40
Haiti	.76
Honduras	.30
Iceland	.10
India	40.35
Indonesia	11.10
Iran	4.54
Iraq	.76
Ireland	3.03
Israel	1.68
Jordan	.30
Korea	1.26
Lebanon	.45
Libya	1.01
Malaya	2.52
Mexico	8.74
Morocco	3.53
Nicaragua	.30
Pakistan	10.09
Panama	.02
Paraguay	.30
Peru	1.77
Philippines	5.04
Saudia Arabia	3.70
Spain	10.09
Sudan	1.01
Thailand	3.03
Tunisia	1.51
Turkey	5.80
United Arab Republic	6.03
Uruguay	1.06
Venezuela	7.06
Vietnam	1.51
Yugoslavia	4.04
Subtotal	236.93
Total	1,000.00

[1] In terms of U.S. dollars of the weight and fineness in effect on Jan. 1, 1960.

[Expressed in U.S. dollar equivalents]

Country	Gross debt of central governments [1]	
	Total debt	Per capita debt
	Millions	
Australia	$3,694	$369
Austria	716	101
Belgium-Luxembourg [2]	6,952	737
Canada	20,220	1,155
Denmark	1,190	258
Finland	538	122
France	16,037	357
Germany	5,867	113
Italy	10,050	215
Japan	2,653	29
Netherlands	4,911	433
Norway	1,234	345
Sweden	3,706	497
Union of South Africa	3,217	220
United Kingdom	77,700	1,492
United States	289,500	1,606

[1] Debt data for foreign countries as of latest dates available (Finland, 1958; other countries, 1959). Data for the United States as of May 31, 1960.
[2] Not available separately.

NOTE.—International comparisons of public debt data are difficult to evaluate, because of substantial economic and fiscal dissimilarities between countries. A number of foreign countries have devalued their currencies in relation to the dollar during the postwar period, thus reducing their public debt total when expressed in terms of dollars.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. BARR].

Mr. BARR. Mr. Chairman, the Congress is rather a new experience to me, but I have had a lifetime of experience in investments. We are talking about an investment of $320 million. It seems to me that the way we make investments in the Congress is to have some hearings, write a report, chew it around on the floor of the House and then decide what we are going to do about it. This is not the way I made investments. I usually put my hat on, went out, looked over the management, looked over the property, and decided whether it was worth anything. And that is what I did with reference to this institution, the World Bank.

Now I think this is probably the best bill I have seen in this Congress, in all of the 86th Congress. Let me see if I cannot give you at least one argument for the bill. I am convinced that the management of the International Bank for Reconstruction and Development is possibly the most capable, the most knowledgeable and dedicated that I have encountered in this town. Mr. Eugene Black and that staff he has put together have done a magnificent job, not only for the Bank, but for this country. This is one international institution that does not spend its time just debating. This Bank, and the Monetary Fund, run by Mr. Per Jacobsson not only debate, but they act, day after day after day on some of the most severe problems facing this Nation and the world.

When I prepare to invest my money, I want to know who is going to use it and how. The personal visit I made to the World Bank reenforces my support of this bill.

The gentleman from Ohio [Mr. Bow] has just mentioned that we are being put in an intolerable position on our national debt. I said the other day on the mutual security appropriation bill, that while our debt is very important, still it is not as imminent as another strain that is facing this country. The critical strain on this country is our international balance of payments. I talked to the gentleman from Arizona [Mr. RHODES] about the subject. That strain is right on top of us and we cannot stave it off too much longer. We can stay with it for a while but we cannot stay with it forever.

The one point I would like to make is that here is an approach through an institution that is well handled, that does give us an opportunity to shift this load we have been carrying since 1948 to a multilateral basis supported by 68 nations, and that does offer in the future a chance to relieve the balance-of-payments strain resulting from mutual security.

I have spent 2 years on the Committee on Banking and Currency. I will state flatly I have never seen a bill come out of that committee of which I am as proud and for which I have as much hope for this country and the future of the free world.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. BARR. I yield to the gentleman from North Carolina.

Mr. JONAS. I want to join the gentleman in complimenting Mr. Eugene Black, President of the International Bank. He is entitled to great credit for the way he has handled the World Bank. I noticed in a recent issue of Time magazine that for the first time in history Harvard, Yale, and Princeton awarded honorary degrees to the same man, and that was Mr. Black.

Mr. BARR. The gentleman is right, and I think these universities, including my own school, Harvard, were well advised.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. BARR. I yield to the gentleman. He has asked some very intelligent questions on the floor. I wish I had some time to answer them.

Mr. RHODES of Arizona. I compliment the gentleman on the statement he has made. The question is, What effect would the $320 million capital of the International Development Association have on the balance of payments?

Mr. BARR. It would work against a favorable balance, but I would like to state that through the IDA approach we can shift to a multilateral attack on the problems of the underdeveloped nations that should result in an eventual lessening of the strain on our balance of payments.

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, let me drag in a personal note, which sometimes expresses your argument better than anything else. My point is that we would do well to embrace and activate the principles: work, thrift, endurance, courage, of some who suffered—some died.

Seventy-two years ago I went across the tracks in the little town of Constantine to the home of a colored woman and carried home to my mother—to my own home—a little boy, no relation, whose father had skipped town, left a wife to support herself and small son. He left his wife to work in a hotel. My mother and father gave the boy a home. He had difficulty in hearing and he had difficulty in talking. Nevertheless, he had courage and ambition. Mother taught him the rules which should govern us all: honesty, patriotism, morality, courage, Christianity. A brother-in-law gave him a job in a newspaper office. He learned linotyping and typesetting and several other things.

Not long ago I read about a welfare program out in California, and another here in Washington, and I wrote him and asked "Billy, what have you got and what do you want?" He wrote back, "Well, I married a girl in the same situation as I am as to hearing and talking. We have our home. It is paid for. We have an automobile, paid for. We have a little money in the bank. All I want is the opportunity to earn and pay my own way and that I can and will do." And he and his good wife have done just that notwithstanding the handicaps which have been with them all their lives. Their example causes me to be ashamed every time I complain of some imaginary handicap.

What does all that have to do with this? He proves that he had the right kind of training, that he had endurance, that he was willing to support himself and, in spite of two serious handicaps here in this land of ours, he has done so and without a single handout. He and his wife are true Americans.

Are we to say to all the rest of the world, or certainly to a majority of them, who are just as well fixed by nature as that boy, that they cannot do anything for themselves? We may be doing more harm to the rest of the world than we can ever imagine we can do good, because we are taking away from them all their self-reliance, all their desire to do something for themselves. We are just carrying them along in idleness; making dependents of them.

I think that is wrong. The reason I speak of this today is because the man to whom reference was just made happens to be here, and I asked him once more, "Billy, what do you want?" And he said, "Nothing except opportunity which this country heretofore has given me." Are we to saddle our own folks now with a debt, so that as the gentleman from North Carolina [Mr. JONAS] told us, our children come into the world bawling and crying because of the burdens we have passed on to them? Not me.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Chairman, I believe that this legislation authorizing our joining the International Development Association is probably the most imaginative and constructive piece of legislation that has been presented to the 86th Congress. I think there are really four reasons why this legislation should be overwhelmingly adopted.

The first reason is just common old self-centered, self-interest. We are obviously engaged in a program of assistance to underdeveloped countries. Let us put our money into an association like this where for every $3 we put in $7 of hard currency will be received by the underdeveloped countries, and if soft currency is included for every $3 we put in the underdeveloped will receive $10. I believe we should stress the International Development Association rather than the Development Loan Fund, where the United States is the only one that contributes.

The second reason for support of IDA is that many of the underdeveloped countries have a fear, whether justified or not, that under any bilateral transaction we will try to get economic domination over them. Therefore they are reluctant to participate in our bilateral arrangement. In IDA where they are members and have a vote and have contributed their money, they are more willing to go along with the program that we favor.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD. I yield to the gentleman from West Virginia.

Mr. BAILEY. Does the gentleman think the passage of this legislation would bring steel production back to 80 or 90 percent in Pittsburgh?

Mr. MOORHEAD. I am afraid I cannot say it would do that. But I do think it will help to keep this world from falling apart, and the underdeveloped countries from going Communist.

The third reason for IDA is that when we deal with the underdeveloped countries on a bilateral basis we cannot force them to make economic reforms and monetary policies that would make the loan reasonable, because that is the economic domination that they fear. But an international body, composed of underdeveloped and developed countries can enforce harder terms than we can do by ourselves.

The fourth and final reason for IDA is that we have an agency to run it that has an enviable record that has never been questioned. The World Bank has carried on operations for years without any question about waste or fraud or mismanagement. Let us put this money to work in a proven agency that will develop our aid in the best way for our own interests.

Finally, when we are working on a bilateral program, the talent that we must search for to manage this program is only American. In the IDA we can draw on the whole world as a pool of talent. If we wanted an engineer who had lived in Ghana, for example, there might not be such a man in America. But that is the kind of man we can develop under our program in IDA.

I say that every Member of this body should vote to support IDA. Members who wish to reduce foreign aid expenditures should vote for it and concentrate their efforts on reducing expenditures for the development loan fund and other foreign loan arrangements where we put up 100 percent of the money.

Members who are concerned about our deficit in international payments should support IDA where other nations will contribute, and concentrate cutting the programs where we alone contribute.

Members who are concerned about waste in our foreign aid program should be for IDA, because it will be managed by an institution which has an enviable reputation throughout the world of being a businesslike organization.

Members who wish to stress our economic aid over our military aid should vote for IDA. IDA will be successful as an economic assistance program, not a military program.

Mr. Chairman, much has been made of the veto of the depressed areas bill. I voted for the depressed areas bill. I think it was a mistake for the President to veto the depressed areas bill; but, Mr. Chairman, two wrongs do not make a right. We should support IDA.

Mr. Chairman, with increasing concern the supporters of foreign aid have witnessed in recent years mounting criticism of our foreign aid program. This criticism has not been limited to those persons who were outright opponents of foreign aid. It has stemmed also from many who were previously ardent supporters of the concept of economic and military aid.

The reasons for this criticism are varied. Some have felt that too much emphasis has been placed on military aid instead of economic aid. Many have been extremely critical of the heavy burden placed solely upon the United States. There has been increased alarm over the balance of payments deficit.

For these and other reasons our much-needed foreign aid program has lost in popularity.

We need a new approach to foreign aid which will answer some of these problems and rekindle the flames of enthusiasm for a dynamic foreign aid program.

The International Development Association provides such an approach. The International Development Association will inaugurate a completely new and exciting concept in the field of foreign aid. I am proud to have been a member of the Banking and Currency Committee which approved the establishment of IDA, and to add my support on the floor today.

For the first time there is now being established a multilateral international cooperative program. We have finally persuaded other countries to join with us in making "soft" loans to underdeveloped countries on terms similar to loans the United States, by itself, has been making through the Development Loan Fund.

IDA is the instrumentality devised to encourage countries which have received economic assistance from us to accept a greater responsibility to provide economic assistance to other countries.

There are already many organizations engaged in foreign assistance programs. Is there any necessity for a new one?

I believe that there is because IDA will be able to accomplish objectives no other organization can.

BILATERAL ORGANIZATIONS

Some existing organizations are agencies of the United States and operate exclusively with funds provided by the U.S. Government.

The Export-Import Bank, for example, finances the export of goods and services from the United States. It does not make loans which can be financed on reasonable terms by the private market, but it must have reasonable assurance of repayment in dollars. In other words, with the exception of a limited program in Public Law 480—Currencies, it makes conventional hard loans.

The International Cooperation Administration, established by the Mutual Security Act of 1954, makes loans and grants in U.S. dollars to countries included within the mutual security program. It also provides loans and grants from the local currency proceeds of sales of surplus agricultural commodities under Public Law 480.

The Development Loan Fund is another organization to assist the less developed countries. It provides for both loans and guarantees in connection with development projects. It operates under the foreign policy guidance of the Secretary of State and the Under Secretary of State is Chairman of the Board of its Board of Directors.

In all of the foregoing agencies aid is furnished exclusively by the United States without the assistance of any other country. This is appropriate under some circumstances where it is peculiarly to the advantage of the U.S. policy. In other situations, however, it may be detrimental. The leaders of a borrowing country might fear a political charge that the United States was attempting to bring about economic domination of their country. They would prefer to deal with a multilateral international agency. However, there is at present no international agency which can provide the type of assistance most needed.

INTERNATIONAL AGENCIES

The presently existing agencies are limited either in their geographical area or in the scope of their activities.

The new Inter-American Development Bank is similar to the IDA, except that its membership is limited to the United States and the 19 Latin American countries. Although the largest portion of its loans will be repaid in dollars or other hard currencies, it does have a fund for special operations. This fund will make loans in Latin America for projects which cannot be repaid in hard currencies, so that the loan from the special fund may be repaid wholly or partly in the currency of the borrower.

The International Finance Corporation, like IDA, is affiliated with the International Bank for Reconstruction and Development—World Bank. However, it makes investments only in private enterprises in its member countries.

The International Bank for Reconstruction and Development—World Bank—makes loans for development purposes to its member countries. Its loans, however, must be repaid in the currency loaned, principally dollars or

other hard currency. The World Bank deals in conventional, hard bankable loans.

REASONS FOR IDA

I believe that IDA can command enthusiastic endorsement.

There are four principal reasons for the United States to support and participate in the IDA.

The first reason is purely practical and self-centered. If the policy of the United States is to provide assistance to the underdeveloped countries, more aid can be given for each American dollar because other member countries will contribute. The United States will contribute $320 million and the other member countries will contribute $465 million in hard currency. Thus, for every $3 contributed by the United States $7 of hard currency will go to the underdeveloped countries. If the contribution of soft currencies is included $10 of aid will go to the underdeveloped countries for every $3 contributed by the United States. The economic advantages of this to the United States are obvious, and I would hope that in the future more and more aid could be channeled through IDA, rather than through the Development Loan Fund, in which the United States is the sole contributor.

The second reason for the use of IDA is that many of the underdeveloped countries have a fear, justified or not, that a bilateral transaction with the United States would subject them to economic domination. If the United States believes that a borrowing country should undertake fiscal, monetary or other internal reforms in order to qualify as a reasonably sound economic risk, the fears of such economic domination are intensified.

This leads logically to the third reason for IDA. IDA, in which the smaller and less developed countries are both borrowers and lenders, can, without offense, require much stricter terms and insist upon much more far-reaching internal reforms in the borrowing country than the United States could ever require. When the inevitable time for repayment comes, IDA, representing a group of nations, can be, where it is proper, more insistent than the United States acting alone could ever be.

The fourth and final reason for supporting IDA as an organization is one that is common to all organizations—the need for skilled and competent management and personnel. At least at the outset, there will be no necessity for additional personnel to manage IDA. It will be run as a separate financial entity but as an affiliate of the World Bank. The World Bank has an enviable record of good management. There has been no suggestion of scandal or waste in its operations. It has recruited talented personnel from all parts of the world. This alone gives it an advantage over any purely U.S. agency. If the World Bank or IDA wish to study a highway project for Ghana for example, they are not limited to the United States in their search for an expert engineer who is familiar with Ghana. The whole world is a pool from which talent can be obtained.

Mr. Chairman, I say that every Member should support IDA.

Members who wish to reduce American expenditures for foreign aid should support IDA, and concentrate on programs where the U.S. contribution is 100 percent rather than 32 percent.

Members who are concerned about the U.S. deficit in international payments should support IDA.

Members who are concerned about waste in our foreign aid programs should support IDA because it will be managed by the World Bank which has an enviable record of careful, able management.

Members who wish to emphasize economic over military aid should support IDA.

Mr. Chairman, as an inspiration to all other members of IDA, I hope that the House will approve it by an overwhelming vote.

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I note on page 3 of the report this language:

> On October 1, 1959, at the annual meeting of the Board of Governors of the International Bank, a resolution introduced by the United States urging that the executive directors formulate articles of agreement was unanimously adopted by the Governors.

Then on page 1 of the bill, line 7, is this language:

> The President is hereby authorized to accept membership for the United States in the International Development Association.

I wonder if someone thinks we are gullible enough to believe that the President is accepting membership in an organization which he demanded be created?

On previous occasions I have asked the members of two committees to tell me the difference between "less developed" and "underdeveloped" countries, and I would like someone on this committee to tell me. I ask the gentleman from New York [Mr. MULTER] from the Committee on Banking and Currency, if he can tell me the difference between a "less developed" and an "underdeveloped" country?

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I doubt that the gentleman would have the answer since I tried previously to get it from the Foreign Affairs Committee.

Mr. JUDD. You asked for an answer.

Mr. GROSS. Yes, I did.

Mr. MULTER. May I ask the gentleman to yield to let the gentleman from Minnesota tell him?

Mr. GROSS. No; I would like an answer from the Banking and Currency Committee. Throughout consideration of this bill in committee you talked about "less developed" countries. Now I want some member of the committee to tell me the difference between "less developed" and "underdeveloped."

Mr. MULTER. We take so much of our information from members of the Foreign Relations Committee, I think it would be very satisfying if the gentleman from Iowa would permit the distinguished gentleman from Minnesota [Mr. JUDD], who knows so much about foreign affairs and serves on that committee, to answer his question.

Mr. GROSS. He would take all of my 5 minutes.

Mr. MULTER. Give him the 1 minute you would give me.

Mr. GROSS. No; I would rather accept your admission that you cannot tell me the difference.

Mr. JUDD. The gentleman does not want to get the answer.

Mr. GROSS. I want the answer to come from the Banking and Currency Committee. I tried to get the Foreign Affairs Committee, of which the gentleman from Minnesota is a member, to give me an answer in a different bill, but I was unable to get it.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. MULTER. Has the gentleman, perchance, seen the special report of the National Advisory Council on the proposed International Development Association printed as House Document No. 345?

Mr. GROSS. No; I cannot keep up with all the advisory boards, bureaus, and commissions, I am sorry to say.

Mr. MULTER. This is one that has a very important bearing on the bill that is before us. It is a document of 50 pages; therefore, although we relied on it, we did not set it forth as part of our report but had it printed separately as a House document, but at the hearings it was a very important base for our thinking.

Mr. GROSS. Do not take all my time trying to sell me some pamphlet.

Mr. MULTER. This is not another pamphlet, this is the very foundation——

Mr. GROSS. Does the distinguished gentleman know the difference between a "less developed" and an "underdeveloped" country?

Mr. MULTER. Here are 50 pages that should enlighten the gentleman.

Mr. GROSS. If there is any distinction, what is it? Is there a definition in words?

Mr. MULTER. The names of the countries alone should be sufficient definition of "underdeveloped."

Mr. GROSS. That is a list of countries, and that does not give the definition. I want to ask the gentleman this question: What is the meaning of this exception on page 3, section 5:

> Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States (a) subscribe to additional funds under article III, section 1, of the articles; (b) accept any amendment under article IX of the articles; or (c) make a loan or provide other financing to the association—

Then we come to this language—

> except that loans or other financing may be provided to the association by a U.S. agency created pursuant to an act of Congress which is authorized by law to make loans or provide other financing to international organizations.

What is the meaning of that?

Mr. MULTER. The meaning of that is to make clear to the agency that we are not trying to repeal or change any existing statute and, more specifically,

this would permit a better operation of Public Law 480 when integrated into this program and not do the job itself.

Mr. GROSS. What you are saying with this exception is that this bill is not limited to $320,290,000; that this newly christened baby, known as IDA, can obtain money from any other agency now in the same business?

Mr. MULTER. It does not mean that at all.

Mr. GROSS. Of course, it does.

Mr. MULTER. Because of the limit of the authorization and because of the limit of the appropriation, it must follow the authorization and cannot exceed $320 million over a 5-year period.

Mr. GROSS. Except that financing may be provided to the association by any agency presently in the business of putting out money on this basis. I reiterate that with this cute little exception this bill is not limited to $320 million; it is unlimited.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado [Mr. JOHNSON].

Mr. JOHNSON of Colorado. Mr. Chairman, I rise in support of this legislation. We live in a capital-hungry world, and the institutions we have created and that have been referred to are designed in part to see to it that capital is available in the world, in order to expand the opportunities for growth and development and to preserve and expand freedom and opportunity in the world.

The proposition here is not to create a new agency, but simply to add a new bank account within an existing agency, to put a new wallet in the same pocket, or to add a new hat to an existing body of our International Bank. This will be in fulfillment of a recommendation, made among others, by Mr. Harry S. Truman.

Just a year ago we had a public meeting on the 10th anniversary of the point 4 program. Many Members of Congress were present to hear President Truman say that it should be the purpose of this Nation to move to multilateral rather than a bilateral program, that we expand the use of loans rather than grants, and that we rely more on economic measures than on military measures.

This is precisely what we are doing when we give approval of the International Development Association. The question has come up: "What is the alternative?" The alternative would be bilateral instead of multilateral, less use of loans, and more of grants. There is another alternative we are overlooking, however, and that is the Communist alternative. A nation that is hungry for capital can get it in a hurry by the Communist technique. If we do not offer the opportunity for these nations to achieve their own growth and development by a system which teaches them the use of freedom and the uses of our capitalistic system, then we can expect that our adversaries will encourage them to try the Communist alternative. It is to the best interest of the world that this bill be approved.

A couple of technical questions have been asked. I do not think, for instance, there is any difference between "less developed" and "underdeveloped" countries. On page 7 will be found a listing of the countries. Those listed in No. 1 of schedule A shall pay their proportionate share in gold or convertible currencies, while those countries in part 2 of the schedule may pay in their own national currencies. The countries listed in No. 1 are those economically more advanced and which would not be expected to be recipients of financing from the Association.

Mr. Chairman, as a Nation we would like to do business with the rest of the world. We cannot do business with paupers. If we help to raise their standard of living, we can do more trading with them; we can open our factories in Pittsburgh and expand our steel mills and give employment to our coal miners. I recommend that the bill be approved.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. KILBURN. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Chairman, I welcome the opportunity to support the passage of H.R. 11001 which authorizes U.S. membership in the International Development Association.

The creation of the IDA will be a desirable new step forward in bringing together important amounts of capital from the economically stronger countries of the free world for the financing of sound economic development. The IDA is needed, because the kind of financing it would provide is sorely needed throughout the less developed areas of the world. It will be able to provide to these areas additional financing for worthwhile development projects on terms more flexible than are afforded by other international institutions.

In these critical times it is of major importance to us and to our Western partners that appropriate new efforts be made, on a cooperative basis, toward meeting some of the key problems of achieving economic betterment. Furthermore, it has come to be recognized more and more that the United States must be joined more actively by the other economically stronger nations in this common endeavor. These nations can now assume a greater responsibility for providing development financing, and through the establishment of the IDA they will be embarking in this field in a manner and in a scope not hitherto undertaken by them.

I think it is appropriate, too, that the IDA will be affiliated with the International Bank and be open to all members of the International Bank. This means that the important work of the Bank can continue to be carried out with a relationship with the IDA favorable for both institutions. The International Bank's success has came to be widely recognized, and its own role for the future may well be even more important than that in the past. As an affiliate of the Bank, the IDA can be administered with the same skill that has characterized the Bank's operations, and the IDA will effectively be able to devote its resources in an area of operations not covered by the Bank. Coordination of the activities of the two institutions has been well thought out and well provided for.

I believe that the years of discussions which have been devoted to the IDA concept, here and abroad, and the careful preparation of the IDA Articles of Agreement will be well justified in the success of its operations. Certainly its aims are very much in accord with our own foreign economic policy objectives. I therefore wholeheartedly support the enactment of H.R. 11001.

Mr. KILBURN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I want to say to the gentleman from Iowa, in answer to his question, that there is no essential difference between so-called underdeveloped and less developed countries. Some use the term "less developed" and others say "underdeveloped." I think the term "less developed" is preferable, first, because it is more accurate, more precise. Just where can anyone put the demarcation between underdeveloped and developed? But it is plain that some countries are less developed than others. Secondly, it may be offensive to some countries to call them "underdeveloped," when we cannot say exactly what that means. It may carry a certain amount of stigma. But to speak of a country as less developed indicates merely that it is not as far along on the road of development as some other countries. It is in the process of development, and we are trying to help it move ahead in that process. So I think it is a good choice of terms, a sensitive change in vocabulary, to speak of countries as less developed rather than as underdeveloped.

I may add that our choice is not between putting these funds into IDA and not giving them. It is between giving them in cooperation with others who will share the burden, and giving them alone. It is just good sense for us to give less aid alone and give more aid in cooperation with others.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. KILBURN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman, I support this legislation. I would like to point out to some of those who made statements with respect to the debt that lies on the head of every infant born today, that debt lies on the heads of those who are in favor of this legislation just as much as it does on the heads of those who do not favor it. I would like to remind the Members who made statements along this line that debt in itself is not something that we should fear. It is only our inability to repay the debt that is something that we should fear. For someone to pay a $100,000 debt who has an income of $5,000 a year may take a lifetime to pay, but to someone with a very high income, such a debt of $100,000 is not a heavy debt. So, I point out the inconsistency of comparing a dollar figure of debt payable by each infant in this country to the dollar figure payable

by each infant of another country where there may not be that opportunity to repay the debt.

Mr. HOFFMAN of Michigan. Mr. Chairman, I again make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twelve Members are present, a quorum.

Mr. KILBURN. Mr. Chairman, I have no further requests for time.

Mr. SPENCE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, in my humble opinion this is one of the most important pieces of legislation that we have considered in a long time. It has been stated that we have been lavish in our expenditures in aid of our foreign allies. We have just voted an appropriation of $3 billion for foreign aid. I do not think that is an argument against the passage of this bill. I think that this bill will materially reduce these appropriations. The money we spend through the International Development Association will be handled by businessmen who are tried and who are known to have ability, who operate a great organization, the International Bank. I am sure that eventually there will be great savings because of the way in which this will be handled and because of the associates who will share part of the burden.

Mr. Chairman, I hope the bill will pass. I think the consequences of failure to pass this bill would be tragic. We have gone too far to repudiate an agreement with the nations of the world to share with them this burden. I hope there will be no miscarriage of that obligation by reason of the action of the House.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "International Development Association Act".

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the International Development Association (hereinafter referred to as the "Association"), provided for by the Articles of Agreement (hereinafter referred to as the "Articles") of the Association deposited in the archives of the International Bank for Reconstruction and Development.

GOVERNOR, EXECUTIVE DIRECTOR, AND ALTERNATES

SEC. 3. The Governor and Executive Director of the International Bank for Reconstruction and Development, and the alternate for each of them, appointed under section 3 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286a), shall serve as Governor, Executive Director and alternates, respectively, of the Association.

Mr. ALGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask one or two questions. I was a little slow to understand some of the report. I should like to direct a question to the gentleman from New York [Mr. MULTER] or some member of the committee who may be able to answer this.

Is there a discretionary use of Public Law 480 funds, the foreign currencies; if so, what is that discretionary use, and what limitation, if any, is there in the use of these funds in addition to our subscription?

May I say to the gentleman I am looking at the report at page 7 and my question relates to the following from the report:

The United States may make available to the Association as supplementary resources currencies of other countries which it has acquired.

Is there any limitation as to how much money in our foreign currencies or counterpart funds, and so forth, we can use?

Mr. MULTER. We have been assured by the administration that they do not intend to use more than 10 percent of the funds generated by Public Law 480 for these purposes.

Mr. ALGER. That is just the administration's discretion rather than written into the bill, is that correct?

Mr. MULTER. That is correct.

Mr. ALGER. Secondly, I notice also in the report that these loans can be made to governments or to private businesses or a group of businesses. Is there any limitation there as to who may get these loans? Could a U.S. corporation or a domestic corporation in any one of these countries get a loan through this organization?

Mr. MULTER. I think not. I do not believe there is anything here to permit American corporations to apply to the International Development Association for a loan. The World Bank has in the past required a country to approve of a loan where one of its political subdivisions applied for a loan. The Bank invariably required the country in which that political subdivision was located, to guarantee the payment. We have the same situation here. If a subdivision or someone within a member country seeks a loan from the International Development Association, I am sure that in accordance with good banking practice they will not make that loan unless they get the approval and guarantee of the country which is a member of the Association.

Mr. ALGER. I appreciate the gentleman's answer.

I am looking at page 8 of the report, which states:

Private enterprises, as well as governments or public bodies—

Whatever that is—

are eligible to receive financing from the Association.

That seems to be so broad I wonder where the limitation is.

Mr. MULTER. The gentleman must bear in mind that the overall limitation in the articles themselves provides that no corporation within a country and no political subdivision of a country can get a loan without the approval of its government. This is not intended to help the United States or parts of the United States or territories of the United States, nor is it intended to help American corporations or individuals.

Mr. ALGER. A U.S. corporation in a less developed country would not be able to get such a loan?

Mr. MULTER. Certainly not without the approval or consent of the U.S. Government.

Mr. ALGER. It could get such a loan?

Mr. MULTER. Under this very broad language it could be interpreted that way, but I am sure it is not intended to be interpreted that way.

Mr. ALGER. Has the committee given any thought to how many of these loans would go to support and encourage socialistic governments at our expense, in the sense that these governments are in an ideological war with us to squeeze out free enterprise? Is there any danger of that?

Mr. MULTER. I think we have eliminated that danger in the exploration of the problem. These various gentlemen, the Secretary of the Treasury and the Under Secretary of State, gave us answers that I think clearly indicate this will not be used to aid any country which is subverting our principles and our ideas of the way the free world should operate. The specific question was asked about Castro in Cuba. The anwer was that with the situation as it exists in Cuba today they would not consider making a loan to Cuba.

Mr. ALGER. How about Yugoslavia?

Mr. MULTER. The question was not asked about Yugoslavia. If Yugoslavia should find itself at some time among the countries that are looked upon as unfriendly to us, I think it, too, would be denied any assistance under this program.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with.

Mr. GROSS. Reserving the right to object, Mr. Chairman, this is a short bill. Why not read another page or two? This bill is only about 5 pages long. What is the hurry? I object.

Mrs. CHURCH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to ask a few questions of the gentleman from New York [Mr. MULTER]. There were several points in his presentation on which I seek further clarification.

I understood the gentleman to say that an agreement on this new Association had been reached among all the nations included. I am wondering, concerning the negotiation of this agreement, whether it was entered into only by the appropriate representatives of the World Bank, or whether actually representatives of all of the nations listed on page 4 were called into session and agreed that their respective countries would go along with this proposed program.

Can the gentleman answer that question?

Mr. MULTER. We have been assured that the World Bank was unanimous in recommending that we approve these Articles of Agreement. We have been assured by our own State Department and Treasury Department that each of the countries listed on page 50, which constitutes 68 countries that would participate as members of the Association,

have indicated their agreement to each of the Articles of Agreement as set forth in the report.

Mrs. CHURCH. May I ask the gentleman if the list to which he refers on page 50 is identical to the list on page 4 of the committee report?

Mr. MULTER. Yes; it is.

Mrs. CHURCH. Then a limitation exists that no funds can be given to underdeveloped or less developed countries unless they have contributed to, and have membership in, this proposed union. Is that correct?

Mr. MULTER. Yes; precisely.

Mrs. CHURCH. I would say to the gentleman that I would certainly approve of what is attempted to be done in this bill, if it would actually bring the anticipated relief to our own unilateral efforts. What bothers me, I would also say to the gentleman, is the timing of its introduction. I have demanded so long a complete review and revision of our mutual security programs, and of their effectiveness, that I would have preferred to have had such review and revision before entering upon this new effort. I must indeed express regret that we are taking a new step in another direction without first giving the entire program the review which I think is necessary. Has any assurance been given to the gentleman, in or out of committee, that the adoption of this plan and the payment of these additional moneys would actually be considered by this administration or a coming administration as a possible substitute by which we could diminish or alter our present responsibilities? Was any assurance given on that point?

Mr. MULTER. Assurance has been made on the record by the State Department and the Treasury Department that this would be a step in the direction of having the free world communities participate in doing what we are doing to a large extent unilaterally, and would relieve the burden of the United States and permit the United States to use less of its own funds for these other countries.

Mrs. CHURCH. Was there any definite assurance that some progress would be sought in that direction?

Mr. MULTER. I would hate to think that the representatives of the State Department and the Treasury Department were engaging in double talk. From their explanations and from their conferences with the representatives of all of these other countries, they expect this new program will relieve the burden on the United States, and these loans would take the place of the loans that we, the United States, are now making.

The CHAIRMAN. The time of the gentlewoman from Illinois [Mrs. CHURCH] has expired.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is because I feel so strongly on this subject and support the bill with such depth of conviction that I cannot resist the urge to contribute a few observations. This bill points the way out of our present position of a continuing drain on us for foreign aid.

I have a great deal of confidence in Mr. Dillon as a sound businessman. Mr. Dillon is a great banker. Mr. Dillon is no visionary. When he appeared before our committee, the Foreign Affairs Committee, I said:

> Mr. Dillon, my concept of the Development Loan Fund is that in each country it will build up a revolving fund of local currency. That is, the loans will be made on the same sound banking lines as the loans made by the Export-Import Bank and by the World Bank, the only difference being that some of the repayments will be made in soft currency. Then the repayments in soft currencies in each country will go into a revolving fund in that country.

And Mr. Dillon answered me in positive language. That was the concept.

Let me illustrate: Suppose we make a loan to ABC country in hard money because they have to buy goods in this country. Repayment is made in the currency of ABC country and this goes into a revolving fund of local currency in the country of its issue. From this revolving fund future loans will be made for little and big undertakings in that country, looking for its development at grassroots, and undertakings in which both labor and materials will be available in that country by payment in local currency. Thus in all these countries we will be building up revolving funds to meet future development requirements without further or at least a much lessened demand on our aid.

Mr. Dillon was before our Foreign Affairs Committee when the International Development Fund proposal was under consideration. He told us that the international organization would be a projection of the same concept on a broadened basis with many countries participating and sharing the burdens. In short, the international development program will be the companion of the Development Loan Fund exactly as the International Bank is a companion of the Export-Import Bank.

This is sound thinking and this is sound legislation. I have one more observation to make. We have now under way a $1½ billion program of the merchant marine to build 275 new American vessels. This is a differential subsidy; and $1.5 billion is being put in at a time when worldwide ocean tonnage is very much greater than the demand. I merely am mentioning this to show how so many things are related and must hook together in making judgments on foreign aid. If we do not build up commerce, if we do not build up the economy of other less developed countries, so that they will have products to export and markets for our exports, there will be less and less tonnage for these ships to carry and our $1.5 billion will be money spent on ships to carry freight when there is no freight.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I always am happy to yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman spoke of building up revolving funds. Will the gentleman tell me where this legislation makes any provision for the conversion of that soft currency into hard American dollars when time for repayment to the U.S. Treasury comes?

Mr. O'HARA of Illinois. Yes.

Mr. BAILEY. I have not been able to find out yet.

Mr. O'HARA of Illinois. If a better economy is established in any country now undeveloped so it can stand on its own feet, using the local currency in its own revolving fund for future development, the United States at least will be relieved of further demands for aid, and I think with better world conditions things will be brighter in West Virginia.

Mr. BAILEY. The gentleman is evading answering my question.

Mr. O'HARA of Illinois. I appreciate that there have been inequities. Whereas the reciprocal trade agreements have benefited my district and I am sure the country as a whole, nevertheless they have reacted unfavorably on some regions, and certainly no one has presented the case more persistently or with greater force than my good friend from West Virginia.

Mr. BAILEY. I thank the gentleman for yielding to me.

Mr. O'HARA of Illinois. I thank the gentleman for his contribution and yield back the remainder of my time.

Mr. DEVINE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, if I may have the attention of some member of the committee, the gentleman from Ohio [Mr. Bow] made a very telling argument here in the well of the House this afternoon. Specifically, he pointed out that the overwhelming majority of so-called participants in this lending program are presently receiving benefits from the Mutual Security Act. I find it very difficult to reconcile the position of some of the Members. First, is it true that the great majority of participants in this program are already receiving mutual aid contributions from this country?

Will the gentleman from New York [Mr. MULTER] answer that question?

Mr. MULTER. I think that question might better be answered by somebody on the Appropriations Committee or somebody on the Committee on Foreign Affairs. I would venture the guess that most of those countries are getting aid under one or more of the mutual security programs.

Mr. DEVINE. It would seem to me that points up the fallacy of this bill. I have attempted to listen attentively today in an effort to find an answer where participation of the United States would be less and the participating countries would join with us in keeping up a free world and a free economy. If all these countries are receiving mutual security money from this country, then putting money into this loan program, it is a case of robbing Peter to pay Paul. We take out of one pocket and put it in another and they are not in any better position than before. They get money from the United States under the Mutual Security Act, then "generously" contribute our money as their share in this proposed additional loan program.

Mr. MULTER. Does not the gentleman think that is much better than continuing the Development Loan Fund that is financed solely by the United States?

We bring these countries into an International Development Association where they are all participants.

Mr. DEVINE. I agree definitely it is the type of thing we should encourage, but if we are giving them the money to do it, it does not appear to be very advantageous.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from New York.

Mr. FARBSTEIN. Might I suggest that although it is proposed to give further moneys to these free countries that are presently receiving money, nevertheless in the future it may be unnecessary to give as much money under the present Development Loan Fund as we are doing presently. In my opinion, we may be able to reduce the appropriation for the present Development Loan Fund, besides which there are certain countries that are getting nowhere near what they need; for instance, these newly emerging countries in Africa. There is in all about $20 million appropriated for Africa, as special assistance so loans are much more needed. Under this bill there will be money contributed not alone by this country, not alone by the Development Loan Association, but money will be contributed by all the countries that are joined in this International Development Association.

Mr. DEVINE. I appreciate the gentleman's remarks, but I am a little skeptical that these countries are going to ask for less in the future under the Mutual Security Act.

Mr. FARBSTEIN. Assuming they ask for more, there will be two funds from which they will be loaned money and, as I said a moment ago, the money that will be loaned by this country under the Development Loan Fund may be less. The money loaned from the International Development Loan Fund will make up the difference. So that in the final analysis we will save money as a result of this because the other countries that will join in the International Development Association will contribute toward loans, for instance, to these countries in Africa.

Mr. DEVINE. I am sure the gentleman is sincere in his beliefs; however, I am not so optimistic in view of the history of the foreign aid program.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I think the gentleman referred to nations listed in the committee report. I have gone over the list very hurriedly and of the nations listed in part 2, all but eight are receiving some form of assistance under the mutual security program.

Mr. DEVINE. I thank the gentleman.

Mr. BOW. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I take this time to ask the gentleman from New York for an explanation of one paragraph I call attention to appearing on page 3 of the bill at the end of line 4, where it says, "except that loans or other financing may be provided to the Association by a U.S. agency created pursuant to an act of Congress which is authorized by law to make loans or provide other financing to international organizations."

My question is this: Does that refer to organizations already created and existing which can make loans to this agency?

Mr. MULTER. Yes; it does.

Mr. BOW. Could the gentleman give me an example of the type of agency already created that could help in this financing of transfer funds?

Mr. MULTER. Public Law 480 is definitely included in this language.

Mr. BOW. That contemplates that under Public Law 480 transfers may be made to the International Development Association to further finance these loans to these various countries?

Mr. MULTER. One of the advantages that we hope would accrue to us, instead of these currencies being blocked in the countries that are getting Public Law 480 commodities, they would be able to use these very funds in those and other countries.

Mr. BOW. And transfer them over to this organization?

Mr. MULTER. Yes.

Mr. BOW. I assume that would be some of the other financial organizations already existing. If we were at a point, say, of liquidation, you would be able to take from that fund and put it into this agency; is that correct?

Mr. MULTER. I do not know that we contemplate the immediate liquidation of any fund, but it certainly was intended that they could, to extent permitted by an act of Congress, make these transfers.

Mr. BOW. Is it the gentleman's idea that the only time this provision could come into being would be after some association or agency is created in the future? It could be those now in existence.

Mr. MULTER. I think it is intended to refer to those which are presently authorized by law—"which is authorized by law," is the language of the bill. That means as existing now.

Mr. BOW. Existing at this time?

Mr. MULTER. Yes.

Mr. BOW. I thank the gentleman.

The Clerk read as follows:

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286b), shall apply with respect to the Association to the same extent as with respect to the International Bank for Reconstruction and Development and the International Monetary Fund. Reports with respect to the Association under paragraphs (5) and (6) of subsection (b) of section 4 of said act, as amended, shall be included in the first report made thereunder after the establishment of the Association and in each succeeding report.

CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States, (a) subscribe to additional funds under article III, section 1, of the articles; (b) accept any amendment under article IX of the articles; or (c) make a loan or provide other financing to the Association, except that loans or other financing may be provided to the Association by a U.S. agency created pursuant to an act of Congress which is authorized by law to make loans or provide other financing to international organizations.

Mr. BOW. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BOW. Mr. Chairman, I make the point of order against the language on page 3, beginning at the end of line 4 down through line 8, "except that loans or other financing may be provided to the Association by a United States agency created pursuant to an act of Congress which is authorized by law to make loans or provide other financing to international organizations."

I will say to the Chair that I have made inquiry of the committee here on the floor and the committee says that these are organizations already in existence, with the possibility of transfers being made under Public Law 480 or by other organizations now authorized to make loans to these various countries. I make the point of order that this is a transfer of appropriated funds and is an appropriation on a legislative bill.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. MULTER. Yes, Mr. Chairman. I suggest that the point of order should be overruled. I do not think I said anything to indicate that there was any attempt to transfer any appropriated funds or any authorized funds.

May I read from page 11 of the report which refers precisely to the language now under attack by the point of order?

The excepting clause does not confer upon any U.S. agency any authority it would not otherwise have and is intended to make clear that the prohibitory language does not in any way narrow, or preclude the use of, authority which any agency of the U.S. Government, including the President, possesses under other legislation to make loans or provide other financing to international organizations, including the International Development Association.

I suggest the point of order is not well taken.

Mr. BOW. Mr. Chairman, may I reply to that and say that the one I am referring to is the exception to what the gentleman from New York has just stated.

Mr. MULTER. I have referred only to the language which begins with the words against which the point of order is made. It is that exception to which the report from which I have read is directed.

The CHAIRMAN (Mr. SISK). The Chair would like to inquire of the gentleman from New York whether or not he interprets this to be that the U.S. agencies could use funds heretofore appropriated for the purposes of this section?

Mr. MULTER. Only if so authorized by the enabling or enacting legislation and the appropriation making the funds available to such other agencies.

The CHAIRMAN (Mr. SISK). The Chair is ready to rule. Under the interpretation of the gentleman from New

York, the point of order would lie; and therefore the Chair sustains the point of order.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 3, line 4, after the word "Association," insert the following: ": *Provided, however,* That the Congress hereby authorizes and directs the Association, as a condition of any contribution on the part of the United States, to make loans on the same terms and conditions to any distressed or less developed area in the several States of the United States as to any foreign state or nation.

Mr. GROSS. The purpose of the amendment, I will say to the Members of the House, is to do for the people of this country what is proposed to be done in this bill for untold numbers of foreigners. The general purposes of this bill, as I have previously stated, in my statement under the rule, are the same as the general purposes of the vetoed distressed-areas bill. The report of the committee accompanying this bill says that financing can be provided to less developed member countries or to less developed dependent and associated territories. Certainly that means the States and the subdivisions of government within the States of the United States. So why not extend the good things of life to the people of this country? Why should not the distressed areas of America have their share of this global boondoggle?

I urge that the amendment be adopted.

Mr. KILBURN. Mr. Chairman, I am very much opposed to the amendment. I do not think it is germane to the bill and I could make a point of order against it.

The CHAIRMAN. The point of order would come too late.

Mr. KILBURN. I am not making the point of order.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 45, noes 46.

Mr. GROSS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GROSS and Mr. MULTER.

The Committee again divided, and the tellers reported that there were—ayes 48, noes 61.

So the amendment was rejected.

The Clerk read as follows:

DEPOSITORIES

SEC. 6. Any Federal Reserve Bank which is requested to do so by the Association shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTIONS

SEC. 7. (a) There is hereby authorized to be appropriated, without fiscal year limitation, for the subscription of the United States to the Association, $320,290,000.

(b) For the purpose of keeping to a minimum the cost to the United States of participation in the Association, the Secretary of the Treasury, after paying the requisite part of the subscription of the United States in the Association required to be made under the articles, is authorized and directed to issue special notes of the United States from time to time, at par, and to deliver such notes to the Association in exchange for dollars to the extent permitted by the articles. The special notes provided for in this subsection shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include the purposes for which special notes are authorized and directed to be issued under this subsection, but such notes shall bear no interest, shall be nonnegotiable, and shall be payable on demand of the Association. The face amount of special notes issued to the Association under the authority of this subsection and outstanding at any one time shall not exceed, in the aggregate, the amount of the subscription of the United States actually paid to the Association under the articles.

(c) Any payment made to the United States by the Association as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

JURISDICTION AND VENUE OF ACTIONS

SEC. 8. For the purpose of any action which may be brought within the United States, its possessions, or the Commonwealth of Puerto Rico, by or against the Association in accordance with the articles, the Association shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which the Association shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When the Association is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES, AND PRIVILEGES

SEC. 9. The provisions of article VII, section 5(d), and article VIII, sections 2 to 9, both inclusive, of the articles shall have full force and effect in the United States, its possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in, and the establishment of, the Association.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, legislation of this kind has been advocated for a long while by Members of Congress, those who favored mutual security legislation and appropriations and those who opposed it.

I well remember hearing Members who opposed mutual security legislation and appropriations in their argument of our position in the past, taking the position that legislation of this kind should be enacted into law. Now when we have it before the House we find the same Members opposing the very type of legislation they advocated in the past.

This bill is a sound bill in the world of today. Is it going to solve the world's problems? No. But certainly it is affirmative action on the part of our country and other participating countries in meeting those conditions which are strengthening communism by feeding upon and playing upon the economic distress of people of underprivileged countries.

I can remember talking with the late John Foster Dulles on one occasion when he advocated legislation of this kind. May I say that I am one Member of this body who was a strong supporter and a great admirer of the late John Foster Dulles. To me he represented strength. To me he represented firmness. He was not afraid of the Communist mind. Khrushchev and those in the Kremlin hated John Foster Dulles because they feared him. I remember a few weeks after he died I said in this very chamber that when John Foster Dulles died his foreign policy was buried with him. How true it is. If John Foster Dulles were alive today there would have been no summit meeting at any price. There would have been a foreign ministers meeting and progress at that level before the President would have gone to a summit meeting. If John Foster Dulles were alive, I doubt if we would have had the happenings that took place in Japan. I doubt if Korea would be shaky at the present time. Even Okinawa has its problems to us. I doubt if John Foster Dulles were alive today there would have been the mistakes that were made on the U–2. I doubt if John Foster Dulles were alive the situation in Turkey would have arisen; certainly the situation in Cuba would not.

Thus, the uncertainty, the confusion, and the disintegration has taken place, so far as the administration is concerned, since John Foster Dulles died. He represented the one thing that is necessary in a democracy, he represented strength and firmness.

We need leadership for the restoration of the strength and firmness and courage of John Foster Dulles. This legislation, I remember well in a talk with him, was one upon which he laid great emphasis. Certainly some of us on the Democratic side in supporting it are justified in expecting support from others on the Republican side, and certainly those who oppose mutual security legislation and appropriations ought to support this type of legislation because it is consistent with their views. This bill will bring a lot of good and certainly it is needed in the world of today because no American can feel other than concerned over developments during the last year.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of this bill for a whole lot of good reasons. I agree with what has been said by several that whether you have been for mutual security or against mutual security in the past, you ought to be for this bill, because it is at least a start on the way to cure some of the things we have all been unhappy about in mutual security. There are about six reasons why I am for this bill.

First. Under it we get more money for development. It is not just what the United States puts in. It is what the United States and many other countries put in to carry on development programs that we all know are necessary in crucial areas of the world.

Second. Under this new International Development Association we will get more and better experts from many countries, experts with greater knowledge of the language and customs of many of the countries where work will be done. With better experts we will get better management and better cooperation from all who are mutually involved in this undertaking.

Third. We will get more work done. With more money, better management, better experts, wider knowledge of conditions, there is bound to be more development accomplished, more work done.

Another point is that people who put in their own money are more careful in the expenditure of the funds of the organization and there will be less waste.

A related point is that countries having their own money in this fund will try harder to prevent waste in other countries than they do if the money is all ours. Also other countries will not be as resentful of pressures for saving and efficiency if such pressures are brought to bear upon them by smaller countries more nearly on their own level or in their own area than they are if brought by a powerful country like ours that is always being portrayed to them by our enemies as a big, evil, and imperialistic force in the world.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Indiana.

Mr. HALLECK. I wish to commend the gentleman for the statement he is making and join him in expressing the hope that this bill can be quickly disposed of and be passed very shortly.

Mr. JUDD. I thank the gentleman from Indiana.

Thus, Mr. Chairman, if there is more money for development and better management, more work done and less waste, naturally, there will be better cooperation among the contributing countries who put in funds. It is partly their own money, not just Uncle Sam's.

Fifth. There will result fewer frictions and more good will among all the countries involved, including the recipient countries. It is must easier for a small or poor country to receive assistance through some country that is nearer to its own level or from an international organization than from a powerful country that, as I said, is portrayed by our enemies as being a giant financial octopus, the prime example of allegedly cruel capitalism, imperialism and all the other cusswords they throw at us.

Lastly, when we get greater good will and better relations between countries, we will get a more stable world, a more secure world, one in which there is greater cooperation in mutual efforts to help all.

All these benefits—and more besides: it will enable us to save money. Our choice is not between the amount authorized in this bill and something less; it is between this amount and something more. So, under this bill, other nations will be better off, we will be better off; and it will cost our taxpayers less money, net.

Obviously we ought to support this piece of legislation.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when the gentleman from Indiana [Mr. HALLECK] says he hopes this bill will be quickly disposed of, I join with him. I hope it will be sunk without a trace.

I hear reports that the mining subsidies bill will be vetoed. If it is, how will President Eisenhower reconcile that action with the huge subsidy contained in this bill for foreign countries and their industries?

The gentleman from Minnesota says this bill provides more money to be given away and thrown away all over the world. He could never be more right. He speaks of the great record of the existing international lending agencies. Of course they will have good records as long as Congress approves bills like this pumping out more money to enable them to meet their obligations. But where is it proposed to get this initial $320 million? And where is it proposed to get the rest of the money that this Government will be called upon to put up because some of the countries listed will not put up their assessments, and you know it. From what source is the $320 million to come? Will someone on the committee answer? Is it proposed to raise taxes, or to deprive the people of this country of the things they need?

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. WIDNALL. The first installment was included in this year's balanced budget as submitted to the Congress of the United States. It is an item in the budget and that budget indicates a surplus for the year. If Congress takes action on other unbudgeted items it could throw the budget out of line.

Mr. GROSS. The gentleman does not have the slightest idea we are going to wind up with a $4 billion surplus, does he?

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. GARY. Is it not true that the balanced budget was based on an increase in postal rates, an increase in certain taxes and various other revenues for which there is absolutely no chance in the world of the Government collecting the money?

Mr. GROSS. That is exactly right. Again, I want to express my amazement that the President of the United States would veto a distressed-areas bill and then put the pressure on the Congress to approve this bill to give away $320 million.

Mr. GARY. How many of these lending agencies do we have in operation now?

Mr. GROSS. With this new baby known as IDA I know there will be seven big ones. Someone said there are 26 of all sizes, shapes, and colors. I do not know. I cannot keep track of them.

Mr. HOFFMAN of Michigan. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman from Texas [Mr. PATMAN] said this afternoon that there were 25. If I remember correctly, he looked at his book, then, and said there were 40. Then from over on the other side came a Member who said there were 72. He said he would give me a list of them.

Mr. GROSS. I only know there are far too many of them, and if the Eisenhower doctrine or foreign policy is based on yielding to a form of international blackmail through loans of more millions of American dollars that will never be repaid then we are certainly approaching the end of the road.

Let us defeat this bill and by so doing serve notice that U.S. foreign policy is based upon something besides dollars and the dissipation of the resources of our people.

Mr. CARNAHAN. Mr. Chairman, the importance of this bill is pointed up in the events of recent weeks. During the past several weeks our foreign policy has come under renewed and vigorous attack by those sworn to bring about our downfall and defeat. The United States now finds itself the victim of a renewed propaganda assault which certainly parallels if not surpasses anything we have experienced in our lifetime as a nation.

Red China intensifies its pressures throughout Asia and extreme leftwing elements in Japan protest our security arrangements with that nation. Moscow propaganda organs continue to attack us. Communist and Communist-inspired activity has been stepped up in Central America and in South America and throughout the Caribbean. Africa is undergoing drastic changes. There is much to point to a conclusion that unrest and dissatisfaction exists throughout the Red satellite nations. This is all a part of an offensive to disgrace the United States in the eyes of its allies.

While, Mr. Chairman, I am distressed about the administration's failure to face up to the distressed areas within our own Nation I am also concerned that we might neglect opportunities to assist these friends of ours around the world who, generally speaking, live under conditions which are much more depressed. This bill is aimed at providing financing geared to the special needs of the less-developed areas of the free world.

This proposed International Development Association will be an affiliate of the International Bank for Reconstruction and Development. It is proposed as an international cooperative venture to provide development financing on flexible terms to the less developed countries of the free world. It is designed to complement the development financing that is now available through national and international agencies providing capital to the less developed areas. It would not provide financing when such financing is available from private sources on reasonable terms. This Association will work multilaterally and not bilaterally as does, for example, the U.S. Development Loan Fund. Financing will be provided by the Association to its less

developed members for purposes of high developmental priority and, except in special circumstances, for specific projects. The Association will not provide funds if financing can be provided from private sources on reasonable terms or through a loan of the type made by the International Bank.

Membership of the United States in this Association could contribute significantly toward a solution of some of the urgent problems of underdeveloped areas. In addition, an association of this type could provide an opportunity for other industrial countries to take a more active role in financing the economic development of underdeveloped areas. It is for these reasons, Mr. Chairman, that I believe it would be in the interest of the United States and of the free world in general to proceed with the establishment of this Association. I urge approval of this bill.

Mr. BOSCH. Mr. Chairman, I cannot in good conscience support H.R. 11001, providing for the participation of the United States in the International Development Association. It is inconceivable to me that we can ask the American taxpayer to assume almost one-third of the total cost of this program. As one who has been a firm believer in the fight to maintain the integrity of a sound dollar and to practice a sound fiscal and financial responsibility, I could not, in fairness to my people, support this expenditure for the benefit of foreign countries and then argue for a cutback in domestic spending as essential to the fight for a balanced budget.

Mr. Chairman, we can never hope to reduce the national debt or give relief to the American taxpayer unless we curtail some of our already overextended foreign programs. The object of this legislation can, in my opinion, be amply carried out under the some six foreign loan agencies now in existence.

There are other reasons why I cannot support this legislation and they have particular reference to that part of the legislation dealing with this agency's legal status and its, as well as its officials' and employees', privileges and immunities. They lead, in my opinion, to a laxity for the regard of law enforcement as has been exemplified in certain cases previously experienced in the field of immunity to foreign diplomatic servants here in this country.

Mr. Chairman, let us not be fooled into believing that we can balance the budget, reduce the American taxpayer's burden of taxes, and practice financial and fiscal responsibility, if we continue to pass legislation of this type.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Chairman, I rise in opposition to this bill to authorize U.S. participation in the International Development Association.

During recent weeks, after extensive discussions on the floor of this House, authority was given, or carried over from prior authorization, to appropriate over a billion dollars of the taxpayers' money to the International Cooperation Administration and related agencies such as the Development Loan Fund to furnish economic assistance and soft loans to various countries all over the world.

After passage of the authorizing act an appropriation bill was passed by this body on June 17, 1960, making available some one and a half billion dollars for these freewheeling agencies to spend all over the world, even in Communist countries. The record of operation of these giveaway agencies, since the inception of the first one under the prior administration, has been an unenviable one of gross mismanagement and waste.

The Congress has in the past appropriated billions of dollars of the U.S. taxpayers' funds to provide for loans and grants to so-called undeveloped nations all over the world. Most of the so-called loans have been or are being made in U.S. dollars, only to be repaid in the soft currency of the countries involved. Even though many of these transactions are called loans, under present law none of the funds advanced or the repayment made to the Development Loan Fund, for instance, will ever be returned to the taxpayers of the United States.

For a list showing the type of projects that are being financed with the U.S. taxpayers' money see page 382 of the House hearings on the mutual security administration appropriation bill for 1961.

Now we are being asked to authorize the United States to join another international giveaway agency for the stated purpose of making even softer loans than are now possible under the existing giveaway programs. How crazy can we get? A careful reading of the bill discloses that the United States is expected to provide $320 millions in gold or convertible currency which will be more than 40 percent of the scheduled capital subscription of the proposed lending agency in such currency.

In addition, the bill as originally written would have authorized, without limit, the use of soft foreign currency owned by the United States to augment the gold and convertible capital of the new agency. Fortunately this provision was knocked out on a point of order. Besides, it is indicated that additional capital subscription can be required, subject to approval by the Congress. Once started, the past record of congressional action would indicate that such additional bites on the U.S. taxpayers' pocketbook would be forthcoming without difficulty.

We are told that this is to be an international agency scheduled to be financed by various nations of the world, as follows:

Schedule of subscriptions[1] in millions of U.S. dollars

PT. I

Australia	20.18
Austria	5.04
Belgium	22.70
Canada	37.83
Denmark	8.74
Finland	3.83
France	52.96
Germany	52.96
Italy	18.16
Japan	33.59
Luxembourg	1.01
Netherlands	27.74
Norway	6.72
Sweden	10.09
Union of South Africa	10.09
United Kingdom	131.14
United States	320.29
Total	763.07

PT. II

Afghanistan	1.10
Argentina	18.83
Bolivia	1.06
Brazil	18.83
Burma	2.02
Ceylon	3.03
Chile	3.53
China	30.26
Colombia	3.53
Costa Rica	.20
Cuba	4.71
Dominican Republic	.40
Ecuador	.65
El Salvador	.30
Ethiopia	.50
Ghana	2.36
Greece	2.52
Guatemala	.40
Haiti	.76
Honduras	.30
Iceland	0.10
India	40.35
Indonesia	11.10
Iran	4.54
Iraq	.76
Ireland	3.03
Israel	1.68
Jordan	.30
Korea	1.26
Lebanon	.45
Libya	1.01
Malaya	2.52
Mexico	8.74
Morocco	3.53
Nicaragua	.30
Pakistan	10.09
Panama	.02
Paraguay	.30
Peru	1.77
Philippines	5.04
Saudi Arabia	3.70
Spain	10.09
Sudan	1.01
Thailand	3.03
Tunisia	1.51
Turkey	5.80
United Arab Republic	6.03
Uruguay	1.06
Venezuela	7.06
Vietnam	1.51
Yugoslavia	4.04
Total	236.93
Total	1,000.00

[1] In terms of U.S. dollars of the weight and fineness in effect Jan. 1, 1960.

Source: H. Rept. 1766.

An examination of this list, discloses that many of the countries which are expected to contribute to the capital structure are presently recipient of grants and loans of hundreds of millions of dollars of U.S. taxpayers' funds now being dispersed by existing giveaway agencies. If all the actual facts were developed, I believe it would show that, for all practical purposes, the U.S. taxpayer will be picking up the bill in hard

U.S. dollars for anywhere from 50 to 75 percent of the initial proposed $1 billion capital of this new agency.

We are now finding out that large portions of our prior giveaways or loans have been used to develop foreign industrial plants that are now flooding the American market to the detriment of our business and wage earners. Numerous U.S. businesses are facing bankruptcy due to this competition from foreign imports made possible through the billions of U.S. taxpayers' dollars that have been given to these foreign countries.

It seems to me it is time we quit asking the taxpayers and wage earners of this country to provide the funds to create industrial development in foreign countries that take jobs and business away from our own wage earners, businessmen, factories, and farmers as well in the final analysis. This is particularly so, when there appears to be no effort on the part of the shallow thinking advocates of these giveaway programs to ever provide for eventual return of the money to the U.S. Treasury.

Mr. McDOWELL. Mr. Chairman, I rise in support of H.R. 11001.

The purpose of the International Development Association is to bring about a better means of financing our mutual security program through cooperation with our friendly allies who are ready to acknowledge their responsibility in financing this new international loan agency.

It is a modern truism that we live in a world of crisis and that the United States is called upon to accept greater responsibility than any other nation. Our wisdom, will, efforts, and actions quite literally may determine the future of mankind—at the extreme may determine whether mankind has a future.

I do not rise simply to repeat truisms. Rather I fear that this truism has become such an intimate part of our lives that we have managed to thrust it from the forefront of our consciousness. I fear that we cannot tell a truly pressing crisis in our foreign policy when we encounter one. We simply react with the feeling that all this has been said before; dismiss the crisis from our minds and go about our daily routines. But we are indeed in the midst of a most serious crisis in our foreign policy. It is essential that we look it full in the face.

Walter Lippmann, perhaps the most distinguished commentator of our times, summed up our situation when he wrote last week of the pressing need for an "unavoidable reappraisal, which must in many ways—to use the words of John Foster Dulles—be agonizing." Such a reappraisal is long overdue. The need for it cries out. But are we about to engage upon one? As I listened to the President in his address to the Nation on Monday night I had the impression that nothing could be further from his mind.

The problems pressing upon our Nation's foreign policy are so many and so difficult that I could not attempt to even touch upon them all. But some are more pressing than others and most deserving of our immediate attention.

One is our military posture. We have drifted from a position of decided superiority to a point where we are not only challenged, but where we may very well be becoming a second-class power. I do not wish to reopen the enormously complex arguments surrounding the missile gap. It is sufficient to note that such a gap does exist in favor of the Soviet Union and that the gap will reach a peak in the ensuing year or two. This is an immensely serious matter. It is not dissolved or washed away by citing what we may do or hope to do sometime in the future. Nor can we banish the specter by recalling America's moral strength. Nor is it removed by pointing to hopes for a balanced budget. This missile gap could prove so important to our country that in a few short years our concern with a balanced budget may seem a rather bad joke.

This decline of our military posture has already produced critical results in NATO, the keystone of our foreign policy. The full effect is hidden as the organizational facade of NATO continues unimpaired, but the heart and soul of NATO is rapidly being eroded away. I am reminded of C. Northcote Parkinson's rule of thumb by which one can identify decayed organizations by the very perfection and flamboyance of their facades and structures.

What has happened in NATO is that the key strategy upon which the treaty organization was founded has been outdated by time and changes in weapons systems. NATO's heart is the commitment of the United States to come to the aid of Europe, and to do so successfully. This was a feasible strategy when we had a monopoly of nuclear weapons and a decided military superiority. But these conditions no longer exist. Now Europeans, of the most responsible and pro-American sort, ask whether we would indeed come to their defense when this would be tantamount to our committing suicide. If the Soviet Union attacks Europe, they ask, would the United States retaliate on the Soviet Union, knowing as we now do, that that retaliation against Russia could bring down upon us Soviet missiles that might cause 40 million American dead. No amount of public talk about our commitment to NATO answers this question. It is a very good one. We can hardly blame Europeans for asking it, or for answering that the answer is in the negative. What is needed is a vigorous and immensely difficult, indeed agonizing, reappraisal of our whole military strategy toward Europe and NATO; a reappraisal inevitably linked with our total military posture.

In Asia we have had a policy of encircling the Communist bloc with a string of military alliances and military bases. So long as we had a monopoly of nuclear weapons, very strong arguments could be made for this policy. But it is now in need of radical reappraisal.

Asia, the Middle East, Africa, and other underdeveloped nations of the world present a problem for the United States, completely different from that in Europe. In Asia the main currents are pressing for swift and sweeping change in the spheres of both politics and economics. Asians consider these changes first priorities, whatever we may think of them.

The United States has long been the symbol—worldwide—of the struggle for independence from colonial rule, of democracy, and of freedom linked with economic well-being. These things appeal enormously to Asians, Arabs, and Africans and it has been our policy to repeat them over and over. Our words have encouraged others to seek our goals with our support. But our actions have belied our words. Our emphasis upon military alliances, military bases, and military aid has inevitably placed us in a position of giving our strongest and fullest support to the maintenance of the status quo at all costs. Is it any wonder that American influence and American prestige has declined when we have persisted in urging these people to seek democracy and freedom while using our concrete influence and strength to prevent change in the oppressive status quo? Clearly this is a major facet of our foreign policy which most urgently needs reappraisal.

Events have caught up with us. The Government of Korea under President Rhee had the fullest and most complete support of the United States. It was overthrown by Korean young people because that Government was dictatorial and corrupt. Fortunately for us, those students still admire us. Students everywhere do not. In Turkey, the army with wide popular support moved in to end an increasingly dictatorial government which we had long supported. In Iraq, 2 years ago, we had a much sadder experience with the overthrow of a government which we had hoped would provide a keystone to the Baghdad Pact. In Japan, there is great popular admiration and support for the United States, coupled with equally great and popular antagonism to our policy of drawing Japan into a military alliance involving military bases in Japan. Most Japanese dread the idea of being caught between nuclear powers in a conflict which they could only lose, and lose totally.

Our economic and technical assistance programs have produced some success. But they have moved falteringly and we have been quick to subordinate them to outdated military considerations. It is clear that one of our most pressing tasks is a complete reappraisal of our aid to Asia and other underdeveloped countries; a reappraisal running to the very roots of our policies.

In foreign policy timing is of exceptional importance. Small matters let slide tend to become crises, and crises let slide tend to become disasters. Walter Lippman has suggested that the President is uniquely qualified to undertake the badly needed reappraisal in the last months of his term in office. Surely it is true that the President is held personally in unparalleled esteem and could, if he would, launch such a reappraisal. But all the signs are that no reappraisal is to be forthcoming. We are instead offered the President's willingness to undertake still further personal good-will journeys throughout the world. What is

needed is the leadership right here in this city to begin the monumental and agonizing task of reappraisal, including reappraisal of good-will tours by our Head of State.

In this quadrennial election year every pressure is against a serious reappraisal—every pressure but the most important and vital—the precipitous crisis in our foreign affairs. The Nation must find leadership with energy, drive, imagination and will to move forward. We have stood still and lulled ourselves far too long with fables that all the world loves us and all the troubles are just stirred up by nasty little minorities. The race in this world is to the strong and the swift. It is to those willing to make sacrifices and to those willing to combine wisdom with the energetic pursuit of successful and proper courses.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11001) to provide for the participation of the United States in the International Development Association, pursuant to House Resolution 571, he reported the bill back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am, unequivocally, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill H.R. 11001 to the House Committee on Banking and Currency.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken and the Speaker announced that the noes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make a point of order that a quorum is not present.

The SPEAKER. Under the unanimous-consent agreement previously entered into, the vote will go over until tomorrow.

AMENDMENTS TO FEDERAL DEPOSIT INSURANCE ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12465) to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12465, with Mr. THOMPSON of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

This bill amends the Federal Deposit Insurance Act to simplify the procedures governing the assessments banks pay for deposit insurance. The principal change the bill makes in simplifying these procedures is to eliminate the special records and special reports now required for assessment purposes, and base assessments on information supplied by the banks in the regular reports of condition they now make to their Federal supervisory authorities. The second principal change is to substitute a flat percentage deduction—16⅔ percent of demand deposits and 1 percent of time deposits—for certain deductions from deposits which are now allowed in computing the assessment base. Because these changes, taken alone, would result in substantial increases in the assessments paid by a number of banks, the bill also provides for an increase in the refund FDIC makes to banks out of net assessment income.

By simplifying procedures the bill will cut expenses for the Federal Deposit Insurance Corporation and for the banks. Under the present system the banks keep one set of records and make one set of reports to their supervisory authorities for purposes of general supervision, and keep another set of records and make another set of reports for FDIC assessment purposes. In general, the assessment a bank must pay depends on the deposits it has; but under the law today deposits are figured one way in reporting deposit liabilities to the bank's supervisory authority and they are figured another way in reporting to FDIC how much the bank owes for deposit insurance. This not only is expensive and time consuming for the bank; it also requires special examinations by FDIC to verify the figures submitted for assessment purposes. The bill defines "deposits" the same way for both purposes, and takes other steps to make the procedures for assessments conform with the procedures for reports of condition to the supervisory authorities. This not only saves money, but it provides a much better control over assessments. The reports of condition are verified by examiners employed by the supervisory authorities; this is done at least once a year for every bank. The special assessment reports today require special FDIC field audits, at a cost of over $500,000 a year, which cover only about 1,000 banks—out of over 13,000 insured banks—in a 3-year period. So the bill will provide a much better check on assessment liabilities as reported by the banks, at a considerable saving of money.

The standard percentage deduction I mentioned replaces certain other deductions from deposits now allowed in figuring assessments. The principal deduction now allowed which would be replaced by the percentage deduction is for "float," meaning cash items—mostly checks—the bank has received and is in the process of collecting. The law today gives a bank a choice between figuring the actual amount of float it has, or reporting a figure based on the assumption that it takes 2 days on the average to collect such items. Over 90 percent of the banks take the latter choice; it is obviously advantageous for banks which can collect these items in less than 2 days on the average. This means, generally, large banks in our larger cities. The standard, percentage deduction will be most helpful to smaller, country banks.

Because many banks will have to pay larger gross assessments as a result of these changes, the bill increases the rebate FDIC makes to banks out of its net assessment income. Today, after all FDIC's expenses are paid, and all losses provided for, FDIC splits what is left over out of its income for the year, and puts 40 percent into its capital account—insurance fund—and pays the remaining 60 percent back to the banks. The bill raises this 60-percent figure to 66⅔ percent. It should be understood that this refund is made only after all expenses are provided for, and only after all losses are paid—not only losses incurred in the current year, but any losses incurred in preceding years which resulted in a reduction of the insurance fund.

I feel we should encourage efforts to cut redtape and increase the efficiency of Government programs. This proposal was carefully worked out by the Federal Deposit Insurance Corporation, following a suggestion by the General Accounting Office. Federal deposit insurance has made an outstanding contribution to the stability of our economy, and I hope the House will approve this bill to increase the program's efficiency.

Mr. KILBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a good bill. It was very carefully considered by the committee. I would like to tell the House that the Chairman of the FDIC is our former colleague, Jesse Wolcott. He went through this bill very carefully and as you people who know him know, there was not a more intelligent, a more able legislator in Congress. He is very strongly in favor of this bill and I think you should value his opinion on it because some provisions in it are complicated.

Mr. Chairman, I now yield 5 minutes to the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Chairman, this bill would seek to simplify what has been rather a complicated formula for figuring the assessment charge for bank insurance on deposits. The formula had to be somewhat complicated by reason of the fact that it had to take into consideration not only the bank assets as given on regular reports but also the

"float," which varies very greatly in differently sized and differently located banks.

The purpose of the bill, as has been stated by the chairman, is to simplify and make more clear this formula. As the ranking minority member, the gentleman from New York [Mr. KILBURN] said, it has the hearty and earnest support of the present Chairman of the Federal Deposit Insurance Corporation, our former colleague and former chairman, Jesse Wolcott.

In general, the bill would take two steps to do this. It would base the FDIC assessments on items in the reports of condition insured banks make to their supervisory authorities, rather than on special reports filed with FDIC; and second, it would simplify computation of assessments by authorizing a single, uniform deduction by all banks, on account of "float" and other deductions heretofore allowed, of 16⅔ percent of demand deposits and 1 percent of time deposits. Because this change results in an increase in gross assessments for a number of banks, the bill also in order to keep fairness would increase the rebate made to insured banks from net assessments, from the present 60 percent to the proposed 66⅔ percent.

There it is in a nutshell. You will find it on page 2 of your committee report. It has been a subject of long and exhaustive studies, surveys, and discussions. We had only one witness opposing the bill in the hearing in our subcommittee, and one member of the committee in opposition, so it is the logical thing to do. We changed the wording slightly in committee to take care of any possible objection that we felt could be made. It is a sound bill. As the gentleman from New York has said, it will greatly simplify and make more clear the formula, and will reduce the paperwork and man-hours necessary to be expended in the making of the present computations both on the part of the banks and on the part of the Federal Deposit Insurance Corporation. It is a good bill, Mr. Chairman, and I sincerely hope that it will pass without too great a discussion.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, the provisions of the bill have been outlined to the committee by the able gentleman from Kentucky [Mr. SPENCE], chairman of the House Banking and Currency Committee. I would like to add just a few remarks in support of this legislation.

The bill does simplify the procedures used for determining bank assessments for deposit insurance. Testimony of qualified witnesses before my subcommittee, which held hearings on the bill, indicated clearly that the bill will cut expenses for the Federal Deposit Insurance Corporation and the banks under the new assessment procedures.

Now it is true that the bill will increase the refund FDIC makes to insured banks out of its net income. This refund is made only after all expenses are paid and all losses have been made up. The refund will be about $11 million a year more under the bill than it is today. But it should be pointed out that this amount, large as it is, is quite small compared with the size of the fund, which amounted to over $2 billion at the end of 1959. This fund is building up at a sizable rate, and will continue to do so under the bill. For example, it is estimated that the fund will reach $3 billion under the bill by 1966.

FDIC officials have told us that when the fund reaches 1 percent of total deposits, the Corporation will be in a position to take care of any banking crisis short of the disaster that occurred in the 1930's. The fund now amounts to 0.84 percent of total deposits—1.47 percent of insured deposits—and will reach 1 percent of total deposits under the bill by about 1968, as compared with 1965 or 1966 under the present law.

The proposed new assessment procedures, in my judgment, have some real advantages. First, the proposed plan will eliminate one set of complicated rules, regulations, instructions, and interpretations for banks to follow and for the Corporation to administer. This is, of course, more important to the smaller banks.

Secondly, the new procedures assure the attention to top-ranking bank officers to the preparation of the report on which the assessment would be based.

Thirdly, the assessment base of all insured banks could be substantially verified without additional cost, as bank examiners now review all reports of condition during the course of a regular examination. Thus the need for most field assessment audits by the Corporation's auditors would be eliminated.

Fourthly, the new procedures would result in greater uniformity in the assessment base reported by the banks while eliminating the need for banks to maintain special records for assessment purposes.

The Independent Bankers Association representing many of the smaller banks in the country; the American Bankers Association representing both large and small banks; and the administration represented by the members of the Board of the Federal Deposit Insurance Corporation; all testified in favor of the bill. This is a good bill and should be passed.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I am the one who opposed the bill on the final vote. One of the reasons I did so is the committee did not investigate and study this matter.

I am opposed to this bill for several reasons.

I am opposed to it, not because it changes the method of computing the assessment on the banks. But I am opposed to it because, quite aside from the change in method, the bill would reduce the banks' assessment and reduce their contribution to the insurance fund.

When the FDIC was organized in 1934, Congress provided a very modest assessment. It was to be one-twelfth of 1 percent of the bank's deposit liability. And it was anticipated at that time that this rate of asessment would gradually build up the insurance fund, in which case the FDIC could stand on its own feet and the various Government props and subsidies could be removed.

The assessment rate has been repeatedly reduced and the fund has not been built up.

When the FDIC started out in 1934, Congress provided it with $289 million of Federal funds to get started on. That meant that the Corporation had only 83 cents against each $100 of deposit liabilities. Now, after 26 years, do you know how much they have built up this insurance fund? They now have 84 cents for every $100 of deposit liabilities. That is a gain of 1 cent in 26 years.

On the previous cut, the assessment rate was reduced to one twenty-fourth of 1 percent. This bill would cut the rate down to about one thirty-second of 1 percent.

In view of the very small amount in the insurance fund, compared to deposit liabilities, during the 80th Congress, when Mr. Wolcott was chairman of the Committee on Banking and Currency, he got a bill through Congress which gave the FDIC a $3 billion commitment on the Federal Treasury. This means that at any moment the FDIC gets into trouble and needs money, it can go to the Federal Treasury and obtain $3 billion. This is a contingent liability of the Treasury, and it figures in the national debt. This $3 billion commitment is really the insurance which insures these deposits. Now, that $3 billion should be taken off. How can it be taken off? By this assessment remaining at one-twelfth of 1 percent until they have enough in this insurance fund to repeal that $3 billion contingent liability of the Treasury. That is what I want to do. I want to eliminate that $3 billion part of the national debt to guarantee deposits.

Mr. KILBURN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Not at this time. You see, I am the only one who asked for time to speak against this bill, yet I have been given only 5 minutes in which to present the whole opposition.

Mr. SPENCE. I will give the gentleman 5 additional minutes.

Mr. PATMAN. Thank you.

Mr. KILBURN. And I will yield the gentleman 5 minutes.

Mr. PATMAN. Thank you very much. I feel much better about this.

Now, I am not trying to reflect on any member of the committee or any Member of Congress. They have their own views.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. HIESTAND. The gentleman has said this $3 billion is a part of the national debt. I am sure he did not mean to express it that way.

Mr. PATMAN. It is a contingent liability of the Government.

Mr. HIESTAND. Contingent; it is not part of the national debt.

Mr. PATMAN. I will tell you how much it is part of the national debt.

The Government is responsible for it, and it is a most unusual commitment.

This commitment of $3 billion means that the FDIC can go down there and the Treasury has got to give them $3 billion when they want it. It is a "shall"; it is not a "may"; it is: "Shall deliver to them $3 billion."

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. As a matter of fact the contingent liability is $140 billion; is it not?

Mr. PATMAN. That is another matter. There is a contingent liability of $137 billion plus $40 billion—it is over $170 billion, a contingent liability for all the deposits in the banks and in the Federal savings and loan associations, because in the last analysis the Government is morally committed to make these deposits good.

Mr. SMITH of Iowa. In other words, there are that many deposits in one place or another.

Mr. PATMAN. That is right. But the $3 billion commitment which I am speaking of is written into the law.

In order for the Treasury to have that $3 billion available if it is needed—remember this and listen to this—ever since that law was passed in the 80th Congress the Treasury has followed the practice of keeping a minimum of $3 billion on deposit with the banks. The banks have the use of this money and pay no interest on it. But the taxpayers are paying interest at all times on $3 billion of unnecessary debt. In the event of distress or crisis the Treasury could not quickly go into the market and borrow the money; so they are keeping this $3 billion additional and unused in the commercial banks. They are receiving interest on it and we are paying 3 and 4 percent interest on it. Now, is that a liability to the Government and to the American taxpayers? Obviously it is.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HIESTAND. The gentleman again repeated that this is a part of the national debt.

Mr. PATMAN. It is an obligation which results in $3 billion of debt which would otherwise be unnecessary.

Mr. HIESTAND. The gentleman agrees it is not a debt.

Mr. PATMAN. The commitment as such is not listed as a debt because it is not interest bearing; only interest-bearing debt is reported as part of the Federal debt.

Mr. HIESTAND. I think the gentleman is not fully aware that the statistics show that the Treasury balances have been below the $3 billion limit repeatedly, and we have replenished them from an emergency fund in a couple of instances in the last 26 years; in other words, it has been under $1 billion and we have had to replenish it.

Mr. PATMAN. This commitment was made during the 80th Congress, 12 or 13 years ago, not 26 years ago when the FDIC was set up.

The record shows that there is today $7 billion in the banks idle and not used and on which the people pay interest, money which they could use.

Mr. HOFFMAN of Michigan. Or give it away.

Mr. PATMAN. That is $7 billion.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BROWN of Georgia. It is true that the FDIC has always had this $3 billion.

Mr. PATMAN. Yes, they have always had it since 1947, when the law was changed.

Imagine only 83 cents to guarantee every $100 liability. That is what it was when the organization was organized; and now, after 26 years, after reducing the assessments, they have only 84 cents for every $100 liability. Yet you want to pass this bill to reduce the assessment more. That is what this bill is, it is a bankers' bonus bill.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN of Michigan. The gentleman will assuredly concede that our former colleague who is at the present time the head of this agency or department is doing a mighty fine job and that whatever fault there may be it is not his. The gentleman does not attack the administration of the program, does he?

Mr. PATMAN. No, but I am suggesting certain reasons why this bill should not be passed.

Mr. HOFFMAN of Michigan. But his ability and integrity are unquestioned.

Mr. PATMAN. But while he was here in Congress he got the law changed.

And now that he has gone in as Chairman of the Federal Deposit Insurance Corporation, he wants the assessment cut down, since they have the $3 billion committment. I consider that bad administration from the taxpayers' point of view.

Mr. HOFFMAN of Michigan. He is just following a policy laid down by your own chairman, Mr. Steagall.

Mr. PATMAN. No.

Mr. HOFFMAN of Michigan. Oh, yes.

Mr. PATMAN. Mr. Steagall did not start that.

Mr. HOFFMAN of Michigan. He was a gentleman whose ability was never questioned.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. HIESTAND. The gentleman just stated the purpose of this bill was to reduce the assessment. The assessment will remain the same.

Mr. PATMAN. No, the gentleman is mistaken.

Mr. HIESTAND. It remains the same, does it not?

Mr. PATMAN. The gentleman is mistaken about that. They have not paid one-twelfth of 1 percent in years. They have been paying one twenty-fourth of 1 percent, and under this bill they would pay one thirty-second of 1 percent.

Mr. HIESTAND. The formula is exactly the same.

Mr. PATMAN. Yes, the formula, one-twelfth of 1 percent for paying in has never been changed; but there has been added a formula for remitting, or paying back part of the assessments. This bill increases the rebates and thus reduces the real assessments. In other words, because the Government is behind the insurance, the bankers are saving themselves some money. Actually, many of the bankers do not want this thing reduced. They want this fund big enough to stand on its own feet without a Government subsidy, and to get rid of the $3 billion commitment. That is the view of the bankers. They want it that way.

This is against what the bankers really want. This is putting the Government more and more behind it, and the bankers less and less behind it.

Mr. HIESTAND. Will the gentleman yield further?

Mr. PATMAN. I yield to the gentleman.

Mr. HIESTAND. The gentleman said that the bankers do not want the subsidy. There is no subsidy in this matter.

Mr. PATMAN. There is a big subsidy of $71 million of Government funds in the FDIC capital structure.

Mr. HIESTAND. That is not a subsidy.

Mr. PATMAN. What else is it?

Mr. HIESTAND. That is in the Treasury, and a special assessment can be made. It is not costing the banks or the people of the United States one penny.

Mr. PATMAN. The FDIC ought to be looked into. It should be reevaluated. In 26 years it has increased its insurance fund from 83 to 84 cents against each $100 of deposit liabilities. I think we had better take another look.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. For 20 years I have heard the gentleman cuss out the bankers. How many of your own committee are going along with you on this?

Mr. PATMAN. I am the only one right now. If I had enough time, I would convince the gentleman I am right.

Mr. HOFFMAN of Michigan. Me?

Mr. PATMAN. Yes, and the majority of the Members of the House; but I do not have the opportunity, I do not have any real chance to convince you now, in only 10 or 15 minutes. But I am telling you now it is a bad bill. I know it is going to be passed, but I am warning you that the FDIC ought to be looked into. They are attempting to build a $15 million building without the permission of Congress. They are going around the Congress.

Mr. HOFFMAN of Michigan. Does not the gentleman know that one of those political subcommittees of the Committee on Government Operations is doing what the gentleman is now suggesting?

Mr. PATMAN. I do not know anything about the political subcommittee. You have a mighty fine subcommittee in that committee, and you have a mighty fine chairman.

Mr. HOFFMAN of Michigan. They had a million dollars, and recently the gentleman helped them along with $40,000 more.

Mr. PATMAN. I am glad I did, I was confident it would be put to good use. It is a fine committee; they are doing fine work, and I hope they will report a bill of mine favorably.

Mr. HOFFMAN of Michigan. That bill?

Mr. PATMAN. Yes, and I hope the gentleman will support it.

Mr. HOFFMAN of Michigan. What is that one about?

Mr. PATMAN. It puts the FDIC under the Government Corporation Act; it will require them to put their budgets before the Congress.

Mr. HOFFMAN of Michigan. You will remember back when this committee I am talking about, which is this one political subcommittee that is doing such a good job for your party—do you remember when we got the information you wanted which your own committee would not give to you?

Mr. PATMAN. Mr. Wolcott was chairman of the committee at that time. It was not a Democratic committee.

Mr. HOFFMAN of Michigan. Does the gentleman remember that?

Mr. PATMAN. I remember it; it was not a Democratic committee.

Mr. HOFFMAN of Michigan. What became of it?

Mr. PATMAN. They did not feel inclined to go into the report that we later went into.

Mr. Chairman, there is no urgency for this legislation. There is nothing pressing. It ought to be put over until next year when we can go into it thoroughly.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, this is a very simple bill. It deals with the simplification of the method of determining assessments that are payable by the banks to the Federal Deposit Insurance Corporation for the insurance of the deposits kept with the commercial banks. This is not a big bankers bill, although I must confess it probably can be termed a bankers bill. But, when the little banks of the country and the Independent Bankers Association come before our committee and tell us it is a good bill and it will help them, I think we can go along with it, that is particularly so after the Federal Deposit Insurance Corporation comes in, as they did, explains the details of the bill, and indicates to us, as they have done, that this will not affect the security of the depositors, it will not impair the surplus fund, it will help save money for the Federal Deposit Insurance Corporation in its operations, which means there will be more money at the end of the year to be added to the surplus funds which are used in part to guarantee the depositors' accounts. It will also be a boon to the small banks in their operations. It will make it easier and simpler for them to make the reports that are required in determining assessments that must be paid by them.

Mr. MOORHEAD. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD. I would like to ask the gentleman if it is not true that the change in the assessment rate is more likely to help the small banks rather than the larger banks.

Mr. MULTER. There is not any doubt that the gentleman is correct. The record shows it. The fact of the matter is, the big banks asked for an amendment to this bill, as presented to us by the FDIC, so that they could get a greater advantage under the bill, and we refused to go along with them. We took the bill as brought to us by the FDIC and approved by the smaller banks and did not make the changes suggested by some of the bigger banks.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from California.

Mr. HIESTAND. Could it not also be said that this involves no additional cost to the taxpayers?

Mr. MULTER. Oh, I am glad the gentleman referred to that, because the taxpayers' money is not used at all in the operation of the Federal Deposit Insurance Corporation. Although it was started originally with public funds, every dollar of the public funds has been paid back, interest has been paid back, and all of that money came from insurance premiums paid by the banks to FDIC. All of this surplus fund has been built up out of the money paid to FDIC by the banks for this insurance for their depositors.

Mr. HEISTAND. And there is no subsidy for the banks in this bill?

Mr. MULTER. There is no subsidy for the banks in this bill, big or small.

Mr. HIESTAND. I thank the gentleman.

Mr. MULTER. Quite apart from the simplification of the method in arriving at the assessments, there is a slight increase of credit that is given to each bank after the assessment is determined. Instead of paying the full assessment or premium to the Corporation, under existing law they are entitled to a 60-percent credit. That credit is given to them provided the surplus funds are not impaired during any year. Whenever there may be an impairment, and there has not been, but if there should be an impairment of the surplus fund, that credit cannot be given against the assessment or the premium until the surplus fund is fully restored. Now, in this bill we change that 60-percent credit to 66⅔ percent. What does it mean? It means if we did not make that change, in 1966 this surplus fund will have grown to $3,110,000,000, and if we make the change, then by 1966 it will have grown to $3,011,000,000, a difference of about $99 million. I say that the benefits to be obtained by the smaller banks throughout the country is worth letting this fund grow at that lesser rate.

Mr. Chairman, I assure the members of the committee that this is a good bill. It is of advantage and of help to FDIC. It simplifies the method of operation for the Corporation itself. It helps the banks of the country to the extent it simplifies their procedure and saves them money. I can see no reason why the Congress should not pass the bill with as large a vote proportionally as the vote in reporting the bill to the Congress, which was 21 to 1.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (l) of section 3 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1813(l), is amended to read as follows:

"(l) The term 'deposit' means—

"(1) the unpaid balance of money or its equivalent received or held by a bank in the usual course of business and for which it has given or is obligated to give credit, either conditionally or unconditionally, to a commercial, checking, savings, time, or thrift account, or which is evidenced by its certificate of deposit, or a check or draft drawn against a deposit account and certified by the bank, or a letter of credit or a traveler's check on which the bank is primarily liable: *Provided,* That, without limiting the generality of the term 'money or its equivalent', any such account or instrument must be regarded as evidencing the recipt of the equivalent of money when credited or issued in exchange for checks or drafts or for a promissory note upon which the person obtaining any such credit or instrument is primarily or secondarily liable, or for a charge against a deposit account, or in settlement of checks, drafts, or other instruments forwarded to such bank for collection,

"(2) trust funds as defined in this Act received or held by such bank, whether held in the trust department or held or deposited in any other department of such bank,

"(3) money received or held by a bank, or the credit given for money or its equivalent received or held by a bank, in the usual course of business for a special or specific purpose, regardless of the legal relationship thereby established, including without being limited to, escrow funds, funds held as security for an obligation due to the bank or others including funds held as dealers reserves) or for securities loaned by the bank, funds deposited by a debtor to meeting maturing obligations, funds deposited as advance payment on subscriptions to United States Government securities, funds held for distribution or purchase of securities, funds held to meet its acceptances or letters of credit, and withheld taxes: *Provided,* That there shall not be included funds which are received by the bank for immediate application to the reduction of an indebtedness to the receiving bank, or under condition that the receipt thereof immediately reduces or extinguishes such an indebtedness,

"(4) outstanding draft (including advice or authorization to charge bank's balance in another bank), cashier's check, money order, or other officer's check issued in the usual course of business for any purpose, including without being limited to those issued in payment for services, dividends, or purchases, and

"(5) such other obligations of a bank as the Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, shall find and prescribe by regulation to be deposit liabilities by general usage: *Provided further,* That any obligation of a bank which is payable only at an office of the bank located outside of the States of the United States, the District of Columbia, Puerto Rico, Guam, and the Virgin

Islands, shall not be a deposit for any of the purposes of this Act or be included as part of total deposits or of an insured deposit."

SEC. 2. Subsections (a), (b), and (c) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817 (a), (b), and (c)) are amended to read as follows:

"(a)(1) Each insured State nonmember bank (except a District bank) shall make to the Corporation reports of condition which shall be in such form and shall contain such information as the Board of Directors may require. Such reports shall be made to the Corporation on the dates selected as provided in paragraph (3) of this subsection and the deposit liabilities shall be reported therein in accordance with and pursuant to paragraphs (4) and (5) of this subsection. The Board of Directors may call for additional reports of condition on dates to be fixed by it and may call for such other reports as the Board may from time to time require. The Board of Directors may require reports of condition to be published in such manner, not inconsistent with any applicable law, as it may direct. Every such bank which fails to make or publish any such report within ten days shall be subject to a penalty of not more than $100 for each day of such failure recoverable by the Corporation for its use.

"(2) The Corporation shall have access to reports of examination made by, and reports of condition made to, the Comptroller of the Currency or any Federal Reserve bank and to all revisions of reports of condition made to either of them, and they shall promptly advise the Corporation of any revisions or changes in respect to deposit liabilities made or required to be made in any report of condition. The Corporation may accept any report made by or to any commission, board, or authority having supervision of a State nonmember bank (except a District bank), and may furnish to the Comptroller of the Currency, to any Federal Reserve bank, and to any such commission, board, or authority, reports of examinations made on behalf of, and reports of condition made to, the Corporation.

"(3) Each insured State nonmember bank (except a District bank) shall make to the Corporation, each insured national bank and each insured District bank shall make to the Comptroller of the Currency, and each insured State member bank shall make to the Federal Reserve bank of which it is a member, four reports of condition annually upon dates which shall be selected by the Chairman of the Board of Directors, the Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve System, or a majority thereof. The dates selected shall be the same for all insured banks, except that when any of said reporting dates is a nonbusiness day for any bank, the preceding business day shall be its reporting date. Two dates shall be selected within the semiannual period of January to June, inclusive, and the reports on such dates shall be the basis for the certified statement to be filed in July pursuant to subsection (c) of this section, and two dates shall be selected within the semiannual period of July to December, inclusive, and the reports on such dates shall be the basis for the certified statement to be filed in January pursuant to subsection (c) of this section. The deposit liabilities shall be reported in said reports of condition in accordance with and pursuant to paragraphs (4) and (5) of this subsection, and such other information shall be reported therein as may be required by the respective agencies. Each said report of condition shall contain a declaration by the president, a vice president, the cashier or the treasurer, or by any other officer designated by the board of directors or trustees of the reporting bank to make such declaration, that the report is true and correct to the best of his knowledge and belief. The correctness of said report of condition shall be attested by the signatures of at least three of the directors or trustees of the reporting bank other than the officer making such declaration, or by at least two if there are not more than three directors or trustees. At the time of making said reports of condition each insured National, District, and State member bank shall furnish to the Corporation a copy thereof containing such signed declaration and attestations. Nothing herein shall preclude any of the foregoing agencies from requiring the banks under its jurisdiction to make additional reports of condition at any time.

"(4) In the reports of condition required to be made by paragraph (3) of this subsection, each insured bank shall report the total amount of the liability of the bank for deposits in the main office and in any branch located in any State of the United States, the District of Columbia, any Territory of the United States, Puerto Rico, Guam, or the Virgin Islands, according to the definition of the term 'deposit' in and pursuant to subsection (1) of section 3 of this Act, without any deduction for indebtedness of depositors or creditors or any deduction for cash items in the process of collection drawn on others than the reporting bank: *Provided,* That the bank in reporting such deposits may (i) subtract from the deposit balance due to any bank the deposit balance due from the same bank (other than trust funds deposited by either bank) and any cash items in the process of collection due from or due to such banks shall be included in determining such net balance, except that balances of time deposits of any bank and any balances standing to the credit of private banks, of banks in foreign countries, of foreign branches of other American banks and of American branches of foreign banks shall be reported gross without any such subtraction, and (ii) exclude any deposits received in any office of the bank for deposit in any other office of the bank: *And provided further,* That outstanding drafts (including advices and authorizations to charge bank's balance in another bank) drawn in the regular course of business by the reporting bank on banks need not be reported as deposit liabilities. The amount of trust funds held in the bank's own trust department, which the reporting bank keeps segregated and apart from its general assets and does not use in the conduct of its business, shall not be included in the total deposits in such reports, but shall be separately stated in such reports.

"(5) The deposits to be reported on such reports of condition shall be segregated between (i) time and savings deposits and (ii) demand deposits. For this purpose and for the computation of assessments provided in subsection (b) of this section, the time and savings deposits shall consist of time certificates of deposit, time deposits-open account, deposits accumulated for the payment of personal loans, and savings deposits; and demand deposits shall consist of all deposits other than time and savings deposits.

"(6) The Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, may by regulation define the terms 'cash items' and 'process of collection', and shall classify deposits as 'time', 'savings', and 'demand' deposits, for the purposes of this section.

"(b)(1) The annual assessment rate shall be one-twelfth of 1 per centum. Except as provided in subsection (c)(2) of this section, the semiannual assessment due from any insured bank for any semiannual period shall be equal to one-half the annual assessment rate multiplied by such bank's average assessment base for the immediately preceding semiannual period.

"(2) For the purposes of this section the term 'semiannual period' means a period beginning on January 1 of any calendar year and ending on June 30 of the same year, or a period beginning on July 1 of any calendar year and ending on December 31 of the same year.

"(3) A bank's average assessment base for any semiannual period shall be the average of such bank's assessment bases for the two dates, falling within such semiannual period, for which the bank is required to submit reports of condition pursuant to paragraph (3) of subsection (a) of this section (referred to hereafter in this section as 'reports of condition').

"(4) A bank's assessment base for any date shall be equal to the bank's liability for deposits (including the deposits of any other bank for which it has assumed liability) as reported in its report of condition for such date, plus the assessment base additions set forth in paragraph (5), and less the assessment base deductions set forth in paragraph (6).

"(5) The assessment base additions shall be the amounts of—

"(A) uninvested trust funds required to be separately stated in the bank's report of condition; and

"(B) any deposits received in any office of the bank for deposit in any other office of the bank located in the United States, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, except those which have been included in deposits in the report of condition or which have been offset in the report of condition by an equal amount of cash items in its possession drawn on itself (on the same type of deposit as those offset) and not charged against deposit liabilities at the close of business on the date as of which the report of condition is made, either in their actual amount as shown on the books of the bank, or, if not so shown, in an amount determined by means of an experience factor pursuant to regulations prescribed by the Board of Directors.

"(6) The assessment base deductions shall be the amounts of—

"(A) cash items in the bank's possession, drawn on itself, which have not been charged against deposit liabilities at the close of business on the date as of which the report of condition is made, either in their actual amount as shown on the books of the bank, or, if not so shown, in an amount determined by means of an experience factor pursuant to regulations prescribed by the Board of Directors;

"(B) deposits included in reported deposit liabilities which are accumulated for the payment of personal loans and are assigned or pledged to assure repayment of the loans at maturity;

"(C) 1 per centum of the bank's adjusted time and savings deposits (as defined in paragraph (7)); and

"(D) 16⅔ per centum of the bank's adjusted demand deposits (as defined in paragraph (8)).

Each insured bank, as a condition to the right to make any such deduction in determining its assessment base, shall maintain such records as will readily permit verification of the correctness of its assessment base. No insured bank shall be required to retain such records for such purpose for a period in excess of five years from the date of the filing of any certified statement, except that when there is a dispute between the insured bank and the Corporation over the amount of any assessment the bank shall retain such records until final determination of the issue.

"(7) The term 'the bank's adjusted time and savings deposits' means the amount of the bank's time and savings deposits as reported in its report of condition, as adjusted—

"(A) either by adding the amount of all deposits of the type described in subparagraph (5)(B) or, if the bank elects to ascertain the respective amounts of such de-

posits creditable to time and savings deposits and to demand deposits, by adding the amount creditable to time and savings deposits;

"(B) by subtracting, if the bank elects to ascertain the respective amounts of its items of the type described in subparagraph (6)(A) chargeable against time and savings deposits and against demand deposits, the amount chargeable against time and savings deposits; and

"(C) by subtracting the amount of all deposits of the type described in subparagraph (6)(B).

"(8) The term 'the bank's adjusted demand deposits' means the amount of the bank's demand deposits as reported in its report of conditions, as adjusted—

"(A) by adding the amount of all deposits of the type described in subparagraph (5)(A);

"(B) by adding, if the bank elects to ascertain the respective amounts of its deposits of the type described in subparagraph (5)(B) creditable to time and savings deposits and to demand deposits, the amount creditable to demand deposits; and

"(C) either by subtracting the amount of all items of the type described in subparagraph (6)(A), or, if the bank elects to ascertain the respective amounts of such items chargeable against time and savings deposits and against demand deposits, by subtracting the amount chargeable against demand deposits.

"(c)(1) On or before the last day of the first month following each semiannual period, each insured bank which became insured prior to the beginning of such period shall file with the Corporation a certified statement showing its average assessment base for such period, and the amount of the semiannual assessment due to the Corporation for the semiannual period which begins with such month. Each such bank shall pay to the Corporation the amount of the semiannual assessment it is required to certify.

"(2) A bank shall not be required to pay any assessment for the semiannual period in which it becomes an insured bank. On or before the last day of the first month following the semiannual period during which any bank becomes an insured bank, such bank shall—

"(A) file with the Corporation a certified statement showing, as its assessment base for such period, its assessment base for the last date, if any, within such period for which it was required to submit a report of condition, or

"(B) if such bank became an insured bank after the last date in such period for which a report of condition was required, such bank shall make a special report of condition as of the last day of such semiannual period, and shall file with the Corporation a certified statement showing, as its assessment base for such period, its assessment base for the date of such special report.

The semiannual assessment due from such bank for the semiannual period which begins with such month shall be equal to one-half the annual assessment rate multiplied by the assessment base computed pursuant to subparagraph (A) or (B) of this paragraph, and the amount of such assessment shall be shown on such certified statement. Each such bank shall pay to the Corporation the amount of the semiannual assessment it is required to certify.

"(3) The certified statements required to be filed with the Corporation under paragraphs (1) and (2) of this subsection shall be in such form and set forth such supporting information as the Board of Directors shall prescribe and shall be certified by the president of the bank or any other officer designated by its board of directors or trustees that to the best of his knowledge and belief the statement is true, correct, and complete and in accordance with the Federal Deposit Insurance Act and regulations issued thereunder. The assessment payments required from insured banks under paragraphs (1) and (2) of this subsection shall be made in such manner and at such time or times as the Board of Directors shall prescribe, provided the time or times so prescribed shall not be later than sixty days after filing the certified statement setting forth the amount of assessment.

"(4) Except as otherwise provided in this section, the Board of Directors shall prescribe all needful rules and regulations for the enforcement of this section. The Board of Directors may limit the retroactive effect, if any, of any of its rules or regulations."

SEC. 3. Section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817) is amended by substituting for the date "December 31, 1950" in subsection (d) the date "December 31, 1961"; by substituting for the numerical figure "40" in subsection (d) the numerical figure "33⅓"; by substituting for the words "fails to file" in subsection (f) the words "fails to make any report of condition under subsection (a) of this section or to file"; by substituting for the words "file such statement" in subsection (f) the words "make such report or file such statement"; by substituting for the word "filed" in the first sentence of subsection (g) the words "made any such report of condition under subsection (a) of this section or filed"; by substituting for the words "to file" in the first sentence of subsection (g) the words "to make any such report or file"; by substituting for the words "to file" in the first sentence of subsection (h) the words "to make any report of condition under subsection (a) of this section or to file"; and by substituting for the words "in its trust or deposited in any other department or in another bank" in the first sentence of subsection (i) the words "in its trust department or held or deposited in any other department of the fiduciary bank" and by striking the words after the colon in the second sentence and substituting a period for said colon.

SEC. 4. Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by striking out subsections (e) and (f) thereof and relettering subsection (g) as subsection (e).

SEC. 5. (a) Section 5211 of the Revised Statutes of the United States (12 U.S.C. 161) is amended by striking out the first paragraph thereof and inserting in lieu of such paragraph the following:

"(a) Every association shall make reports of condition to the Comptroller of the Currency in accordance with the Federal Deposit Insurance Act. The Comptroller of the Currency may call for additional reports of condition, in such form and containing such information as he may prescribe, on dates to be fixed by him, and may call for special reports from any particular association whenever in his judgment the same are necessary for his use in the performance of his supervisory duties. Each report of condition shall contain a declaration by the president, a vice president, the cashier, or by any other officer designated by the board of directors of the bank to make such declaration, that the report is true and correct to the best of his knowledge and belief. The correctness of the report of condition shall be attested by the signatures of at least three of the directors of the bank other than the officer making such declaration. Each report shall exhibit in detail and under appropriate heads the resources and liabilities of the association at the close of business on any past day specified by the Comptroller, and shall be transmitted to the Comptroller within ten days after the receipt of a request therefor from him; and the statement of resources and liabilities in the same form in which it is made to the Comptroller shall be published in a newspaper published in the place where such association is established, or if there is no newspaper in the place, then in the one published nearest thereto in the same county, at the expense of the association, and such proof of publication shall be furnished as may be required by the Comptroller. Special reports called for by the Comptroller need contain only such information as is specified by the Comptroller in his request therefor, and publication of such reports need be made only if directed by the Comptroller.

"(b) Every association shall make to the Comptroller reports of the payment of dividends, including advance reports of dividends proposed to be declared or paid in such cases and under such conditions as the Comptroller deems necessary to carry out the purposes of the laws relating to national banking associations in such form and at such times as he may require."

(b) The paragraph which, prior to the amendments made by this Act, was the second paragraph of such section, is amended (1) by inserting "(c)" at the beginning thereof, and (2) by striking out "three" in the first sentence and inserting "four" in lieu thereof.

SEC. 6. The Act of February 26, 1881, entitled "An Act defining the verification of returns of national banks" (12 U.S.C. 162) is repealed.

SEC. 7. The amendments made by this Act shall take effect on January 1, 1961, except that the certified statements covering the semiannual period ending December 31, 1960, and the determination and payment of assessments (for the semiannual period ending June 30, 1961) required to be certified in such statements, shall be made as if such amendments were not in effect.

Mr. SPENCE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 7, line 2, after "trustees," insert "with the declaration that the report has been examined by them and to the best of their knowledge and belief is true and correct."

Committee amendment: Page 17, line 19, insert "with the declaration that the report has been examined by them and to the best of their knowledge and belief is true and correct."

The committee amendments were agreed to.

Mr. VANIK. Mr. Chairman, I move to strike out the last word.

Mr. VANIK. Mr. Chairman, I want to take this opportunity to join my colleague, the gentleman from Texas, the Honorable WRIGHT PATMAN, in opposing the Federal Deposit Insurance Act of 1960. This legislation alleges to provide a simpler method of determining assessments under the Federal Deposit Insurance Act. With this phase of the legislation I have no objection. However, I am unalterably opposed to a reduction of premium payments and a consequent reduction of the insurance reserve fund which would result if this proposal is enacted into law.

Although the present balance in the insurance fund approximates $2.1 billion, this sum is only one-twelfth of 1 percent of the total deposits.

Under the circumstances which existed until recent years, this insurance reserve would have been completely adequate. However, since 1945, while the cash and reserves of this Nation's banks have only increased by $9 billion, their holdings of U.S. Government securities have declined by over $35 billions. At the same time, total deposits have increased by $80 billion.

Thus, while total bank liquidity has been reduced by the $35 billion sell-off in Government securities, the insurance liability on bank deposits for all banks has increased to the sum of $80 billion.

Since 1945 total deposits in all banks have increased from $166 billion to $250 billion and during this period the liquidity ratio of all banks has declined from 83 percent in 1945 to 45 percent on September 30, 1959.

The decreasing liquidity of our banking system promises a serious crisis unless this trend is reversed.

Since the banks covered and insured by the Federal Deposit Insurance Act, as well as the institutions insured under the Federal Savings and Loan Insurance Act, adopted a course of shrinking their holdings of Government securities by $35 billions and have used this capital for higher interest loans of all types, it seems to me that this is indeed a most inappropriate time for any of these institutions to be seeking a reduction of their insurance premium. Personally, I cannot assume the responsibility for supporting any legislation which in any way tends to reduce the insurance reserve fund upon which the depositors of America are making such a tremendous reliance.

The adoption of this legislation today is an action which contributes to irresponsibility in this area. Insofar as it reduces the insurance reserve funds, it is absolutely contrary to the best interests of the American people who must rely on banks for the security of their deposits.

I am vigorously opposed to this legislation.

Mr. SPENCE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was a Member of the Congress when the Federal Deposit Insurance Corporation was created. I have always taken pride in my vote on that occasion. If there is one agency to which the people owe gratitude, which the people should respect, in which the people have confidence, it is the Federal Deposit Insurance Corporation. It was organized at a time of the greatest depression in America.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. SPENCE. I yield for a question.

Mr. PATMAN. It is a fact that the reason they have that confidence is because the Government of the United States is behind it, is it not?

Mr. SPENCE. No, not entirely; they have confidence in it because of the services it has rendered. That is what makes it good.

It has been charged that the FDIC is indebted to the Government for money which the Treasury and the Federal Reserve banks invested in the Corporation when it was formed. But the Corporation has not only repaid the principal amount invested, but also interest on that amount as required by law.

At the time FDIC was organized the banks, the railroads, and the insurance companies were collapsing like houses of cards. Then the Federal Deposit Insurance Corporation was created, and from that time on no man has ever lost a dollar of his insured account. What could be a finer service to the people than that?

The people have respect for FDIC and confidence in it. It is not a good policy to shake that confidence of the American people. It has encouraged thrift and saving because the people feel their funds are safe in the banks when they deposit them, and those funds will be returned to them when they want them. I think that instead of criticizing the Federal Deposit Insurance Corporation we ought to bless those who had the vision and the foresight to create that organization. We ought to thank them for the service they have rendered. It would be a tragedy to do anything that would weaken the confidence people have in FDIC.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12465) to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes, pursuant to House Resolution 573, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed, H.R. 12465, and the bill passed earlier, H.R. 11001.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment, bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H.R. 2584. An act for the relief of Gourgen H. Assaturian;

H.R. 2665. An act for the relief of Briccio Garces de Castro;

H.R. 2671. An act for the relief of Antonia Martinez;

H.R. 2823. An act for the relief of Fumie Yoshioka;

H.R. 3122. An act directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm;

H.R. 3291. An act to amend title 10, United States Code, with respect to certain medals;

H.R. 3534. An act for the relief of Epifanio Trupiano;

H.R. 3789. An act for the relief of Preciolita V. Corliss (nee Preciolita Valera);

H.R. 3805. An act for the relief of Religiosa Luigia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone;

H.R. 3923. An act to provide for the presentation of a medal to persons who have served as members of a U.S. expedition to Antarctica;

H.R. 4346. An act to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge;

H.R. 4670. An act for the relief of Karnail Singh Mahal;

H.R. 5569. An act to amend title 10, United States Code, to authorize the award of certain medals within 2 years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed;

H.R. 7726. An act to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings;

H.R. 7932. An act for the relief of William E. Dulin;

H.R. 7965. An act to amend section 612 of title 38, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans;

H.R. 8212. An act to amend title 10, United States Code, with respect to the procedure for ordering certain members of the reserve components to active duty and the requirements for physical examination of members of the reserve components, and for other purposes;

H.R. 8253. An act for the relief of Pierre R. DeBroux;

H.R. 8740. An act to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas;

H.R. 9142. An act to provide for payment for lands heretofore conveyed to the United States as a basis for lieu selections from the public domain, and for other purposes;

H.R. 9201. An act to validate certain mining claims in California;

H.R. 9541. An act to amend section 109(g) of the Federal Property and Administrative Services Act of 1949;

H.R. 9711. An act for the relief of Robert L. Stoermer;

H.R. 9751. An act for the relief of Mrs. Icile Helen Hinman;

H.R. 10021. An act providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia;

H.R. 10068. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and

of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H.R. 11522. An act to amend the act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes;

H.R. 11787. An act to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964;

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects;

H.J. Res. 627. Joint resolution to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property; and

H. Con. Res. 691. Concurrent resolution authorizing the disposal of certain publications now stored in the folding room of the House of Representatives and the warehouse of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12381) entitled "An act to increase for 1 year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates."

MEXICAN FARM LABOR PROGRAM

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 569 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield myself such time as I may consume, and pending that I yield 30 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. Speaker, House Resolution 569 provides for the consideration of H.R. 12759, a bill to amend title V of the Agricultural Act of 1949, as amended, and for other purposes. The resolution provides for an open rule with 1 hour of general debate.

H.R. 12759 would extend the authorization of the Mexican farm labor program for an additional 2 years, until June 30, 1963.

It is the view of the Committee on Agriculture that the benefits of the Mexican farm labor program have substantially outweighed its disadvantages. Among other things, it has supplied farmers with workers that were not available from the labor force of the United States; it has virtually eliminated the "wetbacks" who once swarmed across our southern border; and all dollars earned and taken home by Mexican workers are eventually returned to the United States since Mexico is now one of our most important customers, thereby providing additional employment in U.S. commerce and industry.

The domestic migratory farm labor stream originates in the area from Florida to Texas, moving north and west in the summer and fall, and returning home in the winter. They are a mobile labor force, the flow and direction of which is influenced by wage rates and employment opportunities. In 1959 Mexican nationals contracted or recontracted under Public Law 78 worked in 24 States.

The present act expires on June 20, 1961, in the midst of the most active season of many crops dependent upon labor provided under the program. Its extension before the adjournment of this Congress is essential for numerous reasons.

Mr. Speaker, I urge the adoption of House Resolution 569.

Mr. BUDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the membership is well acquainted with the provisions of the legislation made in order by this rule. I feel that the rule should be adopted for the consideration on the floor of the House of Representatives of this measure.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield.

Mr. HOFFMAN of Michigan. Is this the migrant labor bill?

Mr. BUDGE. This is the migrant labor bill; yes.

Mr. Speaker, I yield back the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I yield 10 minutes to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Speaker, this legislation is coming to us in the closing days of this session. Its purpose is to extend the Mexican labor program.

CALL OF THE HOUSE

Mr. CANFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRICE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 160]

Alford	Forand	Moulder
Allen	Fountain	Mumma
Anderson, Mont.	Frazier	Norrell
	Gallagher	Pilcher
Anfuso	Gavin	Powell
Arends	Hargis	Preston
Auchincloss	Healey	Rabaut
Baker	Holifield	Rivers, S.C.
Barden	Holt	Roberts
Barry	Jackson	Schwengel
Blitch	Kee	Siler
Bolton	Keogh	Staggers
Brown, Mo.	Kilgore	Stratton
Buckley	Kluczynski	Taylor
Burdick	Lankford	Teague, Tex.
Carnahan	McMillan	Teller
Celler	McSween	Thompson, Tex.
Church	Macdonald	Udall
Coffin	Machrowicz	Van Pelt
Davis, Ga.	Martin	Vinson
Diggs	Mason	Whitten
Dooley	Metcalf	Willis
Dorn, S.C.	Miller, N.Y.	Withrow
Durham	Mitchell	Younger
Edmondson	Morris, Okla.	Zelenko

The SPEAKER. On this rollcall 356 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

WAYS AND MEANS COMMITTEE BILLS

Mr. McCORMACK. Mr. Speaker the Committee on Ways and Means has reported out unanimously seven bills. The gentleman from Arkansas [Mr. MILLS], chairman of the Committee on Ways and Means, will either tomorrow or some day this week ask unanimous consent for their immediate consideration. In order that the Members of the House may be alerted as to what those bills are, I ask unanimous consent to insert at this point in the RECORD a list of these bills and the subject matters to which they relate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The matter referred to follows:

H.R. 1925, extending to fishermen the same treatment accorded farmers in relation to estimated income tax.

H.R. 2397, credit against estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947.

H.R. 8576, extending to residents of the United States who are crew members on vessels, aircraft, and other conveyances arriving in the United States, within specified limits, the same exemptions from duty on personal and household articles as are granted passengers arriving on such conveyances.

H.R. 8732, payment of annuities to widows and certain dependents of judges of the Tax Court.

H.R. 9240, authorizing informal entries of merchandise where the aggregate value of the shipment does not exceed $400.

H.R. 11573, free importation of electron microscopes for educational or research purposes.

H.R. 12559, providing a special method of taxation for real estate investment trusts.

MEXICAN FARM LABOR PROGRAM

The SPEAKER. The Chair recognizes the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Speaker, I am opposed to the extension of Public Law 78. I opposed the original bill 10 years ago when it was before this House. At that time we were told it was just a temporary war measure, that it would not last long, but it has been extended year after year for the past 10 years.

In the first year of operation we employed 190,000 Mexicans to do some of this work that could have been done by our own domestic farm workers. The number has risen from 190,000 up to 440,000 in this coming fiscal year. We are spending now at the rate of about $2.5 million to operate this Mexican labor program. We were told at one time that the program would not cost anything, that the revolving fund would pay all expenses, but that is not so. Other sections of the country, especially the East and the Northeast, that have the same problems as exist in the Southwest are taking care of their farm problems and harvesting their own crops at no expense to the taxpayers of this country.

One of the main reasons I am opposed to this legislation is that I consider it to be class legislation. Here we are trying to extend the program for 2 years, at a cost of over $2.5 million to run it, and it affects only 2 percent of the farmers of our Nation or about 51,000 out of the entire farm population in our country.

The main thing to me is that 75 percent of these 440,000 Mexicans who are going to do this labor at as low as 50 cents an hour will be used in 2 States of our country. That does not seem to be fair to the farmers in the rest of the country.

Another reason I think it is bad legislation is that it is going to drive the family farm out of existence. I was brought up on a family farm in Rhode Island and I know what it is to live and work on a family farm.

The importation program has resulted in a surplus of cheap labor, so that wages and working conditions can be kept at substandard levels on corporation farms.

Some crops use Mexican labor for virtually 100 percent of the work. On the average, American farmworkers can now expect an average of only 125 days of employment a year. Farm wages run as low as 40 cents an hour, in some places 35 cents an hour, and in some areas where Mexicans are used in great numbers wages have actually declined in recent years. In some of the States where they are asking for the most Mexican farmworkers they pay the cheapest wages of any State in the Union. In some of these areas the domestic farmworker is going as far as the State of Minnesota or the State of Washington or the State of Oregon and getting higher wages than he can be paid in the Southwestern section of our country because of this cheap, imported, 50-cents-an-hour Mexican labor.

The imported Mexican farmworkers actually have certain protections which are denied American farmworkers. Why in the world those interested in the plight of the farmers of our country are not willing to provide the same standards for our domestic farmworkers as we are providing for these Mexican laborers who are brought in to do this kind of work is more than I know.

The mass importation of Mexican farmworkers helps the corporation farms and drives the family farms out of existence. The family farm uses little or no hired labor. The corporation farm depends on hired labor. Therefore the lower wages are driven, the more the corporation farms are able to lower costs. The family farm is not able to compete. The corporation farm therefore gains an unfair and permanent advantage.

This problem has become of such importance and such a scandal in this country that many committees have been appointed by various governmental agencies to look into it, and many recommendations have been submitted. I would like to read for the benefit of the committee the recommendations that have been made by a unanimous vote of a consultants report to the Secretary of Labor.

This consultants' report was made by four distinguished citizens who, last year, studied the operation of the law as consultants to the Secretary of Labor. They were Edward J. Thye, former U.S. Senator from Minnesota; the Very Reverend Monsignor George C. Higgins, director of the social action department, National Catholic Welfare Conference; Glenn E. Garrett, chairman of the Texas Council on Migrant Labor, and Rufus B. von Kleinsmid, chancellor of the University of Southern California.

They came to the unanimous conclusion that the law had failed in its objective of protecting domestic farmworkers from the adverse effects of the importation of workers. They recommended that the law be temporarily renewed, but urged a series of changes to provide greater protection for American farmworkers. Their particular recommendations are as follows:

1. The law should clearly confine the use of Mexicans to necessary crops in temporary labor shortage situations and to unskilled nonmachine jobs.

2. The Secretary of Labor should be authorized to establish wage rates for Mexicans at prevailing levels in the area or in the closest similar area for like work, and at no less than a rate necessary to avoid adverse effect on domestic wage rates.

3. The Secretary should be authorized to insure active competition among employers for the available supply of U.S. workers by being empowered to refuse to certify employment of Mexicans unless—

(a) Employers have first made "positive and direct recruitment efforts" to obtain U.S. workers.

(b) Employment conditions offered are equal to those provided by other employers in the area who successfully recruit and retain U.S. workers.

(c) U.S. workers are provided benefits equivalent to those given Mexican nationals.

(d) Employers of Mexicans offer and pay U.S. workers wages which are not less than those paid to Mexicans.

4. The Secretary should be empowered to set up standards for judging adverse effects resulting from employing Mexicans based on wages, earnings, and employment trends and levels.

5. A tripartite advisory group composed of members from management, labor, and the public should be established to advise the Secretary on the Mexican farm labor program.

These specific recommendations have been made unanimously by this group of outstanding consultants. If the House should see fit to adopt these recommendations in this legislation I could see no reason why we should not enact this bill extending the program another 2 years.

Mr. MAHON. It is fair to say that my good friend from Rhode Island would be willing for the House to adopt the rule and go into consideration of this problem and determine what should be done about it.

Mr. FOGARTY. I am not opposing the rule.

Mr. MAHON. The gentleman is not opposing the rule? I appreciate this and I earnestly hope the bill extending the present program will be approved. Actually I would like to see the bill improved by the inclusion of the language in the Gathings bill.

Mr. FOGARTY. I think I should take time now to explain that I was for the McGovern bill, including these specific recommendations of the consultants in the so-called Sisk bill. I am not up here now opposing the rule; I am just up here trying to explain what I hope to do if we get into the Committee of the Whole.

Mr. MAHON. I thank the gentleman.

Mr. McGOVERN. Mr. Speaker, legislation concerning Public Law 78 involves great moral issues and important principles of national policy. Essentially, the Mexican farm labor importation program concerns the following questions:

First. Shall the Federal Government jeopardize the standards of American workers by importing large numbers of foreign workers?

Second. Shall the Federal Government sponsor a program which provides the means for corporation farms to compete unfairly with the American family farm?

Third. Shall the Federal Government sponsor a program which mocks our concern for human values?

I. EFFECT OF PUBLIC LAW 78 ON AMERICAN FARMWORKERS

America's 2,300,000 farmworkers are, undoubtedly, the most underprivileged, the most poverty stricken and the most underemployed group of workers in our Nation.

They earned an average of $761 in 1958, for their agricultural labors. They were able to get an average of only 128 days of farmwork that year. A sizable number of them actually worked for rates of pay as low as 30 and 35 cents an hour.

But not only are their wages and working conditions shockingly low, farmworkers are also specifically exempted from many of the legislative protections which safeguard other citizens. Domestic farmworkers are excluded from protection of Federal laws on minimum wage and maximum hours of work. Farmworkers are generally denied unemployment insurance benefits. No law protects the right of farmworkers to organize into unions and bargain with

their employers. And only a few States require compulsory coverage of farmworkers under workmen's compensation.

Public Law 78 is a major factor in creating the extremely low income and the great underemployment of American farmworkers. It not only helps to prevent wages and working conditions from improving, but in many areas it actually makes them worse.

(A) COMPETITION FOR LIVELIHOOD

Some 437,600 Mexican farmworkers—called braceros—were imported into the United States under Public Law 78 in 1959, even though serious underemployment existed among domestic farmworkers. An oversupply of labor was created and a sharp competition for jobs ensued resulting in a downward pressure on wages and working conditions.

Two percent of American farms have thus been insulated against the laws of supply and demand when wages and working conditions are concerned. If workers are not available at low wages, the corporation farms need not raise the pay to get workers. A ready supply of cheap foreign labor is available.

In some crop areas, domestic farmworkers have been almost completely squeezed out as seasonal labor during peak season. Braceros perform virtually all of the seasonal farmwork. For example, at the peak, braceros comprise 88 percent of the harvest force in New Mexico and 85 percent in California. They made up 90 to 95 percent of lettuce workers in Arizona and California, 90 percent of the cotton harvest hands in New Mexico and virtually 100 percent of the okra harvest workers in the Mississippi Delta of Arkansas.

The experience of New Mexico is significant. In this State, the percentage of braceros in the farm labor force has sharply increased and farm wages have dropped as a result. In 1953, the braceros were 67 percent of the total seasonal farm labor at peak. In 1959, they were 88 percent. Wage rates in the largest seasonal activity in the State, picking cotton, dropped from $2.50 per hundredweight in the 1950–53 period to $2.25 per hundredweight in 1959—a 10 percent wage cut.

(B) DECLINE IN WAGES

The Department of Labor has studied the wage trends in some 471 areas of the Nation, where braceros are employed. The study sought changes of at least 5 cents an hour, or at least 1 cent in piecework rates, between the average wages paid in 1953 and the ones paid in 1959. The study shows a disturbing picture of the effect of the Mexican farm labor importation program.

In nearly 7 out of every 10 cases farm wages in these bracero-using areas either declined or remained the same in the 6-year period, 1953 to 1959, when pay in other industries sharply rose. In 2 out of every 10 cases, wages actually dropped. In only 3 out of every 10 cases did wages increase.

Cotton, the major crop in which foreign workers are employed, showed a large drop in wage rates. Actually, one out of every three of the bracero-using cotton areas showed a decline in wages. Some 75 out of every 100 of the areas showed either a decline or the same wages in the 6-year period.

These statistics leave little doubt of the very harmful effect that Public Law 78 has on the earnings of the already depressed American farmworkers.

(C) USE ON SKILLED JOBS AND SURPLUSES

But there are further factors to consider:

Public Law 78 was first enacted by Congress to provide temporary workers for unskilled, seasonal work on necessary crops where labor shortages existed.

However, instead of working on only temporary and seasonal jobs, braceros are increasingly used in year-round occupations. Approximately 20,000 of them are known as specials and work the entire year in this country. This represents 20,000 jobs which should be filled by underemployed American workers.

Instead of working on only unskilled jobs, tens of thousands of braceros are employed as tractor drivers, vegetable packers, truckdrivers, irrigators, and in other skilled jobs. As a result, American farmworkers are denied the opportunity of improving their economic condition.

(D) CONSULTANTS' REPORT

For 9 months in 1959, four distinguished Americans studied the effect of Public Law 78 on domestic farmworkers, at the request of the Secretary of Labor. These men, who came from varied backgrounds and held varied points of view, came to the unanimous conclusion that Public Law 78 had failed in its objective of protecting the domestic farmworker from adverse effects. They found domestic farmworkers seriously hurt by the mass importation of braceros.

These consultants to the Secretary suggested changes in the law to provide greater protection for American farmworkers. They made these changes the prerequisite for any continuation of Public Law 78. We will have more to say about these recommendations in part VI of the minority views.

In summary, we must state that the depressing effect of Public Law 78 on domestic farmworkers' wages and working conditions is beyond question. The Mexican farm labor importation program quite simply exploits the poverty among Mexicans to increase poverty among farmworkers in the United States.

II. EFFECT OF PUBLIC LAW 78 ON FAMILY FARM

Public Law 78 not only harms the American farmworker, it has an equally bad effect on the family farmer. It provides corporation farms with a means of competing unfairly with the family farm.

The great strength of the family farm has been its built-in labor supply. The family works the farm. Little or no hired labor is used. In fact, more than half of America's farms use no hired labor whatsoever. Another 35 percent use a negligible amount of hired labor; they spend less than $500 a year for labor. The close personal relationship between the family farmer and his hired man results in better working conditions than prevail in a corporate relationship.

On the other hand, only 5 percent of America's farms account for 70 percent of all U.S. farm labor costs. Among this 5 percent, in the main, is the still smaller group which uses foreign labor. For only 2 percent of America's farms employ foreign workers. They are mainly concentrated in five States. Fifty-one thousand farms, total, use foreign labor.

These statistics make quite clear that it is a small number of large farm operators who benefit from the importation of Mexican farmworkers.

(A) UNFAIR COMPETITION

With its supply of cheap foreign labor, the corporation farm is able to depress wages and working conditions. As a result, its costs are kept down. The family farmer must compete against these low costs which are based on exploitation.

If the large-scale farmer in one section of the Nation can flood the market with goods produced with low-wage foreign labor, the price structure for all farmers is forced downward. Thus, the return to the medium and small farmer for his labor—and for the products grown with his labor—is depressed in direct proportion to the increase in production which comes from the use of low-wage foreign labor.

The production of vegetables in fertile border areas by the use of baceros employed at 50 cents an hour has created impossible competitive problems for farmers in other areas producing similar vegetables with family labor. This point was made quite clear by William L. Batt, secretary of labor and industry of Pennsylvania, in a letter to the Subcommittee on Equipment, Supplies, and Manpower. He wrote:

> As secretary of labor and industry in Pennsylvania, I am equally concerned with the disadvantageous position of our State's farm employers as a result of the Mexican program. For instance, last year, Pennsylvania tomato growers paid harvest hands a minimum of 77 cents an hour while their grower-competitors close to the Mexican border in the southwest paid harvest hands 50 cents an hour. Obviously this situation is unfair to Pennsylvania State farmers since both Pennsylvania and southwest U.S. farmers compete in the same markets.

It is small wonder that in 1959, tomato production in bracero-dominated States was more than 40 percent above the 1949–55 average, while tomato production in other areas was declining.

III. EFFECT OF PUBLIC LAW 78 ON OUR NATIONAL VALUES AND PRESTIGE

Public Law 78 is a blot on our Nation's conscience. It mocks our concern for human values and our free enterprise system. It injures our moral and ideological standing in the world.

During the hearings of the Subcommittee on Equipment, Supplies, and Manpower on Public Law 78, many witnesses, especially clergymen, expressed shock and shame at the effect of this legislation.

For example, Rev. Shirley E. Greene, testifying on behalf of the National Council of Churches of Christ in the United States, read to the subcommittee a resolution adopted by the national council's general board. The resolution stated that "Public Law 78, providing for the importation of Mexican nationals for agricultural labor in the United States,

involves human and ethical issues of grave concern to the conscience of Christian people."

The Reverend Greene explained to the subcommittee:

> We are deeply disturbed by the dislocation of families, both Mexican and domestic American, which is caused by this massive importation of close to half a million agricultural workers annually from Mexico.
>
> We are also convinced that this program is having serious and lasting effects of an adverse nature on the American agricultural labor market, thus contributing to the perpetuation of one of the bleakest and most persistent pockets of poverty in our generally affluent economy.

The free enterprise system also is mocked by Public Law 78's Mexican farm labor importation program. Competition for labor has become meaningless for the corporation farms importing braceros. An unlimited source of cheap foreign labor is always available. The only competition which remains in the labor market of the bracero-using areas is the competition between individual workers for jobs which will provide a semblance of livelihood.

This contradiction of some of our most cherished boasts to the world naturally has a detrimental effect on our national prestige. The condition of America's farmworkers has not escaped the attention of the Communists. It provides fuel for their propaganda machines. For here is exploitation, poverty, and injustice of the very worst sort.

IV. REPLY TO PRO-PUBLIC LAW 78 IN ARGUMENTS

Witnesses in the hearings of the Subcommittee on Equipment, Supplies, and Manpower provided a series of arguments for Public Law 78, which appear erroneous when analyzed. In fact, these arguments have more the appearance of alibis. They had best be exploded.

(A) NO LABOR AVAILABLE

Some witnesses have explained that the braceros are essential. Crops would rot in the field if they were not employed. No domestic labor is available, these witnesses charged. This argument is quite fanciful.

No foreign contract labor was imported into the United States for agricultural work before 1942. Before that time, the Nation was able to meet its agricultural labor demands without foreign workers and without crops rotting.

In 1942, braceros were first imported to meet temporary wartime labor shortages. But even during the trying World War II period, when manpower was far more desperately needed than today, only one-sixth of the Mexicans imported today were required. In the war years, most of our young men were in the Armed Forces, peak farm production was needed and farm labor productivity was far below its current levels. Yet, only 75,000 braceros were required to meet the wartime emergency conditions, as compared with the 437,600 braceros imported by corporate agriculture in 1959.

The nub of the matter is that American farmworkers are willing to work and available for it. But sometimes they are not available at the wages for which foreign laborers will work. Were these wages increased, and the working conditions improved, there would be no or little shortage of domestic farm labor. Workers then would not migrate from their homes to faraway areas to seek work. They would have no need to go away.

This is not theory. It is proved by the experiences of many States. The States of Washington and Oregon have developed programs under which American farmworkers work in the fields at comparatively good wages. Ohio's experience is also proof of this point.

James J. Byrne, chief, farm placement division, Ohio Bureau of Unemployment Compensation, and Margaret A. Mahoney, director, Ohio Department of Industrial Relations, wrote in the February 1960 issue of Employment Security Review:

> For the past 2 years, no request has been made for Mexican nationals to work in Ohio. This policy emanates from local employers. During the past season, employers and the employment service were able to attract some 12,000 to 15,000 migrant workers to Ohio. * * * Ohio's bumper crop this past season automatically increased labor demands. A better informed and cooperative employer group met the emergency calmly.

The annual worker plan of the U.S. Department of Labor adequately provides domestic farmworkers for many areas by scheduling a succession of jobs for the workers. In 1959, an estimated 167,000 migrants harvested the crops of tens of thousands of farm employers in 34 States through the annual worker plan.

Finally, the serious underemployment of American farmworkers argues against this alibi for the importation of braceros. The number of domestic workers seeking some farmwork has actually been increasing, year by year, since the end of the Korean emergency. The average amount of work each obtains has diminished. When farmworkers can get an average of only 128 days of work a year in agriculture, as occurred in 1958, then it would hardly seem to indicate conditions under which domestic workers are not available.

(B) STOOP LABOR

A corollary to the "no domestic labor available" argument is the one that the bracero is needed to perform stoop labor and other work which American farmworkers will not do.

Before this argument is accepted, certain questions need to be answered. Are 437,600 workers needed for stoop labor? What about the tens of thousands of braceros who work at skilled jobs? Are they stoop labor or do they perform work which Americans refuse?

(C) UNRELIABILITY OF FARMWORKERS

Another part of the "no domestic labor available" argument is the charge that domestic farmworkers are unreliable, that they leave before work is completed, that they cannot be trusted.

Undoubtedly, among domestic agricultural workers, as in any other group, there are persons who are not reliable. But experience has clearly shown that unreliability is not characteristic of farmworkers in the United States.

Thousands of farmers in many sections of the country—the overwhelming majority of farmers—harvest their crops each year exclusively with domestic agricultural workers. Under the annual worker plan operated by the Department of Labor, farmers year after year obtain the same or other workers—providing them transportation. These workers have, with a relatively few exceptions, carried out their commitments and their obligations.

For example, in 1958, the Washington State Employment Service recruited 4,000 workers in Texas for 200 employers. A total of $110,000 was advanced these workers by the employers for transportation. All but $250 of this large sum was repaid. An asparagus grower in Washington annually advances between $15,000 and $17,000 for transportation and his annual loss is less than $150.

One of the largest employers in the State reported that more than 90 percent of his workers remained for the full completion of the harvest. If farmworkers were so unreliable, how could so many farmers cultivate their crops by using them exclusively?

(D) INABILITY TO PAY

It has been said that American farmers cannot afford to pay better wages, that the farm-price situation is such that agricultural workers cannot have a better standard of living.

At the very start, one must ask, which farmers? As the committee's hearings on the farm income legislation has demonstrated, the family farm is in serious economic trouble. Yet the large-scale farms—the corporation farms—have done quite well. It is the corporation farms which are the overwhelming beneficiaries of the Mexican farm labor importation program.

How important actually are labor costs in the production of crops? In 1958, the total farm wage bill amounted to $2.9 billion, while total production expenditures, including interest and rent, amounted to $25.2 billion. Farm labor costs, therefore, represented only 11.5 percent of total farm production costs, or less than one-eighth, according to the U.S. Department of Agriculture. This means that farm labor wages could rise more than 8 cents an hour before production costs are raised by as much as 1 cent an hour.

Yet, even if all of these factors did not exist, it still would be impossible to argue that American agriculture must, in the attempt to meet its economic problems, exploit farmworkers. The problems of agriculture can be met with proper legislation. The members, offering these minority views, have worked long and hard for such legislation. But we must strongly reject the idea that driving farmworkers deeper into poverty is the solution, or even an aid, in solving the farm income problem.

(E) CONSUMER PRICES

Some Public Law 78 supporters contend that consumer prices will increase unless unlimited numbers of braceros are imported and farm labor wages thereby prevented from increasing. This argument is economically fallacious, but even more important, it assumes that the consumer is as little concerned about the

moral problems presented by Public Law 78 as the witnesses arguing for this legislation.

As shown above, farm labor costs represent only one-eighth of total farm production costs. It represents an even smaller fraction—one-twentieth—of the consumer price, according to the U.S. Department of Agriculture. In other words, a 10-percent increase in farm labor wages would result, on the average, of only one-half of 1 percent increase in prices.

Let us see what a rise in farm wages would mean to consumer prices on specific commodities:

A 10-cents-an-hour increase in return to all labor devoted to cotton production—hired and family labor—would increase the average family's expense for cotton goods about 50 cents a year.

An increase of 10 cents an hour for sugar beet workers would increase sugar beet costs about 40 cents a ton. That amount is too small to affect the retail price of sugar.

A 10-percent increase in labor costs in the production of processing tomatoes in California would result in an increase of less than 2 cents per case of canned tomatoes.

A 10-cent increase in the farm labor costs on lettuce would increase its cost by less than one-tenth of a cent a head.

In short, the consumer might have to pay a penny a pound more for farm goods if farmworkers' wages were substantially raised. We are certain the consumer is perfectly willing to pay this very small extra cost to end labor conditions which blot the conscience of our Nation.

Consumer witnesses told the Subcommittee on Equipment, Supplies, and Manpower exactly that.

(F) EFFECT ON MEXICO

Curing and ending the Mexican farm labor importation program will seriously harm the economy of Mexico, the supporters for Public Law 78 have testified. While it is true that the money brought home by the braceros is of help to the Mexican economy, one can hardly argue that this is a justification for the exploitation of American farmworkers and the creation of unfair competition to the American family farm.

One can hardly expect the American farmworker and the family farmer to shoulder the burden of providing foreign aid for Mexico. If Mexico is to be helped, let us do it through programs established for that purpose—and not by injuring a large segment of our population.

There is an alternative to the extension of Public Law 78 in its present form. It is a moderate proposal which corrects the weaknesses of Public Law 78.

Basically the proposed amendment changes in Public Law 78 to provide greater protection for domestic farmworkers against the adverse effects of mass importation of braceros.

(A) CONSULTANTS' RECOMMENDATIONS

The proposed amendment embraces the recommendations of the four distinguished men who studied Public Law 78 for 9 months last year as consultants to the Secretary of Labor. These consultants were:

Edward J. Thye, former U.S. Senator from Minnesota, who had served on the Agriculture Committee which wrote Public Law 78.

Msgr. George G. Higgins, director of the social action department, National Catholic Welfare Conference.

Dr. Rufus B. van Kleinsmid, chancellor of the University of Southern California.

Glenn E. Garrett, chairman of the Texas Council on Migrant Labor.

These men, representing varied backgrounds, reached the following unanimous opinion after their study of Public Law 78:

> The arguments for and against the renewal of Public Law 78 are not entirely conclusive. As a practical judgment, however, the committee has concluded that, on balance, the case in favor of renewing Public Law 78 on a temporary basis is more conclusive than the arguments against its renewal.
>
> However, the committee doubts whether it is possible to prevent adverse effect on our citizen agricultural work force by such use of imported workers until and unless the law provides the necessary enforcible authority to prevent adverse effect * * *. In order to provide effective tools by which the Secretary of Labor may continue to authorize the orderly importation of Mexican nationals only where necessary and justified, the committee has incorporated in this part of the report its recommendations for changes in Public Law 78. The committee's support of a temporary renewal of Public Law 78 is conditioned on its being substantially amended so as to prevent adverse effect, insure utilization of the domestic work force, and limit the use of Mexicans to unskilled seasonal jobs.

The substantial amendments which the committee of consultants recommended are:

First. The law should clearly confine the use of Mexicans to necessary crops in temporary labor shortage situations and to unskilled nonmachine jobs.

Second. The Secretary of Labor should be authorized to establish wage rates for Mexicans at prevailing levels in the area or in the closest similar area for like work, and at no less than a rate necessary to avoid adverse effect on domestic wage rates.

Third. The Secretary should be authorized to insure active competition among employers for the available supply of U.S. workers by being empowered to refuse to certify employment of Mexicans unless: (a) Employers have first made "positive" and direct recruitment efforts" to obtain U.S. workers; (b) employment conditions offered are equal to those provided by other employers in the area who successfully recruit and retain U.S. workers; (c) U.S. workers are provided benefits equivalent to those given Mexican nationals; and (d) employers of Mexicans offer and pay U.S. workers wages which are not less than those paid to Mexicans.

Fourth. The Secretary should be empowered to set up standards for judging adverse effects resulting from employing Mexicans based on wages, earnings, and employment trends information.

Fifth. A tripartite advisory group composed of members from management, labor, and the public should be established to advise the Secretary on the Mexican farm labor program.

(B) RECOMMENDATIONS IN H.R. 11211

Needless to say, these changes would greatly improve the protection of the American farmworker against the cheap labor competition of unlimited importation of braceros. And they would reduce the unfair advantage bracero-using corporation farms have in competition with the family farm. These recommendations of the consultants are sections 1, 2, and 3 of H.R. 11211, legislation which I have previously introduced.

Section 4 of H.R. 11211 authorizes the Secretary to issue the rules and regulations he deems necessary to carry out the provisions of title V or Public Law 78.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, June 24, 1960.

Hon. GEORGE S. MCGOVERN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MCGOVERN: This will reply to your letter requesting my views with respect to H.R. 12759. As I understand it, this recently introduced bill is designed for one purpose only, to extend the operation of the present Mexican program for 2 years from its present expiration date of June 30, 1961.

My previously expressed opinions in this matter have not changed. There is ample evidence before the Department, including the conclusions and recommendations of independent consultants who have studied this problem for me, that the Mexican program legislation needs substantial improvement in order to avoid adverse effects upon our own farmworkers. My view remains that the existing law should not be extended until such improvements can be incorporated in it.

Since the existing law does not expire until June 30, 1961, there will be ample time for consideration of the administration's recommendations in the next session of the Congress. Since these views were first expressed by the Departments of Agriculture and Labor before the House Agriculture Committee, nothing has developed to modify my views in this regard. The issues involved in H.R. 12759 are highly controversial and I feel that they may be made even more difficult of solution by undue haste in decision.

Sincerely yours,

JAMES P. MITCHELL,
Secretary of Labor.

Mr. TRIMBLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that House Resolution 546, the preceding resolution, be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

CALL OF THE HOUSE

Mr. WOLF. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 161]

Alford	Gallagher	Norrell
Alger	Gavin	Passman
Anderson, Mont.	Hargis	Patman
	Healey	Pilcher
Arends	Hechler	Pillion
Auchincloss	Holifield	Powell
Baker	Holt	Preston
Barden	Jackson	Rabaut
Bass, N.H.	Kearns	Rivers, S.C.
Baumhart	Keogh	St. George
Blitch	Kilgore	Schwengel
Bolton	King, Utah	Scott
Buckley	Kluczynski	Siler
Burdick	Lankford	Spence
Burke, Ky.	McCulloch	Staggers
Carnahan	McDowell	Stratton
Celler	McMillan	Taylor
Coffin	McSween	Teller
Davis, Ga.	Macdonald	Tollefson
Diggs	Machrowicz	Udall
Dooley	Martin	Van Pelt
Dorn, S.C.	Mason	Vinson
Durham	Metcalf	Williams
Edmondson	Miller, N.Y.	Willis
Forand	Mitchell	Withrow
Fountain	Morris, Okla.	Younger
Frazier	Mumma	Zelenko

The SPEAKER. On this rollcall 349 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MEXICAN FARM LABOR PROGRAM

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina [Mr. COOLEY].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12759, with Mr. EVINS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the author of the bill, the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, the bill H.R. 12759, which is before us, is a very simple bill. It simply strikes out the date of June 30, 1961, in the existing law and inserts the date of June 30, 1963.

No program has been more maligned or more misrepresented, in my opinion, than this Mexican labor program under Public Law 78. I realize, certainly, that there have been abuses, because I live in an area where we use tens of thousands of these people.

I would like to say to my good friends and colleagues that I yield to no man in my defense of the working people of this country, whether they be farm laborers or at whatever level they may be working. I will match my record against that of any Member of this House. But I believe I know whereof I speak with reference to the way this program works in the State of California and in the area in the San Joaquin Valley from which I come. I am not prepared to speak for every area of the country.

A good many years ago, in the thirties, I went flat broke in the southwestern part of our country and I went to California.

Mr. Chairman, I appreciate the fact that the hour is late, but if my colleagues will bear with me I hope we can soon dispose of this bill.

I took a job back in the 1930's climbing a ladder, picking fruit for 25 cents an hour. I have picked cotton, I have cut grapes, I have done about every agricultural job that exists in the central part of my State. I feel I know and understand a little bit about some of the problems that exist there. The situation has arisen in recent years where it is simply impossible for our farmers to harvest their crops, for us to get the fruits, the vegetables, and the produce to market without a supplemental labor supply.

Some of my colleagues who discussed this program, I feel, do not have any understanding of what your consumers may be up against. For example, if we did not have a labor supply to harvest our tomatoes, and our asparagus, and the broccoli, and the grapes, and the nuts, and the fruits, they are not going to reach the markets in your areas, and those that do are going to be substantially higher in cost than what they are today, I can assure you.

I do not mean by that that the labor that is being used is cheap labor, by any means; the fact is that unless we have labor of some kind to do the job the harvests are simply not going to be brought in and the produce is simply not going to be available. Those of you who are familiar with existing law, Public Law 78, know what the provisions of that law are with reference to the fact that when Mexican nationals are brought into this country under contract they have to be certified, prevailing wage scales must be met, very high standards of living conditions and housing must be met. The cost of their transportation to and from their point of entry to the farm on which they work must be paid. They must be covered by insurance, hospitalization, and so on. So that actually it becomes a very expensive and very costly type of labor. Thus the majority of farms want to use domestic labor wherever it is available.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. SISK. Certainly, I yield to my good friend from West Virginia.

Mr. BAILEY. Are the members of the Committee here to understand that the prevailing wage in the major part of California that uses this type of labor is only 50 cents an hour?

Mr. SISK. I realize that there is very little time tonight, and I do not want to delay adjournment for I am sure the Members want to get away.

Mr. BAILEY. That is hardly an answer to my question.

Mr. SISK. I am going to answer the gentleman's question. I may say that in my district agricultural wages run to $1 and $1.10 an hour. There is no person working on a farm in the State of California for 50 cents an hour. Every person working on any kind of farmwork in California is getting well above 50 cents an hour.

I have the greatest admiration and friendship for my good friend from Rhode Island who spoke a little while ago, but, very frankly, the things he was saying just do not hold water with reference to this Mexican labor program in California. Let me say in all fairness to my good friend from Rhode Island that there may be someplace where it does hold true, but if it does hold true then they are in violation of Public Law 78 and I challenge anyone to bring that to the attention of the Secretary of Labor, for I can assure him that the situation will be corrected.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield.

Mr. SANTANGELO. Are you advising us now, that Mexican labor is not working in wheat, cotton, or some of the surplus products?

Mr. SISK. The great majority of Mexican labor in my own area works at picking peaches, apricots, plums, nectarines, grapes, walnuts, almonds, and in harvesting melons, vegetables of all kinds. Some of them I have already enumerated. There are some in the western part of my district that do work in the cottonfields, but the major portion of the labor is used in fruits and vegetables.

Again referring to the statement of my good friend from Rhode Island with reference to employers, the so-called small family-sized farm, the one producing fruits and vegetables, is the one that needs this type of people most, for they simply cannot harvest their crops of fruits and vegetables on these small-sized farms without a large amount of labor at certain times, which in most areas is of short duration. That is why this program has worked very well.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield further?

Mr. SISK. I yield.

Mr. SANTANGELO. Do you say that in the main most of the labor is of a seasonal type, used for about 2 or 3 weeks at a time?

Mr. SISK. The overwhelming majority of Mexican labor in my area of California, and I am speaking only of the area about which I know, are strictly seasonal hands employed for periods of short duration.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Chairman, first I should like to commend the gentleman from California [Mr. SISK] for his very fine statement. Certainly there is no program, there is no piece of legislation with which we deal, that is more misunderstood than in this farm labor program. You Members on that side of the aisle certainly know the gentleman from California [Mr. SISK] would not be here asking you to vote for any program or any piece of legislation that is designed to grind under the workingman of this country.

I would like to have the attention of the gentleman from California [Mr. SISK], if I may. When he testified before our committee I asked him some questions. I would like to read those, and also his answers, because they have to do with this very subject of the allegation which is made that this program is only good for the big farmers, and it is not helpful to the small farmers.

I asked Mr. SISK:

I consider you to be an extremely conscientious and sincere Member of Congress. You would be generally on what one would term to be the liberal side. I know you mean what you say; you are sincere in your convictions.

Mr. SISK. Thank you.

Mr. TEAGUE of California. There has been a lot of talk that this Mexican bracero program only inures to the benefit of corporate farmers, big farmers. In the San Jaoquin Valley, which you represent, that is, a large portion of it, in which it has been said there are big corporate farmers, are there any small farmers in the valley?

Mr. SISK. Mr. TEAGUE, I appreciate the opportunity to comment on this. I would like to make two comments, if I may.

In the first place, yes, we have literally thousands upon thousands of small farmers in the San Joaquin Valley. I suppose my district, which has in it the county of Fresno, which has for some years been the richest agricultural county in production in the United States, has a larger share of small farmers than almost any area in the West. The average size of the farm in that area, I believe, from latest statistics, is 60 acres. We have literally thousands of farmers yet who are operating on 40 acres.

I am referring to a vineyard. I am sure that my colleague from California understands that this is a highly productive type of acreage. We have many 40-acre vineyards. We still have many 20-acre vineyards.

The idea that all of the farmers are big corporate farmers is absolutely in error. They are a very small minority of the farms.

The other point that I would like to make, Mr. Chairman, if you will give me the time, is a denial of a firm supply of these Mexican nationals would hurt the small farmer quicker and hurt him worse than it would the big farmer, because the big corporate farms, where they have the development for housing, and so forth, are in a much better position, if necessary, to go out and recruit domestic labor and bring them in, even if it is over long distances, and house them and keep them; whereas the small farmer—I am thinking now of my raisin producers, and we have literally thousands of them—are almost wholly dependent on getting their grapes cut and spread on trays on a supply of Mexican nationals or a similar type of labor.

May I ask the gentleman from California [Mr. SISK] if he is still of that opinion?

Mr. SISK. Yes. Of course, that was the reason for some of the statements I made here. We are completely dependent on this labor or the produce will rot in the field.

Mr. TEAGUE of California. Is it not also true that large farmers can mechanize? They have the money, the capital, to buy cottonpickers and other mechanical equipment which small farmers in most cases have not.

Mr. SISK. That is a completely fair statement.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from New York.

Mr. SANTANGELO. Can the gentleman advise this body what is the prevailing wage for the domestic employee who is not a migrant Mexican wetback?

Mr. TEAGUE of California. We do not have any Mexican wetbacks. These are Mexican nationals, they are under contract. They are not wetbacks at all. In that connection I would like to call the attention of the committee to the fact that the gentleman from Rhode Island [Mr. FOGARTY] indicated that the number of Mexican nationals has gone up from 190,000 to 500,000; however, during that same time the number of illegal Mexican farmworkers here in this country illegally has gone down from 1 million to 30,000.

Mr. SANTANGELO. Will you answer my question?

Mr. TEAGUE of California. I just wanted to make that point clear. The wage scale of our farm labor, and this is true everywhere, is the same for domestic and imported farmworkers except that the farmer has to pay the cost of transportation and other fringe benefits for some of these Mexican laborers.

Mr. SANTANGELO. In terms of dollars, does the domestic worker get $1 an hour or 35 cents or 50 cents?

Mr. TEAGUE of California. The average is $1.19 an hour. Nationwide, it is about 80 cents an hour.

Mr. SANTANGELO. How much do these Mexican nationals receive under their contract—about 35 to 50 cents an hour?

Mr. TEAGUE of California. Oh, no.

Mr. SANTANGELO. What do they receive?

Mr. TEAGUE of California. The figure I gave the gentleman, less the cost of housing and boarding.

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, this program was inaugurated back in World War II, in 1942, I think. I came to the Congress in 1945. I have opposed the renewal of this program every time it has come up, and I oppose it for reasons different from what many other Members of Congress oppose it. I oppose it because it exempts this type of labor from the payment of income tax, from payments into the old age insurance program. There is no binding authority or enforcement provision to compel the man who hires this labor, and brings it into the country, to take care of it. They sometimes leave the farm where they are assigned to when they come in under contract and become wetbacks; just chasing around all over the country. I am opposed to it because it creates discrimination against farm labor in other sections of the country. There are only about three or four States in the southwestern part of the United States that use it. Let me remind you, there are a lot of farm products produced in States like New Jersey and Pennsylvania. I was conducting hearings a few weeks ago on the farm immigrant labor children's bill, and the Secretary of the Labor of the State of Pennsylvania testified that the 50-cent prevailing rate under this contract for Mexican labor was 35 percent below the wage which they paid in New Jersey and Pennsylvania. Take the Jamaicans, the Barbados Islanders, and the Puerto Ricans. Their governments would not let them work for less than 75 to 85 cents an hour. The tomato grower in southern California can produce tomatoes, squeeze the juice out of them, and ship that juice to the Campbell soup plant in New Jersey cheaper than the man can produce it on the farm near the plant.

Mr. Chairman, you cannot justify this kind of a program in this Nation where there are 4.5 million people out of employment. It is just not conceivable that this Congress would impose this kind of a situation on the American farm labor people. There is plenty of it to handle these jobs without importing Mexicans.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. I would like to take part of my time to ask the chairman of the subcommittee, the gentleman from California [Mr. SISK], or the gentleman from Arkansas [Mr. GATHINGS], with reference to a statement just made concerning the labor force that is available which the distinguished gentleman from West Virginia just referred to. Is it not your recollection that in committee we had substantial testimony that because of this unemployed labor force it did not necessarily mean that this labor was available for the type of work we are talking about?

Mr. GATHINGS. Mr. Chairman, if the gentlewoman will yield, that is absolutely right. Witness after witness testified before our committee that they could not get this kind of labor to work on the vegetable and fruit farms; you could not get them to do this stoop labor, although they paid good wages; you could not get them on the farm to do that work that was highly necessary to be done just for a certain period of the year.

Mr. COOLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield to the gentleman from North Carolina.

Mr. COOLEY. The fact is that the law requires the Secretary of Labor to make an affirmative finding to the effect that local labor is not available. This act only authorizes the Secretary of Labor to certify these Mexicans as eligible to work only when domestic labor is not available.

Mrs. MAY. That is my recollection of a very substantial part of the testimony.

Mr. DIXON. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield to the gentleman from Utah.

Mr. DIXON. The gentlewoman will recall the testimony before the committee in which it was proven that these

general statistics of U.S. unemployment were absolutely phony as applied to particular situations; is that not right?

Mrs. MAY. That is correct.

Mr. DIXON. One illustration. The gentleman from Pennsylvania comes from a coal mining area. One-sixteenth of the district that I represent is underladen with coal. Three-fourths of our lead and zinc mines have been closed down. We asked the chief of our unemployment security agency—I call it unemployment, which I should not—employment security agency to defer bringing in Mexican nationals so that we could get jobs for the coal miners and for our lead and zinc mines. He acceded to our request. We had demanded it so that our unemployed miners could get work. And, they were close to the sugar beet fields. How many do you think we got? Not one. We had every farmer in the sugar beet area on our necks within 2 weeks, because they did not have a man to do the job.

Mrs. MAY. I might say also to the distinguished gentleman from West Virginia that in the part of the country I come from we wish we had some of his unemployed people; we would welcome them. There are times when we desperately need them. That may be an impractical suggestion geographically, but I assure the gentleman this does not mean that I have any lack of sympathy or understanding for their problem. But we need this kind of people desperately in the State of Washington for picking and thinning.

Mr. BAILEY. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield.

Mr. BAILEY. If I send the gentlewoman some West Virginians out there, would she exempt them from the payment of income and social security taxes?

Mrs. MAY. I am afraid that I do not have that much control over the present Federal and State regulations.

Mr. BAILEY. Nobody has ever answered, in the years that I have been demanding to know, why there is that provision in this legislation.

Mr. DIXON. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield to the gentleman.

Mr. DIXON. I would like to ask the gentleman from West Virginia how much income tax these unemployed miners have to pay.

Mr. POAGE. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield.

Mr. POAGE. I think the answer to the gentleman from West Virginia is very simple. We have an exemption under the income tax law of $600. It would cost us more money to collect the income tax from these people than we would ever collect from them and consequently that would not be for the benefit of the taxpayers of the United States.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield.

Mr. GROSS. American employees of the United Nations are exempt from Federal income taxes and they are not exactly stoop labor—or maybe they are.

Mrs. MAY. Mr. Chairman, as has been indicated by previous speakers, each of us, naturally, can speak only for our own district.

Mr. Chairman, there have been many references today on the effect that Public Law 78 has on small- and medium-sized farms and the farmers of our Nation. The area that I have the privilege to represent is an area which is almost wholly made up of small- and medium-sized operations. Therefore, I feel that I can logically and justifiably meet the arguments of unfair competition to and repression of the small farm operator concerning domestic and imported workers.

Termination of the present law would create a serious situation in the State of Washington and in all of the States dependent upon a supply of migrant labor, whether domestic or imported. Of primary concern to me is the fact that at the present time there is not a sufficient supply of domestic agricultural labor available at peak periods of need, and this domestic agricultural labor force is presently declining.

Public Law 78 is legislation which allows a supplemental labor force. It does not replace domestic labor, as has been charged.

Our farmers are dependent upon the migratory worker, because there is simply not enough local labor to do the necessary seasonal work on the farms. This is the difficult problem about agricultural labor. It is highly seasonal, with frequent peaks of employment. When one considers that the demand for labor is for a few short months and at the same time in many different States, it becomes apparent that it is impossible for the same work force to be in two places at the same time. A worker would have to be somewhat of a magician to harvest apples in the State of Washington and lettuce in Arizona during the same period of time.

There is an annual average domestic migratory work force of 427,000—1958—available in the United States to perform agricultural labor. Substantial segments of this force are used in every State of the Union at various times of the year. To replace the 437,600 Mexican nationals with the 427,000 domestic migrant workers would use up all of the available supply and leave a serious labor shortage in the remaining areas that have depended upon our domestic migratory labor.

The northwestern area of the United States employs very few Mexican nationals, the great majority of our migrant agricultural labor coming from Texas and other southwestern States. The reason we do not use the nationals is quite simple—the nationals are recruited for a 6-week period, and with our area located a great distance from Mexico, much of this 6 weeks time would be lost in traveling to and from the border. Not only would this time be lost, but the transportation costs would be excessive to our farmers.

On the other hand, domestics, with a liking for the Northwest area, return year after year.

Termination of the program would necessitate an attempt to recruit domestics without much hope of accomplishment in the Northwest area because an intensive recruiting program for domestic labor by farm operators in other parts of the country who now use nationals, would place many of the small farm operators in the Northwest at a distinct disadvantage due to their great distance from the recruitment area.

It is for these reasons that I most seriously urge that Public Law 78 be extended.

Mr. GATHINGS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Chairman, in answer to the various questions that have been raised previously, with only minor exceptions, at least in the State of California, this labor is used on foods that you would find in the fresh fruit and vegetable departments at your local grocery stores. This is the interest the city people have in the supply of labor for this kind of farms. Unless there is an adequate supply of labor for them, you will either have items missing in the grocery stores or the prices will be exorbitantly high.

I represent a farming district. However, my district is not as reliant on bracero labor as some of them are. I would say less than 10 percent come from this bracero program. But, in some areas, for example Congressman SAUND'S, 90 percent of the labor comes from the bracero program.

I would ask for an extension of this act without amendment. My reasons are these:

This act should be extended now because the Labor Department has to budget for enforcement officers, and so forth, in connection with it. The current law is due to expire in the middle of next year. If it is renewed until next year they cannot go through an adequate budgeting process.

Further, our growers in California are having difficulty in finding financing in respect to crops that require labor that will be obtained under a program which will expire in June of next year. This is a consideration.

Also, a longer period than the present expiration date is needed in order to negotiate a new treaty with Mexico which, incidentally, is designed to protect the rights of Mexican and also domestic labor.

There has been a report submitted to the Department of Labor by a commission, which included ex-Senator Thye. The Labor Department itself has not had sufficient time to study these proposals and suggests abstaining from any amendments with respect to the content of the law until it has had time to evaluate the proposals of this commission and to submit its own recommendations.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. Would the gentleman have us understand that the Secretary of Labor and the Labor Department are in favor of this legislation?

Mr. HAGEN. I could answer that yes or no, but I would probably be wrong with both answers.

Mr. BAILEY. I will ask it more definitely. Is Mr. Mitchell in favor of this program?

Mr. HAGEN. Mr. Mitchell is not in favor at this time of changing the ground rules of the bracero program.

Mr. BAILEY. Do you not take away some of the authority he has under existing law?

Mr. HAGEN. No.

Mr. BAILEY. He says you do.

Mr. HAGEN. The original proposal that was approved by the House Committee on Agriculture would have done so. However, this proposal is a simple extension, and does not attempt to change the ground rules at all.

In that connection, I might point out that the Secretary of Labor has recently exercised considerable authority in regulating the conditions of employment which shall be made available to domestic workers before any Mexicans can be secured by an employer. I personally feel that the Labor Department has exercised their authority to the utmost in this respect. Existing laws provide that the Labor Department shall administer the program. I do not feel that there is any danger of abuse provided Congress appropriates enough money to operate the program from an inspection standpoint, and so forth.

By way of conclusion, I want to reiterate that this proposal before us does not seek to change the ground rules relating to Mexican labor, which provide that it shall not be made available to the adverse effect of domestic workers. Further, the Secretary of Labor is not at this time recommending any changes in the law, which is currently due to expire in June of 1961. He indicates that next year he will propose some changes, although we do not know what those changes are. They may or may not be the changes that will be suggested to you in the form of amendments later on.

Mr. HOEVEN. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Chairman, I am extremely sorry the gentleman from West Virginia left the floor, because I have some information which would probably enlighten him on this bill. He was quite concerned about the effect the passage of this bill would have on the labor force in West Virginia. I would like to point out to him that there is a table on page 380 of the hearings from which he will find that the State of West Virginia did not use any labor of this nature.

He also was concerned about the State of Pennsylvania. If you will look at the same table on page 380 of the hearings, you will find that the State of Pennsylvania is not using any labor under this act in 1959.

He also mentioned the State of New Jersey, for what reason I do not know; but the State of New Jersey did not use any laborers under this act in 1959. In fact, according to the Department of Labor, only 25 States in 1959 used laborers under this act, and in only 83 areas of the United States.

I might say that in the State of Ohio we did not use any Mexican braceros, but I am in sympathy with the extension of this act, because particularly in my area in northwestern Ohio we produce a considerable amount of sugar beets and tomatoes, and we use Mexican national labor in the harvesting of these crops. If we could not obtain the Mexican nationals from Texas we would absolutely have to go out of beet production and tomato production. We do not have any large corporate farms in northwestern Ohio such as it has been pointed out this act is used for. We have a lot of family type farms, and these people are dependent upon these Mexican laborers. Why? Because they cannot obtain domestic farm labor to harvest their crops. So I am in complete sympathy with these 25 States that do use labor provided under Public Law 78, because I know the situation they speak of and the predicament they might be in if this act were not extended.

I know a lot of people are concerned about consumer reaction, but let me say that if we do not extend this act the price of a lot of commodities is going to go up, because you are not going to be able to produce those crops as cheaply as you have in the past. So I cannot urge too strongly that you extend this act for another 2 years.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield.

Mr. O'HARA of Michigan. I was interested to hear the gentleman's comments about the situation in his State of Ohio. I have been told by some that the experience of the State of Ohio, which by improving its efforts to recruit domestic migrant labor has made the use of Mexican nationals unnecessary, is proof of the assertion that other States could do likewise. Would the gentleman care to comment on that?

Mr. LATTA. I do not know about the situation to which the gentleman refers, but I certainly think that we in Ohio can point to many things with pride.

Mr. O'HARA of Michigan. Your State is pointed to by people who are opposed to the extension of this program as the example of a State whose efforts to recruit domestic migrant labor has cured the labor shortage which is said to require the importation of Mexican nationals. I was hoping the gentleman could enlighten us.

Mr. LATTA. I am pleased to know that from the gentleman from Michigan, because his State is still operating under this program, and in 1959 used 8,212 of these Mexican migratory workers.

Mr. O'HARA of Michigan. Why do you not come up and help us out?

Mr. GATHINGS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, I appreciate the committee's giving me this time. I merely wish to say that inasmuch as the Committee on Rules has granted a rule on the so-called minimum wage bill I shall insert, if I get permission in the House, a section-by-section analysis of the bill so it may be available for the Members tomorrow.

May I add my remarks on this bill? I believe there can be no question as to the need in some areas for Mexican workers, but I cannot understand why the amendments which will be offered would not fit into that inasmuch all they do is limit the Mexican workers to unskilled and seasonal jobs. It would seem to me to fit exactly into the pattern of what the proponents of the bill have been speaking about.

Mr. Chairman, my concern is with justice and fair play whether the situation involves the little businessman, the little farm or the farmworker.

I think my record shows that I have a strong and continuing interest in the small farm and the small farmer. I have continuously supported legislation which I have felt was good for the farm community and thus good for America.

My cosponsorship of H.R. 11211, the McGovern bill dealing with Public Law 78, is in keeping with my past actions. For I strongly believe this legislation is vital to help the family farm in competition with the corporation farm and it is vital to wipe out one of the greatest social injustices in our Nation.

The Congress is fully aware of the fact that existing title V of the Agricultural Act of 1949, commonly called Public Law 78, was intended as a temporary measure designed to assure the availability of seasonal, unskilled agricultural workers for the cultivation and harvesting of necessary crops. It has proved to be something quite different.

Its temporary nature has been disregarded; its life has been renewed repeatedly. Its use only to produce necessary crops has never been considered. The Secretary of Agriculture has discharged his function under its terms by "deeming necessary" all crops in the United States, whether or not those crops be in oversupply and subsidized by the Government.

Public Law 78's apparent intent to provide needed seasonal unskilled foreign workers has similarly been changed by actualities: Mexican workers are employed in year-round jobs and they do machine and other work requiring skills far above those of stoop-labor. Public Law 78 has lost the character which prompted its enactment. It must be amended. It must be changed to reflect the congressional intent which it was supposed to reflect when it was first enacted. Thus I must say in all honesty that to compromise the issue by merely extending the life of Public Law 78 for another 2 years will be most unfortunate and a means of evading responsibility.

The McGovern bill is designed to give real effect to Public Law 78 language which has been demonstrated to be impossible of administration. That language says that no Mexican foreign workers shall be made available if their employment will "adversely affect the wages and working conditions of domestic agricultural workers similarly employed." These words themselves, in my opinion, actually express the congressional intent. But when they occur in a law like Public Law 78, they cannot be given content or meaning.

The reason is simple: Since the whole law makes available a relatively inexhaustible supply of foreign workers, American agricultural workers have no bargaining power. They must take what they are offered or the grower association or farmer will hire Mexican workers instead. What bargaining power can the American farmworker have when there are 450,000 Mexican workers standing across the border, ready, willing and actually anxious to take their jobs? The psychology of the situation effectively erases from Public Law 78 the adverse effect language which I have quoted.

H.R. 11211, by the gentleman from South Dakota [Mr. McGOVERN], is designed to restore this language by giving the Secretary of Labor the authority he needs to prevent the adverse effect which is inherent in Public Law 78 as it exists today. It does so by writing into the law provisions which have been recommended, among others, by a select group of qualified consultants in their October 1959 report to the Secretary of Labor on the Mexican farm labor program. These consultants' support of a temporary renewal of Public Law 78 was conditioned on the act being amended, as H.R. 11211, amends it, to prevent adverse effect, insure utilization of the domestic work force, and limit use of Mexican workers to unskilled, seasonal jobs.

This Congress is aware of the conditions which exist. It knows that 97 percent of the Mexican workers admitted under Public Law 78 are used by large associations and individual growers in five States. My State of California is one of the five. The others are Texas, Arkansas, Arizona, and New Mexico.

In these States, there is an annual migration of domestic farm workers from their homes in localities near the border. I have been told that these American farm workers uproot their families and trek to other areas for farm work because they enjoy it as a vacation and because it is their nature. I do not believe this. In my opinion these workers and their families migrate for higher wages. They migrate because in their home areas they are placed in competition with Mexican nationals for a piece rate wage which may permit them to earn the ridiculously low wage of 50 cents an hour.

They migrate out of necessity. They cannot afford to compete with nearly half a million Mexicans to whom 50 cents an hour represents a wage several times higher than their wage at home in Mexico. Is it just and fair for the Congress to sanction the continuation of these conditions?

I have heard it said that those who condemn the effect of Public Law 78 and deplore the conditions of the U.S. farmworker under it, disregard the great improvements which have been made since its enactment. I would point out that these improvements, whatever they may be, inure to the benefit of the Mexican worker, not to the domestic farmworker. I would say, too, that these improvements have been made—where they have been made—only through urging, shaming, leading, and cajoling the large associations to improvements in transportation, safety, and comfort, the quality and quantity of food, suitable housing and facilities, and other such matters which had, in many, too many instances, aroused the conscience of the American people.

However, the 50-cent wage still exists in many regions. Actually, even 50 cents is being paid only because the Department of Labor took the position that it could not, in conscience and decency, place U.S. farmworkers in competition with foreign workers at wages below 50 cents.

Thus cheap labor, available under Public Law 78 to large corporate farms, large associations, and large processors, has added to the squeeze faced by the small family farm. The small farmer, employing no foreign labor, doing the job with his own hands and those of his family, has been forced to compete in the market against giant competition operating with tremendous numbers of underpaid foreign workers. Not only is the value of his crop reduced by the presence of Mexican labor but the value and the dignity of his own efforts and calling are lowered. This kind of competition is, in my opinion, an insult to the American sense of justice.

The expression of my views in support of the McGovern bill, H.R. 11291, is in itself an expression of opposition to the Gathings proposal which was reported from committee. I oppose this approach because it calls for an extension of Public Law 78, with all of its evils. This extension would be under terms which would make it impossible for the Department of Labor, whose basic statute directs it to improve the conditions of wage earners, to do anything to carry out its responsibilities either under its basic statute or under the so-called adverse effect provisions of Public Law 78. This bill would circumscribe what little authority the Labor Department has under existing law. It would go far to take the Department of Labor completely out of the Mexican program by making action impossible without the consent of the Department charged with the interest of the farmer and not the wage earner.

Additionally, while I oppose the attempt to proscribe the Secretary of Labor in carrying out the intent of the Wagner-Peyser Act, I likewise oppose a mere 2-year extension without safeguards.

The shame of Public Law 78's adverse effect on agricultural wage earners in the United States and on America's small family farms must not be permitted to endure. The reasons for that shame can be eliminated to a great degree by the enactment of the McGovern approach. I respectfully submit that this Nation should no longer tolerate legal sanction to depress the working conditions, wages and living standards of our domestic farm employees.

Like many city Congressmen, I have taken an interest in farm subsidy programs as well as farm labor problems. I shall continue to do so. I recognize the importance of the welfare of our farm population to the welfare of the entire Nation.

Therefore, I respectfully submit that, under no circumstances can the disgrace of the poverty and underprivileged status of the farmworker be permitted to continue. The farmworker and his family are human beings.

I strongly urge approval of the McGovern bill or similar amendments by the gentleman from Rhode Island [Mr. FOGARTY]. If there cannot be agreement to provide these improvements in Public Law 78, then I sincerely urge that Public Law 78 not be renewed. If the law cannot be improved to provide some protection to domestic farmworkers, it is then better to abolish it. For, if the original intent was to offer protection and the record shows that the domestic farmworker has not been protected thereby, then to continue the law without needed changes is merely to give pro forma recognition to a protection that does not, in fact, exist.

Mr. HOEVEN. Mr. Chairman, I yield 4 minutes to the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I should like to explain why ostensibly reasonable statistics do not apply in this situation. We have 4 million unemployed. If that be the situation, why should they not take these jobs? Let me explain to you briefly. In the first place, these jobs are highly seasonal, and regular people will not go for these jobs.

In our sugar beet areas we have to thin beets.

The person who thins beets has to crawl on his hands and knees or he has to stoop clear to the ground. I have thinned beets, and I will say that for hours after my day's work was over I could see lights in front of my eyes. It is stoop labor that is almost loathesome. I do not want you to feel when I said our unemployed miners would not take these jobs that I am casting any reflection on the miners, because I am not. I do not blame them a bit. It is one of the toughest jobs you ever saw, and no man who thinks much of himself would ever touch it. So if we had 5 or 6 million unemployed, I doubt if they would come and thin our sugar beets. That is why the unemployment statistics just do not apply to this situation at all.

Mr. Chairman, I wonder where we would be for domestic sugar as far as the beet industry is concerned if you take away the Mexican labor? Castro has signed up with Russia for a million tons of sugar and probably with China for a half-million tons of sugar. The distribution of land out there might knock Cuba out of producing another million tons of sugar. Now you are going to knock our domestic producers, our beet growers, out of the opportunity to provide this country with sugar. You better think about that before you amend this act.

I am certainly in favor of this act as it stands, just a simple renewal for 1 year. The Secretary of Labor must certify that no labor can be obtained for these purposes before any of these nationals may be brought in. I think it is a fine thing for the nationals, too, because they do not have to swim the river. I believe what we spend on the program

has been saved in trying to police the river, and prevent the wetbacks from swimming over here. Now they come in orderly under contract, and it is a fine, honorable thing to do.

Mr. Chairman, this is a good bill.

Mr. COOLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. EVINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes, had come to no resolution thereon.

MASSACHUSETTS WAS BIRTHPLACE OF KING BHUMIBOL ADULYADEJ OF THAILAND

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, all of America today welcomes the only king ever born in the United States, and tomorrow Congress will receive His Majesty, King Bhumibol Adulyadej. We of Massachusetts are proud that this enlightened leader of an important country of the free world claims the Commonwealth of Massachusetts as his birthplace.

Cambridge, Mass., has the distinction of having been the birthplace of one of the world's few reigning monarchs, a king who himself is distinguished for his ability to combine a traditional heritage with a modern outlook in maintaining a stable monarchy in a world where there is often instability. The King of Thailand, Somdet Phra Chao Yu Hua Bhumibol Adulyadej, also known as King Rama IX because he is the ninth ruler of the Chakri Dynasty dating from 1782, was born on December 5, 1927, at Mount Auburn Hospital in Cambridge, Mass.

At that time, his father, Prince Mahidol, heir to the throne of Thailand, was studying at Harvard Medical School.

The present King was the youngest of Prince Mahidol's three children. When he was a year old, the family returned to Thailand where his father joined the staff of a hospital. Shortly thereafter, his father died and his uncle, the ruler, who had no children, sent his mother with her children to Switzerland where the children were to be educated for their future duties. Much of Prince Bhumibol's youth was spent abroad and when he returned to Thailand after World War II, it was to a country where much had changed and to a situation that was fraught with many dangers.

King Prajadhipok, his uncle, had been the last of the absolute monarchs of Thailand. In 1932 the absolute monarchy had been replaced with a constitutional monarchy and 3 years later, King Prajadhipok abdicated in favor of Prince Ananda Mahidol, the present King's older brother. Because of his youth, the throne was held under a regency while the young King continued his education in Switzerland. Shortly before the scheduled coronation of the young King, in 1945, he was found dead under curious circumstances.

Prince Bhumibol was then named the successor, also under a regency, and returned to Europe to complete his studies. He had earlier planned to become an architect, but now changed his studies to law. He returned to Thailand in 1950, after the country had undergone five constitutional and 19 administrative changes in 18 years. At that time the surrounding countries were in the throes of revolution and communism was on the ascent. Shortly after his coronation and marriage, the young King in his first message to the Thai Parliament requested that body to resist the entry into Thailand of communism that threatened from without. And since that period, his influence has been paramount in maintaining Thailand as an island of stability in a surrounding sea of uncertainty.

The King and his beautiful consort have endeared themselves to their subjects by their many trips within the country to familiarize themselves with regional problems. They have also been actively concerned with the welfare of their subjects and have promoted many activities in this direction. Apart from his royal duties, the King is a well-known composer of popular songs and dance music. In 1950 one of his songs was performed in a Broadway revue. And all of the profits from his musical activities go to the royal Thailand charities.

Mr. Speaker, under unanimous consent I include a story about King Bhumibol Adulyadej written by Fred Blumenthal that appeared in Parade magazine last Sunday, as follows:

THE KING FROM MASSACHUSETTS

(By Fred Blumenthal)

WASHINGTON, D.C.—The only king ever born in the United States will arrive here in the Nation's capital on Tuesday with his beautiful, young Queen as honored guests of President Eisenhower.

His Majesty King Bhumibol Adulyadej (pronounced Poom-ee-pom Adul-un-det) and Queen Sirikit of Thailand (Siam) are here not only for the pleasure of revisiting the land of his birth but to demonstrate his nation's friendship with the West.

To most Americans Siam is a land of oriental mystery and the colorful, ornate costumes of the musical "The King and I" (King Bhumibol is the great grandson of the monarch featured in that show). But to the Pentagon and the State Department, Siam—the size of France and with 22 million people—is the keystone to the defense of Southeast Asia, a vital member of the Southeast Asia Treaty Organization (SEATO), which has its headquarters in Bangkok, Siam's capital.

It is no secret that Red China covets dominion over Siam and her natural riches. But though the Communists—Chinese and Russian—have made massive efforts to subvert Siam and woo her loyalty from the West, they have had no success—thanks to the stanchness of the young King and Queen.

Born 32 years ago in Cambridge, Mass., where his father, Prince Mahidol, studied medicine at Harvard, King Bhumibol was educated in Switzerland. He came to the throne in 1946 at the age of 19 after the mysterious death of his brother, King Ananda, who was found shot in his bedroom in the royal palace.

King Bhumibol did not take over the throne immediately but returned to Switzerland to complete his studies in political science and law. There he met and married Princess Sirikit, a fellow student.

King Bhumibol and Queen Sirikit are modern royalty, deeply devoted to their people. They are a gay, unassuming young couple with the interests and tastes of their Western friends. The King loves modern music, is a camera bug and is interested in science. Both the King and Queen speak excellent English.

FACING THE MUSIC

He is an accomplished musician, has composed 25 pop tunes (two, "Falling Rain" and "Blue Night," were used in the Broadway production of "Peep Show") and plays the clarinet and saxophone. He has played clarinet with Benny Goodman and Jack Teagarden, who both praised him. When there are informal dances at the palace, he likes to "sit in" with the band.

Once as a lark the King acted as disk-jockey for a Bangkok radio station. In true diskjockey style, he answered the telephone and took request numbers. The people who called for tunes had no idea they were talking to their monarch.

Queen Sirikit, like most young women, is an admirer of Paris fashions, to which she gives a charming Siamese touch. Her wardrobe for this State visit was designed by Balmain but the Queen provided the materials—woven Thai silk with Siamese patterns.

But just as the King is neither puppet nor playboy, the Queen is no butterfly. She is president of the Thai Red Cross and works tirelessly for social welfare and on the upbringing of her four children—three girls and a boy.

The King himself refuses to follow the ways of the Siamese kings of old—locked behind palace walls. He gets out among his people whenever he can, often driving alone in his little sports car.

When food experts tried to persuade farmers to breed fish in their rice paddies as an extra source of protein for their diet, the King made the program popular by raising fish in a palace pool. He and the Queen campaigned for a vaccination program that saved the nation's poultry industry. In 1959, during a cholera epidemic, the King supervised the injection of anti-cholera vaccines. To give his people confidence, he publicly took the first injection.

During his visit here King Bhumibol will have many serious talks and will attend many official functions. But he has developed a knack of getting away from it all from time to time. Some of America's leading jazz men should not be surprised if they are invited one evening to join him in a jam session. His Majesty, King Bhumibol Adulyadej, ninth King of the House of Chakris, would then be just a happy young man with a horn.

THE MEXICAN FARM LABOR PROGRAM

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the Mexican farm labor program is a disgrace to the Nation and a throwback to the cruel exploitation of labor which we thought had been eliminated once and for all. Under the cloak of free enterprise it encourages a small number of growers to fatten on human misery and threatens to entrench a peonage system whose social and economic conditions expose us to world ridicule.

What began as an emergency measure during World War II in order to free Americans for service in the Armed Forces or for work in defense production, has become a shameful custom that thrives on human ignorance and poverty.

In 1959, 437,600 Mexican nationals were imported into the Southwest to do all kinds of farm work, but principally that of stoop laborers engaged in harvesting the seasonal crops. Ninety-five percent of them are employed in the five States of Texas, California, Arkansas, Arizona, and New Mexico. They make up nearly 90 percent of the Nation's seasonal lettuce harvest workers; more than 30 percent of the seasonal workers in cucumbers, tomatoes, citrus fruits, melons, and nuts; and nearly 30 percent of the cotton harvest employment.

Their guaranteed minimum wage is only 50 cents an hour. Their average annual wage for 1958 was $961. They live in shacks, jalopies, and tents. They are excluded from practically all social welfare laws. Their children receive only intermittent education. They work back-breaking hours in the fields to supplement the family income and are plagued by illness and accidents.

By importing low-paid seasonal labor from Mexico through Government channels, the large growers are undercutting the standards of American farmworkers, and are forcing them to move elsewhere in order to make a decent living.

This is the reverse of progress. It is undermining our Nation's respect for the dignity of labor, and labor's entitlement to improved wages and working conditions.

Only 2 percent of the Nation's commercial farms employ Mexican nationals. To argue, as a few will do, that we must continue to import underpaid and underprivileged workers if the large scale farm operators are to survive, is to condemn American migrant farm laborers, and family farmers, to abject poverty.

This will not do. It is the obligation of the operators to raise wages and improve working conditions for our own farmworkers, as they can well do, and as every other American employer is doing, either through collective bargaining or as a result of the increase in the minimum wage, plus other laws for the protection of workers.

They can no longer expect that the U.S. Government will be an accessory to the cruel exploitation of labor. H.R. 11211, the McGovern bill, is fair to the big operators. By providing for a gradual reduction in the importation of Mexican contract labor over a 5-year period, while reducing the adverse effects upon domestic farmworkers at the same time, it will cushion the readjustment to modern standards.

H.R. 11211 is supported by church, civic, labor and family-farm organizations.

During the hearings on this legislation experts testified that consumer prices would not rise from an increase in farm wages. "But," as the overwhelming majority of Americans say, "even if prices were to go up a fraction, we would be glad to pay the tiny cost to get rid of this terrible stain on the Nation's conscience."

DISCHARGE OF MEMBERS OF THE ARMED FORCES

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include appropriate material.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, on yesterday I introduced H.R. 12825, which was referred to the Committee on Armed Services. The text thereof is as follows:

A BILL TO PROHIBIT THE DISCHARGE OF MEMBERS OF THE ARMED FORCES UNDER CONDITIONS OTHER THAN HONORABLE EXCEPT PURSUANT TO THE SENTENCE OF A COURT-MARTIAL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any provisions of law, no member of the Armed Forces of the United States shall hereafter be released from active duty or discharged from active duty under conditions other than honorable except pursuant to the sentence of a court-martial.

SEC. 2. This act shall become effective on the first day of the second month following the month in which it is enacted.

I introduced said bill at this late date in this 2d session of this 86th Congress as notice of the fact that I intend to file the same bill on the opening day of the 87th Congress.

As it now appears that the other legislative body will not consider the Doyle bill, H.R. 88, during this session of Congress, and which bill, H.R. 88, passed the House of Representatives unanimously, and then was promptly forwarded to the other legislative body and referred to the Armed Services Committee thereof, it appears to me timely for me to file H.R. 12825, which is an outgrowth of the work and interest expressed by more than 40 Members of this House who also filed companion bills to H.R. 88. These bills all dealt with the important subject of less-than-honorable discharges. The military departments opposed these bills when they were before the House Armed Services Committee and opposed H.R. 88 and companion bills when before the House of Representatives. In spite of said opposition the House passed H.R. 88 unanimously.

And, since it was my established practice to try to keep all the Members who filed said companion bills, and all Members of the House, as fully informed as possible during the last 2 years that H.R. 88 and companion bills have been to the attention of House Members, I am pleased to now submit further information in the premises.

Following is the text of a letter received by me, dated May 20, 1960, from the Assistant Secretary of Defense, in response to a further inquiry I made on the subject of H.R. 88. Accompanying said letter was a statement of enlisted discharges by type of discharge for the fiscal year 1959. In reading these items I call your attention especially to the figures opposite the "undesirable" discharges; I call your attention to the fact that the number of discharges for "unsuitability" are not in said list identified:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May 20, 1960.

Hon. CLYDE DOYLE,
House of Representatives.

DEAR MR. DOYLE: Your letter of April 29 received in this office on May 3, requested such data as could readily be made available within 15 days on the subject of less-than-honorable discharges, within the context of information furnished you in previous years.

I am pleased to forward summary figures of the four military services covering their enlistment discharges during fiscal year 1959. You will note that while the total number of separations from active duty decreased only very slightly, there was a substantial decrease in all types of separations other than honorable. Overall, nearly 96 percent of the enlisted personnel who returned to civilian life completed their active military duty under honorable conditions. This, I think you will agree, bears testimony to the fine type of personnel entering the Armed Forces and to their generally high standard of conduct while serving.

Increased emphasis has been placed by the services on early identification of problem cases, to the end that those men who can be prevented from getting into difficulties are given every assistance in their adjustment and those who are unable or unwilling to adjust are weeded out. A generally healthy tone and high esprit have resulted from the higher quality of enlisted personnel and the continuing attention given to their leadership and training. The clarification of standards for administrative discharges, accomplished by our adoption of uniform policies in January 1959, has also contributed materially.

It is not possible to assess the exact effect of each of the factors which has contributed to the increased numbers of honorably separated personnel, but I think we may take some satisfaction in the fact that the net result of all actions taken has been an improvement. We still have, and will no doubt continue to have, a relatively few individuals whose conduct and performance cannot be rewarded by honorable discharge without lowering discipline and reflecting on the high standards maintained by the overwhelming majority of servicemen.

I have enclosed a copy of Department of Defense Directive 1332.14, "Administrative Discharges." I believe you already have received copies of this previously.

The Defense Department shares your desire that persons leaving military service return to civilian life with a record of honorably performed duty to their country, for the benefit of themselves and the Nation. Your continuing interest in the welfare of all military personnel is appreciated.

Sincerely yours,

STEPHEN S. JACKSON,
Deputy.

Enlisted discharges, by type of discharge

Type of discharge	DOD total	Army	Navy	Air Force	Marine Corps
Total	736,552	337,672	155,310	178,012	65,558
Honorable	678,419	318,244	142,117	161,742	56,316
General (honorable conditions)	27,524	6,269	7,346	7,380	6,529
Undesirable	23,672	11,216	3,846	7,124	1,486
Bad conduct	5,747	1,074	1,971	1,522	1,180
Dishonorable	1,190	869	30	244	47

H.R. 88 and companion bills were primarily designed to be helpful to the thousands in the past and present and future who were and are discharged for causes typed as undesirable or unsuitable. In other words, the minor offenses. However, as to the opposition of the military itself, the terms of H.R. 88 could be made applicable to any type of discharge granted, and was made retroactive so that the many thousands who were thus discharged in the past could also have the benefits available.

Here is the text of a letter dated April 20, 1959, to Hon. CARL VINSON, chairman of the House Committee on Armed Services, on the subject matter from the Department of the Air Force.

DEPARTMENT OF THE AIR FORCE,
Washington, April 20, 1959.

HON. CARL VINSON,
Chairman, Committee on Armed Services, House of Representatives.

DEAR MR. CHAIRMAN: Reference is made to your request for the views of the Department of Defense with respect to H.R. 88, 86th Congress, a bill to amend section 1552, title 10, United States Code, and section 301 of the Servicemen's Readjustment Act of 1944 to provide that the Board for the Correction of Military or Naval Records and the Boards of Review, Discharges, and Dismissals shall give consideration to satisfactory evidence relating to good character and exemplary conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals; to authorize the award of an exemplary rehabilitation certificate; and for other purposes. The Secretary of Defense has delegated to this Department the responsibility for expressing the views of the Department of Defense.

Reference is also made to your request for the views of the Department of Defense with respect to similar bills on the same subject as follows: H.R. 69, H.R. 1088, H.R. 1994, H.R. 2457, H.R. 3184, and H.R. 3340. This report also applies to these bills.

The purpose of H.R. 88 is to amend section 1552 of title 10, United States Code, and section 301 of the Servicemen's Readjustment Act of 1944 (now codified as sec. 1553 of title 10, United States Code) to include specific criteria that must be considered by boards established under these sections when reviewing cases of individuals discharged or dismissed from the Armed Forces; and to permit such boards, with the approval of the appropriate Secretary, to issue an "exemplary rehabilitation certificate" to any individual heretofore or hereafter discharged or dismissed from the Armed Forces under conditions other than honorable when it is established to the satisfaction of the board concerned through—(1) affidavits from local law enforcement officers; (2) notarized statements from the applicants' employers; and (3) notarized statements from at least five persons who have known the applicant for not less than 3 years as a person of good reputation and exemplary conduct; that the individual has rehabilitated himself and that his conduct has been exemplary for at least 3 years. Similar bills of the 86th Congress, such as H.R. 69 and H.R. 1088, would require the issuance, under similar circumstances, of a "general discharge (limited)" or of "new discharges or dismissals under honorable conditions."

The Department of Defense has recently published a new directive on administrative discharges designed to revise the standards and procedures governing their issuance. If a person who has been discharged under the previous criteria makes an application for a review of such discharge under the terms of the new criteria, there is nothing to prevent the Discharge Review Boards or the Boards for the Correction of Military or Naval Records from entertaining such an application. Accordingly, it is believed that much of the justification for additional legislation in this area has been obviated.

During the past several years, the military services have adopted programs designed to prevent the commission of offenses by servicemen, and to retrain and rehabilitate offenders. These policies are particularly important with respect to the young recruit away from home for the first time. An emphasis on retraining and rehabilitation has resulted in the return to honorable duty status of large numbers of offenders who, in the absence of such opportunities, would have been separated under other than honorable conditions. Furthermore, an opportunity to reenlist is offered under certain conditions to those who have received less-than-honorable discharges so that honorable discharges may be earned. Actually, nearly 95 percent of the total discharges issued in recent years have been under honorable conditions, and of the remaining 5 percent, about one-third of those separated have been found guilty by courts-martial of specific offenses that warranted separation without honor.

With respect to these courts-martial cases, the Department of Defense is strongly opposed to the provisions of proposed bills which would permit further appellate review of discharges ordered by courts-martial beyond those now prescribed by law. The Court of Military Appeals was specifically established for the purpose of reviewing courts-martial cases, and the Boards for the Correction of Military and Naval Records also have authority to take appropriate action with respect to separations resulting from courts-martial where necessary to correct errors or remove injustices. It is considered neither necessary nor desirable to extend further review authority to Discharge Review Boards as proposed by section 2 of H.R. 88.

The Department of Defense is fully aware of the seriousness of the problems created in civilian life for an individual who has received a less-than-honorable discharge. Nevertheless, the Department opposes any proposed legislation which would provide that the military departments issue certificates of any kind based upon consideration of an individual's conduct in civilian life after discharge or dismissal from the military service. There is a significant difference in principle between measures contemplating the award of an exemplary rehabilitation certificate and measures contemplating the substitution, for a discharge certificate previously granted, of a new and upgraded certificate. However, the Department of Defense is opposed to the enactment of any of the above-referenced bills, and this opposition is most vigorous in regard to those bills which would upgrade the type of discharge. Experience has demonstrated that the desire to earn an honorable discharge is a positive deterrent to misconduct by members of the Armed Forces while in service. This Department cannot support any proposal which will tend to reduce disciplinary control over persons in service. That would be the effect, in our judgment, of a policy providing for the subsequent issuance of an upgraded discharge or other document by the military authorities after service has been terminated, with such discharge not truly reflecting military service, but based instead upon conduct as a civilian.

The Department of Defense would have no objection to the award by appropriate local civilian agencies of an exemplary rehabilitation certificate of the type proposed by H.R. 88, to a person who has been separated from the Armed Forces under conditions other than honorable and who subsequently demonstrates a degree of rehabilitation acceptable to his own community. It is our belief that such a judgment can be made most accurately and properly by local civilian agencies whose primary interest is in the sociological and welfare aspects of the civilian community. The military department, of course, would cooperate with such a civilian agency by making available information from official records, but the services have neither the investigative facilities nor the competency to evaluate civilian rehabilitation.

If, in spite of the opposition of the Department of Defense, H.R. 88, or any of the other bills referred to above, is favorably considered, it should be drafted to conform to the form, style, and terminology of title 10, United States Code. As a drafting service, this Department will submit such a bill upon request of the Armed Services Committee.

It is impossible to determine the cost that would be imposed upon the Department of Defense by the enactment of this legislation and the resulting requirement to administer this program.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

LEWIS S. THOMPSON,
Special Assistant for Manpower Personnel and Reserve Forces.

Promptly upon the House approving H.R. 88 unanimously, Hon. CARL VINSON, chairman of the House Committee on Armed Services, furnished me a copy of a written comment he had made about the bill as follows:

I know the position of the Department of Defense in connection with this proposed legislation; but, I think their opposition is rather ridiculous.

Mr. Speaker, H.R. 88 and companion bills were strictly humanitarian bills. But, they affected thousands, and maybe hundreds of thousands of American lads who were never criminals; never were bad boys or bad men. My experiences in connection with this subject matter over the last 3 years, together with experiences related to me by many Members of this House, together with hundreds of cases which have come to my attention, together with information given me by members of our Military Establishment, causes me to believe that the principles and purposes contained in H.R. 12825, which I introduced on yesterday, are meritorious and essential to be put into practice through prompt and appropriate legislation.

Mr. Speaker, during the course of H.R. 88, it is true that our Defense Department has issued certain directives bearing on the subject matter of H.R. 88 and

companion bills. But, it is only a minimum improvement and not nearly adequate in my humble judgment to meet the just deserts of these many thousands of American lads who have been, and will continue to be, economic liabilities instead of economic assets; largely, Mr. Speaker, as result of the type of less-than-honorable discharges which have been given to them by our Military Establishment—and, in most such cases, without just cause or reason. The contents of H.R. 12825 will facilitate the meeting of the total problem involved head on, far better than did the text of H.R. 88, but only for those discharged after and if H.R. 12825 is enacted into law.

I cordially invite any other Members of the House who desire so to do, to file companion bills in early January next to H.R. 12825.

LOSS LEADER SALES AND FAKE WHOLESALE ADS

Mr. KARTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KARTH. Mr. Speaker, since January 1959 it has been my privilege to represent the people of Ramsey County, the Fourth Congressional District of Minnesota in the House of Representatives of the U.S. Congress. As a first term Member of this House I have witnessed many issues coming before the Congress to be resolved. Among these issues are several important matters which are of interest to the many thousands of small businessmen residing in my district.

Several months ago, I circulated several thousand letters to the small businessmen inviting their comments on important issues before Congress in the second session. Of those who responded I was informed that in addition to preserving a lasting peace, they were also interested in legislation which would prohibit loss leader sales—that is, the selling of goods at prices unreasonably below cost—repeal of the telephone wartime excise tax, no increase in postal rates, until everyone pays his fair share, the curbing of fake wholesale ads, tougher antitrust penalties to prevent monopoly expansion and a measure which would grant tax deferment to small businessmen to permit them to set aside funds for their retirement free of taxes until they receive their income after retirement.

I am taking the floor today to urge my colleagues to support these measures which are so necessary to the economic growth of one of the most important segments of society, the small businessman.

The objective of my bill, H.R. 12625, is to prohibit by Federal law certain discriminations in price and sales at unreasonably low prices, including those at levels below cost.

Among the practices which would be prohibited by the terms of my bill are those which have been so dramatically brought to light during the recent hearings before subcommittees on small business. During these hearings one witness after another admitted using the great resources of his company in making sales at prices below cost to the detriment of small business.

A reason frequently given for the relative decline of small distributive business and the growth of the large retail consumer goods chains and supermarkets, is the frequent use by these larger entities of the device of selling one or more popular products below actual cost in order to attract trade to their stores and away from the small retailer. This practice is generally known as "loss leader" and is sometimes called "bait advertising."

The hearings, which have been conducted by the House Small Business Committee, have made it clear that the practice of selling certain items at unreasonably low prices is widespread. It was reported recently that a large concern was selling milk in Florida at 1 cent per half gallon. Other instances have been brought to the attention of Members of Congress where products have been retailing at less than one-quarter of the cost of producing the product. Small business concerns are much alarmed by this practice and its effect toward eliminating them and creating monopolies.

Many States have enacted legislation to combat this practice of selling below cost. Courts have upheld the State laws but due to the fact that the law of any State does not reach beyond the State line, it can have no application to transactions in interstate commerce.

The problem is now up to Congress. We should act to place in the hands of the enforcement agency and in the hands of small business the tools with which they may be enabled to stop or reduce the use of monopolistic practice of price discrimination. The bill which I have introduced will help us and help small business.

My other small business bill, H.R. 12662, Mr. Speaker, is one that would outlaw fake wholesale ads. In many instances one can read in a daily newspaper, "Wholesale prices this week only"—or similar misleading advertising. In 90 percent or more of these cases it is not a true, wholesale price. Rather it is a price somewhat less than suggested retail. In other cases it is not even that. My bill would call a halt to that type of fakery. This is essential for the protection of both the consumer and the honest retailer who is too scrupulous to advertise in this misleading manner.

Mr. Speaker, if we do not get to those bills this session, I sincerely hope they will find early favorable action in 1961.

PAY RAISE LEGISLATION

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I have introduced today a bill which provides for, first, a 6-percent across-the-board salary increase for postal employes; and second, a temporary Commission on Federal Civilian Employees Compensation Policy.

I believe this proposal can become law during these final days of the 86th Congress.

This legislation will establish the temporary Commission to make a comprehensive pay study which the executive branch has been requesting since 1958 and which is so vital to legislative consideration of pay increases. I offered a 6-percent pay increase in our committee. It was not accepted. I was ready to offer it again on the floor of the House if given the opportunity. It was not permitted under the "gag rule" applied to our consideration of the pay bill. Under the rule adopted no amendments were allowed except those approved by the committee.

Our committee heard testimony on proposed pay increases during 14 days of hearings. The hearings revealed postal employees were lagging considerably behind the pay of their fellow workers in comparable positions in industry, particularly in the metropolitan areas. More than 40 percent of the 534,000 regular and substitute employees of the postal service work and live in the metropolitan areas served by the 60 largest post offices. These are the employees who need a salary adjustment now. I believe that a modest 6-percent increase for postal employees, as provided by title I of my bill, is amply justified by the testimony given during the hearings before our committee.

To me, the justification for a 6-percent postal pay increase is sufficient to overcome the arguments that any increase should be withheld pending completion of the study by the temporary Commission proposed by this bill or the current study by the executive branch on the survey of salary rates.

Title II of the bill provides for a temporary Commission to develop a better pay system for the entire Federal Government. As chairman or ranking minority member of the House Post Office and Civil Service Committee since its creation in 1947, I have pointed out repeatedly that the present uncoordinated variety of Federal pay practices is inefficient and wasteful from the standpoint of the taxpayers, as well as unfair to many Federal employees.

My committee studies, in cooperation with the administration, have disclosed that the $13 billion annual Federal civilian payroll is paid out under 77 widely varied statutory or administrative wage plans. No attempt has been made for over 40 years to modernize this overall pay structure and, as a consequence, no proper relationship exists between pay rates in the three branches of the Government, or, in fact, within any one branch of the Government.

In 1958 immediately following enactment of a 10-percent general salary increase for Federal civilian employees, President Eisenhower proposed to the

Congress a review of all compensation systems in the three branches of the Federal Government directed toward establishment of an equitable employee compensation policy. This recommendation was renewed in the President's budget message for the 1960 fiscal year and again in the message of the President of January 18, 1960, transmitting the budget for the fiscal year 1961. I have consistently advocated that we take prompt and decisive action on this request of the President. The temporary Commission I am proposing to be established by this legislation would carry out those recommendations.

It is planned that our committee staff study on pay and classification systems for postal field employees and for other Federal employees will be completed and made available for use by our committee and the Commission established under this legislation.

The Commission should come up with a comprehensive basic pay policy which can be used as a guide for legislative pay proposals in the future. Such basic pay policy should include a determination of the economic and social factors to be considered in establishing pay scales. It should provide the appropriate relationships between Federal Government and State and local governments and industry pay. It should also provide the appropriate role of employees and employee organizations in determining a classification and pay policy. It should include the extent to which salary and wage rates may be established on a nationwide basis, on a regional basis, or on an industry basis; minimum wage and maximum wage policies; the center of responsibility for fixing and revising pay rates on a continuing basis; the methods by which pay rates would be fixed and revised; and the methods of installing any new classification or pay plans.

I am firmly convinced that legislation including these proposals—a 6-percent pay increase for postal employees and the establishment of a Commission on Federal Civilian Employees Compensation Policy—has a good chance of being enacted into law during these last few days of the 86th Congress.

I am introducing this bill in the belief that Congress will not override the President's pending veto of the pay raise bill.

SECTION-BY-SECTION ANALYSIS OF H.R. 12677, REPORTED BY COMMITTEE ON EDUCATION AND LABOR

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I am setting forth in the RECORD a section-by-section analysis of H.R. 12677, the minimum wage bill favorably reported—19 to 9 vote—by the Committee on Education and Labor, and to be considered by the House on Thursday of this week.

My purpose in offering such an explanation is to inform my colleagues of the sum and substance and intent of the proposal. It is also an effort to eliminate some confusion and misunderstanding that appears to prevail about many of the provisions of H.R. 12677.

The section-by-section analysis follows:

FAIR LABOR STANDARDS AMENDMENTS—HOUSE COMMITTEE BILL (H.R. 12677)—SECTION-BY-SECTION ANALYSIS

Section 1: Contains the official title of the bill: "Fair Labor Standards Amendments of 1960."

Section 2: Contains a declaration of congressional findings and policy.

Section 3: Contains definitions of terms used in the bill modifying or adding to definitions now contained in the Fair Labor Standards Act of 1938, as amended (hereafter referred to as the "act"), as follows:

(a) Amends the definition of the term "agriculture," contained in section 3(f) of the present act, to provide that the term includes the processing of shade-grown tobacco by agricultural employees employed in growing and harvesting such tobacco, including such operations as drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling, prior to the stemming process. The effect of this amendment is to provide a new minimum wage and maximum hours exception for employees engaged in such operations, since employees engaged in "agriculture" are exempt from such provisions under section 13(a)(6) of the act. The exemption applies only to agricultural employees who are also employed in growing and harvesting shade-grown tobacco.

(m) Amends the term "wage," as defined in the present act, to permit the Secretary of Labor to determine the "fair value," instead of the actual cost of board, lodging, or other facilities furnished employees which are to be considered as part of "wages." Where an employer and an employee agree upon a reasonable valuation of such facilities, such agreed upon valuation shall govern in determining the "wage" paid to any employee for purposes of the act, instead of the Secretary's determination or the actual cost. The first proviso included in section 3(m) also permits employees and employers to agree, through bona fide collective bargaining, to exclude the cost of facilities from the calculation of "wages" under the act.

(p) Defines "Secretary" for purposes of the act as the Secretary of Labor.

(q) Defines "enterprise" to include all units of a chainstore, or other multiunit organization in which "related activities" are conducted for a common "business purpose" through unified operation or common control. It does not include nonprofit hospitals, educational, eleemosynary, or religious organizations since these are not operated for a business purpose. The question whether a locally owned and controlled establishment is part of another enterprise is a question of fact to be decided in light of all the circumstances. Under the definition, a locally owned and controlled retail or service establishment is not to be deemed to be other than a separate and distinct enterprise solely by reason of an agreement "(1) that it will not sell any goods competing with the goods specified by a particular manufacturer, distributor, or advertiser, or (2) that it will join with other locally owned and controlled concerns in the same industry for the purpose of collective purchasing." While such an agreement would not under this provision in and of itself have the effect of requiring that a local establishment be considered as part of another enterprise, other circumstances such as control of its personnel policies, wages, or sales prices, retention of title to the goods it sells until sold, or other limitations by or through the other enterprise on the local establishment's independence of judgment or operation may lead the courts to regard such local establishment as part of the other enterprise. In making determinations whether a business which is locally owned and controlled is part of another establishment, the courts would not be precluded from considering such an agreement as evidence relevant in the light of all the circumstances in any determination whether the local establishment is standing the risk of loss and has the opportunity for gain from the operation of the establishment.

(r) Defines "activity affecting commerce" to include any activity, business, or industry in commerce or necessary to commerce or to the production of goods for, or the distribution of goods in, commerce. It enlarges the scope of the present act which is limited to employees who are engaged in commerce or in the production of goods for commerce, and which thereby excludes employees who handle, work on or distribute within a State goods produced for commerce in other States. The bill does not bring under the act the employees of all employers who are engaged in activities affecting commerce, but only those employed by enterprises falling within the three categories specifically described in section 3(s).

(s) Defines "enterprise engaged in an activity affecting commerce" so as to apply only to the following three categories:

(s)(1) Enterprises having one or more retail or service establishments with aggregate annual sales by such establishments (exclusive of excise taxes) of $1 million or more;

(s)(2) Enterprises having one or more establishments engaged in laundering, cleaning, or repairing clothes or fabrics where the aggregate annual sales by such enterprise (exclusive of excise taxes) amount to $1 million or more; or

(s)(3) Enterprises engaged in the transit business if the aggregate annual sales by such enterprise (exclusive of excise taxes) amount to $1 million or more.

A proviso contained in section 3(s) excludes from coverage the so-called "mom and pop" shops and services. A second proviso defines the term annual, as used in section 3(s) (1), (2), and (3) as meaning the four preceding calendar quarters, except that in the case of new enterprises or enterprises resulting from a merger the Secretary may prescribe a shorter period (not less than one calendar quarter). This provision is consistent with regulations of the U.S. Department of Labor governing the application of the "annual dollar volume of sales" test in sections 13(a) (2), (3), and (4) of the present act.

Section 4: Contains a technical amendment to the act providing that the provisions for appointment of special industry committees in Puerto Rico, the Virgin Islands, and American Samoa shall be applicable to newly covered industries under the act, namely, "enterprises engaged in an activity affecting commerce," as defined in section 3(s).

Sections 5 and 6: Minimum wages and maximum hours are established in two separate and different schedules for (1) employees now covered by the act, and (2) newly covered employees, as follows:

	Minimum wage	Overtime rates after—
(1) Presently covered employees:		
1st year	$1.15	40-hour week.
2d year	1.20	(1).
Thereafter	1.25	(1).
(2) Newly covered employees:		
1st year	1.00	48 hours.
2d year	1.10	46 hours.
3d year	1.20	44 hours.
4th year	1.25	42 hours.
Thereafter	1.25	40 hours.

[1] No change in present act.

Section 5(c): requires the same percentage increases as on the mainland in the minimum wage rates of employees in Puerto Rico, the Virgin Islands, and American Samoa. These rates presently fixed by wage order on the basis of the recommendations of special industry committees, except that the first percentage increase could be superseded by a wage order based on the recommendations of a special industry committee appointed on appeal alleging that such increase will result in substantial curtailment of employment by an industry or employers employing a majority of the employees in the industry. Minimum wage rates for newly covered employees in Puerto Rico, the Virgin Islands, and American Samoa would be fixed by special industry committees.

Section 6(f): amends section 7 of the act by adding to this section a new subsection (h) providing that no employer shall be deemed to have violated the maximum hours provisions applicable to newly covered employees under subsection (a)(2) of section 7 by employing any such employee for a workweek in excess of the applicable workweek prescribed in such subsection if (1) such employee's regular rate of pay is in excess of 1½ times the minimum hourly wage rate to which he is entitled under section 6(b)(2), and (2) more than one-half of his compensation for a representative period of not less than 1 month is in the form of commissions on goods or services. The purpose of this provision is to prevent accumulations of overtime on large commissions earned during a comparatively short time. The maximum hours provisions of the bill would, of course, apply in accordance with their terms to employees who receive less than one-half of their compensation in the form of commissions or whose regular rate of pay is less than 1½ times the applicable minimum hourly wage rate.

Section 7: Contains technical amendments to the act providing that the standards and procedures for issuance of wage orders fixing minimum wage rates based on the recommendations of special industry committees fixing minimum wage rates in Puerto Rico, the Virgin Islands, and American Samoa shall be applicable to the issuance of wage orders applicable to newly covered employees, i.e., those employed by "enterprises engaged in an activity affecting commerce" in such islands.

Section 8: Contains a technical amendment making the child labor provisions of the act applicable to "enterprises engaged in an activity affecting commerce."

Section 9: Amends section 13(a) of the act, containing exemptions from the minimum wage and maximum hours provision, and section 13(b) of the act, containing exemptions from the maximum hours provision, as follows:

Section 13(a)(1): Adds a proviso to section 13(a)(1) of the act providing that the exemption for employees employed in a local retailing capacity which is contained in this section shall not apply to any employee of an enterprise engaged in an activity affecting commerce, e.g., retail or service enterprises that meet the $1 million sales test specified in section 3(s). The exemption contained in section 13(a)(1) for employees employed in a bona fide executive, administrative, professional, or local retailing capacity is not otherwise changed.

Section 13(a)(2): Amends section 13(a)(2) of the act, which provides an exemption for employees employed by a retail or service establishment, by adding to the requirements for exemption contained in the present act a requirement that such establishment shall not constitute, nor be a part of an enterprise engaged in an activity affecting commerce. The sales and services of the establishment, or of any enterprise of which it is a part, must be less than $1 million annually, in order to qualify for exemption under section 13(a)(2), as amended.

Section 13(a)(3): The present exemption for laundering, cleaning, and repairing establishments contained in section 13(a)(3) of the act is modified along the same lines as section 13(a)(2) applicable to retail and service establishments.

Section 13(a)(4): Section 13(a)(4) of the act which provides an exemption for employees employed by exempt retail or service establishments which make or process the goods which they sell, is retained in the act unchanged.

Section 13(a)(5): Section 13(a)(5) of the act, which provides an exemption for employees employed in fishing or in processing fish or seafood products, is retained, with a minor amendment which makes it applicable not only to employees employed in such activities, but also to employees who are "necessary to the conduct of" such activities.

Section 13(a)(6): Section 13(a)(6) of the act which provides an exemption for employees employed in agriculture or in connection with the operation or maintenance of nonprofit or share crop irrigation ditches used exclusively for supply and storing of water for agricultural purposes, is retained in the act unchanged.

Section 13(a)(7): Section 13(a)(7) of the act, which provides an exemption for employees exempted by regulations issued by the Secretary for employment of learners, apprentices, handicapped workers, is retained in the act unchanged.

Section 13(a)(8): Section 13(a)(8), which provides an exemption for employees employed in connection with the publication of small weekly, semiweekly, or daily newspapers is retained in the act unchanged.

Section 13(a)(9): The present exemption for employees of local transit companies is repealed and in its place is inserted a new exemption for employees employed in a motion picture theater.

Section 13(a)(10): Section 13(a)(10) of the act, which provides an exemption for individuals employed within the area of production (as defined by the Secretary) "engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products," is retained in the act unchanged.

Section 13(a)(11): Section 13(a)(11) of the act, which provides an exemption for telephone switchboard operators employed in public telephone exchanges with fewer than 750 stations is modified so that telephone switchboard operators will be covered unless the individual, group, association, partnership, corporation, or holding company by which they are employed has fewer than 750 telephones. Telephone switchboard operators will be exempt if they are employed by a concern which has fewer than 750 telephone stations in the one or more exchanges owned, operated and controlled by such concern.

Section 13(a)(12): Section 13(a)(12) of the act, which provides an exemption for employees of an employer engaged in the business of operating taxicabs, is retained in the act unchanged.

Section 13(a)(13): Section 13(a)(13), which provides an exemption for employees or proprietors in exempt retail or service establishments who are engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of the agency does not exceed $500 a month, is retained in the act unchanged.

Section 13(a)(14): Section 13(a)(14) of the act, which provides an exemption for employees employed as seamen, is retained in the act unchanged.

Section 13(a)(15): Section 13(a)(15) of the act, which provides an exemption for employees employed in logging operations employing fewer than 12 employees, is retained in the act unchanged.

Section 13(a)(16): Section 13(a)(16) continues to exempt employees of an establishment primarily engaged in the preparation or offering of food or beverages for human consumption, if such employee is employed in connection with such preparation or offering of food or beverages either on the premise or by such services as catering, banquet, box lunch, or curb or counter service to the public or to employees or to members or guests of members of clubs. Under this exemption, the typical restaurant which is operated as a separate and distinct enterprise would be exempt but a typical eating place in a hotel, department stores, grocery store, variety store, or other establishments primarily engaged in other types of business would not be exempt. It is to be understood that hotels and motels are considered as being primarily engaged in providing lodging facilities, and that other services provided by hotels or motels, such as providing food or beverages in a restaurant, lunch counter, coffee shop, or through room service, are merely incidental to their functions of providing such lodging facilities. Furthermore, in a department store, grocery store, or other establishments primarily engaged in other types of business, restaurants, lunch counters, and snack bars are ordinarily operated simply as departments of such establishments and food and beverages are made available to patrons of such establishments for their convenience while patronizing the goods or services provided by such establishments.

Section 13(a)(17): Continues to exempt employees employed in occupations in which tips regularly received are recognized as a substantial part of the employee's compensation as defined and delimited by the Secretary.

Section 13(a)(18): Section 13(a)(18) continues the present exemption for employees employed in amusement or recreational establishments operated on a seasonal basis.

Section 13(b): The present exemptions from the maximum hours provision applicable to (1) motor truck and motor bus employees whose hours of work are subject to regulations by the Interstate Commerce Commission; (2) employees of railroad carriers and pipelines subject to part I of the Interstate Commerce Commission Act; (3) employees of airlines subject to title II of the Railroad Labor Act; (4) employees employed in canning fish or seafood products; and (5) individuals employed as outside buyers of poultry, eggs, cream or milk in their raw or natural state, are retained in the act unchanged. A new exemption, numbered paragraph (6), is added to section 13(b) exempting from the maximum hours provisions employees of radio or television stations which are located in a city or town of less than 100,000 population. Exemption would not be applicable, however, to radio or television stations located in a city or town of such size which is part of a standard metropolitan area as defined and designated by the Bureau of Census.

Section 10: Under subsection (a), the effective date of the bill is November 1, 1960. Under subsection (b) the application of the overtime provisions to newly covered employees would be suspended where such provisions would result in a conflict with the terms of a bona fide individual contract or a collective bargaining agreement which is in writing and is entered into more than 30 days prior to the date of enactment of the bill. The application of the overtime provisions to employees covered by such a contract or agreement would be suspended until the expiration of the contract or agreement. Upon the expiration of the contract or agreement, the act would become effective in accordance with its terms.

THE HONORABLE AIME J. FORAND

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, after 11 terms as a Member of the U.S. House of Representatives, AIME J. FORAND will not seek reelection this fall. For 22 years he has given the best of his mind, his energy, and his heart in the service of the First Rhode Island District and the Nation. And now, for reasons of health, he must learn to take it easy.

It will be difficult for us to adjust ourselves to his absence from the Capitol. AIME was conscientious. He was dependable. He was always present to do his share of the work, and more. His seasoned judgment and his painstaking attention to details gave us confidence in ourselves and in the mission of Congress to represent the best interests of all the citizens of our Republic.

AIME loved this House and all of its traditions and responsibilities. As second-ranking member of the important Ways and Means Committee he was a key factor in the legislative process. By his devotion to duty he acquired a knowledge of government that few men possess. Quiet and reserved in temperament, he instinctively knew and measured up to the responsibilities of leadership. When he took over the role of presiding officer he insisted on the decorum and the respect for the rights of others which are essential to the deliberations of a democratic assembly. To him, government by the consent of the governed was the very life spirit of our society.

Born in the textile city of Fall River, Mass., and reared by hard-working parents who gave to him the heritage of Catholic faith and French culture, he knew from first hand experience the difficulties of those who toiled in the poor-paying textile mills where labor was regarded as only a commodity. He saw the ruthlessness of an economic system where there was no provision for human beings during period of enforced idleness, and in their old age. And he vowed that someday, if he ever got the chance, he would do something to change this heartless exploitation which crushed human dignity and threatened everything that we stood for as a nation dedicated to the pursuit of happiness and the promotion of the general welfare.

As secretary to two Members of Congress, from 1929 through 1935, he lived through the dark days of economic collapse, and the pioneering efforts by the Congress to enact those laws that would protect the Nation and its people from ever enduring such privations again.

From 1937 on, with the exception of 1939–40, he has served continuously as a Member of this House. As a result of the voluminous testimony that he heard, and the studies that he made, he conceived, introduced and fought for the Forand bill, designated to fill a long-standing gap in our social structure by providing, through the Social Security Act, for health insurance protection for the aged.

The Forand bill did not pass. A weaker substitute is being approved by the Congress at this session.

But AIME FORAND, more than any other man, opened the way to this new horizon of security for the aged. And when the day comes that his vision and his purpose will be vindicated by a health insurance law for the aged that will reach the goal that he set for us—that bill will be a living memorial forever to the services of Representative AIME J. FORAND.

Rhode Island and the Nation are proud of this legislator who knows that the greatest assets of the United States are its 180 million human beings.

As our esteemed colleague leaves us for the retirement he has richly earned, we say to him: "Thank you, AIME, and God bless you."

DEFINE OUR NATIONAL PURPOSE

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. RHODES] is recognized for 60 minutes.

Mr. RHODES of Pennsylvania. Mr. Speaker, I hold in my hand a full-page ad published recently in the Wall Street Journal and many other newspapers throughout the Nation, in which Life magazine asked, "What Shall We Do With Our Greatness?" This define-our-national-purpose campaign by Life needs at least these points included in the definition. Just how can we define the national purpose when the full facts are not known to the American people? How can Life piously call for a national debate on the objectives of American society when it is part of a campaign to confuse and mislead the American people? Distortion, slanting, and rigging are all part of the Life approach to reporting news and information. Has not the Luce monopoly studied democracy sufficiently to learn that the most essential element of a vibrant democratic people is that they are well informed on the issues? By pushing and squeezing and stuffing the issues into the predetermined Time-Life frame of reference, they make a mockery of a "crusade to define our national purpose."

A quotation from Ammunition, an autoworkers' publication, gives an excellent description of Time and Life publishers. Let me quote:

> The sanctimonious Mr. Luce, publisher of Time and Life, most especially is guilty of hypocrisy. He is a man much given to declarations of patriotism; his publications parade him as godlike; he is clamorous in defense of the free press. Yet, his magazines are masterpieces of bias.
>
> They are snide, shabby, smart-alecky, sneering, and, above all, slick.
>
> They snigger rather than laugh. They rarely strike, but often stab. They are mean spirited and vindictive. They are unctuous and patronizing.

Like some of my colleagues, I have been the victim of a stab by Life and Time. For over a year I have been followed by character assassins and have now felt the Luce stab in the back, because I have dared to call public attention to their big and unwarranted postal subsidies.

The excuse for the recent Life smear was a $33.75 purchase I made on my stationery account in 1958—a purchase with funds that every Member knows were my own. The real reason, however, for the Life smear, is because I did not yield to the influence and pressure to abandon my efforts in curtailing the Luce postal subsidy and Federal aid which cost American taxpayers a million dollars a month. I knew what to expect after a visit last July, from a representative of Time, Inc., and Mr. Francis Cawley, lobbyist for the Magazine Publishers' Association.

Mr. Speaker, on Friday, June 17, I addressed the House to explain the reason for what was back of this smear attack by the publishers of Life and Time magazines.

I gave the real reason for this smear; namely, the fact that I have repeatedly fought to place a dollar ceiling on postal subsidies paid to magazine publishers—the largest of which go to Time, Inc., publishers of Life and Time magazines and four other nationally circulated publications.

I was not surprised at the news blackout of my remarks, nor was I surprised at the silent treatment given to the excellent speech last Thursday by the distinguished gentleman from Arkansas [Mr. HARRIS]. On last Thursday Mr. HARRIS gave evidence that clearly shows that the attack by the Luce and Knight news monopolies was for no other purpose than to smear and punish Members of Congress who have been investigating unethical and corrupt practices in the important field of communications, or, as in my case, for calling public attention to the big unwarranted Federal handout in postal subsidies. It is an attempt to browbeat Congress to prevent the probers from reaching and exposing the growing monopoly and corrupt practices, of which the Luce and Knight interests are guilty, and to purge from Congress those who do not yield to their power and corrupting influence.

What is more unethical, I ask, and what is more dishonest and more corrupt than to fake a picture such as was used to discredit a respected and honorable Member of this House as we all know OREN HARRIS to be? This is but one of many such corrupt practices.

The publishers of Time and Life, and of the Knight chain of newspapers, are insincere and dishonest in pretending to crusade for disclosures of information on the expense spending by Members of Congress.

I would not object if that were the real intent, but when the objective of these publishers is to dominate Congress and gain selfish advantages for themselves, I say that we fail in our responsibility when we ignore such unscrupulous and dishonest tactics.

I strongly favor publicizing expense spending by Members of Congress and full disclosure of all information. But this is not what these publishers really

seek, for when it comes to really withholding or suppressing vital news and information, it is these same publishers who are most guilty.

They tend to have one standard when they measure the performance of officials and public figures, and another standard when it comes to measuring their own performance, or to put it another way, they hold other institutions up to searching scrutiny, but are unwilling to have the same scrutiny applied to themselves.

The best example of this is the complete blackout of news and information in regard to the million-dollar-a-month postal subsidy which goes to the Luce publications. On this question, they try desperately to keep their readers in the dark. Their reprisal technique is swift. Anyone who calls public attention to their unwarranted subsidy, as I have done, will naturally be marked for reprisal by the beneficiaries of this big Federal handout.

Because of suppression of these facts by this news monopoly, few people know that so many of their tax dollars are going to the Luce empire. Very few people know that this subsidy to Life, Time, and other Luce publications amounts to more, much more, than the combined salaries of 437 Members of the House of Representatives, including the cost of their living expenses in Washington, and the total cost of all stationery allowances for 437 Congressmen.

If Congress has been lax on checking expense accounts of its own Members, it has been far more lax in permitting such unwarranted and costly subsidies, without proper scrutiny.

Since Luce interests are receiving millions of dollars annually in tax dollars, why should not they report how this money is being spent?

Would it be unreasonable to ask these Luce officials to inform the public on the amount of the salaries and pensions these executives take for themselves, and which American taxpayers through these subsidies help to pay? Why should the taxpayers not know how much is spent for junketing by executives of Time, Inc., and for liquor, yachts, and entertainment, and such other big spending, particularly when a good portion of the bill is paid by American taxpayers.

The hypocrisy of the Luce empire is obvious. They have opposed Federal aid for needed public services and legislation to help the average citizen. Yet this monopoly is the Nation's largest beneficiary of Federal aid, Government handouts, and welfare stateism.

Luce publications have been the most severe critics of farm subsidies. Yet postal deficits over a 10-year period have exceeded the total cost of all farm price-support programs through the Commodity Credit Corporation for the last 25 years.

The House Committee on Appropriations published in the hearings on the agricultural appropriations bill for the fiscal year 1959 a table setting forth certain Federal expenditures in recent years for business aids and special services. This showed that mail subsidies, of which Life and Time get a lion's share, in a 10-year period, 1946–56, amounted to $5,968 million.

The CCC farm price-support losses from the beginning of the program in 1933 to January 1, 1958, amounted to $5,173,746,788—House Committee on Agriculture report to 85th Congress.

Life sees small farmers who cannot run their farms profitably as special privileged characters in getting subsidies, and has even suggested that they move to the city and find useful work to do.

Mr. Speaker, the most recent estimates of postal subsidies for Life magazine by the Post Office Department were based on the first three issues in March 1956. They revealed that Life paid revenue of $7,485,000 for the year, while it cost the Department $16,979,000 to deliver the 249,600,000 copies of Life to its mail subscribers. Thus the annual subsidy during that year to Time, Inc., for just one of its six magazines was $9,494,000. As I have said in the past, actual postal subsidies to Luce publications undoubtedly total well over $1 million a month, if subsidy payments for other Luce magazines are included.

Spokesmen for the magazine publishers' lobby try to explain away their multimillion-dollar annual subsidy at taxpayers' expense, by claiming that the Department's subsidy estimates are unrealistic and inaccurate. Often by its own statements, the Department seems anxious to avoid relying on its own figures. It is claimed that these subsidy estimates are not based on actual traffic studies of each individual publication. However, a previous detailed study by the Department several years ago of the traffic pattern and costs of performing each of the many services in handling and delivering Reader's Digest produced a subsidy figure which was almost identical to the Department's estimated subsidy for this magazine.

Moreover, one publisher whose magazine paid $3.4 million in postage and received an estimated subsidy of $6 million told a congressional committee that my amendment to limit postal subsidies to $100,000 a year would cost his company $11 million—an unintentional admission that the Department's estimates were several million dollars on the conservative side.

Mr. Speaker, in 1958 Mr. Robert MacNeal, president of the Curtis Publishing Co., testified before the Senate committee that my amendment to the postal-rate bill would cost his company $22 million a year more postage to mail the 320 million copies of their two major publications, Saturday Evening Post and Ladies' Home Journal.

In a statement to the House committee in 1957 he said that the proposed four annual 15-percent rate increases would add $11 million to his company's postage bill. Thus, by his own statement, Mr. MacNeal admits that the Curtis Publishing Co. is receiving an annual subsidy of more than $11 million on just two magazines.

The Post Office Department estimate then showed that their annual losses in handling these two magazines was $6,087,000 for Saturday Evening Post and $1,917,000 for Ladies' Home Journal, or a total of $8,004,000. It is therefore clear that the oft-criticized cost analysis methods of the Department in figuring second-class mail subsidies are actually on the conservative side.

The large gains in circulation of Life and other magazines since the 1956 subsidy estimates make these subsidy figures far less than they are today. The million dollars a month to Life magazine is a most conservative estimate.

Let me make it clear that it is not my purpose to eliminate these subsidies. But I do think there should be some limitation. And most of all I believe we should expect a higher standard of ethics and responsibility from those who are the Nation's biggest beneficiaries of Federal aid and subsidies. Taxpayers should not be forced to pay such a heavy tribute for being deceived and misled.

The subsidy limitation bill I introduced this year offers a gradual approach to this problem and sets the limitation for the first year at $5 million.

I believe, too, that consideration should be given to limiting the spending for salaries, pensions, and junketing by corporate officials who benefit so handsomely from big postal subsidies.

My constituents are not very happy in being taxed to help pay salaries of $50,000, $100,000, and $200,000 a year and fabulous pensions for beneficiaries of these subsidies.

Mr. Speaker, one of my purposes in asking for this time is to call public attention to the dangerous drift in this country toward a monopoly and totalitarian press and its threat to our basic freedoms. It would be unfair to place the blame for this on one person or even a group of persons. All of us are to blame, particularly we in the Congress, for not taking adequate steps to cope with this growing evil.

At this point, Mr. Speaker, I ask unanimous consent to include in the RECORD, an address by the distinguished junior Senator from Arkansas on the monopoly trend in the publishing field. It was made 5 years ago, but what was said then is even more true today.

ADDRESS OF SENATOR WILLIAM J. FULBRIGHT, JANUARY 25, 1955

Within the last 40 years, according to Morris Ernst, one-third of our daily newspapers have disappeared and more than 3,000 weeklies have ceased publication. As of a recent date, 10 of our States did not have a single city with competing papers and, in the whole of America, there are only a few more than 100 cities where one can find daily papers in competition. The pattern of concentration extends elsewhere. In radio, one-fifth of the stations are interlocked with newspapers. Four networks dominate national radio, while less than two dozen advertisers account for 50 percent of network income. And in the film industry five big companies exercise a dominant influence upon the industry.

Let me make one thing plain: I am not saying that what brought this to pass was in all cases the hand of monopoly grabbing for bigness as an end in itself. In some cases, cost-account sheets compelled owners and managers to seek their survival by enlarging themselves through mergers. And it is to the credit of some of these that, when they found themselves in a monopolistic position, they tried to run the communi-

cations property as if it were a responsible public utility. But men of this outlook are, unfortunately, in the minority.

I will read only briefly from these remarks:

The general effect of what approaches monopoly control is that people hear, see, watch, read, and listen to only one side of public questions. And this in turn can adversely affect the public man to whom the guidance of public affairs is entrusted.

He may know the truth and want to speak it. Yet he doubts whether his views, as transmitted to his constituents by those who control communication channels, will be fairly presented, or presented at all.

So there often follows from this a chain reaction of cynicism leading to corruption. This public man, to achieve anything at all, will not use the open road, but will crowd himself into the path of low intrigue. He will not boldly scout what lies ahead for the Nation. He will bend the weight of his energies to the end of having everything stand still. He will voice no prophecies of what ought to be. He will speak only the sterile dogmas of the street, and only those bits of rumor which bear the general sanction of the lords of communication.

And what of the end result to all this? It can be a society shaped in imitation of an Egyptian mummy; a society where the embalmer holds the highest place of honor; a society of fixed, painted, and hard shells; a society feeding on its dry rot, until the fateful hour when a probing finger, striking the shell from without, makes it collapse on the empty center.

Those of us who are worried and concerned about falling moral and spiritual standards should heed the words of warning and wisdom from the junior Senator from Arkansas.

Another distinguished gentleman from Arkansas, our colleague OREN HARRIS, must have had the same thing in mind the other day when he asked, What good is all our military might if we lose those high qualities which made our Nation great?

Like many of you I listened with interest to our distinguished colleague from Georgia in reply to an attack on his character. I speak of JOHN FLYNT who serves with me on the Commerce Committee.

I disagree with him occasionally as he does with me, but it is an honest disagreement for I would never challenge his honesty and integrity. He is one of the most able Members of this House, a tireless worker and a man of exceptional ability. I could understand his feelings when he spoke of his fine family for I know what it means when members of your family must share the abuse you get from character assassins who have no regard for the truth, or for human decency or the public welfare.

I feel honored to share with him that kind of a smear attack. And that also goes for my distinguished colleague from Florida, SYD HERLONG. I should apologize to him because I believe his good name was dragged through the mud to give the Luce crowd a better excuse for including my stationery spending with their sensational travel expense story.

Mr. Speaker, I do not expect that my remarks today will reach many of our citizens. What I say will no doubt be distorted as an attack on the free press.

Let me say in all sincerity that I hope and pray there shall never come the time when freedom of the press in this country is destroyed. But I say to you that we betray our people, and our country's most precious ideals and principles, if we do not meet the challenge of a totalitarian and corrupt press.

We in Congress have spent a lot of time and study to protect our citizens from dangerous elements and poison in food and other products that we fear can lead to cancer and other crippling and killing diseases. Should we not give equal consideration to the poison that is polluting and corrupting the vital channels of news and information? How long can we ignore this cancerous growth without suffering the inevitable price in decay and disaster?

I do not, Mr. Speaker, make a blanket indictment of the press. I admire and respect the working press and the many honorable, fair, and respected publishers throughout the Nation. There is no better informed group anywhere than reporters, writers, and commentators. They know, more than all others, the dangers of irresponsible and powerful lords of the press. What a wonderful thing it would be for this country if they were more free in their task of writing and reporting the news.

Mr. Speaker, I would not propose anything like monitors for the Luce and Knight monopolies, yet I know of no force that is a more evil and more dangerous threat to our basic freedom and democracy.

I know of no group which benefits more from dishonest and corrupt practices, than those who oppose progressive and humanitarian legislation for the people, while piling up great wealth and power for themselves at the expense of the average citizen. I see no greater evil than efforts by unscrupulous and unprincipled characters who seek to destroy the good names of persons who do not yield to unethical influence and pressure.

The attack on Congress by the Luce and Knight interests was a sneak attack because it comes as Congress is ready to adjourn. After that there will be little or no chance to fight these big lie attacks. There will be no opportunity for equal space in magazines or newspapers to protect yourself from such slander and abuse.

Let me close by saying that the test of a nation's strength is not alone its force of arms. Much depends upon the character, the moral fabric, the integrity and spiritual standards of our people. It requires an understanding electorate, a people with a purpose, not like those of Life and Time, whose objective is power and greed, but who are dedicated to the principles of truth, justice, decency and honor.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include several articles related to this question.

[From the Madison (Wis.) Capitol Times]

FREEDOM, GENTLEMEN OF THE PRESS, IS THE ISSUE FACING US TODAY

(By William T. Eojue)

One of the things that bothers us most about modern journalism—and this includes the schools of journalism—is the part that it is playing in building up a ruling elite in this country, based on a concentration of financial and economic power, that today sits astride government on both National and State levels and which is a threat to our representative form of government. In order to consolidate its power and perpetuate its position, this ruling elite has been a distinct threat to the freedom of the American people as it sought to thwart opposition by reducing the free American citizen to a level of conformity and dumb acquiescence.

That this concentration of financial and economic power is going on at an alarming rate seems indisputable. One need only follow the trends in monopoly control to note the way in which small business is being swallowed by the Moloch of big business. We now have 60 corporations in the United States, each having assets in excess of $1 billion. We are now on the verge of seeing the first American corporation to make a net profit of $1 billion in a year. Four banks are in process of merger in New York City, which will result in two banks with assets in excess of $11 billion.

This tremendous centralization of financial and economic power means control of political power—the will of the people—as well. Has there ever been a time when corporate wealth has been so solidly entrenched in the high places of government on both National and State levels as today? It has laid its hand on the mass media of communications which has the power to shape and condition public opinion, the press, the movies, radio and television.

It was under the pall of McCarthyism that a free press, free speech, free inquiry, and free assembly were threatened as the people were driven toward conformity and silence.

Today the press has become the spokesman, the defender, and special pleader for an American elite based on concentrated financial power that now sits astride government and is making conformity the pattern of American life.

[From Candid Democrat, June 1959]

TIME IS NO MAGAZINE, SAYS MONSIGNOR HIGGINS

Monsignor Higgins, director of the Social Action Department of the National Catholic Welfare Conference recently had this to say, "Time magazine has long ceased to be—if indeed it ever was—a news magazine strictly so-called. It has become, for all practical purposes, a journal of opinion, with an obvious bias in favor of one political party and an even more obvious bias in favor of the management point of view in the field of economics and labor relations."

[From Labor magazine, Apr. 23, 1960]

REFORM OF THE PRESS, A WORTHY OBJECTIVE

An unusual bequest by the late Lowell Mellett, noted newsman, has turned the spotlight anew on the Nation's daily press, and the extent to which it meets or falls short of its obligations.

As reported in last week's Labor, Mellett left a fund of $37,500 to the American Newspaper Guild to explore some of the shortcomings of the press and seek ways to make it not only free, but responsible.

"Irresponsible power is dangerous under any form of government in any kind of society," Mellett wrote in a letter setting forth the reasons for his bequest. "Yet the power exerted by the American press comes close to being irresponsible.

"How to find a means of curing the condition without curtailing freedom of expression has thus far proved baffling. Yet it should be possible somehow to establish a relationship between the people and the press, whereby full responsibility for its behavior would be met by the press.

"Publishers, even those with the best purposes, have not succeeded in solving the

problem. It may be that those men and women who constitute what is called the working press can do better."

Mellett's comments are particularly significant because he had devoted many years to the newspaper field. He had been editor of the Washington Daily News, a major unit of the Scripps-Howard chain, for nearly two decades.

The Newspaper Guild, which represents the working press gladly accepted the bequest and will consider methods of carrying it out. Guild President Arthur Rosenstock declared that Mellett's challenge "will be a great inspiration to us, because it runs parallel to the guild's thinking."

Meantime, Editor James Wechsler of the New York Post, in a book soon to be published (some chapters of which were carried in the Progressive magazine), declares that the press generally "has grown comfortable, fat, and self-righteous, and, with noteworthy exceptions, voices the prejudices and preconceptions of entrenched wealth, rather than the passion for justice which we associate with our best journalistic traditions."

The need for reform of the press is being examined in other quarters, too. One significant job in this field is being done by the Center for the Study of Democratic Institutions, a unit of the Fund for the Republic, financed by the Ford Foundation.

Some time back the center, located in Berkeley, Calif., issued a report terming much of the U.S. press "clearly irresponsible." More recently, a prominent newsman who's a key adviser to the center—Harry S. Ashmore, former executive editor of the Little Rock (Ark.) Gazette—called for a continuous outside critical appraisal of the press, in order to produce needed reforms.

He declared that "the inadequacy of mass communications in our threatened society is not a matter of internal concern for the press alone, but an issue of great urgency for the public at large." He said the center would raise critical questions about the press as a "prerequisite to finding the proper answers."

Ashmore insisted that the press had a responsibility to give the people not only what they presumably want, but information that "they need." He contended that "the rights and immunities conferred upon the press" are a "supposed guarantee of future service in the public interest," and not merely a vehicle for making profits.

"It is evident by now," he said, "that the press is not capable of reforming itself, for the good reason that it will not admit collectively there is any need for reform."

Organized labor, which has often suffered at the hands of a biased and prejudiced and irresponsible press, will wish well of studies that seek, by spotlighting the faults and the defects, to produce a better, fairer, more trustworthy press. Should such objective be achieved, all America will be the gainer.

[From Miami Life, June 4, 1960]

INTIMIDATES CONGRESSMEN—IS KNIGHT'S "STOP THIEF" CRY EFFORT TO PROTECT TV GRANT?

"Let he who is without sin cast the first stone."

John S. Knight, publisher of the Miami Herald and other Knight newspapers, has his reporters diligently at work writing about misuse of Federal funds by Congressmen on investigative trips, etc. The sums spent "wrongfully" by most Congressmen are insignificant. We doubt that any Congressman would contrive to willfully defraud the U.S. Government out of a few hundred dollars. We are reluctant to believe so.

For the most part, we believe the American people want their Congressmen to travel first class when they meet the high echelon of other governments. We don't think they should have to ponder or give thought as to whether they are misspending $10 if they are ordering a round of drinks, or for that matter, if they send a bouquet of flowers to a diplomat's wife. We must trust their judgment. We want their minds to be free.

We recognize, or should, the exalted position of Congressmen. They should denote the highest type of citizen in our country, and we want them to act on a plane that depicts them to all the world as the finest, and most dignified.

We cannot help but believe that an ulterior motive is behind Knight's "exposé" of Congressmen's "spending." Knight has put many Congressmen on the defensive. He has put the fear of God into many of their souls, because the most innocent act, though unintentional, but technically wrong, can be magnified into an unforgivable transgression. It could destroy a man's entire political future, though he be an honorable dedicated public servant. Now here is what we are getting at. Here's the meat of the deal, we believe.

Knight's got his tail in a crack. He's hurting. Not too long ago, he admitted that he had used the chairman of the board of the Florida Power & Light Co. to aid him in getting the FCC to rule favorable on his application for television channel 7.

The ways and means of how channel 7 was acquired is scheduled for a hearing in the immediate future. The award of channel 7 to Knight was worth millions of dollars. He got it for nothing, through political potency.

It could be that he wants to make certain that the hearing before the FCC terminates in his favor, no decision rendered that puts him in a position of the pot calling the kettle black. Is it possible that he is pointing a finger at Congressmen using the old "stop thief" angle.

If he didn't have a special axe to grind and he was sincerely interested in the public's welfare, he would look at the problems in his own backyard that more closely touch the masses of people; namely, the Florida Power & Light Co.'s continued rule of not only the county, but practically the entire State.

He could point out to the people that our electric rates are the highest in the Nation. But he dare not do that, because McGregor Smith, head of the Florida Power & Light Co., helped him get his television station, channel 7. He could tell the people of Miami they could rid themselves of some of their tax burden by operating a municipally owned power company, citing Jacksonville as an example. There, the municipally operated utility returns approximately 40 percent of its gross income into the treasury of the city for general use. The electric rate in Jacksonville is commensurate with our own.

He could tell the people that Florida's State capital, Tallahassee, pays about 85 percent of its municipal expenses through the operation of its powerplant.

He could point out that Orlando, Florida's largest central city, returns approximately 50 percent of its gross income into the treasury for general use. Their rate is slightly higher than ours. Even right here in our back yard he could point out that Homestead is operating a successful municipally owned plant.

He could, but he would be double-crossing his buddy, his pal, chairman of the board of the Florida Power & Light Co., Mr. McGregor Smith, who sent his vice president to Washington to intercede with members of the FCC for Knight.

So Knight sharpens the sword of Damocles, which he holds over the heads of office holders.

They dare not displease him because the threat that he might drop that sword is ever present.

That, dear people, is the way it could be.

Mr. WOLF. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from Iowa.

Mr. WOLF. I want to congratulate the gentleman on an excellent statement. I was interested in the statement made the other day by the gentleman from Arkansas on the possibility that hearings might be held on the monopoly press of this country. If these hearings are necessary, it will be the press itself which has made them necessary.

I am especially disturbed about the fact that our young people are losing faith in Congress and Congressmen because of irresponsible statements made by the press. When a man is accused unjustly in the press, his reply is invariably buried on the back pages of the newspaper.

I only wish that all Americans could hear the gentleman's statement today.

Mrs. PFOST. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentlewoman from Idaho.

Mrs. PFOST. Mr. Speaker, I want to commend the distinguished gentleman from Pennsylvania [Mr. RHODES] on his forthright and hard-hitting speech. It is unlikely that the public today is fully aware of the fantastically huge Federal mail subsidies which are being paid to the big magazine publishing firms, particularly such giants in the field as the Luce empire.

These publications, through their Republican editorials, are attempting to mold the minds of their readers.

As Congressman RHODES has pointed out, these magazines—Life, Time, Fortune, House & Home, Sports Illustrated, and Architectural Forum—get more than $1 million a month in mail subsidies. That is quite a load for Uncle Sam and the American taxpayers to carry, and it is hardly fair that they should have to pay the freight while that publishing empire is reaping such enormous profits.

In the June 6 issue of Life magazine there was a story about "junketing" by Members of Congress. The story was relative to a 3-day trip taken by members of a subcommittee of the House Public Works Committee to New York City to look over harbor dredging, port facilities, and roadway plans included in legislation that was then under study by the committee.

I was specifically asked to make the trip by the chairman of the committee, and millions of dollars were involved in the legislation under study. I felt that it was my duty as a representative of the people of Idaho to make the trip and to study the projects firsthand.

Now, the word "junket" has a bad connotation today, and I think it was applied unfairly in this case by the reporter who wrote the story for Life magazine. I was in the real estate business for some years prior to coming to Congress, and I know that it is impossible to properly evaluate or assess a piece of land or any project, for that matter, unless you can actually go out and study it with the two eyes that God has given you. If more firsthand studies were made, we would have less waste in Government and would be able to save the taxpayers millions of dollars annually. The cost of making such studies is al-

most nil compared to the funds saved and the work accomplished.

The Life magazine story of June 6 mentioned that my husband made the trip with me. But it neglected to mention—and I do not know whether out of design or sheer slipshod reporting—that for the 3 days we spent away from Washington I had given to the clerk of the committee a check for $69.33 to cover my husband's expenses. On top of this he paid for meals, tips, and other expenses out of his own pocket.

If the Life reporter had dug a little deeper, he would also have learned more pertinent information that should have been contained in the story or should have been footnoted as an explanation. My husband, Jack, and I, have been married since 1923. My work in Congress is, more or less, a joint venture with him. He spends as many hours working on behalf of the people of the First District of Idaho as any administrative aid on Capitol Hill today. When I am back in the district, or away on official duties, he carries on the work of my office for me, keeping on top of legislative developments and handling mail to constituents. Yet, for all the valuable services he performs, he has never received a single cent of payment—in other words, he has never been on my office payroll.

This was the picture, then, when Jack accompanied me on the trip to New York. He was invited to come along. It was, for all practical purposes, a working assignment for him, too, for he was also interested in viewing the projects under study. The fact that he paid his own expenses should have sufficed to clear the air of any question that he was a free rider at the taxpayer's expense.

I was in Nampa, Idaho, at the time the Life magazine article appeared, and I issued an immediate denial to the press. My opponent in the primary election, however, saw fit to use the article as a basis for attacking me, without regard to whether it was accurate or not. This was unfortunate. But, in the heat of the primary, I suppose that I could have expected little else.

I mention this to point out that our mass-read publications in America have an awesome power in the molding of public opinion. Like our TV media, they speak to the public in a loud and authoritative voice that carries with it a tremendous power for good or evil. I do not think that this power should be abused. It should carry within it a built-in sense of responsibility to the aspirations of America and its 180 million citizens.

I, frankly, would like to see more of this dedicated sense of responsibility in the mass-magazine publishing field today, and particularly by Mr. Luce. I would like to see more depth and less superficiality and sensationalism in Life magazine, for example. One publisher of a Washington, D.C., newspaper—I believe it was the Washington Daily News—once characterized Time magazine as "news fiction." I think the description was accurate and I would hope, therefore, that Mr. Luce would concern himself more with putting out an accurate, unbiased news journal rather than the thing that appears at our newsstands every week.

As Congressman RHODES has suggested in his speech, I would like to see the Luce empire make an accounting to the public of what it received in Federal subsidies. Perhaps that million-dollar-a-month figure is too high. Or, again, perhaps it is too low. But as long as Life magazine is calling Members of Congress like Mr. RHODES and myself to account, I would like to reverse the tables and call the Luce company to account for a few facts and figures.

Along with Mr. RHODES, I have been a longtime opponent of the Government having to pay out so many millions of dollars in mail subsidies. There is no reason why these magazine companies could not pay a greater share of the cost required in handling their publications. I hope that legislation to this end will be approved in a future session of Congress.

In the meantime, I would urge Life magazine, and other publications, for that matter, in the name of honesty, decency, and fairplay, to not use names of individuals when there is no justification for doing so. The press, I agree wholeheartedly, should put the finger on errant legislators. At its best, the press should be the watchdogs of our democratic processes. They should never subvert their powers to attain selfish ends.

Surely, Mr. Speaker, this would not be asking too much of a magazine which has just concluded a series on our national goals. I would hope that it would do as it suggests that we in Congress do—clean its own house first. Mr. Speaker, just who lives high off the taxpayers?

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from New York.

Mr. SANTANGELO. Mr. Speaker, I want to compliment the gentleman from Pennsylvania on a very important statement made with clarity and with factual background to support it. The framers of our Constitution guaranteed freedom of speech and freedom of the press. With such freedom and with such rights come a correlative duty to tell the truth. When a powerful group of people that are subsidized by the Government to the tune of $9 million a year for the purpose of disseminating truth, instead of disseminating the truth turn a poison pen to the destruction and the downgrading of representatives of our Government, then the press which is so hallowed is not rendering the service which we first saw in the freedom-of-press provision of the Constitution. They have a responsibility and when they belittle their representatives and bring them into disgrace by false pictures and false statements giving a distorted view, they are rendering a disservice to the country and they are derelict in their duty as newspapermen.

I commend the gentleman for his courageous statement. I think these are words which must be repeated time and again because, unless we have a free press without a desire to destroy, but with a desire to inform, our country will not fulfill the expectations that the people of this country expected to find with freedom of the press.

I commend the gentleman from Pennsylvania.

Mr. RHODES of Pennsylvania. I thank the gentleman from New York for his fine contribution.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Pennsylvania. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Mr. Speaker, because of my past association with the gentleman on the Committee on the Post Office and Civil Service, I want to compliment the gentleman for his remarks on postal subsidies. I wonder if I may be fair to the gentleman in concluding from his remarks that he shares my regret that the committee did not see fit after holding hearings this year to at least give serious consideration to the matter of rate increases, including those for second-class mail?

Mr. RHODES of Pennsylvania. I agree with the gentleman. We worked together on this particular problem. I wish we could have brought a bill to the floor so that I would have had an opportunity to present this amendment again.

Mr. JOHANSEN. I take it also the gentleman feels that the cost ascertainment system as it relates to magazines and newspapers is basically sound?

Mr. RHODES of Pennsylvania. I do. I think it is fair and sound. I believe it is on the conservative side.

Mr. JOHANSEN. I am happy to have the gentleman with his background, with his experience and with his knowledge, say that, because of the fact that that system has been made the target of attack, and I believe attacks by those who have a vested interest in preserving the status quo.

Mr. RHODES of Pennsylvania. I agree fully with my colleague from Michigan.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include several articles.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

OMNIBUS RIVER AND HARBOR AND FLOOD CONTROL BILL

The SPEAKER pro tempore (Mr. ROOSEVELT). Under previous order of the House, the gentleman from Pennsylvania [Mr. CLARK] is recognized for 20 minutes.

Mr. CLARK. Mr. Speaker, I want to take this opportunity to express my deep concern over some of the provisions of the omnibus river and harbor and flood control bill, H.R. 7634, which is now in conference. This is the bill on which the Committee on Public Works, of which I am a member, held extensive hearings during the last session to get it into the best shape possible. I am proud to state that as we reported the bill and as it passed the House on July 16, 1959, it contained not one single project or item that could possibly have been the basis of any objection on the part of the Congress or the executive branch. We confidently expected that the other body

would take quick action, add a few projects on which reports were cleared to the Congress subsequent to our passage of the bill, and send it to the White House where it would have been quickly signed. If this had been done many urgently needed, worthwhile projects, among which is a flood control project in my district for which I have worked unceasingly for a number of years, would have had the opportunity to be included in the budget for an appropriation to begin planning and construction in the present public works appropriation bill for fiscal year 1961.

Mr. Speaker, much to our dismay and consternation the Senate failed to act on the bill last year and held it over until this year. Hearings were not held until April and the bill was not reported by the Public Works Committee until June 6. It passed the Senate on June 17. As of this moment the first meeting of the conferees has still not been held. We on this side are dismayed at the length of time it has taken to get action on this bill, and the fact that it now faces a possible Presidential veto.

The bill contained project authorizations amounting to $657 million as it passed the House. The Senate increased it by $925 million making a total of $1,582 million. Some of these increases are justified by the need for increased monetary authorizations for comprehensive river basin plans. Also, part of the increase represents the addition of new projects which had been approved by the Chief of Engineers and by the Bureau of the Budget and which were reported to Congress after the bill passed the House. These are projects which we would have added to the bill if they had been available at the time we considered them. The remaining increase is due to the inclusion of projects which in some cases have not been approved by the Chief of Engineers or the Bureau of the Budget or both. In fact, in some cases reports on these projects are not even in progress. There are approximately 15 projects in that category having a total cost of approximately $160 million. I would like to mention briefly, Mr. Speaker, the nature of some of these projects.

One project was included by floor amendment for the deepening of a harbor and justified by the inclusion in the proceedings of the Senate of June 17 of a letter from the Department of the Navy purporting to show the need for its authorization. Actually, the letter from the Navy indicates that the presently authorized depth is sufficient and the deepening not needed.

There are several projects included in the Senate version of the bill where the Chief of Engineers has not even prepared a report and where, in fact, he is not even authorized to prepare a report. This violates all the rules and procedures for the authorization of public works projects.

In addition there are several projects in the Senate version of the bill which would authorize unjustified payments for damages which were not caused by the projects which are alleged to have caused them, and others which would authorize the construction of certain facilities which are beyond those legally or equitably an obligation of the Federal Government.

There is one project for navigation which would cost more than $100 million and which the Bureau of the Budget claims is not needed at this time. Another item has been added which would substantially reduce the cost to local interests for a water supply reservoir, and which consequently would increase the cost to the Federal Government over that which the Committee on Public Works considered in detail and authorized in the 1958 Flood Control Act. This item has not been approved by the Chief of Engineers or by the Bureau of the Budget and here again no report has been prepared upon it, nor has a restudy been authorized.

Speaking as a member of the Committee on Public Works I have no objection to the addition of projects which have been cleared and approved by the Chief of Engineers and the Bureau of the Budget and about which there is no controversy, even though our committee has not held hearings, since the passage of time involved in this bill has naturally resulted in the submission of new reports and these new projects should not be penalized because of failure of the Senate to act last year. I do take exception, however, to projects and items which have been added which are controversial in nature and which have been disapproved by the Chief of Engineers or the Bureau of the Budget or both and on which our committee has had no opportunity to hold hearings or to consider in detail.

Mr. Speaker, it is probable that the inclusion of these projects and items which do not have the approval of the appropriate executive agencies will result in a Presidential veto. I think there can be no question of the possible fate of this bill in the minds of those of us who struggled down the long road of the 1956, 1957, and 1958 omnibus bills; 2 of which were vetoed for these very reasons. I am sure that none of us wants to see that happen again.

In addition to the projects which have been objected to by the executive agencies two new titles have been added in the Senate—title III dealing with broad recreational policies and title IV, dealing with Federal land acquisition in Corps of Engineers water resource projects. Both these titles are objected to by the Bureau of the Budget.

Title III on recreation would, among other things, permit the allocation of generally up to 10 percent of the cost of the project to recreation and make this allocation a charge to the Federal Government. Our committee has held no hearings on this matter and the Committee on Interior and Insular Affairs, which has a number of bills before it dealing with the same subject, has not had an opportunity to express its views. We in the House, Mr. Speaker, are being asked to accept an entirely new policy on the recreational cost allocation with no opportunity for hearings, no chance to consider all the implications, and no means of determining the merits of the proposal.

With respect to Title IV: Land Acquisition, the same comments apply as to title III. We have held no hearings and been given no opportunity to examine into the matter, and we have no means of determining the merits of this broad and sweeping proposal.

Mr. Speaker, I am concerned lest the addition of these sweeping new provisions and the inclusion of projects which have not been cleared by the proper agencies will result in no bill at all in this Congress. If H.R. 7634 is disapproved by the President the action will be taken after Congress has adjourned and there will be no opportunity to enact further legislation and many worthwhile necessary water resource projects will have to await the action of another Congress in another year.

Mr. Speaker, there are some projects in this bill for which funds are provided in the pending public works appropriation bill. I call this to the attention of the House because I believe it is most unusual for an appropriation to be made for a project subject to later authorization. The Committee on Public Works is under terrific pressure to approve such projects even though, in one or two instances, they have not been cleared by the appropriate executive agencies. I think this imposes an unfair burden on the members of the Committee on Public Works.

Water conservation, flood control, navigation improvement, and hydroelectric power developments are urgently needed in many sections of the Nation. A procession of catastrophes and critical emergencies during recent years make it mandatory that the Congress provide continuing preventive and remedial programs. I am alarmed and distressed at the prospect that we will have no authorization bill this year. An effective water-resource program must be responsive to changes in national needs and the Congress has a great responsibility to act without delay in authorizing such a program.

I hope the conferees will report a bill which will be approved by the President and become law. In order to make this possible it may be necessary for them to weed out the projects which are not fully eligible under legally established procedures and which may endanger other eligible worthwhile projects in the bill.

My position on this bill as set forth in this statement does not mean that I am in agreement that the Bureau of the Budget should have the power of life and death over every single item. I still uphold the position of the committee on the last omnibus bill that the Congress should have the final determination on what should go into any legislative measure. In this case, however, I recognize the facts of life and am willing to compromise in order to assure the enactment of a civil works bill in this Congress.

CONGRESSIONAL TRAVEL EXPENSE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. MOULDER] is recognized for 30 minutes.

Mr. MOULDER. Mr. Speaker, recent stories published in newspapers and

magazines concerning my hotel and restaurant bills while presiding as chairman of Un-American Activities Subcommittee hearings held in several major cities, is the first sure sign of the type of campaign coming on against me for reelection to Congress.

This year is a general election campaign year, and, as usual, I am and will continue to be subjected to smear attacks. The recent misleading and false stories fabricated by the Knight Newspapers, Inc., concerning congressional travel expense of Members of Congress is an example of the vicious smear campaign to be conducted against me.

First, I shall tell you about the Knight Newspapers, Inc. This chain of daily newspapers is owned by John Knight, of Miami, Fla. Two years ago, while I was chairman of the Special Subcommittee Investigating the Federal Regulatory Agencies, we discovered and exposed John Knight's operations in securing favorable action by the Federal Communications Commission on his application for the channel 7 television station in Miami, Fla. The record shows that John Knight used more than improper ex parte and dishonest political influence in securing the FCC award of channel 7, worth millions of dollars.

This election year and while his award of channel 7 is up for review, Mr. Knight selected two of his best character assassin reporters, Don Oberdorfer and Walter Pincus, to go to Washington for a smear story on the members of this special congressional committee responsible for revealing his unethical methods in getting the Miami channel 7 television station, which, by court action, is now up for review by the Federal Communications Commission.

The foregoing background information does not prove nor disprove the story which his reporters dug up and published in Life magazine and the Knight chain of newspapers under the title of "How Some Congressmen Live High Off the Public." But the brief background information on channel 7 does explain why this exaggerated, distorted and outright false story was concocted and published by the Knight Syndicate.

That part of the John Knight story applying to me stated that:

On another study mission, Representative MORGAN MOULDER, Democrat of Missouri, of the House Un-American Activities Committee incurred two charges totaling $90.38 at the Plaza Hotel in New York. (Later publications in the newspapers wrongfully referred to this as one charge of $90.38.)

The story continued:

Handwriting on the margin linked the charges with the notation "Persian Room."

And the story continued by stating that:

The Persian Room is the hotel's fashionable and expensive night club.

Upon reading this part of the story you would be lead to believe that I had wastefully and extravagantly spent $90.38 of the taxpayers money at a night club. The story continued:

MOULDER stayed in a $21-a-day room. Among his restaurant charges was one for $53.25. His 4-day bill of $282.17 was paid in full from the U.S. Treasury—including the charges noted as "Persian Room."

Now, the truth on the Persian Room, night club charges is that it is the Plaza Hotel dining room. While acting as the chairman of the Subcommittee on Un-American Activities hearings on investigations previously made by our investigators on communism and communistic operations in the city of New York, two other members of the committee, our committee attorney, committee clerk, and a committee court reporter were with me on the trip. We stayed at the Plaza Hotel.

We usually ate our meals together in a group at the same table in the hotel dining room, sometimes two tables. It is a customary practice for the chairman in charge of the committee to sign for the meal checks, including the charges of other members of the committee and staff. The dining room at the Plaza Hotel is called the Persian Room. This I did not know until publication of the Knight-Oberdorfer-Pincus aspersion story. But the Persian Room was the main dining room at the hotel where we ate our dinners each day and which were charged on one check and signed by me for charge to my room as chairman of the subcommittee.

At the close of the hearings I, as subcommittee chairman, signed the total hotel bill as a charge to the committee for the hotel to mail to the chairman of the full committee in Washington for approval and payment to the hotel by the House Disbursing Office.

The newspapers headlined: "$282.17 for 4 days." I do not believe any person could stay at any one of the hotels in New York for a period of 4 days and sign breakfast, lunch, and dinner checks for other committee members and staff, on this occasion five to nine persons at each meal, for much less than $282.17. I do know that I paid expenses out of my own pocket for which I was never reimbursed.

The John Knight or Oberdorfer-Pincus story went on to say:

Three months later on another Un-American Activities Committee assignment, MOULDER, in 1 day, ran up restaurant bills of $23.02, $34.53, $47.62, $9.80 and $65.02 at the Los Angeles Statler Hilton Hotel, with no explanation appearing on the expense records.

Of course the hotel made no explanation on the restaurant bills. The bills were for food usually sold in all hotel dining rooms. No reasonable person would want any further explanation. But John Knight and his Oberdorfer-Pincus writers could not find anything wrong with the bills for restaurant charges, so they in desperation for a smear wrote: "with no explanation appearing in the expense records."

Mr. Speaker, on the occasion referred to in Los Angeles by the newspapers and Life magazine, the committee members, investigators, committee clerk, committee court reporter, and attorneys stayed at the Statler Hilton Hotel. Prior to arrival of committee members, clerk, and court reporter in Los Angeles, the investigators acquired the cooperation of the chief of police and the FBI in the investigation and securance of witnesses to testify. The Communists in the Los Angeles area, as usual, filed suit for damages and injunction against the committee in the U.S. district court. And the U.S. district attorney assigned two of his assistants to defend and assist the committee during the hearings. Thus, as in hearings held in other cities, we had a group of 15 persons officially connected with the conduct of the hearings. As in other hearings conducted in other cities, the committee staff investigators arranged hotel accommodations for the committee, and as customary reserved a two-room suite as committee and staff headquarters for conferences, preliminary examination of witnesses, and executive sessions. This suite, a parlor room and a bedroom, was registered in my name as chairman or subcommittee chairman. The rate or cost of the suite for committee headquarters is usually twice the cost of a single room. As senior ranking member to the chairman, I have been appointed subcommittee chairman nine times or on most all of the investigations and hearings conducted in the major cities of the United States by the Committee on Un-American Activities during the past 2 or 3 years, and the committee headquarters conference room suite was on each occasion assigned to me. Therefore, the higher price hotel accommodations for use as committee headquarters were registered in my name as chairman.

Mr. Speaker, during the course of the hearings in Los Angeles the members of the committee and committee staff had breakfast together each day at the hotel, using one or two tables. One restaurant breakfast check was issued for each table. I, as subcommittee chairman, usually signed the checks for both tables. Then during noon recess each day we returned from the hearing room to the hotel for lunch. The police officers, assistant district attorneys, former undercover agents investigating communism for the FBI, and sometimes two or three cooperative witnesses, all had lunch together at one or two long tables in the hotel dining room each day. The charges for the luncheons were made out on one or two checks, and I, as chairman, signed both checks covering all persons with the committee for charge to the committee headquarters suite registered in my name as chairman. The same arrangement and procedure was made and generally followed for the supper or evening meal each day.

Mr. John Knight and his hired hatchetmen are correct in publicizing that I signed five restaurant checks for various amounts during 1 day, and that the total Statler Hotel bill for 5 days charged to the committee in my name amounted to a total of $523.24. But the John Knight Syndicate, Life magazine, and the newspapers buying the Knight Syndicate story deliberately and purposefully omitted the fact that most all of the meals consumed by the committee members, committee staff, police officers, former undercover agents investigating communism for the FBI, district attorneys—a total of 14 or more for 5 days—

plus the committee headquarters conference room suite, all for a period of 5 days, were charged in my name to the committee as chairman.

The foregoing facts and procedure of paying committee hotel bills has been followed ever since I have been a member of the Committee on Un-American Activities. And it also provides more convenience for the hotel and dining room service by presenting one or two checks instead of separate checks for each person at breakfast, dinner, and supper.

This rule on hotel bills has been used at all the hearings I have been in charge of as chairman, and was applied on all of the occasions referred to in the Life magazine and newspaper articles published on this subject.

Mr. Oberdorfer and Mr. Pincus worked several weeks preparing the sensational story on congressional committee expense accounts and they came into my office just a day before the story was published. They did not print my explanation to them as I have related it to you, but instead they falsely quoted me as saying:

The bills for meals for people involved in the committee's hearings included people—you might call them fans of the committee.

When asked if liquor charges were included in the restaurant bills they falsely quoted me as saying:

Unquestionably they are. I normally have a drink before lunch.

This vicious and vile misquote is an example of irresponsible and so-called sensational news reporting, but the misquotes are no more glaringly unworthy of respect and belief by the people than the AP—Associated Press—condensed copy and report of the Knight newspaper story, which was carried by some of the AP subscribing newspapers in our 11th Congressional District.

The AP report printed in two or three local newspapers quoted the Knight copyright story by Oberdorfer and Pincus as follows:

A member of the House Committee on Un-American Activities has spent as much as $103 a day for hotel lodging during out-of-town committee hearings.

This was referring to the Los Angeles dining room charges for 15 to 18 people, including committee members and staff.

1. Used public funds to pay a $90 bill run up at a night club in one evening.

This was referring to the dining room bills at the Plaza Hotel.

2. Hired chauffeur-driven limousines.

This referred to cars rented by investigators in their work and for transporting committee and staff to and from hearing room, which cost less than taxicabs.

3. Used committee funds to repay the Library of Congress for the loss of such books as "Two Little Confederates," etc.

This refers to books used by the old Dies committee when investigating Communist authors 15 years ago.

The AP story said:

Committee member MORGAN MOULDER spent $40.85 a day for accommodations at the Sheraton-Jefferson Hotel in St. Louis in 1956, etc.

We stayed at the Sheraton-Jefferson Hotel in St. Louis because it was located near and within walking distance to the committee hearing room in the Federal courthouse; and the committee headquarters hotel suite and meals were charged to me as chairman of the subcommittee.

The AP version of the Knight copyright story above referred to is even more false and grossly exaggerated than the original. The AP reporter did not have the honest decency of making any effort to check into the facts. The AP report included matters which were not even connected to me by the Knight reporters. The Washington AP reporter rewrote a story in the nature of a conclusion from a story he read, based upon the John Knight newspaper chain publications.

So like the story of Little Red Henny-Penny, when an acorn hit her upon the head. "Goodness gracious me," said Henny-Penny, "the sky is agoing to fall; I must go and tell the king." So she went along, and she went along, and she went along—just like some of the newspapers went along and went along with the John Knight hotel expense story.

When arriving in Washington after my first term election to Congress, the Speaker of the House, SAM RAYBURN, of Texas and JOHN MCCORMACK, majority leader, called me to the Speaker's office and asked me to serve on the Committee on Un-American Activities. I consented. and I have served on the committee continuously since that time. It is not a pleasant task. Some people, including certain newspapers and columnists, do not approve of our investigations and exposure of communistic activities in our country.

The American Mercury magazine recently printed an article entitled, "Who Wants To Abolish HUAC?" This article states, and I concur, that:

Members of the Committee on Un-American Activities have been marked men to the smear specialists of the left. Few members of the committee have escaped slander, shadowing, and constant intimidation at the hands of the friends of communism.

Mr. Speaker, we have many good and reliable newspapers in our 11th Congressional District of Missouri. However, I hope some of the daily newspapers will in the future carefully scrutinize and check the unreliable Life magazine, Time, AP, and UP reports they receive before publishing such distorted stories as news in their papers.

The Knight newspapers and Life magazine have exposed what they call "How Some Congressmen Live High Off the Public." And this same Life magazine recently published an editorial attacking farm price-support programs and referred to farm programs as wasteful subsidies. The editorial concludes by saying:

If enough Americans squawk, something will be done to stop this silly business.

Now, I want to tell you how Life magazine, Knight newspapers and other publications live high in reaping huge profits at the expense of the public taxpayer.

Time, Inc., owns Life, Time, Fortune, and Sports Illustrated. The annual net income of Time, Inc., is in excess of $14 million. Life magazine received a total subsidy of $9,000,500 in the year of 1956 and has received much larger postal subsidies each and every year since 1956. Therefore, more than two-thirds of this publishing company's profits is Government subsidy.

The printed record of April 18, 1957 of the House Committee on Post Office and Civil Service—page 855—shows that in 1958 the loss to the Post Office Department for the handling of the Detroit Free Press alone, a Knight newspaper, was $232,000.

The cost ascertainment report for 1959 of the U.S. Post Office Department shows that the loss to the Post Office Department for handling daily newspapers was $71,053,246. The loss incurred in handling and delivering magazines was $90,125,490. Postmaster General Arthur Summerfield, in his statement before the House Post Office and Civil Service Committee on June 8, 1960, said:

This policy has resulted in a total subsidy to our publishers of more than $3 billion in just 13 years since the end of World War II. We are dealing with a self-serving group whose hunger for special privileges is insatiable.

And this is the same self-serving group whose selfish hunger is creating the huge deficit in the Post Office Department and the reason why people are paying 4 cents postage for a letter and why higher postal rates are required of everybody else.

It is this same group of publishers who are attacking and smearing Members of Congress who oppose their special vested interests and privileges and they may attack me again for using my frank in mailing this explanation to the people. But how else can I protect myself and truthfully inform the people of the facts?

SUMMER-JOBS-FOR-YOUTH CAMPAIGN

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HALPERN] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER, pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HALPERN. Mr. Speaker, with the termination of school and the onset of summer, thousands upon thousands of teenagers will be seeking outlets for their restless energies. Unless the Nation adopts constructive programs of benefit to our high school youth during the summer vacation period, there is a good possibility that we will be faced with a rising tide of juvenile delinquency.

I have written to Mr. Arthur H. Motley, president of the U.S. Chamber of Commerce, and to Mr. George Meany, president of the AFL–CIO, urging that their organizations participate in a national summer-jobs-for-youth campaign as a means of countering a situation of

increasing scarcity of summer employment for young people which can create a volatile condition costing, in the long run, countless thousands of dollars of the taxpayers' money.

If every employer and union would take special pains to create jobs which could be filled by young people on a temporary basis, they would be performing an outstanding service not only to the young people directly involved, but to the community.

Constructive work and the self-confidence and satisfaction that accompany it can go a long way in curbing juvenile delinquency.

COMPARATIVE SALARY ADVANTAGES OF THE MILITARY TO CIVILIAN PERSONNEL

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. LESINSKI] may extend his remarks at this point in the RECORD and to include a table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. LESINSKI. Mr. Speaker, there has been considerable talk recently that the President may veto the pay bill for civilian employees; namely, H.R. 9883. In view of this, I believe it important to put in the RECORD a few facts that some of us may have overlooked during the past 8 years concerning the pay increases that have been given to both the military as well as the civilian employees of the Federal Government.

Our President has seen fit in the past 7½ years to veto two pay raises voted by the Congress for postal employees and one for classified employees. However, there apparently never has been any question about signing into law congressional acts to increase the compensation of the military personnel.

Since 1953 the postal workers have received two pay raises, representing in total approximately a 19-percent increase, and the classified employees have been granted a total increase of 17.5 percent.

In 1955 the military personnel were granted a pay increase for enlisted personnel of 17 percent, for warrant officers a 21-percent increase, for junior officers 25 percent, and for general officers there was a 12-percent increase in pay. Then, in 1958 the President signed into law a bill that put into effect the recommendations of the so-called Cordiner Committee. The pay increases amounted to a 10 percent overall for military personnel. In fact, for some general officers the increase was as much as 38 percent.

In other words, since 1953 the pay increases to classified and postal employees of the Federal Government have been much less than that granted to military personnel, lagging by 9.5 percent as compared to enlisted personnel, and by 32.5 percent as compared to general officers.

The continued rise in the cost of living is alarming to all of us and obviously has been a well-considered reason advanced for passage of H.R. 9883, as amended. It is likewise interesting to note that we provide, at Government expense, many services for the military personnel and their families. I have in mind such items as medical and dental care and free hospitalization. Likewise, there are hundreds of thousands of enlisted men for whom housing and food are paid for directly by the Government. All of these items are subject to increasing costs to the civilian population.

The military man is not only given a free retirement and allowed to retire in 20 years, but the Government is also now paying half of his social security coverage. This is a lot of money. Today our retirement bill is costing the taxpayers more than $775 million a year. Within 5 years retirement costs for military people will cost in excess of one and three-quarter billion dollars a year, none of which is contributed by the military personnel. The administration in 1958 not only signed into law the pay raise for military personnel but also recommended that those military who retired prior to July 1, 1958, be given more liberal retirement benefits. This would cost an additional $25 million a year.

In consideration of this type reasoning I find it most difficult to understand why the administration is now opposed to a pay increase for the other half of the Federal Government personnel.

I am not in any way condemning the role of the military, nor do I wish to deny the benefits that we are giving to them. I know, and you know, the importance of a strong defense. I also recognize, and I believe all my colleagues do, the role of the career civilian employee in our Federal Government. The Cordiner Committee stressed the necessity to pay for responsibility. This Committee, I believe, also emphasized the fact that our Federal pay for military and civilian personnel must be attractive to recruit and to retain well-qualified people in the Government. I subscribe to this theory; that is the reason I am emphasizing here today the necessity to pay and to pay well both the military and the civil service employees of the Federal Government. Each has a role in our security and in our well-being, whether we are comparing the civilian engineer in a naval weapons plant with the gunner on a destroyer, or whether we are comparing the budget analyst in a civilian agency with a jet fighter pilot. All these people are dedicated employees of our Government.

If we are to continue to attract and to keep these kinds of high-caliber people, military and civilian, then we must pay them well. It is therefore difficult for me to understand the President's consideration of a veto of H.R. 9883, as amended. In final analysis, this bill would provide our civilian employees some of the pay advantages which we have already provided our military personnel.

Purchasing power of Government salaries, 1939 and 1960

1939				April 1960							
Grade or title	Classification Act starting rates	Federal income taxes [1]	Income after taxes	Grade or title	Classification Act starting rates	Increase since 1939		Lost through price increases since 1939 [2]	1960 Federal income taxes [3]	Income needed in 1960 to equal 1939 purchasing power	Percent discrepancy of 1960 salary with 1939 schedule
						Dollars	Percent				
CAF-1	$1,260	0	$1,260	GS-1	$2,960	$1,700	135	$1,417	$4	$2,681	+9.4
CAF-2	1,440	0	1,440	GS-2	3,255	1,815	126	1,619	83	3,142	+3.5
CAF-3	1,620	0	1,620	GS-3	3,495	1,875	116	1,822	173	3,615	−3.4
CAF-4	1,800	0	1,800	GS-4	3,755	1,955	109	2,024	254	4,078	−8.6
CAF-5	2,000	0	2,000	GS-5	4,040	2,040	102	2,249	344	4,593	−13.7
CAF-6	2,300	0	2,300	GS-6	4,490	2,190	95	2,586	487	5,373	−19.7
CAF-7	2,600	0	2,600	GS-7	4,980	2,380	92	2,924	627	6,151	−23.5
CAF-8	2,900	0	2,900	GS-8	5,470	2,570	89	3,261	767	6,928	−26.6
CAF-9	3,200	0	3,200	GS-9	5,985	2,785	87	3,598	920	7,718	−28.9
CAF-10	3,500	0	3,500	GS-10	6,505	3,005	86	3,936	1,078	8,514	−30.9
CAF-11	3,800	0	3,800	GS-11	7,030	3,230	85	4,273	1,235	9,308	−32.4
CAF-12	4,600	$15	4,585	GS-12	8,330	3,730	81	5,156	1,647	11,388	−36.7
CAF-13	5,600	47	5,553	GS-13	9,890	4,290	77	6,244	2,267	14,064	−42.2
CAF-14	6,500	76	6,424	GS-14	11,355	4,855	75	7,224	2,856	16,504	−45.3
CAF-15	8,000	124	7,876	GS-15	12,770	4,770	60	8,857	4,012	20,745	−62.4
				GS-16	14,190	5,190	58	9,945	4,919	23,708	−67.1
Supergrade equivalent	9,000	156	8,844	GS-17	15,375	6,375	71	9,945	4,919	23,708	−54.2
				GS-18	17,500	8,500	94	9,945	4,919	23,708	−35.5
Assistant Secretary	9,000	156	8,844	Assistant Secretary	20,000	11,000	122	9,945	4,919	23,708	−18.5
Congressman	10,000	188	9,812	Congressman	22,500	12,500	125	11,034	4,356	25,202	−12.0
Wage board median [4]	[4] 1,789	33	[4] 1,756	Wage board median [4]	[4] 4,722	[4] 2,933	[4] 164	[4] 1,203	65	[4] 3,024	[4] +35.8

[1] Family of 4. 10-percent deduction allowed.

[2] Increase in Consumer Price Index 1939 to April 1960 was 112.45 percent; from June 1943, 68.5 percent.

[3] Family of 4. Standard deduction allowed GS-1 to 11; 10-percent deduction allowed for persons above that level. $3,000 additional deduction for Congressman, as authorized by law.

[4] Schedule median wage board rate; equivalent to GS-4. Data not available for 1939; 1960 comparison is with June 1943.

ADEQUATE HOUSING FACILITIES FOR PAGE BOYS

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. ZABLOCKI] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is ther objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, last Sunday evening, within 5 blocks of the Capitol, several congressional page boys were attacked by a gang of youthful delinquents armed with ice picks, belt buckles, knives, and other weapons. Four of the pages were injured, including a young man whom I had nominated to serve as a page during this session of Congress. His name is Arthur Kaspar, whose parents, Mr. and Mrs. Arthur Kaspar, Sr., reside at 811 Fairview Avenue, South Milwaukee, Wis. He was stabbed with an ice pick. The pick lacerated his skin and fortunately struck a rib, preventing possible serious injury to the boy's lung.

It is indeed fortunate that none of the boys was injured seriously. I was also relieved to learn that the Metropolitan police had apprehended four suspects, apparently members of the attacking gang, and that they are being held in custody for appropriate judicial action.

These facts, however, do not alter the situation as it applies to congressional page boys in general. I would like to take a few minutes to once again discuss this situation.

The boys serving as pages in the House of Representatives, in the other body, and in the Supreme Court Building come from all parts of the country. They are young men of high-school age, ranging from 14 to 18 years of age. Many of them are away from home and parental supervision for the first time. As pages, they have to attend school from 6:30 to 9:45 a.m. daily during the regular school year. They report to work at 10 a.m. and they put in a full day's work. After they are released from work they are on their own until 6:30 the following morning, when they have to be in school again. During vacation time they do not attend school, of course, but their work begins at 9:15 a.m.

Because of the fact that the pages have to attend school so early in the morning, virtually all of them live within few blocks of the Capitol and the Library of Congress where their classes are held. They live in boarding houses, tourist homes, and other rather limited accommodations. In some of these homes, they receive some measure of guidance and supervision from their landlords and landladies. In other instances, however, they may be completely on their own, free to come and go and to do as they please.

Now I have some serious doubts about the advisability of allowing 14-, 15-, or 16-year-old boys to live under these conditions, in an adult environment and without proper supervision and control. I have had these doubts for a number of years, and I have expressed them in this body. My own experience with the several fine boys whom I had nominated to serve as pages has tended to strengthen and amplify my concern about this situation.

Several years ago I had proposed that the Congress provide dormitory facilities for congressional pages, somewhere in the vicinity of the Capitol, where they could eat, sleep, play, and study under adequate supervision, keeping regular hours and staying off the streets at night. I again want to urge the leadership of this House, and the Committee on House Administration, to take the necessary steps to provide such facilities. I do not think that we should wait until some of these boys get into serious trouble before taking this action.

Mr. Speaker, I have always felt personally responsible for the boys whom I had nominated to serve as pages, and I am certain that the other Members who have nominated pages feel the same way. I believe that we have to live up to that responsibility. We can do this by providing the necessary housing facilities for these boys.

I sincerely hope that this matter will receive early and favorable consideration in this House.

SEAPOWER: BULWARK AGAINST CHINESE IMPERIALISM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, on many occasions I have addressed this body concerning the Panama Canal. The more one studies its problems the more evident it becomes that these cannot be viewed as isolated subjects but as parts of a titanic struggle in which the great tropical waterway is a key target of a world revolutionary movement.

Launched in 1917 during the Bolshevik revolution in Russia by invaders from Western Europe and elsewhere, the vast conspiratorial apparatus of international communism has used the territory of that country as a base of operations for world revolution and as a testing ground for criminal, social, and economic experiments that this diabolical system of Asiatic despotism intends to impose on all countries. Applying the time-tested lessons of warfare, its strategists use a combination of flanking with conquests through subversion as the prime method for gaining power over key areas, and without the need for actual warfare.

The methods of this destructive force in this regard have been well illustrated by its efforts to gain control over strategic transportation routes and regions, such as the Dardanelles, the Suez and Panama Canals, the southwest Pacific, the Near East, northern Africa, and the Caribbean.

These spots, however, are not all that have been marked for conquest. There are others, notably the free nations of southeast Asia and of the vast island barrier that lies between the Pacific and Indian Oceans, which require our serious attention.

Fortunately, writers with strategic insight are beginning to emerge. The latest contribution dealing with the problems of the Far East and southwest Pacific is an illuminating article in the June 1960 issue of the U.S. Naval Institute Proceedings by Mr. Anthony Harrigan, whose biographical sketch accompanies the article.

As Mr. Harrigan's article emphasizes the principles of conquest that I endeavored to describe and gives a clear warning of what may be expected in the Far Eastern regions in the future, it merits reading by all concerned with the security of the United States and other free nations.

The indicated article and biographical sketch follow:

SEA POWER: BULWARK AGAINST CHINESE COMMUNIST IMPERIALISM

(By Anthony Harrigan [1])

If there should be a genuine relaxation of tension between the United States and the Soviet Union, threats to world peace and American security would not diminish. For, while the menace of Soviet aggression might lessen, Communist China would continue to endanger this country and its allies. This is an aspect of the world situation which escapes many Americans, for great emphasis has been placed on the threat of Soviet expansionism; only a limited emphasis has been placed on Chinese Communist imperialism.

Walter Lippmann, the well-known writer on foreign affairs, recently cited the difficulties that would remain in the event the United States and the U.S.S.R. reached an acommodation of some sort. Said Mr. Lippmann, "It is possible to imagine how coexistence might be stabilized in Europe. But it is not possible to imagine, so it seems to me, how coexistence can be stabilized on the periphery of the Chinese revolution.

"The fires of the Chinese revolution are burning bright, and the Russians could not extinguish them even if they wished to do so."

Paul Ignotus, writing in the Twentieth Century, asserts that "the greatest danger to Russia as well as to NATO, SEATO and neutral countries (mainly India) is Communist China." He takes the position that Red China "is an imperialist and nationalist regime which tolerates no equality between leaders; between leaders professing the same ideology even less than between ideological opponents."

Indeed the best assessment of the situation in Asia indicates that Red China's increasingly militant actions require that the United States increase its defensive preparedness even beyond the point which is necessary because of the Soviet challenge. The great task of the future would seem to be containment of Chinese Communist imperialism which threatens the peace of the world and the security of the United States.

Understanding the role Red China seems destined to play in world affairs is of great importance to American naval planners, for the imperialism of the oriental country can be checked only by the application of seapower. Actually, the situation today, with respect to Red China, is not unlike that

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[1] Educated at Kenyon College and the University of Virginia, Mr. Harrigan served with the U.S. Marine Corps during World War II. Subsequently he was assistant to the director, University of Florida Press, and court reporter for the Norfolk Virginian-Pilot. A contributor to several national magazines, he was editor of the book "The Editor and The Republic" published by the University of North Carolina Press in 1954. He is now an associate editor with the News and Courier, Charleston, S.C.

which involved Japan two decades ago. The ultimate objective of Communist China is rule over the entire Orient. This means conquest of the islands of the Southwest Pacific and the weak nations of Southeast Asia. This, in turn, means a strategy that can be met only in terms of naval power.

Before analyzing the defense problem, let us consider the relations between Red China and the Soviet Union in order that we may understand why the Chinese threat will become more serious even if the Russian threat lessens.

The basic fact to comprehend is that the Sino-Soviet alliance cannot make sense in the long perspective of history. After 40 years of life under a revolutionary regime, the Russian people are showing great impatience for a better life. Americans who have traveled widely in the Soviet Union in the last few years are unanimous in their reports that the Russians desire a more comfortable existence. Material conditions cannot show a marked improvement so long as the energies of the state are devoted to cold war aggression in many lands. In China, on the other hand, the ruling regime is in the position of Russia's government a generation ago. The Chinese people are almost completely subdued and respond to Stalinist methods that would cause trouble in Russia today.

Many U.S. observers also report a growing uneasiness in Russia regarding the alliance with Red China. Harrison E. Salisbury, veteran reporter of the Russian scene for the New York Times, believes that "probing below the surface uncovers evidence that the two giants of communism are pulling in different directions.

"There is trouble between them now, on questions of ideology, policy toward the West and spheres of influence in the East. There are indications of bigger trouble in the future.'

Robert C. North, a correspondent for the Reporter, has this to say following a tour of the Soviet Union, "The Russians, it seemed to me, are increasingly worried about China's rapidly growing population. Many of them have visions of a population explosion that might send Chinese by the millions surging into Siberia's empty spaces."

This population explosion in China may be the determinant in international affairs in the next decade. China's population today totals almost 650 million. The Soviet Union reports a population of 208 million. These comparative figures suggest a future crisis in Sino-Soviet relations. The signs of conflict already can be detected in Outer Mongolia, long a protectorate of the Russians. This grassland country is coming under heavy Chinese Communist pressure. The Chinese Reds are sending big detachments of laborers and technicians into the country. Thus they could swamp this country of nomads with their manpower, thereby driving Russian influence from this part of Asia.

While the Russian Government begins to take cognizance of the Soviet people's desires for a more comfortable existence, the Red Chinese are reorganizing their society by the formation of communes that are primitive in their contempt for human wishes.

The communes are not regarded with favor in Russia today. Premier Khrushchev has openly criticized them. Perhaps one reason for the Soviet opposition to the Chinese commune system is the fact that the communes are self-contained survival units. By subidividing China into these units, the leadership of that country may be attempting to prepare China so that it could withstand atomic war.

The day may not be distant when Red China becomes a nuclear power. When it does possess nuclear weapons, it may have scant hesitancy in employing them. Chinese Communist leaders have bragged that their land would survive a war fought with nuclear weapons. Even if 200 million Chinese were to die in such a war, these leaders reportedly believe that China would survive. So populous a nation obviously has a great advantage in a nuclear war.

With the Chinese population increasing 30 million per year, that nation must be hungrily searching for land—even as Japan eyed China in the 1930's. Richard Walker, an American authority on Red China, says that "China's population problem is pressing and immediate. A combination of mass sanitation and health campaigns, internal peace for the first time in a century, modern drugs, and other factors have resulted in a rate of increase which, according to a Shanghai publication, 'has reached a completely anarchic rate'."

Professor Walker also makes clear in his writings that although Red China is one-sixth again larger than the United States, it has less than half as much arable land. Outside of Manchuria, Red China's resources are very limited. Oil supplies are poor, as are minerals. Professor Walker's conclusion is that "China's geography does not offer easy prospects for the bright future as a great world power that the Communists so frequently assert." Meanwhile, the pressures for major imperialistic campaigns are mounting steadily.

One possibility of Red China is a move northward into Outer Mongolia and other areas under Russian control. But such a move could be accomplished only by risking war with the Soviet Union. Even if the Red Chinese were more willing than they are to attempt to squeeze against the Soviets, the fact remains that the Russian controlled lands are not especially suitable for large-scale agricultural production.

The southward course of empire seems far more logical for Communist China. None of the lands to the south have sufficient military power to match Red Chinese strength. Furthermore, they have material resources that attract the conqueror. Indeed this is the course the Chinese Communists have taken in their initial imperialist advances. They secured much of the old Indochina area by means of a satellite. Tibet was crushed in a brutal military campaign. India has felt the aggression of Red China on its northern border. Other campaigns have hit Laos and, of course, Formosa, and the offshore islands.

The U.S. public has not paid sufficient attention to the relatedness of these Chinese Communist actions. These aggressive moves appear to be the first preliminary campaigns in the intended conquest of the Orient. The history of Chinese communism makes clear that the actions of the Reds always are conceived and executed on a grand scale, involving millions of people and vast territories. The grand strategy of Red China today seems to have three principal phases: (1) A central drive, over a period of several years to control the rice bowl of Southeast Asia; (2) a drive southward from Tibet so as to separate India from the countries of Southeast Asia. Red China's charges of Indian aggression, plus the pressures against the Indian protectorates of Sikkim and Bhutan, seem to be the initial moves toward the long range goal; (3) a drive into Malaya, the East Indies, and Australia. The Red Chinese objectives could be secured either by direct military action or by satellites based on concealed Chinese power.

Southeast Asia, the East Indies, and Australia are the vast territories needed by 650 million people whose rulers believe it is their manifest destiny to conquer the Orient, if not the whole world. Current Red Chinese political activity in Africa is a sign that this oriental power has set its sights very high—much higher than most people realize.

The fact that the lands of Southeast Asia and the East Indies are heavily populated should not prove to be a braking force on Chinese imperialism. Time and again in the history of communism, totalitarian regimes have liquidated millions of human beings or shipped them half across the world. Stalin deliberately starved to death several million Ukrainians in the 1930's. After World War II, the Russians moved millions of Baltic people to the Siberian wasteland. The Chinese are presently engaged in dispossessing the Tibetans from their own lands. It should be evident to the most casual observer of Red China's actions that the brutal government of that nation would not hesitate to slaughter an entire people if it promoted Red Chinese policies.

The intentions of Communist China have been most explicitly revealed in Malaya. Since 1948, Communists have made repeated efforts to seize control of that country. They tried but failed to establish a "peoples republic" in Malaya after World War II. Resorting to banditry, they have conducted terrorist campaigns against British and Asian elements that resist Red control. The Red bandits, according to British authorities, are "predominantly alien Chinese—Chinese who have come to the country in recent years * * * at the center is a hard core of fanatical Communists."

Singapore has been subjected to especially strong Communist pressures. These pressures have been so intense that when the Malayan Federation was formed, the people in that new country refused to have Singapore within the body politic. They feared the overwhelming Chinese majority in the city, for of Singapore's population, nearly 80 percent are Chinese. Even 4 years ago Lin Yutang, the noted free Chinese author, resigned as chancellor of Singapore's Chinese Nanyang University, declaring that Chinese schools in the city operated in an atmosphere of intimidation and terror fostered by the Communists.

Americans should bear in mind that a potential Communist fifth column exists in most areas of Southeast Asia. Approximately 12 to 14 million oversea Chinese live in Southeast Asian countries. And while many are enemies of Red China, the Communists are experts at intimidation of free people.

Communist plans for the oversea Chinese were announced in 1950 by Ho Hsiang-ning, chief Commissioner of Oversea Chinese Affairs. He said their duty was, (1) to form a united front with local leftists; (2) to resist U.S. and Allied influence; (3) to act as the "outer circle" of the vanguard of communism.

The Communist design for Southeast Asia can be plainly seen in Malaya. Official British comment well explains the significance of Red conquest of Malaya, "The loss of Malaya would soon lead to Communist domination of the whole stretch of southern Asia between India and China. A Communist Malaya means communism across one of the world's main highways. It means a center of Communist infection right down among the East Indian islands. And it means that Australia and New Zealand are directly menaced."

In view of the Chinese Communist objective of complete control over Asia, free Formosa assumes an importance that the U.S. public does not fully understand. Formosa is not simply a thorn in the side of Red China that affects the national psychology. Rather is it an island with a high strategic value to a mainland power that intends to extend its dominion over an immense portion of the globe.

U.S. defense forces in Formosa mean that American military might is right on Red China's doorstep, where it can be brought to to bear swiftly and massively. These forces also afford first-class protection for the Philippine Islands, which lie to the south. If Formosa were surrendered to the Chinese Communists or turned over to an interna-

tional authority, the Philippines would be outflanked and imperiled. Furthermore, Red control of Formosa would insure Communist control of the northern end of the South China Sea. If the Chinese Communists held Formosa, they would turn the South China Sea into their private lake, thereby menacing all the countries along the shores of that sea.

What the Chinese Communists are attempting to do is to win a war without actually going to war. They are resorting to piecemeal aggression, to taking many little bites instead of one huge swallow, to the use of subversion and guerrilla forces rather than direct and massive military intervention. The only effective way to check Chinese Communist aggression, both direct and indirect, is with seapower. Naval task forces, which include carriers—floating airfields—and Marine landing teams have the special punch required for brush-fire wars. They represent the deterrent force against large-scale military aggression. By their presence, naval vessels lend strength to shaky governments menaced by the Communists and fearful of collapse. Indeed seapower is the best way to protect the weak nations of Asia as they struggle to develop their resources and build a climate of political freedom. A floating barrier of U.S. naval vessels can prevent the Communist hordes from overrunning Southeast Asia and Australia.

Gearing up to meet the special challenge posed by the Chinese Reds will require adjustments in planning and thinking both within the Defense Establishment and in the Nation at large. Fleets of strategic bombers and intercontinental rockets concealed in ravines on the west coast of the United States will not prevent Red China from overrunning Asia. And while a strategic deterrent is needed, eyes must be turned to the war that is short of all-out war—the kind of war at which the Chinese Communists are past masters. Thought needs to be given to the jobs that seapower will be called upon to perform in this area far from the continental United States.

If the U.S. public is to support adequate measures against the Red Chinese in Asia, it must comprehend the missions involved. The strategic missions of U.S. seapower in this area are:

To contain Chinese Communist imperialism by preventing the loss of any territory to the Reds or to their satellites;

To support Allied Powers in the SEATO and Anzus treaty organizations whenever they require weapons and supplies or actual air and naval gunfire support;

To have in readiness the means of striking hard at the Red Chinese empire, in the event of all-out war.

To maintain sea and air communications between the Pacific and Indian Oceans, in the South China Sea, and off the coasts of allied and friendly powers;

To guard the Philippines, Australia, and the East Indies from seaborne invasion;

To maintain control of the seas in order that U.S. shipping and the shipping of friendly powers may be unrestricted in their operations.

The basic task of U.S. naval power is to contain Communist imperialism by controlling the ocean highways and seas which touch the lands of Southeast Asia and the Australian Continent. So long as the United States can exercise such control it will have a priceless strategic asset. For though Communist China has an immense advantage in numbers of men under arms, it can deploy its forces only as far as the water's edge if the United States has a fleet active in Asian waters.

The distances a south Asian fleet would have to cover are staggering. Naval protection is needed from Burma to Formosa. This means ship movements over a vast area. The Malayan peninsula, for instance, is as long as the eastern coast of the United States. From one end of the East Indies to the other is as far as from America to Europe. Manila is approximately 2,000 miles from Darwin, Australia.

The spatial problems are great, but so is the need for naval protection. Gone are the British and Dutch naval squadrons of former times. The Royal Australian Navy is well-trained and well-equipped, but far too small in size to assume the heavy burden of guarding the region against Red Chinese aggression. The region must be guarded, however, for there is a naval vacuum. And, as the theorists tell us, power abhors a vacuum. The unpatrolled stretches of ocean and unguarded straits are an invitation to the Communist conquerors.

Southeast Asia, the East Indian Islands, and Australia form a region of enormous strategic and political importance. Now that Hawaii is a State in the Union, the United States is more than ever a Pacific power. It would be unthinkable that the Communists raise a shield between the Pacific and the Indian Ocean. Prudence requires that the United States set up a watch in the area between Australia and the mainland of Asia. At stake is one of the most populous quarters of the globe. If the Chinese Communists were able to crush free governments in this region, they would have gone far to attain their objective of supremacy. Americans must understand that naval power effectively applied in this part of the world will prevent the Chinese Communists from extending their system of slavery.

PROF. SEYMOUR E. HARRIS SAYS THE FEDERAL RESERVE SYSTEM SHOULD NOT BE INDEPENDENT; WONDERS WHETHER THE FEDERAL RESERVE'S NEW EASY CREDIT POLICY IS PROMPTED BY A DESIRE TO IMPROVE THE ECONOMIC SITUATION ON BEHALF OF MR. NIXON

Mr. PATMAN. Mr. Speaker, Prof. Seymour E. Harris has written again on the subject of monetary policies to the Washington Post and Times Herald. In a letter printed on the editorial page of that paper yesterday, Professor Harris says:

> The Federal Reserve should not be independent: in this crisis we need all our weapons. We cannot afford to allow one agency to move one way and the others in the opposite direction.

That statement expresses such overwhelming commonsense I think we can only marvel at the fantastic nature of the opposite position. Those who reject Professor Harris' common sense observation are arguing, in effect, that we should have two separate and independent governments in this country—one the legally constituted government, consisting of the three branches of Government, and the second a kind of self-appointed supergovernment, sitting over the rest of the government and exercising powers which can reverse the decisions of the legally constituted government.

The background to Professor Harris' letter is this. On April 20 of this year, the Washington Post and Times Herald printed an earlier letter by Professor Harris, giving a timely and devastating analysis of the proposal to raise the interest rate ceiling on Government bonds. Strange as it may seem now, that proposal to lift the interest rate ceiling was, only a few months ago, the topic of a tremendous crusade. It was, by some friendly accounts, the No. 1 policy objective in the administration's whole bag of ambitions. We were being told then that the Congress was behaving in an irresponsible way in not jumping to the administration's whip and repealing an interest rate ceiling enacted in Woodrow Wilson's administration.

Since Professor Harris is recognized as one of the top experts on monetary policies in this country and, indeed, in the world, his statements are always of great importance. For those who may wish to refer back to his earlier letter, it may be found in the CONGRESSIONAL RECORD of April 20, 1960, at page 8429.

It now appears that Mr. Paul Cabot, who is treasurer of Harvard College and is thus one of Professor Harris' bosses, has taken exception to some of the things Professor Harris said in his earlier letter. The purpose of Professor Harris' new letter is to reply to the criticisms made by Mr. Cabot. I do not have a copy of Mr. Cabot's letter, otherwise I would insert it in the RECORD along with Professor Harris' most recent letter. But without Mr. Cabot's letter, I believe the Members will be fully able to follow Professor Harris' reasoning, and will find his letter interesting and profitable reading. I will insert it in the RECORD following my remarks on the points to which I hope the Members will give particular attention.

Apparently Mr. Cabot has made an argument that the Treasury and the Federal Reserve are separate, that one of these is "political" while the other is "independent." True, the two agencies have been behaving as though each were independent of the other and as though each belonged to separate governments. But as to the question whether the Federal Reserve is any less political than the Treasury, I do not think I need to point out to the Members of this body that a so-called independent agency is not without its political ties, its political judgments, and its political purposes, simply because it is not responsible to the voters.

When people say that the Federal Reserve is nonpolitical, what they really mean, if they are at all familiar with this agency, is that the Federal Reserve is politically responsive to the wishes of a few financially powerful groups rather than being responsive to the great majority of the American people.

Certainly, Professor Harris is not unaware of the Federal Reserve's political nature. In this letter he comments on the Federal Reserve's recent policy of easing credit—a matter he refers to as "this sudden lifting of the fears of inflation" and he wonders whether this is intended to give the economy a shot in the arm to insure a Republican climate in the November elections. The alternative explanations are, he suggests, that the Federal Reserve has suddenly forgotten about the dangers of inflation, or that it is now trying to help the Treasury in its financing, contrary to its previous position to the contrary.

We might note that Dr. Harris is not the first to suggest that the Federal Reserve's recent turnabout to easier money is very difficult to explain except in political terms.

But the important point in all this is not whether the Federal Reserve is political or nonpolitical. For one, I happen to believe in representative government. I think representative government—"political government," if you prefer the term—is better in every way than government by some bureaucracy which is beyond the reach and wishes of the American people. The important question to my mind is whether the Federal Reserve should be independent of the rest of the Government, as it is now widely claimed to be. And the answer to this question is "No." It should not and cannot be independent in the field of monetary policies.

Many people are confused, I think, about the meaning of the term "independent regulatory boards." We have many boards and commissions in this general class, and they have a long history of independence in certain of their activities. Most of these so-called independent agencies were set up with certain legislative duties and with certain judicial duties. There legislative duties consist of rulemaking for purposes of regulating the activities of the business firms under their jurisdiction. In other words, they promulgate specific rules to fill in the details of the more general laws enacted by Congress. They are given the powers and duties by Congress of promulgating the specific rules needed to carry out the purposes of the laws. It has never been considered that the President should, or properly could, interfere in these legislative duties of rulemaking.

In addition, the independent regulatory bodies also have judicial functions. They sit as specialized courts to pass on questions of whether the laws or their rules have been violated. No one has suggested that the President should, or properly could, interfere in the judicial decisions of these bodies. He cannot do so any more so than he should try to tell the courts how to decide a case.

The Federal Reserve System is unlike the other independent regulatory agencies, however, in that it also has certain executive functions, in addition to the quasi-legislative functions and the quasi-judicial functions which the other independent agencies have. It is precisely in the field of monetary policies that the Federal Reserve is engaged in an executive activity. It is attempting to regulate the amount of economic activity taking place in the country, and attempting to regulate such matters as the number of jobs that are available, the rate at which the economy grows, and so on.

Furthermore, the Federal Reserve's monetary policies are quite selective in their impact. And here again these policies run up against, and frequently overrule, policies enacted by Congress and signed by the President. For example, during the past few years, Congress has passed and the President has signed several bills intended to make more credit available to small business. Yet, on the heels of these, the Federal Reserve has adopted tight money policies which resulted in small business having less credit. The same is true of housing and many other things.

As I see the matter, the Federal Reserve has no legal authority to decide upon and to carry out monetary policies except as the President directs. When the Federal Reserve was set up, it was given certain rule-making powers for the purpose of regulating the banks. It was also given certain judicial powers. But it was not given any authority to try to regulate economic activity. On the contrary, when the Federal Reserve law was enacted in 1913, it adopted the theory then generally prevailing, which was that the Federal Reserve would, by its very existence, bring about an elastic money supply. The amount of money in existence was to be determined by the amount of economic activity taking place.

It is only more recently that the reverse theory has developed, namely that the Federal Reserve can, and should, regulate the amount of economic activity taking place by regulating the supply of money.

It is not my purpose to argue now whether or not this latter theory is valid. It is enough to say that the Federal Reserve's monetary policies have at least a profound effect on economic activity. They also have a profound effect on the way the income is distributed. The only law I know of which gives the Federal Reserve any authority to decide monetary policies is the Employment Act of 1946. This is the act which declares that it is the national policy to promote maximum production, employment and purchasing power. But the Employment Act declares that the Federal Government will coordinate and utilize all of its plans, functions and resources to achieve these objectives. These terms "coordinate" and "utilize" are an integral part of the policy statement and they constitute an essential condition under which the Federal Government is to try to achieve its economic objectives. The meaning of the word "coordinate" is clear enough. The Federal Reserve's policies must be coordinated with those of the rest of the Government. I do not think the act intended by the word "coordinate" that the rest of the Government is to bow to the leadership of the Federal Reserve. Yet this is what is implied by all the propaganda about the Federal Reserve's independence. Either the executive branch of the Government must let the Federal Reserve make its decisions or, alternatively, there must be chaos and conflict. Like Professor Harris, I do not like it.

Professor Harris' letter is as follows:

DEBATING MONETARY POLICY

In his letter of June 10, Paul Cabot, treasurer of Harvard College (and one of my bosses) takes issue with me on my views on fiscal and monetary policies as expressed in my letter of April 20.

Mr. Cabot, manager of Harvard's $600 million fund, is one of the most astute investors in the Nation. But that does not necessarily mean that he is expert on the issues here presented. He does, however, express a viewpoint widely held in financial circles.

1. Mr. Cabot criticizes me for offering unsupporting statements on starving the money market.

Since your space is scarce, I refer Mr. Cabot to testimony before three congressional committees (on at least a half dozen occasions), my 50,000-word summary (for Democratic Senators of the Finance Committee) of thousands of pages of evidence in 1957 and 1958—part of the investigation of the financial condition of the United States—and my numerous writings in journals.

Despite the high liquidity inherited from the war, monetary expansion from 1947–52 substantially exceeded that of 1953–59.

It is my view that the slow rate of monetary expansion from 1952 to 1959 helps explain the slow rate of growth.

2. Mr. Cabot says Professor Harris does not realize that the Treasury and the Federal Reserve are separate, that one is political and one is independent.

I realize this, but I do not like it. The Federal Reserve should not be independent: in this crisis we need all our weapons. We cannot afford to allow one agency to move one way and the others in the opposite direction.

3. Mr. Cabot says the Federal Reserve would not raise rates merely because the ceiling on rates on long-term issues was lifted.

I say the need of financing the Treasury is not completely disregarded even by the current administration and the Federal Reserve. Ex-Secretary Humphrey boasted that he was responsible for Chairman Martin's appointment. Then how could Mr. Martin refuse to listen occasionally?

And note the current easing of monetary policy. I approve even though I am not sure that this sudden lifting of fears of inflation is prompted by a desire to improve the economic situation on behalf of Mr. NIXON, or whether the occasion is to help Treasury financing, or that the Federal Reserve has suddenly forgotten about the dangers of inflation.

4. Mr. Cabot says: Short-term debt is up by $16 billion in 1 year and this is dangerous.

But I ask him to note (a) that the holdings of Treasury securities by commercial banks, a measure of the danger, have fallen greatly in a year; and (b) had Mr. Cabot distinguished notes (intermediate issues), which rose by $23 billion from March 1959 to March 1960, he would have found a reduction of $14 billion in short-term issues, i.e., bills and certificates.

5. Mr. Cabot says that the ceiling impairs confidence of foreigners in the dollar.

I ask, is the dollar glut the result of debt policy or more fundamental failures of the administration?

6. Throughout Mr. Cabot seems to hold the view that the ceiling on Treasury notes is something new.

But obviously, the ceiling on rates is not of recent vintage. Congress, not the Treasury, controls the purse. Many are concerned that interest income in 7 years rose by 120 percent though all personal income increased by only 36 percent.

Furthermore, if it was so important to issue long-term bonds, why did the Government increase these issues from 1955 to 1958 only by $8½ billion—years when the ceiling was not a deterrent?

I have for years been critical of restrictive monetary policies. This is economics, not politics. Indeed there are probably some ideological differences between us also. For with policies oriented toward growth and avoidance of depression, I would be prepared to treat any modest inflationary byproduct in a manner to reduce its costly effects; and I see no virtue in Federal Reserve independence.

Finally, I am not against flexible ceilings. But I would have Congress require changes in policy both by the Treasury and Federal Reserve as the price for higher ceilings.

SEYMOUR E. HARRIS,
Littauer Professor of Political Economy, Harvard University.
CAMBRIDGE, MASS.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. NORRELL (at the request of Mr. ALBERT), for today and tomorrow, on account of official business.

Mr. YOUNGER (at the request of Mr. SMITH of California), indefinitely, on account of illness.

Mr. VINSON, for an indefinite period of time, on account of official business.

Mr. FOUNTAIN (at the request of Mr. KILDAY), for today, June 28, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PORTER, for 30 minutes, on tomorrow.

Mr. MOULDER, for 30 minutes, today, and to revise and extend his remarks.

Mr. SIKES, for 30 minutes, on Thursday next.

Mr. ROGERS of Texas, for 30 minutes, on Thursday.

Mrs. ROGERS of Massachusetts (at the request of Mr. JOHANSEN), for 10 minutes, on tomorrow.

Mr. FLOOD (at the request of Mr. RHODES of Pennsylvania), for 10 minutes, to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE.

Mr. ROBISON.

Mr. ALGER.

Mr. BOLAND.

Mr. MEADER, to revise and extend his remarks made in Committee and to include extraneous matter.

Mr. LATTA and to include extraneous matter.

Mr. CHELF.

Mr. MARTIN and to include extraneous matter, notwithstanding the fact it exceeds the limit and is estimated by the Public Printer to cost $263.25.

Mr. BETTS and to include extraneous matter.

Mr. HALPERN, the remarks made in the Committee of the Whole and to include extraneous matter.

Mr. BENNETT of Michigan, the remarks made in the Committee of the Whole and to include extraneous matter.

Mr. MULTER, to revise and extend his remarks in Committee of the Whole today and include extraneous matter in each instance.

Mr. PATMAN, to revise and extend his remarks in Committee of the Whole today and include extraneous matter in each instance.

Mr. O'BRIEN of New York.

Mr. MCGOVERN, to extend his remarks and include a letter from the Secretary of Labor immediately following the remarks of Mr. FOGARTY on the Mexican labor bill.

Mr. Bow (at the request of Mr. JOHANSEN), to revise and extend his remarks made in Committee of the Whole and to include extraneous matter.

(At the request of Mr. RHODES of Pennsylvania and to include extraneous matter, the following:)

Mr. INOUYE.

Mr. FLOOD.

Mr. MURPHY.

(At the request of Mr. JOHANSEN, and to include extraneous matter, the following:)

Mr. VAN ZANDT.

Mr. BROOMFIELD.

Mr. DERWINSKI.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1964. An act to amend the act requiring certain common carriers by railroad to make reports to the Interstate Commerce Commission with respect to certain accidents in order to clarify the requirements of such act; to the Committee on Interstate and Foreign Commerce.

S. 3278. An act to amend section 701 of the Housing Act of 1954 (relating to urban planning grants), and title II of the Housing Amendments of 1955 (relating to public facility loans), to assist State and local governments and their public instrumentalities in improving mass transportation services in metropolitan areas; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1844. An act to amend the "Life Insurance Act" of the District of Columbia approved June 19, 1934, as amended by the Acts of July 2, 1940, and July 12, 1950;

H.R. 4786. An act declaring certain lands to be held in trust for the Cheyenne River Sioux Tribe of Indians of South Dakota;

H.R. 5888. An act to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands;

H.R. 7966. An act to amend section 601 of title 38, United States Code, to provide for the furnishing of needed services of optometrists to veterans having service-connected eye conditions;

H.R. 8315. An act to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R–1, Missouri;

H.R. 10108. An act to authorize reimbursement of certain Veterans Administration beneficiaries and their attendants for ferry fares, and bridges, road, and tunnel tolls;

H.R. 10644. An act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title, and for other purposes;

H.R. 10695. An act to provide for rotation in overseas assignments of civilian employees under the Defense Establishment having career-conditional and career appointments in the competitive civil service, and for other purposes;

H.R. 11646. An act to amend the act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton, as amended, by defining certain offenses in connection with the sampling of cotton for classification and providing a penalty provision, and for other purposes;

H.R. 12263. An act to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes;

H.R. 12381. To increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, and for other purposes; and

H.R. 12415. An act to amend section 6387 (b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 8186. An act to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces;

H.R. 8226. An act to add certain lands to Castillo de San Marcos National Monument in the State of Florida;

H.R. 9322. An act to make permanent the existing suspension of duties on certain coarse wool;

H.R. 9862. An act to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing, and to extend the suspension of duty on imports of casein; and

H.R. 9881. An act to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders.

ADJOURNMENT

Mr. RHODES of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 29, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2305. Under clause 2 of rule XXIV, a letter from the Chief Justice, Supreme Court of the United States, transmitting a copy of the Report of the Proceedings of a Special Meeting of the Judicial Conference of the United States, pursuant to title 28, United States Code (H. Doc.

No. 437) was taken from the Speaker's table, referred to the Committee on the Judiciary, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARDEN: Committee on Education and Labor. H.R. 11893. A bill to amend title II of the Vocational Education Act of 1946, relating to practical nurse training, and for other purposes; with amendment (Rept. No. 2015). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 1925. A bill to extend to fishermen the same treatment accorded farmers in relation to estimated income tax; with amendment (Rept. No. 2016). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of Alaska: Committee on Interior and Insular Affairs. H.R. 11957. A bill to facilitate the selection by Alaska, pursuant to the act of July 7, 1958, of certain public lands under outstanding mineral lease or permit; with amendment (Rept. No. 2017). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIAMS: Committee of conference. H.R. 4049. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons; without amendment (Rept. No. 2018). Ordered to be printed.

Mr. MILLS: Committee on Ways and Means. H.R. 2397. A bill to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947; without amendment (Rept. No. 2019). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 12559. A bill to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real estate investment trusts; with amendment (Rept. No. 2020). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. Report on research on mechanical translation (Rept. No. 2021). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 10418. A bill to revise the boundaries of the Coronado National Memorial and to authorize the repair and maintenance of an access road thereto, in the State of Arizona, and for other purposes; with amendment (Rept. No. 2022). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7956. A bill to quiet title to certain lands within the Nez Perce Indian Reservation, Idaho, and for other purposes; without amendment (Rept. No. 2023). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 11200. A bill to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in lands located in the State of Florida to the record owners of the surface thereof; with amendment (Rept. No. 2024). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on Un-American Activities. H.R. 12753. A bill to amend the Subversive Activities Control Act of 1950 so as to require the registration of certain additional persons disseminating political propaganda within the United States as agents of a foreign principal, and for other purposes; without amendment (Rept. No. 2025). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 2026. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 581. Resolution for consideration of H.R. 12677, a bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes; without amendment (Rept. No. 2027). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 583. Resolution for consideration of H.R. 12595, a bill to clarify the law with respect to transportation of airmail, and for other purposes; without amendment (Rept. No. 2028). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 584. Resolution for consideration of H.R. 12622, a bill to amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts, and for other purposes; without amendment (Rept. No. 2029). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H.R. 12844. A bill to safeguard the employment benefits of custodial employees in the postal field service by providing for the retention of such employees in the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. FINO:

H.R. 12845. A bill to preserve the benefits incident to the employment of custodial employees in the postal field service by prohibiting the transfer of such employees from the Post Office Department; to the Committee on Post Office and Civil Service.

By Mrs. GRIFFITHS:

H.R. 12846. A bill to authorize the Commodity Credit Corporation, in order to prevent waste, to donate surplus grains to be used as feed for livestock and poultry being raised to feed persons in certain institutions in the United States; to the Committee on Agriculture.

By Mr. KEARNS:

H.R. 12847. A bill to amend the Fair Standards Act of 1938 to increase the minimum wage under the act to $1.15 an hour, and to provide for a study to determine the need for extensions in the coverage of the act; to the Committee on Education and Labor.

By Mr. McGINLEY:

H.R. 12848. A bill to eliminate certain unpaid interest and penalty charges from the repayment obligation of the Pathfinder Irrigation District, Nebraska, and others; to the Committee on Interior and Insular Affairs.

By Mr. POAGE:

H.R. 12849. A bill to protect farm and ranch owners making certain land use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments; to the Committee on Agriculture.

By Mr. REES of Kansas:

H.R. 12850. A bill to adjust the rates of compensation of employees in the postal field service, to establish a temporary Commission on Federal Civilian Employees Compensation Policy, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROGERS of Colorado:

H.R. 12851. A bill to amend section 1263 of title 18 of the United States Code to require that interstate shipments of intoxicating liquors be accompanied by bill of lading, or other document, showing certain information in lieu of requiring such to be marked on the package; to the Committee on the Judiciary.

By Mr. WALTER:

H.R. 12852. A bill to amend the Subversive Activities Control Act of 1950 so as to prohibit the licensing of certain individuals as station operators of certain communication facilities, and for other purposes; to the Committee on Un-American Activities.

By Mr. KITCHIN:

H.R. 12853. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of interstate retail enterprises, to increase the minimum wage under the act to $1.15 an hour, and for other purposes; to the Committee on Education and Labor.

By Mr. FLOOD:

H.R. 12854. A bill to promote the redevelopment of economically depressed areas by establishing a Government corporation which will provide a secondary market for industrial mortgages covering property in those areas; to the Committee on Banking and Currency.

By Mr. MORRISON:

H.R. 12855. A bill to amend section 202 of the Classification Act of 1949, as amended, with respect to the compensation of ship pilots employed by the Panama Canal Company, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLEM MILLER:

H.R. 12856. A bill to amend the Federal Alcohol Administration Act to require that imported wines shall meet the same standards as domestic wines with respect to size and fill of container; to the Committee on Ways and Means.

By Mr. MILLS:

H.R. 12857. A bill to amend the Internal Revenue Code of 1954 to change the rate of the manufacturers excise tax on mechanical lighters for cigarettes, cigars, and pipes; to the Committee on Ways and Means.

By Mr. WALTER:

H.R. 12858. A bill to amend the Internal Revenue Code of 1954 to change the rate of the manufacturers excise tax on mechanical lighters for cigarettes, cigars, and pipes; to the Committee on Ways and Means.

By Mr. WHARTON:

H.R. 12859. A bill to authorize the administrative adjustment, from time to time, of the rates of compensation of postal field service and classified employees on the basis of living costs, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BRADEMAS:

H.J. Res. 773. Joint resolution designating the 7-day period beginning on the third Monday in October of each year as Patriotic Education Week; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H.J. Res. 774. Joint resolution to authorize the construction of a hotel and related facilities in Mount Rainier National Park; to the Committee on Interior and Insular Affairs.

By Mr. FARBSTEIN:

H. Res. 580. Resolution expressing the sense of the House of Representatives with respect to the administration by the Secretary of Commerce of the Federal-aid highway program; to the Committee on Public Works.

By Mr. BURLESON:

H. Res. 582. Resolution authorizing salaries and expenses of special and select committees, fiscal year 1960, to be paid from the item "Miscellaneous items," contingent fund of the House; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H.R. 12860. A bill authorizing the Secretary of Agriculture to convey certain lands to Auburn University, Auburn, Ala.; to the Committee on Agriculture.

By Mr. BARRY:

H.R. 12861. A bill for the relief of Basilia Okal; to the Committee on the Judiciary.

By Mr. BREWSTER:

H.R. 12862. A bill for the relief of Kejen Pi Corsa; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H.R. 12863. A bill for the relief of Dr. Pai Suey Lee Pai; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 12864. A bill for the relief of Caterina Buttazzi Petruzzi; to the Committee on the Judiciary.

By Mr. HIESTAND:

H.R. 12865. A bill for the relief of Hinshaw's Department Stores, Inc.; to the Committee on the Judiciary.

By Mr. INOUYE:

H.R. 12866. A bill for the relief of Dr. Hyun Mo Kwak; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 12867. A bill for the relief of Emily Bailey; to the Committee on the Judiciary.

H.R. 12868. A bill for the relief of Bryan Simpson; to the Committee on the Judiciary.

By Mr. LAFORE:

H.R. 12869. A bill for the relief of 1st Lt. Frederic C. Wheeler; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 585. Resolution providing for sending the bill, H.R. 11905, with accompanying papers, to the Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

513. Mr. GIAIMO presented a petition of 69 residents of the State of Connecticut with regard to the Federal minimum wage law, which was referred to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

Statement Released by the Organization, Soul of America

EXTENSION OF REMARKS

OF

HON. LYNDON B. JOHNSON

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Tuesday, June 28, 1960

Mr. JOHNSON of Texas. Mr. President, a new departure in efforts to further understanding between citizens of this Nation and the people of the world has recently been undertaken.

The project is sponsored by a private, nonprofit educational organization—Soul of America. It utilizes tape-recorded "living letters" which it exchanges between the students of high schools in 100 American cities and similar schools abroad.

The goal of this commendable program is explained in a statement recently released by Soul of America, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NEW ORGANIZATION ANNOUNCES "LIVING LETTERS" TAPE EXCHANGE BETWEEN SCHOOLS IN 100 AMERICAN CITIES AND SCHOOLS IN OTHER NATIONS

WASHINGTON, D.C., June 3, 1960.—The Soil of America, a private nonprofit, educational organization concerned about the image of America which is projected to the rest of the world today announced sponsorship of a plan for the exchange of tape-recorded "living letters" between high schools in 100 American cities and similar schools in other parts of the world.

Under the plan high school students in this country would "talk" their letters to their counterparts in other nations. In return students in other parts of the world would send taped replies to high schools in the United States.

Initially it is planned to establish such an exchange between this country and the USSR and Latin America. The first living letter will be tape recorded this summer and will be offered to a school in Moscow under cultural exchange terms which will provide reciprocity if accepted.

The announcement was made at a meeting of the Soul of America in Washington, D.C., by Harry H. Semmes, president of the new organization. Mr. Semmes pointed out that "this is in accordance with the President's recent statement after the summit collapse when he stated that we must "* * * improve the contacts between our own and the Soviet peoples, making clear that the path of reason and commonsense is still open if the Soviets will but use it."

Mr. Semmes described the purpose of the Soul of American as being "* * * to remind Americans, particularly the youth of America, of the basic concepts on which this country was founded and belief in which stimulated the growth and character of the Nation, and to inform our countrymen of the necessity of making known to the people of this world the true beliefs upon which our freedoms are founded.

"We believe that this should be done with humbleness and modesty, but without apology, and that it should be made known that the important thing about America is not what we have in terms of material wealth, but what we are in terms of human liberties."

In announcing the formation of the Soul of America organization, Mr. Semmes made public an exchange of letters between the organization and President Eisenhower and Senate Majority Leader LYNDON B. JOHNSON.

President Eisenhower in his letter to the organization stated in part:

"I am highly gratified by the concern and conviction which bring Americans together to stimulate increased awareness of America's idealism and spiritual heritage and to seek ways of imparting throughout the world a greater knowledge of America's character. This purpose is close to my heart. It underlies much of the work of the present administration, an example being the programs carried out by the various people-to-people committees. Each effort to the same end can contribute significantly to presenting the true picture of America to the world."

Senator JOHNSON in his letter stated:

"I would like to congratulate you on the concept and formation of the Soul of America. I believe that you are setting forth on a most worthwhile venture, and I think you have an opportunity to make a truly significant contribution to your country.

"In these troubled times, I am afraid that continuous talk of arms and defense tends to make us overlook what is truly important. It is this: that all of our planes, guns, and men under arms, important though they may be, are only the shield to guard what is really the heart of America—our sacred heritage of liberty."

Independent Somalia

EXTENSION OF REMARKS

OF

HON. WILLIAM T. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1960

Mr. MURPHY. Mr. Speaker, freedom and independence have been the ultimate goals of all individuals as well as nations, irrespective of race and religion. In a very general sense, man's long and uneven progress through the ages may be reckoned by the degree of freedom in which he has lived and enjoyed life. For that reason freedom and independence may be regarded as man's noblest aspirations.

After the First World War many new states were set up in Europe, and the free peoples in these states did well until they became casualties in the last war. Since the end of that war the spirit of freedom has fared rather badly in Europe and in many other lands, and Communist totalitarian dictatorships set up there have shown utter contempt for it. Fortunately, however, in the case of many African peoples it is different. It is encouraging to find that within the last dozen years about a dozen African peoples who have not known full freedom for a long time, have already attained independent status, and many more will join them in the near future. Somalia is one of the latest of these which became independent on June 27.

The new state Somalia, with a population of about 700,000 people in an area of about 70,000 square miles, in East Africa, south of the Red Sea, has been a British protectorate since 1887. In general they have fared better than

other Somalis under other governments, but still they wanted to be independent and masters of their own destiny. And the British Empire, in the process of evolutionary dissolution, agreed to their independence. This agreement was honored yesterday, on June 27, when Somalia proclaimed its independence as a sovereign member of the family of nations. Within the next few days the Italian Somaliland will also become independent. It is hoped that then the two former British and Italian Somalilands will unite and form the larger Somalia, as it is envisaged and planned by the present leader of today's Somalia, Mohammed Haji Ibrahim Egal. Upon the union of the two Somalilands, the new state Somalia will have about 2 million inhabitants with a territory as large as Texas, 265,000 square miles. But regardless of its size in area and the number of inhabitants, today we salute the new state Somalia, the independent and sovereign Somalia in East Africa.

As a member of the Subcommittee on Africa of the Committee on Foreign Affairs, of which the great statesman from Pennsylvania, Dr. MORGAN, is the dynamic head, I, with the other members of the subcommittee, chairmaned by the gentleman from Illinois [Mr. O'HARA] and including the gentleman from Missouri [Mr. CARNAHAN], the gentleman from Michigan [Mr. DIGGS] the gentlewoman from Ohio [Mrs. BOLTON], and the gentleman from Indiana [Mr. ADAIR] extend heartiest greetings and best wishes to the new sovereign nation.

Congresswoman Frances P. Bolton Honored

EXTENSION OF REMARKS
OF
HON. JACKSON E. BETTS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mr. BETTS. Mr. Speaker, on Sunday, June 26, the Veterans of Foreign Wars, Department of Ohio, presented to Congresswoman FRANCES P. BOLTON, 22d District of Ohio, its outstanding citizen award at its department convention in the Commodore Perry Hotel, Toledo, Ohio.

This award was presented to Congresswoman BOLTON for her legislative activities in behalf of servicemen in World War I, World War II, and the Korean conflict. The immediate cause for nomination of Congresswoman BOLTON for this award, among her many legislative accomplishments, was her untiring efforts in the Congress and with officials of the Veterans' Administration and the many interested veterans' groups in the construction of the new VA General Medical and Surgical Hospital in Wade Park, Cleveland, Ohio. Her activities in behalf of the construction of the Veterans' Administration Neuropsychiatric Hospital, Brecksville, Ohio, was also cited by the V.F.W. committee which selected her as the recipient of this award.

The citation, presented by John F. Choffey, past Cuyahoga County council commander, V.F.W., in behalf of John Fyre, Department of Ohio commander, reads:

> Veterans of Foreign Wars of the United States, the Department of Ohio, awards this citation for outstanding citizenship to FRANCES P. BOLTON, who has served her community, State, and Nation for many years as a loyal citizen. Faithfully devoted to her country's needs, she stands a worthy example to young and old for sacrifices beyond the call of duty.

Mrs. BOLTON'S friends, both in and out of Congress, look with pleasure and pride upon this recognition of her efforts and devotion to the veterans of her district and the Nation. We note that the award specifically commends her outstanding citizenship, which I am sure her colleagues will regard as a true measure of her distinguished service in Congress.

Mrs. Beatrice Majors Van Vleet Burns, of Hawaii

EXTENSION OF REMARKS
OF
HON. DANIEL K. INOUYE
OF HAWAII
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mr. INOUYE. Mr. Speaker, one of the things we are most proud of in American history and in present American life is the pioneer spirit. Every one of us likes to feel that he has this spirit in one form or another.

Recently, Mr. Speaker, I have come across a most fascinating book concerned with this spirit. It is called "Hoofbeats of Destiny: The Story of the Pony Express." Its author is Robert West Howard, and it appears in paperback. This is at once a scholarly and vivid story of the pony express and of the men who founded it. The hero of this book is not Russell or Waddell—two of the men who ran the line—or even Wild Bill Cody. The hero of this book is the third man who really ran this line, and whose dream it really was that this line should exist. His name was Alexander Majors. By the men who rode the horses, who drove or rode with the wagons, who ran the relay stations and the telegraphs—by these men and by all who knew him he was called, in a spirit of love and respect, "Ol Gospel." Today still the name of Majors is a proud one in several parts of the country, especially in the State of Nebraska.

But, Mr. Speaker, it is another Majors whom this book brings to my mind and to whom it gives me an opportunity to pay tribute. This is a Majors who lives in Hawaii and who is known and loved by very many Members of this Congress. I speak of course of the wife of Hawaii's last Delegate to Congress, Mrs. John A. Burns, the former Beatrice Majors Van Vleet, who is a close descendant not simply in blood but in real spirit of the great man who founded the pony express.

Upon reading this book I kept thinking how much Mrs. Burns would enjoy reading it and how proud she would be. But even more than this I kept thinking how proud and how delighted old Colonel Majors would have been had he been alive today and had the pleasure of knowing Mrs. Burns. For the same qualities he displayed—his integrity, his wonderful human warmth and sense of humor, and his ability, in the face of adversity, to grow in these qualities rather than lose them—these are some of the same qualities that endear Mrs. Burns so deeply to everyone she meets and that make her regarded as the first lady of Hawaii in the hearts of so many Members of this Congress.

Mr. Speaker, I know that many Members of Congress will enjoy reading this book and that, upon reading it, they will think as I did of the woman for whom we have such warm affection and respect, Mrs. John A. Burns, Mrs. Beatrice Majors Burns, of Hawaii.

Results of a Poll in Fifth Congressional District of Ohio

EXTENSION OF REMARKS
OF
HON. DELBERT L. LATTA
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mr. LATTA. Mr. Speaker, recently I conducted a survey of my district on several issues before the Nation. In order to apprise the House of the thinking of the people of the Fifth Congressional District of Ohio on these important matters, I am inserting the results of this poll in the RECORD.

The questions and the percentage of "yes" and "no" answers to each question given by the people of the district in the questionnaire are set forth below:

1. Should such an anticipated $4 billion surplus develop, do you favor a reduction in our national debt ($290 billion) before a tax reduction? Yes, 79 percent; no, 21 percent.

2. Do you favor legislation to permit the Federal Government to intervene in a labor dispute affecting the Nation's economy after the 80-day cooling-off period has expired? Yes, 78 percent; no, 22 percent.

3. Should labor unions be subject to the antitrust laws? Yes, 84 percent; no, 16 percent.

4. Do you favor an increase in postal rates to put the Post Office Department on a self-supporting basis? Yes, 57 percent; no, 43 percent.

5. Do you favor an additional increase in your social security tax to cover hospitalization and surgical benefits for the aged? Yes, 36 percent; no, 64 percent.

6. Should the income limitations be removed from our social security laws? Yes, 44 percent; no, 56 percent.

7. Do you favor repeal of the constitutional amendment limiting the Presidency to two terms? Yes, 29 percent; no, 71 percent.

8. Should the benefits of the GI bill be made available to our peacetimes servicemen and women? Yes, 39 percent; no, 61 percent.

9. Should the income limitations be removed from our veterans' pension laws? Yes, 38 percent; no, 62 percent.

10. Do you favor the Senate-passed bill to provide Federal aid for school construction and teachers' salaries? Yes, 36 percent; no, 64 percent.

11. Do you favor President Eisenhower's use of "personal diplomacy" in an attempt to settle world problems? Yes, 75 percent; no, 25 percent.

Next Fall as a Prelude to the 50th Anniversary of Naval Aviation To Be Observed During 1961 the Navy's "Blue Angels," a Precision Flying Demonstration Team, Will Be the Subject of "The Blue Angels" Television Program Consisting of 39 Half-Hour Dramatic Adventures

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mr. VAN ZANDT. Mr. Speaker, news headlines and broadcasts have made crystal clear to the American public that this Nation cannot afford a moment's relaxation in the fullest development of its defensive powers. In many areas of the world, the U.S. Navy is the first bulwark for peace on behalf of the world's free peoples. And to the Nation, maintaining naval aviation superiority is a matter of absolute necessity.

Given the maximum material facilities possible, the American Navy nevertheless places its ultimate reliance on its manpower. This tradition of faith in its personnel is symbolized today by the U.S. Navy's Blue Angels, a precision flying demonstration team that has won the profound admiration and respect of millions.

These flyers and their teammates serve as an inspiration to the youth of our country in this age of airmindedness. The Blue Angels contribute substantially to the program of bringing the highest types of young men into the Navy's service.

I am privileged now to inform my colleagues in the Congress that, next fall, many additional millions of people will be made aware of the flying accomplishments of the Blue Angels through the mass medium of television.

I want to commend California National Productions, a subsidiary of the National Broadcasting Co., and its NBC Television Films Division for undertaking such an important work. Titled "The Blue Angels," CNP is now in production of 39 half-hour dramatic adventures with the cooperation of the U.S. Navy. Mr. Sam Gallu, former naval officer who saw active service in the Pacific throughout World War II and previously distinguished himself in television with the "Navy Log" series, is producer-director of the forthcoming "Blue Angels" program.

In particular, I wish to commend Mr. Earl Rettig, president of CNP, for dedicating his company to this important television series.

"The Blue Angels" television series will be seen throughout the United States at a most propitious time beginning this fall. It will debut shortly before the Navy begins to commemorate the 50th anniversary of the birth of naval aviation; the half-century mark will be officially observed all during 1961.

Adjournment Rush

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mrs. KEE. Mr. Speaker, under unanimous consent I extend my remarks in the CONGRESSIONAL RECORD and include a copy of my newsletter released today:

KEENOTES

(By Representative ELIZABETH KEE)

Congress is caught in the grip of its annual adjournment rush.

At this time of the year I am always reminded of individuals who put off until the very last minute doing many things they know must be done. Apparently, it takes a rapidly approaching deadline to get down to hard work.

Congress is trying desperately to adjourn before the beginning of the Democratic convention on July 11. No one wants to have to come back after the conventions and finish up. That accounts for the feverish activity in recent days to dispose of many difficult and complex issues.

Remaining on the agenda are housing, minimum wage, social security, aid to education, and many other important issues. Unless Congress can dispose of these matters in an orderly fashion in the few days remaining before the conventions, then we have no other choice but to come back and finish up.

There is really no excuse for this annual last-minute rush. One cause is the tendency of committees to delay getting down to serious business for several weeks after Congress convenes each year. Another reason, too, is that Congress must wait until committees have cleared bills for debate on the floor.

The prospects for the next week or so are for long sessions lasting from 10 o'clock in the morning until late each evening. This will continue until Congress clears its agenda and can adjourn, assured that it has not neglected any important public business.

CONGRESS MUST DECIDE WHAT TO DO ABOUT CASTRO

The Sugar Act expires this year. Ordinarily, its extension would be routine matter but the emergence of the Fidel Castro regime in Cuba has greatly complicated the picture.

How long can the United States continue to tolerate Castro's insults and threats? Should we continue to buy Cuban sugar at good prices when our domestic producers and friendly nations could supply all the sugar that is needed here?

Thus far the United States has hesitated to take such reprisals against Castro. The hope has been that he would curb the extremists in his government and get along with the United States. But to date Castro has shown every indication of becoming more and more violent toward us. He has invited Khrushchev to visit Cuba and apparently Russian technicians are due to visit Cuba on technical missions.

Can we delay acting any longer on the question of sugar? There is strong sentiment in Congress for acting now even at the threat of alienating some of our friends in Latin America. These Members feel we should start by cutting back or canceling the Cuban sugar quota. At least, they feel we should give the President authority to act if the situation worsens.

It is a ticklish problem. No one wants to make Castro a symbol or a martyr. But he must be dealt with. We cannot continue indefinitely to accept his insults and disgraceful charges. If we do, the rest of the world will lose faith in us.

Where Now With Wheat?

EXTENSION OF REMARKS
OF
HON. HOWARD W. ROBISON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mr. ROBISON. Mr. Speaker, with both political parties seeking to build planks into their 1960 platforms pointing the way to "a prosperous American agriculture," the only road toward that goal that has any real chance of success is still the road with the least political appeal. The experiences of the past 25 years have unfortunately suggested that farm programs that are economically sound are usually politically unacceptable. That was the apparent result again, here in this body, on Thursday, June 23, but it is still hard to explain the "politics" of the situation. Twice in the past 2 years Farm Journal, a leading farm magazine, has circulated printed ballots asking farmers across the Nation to choose among five possible courses of governmental action, all the way from complete governmental control of farming to getting the Government completely "out." The vote each time was within 1 percentage point of the other time—apparently no fluke, then. Some 55 percent of the farmers who responded both times voted in favor of getting the Government "clear out."

From the letters I receive from my farm constituents, and from the meetings I have had with their representatives, there is not the slightest doubt in my mind that the great majority of them also favor getting the Federal Government "out" of American agriculture. I have, as I have pointed out before, accordingly introduced a bill (H.R. 9781), which would accomplish just that, even though I have little hope of success. When my farm people ask me, "Why doesn't the Congress listen to us when we say we want again to stand on our two feet?", I can only answer that either the Congress does not believe the farmers mean what they seem to say, or it doubts the farmers' wisdom in taking such a stand as well as their ability to survive the rigors of a return to a relatively free market—one under which price supports would be used not to fix farm prices, but to realistically promote orderly marketing.

But still the Congress, or at least the majority party in control thereof, clings to unrealistic, unworkable, and economically disastrous production controls that are not controls, even though the compelling factors of depression and war are no longer present, and with a resulting destruction of markets, the piling up of unconscionable surpluses and the imposition of heavy burdens upon consumer and taxpayer. This would be bad enough in so-called "normal" times, but the fact that this course has coincided with the irreversible technological revolution that American agriculture has been experiencing has made it little short of sheer madness.

About four-fifths of American agriculture is still thankfully free of governmental controls, and it is no accident that this is the only area of the farming industry—and it is a major industry, today—that has been doing fairly well. It has been, rather, in the areas where government has been oversolicitous and has interfered the most that there are real difficulties. The No. 1 problem is, of course, the problem of wheat. Our surplus wheat stocks of over 1.3 billion bushels represent about 2½ times the annual U.S. consumption of wheat as a food. Our investment of around $3.2 billion therein is presently costing you and me and all the rest of us over a million dollars a day, every day of the year including the extra day of this leap year, just to store and pay interest and transportation charges on. Wheat has been effectively priced out of world markets, and when we have tried to even give it away we have run into substantial difficulties.

This intolerable situation comes close to being the major domestic legislative problem of the year. Prompt congressional action this year was necessary, and the urgency of the situation was such that all members should have been ready to make major concessions in their previous positions of policy in order to arrive at a compromise wheat solution that could become law. Such was not the case, however, and now we are right back where we started. Such a result might have been intended to create a hand-made "political issue" in some people's minds, but, as a Republican, all I can say is that if the Poage bill, even in its watered-down form as H.R. 12261, is the best farm program the Democratic Party can come up with, I, for one, will have no fears with respect to the "farm vote" next November.

Why can we not agree on what would seem to be the obvious fact that wheat production can never be balanced with effective market demand so long as increased production is encouraged by guaranteed high prices? Increasing price supports, as would have resulted under the loaded referendum for subtitle A of title I of H.R. 12261, based on the clear lessons of the past, would only once again have stimulated a most natural incentive to increase the total yield even on reduced acreage, and add to rather than detract from our splitting surplus headache. As my colleague, the gentleman from Louisiana [Mr. McSWEEN], said in his well-reasoned separate views to the committee report on H.R. 12261, "the more productive farms will be driven to further efficiency as a means of survival, and the less productive farms will continue to close down at the present rate." Surely, this is not our aim, or, if it is, the highflung phrases we have heard from 1938 to date about helping the family farmer have been just so much eyewash.

We should seek, instead, to discourage excessive wheat production and, while I would have much preferred to terminate political tinkering with the natural laws of supply and demand once and for all, I was willing to concede that subtitle B of title I of H.R. 12261 might have helped to do just that, and was infinitely preferable to the program under which we now must operate. Subtitle B was practically word for word the wheat proposal formulated by the American Farm Bureau Federation, representing over a million and a half paidup member farm families in every State in the Union, and thus the largest general farm organization in the United States. The Farm Bureau is a voluntary nongovernmental organization wholly controlled by its members, representing nothing but farmers from every part of the country, producers of every kind of a commodity. Presumably, it was not easy for it to have arrived, by majority vote, at a plan acceptable to its members; having done so, however, I believe the Bureau merited the opportunity of seeing if it would work.

Now, at first glance, it would seem that they might have had that chance through the referendum proposal set forth in H.R. 12261 by voting their plan, subtitle B, into effect. But let us take a look at how that referendum would have worked. Only wheat producers working over 15 acres this year were privileged to participate in choosing between the so-called alternative proposals represented by subtitle A and subtitle B. That meant that over half of our Nation's wheat farmers could not vote. In New York State, for instance, since that is the area I was primarily interested in, there are 38,463 farms on which wheat is presently produced. Of that number, only 5,664 work more than 15 acres. This meant that if H.R. 12261 passed in its original form, 32,799 New York State small wheat farmers would be completely disenfranchised. I could not support something as un-American and undemocratic as that, particularly in view of the apparent fact that the large producers who would have controlled the vote would no doubt be the ones who would prefer, for obvious reasons, a continuing high, rigid price-support program.

Therefore, when the movement to cut out all but subtitle B of title I of H.R. 12261 failed, and the move to substitute the Senate wheat bill—S. 2759—which I would have supported though not with enthusiasm, likewise failed, there was no alternative but to vote down the monstrosity that H.R. 12261 then represented. There is yet time to act in a responsible fashion. I hope we will have that opportunity.

Under leave to extend my remarks, I now include the following editorials from the Binghamton (N.Y.) Press and the Christian Science Monitor, both from the issues of June 25, 1960:

[From the Binghamton (N.Y.) Press, June 25, 1960]

WHEAT BILL RIGHTLY BEATEN

Defeat of the wheat bill in the House, 236 to 170, is something for which consumers, taxpayers, and New York farmers can be grateful.

The bill would have increased wheat price supports from the present 75 percent of parity to 85 percent and reduced wheat acreage by 20 percent. The acreage reduction would have been of little or no effect against the incentive created by the higher price support.

According to estimates, the bill would have meant some $80 million a year in higher feed and production costs for New York's dairy farmers. It would have meant higher prices for milk for consumers. For taxpayers it would have meant higher taxes to support, store, and give away huge new wheat surpluses. A $3,500 million wheat surplus already exists.

The cost of storing agricultural surpluses valued at around $9 billion runs to $1,500,000 a day, which is money that could be better used for education, highways, defense or any number of more desirable purposes. Chief beneficiaries of the price-support program are not family-type farms but corporate and big acreage operations.

Despite huge Government expenditures to prop agriculture, farm prices, affected by huge surpluses, tend to drop. The agricultural appropriation for fiscal 1961 totals $4,005,222,683, or more than the cost of the whole Federal Government in the 1930's.

The farm price-support program creates a burden on the Nation that is as intolerable as it is fantastic. The only answer possibly lies in gradually reducing price supports to the point where they are no longer an incentive to huge overproduction. The wheat bill moved in the opposite direction.

[From the Christian Science Monitor, June 25, 1960]

FARM STALEMATE STANDS

Apparently Congress prefers a prolonged wheat surplus to a sudden shortage of votes in November. The House of Representatives has now rejected three different plans for curbing the surpluses which legislation now on the books encourages.

The Senate had passed a bill cutting wheat acreage by 20 percent. The Poage bill just defeated in the House will have made the same cut but "sweetened" it with an increase of nearly 15 percent in the price support level. Since acreage cuts have proved ineffectual in the face of rapid increases in per-acre yield, the Poage bill could even have induced more production. It was also faulty in other respects.

Estimates on this year's wheat crop indicate that about 200 million bushels will be added to the tremendous stores piled up in the last decade. The Senate bill might have cut this somewhat next year. Yet even bolder measures are required to reduce not merely the rate of increase but also stocks on hand.

The Eisenhower-Benson effort to check surpluses by lowering price supports has probably helped hold down excess production. But neither party appears ready to take the drastic steps needed. Mr. NIXON'S plan for a food stockpile would give the surpluses another name but not lessen their burden. Mr. KENNEDY, after backing lower supports, has switched to the high-support position and we have heard little from any other Democratic hopeful that is hopeful on surpluses.

But the House's unexpected rejection of the Poage bill indicates awareness that the wheat situation has become fantastic. Next year (not an election year) this should be even plainer.

Washington Report

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1960

Mr. ALGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following newsletter of June 25, 1960:

WASHINGTON REPORT

(By CONGRESSMAN BRUCE ALGER, Fifth District, Texas)

JUNE 25, 1960.

The social security amendments of 1960 passed by a vote of 381 to 23. I opposed the amendments strenuously in view of the actuarial unsoundness of the present system, which continues to impose ever greater tax burdens on future taxpayers as we liberalize the program for today's beneficiaries. The system is not pay-as-we-go. The political gesture every 2 years before elections of "sweetening the pot" is a form of political bribery for votes, as I see it. The bill this year removed the 50-year age limit on disability benefits, changed from 18 quarters to 9 quarters (1 quarter equals 3 months) the work period necessary to qualify for coverage, raised benefits for dependents and survivors, extended coverage to physicians, ministers, domestic workers, State employees (by choice), and others. No provision to meet the added cost (tax increase) was suggested.

The major new section would provide medical service for the needy aged. This was a watered down version of earlier proposals such as the Forand bill and the administration's medicare program. This new medical aid is extended within the framework of the social security system, along the lines of the present public assistance program, and is optional to the State. The Federal Government will provide grants out of general revenues, to be matched by the States, the Federal portion being 50 to 65 percent of the total.

Five of us Republicans on the Ways and Means Committee objected to any Federal program extending medical aid to the aged, largely because the area of need, and the level of such services already being extended at the local and State level are unknown to us. Three of us joined in a separate minority view, stating our objection to the actuarial unsoundness of the social security system as presently constituted. A lot of the arguments and misunderstandings about social security, I think, stem from the widely held belief that those drawing benefits paid for them during their working years, or that present workers are today contributing enough to finance their own benefits when they retire. This simply is not so, and never has been so.

Some examples (case No. 1:) An employee who, together with his employer, had paid in the maximum amount possible in social security taxes from the time the program began in 1937 until the first of this year has paid a total of $2,292. If he retires this year when he and his wife both reach 65, he'll start drawing on an annuity worth $31,200. Compare that with the $2,292 figure, the most anyone can have paid into the program to date (case No. 2:) An individual qualifying for a minimum benefit on January 1, 1960, could have paid in, with his employer, as little as $36 and could draw benefits expected to amount to $8,600. Who pays? Future generations, not the beneficiaries. How? By a gross tax starting with the first dollar earned, hardest on the lowest incomes—no deductions allowed. The social security tax for most will exceed income tax. (Case No. 3:) A farmer with net income in 1975, from self-employment, of $4,200 with a wife and two children and standard deductions would pay $276 income tax and $283.50 social security tax—with three children, income tax $156, social security tax $283.50. Still the program will be in the hole. Today, present beneficiaries will draw $65 billion more than they have paid in. The cost of present contributors as future beneficiaries, is unfunded to the amount of $300 billion to $600 billion. How high should taxes be raised to make the program sound? No one knows—but surely it is a study worthy of our attention. Otherwise, the program may collapse or be voted out by hard pressed taxpayers of the future. Instead, we continue to add unfinanced new benefits every election year. Twenty-three Members voted against the bill.

The House wrestled around in another effort to formulate an acceptable farm program, but got nowhere. The real point at issue is to whom a new farm bill must be acceptable. The Democratic leadership in Congress would like to woo the farm vote but must satisfy the administration's demand for a bill aimed at lowering surpluses born of subsidies. In wheat alone we now have stored 1.3 billion bushels, a 2½-year supply, costing $3.2 billion. Storage and transportation costs alone exceed $1 million a day. The leadership in Congress has thus far proposed only more control, regulation, and support schemes, when it's pretty apparent that Government controls, regulations, and support schemes helped to push the farmer into his present fix.

Billy Graham, in Washington for his crusade, spoke at a breakfast meeting to Members of Congress. Perhaps his message and his presence were best described by Reverend Elson when he called Billy Graham "the right man with the right message at the right time." Billy forcefully reminds us of the truth, and need for, the great lessons of the past, of our spiritual beliefs that stress individual initiative and responsibility. I was most happy when Billy told me he will be coming to Dallas in the fall for a crusade.

The Lebanon Enterprise Honored by the the Kentucky Press Association

EXTENSION OF REMARKS
OF

HON. FRANK CHELF

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1960

Mr. CHELF. Mr. Speaker, for the second time in 3 years, the Lebanon Enterprise, in my home town of Lebanon, Ky., has been named by the Kentucky Press Association as the best of the State's large weekly newspapers. The award, a repetition of the honor which came to this paper in 1958, was announced at the Kentucky Press Association's annual midsummer meeting at Cumberland Falls State Park in Kentucky and a plaque which goes to each year's winner was accepted for the Lebanon Enterprise by George Trotter, coeditor with Paul Crowdus of the paper.

This year's award marked the third time the Enterprise has been judged Kentucky's best. The first such award was in 1925, when the paper was owned and edited by the late Oliver Kelly, Sr. The Enterprise finished second in 1956, won in 1958, and repeated this year.

I take great pride in commending this newspaper for this outstanding and unique record. Since it is my hometown newspaper, I know its editors, publishers, owners, employees, news policies, and editions extraordinarily well. These well-deserved honors provide eloquent testimony of the magnificent contribution it is making not only to our county seat town of Lebanon and our county of Marion, but also to our State of Kentucky and the Nation. The unusual recognition of being named the best large weekly newspaper in the State, for the third time, is further proof of the uniformly high esteem in which it is held by its local readers and the general public on a more far-reaching scale.

Each editor and each person connected with this splendid organization deserves and has earned rich praise for an important part in the achievements of this courageous, progressive, and remarkably fine newspaper. Mr. Speaker, I am proud of the Lebanon Enterprise.

Text of President Eisenhower's Report on His Far East Trip

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, June 28, 1960

Mr. WILEY. Mr. President, in his speech last night, President Eisenhower, as illustrated on his Far Eastern trip, again demonstrated the will, courage, dedication, and devotion to duty for his country, regardless of personal danger, that has been reflected in his life in peace and war.

Even the events in Japan, disturbing as they were, had positive effects for the free world. These include:

Highlighting the Communist failure despite frantic efforts to cause rejection of the United States-Japanese Treaty;

Demonstrated that personal diplomacy far from being dead, was so successful that the Communists of Moscow and Peiping spared no expense and effort in whipping up, and paying for, the demonstrations in Japan;

Reflected the fact that Khrushchev withdrew the invitation for President Eisenhower to visit the Soviet Union provides further evidence of the success of the personal diplomacy of the President—in Asia, Europe, Middle East, South America, and the Far East; and despite the fact that the Communists stirred up trouble in Japan and other nations in the Far East, as they have

done elsewhere in the world—warmth and friendship literally poured out to greet President Eisenhower as the leader of our great country.

Having done an outstanding job of again serving the best interest of the people in the free world, President Eisenhower deserves the deep gratitude and respect of the American people.

Mr. President, I ask unanimous consent to have the text of the President's remarks as printed in the Washington Post and Times Herald this morning, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 28, 1960]

TEXT OF EISENHOWER'S REPORT ON HIS TRIP

My friends, I have just returned to Washington from a trip to the Far East. It has been a trip so marked by events of significance that I shall try this evening to give you a simple background of fact, against which these recent events can be viewed in perspective.

To begin, a few personal observations on the trip I have just concluded:

First, American relations with the Philippines, Taiwan, Korea and Okinawa have been strengthened.

Second, the people of these Far Eastern lands took advantage of the opportunity given by this visit to demonstrate anew their long and ardent friendship with and for the people of America. The American people are gratified, I am sure, as am I, by these heartwarming demonstrations.

Third, the ratification of the Mutual Treaty between the United States and Japan represents an important victory for the free world—a defeat for international communism.

BACKGROUND OF TRIP

And now, let's look at the background of this trip—and the others I have taken in the interest of world peace.

This trip was planned as one of a series which have, in total, taken me nearly around the world, to 27 nations of Europe, the Middle East, south Asia, north Africa, the Americas, and the Far East. Those nations I have visited during the last 10 months have populations reaching an aggregate of over a billion people.

To understand where these visits fit into the overall foreign relations of this Government we must go back to 1953, to the time when I was assessing the world situation with the late Secretary of State Dulles, preparatory to my assumption of the office of the Presidency.

At that time, we recognized that the Communists had, for some years following the conclusion of World War II, taken advantage of the chaotic aftermath of conflict—and of our own self-imposed military disarmament—to indulge in a continuous campaign of aggression and subversion in Asia and eastern Europe.

They had disrupted the lives of millions of free people, causing lowered living standards and exhausted economies. China and its half-billion people had been lost to the free world. The war in Korea, then in condition of stalemate, still dragged on.

ONE ESSENTIAL FACT

We began our studies with one essential fact before us. It had become clear, by 1953, that the accumulation of atomic weapon stockpiles, whose use could destroy civilization, made resort to force an intolerable means for settling international disputes. Only in the rule of law, which meant the attainment of an enduring peace with justice, could mankind hope for guarantee against extinction.

With these facts in mind we concluded, and have since been guided by the conviction, that there were several things which we should do simultaneously, all of them in conformity with the ideals expressed in the charter of the United Nations.

It was, and is, mandatory to present before the world, constantly and vigorously, America's great desire for peace and her readiness to sit at the conference table to discuss specific problems with anyone who would show an equal readiness to negotiate honestly and in good faith.

This we continue to do in spite of difficulties such as the regrettable action of the Soviet delegation in walking out of the 10-nation Disarmament Conference at Geneva this morning. But, from the very beginning we have made it clear that until real progress toward mutual disarmanent could be achieved, our first concern would be to keep our own defenses strong, modern, and alert.

We tried to identify all those areas in the world where serious trouble could erupt suddenly, and developed suggestions for correcting the causes of unrest and of enhancing stability in such localities. Through cooperation with our friends, we have succeeded in removing causes of friction in many of these areas.

PERSONAL CONTACT SOUGHT

In support of these purposes, we have sought, from the beginning, frequent personal contact with responsible governmental officials of friendly nations. Indeed, we have felt it wise, also, to seek to improve communications between ourselves and the Soviet Government. Akin to this effort was one which has come to be called the people-to-people program—a completely new type of venture in international relations which has been amazingly successful.

Along with these objectives, we have constantly striven to devise better methods of cooperation with our friends, working out with them programs by which together we could improve our common security and raise living standards. Our mutual security program has been and is a vital means of making such cooperation effective.

To carry out the purpose of proclaiming and demonstrating to the world America's peaceful intentions, we first made a number of policy statements and a series of concrete proposals that might lead to fruitful discussions with the Soviets.

As early as April of 1953, I suggested disarmament talks with the Soviets and pledged that I would urge the United States to apply a substantial portion of any savings realized through mutually acceptable disarmament to the improvement of living standards in the less developed nations.

Later that year I proposed, before the United Nations General Assembly, that we devote all discoveries in atomic science to peaceful uses. Nineteen months later at Geneva I suggested the open-skies method of mutual inspection.

INVITATIONS ISSUED

In the meantime, the Secretary of State set out tirelessly to make calls on friendly governments and to strengthen collective security. In return, we issued invitations to heads of state to visit America and her people. Other good-will visits were concurrently made by the Vice President and other personal representatives.

Many heads of government or state responded promptly to our invitations to visit this country. In the past 7½ years, more than 70 heads of state and Prime Ministers have come to the United States (some of them several times) in visits extending from a few days to some weeks. In this respect the period has been without precedent.

Other visitors are to come in the near future. Indeed, tomorrow we shall be honored by the arrival in Washington on such a visit of the King and Queen of Thailand, and later in the year the Crown Prince and Princess of Japan, and the King and Queen of Denmark.

I early began to receive urgent invitation to make return visits to the countries whose heads had paid us the courtesy of coming to see America and our way of life.

Many months ago we concluded that I should personally accept some of these invitations, as opportunity should present itself. Secretary Herter, first as Under Secretary of State and later as Secretary of State, enthusiastically concurred. Oversea visits by me, all of us felt, would be a strong support of other successful programs.

VALUE OBVIOUS, HE SAYS

The great value resulting from these journeys to 27 nations has been obvious here and abroad. Throughout the world there has been opportunity to emphasize and reemphasize America's devotion to peace with justice; her determination to sustain freedom and to strengthen free-world security through our cooperative programs; her readiness to sacrifice in helping to build the kind of world we want.

These visits involved, of course, valuable conversations between heads of state and government, as well as the promotion of understanding among peoples.

However, except for so-called summit and the NATO heads-of-government meeting, none of my visits has been planned or carried out solely as a diplomatic mission seeking specific agreements, even though discussions have invariably involved important issues.

Incidentally, I believe that heads of state and government can, occasionally, and preferably on an informal basis, profitably meet for conversations on broad problems and principles. They can, of course, also convene to give solemn approval to agreements previously prepared by normal diplomatic methods.

But heads-of-government meetings are not effective mechanisms for developing detailed provisions of international compacts, and have never been so considered by this Government.

GOOD WILL ASPECTS

On the other hand, the good will aspects of a visit by a head of government can frequently bring about favorable results far transcending those of normal diplomatic conferences. They have resulted in the creation of a more friendly atmosphere and mutual confidence between peoples. They have proved effective in bringing closer together nations that respect human dignity and are dedicated to freedom.

Indeed, it seems apparent that the Communists, some time ago, reached the conclusion that these visits were of such positive value to the free world as to obstruct Communist imperialism. Thus they have sought every possible method to stop them. Through their propaganda they bitterly opposed my entry into the Philippines, in Taiwan, in Okinawa, in Korea, and, of course, Japan.

In Paris last month they advanced false and elaborate excuses for canceling my invitation to visit the Soviet Union, when all that was necessary to say was that they found it inconvenient to receive me.

With their associates in Peiping, they went to great lengths and expense to create disorders in Tokyo that compelled the Japanese Government to decide, under conditions then existing, that it should revoke its long-standing invitation for me to visit that sister democracy.

These disorders were not occasioned by America. We in the United States must not fall into the error of blaming ourselves for what the Communists do; after all, Communists will act like Communists.

CLEAR PROOF OF VALUE

One clear proof of the value, to us, of these visits is the intensity of the opposition the Communists have developed against them.

Respecting Japan, in spite of the outrageous conduct of a violent and disorderly minority, I have been assured that the people there were, in overwhelming majority, anxious to welcome me as a representative of a nation with which they wished to cooperate and to have friendly relations.

Of course, the basic objective of the Communist-inspired disorders in Tokyo was to bring about the rejection by the Japanese Government of the treaty. That the Communists were defeated in their frantic efforts to prevent ratification of that treaty speaks well for the future of Japanese-American relations. Obviously that signal defeat for international communism far outweighs, in importance, the blocking of my scheduled visit.

Another purpose of the Communist-inspired riots in Tokyo was to weaken confidence between our people and to persuade the United States to change its basic policies toward Japan. It would be a tremendous victory for international communism if we were to permit the unhappy events of the past several weeks in Japan to disrupt our economic relationships with that nation; or to weaken the feeling of friendship and understanding which unites the vast majority of the Japanese and American people.

Japan has once again become a great nation. Over the postwar years she has painstakingly created a new image of herself, the image of a responsible, peaceful, and cooperative free-world nation, mindful of her obligations and of the rights of others. Japan has made a fine record in the United Nations as well as elsewhere on the international stage.

SEEK TO BUILD LINKS

Since the loss of mainland China to the Communists in 1949, the need to link the other nations of the Far East with the United States more strongly, in their mutual interests, should be apparent to all. We seek, and continue to build and strengthen these links, with Japan as well as with the other countries, by actions of many kinds—of which my recent trip was but a single example. In the present circumstances, a Far Eastern policy of "waiting for the dust to settle" will not meet the free world's need.

The other free countries of the Far East, small in relation to the massive area and immense population of Red China, can survive in freedom and flourish only in cooperative association with the United States and a free Japan.

Through our aid programs, through our bilateral and collective defensive arrangements such as SEATO, through our very presence in the area, we help them greatly. And a free and friendly Japan can reinforce this American effort, as indeed she is already doing through aid programs of her own.

Because of the Prime Minister's necessary withdrawal of his urgent invitation of last winter for me to visit Japan on June 19, I was of course unable to meet with the Japanese Government and people or to bring to them assurances of American good will.

This was disappointing, but we should not forget the favorable effects of visits elsewhere in the Far East, as well as the final approval of the Japanese-American Treaty by both Governments. Moreover, the general improvement that has come about through exchanges of visits by friendly heads of government is recognized and appreciated throughout the free world.

I wish that every one of you could have accompanied me to Manila, Taipei, and Korea and thus witnessed for yourselves the outpouring of friendship, gratitude, and respect for America. The throngs of people there, like the many millions who, during earlier journeys, lined the streets of great cities in the Mideast, Europe, north Africa, South America—as well as in Canada and Mexico—had one overwhelming message for our Nation.

MESSAGE TO NATION

That message, expressed in glowing faces, friendly shouts, songs, gaily painted placards, and homemade signs, was that they wanted to be partners with the United States. They share our ideals of dignity of man and the equality of all before the law—they believe in their God; they believe that the American people are their friends. They believe that Americans are sincerely devoted to their progress which means so much to them, and which is so evident on every side.

These demonstrations have been inspiring to all who have not closed their eyes and minds to their meaning. Moreover, the leaders of the free peoples I have met here or abroad have assured me, privately and publicly, that they approve of America's purposes and policies, even though details of implementation are frequently subjects for discussion or negotiation.

They have expressed the hope that visits to their countries by the senior officials of our Government might be of greater frequency. They have shown me evidence of their marked material progress through American cooperation. They have testified to the reborn hope and restored confidence of their peoples.

Let me stress, however, that all the profit gained by past and any possible future trips will be quickly dissipated should we Americans abandon our present course in foreign relations or slacken our efforts in cooperative programs with our friends.

This is what the Communists want. It is imperative that we act with mature judgment.

We must recognize their tactics as a deliberate attempt to split the free world, causing friction between allies and friends. We must not fall into this trap; all of us must remain firm and steadfast in our united dedication to freedom, and, to peace with justice.

Above all, we must bear in mind that successful implementation of any policy against Communist imperialism requires that we never be bluffed, cajoled, blinded or frightened. We cannot win out against the Communist purpose to dominate the world by being timid, passive, or apologetic when we are acting in our own and the free world's interests.

We must accept the risks of bold action with coolness and courage. We must always be strong, but we must never forget that peace can never be won by arms alone; we will be firm but never truculent; we will be fair but never fearful; and will always extend friendship wherever friendship is offered honestly to us.

FINAL, PERSONAL WORD

Now a final, personal word—

So far as any future visits of my own are involved, I have no plans, no other particular trip in mind. Considering the shortness of the time before next January, and the unavoidable preoccupations of the few months remaining, it would be difficult to accept any invitation for me, again, to go abroad.

But so long as the threat of Communist domination may hang over the free world, I believe that any future President will conclude that reciprocal visits by heads of friendly governments have great value in promoting free-world solidarity.

And this I assure you. If any unforeseen situation or circumstances arising in the near future should convince me that another journey of mine would still further strengthen the bonds of friendship between us and others, I would not hesitate a second in deciding to make still an additional effort of this kind.

No consideration of personal fatigue or inconvenience, no threat or argument would deter me from once again setting out on a course that has meant much for our country, for her friends, and for the cause of freedom—and peace with justice in the world.

Thank you and—good night.

Helen Keller's 80th Birthday

EXTENSION OF REMARKS

OF

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1960

Mr. BOLAND. Mr. Speaker, the prayer offered by our beloved Chaplain of the House at the opening of yesterday's session was particularly appropriate. Yesterday was the birthday of Miss Helen Keller. On this day, she reached the glorious age of 80.

Chaplain Braskamp's words of prayer applied magnificently to this fine woman—one of the greatest women of this or any other time. "Almighty and everblessed God, may we accept this new day as a beautiful gift from Thy hand and a glorious opportunity for heroic endeavor to serve Thee and our generation faithfully. Grant that we may be wiser today because of the failures of yesterday and more trustful when we are assailed by fears which darken our way and dwarf our capacities."

Mr. Speaker, Helen Keller's whole life, it seems to me, has been tailored to fit these inspiring words of prayer.

Only rarely have there been people who have risen above geographic and cultural boundaries to become symbols of faith and goodness to all the world. Helen Keller, blind and deaf since infancy, has become such a symbol.

Through her courage, intelligence, and beauty of mind and spirit she has enriched the lives of many thousands of people, proving that physical handicaps need be no barrier to a full and rewarding life.

During World War II Miss Keller toured our military hospitals, bringing new hope to wounded, frightened men. She has reached beyond America, speaking for the blind in Australia, Canada, Egypt, France, Israel, Italy, Japan, Yugoslavia—in all parts of the world. Unable to see or to hear, she has yet been one of the most effective representatives of America to peoples abroad.

Many foreign governments have honored her. She was awarded the Medal of Merit by Lebanon, the Chevalier Legion of Honor by France, and the Southern Cross by Brazil. Civic, educational, and welfare organizations in the United States have also paid her homage.

Miss Keller has reached out to the suffering through her writings, including "Out of the Dark," "Let Us Have Faith," and "The Open Door." She expressed the foundation of her philosophy in the book "This I Believe," writing: "Belief

in God as infinite good will and all-seeing wisdom whose everlasting arms sustain me walking on the sea of life. Trust in my fellow men, wonder at their fundamental goodness and confidence that after this night of sorrow and oppression they will rise up strong and beautiful in the glory of morning. Reverence for the beauty and preciousness of earth, and a sense of responsibility to do what I can to make it a habitation of health and plenty for all men."

These words speak eloquently of her innate nobility and generosity, qualities which have brought light into the dimmed eyes of others who share her blindness.

As she celebrates her 80th birthday, it is a privilege for me to join with many fellow Americans in expressing the gratitude and affection due Miss Keller as a great American, and a great human being.

Mr. Speaker, Helen Keller's 80th birthday was commemorated throughout the Nation and the world. Great editorial and news stories paying tribute to her appeared in newspapers in this country. Local communities joined in the acclaim of this marvelous woman. I am proud to cite my own city of Springfield, Mass., that proclaimed "Helen Keller Day" under the leadership of Mayor Thomas J. O'Connor, Mrs. Sidney Levy of the National Council of Jewish Women; Miss Anita M. O'Shea, chairman of "Helen Keller Day"; Dr. Honore E. Gaudreau, George Trelease, Rehabilitation Counselor for the Massachusetts State Division of the Blind; Mrs. Anthony Caputo, Paul Caputo, Miss Irene Duquette, home teacher for the Massachusetts State Division of the Blind; Mrs. Herman Carlisle, Robert F. Tuveson, and Miss Hazel M. French.

The Future of Our Territories

EXTENSION OF REMARKS
OF
HON. LEO W. O'BRIEN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mr. O'BRIEN of New York. Mr. Speaker, for the past 6 years I have had the pleasure of being chairman of the Subcommittee on Territorial and Insular Affairs. During this period we have witnessed the enactment of many items of legislation; the most important being the granting of statehood for Alaska and Hawaii.

Recently we have had opportunity to give more consideration to our offshore flag areas, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands. Members of the subcommittee visited each of these areas during the past year preparatory to studying their legislative needs. We fully expect to present legislation for floor consideration early in the 87th Congress. In fact we have a bill pending in the Rules Committee which would provide for territorial deputies to the House of Representatives from Guam and the Virgin Islands. I am hopeful for early action on a similar bill in 1961.

Mr. Speaker, a short time ago I asked the Secretary of the Interior, who has administrative responsibility for our offshore areas, except Puerto Rico and the Canal Zone, for his views on the long-range needs for our territories. Secretary Seaton's answer dated June 14, 1960, is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 14, 1960.

Hon. LEO W. O'BRIEN,
House of Representatives,
Washington, D.C.

DEAR MR. O'BRIEN: You recently requested that we send to you our views on a long-range approach to the problems of various offshore possessions. I hope the following discussion will be of some assistance to you.

Our foremost objective is the attainment of self-government for each of our remaining territories. Because of varying circumstances inherent in each area involved, the method, the time element, and the degree of self-government that may be achieved, will differ somewhat.

With respect to the Virgin Islands and Guam, our two remaining organized, unincorporated territories, it is our fervent hope that the Congress will approve legislation granting them nonvoting representation in Congress as recommended by the President in his budget message of last January. This Department has urged favorable action on the legislation now pending. However, although such legislation has recently been acted upon favorably by the House Committee on Interior and Insular Affairs, to date it has not yet been passed by either Senate or House.

Despite the shortness of time remaining in the present session, I still hope it may be possible for Congress to enact legislation of this type this year.

Following the enactment of legislation for representation in the Congress, it is our view that careful study should be given to permitting the people of Guam and the Virgin Islands to elect their own Governor.

How soon such a step may be taken will depend upon developments during the next few years, particularly upon the growth of political maturity of the people in each area. In addition, we believe that such a grant of authority would have to be coupled with special provisions to take account of the following problems:

1. The financing of the local governments under a regime of full local self-government. At present, the governments of the territories are financed to a major degree by the diversion into their treasuries of what are truly Federal revenues. Whether such diversion of Federal revenues could appropriately be continued, in whole or in part, on the present basis would have to be determined, and if so, in what manner.

2. The protection of the Federal interest after there is no longer a federally appointed Governor. The Federal interest in our remaining territories is large and continuing, and we believe it must be protected through some appropriate mechanism, even though full self-government on the local level may be granted. In that connection we believe the "Federal interest" should be more precisely defined than it has been in the past.

3. The maintenance of a close liaison between such local governments and an executive agency of the Federal Government.

With respect to American Samoa, it was possible a few weeks ago to take the greatest step forward politically in more than 60 years of American administration. I refer to the promulgation on April 27 of the Constitution of American Samoa, a basic framework of government developed primarily by the Samoan people themselves. It was gratifying to me to be able to be present personally in American Samoa on that occasion to participate in the ceremonies on behalf of the U.S. Government. It is our hope that after functioning for a period of about 5 years under the Constitution it will be apparent whether or not American Samoa, as a next step to self-government, is ready for organic legislation and a change in its political status to that of an organized, unincorporated territory.

Some experience with the new structure of government for American Samoa, and with the provision of nonvoting representation to the Virgin Islands and Guam, should place us in a better position to judge what further steps forward should be taken, and how soon. We hesitate to be too specific at this time, particularly since any additional actions should depend in some degree upon consultation with the peoples of the areas affected.

The above statements represent our views at this time with respect to Guam, the Virgin Islands, and American Samoa. The development of such long-range programs for the Trust Territory of the Pacific Islands is far more complicated because of the wide diversity of cultural, social, and economic interests present in this geographically scattered area. Nonetheless, in the past few years substantial progress has been made in self-government through the chartering of municipalities, the establishment of district congresses, and the creation of an Inter-District Advisory Committee to the High Commissioner. This progress we intend to encourage at every step. It is our view, however, that it would be premature at this time to hazard specific conclusions as to the future governmental organization that should be established for the trust territory on a long-range basis.

Sincerely yours,

FRED A. SEATON,
Secretary of the Interior.

Address by Hon. Francis E. Walter, of Pennsylvania, at the Annual Communion Breakfast, Pocono Catholic Missions

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1960

Mr. FLOOD. Mr. Speaker, it is with great pleasure I present the speech of my distinguished colleague and my friend and neighbor from Pennsylvania the Honorable FRANCIS E. WALTER to the Pocono Catholic Missions.

A great American, he speaks as our outstanding authority on the evils of communism and it is good to know that this excellent address was delivered before a Catholic church society, a bulwark against the encroachment of atheistic communism:

ADDRESS BY CONGRESSMAN FRANCIS E. WALTER, DEMOCRAT OF PENNSYLVANIA, AT THE ANNUAL COMMUNION BREAKFAST, POCONO CATHOLIC MISSIONS, BARTONSVILLE HOTEL, BARTONSVILLE, PA., JUNE 26, 1960

In the invitation which Reverend Galligan extended to me to speak this morning, he suggested as a subject "The Imminent Danger of Communism." The subject is based on

a premise which, I regret to say, has not even at this late hour been accepted in certain quarters; namely, that there is an imminent danger of communism.

If communism is only an economic system set up for the production and ownership of things, how could it be inherently evil and an imminent danger? If it is only an economic system, the evil of communism must, at most, be that it doesn't work as well as some other system of production and ownership. If this is the case, surely those who live under it will sooner or later recognize this and change the system and those who do not have a Communist system will reject it.

Over the centuries there have been many instances of communal ownership of property. In America the Indian tribes practiced a form of communal ownership which might loosely be characterized as communism, spelled with a small "c."

J. Edgar Hoover, the Director of the Federal Bureau of Investigation, titled his recent book about Communists in the United States "Masters of Deceit." He might well have pointed out that the term "communism" is itself a deceit when applied to the international conspiracy which began with Karl Marx, which has since been headed by Lenin, Stalin, and Khrushchev, and which has caused more human suffering than any force in all history.

No, communism, spelled with a capital "C," when applied to the force which has its tentacles in every part of the world today, does not characterize just another economic system.

What is it then? It is a conspiracy of a relatively few fanatics who deny the existence of God and of all moral values and who are bent on the enslavement of every man, woman, and child in the world. The objective of these fanatical few, who regard themselves as the vanguard, is not conversion of the world to the ideology of communism in the way that the Christian missionaries converted the heathens to Christianity. Their objective is conquest by force, stealth, intrigue, and subversion

The most appalling fact of this generation is the failure of the free world to grasp the fundamental nature of communism. Communism is not just a political organism within the generally accepted meaning of that term. It is not just military aggression of a particular nation or group of people.

Communism involves an ideology, but it is more than an ideology. It is a dynamic system aimed at the destruction of all moral and spiritual values and of any society built on them. It is a scheme for total regimentation and control of every body and mind in a universe conceived to be exclusively governed by materialistic forces.

One of the basic fallacies of some of the leaders of the free world in attempting to cope with communism is to regard it as just another form of government which can be voted in or out at the will of the citizenry. This is precisely what the Communists would have the free world believe, but the facts are otherwise.

There has never been a single country taken over by the Communists with the knowing approval of its subjects, and once in power, Communists have never relinquished control except where they were ousted by force. Communism generally follows the same basic pattern which in essence consists of, first, softening up its prey by deceitful propaganda; second, subversion; and third, force.

The success of the Communist conspiracy in any of its operations is in direct ratio to the intensity of the efforts by trained, disciplined Communist agents who, compared to the number of free people, are always relatively few, though they now number a worldwide fifth column of some 33 million. It is no more possible for free people to coexist peacefully with these dedicated revolutionists than it is for the body to coexist peacefully with cancer.

Now, let us consider the specifics of my theme—the imminent danger of communism. In pursuing this theme, I could generalize by quoting the testimony of FBI undercover agents who have appeared before the Committee on Un-American Activities and who have stated that the Communist operation on American soil now is more deadly and dangerous than ever before in the history of this Nation. I could likewise quote the testimony of those experts on international communism who have consulted with our committee and who portray the frightening picture of Communist encroachments over the world. The Communist series of military successes, diplomatic triumphs, riots and propaganda victories in the total warfare which they are waging are sobering to all men dedicated to freedom.

If I should attempt to describe each of the many areas of Communist activity, both over the world and in the United States, which in the aggregate constitute the imminent danger with which we are faced from communism, it would necessitate literally weeks of time. I should then be obliged to discuss Communist activity in virtually every segment of our society in which Communist agents are now operating. I would have to recount the facts respecting the increasing flood of Communist propaganda, to detail the startling truth regarding Communist political subversion, to trace the activities of Communist lawyers in an operation which we call legal subversion, to describe the activities of Communist agents who are now in our defense facilities, as well as many other areas of Communist activity, each one of which is a part of the Kremlin's total warfare against its only formidable enemy—the United States of America.

Permit me then to dwell exclusively on just one phase of the Communist operation, namely, espionage. The simple fact is that the international Communist conspiracy has built and now maintains and operates the largest, most extensive espionage machinery in the history of the world. In just this one phase of Communist activity, its range, techniques and accomplishments are so extensive that I can only give samplings in an attempt to portray its imminent danger.

On the very day last September when Khrushchev addressed the United Nations with an appeal for total disarmament, two Soviet United Nations officials were arrested by the FBI in Springfield, Mass., while attempting to get classified information on U.S. defense from an American citizen.

At the time Khrushchev was blustering about the U–2 incident, I was in Europe and ordered the release of testimony taken by the Committee on Un-American Activities sometime earlier from Lt. Col. Frantisek Tisler, former military and air attaché of the Czechoslovakian Embassy in Washington who defected last July.

In this testimony, Tisler revealed that he had been given military intelligence training before coming to the United States in August 1955; that, in the final instructions given him before he came to this country, he was told over and over again that his title as attaché was merely a cover for his role as an espionage agent; that while he served ostensibly as attaché in the Embassy, he was actually chief of the Czechoslovak Military Intelligence Directorate Residentura, with its headquarters in the Czech Embassy, and that five officers worked under him in gathering military intelligence in the United States—four in the Embassy and one at U.N. headquarters in New York City.

His job, Colonel Tisler testified, was, and I am now quoting his exact words, "to personally recruit American citizens to act as agents and, in their agent capacities, to furnish me with intelligence on classified materials related to the U.S. military developments."

He also said that his office facilities in the Embassy were "used to house my records and equipment, which I used for clandestine intelligence purposes."

He revealed that the Czech Ambassadors to the United States were aware of his espionage activities and those of his staff as well, and that his staff people were not the only espionage agents operating out of the Embassy. He stated that the Czech Ministry of the Interior also had a residentura in the Embassy and a suboffice in New York, and that, during the years 1955 to 1959, while he was attaché, 45 percent of the Czech Embassy staff and the U.N. delegation in New York were engaged in intelligence activities.

At the time this testimony was released, I emphasized that the U–2 incident "must not distract the attention of the world from the wholesale espionage, sabotage and propaganda operations conducted by the Communists in every country of the free world."

In March of last year, our committee released the testimony of Petr S. Deriabin, a former officer of the Soviet secret police. Deriabin informed our committee in this testimony that the K.G.B., formerly known as the M.V.D.—which is responsible both for foreign espionage and the internal security of the Soviet Union—has 3,000 officers in the Moscow headquarters of its espionage operations and 15,000 of them scattered around the world. He testified that the Soviet Union uses embassies, consulates, trade missions, cultural and scientific exchange groups, the news agency Tass, refugees and alleged defectors from communism to infiltrate its agents into foreign countries.

He identified a Major Zagorsky, who had recently visited the United States as a member of a construction delegation, as a man who had worked with him at the Moscow headquarters of the M.V.D. The same was true, he said, of Lt. Col. Aleksandr Kudriavtsev, who came to this country with the Moiseyev Dancers and took curtain calls with them at the end of their performances. He also identified Metropolitan Nikolai of the Russian Orthodox Church, who visited this country in 1956 as part of a religious delegation, as an agent of the M.V.D.

Deriabin testified that the G.R.U., the military intelligence branch of the Soviet Union, had many more agents scattered around the world than the M.V.D. and that 60 to 70 percent of the representatives of Tass, the Soviet news agency, are M.V.D. agents.

Still earlier last year, our committee released a report called "Patterns of Communist Espionage." In it was revealed a dozen recent cases of Soviet espionage activity and recruiting attempts that had not been previously disclosed. Most of them were cases in which Soviet secret police agents had attempted to blackmail into espionage persons in this country who had relatives behind the Iron Curtain or who had recently visited Iron Curtain countries to see the members of their family and relatives.

This report named seven so-called diplomats attached to the Soviet Embassy in Washington who have been expelled from the United States for espionage. It named five more who had been identified as having engaged in espionage, even though they were not declared persona non grata by our Government. It named five members of the Soviet U.N. delegation who had been expelled from the United States for spy activity, six persons attached to satellite embassies who had been asked to leave this country for the same reason, and four others as persons who had been identified as M.V.D. agents, although they had not been caught in any espionage activity while serving in this country.

The same report also quoted excerpts from the testimony of nine former high-ranking officials and agents of the Soviet secret police, all of whom have defected from the Soviet service and have testified, in effect, that every Soviet embassy, consulate, and official delegation is a nest of spies. On May 24, U.S. Ambassador Lodge submitted a memorandum to the United Nations which gave details on the espionage activity of 11 Soviet diplomatic personnel who, in the last 7 years alone, have been expelled from this country for spying.

It is apparent from these facts that no nation has ever abused diplomatic privilege the way the Soviet Union has in its efforts to steal the secrets of every free nation on the face of the earth.

Many people think that our security agencies need worry only about Communist espionage in this country. Our committee report revealed, however, that the Soviet Union and its satellites also conduct intense espionage activity against American embassies, consulates, and diplomatic officials in all Iron Curtain countries. To penetrate our security safeguards in these establishments, they use blackmail, bribery, sex, narcotics, and every device which devilish minds can contrive. All servants employed by the U.S. Embassies in Iron Curtain countries are cleared for such service by the M.V.D. and are forced to report everything they can learn in the course of their duties. Listening devices are concealed in every imaginable hiding place. American diplomats behind the Iron Curtain can never be sure when it is safe for them to talk without their conversation being recorded even when they are out in the open and can see that there is no one near them. In one case we know of, Communist agents concealed a transmitting device in the heel of a U.S. military officer's shoe.

On May 13, the West German Ministery of the Interior made its annual report on spy activity. This report revealed that in the year 1959, 3,051 persons in West Germany admitted that they had spied for Iron Curtain countries. It is estimated that there are now 16,000 professional Communist spies in West Germany, plus many more part-time agents. Since the end of World War II, over 15,000 Red agents have been arrested in that country. In the first 4 months of this year, 820 more were arrested.

Yet Khrushchev had the blasphemous gall to say in reference to Communist espionage at the time of the U–2 incident: "As God is my witness, my hands are clean and my soul is pure."

Does the man who runs a spy apparatus of such magnitude—and is such a hypocrite—have any right to put the United States on the defensive in the court of world opinion on the subject of espionage?

Khrushchev, to use Shakespeare's phrase, "doth protest too much."

Just a few months ago, on February 8, 1960, FBI Director J. Edgar Hoover testified as follows before a House appropriations subcommittee:

"Our investigative coverage has clearly disclosed the continuing threat to the security of the Nation from the espionage efforts of the Soviets and their satellites."

Mr. Hoover then requested that he be permitted to go off the record while he discussed with the House Members, in some detail, the facts about current Soviet espionage in the United States.

In his testimony before the same subcommittee last year he said that the Soviet Union's "peaceful coexistence" campaign "has opened the door for foreign-directed espionage on an accelerated scale"—and then added:

"Our investigations have clearly disclosed an overall expansion of Soviet bloc intelligence activities against the United States. There has been a predominantly widespread use of 'legal' agents operating under the guise of diplomatic status. There are indications, further, of a general tightening-up of the organizational structure of the Soviet intelligence apparatus. There can be little doubt that this increasing pressure of foreign-directed espionage activity will continue with added emphasis for an indefinite future period."

What about the other side of the coin? Khrushchev charged that the United States violated international law and Soviet sovereignty by flying in the air space above Soviet territory without its permission.

In the past, there was general agreement that each nation was completely sovereign over all air space above its territory. There was no height limitation. This was in the days when planes could fly only at what we now consider very limited altitudes.

An element generally recognized in international law influenced the acceptance of this principle. This was the ability of nations to enforce their claimed sovereignty. Antiaircraft guns in those days had sufficient range to reach any aircraft. No planes could fly so high that they could not be hit. Nations could therefore control all air space above their territories. There was no question about their ability to enforce the sovereignty they claimed.

This concept in international law—of sovereignty being determined largely by the ability of the sovereign to control and enforce its rights in specific areas—is a concept of long standing. It was this principle which, many years ago, led to the recognition in international law of the extension of a nation's territorial rights 3 miles into the high seas. This, at the time, was the range of a cannon ball—and thus the general limit of a nation's ability to enforce its sovereignty with coastal guns located within its boundaries.

What is the rule of international law today on the subject of air space sovereignty? Actually, there is no clear-cut law at all on this subject. What we do know with certainty, however, is that the old concept of unlimited air space sovereignty is no longer accepted. This can be readily proved by the number of manmade satellites now circling the earth at varying altitudes and regularly passing over many nations in their orbit. Since these satellites were launched, no authorities on international law and no leaders of nations have claimed that this country's or the Soviet Union's placing them in orbit was a violation of any nation's air space.

Today, in the latest development of this kind, our country has the Tiros and Midas satellites circling the earth. These are taking pictures continuously. No one has ever seriously charged that this is a violation of international law or national sovereignty.

We know that before long this country, the Soviet Union, and probably other nations as well, will have manned space vehicles in orbit. No one has as yet suggested that these will violate any nation's air space.

What does this mean? It means simply that the old rule of unlimited sovereignty in air space is, as I said before, no longer accepted—and that what is accepted is that a nation's sovereignty ends at some altitude above the earth's surface.

What is this altitude? Is it 100 miles? Apparently not, because satellites orbit at that height without protest. It must be lower.

Is it 50 miles, 25 or 10? On this point, there is no international agreement or law. Therefore, until some agreement is reached, we must rely on general principles of international law to find a reasonable answer to this question.

The principle that obviously applies here is the old one of sovereignty being limited by a nation's ability to enforce it. So far as we know today, no nation has the ability to enforce air space sovereignty at a height of 12 miles or more above the earth—the altitude at which the unarmed American U–2 reconnaissance plane flies.

It would therefore appear that, according to accepted principles of international law, the U–2 flights over the Soviet Union were neither a violation of international law nor of Soviet sovereignty.

I think it is about time that America stood up for its rights in this case and hurled Khrushchev's charges back in his teeth. Principles of international law are on our side—and not his. It's about time we stopped feeling guilty and apologetic about legitimate steps we must take to protect ourselves from destruction at Khrushchev's bloody hands.

We have been retreating too long before the tyrants in the Kremlin on issue after issue. It is time we called a halt before we find ourselves where retreat will no longer be possible.

Yes, Reverend Galligan, and friends, there is an imminent danger from communism. There is also an imminent danger which comes from our own indifference, our failure to grasp the fact that there is an imminent danger from communism.

Capitol Pages

EXTENSION OF REMARKS

OF

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1960

Mr. BROOMFIELD. Mr. Speaker, Washington newspapers carried stories yesterday about the stabbing, robbing, and beating of four Capitol pages not very far from these Chambers.

We all hope for the speedy recovery of those who were attacked by a large gang, and that their personal property is recovered.

More graphically than any words uttered on this floor, this incident points out a shortcoming in our present method of housing, supervision, and possibly selection of our pages who perform such valuable service for us daily.

Earlier this year, I introduced H.R. 11741 to correct these shortcomings. This bill was referred to the House Administration Committee and to my knowledge no action has been taken by the committee to bring this matter to the floor of the House for our further consideration.

There is no denying that certain parts of Washington, despite its beauty, its culture, and its history, are rather rough places for boys to spend their formative years. It is even more evident that the chances of a boy staying out of trouble under these conditions are decreased considerably if he is without adequate supervision and he is permitted to roam the streets of this large city at any hour of the day and night.

Yet this is the situation in which Capitol pages find themselves.

They can live where they will, despite the fact that the Congressional Hotel is only a short distance from the Capitol and has ample facilities to provide adequate housing for these boys.

They are under no supervision, and in fact are not even required to attend school if they are here for a relatively short time.

They are free to live in private homes scattered throughout the city, to come and go as they please, to study or not study as they see fit.

They are selected not on the basis of merit, or competition between those who are most qualified, but on the basis of political patronage.

There are no enforced study periods, only limited counseling and guidance and plenty of opportunity to get in trouble.

I hope that my colleagues will take heed to the warning which has been given us by this latest incident, and that we will enact legislation which will make the housing, the supervision, and the selection of our pages more realistic and more fair to all concerned.

There is no reason why our pages could not be a nucleus for education and training in politics in the best sense of the word. Surely, the facilities are readily available in our Nation's Capital for such education in our history, our traditions, and our heritage of freedom.

The schedule we demand of our pages is almost overwhelming, our requests at times approach the impossible.

The least we can do is to see that our Capitol pages have every opportunity to make the most of this experience, that they are firmly grounded in the basics of government and that they are well-acquainted with our Nation's underlying strength of purpose and ideal.

Let us not wait for a truly tragic incident to force our hand in this matter.

Let us take steps to insure that adequate housing, adequate supervision, and selection of pages, is forthcoming for these young men who are of such value to us in the performance of our tasks.

Spirit of Paderewski: Challenge to Our Times

EXTENSION OF REMARKS

OF

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1960

Mr. DERWINSKI. Mr. Speaker, Saturday, June 25, in solemn ceremony at Arlington National Cemetery, Postmaster General Arthur E. Summerfield, delivered a memorial address commemorating the great achievements of Ignacy Jan Paderewski.

In these troublesome international periods it is well for us to dwell upon the accomplishments of a man such as Paderewski, who combined in his lifetime musical genius, deep devotion to his native land and dedication to true world peace.

The great respect in which Paderewski is held is shown by the fact that he is one of the first to be honored in the champion of liberty commemorative stamps. Great credit is due the Vice President of the United States, the Honorable RICHARD M. NIXON, through whose guidance and appreciation of the contributions Paderewski made to the world, that this stamp was included in the series, and is to be issued October 8.

The Postmaster General's address follows:

THE SPIRIT OF PADEREWSKI: CHALLENGE TO OUR TIMES

This is a solemn moment for me, as I know it is for you.

I am deeply honored to join with you in paying tribute to Paderewski on this centennial commemoration of his birth.

I want to congratulate Mr. Witkowski, the Paderewski Foundation, and the Polish American Congress on organizing this moving tribute to a great statesman and a great musician.

My assignment today is not an easy one. It is difficult, if not impossible, to reflect, in words, the towering stature of this man who walked among us during my youth and early manhood.

It is, I believe, fitting that we commemorate this man in the Valhalla of American heroes. Here, with us, are his bodily remains. But today we note and rededicate ourselves to his spirit.

Only a handful of those whose home and citizenship were in other countries lie here. Yet, if there were only one from a foreign country, it would be appropriate that he be Paderewski.

Around him sleep scores of thousands of Americans who have given their lives to build, preserve, and strengthen our country.

They would understand the passion that ruled Paderewski throughout his life in his devotion to his native Poland.

He would understand those buried here, who gave their final measure of devotion to the principles of freedom and independence.

They rest together in good and honored company.

All Americans who feel a profound love for Poland, and recognize the great contributions of the Polish people to American freedom, understand her pride in claiming Paderewski as a son. But the Polish people would be the first to recognize that he belongs to more than Poland. Through his genius, he belongs also to America and to all mankind.

For Paderewski was a genius in the truest sense of the word, and he dedicated his genius to the highest ideals in the worlds of both art and statesmanship. Beyond that, Paderewski displayed a genuine nobility of person, and a truly Christian strength of character.

No one who has seen him can ever forget the majestic head and inspired face. Nor can we forget his dignity of carriage, which often seemed to make him grow twice as tall. It was his spirit, however, that shone through, and is remembered by all of us here today.

A longtime friend of Paderewski's once said of him: "He had boundless vitality. When he came into a room, the lights seemed to go up."

It was this inner light—this inner fire—that sustained him through his 81 years of life, and won him the admiration and reverence of all who prize the ideals for which he stood.

Few now living can remember the blaze of glory with which he burst on the American musical scene, that night in Carnegie Hall 69 years ago.

But no free peoples will ever forget the courage and devotion to country which he displayed so remarkably at the Paris Peace Conference in 1919, and as the first Prime Minister of a reborn, independent Poland.

Paderewski knew war, revolution, and tyranny even as an infant. As the merest child of 3, he saw his father cruelly thrust into prison by the Russian oppressors in revenge for his courage in aiding the Polish patriots who fought to throw off the yoke of their eastern conqueror.

One must believe that this horror-stricken little boy had burned in his heart a sight which laid the basis for his determination in the protection of his native land.

In this faith in his beloved Poland, he perservered to the last hours of his life—never faltering—just as he perservered in seeking perfection in his musical skills, his poetry, and his role as a composer.

But his guide throughout his life was love for man. If freedom and independence demanded war and revolution, he did not waiver. But his genius was in building and creating, rather than in violence and destruction.

It was the mark of this great man that when he composed the war hymn for the Polish soldiers in World War I, the battle song carried the phrase, "My errand is not of hatred, but of love."

Similarly, in the period after World War I it might have been the easy path to distract the Polish people from their problems at home by turning to war against the Russians.

Paderewski's hatred for the Bolsheviks was no less than that of his countrymen, but he nevertheless chose the harder path of recreating a new Poland—of rebuilding its economy and its society.

Always he was guided by what he knew was in the best interests of the cause of freedom and independence of Poland.

Once Paderewski was asked who was the greater—the statesman or the artist. Without hesitation, he replied "the statesman," and then gave a definition of the term which applies so accurately to himself:

"I speak of that man of state whose courage, morality and wisdom open for humanity a greater path of destiny; of those rare spirits which, voicing the innermost hopes and visions of the race, mold the future and hold up the torch for life."

Truly, he was a statesman.

I have talked of Paderewski, the man; of some of his achievements and his principles.

But what were the motivating forces that made this man's life an object of admiration and respect for his own people, and for free people throughout the world? Wherein lay the inner spiritual strength that sustained him?

Like so many men of genius who contribute so much to mankind, Paderewski was possessed of a wide range of noble qualities of character. Yet, in reviewing his life, I am impressed by certain ones that stand out as an index to his success.

And I am struck also by the fact that these are characteristics that have marked the men of leadership throughout the ages.

Paderewski, early in life, developed to its fullest extent the stout moral pillar of self-discipline. Throughout his life this was reflected in a strength of character that was like a beacon light to others.

It supported him in the days of the Paris Peace Conference, when he sat in the councils of the victorious allies, and worked without ceasing to secure justice and freedom for the Polish people.

Paderewski had unwavering determination in the face of adversity. He dedicated himself unhesitatingly to a cause, no matter how hopeless it might seem at the time, or what hardships it may have inflicted on him.

Paderewski was not concerned with superficial prestige, with bluster or flamboyance. He was a gentleman to the core, in appearance, in manner, and in deed. It is clear from his life that he did not believe that erratic appearance marked the great musician, any more than he believed erratic behavior was the mark of the statesman.

Paderewski had an abiding and vital religious faith. It was a real, living presence in all the actions of his life.

When he returned to the concert stage at the unprecedented age of 62, he was fearful of what the passage of time had done to his skills. Told by his sister that he had never played better, Paderewski replied, simply, "Yes, God was with me all the time."

His sincere, lifelong religious belief won him the friendship of many distinguished churchmen of his own Catholic faith. It also won him the admiration and respect of millions from other faiths, who saw in Paderewski the living example of the Christian statesman, the Christian artist, and the Christian human being.

From the depths of his religious faith, no doubt, sprang Paderewski's quality of selflessness. He served his people always—himself never.

No one can forget the example he set for leaders of free countries when, in the fall of 1919, he voluntarily stepped out as Prime Minister of Poland.

Paderewski could easily have assumed control of his wartorn nation as director, but he felt that he had done his duty. He had served as the unifying force, as no other man could have done, to draw together the Polish people in their first, faltering steps toward existence as an independent nation.

When this was done, he turned the reins of power over to others. He sought not power, but a free native land.

Paderewski was possessed of an innate generosity. Less than 5 years after first visiting the United States he established an award to encourage American composers.

Throughout his life, he was a continuing benefactor of the young of his native Poland and of our own country. He encouraged them to develop their resources, in the study of music, language, and philosophy.

It was Paderewski's generosity with his own personal fortune, during and after World War I, in fact, which required his return to the concert stage in 1922.

But when I speak of his generosity, I do not mean only of his worldly goods. Far more important, Paderewski was generous with himself. Early in life, Paderewski coined a motto which he adopted as his own: "The Fatherland first, art afterward."

This was his real generosity. He gave of all his talents to the cause he felt most right and important.

We must remember that Paderewski made fortunes many times over through his skill as a musician. I would hazard the guess that he was the highest paid concert artist of his age.

Yet he hesitated not an instant before turning to the service of his country when he was needed. Without regret or fear, he turned his back on the piano and all the material riches it had earned for him.

He saw his duty as a man of genius, and directed his efforts toward helping his Polish people toward independence, and in guiding them into being a free, self-sustaining nation.

Again, when the conquerors from both East and West devastated Poland in 1939, Paderewski gave fully of himself. Almost 80 years old, he journeyed to France to accept the Presidency of the Polish Parliament in Exile, and once again fulfill his destiny to unify and lead the Polish people in their fight for freedom.

He was a sick man, and could well sense that shouldering this tremendous burden of political leadership could constitute his death warrant.

He nevertheless answered this call to duty, giving his physical powers, his heart and soul, and his genius without sparing, in answer to the summons of country and conscience.

It is because of this lifelong service to his country and to the principles of freedom that I have directed the Post Office Department to issue special stamps in the "Champions of Liberty" series, honoring Paderewski.

The special stamps will be placed on sale for the first time on October 8, here in Washington, D.C.

This event will coincide with our remembrance of the great contributions made by the Revolutionary War hero, General Pulaski, to our American cause of independence.

Living in today's troubled world, we have an obligation to ourselves and our fellowman to study the qualities that made Paderewski great, and to emulate them in our own lives.

The free world cries out today for leaders and for citizens who will put moral principle first, and accept their responsibility to ward off the forces that threaten our way of life, whether external or internal.

We need today men of Paderewski's self-discipline and courage, who will not retreat before threats, who will not be bullied, who will be confident that a just cause is worthy of any sacrifice.

Too many national leaders, both then and today, would seek the easy way out, of compromise and appeasement.

Often we forget, what Paderewski knew so well, that justice is its own strength. It requires only men of character and courage to take a stand and emerge victorious.

Paderewski's dedication to a cause, surpassing any thought of himself or his own personal glory, is a trait of character so essential in these times of tension.

We have seen a recent example of this in the dignified and unselfish manner in which President Eisenhower has carried himself.

But too often we see the opposite—a man retreating and maneuvering, determined to protect not the cause for which he stands, but only himself.

As we remember this great man, today, we should rededicate ourselves to the abiding Christian faith that sustained him.

Finally, if there is but one lesson we can draw from Paderewski's life, and one element of character to which we pay tribute, it is the generosity of spirit which he displayed.

We live today in times that test the intellect, the moral courage and the dedication of every man.

Abroad, we face the blackest tyrannies—more ruthless and deadly than civilization has ever known.

In our own ranks, too often, we face self-interest, moral cowardice, and retreat.

If we are to survive—and survive we will—we must study well the example left to us by such giants as Paderewski.

We must learn and believe, as he did, that the phrase, "Right makes might," is not an old-fashioned, out-of-date slogan.

We must feel, as he felt, that devotion and dedication to a just cause cannot but succeed in time, if we carry ourselves with determination and confidence.

We must believe, as he did, that the freedom of mankind is the highest value, and pledge ourselves to do our utmost to achieve it.

Above all, we must draw the lesson from this great patriot that the first, and all-compelling duty of genius, is to his fellow man.

Let no one who has ever heard or seen Paderewski, has read about him, or has heard of his role in history, say: "My business is too important to take time for public affairs," or, "I am devoted to the world of arts and cannot be bothered with political life," or "I am too busy taking care of the home," or any of the other thousands of excuses we in public life hear every day from those who will not contribute their talents to the all-important mission of making this country, and every country in the world, a place in which man can live in freedom and dignity.

Late in life, Paderewski said: "The vision of a strong and independent Poland has always been the lodestar of my existence. Its realization is the great aim of my life."

Paderewski's vow was to his native land. We know from this heroic man's career that he would have taken the same vow to protect his fellow man, wherever oppressed and persecuted.

In respect for the immortal soul of the man who lies here with us, I urge that we take—each of us—this same solemn pledge—that we dedicate ourselves to pit all our talents, abilities, and energies, as he did, to achieving strength, freedom and independence for our fellow man, in whatever country he may live, or in what state of bondage he may now be.

With courage, with determination, and with the strength borne of confidence in the justness of our cause, we shall accomplish our mission.

With God's help, we shall go forward to the final victory, when every man can say with pride, "I am free."

The Filipinos Demonstrated Warm Affection for America in Their Welcome to President Eisenhower

EXTENSION OF REMARKS

OF

HON. JOSEPH W. MARTIN, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1960

Mr. MARTIN. Mr. Speaker, we have all followed with interest President Eisenhower's recent visit to certain Asian countries and we read with pride the warm and affectionate welcome extended to him by the people of the Philippines. According to the press it was an unprecedented reception, unprecedented in numbers—about 3 million Filipinos cheered and shouted their welcome in a tumultuous parade; unprecedented in spontaneity—Filipinos came from all over the islands by every means of transportation and at their own personal expense; unprecedented in sincerity—the crowds all but swamped the presidential car and all security arrangements were brushed aside.

It fills the American heart with pride that the Filipino people should have thus shown their loyal friendship for us. In a sector of the world where neutralism has found adherents and where recent developments have not been of an encouraging outlook for us, it is refreshing to have this Philippine token of good will and gratitude. It is good for the American people to realize that true friendship is a thing of the heart, that it cannot be imposed or bought. The Filipinos showed this in Bataan and Corregidor. This was in war. In peace, whatever disappointments they may have had, whatever grievances they may have, whatever suspicions they may harbor, justified or not, that their friendship is being taken for granted by us, the fact is that when they had the opportunity to show to the world their esteem and affection for the American people, they showed it as nobly as they did in our darkest days during the Pacific War.

President Carlos P. Garcia, as their able and worthy spokesman, expressed it so beautifully in the following two

eloquent addresses which, in the words of a distinguished American editor were "the words of a statesman and couched in flawless English that would have done honor to the prose of Woodrow Wilson."

The first one was delivered at the state dinner which the President of the Philippines and Mrs. Garcia gave in honor of President Eisenhower at Malacañang Palace:

Mr. President, in a powerful story by Ambrose Bierce, I recently read the thrilling account of a regimental line of battle awaiting the order to advance. As only Bierce's pen can describe it, the reader sees the long line, quiet, perfect in its precision, each officer and soldier at his post, each superbly disciplined, alert and ready. Then in beautiful flashbacks, the author sketches in the background, behind the lines, tumult among the supply trains, orders and counterorders, medical corpsmen and others running in all directions, in short a kind of disorderly order. The storyteller ends his story with one felicitous sentence: "The men who do not fight are never ready."

I recall this story tonight not only because our distinguished guest of honor was once a military leader but because there is a moral that I would like to draw from it.

Under this roof, Mr. President, many a great foreign dignitary had been entertained but never one with your record of service to the world. You have been the supreme commander of the most powerful army ever mustered together under one command in recorded history and you have led them as the legions of freedom to victory and to immortality. This was in war. In peace, you have been twice elected to the highest post in the gift of the American people and under your leadership, America has shown she can rise to great heights because your vision and statesmanship have summoned her to dare and to achieve.

We are engaged today in a life and death global struggle against communism. Your recent efforts to relieve world tensions and reach an agreement that can lead to peace have been unfortunately frustrated—I hope only temporarily. But deep as the impress your war record has left in history and high as your place is on the roll of your country's statesmen, posterity, sir, will honor you more for the unrelenting struggle that you are waging for peace. Your serenity and unruffled poise in the face of abuse, your dignity and restraint, your stubborn determination to continue to reach your goal despite obstacles in your way—your life indeed has been a life of constant fight—ready to lead the world once again to victory and to peace.

If we are to win in the struggle in which we are now engaged, we must avoid in our free world disunity and disorder as depicted in Ambrose Bierce's flashbacks. The time for unity is now and the Philippines is ready to join its efforts, modest though they be, with that of like-minded nations, in concord and harmony, to fight for peace, that it may not be said of them: "The men who do not fight are never ready."

Cardinal Newman once aptly said: "Men are guided by type, not by argument; that some winning instance must be set before them or the sermon will be in vain and the doctrine will not spread."

Mr. President, you are the type and the winning instance to inspire the free world to follow and emulate.

Ladies and gentlemen: I ask you to rise and drink a toast with me to this century's indomitable fighter for peace, the President of the United States.

The second one was delivered at the dinner given by President Eisenhower at the American Embassy in Manila in honor of President and Mrs. Garcia:

Mr. President, I am grateful to you for your kind and generous words. If your visit to the Philippines, these 3 days that you have been with us, the acclaim that you have received from the vast and unprecedented multitudes wherever you have been seen, the spontaneous demonstrations from our people of their esteem and admiration for you, have given you a spiritual lift, Mr. President, you have made us very happy indeed.

The hundreds of thousands of smiling Filipino faces that were turned toward you had only one message. They saw in you the image of the American people. The nuances of international politics they care very little about. But they know that the United States is engaged in a struggle against a danger that threatens their country, too. They know America is their friend. Many of them are still alive who fought for American ideals of freedom and democracy which are also ours, in Bataan and Corregidor as did their forbears in Tirad Pass and Balintawak. In your person they saw embodied the prestige and principle of the United States. In a mass plebiscite of unprecedented popular demonstration they once more cast their vote of confidence in the United States.

You have seen a people that have risen out of the debris of war and have established a democratic government and have maintained it despite the difficulties and handicaps of postwar reconstruction. You saw Manila soon after the Second World War and you compared the devastation as second only to Warsaw. The grit and determination of our people you have seen as evidenced by the material progress of our country. Much remains to be done but we are happy that you came and saw what has been accomplished and you will return to the United States better acquainted with our needs and our problems.

Your bold venture in personal diplomacy we admire. It is in your character to dare where others would hesitate. But our harassed world needs venturesome spirits with the vision and the courage to blaze new trails to achieve the peace humanity must have if we are to survive. Our people are behind you in your purposeful undertaking and we wish you, Mr. President, godspeed.

In a few moments you will be departing from our shores. You are going forward in your adventure because in the words of President Theodore Roosevelt you are among those who do not "shrink from the hard contest, where men must win at the hazard of their lives and at the risk of all they hold dear." That is the courage and the statesmanship that is the need of today and you go, Mr. President with the hopes and the best wishes and the prayers of the Filipino people.

Ladies and gentlemen, let us drink to the health of the traveling symbol of the highest values that freemen treasure: freedom, the dignity of the human individual, and peace—the President of the United States.

In President Garcia's welcome speech to President Eisenhower, there is expressed such loyalty to American ideals of freedom and democracy that it is difficult to understand how some American newspapers in the past could have doubted even in the slightest this Filipino leader's strong and abiding friendship for the United States. Here is a true friend of our country speaking:

The Philippines and the Filipino people bid you and your distinguished party warmest welcome.

As the humble spokesman of this nation so graciously honored by your visit, I would like to give voice in the greatest measure possible to the immeasurable feeling of affection and esteem that beats so spontaneously in our hearts for you and the great American people.

I recall with a deep sense of gratitude the visit that it was my privilege to make in the United States as your guest 2 years ago. I am happy that you have honored us with this return visit and I express the hope that we can make your stay with us a treasured memory that you will always cherish in the same manner that you made my sojourn in Washington an unforgettable experience.

Here, Mr. President, is a nation that stands for all that America stands for in the way of the greatest human values—freedom, democracy, and the brotherhood of men. These are the ideals that bind your country and ours together, and with them the other nations of the world striving sincerely to win world peace with justice and honor for all.

You had been in our midst before. Indeed, at one time you lived with us, worked with us, and dreamed with us the life to which we aspire—a national aspiration that was our inspiration and article of faith during the long dark moment of the last World War. When we welcome you, therefore, at this time, we feel and we wish you to feel that it is a welcome home.

BATTLE OF BATAAN RECALLED

Welcome home, Mr. President; welcome, America, whom the Filipino people hold closest to the heart. This is an affinity forged in common principles, common ideals, and common experience in war and in peace. I need not recount again the history of this affinity, for it is already well known. The story has been told in the course of half a century, culminating in the apocalypse of Bataan and Corregidor and the apotheosis of Philippine independence following victory for the free world.

But the victory remains to be made complete. And you, Mr. President, come to our midst in the course of a continued quest for the just peace that will endure. We assure you and the great American people that you lead, as well as the free nations that have identified themselves with the great cause, that the Philippines is and will ever be a staunch friend and ally over the vicissitudes of time.

You will be long remembered by our people and other free peoples in Asia for your patient, passionate, and unrelenting quest for a permanent and just world peace in whose environment man may finally subdue such age-old adversaries as ignorance, disease, poverty, and vice and fulfill his highest dignity. We realize that sinister forces keep trying to undermine this grand effort for world peace, but we believe that in the end a gleaming white tower of world peace and brotherhood will rise sturdy and strong upon the firm foundations that America has laid under your leadership.

We in the Philippines know that there are dark clouds hovering over the world, including over our own land, because of the Communist offensive. The collapse of the summit conference in Paris has of late intensified the cold war. That you have not been disheartened or dismayed is a summons for the free world to rise to greater heights than heretofore reached. We are with you, Mr. President, as your friend and ally in the great cause that as freemen we are pledged to defend with all our might and main in complete identification with the rest of freedom-loving and peace-loving humanity.

Around you here today, Mr. President, are the Filipino people, of whose ovation my voice is but a part. See the sincere friendship reflected in their faces. Hear them thunder welcome. And with them and us are also the representatives of the foreign community in Manila, friends too who are with us in the cause of true peace and true amity among nations.

Welcome home, Mr. President. We remember you as the Army officer who came to us way back in 1935 to help us organize our national defense. You are not a stranger to these multitudes who today are acclaiming you. You have made lasting friendships among them. We have watched with increasing pride your rise in your people's esteem as though you belonged to us also.

We look at you as the champion of everything that we cherish nearest and closest to our hearts. By this popular manifestation we hope to impart to you the message that in the Philippines, America has a peerless friend and among the Filipinos she will always find a people who are one with her in ideals.

You are at home, Mr. President, as if you were among your own. And in this spirit, let me open our doors and to you with a full heart in our national language—"Tuloy po kayo sa amin [Welcome, sir, to our home]."

Mabuhay. [Long life.]

Appropriately, President Eisenhower responded with these words:

Mr. President and my friends of the Philippine Islands:

This is indeed for me a homecoming. As I circled over your city I saw the old familiar sights of the Laguna de Bay, the Baguio mountains and the Pasig River, and finally this lovely coastline along which your city lies. Indeed, these sights aroused in me sentiments and emotions that no eloquence of mine could ever adequately express.

I worked among you for more than 4 years. I came here as an assistant to General Douglas MacArthur and only yesterday morning, of possibly—my days are getting mixed up—2 days ago, I called General MacArthur and had a conversation with him about these islands, and this section of the world that he knew so well, and he asked me to convey to you his sincere conviction—strengthened with the years—that always there will be unity between the Philippines and the United States of America. And he asked me to convey to you—Mr. President, and to your people—his warmest greetings and his best wishes for your continued welfare.

The last time that I was enabled to come to see your country was just after the conclusion of World War II. I then saw a city wrecked and living in destruction—everything torn to pieces. As I flew over the city today I saw what Philippine courage, Philippine energy, Philippine endurance, and stamina could accomplish.

Manila is as beautiful as ever it was before—and more so. All over your country the ravages of war have been repaired, by your refusal to surrender to despair or to lose faith in your own destiny.

As I looked at these familiar sights, there was one thing, of course, that was missing: So many of my old friends of the years just preceding World War II, they are gone. So many of them paid the price that freemen have been called upon to pay again and again for the defense of freedom, for the right of living as human people of dignity, to stand straight under their God, and bow the knee to no one else.

I pay tribute to those great heroes, and to all who fought with them and beside them—both American and Filipino. I hope in a symbolic way to pay my respects when I go to some of the cemeteries where they are buried.

But to you, the living, and among you are many of my old friends, I affirm again the determination of the United States to live with you as a true partner in defense of those ideals of liberty and human dignity in which we alike believe.

Between us, just as always it has been the case between members of a family, are some problems to be discussed and to be talked about and to negotiate. But the negotiation and those conferences take place in a spirit of common dedication to ideals that make us true partners. Therefore, no petty differences of any kind can ever tear apart these two great countries, which are certain together to march down the lane of the future—free, proud, prospering, and always friends.

Thank you very much.

The New York Times, in an editorial entitled "Triumphant Start," speaks fittingly of the Philippine reception as spectacularly successful and called it "the true voice of Asia." The editorial follows:

TRIUMPHANT START

President Eisenhower's tour of the Far East has had a spectacularly successful beginning in the Philippines. Many more than a million Filipinos lined up between the airport and the center of Manila to bid him a welcome that surpassed anything seen in the Philippines before.

This was again the familiar Eisenhower, beaming, buoyant, the personification of friendliness and sincerity. The thunderous cheers and waving banners that greeted him and hailed him as "champion of democracy" were, of course, first of all, the acclaim of a friend, an ally and a member of our own family now grown to independence. But they were more than this. They represented the true voice of Asia which, for all its longing for peace and, in some quarters, neutrality in the great conflict of our days, instinctively sees in the United States the defender of freedom and human dignity.

In this respect the Philippine welcome represented a rebuff to the propaganda campaign unleashed against the United States and President Eisenhower personally by Premier Khrushchev and Chairman Mao. It also conveyed a rebuke to the exponents of that campaign in Japan who would separate that country from other free Asian nations.

This aspect of the reception lifted the speeches exchanged between the Philippine and the American Presidents above the diplomatic courtesies usual on such occasions. It gave depth and emotional impact to President Garcia's declaration that the Philippines are and will continue to be stanch friends and allies of the United States in defending freedom and democracy. It gave importance to President Eisenhower's reciprocal pledge that no "petty differences," such as often arise between members of a family, can divide us. That the President conveyed like sentiments from General MacArthur, liberator of the Philippines, added a special touch of grace to the event.

Mr. Speaker, who is this man, the President of the Philippines, who at times has been misrepresented by a sector of our press? An Associated Press dispatch, published by the New York Herald Tribune of June 14, 1960, says:

MANILA, Tuesday, June 14.—Carlos P. Garcia, 63, President Eisenhower's host today, is a blend of tough politician and dreamy poet.

The Philippine President has never lost an election in the jungle of Philippine politics, along a path that took him from the House of Representatives to Senator, Governor, Vice President, and President.

Mr. Garcia was the Vice President of the Philippines under President Magsaysay. His favorite activity is chess. He took over after Mr. Magsaysay was killed in an airplane crash in 1957.

The President himself has never been accused of dishonesty in office. Recently, Mr. Garcia has been taking a tough line toward wrongdoing.

Mr. Garcia indorses Mr. Magsaysay's feeling of pro-Americanism, although his "Filipino first" policy has been misconstrued in some quarters as anti-American.

An incident at a private dinner for Filipinos who once studied at American universities gave a good illustration of this.

Several speakers told of the early days of American rule in the Philippines, when they were bright young men inbued with the ideal of Philippine independence. They intimated that the United States had been slow in granting it.

Mr. Garcia was annoyed at the tone of some of the speakers. He threw away his prepared speech and told his audience, which included only one American, that he had stood and watched the Filipino flag go up and the American flag come down over Manila July 4, 1946.

He said he looked around at the war-devastated city and thought the the Americans could have delayed the promised grant of independence on the ground that the country had been wrecked by the war.

"But they kept their promise, and gave us our independence when they said they would." Mr. Garcia said. Then he banged his fist on the rostrum and fairly shouted:

"That is the America I know, and love."

President Eisenhower's visit to the Philippines was really a show of confidence in the leadership of this pro-American Filipino who refused to surrender to the Japanese during the war but preferred to risk his life with the resistance movement. The joint communique of the two Presidents shows the support that President Eisenhower has pledged to give the efforts of the Garcia administration to industrialize the Philippine economy, the steps taken to foster closer friendship with the Philippines' Asian neighbors, to modernize the Philippine Army, and to defend the Philippines "automatically" in case of enemy attack.

The communique follows:

President Eisenhower, at the invitation of President Garcia, paid a state visit to the Philippines on June 14 to 16, 1960, returning the visit of President Garcia to the United States 2 years ago.

President Eisenhower recalled his personal association with the Philippines extending over a period of many years. As the first President of the United States to visit the Philippines while in office, he expressed his deep sense of satisfaction that he had been afforded this opportunity to attest to the admiration and affection which the Government and people of the United States feel toward their Philippine allies.

President Garcia, on his part, viewed the affection shown to President Eisenhower by the Filipino people as a grateful remembrance of the latter's tour of duty in the Philippines some 25 years ago and their admiration for his military leadership in the Second World War and his dedicated labors for a just and lasting world peace.

The visit afforded President Garcia and President Eisenhower, together with other officials of both governments, an opportunity for a frank and cordial exchange of views on matters of mutual interest. In a review of the international situation and of the bilateral relations of the two countries, the two Presidents—

1. Reaffirmed the bonds of friendship and mutual understanding which have historically joined the Filipino and American Governments and peoples.

2. Noted the problems facing the free world at the beginning of the new decade and discussed the possibility of increased tensions in view of recent statements by Communist leaders in Moscow and Peiping. They renewed their determination to support the work of the United Nations and the objectives of the United Nations Charter

in the interest of true international peace and progress based on justice and the dignity of the individual.

3. Assessed the continuing threat to peace in the Far East posed by Communist China. They reaffirmed the importance of regional co-operation in insuring the independence of the nations of Southeast Asia. They emphasized the important role of the Southeast Asia Treaty Organization in furthering such cooperation and in developing a sense of regional solidarity; and they noted with satisfaction the contribution being made by the Philipines toward strengthening its ties with its Asian neighbors.

STRESS CLOSE PLANNING

4. Noted that President Eisenhower's visit and the warm response thereto by the Filipino people provided renewed evidence of the strength and vitality of the alliance between the Philippines and the United States and of its essential contribution to the security of southeast Asia. To promote the continuing strength of the alliance and to enable the Philippines to discharge its obligation thereunder, they emphasized the importance of close military collaboration and planning between the appropriate authorities of their countries. They further expressed the view that this close military collaboration and planning should be aimed at the maximum effectiveness in formulating and executing United States military assistance programs and in furthering Philippine defense capability in the light of modern requirements.

5. Noted the recent meeting of the Council of Foreign Ministers of the SEATO held in Washington and expressed satisfaction with the continuing effectiveness of the SEATO as a deterrent to Communist agreement in southeast Asia. They were also gratified that the Washington conference had given attention to the economic objectives of the SEATO, recognizing the importance of economic cooperation between and among the members.

ASSURANCE RENEWED

6. Recalled the provisions of the Mutual Defense Treaty. President Eisenhower, on his part, renewed the assurance he had made to President Garcia in Washington that under the provisions of this treaty and other defensive agreements between the Philippines and the United States and in accordance with the deployments and dispositions thereunder, any armed attack against the Philippines would involve an attack against the United States forces stationed there and against the United States and would instantly be repelled. It was noted that this understanding was included in the agreement reached between the Secretary of Foreign Affairs of the Philippines and the Ambassador of the United States on October 12, 1959.

7. Noted with satisfaction the considerable progress that had been made in talks between the Secretary of Foreign Affairs of the Philippines and the Ambassador of the United States toward settlement of problems arising from the presence of U.S. bases in the Philippines. They expressed confidence that the few remaining problems will be similarly resolved to the mutual satisfaction of the two governments.

8. Reemphasized the importance of strong, stable economies in furthering the objectives of peaceful development in the free world. President Eisenhower expressed his gratification at the evident progress which has been made in the Philippine economy, including notable advances in industrialization. The contribution which the U.S. aid programs have made and will continue to make to Philippine economic development was emphasized. In recognition of the economic interdependence of all nations in the modern world, they discussed opportunities for increased private investment and expanded trade between the two countries in a climate favorable to free enterprise and to the free movement of capital.

President Garcia and President Eisenhower concluded that the exchange of views and the renewal of personal associations made possible by President Eisenhower's visit will further strengthen the traditional ties between the two countries and will contribute significantly to the advancement of their cooperative efforts on behalf of peace and progress in this vital part of the world.

Expressive of the feelings of the American people whose reaction to the Philippine reception is one of heartfelt gratitude to the Filipino people and to the leadership of President Garcia under whose direction the arrangements for the welcome were made, is the following editorial of the Arizona Republic printed on June 19, 1960, entitled "Our Real Allies":

OUR REAL ALLIES

President Eisenhower said the size of his reception in the Philippines last week had not been equaled "at any time, anywhere" in his travels around the world. In contrast with the rioting Japanese mobs in Tokyo, some 2 to 3 million friendly Filipinos in Manila cheered themselves hoarse for the President and demonstrated their friendship for the United States.

You would have to go back 60 years in history to find the genesis of President Eisenhower's amazing reception in the Philippines. After an accident of war had dropped the islands into our laps, President McKinley declared the United States had no intention of remaining permanently sovereign in the Philippines. Instead, he said, the United States would train the Filipinos in the art of self-government and would give them their national independence when they were ready. That promise was kept on July 4, 1946, and nothing since has seriously affected the unity of American-Philippine relations.

One reason why the Filipinos like us so much is that we never showered them with foreign aid. Roughly a thousand American school teachers went to the Philippines on the U.S.S. *Thomas* and other Army transports in 1901 and 1902, but their salaries were paid by the Philippines. Americans served as governors general, as supreme court judges, and as secretaries of public instruction until the Philippines achieved commonwealth status in 1935, but they, too, were paid for by the Filipino—not the American—taxpayer. It is true that the United States has been generous in war damage payments and trade arrangements with the Philippines since World War II, but that is because the Japanese destroyed the Philippine economy in their efforts to hurt the United States. The Filipinos stood by us in the war, and we obviously owed them a boost in rebuilding their economy.

It would be a mistake, nonetheless, for Americans to take the Filipinos for granted. We must respect the pride of the Filipinos, and we must never forget they are citizens of a sovereign nation. We should not demand more favorable conditions for American military personnel in the Philippines than in Japan, for instance. We should pay off the rest of the war damage claims which we originally accepted. We should continue to make Export-Import Bank loans available.

For it is quite possible that the Philippines will soon become our only reliable ally in the Far East. The Kishi government in Japan could fall at any time. The successors to the Rhee government in Korea have not made clear where they stand. Chiang Kai-shek is a true friend, but no one can say what will happen to Formosa after he dies. India, Burma, and Indonesia are neutralist at best, pro-Communist at worst. Thailand, Laos, Vietnam, and Cambodia have more propaganda than strategic value. Malaya's position is always dependent on Chinese-controlled Singapore.

We need the Philippines, and the Philippines needs us. We should continue to build on the firm foundations laid during six decades of united effort. President Eisenhower's visit to the Philippines is the brightest spot in what so far has been a grim journey.

Mr. Speaker, as a fitting conclusion may I include in my remarks the following address by Gen. Carlos P. Romulo, Philippine Ambassador to the United States, which he delivered several days ago at the annual dinner of the 4th Marine Division held at the Shoreham Hotel and printed in the Sunday Washington Star, in which he eloquently and substantively analyzes the significance of President Eisenhower's tumultuous welcome that the Filipinos accorded him, in the light of recent events in Paris, in Moscow, and in Japan:

As you know I have just returned from the Philippines where I witnessed the unprecedented welcome, unprecedented in number and in warmth, given by the Filipino people to your President. It was a moving spectacle to see 3 million of my fellow countrymen anxious to show, in a tumultuous demonstration of esteem and affection, their faith in the United States. It brought to my mind other unforgettable scenes—the foxholes of Bataan where our starving, malaria-ridden, poorly equipped Filipino soldiers fought and fell for the American flag.

Many years have elapsed since the war. An uncertain peace had followed. A new danger had arisen to threaten freedom. Because of this new menace and because of America's growing responsibilities as the leader of the free world, it was felt in many quarters in the Philippines that in America's effort to make new friends, old friendships at times seemed to be taken for granted and even former enemies appeared to be given preferential consideration over former allies.

I have repeatedly given voice to this feeling of my people in my public utterances here in the United States. At the same time I always underscored the fact that despite this, I was certain that the Filipino people's friendship for the United States is steadfast and unswerving, that because we share your faith in the ideals of freedom and democracy, we can always be depended upon to show that faith in any supreme test.

The summit conference was brazenly scuttled by Stalin's successor. An invitation previously extended to President Eisenhower was abruptly withdrawn. Another invitation to visit another country was causing tension, riots, and bloodshed, and a government was about to fall. America's prestige was at stake. Here then was another challenge for the Filipinos to show their faith in your people. They accepted the challenge—and from the moment President Eisenhower landed on Philippine soil until he left 3 days later, because to them your leader is your Nation's image, the Filipino masses from the barrios and hamlets and towns spontaneously gathered in Manila and the reception they accorded the President of the United States has made history. It was the Filipino way of telling the world that its faith in America is whole and unimpaired. This, may I emphasize, is the essence of loyal friendship.

What is the moral to be drawn from this? Your press can overplay the riots and the

snake dances and the subversive and hate slogans to the neglect of other newsworthy events in friendly countries; you can magnify the importance of security treaties and get lost in discussions as to whether ventures in personal diplomacy and goodwill visits are useful or not; you may mistakenly favor countries which you believe are potentially useful industrially and militarily to you in the future; but in the long run, what really counts because it is abiding and is not subject to political expediencies of the moment or to Communist blandishments, is for you to have friends, friends tested and true, who whenever the showdown comes can be trusted to stand up and be counted on the side of freedom and human dignity.

Let America ponder these recent events, and if I have any message for you tonight it is to invite you to indulge in a searching national introspection that you may be able to distinguish hereafter between fair-weather friends and those who believe in you, as we in the Phillipines do, because of the identity of our democratic and libertarian ideals."

SENATE

WEDNESDAY, JUNE 29, 1960

The Senate met at 11 o'clock a.m., and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou eternal God, before whose face the generations rise and pass away, to whom a thousand years are but as yesterday, save us from being enslaved by the temporal and the transient.

When the present with its tempests and darkness tempts us to lose faith and hope, when songs die on our lips and failures mock us with hollow laughter, give us the confidence that Thou will never let our values be confounded nor allow us to be cast away in final despair and defeat.

When the shattered pieces of our cherished plans for good will lie all about us, crucified by evil forces, rather than lose courage and faith, remind us that an eclipse does not blot out the sun, and that so much of God broke through the ruined plans of Jesus that two thousand years have seen no fading of its light. In His name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 28, 1960, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, June 29, 1960, the President had approved and signed the following acts:

S. 899. An act to repeal certain provisions of law requiring the submission of certain reports to Congress, and for other purposes;

S. 1765. An act to authorize and direct the Treasury to cause the vessel *Edith Q.*, owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States with limited coastwise privileges; and

S. 3130. An act for the relief of Anne-Marie Stehlin.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1898) to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for rehearings under such act, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H.R. 12417) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 12417) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength, was read twice by its title and referred to the Committee on Armed Services.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

ANNOUNCEMENT OF MEETING WITH HOUSE OF REPRESENTATIVES TO HEAR ADDRESS BY THE KING OF THAILAND

Mr. MANSFIELD. Mr. President, I wish to announce to the Senate that at 12:15 the Senate will take a recess, to convene in the Hall of the House of Representatives for a joint meeting, to hear the King of Thailand.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Labor Subcommittee of the Senate Committee on Labor and Public Welfare be permitted to meet during the session of the Senate today.

Mr. WILLIAMS of Delaware. Mr. President, upon request, I object.

The VICE PRESIDENT. Objection is heard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Production and Stabilization of the Committee on Banking and Currency be permitted to meet during the session of the Senate today.

Mr. WILLIAMS of Delaware. Mr. President, I have been requested to object; and I object.

The VICE PRESIDENT. Objection is heard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Finance Committee, the Committee on Interior and Insular Affairs, the Patents Subcommittee of the Committee on the Judiciary, and the Committee on Interstate and Foreign Commerce be permitted to meet during the session of the Senate today.

Mr. President, I ask unanimous consent that the Senate Committee on Foreign Relations be permitted to sit during the session of the Senate on Thursday, June 30.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

On request of Mr. ELLENDER, and by unanimous consent, the Subcommittee on Labor of the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS, LEGISLATIVE BRANCH, EXECUTIVE BRANCH, AND DISTRICT OF COLUMBIA (S. DOC. NO. 111)

A communication from the President of the United States, transmitting proposed supplemental appropriations involving new obligational authority in the amount of $19,207,340 and other authorizations in the amount of $33,072,600 for various departments and agencies (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

PLANS FOR WORKS OF IMPROVEMENT IN COLORADO, FLORIDA, GEORGIA, HAWAII, INDIANA, MISSISSIPPI, NEW MEXICO, TEXAS, AND VIRGINIA

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Franktown-Parker tributaries of Cherry Creek, Colo., upper Josephine-Jackson Creek, Fla., Sandy Creek, Ga., Waianae Iki, Waianae Nui, Hawaii, French Lick Creek, Ind., Bentonia, Miss. upper Gila Valley Arroyos No. 1, N. Mex., East Keechi Creek, Tex., and Beaver Creek, Va. (with accompanying papers); to the Committee on Agriculture and Forestry.

PLAN FOR WORKS OF IMPROVEMENT IN NORTH CAROLINA

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, a plan for works of improvement on Town Fork Creek, N.C. (with accompanying papers); to the Committee on Public Works.

PETITION

The VICE PRESIDENT laid before the Senate a petition signed by Dimitri L. Frank, and sundry other American citizens of Russian descent, relating to amendments of Public Law 86–90, concerning the Week of Subjugated Nations, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CLARK, from the Committee on Post Office and Civil Service, with an amendment:

S. 3147. A bill relating to interest rates payable on obligations of the United States purchased by the Civil Service Retirement and Disability Fund (Rept. No. 1764).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

H.R. 808. An act to authorize the Secretary of State to evaluate in dollars certain financial assistance loans expressed in foreign currencies arising as a result of World War II, and for other purposes (Rept. No. 1766); and

H.J. Res. 672. Joint resolution authorizing and requesting the President to issue a proclamation with respect to the 1960 Pacific Festival, and for other purposes (Rept. No. 1765).

By Mr. ELLENDER, from the Committee on Appropriations, with amendments:

H.R. 12326. An act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Tennessee Valley Authority, and certain study commissions, for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 1768).

By Mr. HICKENLOOPER, from the Committee on Agriculture and Forestry, with an amendment:

S. 3247. A bill to amend the act of September 9, 1959 (73 Stat. 473), to provide that payment for the lands covered by such act may be made on a deferred basis (Rept. No. 1769).

By Mr. COOPER, from the Committee on Agriculture and Forestry, without amendment:

S. 882. A bill for the relief of the heirs of J. B. White (Rept. No. 1770).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, with an amendment:

S. 3146. A bill to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economics courses (Rept. No. 1771).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, with amendments:

S. 3759. A bill authorizing the Secretary of Agriculture to convey certain lands to Auburn University, Auburn, Ala. (Rept. No. 1772).

By Mr. YOUNG of North Dakota, from the Committee on Agriculture and Forestry, without amendment:

S. 3533. A bill to protect farm and ranch operators making certain land use changes under the Great Plains conservation program against loss of acreage allotments (Rept. No. 1773).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 10997. An act to grant to the Government of Guam certain filled lands, submerged lands, and tidelands (Rept. No. 1775); and

H.R. 11854. An act to clarify the ownership of certain church properties located in the Virgin Islands (Rept. No. 1776).

INTERNAL REVENUE CODE PROVISIONS RELATING TO POSSESSIONS—REPORT OF A COMMITTEE—MINORITY AND INDIVIDUAL VIEWS (S. REPT. NO. 1767)

Mr. KERR. Mr. President, from the Committee on Finance, I report favorably, with amendments, the bill (H.R. 5547) to amend certain provisions of the Internal Revenue Code of 1954 relating to possessions of the United States, and I submit a report thereon. I ask unanimous consent that the report be printed, together with minority and individual views.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Oklahoma; and the bill will be placed on the calendar.

REPORT ENTITLED "OPERATION OF ARTICLE VII, NATO STATUS OF FORCES TREATY" (S. REPT. NO. 1774)

Mr. ERVIN. Mr. President, on behalf of the Senate Committee on Armed Services, I submit a report of the Subcommittee on the Operation of Article VII of the Status of Forces Agreement, which report of the subcommittee has been approved by the full committee. I ask unanimous consent that the report be printed, with illustrations.

The VICE PRESIDENT. Without objection, the report will be received and printed, as requested by the Senator from North Carolina.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry:

Carl J. Stephens, of Iowa, to be General Counsel of the Department of Agriculture, vice Frank Barrett.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK:

S. 3775. A bill for the relief of Louis Chant (Lu Chung Chang); to the Committee on the Judiciary.

By Mr. CLARK (for himself and Mr. YARBOROUGH):

S. 3776. A bill to authorize Federal loans and matching grants as alternative forms of assistance to colleges and universities for the constructive, rehabilitation, alteration, conversion, or improvement of classroom buildings and other academic facilities; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Louisiana:

S. 3777. A bill to restate terms of the grant covering the Rockefeller Wildlife Refuge and Game Preserve to permit it to comply with current Louisiana law; to the Committee on Interstate and Foreign Commerce.

By Mr. CHAVEZ:

S. 3778. A bill to correct injustice by providing for back pay to certain officers as required by the act of September 14, 1922, 42 Stat. 840, chapter 307; to the Committee on Armed Services.

By Mr. McCLELLAN (by request):

S. 3779. A bill to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL:

S. 3780. A bill to amend section 314 of the Public Health Service Act to provide a grant program for the prevention and control of dental diseases and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

COLLEGE CLASSROOM ASSISTANCE ACT OF 1960

Mr. CLARK. Mr. President, on behalf of myself and the junior Senator from Texas [Mr. YARBOROUGH], I introduce, for appropriate reference, a bill to authorize Federal loans and matching grants as alternative forms of assistance to colleges and universties for the construction, rehabilitation, alteration, conversion, or improvement of classroom buildings, and other academic facilities.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3776) to authorized Federal loans and matching grants as alternative forms of assistance to colleges and universities for the construction, rehabilitation, alteration, conversion, or improvement of classroom buildings and other academic facilities, introduced by Mr. CLARK (for himself and Mr. YARBOROUGH), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. CLARK. Mr. President, the Education Subcommittee of the Committee on Labor and Public Welfare has recently concluded hearings on the problems of higher education. The subcommittee, over which the distinguished junior Senator from Texas [Mr. YARBOROUGH] presided as acting chairman, was kind enough to invite me to join with them, although I am not a member of the subcommittee.

One of the bills under consideration was my bill, S. 3007, on which a score of my colleagues have joined as cosponsors. This bill would authorize a loan program to assist colleges and universities to construct classrooms, laboratories, libraries, and other academic buildings

comparable to the program which has been so helpful in assisting institutions of higher education to build dormitories.

Senators will recall that my bill was passed by the Senate three times as part of omnibus housing bills, but it was removed from our third housing bill last year because of the strong objections which the President had to launching this new program of aid for higher education. Accordingly, I introduced the measure as a separate bill this year.

Mr. President, the testimony received from the organizations representing higher education, as well as individual experts and spokesmen for individual institutions, all had one theme: Higher education needs help.

We face the necessity of doubling our college enrollment within the next 10 years. For construction and operations together, we face the necessity to triple our total expenditure for higher education within that period.

Our witnesses were in virtually complete agreement that the colleges and universities of America will not be able to foot the entire bill from present sources of revenue. They need assistance from the Federal Government.

There was also general agreement on another point: That the bill which I had introduced, S. 3007, was not good enough. While it would be highly useful in meeting the needs of some institutions, it would not be of much help to others. In particular, the State universities, land-grant colleges, and other public institutions indicated that loans would be of little help to them. What they need are matching grants which would give the State legislatures, or in a few instances the local communities, an incentive to appropriate additional funds needed for construction of facilities.

I agree with the desirability of a grant as well as a loan approach. Three years ago, Senators will recall, the President's Committee on Education Beyond the High School, headed by Mr. Devereux S. Josephs, recommended a program of grants along the lines of the Hill-Burton Act. I thought that Committee's reasoning was sound then, and I still think so. The only reason I introduced a loan bill rather than one for grants was that the former was simpler to draft, there was wide agreement on it, and it seemed possible we could get something going faster.

However, in view of the testimony favoring the grant approach, I asked a group of educators who have been concerned with this problem to get together informally and draft a bill incorporating both loan and grant features, so that an institution could take its choice. Some will prefer grants, but some of the private institutions in particular have indicated they would not desire to accept Government grants but would prefer loans.

Mr. President, I have sent to the desk on behalf of the Senator from Texas [Mr. YARBOROUGH] and myself, the bill which has been drawn by these educators at my request. The amount of money to be authorized has been left blank. The bill sets forth, I believe, a simple and workable plan. Considerable discretion would be left to the Commissioner of Education and to a 12-man National Advisory Council on Academic Facilities, 9 of whom would be drawn from the ranks of active or retired university and college administrators.

I realize it is late in the session. But this bill will have, I am confident, strong support from all of the organizations representing higher education. I hope that the crucial needs of higher education will not be lost in the adjournment rush. We cannot afford to wait another year to get a program of college construction underway.

SCHOLARSHIPS UNDER THE SURPLUS PROPERTY ACT OF 1944, AS AMENDED

Mr. McCLELLAN. Mr. President, by request, I introduce, for appropriate reference, a bill to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended.

This proposed legislation is introduced at the request of the Assistant Secretary of the Interior in order that the people of American Samoa, who are now excluded as nationals of the United States from the allocation of foreign scholarships which are financed from the proceeds of the sale of surplus property in foreign countries, a program established under a bill introduced by my colleague [Mr. FULBRIGHT], for the benefit of Americans desiring to study abroad.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3779) to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended, introduced by Mr. McCLELLAN (by request), was received, read twice by its title, and referred to the Committee on Government Operations.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the letter from the Assistant Secretary of the Interior, addressed to the President of the Senate requesting this legislation, be included in the RECORD as a part of my remarks, at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 20, 1960.

HON. RICHARD M. NIXON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended.

We suggest that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

By section 32(b)(2) of the Surplus Property Act of 1944, as amended (50 U.S.C. App. 1641(b)(2)), a system of foreign scholarships, to be financed from the proceeds of the sale of surplus property in foreign countries, was established for the benefit of Americans desiring to study abroad. The wording of the law restricts the benefits of this program to citizens, thus, perhaps unintentionally, excluding from consideration the very small class of persons, principally the indigenous inhabitants of our possession of American Samoa, who are legally classified as American nationals.

The people of American Samoa have demonstrated their complete loyalty to the United States and their dedication to American ideals, equally with the inhabitants of any of the other territories of the United States. We believe that their exclusion from eligibility for these scholarships is an unfair discrimination against them. The purpose of the proposed legislation is to remove this discrimination by adding the words "or nationals" after the word "citizens" wherever it appears in such section.

The Bureau of the Budget has advised that there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

ROGER ERNST,
Assistant Secretary of the Interior.

Mr. McCLELLAN. Mr. President, I also ask unanimous consent that there be included in the RECORD extracts from a report compiled by the staff of the Committee on Government Operations on the "Reorganization of the Passport Functions of the Department of State," which was approved for printing as a committee print and released on June 22, 1960. This section of the staff report clarifies the difference between "nationals" and "citizens" of the United States.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

TO WHOM PASSPORTS MAY BE ISSUED

In order to clarify the categories of persons to whom a U.S. passport may be issued, the staff has also recommended that a statement to that effect should be included in passport legislation.

There are indigenous natives or inhabitants of islands under the sovereignty of the United States who owe allegiance to the United States but who have not been invested with full citizenship. This refers principally to the indigenous inhabitants of American Samoa and Swains Island. They became nationals of the United States under general principles of international law, whereby the state acquiring sovereignty over territory becomes entitled to the allegiance of all persons who, immediately prior to the acquisition, owed allegiance to the ceding state.

Legislation conferring citizenship upon most of the natives and inhabitants of other outlying territories under the sovereignty of the United States has been enacted. However, there are a limited number of natives and inhabitants of Puerto Rico and the Virgin Islands who acquired U.S. nationality under the terms of the treaties with Spain and Denmark, but who have not acquired U.S. citizenship under the pertinent legislation, since they were not residing in territory under the sovereignty of the United States at the proper times as designated in the acts. As nationals of the United States, these persons are entitled to receive U.S. passports.

The definition of a "national" as used in the Immigration and Nationality Act, section 101(a)(21), is: "The term 'national' means a person owing permanent allegiance to a state."

Section 101(a)(22): "The term 'national of the United States' means (A) a citizen of the United States, or (B) a person who,

though not a citizen of the United States, owes permanent allegiance to the United States."

In other words, a citizen of the United States is a national but a national is not necessarily a citizen.

PROGRAM FOR PREVENTION AND CONTROL OF DENTAL DISEASES

Mr. HILL. Mr. President, I introduce, for appropriate reference, a bill to amend section 314 of the Public Health Service Act to provide a grant program for the prevention and control of dental diseases and for other purposes.

Mr. President, to meet a substantial deficiency in our State public health programs, I am today introducing a bill to establish a dental category in the program of Federal grants-in-aid to States for general health activities.

I recognize that time will not permit the Congress to take action on the measure during the remaining days of this session, but it is my intention that by introducing the bill at this time, all interested agencies and individuals will have an opportunity to review the bill prior to the beginning of the Congress next year at which time the bill will be reintroduced.

For more than 40 years, the grant-in-aid principle has been used to assist State and local governments in developing new programs, expanding and improving existing ones, raising standards of health care and adding and training personnel. Federal funds earmarked for specific areas such as heart disease, cancer, tuberculosis, maternal and child health, have served as a potent stimulus to the development of extremely effective programs. Similar results can be achieved in the area of dental diseases by enactment of the bill I have introduced.

The dental health problem in this country is one of large and serious proportions. Today, more than 170 million people in the United States either have dental disease or face the almost certain prospect of suffering from tooth decay, periodontal disease, oral cancer, malocclusion or cleft lip and palate.

I am looking forward to a hearing on this bill early in 1961 at which time testimony will be sought not only from representatives of the American Dental Association but also from State dental health directors whose programs will be directly benefited by this dental grants-in-aid bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3780) to amend section 314 of the Public Health Service Act to provide a grant program for the prevention and control of dental diseases and for other purposes, introduced by Mr. HILL, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

FAIR LABOR STANDARDS AMENDMENTS OF 1960—AMENDMENTS

Mr. GOLDWATER submitted amendments, intended to be proposed by him, to the bill (S. 3758) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes, which were ordered to lie on the table and be printed.

VOLUNTARY PENSION PLANS FOR SELF-EMPLOYED INDIVIDUALS—AMENDMENTS

Mr. DOUGLAS submitted amendments, intended to be proposed by him, to the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals, which were ordered to lie on the table and to be printed.

PRINTING OF REVIEW OF REPORTS ON OUACHITA AND BLACK RIVERS, ARK. AND LA. (S. DOC. NO. 112)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated June 23, 1960, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of reports on Ouachita and Black Rivers, Ark. and La., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted on August 10, 1957. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE OF HEARING ON NOMINATION OF ANDREW G. LYNCH, OF NEW YORK, TO BE AMBASSADOR TO THE SOMALI REPUBLIC

Mr. FULBRIGHT. Mr. President, on behalf of the Committee on Foreign Relations, I desire to announce that the Senate yesterday received the nomination of Andrew G. Lynch, of New York, to be ambassador to the Somali Republic.

In accordance with the committee rule, the pending nomination may not be considered prior to the expiration of 6 days.

NOTICE OF HEARING ON NOMINATION OF FREDERICK W. KAESS TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MICHIGAN

Mr. HART. Mr. President, on behalf of the Committee on the Judiciary, I desire to announce that there will be a public hearing on the nomination of Frederick W. Kaess, of Michigan, to be U.S. district judge for the eastern district of Michigan, vice Arthur F. Lederle, retiring, at 2:30 p.m. Thursday, June 30, 1960, in room 2300, New Senate Office Building.

All persons interested in the above nomination may make such representations as are pertinent at the abovementioned time and place. The subcommittee consists of the Senator from Connecticut [Mr. DODD], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MCNAMARA:

Address by Senator MORSE entitled "Social Policies for the Aged in a Democracy," given at the 13th Annual Conference on Aging, Ann Arbor, Mich., June 27, 1960.

News release entitled "Senate Summary," dated June 15, 1960, from office of Senator MCGEE.

By Mr. STENNIS:

Remarks by Senator LUSK entitled "The Power of Prayer," to a group of Senators June 29, 1960.

By Mr. HARTKE:

Article entitled "Berlin Must Always Be Free," published in the Indianapolis (Ind.) Times of June 26, 1960; and statement by him, entitled "Berlin as I See it."

HOSPITAL COSTS EXCEEDING $1,000 LEAVE ELDERLY LADY LESS THAN $300 FROM SOCIAL SECURITY TO LIVE ON FOR 2½ YEARS

Mr. PROXMIRE. Mr. President, I have recently received a letter from a constituent who writes in part as follows:

In April 1957, I had a heart attack and was in the hospital for 30 days. In June of 1958 another attack put me back in for another 28 days. In January 1959, I spent another 8 days in the hospital and in November 1959, I had the most serious attack of all and spent 29 more days in the hospital.

My actual hospital costs from April 1957 to January 1, 1960, were $1,577.75. I paid $1,043.08 and Blue Cross covered the rest. I have received $1,339.60 in social security payments from December 1, 1957, to January 1, 1960. This leaves me the sum of $296.68 to live on from April 1957 to January 1, 1960.

In my group of friends there are many others in the same circumstances. We discuss this over and over when we meet at social get-togethers since it is the No. 1 problem in our lives. How to keep our spirits in the face of increasing costs with little income. I am told my insurance is going up to $15 per quarter. The hospitals again raised their rates March 1, 1960.

Mr. President, every Senator has received many letters of this kind. These are honest expressions of people with deep, human problems. We have a clear and emphatic obligation to act within the next few days to meet this desperate need, by means of a bill to provide some way in which our aged can receive the medical services they deserve.

I ask unanimous consent, Mr. President, that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

I have been reading the many articles on the Forand bill. I can tell you that I am very much in favor of this bill, since my case will prove it.

In April 1957, I had a heart attack and was in the hospital for 30 days. In June of 1958 another attack put me back in for another 28 days. In January 1959, I spent another 8 days in the hospital and in November 1959, I had the most serious attack of all and spent 29 more days in the hospital.

I reached the age of 62 in December 1957. My social security payments started at $54.40

a month until 1959 when they were raised to $58.40 a month. My drug bill averages about $60 a year with about $20 added for checkups by the doctor. My Blue Cross cost $7.50 per quarter until June 1959 when it was raised to $13.50 per quarter.

My actual hospital costs from April 1957 to January 1, 1960, were $1,577.75. I paid $1,043.08 and Blue Cross covered the rest. I have received $1,339.60 in social security payments from December 1, 1957, to January 1, 1960. This leaves me the sum of $296.68 to live on from April 1957 to January 1, 1960. I am very fortunate that I am living with my son who is able to support me.

In my group of friends there are many others in the same circumstances. We discuss this over and over when we meet at social get-togethers since it is the No. 1 problem in our lives. How to keep up our spirits in the face of increasing costs with little income. I am told my insurance is going up to $15 per quarter. The hospitals again raised their rates March 1, 1960. My son has six children and expects another.

My son has tried to find some cheaper insurance with good coverage and other plans will not accept me with my heart condition or else the coverage is no good.

I feel that the Government should certainly provide hospital and surgical care at no cost to the retired. I ask you to do all you can to get this bill passed, since it is the least you can do to take care of our age group.

LEGISLATIVE APPROPRIATIONS—CONFERENCE COMMITTEE

Mr. WILLIAMS of Delaware. Mr. President, I was not present in the Chamber yesterday when the Senator from Mississippi [Mr. STENNIS] moved that the Senate further insist upon its amendment No. 44, and that it disagree to the House amendment to Senate amendment No. 51, and that it further insist upon its amendment No. 51. That motion was agreed to; and then the Senator moved that the Senate request a further conference on these two amendments, and that the Chair appoint the conferees on the part of the Senate. That motion was also agreed to. But I ask unanimous consent that that action be rescinded at this time.

The VICE PRESIDENT. Is there objection? Without objection——

Mr. MANSFIELD. Reserving the right to object, Mr. President, will the Senator from Delaware explain his reason for making this request?

Mr. WILLIAMS of Delaware. Yes. I am sure the action taken on that matter was the result of a misunderstanding. I had told the Senator from Mississippi that I had no objection to a request that a further conference be held on the Senate amendment which dealt with the appropriation of funds for the restoration of the old Supreme Court-Senate Chamber. But I did not know that a request would be made to have a further conference with the House on amendment No. 51, which deals with the Congress accounting for its expenditures. However, that motion has been made and has been agreed to; and unless action is taken at this time, the papers will be sent to the House of Representatives and the conference on that amendment will be held.

I wish to be present when that motion is considered. So the request I make at this time is for the purpose of having the Senate rescind its action in agreeing to that motion, by the Senator from Mississippi [Mr. STENNIS] so that matter will return to the parliamentary situation in which it stood before that motion was made and was agreed to.

Mr. MANSFIELD. Will the Senator from Delaware withhold his request temporarily? Otherwise I would have to object until the Senator from Mississippi [Mr. STENNIS] was notified.

Or has the Senator from Mississippi already been notified?

Mr. WILLIAMS of Delaware. No. I am glad to have him notified; but it is necessary that I make this request and have it agreed to at this time, in order to prevent the papers from being sent to the House of Representatives and to prevent the conference procedure.

If my request is agreed to, this matter will return to the status it was in before the motion of the Senator from Mississippi was agreed to; and then the Senator from Mississippi can bring up his motion again, at which time I shall be present.

This matter has been before the Senate four or five times; and if my request is agreed to, I certainly will not proceed further in suggesting any action until the Senator from Mississippi is present.

However, I certainly think it is proper to have the Senate rescind the action it took yesterday in my absence, and to have the papers held here until the Senator from Mississippi is present and until I can discuss the matter with him in the Chamber. The action which was taken was, I am confident, the result of a misunderstanding. I certainly do not wish to cast any reflection upon the action of the Senator from Mississippi.

Mr. MANSFIELD. Did the Senator from Delaware notify the Senator from Mississippi of this matter or ask that he be informed?

Mr. WILLIAMS of Delaware. I could not get in touch with the Senator from Mississippi this morning. Meantime, I have made this request. Otherwise—if my request is not agreed to—the papers will automatically be sent to the House of Representatives and the procedure for the conference will be followed.

Mr. MANSFIELD. Will the Senator from Delaware withhold his request until we ascertain whether it will be possible to come to an agreement?

Mr. WILLIAMS of Delaware. I will be glad to withhold it for a few minutes, until the Senator from Mississippi can be located.

AMENDMENT OF FEDERAL AVIATION ACT OF 1958—CONFERENCE REPORT

Mr. MONRONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation for certain additional persons. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 29, 1960, p. 15010, CONGRESSIONAL RECORD.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MONRONEY. Mr. President, this is virtually the same measure as the bill which the Senate passed unanimously. The conference report puts into law the outer limits by which the airlines can grant free or reduced rates, primarily to their own employees, or to retired employees. The only deviation from the bill as passed by the Senate is provision making definite and sure that the officers and employees and directors must, if they are retired, be part of the retirement program of the airlines, so they could not temporarily create an office, and then have the incumbent enjoy the reduced rates or pass privileges of the airlines.

The bill contained a section, which was stricken out at the insistence of the House, granting reduced rates to servicemen traveling to or from Alaska or Hawaii. That is a privilege they now enjoy. But since Hawaii and Alaska have become States, this category of oversea transportation, which they have enjoyed, is now denied to them.

The House insisted strongly on striking out this language; and the Senate conferees finally agreed.

The conference report is signed by all of the House conferees and all of the Senate conferees.

Mr. President, I ask for approval of the conference report.

Mr. JAVITS. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I am happy to yield.

Mr. JAVITS. I gather that the conference report takes care of the employees of the airlines, for whom I think so many of us have constantly received requests in connection with this subject.

Mr. MONRONEY. That is true. When the Senate passed the bill, it added an important amendment to provide that if employees, such as pilots and stewardesses and others, are killed as the result of an accident in such aircraft or in line of duty, their survivors—their children and their widows—will be entitled to the same pass privileges as though such employees had continued their employment and had become normally retired.

Mr. JAVITS. I thank the Senator from Oklahoma.

The VICE PRESIDENT. The question is on agreeing to the report.

The report was agreed to.

THE EAST-WEST CONTEST FOR AFRICA

Mr. JAVITS. Mr. President, I wish to call the attention of the Senate to a most important and interesting analysis which appears in the New York Times of

today, headed "The East-West Contest for Africa." I think there are two points which are keenly perceived by Mr. C. L. Sulzberger that are especially important to all of us, especially as we shall be considering very shortly the Mutual Security Appropriation Act for this year, and in view of the fact that there is considerable emphasis on mutual security activity in Africa.

Mr. Sulzberger makes two points: First, that the colonial powers who are just getting out of Africa and allowing to be established all these new nations, especially the two republics of the Congo, share blame in the failure to have established firmly the concept of civil rights and equality while European minorities held political power.

He then points out, in terms of our own country, that our own sad racial arguments have prevented a large enough reservoir of Negro diplomats and technicians to serve our Nation on the continent of their ancestors.

Others, like myself, have been saying for years that the fact that we have denied civil rights in this country to millions of Americans is prejudicing very seriously our international position and is making far more difficult the conduct of our foreign affairs. All of those who wish to contribute to our foreign affairs conduct would have to take a pro-civil-rights position in this country.

In this critical area of the world, which may well determine who will win the cold war, this idea is noted and is marked as one of the two main reasons for the jeopardy of the free world's position in Africa, as Mr. Sulzberger points out in the article in the New York Times.

I ask unanimous consent that the news story may be included in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 29, 1960]

FOREIGN AFFAIRS: THE EAST-WEST CONTEST FOR AFRICA

(By C. L. Sulzberger)

PARIS.—When the Belgian Congo becomes independent Thursday the West will face a major test of whether democracy can recover from past mistakes in Black Africa. If it cannot, one may be certain chaos will supervene; and hard on the heels of chaos will come the Sino-Soviet bloc.

The Congo points this up because the Congo is the most important colony south of the Sahara to be launched into the free world. It is there that we shall see if the West can recover in time from its biggest mistake. This mistake, shared in varying degree by all the colonial powers, was the failure to establish firmly the concept of civil rights and equality while European minorities held political power. If those European minorities now lose status it will be because they neglected to accomplish this moral duty.

When the European powers happily carved out African empires they paid no attention to political or geographical logic. There was not even an attempt to abide by natural frontiers or to preserve tribal systems intact within the same administrative areas.

Thus, Katanga, the Congo's richest mineral region, was separated from what is now Britain's Rhodesian Federation with tribes being divided between French-speaking and English-speaking governance. Along the Atlantic Coast the Bakongo people were divided among Belgium, France, and Portugal. Africans accordingly knew little about the conditions of their neighboring kinsmen; and Europeans in Leopoldville were in touch with Brussels, those in Lagos were in touch with London, rather than fellow whites in Africa.

On the whole, the French did more culturally for their Africans, the Belgians did more economically and the British did more politically. The Portuguese did very little and nobody did enough. This has left unnecessary disparities as well as unnecessary language and administrative barriers.

U.S. INVOLVEMENT

The United States did not share in the imperial grab, but because of our position as Western leader, quite apart from our moral obligations and national interest, we have great new responsibilities. And we did not prepare ourselves adequately for the role we now play. Our sad racial arguments prevented creation of a large enough reservoir of Negro diplomats and technicians to serve our Nation on the continent of their ancestors. We failed to devote enough attention or funds to Africa when its freedom became plainly imminent and we lacked the imaginative leadership to summon our allies to confere on emerging problems. It is high time we called for an international conference between the free world's industrial nations and the new African governments to assess the latter's needs and the former's capacity to help.

Alone, Africa's economic development is by no means insuperable. There is no acute demographic question comparable to that of teeming Asia. There is mineral wealth, food, potential power, raw material and markets. At last some start has been made on a major scale to face this task. But there is still inadequate coordination. And, of course, the West must fight a legacy of prejudice and exploitation which is not simply erased by grants of sovereignty.

The problem is massive and difficult, but the cost of failure would be immense. We have already seen in Guinea how the Communists can move in and establish a beachhead whenever the West doesn't coordinate its policy in time. Such a beachhead in the Congo would be fatal.

This raises a final point. When Marshal Malinovsky recently declared that Soviet missiles would be launched against the base of any aircraft intruding over Socialist territory he specified the word "Socialist" rather than Soviet. Socialist means Communist in Moscow's lexicon.

The Russians have long-range missiles capable of striking any point on the globe. However it is unlikely these would ever be used to shield a land of minor strategic importance to the U.S.S.R. such as Guinea, or possibly Cuba, even if they were to declare themselves Socialist and sign a Soviet pact. But what would be the Kremlin's decision were the vast and wealthy Congo to take such steps? Does Russia contemplate, as an ultimate African policy, establishing an ideological Monroe Doctrine that would ignore geography and try, eventually, to dominate all Africa?

UNITED STATES-CUBAN RELATIONS

Mr. JAVITS. Mr. President, on another subject from the very vexing and difficult subject of U.S. relations with Europe, there also appears in the New York Times of this morning a very interesting editorial, it having appeared that the Times, through the stories of Mr. Mathews, was supposed to have a certain sympathy in its columns for what was called the revolution in Cuba. The Times publishes an editorial in which it tries to explain the background, so that all Americans may understand the situation. The editorial is entiled "Anti-Yankeeism in Cuba," and gives the Times explanation for the situation.

I think it marks a sober second thought for all Americans who did not like Batista, and who like even less what is happening in Cuba now, and what we need to do about it.

In that regard, I should like to call the attention of the Senate and of the country to the joint statement issued on January 26, of this year, by the President and Secretary of State on United States-Cuban relations. Rarely in the annals of our history has a more considered, more judicious, or a wiser statement been issued by the Government of the United States. If we remain faithful to this policy, it seems to me the course of our relations with Cuba will be handled in the best way possible for us, and, what is even much more important, our relations with the other American States will be put on a very sound and constructive basis.

For all practical purposes, all of the tenets of our Government with respect to relations with the other American Republics as nations of dignity and standing that are entitled to respect and to be treated as good neighbors, are carried out in the statement of the President and the Secretary of State. But—and this is a big "but"—we will not let ourselves be subjected to tyranny, and will not allow Americans to be deprived of property rights without international law and without compensation, and we will not allow Cuba to run wild in terms of jeopardizing the security of the United States.

In view of the editorial in the New York Times, in view of the pendency of the Sugar Act, properly giving increased power to the President to deal with the situation, in view of the exacerbation of our relations with Cuba and the impending trip of Castro to the Soviet Union and of Khrushchev to Cuba, I think it is high time to reiterate the statement of high policy by our Government, which I express with assurance will be followed in our relations with Cuba, a relation which should be dignified, just, and strong.

I ask unanimous consent that the editorial which appeared in the New York Times and the policy statement of the President and Secretary of State issued in January last be printed in the RECORD as a part of my remarks.

There being no objection, the editorial and statement were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 29, 1960]

ANTI-YANKEEISM IN CUBA

We must continually ponder on the sad state of Cuban-United States relations. A delicate and dangerous pass has been reached and it is vital for North Americans to understand the issues, the feelings and—insofar as it is possible—the policies of the Cuban revolutionaries.

To do so is not to excuse what the Cubans are doing and saying when so much of it is bad or unnecessary, but we will never be able

to cope with this situation properly if we do not know why the Cubans act the way they do.

To start with, we must not underestimate the intelligence, depth of feeling, and courage of the young Cuban leaders. They may seem tragically mistaken to us in many ways, but they are formidable opponents and must be treated as such. Next, we must recognize that anti-Yankeeism has a long and complicated history in Cuba; it was not invented by Fidel Castro or the Communists. For this generation its climax came with the American policy of favoring the hated dictator, General Batista.

On January 1, 1959, "came the revolution." Among its major objectives was to achieve what Cubans considered to be sovereignty and independence of the United States in the economic, political, and cultural fields. When they were attacked in the United States for the way this was being done, for the execution of war criminals, for the tolerance of communism, and, in some cases, for even having a revolution, they claimed that they had to defend themselves by fighting back. Add to this the desire to sustain the revolution at a fever pitch. An enemy is always useful.

At the same time, the policy naturally was given hemispheric scope. There was a genuine desire among the Cuban revolutionaries to see the remaining dictators overthrown. There was a belief that their formula for social revolution would benefit the common people of Latin America. Most of all, they realized that they could not sustain their revolution in isolation. As they saw it, they had to forestall the efforts of the United States to turn the other Latin American nations against them. One obvious way to win friends throughout the hemisphere was to play on the historic and prevailing anti-Yankeeism. Finally, the same conflict was extended to the outer world by turning toward the Soviet bloc as a counterpoise to the U.S. power.

These are the major highlights of a complex and deplorable situation. They must be understood even while they are being deplored.

[From the CONGRESSIONAL RECORD, Jan. 26, 1960]

TEXT OF STATEMENT ON UNITED STATES-CUBAN RELATIONS

Secretary of State Christian A. Herter and I have been giving careful consideration to the problem of relations between the Governments of the United States and Cuba. Ambassador Philip W. Bonsal, who is currently in Washington, shared in our discussions.

We have been, for many months, deeply concerned and perplexed at the steady deterioration of those relations reflected especially by recent public statements by Prime Minister Castro, of Cuba, as well as by statements in official publicity organs of the Cuban Government. These statements contain unwarranted attacks on our Government and on our leading officials. These attacks involve serious charges none of which, however, has been the subject of formal representations by the Government of Cuba to our Government. We believe these charges to be totally unfounded.

We have prepared a restatement of our policy toward Cuba, a country with whose people the people of the United States have enjoyed and expect to continue to enjoy a firm and mutually beneficial friendship.

The U.S. Government adheres strictly to the policy of nonintervention in the domestic affairs of other countries, including Cuba. This policy is incorporated in our treaty commitments as a member of the Organization of American States.

Second, the U.S. Government has consistently endeavored to prevent illegal acts in the territory under its jurisdiction directed against other governments. The U.S. law enforcement agencies have been increasingly successful in the prevention of such acts. The U.S. record in this respect compares very favorably with that of Cuba from whose territory a number of invasions directed against other countries have departed during the past year, in several cases attended with serious loss of life and property damage in the territory of those other countries. The U.S. authorities will continue to enforce U.S. laws, including those which reflect commitments under inter-American treaties, and hope that other governments will act similarly. Our Government has repeatedly indicated that it will welcome any information from the Cuban Government, or from other governments, regarding incidents occurring within their jurisdiction or notice which would be of assistance to our law enforcement agencies in this respect.

Third, the U.S. Government views with increasing concern the tendency of spokesmen of the Cuban Government, including Prime Minister Castro, to create the illusion of aggressive acts and conspiratorial activities aimed at the Cuban Government and attributed to U.S. officials or agencies. The promotion of unfounded illusions of this kind can hardly facilitate the development, in the real interests of the two peoples, of relations of understanding and confidence between their governments. The U.S. Government regrets that its earnest efforts over the past year to establish the basis for such understanding and confidence have not been reciprocated.

Fourth, the U.S. Government, of course, recognizes the right of the Cuban Government and people in the exercise of their national sovereignty to undertake those social, economic, and political reforms which, with due regard to their obligations under international law, they may think desirable. This position has frequently been stated and it reflects a real understanding of and sympathy with the ideals and aspirations of the Cuban people. Similarly, the U.S. Government and people will continue to assert and to defend, in the exercise of their own sovereignty, their legitimate interests.

Fifth, the U.S. Government believes that its citizens have made constructive contributions to the economies of other countries by means of their investments and their work in those countries, and that such contributions, taking into account changing conditions, can remain on a mutually satisfactory basis. The U.S. Government will continue to bring to the attention of the Cuban Government any instances in which the rights of its citizens under Cuban law and under international law have been disregarded, and in which redress under Cuban law is apparently unavailable or denied. In this connection it is the hope of the U.S. Government that differences of opinion between the two governments in matters recognized under international law as subject to diplomatic negotiations will be resolved through such negotiations. In the event that disagreements between the two governments concerning this matter should persist, it would be the intention of the U.S. Government to seek solutions through other appropriate international procedures.

The above points seem to me to furnish reasonable basis for a workable and satisfactory relationship between our two sovereign countries. I should like only to add that the U.S. Government has confidence in the ability of the Cuban people to recognize and defeat the intrigues of international communism which are aimed at destroying democratic institutions in Cuba and the traditional and mutually beneficial friendship between the Cuban and American peoples.

TRAVELS TO THE WEST

Mr. MOSS. Mr. President, there are strong rumors that a great many Members of the Senate and other Members of Congress will be traveling west shortly. I should like to call attention to an article published in the Sunday New York Times of June 19, 1960, which has to do with the crossroads of the West, Salt Lake City, and I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 19, 1960]

MORMON SHRINES DRAW SUMMER SIGHTSEERS

(By Jack Goodman)

SALT LAKE CITY.—Curbside parking spaces on four downtown Salt Lake City streets, thoughtfully reserved for vacationists, are again filled daily with cars bearing license plates from Hawaii, Alaska, New York, and other exotic regions. Clad in sports shirts, slacks and print dresses, sightseers are again swarming into one of the Nation's most unusual structures. Here, for instance, they literally can hear a pin drop; they can listen to one of the world's great organs, attend concerts or rehearsals of a notable choir, and observe the Mormon faithful.

In 1959, according to the Mormon information service here, fully 1 million sightseers entered the grounds of the Salt Lake Mormon Temple and Tabernacle. This is as many visitors as are attracted to such major scenic centers as Zion or Grand Teton National Parks.

Arriving by car, or by the buses which serve rail and airborne tourists, the visitors, as reported in surveys taken by the information service, often frankly admit to a desire to see "genuine Mormons." Interviewed by local newsmen after leaving the tabernacle precincts however, they generally report that "Mormons are just like anyone else." They are likely also to add that "the organ is really remarkable," and ask "how does the tabernacle roof stay up?"

NOTABLE BUILDING

The tabernacle, built by untutored "primitive" architects under the orders of Brigham Young, is only now being recognized by disciples of modern architecture as one of the Nation's "most honest structures."

It is worth far more than a passing glance by sightseers. In a visit to Utah shortly before his death, the noted modern architect, Frank Lloyd Wright, clambered into the loft space sheltering the structure's prodigious, bridgelike wooden trusses, studied their measurements, tapped handmade dowels, and termed the 1863 dome "as fine as a clipper ship, almost as important as the Brooklyn Bridge."

The average sightseer will not mount the narrow plank stairs from the tabernacle balcony to the top of the domelike roof 80 feet above the pleasant, tree-shaded walks surrounding the building. But he will encounter many fascinating things.

The pin-dropping demonstration to illustrate the tabernacle's amazing acoustics is performed by guides whenever a group of 30 or so sightseers is on hand. The visitors are clustered at one end of the tabernacle and the pin is dropped as much as 200 or more feet away. It can be clearly heard.

Organ recitals are free to the public at 12:10 p.m. daily, tabernacle choir rehearsals are open to the public at least 2 evenings weekly, and guests are also welcome at 8 a.m. Sunday morning choir broadcasts. Guided tours are led by local businessmen.

Entering the church block, known as Temple Square, sightseers are permitted to wander freely or can join guided parties, with

an admonition against smoking, which is contrary both to the Mormon precept and the local fire laws.

The tabernacle, which bulks largest as a visitor attraction, is lower and less conventional than the flanking Salt Lake Temple, a many-spired, semi-Gothic edifice to which non-Mormons are not allowed entry. This temple, begun in 1853 and 40 years in building, is made of huge granite blocks quarried west of Utah's present-day Alta ski resort, and hauled to the site by oxen. Its 210-foot-high east tower is topped by a 12-foot gold-leaf copper figure of a trumpeting angel, called Moroni by the Book of Mormon.

The tabernacle is completely lacking in achitectural ornament. One of the world's great auditoriums as regards both acoustics and unobstructed space, it is 250 feet long, 150 feet wide, seats 8,000 comfortably, but has had 11,000 persons crammed into its benches.

THE INSPIRATION

Apocryphal or no, Mormon folklore reports that the leader Brigham Young, opening his umbrella in a rainstorm, told a companion that such a system of ribbed supports as the umbrella showed, might answer the problems of a clear-span church structure such as were plaguing him. Next day, breakfasting with his numerous progeny, he cracked a hardboiled egg lengthwise, put it on its flat side, and further expounded his architectural ideas.

As a result, in 1863, 16 years after his pioneering people entered the Great Salt Lake Valley, the tabernacle's builders employed the so-called Remington truss bridge principle of construction. It utilized wooden ribs in a manner not unlike that of umbrella stays. The trusses or rafters were slabs of wood, each a foot wide, 3 inches thick, and 12 feet long. Steamed, then bent, then doused in cold water to set, they were hoisted into place by oxpower to form the curved sections of the roof.

As each six beams were placed, they were pegged together with handmade wooden dowels 22 inches long, smeared with homemade cowhoof glue, and driven home with mallets.

RAWHIDE BINDING

When beams showed splits or weakness, they were tied tightly with rawhide, and the rawhide was soaked with water. As it dried, the rawhide contracted to form splints, which are as tight and secure today as when applied nearly a century ago. Plastered inside, the domelike ceiling which resulted is largely unchanged, although the outside roof shingles have been replaced with aluminum sheeting as a fireproofing measure.

Inside, simple, hard wooden benches accommodate congregations, choir, and symphony audiences or sightseers who learn in practical fashion that upholstery was one art that stern Latter-day Saints found needless. Brigham Young's voice first echoed through the building in 1867, 10 years before his death.

Neither the tabernacle nor the organ in it would be as famous or useful without the other. The structure, providing that unique sounding shell in which a pin dropped at the choirmaster's stand can be heard throughout the house, also makes the majestic bass organ notes boom and reverberate in spine-tingling fashion.

The organ, its burnished wood and gilded pipes providing the tabernacle's major interior embellishment had its beginnings with an expenditure of $900 for materials in 1857, when a Mormon convert and organmaker, Joseph Ridges, started prefabricating the instrument on the temple grounds before the tabernacle walls began rising.

Ridges had to travel 300 miles to southern Utah to find suitable yellow pine, and spent more than a dozen years handsawing large and small timbers for the 90-ton monster which is the basis of today's much-enlarged organ. The original organ had 2,000 pipes ranging from 6 inches to 32 feet in length and was completed in 1874.

Today, the use of electric power has replaced hand pumping and hydraulic mechanisms. The organ now numbers 11,000 pipes with 5 manuals, and such organists as Dr. Alexander Schreiner and Frank Asper who perform for visitors daily say they can produce 36,000 vigintillion sound combinations, which would be the figure 36 followed by 66 zeroes.

BACH TO SOUSA

At a typical hour-long, noontime recital, vacationists touring the tabernacle hear a half dozen numbers ranging from Bach to Sousa. Officeworkers and businessmen from downtown Salt Lake City, filter into the tabernacle, too, and the greensward outside is used for relaxing and dozing, somewhat in the manner of New York's Trinity and St. Paul's Church yards.

Elsewhere on the parklike temple grounds, vacationists can view such Mormon memorabilia as handcarts and ox yokes used on the 1847 trek across the plains, small arms, tools, furniture, and clothing of the pioneer era, housed in a small museum.

A block to the east, on South Temple Street, a pair of handsome residences and a small intervening structure, all built in the 1850–60 period, give thoughtful visitors other clues to Mormon art and architecture, as well as to more publicized aspects of the pioneer period.

The largest of these old structures, a many-gabled affair, is called Lion House, and was the residence of Brigham Young, a dozen of his 19 wives, and of a score or more of Young's 56 children. Open to the public, it houses a modest cafeteria whose patrons can also lunch outdoors under the same cottonwoods which once sheltered the patriarch and his family. Two doors east, the Beehive House, official residence of Brigham Young in which he received guests in a style befitting the leader of both a church and a sizable western territory, is now being carefully restored.

Built in 1855, the Beehive House, like the Lion House, shows the influence of New England, midwestern, and southern architectural styles upon Mormon builders. From some angles, the Beehive House resembles a porticoed southern mansion, from others its rooftop "captain's walk" is reminiscent of New Bedford. Currently, 1910 partitions and fixtures are being ripped out, and after considerable historical research, the interior is being restored and refurnished to recall the Utah of 1850–1860.

Linking the two Young residences is a small office structure, also used by the pioneer. Among its features is a unique false panel giving entry to upstairs passageways—possibly to permit the bearded patriarch to avoid unwanted callers.

YOUNG'S GRAVE

Oddly enough, while visitors swarm through the tabernacle he helped design, visit his homes, and otherwise learn of the Mormon leader's works, the grave of Brigham Young is tucked away off the beaten path of most sightseers.

Enclosed by a low iron rail fence, set in a pleasant patch of greensward on First Avenue near A Street overlooking the city that he founded and planned, the Brigham Young grave is marked only by a small stone.

On one side, a garage and billboard cut off the view across the city, the valley, and the spectacular Wasatch Mountain peaks. On the east, a vacant lot is littered with beer cans and old newspapers.

While statues on Salt Lake's Main Street and at the mouth of Emigration Canyon pay tribute to the man, and while efforts to honor him at the New York University Hall of Fame are under way, Utahans admit that some efforts should be made to improve access to his burial place for both tourists and residents.

Meanwhile, the unique tabernacle, temple, and the way of life he helped build remain prime tourist attractions.

THE MORMONS AND MODERN UTAH

Mr. MOSS. Mr. President, the May 2, 1960, issue of the New Leader contains an article entitled "The Mormons and Modern Utah," written by John Herling, a reputable reporter and columnist who specializes in the field of labor.

While the article does not necessarily represent my point of view, nevertheless, it is a very interesting and provocative article, which has caused a great deal of comment.

Because it has been so interesting and so widely commented upon, I am asking unanimous consent that it be reprinted immediately following these remarks, so that it may be readily available to my colleagues in the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Leader, May 2, 1960]

THE MORMONS AND MODERN UTAH

(By John Herling)

Today in Utah the strains of the modern world are cracking America's closest approximation to a church-State. Here, more than a century ago, Brigham Young, the implacable organizer of the Mormon Church, announced with finality: "This is the place." Utah thereby became the permanent home of the Church of Jesus Christ of Latter-day Saints, a severely disciplined theocratic society, but one with a coldly pragmatic view toward the economics of existence. In the decades which have succeeded the bearded old patriarch, the Mormon Church has not only multiplied many times over, it has come to dominate, in a way unique in this Republic, the social, political and business life of an entire State.

Mormons comprise 70 percent of Utah's 800,000 population. The church's doctrinal code is widely and willingly observed by them as a personal way of life; it pervades their State and municipal governments, their educational system and their means of livelihood. For the church not only commands their time as missionaries, it exacts a 10th of their income and literally owns and operates the biggest diversified industrial empire in the Mountain States.

Though sometimes blurred by the impact of personalities, political distinctions have been steadily maintained in Utah, even through church fiat. This actually happened in 1896 when Utah was at last admitted to the Union as the 45th State. That year, the church leaders, not sure whether the next President of the United States would be William McKinley or William Jennings Bryan, decided to play it safe by assigning church members to both parties. Thus, religious expediency determined the party lines in Utah's first years of statehood. Since then, of course, political differences have sharpened and become more meaningful. They now affect the ultimate reaches of church leadership and the State's expanding population.

Utah is the creation of the Mormon pioneers. Mormons had been hard driven and persecuted in one place after another. Joseph Smith, founder of the church, was murdered; his followers threatened by mobs. The leaders of the Latter-day Saints simply decided they would seek refuge in a place

nobody else could possibly want. To earn their right of uncontested settlement the Mormons enlisted a battalion in the Mexican War, with the approval of President Polk. Rejected by American society, as then constituted, the Mormons decided to build a society based on their own religious concepts.

Today, the power of the Mormon Church rests on the interdependence of the temporal and spiritual life, the system of tithing by the faithful Mormons (contributing 10 percent of income to the church), and an ingrained sense of loyalty to the welfare of the Mormon community. While interlocking business and political careers of innumerable Mormon church leaders might justify such a conclusion, Mormon spokesmen carefully point out that officially the church does not take sides in partisan politics. Many Mormons and non-Mormons skeptically discern a considerable gap between the nonpartisan theory and the actual practice.

Salt Lake City, the capital, with almost a third of the State's population, is about 55 percent Mormon. Outside Salt Lake, communities are almost completely Mormon; 95 percent of the 258 State and county officials are Mormon, and the same percentage holds for all candidates, winners or losers, Democrats or Republicans. The Mormon domain is divided into wards or parishes, with an average of about 650 persons to a ward. Over each presides a bishop. Every Mormon in good standing (in or out of Utah) must belong to a ward organization. Each ward keeps a filing system up to date by monthly visits to every Mormon home. At 5-year intervals a complete ward census is taken, and sent to Salt Lake City headquarters. A group of wards constitutes a stake, which is headed by a president.

At the pinnacle operate the first presidency and the 12 apostles and associated officials, a total of 32, who constitute the "general authorities." The first presidency is presently made up of three men: the president himself, the gentle and revered David O. McKay, and his two counselors, one—the strong-willed J. Reuben Clark, a rock-ribbed Republican octogenarian who was once President Herbert Hoover's Under Secretary of State, and the second—Henry D. Moyle, a conservative Democrat, a former oil company executive who once lost out in a gubernatorial primary to a liberal Democrat.

The bishops, presidents of stakes, and thousands of church functionaries are mainly businessmen, professionals, farmers and others who devotedly serve the church without salary. Most continue to follow their private businesses. Key leaders bring a conservative business point of view into the church community. Originally organized to provide life's necessities for the "peculiar people" on a self-sufficient basis, the Mormon Church today directly owns or substantially controls—inside and outside of Utah—enterprises in merchandising, banking, insurance, broadcasting, publishing, food processing, hotels and real estate management. These businesses, competitive, and run for profit, are directed by church authorities. The presidency of the church, in effect, is the executive committee of an interstate business empire: the council of apostles is its board of directors. Many Mormons with successful business careers are drawn back to Salt Lake City to manage the enterprises; several apostles had first won their reputations in public utilities, oil companies, or the professions. To many Mormons and non-Mormons they appear to have equated conservative business philosophy with pragmatic church policy.

Opposition to this conservative control today characterizes Utah's liberal transformation. This may be divided into several parts.

A comparatively new organizational force, the trade unions, had become a key area of liberal political and social aspirations. The first labor temple in Salt Lake was built in 1894, but the unions were generally regarded as beyond the pale. Nevertheless, union leadership and membership in Utah is also Mormon, many of them bearing distinguished pioneer Mormon names. They are not usually "gentiles" as non-Mormons are called, and proportionately they include no more "Jack Mormons," the term for non-Mormons—than do other cross sections of the population. While clinging to their religious affiliations—their children enter the Mormon priesthood, their wives perform church work, and in some areas of the State, union men are bishops—many of the organized labor representatives regard the church leadership as mainly antiunion. One union spokesman remarked deprecatingly that the Mormon Church is the only church organization in the United States whose leadership supports the right-to-work, or anti-union-shop law, as a matter of policy.

The belief that church influence has been loaded against them distresses many of the 50,000 trade unionists in the State. In recent years their number has increased. The influx of new large-scale gentile controlled industries, like United States Steel, has attracted many workers from other States, and has added variety to the population. To older unions in the building trades, teamsters, coal and metal miners are now added steel, smelter, electronic, and missile workers. For a while, church leaders, brought up in an agricultural society and guardians of the agrarian virtues, resisted the introduction of foreign industry, such as the United States Steel plant at Provo. Though bowing to the inevitable, the church had not prepared the Mormons for the hazards of life in a gentile steel mill. At first many devout Mormon workers regarded certain safety regulations as interference with their personal freedom. The great majority of Utah's trade unionists are faithful Mormons, pay their tithes, fast offerings, and assessments. But they chafe at what they regard as refusal of the leading Mormon churchmen to accept unions as essential to modern life as they now welcome the large new enterprises employing industrial workers.

Though the leadership of the Mormon Church is fairly described as predominantly conservative and Republican, many churchmen find in the State's political past, plenty of evidence that the church cannot buck a major trend. When the depression hit, for example, Utah went Democratic in 1932. The venerable Republican Senator, Reed Smoot, once high-tariff architect and apostle of the church, was swept from office despite a stern front-page editorial in the church-owned daily newspaper demanding his return. He was replaced by Elbert Thomas, liberal civil libertarian professor at the University of Utah, a devout Mormon, too, but not as highly placed in the church as Smoot. When Elbert Thomas was defeated in 1950 he ascribed his defeat to the powerful opposition of the church leadership. "My church has rejected me," he said brokenly to fellow Mormons. His successer, the incumbent WALLACE F. BENNETT, is a former president of the National Association of Manufacturers, whose economic philosophy was more closely attuned to that of the dominant church leadership.

How completely can the Mormon Church exercise control? One close observer put it this way: "The Mormon Church can control a State Republican convention. If the church sends down the word that a certain man is not acceptable, he is dead. On the other hand, the church can influence, but not control, a Democratic convention; in contrast, organized labor can control a Democratic convention."

Corroboration of church power after elections—no matter which party wins—is not hard to find. Church pressure was regarded as decisive in swinging enough Democrats, now a majority in the State house of representatives, to form a coalition with the Republicans in voting down the repeal of the right-to-work law. The word had gone down that the "brethren' wanted it that way, and a strong antiunion position readily finds responsive warmth among church men and women at top administrative levels.

But Utah's patterns of social relationships and modes of political expression are shifting. "Significant political changes are taking place in Utah," said Hugh B. Brown, one of the 12 apostles, "but you mustn't conclude that all my brethren agree with me that the change is for the good."

"As a liberal Democrat I welcome this change," says Apostle Brown, a vigorous man of 76. But the change he heralds is not invariably cheered in other high Mormon places. It is certainly fought with determination by a senior fellow apostle, Ezra Taft Benson, Utah's Mr. Republican and President Eisenhower's Secretary of Agriculture. Benson is on apostolic leave of absence because of his Cabinet duties, but religious obligation and political anxiety frequently send him back to Salt Lake City with a prayer in his heart and a political speech on his lips.

Despite Benson's dedicated efforts to keep Utah Republican, 1958 brought the surprise victory in a three-way election to the U.S. Senate of FRANK E. MOSS, a Mormon and liberal Democrat, who defeated both fellow Mormon Arthur Watkins, the incumbent Republican, and J. Bracken Lee, a former Republican State Governor and mayor of Price, Utah. Lee, a non-Mormon (his wife is Mormon), is a freewheeling campaigner whose extreme isolationism and conservatism have frequently been rewarded with the support of the Mormon business community. In the 1958 election, however, his extremism cost him the regular Republican support. He had slashed away at the Eisenhower administration as latter-day New Dealism. Because he had over the years gained a strong personal following, most polls predicted Lee's election, with Moss running third in Salt Lake County. But the Bracken Lee phenomenon is a political variable of continuing influence, and a few months ago, he was able to recapture some of his personal support in a consolation prize campaign when he was elected mayor of Salt Lake City in the nonpartisan city election.

Also in 1958, what signaled an important rearrangement in the political attitude of many Utahans was Apostle Brown's appearance as the keynote speaker at the State Democratic convention. The election to Congress of DAVID KING, over an entrenched Republican Congressman with strong church backing, was regarded as even more significant than the Moss victory because KING, son of a former U.S. Senator, won in a straight two-way contest. Apostle Brown had politically outwrestled Apostle Benson.

In many ways the 1958 election is regarded as the turning in the battle between liberals and conservatives. Organized labor became an operating political influence in the State. Until then the labor vote was a vague body which floated along Democratic lines. This time, Utah unions employed what was for them a new political technique. They harnessed the traditional Mormon sense of mission to their political activity. According to union leaders the Democratic victories of 1958, or the labor contributions in them, were made possible by the enlistment, for the first time, of the Mormon women who plunged into campaigning with their union husbands, their churchly zeal directed into new channels.

While liberal Mormon churchmen and Mormon-led unions vie with conservative church leaders and businessmen for the political allegiance of the rank-and-file Mormons, another major collision between the liberal and the orthodox has been taking place in the field of education.

The Mormon Church has always encouraged education as a religious and secular duty. Of Utah's three institutions of higher education, the University of Utah in Salt Lake City and Utah State at Logan are State-owned and supported. The third, Brigham Young University at Provo, is the official church university.

In church education, Dr. Ernest L. Wilkinson, president of BYU for the past 7 years, has become the dynamic force. Short, articulate and self-confident, Wilkinson has been called the Napoleon of Mormon education, "an academic imperialist." He considers himself a modern success story. A highly skillful lawyer, he fought through the courts the claims of the Ute Indians, and after more than 15 years of litigation, congressional persuasion and sheer persistence, he won a $32-million claim against the Federal Government, the largest such judgment won against the United States. He proudly recalls that in collecting the $3 million fee ordered by the courts, he distributed a good part of it to legal associates, and promptly sent the church more than $100,000 in tithing. He accepts no salary as university president.

As head of the unified church school system Wilkinson is responsible for the worldwide system of Mormon education. His guide, he says, is the maxim of the first president of the university. "You are not to teach the multiplication table without the spirit of God." Along with tighter control over faculty, he announced firmly that faculty advancement will depend on concrete evidence of church activity, including compulsory tithings. The campus itself has been organized as a stake of the Mormon Church, and the whole student body is arranged as a replica of church organization.

Frankly suspicious of modern trends in education, Wilkinson says with a chuckle: "The faculty here enjoys full participation—in carrying out the policies of this administration." The policies, he makes clear, are not only church doctrine. Wilkinson ticks off his own beliefs, on which he and Bracken Lee frequently see eye to eye. On the United Nations: "I see no hope there. We shall have wars right up to the millennium." On Federal aid to education: "We are against it." On unionism: "We believe no organization should tell a man how long or how hard or under what conditions he should work. We have a theological doctrine of 'free agency' which teaches that every man has a right to do as he pleases. No government or person should tell him what to do. As to a right-to-work law, we are very much for it. We don't have a university policy, but, of course, I have spoken for it."

But the Wilkinson drive has strong opposition, less articulate in BYU but waxing stronger outside. Although Wilkinson holds strong cards because of his identification with the church leadership, his frank proselytizing of students and faculties at the University of Utah, the oldest State university west of the Mississippi, has aroused deep resentment.

Headed by Dr. A. Ray Olpin, also a Mormon, the University of Utah, located in Salt Lake City, prides itself on its high academic standards, complete academic freedom, and full faculty participation. Olpin and Wilkinson were undergraduate friends at Brigham Young University nearly 40 years ago. Today, the clash of these two friends and careers dramatizes the nature of the political and intellectual hand-to-hand encounter now going on between the liberal and the conservative in Utah.

"It's unfortunate that Ernest is so competitive, and with publicly supported institutions," Dr. Olpin said. "He wants to draw strength from areas where other institutions are strong. Now, the issue is whether a church-supported school should try to educate all the people or only those of its own membership. Half our people, students and faculty, are Latter-day Saints. Many have gone out on 2-year mission for the church. We are unique in the sense our students are not being indoctrinated. All have freedom of thought, with no authoritative or dictatorial overlordship. Wilkinson has his faculty in a constant dither, tries to tell them what to do. In a State-supported institution you just don't do that."

In education, in economics or in politics, Utah is in transition. Because the Mormons are a strongly interrelated people, the struggle over ideas and interest takes on an extra dimension of personal pressure. The liberals, usually but not always Democratic, do not want to see a dominant church control all aspects of State life, and, as has usually happened, along Republican or, for that matter, Bracken Lee lines. At the same time, they deny that they wish the church to run, or be run, along Democratic lines. They reject the idea of an all-embracing political church.

This liberal upsurge among the rank-and-file members of the church has become a rising chorus. To Apostle Hugh Brown, the personification, in one department at least, of changing Utah, this means Democratic victory in 1960, Bracken Lee's political resurrection notwithstanding. Because Apostle Brown now interprets the church attitude toward social reform quite differently from some of his colleagues, he regards the resurgence of the Democratic Party in his State as fitting and proper and, in fact, consonant with religious good. This might be a strange way to arrive at a political conclusion elsewhere in the United States, but not in Utah.

In fact, what one sees in Utah today is the latest stage in the transformation of a State—and indeed of an American subculture. No longer can Mormons stand isolated from the mainstream of national development. Powerful social and industrial forces thrust them into intellectual and political integration with the rest of the Nation. What happens in Utah, the center of the Mormon Church, fans out as well to affect the attitudes of Mormons in the Intermountain States and in California, where the Mormons have also grown fruitful and multiplied. Developments in Utah have convinced them that it will no longer be easily possible, officially or obliquely, for the conservative church leaders to sustain customary social or political patterns against new and insistent pressures.

CONSERVATION

Mr. MOSS. Mr. President, the preoccupation of the Nation's conservation and wildlife groups with wilderness preservation to the exclusion of the larger aspects of conservation has been a mounting concern to many of us.

Recently, the Salt Lake Tribune carried a particularly challenging editorial on this subject, in which it points out the many other areas to which conservationists might dedicate themselves with profit to the country. I ask unanimous consent that the editorial be printed in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Salt Lake Tribune, June 19, 1960]

CONSERVATION: MORE THAN LOCKING OUT

Hundreds of wildlife leaders, including some nationally prominent naturalists, will be in Salt Lake City this week for the convention of the Western Association of Game and Fish Commissioners.

The event is a homecoming of sorts for game officials of 13 States because the organization was born in Salt Lake 38 years ago and its father was Dave Madsen of Provo, Utah's game and fish commissioner at the time.

The growth of the wildlife movement has been accompanied in most instances by an increased public awareness of the necessity of keeping the forces of nature in balance. People are beginning to realize the danger to physical and mental well-being from the encroachments of the bulldozer and the spread of brick and blacktop.

Even so, there are discouraging indications that some influential people in the conservation movement have narrow or specialized conceptions of stewardship of natural resources. Some would set aside tracts keeping them roadless and unspoiled by man but overlooking other important conservation considerations.

The Tribune is convinced that if a quarter of the money, emotion, and professional effort which has gone into the wilderness preservation movement had been used to treat the horrible cancers on watersheds and ranges, the promise of America would be brighter for future generations.

This is not to belittle wilderness areas. They are a growing need in our complex, congested and nerve-wracked society.

There are cases, however, where locking out machines and ignoring assaults by insects, wild game and disease are contrary to sound conservation. Some crusaders wail about the prospect of a rock column being watermarked but are silent about whole mountain ranges running to ruin.

A familiar complaint of stockmen that the growing demands of outdoor recreationists are resulting in their grazing allotments being cut, needs to be answered both in words and in performance. The too-little-and-too-late repair programs of public land agencies to save the topsoil are traceable to public apathy or hostility to real conservation.

Without minimizing the damage done by domestic animals and the need for belated adjustments, the time is appropriate to point out that depredations of wild game also contribute to some watershed problems.

Dr. Walter P. Cottam, astute botanist and range ecologist, has repeatedly pointed to cases of damage from domestic and game animals on land which for 30 years has been under the very administration which some preservationists want expanded to manage other lands.

He favors a new and honest reexamination of the stewardship of all Government land agencies.

For example, Dr. Cottam has reported that the incomparably beautiful Kolob section of Zion National Park is in a sad state of forage impoverishment and accelerated erosion. And he points to similar conditions on a number of other national parks and monuments. Corroborating his dark report on the Kolob, a thoughtful article in the current Sunset magazine contains this sentence: "Here the land is so badly overgrazed that you wonder—as you stare in shock at square miles of dust—if it will ever support plant life again."

The damage by elk herds in north Yellowstone Park and vicinity in the past are a matter of record. A scientific study of Big Game Ridge and vicinity in Teton National Forest, Wyo., made in 1955 and released recently, said that elk had depleted vegetation and accelerated soil erosion. The range scientists recommended drastic cuts in elk numbers in the area. "No livestock range the writers have ever seen has been more severely or extensively deteriorated," they said.

These are only examples. Wilderness and wildlife spokesmen could serve mankind better if they lent their fine talent and resources to enlarging their conservation crusades.

LETTER FROM THE WEST

Mr. MOSS. Mr. President, once in a long while someone writes on a matter of consuming national importance with such penetration and clarity that the emerging analysis carries an undeniable ring of truth and authority in every line. I believe such an article has appeared again on the American scene. It is the E. B. White "Letter From the West" which first appeared in the New Yorker, and was reprinted this past Sunday in the Washington Post.

The country is engaged in a vast debate on national purpose which will grow more intense as the elections approach. Mr. White's views, expressed in simple, unembellished prose, point out that not only do we lack national purpose ourselves, but that the destiny of the whole Western World is fuzzy and unclear. He holds that until a course is charted and goals set, other efforts will be sterile. The article is essential reading, in my opinion, both for those who believe in the status quo and those who would start marching, with or without a clear purpose.

Because of the length of the article, I hesitated to ask that it be included in the CONGRESSIONAL RECORD in toto. But upon rereading, I felt so strongly that it deserved to be perpetuated and preserved in every possible form, so that it might be discussed up and down the land by people of all ages and political faiths, that I concluded it should appear.

I therefore ask unanimous consent that the article by E. B. White, entitled "Letter From the West," be printed in full in the CONGRESSIONAL RECORD. I sincerely believe it is one of the finest and most challenging articles I have ever read.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 26, 1960]

LETTER FROM THE WEST

(By E. B. White)

AVENUE OF THE AMERICAS

In 1899, the year I was born, a peace conference was held at the Hague. I don't remember how it came out, but there have been two memorable wars since then, and I am now 60, and peace parleys, some of them tackling the subject of disarmament, have been held at intervals all my life. At this writing, five nations of the East and five of the West are studying disarmament, hopeful of achieving peace. When last heard from, they were deadlocked, which is the natural condition of nations engaged in arms negotiations. The Soviet Union has suggested that they "start all over again."

The West has a real genius for doing approximately what the East wants it to do. We go to Paris and sit in stunned surprise while Khrushchev bangs a cat against a wall. We go to Geneva and listen solemnly while Russia presents herself as the author of total disarmament and peace. We hasten to the Security Council room at the United Nations and earnestly defend ourselves against a charge that we have aggressed. We join England for Princess Margaret's wedding and next day we separate from England again, to return our trust to last-minute diplomatic conformity. We use the word "peace" the way the East likes to see it used—in the last paragraph of the President's formal speeches, and preceded by the adjectives "just" and "lasting," as though peace were some sort of precious stone that, once discovered, would put an end to trouble for all time. I am beginning to tire of running the East's errands and dropping into the East's traps, and I wish I could set off on a different journey, under good auspices.

FREEDOM'S INGREDIENTS

Senator MCCLELLAN, in a speech at Valley Forge quite a while back, said that "the only hope for freedom's survival" was moral, spiritual, political, economic, and military strength. (He should have added "intellectual strength.") Happily, freedom, if there is such an entity, is well fixed for four out of five of the Senator's ingredients. Freedom has great moral strength; this is its principal advantage over communism. Freedom has the strength of the spirit. Freedom is strong economically—in the United States and in many other capitalist countries. It is strong in military power. But it is sadly lacking in political strength, because it does not enjoy the benefits of political unity and, unlike communism, does not lay a course for it. Two free nations, though they may pull together in a crisis, are almost as far apart diplomatically as a free nation and a Communist nation. The two free nations are obliged to conduct their affairs as though they were fencing with each other, as indeed they are, with parries and thrusts, occasionally unmasking to smile and shake hands and test each other for popularity and good will. After the recent events in Paris, and the bruises of the night, it is not at all certain that the West should indulge itself longer in the pleasures of perfect political disunity.

Soviet arms, terrible as they are, seem less fearsome to me than the Soviet's dedication to its political faith, which includes the clear goal of political unity. Russia openly proclaims her intention of communizing the world and announces that she is on the march. Not all her cronies present the face of unity—Mao's China, Tito's Yugoslavia, Gomulka's Poland—but at least the idea of unity is implicit in the religion of communism. Must we in the West leave all the marching to our opponent? I hope not. Not until free men get up in the morning with the feeling that they, too, are on the march will the danger to Western society begin to subside. But marching is futile unless there is a destination, and the West's destination is fuzzy. Perhaps I should merely say that it is not clear to me. I do not think that it is discernible in the utterances of our statesmen.

CANDIDATES' THEMES

Lately, I have been browsing among the books and published speeches of some of the candidates for the Presidency. Here are some of the themes against which the contestants knock their heads: disarmament, nuclear testing, foreign aid, civil liberties, a farm program, trade expansion, payola, race relations, admission of Red China to the U.N., peace with honor, peace with justice, peace with safety, peace under the rule of law, peace through detente, better housing, better education, the missile gap, a strengthened defense, the exploration of space. I have read Kennedy, Bowles, Nixon, Stevenson, Rockefeller, and others. They speak of new principles for a new age, but for the most part I find old principles for a time that is past. Most of the special matters they discuss are pressing, but taken singly, or added together, they do not point in a steady direction, they do not name a destination that gets me up in the morning to pull on my marching boots. Once in a while I try a little march on my own, stepping out briskly toward a reputable hill, but when I do I feel that I am alone, and that I am on a treadmill. The way things are now, we could all march for the rest of our days and still not advance perceptibly. This is not true of the Soviets. They know perfectly well where they want to be. Lately, it has seemed that they might get there.

"THE NATIONAL FRAME"

Life magazine, I see, has raised the question of the free world's destiny with a series of pieces on "National Purposes." The title of the series is revealing. America's purpose, everyone's purpose in the West, is still painted in the national frame. When we aid a friend, it is foreign aid. And when the aided country emerges, it gains independence, thus adding one more sovereign political unit to the ever-growing list of destiny seekers. When we establish a military base in some indispensable location outside our borders, we call it a base on foreign soil, and so it is. The U–2 plane incident disclosed an American pilot taking off from an American nook in Turkey and heading for an American nook in Norway. This famous flight illustrated the queer conditions we and our Western associates are compelled to face—a world grown so small that other people's airfields are essential to our own safety, and ours to theirs, yet a world that has made no progress in bringing free men together in a political community and under a common roof. The West's only roof these days is the wild sky, with its flights, its overflights, and the boom of broken barriers. Our scientists long ago broke all known boundaries, yet the rest of us work sedulously to maintain them, in our pursuits, in our prayers, in our minds, and in our constitutions. We dwell in a house one wall of which has been removed, all the while pretending that we are still protected against the wind and the rain.

Most people think of peace as a state of Nothing Bad Happening, or Nothing Much Happening. Yet if peace is to overtake us and make us the gift of serenity and well-being, it will have to be the state of Something Good Happening. What is this good thing? I think it is the evolution of community, community slowly and surely invested with the robes of Government by the consent of the Government. We cannot conceivably achieve a peaceful life merely by relaxing the tensions of sovereign nations; there is an unending supply of them. We may gain a breather by relaxing a tension here and there, but I think it a fallacy that a mere easement, or diplomacy triumphant, can ever be the whole base for peace. You could relax every last tension tonight and wake tomorrow morning with all the makings of war, all the familiar promise of trouble.

ARMS REDUCTION

A popular belief these days is that the clue to peace is in disarmament. Pick a statesman of any stature in any nation and he will almost certainly tell you that a reduction in arms is the gateway to peace. Unfortunately, disarmament doesn't have much to do with peace. I sometimes wish it had, it enjoys such an excellent reputation and commands such a lot of attention. Keeping itself strong is always a nation's first concern whenever arms are up for discussion, and disarmament is simply one of the devices by which a nation tries to increase its strength relative to the strength of others. On this naked earth, a nation that approaches disarmament as though it were a humanitarian ideal is either suffering from delusions or deliberately planning a deception.

Chairman Khrushchev recently asked, "Is there any way which would remove the threat of war without prejudicing the interests of states?" and then answered his own question: "We see it in the general and complete disarmament of states." Now, even if one were to believe that Mr. Khrushchev is averse to prejudicing the interests of states, one might still wonder whether

any state relieved of its weapons was thereby relieved of the threat of war. I am afraid that blaming armaments for war is like blaming fever for disease. Khrushchev's total-disarmament bid was made for the same reason he makes other bids; namely, to advance the cause of international communism. Total disarmament would not leave anyone free of the threat of war, it would simply leave everyone temporarily without the help of arms in the event of war. Disarmament talks divert our gaze from the root of the matter, which is not the control of weapons, or weapons themselves, but the creation of machinery for the solution of the problems that give rise to the use of weapons.

DISARMAMENT IS AN ILLUSION

Disarmament, I think, is a mirage. I don't mean it is indistinct or delusive, I mean it isn't there. Every ship, every plane could be scrapped, every stockpile destroyed, every soldier mustered out, and if the original reasons for holding arms were still present, the world would not have been disarmed. Arms would simply be in a momentary state of suspension, preparatory to new and greater arms. The eyes of all of us are fixed on a shape we seem to see up ahead—a vision of a world relaxed, orderly, secure, friendly. Disarmament looks good because it sounds good, but unhappily one does not get rid of disorder by getting rid of munitions, and disarmament is not solid land containing a harbor, it is an illusion caused by political phenomena, just as a mirage is an illusion caused by atmospheric phenomena, a land mass that doesn't exist.

Weapons are worrisome and expensive; they make everyone edgy. But weapons are not and never have been the cause of the trouble. The only weapon in this decade that is intrinsically harmful is the nuclear weapon during its test period, and that is a new and separate problem, which must be dealt with separately. I think it can and will be dealt with, for although it is related to the balance of power, and therefore is capable of being used for national advantage, it carries a threat that is the same for all nations, Eastern and Western, atomic and nonatomic—the threat that the earth will eventually bear too great a residue of poison and will no longer support life. All nations know this, though some are reluctant to admit it. At any rate, a test ban, though full of danger for whoever signs it, has at least a reasonable chance of success provided the nations signing it do not disarm. A nation signing an agreement to quit exploding nuclear weapons has a selfish interest in honoring the agreement. The debris from tests falls on home ground as well as on enemy territory; it covers the earth like the dew. And although the nation might find many attractive reasons for breaking the agreement, the selfish reason would still be present, as a deterrent to violation. That is why we may profitably talk about stopping nuclear tests: national self-interest happens in this case to coincide with universal interest, and the whole business is a simple matter of human survival on a shaky planet. Usually, in negotiations, that isn't true. It isn't true of a disarmament agreement, which is no sooner signed than a thousand selfish reasons crop up for wanting to violate it.

We hold arms so that, in the event of another nation's breaking its word, we will have something to fall back on, something by which we can command respect, enforce our position, and have our way. Modern arms are complicated by their very destructiveness, their ability to turn and bite whoever unleashes them. That is why everyone is pleased by the prospect of disarming and why there is a great hue and cry raised against arms. And how are we to disarm? By signing a treaty. And what is a treaty? A treaty is a document that is generally regarded as so untrustworthy we feel we must hold arms in order to make sure we're not disadvantaged by its being broken. In other words, we are seriously proposing to sign an agreement to abandon the very thing we will need in the event that the agreement itself fails to stick. This seems a queer program to me.

In drawing up plans for disarming, the nations are making it clear that their distrust of one another and of treaties is as strong as ever. They're insisting that there be controls—they are called adequate controls—and that there be inspection. President Eisenhower has suggested an open-sky system. And everyone agrees that the treaty must be enforcible—some say by an international disarmament organization free of the veto and affiliated with the United Nations. As for control, there is no way to control any aspect of a sovereign nation's internal life. The U.N. designers sensibly bowed to this sticky fact when they installed the veto and provided that the internal affairs of a member should be nobody else's business. (The Hungarian revolt demonstrated how sad are the facts of international life.) It is possible to influence a sovereign nation, through public opinion and through pressures of one sort or another, but it is not possible to control it, short of domination by force. In the case of arms, which are among the most intimate of a nation's garments, and which a nation instinctively conceals from view, we do not even know at any given moment what we would be hoping to control the next moment, so speedy is the evolution of weapons and counterweapons. National life is secret life. It has always been secret, and I think it is necessarily secret. To live openly, one must first have a framework of open living—a political framework very different from anything that now exists on the international level. A disarmament arrangement backed by controls and inspection is not such a framework, it is simply a veiled invitation to more and greater secrecy.

Can we inspect the Soviet Union? Can it inspect us? In this jungle world, inspection would be an attempt to license an international legion of Peeping Toms. I cannot believe that it would work. It would probably spawn a legion of counter-Toms, fellows to peep at the peepers. An open-sky system in which the inspectors carried operators licenses would itself be under the surveillance of the open-spy system that all nations feel obliged to maintain at all times. And the open-sky system, although a new idea, has already been overtaken by events: the sovereign sky is no longer top-level—space hangs above it, from which East and West are taking pictures of each other with flying cameras.

As for enforcement, an arms pact is by its nature unenforcible. It would be enforcible only if there was an authority higher and more powerful than that of the parties involved in the deal. The principal characteristic of life on earth today is that no such authority exists. An international disarmament organization, created by treaty and representing the East and the West and equipped with police powers, would not constitute such an authority. This does not mean that nations do not take their treaty obligations seriously; it simply means that no nation takes any obligation seriously if it begins to threaten the national safety or obstruct the national will. In the case of a disarmament authority, any attempt to invoke it might easily result in a riot or a war. National arms would quickly resume their ascendancy over pooled arms, because national forces are responsive to the will of the nation, and this is a fluid, living thing; whereas international arms would be the servant of the signatory powers and of a status quo—the conditions that prevailed on the day the treaty was signed. The Soviet Union wants this police force to be under the Security Council, where it would be subject to the veto—in short, a cop who would swing his club or fail to swing it according to the whim of one of the parties.

Many statesmen feel that weapons are in themselves evil, and that they should be eliminated, as you would crush a snake. They feel that vast stores of arms create tension and threaten the peace by the mere fact of their existence. This is perfectly true. I doubt, though, whether the tension created by the existence of arms is as great as the tension that would arise if there were no arms, or too few arms. President Eisenhower has said that war in this day and age would yield only a great emptiness. So, I think, would disarmament in this day and age. An arms race is a frightening thing, but 80 sovereign nations suddenly turning up without arms is truly terrifying. One may even presume that Russia came forward with the most sensational of the disarmament proposals—total disarmament in 4 years—just because it is terrifying. A dictator dearly loves a vacuum, and he loves to rattle people. Disarmament in this day would increase, not diminish, the danger of war. Today's weapons are too destructive to use, so they stand poised and quiet; this is our strange climate, when arms are safer than no arms. If modern weapons make war unlikely, had we not better keep them until we have found the political means of making war unnecessary?

In a letter to Dag Hammarskjold, Khrushchev said, "General and complete disarmament cannot result in advantage to any side." This is nonsense. The side that enjoys numerical superiority stands to gain by disarmament, the side that does not have any intention of remaining unarmed for more than a few minutes stands to gain, and the side that uses the lie as an instrument of national policy stands to gain. If disarmament carried no chance of advantage, Mr. Khrushchev would not be wasting his breath on it. He likes it because of its propaganda value and because it gives him a chance to oust us from our advanced military bases—which is the Soviet's precondition of an arms agreement.

Perhaps the most valuable clues to peace nowadays are to be found in the Soviet Union's own fears, and these are many. Russia's greatest fear, apparently, is that Western democracies will act in a united and constructive way. Russia is constantly on the alert to divide us and drive the wedge that we read about every day in the papers. Mr. Khrushchev's March visit to Paris was designed primarily to arouse France against West Germany. His conniptions at the summit and his vilification of President Eisenhower were designed to stir up irritation and allow him to threaten the countries that had accidentally got involved in the spyplane affair. If it's so very important to Russia that the West be a house divided against itself, then it should be equally important to the free nations that they stand together, not simply as old friends who have a common interest but as a going political concern. A successful attempt to open discussions on this subject has yet to be made, and the matter is seldom referred to in exact terms. The Western nations are still content to put their trust in what they know—the techniques of diplomacy, of alliance, of collective security, of bargaining, of last-ditch solidarity. A few months ago, when the United States and Great Britain were faced with a decision about nuclear-test arrangements, Macmillan had to duck over here at the eleventh hour for a quick talk. This kind of hasty tucking up should be unnecessary. It is appalling that at this late date the two great English-speaking countries, both equipped with atomic weapons, both desirous of presenting a solid front to the world, each wholly dependent on the

other for survival and neither sure that it will survive, should have no political machinery for translating the wishes of their peoples and should still be obliged to go philandering to gain a decision on some vital point. England and America in this fateful decade remind me of a fabulous two-headed sheep I encountered in a book by Laurie Lee: "It could sing harmoniously in a double voice and cross-question itself for hours."

While studying the words of the candidates, I watched for signs that any of them felt favorably disposed toward a more positive and orderly political structure for the West. The signs are there, but the words are thin, guarded, hesitant, as was to be expected. Few public men are ready to state the thing unconditionally and with enthusiasm. But here, for what they are worth, are a few hints, a few promising sprouts:

Adlai Stevenson: "Should we not at least attempt a political inventiveness which in some way matches the horrific inventiveness of our scientists? We do not pursue the general welfare. We pursue our separate National interests and hope that the selfish good of the parts will add up—against the witness of all social history—to the wider good of the whole. We do not urgently seek a world under law."

And again Mr. Stevenson: "A working cooperative Atlantic system would do more than enhance the basic strength of the West. It would demonstrate to other areas * * * methods by which political autonomy can be combined with supernatural cooperation. In any case, the alternative is to see the centrifugal forces which are always at work between separate National entities pull us ever farther apart. One thing is sure—we cannot deal with the Communist challenge divided and in disarray."

Vice President NIXON: "The time has now come to take the initiative in establishment of the rule of law in the world to replace the rule of force."

Senator KENNEDY: "With respect to the world outside, our purpose is not only to defend the integrity of this democratic society but also to help advance the cause of freedom and world law—the universal cause of a just and lasting peace."

And again Mr. KENNEDY: "So far we have lacked the vision to present a comprehensive program for the development of a world community under law and we have lacked the courage to try small beginnings."

Nelson Rockefeller: "[The United States should seek] a political framework which someday may be comparable to the one we created for our own Nation in the federation of States on a worldwide basis."

CHESTER BOWLES: "The gradual growth of a framework of world law will depend on the vitality and success of the multilateral agencies we now have, and we should be vigorously pursuing our objectives through these agencies wherever possible."

The phrase "The Rule of Law," I have noticed, means different things to different men. Mr. NIXON's amplification of the remark quoted above indicated that he found the rule of law in a strengthened world court, which I think is to confuse international law with supranational law. I'm not sure I know what Mr. KENNEDY means by the rule of law. President Eisenhower sometimes uses the phrase and leaves the interpretation up to the listener. Governor Stevenson goes as far as "a working cooperative Atlantic system" and "supranational cooperation." Governor Rockefeller comes right out with the Federal principle and with a "political framework comparable to the one we created for our own Nation."

Well, politicians are busy men. Primarily they are not paid to indulge in the pastime of shaping the world in an ideal mold, out of pure theory and pure reason; they are paid to get us through the day as best they can. A public servant has a thousand pressing obligations as well as a strong distaste for theoretical ideas that are bound to irritate voters. But I believe that if a public man speaks of the rule of law at all, he should stay with the subject long enough to say what he has in mind: Who are the authors of this law? Who are the enforcers? From whom do they derive their authority? What are the geographical conditions? What is the framework within which it lives? The simple truth is, we in the West have not yet attempted a political inventiveness, we do not seek a political framework, the centrifugal forces causing friendly nations to fly apart are still operating, we are in disarray, and "the rule of law" is a cloudy phrase in a closing paragraph, not a clear gleam in somebody's eye.

Perhaps this is not the proper time to explore the foundations of unity of the West. Many people would say that although the vision of a Federal union of free democratic capitalist states is a pleasing prospect for dreamers, actual work on it would be too upsetting, would shake us at a ticklish time. We might become so absorbed in establishing order on a higher level that we'd lose what little order we now enjoy, and thus play into the hands of our enemies. Others would say that if the political unity of free powers were to become an accomplished fact, it would merely increase the challenge and the fury of the East. Others would argue that most people find unity repugnant; it spoils the fun.

These are all good arguments against trying to bring greater order into Western society. As an American citizen, though, I would welcome the stirrings of political union with the United Kingdom, with France, with Scandinavia, with all the Western European nations—with any nation, in fact, that could show a long, successful record of government by the consent of the governed. For I would feel that although I was being placed temporarily in a more dangerous position, I was nevertheless occupying higher ground, where the view was better. I would know my destination at last. If from the shambles of the summit there were to emerge the first positive thrust of Western unity, then the summit would, in my book, go down as a smashing success, not a bleak failure.

The Communists have a shape they pursue; they propose an eastern union that will eventually erode the West and occupy the globe. In a day when imperialism is despised and languishing, they brazenly construct an empire. To do this they engage us in a cold war. I believe this war would be easier to fight if we, too, could find a shape to pursue, a proposal to make. Let us pursue the shape of English liberty—what Santayana once described as "this slow cooperation of free men, this liberty in democracy." English liberty in a federal hall—there's a shape to conjure with. "Far from being neutralized by American dash and bravura," wrote Santayana, "or lost in the opposite instincts of so many alien races, it seems to be adopted at once in the most mixed circles and in the most novel predicaments." A federation of free states, with its national units undisturbed and its people elevated to a new and greater sovereignty, is a long way off, by anybody's guess; but if we could once settle on it among ourselves, and embrace it unashamedly, then we would begin to advance in a clear direction and enjoy the pleasures and disciplines of a political destination. Liberty is never out of bounds or off limits; it spreads wherever it can capture the imagination of men.

Speaking of engaging men's minds, this is another thing we seem willing to leave to the Russians. The figures on it are appalling. The authors that are circulated most widely today, in translation, are Marx, Lenin, and Stalin. Between 1948 and 1955, Lenin ran ahead of the Bible. I don't know where he stands today in relation to the Bible—he may have slipped a little—but I know where he stands in relation to John Adams, James Madison, Benjamin Franklin, Thomas Jefferson, and some of the other writers we like to think are stimulating to readers. He is out in front by a commanding lead—one that will be hard to overcome. We in America have no right even to brood about the unity of free men unless we are energetic enough to make our ideas available to those who are desperately seeking any idea at all. The Army fired a missile the other day and hit a target 9,000 miles away, but we've put very little time or money into launching our best missile—our ideas. We should flood the world with the good books that make men's hearts catch fire. We should not expect the man in the antipodes to travel to the corner of Forty-second Street and Fifth Avenue and search through the card catalog.

These are times of daily horror and daily fear. Men are now talking of digging holes in the ground for everybody into which all can crawl. But I think men are not built like fiddler crabs. What we need in this awesome century is not a hole that goes down a few feet into the earth but a clear working drawing of a structure that goes well up into the air. There have been such times before, but these are by far the gravest.

In the long debate on disarmament, I encountered a statement that has proved memorable; it was in a piece in the Times magazine last October, by Salvador de Madariaga, who for a number of years watched disarmament from the vantage point of the League of Nations. Senor de Madariaga ended his article with an observation that should inform and enliven every free nation. "The trouble today," he wrote, "is that the Communist world understands unity but not liberty, while the free world understands liberty but not unity. Eventual victory may be won by the first of the two sides to achieve the synthesis of both liberty and unity."

I have never seen the matter stated more succinctly, nor have I ever read a prediction I felt such confidence in. President Eisenhower often talks of peace with justice, but fails to supply a sketch. Diplomacy, treaties, national aspirations, peace parley hot, peace parley cold, good will tours, secrecy, spying, foreign aid, foreign trade, foreign relations—these seem to be the only building blocks we are trustful of. From them justice cannot be expected to arise, although occasionally some benefits do come from them, more by good luck than by good management. Our national strategy goes something like this: Keep your chin up, keep your powder dry, be willing to negotiate, keep your friends happy, be popular, be strong, get to outer space, stall for time, justice is bound to come eventually, and the rule of law.

I doubt whether justice, which is the forerunner of peace, will ever be pulled out of a hat, as some suppose. Justice will find a home where there is a synthesis of liberty and unity in a framework of government. And when justice appears on any scene, on any level of society, men's problems enjoy a sort of automatic solution, because they enjoy the means of solution. Unity is no mirage. It is the distant shore. I believe we should at least head for that good shore, though most of us will not reach it in this life.

ABOUT THE AUTHOR

E. B. White is one of the country's foremost essayists. For more than 20 years, he has delighted American readers with his philosophical observations. He was for many years a contributor to Harper's magazine. This was followed by his long career as a

contributing editor on the staff of the New Yorker. The article printed here, published in the New Yorker, is the product of long study and reflection by a thoughtful, quiet, and penetrating student of affairs. It is reprinted as an eloquent contribution to the current debate on national policy.

AIR POLLUTION CONTROL BILL

Mr. CLARK. Mr. President, it is important that S. 3108 as proposed to be amended by the senior Senator from California, be enacted before Congress adjourns. The effects of polluted air both to property and health make delay ever more costly. We simply cannot afford to further postpone action.

Damaged crops and livestock, damaged buildings, and lowered real estate values resulting from air pollution have cost the American people several billions of dollars a year. Even more important, Public Health Service scientists suggest that air pollution seriously affects human health, and have produced evidence that certain air pollutants can cause bronchitis, asthma, and lung cancer.

Despite the fine work already being done by the Public Health Service and by State and local agencies, the problem continues, and the results become more and more distressing. Communities in my own State are gravely concerned, and so are communities in other States. In any urban or industrial area, wherever large amounts of fuel are burned, quantities of harmful hydrocarbons and oxides are released into the air. Once airborne, these pollutants neglect to recognize local or State boundaries; they inflict damage with indifference and impartiality. The problem is indeed national.

The bill, requested by the Secretary of Health, Education, and Welfare and reported favorably with amendments by the Committee on Pubic Works, is a definite step in the right direction. As amended, it would extend air pollution research until June 30, 1966. It would enable the Surgeon General to conduct investigations and research and make recommendations after public hearings on those pollution problems which are either interstate in nature or which concern communities in different States with common problems. Although it is a modest proposal, authorizing no additional expenditures, the gains from it will be considerable.

S. 3108 will enable HEW to provide leadership in an area where additional research and discussion is desperately needed. It will encourage State and local control agencies to make better use of the resources of the Public Health Service. It will provide interested persons from State and local communities with the opportunity to discuss pollution problems, causes, and effects. It will help in the development of recommendations as a means of focusing public attention and developing support for carefully considered solutions.

In short, the bill will provide a valuable weapon for the fight against air pollution. Therefore, Mr. President, I believe it should be passed now so that the Surgeon General may soon take advantage of its provisions.

FEDERAL AID TO EDUCATION

Mr. CLARK. Mr. President, I have received an interesting telegram from Mr. W. W. Eshelman, president, National Education Association, and Mr. William G. Carr, executive secretary, National Education Association, advising me of a statement in support of S. 8, which is now pending in the other body, adopted by the board of directors of the National Education Association in session in Los Angeles, June 26, 1960.

I ask unanimous consent that the telegram be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Hon. JOSEPH S. CLARK, Jr.,
Senate Office Building,
Washington, D.C.:

The following statement was adopted by the board of directors of the National Education Association in session in Los Angeles, Calif., June 26, 1960:

"The free society of America depends upon quality education to enable our youth to meet the future with confidence and understanding. The National Education Association firmly believes that from this national dependence stems a national responsibility for sharing in the financial support of public elementary and secondary schools.

"Although control of education should remain in the hands of State and local authorities, the association membership believes and has firmly stated that the Federal Government should share with these authorities a greater responsibility for financial support of education. S. 8 as passed by the U.S. Senate on February 4, 1960, providing substantial funds for public elementary and secondary education with the States having freedom to choose how they would apportion the money between teachers' salaries and school construction, meets this objective.

"The NEA continues to support the principles of this 'freedom of choice' Federal support bill. In the name of the children of America and the future of our country, we urge the Congress to enact such legislation in the waning days of this session of Congress."

W. W. ESHELMAN,
President, National Education Association.
WILLIAM G. CARR,
Executive Secretary, National Education Association.

SELECTION OF SENATE CONFEREES

Mr. CLARK. Mr. President, I should like to note two things for the RECORD.

First, in regard to yesterday's vote sustaining the conference report dealing with the extension of excise taxes and the closing of loopholes, the Democrats in the Senate voted 32 to 27 in opposition to the conference report. Had all Members whose positions were announced and those who were announced as paired been present and voting, the majority of Democrats in opposition to the report would have been even greater.

I note with some disappointment that not a single Republican Member of the Senate voted against the conference report.

In this connection, Mr. President, there has been pending before the Committee on Rules and Administration of the Senate for more than a year a resolution sponsored by me and by 21 other Senators which would make it a part of our rules that a majority of conferees must represent the prevailing view in the Senate.

This was not done in connection with the conferees on the excise tax bill, since a majority of the Senate conferees voted against the McCarthy and Clark amendments—both of which were dropped in conference.

I reiterate my position that I hold no brief against the senior Senator from Virginia [Mr. BYRD] or the senior Senator from Oklahoma [Mr. KERR], who did what they thought was right, but I believe the result of yesterday's vote clearly shows it is quite unwise not to follow the procedure outlined in the manuals, which is to appoint a majority of conferees who represent the prevailing view in the Senate.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point Senate Resolution 118, submitted by me and by other Senators May 12, 1959, and a memorandum in support of the proposed rule relating to selection of Senate members of conference committees.

There being no objection, the resolution and memorandum were ordered to be printed in the RECORD, as follows:

Resolved, That rule XXIV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. A majority of the Senate members of a committee of conference shall have indicated by their votes their sympathy with the bill as passed and their concurrence in the prevailing opinion of the Senate on the matters of disagreement with the House of Representatives which occasion the appointment of the committee."

MEMORANDUM IN SUPPORT OF PROPOSED RULE RELATING TO SELECTION OF SENATE MEMBERS OF CONFERENCE COMMITTEES

This memorandum summarizes the arguments in support of a resolution to add the following paragraph at the conclusion of rule XXIV of the Standing Rules of the Senate:

"3. A majority of the Senate members of a committee of conference shall have indicated by their votes their sympathy with the bill as passed and their concurrence in the prevailing opinion of the Senate on the matters of disagreement with the House of Representatives which occasion the appointment of the committee."

A RULE IS NEEDED

The Standing Rules of the Senate are virtually silent on the subject of appointment of the Senate members of committees of conference, the applicable rule (rule XXIV) merely stating:

"All other committees shall be appointed by ballot, unless otherwise ordered, and a plurality of votes shall appoint."

In practice, the members have been elected only once in modern times (on the Muscle Shoals bill in 1925). In all other instances, the Chair has been authorized to make the appointments, and it is the practice for the Presiding Officer to have the Senators suggested to him by the chairman of the appropriate committee or other member in charge of the bill.

Since before the time of Jefferson, the principle has been acknowledged that the majority of conferees should represent the prevailing view of the body on the bill to be considered. The current manuals state that this is Senate practice. Yet in the routine handling of bills, the alternative prac-

tice has grown up of appointing the senior members of either the committee or the subcommittee which considered the legislation.

Necessarily, the prevailing view principle and the seniority practice comes into conflict on some bills, and at such times either the principle or the practice must give way. If on such an occasion no Senator makes an issue of the appointment of conferees—as is usually the case—the seniority practice is routinely followed, resulting in the appointment of conferees unsympathetic to the prevailing view of the Senate.

The most recent such instance occurred on March 25 of this year, when four of the five Senate conferees on H.R. 5640, the temporary unemployment compensation bill, had voted against the Senate version, and in favor of the House version, of the bill to be considered by the conference.

When, on the other hand, an issue has been made of the conflict between principle and practice, the prevailing view principle has usually been adhered to, but often only after cumbersome and embarrassing maneuvers. Ordinarily, the maneuvering has taken place behind the scenes, but sometimes it has broken out into acrimonious controversy on the Senate floor. Friends of the measure have found themselves in the embarrassing position of appearing to challenge the integrity of senior Senators. The senior Senators have found themselves in the equally embarrassing position of having to choose between resigning under protest or subjecting themselves to criticism for insisting upon representing a Senate position with which they were out of sympathy.

To write into rule the recognized prevailing view principle would provide an orderly procedure for the future and obviate further controversy on the question.

THE PREVAILING VIEW PRINCIPLE HAS LONG BEEN ACKNOWLEDGED

1. The manuals recognize the principle:

Cleaves' Manual, which was reported to the Senate pursuant to a Senate resolution in 1900 and which is incorporated in the Senate manual, states in section 17:

"In the selection of the managers * * * of course the majority party and the prevailing opinion have the majority of the managers. It is also almost the invariable practice to select managers from the members of the committee which considered the bill. * * * But sometimes in order to give representation to a strong or prevailing sentiment in the House the Speaker goes outside the ranks of the committee."

This section of Cleaves' Manual is taken from section 1383 of Hinds' "Parliamentary Precedents of the House of Representatives of the United States," published by authority of a joint resolution of the Congress approved in 1898.

The current House manual and rules contains even stronger language on this point (sec. 536).

2. Presiding officers have asserted the principle:

In 1896, when Senator Hill, of New York, objected to the Chair's going outside the ranks of the committee which had considered the bill in naming a conferee, the presiding officer stated that "no new precedent has been established by the Chair. It has been the custom of the Senate for a great many years to appoint other than a member of the committee reporting a bill on the conference committee" (54: 2, RECORD, p. 3857).

In 1935, Vice President Garner announced that "hereafter the present occupant of the chair expects to exercise some discretion in the matter of selecting conferees when the Senate authorizes him to make the appointments." The minority leader said his understanding of the rule was that "the majority, at least, of the conferees must be sympathetic with the prevailing opinion, which must be the majority of the Senate who support the measure. * * *" Vice President Garner replied, "That will certainly be the policy of the present occupant of the chair" (73: 1, RECORD, p. 5296).

3. Many individual Senators have cited and supported the principle:

During consideration of the Oklahoma statehood bill, in 1905 and 1906, Senator Teller said:

"* * * The rule has been in parliamentary bodies, not only in this country, but in others, particularly in Great Britain, that when a measure * * * comes * * * from another body, the friends of the measure as it passed the body (and it is true in the other House as well as this) take charge of it from that time on. When we shall have reached the point * * * that there is to be a conference, they are entitled to a majority in the conference." (58:3, RECORD, p. 2815.)

"* * * Whenever a conference committee is created, it is created to bring the mind of the other body to that of this body, and to bring them together. It is not to represent the view of the minority, but to represent, if possible, the majority. Upon that theory the majority of the proposition that passes this body is entitled by custom and usage and on principle to name the committee. A majority only of this body can pass a bill. This body then is entitled to have a friendly committee.

"So far have the English authorities gone on this subject in Parliament that they have declared that it was the duty, when a man was put on a conference committee or on any other committee to deal with a subject to which he was hostile, to refuse to become a member of the conference committee or any other committee. As was said by a distinguished English writer on Parliamentary law, and as is quoted approvingly in Jefferson's manual, 'the child is not to be put to a nurse that cares not for it.' * * * It is only * * * in modern times—that the custom has grown up to allow the Chairman of the Committee, however hostile he may be to the bill as it passes the Senate, to designate who shall deal with the House in the effort by a conference to bring the House to the sentiment of the Senate. Everyone can see that logically the friends of the measure are the proper ones to represent the matter to the conferees on the part of the House and win them to the Senatorial mind" (59: 2, RECORD, p. 4155).

During the 1906 debate on the same question, Senator Foraker, of Ohio, said:

"The rule of the Senate which I evoke in this instance would but give us the benefit of the general rule that obtains, laid down by all parliamentary writers, that those who are the friends of a proposition should go to the conference to represent it" (59: 2, RECORD, p. 4155).

During consideration of the Army appropriation bill in 1888, Senator Hawley, of Connecticut, asserted that the rules required "that two of the conferees shall be Senators friendly to the action of the Senate." The Chair thereupon stated that, in practice, conferees "are designated by the friends of the measure" (50: 1, RECORD, p. 7223).

During consideration of the Cuban intervention resolution in 1898, Senator Stewart, of Nevada, said:

"I remember that until quite recently in making selection of conferees, the Chair always has in view the idea of representing the majority of the Senate upon that particular question where there is a difference, and those constituting the majority in favor of the measure, are entitled to have a majority of the committee to represent their views. That has been the rule; and I have never known an exception to it until 1890. It was stated frequently by the older members 30 years ago that that was binding in all cases" (55: 2, RECORD, pp. 4027–4028).

On the same occasion, Senator Frye, of Maine, said:

"In my judgment, in my place as conferee there should be appointed some Senator on the committee who holds views diametrically opposite to mine. The Senator from Ohio, Mr. Foraker, is the real father of the proposition to recognize the Cuban Republic now. He was persistent in committee, has been persistent since, and if I were Presiding Officer of the Senate, I would appoint Senator Foraker as one of the conferees on that committee" (55: 2, RECORD, p. 4030).

During consideration of the Muscle Shoals bill in 1925 (68: 2, RECORD, pp. 2552–2563), Senator Underwood, of Alabama, moved for election of conferees in order to avert the appointment of the senior members of the Committee on Agriculture and Forestry, saying:

"According to the rules and the precedents I think we are entitled to conferees who reflect the last vote of the Senate in passing the bill" (id. p. 2552).

And Senator Norris, of Nebraska, who was the chairman of the Committee on Agriculture and Forestry who would be bypassed, said:

"We ought to appoint conferees who believe in the action the Senate has taken and are in sympathy with it. This bill that was passed by the Senate—the Coolidge-Underwood bill—was opposed by me almost in its entirety. If we follow what I think we should follow—the right kind of an honest rule—then when the conferees are appointed I should not be on the conference committee from the Senate. I had determined, even before any suggestions had been made, that I would not accept appointment on the conference committee, because, to my mind, I would almost have to stultify myself. I did not believe in the bill; I had no faith in the action taken by the Senate; I was sincerely bitterly opposed to it, and it seemed to me that I should eliminate myself and ought to stay off the committee. I think the fundamental proposition that those friendly to legislation should be appointed on conference committees is correct" (id., p. 2555).

On the same occasion, Senator Smith, of South Carolina, said:

"I agree with the Senator from Nebraska that when the majority have expressed themselves touching the principle of any legislation, those in sympathy with it ought, if possible, to go on the conference committee to meet the objections to that principle which come from the other House" (id., p. 2559).

On the same occasion Senator Edge, of New Jersey, said:

"Speaking entirely apart from the legislation at issue, it appeals to me that the rule of seniority, so far as it applies to the naming of conferees, is a very unfortunate one * * * I believe conferees appointed on any measure should be Senators convinced that the measure they are to consider in conference is correct and is right * * * They should go into conference with the enthusiasm of believing the measure should become a law" (Id., p. 2560).

On the same occasion, Senator Heflin, of Alabama, said:

"There is no doubt that the dominant thought of the Senate is entitled to be represented on the conference committee, and when we seek to get Senators who represent that thought and have to disregard Senators who are bitterly antagonistic to the view of the Senate we make no reflection upon those latter Senators" (Id., p. 2561).

SENIORITY PRACTICES HAVE FREQUENTLY BEEN ABANDONED IN ORDER TO REFLECT THE PREVAILING VIEW

Ada Chenoweth McCown, whose study of conference practice in the first 70 Congresses ("The Congressional Conference Committee," Columbia University Press, 1927) is the

authoritative work on this subject, wrote that seniority and committee membership had little to do with the selection of managers for conferences during the first 30 Congresses. By 1848, she noted that seniority standing on committees appeared to have some influence on choice of managers by the House, but was still not the general practice of that Chamber. In the Senate there was no evidence of a seniority practice by that date (pp. 61–63).

During the last half of the 19th century and during the 20th century, the seniority practice grew, but on occasions when the issue was raised that the "prevailing view" principle was being violated the seniority practice was repeatedly abandoned to permit the majority of the Senate to have the majority of the Senate conferees.

In some such cases the original appointments were made without strict adherence to seniority. In others, the original appointments were made according to seniority but were followed by resignations—sometimes promised in advance—to permit substitution of Senators favorable to the Senate view.

Examples of both procedures follow:

1. DEPARTURE FROM SENIORITY IN ORIGINAL APPOINTMENTS

Federal Reserve Act (1913): Every Democratic member of the Banking and Currency Committee was appointed except Senator Hitchcock, of Nebraska, second-ranking Democrat (RECORD, Dec. 13, 1913, p. 1230).

Chinese Exclusion Act (1902): Senator Reed, of Pennsylvania, was passed over in favor of more junior committee members (57: 1, RECORD, p. 4424).

Cuban Intervention (1898): After a protest had been voiced by Senator Foraker, of Ohio, that a majority of the prospective conferees did not support the Senate position, Senator Frye, of Maine, who would have been a conferee had the seniority rule been followed suggested that the Chair appoint Senator Foraker in his place. The Chair adopted this suggestion (55: 2, RECORD, pp. 4027–32).

Displaced Persons Act Amendment (1950): An objection was voiced to the original slate of seven conferees proposed by Senator McCarran, of Nebraska, on the ground that four of them had opposed a substitute amendment which was adopted by the Senate. Senator McCarron thereupon withdrew his proposed names and moved that the Chair appoint conferees. The Vice President then appointed five conferees, including only three of the original group proposed by Senator McCarran, giving a majority of four to one in favor of the majority view of the Senate (81: 2, RECORD, pp. 4802–03).

2. RESIGNATIONS OF SENIOR MEMBERS TO PERMIT SUBSTITUTIONS

Muscle Shoals (1925): All three of the Senators elected by the Senate to the conference committee (Norris, of Nebraska; McNary, of Oregon, and Smith, of South Carolina) resigned following their election because they were opposed to the measure which passed the Senate. Following their resignation, other appointments were made in order from the committee and three other Senators (Keyes, of New Hampshire; Capper, of Kansas; and Ransdell, of Louisiana) resigned for the same reason, thus making possible a majority of conferees favorable to the measure.

Federal Revenue Act (1936): Senators Couzens, of Michigan; and Keyes of New Hampshire, resigned immediately after appointment, insisting they were out of sympathy with the bill (74: 2, RECORD, p. 10266).

Agricultural Adjustment Act (1938): Senators Norris, of Nebraska, and McNary, of Oregon, resigned after appointment, the latter explaining that it had been "an unbroken rule of mine that when I oppose a bill I refuse to act as a conferee" (75: 2, RECORD, p. 1768). They were replaced by Senators Frazier, of North Dakota, and Capper, of Kansas.

Submerged Lands Act (1952): After conferees were appointed on the submerged lands act bill, Senator LONG, of (Louisiana), protested that three or the five had voted against the so-called Holland-Connally substitute which had been approved by the Senate. Senator LONG contended the provision of Cleaves' Manual, quoted above, had been violated. He entered a motion that the Senate reconsider the appointment of conferees (CONGRESSIONAL RECORD, vol. 98, pt. 3, p. 3580).

On the following day, Senator O'Mahoney, of Wyoming, announced that one of the conferees, Senator McFarland, of Arizona, had asked to be excused from service on the committee and that the next two senior men on the Committee, Senators Anderson, of New Mexico, and Lehman, of New York, had made like requests because they too had opposed the substitute amendment which had prevailed. The next Senator in order, Senator LONG, accepted appointment and withdrew his motion to reconsider (CONGRESSIONAL RECORD, vol. 98, pt. 3, p. 3678).

On other occasions, protests at the appointment of conferees not in sympathy with the prevailing Senate opinion have been registered, but withdrawn upon assurance by the conferees that they would faithfully support the Senate position despite their own divergent views. Yet the necessity for such demeaning public assurances would not arise were it not for the doubt that inevitably exists when "the child is put to a nurse that cares not for it."

Whenever the question of abandoning the seniority system is raised on a particular bill, the issue becomes one of personalities. As was so notably the case in the lengthy and harsh debate on appointment of conferees on the Muscle Shoals bill, Senators seeking to assert the right of the majority to select the Senate managers are accused of impugning the integrity and honor of the senior Senators. At the same time, the senior Senators who would be bypassed are placed in a bad light if in other cases other committee chairmen and ranking members have been trusted to handle bills with which they were not in agreement.

If the proposed rule is adopted, then the selection of conferees in sympathy with the bill in question will be automatic. The issue will not have to be raised on the Senate floor, as in the past, giving rise to divisive debate and recriminations. And the principle of the "prevailing view," which has been so often violated, will be regularly honored.

THE LEGEND OF THE CHAINED NIKITA

Mr. DODD. Mr. President, even since the summit conference there have been speculative articles in the press suggesting that Nikita Khrushchev behaved as he did in Paris because he has become the prisoner of other men in the Kremlin who are more aggressive, more Stalinist, less disposed to peaceful coexistence.

In conjunction with this analysis, the point is made that, by the U–2 incident and by the stronger line advocated by Under Secretary Dillon and Secretary of State Herter in their speeches before the Paris conference, we undermined Khrushchev's position and played into the hands of his Stalinist opponents. The conclusion which flows from this analysis, of course, is that it is in our power to restore control of the Kremlin to the real Khrushchev—the peaceful, the coexistence-loving Khrushchev—by the simple process of showing ourselves more reasonable at Berlin and other points.

Mr. President, I believe that this analysis is false from start to finish, that it is part of the propaganda of confusion which the Kremlin has used so skillfully in its psychological conditioning of the free world. The thesis is effectively demolished in an article which appeared in the New Leader for June 20, entitled "The Legend of the Chained Nikita." I ask unanimous permission to have the text of this article printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LEGEND OF THE CHAINED NIKITA—AN INQUIRY INTO THE BUGBEARS, MYTHS AND ILLUSIONS IN WESTERN ANALYSIS OF SOVIET AFFAIRS

(By Alexander Dallin)

(One of the most astute observers of the contemporary Russian scene, Alexander Dallin is associate professor at the Columbia University Russian Institute. In assessing Soviet foreign policy objectives, Dallin calls for a factual review of Communist strategy by analysis of Soviet ideology, public statement and past performance, so that the U.S.S.R.'s outlook and objectives, as well as its tactics, are clarified.)

The bothersome U–2 story and the drama of the summit conference-that-was-none have provoked an orgy of speculation about Soviet motives and intentions. High officials and prominent newsmen have indulged in it more freely than at any time since Stalin's death. Such hypothesizing is both healthy and understandable; political analysis must be based on assumed probabilities even if access to the source is barred. What is startling and disturbing in the recent wave of reassessments is the ease with which the view has spread that Nikita Khrushchev was in fact constrained to act as he did; that he was (as one authority put it) "under strong pressure," or (as another writes) a "prisoner," a tool of nefarious hidden forces.

To the best of our knowledge, I submit, this is simply not so.

The legend of the chained Nikita includes three evil spirits, which operate either singly or together, depending on whose version you read. These are the military, the Stalinists, and the Chinese.

So far as the Soviet military is concerned, it will be well to remember, first of all, that it has never constituted a united political force. It has been faction-ridden and divided on important problems of military (and, implicitly, foreign) policy. But it has never been in a position to challenge the political leadership. Soviet marshals and generals are members of the Communist Party, almost to a man, and they accept party discipline in political affairs. From Frunze and Tukhachevsky to Zhukov (surely, men more powerful and more popular that the Konevs and Malinovskys of today), the military leaders have been, in the last analysis, at the mercy of the dictator, who has been able to dispose of them as he saw fit. There is no evidence whatever that this relationship has changed.

If in 1955–56 there could be any doubt about the priority of the Communist Party, it was emphatically and unmistakably removed in 1957. The tightening of controls and the struggle against revisionism included among its various manifestations the reinforcement of political control over the Armed Forces. Since then the priority of the party—in word and in fact—has ex-

plicitly been raised to unprecedented heights. And the image of Marshal Rodion Malinovsky following Khrushchev's every step in and out of Paris as a watchdog of the hidden junta in Moscow is too silly to take seriously.

As for the Stalinists, the question is of course, "Who are they?" Invariably, speculation centers on Mikhail Suslov as the leader or spokesman of this camp. Granting for the sake of argument that Suslov represents a tougher line than Khrushchev, what are his levers of power and who are the others who back him in the top echelons of the Kremlin? Either one grants the reality of some measure of collective decision-making there—and then Khrushchev's complete and systematic packing and control of the Party Presidium, Central Committee and Secretariat must be clearly recognized (the changing relationship among these three bodies is irrelevant for our purposes, as Khrushchev now fully controls all three); or else one assumes that numbers and majorities do not matter in these bodies—and then there would be no reason to believe that a hostile but victorious Suslov would continue to tolerate Khrushchev in power if he could dispense with him (much as the Molotov-Malenkov bloc would have dispensed with him in 1957).

If one trend emerges unmistakably from the various personnel shifts in the Soviet Government and Communist Party leadership in recent years, it is the almost uninterrupted consolidation of control by the Khrushchev machine and the elimination of any power base for a possible challenge. The latest shifts, including Frol Kozlov's and Leonid Brezhnev's reappointments, merely underscore this trend. Of the oldtimers, the only ones who remain are Anastas Mikoyan (usually considered either opportunistic or relatively soft), and the virtually impotent Kliment Voroshilov and Otto Kuusinen. Just about everyone else is an appointee of the Khrushchev era. As one runs down the list of the three top bodies, one fails to see more than a few names of men who could turn, or could have turned on the khozian. To be sure, a "Khrushchev man" may turn against him, just as Khrushchev himself turned against Stalin after his death. But we are talking about probabilities or, better yet, evidence and clues. And, here, the thesis of the Stalinists' ascendancy does not stand up. Unless, that is, one is satisfied (as one well-known correspondent says) that this trend must be taken on faith and evidence for it may not be apparent for months.

As usual, the role of China is most obscure. Without going into the complexities of the Sino-Soviet relationship, it may be said as a general proposition that the Chinese tail does not wag the Soviet dog (nor, for that matter, vice versa). For years, differences between the two powers have demonstrably existed over a wide range of issues, without seriously jeopardizing their alliance. These issues have included the inevitability of war, the cult of the individual, tactics toward the United States, the communes, the availability of nuclear weapons and no doubt a good many others as well. But I know of no shred of evidence showing that Khrushchev has now, after years of modulating and mitigating Sino-Soviet differences, been compelled to accept Peiping's views, on this or on any other matter.

The permutations and combinations of the three evil genies add little of substance. Thus, the attempt to link Vyacheslav Molotov as the leading Stalinist (which he was) in his Outer Mongolian quasi-exile, to Chinese Government head Liu Shao-chi in an alleged anti-Khrushchev drive is an artificial construct which has been tried and found wanting more than once before. (For that matter, Peiping's publication of Molotov's speeches and statements, which Moscow failed to print, is by no means unprecedented, as recent comment has suggested: Precisely the same was true, for instance, in November 1958.) Moreover, the motion of an explicit coalition of Stalinists, militarists, and Chinese Communists joining hands to choke Nikita fails to reflect much insight into totalitarian politics.

All this is not a critique of Kremlinology. Close scrutiny of Soviet sources, even frequency count and pecking order, can be essential for hints about intramural politics. Nor is this to suggest in any way that there are not real tensions and differences in Soviet society and the Soviet regime. Of course there are, and the image of a homogeneous totalitarian apparatus is as unrealistic as the thesis I am trying to contest.

Disagreements at the apex of totalitarian regimes are endemic. In the Soviet case, we know that such disagreements have existed, in recent years, over such issues as the relative priority of consumer goods, the long-range effect of foreign aid, the universal fatality of nuclear warfare and the possibility and desirability of relaxing the cold war. It is plausible to assume that such differences were present in March-April 1960 when the general lines of Soviet foreign policy were reviewed. The confusion of American voices is not likely to have clarified matters for the Muscovite observers. There were, and no doubt are, real divergences about proper Soviet strategy in foreign affairs.

Similarly, the breakdown of the Paris conference has no doubt pleased Peiping and produced greater concord between the two leading Communist powers. But this is a byproduct of the story, not its cause. The differences between Moscow and Peiping continue to be as great as ever, it seems. In the aftermath of his exhibition of vilification and vulgarity, Khrushchev continues to refrain from signing the peace treaty with East Germany; he submits new proposals on disarmament-by-stages and continues negotiations on nuclear test suspension; he continues to promote a variety of cultural, commercial and scientific exchanges with the West—the United States included. There is no surrender to Chinese dragons, whatever the balance of Soviet decisions.

And the same is true of the military. No doubt, there is some truth in the recent analysis of the large number of Soviet officers facing demobilization and viewing their loss of status and income with something less than enthusiasm. No doubt Khrushchev's militant stance helped to reassure those in Russia, in and out of uniform, who have been bothered by the gnawing fear that the man in Moscow might be taking his peaceful coexistence seriously, or might let his impulses jeopardize rational defense requirements. But all this has nothing to do with officers forcing a decision upon him. It is he who has the ultimate authority to decide about crucial shifts of military policy and personnel, not the other way around.

There is, in other words, no one to challenge his effective control. Others can suggest, argue, make themselves heard—and they can do so more successfully and with greater impunity than in Stalin's days. At times, Khrushchev is apparently prepared to listen to them. But no man and no faction can force its will on the Khrushchev machine.

Nothing is impossible in Soviet affairs. But I suggest that if those who detect an inhibited Russian Prometheus should be proved right, it will be for the wrong reasons—or rather for reasons not now in the public domain. In the absence of inside information, we must probe Soviet intentions by a process of triangulation which includes Soviet ideology, Soviet pronouncements, and the record of past Soviet performance. All three militate strongly against the view which I have been contesting here. Neither the theory (or, to use Nathan Leites' term, the "operational code") nor the record of Bolshevik behavior over half a century would permit tolerating a leader who is anything less than a complete master of all his own decisions.

As for Soviet pronouncements, Khrushchev would not have made his statement of May 28 if a real crisis of confidence or control had been involved. No such denial was made, for instance, when either the Molotov-Malenkov group or Marshal Georgi Zhukov or, later, Nikolai Bulganin were ousted. Now, Khrushchev confidently ridicules those "silly allegations" which contend that he "is being opposed by army officers and generals," or that "other Socialist countries are pressing the Soviet Union to give up the policy of détente and other things of this kind." And if Mikoyan were about to be axed (as some commentators have suggested), Khrushchev would scarcely have ridiculed such speculation by relating that Mikoyan had just invited him to his vacation ground in the Caucasus.

Quite the contrary. The style of the Paris performance smacked not only of Bolshevik tactics but reflected Khrushchev's personal amalgam of bullying and smiling, his immense flexibility and the characteristic ease with which he can shift gears suddenly, completely, from subject to subject, from vulgar diatribe to humility, from insult and insecurity to sweet reasonableness—and back. Anyone who has seen the main in action for a few hours can confirm that the recent performances were fully and typically his own, both in content and in form.

The speed and ease with which the image of Khrushchev as the instrument of some gray eminence has spread in this country reflects, I believe, more about ourselves than about Soviet reality. Some who have swallowed it are either unwilling to reexamine their assumptions about the nature of coexistence, or else cannot reconcile the memory of the burly politician, who last fall toured the United States with a smile and a simile and a sandstorm of hope, with the angry old man in Paris. That so many responsible men, after years of following and interpreting Soviet affairs closely in this country, should have adopted this inversion of wishful thinking strikes me as more than deplorable.

To assert that Khrushchev is being forced to act as he does is no sounder than it was, 20 years ago, to portray Hitler as a tool of the German general staff or of the Krupps; no less farfetched and no less dangerous than the present Soviet insistence that Eisenhower (or any other American political figure) is a tool of the Pentagon and/or Wall Street.

The present mood reveals above all—if my line of argument is correct—our continued failure to focus on, and accept as given, the long-range nature of Soviet outlook and objectives, and to see against this background the skillful but by no means unerring flexibility of Moscow's hand.

THE JAPANESE RIOTS

Mr. DODD. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Miss Marguerite Higgins in the New York Herald Tribune for Wednesday, June 22.

There are three paragraphs in this article which describe in the most forceful and succinct manner the nature of the street demonstrations—of the government by riot—that have become so prominent a feature of the international political situation.

Miss Higgins' article makes the point that the great majority of the people

who participate in these demonstrations do so out of curiosity or because they wish to be one of the gang. To illustrate this, Miss Higgins quoted a girl with pigtails who said, "Everybody else was coming so I though I would too."

There are many more who are not Communists and not basically anti-American but who go along with the demonstration for confused pacifist reasons.

The Communists are a tiny minority. But it is this tiny minority which instigates and is in command of these demonstrations. The leader of the demonstrations whom Miss Higgins interviewed told her:

We do not trust the American imperialists. We will overthrow the bourgeoisie. When we have a dictatorship of the proletariat, then we will have peace.

So here we see the pattern—mobs consisting of political elements, naive pacifists and other idealists, but led and manipulated by hardened Communists.

I predict that we will see much more of this pattern over the months to come.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT SPURS THE JAPANESE TO PROTEST?—MOTIVES ARE VARIED AND SO ARE CROWDS

(By Marguerite Higgins)

TOKYO, Wednesday, June 22.—At the Shinagawa Railway Station, in dismal, drenching rain, a pigtailed Japanese art student and a beret-sporting engineer sing the Internationale as they hold a soaked newspaper over their heads.

A loudspeaker barks, and all along the station platform exhausted young people roll out from under a sea of black umbrellas and shout—to the rhythmic command of a shrill whistle—down with the treaty.

Why do they do it? Why do these youngsters who have already passed part of the day demonstrating at the Parliament come by the tens of thousands to the shivering discomforts of a night in the open to participate in actions against the new Japanese-American security treaty?

Their leader, 23-year-old Fujiwara Josikisi has a hypnotic sound-truck manner. He declares: "Why should we let the Americans occupy us? Do you deny that having American bases here is a risk for us? We do not trust the American imperialists. We will overthrow the bourgeoisie. When we have a dictatorship of the proletariat, then we will have peace."

But the girl with the pigtail, who was interviewed separately, said: "Everybody else was coming so I thought I would too. Isn't it cold?"

And the youth in the beret demanded: "Why do you American reporters write lies about us? We are not Communists. We just want to get rid of Premier Kishi and the treaty."

SINGING AND DEBATING

And then as inevitably happens, the crowd gathers—between songs and spells of shouting down with something—and a debate is on.

What about the fact that Mr. Kishi's Liberal-Democratic Party has a clear majority gained through free elections? Don't you believe in majority rule?

"We do not believe that the majority should try to force its will on the minority in something so important as the security treaty," replied the student. "This should be taken to the people."

WILL FIGHT BY ANY MEANS

What if a majority of the Japanese people approve the treaty in the next election? Would you cease using violent means such as mob attacks on the Parliament Building?

"We can never accept the treaty," said the youth in the beret. "If the people vote for it, this only reflects their ignorance. We cannot be guided by ignorance—we will fight the treaty by any means."

"Have you read the treaty," he was asked.

"Perhaps I have not read it," he replied. "Our leaders have told us what is in it. The treaty means war."

It was 5 a.m. and the rain was still drenching the students on the station platform. Loudspeakers blared instructions for new demonstrations for the students, most of whom have not been to school in days.

Then a whistle blew. It was time to shout denunciations again.

"The trouble is," said the boy in the beret as he marched away, "that Japanese and Americans do not seem to understand the same thing by democracy."

LEGISLATIVE APPROPRIATION BILL, 1961—RECONSIDERATION OF PREVIOUS ACTION

Mr. WILLIAMS of Delaware. Mr. President, I renew my unanimous consent request that the Senate reconsider its action by which it agreed yesterday to the motion of the Senator from Mississippi to send the legislative appropriation bill to a further conference.

My reason for requesting this is to place the bill in the same parliamentary situation it enjoyed prior to such action. I have discussed this with the Senator from Mississippi, and I believe he is agreeable.

The PRESIDING OFFICER (Mr. Moss in the chair). Is there objection to the request of the Senator from Delaware?

Mr. STENNIS. Mr. President, will the Senator yield to me briefly?

Mr. WILLIAMS of Delaware. I yield.

Mr. STENNIS. The Senator from Delaware and the Senator from Mississippi had a colloquy yesterday in which it was understood that the Senator from Delaware would be notified when action was taken on the matter. The Senator from Mississippi clearly understood that reference was being made to the final conference report, but, on being advised this morning by the Senator from Delaware that his conversation was directed to the next step in the Senate, under those conditions I think the Senator is clearly entitled to have his unanimous-consent request agreed to, so that the bill will be reinstated and restored to the status which existed yesterday as to the legislative appropriation bill.

In that connection, in agreeing to the request, Mr. President, the Senator from Mississippi will continue to insist on a conference being held with the House of Representatives with reference to matters still unsettled, and particularly desires to present to the House of Representatives the Senate position with reference to restoring the Old Senate Chamber, and questions related thereto.

Mr. WILLIAMS of Delaware. Mr. President, I appreciate the comments of the Senator from Mississippi. I stated at the beginning that I was sure this situation developed from a misunderstanding.

I have no objection whatever to the conferees asking for a further conference with the House in connection with funds for the restoration of the Old Senate Chamber. In fact, I am in complete agreement on that. I wish, however, to first have the Senate accept the House action on the so-called Williams amendment.

Compliance with this request, as the Senator from Mississippi stated, will merely put the bill in the same parliamentary situation it enjoyed prior to the action yesterday. I ask that it be restored.

Mr. STENNIS. It should be made clear that the contemplated conference will not be limited to the matter of the old Senate Chamber, but discussions will be held on any items not then finally agreed to.

Mr. WILLIAMS of Delaware. That is possible. Of course, that question can be determined at the time a request for a further conference is made. We can then decide whether to accept the House amendment to the Williams amendment, or whether to ask for a further conference. That question can be decided at the appropriate time.

Mr. STENNIS. The Senator from Delaware is correct. We cannot whittle down the Senate's position by a conversation between the Senator from Delaware and myself. If a conference is held, it will be held on all matters that are not then agreed upon between the House and the Senate.

Mr. WILLIAMS of Delaware. That is correct. If a conference is held, it will be on all matters not agreed upon prior to the request for the conference.

Mr. STENNIS. Very well.

Mr. WILLIAMS of Delaware. What the Senate will do in connection with the House amendment to the Williams amendment will be determined prior to such request. I am not making any effort to prejudice the future action of the Senate on any of these proposals. I merely wish to restore the bill to the parliamentary situation which it had prior to the action of yesterday. That was and still is my request, and I thank the Senator from Mississippi.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware? Without objection, it is so ordered.

RETIREMENT OF ALFRED STEDMAN AS ASSOCIATE EDITOR OF THE ST. PAUL PIONEER PRESS AND DISPATCH

Mr. HUMPHREY. Mr. President, one of our most illustrious newspapermen, the outstanding journalist and steadfast friend of American agriculture, Mr. Alfred D. Stedman, has retired as the associate editor of the St. Paul Pioneer Press and Dispatch. I believe it is fair to say that Mr. Stedman is a nationally recognized expert in the field of agricultural economics and production. He has received many rewards and citations

from agricultural groups for his distinguished writing, his objectivity, his courage and fearlessness in the presentation of the news as he sees it, and his long analysis of the agricultural situation.

I have known Mr. Stedman for a number of years. I feel it is a high privilege to be able to call him a friend and to share his friendship. I ask unanimous consent that an article which appeared recently in the St. Paul Pioneer Press and Dispatch relating to Mr. Stedman's service in the field of journalism be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALFRED STEDMAN RETIRES AS DPP ASSOCIATE EDITOR

Alfred D. Stedman, nationally recognized agricultural expert, Northwest conservation leader and Washington correspondent, retired Saturday as associate editor of the St. Paul Pioneer Press and Dispatch.

In addition to his career with these newspapers, which covered an overall span of 44 years, Stedman has been an editor of the U.S. News and has served over a period of years as assistant administrator of the agricultural adjustment administration.

He has received distinguished service awards from the American Dairy Association and the Minnesota Creameries Association for his contributions toward improving the dairy industry.

In 1940 he was given an honorary bachelor of laws degree by Hamline University, his alma mater.

Born in Boone, Iowa, Stedman, 68, did his first writing for these newspapers as a reporter of college news at Hamline University. After finishing college there, he doubled for a time, working part days on the South St. Paul Reporter and nights on the Pioneer Press police run.

EX-CITY EDITOR

Stedman was the first reporter on the scene after the famous Dunn murder in April 1917, and for weeks thereafter wrote daily news stories about that case and the companion murder of Minneapolis Patrolman George Connery by the same killers. He became city editor and news editor of the Pioneer Press and editorial writer for both newspapers.

He went to Washington as their correspondent in 1929 and covered the fights in Congress over the Smoot-Hawley tariff and Federal Farm Board bills and their repercussions in national political conventions. Later he broke the story that disclosed the Federal Government's adoption of the income tax evasion technique developed in the Al Capone case to prosecute Leon Gleckman, of St. Paul.

In 1933, Stedman was named Assistant Administrator of the Agricultural Adjustment Administration, the agency that operated the first of the national farm programs, and as such was in charge of its public information work in the United States and territories. He served under the late George N. Peck, Secretary Henry A. Wallace, and Chester C. Davis in the U.S. Department of Agriculture until 1939.

MILITARY WRITER

Through much of World War II Stedman was a member of the board of editors of the United States News, writing mostly in the military field.

He returned to St. Paul in 1945 as associate editor of the Pioneer Press and Dispatch, writing about agriculture in all its aspects—scientific, industrial, economic, social, educational, and political.

Stedman's work has been given recognition by the American Dairy Association, the National Creameries Association and affiliated dairy groups in Minnesota, by the Minnesota State Veterinary Medical Society, the Future Farmers of America and the Minnesota Association of Cooperatives. He was given the senior forestry award by Keep Minnesota Green, Inc.

RED WING GRAD

Stedman is a member of the American Farm Economic Association, the National Academy of Political and Social Science, the Newspaper Farm Editors Association, American Forestry Association, the National Press and Cosmos Clubs of Washington, and Sigma Delta Chi.

He got his first smell and feel of newsprint as a carrier on the Red Wing Daily Republican in the early 1900's. He was a member of the Red Wing High School of 1909.

NEEDED: A NEW CREDO FOR FOREIGN AID

Mr. HUMPHREY. Mr. President, David E. Lilienthal, formerly head of the AEC and TVA, has done an excellent public service in an article which he wrote for the New York Times Magazine of June 26, 1960. In the article, Mr. Lilienthal asks a reexamination by policymakers and American citizens of the basic motives for our economic assistance to other nations.

I invite the attention of my colleagues not only to Mr. Lilienthal's clear and penetrating questions, but also to the fundamental answer he advances:

We extend foreign economic aid in the final analysis because we must; because we are that kind of people; because we find that we cannot honorably live in a world in which we are growing fatter and fatter, more and more comfortable, while hundreds of millions of other human beings, our brothers as children of God, are hungry, needy, chronically ill, and without a chance to help themselves; because we know that they need not only something of our treasure but also our moral support and our deep concern for their own sake.

Mr. President, I ask unanimous consent that the article entitled "Needed: A New Credo for Foreign Aid," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEEDED: A NEW CREDO FOR FOREIGN AID

(By David E. Lilienthal [1])

Once again, the issue of foreign economic aid has been the center of stormy debate. The money issue has been settled for the present, but the basic fault has not been corrected. As they have been year after year, the arguments on both sides are based upon a single major premise—namely, that the primary purpose of aiding underdeveloped countries is to win friends and allies in return. This viewpoint is not only selfish, it has proved to be self-defeating. It is time that we abandon it for an entirely new philosophy of what foreign aid should be.

The effort to improve conditions for the great mass of people of the underdeveloped countries is lagging tragically. Nearly 2 billion of our fellow human beings today are hungry, sick (and yet without medical care), ragged, dirty, without decent shelter, with little chance to learn how to help themselves and—worst of all—without hope that their future or their children's will be any better.

True, the already well-to-do in most of the emerging countries are increasingly better off; but what is crucial is the gap between those few and the impoverished many. That gap has narrowed very little, and in some cases has even grown wider, at a time when the demand for improvement becomes more insistent, more widespread, more violent.

Another measure of the failure of economic development is the gap between prosperous and needy countries. The so-called "have" countries, and this category must now include the Soviet Union, have since the war so far improved their positions that prosperity for most of their people—speaking always relatively, of course—is the rule rather than the exception.

In sad contrast, the needy and hungry countries, with low rates of productivity, have inched forward only slowly—and in some parts of the world have actually lost ground in the last 10 years. This condition is partly explained by increases in population. In addition, a score of newly independent countries comprising nearly a billion people have had to contend with an understandable wariness—and even flight—of foreign capital, a reluctance of foreign management experts to brave the fires of anti-foreign feeling, a loss of markets and fiscal stability, a lack of trained people in government and in business. For many such reasons the gulf between the "haves" and the "have nots" has tended to increase rather than diminish.

This ugly fact casts a dark shadow over the conscience of mankind in the sixties. That it will produce tensions for all of us, of a kind almost unbearable over a long period, should require no extended exposition.

To narrow this growing chasm obviously requires continuing help of every kind—financial, technical, managerial, educational, and moral—from those who have to those who are struggling to improve their lot by their own efforts, consistent with their own aspirations and cultures.

The principal reason—though not the sole one—that has been advanced for asking American taxpayers to provide technical aid, loans, and guarantees running into billions of dollars has been to stop the spread of communism in underdeveloped countries. According to this doctrine, drummed into our ears steadily for the past decade by American and foreign officals, if we do not provide the poor and needy countries with economic help they will probably go Communist, or at least be dominated by the Soviet Union.

The policy of extending economic aid in order to buy the allegiance of an underdeveloped country, or to keep the Soviets from buying or coercing it, is not practical. It has not worked, and, I believe, it cannot be made to work. A wondrous spirit of independence and pride has gripped not only the newly born nations but many of the older ones as well.

That spirit of independence—or nationalism, if you prefer—makes a doctrine of commitments to us, explicit or implicit, in return for our aid quite unrealistic and unworkable. These nations desire aid but they are now in no mood to take it on an exclusive basis—from either the West or the East.

This approach to foreign aid has still another defect. What we buy is often not what we instinctively want: the friendship and trust of the whole people. Too often we

[1] David E. Lilienthal, formerly head of the AEC and TVA, is chairman of Development & Resources Corp., a private firm providing services for clients—mainly foreign—interested in the development of resources. This article was adapted from a speech before the Cleveland Council on World Affairs.

find ourselves in cozy isolation with the military or political or economic top layer that at the time happens to be in control of a country. This tends to confuse helping a people to become more free, economically and politically, with helping those who are at the time a dominant minority, and who may or may not be concerned with helping any one but themselves.

Finally, and most fundamental, this policy does not work because the philosophy behind it betrays the great ideals of American tradition—it is out of character for us. It has plunged us into a moral mess. What can we say in defense of an American policy, however disguised with diplomatic rhetoric, which from time to time displays the representatives of a noble nation up to their elbows in the cynical international bazaar, there to bargain and haggle and make deals by which we trade our money or credit or technical aid for friendships?

It is not in tune with the deepest American motivations—motivations which are rooted in our striving for a practice of ethics among men and our search for universal spiritual values. The hope in the hearts and minds of other peoples that Americans will be motivated by these ethical concerns is still our greatest source of respect, influence and strength in the world.

If, on the one hand, these huge economic expenditures produce questionable results for us, in a political, or military, or economic sense, and if, on the other, they are not used by the recipients to help strengthen the whole population and make it better able to control its own destiny, then the main rationale of economic aid totters.

No wonder the rank and file of people are showing a growing lack of conviction concerning the idea of aid by this country to the less developed, the less productive, the desperately needy peoples of the world. No wonder so many Americans are asking: "Why not use that foreign aid money to shore up our missile program, or to build the schools we need so badly or to reduce taxes, or to slow the outflow of our gold reserves?"

The many pleasant diversions to which we devote ourselves so wholeheartedly help us to forget human suffering elsewhere, but in that forgetting we are false to our own natures. Thereby, I fear we injure ourselves even more than we hurt those who could be helped by our concern and our assistance.

If our past policy is no longer a valid or workable one, judged by results, then what is the basis for an alternative policy?

Clarity in developing a new policy must, I suggest, begin with a reexamination of our basic motives. It must begin with an answer to the central question, "Why do we extend foreign economic aid?"

Should not our answer be: We do it in the final analysis because we must; because we are that kind of people; because we find that we cannot honorably live in a world in which we are growing fatter and fatter, more and more comfortable, while hundreds of millions of other human beings, our brothers as children of God, are hungry, needy, chronically ill and without a chance to help themselves; because we know that they need not only something of our treasure but also our moral support and our deep concern, for their own sakes?

I submit that perhaps the most trustworthy guidepost as to why we should provide foreign assistance is our conscience, as a people, a matter of our own sense of values, our own idea of what is right and wrong for us as a people, our own idea of what is a decent kind of world in which we and our children can live.

The Americans of the 19th century did not open wide the doors of immigration to the oppressed and hungry and dispossessed of Europe only because it would help the planters and merchants and businessmen already here. They did it because this was to be a new kind of country in the family of the human race.

Today, when we cast adrift from basic principle in dealing with the problems of the oppressed and hungry and dispossessed of the rest of the world, we are bound to become confused; above all, we are bound to lose an inner sense of confidence, a loss of confidence that may suffocate the most creative and magnificent and hopeful—and feasible—enterprise of our century.

An American foreign-aid program should be rooted in the most basic of our ideals and human sentiments, and reflect the most admired of our talents—our sensitivity to the aspirations of others and our faith in what others can do to help themselves if given a fair chance.

What would such a program of assistance do for us? Would it win us friends and allies? It might—but only as a priceless by-product. Would it make others grateful to us? No, I would hope not.

But there is something it could do—for us, and for the world—something far more important than the purchase of friends or gratitude.

A program of aid from which we ask nothing for ourselves in return could give the world a demonstration of the kind of people our system of political and economic freedom is capable of producing. By our example we would provide evidence of the creative power released in a human society by our practice of freedom of choice. We could provide an example by which the rapidly emerging nations of the world could weigh and judge the virtue of making increasing freedom for the individual—with justice for his neighbor—the cornerstone of their own evolving societies.

ANTARCTIC TREATY

Mr. McGEE. Mr. President, I ask unanimous consent that a letter to the editor on the subject of "Treaty for Antarctica," appearing in the New York Times on June 29, 1960, be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TREATY FOR ANTARCTICA—RATIFICATION URGED TO ASSURE AREA'S INTERNATIONAL DEVELOPMENT

To the EDITOR OF THE NEW YORK TIMES:

Last December the United States and 11 other nations which participated in the International Geophysical Year in the Antarctic signed a treaty governing future relations in that desolate area. Earlier this week the Foreign Relations Committee voiced its approval.

The treaty represents a clearly desirable step forward in international relations. It assures the demilitarization and the peaceful development of this disputed area.

It limits the use of the Antarctic to peaceful purposes, bars military measures of any type, prohibits for the first time in any area nuclear explosions and the disposal of radioactive waste materials, provides for the first time for national observers with free access everywhere to assure compliance through inspections and, again for the first time, requires the parties to exert appropriate efforts to assure that no state engages in banned activities.

U.S. RIGHTS

Objections to ratification of the treaty, already expressed by a few, including Senators ENGLE and GRUENING and the Daughters of the American Revolution, appear to be based on the misconception that the United States is relinquishing rights in the Antarctic or that the treaty provides an entry wedge for Russia into that continent.

Actually, the United States has traditionally refrained from making claims of its own, while reserving its rights based on our activities in the Antarctic, and while refusing to recognize the claims of other states there as not based on effective occupation. This position is carefully preserved in article 4.

The treaty expressly rejects the notion that previous policy is altered by it, assures continued access to all areas by nationals of all participants with legitimate reasons, and prevents the making of new or enlarged claims. By making specific claims now we would probably renew disputes among certain claimants and perhaps precipitate claims by the Soviet Union.

On the other objection, the Russian interest in the Antarctic goes back, it must be remembered, as far as the explorations of Admiral Bellingshausen in 1819–21. The Soviet Union is already an Antarctic power, in the limited sense that most other nations are. Her official policy is like ours—she rejects the claims of other nations but has made no claims herself, though reserving the right to do so. In recent years the IGY brought substantial, though by no means perfect cooperation between Soviet scientists, who have done much useful research, and those of other nations.

MILITARY VALUE

Further, the Antarctic is today not of much strategic importance to this country as even our military leaders have on occasion commented.

The safety of our allies and friends in the Southern Hemisphere is assured by the difficulties potential enemies would find in operating in the Antarctic over long and vulnerable supply lines and, if the treaty is approved, by its provisions limiting nations to peaceful uses, coupled with an inspection system.

As a scientific preserve and as a source of much of the world's weather the Antarctic is of interest to all nations. The United States has wisely taken the lead to date in assuring a peaceful development of this world resource. The treaty must be accepted by all signatories to become effective.

It is incumbent on the United States to point the path by accepting the treaty both to assure an international development of Antarctica and, it may be hoped, to provide a precedent for international regulation in other unsettled areas, such as outer space, and of nuclear activities.

HOWARD J. TAUBENFELD,
Professor of Law, Golden Gate College School of Law.
STEFAN A. RIESENFELD,
Professor of Law, University of California (Berkeley).
JEROME A. COHEN,
Associate Professor of Law, University of California (Berkeley).
LAWRENCE F. EBB,
Professor of Law, Stanford University.
MARTIN B. TRAVIS,
Professor of International Law, Stanford University.
SAN FRANCISCO, CALIF., *June 25, 1960.*

FOREIGN RELATIONS AND INGEMAR JOHANSSON

Mr. McGEE. Mr. President, I ask unanimous consent that I be given sufficient time to read a short column by "Scotty" Reston which appeared in the New York Times this morning.

The PRESIDING OFFICER (Mr. Moss in the chair). Is there objection? Without objection, the Senator may proceed.

Mr. McGEE. The burden of the column by this distinguished writer on our foreign-policy scene is in the form of an imagined bit of discussion with a man by the name of Ingemar, who, I assume, is Ingemar Johansson, the distinguished Swedish pugilist. The article reads as follows:

DEAR INGEMAR: You asked me what you should say in your forthcoming TV report to the Swedish people about the recent regrettable incident with Mr. Floyd Patterson at the Polo Grounds in New York.

I have three suggestions. The best thing is to say nothing. The next best thing is to deny that you ever went to America. But if you have to make a report, I suggest that you follow the victory-through-defeat system used by President Eisenhower in his report on Japan, speaking—if you are now able to speak—as follows:

My friends, I have just returned to Sweden from America, where almost everybody treated me very kindly. It has been a trip so marked by events that I shall try this evening to give you a simple background of fact against which these recent events can be viewed in perspective.

First, Swedish relations with the United States have been strengthened. I wish that every one of you could have accompanied Birgit and me to New York and thus witnessed for yourselves the outpouring of friendship and respect for Sweden and the Swedish way of life.

Second, the happiness created among the colored people of America as a result of my appearance there this time was not only heartwarming but surpassed by far their reaction to my last visit.

Finally, as the Marquis of Queensberry once said, it matters not in this life whether you win or lose, but how you play the game, especially when economic rewards are so agreeable.

Now let's look at the background of this trip and the others I have taken in the interests of world understanding. For some years the world has been inclined to think only of the beauty of Swedish women.

Meanwhile, the heroism and warrior tradition of Swedish men had long been overlooked, not only by atheistic international communism, but even among the peoples of our sister democracies.

Accordingly, I have traveled tirelessly around the world, seeking lucrative personal contacts in my own people-to-people program, and belting old retreads regardless of race, creed, or color.

With the passage of time I began to receive urgent invitations to attend a heavyweight summit meeting in America. Many months ago I concluded that I should accept these invitations whenever the price was right. In this decision Birgit enthusiastically concurred.

Incidentally, I have never believed that victory and money were the only things in life, although, as the Americans say in their picturesque way, these things are not to be sneezed at. What matters is the international good will that results from bilateral reciprocal aggression before multitudes of well-heeled savages in the overdeveloped and undereducated areas of the globe.

Now as to the incident at the Polo Grounds, I have been assured that the people there were, in overwhelming majority, anxious to welcome me as a representative of a nation with which they wished to cooperate and have friendly relations.

It is true that the outrageous conduct of a violent and disorderly minority prevented me from achieving all of my objectives, and that Mr. Patterson displayed toward me, especially in the fifth round, a certain animus and even hostility, which temporarily interrupted my mission.

Nevertheless, if you could have heard the cheering that filled that great arena, when I finally regained consciousness, I think you would agree with me that a great many peace-loving Americans were actually overjoyed at my survival.

I shall never forget the look of relief on the face of Mr. Patterson at the end. He kept saying in a faraway voice: "Wake up, Ingemar. Wake up." It is in such moments a man realizes there is no defeat.

Now, a final personal word:

Sweden has nothing to regret. In the long history of human conflict no man has ever lost and regained the heavyweight championship of the world until now.

As I said to Birgit, this is our consolation: "We have made it possible for Mr. Patterson to lose and regain a crown, and all I can hope is that he will do the same for me."

Thank you and—good night.

Mr. President, this glorious bit of satire needs no personal comment from me.

The PRESIDING OFFICER. Is there further morning business?

THE ADMINISTRATION'S "BUMBLING AND FUMBLING": COMMENT ON REMARKS BY SENATOR FULBRIGHT ON EVENTS RELATING TO THE SUMMIT CONFERENCE AND THE U–2 AFFAIR

Mr. GRUENING. Mr. President, I wish to take this opportunity to commend most highly the penetrating analysis and summary which the distinguished chairman of the Committee on Foreign Relations, the junior Senator from Arkansas [Mr. FULBRIGHT], gave us on the U–2 affair and its consequences, and particularly for his forthright yet restrained and objective presentation. I believe it essential that matters of such importance to the future of the Nation—indeed, to its very survival—be subjected to the kind of penetrating analysis our distinguished colleague from Arkansas has given this subject, and that the American people be allowed to know all the facts, and not have them denied those facts, as they have been during the last 7 years.

The chairman of the Committee on Foreign Relations is quite right in saying:

We have not yet seen the last of the results of the bumbling and fumbling of the U.S. Government during the first 2 weeks of May 1960. One result was that there was no summit conference. It is perfectly clear that the U–2 incident and our handling of it were the immediate cause of the collapse of the conference.

The able chairman of the Committee on Foreign Relations has had the benefit of a full study of the whole affair, and knows as much about it as anyone now can.

Incidentally, he expressed views similar to those earlier expressed by another very distinguished American, Mr. Adlai Stevenson, who, in blaming Khrushchev for wrecking the conference, pointed out that the Eisenhower administration had furnished Khrushchev with the tools with which to wreck it.

The Senator from Arkansas further analyzed the consequences of the administration's fiasco, saying:

Another result of this unfortunate series of blunders has been a loss of confidence, worldwide, in the United States. It is true that our allies stood by us stanchly and loyally in Paris. It is equally true that the technical skill demonstrated by almost 4 years of U–2 flights aroused widespread admiration. The loss of confidence to which I refer has to do with faith in the ability of the United States to coordinate its governmental machinery and its vast power, and engage this power positively and effectively in the defense of the free world.

Lack of confidence leads to neutralism, and I daresay this was a contributing factor to the riots in Japan protesting our new treaty.

The distinguished chairman of the Foreign Relations Committee also expressed apprehension that there might be similar manifestations in other countries where we maintain military bases and cited specific examples. It is obvious, as Walter Lippmann has pointed out, that we need a reappraisal of the policy of maintaining foreign bases all over the world, especially when the same administration is drastically diminishing our offensive and defensive strength in Alaska which is as close to Russia as are any bases we maintain on foreign soil, but without the uncertainties and complications to which they are liable.

Senator FULBRIGHT's report comes to the depressing but scarcely avoidable conclusion that "the prestige of our country has reached a new low." It is high time that the American people face up to the urgent need of reestablishing the prestige and power that was our Nation's 8 short years ago.

THE ADJOURNMENT OF CONGRESS

Mr. PROXMIRE. Mr. President, I should like to have the attention of the assistant majority leader, the Senator from Montana. In the last 10 days or so the Senate has made outstanding progress. We have passed bills and progressed far more rapidly in performing the work of the Senate than at any other stage in this session.

Within the last few days the representative of the leadership, Mr. Robert Baker, has approached me, as well as other Senators, and asked me how I felt about selecting one of three alternatives.

The first was that we adjourn before the conventions and just walk away from the unfinished business.

The second alternative was to recess over the conventions and return in August.

The third alternative was to recess and return in September.

Faced with the necessity of selecting an alternative, I reacted like Pavlov's dog, I suppose, and I responded by saying that I would like to have the Senate complete its work and then adjourn, which meant come back in August or September.

The question that has been puzzling me is why we cannot make an all-out try, why we cannot do everything we can to complete our work by a week from Saturday, in view of the tremendous

progress that we have made and also in view of the history of the Senate, that the Senate can do a tremendous amount of work in a short time when it faces a deadline; and therefore I do not understand why it would not be wise to stay in session until Saturday, July 9.

I should like to call to the attention of the Senator from Montana also the fact that as we approach the end of the session the universal desire on the part of Senators to meet a deadline acts as a restraint on Senators, with the result that they work as rapidly as possible and talk as little as possible.

We have made great progress already, and we have the momentum now, having done a great deal of work. Furthermore, Senators have been on notice and generally have not made commitments for the concluding week of the session.

Many Senators, assuming we would be through in July, have made plans for August. There is also far less political atmosphere now than there will be after the conventions, when the campaign will have been joined and the nominees selected. It seems to me that under those circumstances we can get a great deal more work done now, in the concluding 7 or 8 days of the session, than we would be able to get done if we returned after the conventions. I wonder whether there is any compelling reason why we should adjourn as early as this Friday, as the newspapers indicate this morning.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. PROXMIRE. I should first like to get a response from the acting majority leader.

Mr. MANSFIELD. In response to the question raised by the Senator from Wisconsin, I must plead a great deal of ignorance, because I did not return to the city from Montana until 2 o'clock this morning. All I have seen on the subject is the headline in the newspaper, which came as a shock to me, because I was under the impression that we could finish our work possibly by the morning of the 3d, or at the very latest on the 8th or 9th of July. As the Senator knows, the Democratic Convention is to start on the 11th of July.

Therefore, I am not in a position to answer the question raised by the distinguished Senator, although it would be my hope that we would go ahead under full steam and try to do what we can possibly do and then adjourn sine die.

I am doubtful about the wisdom of holding a session after the conventions, because I believe there will be a great deal of politics in the air at that time, and that the Senate will become a forum for political candidates who have already been nominated, and who perhaps might be more interested in issues than in results.

That is the best I can tell the Senator at this time.

Mr. PROXMIRE. I thank the Senator very much. I am reassured and comforted by the fact that he will raise his voice in leadership councils on this subject.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. GRUENING. I should like to associate myself with the remarks of the Senator from Wisconsin. I believe it would be a mistake not to make every effort to conclude our deliberations in the Senate before the conventions. I do not favor returning after the conventions, because I believe it would be productive of little good. I urge that if we work nights and on Saturdays, as we have not done, except at times, we ought to be able to conclude the more important business of the Senate and, if there are any matters left, we can take them up in the next Congress.

Mr. MANSFIELD. The Senator from Alaska is forgetting the fact that we have worked day and night earlier in the session, and that we have done an extraordinary amount of work by coming in early and sitting late, and we have also had round-the-clock sessions. I would also point out that this is a decision which the leadership on both sides of the aisle must consider in conjunction and in agreement with the Members of the Senate.

Mr. PROXMIRE. The reason why I raised the matter is that the leadership had consulted us through the brilliant assistant of the majority leader, Mr. Baker. I presume they want our opinions and suggestions.

Mr. MANSFIELD. I am sure the majority leader has a pretty good idea of how the Senator from Wisconsin feels.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. KEATING. Mr. President, I agree with the sentiments which have been expressed about going ahead and working as hard as we can in an endeavor to finish up in the next few days.

However, I am distressed at the idea of returning after the conventions and before the election. It seems to me almost certain that that would not be prudent or serve any useful purpose. It would simply furnish a forum for a great deal of political discussion, and I do not believe it would help with the legislative process. If the work is not finished, and if the consideration of so-called must bills is not concluded, I would urge upon the leadership of the Senate serious consideration of returning after the election in November, rather than before the election.

That would mean, of course, deferring any action for 2 or 3 months; but it seems to me it would be more likely to be productive of useful purposes and fruitful results to consider proposed legislation not on the eve of a presidential election, but to consider it afterwards. I realize there are those who would say the work should then be deferred until next year. But if we are to come back because we cannot complete our work now, it seems to me it would be much the lesser of two evils to return in November than in August.

Mr. PROXMIRE. I wholeheartedly agree with the Senator from New York. By coming back in November, if we have to, we can at least pass some legislation which is still alive. If we do not come back until January, it will be dead, and it will be necessary to start new proceedings.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SPARKMAN. I fully agree with the statement just made by the distinguished junior Senator from New York. I remember the postconvention session in 1948. It was a dismal failure, as one may well imagine, to come back here right after the conventions. The time was spent in talking politics and in maneuvering, in order to gain political advantage.

I, for one, believe we can finish our work if we knuckle down to do it. I agree with the Senator from Montana. We have worked very hard during this session of Congress. However, last Friday, what did we do? Last Saturday we did not have a session. On Monday, what did we do? We have not been trying hard. I believe that if we try, we can finish the legislation which must be passed, in order to adjourn in time for the Democratic Convention. I should like to see us do it.

Mr. MANSFIELD. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. MANSFIELD. In response to the question of the Senator from Alabama as to why the Senate did not meet last Saturday, I may say that I was here; I did not leave Washington until Saturday night to go to Montana to attend the Democratic State convention. I remained here because I was under the assumption, from the announcement on the preceding day, that the Senate would meet on Saturday. When I awoke on Saturday morning and read the newspapers, I learned for the first time that there was not to be a session.

I have learned since then that a session was not held because a Senator—I do not know who it was—said that if there was a Saturday session, he would demand a number of live quorum calls. I think that possibly answers that part of the Senator's question.

Mr. SPARKMAN. I certainly did not intend my statement as any criticism. However, we are not trying to accomplish our task to the fullest extent. I simply used those days as examples to illustrate my point.

Mr. MANSFIELD. That is true. The majority leader had anticipated a meeting of the Senate on Saturday. It was his intention to meet on Saturday, but because of conditions beyond his control, the Senate did not meet on that day.

Mr. PROXMIRE. Mr. President, I think the Senate has made excellent progress in the last 7 or 8 days. We have passed a tremendous number of bills. The program is rolling. If we can keep up the momentum and continue to move, I think there is an excellent possibility that we can accomplish a large amount of additional work before the conventions.

As the Senator from Alabama has pointed out, we have not had around-the-clock sessions, or even late night sessions, with few exceptions.

Mr. JAVITS. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. JAVITS. My only reason for expressing myself is that I believe these expressions of opinion are necessary in order to determine what we shall do. I join with the Senator from Alabama and the Senator from Wisconsin in affirmation of the point that we can and should finish our work before the conventions.

The Senate and House have shown remarkable capability in turning out an enormous amount of business when they get their teeth into it. Also, if enough of us are willing, it is very likely that we will accomplish our goal. That will depend on the amount of extended discussion which takes place. I think the overwhelming majority of the Senate are anxious to complete the business at hand.

I think the minimum wage, the medical care for the aged, the housing, and the education bills are the most important bills on which we must act before we adjourn.

There are disadvantages to returning in August, when the presidential candidates will be facing each other, and perhaps right here in the Senate. There are disadvantages to meeting in November, because then everything can be laid over until January. The time for the beginning of the next session will be so close that it will be easy to drag the proceedings along.

This is the time to do our business. I join with the Senator from Wisconsin, the Senator from Alabama, and my colleague from New York in their excellent analysis in this respect.

Mr. PROXMIRE. I thank the Senator from New York.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. McGEE. I commend the Senator from Wisconsin for his comments on this question. I am one who thinks we have accomplished much as far as we have gone in this session. However, I am wondering if we are not putting the cart before the horse in our test of what we can do or ought to do. My own feeling is that we have nailed everything which we are capable of doing to a sacred day in July, and to another day, in July, equally sacred to some Members of our body, in Chicago.

I should like to be persuaded in my own mind that what our decision would be regulated by is what is best in the national interest.

Mr. PROXMIRE. I agree wholeheartedly. I have not said—and I do not believe any other Senator has said—that we should adjourn sine die regardless of the legislative situation. I have said, at least for myself, that our main obligation is to do our work and complete the Nation's business. There is no question about that. I am simply arguing that if we work until July 9, and work Saturdays and nights, we probably can do our work, especially with the advantage of having that deadline fixed.

On the other hand, if we are to discontinue our work and come back after a recess, as the newspapers have reported is likely, there is no question in my mind that we shall drag our work out for a month or more. As the Senator from Alabama has said, historic precedent indicates that it will probably be a dismal session.

Mr. McGEE. Senators who have been here much longer than I know best at what speed the Senate is capable of working between now and, let us say, the night before the first convention begins. I raise the simple question: What kind of business will the Senate transact at that pace? I am afraid there is a strong tendency to accommodate ourselves to the convenience of precommitments at two conventions. I should like to feel more certain in my own mind that we really believe and can demonstrate that we will do justice to the type of proposed legislation which is pending, and which we shall not be able to duck; which we cannot push under the legislative rug; and which will not keep, in many instances, until next January. I question whether some of it can afford to wait until November.

I merely hope that the best minds, wherever they may be, will address themselves to this question, without any thought of the impending conventions intruding upon consideration of the amount of time these issues will require from the Members of this body. I have a reservation in my own mind about how much we can do constructively and effectively to the credit of the Senate in the time which is left.

Mr. PROXMIRE. Will not the Senator agree, though, that we should do our best to consider these measures in the remaining time before the conventions, rather than to adjourn this coming Friday night?

Mr. McGEE. I should certainly go so far as to say that we ought to give it the "old college try."

Mr. PROXMIRE. That is fine.

Mr. McGEE. There has been some suggestion that we have not been doing that this week, or at least the past weekend.

Mr. PROXMIRE. Does the Senator from Wyoming agree with many other Senators that the Senate should certainly remain in session and try its very best to do justice to all the bills which should be passed, in order to have them passed?

Mr. McGEE. With one reservation: That surely there are those astute minds in this body which are capable of assessing what it is we really have to do, the amount of time which ought to be given to those bills, and then to judge whether it is physically feasible, in the light of the time that remains, to accomplish the work. If it is obvious that it is not physically feasible to do so, then I think we may as well face the facts, so far as the coming weekend is concerned.

Mr. PROXMIRE. I thank the Senator from Wyoming.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. GRUENING. Ten days remain until the night of July 9. I can see no reason why the Senate should not remain in session until that time, working around the clock and working Saturdays and holidays, if necessary. This is not a matter of getting our work finished before the conventions. We have known for months—for a year—that this would be a shorter session, and that the target date for adjournment was sometime early in July. If we have slipped behind, for one reason or another, it seems to me we should make every effort to make up for lost time. If a few items remain unfinished, I doubt whether passing them up until the 87th Congress will be fatal. I think a much worse error would be committed if we now relax and put everything off until some date in August and return at a time when I doubt much will be accomplished. The country will be in the midst of a political campaign.

I believe we should remain on the job for the next 10 days.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. Mr. President, I am prone to feel it is desirable to remain in session and get the work done, if it can be accomplished. But does the Senator from Wisconsin have any idea of any way in which the Committee on Rules of the other body could be influenced, so that important items of proposed legislation can be brought before us? Let us face it: The real legislative program which must be adopted and must be enacted before we go home and face our constituents is bottled up in the other body. How shall we get it before us?

Mr. PROXMIRE. The Senator is correct. The housing bill and the education bill are in the Rules Committee of the other body. But have we any assurance that if we return in August, those measures will come out of that committee?

Mr. SPARKMAN. Mr. President, the Senator from Wisconsin has put his finger on the real question. Time alone will not solve that problem. Under the rules of the House, during the concluding days of the session any bill can be called up under a suspension of the rules.

Mr. HUMPHREY. How many votes does that take?

Mr. SPARKMAN. Two-thirds.

There is no reason why they could not follow that procedure.

If we go home, and then return in August, the situation then will be exactly the same as the situation which exists now, and in both cases it will be necessary to operate under the same rules. So to leave now and meet in August will not be the solution. Let us not attempt to salve our consciences by thinking that will be the solution, because it will not be.

Mr. PROXMIRE. Of course, the Senator from Alabama knows much more about this than I do; he has been here much longer. But it would seem to me that if we leave now, and return in August, it would then be difficult for the House to obtain a quorum, for all the Members of the House must run for reelection, and many of them live at considerable distances from Washington.

So it seems to me that there would be much less chance to get the House to take action then.

I believe all of us agree that our fundamental responsibility is to get this job done as quickly as possible. So I believe we should try our very best to get the job done by a week from Saturday; and if not by then, then return.

Mr. HUMPHREY. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. I think the real effort which needs to be made is not merely to put in more time, even though I believe that if we buckle down to the job, we can reach our goals.

I believe that the real effort which needs to be made is to get several more Republican votes in the House Rules Committee, together with the Democratic votes that are available there—and surely this problem is not a partisan one—and thus bring the measure from the committee.

It is all very well to talk of having the bill brought out of the committee by a two-thirds vote, but we must realize that there is little likelihood that that would come to pass.

Mr. PROXMIRE. But the Senator from Minnesota does not think we should take a recess on Friday, does he?

Mr. HUMPHREY. No, not necessarily. I think the main task is to see what we can get done between now and adjournment.

So far as I am concerned, we can adjourn on July 10. Then we could leave here by airplane, and go to Los Angeles; and even if we missed the morning session on the opening day, I do not believe that would be catastrophic.

It is really too bad the Republican Convention is not being held first, because it is bound to be a cut-and-dried affair, with no uncertainty of the outcome; and no one would really have to go there. [Laughter.]

Our convention will be a little more entertaining. Certainly there is in the minds of some, at least, a little doubt as to the outcome.

But be that as it may, for the first time in the history of our country the Democratic Convention is to be held first. Just see what has happened because of breaking that tradition. It is obvious that we should be a little more conservative in connection with these matters. [Laughter.]

Mr. DIRKSEN. Mr. President, will the Senator from Wisconsin yield? Is this a free-for all? Can I get into this? [Laughter.]

Mr. PROXMIRE. I yield.

Mr. DIRKSEN. Are those on the other side of the aisle afraid of meeting in advance of our convention?

Mr. PROXMIRE. No Democrat ever fears a Republican—and certainly no Democrat as courageous and as valiant as the Senator from Minnesota [Mr. HUMPHREY].

Mr. DIRKSEN. But the point has been made that heretofore the Republican Convention has always been held first. I thought some fear and apprehension had suddenly beset the souls of those on the other side at the very thought that now we would get a chance to look at their platform and find out whom they had nominated, and thus have ample opportunity to get in some licks on this subject.

Mr. HUMPHREY. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. I thought it was a good idea for the Democrats to hold their convention first, so as to give the Republicans a little better chance, and put the Democrats under a little handicap. Otherwise, the situation would be unfair—for if our convention were held after theirs, they would have no chance to reply, in their convention, to what we had done; and there would not be any contest. As it is, the situation will be more interesting.

Mr. DIRKSEN. The answer is that all the juggling which took place before the Democrats set the date for their convention would indicate something quite to the contrary.

Mr. PROXMIRE. Mr. President, I conclude by pointing out that if we work until July 9 and try to finish the job, there will be working in our favor a number of factors.

First, all the Members of the Senate and all the Members of the House will know that we are working toward a deadline, and that will tend to restrain us in our talk.

Second, there will then be a strong incentive to finish, so as not to have to return.

Third, we have now developed momentum in our work. In the last few days we have passed a number of bills, and every day we are doing better.

Fourth, there will be notice to all Members of the House and all Members of the Senate that they will have to remain here until July 9. Until we read the articles in this morning's newspapers, all of us expected that we would be here until July 9. So in this course there is a minimum of inconvenience to Senators.

Fifth, by doing our work before the conventions are held, there will be far less political atmosphere, and that will be helpful.

Mr. HUMPHREY. Will the Senator from Wisconsin yield, to permit me to sound a note of politics?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. Is the Senator from Wisconsin interested in knowing that in the State of North Dakota there are signs of political progress and political rebirth, and great happiness and conviviality, for Mr. BURDICK is now about 1,000 votes in front, I understand.

Mr. PROXMIRE. I thank the Senator from Minnesota for that very cheering note.

Mr. PASTORE. Mr. President, will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield.

Mr. PASTORE. My distinguished colleague, the Senator from Wisconsin, has stated five reasons why we should remain here until July 9. Let me ask for a sixth reason. Suppose we do not finish by July 9?

Mr. PROXMIRE. Then we should recess and come back. But let us try.

Mr. PASTORE. Why not go home before the 9th, complete the convention, and then return. After we return, we can do our work with patience, calmness, and judiciousness, in the best interest of the people of the country?

I do not know what arrangement the Senator from Wisconsin is going to make in regard to attending the convention. But Rhode Island is quite far from Los Angeles, and it takes a little more than 2 days to go from Rhode Island to Los Angeles. I believe that fact should be taken into account.

If we are to come back at all, I believe we should now stop all this fervor and excitement, and should come back and do our work impassionately.

Mr. PROXMIRE. Let me say to the Senator from Rhode Island that I would agree, of course, that we have to do our work impassionately and as thoroughly as we possibly can. But I say we are making great progress and are doing very well now, and it would be a crying shame for us to adjourn on Friday and forgo 6 or 7 days of very productive work, which would be stretched out into a month of work if we return in August.

Mr. President, I yield the floor.

PRESIDENT'S SPEECH HAILED FOR "TURNING OTHER CHEEK"

Mr. WILEY. Mr. President, this morning a facetious article was read into the RECORD by the junior Senator from Wyoming [Mr. MCGEE].

I wish to sound a serious note, by reading from an article written by David Lawrence:

> It takes moral courage to make the kind of speech President Eisenhower delivered to the American people on Monday night. He might have displayed arrogance and resentment. He might have spoken with bluster. He might have traded insults with Nikita Khrushchev. For, indeed, there has been plenty of provocation, including the latest piece of deliberate sabotage by the Soviets at the Geneva disarmament conference.
>
> Instead, Mr. Eisenhower chose to "turn the other cheek," as the Scriptures teach us. He thereby spoke from strength instead of from weakness, as befits the head of a nation which has the power, the resources and the spirit to defend itself successfully against all enemies. The highlight of the speech was the outline Mr. Eisenhower gave of what he deems to be the proper course for the United States to follow in these troublous times. He said:
>
> "We must accept the risks of bold action with coolness and courage. We must always be strong but we must never forget that peace can never be won by arms alone; we will be firm but never truculent; we will be fair but never fearful; we will always extend friendship wherever friendship is offered honestly to us."
>
> This is a legacy to future Presidents. It's a passage that will live in history. For it expresses the American philosophy of peace with honor, and casts aside the doctrine of peace at any price.

I ask unanimous consent that the entire article be printed in the RECORD, following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WILEY. Mr. President, the article is directly in line with the fact that the President himself accepted responsibility for the U–2 plane incident and gave to the world a lesson in connection with the new type of diplomacy—the use of truth, instead of deception.

EXHIBIT 1

PRESIDENT'S SPEECH HAILED FOR "TURNING OTHER CHEEK"

(By David Lawrence)

WASHINGTON, June 28.—It takes moral courage to make the kind of speech President Eisenhower delivered to the American people on Monday night. He might have displayed arrogance and resentment. He might have spoken with bluster. He might have traded insults with Nikita Khrushchev. For, indeed, there has been plently of provocation, including the latest piece of deliberate sabotage by the Soviets at the Geneva disarmament conference.

Instead, Mr. Eisenhower chose to "turn the other cheek," as the Scriptures teach us. He thereby spoke from strength instead of from weakness, as befits the head of a Nation which has the power, the resources and the spirit to defend itself successfully against all enemies. The highlight of the speech was the outline Mr. Eisenhower gave of what he deems to be the proper course for the United States to follow in these troublous times. He said:

"We must accept the risks of bold action with coolness and courage. We must always be strong but we must never forget that peace can never be won by arms alone; we will be firm but never truculent; we will be fair but never fearful; we will always extend friendship wherever friendship is offered honestly to us."

This is a legacy to future Presidents. It's a passage that will live in history. For it expresses the American philosophy of peace with honor, and casts aside the doctrine of peace at any price.

CONCILIATORY TONE

Mr. Eisenhower's address was couched in phrases of conciliation. He even gently reminded Nikita Khrushchev of a graceful way that the Soviet Premier might have canceled the invitation for the President to visit the Soviet Union. This is often referred to in diplomacy as an "out." Mr. Eisenhower said:

"In Paris last month they [the Communists] advanced false and elaborate excuses for cancelling my invitation to visit the Soviet Union, when all that was necessary to say was that they found it inconvenient to receive me."

Mr. Eisenhower, moreover, made a significant defense of the idea of reciprocity in personal visits by heads of state. He pointed out that in the past 7½ years, more than 70 heads of state and prime ministers have come to the United States. This is of inestimable value in publicizing American friendship for the peoples of other countries. Would Americans want their President to disregard the rules of official courtesy and never return those visits, or fail to extend, in the first instance, invitations to the heads of foreign governments to come to the United States?

It is fortunate that Mr. Eisenhower candidly discussed this problem, for it is of the very essence of propaganda value on the side of the free world. The President pointed out that, with the exception of summit conferences and meetings of NATO heads of government, these visits were not a substitute for diplomatic negotiation and that the United States had never considered them as such. He argued that heads of state could always exchange ideas on broad issues or give approval to agreements previously reached through diplomatic channels. Without his saying so explicitly it was apparent that the latter was the procedure which Mr. Eisenhower would have preferred even for the summit conferences.

Every one knows that the pressure on the President to go to the summit came from all sides. The idea was particularly pressed upon the United States by its allies. Somehow the public gave the impression that it believed a conference at the top level had something to do with preventing a nuclear holocaust. Indeed, Mr. Eisenhower, sensing this anxiety, says that, while he has no present plans for any more trips, "if any unforeseen situation" arose which would convince him that "another journey of mine would still further strengthen the bonds of friendship between us and others, I would not hesitate a second in deciding to make still an additional effort of this kind."

SACRIFICE FOR PEACE

This, of course, is a brave reiteration of the desire of the President to make every personal sacrifice for the cause of peace. With renewed earnestness, he declared:

"No consideration of personal fatigue or inconvenience, no threat or argument would deter me from once again setting out on a course that has meant much for our country, for her friends, and for the cause of freedom—and peace with justice in the world."

To say this in the face of partisan criticism at home and in the face of the obvious plots of the Communist regimes in Moscow and Peiping to frustrate the good-will efforts of the United States in foreign countries, is to take one's stand with confidence on a great principle. It is that, while riots and demonstrations and canceled invitations may get the headlines for the time being, they are, after all, just ephemeral events. They must not discourage the people of the United States in their longrun crusade for international peace and the enjoyment of individual freedom by all the peoples of the world.

LEGISLATIVE PROGRAM—ADJOURNMENT PLANS

Mr. JOHNSON of Texas. Mr. President, I call the attention of Senators to page 14508 of the RECORD of June 27, 1960, at which time I reviewed, for the benefit of the Senate, certain measures in which Senators had indicated more than a reasonable amount of interest:

Calendar No. 1581, S. 1868, to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia.

Calendar No. 1607, H.R. 4601, to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes.

Calendar No. 1610, H.R. 10596, to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States.

Calendar No. 1654, S. 2917, to establish a price support level for milk and butterfat.

Calendar No. 1671, S. 3421, to amend the Federal Employees' Group Life Insurance Act.

Calendar No. 1678, H.R. 10, to encourage the establishment of voluntary pension plans by self-employed individuals.

Calendar No. 1679, H.R. 9662, to make technical revisions in the income tax provisions of the Internal Revenue Code of 1954 relating to estates, trusts, partners and partnerships, and for other purposes.

Calendar No. 1691, S. 2709, directing the Secretary of the Interior to convey to the city of Flandreau, S. Dak., any interest remaining in the United States to certain property which it conveyed to such city by the act of August 21, 1916.

Calendar No. 1706, S. 3258, to amend the District of Columbia Alcoholic Beverage Control Act.

Calendar No. 1707, S. 3274, to permit certain veterans pursuing courses of vocational rehabilitation training to continue in pursuit thereof for such period as may be necessary to complete such courses.

Calendar No. 1708, H.R. 4306, act to provide education and training for the children of veterans dying of a service-connected disability incurred after January 31, 1955, and before the end of compulsory military service.

The Senator from Texas [Mr. YARBOROUGH] is very much interested in that bill.

Calendar No. 1709, S. 3275, to extend, with respect to World War II veterans, the guaranteed loans programs under chapter 37, of title 38, United States Code, to February 1, 1965.

Calendar No. 1714, House Joint Resolution 397, to enable the United States to participate in the resettlement of certain refugees.

Calendar No. 1739, S. 2587, to require an act of Congress for public land withdrawals in excess of 5,000 acres in the aggregate for any project or facility of any department or agency of the Government.

And I would say dozens more measures of general interest to the Senate, other than private bills.

In addition, I would remind the Senate that we still have in conference or there are yet to be acted upon in the Senate the independent offices appropriation bill, the Defense Department appropriation bill—the conferees agreed on the report yesterday; the report is now being written and there will be some discussion, I am sure, on that measure—the general government appropriation bill, the Labor-HEW appropriation bill, the legislative appropriation bill, the military construction bill.

The Senate subcommittee has reported the State-Justice-Judiciary appropriation bill, but it has not been acted upon by the full committee.

The civil functions bill, commonly known as the public works bill, handled by the Senator from Louisiana [Mr. ELLENDER]. The mutual security appropriation bill. The supplemental appropriation bill, on which we are still receiving budget estimates, and which will probably be one of the last appropriation bills.

That list adds up to 10 appropriation bills we either have not acted on or that have not even been passed.

In addition, we have the housing bill, the school construction bill, the foreign tax credit bill, the highway bill, the

rivers and harbors authorization bill, the social security bill, the Sugar Act extension, the Small Business Administration loan authorization, the saline water conservation bill, and the minimum wage bill, which has just been reported and is on the calendar.

Mr. President, in the last 48 hours, without expressing a preference, because it is immaterial to me, and I will do whatever the majority desires to do, I have attempted to ascertain the sentiments of the Members of the Senate on both sides of the aisle. Even this morning in the Appropriations Committee where we had 13 or 14 members present, I explained the situation and asked the pleasure of the group. It was generally concluded that we could not complete the work of the Congress between now and the Democratic National Convention regardless of how long or how fast we worked. We would still have a substantial part of the program we have outlined incomplete. If Members of the Senate have any doubt about it, all they have to do is look at H.R. 10, or the minimum wage bill, or the Antarctic Treaty, or the health bill, on which hearings have been ordered.

I know of no one who thinks we can complete the program Congress has outlined between now and Saturday midnight of next week. Therefore, if we cannot complete it, the question is, Do we abandon it or do we face up to the fact that, since this is an election year and we must have national elections, we should transact as much public business as we can this week, prepare to go to the conventions, and come back here following both conventions and take up, in an orderly manner, legislation that is desirable in the national interest? We could then consider it deliberately and in the judicious atmosphere in which it will be necessary to consider important legislation like this.

I think resolutions will be necessary for extending the appropriations, because I do not think we can rush those through between now and June 30. If we have a veto on the Post Office pay bill, we will have to consider that. I disclose no secret when I say it is anticipated the President will veto that bill. We expect to act on that veto.

After conferring with the minority leader, after conferring with Members on this side of the aisle, through personal conversation and through attachés of the Senate, after discussing the matter with the Senator from Tennessee [Mr. GORE], after having read in the RECORD the statement of the Senator from Pennsylvania [Mr. CLARK], after having talked with others and the leadership on the other side of the aisle, I think I can say to the Senate that we expect to stay here through this week and complete as much legislation as we can. Appropriation bills will have the highest priority.

We will proceed to the consideration of H.R. 10, from the Finance Committee, when we complete action on this bill. We will then take up as many bills as we can, and certainly the veto message, whenever it is received. Then I would anticipate that a resolution to recess until August 8 would be offered on late Saturday—perhaps late Friday, but certainly late Saturday—if the veto message has not been received. From the estimates we have made here, a substantial majority of the Senate feels that that would be the wise course to take, and the leadership, the speaker, and others feel the same way. Senators should make their plans accordingly.

Mr. President, we are due in the other body shortly. We are due there at 12:15.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I will yield very briefly, but I will continue this discussion all afternoon, if necessary.

Mr. LONG of Louisiana. Recognizing the fact that H.R. 10 was laid aside in the previous session, or 2 years ago, and the President's substitute for it is infinitely more complicated, why is it thought that this year that bill must be acted on when it was not previously?

Mr. JOHNSON of Texas. I will discuss that later.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I will ask the question later.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE KING OF THAILAND

Mr. JOHNSON of Texas. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair, and that Senators proceed to the other body.

The motion was agreed to; and (at 12 o'clock and 19 minutes p.m.) the Senate, preceded by its Secretary (Felton M. Johnston), the Sergeant at Arms (Joseph C. Duke), the Vice President, and the President pro tempore, proceeded to the Hall of the House of Representatives for the purpose of attending the joint meeting of the two Houses to hear the address to be delivered by the King of Thailand.

(For the address delivered by the King of Thailand, see the House proceedings of today's CONGRESSIONAL RECORD.)

RESUMPTION OF LEGISLATIVE SESSION

The Senate returned to its Chamber at 1 o'clock and 20 minutes p.m., and reassembled when called to order by the President pro tempore.

AUTHORIZATION OF APPROPRIATIONS FOR THE CONSTRUCTION OF CERTAIN HIGHWAYS

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

RETIREMENTS FROM AND APPOINTMENTS TO DEMOCRATIC POLICY COMMITTEE

Mr. JOHNSON of Texas. Mr. President, I should like to announce at this time, for the information of the Senate, that two of our most beloved, competent, and able Members of the Senate, the very great Senator from Rhode Island [Mr. GREEN] and the very wonderful Senator from Montana [Mr. MURRAY], have submitted their resignations as members of the Democratic policy committee. We have named in their places the Senator from Rhode Island [Mr. PASTORE], the second senior member of the New England delegation on the majority side, and the senior Senator from Washington [Mr. MAGNUSON] to replace the Senator from Montana from the Northwest.

I know all Members of the Senate deeply regret that we shall lose the services on this important committee of these two stalwarts of our party. But I know we will welcome with open arms the experience, the vigor, and the resourcefulness of the Senator from Washington [Mr. MAGNUSON] and the Senator from Rhode Island [Mr. PASTORE].

I wish to express my thanks to both the Senator from Rhode Island [Mr. GREEN] and the Senator from Montana [Mr. MURRAY] for their loyalty and steadfastness through the years. They have been a great source of comfort and at all times towers of strength.

ADJOURNMENT PLANS

Mr. PROXMIRE. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. PROXMIRE. At the time of the recess the Senator from Texas was engaged in a colloquy as to the prospects of recessing for the political conventions.

I believe the one problem which is puzzling this Senator, and which seems to be puzzling a good many other Senators, upon the basis of the colloquy had earlier, is why it would not be sensible to do as much work as we possibly can do before we recess for the conventions, by staying in session until Thursday or Friday of next week.

We have had expressions of opinions from a large number of Senators on the floor. Most of us are agreed. In fact, I feel very strongly that we should finish our work, even if we have to come back after the conventions and stay until September. We should stay to finish our work.

The feeling, I believe, was overwhelming, with the possible exception of the feeling of the Senator from Rhode Island, that we would be way ahead if we stayed in session through next week, to try to get as much work done as possible, to face the deadline. While it is very, very unlikely that we could finish, there is some possibility that we might finish

consideration of all the important work we have to consider before the time of the political conventions.

I ask the Senator from Texas why this would not be a reasonable proposal. Instead of recessing on Friday, why should we not recess a week from Friday?

Mr. JOHNSON of Texas. I will say to the Senator that his suggestion as to the date for the recess has been thoroughly considered. It was first suggested that we should recess on Wednesday or Thursday of next week. A good many Members of this body are planning to attend the Democratic political convention and are planning to drive with their families to Los Angeles. The Senator from Rhode Island is one Senator who discussed that problem.

We are going to have to come back anyway, it appears. I do not know of any Senator who does not admit it is desirable for us to stay and do our job. We could stay until September 16, as we did last year, to do the job. However, if we are going to have to return to Washington, D.C., anyway, most Senators felt they would rather spend an additional 3 or 4 days here in August than to spend the 3 or 4 days preceding the convention here.

In addition to those Senators and Representatives in Congress who plan to attend the political convention in Los Angeles and who plan to drive there, there are a number who have been asked by the Democratic national chairman to be in Los Angeles prior to the 5th of July.

Ordinarily we would not have a session on the Fourth of July. I believe we have had only two such sessions in the history of the Senate, and then we have simply met and adjourned. So we would not meet Monday ordinarily, anyway.

A good many Senators and others serve on the platform committee. They have been asked to go to Los Angeles ahead of time, so that they can participate in the deliberations of the platform committee. That was taken into consideration.

A third item is that there are Members in both bodies of the Congress who have indicated they are going to leave on the weekend to fill Fourth of July engagements, and that they did not plan to return to Washington, D.C., prior to the conventions. Perhaps we would have a problem getting a quorum, if we tried to insist on staying in session next week.

I am not sure that all the 65 Members on this side of the aisle have been talked with, but more than 35 have indicated they feel if we are going to have to come back, anyway, they would prefer to have a few days before the Democratic Convention and a few days after the Republican Convention, and then return to Washington, D.C., to stay until we have finished our job.

It may very well be that there are substantial numbers of Senators on both sides of the aisle who would prefer to stay in session until Friday of next week. So far as the Senator from Texas is concerned, he is agreeable to doing that.

The first suggestion was made to me by the Senator from Tennessee. I thought his argument had merit. I considered it. I talked with other Senators. Some suggested Wednesday or Thursday of next week. When I advanced that proposal, I did not get very enthusiastic responses.

I would say primarily this was because of the distance involved in going to the Democratic Convention, because of the Fourth of July holiday, because of duties on the platform committee, and because of the fact that Senators would rather have 3 days of freedom before the Democratic Convention and after the Republican Convention than to have 3 days of freedom in August.

We first thought we would try to work this out for Friday. We are not going to be able to work it out for Friday unless we dispose of the veto message. We shall be in session until Saturday as late as is necessary.

Monday we would be in recess anyway, ordinarily, so we could work Tuesday and Wednesday. I do not believe we would find many Senators who will fill July 4 speaking engagements who wish to return to Washington, D.C., and then go to Los Angeles later. A good many Members are going to fill July 4 engagements, and they prefer to travel by whatever means they select.

I am not obstinate about the matter. I suppose I have talked to 20 or 25 Senators myself. I have asked the attachés of the Senate on both sides to discuss the matter with other Senators. After we did that, we talked to the leadership of the House.

It seems to be the consensus of the majority that we should follow the suggestion made by the Senator from Tennesssee [Mr. GORE] and concurred in by the Senator from Pennsylvania [Mr. CLARK], to which, I will say, the leadership expressed some opposition at the beginning, until we found out what was the sentiment.

The Speaker of the House was very, very anxious to try to finish the entire program. When we looked over the session of last year and realized that in a nonelection year, when all of our Members were present, when all of us were cooperating and working into the nights, when we had not spent 2 months on civil rights legislation, it took us until September 16 to finish the program, then it was pretty generally agreed it would be unwise for us to try to rush through in the remaining 4 or 5 or 6 days bills of such magnitude as are now on the calendar.

We are going to have to pass a resolution extending the appropriations, in any event.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point, so that I may follow up?

Mr. JOHNSON of Texas. I yield to the Senator.

Mr. PROXMIRE. I thank the majority leader.

In the first place, the Senator from Wisconsin was polled by Mr. Baker. I believe the question asked me was the question asked of other Senators. Three alternatives were stated.

The first alternative was to leave without finishing our business. The second alternative was to come back in September. The third alternative was to come back in August.

My reaction, of course, was that I desired to finish the business. If we had to come back in either August or September, so be it.

If this is the way the question was put to other Senators, of course we will get that kind of reaction. I submit, if the question is put as to whether Senators wish to do as much as they possibly can, with at least a remote possibility that we can finish our work by a week from Friday, we might get a different kind of answer.

Mr. JOHNSON of Texas. I know of no Senator who thinks we can finish our work a week from Saturday. If we could, I would stay until Saturday at midnight. Any Senator who understands the problems involved in regard to H.R. 10—which we have been committed for some time to consider, if we can get to it—in regard to the minimum wage bill, in regard to the Antarctic Treaty, in regard to the health bill, in regard to the public works bill, in regard to the mutual security appropriation bill, understands the situation we face.

I know of no Senator who has enough imagination to believe we could finish in 2 weeks, much less in 3 or 4 days.

This is Wednesday. If we remain in session Thursday, Friday, and Saturday, and if we return, as the Senator suggests, and remain in session Tuesday and Wednesday, we shall have sat for 7 days. Assuming Senators will cooperate by keeping discussion to a minimum, I would anticipate we would be most fortunate to complete our program within 4 weeks instead of 4 or 5 days.

I am not going to urge Senators to come back from their home States after Monday, the 4th of July, to be here Tuesday and Wednesday. I will not ask Members of the Senate to be absent from the platform committee meetings in Los Angeles that will be held beginning next Tuesday. I am not going to try to force a quorum here under those circumstances. I do not believe many Members of the Senate would recommend it.

However, if the majority of Senators feel that they would like to come back Wednesday and Thursday, and possibly Friday, the Senator from Texas will be present with them, as he has been all year. He will do his best to pass, consistent with adequate debate and reasonable deliberation, as many as possible of the measures on the calendar which the committees have reported. But with 10 appropriation bills and all the other bills before us, I do not think we would gain much.

We cannot say to Senators who are on the platform committee, "You will not be present for the platform discussion."

Mr. GORE. I wish to congratulate the Senator from Texas upon his realistic approach. It was primarily because of my concern with respect to the bill to provide medical care and hospitalization, among other purposes, that I made the suggestion to the distinguished leader that he consider a recess, and that he might examine the question with

other Senators. I should like to point out that the Senate Finance Committee began hearings on that bill only this morning.

The Secretary of Health, Education, and Welfare presented a proposal of the administration which has not even yet been introduced. The Senator from New Mexico [Mr. ANDERSON] stated before the committee that he was preparing a bill for introduction possibly tomorrow. The Senator from Michigan [Mr. MCNAMARA] has asked for time to state his views to the committee.

The bill of which I speak either touches or promises to touch, directly or indirectly, the lives of every man, woman, and child in America. It deserves and requires careful consideration. Therefore I think it is wise, not only because of the medical care and hospitalization bill, but also many others, that the course of action which the distinguished majority leader has proposed be followed.

On the subject of whether the Congress should recess this weekend or some time next week, I concur with what the Senator from Texas has said about next week. I should like also to appeal to the junior Senator from Wisconsin [Mr. PROXMIRE].

Several Senators who wish to go to the convention desire to take their families. They look forward to the enjoyment of an automobile trip across this great country.

Mr. PROXMIRE. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. PROXMIRE. I have great sympathy for the position expressed by the Senator from Tennessee. The fact is that all of us have financial problems in buying airplane tickets to Los Angeles and return. It is regrettable that the convention was not planned to be held in Chicago, as many of us think it should have been.

However, I think it is possible for a family to drive to Los Angeles, and for the Senator to meet his family there. The trip is still a sacrifice, for it costs about $200 to fly to California. But it is something that can be done.

So far as the business of the Senate is concerned, the fact is that we cannot do in 3 or 4 days in August what we can do in 3 or 4 days now. We are operating under a deadline. We can meet at night. We can have Saturday sessions. We can come back in August, but there is no assurance that the session at that time will be intensive or productive. With no deadline it is likely to be political and dilatory. The majority leader has already indicated that the session at that time may be 4 to 6 weeks, or even longer.

I recall a public conversation with the distinguished majority leader. Since it was held in the presence of other persons, I do not think I am disclosing anything that should not be discussed. The majority leader told me at that time that he had high hopes—and I think they were well merited—that we could finish our business and adjourn by July 2. The conversation was 2 weeks ago. At that time many bills still had to be considered.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JOHNSON of Texas. At that time I did not have a pistol at my temple, as I did in connection with the tax conference report. I had to wait 2 days to get a vote on that report. Some Senators were ready to vote, but others could not be present. At that time I anticipated that many bills would be reported from committees earlier than they have been.

Ten appropriation bills are either in conference or have not yet passed, because some were not reached until late.

We have a health program to consider. I personally talked with the chairman of the committee. He told me the day before the committee met that he had had no requests for hearings on this important measure. I felt that the committee ought to have hearings. I had asked the Senator from Michigan [Mr. MCNAMARA] some days before to present his bill to the chairman of the Finance Committee.

I think it is important that we have such hearings. I do not think hearings can be held and the bills reported to the Senate in time so that we can get away from here by next Wednesday.

When a resolution to recess on Saturday is presented, any Senator who desires to amend it by suggesting a Wednesday deadline, Tuesday, or even the following Saturday, will have the opportunity to seek to do so, and we shall be glad to call the roll.

Mr. PROXMIRE. Will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. PROXMIRE. I am sure that virtually all Senators will support the leader in his presentation of a procedural motion to adjourn, as we always do.

Mr. JOHNSON of Texas. I wish each Senator to express his own judgment. Senators frequently differ in their judgment.

Mr. PROXMIRE. If only 10 or 12 days ago it was the judgment of the Senator from Texas that we could finish in 12 days, it seems to me, now that the tax bill is out of the way and a number of other bills have been passed, that we have made excellent progress in the past 6, 7, or 10 days, and I cannot understand why it is not possible to complete the agenda in the remaining 7 or 8 days.

Mr. JOHNSON of Texas. If the Senator will wait, I think even he will be convinced when we take up H.R. 10 or the Antarctic Treaty. I sat all day in conference on Saturday, trying to get a conference report agreed to on the defense appropriation bill. I sat until late Saturday afternoon, but I was unable to convince my colleagues in the House that we had to have several hundred million dollars more than they had written into the bill.

So we had no choice. We could not sit on Sunday. We came back on Monday. It was a much longer conference than I had anticipated. Late yesterday afternoon, with the help of the Senator from Mississippi and the Senator from Georgia and others, the Armed Services Committee worked out a conference report. However, there is a great difference of opinion even now on the conference report. When it comes up for consideration in the House, where it must come up for consideration first, I do not know whether the House will accept it. It involves hundreds of millions of dollars more than the budget recommended and hundreds of millions of dollars more than the House had adopted. It is not possible to handle billions of dollars in minutes.

I cannot quarrel with my colleagues who said, "We are not prepared to sign on the dotted line; we want to come back on Monday." That is what they told me on Saturday. I could not quarrel with my colleagues when they said, "We will not be ready to vote until 2:30 on Tuesday." I cannot quarrel with my colleagues when they say, as the Senator from Louisiana has said, that they will discuss H.R. 10. I believe in free debate in the Senate. There is going to be some debate on some of these measures.

Last year it took us until September 16, when all the Senators were present, to dispose of the program. If it takes us until September 16 this year, we will stay to transact the business of the Senate and to dispose of the matters to be considered.

Mr. PASTORE and Mr. GOLDWATER addressed the Chair.

Mr. JOHNSON of Texas. I should like to yield first to the Senator from Rhode Island, because he has been on his feet for a long time.

Mr. GOLDWATER. I merely wished to make one comment on what the Senator has said, because it bears on the validity of the argument made by the Senator from Texas. I have prepared 22 amendments which I shall offer to the minimum wage bill. About 18 more are being prepared. I can promise that it will take me 3 days to speak on that subject. Furthermore, I will object to any unanimous-consent agreement to limit debate on the minimum wage bill, if it comes up. I want the Senator to know that even if he tries very hard, I do not believe we can get a minimum wage bill through the Senate before the Democratic Convention meets in Los Angeles on the 11th of July.

Mr. JOHNSON of Texas. I am sorry that the Senator from Arizona discourages me. I am an optimist. I have been hoping since February. I stated on the floor of the Senate in January and I stated again in New York City in January that I was prepared to support a minimum wage bill providing a minimum wage of a dollar and twenty-five cents. I have been prepared to make a motion that such a bill be taken up. It has been in committee since February. It was reported to the Senate and placed on the calendar on Monday of this week, I believe. I am prepared to bring it up by motion and try to have it considered, and I am prepared to bring up by motion all the other bills that have been reported by the standing committees, so as to give the majority of the Senate an opportunity to act on those bills.

We do not bury bills in the Senate. We do not even bury bills with which we

disagree. We bring them up and let the majority of the Senate resolve the differences.

The fact is that we cannot finish our work immediately. As late as yesterday afternoon some Senators told me that they were on the platform committee of the Democratic Convention and that they would like to take up their duties on July 5. I believe we will have problems with getting quorums in the Senate. It would inconvenience a great many Senators, and I believe it would upset their plans to have a quorum called. However, if the majority wants to stay, I am ready to do that. I am ready, willing, and eager to do whatever the majority wants to do. I yield now to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I wish to applaud the distinguished majority leader for the very wise course he is pursuing. I do not wish to belabor the issue any more, because I believe everything that can possibly be said on the subject has been said already.

My distinguished colleague, the Senator from Arizona [Mr. GOLDWATER], has already indicated that he has approximately 20 or 30 amendments which he will offer to the minimum wage bill. Naturally, the Senator from Rhode Island suspects now that in connection with most of those amendments he will be in opposition to the position taken by the Senator from Arizona. Be that as it may, I am willing to give an unrestricted opportunity to the distinguished Senator from Arizona to explain his amendments in full. Likewise, I should wish to enjoy the opportunity of rising and giving in full my arguments in opposition.

I say this as respectfully as I can, Mr. President. I simply cannot follow the logic of my distinguished colleague the Senator from Wisconsin [Mr. PROXMIRE]. If there were a possibility, even a remote possibility—and of course there is none—that we could terminate the session by, let us say, July 8 or 9, I believe all of us would be willing to stay here. All of us are conscious of the fact that we are being paid to work 12 months a year. All of us are equally eager to do the work that we have been charged to do by our constituents and by our great Nation. It is not a question of trying to run away from our responsibilities. The only question before us is the most logical and practical way of discharging those responsibilities.

We realize that we cannot possibly terminate the session and dispose of the extensive agenda which faces us, in the pressures of a preconvention week. If we must come back anyway and come back we must, why make it so inconvenient for those of us who do not have a private airplane of our own, or who cannot make arrangements for airplane tickets at any time we desire to do so? There are those of us who might have to take 4 or 5 days to travel over the road in order to get to Los Angeles. If we are going to come back anyway in August or September, why is it not wiser to leave here this weekend and calmly and carefully set out on our journey to the convention in Los Angeles? There we will tend to our business with temperance, calmness, and judiciousness, and then come back to Washington and take up our responsibilities in the Senate, not for 3 days—which we would have available to us next week—but, if necessary, for 3 months, and do the work we must do, however long that doing may take.

If we are to come back and, I repeat, I am sure that is the logical course, I believe the wise thing to do would be to leave either on Friday night or on Saturday night, gather our families around us, get into our automobile, fill up the gas tank, and go through the great State of Wisconsin on the way out, and even stop there, if possible, and then go on to Los Angeles to do the work we have to do. We could also see the great fireworks display on July 4 along the way.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HUMPHREY. I ask the Senator to please stop in Minnesota on the way out.

Mr. PASTORE. I should like to do that very much. I would very much like to see all those beautiful lakes. I have never had the opportunity to do so.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield very briefly to me?

Mr. PASTORE. I shall be glad to yield, if I have the floor. The Senator from Texas very graciously yielded to me. Of course, I am very glad to yield to the majority leader.

Mr. JOHNSON of Texas. If Senators will look at page 14525 of the CONGRESSIONAL RECORD of June 27, they will note that the Senator from Tennessee [Mr. GORE] made this suggestion. I was not present when the suggestion was made, although there had been extended conversation on the subject earlier in the day.

The Senator from Tennessee said:

> Earlier today I recommended to the distinguished majority leader, the senior Senator from Texas, that Congress recess at the end of this week until a specified date after the two national party conventions. This recommendation was very much against my personal preference as I, like many other Members, had planned to spend the month of August with my family and friends at a place of our choosing, and had planned to visit throughout my State during September. Nevertheless, I think, in the interest of orderly consideration of legislation of overweening importance, such a course of action is the only prudent course, given the situation facing us today.
>
> True, we will be in the throes of a national campaign after the conventions, but the Senate has been in the throes of a presidential campaign almost all year. At least after the conventions each party will have only one candidate.

Later in the discussion the Senator from Pennsylvania [Mr. CLARK] said:

> Mr. President, I commend the Senator from Tennessee for the statement he has just made, and, with very deep reluctance, express my strong support for his view that we should come back after the conventions and do the business we should have done months ago. I believe it is unwise for Congress to run out of Washington in a hurry, not having taken care of the national interests with respect to so much proposed legislation which is still pending and which deserves the careful and unfatigued consideration of this body. I, too, had hoped to take the month of August for vacation; but I believe it is our duty to come back, as the Senator from Tennessee has suggested.

I read the RECORD the next morning. I talked to the minority leader, and I talked with other Members of the Senate, and I also talked to the leaders of the other body. Some suggestions were made. We explored all possible avenues. As late as this morning some Senators suggested that we leave as early as Friday so that they could proceed to meet their responsibilities on the platform committee. They wanted to take July Fourth off also, to celebrate that day and to make speeches in their home States. However, because of the veto of the Federal employees' wage bill, and not knowing when we would get the veto message—or whether we would get it—we finally decided, if necessary, to stay here until Saturday evening.

That is our recommendation. I do not want to impose my judgment on any Member of the Senate if it does not meet with the view of the Senate. If it does not meet with the view of the majority, I agreeably will accept any modification.

It is the judgment of the House that it will not have a quorum present after Saturday. It is my judgment that the Senate will not have one after Saturday. But if anyone having different leadership views will tell me, we will resolve the question by majority opinion, and I shall be glad to do so without speaking any more on the subject.

Mr. PASTORE. Mr. President, will the Senator further yield?

Mr. JOHNSON of Texas. I yield.

Mr. PASTORE. I call the attention of the Senate to the fact that only yesterday the House acted on the so-called fraudulent quiz programs and payola programs bill. That is very important proposed legislation. Thousands of dollars have been expended by Congress to enable the committee to make a thorough and exhaustive investigation of the situation. Amendments of the House were added to the Senate bill, which had to do with pre-grant and procedure. As the matter now stands, the bill is on the desk at present, open for conference. The Senate has never acted upon it. It will be necessary to hold hearings. We should like to take action on that bill at this session. Certainly it will not be possible to hold hearings on the bill next week.

However, if Congress returns in August or September, I hope we may immediately begin to conduct hearings in order to perfect whatever needs to be perfected. I believe everyone is opposed to the fraudulent quiz shows and desires to have something done about them. Everyone is opposed to payola. I think something should be done to remedy that condition. However, there are certain forfeiture provisions of the bill and certain suspension provisions of the bill open to discussion. I think persons opposed to them have the right to be heard.

Mr. President, if I may have the consent of the majority leader, I ask unanimous consent that S. 1898, which is at the desk, together with the House substitute amendment, be referred to the appropriate committee.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield to the Senator from Rhode Island for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I ask unanimous consent that the amendments of the House to Senate bill 1898 be referred to the Committee on Interstate and Foreign Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Mr. President, will the Senator from Texas yield, to permit me to ask a question of the Senator from Rhode Island?

Mr. JOHNSON of Texas. I yield.

Mr. KERR. I thank the Senator from Rhode Island for the able presentation he has made with reference to what the procedure should be concerning the recessing of the Senate and its return after the conventions.

I wish to ask him a question, knowing of his generous heart and kindly feeling toward all the States represented in the Senate. I noticed he was directing the pilgrimage which is going from the East to California to go by way of Wisconsin. I wonder if he would agree to direct them, on their return trip, to come back by way of Oklahoma. [Laughter.]

Mr. PASTORE. It would be a great pleasure and a privilege to do so.

Mr. ALLOTT. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. ALLOTT. With great emotion, I heard the decision announced by the majority leader this morning. I think it probably casts a greater burden on those of us who live at great distances than upon anyone else. I feel that if the Senate had been permitted to attend to its business during the spring, we would have had our work finished by this coming Saturday. Of this I have no personal doubt. We seem to have grown into the habit, in the Senate—and also in the House—of letting everything go to the last minute, in the hope that by rushing our work we might get something passed, but with the probability that it would be rather ill advised and should not be considered.

I do not believe that every bill which is introduced should be reported by the committees. We have too much proposed legislation to consider. That is one of the reasons why we have been in session so long.

I have in my hand an editorial which relates to one of the leading candidates for the Presidency. It states that he has missed 120 of 159 rollcall votes this year. Out of 105 quorum calls, he has missed 93.

I must say that this statement does not apply to the majority leader, or to the minority leader. They have been on the floor most of the time.

Mr. President, I ask unanimous consent that the Senator from Texas may yield to permit me to ask unanimous consent that the editorial entitled "Absentee Strength," published in the Washington Daily News of today, June 29, 1960, be printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, June 29, 1960]

ABSENTEE STRENGTH

For a man who is calling for strong, alert, on-the-job leadership in the White House, Senator JOHN F. KENNEDY has a strange record in the U.S. Senate where he is supposed to be tending shop.

Since this Congress session opened in January, up to June 27, out of 159 rollcall votes, Senator KENNEDY missed 120. His position was announced, however, on all but two of these votes. Of 105 quorum calls up to June 22, Senator KENNEDY missed 93.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Pennsylvania.

Mr. SCOTT. I concur in the statement of the Senator from Colorado [Mr. ALLOTT]. I believe the two bodies of Congress, had they worked as diligently throughout the session as they have been working in the recent past, could have met their schedules and could have adjourned before the political conventions.

This is in no way a criticism of the distinguished majority leader, because no one has worked harder than he has; no one has been more dedicated to his duties. However, on many occasions committee hearings were postponed because prominent Senators were unable to be present to attend to their responsibilities. Numerous delays have occurred in both bodies during the early part of the session.

To my mind, if we merely recess, instead of adjourning, we shall be saying to the country that we have confessed our failure at this session to do our work. I, for one, am not willing to have the record show that I am a party to a confession of failure. I myself believe that by continually addressing ourselves to our duties, we can, in fact, finish all the major proposed legislation before the political conventions.

Mr. President, if we are to return in August, a continuance of that session will depend upon the whim of many different individuals in both Houses who, for reasons of their own, may wish to delay it through September and October. Such a session will be shot through with politics, even more than normally is the case. The session will be used principally as a sounding board for the two political parties and their candidates.

An August session will be hot in more ways than one, because very little consideration will be given to sound legislative enactment. Most of such a session will be pointed toward the political effect it will have upon the country. I do not believe that is any way to legislate. I think this kind of situation should have been anticipated earlier.

I have indicated my own disagreement with some of the actions taken in both Houses, actions which have delayed the proceedings. I hope that the powers that be—and what powers they are, indeed—controlling, as they do, two-thirds of the membership of both Houses, and who are thereby in a position to tell us when to go home and when to come back, when to walk and when to run, whether to run in the Chamber or to run in the precincts, will carefully consider whether taking a recess will interfere with good legislative practice. I hope we may finish our business and then go home.

Mr. JOHNSON of Texas. Mr. President, all of us have been absent from the deliberations of the Senate upon occasion. I remind Senators that he who is without sin should cast the first stone.

I have heard it said that the majority leader and the minority leader—and even the distinguished constitutional Presiding Officer of the Senate, the Vice President—have not been here on all occasions. I do not believe that is the question at issue. I do not believe it is accurate to say that we could have completed everything on our agenda by June of this year, when last year it took until the middle of September to do it.

Earlier this year we spent 2 months debating a very important measure. The measure was finally passed in the Senate, but only after all-night sessions and a great amount of debate.

I think we have produced a constructive, productive record. I believe we shall have a better one. But if it took us until September, last year, to do it, I do not know of any magic which would enable us to say, "We will do it 2 months earlier this year, because we have the political conventions." I do not think the absence of any person from the Senate has delayed the Senate very long in taking action.

We have had grow up in the Senate a courtesy toward our colleagues which I hope will not expand any further—namely, the practice of having certain Senators object, on behalf of some of their colleagues, to the taking of a vote until their colleagues can return to town a day or two later. However, I would not say that has resulted in any very long delays, and I hope that no party or no individual will be blamed, because I believe it would be incorrect or untrue to say that we could have passed the health bill before the hearings on it were held. That measure had to originate in the other body, and it reached us just this week. The tax bill reached us only a short time ago. The appropriation bills have not been before us very long. We recall that the other body has January, February, March, and April to consider most of the appropriation bills; but the Senate has to pass them in half that time.

Mr. HOLLAND. Mr. President, will the Senator from Texas yield for a question?

Mr. JOHNSON of Texas. Yes. But I promised to yield first to the Senator from Illinois [Mr. DOUGLAS].

Mr. HOLLAND. If the Senator from Illinois will permit, let me ask a question: Is it not true that under the law now on the statute books, July 31 is the target date toward which the Congress works, and that when Congress adjourns or recesses, as the case may be, before then, because of the two conventions, it adjourns or recesses before the time set by law as the target date for the adjournment of the Congress, and thus cuts short the time normally taken?

Mr. JOHNSON of Texas. I believe that is correct.

Mr. DOUGLAS. Mr. President——

The PRESIDING OFFICER (Mr. CANNON in the chair). Does the Senator from Texas yield to the Senator from Illinois?

Mr. JOHNSON of Texas. I yield.

Mr. DOUGLAS. I rise to reply to the remarks of the Senator from Colorado [Mr. ALLOTT], which contained a veiled attack upon the junior Senator from Massachusetts [Mr. KENNEDY] because he has been absent for a considerable number of yea-and-nay votes during this session.

I should like to make the point that there is nothing more important than campaigning properly for the Presidency of the United States, the most important office in the world. Under our system of presidential primaries, it is necessary that presidential candidates present themselves to the voters and explain their points of view and argue the issues. Therefore, Senators who are candidates for the Presidency have the obligation of presenting themselves to the voters. That, of necessity, in a country of 50 States and great geographical distances, means that anyone who does so will be absent at various times and will miss a considerable number of yea-and-nay votes.

I remember that in 1952 the late Senator Taft, of Ohio, then the leader of the Republican Party in the Senate, was absent a very large number of times while he campaigned—unsuccessfully, as it turned out—for the Republican nomination for the Presidency. I am not aware that anyone on this side of the aisle criticized Senator Taft for that in the slightest degree. We understood that is one of the burdens which one who runs for the Presidency necessarily assumes, and that it was proper for him to go out to the country and ask for the support of the voters.

There has not been much criticism from this side of the aisle that the Vice President, who certainly is supposed to be the Presiding Officer of the Senate, has been absent most of the time this year, pursuing his campaign for the presidential nomination of the Republican Party. I believe the record shows that he has been in the chair approximately 24 hours during the entire period. While there has been a reference or two to that fact, from our side, it has largely been a counterdefense against comments similar to those which the Senator from Colorado has made.

I think it has been quite proper for the Vice President to go over the country and explain his views and seek the support of the Republican Party, which now seems to be assured. Similarly, I say it was proper for the Senator from Massachusetts to go over the country, even though that involved his missing some yea-and-nay votes.

The Senator from Massachusetts did not hide his views on the questions before the Senate. I believe it will be found that in virtually every instance the record of the votes will show that he declared himself as either for or against. There was no pussyfooting on his part. He did not use his absence as a means of straddling the fence. Instead, he took a forthright attitude on the issues.

I believe that, upon deliberation, the Senator from Colorado will regret that he made that statement.

Mr. ALLOTT. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. ALLOTT. I would hate to have the Senator from Illinois speak for me in any respect. I do not regret the statement I made a moment ago. I am a little surprised—because I never mentioned the Senator from Massachusetts—that the situation is so exposed to the mind of the public and to the mind of the Senator from Illinois that he was able to recognize the figures and to attach them to the junior Senator from Massachusetts [Mr. KENNEDY].

Mr. DOUGLAS. May I ask the Senator——

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield, if the Senator desires——

Mr. ALLOTT. I should like to proceed for a moment further.

Mr. JOHNSON of Texas. Very well; and then I shall yield to the Senator from Illinois.

Mr. ALLOTT. As a matter of fact, it is at times necessary for a Senator to be absent. All of us have to be absent on occasion. I had to be in my State the first part of the session, and had to miss several yea-and-nay votes in one day—although, like all other Senators, I tried to make them up.

But if I could discharge my duties in the Senate by sending word here that my position on one bill or another was such and such, I would consider my duty in the Senate to be a very easy one, and I could probably at the same time attend to many matters in other places. But I do not conceive that to be my duty in the Senate.

One other fact should be considered, I believe. In this particular instance, inasmuch as the Senator from Illinois has mentioned the Senator from Massachusetts [Mr. KENNEDY], although I did not, I will say to the Senator from Illinois that in my opinion—and of course I recognize that my opinion does not count too much in his eyes—but in my opinion, much of the work of the Senate has been delayed day after day and week after week.

The Senator from Illinois has very well made the point that presidential candidates have to present themselves to the voters of the country. But I do not know of any primaries that are going on now, anywhere in the country. If we could obtain the presence of a few of these Senators consistently, perhaps we could accelerate the work of the Senate.

Mr. DOUGLAS. Mr. President——

Mr. JOHNSON of Texas. I yield to the Senator from Illinois.

Mr. DOUGLAS. I merely say that the Senator from Colorado was not fooling anyone when he spoke of a Senator—whose name he did not specifically mention—as having been absent a large percentage of the time. Everyone in the press gallery and everyone over the Nation knew to whom the Senator from Colorado was referring. The editorial which the Senator put into the RECORD specifically referred to Senator KENNEDY. For the Senator from Colorado now to suggest that he was not referring to the Senator from Massachusetts is disingenious.

Mr. ALLOTT. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. ALLOTT. Mr. President, I made no such statement on the floor of the Senate. I simply said that I had not referred to the Senator from Massachusetts by name or by State.

Mr. DOUGLAS. But by implication and reference the Senator from Colorado referred to him.

Mr. ALLOTT. I am happy that the Senator from Illinois could recognize the applicability of the figures, because they——

Mr. DOUGLAS. Inasmuch as everyone knew that the Senator from Colorado was referring to the Senator from Massachusetts, and the matter he inserted specifically criticized Senator KENNEDY, I felt it my duty to rise and to defend him; and I shall continue to do so.

Mr. LAUSCHE. Mr. President——

Mr. JOHNSON of Texas. Mr. President, if the Senator is through, I yield now to my friend, the Senator from Ohio.

Mr. LAUSCHE. Mr. President, inasmuch as other Members of the Senate have expressed themselves in regard to the course we should follow with respect to either taking a recess or adjourning, I should like to state my position. I had hoped we would conclude our work before the conventions began. My hope was rooted in the belief that if we assembled after the conventions, whatever we did would be subject to attack on the basis of political motivation, and much of that attack probably would be justified. I think there is grave danger in dealing with important legislation immediately before an election. My fear is that, in spite of how hard we try, we will not escape the coercive influence of fearing the results of what will happen on election day.

It cannot be denied that in an election year those who are pressing for the passage or defeat of legislation succeed, in a most remarkable degree, in achieving their objectives. I am sure that each one of the Senators here is receiving mail in large quantities in effect saying that "Unless you respond to the wishes of this particular group, at election time you will hear from us."

I was hoping we could avoid that perilous condition which always confronts us in the exercise of the democratic processes and rights. It appears that we shall not be able to conclude before the conventions. I regret it. I commend the Senator from Texas for his constant attendance and attention to his job. It has already been said that no one can truthfully say that the Senator from Texas has not tried to complete the work. But we shall not be able to complete it, and I think our resolve ought to be, and our prayer ought to be, that if we come back after the conventions we will exercise the fearlessness and the power and the integrity that ought to attend the work of a U.S. Senator, and that we will not time arguments and the passage of legislation to procure political advantage.

I think that is the goal toward which we ought to move; and if we do not, the next 3 months will be months of political manipulation. There will be bidding to see who can offer the highest price to the voters, and there will be much of it. Both sides will be bidding increased prices in order to buy the votes of the taxpayers. That is what we ought to fear.

Mr. ERVIN and Mr. HOLLAND addressed the Chair.

Mr. JOHNSON of Texas. Mr. President, I yield first to the Senator from North Carolina. I had promised to yield to the minority leader. I will yield to the Senator from Florida after I yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, we are confronted with a condition, and not a theory. Despite the many assertions to the contrary, I think the record will show that Congress has worked as hard at this session as any Congress except in war years. I know, so far as the committees of which I am a member are concerned, that they have worked harder than in any year in which I have been privileged to be a Member of the Senate.

It is apparent we cannot complete our work before the Democratic National Convention assembles on the 11th of July. I happen to be a member of the Platform Committee of the Democratic National Convention, and I am supposed to be in Los Angeles not later than Tuesday of next week. The date of the Democratic National Convention was certainly set by the Democratic National Committee without consultation, so far as I know, with any officials of the Senate or the House, and I can certainly say the Republican Party did not consult me when it set the date of its national convention. We have these two conventions to attend, and we are confronted by the fact that there are some 10 or 11 appropriation bills on which work has not been completed. These bills will have to be acted on if the Government is to continue to function. I am not concerned so much about other bills. There have been 18,537 bills and resolutions introduced in the Senate and the House during the 1st and 2d sessions of the 86th Congress. I do not think all of those measures ought to have been introduced, because I do not think there are 18,537 things wrong with the United States that need changing. But I will say this: If I were running this Congress all by myself, when we came back again, we would pass the necessary appropriation bills and then adjourn. If the United States has been able to get along without other pending measures from 1789 down to this date, the United States can very well wait until next January before they are considered.

I think I might pay a compliment to the Congress by saying that Congress can be compared to providence. I can illustrate that statement by quoting the words of a Pennsylvania Dutchman who had a grist mill on the Yadkin River down in North Carolina. The rains descended, and the floods came, and the waters rose, and washed his grist mill away. The Pennsylvania Dutchman walked out on the hill and surveyed the scene and said, "Taking providence up one side and down the other, it does about as much harm as it does good." [Laughter.] But, unlike providence, Congress cannot do any harm when it is not in session.

When we do come back after the convention—and I think it is necessary for us to quit and come back—I hope we will pass the necessary appropriation bills and adjourn, and leave all the proposals contained in the other 18,000-odd bills and resolutions to consideration in January. Since the Nation has endured this long without all those changes being made, it can certainly make it for a few more months without them being enacted into law.

Congress can do much better legislating next year free from the tensions of an election year, when the parties are fighting for the White House.

I support the majority leader in his statement that the Senate has worked hard this year, that we cannot complete our work in time for the two conventions, and that therefore it is necessary for us to recess. But I do pray that when we come back after a recess everybody will have the same sound views I have and pass the appropriation bills and then close shop for this year.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield to the Senator from Florida for a question, without losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLLAND. Mr. President, I have listened to the remarks of the Senator from North Carolina, with which I am in complete accord. Considering the difficult times through which we are passing, vital to our country and our States and every person in this country, does not the distinguished Senator from North Carolina feel the job he has to do in Los Angeles as a member of the platform committee of one of the two great parties of the Nation is a matter in which he can better render service to his Nation and his State than if he remained here in Washington and on the floor of the Senate?

Mr. ERVIN. I do.

Mr. BUTLER. Mr. President, will the Senator yield so I may ask the Senator from North Carolina a question?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield to the Senator from Maryland for the purpose of his asking a question, without my losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BUTLER. I should like to ask the Senator from North Carolina this question: Could not we pass resolutions continuing appropriations and quit as of this week, or as of the 10th of July, and stay at home to accomplish the purposes the Senator is speaking about?

Any time we return between the political conventions and a general election it is going to cost somebody a great deal of money. I have an idea that it will be the poor American taxpayer who will have to pay the money.

Mr. ERVIN. At the risk of appearing immodest, I will say to the Senator from Maryland that if everybody entertained the same sound views on all questions that he and I do, we would wind up this Congress quickly. But unfortunately everybody does not have as sound views as those of the Senator from Maryland and myself.

Mr. BUTLER. There is no reason why we cannot pass a resolution continuing the appropriations, and get out of here. If that is the business which is before the Senate, we can accomplish that before this weekend.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished minority leader, with the understanding that I shall not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, one of the delightful attributes of the U.S. Senate is that in open meeting it confesses its sins, it takes down its hair, and even on a matter of such world shaking importance as recess or adjournment, it acquaints the whole world with the facts. I think that is a wonderful thing, so I shall make some comments on the matter which is tentatively proposed.

Before I do, however, Mr. President, I wish to say, on behalf of the majority leader, that he has been at his station, he has been at his post of duty. I am sure his friends and associates and well wishers have often deplored the fact that he has canceled in different parts of the country meetings for the purpose of pursuing his own political interests. I think he is to be commended for his fidelity to duty and for staying on the job when he might have been accepting speaking engagements in many sections of the country in the hope that he could improve his political opportunities.

It is a fact that we live and do business in a political atmosphere. Why disguise the fact? Politics has its impact. When the presidential campaign year comes along, we should make allowances, because politics is an inherent

and intrinsic part of the whole American political system. If that were not the case, I would not have absented myself from the House of Representatives years ago, to go home when I had primary opposition in a campaign, notwithstanding the fact that some of my hardbitten friends at home used to say, "Your business is to be at the House of Representatives, working in the committees and staying on the floor, to see that no legislative mischief is contrived." I said to them, "My friends, that is quite true, but I am a candidate for reelection and that means something to me. No matter how you want it, I shall be back home doing a little campaigning if I can."

Some of our distinguished colleagues have been campaigning since last year. If I said anything unkind about any one of them—and I may, by implication, have done so a week or two ago—I very humbly apologize for any such error or act of commission on my part.

In connection with a colloquy with the distinguished Senator from Minnesota late at night, when he was pursuing a given matter, I finally, I am afraid, let a slight touch of irritation overcome my better judgment, and I said, "The Senate has been very charitable and kindly, and no one has ever observed or remarked about the fact that you were often away. We recognized that you were in pursuit of higher goals and higher ambitions."

That is one of the great things in American political life. A Member of the House of Representatives wishes to graduate. I desired to graduate from the House to the U.S. Senate. I expect, under the impact of an eye malady, that ambition might have gone overboard if it had not been for my wife and daughter, who pushed me into it, and I am glad they did.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. Everybody said, "You cannot win against the great majority leader of the Senate"—the then majority leader from Illinois. [Laughter.]

I said, "I intend to win."

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I did win. I am afraid I took some advantage of him. We know it is very easy when one is not a Member of the Senate and when one is running against an incumbent Senator, to be in the State, to look a great audience in the face, and to say, "Now, ladies and gentlemen, what is the Senator doing here, when the Senate is so busy with mutual security, with appropriation bills, and with other bills which have an impact upon your pocketbook?" We can sometimes make mincemeat out of our opponents.

I apologize for every sin of omission and commission that shall be written in the book against me for that.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. But I am glad I won, notwithstanding. [Laughter.]

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JOHNSON of Texas. I should like to have the RECORD show that on occasions I have heard it said by great men who serve in the other body that they do not consider election to the Senate to be a promotion from the House.

Mr. DIRKSEN. I have heard that said, too, but I point out, of course, that in this great deliberative body—and I am glad of it—we constantly preserve its deliberative character, and its sometimes slightly unpredictable character. We have no rule of germaneness. We have no limitation on debate.

After all those years of difficulty, trying to compress world-shaking remarks into 5 minutes, under the House rule, what a sheer delight it was, what abandon of spirit I experienced, when I came to the Senate and discovered when I got the floor I could keep it endlessly, so long as there was any breath in this poor and feeble body. [Laughter.]

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JOHNSON of Texas. Mr. President, if the Senator will indulge me, in 3 minutes I must present a bill to the Appropriations Committee. I should like to yield the floor, but first I wish to make two or three comments.

If Senators are afraid of politics in regard to proposed legislation immediately before an election, logically we should not have a session in an election year at all. Possibly, if we followed that kind of reasoning, we simply would have a session every other year. Certainly, we ought not to have a session in a presidential election year.

Mr. President, I think it is really casting a reflection upon the Senate to say that the Senate is incapable of acting after a political convention. The Senate is far more able and patriotic than some people may think. I have high hopes that we shall do our duty, following the political conventions, as we would do it before the conventions.

Mr. President, I shall conclude with this statement: It is clear to me that we cannot perform our duty between now and the political conventions. We cannot do it, if we deliberately and judiciously attempt to complete action on the major issues before the American people. I had hoped that we could. I had at one point believed it might be possible. It is obvious to me now that we cannot finish our work before the conventions. If I did not know it before I started this discussion, I know it now, for we have spent 2 or 3 hours talking about adjourning.

The only thing we are actually talking about is whether we shall return after the 4th of July on Tuesday and Wednesday. That is the alternative suggestion.

The Senator from Louisiana can go to Louisiana and make a July 4th speech, and then can return to Washington, D.C., to appear in the Senate on Tuesday and Wednesday.

The Senator from Minnesota can go to Minnesota on July 4 and can return to the Senate on Tuesday and Wednesday.

It is the consensus of most of the men to whom I have talked that we should not have a session on the Fourth of July; that we should conclude our deliberations on Saturday night, if we are going to have to return, anyway. We are going to have to return, so the question is whether we shall finish Saturday night, or whether we shall recess or adjourn from Saturday until Tuesday and be in session, for whatever we can get done, on Tuesday and Wednesday. I should like to have any Senator who thinks we can make speedy progress on Tuesday and Wednesday to express himself.

I shall regard silence as acceptance of the suggestion made.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from New York.

Mr. KEATING. The majority leader indicated that our silence would mean we agree. While I do not feel that much could conceivably be accomplished in 2 days next week, I would not want my silence to be construed as an indication that I am in complete accord with the views of the majority leader that we should return in August, after the conventions and before the election. It seems to me that it would be much sounder to return after the election in November, at which time we would not have to legislate in an atmosphere of political frenzy, as is very likely to be the case if we meet before the national election on August 8 as is now proposed.

I wish to inquire of the majority leader, since he has said that there are a number of alternative suggestions, whether he would be willing to inform us of the various suggestions which have been made, and whether he would tell us in what manner those alternative suggestions could be formulated and presented for consideration by the full Senate.

Mr. JOHNSON of Texas. The Senator from New York has demonstrated one method. Many Senators would like to return September 1. I would say a third of the Members on my side of the aisle would not like to come back at all. They would like to finish Saturday night. There is some sentiment on the Senator's side of the aisle not to return at all. Every Senator has an opportunity to express himself.

As I see the question now, from the points of view that have been expressed here today, relate to what we shall do on Tuesday and Wednesday of next week. It is my opinion that if we go over Monday, July 4, we ought to allow members of the Platform Committee to leave, because they will leave anyway. I think Members of the other body will also leave, and I do not think that we would transact much business. I think we would only hold some Senators here when others would not be here.

I believe it is the majority opinion that we should return on August 8. If it is not, Senators can offer their own suggestions and we can consider them.

We have considered the suggestion of the Senator from New York. I talked with him about it earlier today. I talked with the minority leader several times about when we should return.

I do not believe that the majority of the Senate would be more favorable to any date other than August 8. This morning I talked with 13 Senators in one group, and 12 of them felt that August 8 was the better date.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KEATING. May I ask whether those Senators specifically thought the August 8 date was better than a November date?

Mr. JOHNSON of Texas. No, or even a January date, or another August date. I will go over the list.

The 1st Senator on the list said August; the 2d said August; the 3d and 4th, September; the 5th said August; the 6th said September; the 7th said August; the 8th said September; the 9th said September; the 10th, 11th, and 12th said August; the 13th said August; the 14th said August; the 15th said August; the 16th said August; the 17th said August; the 18th said September; the 19th, 20th, and 21st, September; the 22d, August; and on through the list. Not one on this list suggested October, November, or December.

The Senator from New York did make the suggestion to me that he has mentioned, and if any Senators wish to amend the resolution when it comes over from the other body, they are, of course, at liberty to offer amendments.

Mr. KEATING. One final question. I assume the distinguished majority leader has canvassed the possibilities of deferring the Democratic Convention for 1 week.

Mr. JOHNSON of Texas. I thank the Senator for his suggestion. If we could perform our responsibilities and complete our program within that 1 week, I am sure we would be justified in deferring the convention. But in view of the arrangements that have been made, and in view of the plans that we have for proposed legislation on behalf of all the people, I would not think that many Senators would look more favorably upon that suggestion than they do on the suggestion to reconvene in November.

Mr. KEATING. I thank the Senator for his courtesy.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I will yield to the Senator from Nebraska. I do not wish to appear to be running from the Chamber, but I have an engagement to be present at a committee meeting at 2:30 to consider the conference report on the State, Justice, and Judiciary appropriation bill.

Mr. CURTIS. I shall be very brief, and I assure the Senator I will cooperate. I should like to ask this question: If the Congress should confine its legislative efforts to measures that are absolutely necessary to carry on the existing functions of Government and to provide for the security of the country, could we not adjourn in only a few days?

Mr. JOHNSON of Texas. The Senator from Louisiana [Mr. LONG] told me this morning that extended discussion on H.R. 10 is anticipated. There is a dispute in the Senate about whether that is necessary legislation, but I shall not take the position it is not. We have agreed that if the bill is reported, we will schedule it on the calendar. It is being scheduled.

The Senator from Arkansas [Mr. FULBRIGHT] desires to consider the Antarctic treaty. He believes it is necessary. His committee has reported it. The Senator from Georgia has grave doubts about it and has asked that consideration be postponed for a day or two, so that he may have an opportunity to study the transcript of the hearings. The chairman of the committee thinks consideration of the treaty is very necessary. I had a message on my desk to telephone him as soon as I arrived, but I have not had an opportunity to do so, and I apologize to him.

The opinions of Members differ widely as to dates, as I have outlined. However, I say to our colleagues in the other body, the minority party here, and the majority party here, that I honestly and genuinely believe that a substantial majority would prefer to leave Saturday night and not to have a session on the Fourth of July preceding the Democratic convention and Republican convention, thus giving Members a week to get to the conventions, to attend them, and to return on Monday, August 8. I have agreed with the Speaker, with the minority leader, and with other Senators to recommend that program, and it is my recommendation. I repeat that I have no pride of authorship. I shall be glad to consider any substitute date that any Member of the Senate thinks would be more acceptable.

Does any Senator wish me to answer a question? If not, I will yield the floor.

Mr. AIKEN. Mr. President, I merely wish to say that I am disappointed with the procedure which has been laid out for us this morning, although it is exactly in accord with what I was told last April. I was told that the Congress would make obvious efforts to get through, but would find it could not do so, and we would be called back in early August. I am sorry to say that the report has turned out to be so true. I think it is obvious that the proposed procedure is a hardship on most Members of the Senate. I do not know about all. We know that some have very comfortable homes in the Washington, D.C., area, and it is more comfortable for Senators to stay here than it is to return to their own States and become involved in the hullabaloo which they could expect there.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JOHNSON of Texas. I should like to say that I am not one of those.

Mr. AIKEN. No, and I do not blame Senators for that attitude. But it seems to me that the rest of us should have some consideration also.

We have become more procedurally incompetent in this Congress year after year. I do not say that we have become individually more incompetent, but we have become procedurally incompetent. Why is that so? There are different reasons for it. One reason is that when we go into a committee meeting, or even come to the Senate floor at times when there is business to be transacted, we are told, "One of our colleagues must be away and we must not transact any business while he is gone. He asked us to do no business while he is gone."

That procedure I believe has cost us weeks in the session.

Mr. JOHNSON of Texas. I will say to the Senator that has cost us some time, and I shall give the Senator two illustrations very briefly. First, I urged a Saturday session. I announced a Saturday session. A member of the minority told me that if a Friday night session or a Saturday session were held, I would have to produce a live quorum.

Mr. AIKEN. Yes.

Mr. JOHNSON of Texas. He delivered the ultimatum to me in my office. I came to the Senate Chamber and it was obvious that I could not produce a live quorum. So I had no choice except to do what I was required to do. That procedure has also happened on the other side of the aisle.

Mr. AIKEN. That has happened on both sides. I am aware of it.

Mr. JOHNSON of Texas. But it has never happened at the request of the majority leader. When I am not present, I say to the minority leader, "Pair, and I will do likewise with you." I think one of the great disservices that has been done the membership of the Senate was in straying away from the pair system.

I would recommend that every Senator find a colleague who has an opposite view to his on a bill and try to arrange a permanent pair with him. I saw that system work very effectively in the early 1930's, when Senator Robinson sat as the leader on this side and Senator McNary on the other. It functioned very well until the days of the late Senator Wherry, until a very close vote was held on a bill, and thereafter Senators were asked not to pair anymore. The present majority leader and minority leader have for several sessions had an understanding. I have always been ready to give Senator KNOWLAND and Senator DIRKSEN a pair on anything, and they have always been glad to give me a pair. I wish other Senators would do likewise. However, they do not do it. When they do not do it, the result is that one man can be king, because he will say, in effect, "You must produce a live quorum."

I do not believe that it would be possible to get a quorum on July 4.

I check the records back as far as 1789, and I found that only on a few occasions we met briefly by observing the 3-day rule.

So we can come back on next Tuesday or Wednesday, or we can come back in August, or in some other month.

I believe reassembling in August is the alternative most preferred. I believe the majority want to do that. I hope other Senators will express themselves, and

I should be glad to remain here to hear their expressions and to take part in the discussion, but I should like to attend a meeting of a subcommittee of the Committee on Appropriations handling the appropriations for the State and Justice Departments.

Mr. AIKEN. Mr. President, let me merely add that extending such a courtesy to Members of the Senate may be justified in the case of death or sickness in the family, or even for the purpose of making it possible for a Member to attend a State convention. However, when Senators request the extension of such a courtesy merely for the purpose of being at a meeting, which he wishes to attend, in my opinion it is a discourtesy to the other Members of the Senate, and usually to a great majority of the Senators, and it is also a disservice to the country.

Mr. JOHNSON of Texas. The Senator is correct. I think that in this instance what is involved is not so much an extension of a courtesy, as the problem of meeting the necessities of the occasion, because all that one Senator need do is to suggest the absence of a quorum. If a quorum is not produced, the Senate must go over, either adjourn or recess.

Mr. AIKEN. I wish to add also that the majority leader and the minority leader have been very attentive to their duties. That is not true of every Senator. Those Senators who have asked for the courtesies I have mentioned, which were unwarranted, are more responsible than anyone else for the situation which exists at this time.

We have also gone overboard in attempting to do work which properly belongs to the executive branch of the Government. We have established so many investigating committees and commissions that it is almost impossible to do our work. We are slowly but surely breaking down the democratic processes in this country. If we do not reverse the trend, we are going to be in very serious trouble. We cannot cover up our mistakes by merely erecting more big buildings up here on Capitol Hill and spending more and more millions of dollars as though there were no end to the money available. The executive branch has made mistakes, of course, but so has the Senate, and I do not believe the executive branch has made more mistakes nor as many as we have.

I do not think it would be at all necessary, if we had done our work as Members of Congress, to prolong the session after July 4.

Mr. DIRKSEN. Mr. President, before the majority leader leaves, I should like to make one or two observations. I agree with the distinguished Senator from Vermont, but I think I do so for a different reason than the one he has mentioned. The other day, for my own information, I made a count and found that in the Senate we have 16 standing committees, 1 or 2 joint committees, 2 select committees, 1 special committee, and 94 subcommittees.

I believe that I am a member of 15 or 16 subcommittees. The bill which was considered on the floor of the Senate last night was reported by the Judiciary Committee. I was a member of the subcommittee that had considered the bill. The King and Queen of Thailand were the President's guests, and I was invited to attend. I thought that protocol suggested that I do attend. In my absence the Senate went right ahead and unceremoniously—and I do not attempt to say whether it was wise or prudent—recommitted the bill to the Judiciary Committee by a very resounding vote.

I point out that if two or three committees meet at the same time and if we are interested in the subject matter, the only retaliatory weapon available is to insist on a quorum call and, if the Senate is in session, then object to a committee meeting. When I do that, I do not do it out of any mean or vindictive streak that is in me. It is only because I have an interest in the subject matter.

I am sure that the Senator from Massachusetts [Mr. KENNEDY] was not very happy when on occasion I objected or when, on occasion, the distinguished Senator from Arizona objected to a committee meeting. The fact of the matter is that we could not be there. What does it all add up to?

Actually the minimum wage bill was introduced on the 16th of February 1959. That was 15 months ago. It is now on the Senate calendar. The distinguished Senator from Arizona [Mr. GOLDWATER] has 22 amendments ready to offer to the bill. Fifteen more are in process of being prepared. There are other amendments on this side of the aisle that I know of from my personal knowledge. How long will it take to process them? Quite a while, I say that because they will be offered to general legislation which covers the whole country.

Mr. JOHNSON of Texas. Mr. President, if the Senator will yield briefly, I should like to say that I must leave the floor. I therefore yield the floor.

Mr. DIRKSEN. I will yield the floor also, after one additional observation. I agree with the distinguished Senator that we have a procedural problem, and the result is that we wait until the last few weeks of the session.

I must say, however, in all good conscience, that it has been that way in every session of Congress in which I have served since 1933. We get to the tail end of the session, and then the pressure goes on. However, there then develops a most disturbing aspect. I do not want the image or the impression to go out to the country that the Senate of the United States for any reason whatever has given so little attention to legislation that it can be considered as not well wrought and not well done. That could be the worst thing that could happen to the Senate and to the estimate of the people of this body.

That illustrates one of the nice things about the liberal rules of the Senate. In the other body a Member rises and moves to strike out the last word in the last paragraph, in a pro forma amendment, and he can speak for 5 minutes. He can then say, "Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes." If someone jumps up and says, "I object," all that the Member has available to him are 5 minutes of discussion on what may be a subject of transcendant importance.

In the Senate we have liberal rules. We are expected to discuss matters at length. It takes time in the Senate. The bill I have referred to was introduced 15 months ago. It is now on the calendar. It is regarded as something that must be disposed of. Then there are all the amendments.

Then, also, there is H.R. 10, and notice has already been served on the Senate that there will be no permission granted, under unanimous consent request, to limit debate. That is one of the hot pokers I picked up. When the President of the United States looked around he said, "This is a hot poker. It will blow a hole in the budget. Someone must pick it up." Others said they were sorry, but they had other commitments. I said, "Mr. President, if you want it picked up, I will pick it up. When do you want me to say something about it?" He said, "Just as soon as you walk out of this room in the White House and go out there in front of the TV cameras."

I was mauled all over the country by those who are interested in pensions for the self-employed, on a voluntary basis. Now the Treasury has suggested amendments. The amendments have been incorporated in the bill. The bill is now on the calendar. Yet there is objection. If I dare use the word, there might even be a mild filibuster on the subject before we get through with it.

I could go down the whole list. The result would be that when we added it up in terms of the amount of time which would be devoted, whether we came in at 10 o'clock in the morning and sat until 10 o'clock at night, or came in at noon and stayed until midnight, there would not be any difference. Each subject would still receive a due amount of deliberation, and that would take time.

I shall make one other comment, and then take my seat. We speculate among ourselves about the political impact. What will happen if we recess? What will happen if we adjourn? Who will get the advantage? I do not know. Suppose we come back and send a bill to the White House, and the bill is vetoed. What will be the impact of the veto? Will it be good for us? Will it be bad for the other side, or vice versa? Those are some of the rather intriguing and delightful questions that are met in American political life.

I have no answer on the subject. I simply let the tail go with the hide; I take the bitter with the sweet, so to speak. Perhaps it will be to our advantage; perhaps it will not.

One thing is certain. It will be to the advantage of the people. If they can look at the reports on some of the major policy qeustions still before Congress and can digest them before we return, the question then will not be which party gets the advantage; the question will be whether the taxpayers and the voters of the Nation, on the basis of authentic

information, will get the proper consideration and the best deal. In that, I think we can all concur.

One other suggestion, because it must be on the record. It has been suggested to me that since the Republican Convention will meet in Chicago on July 25, and 4 days have been allotted for our convention, rather than to have Senators disperse to their homes in different parts of the country, why not return, instead of on the 8th of August, on the 1st of August? I have no objection. I am ready to abide by the feeling of Senators in that matter. However, so far as the recess is concerned, it seems to me that it would be impossible, within the time available, to do the work which is still before us and give it the consideration which it eminently deserves.

I served on the platform committee in San Francisco in 1956; in fact, I was the chairman of the Civil Rights Subcommittee. I went to San Francisco a week early. From the day I landed, we took testimony all day long from persons who were interested in the civil rights plank. So I understand how the distinguished Senator from Florida [Mr. HOLLAND] and the distinguished Senator from North Carolina [Mr. ERVIN] feel. Also, I understand that the distinguished Senator from Mississippi [Mr. EASTLAND], chairman of the Committee on the Judiciary, is to be a member of the platform committee. That committee does necessary and important work.

So what I see is the necessity for a recess. I am not wedded to any particular date when we should take the recess or to any particular date when we should return. So long as we are here, I trust, with proper apologies, that we shall be able to consumate as much legislation as possible.

Mr. President, I yield the floor.

Mr. HOLLAND. Mr. President, naturally every Senator is disappointed at the thought of having to return after the conventions. I suspect that when we read the RECORD, we will realize that we have looked and acted very much like a bunch of small schoolboys who had looked forward to the final day of school, with hopeful thoughts of frequent visits to the swimming hole and of delightful fishing trips, but suddenly found it was all a vision and was not going to come true until long in the future.

What is suggested is not an unprecedented action at all. I recall that in 1948, in the 80th Congress, when I believe the situation was exactly the reverse from 1960—the President being of the Democratic Party, and the control of Congress in the Republican Party—we were unable to finish our business, so we reassembled later. We had a rather stormy and, I think, inconclusive session. But we lived through it. I doubt that anyone can now remember anything unpleasant or anything too difficult concerning what transpired in that session. So I think we will live through this experience and render needed public service.

There are two things I desire to have the RECORD show, because I believe the people are entitled to know them. One is that we shall be ending the session—if we should recess or adjourn this weekend—4 weeks ahead of the time set by law as the last day for the adjournment of the session of Congress and considered, in practice, as the first possible date. The law can be found on page 57 of the Senate Manual. It is copied from the Legislative Reorganization Act. I read it:

> Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day in the month of July in each year, unless otherwise provided by Congress.

That has been the target date for us in the past, but in most sessions we have not been able to finish our work by that date; instead, the session has continued until August or September, as every Senator knows.

So if we should adjourn or recess at the end of this week—which now seems to be the program—it means that we shall have 4 weeks to go, whenever we shall come back, before we will have fulfilled our normal obligation of the time to be spent in session.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CAPEHART. I think, further, the record will show that we are paid by the year and are really supposed to stay here the 12 months of the year.

Mr. HOLLAND. I am glad the Senator from Indiana has brought out that fact, because the record will now show that the Senate has tried to earn its pay by coming back and serving its full time or so much thereof as may be required.

Another thing I should like to mention is that we are so confused that suggestions have been made from the floor which no Senator would make if he had a little time to think over the matter. For instance, the distinguished Senator from New York [Mr. KEATING] actually suggested that we should return in November, or perhaps later, for the renewal of this session. The Senator has, of course, forgotten the 20th amendment. He has forgotten that, first, Congress, and then the people, adopting the 20th amendment by an overwhelming outpouring of sentiment, decreed that there shall not be any more lameduck sessions of Congress. I am certain the distinguished Senator from New York would be one of the first to want to stand by that decision.

By coming back in November or December, we would be coming back with many Senators—or at least several—who are retiring—still occupying their seats, and many Members of the House, or several, still occupying theirs, Members who would have been replaced in the election of early November by other persons. That is exactly what the people actually decided to prevent in the future by the adoption of the 20th amendment.

Without laboring the point further, I think the record would not be complete if we did not state, with all candor, that we owe a tremendous debt to the leaders on both sides of the aisle for having held us in session at times when we did not want to be held, and for having put us through a grueling experience during this session and during the first session, last year. I remember that last spring for 7 long days and nights the Senate operated around the clock. I remember that the Senator from Florida found frequent occasion during that time to complain of the arduous services which were being required of all Senators by the decision of the two leaders.

I recall one night last year when the majority leader was rather insistent on having the Senate continue the consideration of the then pending labor-management bill at a very late hour. I know I vociferously objected to our being held in session any longer. As I recall, Senators on both sides of the aisle were found to be in rather complete agreement with the position which I then took.

I call attention to the fact that the leaders have done everything within their power, and that the real fact of the matter is that the business of this great Nation requires at least as a minimum the time which is fixed by law, that is, from January through July. Every session since I have been a Member of the Senate, which covers 14 years, more time was required for the transaction of the normal and the needed business of the Nation than the period which ends in July. Furthermore, I feel sure that this experience will not be without some fruitful results.

Senators on the other side of the aisle will be subjected at Chicago to friendly meetings with more than a thousand delegates and more than a thousand alternates of their political faith from all over the country. Those persons certainly will express their points of view and opinions about what is taking place in Congress, and the Senators will have ample opportunity to learn, through the directly chosen representatives of the people exactly what those opinions are. They may return here a good deal better informed on some of these points than they are now.

On this side of the aisle, the Senator from North Carolina, the Senator from Florida, and others will serve at Los Angeles on the platform committee. All of us will have exactly the same experience, except with a different group of personnel, that the Senators on the Republican side of the aisle will be subjected to at Chicago. If we returned without a better understanding of what our people want and what they approve and what they disapprove, I believe we would be much less sensitive to popular expression than people in public life generally are.

So, disappointed though we are, and none more so than I, I believe we should face the fact, and should realize, that we have already done a very large job, that we are going to be called back, and then will have ample opportunity to complete that job, and that at that time we may be better informed and better able to complete the job than if we were to attempt to do so now, particularly under the pressure of cramming into a few

hours, or, at most, a few days, business which should take a considerable amount of time to complete.

Mr. President, I yield the floor.

Mr. KUCHEL. Mr. President, I should like to make a comment or two on the fact that apparently the Congress will take a recess in a few days, to return in August.

I hope the people of the country and the people of the world, for that matter, will understand that such a recess does not mean any interference with the ultimate passage of such crucially important pieces of legislation as the mutual security legislation. I wish it were possible for this Congress to dispose of legislation of that type before we take the recess. It is vital to the cause of freedom. But since apparently that will not be the case, let this RECORD at any rate demonstrate that the Congress of the United States, without any question whatsoever, Mr. President, will enact the mutual security program when it returns in August, and will, I trust, enact it along the lines which the President of our country has laid down.

Mr. President, I have in mind the closing days of past sessions of the Congress, during the few years I have had an opportunity to serve here. I remember that just a year ago, in August, we were hastening pellmell to adjourn sine die; and I remember that, quite within the rules, a Member of the Senate withheld unanimous consent to dispensing with the reading of the Journal of the previous day's proceedings, and I remember that for two-thirds of the day thereafter we sat here handcuffed, while one of the clerks droned on, reading the Journal of the previous day's proceedings, which every one of us knew all about. That is a prime example of an outmoded rule which ought to be changed.

I remember that, on another occasion, I had before the Senate a bill authorizing the construction of a dam in the State from which I come, and there was no opposition whatever to the bill; but I recall painfully that suddenly, out of nowhere, one of my colleagues came along with an irrelevant and ungermane amendment providing for changes in the salaries of certain civil servants, and attempted to tack that amendment onto my bill. On that occasion, I almost had apoplexy. Finally the amendment was withdrawn, or defeated, I do not remember, and my bill was passed. Ought not the Senate, someday, before too long, provide for a rule of relevancy in its legislative process?

I remember that on another occasion, near the close of the session, one Member or a few Members, in order to defeat legislation which a majority of the Members of the Senate apparently were prepared to approve, took the floor and proceeded to talk, to put handcuffs on the Senate, and to prevent the Senate from transacting any business whatsoever.

So I simply say that one of these times, Mr. President, in the interest of the people, as we are entered upon this nuclear era and the age of outer space, the archaic rules of the Senate may be carefully considered and studied and changed, so that the business of the U.S. Government in this Chamber will not suffer devastation or frustration because one, two, three, or four Senators, unable to muster a majority, are nevertheless able to resort, quite legally today, to the anachronistic parliamentary powers which the rules of the Senate regrettably provide.

DE ZAVALA CEMETERY PART OF SAN JACINTO BATTLEFIELD AREA: SHOULD BE PRESERVED

Mr. YARBOROUGH. Mr. President, the General Services Administration has declared surplus certain land in Harris County, Tex., which is a part of the San Jacinto Ordnance Depot. The General Services Administration is seeking a bid on all lands surrounding the 10-acre De Zavala cemetery and homestead. Although the De Zavala family cemetery and homestead are part of the San Jacinto Battleground Park, they are completely surrounded by ordnance depot land; and if all the surrounding land is sold, such sales would completely isolate the De Zavala cemetery and homestead, causing this historic site to lose its identity as a historical site of the first magnitude. Its historical value would then be lost to the citizens of Texas and the United States.

The Commissioners Court of Harris County, in order to prevent the loss of this historical De Zavala area, bounded on the north by Old River, on the east by Buffalo Bayou, and on the south by a creek, has, by resolution, urged the Government of the United States to refrain from selling, or in any manner disposing of, the land immediately adjacent to the De Zavala cemetery and homestead, and has urged that the necessary legislation be passed by the Congress, in order to give such land to the State of Texas, for use as a State park and as a part of the San Jacinto Battleground Park.

Lorenzo de Zavala was a great liberal political leader of Mexico who had been a Member of the Cortes of Spain, prior to Mexico's independence from Spain. He had held high office in the Mexican Government in Mexico City. When Santa Anna became a dictator and seized the powers of government, Lorenzo de Zavala opposed the dictator's usurpations, and fled to Texas, joining the liberty-loving Texans in their battle for liberty. Lorenzo de Zavala was elected first Vice President of the Republic of Texas, and was a signer of the Texas Declaration of Independence.

As the Texan Army under Sam Houston retreated before Santa Anna's vast army, they neared the site of the home of Lorenzo de Zavala, who lived on the east bank of Buffalo Bayou, just opposite the battleground of San Jacinto. Lorenzo de Zavala's home was a place of refuge for the lovers of liberty, fighting tyranny and oppression.

This historic cemetery includes the graves of Lorenzo de Zavala and his family, and also the grave of General Castrillion, the ablest officer under Santa Anna, and a brave professional Spanish soldier who refused to run at San Jacinto.

Other important acts in the life of the Republic of Texas took place in the De Zavala homestead. This ground is hallowed ground from the days of the Republic of Texas.

I strongly urge the General Services Administration to accede to the unanimous request of the Commissioners Court of Harris County, and that appropriate portions of this land adjacent to the De Zavala cemetery and homestead be set apart and reserved from the impending sale, and that title be passed to the State of Texas, so that this land can be maintained with the State park at San Jacinto battleground, where all future generations of America can relive the thrilling history of the creation of a Republic within less than 6 months' time.

I may add that upon the San Jacinto battleground there is the highest monument in the Western Hemisphere, taller than the Washington Monument in this city; that the burial ground is adjacent to the battleground; that there is adjacent to the Houston ship canal the battleship *Texas*, a permanent part of the exhibit. There has been placed in the basement of the homestead one of the finest collections of Americana, with many original documents of American history. This historic homestead and cemetery are a part of the early history of Texas. Just across the Buffalo Bayou from the San Jacinto battleground is the site of a camp where another force was camped while the Battle of San Jacinto was fought.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD, and I also ask unanimous consent to have the names of County Judge Bill Elliott and the four county commissioners who signed the resolution printed.

There being no objection, the resolution and signatures were ordered to be printed in the RECORD, as follows:

Whereas Lorenzo de Zavala was vice president of the first government of Texas and a signer of the Texas Declaration of Independence; and

Whereas Lorenzo de Zavala is buried in the De Zavala family cemetery, which cemetery is already a part of the San Jacinto Battleground Park; and

Whereas the General Services Administration of the Government of the United States has proposed and is seeking bids to all land surrounding the De Zavala cemetery and homestead; and

Whereas the sale of such land would completely isolate and commercialize such property to an extent that the De Zavala cemetery and homestead would lose its identity and for all purposes be lost to the citizens of the State of Texas and the United States as a historical point; and

Whereas it is the desire of the Commissioners' Court of Harris County, Tex., to prevent such a loss of this historical point: Now, therefore, be it

Resolved, That the Commissioners' Court of Harris County, Tex., does hereby urge the Government of the United States to refrain from selling or in any manner disposing of all land adjacent to the De Zavala cemetery

and homestead, and that the necessary legislation be passed to give such land to the State of Texas for use as a State park.

Passed this 23d day of June A.D. 1960.

BILL ELLIOTT,
County Judge.
W. KYLE CHAPMAN,
Precinct No. 1.
V. V. RAMSEY,
Precinct No. 2.
PHILIP E. SAYERS,
Precinct No. 3.
E. A. LYONS, Jr.,
Precinct No. 4.

CONVEYANCE OF CERTAIN LANDS TO JOLIET ARSENAL MILITARY RESERVATION

Mr. MUSKIE. Mr. President, I ask that the Chair lay before the Senate the amendment of the House to Senate bill 747.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 747) to provide for the conveyance of certain lands which are a part of the Des Plaines Public Hunting and Refuge Area and the Joliet Arsenal Military Reservation, located in Will County, Ill., to the State of Illinois, which was: on page 5, strike out lines 10 through 19 inclusive, and insert "of the United States in and to an area of approximately 1,230 acres of land now or formerly part of Joliet Arsenal, Will County, Illinois, lying generally along the southwestern boundary of the arsenal between the Kankakee River and the Chicago and Alton Railroad, comprised of approximately 317 acres of land previously reported by the Department of the Army to the Administrator of General Services for transfer or disposal as excess real property and approximately 913 acres of adjacent land determined by the Secretary of the Army to be available for nonmilitary purposes."

Mr. MUSKIE. Mr. President, the purpose of this bill was to authorize the conveyance to the State of Illinois, for wildlife conservation or recreational purposes, two tracts of land comprising approximately 2,200 acres. These lands were formerly a part of the Joliet Arsenal Military Reservation.

The bill as it passed the Senate authorized and directed the conveyance of two tracts of land to the State of Illinois, which were referred to in the debate as Nos. 3 and 4.

The House amended the Senate bill by providing for the conveyance of two tracts of land, including Nos. 3 and 5, and deleting authority for the conveyance of tract No. 4. Tracts Nos. 3 and 5 are not contiguous.

The Senators from Illinois [Mr. DOUGLAS and Mr. DIRKSEN] concur in the House amendment, and I understand the government of the State of Illinois also concurs. Therefore, I move that the Senate concur in the House amendment.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the Senator from Illinois.

Mr. DOUGLAS. May I say, Mr. President, I reluctantly concur in the amendment offered by the House, because, unless we accept it, we will not get any of this excess area for recreational use by the people of the State of Illinois.

The history of this measure is relatively simple. I introduced a measure to reserve tracts 1, 2, and 3, as shown on page 7 of the report, for hunting, wildlife, and recreation. This bill was opposed by local industries and by the State administration on the ground that they wished to have the major portion of the area used for industrial purposes.

A compromise was worked out whereby sections 1 and 2, which are shown, as I have said, on the map on page 7 of the report, were to be reserved for industrial purposes; but as compensation for sections 1 and 2, section 4 was added to the south of section 3. This is located on the Kankakee River, which is a clear stream and excellent for recreational purposes. In that form, the bill passed the Senate.

The Army, however, made very strenuous objection to the transfer of tract 4, alleging that they needed it for reserve training purposes, although I am frank to say we have not been able to discover any appreciable use of this tract by the Army.

The bill then went to the House, and I am sorry to say the State administration of Illinois, instead of supporting the measure as it passed the Senate, agreed with the Army and threw in its support on that side.

In the face of the opposition from the Army and the State administration, the House committee reluctantly accepted the Army's counterproposal, which was to provide the State with two disconnected pieces of land, tract 3, and then a mile and a half southeast of this, tract 5, separated from tract 3 by a nearly parallel automobile thoroughfare, Route 66. It will be impossible to use these two separate tracts as satisfactorily as we could have done had tract 4 been added to tract 3.

In my judgment, these two disconnected pieces of land are not properly satisfactory for recreation, hunting, and wildlife areas; and the Army could use section 5 just as well as it can use section 4.

We have however been faced by a refusal on the part of the Army to cooperate with the needs of the people of the State, and we have also been faced, I say very frankly, with a lack of cooperation on the part of the State administration.

In view of the fact that we are nearing the conclusion of this session, I reluctantly agree it is better that we take tracts 3 and 5, rather than get nothing.

I desire however to call attention to one paragraph of the House Armed Services Committee report in connection with this matter, in order that the clear legislative intent may be recorded. I now read from the report:

> It is the committee's clear understanding that the State will be permitted to continue its use of tract No. 4 for wildlife conservation and recreational purposes during all of the pheasant season and during the remainder of the year except weekends when the property is being used for the training of the Reserves. It is the committee's further understanding that should the Army's need for tract No. 4 cease at any time in the future, strong and sympathetic consideration will be given to the conveyance of this act also to the State of wildlife conservation and recreational purposes.

At the time tract 4 becomes surplus to the needs of the Federal Government, I sincerely hope full effect will be given by the interested Federal agencies concerned with disposal of surplus Federal lands to this expressed legislative intent.

I thank the Senator from Maine and the Senator from Alaska for the very careful attention which they have given to this bill. They have lavished a high degree of careful consideration upon it and have been patient and cooperative in a way that is really beyond praise. I deeply appreciate what the Senators have done. I only express regret that the Army has been so intransigent and that we have failed to have the cooperation of the State government of Illinois, which instead has thrown obstacles in the way at virtually every turn.

Mr. MUSKIE. Mr. President, I thank the Senator from Illinois for his generous comments. I agree with the Senator that the Senate bill was the better bill.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the minority leader.

Mr. DIRKSEN. The bill has been given a great deal of consideration. I am deeply indebted for the patience and forbearance of the distinguished Senator from Maine, who conducted the hearings. I offered a substitute, which was contrived through an understanding with the Governor of the State of Illinois, the conservation department, and the appropriate officials of the Army and of the General Services Administration. The amendment which is before us, in which we are asked to concur, follows out on basic lines the suggestions I made at the outset.

I shall be glad to concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine [Mr. MUSKIE].

The motion was agreed to.

EXTENSION OF PERIOD OF EXEMPTION FROM INSPECTION OF CERTAIN SMALL VESSELS

Mr. BARTLETT. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2669, to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of

southeastern Alaska, which was, on page 2, line 3, strike out "'1964'." and insert "'1962'.".

Mr. BARTLETT. Mr. President, I move that the Senate disagree to the amendment of the House, ask for a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to; and the Presiding Officer appointed Mr. ENGLE, Mr. BARTLETT, and Mr. BUTLER conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 1157) to provide for promotion of economic and social development in the Ryukyu Islands.

The message also announced that the House had passed a bill (H.R. 11001) to provide for the participation of the United States in the International Development Association, in which it requested the concurrence of the Senate.

UNANIMOUS-CONSENT AGREEMENT TO CONSIDER STATE, JUSTICE, JUDICIARY APPROPRIATION BILL, 1961, NOTWITHSTANDING THE 3-DAY RULE

Mr. JOHNSON of Texas. Mr. President, the Committee on Appropriations has reported the State, Justice, Judiciary appropriation bill, 1961. I ask unanimous consent for the Senate to consider the bill notwithstanding the 3-day rule.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

EXTENSION OF SUSPENSION OF DUTIES ON METAL SCRAP

Mr. SMATHERS. Mr. President, I ask the Presiding Officer to lay before the Senate a message from the House of Representatives on H.R. 11748.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 11748) to continue until the close of June 30, 1961, the suspension of duties on metal scrap, and for other purposes and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMATHERS. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

Mr. LONG of Louisiana. Mr. President, may I ask, what is the bill before the Senate?

Mr. SMATHERS. This is the bill which relates to metal scrap and the changing of the tariff provisions in connection with metal scrap.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. ANDERSON, Mr. WILLIAMS of Delaware and Mr. CARLSON conferees on the part of the Senate.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1678, H.R. 10, the bill to encourage the establishment of voluntary pension plans by self-employed individuals.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I have assured the Senator from Florida that we would consider the bill. It may be necessary, in order to meet some deadlines with respect to conference reports and appropriation bills, and perhaps other bills affecting some deadline, including the highway bill, that we set the bill aside temporarily to consider other proposed legislation.

The Senator was anxious for me to bring the bill before the Senate. The committee has reported the bill. The bill is now before the Senate. Except for those instances to which I have made reference, we shall have discussion of the bill, so long as it appears that any good results will flow therefrom.

Mr. LONG of Louisiana. Mr. President, I did not object to having H.R. 10 brought before the Senate for consideration. The bill is now before this body. Before the matter is discussed, I shall wish to suggest the absence of a quorum, because it is a bill which is controversial in nature. The bill required 2 weeks of very bitter discussions and voting behind closed doors in the Senate Committee on Finance. There are a number of members of the committee who strongly feel this is a very bad piece of proposed legislation, and that it should be drastically amended if it is to be passed.

I have served notice on the majority leader, I wish to serve notice on the members of the Committee on Finance, that those of us who oppose passage of the bill believe it will be completely inappropriate for the Finance Committee, which reported the bill, to undertake to meet while the Senate is considering this measure. I shall feel compelled to insist that the committee not continue to meet and shall not hold sessions on any other measure while the Senate is meeting to consider this bill.

The Senate has yet to hear the objections of those of us who oppose this measure. Someone has said that we are proposing to filibuster on the bill. All I say is that this is a measure which needs to be discussed, which needs to be explained, and which needs to be understood by the Senate. As one Senator, I have received as much pressure to vote for the measure as for any other measure which has come before the Senate, yet I find there are many things in it to which I must object.

Since it took 2 weeks behind closed doors, with nearly constant meetings—meetings every day—before the committee would report the bill, with the committee in disagreement, I submit that this is a matter which will require considerable discussion if the Senate hopes to understand it.

WEST VIRGINIA BANKS STIMULATE THE GROWTH OF SMALL BUSINESS; SBA AND REA COOPERATE WITH PRIVATE ENTERPRISE

Mr. HUMPHREY obtained the floor.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the very able and distinguished Senator from West Virginia, if I do not lose the floor.

Mr. RANDOLPH. Mr. President, as a member of the Select Committee on Small Business and as a Senator who possesses a very real interest in the progress being made under the authority provided by the Small Business Act, it is with considerable satisfaction I note that since its financial assistance program was begun in 1953, the Small Business Administration has approved nearly 20,000 loans totaling about $950 million.

Especially significant is the fact that 12,500 of the aggregate number of loans made by SBA, worth $628 million, were negotiated with the participation of local banks.

Furthermore, more than 4,000 of these loans were on a deferred participation basic, which means the local bank usually handled the entire loan without any help from the Federal Government other than the United States commitment to assume its agreed-to share of the loan if and when the bank had so requested.

Most of the SBA loans—which average approximately $45,000—assist small firms which are unable to obtain financing at reasonable terms from private sources. This is not a reflection upon banks and other lending institutions because it is obvious they cannot participate in every SBA loan for very good financial reasons. Otherwise, there would not be a need for the Small Business Administration.

Although two-thirds of SBA's loans to small businesses throughout the country are in participation with local banks, the percentage of bank participation in West Virginia is much higher than the national average. The records show that 83 percent of SBA loans to West Virginia firms are in participation with private banking facilities.

This is a remarkable record. It is, in fact, a tribute to West Virginia bankers who are cooperating wholeheartedly with the Federal Government in helping to meet the financial needs of small businesses. These figures are very gratifying:

Through April 30, 1960, the Small Business Administration had approved 132 loans totaling $6,889,000 to help West Virginia firms. But only 21 of these were direct Government loans for a total of $1,948,000. The overwhelming majority—111 loans aggregating $4,941,000—were made by SBA with participation by local banks.

Participating in these 111 loans were 54 banks in 42 West Virginia counties—which means that, in a number of instances, several banks had more than one SBA loan. Three other banking institutions in the neighboring States of Virginia and Maryland have participated with SBA in loans to small West Virginia firms near their borders.

These banks deserve the highest praise in helping our private enterprise system to expand and prosper.

Mr. President, at this point in my remarks I should like to cite and have printed in the RECORD a list of the banks which, according to Small Business Administration records, have cooperated with that important agency in helping to meet the credit needs of small firms in West Virginia.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

WEST VIRGINIA

Beckley: Raleigh County Bank.
Belington: Belington Bank.
Bluefield: First National Bank.
Buckhannon: Adrian Buckhannon Bank and Central National Bank.
Ceredo: First National Bank.
Charleston: Charleston National Bank, Kanawha Valley Bank, and National Bank of Commerce.
Clarksburg: Lowndes Savings Bank and Trust Co., Merchants National Bank of West Virginia at Clarksburg, and Union National Bank.
Elkins: Citizens National Bank.
Fairmont: City National Bank of Fairmont and First National Bank in Fairmont.
Gassaway: Bank of Gassaway.
Glenville: Kanawha Union Bank.
Grafton: First National Bank.
Grantsville: Calhoun County Bank.
Huntington: Guaranty National Bank of Huntington, Huntington Trust and Savings Bank, Security Bank of Huntington, and Twentieth Street Bank.
Hurricane: Putnam County Bank.
Keyser: Farmers and Merchant Bank and National Bank of Keyser.
Kingwood: Albright National Bank of Kingwood.
Lost Creek: Harrison County Bank.
Madison: Boone National Bank.
Mannington: First Exchange Bank.
Martinsburg: Merchants and Farmers Bank and Peoples Trust Co.
Matewan: Matewan National Bank.
Milton: Bank of Milton.
New Haven: Mason County Bank.
Oak Hill: New River Banking and Trust Co.
Parkersburg: Commercial Banking and Trust Co.
Parsons: Tucker County Bank.
Petersburg: Potomac Valley Bank.
Philippi: First National Bank in Philippi.
Princeton: Princeton Bank and Trust Co.
Ranson: Blakeley Bank and Trust Co.
Ravenswood: Jackson County Bank.
Ripley: Bank of Ripley.
Ronceverte: First National Bank in Ronceverte.
Spencer: First National Bank.
Summersville: Farmers and Merchants Bank and Nicholas County Bank.
Terra Alta: Terra Alta Bank.
Vienna: Ohio Valley National Bank of Vienna.
Webster Springs: Webster Springs National Bank.
Weston: Weston National Bank.
Wheeling: Wheeling Dollar Savings and Trust Co.
White Sulphur Springs: Bank of White Sulphur Springs.

MARYLAND

Cumberland: First National Bank.
Hancock: Peoples National Bank.

VIRGINIA

Lynchburg: First National Trust and Savings Bank of Lynchburg.

Mr. RANDOLPH. Mr. President, earlier this month I praised the progress being made in extending telephone service to rural West Virginians through the cooperation of private enterprise and another agency of the Federal Government, the Rural Electrification Administration.

On June 2, I called attention to United Utilities of West Virginia, with headquarters at Davis, which was incorporated only 2 years ago. With the help of $1,210,000 in loans from the REA, this imaginative company has improved or expanded telephone service to 7,000 West Virginians since 1958.

Another growing West Virginia telephone company also is demonstrating how private enterprise and the Federal Government can work together for the betterment of our society. I refer to the United Telephone Co. of St. Mary's which plans to undertake a $2¼ million expansion program to extend telephone service to 3,500 citizens in Pleasants, Calhoun, and Harrison Counties of our State. The Rural Electrification Administration's telephone loan program will, I am informed, support this firm with necessary working capital.

As I said in this Chamber on June 2, those who live in the Nation's great urban centers, where telephones are an indispensable reality, can easily forget that an estimated 4,800,000 farm people—and thousands of other rural, nonagricultural residents—still do not have telephone service.

Congress established the REA telephone loan program in 1949 to enable private companies and cooperatives to meet this telephone gap. Since then the REA program has helped bring telephone service to 1,344,536 subscribers through almost $644 million worth of loans to 696 borrowers.

In our State, these funds and the enlightened companies using them wisely and resourcefully also are providing hundreds of jobs while helping build a communication system essential to the economic development of West Virginia's rural areas.

These are impressive achievements being wrought in our State and others. They are dramatic examples of the progress that can be made when the initiative of private business and the resources of the Federal Government cooperate in building a better and stronger society.

I am grateful to my helpful friend from Minnesota for yielding to me for the purpose of making this statement.

Mr. HUMPHREY. I am happy to do so. Let me say to the distinguished Senator from West Virginia that I know of no Senator who has given more of his time and dedicated more energy and talent to the interests of independent business and the work of the Small Business Committee and to the legislative endeavors in Congress that lend themselves to the benefit of the independent business than has the distinguished Senator from West Virginia. I wanted to have an opportunity to hear his message, because he has made a fine report, not only of the accomplishments of a cooperative program but, I might add, a report of his own fine work in this field of legislative endeavor.

Mr. RANDOLPH. I am deeply grateful.

THE PROPAGANDA GAP

Mr. HUMPHREY. Mr. President, we in this body have heard much about the missile gap, the economic growth-rate gap, and even the Air Force training manual gap.

Today, I call to the attention of my colleagues a gap that is one of the most serious of all—and that is the propaganda gap. I use the term "propaganda" in its wholesome sense, for Webster defines propaganda as the "spreading of a system of ideas."

Winning the minds of men is the most important business of the 20th century. It is a contest that freemen must win. And yet, why is it that the country with the best case seems to be losing the propaganda war, and the country with the worst case, the Soviet Union, seems to be winning it?

We who cherish freedom of the mind as we cherish life itself wish that all people everywhere would have the same free access to information that we do. But wishing is not enough. We must do something about it. We are, of course, doing something about it through our U.S. Information Agency and through many private organizations. But are we doing enough? I think not.

Let us look at the box score of the other team. Frankly, it is impressive—something like the New York Yankees when Babe Ruth and Lou Gehrig were playing.

The Communist propaganda and cultural offensive is nothing new. We have known about it for a long time. But what is new—and dramatically new—is the greatly accelerated emphasis that the Communists have put on it. A great justice of the Supreme Court once said that "a difference in degree becomes a difference in kind." What we are facing is a Communist propaganda apparatus

that has grown so gigantic in the last several years that it is a different kind of a challenge than what we faced 10 years ago.

One of the most significant—and, also, sobering—developments in the Communist propaganda offensive is the expansion of the Red Chinese effort in this field. And a major part of that effort has been directed toward Latin America.

There can be no doubt that Red China is attempting to gain diplomatic recognition of the Latin American States and that she is trying to break up the solidarity of the Western Hemisphere. Let these facts speak for themselves:

Last year, Communist China invited 102 Latin American delegations to the mainland, which is triple the number she had received in 1958. All expenses were paid for the delegations, and they received a red-carpet treatment that would be hard to rival.

Not only has Communist China set up a training school for Latin American Communist leaders, but she has tripled her Spanish-language broadcasts to South America since 1958.

Here are some of the radio propaganda statistics: Last year Red China had 10 radio transmitters. Today, she has 22. Ten years ago Radio Peiping broadcast 56 hours a week to foreign countries. Today she is beaming close to 600 hours a week.

As a matter of fact, the Sino-Soviet bloc's international broadcasting increased 400 hours per week last year—for a total of approximately 3,000 hours. This is more than five times as much as the U.S. 590 hours a week.

And equally important, the Communist transmitters are, on the average, four times as powerful as our own, so that signals come through much clearer. The average Russian transmitter is 250 kilowatts, as compared to 62 for the United States. This is the situation. The Communist propagandists are pouring approximately five times as many hours of broadcasting into the propaganda effort, and at the same time they have transmitters which on the average are about four times as strong as those of the United States.

How are the Communists doing in the dissemination of the printed word? If I may put it to you squarely, the flood is coming, and we have hardly begun to build the ark.

Let us compare our effort with that of the Communists. The U.S. Information Service is able to print 79 publications for various parts of the world. Yet, India alone receives 162 Communist periodicals, 120 of which come from Russia and China. We distribute four publications in India, which is exactly one-thirtieth of what the Chinese and Russians are doing.

Besides the periodicals, millions of books are sent to India from Moscow—books so cheap that almost anyone can buy them. It is known that in Japan between 4 and 5 million inexpensive books a year come from Red China and Russia. This may be part of the explanation for the recent events in Japan. Luckily, we have been able to use counterpart funds for a book distribution program of our own, but it amounts to less than one-quarter of what the Communists are doing—about a million books a year.

Mr. President, I was privileged to offer an amendment to the mutual security authorization bill, which provided funds for what we call the low-priced book program. However, the amount of money that we have been able to channel into this effort is indeed small, compared with what the Communist bloc countries are doing.

Not only have the Communists bombarded the emerging nations with the written and spoken word, but they have also significantly increased their exchange of delegations, which, of course, is one of the most effective forms of propaganda.

Last year Red China received about 440 delegations, which was about 200 more than in the previous year. The Soviet Union has approximately doubled the delegations it has received every year since 1954. Last year, 1,207 delegations visited Russia, 90 percent of which came from Africa, Asia, and Latin America.

My colleagues in the Senate may remember that when I reported on my visit to Moscow, in December of 1958, I said one of the first impressions I received was of the large number of foreign visitors I noticed everywhere I traveled in Russia. In fact, the Soviet Union is placing a high priority on inviting to Russia visitors from Africa, Asia, the Middle East in particular, and now Latin America. There is no sparing of money, and there is no sparing of courtesy and hospitality with reference to these foreign delegations. I have a feeling that if we examine the efforts of the propaganda by the Communists, both Russian and Chinese, we will find that the amount of the anti-American feeling that is evidenced in the riots and demonstrations in Asian and Latin American countries is influenced by the amount of propaganda that is put out by the Communist countries. In other words, as the propaganda offensive steps up, so the anti-American demonstrations step up.

It should be clear from the figures that the Communists know where cold war is going to be won or lost. It is going to be won or lost in the hearts and minds of hundreds of millions of peoples in the emerging nations of Latin America, Asia, and Africa.

Africa, which just now is reaching independence and flexing its muscles for the first time, is already becoming a major target area for the Communists. Africa will command the attention of the world during the next 25 years.

I respectfully suggest that the United States be mindful of this contest in Africa. I would hope that we would intensify our economic assistance, our cultural exchange, our educational exchange, and our informational programs in this area. To permit Africa to become the private hunting grounds of Communists, and thus permit a sizable section of the world to come under their domination, would be a very serious matter indeed. The wise statesmen of today and tomorrow will be those men who can see what is happening in the Asian and African sectors in relation to the struggle there for the struggle for men's minds.

Not only have the Russians made alarming incursions in newly-independent Guinea, but they have radically increased their training program in African studies and languages. There are 31 Soviet universities and institutes which teach African languages, plus many high schools. This compares with four American universities which have such courses. These are not very comforting figures, particularly when we realize that the Russians are going to get the maximum propaganda mileage out of their African language experts.

One area where we have long held a lead was in the education of foreign students—the future leaders of their countries—in our universities. I have noticed that this year there are approximately 40,000 foreign students who are attending universities in the United States. This is good. This is an area of educational activity that we ought to emphasize in terms of our international relations. The education which is made available to foreign students will stand us well and will stand the cause of freedom well in the years to come. It is in this very sphere that the Communists are attempting a spectacular breakthrough.

A few months ago, the Soviet Union announced that it was establishing a University of Friendship. This university will offer full tuition, transportation, as well as room, board, and spending money for 4 years to 4,000 students from the education-starved underdeveloped countries.

In short, the Soviet Union is making a strong bid to take the lead from us in training the future leaders of the emerging nations. It is estimated that this project will cost the Soviet Union $40 million a year. But then, as we have seen time and again, money is no obstacle for the Communists in the all-out ideological warfare now being waged.

I should add that this announcement of the so-called University of Friendship in Moscow has been followed by another announcement with respect to the expansion of the University of Friendship program, and plans for the establishment of other universities in the Sino-Soviet bloc.

One cannot discuss anti-American propaganda without mentioning what Cuba is doing in Latin America. Castro's government is spending over $100 million on propaganda in Latin America, and the Communist bloc is spending a like sum in that area.

Add to the Communists' sum Fidel Castro's amount of $100 million, and one arrives at a figure of approximately $200 million a year which is being expended in Latin America by the Castro government in Cuba and the Communists from Red China and the Soviet

Union. That is double the total propaganda effort of the United States of America all over the world.

I have noted Mr. Castro's government as a separate entity from that of the Communist effort. I do not believe it is particularly important any longer for us to argue whether Mr. Castro's government is Communist-dominated, Communist infiltrated, or how many Communists there are in the government, or even whether Mr. Castro himself has Communist leanings. Those things are relatively unimportant. What is more important is what Mr. Castro does, what his efforts are, and what he is seeking to do.

The fact of the matter is that the Cuban Government's propaganda today fits in perfectly with the Communist Party line in Latin America. So whether the Cuban Government of Mr. Castro is Communist dominated or not is not nearly so important to know as the fact that the propaganda line of Mr. Fidel Castro and his government marches arm in arm with the Communist line from Red China and the Soviet Union.

Make no mistake about it: Castro's propaganda machine is effective. We in the United States may occasionally laugh at the long television appearances of Mr. Castro, because we in this country like the spot announcements, 20 seconds at a time, or 1-minute statements, so that we can get back and look at the westerns or the latest whodunit. But in the Latin American countries, particularly in the Cuban area, the use of television for political purposes is well understood.

Regrettably, the American understands the medium of television primarily as a form of entertainment. The Communist understands radio and television, and the Fidel Castro propaganda ministry understands television and radio, as a form of political information and political propaganda; as another instrument of aggression, if it is so used, in the cold war.

The nation which has more television sets than all the rest of the world together has an abysmal ignorance of the use of television and radio as effective instruments of political propaganda or information.

The fact that the Communists of Red China and of Russia can have better radio and television equipment for their information service than the United States has is nothing short of shocking. If we understood that it is as important to have an information service as it is to have a military service, we would perhaps be much further ahead in our struggle today with the Communist bloc.

The trouble in the United States is that we are the victims of old-fashioned, wornout, obsolete military, political, psychological thinking and planning. The Communists are on the offensive. The Communists are using new weapons of aggression. The new weapons of aggression are weapons of ideas, disseminated through radio, television, books, periodicals, pamphlets, libraries, educators, and the use of people-to-people contacts. We in America constantly think in terms of power according to the number of planes, guns, missiles, and divisions of troops. They are important. They are a part of the total shield of power. But another very important part, which costs much less, and which in these days is even more effective, is the information, education, and propaganda sectors in the total strength of a nation.

I have pointed out that Cuba and the Communist bloc are spending twice as much money in Latin America than we spend around the world.

As we all know, Castro's propaganda is often more vitriolic in its denunciation of the United States than even the propaganda of the Communists. The Cuban propaganda campaign is directed by Che Guevara, generally acknowledged as a solid Communist. Cuba's short-wave and medium-wave broadcasts are beamed to about 40 stations in Central and South America. Furthermore, the Cuban press service reaches every Latin American country, and Cuban literature is freely distributed by the Cuban diplomatic posts, which often act as propaganda centers.

The Soviet Union will open its embassy in Havana in August. Once Russia is established in Cuba, she intends to use that country as a major base from which to bombard Latin America with propaganda.

In August, the Soviet Union will send to Havana its No. 1 propagandist—Nikita Khrushchev. If any American politician thinks he will have the headlines in August, he is wrong. Nikita Khrushchev will make more news in one day than both American political parties will make in one month. Cubans understand propaganda. They understand the international implications of propaganda. They understand the meaning of the cold war. Nikita Khrushchev is not coming to Havana to see how big the bananas are. He is not coming to Havana to see whether he can sell Gillette blue blades to Castro and his associates. He is coming to Havana for one purpose, namely, to get within, literally, shouting and shooting distance of the United States and of Latin America, to start a major Communist propaganda offensive in Latin America.

We can look forward, in the next year, to a stepped-up propaganda campaign in Latin America, the likes of which we have never witnessed in our lives. We can, furthermore, look forward to a large number of Communist-Chinese delegations going to as many of the Latin American countries as will permit them to enter. We can look forward to Latin American countries being put under terrific pressure to grant diplomatic recognition to Communist China.

This will not be by accident; it will have been preconceived and planned. Of course, those words do not fit into the American scene. Anything in this country which is planned is looked upon as something that is suspect. We prefer to do things by accident. We even like to die that way. We prefer to have things simply happen to us. I suppose that is because we like the thrill of the thing.

We are the victims of a Government and of a Government policy that does little and acts little and petty. As a result, we are being whipsawed from one end of the world to another. The richest Nation on the face of the earth cannot afford—apparently—to meet the Communist offensive. The strongest Nation on the face of the earth stands embarrassed and humiliated before Soviet power; and then the President of the United States returns home to the American people and interprets a series of defeats as a magnificent victory.

There is one other aspect of the Communist propaganda war that I wish to discuss. Lately it has been called the cultural offensive. Of course it is true that cultural attractions in themselves do not convert people to communism. One cannot convince people that Marx and Lenin were right, by dancing the Russian ballet. But cultural presentations do build a sympathetic climate. Or to state the matter in another way, cultural presentations may be the sugar coating to a bitter pill.

A reservoir of good will is generated when people in the uncommitted countries watch the magnificnt performance of the Moiseyev Dancers, the Bolshoi Ballet, the Moscow Art Theater, the Leningrad Symphony Orchestra, the Peiping Opera, and the many other cultural attractions which come from the Communist countries.

I recall that when I was in Moscow, I asked a Russian whether the Moiseyev dance ensemble was in town at the time. He laughed rather sarcastically, and said, "Oh, we hardly ever see them. They're usually going around the world, making friends for us."

The point is that when it comes to volume of cultural presentations, we are hardly in the same race with the Communists.

Let us give an example. Last year, Iraq held a massive festive holiday on the occasion of the first anniversary of the accession to power of Premier Kassem. Conspicuous in the festival were large, lavish cultural displays by the Soviet Union, China, Hungary, Poland, Bulgaria, and Czechoslovakia. The United States was not represented there by so much as a hotdog stand. Yet, Mr. President, Iraq is an important part of the world; and I venture to say that if things there get out of hand, we will send troops to Iraq, at a tremendous cost of money, manpower, property, and life. But when it comes to some cultural presentations or to doing things which may prevent the necessity of sending troops, we have no money for that.

We spent more money sending the Marines to Lebanon than on all the cultural presentations we shall make in the Middle East between now and the year 2000. It seems that we are more experienced in sending Marines to various parts of the world than we are in sending displays of our industrial arts, our agricultural accomplishments, and our cultural attainments.

I am proud to be the author of the Cultural Exchange and Trade Fair Act of 1956, which gave impetus to our cul-

tural presentations program. We have made a good start. Wherever our artists—such as Leonard Bernstein and the New York Philharmonic and Van Cliburn—have gone, they have been enthusiastically acclaimed, and they have helped to disprove the widely held notion that America is a cultural backwater.

In fact, I may add that the recent presentation of "My Fair Lady," in Moscow, was a howling success. Even at the very moment when Nikita Khrushchev was roaring out his vitriolic line of denunciation of the President of the United States, cultural presentations by the United States were being attended in Russia by larger crowds than ever before. In fact, the cultural breakthrough by the United States into the Soviet Union has been one of the great achievements of recent years. But we should press this advantage. We should do more, rather than less. I say we have not done enough.

We have a yearly appropriation of $2½ million for cultural presentations—which is but a small fraction of what the Communists spend in the same area.

There are 90 countries which are clamoring to see and hear our artists. In most cases, our State Department has to say, "Sorry, not this year."

One able State Department official told me that we are able to set up cultural exhibitions at only one-fourth of the international festivals to which we are invited. The reason: not enough money. At the same time, the Soviet Union, which has less than half our national income, will never be seen turning down an invitation to participate in an international fair or exhibition. In fact, the Soviets pound on the door, in their anxiety to get in; and they generally compete to such an extent that they have the largest and the best exhibits in the entire display. The Communists participated in 200 international fairs last year. We were in 12.

The point I am getting at is this: Since the incredibly destructive nuclear weapons have produced what some persons call a "balance of terror," increasingly the real battleground of the cold war has shifted to the ideological and economic arenas.

Mr. Khrushchev has given us fair warning. He has said, "We will bury you." He went on to describe our burial. He made it abundantly clear that the Soviet attack is emphasizing the ideological, the cultural, the economic, and the political arenas.

We should not wring our hands in the face of that challenge. We should welcome it, for it is in the realm of the ideas, in the area of the free spirit, that we find our deepest source of strength.

We must hope and pray that an effective and workable disarmament plan can be reached.

I regret to say that today this seems further away than it has for some years. The Soviet representative has walked out of the Geneva disarmament conference. Although disarmament is a sincere hope of many of us and although it is an objective of our Government, it is now further away than it has been for many years.

But, Mr. President, I can assure the Senators that there will be no ideological disarmament. Instead, the struggle on this front will be intensified.

The trouble with Americans is they never think a war is going on unless someone is being hit by bullets. But one can be shot with ideas. Today, whole areas of the world are facing the impact of Soviet intellectual, ideological, propaganda aggression—a new kind of imperialism, which the thinkers, if we can call them that, of this administration do not understand.

Mr. LONG of Louisiana. Mr. President, will the Senator from Minnesota yield?

The PRESIDING OFFICER (Mr. Moss in the chair). Does the Senator from Minnesota yield to the Senator from Louisiana?

Mr. HUMPHREY. I am happy to yield.

Mr. LONG of Louisiana. In line with the Senator's statement, I am sure he is familiar with the fact that Fidel Castro has been stating that if the United States reduces the amount of sugar she buys from Cuba, the United States will be guilty of economic aggression.

The Sugar Act of the United States is one of our oldest forms of foreign aid; it goes back a great number of years. The United States recognized the need of Cuba for some assistance for her economy, and passed the Sugar Act, recognizing Cuba as being one of our closest friends and one of our closest associates.

That Sugar Act gave Cuba the great preponderance of the offshore quotas to be provided. I believe it provides Cuba with a 90 percent quota of all the sugar we import, and we pay Cuba twice the world market price. There is really no longer any reason for sending such economic aid to Cuba. The whole arrangement is unilateral, anyway. Under previous governments in Cuba which were friendly to us, it could be said we had some interest in Cuba; but in view of the fact that Cuba says she is independent of us and appears to be devoting herself to a propaganda and ideological battle against the United States, there is no justification for extending any form of economic aid to Cuba.

This advantage in sugar imports to Cuba is not the result of any agreement. It is purely a unilateral decision, under which we grant to Cuba a great advantage as compared with other nations which are friendly to us. For example, Brazil has no sugar quota under the act. Yet Brazil is very friendly to the United States. She is certainly much more entitled to our support than the present Government of Cuba.

I was surprised to learn that persons from South and Central American countries do not understand that there is no agreement on sugar quotas. Even under friendly governments, the Batista government, and preceding governments, we have on occasions reduced the sugar quota to Cuba, feeling that other friends were entitled to consideration. When we have a government in Cuba that is not friendly to us, we have a right—in fact, a duty—to treat other countries more favorably, in view of the fact that they are friendly toward the United States.

Mr. HUMPHREY. When the Sugar Act comes before the Senate, I intend to vote to extend to the President authority to adjust quotas in light of American interests. I have been a patient man, as has the Senator from Louisiana, in terms of American activities in Cuba. I think Mr. Castro came into power as a result of unbelievable excesses, abuses, and corruption of Batista and the Batista regime. Practically every American I have talked to wished Fidel Castro the best. We looked upon his revolution as a great hope for the Cuban people. I do not want my remarks to be misunderstood. I think there were many injustices in Cuba. I think the U.S. Government, privately, and publicly, contributed to those inequities; but we were also generous.

What is wrong with Castro is that he has no judgment. He lacks a sense of justice. He is a revolutionary who does not know what to do with a revolution. He is a victim of his own flame, so to speak. He set out to purge the nation of one form of dictatorship, and saddled it with another.

I feel deeply for the Cuban people. Some of the best friends the American people have had, or will have, are the Cuban people. The people of the United States have a sincere affection for the people of Cuba. We, in a sense, if the word does not seem too emotional, love them, because Cuba is our neighbor, and there is a great history of comradeship and friendship between our two countries. But this man Castro knows no reason, or lacks any sense of what I call prudence or a judgment when it comes to doing what is required in terms of governing a country and conducting normal relationships with another country. I think the sooner the United States makes it clear that we do not intend to be used or abused, the better off we will be.

While it is a fact that our country has no aggressive design, and while the United States will not move as much as an arm in terms of physical force, there are some things we can do. For example, we have some friends in Mexico. They produce sugar. If we have gratuities to give away or kindnesses to bestow, I should like to suggest that the Government of Mexico receive recognition for its own fight for representative government, higher standards of living, and improvement of social justice in that country.

We are not anti-Latin America—we are propeople. And I include, when I make that statement, the Senator from Louisiana [Mr. LONG]. I also see on the floor the Senator from Oregon [Mr. MORSE], who has done great work in the field of Latin American relations. I also see present on the floor the Senator from Kansas [Mr. CARLSON], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Texas [Mr. YARBOROUGH]. We have all spoken on the floor repeatedly of our desire to be a friend of

the people of Latin America. I think the best way to show we are friends is that, when someone begins to act like a two-bit dictator, we make him understand we do not pay a price for that kind of antisocial conduct. One of the ways we can make Mr. Castro understand, if we need to in any way, is at least by giving him no special treatment, but giving him the same treatment as the rest of the world gets, which in the sugar field, would be the kind of situation, I think, that would be rather difficult for Cuba.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Texas.

Mr. YARBOROUGH. I want to express my appreciation to the distinguished Senator from Minnesota for his statement that when the sugar bill to grant to the President discretionary powers to alter sugar quotas comes before the Senate, he will vote to give the President that power. I intend to vote to grant to the President that power, also.

Our people in Texas, in common with the rest of the people of the United States, feel friendly toward the people of Cuba. That friendship for the people of Cuba extends back to the time when the Rough Riders, under Teddy Roosevelt, liberated Cuba.

Under the sugar quotas, we in the State of Texas, which has an area of over 260,000 square miles, are allowed to raise sugarbeets on only 3 square miles, around 1,800 acres. For 20 years we have been trying to get more acres allotted on which to raise sugarbeets.

One can stand at the west front of the Capitol and see a lot more land, without turning his head around, but simply by looking straight down the Mall, than the 3 square miles on which sugarbeets in Texas are allowed to be raised. That land is located on the high plains area of Texas, west of Amarillo, and it is the most profitable crop which can be raised there. Wheat and grain sorghums are raised there. Instead of adding to the surpluses of those crops, the people should be able to raise sugarbeets.

Today there has come to my attention a dispatch over the wires saying that there has been another blackmail threat by Dictator Castro. He says that if the American Congress grants the President this power, he will confiscate American-owner sugar plants located in Cuba. That is the type of thing the Senator from Minnesota has been pointing out. It is blackmail.

I think the sooner Castro finds out he cannot blackmail the U.S. Congress or the U.S. Government, the better off we shall be. We must show him we do not accept blackmail from Khrushchev, and we cannot accept it from Castro.

I am glad to hear the Senator say he intends to vote for the bill. I intend, even more strongly now, to vote for the bill. The United States should show Mr. Castro that he cannot flout this body and say, "I will steal something that does not belong to me if you pass such a bill."

Mr. HUMPHREY. I have a feeling that Mr. Castro intends to confiscate the property anyhow. I think the U.S. Government should go ahead and do its duty as we see fit. That is the way I intend to act.

Mr. YARBOROUGH. I agree with the Senator from Minnesota. Castro has already confiscated cattle ranches in Cuba and other properties of Americans. He seems quite ready to confiscate American property. One of the reasons for his abusive statements may be that he knows he will steal American property anyway. I think he will follow exactly the course of conduct mentioned by the Senator from Minnesota. I do not think we ought to add to that form of blackmail.

I think that if Castro confiscates all of the property—if he steals it—we might well cut off the entire quota of sugar for Cuba. Seventy-three percent of the sugar which the American people eat every day is imported. We pay a high price for the imported sugar. Cuba is paid a price double the world price. Cuba was getting foreign aid for decades before foreign aid was thought of in the postwar sense. The American families, the American people, are taxed so as to enable the Cubans to have a higher standard of living.

If the reward we get for giving up our own production and for paying a higher price for Cuban sugar, from American pockets, is to be constantly abused before the world, I think it is time to call a halt.

Several Senators addressed the Chair.

Mr. HUMPHREY. I shall respond to the Senator from Texas, and then I shall yield to the Senator from Oregon [Mr. MORSE], who has been on his feet for some time, and after that I shall yield to other Senators.

I think we ought to make it manifestly clear that we are not objecting to the special treatment which a friendly Cuba received over a long period of time with respect to sugar.

I voted for that program. I would vote for it again, in behalf of the Cuban people. I wish to have the Cuban people understand that so far as the senior Senator from Minnesota is concerned I am not complaining about an extra price which we paid for Cuban sugar. I think Cuba needed that aid. There were many good reasons for it. I am not even complaining about the fact that Castro made some drastic changes in the Cuban economy. I think there was need for a great many changes. There was need for land reform. I think there was economic exploitation of the people. I believe some of the American interests were involved in it. I am unhappy about that situation.

What Mr. Castro needs to understand is that this country is dedicated to human freedom. There is a great belief in America for social justice. We respond to the pleas of people who want justice, and we do not respond to the angry tirades of people who seek to blackmail us, whether they wear beards or not, whether they have hair or are baldheaded, whether they are thin or fat, whether they come from Havana or from Moscow. I think we ought to make that manifestly clear.

Mr. YARBOROUGH. Mr. President, will the Senator yield to me for 1 more minute?

Mr. HUMPHREY. I yield.

Mr. YARBOROUGH. Mr. President, I thank the distinguished Senator from Minnesota for that distinction. I agree with the distinction.

I am not complaining about all the sacrifices of the American farmers made in the past, in order to permit the farmers of Cuba to get the quota of sugar and to obtain a higher standard of living. What I am complaining about is the fact that the Castro government is taking American dollars, in the form of a double price the American consumers pay for sugar, and is buying arms abroad and stacking those arms in Cuba, carrying on a tirade of propaganda and abuse against us all around the world, based upon an economy which was built from the sacrifices of the American people, in two ways. First, we have denied to the American farmers the right to raise the sugar beets. Second, we have been paying a double price for sugar to Cuba, to help build up the Cuban economy.

We have also helped to build up a prosperous economy for Cuba. The tourists have helped to build the great hotels and resorts.

As a result of all our efforts, we are being abused around the world by this dictator, who is trying to turn the Caribbean into an armed lake of invasion and counterinvasion.

Mr. HUMPHREY. In the very beginning we had a little something to do with respect to Cuban freedom, also.

Mr. YARBOROUGH. Yes.

Mr. HUMPHREY. That is the greatest gift any nation can receive. After freedom was attained we provided economic cooperation, which I should like to see continued, if there were mutual respect.

Several Senators addressed the Chair.

Mr. HUMPHREY. Mr. President, I yield next to the Senator from Oregon [Mr. MORSE]. Then I shall yield to the Senator from Alaska.

Mr. MORSE. Mr. President, I rose primarily to commend very highly the Senator from Minnesota for the speech he is making on the floor of the Senate this afternoon. I think it is a speech which needed to be made.

The Senator from Minnesota knows, as a colleague on the Committee on Foreign Relations, that the Senator from Minnesota on the floor of the Senate this afternoon has followed a course he has endeavored to follow in the Committee on Foreign Relations. The Senator also knows that we have not been very successful in the Foreign Relations Committee in implementing some of the recommendations which the Senator from Minnesota made this afternoon.

I think it is important that we get those recommendations before the public, because we are going to have other foreign aid bills and other foreign policy bills come before us. The more support we can get in the country for the position which the Senator has taken this afternoon the better will be our hope for support in the committee.

As chairman of the subcommittee of the committee which deals with Latin-American affairs, I am in the process of preparing a statement on Cuban problems, as I see those problems, which I had expected to deliver to the Senate before we adjourned. However, if we are going to recess, I may cover the matter by way of a public release and then go into detail after August 8 on the floor of the Senate.

I have only one caveat which I wish to make this afternoon, which may represent some difference with the Senator from Minnesota, not in objective but in procedure.

I have not yet reached the conclusion that I shall vote to give the discretionary power to the President of the United States to change sugar quotas, for the reason that I think it is basically a legislative problem. I know of nothing about the problem which is so complex that the Congress of the United States should delegate to the Chief Executive what, to a degree, in my judgment, at least, is a legislative function. I think we have the job, as a Congress, of determining what the legislation should be in respect to our sugar policy.

As the Senator from Minnesota knows, this is not the first time I have raised my voice in opposition to vesting more and more discretionary power in a President. It has been true whether there was a Democratic President or a Republican President involved.

I wish the Senate were more inclined to reserve judgment as to what the final position should be on the sugar matter from the standpoint of procedure to be followed in applying final judgment. I should like to have the congressional procedure and congresisonal judgment, because I think this is basically a matter of legislative policy and not executive policy at all.

I do not believe we ought to be transferring more and more and more power to the President of the United States.

With respect to Castro himself, I associate myself with every word the Senator from Minnesota has said. I made the first speech about Castro on the floor of the Senate.

Mr. HUMPHREY. Yes.

Mr. MORSE. Shortly after Castro came into power, I protested the Castro "blood baths." Oh, what criticism I received for using the term "blood baths." Representation was made, even by some in the Congress, that the victims received military trial, though the intelligence reports on which I based my speech showed many of these victims were confronted with a so-called military squad which in effect arrested them and within 30 minutes killed them. Within 30 minutes these victims were corpses in a trench grave.

Senators will remember I made my plea then, that if Castro believed in the procedure of freedom and democracy he would have applied the principles of the Geneva Convention as to the trial of war prisoners. I did not agree he ought to be given an out on the basis of a technicality, that the Geneva Convention applied to prisoners taken by one sovereign power in a war with another sovereign power and did not cover civil war prisoners. I said then, and I repeat today, all the more moral reason why Castro should have applied those procedural protections to Cubans arrested, seized, or captured in the civil war.

I shall not review again the provisions of the Geneva Convention, other than to point out that each prisoner under the Geneva Convention is entitled to 2 weeks—not 30 minutes—to prepare his defense with regard to any charges brought against him as a war prisoner.

The ticker tape this afternoon shows these renewed and new threats of Castro. I think he ought to be told very clearly that Americans do not surrender to blackmail. Americans cannot be threatened the way he is seeking to threaten them, when he does not have a case to stand on.

I close by saying that once more we must demonstrate a maximum of patient understanding of the Cuban people, because they are a great reservoir of good will and friendship for us. I still think we should try to get as many of these issues as we can before the Organization of American States, and say to the Organization of American States, "Cuba belongs to the Organization, too. We are willing, through tribunals to be set up by the Organization, to have you pass judgment on our protest." If we do so, I am satisfied that we shall be able to demonstrate to the world that Castro will not follow that rule of law. He will not accept a plan that would submit his proposals to judicial minds for adjudication. I think we should demonstrate to the world that we are not seeking to respond to Castro by using his devices, but we wish first to make our plea to the world that we are willing to follow peaceful procedures. But if he continues with procedures that are not peaceful, then he must know that there is a limit to our patience.

Mr. HUMPHREY. I first wish to express my thanks to the Senator from Oregon for his very responsive and responsible comments. We are privileged to have in the Senate one who has given much time and effort and great ability to the study of Latin American affairs, and particularly the problems in Cuba. I refer to the Senator from Oregon [Mr. MORSE].

I hope that we in the Senate will listen very carefully to the Senator's recommendations. I say that with all sincerity, because the Senator from Minnesota does not have as intimate a knowledge of these problems as does the Senator from Oregon, and I have great regard for his judgment. The Senator from Oregon was eminently correct in his first analysis of the Castro regime. I remember his speeches, and I remember the controversy over the speeches. The Senator was right then, and he has been proven even more so now.

I thank him for his observations and particularly his latter remarks about the use of the Organization of American States. It seems to me this is very important, and it will be more important when we sense what the Communist propaganda offensive is in Latin America.

Some of my colleagues were not present when I began my speech today, but at that time I pointed out what Red China is doing in Latin America. Red China today has the most powerful propaganda offensive in the world in Latin America, and it has become the major force of propaganda in that area of the world. There has been a 200-percent increase over last year in terms of its radio programs, and it has broadcast 10 times as many hours to Latin America as has the United States. This is only the beginning. Whereas Red China had 4 transmitters 2 years ago, it now has 22. Powerful programs are beamed into the Latin American areas. In Latin America alone there is a $200 million propaganda effort by the Sino-Russian Communist bloc, plus the Castro effort.

It is more than our total effort. It is just beginning. These figures have been carefully checked. This speech has been in the process of preparation for about a month off and on. I have had the figures checked with the responsible agencies of our Government and with private groups so that I could present to the Senate what I thought were more than opinions. The judgments and conclusions I draw are my own, but the facts are substantiated.

Mr. MORSE. I thank the Senator from Minnesota.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GRUENING. I think the outstanding and tragic fact about the Cuban situation is that for the first time in nearly a century and a half the Monroe Doctrine has been circumvented. It has been breached. The Monroe Doctrine will be completely nullified if the totalitarian powers can move into other Latin American nations as they have moved into Cuba without the loss of a single soldier, without indeed firing a shot, but nonetheless taking effective control and creating Communist totalitarian governments in this hemisphere.

As the distinguished senior Senator from Minnesota pointed out, we have very strong historic and sentimental ties with Cuba. We not only helped to free Cuba. We actually freed Cuba. Americans fought and bled and died there for Cuban freedom. Not only did Teddy Roosevelt write history there, but many other Americans, including Cordell Hull, who was captain of a Tennessee company, and others fought for Cuban freedom.

For a while we retained a kind of tutelage under the Platt amendment to help the Cubans establish themselves economically. During the Franklin Roosevelt administration, at Montevideo, in 1933 at the seventh Pan American Conference to which I was the adviser of the U.S. delegation, we made three basic recommendations which were carried out, and were important to the improvement of our relations with our neighbors to the south, particularly to Cuba.

One was to multilateralize the Monroe Doctrine and to make it "a joint concern" of all the American Republics—not merely a unilateral effort. The Monroe

Doctrine was strengthened thereby. The second recommendation was to abjure armed intervention—the sending of Marines into our neighboring countries: the "gunboat diplomacy," which had regrettably been U.S. policy for about a quarter of a century.

The third recommendation was the abrogation of the Platt amendment as to Cuba. We should not regret that action—it was right—although the consequences today may appear extremely disastrous.

I think this is one of the most serious situations in the troubled world that we now face. It is at our doorstep. I agree with my friend from Minnesota that we ought to enlist the support of the Organization of American States. However, the final responsibility is ours, if we allow communism—in the shape of a Moscow satellite—to establish itself at our door. If we are menaced with Russian bases and Chinese military bases in this hemisphere, we must either act or abandon the Monroe Doctrine. That is unthinkable. That must not happen. But I do not trust this administration, judging from its many fumbles and blunders, which the Senator from Arkansas [Mr. FULBRIGHT] pointed out yesterday, to rescue us from this disaster. It has lost Cuba. In order to secure results, Congress should take action. I agree with the Senator from Oregon [Mr. MORSE] that this is not a matter—namely our future actions in regard to Cuba—that we can delegate wholly to the administration. It has so fumbled and so blundered and so diminished the prestige and influence of the United States in the world that we can no longer feel safe in its hands. I think the Congress should take affirmative action on these matters.

Mr. HUMPHREY. I thank the Senator. I shall now yield to the Senator from New York.

Mr. JAVITS. Mr. President, first I wish to compliment the Senator upon his speech as it relates to the fundamental issue of communication. We are spending too little money. We are not acting vigorously and effectively enough, commensurate with the problem. We have a blueprint for action to implement the suggestions of the distinguished Senator from Minnesota by a distinguished leader in the communications field, General Sarnoff, the head of RCA, who for years has been urging that we spend as much as $3 billion a year. That amount of money will be required to do the job in terms of communications and getting the truth and our point of view across to the peoples of the world.

I think what the Senator is saying now bears out the effort which was made on this floor about 3 years ago by the Senator from Minnesota and myself and others when we were up in arms about tearing to shreds the USIA. While we are talking about what the Congress should and should not do, and before we go overboard on any theory that our foreign policy must be conducted by Congress, which cannot be done, let us not forget that we have an opportunity to do something very effective when it comes to the financing of the USIA.

Mr. HUMPHREY. The Senator is correct.

Mr. JAVITS. Instead of tearing it to bits, let us do first things first, where we have the authority, rather than reach out for executive power, with which we could make an even much more serious bumble than even the bumblers, assuming that the Senator from Arkansas [Mr. FULBRIGHT] is right, with which I do not happen to agree.

I should like to make one further point. First, I should like to thank the Senator from Minnesota for setting off the discussion. He is always provocative, and this is a very fine day on which to discuss this subject.

We are appalled to the point that our blood boils to see the insulting brazenness of this man Castro, who is trading on a tyranny of weakness. Cuba is a small country. It is a country that in our terms is practically defenseless. His actions are a tyranny of weakness. In effect, he says, "Come and step on me. Then you will really be in trouble with the whole world."

I thoroughly agree with the Senator that we must rest our case in collective action and the OAS, of course, is the logical agency. I believe the Senator from Minnesota, the Senator from Oregon, myself, and all other Senators who have spoken on this subject, can get the administration to go to the OAS, knowing that it has the backing of Congress, and make this subject a militant collective cause. This to my mind is the best idea.

I would like to point out to the Senator, because he is very sophisticated in foreign affairs, that we should remember that we have bases abroad, which the Russians think justify their putting a base in Cuba. They will argue, if they try to establish a base in Cuba, "what are you complaining about when you have bases in Japan, Okinawa, Germany, and elsewhere?"

Of course we say we are not aggressive. We say they are the aggressors, and we say that what we are doing is protecting the free world by its invitation. Therefore, let us carry the same policy over to the Americas. It will fortify our case, if we take vigorous action—and we should and we will, if the Russians move in respect of Cuba—to have the backing of all the American States.

I should like finally to say this to my colleague from Minnesota. I know he is very critical of the administration, just as the Senator from Arkansas [Mr. FULBRIGHT] has been critical, with respect to our foreign policy. However, I should like to have my colleague from Minnesota examine the statement of policy made by Secretary of State Herter and the President of the United States with respect to Cuba on January 26 of this year.

Mr. HUMPHREY. I should like to interrupt the able Senator from New York to say that I wish it to be very clear that I have not criticized the administration with respect to its policies in Cuba. This has been a very difficult situation in respect of Cuba. I do not believe that anyone should stand up in the Senate and criticize if he does not have another alternative to offer. Of course, any Senator may rise in the Senate and criticize to his heart's content. He can do it whether he has an alternative to offer or not. However, I believe that in all honesty if anyone is going to be critical, he should have a solution to offer.

I believe that in the instance of Cuba the forbearance and patience and moderation and almost the willingness to take abuse on the part of the administration is something that I have not criticized but, rather, commended.

It affords an opportunity to us in Congress to try to work cooperatively with the administration in connection with a program that will advance American policy, not merely executive policy or congressional policy. I believe this can be done by the kind of discussion we are having in the Senate today, and, by a refinement of ideas through open discussion, support the administration, if we want to proceed through collective action through the Organization of American States. In fact, I believe we can initiate that kind of activity by our discussion here.

Of course, I have been a critic on many occasions of the administration's foreign policy, but not as to the program so much as to the manner in which it was applied. The Senator from New York is an objective student of the subject, and he too has been critical, on occasion, but in the main has been a valiant defender. We do have different points of view. I do not say that if the Senator holds a different point of view from that of HUBERT HUMPHREY, he is necessarily wrong. It merely means that I have not had a chance to convince him.

Mr. JAVITS. I should like to make one more point. It relates to the declaration to which I have referred. It was considered and it was temperate. It also made very clear what we would and would not tolerate. I should like to add one other point to the fortification of the position of our Government and of our country in respect of Cuba, and that is that it should not shrink from the possibility of spanking this child if it should get completely out of hand. We cannot be mawkish about it.

The real virtue of the statement of January 26, 1960, was that it provided: "If you make it absolutely impossible for us, and if it involves the security of our country and the Western Hemisphere, we may have to act." So if we give the administration that kind of understanding of our views, that we are prepared for that too, that can be very helpful.

Mr. HUMPHREY. That is correct.

Mr. JAVITS. That is the way I like to have Congress proceed, even in respect of sugar. Let Mr. Castro be brazen. Let him threaten. We must pursue the even tenure of our ways. That is not required of our enemies.

Mr. HUMPHREY. Yes. We can also support our friends. We have a great many friends in Latin America. There are a great many governments in Latin America that are friendly to us. The other day we had as a visitor in the Senate the Prime Minister of Peru, a friend not only of the United States, but

also a friend of the Peruvian people. We have many friends. What I am saying is that if Mr. Castro can get by with his tirades over his propaganda system and get his propaganda into Latin America, abusing and insulting everyone who stands in his way, and at the same time let him blackmail us, we will lose our friends.

Mr. JAVITS. Yes; I agree with the Senator. Let us move into the situation on a collective security basis in terms of the Organization of American States.

Mr. HUMPHREY. I thank the Senator from New York.

Mr. KEATING. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield.

Mr. KEATING. Unfortunately I was called out of the Chamber during the first part of the Senator's statement. Did I correctly understand that one of the Senator's recommendations is for us to vigorously urge the Organization of American States to take action in regard to this matter?

Mr. HUMPHREY. This was not the specific recommendation of the Senator from Minnesota. It seems to have been the consensus of a number of Senators as they discussed the matter relating to Cuba that it would be better to take a multilateral approach rather than a unilateral approach. In other words we should strengthen the Organization of American States, rather than take independent action.

Mr. KEATING. I agree with the Senator. The Senator from Florida [Mr. SMATHERS] and I had a colloquy on this subject 2 or 3 days ago. I emphatically urged at that time that a multilateral approach be taken. The Senator from Florida, as the Senator from Minnesota knowns, has been very active in this field over a long period of time, and I believe, is in agreement with this policy.

Mr. HUMPHREY. Yes.

Mr. KEATING. I wish to commend the Senator for his remarks.

Mr. HUMPHREY. I thank the Senator very much. I, too, pay my respects to the Senator from Florida, who has surely done a distinguished job of studying Latin American countries and making constructive recommendations.

Mr. KEATING. He is concerned, as is the Senator from New York, about our many fine friends in this vital area.

Mr. HUMPHREY. Yes.

Mr. KEATING. Like Peru, which the Senator has mentioned.

Mr. HUMPHREY. Yes.

Mr. KEATING. They naturally feel that they are not being well treated when we give subsidies to a country which is attacking us all of the time, as compared with others, who also have sugar to export and do not receive a subsidy from the United States.

Mr. HUMPHREY. The thing that struck me most in my meeting with Mr. Khrushchev was his single-minded dedication of purpose. He knows what he wants. And he knows how to get there. As far as Mr. Khrushchev is concerned, there is going to be no ideological disarmament. In fact, my guess is that we are only seeing the beginning of what is really going to be an all-out propaganda, cultural, and economic offensive.

The next question that arises, then, is how do we respond to this massive assault?

Surely, we cannot be content with taking second place to the Soviets. I am not proud that they staked out the moon first; and that their economic growth rate is three times ours. Nor can we close our eyes to their amazing achievements in science, technology, and education—or that they produce twice as many engineers as we do. And I am not proud that they are muscling us out of the ball park in the propaganda and cultural realm. I, frankly, am humiliated—concerned, and determined to do something about it.

What then, would be my program in the ideological war? It would incorporate five points:

Point 1: Propaganda cannot stand on its own two legs. In order for it to be effective propaganda, it must have a constructive policy to espouse. Words must be linked to deeds. And the combination of deeds and words speak more eloquently and lastingly than either alone or both uncoordinated.

And so item No. 1 on my agenda would be to form a more effective policy. We must initiate instead of react. We must see opportunities, and not only problems. We must be master of events, rather than events being the master of us. We must make and write history, rather than having it made and written for us by others.

We must put the search for a meaningful and fully controlled disarmament plan at the very heart of our foreign policy. We must use our great agricultural abundance as an effective instrument of foreign policy. We must make it clear to the underdeveloped nations that we will join with them in all-out assault on poverty, disease, hunger, and illiteracy.

But if we are to champion the cause of people, progress, and peace, we must set the example at home. In a most urgent and direct sense, civil rights is not only a domestic question, but it is also a cold war question. Two-thirds of the people of the world have colored skins. When a racial incident occurs in the United States, it is not merely a matter of concern to the local residents or the NAACP. For literally millions of persons in thousands of places are looking in.

Whether we like it or not, our racial question is irretrievably caught in the spotlight of world attention. There is no ducking away from it. And so let us stop thinking of it as a problem and start thinking of it as an opportunity, a challenge. Let us show the world that a mosaic of peoples and races can live harmoniously together in equality and freedom. That is our supreme domestic challenge. Let us demonstrate that when our Information Service talks about freedom, we want it not only for export, but also for domestic consumption.

Point 2: We must invest more on our information effort. It has been estimated that the Communists spend anywhere between 15 to 30 times as much as we do in this field. The Russians spent more on a single propaganda effort—the Moscow Youth Festival—than we did on our whole yearly budget for USIA.

It has been estimated that the Russians spend at least three times as much money jamming Voice of America as we do transmitting the broadcasts.

We are the greatest advertising country in the world. We spend more on advertising and public relations than the rest of the world combined.

We spend more money on advertising cosmetics than we do on the entire information program to save the free world. We spend more money and time to make our girls look prettier than we do in trying to lift the face of humanity in the cause of freedom. We spend more money to advertise beer and whisky than we do on the information program for the United States of America. We spend more money selling cigarettes, with or without filters, than we do in trying to filter through the Iron Curtain some ideas about democracy. So when I hear Americans say, "We cannot afford this," I do not buy the idea. It depends on what we want. It depends on whether we want to advertise a cigarette more than we want to bring enlightenment to humanity. It depends on whether we are more interested in lipstick, perfume, powder, and rouge than we are in eliminating the Red menace from the earth.

I certainly want to encourage the beauty of our women, even though they are beautiful without using cosmetics. But I suggest that we can have both. We can provide pink lips for our girls and also eliminate the Red specter from the world. We can do both. But we shall have to make up our mind seriously to pay for it. To put it simply, Americans have not made up their minds that they are in trouble. Many studies have been made. We have had the Gaither report and the Rockefeller report and many other reports. But we do not believe them. We do not believe we are being nibbled at. Some people think we are being tickled as we are being chipped. Therefore, we have not taken the challenge seriously.

The fact of the matter is that we are really not sacrificing. We have a high standard of living, and that high standard of living has not been jeopardized either by the national security program of armament or the foreign-aid program of economic, technical, and cultural assistance and information.

When the United States of America thinks it is more important to advertise luxuries than it is to tell the truth about freedom, then freedom is in trouble. No one ought to know that better than Members of Congress. One of the great problems in this country is that when we talk about a budget we talk only about the National or the Federal budget. We would be better off if we analyzed the total budget of the Nation to see what we have in the way of our resources.

Our financial resources are not being properly spent in terms of public facilities for a growing America. They are not being spent in terms of assistance to the free world.

I can say, without fear of successful contradiction, that unless the United States can maintain a leadership which

will inspire the American people to make a greater sacrifice for our freedom, our freedom is in mortal peril. There will be more Cubas; there will be more incidents like the incident in Japan. There will be more trouble. There will be more shooting in the Straits of Formosa and the offshore islands. We shall be under constant harassment, because the Communists have made up their minds that we do not take them seriously, except for purposes of oratory. The Communists have made up their minds that as long as they keep nibbling at us and chipping at us, we will never really face up to the nature of their challenge.

I shall never forget the statement by a former U.S. Senator from California, a minority leader, a great patriot, William Knowland, who said on the floor of the Senate that the Communists were engaged in what he called Operation Nibble. I added to that discussion that I had the feeling that the Communists did not intend to blow us to pieces. They do not intend to blow us apart or blow the world to pieces. They intended to pick it up piece by piece. That is exactly what the former minority leader meant when he spoke of Operation Nibble.

The Communists are nibbling in Latin America. They are nibbling in Africa. They are nibbling in Asia.

I regret to have to say these things. No one wishes the new nation states more success and happiness than does the Senator from Minnesota. Yet the fact of the matter is that we in the United States do not understand the Communist challenge. Until we do, we will never win.

Foreign aid is not the sole answer. I support foreign aid and will support the program when it comes before us again for appropriation. But we cannot spend enough money in the world to save the world from its utter destruction or from being taken over by sinister forces. What is needed is to present the nature of this struggle. The nature of it is total. Everything counts; everything is meaningful.

When the United States begins to understand it is as important to project into the minds of men an idea as it is to propel into outer space a space vehicle, then that day we will start to win the cold war. However, so long as we seem to think the cold war will be won by the nation which can maintain an air alert; by the nation that can put the greatest number of planes into the air in a given number of minutes; so long as we believe the cold war can be won simply by throwing projectiles into outer space, that will spell our defeat. We must understand that it is more important to penetrate the minds of men than it is to penetrate outer space.

What we have been doing has been to substitute a checkbook for idealism. We have been substituting greenbacks for some fresh thinking. The world wants today what it has always wanted. It wants a ray of hope that offers the promise of fulfillment. It wants idealism and idealists. It wants ideas, because sheer brute power and force are not enough to win what we call the modern cold war.

Mr. President, we can convince people that they should buy two TV sets instead of one, or four TV sets instead of two; and that they should get a new car, or two cars or three cars, on 10 percent down, although they will still be paying for them 2 years later.

Yet in the most important advertising campaign of all—that of advertising ourselves and the democratic way of life—we are a poor second to the Soviets. We spend $10 billion a year advertising our products, which is 100 times as much as we spend in advertising our system of government and our way of life. I think that reveals where we put our sense of values. Apparently we believe it is more important to advertise a can of beer than it is to advertise a good book or an expression of American culture or an expression of American political idealism. So long as the American Nation feels it is more important to advertise things than it is to project and to propel ideas, we shall be in trouble.

I should say that any information effort on our part must include careful coordination with the other free nations of the world. It is not right for the French to be going in one direction in Asia and Africa, and for us to be going in another direction. Surely, it is not right for the British to be going in one direction with their information services, while we go in another direction. If ever coordination were needed among the allies, surely it is needed on the information front.

Mr. President, today I make my plea in the Senate, as I have done before in other areas, for coordinated, unified programs of information and propaganda, not only on the part of the United States, but also on the part of the other free nations of the world. This needs to be done. Just as we need effective military planning in SEATO, the Southeast Asian Treaty Organization, of which we were reminded today by the King of Thailand, just as we need coordinated military planning and action on the part of NATO, as we are reminded every April, when we review the NATO plans and objectives, more importantly, we need coordination on the political, propaganda, and economic fronts, among the free nations of the world. Without that, we shall stand divided and weak. I predict that unless this kind of statesmanship can be found, so as to lead the free nations of the world to pool their resources in a common effort toward common objectives and to agree upon certain common policies, the free nations of the world will suffer defeat. A centralized, powerful force cannot be defeated by the dispersal and the diffusion of the energies of free men. Freedom does not mean anarchy. Freedom means responsible action in a spirit of unity that is arrived at out of common consent.

Mr. President, to state the matter in another way—and getting back, now, to the subject of the limited sphere of propaganda—let me say that we invest on our information budget only one-quarter of 1 percent of the amount we spend on defense. I support a solid defense posture; but what I want to point out is that we often treat the ideological war as sort of a preliminary bout to a military struggle. What I am suggesting is that the final bout, the championship match, may well be in the ideological arena. Indeed, let us pray that it is.

I am interested in a balanced budget. But one must start the balancing process by measuring the needs. I am even more interested in a balanced world; and I say that it is time to stop giving our information effort the scraps off the budgetary table. An information string-and-bailing-wire operation is not good enough for a nation that has the responsibility of world leadership.

We must invest more to replace our antiquated Voice of America transmitters, more for greatly expanded publications services, more for audiovisual aids, and more for increased staffs in the newly independent nations. In the present period of 2 weeks, nine African nations are receiving their independence. We must invest more—at least double the present rate—for cultural presentations. We must invest more for scholarships for foreign students, more for bringing leaders and teachers of other countries here, and more for hosting international meetings.

Some people ask whether we—the most incredibly wealthy country in the history of mankind—can afford to do this. I would like to put the question in another way: Can we afford not to? Let those who are critics of this investment policy answer that question.

Many people ask me, "Senator, why do you recommend that we spend, spend, spend in these areas?" In response, I turn the question on them, and ask them, "What should you recommend? Do you recommend that we forfeit Africa, Asia, and Latin America? Do you favor doing less than we are doing now, or do you favor doing more?"

Point 3: We must accord the U.S. Information Service the respect and influence that it deserves.

In my travels to various countries, I have found that, on the whole, the USIA officers have been a talented and dedicated lot. And yet USIA, unlike the State Department, is not a career service. This should be remedied immediately. Our information people have too vital a task to be the second-class citizens of governmental service. We cannot attract the very best if USIA is not a career service. A merit system will permit and require higher standards.

Point 4: We must be continually scrutinizing our information effort and refining our methods. Congress must be vigilant in pointing out mistakes. But Congress can do this only when there is a consistent and continuing interest in an analysis of the Information Agency, its needs, its policies, its programs, and its role in American foreign policy. And we must make sure that our overall information program is always abreast of the latest political and technological developments.

Point 5: We commend and applaud responsible private organizations in their activities in the information, cultural, and economic arenas. The work of churches, foundations, universities, charitable organizations, and American busi-

nesses has been an effective part of the American message; and their role dramatizes the fact that, unlike the Soviet Union, the United States does not speak with a monolithic voice. We must hope they will be able to expand their activities.

Mr. President, let me say that, in addition, we should commend the American free labor movement for its vital work on the information front. American trade unions can do great work abroad, in bringing the message of free labor to the peoples of the world.

Point 6: My final point is a new proposal that I want to throw out for your consideration, Mr. President. It will alleviate what I consider to be one of our biggest gaps in the ideological war. I call it Operation Listen.

By Operation Listen, I mean that we should not only instruct and preach to other countries, but we should also be willing to listen and to learn from them. Let me develop this point for a moment.

Many Americans are baffled by the phenomenon of underdeveloped nations which, in their national development programs, are willing to accept our economic assistance, but hesitate to accept our friendship. By nature, we wish to be liked. Therefore, we are disturbed by this seeming paradox of being resented benefactors.

Nations, like individuals, suffer from inferiority complexes. The less developed a nation's economy, the greater its probable inferiority complex, the more natural for it to find excuses for not doing what its more fortunate helpmates may want.

The American approach to foreign aid is basically sound. It is well-intentioned, sincere, generous, and hopeful of reciprocated friendship, and yet it unwittingly aggravates one national inferiority complex after another.

With American aid go American technicians. The need is for more than material assistance. It must be accompanied by know-how. Since we cannot eliminate technical advice from our foreign aid programs, we must take steps to minimize its psychologically bad effects. This can be done by recognizing that there is much in the culture of other nations from which we can learn. Large as we are, we can profitably adopt the posture of listening, rather than always telling.

As presently constituted, our international exchange program is weighted preponderantly on the side of bringing foreign leaders to the United States in order that they might learn, not that they should instruct or entertain.

Most of the underdeveloped nations are as defiantly proud of their cultural heritage as they are self-consciously aware of their material backwardness. They are often new as nations, modern political fragments of civilizations which are nevertheless old and honored. In the field of cultural accomplishments, they view America as a Johnny-come-lately, who still has a lot to learn. They would like, for a change, to have Americans learn something of their culture.

There is a great void in American education. We know too little of the history and culture of the Orient, South America, Southeast Asia, or Africa. And much of what we have learned is erroneous.

Many a new and presently underdeveloped country would find it a source of national pride and self-confidence to have some of its scholars participate actively in a program of broader educational horizons for Americans; many a young nationalist, perplexed and yet intrigued by the game of baseball that he has seen American technicians playing abroad would like to show his "strange" sport to an appreciative American audience; many an ardent musician would like to bring his own melody to American music lovers, who would forget the strangeness of the sound in the appreciation of the art.

What nation would not like to send its dance representatives to the great America, and what American could fail to be charmed by the well-performed colorful folk and classical dances of another people?

The readiness of America to listen and learn could in great measure offset the necessary evil of our perpetual telling which has to accompany our technical assistance program abroad.

This, then, would be Operation Listen. It would not merely be passive listening. It would be active recognition of the great artistic and scholarly contributions of other nations. Our expressed desire to accept something which others can offer would go far to dispel the image of American arrogance and self-preoccupation.

Here then, is my proposal. It would be a logical continuation of my 1956 act which set up the cultural presentation program.

Our State Department and USIA officials would, in cooperation with the new and emerging countries, select a yearly minimum of 2,000 persons to make cultural contributions to the United States. We would bring them to the United States for short-term visits, enabling them to perform for high school and college audiences, nonprofit community concert series, and youth and women's organizations.

They would speak before community groups, teach in our universities, lecture in our schools, and advise on textbooks dealing with the cultures of the countries from which they come.

The cost would be minimal, because round-trip transportation in most cases can be covered by counterpart funds, and many of the performances would draw admissions prices.

In short, Operation Listen would be a two-way street. We can help to minimize the unnecessary sense of inferiority in the underdeveloped nations. And we can enrich and strengthen our own cultural appreciation. That is the essence of Operation Listen.

I want to conclude by saying this: We are now in the space age. It is exciting talk indeed, this talk of reaching the moon. I guess I am interested in reaching the moon. But, frankly, I am even more interested in reaching human beings. I am interested in seeing that the American message of peace, freedom, and justice reaches every man and woman in the world.

Mr. President, there is a wonderful anecdote I like. It is about the old man who hears the clock strike 13, and he jumps up and says, "I am going to see this. It has never been this late before."

Well, it never has been this late before. This decade of the sixties may well be the most critical in our entire history. It is time to wake up to the propaganda challenge. It is time to put our information and cultural programs into high gear. It is time for the country with the best case to start winning the propaganda war.

I strongly recommend to this country that we understand clearly the nature of our competition, the seriousness of the challenge, the total nature of that challenge, and that we set our house in order, along with other freedom-loving peoples of the world, in order to win this struggle for ideas, this battle for the minds of men.

Mr. ERVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE APPROPRIATION ACT, 1961

Mr. STENNIS. Mr. President, I ask that the Presiding Officer lay before the Senate a message from the House of Representatives accepting the action on certain amendments of the Senate to House bill 12232, the legislative appropriation bill.

It will be my purpose to ask the Senate to concur in a certain amendment, and to ask for a conference on another amendment.

The Presiding Officer laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 12232, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
June 27, 1960.

Resolved, That the House concur in the amendments of the Senate numbered 1 through 42, inclusive, and amendments numbered 45 through 49, inclusive, to the bill (H.R. 12232) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes";

That the House concur in the amendments of the Senate numbered 43 and 50;

That the House disagree to the amendment of the Senate numbered 44;

That the House concur in Senate amendment numbered 51, with an amendment, as follows:

At the end of said amendment, add the following:

"No funds made available in this or any other Act shall be used to pay the expenses of travel or subsistence for any trip made by any Senator or Representative between the District of Columbia and his home

State in the case of a Senator, or his district in the case of a Representative, other than (1) trips which are specifically authorized by law for mileage or transportation expense of Senators and Representatives, (2) official participation in the funeral services of deceased Senators or Representatives, or (3) official trips originating in the Senator's State or Representative's district during periods when Congress is not in session."

Mr. STENNIS. Mr. President, I shall give a brief word of explanation, and then yield to the Senator from Delaware, or the Senator may seek the floor in his own right.

This is the further conference report on the legislative appropriation bill, to which was added on the floor the so-called Williams amendment, which pertains to expense accounts of Members of Congress and the necessity for filing such accounts. The amendment has been agreed to by the House, with certain minor additions thereto, and has come back to the Senate.

We took the matter up this morning, and asked for a conference, but it was at a time when the Senator from Delaware was not present, and at the Senator's request it has been held in abeyance and the previous action was rescinded.

Mr. President, I now move that the Senate concur in the amendment of the House to the amendment of the Senate No. 51; that is, the Williams amendment with slight appendages added by the House.

I am glad now to yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator from Mississippi for yielding.

I join with the Senator in urging that the Senate concur in the House amendment to the so-called Williams amendment, amendment No. 51.

The amendment added by the House improves the amendment passed by the Senate. I think it makes a good, constructive solution to a problem which we overlooked.

I am glad both Houses are at last approving the legislation wherein all expenditures by Members of Congress, by congressional committees, and by employees while on official travel at home or abroad must be properly accounted for, itemized, and reported in the CONGRESSIONAL RECORD. I think this is a long overdue action. I am proud we are about to take it. It has been 3 years since I first cosponsored legislation to correct this abuse, and I am glad that at last the job is being done.

Mr. President, there has been much publicity about the abuse by certain Members but I think it should be pointed out that such abuses are in the minority. As one who has been somewhat critical of past proceedings, I was very much interested to read an article which was published in a newspaper the other day, written by John S. Knight, the publisher of the Knight newspapers. In this article he complimented the two writers for his papers who had done such an excellent job of bringing to our attention some of these abuses. At the same time, Mr. Knight made special note of the fact that such abuses were in the minority. He pointed out that in the obtaining of these reported cases of abuse, which have recently been brought to our attention, the two reporters examined over 25,000 expense vouchers of the Congress.

Mr. President, I am not minimizing the abuses which have been brought to our attention. They were glaring examples of abuse and an excellent job was done by the reporters in calling them to our attention. But I am confident that a full and complete public disclosure of expenditures as required in this bill will prevent such abuses in the future.

The fact is that when public officials are spending money on official trips either abroad or in the United States the money represents cash which belongs to the American taxpayers. This is true whether it be in the form of appropriated dollars or counterpart funds. That makes no difference. All the money belongs to the American taxpayers. Any Member of Congress or public official spending this public money on official trips, should at least render an itemized accounting and this report should be public information.

I am glad to join in urging that the Senate accept the House amendment to the Senate amendment. I think the Senate and the House both have cooperated well in enacting this necessary legislation.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Delaware [Mr. WILLIAMS].

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I commend the action of the conference committee and also the Senator from Delaware and the Senator from Mississippi. We tried to agree upon an amendment in the Senate. I think we have a very fine amendment. With the language of the House, there may be some loopholes we shall have to close later, but it is good language. In order to avoid the possibility in this matter of having to go to a further conference, in my opinion there is no question that we should affirm the action of the conference committee.

I thank the Senator for yielding to me.

Mr. STENNIS. I thank the Senator from Colorado.

Mr. President, I assure the Senate that this matter has been very carefully gone over by virtually every member of the Legislative Subcommittee of the Appropriations Committee. Originally there was a study of this by the Senator from Colorado [Mr. ALLOTT], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. MONRONEY], and by me, in addition to the Senator from Delaware. We had a debate and a discussion, and a vote in the Senate, with reference to the two amendments.

The amendment has now been accepted by the House. As I say, there has been the addition of a minor proviso. All the Senate is passing upon now in the way of new matter is the new proviso. It has been very carefully considered. The Senator from Oklahoma [Mr. MONRONEY] has examined the additional language. I am glad to yield now to the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, I thank the distinguished Senator from Mississippi for his consideration of the bill and for his willingness to accept the amendment of the distinguished senior Senator from Delaware, which the Senate ratified, with the addition of the language by the House. This brings both the House and the Senate action into line in the way of a public accounting for the funds Members spend for travel. It brings the two Houses very close in line, which has not been true heretofore. The House will not have the $12 per diem travel limitation within the United States which is imposed on the Senate, and House Members will be able to turn in the domestic travel publicly accounted for, but both the House and the Senate will account for full travel expenses when abroad.

The most important thing of all, however, is the action we took on the committee amendment, which I still feel was much more restrictive on travel expense than the amendment we finally adopted, to bring under control counterpart funds for accountability. There has been no excuse for the failure to have personal accountability for counterpart funds, which have the same force and effect, when one is traveling abroad, as U.S. dollars. To account for U.S. dollars and not to account for counterpart funds leaves the matter so wide open that it would be intolerable on a public accounting basis.

I congratulate the distinguished chairman of the subcommittee, who brought in the amendment which we supported. I also congratulate the Senator from Delaware, who brought in another amendment which the Senate chose to agree to. Both are acceptable. Ours was more restrictive.

I am certainly happy to see that action has been taken in this Congress to put this regulation in proper form.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. WILLIAMS of Delaware. I appreciate the comments of the Senator from Oklahoma. However, I must disagree with him as to which amendment is the more restrictive. We are definitely approving the strongest amendment here today. This amendment as approved by the Senate requires full and complete disclosure of all expenditures, either dollars or foreign currencies, by any Member of Congress, all congressional committees, joint committees, and interparliamentary unions and all other committee, and all employees traveling either abroad or domestically. The amendment requires a complete and itemized accounting of all expenditures, whether they be in the form of foreign currency or appropriated dollars.

Furthermore, the amendment requires that each Member of Congress, within 60 days after Congress convenes each year, submit an itemized report to the chairman of his committee covering all

expenditures. Within 10 days thereafter, the chairman of the committee will consolidate the itemized reports and then have published in the CONGRESSIONAL RECORD the itemized reports showing the name of the Member, how much was spent, and the purpose for which the money was spent. Those reports will be published in the CONGRESSIONAL RECORD and will be available for anybody to see.

If the light of day is thrown on the expenditures of Members of Congress, I do not think we need have any further worry about abuse. I am confident that public disclosure of these expenditures is the answer, and I am glad that we are at last about to stamp our final approval on the necessary legislation.

I am proud to have joined the senior Senator from Maine [Mrs. SMITH] in sponsoring this amendment which we are now approving.

Mr. STENNIS. Mr. President, during the consideration of this question and the reports on accounting on expense accounts, I have heard discussion in the subcommittee, on the floor of the Senate, and a great part of it in the cloakrooms. Every single Senator I heard on the subject wanted to have some control, some regulation, and some reporting on this subject. The only disagreement all the way through has been as to the best method, the best guidelines to write into the law.

I especially commend the Senator from Delaware for his long and laborious work on this subject, which extended over a period of months. I was impressed with the fact that he set forth a while ago the fact that in the examination of 25,000 records on this subject matter, only a few were found to be such as were deemed of sufficient interest to be brought to the attention of the public. Those are the ones, of course, that the public knows about.

The PRESIDING OFFICER. The question is on the motion of the Senator from Mississippi [Mr. STENNIS] that the Senate concur in the amendments of the House to Senate amendment No. 51.

The motion was agreed to.

Mr. STENNIS. Mr. President, I move that the Senate further insist on its amendment No. 44, which is the amendment pertaining to the old Senate Chamber, and request a further conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate at the further conference.

By way of explanation, the amendment was reported by the committee, and has to do with the restoration of the old Senate Chamber to approximately its original condition in 1859, when the Senate vacated that Chamber, and have it dedicated for no other use except as a shrine, and to be used exclusively for that purpose, and be within view of as many visitors to the Capitol as possible. I think the Senate should insist upon its amendment in that regard and ask for a further conference for those reasons.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The question is on the motion of the Senator from Mississippi that the Senate further insist on its amendment No. 44 and ask for a further conference with the House on the disagreeing votes of the two Houses thereon.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. CHAVEZ, Mr. HAYDEN, Mr. JOHNSON of Texas, Mr. BRIDGES, Mr. SALTONSTALL and Mr. ALLOTT conferees on the part of the Senate at the further conference.

Mr. STENNIS. Mr. President, Senate amendment No. 44 is the only item that will still be in conference.

Mr. CLARK. Mr. President, I ask unanimous consent that I may yield to the Senator from Indiana [Mr. HARTKE] without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE OIL INDUSTRY

Mr. HARTKE. Mr. President, our national economy is built on a wider economic base than that of any other nation in the world. It is a highly diversified economy. Because of this diversity, and because of the maintenance of an economic climate wherein the constant introduction of new products creates new markets and therefore new jobs, the United States has been able to maintain and constantly improve its high standard of living.

Further, Mr. President, it cannot be disputed that the American economy is not a hard-goods economy. That is, unlike the Soviet Union, our economy is based primarily on the manufacture of consumer goods, or so-called soft goods.

Because of our consumer economy, spread as it is over a wide base, it has been necessary to safeguard the core of our economy, that is, our basic heavy industries and natural resources upon which we depend in a national emergency, from being weakened by excessive imports.

The national security amendment to the Trade Agreements Act of 1954 was designed as just such a safeguard. After 3 years' experience of defense industries seeking relief under this provision of the law, the Congress concluded in 1958 that the amendment should be further strengthened in order to make sure that the President would have ample authority to limit imports of products which adversely affect domestic industries deemed to be vital to the Nation's security.

One of the industries foremost before the Congress at that time, as a vital industry which was threatened by imports, was the petroleum industry. That threat has not diminished. If anything, in particular segments of the petroleum industry, that threat has been allowed to become fact.

Following World War II, petroleum imports into the United States increased rapidly. Whereas oil imports before the war averaged about 5 percent of domestic production, they increased steadily reaching the level of 1954 equivalent to 16.6 percent of domestic production. Both the Congress and the executive branch of Government became very much concerned about the adverse effect this high level of imports was having upon the domestic industry. The industry was showing definite signs of weakness due to the absorption of domestic markets by imports. As a result, not only the Congress but the executive branch have given this matter careful study.

The President in 1954 created the Cabinet Committee on Energy Supplies and Resources Policy. In February 1955, this Committee submitted its report and, among other things, stated:

> The Committee believes that if the imports of crude and residual oils should exceed significantly the respective proportions that these imports of oil bore to the production of domestic crude oil in 1954, the domestic fuels situation could be so impaired as to endanger the orderly industrial growth which assures the military and civilian supplies and reserves that are necessary to the national defense. There would be an inadequate incentive for exploration and the discovery of new sources of supply.

This Committee, after a most thorough study of the problem, concluded that imports should be held to the 1954 ratio to domestic production if the domestic industry was to have sufficient incentive to expand commensurate with growing requirements.

Subsequently in 1957, the President created the Special Cabinet Committee To Investigate Crude Oil Imports. This Committee further studied the problem and in its report summarized its conclusion as follows:

> That if we are to have a vigorous program of exploration in this country by private enterprise in order to care for increasing domestic consumption and to meet emergency needs, and if we are to know what our reserve potential is in this country, it is essential that we follow a policy which will encourage continuation of free enterprise exploration at a rate consistent with the demands of a growing economy.

Both Cabinet Committees clearly recognized the necessity for a vigorous expanding exploration program in order to meet increases in domestic demands for petroleum products.

Since 1954, imports have continued to take an increasingly large portion of the domestic market. By 1958, total imports of petroleum, crude oil, and products, amounted to more than 25 percent of domestic production. Imports have continued at about the same rate. As a result, early in 1959 the President, under the authority of the revised national security amendment, established the mandatory oil import program, which is in effect today. This program has now been in operation for more than 1 year. It is timely to evaluate the program in order to determine if its purpose is being served.

Last year, at the time the oil import limitation program was inaugurated, the President stated that this program was designed "to insure a stable, healthy industry in the United States capable of exploring for and developing new hemispheric reserves to replace those being depleted." The President further stated that the basis for the new program was "the certified requirements of our national security which make it necessary that we preserve to the greatest extent possible a vigorous, healthy petroleum industry in the United States."

In my opinion, the program is not serving its objective. There is increasing evidence that the domestic oil industry is not in a healthy, vigorous condition as it should be.

I do not mean to infer that the present import program has been of no value. In contrast to the trend of ever-increasing imports during the post World War II period, they are now substantially stabilized. But when total imports—crude and products—continue to equal 25 percent of domestic production, and imports of crude oil alone amount to 1 million barrels daily compared with 7 million barrels of domestic production, obviously imports are a significant factor that deserves close scrutiny.

Close observance of the economic health of the domestic industry over the past years, and particularly during the past few months, has been quite revealing as well as disturbing. I am deeply concerned as to the health of this essential industry.

Although my home State of Indiana cannot claim to be one of the leading oil producing states, nevertheless the petroleum industry plays a vital role in the State's economy. For the most part, those engaged in exploration and development of the petroleum reserves of Indiana are small businessmen; many undertaking only one or two operations a year. As such, however, they contribute importantly to the overall industrial activity, to industrial income and State revenue, and employment.

The State of Indiana, together with the adjoining States of Illinois and Kentucky constitute what is commonly referred to in the petroleum industry as the tristate region. I am proud that my hometown of Evansville has become one of the leading oil centers of this region.

The oil producing industry in the tristate area is made up of thousands of small independent producers who are seriously affected by even a slight decline in the price of crude oil. The decline in crude prices in the last three years has had a widespread effect.

My present concern stems from the fact that the economy of the industry has deteriorated materially in recent years, and particularly through the first half of 1960.

Two specific yardsticks may be used to measure the existing conditions; these being the number of wells drilled and the number of rotary rigs active.

For the tristate region the number of wells drilled this year is down 12 percent and the number of rotary rigs active is down 16 percent as compared with 1959.

This decline in activity has come about because of two factors—a lack of market outlet and a reduction of income due to the fact that the crude oil price structure has been seriously weakened. In October of 1957 the price per barrel of crude oil was $3.15. Since then there has been gradual erosion of the price so that crude is now selling for only $2.85 per barrel.

This price deterioration has taken place in the face of increasing costs. Every major item in the cost of finding and producing oil is up. For example, since 1957 wages have increased 9 percent and oil well casing prices have increased 6 percent.

The tristate area produces about 300,000 barrels of oil daily. A decrease in the price of crude oil of 30 cents per barrel in the past 2 years has brought about a decline in income of about $90,000 daily, a serious reduction in the total income to producers in this area.

This means that the entire economy of the tristate area has suffered. The effect goes far beyond the oil operators directly affected. The grocer, the automobile dealers, the department store, the hardware merchant, and every other facet of the local economy is adversely affected. This, of course, in turn, affects the tax revenues of local and State governments.

I am fully aware that these depressed conditions are by no means limited to the industry in Indiana, nor in fact, to the tristate region. It is nationwide. That is the reason this matter is of concern to the Congress. I strongly believe it deserves our close attention.

As previously mentioned, there are two related elements here that confront the operator. One is price, the other is limited market outlet. Singly and combined, they reduce the income of oil producers and their ability to do the exploratory and development work that is needed. They are making serious inroads on the health and welfare of the industry, and jeopardize its future. Caught in this two-way squeeze, aggravated by rising costs, it is small wonder that the industry, regardless of the precise area considered, is exhibiting an alarming weakness.

Looking at the industry nationwide, for the 4 weeks ending June 17 and compared with the similar period of 1959, production is down 263,000 barrels daily, or 3.7 percent; the total of wells drilled this year to June 17 is off 3,260, or 14.2 percent as compared with the same period of 1959, and rotary rigs active as of June 20, comparing with the same date of last year, are off 23 percent. Every other indicator of the economic health of the industry presents a similar warning. These facts are prime evidence of the deterioration to which I have referred.

I wish to emphasize that the mandatory import program instituted by the President on March 11 of last year has been constructive. But it has not done the job. Total oil imports for the first 6 months of this year are estimated to average approximately 1,800,000 barrels daily, which is more than 25 percent of domestic production.

It is obvious from existing conditions that the intent of the mandatory program, to assure a healthy and progressive domestic petroleum industry, is not being realized.

Something must be done to stop the economic decline of this vital and essential industry. The peacetime well-being of many areas throughout the Nation is at stake. More important, our defense abilities are involved.

In my judgment the situation calls for an immediate review of the import level permitted under the program. I am convinced that it will be found that import rates are excessive and constitute a principal contributing factor to the demoralized conditions of the domestic petroleum industry.

I urge upon the President and his subordinates who are responsible for the administration of the oil import program to give this matter their early attention to the end that a substantial and meaningful reduction is made in the permissible import level.

The Congress, in the national security amendment, has clearly expressed its intent and delegated sufficient authority to the President to meet this problem. Nevertheless, unless early corrective action is taken by the executive branch, it will be necessary for the Congress to again act in this regard. I hope this will not become necessary.

PETER LEO BAHR AND OTHERS

Mr. CLARK. Mr. President, I ask unanimous consent that I may yield to the Senator from Colorado without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARROLL. Mr. President, I ask the Chair to lay before the Senate the amendments of the House to Senate bill 2566.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2566) for the relief of Peter Leo Bahr, which were, after line 6, insert:

SEC. 2. For the purposes of the Immigration and Nationality Act, John Trevor Jefferies, Charmian Candy Jefferies, and Stephen Reid Jefferies shall be held to have been born in Great Britain.

And to amend the title so as to read: "An Act for the relief of Peter Leo Bahr, John Trevor Jefferies, Charmian Candy Jefferies, and Stephen Reid Jefferies."

Mr. CARROLL. Mr. President, on March 28, 1960, the Senate passed S. 2566, to enable the beneficiary to qualify for a visa under the subquota for Hong Kong, to which quota his wife is chargeable.

On June 7, 1960, the House of Representatives passed S. 2566, with amendments, to enable three natives and citizens of Australia to qualify for visas under the quota for Great Britain. The adult male beneficiary is presently employed in Sydney, Australia, as a senior research scientist by the Commonwealth Scientific and Industrial Research Organization, Division of Physics. From 1956 to 1959, while on a leave of absence, this highly educated alien scientist was present in the United States and collaborated with other scientists at Harvard College Observatory; National Bureau of Standards, Boulder, Colo., Laboratory; Air Force Sacramento Peak Observatory, and the High Altitude Observatory, at Boulder, Colo.

The need for legislation in these cases was set forth in a letter to the Speaker of the House of Representatives by the Under Secretary of Commerce, dated April 29, 1960, and in a similar letter addressed to the Vice President—inserted in the RECORD. The adult male benefi-

ciary's services are to be utilized by the Bureau of Standards in Colorado in supervising research in the growing field of high temperature and standards, which research is vital to the U.S. defense effort.

I was privileged to introduce similar legislation in behalf of this family in the Senate, and I move that the Senate concur in the House amendments to S. 2566.

Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks a statement entitled "Statement of Need for and Justification of Draft Bill 'for the Relief of John Trevor Jefferies.'"

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF NEED FOR AND JUSTIFICATION OF DRAFT BILL "FOR THE RELIEF OF JOHN TREVOR JEFFERIES"

The relief requested by the Department of Commerce in seeking enactment of the above identified bill is recognized as unusual. The need for John Trevor Jefferies, a man of unique accomplishments, to carry out a necessary program of the National Bureau of Standards is equally unusual. The administrative actions which may be taken under existing law to accelerate the admission of this scientist to the country under the Immigration and Nationality Act (secs. 1153 and 1154 of title 8 of the United States Code) have been undertaken but would apparently not allow for his entry for 5 years.

There follows a summary of his talents and accomplishments, together with needs of the National Bureau of Standards of the Department of Commerce and the manner in which Mr. Jefferies will fulfill these needs:

John Trevor Jefferies is an Australian national, born April 2, 1925, at Kellerberria, West Australia; married to Charmian Candy Jefferies, who was born April 11, 1928, at Mt. Barker, West Australia; three children, Stephen Reid Jefferies, born 1952 in Australia; Helen, born in 1957 in Alamagordo, N. Mex., United States of America; Thomas T., born in 1959 in Alamagordo. Jefferies was educated in Australian public schools; University of Western Australia; Cambridge University, England. He is employed currently as senior research scientist at Commonwealth Scientific and Industrial Research Organization, Physics Division, Sydney, Australia, and has been with CSIRO since 1949, with the exception of a 3-year period spent in the United States: 1956–59 at Harvard College Observatory, High Altitude Observatory, Boulder Laboratories of National Bureau of Standards, and Sacramento Peak Observatory. Full background investigation completed February 11, 1958, in connection with guest worker status at Boulder Laboratories, NBS.

Jefferies has been principal scientific collaborator with R. G. Giovanelli, Chief of Physics Division of CSIRO, Sydney, on a series of investigations on theoretical problems of solar physics, atomic physics, and nonequilibrium statistical mechanics since joining CSIRO. He came to the United States in 1956 at the invitation of Harvard Observatory to collaborate with R. N. Thomas of the observatory staff on problems of solar physics and nonequilibrium statistical mechanics; the visit was extended to 3 years because of depth and breadth of Jefferies' contribution to the work of the joint group on solar and geophysical studies embracing Boulder Laboratories of NBS, Sacramento Peak Observatory of the Air Force Research and Development Command, and High Altitude Observatory of Colorado University. During this 3-year period, Jefferies rotated among the institutions within this solar-geophysics group, serving as consultant and scientific collaborator to the senior scientific staff at each institution, advisor and thesis-director for students in the Department of Astrogeophysics at Colorado University, consultant on satellite-instrumentation design for Sacramento Peak Observatory, and finally as consultant to the director of the Sacramento Peak Observatory in his last year. During these 3 years, Jefferies was author and/or coauthor of some 10 published scientific papers produced within this group.

Particularly since World War II has interest developed in setting up procedures of diagnosis with respect to the physical state of high temperature gases and the determination of the necessary physical characteristics making such procedures possible. Initially there was only a limited realization of the significance of these problems among physicists, astrophysicists, and chemists, particularly those concerned with ultraspeed ballistics and solar-terrestrial effects. An example would be those scientists working on communications where outbursts on the Sun caused strong effects on Earth's upper atmosphere which were not understood. These outbursts take place in gases on the Sun where temperatures range from 10,000 to 10 million degrees. Long-range ultraspeed missiles give rise to the same problems.

Because of the novelty of the field, there is a twofold duty, both to do the scientific work which is necessary and to train personnel in the growing fields of astrophysics, geophysics, ballistics-aerodynamics, and general high-temperature technology.

Independently work was started along these lines in Australia and in 1956 Mr. Jefferies came from there to collaborate with scientists at Harvard and later at the National Bureau of Standards for a proposed 1-year stay. Because of his success in contributing toward effective results, the 1 year stretched to 3.

During the last 3 years in particular the NBS has been making intensified efforts with respect to high-temperature research and technology, spurred on by the greatly awakened national interest in this area. Appropriations were made for the Bureau in an amount of about $1 million, earmarked for high-temperature research and standards.

It is necessary to develop the standards and methods to use in interpreting and analyzing data obtained through the use of satellites. To accomplish our ends in these fields, it is necessary to have someone who can lead those less experienced and guide their work in these efforts. It is our opinion that the need for Mr. Jefferies can be simply expressed thusly:

If by virtue of enactment of the proposed legislation we can obtain his services in the immediate future, this particular program of the National Bureau of Standards will have gained a keyman and the program will proceed smoothly. If he cannot be obtained, the Bureau will fall further and further behind in its responsibilities in the program.

As you can see, the recruitment of Mr. Jefferies is considered to be a matter of great urgency for the successful prosecution of the plasma and astrophysics program of the Department. We, therefore, urge enactment of this legislation and hope that an opportunity will be provided in the near future for representatives of the NBS to advise your committee in person of the importance of this proposal to them.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado [Mr. CARROLL].

The motion was agreed to.

DEMOCRATIC PARTY CHALLENGE TO COLLEGE STUDENTS

Mr. CLARK. Mr. President, I ask unanimous consent that I may yield to the Senator from Utah without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. MOSS. I thank the Senator from Pennsylvania.

The Young Democratic Clubs of Utah recently conducted an essay contest open to all college undergraduates on the subject "What Challenge Does the Democratic Party Offer the College Student?"

The contest was devised to encourage the young college men and women of the State to take a hard and thoughtful look at the two political parties of the country, and see which one offered enlightened and motivated youth the best opportunity of influencing the lives of the people around them and the course of human events. The prize offered was a $250 scholarship.

The winner was H. Verne Payne, a 23-year-old senior at Brigham Young University in Provo, Utah. I ask unanimous consent that Mr. Payne's stimulating essay be carried in the CONGRESSIONAL RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

WHAT CHALLENGE DOES THE DEMOCRATIC PARTY OFFER THE COLLEGE STUDENT?

Government in the United States has grown and multiplied since the Founding Fathers first achieved independence for our country. Some city governments are as complicated now as the National Government was in the early days of the Nation. In like manner, our State and National Governments have multiplied in their complexity and size to a point far beyond the wildest dreams or imaginations of our forefathers.

The tremendous growth in the size and complexity of Government brings the necessity of virtues that have previously been unimportant. Typical of these much needed virtues are increased expertise, better understanding of people, more integrity, more dedication, and more determined leadership. The only means for achieving these ideals is through the political parties of our country, for these are the lifeblood of our existence. They are the principal avenues for stimulation to action. When the political parties fail to do their jobs, the entire world must bear the weight of their irresponsibility.

With the understanding of these needs we might ask, "What is the most logical approach to the fulfillment of these needs?" The answer is simple. An enlightened and motivated youth.

We need only to examine history to see the influence of youth upon society. Not all of them have had the proper motivation, but nevertheless the effect they have had, whether following good or bad principles, is evident. Thomas Jefferson, the man responsible for the Declaration of Independence and for the founding of the Democratic Party, was only 21 years of age when he wrote what has come to be the most significant document in the history of the entire Western Hemisphere. Nearly all the Founding Fathers of our Nation were young men. Even the early Christian leaders were relatively young men.

We can also see the unfortunate influence in the affairs of the world of youth who have been misled. Such was the case with the Russian Revolution and the rise of communism. In like manner, Fidel Castro with a handful of youthful associates started a movement that swept them to the control of Cuba. Such examples demonstrate that if

high principled, intelligent, and properly directed individuals do not assume the leadership of the affairs of government, others of questionable principles and motives will jump at the opportunity to deprive us of our liberties.

Due to these conditions, the Democratic Party offers a tremendous challenge to the youth of our country. This challenge can best be described in the word "opportunity". There are none better qualified to accept this challenge than those individuals who have prepared themselves in law, politics, science, languages, or any other of the many courses offered in the colleges and universities of today.

The Democratic Party itself isn't the end to be sought, but it is the means through which adequately prepared individuals can best influence our society. Even the Democratic Party does not offer perfect harmony and unanimity in its programs, for there are welcome differences of opinion among the many members. These differences are minor and provide the opportunity for Democratic Party members to give wider consideration and scope to the problems of today. Because of this, the Democratic program is flexible and capable of meeting the changing needs of a changing world. Fresh new insights offered by college students are welcome and they are readily adopted if they will improve the service of the party to the Nation.

The Democratic Party is traditionally the party of the people. It challenges youth, who within a few short years will assume the reins of leadership, to preserve this status. It must be, and remain forever, a party of action or our country will become a nation of protected minorities. Many of these minorities are presently using every stratagem within their grasp to win control of the forces of government for their own benefit. The college student must develop a wide scope and a broad understanding of the forces of our society, and apply this breadth of knowledge in protecting our Nation from such narrow interests.

The college student must also be aware of the dilemma of the entire world as well as the problems of his home country. They must recognize the dearth of statesmen in the world who uphold principles of freedom. They must arouse the complacent citizenry of the entire world to the dangers that lurk to engulf the unwary. Even the eyes of the citizens of the United States have been turned to an emulation of private enterprise and away from the democratic principles to the extent that it is difficult for our age to develop the statesmen who can match those who founded our Nation. In short, they cannot see the forest for the trees. The Democratic Party challenges the college student who would serve his country to ignite the spark of interest in these who sleep.

It is not enough for a student to belong to the Young Democrats. It is not enough for a student to study political issues and platforms. It is not enough for a student to vote. If the liberties that have been so gallantly won by the sacrifice, blood, tears, and tribulations of our forefathers are to be preserved, we must likewise be willing to pay the price. College students must accept the challenge of dedication to the principles that have made our country great. They must become emissaries of political truths.

These are but a few challenges offered by the Democratic Party. They are more than temporary answers to temporary problems. They are challenges that if answered will provide the basis for the solution of all problems. Housing programs, foreign policy, nuclear development, taxation, and all the numerous and sticky problems that face our present Government would be more easily solved. Thomas Jefferson said, "Whenever the people are well informed, they can be trusted with their own government." The Democratic Party offers to the college student the challenge of producing an informed citizenry.

To this point, ideals have been discussed that to the narrowminded would seem impractical, but the Democratic Party offers the challenge and opportunity of applying the ideal to practical situations as it has done so many times in its history.

We needn't feel that these principles can only be utilized in Washington. It is the challenge to college students to furnish the impetus in applying these ideals to State and local situations, for they hold true in all levels of government.

A special challenge faces the college student in Utah. He is living in a State that was founded by pioneers seeking liberty. These were progressive men who forged their State out of the desert. They were half a century ahead of the rest of the Nation and of the world in their planning and foresight. They introduced previously unknown irrigation methods to the world. They developed a balanced economy. They left a heritage of good progressive government.

Unfortunately, too many individuals are now willing to live on the honor and glory of their pioneer forefathers. They do not demonstrate the same fortitude, dedication, and progressive thought that they so diligently laud in their ancestors. The Democratic Party offers a challenge to the college student to rid this State of the festering sore of complacency through vigorous, active programs. The Democratic Party will furnish the spark for municipal reforms, planning for the inevitable growth that will come to the State, and the necessary determined leadership. College students can accept the challenge of the Democratic Party and help initiate the necessary improvements over the status quo, or they can see the government of their community and State become inadequate to meet the changing needs of society.

These are the challenges of the Democratic Party to the college student. Will the challenge be answered?

WATER POLLUTION

Mr. MOSS. Mr. President, new arithmetic about the size of our truly massive water pollution problem comes to light each day.

Yet, the Republican administration continues to cling to completely unrealistic levels of both authorizations and appropriations for Federal grants-in-aid to help clean up pollution, maintaining it is primarily a local or sectional problem, and that we cannot afford to do very much, anyway.

In this instance, as in many others, the administration's policymakers and money managers are ignoring facts carefully turned up by one of its own executive agencies.

Recently, Dr. Leroy E. Burney, Surgeon General of the U.S. Public Health Service, made a speech on "Water Pollution Control and National Health" before the National Rivers and Harbors Congress.

He talked about the importance of searching for improved and even radically different methods of treating sewage and industrial wastes, and then stressed the urged need to apply what we already know, "because we cannot afford to wait for final proof before taking action."

Then Dr. Burney said:

In the past few years there has been an encouraging rise in the annual rate of construction of municipal sewage treatment facilities—from an annual average expenditure of $222 million during the period 1952–56 to an annual average expenditure of $360 million in 1958 and 1959. But the cold statistics of population expansion tell us that a still greater annual expenditure—in the range of $575 to $600 million—will be necessary to keep pace with the needs.

What Dr. Burney did not say, but what is well known, is that the rise in expenditures came after the enactment of Public Law 660 in 1956, which made a limited program of Federal grants-in-aid available for water pollution treatment plants. Under this program we have simply started to catch up with the backlog of needs. Although we have increased construction from 40 to 70 percent of that required, we must double this increase to reach the $575 million level set by Dr. Burney as required for effective pollution abatement.

Recent figures indicate that over 3,000 communities still discharge untreated sewage into our streams, and of the 7,500 existing plants, 973 should be replaced, 688 enlarged, and 753 need additions.

The size of the pollution abatement problem was spelled out more clearly by the Public Health Service in reports on pollution abatement made to the Senate Select Committee on National Water Resources, of which I am a member.

Based on its 1958 survey, the Public Health Service told the Water Resources Committee that $4.6 billion would need to be expended by municipalities between 1958 and 1965—or over $600 million a year. This would merely catch up with existing needs.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. CLARK. I commend my friend from Utah for the fine statement he is making in support of pure streams and clean water for our urban and rural communities. I assure him this is no regional problem. I know of no State which needs Federal assistance more than my Commonwealth of Pennsylvania. Not only are the four great river systems of the Commonwealth—the Delaware, the Susquehanna, the Allegheny, and the Monongahela—being polluted almost from the source to where they leave the Commonwealth, but many smaller streams, on which many of the smaller municipalities rely for their water source, are now becoming more and more polluted.

The resources of our municipalities and, indeed, the resources of the Commonwealth itself are so badly strained with other demands for public service that it is absolutely impossible for us to clean up our streams without substantial Federal assistance. I am delighted that the Senator from Utah is taking the lead in this most important matter.

Mr. MOSS. I thank my colleague from Pennsylvania. I was convinced of the truth of his statement about this being a nationwide problem by the studies being conducted by the National Water Resources Committee. The record shows that we are falling seriously behind in America, and we must do something now to move forward or even keep up with the problem, and certainly not become further involved.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. MOSS. I am happy to yield.

Mr. CLARK. This is one matter on which I am confident the next President of the United States, who, I am confident, will be a Democrat, will take a far different attitude from the one the present Eisenhower administration takes. I believe that the new President will want to accept as one of his first tasks the remedying of the obsolescence in the public sector of our economy by diverting part of our national gross product to things like pure water, without which American civilization would be impossible.

Mr. MOSS. I thank the Senator from Pennsylvania.

The Public Health Service further stated in its report to the committee that an additional $600 million should probably be spent on industrial waste treatment facilities between now and 1965 to get abreast of needs in this field.

The Service likewise suggested that about $8 million a year should be expended by all levels of government and private industry in preparation of comprehensive pollution-control plans.

In view of these recommendations by its Public Health Service, it is difficult to understand how this administration can insist that Federal leadership and Federal financial help should not be strengthened. The Federal Government's interest in pollution problems should be most intense, because of its jurisdiction over the Nation's navigable waterways and the extent to which pollution abatement benefits the Nation's health.

If the problem is massive now, consider what it will be in the future. Dr. Burney outlined its scope in these statements to the Rivers and Harbors Congress:

> We are already in the age of the metropolis. We are fast approaching the age of the megalopolis—super cities stretching along the Atlantic seaboard from Boston to Washington; along the Pacific coast from San Diego to Seattle; along the Ohio River Valley and the southern shores of the Great Lakes.
>
> Increased population and urbanization pose a double-barreled problem. The more people, the greater the quantity of high-quality water must be delivered. At the same time, the quantity of domestic wastes which must be disposed of increases proportionately. In most parts of the country, the same waterways must serve both as sources of supply and as channels of waste disposal.

How, I ask, can this broadly based problem be dealt with on a local or even regional level? It is a geographical problem, and a national problem. Rivers and lakes are interstate, and it will serve no purpose to have one community construct proper waste-treatment facilities when another community upstream, and perhaps in another State does not do likewise. The overwhelming economic differences between States and municipalities create a situation where pollution may be the worst in the very State with the least resources to do something about it.

I have been heartened by the number of organizations and newspaper editors with access to the facts who are working to awaken the public as to the extent to which the Nation's rivers, lakes, and streams are clogging up with municipal and industrial wastes, and becoming ominous health hazards to our people. The President's veto of the Democratic-sponsored bill to step up grants-in-aid for pollution also helped focus attention on the issue.

As a result, some of those who voted against H.R. 3610 have been making the most of the support of the administration's inadequate water pollution control measure. The news stories I saw at the time the administration bill was introduced, and the comments which were made on it, made it sound as though it was the answer to all of our water pollution control problems. But examination reveals that it is merely an extension for 5 years of our present inadequate Federal program.

The most was made of the introduction of the administration's bill in the Salt Lake newspapers. And no wonder. Only the day before the Utah health department had reported a serious decline in the safety rating of the public water supplies throughout the State. The number of culinary water systems which could be approved or conditionally approved declined from 59 percent in 1957 to only 40 percent in 1959.

Utah is a State which draws much of its municipal water from clear mountain streams and rivers. If less than half of my State's public water supplies could not pass approval by the Utah State Department of Health, what problems must be facing States not so favorably situated.

The Deseret News, one of the West's great newspapers, commented editorially the next day on the fact that nearly two out of three public water supplies in the State were short of meeting State health standards, and pointed out that "most of these had previously recorded unsafe levels of bacteriological contamination and have been making or planning improvements."

The editorial suggested that a town bond or users assessment would seem a proper move for these communities. I agree. Every effort should be made to meet the problem at the local level.

However, as I have pointed out, this is not always possible to do. The Deseret News emphasized: "Unfortunately several of these unacceptable units supply very small rural townships with little funds for maintenance or capital improvements."

I am confident that the Utah communities mentioned, and the officials concerned, will stretch their resources to the utmost to purify their water. So will officials in other sections of the country where local, county and State officials are fighting to keep abreast of a problem which is exploding as fast as the population itself.

But the question is, can they do it without financial assistance? For 40 years this Nation has been dumping more pollution in our surface waters than we have been removing with waste treatment plants. The States and municipalities have proven again and again that they cannot handle the problem, or we would not be in the jam which we have today.

I understand that President Eisenhower has requested that a National Conference on Water Pollution be held this December to discuss the vast and complex problem. Regardless of who is elected President, surely with the impetus that comes from this conference, and the mountain of facts we now have, we can enact some realistic water pollution control legislation next session. Economically, financially and geographically, water pollution control is a Federal problem. We must face up to it now, or it may be insurmountable within a few years.

The important point to remember is this: If we do less than keep up with pollution, we are putting off and compounding expenditures. We will pay much more in the long run and jeopardize the health of our people besides. Delaying action on our water pollution problems is not economy—it is poor economics, poor sanitation, and wasteful of the taxpayer's dollar.

EQUITABLE REPRESENTATION IN STATE LEGISLATURES

Mr. CLARK. Mr. President, I introduce, for appropriate referral, a proposed amendment to the Constitution of the United States to assure equitable representation of the people in State legislatures. I also introduce for referral two bills to facilitate ratification of this amendment and to set forth standards of equitable representation and methods of enforcement.

The PRESIDING OFFICER. The joint resolution and bills will be received and appropriately referred.

The joint resolution and bills, introduced by Mr. CLARK, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S.J. Res. 215. Joint resolution proposing an amendment to the Constitution of the United States to assure equitable representation of the people in the legislatures of the several States;

S. 3781. A bill to make further provision concerning the ratification of proposed amendments to the Constitution of the United States by conventions in the several States; and

S. 3782. A bill to provide for the equitable representation of the people in the legislatures of the several States in conformity with the requirements of the Constitution of the United States.

Mr. CLARK. Mr. President, the 1960 decennial census will shortly establish what we already know to be true: The United States has become an urban nation. Seven out of 10 Americans now live in cities and surrounding metropolitan areas.

These residents of cities and their suburban neighbors are presently, and have been for years, grossly underrepresented in their State legislatures. This has become so familiar a fact that we tend to ignore and even to accept it. For years, urban citizens have been denied rights equal to those possessed by people living in rural areas. For years, minority rule

in the States has been normal. For years, our Nation's professed ideal of equitable representation has become more honored in its breach than in its observance. And all of this American urban dwellers have come to accept as a basic evil in American democracy, an evil about which it appeared nothing could be done.

Why have we permitted the gap to broaden between democratic theory and undemocratic practices?

The answer is that we do not realize the extent of legislative misrepresentation. While many are aware that in our own State legislatures a majority of representatives is elected by a minority of voters, few of us realize that misrepresentation is not confined to a few scattered States or a particular region. The pattern is national in scope. Discrepancies between population and representation have widened over the years.

Inadequate representation in State legislatures in America today is as widespread as it was in the British House of Commons before the first reform bill in 1832. We have plenty of homegrown "rotten boroughs."

DISPARITIES IN STATE LEGISLATURES

In 1928, writing in the Baltimore Evening Sun, H. L. Mencken observed that the vote of one person living on the lower eastern shore counted as much as the votes of 12 Baltimoreans. He added that such a situation was not only unjust and undemocratic but also absurd. It cannot last, he concluded. But it has, and it is getting worse, not better, as population moves from the farms into the cities and suburbs.

Mr. Ben West, mayor of Nashville, has described a rural county in his State: It has 8,611 cows, 4,739 pigs and horses, and 3,948 people—altogether 17,298 cows, pigs, horses, and people. The county has one representative in the State legislature, who on behalf of his constituency, has one vote on any measure which came before the house for consideration. Mayor West's home city is located in a county which has seven representatives in the house. Since his county has 381,412 people, but not much livestock, each representative speaks for 54,487 people, but very few cows, horses, and pigs. Although one vote should count the same as any other, it is apparent that the livestock of one county in Tennessee has three times more representation in the lower house of the legislature than do the people of another county.

The situation in Pennsylvania, is unfortunately little better. Like Tennessee, Pennsylvania fails to provide equitable legislative representation to all its citizens. Although the Pennsylvania house was reapportioned following the 1950 census, and substantial improvement was made, today the population of the smallest county—Forest—has 15 times the representation per capita of Indiana county and over 10 times that of Philadelphia.

When people vote, the ballot box or voting machine shows supreme impartiality—all the ballots are equal and each person marks only one ballot. But after the ballots are counted, and representatives gather in legislative halls, it develops that some ballots count for a lot more than others.

There is no State where votes for legislators count equally. In California only 12 percent of the people are represented by a majority in the State senate. In Nevada as few as 12½ percent, in Rhode Island only 13½ percent, and in Maryland about 15½ percent of the citizens are represented by a majority of State senators. Majorities in the senates of 33 States represent fewer than 40 percent of the States populations. The situation in lower chambers of State legislatures is about the same. In Kansas, Delaware, Florida, Vermont, and Connecticut, majorities represent only 22½ percent, 19½ percent, 17 percent, 12½ percent, and 9½ percent of the populations, respectively.

In only six States is the most populous district of either house of a legislature less than twice the size of the least populous. In only one State chamber—the Arkansas Senate—does the variance between the representation of the largest and smallest districts differ by 50 percent or less. At the other extreme, the ratio between the populations of the largest and smallest districts with regard to the lower house of the Connecticut Legislature was about 682. In other words, one member of the Connecticut House represents 682 times as many people as one of his colleagues. Yet both have equal votes on issues that come before the legislature for decision.

At this point, I ask unanimous consent that there may be printed in the RECORD, as part of my remarks, two tables which readily illustrate disparities in State legislatures. The first, compiled by Mr. George B. Merry, a staff writer of the Christian Science Monitor, shows extremes of overrepresentation and underrepresentation in absolute figures. The second, from a recent publication of the bureau of public administration of the University of California, shows the percentage difference from the average number of constituents per member in the smallest and largest constituencies of the several States.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

State	Lower house				Upper house			
	Total membership	Average population per representative	Smallest population per representative	Largest population per representative	Total membership	Average population per senator	Smallest population per senator	Largest population per senator
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alabama	106	28,884	8,027	79,846	35	87,478	18,018	558,928
Alaska	40	2,706	1,187	3,972	20	5,412	3,424	26,602
Arizona	80	9,357	6,402	27,767	28	26,735	4,672	165,385
Arkansas	100	19,095	5,978	32,614	35	54,357	43,114	65,562
California	80	132,327	62,975	200,750	40	264,656	14,014	4,151,687
Colorado	65	20,386	9,362	27,843	35	37,860	18,438	56,602
Connecticut	280	7,195	130	88,699	36	55,758	24,309	122,931
Delaware	35	9,088	1,321	35,762	17	18,711	3,496	57,179
Florida	95	29,171	2,199	165,028	38	72,929	10,413	495,084
Georgia	205	16,803	2,494	157,857	54	63,788	16,237	473,572
Idaho	59	9,976	918	17,865	44	13,379	918	70,649
Illinois	177	49,221	39,809	68,655	58	150,210	17,063	383,803
Indiana	100	39,342	15,674	68,353	50	78,684	39,592	122,717
Iowa	108	24,269	8,753	113,005	50	52,421	21,173	226,010
Kansas	125	15,242	2,010	74,097	40	47,631	20,018	222,290
Kentucky	100	29,448	12,890	50,373	38	77,495	51,992	104,254
Louisiana	101	26,569	6,244	79,118	39	68,808	25,326	158,236
Maine	151	6,051	2,372	11,090	33	27,690	16,053	42,300
Maryland	123	19,049	6,136	44,894	29	80,793	12,272	269,362
Massachusetts	240	19,544	2,870	28,675	40	117,263	92,216	164,334
Michigan	110	57,925	32,469	94,994	34	187,405	61,008	396,001
Minnesota	131	22,767	7,290	107,246	67	44,513	16,878	153,455
Mississippi	140	16,383	4,966	57,235	49	44,468	17,869	96,910
Missouri	157	25,189	4,777	48,432	34	116,313	87,559	136,687
Montana	94	6,287	1,026	10,366	56	10,554	1,026	55,875
Nebraska [1]					43	30,826	21,579	40,998
Nevada	47	3,406	614	6,037	17	9,417	614	50,205
New Hampshire	399	1,336	16	2,179	24	22,218	12,051	34,368
New Jersey	60	80,589	34,423	135,910	21	230,254	34,423	905,949
New Mexico	66	12,385	3,013	16,186	32	21,974	3,013	45,673
New York	150	94,960	14,066	167,226	58	244,887	146,666	344,547
North Carolina	120	33,849	5,048	71,220	50	81,239	48,375	197,052
North Dakota	113	5,484	3,180	16,609	49	12,909	5,405	38,766
Ohio	139	59,303	10,759	98,920	33	240,807	163,335	395,551
Oklahoma	121	18,457	4,589	46,479	44	50,758	15,898	251,286

See footnotes at end of table.

State	Lower house				Upper house			
	Total membership	Average population per representative	Smallest population per representative	Largest population per representative	Total membership	Average population per senator	Smallest population per senator	Largest population per senator
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Oregon	60	26,230	12,740	48,313	30	50,711	26,317	67,362
Pennsylvania	210	49,991	4,944	77,106	50	209,960	78,181	442,516
Rhode Island	100	7,919	732	14,810	44	19,315	732	55,060
South Carolina	124	17,073	9,577	23,173	46	46,022	9,577	168,152
South Dakota	75	8,703	4,046	21,044	35	19,198	10,450	35,455
Tennessee	99	33,250	3,948	75,134	33	99,748	40,416	208,255
Texas	150	51,408	29,192	100,837	31	248,748	136,756	806,701
Utah	64	10,934	364	15,437	25	27,554	9,642	45,812
Vermont	246	1,505	49	33,155	30	12,592	3,406	17,027
Virginia	100	33,187	19,218	60,994	40	82,967	55,637	135,449
Washington	99	24,030	12,994	39,383	49	48,550	18,935	82,732
West Virginia	100	21,335	5,119	37,540	32	62,672	30,646	119,814
Wisconsin	100	34,346	18,840	51,657	33	104,078	73,301	128,970
Wyoming	56	5,188	2,481	7,943	27	11,174	2,481	23,831

[1] Nebraska has only Senate.

NOTE.—Figures in 2d and 6th cols. show how many people would be represented by each legislator if States were evenly apportioned on a strict population basis. This theoretical situation bears comparison with the actual present-day figures in cols. 3, 4, 7, and 8, showing extremes of overrepresentation and underrepresentation. All statistics are based on the 1950 Federal Census.

State legislatures, upper and lower chambers: Year of last adjustment, number of members, average number of constituents per member, and percent difference from average number of constituents per member in smallest and largest constituencies, as of March 1959

State	Upper houses					Lower houses				
	Year of last adjustment [1]	Number of members	Average number of constituents per member	Percent difference from average number of constituents per member [2]		Year of last adjustment [1]	Number of members	Average number of constituents per member	Percent difference from average number of constituents per member [2]	
				Smallest constituency	Largest constituency				Smallest constituency	Largest constituency
Alabama	1901	35.0	87,478	−79.4	+538.9	1901	106.0	[3] 28,884	−72.2	+176.4
Alaska	1959	20.0	[3] 6,432	−46.8	+315.6	1959	40.0	[3] 3,216	−57.6	+23.5
Arizona	1910	28.0	[3] 26,771	−84.1	+519.6	1954	80.0	[4] 9,370	−31.7	+196.3
Arkansas	1951	35.0	[3] 54,557	−21.0	+20.2	1951	100.0	[3] 19,095	−69.0	+71.0
California	1951	40.0	264,656	−94.7	+1,470.6	1951	80.0	132,328	−52.8	+47.6
Colorado	1953	35.0	[3] 37,860	−48.7	+49.5	1953	65.0	[3] 20,386	−54.1	+36.8
Connecticut	1941	36.0	55,758	−56.4	+120.5	1876	279.0	7,195	−96.4	+1,132.7
Delaware	1897	17.0	[4] 18,711	−81.3	+80.8	1897	35.0	[4] 9,008	−85.3	+257.7
Florida	1945	38.0	72,929	−85.7	+578.9	1955	95.0	[3] 29,172	−92.5	+465.5
Georgia	1950	54.0	63,788	−74.5	+642.4	1950	205.0	[3] 16,803	−85.2	+839.1
Idaho	1917	44.0	13,378	−93.1	+428.1	1951	59.0	[3] 9,977	−91.0	+79.0
Illinois	1955	58.0	150,210	−88.6	+155.5	1955	177.0	[3] 49,221	−19.1	+40.7
Indiana	1921	50.0	[3] 78,684	−68.1	+56.0	1921	100.0	[3] 39,342	−70.1	+73.6
Iowa	1911	50.0	52,421	−59.6	+331.1	1927	108.0	[3] 24,269	−63.9	+365.1
Kansas	1886 [5]	40.0	47,632	−58.0	+366.7	1959	125.0	[4] 15,242	−86.8	+386.1
Kentucky	1942	38.0	[4] 17,495	−32.9	+34.5	1942	100.0	[4] 29,448	−56.2	+71.0
Louisiana	1921	39.0	68,808	−63.2	+130.0	1954	101.0	[3] 26,569	−76.5	+291.4
Maine	1951	33.0	27,690	−42.0	+52.8	1955	151.0	[4] 6,051	−61.0	+41.5
Maryland	1922	29.0	80,793	−85.0	+235.0	1943	123.0	[3,4] 19,049	−68.2	+136.0
Massachusetts	1948	40.0	117,263	−27.0	+40.1	1947	240.0	19,544	−82.2	+294.0
Michigan	1953	34.0	187,405	−67.4	+111.3	1953	110.0	[4] 57,925	−44.0	+53.1
Minnesota	1913	67.0	44,515	−62.1	+245.0	1913	131.0	[4] 22,767	−68.0	+371.0
Mississippi	1916	49.0	44,468	−60.0	+118.0	1916	140.0	[3] 15,564	−68.1	+268.0
Missouri	1951	34.0	116,313	−24.7	+18.0	1951	157.0	[4] 25,189	−81.0	+89.0
Montana	1925	56.0	10,554	−90.3	+429.4	1951	94.0	[3] 6,287	−84.0	+65.0
Nebraska	1935	43.0	30,826	−30.0	+33.0	[6]	[6]	[6]	[6]	[6]
Nevada	1951	17.0	9,417	−93.5	+433.1	1951	47.0	[4] 3,406	−82.0	+37.0
New Hampshire	1915	24.0	22,218	−45.8	+55.0	1951	[7] 400.0	[3] 1,333	[8] −92.1	+63.5
New Jersey	1941	21.0	230,254	−85.1	+293.5	1941	60.0	80,589	−57.3	+68.4
New Mexico	1955	32.0	21,287	−85.8	+584.3	1955	66.0	[3] 10,321	−71.0	+57.0
New York	1954	58.0	[9] 244,277	−40.0	+41.0	1954	150.0	94,454	−85.1	+47.5
North Carolina	1941	50.0	[3] 81,239	−40.5	+143.0	1941	120.0	[3] 33,849	−85.1	+110.4
North Dakota	1931	49.0	12,646	−57.3	+207.0	1931	113.0	[3] 5,484	−42.0	+203.0
Ohio	1957	[7] 34.2	[3] 232,358	−29.7	+12.2	1951	[7] 137.8	[3] 57,668	−81.3	+58.3
Oklahoma	1907	44.0	[3] 50,758	−68.7	+396.0	1951	[4] 121.0	[4] 18,457	−75.1	+152.0
Oregon	1954	30.0	[3] 50,711	−53.9	+33.3	1954	60.0	[3,4] 25,356	−50.0	+25.0
Pennsylvania	1921	50.0	209,960	−52.2	+97.3	1953	210.0	[3] 49,991	−90.1	+54.2
Rhode Island	1940	44.0	[4] 17,998	−96.0	+176.3	1940	100.0	[4] 7,919	−90.8	+87.0
South Carolina	1919	46.0	46,022	−79.2	+265.4	1952	124.0	[3] 17,073	−44.0	+36.0
South Dakota	1951	35.0	[3] 18,650	−44.0	+90.1	1951	75.0	[3] 8,703	−54.0	+85.0
Tennessee	1901	33.0	[3] 99,749	−59.5	+108.8	1901	99.0	[3] 33,250	−88.1	+103.0
Texas	1951	31.0	248,743	−45.0	+224.3	1951	150.0	[3] 51,407	−43.2	+96.2
Utah	1955	25.0	[4] 27,554	−65.0	+66.3	1955	64.0	[4] 10,763	−97.0	+43.4
Vermont	1793	30.0	[3] 12,592	−73.0	+24.2	1793	246.0	1,536	−95.0	+2,059.0
Virginia	1952	40.0	[3] 82,967	−33.0	+63.3	1952	100.0	[3] 33,187	−42.1	+86.2
Washington	1958	49.0	[4] 48,550	−61.0	+56.0	1958	99.0	[4] 24,030	−46.0	+36.0
West Virginia	1951	32.0	[3] 62,674	−39.1	+91.2	1951	100.0	[3] 20,056	−74.5	+71.5
Wisconsin	1951	33.0	104,078	−29.6	+24.0	1951	100.0	34,346	−36.0	+50.4
Wyoming	1931	27.0	[3] 10,760	−77.0	+121.5	1931	56.0	[3] 5,188	−53.4	+51.0

[1] Year of last adjustment may mean complete redistricting or merely slight adjustments in existing district lines. Data from individual States as of March 1959.

[2] Percent difference from average number of constituents per member is based on the difference between the smallest and largest constituencies divided by the average number of constituents per legislator. Minus number indicates overrepresentation and plus number underrepresentation. Based on 1950 census and/or information received from States.

[3] Sizes of constituencies are averages in multimember districts where representatives are elected at large.

[4] Because detailed information on population of legislative districts was not available in some States, particularly where a large city or county had a number of representatives, the population of the city or county was divided by the number of representatives to get the average number of constituents per representative for that area. In many cases, therefore, the full extent of difference from the State norm may not be revealed by the figures given.

[5] Some minor readjustments made in 1891, 1933, and 1947.

[6] Unicameral legislature.

[7] Size of chamber is flexible and varies; figure is average for decade.

[8] Percentage based on representation in 1 session out of 5 of town with 11 population.

[9] Based on average number of citizens, not population.

Sources: Information received from States and U.S. Bureau of the Census, "Census of Population, 1950."

CONSEQUENCES OF INEQUITABLE REPRESENTATION

Mr. CLARK. Mr. President, in America, in theory at least, all men have equal political rights. The Constitution provides for a House of Representatives elected by the people, and the 17th amendment provides for popular election of Members of the Senate. The 14th, 15th, and 19th amendments reinforce the principle of equality by upholding the right to vote without restriction as to race, color, or sex.

The rule of "one citizen, one vote," has been widely accepted. But, unfortunately, the corollary rule, whereby each vote is given equal weight, is less widely accepted and seldom achieved. Equality of representation remains in our lexicon only as a democratic principle and a point of departure for legislative practice. I submit that to the extent as this principle is ignored government becomes undemocratic and republican institutions are threatened.

The very democratic virtues—which are allegedly preserved by rural dominated, misrepresentative legislatures—are those which most suffer as a result. Good government depends in large part on a State legislature responsive to majority demands of the people. But these demands are smothered by a distorted pattern of legislative representation. All sense of civic responsibility withers if a minority can dictate or negate legislative action. Local control depends on the State's willingness to satisfy majority demands. If the State refuses, then appeal will naturally and justifiably be made elsewhere, usually to the Federal Government.

With a representative system that gives less legislative strength to urban areas than their populations warrant, often a minority party is frozen in power in the legislature no matter what shifts in public opinion and population take place. Even when the minority party does not have absolute control of the legislature, control of one house is usually enough to veto policies the party opposes.

This situation not only violates the concept of a democratic two-party system, it undermines the very effectiveness of State government. When a statewide majority elects a Governor of one party and an overrepresented minority party consistently controls the legislature, or one house of the legislature, the result is inevitably stalemate. We need only to glance at the situation in Pennsylvania, Michigan, or New Jersey to confirm this statement. Despite the fact that a majority of citizens vote on a statewide basis for legislative candidates of the Governor's party, a gerrymandered legislature frustrates the popular will. In these States, repeated Democratic gubernatorial victories still leave Republicans in control of one or both of the legislative houses. The legislative program of the majority is thus vetoed. The same result has followed under the one-party system in Georgia where the county unit rule prevents Atlanta and other urban areas from obtaining badly needed legislation.

If we desire a party system which affords us the means for providing an alternative set of political leaders—in States as well as in the Nation—that can be voted into office when the normally dominant leadership becomes discredited, then we are presently a far cry from our desire. What happens when the public becomes exasperated with its political leadership? In too many States today nothing can happen. The political rules of the game prevent any real choice. When the arrangements are such that one set of politicians cannot be simultaneously thrown out of both executive and legislative posts without a virtual popular uprising democracy simply does not work.

The effect is not lost on those citizens who are frustrated in their efforts to produce change when change is needed. When State governments refuse to adapt themselves to majority needs, the people lose confidence. Public cynicism and disillusionment with State government is the inevitable result. Never has the prestige of the States been as low as it is today.

This brings us to the most ironical result of legislative misrepresentation. When State legislatures refuse to enact programs desired by a majority of their voters, they are bypassed. The alternative route to action has been the Federal Government. Underrepresentation plus regressive State tax systems are largely responsible for a score of Federal programs, which are vitally necessary but which the States refuse to adopt. As the senior Senator from Illinois [Mr. DOUGLAS] once remarked:

> Those who complain most about Federal encroachment in the affairs of the States are most often the very ones who deny to the urban majorities in their States the opportunity to solve their problems through State action.

Evidence of urban discontent with State capitals and consequent appeal to Washington is overwhelming. Only recently, at their annual conference in Chicago, the United States Conference of Mayors called for the establishment in the Federal Government of a Cabinet post for urban affairs. My good friend and successor as mayor of Philadelphia, Richardson Dilworth, went so far as to say in his address accepting the presidency of the conference that he would take the many proposals for aid to cities directly to the presidential candidates of both major parties. The outgoing president of the conference, Mayor Richard J. Daley, of Chicago, agreed and pointed out that an important reason for a new Federal post for urban affairs was that the legislatures in nearly every State are dominated by representatives of the rural areas.

That there is an intense struggle going on between the cities and the State capitals, that cities now look to the Federal Government as protector and defender from legislative neglect, and that State governments are consequently becoming weaker and weaker instrumentalities for social progress should be well recognized by Congress. Mayors, testifying before the House Committee on Government Operations in 1957, were almost uniformly critical of State governments. The committee reported that it was surprised and even alarmed by the extent of the animosity shown toward State governments by city officials. Its report to Congress is worth quoting in part:

> So long as the cities are deprived by State restrictions of the opportunity to solve local problems and are denied a fair voice in the determination of State legislative policies, they will continue to seek Federal assistance and will attempt to bypass the States through direct Federal-local arrangements.

The executive branch too has been cognizant of the problem. The Commission on Intergovernmental Relations, better known as the Kestnbaum Commission, appointed by President Eisenhower, found after investigation a very real and pressing need for the States to improve their constitutions. Like all of us who have given attention to the imbalance in legislative representation, the Kestnbaum Commission found that State neglect of the reapportionment problem had led urban governments to make direct cooperative arrangements with the Federal Government. The Commission report, issued in 1955, states:

> Paradoxically enough, the interests of urban areas are often more effectively represented in the National Legislature than in their own State legislatures. * * * The same shift of population which has resulted in State legislatures becoming less representative of urban areas has had the effect of making the United States Senate more representative of these areas, because Senators, elected at large, must depend heavily upon urban voters, even in predominantly rural States.

The Eisenhower-appointed Commission concluded that—

> The more role of the States in our system is emphasized, the more important it is that the State legislatures be reasonably representative of all the people.

Congress, the executive, groups and organizations such as the National Municipal League, the American Veterans Committee, the League of Women Voters, the Conference of Mayors, the American Municipal Association, as well as others recognize the unfortunate consequences of legislative misrepresentation. Yet arguments for malapportionment persist. Facts, historical as well as contemporary, belie these arguments, but opponents of equitable representation cling tenaciously to their illogical straws.

MYTHS FOR MALAPPORTIONMENT

Those who condone inequitable representation, sometimes advance the proposition that city people are immoral and incompetent in self-government. The rugged virtues of the American farmer are extolled, the sins of "minority groups" in the cities deplored. To cite a less illustrious protagonist of this view, the President of the National Association of Real Estate Boards said several years ago:

> Today the greatest threat to democratic institutions, to the republican form of government, and ultimately to freedom itself, lies in our big cities. They are populated for the most part with the mass-man, devoid of intelligence, and devoid of civic re-

sponsibility. Our one hope of survival as a free country is that rural and semi-rural areas still dominate most of the State legislatures through their representatives. * * * Our best hope for the future is to keep it that way.

Mr. President, those of us who have dealt with this group can testify that they represent one of the most reactionary points of view on the entire free world. Implicit in this view is that urban legislators tend to be small men not given to statesmanship but adept in the arts of political skulduggery. Hence, the greater the number of rural legislators, the better governed will be the commonwealth. Whether this disparity in intelligence and civic responsibility actually exists is certainly not capable of proof. Those of us who have had to deal with State legislatures would hesitate to support so dubious an assertion. What is clear, however, is that this argument is concerned with justifying a status quo which assures some people a political advantage in the arena where public policy is made. And that status quo is hurting the sound development of our country.

Were it not for the agricultural and rural beginnings of this Nation, such an argument would gain little currency. But the view has gained support largely from a combination of those who have a pastoral nostalgia for a dead past, those who profit from the status quo and refuse to accept change, and those who misread history.

Although the American Revolution brought in its wake broad acceptance of the theory of political equality and the principle of representation in proportion to the number of qualified electors, this theory is summarily dismissed by those who condone misrepresentative legislatures. In their resistance to fair representation for urban citizens they rely on Jefferson's praise of small landholders. Who has not heard quoted Jefferson's statement:

> Those who labor in the earth are the chosen people of God, if ever He had a chosen people, whose breasts He has made His peculiar deposit for substantial and genuine virtue.

These people forget what many others recall—Jefferson's views on representation, a subject of vital significance to the democratic theory he helped develop. Representatives, he believed, should be apportioned throughout a State in accordance with the numbers of people in each area. According to Jefferson:

> Equal representation is so fundamental a principle in a true republic that no prejudices can justify its violation because the prejudices themselves cannot be justified.

Another argument compares representation in State legislatures based on geography rather than people with equal representation of States in the U.S. Senate. The so-called "balanced" and "federal" plans, by which minority population areas are given control of one house while the other more directly represents numbers, are said to be patterned after the Federal Legislature. This is asserted to be a useful "check and balance."

While a comparison of a State senate with the U.S. Senate doubtless has persuasive qualities, its validity is nil. Such comparison suggests that counties within the States be regarded as States are in the Union. However, while the States are sovereign, and are so represented in the Senate, counties are merely legal agents which the States themselves create for administrative convenience. Each State is unitary rather than federal in internal makeup. It is therefore logical that every district have a proportional share in the selection of those who govern each State.

Historically also the analogy is deficient. Not only is the federal plan not presently applicable to the States—it was never meant to be. We must remember that the federal system was the result of comprise between the large and small States, each group of which was jealous of the strength of the other. At first it was assumed that both Houses of Congress should be apportioned in the same way, but the small States wanted representation for each State as such, while the large States desired representation by population. It was only after the Constitutional Convention was on the verge of collapse that it reached the compromise which became a part of the Constitution, with the two Houses apportioned by different methods.

Contemporary practice refutes the analogy. Whatever may have been the intentions of the Founding Fathers, today, with Senators popularly elected and with urban concentrations in nearly every State, U.S. Senators represent majorities within their States. No Senator can afford to ignore the interests of his urban constituents. This is not the case, however, with so many State legislators whose districts are entirely rural and whose interests are completely dissimilar from those of their urban colleagues.

Although myths for malapportionment offend reason, they are persistently circulated. Proponents ignore the inequities that result from legislative misrepresentation; some are indifferent and others are satisfied that by a process of trial and error a perhaps illogical and inequitable but nevertheless workable sort of system has evolved. Others maintain that the present system is just and correct. I strongly suspect that whatever their arguments, what is most important to these vested interests is the unfair and undemocratic advantage they gain as a result of legislative misrepresentation.

THE ADVANTAGED AND THE DISADVANTAGED

At first glance, the most important reason for unbalanced representation appears to be that State constitutions very often provide for representation of area or territory rather than population. For example, in New Jersey each county elects one senator, and a majority of the senate may be made up of senators from counties including only about 15 percent of the State's population. A number of States are less explicit in recognizing land rather than people; they allocate representation among counties in accordance with population, but their constitutions hasten to provide that each county shall be entitled to at least one of a limited and fixed number of representatives. In North Carolina and Pennsylvania for example, the members of the lower house are apportioned among the counties according to population; but each county is entitled to at least one representative. This gives the populous counties less than a proportionate share of the legislative seats. Some State constitutions specifically limit the representation of the metropolis of the State. Georgia is a good example. Atlanta is substantially shortchanged in its representation in the State legislature. In my own State, no city or county is permitted to elect more than one sixth of the senators, a provision adopted and maintained to limit the influence of Philadelphia.

Two tables from the University of California publication set forth the basis of representation in upper or lower houses of legislatures in every State except Hawaii. I ask unanimous consent that these tables be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

State legislatures, upper chambers: Body responsible for apportioning legislative seats and setting district lines, frequency stipulated, basis of representation, requirements for districting, and provision for enforcement, as of March 1959

State	Body responsible for		Frequency [1]		Basis of representation			Requirements for districting	Provision for enforcement	Authority: Article and section of constitution or statutes
	Apportioning	Districting	10 years	Other	Population [2]	Political unit [3]				
						Minimum	Maximum			
Alabama	Legislature	Legislature	X		X		X			IV, 50; IX. 197, 200, 201; XVIII, 284.
Alaska	Constitution	Constitution						(4)	Mandamus [4]	VI, 7, 11.
Arizona	do	do				X	X			IV, 2, 1(1).
Arkansas	do.[6]	do								Amendment XLV.
California	Legislature	Legislature	X				X	(7 9)	Commission [8]	IV, 6.
Colorado	do	do	X		X			(7 8 10)		V, 45–47.
Connecticut	do	do	X		X	X		(7 9)		III, 4, 5.

See footnotes at end of table.

State legislatures, upper chambers: Body responsible for apportioning legislative seats and setting district lines, frequency stipulated, basis of representation, requirements for districting, and provision for enforcement, as of March 1959—Continued

State	Body responsible for		Frequency [1]		Basis of representation			Requirements for districting	Provision for enforcement	Authority: Article and section of constitution or statutes
	Apportioning	Districting	10 years	Other	Population [2]	Political unit [3] Minimum	Political unit [3] Maximum			
Delaware	Constitution	Constitution								II, 2.
Florida	Legislature	Legislature	X		X		X	(5)		VII, 3, 4.
Georgia	do	do								III, 2.
Idaho	Constitution	Constitution				X	X			III, 2.
Illinois	do [11]	do [11]						(8 10)		IV, 6, 7, 8.
Indiana	Legislature	Legislature		6 years	(12)			(8 13)		IV, 4, 5, 6.
Iowa	do	do	X		X		X	(7 8)		III, 34, 37.
Kansas	do	do		5 years	X					II, 2; X, 1–3.
Kentucky	do	do	X		X			(7 8)		Sec. 33.
Louisiana	do	do	X					(7)		III, 3, 4, 6.
Maine	do		X		(14 15)	X	X			IV, pt. II, 1.
Maryland	Constitution	Constitution [16]				X	X	(16)		III, 2, 4.
Massachusetts	Legislature	Legislature	X		(17)	X		(7 8)		Amendment LXXI.
Michigan	Constitution	Constitution						(8 10)		V, 2.
Minnesota	Legislature	Legislature	X		(14)			(8 10)		IV, 2, 23, 24.
Mississippi	Constitution	Constitution								XIII, 255.
Missouri	Commission [18]	County government.[19]	X		X			(7 8 10 20)	New commission [21]	III, 7, 8.
Montana	Constitution					X				V, 4; VI, 4, 5.
Nebraska [22]	Legislature	Legislature		(23)	(15)			(8 10)		III, 5.
Nevada	Constitution	Constitution				X	X			IV, 5.
New Hampshire		Legislature		(23)				(25)		Pt. II, 25, 26.
New Jersey	Constitution	Constitution				X	X			IV, ii, 1.
New Mexico	do	do				X	X			IV, 3.
New York	Legislature	Legislature	X		(15)		X	(7 8 10)	Court review [26]	III, 3, 4.
North Carolina	do	do	X		(14 15)			(7 8)		II, 4.
North Dakota	do	do	X	(1)	X		X	(7 8 10)		II, 26, 29, 35.
Ohio	Commission [27]	Commission [27]	X		(24)					XI, 6–11.
Oklahoma	Legislature	Legislature	X		X			(7 8 10)	Court review	V, 9, 11.
Oregon	do	do	X		X			(7 8)	Supreme court/ Secretary of State.	IV, 6, 7.
Pennsylvania	do	do	X		X		X	(7 8 10)		II, 16, 18.
Rhode Island	do	do		(28)	(17)	X	X	(10)		Amendment XIX.
South Carolina	Constitution	Constitution				X	X			III, 6.
South Dakota	Legislature	Legislature	X		X				Commission [29]	III, 5.
Tennessee	do	do	X		(17)			(7 8 13)		II, 4, 6.
Texas	do	do	X		(17)		X	(8)	Commission [30]	III, 25, 28.
Utah	do	Citizens' county committee.	X	(1)	X			(7 8 31)		IX, 2–4; Utah CodeAnn. (1957 supp.) sec. 36-1-1—36-1-4.
Vermont	do		X	(1)	X	X				II, 18.
Virginia	do	Legislature	X		X					IV, 43.
Washington	do	do	X	(1)	(14 32)			(8 10 31)	Initiative	II, 3, 6.
West Virginia	do	do	X		X			(8 10)		VI, 4, 5, 10.
Wisconsin	do	do	X		(14 32)			(8 10 31)		IV, 2, 3, 5.
Wyoming	do		X		X	X				III, 2–4, 47, 5.

[1] Every 10 years usually means after each Federal census; a few State constitutions specify reapportionment after a State census: North Dakota, Utah, Vermont, and Washington.

[2] Characteristically, constitutions that provide a population base stipulate 1 or various combinations of the following: (*a*) relative equality; (*b*) use of ratios to be set by law at time of reapportionment; (*c*) use of ratios fixed in constitution.

[3] Political unit may be county, township, town, city ward, borough, or other political subdivision. "Minimum" and "maximum" refer to number of legislators per unit.

[4] Senate districts may be changed, but their apportionment and approximate perimeters must be retained.

[5] "Any qualified voter may apply to the superior court to compel the Governor by mandamus or otherwise, to perform his reapportionment duties or to correct any error in redistricting or apportionment." VI, 11.

[6] Amendment adopted November 1956 "froze" the senate districts as then established.

[7] County lines must be preserved in forming legislative districts. No county may be divided unless entitled to more than one legislator.

[8] Districts must be composed of contiguous territory.

[9] Lieutenant Governor, controller, attorney general, secretary of state, and superintendent of public instruction apportion on failure of legislature to do so. In either case, apportionment is subject to referendum.

[10] Districts must be compact (or convenient).

[11] Amendment adopted 1955 set senate districts and contained no provisions for redistricting.

[12] Male inhabitants over 21.

[13] Provision made for "flotorial" districts which contain contiguous counties having insufficient population to be entitled to a single representative or to an additional representative.

[14] Excluding Indians not taxed.

[15] Excluding aliens.

[16] Except city of Baltimore, which the legislature from time to time may redistrict on basis of population and contiguity.

[17] "Qualified" or "legal" voters.

[18] Appointed by Governor, 5 from each list of 10 submitted by the 2 major political parties.

[19] If a county is entitled to more than one senator, county government (county court or council) redistricts except in city of St. Louis, where it is done by board of election commissioners.

[20] Population of each district may not deviate from State average by more than 25 percent.

[21] If original commission fails to reapportion within 6 months of appointment, senators are elected at large, and a new commission is appointed in the same manner.

[22] Unicameral legislature.

[23] "From time to time."

[24] Part-time representation on population base. Provides additional representation for fractional entitlement by varying the number of representatives assigned to a district in the course of a decade.

[25] Senators are elected from single-member districts, formed according to amount of direct taxes paid. No town or unincorporated area may be divided to form a district.

[26] Supreme court review subject to rules prescribed by legislature.

[27] Governor, auditor, secretary of state, or any 2 of them.

[28] Discretionary after any presidential election.

[29] Governor, superintendent of public instruction, presiding judge of the supreme court, attorney general, and secretary of state.

[30] Lieutenant Governor, speaker of the house of representatives, attorney general, comptroller of public accounts, and commissioner of general land office.

[31] Senate districts are composed of assembly (or representative) districts which may not be divided.

[32] Excluding members of the Armed Forces.

Sources: State constitutions as cited, and information received from the various States.

State legislatures, lower chambers: Body responsible for apportioning legislative seats and setting district lines, frequency stipulated, basis of representation, requirements for districting, and provision for enforcement, as of March 1959

State	Body responsible for		Frequency [1]		Basis of representation			Requirements for districting	Provision for enforcement	Authority: Article and section of constitution or statutes
	Apportioning	Districting	10 years	Other	Population [2]	Political unit [3] Minimum	Political unit [3] Maximum			
Alabama	Legislature	(4)	X		X	X		(5)		IV, 50; IX, 198, 199, 201; XVIII, 284.
Alaska	Governor	Governor	X		(6)			(7)	Mandamus [8]	VI, 1, 3-6, 8-11.
Arizona	Secretary of State	County government.		4 years	(9)	X		(10 11)		IV, 2, 1, (?)
Arkansas	Board of Apportionment. [12]	(4)	X		X	X			Court review [13]	VIII, 1, 2, 4, 5; amendment XLV.
California	Legislature	Legislature	X		X			(5 10)	Commission [14]	IV, 6.
Colorado	do	do	X		X			(5 10 11)		V, 45-47.
Connecticut	Constitution	Constitution				X	X			III, 3.
Delaware	do	do								II, 2.
Florida	Legislature	(4)	X		X	X	X		Special session [15]	VII, 3, 4.
Georgia	do	(4)	X		X	X	X			III, 3.
Idaho	do	(4)		(16)	X	X		(5 10)		III, 2; Stats. 1951, c. 60.
Illinois	do	Legislature	X		X			(5 10 11)	Commission [17]	IV, 6-8.
Indiana	do	do		6 years	(18)			(10 36)		IV, 4-6.
Iowa	do	do	X		X	X	X	(5 10)		III, 35-37.
Kansas	do [19]	(4)		5 years	X	X				II, 2; X, 1-3.
Kentucky	do	Legislature	X		X			(5 10)		Sec. 33.
Louisiana	do	(4)	X		X	X				III, 2, 5, 6.
Maine	do	Legislature	X		(20)		X	(10)		IV, pt. I, 2, 3.
Maryland	Constitution	Constitution [21]						(21)		III, 4, 5.
Massachusetts	Legislature	County government.	X		(22)			(10)		Amendment LXXI.
Michigan	do	County government.	X		X			(10 11)	Commission [23]	V, 2, 4.
Minnesota	do	Legislature	X	(1)	(24)			(25)		IV, 2, 23, 24.
Mississippi	Constitution	Constitution			(22)	X		(26)		XIII, 254.
Missouri	Secretary of State	County government. [25]	X		X	X		(10 11)		III, 2, 3.
Montana	Legislature	(4)	X		X	X		(5 10 11)		V, 4; VI, 2, 3.
Nebraska [26]	do	Legislature		(16)	(20)			(10 11)		III, 5.
Nevada	do	(4)	X		X	X				I, 13; IV, 5.
New Hampshire	do	(4)	X		X	X		(27 28)		Pt. II, 9, 11.
New Jersey	do	(4)	X		X	X				IV, iii, 1.
New Mexico	do	(4)	X		X	X				IV, 3.
New York	do	County government. [29]	X		(20)	X	(30)	(10 11)	Court review [31]	III, 4, 5.
North Carolina	do	(4)	X		(24)	X				II, 5, 6.
North Dakota	do	(32)	X	(1)	X					II, 32, 35.
Ohio	Commission [33]	(4)	X		X	X		(28)		XI, 1-5, 10, 11.
Oklahoma	Legislature	Legislature	X		X	(34)	X	(5 28 36)	Court review [31]	V, 10, 12-16.
Oregon	do	do	X		X			(36)	Supreme Court, or Secretary of State.	IV, 6, 7.
Pennsylvania	do	(4)	X		X	X		(5 10 11)		II, 17, 18.
Rhode Island	do	Legislature	(35)		X	X	X	(11)		Amendment XIII.
South Carolina	do	(4)	X		X	X				III, 3, 4.
South Dakota	do	Legislature	X		X			(36)	Commission [37]	III, 5.
Tennessee	do	do	X		(22)			(10 36)		II, 4, 5.
Texas	do	do	X		X			(36)	Commission [38]	III, 26, 26a, 28.
Utah	do	Citizens' county committee.	X	(1)	X	X				IX, 2, 3; Utah Code Ann. (1957 supp.), sec 36-1-1—36-1-4.
Vermont	Constitution	Constitution				X	X			II, 13.
Virginia	Legislature	Legislature	X		X			(36)		IV, 43.
Washington	do	do	X	(1)	(6 24)				Initiative	II, 3.
West Virginia	do	(4)	X		X	X				VI, 6-10.
Wisconsin	do	Legislature	X		(6 24)			(10 11 39)		IV, 2-4.
Wyoming	do	(4)	X		X	X				III, 2-4, 47, 50.

[1] Every 10 years usually means after each Federal census; a few State constitutions specify reapportionment after a State census: Minnesota, North Dakota, Utah, and Washington.

[2] Characteristically, constitutions that provide a population base stipulate one or various combinations of the following: (a) relative equality; (b) use of ratios to be set by law at time of reapportionment; (c) use of ratios fixed in constitution.

[3] Political unit may be county, township, town, city ward, borough, or other political subdivision. "Minimum" and "maximum" refer to number of representatives per unit.

[4] Legislators are apportioned to political units; in multimember districts, they are elected at large.

[5] County lines must be preserved in forming legislative districts. No county may be divided unless entitled to more than 1 legislator.

[6] Excluding members of the Armed Forces.

[7] Constitutional provisions are: (a) minimum district population is the average number of constituents per representative; (b) each district is a "relatively integrated socio economic area"; and (c) consideration may be given to local government boundaries. The effect of (a) is to set a minimum deviation.

[8] Superior court may compel the Governor by mandamus or otherwise to perform his apportionment duties.

[9] Votes cast for Governor at last preceding general election.

[10] Districts must be composed of contiguous territory.

[11] Districts must be compact (or convenient).

[12] Governor, secretary of state, attorney general.

[13] Supreme court may issue mandamus to compel board of apportionment to act; also may revise any arbitrary action or abuse of discretion of board.

[14] Lieutenant Governor, controller, attorney general, superintendent of public instruction. All apportionments subject to referendum.

[15] Governor to call special session to sit until reapportionment is effected, during which no other subject may be considered.

[16] "From time to time."

[17] 10-member commission appointed by Governor from nominations made by heads of both major parties. If it fails to act, next election is at large. Cycle repeats until reapportionment is made.

[18] Male inhabitants over 21.

[19] Applies to only 20 of the 125 seats; remaining seats assigned in constitution.

[20] Excluding aliens.

[21] Except city of Baltimore, which the legislature from time to time may redistrict on basis of population and contiguity.

[22] "Qualified" or "legal" voters.

[23] State board of canvassers—secretary of state, treasurer, commissioner of State land office.

[24] Excluding Indians not taxed.

[25] If a county is entitled to more than 1 representative, county government (county court or council) redistricts except in city of St. Louis, where it is done by board of election commissioners.

[26] Unicameral legislature.

[27] Representatives are apportioned to towns and city wards, with a provision for part-time representation of towns with insufficient population for full representation; 1 part-time town (represented 1 session out of 5) has a population of 11.

[28] Part-time representation: Provides additional representation for fractional entitlement by varying the number of representatives assigned to a district in the course of a decade.

[29] Or city council where city embraces entire county.

[30] Except for Hamilton County, which is attached to Fulton County, each county is allotted 1 representative regardless of population.

[31] Subject to rules prescribed by the legislature.

[32] Representatives elected at large from senatorial districts.

[33] Governor, auditor, secretary of state, or any 2 of them.

[34] In practice each county has been allotted 1 representative regardless of population.

[35] Discretionary.

[36] Provision made for 1 or more "flotorial" districts which contain contiguous counties having insufficient population to be entitled to a single representative or to an additional representative.

[37] Governor, superintendent of public instruction, presiding judge of supreme court, attorney general, and secretary of state.

[38] Legislative redistricting board—Lieutenant Governor, speaker of the house, attorney general, comptroller of public accounts, and commissioner of general land office.

[39] Assembly districts must be bounded by county, precinct, town, or ward lines.

Sources: State constitutions as cited, and information received from the various States.

Mr. CLARK. Mr. President, because of population shifts since their enactments, State constitutional provisions are drastically in need of modernization. But even where constitutional provisions require the legislature to reapportion periodically, that is seldom done. While many State constitutions provide for shifts in representation to keep abreast with changing populations, they leave reapportionment to the very people most affected by changes. It is naive, or at best optimistic, to think that the job will be accomplished by legislators who are quite satisfied with the conditions under which they themselves were elected. Unfair rules benefit them, their constituencies, and their political parties. Little wonder that they are unwilling to sacrifice personal advantage to give urban areas rightful representation.

Yet it is an oversimplification to maintain that the conflict is solely a question of urban citizens versus rural citizens. A relative newcomer—the suburbanite—is the chief victim of underrepresentation. While only two of the Nation's 14 largest cities—excluding Washington—grew proportionately to other communities within their States between 1950 and 1959, suburbs have been growing by leaps and bounds.

Too many legislators have vested interests in the status quo. Equally important is the fact that too many pressure groups are unwilling to reconcile their special interests with the general good. These people thrive on governmental stalemate. With at least one house of the legislature able to thwart the Governor's program, passive government benefits those who have special interests in the status quo.

Nor are the proponents of inequitable representation all from rural areas. There are of course urban interests whose policies are quite compatible with the general outlook of rural representatives. Many urban businessmen defend inequitable representation for their own communities. The alliance of small-town lawyers and businessmen, who represent rural areas in their State legislatures, and city groups with similar interests to protect, helps explain why State legislation usually tends to be far more conservative than policies receiving public support in either Statewide or national elections.

The attempt of California in 1948 to secure reapportionment by initiative illustrates the power of those who oppose equitable representation. Main support for the initiative came from the State Federation of Labor, while opposition was financed by conservative groups in Los Angeles and San Francisco, which would have lost considerably by State senate reapportionment. The campaign for reapportionment, in face of a skillful propaganda barrage and a hostile press, failed by a large margin. In fact, four of the most populous counties voted against reapportionment by two to one. Even Los Angeles County, the most underrepresented one of all, which would have profited most if the initiative had been successful, defeated the initiative by a substantial margin.

It is clear that for certain groups the status quo is more safely ensured under the formal control of the "less radical" country legislators. Thus an advantaged plutocracy and a disadvantaged democracy have come into being, the former securely ensconced while the latter seeks that security which present distorted rules of representation will not permit. Something, then, should be done to reform the rules.

THE RESPONSIBILITY OF CONGRESS

From my remarks, it should be clear that the failure of the States to achieve equitable representation is both real and serious. This failure has been challenged in both State and Federal courts. Nevertheless, little progress toward significant reform has been made.

Surely, where there is an obvious political wrong there must be a political remedy. If there is no popular control so long as the lawmaking body in a State reflects a distorted image of the public, and if both legislatures and courts refuse to set right what is wrong, we must look for another avenue of reform. We must turn, in this instance, to the Federal Constitution, as the supreme law of the land, and provide a remedy where none presently exists.

Congress is the body which must initiate constitutional change. My proposed constitutional amendment would require each State to provide equitable representation in its legislature. This amendment does not usurp the responsibilities of the State. It merely requires the States to live up to their responsibilities. It cannot be adopted unless three-fourths of the States agree.

It makes explicit what is already implicit in the Constitution under the equal protection clause of the 14th amendment. Few would deny that a State law giving some citizens twice or three times the vote of other citizens would offend that equality which the 14th amendment guarantees. The 14th amendment insures the right to vote. The right to vote includes the right to have the ballot counted, and it also includes the right to have the vote counted at full value without dilution or discount. It should be clear, then, that the underrepresented voter is as effectively disfranchized as the voter whose ballot is denied or whose vote is not counted at full value.

The amendment I am proposing, therefore, departs in no way from the spirit of the Constitution. It provides:

First. That such reapportionment and redistricting as may be necessary to secure equitable representation be made when the amendment is ratified and thereafter when the results of each decennial census are announced.

Second. That Congress shall prescribe by law the standards and manner of such reapportionment and redistricting.

This proposal, no matter how meritorious in principle, would have little chance of adoption if it were wholly dependent upon the consent of the State legislatures under the procedure that has been most often used in amending the Federal Constitution. I have little doubt as to the reactions of State legislatures were they asked to ratify this amendment. Therefore, the amendment specifies that the alternative procedure, namely, ratification by conventions in the States, be employed, as was done when the 21st amendment was ratified. The 21st amendment, as will be recalled, repealed the 18th, or prohibition, amendment.

Parenthetically, I had the good fortune to be a delegate to the Pennsylvania State Convention which repealed the 18th amendment. This was one of my first ventures on the political scene.

I well recall the solemn circumstances under which our group met. We had been duly elected by the voters of Pennsylvania to come into session to vote to repeal the 18th amendment by ratifying the 21st. A spirited fight took place in that election. The Anti-Saloon League and other groups which favored the 18th amendment nominated candidates pledged to reject the 21st amendment. Our candidates won by a substantial majority.

We met in the capitol at Harrisburg and voted to repeal the 18th amendment. I thought it was an excellent example of American democracy at work.

The same procedure would be applied in connection with the amendment I am now introducing, were it to be adopted by Congress and submitted to the States for ratification.

Since Congress, in the opinion of eminent constitutional scholars, has sufficient authority to provide directly for conventions in the States, I introduce at this time a bill to clarify the convention procedure. This bill provides:

First. That State conventions, called to ratify or reject constitutional amendments, shall be composed of delegates elected at large.

Second. That delegates shall be elected at the next general election for Members of the House of Representatives; and

Third. That they shall meet following their election and shall continue in session until the proposed amendment has been ratified or rejected by a majority.

If a constitutional amendment sets forth a general principle—that of equitable representation—and directs Congress to legislate the particulars, we should consider what measures would be fair and workable. My own ideas are included in another bill, which I am introducing today. Let me add, parenthetically, that the merits of the amendment need not hinge on the desirability of specific methods for achieving the principle. Equitable representation of people in State legislatures is an objective that is, or should be, universally acceptable; specific means toward this end offer scope for debate.

The suggested standard takes into consideration problems of physical topography, natural community boundaries, and political boundaries that may exist for other purposes. The enforcement procedures are purposely left to State authorities. The bill, which would become effective upon ratification

of the amendment to the Constitution provides specifically for the following:

First. A standard of equitable representation whereby in either house of a State legislature the representation of one district cannot exceed that of any other district by more than 50 percent. In other words, no legislator would be able to represent more than one and one-half times as many people as any other legislator in the same house.

Second. This standard's application is left to the individual States. Initially, the established authorities—those which normally reapportion and redistrict—would be expected to act to assure equitable representation within the limits of the 50 percent variation standard.

Mr. President, here I interpolate the thought that it is desirable to give each State a reasonable amount of flexibility in determining how the exact principle of equal representation should apply. There will be many situations in which geographical or other reasons will make it impractical to have exactly equal representation. I suggest that the 50-percent leeway provided by the bill will allow adequate flexibility to take care of cases which might arise in individual States.

Mr. LONG of Louisiana. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. Will my friend be willing to withhold his questions for about 5 minutes, until I finish my presentation?

Mr. LONG of Louisiana. Certainly.

Mr. CLARK. Third. If the regular authorities failed to act within 2 years, the Governor of the State would be responsible, first, for appointing a board of citizens to make recommendations, and then for prescribing proper reapportioning and redistricting.

Fourth. If the Governor failed to act or if either his or the established authorities' action did not comply with the 50-percent standard, the State's highest court, upon petition of at least one-half of 1 percent of the State's qualified voters, would review apportionment and districting. If the court decided that the people of the State were not equitably represented, it would by mandamus or other appropriate order direct the Governor to perform his duties and promulgate a plan of reapportionment and redistricting that would provide equitable representation.

I ask unanimous consent at this point, Mr. President, that the amendment and the two bills I am proposing be printed in the RECORD as part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment and the bills were ordered to be printed in the RECORD, as follows:

SENATE JOINT RESOLUTION 215

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution only when ratified by conventions in three-fourths of the States called at such time and subject to such regulations as the Congress shall prescribe by law:

"ARTICLE —

"SECTION 1. Each State shall provide for its people equitable representation in its legislature. The districts established from time to time within each State for the selection of members of its legislature shall be composed of nearly as possible of contiguous and compact territory. Representation in the legislature shall be allocated among such districts substantially in proportion to their respective populations. Each State shall provide for the reapportionment of representation in its legislature upon the adoption of this article as a part of the Constitution and upon the announcement of the results of each decennial census of the United States.

"SEC. 2. The Congress shall have power to prescribe by legislation the manner by which the several States shall provide for compliance with this article and the standards therefor.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in three-fourths of the States within five years from the date of its submission to the States by the Congress."

S. 3781

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) whenever a proposal to amend the Constitution is adopted by the Congress, and such proposal specifies that ratification thereof shall be accomplished by conventions in the several States, the convention called in each State to consider the ratification of the proposed amendment shall be composed of delegates elected at large by the people of that State. Unless other dates are specified by the Congress, delegates to that convention shall be elected at the next general election conducted within that State for the election of Members of the United States House of Representatives. The delegates so elected within any State shall meet in convention on the twenty-eighth day following their election, and shall continue in session until the proposed constitutional amendment has been ratified or rejected by the convention with the concurrence of a majority of the total number of delegates elected.

(b) Except as provided by this section, delegates to each convention shall be elected, and the convention shall be conducted in each State, in accordance with law in effect within that State.

S. 3782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Legislative Representation Act".

REQUIREMENT FOR EQUITABLE STATE LEGISLATIVE REPRESENTATION

SEC. 2. (a) Upon (1) the effective date of this Act and (2) the date of the announcement of the results of each decennial census of the United States occurring after the effective date of this Act, each State shall determine whether the representation of its people in its legislature conforms to the requirements imposed by the Constitution of the United States and by this Act.

(b) The legislative representation of the people of any State in its legislature shall be deemed inequitable if the legislative representation of any district of that State from which one or more members of any house of the legislature thereof are chosen, as defined by subsection (c), exceeds by more than 50 per centum the legislative representation of any other such district of that State in that house. If the legislative representation of the people of any State in its legislature is inequitable, such State shall reestablish the territorial limits of its election districts and reapportion the legislative representation of those districts in such manner that no such district will have legislative representation in any house of its legislature which exceeds by more than 50 per centum the representation of any such district in that house.

(c) For the purposes of this section, the legislative representation of any such district in any house of the legislature of any State shall be a fraction the numerator of which is the number of members which that district is entitled to elect to that house, and the denominator of which is a number equal to the population of that district as disclosed by the most recent decennial census of the United States.

EXECUTIVE ACTION FOR COMPLIANCE

SEC. 3. (a) If—

(1) any State fails to take effective action through processes established by State law, within a period of two years after any of the dates described in subsection 2(a), to place the legislative representation of the people of that State in compliance with the requirements of section 2; or

(2) any action so taken for that purpose within that period is held by the highest court of that State (or by any other court of that State pursuant to the order or mandate of the highest court of that State) to be invalid,

it shall be the duty of the Governor of that State to establish a board composed of citizens of that State which, within ninety days after its establishment, shall transmit to the Governor a report which shall include its plan for action to be taken under subsection (b) to place the legislative representation of the people of such State in compliance with the requirements of section 2. In appointing members of the board the Governor shall provide equitable representation thereon for the several geographical regions of the State, the major political parties of the State, and the legislature of the State through its leaders. The chief election officer of the State shall serve as secretary of the board.

(b) Within one hundred and twenty days after the establishment of any such board within any State, the Governor thereof shall prescribe by executive order such changes in the territorial limits of the election districts of that State and in the legislative representation thereof in its legislature as he shall determine to be required to bring the legislative representation of the people of that State into compliance with the requirements of section 2. Upon the promulgation of any such order, the Governor shall publish within the State the text of the report submitted to him by the board established under subsection (a) and a statement of his reasons for any change made by him in the plan prepared by the board.

JUDICIAL ACTION FOR COMPLIANCE

SEC. 4. (a) If action has not been taken by the legislature or by the Governor of any State, within three years after any of the dates described in subsection 2(a), to bring the legislative representation of the people of that State into compliance with the requirements of section 2, the highest court of that State, upon the institution of suit therein by any citizen of that State, shall determine whether such legislative representation then complies with the requirements of section 2.

(b) Whenever action has been taken by the legislature or by the Governor of any State to bring the legislative representation of the people of that State into compliance with the requirements of section 2, the highest court of that State, upon the institution of suit therein by any citizen of that State, shall determine whether the action so taken

does bring such legislative representation into compliance with the requirements of section 2.

(c) If the highest court of any State determines in any such suit that the legislative representation of the people of such State has not been brought into compliance with the requirements of section 2, it shall by writ of mandamus or other appropriate order direct the Governor of that State to take such action as the court shall determine to be required to place such legislative representation in compliance with those requirements.

(d) The highest court of any State shall have jurisdiction to hear and determine any suit instituted under this section. No such suit may be instituted in any State unless it is supported by a petition signed by at least one-half of one per centum of the qualified voters of that State.

EFFECT AND TIME OF APPLICATION OF ORDERS FOR COMPLIANCE

SEC. 5. Any executive order promulgated by the Governor of a State in compliance with section 3 or section 4 of this Act shall—

(a) have the force and effect of law within that State, subject only to modification by final order of a court of competent jurisdiction; and

(b) take effect with respect to the election of members of any house of the legislature of that State on the date of the first general election conducted in that State for the election of members of that house which follows the date of promulgation of that executive order.

EFFECTIVE DATE

SEC. 6. This Act shall take effect on the date on which an amendment to the Constitution of the United States requiring the several States to provide for their people equitable representation in their legislatures shall have been adopted through the ratification thereof by three-fourths of the States.

Mr. CLARK. Mr. President, the problem I have just discussed is real, and the need for a remedy is clear. Let us abandon the myths and shibboleths which for so long have discouraged necessary action. All of us embrace the principles of political equality and majority rule; yet we grant to some, preferred political rights; and we ignore in practice the principles to which we subscribe in theory. We fail to realize that when principles and reality part company, the result is frustration, stalemate, disillusionment, and cynicism. The price we pay for inaction is one that no society can afford. Misrepresentative legislatures should not—indeed, cannot—be tolerated in a democracy.

In conclusion, Mr. President, I ask unanimous consent that there be included in the RECORD a series of articles by Mr. George B. Merry, which appeared in the Christian Science Monitor on October 2, 6, 9, 13, and 16, 1958, and an article by Mr. Richard Strout, which appeared in the November 1959 issue of Harper's magazine.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

MINORITY RULE: CHALLENGE TO DEMOCRACY

(By George B. Merry)

Every year fewer and fewer Americans are exerting more and more influence on their State governments. While skyrocketing State budgets and soaring taxes grab much of the spotlight, unequal legislative representation lurks in the shadows as a constant threat to good government.

Contrary to what might be expected, the problem is not one of political apathy, where voters fail to register or, having done so, do not go to the polls; it is the wide disparity in population represented by various legislators within the same State.

Most citizens are unaware of this situation.

The principle of political equality—one man, one vote—is guaranteed in the Federal Constitution. But the correlative democratic ideal that all citizens have nearly the same political weight—one vote, one value—many people take for granted, but this ideal does not necessarily hold true. In fact, it seldom does.

Today, majority rule through elected State legislatures is nearly as scarce as dinosaurs or three dollar bills.

All 97 State legislative branches are weighted in such a way that a minority of the citizens ranging from 9.59 percent, in the case of the Connecticut House of Representatives, to 48.76 percent, in the case of the Massachusetts Senate, can elect a majority of the legislators.

Nationally, 51,584,504 or only 34.2 percent of the 150,697,361 population of the United States, according to the 1950 Federal Census, live in districts which can elect a majority of the senators to each State legislature.

At the same time, 54,175,636, or only 35.9 percent of the Nation's population, reside in areas from which more than half the membership of each of the State houses of representatives can be elected.

RURAL OVERREPRESENTATION

For the most part, rural areas are overrepresented, while cities and surrounding metropolitan sections are underrepresented.

Legislative malapportionment, as this is commonly called, can stem from several causes. Perhaps the most common of these are:

1. Legislative failure to reapportion its seats at frequent intervals in accordance with provisions in the State constitution or election laws. Courts are usually reluctant to enforce such mandates.

2. Outmoded or unrealistic apportionment formulas which fail to take into consideration major population shifts.

3. Gerrymandering, a districting device by which various interests can achieve or retain control of the State legislature.

Only 50, or about half, of the State legislative branches have undergone any sort of a change in apportionment during the past 10 years.

With few exceptions, however, the distribution of representation was altered only slightly.

On the other hand, at least 27 legislative chambers have not been touched for more than a quarter of a century. In fact, some present-day apportionments and legislative districts—Alabama, senate and house; Connecticut, house; Delaware, senate and house; Maryland, senate; New Jersey, senate; South Carolina, senate; Tennessee, senate and house; and Vermont, house—are over 50 years old.

In most of these legislatures, representation is based on specific geographical areas rather than population. This gives rural areas, which have consistently grown less populous since the turn of the century, a big advantage over cities and metropolitan regions, now holding much of the Nation's swelling population.

In 1900 at least 60 percent of all Americans lived on farms or in small rural communities, and less than 40 percent of the people made their homes in urban areas. Today, about 70 percent of the people are city or suburban dwellers and the rural population has shrunk to around 30 percent.

Thus every citizen who moves from farm to factory or office usually helps add to the underrepresentation of his new community and boosts the overrepresentation in the area from whence he came.

GEORGIA CONTRASTS

Perhaps the most widely publicized contrast of overrepresentation and underrepresentation is in Georgia where Fulton County (Atlanta, population 473,572) has one State senator, the same as a rural district comprising three counties with a combined population of only 16,237.

Under this system the Atlanta senator represents 29 people for every person represented by his colleague from the three sparsely populated counties. Georgia's other large cities are also vastly underrepresented while rural districts are alarmingly overrepresented.

And the situation in the Peach State house of representatives is similar. Fulton County is given three legislators—each representing approximately 157,857 citizens. Rural Echols County, in the southern part of the State, has one representative for its 2,494 inhabitants. Under this arrangement 63 Fulton County voters equal one Echols County citizen.

As a result of this imbalance in favor of rural districts, only 26.9 percent of the Georgia population elect a majority of the State senators and 26.3 percent actually choose more than half of the State representatives.

Situations similar to these are widespread in at least one legislative branch in most States. In fact, in 43 of the 97 legislative chambers—23 senates and 20 houses of representatives—a majority of membership is elected from districts with a combined population of less than 35 percent of the State's total.

Unless present population trends are reversed or the bases of apportionment currently employed by most States are modernized, even greater unequal representation seems likely. And, State legislatures are responsible for the apportionment of congressional districts. Small wonder there are often great disparities within most States in the size of districts from which members of the lower branch of Congress are elected.

Actually, rural dominance of State legislatures is nothing new, but the situation is rapidly worsening. With few exceptions, rural areas contribute a smaller proportion of State taxes but hold the balance of power in determining how the money is to be spent.

COLONIAL ATTITUDE

Rural legislatures are often reluctant to give cities more authority and are frequently unsympathetic to the urban point of view.

This attitude dates from colonial times, when representation was apportioned to localities on an equal basis regardless of their size or importance, instead of along population lines.

During the 19th century the idea of political equality gained strength. When new States were added and the constitutions of older ones were overhauled, population rather than area became the basis of apportionment.

As cities began to mushroom and spill out over the countryside during the late 19th century, not a few States inserted provisions in their constitutions restricting the number of legislators, in either or both houses, to which any area is entitled regardless of its population.

Growing cities were quite generally looked on with suspicion and distrust, and, rather than relinquish a larger share of the legislative reins to "city slickers," rurally dominated legislatures found it politically expedient to leave things as they were and disregard their constitutional mandates to reapportion periodically.

In all but three States—Delaware, Maryland, and Montana—the State constitutions provide that one or both legislative branches should be reapportioned at regular intervals, usually after each Federal decennial census.

Other legislative branches where apportionment is frozen by the State constitution include—Arizona, Senate; Connecticut, House; Illinois, Senate; Michigan, Senate; Nevada, Senate; New Hampshire, Senate; New Jersey, Senate; South Carolina, Senate; Vermont, House; and Idaho, Senate.

Contrary to what might be expected, frequent reapportionments do not necessarily result in fair and improved representation any more than changing jobs has to result in a raise. Sometimes, exactly the opposite thing happens with even greater imbalance resulting.

For example, the Florida Senate has been reapportioned twice in the past 25 years but in spite of this the percentage of population electing over half the senators has shrunk from a poor 26.1 percent in 1935 to a worse 17.6 percent today.

The Missouri House has been reapportioned twice in the past 20 years. During this time the population electing a majority of State representatives has dipped from 29.4 percent to a less democratic 23.7.

As indicated earlier, there are two distinct patterns—area and population—by which most legislative houses are apportioned. It is not uncommon, however, for a combination of these systems to be used in fixing representation.

It is interesting to note that only 12 States—Colorado, Indiana, Massachusetts, Minnesota, New York, North Dakota, Oregon, South Dakota, Tennessee, Virginia, Washington, and Wisconsin—have both houses apportioned strictly along population or qualified voter lines.

Population is also the basis for apportionment in Nebraska.

It should be added, however, that six of the above States have not made the slightest changes in the distribution of legislative seats for more than a decade, and one of them—Tennessee—has not had a real reapportionment for more than 50 years despite population shifts.

Two States—Delaware and Mississippi—base representation in both legislative branches according to specific areas set up more than 40 years ago.

MIXTURE REQUIRED

The remaining 34 States now require a mixture or combination of population and area representation. It is not uncommon for one branch of the legislature to be based on population and the other one reflecting areas such as counties or districts.

Of the 17 most representative State senates all but 3 are apportioned strictly on population. At the other end of the pole, 9 of the 12 so-called least representative senates are apportioned according to specific areas without population considerations.

Meanwhile, 8 of the 11 most representative State houses of representatives are apportioned solely according to population. Nine of the ten least representative houses utilize area as the exclusive or principal base.

But even when legislative seats are allotted according to population there is no guarantee that equal representation and majority rule will follow. In not a few States, including California, the counties are used as the basic unit of representation. Under this arrangement county lines cannot be crossed and each county is given its quota of representation according to its total population.

This has resulted in Imperial County with only 62,975 inhabitants, being allowed one full representative in the lower house of the California legislature. At the same time San Joaquin County, population 200,750, has the same representation. And the average representative from Los Angeles County speaks for 134,022 people.

Thus one vote in Imperial County equals two votes in Los Angeles County and three votes in San Joaquin County.

In some States two or more counties are often grouped to make up legislative districts from which representatives or senators are elected, the only requirements being that districts be as nearly equal in population and the counties so grouped be contiguous and compact.

These latter provisions are designed to prevent gerrymandering—the system of districting where special interest groups within the legislature or one of the political parties seeks to gain permanent control of one or both houses. By arranging the districts in a certain way, it is often possible to form enough so-called safe districts from which candidates sympathetic to the gerrymandering group's point of view can be elected.

The name "gerrymandering" dates from 1812 when Gov. Elbridge Gerry, of Massachusetts planned, or at least sponsored, a notoriously partisan redistricting plan in his State. One of the resulting districts had the shape of a lizard and one observer likened it to a salamander.

This practice, however, goes back much further than the Gerry administration and it is often a real obstacle to fair districting.

Modern-day gerrymanderers are often so clever in their districting schemes that the population balance is not upset. What appears to be an especially representative legislature may not work out that way.

INEQUITIES EXPOSED IN STATE VOTING SCALES—RURAL BALLOT WEIGHS MOST

(By George B. Merry)

If you belonged to an organization where the votes of certain members counted more than yours, just because they lived on the opposite side of Main Street, you would demand equal rights and fight vigorously for more democratic procedures.

Yet within a few weeks, perhaps right in your own State, an unrepresentative legislature, some of whose members you helped elect through a similar inequitable arrangement, will be passing laws vital to you, your community, and your pocketbook.

For the most part cities and surrounding metropolitan areas are underrepresented and farm districts and other rural regions are overrepresentated in both houses of nearly all State legislatures.

And if present population trends continue, greater injustices can be expected unless the democratic principle of political equality can be reestablished.

DANGER SPOTLIGHTED

So far in the 20th century there has been a growing disregard of the basic ideal that all votes have equal value. In most States legislatures are their own exclusive apportioning agencies, and there has been great reluctance to make changes which might upset the prevailing political equilibrium.

When changes have been made, the emphasis has been in favor of area representation, with little concern for the more populous places.

There is considerable evidence, as brought out in 1955 in the report of the President's Commission on Intergovernmental Relations, that "if States do not give cities their rightful allocation of seats in the legislature, the tendency will be toward direct Federal-municipal dealings.

"One result of State neglect of the reapportionment problem is that urban governments have bypassed the State and made direct cooperatives arrangements with the National Government in such fields as housing and urban developments.

"Although necessary in some cases, the multiplication of national-local relationships tends to weaken the State's proper control over its own policies and its authority over its own political subdivisions.

"The Commission has come to the conclusion that the more the role of States in our system is emphasized, the more important it is that the State legislatures be reasonably representatives of all the people."

The Commission, headed by Meyer Kestnbaum, pointed out that States have the responsibility of making sure that representation in their legislatures is "on a fair and equitable basis."

Now, after a 3-year evaluation of the Kestnbaum findings, the House Committee on Government Operations has once more spotlighted the need for improved representation in State legislatures. It reported:

"To a considerable extent the growth of Federal activities has taken place because the States by constitutional and statutory means have restricted their own powers and those of their subdivisions. In many States the populous urban centers have not been given adequate authority to enable them to solve pressing local problems.

"In addition, they are often denied fair representation in State legislative bodies."

Underrepresentation of cities in Connecticut, Rhode Island, and Vermont is well known, but similar situations in other States are less familiar.

RURAL AREAS HOLD EDGE

As a result of legislative imbalance, often in both houses, cities and metropolitan areas paying more than 90 percent of the taxes cannot depend on equal or favorable treatment from the legislatures.

Rural overrepresentation is quite common in many State senates, including Alabama, Arizona, California, Delaware, Florida, Georgia, Iowa, Idaho, Maryland, Montana, Nevada, New Jersey, New Mexico, Rhode Island, South Carolina, Texas, Utah, Vermont, and Wyoming, where representation is often based on counties.

In fact, 15 State constitutions specifically guarantee at least one senator a county regardless of population.

California restricts each county to one senator. At the same time, the number of smaller counties which can comprise a senate district are limited to three.

Under these provisions three counties in northern California with a combined population of 14,014 elect one senator and populous Los Angeles County with 4,151,687 inhabitants and San Francisco County with a population of 775,357, are each entitled also to one senator.

This means that every vote cast for State senator in the three small counties is equal to 296 Los Angeles County votes and to 55 votes in San Francisco County.

Meanwhile, in New Jersey, eight urban counties have four-fifths of the State's total population but are entitled to only eight State senators, while the 13 smaller counties, with only one-fifth of the people, are entitled to 13 senators.

CHICAGO PERCENTAGE CITED

In Illinois, the city of Chicago, with a population of 3,620,962—about 42 percent of the State total—has only 18 out of the 58 State senators, or only 31 percent of the total. At the same time the so-called downstate districts outside Cook County, with a combined population of 4,203,384, 48 percent of the State total, have nearly 59 percent of the State senate seats.

Similarly, a senator from Bronx County in New York, a part of New York City, represents 344,547 persons, while one of his colleagues at Albany, representing Essex, Warren, and Saratoga Counties, has only 146,666 constituents. The latter speaks for less than half as many citizens as the Bronx senator, but can cancel out his vote.

Interestingly enough, the average New York City senate district has 298,000 citizens compared with an average of 196,000 in all other parts of the State except Erie County (Buffalo) where it is 293,000.

In Ohio the largest single-member senate district is Lucas County, including Toledo, with a population of 395,551. Hamilton County (Cincinnati) has an average population of 241,317 a senator, and populous Cuyahoga County (Cleveland) averages 231,588 persons a senator. Contrasted with this, the smallest Ohio senatorial district, made up of five counties and parts of two others, has a population of 163,335, less than one-third the total of the largest district.

BIG CITIES FARE POORLY

Other senatorial apportionment inequities are Harris County, Tex. (Houston), whose population, 806,701, equals 7 rural counties, population 136,756 in voting power; Dade County, Fla. (Miami), population 495,084, equals rural Jefferson County, population 10,413; and Baltimore County, Md., population 269,362, equals rural Calvert County, population 12,272.

Urban underrepresentation is just as alarming in so-called rural States. Polk County, Iowa (Des Moines), population 226,010, has the same senate representation as 2 rural counties with a total of 21,173 inhabitants.

In the lower legislative chambers population is usually a more important factor, but again most urban areas are shortchanged.

Wayne County, Mich., including Detroit, has 40 percent of the State's population but only 27 percent of the representation.

Other glaring discrepancies in apportionment can be found in Connecticut, where Hartford, population 177,397, has 2 representatives—the same as the tiny town of Union, population 261; and in New York, where an assemblyman from rural Schuyler County, population 14,066, has the same "weight" as a colleague from Onondaga County (Syracuse), population 167,226; and in many other States.

Although the comparisons cited are extremes within the various States, it is interesting to contrast the voting strengths. In Connecticut, 1 vote equals 681, and in New York 1 equals 12—strange arithmetic any way you look at it.

RURAL-URBAN IMBALANCE AIRED IN LEGISLATURES

(By George B. Merry)

Even though urban areas are usually shortchanged in the allotment of legislative seats while rural representation remains almost untouchable, the real conflict is not always between farmers and city dwellers.

Not infrequently individual political parties or special-interest groups find a legislative system based upon an unequal distribution of popular strength has special advantages. They make the most of the urban-rural difference lest someone upset their applecart.

For instance, overrepresentation in the farm areas puts organized agricultural groups in an especially powerful position at the State legislature. At the same time various urban interests such as labor unions are kept in an unfavorable position because rural legislatures are often unsympathetic to their point of view.

LOS ANGELES TEST CITED

Legislative imbalance, however, does have some advantages for some urban interests. Some business interests defend unequal representation in their own communities. They find greater support for their point of view among the smalltown lawyers and businessmen who usually comprise much of the rural legislative bloc.

In 1948 the Los Angeles Chamber of Commerce opposed a constitutional initiative designed to correct urban underrepresentation in the State senate. Despite the fact that its provisions would have increased from 1 to 10 the number of senators from Los Angeles County, it failed to carry even the urban counties.

In some States individual political parties support or at least ignore legislative imbalance, especially when it works in their favor and reapportionment might result in losing representation, if not control, of one or both houses.

STATES COMPARED

For the most part the Republican Party has the most at stake in maintaining the status quo. In many States in the North and West the GOP has its greatest strength in rural areas, whereas the Democratic Party is most potent in cities and suburban areas.

In some border States, notably Delaware, Kentucky, Oklahoma, and Maryland, Republican support is weaker in rural areas than in more populous regions.

In Maryland, for example, the Governor, both U.S. Senators, and most other statewide-elected officials are Republicans, yet the Democrats control both houses of the legislature with a 21 to 8 advantage over the GOP in the senate, and a 98 to 25 majority in the house.

Rhode Island presents a somewhat opposite picture. Legislative imbalance here gives the Republicans a 25 to 19 majority in the Senate, while the Democrats enjoy a 63 to 36 advantage in the lower house and hold all statewide elective offices.

Both Michigan legislative branches are GOP controlled even though the Governor, one U.S. Senator, and most other statewide officers are Democrats.

If sufficient citizen support is aroused it is usually possible after a prolonged struggle to force some sort of legislative apportionment. All too often, however, there is only a piecemeal approach and unrealistic district boundaries are not appreciably changed, because of political pressures.

Another subtle reapportionment technique is granting more populous counties increased representation in one house by adding additional seats rather than by reducing the size of the rural representation.

In 43 States the legislature has the responsibility of reapportioning the membership of one or both of its branches. The Delaware constitution makes no provision for reapportioning either house while Maryland senate shifts are not provided for and house membership has recently been frozen.

There is considerable debate today as to whether a legislature should be a self-apportioning agency. Because of partisan views and area interests it is seldom that a satisfactory redrawing of districts can be achieved by this process.

UNITED STAND AIRED

Often fair reapportionment means that whole districts are eliminated or reshaped in such a way as to make it difficult for incumbents to win reelection. When the number of seats in an area is reduced, sometimes two or more legislators must compete for the same seat.

Occasionally political parties stand to lose voting strength if apportionment is brought in line with actual population.

It is obvious that neither individual legislators nor political parties are anxious to legislate themselves out of office.

Therefore, when reapportionment is attempted it is seldom accompanied by a wholesale redistricting, the method by which equality usually can best be achieved.

But redistricting can be carried out successfully if individual citizens and civic organizations, business groups, and labor unions band together in support of the plan.

One of the most dramatic success stories on the side of redistricting comes from Wisconsin.

After 30 years without any sort of reapportionment, in 1951 the State legislative council drafted a plan to bring apportionment up to date on a population basis in accordance with the Wisconsin constitution.

INEQUITIES STILL EXIST

Despite vigorous opposition the plan finally was adopted by the legislature, but not until an amendment was tacked on calling for a referendum at the November 1952 election to change the State constitution to base legislative representation on area as well as population.

This referendum was defeated by a majority of 64,000 and the 1951 redistricting plan, based entirely on population, went into effect. Later efforts on the part of rural interests, including legislation designed to give them "a veto," were unsuccessful.

As a result of the redistricting Wisconsin now has one of the most representative legislatures in the United States. What few inequities now exist, due to State constitutional restrictions against breaking county lines, do not, as it happens, work to the disadvantage of cities.

Perhaps even more important than the redistributing itself was the retention of population as the apportionment basis in both houses of the legislature. Much credit for this victory belongs to the League of Women Voters of Wisconsin who, like similar groups in other States, have carried the torch for majority rule and fair representation.

BATTLES WAGED TO REAPPORTION STATE LEGISLATURES—FEDERAL PLAN FOLLOWED—ILLINOIS VICTORY CITED

(By George B. Merry)

After years of comparative calm on the reapportionment front several battles have been waged in recent years against unrepresentative State legislatures.

And, as in most prolonged conflicts, both sides have had their victories and setbacks.

In Illinois, for instance, the legislature was finally reapportioned in 1955, the first time in more than half a century, after a vigorous campaign participated in by the State League of Women Voters, labor groups, and many other organizations.

The Republican-controlled legislature had constantly failed to reapportion in accordance with State constitutional requirements, because downstate GOP regions were sure to lose representation in both houses to heavily Democratic Cook County.

Court rulings through the years stated that the legislature was required to apportion every 10 years but held that they had no power to force action.

Finally after much debate and strong backing by various civic groups an apportionment system was worked out in the form of a compromise State constitutional amendment. The plan was approved by the legislature in 1953 and endorsed by the electorate in November 1954.

POPULATION BASIS

Under the new apportionment setup, house districts are based strictly on population and district lines must be redrawn at time of each reapportionment. Now Chicago, with 42 percent of the State population, has 69 State representatives, 39 percent of the total. Previously, the entire Cook County, including several districts outside Chicago, had 57 representatives, or 37 percent of the total.

The Senate, however, instead of being based on population as it was formerly supposed to be, now represents areas, and no change can be made in Senate districts except by constitutional amendment.

Except for Wisconsin, most of the recently reapportioned State legislatures are to some extent patterned after the so-called Federal plan.

COMPARISON HIT

Under this arrangement it is usually customary to allocate senate seats on an area basis (one member per county), while seats in the lower chamber are apportioned according to population.

Supporters of this setup emphasize that it results in a kind of balance between the rural and urban interests within the State since each faction can legally control one of the houses.

They point out that a similar system on the national level has worked out very well and results in good government with all interests fairly represented.

Opponents of the Federal plan argue that no matter how logical it sounds, comparisons with the Congress are fallacious. The Federal-State relationship is far different from the county-State setup. States are formally recognized in the Federal Constitution and each holds a semiautonomous position within the framework of constitutional government.

Counties or even towns, they point out, have no such autonomous status. Instead, they are simply an administrative instrument created by the State for convenience in operating State government. The State legislatures can create or destroy county boundaries. The Federal Government has no such power, it is pointed out.

It is further argued that people in the more populous regions pay the largest share of State taxes and should have voting power over how their dollars are spent.

Proponents of the plan counter with the old theory that their system protects smaller counties from dominance from the larger ones and from an eventual takeover of city hall by the State.

Despite objections to the so-called Federal plan by certain groups an increasing number of States in recent years have headed in this direction.

Besides Illinois, both New Mexico and Arizona have reapportioned along these lines since 1950. At the same time civic groups in Indiana and Minnesota, where legislative representation has not been changed for more than three decades, appear ready to accept the Federal plan as a compromise.

REAPPORTIONMENT FORCED

Other recent victories in the continuing warfare against legislative inaction on the reapportionment front were scored in Oregon in 1952; Michigan, 1952; Wisconsin, 1951; and Washington, 1956; although the latter one was short lived.

In Oregon and Washington the reapportionment was forced by initiative campaigns. Oregon had not previously shifted legislative representation for 40 years and this function had been neglected in the Evergreen State for 25 years.

Leading the campaign in both States was the League of Women Voters. As might be expected, once the campaign was rolling and the signatures were piling up, other groups climbed on the bandwagon. In Oregon with the support of the Grange, labor unions, and both the Young Republicans and the Young Democrats, the result was an overwhelming victory.

The Washington League of Women Voters almost singlehandedly put over its initiative campaign to redraw legislative districts along more equitable lines. As the first step the league obtained the necessary 50,000 signatures to put the question on the ballot in November 1956. The redistricting plan, considered by most impartial observers an extremely fair one, was approved by the voters.

But it never had a chance. At the 1957 session of the legislature it was drastically revised and some districts were restored to the condition prior to the league's redistricting.

NEW LAW UPHELD

The league vigorously but unsuccessfully sought to block the legislative redistricting law. Finally, last December, the State supreme court upheld the new law on the grounds that it was not a substitute bill but only an amendment to the initiative which is within the powers of the legislature.

Prior to the redistricting controversy 35.44 percent of the population could elect a majority of the senators and 33.87 a majority of the representatives. Now the percentages are 40.38, senate, and 43.39 house. Had the league plan held, it would have taken about 47 percent of the people to elect a majority in each house.

Earlier this year a proposed constitutional amendment favoring rural areas was defeated in Virginia. It called for a shift from the present population basis for allocating legislative seats to a system giving equal weight to both area and population.

The amendment was turned down only after a vigorous battle highlighted by a lengthy filibuster by Representative Harrison Mann, a member of the house of delegates from Arlington, just across the Potomac River from the Nation's Capital.

Indiana, Colorado, Ohio, Rhode Island, and Louisiana are other States where reapportionment hopes are being kept alive by Leagues of Women Voters, civic groups, or labor unions. But immediate action is unlikely for a variety of reasons.

In Indiana there is considerable support from the league and other groups for a wholesale reapportionment, the first since 1921. Several apportionment bills in the legislature last year lost out. Now, due to a constitutional technicality, it will not be possible to consider an amendment on this subject until 1961.

Apportionment of seats in both houses of State legislatures on a population basis is not a new idea at all.

One of the early and most vigorous champions of equal representation for all citizens, was Thomas Jefferson. He openly criticized the unequal distribution of legislative seats in his State of Virginia.

Instead of the so-called area representation setup, so prevalent in the early days of our Nation, he proposed that "the number of delegates * * * each county may send (to the legislature) shall be in proportion to the number of its qualified electors."

Today, 23, or nearly half of the 49 State senates are apportioned on the basis of population or qualified voters. Twelve senates have area as the sole basis of representation. Thirteen States employ a combination of the two systems, with population often emphasized but with some restrictions and special area representation requirements such as: at least one senator for each county or no more than three senators per county.

In addition, one State—New Hampshire—apportions senators according to districts determined by the amount of direct State taxes paid.

Meanwhile 18 of the 48 lower State legislative houses have population or qualified voters as the exclusive basis of apportionment. Four States utilize the area system. The remaining 26 employ a combination of the two procedures with population emphasized in all but three. Nebraska with a single branch or unicameral legislature, does not have a State house of representatives.

MORE STATES FACE UP TO REAPPORTIONMENT RESPONSIBILITIES—MINNESOTA WATCHED

(By George B. Merry)

After 45 years of inaction it now appears that the Minnesota State Legislature finally will be reapportioned early in 1959.

Repeated efforts to shift legislative representation to keep pace with population trends consistently have met with failure, but a recent ruling by a three-judge Federal court is expected to spur the Gopher State legislature into action.

The outcome of this legal battle is important not only for the voters of Minnesota but also for citizens of many other fair-apportionment-starved States which through the years have found little relief from State courts.

The plaintiffs in the Minnesota suit were a group of taxpayers from four of the State's most populous counties. They argued that as voters in substantially underrepresented legislative districts their rights under the equal-protection clause of the 14th amendment to the Federal Constitution were being denied.

Although the Federal tribunal did not invalidate the 1913 State legislative apportionments under which elections are still held, it did rule that "this court has jurisdiction of this action because of the Federal constitutional issue asserted."

COURT DEFERS DECISIONS

But instead of taking immediate action the court decided to "defer decisions on all the issues presented (including that of the power of the court to grant relief) in order to afford the legislature full opportunity to heed the constitutional mandate to redistrict," in its 1959 session beginning in January.

Should the legislature fail to act, Federal intervention is implied. This has not been the only action on the Minnesota apportionment front.

A special commission to study legislative apportionment and make recommendations to assure fairer representation, appointed by Gov. Orville Freeman, has been grappling with this knotty problem for several months.

Serving as cochairman of this committee is Mrs. Stanley D. Kane, a prominent leader in the League of Women Voters' reapportionment campaign.

OKLAHOMA PETITION SLATED

Meanwhile, in Oklahoma the League of Women Voters is readying itself for an all-out statewide drive to procure 90,000 signatures of an initiative petition to be circulated after this fall's election. If approved, this amendment would provide for mandatory enforcement of constitutional reapportionment requirements.

In the event of legislative failure to reapportion, a commission comprised of the State treasurer, attorney general, and secretary of state would do the job.

The amendment is deemed necessary to assure an equitable distribution of Sooner State legislative seats in accordance with the constitution. Under present conditions, no senate apportionment on a statewide basis has been achieved since statehood.

SURFACE VIEW CITED

The house has realloted seats at periodic intervals, but in recent apportionments has strayed from the all-population basis spelled out in the constitution. Instead, each county now is given one representative despite differing legal provisions.

On the surface, it might seem unnecessary to establish a special apportioning agency to act in the event the legislature fails to fulfill its constitutional obligation to provide fair representation to all citizens.

But when legislatures ignore this mandate year after year the courts seldom can be counted on to force action. In many States they have held that they lack jurisdiction to compel apportionment, since it is a legislative prerogative.

MINNESOTA RULINGS NOTED

In one State—Illinois—the courts held that to act on this problem would be a violation of the separation-of-powers doctrine long cherished as an integral part of American democracy.

Twice the Minnesota supreme court has ruled on this question but in both instances it was decided that the State constitution imposes "a duty of reapportionment, and that the duty so imposed continues until performed." The State courts thus have refused to force legislative action. Now the Federal courts have been brought into the continuing controversy.

State courts quite generally hold that reapportionment is a political rather than a judicial question unless granted specific authority by the State constitution.

However, in some State-apportionment provisions courts are brought directly into the picture with such clarity that they cannot fail to act. For instance, in Arkansas the work of the board of apportionment, comprised of the Governor, secretary of state, and attorney general, is subject to review by the State supreme court.

And legislative apportionment in New York and Oregon also is subject to judicial review.

OTHER STATES VIEWED

Arkansas is not the only State where the allocation of legislative seats is no longer a function of the traditional lawmaking bodies. Districting of house seats in Arizona is handled by the county commissioners. Both Ohio houses are apportioned by the Governor, auditor, and secretary of state, with strict constitutional limitations.

Missouri house seats are apportioned among the counties by the secretary of state, and senate representation is determined by a 12-member bipartisan commission appointed by the Governor.

Alaska provides for regular, automatic reapportionments by the Governor with the advice of a board representing each of the four major geographical areas, and subject to review by the courts.

ALASKA HELD REPRESENTATIVE

It is interesting to note that the new Alaska State Legislature, which takes office in January, will be one of the most representative in the Nation.

Six additional States—California, Illinois, Michigan (house only), Oregon, South Dakota, and Texas—provide for special commissions to handle reapportionment in the event of legislative inaction.

All States which do not depend entirely on usually slow-moving legislative machinery have been reapportioned within the past decade. And there now is considerable interest in other States to change constitutions to give nonlegislative groups primary or at least secondary authority to carry out periodic apportionments.

CRITICS' CASE STATED

Critics of this arrangement contend that partisan statewide or county officers are no more qualified to work out equitable representation than are the legislators. "No apportionment is better than malapportionment" is their motto.

One suggestion, in the event of legislative inaction, has been offered by Richard S. Childs, chairman of the executive committee of the National Municipal League and the father of the city-manager plan.

It calls for a nine-member apportionment commission comprised of three members, not all of the same party, chosen by the chief justice of the highest State court; three members agreed upon by the elective officers of the largest cities; and three members chosen by the governing boards of the least-populous counties.

THE NEXT ELECTION IS ALREADY RIGGED

(By Richard Lee Strout)

(Why a fair ballot has become impossible in most States, how one farmer often outvotes 500 city dwellers, and why our politicians refuse to fix the political breakdown which is crippling local governments.)

Consider, my friends, the case of Louis Cahoon. He represents the town of Victory in the Vermont Legislature. He also is the father of eight—four sons, four daughters—and a solid citizen. Formerly he was selectman and justice of the peace. Now he is a lister—the Vermont term for "appraiser"—tax collector, and constable. If you live in Victory, he can set your tax, send you the bill, and arrest you if you don't pay it.

If you are driving through Vermont, you may have a little trouble finding Victory. Before you get there, the powerline stops and the telephone stops, and the macadam gives out. Mr. and Mrs. Cahoon read by kerosene lamps. So do the 47 other inhabitants of Victory. But they have their own representative in the State legislature because Vermont gave each town a seat in the lower house in 1793—and hasn't changed the rules since.

When Mr. Cahoon is serving as a legislator, he sits not far from Joseph Moore, who represents the thriving city of Burlington. Its population is 33,000. Since Vermont is still operating under a system of apportionment set up 166 years ago, Victory and Burlington have equal representation. That means that one rural vote is equal to some 600 city votes. The people of Burlington are not merely second-class citizens, politically speaking, they are the poor relations of Mr. Cahoon and his Victorian neighbors. As everyone knows, the farmers run Vermont—and under this setup, it is easy to see how.

But Vermont, after all, is a notoriously conservative State. All over the country Americans are leaving the farms for the cities, taking with them their fond folk memories of country life. How fortunate for all of us, they are probably thinking, that Vermont, at least, keeps alive the quaint old custom of equating a tiny village with a thriving city.

So, by way of contrast, let's see how they do things in progressive, up-to-date California. A fairly typical California politician is Charles Brown. He runs the general store at Shoshone and serves as the representative in the State senate of the 14,014 residents of three cow counties—Inyo, Mono, and Alpine.

And there is Dick Richards, a prominent young lawyer with political aspirations. He sits in the senate, too, representing the 38th district. The 38th—oh, that's the county of Los Angeles. It has a population of 4,151,687. It gets one senator, just like Inyo, Mono, and Alpine. One rural vote here is worth 300 city votes—not quite as bad as Vermont, but hardly what we think of as democracy where every man's vote is supposed to be as good as any other's.

DISFRANCHISED AND SHORTCHANGED

This kind of political deck stacking is not confined to the coasts. It is common all through the country, and it is distorting the whole political process. It is growing worse, as more and more people move to the cities. It has given the farmers vastly more than their fair share of political power. (A fact which helps explain why our ridiculous and costly scheme of farm subsidies can persist so long.) It has spread to the National House of Representatives, where farm areas now have from 20 to 30 more seats than their population entitles them to.

So long as we permit it to go uncured, this warping of our political system throws the fairness of every election in doubt. It rigs the results of the voting far more effectively than all the ballot stuffing and bribery which went on in the bad old days of machine politics.

The most astonishing thing about it is that the cities do not revolt. What prevents them?—that is the mystery. Maybe the answer is that most city people simply don't know how badly they are being cheated.

The U.S. census next year will show 7 out of every 10 Americans living in urban areas—but the balance of political power still rests with the country districts and the small towns. In Kansas, for example, one-third of the population—the most rural part—can elect a majority of the State senate. In Maryland it is 16 percent. In Rhode Island it is 14 percent. Indiana has six counties which contain almost half of its population—yet get only a third of the seats in both houses. Michigan's voters are concentrated largely in Detroit and its suburbs, which means that two-fifths of them live in Wayne County; but they can elect only one-fifth of the State senate. This fact underlies most of the State's recent financial troubles. The upstate farmers with their bagful of representatives simply aren't willing to vote the tax money which the urban majority thinks it needs to run a modern community.

A similar situation is building up in Florida as it becomes increasingly urbanized. Two-thirds of its people live in nine counties; they can elect less than a quarter of the legislature.

Nearly every State constitution begins with a sonorous statement of the basic rule of democracy—one man equals one vote—and goes on to direct regular reapportionment of the legislative seats at stated intervals. But the record shows a disgraceful disregard of these constitutional directives. Only 16 States actually carried out their reallocation of seats and legislative redistricting on the last two occasions when they were required to do so by their own constitutions. And in some of these States the adjustments were minor. For example, the Illinois Legislature simply ignored the reapportionment clause in its constitution from 1901 to 1954, thus setting its people a bland example of lawlessness for half a century. Finally, in 1955, after suffering outrageous underrepresentation in both houses of the legislature for years, Chicago agreed to have this injustice frozen permanently in the senate in exchange for a fair allotments of seats in the lower house.

In much the same way, New York City is hobbled in Albany. Eight million city people elect only 90 members of the assembly, while 7 million upstaters have 118. The hostility that has resulted is one of the deep-seated aspects of Empire State politics.

The city's budget is half a billion dollars larger than New York State's (and larger than any State's in the Union), but its officials must make annual trips to Albany, hat in hand. There the metropolis is treated like a reckless stepchild which can be trusted to levy only certain taxes and only on a short-term basis, and is seldom, if ever, allocated its proportionate share of State revenues.

In Colorado, in the same fashion, the legislature doles out to Denver only $2.3 million a year in school aid for 90,000 children. But adjacent, semirural Jefferson County gets a generous $2.4 million for 18,000 pupils. In Pennsylvania the legislature pays $8 a day for the care of indigent patients to every nonsectarian hospital in the State—except Philadelphia's city-owned General Hospital. The exception costs the city $2.5 million a year.

"I think Philadelphia is even more disliked by our State legislature than New York City by the New York State Legislature," Mayor Richardson Dilworth blurted out at a recent congressional hearing. "Every mayor of a city over half a million has reported the same condition."

Only a political innocent could miss the meaning of this nationwide feud. Outside of the South, the cities are generally Democratic while Republican strength tends to be concentrated in the rural areas. The latter, of course, gain from the imbalance in representation. In New York, Illinois, Michigan, and other important States, the upper cham-

ber of the legislature has been given, virtually in perpetuity, to the Republicans. It has become a rural conservative fortress, a kind of petty House of Lords almost above the swings of majority rule.

What has happened to the normal process of democracy when Gov. Mennen Williams wins popular majorities for six successive terms in Michigan but has never yet won control of the legislature? When New Jersey shifts regularly between the parties in national and gubernatorial elections, but the State senate remains forever Republican? When Adlai Stevenson won the governorship of Illinois by 570,000 in 1948 but faced a Republican senate throughout his term of office? When there has been a Democratic Governor in Albany during 25 years since 1920, but the Republicans have held a majority of the senate in all but 8 of those years and lost control of both chambers in only 1?

BACK-SEAT DRIVERS FROM THE BACKWOODS

Our curious system of misrepresentation has its roots down in the counties which are the home bases of most State lawgivers. (In New England it is the township.) County government is in widespread decay; most counties are headless and disintegrating. This obsolete unit of government supports a variety of strange elective offices such as the sheriff (descended from the English shire-reeve who preserved the shire's peace) and the coroner (a Crown officer around 1194 who kept his eye on the shire-reeve). Today when the proud voter parades to the polling place in a county election, he takes his choice between a couple of seedy undertakers to determine whether there shall be Democratic or Republican autopsies in the next biennium. There are 3,057 counties and they are the dark continent of American government.

However, jobs on the county payroll and county construction contracts and purchases are an important source of nourishment to the rural grassroots of our political parties. State lawgivers are usually picked by the county organization and have a parochial outlook. State legislatures generally meet for only a few months and some convene only every other year. Many of the State assemblymen and senators are first-rate men. But inevitably they look askance at the teeming problems of the exigent cities.

This does not prevent them, however, from being inveterate back-seat drivers. A stop light at the corner of Main and Elm? Let the city fathers first consult State officials. A city tax on cigarettes? St. Paul and Minneapolis won permission for such a levy in 1949 from the State legislature which then appropriated the money for the State budget.

But these are mosquito bites compared to the real problem. In the United States, great supercities are forming, not metropolises but megalopolises. Already, one vast urban region stretching 600 miles from New Hampshire to Washington, D.C., holds a fifth of the country's population. Similar agglomerations will run from Los Angeles to San Diego, from Cleveland to Pittsburgh, and among the cities along the St. Lawrence Seaway—Detroit and Toledo, Chicago and Milwaukee. How can rural lawmakers—men who never rode a subway—deal with the supercities' staggering transportation, industrial, housing, and other social problems? In fact, they don't.

Back in 1953 President Eisenhower was determined to scale down centralized government by returning more functions to the States. So he set up a Commission on Intergovernment Relations headed by one of his special assistants, Mayer Kestnbaum, a much respected business magnate. The Kestnbaum report proclaimed facts which college professors had vainly tried to tell the Nation for years; cities are bringing problems to Washington because State legislatures won't handle them.

"In a majority of the States," said the report, "city dwellers outnumber the citizens of rural areas. Yet in most States the rural voters are overwhelmingly in control of one legislative house and overweighted if not dominant in the other. If the States do not give the cities their rightful allocation of seats in the legislature, the tendency will be toward direct Federal-municipal dealings."

This is why Senator JOSEPH S. CLARK, of Pennsylvania last summer introduced a bill to set up a special Federal commission on metropolitan problems. Such a device might conceivably help the city voter to get a better shake in Washington, but the odds are heavily against them.

As we know, Nevada with 160,000 people has two U.S. Senators, just like New York with its 14.8 million. But the House was to be the "grand depository of the democratic principle" with membership determined proportionately by population. It has not worked out that way. Rurally biased State legislators draw the boundaries of congressional districts and have been most obliging in giving Representatives from the hinterland safe, sparsely populated fiefs. In Texas for instance, SAM RAYBURN'S district has a population of around 200,000 while the State's lone Republican, BRUCE ALGER of Dallas, has nearly three times as many constituents. Republican-dominated South Dakota, on the other hand, splits its two congressional seats so that the Democrat has 494,000 constituents, the Republican 150,000.

Some of the worst inequities result, not from positive acts of injustice but from no action whatever. The controlling faction in the State legislature simply does nothing while population within the States gravitates toward the cities. This is the "silent gerrymander" which has done much to devalue the city dweller's vote. Partisanship is not always a factor. Thus in Ohio the 3d and 15th districts are both Republican, but the 3d, which includes Dayton, has nearly double the population of the semirural 15th. This follows the political rule that Republicans where possible shortchange Democrats, and Democrats where possible shortchange Republicans, and both shortchange city dwellers.

THE URBAN-MINDED SENATE

The irony of our present situation is that the Senate has become more urban-minded than the House, for in most States Senators can't win without city votes. Many Representatives, on the other hand, come from districts that don't even have a large town. After World War II the Senate passed public-housing bills three times before one got through the rural-minded House and became law. Since then the House has repeatedly voted to reduce or eliminate public housing and similar appropriations needed by the cities. Slum clearance, urban renewal, city-health benefits all tend to fare better in the Senate than the House. In both Houses, the seniority system of picking committee chairmen also handicaps city dwellers; Congressmen from one-party districts are bound to outlast urban Representatives who often face fierce competition and must battle every 2 years for the votes of a huge, constantly changing constituency.

Rural overrepresentation involves one more thing—the Constitution. After Congress passes an amendment, it goes for ratification to the State legislatures. How representative is this jury? The fate of the 18th amendment might have been very different if it had been voted on by the people rather than by State legislatures fearful of Wayne B. Wheeler. The 22d amendment limiting the President to two terms (which has lost its glitter for some of its original backers) also had a peculiar charm for conservative rural legislators who chronically mistrust executive power, whether the Governor's or the President's.

Now the Nation faces the 1960 census. The scramble to reshuffle congressional seats will be the biggest in years. States expected to gain seats are: California Seven; Florida, four; Michigan and Texas, two each; Arizona and Hawaii, one each.[1]

Probable losers are: New York and Pennsylvania, three each; Massachusetts and Arkansas, two each, and nine other States, one each.

WHAT MAKES A SAFE DISTRICT?

Up for grabs before the 1960 election is the juicy task of redrawing a couple of hundred congressional districts. Although the census will require the redistribution of only about three dozen seats, most of the other districts in the affected States must—or, at least, should—be remapped. For politicians this is a momentous matter, and all over the country they are laying their plans.

Suppose, for example, that a State which formerly had only seven Congressmen will have eight next year. If the two parties happen to be closely matched, this is a particularly challenging opportunity for the dominant one which runs the State legislature. Subject only to the Governor's veto, it will try to slice up the total population into five or six safe districts for its side and leave its opponents only two or three. It will take care to give itself the sparsely inhabited safe areas and let the other side have the densely populous districts. The same game can be played in reverse if the State's representation is shrunken rather than increased by the census.

Most State legislatures go about redistricting as though they had "some sort of popular mandate directing the victor to monopolize the spoils," writes Dr. Gordon E. Baker, of the University of California, in his pamphlet, "Rural Versus Urban Political Power." In fact, the dominant party can draw any boundaries it thinks the public will stand for without gagging. Few courts will interfere and there are few laws to restrain it.

From 1842 to 1920 a Federal statute did require State legislatures to make congressional districts compact, contiguous, and reasonably equal in population. After the 1920 census, the House and Senate couldn't agree on a new apportionment act. When one finally passed in 1929, it omitted the old fair-apportionment clause, although Congress lacked the effrontery to repeal it expressly. When the matter was brought to the Supreme Court by a Mississippi citizen in 1932, the Court dryly declined to intervene on the grounds that Congress deliberately intended to drop the voters' safeguard. President Truman asked Congress to restore it in a special message in January 1951. Almost certainly our next President, Republican or Democrat, will make the same appeal in January 1961. Will Congress heed? Not if the public reaction is no greater than that given to hearings called by Chairman EMANUEL CELLER, of the House Judiciary Committee. He has been trying to rouse interest in a reform bill, but has stirred hardly a ripple.

Even if Congress fails to act, the oppressed city dweller could—if he chose to do so—bring about some changes. The chief weapons at his disposal are these:

The courts: Until very recently the Supreme Court and State courts generally declined to intervene in redistricting questions. However, a three-judge Federal court in Minnesota, July 10, 1958, required the legislature to obey the State constitution and undertake reapportionment. An encouraging precedent has thus been set.

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[1] Hawaii elected one Representative this fall and will gain another by the census. Alaska will not be affected by the census. Unless new legislation is passed there will be a total of 435 House seats after 1960.

Pressure by civic groups: The League of Women Voters, long an active proponent of reform in several States, is now compiling a nationwide record from data collected by local chapters. Municipal organizations are also awakening to the problem. Many "greenbelt" suburbs (often Republican) are now growing faster than parent cities (usually Democratic). This gives a new, refreshingly bipartisan impetus to the drive for reform.

Initiative: The constitutions of 20 States make it possible to force legislative reforms by circulating petitions among the electorate. Initiative has been used, in recent years, to increase urban representation in four States: Washington, Colorado, Oregon, and Arkansas.

None of these remedies is easy to apply or certain of success. Attempts at reform have been known to backfire for there is a powerful vested interest in preserving malapportionment. Strong groups within the cities themselves which are content with the status quo make common cause with conservative rural lawgivers—they are, perhaps, easier to manipulate than city types.

Consider what happened in California in 1948. A bipartisan group with labor support initiated a petition for reapportionment. There was little doubt as to the need: the 4 million residents of Los Angeles then—as now—had only a single senator in Sacramento.

But the reform was fought tooth and nail by—of all people—the Los Angeles Chamber of Commerce (which had backed reapportionment a few years earlier). Other business groups denounced it and so did the metropolitan press almost without exception. (Less surprisingly, the Farm Bureau and the Grange were opposed.) In a frenzied attack, the petition was called "a labor plot," "a Communist plot," "un-American," an effort by "crackpots" to impose ruinous taxation on "city homeowners and wealth-producing farm areas." The project was overwhelmed; it didn't carry a single county. Even the underrepresented cities voted against it.

All of which brings us back to our original question. How long will 115 million city suckers stay under the green thumb of 57 million country slickers?

Maybe the urban voter needs a psychiatrist. Floating before his inner eye is the image of a trim white farmhouse—a purity symbol. Next door, in his subconscious, is the guilty, haunting memory of ancient American municipal corruption labeled Tammany Hall. The psychiatrist might try to explain why the obsession lingers on, even though the reform of so many city governments is one of the inspiring developments of the past 25 years.

Yet the buttercup myth of rural superiority survives. It sprouts in every American when he goes to school and reads "The Village Blacksmith" and "Snowbound." Along with Jefferson he learns to mistrust men who don't till the soil. And he cherishes the lost simplicity of a Vermont farmhouse with pump, and flakes floating down that are either apple petals or snow. Here is the true American of Longfellow, Whittier, and Robert Frost. A lovely image. The only trouble with it is that it stands between the city dweller and the city's new sewage disposal plant.

Mr. CLARK. Mr. President, at this time I am happy to yield to my good friend, the Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, let me congratulate the Senator from Pennsylvania on his excellent suggestions.

I am curious to know why he believes there is a better opportunity to get the States to ratify the proposed constitutional amendment than there would be to have the States, on their own, undertake to set their houses in order. I realize the difficulty in remedying this situation in the parishes of my State which are overpopulated, or in the counties in the other 49 States.

Mr. CLARK. Including Iberia Parish, where I happen to be a taxpayer, as the Senator from Louisiana well knows.

Mr. LONG of Louisiana. Yes. All those overrepresented counties and parishes hold on to the advantages they have, and are very reluctant to turn them loose.

I know that in Louisiana, for example, the majority of the parishes are overrepresented, on a population basis.

How would the Senator from Pennsylvania expect to get the amendment ratified if the State legislatures are made up in such fashion that they, themselves, would not be willing to approve the amendment?

Mr. CLARK. My answer is that would be done through the convention method, which has been used only once—in connection with ratification of the 21st amendment.

For instance, in my own State, every now and then we elect a Democratic Governor. We have done that three times in the last 25 years—George Earle, in 1934; George Leader, in 1954; and David Lawrence, in 1958. All three of them received popular majorities in the State; but they did not ever control both branches of the State legislature, except for 2 years during George Earle's term, from 1936 to 1938. As a result whenever we have a Democratic Governor, his program is stalemated, because one or the other house of the legislature, being conservative and being dominated by the rural areas, will not permit reapportionment; and the Governor's program simply does not go through.

Actually, we have succeeded, within the limits of our rather obsolete Constitution, in reapportioning control of the lower house, because the State constitution permits that. But the upper house has not been reapportioned since 1920.

I believe that if delegates were appointed to a constitutional convention, and if the delegates were elected at large throughout the State, as was done in connection with repeal of the prohibition amendment, there probably would be two tickets—one ticket in favor of ratification of the amendment, and the other ticket not in favor of ratifying it. But I believe the ticket representing the populous areas which were able to elect the Governor, but were not able to obtain control of the legislature, would prevail, and would be able to ratify the amendment.

Mr. LONG of Louisiana. Then the proposal of the Senator from Pennsylvania is that all the delegates run and be elected at large?

Mr. CLARK. Yes.

Mr. LONG of Louisiana. So that all the voters in the State would vote and would determine who all the delegates would be?

Mr. CLARK. Yes, just as for many years we elected the delegates to the National Convention—although they are now appointed.

Mr. LONG of Louisiana. How many delegates would the Senator from Pennsylvania propose there be in such a convention?

Mr. CLARK. I would leave that for each State to determine. For instance, it seems to me that the smaller States, such as Delaware and Rhode Island, might want a smaller constitutional convention, as compared to the conventions in the larger States, such as California or New York.

Mr. LONG of Louisiana. But the convention would be limited to consideration of the one proposal—namely, the question of ratification of the proposed constitutional amendment; is that correct?

Mr. CLARK. That is correct.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

H.R. 2584. An act for the relief of Gourgen H. Assaturian;

H.R. 2665. An act for the relief of Briccio Garces de Castro;

H.R. 2671. An act for the relief of Antonia Martinez;

H.R. 2823. An act for the relief of Fumie Yoshioka;

H.R. 3122. An act directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm;

H.R. 3291. An act to amend title 10, United States Code, with respect to certain medals;

H.R. 3534. An act for the relief of Epifanio Trupiano;

H.R. 3789. An act for the relief of Preciolita V. Corliss (nee Preciolita Valera);

H.R. 3805. An act for the relief of Religiosa Luigia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone;

H.R. 3923. An act to provide for the presentation of a medal to persons who have served as members of a U.S. expedition to Antarctica;

H.R. 4346. An act to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge;

H.R. 4670. An act for the relief of Karnail Singh Mahal;

H.R. 5569. An act to amend title 10, United States Code, to authorize the award of certain medals within 2 years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed;

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial in the State of Arkansas;

H.R. 7726. An act to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings;

H.R. 7932. An act for the relief of William E. Dulin;

H.R. 7965. An act to amend section 612 of title 38, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans;

H.R. 8212. An act to amend title 10, United States Code, with respect to the procedure

for ordering certain members of the Reserve components to active duty and the requirements for physical examination of members of the Reserve components, and for other purposes;

H.R. 8253. An act for the relief of Pierre R. DeBroux;

H.R. 8740. An act to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas;

H.R. 9142. An act to provide for payment for lands heretofore conveyed to the United States as a basis for lieu selections from the public domain, and for other purposes;

H.R. 9201. An act to validate certain mining claims in California;

H.R. 9541. An act to amend section 109(g) of the Federal Property and Administrative Services Act of 1949;

H.R. 9711. An act for the relief of Robert L. Stoermer;

H.R. 9751. An act for the relief of Mrs. Icile Helen Hinman;

H.R. 10021. An act providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia;

H.R. 10068. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H.R. 11522. An act to amend the act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes;

H.R. 11787. An act to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964;

H.R. 12052. An act to extend the Defense Production Act of 1950, as amended, for an additional 2 years;

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects; and

H.J. Res. 627. Joint resolution to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property.

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to call up and give immediate consideration to H.R. 11001, a bill to provide for the participation of the United States in the International Development Association.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11001) to provide for the participation of the United States in the International Development Association.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill, which was read the second time.

Mr. FULBRIGHT. Mr. President, for parliamentary reasons, the House adopted H.R. 11001, with an amendment, instead of S. 3074, which was passed with an amendment on June 2. With the exception of the respective amendments, the bills approved by the House and the Senate are identical.

The amendment to S. 3074 inserted the words, "except gifts" at several places in the clause in section 5(c) that begins with the words "except that loans". This meant that, without further authorization, U.S.-held excess local currencies could be loaned, but not donated, to the Association by a U.S. agency authorized by law to make loans to international organizations. The amendment to H.R. 11001, on the other hand, places a period at the end of the first clause in section 5(c) and deletes the entire "except" clause. This amendment, therefore, provides that no funds beyond those authorized in the bill may be made available to the Association without authorization by Congress.

Since the House amendment is broader and more conclusive than the one adopted by the Senate, I am certain that it is highly satisfactory to those of my colleagues who voted for the amendment to S. 3047. It is my understanding that H.R. 11001, as amended, is acceptable to the administration and to the original supporters of the International Development Association idea.

Mr. President, I ask that the Senate adopt H.R. 11001.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. CLARK. I should like to commend the Senator from Arkansas and all of his colleagues on the fine job they have done in getting the IDA approved by the Congress and, I hope, by the administration; but I would not want the RECORD to close, and I am sure my friend from Arkansas would not want it to, either, without paying tribute to the magnificent efforts of the distinguished Senator from Oklahoma [Mr. MONRONEY], who first took up this matter when he was a member of the Banking and Currency Committee, who convinced Eugene Black, of the International Bank, that this was a sound measure, who convinced Douglas Dillon, who persuaded John Foster Dulles.

So finally, at the end of a long chain of events, reaching back to his original efforts, we find the measure finally becoming law.

I think the Senator from Oklahoma [Mr. MONRONEY] should be commended by all of his colleagues for his fine work. In saying that, I do not intend to derogate one bit from the fine work done by the chairman of the Foreign Relations Committee.

I wonder if my friend would not feel some regret about the amendment insisted upon by the House.

Mr. FULBRIGHT. I do, but under the exigencies of the situation, I strongly recommend that the bill be passed. The matter which is dealt with in that amendment may be dealt with in a separate bill. As a matter of fact, I think it is already under way. It cannot be passed at this session, but I talked to the Secretary of the Treasury, who also regrets it, and I am sure this is satisfactory with the administration. In view of the problem we had on the floor here, I think it is much the wiser course to pass the bill and then rely upon a separate bill to remedy what needs to be taken care of.

Mr. CLARK. I am quite willing to take the judgment of the Senator from Arkansas, but I wonder if this will mean 1 year's delay in getting the provisions under way.

Mr. FULBRIGHT. No. As a matter of fact, the Secretary feels that if we do not pass this bill, it will delay action. It provides for everything which was proposed except with reference to use of local currencies. The Secretary believes, and I also do, that very little could be done with it until next spring. This bill permits the organization to get under way, get organized, and so forth. I do not believe there will be any substantial delay in the procedure of getting the matter under way.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. DIRKSEN. This bill has our concurrence, certainly, and I am sure it has the concurrence of the Treasury and the administration. The modifications made by the House virtually make moot the sharp differences that were uttered by the Senator from Delaware [Mr. WILLIAMS], the Senator from Vermont [Mr. AIKEN], and other Senators. This bill has been cleared.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 11001) was ordered to a third reading, read the third time, and passed.

ADJUSTMENTS IN ANNUITIES UNDER FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

Mr. FULBRIGHT. Mr. President, I ask the Chair to lay before the Senate the amendment of the House of Representatives to Senate bill 1502.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1502) to provide for adjustments in the annuities under the Foreign Service retirement and disability system, which was, to strike out all after the enacting clause and insert:

That (a) the annuity of each person heretofore or hereafter retired who, on or before July 30, 1962, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund shall be increased by 10 per centum.

(b) The annuity of each widow survivor annuitant who, on or before June 30, 1962,

is receiving a survivor annuity from the Foreign Service Retirement and Disability Fund is hereby increased by 10 per centum, or so much in excess thereof as will enable any such widow to receive a minimum annuity of $2,400 per annum.

(c) No increase provided by this section shall be computed on any additional annuity purchased with voluntary contributions pursuant to the provisions of section 881 of the Foreign Service Act of 1946, as amended.

(d) The increases provided by this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act, or on the commencing date of the annuity, whichever is later.

SEC. 2. (a) Section 5 of Public Law 503, Eighty-fourth Congress, is amended to read as follows:

"SEC. 5. In any case where a participant under the Foreign Service Retirement and Disability System died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the System and who is not receiving benefits as a widow under the Federal Employees' Compensation Act, the Secretary of State is authorized and directed to grant such widow an annuity of $2,400 per annum."

(b) The amendment made by this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act.

Mr. FULBRIGHT. Mr. President, this bill passed the Senate last September, and has just now been passed by the House, with an amendment. The Committee on Foreign Relations considered the amendment and approved it.

I move that the Senate concur in the amendment of the House to Senate bill 1502.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

Mr. LONG of Louisiana. Mr. President, will the Senator explain the nature of the House amendment?

Mr. FULBRIGHT. I have in my hand a sheet which shows the comparison of the Senate bill with the House amendment. It is very complicated, but the net effect of the amendment is to reach the same increase provided by the Senate bill, which is 10 percent. There is no substantial difference in the result, but the House approaches it in a different way.

The sheet which I have in my hand shows the comparison of the Senate bill with the House amendment. I shall put it in the RECORD for the information of the Senate.

I am assured by the experts that the House amendment does not in any way substantially change the provisions of the Senate bill, which, in effect, is to increase annuities of retired Foreign Service employees by 10 percent.

Mr. President, I ask unanimous consent that the comparison which was prepared by the Department of State be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Comparison of S. 1502 with the House amendment, June 2, 1960

[Prepared by the Department of State]

Senate bill	House amendment	Executive branch comments and staff notes
86th Cong. 1st sess. S. 1502 IN THE HOUSE OF REPRESENTATIVES SEPTEMBER 11, 1959—Referred to the Committee on Foreign Affairs AN ACT To provide for adjustments in the annuities under the Foreign Service retirement and disability system.	86th Cong. 2d sess. S. 1502 [Rept. No. 1626] IN THE HOUSE OF REPRESENTATIVES SEPTEMBER 11, 1959.—Referred to the Committee on Foreign Affairs MAY 18, 1960.—Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed. [Strike out all after the enacting clause and insert the part printed in italic] AN ACT To provide for adjustments in the annuities under the Foreign Service retirement and disability system.	INCREASES IN OFFICER ANNUITIES The difference: The Senate version increases the annuities of retired officers by 10 percent based on service which terminated on or before July 31, 1959. The House version increased by 10-percent annuities now being received or which will begin on or before June 30, 1962. Executive branch position: The executive branch favors the House version for the reason that it is a little more favorable in that it will benefit those officers who must or will retire before they have had the opportunity for the 1958 pay raise to be fully reflected in the high-five average salary rate used for computation of annuities.
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) The annuity of each retired officer who, on August 1, 1959, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund, based on service which terminated on or before July 31, 1959, shall be increased by 10 per centum. (b) The annuity otherwise payable from the Foreign Service Retirement and Disability Fund to each survivor annuitant who, on August 1, 1959, is receiving or entitled to receive an annuity based on service which terminated on or before July 31, 1959, shall be increased by 10 per centum.	*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the annuity of each person heretofore or hereafter retired who, on or before June 30, 1962, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund shall be increased by 10 per centum. (b) The annuity of each widow survivor annuitant who, on or before June 30, 1962, is receiving a survivor annuity from the Foreign Service Retirement and Disability Fund is hereby increased by 10 per centum, or so much in excess thereof as will enable any such widow to receive a minimum annuity of $2,400 per annum.	INCREASE IN SURVIVOR ANNUITIES The difference: The Senate version also increases survivor annuities by 10 percent based on service which terminated on or before July 31, 1959. The House amendment provides that widow survivor annuitants who on or before June 30, 1962, are receiving a survivor annuity, receive a 10 percent increase, or so much in excess as will enable her to receive a minimum of $2,400. Department of State position: The House amendment will guarantee that no widow will receive less than $2,400. This is compatible with sec. 6 of the Senate bill and sec. 2 of the House amendment, which provide for a $2,400 grant to any widow, regardless of need or remarriage, who is not receiving any annuity under the Foreign Service retirement and disability system nor any benefits under the Employees' Compensation Act. As a matter of equity, the Department favors the House version if sec. 2 of the House amendment and sec. 6 of the Senate bill are enacted. This amendment has not been cleared with the Bureau of the Budget.
(c) The increases provided by subsections (a) and (b) of this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act.	(d) The increases provided by this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act, or on the commencing date of the annuity, whichever is later.	EFFECTIVE DATE There is no essential difference in the effective dates provided by the two versions. The Senate version sets an overall effective date for immediate increases. The House amendment does likewise. Both versions provide an effective date for increases to future annuities as "commencing date of annuity."

Comparison of S. 1502 with the House amendment, June 2, 1960—Continued

Senate bill	House amendment	Executive branch comments and staff notes
SEC. 2. The annuity of each retired officer who, on or after August 1, 1959, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund, based on service which terminated on or after August 1, 1959, shall be increased on the first day of the first month which begins more than thirty days after the date of enactment of this Act or on the commencing date of annuity, whichever is later, in accordance with the following schedule: If annuity commences between— / Annuity shall be increased by— September 1, 1959, and June 30, 1960... 6 per centum July 1, 1960, and June 30, 1961..... 4 per centum July 1, 1961, and June 30, 1962..... 2 per centum	Corresponding House amendment reflected in sec. 1(a)...	FUTURE OFFICER ANNUITY INCREASES The difference: The Senate version provides for a gradually decreasing scale of percentage increases for annuities of officers beginning between the dates Sept, 1, 1959, and June 30, 1962. The House amendment provides a 10-percent increase to annuities which begin before June 30, 1962. Executive branch position: As stated in comments pertinent to sec. 1(a), the executive branch favors the House version for the reason that it is a little more favorable in that it will benefit those officers who must or will retire before they have had the opportunity for the 1958 pay raise to be fully reflected in the high-five average salary rate used for computation of annuities.
SEC. 3. The annuity of any survivor annuitant who, on or after August 1, 1959, is receiving or entitled to receive an annuity from the Foreign Service Retirement and Disability Fund, based on service which terminated on or after August 1, 1959, shall be increased on the first day of the first month which begins more than thirty days after the date of enactment of this Act or on the commencing date of annuity, whichever is later, in accordance with the following schedule: If annuity commences between— / Annuity shall be increased by— September 1, 1959, and June 30, 1960.. 6 per centum July 1, 1960, and June 30, 1961..... 4 per centum July 1, 1961, and June 30, 1962..... 2 per centum	Corresponding House amendment reflected in sec. 1(b)...	FUTURE SURVIVOR ANNUITY INCREASES The difference: The Senate version provides for a gradually decreasing scale of percentage increases to annuities of survivors which commence between Sept. 1, 1959, and June 30, 1962. The House amendment provides a 10-percent increase in survivor annuities (or so much in excess thereof as will make the minimum annuity $2,400) which commence before June 30, 1962. Department of State position: As stated in comments pertinent to sec. 1(b), the House amendment will guarantee that no widow receive less than $2,400. This is compatible with sec. 6 of the Senate bill and, sec. 2 of the House amendment, which provide for a $2,400 grant to any widow, regardless of need or remarriage, who is not receiving any annuity under the Foreign service retirement and disability system nor any benefits under the Employees' Compensation Act. As a matter of equity, the Department favors the House version if sec. 2 of the House amendment and sec. 6 of the Senate bill are enacted. This amendment has not been cleared with the Bureau of the budget. Amendment identical.
SEC. 4. No increase provided by the foregoing provisions of this Act shall be computed on any additional annuity purchased with voluntary contributions pursuant to the provisions of section 881 of the Foreign Service Act of 1946, as amended.	(c) No increase provided by this section shall be computed on any additional annuity purchased with voluntary contributions pursuant to the provisions of section 881 of the Foreign Service Act of 1946, as amended:	EFFECT ON PUBLIC LAW 85-882 The difference: The Senate version would nullify Public Law 85-882 which grants on a graduated percentage scale increases to annuities which begin before June 30, 1962, and to certain future survivor annuities based on service which terminated prior to Jan. 31, 1958. The House version leaves undisturbed these increases and provides for an additional 10-percent increase to apply to annuities which begin before June 30, 1962. Executive branch position: The executive branch favors the more liberal treatment proposed in the House version, since it will be effective for a temporary period and will offer some relief to those persons who retire before they have had the opportunity for the 1958 pay raise to be fully reflected in the high-5 average salary rate used for computation of annuities.
SEC. 5. Nothing contained in Public Law 85-882 shall operate to increase any annuity which commences on or after Sept. 1, 1959.	No corresponding House amendment.	
SEC. 6. Section 5 of Public Law 503, Eighty-fourth Congress, is amended to read as follows: "SEC. 5. In any case where a participant under the Foreign Service retirement and disability system died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the system and who is not receiving benefits under the Federal Employees' Compensation Act, the Secretary of State is authorized and directed to grant such widow an annuity of not to exceed $2,400 per annum." Passed the Senate September 9 (legislative day, September 5), 1959. Attest: FELTON M. JOHNSTON, *Secretary.*	SEC. 2. (a) Section 5 of Public Law 503, Eighty-fourth Congress, is amended to read as follows: "SEC. 5. In any case where a participant under the Foreign Service Retirement and Disability System died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the System and who is not receiving benefits as a widow under the Federal Employees' Compensation Act, the Secretary of State is authorized and directed to grant such widow an annuity of $2,400 per annum." (b) The amendment made by this section shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act. Passed by the Senate September 9 (legislative day, September 5), 1959. Attest: FELTON M. JOHNSTON, *Secretary.*	GRANTS TO WIDOWS The difference: The House amendment is identical to the Senate version except with respect to effective date. The Senate bill had not specified an effective date prospectively. The House amendment sets an effective date to agree with the date for immediate increases to annuities. Executive branch position: It is administratively desirable to provide a prospective effective date for new grants and increases to those grants already being received; therefore the executive branch favors the House version.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas to concur in the House amendment.

The motion was agreed to.

ARTHUR E. COLLINS

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 4826, for the relief of Arthur E. Collins.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 4826) for the relief of Arthur E. Collins, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. DIRKSEN. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. EASTLAND, Mr. HART, and Mr. HRUSKA conferees on the part of the Senate.

TOMMY TADAYOSHI SHUTO (TADAYOSHI TAKEDA)

Mr. DIRKSEN. Mr. President, I ask the Chair to lay before the Senate the amendment of the House to Senate bill 2384, and the amendment of the House to Senate bill 2740.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2384) for the relief of Tommy Tadayoshi Shuto (Tadayoshi Takeda) which was, to strike out all after the enacting clause and insert:

That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Tommy Tadayoshi Shuto (Tadayoshi Takeda). From and after the date of the enactment of this Act, the said Tommy Tadayoshi Shuto (Tadayoshi Takeda) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

JULIA SUKKAR

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2740) for the relief of Julia Sukkar, which was, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Julia Sukkar. From and after the date of the enactment of this Act, the said Julia Sukkar shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Mr. DIRKSEN. Mr. President, on March 28, 1960, and May 26, 1960, the Senate passed S. 2384 and S. 2740, to grant the status of permanent residence in the United States to each beneficiary.

On June 21, 1960, the House of Representatives passed S. 2384 and S. 2740, each with an amendment to provide only for cancellation of outstanding deportation proceedings. Under each amendment, the beneficiaries will be permitted to remain in the United States, but they will not be able to proceed toward United States citizenship.

This has been cleared. I move that the Senate concur in the House amendments to the bills S. 2384 and S. 2740.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to.

MRS. MING-CHEN HSU (NEE NAI-FU MO)

Mr. DIRKSEN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2941.

The Presiding Officer laid before the Senate the amendments of the House of Representatives to the bill (S. 2941) for the relief of Mrs. Ming-Chen Hsu (nee Nai-Fu Mo), which were to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Ming-Chen Hsu shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 12, 1948.

And to amend the title so as to read: "An act for the relief of Ming-Chen Hsu."

Mr. DIRKSEN. Mr. President, on June 2, 1960, the Senate passed S. 2941, to enable the wife of a lawful permanent resident of the United States, whose status was adjusted under the provisions of section 6 of the Refugee Relief Act of 1953, as amended, to qualify for nonquota status. This was the status granted to other alien spouses and parents similarly situated whose petitions granting second or third preference status were approved prior to January 1, 1959, under legislation enacted during the 1st session of the 86th Congress.

On June 21, 1960, the House of Representatives passed S. 2941, with amendments to provide that an adjustment be granted the lawful resident alien husband as of the date of his first entry into the United States, thus making him eligible to petition for naturalization, after which he would be in a position to confer nonquota status upon his spouse.

To prevent further separation of the family involved, I move that the Senate concur in the House amendments to S. 2941.

Mr. President, for the record, this has been cleared.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to.

THE NIKE-ZEUS ANTIMISSILE MISSILE

Mr. HART. Mr. President, for a number of months, members of the Michigan delegation have been aware of the impending basic decision with regard to the Nike-Zeus test program. We held a meeting with Secretary of the Army Brucker on May 9 to discuss the implications on the defense of this Nation, as well as the effect of the decision on the Chrysler missile operations in Sterling township.

Following the meeting with Secretary Brucker, we asked for a meeting with the Secretary of Defense. That meeting was held in the Capitol this Monday, June 27. The attached letter from Secretary Brucker substantially sets forth the decisions and information relayed to us at that meeting.

I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 28, 1960.

Hon. PHILIP A. HART,
U.S. Senate.

DEAR SENATOR HART: The Secretary of Defense has asked me to confirm the information relative to his decision on the Nike-Zeus test program which he outlined for you at our meeting with you and Congressmen FORD, CHAMBERLAIN, and O'HARA in the Capitol yesterday afternoon.

As Secretary Gates indicated at that time, the Nike-Zeus antimissile-missile system is being developed under a top national priority in order to conduct a full-scale test of its effectiveness. The Department of Defense originally approved a test plan calling for the use of Jupiter missiles fired from Johnston Island as targets for Nike-Zeus missiles fired from the installation now being constructed on Kwajalein Island. The initial testing was to be conducted with intermediate-range ballistic missiles to be followed later in the program by Jupiter missiles modified to simulate intercontinental ballistic missiles. Fifteen Jupiter IRBM's were ordered from the Chrysler Corp., the Jupiter contractor, to initiate this program. These firings were in turn to be supplemented by Nike-Zeus firings against ICBM training missiles fired from Vandenberg Air Force Base which were to be attacked as targets of opportunity.

Earlier this year Dr. Herbert F. York, the Director of Defense Research and Engineering, proposed that the construction of launching facilities on Johnston Island and the Jupiter target missile program be canceled. He proposed as an alternate that Atlas ICBM's launched from Vandenberg Air Force Base be used to furnish all targets essential to the full-scale test of the Nike-Zeus system. Dr. York felt that such a program would satisfy the Nike-Zeus test objectives and at the same time provide valuable training for Strategic Air Command ICBM launching crews.

At Secretary Gates' request, the entire question of the Nike-Zeus test program was reviewed last month by a special committee of scientists convened by Dr. George Kistiakowsky, Special Assistant to the President for Science and Technology.

As Secretary Gates indicated during yesterday's conference, he has personally reviewed Dr. York's recommendations, the findings of the highly qualified technical committee for which Dr. Kistiakowsky assumed responsibility, and the overall impact of the proposed cancellation of the Johnston Island construction and the Jupiter target missile program with great care. As a result of this review, he has concluded that the firing of Atlas ICBM target missiles from Vandenberg Air Force Base is technically preferable and has therefore directed the preparation of a new test program for the full-scale test of the Nike-Zeus system built around the use of ICBM's rather than around the Jupiters as previously planned. In accordance with this decision, the Department of the Army will cancel existing plans for construction on Johnston Island and must terminate the contract with the Chrysler Corp. for the production of 15 Jupiter target missiles at the Michigan Ordnance Missile Plant, Sterling Township, Mich. In connection with this latter action, the Army is currently reviewing carefully the degree of completion of the material which has been produced since this contract was signed in order to insure the best possible uses of the materials remaining. As Secretary Gates and I indicated to you yesterday, the Department of the Army intends to accomplish the termination of this contract as prudently as feasible in order to obtain all possible benefits from the $7.5 million which have already been obligated under this program.

I assure you that Secretary Gates and I sincerely regret the impact of this decision on the employees of Chrysler and have exhausted without success every avenue to find uses for the Jupiter missiles in support of other programs. It is proposed to make public notification of this decision and initiate implementing action shortly after your receipt of this letter.

Sincerely yours,

WILBER M. BRUCKER,
Secretary of the Army.

Mr. HART. Mr. President, as the letter reflects, the cancellation of these Jupiter missile orders by the Army is bad news for many Michigan families. It is little consolation for them to know

that there has been persistent bipartisan effort over many weeks by their representatives in Congress; efforts to insure every possible consideration being given to both the employment impact of this decision in Michigan, as well as determining if this was a correct decision, in the best interest of our Nation's defense.

Secretary Gates informed us on Monday that the President wanted the Michigan delegation to know that he had reviewed the Secretary's decision, and that it was to be taken as his decision. I can only hope that it is a correct decision.

We had a most blunt and thorough discussion with the Secretary. We asked questions as to the future usefulness of the Sterling missile production facility in our national defense effort. We asked about the possible implication of this decision on the skilled missile manpower pool in the Detroit area. We asked questions whether interservice rivalry would arise and affect adversely a test program run jointly by the Department of the Army and the Department of the Air Force in evaluating this vital weapon, the antimissile missile. The Secretary of Defense was equally frank and constructive in his responses to our questions.

There will be no letup in my efforts to see that new defense contracts are brought into Michigan and the Detroit labor-surplus area. We have had some successes, as indicated by the recent announcement of the production of the M–60 tank at the reactivated Detroit Arsenal, and the production of the new aluminum engine for the M–113 armored personnel carrier at the Chrysler Jefferson Avenue plant.

Overall, today's announcement, more than ever, indicates the overriding importance of a full investigation by the Congress of the economic impact of our defense program, as I outlined in my proposed Senate Resolution 150, last year. Not until we fully understand what are the forces and resultant effects of our defense effort can we meet this problem.

Mr. President, I ask unanimous consent that the news release of the Department of Defense on the Nike-Zeus missiles to be fired at Atlas targets in the Pacific be printed in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

NIKE-ZEUS MISSILES TO BE FIRED AT ATLAS TARGETS IN PACIFIC

The Department of Defense announced today that Atlas intercontinental ballistic missiles will be used as targets to test the Army's Nike-Zeus antimissile system. Under the new test program, Atlas missiles will be fired from Vandenberg Air Force Base, Calif., over the Pacific ocean and engaged by Nike-Zeus missiles fired from the installation on Kwajalein. (Kwajalein Island is about 4,800 statute miles from Vandenberg.)

A prototype of the Nike-Zeus system is being installed on Kwajalein Island at the present time. The original plans to test Nike-Zeus against modified Jupiter intermediate range ballistic missiles are being dropped.

Atlas target missiles will be purchased by the Army and fired from Vandenberg under Army direction. Tentatively, 18 Atlas missiles will be purchased for this purpose. In addition, Atlas missiles fired as part of regular Air Force training operations from Vandenberg will also be used to test Nike-Zeus.

The original plan called for Jupiter IRBM's, fired by Army personnel from Johnston Island in the Pacific, to fill two roles in the Zeus test program. First, it was planned to use Jupiters to test the early Zeus system, including computers and radars. Later, it was planned to use Jupiters, modified to simulate ICBM trajectories, to provide full-scale tests of the Nike-Zeus system.

Dr. Herbert York, Director of Defense Research and Engineering, earlier this year recommended that the Jupiter program be dropped and that an Atlas program be substituted for it. Dr. York's decision was made on the basis of technical considerations concerning the best way to provide a thorough test of the capabilities of the Zeus system, including such factors as reentry velocity and associated reentry phenomena, and payload capacity.

Dr. York's proposal was reviewed and endorsed last month by a special committee of scientists set up at the request of the Secretary of Defense by Dr. George Kistiakowsky, Special Assistant to the President for Science and Technology.

Secretary Gates directed revision of the target missile program after receiving the endorsement of the special committee.

Approximately $7.5 million had been obligated toward acquiring and using Jupiters in the Zeus test program before work was suspended pending a review of the target missile plan.

Jupiter missiles, developed by the Army and later assigned to the Air Force, are being produced for tactical use by Chrysler Corp., Detroit, Mich. Production of tactical missiles is expected to be completed by the end of this year.

Under the original plan, Chrysler was to begin delivering modified Jupiters for use in the Zeus test program as soon as tactical missile production was completed. Toward this end, the Army obligated approximately $5 million to Chrysler earlier this year in order that Chrysler could begin making certain components with long manufacturing leadtimes. This contract is being terminated in accordance with the revised program.

In addition, the Army Ordnance Missile Command, Redstone Arsenal, Huntsville, Ala., had obligated approximately $1 million toward the manufacturing of Jupiters to be used in the Zeus testing program. Another $1.5 million has been obligated in preliminary work toward construction of Jupiter launching facilities on Johnston Island. Further work on the Johnston Island facilities has been terminated.

Zeus, the only defense against ICBM's now under development in the free world, is an extension of the Army's now operational Nike-Ajax and Nike-Hercules air defense systems. Hercules and the earlier Ajax were designed primarily to defend the field army and large population and industrial centers throughout the United States against high performance jet aircraft. Hercules has been improved in recent months to a point where it is now capable of intercepting and destroying short-range ballistic missiles.

The Zeus system includes very long-range radars, nuclear-tipped missiles and advanced electronic computers. The system is being designed to protect large population and industrial centers throughout the United States against ICBM's and submarine-launched IRBM's.

Zeus radars will detect incoming missiles several hundred miles from their targets. The computers, acting on the radar detection, will automatically launch and guide the defensive Zeus missiles to interception.

Zeus missiles are three-stage solid propelled vehicles. The first stage, with a thrust of 450,000 pounds, is the most powerful single grain rocket engine in the free world. The great thrust gives the missile the necessary speed to cope with ICBM and IRBM targets moving as fast as 15,000 miles an hour.

Development of the Zeus system has required breakthroughs in radar, rocket and computer sciences. The Zeus long range acquisition radar employs new principles which makes it possible for the system to scan the sky for several hundred miles.

The Army Rocket and Guided Missile Agency, AOMC, Redstone Arsenal, is overall Zeus development manager. Prime contractor is the Western Electric Co. Bell Telephone Laboratories, Inc., is serving as systems manager. Douglas Aircraft Co., Thiokol Co., and the Grand Central Rocket Co. have collaborated in developing the high performance missile.

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, there are two measures which we can proceed to consider now, which I am informed are not highly controversial and are very important to my colleague from Texas. They are Orders Nos. 1684 and 1707, which have been reported from the Committee on Labor and Public Welfare. I am informed that Calendar No. 1707 has been reported with an amendment.

Is that correct?

Mr. YARBOROUGH. The Senator is correct.

DECLARATION UNDER PENALTY OF PERJURY IN LIEU OF AN AFFIDAVIT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1684, H.R. 3313.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3313) to amend section 200 of the Soldiers and Sailors Civil Relief Act of 1940 to permit the establishment of certain facts by a declaration under penalty of perjury in lieu of an affidavit.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. YARBOROUGH. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Texas will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 3. Section 1502(c) of title 38 of the United States Code is amended by—

(1) striking the word "Vocational" in paragraph (1) and inserting in lieu thereof "Except as provided in paragraph (2), vocational"; and

(2) redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and inserting after paragraph (1) the following new paragraph:

"(2) Vocational rehabilitation may be afforded on account of World War II service beyond the termination date otherwise applicable, but not beyond July 25, 1965, if—

"(A) the veteran was unable to enter or complete a suitable course of training within the period otherwise applicable because of one of the reasons set forth in subparagraphs (A) through (C) of paragraph (1); or

"(B) the veteran was in the pursuit of a course of training under this chapter on *June 1, 1960.*"

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. YARBOROUGH. Mr. President, I send to the desk an explanation of H.R. 3313 with respect to the amendment just agreed to, and I ask that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR RALPH YARBOROUGH RE AMENDMENTS TO H.R. 3313

These amendments are identical in substance to the bill S. 3274, which has been favorably reported by the Senate Committee on Labor and Public Welfare and which is now pending on the calendar under Order No. 1707.

Briefly, these amendments have the effect of providing an additional 5 years during which certain service-connected disabled veterans of World War II may pursue and complete courses of vocational rehabilitation training. All of the veterans affected by this extension are World War II veterans with service-connected disabilities who have been prevented from pursuing such courses because of circumstances beyond their control.

The veterans who would receive the benefit of this extension are the same hardship cases previously excepted from the general deadline on the World War II program—July 25, 1956. These hardship cases concern service-connected disabled veterans who would have been prevented from timely entering or completing courses:

1. By reason of a physical or mental condition.

2. A discharge under conditions other than honorable where such discharge was later changed by appropriate authority.

3. Failure to establish timely the existence of a compensable service-connected disability.

The vast majority of veterans covered by this extension are veterans whose failure to train earlier was due to long-term physical or mental disability but who now have recovered to the point that rehabilitation training is feasible.

As introduced, the Senate bill S. 3274—which I have previously mentioned—provided an extension for veterans currently in a vocational rehabilitation training status. Although most of the veterans currently in training would be covered by the 5-year extension for the three hardship categories previously mentioned, it is theoretically possible that some few of them might not be. Accordingly, the committee deemed it desirable to include a provision in S. 3274 authorizing completion of courses by individuals enrolled in training on June 1 of this year. The committee's provision on this point has also been included in the pending amendments.

The vocational rehabilitation program for service-connected disabled veterans has been demonstrated to be a most worthwhile program, both from the standpoint of the Nation and of the individual veteran. The purpose of the program, as Senators know, is to restore the employability of veterans whose service-connected handicap has reduced or eliminated their ability to follow a gainful occupation.

During the brief history of the World War II program, more than 600,000 World War II veterans with severe disabilities have been restored to employability and returned to the productive ranks of our populace. The training afforded these veterans, being geared to individual needs and aptitudes, brought all types of schools into the rehabilitation program.

Institutions of higher learning trained 153,000 World War II veterans.

Schools below college level trained 150,000.

Institutional-on-farm courses accounted for another 676,000.

And on-the-job apprentice training restored the employability of 236,000 veterans.

Because of the valuable training afforded by the rehabilitation training program, these veterans are now providing adequately for their families and dependents and, in addition, are making an important contribution to our total national product. Without this training, instead of being productive citizens, these veterans would be burdens on their families and on society generally.

This extension proposal has been studied thoroughly by the Subcommittee on Veterans Affairs and all aspects fully developed in hearings. Favorable views on the proposal were presented by all the veterans organizations testifying or submitting statements on the bill. In fact, the testimony of the veterans organizations greatly aided the committee in formulating its final recommendations, which are now contained in the pending amendments. These veterans organizations are: AMVETS, Disabled American Veterans, the American Legion, and Veterans of Foreign Wars.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. YARBOROUGH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. YARBOROUGH. Senate bill 3274, Order No. 1707, identical in substance to the amendment I have offered, is an amendment to section 502(c) of title 38 of the United States Code, to permit certain veterans pursuing courses of vocational rehabilitation training to continue in pursuit thereof for such period as may be necessary to complete such courses. The time will expire tomorrow, and the Veterans' Administration recommends this measure, which gives certain veterans—amputees, for example—vocational training and allows an additional period of training. The full dates are included in the explanation which has been sent to the desk.

Mr. President, I move that Order No. 1707, S. 3274, to permit certain veterans pursuing courses of vocational rehabilitation training to continue in pursuit thereof for such period as may be necessary to complete such courses, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE IN PAYMENT OF FEDERAL AID FOR SUPPORT OF DISABLED SAILORS, AIRMEN, AND MARINES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1610, H.R. 10596.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 10596) to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with an amendment on page 1, after line 7, to insert a new section, as follows:

SEC. 2. (a) Title 38 of the United States Code is amended by adding after chapter 39 the following new chapter:

"CHAPTER 40—EDUCATION OF VETERANS WHO SERVE BETWEEN JANUARY 31, 1955, AND JULY 1, 1963

"Subchapter I—Definitions

"Sec.
"1908. Definitions.

"Subchapter II—Eligibility

"1910. Entitlement to education or training generally.
"1911. Duration of veteran's education or training assistance.
"1912. Commencement; time limitations.
"1913. Expiration of all education and training.

"Subchapter III—Enrollment

"1920. Selection of program.
"1921. Applications; approval.
"1922. Change of program.
"1923. Disapproval of enrollment in certain courses.
"1924. Discontinuance for unsatisfactory progress.
"1925. Period of operation for approval.
"1926. Institutions listed by Attorney General.

"Subchapter IV—Payments to veterans

"1931. Education and training allowance.
"1932. Computation of education and training allowances.
"1933. Type of assistance; grant or loan.
"1934. Loans.
"1935. Actions to enforce repayment of loans.
"1936. Measurement of courses.
"1937. Overcharges by educational institutions.

"Subchapter V—State approving agencies

"1941. Designation.
"1942. Approval of courses.

"Sec.
"1943. Cooperation.
"1944. Use of Office of Education and other Federal agencies.
"1945. Reimbursement of expenses.

"Subchapter VI—Approval of courses of education and training

"1951. Apprentice or other training on the job.
"1952. Institutional on-farm training.
"1953. Approval of accredited courses.
"1954. Approval of nonaccredited courses.
"1955. Notice of approval of courses.
"1956. Disapproval of courses and discontinuance of allowances.

"Subchapter VII—Miscellaneous provisions

"1961. Authority and duties of Administrator.
"1962. Educational and vocational counseling.
"1963. Control by agencies of United States.
"1964. Conflicting interests.
"1965. Reports by institutions.
"1966. Overpayments to veterans.
"1967. Examination of records.
"1968. False or misleading statements.
"1969. Information furnished by Federal Trade Commission.
"1970. Effective date and retroactive allowances.

"Subchapter I—Definitions

"§ 1908. Definitions

"(a) For the purpose of this chapter—

"(1) The term 'eligible veteran' means any veteran who is not on active duty and who—

"(A) served on active duty at any time between January 31, 1955, and July 1, 1963;

"(B) was discharged or released therefrom under conditions other than dishonorable; and

"(C) served on active duty for a period of more than one hundred and eighty days (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as cadet or midshipman at one of the service academies), or was discharged or released from a period of active duty, any part of which occurred between January 31, 1955, and July 1, 1963, for an actual service-connected disability.

"(2) The term 'program of education or training' means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"(3) The term 'course' means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given.

"(4) The term 'dependent' means—

"(A) a child of an eligible veteran;

"(B) a parent of an eligible veteran, if the parent is in fact dependent upon the veteran; and

"(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon her.

"(5) The term 'educational institution' means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults.

"(6) The term 'training establishment' means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training.

"(7) The term 'State' includes the Canal Zone.

"(8) The term 'Commissioner' means the United States Commissioner of Education.

"(9) The term 'education and training allowance' means education and training allowance made on the basis of either grant or loan, unless otherwise indicated.

"(b) Benefits shall not be afforded under this chapter to any individual on account of service as a commissioned officer of the Coast and Geodetic Survey, or of the Regular or Reserve Corps of the Public Health Service.

"(c) The Congress of the United States hereby declares that the veterans' education and training program created by this chapter is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active duty between January 31, 1955, and July 1, 1963, and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country.

"Subchapter II—Eligibility

"§ 1910. Entitlement to education or training generally

"Each eligible veteran shall, subject to the provisions of this chapter, be entitled to the education or training assistance as provided under this chapter.

"§ 1911. Duration of veterans' education or training assistance

"(a) Each eligible veteran shall be entitled to education or training assistance as provided in this chapter (either on a grant or loan basis as provided in section 1933) for a period equal to one and a half times the duration of his service on active duty between January 31, 1955, and July 1, 1963, and, with respect to an eligible veteran on active duty on June 30, 1963, service on active duty after such date until his first discharge or release from such active duty after such date (or to the equivalent thereof in part-time training), except that—

"(1) in computing the duration of such service, there shall be excluded (A) any period of active duty which is creditable to an eligible veteran in determining entitlement to education or training under chapter 33 and (B) a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or served as a cadet or midshipman at one of the service academies;

"(2) the period of education or training to which an eligible veteran shall be entitled under this chapter shall not, except as provided in subsection (b), exceed thirty-six months reduced by a period equivalent to any period of educational assistance afforded him under chapters 33 and 35 of this title; and

"(3) the period of education or training to which an eligible veteran shall be entitled under this chapter together with vocational rehabilitation training received under chapter 31 of this title, and education or training received under part VIII of Veterans Regulation Numbered 1(a), and section 12(a) of the Act enacting this title shall not, except as provided in subsection (b), exceed thirty-six months in the aggregate.

"(b) Whenever the period of entitlement to education or training under this chapter of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

"(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

"§ 1912. Commencement; time limitations

"(a) No eligible veteran shall be entitled to initiate a program of education or training under this chapter after three years after his discharge or release from active duty or after three years after the date of enactment of this chapter, whichever is later. Notwithstanding the preceding sentence, any otherwise eligible veteran whom the Administrator determines to have been prevented from initiating a program of education or training under this chapter within the period prescribed by the preceding sentence because he had not met the nature of discharge requirements of section 1908(a)(1)(B) of this title before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, the correction of the military records of the proper service department under section 1552 of title 10, or other corrective action by competent authority, shall be permitted to initiate a program of education or training under this chapter within three years after the date his discharge or dismissal was so changed, corrected, or modified, or within three years after the date of enactment of this chapter, whichever is later.

"(b) The program of education and training of an eligible veteran under this chapter shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion, except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

"(c) For the purposes of computing the three-year period under this section and the eight-year period under section 1913, the date of an eligible veteran's discharge or release shall be the date of his discharge or release from his last period of active duty which began before July 1, 1963, but no period of active duty performed after July 1, 1963, shall be included in computing such periods unless it follows a break in active duty status of more than 90 days.

"§ 1913. Expiration of all education and training

"No education or training shall be afforded an eligible veteran under this chapter beyond eight years after his discharge or release from active duty or eight years after the enactment of this chapter, whichever is later, except that any veteran who is eligible to initiate a program of education or training by reason of the second sentence of section 1912(a) of this title shall be permitted to pursue, subject to the other provisions of this chapter, such program for a period of not more than five years after the date of initiation thereof; but in no event shall education or training be afforded under this chapter after June 30, 1973, unless the veteran's date for initiating his program occurs after June 30, 1968.

"Subchapter III—Enrollment

"§ 1920. Selection of program

"Subject to the provisions of this chapter, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this chapter of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

"§ 1921. Applications; approval

"Any eligible veteran who desires to initiate a program of education or training under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this chapter, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

"§ 1922. Change of program

"(a) Subject to the provisions of section 1921 of this title, each eligible veteran (except an eligible veteran whose program has been interrupted, or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time before the end of the period during which he is entitled to initiate a program of education or training under this chapter, make not more than one change of program of education or training.

"(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this chapter, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

"(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

"(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

"(c) As used in this section the term 'change of program of education or training' shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second.

"§ 1923. Disapproval of enrollment in certain courses

"(a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

"(b) The Administrator shall not approve the enrollment of an eligible veteran—

"(1) in any photography course or entertainment course; or

"(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletes such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective; or

"(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

"(c) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than eighty-five per centum of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this chapter, chapter 31 or 33 of this title, or section 12(a) of the Act enacting this title.

"§ 1924. Discontinuance for unsatisfactory progress

"The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

"§ 1925. Period of operation for approval

"(a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course had been in operation for less than two years.

"(b) Subsection (a) shall not apply to—

"(1) any course to be pursued in a public or other tax-supported educational institution;

"(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

"(3) any course which had been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality; or

"(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

"§ 1926. Institutions listed by Attorney General

"The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part II of Executive Order 9835, as amended.

"Subchapter IV—Payments to veterans

"§ 1931. Education and training allowance

"(a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this chapter, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment. Such allowance shall be in the form of a grant or loan, as prescribed by section 1933.

"(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 1932 of this title, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

"(1) to any veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this chapter;

"(2) to any veteran enrolled in an institutional course which does not lead to a standard college degree or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation; or

"(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

"(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

"(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in an institutional course which does not lead to a standard college degree or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or

"(C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution; and

"(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within twenty days after receipt by the Administrator of the certifications required by this subsection.

"§ 1932. Computation of education and training allowances

"(a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

"(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of $110 per month, if the veteran has no dependent, or at the rate of $135 per month, if he has one dependent, or at the rate of $160 per month, if he has more than one dependent.

"(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of $80 per month, if the veteran has no dependent, or at the rate of $100 per month, if he has one dependent, or at the rate of $120 per month, if he has more than one dependent.

"(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of $50 per month, if the veteran has no dependent, or at the rate of $60 per month, if he has one dependent, or at the rate of $80 per month, if he has more than one dependent.

"(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) $90 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent.

"(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) $70 per month, if he has no dependent, or (2) $85 per month, if he has one dependent, or (3) $105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of $310 per month. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

"(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) $95 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) or $130 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of the third, and each subsequent, four-month period as his program progresses by an amount which bears the same ratio to $65 per month, if the veteran has no dependent, or $85 per month, if he has one dependent, or $100 per month, if he has more than one dependent, as four months bears to the total duration of such veterans' institutional on-farm training reduced by eight months. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

"(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this chapter in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) $110 per month for a full-time course, whichever is the lesser.

"(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each $1.25 which is paid to the veteran as an education and training allowance for such course.

"(h) No eligible veteran shall be paid an education and training allowance under this chapter for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this chapter, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b) on a less than full-time basis.

"§ 1933. Type of assistance; grant or loan

"(a) All eligible veterans shall be entitled to education and training allowances as provided in section 1932 on a grant basis, except as provided in subsection (b).

"(b)(1) An eligible veteran pursuing an approved course of education in an institution of higher education who does not in any school year attain a scholastic average sufficient to place him in the upper half of his class for such year shall not, during the immediately succeeding school year, be eligible for allowances under section 1932 on a grant basis, but shall be eligible for such allowances on a loan basis if he so elects. Any veteran electing to receive allowances on a loan basis shall be subject to the provisions of section 1934.

"(2) In any case in which an eligible veteran attains a scholastic standing sufficient to place him in the upper half of his class for a school year during which he was eligible for education and training allowances on a loan basis only, the Administrator, upon application by such veteran, shall—

"(A) Cancel the amount of the loan or loans, if any, made to the veteran as an education and training allowance for such school year, and

"(B) Pay to such veteran an amount representing the difference, if any, between the amount received by such veteran as education and training allowances (on a loan basis) during such year and the amount he would have been entitled to receive had he been paid education and training allowances on a grant basis.

"(c) Any eligible veteran pursuing an approved course of education who, on the basis of his scholastic standing during any school year, fails to qualify for education and training allowances on a grant basis for the immediately succeeding school year may qualify for such allowances on a grant basis for any school year thereafter which is immediately subsequent to a school year in which he attains a scholastic standing sufficient to place him in the upper half of his class for such year.

"§ 1934. Loans

"Education and training assistance provided under this title on a loan basis—

"(1) shall be made without security, except that the veteran shall execute a promissory note, or notes, payable to the United States;

"(2) shall be repaid in equal or graduated periodic installments, in accordance with such schedules as may be approved by the Administrator over such period of time as the Administrator shall prescribe, not exceeding ten years, beginning one year after the date on which the veteran ceases to pursue his program of education or training, except that—

"(A) periodic installments may be readjusted in the case of any veteran if the Administrator finds that a readjustment would be in the best interest of the veteran and the Government, and

"(B) periodic installments need not be paid during any period (i) in which the veteran is pursuing a full-time program of education or training, or (ii) during which the veteran is a member of the Armed Forces, if such veteran is recalled to active duty and is in a pay grade which makes repayment an undue burden, as determined by the Administrator;

"(3) shall be interest free, except that if such loan is not repaid within the period prescribed by the Administrator interest shall accrue on the unpaid principal, beginning on the day following the date on which the last payment is due, at a rate of 2 per centum per annum. If a veteran fails to make payments in accordance with the schedule of repayment prescribed for him by the Administrator, and the Administrator determines that adherence to the prescribed schedule would not constitute an undue hardship on the veteran, the Administrator shall declare the entire remaining amount of such loan due, and interest shall accrue on the unpaid principal of such loan at the rate of 2 per centum per annum from the date of such declaration;

"(4) shall be canceled upon the death of the veteran, or if he becomes permanently and totally disabled as determined in accordance with regulations of the Administrator; and

"(5) shall be subject to such additional terms, conditions, and requirements as the Administrator may determine to be necessary to protect the financial interests of the United States and to carry out the purposes of this title.

"§ 1935. Actions to enforce repayment of loan

"(a) In addition to any legal action brought to recover a loan made under this Act, the Administrator is authorized to utilize all other resources to effect recovery of such loans, including setoffs of such loans against veteran benefits, national service life insurance dividends, or any other Federal funds otherwise payable to the veteran.

"(b) If an education and training loan provided under this title is not repaid, it shall be lawful for the Administrator or his delegate to collect such indebtedness in the same manner, and to the same extent insofar as applicable, as the Secretary of the Treasury may collect a tax under the provisions of section 6331 of the Internal Revenue Code of 1954.

"(c) In addition to any State court of competent jurisdiction, any United States district court for any district wherein the veteran resides or was resident at any time shall have jurisdiction of any action brought by or on behalf of the Federal Government to recover any amount payable under any promissory note executed to evidence a loan made under this title. No legal service of any kind shall be required to be made upon the veteran other than notice of the institution of such action stating the date of entry and name of court; such notice shall be sent by registered mail to the last-known address of such veteran as indicated in the records of the Veterans' Administration.

"(d) In any action by or on behalf of the Federal Government to recover any amount payable under any promissory note executed to evidence a loan made under this title, the fact that the veteran was an infant at the time of signing such promissory note shall not be a defense.

"§ 1936. Measurement of courses

"(a) For the purposes of this chapter (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours are its equivalent is required.

"(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a); except that, the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard workweek through bona fide collective bargaining between employers and employees.

"§ 1937. Overcharges by educational institutions

"The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of $10 per month for a full-time course. Any educational institution or training establishment disapproved under this section shall also be disapproved for the enrollment of any veteran not already enrolled therein under chapter 31 or 33, or for the enrollment of any eligible person not already enrolled therein under chapter 35.

"Subchapter V—State approving agencies

"§ 1941. Designation

"(a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the 'State approving agency' for his State for the purposes of this chapter.

"(b)(1) If any State fails or declines to create or designate a State approving agency, the provisions of this chapter which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

"(2) In the case of courses subject to approval by the Administrator under section 1942 of this title, the provisions of this chapter which refer to a State approving agency shall be deemed to refer to the Administrator.

"§ 1942. Approval of courses

"(a) An eligible veteran shall receive the benefits of this chapter while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this chapter and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this chapter. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

"(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other educational institution or training establishment in accordance with the provisions of this chapter.

"(c) Any course offered by an educational institution or training establishment shall be considered approved for the purposes of this chapter if it is in an approved status for education or training under chapter 33 of this title, and has not been disapproved under the provisions of this chapter.

"§ 1943. Cooperation

"(a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fradulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this chapter.

"(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this chapter.

"§ 1944. Use of Office of Education and other Federal agencies

"(a) In carrying out his functions under this chapter, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 1945 of this title, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this chapter.

"(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this chapter are authorized to be appropriated directly to such Office.

"§ 1945. Reimbursement of expenses

"The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this chapter, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this chapter. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this chapter.

"Subchapter VI—Approval of courses of education and training

"§ 1951. Apprentice or other training on the job

"(a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

"(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

"(2) The length of the training period;

"(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

"(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

"(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

"(6) The number of hours of supplemental related instruction required.

"(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

"(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

"(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

"(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turnover.

"(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

"(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

"(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

"(7) Provision is made for related instruction for the individual eligible veteran who may need it.

"(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

"(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

"(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him, and his training period shortened accordingly, and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

"(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

"(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

"(13) That the course meets such other criteria as may be established by the State approving agency.

"§ 1952. Institutional on-farm training

"(a) An eligible veteran shall be entitled to the benefits of this chapter while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

"(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

"(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

"(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

"(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

"(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

"(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

"(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

"(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

"(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

"§ 1953. Approval of accredited courses

"(a) A State approving agency may approve the courses offered by an educational institution when—

"(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

"(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

"(3) such courses are conducted under sections 11–28 of title 20; or

"(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this chapter the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be a reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

"(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"§ 1954. Approval of nonaccredited courses

"(a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 1953 of this title, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this chapter unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this chapter.

"(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

"(1) Identifying data, such as volume number and date of publication;

"(2) Names of the institution and its governing body, officials and faculty;

"(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

"(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

"(5) Institution policy and regulations relative to leave, absences, class cuts, makeup work, tardiness and interruptions for unsatisfactory attendance;

"(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

"(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

"(8) Detailed schedules of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

"(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

"(10) A description of the available space, facilities, and equipment;

"(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

"(12) Policy and regulations of the institution relative to granting credit for previous educational training.

"(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

"(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

"(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

"(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

"(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absence, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

"(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

"(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress of grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

"(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

"(9) The institution is financially sound and capable of fulfilling its commitments for training.

"(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (A) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (B) has, if such an order has been issued, given due weight to that fact.

"(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

"(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

"(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

"(14) Such additional criteria as may be deemed necessary by the State approving agency.

"§ 1955. Notice of approval of courses

"The State approving agency, upon determining that an educational institution has complied with all the requirements of this chapter, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this chapter, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

"(1) date of letter and effective date of approval of courses;

"(2) proper address and name of each educational institution or training establishment;

"(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

"(4) name of each course approved;

"(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

"(6) signature of responsible official of State approving agency; and

"(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

"§ 1956. Disapproval of courses and discontinuance of allowances

"(a) Any course approved for the purposes of this chapter which fails to meet any of the requirements of this chapter shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a certified or registered letter of notification and a return receipt secured.

"(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this chapter or if he finds that the educational institution or training establishment offering such course has violated any provisions of this chapter or fails to meet any of its requirements.

"(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section.

"Subchapter VII—Miscellaneous provisions

"§ 1961. Authority and duties of Administrator

"Payments under this chapter shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921 and the Budget and Accounting Procedures Act of 1950.

"§ 1962. Educational and vocational counseling

"The Administrator may arrange for educational and vocational counseling to persons eligible for education and training under this chapter. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions. Facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"§ 1963. Control by agencies of United States

"No department, agency, or officer of the United States, in carrying out this chapter, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency or any educational institution, or training establishment. Nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized by law to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this chapter in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"§ 1964. Conflicting interests

"(a) Every officer or employee of the Veterans' Administration, or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this chapter shall be immediately dismissed from his office or employment.

"(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this chapter, he shall discontinue making payments under section 1945 of this title to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State department of veterans affairs or State department of education.

"(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

"(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

"§ 1965. Reports by institutions

"(a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this chapter.

"(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this chapter, an allowance at the rate of $1 per month for each eligible veteran enrolled in and attending such institution under the provisions of this chapter to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that if any institution fails to submit reports or certifications to the Administrator as required by this chapter, no allowance shall be paid to such institution for the month or months

during which such reports or certifications were not submitted as required by the Administrator.

"§ 1966. Overpayments to veterans

"Whenever the Administrator finds that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this chapter and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States. Any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This section shall not preclude the imposition of any civil or criminal liability under this or any other law.

"§ 1967. Examination of records

"The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this chapter shall be available for examination by duly authorized representatives of the Government.

"§ 1968. False or misleading statements

"The Administrator shall not make any payments under this chapter to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

"§ 1969. Information furnished by Federal Trade Commission

"The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this chapter.

"§ 1970. Effective date and retroactive allowances

"The provisions of this chapter shall take effect as of July 1, 1960. In the event this chapter is enacted subsequent to such date, the Administrator shall prescribe regulations for making retroactive payments of education and training allowances, upon application therefor, to eligible veterans for education or training pursued by them on or after July 1, 1960, and prior to the date of the enactment of this chapter."

(b) The table of contents at the beginning of such title is amended by inserting immediately after

"39. Automobiles for Disabled Veterans ..... 1901"

the following:

"40. Education of Veterans Who Serve Between January 31, 1955, and July 1, 1963 ..... 1908".

(c) The table of chapters at the beginning of part III of such title is amended by inserting immediately after

"39. Automobiles for Disabled Veterans ..... 1901"

the following:

"40. Education of Veterans Who Served Between January 31, 1955, and July 1, 1963 ..... 1908".

(d) Such title is further amended—

(1) by inserting in section 102(a)(2) immediately after "chapter 33" the following: "or 40", and by striking out "chapters 19 and 33" in section 102(b), and inserting in lieu thereof "chapters 19, 33, and 40";

(2) by striking out in section 111(a) "33 or 35", and inserting in lieu thereof the following: "33, 35, or 40";

(3) by inserting in section 211(a) after "1761," the following: "1961,";

(4) by striking out in section 1662(b) "chapters 31 and 35" and inserting in lieu thereof the following: "chapters 31, 35, and 40";

(5) by striking out in section 1711(b) "chapter 31 or 33", and inserting in lieu thereof the following: "chapter 31, 33, or 40";

(6) by striking out in section 1734(a) "chapter 31 or 33" and inserting in lieu thereof the following: "chapter 31, 33, or 40";

(7) by striking out in section 3013 "and 35" and inserting in lieu thereof the following: "35, and 40";

(8) by inserting after "chapter 35" in section 1611(a)(2) the following: "or education or training under chapter 40"; and

(9) by inserting in section 1634 immediately before the comma following "therein" the following: "under this chapter or chapter 40".

(e) Public Law 85-857 (72 Stat. 1264) is amended by adding at the end of section 12(a) the following: "The period of education or training to which a veteran is entitled under part VIII, Veterans Regulation Numbered 1(a) as saved from repeal by this subsection together with education or training received under chapter 33 or 40 of title 38 of the United States Code shall not exceed forty-eight months in the aggregate."

SEC. 3. (a) Section 1502(a) of title 38 of the United States Code is amended to read as follows:

"(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, if such disability—

"(1) arose out of service during World War II or the Korean conflict; or

"(2) arose out of service either between July 25, 1947, and June 27, 1950, or subsequent to January 31, 1955, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum is clearly shown to have caused a pronounced employment handicap."

(b) The first sentence of paragraph (2) of section 1502(c) of such title is amended to read as follows:

"(2) Vocational rehabilitation may not be afforded a veteran on account of post-World War II service after nine years following his discharge or release; except vocational rehabilitation may be afforded to any person until—

"(A) August 20, 1963, if such person was discharged or released before August 20, 1954; or

"(B) nine years after the date of the enactment of the Veterans' Readjustment Assistance Act of 1960 if such person is eligible for vocational rehabilitation by reason of a disability arising from service prior to such enactment either between July 25, 1947, and June 27, 1950, or subsequent to January 31, 1955."

(c) Paragraph (3) of section 1502(c) of such title is amended to read as follows:

"(3) Vocational rehabilitation may not be afforded outside of a State to a veteran on account of service after July 25, 1947, if the veteran, at the time of such service, was not a citizen of the United States."

(d) Section 1502(d) of such title is repealed.

SEC. 4. (a) Chapter 37 of title 38 of the United States Code is amended by inserting immediately after section 1817 the following new section:

"§ 1818. Veterans who serve between January 31, 1955, and July 1, 1963

"(a) Each veteran who served on active duty at any time between January 31, 1955, and July 1, 1963, shall be eligible for the benefits of this chapter (except sections 1813 and 1815, and business loans under section 1814, of this title), subject to the provisions of this section, if his total service was for a period of more than one hundred and eighty days, or if he was discharged or released from a period of active duty, any part of which occurred between January 31, 1955, and July 1, 1963, for a service-connected disability.

"(b) No veteran shall be eligible for benefits under this section so long as he is eligible under this chapter for any unused benefits derived from service during World War II or the Korean conflict. Any veteran who is eligible for benefits under this section and who has obtained benefits under this chapter by reason of service during World War II or the Korean conflict shall have his benefits under this section reduced by the amount of any benefits previously obtained under this chapter. Benefits shall not be afforded under this section to any individual on account of service as a commissioned officer of the Coast and Geodetic Survey, or the Regular or Reserve Corps of the Public Health Service.

"(c) Loans may be guaranteed under this section if made before July 1, 1973. If a loan report or application for loan guarantee is received by the Administrator before July 1, 1973, an additional period not to exceed one year will be allowed for disbursement of the loan and the issuance of evidence of guarantee. Direct loans authorized by this section shall be subject to the provisions of section 1811(h) of this title.

"(d) A fee shall be collected from each veteran obtaining a loan guaranteed or made under this section, and no loan shall be guaranteed or made under this section until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed one-half of 1 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran and paid from the proceeds thereof.

"(e) There is hereby created a Mortgage Guarantee Fund (hereinafter referred to as the 'Fund') which shall be available to the Administrator to carry out the provisions of this chapter with respect to all transactions arising from the guarantee of loans under this section. Fees collected by the Administrator under subsection (d) of this section shall be deposited in the Treasury to the credit of the Fund together with all other moneys received, including those from the management or sale of properties or the liquidation of any security acquired, as a consequence of the guarantee of loans under this section.

"(f) The guarantee on any loan made to a veteran which is guaranteed under the provisions of this section shall be payable to the holder under the provisions of this chapter without regard to the amount on deposit to the credit of the Administrator in the Fund. If the balance in the Fund is insufficient at any time to carry out the provisions of this chapter with respect to transactions arising from the guarantee of loans under this section, the Administrator shall use funds appropriated to the Veterans' Administration under the heading of 'Readjustment Benefits' for such purpose, and sums sufficient therefor are hereby authorized to be appropriated. Reimbursement to the appropriation shall be made of the amounts thereof which may have been used by the Administrator for the purposes of the Fund when, and if, in the opinion of the Administrator the balance in the Fund

is sufficiently in excess of the probable demands thereon to permit such reimbursement.

"(g) From time to time, but not earlier than five years after the termination of authority to guarantee and make loans under this section, the Administrator shall cause to be deposited into the Treasury of the United States, to the credit of miscellaneous receipts, such of the moneys in such Fund as in his judgment are not needed for the purpose for which they were provided. When all claims, expenses, or losses which may arise under the provisions of this chapter with respect to transactions arising from the guarantee of loans under this section have been paid, any balance remaining in the Fund shall be deposited by the Administrator with the Treasurer of the United States to the credit of miscellaneous receipts.

"(h) Moneys in the Fund may be invested by the Administrator from time to time in obligations of the United States or obligations guaranteed as to principal and interest by the United States."

(b) The table of sections at the beginning of chapter 37 of such title is amended by inserting immediately below

"1817. Release from liability under guaranty."

the following:

"1818. Veterans who serve between January 31, 1955, and July 1, 1963."

(c) Section 1822(a) of such title is amended by striking out "or 1813", and inserting in lieu thereof "1813, or 1818".

SEC. 5. Sections 2, 3, and 4 of this Act shall be known as the "Veterans' Readjustment Assistance Act of 1960".

Mr. HART. Mr. President, it is my understanding that the Senator from Texas was successful in attaching to the bill presently under consideration an amendment which would have extended the GI Bill of Rights to post-Korean veterans. Am I correct in that?

Mr. YARBOROUGH. That is correct.

Mr. HART. I know the leadership that the junior Senator from Texas has given in this effort, and I have been proud and happy to contribute whatever I could to this effort.

However, I feel at this late juncture in the session, with the compelling pressures we attach to it, that to continue this amendment to the bill would jeopardize the passage of the bill itself. The purpose of the bill originally was to increase the funds available to many States for the operation of veterans facilities. I have been urged strongly by spokesmen for veterans groups in Michigan to suggest to the junior Senator from Texas that we drop the extension of the GI bill from this bill, and he, and next year I, will again make an effort to obtain those rights of education for veterans, which have contributed so much to the whole economy of America.

Mr. YARBOROUGH. Mr. President, H.R. 10596 as it passed the House, was enacted to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen and marines of the United States.

There are 28 States that maintain soldiers' homes, maintaining a total of 33 such homes. They are listed on page 3 of the report that accompanies this measure.

In July of last year the Senate passed the cold war GI bill by a vote of 57 to 31, and sent it to the House. It has been bottled up in the House Veterans' Affairs Committee ever since, for more than 11 months now, and the Senate Labor and Public Welfare Committee recently added to H.R. 10596 the basic provisions of the GI bill of rights, it being the thought at that time of many supporters of the GI bill of rights, that by this method of passage in the Senate as an amendment to a House bill the House would have an opportunity to vote on the GI bill, and the House of Representatives having been denied, up to this point, an opportunity to vote on the cold war GI bill of rights bill. I personally think that the cold war GI bill of rights is the most important legislation directly affecting veterans that could come before the 86th Congress either last year or this year, and the most important veteran's legislation since the Korean GI bill was passed years ago.

The cold war GI bill embodies two principal areas of assistance and responsibility to veterans who have served our Nation well in the past, to those now serving in the cold war, and to those who will be called upon to serve during the period of compulsory military service.

The first section provides for additional payments by the Federal Government to State homes for care of disabled soldiers, sailors, airmen, and marines. This increase is made necessary by rising costs of living and the proposed increase, from $700 to $912.50 a year, is a modest one.

There is a total of 33 State homes located in 28 States in which the Veterans' Administration is currently making contributions. Existing law limits the amount any State may be paid to a sum not exceeding one-half of the cost of maintenance of each veteran.

It is in keeping with our American tradition with precedent dating back to 1636, when the Plymouth Colony passed a resolution that—

> Any soldier injured in the defense of the colony shall be maintained competently by the colony for the remainder of his life.

It is a tradition which the Congress has since adopted and followed in behalf of those who maintained America's liberty through all conflicts.

The second section of the proposal is identical to the Cold War Veterans Readjustment Assistance Act which the Senate passed last July 21, 1959, by a vote of 57 to 31. Although almost a year has passed, this educational bill, which is of tremendous importance to millions of veterans and their families, as well as to the effort to develop the brainpower of America, has not yet been given the chance for consideration by the full membership of the House. In view of the expressed interest of many House Members in passage of this far-reaching proposal, we are hopeful that once the Senate again approves it that it will be given a run in the House.

It provides for educational readjustment for the 4¼ million veterans of the post-Korean cold war—from January 31, 1955, termination date of such training under the Korean GI bill, to July 1, 1963, date of termination of the draft—who served for longer than 6 months at a rate of 1½ days of schooling for each 1 day of service, not to exceed 3 years' schooling, at a payment of $110 monthly for single veterans up to a maximum of $165 per month for a married veteran with two children. It also provides for guaranteed home and farm loans, and for vocational rehabilitation for disabled veterans.

All of us in the Senate realize fully that the cold war is costing America a great deal—a great deal in years from the lives of our young men and in dollars from every citizen. Of our $80-billion budget, 57 percent goes for national defense—Defense Department, foreign aid, atomic power. Education and other readjustment benefits for cold war veterans would be a self-liquidating investment of less than one-half of 1 percent of cold war costs.

Some people call our ex-servicemen of today peacetime veterans. I believe this is in error because they are really "cold war" veterans. If it were not for the cold war, which Khrushchev recently redeclared, many of them would not be veterans because there would not be any compulsory military service.

After a man spends several years of his life in the cold war defense of his country, we are making a mistake, morally and economically, if we do not extend him an opportunity for higher education and other readjustment assistance. This does not mean that the cold war veterans' service is as hazardous or difficult as we faced in wartime, but the proposed benefits are scaled down with that factor in mind.

I believe we should pass H.R. 10596 and establish the Cold War Veterans Education Act because—

First. It is an act of justice. Only 45 percent of our young men serve militarily under the present operation of the draft law.

Second. It will open education and on-the-job training assistance to some 4 million young men who honorably serve their country during the period of the military draft.

Third. It will help develop the brainpower of our Nation—our most neglected national asset—by producing many of the additional doctors, teachers, scientists, engineers and others whose services are critically needed. The original GI bill educated 180,000 doctors, nurses, and medical technicians; 113,000 physical and research scientists; 450,000 engineers; and 230,000 school teachers.

Fourth. It will be a sound, self-liquidating investment, for such training will so greatly raise veterans' earning power that their increased income taxes will more than pay the costs of the program within a few years.

Fifth. It will equip the breadwinners of over 2 million American families to provide a better living and to become more productive and useful citizens.

Extending educational and other readjustment benefits to cold war veterans is an act of justice and a sound investment in the future of America.

Mr. President, I have taken this matter up with leaders in the House, and I have been advised that on the objection of even one Member of the House the bill would have to go to the Rules Committee. We know what has happened to so much essential proposed leg-

islation that has been referred to the Rules Committee in the House. We know that the chairman of the Veterans' Affairs Committee has told groups that he will send the bill to the Rules Committee. I have checked with experienced Members of the House on the probable course of the bill in that committee. In order not to jeopardize the House bill, I shall accept the amendment of the distinguished Senator from Michigan, so as not to jeopardize this very meritorious bill for payments to State veterans' homes, but I accept it with the hope that the members of the House Veterans' Affairs Committee can be jarred loose from the cold war GI bill, and that Congress will have an opportunity after our return August 8, and before adjournment, to vote on the GI cold war bill.

Mr. HART. I ask unanimous consent to insert in the RECORD at this point some of the many requests that were sent to me by spokesmen of Michigan and national veterans' groups that the Senator from Texas and I do exactly what we propose to do.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

BAYPORT, MICH., *June 20, 1960.*

U.S. SENATOR PHILIP A. HART,
Senate Office Building,
Washington, D.C.:

Favorable to vote H.R. 10596 and S. 1138; however, urge you to move on Senate floor to separate the two bills so as not to defeat H.R. 10596.

BERNICE C. MCLEISH,
Vice chairman, American Legion National Legislative Commission.

DETROIT, MICH., *June 20, 1960.*

Senator PHILIP HART,
Senate Office Building,
Washington, D.C.:

Urge your acceptance of House bill 10596 which would increase Federal matching fund for veterans and soldiers homes but feel that Senate bill No. 1138 should not be attached. We are not opposed to provisions of Senate bill 1138 but are very concerned with the passage of House bill 10596 in order that we can better aid our older veterans in homes such as a Michigan veterans' facility, Grand Rapids.

ANDREW J. SKENDER,
Department Commander, AMVETS.

DETROIT, MICH., *June 22, 1960.*

Hon. PHILIP HART,
Senate Office Building,
Washington, D.C.:

Please exert every means to separate H.R. 10596 from S. 1138 and press for the subsequent passage of H.R. 10596 substantially benefiting Michigan.

DOUGLAS H. MCGARRITY,
Commander, Disabled American Veterans.

WASHINGTON, D.C., *June 24, 1960.*

Senator PHILIP A. HART,
Senate Office Building,
Washington, D.C.:

Our national organization with active departments in 47 States earnestly solicits your support of an amendment to H.R. 10596 to remove the educational provisions which are endangering the passage of this needed legislation.

Respectfully,

F. B. TAYLOR,
Executive Secretary, National Executive Legislative Committee, Veterans of World War I of the U.S.A., Inc.

WASHINGTON, D.C., *June 24, 1960.*

Hon. PHILIP A. HART,
U.S. Senate,
Washington, D.C.:

Urge your support of amendment that will be offered to eliminate section 2 of H.R. 10596. Section 2, as now contained in the bill, endangers acceptance of program aiding State soldiers' homes. Since peacetime veterans education bill has previously passed Senate and is now under study by the House Veterans' Affairs Committee staff (and is not germane to the soldiers' home proposal), it appears that further action by Senate is inappropriate.

MILES D. KENNEDY,
Legislative Director, the American Legion.

WASHINGTON, D.C., *June 24, 1960.*

Senator PHILIP A. HART,
Senate Office Building,
Washington, D.C.:

The Veterans of Foreign Wars of the United States strongly endorses both increased Federal aid to State homes for support of disabled veterans and education and training benefits for veterans who have served in Armed Forces since end of Korean conflict as contained in H.R. 10596. It is noted Senate has already approved education and training benefits for post-Korean conflict veterans when it approved S. 1138. If it develops that H.R. 10596 in its present form will endanger passage of either of these proposals, the V.F.W. urges your assistance and support of floor action to separate these two proposals and consider each on its own merits, both of which have overwhelming approval of the V.F.W.

FRANCIS W. STOVER,
Director, National Legislative Service, Veterans of Foreign Wars of the United States.

Mr. YARBOROUGH. I have talked to some of these veterans' groups, particularly the VFW, which in its great national convention in Los Angeles in August of last year unanimously endorsed the GI bill. It is only because of the situation in the House that we have agreed with the veterans' organizations, and to the suggestion of the distinguished Senator from Michigan and accept the amendment that has been tendered. In so accepting the amendment and in deleting the cold war bill as an amendment on the State veterans' home bill, we are in no wise withdrawing from the fight on the cold war GI bill, but will press it even harder.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to amend section 200 of the Soldiers' and Sailors' Civil Relief Act of 1940 to permit the establishment of certain facts by a declaration under penalty of perjury in lieu of an affidavit, and for other purposes."

Mr. YARBOROUGH. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ERROR IN NEWSPAPER REPORTING OF EVENTS IN NORTH DAKOTA

Mr. CASE of South Dakota. Mr. President, during most of the time I have been in what is called public life I have been constantly embarrassed by the fact that when news occurs which pertains to South Dakota it has frequently been attributed to North Dakota. However, today, when North Dakota is very much in the news, I am amused by a man-bites-dog news story carried in the Washington Post of today in 36 point type across 3 columns, in 2 lines, stating: "Davis Holds Slim Lead in South Dakota Race."

Since this is a rather historic recognition of the fact that South Dakota has arrived at the consciousness of headline writers, I thought it should be preserved for posterity.

Mr. KEATING. The distinguished Senator from South Dakota refers to a story in today's Washington Post. When I picked up the Washington Post this morning I read to my great joy that one of my bills was passed last evening. However, on the editorial page of the Post there appeared an editorial blasting the bill and my part in it. The editorial said that the bill had been considered hastily in the Senate. This must have been a phantom of the imagination on the part of the editorial writer since the bill was not debated at all in the Senate. I thought I would call that to the attention of the Senator. I would have been delighted if the account of the passage of my rather modest wiretap bill had been more accurate.

Mr. CASE of South Dakota. My reference was a little facetious because it gives us a little balm for some past wounds, that North Dakota should now be referred to as South Dakota, and this will be heralded with little glee in South Dakota.

Mr. KEATING. The Senator's facetiousness is exceeded only by my own.

FEDERAL HIGHWAY ACT OF 1960

Mr. SMATHERS obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I am happy to yield.

Mr. JOHNSON of Texas. The Senator from Florida, in his characteristically courteous manner, has agreed that when unanimous consent is asked to have the Senate proceed to the consideration of the highway bill, he will yield for that purpose, with the understanding that he will not lose the floor.

I desire Senators to know that it is anticipated that we will proceed with the consideration of the highway bill shortly and that we expect to have a yea-and-nay vote on the passage of the bill. Therefore, Senators who may be preparing for evening engagements are informed that their presence will be desired when the discussion on that bill has been completed.

Mr. CHAVEZ. Mr. President, I ask that the Senate proceed to the consideration of House bill 10495, to authorize appropriations for the fiscal years 1962 and 1963 for the construction of

highways in accordance with title 23 of the United States Code.

This bill, Mr. President, has been under consideration for some time in the Public Works Committee.

The chairman of the subcommittee which handles public highway legislation is the Senator from Michigan [Mr. McNAMARA]. A lot of work was devoted to the bill by the chairman of the subcommittee and by the subcommittee itself. In addition, work was done by the full committee at the time it was being prepared prior to being reported. Hence, I yield the rest of my time to the Senator from Michigan [Mr. McNAMARA].

Mr. CASE of South Dakota. Mr. President, I wonder if the Senator will yield at this time in order that we might ask for the yeas and nays.

Mr. KERR. Does the Senator think there are enough Republicans here to have the yeas and nays ordered?

Mr. CASE of South Dakota. I need to give some warning to them.

The PRESIDING OFFICER. The Parliamentarian advises that the bill has not yet been laid before the Senate.

The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KERR. Mr. President, I ask for the yeas and nays. The yeas and nays were ordered.

Mr. CHAVEZ. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of H.R. 10495.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McNAMARA. Mr. President, H.R. 10495 continues the regular Federal-aid highway program for the A–B–C systems for an additional 2-year period, fiscal years 1962 and 1963, under the same basic pattern that has been followed for a number of years. It also includes authorizations for roads on Federal lands and reservations for the same 2-year period.

Authorization of funds for fiscal years 1962 and 1963 for the Federal-aid primary and secondary highway systems and their extensions within urban areas is necessary at this time to permit consideration of Federal appropriations at the next session of Congress, and to permit States to prepare their programs and make the necessary financial arrangements for matching the Federal funds.

In addition to authorization of $925 million for the regular Federal-aid highway systems for each of fiscal years 1962 and 1963, the bill includes an additional authorization of $100 million for each of those fiscal years for expenditure on the A–B–C systems, primarily for use in labor surplus and depressed areas. These additional funds would be used in the same manner as the so-called D-funds authorized in the Federal-Aid Highway Act of 1958. These funds would be apportioned to the States under the same formulas as for the regular A–B–C funds, and could be used by the States on either of the three systems, on a two-thirds Federal one-third State matching basis. The funds would be used within the fiscal year for which authorized.

The funds authorized for the various categories of highway in H.R. 10495 are as follows:

A–B–C highways, $925 million for each of fiscal years 1962 and 1963.

Additional D-funds for the A–B–C highways, $100 million for each of fiscal years 1962 and 1963.

Forest highways, $33 million for each of fiscal years 1962 and 1963.

Forest development roads and trails, $35 million for fiscal year 1962 and $40 million for fiscal year 1963.

Park roads and trails, $18 million for each of fiscal years 1962 and 1963.

Parkways, $16 million for each of fiscal years 1962 and 1963.

Roads on Indian reservations, $12 million for each of fiscal years 1962 and 1963.

Public lands highways, $3 million for each of fiscal years 1962 and 1963.

As reported by the committee, H.R. 10495 amends the sliding scale for Federal participation in public land States, to include both reserve and unreserved public domain lands and nontaxable Indian lands, individual and tribal, exclusive of national forests and national parks and monuments, instead of only unappropriated and unreserved public lands and nontaxable Indian lands.

The bill also authorizes an increase in the mileage of the designated National System of Interstate and Defense Highways by 300 miles, from 41,000 to 41,300 miles, with the estimated cost of the additional 300 miles to be included in the estimates of cost of completing the Interstate System. This increase in mileage is added to permit designations on the interstate in the new States of Alaska and Hawaii.

The bill also includes additional minor amendments and certain technical and clarifying amendments.

I ask unanimous consent to have included in the RECORD at this point the tables of apportionment to the States shown on pages 4 and 5 of the committee report on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Approximate apportionment of $925,000,000 of Federal-aid primary, secondary, and urban highway funds for fiscal years 1962 and 1963, pursuant to H.R. 10495

[Millions of dollars]

State	Apportionment				State	Apportionment			
	Primary	Secondary	Urban	Total		Primary	Secondary	Urban	Total
Total	416.3	277.5	231.2	925.0	Montana	7.7	5.3	.5	13.5
					Nebraska	7.6	5.4	1.3	14.3
Alabama	8.4	6.5	3.0	17.9	Nevada	4.6	3.1	.2	7.9
Alaska	22.1	14.8	.1	37.0	New Hampshire	2.1	1.4	.6	4.1
Arizona	6.0	4.0	.9	10.9	New Jersey	5.5	1.9	10.1	17.5
Arkansas	6.4	5.2	1.3	12.9	New Mexico	6.5	4.5	.8	11.8
California	19.0	9.8	20.5	49.3	New York	19.3	7.6	30.8	57.7
Colorado	7.4	5.0	1.9	14.3	North Carolina	9.9	8.6	3.0	21.5
Connecticut	2.7	1.4	4.5	8.6	North Dakota	5.4	3.9	.4	9.7
Delaware	2.1	1.4	.4	3.9	Ohio	14.1	8.5	13.3	35.9
Florida	6.5	4.2	4.1	14.8	Oklahoma	8.4	6.1	2.5	17.0
Georgia	9.7	7.5	3.4	20.6	Oregon	6.6	4.6	1.8	13.0
Hawaii	2.1	1.4	.7	4.2	Pennsylvania	16.5	9.9	17.4	43.8
Idaho	4.7	3.3	.4	8.4	Rhode Island	2.1	1.4	1.6	5.1
Illinois	15.5	8.4	16.1	40.0	South Carolina	5.5	4.5	1.6	11.6
Indiana	9.6	6.6	5.5	21.7	South Dakota	5.8	4.2	.4	10.4
Iowa	9.3	6.9	2.8	19.0	Tennessee	8.5	6.7	3.4	18.6
Kansas	9.2	6.5	2.2	17.9	Texas	25.0	16.7	11.1	52.8
Kentucky	7.3	6.1	2.4	15.8	Utah	4.6	3.0	1.0	8.6
Louisiana	6.2	4.4	3.4	14.0	Vermont	2.1	1.4	.3	3.8
Maine	3.2	2.3	1.0	6.5	Virginia	7.6	6.0	3.6	17.2
Maryland	3.7	2.3	3.9	9.9	Washington	6.5	4.4	3.5	14.4
Massachusetts	5.3	2.0	9.6	16.9	West Virginia	4.4	3.9	1.5	9.8
Michigan	12.4	7.6	10.7	30.7	Wisconsin	9.3	6.5	4.5	20.3
Minnesota	10.4	7.3	3.8	21.5	Wyoming	5.0	3.3	.3	8.6
Mississippi	6.9	5.9	1.3	14.1	District of Columbia	2.1	1.3	2.0	5.4
Missouri	11.1	7.5	5.7	24.3	Puerto Rico	2.2	2.3	1.9	6.4

Approximate apportionment of special $100 million of Federal-aid primary, secondary, and urban highway funds for fiscal years 1962 and 1963 pursuant to H.R. 10495

[Thousands of dollars]

State	Primary ($45,000)	Secondary ($30,000)	Urban ($25,000)	Total ($100,000)	State	Primary ($45,000)	Secondary ($30,000)	Urban ($25,000)	Total ($100,000)
Alabama	916	716	329	1,961	Nebraska	825	588	147	1,560
Alaska	2,414	1,614	8	4,036	Nevada	508	340	19	867
Arizona	653	445	98	1,196	New Hampshire	225	150	74	449
Arkansas	700	569	141	1,410	New Jersey	603	206	1,101	1,910
California	2,079	1,066	2,235	5,380	New Mexico	716	492	83	1,291
Colorado	808	536	209	1,553	New York	2,110	833	3,361	6,304
Connecticut	295	150	487	932	North Carolina	1,086	936	323	2,345
Delaware	225	150	52	427	North Dakota	585	430	42	1,057
Florida	707	462	451	1,620	Ohio	1,537	931	1,455	3,923
Georgia	1,062	818	366	2,246	Oklahoma	922	663	275	1,860
Hawaii	225	150	85	460	Oregon	716	502	202	1,420
Idaho	508	359	48	915	Pennsylvania	1,804	1,074	1,904	4,782
Illinois	1,694	914	1,759	4,367	Rhode Island	225	150	180	555
Indiana	1,048	723	602	2,373	South Carolina	595	496	173	1,264
Iowa	1,021	753	299	2,073	South Dakota	632	456	49	1,137
Kansas	1,011	711	236	1,958	Tennessee	930	732	364	2,026
Kentucky	799	671	261	1,731	Texas	2,733	1,831	1,205	5,769
Louisiana	671	488	369	1,528	Utah	504	334	107	945
Maine	351	253	105	709	Vermont	225	150	39	414
Maryland	405	248	427	1,080	Virginia	834	652	392	1,878
Massachusetts	580	215	1,047	1,842	Washington	717	479	379	1,575
Michigan	1,356	823	1,170	3,349	West Virginia	478	420	164	1,062
Minnesota	1,133	802	409	2,344	Wisconsin	1,015	710	492	2,217
Mississippi	757	641	139	1,537	Wyoming	541	367	27	935
Missouri	1,215	824	619	2,658	District of Columbia	225	150	217	592
Montana	839	579	59	1,477	Puerto Rico	237	248	216	701

Mr. McNAMARA. Mr. President, these apportionments are approximate and may be subject to change necessitated by new population figures.

Mr. President, the primary and secondary highways, and their extensions within urban areas, are the most important roads in our Nation in the development of our economy. These roads comprise almost 800,000 miles and extend into every county in the United States. They now carry about 48 percent of all the highway traffic in the Nation, and this is expected to practically double in the next 10 years. In addition to being our farm-to-market and rural roads, they have an important function as feeder roads for the Interstate System.

H.R. 10495 continues and carries forward important highway programs over the entire country, in our national forests, our national parks, and on the public domain. These highways are important to our economy, the development of our Nation, and accommodating the vehicle traffic needs of our citizens.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. McNAMARA. I shall be happy to yield to my distinguished colleague.

If the Senator will withhold his request for a moment, Mr. President, I ask unanimous consent that the committee amendments be considered en bloc, and that the bill as thus amended be considered as new text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none, and the committee amendments are considered and agreed to en bloc, as requested.

The committee amendments agreed to en bloc are as follows:

On page 3, after line 6, to insert:

"ADDITIONAL AUTHORIZATION OF APPROPRIATION OF FEDERAL-AID PRIMARY, SECONDARY, AND URBAN FUNDS

"SEC. 3. (a) AMOUNT AND APPORTIONMENT.—For the purpose of carrying out the provisions of title 23 of the United States Code, there is hereby authorized to be appropriated out of the Highway Trust Fund the sum of $100,000,000 for the fiscal year ending June 30, 1962, and the sum of $100,000,000 for the fiscal year ending June 30, 1963, in addition to any other sums authorized for such fiscal years. The sum herein authorized for the fiscal year ending June 30, 1962, shall be apportioned: (A) 45 per centum for projects on the Federal-aid primary highway system, (B) 30 per centum for projects on the Federal-aid secondary highway system, and (C) 25 per centum for projects on extensions of these systems within urban areas, among the several States, immediately upon enactment of this Act, and the sum herein authorized for the fiscal year ending June 30, 1963, shall be apportioned on the same percentage basis, among the several States not later than August 1, 1961, in the manner now provided by law and in accordance with the formulas set forth in section 104(b) (1), (2), and (3) of title 23 of the United States Code.

"(b) AVAILABILITY FOR EXPENDITURE.—The amount authorized to be appropriated in section 3(a) herein for the fiscal year ending June 30, 1962, shall be available for expenditure pursuant to contracts awarded or work commenced by the State highway departments prior to January 1, 1961, for completion of construction prior to January 1, 1962, and the amount authorized to be appropriated in section 3(a) herein for the fiscal year ending June 30, 1963, shall be available for expenditure pursuant to contracts awarded or work commenced by the State highway departments prior to January 1, 1962, for completion of construction prior to January 1, 1963, subject to delays caused by circumstances and conditions beyond the control of, and without the fault of any contractor on such contracts, and delays created by acts of God. Any amounts apportioned to a State under provisions of this section for the fiscal year ending June 30, 1962, remaining unexpended on January 1, 1961, shall lapse: *Provided*, That such funds shall be deemed to have been expended when covered by contracts awarded or work commenced prior to January 1, 1961, and on account of which formal agreements with the Secretary of Commerce are entered into prior to February 1, 1961, for specific projects. Any amounts apportioned to a State under provisions of this section for the fiscal year ending June 30, 1963, remaining unexpended on January 1, 1962, shall lapse: *Provided*, That such funds shall be deemed to have been expended when covered by contracts awarded or work commenced prior to January 1, 1962, and on account of which formal agreements with the Secretary of Commerce are entered into prior to February 1, 1962, for specific projects.

"(c) EXPENDITURE WITHOUT LIMITATION AS TO SYSTEMS.—The sums apportioned under this section shall be available for expenditure for projects on the primary or secondary Federal-aid systems, including extensions of these systems within urban areas, without limitation as to the amount of any class of funds, primary, secondary, or urban, apportioned for projects on any system.

"(d) FEDERAL SHARE.—The Federal share payable on account of any project provided for by funds made available under the provisions of this section shall not exceed 66⅔ per centum of the total cost thereof plus, in any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, a percentage of the remaining 33⅓ per centum of such cost equal to the percentage that the area of such lands in such State of its total area: *Provided*, That such Federal share payable on any project in any State shall not exceed 95 per centum of the total cost of such project.

"(e) CONTRACT AUTHORITY.—Approval by the Secretary of Commerce of any project, on account of which the Federal share is increased under the provisions of this section shall be deemed a contractual obligation of the Federal Government for the payment of such increase in the Federal share, and its expenditure shall be governed by the provisions of subsection (b) of this section.

"(f) DECLARATION OF INTENT.—It is hereby declared to be the intent of the Congress that the sums authorized under subsection (a) of this section shall be supplementary to, and not in lieu of, any other sum heretofore or herein authorized for expenditure on the Federal-aid primary or secondary systems, including extensions of these systems within urban areas, and is made available to enable and encourage the States to use such funds for the construction of highway projects in labor surplus areas, and on those projects of greater need."

On page 6, after line 22, to insert:

"FEDERAL-AID PARTICIPATION IN PUBLIC LAND STATES

"SEC. 4. That section 120(a) of title 23, United States Code is hereby amended by

striking out 'Unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal' and inserting in lieu thereof 'nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments,'."

On page 7, after line 5, to insert:

"SEC. 5. The first sentence of section 103 (d) of title 23, United States Code, is hereby amended to read as follows:

" 'The Interstate System shall be designated within the United States and it shall not exceed forty-one thousand three hundred miles in total extent'."

After line 10, to insert:

"PAYMENTS ON FEDERAL-AID PROJECTS UNDERTAKEN BY A FEDERAL AGENCY

"SEC. 6. (a) That chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

" '§132. Payments on Federal-aid projects undertaken by a Federal agency

" 'Where a proposed Federal-aid project is to be undertaken by a Federal agency pursuant to an agreement between a State and such Federal agency and the State makes a deposit with or payment to such Federal agency as may be required in fulfillment of the State's obligation under such agreement for the work undertaken or to be undertaken by such Federal agency, the Secretary, upon execution of a project agreement with such State for the proposed Federal-aid project, may reimburse the State out of the appropriate appropriations the estimated Federal share under the provisions of this title of the State's obligation so deposited or paid by such State. Upon completion of such project and its acceptance by the Secretary, an adjustment shall be made in such Federal share payable on account of such project based on the final cost thereof. Any sums reimbursed to the State under this section which may be in excess of the Federal pro rata share under the provisions of this title of the State's share of the cost as set forth in the approved final voucher submitted by the State shall be recovered and credited to the same class of funds from which the Federal payment under this section was made.'

"(b) The analysis of chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof the following:

" '132. Payments on Federal-aid projects undertaken by a Federal agency.' "

On page 8, after line 16, to insert:

"APPROACH ROADS TO FERRY FACILITIES

"SEC. 7. (a) Section 129 of title 23, United States Code, is hereby amended by adding thereto the following new subsection:

" '(e) Notwithstanding the provisions of section 301 of this title, the Secretary may permit Federal participation under this title in the construction of a project constituting an approach to a ferry, whether toll or free, the route of which has been approved under section 103 (b) or (c) of this title as a part of one of the Federal-aid systems and has not been designated as a route on the Interstate System. Such ferry may be either publicly or privately owned and operated, but the operating authority and the amount of fares charged for passage shall be under the control of a State agency or official, and all revenues derived from publicly owned or operated ferries shall be applied to payment of the cost of construction or acquisition thereof, including debt service, and to actual and necessary costs of operation, maintenance, repair, and replacement.'

"(b) The caption of section 129 of title 23, United States Code, is amended to read as follows: 'Toll Roads, Bridges, Tunnels, and Ferries.' "

On page 9, after line 14, to insert:

"REPAYMENT OF FEDERAL-AID FUNDS

"SEC. 8. (a) The amount of all Federal-aid highway funds paid on account of those sections of Federal-aid Interstate Route 95 in the States of Delaware and Maryland from a point in the vicinity of Farnhurst, Delaware, to a point in the vicinity of the proposed Whitemarsh Interchange in Baltimore County, Maryland, proposed as the location for a toll express highway, shall, prior to the collection of tolls thereon, be repaid to the Treasurer of the United States and the amount so repaid shall be deposited to the credit of the appropriation for "Federal-Aid Highways (Trust Fund)". At the time of such repayment, the Federal-aid projects with respect to which such funds have been repaid and any other Federal-aid project located on such sections of said Interstate Route and programed for Federal-aid participation shall be canceled and withdrawn from the Federal-aid highway program. Any amount so repaid, together with the unpaid balance of any amount programed for expenditure on any such project, shall be credited to the unprogramed balance of Federal-aid highway funds of the same class last apportioned to the States, respectively. The amount so credited shall be available for expenditure in accordance with the provisions of title 23, United States Code, as amended or supplemented.

"(b) Upon the repayment of Federal-aid highway funds and the cancellation and withdrawal from the Federal-aid highway program of all projects on said sections of Federal-aid Interstate Route 95, as provided in subsection (a) of this section, such sections of said route shall become and be free of any and all restrictions contained in title 23, United States Code, as amended or supplemented, or in any regulation thereunder, with respect to the imposition and collection of tolls or other charges thereon or for the use thereof."

On page 10, at the beginning of line 23, to change the section number from "3" to "9", and on page 11, at the beginning of line 11, to change the section number from "4" to "10".

Mr. McNAMARA. Mr. President, I yield now to the Senator from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. President, first I desire to congratulate the Senator from Michigan and his colleagues on the subcommittee for bringing to the Senate a bill which will give more and better transportation to the entire Nation, the population of which is increasing so rapidly, and which has such an urgent need for more and better highways.

Mr. President, on March 29 of this year, in the belief that an up-to-date, realistic, and, in fact, long-overdue revision should be made to the formula regarding public land State matching of Federal funds apportioned under the A–B–C road program, Senators ANDERSON, BIBLE, CANNON, ENGLE, GRUENING, JACKSON, MAGNUSON, MURRAY, and MCGEE joined me in introducing S. 3290. The provisions of that measure were incorporated by the committee as the amendment to H.R. 10495 found on page 6 of the reported bill under "Federal-Aid Participation in Public Land States." I should like to thank the members of the committee for their endorsement of the proposed revised formula.

As part of my remarks, I ask unanimous consent that a portion of the committee's report on this amendment be included at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SLIDING SCALE RATIO OF FEDERAL-AID PARTICIPATION IN PUBLIC LANDS STATES

The committee approved an amendment to H.R. 10495 which would add the reserved lands in the public domain, exclusive of national forests, national parks, and national monuments, to the lands used in computing the amount of the Federal share payable in public lands States for Federal-aid highway projects financed with Federal-aid primary, secondary, or urban funds. The amendment would not be applicable to funds apportioned to the States for the Interstate System.

The Federal Highway Act approved November 9, 1921, provided that the Federal share of the cost of such Federal-aid projects shall not exceed 50 percent of the cost of construction, except that in the case of States containing unappropriated and unreserved public lands and nontaxable Indian lands, the Federal share is increased depending upon the area of such lands within the States.

This amendment would result in increasing the percentage of funds provided by the Federal Government for affected Federal-aid projects in the 13 public lands States, thus decreasing the percentage of funds provided by these States. The committee notes that the increase would be rather small, 2 or 3 percent or less, in all of the States except Alaska, Arizona, Nevada, and Utah. Its principal effect would be upon the Federal-aid primary and secondary highway work in Alaska, where the participation of Federal funds would be increased from 86.09 percent to 94.93 percent.

The original provision was included in the Federal highway laws after inception of the Federal-aid highway program when it became apparent that the public lands States in the western part of our country were required to expend large sums for the construction and maintenance of roads crossing the public lands, yet the large areas of such Federal lands were not on the tax rolls and were not a source of revenue for the States. At that time most of the public lands in the Eastern, Southern, and Midwestern States had gone into private ownership, had been improved and developed and were on the tax rolls of those States, and were assisting in provision of funds to match Federal-aid highway funds on the required 50–50 basis.

Under the present public lands matching formula, reserved Federal lands are not included. These reserved lands in the public lands States amount to millions of acres, none of which are on the State tax rolls. Most of these reserved lands have been reserved since 1921 when the matching formula was established, and they are still being withdrawn from the public domain for many purposes.

Neither the existing law nor the proposed amendment includes national forests, parks, and monuments, which comprise in excess of 185 million acres. The Federal Government is the landlord of this vast acreage and has improved the property by building roads into and through such areas. The Federal Government returns 25 percent of the receipts from the national forests to the States containing national forest land for schools and roads. In 1959 the amounts returned to the 13 States was about $25 million.

Alaska was included in the Federal-aid primary and secondary highway programs for the first time in the Federal-Aid Highway Act of 1956. The provision of an adequate transportation system has been a diffi-

cult problem confronting Alaska in its transition from territorial to statehood status. Highway construction and maintenance is very expensive. Road mileage in the State is not extensive, and many of the communities are still isolated as far as highway connections are concerned. The number of motor vehicles in the State is relatively small, and the State income from highway revenues is low. As additional highways are completed the annual cost of maintenance will increase. It appears possible that Alaska, as well as certain other Western States, might have difficulty in the near future of meeting their matching requirements for Federal-aid highway funds and providing adequate maintenance for the completed highways.

The committee realizes that the amendment will not require the expenditure of additional Federal funds, nor divert any Federal funds from any other State. The committee was concerned with the effect of the amendment in decreasing the total amount of highway work which could be accomplished with Federal-aid funds in public lands States. The committee considers, however, that the amendment would allow the State more flexibility in the expenditure of State funds for construction of State roads, maintenance, or for other purposes. The question of application of the additional revenue available to the States is a State matter, and might result in construction of more net road mileage when used on State roads. It is also recognized that road construction in the States affected by the amendment is much more expensive than in most of the other States.

The committee understands that the term "public domain lands" as used in the recommended amendment includes only lands which have never left Federal ownership, and does not include acquired lands such as land-utilization land, acquired submarginal land, land acquired under the National Industrial Recovery Act, and land acquired for military reservations.

The committee considers it equitable and proper that the public lands States be given recognition for Federal lands which lie beyond the reach of the taxing powers of such States, a payment in lieu of taxation so to speak, and that the credit now given to States for unreserved and unappropriated public lands should be extended to include reserved lands in the public domain.

The following tables show the effects of the proposed amendment on State matching requirements under existing law.

Sliding scale ratio of Federal-aid participation in public lands States (for normal 50–50 matching) based on present legislation and on the amendment

State	Present legislation			Amendment		
	Area of unappropriated and unreserved public lands and nontaxable Indian lands	Percent of total area of State	Sliding scale rate	Area of reserved and unreserved public domain lands, exclusive of national forests and national parks and monuments, and nontaxable Indian lands	Percent of total area of State	Sliding scale rate
Alaska	270,885,166	0.7218	86.09	337,241,411	0.8986	94.93
Arizona	31,863,199	.4371	71.86	38,955,450	.5344	76.72
California	16,267,805	.1602	58.01	21,143,140	.2082	60.41
Colorado	8,829,571	.1323	56.62	9,760,661	.1463	57.32
Idaho	12,020,091	.2248	61.24	14,691,404	.2747	63.74
Montana	11,771,815	.1250	56.25	13,204,231	.1402	57.01
Nevada	47,172,077	.6668	83.34	56,130,594	.7934	89.67
New Mexico	19,748,724	.2536	62.68	23,599,883	.3031	65.16
Oregon	14,500,290	.2336	61.68	17,620,605	.2839	64.20
South Dakota	5,243,691	.1063	55.32	5,279,295	.1071	55.36
Utah	26,630,754	.4900	74.50	30,497,000	.5612	78.06
Washington	2,974,770	.0682	53.41	3,387,325	.0776	53.88
Wyoming	18,012,774	.2874	64.37	20,512,673	.3273	66.37

Reduction in Senate matching funds under provisions of the proposed amendment

State	1961 apportionment of A–B–C funds	State matching funds required on basis of		
		Present legislation	Amendment	Difference
Alaska	$36,768,519	$5,940,877	$1,963,725	$3,977,152
Arizona	10,613,418	4,156,159	3,220,547	935,612
California	46,622,627	33,746,921	30,553,982	3,192,939
Colorado	13,461,726	10,313,842	10,023,490	290,352
Idaho	7,961,559	5,039,027	4,529,120	509,907
Montana	12,729,514	9,900,733	9,599,049	301,684
Nevada	7,791,113	1,557,474	897,538	659,936
New Mexico	11,291,509	6,723,023	6,037,388	685,635
Oregon	12,378,962	7,690,691	6,902,910	787,781
South Dakota	9,871,273	7,972,676	7,959,784	12,892
Utah	8,646,670	2,959,598	2,430,284	529,314
Washington	13,596,329	11,860,194	11,638,135	222,059
Wyoming	8,189,918	4,533,273	4,149,871	383,402
Total	199,922,537	112,394,488	99,905,823	12,488,665

Mr. BARTLETT. Mr. President, under the existing formula the State matching requirement on a given Federal road project is reduced by the area in that State lying in unappropriated, unreserved status plus the acreage of nontaxable Indian lands. This amendment would add reserved lands. In the 13 Western States some 106 million acres have been withdrawn from the public domain for the use of many Federal agencies. Not an acre is found on any of the taxrolls of those States. These reserves—upon which the States cannot levy taxes—should be counted in the matching formula. If added to the formula, those lands would not include the more than 175 million acres withdrawn for national forest, park and national monument purposes. They would not include vast acreages of acquired lands which the Federal Government has obtained from private and local government sources. They would include only those lands which are public domain lands subject to withdrawal. Those reserves are normally created by the stroke of an executive pen. One day, for example, 500,000 acres may lie in unreserved, unappropriated status counting toward the reduced matching formula. The next day, with the issuance of one executive order or public land order, that acreage can be placed in reserve status and up goes the State's matching by x number of dollars. The creation of that reserve has brought not one dollar into the State treasury but has placed on the people of that State the burden of putting up x number of dollars because the Federal Government needs the land for some purpose.

A most graphic example can be cited here. Last week the Defense Department sent to Congress four requests for legislation which would set aside 1,486,800 acres of land in Alaska for such purposes as training, maneuvering, and testing areas and a Nike range. Such withdrawals, in excess of 5,000 acres, must be approved by acts of Congress under a law passed in 1958. Withdrawals of that size—meritorious as they might be for defense purposes—would cost the people of Alaska a few dollars short of $100,000 a year in matching Federal allocations under the ABC program.

Withdrawals of public domain for these and other Federal uses, such as wildlife refuges and ranges and a multitude of other purposes, cost the Western States $12,488,665 a year because of the Federal reserved lands lying within their borders, exclusive, as above stated, of acquired lands, and national forests, parks and monuments.

The following are the acres of Federal reserves other than national parks, forest, monuments, and acquired lands, by State:

New Mexico, 3,851,159.
Alaska, 66,365,245.
Arizona, 7,092,251.
California, 4,875,335.
Colorado, 931,090.
Idaho, 2,671,313.
Montana, 1,432,416.
Nevada, 8,958,517.
Oregon, 3,120,315.
South Dakota, 35,604.
Utah, 3,866,246.
Washington, 412,555.
Wyoming, 2,499,899.
Total, 106,111,945.

The adoption of this amendment will not affect in any way the Federal funds allocated to each of the 50 States and will take no money away from the Middlewestern, Eastern, and Southern States. The Federal apportionment of

the total ABC Federal money is apportioned on the basis of the total areas of the States, their population, and their rural delivery and star route mileage. The public land States do not get one Federal dollar more under any formula which takes Federal lands lying within their borders into account for matching purposes. But because the taxing power of these States is vastly reduced by the very existence of such huge Federal areas, the ability of the States to find the matching funds is likewise reduced.

This amendment has been endorsed by the Western Association of State Highway Officials. I ask unanimous consent that a telegram carrying that endorsement be included in my remarks, and should also like to include a letter dated June 21 addressed to me by Gov. J. J. "Joe" Hickey, of Wyoming, and one dated June 14 addressed to Gov. William A. Egan, of Alaska, by Gov. Edmund G. Brown, of California, both in support of the provisions of this amendment.

There being no objection, the telegram and letters were ordered to be printed in the RECORD, as follows:

JUNEAU, ALASKA, *June 27, 1960.*

Hon. E. L. BARTLETT,
U.S. Senate,
Washington, D.C.:

The Western Association of State Highway Officials, consisting of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, Wyoming, Forest Service, Park Service, Bureau of Indian Affairs, and Bureau of Public Roads, officially adopted a resolution which expresses strong support to your amendment on Highway Appropriations Act to remove inequities in matching ratio and give just credit for reserved public lands. Your efforts in behalf of the public domain States are greatly appreciated. Copies of resolution will be sent your office.

T. D. SHERARD,
Secretary.

WYOMING EXECUTIVE DEPARTMENT,
Cheyenne, Wyo., June 21, 1960.

Hon. E. L. BARTLETT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BARTLETT: I have reviewed the material received with your letter of June 15 with reference to the inclusion of S. 3290 as an amendment to H.R. 10495 which has passed the House and proposes to extend the ABC program for 2 years.

Although I have not had an opportunity to discuss this with our State highway commission, which is meeting in Portland, Oreg., and since I am leaving for the Governors' conference tomorrow, I wanted to get this letter to you advising that I am in full agreement with the proposal in your bill, S. 3290, now a part of H.R. 10495. The proposal would include nontaxable Indian lands, individual and tribal, and public domain lands, exclusive of national forests and national parks and monuments, with the lands presently used in computing the amount of the Federal share of funds payable in public land States for Federal aid highway projects.

With best regards.

Sincerely yours,

J. J. "JOE" HICKEY,
Governor.

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, Calif., June 14, 1960.

Hon. WILLIAM A. EGAN,
Governor of Alaska,
Juneau, Alaska.

DEAR BILL: Thank you for your letter of May 24, 1960, enclosing a copy of S. 3290, amending the matching formula for Federal aid highway funds with reference to public lands and a statement of Senator BARTLETT of Alaska, to the Senate Public Works Committee endorsing the measure. You will note that Senator ENGLE, from California, is a coauthor of the bill.

While the bill would not have as great an effect on California as it would on Alaska, its enactment would be advantageous to this State. We have so advised Senator ENGLE and offered any assistance we can give him.

It was just today called to my attention that in all probability the Senate Public Works Committee will act favorably upon the suggestion and include it as an amendment to a House bill that is now pending in the Senate.

Your thoughtfulness in sending me the reference to the bill and the material concerning it is greatly appreciated.

With best personal regards, I am,

Sincerely,

EDMUND G. BROWN,
Governor.

Mr. BARTLETT. Mr. President, I thank the Senator from Michigan for giving me this opportunity to discuss the amendment.

Mr. McNAMARA. Mr. President, I am happy to have had the opportunity to accommodate the Senator. I assure the Senator that when he appeared before the subcommittee he made a fine presentation of the facts which he has just recited.

Mr. GRUENING. Mr. President, will the chairman of the subcommittee yield to me?

Mr. McNAMARA. I am happy to yield to my friend the junior Senator from Alaska.

Mr. GRUENING. I wish to second the remarks made by my able colleague the senior Senator from Alaska and to express my thanks to the committee members, to the chairman of the Committee on Public Works, the senior Senator from New Mexico [Mr. CHAVEZ], and to the chairman of the Subcommittee on Roads, the Senator from Michigan, for the excellent amendments they have put into the bill regarding Alaska.

I should like to ask one or two questions about the amendment, which would add 300 miles to the mileage currently authorized.

Mr. McNAMARA. I yield to the Senator.

Mr. GRUENING. The amendment found in section 5 of H.R. 10495, the bill reported by the committee, covers the mileage.

Is it not a fact that in adding the additional mileage to the Interstate Highway System the committee was very much concerned about the total lack of such mileage in the State of Alaska?

Mr. McNAMARA. Yes. The Senator from Alaska who is asking the question made a very fine presentation before the committee. He convinced the committee there was a justification for adding mileage, which demonstrates our concern about the lack of such interstate mileage.

Mr. GRUENING. So the interstate mileage was added?

Mr. McNAMARA. Yes, the interstate mileage was added.

Mr. GRUENING. Is it not a fact that when allocated to the State of Alaska, such mileage may be used anywhere in the State agreed upon between the Bureau of Public Roads and the State of Alaska?

Mr. McNAMARA. Exactly as is done in all the other States of the Union.

Mr. GRUENING. I thank the Senator.

Mr. McNAMARA. I was happy to accommodate the Senator from Alaska.

Mr. RUSSELL. Mr. President, when the Senator concludes his statement, I desire to offer an amendment.

Mr. McNAMARA. I shall be glad to yield to the Senator from Georgia so that he may offer an amendment, if that is his desire at this time.

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Does the Senator from Michigan yield?

Mr. McNAMARA. There are some questions which other Senators desire to ask, but we can take them up later. So I now yield to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Michigan yields to the Senator from Georgia.

Mr. RUSSELL. Mr. President, I have been interested in, and have been undertaking to interest the Forest Service and other agencies of the Government which have to do with the control of public lands in, the construction of a vitally important forest road in my State in White County, Ga. In the local area this road is known as the road from Richard Sims to Dukes Creek Falls.

Mr. President, Dukes Creek Falls is supposed to be one of the most beautiful attractions of nature in the entire Appalachian chain of mountains. Due to the relatively small area which Georgia has in the national forests I have been unable, up to now, to get the Bureau of Public Roads and the Forest Service to launch the project. Therefore, Mr. President, I had contemplated offering amendments which would make some change in the formula for the distribution of funds. In fact, I had prepared the amendments.

I have discussed this situation with the very able Senator from Oklahoma [Mr. KERR] and the Senator from South Dakota [Mr. CASE] who are great authorities on all phases of highway legislation, including the construction of roads and trails in forest lands. I have concluded, as a result of that discussion, not to offer any amendment which would materially change the bill from the form presented by the committee when these gentlemen wrote this vitally important piece of proposed legislation. I shall instead undertake to amend the bill as to the authorization, in order that we might be afforded the opportunity to go ahead with this project which is vital to a very important area in my State. It has been estimated it will be one of the great tourist attractions in the Eastern United States, if the area can be opened up.

Mr. President, I therefore offer an amendment on page 3, line 4, to strike out the figure "$3,000,000" and to insert in lieu thereof the figure "$3,500,000" in order that adequate funds may be available to enable these agencies of Government to go forward with the project. Everyone familiar with the facts knows

this is a worthy project. Merely because of the limitations to which I have adverted has it not heretofore been placed under construction? It should not be delayed any longer.

Mr. President, I offer the amendment and urge its approval by the Senate.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, line 4, it is proposed to strike out "$3,000,000" and to insert in lieu thereof "$3,500,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

Several Senators addressed the Chair.

Mr. MCNAMARA. Mr. President, I am happy to yield to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Michigan yields to the Senator from Oklahoma.

Mr. KERR. Mr. President, I have discussed this matter with the Bureau of Public Roads, the Forest Service, and others. I have been advised that the project has been under consideration and is on the agenda for planning and for construction. It is my belief that the project can be taken care of in the authorization provided by the committee.

However, in order that there may be no question about the matter, I urge the adoption of the amendment offered by the Senator from Georgia. I say to the Senator that if, between now and the time the bill goes to conference, assurance can be given by the Forest Service and by the Bureau of Public Roads that the project to which the Senator has referred can be taken care of on an appropriate and satisfactory basis from the authorizations as provided in the bill without the amendment, consideration would then be given to dropping the additional authorization in the conference. Otherwise, we could leave it in the bill, if we could succeed in having it agreed to by the House, in order that the funds would certainly be adequate for the project.

Mr. RUSSELL. Mr. President, I appreciate the statement of the distinguished Senator from Oklahoma. The reason I offered the amendment was to be sure not to interfere with the project of anyone else which has already been approved and undertaken. I did not wish to be in a position of interfering with any other project throughout the Nation which comes in any one of these categories.

My State shares to a minute degree in any of the forestry and public lands appropriation. I have been a member of the Appropriation Committee for 28 years. I am certain that I have voted for amendments to spend tens and perhaps hundreds of millions of dollars for roads and trails, though relatively none of the money is spent in my State.

Knowing some of the difficulties I have had in undertaking to bring this project to fruition, I offered the amendment in the form it is before us so as to be sure that we would not interfere with any other project which has heretofore been approved.

Mr. MCNAMARA. Mr. President, if agreeable to the Senator from Georgia and the Senator from Oklahoma, as chairman of this subcommittee, I will accept the amendment of the Senator from Georgia under the conditions specified.

Mr. RUSSELL. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. MCNAMARA. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I should like to say that the matter has been discussed with me, and I have also discussed it with a representative of the Bureau of Public Roads. It is my understanding that the project would be eligible for construction in the normal course of events either from forest lands and trails funds or from public land funds. However, the formula under which the forest funds are allocated and the priorities on projects heretofore programed may have prevented an allocation large enough to make a practical project. If a joint project is made, as suggested, I think this can be worked out.

I appreciate the fact that the Senator from Georgia [Mr. RUSSELL] has offered his amendment so that if the project he has in mind cannot be completed with the presently authorized funds, his amendment would increase the public lands funds by $500,000 for 1 year only. On that basis I have no objection to it.

At the same time I subscribe to what the Senator from Oklahoma has said in regard to the situation in conference, and assure the Senator from Georgia that I will endeavor to carry out his wishes by urging the House conferees to agree to it unless the matter has been satisfactorily worked out in the meantime.

Mr. RUSSELL. I can assure the Senator I am grateful. I understand if the project can be undertaken, I will expect the House conferees to recede from the amendment.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MCNAMARA. I yield.

Mr. ANDERSON. Does the Senator from Michigan agree that we from New Mexico, Washington, and Montana have been reasonable in requesting that public land highway money be used for the Gila, Cooke City, Red Lodge, and Staircase roads?

Mr. MCNAMARA. Yes.

Mr. ANDERSON. Does the Senator agree that it would be proper to pro rate about $2 million among these three roads over the next biennium?

Mr. MCNAMARA. I am not sure of the figure, but I agree that the Senator is correct in his statement.

Mr. ANDERSON. We are not opposing the Senator from Georgia, who has been one of the great friends of all the West for many years.

Mr. RUSSELL. I thank the Senator. I have endeavored to be.

Mr. ANDERSON. The Senator not only has endeavored to, but he has been. I am only trying to be sure that the three roads I mentioned are fully protected in the bill.

Mr. MCNAMARA. I call the attention of the Senator to the paragraph on page 10 of the report, where those projects are described.

Mr. ANDERSON. I thank the Senator from Michigan. I know the able senior Senator from New Mexico [Mr. CHAVEZ] has been alert to this situation and has carefully tried to protect it. I merely wanted the record to show that those projects were being taken care of.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MCNAMARA. I yield.

Mr. CHAVEZ. At the bottom of page 10 of the report, it is stated:

> Specific needs of roads to the Olympic National Park in Washington, the Gila Cliff Dwellings in New Mexico, and Yellowstone National Park in Montana and Wyoming, were brought to the attention of the committee. The committee believes that funds for public lands highways could also be used for certain of these approach roads to national parks.

Mr. ANDERSON. I thank the able Senator from Michigan and the senior Senator from New Mexico for making the point clear for the record.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. MCCARTHY. Mr. President, will the Senator yield?

Mr. MCNAMARA. I am happy to yield to the Senator from Minnesota.

Mr. MCCARTHY. Mr. President, I should like to ask the Senator from Michigan one or two questions on behalf of myself, the senior Senator from Washington [Mr. MAGNUSON], and the senior Senator from Oregon [Mr. MORSE] in regard to the provisions of the bill.

First, am I correct in assuming that the committee report shows that over the next 12 years timber purchasers will be expected to construct $564 million worth of roads while $719,600,000 in appropriated funds will be needed for similar roads?

Mr. MCNAMARA. Yes. That is the approximate figure that we were given in the committee.

Mr. MCCARTHY. Will the Senator tell me under what authority does the Secretary of Agriculture have a timber purchaser construct a road?

Mr. MCNAMARA. Under the general authority to sell timber. It is in the regulation.

Mr. MCCARTHY. Authority to sell timber off the public lands?

Mr. CHAVEZ. Yes, off the forest lands.

Mr. MCNAMARA. That is a general provision of the regulation.

Mr. MCCARTHY. Is it true that a timber contract built road is fully paid by the Government because it reduces the price of the timber sold by the estimated cost of the road?

Mr. MCNAMARA. Yes, the Senator is correct.

Mr. MCCARTHY. In other words, that is taken into account when the timber is sold to a private operator?

Mr. MCNAMARA. That is correct.

Mr. McCARTHY. Does the Senator agree that the Secretary has the responsibility to assure that these roads are built to the standard needed by the Government to manage these national forests in perpetuity under sustained yields and multiple use?

Mr. McNAMARA. Yes, I do. If a road of a lower standard is purposely permitted because of a timber contract for its construction, then the Secretary is ignoring the broad responsibility to manage the national forests in the taxpayers' interest.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. CHAVEZ. Not only would there be an ignoring of broad responsibility, but also if any agency of the Government insists on first-class roads, it is the Forest Service, because they are dependent on those roads not only for the sale of timber but also to protect the forests, to get the timber out, and for all kinds of purposes.

Mr. McNAMARA. There is every reason to believe that they and the Forest Service will do a good job. They have been doing a good job.

Mr. McCARTHY. I thank the Senator from Michigan and the Senator from New Mexico and hope that this discussion will at least give us some assurance that the Department will examine the Forest Service policies to see that they conform to the point of view which has been expressed, and which I understand is in the law or in the interpretation of the law.

Mr. McNAMARA. That is correct.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. MOSS. Mr. President, I wish to address myself to one aspect of the road bill; namely, forest roads. The committee has taken several significant actions.

First, it has made the most substantial increase in the level of funds authorized that has ever been made. This increase is less than should be provided, but considering the fact that the administration made no recommendation, this Congress can take full credit for this worthwhile step.

Second, it has expressed its concern that at least 40 billion board feet of timber are tied up in the West because access has not been obtained over private roads, or lands.

Third, it has directed that this matter be the subject of exhaustive inquiry.

Fourth, it has warned the timber industry of the consequences that will follow if this timber is not made accessible for public use.

Fifth, it has told the Department of Agriculture to proceed to vigorously utilize its authority of eminent domain so that multiple use and sustained yield will become a universal reality on the national forests.

In the course of taking up this bill it was my privilege to suggest to the committee an amendment on forest roads designed to solve this and other problems, on behalf of Senators MAGNUSON and HAYDEN.

This amendment was drawn from S. 2240, a forest road bill, cosponsored by 21 Members of this body, as well as from a substitute suggested by Secretary Benson on February 24, 1960, to the chairman, Senator CHAVEZ. It also contained portions common to S. 2240 and an administration bill, S. 1797, which deals with easements and reciprocal hauling rights.

The authority contained in this amendment would have provided for applying a policy for the national forests with respect to granting rights-of-way and easements similar in purpose to that applied by the Bureau of Land Management on the Oregon and California timber lands.

The amendment had these purposes:

First. To bring into a concise form the authorities for forest development roads and trails administered by the Secretary of Agriculture.

Second. To set forth the policy that these roads and trails will be constructed for maximum long-term economy to implement the declared policy of Congress that the national forests shall be administered for multiple use and sustained yield.

Third. To provide the Secretary with the specific authority to include provision for road construction and maintenance in contracts for the sale of national forest products, and to make a reasonable allowance for this work in arriving at the appraised value of the product sold.

Fourth. To grant the Secretary the option of collecting deposits for needed maintenance or construction work in lieu of requiring that the actual work be done by the user.

Fifth. To provide for use fees on non-Federal products transported over forest roads to recover the share of the cost of the road estimated not attributable to national forest purposes and to permit the appraised value of national forest products to be set so as to provide reasonable compensation for private roads acquired or used.

Sixth. To grant authority to the Secretary of Agriculture to grant easements for roads, an authority presently nonexistent for Weeks-law acquired national forests and now vested in the Secretary of the Interior for national forests created from the public domain.

Seventh. To permit the Secretary of Agriculture, where mutual needs exist, to condition the grant of rights or permission to cross forest lands upon receiving rights or permission to cross the lands of the applicant. Where there is a difference in the value between rights granted or received, provision is included to make or receive reasonable compensation. This will bring into harmony the situation on the national forests and other federally managed forests.

Eighth. To assure the disposition of fees and other deposits.

Ninth. To provide for the promulgation of rules and regulations to be published in the Federal Register.

When Senators HAYDEN and MAGNUSON presented their amendment, they said:

> The adoption of this language will assure balanced and coordinated implementation of all phases of the national forest program dependent upon roads. Recreation, timbering, and other uses will be advanced. Treasury revenues will be measurably advanced—thereby benefiting the Federal and local governments.

I think I should also point out that in connection with the fiscal year 1960 and 1961 budgets, the Committee on Appropriations of which Senator HAYDEN is chairman and Senator MAGNUSON a member, has called attention to the need for modernized forest development road and trail policy. Their report for the appropriation bill for fiscal year 1961 said:

> It is the view of the committee that adequate authority should be granted in the Federal Aid Highway Act to provide for full implementation of the "program" (for the national forests) with respect to roads.

I offered this amendment in good faith, fully cognizant of the fact that the big landowning segments of the timber industry and their spokesmen would oppose it. They did and the amendment is not now in the bill. For this result they should receive full public credit. Their position adds up to an espousal of the view that where private roads have been constructed across the national forests and private timber is moving to market it is perfectly alright for the public timber to have to stand on the stump, overmature, and rotting, prey to insects, disease, and fire.

In my judgment, this segment of the industry made a serious mistake because a continuation of the present unsatisfactory situation can lead only to a drastic change.

After its last meeting with the Forest Service, this is what the National Lumber Manufacturers Association states is the industry position:

> The provision in present law under which private owners are permitted to cross national forest land to permit ingress and egress to and from their own lands is fair and equitable and consistent with the fundamental principles of the common law. It should not be repealed or limited so as to destroy existing and long accepted rights to private owners.

The present law is a "one-way provision" to use the description given by the Forest Service. A timber company can cross the Government's lands, remove its timber and otherwise manage its lands while it denies the Government the right to do the exact same thing.

According to the Comptroller General, there are 4 billion board feet of national forest timber so tied up on one national forest, the Snoqualmie in the State of Washington. The Forest Service supplied our subcommittee with data showing 40 billion feet tied up by lack of access in the West. These figures represent only a part of the volume tied up.

I say to the timber industry in all sincerity that this problem must be met and solved speedily and with a greater respect for the public interest.

The condition that exists constitutes an economic sanction of no small dimensions on many western communities. By law—and properly so—the Forest Service cannot sell its timber unless the

conditions of the sale are equal to all qualified bidders. Without access available, the Forst Service must withhold its timber from sale. In the last 3 years the Forest Service has had to delay or cancel 1½ billion board feet in timber sales in the West because access was not available. This is a staggering loss to the economy of our Nation—a dragging depressant on the needs of our Nation for wood. It denies the opportunity to bid upon and productively utilize a national resource to those mills and their workers not fortunate enough to own vast reserves of private timber.

If marketed, this timber would add 500 million feet annually to the needs of Western mills. It would build 10,000 new homes annually. This timber volume is equal to $50 million in payrolls and expenditures for plant equipment and supplies. This timber could mean close to $10 million annually in additional Federal revenue needed to balance the budget. It could mean $2,500,000 in payments in lieu of taxes to hard pressed local governments.

The local governments of the West will commence more and more to look at national forest allowable cuts and actual cuts and they will be guided by what they see. As a major local taxpayer in many Western communities, the timber industry will be hard put to convince local government that their taxes should not be raised to provide revenue lost from locked up Federal timber.

The Western timber industry speaks of the "rights of private owners." The laws applicable to the national forests do not give the private timberland owner in the East the right to cross the national forest while he bottles up public timber. This right exists only because the Department of Agriculture has let the situation develop that way in the Western forests created from the public domain.

What is involved here are not rights but responsibilities. The private citizen possesses no right to lock up public property so that it is a veritable wilderness area. One of the major groups opposing wilderness legislation is the timber industry. It has locked up more commercial timber to waste than exists in the entire wilderness system on the national forests.

The industry spokesmen say:

> Private owners want to retain the right of court determination of values where negotiations fail.

Here I can only say this right cannot be taken away. When negotiations with the Forest Service fail, the Federal Government will have to accord the private party the right of having the value of his road determined in court under an eminent domain proceeding.

The industry also states:

> Private owners want to retain the right to use off-highway equipment on these specially designed timber access roads.

This includes the privilege of escaping certain fuel and license taxes and highway weight limits.

I cannot find that Congress has declared this to be a right or that it has even accorded this the proper designation—a privilege. There is no right involved. Nothing in the laws governing the national forests or roads across it gives any right to use "off-highway equipment" or to escape any taxes.

The industry sums up its position with:

> The lumber industry cannot agree with the proposed legislation which would condition the granting of a right-of-way to cross national forest land for access to private land upon the granting to the Forest Service of a right-of-way or road use across the private land of the owner.

This is hardly the language of a group willing to negotiate.

Urging no action, they close by saying:

> To the extent that problem areas may exist, we are confident that they can be resolved through further discussion with the Forest Service.

Within my judicial experience, I can only say that I do not, just now perceive the grounds upon which further discussion would prove useful or fruitful. This is a problem that must be resolved by the Congress fairly and equitably and I hope that the industry will take a new approach and a new look at what needs to be done.

I think it only fair to point out that the policy of reciprocity proposed is not a new or untried one.

The Bureau of Land Management on the Oregon and California revested lands, which are sustained yield timberlands, has authority and does require that where mutual needs exist it receive rights needed by it. Since 1950, when these regulations were promulgated, it has entered into 1,864 various types of road agreements. Of this amount, 600 cases involved situations where mutual needs for access existed and agreements were successfully concluded. In 555 cases no mutual needs existed and the BLM either gave or secured needed rights without an exchange of rights. In 674 cases the BLM has purchased rights-of-way, roads, or easements, of which 620 are in perpetuity. Only 35 cases have resulted in condemnation. In addition to its regulations on roads, the Department of the Interior has had other regulations which condition the right to cross public lands upon granting certain rights to the Secretary. The right to so condition rights has been upheld unanimously by the Supreme Court in 344 U.S. 17, the FPC against Idaho Power Co., and in the U.S. District Court in the District of Columbia, Civil No. 4540–50, the Secretary of the Interior against Idaho Power.

During 10 years of successful operation of the BLM road regulations, less than 2 percent of the negotiations have had to be solved by condemnation. This record indicates that such regulations can be effectively operated with but little resort to the courts, and more importantly, mainly by amicable agreement.

In this period prior to 1950, the harvest of timber on the 2 million acres of Oregon and California revested lands averaged less than 400 million board feet of timber annually. By 1960, the cut had climbed 125 percent. The Oregon and California lands are almost completely checkerboarded with private lands. Their timber sale program is even more largely influenced by access than that of the Forest Service which has considerable blocks of timber in its far larger holdings which are in solid Federal ownership. Thus, while there also has been a great increase in national forest timber sales, the proper cut in checkerboarded areas has not been attained. It is evident, therefore, that the policy of reciprocity would prove as highly beneficial to sound national forest development as it has on the Oregon and California revested lands.

The committee has decided to give this problem further attention. The Department of Agriculture has been told to start to work vigorously unlocking the forests through the use of eminent domain. This will convert some of these roads to fully public roads as it should.

The committee itself will make an exhaustive inquiry into the situation. I want to give this assurance. All of the contentions of various groups will be given careful consideration. There will be public hearings at which witnesses will be expected to deal with realities. Constructive legislative suggestions from anyone will be welcomed. The forest products industry will have a full opportunity to publicly exhibit the degree to which it may be capable of better fulfilling its responsibilities to promote the national interest.

Mr. MCNAMARA. Mr. President, I yield to the distinguished Senator from West Virginia, a member of the subcommittee.

Mr. RANDOLPH. Mr. President, I thank the distinguished chairman of the subcommittee and now I reemphasize and subscribe to the Public Works Committee's report concerning the A–B–C program and the action we took in including an additional authorization of $100 million for each of the fiscal years 1962 and 1963 for the A–B–C systems, but scheduled in a manner similar to the so-called D-funds authorized in the Federal-Aid Highway Act of 1958.

These sums are included in the bill upon the urging of the senior Senator from Kentucky [Mr. COOPER], the junior Senator from Pennsylvania [Mr. SCOTT], and the Senator from West Virginia who now addresses you. Most helpful suggestions, counsel, and support were given during subcommittee deliberations on this matter by our chairman, the senior Senator from Michigan [Mr. MCNAMARA], and the ranking majority and minority members of the Subcommittee on Roads and the full Committee on Public Works, the senior Senator from Oklahoma [Mr. KERR], and the senior Senator from South Dakota [Mr. CASE]. The chairman of our Public Works Committee, the Senator from New Mexico [Mr. CHAVEZ], gave his usual helpful assistance.

This matter drew the unanimous support of the subcommittee and the full committee, and, as the report sets forth, the committee expresses the hope that in scheduling construction of projects under the proposed authorizations, the States will give favorable consideration to work in labor surplus areas for the relief of unemployment and the alleviation of economic distress.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. RANDOLPH. I will be delighted to yield if I have the right to do so.

Mr. McNAMARA. Mr. President, without losing my right to the floor, I am happy to yield to the Senator from Pennsylvania.

Mr. RANDOLPH. It is a pleasure to yield.

Mr. SCOTT. I support the provision to which the Senator from West Virginia has addressed himself. We in Pennsylvania, perhaps, have as many distressed areas as any other State. If the provision is adopted and if it is applied as the committee intends it to be applied, with primary attention being paid to labor surplus areas, it will be extremely useful in such areas as Scranton, Wilkes-Barre, Uniontown, and McConnellsville.

Perhaps it may be useful on the Erie-Pittsburgh Highway, because there is not a good existing highway running north-south in that area.

It seems to me that the provision is one measure we ought to adopt in order to alleviate this unfortunate chronic labor surplus situation which exists.

I certainly commend the Senator from West Virginia for his statement. I am very glad to be associated with him and with the Senator from Kentucky, as we were the three original sponsors of the amendment. I thank the Senator from West Virginia and the Senator from Michigan.

Mr. RANDOLPH. The Senator from Pennsylvania has correctly stated the situation, especially as it exists in his Commonwealth. I wish to express my appreciation for the considered judgment and the sensible approach that he has shown, not only toward the amendment, but also in matters of an orderly highway construction program for the benefit of the people of the Nation and for the strengthening of our economy.

To supplement what the Senator from Pennsylvania has said, there is no requirement which would limit the utilization of these funds to labor surplus areas in the 34 States listed as having pockets of chronic unemployment. The committee emphasizes that it is cognizant of the favorable experience and the benefits derived from previous D-fund authorizations. We believe that a similar fund could be advantageously utilized in a like manner for the fiscal years covered by this proposed legislation, namely, 1962 and 1963.

It should be noted and emphasized that there are built-in provisions for the prompt expenditure of the funds to increase the effectiveness of the program, especially in the labor surplus areas.

Otherwise, the bill before us this evening continues the regular Federal-aid highway program for the primary and secondary systems and their extensions within urban areas for fiscal years 1962 and 1963 at the same level as for fiscal 1961 and under the same basic pattern as heretofore adopted by Congress.

Mr. President, the so-called D-fund addition to the 1962–63 primary, secondary, and urban extension system authorizations constitutes another forward-looking effort to place the Federal Government in a proper role of helping States accelerate their secondary and primary highway activities in areas which may be causing them abnormal problems or which may otherwise be of special concern.

The Senate has recognized this principle and has taken forthright action concerning it on numerous occasions in recent years on aid for depressed areas legislation, community facilities measures, and others.

Mr. CASE of South Dakota. Mr. President, will the Senator yield, in order that I may offer the amendment of which he is a cosponsor?

Mr. RANDOLPH. I yield.

Mr. CASE of South Dakota. Mr. President, I offer for myself, the Senator from West Virginia [Mr. RANDOLPH], the Senator from Oregon [Mr. LUSK], and the Senator from Colorado [Mr. ALLOTT], an amendment on page 13, line 5.

The PRESIDING OFFICER. The amendment will be stated.

the LEGISLATIVE CLERK. On page 13, line 5, it is proposed to add the following:

(g) Subsection (5) of subsection (b) of section 104 of title 23, United States Code, is amended by striking out the last sentence thereof.

Mr. CASE of South Dakota. Mr. President, the amendment is one which I understand is desired by the officials of the Bureau of Public Roads, which has been administering the program. The amendment would repeal the limitation on the cost estimate, so far as the 1,000 miles is concerned, and would include it in the total cost to be reported to the Commissioner in the forthcoming estimate of costs.

I understand that if the amendment is not satisfactory to the Bureau of Public Roads, it will be dropped in conference.

I have discussed the amendment with the senior Senator from Michigan, who I understand is agreeable to accepting it.

Mr. McNAMARA. Speaking for the subcommittee, and, I hope, speaking for the full committee, the chairman of which is present, I shall be glad to accept the amendment with the proviso stipulated by the Senator from South Dakota.

Mr. CASE of South Dakota. If the amendment is not acceptable to the Bureau of Public Roads, it will be dropped in conference.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. RANDOLPH. Mr. President, I am appreciative of the action of the diligent Senator from South Dakota in presenting the amendment. I feel that the action just taken is important.

The amounts recommended for additions—$100 million annually for fiscal 1962 and fiscal 1963—would be available for expenditure and could be under contract 6 months prior to the beginning of the fiscal year for which authorized. But any apportioned amounts remaining unexpended would lapse. This provision differs from the regular authorizations for the A–B–C system which would be available for expenditure in the same manner as funds for these highways are made available under present law, namely, for 2 years after the close of the fiscal year for which such funds are authorized.

It should be emphasized anew that although these funds would assist States like West Virginia and others having chronic labor surplus areas—if their highway administrations alertly plan for their usage and schedule them properly—the fact is that all States will share under the same apportionment formula and on the same two Federal dollars for one State dollar matching basis.

I urge most earnestly therefore, that the Senate agree to the position taken by the Committee on Public Works in recommending this amendment as a part of the bill before us.

I thank the Senator from Michigan for his recognition of the validity of this particular matter in the pending bill.

Mr. McNAMARA. I thank the Senator from West Virginia.

Mr. FULBRIGHT. Mr. President, will the Senator from Michigan yield?

Mr. McNAMARA. I am happy to yield.

Mr. FULBRIGHT. I am not clear about the effect of the sliding-scale ratio of contributions. I notice on page 12 of the report that the percentage of contributions by States which receive these funds is changed. Could the Senator from Michigan explain that matter a little more clearly?

Mr. McNAMARA. This provision relates to the sliding scale for public lands States. They are spelled out in the bill.

Mr. FULBRIGHT. The percentage of contribution is changed. Do I correctly understand that for all roads in Alaska, Alaska contributes only 3 or 4 percent of the cost? Or what percentage does Alaska contribute?

Mr. McNAMARA. That was the increase, I believe, in the amount.

Mr. KERR. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield to the Senator from Oklahoma.

Mr. KERR. The bill changes the formula with respect to the requirement for contributions by public-land States. The report contains the formula which sets forth the amount of money required to be contributed by each of a number of public-land States.

Mr. McNAMARA. That formula is on page 14 of the report.

Mr. KERR. The table sets forth the amounts to be contributed by the respective States in order to enable them to receive the amounts specified to be contributed by the Federal Government.

Alaska will receive $36,768,519 in the 1961 apportionment of A–B–C funds, without considering the additional $100 million in the D funds. Alaska's contribution will be $1,963,725. It had been $5,940,877.

Mr. FULBRIGHT. I should like to know why that change in the formula was made.

Mr. KERR. I should be glad to have the chairman reply to the Senator's inquiry.

Mr. FULBRIGHT. It was a very small portion of the contribution already, was it not?

Mr. McNAMARA. It was changed at the request of the Senator from Alaska, who pointed out the tremendous amount of public lands in Alaska and the problem of providing necessary roads.

Mr. FULBRIGHT. I do not see how Alaska can have many problems. If I understand the problem correctly, Alaska gets $41 million. I notice that Arkansas gets about $13,500,000. I do not see how Alaska, having a population of 150,000, can have any problem if it receives $41 million. With that amount, Alaska ought to build everybody a private road.

What is the population of Alaska?

Mr. GRUENING. It is 225,000.

Mr. FULBRIGHT. That includes all the military personnel who are stationed there temporarily.

Mr. GRUENING. Mr. President, may I reply to the distinguished Senator from Arkansas?

Mr. FULBRIGHT. I should be glad to have the Senator explain the situation.

Mr. GRUENING. Alaska had been totally excluded from Federal highway aid until 1956, although it paid all taxes. After 1956 we were included on a reduced basis but still excluded from the Federal aid throughway program.

The President proposed a superhighway program, the throughway program on a long-range bonding basis. Congress agreed to the program, but not to the method of financing. Congress provided, instead, that the plan should be a pay-as-you-go plan, with additional taxes imposed on tires, trucks, trailers, and gas. There was only one respect in which the President and Congress agreed, and that was that Alaska should be excluded from the benefits of the program, but included in the taxation.

Mr. FULBRIGHT. Before 1956, was Alaska excluded?

Mr. GRUENING. It was totally excluded from the Federal-aid highway program.

Mr. CHAVEZ. It has been only of late that Alaska has come into the picture.

Mr. FULBRIGHT. I realize that Alaska has been a part of the Union for only a short time, but I do not understand that that is a reason for Alaska to get $41 million.

Mr. GRUENING. Puerto Rico, which pays no Federal taxes, was included. Hawaii was included. Alaska was the only area discriminated against.

As a result, if the Senator goes to Alaska—as I hope he will—he will find that the majority of communities are not connected by highways or railways. I cannot imagine such a situation in Arkansas.

Mr. FULBRIGHT. I did not understand the Senator from Oklahoma to say that this was so. I hope the RECORD will be clear. Does the Senator from Oklahoma agree that Alaska was excluded completely?

Mr. KERR. I believe the record shows that appropriations were made for Alaska before this year through a highway allocation of some $80 million. In addition, there was appropriated to a special highway building agency in Alaska, in the Department of the Interior bill, during those years, about $186 million, in addition to the $75 million or $80 million which was allocated to the Territory of Alaska in the regular apportionments in which all States participated.

Mr. BARTLETT. Mr. President, at this point will the Senator from Oklahoma yield?

Mr. KERR. I do not have the floor. I am just answering the question the Senator from Arkansas asked.

So either prior to 1959 or until 1956, Alaska, in one way or another, aside from the $80 million that was spent on the Alcan Highway, received about $260 million to $275 million in highway funds.

Mr. FULBRIGHT. Did Alaska make any matching contributions to those funds?

Mr. KERR. I think that in that period of time Alaska provided, as matching, in the neighborhood of $20 million.

Mr. RANDOLPH. That is correct.

Mr. FULBRIGHT. Or roughly 5 percent.

Mr. KERR. Well, according to the relationship that $80 million bears to $270 million or $280 million.

Mr. FULBRIGHT. I do not understand why Alaska is such a special object of concern on the part of this committee and is to receive such special benefits.

Mr. GRUENING. Because Alaska was an object of discrimination for a century.

Mr. FULBRIGHT. But this measure provides for special benefits for Alaska.

Mr. McNAMARA. No. Let me say that on page 13 of the report, the committee states that:

> The committee realizes that the amendment will not require the expenditure of additional Federal funds, nor divert any Federal funds from any other State.

Mr. FULBRIGHT. I cannot understand that.

Mr. McNAMARA. This measure does not take a dime away from any other State.

Mr. FULBRIGHT. But Arkansas pays taxes. How much taxes will Alaska pay to the Federal Government this year? What would the Senator estimate the amount to be?

Mr. GRUENING. The amount of our Federal income taxes?

Mr. FULBRIGHT. Yes.

Mr. GRUENING. In the neighborhood of $50 million; and that does not include all the taxes paid outside of Alaska by people who obtain their profits from Alaska.

Mr. FULBRIGHT. But under this bill, Alaska will receive $4 million of the total of $12 million.

Mr. GRUENING. But before now, Alaska did not receive anything.

Mr. FULBRIGHT. But before now, Alaska was not a State.

Mr. GRUENING. Before now, Alaska was not a foreign country, either. If Alaska were now a foreign country, no doubt the Senator from Arkansas would not wish to have a nickel cut from the amount Alaska would receive. But, fortunately, Alaska is under the American flag.

Mr. FULBRIGHT. The Senator from Oklahoma has said that aside from the $80 million spent on the Alcan Highway, Alaska received approximately $260 million or $275 million of highway funds. But does the Senator deny that in relationship to those funds, Alaska paid only a very small amount by way of matching funds?

Mr. GRUENING. But 99 percent of Alaska is Federal domain; and all of that vast area, held in the hands of the Federal Government, was not subject to taxation for revenue-raising purposes.

Mr. FULBRIGHT. Of course not—but not because it is held by the Federal Government—but because it is covered by ice and snow. Is that not the reason?

Mr. GRUENING. But Alaska cannot impose taxes on the 99 percent that is in the Federal domain.

Mr. FULBRIGHT. I am not talking about that.

I was asking the chairman why Alaska, with about 200,000 people, is to receive $41 million from this measure, whereas Arkansas——

Mr. McNAMARA. As I tried to explain——

Mr. FULBRIGHT. But I do not understand the formula.

Mr. McNAMARA. The formula is based on three factors: Area, population, and the postal miles in the State.

Mr. FULBRIGHT. The coastal miles?

Mr. McNAMARA. No, the postal miles.

Mr. CHAVEZ. The only reason for this bill is that the Constitution of the United States includes a short paragraph that—

> The Congress shall have power * * * to establish post offices and post roads.

Mr. FULBRIGHT. How many miles of post roads are there in Alaska?

Mr. CHAVEZ. That is the point.

Mr. BARTLETT. There are not 5,000 miles of roads in Alaska, all told.

Mr. FULBRIGHT. How many miles of postal roads are there in Alaska?

Mr. CHAVEZ. Whatever the amount, it is very small. But the area of Alaska is greater than the area of Texas.

Mr. FULBRIGHT. I understand that.

Mr. CHAVEZ. And area is one factor included in connection with the formula.

Mr. FULBRIGHT. The area of the State?

Mr. CHAVEZ. Yes, as part of the formula for receiving these payments. The formula is based one-third on population, one-third on the area of the State, and one-third on the mileage of postal roads. Of those, the only large one, for Alaska, is the area of the State.

Mr. FULBRIGHT. Has this formula been in effect all along?

Mr. CHAVEZ. Since 1916.

Mr. KERR. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. KERR. The formula for the A–B–C money allocation is based on area, population, and postal roads. But in the formula there is a provision that the part of the area of a State which is public-land area or public-domain area shall be

compensated for by having the Federal Government provide the amount of money which the State would provide if that area were not public domain.

If the Senator will examine page 14 of the report, he will see the difference between the situation under this amendment and the situation under existing law. Under existing law, before the adoption of this amendment, Alaska would have received the same amount of money—$36,768,519—for her A–B–C funds, but she would have put up $5,940,877.

Under this amendment Alaska puts up only $1,963,725. The entire group of public lands States would have gotten the sum of $199,922,537, but under present legislation would have put up $112,394,488, to match it.

Under this amendment the same group of States will put up $99,905,823—or a difference of $12,488,665 which is required to be put up by this group of States, in order to secure the $199,922,537.

Mr. FULBRIGHT. That is what drew my attention to this. This formula appears to be designed specifically for the benefit of Alaska; Alaska is to be the biggest beneficiary. Alaska will save $3,977,000, in contrast to California, which is of quite considerable size. But California will not get as much as Alaska will. Why is that so? What is the reason for it?

Mr. McNAMARA. I repeat that it is because of the large part of Alaska that is public domain owned by the Federal Government.

Mr. FULBRIGHT. What difference does that make?

Mr. McNAMARA. The formula applies equally to California and to Alaska.

Mr. FULBRIGHT. Why, under this amendment, is the formula changed? Under the old formula, the contribution would be a little more than 10 percent.

Mr. BARTLETT. I offered the amendment, and I shall be glad to explain it.

Mr. FULBRIGHT. I congratulate the Senator from Alaska on getting the committee to adopt it.

Mr. BARTLETT. I think it is justified.

Mr. FULBRIGHT. Why is it justified?

Mr. BARTLETT. Because it is not aimed particularly for the benefit of Alaska.

Mr. FULBRIGHT. But Alaska is the principal beneficiary.

Mr. BARTLETT. Yes, and there is a good reason for that. The amendment is for all the public-domain States. The reason for it is that we feel—and the committee agreed—that when land is put in reserve status by the U.S. Government, from the public domain, and thus is taken away from constructive use and is not available for the imposition of taxes, the contributions of the States for matching purposes should be proportionately diminished. It seems to me it is eminently good sense to do that.

Why should that area be included within the total for matching purposes, when Uncle Sam has taken it out of the public domain, and has dedicated it to the use of the Federal Government? There should be compensation in that connection—a sort of reverse of payments in lieu of taxes, as it were. And that is just what this measure proposes to do.

Mr. FULBRIGHT. But my State matches to the extent of 50 percent—in other words, under the regular formula—for all its contributions, except for the very small amount that is in the public domain.

Mr. BARTLETT. Long ago Congress decided, with reference to the public-domain States——

Mr. FULBRIGHT. Not on the basis of this formula. This formula was developed just this year.

Mr. McNAMARA. Just because Alaska came into the Union just this year——

Mr. FULBRIGHT. This is just for Alaska.

Mr. McNAMARA. No, it is not. It affects all the public-domain States which are listed, and is not just for Alaska.

Mr. FULBRIGHT. But Alaska will receive one-third, I believe, or one-fourth of the total amount. Alaska will receive $4 million, in round numbers, of the $12 million total.

Mr. McNAMARA. $12,500,000.

Mr. BARTLETT. Alaska has more public domain than the other Western States do.

Mr. FULBRIGHT. I do not see that that has anything to do with it.

Mr. BARTLETT. It has everything to do with it.

Mr. McNAMARA. This formula has been in effect for more than 20 years.

Mr. FULBRIGHT. Not this formula.

Mr. McNAMARA. Yes, the same formula.

Mr. GRUENING. Yes, the same formula. It is now applied to Alaska because Alaska has just come into the Union.

Mr. FULBRIGHT. I would think the old formula, where there was only $5,900,000 out of $36 million, would be quite favorable. I wish we could get such treatment.

Mr. BARTLETT. That land is privately owned land and thus has reached a tax status. We cannot hope public land to return taxes.

Mr. McNAMARA. If the land the Senator is referring to were public land, it would receive that kind of treatment.

Mr. FULBRIGHT. Nobody is living on it. Most of it is uninhabited land. It would not pay any taxes. It would open it up to the Eskimos. How much can be gotten out of Eskimos on the ice cap? That does not seem to me to be a relevant factor.

Mr. McNAMARA. The Senator's point goes back to the question of whether Alaska should have been admitted to the Union. It is a little too late to consider that question.

Mr. FULBRIGHT. I do not know if we can afford to have them come into the Union, if this is what is going to be done.

Mr. BARTLETT. No State is going to be denied a dollar of road money by this provision.

Mr. CASE of South Dakota. Mr. President, some of us had understood there would be a vote at about 8 o'clock. One Senator on this side hopes to catch a plane, and would like to offer an amendment. I wonder if the Senator will yield for that purpose?

Mr. FULBRIGHT. I understood the Senator from Alaska to say that if Alaska were not a part of the Union, it would get foreign aid. Why does he not apply for foreign aid?

Mr. GRUENING. Because we prefer to be in the Union.

Mr. JAVITS. Mr. President, will the Senator yield so that I may offer an amendment?

Mr. McNAMARA. I yield for that purpose.

Mr. JAVITS. Mr. President, I send an amendment to the desk, which I ask to have stated. I wish to announce that I offer this amendment for myself, my colleague from New York [Mr. KEATING], and the Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER. The amendment offered by the Senator from New York, for himself and other Senators, will be stated.

The CHIEF CLERK. It is proposed, at the end of the bill, to insert the following:

(g) The definition of the term "construction" in section 101 of title 23, United States Code, is amended to read as follows:

"The term 'construction' means the supervising, inspection, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic monuments in accordance with specifications of the Coast and Geodetic Survey in the Department of Commerce), costs of rights-of-way (including the cost of relocation of building tenants), and the elimination of hazards of railway grade crossings."

Mr. JAVITS. Mr. President, this amendment proposes to equalize the roads program with other Federal Government programs, namely the urban renewal program and the Federal construction program. Where we have already decided in the Senate to help the local communities with the problem of tenant relocation under urban renewal, the United States participates in the first $200 for individuals and families, where relocation is necessitated by the urban renewal clearance program, and the first $3,000 for business. This amount is paid entirely by the United States. The rest is part of the project cost.

The other day the Senate passed S. 2583, providing for the reimbursement of tenants for moving expenses where the United States itself acquires the land.

In respect to the road projects, I have an estimate, which is a little dated, but I think is still valid in terms of our problems in New York. For example, more than 9,000 families must be relocated in connection with projects on the Interstate Highway System. The average estimate of what it costs to relocate such a family is somewhere between $200 and $500.

I heard the discussion between the Senator from Arkansas and the Senator from Alaska about who pays taxes

for whom. I call attention to the fact that the people of New York State pay 20 percent of the tax load. That is something of a neat figure of $12 to $14 billion a year. So we do pay our taxes, and, of course, we never get back anything remotely close to what we pay; nor can we. At the same time, while we are glad to go along with these programs which are so beneficial to western areas and unsettled areas like Alaska, we also want recognition of our problems in congested places like New York City, where families are displaced and where the road plan is different from the other plans in which the Federal Government is engaged.

It is for those reasons that I offer the amendment. The Senator from Minnesota [Mr. HUMPHREY], unfortunately, is not in the Chamber. He and I had an agreement that if he were here and offered the amendment, he would offer it for me; if I were here, I would offer it for him. My colleague [Mr. KEATING] joins me, having succeeded Senator Ives, who was on this proposal with me for a long time.

Mr. KEATING. Mr. President, I simply want to add to the very fine discussion my colleague [Mr. JAVITS] has made that, by the very nature of things, the families who are displaced as a result of the road program are families in the low or modest income group, who are particularly entitled to consideration under the bill.

I very much hope the committee, whether or not it has thoroughly digested the amendment, at least could take the bill to conference in order that the Bureau of Public Roads might have an opportunity to pass on the amendment and consider it, because it is strictly in line with what we are doing with regard to the housing program.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. CASE of South Dakota. Let me say to the distinguished Senators from New York I recognize that there is a real problem for the people who are required to move and who do not have fee title in the property that is acquired. I assume the people to whom the Senators refer are largely tenants who are required to move.

Mr. JAVITS. Yes.

Mr. CASE of South Dakota. I doubt if under existing law the Federal Government has authority to pay them for that kind of leasehold, if they are tenants. There is provision in existing law whereby, if property is acquired, and the leaseholder has fee title, he can receive some compensation for moving expenses.

Personally, I have no objection to taking the amendment to conference, in order that we may explore it, or I would be willing to agree that we would give the matter careful consideration and have hearings in January, when the committee will be considering the estimates for cost for the entire Interstate Highway System.

Mr. JAVITS. I thank the Senator for his consideration.

Mr. CHAVEZ. Mr. President, I think there is merit in the amendment of the Senator from New York. However, it brings in many new matters. I think it is worth exploring, and I assure the Senators from New York that the Committee on Public Works will explore it early in the next session. I shall see that complete and adequate hearings are held. If necessary, we will go into the field itself to look into the situation. But I do not believe we should even take it to conference at this particular time.

Mr. JAVITS. Mr. President, we know full well that unless the Senator is willing to take the amendment, it will be rejected. I believe it is so unfair to reject it, really, when we consider the fact it is now the rule in other programs which are called demolition programs, where houses are torn down, as in urban renewal and in Federal construction and that this is an exception to the rule. I would rather, if the Senator will give me that assurance, which he has—and my colleague from New York [Mr. KEATING] has told me it is satisfactory to him—withdraw the amendment.

Mr. CHAVEZ. I feel that under the circumstances the Senator would be in a preferable position to carry forward his ideas if we had hearings and presented a brandnew proposal.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I wish to express my personal gratitude to the distinguished Senator from New Mexico for his very fine attitude. I have full confidence we will receive an adequate hearing in the early part of the next session. I rely entirely upon that assurance, and I join with my colleague in expressing appreciation.

Mr. CHAVEZ. I thank the Senator from New York.

Mr. JAVITS. I will say to my colleague and to the chairman of the committee, in all fairness, the bill has been before the Senate a long time. There have been reports from the various departments of Government. The bill has been before the committee. We would not think of bringing the matter up precipitously. This is the first time we have received some comfort from the chairman of the committee that it will really be given thorough consideration. I am so confident in the equity of the proposal that I believe we will get results if it is carefully examined. The situation is very unfair, as it stands.

Mr. CHAVEZ. The proposal will be carefully examined.

Mr. JAVITS. I thank my colleague.

Mr. President, I withdraw the amendment.

Mr. CHURCH. Mr. President, the committee deserves congratulations for the action it has taken with respect to forest roads although it did not act as vigorously as I believe the situation warrants.

I commend the committee for the increase in the authorization. This, coupled with the committee view that additional funds may be sought when condemnation is needed to secure access to national forest timber, will be helpful. The Department of Agriculture should now proceed to follow the committee instructions and vigorously utilize its authority of eminent domain. Unfortunately in the past the Department has not vigorously applied its authority of eminent domain.

The Senator from Washington [Mr. MAGNUSON], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. JACKSON], the Senators from Montana [Mr. MURRAY and Mr. MANSFIELD], and the Senator from Oregon [Mr. MORSE] have shown real leadership in trying to provide a well-rounded forest road program.

Their efforts over the last several years have brought about a growing awareness of the importance of forest roads. I am pleased that the committee has been partially responsive to the need.

The decision to have the committee go into the situation further is absolutely essential if the unsolved problems are to be met.

I want to cite a portion of a report dealing with the national forests in Idaho made to me earlier this year by the Forest Service:

> Access road problems are more acute on some north Idaho forests than others. The problem, however, is common enough to merit attention on a regionwide basis.
>
> For many years timber harvesting was limited by economic necessity to the most accessible timber stands containing a preponderance of the preferred tree species. Vast blocks of timber in the back country remain unroaded even today. It is to these blocks that cutting must now be directed if the full sustained yield capacity of the State's national forests is to be realized.
>
> Large well-financed operations can invest the sums of money required to construct expensive roads in advance of cutting. This is not true of many of the medium- and small-sized operators and these are the people who are most dependent upon national forest timber if they are to continue in business.
>
> Main haul timber access roads built with appropriated money would allow all operators to bid for timber tracts of the sizes and character best suited to their needs. The cost of such roads is self-liquidating because of the enhanced timber values. Road-building by operators would then be limited to less costly sections necessary to harvest timber stands contiguous to main access roads. Construction of such roads is generally within the financial abilities of even the smallest operators.
>
> Main line roads in place also offer access to the many other resources of the national forests. Livestock operations are facilitated. Big game harvests suited to herd numbers are more readily obtained. Outdoor recreation is opened up to increased numbers of visitors without crowding.

In fiscal year 1959 the Forest Service sold only two-thirds of its allowable cut in Idaho. It could sell up to 931 million board feet, but only 612 million feet were cut. This gap between volume available and volume cut is an economic loss to Idaho. If this additional 300 million board feet of timber were available through easy access, our economy would be stimulated by $25 million or more. Mills which may be forced to close or curtail operations would have the opportunity to secure forest timber.

There would be increased Treasury revenues to the extent of perhaps $2½ million. Our local governments in turn would realize over $600,000 in added payments in lieu of taxes.

The Federal Government has a direct responsibility to open up these forests under the principles of multiple use and sustained yield. This policy was reaffirmed and expanded by Public Law 86–517, signed into law on June 12, 1960.

This bill defines multiple use and sustained yield in such a way that there is no doubt that the Department of Agriculture must act with vigor to implement these policies.

I can speak only for Idaho and its needs. The national forests in Idaho must have access if they are to bring their full benefit to our State's economy.

This is the fourth road bill upon which the administration has been able to express a view. In 1954 the authorization was $22½ million a year for forest roads—in the bill before us it will be $35 million for 1962 and $40 million for 1963. Every year this administration has opposed an increase in the authorization. For the last two acts the administration has suggested no authorization be provided.

The Democratic Congress has shown its determination to help our Forest Service meet its responsibilities. I applaud the action by the committee. The increase provided in this act almost equals the total increase for the last three acts. This shows our willingness to do the job that must be done.

Mr. MANSFIELD. Mr. President, it is my understanding that the distinguished junior Senator from New Mexico [Mr. ANDERSON] engaged in a colloquy with the chairman of the subcommittee [Mr. MCNAMARA] in regard to the proposed road legislation, and the Senator from New Mexico was assured, and I know this was done with the full concurrence of the distinguished senior Senator from New Mexico [Mr. CHAVEZ], that the request for the three park access roads receiving money under the public land authorization was reasonable and that about $2 million for these three roads—Cooke City, Mont.; Gila, Ariz.; and Staircase, Wash.—would be and could be allocated by the Bureau of the Public Roads; is that correct?

Mr. MCNAMARA. That is correct. The money is available to the Bureau if the Bureau wishes to allocate it in that manner.

Mr. MANSFIELD. Mr. President, the Senator from Michigan [Mr. MCNAMARA] has demonstrated again his capability to bring before the Senate a bill and a report which endeavors to promote progress. This he has achieved in the road bill and I extend to him my warm congratulations. The Senator from Michigan [Mr. MCNAMARA] is a man who places the public interest at the apex of his efforts.

The committee has mentioned the needs of three roads across national forests which provide essential access to national parks.

In the case of the Red Lodge-Cooke City entrance to Yellowstone Park, the situation is acute. This road, traversing national forest all the way, goes from Montana, into Wyoming, then back to Montana, and then into Yellowstone Park. The road does not directly serve Wyoming's interests, and therefore that State has been reluctant to put its forest highway money into its improvement.

Yet it is in the national interest that the road be improved for it is an outstanding entrance to this wonderful park. I ask unanimous consent that two newspaper articles and a report from the Montana Highway Department be made a part of the RECORD at this point.

There being no objection, the articles and report were ordered to be printed in the RECORD, as follows:

[From the Great Falls (Mont.) Tribune, May 29, 1960]

RED LODGE-COOKE CITY ROAD REPAIR CALLS FOR UNITED SUPPORT

Perhaps no other well-established highway of such importance in Montana has ever been left so badly in the lurch. Montanans and visitors from afar for a quarter of a century have thrilled to the awe-inspiring splendor of the Red Lodge-Cooke City route to Yellowstone National Park. Much needed maintenance and repair work is now at a standstill due to the jockeying of four governmental agencies to avoid responsibility for upkeep of the route, in which each rate a technical share.

There is perhaps validity in the reasons given respectively by the National Park Service, the Forest Service, the Montana Highway Commission and the Wyoming Highway Commission for ducking the whole maintenance job.

The National Park Service and the Forest Service have offered to put from $130,000 to $140,000 in the pot for maintenance of the road by either the Montana or Wyoming highway department or both.

So far, there have been no takers, but we believe a workable financing solution can be found when the agencies concerned get together on a positive approach with the view to getting the job done.

It should not be long delayed.

AGENCY TO CONSIDER ROAD MAINTENANCE

Thirty-five miles of the 59½-mile route, a spectacular entrance to Yellowstone Park, lie in Wyoming and 20 miles are in national forest.

Wyoming does not want to maintain its part until another road is completed to it through Wyoming.

The National Park Service presently maintains the highway but the NPS claims its budget will no longer permit maintenance.

The NPS has offered to make $65,000 to $70,000 available to either or both the States for the maintenance, and the Forest Service offered to match the funds made available by the Park Service.

The two agencies felt this amount would be adequate to carry on the actual maintenance and would leave a small amount available for restoration.

The proposed agreement would be intended only as an interim arrangement until such time as the entire route could be reconstructed.

FEBRUARY 15, 1960.

INTER-DEPARTMENTAL MEMORANDUM, STATE HIGHWAY COMMISSION OF MONTANA

COOKE CITY-PARK APPROACH HIGHWAY

From C. J. Thompson, preconstruction engineer.

To Fred Quinnell, Jr., State highway engineer.

Herewith is a tabulation of mileage in national forests in Montana and Wyoming, and also the construction sections, which are shown on the straight-line diagram.

All of the road known as the Cooke City-Park Approach Highway, 59.659 miles in length, is located within the three national forests, Custer and Absarokee in Montana and Shoshone in Wyoming, and thereby qualifies for Federal land money.

This section of road starts at the Yellowstone National Park boundary and terminates at the west end of forest and primary Route No. 28 at about 8.7 miles southwest of Red Lodge in the proximity of Richel Lodge.

	Miles
Montana	24.147
Wyoming	35.512
Total	59.659

Mr. Lon Garrison, superintendent of Yellowstone National Park, stated on February 2, 1960, that an estimate of $40,000 per mile had been made for resurfacing the entire section of 60 miles for a total of $2,400,000. This would not include any additional construction nor replace the deteriorated guard rail which, he stated, is in very bad repair, some of which has been removed, and other sections may fall of their own weight.

Mr. MANSFIELD. Mr. President, my senior colleague [Mr. MURRAY] deserves a large share of the credit not only for devising this solution to our problem but also for bringing together two other similar problems in New Mexico and Washington and urging their solution.

He could have elected to try to solve only Montana's problem, but that is not his way. He has always endeavored to work cooperatively with his colleagues whenever a common interest exists.

I congratulate the senior Senator from Montana [Mr. MURRAY] for another accomplishment—one which advances the cause of conservation and wise use of public lands.

I also express my appreciation to the committee for agreeing to the additional funds provided for forest development roads. This increase, which will provide $35 million in 1962 and $40 million in 1963 is the largest one ever made. Our colleagues in the House, Representatives BUCKLEY and FALLON, and especially Representatives JOHNSON and BALDWIN of the Public Works Committee, are to be congratulated. I would also add that Representative LEE METCALF did an outstanding job in securing this increase in the authorization. The Senator from Utah [Mr. Moss] accomplished a great deal in his effort to secure improvements in the forest road program. I am confident that he will follow through on the committee study recommendations in his usual fair, capable, and thorough manner.

Mr. GRUENING. Mr. President, the senior Senator from Washington [Mr. MAGNUSON] has a statement in regard to the bill, H.R. 10495, but he does not desire to delay the vote on the bill. I therefore ask unanimous consent that his statement may be printed in the RECORD, before the vote is taken.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

The Public Works Committee has brought before us a bill which will do much to advance our road program.

I am especially pleased with the substantial increase in funds for forest development, roads and trails. The present authorization of $30 million will go up to $35 million in 1962 and $40 million in 1963.

This will be helpful but I point out that the increase is modest in relation to the need.

The bill does not contain an amendment suggested by myself and Senator HAYDEN to round out the road authority of the Forest Service.

Our amendment had four major purposes.

1. It would require that the criteria of long-range economy be applied to forest roads.

2. It would properly authorize timber purchaser road construction.

3. It would permit the Secretary to collect deposits for work to be done rather than rely solely in requiring that work be done.

4. It would permit the granting of easements and, where mutual needs exist, the conditioning of the privilege to cross the national forests on the receipt by the United States of the right to remove its timber.

In the last Congress extensive hearings were held by Senator GORE throughout the West. I was under the impression that the dimensions of the problem were well identified.

Certainly the position of the large timber companies is well known. They like the situation as it is.

I think the committee should have acted positively and adopted the amendment that we offered. It did not.

It has, however, done two things which I consider worthy of commendation. A Subcommittee on Forest Roads headed by the able Senator from Utah [Mr. Moss] has been empowered to look into the forest road problem. I know of no one I would rather see handle this task. Senator Moss has a judicial temperament, a passion for hard work and he is a fair man.

I hope that his subcommittee will go right to work on finding a solution.

I am also pleased with the committee report. It calls attention to the problem and it—more significantly—instructs the Forest Service to proceed to the full limit vigorously with condemnation where public timber is locked up.

In order that there will be no doubt of the dimensions of this problem, I refer at this point the pertinent portions of a March 1960 audit report by the Comptroller General:

"SUMMARY

"Based on our review, it is our opinion that, generally, progress is being made in the region in complying with central office instructions aimed at correcting the deficiencies set forth in our reports to the Congress on prior audits of the Forest Service. However, on one of the matters previously reported, namely the need to obtain rights-of-way over non-Federal lands to harvest national forest timber, serious problems remain to be solved. Our comments on this subject relating specifically to the Snoqualmie National Forest and on certain less important matters are contained in the following sections of this report.

"NEED FOR SOLUTION OF RIGHT-OF-WAY PROBLEMS IN THE SNOQUALMIE NATIONAL FOREST

"Lack of rights-of-way to build roads across privately owned lands or to use existing privately owned roads for hauling national forest timber has forced the postponement of planned sales, prevented the attainment of annual allowable cut, and prevented the harvesting of many millions of board feet of overmature and blown-down timber in the Snoqualmie National Forest. Although in many cases negotiations to obtain rights-of-way have been unsuccessful over a period of years, the region has not made much use of the Government's right of condemnation. Also, in many cases during these years there were long periods of inactivity during which negotiations were not conducted.

"In August 1959 the Snoqualmie National Forest had 25 unresolved right-of-way cases in various working circles. Listed below are the years in which negotiations commenced on the 25 unresolved cases:

	Number of cases
"1948	1
1951	1
1954	2
1955	2
1956	5
1957	6
1958	3
1959	5
Total	25

"We were told by the forest supervisor that lack of manpower had at times forced postponement of work on right-of-way problems in order to perform other necessary work.

"Our review of Forest Service records in May 1959 indicated that rights-of-way were needed to gain access to more than 4 billion board feet of timber in the Snoqualmie National Forest. Of this total, about 80 million board feet located in various parts of five of the seven working circles in this forest was included in the timber planned for sale from the forest in 1958. Sales action on this timber was postponed because of right-of-way problems. The postponed sales had not been made at the time of our review in May 1959.

"In two working circles—namely, Cedar River and Green River—allowable cut was not being achieved because of unresolved right-of-way problems. The extent of the undercut in recent calendar years in the Cedar River and Green River working circles is shown below in million board feet:

[In million board feet]

	Annual allowable cut	Actual cut chargeable to allowable cut	Undercut	Percent of allowable cut attained
"Cedar River:				
1955	9.0	0	9.0	0
1956	9.1	0	9.1	0
1957	9.1	0	9.1	0
1958	9.1	0	9.1	0
1959 (6 months to June 30)	9.1	0	------	------
Green River:				
1955	19.5	3.0	16.5	15
1956	19.5	16.0	3.5	82
1957	19.5	19.0	0.5	97
1958	19.5	8.2	11.3	42
1959 (6 months to June 30)	19.5	0	------	------

"The cutting in recent years in the Green River working circle was done primarily under two timber sales contracts awarded in 1955. At September 30, 1958, no timber remained to be cut under these contracts and no further sales had been made from that time to June 30, 1959.

"Lack of rights-of-way has also prevented access to blown-down timber in the Mineral working circle and to overmature timber in the Green River working circle. In the Mineral working circle, about 50 million board feet of timber was blown down in November 1958. We were informed by a forest official that about 10 million board feet of white fir and hemlock would seriously deteriorate if not harvested in the next 2 years and would be virtually worthless in 3 years. The Forest Service files indicated that, in the Green River working circle, overmature timber is badly in need of harvesting to prevent loss through decay. There are about 11.5 million board feet of overmature timber in this circle.

"We noted that a new position was established at the Snoqualmie National Forest office in July 1959 and that one of the prime duties of the incumbent will be to assist the Forest Supervisor in negotiating solutions to the right-of-way problems. We believe that this action was worthy and urgently needed to help resolve the right-of-way problems.

"RECOMMENDATION TO FOREST SERVICE

"We believe that, to promote greater progress in effecting planned sales of timber and attaining the full allowable cut in all working circles, further delay in resolving the right-of-way problems in the Snoqualmie National Forest should be avoided and that effective action should be commenced and continued until the problems are settled. If further negotiations fail to provide satisfactory access rights within a reasonable time, we recommend that consideration be given by the Chief, Forest Service, to increased use of condemnation procedures, in accordance with the expressed policy of the Forest Service to condemn when negotiations are unsuccessful."

He shows that on one national forest in my State—the Snoqualmie—4 billion board feet of timber are tied up by lack of access. This is twice as much softwood sawtimber as exists in the entire State of Kentucky. In fact, you would have to add together all the softwood sawtimber in Oklahoma and Kentucky to exceed the volume of softwood timber tied up due to lack of access on this one national forest in Washington.

One access problem has been under negotiation since 1948 and it's still unsolved. Eleven cases have been under negotiation for from 4 to 12 years. Eighty million board feet in planned timber sales had to be postponed in 1958 alone due to lack of access.

In one working circle, 50 million board feet of timber was blown down in 1958. Ten million feet is now worthless—a total loss. The amount of timber blown down on this one working circle is three times as much as is cut in the national forests in Kentucky.

I serve notice here and now that I intend to make certain that the Forest Service uses its right of eminent domain and stops this wastage of a public resource by those who piously deny the Government access to its timber.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MANSFIELD. Mr. President, if the distinguished chairman of the subcommittee will agree, I should like to propound a unanimous-consent request; that the time for further debate on H.R. 10495 be limited to 20 minutes, 10 minutes to a side, with 10 minutes allocated to the Senator from Oregon [Mr. MORSE] and 10 minutes allocated to the chairman of the subcommittee [Mr. MCNAMARA]; with the understanding that the Senate will then vote upon passage of the bill.

Mr. MCNAMARA. Has the bill been read the third time?

Mr. MANSFIELD. The bill has been read the third time.

Mr. MCNAMARA. I have no objection.

Mr. MANSFIELD. Mr. President, I make such a unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. KERR. Mr. President, reserving the right to object—and I shall not object—could it be understood that at the end of the 20 minutes, 10 minutes for each side, there will be a quorum call, preceding the yea-and-nay vote?

Mr. MANSFIELD. Yes, indeed. There will be a quorum call.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The Senator from Oregon is recognized for 10 minutes.

Mr. MORSE. Mr. President, the Senator from Michigan [Mr. McNAMARA] is one of the most capable men in the Senate. The road bill he has brought before us today is ample proof of his wide and far-ranging capabilities.

This bill fully keeps faith with the 1956 Highway Act. In that legislation we set forth the policy that the ABC roads should be advanced each year. The administration has opposed this. By the decision to continue the ABC fund at $925 million and provide $100 million in the "D" fund, the net effect will be to keep the ABC roads on schedule.

These are the most important roads in our road network because they are the roads we use most heavily. It is on these routes that the school bus travels, the local and interstate trucks, the family going shopping, off on a picnic or on a visit to nearby relatives. These are the roads that enable the farmer to get his produce to market.

I congratulate the committee and the Senator from Michigan. I do have some reservations about whether the formula and procedure of the "D" fund will be fully effective in solving another problem which it attempts to meet; namely, that of labor surplus areas.

Here again I wish to congratulate the committee and the Senator from Michigan for their effort to meet a terrible problem. The Senator from Michigan [Mr. McNAMARA] has not stood idly by wringing his hands and saying something ought to be done. He has joined with the able Senator from West Virginia [Mr. RANDOLPH], to develop within the framework of the road bill, a device which will at least partially erase the blight upon our economic growth caused by chronic unemployment in certain areas. I am sure we will all watch with interest how effectively the Department of Commerce and the States channel this special $100 million authorization into our labor surplus areas.

The committee has acted wisely on another vital program—forest development roads and trails. Faced with a Bureau of the Budget suggestion that no authorization at all be written, the committee has acted vigorously. It has increased the authorization by a greater amount than ever before and done so in complete harmony with the House. The current authorization is $30 million and in 1962 it will be $35 million and in 1963, $40 million. When this administration came into power in 1953 this authorization was $17,500,000.

I recall that I was instrumental in raising the authorization to $22,500,000 for the 1954–55 fiscal years. This increase actually occurred in the 1952 legislation and was concurred in by the Truman administration. Here was a $10 million increase for a biennium. Since 1954, the Eisenhower administration has had the responsibility for suggesting proper authorization levels. In 1954, and in 1956, it urged no increase. Nonetheless, in 1954 Congress raised the authorization by $3 million for the biennium fiscal years 1956–57. In 1956, the Democratic Congress raised the authorization by $6 million for the biennium fiscal years 1958–59. In 1958 the Democratic Congress not only raised the authorization by $6 million for the fiscal years 1960–61, but also provided a special $5 million for fiscal year 1959. This was a total of $11 million and the administration had said, "Don't write an authorization, we will have the Bureau of the Budget take care of this great program."

Now again this year when we are writing the authorization for fiscal years 1962–63 we find the same blind obstinacy to sound progress exhibited by the administration. In contrast, the Congress has granted a $15 million increase for the biennium.

I can assure the Congress that this is money wisely spent. The committee fully recognizes this. Let me cite its report:

> Forest development roads and trails are those routes of primary importance for the protection, administration, and development of the national forests and the use and development of resources upon which communities within or adjacent to the national forests are dependent. These roads and trails are necessary to economical marketing of timber on a sustained-yield basis from the national forests and other Federal land, and constitute an investment by the Federal Government that will return to the Treasury many times their cost.
>
> The national forest system comprising an area of 181 million acres is located in 41 States and Puerto Rico. These forests are managed by the Forest Service of the Department of Agriculture under the concepts of multiple use and sustained yield, in order that the many natural resources may be used and enjoyed for all time by all the people of the United States. These forest lands are used for the grazing of livestock, healthful outdoor recreation, source of water supply for many cities, hydroelectric development, range for big-game animals, fishing on lakes and streams within the areas, and as a source of timber for all segments of the lumber industry.
>
> The national forests are now a self-supporting enterprise with recepits from the sale of products exceeding $122 million annually. Proper management of these forests require an adequate system of roads and trails to permit economic marketing of timber, salvage cutting, recreational and forage use, and protection from fire, insects, and disease. Financial losses occur every year to the Federal Government through inaccessibility of mature timber available for harvest, or ability to promptly and completely salvage damaged timber. As the road and trail system is expanded the revenue to the Government increases, primarily through expanded timber sales.

I should also like to quote a brief paragraph from the House report.

> In making this increase above the amounts presently authorized, the committee has been persuaded by the fact that every cent invested in timber access roads enhances the value of the Federal forests and returns in full the investment made by the Federal Government. The committee has made this increase in order to assure that the Forest Service will proceed to market under sustained yield practices the timber resources in need of prompt management, and to provide for the rapidly increasing recreational use on the national forest system.

Certainly these two expressions and the record of the last five Congresses should erase all doubt on the responsible interest that exists in our national forests.

I am pleased that the Senate committee will go further into the matter of how to unlock 40 billion board feet of national forest timber which is not now being marketed.

The able Senator from Utah [Mr. Moss] has earned the warm thanks of all who are genuinely interested in forest conservation for his efforts to improve the utility of the national forests.

I congratulate him for persuading the committee to plan on holding public hearings on forest roads. The major subjects set for inquiry are the pressing issues. There can be complete confidence that the Senator from Utah will make a full, fair, and extensive review.

The committee's instructions to the Department of Agriculture to utilize its authority of eminent domain vigorously is long overdue.

The western timber industry is divided into two parts—those who do not own timber and have long been dependent on public timber and those who own timber, largely sufficient for their own use but far too rarely managed on the principle of sustained yield. It is this latter group, whose holdings are often intermingled with the public timber, who, over the years, have exhibited such a narrow vision that they have assured that the general public will know that the "robber barons" of old are real and still with us.

The clear instructions given in this report require no second reading to be understandable. It is up to the Department of Agriculture to start at once unlocking by condemnation those national forest areas where public use is denied through private control or private roads.

This procedure, which is fair and reasonable, will work and work well. Nor will it be costly. The timber unlocked will be sold under sustained yield, returning every penny invested in these forest roads.

Of even greater importance, this timber will preserve the economic life of many of our timber-starved western communities.

The Senator from Michigan [Mr. McNAMARA], his colleagues, and especially the Senator from Utah [Mr. Moss], have done an outstanding job on the road bill and their report.

Mr. McNAMARA. I thank the Senator from Oregon. Unless some other member of the committee has something he wishes to say, I shall be glad to yield back my time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McNAMARA. I am happy to yield.

Mr. HUMPHREY. I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement which I had prepared relating to the amendment offered by the Senator from New York [Mr. JAVITS].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

It is the purpose of the amendment which I and the Senators from New York are jointly sponsoring is to make it possible for tenants to be relocated at no cost to themselves. Under the present highway law, the States are reimbursed on a 90–10 basis for the costs of construction. The current legal definition of construction includes the supervising, inspecting, actual building and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, mapping, costs of right-of-way and elimination of hazards of railway grade crossings. This amendment to the pending measure would broaden the definition of the term "construction," under the Federal-aid highway laws, to include the costs of relocating building tenants.

It is through no fault of the homeowner or businessman that he is displaced by a Federal construction program. He may have lived or done business at the same location for 20 years and have no thoughts of moving, when the decision is made to run a highway through his property. A fair price is offered to the man for his property, but he receives nothing at all to cover the cost—and a very expensive cost it is—of moving his household goods and personal effects.

The businessman who is forced to move his entire business to a new location is at a distinct disadvantage. He must move his entire stock and relocate it. This takes time, during which the man is not in business. This becomes a costly venture for him. It is a serious matter when a man is put out of business for several days—even weeks—and still has to pay the expensive costs of moving into his new location, with no reimbursement at all.

This gap in the law has been brought to my attention by Minnesota businessmen. They have pointed out that this is not the only cost. Losses also occur in intangible factors. For example, relocation means a loss in established trade, and a time lapse until a new trade is established comparable to the old.

The cost of moving is certainly a legitimate expenditure incurred in order to comply with a State order. The displaced tenant should therefore, be able to receive compensation for so costly an item. This payment should be included in reimbursable costs of construction and acquisition of rights-of-way. Surely, we can help to minimize the hardship of those who suffer loss through no fault of their own.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that two additional statements that I have prepared be printed in the RECORD at this point of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

HIGHWAY ACT OF 1960 IN SUPPORT OF AID TO AREAS OF HIGH UNEMPLOYMENT

I wish to commend the Committee on Public Works for adding to the Highway Act of 1960 an extra $100 million a year to be made available to States with high unemployment. I have made my support for similar legislation quite implicit.

Where there are underdeveloped areas and areas which due to technological change or the working out of basic resources suffer chronic unemployment or economic distress, the Federal Government must cooperate with the States in providing programs to aid these areas. This legislation would be such a step—a step in the right direction. A program providing $100 million for each of 2 years to be used by States with high unemployment would simultaneously provide several benefits. The initial benefit would be employment in these areas. One peripheral benefit is to the people at large, who will have bigger and better highways on which to travel.

There are many parts of our Nation, in several States, where these areas exist. Once thriving towns, prosperous, productive, industrial communities, now find themselves in serious economic difficulties. It is through no fault of the local government, labor, business, or civic organizations that these situations have arisen. These groups have tried in many ways to attract diversified industry and to extend aid and assistance to the depressed localities. However, there comes a time when greater assistance is required.

It is up to us here today, Mr. President, to provide at least a part of that assistance. The bill before us as reported out of committee includes a sincere effort to aid these areas. It is my hope that my colleagues feel as I do, and will favorably approve this piece of legislation.

STATEMENT BY SENATOR HUMPHREY

PRESERVE HISTORICAL OBJECTS

I hope that in the highway program we will provide a method for preserving sites, areas, buildings, and objects of national, regional, and local historical significance which are threatened with destruction by programs financed in whole or in part by the Federal Government. Surely, we can do this.

As the result of large Government construction programs, the destruction of important historical lands and buildings has become a growing concern to many people. It is not necessary to reiterate my support for these construction programs. They are justified and necessary to meet the growing needs of our great country. A vastly improved system of 4-, 6-, and 8-lane highways with cloverleafs and overhead bridges to minimize the possibility of accident, to provide easy access from one part of the country to another, to provide quick transportation for products to markets all over the country and to relieve the growing, but even now acute, traffic problem throughout the Nation is of the utmost importance.

However, it is important that we be sure that in the course of such needed construction we avoid, as much as possible, destruction of historic buildings and sites.

May I suggest that upon petition from any State or political subdivision, or the American Institute of Architects, the National Trust for Historic Preservation, or any other organization recognized by the Secretary of Interior as being concerned with historic preservation, stating that a site, building, or object with historical significance is about to be damaged or destroyed due to a federally financed project, the Secretary of Interior would be authorized to conduct public hearings to determine the significance of the site in question. The Secretary may then order a halt to the program and deny Federal funds to a State program until the project is satisfactorily modified preserving the site or building.

I suggest that the Secretary of Interior in consultation with organizations concerned with historical preservation, make a continuing study of ways to promote and encourage the restoration and preservation of historical sites, buildings, and antiquities by government, private organizations, and individuals.

This evidence of our historic past is irreplacable. Once destroyed, there is nothing anyone can do. It is asking little to give this destruction our consideration before we take such final action. This is what my suggestion is designed to do. It will benefit not only those living today, but future generations of unborn Americans.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. McNAMARA. I am happy to yield to the Senator from Illinois.

Mr. DIRKSEN. I was about to make an observation on certain amendments that were incorporated in the bill. I note there was some objection on the part of the Department of Commerce and also the Department of the Interior. I have conferred with the distinguished Senator from South Dakota [Mr. CASE] and others, and I am quite confident that those matters will be fully adjusted in conference. I leave it at that point.

The PRESIDING OFFICER. Does the Senator from Michigan yield back his time?

Mr. McNAMARA. I yield back the remainder of my time.

Mr. MORSE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. COOPER. Mr. President, I ask unanimous consent that my statement be placed in the body of the RECORD. I simply wish to say, as a member of the Subcommittee on Public Roads, that I have been glad to work with the other members of the committee, particularly the distinguished subcommittee chairman, the Senator from Michigan [Mr. McNAMARA], in the development of the bill.

On behalf of myself, the senior Senator from West Virginia [Mr. RANDOLPH], and the junior Senator from Pennsylvania [Mr. SCOTT], we submitted an amendment, which was accepted by the committee and also by the Senate, which provides an additional $100 million to give some assistance to surplus labor areas.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

As a member of the Subcommittee on Public Roads I am glad to have had a part in the development of the Federal Highway Act of 1960, providing funds for the Federal-aid highway program for an additional 2-year period, funds which will be available to the State after August 1, 1960, and August 1, 1961.

In addition to that sum of $975 million provided for each year, the committee accepted an amendment offered by the Senator from West Virginia [Mr. RANDOLPH], the Senator from Pennsylvania [Mr. SCOTT], and myself, authorizing an additional allocation to the State of $100 million annually for 2 years, for use in developing roads in surplus labor areas, or as they are familiarly called, depressed or underdeveloped areas.

The States will not be required to match these funds on a 50–50 basis, as is required for the primary, secondary and urban systems. In the case of the $100 million authorization the States would be required to

contribute one-third of the amount allocated to the States. In the case of Kentucky, approximately $3.4 million would be made available to Kentucky from this additional allocation.

I hope that it will be used in the development of a part, for obviously it would not be sufficient for the whole cost, of a basic road system, which is intended to be developed in eastern Kentucky.

This will provide for Kentucky, with 50–50 matching on its primary, secondary and urban systems, approximately $31.6 from the special $100 million fund.

Approximately $3.4 million in addition will be made available to Kentucky for the Interstate Highway System, and it will participate in the authorization provided in the bill for forest highway and forest development roads and trails.

I congratulate the chairman, the Senator from New Mexico [Mr. CHAVEZ], the chairman of the subcommittee, the Senator from Michigan [Mr. MCNAMARA], and the able ranking minority member, the Senator from South Dakota [Mr. CASE], and my colleagues on the committee for presenting this impartial bill to the Senate.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 263]

Aiken	Engle	Mansfield
Allott	Ervin	Monroney
Anderson	Fong	Morse
Bartlett	Frear	Morton
Beall	Fulbright	Moss
Bennett	Goldwater	Mundt
Bible	Gore	Muskie
Brunsdale	Green	Pastore
Bush	Gruening	Prouty
Butler	Hart	Proxmire
Byrd, W. Va.	Holland	Randolph
Cannon	Hruska	Robertson
Capehart	Humphrey	Russell
Carroll	Jackson	Saltonstall
Case, N.J.	Javits	Schoeppel
Case, S. Dak.	Johnson, Tex.	Scott
Chavez	Johnston, S.C.	Smathers
Church	Jordan	Smith
Clark	Keating	Symington
Cooper	Kerr	Talmadge
Cotton	Kuchel	Thurmond
Curtis	Long, Hawaii	Williams, Del.
Dirksen	Long, La.	Williams, N.J.
Dodd	Lusk	Yarborough
Douglas	McCarthy	Young, N. Dak.
Dworshak	McGee	Young, Ohio
Eastland	McNamara	

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Indiana [Mr. HARTKE], the Senator from Arizona [Mr. HAYDEN], the Senator from Alabama [Mr. HILL], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Mississippi [Mr. STENNIS], are absent on official business.

I further announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY], are necessarily absent.

I also announce that the Senator from Missouri [Mr. HENNINGS], is absent because of illness.

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN], is absent by leave of the Senate on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. CARLSON], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Wisconsin [Mr. WILEY], are detained on official business.

The PRESIDING OFFICER. A quorum is present. All time for debate has expired. The question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Indiana [Mr. HARTKE], the Senator from Arizona [Mr. HAYDEN], the Senator from Alabama [Mr. HILL], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS] are absent on official business.

I further announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Indiana [Mr. HARTKE], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS] would each vote yea.

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. CARLSON], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES] would vote "yea."

The result was announced—yeas 80, nays 0, as follows:

[No. 264]

YEAS—80

Aiken	Bush	Chavez
Allott	Butler	Church
Anderson	Byrd, W. Va.	Clark
Bartlett	Cannon	Cooper
Beall	Capehart	Cotton
Bennett	Carroll	Curtis
Bible	Case, N.J.	Dirksen
Brunsdale	Case, S. Dak.	Dodd
Douglas	Johnston, S.C.	Prouty
Dworshak	Jordan	Proxmire
Eastland	Keating	Randolph
Engle	Kerr	Robertson
Ervin	Kuchel	Russell
Fong	Long, Hawaii	Saltonstall
Frear	Long, La.	Schoeppel
Fulbright	Lusk	Scott
Goldwater	McCarthy	Smathers
Gore	McGee	Smith
Green	McNamara	Symington
Gruening	Mansfield	Talmadge
Hart	Monroney	Thurmond
Holland	Morse	Williams, Del.
Hruska	Morton	Williams, N.J.
Humphrey	Moss	Yarborough
Jackson	Mundt	Young, N. Dak.
Javits	Muskie	Young, Ohio
Johnson, Tex.	Pastore	

NAYS—0

NOT VOTING—20

Bridges	Hickenlooper	Martin
Byrd, Va.	Hill	Murray
Carlson	Kefauver	O'Mahoney
Ellender	Kennedy	Sparkman
Hartke	Lausche	Stennis
Hayden	McClellan	Wiley
Hennings	Magnuson	

So the bill (H.R. 10495) was passed.

Mr. MCNAMARA. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCNAMARA. Mr. President, I move that the Senate insist on its amendment to H.R. 10495, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. WILLIAMS of New Jersey in the chair) appointed Mr. CHAVEZ, Mr. KERR, Mr. MCNAMARA, Mr. RANDOLPH, Mr. CASE of South Dakota, Mr. COOPER, and Mr. SCOTT conferees on the part of the Senate.

Mr. MCNAMARA. Mr. President, I ask unanimous consent that House bill 10495 be printed wtih the Senate amendments.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I wish to express my appreciation to the able Senator from Michigan [Mr. MCNAMARA], the Senator from Oklahoma [Mr. KERR], and the Senator from South Dakota [Mr. CASE] for the outstanding ability they have demonstrated in connection with the handling of this bill in cooperation with the leadership and in seeing to it that the bill was passed. I trust that the conference committee will meet promptly and will promptly submit the conference report before we conclude our session on Saturday.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 19) to provide a method of regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill

(H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6597) to revise the boundaries of Dinosaur National Monument and provide an entrance road or roads thereto, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. O'BRIEN of New York, Mrs. PFOST, Mr. SAYLOR, and Mr. CHENOWETH were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 11135) to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCMILLAN, Mr. SMITH of Virginia, and Mr. BROYHILL were appointed managers on the part of the House at the conference.

The message further announced that the House insisted upon its disagreement to the amendment of the Senate numbered 44 to the bill (H.R. 12232) making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. NORRELL, Mr. KIRWAN, Mr. CANNON, Mr. HORAN, and Mr. TABER were appointed managers on the part of the House at the conference.

ORDER FOR ADJOURNMENT UNTIL TOMORROW, AT 11 A.M.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business for today it adjourn until tomorrow, at 11 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I announce that we plan to meet each evening for the remainder of the week.

We plan to take a recess on Saturday evening until the early part of August.

We do not expect any more votes this evening. There will be explanations of House bill 10, but we do not expect any yea-and-nay votes this evening.

Following the convening of the Senate on tomorrow, at 11 a.m., we shall have the usual morning hour. Following that, we shall resume the consideration of House bill 10. From time to time we shall interrupt the consideration of that bill by considering conference reports or appropriation bills or any noncontroversial bills on which it may be necessary for the Senate to act.

Mr. DIRKSEN. Mr. President, I understand a unanimous-consent agreement has been obtained with respect to the State, Justice, and Judiciary appropriation bill; and I wish to ask whether it is likely that that bill will be called up tomorrow.

Mr. JOHNSON of Texas. It is possible, but not likely. We are writing the report on the bill. There is nothing controversial about it. The bill, as it will be reported by the Senate committee, will call for appropriations $19 million under the budget. We have restored the items which were cut out by the House of Representatives, but which the administration felt were absolutely essential. The subcommittee's report is unanimous, and the full committee's report is unanimous. The question now is simply to allow the clerks sufficient time to repare the report and to have the report printed. I am not sure when the report will be available. I shall give the Members advance notice; and if the Senator from Illinois has any preference in the matter, I shall try to be guided by his desires.

CITATION AND COMMENCEMENT ADDRESS BY KARL LOTT RANKIN

Mrs. SMITH. Mr. President, two of Maine's colleges—Bowdoin College and Bates College—recently honored one of the outstanding foreign service career men of our State Department, Hon. Karl Lott Rankin, the U.S. Ambassador to Yugoslavia, at separate commencement exercises on the same day, June 12, 1960, with the awarding of honorary degrees to him.

As an honorary alumna of Bowdoin College, I was quite proud and pleased with the honor that my honorary alma mater awarded to this outstanding diplomat. I was personally pleased that Bates College, in its citation of Ambassador Rankin, accompanying the honorary degree that it conferred upon him, incorporated by credit my own citation of his excellent work.

I ask unanimous consent that that citation and his commencement address be printed in the CONGRESSIONAL RECORD.

There being no objection, the citation and the address were ordered to be printed in the RECORD, as follows:

CITATION READ BY THE DEAN OF BATES COLLEGE, JUNE 12, 1960

Mr. President, I have the honor to present Mr. Karl Lott Rankin, U.S. Ambassador to Yugoslavia.

Born in the small city of Manitowoc, Wis., only child of a Congregational minister's family, living as a youth in several midwestern communities, and eventually establishing his own residence in South Bridgton, Me., Mr. Rankin is deeply rooted in American mores and spirit. His academic and professional training was in the cosmopolitan atmosphere of half a dozen great universities including Federal Polytechnic Institute in Zurich and Heidelberg University. From Princeton he received a degree in civil engineering. In 1927 he entered the diplomatic service which has constituted his lifework. A great part of his career has been concerned with those most basic strands in international relations, economic and trade interests. During the last 30 years he has been a constructive factor in innumerable critical and complex situations. An enumeration of the nations in which he has served with the American diplomatic mission recalls the tensions which he has helped to lessen—Greece, Albania, Belgium, Luxembourg, Yugoslavia, Egypt, Austria, and China. During the war years a mission to Manila resulted in the internment by the Japanese of Mr. and Mrs. Rankin for nearly 2 years. In 1953 he became an Ambassador to China sharing in the difficult policy decisions involved there, until given his present appointment.

For upholding in many places and at many times the best of American ideals, for unselfish devotion to exacting duty, for unflinching resistance to Communist threat, for steadiness and sound judgment when panic would have been easy, for more than 30 years of what our own Senator MARGARET CHASE SMITH called excellent work Bates College wishes to confer upon this far-ranging citizen of Maine, the honorary degree of doctor of laws.

REMARKS OF AMBASSADOR KARL LOTT RANKIN AT THE COMMENCEMENT EXERCISES AT BATES COLLEGE, JUNE 12, 1960

President Phillips, men and women of Bates College, friends of Bates, today I associate myself with the undergraduates. The class of 1960 has completed its work in qualifying for degrees; I still have a few minutes to go. In that time I shall review some aspects of U.S. foreign policy.

For a number of years I have been dissatisfied with our indiscriminate use of the word "policy." In the sense used in foreign relations, Webster defines policy as "a settled course adopted and followed by a government." Yet we hear and read that, on a given issue, American policy is too soft, or too hard, or unrealistic, or wrong, or even that we have no policy. Such use of the word not only is incorrect and misleading; it breeds confusion and undermines confidence in our Nation, both at home and abroad.

In a democracy such as ours, foreign policy is deserving of the name only insofar as it it understood and continuously supported by a substantial majority of the public. Genuine foreign policy is relatively unchanging. To be valid it must survive new and radical developments throughout the world with no more than moderate shifts of emphasis. And these usually belong in the fields of political strategy or tactics rather than of basic policy.

One of the best statements of foreign policy I have ever seen was not drafted by an American or related specifically to the United States. I refer to the Preamble to the Charter of the United Nations, which was the work of a great South African, Jan Christiaan Smuts. Let me read the first part. It may seem long for a single sentence, but there is not a superfluous word:

"We the people of the United Nations determined to save succeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of law can be maintained, and to promote social progress and better standards of life in larger freedom, and for these ends to practice tolerance and live together as good neighbors, and to unite our strength to maintain international peace and security, and to insure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest, and to employ international machinery for the promotion of the

economic and social advancement of all peoples, have resolved to combine our efforts to accomplish these aims."

That, I submit, is a statement of foreign policy which a great majority of the American people understand and support as a settled course for our Government. It has stood the test of time and will continue to do so. Should someone suggest that the phrasing is rather general, I would point out that if substantially all nations followed its clear precepts, our major world problems would be well on the way to solution.

Having an accepted foreign policy, however, does not permit a nation like the United States to play a passive role in international affairs. The leadership of the civilized world, which once rested in Western Europe, has passed largely into our hands. This was not due solely or perhaps even largely to any merit or initiative of ours, but it is a fact nevertheless. In this position, buttressed by our great economic and military resources, we have inescapable and worldwide responsibilities. We face the imperative of maintaining a suitable posture toward the current international scene.

I pass on from policy to what, for lack of a better word, I shall call "strategy." Despite its military connotation, the word "strategy" seems preferable to "posture," which might suggest inactivity. In any case, our central task today is to confront the international Communist conspiracy in a manner calculated to deter further aggression, direct or indirect; hence to prevent war if possible without sacrifice of basic policy or principle. In so doing, we strive to improve the relative position of the free world in such degree that our chief opponents eventually will find it in their own interest to follow the precepts of the United Nations.

American strategy is manifest in regional defense pacts and bilateral defense treaties, which provide for the collective security foreseen by its charter, but only imperfectly provided for as yet by the United Nations. Our country reinforces these agreements for mutual defense, as necessary, by military and economic aid. We take an unprecedentedly active part in international bodies and conferences, supporting the interests of the free world. If and when the Communist menace is removed, American strategy can be modified accordingly. But our fundamental foreign policy will remain valid.

So far, in terms of policy and strategy, I have outlined what a large majority of the American people accept and support.

Only when we come to the narrower but scarcely less important realm of what might be called tactics do we find significant differences of opinion. How much foreign aid should the United States provide, and how should be it distributed and expended? On what basis should we participate in this or that international conference? What specific limitations on our Military Establishment can we accept, considering both economic factors and possible equivalent limitations agreed to by potential opponents? Should we extend economic or other assistance to a given country with which we are not allied, in order to help preserve its independence and promote the well-being of its people?

It is right and proper that questions such as those I have cited in the field of tactics should be debated freely. But they should not be confused with accepted policy and strategy. Rather, we must go back repeatedly to our basic position in determining the tactics best suited to its support. When the Congress adds to or reduces the administration's proposals for national defense or foreign aid appropriations, no one should conclude that American policy or strategy has changed. Such action simply reflects the normal democratic process of attaining reasonable compromise. There is no real argument as to the necessity for adequate defense or for an appropriate amount of foreign aid.

I am uncertain just when the word "program" came into common use in the conduct of our foreign relations, but it seems to date no further back than the end of World War II. Earlier, except in wartime, the relief of human suffering abroad, the investment of American capital in foreign enterprises, and the exchange of professors, scientists, students, athletes, and artists, normally were handled by private organizations or individuals. Now our Government is active in these and other fields. Its foreign programs reflect American recognition of the magnitude of today's world problems, of the vital importance of improving the lot of man and of strengthening the free world before the peril which confronts it. Recognition of the need for action on so broad a front stems from our policy and strategy, but the details of operation are tactical.

The particular aspect of foreign relations in which I have been engaged for more than 30 years is that of representing the U.S. Government abroad. We start with a great advantage over the representatives of numerous other countries, precisely because of the character of basic American policy. We have little or nothing to hide. We are not fomenting subversion. We want all peoples to enjoy a better life in peace and freedom. With this background, our primary task of building confidence in the United States is immeasurably facilitated.

It is a popular notion that diplomats are frequently if not continuously engaged in intrigue, based upon top secret instructions from their governments. I assure you that this does not apply to the United States. The correspondence between our Embassies and Washington is confidential or otherwise classified largely to avoid premature disclosure of information intended to be made public only at the proper time, after consultation with all concerned, or to relay reports of which we may question the accuracy and completeness, or, perhaps most frequently, to avoid embarrassment to other governments. As far as the United States itself is concerned, I am sure that all but a minor fraction of our official correspondence could be published within a year after it was written, with no harm to American interests.

Again in the field of tactics, U.S. representatives abroad should and do enhance general confidence in our country and its policy by developing a personal reputation for honesty and frankness always tempered with courtesy, understanding, and discretion. Beyond this, how do we try on occasion to persuade foreign governments to modify their positions so as to agree more closely with our own? Let no one think this easy if a significant initial difference is involved. Most foreign ministries today are staffed by intelligent and well-informed officials. It is rare indeed that we are in a position to influence their actions simply by presenting a detailed exposition, or because our eyes are of the right color. Objectivity is uncommon in foreign affairs. Habitually it is dismissed as unrealistic, or as a luxury which only a great power like the United States can afford. No matter how strong our case, we should expect the other party to decide on the basis of its own direct national interests. These may be tangible economic or other factors; they may be internal or external political constituents. Our task is to convince the government in question that, on balance, our position is also in its best interest.

It is not often, however, that economic suasion alone is sufficient to change the position of other nations on important issues. National pride is strong, and the government of even the smallest and poorest country needs to retain the respect of its own people and of world opinion. There is also universal sensitivity to action by any nation which suggests meddling in the internal affairs of another. On this point in particular the American record is so far superior to that of the Communist bloc, and so valuable an asset in consequence that we must guard our reputation at almost any cost. But we can and do offer various kinds of political as well as economic support and, if circumstances warrant, this may extend to military assistance as well. In sum, we try to persuade a government that, on balance, sharing our position or at least not opposing us openly, is to its own net advantage, and can be so justified before domestic and foreign public opinion.

An additional difficulty arises when a foreign government already has taken a position publicly which opposes that of the United States. Again, national prestige is involved. In such cases we must seek what the Chinese call "steps to come down." Sometimes a strong country like the United States may assume public blame for a reversal of position by a small nation, which could not afford to do so on its own. On less important matters an American official may offer to take the responsibility or blame personally to obtain a desired result, even though he is in no way at fault. In all such negotiations it is of the utmost importance that our representative abroad should exercise the greatest tact, that he should fully understand the foreign government's position, whether he agrees or not, and that he should explain it meticulously to Washington.

I have referred to the responsibilities of our representatives abroad in enhancing confidence in the United States and its foreign policy. What we can accomplish in the tactical field is, of course, largely dependent upon what is said and done at home.

International communism has as its avowed purpose the conquest of the world. In many respects today it partakes more of the nature of a religion than a practical political philosophy. For the foreseeable future, therefore, we should not expect public disavowal of an article of faith so often repeated by the prophets of communism. But we should and do demand that its practice must be changed, that force, and threats of force, and subversion directed and supported in other countries by the Kremlin, shall cease. We must continue to instill confidence in all concerned that the United States understands this peril and intends to pursue its accepted strategy until the danger is removed.

We have invaluable advantages on our side, the side of the free world. Some of these are material; the more important are moral. No one knows all the answers to the countless questions facing us today. But if we keep the precepts of the United Nations Charter, if we stand fast beside our friends in mutual confidence, we cannot go far wrong. Our opponents will recognize one day that the same course also is best for them. But we must not be lacking in patience and understanding, in courage, and determination. We must deserve to win.

SELF-EMPLOYED INDIVIDUAL TAX RETIREMENT ACT OF 1960

The Senate resumed the consideration of the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals.

Mr. SMATHERS. Mr. President, the pending measure is designed to encourage the establishment of voluntary pension plans by self-employed individuals.

Legislation to accomplish this purpose has been under consideration by the Congress for a number of years. Its basic purpose is to remove a fundamental tax inequity which has existed for the past 18 years. In 1942 the Congress amended the Internal Revenue Code to encourage employers to establish qualified pension and profit-sharing plans for their employees, by granting employers deductions for contributions to such plans and by deferring a tax on the employees until benefits are derived under the plans. As of now, there are approximately 50,000 such plans in existence covering an estimated 20 million employees. To date, however, nothing of a similar nature has been done for the approximately 7 million self-employed. This is the inequity the bill before us is aimed at removing.

H.R. 10 has received the most thorough and painstaking legislative consideration. It passed the House on March 16, 1959, by almost unanimous vote. Thereafter, it was referred to the Senate Finance Committee which had 4 days of hearings during the summer of 1959. Approximately 70 national organizations, representing an excellent cross section of the farm, small business, and professional self-employed, indicated their support for the principle of the bill.

Since that time the bill has been substantially improved. As it came from the House, the bill would have allowed self-employed persons to deduct up to 10 percent of their self-employment income annually, but not to exceed $2,500, for purchase of an approved type of insurance or annuity contract or for deposit in a trust.

Mr. President, the type of deductions to which I have referred were limited to a lifetime ceiling of $50,000. To prevent indefinite postponement of tax on sums invested under the plan, withdrawals would have been required to commence not later than age 70 and would have been taxed as received. Any withdrawals before age 65 would have been subject to certain additions to tax as a penalty.

The Treasury Department objected to the bill in this form on two main grounds. One was that the revenue loss to the Government would be too great. The Treasury estimated this potential loss at $365 million, although I should add that other qualified sources were of the opinion that the loss under the House bill would have been no greater than $100 million. The other main objection of the Treasury was that the bill in this form would, while eliminating some discriminations, create new ones, primarily in the direction of permitting the self-employed to establish pension plans for themselves without any similar provision for their employees. The Finance Committee felt this latter objection was a serious defect in the House-passed measure.

After the close of the hearings, the chairman of the Finance Committee requested the Treasury Department, in cooperation with the staff of the Joint Committee on Internal Revenue Taxation, to develop an approach which would eliminate these problems as seen in the bill by Treasury. On April 1 of this year, the Treasury submitted its alternate approach. Thereafter, in May, the Finance Committee held 2 days of hearings on certain aspects of this new alternate approach, followed by a series of executive sessions this month.

Consequently, the Finance Committee has substituted for the House measure an approach which permits self-employed individuals generally to be treated as employees for retirement plan purposes. Under this new approach, self-employed individuals who have employees must make provision for the retirement needs of those employees in order to obtain retirement privileges for themselves.

As a result of this intensive consideration and study, I believe that the bill represents a substantial improvement over the House-passed measure. It still accomplishes its basic purpose of enabling the self-employed to provide for their old age through the establishment of voluntary pension plans, so that it will be of substantial benefit to the 7 million self-employed who for so long have been denied this treatment. At the same time, it meets the two objections previously interposed by Treasury. With regard to the revenue problem, it is estimated that the loss under this bill will be only from $150 to $250 million as compared with the $365 million previously estimated by Treasury under the House bill. As for the objection that the self-employed should not be covered unless their employees are also provided for, the bill eliminates that problem completely.

In its present form, the bill differs from the House measure in three basic respects. First, it permits the self-employed to establish qualified pension, annuity, and profit-sharing plans for themselves only on the condition that the plans are open on a nondiscriminatory basis to their employees, if any. Second, it brings all such plans under the broad requirements of the existing provisions of the Internal Revenue Code as they govern qualified plans for employers generally. Third, it tightens up the code provisions as they relate to corporate owner-manager plans so as to eliminate certain alleged abuses and loopholes pointed out by Treasury.

To demonstrate the great care which has been taken in drafting this bill so as to remove this discrimination against the self-employed that has so long existed and at the same time provide stringent standards to prevent abuse both in the case of the self-employed and in the case of corporate owner-employees, I would like to outline briefly the basic provisions of the bill. In doing so, I shall group the provisions in three categories—those applying to both the self-employed and corporate owner-employees, those relating only to the self-employed, and those dealing only with corporate owner-employees.

Turning first to the restrictions applicable to both plans for the self-employed and plans for corporate owner-employees, they are as follows:

First. The plans cannot contain, as a condition for eligibility, a period of employment exceeding 3 years.

Second. Distributions to self-employed or corporate owner-employees cannot be made prior to age 59½ except in the case of permanent disability or death. Any distribution in violation of this rule will give rise to penalties.

Third. Distributions to self-employed and corporate owner-employees must begin at not later than age 70½. Distributions to all other employees must start at age 70½ or retirement, whichever is later.

Fourth. Upon the death of a self-employed or corporate owner-employee, his interest must be distributed within 5 years or used within that period to purchase an immediate annuity.

Fifth. A bank must be the trustee of any trusteed plan covering self-employed or corporate owner-employees, established after the enactment of the bill.

Sixth. Profit-sharing plans covering self-employed or corporate owner-employees must provide immediate vested rights for all covered employees and have a definite formula for determining contributions. It is to be noted, however, that in the case of corporate plans the vesting requirements are not to apply until January 1, 1964, to existing plans or plans established during that 3-year period.

Seventh. Plans covering self-employed or corporate owner-employees cannot take credit for social security benefits payable to employees for purposes of the nondiscrimination rules, unless the vested contributions for other employees are at least twice the amounts contributed for themselves.

Eighth. Self-employed and corporate owner-employees with no covered employees cannot make nondeductible contributions. Those with covered employees can make nondeductible contributions at the same rate as for covered employees, but with a ceiling of the lesser of $2,500 or 10 percent of earned income.

Ninth. Loans to a self-employed or corporate owner-employee on insurance and annuity contracts are treated as distributions for all purposes.

Tenth. A new type of Government bond purchase plan would be authorized for use by qualified plans.

Eleventh. Stricter prohibited transaction rules would be applied to plans of self-employed and corporate owner-employees who own more than 50 percent of the business.

The restrictions applying to plans for the self-employed are as follows:

First. They could of course establish plans for themselves only if such plans are open on a nondiscriminatory basis to their employees, if any.

Second. The deductible contribution for a self-employed owner-employee would be limited to the greater of (a) $2,500 or 10 percent of earned income, whichever is less, or (b) one-half of the deductible contribution vested in his other employees.

Third. The deductible contribution for a self-employed owner-employee would be based solely on earned income. Where both personal services and capital are material income-producing factors,

earned income is defined as 30 percent of the net income earned from the trade or business, but not less than $2,500

Fourth. The self-employed individual would be denied capital gains treatment on lump-sum distributions, and, instead, such distributions would be taxed on an averaging formula.

Fifth. The self-employed individual would be allowed the retirement income tax credit. Self-employed individuals would not, however, be eligible for the estate and gift tax exemptions, the $5,000 gift tax exclusion, or the $100-a-week sick pay exclusion.

The limitations applied only to corporate owner-employees are as follows:

First. The corporate owner-employees would be defined as corporate employees owning more than 10 percent of the stock.

Second. The deductible contributions for corporate owner-employees would be limited to the greater of (a) $2,500 or 10 percent of earned income, whichever is less, (b) an amount equal to the amount of deductible contributions vested in the other employees, or (c) an amount sufficient to finance pensions equaling 20 percent of average salary for the last 10 years, immediately preceding retirement. A corporation with a more than 50 percent owner would be required to provide vested rights for its employees if it is to use either (a) or (c) test.

Third. In the case of existing corporate plans, the bill would not become effective until January 1, 1964, the purpose being to provide a transition period for the many owner-employee plans already established under the more liberal rules of the present code provisions. Additionally, the requirement for vesting contributions to other employees would not apply until January 1, 1964, to new corporate plans set up during that 3-year period.

Fourth. Owner-employees of subchapter S corporations and associations taxable as corporations would be subjected to the same limitations as the self-employed, except that again these requirements would not apply to existing plans until January 1, 1964. The vesting requirements would, however, apply to new plans of this type established subsequent to enactment of the bill.

Mr. LONG of Louisiana. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER (Mr. HART in the chair). Does the Senator from Florida yield to the Senator from Louisiana?

Mr. SMATHERS. I am happy to yield to my able and distinguished colleague on the Finance Committee.

Mr. LONG of Louisiana. Mr. President, let me ask my delightful friend why the bill requires that an employee must work for 3 years before he will be eligible to be covered? Why not require that all employees be covered?

Mr. SMATHERS. There are many reasons. But to summarize it: If we required all employees to be covered by these programs, they would then cover all employees, including temporary employees who worked for only 3 weeks or 3 months or on a part-time basis; and then the paper work and the problems in connection with setting up the pension programs for such temporary employees or part-time employees would obviously result in defeating the purpose of the pension programs.

So it is necessary to establish some rule as to the length of employment in order for one to qualify and to fall in the category of an employee who would come under the approved pension program.

Mr. LONG of Louisiana. In other words, that means that a soda jerk in a drugstore never would be covered if he did not work for 3 years or longer?

Mr. SMATHERS. In order to be covered, he would have to work for 3 years for the same employer.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield.

Mr. DOUGLAS. Is it not also true that a secretary employed by a doctor or a lawyer for less than 3 years, who then left to be married, and who stopped working for the doctor or the lawyer, would not be covered?

Mr. SMATHERS. That is correct. In fact, under present law an employee cannot be covered unless he works for 5 years.

Mr. LONG of Louisiana. Why do we not do something about that situation?

Mr. SMATHERS. So we have proposed a more practical, operable basis, by means of which more employees can be covered.

Mr. DOUGLAS. Would not it be well to provide that in order for a private pension plan to be recognized as eligible for tax deductions, the benefits must be vested, so that for each year's work the employee would be entitled to a certain amount of future protection, whereas at the present time one must reach age 65, and must have been employed by the firm for 20 years or so, and so forth and so on, with the result that, in practice, only a small percentage of the employees presently are really included under the voluntary pension plans and really receive any benefits.

Mr. SMATHERS. My heart goes out to them; and that is why this is a fairly good bill, because by means of this bill for the first time we shall require the vesting in the employees of an interest in the contributions made—something which never has been done heretofore.

Mr. DOUGLAS. And of course the self-employed, with each payment that they would make, would acquire a slice of future protection. In that way, they would receive protection for the future, and there would be no stringent requirements such as those imposed under the private plans.

So by means of the bill which the Senator from Florida is so ably expounding, the self-employed will receive fully vested protection, whereas under the present private corporate plans, only a small percentage receive protection—although the Senator from Florida says that equal protection should be provided. However, his bill would provide vastly superior protection for the self-employed.

Mr. SMATHERS. We have been all through that debate—I say for the edification of Senators who do not serve on the Finance Committee. We have been through all those arguments several times; and I doubt that any explanation I could give would cause those who have been opposed to the bill to favor it.

But let me say that under existing law there is no requirement for vesting—for instance, in the case of the General Motors program, the General Electric program, and so forth—except waydown the road; and the able Senator from Illinois has pointed out that fact. He has felt—and with considerable justification and merit, I think—that in all these plans there should be some vesting.

However, in this bill, in order to set a pattern of rectitude and righteousness pointing in the direction in which the able Senator from Illinois wants us to go, we require that there be vesting for the employees who are covered by this plan; and, at the recommendation of the Treasury, we close another loophole, and go further in the direction the able Senator from Illinois favors.

In other words, we require vesting with respect to the appropriate owner-management plans—something which never has been done before. So we take two steps in the direction the Senator from Illinois favors.

I realize that the Senator from Illinois would like us to go all the way at once. But as a practical matter, that would be most difficult, because today 20 million are operating under private pension programs, and all those contracts would, in effect, be nullified.

Mr. President, let me now resummarize House bill 10:

Under the bill, a self-employed individual will be permitted to make deductible contributions to a retirement plan for himself and his employees, if any; but benefits received under the plan will be taxable at the time when they are received.

The basic limitation on deductible contributions to a retirement fund by a self-employed individual on his own behalf is 10 percent of his earned income or $2,500, whichever is lesser. This limitation may be exceeded if the self-employed individual contributes for his employees, substantial amounts in which they have nonforfeitable rights. In such a case, he may contribute and deduct for himself up to one-half the vested amount contributed for his employees.

In order for a self-employed individual who owns more than 50 percent of a trade or business to take advantage of the basic 10 percent—$2,500 limitation, he must provide immediate vested contributions for his employees if he has any; otherwise, his deductible contribution for himself will be limited to one-half the amount contributed for employees to which they have nonforfeitable rights.

These limitations are based on earned income, which the bill defines generally to mean income for self-employment; but where income is derived from a trade or business in which capital is a material income-producing factor, earned income

is limited to 30 percent of the net profits of the trade or business or $2,500, whichever is greater.

The bill also imposes certain restrictions on corporations which have pension plans covering a stockholder-employee who owns more than a 10-percent interest, in the treatment of self-employed individuals and corporate owner-managers substantially similar; and, second, they are designed to eliminate abuse of pension-plan privileges which may occur where an individual controls a corporation. Generally, the new limitations on corporate retirement plans will apply immediately to plans created after 1960; but existing corporate plans will not be affected by the new restrictions until 1964.

As in the case of the self-employed, the basic limitations on deductible contributions to a retirement plan on behalf of an owner-manager of a corporation are 10 percent of his salary or $2,500, whichever is lesser. This basic limitation may be exceeded in certain situations. The corporation may contribute and deduct on behalf of its owner-managers an amount equal to the amount contributed for employees, provided the result is nondiscriminatory; or it may contribute and deduct the amount necessary to fund a retirement benefit equal to 20 percent of the owner-manager's average salary for the 10-year period before retirement.

After 1964, the basic limitation and the 20 percent of salary limitation will apply in the case of an owner-manager who owns more than a 50-percent interest in a corporation, only if he makes nonforfeitable contributions for his employees. Otherwise, the deductible contribution for an owner-manager will be limited to the amount contributed for employees which is nonforfeitable.

Under the bill, benefits to self-employed individuals and owner-managers of corporations may not be paid before age 59½, except in the case of death or disability. However, benefits must begin to be payable not later than age 70½. An individual who withdraws amounts from a retirement fund before he reaches age 59½ will be subjected to a penalty tax with respect to those amounts withdrawn, and will be prohibited from participating in another retirement plan for a 5-year period.

Although your committee's bill does not permit retirement benefits for self-employed persons to qualify for estate and gift tax exemptions, no change has been made in the present law, so that employees, including owner-managers of corporations, who qualify as employees, will continue to qualify for the estate and gift tax exemption with respect to their pension benefits under the bill. Similarly, while self-employed individuals are denied capital-gains treatment on lump-sum distributions from a retirement plan after age 59½, there has been no cutback in the capital-gain treatment allowed by present law in the case of employees, including owner-managers of corporations.

As an alternative form of investment, the bill permits establishment of qualified bond-purchase plans. These plans will not require a trustee, but will permit investment directly in a special issue of Federal bonds which may not be redeemed prior to age 59½, and which will be nontransferable. Although these bonds may be purchased by anyone, their cost will be deductible only if they are purchased under a qualified bond purchase plan or under a qualified retirement plan. However, because they cannot be redeemed prior to age 59½, they will be somewhat unattractive to ordinary investors; and I believe none other than those under the pension program will invest in it.

I believe that this bill merits the support of every Member of the Senate. Long ago—in 1942—the Congress recognized the basic wisdom of granting tax deferment to encourage the growth of qualified pension plans, and thereby enabling the employees of our country to set aside funds to provide for their old age.

To accomplish this purpose, Congress gave employers full deductions for amounts contributed to such plans, and deferred the tax on employees until such time as they drew retirement benefits. The employers and employees were quick to respond. By 1957, such plans covered more than 17 million employees. Employer contributions in that year amounted to $4 billion, and employee contributions were $680 million. The revenue cost to the Federal Government was in the area of $1.8 billion. Today there are approximately 50,000 such plans, covering an estimated 20 million employees, and of course the other figures are correspondingly higher.

Unfortunately, however, this sound method of permitting the individual to provide for his needs in later years has to date been confined to employees, generally employees of corporations. Although many persons have for years recognized the unfairness of denying similar treatment to our 7 million self-employed—along with their more than 11 million employees—nothing has as yet been done about it. The primary reason, I believe, is that thus far no one has been able to produce a reasonable plan satisfactory to all points of view. It is my sincere conviction that this bill, which is the result of many years of consideration, along with the combined efforts of the Senate Finance Committee and the Treasury Department, does provide a workable and a reasonable approach.

Our form of government is founded on the philosophy that the individual should provide for himself to the extent possible, and that his Government should intercede only where he is unable to do so. That was the philosophy of the 1942 act. That is the philosophy of this bill. The millions of self-employed—the farmers, the small businessmen, the lawyers, the doctors, the architects, the accountants, the artists, the singers, the writers, all of the many independent business people not employed by corporations—want to be able to care for themselves in their declining years.

I ask unanimous consent to have printed at this point in the RECORD a list showing a cross-section of self-employed groups.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CROSS SECTION OF SELF-EMPLOYED GROUPS

Accountants, actors, architects, artists, auto dealers, barbers, beauty operators, cattlemen, chemists, chiropractors, consultants, dancers, decorators, dentists, druggists, engineers, farmers, florists, food brokers, funeral directors, furniture salesmen, grocers, hotel owners, industrial designers, insurance brokers, investment counselors, lathers, lawyers, merchants, ministers, musicians, ophthalmologists, optometrists, osteopaths, painting contractors, physicians, plasterers, plumbing contractors, radiologists, realtors, restaurateurs, retailers, salesmen, service station proprietors, shorthand reporters, taxi operators, sugar brokers, tile contractors, veterinarians, woolgrowers, writers.

Mr. SMATHERS. They do not want to become public charges. Yet many of them cannot take care of themselves unless granted some sort of tax deferment such as this. A great majority of the self-employed are people of only modest means. They cannot understand why they should be denied the opportunity to participate in qualified pension plans while a great multitude of corporate employees, many of them with much larger incomes, are extended this privilege.

This bill will answer the problem, and in a way that is eminently reasonable. The self-employed individual will be enabled to participate only if he opens his plan to his employees on a nondiscriminatory basis. His contributions for himself are carefully circumscribed, and keyed to the contributions vested in his employees. The revenue loss to the Government will be kept to a minimum. In short, the 7 million self-employed, along with their 11 million employees. will have opened to them the opportunities of the qualified pension, annuity and profit-sharing system, and yet on a most modest basis that is carefully restricted to prevent any abuse.

I am aware there are those who are still critical of this measure, despite all of the painstaking effort that has gone into developing this limited approach to an obvious need. Their primary objection, as I understand it, is that there are still others who are not covered by qualified pension plans and who need such coverage as much as the self-employed group, and that, in addition, the pension system needs overhauling in certain respects.

While I do not agree with all of these arguments, I would not deny the validity of some of them. But it seems to me that contentions of this kind miss the point. To me, these arguments are based on the theory that one improvement should not be made unless others are made simultaneously, one inequity should not be eliminated if another remains, legislative corrections should not be adopted until perfection can be accomplished.

The statutory system relating to qualified pension plans is a complicated one which has been developed over a period

of years. Perhaps it is not perfect and requires reconsideration in some respects. But that is no reason for continuing the obvious inequity that has existed for almost two decades in the case of the self-employed. They should not be required to wait until a system perfect in all other respects has been developed. They should be given relief now, and other problems can be met as answers are found.

I earnestly hope that every Member of the Senate will give his support to this long overdue correction in the law relating to qualified pension, annuity and profit-sharing plans.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, I congratulate the Senator from Florida for the very clear exposition of the bill he has given. The Senator from Florida, along with certain other Senators, has been the main driving force in this body for passage of H.R. 10. No man could have served a poorer cause better than has the Senator from Florida.

I think it should be noted that there was a minority report on H.R. 10, and several expressions of individual views. Before we part for the evening, I think it might be well to put into the RECORD the joint statement filed by the Senator from Minnesota [Mr. MCCARTHY], the Senator from Louisiana [Mr. LONG], the Senator from Tennessee [Mr. GORE], who now is gracing the position of acting majority leader and by the Senator from Illinois.

In this short statement of opposition I think it should be noted that we all declared in our judgment H.R. 10 should not be passed. It would allow the self-employed a tax deduction of 10 percent up to $2,500 per year for funds set aside for pensions.

I think I should make it clear that there are several forms of tax reduction which are contained in the bill before the Senate. Even though it is possible that the income as it came from the fund would be taxed, it would be taxed in nearly every instance at lower rates than the income which would be exempted from taxation would have been taxed.

In other words, when the self-employed make their contributions to the fund, they will make the contributions at a period of time when their incomes are high. Therefore, the taxes which would be deferred would be on the upper brackets of income, which in the most productive years of many of the self-employed would be at a considerable percentage. When the income is received from the fund, the income of the recipient will be lower, since it will be income at an advanced age and when he has additional deductions. Therefore, the rate of taxation will be lower. This is the first form of tax favoritism which is contained in the bill; namely, that the ultimate taxation will be at a lower rate on amounts withdrawn from the fund than on amounts put in the fund, if such amounts were taxed.

The second form of tax favoritism is the fact that the interest earned by the fund during the period between the contribution of the premiums and the withdrawal of the benefits—in other words, earnings during the entire period—would not be subject to taxation. Under the present tax laws, interest is subject to taxation, but would not be in this case.

A third benefit would be that in the case of the self-employed it would be possible for the person to be engaged in a number of businesses and to set aside funds in each of these businesses. A doctor, for instance, could set aside some of his income as a doctor, but if he had a clinic which was incorporated, and if he were the head of the clinic or in a managerial position in the clinic, he could also set aside additional funds.

If at the same time he owned a farm, it would be possible for him as a farmer to set aside further additional funds. In this way one could have multiple tax deferrals, thus multiplying the tax benefits going to any one person.

I have heard it stated that there are persons with as many as 30 separate corporations of which they are owner-managers. If that were true, separate funds could be set up in each of the 30 corporations, and thus a large total per year could be set aside on which tax favoritism was given.

A fourth type of tax favoritism, which is not ordinarily taken into consideration, is the fact that at the age of 59½ the self-employed person can withdraw these sums and then pay only a capital gains tax, which would be not more than 25 percent under any consideration.

So it will be seen that this measure would give great tax favors to a relatively limited class. The Treasury estimates that the cost would range, with the amendments that have been made, somewhere around $250 million a year. We have had experts working on this subject, and it is their conclusion that this is a gross understatement of the revenue costs which will immediately follow from this bill, that a much larger percentage of self-employed will take advantage of the great benefits given by this bill than the Treasury will admit, and we estimate that at a minimum the direct revenue loss will be somewhere around $350 million a year.

When it is borne in mind that we turned down a cut in telephone, telegram, and transportation taxes, that we continued those taxes, and that the Treasury fought to retain them because they said the revenue was needed, it is certainly extraordinary to have the committee propose a bill, without Treasury opposition, to make this proposed cut of at least $350 million. It should be borne in mind that a few days ago the Finance Committee also reported the so-called Du Pont bill, upon which a report is being made today, with minority views of the Senator from Tennessee [Mr. GORE] and from me.

In those views, we point out that the revenue loss under that measure may amount to as much as $650 million. So I would say that if we pass the bill, and if we approve the Du Pont measure, we will have tax rebates directly and immediately of $1 billion to a relatively small group, in one case one family, the Du Pont family of Delaware, and the stockholders of that company, and in this case to a relatively small group of professional men—doctors, lawyers, dentists, accountants, and so forth, who certainly on the whole are among the comfortable income groups of the community.

I am afraid that these measures in turn would be only the beginning. The new principle in this bill is that contributions to pension funds on the part of individuals will be tax exempt. If we make the contributions of the self-employed to pension funds tax exempt, we can be quite certain that a similar drive will be extended to other classes in the community. There is already before Congress a railway retirement bill, which provides that the contributions which railway employee make to the railroad retirement fund should be tax exempt. If H.R. 10 is passed, one cannot in justice deny a similar right to the railway employees, and it would cost $52 million a year.

Then what are we to do about the contributions which employees make under the private voluntary corporation plans?

At present, taxes are paid upon those contributions, but if the contributions of the self-employed are made tax-free, we can be quite certain that the contributions which the employees make in private corporate plans will also be made tax-exempt, which would lose to the Treasury $130 million a year.

What, then, about the contributions made by the employees of the Federal, State, and local governments, which at present are subject to taxation? It will be argued, and argued correctly, that if those favors are granted to the self-employed, they should be granted also to civil service employees. They will have to be provided for, which would lose $312 million a year in revenue.

Then what about the contributions made by employees under the social security system? These people are subject to taxation at present, and if the contributions of the self-employed to pension systems are made exempt, the employee contributions under the Social Security Act would also be made exempt, which would result in a loss of $880 million a year.

The total of all losses from these sources would amount to $1,372,000 a year. But even then the list is not exhausted, because tax exemptions for employees who are not now under any private plan should be considered. They are in an employee relationship, but their employer does not have a private plan. Are we going to deny to those employees the right to take out individual policies and give them the benefits which are accorded to the self-employed? It would be impossible to exclude them. They will

be brought in, and by doing so a loss of $1,628 million, according to the Treasury, would result. These figures which I have given are Treasury figures.

So there would be a total loss of $3 billion a year. I wish to say that if we pass H.R. 10 we will be opening a Pandora's box, and in the familiar fashion of our tax structures, if we open one loophole, it is expanded to many, many other loopholes.

I think we should stop, look, and listen. Even this is not the end because it will be said, "Why should we single out pension plans as the exclusive form of saving which taxpayers are to be granted?"

What about savings to buy a home? What about savings to educate one's children? What about E-bonds? What about investments in industrial corporations? All of these will be made tax exempt, and the losses will be still further billions of dollars.

What will finally happen will be that the income tax, instead of being a tax on income, will become a tax upon consumption. Savings will be exempt from taxation. We know that the higher the income, the higher both the absolute and the proportional amounts of savings. The adoption of this measure would throw an unfair burden of taxation upon lower income groups or upon those who can afford little or modest saving and would bring great tax favors to those groups who can afford to save.

The proper way to proceed would be to close existing loopholes in the pension laws rather than to attempt to extend or universalize them, and I have an amendment prepared which I sent to the desk and ask to have printed which will do just that.

It would provide that before the benefits granted to employees under private pension plans are allowed to be deducted they must be fully vested and that they would not be conditional upon the performance of a prior period of service in the employ of any one company; that with each year of work the employee would buy a slice of future protection. That is the first principle, that the benefit should be fully vested in the employee before a tax deduction by the company can be taken. Now companies take tax deductions for contributions which employees never get.

Second, it would provide that the contributions of the employer in a given year would be credited as income to the beneficiary, and hence be subject to taxation.

If this were done, the advantages now given to the high priced executives within the private corporate plans would disappear, and there would be no argument for H.R. 10.

If this is not done, and if a persistent effort is made to enact H.R. 10, simple justice requires that the principle be universalized, that we bring in those in the Railway Retirement Fund, that we bring in those in civil service, that we bring in those in social security, those who are under private pension plans and who make employee contributions, and individuals not now under any plan who choose voluntarily to take out some retirement plan with a private carrier.

I would expect also that someone would ask, Why single out pension plans for special treatment? Why not include savings for education, savings for the purchase of a home, savings for the purchase of a farm, the purchase of Goverment bonds, the purchase of corporate bonds, and so forth?

So this principle would be extended very greatly.

I hope that this brief summary of the case will enable the readers of the CONGRESSIONAL RECORD tomorrow to see that the objections to this plan outweigh its merits.

I understand that the acting minority leader is ready to make a motion to adjourn.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

ADDITIONAL REPORT OF A COMMITTEE

The following additional report of a committee was submitted:

By Mr. JOHNSON of Texas, from the Committee on Appropriations, with amendments:

H.R. 11666. An act making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 1777).

ADDITIONAL BILLS AND JOINT RESOLUTION INTRODUCED

Additional bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK:

S. 3781. A bill to make further provision concerning the ratification of proposed amendments to the Constitution of the United States by conventions in the several States; and

S. 3782. A bill to provide for the equitable representation of the people in the legislatures of the several States in conformity with the requirements of the Constitution of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. CLARK when he introduced the above bills, which appear under a separate heading.)

By Mr. COOPER (for himself and Mr. MORTON):

S. 3783. A bill authorizing an emergency appropriation for prosecution of the Barkley Dam project, Kentucky, for navigation and other purposes; to the Committee on Public Works.

By Mr. CLARK:

S.J. Res. 215. Joint resolution proposing an amendment to the Constitution of the United States to assure equitable representation of the people in the legislatures of the several States; to the Committee on the Judiciary.

(See the remarks of Mr. CLARK when he introduced the above joint resolution, which appear under a separate heading.)

VOLUNTARY PENSION PLANS BY SELF-EMPLOYED INDIVIDUALS—AMENDMENTS

Mr. GORE submitted amendments, intended to be proposed by him, to the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals, which were ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted amendments, intended to be proposed by him to House bill 10, supra, which were ordered to lie on the table and be printed.

SOCIAL SECURITY AMENDMENTS OF 1960—AMENDMENTS

Mr. HARTKE submitted amendments, intended to be proposed by him, to the bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such Act; and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. KUCHEL. Mr. President, if there is no further business to come before the Senate, I move that the Senate adjourn, in accordance with the order previously entered, until tomorrow at 11 a.m.

The motion was agreed to; and (at 9 o'clock and 43 minutes p.m.) the Senate adjourned, in accordance with the order previously entered, until tomorrow, Thursday, June 30, 1960, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 29, 1960:

DIPLOMATIC AND FOREIGN SERVICE

Clare H. Timberlake, of Michigan, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Congo.

The following-named Foreign Service officers for promotion from class 1 to the class of career minister:

Daniel M. Braddock, of Michigan.

Winthrop G. Brown, of the District of Columbia.

Everett F. Drumright, of Illinois.

Norris S. Haselton, of the District of Columbia.

U. Alexis Johnson, of California.

Walter P. McConaughy, of Alabama.

Edwin M. Martin, of Maryland.

Francis H. Russell, of Maine.

Carroll M. Terry, of Alabama, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

C. Arnold Freshman, of Florida.

George W. Landau, of New Jersey.

Richard H. Stephens, of Utah, for promotion from Foreign Service officer of class 5 to class 4.

Peter W. Colm, of Virginia, for appointment as a Foreign Service officer of class

4, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Reese A. Lewis, of California.
Frank M. Schroeder, of Michigan.

The following-named Foreign Service officers for promotion from class 8 to class 7:

Norman E. Barth, of Illinois.
William C. Mithoefer, Jr., of North Carolina.
Richard F. Nyrop, of Minnesota.

The following-named persons for appointment as Foreign Service officers of class 8, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Gustav N. Anderson, of New York.
James E. Baker, of Maryland.
Miss Margaret E. Beshore, of Indiana.
John A. Boyle, of New York.
Glenn Richard Cella, of New York.
Hovey C. Clark, of New Jersey.
R. Robin DeLaBarre, of the District of Columbia.
Ernest Thomas Greene, of Massachusetts.
Robert T. Grey, Jr., of Connecticut.
Jerome L. Hoganson, of Wisconsin.
Robert W. Holliday, of Texas.
Hume A. Horan, of the District of Columbia.
Mark C. Lissfelt, of Pennsylvania.
John B. Moody, of Georgia.
Donald K. Petterson, of California.
Douglas K. Ramsey, of Nevada.
Robert D. Randolph, of Pennsylvania.
George L. Rueckert, of Wisconsin.
Paul E. Storing, of New York.

The following-named Foreign Service Reserve officers to be consuls of the United States of America:

Gordon K. Dibble, of Kansas.
Blair A. Moffett, of California.
David S. Morales, of California.
James L. O'Brien, of New Jersey.
E. Lewis Revey, of Maryland.
Charles A. Shields, of Connecticut.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

Dean J. Almy, Jr., of Massachusetts.
Darwin O'Ryan Curtis, of Illinois.
Paul S. Flores, of Kansas.
Paul V. Lundy, Jr., of Connecticut.
Miss Barbara J. Markley, of California.
John F. Mazionis, of Wisconsin.
Richard S. Welch, of Rhode Island.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

William H. Doyle, of Michigan.
Theodore L. Squier, Jr., of Virginia.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Clifford H. Adams, of Florida.
Jay W. Gildner, of Minnesota.
Roy W. Johnson, of New Jersey.
George F. Killmer, Jr., of California.
George Byron Winstead, of Texas.

PROMOTIONS IN THE REGULAR ARMY

The following-named officers for promotion in the Regular Army of the United States under the provisions of title 10, United States Code, sections 3284 and 3299. All officers are subject to physical examination required by law.

To be lieutenant colonels

Abbott, Lysle I., O34559.
Ackerson, Duane W., O45068.
Acuff, John N., Jr., O40637.
Adams, Gerard C., O44819.
Adams, Willis J., O34197.
Adamson, Kenneth E., O83575.
Adcock, Charles W., O24287.
Adjemian, George R., O23806.
Agee, Henry T., O45709.
Agnew, Robert H., O45102.
Ahern, Joseph P., O23881.
Alcorn, James P., O44844.
Alexander, Arnold W., O45089.
Alexander, Charles R., O87464.
Alexander, Joseph P., Jr., O34481.
Aliotta, Michael F., O23895.
Allen, Charles D., O52630.
Allen, Fred C., O34104.
Almquist, Elmer H., Jr., O24228.
Anders, James D., O33475.
Anderson, Ben L., O24616.
Anderson, David L., O25223.
Anderson, George K., O35057.
Anderson, Richard H., O33576.
Andino, Jose A., O24575.
Andresen, Carroll W., O34388.
Andrew, George S., Jr., O34235.
Andrews, Theodore H., O33688.
Angers, Walter J., Jr., O34677.
Angwin, Keith, O34741.
Antrim, Harold F., O33793.
Appel, John G., O40700.
Armor, Marshall H., Jr., O45590.
Armstrong, Robert P., O80370.
Arntz, John P., O39126.
Arthur, John E., Jr., O24457.
Arvin, Charles R., O83577.
Ashenbrenner, Peter J., O80371.
Atkins, Robert M., O52916.
Atteberry, Roy L., Jr., O23899.
Austin, Charles F., O45239.
Avery, William B., O45706.
Ayres, Harold B., O34732.
Bagg, James C., O24132.
Bailey, Claude E., Jr., O24420.
Bailey, Frederick J., Jr., O33982.
Bailey, John A., Jr., O40602.
Baker, Arthur L., O40456.
Baker, Phillip H., O24442.
Balkman, John P., O33766.
Ball, Frank E., O33944.
Ballard, James L., Jr., O24215.
Balthis, Jack L., O34706.
Bangert, Athel, O25202.
Barco, Ernest T., Jr., O33938.
Barfield, Thomas H., O35425.
Barnes, Dean W., O40745.
Barnes, William W., O24425.
Barney, John C., Jr., O23963.
Barnhart, Norvel H., O34105.
Barrett, William S., O34939.
Barrow, Sam H., O24055.
Barry, James P., O25283.
Barsanti, Olinto M., O34037.
Barthle, Robert C., O24246.
Barton, Claude D., O33663.
Bauch, Alfred R., O34401.
Bautz, Edward, Jr., O34750.
Beach, William V., O79735.
Beatty, George S., Jr., O25268.
Beauchamp, Robert J., O44907.
Beaumont, Harry C., O35059.
Beck, Harry V., O24210.
Becker, Marshall O., O24473.
Becker, William A., A24267.
Becker, Wilfred C., O34839.
Beiser, John J., O23025.
Bell, John A., O33577.
Bellavance, Armand L., O40484.
Bellonby, Emery E., O24441.
Bengel, Lawrence W., O34423.
Bennett, Robert B., O44977.
Bennett, Verde W., O34157.
Benson, John S., O33954.
Benton, D. L., Jr., O35022.
Bereuter, Robert L., O24451.
Berger, Walter P., O33579.
Bernard, Joseph T., O45997.
Berry, John T., O25284.
Besancon, Harry C., O23725.
Best, George W., Jr., O25074.
Bestor, Richard J., O33972.
Bieber, Russell S., O35424.
Bierer, Benjamin R., A33722.
Bigger, Chester H., O24212.
Biggs, Richard C., O45688.
Bingham, Robert H., O34828.
Bird, Clayton A., O25048.
Bird, Daniel C., O35264.
Bird, Viron E., O24568.
Birdseye, Mortimer B., Jr., O23807.
Birdsong, William H., Jr., O33945.
Blackburn, Donald D., O33734.
Blacker, Kemuel K., O44956.
Blakefield, William H., O33927.
Blazzard, Howard C., O35453.
Blinn, Ashley A., O35322.
Blom, Arthur R., O79744.
Blomgren, Holton E., O44964.
Blossom, Charles C., Jr., O45451.
Blount, Charles E., O45217.
Boatwright, Linton S., O23968.
Bodson, Henry R., A23788.
Boggs, Adelbert D., O34569.
Boggs, William M., O34087.
Bogner, Charles, O33892.
Bone, George A., O81890.
Bonifas, Arsene P., O45437.
Booth, Reed A., O79748.
Borman, Robert C., O23922.
Borns, Charles R., O34245.
Boswell, Henry, Jr., O23913.
Bottomly, Raymond V., Jr., O34071.
Boucher, Jeff W., O24173.
Boulger, Jack A., O33935.
Bowen, Ralph H., O25069.
Bowen, Thomas J., O33333.
Bowlby, Lawrence, O45718.
Boyce, Wilbur C., Jr., O24460.
Boyer, Donald J., Jr., O24563.
Boykin, James H., O45838.
Boyle, Herman B., Jr., O34090.
Bradshaw, John F., O44846.
Brakebill, James H., Jr., O33840.
Bramble, Philip H., O33341.
Brand, William F., Jr., O25323.
Branigin, James E., O53419.
Branson, Boyd L., O25254.
Brink, Johnnie C., O34658.
Bristol, Delbert L., O34340.
Brodbeck, William D., O34565.
Brookes, Wythe P., O45447.
Brooks, John M., O53449.
Broudy, Harold, O24134.
Brown, Burnett J., O79758.
Brown, Earl V., O24044.
Brown, Harry C., O33556.
Brown, Horace M., Jr., O23886.
Brown, Jack M., O39120.
Brown, James H., O25024.
Brown, Joseph T., O23969.
Brown, LeRoy C., O33782.
Brown, Robert D., Jr., O23832.
Browning, James M., O35220.
Brumfield, Hunter M., O24413.
Brummitt, LeRoy D., O44087.
Brunsvold, Rudolph K., O24201.
Bryan, William C., O34150.
Buchanan, Earl K., O24080.
Buerschinger, Harold F., O46015.
Buford, Lanier D., O39046.
Bunte, Donald W., O39122.
Burgess, Albert F., Jr., O35280.
Burke, James L., O35047.
Burke, James T., O34575.
Burkhart, James R., O25018.
Burn, Richard C., O34426.
Burner, Charles E., O33434.
Burney, Samuel M., O34956.
Burns, Kenneth P., O25194.
Burns, Robert W., O52887.
Burtchaell, John W., O23764.
Busbee, Charles M., Jr., O23950.
Bush, Harry R., O53342.
Bushway, Collin, O33330.
Buttery, Edwin B., O23966.
Buttleman, Leslie L., O79765.
Byorum, Henry M., O80380.
Callahan, Donald M., O34055.
Callaway, John W., O24081.
Cameron, Donald N., O24408.
Camp, John H., O23758.
Camp, Thomas J., Jr., O24603.
Campbell, Raymond P., Jr., O23861.
Canella, Charles J., O23865.
Cannady, Preston B., O34101.
Cannon, Charles A., Jr., O23835.

Cantrell, Fred H., O25295.
Caprino, Charles T., O33808.
Carlson, Vincent P., O23694.
Carpenter, Irvin F., O39112.
Carpenter, Jack R., O53450.
Carpenter, Sidney C., O80381.
Carr, Frank F., O24504.
Carrie, Hector, Jr., O33043.
Carroll, Charles A., O25250.
Carroll, John J., O52996.
Carson, Donald G., O53255.
Carter, George W., O24556.
Carter, Lamar G., O79769.
Carter, Washington C., O35390.
Cary, Victor L., O24600.
Cason, Duane S., O25334.
Castle, Edmund, O35299.
Cathrae, William F., O24220.
Cauble, Gordon B., O24239.
Chamberlain, Clifton H., Jr., O56907.
Chandler, Burton B., O24250.
Chapman, Daniel T., O34086.
Chapman, Ernest W., O40704.
Chapman, James R., O40711.
Charlton, George F., O25107.
Charlton, Jesse M., Jr., O24543.
Chenault, James K., O45678.
Chesley, John W., Jr., O53264.
Chrietzberg, Abb, O34838.
Christensen, John M., Jr., O23856.
Christensen, Ancher E., Jr., O45271.
Ciccolella, Richard G., O34117.
Clark, Harry A., Jr., O33937.
Clark, Howard W., O23698.
Clark, Robert E., O23911.
Clarke, Fred D., Jr., O45673.
Clarke, Ritchie H., O35173.
Clayton, George A., O24196.
Cleary, Thomas J., Jr., O23998.
Clifford, William E., O23853.
Clinton, Roy J., O23774.
Coakley, Robert J., O23919.
Cobb, William W., O45651.
Cochran, Harrington W., Jr., O23731.
Coe, Merton S., O52876.
Coffey, Alfred E., O53220.
Coffey, Charles F., Jr., O44998.
Coffin, Robert E., O25234.
Coghill, Cornelius W., Jr., O33928.
Cogswell, David G., O33393.
Coker, Sears Y., O23697.
Cole, William R., O33392.
Coleman, Joseph L., O24527.
Colkitt, Thompson McC., O33690.
Collins, Fred W., O33425.
Collins, Matthew R., Jr., O33550.
Collison, Tom D., A23868.
Colon-Tirado, Jose I., O87493.
Colquitt, Rawlins M., Jr., O24189.
Conaty, Francis S., Jr., O34965.
Condon, Jack G., O45542.
Conine, Robert E., O24393.
Connor, John E., Jr., O33933.
Connor, Robert E., O33960.
Conover, Charles M., O33685.
Conroy, Raymond C., O33276.
Constance, Philip W., O24118.
Converse, Peter V., O39050.
Cook, Gordon W., O35454.
Cooper, David, O23860.
Cooper, Thomas H., O45975.
Copley, William McK., Jr., O39114.
Corbin, Francis J., O33399.
Corey, Robert R., O34006.
Corley, Laurence J., O33360.
Cornutt, Howard LaV., O45992.
Cortez, James J., O53277.
Costabile, Raymond C., O44814.
Costigan, Charles H., O33336.
Couch, George R., O53462.
Coulter, James E., O33386.
Coulter, John A., O33541.
Courtney, Ralph H., O35196.
Covert, John R. M., O45998.
Cowan, Alvin E., O24171.
Cox, William E., O25105.
Cox, William H., O33751.
Coykendall, Frederick W., O33694.
Cozad, William W., O24552.
Crane, Glenn, O46186.
Crawford, Grover L., Jr., O79784.
Crawford, Luther S., O34297.
Crawford, Robert N., O35353.
Crayton, Robert B., O34682.
Creek, Roy E., O39099.
Croninger, Carl P., O24507.
Crosby, Ralph D., O33981.
Cross, James C., O39092.
Cross, Thomas R., O24610.
Crow, Robert D., O52746.
Culhane, R. Jerald, O25083.
Cullison, George B., O25193.
Culp, James L., O45508.
Cumbie, Thomas A., O40542.
Cumings, Charles S., Jr., O25120.
Cummins, George M., O24418.
Cundiff, Ellsworth, O34847.
Curtis, Claire S., O33394.
Curtis, Clifford A., O33462.
Curtis, Elmer P., O25028.
Curtiss, Worth M., O53005.
Cutter, James F., O79789.
Dahl, Niels M., O24466.
Dailey, Gerald M., O25249.
Dal Ponte, Peter L., O34486.
Dalrymple, Robert W., O25329.
Dalton, Ralph L., O34483.
Daly, William J., O25061.
Darnell, Richard J., O24159.
Darwin, George H., O33779.
Davidoff, James E., O33460.
Davidson, Richard O., O33262.
Davies, Walter J., O53328.
Davis, Art H., O34693.
Davis, Charles W., O34046.
Davis, Clarence E., Jr., O53041.
Davis, Dan R., O40629.
Davis, Don, O45687.
Davis, Franklin M., Jr., O24491.
Davis, Gerald W., O33883.
Davis, Harry J., Jr., O34154.
Davis, Oscar E., O39136.
Davis, Paul C., O25218.
Davis, Robert J., O33886.
Davis, Willis H., O34325.
Day, Paul C., O23866.
de Camara, Richard P., O34399.
DeChow, George H., O24553.
DeGooyer, Louis C., O45562.
De Lancey, Raymond W., O79794.
Le Luca, Arthur J., O24400.
DeNoya, Louis L., O53352.
DePuy, William E., O34710.
DeYoung, Guy O., Jr., O33925.
Dean, John W., Jr., O35420.
Dean, Joseph R., O44877.
Dean, William A., O46007.
Deane, John B., O24040.
Deason, Robert H., O35323.
Delaney, Richard, O23711.
Denby, Roland E., O34192.
Denlinger, Martin L., O33519.
Denny, Robert M., O33406.
deSaussure, Edward H., Jr., O23790.
Desobry, William R., O24262.
Dexter, Robert B., O33838.
Dickerson, George W., O34189.
Dickson, Ned R., O34091.
Dingeman, David R., O53468.
Dingle, Robert S., Jr., O80397.
Divine, Robert E., O45523.
Dixon, Robert T., O24035.
Doherty, Paul E., O25212.
Donley, Edwin L., O34887.
Donnell, Francis S., O33295.
Dooley, Richard L., O24456.
Dow, Arden W., O24591.
Downer, William W., O34854.
Downing, Edward P., O33917.
Drewes, Carl E., O24122.
Drewry, Guy H., Jr., O35274.
Du Parc, Jules M., O24192.
DuBois, Edmund L., O24265.
Duckwall, Richard L., O39053.
Duda, Frank, O52768.
Duffie, Johnnie D., O33474.
Duke, Robert W., O33373.
Dukes, Dan K., Jr., O34283.
Duncan, Jack M., O34647.
Dunlap, Donald D., O24284.
Dunn, George R., O34084.
Dunn, Jerry F., O34342.
Dunn, Joseph F., O24482.
Durrenberger, William J., O25099.
Dwan, John E., 2d, O25354.
Dwight, William A., O35305.
Dyer, William B., O53095.
Dyson, James H., O33799.
Easley, Claudius M., Jr., O35056.
Eason, Sidney S., O80403.
Eastlake, Donald E., Jr., O34879.
Ebbs, Robert R., O45116.
Eberhardt, Leo H., O53435.
Eddy, Dayton W., O24565.
Edger, Robert H., O23921.
Edmond, Emil V. B., O34234.
Edmondson, Carl C., O44982.
Edwards, Bob E., O33844.
Edwards, Richard A., O34116.
Edwards, Spencer P., Jr., O33990.
Efnor, Sam, Jr., O34054.
Eggleton, Richard E., Jr., O52844.
Eicher, Roger A., O40665.
Einhaus, Gordon M., O81895.
Eisiminger, Sterling K., O40651.
Elder, John H., Jr., O53453.
Elder, John W., O25068.
Ellers, Conway L., O39051.
Elliott, Dale T., O25022.
Elliott, Glenn P., O40658.
Ellis, Harold B., O25338.
Ellis, Harry H., O23958.
Ellis, Harry Van H., Jr., O23724.
Emerson, Kary C., O33991.
England, George W., Jr., O23226.
Erickson, James L., O33597.
Erickson, Kenneth W., O24474.
Ernst, Carl J., O79808.
Fabianich, Keith P., O24151.
Fairbanks, Russell N., O40747.
Farnell, John M., O34108.
Farr, Richard, O33737.
Farrar, William L., O34053.
Farrell, Wilfred F., O33950.
Faulkner, Lyman S., O23870.
Fausset, Louis R., O34421.
Faust, Robert J., O40641.
Featherston, Howard H., O34339.
Fee, Henry J., O34705.
Feeman, William E., O24243.
Felchlin, Howard L., O24041.
Felter, Joseph H., O53216.
Ferguson, Thomas G., O24464.
Fernandes, Harry I., O53128.
Ferrari, Robert S., A44810.
Feyereisen, Paul A., O39089.
Field, Frederick P., O45196.
Finley, Gibson R., O34837.
Finley, Glenn S., Jr., O24117.
Fischer, Frank O., O45412.
Fisher, Paul A., O53311.
Fisk, Robert R., O24614.
Fitzpatrick, Francis C., O23927.
Flanders, Charles L., O24006.
Flegeal, Foster F., O39118.
Fleming, Elmer P., Jr., O33975.
Fletcher, Charles W., O23839.
Flint, Brilsford P., Jr., O34146.
Flora, Marvin W., O34083.
Floryan, Thaddeus P., O23249.
Flynn, Edmund P., O33350.
Flynn, Ralph M., O39133.
Forbes, Robert C., O24511.
Ford, John A., O24497.
Ford, John H., Jr., O33411.
Ford, John M., O79813.
Forsyth, James P., O24033.
Forsythe, George I., O24510.
Foss, Erling J., O39127.
Foster, Hugh F., Jr., O23837.
Foster, William W., O52802.
Fowler, James D., O24003.
Fowler, Joseph G., O53218.
France, Douglas C., Jr., O34967.
Francis, Gus C., O79815.
Frank, Henri F., O46187.
Franklin, Wesley C., O45565.
Franks, Edward R., O53431.
Franz, Robert W., O53425.
Fraser, Powell A., O34889.

Frassrand, John M., O40621.
Frazier, Douglas P., O46344.
Freeman, Robert F., O44823.
Freeman, Wilson, O24234.
French, Uel W., O33218.
Friedman, William, O24540.
Froeschle, Helmuth O., O35070.
Gagarine, Alexis M., O24153.
Galbreath, Durward H., O23255.
Garay, Stephen L., O45416.
Garbacz, Joseph F., O40548.
Gardiner, William D., O45175.
Gardner, Glenn H., O33665.
Garrett, Leonard E. O35307.
Garrett, Robert W., O23971.
Garris, Herbert L., O33872.
Gates, Jack R., O53457.
Gattis, Floyd D., O34269.
Gauvreau, David G., A23789.
Geer, Donald L., O34675.
Geise, Jack P., O25131.
Geldermann, Edward J., O23803.
Gendron, Thomas J., O45776.
Georgelas, John G., O33978.
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Gerig, Frank A, Jr., O23701.
Gibbons, James J., O25355.
Gilchrist, Frank, O45818.
Gile, David A., O24477.
Gill, Mark J., O45784.
Gillespie, Eugene P., O25320.
Gillespie, Hubert W., Jr., O24264.
Gilroy, Eugene M., O79826.
Girard, Charles J., O34110.
Girtman, John C., Jr,. O44951.
Glassen, Chester E., O33932.
Gleason, William T., O23956.
Glenn, Donald W., O33931.
Glover, William C., O34122.
Goers, Melvin A., O25265.
Goff, Kenneth J., O79828.
Gold, Norman H., O34862.
Golladay, Howard O., O25062.
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Gordon, William T., O34397.
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Gould, Harold E., O25174.
Gowell, Gerald E., O24174.
Grace, Denis B., O23760.
Grady, John W., O33940.
Graham, Charles R., O24605.
Graham, Erwin M., Jr., O53182.
Graham, James W., O24064.
Gray, Asa P., Jr., O34096.
Gray, Gordon D., O40596.
Gray, Paul, Jr., O23935.
Greeley, Donald H., O35144.
Green, James O., 3d, O23850.
Green, Robert W., O34332.
Greene, Lawrence V., O23872.
Greene, Michael J. L., O23887.
Greer, Howard W., O35426.
Gresham, Monsey T., Jr., O45076.
Gribble, William C., Jr., O23695.
Griest, Oliver E., O34573.
Griffin, James S., O53096.
Grimsley, Ralph J., O39119.
Grinnell, Richard A., O53260.
Griscti, Walter E., O34666.
Grove, Robert N., O25104.
Grygiel, Joseph S., O23737.
Guerin, Vincent C., O34052.
Guest, James W., O24133.
Gundlach, Robert L., O35163.
Gunn, Arthur W., O24241.
Gunn, Frank L., O34734.
Gurfein, Joseph I., O23734.
Gurnee, William H., Jr., O23974.
Gustafson, Karl W., O45560.
Haley, James W., O24244.
Hall, James M., O40692.
Hall, Norman L., O46208.
Halper, Maurice J., O39072.
Hamill, James P., O25342.
Hamilton, Robert K., O45425.
Hamilton, Robert M., O24621.
Hammer, James E., O24599.
Hand, Robert E., O24395.
Hanes, Lloyd LeR., O24191.
Hankins, Curtis L., O35190.
Hanna, George T., O52758.
Hannah, Paul V., O24539.
Hansard, Frederic E., O45303.
Hansen, John C., O34333.
Hanson, Adellon F., O25301.
Harback, Herbert D., O44880.
Harbert, John E., O44833.
Harden, John H., O34977.
Harper, Earl L., O35272.
Harper, James H., O40735.
Harrington, Patrick W., O33372.
Harris, Frederick V., O33595.
Harris, James F., Jr., O34242.
Harris, Moyer D., O25129.
Harris, Thomas A., O53117.
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Harrison, Matthew C., O23875.
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Harvey, William W., Jr., O24598.
Harvie, Chester T., O25138.
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Hatch, Merrill G., O33918.
Hathaway, Edward N. O25366.
Hauser, Auburon P., O23908.
Havel, Frank L., O53180.
Hawkins, James J., Jr., O45759.
Hay, John H., Jr., O25290.
Hayes, John, O53437.
Healy, Frank C., O24412.
Healy, James G., O23816.
Healy, Richard W., O25275.
Heath, Calvin A., O24431.
Heatwole, James W., O35215.
Hebbeler, James A., O24518.
Heck, Donald, O24157.
Heffelfinger, Hugo W., O46143.
Hejna, John J., O45033.
Heldreth, Charles H., O33382.
Helena, Cecil C., O53271.
Henderson, William H., Jr., O45534.
Henline, Clair G., O45087.
Herrington, Jay W., O34121.
Heymont, Irving, O25040.
Hicks, Herbert C., Jr., O40598.
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Hiers, Maurice D., O33715.
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Hill, Garrett L., O33941.
Hiller, Elon L., O45059.
Hilton, Corson L., Jr., O24438.
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Hislop, Albert H., O34034.
Hitchcock, Raymond H., O34708.
Hoag, Robert E., O84370.
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Holbrook, Charles C., O33501.
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Holcombe, James H., O45349.
Holden, Maurice C., O24534.
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Holliman, Earl J., O25298.
Hollingsworth, James F., O34155.
Holly, George J., Jr., O46075.
Holmes, Eugene J., O33317.
Holmes, William E., O46227.
Holochwost, George G., O81906.
Holt, Harvey S., Jr., O79859.
Homan, Sammie N., O34279.
Homburg, Albert H., Jr., O35159.
Hopkins, Walter G., Jr., O33551.
Horton, James H., O33609.
Hough, Parkhurst C., O33836.
Housman, Walter S., O53308.
Howard, Hugh E., O45529.
Howe, Charles P., O45555.
Howell, Harry R., Jr., O46248.
Howton, James R., O40613.
Hubbard, William H., O34111.
Huffman, Burnside E., Jr., O23759.
Hughes, Donald C., O25114.
Hughes, James F., Jr., O33956.
Hughes, John S., O34271.
Hugins, Almon L., O24428.
Hulsey, David D., O24411.
Hunnicutt, Cecil F., O33442.
Hunt, James W., O79635.
Hunt, Milton T., Jr., O33057.
Hurst, Hudson R., O53242.
Hustead, James M., 2d, O24175.
Ingerski, Jerome A., O40531.
Inman, Roy L., O34102.
Irby, Vernon C., O25251.
Irving, John W., O53276.
Irving, Thurman A., O79866.
Irwin, Wilburt J., O24179.
Irzyk, Albin F., O24158.
Iseman, Joseph D., O33798.
Jaccard, Robert B., O45195.
Janz, Donald H., O24217.
Jeffries, Charles C., O34093.
Jeffries, James C., Jr., O25020.
Jenkins, Donald L., O45935.
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Jenkins, John F., O53168.
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Jennings, Gregg N., O45454.
Jennings, John W., Jr., O24522.
Jensen, Allen, O23692.
Jensen, Denmark C., O44694.
Johnson, Allan G. W., O23769.
Johnson, Charles C., O34950.
Johnson, Dan W., O33426.
Johnson, Floyd L., O25336.
Johnson, Gerald, Jr., O25035.
Johnson, Lynwood M., Jr., O35199.
Johnson, Malcolm C., O23794.
Johnson, Robert M., O24498.
Johnson, Robert P., O23926.
Johnson, Vern E., O44959.
Johnston, Myron T., O24525.
Johnston, Mont S., Jr., O53169.
Jones, Albert W., O33488.
Jones, Bruce B., O34239.
Jones, Bruce DesB., O34238.
Jones, Edwin W., O40530.
Jones, Grant E., O40649.
Jones, James B., O34152.
Jones, James O., O34059.
Jones, Laurence W., O45646.
Jones, Leo B., O24255.
Jones, Luther G., Jr., O40575.
Jones, Morton McD., Jr., O23879.
Jordan, George B., O34644.
Joseph, John T., O33756.
Joseph, Vern L., O53375.
Kaiser, James L., O24085.
Kane, Leo M., O24569.
Kane, Robert W., O33492.
Kane, Roy A., O34140.
Kappel, Carl W., O33833.
Karnosky, Benedict A., O44878.
Karstedt, Warren H., O33849.
Katherman, Elliott T., O53023.
Kaufman, William F., O81907.
Keagy, Robert B., O24072.
Keeth, Eugene L., O34687.
Keirsey, Jim D., O34681.
Keller, Lucien F., O24399.
Kelley, Roy S., O23703.
Kelly, James B., O24490.
Kelly, James C., O44863.
Kemp, Harry M., O39146.
Kennedy, Chester E., O24242.
Kennedy, Kenneth W., O23716.
Kennedy, William D., Jr., O35444.
Kennon, William U., O79876.
Kent, Harold R., O34103.
Kent, James R., O34678.
Kercher, Ferris A., O33456.
Kercheval, Benjamin B., O23933.
Kernan, William F., O25023.
Kerns, Merlin C., O87989.
Kerr, Billy H., O34655.

Kessler, Roy M., O34723.
Kight, Harry D., O56904.
Kight, Jonathan M., O44919.
Killian, John J., O33502.
Killilae, Walter, O25017.
Kimball, Robert E., O24586.
King, Ernest S., O35147.
King, James H., O23884.
King, John J., Jr., O33329.
Kirkbride, Max V., O33485.
Kirkpatrick, Byron M., O24257.
Kisiel, Edwin C., O23984.
Kjeldsen, Donald E., O34326.
Kloos, Edward J., O53291.
Knight, Orville K., O25043.
Knowles, Richard T., O35418.
Knowles, Wendell P., O23953.
Knowlton, Joseph L., O23869.
Knox, Jack C., O45402.
Kobayashi, Thomas M., O52745.
Koepcke, Henry, Jr., O24581.
Kolb, Roland L., O25184.
Koob, William L., Jr., O25132.
Kooken, John J. DeW., O34743.
Kosmacki, Leon F., O24194.
Kovalevsky, Vitaly, O24488.
Krainik, Edward B., O33367.
Kramer, Robert S., O23729.
Kramers, John T., O33890.
Krampitz, Charles T., O33630.
Kreager, Raymond P., O33919.
Kreutzer, Richard B., O25037.
Kudrna, James F., O81909.
Kugler, William R., O34663.
Kuhn, George W. S., Jr., O44862.
Kuzell, Ralph E., O23766.
Kuznicki, John F., O83819.
Kyle, David McV., O33263.
LaHatte, William F., O24206.
Lacey, Peter J., Jr., O33668.
Ladd, Harley W., O53512.
Lage, Wilbur J., O33911.
Laiche, Weldon E., O34295.
Lamond, John B., O25309.
Lancey, William S., O33997.
Land, Leroy C., O25084.
Lane, James W., O53091.
Laney, James R., Jr., O23942.
Lang, Clarence J., O40705.
Lang, Francis E., O45628.
Langendorf, William H. O45551.
Langley, William C., O40691.
Langston, Joe V., O24182.
Lanigan, Robert E., O23896.
Lanterman, John VanS., O33983.
Larson, Robert T., O24506.
Larson, Robert W., O45964.
Lash, Frederick F., O40574.
Latimer, Raymond LaV., O34833.
Laudani, Angelo A., O24033.
Lauterbach, Wallace M., O23810.
Lavin, John J., O45613.
Lawrence, Leon S., O34286.
Lawson, Joel W., O33298.
Lawson, Melvin M., O45475.
Lawson, Roger L., O23852.
Layfield, Moody E., Jr., O23939.
Leary, Francis X., O24427.
Leber, Walter P., O25130.
Lee, Gail B., O33332.
Lee, James H., O35428.
Lee, John C. H., Jr., O23688.
Lee, Lynn C., O23717.
Leeney, Lewis W., O25206.
Lent, Morris A., O33469.
Leonard, Theodore, O34124.
LeRoy, Robert E., O33835.
Lewis, Emmett McK., O32866.
Lewis, French G., O33676.
Lewis, Ray C., O53181.
Lewis, William D., O79894.
Lewitz, Edward R., O45325.
Lieblich, Jerome F., O33409.
Liggett, John C., O24410.
Ligon, Lawrence R., O35154.
Lind, William J., O45230.
Lindjord, Haakon, O25340.
Lindley, Harold C., O45614.
Lindmark, Marvin L., O34393.
Lindner, Kenneth R., O34650.
Linn, James W., O34653.
Linn, Phillip J., O33395.
Linnell, Frank H., O24089.
Linton, William M., O23728.
Lipton, Samuel M., O24398.
Little, Gerald B., O40554.
Locke, Norval M., O33601.
Locksley, Norman M. G., O25111.
Loiselle, Postford A., O33321.
Long, Glen C., O24170.
Long, Joseph W., O34180.
Longino, Mercer P., O24024.
Looney, Ned I., O40776.
Loop, Paul A., O45735.
Love, James W., O34026.
Lucey, George A., O24446.
Lucree, Morris J., O33401.
Ludwikosky, John P., O34228.
Lunsford, James N., Jr., O33518.
Lynch, William R., Jr., O34268.
Mabry, George LaF., Jr., O34047.
MacFeeters, Donald W., O25300.
MacKenzie, Stuart A., O40618.
MacMillan, Latimer W., Jr., O25100.
Mackey, Harold V., O25046.
Madding, Albert S., O33680.
Madsen, Archie T., O45806.
Magruder, Samuel B., O23874.
Maixner, Harold V., O24439.
Maldonado, Jack C., O24447.
Male, Clinton E., O24078.
Maline, Paul J., O24402.
Maling, Robert C., O34745.
Manasco, Raymond O., O33608.
Maness, Lewis E., O39135.
Mantz, William McK., O33403.
Maples, Herron N., O45920.
Marchus, David E., Jr., O79636.
Marfing, Thomas E., O34713.
Marinelli, Jack LeR., O34331.
Markey, Edward W., O35143.
Marks, William G., Jr., O45395.
Marriott, Woodrow W., O33486.
Marsh, Harley T., Jr., O23901.
Martasin, William N., O44997.
Martin, Charles W., O88288.
Martin, John A., O24453.
Martin, Robert A., O24180.
Mason, John P., O44587.
Massoglia, Martin F., O52831.
Mataxis, Theodore C., O34035.
Mather, Walter E., O23749.
Mathos, Harry G., O45077.
Matthews, Clinton F., O24503.
Matthews, Jack B., O34721.
Mausert, Ryerson N., O79913.
Maxwell, James S., O53163.
Maxwell, Thomas W., O23988.
Maynard, Charles D., O23754.
Mayo, Joseph B., O46024.
McArthur, Donald E., O52892.
McBride, Edward E., Jr., O34347.
McBride, Francis G., O33539.
McBride, William E., O24587.
McCachern, William Y., O25190.
McCaffery, Benjamin, Jr., O23912.
McCaffrey, George W., O25256.
McCallister, James L., Jr., O85347.
McCartney, Robert W., O39052.
McCauley, Clark R., O40623.
McCorkle, Phillip H., O45867.
McCoy, Jim H., O52796.
McCrillis, Paul LaV., O45768.
McCulloch, Joseph A., Jr., O23786.
McCullough, Chris, O40611.
McDannel, Carlyle F., O33271.
McDowell, James E., O40674.
McDowell, William D., O35204.
McElroy, James E., O23917.
McGrane, Edward J., Jr., O24027.
McGrath, Vincent J., O79921.
McGraw, Robert E., O39107.
McGregor, Edward W., O39096.
McGuire, Joseph R., O24138.
McGuire, Thomas C., O33296.
McIntosh, Charles A., Jr., O45816.
McIntyre, George W., O23841.
McKean, Sterling J., O79924.
McKee, Gregg LaR., O23811.
McKinley, James F., Jr., O23893.
McKinney, Joseph E., O39090.
McLanachan, James D., O46037.
McMillan, William S., O32703.
McNamara, Donald G., O39085.
McQuaide, Joseph T., O24247.
McWatters, John A., O34336.
Meacham, Joseph R., O53374.
Meanor, James B., Jr., O34981.
Meconi, Rocco F., O33516.
Mecredo, Henry E., Jr., O45091.
Meeker, Robert J., O33304.
Meeks, Wilbert D., O45109.
Mehaffie, Louis H., O40761.
Meis, Emil F., Jr., O80454.
Merrill, Clifford R., O79927.
Merritt, Bruce, O46220.
Metcalf, Robert L., Jr., O53179.
Metcalf, Charles G., O52749.
Meyer, Arthur L., O23871.
Michael, George P., O40689.
Mickelson, Rolf E., O45184.
Middleworth, Henry V., O24226.
Milano, James V., O46052.
Miller, Crosby P., O34151.
Miller, Donald J., O45642.
Miller, Harley N., O53155.
Miller, Joseph G. K., Jr., O24285.
Miller, Leonard C., O24623.
Miller, Maurice G., O23914.
Miler, Olaf G., O53184.
Miller, Robert J., O33542.
Miller, Walter LeR., Jr., O24495.
Millikin, John, Jr., O23781.
Mitchell, Burt L., Jr., O24219.
Mitchell, Fred B., O52633.
Mitchell, Joseph D., O24286.
Mitchell, John F., O24405.
Mitman, Floyd B., Jr., O25330.
Mixon, Sidney T., O34281.
Moberg, Wesley O., O44973.
Mobley, James H., O25053.
Moffitt, Alfred F., Jr., O40630.
Molesky, Walter F., O23857.
Molloy, William T., O80461.
Moody, Alfred J. F., O23685.
Moon, Gordon A., 2d, O25214.
Moore, Felton H., O34724.
Moore, George B., O23804.
Moore, Harley L., Jr., O40729.
Moore, James H., O34735.
Moore, Robert S., O25253.
Moran, Edward E., O39108.
Moran, Richard C., O25027.
Morgan, Bernie F., O44899.
Morgan, Charles A., Jr., O45520.
Morgan, Dale L., O45796.
Morgan, John J., O35260.
Morgan, Vernon W., O45837.
Morgan, William O., O34049.
Morrill, Paul M., O24528.
Morris, Harry G., O45665.
Morris, Willard W., O25297.
Moucha, Miroslav F., O23877.
Moye, Ralph G., O80464.
Mueller, Arndt L., O34700.
Mueller, Edmund L., O34292.
Muggelberg, Glenn E., O33812.
Muir, John E., Jr., O33754.
Muir, Robert P., O39105.
Mullane, Walter R., O23987.
Mulcahy, James P., O24227.
Muller, Frank M., O34715.
Muller, Henry J., Jr., O24508.
Muller, John K., O24570.
Mundy, Reuben W., O25063.
Munster, Daniel F., O24467.
Murday, Stanley J., O79940.
Murphy, Edward R., O52847.
Murphy, James O., O34193.
Murphy, Robert E., O34080.
Murray, George A., Jr., O34739.
Murray, John F. T., O23768.
Muzyk, Alexander F., O24010.
Myers, Francis J., Jr., O24073.
Naselroad, Winfred C., O35259.
Nash, Albert M., O33727.
Nathan, Aubrey P., O34270.
Nawn, Leo J., Jr., O53200.
Neary, Elmer J., O34964.
Negron, Rafael, O34115.
Nelson, Alex N., O33528.
Nelson, Arthur H., O23093.
Nelson, Harold E., O24487.

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Nelson, Raymond C., O52775.
Nesbitt, Allan P., O52782.
Netterblad, Alvin T., Jr., O33971.
Neumann, Richard T., O39054.
Newell, Robert L., O35145.
Newland, Jess E., O45793.
Newman, John T., O24281.
Newton, Albert, O40742.
Nicely, Edward LeR., O53251.
Nichols, Edwin A., O25192.
Nielson, Chester D., O33280.
Niles, Gibson, O23938.
Nilsson, Paul A., O25274.
Nolan, Hubert L., O39111.
Nolan, Martin E., O53275.
Northington, Hartsell H., O33275.
Norton, John, O23858.
Noseck, Kenneth A., O45645.
Nossaman, Warren E., O25079.
Nungesser, William L., O53150.
O'Byrne, John C., O52910.
O'Connor, Edward F., O83585.
Ogle, Joseph A., O24500.
Ohl, William C., O34078.
Olliver, Leonard F., O40586.
Olson, Gust E., O46079.
O'Neill, Richard J., O33536.
Osgard, James L., O35315.
Ostner, Charles F., O24271.
Ostrom, Charles D. Y., Jr., O25331.
Oswalt, John R., Jr., O23690.
Oswalt, John W., O46071.
Packman, James L., O34761.
Palizza, Maurice J., O33924.
Palmblad, Frederic H., O34845.
Palos, Stuart J., O52797.
Panell, Marion R., O80471.
Panke, Robert E., O23831.
Parker, Harold E., O34951.
Parker, James C., O34123.
Parker, John M., O39018.
Parr, William R., O80473.
Parsons, Albro L., Jr., O24259.
Parsons, Marcus L., O45699.
Parziale, Charles J., O33829.
Patchin, John W., O40537.
Patrick, Lester R., O45212.
Patterson, Douglas H., O34979.
Patterson, George D., O32702.
Patton, Gordon B., O24489.
Paxton, John W., O24199.
Peabody, Herbert G., O39098.
Peairs, Douglas D., O33479.
Pearsall, Raymond D., O33548.
Pearson, Raymond L. V., O34869.
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Pel, Mark G., O79948.
Penson, David, O33787.
Penzkofer, Claire B., O46282.
Pepke, Donn R., O25188.
Perry, Ernest LeR., O53324.
Petersen, George T., O33771.
Phelps, Robert E., O24165.
Philbin, Tobias R., Jr., O34406.
Philp, John F., O53061.
Phipps, Charles H., O39087.
Pickard, Andrew D., O34639.
Pickering, Ellis E., O53113.
Pickett, George B., Jr., O23932.
Pierce, Fred A., Jr., O24172.
Pierce, Henry J., O33989.
Pigue, Paul E., O23990.
Pilla, Angelo E., O44989.
Pillsbury, Glenn T., O34125.
Pinard, George E., O25172.
Piper, Robert M., O34674.
Pitts, George T., Jr., O34036.
Pixton, Allan G., O24137.
Plant, Ottis M., O40714.
Poffenberger, John T., O45197.
Pohly, Jurgen G., O52934.
Pollard, John S., Jr., O25291.
Polley, James D., 3d, O39036.
Pope, Robert F., O40672.
Poppenburg, Francis F., O25090.
Porter, Howard E., O34480.
Powell, Edwin L., Jr., O23689.
Powell, Marcus L., Jr., O34558.
Powell, Ross F., O33980.
Pratt, John B., O34186.
Preer, Carleton, Jr., O45567.
Prendergast, John D., O40599.
Pendergast, Joseph T., O45327.
Prewitt, Daniel W., O33301.
Pribnow, Andy W., O25292.
Pridgen, Robert B., O53197.
Prusaitis, Joseph J., Jr., O34402.
Pryor, Frank D., Jr., O33316.
Ptak, Lloyd J., O25216.
Puetz, William M., O34654.
Purdy, William A., O23973.
Purnell, Sterling E., O44875.
Quashnock, Emro J., O34321.
Quick, John T., O53006.
Quigley, Hugh E., O46420.
Quinlan, Edward W., Jr., O33359.
Quirey, William O., O39102.
Raffaeli, Raymond J., O53170.
Rahaeuser, Charles J., O34873.
Rall, Lloyd L., O40632.
Ramee, Paul W., O23704.
Ramey, Stanley M., O23726.
Ramsey, David L., O25072.
Ramsey, Lloyd A., O33352.
Randall, Burr J., Jr., O35611.
Raney, Maynard C., O24517.
Rankin, Walter J., O24455.
Ransone, Alexander L., O34142.
Rasper, Vincent W., O40615.
Rastetter, Richard J., O23770.
Rayle, Roy E., Jr., O25113.
Read, Beverly M., O46180.
Rebentisch, Hamilton S., O44991.
Redden, Donald R., O33657.
Reddington, Thomas C., O24401.
Redfern, Ira C., Jr., O34109.
Redmon, John G., O23802.
Reed, Keneth O., O53102.
Reed, Wilson R., O23824.
Reid, John E., O25108.
Reid, Samuel LaF., O35160.
Remele, Jack H., O24585.
Renfro, Charles G., O24567.
Reynolds, George A., O52852.
Rice, Arnold E., O45730.
Rice, Edward S., O25119.
Rice, Irvin M., O24414.
Rice, Johnny M., O34094.
Rich, Arthur A., Jr., O79966.
Richardson, Donald J., O25019.
Richardson, Herbert, Jr., O23748.
Richardson, Willard D., O45380.
Richeson, Hugh A., O34725.
Riddick, Willis S., Jr., O40570.
Riede, Reinhold C., O45810.
Riegle, Charles A., O33325.
Riley, Jacob L., Jr., O53161.
Riley, Thomas W., Jr., O33658.
Ritter, Frank N., O33558.
Roane, Nathan A., Jr., O34156.
Roberts, Cecil E., O35232.
Roberts, Paul F., O33825.
Robinson, John H., O44984.
Rodeheffer, Allen W., O24602.
Rogers, Jack A., O34572.
Rogers, Maurice A., O40555.
Rollins, Andrew P., Jr., O24237.
Root, Paul C., Jr., O23979.
Roper, Willard, O33605.
Ross, Hezekia J., Jr., O34112.
Ross, Samuel R., O34278.
Roth, Robert C., O39095.
Roton, William F., O23961.
Rountree, Denton C., O33797.
Rowny, Edward L., O23744.
Roy, James W., O23762.
Rubottom, Donald C., O35286.
Rush, Donald L., O39076.
Russi, Gilbert C., O33264.
Ruwet, Vincent L., O24524.
Ryan, Albert J., O40631.
Ryan, Phillip W., O33328.
Ryckaert, Elmer B., O79978.
Sablitz, Henry H., O40532.
Sage, Jerry M., O35326.
Sage, Rex R., O34061.
St. Clair, Harold J., O25369.
Sakas, Julius A., O33709.
Salinas, Daniel, O24012.
Salisbury, Lloyd R., O23797.
Sallee, Donald L., O33951.
Samusson, Ernest, Jr., O24260.
Samz, Robert W., O23750.
Sanden, James V., O24213.
Sanders, Allen W., Jr., O25305.
Sanders, Cecil M., O33923.
Saunders, William W., O23296.
Savage, John H., O24186.
Savilla, Roland, O40563.
Sawbridge, John J., O79987.
Schaad, Carl W., O25087.
Schade, Howard G., O33311.
Schaf, Frank L., Jr., O45860.
Schmedemann, Keith M., O34742.
Schmid, Eldon W., O33627.
Schmidt, Graham E., O34348.
Schmierer, Elmer, O24531.
Schnittke, Raymond I., O23693.
Schofield, Carl H., O24505.
Schreiber, William L., O34043.
Schremp, John E., O23709.
Schuck, Edwin G., O33606.
Schuler, Richard H., O33414.
Schulz, Robert H., O25303.
Schultz, Albert D., O25054.
Schultz, John L., O24229.
Schweiter, Leo H., O34334.
Schweitzer, Theodore F., O52875.
Scott, Richard P., O23787.
Seaton, Stuart M., O34760.
Seitz, Richard J., O33979.
Seneff, George P., Jr., O23738.
Servis, John D., O52747.
Setliffe, Truman H., O24350.
Sewell, Harry B., O45491.
Sexton, Luther L., O45778.
Sexton, Morrell R., O34057.
Shadday, Martin A., O24043.
Shaffer, William K., O40639.
Shannon, Robert McD., Jr., O24486.
Sharkey, Thomas W., O23981.
Sharp, Paul E., O35046.
Sharpe, Granville A., O34986.
Sharpe, Thomas J., O24181.
Shaver, Wiley F., Jr., O24459.
Shaw, Clayton A., O35451.
Shaw, Robert C., O33626.
Shea, Gerald H., O34882.
Shemwell, Victor B., O44395.
Shepard, William McK., O25110.
Sherrets, Donald C., O44781.
Shettle, Charles G., O40706.
Shipley, Alden P., D33699.
Shirley, Jackson E., O33977.
Sidle, Winant, O33651.
Sifford, Wilson, O33920.
Sills, Clarence F., O24463.
Silman, James B., O35048.
Simmons, James E., O24521.
Simmons, Vernon N., Jr., O39063.
Simpson, Paul A., O25368.
Sims, Charles L., O33345.
Sims, Ralph, O35435.
Sisak, John G., O52751.
Skardon, Beverly N., O33939.
Skeath, Elbur J., O79997.
Skinner, William G., Jr., O53044.
Skowronek, Paul G., O23822.
Sloan, Nicholas E., O33117.
Sloan, William N., Jr., O24235.
Smith, Albert H., Jr., O34044.
Smith, Aley L., O35044.
Smith, Bill G., O53387.
Smith, Bradford L., O25086.
Smith, Bradish J., O24049.
Smith, Carroll B., O45178.
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Smith, Walter S., O33424.
Smith, Willard A., O34637.
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Smith, William M., Jr., O40724.

Smoak, Robert A., O46267.
Smyrl, J. T., O33732.
Snapp, Elbridge L., O24622.
Snetzer, Robert E., O35458.
Snoddy, Cecil C., Jr., O34690.
Snyder, James M., O25036.
Sobke, Llewellyn, O33529.
Sparrow, John C., O24155.
Speaks, Robert J., O34196.
Spencer, Houck, O34719.
Spencer, Thomas F., O24559.
Spiller, Benjamin A., O24023.
Spillner, Siegfried H., O35300.
Spurrier, James R., O25273.
Stafford, Robert S., O34556.
Stanford, Frederick C., O23812.
Stanford, Marvin N., O35182.
Starkey, Arthur W., O25126.
Starr, James C., O79640.
Starr, William F., O23843.
Steichen, Woodrow J., O34392.
Stein, William H., O33837.
Stern, Herbert I., O23957.
Stevens, George B., O44872.
Stewart, Claude H., O33441.
Stewart, Donald B., O23028.
Stewart, Lee L., O34184.
Stewart, Neil G., O33670.
Stewart, Thomas N., O34712.
Stillman, Richard J., O25038.
Stone, Frank H., O24397.
Stone, William W., Jr., O40712.
Storey, Robert C., O24433.
Stout, Morris C., O24166.
Strain, James W., O23719.
Street, Jack B., O34272.
Strickland, Zebulon LaF., Jr., O24176.
Strider, Nicholas S., O45589.
Strok, Michael J., O52838.
Strong, John L., O34088.
Strother, Tom B., O24429.
Strunk, Robert W., O40581.
Stuart, Parker O., O25055.
Sullivan, John L., Jr., O25299.
Sullivan, Martin F., O25332.
Sullivan, William G., O39097.
Sutherland, James W., Jr., O24202.
Swank, Walter D., O23281.
Swearingen, John C., O34711.
Sweeney, Francis P., O34485.
Sweeney, Robert L., Jr., O24494.
Swenson, J. Elmore, O33380.
Swope, Francis A., O32774.
Syron, Darrell L., O25034.
Tabb, Jack S., O33721.
Taber, Robert C., O25270.
Talbott, Orwin C., O24617.
Tanner, Royal K., O80012.
Tanous, Peter S., O24067.
Tansey, Patrick H., Jr., O23915.
Tarbox, Robert M., O23715.
Tarkenton, James C., Jr., O33283.
Taylor, Claude E., O45316.
Taylor, George I., O24209.
Taynton, Lewis C., O34007.
Teir, William, O40701.
Tennesson, Charles E., Jr., O24190.
Terrell, Cader C., O34555.
Terrell, Joseph S., Jr., O53118.
Terry, James K., O33375.
Thieme, Leo V., O33561.
Thomas, Charles R., Jr., O45667.
Thompson, Frederic C., O35255.
Thompson, Howell B., O33385.
Thompson, James B., O36635.
Thompson, John R., O25047.
Thompson, Lowell E., O25252.
Thomson, Harry K., O24207.
Threadgill, Walton O., O25215.
Tidmarsh, Harold A., O23918.
Tirey, James H., O33464.
Tobey, Nelson W., O33778.
Todd, Albert A., O33878.
Todd, Walter B., O25051.
Tolliver, Edward M., O33856.
Tonetti, Oscar C., O23864.
Traver, Paul C., O80505.
Traylor, John P., O25060.
Triplett, Austin, Jr., O34030.
Troup, Malcolm G., O23862.
Troup, Paul A., Jr., O33306.
Tuck, William R., O24444.
Tucker, Henry P., O24232.
Tummons, Donald D., O46124.
Turner, Leonard C., O33952.
Tyler, Max C., O23809.
Tyner, Layton C., O33640.
Underdahl, Conrad R., O33523.
Unger, James F., O34056.
Unger, Jess P., O23706.
Upton, Ralph R., O24063.
Urban, George, O80021.
Urban, Peter L., O24163.
Vallery, Joy K., O34241.
Van de Voort, Leo D., O39071.
Van Hoy, John W., Jr., O23739.
Van Orne, Ronald W., O40725.
Van Sandt, William A., O40762.
Vanderpool, Jay D., O34570.
Vandervort, Ralph E., Jr., O25337.
Varhol, Michael C., O80022.
Vaughan William J. D., O23978.
Vaught Donald O., O33308.
Verheul, Richard H., O25039.
Via, Harold F., O34635.
Via, James B., O25121.
Vidlak, Frank J., O46142.
Vincent, Dale L., O33948.
Vinci, Anthony J., O45029.
Vinquist, Glenn M., O44867.
Vivian, George B. O25272.
Vogel, John F., O33585.
Volheim, Herman M., O24593.
Vollendorff, Robert E., O34398.
Von Schriltz, Dick S., O23944.
Vroom, Guysbert B., Jr., O46019.
Vuksich, Melvin M., O80514.
Walker, Archie S., O52915.
Walker, Glenn D., O33282.
Walker, John K., Jr., O34744.
Walker Lawrence H., Jr., O34243.
Walker, Norvell McV., O34375.
Walker, Philip G., O46287.
Wall, Thomas G., O33023.
Wallace, Victor M., O53124.
Wallace, Winston E., O34766.
Walters, Edward E., O33710.
Walters, Warren E., O24200.
Ward, Donald R., O33646.
Ward, Kenneth A., O34415.
Ward, Linus P., O53191.
Ward, William D., O24208.
Warden, Irving D., O53379.
Warren, Robert E., O76845.
Warren, Stanley A., O45337.
Washington, William R., O34042.
Waszak, Edwin J., O35415.
Waters, Robert L., O34720.
Watson, Thomas E., Jr., O24283.
Waugh, Edgar S., O33439.
Webb, William E., O34092.
Weber, Milton J., Jr., O53319.
Webster, William T., O33858.
Welch, Lamar A., O24391.
Wellems, Edward N., O24484.
Welles, George H., O24086.
Wells, Robert B., O24275.
Wells, William L., O33641.
Welsh, Robert J., O25096.
Werner, Franklin A., O33307.
West, Arthur L., Jr., O25269.
West, George C., Jr., O45153.
West, Roland P., O34208.
Weston, Henry D., O25186.
Wetherell, Lewis G., O45147.
Weyand, Frederick C., O33736.
Whall, Winston G., O34970.
Wheeler, Sheldon H., O34949.
Wheelis, Reuben E., O24184.
Whetstone, Russell E., O53212.
Whitaker, Ernest J., O23793.
White, Hoyt E., O33889.
White, Rex H., Jr., O45595.
White, Stanley W., O35250.
Whitehorn, Joseph W. A., 3d, O25277.
Whitsitt, Menon W., O31384.
Whitworth, Thomas C., Jr., O35231.
Wiklund, Anders O., O44597.
Wild, Edward W., O39142.
Wiley, William S., Jr., O45927.
Williams, Albert C., O33974.
Williams, Floyd D., O39139.
Williams, John W., O34107.
Williams, Marion G., O44841.
Williams, Marvin E., O35386.
Williams, Ralph I., O34960.
Williams, Trevett, O52845.
Williams, William J., O24394.
Williamson, Ellis W., O34484.
Williamson, Joseph M., O24476.
Wilson, Eugene A., O33818.
Wilson, Frank B., O35162.
Wilson, John L., Jr., O33268.
Wilson, Leroy B., O25106.
Wiltamuth, Ralph H., O44817.
Wimberley, Jerry M., O25049.
Winder, Wayne M., O34420.
Witcover, Henry W., O45522.
Witt, Emitt C., Jr., O34027.
Wittmann, Richard C., O25195.
Wojcik, Walter K., O33802.
Wood, Edgar C., O34051.
Wood, Harland G., O24154.
Woodard, Robert L., O34031.
Woods, David H., O25101.
Woodward, William H., O23900.
Woolwine, Walter J., O23795.
Wooten, Charles A., Jr., O44599.
Wootton, William B., Jr., O24261.
Wright, James F., Jr., O40580.
Yamber, William J., O40656.
Yates, Edison E., O39047.
Yates, Elmer P., O23686.
Yoder, Donn W., O34664.
York, Dantes A., O45549.
York, Jerome B., O25327.
Zais, Melvin, O33471.
Zarger, Glenn W., O45568.
Zeigler, Robert P., O34726.
Ziler, William D., O35412.
Zornig, Karl H., O25089.

To be lieutenant colonels, Women's Army Corps

Ferguson, Mildren M., L264.
Gardner, Annie V., L125.
McCormick, Patricia E., L115.
Sullivan, Mary L., L118.
Wehrle, Margaret J., L240.

To be major

Gustafson, Melvin E., O27693.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298. All officers are subject to physical examination required by law.

To be first lieutenants

Austin, Ralph A., Jr., O87998.
Bagdanov, James LeR., O78036.
Barbe, Charles D., O88003.
Bay, Charles H., O85869.
Bell, Allan A., O75497.
Bivings, Donald E., O85294.
Clark, Dennis J., O89191.
Cook, Billy G., O85310.
Cromartie, Eugene R., O80243.
Crox, John F., Jr., O85410.
Cummings, George P., Jr., O87717.
DeLoach, Ray B., O80245.
DeMouche, Louis, F., O77981.
Dickinson, Roy B., O78052.
Dolby, John F., O88659.
Dorchester, John D., Jr., O78055.
Frey, James L., O88261.
Friedman, Robert G., O88067.
Gardner, William H., O84989.
Garman, Robert T., O88263.
Gibson, James O., O86184.
Haan, Philip J., O85555.
Herrmann, Roger W., O88394.
Hyde, Herbert K., O73159.
Iori, Richard A., O89226.
Johnston, Robert P., O87805.
Jones, Eddie H., O87807.
Kinnison, Harlen W., O89235.
Kondi, Albert J., O88771.
Kuehn, Karl P., O87830.
Landry, Gerard, O78596.
Lide, Theodore A., Jr., O88788.
Llewellyn, Marvin D., O88129.
Lowe, John M., O78089.

Mattingly, Roger K., O78600.
Mayes, Floyd B., Jr., O85619.
McManus, James T., O77894.
Meadows, James S., O87849.
Morgan, Jerry D., O76441.
Nathan, Walter E., O88457.
Neely, Carl C., Jr., O88296.
Paladino, Vito W., O87579.
Polo, Richard J., O78610.
Poor, George R., O87587.
Prince, Ted, O85641.
Pujol, Elwray, O88478.
Reese, Cleland P., O77925.
Reese, Thomas D., O88893.
Rehusch, Kenneth S., O87896.
Riebel, David L., O78119.
Rundle, Ralph T., O86709.
Schrader, Frederick A., O78612.
Schuetze, Raymond A., Jr., O88918.
Shelton, James E., O88927.
Shuff, Thomas K., 3d, O75803.
Siderius, Robert R., O89141.
Siler, Samuel M., O88934.
Sisak, James C., O88938.
Spears, Phillip M., O88210.
Stanborough, Robert MacA., O88310.
Stepp, Robert H., O87629.
Tait, Thomas H., O87939.
Takane, James N., O78622.
Thomas, Govan C., O87639.
Thompson, George H., O87641.
Villarreal, Julian, Jr., O88514.
Weary, Sheron E., O88317.
Weems, Sands S., 3d, O76736.
White, Lawrence L., O85699.
Wiger, Leslie T., O76749.
Wynn, Sidney R., O78629.

To be first lieutenants, Medical Service Corps

Moody, Dan D., O84230.
Reddy, John J. Jr., O84253.

To be first lieutenant, Army Medical Specialists Corps

Hall, Mary S., M10183.

The following-named persons for appointment in the Regular Army of the United States, in grades specified under the provisions of title 10, United States Code, sections 3285, 3286, 3287, 3288:

To be majors

Brooks, Lawrence Phillip, O1338437.
Freitag, Horace Victor, O1338938.
Holimon, Thomas Monroe, O1651234.
Lindblom, Victor Eugene, O2030987.
Olsen, Vincent Irving, O1337612.
Suzuki, George Edwin, O1339675.
Waller, Morgan Lee, Jr., O1186498.

To be captains

Blair, John Scott, O990172.
Butler, Millard, Jr., O2033563.
Filbin, Edward Jerome, O2019018.
Fitzgerald, Edgar Ray, O1341529.
Ill, Theodore Cranmer, O987534.
Jones, William Jack, O2023567.
Kemp, Robert Aitken, O1886577.
Leedom, George Addison, O980610.
Martin, Paul Emerson, O4002476.
McCune, Bernard James, O962477.
Miller, William Henry, O1918823.
Newton, Aubrey Harvey, O1919157.
Payne, Delbert Samuel, O1887122.
Rice, Melvin Cheslie, O1342395.
Sebastian, Nicholas Harry, O1684992.
Spencer, Eucie Dwayne, O2265096.

To be first lieutenants

Bearden, Thomas Eugene, O1879763.
Bell, Dale Milton, O4030263.
Borer, Robert Sidney, O4075247.
Charles, George Henry, Jr., O4075554.
Corley, William Lawrence, O4042993.
Danieli, Joseph Anthony, Jr., O4064409.
Feld, Philip, O4064352.
Fraker, John Richard, O4075926.
Keese, Carl Callaway, O4074829.
Scott, Edward Maynard, O4029342.
Spencer, Charles Ashby, O4012427.
Stearns, Peter Day, O4076501.
Steine, Joel Roger, O4044673.
Terry, Clifford Frank, O4017240.
Williams, Clinton Lowery, Jr., O4024204.
Wing, Thomas, O4052332.

To be second lieutenants

Ady, Samuel Joseph, O4047214.
Barnes, Jimmie Estus, O5402641.
Basham, Harold Ray, O5304618.
Bohi, Robert Yates, O5208275.
Brosman, James Alvin, O5301836.
Brown, Roy Eugene, O5304764.
Buckbee, Edward O'Dell, O5206202.
Burns, George King, O5302585.
Childs, Leo Matthew, O5308792.
Delaney, Ronald Amy, O4085864.
Deoss, Dister Leroy, O4084655.
DeVellis, Arthur Vincent, O5005925.
Draper, Stanford Carson, O5702025.
Edwards, Charles Russell, Jr., O5301747.
Griffin, Lowell Baugh, O4070128.
Hardie, Sydenham Knight, Jr., O5202863.
Hauschild, John Leroy, O5702966.
Hayes, John Ernest, O5405134.
Hermann, James Anthony, O5200770.
King, Jack Edgar, O5505113.
Lambert, Harold Evans, O5508368.
Lee, Gordon Kenneth, Jr., O5205299.
Lloyd, Robert Joseph, O5302626.
Manning, Kenneth Brown, O5308846.
McGuire, Michael Dennis, O5501242.
Mills, Harry Lewis, O5303896.
Myers, James Arue, O5502696.
Nazarenus, James Max, O5502733.
Nelsen, Ronald Lewis, O5503930.
O'Bryan, Michael Francis, O5205111.
Pearce, William Loring, O5303002.
Penrod, James Lewis, Jr., RA15541357.
Rafferty, James Richard, O4085595.
Robey, Frank Cover, Jr., O5202109.
Salomon, Leon Edward, O5307135.
Schlieper, David Peter, O4066213.
Stalcup, Billy Jack, O5300216.
Stout, Ralph Larry, O5401388.
Sullivan, Robert Francis, O4086032.
Temples, Coy Hudson, O5303918.
Thomas, Bobby Frank, O5206263.
Thompson, David Edward, O5700250.
Thurston, Joe Barry, Jr., O5402786.
Tomberlin, John Reason, Jr., O5303829.
White, Donald Raye, O5307807.
White, John Darrell, O5704555.
White, Weldon Earnest, O5402955.
Whitt, Samuel Tilden, O5202772.
Wise, Ronald Terrell, O5305074.
Yarbrough, Ralph Gene, O5411153.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, sections 3285, 3286, 3287, 3288, 3291, 3292, 3294, and 3311:

To be major, Medical Corps

Moncrief, John Arthur, O959037.

To be captain, Army Medical Specialist Corps

Kennedy, Annie Fearn, R2306.

To be captains, Army Nurse Corps

Cooper, Jacqueline Lois, N805096.
Fisher, Virginia Mae, N901681.
McGeough, Helen Catherine, N901780.

To be captains, Dental Corps

Bangert, Sherman Glen, O2270454.
Tribbett, Charles Alexander, Jr., O5202391.
Vatral, John Joseph, O4014782.
Wagner, Allyn George, O4022998.

To be captains, Medical Corps

McGranahan, George Martin, Jr., O5407930.
Odom, Emwood, O4034494.
Vazquez, Angel Manuel, O4070536.
Waugh, David Eugene, O1872963.

To be captain, Medical Service Corps

Murata, Sunao, O1685073.

To be first lieutenants, Army Nurse Corps

Snieszko, Mary Ann, N901519.
Williams, Joan Louise, N901979.

To be first lieutenants, Dental Corps

Cesarini, Ronald Joseph, O2297839.
Sinton, Thomas Spencer.
Teich, Richard James, O2295427.

To be first lieutenants, Judge Advocate General's Corps

Kinum, John Bingham, O2298158.
Latta, Thomas Albert, O1886575.

To be first lieutenants, Medical Corps

Abruzzini, Lawrence Leonard, O4049790.
Byers, Barton, O4076515.
Hall, Robert Karl.
Hays, Gerald Chapman, O2295615.
Kramer, Joseph Francis.
Milton, Robert Elwin, O2295620.
Newcomer, Kermit Lee, O2295414.
Painter, Monroe Borders, O2297972.
Poe, Robert Hilleary, O4035550.
Preston, David Fletcher, O4035564.
Rochester, John Crawford, O4044746.
Struver, Gerd Paul.

To be first lieutenants, Medical Service Corps

Marsh, Raymond Michael, O4003946.
McKain, Jerry Lavin, O2277822.
Nelson, Fred Ernest, O2276484.
Paris, Henry Joseph, Jr., O2277413.
Timmens, James Martin, O2289262.

To be first lieutenants, Veterinary Corps

Hunt, Ronald Duncan, O2298120.
McNellis, John Oglethorpe, O2297820.

To be second lieutenant, Army Medical Specialist Corps

Sampson, Carol Marie, R2295257.

To be second lieutenants, Army Nurse Corps

Nattier, Carolyn Mae, N5407013.
Villa, Georgianna, N5407140.

To be second lieutenants, Medical Service Corps

Baker, George Donald, O2299963.
Bardill, Donald Ray, O2296364.
Bevilacqua, Joseph John, O2288510.
Boyer, John Wallace, O5702147.
Delos Santos, Carlos, Jr., O2298233.
Dobson, Benjamin Francis, O4028869.
Hale, Arnold Wayne, O2299079.
Henry, John Dunklin, O5301328.
Hersey, William Joseph, Jr., O2289663.
Jung, Paul Thomas, O5502323.
Lynden, John Ross, III, O2298928.
Pritchard, Bob Edwill, O2299689.
Roles, Robert Holland, O2297442.
Wright, Wilbur Ernest, O2297655.

To be second lieutenant, Women's Army Corps

Lane, Betty Jane, L2298373.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade and corps specified, under the provisions of title 10, United States Code, sections 3285, 3286, 3287, and 3288:

To be second lieutenants, Medical Service Corps

Lance L. Barclay
Thomas Wood Hill
Leonard Cullum Schumacher

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3285, 3286, 3287, and 3288:

Don Robert Alexander
Charles Larry Campbell
Leonard Howard Chisholm
Patrick Wayne Cummings
Robert Victor Del Favero
Jerome Albert Diebold
Lawrence Leo Dieker
Thomas Francis Donatelli
Richard William Drisko
Harold Thomas Fields, Jr.

George Richard Fourson, Jr.
Louis Wayne Fox
Homer Jarrell Gibbs
Gail Edward Goodloe, Jr.
William Joseph Gunter
Alan Bates Harriman
Gordon James Hasenei
Phillip Eugene Hoover
Phillip Frank Hudson
William Jackson Huff
Kenneth Arthur Ingram
Albert William Jenrette
Robert August Kaiser
Stephen John Kasa
Lee Frederick Kleese
Frank Ulrich Lahde
Charles Donald Leamy
Lawrence Joseph Logsdon
Michael Joseph Lynch
T. J. Mawhorter, Jr.
Byron Arthur McBride
James Patrick McCormick
Ingram Blair McLeod, Jr.
George Edward Meany
George William Nelson, Jr.
Landy Thomas Nelson
Thomas Edward Nevotti
Charles Goodwin Pearcy
Peteris Prikals, Jr.
Bruce Allen Restel
Richard Floyd Rouse
Ray William Rowney, Jr.
James Harold Sang
Shaun James Scanlon
Norville Herbert Schock
Charles Jacob Schreiner
Thomas Jefferson Smith
Tommy Jan Stacy
William James Stephens
Michael Bernard Stupka
James LeRoy Stutesman
Joseph Albert Tache
Normand Andre Trudeau
James Patrick Ward
Gerald Michael Wharton
Lewis Harlow Whitaker, Jr.
Wayne Martin Wicker
Lyons Hunter Williams III
Jon Lee Woodside

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 29, 1960

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Ephesians 6: 10: *Finally, my brethren, be strong in the Lord, and in the power of His might.*

Eternal God, our Father, we thank Thee for the great homing instinct of our soul which constrains us to seek Thee in prayer for Thou art the source of our strength and hope for each new day.

Grant that we may yield ourselves in faithful obedience and unflinching loyalty to Thy Holy will that we may be partakers of its power and be liberated from those temptations and tendencies which thwart and defile the sanctity of human life.

May we desire and choose decisively those highest values as manifested in the teachings of our blessed Lord and hold them with unwavering fidelity at any cost and to the very end of all our days.

Help us cling with ardent zeal to the faith that will make us victorious and may our character and conduct always coincide with our creed and what we profess to believe.

We offer our prayer through the merits and mediations of our Saviour. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial in the State of Arkansas.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1157. An act to provide for promotion of economic and social development in the Ryukyu Islands;

H.R. 3524. An act for the relief of Sister Carolina (Antonietta Vallo), Sister Noemi (Francesca Carbone), Sister Marta (Sabina Guglielmi), Sister Rafaella (Angela Sicolo), Sister Maria Annunziata (Teresa Carbone), and Sister Marisa (Carolina Nutricati);

H.R. 4386. An act to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap;

H.R. 5040. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 5055. An act to change a certain restriction on the use of certain real property heretofore conveyed to the city of St. Augustine, Fla., by the United States;

H.R. 5098. An act to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado;

H.R. 6179. An act to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr.;

H.R. 6556. An act to amend subdivision c of section 39 of the Bankruptcy Act (11 U.S.C. 67c) so as to clarify time for review of orders of referees;

H.R. 6597. An act to revise the boundaries of Dinosaur National Monument and provide an entrance road or roads thereto, and for other purposes;

H.R. 7033. An act for the relief of Jack Darwin;

H.R. 9702. An act to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office;

H.R. 10500. An act to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service;

H.R. 11602. An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes; and

H.R. 12200. An act to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences, and for other purposes.

The message also announced that the Senate had passed bills, joint resolutions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1758. An act for the relief of Ralph E. Swift and his wife, Sally Swift;

S. 1701. An act for the relief of Hajime Asato;

S. 2201. An act to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities";

S. 2363. An act to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons, and for other purposes;

S. 2429. An act to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended;

S. 2626. An act for the relief of Zlata Dumlijan and Djuno (George) Kasuer;

S. 2757. An act to supplement the act of June 14, 1926, as amended, to permit any State to acquire certain public lands for recreational use;

S. 2806. An act to revise the boundaries of the Coronado National Memorial and to authorize the repair and maintenance of an access road thereto, in the State of Arizona, and for other purposes;

S. 2872. An act for the relief of Ennis Craft McLaren;

S. 2914. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

S. 2932. An act to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody;

S. 2959. An act to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit;

S. 3030. An act for the relief of Michiko (Hirai) Christopher;

S. 3076. An act for the relief of Daisy Pong Hi Tong Li;

S. 3108. An act to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes;

S. 3118. An act for the relief of Hadji Benlevi;

S. 3169. An act for the relief of Edward C. Tonsmeire, Jr.;

S. 3195. An act to exempt from taxation certain property of the Army Distaff Foundation;

S. 3212. An act to direct the Secretary of the Interior and the Administrator of General Services to convey certain public and acquired lands in the State of Nevada to the County of Mineral, Nev.;

S. 3260. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas;

S. 3264. An act to abolish the Arlington Memorial Amphitheater Commission;

S. 3267. An act to amend the act of October 17, 1940, relating to the disposition of certain public lands in Alaska;

S. 3357. An act for the relief of Renato Granduc and Grazia Granduc;

S. 3399. An act to authorize the exchange of certain property within Shenandoah National Park, in the State of Virginia, and for other purposes;

S. 3406. An act for the relief of Edward W. Scott III;

S. 3408. An act for the relief of Mrs. Maria Giovanna Hopkins;

S. 3416. An act to provide for the restoration to the United States of amounts expended in the District of Columbia in carrying out the Temporary Unemployment Compensation Act of 1958;

S. 3506. An act for the relief of Athanisia G. Koumoutsos;

S. 3558. An act to authorize and direct the transfer of certain Federal property to the Government of American Samoa;

S. 3623. An act to designate and establish that portion of the Hawaii National Park on the island of Maui, in the State of Hawaii, as the Haleakala National Park, and for other purposes;

S. 3648. An act to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency title to certain real property in said District;

S. 3650. An act to supplement and amend the act of June 30, 1948, relative to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936;

S. 3714. An act to authorize adjustments in accounts of outstanding old series currency, and for other purposes;

S. 3733. An act to place the Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates;

S.J. Res. 68. Joint resolution providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the 300th anniversary of the State of New Jersey, and for other purposes;

S.J. Res. 152. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson;

S.J. Res. 176. Joint resolution authorizing the preparation and printing of a revised edition of the Constitution of the United States of America—Analysis and Interpretation, published in 1953 as Senate Document No. 170 of the 82d Congress;

S.J. Res. 186. Joint resolution to provide for the designation of the first Tuesday after the first Monday in November of each year as "National Voters' Day";

S.J. Res. 202. Joint resolution providing for the designation of the week commencing October 2, 1960, as "National Public Works Week";

S.J. Res. 203. Joint resolution to designate the first day of May each year as Law Day in the United States of America;

S.J. Res. 209. Joint resolution providing for the establishment of an annual National Forest Products Week; and

S. Con. Res. 107. Concurrent resolution providing for printing for the use of the Senate Committee on the Judiciary additional copies of certain publications of its Internal Security Subcommittee;

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1283. An act to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use;

S. 1886. An act to amend the Communications Act of 1934 with respect to certain rebroadcasting activities; and

S. 747. An act to provide for the conveyance of certain lands which are a part of the Des Plaines Public Hunting and Refuge Area and the Joliet Arsenal Military Reservation, located in Will County, Ill., to the State of Illinois.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2669) entitled "An act to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ENGLE, Mr. BARTLETT, and Mr. BUTLER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11748) entitled "An act to continue until the close of June 30, 1961, the suspension of duties on metal scrap, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. ANDERSON, Mr. WILLIAMS of Delaware, and Mr. CARLSON, to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4049) entitled "An act to amend the Federal Aviation Act of 1958 in order to authorize free or reduce-rate transportation for certain additional persons."

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1961

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight to file a conference report on the bill (H.R. 11998) making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GENERAL GOVERNMENT AGENCIES APPROPRIATION BILL, 1961

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RECESS

The SPEAKER. The Chair declares a recess, subject to the call of the Chair.

Accordingly (at 12 o'clock and 4 minutes p.m.), the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS MAJESTY KING BHUMIBOL ADULYADEJ OF THAILAND

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 22 minutes p.m. the Doorkeeper announced the Vice President of the United States and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Majesty the King of Thailand into the Chamber, the gentleman from Massachusetts, Mr. MCCORMACK; the gentleman from Indiana, Mr. HALLECK; the gentleman from Pennsylvania, Mr. MORGAN; and the gentleman from Illinois, Mr. CHIPERFIELD.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Texas, Mr. JOHNSON; the Senator from Montana, Mr. MANSFIELD; the Senator from Arkansas, Mr. FULBRIGHT; the Senator from Illinois, Mr. DIRKSEN; and the Senator from Wisconsin, Mr. WILEY.

The Doorkeeper announced the following guests who entered the Hall of the House of Representatives and took the seats reserved for them:

The Ambasadors, Ministers, and Charges d'Affaires of foreign governments.

The members of the President's Cabinet.

At 12 o'clock and 30 minutes p.m. the Doorkeeper announced His Majesty the King of Thailand.

His Majesty the King of Thailand, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, we receive in this Chamber today the head of a government whose people are gracious and friendly, friends to us. We want him to know that in this Chamber where all the people of the United States of America are represented, he is welcome, very welcome.

I present to you His Majesty, the King of Thailand. [Applause, the Members rising.]

ADDRESS BY HIS MAJESTY KING BHUMIBOL ADULYADEJ OF THAILAND

The KING OF THAILAND. Mr. President, Mr. Speaker, and Members of Congress, it is a privilege and a pleasure for me to address you in this stately building, which is the scene of many grave decisions in the history of your great country and, I may even say, of the world.

When the President of the United States kindly invited me to visit this

country, I was happy to accept; and was glad to travel halfway round the world in order to be here. My reason is threefold. I would like to mention them briefly to you and, through you, to the people of the United States.

First, I have long desired to see and learn more of your country. When I hear of intolerance and oppression in so many parts of the world, I want to know how, in this country, millions of people, differing in race, tradition, and belief, can live together freely and in happy harmony. [Applause.] I want to know how these millions, scattered over a large territory, can agree upon the major issues in the complicated affairs of this world, and how, in short, can they tolerate each other at all.

Second, I wished to bring to you, in person, the greetings and good will of my own people. [Applause.] Although the Americans and the Thai live on opposite sides of the globe, yet there is one thing common to them. It is the love of freedom. [Applause.] Indeed, the word "Thai" actually means free. The kind reception which I am enjoying in this country enables me to take back to my people your friendship and good will. Friendship of one government for another is an important thing. But it is friendship of one people for another that assuredly guarantees peace and progress.

Third, I have the natural human desire to see my birthplace. [Applause.] I expect some of you here were also born in Boston; [applause] or, like my father, were educated at Harvard. [Applause.] I hasten to congratulate such fortunate people. I am sure that they are with me in spirit. We share a sentiment of deep pride in the academic and cultural achievements of that wonderful city. [Applause.]

Just as in ancient days all roads led to Rome, so today they lead to Washington. [Applause.] And now that I am here, I should like to say something about two subjects which are fundamentally important to my country, namely, security and development.

As I look at history, I see mighty military empires rise, through conquest and subjection of alien peoples. I see them decline and fall, when the subject peoples threw off their yoke. It is only in this present century that we find a great military power refrain from war, except for the defense of right and peace. I refer to the United States of America. [Applause.] This signal example is a long step forward toward the security of mankind.

You, of course, know by heart all the words of President Lincoln's address at Gettysburg. They lay down basic principles which should inspire the conduct of all nations and all governments. One of those principles is contained in the following words, "a new nation, conceived in liberty and dedicated to the proposition that all men are created equal."

In accordance with that broadminded proposition, your people have given, by their own sovereign will, full freedom and quity to a southeast Asian nation. When a Far Eastern country was being overwhelmed by a war for its oppression, the United States without hesitation went to war to save that country. There Thai soldiers fought side by side with your GI's. [Applause.] It is such prompt actions as this that have given great encouragement and confidence to a small country like mine. Furthermore, U.S. initiative has brought forth SEATO, the international alliance which is the pillar of my country's security.

When a country feels reasonably confident of its own security, it can devote more attention to economic development. As you are all aware, my country is classified as underdeveloped. The average income of a Thai is only about $100 a year. You will understand what great urgent need there is to increase the income and raise the living standard of my people.

One of the handicaps of countries in our region is the lack of capital and technical know-how. It is at this point that the United States has so generously come to our assistance. And here I should like to refer to the economic and technical cooperation agreement between our respective Governments. Its preamble states that liberty and independence depend largely upon sound economic conditions. It then goes on to say:

> The Congress of the United States of America has enacted legislation enabling the United States of America to furnish assistance in order that the Government of Thailand, through its own individual efforts, may achieve such objectives.

In that preamble, there is one concept that needs to be emphasized. American assistance is to enable the Thai to achieve their objectives through their own efforts. I need hardly say that this concept has our complete endorsement. Indeed, there is a precept of the Lord Buddha which says: "Thou are thine own refuge." We are grateful for American aid; but we intend one day to do without it. [Applause.]

This leads me to a question in which some of you may be interested. The question is: What do we Thai think of U.S. cooperation? I shall try to explain my view as briefly as I can.

In my country there is one widely accepted concept. It is that of family obligations. The members of a family, in the large sense, are expected to help one another whenever there is need for assistance. The giving of aid is a merit in itself. The giver does not expect to hear others sing his praises every day; nor does he expect any return. The receiver is nevertheless grateful. He too, in his turn, will carry out his obligations.

In giving generous assistance to foreign countries, the United States are, in my Thai eyes, applying the old concept of family obligations upon the largest scale. The nations of the world are being taught that they are but members of one big family; that they have obligations to one another; and that they are closely interdependent. It may take a long time to learn this lesson. But when it has been truly learned, the prospects of world peace will become bright. [Applause.]

Some of you may recall that my great-grandfather, King Mongkut, was in communication with President Buchanan during the years 1859 to 1861—100 years ago. President Buchanan sent him a letter dated May 10, 1859, with a consignment of books in 192 volumes. The king was very pleased with the books and in a letter dated the 14th of February 1861, he sent certain presents in return as gifts to the American people and an offer that became historic.

At that period, there was much demand for elephants in our and neighboring countries. Elephants had been sent to Ceylon, Sumatra, and Java and turned loose in the jungles for breeding purposes, and the result is that elephants are plentiful in those countries.

In the past, elephants had great potentialities. From the economic point of view, they could be used in the timber industry for hauling big logs and other heavy materials, like tractors do in present days. As they could go through thick jungles, they were also used as beasts of burden for transport purposes. And in view of their enormous size and strength, in time of war they struck awe into the enemies. Since elephants could be put to such various good uses and since they were available in large number in our country, as a friendly gesture to a friendly people, my great-grandfather offered to send the President and Congress elephants to be turned loose in the uncultivated land of America for breeding purposes. [Applause.]

That offer was made with no other objective than to provide a friend with what he lacked, in the same spirit in which the American aid program is likewise offered. And understanding and appreciating the sentiment underlying your aid program, the Thai Government welcomes the program and is grateful for it. [Applause.]

Our two countries have had the best of relations. They started with the coming of your missionaries who shared with our people the benefits of modern medicine and the knowledge of modern science. This soon led to official relations and to a treaty between the two nations. That treaty dates as far back as 1833.

It can be said that from the beginning of our relationship right up to the present time no conflict of any kind has arisen to disturb our cordial friendship and understanding. [Applause.] On the contrary there has been mutual good will and close cooperation between our two countries. In view of the present world tension and the feeling of uncertainty apparent everywhere, it is my sincere feeling that the time is ripe for an even closer cooperation. It will demonstrate to the world that we are one in purpose and conviction, and it can only lead to one thing—mutual benefit.

I thank you for your kind indulgence. [Applause, the Members rising.]

At 12 o'clock and 53 minutes p.m. His Majesty King Bhumibol Adulyadej of Thailand, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 12 o'clock and 55 minutes p.m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 45 minutes p.m.

AUTHORIZATION TO PRINT PROCEEDINGS HAD DURING RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AID FOR AGRICULTURE IMPERATIVE

Mr. CANNON. Mr. Speaker, this Congress cannot adjourn until it has done something to preserve American agriculture.

Every man who works in America today, no matter what his job, whether he works in the countinghouse or digs a ditch, is receiving not less than three times the income he received at the close of the war. And yet every farmer who works today—working longer than anybody else—and under more unfavorable conditions, he and his wife and his children, working from dawn until dusk, is receiving less than one-third of what he got at the close of the war.

An hour's labor today under any schedule, will buy more and better food than it ever bought before in the history of the world.

Mr. Speaker, how can you account for this remarkable situation? Why is everybody in America receiving larger and larger incomes these years of the Nation's greatest prosperity—while the farmer is receiving less and less.

The answer is written on the statute books of the United States Congress. Transportation is charging higher rates by virtue of laws passed by Congress and signed by the President. Labor is able to fix its wages by reason of laws passed by Congress and signed by the President. Finance is able to establish rates because of laws passed by Congress. Every class and profession, without exception, is able to control and increase its income through the operation of artificial supports provided in special interest legislation.

The farmer is the only exception. He alone has no voice in adjusting the price of what he buys and what he sells.

Why has this House in this session of Congress—and in every session of Congress—regularly passed bills and enacted laws to increase the income of millions who are already paid far above their war incomes while it has refused to do anything for the farmers who are receiving less than a third of what they got during the war?

Mr. Speaker why is the farmer being thrown to the wolves? Every man here who ate breakfast this morning sponged on the farmer—paid half for his breakfast and charged the other half to the farmer.

The farmer is subsidizing the breakfast table of every family in America.

The consumers of the Nation are robbing the farmer of billions of dollars which he and his wife and his children have earned by backbreaking and heartbreaking work and disappointment—and then turn around and charge him $3,500 for a tractor which he bought for $1,500 when he was getting three times what he is getting for hogs and chickens today.

Mr. Speaker, the laborer is worthy of his hire. Let the Members of the House take down their Bibles—and dust them off—and observe the 8th Commandment by enacting legislation that will do for the farmer what they have already done for every other segment of our national economy.

Mr. Speaker, Congress cannot adjourn until it has passed a farm bill.

CALENDAR WEDNESDAY

The SPEAKER. This is the day for the calling of the calendar of committees. The Clerk will call the first eligible committee.

The Clerk called the Committee on Education and Labor.

Mr. BARDEN. The Committee on Education and Labor passes.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further proceedings under Calendar Wednesday proceedings be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ECONOMIC AND SOCIAL DEVELOPMENT OF THE RYUKYU ISLANDS

Mr. PRICE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1157) to provide for promotion of economic and social development in the Ryukyu Islands, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out all after line 17 over to and including line 3 on page 4 and insert:

"SEC. 4. There is hereby authorized to be appropriated not to exceed $6,000,000 in any fiscal year for obligation and expenditure in accordance with programs approved by the President, for: (a) promoting the economic development of the Ryukyu Islands and improving the welfare of the inhabitants thereof; (b) reimbursing the Government of the Ryukyu Islands for services performed for the benefit of and by reason of the presence of the Armed Forces of the United States within the Ryukyu Islands, including but not limited to reimbursement for such services in the fields of public health and safety, in annual amounts which may be paid in advance to the Government of the Ryukyu Islands; and (c) emergency purposes related to typhoons or other disasters in the Ryukyu Islands. Preference shall be given to programs in which the Government of the Ryukyu Islands participates by sharing part of the costs or contributing other resources."

Page 4, line 4, strike out "6" and insert "5".

Page 4, line 10, strike out "7" and insert "6".

Page 4, line 13, strike out "8" and insert "7".

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The amendments were concurred in.

A motion to reconsider was laid on the table.

INTERNATIONAL DEVELOPMENT ASSOCIATION

The SPEAKER. The unfinished business is the vote on the motion to recommit the bill (H.R. 11001) to provide for the participation of the United States in the International Development Association.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill, H.R. 11001, to the House Committee on Banking and Currency.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes had it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 249, nays 158, not voting 24, as follows:

[Roll No. 162]

YEAS—249

Addonizio	Blatnik	Clark
Albert	Boggs	Coffin
Andersen, Minn.	Boland	Cohelan
Arends	Bolling	Collier
Ashley	Bolton	Conte
Aspinall	Bowles	Cook
Auchincloss	Brademas	Corbett
Avery	Breeding	Cramer
Ayres	Brewster	Curtis, Mass.
Baker	Broomfield	Curtis, Mo.
Baldwin	Brown, Ga.	Daddario
Barr	Burke, Ky.	Daniels
Barrett	Burke, Mass.	Davis, Tenn.
Barry	Byrne, Pa.	Delaney
Bass, N.H.	Byrnes, Wis.	Diggs
Bates	Cahill	Dingell
Baumhart	Canfield	Dixon
Becker	Cederberg	Dooley
Beckworth	Celler	Dorn, N.Y.
Belcher	Chamberlain	Doyle
Bennett, Fla.	Chenoweth	Dwyer
Bentley	Chiperfield	Evins
	Church	Fallon

Farbstein	Kluczynski	Quigley
Fascell	Kowalski	Rabaut
Feighan	Lane	Rains
Fino	Langen	Randall
Flood	Lankford	Ray
Fogarty	Lesinski	Reece, Tenn.
Foley	Libonati	Reuss
Forand	Lindsay	Rhodes, Pa.
Ford	McCormack	Riehlman
Fountain	McDonough	Rivers, Alaska
Frelinghuysen	McDowell	Rodino
Friedel	McFall	Rogers, Mass.
Fulton	McGovern	Rooney
Gallagher	Macdonald	Roosevelt
Garmatz	Machrowicz	Rostenkowski
Gary	Mack	Roush
Gathings	Madden	Rutherford
Giaimo	Magnuson	St. George
Gilbert	Mahon	Santangelo
Glenn	Mailliard	Saund
Goodell	Marshall	Saylor
Granahan	Martin	Schneebeli
Green, Oreg.	Matthews	Schwengel
Green, Pa.	May	Shelley
Griffin	Meader	Sheppard
Griffiths	Merrow	Sikes
Gubser	Metcalf	Sisk
Hagen	Meyer	Smith, Iowa
Halleck	Miller, Clem	Smith, Miss.
Halpern	Miller, George, P.	Smith, Va.
Hargis	Miller, N.Y.	Spence
Harrison	Milliken	Springer
Healey	Mills	Steed
Hébert	Mitchell	Stubblefield
Hechler	Monagan	Sullivan
Herlong	Moorhead	Taylor
Hess	Morgan	Teague, Calif.
Hiestand	Morrison	Teller
Holland	Moss	Thomas
Holtzman	Multer	Thompson, N.J.
Horan	Murphy	Thompson, Tex.
Hosmer	Natcher	Thornberry
Ikard	Nelsen	Toll
Inouye	Nix	Trimble
Irwin	O'Brien, Ill.	Udall
Jarman	O'Brien, N.Y.	Ullman
Johnson, Colo.	O'Hara, Ill.	Vanik
Johnson, Md.	O'Hara, Mich.	Van Pelt
Johnson, Wis.	O'Neill	Wainwright
Judd	Osmers	Wallhauser
Karsten	Ostertag	Walter
Karth	Pelly	Weis
Kasem	Pfost	Widnall
Kastenmeier	Pirnie	Wier
Kearns	Porter	Wilson
Keith	Powell	Wright
Kelly	Price	Yates
Kilburn	Prokop	Young
Kilday	Pucinski	Zablocki
Kilgore	Quie	Zelenko
King, Calif.		

NAYS—158

Abbitt	Dorn, S.C.	Kyl
Abernethy	Dowdy	Lafore
Adair	Downing	Laird
Alexander	Dulski	Landrum
Alger	Durham	Latta
Allen	Elliott	Lennon
Andrews	Everett	Levering
Ashmore	Fenton	Lipscomb
Bailey	Fisher	Loser
Barden	Flynn	McCulloch
Baring	Flynt	McIntire
Bass, Tenn.	Forrester	McMillan
Bennett, Mich.	Gavin	Michel
Berry	George	Minshall
Betts	Grant	Moeller
Blitch	Gray	Montoya
Bonner	Gross	Moore
Bosch	Haley	Morris, N. Mex.
Bow	Hardy	Moulder
Boykin	Harmon	Murray
Bray	Harris	Norblad
Brock	Hays	O'Konski
Brooks, La.	Hemphill	Oliver
Brooks, Tex.	Henderson	Passman
Brown, Mo.	Hoeven	Patman
Brown, Ohio	Hoffman, Ill.	Perkins
Broyhill	Hoffman, Mich.	Philbin
Budge	Hogan	Pilcher
Burleson	Holifield	Pillion
Cannon	Holt	Poage
Casey	Huddleston	Poff
Chelf	Hull	Preston
Coad	Jennings	Rees, Kans.
Colmer	Jensen	Rhodes, Ariz.
Cooley	Johansen	Riley
Cunningham	Johnson, Calif.	Rivers, S. C.
Curtin	Jonas	Roberts
Dague	Jones, Ala.	Robison
Dent	Jones, Mo.	Rogers, Colo.
Denton	Kee	Rogers, Fla.
Derounian	King, Utah	Rogers, Tex.
Derwinski	Kirwan	Schenck
Devine	Kitchin	Scherer
Donohue	Knox	Scott
Selden	Taber	Weaver
Shipley	Teague, Tex.	Westland
Short	Thomson, Wyo.	Wharton
Siler	Tollefson	Whitener
Simpson	Tuck	Whitten
Slack	Utt	Williams
Smith, Calif.	Van Zandt	Winstead
Smith, Kans.	Wampler	Wolf
Stratton	Watts	

NOT VOTING—24

Alford	Edmondson	Norrell
Anderson, Mont.	Frazier	Staggers
Anfuso	Jackson	Thompson, La.
Buckley	Keogh	Vinson
Burdick	McGinley	Willis
Carnahan	McSween	Withrow
Davis, Ga.	Mason	Younger
Dawson	Morris, Okla.	
	Mumma	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Younger for, with Mr. Mason against.

Mr. Thompson of Louisiana for, with Mr. Mumma against.

Until further notice:

Mr. Keogh with Mr. Jackson.

Mr. Buckley with Mr. Withrow.

Mr. SHIPLEY changed his vote from "yea" to "nay."

Mr. PIRNIE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3074) to provide for the participation of the United States in the International Development Association, to strike out all after the enacting clause, and insert the provisions of the bill (H.R. 11001) to provide for the participation of the United States in the International Development Association, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Speaker, I object.

SUGAR LEGISLATION

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my remarks, and to include the amendment to the sugar bill which will come before the House for consideration at an early date. This is a very brief explanation.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, the Rules Committee today cleared for House consideration H.R. 12311, the bill to extend the Sugar Act in modified form. The rule provides for 1 hour of general debate and permits the offering of only one amendment, to be submitted by the Committee on Agriculture.

So that the Members of the House may be thoroughly aware of the provisions of the bill including the proposed committee amendment, I submit here for the RECORD a brief summary, along with a copy of the bill amended, as follows:

First. A 1-year extension of the act to December 31, 1961.

Second. Presidential authority to establish—whether Congress is in session or not—the sugar quota for Cuba for the balance of 1960 and for 1961 at such level as the President shall find from time to time to be in the national interest, but in no event in excess of the Cuban quota under present law. If the President sets the Cuban quota at less than present law, the reduction would be reapportioned as follows: (a) An amount equivalent to Cuba's share in the domestic deficit may be assigned exclusively to the domestic area; and then (b) to five nations whose quota is presently between 3,000 and 10,000 tons a sufficient quantity of sugar to bring each of them up to 10,000 tons. These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then (c) to the Philippine Islands 15 percent of the remainder; and then (d) to the full duty nations having quotas under the act—except those five nations mentioned in (b) above—the remaining 85 percent in amounts prorated according to the quotas established by the act; and then (e) to any other foreign nations without regard to allocations.

The President also would have authority to obtain refined sugar if raw sugar was unavailable.

Third. A technical amendment recognizing Hawaii's full status as a State.

Fourth. A permanent change in the law which gives the Secretary of Agriculture the authority to reduce for the then current calendar year the quota of a foreign nation or an area, if that nation or area is unwilling or unable to meet its quota. The Secretary could reduce the nation's or area's quota by the amount of the deficit declared against it. This provision would prevent a country or area which had failed to fill its quota from disorganizing the U.S. market by shipping its full quota after a deficit had been declared against it.

Fifth. A provision applicable to the 1961 crop only which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits.

H.R. 12311

A bill to extend for one year the Sugar Act of 1948, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended by striking out "1960" in each place it appears therein and inserting in lieu thereof "1961".

SEC. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "1961" in each place it appears therein and inserting in lieu thereof "1962".

SEC. 3. Section 204(c) of the Sugar Act of 1948, as amended (relating to proration of deficits), is amended by striking out "shall not be reduced" and inserting "may be reduced".

SEC. 4. Section 302(b) of the Sugar Act of 1948, as amended (relating to the establishment of proportionate shares for farms), is amended by striking out the period at the end of the first sentence and inserting a colon and the following: *Provided,* That 75 per centum of any increase in proportionate shares in any area where restrictions are in

effect for the 1961 crop year over the total of restricted proportionate shares established for such area in the preceding year, less any shares arising from the 1960 growth factor, shall be reserved for new producers.

SEC. 5. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection "(a)"; and to add a new subsection "(b)" as follows:

"(b) Notwithstanding the provisions of title II of this Act, for the period ending December 31, 1961:

"(1) The President shall determine, notwithstanding any other provisions of title II, the quota for Cuba for the balance of calendar year 1960 and for calendar year 1961 in such amount or amounts as he shall find from time to time to be in the national interest: *Provided, however,* That in no event shall such quota at any time exceed such amount as would be provided for Cuba under the terms of title II in the absence of the amendments made herein, and such determinations shall become effective immediately upon publication in the Federal Register of the President's proclamation thereof;

"(2) For the purposes of meeting the requirements of consumers in the United States, the President is thereafter authorized to cause or permit to be brought or imported into or marketed in the United States, at such times and from such sources, including any country whose quota has been so reduced, and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection: *Provided, however,* That any part of such quantity equivalent to the proration of domestic deficits to the country whose quota has been reduced may be allocated to domestic areas and the remainder of such quantity (plus any part of such allocation that domestic areas are unable to fill) shall be apportioned in raw sugar as follows:

"(i) There shall first be allocated to other foreign countries for which quotas or prorations thereof of not less than three thousand or more than ten thousand short tons, raw value, are provided in section 202(c), such quantities of raw sugar as are required to permit importation in such calendar year of a total of ten thousand short tons, raw value, from such country;

"(ii) There shall next be apportioned to the Republic of the Philippines 15 per centum of the remainder of such importation;

"(iii) The balance, including any unfilled balances from allocations already provided, shall be allocated to or purchased from foreign countries having quotas under section 202(c), other than those provided for in the preceding subparagraph (i), in amounts prorated according to the quotas established under section 202(c): *Provided,* That if additional amounts of sugar are required the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation;

"(3) If the President finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity of sugar in the form of direct-consumption sugar as may be required."

SEC. 6. Sections 101(j), 203, 205(a), 209(a), 209(c), and 307 of the Sugar Act of 1948, as amended, are each amended by striking out the words "The Territory of" in each place where they appear therein.

MEXICAN FARM LABOR PROGRAM

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 12759, with Mr. EVINS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from North Carolina [Mr. COOLEY] had 14 minutes remaining; the gentleman from Iowa [Mr. HOEVEN] had 9 minutes remaining.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MCFALL].

Mr. MCFALL. Mr. Chairman, I am in support of an extension of Public Law 78, the Mexican national program, and the Fogarty amendment which should further improve the administration of the program to prevent its use to depress wages or working conditions or to replace domestic farmworkers.

The Public Law 78 program is essential to California as a supplement to the domestic farm labor force in the peak seasons when crops ripen at the same time in many areas and there simply are not enough domestic workers to do the job. This is the situation in San Joaquin and Stanislaus Counties in California, the district which I represent.

It is important that we take affirmative action now, since the Public Law 78 program, which technically runs until June 30, 1961, would be virtually dead for next year if not extended now, for two reasons: First, the farmers must know at the time of planting whether or not there is a reasonable assurance of the labor required to harvest the crops; second, the Department of Labor must know now if the program is to be continued in order to make the necessary budgetary requests for funds to enforce the program.

Originally, the House Agriculture Committee considered legislation that would do three things:

First. Extend the Public Law 78 program for 2 years, to June 30, 1963.

Second. Divide jurisdiction between the Secretary of Agriculture and the Secretary of Labor.

Third. Deny the Secretary of Labor authority to prescribe regulations to protect the domestic worker.

The committee first acted on a measure that would include points 1 and 3, eliminating point 2—the joint jurisdiction that would seriously cripple and perhaps even make impossible regulation of the program.

Later the committee reported a new bill, calling for a simple 2-year extension of the program, and eliminating the original section that would hamstring the Secretary of Labor.

This is the bill we are considering today which I support with the amendments recommended unanimously by a special consultant committee to insure that the program will not be operated to the detriment of the domestic worker.

It is my information that these recommendations are substantially in accord with the thinking of those who administer the program in the Department of Labor, but no clearance has yet been received from the administration and no formal recommendation will be made to Congress until next year.

However, if we are to extend the program at this time, these safeguards should also be incorporated now to insure that the Mexican nationals are used only as unskilled labor, on a seasonal basis and not in competition in any way with our American worker.

Secretary of Labor Mitchell wrote on June 24, 1960:

> There is ample evidence before the Department including the conclusions and recommendations of independent consultants who have studied the problem that the Mexican program legislation needs substantial improvement in order to avoid adverse effects upon our own farmworkers. My view remains that the existing law should not be extended until such time as improvements can be incorporated in it.

The citizens who studied the program and recommended the amendments to Secretary of Labor Mitchell are Edward J. Thye, former U.S. Senator from Minnesota; the Very Reverend Monsignor George C. Higgins, director of the social action department, National Catholic Welfare Conference; Glenn E. Garrett, chairman of the Texas Council on Migrant Labor; and Rufus B. von Kleinsmid, chancellor of the University of Southern California.

Their recommendations, which are to be offered today as an amendment by Congressman FOGARTY, would have the following effect, in brief:

No worker shall be supplied under the the program unless the Secretary of Labor certifies:

A. Sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which foreign workers are to be employed.

B. The employment of such foreign workers will not adversely affect the wages and working conditions of domestic agriculture workers similarly employed.

C. Reasonable efforts have been made to attract domestic workers for such employment, including independent and direct recruitment by the employer requesting foreign workers, at terms and conditions of employment comparable to those offered to foreign workers.

D. No foreign labor is to be imported except for seasonal and unskilled jobs.

Although there may be disagreement over method and specific language in the law, I feel certain that our growers in California have no quarrel with the objectives of these amendments, that is, to protect the domestic worker.

I have been told time and time again that the Public Law 78 program is desired only as a supplemental labor force, and that, in fact, the farmers much prefer to hire domestic workers if they are qualified and available in sufficient number when and where they are needed. I know this to be true.

My growers know also that their labor must be paid a fair wage equal to that of

workers in other segments of our economy; certainly the consumer has the ability to pay a price sufficient to yield a fair profit to the farmer and a fair wage to the agriculture worker. In my opinion, the Fogarty amendments will strengthen Public Law 78 by spelling out in greater detail the provisions and intent of the present law, thus providing the opportunity to build a larger domestic work force and to retain the necessary supplemental labor supply under fair and equitable conditions.

Should the Fogarty amendment be defeated, I would support the bill to extend the program as essential to a supplemental agricultural labor supply.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I am in favor of this bill, and I hope it passes.

With a 17-percent increase in population in the United States during the past decade, producers of the Nation's fresh fruit and vegetable supply have barely been able to maintain a comparable rate of increase in their production of these commodities. In other words, on a countrywide basis, the rate of population increase is outrunning the growth in production of the most healthful sector of our food supply, and this trend promises to continue.

However, in California and Arizona, the situation is different; during the past 10 years, production of vegetables and melons has not only been increased 26 percent, but the proportion of the national fresh food supply contributed by these two States was increased 25 percent. In 1959, California and Arizona produced 37.5 percent of the U.S. vegetable and melon tonnage, representing 41.5 percent of the value of crops in this category. This record was accomplished during a period of severe decline in the domestic labor supply, and only with the assistance of supplemental farm labor, which was made possible by the enactment of Public Law No. 78.

A recent economic survey of the California vegetable industry indicates that on the basis of present rate of production increase, an additional 200,000 acres of vegetables and melons will be harvested in 1975, making a total harvest labor demand for close to 1 million acres. This acreage will be needed if the present trend in dependency on California and Arizona for such a sizable portion of the Nation's fresh foods continues. Thus the continued availability of supplemental farm labor in this area as well as in other parts of the Nation producing fresh fruits and vegetables, is imperative if the food needs of our growing population are to be met.

The domestic farm labor supply in these two States has been drained away by the rapid industrial growth of the area during the past two decades. Because of the nature of the work in the fields, few persons employable in industry can or will turn to so-called stoop labor, even on a temporary basis. Furthermore, impartial studies will prove that the second generation members of Arizona's and California's onetime domestic labor supply, have been educated away from this type of work. The question as to the competition of supplementary labor with domestic labor is largely academic, as so far, no domestic labor supply, adequate in numbers or willingness to do hand labor in the fields, has been made available to fruit and vegetable growers.

Mechanization does not offer the vegetable and melon grower the same labor saving possibilities now being enjoyed by some other sectors of the California and Arizona agricultural industry. This is a point that need not be stressed, for everyone realizes that the very nature of these commodities make it virtually impossible to mechanize their harvest. The electronics industry has performed wonders, but so far no one has come up with a machine that can determine just the proper maturity of vegetables and melons or fruit, then proceed to pick them. Even the smaller grower, limited in the amount of labor-saving equipment that he can buy, must have additional hand labor during harvest peaks, for vegetables, melons, and fruits are highly perishable and harvesting cannot be delayed. Thus, the arguments as to family farm versus corporate farm have no place in the consideration of present legislation.

Seldom has the Congress been faced with the consideration of such contradictory and misleading statements and statistics as those which appear in the hundreds of pages of testimony on farm labor conditions placed before this lawmaking body in recent years. For this reason, decisions based on social and economic equity have been made difficult for fair-minded legislators, particularly those who realize that the integrity of the American food supply is in the balance, and that ultimately the consumer will suffer if the Congress enacts farm labor legislation which violates the principles of sound economics. Objective research to determine the greatest good to the greatest number is the only rational solution to the problem.

It is for this reason that the Western Growers Association, representing vegetable growers, large and small, who furnish 40 percent of the American supply of these commodities, has urged the Congress to extend Public Law 78, and bring to an end bureaucratic tinkering with the supplemental labor supply.

Background statistics as to the type of crops, acreage, production, and value for Arizona and California are shown below:

CALIFORNIA-ARIZONA ROW CROPS TOP NATION AGAIN IN 1959

(By Gerald R. Strauss, editor, Western Grower and Shipper)

California-Arizona growers led the Nation once again last year in acreage, production, and value of vegetable and melon crops, according to figures released by the Crop Reporting Board of the USDA Agricultural Marketing Service.

Vegetables and melons grown in the two Western States during 1959 were produced on 740,730 acres (21.3 percent of the Nation's total acreage of these crops), totaled 128,621,000 hundredweight (37.3 percent of the total U.S. production) and were valued at $437,043,000 (41.5 percent of the total U.S. value).

As in years past, California dominated the rest of the States, ranking first in acreage (22.1 percent of U.S. total), first in production (33.5 percent) and first in value (40.1 percent) of vegetables and melons produced for the fresh market.

The Golden State also ranked first in production (32.7 percent) and value (26.4 percent) of vegetables and melons produced for processing. It ranked second (14.2 percent) behind Wisconsin (15.3 percent) in acreage planted for processing of these commodities.

Arizona, too, was prominent among the Nation's agricultural States, ranking fourth in acreage (4.9 percent), fourth in production (6.8 percent) and third in value (6.4 percent) of vegetables and melons produced for the fresh market.

California and Arizona potato growers were also among the Nation's leaders in 1959, producing 12.1 percent of the Nation's production on 7.6 percent of the U.S. acreage and accounting for 16.8 percent of the Nation's value for this crop.

The bulk of the California potato crop (14,625,000), it should be pointed out, was produced in the late spring and accounted for more than half the Nation's late spring potato acreage.

1959 California-Arizona vegetable and melon crop summary

[Figures issued by Crop Reporting Board, USDA Agricultural Marketing Service]

	Acres	Production (hundredweight)	Value
Artichokes	9,400	376,000	$3,419,000
Asparagus	77,800	1,867,000	21,005,000
Beans, green lima	22,100	754,000	5,426,000
Beans, snap	8,200	1,059,000	9,711,000
Broccoli	26,800	1,654,000	13,004,000
Brussels sprouts	4,800	528,000	4,690,000
Cabbage	11,500	2,690,000	6,372,000
Cantaloups	69,100	9,219,000	42,553,000
Carrots	25,200	6,769,000	27,916,000
Cauliflower	14,400	2,351,000	7,375,000
Celery	18,050	8,663,000	29,083,000
Corn, sweet	20,200	1,527,000	6,970,000
Cucumbers	6,200	1,242,000	4,965,000
Garlic	3,200	272,000	2,576,000
Honeydews	6,460	1,131,000	6,108,000
Lettuce	179,800	29,964,000	108,402,000
Onions	16,800	5,846,000	12,488,000
Peas, green	12,800	444,000	3,069,000
Peppers, green	4,600	598,000	6,662,000
Spinach	10,900	1,530,000	2,923,000
Tomatoes	164,100	47,598,000	100,783,000
Watermelons	26,700	4,325,000	11,239,000
Not broken down [1]	1,620	214,000	304,000
California and Arizona total	740,730	128,621,000	437,043,000
U.S. total	3,481,700	345,093,000	1,051,878,000
Percent of U.S. total	21.3	37.3	41.5

[1] California beets for canning, California sweet corn for processing, Arizona cucumbers for pickles, California fall spinach for processing, Arizona tomatoes for processing.

1959 California-Arizona potato crop summary

[Figures issued by Crop Reporting Board, USDA Agricultural Marketing Service]

	Acres	Production (hundredweight)	Value
California and Arizona total	105,200	29,478,000	$83,374,000
U.S. total	1,392,200	242,998,000	495,734,000
Percent of U.S. total	7.6	12.1	16.8

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman, I rise in support of this legislation. Although a New York Congressman, I also happen

to be a farmer from southern California. I want to assure Members of the House that on my farm we pay $1.50 per hour for farm labor, and still cannot get it.

My farm is in the district represented by Mr. SAUND, it is in the Imperial Valley area. The farm labor that comes in from Mexico takes care of this vast farm industry, which could not possibly survive without it.

This is a good bill. It is in the economic interest of the Nation, and especially the farmers in this highly productive area.

Mr. HOEVEN. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I am sure that those older Members of the House who were here when this bill was passed 6 years ago will understand when I say I never come on the floor in connection with Public Law 78 without some apprehensive glances up in the galleries.

Now, we have H.R. 12759 before us providing for a straight 2-year extension of Public Law 78. I think there are many reasons why this bill should be passed without amendment or without change. In the first place, in a highly industrial State like my State of Michigan, where we have a substantial amount of unemployment in our large industrial centers from time to time, and where we still use some 8,000 or more of these Mexican contract laborers a year, our farmers have found it absolutely impossible to get reliable, skilled, trained domestic labor to perform many of these so-called stoop labor tasks involving the thinning of sugar beets, the picking of pickles, and the harvesting of cherries, apples, and so forth, from our various orchards and so forth. Of course, the committee is well aware that the Department of Labor will not certify any grower for Mexican contract labor unless all attempts to find domestic labor have been exhausted. Many times, however, our growers have been certified to use domestic labor with the result that the labor is unskilled and the particular crop is damaged, resulting in practically a total loss, or the workers will come out one day and the boys will get an hour or two of work in the sun and the next day they will not show up, or if they are temporarily laid off from the automobile plants, many times right in the middle of the crop season, and the work picks up, the boys are called back to the factories, and there goes that crop for the year. Our farmers, just like the farmers in other parts of the country that use this Mexican contract labor, have to rely on a steady, guaranteed, skilled source of supply, and there is absolutely no way they can get it except under a continuation of this program.

Mr. Chairman, I have had some experience with this program in Mexico. I was down there in 1943 with the U.S. Government when it started out. And, I know what the feeling is among the Mexican people to a great extent. If you tamper with this program or if you terminate it or do anything to cut off the ability to recruit Mexican contract labor in Mexico, you are going to have the entire Mexican-United States border crawling with illegal entrants, the so-called wetbacks. I think it is much more advisable to have these people come in as they do now under contract, with supervision by the Immigration people, so that when their employment is terminated they will go back to Mexico and not come up as illegal immigrants with the problems that are incident thereto.

Mr. HOEVEN. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. I will ask the gentleman, does he have any unemployed people in the State of Michigan?

Mr. HOFFMAN of Michigan. Surely; we have them on unemployment relief and they will not take a job when it is offered.

Mr. BAILEY. Because under this they could not get a job for more than about 50 cents an hour.

Mr. HOFFMAN of Michigan. No; because they do not get what they want. Some families make as much as $50 a day picking cherries. These folks who are on unemployment relief, many of them work in the resort industry and then when Labor Day comes and many will not go over to the canning factory on a job until they have exhausted their unemployment compensation. I know; they write me and so do those who need employees.

Mr. BAILEY. If you paid them a reasonable wage in the canning plant, they would take jobs there.

Mr. HOFFMAN of Michigan. No they will not. Not until they have used unemployment and they go hunting and fishing on vacation. The canning workers do not get as much money as the gentleman's coal miners in West Virginia, who own a bank down here in Washington, stock in others and have cash deposits and a welfare fund. John Lewis fixed that by making everyone who used coal pay more. You are supposed to be in a wonderful situation there; you have a wealthy group of United Mine Workers and then you have a lot of people who are on relief. How can the gentleman justify having the two classes. That is what John Lewis did down there. He contributed three-quarters of a million dollars to Roosevelt's campaign—do you remember that? Where did he get that money? He got it out of the miners.

Sure, we have Mexicans in Michigan, a lot of them. We must have them or we could not get the crops harvested, because growers cannot afford to pay what some of these people demand. Our Americans will not work at that stoop labor.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. COOLEY. Do I understand the gentleman from Michigan is in favor of the enactment of this bill? Is the gentleman in favor of the bill we have under consideration?

Mr. HOFFMAN of Michigan. Surely.

Mr. COOLEY. That is what I thought.

Mr. HOFFMAN of Michigan. Can't the gentleman tell from what I am saying?

We all know that is the situation. Our American workers will not do this work; there is no argument about it. The work is what Fred Crawford used to call stoop labor. Our workers just won't do it. Go ahead and raise their wages, and as the two gentlemen from California said yesterday, you will pay more or go without the farm products.

I know what they will do. They will raise the price of oranges so that many will not be able to get an orange peel, to say nothing of the pulp inside it. That is what will happen when you boost the wage. Are not prices high enough to suit you now? All you will ever get out of these increases is the opportunity to handle more dollars which buy less, I will say to my friend from West Virginia.

Mr. COOLEY. Mr. Chairman, I yield such time as he may require to the gentleman from New Mexico [Mr. MONTOYA].

Mr. MONTOYA. Mr. Chairman, I appreciate having a few moments with respect to one of the aspects of the farm labor program. I am speaking of the impact which the importation of Mexican nationals—braceros—has had on the employment of domestic workers. There has been considerable testimony which would lead one to believe that domestic workers have been denied employment because of the employment of Mexican nationals. Many of us contend that this is not a true picture and that, in fact, the inability of the farmer to obtain domestic labor has forced him to rely on the Mexican contract worker.

The need for Mexican nationals is simple. They are needed to perform those agricultural activities when there is not a sufficient number of domestic labor available. In many areas of our country there has been a year-round shortage of agricultural workers and the use of foreign labor to relieve this shortage is as old as the agricultural industry. During World War II some prisoners of war were used to supplement domestic labor but the enactment of Public Law 78 made it possible to legally import Mexican nationals to supplement the local labor force.

The latest survey by the Agricultural Experiment Station, New Mexico State University, indicates the present outlook for New Mexico farm labor as being an increase in demand but a limited supply of available domestic workers. Proximity to labor surplus areas in Mexico, and a national farm labor deficiency of some 400,000 to 500,000 seasonal workers annually, leads us to believe that shortages of agricultural labor in New Mexico will have to be met from the Mexican nationals source.

The survey further shows that the composition of the New Mexico labor force has been changing significantly in the past 15 years. The total number of workers in agriculture, including regular and seasonal hired wage workers and farm operators, declined 21.7 percent from 1947 to 1958 in New Mexico,

while the number of construction workers employed increased by 98.3 percent.

In 1947 there were about 50,600 workers in agriculture, amounting to 25 percent of the total labor force in the State. The number of workers in agriculture decreased to 39,600 in 1958 and made up only 12.1 percent of the labor force. Where have these 11,000 former agricultural workers gone? Construction work, one apparent field, increased by 11,800 workers during this period. Probably not all of the 11,000 agricultural workers joined the construction trade, but large numbers have made this shift.

In the past few years considerable local unemployment has developed in the mining communities of the State. Efforts to recruit unemployment miners for agricultural work have been disappointing. One labor user association in southwestern New Mexico made a vigorous effort, through the employment service office and through newspaper, radio, and TV announcements, to encourage unemployed miners to come to the employment office for interviews. On the appointed day, four workers appeared for an interview. One worker promised to accept employment but actually no workers presented themselves at the contracting association for employment.

A second association was able to recruit 11 unemployed miners from Grant County, N. Mex., and Morenci, Ariz. Eight of these workers are presently employed, three having left a few days after placement.

I want to emphasize that no farmer would incur the expense of having to import Mexican labor if he could go to town and have the labor hauled to the farm on a day-to-day basis. In addition to costs, the administration and supervision of the workers necessary to comply with the standard work contract is time consuming and presents additional problems. There is every reason to believe that a farmer is willing to utilize local labor to the utmost but the fact remains that the availability of this labor is limited and in many instances unreliable. Thus, in the main, the farmer is forced to depend on the bracero labor.

For many years local workers have migrated from agricultural employment to jobs in cities and towns across the United States; 1 farmworker now produces enough food and fiber for approximately 25 other persons whereas in 1940 1 farmworker produced only enough for himself and 11 other persons. Agricultural productivity per worker has increased faster than population since 1950; consequently, fewer workers are required in agriculture. Manpower released from agriculture has made possible increased production of other goods and services.

Expanding opportunities for employment in nonagricultural work in New Mexico have accompanied the economic growth of the United States in recent years. The expansion of these nonagricultural industries has taken many workers from agricultural jobs and forced farmers to seek labor outside the State and/or to mechanize their farming operations.

New Mexico has experienced tremendous growth in the building of homes, businesses, highways, and military installations. As I have said, a large number of former agricultural workers have taken jobs in the construction trades, and also in servicing businesses.

There is a strong reluctance on the part of workers, although unemployed, to return to agricultural jobs upon termination of their nonagricultural jobs, because agricultural work is no longer appealing to them, for both economic and sociological reasons. A serious problem exists for these workers and the community. When a slump hits the nonagricultural sector and men are laid off, they are presumably available for farmwork. However, most will not accept jobs on farms after having received higher wages in nonagricultural jobs. Often when such men return to agricultural jobs, they do not perform satisfactory work.

The changing attitudes toward work on farms and opportunities for nonagricultural employment along with the differences in wage levels between agriculture and other industries have had serious effects on the local labor force available for agricultural employment. Farmers have not been in a position to offer wages comparable to those paid in the nonagricultural industries because they have no way of passing the increased cost of labor on to the consumer, as can be done in other industries. Herein lies the heart of the problem of rising production costs to the farmer. Farmers operate on a very competitive type of selling market and buy in a noncompetitive type market. To obtain a dependable source of workers, farmers have utilized the Mexican national under the provisions of Public Law 78.

Now you may ask, What about the use of migrant workers? The truth of the matter is that farmers' experiences with migrant workers indicate that they are not always reliable farmhands. Employment of such workers has also proven to be expensive for farmers since the time required to train the worker probably may, and often does, exceed the length of time the worker stays on the job. These migrant workers do not like to stay in one place very long and in fact many times they will leave before all work is done for no apparent reason other than that they just want to move to a new area.

New Mexico representatives of 7 employer associations in 1958 recruited on 156 orders for 382 workers in Oklahoma and representatives of 5 associations recruited on 137 orders for 223 in Missouri. Out of the hundreds of workers interviewed, 160 indicated they would accept the jobs offered; but only 58 actually reported to the employer and started work. After several months, only 15 of the workers remained on the job they had come to New Mexico to accept. A year later, only two were still on the job.

There is no question but that the recruitment efforts demonstrated by New Mexico employers of Mexican nationals indicates willingness to hire domestic workers. However, their efforts have been costly and unsuccessful. Foreign workers have increased in importance as a source of seasonal agricultural labor since 1954, although they have declined by 26 percent in numbers employed on farms and ranches in New Mexico.

I believe it is incumbent upon the Congress of the United States to extend the Mexican farm labor program in order to fill the need for farmworkers in many areas of the country; areas that cannot otherwise come anywhere near to meeting the pressing problem. All of us appreciate the many-sided controversy but we must be objective; we must do the best we can.

Mr. COOLEY. Mr. Chairman, I yield the remaining time on this side to the chairman of the subcommittee, the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, the Subcommittee on Supplies, Machinery, and Manpower held extended hearings on this legislation. We reported out a bill that bore my name, that was really a committee bill. That legislation had two parts. One incorporated the identical language carried in the Sisk bill which would extend Public Law 78 for a period of 2 years. The other provision was one that had to do with the Wagner-Peyser Act, which was passed by this Congress in 1933, and the regulations that had been promulgated under the provisions of that act by the Secretary of Labor.

It was felt in the dying hours of this Congress that we did not have sufficient time to go into the second version of that legislation, so we deferred action on that until the next session when we would have an opportunity to consider that phase of it.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Texas.

Mr. POAGE. Am I not correct in saying that the subcommittee and later the committee felt that it would be unnecessary and unwise to bring in the additional provisions inasmuch as it was clearly the existing law and that the committee felt that the Secretary had no power to exercise the powers that he claimed to have a right to exercise; and since he had no power, we would be but doing a vain thing to try to say to him that he could not have this power that he did not have.

Mr. GATHINGS. We recognize that he does not have that power to issue these regulations under the Wagner-Peyser Act since the legislative branch gave no such authority to him.

Mr. POAGE. That is right. We all recognize he does not have those powers today. I want it understood that right now we are advising the House that this is a part of the legislative history.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Are we to understand that you are going to put the Secretary of Labor, Mr. Mitchell, on record as being for this legislation?

Mr. GATHINGS. I am not speaking for the Secretary of Labor.

Mr. BAILEY. I am saying that he is not for this legislation.

Mr. GATHINGS. He may not be and he may be, but he has been supporting it previously.

Mr. BAILEY. You are taking away from him authority that he already has.

Mr. GATHINGS. I will not yield any further to the gentleman. He has assumed authority that does not exist. Congress is the legislative branch and it has exempted the farmer from the provisions of the Fair Labor Standards Act and the Landrum-Griffin Act.

Mr. McINTIRE. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Maine.

Mr. McINTIRE. Am I correct in my understanding that the subcommittee that considered this legislation had under consideration the matter of the jurisdiction of the Wagner-Peyser Act, and that after very careful consideration it is the opinion of the subcommittee and the full committee that the Wagner-Peyser Act does not grant to the Secretary of Labor the authority to deny the use of Employment Security offices to farmers unless they comply with such conditions as the Secretary of Labor may wish to impose?

Mr. GATHINGS. It does not and did not grant him such authority. That is the opinion of the subcommittee and the full Committee on Agriculture. There were only three dissenters on the committee which is composed of 33 members.

Mr. McINTIRE. The fact that the conditions of the Wagner-Peyser Act are not a part of the legislation now before the Committee does not change the position of the subcommittee in relation to our understanding of the provisions of that act?

Mr. GATHINGS. Not at all. As a matter of fact, it is necessary that we act and act soon on this simple extension of Public Law 78. It is highly essential that we do so. The Department itself must take up the budget requirements this fall and be ready to ask for the money necessary to run this program next year. The farmer has to make his financial arrangements for the operation of his farm in 1961.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Kansas.

Mr. BREEDING. Mr. Chairman, I rise in support of the legislation and agree wholeheartedly with the remarks of the gentleman from Arkansas.

Mr. Chairman, I want to make a few additional remarks in support of the Mexican farm labor program now under discussion. This bill would extend for 2 years the Act under which workers are brought into the United States from Mexico under the supervision of the Department of Labor, to assist in seasonal farm operations in this country. This program has been of tremendous value in providing seasonal help to farmers. This supply of experienced farmworkers is very definitely required to plant and harvest our crops. At the present time, such commodities as sugar beets, melons, onions, and other vegetables can only be grown and harvested with the assistance rendered under Public Law 78. Many crops depend upon labor provided under this program. I feel that its extension is imperative if we are to continue to produce these commodities. I urge that this measure be approved by this great body.

Mr. GATHINGS. What are the reasons for the extension of Public Law 78? In the first place, it is necessary to get supplemental labor to harvest food and fiber crops, when domestic workers are not available. The act has almost entirely eliminated the wetback menace in this country. Let us look at the figures given by the Immigration Service to us. For instance, in 1954, 1,475,168 swam the river and came into this country and worked on the farms of America to earn a livelihood. After we had this legislation on the statute books, the figures show in 1959 that that 1,475,168 had been reduced to only 35,196 who entered this country illegally.

That is the value of this legislation. It also benefits the Mexican worker. Those Mexicans who have been driving an ox cart at 75 cents a day will make $7 or $8 a day under a contract to do farmwork in this country. That money goes back into the channels of trade and it helps Mexico in trading with America. It helps our factories. Those dollars come back to this country in export trade and it keeps our factory wheels turning and our labor employed.

Mr. TEAGUE of California. Since the adoption of this Mexican contract farm labor program, we have fewer Mexican farm laborers in this country for the reason that the illegal wetback entries have been reduced from 1 million to about 30,000?

Mr. GATHINGS. Yes. We only have now coming in under the contract something less than 500,000. They only come in when it is certified by the Secretary of Labor that you cannot get this labor from any other source.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Does the record show there are only 30,000 wetback Mexicans in this country, when the figures show that we have millions?

Mr. GATHINGS. That was the number apprehended, according to the record.

Mr. BAILEY. That is better.

Mr. GATHINGS. This program is a producer of dollars to the Mexican economy. It builds good will across the border.

I want to say that the consultant's report has been brought into this debate by the gentleman from Rhode Island. He has introduced what is known as the McGovern bill, or a good part of that bill is incorporated in the amendment of the gentleman from Rhode Island. The consultant's report was before our committee and we studied it carefully. There is an advisory committee already set up in the Department of Labor consisting of 48 men. It was created to advise the Secretary of Labor with respect to the various problems that might arise from time to time. They have a subcommittee known as the Mexican Labor Subcommittee, composed of 13 individuals. Mr. Langenegger of Mexico came before our committee. He advised the subcommittee that the Department of Labor did not take the advice of that 13-man subcommittee on labor at all. Now they come up with a consultant's group. Why should this Congress be asked to take the advice of the consultant's group in this instance? They said what we need to do is to cut down this program 20 percent each year, and in 5 years fold it up. If that is done, we would not have an ample supply of food and we would not have something to wear on our backs. It would be calamitous to be reducing the number constantly because you have a different situation in various areas with respect to weather conditions. In the Southwest we had considerable rain this spring.

As a result our fields were filled with grass and weeds. It was necessary to get a supplemental supply of labor. Instead of the 6,000 we had a year ago for spring chopping at this time it was necessary to bring in more than 11,000 and even to supplement that number so that now we have better than 12,000 that have come in to do that necessary work in our fields. So weather conditions do play an important part.

The report states that this is a low-wage industry and they cited cotton wages as an example. Farmworkers are entitled to good wages; all of our workers are entitled to good wages; they are getting good wages. We are all in favor of giving the workingman what is just and proper, that to which he is entitled. Let us look now to the report. This report did not mention the increased cost of producing a crop. This report did not mention the decline in the price the farmer receives for a particular commodity.

The gentleman from Mississippi [Mr. SMITH] put information in the RECORD obtained from the Extension Service of the State of Mississippi showing that there was a decline in the price of cotton of 6 cents a pound, or $30 a bale from 1951 to 1957. That report further states that between the period 1940 to 1955 the cost rises were as follows: Wages had advanced 200 percent; machinery prices were up 115 percent; land price was up 150 percent; and taxes were up 115 percent.

This report indicates that what we need today is to have more controls and more people to go out and enforce this particular law. A police force from Washington.

I hope and trust we will extend this very meritorious law and vote down the amendment to be offered by the gentleman from Rhode Island.

The CHAIRMAN. The time of the gentleman from Arkansas has expired, all time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sec-

tion 509 of such Act, as amended, is amended by striking "June 30, 1961" and inserting "June 30, 1963".

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: Page 1, line 4, add the following: "Section 501 of the Agricultural Act of 1949, as amended, is amended by deleting the first paragraph and substituting therefor the following:

"'SEC. 501. The Secretary of Labor is authorized to determine whether and to what extent it is necessary to augment the agricultural labor force in the United States by supplying workers from the Republic of Mexico. Such workers shall be supplied pursuant to arrangements between the United States and the Republic of Mexico only if the Secretary certifies that (A) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which foreign workers are to be employed, (B) the employment of such foreign workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed, and (C) reasonable efforts have been made to attract domestic workers for such employment, including independent and direct recruitment by the employer requesting foreign workers, at terms and conditions of employment comparable to those offered to foreign workers. No workers shall be supplied pursuant to the provisions of this title except for seasonal employment or employment requiring no specialized skills.

"'In carrying out the provisions of this title, the Secretary is authorized—'.

"(b) Section 501 of such Act is further amended by renumbering paragraphs (2), (3), (4), (5), and (6) as paragraphs (4), (5), (6), (7), and (8), respectively, and inserting after paragraph (1) the following new paragraphs:

"'(2) to fix the ratio of agricultural workers from the Republic of Mexico to domestic agricultural workers which may be employed by any employer, when necessary to assure active competition for the available supply of United States agricultural workers;

"'(3) to establish specific criteria for judging whether the employment of Mexican agricultural workers in the United States is adversely affecting or will adversely affect the wages, working conditions, or employment opportunities of domestic workers similarly employed. Such criteria shall include but shall not be limited to (a) failure of wages and earnings in activities and areas using Mexicans to advance with wage increases generally; (b) the relationship between Mexican employment trends and wage trends in areas using Mexican workers; (c) differences in wage and earning levels of workers on farm using Mexican labor compared with nonusers;'.

"(c) Section 501 of such Act is further amended by substituting the words 'paragraph (5)' for the words 'paragraph (3)' where they appear in paragraph (6), as so redesignated by subsection (b) of this section.

"SEC. 2. Section 502(3) of such Act is amended by substituting the words "section 501(6)" for the words "section 501(5)" therein.

"SEC. 3. Section 503 of such Act is amended to read as follows:

"'SEC. 503. No workers recruited under this title shall be made available to any employer unless the United States agricultural workers employed by such employer are paid at wage rates not less favorable than those required to be offered to Mexican workers.'

"SEC. 4. Section 506 of such Act is amended by deleting the word 'and' at the end of paragraph (2), striking the period at the end of paragraph (3), and inserting in lieu thereof the following: '; and', and by adding at the end thereof the following new paragraph:

"'(4) issue such rules and regulations as may be necessary to carry out the provisions of this title.'"

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield for a question?

Mr. FOGARTY. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. May I ask the gentleman, Does the amendment which he has offered contain in the main the substance of the McGovern bill?

Mr. FOGARTY. The amendment constitutes all of the McGovern bill with the exception of the phasing-out section, the last section of the McGovern bill.

Mrs. CHURCH. May I ask the gentleman whether the Secretary of Labor favors this amendment?

Mr. FOGARTY. The Secretary of Labor does favor the amendment. The council favors the amendment. Practically every church group in the country favors the amendment, and practically every other group that has some interest in the domestic farmworker favors the amendment. I have received a number of communications supporting the amendment from church groups, civic organizations, and respected individuals. Typical of these are the following letters from the Friends Committee on National Legislation, the National Consumers' League, and a druggist from Arizona; an editorial dated June 20, 1960, from the Houston Chronicle; a newsletter from the Religious Newsweekly; and a telegram from produce growers in California and Arizona:

FRIENDS COMMITTEE
ON NATIONAL LEGISLATION,
Washington, D.C., June 27, 1960.

DEAR CONGRESSMAN: Based on intimate contact with farm labor in California by field workers of the American Friends Service Committee over a period of several years, we believe that H.R. 12759 reported to the House recently should be amended.

This bill would extend the Mexican farm labor importation program for 2 years without any control of wage rates or working conditions. It completely disregards the recommendation of a distinguished group of impartial consultants in a report to the Secretary of Labor last year.

We believe that mass importation of Mexican farm labor without adequate regulation of wage rates and working conditions has far-reaching adverse effects on American farmworkers and family farms—segments of our economy already in serious distress.

Recognizing that basic changes in the present situation cannot be effected immediately and that some importation of workers to harvest perishable crops will continue to be needed, we urge adding sections 1, 2, 3, and 4 of the McGovern bill, H.R. 11211, to H.R. 12759. The McGovern bill would provide protection for both domestic and imported farmworkers by giving the Secretary of Labor authority to determine the need and set standards for the employment of Mexican workers as recommended by the consultants last year.

Sincerely yours,
E. RAYMOND WILSON.

NATIONAL CONSUMERS LEAGUE,
Washington, D.C., June 28, 1960.

Hon. JOHN E. FOGARTY,
House of Representatives,
Washington, D.C.

DEAR MR. FOGARTY: In our letter of June 7 we wrote you concerning the Mexican farm labor importation program urging your opposition to the Gathings bill and support for the McGovern bill. Since then, the House Agriculture Committee has obtained a new rule replacing the Gathings bill by H.R. 12759, introduced by Mr. SISK. The Sisk bill will come before the House of Representatives this week. We urge you to oppose it.

The Sisk bill differs from the Gathings bill in only one respect—it omits a section which would have forced the U.S. Employment Service to recruit domestic farmworkers to undercut area prevailing wages and working conditions. As undesirable as that section of the Gathings bill was, the dangers inherent in the Mexican farm labor program are not relieved by its omission. By extending the Mexican importation program as is for 2 years, the Sisk bill would continue all of the abuses of the current program and thereby continue the basic cause of the deplorable wages and high unemployment of American farmworkers.

We therefore urge you to oppose the Sisk bill, H.R. 12759, unless it is amended to include protections which would prevent the use of Mexican farmworkers to the detriment and impoverishment of American farmworkers. These amendments will probably be offered by Mr. JOHN FOGARTY.

Sincerely yours,
VERA WALTMAN MAYER,
General Secretary.

VALLEY DRUG,
Somerton, Ariz., June 27, 1960.

Hon. J. E. FOGARTY,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. FOGARTY: As a merchant in a town that has been wrecked by the bracero plan, I beg you to restrict it in every way possible. There is no justification for any employer to use braceros on a year-round basis. If no employer were allowed to use braceros in more than 8 months during the year, then the employer would have to try to find citizens for the full-time jobs. There is no attempt to find such employees now.

This is one of the areas where braceros make up more than 80 percent of the farm labor force. Since the farmwork was turned to them in 1953, at least 10 Main Street merchants in Somerton have had to close their businesses. Odd as it may seem, one of the few attempts to improve conditions is a major factor in the decline of this town. The Department of Labor set up minimum housing requirements for braceros, but General Swing, of the Department of Immigration and Naturalization, offered the farmers an out. He decided that the braceros could live in Mexico and commute to jobs here. Naturally, the farmers approved of this, because they were able to thus avoid all housing regulations. The braceros are happy with the setup because they do well according to the standard of living in Mexico. For domestic workers to come into this area, they must accept a wage that supports the Mexican standard of living. Only by lowering our standards to theirs can we compete. That is why over 80 percent of the jobs are held by braceros. The law as written never intended for braceros to live in Mexico and commute. Please try to put an end to this.

If year-round employment is stopped, commuting daily from Mexico is stopped, and your 20-percent-per-year reduction in the number of braceros to be imported is adopted, then there will finally be an end to the situation in sight.

Yours very truly,

JACK PATE.

NOTE.—It might interest you to know that enforcement has been so lax that in many cases one bracero has held the same job for the same employer for 5 years or more. Each 18 months a new contract would be issued in his name. The law never intended this.

[From the Houston Chronicle, June 20, 1960]

HIGHER PAY, NOT MASS BRACERO PROGRAM, IS PROPER SOLUTION

Congress is looking into the problem of the migrant farmworker—one of those problems we always have with us and of which we cannot be proud.

A House resolution would continue for 2 years, without change, Public Law 78 which provides for the mass importation of Mexican farmworkers, or braceros. It also would deny the Secretary of Agriculture his present authority to establish standards for wages, transportation, and housing for farm workers recruited by the U.S. Employment Service. The National Consumers League calls the House resolution (No. 12176) thoroughly bad, particularly in that it would, the league says, permit undercutting of existing area wages and other standards. The league goes on from there to assert that importation of braceros should be eliminated over a 5-year period.

The bracero program has worked well for the imported laborers and for the farmowners. However, it has worked a tremendous hardship on the native American farm laborer.

Its purpose was to assure an adequate supply of farm labor and incidentally stop the evil of the invasion of "wetbacks" who often were exploited and were constantly subject to deportation. Its purpose was not to depress farm wages or to drive the native farmworker out.

A case can be made for the theory that the bracero depresses wages. He certainly is too tough competition for the native migrant laborers. While the bracero can earn enough money in 3 to 6 months for his family to live on in Mexico for twice as long, the native American farm worker cannot live in this country on the 50 cents an hour which is the usual wage the bracero gets. (Cotton picking generally pays a little more.)

The result is that each year as the harvest season begins there is a mass exodus of Texas farm workers, mostly Latin Americans, to points in the North and Northwest where they can get better wages and are not so directly exposed to competition from their fellow Latins from across the border.

What is needed, it would seem, even more than a program of phasing out the importation of braceros over a period of years is to raise farm wages in Texas and other States where the minimum is anything like 50 cents an hour. Surely $1 an hour is little enough for that hard, back-breaking work. If wages were raised to $1 an hour the lot of the native farm laborers would be greatly improved and the domestic farmworker supply might rise sharply, making the importation of anything like 400,000 or 500,000 braceros each year unnecessary.

[From the Religious Newsweekly, New York, N.Y., June 14, 1960]

RHODE ISLAND COUNCIL ISSUES CALL FOR ACTION ON MIGRANTS

The legislative committee of the Rhode Island State Council of Churches last week issued a call for action by its member churches concerning Public Law 78. The law, passed by the 82d Congress during the last war, governs the entry of farm labor from Mexico. It expires on June 30, 1961, but two bills now in the House of Representatives would extend and amend it.

"The present law," says the committee, "has permitted increasing numbers of Mexican farm laborers to enter the United States—one-half million in 1959—to the detriment of domestic workers who have been deprived of employment."

The committee voices its support for H.R. 11211, known as the McGovern bill, which would extend the present law but with a 20-percent reduction in the numbers of Mexican migrants admitted yearly until its abolition in 5 years.

Another bill, H.R. 12176, the Gathings bill, is supported by users of Mexican labor and some farm organizations, the committee points out. It would extend Public Law 78 for 2 years and amend it to prohibit regulations to protect wages and employment conditions for U.S. farmworkers.

The committee also cites the resolution passed by the general board of the National Council of Churches last February, which opposed extension of Public Law 78 in its present form.

"If the cause of the voiceless migrant workers is to be heard," says the committee, "it must be presented by concerned people with a Christian conscience who are willing to speak out in their behalf."

State church people are urged to contact their legislators, who are listed in the call. Attached to it was the information on the issue prepared by "the distinguished consultants appointed by the Secretary of Labor" to the National Advisory Committee on Farm Labor.

The call was issued by Mrs. Thomas S. Kraft, chairman of the legislative committee, and Mrs. Frank W. Skoog, chairman of the council's migrant ministry committee. Executive director of the Rhode Island State council is Dr. Earl H. Tomlin.

"In regard to H.R. 12176, the undersigned grower and shipper of produce both in California and Arizona is of the opinion that continuance of the bracero program in an unrestricted manner will further encourage production of surplus commodity. The continuing growth of many items depending on bracero labor is not only defeating the purpose of the program but creating surplus and depressing the market. Returns to growers are lower by far less than cost of production a great deal of the time. We urge a restudy of H.R. 12176 and imposition of limits on the program both as to crops and numbers of braceros permitted to each grower. Present commercialization and abuse of program by large growers and shippers to detriment of small growers is destroying its usefulness."

This wire sent by John Norton, Norton Produce Co.; Chet Johns Produce Co.; Floyd Smith Produce Co.

Mrs. CHURCH. I would like to say to the gentleman that in addition to the large number of church groups, consumers' groups and countless individuals seeking improvement of the working and living conditions of migrant farm laborers, including Mexicans, this gentlewoman representing the 13th District of Illinois also hopes that the gentleman's amendment will be accepted.

Mr. FOGARTY. I thank the gentlewoman from Illinois.

Mr. Chairman, on yesterday I rose and said that I intended to offer the so-called McGovern bill with the exception of the phasing out section which would end the program in 5 years. When this bill was first enacted into law I opposed it, and I have opposed it ever since. Nevertheless, sitting on the Appropriations Committee I have insisted that we provide sufficient funds for the administration of this act. We are now in conference with the Senate on that appropriation bill. Because of the breakdown of conditions in the southwestern section of our country, the Senate added $60,000 or $70,000 to take care of this particular problem of migrant labor, which I think is a sign that the longer this program goes on the worse it is going to get for the average domestic farmworker in this area.

I also said yesterday that this is a real fight for survival of the small farmer in our country. Here we are passing legislation that affects only 2 percent of all the farmers in the country; 51,000 farmers are using 440,000 or 450,000 Mexican nationals brought in under this program.

We were told when this bill was first enacted into law that it was a temporary war emergency measure to harvest the increased crops at that time and that there would not be any need to expand or extend it. But we have been extending and expanding it ever since.

We were also told it was going to help the farmers in general, but we are helping only 2 percent of the farmers and the 440,000 Mexicans who are being brought in. Certainly 75 percent of those 440,000 are going to be used by only two States in the Union. To me that is class legislation.

I spoke yesterday of how this bill has affected the eastern section of our country, as well as the Northeast and the Northwest. They are all in the same boat. In the Northeast we harvest our crops and we pay for it ourselves. We have had the problem of getting the necessary labor in peak periods when we import Puerto Ricans. We also have an agreement with Canada on Canadian help, all at no cost to the taxpayers or to the Government of the United States. The farmers in the Northeast and the eastern part of the country, and down in Florida where they compete with California in some products, do not have the same advantages that southern California enjoys in the employment of these Mexicans at 50 cents an hour. Florida farmers make agreements with the West Indians and Puerto Ricans and pay for it themselves. So, it is going to be a growing competitive problem between the States. And, I am afraid that my friends in California are just being lulled into complacency. They may feel that this is a good thing forever, but I think it is just a temporary good thing for some of the large growers in the State of California, because they pay a little higher wages in California than they do in some of the other States using this Mexican labor. As a result, the growers in California are going to feel this competition as we have found it from one end of the country to the other.

Let me give you an example. A few years ago the State of New York was producing about 30 percent of the canning tomatoes in our country. After a study made by the university it was determined it was costing $14 a ton. But,

their production has been going down over the past 3 or 4 years. They have been losing that tomato industry in the State of New York. And, in California, where these low-wage Mexican nationals are being paid now at a piece rate that sometimes yields as little as 50 cents an hour, the production of tomatoes is going up. They increased their production 33 percent over last year in the State of California. By the admission of the growers themselves, they say they can grow these tomatoes at $9 a ton. The reason that the State of New York has lost this industry to the State of California is because they are using in increasing numbers these Mexican nationals. We were told 10 years ago, "Oh, we will not need many; this is just for the peak period." Well, in the first year of our operation we imported about 190,000. This year we are going to import 450,000. How many next year and the year after, I do not know. If we let this go by default, I can see it going up to a million or 2 million if necessary, to take care of the favored 2-percent of the farmers of our Nation. And at the same time, all the taxpayers of every State of the Union pay taxes into this kind of a program, to administer this type of farm labor program, at the expense of our domestic workers.

Everyone speaking from the well says the program applies only to stoop labor and peak periods. We would not be concerned so much about this kind of legislation if it was being used for stoop labor and peak periods, but that is not the case. Time and time again we have heard of people who are not living up to the law. Mexican nationals are driving tractors, they are driving farm machinery, which the law never provided for, and as long as they can get away with that, they will keep doing it day in and day out. Instead of peak periods now, we have examples of some of these larger growers having Mexican nationals on a year-round basis. Yet, right down on the border we have examples of growers employing as many as a 100 men and not using one Mexican national, right down on the border; not one. And, they are paying decent wages to the American farm worker. They are giving him a vacation with pay, and they are making money at it. Then, too, we have been given examples in the State of Arkansas and some of those lower-paid States where the domestic farmworkers are going up into the State of Washington from that area to get a job. And then we find these growers in two States asking for additional Mexican nationals to come in and do the work. They would not pay the domestic farmworker a decent hourly wage. It has been reported to us that some growers are paying 35 and 40 cents an hour in some of these areas, and that is why they are migrating from that area of the country up into Washington and Oregon, in many cases being paid $1 an hour for their wages. That is the unfair part of this bill as I see it.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from California.

Mr. SISK. I appreciate the gentleman yielding. Of course, I completely disagree with most of what he said, because I do not think he is getting his information correct. But let me assume for the moment that what he says may be partially true. What will the amendment which the gentleman introduces do about the situation?

Mr. FOGARTY. These amendments, or these studies or recommendations that have been made by the consultants committee, will tighten up the program. It will help insure at least a half-decent rate for the domestic farmworkers of our Nation. If we adopt the legislation without these amendments we are saying to the domestic farmworkers in our country that they are third-class citizens. That is what you are doing. If you vote for this bill you are voting to make these domestic farmworkers third-class citizens. I do not see how in the world any of us can, on the floor, support a measure that will make any American, no matter who he is, a third-class citizen.

There is no room in this country for such a classification.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I find myself in complete agreement with the remarks of the gentleman from Rhode Island. I know the tremendously adverse effect that this has had on agricultural workers in New Jersey. I wish the gentleman would address himself, if he has the time, to the most important issue involved here, to the moral issue, to what this has done in terms of depressing the American farm labor situation and how little benefit if, indeed, any, accrues to the imported Mexican worker.

Mr. FOGARTY. By statute and under standards developed by the Secretary of Labor, we are guaranteeing these Mexican nationals certain things that we do not give to our own domestic workers.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. FOGARTY] has expired.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, why we can guarantee Mexican nationals a minimum wage of 50 cents an hour, provide half-decent housing for them, and then deny these things to American citizens who are trying to make a living, who are hardly existing on the number of days of work they can get at this time, is more than I can imagine.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from California.

Mr. GUBSER. Mr. Chairman, I am an old tomato grower, and have had experience in it. However, I got out of the business because of the fact that I could not get an adequate labor supply. So there is no conflict of interest in what I say here today.

The gentleman made the statement that in the California tomato fields they get 50 cents an hour and that the tomatoes can be produced for $9 a ton. May I ask what is the gentleman's experience in actually growing tomatoes, and what is his source of information for those two statements? Because, from practical experience, I can tell you that the gentleman has been misinformed. Who pays 50 cents an hour in California to pick tomatoes? Can the gentleman name one?

Mr. FOGARTY. I am talking about the Mexican nationals.

Mr. GUBSER. There is not a Mexican national that has ever picked tomatoes at the rate of 50 cents an hour in California. I challenge the gentleman to prove otherwise.

Mr. FOGARTY. The statistics given to us and supported by the Department of Labor and by the consultants group show that it costs $14 a ton to produce tomatoes in New York and $9 a ton to produce them in California. As a result, California has been taking the market for these tomatoes from the State of New York.

Mr. GUBSER. If the gentleman will yield further, the reason California has gone ahead in tomato production is because within the last 10 years we have developed what is called the improved Pearson seed. We now direct-seed them into the fields instead of planting them in hot beds. It is an entirely different concept of planting. You pick the entire crop in two pickings. That is the reason we get 25 tons to the acre instead of 8 or 9 tons to the acre. That is the reason California leads.

Mr. MATTHEWS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have such deep affection for my dear friend, the gentleman from Rhode Island, that I hesitate to take the well in opposition to his amendment. But I do sincerely want to point out some facts that I believe will be of interest to the Committee.

I know the gentleman from Rhode Island is just as sincere as he can be, but the amendment he offers will put a burden on the back of the American farmer, the little farmer, more than he can possibly bear. May I remind you that all of the farm labor we get in America is difficult to obtain. It is almost impossible to get stoop labor. The amendment the gentleman proposes will give the Secretary of Labor the power of a tyrant, a dictator. Now the Secretary has already established tyrannical rules under existing law. The present program has ample protection in it for the workers who work under this program.

We in Florida admittedly do not use Mexican nationals, but the farmer in Florida has difficulty getting stoop labor at any price and the farm labor supply in all of America is important to him. Let me make this observation. In the Eighth District of Florida watermelons now are bringing about three-fourths of a cent a pound. Down in the House restaurant today I bought a

slice of wonderful watermelon, and I believe it was Eighth District of Florida watermelon. I paid 50 cents a slice for it. That would mean $4 for a watermelon for which the farmer in my district is getting 20 cents. That farmer has to get labor to harvest his watermelons. That is true in California and every other State in this Union.

I say to you, do not press further on the back of the farmer these rules and regulations that make it impossible to get this labor. Look at the house where the farmer lives as well as you look at the house where the farm laborer lives. Many of these little farmers live in far worse houses than the laborers who work for them. Their economy is such that they just have to do it.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from Ohio.

Mr. HAYS. The other day some of us helped the gentleman get an amendment adopted, and he very rightly got an amendment in to build his entomology laboratory in Florida.

Mr. MATTHEWS. That is right, and I am very grateful.

Mr. HAYS. As a friend who is usually glad to help the gentleman, I want to suggest, Do not push your luck too far.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from West Virginia.

Mr. BAILEY. May I say to the gentleman from Florida that I have enjoyed the entertainment he has furnished the Members of the House.

Mr. MATTHEWS. I hope I have given some factual evidence, too, because this is a very important bill.

Mr. BAILEY. When I conducted some educational hearings in Florida in the field of migrant farm labor I found out there were quite a few Floridians in that field. They start coming north in the spring of the year, before the school session is over, and they do not get back until after school has convened for 2 or 3 months.

Mr. MATTHEWS. We are trying to correct this situation, and I believe we are making progress. The main point is do not put on the back of the farmers of America this additional burden which I do not believe they can assume. I do not think it is proper to ask them to assume it. The amendment of the gentleman from Rhode Island will be a burden that the farmers of America just cannot stand.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MATTHEWS] has expired.

Mr. McGOVERN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY]. I dislike to take issue with the gentleman from Florida, who has just spoken, not only because he is a very good friend of mine but because he has reminded us of his hazardous combat experience. But the gentleman has made repeated reference in his remarks to the necessity of this program for the small farmer. I would like to approach the problem from that standpoint. It was the welfare of the family farmer that led me to introduce legislation to relieve some of the depressing conditions brought about by the continuation of this program in its present form. There are only about 2 percent of the farmers of this country who use bracero labor.

Last week we had an important agricultural measure before the Congress that was designed to do something about depressed conditions.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. McGOVERN. I yield.

Mr. THOMSON of Wyoming. Do I understand the gentleman to contend that the small family farmer does not benefit from this legislation?

Mr. McGOVERN. I am saying that only 2 percent of the farmers of America, big or small, use bracero labor. The other 98 percent do not benefit from the program at all. I would like to explain that it is actually a threat to the other 98 percent of our farmers.

Mr. THOMSON of Wyoming. I know that in our State and in other areas the small farmers producing sugar beets chiefly on reclamation projects are the ones who employ this labor. It is essential to their operation.

Mr. McGOVERN. The amendment before us does not terminate the bracero program. What we are talking about is an amendment to protect the American farmer and farmworker from foreign competition that undermines our domestic standards. The bracero program has actually been used in a competitive manner to further weaken the position of those farmers who do not use imported foreign labor.

For example, we have the statement from William L. Batt, secretary of labor and industry of the State of Pennsylvania. I want to quote from the statement he made:

> As secretary of labor and industry in Pennsylvania, I am equally concerned with the disadvantageous position of our State's farm employers as a result of the Mexican program. For instance, last year, Pennsylvania tomato growers paid harvest hands a minimum of 77 cents an hour while their grower-competitors close to the Mexican border in the Southwest paid harvest hands 50 cents an hour. Obviously, this situation is unfair to Pennsylvania State farmers since both Pennsylvania and Southwest U.S. farmers compete in the same markets.

It has been argued that the braceros are needed to do stoop labor that American workers are unwilling to do. But the braceros are being used in many cases for work that American workers are willing to do. They are not being used exclusively for stoop labor. They are being used to drive tractors, they are being used as vegetable packers; they are being used as truck drivers; they are being used to handle mechanical equipment, irrigation equipment. They are also being used as ranch hands in some parts of the Southwest where on a low wage scale they are in direct competition with the ranchers and the farmers of my part of the country who must depend on their own labor.

Certainly I would be the last Member of the House to advocate limitations that would in any way further weaken the already depressed condition of the American farmer. I think it is a tragic thing that the House saw fit last week to reject the bill which would have done much to increase the income of the wheat and feed grain farmers of this country. For that reason it may be difficult for some of us to support the minimum wage legislation which is scheduled for House action tomorrow. It is difficult for those of us from agricultural areas to vote for legislation that would give high school girls working as clerks $1.25 an hour when the average return to the farmers of America last year was only 71 cents an hour.

Mr. Chairman, the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY], which contains the core of my bill, H.R. 11211, is designed to prevent the Mexican imported labor from undercutting the American farmer, the American worker and the American conscience.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I recognize the sincerity and the high purpose of the author of this amendment and of all who support it, but I cannot recognize the correctness of their information.

I do not know of any place where any Mexican bracero is working for 50 cents an hour. I know where Mexicans are working for 50 cents an hour and less, but I know of no Mexican under contract under the bracero law who is working for 50 cents an hour.

There are estimated to be 8,000 wetbacks in the United States at the present time. That is down from about 200,000 before we passed this bracero law. There may not be a wetback working in the United States who makes 50 cents an hour today, and certainly there was not one before we passed this bracero law. As I say, a few years ago there were probably 200,000 wetbacks in the United States. They are the people who are here illegally. They are the people who crossed the river or the border force under cover of darkness. They are the people who are here in violation of the law. They are the people who sleep on the canal ditches. They cannot appeal either to the Mexican consul or to the American authorities because they would be sent back.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I cannot yield at the moment but I will try to yield before I get through.

It is my belief that many Members of this House are thinking in terms of wetbacks in their consideration of this bill, and not in terms of braceros. The operation of this law has just about cured the wetback evil. We set out to do it and we have just about done it. The wetbacks have been cut down from probably 200,000, or a quarter of a million, down to an estimate of 8,000 last year. We are making excellent progress.

Mr. BAILEY. Mr. Chairman, will the gentleman yield at that point?

Mr. POAGE. I cannot yield just now, I want to make my point. The gentleman has interrupted everybody who has spoken and has not asked any time of his own. I am going to make my point, and will then try to yield.

The wetback evil was cut down by this bracero bill. We are not proud of the wetback condition, nobody was, and I know my friend from Rhode Island would not intentionally do anything to throw us back to that system. The gentleman from Rhode Island and others who seek to modify this law live a long way away from these conditions.

It is obvious they do not know anything about the Mexican worker problem. They get what is happening by reading a bunch of newspapers about wetbacks. These braceros are not wetbacks. These braceros have a contract which is enforcible in the United States. The braceros have the power of our Government and of the Mexican Government behind them. They are not homeless, lost people. These braceros are well cared for. They are people who can enforce their rights. They do not bring their wives and children into the United States. They are all adult male workers who must pass very stringent physical examinations.

These braceros are doing all right, and there is no reason for sobbing about the bracero. He is making more money in a few months here than he could make at home in a year. If you repeal this or if you make it ineffective, two things are going to happen.

In the first place, there is going to be a stream of wetbacks to fill all of the area close to the border. They may not get to Arkansas, they may not get to northern California, but they will fill all of southern California, Arizona, New Mexico, and most of Texas. Those will be wetbacks. They will indeed destroy the wage structure of all agricultural works.

Then there will be such an influx of Mexican immigration as this country has never known.

Do you realize that the present law allows Mexicans to migrate to the United States without limitation? There is no quota on the Mexicans. All Mexicans who can meet our health and education standards can come to the United States for permanent residence, and they will come. They will bring their families instead of leaving their families in Mexico where they can live on a few pesos a day. They will bring their families into the United States and they will come as American citizens and we will have to support the whole group of them. We will have them on a 12-month basis rather than on a 60-day basis. What will that do for our present American citizens who do agricultural work?

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent (at the request of Mr. POAGE) he was allowed to proceed for 3 additional minutes.)

Mr. POAGE. Mr. Chairman, is that what you want to do? I do not think it is what you want to do. I do not think anybody wants to do it.

There is one other phase of this problem I want to mention, and I will then try to answer some questions.

I want to make one point, and the point was mentioned here a while ago. You are asking an impoverished industry to stand the cost of additional expense. Unfortunately but possibly understandable, it is largely the very Members who have never voted to increase the earnings of our farmers who are now saying that they want by law to increase the burden and expense of our farmers. I do not say that is true entirely, but very largely. The very people who refuse to give the farmer a fair return now say that that farmer must take out of his poverty and pay a wage he cannot afford to pay. Throughout our whole history an increase in farm prices has always resulted in a corresponding increase in the wages of farmworkers.

Under this amendment if one individual in the community went to Chicago, advertised and ran a special plane down to Lubbock, Tex., to carry people down there, then every individual farmer in the plains country of Texas would have to run a special plane down there before he could hire any braceros. That is what this amendment provides. It provides that no farmer can employ Mexican labor unless he carries on the same type of recruitment which any farmer in that area carried on to get domestic labor. The big farms can carry on those advertising campaigns, but there is not a small farmer in the United States who can do it, and you know it. I am sure that this amendment was not so meant, but it clearly discriminates against small farmers.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from West Virginia.

Mr. BAILEY. I do not want the gentleman to impugn the statement of the gentleman from South Dakota. The quotation from the labor commissioner of Pennsylvania was taken from testimony before my committee on the migrant labor bill.

Mr. POAGE. I have not discussed the statement of anybody in Pennsylvania.

Mr. BAILEY. What the gentleman said was correct.

Mr. POAGE. I have not discussed a statement by anybody in Pennsylvania.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Michigan.

Mr. BENTLEY. I think the gentleman should make one particular point clear when he is comparing the bracero program with the wetbacks that come in. Under this Mexican contract labor program, these Mexicans are admitted only after a most careful screening and examination for sanitation and health. If you have a lot of wetbacks coming in with no restrictions, with no examinations, nothing like that, you can well imagine that we could very easily have some very serious epidemics with them coming in without any screening at all.

Mr. POAGE. We certainly could. The program has been working so well that it seems to me to be a tragedy to destroy the program that has done so well.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think that my colleague the gentleman from Texas [Mr. POAGE] has spoken very wisely concerning this amendment. I think his discussion of the problems involved was actually brilliant and should be impressive on the Members of this House.

There is a surprising degree of misunderstanding about this program for using Mexican nationals to work on our farms where domestic labor is not available. Knowing that this program has been reviewed and renewed year after year, you would assume that somebody on the floor knew a little something about it. The bill we have here today is only about three lines in length. It simply extends the act now in operation. I have great respect and admiration for the gentleman from Rhode Island [Mr. FOGARTY], and the gentleman from South Dakota [Mr. MCGOVERN], who are sponsoring the amendment proposing a gradual termination of this Mexican labor program.

The gentleman from South Dakota, [Mr. MCGOVERN] is a highly respected member of the House Committee on Agriculture. He is one of the most able, active, and effective friends the farmers of America have in the Congress. Moreover, he is a conscientious and diligent worker in behalf of all working people, whether on our farms or in our factories. He has espoused and urged the action that now is proposed in the amendment by the gentleman from Rhode Island. He presented the proposition to the House Committee on Agriculture. I applaud him for urging and fighting for what he believes to be right.

However, our Committee on Agriculture, after long hearings and thorough study, concluded that the continued use of Mexican labor on our farms is essential to the production and harvesting of many of our crops which are essential to the well-being—the diet and health—of all our citizens. Our committee was convinced that, by proper administration of the program by the Department of Labor, our farmers and consumers both would be benefited, and there would be no adverse effects as to the employment, wages, and working conditions of American citizens who wish to join the farm labor force. I regret deeply that I find myself today in disagreement with my esteemed friend from South Dakota whom I admire so greatly.

Now let me get down to the proposition in the Fogarty amendment. I think what the gentleman from Rhode Island is afraid of is that some of these so-called Mexican braceros are going to take away some American jobs. Now, that is not it. The Secretary of Labor administers this program, and he must solemnly certify that there is no local worker available for a job, before it may be offered to a Mexican national.

Now, if anyone wants to impugn anybody's motives in the operation of this

program, then impugn the Secretary of Labor's motives. You cannot hire a man from Mexico unless the Secretary of Labor says so. Now, how is he going to take away a job in West Virginia, Pennsylvania, or up in Rhode Island?

Mr. FOGARTY. I did not say that.

Mr. COOLEY. I know you did not say that, but I know your friendship for organized labor in America, and I know that you must have some regard for organized labor. If I thought this bill was going to displace an American worker, I would vote against it. But, I am saying to you that it will not displace an American worker if the Secretary of Labor is a man of honor and integrity.

Mr. FOGARTY. I never complained about that.

Mr. COOLEY. What is your complaint?

Mr. FOGARTY. My complaint is that the continuation of such a program is making third-class citizens out of domestic farmworkers of this country.

Mr. COOLEY. That is just a lot of bunk and you know it. We are not making third-class citizens out of the domestic farmworkers. These are Mexican nationals.

Mr. FOGARTY. I am talking about the domestic farmworker.

Mr. COOLEY. They work under conditions that are better than the conditions under which our own workers work, and you know it.

Mr. FOGARTY. That is just what I have been complaining about.

Mr. COOLEY. All right. We first guarantee that they must come up to certain health standards; we guarantee them subsistence, a certain duration of work, medical care, even burial expenses.

Mr. FOGARTY. But you will not do that for the American worker.

Mr. COOLEY. Certainly not. Then you would be going far afield.

Mr. FOGARTY. Why?

Mr. COOLEY. You would have people running all over the country because they would want to come in under a program that they would not fit into at all.

If you are talking about improving the conditions for our own American farm people, then I say to this House: Join with those of us representing rural areas to develop public policies which will enable farmers to command decent prices for what they deliver into the marketplaces, so that they will have money to pay better wages and then to earn a reasonable profit for themselves.

I emphasize to the House that, according to the Department of Agriculture, the hourly pay of farm workers in 1959—for owner-operators and labor combined—was only 71.5 cents an hour, while the average wage of workers in factories was $2.22 an hour. Farm operators actually paid their workers more than they showed in hourly wages for themselves.

It is my hope that we soon again may have in Washington a climate more sympathetic to the problems of our farmers, and that we may then restore to them the opportunities for sharing equitably with all other Americans in the rewards of our free enterprise system.

Now, specifically, with respect to the amendment before us, I submit to you this analysis:

One provision of this proposed amendment—subsection (C) on page 2, lines 11 to 15 of the McGovern bill H.R. 11211—is so drastic and far reaching in its effect that it, alone, is sufficient reason for defeating this amendment. No legislative provision as important and complicated as this amendment is should be adopted without the most exhaustive consideration by the appropriate committee of the House, by the executive agency involved, and by the industry which will be affected thereby.

The provision I refer to could put out of business every small fruit and vegetable grower in the United States who depends upon Mexican or other migrant labor to harvest his crops.

The provision reads:

> Such workers shall be supplied * * * only if the Secretary certifies that * * * (C) reasonable efforts have been made to attract domestic workers for such employment, including independent and direct recruitment by the employer requesting foreign workers, at terms and condition of employment comparable to those offered to foreign workers.

Taken in conjunction with the report of the President's consultants—and this amendment is stated to be a legislative expression of the recommendations of those consultants—this provision means that if one employer in an area is successful in recruiting seasonal workers by "independent and direct recruitment" no other farmers in the area will be permitted to employ Mexican workers unless they, too, undertake this same kind of "independent and direct recruitment."

This means that if a big corporate farming enterprise advertises in the newspaper in Detroit or West Virginia and is able to meet its labor requirements by an extensive and expensive advertising and recruiting campaign, and perhaps by bringing the workers to California or Texas in a chartered airplane, no other farmer in the area will be eligible to have any Mexican workers referred to him unless he has undertaken the same kind of recruitment program.

Obviously, it is utterly impossible for the small farmer to undertake this kind of labor recruitment.

The proponents of this amendment have expressed their interest in the small farmer and yet this one subsection in the proposed amendment would do more to put small fruit and vegetable farmers out of business than any legislation which has ever been enacted by this Congress.

The interpretation I have placed on this is by no means fanciful. The Department of Labor has already tried to put into effect regulations involving this same principle and imposing on farmers requirements for recruitment comparable to those I have just described. The Labor Department has not been able to put these regulations into effect because there is no legal justification in the present law for them. It seems quite clear that if this Congress were to give the Department of Labor the legislation which is now here proposed, it would be construed and interpreted in regulations in exactly the manner I have described.

I will say to my friend from West Virginia [Mr. BAILEY] if you have any coal miners in West Virginia you want to put to work in the agricultural fields of America, the jobs are there waiting for them. But they will not take them.

Mr. BAILEY. If we attempted to give those favors to our own farm laborers that you are giving to these Mexicans, then you would call it socialism.

Mr. COOLEY. But you could not get two of your people to go out to California or Arizona and take these jobs.

Mr. HOFFMAN of Michigan. Or to Michigan.

Mr. COOLEY. Or to Michigan, or to Minnesota, or to any of 32 other States of the Union.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, this bill is serious. It is needed in 30-odd States of the Union. There is not a single Mexican who comes to my State or to my district. I have no personal interest in this. I have only a general interest. But a man told me here today that in Georgia, for instance, in three counties in his district, if they did not have this Mexican labor come in, they could not pick the cotton. And they do not pay any 50 cents an hour. They are paid by the hundred pounds they pick—$3 a hundred. And some of them pick as much as 400 and 500 pounds a day, they tell me. They are not underpaid. If they were underpaid, that, again, would be the fault of the Secretary of Labor.

Mr. HOFFMAN of Michigan. And when they pick cherries, they pay them by the pound or by the carton.

Mr. COOLEY. If these people from Mexico were underpaid, they would not come here. I do not think the Secretary of Labor would approve a contract to bring in slave labor to work in the agricultural fields of our country.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. FOGARTY. I have never made that complaint. I said, and I say it again, that when you vote for the extension of this law, you are voting to keep down the American citizen who is trying to make a living on the farm as a farmworker. You are voting to keep him down so he cannot get up. You want to kick him while he is down; that is what you want to do.

Mr. COOLEY. You are accusing the Secretary of Labor——

Mr. FOGARTY. No; I am not.

Mr. COOLEY. If he performs his duty as we intend him to perform it, you cannot have any second-class or third-class citizens; you cannot have any starvation wages.

Mr. FOGARTY. We do not have a minimum wage for the farmworkers of this country.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ANDERSEN of Minnesota. Just last week the gentleman from Rhode Island voted to hold down the farmers.

Mr. COOLEY. He has voted against the farmers every time he has had a chance to vote.

Mr. FOGARTY. I voted for the farmers until I saw the light. When I realized what your committee was doing, loading down our people with all these programs that have cost the people billions of dollars in taxes, that is when I changed.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. BECKER. Mr. Chairman, I object.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. UTT].

Mr. UTT. Mr. Chairman, I asked for this time in order to answer two rather important questions posed to the gentleman from Rhode Island by the gentleman from New Jersey. Question No. 1: Can you cite any instance where the Mexican national has been helped? And secondly, Can you cite any instance where domestic labor has been helped by the program?

The gentleman from Rhode Island could not answer those questions, because he does not have the facts.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. UTT. I yield.

Mr. FOGARTY. I did take some time to go out and have a look at some of the shacks that they have in California which house some of these domestic workers. I went down through southern California and watched Mexican nationals being treated like cattle while they were being selected for employment. I remember years ago going to cattle auctions when the auctioneer had a cane and he would jab the cow and move her around to see how lively she was. The selection of these Mexican nationals reminded me of the auctioneer. I saw that with my own eyes.

Mr. UTT. I want to answer the two questions the gentleman from Rhode Island did not answer. No. 1, What good does it do the Mexican national? I spend a good deal of my time in Mexico. I have watched braceros come back with enough money to buy themselves a few acres and go into business for themselves. It has been the best break they have ever had. It is the first time in the history of Mexico they have not had to import corn or import beans, two of their basic products, because these braceros have come back with American ideas of farming and they have at last produced enough food and fiber in Mexico to eliminate the shortage there was in Mexico prior to that time. It is a program that as far as Mexico is concerned has worked out very, very well.

The second question is, Where has it helped American domestic labor? This is important. I can cite many instances. There is one instance in my district where an employer employs 20 domestic laborers the year round. He employs 40 braceros under the Mexican program in order to do his planting and harvesting. If that supplemental labor is taken away, he will have to let the 20 domestic laborers go whom he hires the year round, and reconvert his farm from beans and other special crops to dry lima beans; he will have one man, one tractor, one harvester, one thrasher, and that will be the extent of his operation, because he cannot support the domestic labor he hires without the supplemental labor from Mexico.

Mr. FOGARTY. I agree on the good it has done in Mexico, but one of the complaints we were given in southern California by the growers was that there was too much of that, and pretty soon they will be coming in here and asking you people to support some kind of tariff bill to support the importation of some of these crops that are being grown right across the border.

Mr. UTT. That might very well be, but the economy of Mexico is helped by the program.

I think you found probably what you were looking for in certain places, but if you had been at one of the places in my district you could have gone in with your family and had one of the best meals you ever ate in a good house. I know where you traveled, and I do not doubt that you found what you were looking for, but in my district we have the best housing, the best food, and the best program for the braceros that I ever saw in the United States.

Mr. COOLEY. Mr. Chairman, I should like to see if we cannot agree on a limitation of time on this amendment.

Mr. HOFFMAN of Michigan. Reserving the right to object, do we quit Friday?

Mr. COOLEY. I will vote for it, but the gentleman will have to ask the leadership about that.

Mr. HOFFMAN of Michigan. I was considering you as a leader.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. GUBSER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GUBSER. This is only on the pending amendment? The bill would be open to amendment at any point?

The CHAIRMAN. The gentleman is correct.

The Chair recognizes the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Chairman, I would like to clarify two points. Apparently some people are under the impression that all of this language in the amendment is new to the bracero law. Actually, most of it is simply a restatement, without changing substance in what is in the law now. For example, under the current law the Secretary of Labor has to determine the need for this labor. He has to determine that this employment will not adversely affect the wages and working conditions of domestic workers. There are a few additions which are poorly drafted and for that reason should be rejected. They increase the responsibility of the Secretary, and have not been adequately considered, either by the employers or by those who speak for the employees. In that connection I would like to refer to the position of the Secretary of Labor, Mr. Mitchell. He sent a representative before our committee and he testified with respect to these amendments before you which are adopted from the report of the consultant's committee appointed by him to survey the whole program, and he said, "Responsible and informed quarters have raised questions about these amendments. Because of the time which will be necessary to carefully explore these questions, it will not be possible to submit a proposal for action in this session of Congress."

In other words, Mr. FOGARTY, unless Mr. Mitchell's position has changed, he is neither for nor against these amendments at this time, but he asks us instead to reserve judgment on them until such time as they can be carefully explored and analyzed by the agency which would have to administer them and the Congress which will either approve, reject, or change them on the basis of a more informed opinion.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I ask unanimous consent that the time allotted to me be allotted to the gentleman from California [Mr. Moss].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I regret to find myself in opposition to one of the finest and ablest Members of the House, the gentleman from Rhode Island [Mr. FOGARTY].

I represent a farm district. Like him, I was born on a farm, and I live very close to the problems of agriculture. I know about farming and I know about braceros, because many of them are in my district.

I have observed in recent years a general improvement in the status of farm labor. For years the conditions under which some segments of farm labor has worked and lived have been substandard. The bracero law has resulted in an overall improvement of the living standards of farm labor. The bracero program has tended to help, not hurt domestic labor, particularly migrant labor, because it has tended to raise the

prevailing wage, and improve living conditions. These braceros have done remarkably well and usually get quite good pay.

The domestic laborer is demanding and getting a higher standard of living, and he is now enjoying a higher standard of living in my congressional district than he otherwise would for years to come as a result of the bracero program. They have to provide good living conditions. I hope you will continue this program in its present form under this bill.

I want to point out that I share the views expressed here today by the gentleman from Arkansas [Mr. GATHINGS]. He has made an excellent presentation. Actually the Secretary has no authority to control wages and housing for domestic workers. He has far overstepped his legal authority.

I would like to see the Gathings bill substituted for the pending measure but in view of the general atmosphere in the House of Representatives today, I realize that this is probably impossible. Moreover, the Gathings bill represents a restatement of existing law insofar as the authority of the Secretary of Labor is concerned.

Under the circumstances I trust the House will defeat the motion of the gentleman from Rhode Island and pass the 2-year extension bill.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Chairman, I rise in support of the amendments to the extension of Public Law 78 offered by the gentleman from Rhode Island. He is the chairman of the subcommittee of which I am a member, and which deals with the appropriation for this program.

Nine years ago, during the Korean war, when there was a shortage of labor and a need for additional manpower to produce food, Congress enacted this law to bring Mexican workers—braceros—to work on U.S. farms. During the first year of the program, 192,000 Mexicans were brought into this country. Although there are 4 million people unemployed today, the program is still in force, and instead of 192,000 Mexicans, approximately 450,000 were brought into the United States last year.

There has been considerable discussion in our subcommittee about the Mexican farm labor program. In order to find out more about it, this year we traveled through the parts of the country where the Mexicans or braceros are employed. They work on huge, corporate-sized farms containing acres and acres of crops—not like the family farms we have in Indiana. We visited the reception centers, examined the places where the braceros lived, and talked with labor officials, the farmers who employed the workers, and with the braceros themselves. As a result of our study mission, the following conclusions are inescapable.

First, this program has a depressive effect on American labor. In areas where Mexicans are employed, there is considerable unemployment among domestic workers and their wages are lower in areas where there is widespread employment of Mexicans.

Second, this program is unfair to the majority of farmers in our country. Only about 2 percent of American farms use Mexican labor, but it costs the Department of Labor about $2.5 million a year to enforce this program. Thus, the farmers using Mexican labor receive the benefits of cheap labor and that gives them an unfair advantage in their competition with family farms, which employ domestic workers.

In this connection, many Members of Congress and others appeared before our subcommittee to protest the fact that the Secretary of Labor had issued an order which empowered himself to protect domestic labor employed through the U.S. Employment Service under authority of the Wagner-Peyser Act. It also might be well to point out that under the treaty with Mexico and according to Public Law 78, Mexicans are not supposed to be employed except in cases where there is no domestic labor available.

In order to show that domestic labor is not available, it would seem to follow that it was not available under the same conditions as Mexican workers and that would make it inevitable that the Secretary of Labor should issue regulations giving authority to the Department to protect domestic labor in the same way as Mexican labor.

We were told that Mexicans are being used only as stoop labor in certain seasons of the year and that it is impossible to find domestic labor to do that work. However, by talking with the parties involved, we found that there are no studies or surveys that show how much of that work could be done by domestic labor or machines, or how much domestic labor is available for that purpose. A great deal of that work could be done by machines. In many cases Mexican labor is used for work that is classified as other than stoop labor.

Almost every religious organization in the country, as well as the AFL–CIO, the United Mine Workers, the Railway Brotherhoods, and numerous other organizations are opposed to this program.

Because of the many complaints about this program, the Secretary of Labor appointed a distinguished group of private consultants to study the program. They told him that the Mexican program was affecting U.S. farmworkers adversely, and that it should be extended only if it were to be modified substantially. They have recommended that a number of changes be made if the program is to be extended.

I see no need for continuing this program. It has a year to run and if it is to be extended, it is better that Congress consider this matter calmly next session when it is not pushed by the rush for adjournment.

However, if it is necessary to continue the program, I certainly feel that Congress should adopt the amendments of the gentleman from Rhode Island. These amendments are the same ones which the consultants recommend as necessary to protect domestic labor and to insure that Mexican labor is used only in cases where American labor is not available. If these amendments are adopted, I intend to support the program. Otherwise, I shall vote against it.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, I rise in support of the McGovern amendment and I should like at this juncture to take this opportunity to urge members of the Committee to read the letter by Prof. Varden Fuller, of the University of California, which is inserted in the hearing record page 293. I shall quote a paragraph or two if time allows.

All of this legislation has direct bearing on the problem of migrant farm labor and the incredible and disgusting conditions which exist today in the United States. I am talking about the hundreds of thousands of children of migrant farm labor families—no one knows if they number 400,000 or a half million or more—who work in the fields as young as 7 and 8 years, who live in coops and trucks and know no homes, who live in filth and disease, who attend school only occasionally, if at all.

I am talking about hundreds of thousands more adult American citizens who in 1957 worked an average of only 125 days per year, with only a few additional days of work off the farm, and whose average real wage per day was $4.91, and whose average total annual income was $738 for farmwork.

These figures are all cited in the hearing, and I would urge all of you to read them. Let me quote from Professor Fuller's testimony.

2. According to the statistics of the U.S. Department of Agriculture, the hired farmwork force has not declined in proportion to declining farm labor needs and average farm employment per worker has fallen. Hence, as the importation volume has built up, wastefulness in utilization has grown ever worse.

3. Our failure to utilize domestic labor effectively means a loss to the individuals concerned and to the national economy which can be conservatively estimated at not less than a billion dollars per year. This is a substantial sum and is especially significant to people whose opportunities are so limited that they spend more time looking and waiting for work than working and are seldom able to earn as much as $1,000 per year.

By a series of statutory exclusions, farmworkers are made the most defenseless major occupational category in America. The farmworker's inherent American right of self-dependence and self-determination is further infringed upon when the power and authority of the National Government are invoked to aggravate his defenseless position by flooding his labor market and discriminatorily subjecting him to competition that the more powerful and better situated occupational categories of the American labor force do not have to confront.

As long as alien contract importation offers a temporary solution of farm-labor-supply problems, it is unrealistic to expect that any progress will be made upon basic and fundamental solutions. Consequently, it is important that an affirmative and fair agricultural manpower policy be adopted. Committing the present Public Law 78 program to a gradual but definite termination is the first and indispensable step toward this objective.

Mr. Chairman, the figures I quoted earlier were developed from U.S. Department of Labor statistics. Unfortunately, there are statistics and more statistics available on the subject of migrant farm labor, and virtually all of them are incomplete, confused, and divergent. This fact itself is actually symptomatic of the problem, for the lives and conditions and numbers of the displaced persons who are American migrant farm laborers are obscure, ignored, and overlooked, almost as if they were outside society altogether.

The long-range effect of Public Law 78 has been to create a surplus of cheap labor by the importation of foreign farm labor from Mexico. Domestic farm laborers have been driven into migrancy, leaving their homes hunting jobs which pay a living wage, or just for jobs alone, regardless of the pay involved. Enacted as a temporary measure to assure against uncertainties of farm-labor supply during the Korean emergency, it is still being used to bring more and more Mexican labor into the country.

The McGovern bill would phase out this program completely, giving employers 5 years to adapt. The Sisk measure would continue the program as is.

Furthermore, the McGovern bill would authorize the Secretary of Labor to establish standards to assure that no Mexican braceros will be used to cut wages, conditions, or employment opportunities of domestic farmworkers during the 5-year phase-out period. This means that with strong administrative action we can expect immediate and direct action if the McGovern bill is passed.

In contrast, the Sisk bill does nothing to implement the authority of the Secretary of Labor.

I do not know of a more black-and-white issue than the one involved here. I urge passage of a measure to phase out the importation of Mexican farm labor and, in the meantime, strengthen administrative authority to protect American farmworkers.

Mr. GROSS. Mr. Chairman, I ask unanimous consent that the time allotted me be given to the gentleman from Iowa [Mr. HOEVEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent that the time allotted me be given to the gentleman from Iowa [Mr. HOEVEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Chairman, not over an hour ago I had lunch with two beetgrowers from my district who represent the Southwest Irrigation Association in opposition to this amendment and in opposition to what the gentleman from South Dakota [Mr. MCGOVERN] stated.

These gentlemen told me that the Mexican nationals who come into their area draw approximately a little over $1 per hour for the work they do, because most of it is done on a contract basis. It gives them a little over $1 an hour. They are not allowed by rule and regulation of the Department of Labor to let these men operate tractors or trucks. They do entirely stoop labor. They are also regulated so far as housing accommodations are concerned, which are set up by the Department of Labor.

I asked these gentlemen what would happen if they did not have this labor. "Well," they said, "we would quit shipping Honeydew or Rocky Ford melons to the East, we would quit shipping trainloads of onions, we would quit shipping sugar beets to the factories, and certainly a lot of Irish potatoes."

Mr. Chairman, I am in opposition to the amendment, and I am for the bill.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from New York [Mr. SANTANGELO].

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. SANTANGELO].

Mr. SANTANGELO. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Santangelo at the end of the amendment offered by Mr. Fogarty add the following new section:

"SEC. 5. That section 501 of the Agricultural Act of 1949, as amended, is amended by deleting the first paragraph and substituting therefor the following section:

"'SEC. 501. That the Secretary of Labor shall not authorize the entry of Mexican nationals for farm labor except for the cultivation and harvest of food supplies.'"

Mr. SANTANGELO. Mr. Chairman, I am supporting the Fogarty amendment because I think it is a protection for the domestic worker. The joker in this bill which no one has noticed and which nobody has seemed to talk about is that the Mexican nationals, or 60 percent of the braceros, work on cotton farms.

Since this program was started in 1949, the number of braceros has risen from about 107,000 to 437,000. 60 percent of these Mexican nationals are working on cotton farms and not on food farms which are producing our provisions, not on those farms which are producing perishables.

Mr. Chairman, it is a well known fact that we have an abundance of cotton stored in our warehouses. We have over 769 million pounds of cotton stored in the warehouses of the United States. Over 5 million bales are owned by CCC. We are giving this commodity a price subsidy, we are also trying to hold the farmers' production down by reducing the number of acres which they plant and we urge them to reduce the production of cotton which they are producing.

Now, what are we doing by this program? We are taking cheap Mexican labor coming into 5 States and we are letting them work on cotton farms where the farmer can produce more, so that we can subsidize them by giving them price supports and paying storage charges for cotton which the merchants now have in warehouses.

Let us look at the 5 States that are using these braceros: Arizona, Arkansas, California, Texas, and New Mexico. The testimony in the record indicates that 100,000 American citizens fled in the face of these braceros coming in under this program. One hundred thousand American workers have been displaced by this program. They talk about the food supply, but they do not talk about the cotton situation.

I was looking at the U.S. News & World Report and I noticed that California, which has been most vociferous in opposing the Fogarty amendment, in the last 10 years increased its population by over 4 million; it has now over 15 million people, and yet they say there is a shortage of manpower to work on the farms. Arizona increased its population 71 percent; Texas increased its by 23 percent, now over 9½ million people. These are the States that are getting the benefit of these braceros. I understand that in connection with perishables it might be necessary to have foreign workers on the farms in many places to prevent their loss but it is different with respect to cotton, because cotton is not perishable. I think the amendment is unjustified. I support the Fogarty amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, with all due respect for the gentleman from New York, I would just like to say that it is rather typical, I think, of many people who have been opposing this program. It has been my observation that most of the people who oppose this program know absolutely nothing about how it works. They have been swayed by the do-gooders who are trying to go about the country abusing a program.

Now, with reference to cotton I want to say this: I come from a section where cotton is the principal crop. This year, if we have a normal season, we will have no need at all to import any labor, despite the fact that within the last 10 years we have lost 8,000 population in my county, 8,000 in the adjoining county, and 7,000 in the county above. Those three counties produce over half of the cotton produced in my district. In a normal year we would not need any importation of labor, but if we should have a wet fall, it would be necessary to import labor, because the labor is not there. I think you would be doing a serious injustice to the farmers—and they are small farmers—who have made a crop, who have put their time, their effort, their money into the planting and the fertilization and the cultivation of it and have their crop made and then, because we are unable to get the labor to harvest that crop, be deprived of bringing in people to it. I do not think the gentleman intentionally meant to do that, but you would be doing a great injustice to a large number of people who are entirely dependent upon imported labor,

and I do not think the gentleman would want to have that injustice done. Therefore, I think the amendment to the amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, my opposition to the extension of this public law I think can be summed up in a paragraph in a letter from the National Consumers League:

> This is a shocking and incredible piece of legislation in our opinion. It would continue the importation of Mexican farm workers—some half million now are imported each year—despite the evidence compiled by distinguished citizens that this program causes severe poverty, unemployment, and underemployment among domestic farm workers.

Mr. Chairman, I rise in support of the McGovern-Fogarty amendment. I think it would be an improvement to the bill.

If I may comment briefly on a visit I made to a Mexican labor camp last fall; first of all, there was, in my opinion, a violation of the law. The law, as I understand it, says that no Mexican national may be brought in if domestic labor is available. Yet, two days previously they sent back the Texas domestic workers and retained 40 Mexican nationals at this camp. I thought there was great exploitation of the workers. They were charged $1.75 a day for their food. At noon they received a bologna and cheese sandwich, which is not in the Mexican diet, and the concessionaire then sold them tortillas (this not included in the daily charge of $1.75).

The living conditions were not good; there was filth all round.

Because pay was on a piecemeal basis, the Mexican nationals claimed they were given poor places to pick the fruit and they could not earn as much as the domestic workers who were given better trees.

It is my contention that inherent in this program is gross exploitation.

In conclusion, may I say, that if decent wages were paid, there would be plenty of domestic workers and there would be no need to import the Mexican nationals.

I oppose the extension of this law for 2 more years or even 1 more year—if these amendments cannot be adopted.

Our State labor commissioner and his assistant, Tom Current, have made a detailed study of the migrant workers—both domestic and Mexican nationals. In a hearing conducted by Secretary of Labor Mitchell, Commissioner Norm Nilsen had this to say:

> We in Oregon have made a close study of the conditions of migratory farmworkers and can cite them, chapter and verse. However, every State in which any study has been made has found conditions similar, or worse, to those found in the State of Oregon. A number of State agencies, at the request of a State legislative interim study committee, conducted the extensive survey in 1958 which led to the accumulation of a mountain of information on conditions in Oregon. The bureau of labor interviewed over 1,200 migrants in a scientific sampling of this State's sizable migrant population. In doing so, staff members of my department worked long hours, 7 days a week, during many weeks—they lived with the migrants, worked in the fields with them and sought them out wherever they were—in the camps, in the fields, even in the railroad jungles and the taverns if that was where they were. Other agencies took assignments related to their jurisdiction.
>
> In Oregon the public employment service is not under the bureau of labor. This separate department, therefore, had a different assignment from ours. The State employment service interviewed over 4,000 growers with respect to their problems and their viewpoint. The welfare department talked to all of the migrant applicants for aid during a 2-month period throughout the State. The board of health interviewed 2,000 migrants relative to their health and checked the sanitation of a large number of camps and fields. The industrial accident commission checked over 500 trucks and buses for safety.
>
> The following comments relate in very brief form the findings of these agencies pertinent to the three major areas treated by the regulations proposed by the Secretary of Labor at this hearing.
>
> HOUSING—TITLE 20, CHAPTER V, SECTION 602.9(D)
>
> The Oregon State Board of Health reported that over one-quarter of all migrant housing facilities in their survey sample were in a condition, or of a type, which were so unsatisfactory as to be menaces to the public health of the State of Oregon. The board of health, moreover, showed that many, many more than one-quarter of the facilities were unsatisfactory in one respect or another, conditions which also would be considered as unhealthful.
>
> The bureau of labor found in one county, for example, 14 percent of the migrant population had no shelter other than bedding rolls, tarp and stick arrangements, or personal automobiles. This 14 percent included many family groups and the total migrant population at the time in this county exceeded 3,000. This same county housed nearly one-quarter of their migrant population in tents, some of which were large platform tents, but many of which were ordinary camping equipment.
>
> The bureau of labor found throughout the State that a one-room cabin was the typical situation for a family, or for three or four single migrants. Of those family heads and singles in buildings of one kind or another in our survey sample, 75 percent were in one-room cabins. Sixty-five percent of the families were in one-room cabins. We found these families, approximately 650 rooms, or an average of 4.7 people per room.
>
> We took no average measurement information on the size of the cabins, but anyone familiar with migrant housing knows that the cabins are extremely small. In this one room, the parents eat and sleep, feed and bed their children, entertain their friends, store their belongings, and breed and bear more children.
>
> Although the Oregon Board of Health survey, even more than the bureau of labor survey, contains conclusive information, the Oregon State Employment Service survey adds insight into the economic context upon which we must focus some attention.
>
> One thousand and seventeen farm operators with migrant housing answered an employment service question which showed that only 15.5 percent of their family units, and 14.6 percent of their barrack units, have been constructed since 1952. There is considerable doubt that the percentage is as high with respect to the proportion of workers accommodated. The only figure available on proportion of workers accommodated was on the barrack type. Of the barrack units built since 1952 (14.6 percent of the total barracks), only 6.3 percent of the total worker capacity was accommodated. (Table XVII and XVIII, 1958 Farm Operator Survey, OSES.)
>
> These statistics are dramatized by the most frequent estimate of these farm operators that the life expectancy of their migrant housing was between 10 and 14 years (table XX). With 85 percent of the present housing units already over 7 years old, it is obvious that new construction was not keeping pace with the need.
>
> Furthermore, of the 4,273 farm operators reporting (1,017 of whom had some housing), only 53 were planning any expansion (table XXI).
>
> Since this is the housing situation, it would appear unjustifiable for a Federal agency to sanction importation of workers into a State without some prior investigation of the adequacy of the housing. If such a substantial proportion of the housing is of a quality below decent standards, it is more than likely that a substantial proportion of the imported workers would be inadequately housed.
>
> Many of the growers in Oregon have housing of which they can be proud, and of which the State can be proud. Most Oregon farmers have accommodations which would meet any standards likely to be set. It is, however, the minority of the growers about whom we must concern ourselves, and it is that unfortunately sizable minority who should not receive the benefit of farm placement service activity until some improvement is shown in their housing.
>
> PREVAILING WAGES—TITLE 20, CHAPTER V, SECTION 602.9(C)
>
> In our survey of the migrant in Oregon in the early part of the 1958 season, the Bureau of Labor found the average weekly earnings of the male migrant to be $32.36 per week. This figure was corroborated by the Oregon State Employment Service study of payroll and man-day figures supplied by the growers themselves. The grower figures reflected average pay per man-day as being $5.37 in the year 1957 for all seasonal farm workers. The low level of earnings of the individual cannot be ignored, even though the earnings of a total family, often cited, might reasonably support them if they were able to earn consistently. In our survey, we found the average family earnings to be $80.36 during the season.
>
> The regulations of the Secretary of Labor take on particular importance for the State of Oregon if we are to maintain the standards we now have, inadequate as they are. Farm earnings in Oregon are among the best in the country. In view of the extremely low level of actual earnings, however, we certainly should not permit Government funds to be used in such a way as might undermine wage standards already lower than necessary to maintain a minimum decent standard of living.
>
> AVAILABILITY OF LOCAL WORKERS—TITLE 20, CHAPTER V, SECTION 602.9 (A) AND (B)
>
> The problem of assuring local workers of employment opportunities before clearing an order for out-of-State workers requires consideration of several basic problems and concepts. The most prominent basic concept involves the theoretical benefit to the workers of improved wages and conditions in their local area as a shortage of workers improves their competitive situation. The automatic brake on any runaway effect of such a local shortage is normally that as wages and conditions improve, outside labor is attracted to that area.
>
> These homely statements apply more to industry than to agriculture, however, because heretofore some agricultural industry recruiting practices have prevented agricultural wages and conditions from keeping pace, even relatively, with industry. The agricultural industry has demanded that Government supply more workers to meet labor shortages, instead of improving wages and conditions to attract more workers.

While I am not desirous of hurting the agricultural industry, nor of shutting off

services to the industry, nor of promoting sudden changes in the patterns of which I complain, I am certainly in accord with allowing basic economic forces to help the situation. Supplying outside labor when not absolutely essential to prevent grievous loss to the agricultural industry acts as a restraint on basic economic forces to the detriment of the wages and conditions.

By being overanxious to supply foreign labor to the Nation's large farms, we have allowed a vampire bat to feast at the expense of our migrant and seasonal farmworkers. The net result in the Western States is that we have two tidal waves of workers flooding over the area. The Mexican nationals have been moved into the Southwestern States and then into California in such numbers that local farmworkers have not been in much demand, and in such numbers that it could not help but have a deleterious effect on wages and conditions which would have improved more under normal economic circumstances. As the foreign tidal wave grew, the domestic labor which normally lived in those areas or normally served those areas was forced to run to the North in search of a better competitive situation. As these domestic migrants moved north more and more pressures were placed on the competitive situation of local farm labor in Oregon and other States deleterious effect of this second tidal wave of displaced domestic workers has further worked to limit improvement in farmwork conditions.

This statement does not propose to turn back the clock. The Nation must work itself out of this situation carefully, responsibly, and gradually in order not to do an injustice to either our workers or our economy. Nonetheless, the Secretary of Labor must be supported in the promulgation of such regulations as are here proposed which will act to curb unnecessary recruiting of outside labor.

Even while avoiding irreparable harm to the agricultural industry, there must still be sufficient pressure maintained on the industry to cause it to more energetically seek answers to the problems of its employees. In any event, Government funds should not be spent in such a manner as to relieve the industry of the responsibility and the need for seeking such answers.

CONCLUSION

To all thinking persons of good conscience, it must be apparent that there is an illness in American economic and social life resulting from the conditions under which our migrant farmworkers live and work. The agricultural industry, perhaps through no fault of its own, has not been able to solve even the uppermost of these problems. Since migrants, either individually or collectively, are not in a position to defend their own interests, and since we cannot realistically expect the industry to make any more substantial progress than it has in the past, it is incumbent upon government to provide the necessary minimum protections for these citizens and fellow human beings in our country.

The case is so strong for the regulations as proposed by the Secretary of Labor that it is clear that they do not go far enough. How can anyone argue for the expenditure of public funds to bring workers to an employer who is not able, or will not, provide a minimum standard of decency, either through sufficient wages to maintain such a standard or through a combination of wages and housing facilities which would assure such a standard? There can be no reason why the various State employment services, supported as they are by the Federal dollar, should be permitted to dispatch to any farm employer, any labor, interstate or intrastate, if the housing of that employer does not meet minimum standards of sanitation, or if the working conditions and wages provided by that farmer undercut the general level in the area.

Actually, the proposed regulations will not make a substantial contribution to the progress of the domestic migrant worker, but they are important in any event. Substantial progress remains to be made and should be made through legislative and community approaches to the problem, preferably supported or even led by the agricultural industry. At the administrative level, however, certainly these regulations as proposed are the very least that we in this country should expect of a public official with the power and responsibility conferred by statute upon the U.S. Secretary of Labor.

This is all the more true because the standards under the proposed regulations will remain in most States fixed at a level considerably below the level guaranteed by contract to the foreign nationals we import to the competitive disadvantage of our own workers.

I trust that we are belatedly recognizing our responsibility as a nation to provide minimum levels of protection for our farmworker fellow citizens.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I rise in opposition to the amendment. I believe it is nothing in the world but a legislative monstrosity and I think it would be impossible to administer. I wanted to ask my good friend from Rhode Island some questions about it, because I am a little curious to learn whether or not he could actually explain any way in which it could even be administered. I realize, of course, the shortness of time precludes that.

I again reiterate that never in my life have I heard more misinformation passed out. I appreciate the sincerity of my colleagues who have made statements on this, but unfortunately we seem to have a bunch of do-gooder organizations who, believe you me, are spreading more gobbledygook around than I thought existed in this country.

The gentlewoman from Oregon [Mrs. GREEN], for whom I have a very high regard, just mentioned a situation which I know and I am positive she must know, must have been a violation of the law, if such conditions existed. I believe they did, because I respect the statement of the gentlewoman from Oregon. But I know that all in the world she would have had to do was call it to the attention of the proper authorities and it would have been corrected, because what she said existed was completely in violation of several sections of Public Law 78.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentlewoman.

Mrs. GREEN of Oregon. Immediately after this visit I directed a letter to Secretary Mitchell which, at the proper time, I shall ask permission to put in the RECORD.

The CHAIRMAN. The time of the gentleman from California [Mr. SISK] has expired.

The Chair recognizes the gentleman from Nebraska [Mr. MCGINLEY].

Mr. MCGINLEY. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from California [Mr. SISK] and to extend my remarks in the RECORD following those of Mr. SISK.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. SISK. Mr. Chairman, I was saying that I feel most of the misunderstanding by a great many of my good friends who are not from the area where these workers are used is due to the fact that they are thinking about the old wetback situation when literally hundreds of thousands of workers were brought in here illegally, with no controls whatever, with no prevailing wage rates observed, or anything else. We tried to bring order out of chaos with Public Law 78 and I think we have, because these people may not work as long as there is a domestic worker available. That is the first point.

Now secondly, they may not work unless they get prevailing wages. They may not be used as strikebreakers. They may not be used to reduce the rate of pay. They may not be used to displace domestic workers. Any contractor employing Mexican nationals must send those home and employ domestic workers if domestic workers are available.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I rise in opposition to the so-called Fogarty-McGovern amendment and in support of the 2-year extension of the present act as proposed in H.R. 12759.

According to the Department of Labor statistics, 1,140 Mexican nationals were employed in the State of Wyoming in 1959 under Public Law 78. In Wyoming and in most of the adjoining States, these people are used exclusively in the production of sugar beets. Their employment in this activity is essential because of the fact that domestic farmworkers simply will not do the stoop labor which they are employed to perform. The domestic farmworker has not been injured, either as to the availability of work or his rate of pay.

Much confusion has been evidenced as to what the present law that is being extended provides. Mexican workers can be used only in areas where the Secretary of Labor certifies that domestic workers, able, willing, and qualified, are not available and that the employment of Mexican workers "will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed."

The effect of the proposed amendment would be to replace the general findings of unavailability of domestic workers by the Secretary of Labor with the requirement that the individual employer must show that he personally was unable to obtain domestic workers after making "positive and direct recruitment efforts." This is a burden which the small sugar beet farmer could not assume, and should not be expected to assume. It would really operate to the detriment of the small farmer. I urge that the amendment be defeated.

The season of high employment of the sugar beet producers comes at the same time as in other ranch and farm work. At this time, there is always a shortage of domestic farm labor for haying and other farming operations.

Mr. Chairman, it is essential for our sugar beet farmers that this act be extended. Otherwise, they would be completely unable to obtain the help necessary to their operation.

It has been suggested by the gentleman from Rhode Island [Mr. FOGARTY] and others that the small farmer does not benefit from the Mexican farm labor program. The gentleman is simply not correctly informed, as this pertains in our area.

These sugar beet farmers employing Mexican nationals in Wyoming are almost exclusively on reclamation projects. All of these are small, family-size farms. By reclamation law, they are limited to family-size farms, usually of 160 acres or less.

This is a key crop to these people's making a success of their farming operations. It is further a key crop as far as contributing to the well-being of other phases of our agricultural economy. As an example, it provides an important source of feed for our livestock industry.

I again refer to the effect upon domestic labor. Bringing in these Mexican nationals to perform the stoop labor essential to our sugar beet industry, without which the industry could not survive, actually is of great benefit to our domestic labor. Domestic workers are given the opportunity to perform other operations in the planting, cultivation, and harvesting of sugar beets. Payrolls in our sugar beet factories alone amount to well over $2 million each year. This is particularly of assistance to the domestic farmworker, as it comes at a time when other seasonal employment is dropping off. It further helps the small farmer who takes employment during this slack period on the farm. In truck driving, rail transportation, the coal industry, and many others, jobs are created by reason of the basic production of sugar beets.

Since the enactment of this law, the number of Mexican wetbacks has dropped from over 1,075,000 in 1954 to only 30,196 in 1959. Failure to extend the act would simply mean a return to the wetback situation. We certainly do not want that.

The extension of this act is essential. It is in the best interest of the farmer, the domestic worker, the public in general. I urge that the Fogarty-McGovern amendment be defeated and that the bill be passed as reported.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, the distinguished gentleman from North Carolina, the chairman of the Committee on Agriculture, succinctly stated the reason for the amendments offered by the gentleman from Rhode Island [Mr. FOGARTY] when he said that, as a matter of fact, under the present program, Mexican nationals, known as braceros, are treated better than domestic migrant labor. That is exactly the situation at which the Fogarty amendment is aimed.

I wish to emphasize that the Fogarty amendment does not kill or cripple Public Law 78. Public Law 78 is extended for 2 more years. The Fogarty amendment, however, also clarifies the safeguards of existing law designed to protect domestic migrant labor. These provisions have been recommended by the committee of distinguished Americans who worked for 9 months last year studying the operation of this act. They concluded that these clarifications in the provisions protecting domestic migrant labor were needed to make the bracero program work effectively. Nothing we have heard here today would establish the contrary.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GEORGE P. MILLER].

Mr. GEORGE P. MILLER. Mr. Chairman, I am going to vote for the Fogarty amendments and I am going to vote for this bill, because I realize that without the bill American agriculture is going to find itself in a plight in which it cannot survive.

In 1937 as a member of the California Legislature I was sent into the "Grapes of Wrath" country, and what was recited in that book was true—all too true. Unfortunately it is a fact that we need Mexican labor now. We give them better conditions under which to work and to live and we pay them more than we pay our own people. In spite of what the distinguished gentleman from North Carolina says, this is not because the Secretary of Labor insists upon it, it is because the Mexican Government, protecting its own nationals, insists upon it. We have to meet the conditions set up by Mexico as a condition to its allowing its nationals to work in the United States.

If American agriculture is going to exist it has to get away from its dependence on Mexican labor. It has always been dependent on cheap labor from the time they brought in slaves to the influx of Chinese and Japanese right down the line. If you pay high enough wages and make work on the farm attractive, you will get Americans to work on the farm.

Sooner or later the status of the people of Mexico will be raised to the point where their Government will no longer allow them to come here.

My colleague from California [Mr. UTT] has told you of the progress being made in this respect.

Should we not take a long look at the dependence of American agriculture on a single source of labor—a source of labor so instable as this?

A wave of anti-Americanism or extreme nationalism could destroy the basic agriculture in this country and drive this country into chaos.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. CLEM MILLER].

Mr. MATTHEWS. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from California [Mr. CLEM MILLER].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CLEM MILLER. Mr. Chairman, I rise in opposition to this amendment.

I rise here as one who has supported every bill of my fellow Congressmen from the cities, who has gone down the line for the liberal program of the Democratic Party.

I rise here as one who represents nothing but family farmers, and a lot of them.

I rise here as one who has worked in the fields with braceros, side by side with them, not 5 years ago; one who has hired braceros himself, because when I went into the towns and tried to find American workers to come out to my farm, I could not find any.

What is the Fogarty amendment about? This amendment sets standards. I say we already have standards, high standards. California has figured heavily in these proceedings, and anyone who does not believe that high standards do not exist in California does not know what he is talking about. If there is any doubt, I refer you to page 44 of the hearings. Read the requirements for hiring labor that are set forth there. Standards of housing, transportation, sanitation; requirements for hiring domestic labor at the going wage and so fourth.

I also speak as one who not 2 months ago called a meeting of my farmers to consider this legislation. Over 250 farmers turned out to tell me what the situation was in their fields, in their housing, and in their conditions, in order to satisfy the high requirements for farm labor in the State of California. We are paying in the First District of California $1.25 an hour. This is the going rate. This rate must be paid to meet the high standards demanded by the State of California for Mexican laborers. This is of benefit to the domestic laborer because he gets that $1.25 in cash, whereas the Mexican gets $1.15, and the other 10 cents goes for administration. So actually we are benefiting these American domestic workers who want to work in the fields, because they are getting 10 cents an hour more than the braceros are. Far from depressing farm labor costs, the braceros program is boosting the wage scale of all farm workers. I say we should defeat this amendment. I say this as one who has gone down the line to back you up. I am asking you for your support now.

In conclusion, let me say that this dilemma we face is neatly summed up in a short colloquy between myself and Monsignor Higgins, one of the members of the Secretary of Labor's advisory committee:

Mr. CLEM MILLER. I represent a district which is almost totally composed of what you would call family farms. All of my farmers tremble on the edge of bankruptcy.

My question is, "How do you solve the farm-labor problem unless you have solved the problem of a fair price for the farmers' products?"

Monsignor HIGGINS. Well, that is the problem that I presume is going to get on the

front pages every other day between now and the election. I do not know. I would not claim to know.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, if this amendment is adopted you have killed the Mexican farm labor bill. Make no mistake about that. These amendments are not new. They represent mainly powers which the Department of Labor already has asserted as far as control of this program is concerned. Here is the gimmick in this amendment, and you read clear over to page 4, line 13, before you get it: "Issue such rules and regulations as may be necessary to carry out the provisions of this title."

That is a little strange, because this program has been regulated to death if any program has. Why do you think the Department of Labor wants us to agree it has a right to make rules and regulations? I think I know. I think they know as well as most lawyers know that they do not now have the rights they have asserted because they were not granted by Congress. Now they are trying by subterfuge in this amendment to cause the House of Representatives to say they have and by implication have always had the rights they have asserted, and more. To me this is dishonest. This is a situation in which we are asked to ratify the greatest usurpation of power by a department of the Government that I have ever seen. Some persons in this Department have done everything they possibly can do to kill this program by indirection, and they will continue to try to kill this program. If you take this amendment you will give them a green light to proceed to administer the coup de grace. Let us vote down this amendment, and show this department that this body is for the farmer, the workingman, and our good neighbor, the Republic of Mexico. Let us show those people who assert power they never had that we know how to reclaim and recover usurped power.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

The Chair recognizes the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Chairman, I am opposed to the pending amendment. I would like to take this opportunity to commend the chairman of the subcommittee who held long hearings and went thoroughly into this bill. I strongly favor the bill sponsored by the gentleman from Arkansas [Mr. GATHINGS]. I favor the pending bill. I am strongly opposed to the amendment because I think the Secretary of Labor has already usurped authority that it never had. This will turn over to the Secretary of Labor far more power.

The Congress of the United States has often seen an attempted seizure of its constitutional legislative powers by executive departments. Unfortunately, in the past few years this tendency on the part of the executive branch has been carried to greater and greater extremes.

Executive departments, in their eagerness to pay political debts, or in their fear of facing the legislative process in the Congress, have become more and more contemptuous of the constitutional limitation on their authority and increasingly rely on administrative rules and regulations having the force of law, and based on the flimsiest premises of legal authority to work their will in defiance of the Congress.

In my many years as a Member of the House I cannot recall a grosser example of the preemption of the legislative function by an executive department than is done by the Secretary of Labor's regulations promulgated November 20, 1959 in the field of migratory labor.

The Secretary of Labor in this instance, claims authority to regulate in the field of wages, hours, housing, and transportation of migratory workers under the Wagner-Peyser Act, passed in 1933, and which, up until the Secretary's action in 1959, performed its function of providing a grant-in-aid program for the maintenance of State employment services and for the Federal agency to coordinate the program.

After all these years, including too many in which the present Secretary of Labor has held his office, the Wagner-Peyser Act has functioned as it was the intention of the Congress that it do.

The Secretary, in March of 1959, suddenly decided that this 1933 statute authorized him to enter into detailed and extensive regulation of farm wages, housing and transportation. I challenge anyone to study the language of this statute and to read the legislative history thereof and to find therein any shadow of intent by the Congress of conferring such powers on any executive department. The Chief of the American Law Division, Library of Congress, has summed up the situation most clearly, and I quote:

> On this point, we have scanned the reports and debates on the Wagner-Peyser Act of June 6, 1933 (48 Stat. 113; S. 510, 73d Cong.), and do not find any indication that the Members sponsoring or debating the measure had in mind that the Employment Service was to exercise any substantive control over the working conditions and terms of employment of workers recruited by the Service.

The Secretary of Labor based the validity of his action solely on an opinion of the Attorney General, whose legal logic was found to be extremely unsound by the Committee on Agriculture in its favorable report on H.R. 12176. Thus, one Cabinet member authorizes a new encroachment by his fellow Cabinet member and presents the Congress with an accomplished fact and with a further erosion of our constitutional position. We can properly establish a value on the Attorney General's opinion in this case by asking the honorable Members of this House of any instances that they recall in which one branch of the executive department denied additional power to another branch of the executive. We thus have an absurd situation in which one executive department seeks legal authority for its actions from another executive department, and the Congress too often acquiesces in this pirating of its legislative responsibilities.

The unfortunate consequences of the entry of the Department of Labor into agricultural matters are already beginning to make themselves felt. There are reports of instances of favoritism in the recruiting of migratory labor by the Employment Service. Individuals in the Department of Labor, with little knowledge of agricultural problems, and less sympathy for those problems, are complicating the agricultural labor situation with unrealistic regulations. The Department of Labor sets itself up as a housing authority, as an arbitrator of wages and transportation practices, and demonstrates its complete disregard for a free enterprise economy. Why would not the Department of Labor bring to the Congress specific proposals for a mandate to proceed as it has done? Surely, this body has proven itself to be sympathetic to any legitimate demand in the field of labor relations.

Legislation by executive decree is a foreign doctrine to America. Only the Congress of the United States has the necessary sources of information and the diverse viewpoints which can produce legislation reconciling the interests of all the people in a new law.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in support of this amendment not only because of the moral questions involved, but also because my experience might be entirely different from that of my distinguished friend from California [Mr. CLEM MILLER]. The experience in my congressional district which is composed of garden and truck farms to a very large extent is that because of the importation of Mexican labor the New Jersey farmer whose farm, for instance, is not 15 miles from the Campbell Soup Co., the largest consumer of tomatoes in our area, cannot compete, believe it or not, with farms in the Southern States using this labor which harvest the crop, and which drives it up to the plant in New Jersey delivered there at a price less than that obtained by the New Jersey farmer.

I realize this problem has a broader scope than my district; I realize it is a national problem, and I do not mean to sound unnecessarily parochial about it. If for no other reason I would be in favor of the amendment on the moral issue, the depression of the farm and agricultural wages and standard of living in my area and in many other areas because of the peculiar benefits enjoyed by those who reside near the source of this cheap labor is an overwhelmingly persuasive reason for my supporting the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. QUIGLEY].

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. QUIGLEY. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. In the House Committee on Education and Labor for many weeks and months we have been considering minimum wage. Not long ago the gentleman from California [Mr.

ROOSEVELT] and the gentleman from California [Mr. HOLT] made quite a tour of the California area. The gentleman from California [Mr. ROOSEVELT] tells me that farmer after farmer pleaded with them not to bring farm laborers under the minimum wage law. These farmers in California and Arizona said they would go broke—they could not stand it—it would ruin them if they had to pay them the $1 an hour.

I find it very hard to equate that with statements being made this afternoon that farmers in California are paying $1.25 an hour for farm laborers. In addition it seems to me that inherent in this system is exploitation of the Mexican nationals. In the situation I referred to a few moments ago the Mexican nationals coming in were not being paid even as much money as the domestic workers were when they were working alongside of them. For instance, in the pear orchards, which was piecemeal work, the Mexican nationals said time after time they were given those places where the fruit was sparse, or where it was hard to get at, with the result that they made considerably less at the end of the day. So there are many inequities in the operation of this law. I would do away with it, but if I cannot do that I will support the McGovern-Fogarty amendment. I think it is an improvement upon present law.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, if we want a domestic sugar-beet industry, which we must have, and we will find out tomorrow how desperately we need it, we must pass this bill without the amendment. I have hundreds of letters against the spirit and the content of the amendment.

I cited an experiment whereby we kept Mexican nationals out of Utah for a week or two, and it threatened the whole industry. That was at a time when there was widespread unemployment in our State.

Our people will not do the stoop labor required in thinning sugar beets.

I yield to the gentleman from California.

Mr. CLEM MILLER. In answer to the gentlewoman from Oregon, who said a few minutes ago that the farmers of California were not willing to be covered by the minimum-wage law, it is not a question that they are not paying in excess, it merely means that they do not want the redtape, regulation, and so on that goes on in connection with this particular labor as disinguished from any other.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from California.

Mr. GUBSER. Nor can the farmer who harvests on a seasonal basis stand the time and a half provision of the minimum-wage law.

The CHAIRMAN. The Chair recognizes the gentleman from Vermont [Mr. MEYER].

Mr. MEYER. Mr. Chairman, if we are going to have economic balance in America we have to raise the general overall wage rates on American farms. This is in the interest of the farmer himself, and in the interest of a healthy agriculture. If it means higher prices for farm commodities that is the very thing we need because farmers and agriculture are competing with high wage rates in the steel industry. They are competing more or less with administered prices, and I feel very strongly that in the long run if we have higher wage rates on the farm it is in the interest of the family farmer and American agriculture. Basically the prime net income of a family farm is labor income and should improve relatively when farm wages approach factory wages. It is unfair to expect to have cheap food unless the farmer receives labor income at an hourly rate that is in balance with the hourly rates of other workers.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, I had not planned to speak on this particular legislation. However, I have listened to the most confusing statements that I have heard in a long time on a comparatively simple matter.

An example of the confusion is the charge by one Member that domestic labor gets more than the imported Mexican labor, on the other hand. The gentlewoman from Oregon stated that the imported labor gets less than the domestics. The fact is that the imported labor gets the going rate, and we do not import them unless there is a scarcity or unavailability of domestic labor. Remember, we are not talking about cheap labor. Imported labor is not cheap. It costs just as much if not more than the domestic labor, if it were available. But it is not available. It is not available for the small farmer in my district, and my district is a district characterized by family-size farms with tremendous diversity as to crops.

We cannot get labor except occasionally on a Monday morning, if the farmer wants to go to the employment service office and pick up a few men who have spent the weekend in the drunk ward of the jail. They can get a few to work for an hour or two, and then they take off.

It is not fair to expect us to harvest our crops with labor of that type. Any person from any part of this country who seeks employment at agricultural labor will find it readily available in my district. But that labor is not available.

This bill would impose a blanket of frustrating bureaucracy on the farmer and, I might add, a tremendous cost on the Department of Labor.

I cannot understand the purpose of the McGovern or Fogarty amendments, or what they mean. I do not know whether the criteria called for is to be developed prior to the certification of the scarcity of labor, or whether the Secretary is to study the import experience, and then determine that he should certify as to the need.

It is a confused and confusing piece of legislation, and it certainly would not raise one iota the level of the domestic agricultural worker, nor improve his lot.

I urge defeat of the amendments and passage of the simple extension of the present program.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to transfer the time allotted to me to the distinguished gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, may I first of all thank the gentleman from West Virginia.

Mr. Chairman, I am not taking the floor today to shout at you, to scream at you, to engage in emotional pyrotechnics nor to entertain you with the story of the shooting some years ago when this bill was on the floor. If I had not gotten under the table as fast as my friend, the gentleman from Florida [Mr. MATTHEWS], I might not even be here today. Although I got under in less than 1 second, it took me 5 minutes to get out. There was a bullet hole right in the center of the back of the chair in which I had been sitting.

Now, let us clear up the issues. I agree with my good friend, the gentleman from California [Mr. Moss] with whom I seldom disagree, but there has been great confusion presented by both sides. First of all, why was the Fogarty amendment offered or the McGovern amendment offered? Because in the Committee on Agriculture there was an attempt to challenge what the Secretary of Labor asserts is a right he has under the law at the present time to enforce the provisions of the Wagner-Peyser Act in this bracero law. The Gathings proposal was introduced in the original bill which was reported out of the committee, which repealed or challenged any authority of the Secretary of Labor. As a result of this challenge the conflict between the thinking of those on the Committee on Agriculture, who in a great manner represent the thinking of agriculture in this country, and properly so, and the position of the Secretary of Labor was resolved. Therefore, the Fogarty amendment was introduced to clear up once and for all and determine the right of the Secretary of Labor to apply the provisions of Wagner-Peyser to the importation and use of Mexican braceros. That is the answer to Mr. RHODES' comment.

Mr. Chairman, it is possible that the leadership on the other side of the aisle cannot make up its mind on this adjournment or recess resolution, but that is not the subject at the moment.

Now, certainly the Fogarty proposal gives the Secretary the authority to impose regulations on the importation and the use of Mexican labor. Nor has the Secretary of Labor been the initial source of the requirement for housing and other provisions in the present law or the regulations stemming from the law. These were put in at the request

of the Mexican Government seeking to protect its nationals whom they charged were being exploited in this country.

The Fogarty amendment should be adopted. It does not repeal the law, nor does it make it ineffective. To the contrary, it will be a great step toward insuring a permanent program on a decent and equitable basis.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I am very much opposed to the pending amendment, and I am very much in favor of the measure that has come from the committee under the leadership of the the gentleman from Arkansas [Mr. GATHINGS].

To me the pending amendment is too far-reaching and contains the tools of a regulation of free labor that could be dangerous in the hands of an arbitrary Secretary of Labor should he choose to employ them at some future date.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, I ask unanimous consent that the time allotted me be yielded to the gentleman from Texas [Mr. POAGE].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, the gentleman who just preceded me pointed out that there has been a lot of confusion about this measure. And, indeed there has. Unfortunately, some of the finest men in this House have sought to legislate on something on which they have no background information. The gentleman from Rhode Island, with his farm experience in Rhode Island, has still never had any experience using braceros. The gentleman from New York, who has rendered such a splendid contribution to our Committee on Appropriations and has proven his sincere interest in agriculture, on so many occasions has no conception of the relationship of these crops or surely he would have never sought to deny the use of bracero labor to cottongrowers. Cotton is not in nearly the surplus in which some other crops are. Surely, no fair man, and the gentleman from New York is always fair, would want to single out one legal and needed crop and discriminate against it just because it is grown only in the southern half of our country. I feel sure that the gentleman does not seriously want to deny cottongrowers the use of labor which would be legally available to the growers of any other crop which might be in surplus. I feel sure that the gentleman only offered this amendment to call attention to our surpluses and not with any idea that it would or should be adopted. What I have said is offered in no spirit of criticism, but the first amendment requires that any man who is going to use these braceros not only make reasonable efforts to attract domestic workers for such employment, but that his efforts should include independent and direct recruitment by the employer who is requesting foreign workers and under terms and conditions of employment comparable to those offered to foreign workers.

That means, of course, if there is one individual in a community, or one large corporation, who can spend thousands of dollars to go out and recruit, go to Chicago or Memphis or some other distant point and haul people across the United States, that then every little farmer would have to do the same thing before he can use a Mexican. I tell you those little farmers cannot do it. This is a big farmers amendment regardless of what I know to be the author's good faith effort to assist small farmers.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

The Chair recognizes the gentleman from South Dakota [Mr. MCGOVERN].

Mr. MCGOVERN. Mr. Chairman, I want to use the brief time that has been allotted to me to make it perfectly clear that the Secretary of Labor is in substantial agreement with the terms of Mr. FOGARTY'S amendment and is opposed to extending the legislation unless changes along the line we are recommending in this amendment are accepted. In a letter which he addressed to me on June 24, he has this to say:

> My previously expressed opinions in this matter have not changed. There is ample evidence before the Department, including the conclusions and recommendations of independent consultants who have studied this problem for me, that the Mexican program legislation needs substantial improvement in order to avoid adverse effects upon our own farmworkers. My view remains that the existing law should not be extended until such improvements can be incorporated in it.

That is signed by the Secretary of Labor.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. MCGOVERN] has expired.

The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I want to advise the Committee that in the amendment offered by the gentleman from New York there is something that almost escaped notice. As a matter of fact, under this program, the Secretary of Agriculture makes the decision on what crops these workers from Mexico are to be used. The gentleman comes in here now and says that you can use them on food crops but you cannot use these Mexicans in the cultivation and harvest of the cotton crop.

I want to say to this Committee that that is highly unfair, because he is trying to chop the law half in two that has worked so well in this country.

He wants to deny the cotton farmers of the Nation the right to use these laborers on these farms. Now, there was a question asked before the committee of Mr. Young of the National Cotton Council about the offtake and the production of cotton. Here is the question and here is his reply:

> Do you have any figures on the production and disappearance?
>
> Mr. YOUNG. The 1959 crop, Mr. GATHINGS, was approximately 14,750,000 bales.
>
> Mr. GATHINGS. What is the anticipated offtake?
>
> Mr. YOUNG. The anticipated offtake is almost 16 million bales, or about 1¼ million bales more than was produced in 1959.

The gentleman wants to cut off all braceros from use on the cotton farms in America.

Mr. Chairman, I hope his amendment will be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I have no personal interest in this legislation whatsoever. It does not affect the State of Iowa. I think we had some 75 Mexican laborers in the entire State of Iowa last year.

The question before us is simply this: Do you want the fruit and vegetable growers in this country who need this type of labor to harvest their crops, or do you want to put them out of business? There are a lot of farmers who are absolutely dependent upon this kind of stoop labor. It has been fully disclosed throughout the hearings that this type of labor will not be engaged in by American labor. The bill before us will not displace American labor. The law provides that the Department of Labor must certify that American labor is not available before Mexican labor can even be made available. So the question naturally arises whether you want an extension of this program or whether you want wetbacks coming into the country in large numbers. It is just that simple.

It is not an easy matter to work out migrant labor agreements with the Republic of Mexico. It takes a lot of negotiation. We have very friendly relations with Mexico today. You can imagine what might happen if we would suddenly curtail the migrant labor program. I fear it would result in thousands of wetbacks coming into this country. This would be detrimental not only to the agricultural economy of this country but would be rather detrimental to our friendly relations with Mexico.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I commend the gentleman on a very fine statement, and for his efforts in behalf of this meritorious legislation. It has been said in this debate that only 2 percent of the farmers of America use this labor. That may be true, but in the Midwest area they grow quite a lot of small grains, wheat, corn, and the like, and it is not necessary to use this labor in growing and harvesting grain.

Mr. HOEVEN. That is true.

Mr. GATHINGS. Only 2 percent of the farmers use this labor because of the fact that it is in those few areas in America where stoop labor is necessary that they are needed.

Mr. HOEVEN. The gentleman is exactly right. I am not concerned as to whether it is 1 percent, 2 percent, or 10 percent. The fact is that when the small farmers of America under our free-enterprise system want to harvest their

crops they should have the necessary labor available to do so. When American labor cannot be provided to do the job, our farmers should be provided with other labor to harvest their crops. If you prefer an extension of the present program to a wetback program, then, you should vote against the amendment that has been offered by the gentleman from Rhode Island. If we are going to have a wetback program in this country with all the implications involved we should do so with our eyes open. We are keeping up our good relations with the Republic of Mexico, and we do not want to disturb them at this time when we are already having some difficulties with Castro and Cuba.

No hearings have been held on the McGovern-Fogarty amendment. There is a jurisdictional fight between the Secretary of Labor and the Secretary of Agriculture, which should be fully reviewed by the Committee on Agriculture next year. The sensible thing to do is to extend the act for 2 years, as proposed in the committee bill, and then give the Committee on Agriculture an opportunity to fully explore the entire situation.

Mr. McGOVERN. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from South Dakota.

Mr. McGOVERN. May I remind the distinguished gentleman that hearings were held on this legislation and testimony was taken by the committee, and everyone who wished to be heard was given an opportunity to be heard.

Mr. HOEVEN. There may have been general hearings on the overall problem but no specific hearings were held on the gentleman's amendment, as I recall.

Mr. COOLEY. The amendment was considered, but not a single farm organization came out for the amendment.

Mr. HOEVEN. No hearings were had on the McGovern amendment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from South Carolina [Mr. COOLEY], the chairman of the committee, to close debate.

Mr. COOLEY. Mr. Chairman, I wish to reiterate the statement I made just a moment ago to the effect that according to my recollection no farm leader in America endorsed this pending amendment. I do not recall that anybody in the Department of Agriculture endorsed the pending amendment. The bill before you has the endorsement of all farm organizations. It has the endorsement of the Department of Agriculture. The Secretary of Labor is authorized to recruit workers.

No workers recruited under this title shall be available for employment in any area unless the Secretary of Labor has determined and certified that, first, sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed; second, the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed; and third, reasonable efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

All time has expired.

The question is on the amendment offered by Mr. SANTANGELO to the amendment offered by Mr. FOGARTY.

The question was taken; and on a division (demanded by Mr. SANTANGELO) there were—ayes 33, noes 122.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 51, noes 138.

So the amendment was rejected.

Mr. GUBSER. Mr. Chairman, I move to strike out the last word.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending bill and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. SHELLEY. Mr. Chairman, I object.

Mr. COOLEY. Mr. Chairman, I amend my request and ask that all debate on the bill and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. GUBSER] is recognized for 5 minutes.

Mr. GUBSER. Mr. Chairman, as has been stated repeatedly on the floor this afternoon, a great deal of misinformation has been circulated with respect to the operation of this program. It has been repeated in good faith by many Members.

I wonder how any one of us would feel if we had our life's savings and all we could borrow from the banks invested in an apricot orchard in Willows, Calif., at this very moment and we could go out of our front door and see that crop, on the ground—our savings, and our work wasted. This is the situation this moment in Willows, Calif. Fifty percent of the crop is on the ground in Brentwood, Calif.; 25 percent at Los Baños and Tracy, and other places. It is due to but one thing, shortage of labor.

One farmer lost $225,000 worth of cherries just a month ago in California.

Last year 10,000 tons of cling peaches rotted on the ground because the farmers could not get labor to pick them. This is wasted food. This raises your cost of living.

A great many people do not understand the need for this type of labor. It has been repeatedly stated that domestic labor is available. The fact of the matter is that domestic labor does not want employment at any price because of the physical conditions involved in doing the work.

Week after week I have been placing an article in the CONGRESSIONAL RECORD from my hometown newspaper, the Gilroy Evening Dispatch. It is a weekly report from the farm labor office. Always the first paragraph of that article says in effect: "We desperately need cherrypickers and berrypickers. Come down and register."

But, Mr. Chairman, the next paragraph of that same article says there are 500 to 600 continuing claims for unemployment insurance. Some of these claims are from housewives, I admit. I talked to one Member of Congress yesterday and he said, "We tried to get students to pick our strawberries. They would not do it. But my wife went out and picked them because she got two baskets for every four she picked, and she filled the freezer with them."

Mr. Chairman, if picking strawberries is not beneath the wife of a Member of Congress, it is not beneath young men to go out and do the same thing. A great many of us did it when we were getting started. We learned to work, we learned to earn our salt. And it did not hurt any of us. Not today. Very few want to work at menial and stoop tasks any more, and I will not blame the American people. But because the American people have changed in their desires, does that mean that the farmer at Brentwood, Tracy, and other places should have his years' savings go on the ground and result in utter waste because he cannot get the labor?

It is stated that only 2 percent of the farmers are helped. But let us not forget that two-thirds of the Nation's acreage is in feed grains. A lot of it is in livestock. When you speak of this 2 percent you are speaking of only 2 percent of 10 percent of the farmers, who might use this labor. This places the statement in an entirely different light. It means that 20 percent of those who have the need for such labor actually use them. The figure of 2 percent is nothing more than distorted propaganda which has been innocently repeated this afternoon.

If my neighbor across the road is a corporation farmer and I am a small farmer it is to my advantage that he gets braceros. When his needs are satisfied with braceros I have the opportunity of hiring locals. Without the Public Law 78 program my rich competitor could attract locals with better offers which I could not match and I, the small farmer would suffer most.

Mr. Chairman, the argument that this program only helps the large farmer is just not true.

It is interesting to note that the Monitor, the official newspaper of the Catholic Archdiocese of San Francisco, has started a series of five articles giving the growers' side of the bracero story. I have already placed the first article in

the RECORD and submit herewith the second article which was published June 24:

THE BRACERO STORY: "I PREFER LOCAL LABOR, BUT—"

(By James Kelly)

This is the second of five articles on "The Bracero Story," dealing with the dispute over hiring of Mexican nationals to harvest California's crops.

Telling the growers' side are Stephen A. D'Arrigo of San Jose, Paul A. Mariani of Cupertino, and Gerald B. Hansen, San Jose, attorney for the Progressive Growers Association. Black dots indicate their chief claims, continued from last week.

Braceros do not depress the farm wage scale. They are hired at the prevailing rate—right now, $1 an hour for pickers in the Santa Clara Valley. The growers do not set this rate. The State farm placement service tells them what to pay.

"Labor accounts for the bulk of a grower's costs in producing some crops, up to 85 percent in strawberries," D'Arrigo said. "He can pay just so much without losing money. In fact, Salinas has been forced out of carrot production because growers there could not compete with the lower labor costs in Texas.

"I would prefer to hire domestic labor if I could, even at $1.25 an hour, because it costs me $32.50 to bring a bracero up from the border reception station and return him. But the local labor market cannot supply me with the workers I need, when I need them."

Labor costs knocked strawberry acreage from 22,000 down to 12,000 this year, Mariani said. D'Arrigo noted he has only 500, instead of 1,500, acres in pole beans for the same reason.

Housing, food, and sanitation at bracero camps in California are above reproach.

"There are bound to be some abuses, some violations of the rules, certainly," attorney Hansen declared. "But these are few and far between. Archbishop Lucey's accusations on this score may be true in Texas, but they don't apply here. For one thing, the international agreement with Mexico spells out in detail exactly the kind of conditions a grower has to maintain.

"Discovery of an abuse means the grower loses his braceros. With the labor shortage, he simply can't afford to risk it."

(The Monitor visited a camp at D'Arrigo's Santa Teresa ranch south of San Jose. Barracks-type quarters appeared neat and clean with steel cots and linoleum floors. Outdoor privies were provided with running water. Surrounding grounds were graveled and well drained. There were indoor showers and a lean-to washroom, all clean. The noon meal of chorizo and frijoles—braceros are fed Mexican-style food according to a daily menu outlined in the Progressive Growers Association handbook—was being prepared in a spotless kitchen for serving in an equally clean mess hall.

The "corporation" farms' use of braceros is not ruining the small family farmer.

"It's not braceros, but the increase in cost of production, that's hurting the small farmer," D'Arrigo pointed out.

"Eighty thousand acres have been taken out of production in Santa Clara county in the past 10 years. No new farmers have gone into agriculture. Actually, the only thing keeping California farmers' heads above water is not returns on their crops, but capital gains—that is, sale of their property.

"There are people right in this county, oldtimers especially, making a bare living, if that, from their crops. But they could sell the land they're sitting on for millions of dollars, and eventually they will, as urbanization continues."

This is the bracero story as seen by growers. Does it paint a picture of a "ghastly racket," an insult to the American conscience?

Mariani, D'Arrigo, and Hansen agreed that more light is needed on the big and basic social problem that has generated the whole bracero issue.

That problem: Can American consumers be educated to pay substantially higher prices for farm products? If not, who will bear the cost of the kind of wages required to keep American farm workers "down on the farm"?

Mr. Chairman, if we are to argue morals let us think for a moment of the program's benefits to underprivileged citizens of Mexico. This is second only to tourism as a source of outside income to Mexico. It has allowed hundreds of Mexican families living at starvation levels to assume the dignity of owing land, being in business for themselves, and improving their standard of living. Our Government has adopted the policy, through the mutual security program of helping underprivileged people. This is a way of doing this and at the same time saving crops which will go to waste.

Braceros do not replace domestic labor. You cannot employ them while one domestic wants a job and does not have it. It is well regulated and clean living and working conditions are assured. It is necessary and worthy of your support.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. GREEN of Oregon. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mr. SANTANGELO. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHELLEY: On page 1, line 4, after "June 30" strike out "1963" and insert "1962."

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I would like to say to the gentleman from California that I agree with his amendment. I had a similar amendment to offer. I should like to join with the gentleman in his amendment, and I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. SHELLEY. Mr. Chairman, in the first place, the argument has been made that those who proposed the preceding amendment, and I am not surprised it was defeated, were opposed to this program. Nobody has offered here today anything to end the program. Nobody has made one suggestion about terminating it. I will say to those who support this legislation that there are farm areas in this country and crops which, if the crops are to be harvested, need outside labor, and that there is a drastic shortage of it. There have been incidents of crop loss over the years. This bill would extend the present law 2 years past July 1, 1961. The existing act does not terminate in the next month; it terminates a year from now.

My amendment would give a new administration the opportunity to study it for a year and come in with a program that would end the confusion, the consternation and the conflict that exist and have existed throughout the period this law has been in existence. It would extend the law to July 1, 1962.

Do not extend this law to 1963. Let us clear up this confusion, let us make a contribution to the needs, the requirements and the demands on both sides, and let us be fair.

I say this is a fair approach. It would give a new administration with a new view, a new look, a chance to study it and come in and make recommendations to the Congress.

Mr. Chairman, I ask that this amendment be adopted, which simply cuts down the expiration date or extension from June 30, 1963, to June 30, 1962.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I yield to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Sure you may get a new administration, but you will have gotten the same old growers of fruit and farm produce.

You have been yipping and yelling about second-class citizens. What we are trying to do here is to make everybody who owns an acre of land a second-class citizen with organized labor giving the orders where they do not represent employees. That is what it is.

I cannot understand why the representatives of organized labor are so concerned when none of their members are employees in this business. Why are you yelling about the Mexicans when they are satisfied and the farmer-employer is satisfied? Why should, and where does, organized labor come in?

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. Did you see what Michael J. Quill, head of the Transport Workers Union, said today?

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. No; I cannot yield.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, the bill must be extended for 2 years. Without legislation to extend this particular bill, it will be almost impossible for the farmers to get financing; it will be almost impossible for the farmer to plant his crop. The farmer has to know this day and time, the situation concerned, under which he will grow his crop. Without at least 2 years to determine what he will be doing when the crop is planted, when the crop is to be harvested, all of the imponderables which a farmer must face, anyway, it would be almost impossible for him to plan and conduct his business in the way you and I would want to conduct ours.

So, I ask that the amendment offered by the gentleman from California be voted down and that the bill be passed as it was reported from the great Committee on Agriculture.

Mr. ABBITT. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina [Mr. COOLEY] and I may yield our time to the gentleman from Arkansas [Mr. GATHINGS].

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I just want to say that the farmer pays the major part of the cost of the operation of this program; that is, bringing up the labor from away down 150 to 200 miles inside Mexico up to the reception center and for processing that bracero at the border and for transporting him to the farm and giving him an insurance policy, subsistence, hot lunch en route, and then returning that worker right back to the border again. It costs $42.60, as the record reveals, to bring a man up and to get him back, that is, to the State or Arkansas, a distance of about 1,000 miles from the Mexican border.

Now, that $42.60 would not be paid by that farmer if he could get that labor from any other source; he would not do it, because it is not recoverable. Not one nickel of that money is reimbursed. $42.60 is the amount paid to obtain this labor to chop or to harvest his crop.

Now, the gentleman would want to have only a 1-year extension of this act. It has always been a 2-year act from the very beginning. In 1951 we passed a 2-year act. We came along again in 1953 and extended it for 2 years. We have always extended it more than 1 year all along the line. The farmer knows what to expect. It would be a hardship to have a 1-year extension, which would require the farmers to come back to Washington again, at heavy expense, to ask for an extension of this act after such a short time.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would just like to point out that when we have hearings on this Mexican labor bill people come from all over the United States at their own expense.

Mr. GATHINGS. They do.

Mr. COOLEY. And they stay here in hotels day after day to present their views to our committee, and once every 2 years is often enough to subject them to that kind of treatment.

Mr. GATHINGS. Absolutely. I agree with the chairman of the committee. It is very expensive for these farmers to come here to get this extension approved by the Congress. I trust that the amendment will be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, to summarize before this vote is taken, I must make very clear and explicit what a vote for H.R. 12759 really represents.

First of all, a vote for this bill would represent a vote for continuation of 30 to 50 cents per hour wage rates for our own farmworkers—as in Arkansas today. U.S. farmworkers' rates do not go above that level there as long as sufficient Mexicans are available at 50 cents.

It would be a vote for continuation of acute underemployment of U.S. farmworkers—which holds their average earnings to under $1,000 per year—under $600 per year for nonwhites.

In other words, this would be a vote for impoverishment of our own farmworkers; ignoring the clear need to improve the protection of our workers against foreign worker competition, it would be a vote, instead, for weakening the existing protections for U.S. farmworkers.

A vote for this bill would also be a vote for growing dependence upon foreigners for growing our foodstuffs. Already more than 80 percent of our lettuce harvest is in the hands of Mexican nationals.

It would be a vote to extend a special advantage to the 51,000 farmers—less than 2 percent of the total—who employ Mexicans.

It would be a vote for reduced incomes for the family farms whose markets are being steadily undermined by the output of cheap foreign labor.

It would even represent a vote to increase the burden on the Federal Treasury—for continuing subsidies to the growers of surplus cotton raised with foreign labor.

And this is something I did not know until it was brought out today. It would represent a vote to increase the burden on the Federal Treasury, on the taxpayers, for continuing subsidies to the growers of surplus cotton raised with foreign labor. In other words, 60 percent of those 450,000 Mexicans are going to be used to pick cotton that is already in surplus and which is costing the taxpayers millions upon millions of dollars. Storage costs alone will be about $12 million for this past year.

I must make clear to the House, also that a vote for this bill is a vote to reject the unanimous judgment of the Nation's moral leadership—the churches—who advise unequivocally that the present bracero program is unacceptably immoral. Such a vote is a demonstration to the undeveloped, uncommitted nations of the world of how little our moral preachments mean when the selfish interest of our large landowners are involved.

Such a vote is a vote also for ignoring the objections and concern of the Mexican labor movement and of the church in Mexico—an attitude on our part which would only worsen our already sensitive relations with the peoples of other Latin American countries.

Those who wish to vote for permitting increasing use of Mexican contract workers in skilled farm jobs and as year round workers should vote for this bill.

Those who wish to vote for use of permanent immigrants or citizens, on the grounds that the former can be held on the job; that he is not free to accept other more attractive employment—a reason that is openly admitted—those should also vote for Mr. GATHINGS' bill.

And those who wish to continue to refuse U.S. farmworkers the same elementary protections and guarantees provided Mexican workers should also vote for this bill. For under that bill, the Department of Labor is not authorized or permitted to assure equivalent benefits for U.S. workers.

A vote for this bill is a vote for acquiescing in an Agriculture Committee effort to interpret a 27-year-old statute for which the Agriculture Committee never has had any responsibility—and about which it has had, apparently, little knowledge.

Such a vote, also, would be a vote in favor of Farm Bureau Federation dictation of U.S. labor policy—dictation in the clear interest of a few large farmers and against the clear interest of most of the Farm Bureau's own membership.

Finally, I suggest emphatically to my colleagues on both sides of the aisle that a vote for this bill is a vote for exploitation of the many for the benefit of the few. Seldom has an issue been more clear cut.

Mr. WAINWRIGHT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Chairman, as the Representative of Long Island potato growers, and other farmers, I cannot support the position of the gentleman from Rhode Island [Mr. FOGARTY] to eliminate migrant farm labor on Long Island. None of our farmers, nor the Farm Bureau, has contacted me in regard to this bill. However, I am sure that if they realized that Long Island migrant labor would be done away with, that they would have been up in arms. My vote shall be cast for a continuation of the system which allows migrants to work on Long Island during the proper seasons. Failure to permit this will cause our farms to be destroyed.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. SHELLEY].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. EVINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes, pursuant to House Resolution 569, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. BECKER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BECKER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. BECKER moves to recommit the bill H.R. 12759 to the Committee on Agriculture.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on passage of the bill.

The question was taken; and the Speaker announced that in his opinion the "ayes" had it.

Mr. YATES. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LAND GRANT INSTITUTIONS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 586, Rept. No. 2036), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10876) to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the Act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land grant institutions. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

NORTH ATLANTIC TREATY NATIONS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 587, Rept. No. 2037), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (S. J. Res. 170) to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of United States delegates to such convention, and for other purposes. After general debate, which shall be confined to the resolution, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF SUGAR ACT OF 1948 AS AMENDED

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 588, Rept. No. 2038), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12311) to extend for one year the Sugar Act of 1948, as amended, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Agriculture, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Agriculture may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

FEDERAL EMPLOYEES' COMPENSATION ACT AMENDMENTS OF 1960

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 572 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12383) to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN] 30 minutes, and yield myself 1 minute.

Mr. Speaker, this resolution makes in order with 1 hour of general debate the consideration of the bill H.R. 12383, reported unanimously by the Committee on Education and Labor, approved by the Bureau of the Budget, and approved by the Navy Department. There is no objection to it from any source that I know of.

This relates to a revamping of the Federal Employees' Compensation Act, which has not been revised for many years and has some things in it that need correction.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Virginia [Mr. SMITH], the chairman of the Committee on Rules, has explained this rule and the provisions of this bill very well. I know of no opposition to the rule on this side.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. WIER. Mr. Speaker, I ask unanimous consent, with the approval of the minority members of the subcommittee, the gentleman from New Jersey [Mr. FRELINGHUYSEN] and the gentleman from New York [Mr. GOODELL], that the

bill, H.R. 12383, to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes, be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employees' Compensation Act Amendments of 1960".

TITLE I—SUBSTANTIVE AMENDMENTS

Increase in minimum compensation for total disability, attendants, allowance, maintenance while undergoing vocational rehabilitation

SEC. 101. Section 6 of the Federal Employees' Compensation Act is amended by striking out "$75" in paragraph (1) of subsection (b) and inserting in lieu thereof "$125"; by striking out "$50" in paragraph (2) of subsection (b) and inserting in lieu thereof "$100"; by striking out "$112.50" in subsection (c) and inserting in lieu thereof "$180".

Increase in death benefits

SEC. 102. Section 10(K) of the Federal Employees' Compensation Act is amended by striking out "$150" and inserting in lieu thereof "$240".

Increase in burial payments

SEC. 103. Section 11 of the Federal Employees' Compensation Act is amended by striking out "$400" and inserting in lieu thereof "$800".

Increase of compensation base where injury occurred before January 1, 1958

SEC. 104. Notwithstanding any other provision of this Act or the Federal Employees' Compensation Act, the monthly pay upon the basis of which compensation for disability or death is computed under the Federal Employees' Compensation Act shall be increased as follows: If such employee's injury (or injury causing death) occurred before January 1, 1958, but after December 31, 1950, such eligible employee's "monthly pay" shall be increased by 10 percent; if such employee's injury (or injury causing death) occurred before January 1, 1951, but after December 31, 1945, such eligible employee's "monthly pay" shall be increased by 20 percent; if such employee's injury (or injury causing death) occurred before January 1, 1946, such eligible employee's "monthly pay" shall be increased by 30 percent: *Provided,* That nothing in this or any other Act of Congress shall be construed to make the increase in the monthly pay provided by this section applicable to military personnel, or to any person or employee not within the definition of section 40(b) (1) or (2) of the Federal Employees' Compensation Act: *Provided further,* That this section shall not be construed to permit the amount of compensation on account of an employee's disability or death to be increased more than 10 percent if such injury (or injury causing death) occurred before January 1, 1958, but after December 31, 1950, nor more than 20 percent if such injury (or injury causing death) occurred before January 1, 1951, but after December 31, 1945, nor more than 30 percent if such injury (or injury causing death) occurred prior to January 1, 1946.

Liberalization of minimum and maximum compensation for emergency relief workers

SEC. 105. The second proviso of the first section of the Act approved February 15, 1934 (5 U.S.C. 796) is amended by striking out "$100" in clause (a) and inserting in lieu thereof "$150"; and by striking out "$75" in clause (b) and inserting in lieu thereof "$150".

TITLE II—TECHNICAL AMENDMENTS

Clarification of scheduled awards

SEC. 201. The first sentence of section 5(a) of the Federal Employees' Compensation Act is amended by inserting after "body," the following: "regardless of whether the cause of such disability originates in a part of the body other than such member,".

Eligibility for or receipt of benefits earned under Civil Service Retirement Act not to preclude payment of compensation for scheduled losses, election by claimants eligible to receive veterans' benefits for same disability or death

SEC. 202. Section 7(a) of the Federal Employees' Compensation Act is amended to read as follows:

"SEC. 7. (a) That as long as the employee is in receipt of compensation under this Act, or, if he has been paid a lump sum in commutation of installment payments, until the expiration of the period during which such installment payments would have continued, he shall not receive from the United States any salary, pay, or remuneration whatsoever except in return for services actually performed, and except pensions for service in the Army or Navy of the United States: *Provided,* That eligibility for or receipt of benefits under the Civil Service Retirement Act shall in no way impair the employee's right to receive compensation for scheduled disabilities specified in section 5(a) of this Act: *Provided further,* That whenever any person is entitled to receive any benefits under this Act by reason of his injury, or by reason of the death of an employee, as defined in section 40, and is also entitled to receive from the United States any payments or benefits (other than the proceeds of any insurance policy), by reason of such injury or death under any other Act of Congress, because of service by him (or in the case of death, by the deceased) as an employee, as so defined, or because of service by him (or in the case of death, by the deceased) in the Armed Forces of the United States, such person shall elect which benefits he shall receive. Such election shall be made within one year after the injury or death, or such further time as the Administrator may for good cause allow, and when made shall be irrevocable unless otherwise provided by law."

Medical care to claimants receiving Civil Service annuity

SEC. 203. The first sentence of section 9(a) of the Federal Employees' Compensation Act is amended by inserting after "arisen," the following: "and notwithstanding that the employee has accepted or is entitled to receive benefits under the Civil Service Retirement Act,".

Considerations in computation of wage-earning capacity

SEC. 204. Section 13(b) of the Federal Employees' Compensation Act is amended by striking out all that follows "his usual employment," and inserting in lieu of such matter stricken out the following: "his age, his qualifications for other employment, the availability of suitable employment, and any other factors or circumstances in the case which may affect his capacity to earn wages in his disabled condition."

Notice of injury and claim for compensation in cases of latent disability

SEC. 205. Section 20 of the Federal Employees' Compensation Act is amended by inserting immediately after the first sentence thereof the following: "In cases of latent disability due to radiation or other causes, the time for filing claim shall not begin to run until the employee has a compensable disability and is aware, or by the exercise of reasonable diligence should have been aware of the causal relationship of the compensable disability to his employment: *Provided,* That the time for giving notice of injury in such cases shall begin to run as soon as the employee is aware, or in the exercise of reasonable diligence should have been aware, that his condition is causally related to his employment, regardless of whether or not there is a compensable disability."

Report of injuries

SEC. 206. Section 24 of the Federal Employees' Compensation Act is amended by inserting "(a)" after "SEC. 24." and by adding at the end thereof the following:

"(b) Whoever, being an officer or employee of the United States charged with the responsibility for making the reports specified in subsection (a), willfully fails, neglects, or refuses to make any such report or knowingly files a false report, or induces, compels, or directs an injured employee to forego filing of any claim for compensation or other benefits provided under this Act or any extension or application thereof, or willfully retains any notice, report, claim, or paper which is required to be filed under this Act or any extension or application thereof, or regulations promulgated thereunder shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $500 or imprisoned not more than one year, or both."

Government employees required to appear as parties or witnesses in the prosecution of third-party claims

SEC. 207. The first paragraph of section 26 of the Federal Employees' Compensation Act is amended by adding at the end thereof the following: "Any employee who is required to appear as a party or witness in the prosecution of said action is, while so engaged, in an active duty status."

Additional method for computing compensation in certain cases

SEC. 208. Section 40(f) of the Federal Employees' Compensation Act is amended to read as follows:

"(f) The term 'monthly pay' shall be taken to refer to the monthly pay at the time of the injury, or the monthly pay at the time disability begins, or the monthly pay at the time compensable disability recurs, if such recurrence begins more than six months after the injured employee resumes regular full-time employment with the United States, whichever is greater, except when otherwise determined under section 6(d) with respect to any period."

Reimbursement of compensation costs by Federal agencies

SEC. 209. Section 35 of the Federal Employees' Compensation Act is amended to read as follows:

"Employees' compensation fund

"SEC. 35. (a) There is established in the Treasury a separate fund to be known as the Employees' Compensation Fund which shall consist of such sums as Congress may from time to time appropriate therefor or transfer thereto and amounts otherwise accruing thereto under this or any other Act of Congress. Such fund including all additions that may be made to it shall be available without time limit for the payment of the compensation and other benefits and expenses (except administrative expenses) authorized by this Act or any extension or application thereof except as may be provided by this or other Acts. The Secretary of the Treasury shall submit annually to the Bureau of the Budget estimates of appropriations necessary for the maintenance of the Employees' Compensation Fund.

"(b) The Secretary of the Treasury shall, prior to August 15 of each year, furnish to each executive department and each agency or instrumentality of the United States or

other establishment, having employees who are or may be entitled to compensation benefits under this Act or any extension or application thereof (hereinafter called 'agency'), a statement showing the total cost of benefits and other payments made from the Employees' Compensation Fund during the preceding fiscal year on account of the injury or death of employees or persons under the jurisdiction of such agency occurring after July 1, 1960. Each agency shall include in its annual budget estimates for the next fiscal year a request for an appropriation in an amount equal to such costs. Sums appropriated pursuant to such request shall, within thirty days after they become available, be deposited in the Treasury to the credit of the Employees' Compensation Fund. In the case of any corporation or other agency which is not dependent upon an annual appropriation, the deposit to the credit of the Employees' Compensation Fund required by this subsection shall be made by such agency from funds under its control. If any agency or part thereof or any of its functions is transferred to another agency, the cost of compensation benefits and other expenses paid from the Employees' Compensation Fund on account of the injury or death of employees of the transferred agency or function shall be included in costs of the receiving agency.

"(c) In addition to the contributions for the maintenance of the Employees' Compensation Fund required by this section, any mixed ownership corporation as defined in section 201 of the Government Corporation Control Act (31 U.S.C. 856), or any corporation or agency (or activity thereof) which is required by law to submit an annual budget pursuant to, or as provided by, the Government Corporation Control Act (31 U.S.C. 841–869), shall pay an additional amount for its fair share of the cost of administration of this Act as determined by the Secretary of Labor. With respect to said agencies, the charges billed by the Secretary of Labor pursuant to this section shall include an additional amount for such costs, which shall be paid into the Treasury as miscellaneous receipts from the sources authorized, and in the manner otherwise provided in this section."

Effective date

SEC. 210. (a) Except as otherwise provided by this section or in this Act, titles I and II of this Act shall take effect on the date of enactment of this Act and be applicable to any injury or death occurring after such date.

(b) The amendments made by sections 101, 102, 201, 203, 204, and 208 of this Act to sections 5(a), 6(b)(1), 6(b)(2), 6(c), 9(a), 10(k), 13(b), and 40(f) of the Federal Employees' Compensation Act shall be applicable to cases of injury or death occurring before the date of enactment of this Act only with respect to any period beginning on or after the first day of the first calendar month following the date of enactment of this Act.

(c) The amendments made by sections 104 and 105 of this Act shall be applicable to cases of injury or death occurring before enactment of this Act only with respect to any period beginning on or after the first day of the first calendar month following the date of enactment of this Act.

(d) The amendment made by section 202 of this Act to section 7(a) of the Federal Employees' Compensation Act permitting the payment of compensation for scheduled permanent disabilities in addition to benefits under the Civil Service Retirement Act shall be applicable to any injury which occurred within three years prior to the date of enactment of this Act as well as to any injury occurring on or after the date of enactment of this Act.

(e) The amendment made by section 202 of this Act to section 7(a) of the Federal Employees' Compensation Act requiring an election of benefits in any case in which a claimant for compensation is also eligible to receive certain payments or benefits from the United States for the same disability or death shall be applicable to any injury or death occurring before, on, or after the date of enactment of this Act but shall not deprive any person of any benefits awarded prior to the date of enactment of this Act.

Mr. WIER (interrupting the reading of the bill). Mr. Speaker, I ask unanimous consent to dispense with the further reading of the bill and that it be printed in the RECORD and be open to amendment at any point.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WIER. Mr. Speaker, I offer certain committee amendments.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments offered by Mr. WIER: On page 9, line 2, strike out the words "the Treasury" and insert "Labor."

On page 9, line 6, make same change.

On page 9, line 16, strike out "July 1, 1960" and insert the date "December 1, 1960."

On page 10, in line 24, change section 210 to read section 211 and add a new section 210 to read as follows:

"SEC. 210. Section 42 of the Federal Employees Compensation Act is amended by striking out the last sentence of the fourth paragraph thereof."

On page 11, line 4, strike out the word "and" and following the number "208" insert "and 210" and in line 5 strike out the word "and" and following the number "40(F)" insert "and 42".

Mr. WIER. Mr. Speaker, these are clarification amendments. The committee made a mistake in calling the Secretary of the Treasury instead of the Secretary of Labor. So we have stricken out "Treasury" and inserted "Labor."

The same thing occurs in line 6. We are striking that out and substituting in lieu thereof "Secretary of Labor."

In line 16, the original date of this bill was to be July 1, 1960. We have stricken out July 1, 1960, and substituted December 1, 1960.

The amendments that the Clerk just read on page 11, beginning in line 3, are changes in the present law to make possible amendments that affect Puerto Rican nationalists and citizens of the United States who the Department of Labor says should be covered by this act.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. WIER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill comes to the floor this afternoon quite different from the original bill H.R. 10705. Our subcommittee of six members had meetings with the Bureau of the Budget and the Department of Labor. Our subcommittee has worked out a bill very much reduced from the original bill. This bill comes to you with the approval of the Department of the Budget, the Department of Labor, Mr. McCauley, Administrator of the Federal Employees Compensation Bureau, and it comes to you unanimously approved by the subcommittee and unanimously approved by the full committee, which is quite exceptional in the House.

The bill does this: The Federal employees compensation bill is a bill of quite long standing. The last time this bill was revised—and that is what this bill calls for, a revision of present weaknesses in the present employees compensation bill—the last time this bill was revised was in 1949. Employees, both classified and Post Office employees have and are now receiving their benefits from injuries or sickness due to service-connected disability, based upon the pay received. We have made three revisions in this field. We can take John Doe, a Federal employee who was injured in 1948, it may be a man or it may be a woman. At the time of injury and eligibility for benefits, those benefits were derived at the base pay. No increases at all. So in 1949 we made some little revision but we did not pick up those people who are bedridden cases or wheelchair cases or seriously affected by injuries or illness.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WIER. I yield.

Mr. GROSS. Can the gentleman tell me whether this bill will result in any increased cost?

Mr. WIER. Yes. It is estimated that the entire cost of the bill we are presenting to you will be about $4 million a year. It protects all employees of the Government. There are approximately 106,000 people who draw benefits each year under the Federal Employees Compensation Act.

Mr. GROSS. Is that $4 million a year a one-shot proposition or is it a continuing increased cost?

Mr. WIER. It will be a continuing proposition of about $4 million a year.

Mr. GROSS. Mention is made in the bill of a separate fund being set up in the Treasury. Will this cause additional cost?

Mr. WIER. The answer to the question is that it will not. The proposal is that the Department of Labor, and Mr. McCauley of the Unemployment Compensation Bureau, have requested, after careful study and review, that a policy be established of charging agencies and departments of the Government for compensation paid to their injured employees.

The SPEAKER. The gentleman from Minnesota has consumed 5 minutes.

(By unanimous consent, Mr. WIER was allowed to proceed for 3 additional minutes.)

Mr. WIER. The Department of Labor feels that a great saving can be accomplished under such a policy. Each year each department, bureau, or agency will be charged for the benefits paid its injured employees under the Compensation Act, and that agency will be compelled to repay that money out of their appropriations.

Mr. GROSS. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, as the gentleman from Minnesota has pointed out, this bill corrects certain inequities in the basic law, the Federal Employees Compensation Act, to bring the act up to date.

A subcommittee had hearings on this subject, and the bill which we have before us today represents a substantial compromise on the amounts originally proposed in this area. It was reported out of the subcommittee unanimously, and out of the full committee unanimously, and I think it represents a relatively noncontroversial proposal.

Those employees who were injured prior to 1945 are paid benefits on wage scales that are substantially lower than they are now.

I know of no substantial objection to the bill and I hope it will be acted on favorably.

Mr. HOFFMAN of Michigan. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, it is true that this bill came from the subcommittee and the full committee without any objection. Because, although I am a member of that committee, I have found it useless in the Committee on Education and Labor, made up as it is in membership, to oppose much of anything. That does not mean that I favor the bill.

There is one good thing I know about this bill. There is no doubt in my mind about that. This money that will be paid out, the taxpayers' money, will go to people at home. My friend from Iowa [Mr. GROSS] should realize that this is something for the benefit of our own people.

Mr. GROSS. I am glad to have that recommendation for the bill.

Mr. HOFFMAN of Michigan. The gentleman from New Jersey, who probably knows as much or more about this legislation as anyone, said it is a bill to correct inequities. I do not know of any inequities that we are correcting. Are we?

Mr. FRELINGHUYSEN. In some cases the amount of compensation is presently substantially lower than it will be under the revised schedule. I do not know whether you would call that a correction of inequities or not.

Mr. HOFFMAN of Michigan. I think I understand. The cost of living has gone up, and these benefits are increased because of that. That is the only reason it is not right to say inequities.

As I get the situation, the cost of living has gone up, we have inflation and every dollar that you take out of the Federal Treasury tends to increase that. I remember not so long ago we were told that business, industry and labor should hold the line because any addition along these lines, either to prices or wages, caused inflation. But I was also told, if I remember correctly, that, when the Government spent money, it did not have anything to do with inflation. I have never been able to reconcile those two statements.

I assume the bill will pass almost unanimously, but I want to call your attention to the fact that we ourselves are not only increasing inflation, we are shoving the cost of living up and up. Before too long we will realize what we are doing, we will meet what inevitably will happen. You will have a depression that will shake your teeth, if they are store teeth, right out of your head, and some of your natural ones, too.

That is all I want to say. I just want the record clear.

Mr. GOODELL. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, there was a reference made to inequities. It should be pointed out this bill does a good many things besides raise the compensation level for our Federal employees. There is quite an inequity presently existing in the law between those employees who were injured prior to World War II and those employees who were permanently disabled subsequent to World War II.

In the 5-year period starting prior to 1921, if a person was injured while in Federal employment, in the performance of his duty, and he was permanently and totally disabled, he receives today $134 a month, while a person who was injured say, for example, after 1959, today he receives $270 for the same permanent and total injury. This bill is designed to try to bring these groups together so that there is less differentiation according to when you were injured. Those who were injured when their pay scales were at a lower rate, and the compensation figures at two-thirds of your monthly pay, will be brought closer to those who were injured later.

This is perhaps the greatest inequity to be corrected by this bill. Those who were injured prior to 1946 will receive a 30-percent increase in their compensation rate. Those prior to 1951 will receive 20 percent, and those prior to 1958 10 percent. There is no increase for those injured after January 1, 1958.

There are several other features in this bill of a technical nature. To give an example, today if there is a latent injury while an employee is performing his duties as a Federal employee, he has 60 days to report it after the date he is injured. Of course, if it is a latent injury he does not know he was injured, he does not report it, and he is not eligible for compensation.

We are amending the law in this respect to provide that he must report it within 60 days after he is aware or by the exercise of reasonable diligence he should have been aware that he was injured. We are providing a charge-back procedure so that each one of the Federal departments will be responsible for their own safety. They will have to charge and report in their own budgets the amount that is being paid out of the compensation fund for employees in that department. As a result, the Department of Agriculture, which has an unusually high number of employees that are receiving Federal compensation for disability, will be put on notice every year and have to include this in their budget. Presumably this is going to stimulate some further interest in safety measures.

We do require a criminal penalty for willful failure to report injuries on the part of the various employers, the various officers and employees in the Government who are in a supervisory capacity. I think generally it is an excellent bill. It is an improvement over the old act. The 1949 revision was a good one and it should have been revised again in the interim. It is long overdue, and I urge the support of the Congress for this bill.

Mr. GRIFFIN. Mr. Speaker, I rise to associate myself with the remarks of the gentleman from New York [Mr. GOODELL] and to indicate my support for the bill under consideration which will provide equitable adjustments in the rates of compensation paid to employees of the Federal Government—other than military personnel—who are injured in the performance of their duties and the dependents of those who died as a result of such injuries.

The members of the Safety and Compensation Subcommittee of the Committee on Education and Labor deserve the commendation of the House for their diligent and able work on this legislation.

The bill is fair; it is sound; its enactment is strongly advocated by the Department of Labor.

Mr. Speaker, I urge my colleagues to vote for this bill.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. HOFFMAN of Michigan. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: On page 2, line 13, strike out "$800" and insert "$600".

Mr. HOFFMAN of Michigan. My amendment is offered merely to emphasize the situation as it actually exists. There is no question of equalization here except the single one of increasing the benefits to meet the increased cost of living. Is that not right, I ask the very distinguished and able gentleman from New Jersey?

Mr. FRELINGHUYSEN. Mr. Speaker, if the gentleman will yield, this section refers to death benefits.

Mr. HOFFMAN of Michigan. Yes, I know. Well, I did not have my question quite right. The bill just increases the benefits to meet the increase in the cost of living. This particular amendment applies to the burial cost. We have it from the cradle to the grave, and this is after the grave.

Mr. FRELINGHUYSEN. That is correct.

Mr. HOFFMAN of Michigan. It is to equalize the benefit now with what it costs to bury one; is that right?

Mr. FRELINGHUYSEN. To bring it up to a more realistic figure as to actual burial expenses. The gentleman is correct.

Mr. WIER. Mr. Speaker, if the gentleman will yield, I might mention that I oppose the amendment and I want to say honestly that these payments are at the discretion of the Secretary of Labor and the administrator of the fund.

Mr. HOFFMAN of Michigan. Oh, I know. Everybody wants to give somebody something, especially if he does not

have to pay for it himself. The only point I am trying to make is that day after day by bill after bill we are adding to the inflationary trend.

I yield back the balance of my time.

Mr. GOODELL. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the reason we increased the amount as we did to $800 for burial allowance is because virtually everyone today who is covered by social security receives $255 burial allowance from social security. In addition, our State compensation programs allow an additional burial allowance to the social security allowance. Our Federal employees are not eligible for that allowance, and this is for the employee who is killed in the performance of his duty as a Federal employee and his death results from the injury as a Federal employee. It is to pay somewhat near the total cost of his burial and certainly $400 today is considered an inadequate amount.

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF VETERANS' GUARANTEED AND DIRECT LOAN PROGRAM

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 576 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for two years, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Veterans' Affairs, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Veterans' Affairs may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield myself such time as I may consume and, pending that, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, House Resolution 576 provides for the consideration of H.R. 7903, a bill to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years. The resolution provides for a closed rule, waiving points of order, with 1 hour of general debate.

The veterans' guaranteed home loan program was authorized by the Servicemen's Readjustment Act of 1944 and provides that veterans of World War II could obtain assistance from the Veterans' Administration in the purchase of a home by obtaining a guarantee on a portion of the loan.

The program was authorized for a period of 10 years after the termination of World War II; the program was extended for 1 year by the 84th Congress; it was further extended by the 85th Congress for a period of 2 years and, under present law, the program is due to expire July 25, 1960.

To date, out of 14,330,000 World War II veterans, only 4,955,300 have used their entitlement benefits—35 percent of the total number of World War II veterans.

It will take some time for the recent interest rate increase to induce lenders to come back into the veterans' guaranteed loan program. It is felt that, since the present program will expire July 25, this does not give the qualified veterans sufficient time to use their loan benefits and that an extension of the program is necessary to assist this group.

H.R. 7903 would extend the program until July 25, 1962 so that a veteran who makes application on or before that date will have until July 25, 1963, to close his loan.

Mr. Speaker, I urge the adoption of House Resolution 576.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Arkansas [Mr. TRIMBLE] has explained this rule and the bill which it makes in order. The bill, as I understand, was reported by a unanimous vote of the Committee on Veterans' Affairs. It would extend for 2 years the veterans' guaranteed and direct loan program in areas where it is impossible for veterans to get loans through other sources.

I know of no opposition to the rule.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman.

Mr. HOFFMAN of Michigan. Is this strictly a loan bill?

Mr. BROWN of Ohio. No; it is a direct loan, or extension of the veterans' direct loan program on housing in certain areas where ex-servicemen cannot get loans.

Mr. HOFFMAN of Michigan. That is all it does?

Mr. BROWN of Ohio. That is right. It extends the present law for 2 years.

Mr. Speaker, I know of no opposition to the rule and, therefore, I yield back the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. MCCORMACK].

HOUR OF MEETING AND PROGRAM FOR TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourns to meet tomorrow at 10:30 a.m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, what will be the program for tomorrow?

Mr. McCORMACK. Mr. Speaker, I believe the gentleman from Indiana [Mr. HALLECK] was going to ask me that question.

Mr. HALLECK. Mr. Speaker, will the gentleman yield to me?

Mr. GROSS. Yes; I am glad to yield to the gentleman.

Mr. HALLECK. Mr. Speaker, the majority leader spoke to me about coming in early tomorrow, suggesting first of all 10 o'clock. I suggested to him that we, on our side of the aisle, have called a conference of our Members for 9:30 in the morning. So the hour was fixed at 10:30 for the House to meet. It was also discussed that probably the conference report on the Defense Department appropriation bill would be ready tomorrow and perhaps a conference report on another appropriation bill, the general government agencies appropriation bill.

Mr. McCORMACK. And the Private Calender, let me say.

Mr. HALLECK. It was heretofore arranged under unanimous-consent agreement to call the Private Calendar tomorrow. Then, I understand, it is expected to call the minimum wage coverage bill, and we would hope to follow that with the sugar bill. I certainly hope that can be brought to passage tomorrow because there are certain circumstances attending that which would indicate to me that action ought to be completed on it.

Mr. McCORMACK. That is correct. The rule was reported out this morning. Assistant Secretary of State Macomber called me on the telephone and I assured him I would cooperate in every way possible. The program for tomorrow certainly shows the cooperative spirit of my colleague.

Mr. HALLECK. I should like to say further, as far as I am concerned at this time, as all through this session, I have tried to cooperate in expediting the work of the House of Representatives to the

end that we could adjourn as quickly as possible. I certainly am going to continue to bend every effort I can in that direction.

Mr. McCORMACK. The gentleman from Indiana certainly has cooperated. There has never been any difficulty among the leadership. The leadership on both sides understand the responsibilities of leadership. There is a profound understanding on the part of the gentleman from Indiana and the leadership on this side. As far as the leadership on our side is concerned, I am sure the gentleman from Indiana [Mr. HALLECK] and the former Speaker and minority leader, the gentleman from Massachusetts [Mr. MARTIN] will admit that whether we are in the minority or majority we always cooperate.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. BROWN of Ohio. The sugar bill should not be very difficult to consider once we get this other legislation out of the way, because the House, I think, should know that the pending sugar bill was reported unanimously by the Committee on Agriculture—I think the first unanimous report we have had in this Congress from that committee—and it comes here under a resolution unanimously adopted by the Committee on Rules. The resolution provides that the measure shall be considered for only 1 hour, under a so-called closed rule waiving all points of order. I do not think there will be much debate or many amendments to the bill.

Mr. McCORMACK. We will take up other legislation tomorrow, and that will be announced later.

Mr. GROSS. It seems to me that the request to come in early tomorrow morning also involves the question of the adjournment of the Congress. I wonder if the majority leader can give us any information as to adjournment.

Mr. McCORMACK. I cannot say anything as to that yet, except to say that we recognize that we cannot adjourn sine die due to the fact that the other body has four appropriation bills that have not been acted upon and it has other important legislation which is yet to be considered, so it would be impossible to dispose of that legislation there between now and the time the Democratic convention meets. If the President signs the pay raise bill for postal and classified employees tomorrow that would be very helpful. On the other hand, if he vetoes it, and if the veto message comes up this week, it will then be acted upon, and a resolution will be introduced providing for an adjournment starting Saturday, to what date I do not know.

Mr. GROSS. An adjournment or a recess?

Mr. McCORMACK. The gentleman calls it a recess, and, of course, that is what it would be, to a certain time.

Mr. GROSS. What would be the dates?

Mr. McCORMACK. As to when we would adjourn to?

Mr. GROSS. From when to when?

Mr. McCORMACK. I will be frank to say that at this time I am unable to do so. In my own mind I have a date, but I would rather not state it now because it is a matter of discussion.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that when the House adjourns today it adjourn to meet at 10:30 o'clock tomorrow. Is there objection?

There was no objection.

EXTENSION OF VETERANS' GUARANTEED AND DIRECT LOAN PROGRAM

Mr. TRIMBLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7903, with Mr. BENNETT of Florida in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Texas [Mr. TEAGUE] will be recognized for 30 minutes and the gentlewoman from Massachusetts [Mrs. ROGERS] for 30 minutes.

The gentleman from Texas [Mr. TEAGUE] is recognized.

Mr. TEAGUE of Texas. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. TEAGUE of Texas. Mr. Chairman, we have before us for consideration H.R. 7903, which was reported by my committee. This bill pertains to the Veterans' Administration home loan program. In order that the importance of this legislation may be better understood, I would like to review the history of the veterans' home loan program from its inception.

After World War II the returning veterans found themselves at a great disadvantage in trying to purchase homes. This disadvantage prevailed because they had no money for downpayments to compete with the defense workers who had higher paying jobs and who were therefore able to accumulate a sizable saving for a downpayment on a home. Further, homes were scarce and builders were unable to obtain commitments to build a sufficient number of homes to be financed with conventional financing and low downpayments. In order to assist the returning veteran to readjust to civilian life, Congress passed the Servicemen's Readjustment Act of 1944. This act included numerous benefits, such as the vast educational programs with which everybody is familiar, unemployment compensation, and loan guarantee benefits. This act was to run for 10 years after the date of termination of World War II, which was later established as July 25, 1947.

The Veterans' Administration loan guarantee program originally provided a guarantee to a private lender who was willing to finance the purchase of a home for a qualified veteran. The guarantee could not exceed $2,000. The loan was to be at 4-percent interest and could run for 20 or 25 years. This small amount of guarantee was used to guarantee the downpayment portion of the purchase price of a home. A combination loan, with the Veterans' Administration guaranteeing part and the Federal Housing Administration insuring the remainder, assisted a few veterans in purchasing a home. However, the downpayments and the monthly payments were rather high, having been scheduled according to requirements of the FHA.

This type of loan proved unsatisfactory, both from the standpoint of the veteran and the lender. In 1950 Congress changed the law providing for an increase in the amount of guaranty to 60 percent of the sale price, or $7,500, whichever was the smaller. This new act proved to be the solution in assisting veterans in purchasing homes and, in addition, it has proved to be one of the greatest underwriting steps ever taken in the mortgage field for the purchase of homes.

By 1950 Congress found that the veterans living in our rural areas, small cities and towns, were failing to obtain private or conventional financing. This was primarily due to the fact that the large lenders refused to make loans in outlying areas because they could make all the loans they wanted in the greater metropolitan areas where service was no problem. In order to correct this inequity, Congress in 1950 authorized the Veterans' Administration direct loan program. This program provided $150 million and authorized the Administrator to make loans directly to veterans living in the rural areas, small cities and towns where private or conventional financing was not available. The maximum amount for a direct loan was set by law at $10,000. The program immediately stimulated purchases of homes in the rural areas and veterans at once began making application for direct loans. The first appropriation of $150 million was soon used up. Since 1950 each Congress has extended the program and authorized additional sums of money. The funds authorized have proved to be insufficient each year, and a large waiting list of veterans desiring direct loans has been constantly in existence since 1950.

In 1951 the lenders slowed down the making of guaranteed loans, claiming that the 4-percent interest rate was not a sufficient yield for them and they began investing their money in other fields. Testimony was received by the Committee on Veterans' Affairs to the effect that

the interest rate must be increased, or the VA loan guarantee program would become nonexistent. This was the first effect of the tight money market on the veterans' home loan program. Thus, in order for veterans to continue to obtain financing, the VA Administrator considered it necessary to increase the ceiling on the Veterans' Administration interest rate to 4½ percent. This authority was provided in the 1948 amendment to the Servicemen's Readjustment Act of 1944. Immediately after the ceiling was raised to 4½ percent, the lenders, again finding the veterans' loan attractive, made ample funds available for loans in the metropolitan areas.

Even this increase in interest rate did not assist veterans living in our rural areas to obtain private financing, and the direct loan program was therefore extended, with an additional authorization of $150 million.

Both the guaranteed and direct loan programs continued to provide homes for veterans until 1957 when the tight money situation made mortgage funds unavailable for a veteran's 4½-percent guaranteed loan. Testimony was again presented to the committee by the lenders, stating that unless the interest rate was increased, they would be unable to make any more VA loans because of the low yield, which placed the veteran's loan at a disadvantage with other available loans paying the lenders higher rates of interest.

Mr. Chairman, I was opposed to the original increase in interest rate from 4 to 4½ percent because I felt that the veterans' guaranteed loan had many advantages for lenders over other guaranteed or insured Government home loans. These advantages were—and still are—that a lender making a veteran guaranteed loan receives his claim in cash upon foreclosure. Other Government insured loans pay off in debentures. Further, and this is an outstanding advantage, in case the lender is unable to deliver physical possession of the property to the Veterans' Administration upon foreclosure, the VA will still pay in cash the lender's claim. Other governmental insured loans demand that physical possession be given before a claim is paid, and even then the claim is paid in debentures. Notwithstanding these advantages, the Congress, caught in the tight-money dilemma, increased the ceiling on the interest rate again—from 4½ percent to 4¾ percent. This law went into effect on April 1, 1958—Public Law 85–364. This same law extended the direct loan program and the loan guaranty program for 2 years, making the expiration of both programs July 25, 1960, and increased the maximum amount of a direct loan from $10,000 to $13,500. It also gave the Administrator the authority to process all applications received on or before July 25, 1960—one additional year for the closing of these loans.

Mr. Chairman, again when the interest rate ceiling was increased, lenders flocked to the program and made funds available for guaranteed loans in the metropolitan areas and, as they had in the past, failed or refused to make mortgage funds available in the rural areas.

For the third time, in as many years, the lenders and the VA officials inform us that the interest rate is too low. We have increased the interest rate ceiling from 4 percent to 4½ percent, then to 4¾ percent, and last year to 5¼ percent. I say the interest rate is now too high for a guaranteed loan to our veterans and I am opposed to increasing the ceiling above the present 5¼ percent. I admit that lenders are charging 6 percent on conventional home loans, but they have an element of risk involved and are entitled to a higher yield on account of the risk. But, on a VA guaranteed loan there is no risk on the part of the lender, his money is safe. It is guaranteed by the VA and at 5¼ percent.

All of which brings us back to the bill we have before us today—H.R. 7903. This bill will extend the veterans' guaranteed loan program for World War II veterans for 2 years—until July 25, 1962, and extend the veterans' direct loan program for both World War II and Korean veterans, for 2 years—until July 25, 1962, with $150 million a year for each of the 2-year extensions.

As I mentioned before, the direct loan program was first authorized by the Congress in 1950, because it was found that the Veterans' Administration guaranteed loan program was not offering an equitable opportunity for veterans living in rural areas, small cities and towns to obtain home loans. On the other hand, the veterans living in the metropolitan areas have had little or no difficulty until recently in obtaining mortgage financing.

My committee made a national survey and found that of 3,234,438 veterans living in 1,635 rural counties, less than 10 percent had obtained a loan to purchase a home. This compares with 2,857,307 veterans residing in 126 metropolitan counties where over 40 percent have obtained a guaranteed loan.

The VA guaranteed loan program has assisted over 5 million veterans in obtaining a home loan. The VA direct loan program has made loans to only 152,793 veterans. This small number of direct loans to veterans in the rural areas, small cities and towns, is due to the fact Congress has not authorized sufficient funds for the program to meet the demand.

Public Law 85–364, enacted by the second session of the 85th Congress, extended the direct loan program for 2 years and authorized $150 million for each of the fiscal years 1959 and 1960. At the time this law was enacted there were about 13,000 veterans on the waiting list. It was found the reason so few veterans throughout the country had made applications for a direct loan resulted from the well-known fact that there were not sufficient funds in the direct loan program; thus, many veterans who really need a direct loan did not bother to apply. As a result of the enactment of Public Law 85–364, the list of veterans wanting a direct loan grew and grew until there were over 57,000 veterans on the waiting list. There were 28,972 veterans on the Veterans' Administration direct loan program waiting list as of June 1, 1960.

Mr. Chairman, just the mention of over 28,000 veterans being on the waiting list today for a direct loan in itself does not really carry the true meaning of the VA direct loan waiting list. The real meaning back of this condition is that we have many more than 28,000 veterans who today cannot get a VA guaranteed loan from private lenders, and unless Congress provides adequate funds for the direct loan program, those veterans—in all probability—will never be able to buy a home.

I might add that the direct loan program is not a "gift" to the veterans of our rural areas; it is a profitable investment of the taxpayers' money. The money authorized for the VA direct loan program will be repaid to the Treasury of the United States with interest.

I am pleased to be able to report to you that as of January 1, 1960, the direct loan program had made a profit to the taxpayers of our country of $57 million. This profit is the profit after the monies have been repaid to the Treasury that Congress authorized for the direct loan program, plus interest to the Treasury for the use of the money and less losses due to defaults on the direct loans. Now, on the same date, January 1, 1960, the guaranteed loan program had a loss of $7 million. This is a wonderful record of mortgage underwriting. The VA has guaranteed approximately 6 million veterans' loans in the amount of $49 billion and the loss is only $7 million. The two programs—the veterans' direct loan and guaranteed loan programs—have made an overall profit to the taxpayers of $50 million.

During the hearings held on H.R. 7903, the officials of the Veterans' Administration testified that the VA guaranteed home loan program was almost nonexistent. Witnesses stated that the current VA interest rate of 5¼ percent was not realistic or competitive on today's mortgage market and recommended the Administrator of Veterans' Affairs be given authority to set a higher interest rate. They said, as they have in the past, that a higher interest rate would attract mortgage money and loans on veteran homes would become available immediately. I would like to call your attention to the fact that each time the interest rate ceiling was increased it did not attract ample funds. The committee heard from the Home Manufacturers Association, the National Association of Home Builders, Members of Congress, and veteran service organizations. The committee also heard from the AFL–CIO and trustees of pension funds.

The increase in interest rate approved June 30, 1959, resulted in an additional cost to veterans of our country amounting to many millions annually. Let us take an example of a $15,000 home with a 25-year loan. The added cost to the veteran is $52.20 per year, due to the increased interest rate. Over the life of the loan this would mean an additional cost to the veteran of $1,305 Using the figure of 300,000 veteran home loans, the

increase in interest rate will result in lenders receiving an additional $15,660,000 for their loans per year. This amount over the 25-year period of the loans will result in an increase to the lenders of $391,500,000. I am of the firm opinion that the interest rate is already too high.

Another increase in interest rate will not only cost more for veterans who are able to qualify for a loan, but will also be the direct cause for the rejection of many veterans' applications due to their credit rating or insufficient income to pay the increased interest payments. Although an increased interest payment on a $15,000 home would be only $4.35 per month, this additional $4.35 will require the veteran to have an additional $20 monthly take home income in order to qualify for the loan. Many veterans who are today "borderline" cases—credit wise—for a 5¼ percent loan, will not be able to obtain approval for a loan with an interest rate in excess of 5¼ percent.

The administration is opposed to the extension of the guaranteed loan program for World War II veterans, as well as an extension of the direct loan program, for both World War II and Korean veterans. They state they are opposed to an extension due to the fact the World War II veterans have had 13 years within which time to use their home loan benefit—in other words, he has had ample time. I take issue with the conclusion that our World War II veterans have had ample opportunity to get a VA home loan. The administration does not state why they are opposed to extending the direct loan program for our Korean veterans. As I have outlined before, the World War II veteran has been the victim of the present administration's tight money policy, that is, our city veterans. Our country veterans have not had ample opportunity to get a loan; first, because the lenders would not make loans in the rural areas, and second, because Congress has never authorized sufficient funds for the direct loan program. Now, to show you the World War II veterans have not had ample opportunity to get a home loan, we have today over 15 million World War II veterans. Only 4.7 million World War II veterans have obtained a VA guaranteed loan. This leaves 11.3 million World War II veterans who have not obtained a VA guaranteed home loan. The VA officials tell us one-third of all our veterans live in rural areas, small cities and towns. This means we have today over 3 million World War II veterans living in our rural areas who have not obtained a VA home loan—these veterans live where mortgage financing has always been in short supply. Now, about the Korean veterans. There are 4½ million Korean veterans and less than 1 million have obtained a VA guaranteed or direct loan. This leaves 3½ million Korean veterans who have not obtained a VA home loan. Over 1 million of these Korean veterans live in the rural areas where mortgage financing is in short supply. Therefore, it is very necessary that both the guaranteed and direct loan programs be extended.

Mr. Chairman, I have attempted to give a clear picture of the provisions contained in H.R. 7903. If this bill is enacted, it will still fall short of supplying mortgage financing to the veterans in the rural areas, small cities and towns of our country, but this bill will be a great help. It is important that we continue to provide these veterans with direct loan funds and I feel confident that my colleagues will support the bill now before us.

Mr. KING of Utah. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. KING of Utah. Mr. Chairman, I rise at this time to express my opposition to the so-called Long amendment to H.R. 11045, which we are now considering. The original, and unamended bill, I approve. Its objectives were meritorious. The Long amendment, however, which was passed unanimously by the Senate, has injected an element into the bill which makes the latter unacceptable to me.

This amendment would reopen the sale of national service life insurance for a 1-year period to all veterans who served in the Armed Forces at any time between October 8, 1940, and January 1, 1957. I certainly have no objection to the Federal Government's providing national service life insurance to veterans whose insurability has been impaired by reason of service-connected disabilities. Moreover, I understand perfectly well why the Government has, for years, provided insurance to all nondisabled servicemen contemporaneously with their period of service, as a means of making armed service more attractive. I have no objection to such practice as a matter of principle.

I cannot ignore the fact, however, that the very presence of our Government in the insurance field should be a source of concern to all. In fact, the same is true wherever the Government finds itself competing directly against private business. I have always felt that such competition was an anomaly, and was basically inconsistent with our American free-enterprise system.

I realize, of course, that there are exceptions to this statement, particularly in the field of hydroelectric power development. There may also be other situations of an unusual or an emergency nature in which the basic precept of nongovernmental competition should be modified. Moreover, I certainly do not question the right or propriety of the Government to sponsor an insurance program for its own employees.

In the case of the bill before us, however, I see no emergency, and no special or unusual circumstances. What I do see is that the Government finds itself in sponsorship of an insurance program in direct competition with a large number of private life insurance companies which are perfectly capable of writing their own policies, at competitive rates.

Why should the Government provide insurance for an able-bodied young man who is perfectly able to procure his own insurance from a private company? Where is the special or emergency situation which requires this? Even though the Government-provided life insurance policy may be underwritten by a private company, the evil of government competition is still there. The rates offered by the Government can only be characterized as "cut rate." Put yourself in the position of a life-insurance salesman calling upon a prospect. If the latter should say to the former: "I can get insurance from the Government at rates that you cannot touch," what could the former reply? The only thing he could do would be to agree with the prospect that private industry cannot compete with the Government, and to take his hat and leave.

My feeling is that instead of expanding the area of government-private industry overlap, we should curtail it. I would like to see the Government withdraw, as fast as possible, from all fields of potential overlap in which it cannot be clearly demonstrated that its presence is needed. Such a demonstration has not been shown in the instant case.

Insurance is, perhaps, the most competitive business in America. For that reason it is one of the most efficient, and one whose benefits to the consumer have been the most conspicuous. Why, then, should we inflict upon it this shocking and uncalled-for penalty?

I strongly urge the House to voice its objection to the Long amendment, and to defeat the bill as amended.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am heartily in favor of this bill. I introduced a similar bill in the House some years ago myself.

This bill represents another move by the Congress to extend the World War II loan-guarantee program so that veterans of World War II who have not used their eligibility will still have an opportunity to acquire homes with the aid of the guaranteed loan provisions of the GI bill. The extension of this program for 2 years should enable many of them to take advantage of this benefit who for various reasons have not already done so.

The importance of this program to date is shown by the fact that from 1944 through April 1960 the Veterans' Administration had guaranteed or insured more than 5¾ million loans totaling over $48½ billion to veterans of World War II and the Korean conflict. About 95 percent of these loans were home loans. Some 35 percent of the World War II veterans have used their GI loan entitlement. This leaves over 9 million World War II veterans in civilian life who have not used their entitlement. Out of this large number there will no doubt be many who will desire to participate in the program and become homeowners through its assistance in the next 2 years if this bill is enacted. Economically the program has been useful because the Government has made $50 million on it. The veterans have been remarkable in paying back the loans.

The bill also extends the direct loan program for 2 more years. This will apply both to World War II and Korean veterans who live in rural and semirural areas where there is a shortage of mortgage money. These direct loans by the Veterans' Administration supplement the guaranteed loan program, which, for various reasons, is less active in the nonmetropolitan areas. This program, too, has helped many veterans in these shortage areas to acquire homes.

Expenditures totaling more than $1¼ billion for direct loans has already been made, involving something like 160,000 direct loans.

I have introduced similar bills to H.R. 7903, and feel that an extension of this program is necessary for the veterans in the small towns and rural areas in order that they may have an equal opportunity to participate in the loan program.

Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, this bill is a good piece of legislation. Basically, it is an extension of what is already existing law. I hope it passes. It will give many veterans of the country an opportunity to take advantage of the loan program who so far have not been able to do so.

Mr. TEAGUE of Texas. Mr. Chairman, I have no further requests for time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, H.R. 7903 would extend the Veterans' Administration's home loan guarantee program for World War II and the Korean war veterans for 2 years. It would also extend the veterans' direct loan program to the Korean veterans.

It is important to take action on this bill at this time because both the direct loan and the guarantee programs expire on July 25 of this year. The need for continuing the programs is evident when you look over the lists of those who are still in need of this help. Over 9 million World War II veterans have not used their option on the home loan programs and 3½ million Korean veterans have not yet used their options. At the present time there are many thousands of veterans on the waiting lists for these home loans.

The main reason that the direct loan program is still needed is because about one-third of our veterans live in rural areas where it is virtually impossible to get any other type of loans. These men cannot get other loans because many private loan companies do not need to take the trouble to make loans in scattered rural areas when they have all the business they can handle in the metropolitan areas. It is primarily these veterans in the rural areas that need help.

To extend these programs would also be a boost to our Nation's economy. The homebuilding industry is second only to auto manufacturing in size and scope. About 5,000 different segments of our economy are connected with the homebuilding industry. When the program was first started, Veterans' Administration loans and guarantees accounted for about one-third of the home construction. To show the size of the program in my State of Indiana, direct loans have helped build 5,424 homes representing $38½ million. The VA guarantee has helped build an additional 106,000 homes representing another $738 million; $775 million is indeed a shot in the arm for any State's economy.

Now, the best part of the program is that it is making the taxpayers money. Since the program was started, the loan programs have paid for themselves completely and cleared $57 million profit.

With all of these advantages and with the continued need for these programs, I strongly urge the extension of the Veterans' Administration's direct loan and guarantee programs for an additional 2 years.

Mrs. ROGERS of Massachusetts. Mr. Chairman, this program has proved of great value to the veterans.

I yield such time as he may desire to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, H.R. 7903 will extend the veterans' guaranteed loan program for World War II veterans for 2 years. This program for the World War II veterans will expire July 25, 1960. The bill also extends the veterans' direct loan program for both World War II veterans and Korean veterans for 2 years, and provides $150 million for each of the 2-year extensions. This program will expire for both the World War II veterans and Korean veterans on July 25, 1960.

The direct loan program was first authorized by the Congress in 1950 because it was found that the Veterans Administration guaranteed loan program was not offering an equitable opportunity for veterans living in rural areas, small cities and towns to obtain home loans. On the other hand, the veterans living in the metropolitan areas have had little or no difficulty in obtaining mortgage financing.

My committee made a national survey and found that of 3,234,438 veterans living in 1,635 rural counties, less than 10 percent had obtained a loan to purchase a home. This compares with 2,857,307 veterans residing in 126 metropolitan counties where over 40 percent have obtained a guaranteed loan.

The VA guaranteed loan program has assisted over 5 million veterans in obtaining a home loan. The VA direct loan program has made loans to only 152,793 veterans. This small number of direct loans to veterans in the rural areas, small cities and towns, is due to the fact Congress has not authorized sufficient funds for the program to meet the demand.

Public Law 85–364, enacted in the second session of the 85th Congress, extended the direct loan program for 2 years and authorized $150 million for each of the fiscal years 1959 and 1960. At the time this law was enacted there were about 13,000 veterans on the waiting list. It was found the reason so few veterans throughout the country had made application for a direct loan resulted from the well-known fact there were not sufficient funds in the direct loan program; thus, many veterans who really need a direct loan did not bother to apply. As a result of the enactment of Public Law 85–364, the list of veterans wanting a direct loan grew and grew until there are over 45,000 veterans on the waiting list. Today there are some 28,000 veterans on the VA direct loan waiting list.

Mr. Chairman, just the mention of over 28,000 veterans being on the waiting list today for a direct loan in itself does not really carry the true meaning of the VA direct loan waiting list. The real meaning back of this condition is that we have over 28,000 veterans who today cannot get a VA guaranteed loan from private lenders and unless Congress provides adequate funds for the direct loan program, these veterans, in all probability, will never be able to buy a home.

Mr. Chairman, the direct loan is not a gift to the veterans of our rural areas—it is a profitable investment of the taxpayers' money. The direct loan program has made a profit for the taxpayers, after moneys have been repaid to the Treasury, with interest to the Treasury, losses deducted, and so forth—a profit as of January 1960 of $57 million. I might add at this point that the VA guaranteed loan program with approximately 6 million loans guaranteed in the amount of $49½ billion has lost only $7 million. This is a wonderful record of mortgage underwriting. The two programs, the VA guaranteed loan program, and the VA direct loan program, have made a net profit to the taxpayers of $50 million.

Mr. Chairman, there are some 10 million World War II veterans who have not used their veterans' home loan benefits. Many of these veterans have not used their benefits because they could not get a loan due to the present administration's tight money policy. For the past 8 years the mortgage money has fluctuated to such an extent that many veterans have been unable to obtain a loan when they needed it. When they found a house they wanted and could buy there were no loans.

I would like to point out that one-third of our veterans live in rural areas of our country. These boys have not had a real opportunity to get a loan. Up to 1959 most city veterans had little or no trouble in getting a loan, however, during these last 2 years, 1959 and 1960, even the city veteran is having a hard time in getting a veteran's guaranteed loan. This all means that we have today over 3 million World War II veterans who have not obtained a VA guaranteed or direct loan, living in our rural areas where mortgage financing has always been in short supply. It also means that we have today, over 1 million Korean veterans living in our rural areas that will not be able to get a loan unless the direct loan program is extended.

Mr. RAINS. Mr. Chairman, I strongly support the bill now before the House which would extend the GI home loan program for World War II veterans for

2 years and which would continue the program of direct loans for our veterans for the same period.

I am sure that everyone is well aware of the splendid record of accomplishment under these programs. VA-guaranteed loans have helped 5½ million veterans to buy their own homes on liberal credit terms; 1.8 million of these loans were on a no-downpayment basis. While there were some who had doubts about the soundness of the liberal credit terms provided for under the GI program, our veterans have amply justified our confidence in them. Already 1½ million of these loans have been repaid in full. Only 1 percent have ended in foreclosure and the dollar loss on these homes has amounted to less than one-tenth of 1 percent of the total amounts. We can all take pride in this record.

This program has consistently accounted for a high proportion of homebuilding in the lower price ranges and truly serves the average income family. The income of the typical GI borrower last year was $5,400, almost exactly the national average. Moreover, his income was one-fifth below that of the typical home buyer under the FHA program.

Mr. Chairman, it is particularly important that the program be extended at this time. If the Congress allows the entitlement of World War II veterans to expire there will be a serious gap in the housing market at a time when we can ill afford it. At present, nonfarm housing starts are nearly one-fifth below a year ago with much of the decline having occurred under the GI program. This dropoff threatens to undermine our entire economy just as a similar decline in residential construction was a major factor leading to the severe recession of 1957–58. In the interest of the economic well-being of our country it is essential that homebuilding be revived. The GI home loan program can play an important part in that recovery.

By the same token, the drop in VA activity over the past year has prevented many veterans from using their entitlement in the time allowed. The administration's hard money policy which has raised interest rates to the highest level in three decades largely choked off the flow of funds for these loans last year. In effect, this meant a premature end to the program in many parts of the country, particularly the South and West. It is only fair, therefore, that the program be extended so that veterans who have been deprived of loans through conditions beyond their control may have an opportunity to take advantage of the benefits which the Congress intended they should have.

Mr. Chairman, in my judgment, the program of direct loans for veterans living in rural areas is particularly deserving. I am indeed proud to have been an original sponsor of this program in the House. This program was authorized by the Congress in 1950 in recognition of the fact that private funds were not available for these loans in many small towns far removed from financial centers. We must keep in mind the fact that housing problems are just as serious in our small towns and rural areas as they are in larger cities.

A primary cause of this is the lack of adequate financing on liberal terms from private sources. Reflecting this, less than 10 percent of the veterans living in rural counties have been able to obtain home loans under the GI program in contrast to over 40 percent of those living in metropolitan counties. The direct loan program is necessary to provide equal treatment for all veterans.

Let me emphasize the fact that there is no subsidy in this direct loan program. These loans are made at the regular interest rate on guaranteed loans which is 5¼ percent. This is well above the rate at which the Treasury borrows funds and, as a result, these loans return a profit to the Government.

I would like to compliment the able chairman of the Committee on Veterans' Affairs, the gentleman from Texas [Mr. TEAGUE], and the members of that fine committee for their work in fashioning our highly successful programs for veterans and for reporting out the bill now before the House. I strongly urge all of my colleagues to vote for its passage.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule the bill is considered as read. No amendment is in order except committee amendments. Are there committee amendments?

Mr. TEAGUE of Texas. Mr. Chairman, I have one committee amendment consisting of four parts, which is a perfecting amendment asked for by the Veterans' Administration.

I offer the committee amendment.

The Clerk read as follows:

On page 2, after line 12, insert the following:

"SEC. 5. Section 1804(c) of title 38, United States Code, is amended by adding the following at the end thereof: "Notwithstanding the foregoing requirements of this subsection, the provisions for certification by the veteran at the time he applies for the loan and at the time the loan is closed shall be considered to be satisfied if the Administrator finds that (1) in the case of a loan for repair, alteration, or improvement the veteran in fact did occupy the property at such times, or (2) in the case of a loan for construction or purchase the veteran intended to occupy the property as his home at such times and he did in fact so occupy it when, or within a reasonable time after, the loan was closed."

"SEC. 6. (a) Chapter 37 of title 38, United States Code, is amended by adding after section 1805 thereof a new section, as follows:

"'§ 1806. Escrow of deposits and downpayments

"'(a) Any deposit or downpayment made by an eligible veteran in connection with the purchase of proposed or newly constructed and previously unoccupied residential property in a project on which the Administrator has issued a Certificate of Reasonable Value, which purchase is to be financed with a loan guaranteed, insured, or made under the provisions of this chapter, shall be deposited forthwith by the seller, or the agent of the seller, receiving such deposit or payment, in a trust account to safeguard such deposit or payment from the claims of creditors of the seller. The failure of the seller or his agent to create such trust account and to maintain it until the deposit or payment has been disbursed for the benefit of the veteran purchaser at settlement or, if the transaction does not materialize, is otherwise disposed of in accordance with the terms of the contract, may constitute an unfair marketing practice within the meaning of section 1804(b) of this chapter.

"'(b) If an eligible veteran contracts for the construction of a property in a project on which the Administrator has issued a Certificate of Reasonable Value and such construction is to be financed with the assistance of a construction loan to be guaranteed, insured, or made under the provisions of this chapter, it may be considered an unfair marketing practice under section 1804(b) of this chapter if any deposit or downpayment of the veteran is not maintained in a special trust account by the recipient until it is either (1) applied on behalf of the veteran to the cost of the land or to the cost of construction or (2), if the transaction does not materialize, is otherwise disposed of in accordance with the terms of the contract.'

"(b) The analysis of chapter 37 of title 38, United States Code, is amended by adding after '1805. Warranties.' the following:

"'1806. Escrow of deposits and downpayments.'

"SEC. 7. (a) Chapter 37 of title 38, United States Code, is amended by renumbering section 1824 as section 1825 and inserting a new section 1824 to read as follows:

"'§ 1824. Loan guarantee revolving fund

"'(a) There is hereby established in the Treasury of the United States a revolving fund known as the Veterans' Administration Loan Guarantee Revolving Fund (hereinafter called the Fund).

"'(b) The Fund shall be available to the Administrator when so provided in appropriation acts and within such limitations as may be included in such acts, without fiscal year limitation, for all loan guarantee and insurance operations under this chapter, except administrative expenses.

"'(c) There shall be deposited in the Fund (1) by transfer from current and future appropriations for readjustment benefits such amounts as may be necessary to supplement the Fund in order to meet the requirements of the Fund, and (2) all amounts now held or hereafter received by the Administrator incident to loan guarantee and insurance operations under this chapter, including, but not limited to, all collections of principal and interest and the proceeds from the use of property held or the sale of property disposed of.

"'(d) The Administrator shall determine annually whether there has been developed in such Fund a surplus which, in his judgment, is more than necessary to meet the needs of the Fund, and such surplus, if any, shall immediately be transferred into the general fund receipts of the Treasury.'

"(b) The analysis of chapter 37 of title 38, United States Code, is amended by deleting '1824. Waiver of discharge requirements for hospitalized persons.' and inserting in lieu thereof:

"'1824. Loan guarantee revolving fund.
"'1825. Waiver of discharge requirements for hospitalized persons.'

"(c) This section shall become effective as of July 1, 1961."

On page 1, strike out lines 7 and 8 and insert in lieu thereof the following: "and (3) by striking out 'before July 26, 1961' and inserting in lieu thereof 'after such date'."

Mr. TEAGUE of Texas. Mr. Chairman, as instructed by my committee, I offer an amendment to H.R. 7903. The amendment is in four parts and I ask unanimous consent that they be considered en bloc.

The amendment has been requested or approved by the Veterans' Administration and will:

First. Provide for the issuance of a guarantee of a veteran's home loan by the Administration on loans in cases where the veteran did, in fact, occupy the home, but through oversight the occupancy certifications were not completed as required.

Second. Require a veteran's deposit or downpayment to be held by the seller in a trust account until the loan is closed, to safeguard such deposit or downpayment from the claims of creditors of the seller.

Third. Establish a revolving fund for the Administrator for ease in his operations of the loan guarantee program.

Fourth. Eliminate the 1-year closing authority on loans after the expiration date of the benefit. This is deemed necessary by many lenders and the VA.

Mr. Chairman, part 1 of the amendment is necessary to enable some of the lenders participating in the veterans' home loan program to obtain a guarantee on veterans' loans that were closed without first getting the required certifications of intent to occupy, as required by law. In numerous cases the lender failed to get the veteran to certify that he intended to occupy the property as his home, before the loan was closed. Under the present law, even if the veteran does occupy the property as his home, but the lender failed to obtain the required certifications of intent to occupy, the loan is not eligible for a VA guarantee. This would make such loans eligible for a VA guarantee if the veteran did in fact occupy the home.

Mr. Chairman, part 2 of the amendment will require the veteran's deposit or downpayment on a home, to be deposited in a special account where it cannot be attached by the seller's creditors.

Mr. Chairman, part 3 establishes a special account in the Treasury for the Administrator of Veterans' Affairs. This is desired by the Administrator for ease in administering the veterans' home loan program and has the approval of the Treasury.

Mr. Chairman, part 4 is more or less a technical amendment in that it does not take any benefits from our veterans. It only changes the wording of the present laws, which will assist lenders and title companies. The veteran can still close his loan after the expiration date of the programs provided his application is received by VA prior to the expiration date.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BENNETT of Florida, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years, pursuant to House Resolution 576, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes had it.

Mr. ADAIR. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 397, nays 1, not voting 32, as follows:

[Roll No. 163]

YEAS—397

Abbitt	Byrnes, Wis.	Fogarty
Abernethy	Cahill	Foley
Adair	Canfield	Ford
Addonizio	Cannon	Forrester
Albert	Casey	Fountain
Alexander	Cederberg	Frelinghuysen
Alger	Celler	Friedel
Allen	Chamberlain	Fulton
Andersen, Minn.	Chelf	Gallagher
Andrews	Chenoweth	Garmatz
Anfuso	Chiperfield	Gary
Arends	Church	Gathings
Ashley	Clark	Gavin
Ashmore	Coffin	George
Aspinall	Cohelan	Giaimo
Avery	Collier	Gilbert
Ayres	Colmer	Glenn
Bailey	Conte	Goodell
Baldwin	Cook	Granahan
Baring	Cooley	Grant
Barr	Corbett	Gray
Barrett	Cramer	Green, Oreg.
Barry	Cunningham	Green, Pa.
Bass, N.H.	Curtin	Griffin
Bass, Tenn.	Curtis, Mass.	Griffiths
Bates	Curtis, Mo.	Gross
Baumhart	Daddario	Gubser
Becker	Dague	Hagen
Beckworth	Daniels	Haley
Belcher	Davis, Tenn.	Halleck
Bennett, Fla.	Dawson	Halpern
Bennett, Mich.	Delaney	Hardy
Berry	Dent	Hargis
Betts	Denton	Harmon
Blatnik	Derounian	Harris
Boggs	Derwinski	Harrison
Boland	Devine	Hays
Bolling	Diggs	Healey
Bolton	Dingell	Hechler
Bonner	Dixon	Hemphill
Bosch	Donohue	Henderson
Bow	Dooley	Herlong
Boykin	Dorn, N.Y.	Hess
Brademas	Dorn, S.C.	Hiestand
Bray	Dowdy	Hoeven
Breeding	Downing	Hoffman, Ill.
Brewster	Doyle	Hoffman, Mich.
Brock	Dulski	Hogan
Brooks, La.	Dwyer	Holifield
Brooks, Tex.	Elliott	Holland
Broomfield	Everett	Holt
Brown, Ga.	Evins	Holtzman
Brown, Mo.	Farbstein	Horan
Brown, Ohio	Fascell	Hosmer
Broyhill	Feighan	Huddleston
Budge	Fenton	Hull
Burke, Ky.	Fino	Ikard
Burke, Mass.	Fisher	Inouye
Burleson	Flood	Irwin
Byrne, Pa.	Flynn	Jackson
	Flynt	Jarman
Jennings	Miller, N.Y.	Santangelo
Jensen	Milliken	Saund
Johansen	Mills	Saylor
Johnson, Calif.	Minshall	Schenck
Johnson, Colo.	Moeller	Scherer
Johnson, Md.	Monagan	Schneebeli
Johnson, Wis.	Montoya	Schwengel
Jonas	Moore	Scott
Jones, Ala.	Moorhead	Selden
Jones, Mo.	Morgan	Shelley
Judd	Morris, N. Mex.	Sheppard
Karsten	Moss	Shipley
Karth	Moulder	Short
Kasem	Multer	Sikes
Kastenmeier	Murphy	Siler
Kearns	Murray	Simpson
Kee	Natcher	Sisk
Keith	Nelsen	Slack
Kelly	Nix	Smith, Calif.
Kilburn	Norblad	Smith, Iowa
Kilday	Norrell	Smith, Kans.
Kilgore	O'Brien, Ill.	Smith, Miss.
King, Calif.	O'Brien, N.Y.	Smith, Va.
King, Utah	O'Hara, Ill.	Spence
Kirwan	O'Hara, Mich.	Springer
Kitchin	O'Konski	Staggers
Kluczynski	O'Neill	Steed
Knox	Oliver	Stratton
Kowalski	Osmers	Stubblefield
Kyl	Ostertag	Sullivan
Lafore	Passman	Taber
Laird	Patman	Taylor
Landrum	Pelly	Teague, Calif.
Lane	Perkins	Teague, Tex.
Langen	Pfost	Teller
Lankford	Philbin	Thomas
Latta	Pirnie	Thompson, La.
Lennon	Poage	Thompson, N.J.
Lesinski	Poff	Thompson, Tex.
Levering	Porter	Thomson, Wyo.
Libonati	Powell	Thornberry
Lindsay	Preston	Toll
Lipscomb	Price	Tollefson
Loser	Prokop	Trimble
McCormack	Pucinski	Tuck
McCulloch	Quie	Udall
McDonough	Quigley	Ullman
McDowell	Rabaut	Utt
McFall	Rains	Vanik
McGinley	Randall	Van Pelt
McGovern	Ray	Van Zandt
McIntire	Reece, Tenn.	Wallhauser
McMillan	Rees, Kans.	Walter
McSween	Reuss	Wampler
Macdonald	Rhodes, Ariz.	Watts
Machrowicz	Rhodes, Pa.	Weaver
Mack	Riehlman	Weis
Madden	Riley	Westland
Magnuson	Rivers, Alaska	Wharton
Mahon	Rivers, S.C.	Whitener
Mailliard	Roberts	Whitten
Marshall	Robison	Widnall
Martin	Rodino	Wier
Matthews	Rogers, Colo.	Williams
May	Rogers, Fla.	Wilson
Meader	Rogers, Mass.	Winstead
Merrow	Rogers, Tex.	Wolf
Metcalf	Rooney	Wright
Meyer	Roosevelt	Yates
Michel	Rostenkowski	Young
Miller, Clem	Roush	Zablocki
Miller, George P.	Rutherford	
	St. George	

NAYS—1

Wainwright

NOT VOTING—32

Alford	Carnahan	Mitchell
Anderson, Mont.	Coad	Morris, Okla.
Auchincloss	Davis, Ga.	Morrison
Baker	Durham	Mumma
Barden	Edmondson	Pilcher
Bentley	Fallon	Pillion
Blitch	Forand	Vinson
Bowles	Frazier	Willis
Buckley	Hébert	Withrow
Burdick	Keogh	Younger
	Mason	Zelenko

So the bill was passed.

The Clerk announced the following pairs:

Mr. Keogh with Mr. Mason.
Mr. Hébert with Mr. Pillion.
Mr. Bowles with Mr. Mumma.
Mr. Alford with Mr. Withrow.
Mr. Burdick with Mr. Younger.
Mr. Morrison with Mr. Auchincloss.
Mr. Vinson with Mr. Baker.
Mr. Buckley with Mr. Bentley.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the RECORD on the bill just past.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONAL SERVICE LIFE INSURANCE

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11045) to amend section 704 of title 38, United States Code, to permit the conversion or exchange of policies of national service life insurance to a new modified life plan, with Senate amendments thereto, and consider the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, after line 6, insert:

"SEC. 2. That subchapter I of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"'§ 725. Limited period for acquiring insurance

"'(a)(1) Any person heretofore eligible to apply for participating national service life insurance between October 8, 1940, and April 24, 1951, both dates inclusive, shall, upon application made in writing within one year after January 1, 1961, submission of evidence satisfactory to the Administrator showing such person to be in good health at the time of such application, and payment of the required premiums, be granted insurance under the same terms and conditions as are contained in standard participating policies of national service life insurance.

"'(2) All premiums paid and other income received on account of national service life insurance granted under the authority contained in this subsection and on any total disability income provision which may be attached thereto shall be segregated in the National Service Life Insurance Fund and, together with interest earned thereon, shall be available for the payment of liabilities under such life and disability insurance.

"'(3) Notwithstanding the provisions of section 782 of this title the Administrator shall determine annually the administrative costs which in his judgment are properly allocable to such life and disability insurance and shall thereupon transfer the amount of such costs from any surplus otherwise available for dividends on such life and disability insurance from the National Service Life Insurance Fund to the general fund receipts in the Treasury. The Administrator of Veterans Affairs is directed to submit to the Senate Committee on Finance and the House Committee on Veterans' Affairs, at the end of each fiscal year, a detailed report on additional costs occasioned by issuance of new policies under section 2 of this bill.

"'(b) Any person heretofore eligible to apply for insurance under section 620 of the National Service Life Insurance Act of 1940, as amended, or subsection (a) of section 722 of this title, shall, notwithstanding any time limitation for filing application for insurance contained in such sections, upon application made in writing within one year after January 1, 1961, be granted insurance under subsection (a) of section 722 of this title, subject to the other limitations and conditions applicable to such insurance.

"'(c) Any person heretofore eligible to apply for insurance under section 621 of the National Service Life Insurance Act of 1940, as amended, shall, upon application in writing made within one year after January 1, 1961, and submission of evidence satisfactory to the Administrator showing such person to be in good health at the time of such application and payment of the required premiums, be granted insurance under subsection (b) of section 723 of this title subject to the limitations and conditions applicable to such insurance, except that (1) until January 1, 1962, limited convertible term insurance may be issued but not renewed after the applicant's fiftieth birthday, and (2) the premiums charged for such insurance and for any total disability income provision which may be attached thereto shall include an additional amount for administrative costs as determined and fixed by the Administrator at the time of issue. The Administrator is authorized to transfer annually an amount representing such administrative costs from the revolving fund to the general fund receipts in the Treasury.

"'(d) Notwithstanding the provisions of section 782 of this title, a medical examination when required of an applicant for issuance of insurance under subsection (a) or (c) of this section shall be at his own expense by a duly licensed physician.

"'(e) No insurance shall be granted under this section to any person referred to in section 107 of this title.'"

Page 4, after line 6, insert:

"SEC. 3. The analysis of subchapter I of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following:

"'725. Limited period for acquiring insurance.'"

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SMITH of California. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas a question if I may. I wonder if the distinguished chairman of the Veterans Committee can tell me whether or not he is for or opposed to the amended language which the Senate placed in the bill.

Mr. TEAGUE of Texas. Mr. Speaker, for the past 4 years the other body has adopted this amendment which gives all the veterans certain rights. Our committee has considered this bill each of the last 4 years and has turned it down each time.

I am opposed to the amendment, and if we did consider it I would oppose it; but the fact that it passed the other body 75 to 0 caused me to promise the author of the amendment in the other body that I would ask that it be taken up.

Mr. SMITH of California. Then it is true, Mr. Speaker, that the subcommittee of the House Veterans Affairs Committee studied the substantive language of the amendment at great length and unanimously turned it down. Is that correct?

Mr. TEAGUE of Texas. That is correct.

Mr. SMITH of California. It is also correct that the Veterans' Administration is decidedly opposed to this bill. The committee is opposed to it very decidedly.

Mr. TEAGUE of Texas. That is right.

Mr. SMITH of California. Mr. Speaker, I object to the request.

WAGE RATES AT PORTSMOUTH, N.H., NAVAL SHIPYARD

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 575) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, New Hampshire, Naval Shipyard. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, House Resolution 575 provides for the consideration of the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard. It is an open rule providing for one hour of general debate.

The bill S. 19 would require that the Secretary of the Navy establish an hourly rate of pay for all per diem employees of the Portsmouth, N.H., Naval Shipyard at the same hourly rates paid to employees of similar classification at the Boston, Mass., Naval Shipyard.

This bill came before the House in 1958, and passed the House. It was vetoed by the President and on August 12, 1958, the Senate passed the bill over the President's veto by a vote of 69 to 20. On August 13, 1958, the House by a vote of 202 to 180 favored enactment of the bill over the veto, but this vote was not sufficient to override the veto and the bill did not become law.

As I say, this bill makes mandatory that the same rate of pay for similar work be paid at both these shipyards. To give an example of rates in effect and the disparity in wage rate of these two shipyards in 1959, I call attention to the following: A laborer at Boston was paid $1.96 an hour, at Portsmouth $1.70, a disparity of 26 cents. A machinist was paid $2.78 an hour at Boston but only $2.61 at the Portsmouth Naval Shipyard, a disparity of 17 cents.

There is great disparity in the wage scale at each pay level between the Boston and Portsmouth Shipyards and, under the circumstances, the Committee

on Armed Services again recommends enactment of legislation which would eliminate these discrepancies.

Mr. Speaker, I urge the adoption of House Resolution 575.

Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and reserve the balance of my time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. GROSS. Is there some emergency in connection with this legislation that it must be considered at this hour, late in the day, when the session of Congress will be resumed in August? Is there any reason why this bill should not have been carried over?

Mr. O'NEILL. I have nothing to do with scheduling bills for consideration. I am sure the gentleman is aware of that.

Mr. GROSS. Is there any emergency?

Mr. O'NEILL. I do not know, but I am sure that the sooner we correct disparities in pay by the same employer at different shipyards about 35 or 40 miles apart, the better for them. I cannot see why there should be this discrepancy when a worker traveling 20 miles one way at Boston is paid a higher rate than he would be paid if he traveled 20 miles the other way to Kittery, Maine, or Portsmouth, N.H., which cities are opposite each other.

I may say, Mr. Speaker, this bill passed the Senate in May of 1959.

Mr. GROSS. I might ask the gentleman what it has been doing in all the intervening time.

Mr. O'NEILL. I could not give the gentleman an answer to his question.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Massachusetts has explained, this resolution makes in order the consideration of S. 19 under an open rule providing 1 hour of debate.

S. 19 would provide that the wages paid mechanics and other Government workers in the Portsmouth, N.H., Shipyard be the same as the wages paid at the Boston Shipyard.

In 1958 a similar bill was approved by the Congress and vetoed by the President. The bill failed to be passed over the President's veto.

There is a disparity in wages between the wages per hour paid Government workers in the New Hampshire shipyard at Portsmouth and the wages paid in the Boston Shipyard. As I understand it, it is only about 20 miles between the two cities. Many of the workers live in between the two cities, some in the community of Salem.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Is the Kittery Point Shipyard involved in this bill?

Mr. O'NEILL. It is the same shipyard.

Mr. BROWN of Ohio. It is the same.

Mr. O'NEILL. It is the Kittery, Maine-Portsmouth Shipyard.

Mr. BROWN of Ohio. It is partly in Maine and partly in New Hampshire.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Massachusetts.

Mr. MARTIN. Mr. Speaker, I would like to speak in favor of this bill for just a moment because I think this is an economic necessity. These two yards are only about 60 miles apart and they draw their labor supply from both sections. You have a competitive system up there that is a detriment to both yards. I think as a matter of justice these two yards should operate on the same level.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I hope so much that this bill will be adopted. We have a good many men in Massachusetts and from my own district who motor every day to the Portsmouth Navy Yard and come back, and they cannot understand why they are paid less than the other shipyard workers are paid. It is rather strange. I am fond of the Navy, but I cannot understand their action in regard to the Kittery-Portsmouth Navy Yard.

I remind the House that the work at this yard is very skilled and often very dangerous. That should be taken into consideration. It is important for them to have good pay and protection on account of their wives and families. The trips to the shipyard are dangerous. At midnight I saw three men killed and one injured on the highway going to work at Portsmouth. One cannot forget those things. The gentleman from Texas [Mr. KILDAY] spoke of the dangerous trips. I hope this bill will be passed.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I am in favor of this bill, but I am intrigued by the number of people who voted against the farm bill a while back who are now interested in the wages in these two yards. The people involved in the farm bill were a lot closer than 35 miles of each other. They lived in the same vicinity.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. KILDAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 19, with Mr. HARRISON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KILDAY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, a good deal of the history of this bill has been gone into in the presentation of the rule. The purpose of the bill has been rather adequately expressed. I might remark that under the law the Secretary of the Navy and the Secretaries of the other military departments have the power to establish wage board areas. Within those wage board areas these boards fix the hourly rate of pay of the crafts which work in the Navy Shipyards and, of course, in Army arsenals or in Air Force depots and things of that kind.

From 1924 to 1947 the Navy regarded the Boston Naval Shipyard and the Portsmouth Naval Shipyard as being within the same Wage Board area. Throughout that period of time the same hourly wage was paid to the various crafts and laborers employed in those two shipyards. Whether employed in one or the other, they drew the same hourly rate of pay. For some reason in 1947 it was seen fit to separate the two into separate Wage Board areas and since that time there has been constant difficulty. As was evidenced by the number of New England Members who expressed an opinion under the rule, they are very well informed on this matter, because it has been a source of difficulty over a period of years. If I am not correct in this, the gentleman from Massachusetts [Mr. BATES], can correct me, but it is my recollection that practically every commanding officer at Portsmouth has recommended in the past, while he was commanding there, that this difficulty be eliminated by putting both of these shipyards in the same wage area.

It seems as if it is just a matter of stubbornness on the part of some of the authorities in the Navy Department that they have consistently refused to do it. It is only 60 miles between Boston and Portsmouth, as I understand. Men living next door to each other, in the same neighborhood in the city of Boston, some work in the Boston Navy Yard and some work in the Portsmouth Navy Yard, and those at Portsmouth are traveling further and drawing less pay than those in the Boston Shipyard.

It has been disclosed here that in 1958 the House and the Senate passed a bill. The President vetoed it, and then the Senate overrode by a very comfortable majority, over two-thirds, and the House failed by a few votes to override.

It is true at that time the Secretary of the Navy took action to adjust some of the wage rates there. It did not cure the difficulty. It still left the disparity as to the pay of various crafts. Actually the action which the Secretary of the Navy took in adjusting those individual pay rates was proof of the fact that we were justified in passing the bill last year, and the same good reasons exist today for the passage of this bill.

Mr. Chairman, I trust that the bill will be passed. It passed the Senate last year in May, I believe, and it is now before us. I trust that favorable action will be taken.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Iowa.

Mr. GROSS. How many other Wage Board employees are there in this area that could logically come in and ask for the same treatment if this treatment is accorded in this case?

Mr. KILDAY. As far as I know, these are the only two naval shipyards in the area that could be affected. The bill is confined entirely to the rate of pay; that the Portsmouth Naval Shipyard rate shall be fixed at the same hourly rate as the Boston Naval Shipyard.

Mr. GROSS. I read in the RECORD this:

> Furthermore, it would be extremely difficult, if not impossible, to argue logically against extension of the same principle to other Department of Defense activities located in labor market areas within a 60-mile radius of Boston.

Mr. KILDAY. The gentleman is reading from the report, but he is reading from the objections voiced by the Secretary; not from the language of the committee.

Mr. GROSS. Then he goes on to say: "Should such extension occur, the increased cost to the Department of Defense would be about $6 million." Is that correct?

Mr. KILDAY. The bill shows it would be $1.7 million.

Mr. GROSS. But if extended to others within the same wage board area, the cost would be $6 million.

Mr. KILDAY. That is not my understanding.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from New Hampshire [Mr. MERROW].

Mr. MERROW. Mr. Chairman, I rise in support of S. 19, a measure that will require the Secretary of the Navy to establish an hourly rate of pay for all per diem employees of the Portsmouth, N.H., Naval Shipyard at the same hourly rate paid to employees of similar classifications at the Boston, Mass., Naval Shipyard. I wish to express my appreciation for the great assistance given to us by the most distinguished chairman of the Armed Services Committee, the gentleman from Georgia [Mr. VINSON], and by the gentleman from Texas [Mr. KILDAY], the very able chairman of the subcommittee who reported this measure. The Armed Services Committee of the House has acted favorably upon the proposed legislation on two occasions, and I am grateful for their consideration.

This bill would correct a grave injustice that is being done to the workers at the Portsmouth Naval Shipyard, the first submarine yard in the Nation. The record of this yard is long and distinguished, made so by the thousands of workmen who are employed at this great naval installation. A measure having an identical purpose to S. 19 was, as is pointed out in the report which accompanies S. 19, passed by the Senate on May 12, 1958; approved by the House on July 21, 1958; and vetoed on August 4, 1958. On the 12th of August, 1958, by a vote of 69 to 20, the Senate overrode the Presidential veto and, although the House on the 13th, by a vote of 202 to 180, failed to override, the fact remains that a majority of this House has, on two occasions approved this legislation. So today we are considering a bill containing provisions which have three times been approved by the Senate and twice approved by the House counting the votes on the veto.

I think it should be further pointed out that between the time the Senate voted to override the veto in August 1958 and the time the House voted on the measure the next day, the Navy made an adjustment in the wage rate at the Portsmouth Naval Shipyard, but, as the report accompanying this measure so well states, "this procedure has afforded only a partial remedy to the problem."

In this same report, Mr. Chairman, there is included a letter addressed to me, under date of August 6, 1959, from Rear Adm. R. E. Cronin, U.S. Navy, Chief of Industrial Relations, which eloquently points out the growing differences between the pay rate at Boston and Portsmouth for identically the same work. In an effort to bring the wage scale up to date, I am including a letter from Admiral Cronin, under date of June 24, 1960, giving the current pay scale at the Boston and Portsmouth Naval Shipyards. Both letters are included. With the exception of three instances, the gap in compensation between Portsmouth and Boston for similar work done at Portsmouth continues to widen. This, Mr. Chairman, is a disparity which ought not to exist. It is unreasonable; it is unjust; it is unfair.

DEPARTMENT OF THE NAVY,
OFFICE OF INDUSTRIAL RELATIONS,
Washington, D.C., August 6, 1959.

Hon. CHESTER E. MERROW,
House of Representatives,
Washington, D.C.

MY DEAR MR. MERROW: In reply to a telephone request from your office on August 6, 1959, information concerning pay scales at the Boston and Portsmouth Naval Shipyards in effect in August 1958 and at present are provided below:

Pay level	August 1958			August 1959		
	Boston rate	Portsmouth rate	Difference	Boston rate	Portsmouth rate	Difference
1	$1.77	$1.58	$0.19	$1.90	$1.64	$0.26
2 laborer	1.83	1.64	.19	1.96	1.70	.26
3	1.91	1.72	.19	2.05	1.81	.24
4	2.00	1.79	.21	2.14	1.91	.23
5 helper	2.08	1.87	.21	2.23	2.02	.21
6	2.15	1.96	.19	2.31	2.11	.20
7	2.22	2.04	.18	2.38	2.19	.19
8	2.29	2.13	.16	2.46	2.28	.18
9	2.36	2.21	.15	2.53	2.37	.16
10	2.43	2.30	.13	2.61	2.45	.16
11 machinist	2.50	2.38	.12	2.68	2.54	.14
12	2.60	2.45	.15	2.78	2.61	.17
13	2.70	2.52	.18	2.89	2.68	.21
14 toolmaker	2.80	2.59	.21	2.99	2.75	.24
15	2.86	2.65	.21	3.05	2.81	.24
16	2.92	2.71	.21	3.11	2.87	.24
Patternmaker	2.95	2.65	.30	3.14	2.83	.31

I trust that the foregoing provides the information you desire.

Sincerely yours,

R. E. CRONIN,
Rear Admiral, USN,
Chief of Industrial Relations.

DEPARTMENT OF THE NAVY,
OFFICE OF INDUSTRIAL RELATIONS,
Washington, D.C., June 24, 1960.

Hon. CHESTER E. MERROW,
House of Representatives,
Washington, D.C.

MY DEAR MR. MERROW: In reply to your letter of June 21, 1960, current pay scales at the Boston and Portsmouth Naval Shipyards are listed below:

2d step hourly rates

Pay level	Boston area	Portsmouth area	Difference
1	$2.00	$1.72	$0.28
2 laborer	2.06	1.78	.28
3	2.14	1.88	.26
4	2.22	1.98	.24
5 helper	2.30	2.08	.22
6	2.38	2.17	.21
7	2.45	2.26	.19
8	2.53	2.35	.18
9	2.60	2.43	.17
10	2.68	2.52	.16
11 machinist	2.75	2.61	.14
12	2.87	2.68	.19
13	2.99	2.75	.24
14 toolmaker	3.11	2.82	.29
15	3.17	2.88	.29
16	3.23	2.94	.29
Patternmaker	3.24	2.91	.33

These rates of pay were authorized by schedules of wages issued April 27, 1960, which is the only change since my letter to you of August 6, 1959.

Should you desire any additional information that I can give, please let me know.

With kindest regards.

Sincerely yours,

R. E. CRONIN,
Rear Admiral, USN, Chief of Industrial Relations.

The Portsmouth Naval Shipyard is located approximately 60 miles from the Boston yard and, as I have repeatedly stated—and as I pointed out in my statement before Subcommittee No. 1 of the Committee on Armed Services when hearings were being held on August 11, 1959—there is a great discrepancy in the work scale at Portsmouth with Boston. For the same type of work, skilled employees at Portsmouth are receiving a much lower rate of pay than those at the Boston yard.

May I further call attention to the reports made by the House and Senate committees 2 years ago to accompany S. 2266 which bill had the identical purpose of the one we are considering today. From the Senate report of May 8, 1958, is the following paragraph:

> In making this recommendation, the committee has found persuasive the sparsity of representative samples of wage rates from private industry in the Portsmouth area. There is no other shipbuilding activity in the Portsmouth area. Determinations of the wages to be paid employees in the Portsmouth Naval Shipyard have been based on samples of these skills employed in other than shipbuilding industry. Testimony indicated that in the Portsmouth survey for 1957, a total of 316 job samples from private industry determined the wage rates for 5,351 employees in the shipyard. Of these 316 samples, only 179 represented skilled craft jobs. In contrast, from the Boston wage survey for 1956, 5,955 samples from private industry determined the rates for 9,325 wage board employees. Of these 5,955 samples 3,253 represented skilled craft jobs.

In the House report of July 1, 1958, are the following words:

> The disparity in rates for the same skills has been the source of much dissatisfaction

at Portsmouth. Complaints against this policy have been brought to the attention of Members of Congress from the area and these Members have attempted to secure relief for the employees by appeals for administrative adjustment of the rates under the flexibility provided in existing law. Until now, these attempts at corrective action have been unavailing.

Mr. Chairman, when I appeared before the subcommittee in 1958, in support of this same legislation, I said:

The Boston and Portsmouth yards were considered the same labor market area for 23 years. In 1947 the Department changed its procedure and started to conduct wage surveys separately within the Portsmouth area.

The industries, in my opinion, in the area are not comparable with the type of work that is being carried on at the Portsmouth yard and to continue to proceed with the present method certainly works a hardship on the employees of the Portsmouth yard.

Now, Mr. Chairman, the act of July 16, 1862 is the legal authority for the manner in which the Navy determines its wage structure. It should be kept in mind that for over 20 years, the Portsmouth Naval Shipyard had the same wage scale as the Boston yard. The Department of the Navy could, by administrative action, put these two areas together but has steadfastly refused to do so. Therefore, the necessity of this legislation.

We face here, Mr. Chairman, a unique situation. These shipyards, as I have stated, are about 60 miles apart. Comparable industries for setting a wage scale in the Portsmouth area, as has been pointed out, are certainly insufficient and inadequate in determining a wage scale. Furthermore, Portsmouth and Boston were considered as one area for wage determination for over 20 years and only beneficial results followed.

Mr. Chairman, favorable action on this measure will not serve as a precedent. This is a unique situation. An obvious injustice is being done. This has been a burning problem for years. Congress has spoken twice on the matter and, in view of the adament position taken by the Department of the Navy—a position which, in my opinion, is unfair to the employees of the Portsmouth Naval Shipyard—I hope the House will act favorably on this legislation.

Mr. McINTIRE. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Maine.

Mr. McINTIRE. Mr. Chairman, I certainly wish to commend the gentleman from New Hampshire and members of the Committee on Armed Services and everyone who has taken an interest in this legislation. I supported it in 1958 and propose to support it at this time. I think this is a matter where there is a need for adjustments in order to get equity in the wages paid in these two areas. I am very happy to join with the gentleman from New Hampshire and others in support of this legislation.

Mr. MERROW. I thank the gentleman for his contribution. Since the Department refuses to make this adjustment administratively, this is the only recourse we have.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, the gentleman from Iowa hopes his colleagues will forgive his taking just 2 minutes to point out that some of the pieces of the picture are beginning to fit together. We are talking here about wage discrimination. Tomorrow it is understood that we will talk about minimum wages. The gentleman would point out that according to the latest figures the Iowa farmers are averaging—and these are the people who own the farms or operate them—from 58 to 70 cents an hour, not $1.58 or $1.90, but 58 to 70 cents.

This is not speaking out of turn, I would point out, because we do have a lot of ships in the yards which are filled with grain which some of us would like to take out of these ships.

The thing we are talking about in the farm business is not a minimum wage but the evident maximum wage which is paid our farmers. We have talked about return on investment. We have to point out that the average return on investment to Iowa farmers and other Midwest farmers of late has been about 2 percent or 3 percent, not the higher percentage that we have spoken about.

Earlier today we talked about Americans not wanting to do hard work. In regard to this, I would point out that in our State today the average age of all farmers is 53 years; not because the young people do not want to farm or because they are unwilling to do the work, but because they simply cannot make a living on the farm.

We are told this afternoon that we are going to meet again in August. This means that we do have time to act in the field of agriculture. I point out that the House approved last week as part of the agriculture program a measure which would remove crops from storage, which would include bushel controls, which would include crop insurance for farmers, all without additional expenditure by the Federal Government. Certainly we have the pattern for agricultural legislation. The House has approved that measure. We have the time. The gentleman from Iowa thinks it is also time to act decisively on agricultural legislation.

Mr. KILDAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. COFFIN].

Mr. COFFIN. Mr. Chairman, I strongly support this legislation. It is overdue.

Mr. Chairman, the case for passage of this bill has been so ably put by the gentleman from Texas [Mr. KILDAY] that any extensive remarks by me would be unnecessary and inappropriate. I regret very much the necessity for legislative action. Had there been adequate recognition by the executive branch of the need for remedy for this long standing problem, we would not be here today. But there has been no such adequate recognition.

Can the Congress be so ill advised that the concerted opinion of both bodies, manifested not once but several times, involving not only the two great Armed Services Committees but the membership on both sides of the aisle, is worthy of being ignored? I do not think so. The arguments here today have revealed no answer to the charge of inequity in giving workers living in what today more than ever must be classed as the same general community, a substantially different wage, determined solely by the fact that they work in navy yards removed from each other by 53 miles.

To compound the inequity, the Navy has journeyed 85 miles to find data on which to base a rate, while asserting that a distance of 53 miles justifies an hourly wage differential of almost 30 cents an hour. It seems that there are two uses of distance. Both the greater and the smaller distance can be used, if the result is to justify a lower wage rate.

Mr. Chairman, this body has recently acted to remove wage inequities for Federal employees in general. Here is a specific inequity which requires a specific remedy. I urge passage of this long overdue legislation.

Mr. BATES. Mr. Chairman, I rise in support of this bill. It has been fully and adequatley debated here on the floor not only today but on previous occasions. We have had extensive hearings on it before the Committee on Armed Services. What we are trying to do is restore the same rules and regulations that prevailed from 1922 to 1947.

Mr. KILDAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. OLIVER].

Mr. OLIVER. Mr. Chairman, I rise in support of this urgently needed legislation. It is urgently needed to correct a long continuing injustice, based upon wage discrimination against the skilled and conscientious employees of the naval yard located at Kittery, Maine, but designated by the Navy as the Portsmouth, N.H., yard.

The detailed explanation which has been given by the able gentleman from Texas [Mr. KILDAY] makes unnecessary further explanation by me.

However, I do want to stress to the Members of this House that existing disparities in wages for workers who do the same kind of work in Kittery as is done in the Boston, Mass., yard, only 55 miles away, is nothing but rank discrimination.

It is impossible to get the job of correcting this injustice done, administratively by the Navy. Consequently, for the second time, we are asking this House to rectify wage disparities which detrimentally effects morale and makes recruitment of specially skilled craftsmen increasingly difficult.

Those of us who have lived with this problem for the past several years and who are disturbed because of the Navy's adamant opposition to equalizing Kittery wages with Boston wages for the same work depend upon the fairness and justice with which the Members of this House meet discrimination wherever and whenever it rears its ugly head.

Why should blue-collar employees in Kittery suffer the disparity of 14 cents per hour in the bench-mark trades while performing equal work as their fellow employees in Boston?

Why should laborers in Kittery be penalized with a discriminatory differential of 28 cents per hour because of the obstinate refusal of the Navy Industrial Relations Board to rectify the same?

Why should patternmakers in Kittery suffer a differential of 33 cents per hour as contrasted to the same craftsmen in Boston, especially when there is no comparable trade in the local area thusly, working this unjustified injustice against the loyal, skilled and conscientious naval employees upon whom the construction of our vital polaris submarines depend?

This is no time, Mr. Chairman, to procrastinate and continue to push under the rug these problems which are crying for settlement. The House can and will act, as always, in the interests of fair play whenever the facts are disclosed.

The facts, Mr. Chairman, are on our side. Justice calls for action, here, tonight. I feel certain that you, my colleagues, will help us do this necessary job.

Mr. KILDAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, the Boston, Mass., Naval Shipyard and the Portsmouth, N.H., Naval Shipyard are only some 60 miles apart, yet the employees at Portsmouth are paid considerably less for doing the same kind of work as the employees at Boston. This is unfair to them and detimental to their morale. A bill to correct this inequity was passed by both the Senate and the House in 1958. It was vetoed by the President. The veto was overridden in the Senate but sustained in the House.

In his veto message, the President took notice of the alleged inequities and directed the Secretary of the Navy to review the entire situation and to make such adjustments in the wage rates at the Portsmouth Naval Shipyard as were warranted by his review. This resulted in some compensatory increases that afforded only a partial remedy to the problem. Dissatisfaction among the per diem employees at Portsmouth continues, and with justification.

The act of July 16, 1862, is authority for the manner in which the Navy determines its wage structure. But the conditions of today are vastly different from the Civil War period when travel was slow and difficult and the living costs at Portsmouth were considerably less than those at Boston. The spread of industry and the mobility of trade and commerce in 1960, almost 100 years later, have leveled out the living costs in the two areas making them practically equal.

The Navy should face up to these realities and, by administrative action, merge these two areas insofar as wage rates are concerned, but has stubbornly refused to do so. In spite of the fact that for 23 years, the Boston and Portsmouth yards were considered to be the same labor market area. This proved to be the most satisfactory method for nearly a quarter of a century, including the emergency years of World War II. In 1947, however, the Department saw fit to turn back the clock to separate the wage surveys, even though the two areas were practically indistinguishable from one another.

The purpose of S. 19 is to modernize the civilian personnel practices of the Navy by law and to correct an injustice that would otherwise impair the morale and the efficiency of the workers at Portsmouth.

The Committee on Armed Services recommended on June 9, 1960, the passage of S. 19 which will establish an hourly rate of pay for all per diem employees of the Portsmouth, N.H., Naval Shipyard at the same hourly rates that are paid to employees of similar classification at the Boston, Mass., Naval Shipyard.

The act of 1862 as the authority by which the Navy determines its wage structure is out of date. It violates our belief that there should be equal pay for equal work, where the economic environment of two neighboring areas is not separate but the same.

The workers at Portsmouth deserve and expect that S. 19 will achieve this equality for them.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy shall establish the hourly rates of pay for all per diem employees employed at the Portsmouth, New Hampshire, Naval Shipyard at the same hourly rates as are paid to employees of similar classification resulting from area wage survey applicable to employees of the Boston, Massachusetts, Naval Shipyard.

SEC. 2. This act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I still have no answer to my question or the question that arises from the statement to be found in the report by the Department of Defense that it would be extremely difficult, if not impossible, to argue logically against the extension of the same principle to other Department of Defense activities located within a 60-mile radius of Boston. I should like someone who supports this bill to answer those questions.

Mr. MERROW. I think the general answer to that is that this is a unique situation. In the Portsmouth area there are not comparable industries to set the wage scale properly. That has been demonstrated over and over again. There are data in the various statements to show that there is insufficient industry in that area to set the wages properly. We have to go to the Boston area.

Mr. GROSS. The gentleman has not even started to answer my question as to how it would be possible to stop other wage board employees from going to the same kind of deal.

Mr. MERROW. It is my understanding that this is a particular situation. When it is acted upon it will not affect other areas. The Congress in considering this is considering a special situation.

Mr. GROSS. Why cannot Congress do the same thing for other wage board workers in the same area?

Mr. MERROW. Because this is a peculiar situation and does not affect other areas.

Mr. GROSS. There are other wage board employees in the area, are there not?

Mr. McCORMACK. There are no other wage board employees in this district. This applies to these naval employees only. It has no application elsewhere because the prevailing rate of wages in force is a matter that is pretty well defined, as I understand, by the Department of Defense.

Mr. GROSS. Then if you pass this provision are there other organizations that could logically ask to be given the same treatment because they are located in a labor market area within 60 miles of the shipyard at Boston?

Mr. McCORMACK. My understanding is that this bill applies only to Portsmouth Navy Yard.

Mr. GROSS. I understand, but what about other wage board employees who might come to Congress and say they want the same treatment?

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. KILDAY. I call the gentleman's attention to the fact that the portion of the report from which he has read is a portion of a letter written in opposition to the bill by the Secretary. He is not pointing to any specific situation where this condition exists; he is citing a hypothetical case where, if this situation should arise, it would be difficult to argue against the same thing being done in other wage areas.

Mr. GROSS. Exactly.

Mr. KILDAY. Let me say to the gentleman that the only two installations subject to the Wage Board are Boston and Portsmouth. There are no other employees concerned except those in these two shipyards. There is no other place in the United States in which they have a comparable problem of where from 1924 to 1947 the two installations were regarded as being within the one Wage Board area, and then separated as was the case between Portsmouth and Boston. While the Department is attempting to point out a hypothetical case in which some situation might arise, the fact is that there is not any instance anywhere within the United States where a comparable situation could arise.

Mr. GROSS. Is the gentleman saying, then, that the language contained in the letter from the Department of Defense, or the statement contained in the letter by the Department of Defense is inaccurate or erroneous?

Mr. KILDAY. I do not think the gentleman should put it that way. What I am saying to the gentleman is that it is a portion of an argument made by the Secretary of Defense. I do not necessarily contend that it is incorrect, inaccurate, or untrue.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 2 additional minutes.)

Mr. KILDAY. Just as the fact that there is disagreement between the gentleman and myself at the moment does not mean that either of us is charging the other with any lack of good faith. I do not charge that to the Secretary. I say the Secretary has done the best he could with a bad situation in attempting to make a logical argument in favor of the position he takes, and that the argument which he makes is not justified.

Mr. GROSS Is the gentleman saying that there is no validity to the statement made by the Secretary of Defense?

Mr. KILDAY. There is no validity to the statement, because such a situation does not exist anywhere in the United States and, therefore, that result could never occur.

Mr. GROSS. And there are no wage board employees within 60 miles of the shipyard at Boston who are covered by this bill, who could come to Congress and say: "We want in on this same sort of thing"?

Mr. KILDAY. This simply requires that the employees of the Portsmouth Shipyard be paid the same wages for the same category of employment as are paid at Boston. That is all that is involved.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. MEADER. I wonder if the gentleman read the next paragraph, paragraph (c):

Immediate costs to the Department of Defense from enactment of this legislation would approximate $1,700,000. * * * Should such an extension occur increase costs to the Department of Defense will be about $6 million.

Mr. GROSS. I brought that out a while ago on the floor of the House; yes.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HARRISON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard, pursuant to House Resolution 575, he reported the bill back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

AMENDMENT TO SECTION 2771 OF TITLE 10, UNITED STATES CODE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9702) to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 6, strike out "paid" and insert "made".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDING THE CAREER COMPENSATION ACT OF 1949 WITH RESPECT TO INCENTIVE PAY FOR CERTAIN SUBMARINE SERVICE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10500) to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 9, after "commence" insert ", and duty as an operator or crew member of an operational, self-propelled submersible, including undersea exploration and research vehicles".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDING TITLE 10, UNITED STATES CODE, TO AUTHORIZE REDUCTION IN ENLISTED GRADE UPON APPROVAL OF CERTAIN COURT-MARTIAL SENTENCES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12200) to amend title 10, United States Code, to authorize reduction in enlisted grades upon approval of certain court-martial sentences, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 18 to 24, inclusive, and on page 3 strike out lines 1 to 13, inclusive.

Amend the title so as to read: "An Act to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HOFFMAN of Michigan. Mr. Speaker, what are these bills?

Mr. KILDAY. Mr. Speaker, these are several bills passed by the House and reported by the Committee on Armed Services. There were slight amendments by the Senate. These have been cleared with the gentleman from Illinois [Mr. ARENDS], ranking minority member of the Committee on Armed Services. He has agreed that these may be taken up at this time.

Mr. HOFFMAN of Michigan. Where is the one where the Senate refused to agree to the provision about reporting our expenses?

Mr. KILDAY. I do not think this is one of the bills.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AMENDING AND CLARIFYING THE REEMPLOYMENT PROVISIONS OF THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5040) to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after line 5 over to and including line 13 on page 5 and insert:

"(1) By inserting in paragraph (2) of subsection (g) the words 'and other than for training' after the words 'physical fitness' in the parenthetical phrase thereof.

"(2) By amending paragraph (3) of subsection (g) to read as follows:

"'(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from that training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a position in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following).'

"(3) By adding the following new paragraphs at the end of subsection (g):

"'(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by

his employer for the period required to report for the purpose of being inducted into, entering, determining his physical fitness to enter, or performing active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his rejection, or upon his discharge from hospitalization incident to that training or rejection, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of rejection or training to the place of employment following his rejection or release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absences from scheduled work. If that employee is hospitalized incident to active duty for training, in active duty training, or rejection, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his rejection or release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay or the nearest approximation thereof consistent with the circumstances in his case.

"'(5) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training.'

"SEC. 2. Section 262(f) of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1013(f)), is repealed.

"SEC. 3. This Act shall take effect upon the expiration of sixty days from the date of its enactment."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendment of the House to Senate amendment No. 51 to the bill (H.R.12232) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate further insists on its amendment No. 44 to the above-entitled bill and requests a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. CHAVEZ, Mr. HAYDEN, Mr. JOHNSON of Texas, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 10596. An act to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States.

H.R. 11001. An act to provide for the participation of the United States in the International Development Association.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1961

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12232) making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes, with Senate amendments thereto, further disagree to Senate amendment No. 44, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object. Will the gentleman tell us what remains in disagreement?

Mr. NORRELL. There is only one amendment unresolved. The rest of them have been disposed of.

Mr. GROSS. Will the gentleman tell us the status of the disclosure amendment—amendment No. 51, regarding disclosure of travel expenses?

Mr. NORRELL. That has been disposed of. The Senate has agreed to the House amendment to the Senate amendment No. 51—the disclosure amendment.

Mr. GROSS. I am glad to hear that. I thank the gentleman.

Mr. NORRELL. That subject has been disposed of.

Mr. ANDERSEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. I am assured that the gentleman from New York [Mr. TABER], is in full agreement with what the gentleman from Arkansas is doing.

Mr. NORRELL. That is so. There is only one amendment still open, and that has to do with restoration of the old Senate Chamber and the old Supreme Court Chamber. They provide $400,000 to restore the Chambers and we disagree to that here. That will have to be worked out in conference.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none and appoints the following conferees: Messrs. NORRELL, KIRWAN, CANNON, HORAN, and TABER.

CRAWFORD, NEBR.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6179) to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "$880" and insert "$500."

Page 1, strike out all after line 8 over to and including line 4 on page 2 and insert:

"Starting at a point where the north line of the corporate limits of the city of Crawford, Dawes County, Nebraska, intercepts the east line of the tract of land granted, subject to certain conditions, to the village of Crawford, Nebraska, by the Act of June 25, 1906 (34 Stat. 461), and running thence due west a distance of 660 feet, thence due north a distance of 660 feet, thence due east a distance of 660 feet, thence due south a distance of 660 feet to the place of origin, containing 10 acres more or less."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GRAND VALLEY FEDERAL RECLAMATION PROJECT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5098) to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That upon the expiration of the contract between the United States, the Grand Valley Water Users' Association, and the Public Service Company of Colorado, dated July 2, 1959, the Grand Valley Water Users' Association with the approval of the Secretary of the Interior, is authorized to enter into a contract or contracts for a cumulative total period of not to exceed twenty-five years for the sale or development of any power or power privileges in the Grand Valley Power Plant, Grand Valley reclamation project: Provided, That such sale or development of power or power privileges shall be without expenditure of funds by the United States. Any such contract shall provide, among other things, that annual net power revenues from the plant, minus the annual operation and maintenance cost of delivering the power water, will be applied in the following order and manner: (a) on the aggregate of the annual sums due and payable by the Association to

the United States as provided in article 12, paragraphs (c), (d), and (e), and article 22(a)(ii) of contract numbered Ilr-644 between the United States and the Association, dated January 27, 1945, until such time as the obligation under said contract has been paid in full; and (b) in any year in which the net power revenues exceed the aggregate of the annual sums due and payable under said contract between the United States and the Association, and after the obligation under said contract has been paid in full against the total obligations incurred for the rehabilitation of the project works under contracts between the United States and the Association now or hereafter entered into: Provided, That such application shall not reduce the annual sums payable under such contracts:"

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMEND LAWS RELATING TO HAWAII

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11602) to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, strike out lines 7 to 10, inclusive.
Page 4, line 12, strike out "9" and insert "8".
Page 4, line 24, strike out "10" and insert "9".
Page 5, line 6, strike out "11" and insert "10".
Page 5, line 12, strike out "12" and insert "11".
Page 6, line 2, strike out "13" and insert "12".
Page 6, line 8, strike out "14" and insert "13".
Page 6, line 22, strike out "15" and insert "14".
Page 10, line 23, strike out "16" and insert "15".
Page 11, line 4, strike out "17" and insert "16".
Page 11, line 8, strike out "18" and insert "17".
Page 13, line 18, strike out "19" and insert "18".
Page 15, line 14, strike out "20" and insert "19".
Page 15, line 18, strike out "21" and insert "20".
Page 17, line 5, strike out "22" and insert "21".
Page 17, line 18, strike out "23" and insert "22".
Page 17, line 21, strike out "24" and insert "23".
Page 18, line 23, strike out "25" and insert "24".
Page 19, line 4, strike out "26" and insert "25".
Page 19, line 18, strike out "27" and insert "26".
Page 19, line 24, strike out "28" and insert "27".
Page 20, line 17, strike out "29" and insert "28".
Page 20, line 21, strike out "30" and insert "29".
Page 22, line 20, strike out "31" and insert "30".
Page 25, line 22, strike out "32" and insert "31".
Page 26, line 2, strike out "33" and insert "32".
Page 26, line 6, strike out "34" and insert "33".
Page 26, line 12, strike out "35" and insert "34".
Page 26, line 16, strike out "36" and insert "35".
Page 27, line 9, strike out "37" and insert "36".
Page 27, line 15, strike out "38" and insert "37".
Page 27, line 20, strike out "39" and insert "38".
Page 28, line 2, strike out "40" and insert "39".
Page 28, line 6, strike out "41" and insert "40".
Page 28, line 14, strike out "42" and insert "41".
Page 28, line 20, strike out "43" and insert "42".
Page 29, line 4, strike out "44" and insert "43".
Page 29, line 21, strike out "45" and insert "44".
Page 30, line 8, strike out "46" and insert "45".
Page 30, line 15, strike out "47" and insert "46".
Page 30, strike out lines 20 to 25, inclusive.
Page 31, line 2, strike out "49" and insert "47".
Page 33, strike out lines 19 to 22, inclusive.
Page 33, line 24, strike out "50" and insert "48".
Page 34, line 15, strike out "51" and insert "49".
Page 34, line 21, strike out "52" and insert "50".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

DINOSAUR NATIONAL MONUMENT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6597) to revise the boundaries of Dinosaur National Monument and provide an entrance road or roads thereto, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, what monument is this?

Mr. ASPINALL. This is the Dinosaur National Monument in northeastern Utah and northwestern Colorado. Recently the House gave consent to enlarge the State boundaries of the park. The amendment that is proposed here has to do with the question of whether or not there will be possible future water resource development within the park area. We are in disagreement on this matter and we ask for a conference.

Mr. GROSS. Mr. Speaker, further reserving the right to object, this does not add any money to this proposition?

Mr. ASPINALL. The gentleman is absolutely correct.

Mr. GROSS. Moneywise it is as it left the House; is that correct?

Mr. ASPINALL. That is correct.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, O'BRIEN of New York, SAYLOR, CHENOWETH, and Mrs. PFOST.

NAVAJO TRIBE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8295) to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, after "works", insert ", except the Reservoir Canyon and Moencopi Tuba project works,".
Page 1, line 5, after "constructed", insert "or under construction".
Page 2, line 3, after "Tribe", insert ": *Provided further*, That the exclusion of Reservoir Canyon and Moencopi Tuba project works from the scope of this Act shall not be construed to affect in any way present ownership of or rights to use the land and water thereof".
Page 2, line 19, strike out "Moupi" and insert "Moqui".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

STIMULATING THE PRODUCTION AND CONSERVATION OF COAL

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3375) to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, after "shall" insert "establish within the Department of the Interior an Office of Coal Research, and through such Office shall".

Page 2, after line 19, insert:

"SEC. 3. (a) Any advisory committee appointed under the provisions of this Act shall keep minutes of each meeting, which shall contain as a minimum (1) the name of each person attending such meeting, (2) a copy of the agenda, and (3) a record of all votes or polls taken during the meeting.

"(b) A copy of any such minutes or of any report made by any such committee

after final action has been taken thereon by the Secretary shall be available to the public upon request and payment of the cost of furnishing such copy.

"(c) Members of any advisory committee appointed from private life under authority of this section shall each receive $50 per diem when engaged in the actual performance of their duties as a member of such advisory committee. Such members shall also be entitled to travel expenses and per diem in lieu of subsistence at the rates authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for all persons employed intermittently as consultants or experts receiving compensation on a per diem basis.

"(d) Service by an individual as a member of such an advisory committee shall not subject him to the provisions of section 1914 of title 18 of the United States Code, or, except with respect to a particular matter which directly involves the Office of Coal Research or in which the Office of Coal Research is directly interested, to the provisions of sections 281, 283, or 284 of that title or of section 190 of the Revised Statutes (5 U.S.C. 99)."

Page 2, after line 19, insert:

"SEC. 4. The Secretary may appoint a Director of Coal Research without regard to the provisions of the civil service laws, or the Classification Act of 1949, as amended. Section 107(a) of the Federal Executive Pay Act, as amended (5 U.S.C. 2206(a)), which prescribes an annual rate of basic compensation of $17,500 for certain positions, is amended by adding at the end thereof the following paragraph:

"'(23) Director of Coal Research, Department of the Interior'."

Page 2, line 20, strike out "3" and insert "5".

Page 2, line 23, strike out "4" and insert "6".

Page 3, line 12, strike out "5" and insert "7".

Page 3, line 19, strike out "6" and insert "8".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman if the appropriation for this purpose was increased.

Mr. ASPINALL. The appropriation was not increased. The appropriation is left just as it was.

Mr. GROSS. Was there any substantial change in the bill?

Mr. ASPINALL. No; there are no substantial changes in the bill. One of the amendments requires the Secretary of the Interior to establish within the Department of the Interior the Office of Coal Research. This simply places in the law the requirement already agreed to in earlier communications with our committee.

Mr. GROSS. That proposition was in the bill that was vetoed—what, a year ago?

Mr. ASPINALL. No. The gentleman is mistaken in that respect. The bill that was vetoed before was a bill that set up a special commission. This bill does not set up a special commission. This bill simply states in the Senate amendment that there shall be within the Department of the Interior a special officer charged with this responsibility.

Mr. GROSS. I see. I thank the gentleman.

I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AIRLINE PRIVILEGES

Mr. WILLIAMS. Mr. Speaker, I call up the conference report on the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation for certain additional persons, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2018)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 2, line 1, of the House engrossed bill, immediately after "employees" and before the parenthesis, insert the following: "who are receiving retirement benefits from any air carrier or foreign air carrier"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In the matter proposed to be inserted by the Senate amendment insert, on page 1, line 5, of the Senate engrossed amendments, immediately before "result", the following: "direct"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "prescribe"; and the Senate agree to the same.

JOHN BELL WILLIAMS,
MORGAN M. MOULDER,
JOHN JARMAN,
STEVEN B. DEROUNIAN,
J. ARTHUR YOUNGER,
Managers on the Part of the House.

MIKE MONRONEY,
CLAIR ENGLE
(By MIKE MONRONEY),
E. L. BARTLETT,
ANDREW F. SCHOEPPEL,
THRUSTON B. MORTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill provided that air carriers and foreign air carriers subject to terms and conditions prescribed by the Civil Aeronautics Board, could furnish free or reduced-rate air transportation to their retired directors. The Senate amendment provided that only those retired directors who had served as directors at least 5 years could be furnished such free or reduced-rate transportation.

The committee of conference agreed to limit the granting of free or reduced-rate air transportation to those directors who are receiving retirement benefits from any air carrier or foreign air carrier.

The qualification of receiving retirement benefits from any air carrier or foreign air carrier will also apply to retired officers and employees.

Amendment No. 2: The Senate amendment provided that air carriers and foreign air carriers could furnish free or reduced-rate air transportation to the widow, widower, and minor child or children of any employee of any air carrier or foreign air carrier who died as a result of a personal injury sustained while in the performance of duty in the service of such air carrier or foreign air carrier. There was no similar provision in the House bill.

The conference agreement modifies the Senate amendment by providing that such free or reduced-rate transportation may be furnished only if the death of the employee concerned is a direct result, rather than an indirect result, of the personal injury sustained by such employee while in the performance of duty in the service of the air carrier or foreign air carrier.

Amendment No. 3: This amendment of the Senate is technical in nature and conforms the language of the House bill to the language of existing law. The House recedes.

Amendment No. 4: The House bill provided that any free air transportation for pleasure or vacation travel furnished under the bill should be furnished only on a space-available basis. The Senate amendment struck out this provision and inserted in lieu thereof a provision which permitted any air carrier to furnish, to military personnel in uniform and on official leave, free or reduced-rate air transportation between any point in Alaska or Hawaii and a point in any of the other States.

The conference agreement eliminates the provisions of both the House bill and the Senate amendment.

JOHN BELL WILLIAMS,
MORGAN M. MOULDER,
JOHN JARMAN,
STEVEN B. DEROUNIAN,
J. ARTHUR YOUNGER,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COORDINATED SYSTEM OF TRANSPORTATION, NATIONAL CAPITAL REGION

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11135) to

aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? The Chair hears none, and appoints the following conferees: Messrs. McMillan, Smith of Virginia, and Broyhill.

DECLARATION OF ESTIMATED INCOME TAX BY FISHERMEN

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 1925) to extend to fishermen the same treatment accorded farmers in relation to estimated income tax, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the following provisions of the Internal Revenue Code of 1954 are amended by inserting "or fishing" after "from farming" each place it appears:

(1) Section 6015(f) (relating to treatment of return as declaration or amendment).

(2) Section 6073(b) (relating to time for filing declarations of estimated income tax by individuals).

(3) Section 6153(b) (relating to installment payments of estimated income tax by individuals who are farmers).

(4) Subsections (b) and (d)(1)(C) of section 6654 (relating to additions to tax for failure by individual to pay estimated income tax).

(b) Section 6073(a) of the Internal Revenue Code of 1954 (relating to time for filing declarations of estimated income tax by individuals other than farmers) is amended by striking out "individuals not regarded as farmers" and inserting in lieu thereof: "individuals regarded as neither farmers nor fishermen".

(c) The headings to subsections (a) and (b) of section 6073, and subsection (b) of section 6153, of the Internal Revenue Code of 1954 are each amended by inserting "or Fishermen" after "Farmers".

Sec. 2. The amendments made by the first section of this Act shall apply with respect to taxable years beginning after December 31, 1958.

With the following committee amendment:

Page 2, line 18, strike out "1958" and insert "1960".

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the bill H.R. 1925, which was reported unanimously by the Committee on Ways and Means, extends to fishermen the same treatment accorded farmers in the matter of the payment of estimated income taxes.

The Congress has in the past recognized that farmers have peculiar problems compared to other businessmen with respect to declarations of estimated income tax. In many cases farm income is not known until late in the year when the sale of a fall crop is completed. In other cases there may be substantial income earned from a winter crop which would be on hand in the early part of the year which would provide a very inadequate basis for forecasting what would be the income and expenses for the remainder of the year.

It is the opinion of your committee that fishing operations are very similar to farming operations in this regard as well as others. Fishermen have been well described as the "farmers of the sea." It is frequently the case that income earned in the first part of the year is a very unsatisfactory basis for forecasting the years' income, and very frequently no income will be realized until very late in the year. For these reasons the committee bill includes the term "fishing" in the same provisions relating to the estimated income tax where the term "farming" appears.

With this change, this special rule will apply to individuals who obtain two-thirds of their income from farming or fishing. In lieu of the regular quarterly declarations of estimated income tax, these individuals will be permitted to make a declaration of estimated income by January 15 following the close of the taxable year when they are on the calendar year basis of reporting. In addition they will be permitted to file a corrected return by February 15 and have this return treated as an amendment to the declaration filed on January 15.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R 1925 has as its purpose the extension to fishermen of the same treatment with respect to estimated income tax as is accorded under existing law to farmers.

Present law permits those who derive two-thirds or more of their income from farming to have certain reporting benefits with respect to estimated income. For example, a farmer may file an estimate by January 15 of the year following the taxable year and pay the full estimated tax then instead of making an estimate in April and paying quarterly installments. The principal reason for this special tax treatment is that income from farming is particularly difficult to estimate prior to the end of the taxable crop year or at least prior to the end of the principal crop season. Another important factor in granting to farmers this liberalized tax treatment is that income receipts tend more likely to be concentrated in the latter part of the year in the case of farming activity.

The Committee on Ways and Means in its consideration of this legislation, H.R. 1925, found that the reasons for granting such special tax treatment to farmers also applied in the case of individuals with income from fishing. For that reason it was the decision of the committee to treat fishermen in a manner similar to the way in which farmers are treated with respect to reporting their estimated income.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Byrnes], the authors of the various bills and I be permitted to extend our remarks immediately prior to the passage of the various bills I am bringing up.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CREDIT AGAINST ESTATE TAX FOR TAX

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2397) to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 814 of the Internal Revenue Code of 1939 is hereby amended—

(1) by striking out in subsection (a) of such section "December 31, 1951" and inserting in lieu thereof "December 31, 1949";

(2) by striking out "within two years" wherever appearing in subsections (a) and (b) of such section and inserting in lieu thereof "after December 31, 1947 and within three years"; and

(3) by adding at the end of subsection (c) of such section the following new paragraph:

"(3) Reduction of credit in certain cases.—If the transferor predeceased the decedent by more than two years, the credit shall be 80 percent of the amount determined under subsections (b) and (c) (1) and (2)."

Sec. 2. A timely claim based upon a deduction for property previously taxed under section 812(c) of the Internal Revenue Code of 1939 may be deemed to be a claim based upon a credit for prior taxed property under section 814 of such Act as amended by the first section of this Act.

Sec. 3. No interest shall be allowed or paid on any overpayment resulting from the enactment of this Act.

Mr. MILLS. Mr. Speaker, the bill, H.R. 2397, which was reported unanimously by the Committee on Ways and Means, would amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947.

Section 812(c) of the Internal Revenue Code of 1939 provided a deduction in computing estate tax, as distinguished from a credit, for the value of property left to a decedent within 5 years of his death if such property had been taxed as a part of the estate of the donor-decedent or had been subject to gift tax. However, because of difficulties

presented by the interrelationship of section 812(c) and the marital deduction provided by section 812(e), no deduction for prior-taxed property was allowed to the extent that property in question exceeded 50 percent of the decedent's estate and had been acquired from the decedent's spouse. As a result, double taxation resulted where more than 50 percent of the decedent's estate was acquired from his spouse, because no marital deduction had been allowed to the extent of the excess over 50 percent. To eliminate this double taxation, the 1954 Code in section 2013 provided a credit, which was in turn extended to estates of decedents dying after December 31, 1951, and before August 16, 1954, by Public Law 417, 84th Congress.

H.R. 2397 will extend the treatment provided by Public Law 417 to the estates of decedents dying after December 31, 1949, in cases where the death of the husband or wife of the decedent occurred within 3 years of the decedent's death but after December 31, 1947. By so doing, H.R. 2397 will eliminate cases of hardship which have come to the attention of the Committee on Ways and Means since the enactment of Public Law 417.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 2397 which has just been approved by the House would amend section 814 of the Internal Revenue Code of 1939 pertaining to a credit against the Federal estate tax for Federal estate taxes paid on prior transfers. As a result of the changes that would be made by the bill the credit for tax on prior transfers granted by section 814 would be available where the deaths of a husband and wife occur within 3 years of each other, but only where the first decedent died after December 31, 1947.

During the consideration of this bill the Committee on Ways and Means was informed that its enactment would result in a negligible loss of revenue.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNUITIES TO WIDOWS OF TAX COURT JUDGES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8732) to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter C of chapter 76 of the Internal Revenue Code of 1954 (relating to the Tax Court of the United States) is hereby amended by adding immediately following section 7447 the following new section:

"SEC. 7748. Annuities to widows and certain dependents of judges.

"(a) DEFINITIONS.—For purposes of this section—

"(1) The term 'Tax Court' means the Tax Court of the United States.

"(2) The term 'judge' means the chief judge or a judge of the Tax Court, including any individual receiving retired pay (or compensation in lieu of retired pay) under section 7447 or under section 1106 of the Internal Revenue Code of 1939 whether or not performing judicial duties pursuant to section 7447(c) or pursuant to section 1106 (d) of the Internal Revenue Code of 1939.

"(3) The term 'chief judge' means the chief judge of the Tax Court.

"(4) The term 'judge's salary' means the salary of a judge received under section 7443(c), retired pay received under section 7447(d), and compensation (in lieu of retired pay) received under section 7447(c).

"(5) The term 'survivors annuity fund' means the Tax Court judges survivors annuity fund established by this section.

"(6) The term 'widow' means a surviving wife of an individual, who either (A) shall have been married to such individual for at least 2 years immediately preceding his death or (B) is the mother of issue by such marriage, and who has not remarried.

"(7) The term 'dependent child' means an unmarried child, including a dependent stepchild or an adopted child, who is under the age of 18 years or who because of physical or mental disability is incapable of self-support.

"(8) The term 'dependent parent' means a surviving father or mother of an individual, who, at the time of such individual's death, was receiving at least half of his or her support from such individual.

"(b) ELECTION.—Any judge may by written election filed with the chief judge within 6 months after the date on which he takes office after appointment or any reappointment, or within 6 months after the date upon which he first becomes eligible for retirement under section 7447(b), or within 6 months after the enactment of this section, bring himself within the purview of this section, except that, in the case of such an election by the chief judge, the election shall be filed as prescribed by the Tax Court subject to the preceding requirements as to the time of filing.

"(c) SALARY DEDUCTIONS.—There shall be deducted and withheld from the salary of each judge electing under subsection (b) a sum equal to 3 percent of such judge's salary. The amounts so deducted and withheld from such judge's salary shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States to the credit of a fund to be known as the 'Tax Court judges survivors annuity fund' and said fund is appropriated for the payment of annuities, refunds, and allowances as provided by this section. Each judge electing under subsection (b) shall be deemed thereby to consent and agree to the deductions from his salary as provided in this subsection, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all judicial services rendered by such judge during the period covered by such payment, except the right to the benefits to which he or his survivors shall be entitled under the provisions of this section.

"(d) DEPOSITS IN SURVIVORS ANNUITY FUND.—Each judge electing under subsection (b) shall deposit, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the credit of the survivors annuity fund, a sum equal to 3 percent of his judge's salary and of his basic salary, pay, or compensation for service as a Senator, Representative, Delegate or Resident Commissioner in Congress, and for any other civilian service within the purview of section 3 of the Civil Service Retirement Act (5 U.S.C. 2253). Each such judge may elect to make such deposits in installments during the continuance of his service as a judge in such amount and under such conditions as may be determined in each instance by the chief judge. Notwithstanding the failure of a judge to make such deposit, credit shall be allowed for the service rendered, but the annuity of the widow or dependent parent of such judge shall be reduced by an amount equal to 10 percent of the amount of such deposit, computed as of the date of the death of such judge, unless such widow or dependent parent shall elect to eliminate such service entirely from credit under subsection (n), except that no deposit shall be required from a judge for any year with respect to which deductions from his salary were actually made under the Civil Service Retirement Act and no deposit shall be required for any honorable service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

"(e) INVESTMENT OF SURVIVORS ANNUITY FUND.—The Secretary of the Treasury shall invest from time to time, in interest-bearing securities of the United States or Federal farm loan bonds, such portions of the survivors annuity fund as in his judgment may not be immediately required for the payment of the annuities, refunds, and allowances as provided in this section. The income derived from such investments shall constitute a part of said fund for the purpose of paying annuities and of carrying out the provisions of subsections (g), (h), and (j).

"(f) CREDITING OF DEPOSITS.—The amount deposited by or deducted and withheld from the salary of each judge electing to bring himself within the purview of this section for credit to the survivors annuity fund shall be credited to an individual account of such judge.

"(g) TERMINATION OF SERVICE.—If the service of any judge electing under subsection (b) terminates other than pursuant to the provisions of section 7447 or other than pursuant to section 1106 of the Internal Revenue Code of 1939, the amount credited to his individual account, together with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of his relinquishment of office, shall be returned to him. For the purpose of this section, the service of any judge electing under subsection (b) who is not reappointed following expiration of his term but who, at the time of such expiration, is eligible for and elects to receive retired pay under section 7447 shall be deemed to have terminated pursuant to said section.

"(h) ENTITLEMENT TO ANNUITY.—In case any judge electing under subsection (b) shall die while a judge after having rendered at least 5 years of civilian service computed as prescribed in subsection (n), for the last 5 years of which the salary deductions provided for by subsection (c) or the deposits required by subsection (d) have actually been made or the salary deductions required by the Civil Service Retirement Act have actually been made—

"(1) if such judge is survived by a widow but not by a dependent child, there shall be paid to such widow an annuity beginning with the day of the death of the judge or following the widow's attainment of the age of 50 years, whichever is the later, in an amount computed as provided in subsection (m); or

"(2) if such judge is survived by a widow and a dependent child or children, there shall be paid to such widow an immediate annuity in an amount computed as provided in subsection (m), and there shall also be paid to or on behalf of each such child an immediate annuity equal to one-half the amount of the annuity of such widow, but not to exceed $900 per year divided by the number of such children or $360 per year, whichever is lesser; or

"(3) if such judges leaves no surviving widow or widower but leaves a surviving dependent child or children, there shall be paid to or on behalf of each such child an immediate annuity equal to the amount of the annuity to which such widow would have been entitled under paragraph (2) of this subsection had she survived, but not to exceed $480 per year; or

"(4) if such judge leaves no surviving widow or widower and leaves no surviving dependent children but leaves a surviving dependent parent, there shall be paid to such parent an annuity beginning with the date of the death of the judge or following the parent's attainment of the age of 65 years, whichever is the later, in an amount equal to the annuity of a widow computed as provided in subsection (m), except that, where two parents are so entitled, each such parent shall be paid an annuity in an amount equal to one-half such widow's annuity.

"The annuity payable to a widow or dependent parent under this subsection shall be terminable upon such widow's or parent's death or remarriage. The annuity payable to a child under this subsection shall be terminable upon (A) his attaining the age of 18 years, (B) his marriage, or (C) his death, whichever first occurs, except that if such child is incapable of self-support by reason of mental or physical disability his annuity shall be terminable only upon death, marriage, or recovery from such disability. In case of the death of a widow of a judge leaving a dependent child or children of the judge surviving her, the annuity of such child or children shall be recomputed and paid as provided in paragraph (3) of this subsection. In any case in which the annuity of a dependent child or parent is terminated under this subsection, the annuities of any remaining dependent child or children or parent, based upon the service of the same judge, shall be recomputed and paid as though the child or parent whose annuity was so terminated had not survived such judge.

"(i) DETERMINATION OF DEPENDENCY AND DISABILITY.—Questions of dependency and disability arising under this section shall be determined by the chief judge subject to review only by the Tax Court, the decision of which shall be final and conclusive. The chief judge may order or direct at any time such medical or other examinations as he shall deem necessary to determine the facts relative to the nature and degree of disability of any dependent child who is an annuitant or applicant for annuity under this section, and may suspend or deny any such annuity for failure to submit to any examination so ordered or directed.

"(j) PAYMENTS IN CERTAIN CASES.—

"(1) In any case in which—

"(A) a judge electing under subsection (b) shall die while in office (whether in regular active service or retired from such service under section 7447), before having rendered 5 years of civilian service computed as prescribed in subsection (n), or after having rendered 5 years of such civilian service but without a survivor or survivors entitled to annuity benefits provided by subsection (h), or

"(B) the right of all persons entitled to annuity under subsection (h) based on the service of such judge shall terminate before a valid claim therefor shall have been established,

the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date title to the payment arises, in the following order of precedence, and such payment shall be a bar to recovery by any other person:

"(i) to the beneficiary or beneficiaries whom the judge may have designated by a writing filed prior to his death with the chief judge, except that in the case of the chief judge such designation shall be by a writing filed by him, prior to his death, as prescribed by the Tax Court;

"(ii) if there be no such beneficiary, to the widow of such judge;

"(iii) if none of the above, to the child or children of such judge and the descendants of any deceased children by representation;

"(iv) if none of the above, to the parents of such judge or the survivor of them;

"(v) if none of the above, to the duly appointed executor or administrator of the estate of such judge; and

"(vi) if none of the above, to such other next of kin of such judge as may be determined by the chief judge to be entitled under the laws of the domicile of such judge at the time of his death.

Determination as to the widow, child, or parent of a judge for the purposes of this paragraph shall be made by the chief judge without regard to the definition of these terms stated in subsection (a).

"(2) In any case in which the annuities of all persons entitled to annuity based upon the service of a judge shall terminate before the aggregate amount of annuity paid equals the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, the difference shall be paid upon establishment of a valid claim therefor, in the order of precedence prescribed in paragraph (1).

"(3) Any accrued annuity remaining unpaid upon the termination (other than by death) of the annuity of any person based upon the service of a judge shall be paid to such person. Any accrued annuity remaining unpaid upon the death of any person receiving annuity based upon the service of a judge shall be paid, upon the establishment of a valid claim therefor, in the following order of precedence:

"(A) to the duly appointed executor or administrator of the estate of such person;

"(B) if there is no such executor or administrator payment may be made, after the expiration of thirty days from the date of the death of such person, to such individual or individuals as may appear in the judgment of the chief judge to be legally entitled thereto, and such payment shall be a bar to recovery by any other individual.

"(k) PAYMENTS TO PERSONS UNDER LEGAL DISABILITY.—Where any payment under this section is to be made to a minor, or to a person mentally incompetent or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of such claimant or is otherwise legally vested with the care of the claimant or his estate. Where no guardian or other fiduciary of the person under legal disability has been appointed under the laws of the State of residence of the claimant, the chief judge shall determine the person who is otherwise legally vested with the care of the claimant or his estate.

"(l) METHOD OF PAYMENTS OF ANNUITIES.—Annuities granted under the terms of this section shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. None of the moneys mentioned in this section shall be assignable, either in law or in equity, or subject to execution, levy, attachment, garnishment, or other legal process.

"(m) COMPUTATION OF ANNUITIES.—The annuity of the widow of a judge electing under subsection (b) shall be an amount equal to the sum of (1) 1¼ percent of the average annual salary received by such judge for judicial service and any other prior allowable service during the last 5 years of such service prior to his death, or prior to his receiving retired pay under section 7447(d), whichever first occurs, multiplied by the sum of his years of judicial service, his years of prior allowable service as a Senator, Representative, Delegate, or Resident Commissioner in Congress, his years of prior allowable service performed as a member of the Armed Forces of the United States, and his years, not exceeding fifteen, of prior allowable service within the purview of section 3 of the Civil Service Retirement Act (5 U.S.C. 2253), and (2) three-fourths of 1 percent of such average annual salary multiplied by his years of any other prior allowable service, but such annuity, reduced in accordance with subsection (d), if applicable, shall not exceed 37½ percent of such average annual salary.

"(n) INCLUDIBLE SERVICE.—Subject to the provisions of subsection (d), the years of service of a judge which are allowable as the basis for calculating the amount of the annuity of his widow or other dependent shall include his years of service as a member of the United States Board of Tax Appeals and as a judge of the Tax Court, his years of service as a Senator, Representative, Delegate, or Resident Commissioner in Congress, his years of active service as a member of the Armed Forces of the United States not exceeding 5 years in the aggregate and not including any such service for which credit is allowed for the purposes of retirement or retired pay under any other provision of law, and his years of any other civilian service within the purview of section 3 of the Civil Service Retirement Act (5 U.S.C. 2253).

"(o) SIMULTANEOUS ENTITLEMENT.—Nothing contained in this section shall be construed to prevent a widow eligible therefor from simultaneously receiving an annuity under this section and any annuity to which she would otherwise be entitled under any other law without regard to this section, but in computing such other annuity service used in the computation of her annuity under this section shall not be credited.

"(p) ESTIMATES OF EXPENDITURES.—The chief judge shall submit to the Bureau of the Budget annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the survivors annuity fund, and such supplemental and deficiency estimates as may be required from time to time for the same purposes, according to law. The chief judge shall cause periodic examinations of the survivors annuity fund to be made by an actuary, who may be an actuary employed by another department of the Government temporarily assigned for the purpose, and whose findings and recommendations shall be transmitted by the chief judge to the Tax Court.

"(q) TRANSITIONAL PROVISION.—In the case of a judge who dies within 6 months after the date of enactment of this Act after having rendered at least 5 years of civilian service computed as prescribed in subsection (n), but without having made an election as provided in subsection (b), an annuity shall be paid to his widow and surviving dependents as is provided in this section, as if such judge had elected on the day of his death to

bring himself within the purview of this section but had not made the deposit provided for by subsection (d). An annuity shall be payable under this section computed upon the basis of the actual length of service as a judge and other allowable service of the judge and subject to the reduction required by subsection (d) even though no deposit has been made, as required by subsection (h) with respect to any of such service.

"(r) WAIVER OF CIVIL SERVICE BENEFITS.—Any judge electing under subsection (b) shall, at the time of such election, waive all benefits under the Civil Service Retirement Act. Such a waiver shall be made in the same manner and shall have the same force and effect as a waiver filed under section 7447(g)(3).

"(s) AUTHORIZATION OF APPROPRIATION.—Funds necessary to carry out the provisions of this Act may be appropriated out of any money in the Treasury not otherwise appropriated."

With the following committee amendments:

Page 2, lines 1 and 2, strike out "AND CERTAIN DEPENDENTS" and insert "AND DEPENDENT CHILDREN".

Page 3, strike out lines 8 to 11, inclusive.

Page 5, line 8, strike out "or dependent parent".

Page 5, line 11, strike out "or dependent parent".

Page 8, line 2, strike out "year; or" and insert "year".

Page 8, strike out line 3 and all that follows through line 13.

Page 8, line 14, strike out "or dependent parent".

Page 8, line 16, strike out "or parent's".

Page 9, line 2, strike out "or parent".

Page 9, line 4, strike out "or parent".

Page 9, line 6, strike out "or parent".

Page 16, line 17, strike out "Act" and insert "section".

Page 16, after line 19, insert:

"SEC. 2. The table of sections for part I of subchapter C of chapter 76 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"'SEC. 7448. Annuities to widows and dependent children of judges.'"

The committee amendments were agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 8732, as reported by the Committee on Ways and Means, is to provide a system of annuities for the surviving widows and dependent children of the judges of the Tax Court of the United States.

In 1953, Congress provided a retirement system for judges of the Tax Court of the United States—Public Law 219, 83d Congress. That system was incorporated in what is now section 7447 of the Internal Revenue Code of 1954. The retirement system in question was enacted in recognition of the fact that the Civil Service Retirement System was inadequate and unsatisfactory for Tax Court judges, since the particular qualifications for appointment require that they be men of maturity and experience prior to entering service, which would result in their receiving an inadequate civil service annuity in the usual case. The retirement system in effect since 1953 provides that a judge may retire after 18 years' service or after reaching the age of 70 if he had at least 10 years' service. Retired pay is the same as active pay if the judge retires after 24 years' service. Retired pay upon retirement with less than 24 years' service is a lesser amount. Retired judges may be recalled to active service, for which they receive full pay.

In 1956, Congress provided a survivor annuity system for members of the judiciary generally, including judges of the district courts of the territories who serve for a term of years. That system includes judges of the courts of appeal, the district courts, the Court of Claims, the Court of Customs and Patent Appeals, the Customs Court, and the Court of Military Appeals. A special system covers the Supreme Court. Of the Federal courts, the Tax Court of the United States alone remains without an adequate system of survivorship protection.

Judges of the Tax Court today must depend upon the civil service retirement system for survivorship protection. As in the case of retirement protection, this system is inadequate to the needs of the judges. The benefits of the civil service system are keyed to career employees who have served as such for most of their working lives. Judges, on the other hand, typically are not appointed to the bench until a relatively late point in their professional careers. Thus, generally they are unable to build up an adequate level of survivorship benefits under the civil service system. Not only is the present absence of an adequate survivorship system a hardship insofar as the judges now on the court are concerned but it also imposes serious problems in attracting qualified individuals to accept appointment to the court.

The pending bill, which was introduced by our colleague on the Committee on Ways and Means, the Honorable AIME J. FORAND, provides for judges of the Tax Court the same survivorship protection as is already in effect for judges of the other Federal courts, with such minor, technical modifications as have proven necessary in view of certain differences in the situation of the Tax Court. The amendments adopted by the committee eliminate the provision of annuities in the case of dependent parents, since no provision is made for such a category of dependents in the existing judicial survivorship system.

Under the bill, Tax Court judges may within 6 months after taking office—either after appointment or reappointment—or within 6 months after the date of becoming eligible for retirement under section 7447(b) of the 1954 code, or within 6 months after date of enactment, elect to come under the system. Once such an election has been made, contributions of the judge at the rate of 3 percent of salary will be withheld from his salary and upon his death his widow and surviving dependent children will receive annuities. The annuity in each case will depend upon the years of public service of the judge. Provision is made for deposits into the Tax Court judges survivors annuity fund by the judge with respect to prior years' service. Such deposits will be based at the rate of 3 percent of the salary received in such prior years, plus interest. In case of failure of a judge to make such deposits with respect to prior service, the bill provides for a reduction in the amount of the annuity.

The maximum annuity payable to a widow under the system is 37½ percent of the judge's average annual salary received during the last 5 years prior to his death, or prior to his receiving retired pay under section 7447(d), whichever first occurs. The present salary of a Tax Court judge is $22,500 per annum. Thus, assuming in a given case that the average annual salary for the computation of a widow's annuity is $22,500, the maximum widow's annuity will be $8,437.50. In order to attain such a maximum, the judge will have to have had at least 30 years of allowable service as defined in the bill. If such service had been on the Tax Court at the present salary, the total contributions of the judge over the 30-year period at the 3-percent rate would be $20,250, without regard to any interest earned over the period involved.

The bill sets up a Tax Court judges survivors annuity fund into which the deposits of the judges electing coverage shall be made and from which the annuities shall be paid, and authorizes the appropriation of funds necessary to carry out its provisions.

All interested Government agencies favor the bill, as amended by the Committee on Ways and Means, and it was reported unanimously to the House by the committee.

Mr. BYRNES of Wisconsin. Mr. Speaker, the bill H.R. 8732 was unanimously reported by the Committee on Ways and Means with amendments and is intended to provide a system of annuities for the surviving widows and dependent children of the judges of the Tax Court of the United States.

Public Law 219 of the 83d Congress, approved August 7, 1953, established a retirement system for Tax Court judges. This system allows a judge to retire after 18 years service or after reaching age 70 if he has at least 10 years of service. In 1956 Congress created a survivor annuity system for members of the Federal Judiciary generally. This survivor annuity system includes judges of the Court of Customs and Patent Appeals, the Customs Court and the Court of Military Appeals. The Tax Court of the United States is the only Federal judicial body that now remains without a survivor annuity system.

At the present time judges of the Tax Court must rely upon the civil service retirement system for survivorship protection. The civil service retirement system is keyed to career employees who for the most part devote most of their working lives to Federal service. Judges on the other hand are usually unable to build up an adequate level of survivorship benefits under the civil service retirement because their appointments to the bench typically do not occur until a relatively late point in their professional careers. Thus the importance of the provisions of this bill become apparent.

I will not undertake a detailed discussion of how the survivor annuity system provided under this legislation would operate. Such a detailed discussion is set forth in the committee report accompanying this legislation. I

would say, however, that H.R. 8732 would grant survivorship protection with respect to judges of the Tax Court in the same manner as is already in effect for judges of the other Federal courts with certain modifications that are necessary to adjust the system to the differences that exist in the situation of the Tax Court.

Mr. Speaker, I have joined with the distinguished chairman of the Committee on Ways and Means in supporting the House passage of H.R. 8723.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REAL ESTATE INVESTMENT TRUSTS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, H.R. 12559, to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real estate investment trusts, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter M of chapter 1 of the Internal Revenue Code of 1954 is hereby amended as follows:

SECTION 1. TAX TREATMENT OF REAL ESTATE INVESTMENT TRUSTS AND ASSOCIATIONS.

Subchapter M of chapter 1 (relating to regulated investment companies) is amended by adding at the end thereof the following:

"PART II—REAL ESTATE INVESTMENT TRUSTS

"Sec. 856. Definition of real estate investment trust.

"Sec. 857. Taxation of real estate investment trusts and their beneficiaries.

"Sec. 858. Dividends paid by real estate investment trust after close of taxable year.

"SEC. 856. DEFINITION OF REAL ESTATE INVESTMENT TRUST.

"(a) IN GENERAL.—For purposes of this subtitle, the term 'real estate investment trust' means an unincorporated trust or an unincorporated association—

"(1) which is managed by one or more trustees,

"(2) the beneficial ownership of which is evidenced by transferable shares, or by transferable certificates of beneficial interest;

"(3) which (but for the provisions of this part) would be taxable as a domestic corporation;

"(4) which does not hold any property primarily for sale to customers in the ordinary course of its trade or business;

"(5) the beneficial ownership of which is held by 100 or more persons;

"(6) which would not be a personal holding company (as defined in section 542) if all of its gross income constituted personal holding company income (as defined in section 543); and

"(7) which meets the requirements of subsection (c).

"(b) DETERMINATION OF STATUS.—The conditions described in paragraphs (1) to (4), inclusive, of subsection (a) must be met during the entire taxable year, and the condition described in paragraph (5) must exist during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months.

"(c) LIMITATIONS.—A trust or association shall not be considered a real estate investment trust for any taxable year unless—

"(1) it files with its return for the taxable year an election to be a real estate investment trust or has made such election for a previous taxable year which began after December 31, 1960;

"(2) at least 90 percent of its gross income is derived from—

"(A) dividends;

"(B) interest;

"(C) rents from real property;

"(D) gain from the sale or other disposition of stock, securities, and real property (including interests in real property and interests in mortgages on real property); and

"(E) abatements and refunds of taxes on real property;

"(3) at least 75 percent of its gross income is derived from—

"(A) rents from real property;

"(B) interest on obligations secured by mortgages on real property or on interests in real property;

"(C) gain from the sale or other disposition of real property (including interests in real property and interests in mortgages on real property);

"(D) dividends or other distributions on, and gain from the sale or other disposition of, transferable share (or transferable certificates of beneficial interest) in other real estate investment trusts which meet the requirements of this part; and

"(E) abatements and refunds of taxes on real property;

"(4) less than 30 percent of its gross income is derived from the sale or other disposition of—

"(A) stock or securities held for less than 6 months, and

"(B) real property (including interests in real property) not compulsorily or involuntarily converted within the meaning of section 1033, held for less than 4 years;

"(5) at the close of each quarter of the taxable year—

"(A) at least 75 percent of the value of its total assets is represented by real estate assets, cash and cash items (including receivables), and Government securities; and

"(B) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)) for purposes of this calculation limited in respect of any one issuer to an amount not greater in value than 5 percent of the value of the total assets of the trust and to not more than 10 percent of the outstanding voting securities of such issuer.

A real estate investment trust which meets the requirements of this paragraph at the close of any quarter shall not lose its status as a real estate investment trust because of a discrepancy during a subsequent quarter between the value of its various investments and such requirements unless such discrepancy exists immediately after the acquisition of any security or other property and is wholly or partly the result of such acquisition. A real estate investment trust which does not meet such requirements at the close of any quarter by reason of a discrepancy existing immediately after the acquisition of any security or other property which is wholly or partly the result of such acquisition during such quarter shall not lose its status for such quarter as a real estate investment trust if such discrepancy is eliminated within 30 days after the close of such quarter and in such cases it shall be considered to have met such requirements at the close of such quarter for purposes of applying the preceding sentence.

"(6) For purposes of this part—

"(A) The term 'value' means, with respect to securities for which market quotations are readily available, the market value of such securities; and with respect to other securities and assets, fair value as determined in good faith by the trustees, except that in the case of securities of real estate investment trusts such fair value shall not exceed market value or asset value, whichever is higher.

"(B) The term 'real estate assets' means real property (including interests in real property and interests in mortgages on real property) and shares (or transferable certificates of beneficial interest) in other real estate investment trusts which meet the requirements of this part.

"(C) The term 'interest in real property' includes fee ownership and co-ownership of land or improvements thereon and leaseholds of land or improvements thereon, but does not include mineral, oil, or gas royalty interests.

"(D) All other terms shall have the same meaning as when used in the Investment Company Act of 1940, as amended.

"(d) RENTS FROM REAL PROPERTY DEFINED.—For purposes of paragraphs (2) and (3) of subsection (b), the term 'rents from real property' includes rents from interests in real property but does not include—

"(1) any amount received or accrued with respect to any real property, if the determination of such amount depends in whole or in part on the income or profits derived by any person from such property (except that any amount so received or accrued shall not be excluded from the term 'rents from real property' solely by reason of being based on a fixed percentage or percentages of receipts or sales);

"(2) any amount received or accrued directly or indirectly from any person if the real estate investment trust owns, directly or indirectly—

"(A) in the case of any person which is a corporation, stock of such person possessing 10 percent or more of the total combined voting power of all classes of stock entitled to vote, or 10 percent or more of the total number of shares of all classes of stock of such person; or

"(B) in the case of any person which is not a corporation, an interest of 10 percent or more in the assets or net profits of such person.

"(3) any amount received or accrued, directly or indirectly, with respect to any real property, if the trust or association furnishes or renders services to the tenants of such property, or manages or operates such property, other than through an independent contractor from whom the trust or association itself does not derive or receive any income. For purposes of this paragraph, the term 'independent contractor' means—

"(A) a person who does not own, directly or indirectly, more than 35 percent of the shares, or certificates of beneficial interest, in the real estate investment trust, or

"(B) a person, if a corporation, not more than 35 percent of the total combined voting power of whose stock (or 35 percent of the total shares of all classes of whose stock), or, if not a corporation, not more than 35 percent of the interest in whose assets or net profits is owned, directly or indirectly, by one or more persons owning 35 percent or more of the shares or certificates of beneficial interest in the trust.

For purposes of paragraphs (2) and (3) the rules prescribed by section 318(a) for determining the ownership of stock shall apply in determining the ownership of stock, assets

or net profits of any person; except that '10 percent' shall be substituted for '50 percent' in subparagraph (C) of section 318(a)(2).

"SEC. 857. TAXATION OF REAL ESTATE INVESTMENT TRUSTS AND THEIR BENEFICIARIES.

"(a) REQUIREMENTS APPLICABLE TO REAL ESTATE INVESTMENT TRUSTS.—The provisions of this part (other than subsection (d) of this section) shall not apply to a real estate investment trust for a taxable year unless—

"(1) the deduction for dividends paid during the taxable year (as defined in section 561, but without regard to capital gains dividends) equals or exceeds 90 percent of its real estate investment trust taxable income for the taxable year (determined without regard to subsection (b)(2)(C)), and

"(2) the real estate investment trust complies for such year with regulations prescribed by the Secretary or his delegate for the purpose of ascertaining the actual ownership of the outstanding shares, or certificates of beneficial interest, of such trust.

"(b) METHOD OF TAXATION OF REAL ESTATE INVESTMENT TRUSTS AND HOLDERS OF SHARES OR CERTIFICATES OF BENEFICIAL INTEREST.—

"(1) IMPOSITION OF NORMAL TAX AND SURTAX ON REAL ESTATE INVESTMENT TRUSTS.—There is hereby imposed for each taxable year on the real estate investment trust taxable income of every real estate investment trust a normal tax and surtax computed as provided in section 11, as though the real estate investment trust taxable income were the taxable income referred to in section 11. For purposes of computing the normal tax under section 11, the taxable income and the dividends paid deduction of such real estate investment trust for the taxable year (computed without regard to capital gains dividends) shall be reduced by the deduction provided by section 242 (relating to partially tax-exempt interest).

"(2) REAL ESTATE INVESTMENT TRUST TAXABLE INCOME.—For purposes of this part, the term 'real estate investment trust taxable income' means the taxable income of the real estate investment trust, adjusted as follows:

"(A) There shall be excluded the excess, if any, of the net long-term capital gain over the net short-term capital loss.

"(B) The deductions for corporations provided in part VIII (except section 248) of subchapter B (section 241 and following, relating to the deduction for dividends received, etc.) shall not be allowed.

"(C) The deduction for dividends paid (as defined in section 561) shall be allowed, but shall be computed without regard to capital gains dividends.

"(D) The taxable income shall be computed without regard to section 443(b) (relating to computation of tax on change of annual accounting period).

"(E) The net operating loss deduction provided in section 172 shall not be allowed.

"(3) CAPITAL GAINS.—

"(A) IMPOSITION OF TAX.—There is hereby imposed for each taxable year in the case of every real estate investment trust a tax of 25 percent of the excess, if any, of the net long-term capital gain over the sum of—

"(i) the net short-term capital loss; and

"(ii) the deduction for dividends paid (as defined in section 561) determined with reference to capital gains dividends only.

"(B) TREATMENT OF CAPITAL GAIN DIVIDENDS BY SHAREHOLDERS.—A capital gain dividend shall be treated by the shareholders or holders of beneficial interests as a gain from the sale or exchange of a capital asset held for more than 6 months.

"(C) DEFINITION OF CAPITAL GAIN DIVIDEND.—For purposes of this part, a capital gain dividend is any dividend, or part thereof, which is designated by the real estate investment trust as a capital gain dividend in a written notice mailed to its shareholders or holders of beneficial interests at any time before the expiration of 30 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the trust (including capital gain dividends paid after the close of the taxable year described in section 858) is greater than the excess of the net long-term capital gain over the net short-term capital loss of the taxable year, the portion of each distribution which shall be a capital gain dividend shall be only that proportion of the amount so designated which such excess of the net long-term capital gain over the net short-term capital loss bears to the aggregate amount so designated.

"(4) LOSS ON SALE OR EXCHANGE OF STOCK HELD LESS THAN 31 DAYS.—If—

(A) under subparagraph (B) of paragraph (3) a shareholder of, or a holder of a beneficial interest in, a real estate investment trust is required, with respect to any share or beneficial interest, to treat any amount as a long-term capital gain, and

"(B) such share or interest is held by the taxpayer for less than 31 days,

then any loss on the sale or exchange of such share or interest shall, to the extent of the amount described in subparagraph (A) of this paragraph, be treated as loss from the sale or exchange of a capital asset held for more than 6 months. For purposes of this paragraph, the rules of section 246(c)(3) shall apply in determining whether any share of stock or beneficial interest has been held for less than 31 days; except that '30 days' shall be substituted for the number of days specified in subparagraph (B) of section 246(c)(3).

"(C) RESTRICTIONS APPLICABLE TO DIVIDENDS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS.—For purposes of section 34(a) (relating to credit for dividends received by individuals), section 116 (relating to an exclusion for dividends received by individuals) and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

"(D) EARNINGS AND PROFITS.—The earnings and profits of a real estate investment trust for any taxable year (but not its accumulated earnings and profits) shall not be reduced by any amount which is not allowable as a deduction in computing its taxable income for such taxable year. For purposes of this subsection, the term 'real estate investment trust' includes a domestic unincorporated trust or association which is a real estate investment trust determined without regard to the requirements of subsection (a).

"SEC. 858. DIVIDENDS PAID BY REAL ESTATE INVESTMENT TRUST AFTER CLOSE OF TAXABLE YEAR.

"(a) GENERAL RULE.—For purposes of this part, if a real estate investment trust—

"(1) declares a dividend before the time prescribed by law for the filing of its return for a taxable year (including the period of any extension of time granted for filing such return), and

"(2) distributes the amount of such dividend to shareholders or holders of beneficial interests in the 12-month period following the close of such taxable year and not later than the date of the first regular dividend payment made after such declaration,

the amount so declared and distributed shall, to the extent the trust elects in such return in accordance with regulations prescribed by the Secretary or his delegate, be considered as having been paid during such taxable year, except as provided in subsections (b) and (c).

"(b) RECEIPT BY SHAREHOLDER.—Amounts to which subsection (a) applies shall be treated as received by the shareholder or holder of a beneficial interest in the taxable year in which the distribution is made.

"(c) NOTICE TO SHAREHOLDERS.—In the case of amounts to which subsection (a) applies, any notice to shareholders or holders of beneficial interests required under this part with respect to such amounts shall be made not later than 30 days after the close of the taxable year in which the distribution is made."

SEC. 2. TECHNICAL AMENDMENTS.

(a) Subchapter M of chapter 1 is amended—

(1) by striking out the heading thereof and inserting in lieu thereof the following:

"Subchapter M—Regulated investment companies and real estate investment trusts

"Part I. Regulated investment companies.

"Part II. Real estate investment trusts.

"PART I—REGULATED INVESTMENT COMPANIES";

(2) by striking out "this subchapter" in sections 852(a) and 855(c) and inserting in lieu thereof "this part"; and

(3) by striking out "A capital gain dividend means" in section 852(b)(3)(C) and inserting in lieu thereof "For purposes of this part, a capital gain dividend is".

(b) The table of subchapters for chapter 1 is amended by inserting "and real estate investment trusts" after "Regulated investment companies".

(c) Section 11(d)(3) (relating to tax on corporations) is amended by inserting "and real estate investment trusts" after "regulated investment companies."

(d) Section 34(c) (relating to credit for dividends received by individuals) is amended by striking out the word "or" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or", and by adding at the end thereof the following new paragraph:

"(3) a real estate investment trust which, for the taxable year of the trust in which the dividend is paid, qualifies under part II of subchapter M (sec. 856 and following)."

(e) Section 116(b) (relating to an exclusion for dividends received by individuals) is amended by striking out the word "or" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or," and by adding at the end thereof the following new paragraph:

"(3) a real estate investment trust which, for the taxable year of the trust in which the dividend is paid, qualifies under part II of subchapter M (sec. 856 and following)."

(f) Section 243(c) (relating to deduction for dividends received by corporations) is amended by adding at the end thereof the following new paragraph:

"(3) any dividend received from a real estate investment trust which, for the taxable year of the trust in which the dividend is paid, qualifies under part II of subchapter M (sec. 856 and following) shall not be treated as a dividend."

(g) Section 318(b) (relating to constructive ownership of stock) is amended by striking out the word "and" at the end of paragraph (4), by striking out the period at the end of paragraph (5) and inserting in lieu thereof the following new paragraph:

"(6) section 856(d)(2) (relating to definition of rents from real property in the case of real estate investment trusts)."

(h) Section 443(d) (relating to computation of tax on change of annual accounting period) is amended by adding at the end thereof the following new paragraph:

"(5) the taxable income of a real estate investment trust, see section 857(b)(2)(D)."

(i) Section 1504(b)(6) (relating to consolidated returns) is amended by inserting "and real estate investment trusts" after "Regulated investment companies".

SEC. 3. EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply only with respect to taxable years of real estate investment trusts beginning after December 31, 1960.

With the following committee amendments:

Page 1, strike out lines 3 and 4.

Page 1, line 7, after "chapter 1" insert "of the Internal Revenue Code of 1954".

Page 4, line 16, strike out "share" and insert "shares".

Page 5, line 3, after "years;" insert "and".

Page 7, line 12, strike out "(b)," and insert "(c),".

Page 7, line 15, after "accrued" insert ", directly or indirectly,".

Page 8, line 9, strike out "person." and insert "person; and".

Page 8, lines 11 and 12, strike out "trust or association" and insert "real estate investment trust".

Page 8, line 15, strike out "or association"

Page 9, strike out lines 6 to 11, inclusive, and insert:

"For purposes of paragraphs (2) and (3), the rules prescribed by section 318(a) for determining the ownership of stock shall apply in determining the ownership of stock, assets, or net profits of any person; except that '10 percent' shall be substituted for '50 percent' in subparagraph (C) of section 318 (a)(2)."

Page 13, strike out line 23 and all that follows through line 18 on page 14, and insert:

"(c) RESTRICTIONS APPLICABLE TO DIVIDENDS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS.—For purposes of section 34 (a) (relating to credit for dividends received by individuals), section 116 (relating to an exclusion for dividends received by individuals), and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

"(d) EARNINGS AND PROFITS.—The earnings and profits of a real estate investment trust for any taxable year (but not its accumulated earnings and profits) shall not be reduced by any amount which is not allowable as a deduction in computing its taxable income for such taxable year. For purposes of this subsection, the term 'real estate investment trust' includes a domestic unincorporated trust or association which is a real estate investment trust determined without regard to the requirements of subsection (a)."

Page 16, line 2, after "chapter 1" insert "of the Internal Revenue Code of 1954".

Page 16, line 15, after "chapter 1" insert "of such Code".

Page 16, strike out lines 16 and 17 and insert "by inserting—'and real estate investment trusts' after—'Regulated investment companies.' "

Page 16, line 18, after "Section 11(d)(3)" insert "of such Code".

Page 16, line 21, after "Section 34(c)" insert "of such Code".

Page 17, line 8, after "Section 116(b)" insert "of such Code".

Page 17, line 18, after "Section 243(c)" insert "of such Code".

Page 17, line 21, strike out "any" and insert "Any".

Page 18, line 1, after "Section 318(b)" insert "of such Code".

Page 18, strike out lines 7, 8, and 9, and insert:

"(6) section 856(d) (relating to definition of rents from real property in the case of real estate investment trusts)."

Page 18, line 10, after "Section 443(d)" insert "of such Code".

Page 18, strike out lines 13 and 14, and insert:

"(5) The taxable income of a real estate investment trust, see section 857(b)(2)(D)."

Page 18, line 15, after "Section 1504(b)(6)" insert "of such Code".

Page 18, strike out lines 18 and 19, and insert:

"SEC. 3. EFFECTIVE DATE.

"The amendments made by sections 1 and 2 of this Act shall apply with respect to".

The committee amendments were agreed to.

Mr. MILLS. Mr. Speaker, the bill H.R. 12559, which was reported unanimously by the Committee on Ways and Means, provides a special method of taxation for real estate investment trusts which follows the pattern of the special tax rules presently applicable to regulated investment companies under section 851 of the Internal Revenue Code. This bill has the approval of the Treasury and Commerce Departments. It was introduced by our colleague on the committee, the Honorable EUGENE J. KEOGH. A similar bill was also introduced by our colleague on the committee, the Honorable TOM CURTIS.

PRESENT LAW

Under present law, there are certain real estate investment trusts which have such a degree of centralized management and transferable certificates of ownership that they are treated under the tax law as an association taxable as a corporation. The result of this is that the income earned by the trust is subject to the full corporate tax although the principal purpose of the trust is merely to hold investment property for the beneficiaries of the trust.

REGULATED INVESTMENT COMPANIES

Under present law, a corporation may be organized as a regulated investment company under subchapter M of the Internal Revenue Code and the Investment Company Act of 1940. If these regulated investment companies hold diversified stock and bond investments and if they meet certain other statutory requirements, then they are permitted to take as a deduction against their corporate income the amount paid as dividends to shareholders. To qualify in any year, these dividend distributions must be at least 90 percent of taxable income. The essence of the various statutory requirements is that the regulated investment company be engaged in merely a passive investment activity and not in the active conduct of a trade or business. When a regulated investment company meets these various requirements it does not have to pay the corporate tax on income which is to be distributed to shareholders. The income is taxable in their hands only.

PROVISIONS OF BILL

The bill essentially permits real estate investment trusts to be treated in the same manner as regulated investment companies. A part II is added to subchapter M providing specific rules for real estate investment trusts. These new rules apply to a trust or an association which is taxable as a corporation provided that the beneficial ownership is held by 100 or more persons and provided there is not sufficient concentration of ownership as to meet the personal holding company definition. At least 90 percent of the gross income must be from dividends, interest, rents or from sale of securities and real property and at least 75 percent of its gross income must come from real estate investment. In addition, the organization must meet a test requiring that at least 75 percent of its total assets must be represented by real estate, cash, and Government securities.

It is made clear in the bill that an organization will not qualify under these provisions if its rental income comes from the active conduct of a real estate business. The organization cannot hold real estate for sale to customers in the ordinary course of a trade or business and it may not render services to the tenants of its real property other than through an independent contractor from whom the organization does not receive any income.

It is provided in the bill that the real estate investment trust will be taxable generally as other corporations, except for this provision for a deduction for dividends paid to beneficiaries. The special capital gain dividend provisions applicable to regulated investment companies are also applied in the case of real estate investment trusts.

REASONS FOR THE BILL

The Committee on Ways and Means was of the opinion that not only would this bill provide equitable treatment of existing real estate investment trusts but it would provide a reasonable machinery whereby a large number of small investors would be able to make real estate investments without incurring the penalty of additional income tax at the corporate level. In the commercial real estate field, the size of the required investment makes it difficult to secure the necessary funds from one or two investors. The pooling of a large number of investors is necessary and it is reasonable to provide a technique for this pooling of investment funds without incurring an additional level of income taxes.

REVENUE EFFECT

As applied to existing trusts, it is estimated by the Treasury that the bill might involve a revenue loss between $3 and $7 million. If in the long run the bill substantially stimulates real estate investment activity, there would be offsetting revenue gains.

Mr. BYRNES of Wisconsin. Mr. Speaker, this legislation pertains to a legislative matter that has previously been approved by the House of Representatives. The legislation in its present form is acceptable to the Treasury Department.

H.R. 12559 would provide substantially the same tax treatment in the case of real estate investment trusts as present law extends to regulated investment companies. That is to say that a "conduit treatment" or "pass-through" would apply with respect to ordinary income of real estate investment companies

which is distributed to their shareholders so that the distributed earnings will be taxed only to the shareholders.

The provisions of the bill are designed so that qualification for this tax treatment will require that the income be clearly passive; that is, from real estate investments as distinguished from income received from the active operation of businesses involving real estate.

It is anticipated that this legislation will encourage the availability of funds for real estate purposes.

Mr. KEOGH. Mr. Speaker, I urge the enactment of H.R. 12559, which I have introduced, to provide a special method of taxation of real estate investment trusts. Similar legislation was introduced by my colleagues on the Ways and Means Committee, Representative CURTIS of Missouri and the late Representative Simpson, of Pennsylvania.

The bill was approved by the unanimous vote of the Ways and Means Committee, and the Treasury Department has no objection to its enactment. The primary reasons for this legislation are, first, to remedy an inequity in existing law, by extending to real estate investment trusts, having at least 90 percent of their gross income from purely passive investment, the same tax treatment that has been extended since 1936 to the mutual funds which receive and distribute corporate dividends and bond interest. This equality of tax treatment is accomplished by providing that if the real estate investment trust distributes 90 percent or more of its taxable income—other than capital gains—to its shareholders the trust will not be subjected to a tax on such distributed income. As the committee's report states, not only is it desirable to have equality of tax treatment of these two forms of pooling funds for passive investment, but it is also desirable to remove taxation to the extent possible as a factor in determining the relative size of investments in stocks and securities, on the one hand, and real estate equities and mortgages on the other. This bill will furnish a medium for the small investor to put his savings into rental real estate and real estate mortgages, by pooling his funds with those of many other investors, as he may do if he desires to invest in corporate stocks and bonds through the medium of buying shares in the mutual funds. Such a method of real estate investment is not open to the small investor today, except at the unattractive return caused by the levying of a corporate tax on the income of the real estate investment trust, which cuts the net return in half.

Another cogent reason for enactment of this legislation, closely allied with the first, is to alleviate the shortage of private capital and mortgage money for individual homes, apartment houses, office buildings, and hotels. The result of existing law is to keep the savings of these small investors out of investments of this type. Opening up a new source of such funds should be of inestimable value in the urban renewal program and in assistance to economically depressed areas.

The bill has been carefully drawn to prevent its use by speculators or by those who might try to use it to get this "pass-through" treatment for income from active business operations, as contrasted with passive investment income. The statutory safeguards in this respect have been given careful study by the Treasury Department which, as I have said, indicates that it has no objection to the enactment of the bill in the form reported by our committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INFORMAL ENTRIES OF IMPORTED MERCHANDISE

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 9240) to amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object, how many such $400 items does the gentleman anticipate will be brought in?

Mr. MILLS. I might say to the gentleman that this bill serves the purpose of eliminating an awful lot of redtape rather than affecting any appreciable amount of imports into the United States. There is a provision in existing law for the importation on this informal basis of merchandise that does not exceed $250.

The bill proposes to make this $400. We have been told by the Treasury that actually in the process of doing so there would be no effect whatsoever upon the collection of duty, that in reality we are saving considerable redtape and things of that sort. It does not really mean that there will be any resulting increase in the amount of imports that would come in through this. The committee received a report from all agencies of Government from which reports had been requested and those reports were favorable.

Mr. GROSS. I would not be surprised to see favorable reports coming from this administration in behalf of any bill to lower the tariffs.

Mr. MILLS. Here is the whole thing about it. The Secretary of the Treasury under this bill still retains the discretion to establish a lower ceiling. This is the outer limit. They can set a lower ceiling for the importation of these items.

Mr. GROSS I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

To amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 498(a)(1) of the Tariff Act of 1930, as amended (19 U.S.C. 1948(a)(1)), is amended by striking out "$250" and inserting in lieu thereof "$400."

Mr. MILLS. Mr. Speaker, the purpose of H.R. 9240 is to amend section 498 of the Tariff Act of 1930, as amended, to permit the extension of the informal customs entry procedure to import shipments not exceeding $400 in value.

Section 498(a)(1) of the Tariff Act of 1930 presently provides the Secretary of the Treasury with the authority to prescribe rules and regulations for the declaration and entry of merchandise, imported in the mails or otherwise, when the aggregate value of the shipment does not exceed $250. The Secretary of the Treasury is authorized to establish, by regulation, ceilings within the $250 limit for different classes or kinds of merchandise or different classes of transactions. Section 498(a)(1) permits informal customs entry to be made and obviates the requirement in section 484 of the Tariff Act of 1930, as amended, for formal customs entry. Formal entry must be made in writing by the consignee or his agent and must generally be accompanied by a certified invoice, a bill of lading, a statistical enumeration of all the goods in the shipment, a declaration, and other related documents. Informal entries require a shorter written form and less complicated customs procedures apply.

Section 498(a)(1) originally provided a $100 limitation upon the value of imported merchandise that was permitted informal entry. Section 16(d) of the Customs Simplification Act of 1953 increased the figure from $100 to $250 and granted the Secretary of the Treasury the discretion to fix a lower ceiling for different types of merchandise and transactions. H.R. 9240 would change the $250 figure to $400.

Under the informal-entry procedure complex and cumbersome procedures are eliminated for small-value importations. The effect of the pending bill, which was introduced by our colleague, the Honorable PETER F. MACK, JR., would be to lessen the administrative burden on business firms and individuals when engaged in importing goods valued up to $400. The Secretary of the Treasury would retain discretion to establish a lower ceiling for certain types of merchandise and transactions when circumstances warrant his doing so. The Committee on Ways and Means was advised that raising the limit to $400 would not affect the amount of duties collected.

Favorable reports on this legislation were received from the Departments of State, Treasury, and Commerce, and an informative report from the U.S. Tariff Commission. The Committee on Ways and Means reported the bill to the House unanimously.

Mr BYRNES of Wisconsin. Mr. Speaker, under existing law the Secretary of the Treasury is given authority pursuant to section 498(a)(1) of the Tariff Act of 1930 to prescribe rules and regulations for the declaration and entry of merchandise when the shipment does

not have an aggregate value in excess of $250. Within the $250 limit prescribed by statute the Secretary is also authorized to establish particular ceilings with respect to different classes or kinds of merchandise or different classes of transactions. Under this statutory authority provision has been made for the informal entry of certain imported merchandise. Such informal entries require a shorter written form and less complicated customs procedures than is the case with respect to formal entries which must be made in writing by the consignee or his agent and accompanied by a certified invoice, and other related documents.

The pertinent section of the Tariff Act originally provided a $100 limitation on informal entries and this dollar figure was increased to $250 by the Customs Simplification Act of 1953. The purpose of H.R. 9240 is to increase this dollar figure to $400.

Favorable reports on this legislation were received from the Departments of State, Treasury, and Commerce, and an informative report was received from the U.S. Tariff Commission.

I join in urging the membership of the House to support its passage.

Mr. MACK. Mr. Speaker, I rise in support of my bill, H.R. 9240, to amend the Tariff Act of 1930 so as to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400.

This is not a tariff cutting bill, Mr. Speaker. It could be accurately described as a redtape cutting measure for the relief of small businessmen.

If enacted, this bill would not change the amount of duty collected on imported merchandise. It would, however, eliminate a considerable amount of paperwork for jewelers and other small businessmen on small shipments of goods for retail sale. Tourists and travelers also would benefit from a higher informal entry limit.

The Department of Commerce, in its favorable report on my bill, explained that informal entries are distinguished from regular entries in that a short written form and less complicated customs procedures apply to shipments qualifying for informal entry.

The original ceiling of informal entries was $100. This was increased to $250 by the Customs Simplification Act of 1953. Although my bill would increase this limit to $400, it is certainly true that there has been considerable price inflation since 1953. It is probable that a $400 limit would permit a small businessman to use the informal entry method for about the same quantity of merchandise as was possible under the $250 limit 7 years ago.

The informal entry method is particularly useful for shipments by mail. Such shipments are examined by customs officers and the amount of duty is ascertained. Then they are delivered by the postal service to the addressee who pays the duty and whatever tax may be applicable. In contrast, shipments over $250 are mailed to the customs office nearest the addressee. The addressee is notified by mail that his shipment has arrived. He or his authorized agent must appear personally at the customs office to file an entry with supporting invoice, entry bond and any other necessary documents. After payment of duties and taxes, the shipment then may be released.

Besides being less burdensome to the small businessman, the informal entry method, is much less expensive. Since many of the retailers affected operate on a small profit margin, the difference in importing costs is often the difference between profit or loss.

It is for these reasons, Mr. Speaker, that I urge the House to follow the unanimous recommendation of the Ways and Means Committee and pass this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE ENTRY OF CERTAIN ELECTRON MICROSCOPES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11573) to provide for the duty-free importation of scientific equipment for educational or research purposes, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 201 of the Tariff Act of 1930 (19 U.S.C. 1201) is amended by adding at the end thereof the following new paragraph:

"PAR. 1824. Subject to such regulations as the Secretary of the Treasury may prescribe, any scientific instrument or apparatus, or part thereof, imported by any college, academy, school, or seminary of learning, any society or institution established for the encouragement of the arts, science, or education, or any association of such organizations, if—

"(1) the article is imported by such organization for its own use and not for sale or for any commercial use, and

"(2) there is presented, to such officer or employee as is designated by the Secretary of the Treasury, an affidavit of a responsible officer of the importing organization that like or similar articles of equivalent scientific value are not manufactured in the United States."

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption, after March 31, 1960.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury is authorized and directed to admit free of duty one electron microscope imported for the use of William Marsh Rice University of Houston, Tex., and one electron microscope imported for the use of the University of Colorado Medical Center, Denver, Colo."

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 11573, as amended by the Committee on Ways and Means, is to permit the duty-free entry of an electron microscope for the use of the William Marsh Rice University of Houston, Tex., and an electron microscope for the use of the University of Colorado Medical Center, Denver, Colo.

Each of these two institutions has procured from abroad a highly specialized electron microscope for use in connection with their research and educational activities. In view of the general public interest in developing and advancing scientific research and inquiry, and because of the highly technical character of the research undertaken by these two institutions which necessitates the employment of advanced scientific apparatus, the committee is of the opinion that these institutions should not be burdened by the necessity of paying substantial import duties on the two electron microscopes which they have imported for use in their research programs.

This bill, which was introduced by our colleague on the Committee on Ways and Means, the Honorable FRANK IKARD, was reported by the committee unanimously to the House.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 11573, would permit the importation of highly specialized electron miscroscope equipment by the William Marsh Rice University of Houston, Tex., and the University of Colorado Medical Center, Denver, Colo., for use in connection with the research and educational activities.

Mr. Speaker, I believe it is appropriate in this instance to permit the duty-free importation of these instruments.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to provide for the free entry of an electron microscope for the use of William Marsh Rice University of Houston, Tex., and an electron microscope for the use of University of Colorado Medical Center, Denver, Colo."

The bill was passed.

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that in engrossing the bill the Clerk be instructed to correct the spelling of the word "microscope" both in the text and in the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENSION OF DUTY-FREE ALLOWANCES TO CREW MEMBERS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8576) to amend the Tariff Act of 1930 to extend to the residents of the United States who are crew members on vessels, aircraft, and other conveyances arriving in the United States, within specified limits, the same exemptions from duty on personal and

household articles as are granted passengers arriving on such conveyances, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 1798(c) of the Tariff Act of 1930 is amended by adding at the end thereof the following new sentence:

"Any officer or crew member of a vessel, aircraft, or other vehicle or conveyance arriving from a foreign country shall, if he is a resident of the United States, be considered for purposes of this subparagraph as a returning resident arriving in the United States whether or not he intends to reship or otherwise continue in service on a vehicle or conveyance touching at foreign ports; but the aggregate value of the articles with respect to which an exemption may be claimed by any such officer or crew member under this subdivision (2) solely by reason of this sentence in any calendar year shall not exceed $500."

SEC. 2. The amendment made by the first section of this Act shall apply only with respect to articles declared on or after the thirtieth day following the date of the enactment of this Act.

With the following committee amendment:

Page 2, line 1, after "he" insert "or she".

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 8576, as amended by the Committee on Ways and Means, is to extend to officers and crew members of a vessel, aircraft, or other vehicle or conveyance arriving from a foreign country, who are residents of the United States, the same exemptions from duties and taxes on personal and household articles as are allowed residents of the United States returning from abroad, whether or not they intend to reship or otherwise continue in service on a vehicle or conveyance touching at foreign ports. The bill would authorize an annual duty-free allowance of $500, which is similar to the duty-free allowance already in existence with respect to all other American travelers returning from abroad.

Under the provisions of paragraph 1798(c) of the Tariff Act of 1930, as amended, a resident of the United States returning to the United States from a foreign country is permitted duty-free entry for first, all personal and household effects taken abroad by him or for his account, and second, articles acquired abroad but not exceeding in aggregate value $200, if such person has remained outside the United States for a period of not less than 48 hours and has not claimed such exemption within the 30 days immediately preceding his arrival, and $300 in addition, if such person has remained outside the United States for a period of not less than 12 days and has not claimed such exemption within the 6 months immediately preceding his arrival.

The Customs Bureau has by regulation provided that crew members and officers of vessels, aircraft, and other conveyances arriving in the United States are not regarded as returning residents when their arrivals in the United States are only incidental to further foreign travel, and hence are not entitled to the exemptions applicable to returning residents under the provisions of paragraph 1798. They are entitled to the exemptions only when they leave the carrier on which they arrived in this country without the intention of reshipping on a carrier touching at foreign ports, or remain on or transfer to a conveyance which will proceed in nonforeign travel.

Under the pending bill, an officer or a crew member would be entitled each time he arrived in the United States, whether or not he or she intends to reship or otherwise continue in service on a vehicle or conveyance touching at foreign ports, to bring in free of duty all personal and household effects taken abroad by him or for his account as provided for in paragraph 1798(c)(1). In addition, such officer or crew member would be entitled to the privileges provided for relating to the duty-free importation of articles acquired abroad. The bill provides, however, that with respect to these privileges such officer or crew member cannot bring any articles free of duty and tax in aggregate value in excess of $500 in any calendar year. A committee amendment was adopted to make clear that the provisions of the bill will be applicable to female as well as male officers and crew members.

The Committee on Ways and Means is of the opinion that officers and crew members of vessels and aircraft arriving in the United States should not be discriminated against in comparison with other returning residents with respect to their ability to exercise the duty-free allowance which is applicable today to all other Americans returning from abroad. By providing that such officers and crew members shall be able to exercise this privilege to the extent of only $500 in any calendar year, abuse of the privilege will be avoided and reasonable parity of treatment will be accorded such officers and crew members. It should be noted, however, that the maximum allowance accorded under the pending legislation is less than the maximum allowance that is possible under existing law for other returning residents.

Favorable reports were received on H.R. 8576, which was introduced by our colleague on the Committee on Ways and Means, the Honorable HALE BOGGS, from the Departments of State and Commerce, as well as an informative report from the Tariff Commission. The committee reported the bill to the House unanimously.

Mr. BYRNES of Wisconsin. Mr. Speaker, under existing law and pursuant to Treasury regulations, crew members and officers of vessels, aircraft, and other conveyances arriving in the United States are not regarded as returning residents when such arrival is incidental to further foreign travel. The consequence is that such individuals are not accorded the same exemptions from duties and taxes on personal and household articles as are allowed residents of the United States returning from abroad. The purpose of H.R. 8576 is to extend to officers and crew members in the category I have previously described an annual duty-free allowance of $500 which is similar to the allowance already in existence for all other Americans returning from abroad.

Mr. Speaker, this bill should be enacted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPTIVE NATIONS WEEK

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Speaker, all dictatorships are bad and all of them, sooner or later, become the curse of the people they dominate. No matter how highly motivated and well meaning they appear at their start, they invariably end up by causing more misery and misfortune to helpless people. This was certainly true in the case of Fascist and Nazi dictatorships, and, as we are learning today, it is even more true in the case of the Kremlin-inspired Communist dictatorship. Perhaps it is no exaggeration to say, in marking Captive Nations Week, that the Communist Soviet dictatorship has caused more suffering to more millions of innocent and helpless peoples than all other dictatorships known in human history. I am saying this with clear conscience and without doing any violence to sad but true facts. The curse of Soviet dictatorship extends today from the Baltic to Vladivostock, to the isles of northern Japan and to North Korea.

Since the end of the last war at least 100 million people have been placed, directly or indirectly, under the Soviet dictatorship, the preponderant majority of them being in Central, Eastern, and Southeastern Europe, in Estonia, Latvia and Lithuania, Czechoslovakia, East Germany and Poland, Albania, Bulgaria, Hungary, and Rumania. The industrious, stout-hearted and liberty-loving peoples in these countries were relatively free from dictatorships in their homelands. Many of them had regained their freedom at the end of the First World War, and they all were content with their lot. And then came the war, which was bad enough, and in which they all suffered immeasurably, in a degree beyond our imagination.

But what followed after the war proved even worse. Since the end of the war these countries have been drawn tightly within the Soviet domain, behind a veritable Iron Curtain, and there these peoples, in tens of millions, are

captives of their Communist dictatorships. Thus all of them constitute the captive nations.

The designation of this week as the Captive Nations Week is the wish of the people of this country, as enacted by Congress and as proclaimed by the President. It was my pleasure to introduce last year's resolutions in the House of Representatives. We shall continue to observe the third week of July each year until the last of these captive nations are free and are masters of their own destiny. I consider it both an honor and a duty to raise my voice once more on behalf of these captive nations, lending support to their struggle to free themselves from Communist totalitarian dictatorship.

PROBLEMS OF AMERICAN TEXTILE INDUSTRY

Mr. WHITENER. Mr. Speaker, I ask unanimous permission to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Speaker, since coming to the Congress I have been greatly interested in the problems affecting the American textile industry. As I represent a district in which is located the largest concentration of textile manufacturing plants in the Nation, I have been particularly interested in the effect that the importation of textile products is having on our domestic textile economy.

During the past several years we have witnessed a steady increase in the flow of foreign textiles to the United States. While some textile products have come from the European nations, the great bulk has come from Japan, India, Korea, Pakistan, Hong Kong, and even Formosa. The flow of foreign textiles to this country has reached an alarming state and threatens the very existence of our domestic textile industry.

I was greatly distressed, therefore, when I learned yesterday that the U.S. Tariff Commission had rejected by a vote of 4 to 2 the petition filed on June 29, 1959, by the National Cotton Council for relief from cotton textile imports under section 22 of the Agricultural Adjustment Act.

Mr. Speaker, it is inconceivable to me that the Tariff Commission should fail to take action to protect the American textile industry. During the past year imports of cotton cloth have increased from 164 million square yards to 497 million square yards. During the same period we have seen cotton yarn imports increase from 1 million pounds to 15 million pounds. There has been an increase during the past year of $200 million in the value of all textile goods brought into this country.

It is apparent that the present national administration offers no hope for adequate relief for our domestic textile industry. The foreign policy of the United States to a great extent has been based upon our desire to trade American jobs and American industry for international political considerations. The time has come, Mr. Speaker, for this country to stop bartering the jobs of our people for questionable international political considerations. That policy is bankrupt for we have only to observe what has happened in Japan recently. We have given Japan the most favorable trade relations possible during the past 10 years, and I regret to say that the results have been disappointing.

It is imperative, therefore, that the Congress take affirmative and positive action to halt the increasing flow of textile imports. While many other of our basic American industries are experiencing extreme difficulty by reason of foreign competition, no industry is more hard pressed and more likely to face possible liquidation than is the American textile industry unless the Congress again resumes its constitutional authority over the foreign trade of the United States.

AMERICAN LEGION POST CITIZEN AWARD

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, some several days ago a young man, Stephen Bayne, of Westbury, N.Y., refused an American Legion Post Citizen Award to attend the 15th Annual Boys' Nation, which will be held in Washington, D.C., commencing July 22, 1960. In rejecting the Legion honor, young Bayne stated:

> Wait * * * I refuse to accept an award from an organization I cannot respect.

Immediately thereafter, the leftwing press used young Bayne's unfortunate statement as a springboard from which to launch an attack against the American Legion. In my own hometown of Easton, Pa., the Easton Express editorially chastised our mayor, Hon. George S. Smith, because Mayor Smith, in an address before the Military Order of the Purple Heart, characterized the Stephen Bayne incident as "regrettable."

The citizenry of my hometown of Easton, however, is used to this type of an assault made by the leftwing Easton Express against any patriot who expresses himself on issues of fundamental Americanism.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address on the subject matter by Maurice Stember, department adjutant of the American Legion, department of New York, made at the Nassau County Convention of the American Legion, at Levittown on Saturday, June 25, 1960:

REMARKS BY MAURICE STEMBER, DEPARTMENT ADJUTANT OF THE AMERICAN LEGION, DEPARTMENT OF NEW YORK, MADE AT THE NASSAU COUNTY CONVENTION OF THE AMERICAN LEGION AT LEVITTOWN ON SATURDAY, JUNE 25, 1960

There is a segment of our society, including a few columnists and teenagers, who, because they are uninformed, or do not care to learn the true character and purposes of the American Legion, occasionally break into print attacking the policies of our organization, as best illustrated by the recent incident that took place in Westbury, here in Nassau County. It is most unfortunate that a few columnists who have a great affinity for defending people and organizations that we regard as leftists seize upon the action of an immature youth to make a Roman holiday of it. They should be reminded that the American Legion is an organization of men who fought in three wars to maintain the kind of country in which a youngster can speak his own mind without fear of the Gestapo. The American system which guarantees the right to speak up also gives the same right to other people to speak their own mind and, if anyone has earned this right, the members of the American Legion have done so. They certainly deserve a tolerant attitude on the part of others, and good manners. That is not too much to expect.

In contrast to this group there are a great majority of people, maybe not honor students, but people with much more honor, who gave thanks that there were and still are men who believe in their God and their country and have joined together under the name of the American Legion.

The Legion has never been prone to compromise or evasion, whether in time of war or uneasy peace. There is no question as to where our organization's first allegiance lies or where its devotion centers. Its loyalty is not subject to debate for it is attested in the soil of 100 battlefields and pledged in the blood of thousands who died on them. We have as members the President and Vice President of the United States, 61 U.S. Senators, 241 Members of the House of Representatives, and 31 Governors of States.

The American Legion includes in its ranks more disabled veterans, more holders of the Congressional Medal of Honor and other decorations than all other organizations combined. Yet we are not old soldiers reminiscing and recalling empty shades of past glories. There does, however, exist among us an unspoken testament that we shall keep faith with the comrades we have known; those men who through pain and bitter sacrifice have learned a hard lesson that perhaps can be taught in no other way, and the lesson is this: The great battle of our age is not waged on land or on sea or in the air, but in the souls of men and the time of battle is not fixed, but is of continuing urgency.

It follows then that the defense of our homeland is basically anchored in the moral strength of the Nation, and it is for this reason that the Legion marshals its energies in the promotion of a sound patriotism. We have laid down a direct, hard-hitting diagnosis of the critical problem of our time and our country and this problem briefly is the gap which exists between the free world and communism, not in terms of armament and material achievement, but in terms of a spiritual dedication to a cause. Communism is a faith, a godless one. It has its own zeal and its own spirit of sacrifice and the question that the American Legion constantly poses is this: Can we counter their faith with one of our own? A faith must have an objective, it must be built upon convictions. If the object of our faith is material, then our faith differs little from the faith which has already gripped half the world in chains of tyranny. If, on the contrary, our faith is pointed to the God-given dignity which lifts man above beast, then there exists a barricade which can never be yielded to the enemy.

It is the American Legion's task to build that faith or rather to rebuild. For we had it once. It is woven through a national tradition which remembers the ragged Colonial

Army praying in the snow and a somber Lincoln proclaiming this to be a Nation under God.

Of that tradition, the American Legion is the heir and trustee and we have the moral courage to herald that tradition, to give it continued voice and to pledge to it an unashamed loyalty and devotion.

For taking strong positions, for emphasizing the value and virtue of loyalty and patriotism we have been called unkind names and otherwise attacked. But neither the violence of the language nor the source from which it emanates shall deter us from our belief. The American Legion will continue to focus attention on the blessings of our Nation's constitutional form of Government. We shall continue our nationwide oratorical program in which more than 5 million boys and girls have participated in competition, in which knowledge of the Nation's Constitution is the requirement. We shall continue our all-inclusive magnificent child welfare program wherein last year we spent alone over $8 million.

We shall continue to raise our voice in strong opposition to any traffic with communism, with its denial of God's existence and its complete disregard for human dignity. We will continue and enlarge our great Boys' State program, wherein each summer we send thousands of outstanding high school boys to college campuses and other facilities to receive an intensive training in the operation of our form of government. We will always concern ourselves with the problem of veterans' rehabilitation, feeling that a soldier is a special person, and despite the sporadic attacks and incidents, we shall, as members of the American Legion, strive to keep alive the spirit of patriotism, of love of God and country. This is our purpose. This is our challenge. No one, but no one, shall swerve us from it.

PROBLEMS CONFRONTING THE UNITED STATES IN THE FIELD OF FOREIGN TRADE

The SPEAKER pro tempore. Under the previous order of the House the gentleman from New York [Mr. STRATTON] is recognized for 60 minutes.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, I do not intend to take the full time allotted to me this evening. I appreciate the fact that the hour is late and that Members as well as those on our staff are anxious to conclude the day's work.

I have requested this time, Mr. Speaker, simply to draw attention on the part of the House as well as the Nation to the serious problem that confronts us in the field of foreign trade.

The announcement was made recently that the United States is going to sit down to tariff negotiations under the provisions of the Trade Agreements Extension Act of 1958 with other countries under the auspices of GATT, the General Agreement on Tariffs and Trade; and I understand the United States is prepared to offer concessions information about which has been released to the public and comments invited.

Mr. Speaker, I think this event is particularly inappropriate at this time, and I know that a number of other Members of the House agree with me, because a very large number of Members have introduced resolutions identical to the one introduced by myself, House Concurrent Resolution 524, calling upon the administration, expressing the sense of Congress that any further tariff reductions should not be made in the forthcoming negotiations under the provisions of the Trade Agreements Extension Act.

Mr. Speaker, the reason for that is simply because of the very serious problems foreign imports have raised in our own economic and business life.

The so-called escape clause which was designed to protect domestic industry simply has not worked. That has been proved time and time again. Just a few weeks ago the glass industry failed in their efforts to invoke this provision and were told by the Tariff Commission that there just was not any ground for concluding that they had been hurt.

Only the other day, Mr. Speaker, the case of Japan came to our attention. We are aware that the Japanese who have probably done more to bring about the foreign import competition that is ruining our markets, were participants, and many of them took part in these activities, participants in riots which made it impossible for the President of the United States to carry out his good-will visit to Japan.

I do not go so far, Mr. Speaker, as to say we ought to institute a boycott against Japan, although some people in my district have been suggesting that, but I do say that the time has come when we should take a long look at our trade situation and recognize whether the circumstances of our trade policies today are actually such as to strengthen and help the country or whether they are doing precisely the opposite.

Mr. BERRY. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield.

Mr. BERRY. I want to commend the gentleman for taking this time to bring this matter to the attention of Congress. I hope more Members will continue to do this until Congress recesses or adjourns.

I would like, Mr. Speaker, to call attention to the fact that about 10 days ago the South Dakota Stockgrowers' Association passed a resolution at their meeting calling attention to the large imports of beef during the past few years. With the gentleman's indulgence I would like to read the four points emphasized in this resolution by the South Dakota Stockgrowers' Association:

1. Express its deep concern over the threat that hangs over the industry from imports;

2. Assert the need for a remedy under the escape clause of the Trade Agreements Act that is more certain and effective than current administration of the clause supplies;

3. Deplores the inclusion of products of the cattle industry in the list of items on which the United States offers further tariff reductions; and

4. Calls on the Congress to enact House Concurrent Resolution 512 or Senate Concurrent Resolution 104 expressing the sense of Congress that no further tariff reductions should be made at the present time.

This is in line with the remarks of the gentleman and certainly I want to commend the gentleman for the statements that he is making.

Mr. STRATTON. Mr. Speaker, I thank the gentleman from South Dakota for his remarks. I appreciate his support. He is one of the Members, of course, who has joined in this important legislation. I think the comments he has made it clear that the problem that we face is not a sectional problem; it is a problem that affects many districts and many parts of the Nation.

Mr. Speaker, as I said a moment ago, I think the important thing today is to take another long look at our trade policies. No one is opposed to foreign trade itself, but obviously we cannot carry out foreign trade at the expense of our domestic industries. That is what is happening now, and the existing procedure in law is inadequate to supply the remedies and the protection which the Congress intended should be incorporated in the law.

Fortunately, I think the remedy is at hand. This trade agreements matter is going to be up for reconsideration in the next Congress, and I feel, therefore, that the proper time for us to face up to these problems is in the next Congress when the legislation is before us for full consideration. I believe that is the time when we should take a full and a complete look at the matter.

It seems to me highly inappropriate that prior to that time there should be any action on the part of our Government which would complicate the situation and result in further threats to domestic industries by additional concessions, and I therefore urge, Mr. Speaker, that the House adopt the legislation which lies before us so that the administration will know plainly the sense of the Congress that no additional concessions shall be granted at this time but that all concessions should be deferred until the House in its wisdom can reexamine the old situation and build in a tighter set of protecting rules and regulations for American jobs for American men and women and for American industry which is certainly the intention of the Congress, but which unfortunately has not been the practice as the present law has been carried out.

[From the Washington Star, June 20, 1960]

CHALLENGE TO U.S. RECIPROCAL TRADE POLICY

(By Nelson A. Stitt, Director, United States-Japan Trade Council)

The recent threat of the Amalgamated Clothing Workers to boycott Japanese textiles and finished garments imported into the United States poses a serious challenge to our Government's reciprocal trade policy. By attributing its decision to unfair competition from low-wage countries which use sweated labor, the union has raised an issue which requires clarification.

As Secretary of Labor James P. Mitchell said recently in a speech before the Rotary International Convention in Miami Beach, "A straight hourly wage comparison is a deceptively simple and always erroneous measure of our competitive position." The Secretary went on to point out that fringe benefits added only 20 percent to the United States basic hourly wage bill as against 45 percent in France, 75 percent in Italy, and somewhere in between for most other coun-

tries. He cited a recent study which showed that while United States wage rates in steel production were more than three times hourly wage rates in Western European countries, when all production costs were figured in, American steel was produced at a total cost competitive with the total cost of any Western European country.

A country's wages must necessarily match the purchasing power of its currency and the general productivity of its economy. Much more important than direct wage costs in determining prices is the unit cost of production. The unit cost of production, as every businessman knows, results from variables (in addition to wages) such as capital investment per worker, managerial skills, cost of raw materials, supplies and power, quality of labor, volume of production, etc.

It does not follow that high wages mean high unit costs of production. If this were true, the United States would not be competitive in any product, rather than being, as we are, the world's leading exporter. In fact, our leading export industries pay higher wages than our import competing industries. Higher productivity in these industries more than offset high wages.

Certainly it is true that some United States industries do not enjoy a productivity advantage over foreign industries great enough to compensate for lower foreign wages, but to restrict imports on this basis is to sacrifice all gains from international trade, which depends on the principle of comparative advantage.

Japanese productivity ranges from one-tenth to one-half U.S. productivity, depending on the industry. One of the basic reasons for this is scarcity of capital. Smaller Japanese enterprises, having the least capital to invest, are the least efficient and have the lowest productivity.

Another factor which raises the total wage bill for the Japanese manufacturer is the necessity, because of long-sanctioned social customs, of carrying unneeded employees on his payroll as a form of unemployment insurance. Their presence adds to total labor costs and reduces productivity. High transportation costs of needed imported raw materials and high interest rates because of shortage of capital also add to Japanese production costs. If all these factors are combined, the original low-wage advantage of Japan is largely discounted.

The Japanese Government has fully subscribed to the proposition that international trade should not be based on social dumping. It agrees that importing countries have a right to expect that goods offered to them have been produced under working conditions not inferior to the national standard in the exporting country. To this end, Japan has one of the most comprehensive codes of labor standards and social welfare legislation in the world. In cases where wages in a particular industry in an exporting country are substandard in that country, remedies can be found through action in ILO or GATT.

Recognizing that a sudden large influx of certain imports can have a damaging effect, Japan has voluntarily limited exports to the United States of textiles and textile products to quantities which are a small percentage of U.S. domestic production.

An American producer who is truly hurt or threatened by low-cost imports can invoke the protection of the escape clause in our Tariff Act, under which the United States can modify or revoke tariff concessions if increased imports result in or even threaten serious injury. In these cases all factors, not just foreign wages, are taken into account. Serious injury is a traditional reason to protect U.S. producers, but the simple existence of low wages in the exporting country is not prima facie evidence of injury.

TRADE RELATIONS COUNCIL
OF THE UNITED STATES, INC.,
Washington, D.C., June 23, 1960.

Hon. SAMUEL S. STRATTON,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. STRATTON: As you previously expressed your interest in some aspects of our foreign trade policy, particularly the adverse effect of low-cost imports on domestic industry, I want to call your personal attention to the attached advertisement published by this council.

Since the Congress extended the Trade Agreements Act in 1958 (the statutory framework of our foreign trade policy), dynamic changes and shifts have taken place in international trade and in the economic position of the United States. As our statement indicates, spectacular increases in imports are occurring for many of the items listed for further tariff reductions. Equally large increases in imports are taking place for products on which import duties have been lowered previously. The deficit in our international balance of payments has grown to serious proportions.

In view of the current developments briefly referred to above and the prospect of additional rapid changes in the near future, we believe that additional tariff reductions by the United States are unwise and unnecessary. The Government might well concentrate on securing full reciprocal benefits from countries which have been taking full advantage of our tariff reductions on an unrestricted basis, and to making a thorough assesment of the impact of reduced tariffs and imports on domestic industry.

If we can be helpful in supplying you with any specific information on this subject, please call on me.

Sincerely yours,

H. B. MCCOY,
President.

[From the Wall Street Journal, June 20, 1960]

SLOW, MEN WORKING—CAUTION, DANGER AHEAD

(It's only common sense to slow down when you can't see the road ahead. And nobody knows what's ahead for American industries on the road to tariff reductions * * * except more trouble.)

Yes, there's trouble ahead for many American industries. And that means trouble for the people who depend on these industries for jobs. It is trouble in the form of new international negotiations for more cuts in U.S. tariffs.

The U.S. Government has just published a list of American products which may be placed on the official bargaining list when we and 36 other countries, all members of the General Agreement on Tariffs and Trade (GATT), get together at Geneva, Switzerland, early next year for another round of bargaining over tariffs and other trade matters.

ARE YOUR INTERESTS AFFECTED? HERE'S HOW TO FIND OUT

Get a copy of the Government list without delay. (If you wish, use the coupon on this page.) Naturally, look first of all for products that you make or sell. And be careful. In places the list is not specific. Your products may be hidden in a "basket clause" lumping together a group of products under a general heading.

After examining the list, if you cannot be sure if your interests are affected, get in touch with experts. Put your problem in the hands of someone well versed in the technicalities of tariff barter procedures; the Trade Relations Council, or your own trade association, will be glad to help you.

Remember, the burden of proofs is on you. It's up to you to (1) find out if a product you make or sell is tagged for tariff cuts, and (2) present evidence to Government agencies that the proposed tariff adjustments threaten harm to your company and its workers.

Of course, you know conditions and trends and prospects in your own industry better than any outsider does, and you know whether your industry can afford to give tariff concessions in today's struggle for markets. But here are a few points you may want to keep in mind if you agree that this is a good time to make haste slowly in tariff bargaining.

OUR TARIFFS ARE ALREADY AMONG THE LOWEST IN THE WORLD

Only a few countries have lower customs duties than we do. Most of our biggest trading partners, just as highly industrialized as we are (thanks in large measure to the generosity of the American taxpayer via foreign aid), maintain higher tariffs than we do—and lots of other trade restrictions as well.

In fact, one recent study identified 36 different ways—not counting tariffs—that countries can discourage foreign trade and block unwelcome imports. According to that study, no less than 62 countries require import licenses; 46 require export licenses; 28 restrict incoming capital and 36 restrict outgoing capital; 23 have multiple rates of exchange; and 21 engage in preferential trading systems.

WE GIVE A LOT AND GET SHORTCHANGED IN RETURN

Often the United States has reduced its tariffs if other countries simply agree not to increase theirs. Sometimes other countries lower their tariffs on a so-called reciprocal basis—but continue using other types of restrictions against our goods. Here's how this inequality works:

In 1959 Great Britain shipped 210,494 passenger cars to this country, but took only 301 from us. West Germany sent us 205,799 cars, and took only 417 of ours. France shipped us 171,285 cars, and accepted 666 in return. We imported 46,629 cars from Italy, and sent 643 over there. Adding up, it turns out these countries sent us 634,207 cars—and took 2,027 U.S. cars.

WE ARE ALREADY SPENDING OVERSEAS $3–$4 BILLION A YEAR MORE THAN WE TAKE IN

In 1959 the United States spent $3.7 billion more abroad than it earned. In 1958 the deficit amounted to $3.4 billion. This has upset what the economists call our balance of payments, drained over $3 billion out of our gold reserves in the last 2 years, and raised doubts around the free world about the soundness of the American dollar. Even our foreign friends agree we cannot continue running up losses like this indefinitely.

WE STILL DON'T KNOW HOW THE NEW TRADING BLOCS IN EUROPE WILL AFFECT US

The free nations of West Europe are split into two rival trading camps—the Common Market and the Free Trade Association. Both give favored treatment to their members. Both are still working out internal kinks, and will be for a long time. Both are composed largely of GATT member nations—but the tariff advantages they extend to each other discriminate against other GATT nations, including the United States.

The question is: How best can the United States deal with these rival blocs?

One thing is clear. We cannot bargain effectively with them until we know exactly how their tariff policies and procedures will affect us.

And obviously we cannot be expected to make a lot of tariff concessions at GATT's bargaining table, simply on promises that we will get concessions in return at some vague point in the future, after the new trade alliances have ironed out all their internal differences.

In short, the only sensible course open to us is to wait until the other parties decide how they are going to play the game. Then—and only then—will the United States be able to bargain realistically on a give-and-take basis.

Look what's already happened to imports of some of the products on the tariff barter list. Are American companies and workers who make these products "expendable"?

Increase in value of imports, 1959 over 1954

[U.S. Government statistics]

	Percent
Automobiles	1,537
Carbon tetrachloride	2,305
Cash registers and parts	318
Cotton yarn	42
Ethers and esters	505
Eyeglasses and goggles	477
Files and rasps	152
Fishing tackle	333
Floor and wall tiles	1,513
Fountain pens	672
Hi-fi equipment	1,085
Linoleum	1,964
Machine tools (metal cutting and forming)	97
Needles	376
Paper box machines	250
Plate glass	270
Rayon staple	75
Rivets	120
Selected sporting equipment	8,498
Shotguns	118
Steel beams and girders	91
Surgical instruments	69
Synthetic iron oxide and pigments	90
Wire rods	120

Here is a representative list of American industries whose products appear on the barter list. Is your industry among them? Abrasives, agricultural implements, airplanes, alcoholic beverages, alloy and tool steel, antifriction bearings, apparel, automotive equipment, batteries, bicycles, bottles and jars, brass and copper, brushes, buttons, candy, carpets, cattle, ceramics, chemicals, clocks, cordage, cutlery, dairy products, electrical explosives, fish, flavoring extracts, fruit, fur, furniture, glassware, gold leaf, hand tools, hats, iron and steel, lace, leather, linen, machinery, man-made fibers, meat, metal products, meters, mirrors, motorboats, musical instruments, nuts, optical, padlocks, paint, paper, pens and pencils, pharmaceuticals, phonographs, photographic goods, playing cards, razors, rubber, scientific instruments, scissors and shears, shoes, soap, soft drinks, sugar, textiles, textile machinery, thermostatic containers, toys, valves, vanadium, vegetables, vegetable oil, wire cloth, wood products.

FOUR STEPS TO TAKE

1. Get a copy of the bargaining list. Write or call the Committee for Reciprocity Information, Eighth and E Streets NW., Washington, D.C., or contact the Trade Relations Council.

2. Look for products that you make or sell. Learn what specific products are grouped in vague "basket clauses." For expert assistance, call on your own trade association or the Trade Relations Council.

3. If you object to the list as it now stands, present your views to—

The U.S. Tariff Commission, Eighth and E Streets NW., Washington, D.C.

The Committee for Reciprocity Information.

Both agencies will hold public hearings in Washington starting July 11. Written applications to appear must be filed by June 27. Ask your trade association or the Trade Relations Council to explain other rules governing these hearings.

4. Learn how the Trade Relations Council can serve you in many important ways.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. CUNNINGHAM] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, the gentleman has done a real service to the country in making his remarks today. I would join with him in his sentiments.

Earlier this year, as I became concerned about the import situation, I introduced legislation which would express the sense of Congress that there be no reductions in tariffs at this time and that a report be made by an appropriate agency on other nations and their limits on U.S. exports so we may have this important information to guide us in the future.

As one who is concerned about the export of U.S. jobs and the import of low-priced foreign goods which affect most adversely virtually every segment of American industry, I hope that there will be no reduction in U.S. tariffs.

GENERAL LEAVE TO EXTEND REMARKS

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 3 legislative days in which to extend their remarks in the RECORD on the subject I have just discussed.

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Is there objection to the request of the gentleman from New York?

There was no objection.

SUMMERFIELD, CONGRESS, AND POSTAL RATES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oregon [Mr. PORTER] is recognized for 30 minutes.

Mr. PORTER. Mr. Speaker, Postmaster General Summerfield blames Congress for not increasing postal rates this year. He claims that his Department has lost $603 million this year.

As a member of the House Post Office and Civil Service Committee for 4 years, I want to take this opportunity to make it clear that the blame belongs on Mr. Summerfield's slippery political back.

I pause to interject that I have no objection to Mr. Summerfield being a politician. I do object to his being scofflaw, to his thumbing his nose at Congress and to his gross and intentional misrepresentations of the postal rate and deficit picture.

The Postmaster General in his prepared statement before the Post Office and Civil Service Committee May 10, 1960, demonstrated that he was aware of the law by saying:

In 1958, Congress again wrote this policy into its legislation, stating: "Postal rates and fees shall be adjusted from time to time to produce the amount of revenue approximately equal to the total cost of operating the postal establishment."

Then Summerfield, a former chairman of the National Republican Committee, declared, "But what Congress has written as policy and what it has actually done in these postwar years are two widely different things."

SUMMERFIELD VIOLATES LAW

If the Postal Policy Act of 1958 had criminal penalties for violation, Summerfield could be indicted and convicted. This was law primarily designed to separate the public service costs from the costs that should be charged to the other users. What the law requires and what Summerfield has done are two widely different things.

Summerfield told me in a hearing recently that the users of the mail should not have to pay for the cost of rate concessions granted by Congress as a matter of public service. Even so, he also told me that he could not carry out the provision in section 104 of the Postal Policy Act that requires him to deduct as public service costs the loss resulting from the operations of the star route system and third- and fourth-class post offices.

He had not done it. He was not going to do it. He said it could not be done. These were an integral part of the postal system, he said.

Yet in a congressional hearing the Department had testified that every time it closed a fourth-class post office the Government saved $1,400. Moreover, through the cost-ascertainment system all sorts of cost allocations are made for postal operations.

NO DEDUCTIONS FOR PUBLIC SERVICE

These costs, however, along with other costs, such as the total cost of nonprofit—religious, fraternal, and charitable—mail were not figured, as the law required, nor of course were they deducted, as the law required. The Postmaster General's "deficit" would be considerably less than $608 million if you took out the admitted $100 million total cost of nonprofit second- and third-class mail.

There are 10,055 star routes, 13,142 third-class post offices, and 11,912 fourth-class post offices. These, according to the law, are public services and are to be paid for by the Treasury, not by the users of the mail through increased rates. Summerfield has not figured these costs, although the law requires him to do so.

Of the 39,000 post offices in the Nation, only 2,000 take in enough revenue to pay their own particular costs. In other words, 37,000 post offices do not pay their way. You can be sure that if private profit instead of public service was the principle on which the postal service was operated, many of these post offices would be closed.

Congress cannot responsibly increase rates if the Postmaster General refuses to obey the law and supply the public service costs which must first be subtracted before fair rates can be calculated.

I well remember how Summerfield violated another law 2 years ago, again one also without any penalty clause, when he intentionally overspent his appropriations and then came to Congress threatening to curtail service if he was not given additional funds.

What does he think of the public service aspect of his Department? He told Martin Agronsky recently on NBC–TV:

This public service gimmick, really what it amounts to substantially is—well, there

is some public service of course—is that it is more of a private subsidy for the big users of the mails of this country who use the mails principally for profit.

To Summerfield, public service is mostly gimmick, in spite of the Postal Policy Act of 1958 as cited above. He does admit there is some public service but he says it is more of a private subsidy for profit-hungry mail users.

REVIEW OF THE RATE SITUATION

Using Summerfield's highly suspect cost ascertainment figures—no others are available—let us review the rate situation. First-class mail he says pays 11 percent of its allocated costs, but he wants to raise it another cent anyway. That increase would bring in $400 million additional revenue out of the pockets of these mail users.

As for second-class mail—newspapers and magazines—according to Summerfield they will be paying 26 percent of their allocated costs after their final rate increase—as provided by Congress in 1958—January 1, 1961. I filed a bill to increase second-class rates but when I saw how the Postmaster General had refused to obey the law and we had no way to make him obey, I recognized that no responsible rate increases could be computed on the basis of the information available.

There are vast differences in the service given various categories of second-class mail. Any responsible rate increase must reflect these differences.

As for third-class mail—circulars—after its most recent rate increase July 1, 1960, it will be paying, says Summerfield, 76 percent of its allocated costs. There are 260,000 holders of bulk third-class mail permits. The Postal Policy Act of 1958 rightly says that we must be concerned with the impact of rate increases. The fact is that we have no good information on this subject, even though the Department of Commerce submitted an extensive report in response to my suggestion last year.

In 1958 the Congress, Summerfield might recall, raised the 3-cent stamp to 4 cents, increased second-class rates 60 percent and third-class rates 67 percent, for a total of $547 million. Third-class mail in 8 years has had its rates increased 150 percent.

SUMMERFIELD'S SHORTCOMINGS

Summerfield's bookkeeping is sloppy, his concept of public service dim and warped, and his contempt of Congress plain, repeated, and generally reciprocated.

A few years ago he suggested that second-class mail receive a 50-percent subsidy on the historical grounds that the distribution of printed matter was largely and historically a public service.

He also suggested that third-class mail pay only 75 percent of its allocated costs. I cite these suggestions to show that Summerfield's attitude changed when he became obsessed with the idea of taxing the mail users to pay for the public service aspect of postal service, an aspect definitely and plainly provided for by the Congress in the Postal Policy Act of 1958.

The users of the mail should be charged for the service they receive, not the service others receive because Congress wants to help them for some reason. Only an arrogant and highly political Postmaster General makes it impossible for Congress to obtain the information we need for our computations.

The postal service right now receives in revenues 85 percent of its cost, far more than is recovered by the Department of Agriculture, the Department of Labor, or the Department of Commerce. Yet Summerfield continues to harp on his phony "deficit" figures.

NO ECONOMY—JUST PUBLIC RELATIONS

Summerfield would have done better to abide by the law and to have worked to make the postal service more efficient. He claims operating economies of almost $400 million annually, yet budgeted expenditures in his term of office have gone up by almost $1 billion—so where could there be a saving of $400 million? The answer is that there is no such savings, but instead there are 25 public relations employees—22 more than when Summerfield came—and a fat contract with a Madison Avenue public relations firm, all at a cost of $373,000 this fiscal year. Yesterday on the telephone I asked an executive of the New York public relations firm that has a contract with the Post Office Department, whether the firm had done any political work for Summerfield. His reply: "None to speak of." This is a matter where the laws possibly violated do have penalties. An investigation is being made.

As a car dealer or a politician, Arthur Summerfield may have his talents but as a Postmaster General his achievements have been small and his shortcomings massive. The Postmaster General can be in politics but he is not above the law.

REPORT TO THE PEOPLE OF THE SEVENTH CONGRESSIONAL DISTRICT OF LOUISIANA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana [Mr. THOMPSON] is recognized for 30 minutes.

Mr. THOMPSON of Louisiana. Mr. Speaker, I deem it a distinct honor to represent the people of my district, the Seventh Congressional District of Louisiana, in the U.S. Congress. To serve with the membership of this House the past 8 years is a privilege which I have enjoyed very much.

I feel that I have exerted every effort in the development of proper representation of the people of the Seventh District during my four terms as their Congressman. I have received every kind consideration from the membership of this body and through my efforts and the assistance of others, much has been accomplished for my people.

I wish to express my deep appreciation to the membership of this House for its generous assistance with the problems on which I have worked for my constituents; and especially do I want to thank the Louisiana delegation for the many times they have responded unselfishly with both time and effort in behalf of the people I represent. The theory of a system of laws and not of men certainly was made a reality by the tireless and enlightened actions of patriots such as those with whom I have served in the Congress.

Of course, there are many problems still facing us. Some of them are local in nature, yet of national importance; and there are the greater problems affecting our very existence as a Nation of freemen, which some day, with the help of God, we hope to solve.

Some of the things which are particularly pressing at this time, Mr. Speaker, insofar as my people are concerned and matters on which I shall continue to work are the lowering of the great tax burden—which is now higher even than the taxes on many of the peoples we are assisting through our foreign-aid programs. We must help our farmers in order that they may take their proper place in our overall economy—without a prosperous farmer, we cannot long expect a prosperous America. We must continue our efforts to see that both labor and management are able to receive returns commensurate with their efforts. We must protect that great segment of our economy which is small business. We must continue to conserve and develop our natural resources to the ends that we will make the best use of these God-given bounties. We must develop more and better institutions of learning to see that every child receives the maximum of education to prepare himself for the day when he will assume our responsibilities.

My 8 years of service in the Congress have not been without accomplishments. As a result of my constituency's sending me back to Congress three successive terms after I was elected to the 83d Congress in 1952, I am now in a position of seniority on two major committees of the Congress—the Committee on Public Works and the Committee on Merchant Marine and Fisheries—to which bills regarding matters vital to my district and State are referred for consideration. Of the 22 Democrats on the Public Works Committee, I rank No. 8 in seniority. I am No. 4 on the Subcommittee on Flood Control, No. 3 on the Subcommittee on Watershed Development, and No. 8 on the Subcommittee on Roads of the Public Works Committee. I was on the Subcommittee on Public Buildings and Grounds during my first term on the Public Works Committee.

Of the 20 Democrats on the Committee on Merchant Marine and Fisheries, I rank No. 5 in seniority. I am No. 2 on the Subcommittee on Merchant Marine and No. 5 on the Subcommittee on Fisheries and Wildlife Conservation on this committee. Also, I have been chairman of a Special Subcommittee on Ocean Freight Forwarders during the 84th, 85th and 86th Congresses.

I know that because of my seniority on these important committees, I am now able to accomplish much more for my district and State than during my first terms in the Congress, and as my seniority grows on these committees, I can be of ever-increasing value to my

district. In my first term as a member of the Subcommittee on Public Buildings and Grounds of the Public Works Committee, I was instrumental in beginning the first projects of public buildings undertaken since the beginning of World War II. The legislation under which this nationwide building program was authorized was originally authored by me and is called the lease-purchase plan. Because of my efforts in these regards, I was able to have a $2 million post office and Federal building approved for Lake Charles, La., which was the first such project in the United States to be approved and built since World War II. The dedication ceremonies for this building were held in February, this year.

My district and our State of Louisiana are blessed with much fresh water and many lakes and navigable streams. While these are a blessing to us and add to our wealth and recreation, they also present problems in the matter of flood control. I have worked untiringly for the better development of ports and waterways and have been successful in the accomplishment of long-needed flood control and drainage projects for our areas. One project on Bayou Courtableau alone will, no doubt, pay for itself by savings from flood damages which would otherwise occur. In connection with this project, plans are now being completed to enlarge the floodgates at Port Barre, on Bayou Courtableau, to accomplish a more effective job of stopping the flooding. These floodgates have helped the farmers greatly by controlling the water so that they may have water for their crops in dry seasons. This area has also developed into one of the finest fishing areas in the State.

I have been asked by many to make available a record of my efforts in behalf of my constituents and my accomplishments during the 8 years I have been their Congressman. I know of no more factual evidence to submit than some of the representations which have been made to me by letter and telegram from my constituents and others who know of my efforts, and quotations from editorials which have appeared in the newspapers of my district and State.

The following will give an indication of the general reaction to some of my efforts in connection with matters handled in the two committees of which I am a member:

U.S. HOUSE OF REPRESENTATIVES,
June 22, 1960.

DEAR T. A.: I cannot let the 86th Congress close without letting you know how much I appreciate the assistance you have given to me and to the committee in our public works program.

I am particularly pleased with the fine record made by the subcommittees on which you serve. The biggest public works project in U.S. history—the construction of 41,000 miles of new interstate superhighways linking major cities, 200,000 miles of State highways, and 508,000 miles of rural roads, was initiated in our Subcommittee on Roads of which you are a valued member. It is gratifying to know that this huge new road program, which was the result of our committee deliberations, will help to bring farmers closer to their trading centers, give new opportunities to small business, and enable vacationing families to see the sights of the Nation with fewer traffic jams and fewer accidents.

Results of studies now under way will furnish a basis for future Federal-aid highway programs, and I look forward to having your assistance in these matters in the next Congress.

Just as important to your section of the country is the work of our Subcommittee on Flood Control, on which you hold membership, also. You made the fight for water-hyacinth control in Louisiana and were able to get the necessary appropriations to get the work started. Due to your good efforts, there are half a dozen projects in Louisiana included in the pending River and Harbor and Flood Control Omnibus Bill.

It was through your persistent efforts that a new post office and courthouse was authorized for Lake Charles, La.

Other items which you have secured for your district are a survey investigation of Lake Charles deep water channel and a watershed development project at Upper Bayou Nezpique.

You are a real credit to the Congress and to the district you represent and I am confident that the good people of Louisiana will see that you are reelected in November.

Sincerely,

CHARLES A. BUCKLEY,
Member of Congress, Chairman, Committee on Public Works.

U.S. HOUSE OF REPRESENTATIVES,
June 21, 1960.

DEAR COLLEAGUE: As this session of the 86th Congress draws to a close, I wish to express my appreciation for your cooperation in the activities of the Committee on Public Works.

You have given generously of your time and actively participated in all of the meetings of the committee and its subcommittees. Your services are needed now as never before. Your leadership both in committee and on the floor of the House in behalf of the interests of Louisiana has been commended by all.

Your cooperation on all public works projects has contributed to what I consider to be a commendable record of legislative achievement.

Sincerely yours,

GEORGE H. FALLON,
Member of Congress.

U.S. HOUSE OF REPRESENTATIVES,
July 17, 1957.

DEAR ASHTON: I am indeed grateful for the support you gave me in the committee today. I will always be mindful of your assistance. Command me.

Sincerely,

Bob,
ROBERT E. JONES,
Eighth District, Alabama.

U.S. HOUSE OF REPRESENTATIVES,
June 11, 1960.

MY DEAR T. A.: We certainly missed you in committee today, though I full realize that you must take care of your campaign.

As I have told you on many occasions, we have no more valuable member of the Public Works Committee in the House than you. We have had some very trying sessions together, many complicated and serious problems to resolve, but through it all you have contributed substantially to all of our deliberations.

I am proud to count you as one of my close friends. During the 20 years and more I have been able to serve in Congress, I have seen many men come and go. It is my genuine and sincere wish that you will be returned to your duties here by a greater majority than you have ever received in prior races.

If I could add a single word to your constituents, which would be helpful to you, I would gladly respond.

With warm good wishes, I am,

Very sincerely yours,

Cliff,
CLIFFORD DAVIS,
Member of Congress (Tennessee).

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON MERCHANT MARINE AND FISHERIES,
June 23, 1960.

DEAR T. A.: As this session draws to an end, I want to write and thank you for the cooperation and support you have given me as chairman of the Merchant Marine and Fisheries Committee. Your attention to the duties and responsibilities of the committee has been outstanding.

I particularly appreciate the efficient manner in which you presided over the Merchant Marine Subcommittee during my absence on several occasions when it was impossible for me to be present. Those of us who have observed your activities here in the House of Representatives know that you have conscientiously performed your duties with a high degree of statesmanship and efficiency.

There will be many problems before the House in the 87th Congress and I shall look forward to your wise counsel and assistance in the legislation that will come up.

With assurance of my high esteem, I am,

Sincerely,

HERBERT C. BONNER,
Chairman.

U.S. HOUSE OF REPRESENTATIVES,
June 21, 1960.

DEAR ASHTON: As the 86th Congress hastens to a close, I want to commend you for your fine service in the House of Representatives.

As a ranking member of both the House Committees on Public Works and Merchant Marine and Fisheries, you are in a position of exceptional importance to the people of your native Louisiana. In your 8 years of congressional service, you have advanced, not only in terms of seniority, but in the esteem and respect of your colleagues. Your active interest and your ability, coupled with experience and the status born of seniority, have made you a particularly effective member of these committees and the House as a whole. I know the people of Louisiana's Seventh District recognize with gratitude the outstanding representation you have given them.

With all good wishes for the future, I am,

Sincerely,

CARL ALBERT,
Member of Congress, Democratic Whip.

U.S. SENATE,
February 19, 1960.

DEAR T. A.: * * *

While it was not possible for us to participate in the dedication ceremonies, we are pleased that you were able to be present and to make a brief address. Certainly, T. A., you deserve great credit for your constant and vigorous fight to obtain construction of this major Federal facility. No one knows better than you the many obstacles which were sought to be placed in our way and to further prolong administrative procedures and the decision on the ultimate building of the Post Office and Federal Building. It is fortunate that the people of the area have an aggressive Congressman, particular-

ly one who is also a member of the House Committee on Public Works.

* * * * *

Sincerely yours,

ALLEN J. ELLENDER,
U.S. Senator.
RUSSELL B. LONG,
U.S. Senator.

AMERICAN ASSOCIATION OF
STATE HIGHWAY OFFICIALS,
Washington, D.C., June 26, 1956.

DEAR SIR: We wish to express our sincere gratitude to you for the work that you did in connection with the Federal Aid Highway Act of 1956, which we know is a certainty.

Your hard work and comprehensive knowledge of the highway problems helped obtain a bill that is administratively good and adequate to start closing the wide gap between available facilities and ever-increasing traffic demands.

* * * * *

Your action in authorizing an enlarged program is a public service and gives us the opportunity to perform a needed public service. The problems at the local level in building the highways will be many, but we welcome the opportunities and challenges that your actions afford us.

Again we thank you for the confidence you have expressed in the highway departments and for the hard work that you have contributed in getting a good road bill.

Yours very truly,

A. E. JOHNSON,
Executive Secretary.

AMERICAN TRUCKING
ASSOCIATIONS, INC.,
Washington, D.C., March 11, 1958.

MY DEAR MR. THOMPSON: I certainly appreciate your letter of March 5 with reference to the bill, H.R. 11085.

Thank you so much for your interest which in large measure was responsible for protecting the highway trust fund from this $3½ million diversion.

Sincerely,

JOHN V. LAWRENCE,
Managing Director.

VILLE PLATTE, LA., *October 14, 1957.*

DEAR SIR: My sincerest appreciation for your help in behalf of the Bayou Nezpique watershed protection project. I am sure it will be a big help to the community.

The best of luck and success always. When you are in Ville Platte, I would be glad to have you come and have a cup of coffee with me.

Sincerely,

DORESTAN FONTENOT.

MAMOU, LA., *August 22, 1957.*

The Rotary Club of Mamou offers its congratulations and gratitude for your valuable efforts on behalf the Bayou Nezpique watershed project.

ROTARY CLUB OF MAMOU,
A. G. LAHAYE,
Community Service Chairman.

VILLE PLATTE, LA., *August 21, 1957.*

Deeply appreciate your fine cooperation and hard work in getting Bayou Nezpique watershed plan approved by Public Works Committee of House and Senate. Realize without your untiring efforts this project would not have been approved. Again we express our sincere thanks and appreciation for the fine cooperation and hard work put forth to see this project approved for construction.

ONEAL L. FONTENOT.
U. G. LAHAYE.
EARL FONTENOT.
RAY P. BREAUX.
W. L. BRUNER.

[From the Alexandria Daily Town Talk, Apr. 22, 1959, and the Lake Charles American Press, Apr. 22, 1959]

Representative T. A. THOMPSON called today for a study to determine if parts of the proposed Bayou Nezpique watershed project in Allen and Evangeline Parishes, La., can be built and put into operation separately. * * * THOMPSON discussed the project with D. A. Williams, soil conservation service administrator, at a hearing before the House Public Works Committee, of which Congressman THOMPSON is a senior member.

LAKE CHARLES, LA., *August 16, 1957.*

DEAR T. A.: Personally and as consulting engineer for the port, I wish to thank you for your help in getting approval for appropriations to reduce the backlog of deferred maintenance existing on the Lake Charles-Calcasieu River and ship pass channel. Many thanks for your effort in our behalf.

* * * * *

Sincerely yours,

ELMER E. SHUTTS.

[From the Lake Charles American Press, June 19, 1960]

The public works omnibus authorization bill—which includes $17 million for deepening and widening the Calcasieu ship channel—was passed by the U.S. Senate Friday night.

Congressman T. A. THOMPSON said in Ville Platte last night that bill would go into a conference between the Senate and House subcommittees.

"I talked to the chairman of the House subcommittee," THOMPSON said, "and he assured me that the channel authorization would go through." The "hardest part," the Congressman said, was approval by the Bureau of the Budget, which came earlier in the week.

He said all that remained now was a "mere formality" of getting the bill signed by President Eisenhower.

U.S. HOUSE OF REPRESENTATIVES,
July 22, 1958.

DEAR T. A.: I was delighted to receive the news of the approval by the House Public Works Committee of my resolution calling for survey for Twelve-Mile Bayou. Your most able assistance is indeed appreciated and I thank you on behalf of myself and all the people in the Caddo area.

With regards, I am,

Sincerely yours,

OVERTON BROOKS,
Member of Congress.

HOUSTON, TEX., *September 8, 1959.*

DEAR CONGRESSMAN THOMPSON: Thank you for your good work and assistance to the forwarding industry that resulted in both your committee and the House of Representatives approval of H.R. 8382 in the past session of Congress. Please be assured that your work and support is appreciated by all of our members. We are sorry for not thanking you again following final passage by the House, but we have been involved with trying to get the bill through the Senate and also deluged with accumulated work.

Sincerely yours,

J. P. HARLE,
President, Texas Ocean Freight Forwarders Association.

BATON ROUGE, LA., *August 22, 1957.*

Due to illness I am unable to appear in person with Mr. Dumas but I would like to take this means of thanking you for your effort in behalf of the Devil Swamp project.

J. C. BUECHE,
Member of the Greater Baton Rouge Port Commission.

DEAR TOMMY: Now that I'm checking out of Government, I want to say to you that it's been fun working with you. When I was a frequent visitor before the Merchant Marine and Fisheries Committee, you were always one to test my mettle, and I think you probably caused me to be a better witness as a result of your incisive questioning.

Good luck to you, and warm regards.

Cordially yours,

LOUIS S. ROTHSCHILD,
Under Secretary of Commerce for Transportation.

LAKE CHARLES, LA., *February 27, 1599.*

DEAR T. A.: I would like for you to know that your participation in the cornerstone ceremony of the new U.S. post office and courthouse at Lake Charles was greatly appreciated.

We should like for you to have these photographs that were taken during the event.

We understand that your personal efforts have been very important in securing this new facility for the community.

All best wishes.

Yours sincerely,

J. F. GARST,
President, Association of Commerce.

[From the Lake Charles American Press, Feb. 20, 1959]

BUILDING CALLED MONUMENT TO U.S. SERVICES

The rising structure of the new Lake Charles post office and Federal court building today was described as a standing monument to the services that the Government owes the people. Voicing these sentiments was Seventh District Representative T. A. THOMPSON, of Ville Platte, who formally set the new building's cornerstone in place at 11 a.m. today. Congressman THOMPSON was one of the principals instrumental in securing the new local building. THOMPSON noted that the new post office construction is the first such building to be approved and built since World War II. "The Lake Charles post office and Federal court building is the thing I'm proudest of since I've been in office," the official said.

[From the Lake Charles American Press, Feb. 10, 1960]

The Lake Charles Federal building and post office was dedicated today as a symbol of the rapidly expanding industrial capacity of Lake Charles. Representative T. A. THOMPSON, principal speaker among the platform of city and Federal officials, disclosed at the ceremonies that the U.S. Army Corps of Engineers promised deepening and widening of the Lake Charles ship channel by the end of the year. * * * Congressman THOMPSON told the guests, "It has taken us 50 years to get this new post office. We have had wonderful service here from the post office, but they did so under the worst possible conditions. This is the first major post office building approved by the Government since the end of World War II. Let's hope now that the Post Office Department does not raise postal rates. We should all demand more and better postal service. I hope they never make a profit from postal operations, but it [the Post Office Department] should be self-sustaining." The Congressman took note of the Air Force trailer used as a speaker's platform. "This was the same platform we had for the ground breaking and cornerstone ceremonies," he said, "and I hope we can still borrow it from the Air Force 5 or 10 years from now." On Tuesday, Secretary of the Air Force Dudley C. Sharp instructed the Strategic Air Command to send a geological team to Lake Charles to see if Chennault could be used as a missile site. They will, also, check the area north of here for

underground missile silo locations." In closing, THOMPSON noted that the General Services Administration had "found" the cash to pay for the new building, saving about $500,000 interest under the old lease-purchase plan.

[From the Times Picayune, Feb. 7, 1959]

Representative T. A. THOMPSON of the Seventh District, member of the House Public Works Committee, has sent out a kind of SOS on the interstate highway program, saying that building will be sharply slowed unless Congress appropriates money directly or the gasoline tax for the trust fund is raised. He doesn't say what course he advocates to get the speed-up money.

[From the Times Picayune, May 31, 1959]

THOMPSON'S ANSWER

I assure you that immediate increased taxes or appropriations from the Treasury to accommodate the stated need is far from the attitude I have always displayed. I was one of those who led the fight against the creation of a Federal corporation to implement the needed construction at a cost of excessive interest rates on revenue bonds. Even at that time, I was a strong advocate of starting the program with positive planning and providing money as it was needed for actual expenditures. I can assure you it is my purpose to see the Congress look into this program with the view in mind of accomplishing the much needed highways without further burdening the taxpayers unnecessarily.

[From the Times Picayune, June 28, 1959]

Veto of the public works appropriation bill really got under the skin of Representative T. A. THOMPSON of the Seventh Louisiana District. "It is unthinkable," said THOMPSON, "that President Eisenhower again should have vetoed the public works bill. If Congress does not override this unreasonable veto, the public should be aware that in the foreign aid appropriations bill there are nearly 100 new starts authorized in foreign countries for the protection of their resources. I will continue my fight to see that the public works bill is passed. I feel assured our people have nothing to worry about in the matter of flood control and navigation projects. I believe we will be successful in this third-round battle." The chief item of THOMPSON's concern is the $500 million carried in the bill for the control of the water-hyacinth.

[From the De Quincy News, May 28, 1959, and the De Ridder Enterprise, May 29, 1959]

Congressman T. A. THOMPSON stated today that after several years of legislative battle for authorization and money, the U.S. Corps of Engineers is now proceeding with its fight against water-hyacinths. * * * All necessary contracts have been filed to insure coordination of efforts of State and Federal agencies, as provided by the (T. A.) Thompson bill. THOMPSON stated that damages incurred by water-hyacinths along our streams and navigable channels have cost Louisianians $30 million each year. This pogram will require about 5 years of intensive work at a cost much less than total savings to our people.

LAKE CHARLES, LA., *March 28, 1960.*

DEAR T. A.: Thank you for telling me about the decisions in Washington authorizing the State department of highways to proceed on the bypass bridge at Lake Charles.

Your endeavors on this project have been greatly appreciated.

Your sincerely,

W. J. BOUDREAU,
President, Association of Commerce.

LAKE CHARLES, LA., *May 9, 1960.*

DEAR T. A.: I was highly pleased * * * with the information with reference to the approval of the 40 by 400 channel by the Board of Engineers, U.S. Army. Again we are indebted to you.

With all best wishes, I remain,

Sincerely yours,

ELMER E. SHUTTS.

[From Port of Lake Charles magazine, May 1960]

Congressman T. A. THOMPSON, of Louisiana, recently announced that approval has been given for a proposed new bridge, crossing Calcasieu River at Lake Charles. The bridge will cross the Calcasieu ship channel near the north end of Prien Lake across Indian Bay on the east side of the lake system.

* * * * *

The Calcasieu River bridge project had previously been disapproved. Thompson said that Secretary of Commerce Frederick Mueller is convinced this project had a higher priority than any other on the Louisiana interstate system, and this led to the final approval of the project in March.

[From the Shreveport Journal, Mar. 17, 1959]

REPRESENTATIVE THOMPSON TO BE SPEAKER AT RRVA MEET

Representative T. ASHTON THOMPSON, of the Seventh District of Louisiana will be among prominent speakers at opening session of the 34th annual Red River Valley Association convention. * * * THOMPSON will be part of the outstanding speaking program that will include other Members of Congress, national figures in flood control, water use, business and industry and representatives of the U.S. Army Corps of Engineers, and other Government agencies.

[From the Shreveport Times, Mar. 31, 1959]

He criticized the Federal Budget Bureau for cutting appropriations for public works. Accused Bureau of usurping congressional power. * * * Criticism of the Federal Bureau was led by Representative T. A. THOMPSON, from Louisiana's Seventh District, who charged that, if the Bureau continues as it has "our public works will dry up on the vine."

NEW ORLEANS, LA., *May 27, 1957.*

DEAR MR. THOMPSON: Thank you very much for your letter of the 24th.

Our board of port commissioners certainly appreciate the cooperation you have been giving us and I want to thank you very much for all that you have done.

With kindest regards, I am,

Sincerely yours,

WILLIAM D. ROUSSEL.

GUEYDAN, LA., *March 7, 1957.*

HONORABLE SIR: I am happy to inform you that the U.S. Army Engineer Corps just completed the much needed and recently requested clean up operations of the Klondike Drainage Canal in the Parish of Cameron, La., and

On behalf of the Klondike community, permit me this means to thank you for the personal interest you took in this matter and in our community problem. Rest assured that your interest therein is appreciated by the entire community, and particularly by the writer.

* * * * *

If there is anything that our community can do to help you in any manner, you have but to write.

With kindest friendly regards, and best wishes, I remain,

PERCY DAVID.

WESTLAKE, LA., *June 22, 1960.*

DEAR REPRESENTATIVE THOMPSON: Your efforts in behalf of the widening and deepening of the Calcasieu River channel and pass, and your work which has culminated in the approval of that project are greatly appreciated.

The people of this area should feel very grateful for the removal of a bottleneck which threatened the economic growth of this area.

Yours very truly,

J. M. JONES,
Manager, Refinery No. 3, Continental Oil Co.

[From the Beaumont Enterprise, Dec. 18, 1958]

LOUISIANA INTRACOASTAL SEAWAY ASSOCIATION MEETING

Four members of the Louisiana congressional delegation pledged their support of a proposed ship channel following the Intracoastal Canal during an areawide meeting—THOMPSON, a member of the Public Works Committee in the Lower Chamber (of the U.S. Congress) thought the waterway was justified from both economic and national defense angles. Its value in providing jobs for people forced to leave the farm was cited by the Congressman. He suggested the group compile the economic study and work with the delegation from Louisiana. THOMPSON estimated that a resolution from Congress directing an engineering study would be made not later than the second year of the next Congress.

OPELOUSAS, LA., *June 21, 1956.*

DEAR CONGRESSMAN: Since I seldom find time enough for personal correspondence but still wanted to write to you before election time, I am taking advantage of this opportunity to let you know how much I appreciate your good work and service to the people of this district in the private as well as the public realm.

* * * * *

Secondly, I want to thank you for the many things which you have been able to accomplish for the good of St. Landry Parish and the district as a whole. As parish engineer, I can fully appreciate the effort required and the results accomplished in getting the flood control gates for Bayou Courtableau in such a short period of time, comparatively speaking. In this and many other things I think you have proven yourself to be the type of man I like to have representing us in Washington, and will be interested in doing all that I can to help keep you there. You can count on my full support in the coming election.

With best wishes for success and highest personal regards, I remain,

Sincerely yours,

MORGAN J. GOUDEAU, JR.,
Parish Engineer.

I think it is generally known that I have waged a continuous battle for our cotton, rice, sweet potato and truck farmers and for the great cattle industry which is developing in Louisiana. I led the fight in the House in 1955 and was successful in getting an additional 39,000 acres for our rice farmers and 9,300 additional acres in 1956. I was able to have legislation passed in 1956 guaranteeing 475,094 acres for rice plantings in 1957 and 1958. I assisted in getting an additional 4,835 acres for our cotton farmers in 1956 and in having the cotton acreage frozen so that the farmers would know their acreage would not be further cut.

My district is one of the great agricultural areas of the State, yet many of our

small farmers have suffered under the type of farm legislation developed by those who do not understand the plight of our Louisiana farmers. I have constantly engaged in efforts to help our farmers. I have managed to alleviate some of their hardship by having several of the parishes in my district declared "disaster areas" when crops failed because of lack of rainfall or because of flooding from too much rainfall. Through my efforts, thousands of needy families in my district have received and will continue to receive surplus commodities. Almost 50,000 persons in my district received groceries and other commodities which were available as surplus in May of this year, the last month for which records could be obtained by me.

I believe that a rigid price support of 90 percent of parity on basic commodities is the best approach that has been suggested yet to the farm problem. Parity is defined as meaning what a farmer should receive as compared to what he must pay out, and 90 percent means even less than everyone agrees he should get. I have interested myself in matters of agriculture because I feel that the farmers are the real backbone of our Nation. If the farm economy fails, other segments of our economy will surely follow. The result of this is unemployment of not only industrial workers but of those, also, who go from the farms to our cities to seek a means of livelihood. Rather than curtail our farm production, Mr. Speaker, I think the Federal Government should stress farm research and training in order that the ability to produce in sufficient quantities for the future is preserved.

I think we should, also, strive to develop more and better markets for our products. Too many times in the past our own markets have been overlooked and our governmental departments have actually participated in arranging sales and deliveries to other governments from foreign competitors in the face of a stated desire for our products. I have worked with others to obtain more funds for the various programs administered by the Department of Agriculture to assist our farmers and I shall continue my efforts.

I refer you to the following with reference to my efforts and accomplishments for our farming industry:

[From the Church Point News, March 1959]

Congressman T. A. THOMPSON stated today that he has been advised that the rice subcommittee of the Committee on Agriculture will hold hearings in Washington on March 11–12 to determine why rice movements under Public Law 480 have been slow.

[From the Daily World, Opelousas, La., May 8, 1960]

Congressman T. A. THOMPSON said he was very glad to learn today that the Public Law 480 agreement with India had been signed. He feels this exchange of 17 million tons of surplus U.S. wheat and rice for $1.3 billion worth of Indian rupees over the next 4 years will benefit both India and the United States.

* * * * *

Even though nearly 100 percent of the rice raised in Louisiana is sold on the market and is not placed under Government loan, I know the Louisiana rice industry is happy that this 4-year rice purchase agreement with India has been finalized.

[From the Times Picayune, Oct. 19]

Agriculture Commissioner Sidney McCrory said Saturday his office is taking steps to obtain aid for the State's ailing sweetpotato industry. * * * McCrory said, "I have, also, been advised that through the efforts of Representative T. A. THOMPSON, a Federal official from Washington will make a survey of the appropriate areas within the immediate future." The district THOMPSON represents embraces much of the sweetpotato producing area.

[From Port of Lake Charles magazine, March-April 1955]

The program to advertise and publicize rice to the United States in an effort to raise the national consumption, thereby lowering the huge surplus of this commodity, received an important assist from Louisiana Congressman T. A. THOMPSON.

The energetic Representative initiated a one-man public relations job, recently in Washington, to educate consumers in the Nation's Capitol in the use of rice.

[From the Church Point News, Feb. 27, 1959]

Congressman T. A. THOMPSON stated House Committee on Agriculture killed the acreage trading plan for rice and cotton by a vote of 15 to 14. He said he was extremely sorry that more consideration was not given to this plan, as it held great possibilities for rendering assistance, especially to the small cotton farmers who have suffered from 2 disastrous crop years. "I had hoped that the committee would allow us to work out a plan whereby the small cotton farmer who was not equipped to grow rice economically could have received several more acres of cotton by trading the rice acreage to a rice farmer who needed more rice acreage to help make his operation a more economical one. * * * It is my hope that one day we will be able to convince the Department of Agriculture that the problems of our small farmers are not the same as those of the large Midwestern farmers and that it is imperative that something be done soon to help them.

[From the Crowley Daily Signal, Mar. 4, 1955]

Telegrams have been dispatched to Senator ALLEN J. ELLENDER and Representative T. A. THOMPSON by the Acadia Farm Bureau in which the efforts of the Louisiana solons to secure added rice and cotton acreage have been applauded.

[From the Crowley Daily Signal, May 7, 1955]

SIDEWALK TALK

An increase in rice acreage allotments—no matter how minute—will be a big help to our farmers. We take off our hat to Representative T. A. THOMPSON, Senators ELLENDER and LONG, as well as other Congressmen for their work on this worthwhile bill.

[From the Crowley Daily Signal, May 7, 1955]

An outstanding program has been developed for the Rice Millers' Association's 3-day convention in the National Capital. Featured on the program are Senators RUSSELL B. LONG of Louisiana and J. W. FULBRIGHT of Arkansas, two of this country's most dynamic young Senators; and Congressmen CLARK W. THOMPSON of the Texas Ninth District and T. ASHTON THOMPSON of the Louisiana Seventh District, two very aggressive Congressional supporters of the rice industry.

[From the Crowley Daily Signal, May 10, 1960]

Congressman T. A. THOMPSON today advised the Crowley Daily Signal that he has been able to secure approval by the House Agriculture Appropriations Committee for an increase in funds for the Rice and Grain Market News Service in Louisiana.

The total amount of the appropriation has been raised by $15,500 to $19,500. This figure will be matched by the Louisiana Department of Agriculture for the operation of the market news service.

Representative THOMPSON said he was continuing his efforts in this matter when the bill is considered on the floor and later goes to the Senate.

[From the Times Picayune, Apr. 19, 1960]

Farmers in St. Landry parish are eligible for emergency loans, the farmers home administration ruled Monday. Heavy losses last year due to excessive rainfall and insect infestations make necessary more financing than the local banks can handle.

Bankers in St. Landry parish last February felt that they could finance the planting of this year's crop. Requirements proved to be greater than could be financed, however. Representative T. A. THOMPSON filed a request for emergency loans for St. Landry, which request was approved Monday.

[From the Times Picayune, May 7, 1955]

IKE SIGNS BILL ON RICE ACREAGE

It is the opinion of Representative T. A. THOMPSON who led the fight for this legislation, that this will correct the inequality resulting from the original allocation. Under this act, Louisiana receives 57 percent of the additional acreage allowed. This aroused opposition in other rice-growing areas, but THOMPSON was able to satisfy the other Representatives that the legislation was necessary to cure an unintentional injustice.

Speaker RAYBURN gave THOMPSON the gavel he used when the bill passed the House.

It is now known that had peanuts been eliminated from the price-support bill, it was a part of the strategy of the opposition to try next to eliminate rice from the list of basic commodities.

LOUISIANA FARM BUREAU FEDERATION, INC.,
Baton Rouge, La. November 20, 1958.

DEAR REPRESENTATIVE THOMPSON: On behalf of the Louisiana Farm Bureau Federation, I want to express our deep appreciation for your cooperation in adjusting your busy schedule to permit time to meet with the "engineers" of the parish farm bureaus in the Seventh District. We are particularly grateful that you were able to reschedule your session with us from Saturday to Wednesday.

Again, please accept our thanks for your interest in and cooperation with our farm bureau members. President Lovell and I are looking forward to seeing you.

Sincerely,

R. J. BADEAUX,
Executive Secretary.

CROWLEY, LA., *September 2, 1959.*

DEAR ASHTON: Today we received your telegram advising us that the USDA had knocked out the 5 percent requirement on the PIK program. This certainly is very good news, and thank you for sending us the early advice.

I certainly appreciate everything that you did to help our industry in this battle with

the dry corn millers. You may feel certain that I will let everyone know that you helped us in every way.

Once again, many, many thanks.

Yours very truly,

THE SUPREME RICE MILL,
GORDON E. DORE.

THE CITY OF BATON ROUGE
AND PARISH OF EAST BATON ROUGE,
May 27, 1957.

DEAR CONGRESSMAN THOMPSON: Thank you very much for the telegram advising me that President Eisenhower signed the fire ant bill. It has been very kind of you to keep me personally informed from time to time as to the progress of the bill.

On behalf of the people of this parish, I want to express to you sincere appreciation for the splendid service you have rendered the State toward the successful passage of legislation by Congress to undertake the fire ant eradication program. You can be assured that the governing body of this parish will cooperate in every way with agencies of the State and Federal Government in a program to do an effective job in controlling and eliminating this menace.

Sincerely yours,

JOHN CHRISTIAN,
Mayor-President.

CAMERON, LA., *April 2, 1958.*

DEAR CONGRESSMAN THOMPSON: This is to express our appreciation for your cooperation in making surplus corn available to the needy cattlemen of this parish. Some 16,000 heads of cattle were fed for about 1 month and a half, consuming a little over 3 million pounds of corn.

It is estimated that close to 20 percent or over 3,000 heads of the cattle fed would have died had the feed not been made available. Therefore you may well realize how grateful we are for having received the surplus grain.

Thanks again for your interest and cooperation.

Sincerely yours,

D. Y. DOLAND,
President, Cameron Parish
Farm Bureau.

THE WHITE HOUSE,
Washington, D.C., January 31, 1958.

DEAR MR. THOMPSON: Thank you very much for sending me a carton of Louisiana yams. I am glad to be introduced to this particular, and I am sure, superior, variety of the sweet potato family.

I was interested in the program of research that you outline as being responsible for the present product. Congratulations on the modern methods employed to revitalize the industry upon which so much of the economy of your district depends.

With best wishes.

Sincerely,

DWIGHT EISENHOWER.

LAFAYETTE, LA., *March 24, 1958.*

MY DEAR CONGRESSMAN: Quoted below is an extract from the minutes of the 21st annual meeting of the Louisiana Sweet Potato Association held March 15, at St. Francisville, La.

"Be it resolved, That the Louisiana Sweet Potato Association convey its appreciation and thanks to Congressman T. A. Thompson for his attendance and participation in the convention and to commend him for his efforts in promoting Louisiana yams in our National Capitol."

Yours very truly,

CLAUDE ARCENEAUX,
Secretary-Treasury, Louisiana Sweet
Potato Association.

LAKE PROVIDENCE, LA., *May 24, 1960.*

DEAR CONGRESSMAN THOMPSON: Thank you so much for your letter of May 20 relative to your efforts with Assistant Secretary McLain of the Department of Agriculture in getting the Department to modify their decision on NATO rice.

You are to be commended most highly for your conscientious and persistent efforts in helping to get the proper consideration in the USDA for our rice producers. You may rest assured that rice producers appreciate your efforts most highly. They are cognizant of the work you have already done and your continued efforts in their behalf.

Assuring you of our appreciation, I am

Cordially and sincerely,

C. A. ROSE,
County Agent.

[From the Beaumont Enterprise, May 24, 1960]

CROWLEY, LA.—The U.S. Department of Agriculture has agreed to reexamine all data concerning the price support classification of NATO rice before announcing the final value factors for this year's rice crop according to information received in Crowley Monday from members of the Louisiana congressional delegation.

Senators ALLEN ELLENDER and RUSSELL LONG, and Representatives EDWIN WILLIS and T. A. THOMPSON, reported a conference with Assistant Secretary Marvin McLain of the U.S. Department of Agriculture in which they made it clear they considered the lower support rate on NATO neither fair nor justified at this time.

ALEXANDRIA, LA., *March 5, 1957.*

DEAR CONGRESSMAN THOMPSON: I would like to express the appreciation of the Louisiana ASC State committee to you, Congressman WILLIS, and Senators LONG and ELLENDER for your continued and effective efforts in having Toro rice reclassified for price support purposes. This was a long and tedious task and we are convinced that it would never have been accomplished without your continued and effective efforts individually and collectively.

Mr. Chalkley, who was chairman of our committee during the time this subject was under discussion, has often expressed his appreciation of your efforts in this matter. If he has not previously made his sentiments known to you, I would like to take this means of transmitting them.

Sincerely yours,

CLIFFORD G. LEBLANC,
Chairman, Louisiana ASC
State Committee.

CROWLEY GRAIN DRIER, INC.,
Crowley, La., March 27, 1957.

DEAR MR. THOMPSON: It was indeed kind of you to keep me posted as to the progress being made with the Commodity Stabilization Service, relative to the establishment of Toro rice in its proper support price position.

Now that it has been officially announced that Toro has been placed in group III, I want to personally thank you, Representative WILLIS, and Senator ELLENDER for your generous efforts in helping to obtain Toro's correct position under the price support program. I feel sure that, without all of your help, this would not have been accomplished. I can speak for our farmer customers when I add that they, too, are most appreciative of your efforts in their behalf.

Yours very truly,

CLAUD BREWER, Jr.

CAMERON, LA., *April 17, 1958.*

DEAR T. A.: This is to say in behalf of myself, the Disaster Feed Committee and the cattlemen of Cameron Parish, thanks for your assistance in helping us get the surplus corn. It served a very good purpose in saving cattle as indicated by enclosed article. Incidentally it served also as a wonderful morale booster. Some of the people who had received no assistance from FCDA, Red Cross, or otherwise came in for this corn and were exceedingly well pleased.

Thanks again for your usual fine cooperation, I am,

Sincerely yours,

HADLEY A. FONTENOT,
County Agent.

PARKVIEW BAPTIST CHURCH,
Sulphur, La., July 23, 1957.

DEAR MR. THOMPSON: Greetings from lovely Louisiana, the land you love and serve. I do want to say I appreciate the fine job you are doing in representing our people in Washington.

Secondly, I want to tell you how I appreciate the assistance you have given our neighbors in Cameron Parish. I know that you will continue to give assistance.

Thank you so kindly for your untiring service to the people of our district.

Respectfully yours,

B. D. POWELL,
Pastor.

LAKE CHARLES, LA.,
August 14, 1958.

On behalf of all concerned with Cameron Parish Disaster Fund I want to express our thanks for your successful efforts in expediting a favorable and retroactive ruling on income tax deductibility of contributions.

JOHN N. CARTER.

LAKE CHARLES, LA.,
October 22, 1957.

DEAR MR. THOMPSON: I would like to take this opportunity to express to you, both my personal gratitude and appreciation and that of the Calcasieu police jury, for your assistance in expediting the approval of Federal funds to pay accounts incurred during Hurricane Audrey.

Without your help in this matter, it is very doubtful that the advancement of funds, which are now being processed, would have been received.

Thanking you again, in behalf of the Calcasieu Parish civil defense, I remain,

Yours very truly,

LARRY W. STEPHENSON,
Director, Calcasieu Parish Civil Defense, Coordinator, Target Area III.

THE AMERICAN NATIONAL
RED CROSS,
SOUTHEASTERN AREA,
Atlanta, Ga., December 27, 1957.

DEAR CONGRESSMAN THOMPSON: As 1957 is drawing to a close I want to thank you officially and personally for your many evidences of support of the American Red Cross during the past year. Your people were severely struck by Hurricane Audrey and you proved many, many times your interest and concern to do everything possible in assisting them to recover.

Sincerely,

DONALD W. STOUT,
Deputy Manager.

LAKE CHARLES, LA., *July 23, 1957.*

DEAR CONGRESSMAN THOMPSON: Please accept my thanks for your very kind letter of July 19th concerning Hurricane Audrey. I appreciate very much having this expression from you.

Let me at the same time express to you my personal appreciation for the great interest that you have demonstrated in the welfare of the people of southwest Louisiana.

Sincerely,

ADOLPH S. MARX.

ST. LANDRY PARISH FARM BUREAU,
Opelousas, La., July 16, 1957.

DEAR MR. THOMPSON: I wish to express the thanks and appreciation of the 950 farm bureau families of St. Landry Parish for the

promptness in which you attended to our appeal to you for help in the recent disaster as a result of Hurricane Audrey.

Yours very truly,

FRANCIS LE DOUX,
Secretary.

BATON ROUGE, LA., *July 21, 1958.*

DEAR REPRESENTATIVE THOMPSON: We were delighted to learn that funds for an additional tree nursery had been provided for Louisiana through the soil bank program. You can rest assured that thousands of Louisiana landowners highly approve this allocation of Federal funds.

Please accept my personal thanks for the real and genuine help you gave us on this matter. We hope that if you get back to Louisiana this time next year that we can take you over to this new nursery and let you see a wonderful crop of young pine seedlings.

Yours very truly,

JAMES E. MIXON,
State Forester, Louisiana Forestry Commission.

The Seventh District of Louisiana is fortunate in having unlimited resources of oil and natural gas. This, together with our navigable waterways and vast numbers of enlightened people available for work, is drawing more and more industries to southwest Louisiana. Our tidelands oil alone has meant more than $100 million to Louisiana already. I participated in the battle waged in regard to tidelands ownership and it is my hope that we may yet be successful in extending ownership of tidelands to the 10½-mile historic boundary. As you know, the U.S. Supreme Court recently ruled against Louisiana, Mississippi, and Alabama, but gave Texas and Florida possession to the 10½-mile boundary. It is ridiculous and discriminatory to give some States three times the seaward territory of others.

Many have found employment with the great oil companies which have established themselves in our areas and have developed our oil and gas resources. More and more we are to see new industries come into our areas. To get new industries for our areas requires teamwork, and I have taken advantage of every opportunity which has come my way.

I have assisted in the development of civilian airports throughout my district and State and helped to sponsor ever-improving air service for our people. I have helped communities to obtain low-rent housing, loans under the community facilities program for the construction of sewerage and water and fire-prevention systems, grants under the Water Pollution Control Act for construction of sewage-treatment plants to assure an adequate supply of clean, fresh water for future generations. I have endeavored to assist communities in their problems in every possible way.

It is gratifying that these efforts have been noted and as an indication to this body that our constituency is aware of what is going on in Washington, I should like to read to you a few of the communications I have received:

[From the Lake Charles American Press, Mar. 19, 1959]

SEVEN HUNDRED AND SIXTY-FOUR THOUSAND DOLLAR LOAN MADE FOR CAMERON UTILITIES

Hurricane-damaged public facilities in Cameron will be replaced through a $764,000 loan to the parish by the Federal Government's Community Facilities Administration. The loan was secured through Senators ALLEN J. ELLENDER and RUSSELL B. LONG, and Represenative T. A. THOMPSON. The money will go toward construction of a waterworks, fire-prevention facilities, and a sewerage system, all heavily damaged by Hurricane Audrey, June 27, 1957. The total cost of the project is estimated at $841,000 and a $77,000 grant has been made by the Public Health Service under the Water Pollution Control Act.

LAKE CHARLES ASSOCIATION OF COMMERCE,
December 23, 1957.

DEAR T. A.: On behalf of the Board of Directors of the Lake Charles Association of Commerce, it is a privilege to express our appreciation for your personal efforts and assistance to us in securing the new Lake Charles Municipal Airport which soon will become a reality.

We feel that without your personal support, this development could not have been accomplished.

Yours sincerely,

L. LEE WELCH,
President.

ALEXANDRIA, LA., *July 18, 1958.*

DEAR CONGRESSMAN THOMPSON: Thank you very much for your telegram of July 17, letting us know that the Civil Aeronautics Board approved additional air service for Alexandria and other points on July 17.

We are grateful for the support you have given in helping secure this much-needed service for Louisiana.

Sincerely,

L. L. WALTERS,
General Manager, Chamber of Commerce Alexandria-Pineville Area.

[From the Deridder Enterprise, Mar. 4, 1960]

Senators ELLENDER and LONG of Louisiana and Congressman THOMPSON advised the Enterprise Thursday by telegram, "Federal Aviation Agency advises allocation of Federal funds for fiscal 1961 program of that Agency in amount of $40,000 for Beauregard Parish Airport to acquire aviation easements for N/S runway."

[From the Morning Advocate, Apr. 16, 1959]

Representative T. A. THOMPSON said Wednesday his House Public Works Committee has approved an expanded water pollution bill while beating down an attempt to add bureaucrats to the program, a proposal to create a new Office of Water Pollution Control. He noted, "As long as this program is successfully doing the things that need to be done, I see no reason for creating another costly Federal bureau in an already much too large system of Federal Government."

THOMPSON said that in future years, the saving in hospitalization of the American people would more than pay the cost of pollution in controlling our fresh water supply.

ABBEVILLE, LA., *September 29, 1958.*

DEAR REPRESENTATIVE THOMPSON: I wish to take this opportunity to thank you on my behalf as well as on behalf of all of the other parties in Vermilion Parish interested in the above matter for your cooperation and attendance at the meeting with Mr. Hoffman of the Bureau of Land Management of Thursday of last week. It is indeed gratifying to see so many members of our Louisiana delegation coming to our aid in connection with this problem, which I feel is certainly a serious proposition which threatens the welfare of so many people in southwest Louisiana.

Very sincerely yours,

ROGER C. EDWARDS.

KINDER, LA., *November 21, 1958.*

DEAR SIR: I wish to take this opportunity to thank you for your part in helping the town of Kinder to secure the loan from the Housing and Home Finance Agency to be used to prepare plans for street paving.

Thank you again.

Very truly yours,

LEE ST. ROMAIN,
Mayor.

LAKE CHARLES, LA., *July 13, 1959.*

DEAR T. A.: I appreciate very much your wire advising that the urban renewal commission had approved a $15,000 grant for the Greater Lake Charles-Sulphur-Westlake Metropolitan Planning Commission.

It is difficult to enumerate the many wonderful things that you have done to assist in the growth of this area. We are all deeply appreciative of the fine work that you are doing as our Representative.

With kindest personal regards, I am,

Sincerely yours,

OLIVER P. STOCKWELL,
Attorney at Law.

[From the Times-Picayune, May 28, 1955]

Representative T. A. THOMPSON wants his congressional district to be prepared if it is ever hit by an H-bomb or a fallout area from one. Accordingly, he said Friday, he is mailing 10,000 copies of two civil defense administration publications to constituents.

JENNINGS, LA., *September 17, 1958.*

DEAR CONGRESSMAN THOMPSON: Words cannot express the appreciation which our community, and especially the Jennings American Legion Hospital Board, has for the fine work which you have done to assist us in getting the Hill-Burton funds.

Martin Arceneaux, president, and the entire hospital board has requested that I send these personal thanks.

We sincerely hope that it will be possible for you to visit with us during the construction of the hospital. If not before, then we certainly hope that you will be with us at the dedication.

With sincerest best wishes.

Cordially yours,

MINOS D. MILLER, Jr.

LAKE CHARLES, LA., *August 6, 1958.*

DEAR REPRESENTATIVE THOMPSON: Thank you and congratulations on your successful efforts at renaming Lake Charles Air Force Base for the late Gen. Claire Lee Chennault. You were indeed representing the feelings and wishes of the people locally and nationally by that action. I speak as commander of Louisiana District D, Air Force Association; president of Lake Charles Civitan club and as a private citizen.

Sincerely,

Dr. L. R. SAVOIE, O.D.

I have been alert to the problems of our veterans and boys in the military service and their families. My office is always open to anyone seeking what is due him from his Government. All such requests for assistance receive prompt attention by my office and I have been successful in seeing these requests receive careful consideration by the appropriate agency or department of the Government. The following give an indication of the response to my efforts in these cases:

CROWLEY, LA., *May 21, 1959.*

DEAR SIR: I am not going to make this long, I'll come to the point, I wish to take this opportunity to thank you, for the time and effort you have shown in my behalf.

Sincerely yours,

ALCEE MELANCON.

SUNSET, LA., *May 24, 1957.*

DEAR MR. THOMPSON: I would like to express my thanks for your most sincere effort in the case of * * *. Your prompt attention to this matter was greatly appreciated.

Thanking you again, I remain,

Very truly yours,

JOHN L. OLIVIER.

STARKS, LA., *June 29, 1959.*

DEAR CONGRESSMAN THOMPSON: I received your wire June 26, * * *. I want to take this opportunity to thank you for everything you have done for me.

Very truly yours,

PAUL J. EXNICIOUS.

VILLE PLATTE, LA., *September 10, 1959.*

DEAR T. A.: Many thanks for your excellent help to the veterans' posts of Ville Platte with regard to securing blank ammunition for military funerals. I am sure your help will be called to the attention of the members of the posts.

It is always a pleasure to hear from you, and we certainly appreciate your wonderful cooperation as always.

Yours most sincerely,

ALBERT TATE, Jr.,
First Circuit Court of Appeals.

DE RIDDER, LA., *March 6, 1958.*

MY DEAR CONGRESSMAN THOMPSON: Thank you, so much, for your kind letter dated February 10, 1958. I am enclosing a picture of myself in the motorized wheelchair which you so generously helped me to get from the VA. Without your help, I would not have had the chair, which helps me so much to get around my home and to go over my property. It is, indeed, a privilege to have a Congressman like you, who will take time to help each of us who has a worthy cause; as well as helping all of us collectively. We can always depend on you to defend the rights and promote the general welfare of all.

With all good wishes for your victory in the forthcoming elections, I remain,

Most sincerely yours,

JOHN H. NASH.

LAKE RICE MILL, INC.,
Lake Arthur, La., February 3, 1960.

DEAR CONGRESSMAN: Mr. John P. Abshire joins me in thanking you for having his National Guard situation adjusted to conform with the legal aspects of the case, and therefore, to our complete satisfaction.

Once again I am thankful we have you on the job in Washington. If we ever turn the usual around, and we be helpful to you—please let us know because we would appreciate the opportunity.

With best regards,

Yours very truly,

JACK R. SMITH, *President.*

SULPHUR, LA., *November 14, 1959.*

DEAR MR. THOMPSON: I have received your letter, dated November 10, 1959, stating that I have been transferred from the Active Reserve to the 4342 USAR Control Group. I also received verification from the U.S. Army Military District of Louisiana to this fact.

I wish to thank you for your interest and cooperation in my case.

Sincerely yours,

ERNEST BARKATE.

LAKE CHARLES, LA., *May 29, 1959.*

DEAR MR. THOMPSON: You've been so kind, so thoughtful, too. Many, many thanks to you.

MRS. ERNEST BROWN.

LAKE CHARLES, LA., *January 26, 1959.*

DEAR CONGRESSMAN THOMPSON: I want to express my sincere thanks to you for the prompt and efficient manner in which you handled the request of Sgt. Cecil O. Hayes for a transfer to Chennault Air Force Base. He and his family are aware of your efforts in his behalf and are deeply appreciative.

When you are in Louisiana, our doors are always open to you. It is gratifying to know that the people of Louisiana have in you a true Representative who never gets too busy to lend assistance of general benefit to your constituents.

With kindest personal regards, I am sincerely,

Your friend

HARLEY MCCALL.

MAMOU, LA., *May 15, 1959.*

DEAR CONGRESSMAN THOMPSON: We have this day received your telegram advising that Mr. Elvin Guillory's application for discharge has been approved and that he will be notified to report to New Orleans for discharge.

We sincerely thank you for your great assistance in this matter and we are sure that Mr. Guillory and his son will never forget the assistance you have rendered them in this matter.

With kindest personal regards and best wishes, I am,

Sincerely yours,

PAUL C. TATE.

OBERLIN, LA., *June 5,1959.*

DEAR MR. THOMPSON: This is to thank you for what you have done for me in regard of getting my son, Fred N. Guillory, back to the States for hospitalization and examination. He is in San Antonio, Tex., now.

If ever I can be of any help to you, let me know.

Mr. and Mrs. NAT GUILLORY.

VILLE PLATTE, LA., *June 18, 1959.*

DEAR MR. THOMPSON: I received your telegram advising me that my husband would be transferred to a base near home. I would like to thank you for all the trouble you have gone through for us and let you know that we never will forget this.

Yours truly,

MRS. CHARLES LOFTON.

UNIVERSITY OF OKLAHOMA,
Norman, Okla., February 2, 1959.

DEAR MR. THOMPSON: I would like to thank you for all you have done in my behalf. If I may help you in any manner I would be honored for you to call upon me.

Thanking you sincerely for everything you have done for me, I am,

Sincerely,

GLENN NOLAN JONES.

OPELOUSAS, LA., *July 6, 1959.*

DEAR SIR: The receipt of your letter of June 29, telling us of the approval of our son's hardship discharge and that he should arrive soon, was one of the happiest moments of our lives, and we want to thank you with all our hearts for what you have done to make it possible for his discharge. May God bless you and yours always.

Yours very truly,

Mr. and Mrs. J. ALTON JOUBERT.

FRANKFURT, GERMANY, *June 1, 1959.*

DEAR MR. THOMPSON: I am sorry that I haven't written you before, thanking you for the help you gave me in getting to Europe. I am enjoying it very much, and it has given me the opportunity to see places I would have never seen otherwise. Two weeks ago I took another week's leave and spent it in Paris which I enjoyed most of all. Being from Ville Platte and French speaking I was able to get around very well.

May I again thank you for what you have done for me.

Sincerely yours,

NORBERT VIDRINE.

LAKE CHARLES, LA.,
January 11, 1960.

DEAR SIR: This is to express the appreciation of my family and me for the courteous reception of our recent problem in re the request for hardship discharge for * * *.

On two occasions I telephoned your office, and each time the request was given immediate action by your secretaries.

Airman was discharged and arrived home for Christmas.

Thank you again for your able assistance.

Sincerely,

MRS. RICHARD A. ROBERTS.

OPELOUSAS, LA., *April 4, 1959.*

DEAR MR. THOMPSON: I am in receipt of your letter of March 15, 1960, concerning the action taken by you on the case of my son, Pvt. Larry Fontenot.

I wish to thank you from the bottom of my heart for the prompt and kind attention that you have given this personal matter. I have a letter from his commanding officer stating that he is to be transferred soon and will have easy work that he will be able to do while awaiting the outcome of his case.

Good luck to you on all of your undertakings.

Very truly yours,

GILBERT FONTENOT.

VINTON, LA., *August 27, 1959.*

Hon. THOMPSON: My sincere thanks goes to you for your time and effort in having * * *. Had it not been for your services this undertaking would never have been completed. It is a comfort to know that we have people such as you who are willing to lend a helping hand in time of need.

Once again may I say thanks.

Sincerely,

MRS. EDDIE ROY.

DE QUINCY, LA., *August 29, 1958.*

DEAR SIR: I take the pleasure and drop you a few lines to let you know I finally got the pension through and I do thank you very much.

Yours truly,

G. E. YAW.

MAMOU, LA., *March 15, 1958.*

DEAR MR. THOMPSON: I received the letters you sent me with the information I needed about * * *. I can find no words to express my thanks and appreciation.

* * * * *

Thanks again for everything and I will let you know if ever we settled this case as you were so kind and generous with your help.

Sincerely yours,

MRS. JAMES JORDAN.

FEBRUARY 24, 1959.

DEAR CONGRESSMAN THOMPSON: * * * have asked me to convey to you their sincere appreciation for the many kind services you have rendered for them. I refer especially to your latest endeavors in rectifying the situation involving the payment of nursing services. For your information the Department of Labor brought up to date the payments for nursing services within 48 hours after you had contacted them.

Yours very truly,

P. J. CHAPPUIS II.

HAYES, LA., *April 13, 1959.*

DEAR MR. THOMPSON: I want to write you to express my thanks and appreciation to you. * * * I have received the check, and I do want to thank you very sincerely because I know positively that, without your help, I would not have heard anything from them. Any time you feel that I can be of any help to you, just let me know. Thanks again.

Sincerely,

SIMON E. BREAUX.

I have given special attention during my 8 years in Congress to obtaining better postal service for the people of my district, and especially for families who live in the rural areas. The Post Office Department records will show that 193 extensions of rural service have been authorized in my district since June 30, 1957. These extensions increased the rural routes by 331 miles and provided improved service for 1,374 families. I have, also, saved many of our small post offices from closing by being able to convince the authorities in Washington that these offices serve a real purpose in that they are the center of activities of the community.

I gave every assistance I could in having consideration given to granting a salary increase to our postal and Federal workers, and we were successful in our efforts. There has been around 17 percent increase in mail volume in recent years, with improved service and efficiency. We all know this improved service and efficiency is attributable to the performance of more and more work by the 535,000 postal employees. It was through my efforts that the employees in the Agriculture Stabilization and Conservation Committee offices were included for the salary increase given other Department of Agriculture employees. Some of the expressions to me by these groups follow:

LAKE CHARLES, LA., *September 24, 1958.*

DEAR SIR: I wish to thank you for your interest and work on the civil service annuity bill, which was passed recently. I am one of the widows who will benefit, and it means a lot to me and to many others like me.

Again thanking you, and with best wishes.

Sincerely,

KATHLEEN F. NEWLAND.

The Postal Record, October 1958 (taken from a story about the National Association of Letter Carriers Convention in San Francisco): "The principal speakers of the session were Congressmen JAMES H. MORRISON and T. ASHTON THOMPSON, both of Louisiana and both leaders in Federal legislation for postal and other Government employees."

BISHOP'S HOUSE,
Lafayette, La., March 11, 1958.

MY DEAR MR. THOMPSON: Thank you for your letter of March 5, and for your continued interest in regard to the postage rates for religious publications.

With good wishes, I am

Sincerely yours in our Lord,

MAURICE SCHEXNAYDER,
Bishop of Lafayette.

NEW ORLEANS, LA., *May 11, 1958.*

DEAR CONGRESSMAN THOMPSON: Just a little note to let you know how much we appreciate your attending the Louisiana State Convention. It is always a pleasure to have with us our friends who work so hard for our men in grey—you and all our other guests were just wonderful. Thanks a million.

Sincerely,

Mrs. JOSEPH V. HOUSEY, Jr.

LAKE CHARLES, LA., *November 9, 1959.*

DEAR CONGRESSMAN: As I was unable to personally thank you at our recent statewide meeting in Opelousas, I would like to take this opportunity to express my appreciation for your strong support of beneficial postal employee legislation. I am sure this is the feeling of our entire membership in the Seventh District, though some of them may have failed to thank you, as it is all too often that we respond when we feel a need but fail to show the proper appreciation when the need is met.

Sincerely yours,

L. T. CARTER,
Louisiana State Federation,
Post Office Clerks.

DALLAS, TEX., *April 1, 1959.*

DEAR CONGRESSMAN THOMPSON: Reference is made to your letter of December 23, 1958, and our reply of January 5, 1959, in regard to an extension of Rural Route No. 4, Opelousas, La.

Our investigation regarding this has been completed, and it was found that an extension of rural service, as requested, was warranted. Orders have been issued accordingly, effective April 18, 1959.

Your interest in improvements to the postal service is appreciated.

Sincerely yours,

GEO. A. GRAY,
Regional Operations Director,
Post Office Department.

LAKE CHARLES, LA., *April 3, 1958.*

DEAR CONGRESSMAN THOMPSON: I would like at this time to thank you for giving of your time to meet with the Louisiana State Federation of Post Office Clerks in Ville Platte, La. We were indeed honored with your presence and very pleased with the inspiring message you brought.

* * * * *

I want you to know that I and the other postal workers of America sincerely appreciate the interest you have shown and work you have done for us. We do know that you are our friend and a sincere lawmaker by your efforts and achievements.

* * * * *

Again I say thanks.

Sincerely yours,

TRUMAN M. SELF.

OPELOUSAS, LA., *June 21, 1957.*

DEAR CONGRESSMAN THOMPSON: This is a means of thanking you for your fine efforts in securing my increase in compensation on my contract with the U.S. Post Office Department. This is really appreciated and will be remembered in the future.

Sincerely yours,

RALEIGH VIGE.

LAKE CHARLES, LA., *May 21, 1957.*

DEAR MR. THOMPSON: The members of Local No. 223, National Federation of Post Office Clerks, and I, as president, wish at this time to thank you for getting the discharge petition (H. Res. 249) as a means of getting our pay raise out of committee and on the floor for action. We need this pay raise very much.

I again would like to thank you for your support in the past and hope we will have your support in the future.

With best regards, we remain,

Sincerely yours,

LLOYD F. SCOTT,
President.

LAKE CHARLES, LA., *June 23, 1960.*

DEAR SIR: We wish to express our thanks to you for your help in passage of Federal Employees and ASC Employees pay raise bill, which also includes certain benefits for ASC Employees.

Please express our thanks and appreciation to other Members of Congress who helped in passage of this bill.

In the event the bill is vetoed by the President, please do your utmost to see that the bill becomes law.

Your friends,

HAROLD P. ISTRE,
EDNA M. BLACKWELL,
JOY S. BABINEAUX,
Members of Louisiana Association of ASC Parish Office Managers and Employees.

FRANKLINTON, LA., *June 27, 1960.*

Hon. T. A. THOMPSON,
House Office Building,
Washington, D.C.:

The first battle has been won. We and our families wish to express our deep appreciation to you for your efforts in our behalf.

W. P. GREER,
President, Louisiana Association ASC Employees.

[From the Daily World, Apr. 1, 1960]

The Melville-Krotz Springs star route will be extended to serve 14 additional patrons, Raoul Meche, Krotz Springs postmaster, announced today.

The extension will become effective April 16, according to notice received today from Congressman T. A. THOMPSON.

The route now serves 70 box holders.

[From the Opelousas Daily World, Apr. 3, 1959]

Rural mail delivery will be extended to 10 families on Route 4, Opelousas, effective April 18, according to Postmaster Nathan Haas. Haas has been advised by Congressman T. A. THOMPSON, Seventh District, that the Post Office Department has approved the extension.

CAMERON, LA., *June 15, 1960.*

DEAR CONGRESSMAN THOMPSON: This will acknowledge receipt of your recent letter and letters from Senators RUSSELL LONG and ALLEN ELLENDER advising us of the change made by the U.S. Post Office Department in the transporting of mail from Lake Charles to Cameron.

In behalf of the Lions Club, I wish to thank all of you for your attention to this matter. I would appreciate it very much if you would advise the Dallas Regional Office of the Post Office Department extending our thanks for their attention to the matter.

With kindest regards and best wishes, I am,

Yours very truly,

E. J. DRONET,
President, Cameron Lions Club.

[From the CONGRESSIONAL RECORD, June 15, 1960]

Mr. GEORGE P. MILLER: "While I am on my feet, I would like to pay my respects to your colleague, the gentleman from Louisiana, [Mr. THOMPSON], who placed this petition on the desk. Whenever the chips are down and the Federal workers need assistance, it seems they go to Louisiana, to you or to Mr. THOMPSON. I think it is a great compliment to the gentleman from Louisiana that he was able to get 219 Members of this House to sign that petition. It indicates the respect in which we hold him and the high position he has earned in the House. During the 8 years Mr. THOMPSON was able to work with people and coordinate efforts. I serve on the Merchant Marine and Fisheries Committee with him and I know the great things he has done for your State of Louisiana."

KINDER, LA., *June 27, 1960.*

Hon. T. A. THOMPSON,
Member of Congress, Washington, D.C.:

Appreciate your good work on H.R. 9883, postal pay raise and continued work for override in case of Presidential veto.

ELMER D. SMITH,
Secretary, Seventh District Louisiana, Rural Carriers Association.

I have given attention to development of rural electrification, rural telephone service, better highways, reforestation, assistance to our trapping and fishing industries, better weather reporting facilities in the gulf areas, and have assisted in development of better recreational areas.

My 18 years of experience in State government before coming to Congress has served me well and I feel it went a long way toward qualifying me to engage in all facets of governmental work required of a U.S. Representative. I receive many, many requests for various types of information and for assistance in many types of problems. My activities in Washington for my district have been many. I have been active in our Louisiana State Society, which each year sponsors a Mardi Gras ball, one purpose of which is to advertise Louisiana. The ball is dedicated to a different Louisiana industry each year and the queens of our Louisiana agriculture festivals are presented and are members of the queen of the Mardi Gras court.

My only purpose and ambition in Washington is to continue to serve the people of southwest Louisiana in a manner that will reflect credit upon them and gain for them those services which a deserving people should receive from their Federal Government. I submit the following to you as evidence of my efforts and accomplishments for my constituents:

LAKE CHARLES, LA., *June 6, 1957.*

DEAR MR. THOMPSON: We have received the letter to the Honorable Amory Houghton, our American Ambassador in Paris, and your letter to us. We appreciate very much your time and consideration in writing these letters for us.

Thanking you for your interest and help, we remain,

Sincerely yours,

IRIS MURPHY.
LUCILLE LEATON.

VILLE PLATTE, LA., *February 12, 1957.*

DEAR T. A.: I want you also to know that I personally appreciate what you have done for this boy. It shows you have feelings for the poor, as well as the influential. I have told many of my friends how helpful you have been, and how you go after things for your people, and I am not trying to throw bouquets at you, but T. A., you are doing a good job. You are young, energetic, and willing to work hard, and we are fortunate to have you in Congress to represent us.

May God bless you. I am your old friend,

ALBERT TATE, Sr.

JENNINGS, LA., *August 10, 1958.*

DEAR SIR: I wish to express my sincere gratitude for the prompt and courteous assistance you have given me in obtaining my passport recently when I was called upon to join my sister in France.

Thanking you again for your assistance, I am,

Sincerely yours,

J. B. HARGRODER, M.D.

[From the Daily World, May 17, 1960]

In a talk the other day in Congress on the occasion of the silver anniversary of the REA, Representative T. A. THOMPSON stated that in 1937 in Louisiana only 1.7 percent of rural homes and farms had electricity. Today, 23 years later, through 13 REA-financed cooperatives, 98 percent are electrified. Look again at the difference in Louisiana in less than 25 years; from 1.7 percent to 98 percent electrification of farms.

[From the Beaumont Enterprise, Apr. 9, 1960]

The Beauregard Electric Cooperative, Inc., has been notified that the REA has approved a loan for new telephone service to subscribers and for improved telephone service to lines already in use.

"The loan is in the amount of $605,000 to be spent in Allen, Beauregard, Evangeline, and Jefferson Davis Parishes. This loan was to Four State Telephone Co. of Brownwood, Tex., according to wires from Senators ALLEN J. ELLENDER and RUSSELL LONG, and Representative T. A. THOMPSON.

The sum will furnish first-time service to 734 subscribers and improved service to 526.

JEFFERSON DAVIS
ELECTRIC COOPERATIVE,
Jennings, La., January 22, 1957.

DEAR T. A.: Please accept not only my thanks but thanks from the entire Southwest Power Area for your interest and support in intervening with the Federal Power Commission relative to the new rate schedule filed by the Department of the Interior for a 27-percent rate increase. Your action and influence will have a tremendous effect and will result in a saving of thousands of dollars for the farm cooperatives to say nothing of the final results of fairness being obtained.

Sincerely yours,

J. S. ROBBINS.

RAYNE, LA., *April 22, 1957.*

DEAR CONGRESSMAN: Thank you very much for helping me and Mrs. Sonnier get our passports. We appreciate your cooperation very much.

Sincerely yours,

WILLIAM SONNIER.

VILLE PLATTE, LA., *March 21, 1958.*

DEAR MR. THOMPSON: This is to acknowledge receipt of your correspondence a few days ago, and also to advise you.

I want to thank you so much for the prompt, earnest, interest and action that you devoted to my case. I shall be ever so grateful to you for your help in this matter.

I hope I can see you in the not too distant future to personally extend my thanks.

With best wishes, I remain,

Sincerely,

CURLEY LAFLEUR.

ST. MARTINVILLE, LA., *September 18, 1958.*

DEAR SIR: I should like, belatedly but sincerely, to express my thanks and appreciation for the information you were able to secure for me concerning social security benefits. Your letter contained the most detailed information I have received concerning the reason for the refusal of those benefits. Please forgive my delay in writing to thank you for your help and information.

Very truly yours,

Mrs. JOYCE BOURGOGNE.

[From the Opelousas Daily World, Sept. 9, 1959]

HOPE IS HELD FOR BOAT REGISTRATION LAW

A bill, introduced in Congress by Representative T. A. THOMPSON, has passed the House of Representatives and gone to the Senate, which would extend the April 1, 1960, time limit by 9 months by which States could pass bills allowing them to collect the fees which will be brought in by the boat registration law slated to go into effect next April 1. Failure to pass the measure will result in the State losing between $400,000 and $600,000.

[From the Times-Picayune, Jan. 1960]

Louisiana T. A. THOMPSON said Friday in Washington that the Coast Guard will delay Federal registration of small boats in the State until the legislature can establish its own licensing system.

[From the Beaumont Enterprise, Mar. 22, 1960]

Congressman THOMPSON, Seventh District of Louisiana, stated Monday that a recent press release that the U.S. Coast Guard would begin plans for the numbering of small boats April 1, 1960, is erroneous. "The numbering of boats in Louisiana has been deferred until July 1 to allow time for the Louisiana Legislature to enact adequate legislation for the numbering to be done by the State of Louisiana," THOMPSON said.

[From the Ville Platte Gazette and Welsh Citizen, May 28, 1959]

THOMPSON PROTESTS DRAINING OF DUCK BREEDING GROUNDS

The protest was lodged with the Appropriations Subcommittee on Agriculture "The prairie 'pot holes' region of North and South Dakota and Minnesota is America's finest waterfowl habitat and breeding ground," THOMPSON said. THOMPSON said that he had been assured by the subcommittee chairman before the agriculture appropriations bill was passed Wednesday by the House that full cooperation is expected from the Fish and Wildlife Service at all levels in preserving these wetlands as a source of wildlife.

[From the Lake Charles American Press, Apr. 2, 1959]

SOUTHWEST OUTDOORS

Representative T. A. THOMPSON, replying to the Calcasieu Rod and Gun Club's letter regarding funds to repair Lacassine levees, said in a letter that the Interior Department has advised him that $31,000 has been included in the budget for fiscal 1960 for levee repair. Refuge Manager Jack Perkins said if that amount is approved by Congress, it would be sufficient to avert the danger of complete loss of the levees, at least for the present time.

[From the Lake Charles American Press, Apr. 29, 1960]

SOUTHWEST OUTDOORS

It seems that we have something in the mill to correct the parking problem at the new boat launching site near Sabine Refuge. A telegram this week from U.S. Representative T. A. THOMPSON said that the Fish and Wildlife Service is making arrangements with the Cameron or Calcasieu Parish police juries for the construction and maintenance of a parking area. According to THOMPSON, the parking area is to be located along the canal which runs between Louisiana State Highway 27 and Calcasieu Lake. The parking area will be about 600 feet long and some 80 feet wide. This will certainly be welcomed news for the sportsmen who fish in Sabine Refuge.

LAKE CHARLES, LA.,
June 8, 1960.

DEAR MR. THOMPSON: It will be of interest to you to know that at the meeting of the Calcasieu Rod and Gun Club a few evenings ago Mr. Jack Perkins, who is manager of the Lacassine Wildlife Refuge, reported that the Bureau had made available $25,000.00 for levee repair, that there are three draglines presently at work, and that with the anticipated $31,000.00 for the purpose which has already been budgeted by the Bureau an adequate completion of the repair is expected.

Allow me to take this means of thanking you for your interest and effective assistance in this connection, and for your kind letter of March 26.

With all good wishes.

Sincerely yours,

Dr. V. L. WHARTON.

TIDEWATER MARINE SERVICE, INC.,
New Orleans, La., August 18, 1958.

DEAR MR. THOMPSON: I have just received word that bill S. 349, amending the vessel admeasurement laws relating to water ballast spaces, has been signed into law by the President of the United States.

Those of us affected are well aware of the role which you played in its successful adoption, and this is an expression of our appreciation for same. Our entire organization has been advised of your help in this matter, and I would like to express my personal gratitude.

Yours very truly,

JOHN P. LABORDE,
President.

HEADQUARTERS, AIR RESEARCH AND DEVELOPMENT COMMAND, ANDREWS AIR FORCE BASE,
Washington, D.C., April 14, 1959.

DEAR CONGRESSMAN THOMPSON: I take this opportunity to thank you for your assistance in obtaining information relative to establishing a hunting preserve in Louisiana.

With best wishes, and thanks.

Sincerely,

NEWTON M. RICHARD, Jr.,
Colonel USAF.

[From the Lake Charles American Press, Mar. 29, 1960]

Bills have been introduced in the Senate by ALLEN J. ELLENDER and RUSSELL B. LONG, and in the House by T. A. THOMPSON, which would set up country-by-country quotas for the importation of shrimp, in a move aimed at preserving the domestic shrimp industry. Countries that know in advance what share of the U.S. market they are entitled to will be able to plan their operations accordingly. And it will prevent nations, which might have an abundance of shrimp at a particular time from flooding the U.S. market and ruining the price structure, not only for domestic producers, but for foreign producers as well.

LOUISIANA ANNUAL STATE FUR AND WILDLIFE FESTIVAL,
Cameron, La., January 2, 1957.

DEAR CONGRESSMAN THOMPSON: We appreciate the help you are giving us in putting over this second Annual Fur and Wildlife Festival.

We will be honored by your presence for the occasion.

Sincerely yours,

HADLEY A. FONTENOT,
President.

LOUISIANA COTTON FESTIVAL ASSOCIATION, INC.,
Ville Platte, La., July 23, 1957.

DEAR ASHTON: I am really ashamed not to have acknowledged sooner your terrific assistance to the Louisiana Cotton Festival in obtaining the Air Force cooperation in furnishing us the exhibits involved, as well as the Army assistance from Fort Polk, and the Coast Guard assistance, and the FBI assistance, etc. As usual, you did a more than excellent job.

Yours sincerely,

ALBERT TATE, Jr.

VILLE PLATTE, LA., *December 3, 1958.*

DEAR MR. THOMPSON: Thank you for the use of your sound truck for the 8th annual Harvest Ball. We deeply appreciate your help.

Sincerely yours,

JACKIE MILLER,
Secretary.

MAMOU, LA., *September 7, 1957.*

DEAR MR. THOMPSON: I received the letter Commissioner C. Schottland sent you concerning * * *. I feel sure if it had not been for your help she would never have received it. I am afraid we took advantage of your generosity. I know you have lots of charity and goodness in your heart and we'll never forget it.

Thanking you again for everything.

Sincerely yours,

MRS. JAMES JORDAN.
MRS. ALICE BENNETT.

VILLE PLATTE, LA., *September 27, 1957.*

DEAR ASHTON: I also wish to thank you for what you did for our friend, Mr. ———, and I have forwarded on to him your letter and the information involved. I know he will appreciate it very much.

Yours most sincerely,

ALBERT TATE, JR.

VILLE PLATTE, LA., *July 21, 1957.*

DEAR ASHTON: I received the patent in time and a well is now being drilled on the Delta P. Z. Fontenot tract just North of Villa Platte and trust it will be a good product.

Thanks a million for your assistance.

Sincerely,

E. HERMAN GUILLORY.

OPELOUSA, LA., *May 30, 1958.*

DEAR MR. THOMPSON: Since talking to you over the phone yesterday morning, I have received a wire from Mr. Pancho Scanlan at Washington, advising that they were issuing permit covering the car of lumber to Mexico.

We want to thank you most kindly for your assistance in this matter and with kindest personal regards, beg to remain

Sincerely yours,

M. R. PLONSKY,
Sales Manager.
GANTT NICHOLSON.

DE RIDDER, LA., *March 1958.*

MY DEAR CONGRESSMAN THOMPSON: Thank you, so much, for your kind message regarding my election to membership in Girls State of Louisiana, Inc. We are grateful and pleased with your commendation of the American Legion Auxiliary's Girls State organization. The approval of our Congressman lends prestige to our endeavor.

We wish to thank you, again, for your generous assistance to our civil and governmental projects in the Seventh District through the years.

With warmest best wishes, I remain,

Most sincerely yours,

LOUISE MCGEE-HANCHEY.

LAKE CHARLES, LA., *June 9, 1960.*

DEAR CONGRESSMAN THOMPSON: We are deeply appreciative of your efforts on our behalf in assisting us in the complicated procedure involved in negotiating the readjustment. Your office was most helpful and encouraging to us at a time when the need was critical. Your help was a fine example of public service by an elected official coming to the aid of his constituents.

For myself, for Mr. Book and our entire organization, I again express our sincere thanks to you for your invaluable assistance.

Very truly yours,

P. C. GRIFFIN, Jr.,
President, Book Construction Co.

DANEL-RYDER, INC.,
GENERAL CONTRACTORS,
Opelousas, La., April 17, 1957.

DEAR SIR: Thank you for your telegram received this date advising us our application for short wave radio has been approved.

We realize the effort and consideration you have given our problem and would like you to know it has been very much appreciated.

Very truly yours,

H. J. DANEL.

J. E. HIXSON & SONS,
Lake Charles, La., August 14, 1957.

DEAR CONGRESSMAN THOMPSON: I have your letter of August 9 together with the letter from the manager of the Veterans Hospital in Alexandria. I am grateful beyond words to you for your help in assisting us to secure the proper ambulance rate for our services between here and the Veterans Administration Hospital.

Thank you very, very much.

Yours very truly,

EDLEY HIXSON.

NEW ORLEANS, LA., *March 12, 1958.*

DEAR CONGRESSMAN THOMPSON: In my own name and on behalf of the Louisiana State Building & Construction Trades Council, I wish to thank you for taking the time from your busy schedule to meet with the Louisiana delegation at the recent legislative conference in Washington, D.C.

We sincerely appreciate your evidence of interest in our problems and we thank you for the favorable consideration given to our group.

Sincerely yours,

PHILIP PIRO,
President, Louisiana State Building & Construction Trades Council.

[From the Southwest Star, Aug. 18, 1959]

A sulfur businessman told the Star-Builder today that he was in receipt of a letter from Congressman T. A. THOMPSON in answer to a query relative to the solon's action concerning what Managan termed "improper activities and procedures of labor unions and officials of such unions." Via a telegram, THOMPSON's answer indicated that he intends "to vote adequate legislation to protect workers and industry alike." It is always my hope that legislation will be worked out that will help us to preserve American principles. My feelings are not antianybody. I will continue my efforts for honest and proper legislation.

[From the Lake Arthur Sun, May 31, 1960]

THOMPSON ASKS AID FOR SHRIMP INDUSTRY

Congressman T. A. THOMPSON, Seventh District, Louisiana, has appealed to the U.S. Tariff Commission for immediate action to protect the shrimp industry of Louisiana.

MAMOU, LA., *June 8, 1960.*

DEAR CONGRESSMAN THOMPSON: I want to take this opportunity to thank you on behalf of the Mamou Mardi Gras for your assistance in finding accommodations for us and in the many courtesies afforded our group on our recent visit to the Capitol. Needless to say, everyone was greatly and favorably impressed by your solicitous care for us and our welfare while in Washington.

Again thanking you and your very efficient office staff, and with kindest personal regards, I am,

Very truly yours,

PAUL C. TATE.

MAMOU, LA., *May 23, 1956.*

DEAR ASHTON: I want to take this opportunity to thank you for your participation in our Seventh District Young Democrats Convention in Jennings Sunday and also to acknowledge receipt of yours of May 15, 1956, announcing your candidacy.

I am sure that the people of the seventh district will reward your fine efforts in the past by reelecting you to your present office.

I hope that you will feel free to call upon me for any assistance which you feel I might render and I assure you that I will do everything within my power consistent with propriety and our respective positions.

With kindest personal regards and best wishes, I am,

Sincerely yours,

TATE & TATE.

I have constantly engaged in a battle for more economy in Government. I feel very strongly that the United States must live within its income and must liquidate its indebtedness if it is to survive. In these trying times, it is perhaps easy to revert to a practice of spending ourselves out of our world problems. My people, Mr. Speaker, are a wise people. In representing them and my own conscience and judgment, I must reiterate that we must not spend ourselves into bankruptcy in attempting to save other nations from the same fate. We must exercise certain economies, but let us effect these savings first in the direction of doles to foreign countries.

I believe that nations, like people, can best be helped in a manner that will not rob them of their self-respect and sense of responsibility. We must not continue to steal from other nations their ambitions and pride by the giving of ever-flowing grants to them as an incentive not to develop. We must one day help them to assume their responsibilities. We must, if we are to remain strong, look to the solving of the many problems of our own. Instead of building highways in countries which have no automobiles and flour mills in countries which raise no wheat, we should spend more money at home to develop our own natural resources.

We must be very careful to preserve the rights of the individual States in the development and operation of their own institutions. Local cost controls over schools, along with local decisions about educational requirements, will provide a better educational system at far less cost. Studies have shown that the chief result of a subsidy program in the matter of school construction would be to take tax dollars away from areas where they will certainly be needed and bestow them on areas with far less need. If we are to survive as a nation of freemen, we must not fail to observe the responsibilities and rights of the sovereign States. We must allow the National Government to be representative of the collective will of those States; and not reverse this original concept.

The future holds for our areas many great things. My 8 years of service give me much more experience and influence to accomplish more and more for my district. With my ever-mounting seniority in the Congress, it is my hope that I can play a part as their representative in the accomplishment that will be ours.

COMPARATIVE STATE AND LOCAL TAXES FOR A FAMILY WITH $5,000 ANNUAL INCOME

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and may include a table.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GOODELL. Mr. Speaker, on May 25, 1960, I placed in the RECORD a comparative tax chart to illustrate how differently a family of four with a $5,000 income would be treated in the various States. The chart was submitted in the course of the House debate on the school-construction bill. It was prepared by me and my staff in consultation with various experts in the Census Bureau and the Library of Congress.

I was happy to note in the CONGRESSIONAL RECORD for June 27, 1960, at page 14608, that the gentleman from Iowa [Mr. WOLF] had devoted some of his valuable time and energies to a refinement of my original table. I am also happy to note that the table prepared by the gentleman from Iowa confirms the conclusion reached in my studies that there is a wide divergency in the amount of taxes paid to the support of State and local governments and schools throughout this country. Since the gentleman from Iowa applies somewhat different assumptions in his table, the tax burden in some States has changed rather drastically from what was shown in my chart. But, interestingly enough, only Arkansas, South Carolina, and Washington, of the lowest 10 States in my chart, are moved out of the bottom 10. West Virginia, for instance, was 49th in my tax chart while it ranks 47th in the chart of the gentleman from Iowa. Delaware was 44th on my chart and is moved to 49th on the gentleman from Iowa's [Mr. WOLF] rating. Texas moves from 41st to 48th. The gentleman from Iowa's [Mr. WOLF] chart clearly underscribes a difference in family tax of $208.67 between Florida at the top of his chart and Delaware at the bottom.

Since considerable interest has been evidenced in the two revised charts which I have thus far presented to the Congress, I appreciate the contribution now being made by the gentleman from Iowa. Unfortunately, however, I cannot accept most of his revisions in my original chart, even though they confirm my conclusions. The major differences in the two charts arise from the treatment of State income tax and real property tax.

As to the real property taxes, as nearly as I can figure, the gentleman from Iowa has used a total property tax revenue figure which includes both real and personal property. Personal property tax rates are generally much lower than real property tax rates. Accordingly, when the combined personal and real property tax revenues are applied to compute the tax on a $10,000 house, the apparent tax comes out lower than it actually is. The gentleman appears to repeat this mistake in computing the total assessed value subject to tax. As a result, Mr. WOLF's real property tax rate is considerably lower than the true real property tax rate for a given State.

I might also point out that in computing the average sales based assessment ratio, the gentleman from Iowa [Mr. WOLF] apparently used a figure which covers all classes of non-farm residences, while my chart refined this figure to reflect the average assessment in the given State for homes selling on the market for $10,000.

The income tax figures present a different problem. The gentleman from Iowa apparently has itemized certain deductions in compiling State income tax returns. None of the States permit a taxpayer to take a standard deduction plus itemized deductions. I am informed that the vast majority of income tax returns take the standard deduction. In trying to obtain an average situation, it appeared that it would be most accurate and fair to take the standard deductions.

The gentleman from Iowa makes one other major criticism of my tax chart. This is my assumption that our family would purchase $800 worth of items per year subject to sales taxes. The gentleman from Iowa [Mr. WOLF] feels that $3,000 would be a more typical figure for a family making $5,000. I will not go into the details of our family budget at this stage, except to point out that the family with a $5,000 income spends $416 on Federal income tax, plus State and local taxes. We have assumed $1,200 per year for groceries, and only eight States have a sales tax on groceries. Some of the States which do tax groceries do so at a reduced rate. Life insurance for a family of four, when the husband is 30 years old and took the insurance out at the age of 21, would amount to $114.70 for $5,000. Payments on a 20-year mortgage for the $10,000 home, assuming a downpayment of $1,000 and a loan of $9,000, would be $912 per year. Socal security taxes would be $168 per year. In addition to all of the above items which are a part of my family budget, a number of other items must be included which are not subject to a sales tax. These are such items as haircuts, incidental school costs, auto repairs, home upkeep, newspapers and reading material, entertainment and savings. In brief, it is possible that the $800 for purchases subject to sales tax should be increased somewhat, but I doubt if any considerable increase would be justified in this family's budget. In any event, the increase in the sales tax is of minor importance in the tax chart.

The only significant changes made in amounts by the gentleman from Iowa are attributable to real property and income taxes. As indicated above, I be-

lieve the gentleman from Iowa has made some crucial errors in these two major items.

The newest refinement of my own tax chart, using 1959 rates for both real property and income taxes, is as follows:

Comparative State and local taxes for a family with $5,000 annual income

	Sales	Tobacco	Gas	Tangible property	State income	Real property	Total	Amount less than Minnesota
1. Minnesota	None	$20.07	$33.30	----------	$114.50	$312.31	$480.18	----------
2. Vermont	None	25.55	43.29	----------	100.00	288.30	457.14	$23.04
3. Maine	$24	18.25	46.62	----------	None	316.17	405.04	75.14
4. New Jersey	None	18.25	33.30	----------	None	353.55	405.00	75.18
5. New York	None	18.25	39.96	----------	28.00	318.66	404.87	75.31
6. Massachusetts	None	21.90	36.63	----------	Exempt	318.00	376.53	103.65
7. Oregon	None	None	39.96	----------	132.00	192.40	364.36	115.82
8. Wisconsin	None	18.25	39.96	----------	64.50	238.53	361.24	118.94
9. New Hampshire	None	10.95	46.62	----------	None	296.20	353.77	126.41
10. Montana	None	29.20	39.96	----------	48.00	232.00	329.16	151.02
11. Pennsylvania	32	21.90	33.30	----------	None	234.30	321.50	158.68
12. Maryland	24	10.95	39.96	$1.34	54.00	178.00	308.25	171.93
13. Idaho	None	18.25	39.96	----------	119.00	122.90	300.11	180.07
14. Iowa	16	18.25	39.96	----------	67.50	157.00	295.06	185.12
15. Indiana	None	10.95	39.96	----------	60.00	172.70	283.61	196.57
16. Rhode Island	24	18.25	39.96	----------	None	206.20	278.41	201.77
17. South Dakota	16	18.25	39.96	----------	None	201.70	275.91	204.27
18. Kansas	20	14.60	33.30	----------	45.00	152.40	265.30	214.88
19. Florida	24	18.25	46.62	----------	None	170.20	259.07	221.11
20. Georgia	24	18.25	43.29	2.50	8.00	160.10	256.14	224.04
21. Virginia	None	None	39.96	----------	52.00	162.80	254.76	225.42
22. Tennessee	16	18.25	46.62	----------	Exempt	171.00	251.87	228.31
23. North Dakota	16	21.90	39.96	----------	23.00	150.10	250.96	229.22
24. Michigan	24	18.25	39.96	----------	None	168.30	250.51	229.67
25. Colorado	16	None	39.96	----------	30.00	162.00	247.96	232.22
26. Connecticut	24	10.95	39.96	----------	None	172.00	246.41	233.77
27. Nebraska	None	14.60	46.62	----------	None	180.60	241.82	238.36
28. North Carolina	24	None	46.62	----------	76.00	92.10	238.72	241.46
29. Mississippi	24	21.90	46.62	----------	Exempt	138.60	232.12	248.06
30. Arizona	24	7.30	33.30	----------	22.00	143.20	229.80	250.38
31. Ohio	24	18.25	46.62	6.00	None	142.70	229.57	250.61
32. California	24	10.95	29.96	----------	8.00	153.20	226.06	254.12
33. Oklahoma	16	18.25	43.82	----------	25.00	110.60	223.67	256.51
34. District of Columbia	16	7.30	39.96	----------	40.00	118.72	221.98	258.20
35. Illinois	24	14.60	33.30	----------	None	146.50	218.40	261.78
36. Utah	16	14.60	39.96	----------	48.00	87.50	206.06	274.12
37. Louisiana	16	29.20	46.62	5.75	Exempt	106.00	203.57	276.61
38. Alabama	24	21.90	46.62	6.50	27.00	73.60	199.62	280.56
39. Washington	32	21.90	43.29	----------	None	100.20	197.39	282.79
40. Texas	None	29.20	33.30	----------	None	134.60	197.10	283.08
41. South Carolina	24	18.25	46.62	----------	46.00	60.10	194.97	285.21
42. Delaware	None	10.95	33.30	----------	53.00	87.80	185.05	295.13
43. Kentucky	None	10.95	46.62	----------	28.00	116.30	179.62	300.56
44. Missouri	16	7.30	19.98	----------	17.00	126.00	176.28	303.90
45. New Mexico	16	21.90	39.96	----------	21.00	74.80	173.66	306.52
46. Arkansas	24	21.90	43.29	----------	17.00	63.70	169.87	310.31
47. Nevada	16	10.95	39.96	----------	None	92.70	159.61	320.57
48. Wyoming	16	14.60	33.30	----------	None	95.60	159.50	320.68
49. West Virginia	16	18.35	46.62	----------	None	61.16	142.03	338.15

Mr. Speaker, this table assumes a family income of $5,000 to support a man, his wife, and two children. The family automobile is driven 10,000 miles a year and gets 15 miles to a gallon. The family smokes a pack of cigarettes a day, purchases $800 worth of items subject to sales tax each year, owns $1,000 worth of tangible personal property, owns a house which has a market value of $10,000. The family would pay $416 in Federal income tax wherever it lived in the United States. As the family moved from State to State, however, it would pay the tax indicated above for the support of public schools and local and State governments. It is the same family with all the same economic activities, but it would pay an entirely different tax in each State.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SMITH of Iowa, for Friday, July 1, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. THOMPSON of Louisiana (at the request of Mr. MCCORMACK), for 30 minutes, today.

Mrs. ROGERS of Massachusetts, for 10 minutes, tomorrow.

Mr. JOHNSON of Maryland (at the request of Mr. STRATTON), for 10 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FARBSTEIN.

Mr. GUBSER and to include extraneous matter, the remarks he made in the Committee of the Whole today regarding H.R. 12759.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2584. An act for the relief of Gourgen H. Assaturian;

H.R. 2665. An act for the relief of Briccio Garces de Castro;

H.R. 2671. An act for the relief of Antonia Martinez;

H.R. 2823. An act for the relief of Fumie Yoshioka;

H.R. 3122. An act directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm;

H.R. 3291. An act to amend title 10, United States Code, with respect to certain medals;

H.R. 3534. An act for the relief of Epifanio Trupiano;

H.R. 3789. An act for the relief of Preciolita V. Corliss (nee Preciolita Valera);

H.R. 3805. An act for the relief of Religiosa Liugia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone;

H.R. 3923. An act to provide for the presentation of medal to persons who have served as members of the U.S. expedition to Antarctica;

H.R. 4346. An act to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge;

H.R. 4670. An act for the relief of Karnail Singh Mahal;

H.R. 5569. An act to amend title 10, United States Code, to authorize the award of certain medals within two years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed;

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial, in the State of Arkansas;

H.R. 7726. An act to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings;

H.R. 7932. An act for the relief of William E. Dulin;

H.R. 7965. An act to amend sections 612 of title 38, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans;

H.R. 8212. An act to amend title 10, United States Code, with respect to the procedure for ordering certain members of the reserve components to active duty and the requirements for physical examination of members of the reserve components, and for other purposes;

H.R. 8253. An act for the relief of Pierre R. DeBroux;

H.R. 8740. An act to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas;

H.R. 9142. An act to provide for payment for lands heretofore conveyed to the United States as a basis for lieu selections from the public domain, and for other purposes;

H.R. 9201. An act to validate certain mining claims in California;

H.R. 9541. An act to amend section 109 (g) of the Federal Property and Administrative Services Act of 1949;

H.R. 9711. An act for the relief of Robert L. Stoermer;

H.R. 9751. An act for the relief of Mrs. Icile Helen Hinman;

H.R. 10021. An act providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia;

H.R. 10068. An act to amend section 303 of the Career Compensation Act of 1949, to authorized travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H.R. 11522. An act to amend the act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes;

H.R. 11787. An act to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964;

H.R. 12052. An act to extend the Defense Production Act of 1950, as amended, for an additional 2 years;

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects; and

H.J. Res. 627. Joint resolution to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property.

SENATE BILLS, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTION REFERRED

Bills, joint resolutions, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1578. An act for the relief of Ralph E. Swift and his wife, Sally Swift; to the Committee on the Judiciary.

S. 1701. An act for the relief of Hajime Asato; to the Committee on the Judiciary.

S. 2201. An act to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities"; to the Committee on Veterans' Affairs.

S. 2363. An act to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons and for other purposes; to the Committee on the District of Columbia.

S. 2429. An act to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended; to the Committee on the Judiciary.

S. 2626. An act for the relief of Zlata Dumlijan and Djuro (George) Kasner; to the Committee on the Judiciary.

S. 2757. An act to supplement the Act of June 14, 1926, as amended, to permit any State to acquire certain public lands for recreational use; to the Committee on Interior and Insular Affairs.

S. 2872. An act for the relief of Ennis Craft McLaren; to the Committee on the Judiciary.

S. 2914. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways; to the Committee on Interior and Insular Affairs.

S. 2932. An act to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody; to the Committee on the Judiciary.

S. 2959. An act to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit; to the Committee on Interior and Insular Affairs.

S. 3030. An act for the relief of Michiko (Hirai) Christopher; to the Committee on the Judiciary.

S. 3076. An act for the relief of Daisy Pong Hi Tong Li; to the Committee on the Judiciary.

S. 3108. An act to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 3118. An act for the relief of Hadji Benlevi; to the Committee on the Judiciary.

S. 3169. An act for the relief of Edward C. Tonsmeire, Junior; to the Committee on the Judiciary.

S. 3195. An act to exempt from taxation certain property of the Army Distaff Foundation; to the Committee on the District of Columbia.

S. 3212. An act to direct the Secretary of the Interior and the Administrator of General Services to convey certain public and acquired lands in the State of Nevada to the County of Mineral, Nevada; to the Committee on Interior and Insular Affairs.

S. 3260. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas; to the Committee on Public Works.

S. 3267. An act to amend the act of October 17, 1940, relating to the disposition of certain public lands in Alaska; to the Committee on Interior and Insular Affairs.

S. 3357. An act for the relief of Renato Granduc and Grazia Granduc; to the Committee on the Judiciary.

S. 3399. An act to authorize the exchange of certain property within Shenandoah National Park, in the State of Virginia, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3406. An act for the relief of Edward W. Scott III; to the Committee on the Judiciary.

S. 3408. An act for the relief of Mrs. Maria Giovanna Hopkins; to the Committee on the Judiciary.

S. 3416. An act to provide for the restoration to the United States of amounts expended in the District of Columbia in carrying out the Temporary Unemployment Compensation Act of 1958; to the Committee on the District of Columbia.

S. 3506. An act for the relief of Athanisia G. Koumoutsos; to the Committee on the Judiciary.

S. 3558. An act to authorize and direct the transfer of certain Federal property to the Government of American Samoa; to the Committee on Armed Services.

S. 3623. An act to designate and establish that portion of the Hawaii National Park on the island of Maui, in the State of Hawaii, as the Haleakala National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3648. An act to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency, title to certain real property in said District; to the Committee on the District of Columbia.

S. 3650. An act to supplement and amend the act of June 30, 1948, relative to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936; to the Committee on Interior and Insular Affairs.

S. 3733. An act to place the Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with United States Naval Academy graduates; to the Committee on Armed Services.

S.J. Res. 68. Joint resolution providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the three hundredth anniversary of the State of New Jersey, and for other purposes; to the Committee on the Judiciary.

S.J. Res. 152. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson; to the Committee on House Administration.

S.J. Res. 176. Joint resolution authorizing the preparation and printing of a revised edition of the Constitution of the United States of America—Analysis and Interpretation, published in 1953 as Senate Document No. 170 of the 82d Congress; to the Committee on House Administration.

S.J. Res. 186. Joint resolution to provide for the designation of the first Tuesday after the first Monday in November of each year as "National Voters' Day"; to the Committee on the Judiciary.

S.J. Res. 202. Joint resolution providing for the designation of the week commencing October 2, 1960, as "National Public Works Week"; to the Committee on the Judiciary.

S.J. Res. 203. Joint resolution to designate the first day of May each year as Law Day in the United States of America; to the Committee on the Judiciary.

S.J. Res. 209. Joint resolution providing for the establishment of an annual National Forest Products Week; to the Committee on the Judiciary.

S. Con. Res. 107. Concurrent resolution providing for printing for the use of the Senate Committee on the Judiciary additional copies of certain publications of its Internal Security Subcommittee; to the Committee on House Administration.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1844. An act to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended by the Acts of July 2, 1940, and July 12, 1950;

H.R. 4786. An act declaring certain lands to be held in trust for the Cheyenne River Sioux Tribe of Indians of South Dakota;

H.R. 5888. An act to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands;

H.R. 7966. An act to amend section 601 of title 38, United States Code, to provide for the furnishing of needed services of optometrists to veterans having service-connected eye conditions;

H.R. 8315. An act to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R–1, Missouri;

H.R. 10108. An act to authorize reimbursement of certain Veterans' Administration beneficiaries and their attendants for ferry fares, and bridges, road, and tunnel tolls;

H.R. 10644. An act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title, and for other purposes;

H.R. 10695. An act to provide for rotation in overseas assignments of civilian employees under the Defense Establishment having career-conditional and career appointments in the competitive civil service, and for other purposes;

H.R. 11646. An act to amend the act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton, as amended, by

defining certain offenses in connection with the sampling of cotton for classification and providing a penalty provision, and for other purposes;

H.R. 12263. An act to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes;

H.R. 12381. To increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, and for other purposes; and

H.R. 12415. An act to amend section 6387 (b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service.

ADJOURNMENT

Mr. STRATTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, June 30, at 10:30 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2306. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, relative to plans for works of improvement relating to the following watersheds: Franktown-Parker tributaries of Cherry Creek, Colo.; Upper Josephine-Jackson Creek, Fla.; Sandy Creek, Ga.; Waianae Iki Waianae Nui, Hawaii; French Lick Creek, Ind.; Bentonia, Miss.; Upper Gila Valley Arroyos No. 1, N. Mex.; East Keechi Creek, Tex.; and Beaver Creek, Va., pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

2307. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, relative to a plan for works of improvement relating to the following watershed: Town Fork Creek, N.C., pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

2308. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 1, 1960, submitting a report, together with accompanying papers and an illustration, on a review of reports on Rye Harbor, N.H., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on July 19, 1956 (H. Doc. No. 439); to the Committee on Public Works and ordered to be printed with one illustration.

2309. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 13, 1960, submitting a report, together with accompanying papers and illustrations, on a review of reports on Little Sandy River and Tygarts Creek, Ky., requested by resolutions of the Committee on Public Works, U.S. Senate and House of Representatives, adopted July 22, 1950 and June 27, 1950 (H. Doc. No. 440); to the Committee on Public Works and ordered to be printed with illustrations.

2310. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 21, 1960, submitting a report, together with accompanying papers and illustrations, on a survey of Pearl River and tributaries, Mississippi, authorized by the River and Harbor Act approved March 2, 1945, and the Flood Control Act approved July 24, 1946 (H. Doc. No. 441); to the Committee on Public Works and ordered to be printed with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 12566. A bill to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals; without amendment (Rept. No. 2030). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 12653. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions; without amendment (Rept. No. 2031). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. H.R. 1319. A bill to amend section 13(h)(2) of the Surplus Property Act of 1944 so as to eliminate the requirement that property conveyed for historic-monument purposes under such section must have been acquired by the United States on or before January 1, 1900; without amendment (Rept. No. 2032). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 12659. A bill to suspend for a temporary period the import duty on heptanoic acid; without amendment (Rept. No. 2033). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 9732. A bill to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity; with amendment (Rept. No. 2035). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL: Committee on Rules. House Resolution 586. Resolution providing for the consideration of H.R. 10876. A bill to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land grant institutions; without amendment (Rept. No. 2036). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 587. Resolution for consideration of Senate Joint Resolution 170. Joint resolution to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of U.S. delegates to such convention, and for other purposes; without amendment (Rept. No. 2037). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 588. Resolution for consideration of H.R. 12311, a bill to extend for 1 year the Sugar Act of 1948, as amended; without amendment (Rept. No. 2038). Referred to the House Calendar.

Mr. ANDREWS: Committee of conference. H.R. 11389. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 2039). Ordered to be printed.

Mr. MAHON: Committee of conference. H.R. 11998. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 2040). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SAUND: Committee on Interior and Insular Affairs. H.R. 10154. A bill to validate a certain conveyance of land in Riverside County, Calif., made on September 28, 1885, by the Southern Pacific Railroad Co. and others; with amendment (Rept. No. 2034). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H.R. 12870. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market-adjustment and price-support programs for wheat; to the Committee on Agriculture.

By Mr. BROYHILL:

H.R. 12871. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

By Mr. DONOHUE:

H.R. 12872. A bill to create and prescribe the functions of a National Peace Agency; to the Committee on Foreign Affairs.

By Mr. INOUYE:

H.R. 12873. A bill to designate and establish that portion of the Hawaii National Park on the island of Maui, in the State of Hawaii, as the Haleakala National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KASEM:

H.R. 12874. A bill to provide that camper coaches, slide-in cabins, and other articles similar or related in use to house trailers shall not be subject to the manufacturers excise tax on motor vehicles; to the Committee on Ways and Means.

By Mr. MASON:

H.R. 12875. A bill relating to the credit against the estate tax for the amount of gift tax paid on a gift of property which is included in the gross estate of a decedent; to the Committee on Ways and Means.

By Mr. MICHEL:

H.R. 12876. A bill to amend section 110 of the River and Harbor Act of 1958 with respect to the Illinois and Mississippi Canal; to the Committee on Public Works.

By Mr. PORTER:

H.R. 12877. A bill to provide that the Legislative Reference Service of the Library of Congress shall conduct additional studies of foreign trade interests within the United States; to the Committee on House Administration.

By Mr. THOMSON of Wyoming:

H.R. 12878. A bill to amend section 7 of the Trade Agreements Extension Act of 1951, as amended; to the Committee on Ways and means.

By Mr. FLYNN:

H.R. 12879. A bill to provide that the income tax on individuals shall not exceed 52 percent of the taxable income for the taxable year; to the Committee on Ways and Means.

By Mr. PUCINSKI:

H.R. 12880. A bill to amend the National Labor Relations Act to make it an unfair labor practice for an employer or a labor organization to discriminate unjustifiably on account of age; to the Committee on Education and Labor.

By Mr. FULTON:

H. Con. Res. 705. Concurrent resolution extending the felicitations and best wishes of the American people to the Royal Society of London on the occasion of its Tercentenary Celebration; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DIXON:

H.R. 12881. A bill conferring jurisdiction on the Court of Claims to make findings with respect to the amount of compensation to which certain individuals are entitled as reimbursement for damages sustained by them as a result of the cancellation of their grazing permits by the U.S. Air Force, and to provide for payments of amounts so determined to such individuals; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 12882. A bill for the relief of Cornelis Jacobus Overbeeke; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 12883. A bill for the relief of Michael A. Zuppas; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 12884. A bill for the relief of Lamberto Lencioni; to the Committee on the Judiciary.

By Mr. HULL:

H.R. 12885. A bill for the relief of Anna Stanislawa Ziolo; to the Committee on the Judiciary.

H.R. 12886. A bill for the relief of Min Ja Lee; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 12887. A bill for the relief of Giuseppa Siragusa; to the Committee on the Judiciary.

By Mr. KASEM:

H.R. 12888. A bill for the relief of David G. Trueman; to the Committee on the Judiciary.

By Mr. KILDAY:

H.R. 12889. A bill for the relief of Richard O. Wolff; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 12890. A bill for the relief of Fausto Baleares Nonisa, Jr.; to the Committee on the Judiciary.

By Mrs. MAY:

H.R. 12891. A bill to exempt from taxation certain property of the American Association of University Women, Educational Foundation, Inc., in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MOORE:

H.R. 12892. A bill for the relief of Mrs. Kwong Shui Yiu; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 12893. A bill for the relief of Maria Gronek; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

514. By Mr. CANFIELD: Resolution of the New Jersey Rehabilitation Commission supporting the principle of H.R. 4700 and S. 3503 providing for medical and surgical care for the disabled and aged within the framework of an "insurance within insurance" concept; to the Committee on Ways and Means.

515. By Mr. CUNNINGHAM: Petition of the Nebraska Water Pollution Control Council concerning nonreimbursable public values and multiple use of Federal water impoundment works; to the Committee on Public Works.

516. By Mr. DOOLEY: Resolution of the Civic and Business Federation White Plains (N.Y.) Chamber of Commerce, that Federal school construction financial assistance is unneeded, unnecessary, and undesirable, and in that wise it wholly and fully concurs with the U.S. Chamber of Commerce in its organized effort to defeat H.R. 10128 and any other proposed legislation of like nature and purport; to the Committee on Education and Labor.

517. By the SPEAKER: Petition of Arthur D. Woolaway, State chairman, Republican Party of Hawaii, Central Committee, Honolulu, Hawaii, relative to extending thanks for the establishment of an East-West Cultural Center in Hawaii, and requesting adequate appropriations to carry out the operations thereof; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Senator McGee's "Senate Summary"

EXTENSION OF REMARKS

OF

HON. PAT McNAMARA

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29, 1960

Mr. McNAMARA. Mr. President I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a news release entitled "Senate Summary," issued by the office of the junior Senator from Wyoming [Mr. McGEE]. This particular release is dated June 15, 1960, and discusses, among other things, many phases of our foreign relations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR GALE McGEE'S SENATE SUMMARY

Fellow Wyomingites, during the Memorial Day recess of the Senate, I was privileged to attend the Bilderberg Conference in Burgenstock, Switzerland. A colleague, Senator HUGH SCOTT, Republican of Pennsylvania, and I were the Members of the Senate attending. Members from the parliaments of the other NATO countries of Western Europe, diplomats, and leaders of business and industry were also present. Presiding over the series of meetings was H.R.H. Prince Bernhard of the Netherlands. To assure frank and uninhibited discussion, the meetings were closed to the press, all comments were off the record, and no conclusions were formalized. The transportation costs, moreover, were paid by a private foundation rather than by the taxpayer. It was felt that only in these ways could men high in the governments of the world be encouraged to speak bluntly on the issues of the day.

Coming as it did in the wake of the collapse of the Paris summit meeting, our deliberations in Switzerland became, in fact, a sort of "pick-up-the-pieces" conference. While there were no group conclusions, it is permissible to share with you some of the individual and personal observations picked up in private conversations with persons from 10 or a dozen governments of the world.

Almost without exception there was agreement that the United States had stumbled badly in the early phases of the U–2 incident. Criticism of our handling of the U–2 seemed to center around three aspects: (1) the timing of the U–2 flight itself, (2) the President's decision to take full, personal responsibility, and (3) the handling of the news releases of the incident by Washington.

Mindful of the fact that there may have been deeply rooted intelligence reasons for a special U–2 flight as near the summit conference as the fateful flight of pilot Powers was, the thought prevailed, nonetheless, that the time was unfortunate and may even have been an unnecessary risk to have taken.

In regard to the second criticism, it was pointed out that the President's personal assumption of responsibility more than any other single development provoked the inexcusable and unfortunate tirade of Mr. Khrushchev against President Eisenhower. The consensus was that espionage is dirty business at best and necessary, but that the head of state can never afford to be personally identified with it. To do so calls into question the legal and ethical position of his government at the same time that it places in jeopardy the treaty relationship of his friends and allies. For example, it will now be increasingly difficult for Turkey, Pakistan, and Norway to permit our continued use of bases on their territory for our own purposes.

And criticism regarding the handling of the news releases on the incident in Washington centered on the obvious ineptness of the bureaucrats in the Capitol. It was clearly a case of the left hand not knowing what the right hand was doing. Quite obviously there was no one minding the store at this critical moment. The Secretary of State, Mr. Herter, was in Turkey; the President was in Gettysburg; and in Washington there was a merry-go-round of conflicting statements coming out of the NASA (National Aeronautics and Space Administration), the CIA (Central Intelligence Agency), the Department of State, and the White House.

What disturbed many of our friends was the thought that we in the United States were attempting to hide a clearcut mistake behind a facade of unity. The fear was expressed also that we were dangerously exploiting the loyalty of our allies.

It is only fair to say, however, that while our friends and allies were all shook up over our fumbling, the incident did not destroy their basic confidence in our leadership. Their one desperate hope seemed to be, however, that somehow we in the United States might learn from this experience. As I urged upon several of our critics, in the American system of government we are entitled to make mistakes; to do so is not fatal as it is in a dictatorship. But there is a corollary to that. We are also entitled to learn from those same mistakes.

The events preceding and following the Paris debacle have brought into focus two serious consequences.

One is the freezing of the public mind in America. Because of the unfortunate turn of events, the candidates for President in both parties face the danger of being straitjacketed by public opinion on matters affecting not only the Russians but great questions of peace all around the world. Some of them have already yielded to the temptation to run against Mr. Khrushchev instead of for a positive and constructive program for peace.

A second is the inclination to vote more and more military funds in the expectation that we will thus be correcting what went wrong. The harsh truth is that this may only aggravate the present worldwide condition of unrest and anti-Americanism. Nowhere around the globe can it be said that the United States has failed to project its military image. But there is real reason to believe that we have failed to project a more positive national profile. Recent riots in our own hemisphere, in Africa, and in Asia offer dramatic testimony. What we are against has been made abundantly clear; but what we are for has not gotten through.

Time presses America for a larger effort in nonmilitary fields overseas. Yet, the net effect of the impulse to increase military appropriations is to take funds away from the nonmilitary. While we cannot afford to slip back militarily, neither can we afford to neglect the other, more constructive side of the American image.

By way of a postscript to the discussions at the Bilderberg Conference, let it be noted that the international position of the United States has further deteriorated—dangerously so. In a matter of weeks American prestige has suffered a succession of body blows.

To the bungling of U–2; the Paris fiasco, and the withdrawal by the Kremlin of the invitation to President Eisenhower to visit the Soviet Union, has now been added the humiliating withdrawal of a similar Japanese invitation; hostile mobs confronting the President in Okinawa; and a renewal by Communist China of bombardments of Quemoy and Matsu, deliberately timed to further embarrass our President.

That there will be still more incidents is a realistic prospect. Nor is there any reason to believe that the approaching Democratic and Republican Conventions may cause the Communists to suspend similar psychological attacks just for the month of July. This fact thrusts to the fore the question of whether the Congress dare be away from Washington even long enough to nominate Presidential favorities in July. If the world situation has slipped as badly as recent crises suggest, it is doubtful wisdom for the U.S. Senate at least to subordinate the Nation's foreign policy crisis to previous calendar commitments in Los Angeles and Chicago.

Without any question, greater unity—at home and abroad—has resulted from the incidents. But the harsh fact remains that we now stand united on a far lower level than we had a right to expect or to hope for had the U–2 affair not triggered the succession of incidents we have just experienced.

This brings us then back home where we in America have to decide for ourselves how important it is in a democracy to encourage constructive criticism rather than to excuse mistakes behind a facade of unity.

It is unfortunate that the U–2 incident and the others occurred in a Presidential election year. Criticism is now too often dismissed as being political when in all truth something basically went wrong in a most vital segment of our national security setup. For this reason, it is imperative that Republicans and Democrats alike unite as Americans in support of a sober, intelligent, objective assessment of this whole episode in the expectation that the next President, whomever he may be and from whichever party, may learn the lessons that desperately must be learned if we are to meet the risks of work leadership successfully.

To err is human, but to err repeatedly may no longer be one of our permissible luxuries. As one of the great statesmen of Europe put it, "You in America are on the spot. We all make mistakes," he said, "but your mistakes carry a special weight because of the gigantic role you play in the world. If my country makes a mistake, it matters very little to the rest of mankind. But you in America are like Atlas with the world on your shoulders. When you stumble, the whole world falls with you."

Berlin Must Always Be Free

EXTENSION OF REMARKS

OF

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29, 1960

Mr. HARTKE. Mr. President, the Indianapolis Times of Sunday, June 26, 1960, had a very excellent editorial on Berlin. This editorial stressed the necessity for the United States to be as firm as we were 11 years ago during the Russian blockade of Berlin which we defeated through the now famous Berlin airlift.

I ask unanimous consent that this editorial be printed in the RECORD.

I had the opportunity of visiting West Berlin last year. My definite impression from conversations I had then with officials of the West German and West Berlin governments is that they want the United States not to back down in the face of Soviet threats.

Upon my return to the United States I made some comments on this matter which I now ask unanimous consent to have printed in the RECORD.

There being no objection, the article and statement were ordered to be printed in the RECORD, as follows:

[From the Indianapolis Times, June 26, 1960]

BERLIN MUST ALWAYS BE FREE

U.S. planes sped to Berlin with milk and medicine 12 years ago today.

The shipments were unplanned. It was a stopgap measure.

The Russian blockade of the western city threatened 2½ million Berliners with starvation—just 3 years after World War II had ended.

This was the start of the massive Berlin airlift, in which Allied pilots, mostly American and many Hoosiers, ferried the essentials of life to a courageous city.

Communist rulers still hunger for Berlin.

The city's magnet, drawing the lifeblood from the Russians' East German satellite surrounding it, is more powerful than ever.

Swarms of refugees still reach the free city, despite tightening travel restrictions within East Germany.

West Berlin by no means enjoys all the prosperity of West Germany, but it keeps getting healthier.

Unemployment has been whittled down from 300,000 10 years ago to about 30,000 today.

Buildings keep going up. Investments are increasing.

The city has heart, guts, and brains.

The people are closer to communism than perhaps any others in the West. They understand it better, respect its force, and live next door to it without panic.

Whenever a new crisis is threatened by the Kremlin, Berlin is calmer than Washington.

The airlift of 1948 was so effective that 11 months later the Russian blockade was given up as a failure. It was one of the West's greatest victories.

Some experts today believe it could not happen again. They believe the Eisenhower administration would cave in at a showdown. They believe the Berliners would not be as tough as before, after 11 years of material comfort.

This defeatism must not be accepted.

Military and diplomatic planners, somehow, can always face the past and plan for yesterday's crises.

Today there is a fleet of trucks in a U.S. military compound in Berlin. They are never used, but are ready for airlift duty.

Today the city officials of Berlin have enough coal, food, and medicine in dumps and warehouses to maintain life for a year.

Today the Russians have radar jamming stations surrounding the city, so the planes couldn't fly in every minute.

But if there is another Berlin crisis, it will not be the same. New planning, new moves will be needed, and the West will have to be just as tough, resourceful, flexible, and united as it was 10 years ago.

BERLIN AS I SEE IT—THE CHOICE IS NOT SURRENDER OR WAR

Berlin is the place on the world map where the Soviet Union has decided to test the firmness of the U.S. commitment to the defense of the free world.

As Berlin goes, so will the free (and the uncommitted) world go.

West Berlin is a small, isolated, indefensible, outpost of freedom. Its 2½ million inhabitants are free only because the West, and in particular the United States, has committed itself to stay there. The presence of U.S. troops in Berlin is the equivalent of a burglar alarm. Any military attack on Berlin now would precipitate a military reaction by NATO which might lead to all-out war. The Russians are well aware of this, and this is why West Berlin is still free today. This is why they have mobilized all their political, psychological, and diplomatic resources to try to get us to withdraw from Berlin.

It might be asked why it is so important to the security of the United States that 2½ million West Berliners should be kept from being absorbed by the East German Communist regime. After all, as former Secretary Dulles noted, Berlin is militarily indefensible.

It is true that we have a moral commitment to the West Berliners, but we have a prior moral commitment to our own people. Would any sane American advocate that we run the risk of events which might lead to Soviet nuclear bombardment of the United States and the death of countless millions of Americans, simply in order to try to preserve the freedom—not even the lives—of 2½ million foreigners?

Such questions, which are natural, can only be answered convincingly if the issue of Berlin is seen in a pioneer perspective.

It is my sincere belief that the reason we must be prepared, if necessary, to remain in Berlin at all costs rather than allow ourselves to be pushed out or be a party to disguised capitulation is clear, for if Khrushchev believes that we are not prepared to fight, he will bring increasing pressures, threats, and harassment to bear on the Western position and access routes in order to bring about our withdrawal from Berlin, through some form of diplomatic capitulation. This would be another Munich.

Should we ever give up our position in Berlin (except, of course, as part of an overall acceptable settlement to the problem of Germany), we will simultaneously and inevitably have given up our security positions all over the world. The cement of the defense of the free world, which consists of the power, the resolve, and the pledged work of the United States of America, will liquify overnight should we allow the Russians to force us out of a place which we ourselves have proudly built up and protected and committed ourselves to hold as a bastion of freedom.

Berlin is one of those issues which go to the heart of our worldwide security position.

There is a fateful link between the maintenance of the freedom of the West Berliners, and the survival of millions upon millions of our fellow citizens. Here is how the causal sequence might run.

1. The Soviets succeed in driving us out of West Berlin because they realize that we are, in the last resolve, prepared to abandon West Berlin rather than run the risk of all-out war.

2. The handwriting on the wall then at once becomes apparent to all our allies, to all the countries with whom we have mutual security pacts, and—just as important—to all the uncommitted peoples of the world.

3. The foundations of our present defense and security policy would then turn to sand under our feet. By permitting the Soviets to win the battle of Berlin, and showing to the world that the United States will back down rather than risk war with the Soviet Union even on an issue bloodless victory of absolute import on the worldwide front.

4. Then America progressively becomes isolated politically and strategically, as the free world realizes that the once mighty deterrent, backed by unshakeable resolve, no longer exists.

5. One of the last stages is reached when the American Government and people are faced with the decision whether to accept the extinction of our freedom, or to fight, because we believe that life by itself, separated from the values by which we live, is not worth living.

6. The last stage of all would bring home to us the bitter awareness of the relationship between the maintenance of the freedom of 2½ million West Berliners, and the survival of countless millions of Hoosiers and other Americans.

As an illustration of the significance of Berlin to other parts of the world, a Japanese Ambassador to a Western European country recently said to one of our officials that Japan's destiny depended on the outcome of the struggle for Berlin. He said that if the United States and its allies stood firm in Berlin, pending a reasonable final settlement of the German problem, the confidence of the free world in the United States would be strengthened. The other side of the picture, he said, was that if the United States abandoned Berlin, the people of Japan will know that their turn will surely come, and will be guided accordingly.

Thus, the issue before us is inescapable. In order to face the issue successfully, it must be seen in its proper light.

The choice before us is not between giving up Berlin and all-out war. If we stand firm in Berlin and convince Khrushchev of our determination to do so, we shall not have war. On the other hand, if we abandon Berlin, we will have started a chain of events which will ultimately bring our country face to face with the awful dilemma: whether to live as slaves under Communist domination, or die rather than submit to slavery.

VANCE HARTKE,
U.S. Senator, Democrat, of Indiana.

Social Policies for the Aged in a Democracy

EXTENSION OF REMARKS
OF
HON. PAT McNAMARA
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES

Wednesday, June 29, 1960

Mr. McNAMARA. Mr. President, I should like to have printed in the CONGRESSIONAL RECORD remarks of my brilliant and forthright colleague from the State of Oregon, WAYNE MORSE, on the occasion of the 13th Annual Conference on Aging, held at the University of Michigan this week. In his speech on the first day of that conference, June 27, the Senator from Oregon [Mr. MORSE] has outlined, in his typical scholarly fashion, the background to the emergence of the aged in our country as a national matter, and not merely as a group with the same conditions and problems the relatively fewer numbers of senior citizens experienced in previous generations. He shows, too, that despite the cries of alarm by the "standpatters" among us, the Nation can afford much more than it is now contributing to the dignity and well-being of our growing numbers of retired men and women.

And finally, and much more to the immediate issue before us, the Senator from Oregon [Mr. MORSE] reminds us that all of us, young and old, have a stake in the decisions that must be made today—especially concerning the protection against medical care costs during retirement.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOCIAL POLICIES FOR THE AGED IN A DEMOCRACY

(Remarks of Senator WAYNE MORSE, University of Michigan, 13th Annual Conference on Aging, Ann Arbor, Mich., June 27, 1960)

It was a great honor and pleasure for me to receive and accept your invitation to participate in this Conference on Aging at the University of Michigan.

When Clark Tibbitts, of the Department of Health, Education, and Welfare contacted me about this conference, I was particularly anxious to come. Clark Tibbitts' father-in-law was president of Reed College out in my State several years ago, and I have memories of many pleasant associations with his family.

But it is pretty hard for a Member of Congress to try to tell you anything about this subject matter that you do not already know.

The Senate Committee on Labor and Public Welfare, of which I am a member, has established a Subcommittee on Problems of the Aged and Aging, under the outstanding chairmanship of my good friend from Michigan, Senator PAT MCNAMARA.

The great work which Senator MCNAMARA has done as chairman of that subcommittee should come as no surprise to anyone in Michigan or for that matter to anyone in the country who knows PAT MCNAMARA. He is a great humanitarian with a tender but realistic understanding of human welfare problems. He meets my definition of a constitutional liberal, namely, one who seeks to translate into legislation the human rights guarantees and private property guarantees of the Constitution.

We have a long way to go in the United States before we can say truthfully that we have lived up to the constitutional liberalism of the great liberals who wrote the Constitution. We should never forget that our constitutional forefathers made clear that the primary objective of our system of self-government is to promote the welfare of people. They taught the lesson that I fear many in our generation need to learn, namely, that the only true wealth we have is human wealth. The most precious values we have are human values. The wealth of America is to be found in our people, not in our Wall Street, smokestacks, factories, mercantile empires, and other material things. They are but instrumentalities with which to serve the general welfare of our people within the procedural checks and balances of our constitutional system.

PAT MCNAMARA understands this and as a great liberal legislator, seeks to put it into practice in the Senate of the United States. I shall always be proud of the fact that I campaigned for his election in 1954 in Michigan and I shall always stand ready and willing to be of any further assistance that I can to this great liberal from Michigan. He must not be lost to the Senate of the United States and I am confident that the people of Michigan will share that point of view in November 1960.

Likewise, I am pleased to be associated with the junior Senator from Michigan, Senator PHILIP HART. He is another forward-looking liberal of the Senate. It is my prediction in Ann Arbor tonight that as the years go by, he will make a great record for himself and Michigan in the Senate of the United States.

I have followed the hearings and reports of Senator MCNAMARA's subcommittee very carefully, and I am impressed by the extent to which it has called upon you people here today for information.

Of course, some of us in the Congress have looked for years to Wilber Cohen for guidance on social security matters; we still do. He is one of the Nation's leading experts in the field and we hardly know how to act on a social security matter in Congress, without the services of Professor Cohen.

Professor Donohue is another major source of light and guidance to Congress on problems concerning the aged.

So if I were to report to you on the hearings and findings of this particular subcommittee, I would be in the position of quoting back to you many of your own words.

EMERGENCE OF THE AGED AS A MINORITY

But the Subcommittee on Problems of the Aged has carefully canvassed the Nation in seeking both expert opinion and personal experiences concerning the pattern of life in America for those 45 and over.

It has produced the most comprehensive and valuable survey of this subject available to Congress.

The very establishment of this subcommittee in the Senate is part of what the subcommittee report of last January calls an evidence of growth in national interest in problems of the aged. The meeting you are having right now is an evidence of it, as is the proposed White House Conference on Aging scheduled for next year.

Unlike most of America's minorities, the aged are emerging as a distinct minority, rather than being absorbed. You are all familiar with the social and economic changes in this country which are steadily separating people 65 and over from the younger population. This development is found, as our subcommittee report notes, in housing, employment, income, health needs, and in a kind of social ostracizing of the aged, insofar as family life is concerned.

The three-generation family is rapidly disappearing in America. The reasons for that are an interesting and not altogether inspiring commentary upon our values. Among the reasons for it are economic and medical technologies which, of course, are not entirely subject to a moral judgment.

But the subject I am here to talk to you about concerns a social policy toward the aged. That implies more than just an objective study of what our mores are in modern America toward the aged; it calls for some thought about what they should be.

But in order to make any value judgments, we first have to know what the facts are. That is why the Congress and the Nation is so indebted to the University of Michigan and similar centers elsewhere in the country for the social and economic information they can bring to Congress on this subject.

A second factor in the increasing awareness of the problems of aging is the simple increase in the number of people 65 and over. From 4 percent of the population in 1900, the 65 and over group was almost 9 percent in 1958, and will be well over 10 percent of the population for the next several decades. The rise in their numbers has coincided with the isolation of the aged as a group.

NATURE OF THE PROBLEM

I would like to summarize for you some of the other factual situations which our subcommittee has found, and which must be the framework of any future policy toward the aged.

Although it has not rated first in the attention given it, I would mention, first, the changing employment status of the labor force, not only among those 45 and over, but for all Americans. This is the rising participation of Americans of working age in the labor force and the declining participation of those over 65. A higher percentage of people under 65 and especially under 45, are working today than ever before.

The entry of women into employment largely accounts for this increase. But among men and women over 65 fewer are working than ever before, and it seems likely that the trend will continue. In 1900, 37 percent of this group was working; by 1950, only 26 percent was working; and by 1975, it is estimated that 17.5 million men and women over 65 will be outside the labor force and only 4.5 million in it, or 20 percent employed.

Together with declining employment goes a sharp decline in income of those over 65. Already the lowest income group insofar as age is concerned, their income problem is likely to worsen unless some steps are taken to do something about it.

As our subcommittee pointed out, the fact that more people of working age are working should dispel alarmist views about the few having to support the many, since the ratio of working people to nonworking people remains favorable. It certainly shows that our economy can sustain measures to aid the aged, if it continues its present determination not to employ them in gainful occupations.

With the drop in their income goes the change in housing, in medical care, in social activities, and similar shifts in living patterns which have come to mark the over-65 as a minority group.

WHAT SHOULD OUR POLICY BE?

I think that our policy toward the over-65 minority group must be dictated by a consideration that there are some respects in which this group wishes to remain distinct from the rest of the population.

Many of them do not in fact want to work. To some extent, this desire is conditioned by illness or some disability.

To a great many others—if they have sufficient income—retirement is a time to put aside many life-long responsibilities and enjoy oneself. Some men and women among the over-65 group prefer to remain with others of their own age, and some experiments in housing for the elderly have been notably successful.

Because it is impossible to say that the elderly have a uniform desire to be reabsorbed into the three generation family and the economic patterns they knew in their own youth, we must have some alternative policies for the aged.

First, I think it is important to break down the barriers to their gainful employment, for those who wish to be employed. Discrimination due to age is just as unpleasant and unjust as racial or religious discrimination or any other kind which ignores capability.

Driving people out of the labor force is an ugly and undesirable thing. I am proud of the fact that my State of Oregon has one of the seven State laws aimed at curbing discrimination based upon age. We need more such State laws, and we need a firm Federal policy to knock down these barriers among employers who work under contract to the Federal Government.

In short, those who wish to continue working after reaching retirement age should have the opportunity to do so.

But we must also make it possible for them to retire. The social security structure of today is still tied too closely, in my opinion, to the concept in which it was originated. As a depression-born institution, it was intended to provide a minimum subsistence to the elderly, so they would be encouraged to retire and make room for younger workers in the scarce number of jobs available. Its benefit system was inadequate even by depression standards, and our standards of what is a desirable standard of living are much higher today.

In my opinion, social security should now be elevated into the kind of retirement system on which people 65 and over can live in reasonable comfort.

Certainly it should include health insurance. As the first Senator to introduce a companion to the Forand bill in the Senate, I have been amazed by the rapid ascendance of this proposal as a political issue.

In 1958, I offered my bill as a floor amendment to the modest boost in social security benefits which was passed at that time. Only two Senators even joined in the discussion of my amendment. We could not get a rollcall vote on it; it was rejected by a voice vote with only a handful present.

Two years later, it is at the head of everyone's list of domestic issues in the 1960 campaign.

POWER OF THE POLLS

This brings me to a final point: The most practical way for the aged to make known their views is through political action. It is fine to put all the figures together in committee reports, but the universal language most clearly understood by most politicians is not the language or facts or logic, but the language of votes.

Had not the enthusiasm and interest in the Forand bill been communicated to Members of Congress through letterwriting, poll taking, and similar means of expression, it would not now be the issue it is even though the need for it remained the same.

I have pledged on many platforms that I shall see to it that the voters have the benefit of a Senate rollcall on the Forand-Morse bill or on the McNamara bill before the November election. I have already prepared my original bill as an amendment to the House-passed social security bill, substituting the insurance plan for the public assistance plan of medical care.

When we have had a vote on it in the Senate, the voters will be in a much better position to pass judgment in November. Because the House of Representatives was unable to adopt anything more than the public assistance health plan, I do not expect that our insurance proposal will make much headway in conference with the House, even if it is adopted by the Senate. But it will provide the foundation for another try next year.

There was a time when the "ham 'n egg" issue was big in California, and possibly Florida, but not elsewhere. That is no longer true. As the aged have emerged as a distinct minority, their power at the polls has also become greater.

What today's young and middle-aged citizens expect out of life in their own declining years is also a factor which must make itself felt. But they must become conscious of the political connection between how they vote on election day now and the kind of policy which they will live under in their old age.

Adoption of a progressive and enlightened social policy requires both education and political action. Education on the subject has been advanced considerably in recent years; I hope the day of political action is not far off.

Captive Nations Week

EXTENSION OF REMARKS

OF

HON. LEONARD FARBSTEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1960

Mr. FARBSTEIN. Mr. Speaker, it will be recalled that this Congress last year passed the Captive Nations Week resolution and that the President, consistent with the provisions of said resolution, issued a proclamation designating the third week in July 1959, as Captive Nations Week. The resolution further authorized and requested the President to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world.

This year the observance of Captive Nations Week is scheduled for July 17–23 and in connection therewith I am pleased to submit the following statement:

CAPTIVE NATIONS WEEK

We the people of this country are against all forms of dictatorships and regard them as the worst type of governmental machinery devised by men. At the end of the last war when we witnessed the spread rather than the limiting of Communist tyranny, we were rudely awakened from our wartime optimism. The Soviet Union's treacherous methods of capturing and enslaving the peoples of Eastern Europe was the most stunning shock to us. For more than 15 years the U.S. Government, working in cooperation with other governments of the West, has been trying to have these enslaved peoples, these captive nations, freed from the clutches of Communist tyranny. By establishing and proclaiming the third week of July in each year as Captive Nations Week, once more we affirm both our loyalty to the cause of freedom and our desire to see these freedom-loving peoples released from Communist totalitarian dictatorships. We shall continue to observe Captive Nations Week until the last of all enslaved nations is free in its homeland. I am glad to lend my wholehearted support for their freedom.

The Power of Prayer

EXTENSION OF REMARKS

OF

HON. JOHN STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29, 1960

Mr. STENNIS. Mr. President, our colleague the Senator from Oregon [Mr. LUSK] has been with us only a short time, but he has impressed all of us most favorably with his fine knowledge of public affairs, his profound judgment, his deep knowledge of the law, and his wise decisions. Accordingly, he has influenced legislation as well as made friends and gained the utmost respect of all of his colleagues.

The Senator from Oregon delivered a most impressive and worthy talk to a group of Senators at a special meeting this morning. His remarks have been reduced to writing and should be shared with our colleagues and the people of the Nation. Accordingly, I ask unanimous consent that the remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE POWER OF PRAYER

I have taken for my subject this morning "The Power of Prayer," and for my text two passages from Mark. The first is:

"In the morning rising up a great while before day, He went out and departed to a solitary place, and there prayed." Mark I: 35.

And the second:

"He went a little further and fell on His face and prayed, saying: 'O my Father, if it be possible, let this cup pass from me; nevertheless, not as I will, but as Thou wilt.' And He cometh unto the disciples and findeth them asleep and saith unto Peter, 'What, could you not watch with me one hour? Watch and pray, that ye enter not into temptation; the spirit indeed is willing, but the flesh is weak.'" Mark 36, 39–44.

On these two occasions, as on others, our Lord taught us to pray by example. On another, He taught us how to pray, when, in answer to a question of a follower, He recited what is known as the Lord's Prayer—the perfect prayer, it may be said, because of its total acknowledgement of man's fealty to God: "Thy kingdom come; Thou will be done, on earth as it is in heaven."

Someone has written that—

"Prayer is the peace of our spirit, the stillness of our thoughts, the evenness of recollection, the seat of meditation, the rest of our cares, and the calm of our tempest; prayer is the issue of a quiet mind, of untroubled thoughts; it is the daughter of charity and the sister of meekness."

The question arises—For what shall we pray? For material success, for victory in war, for our eternal salvation?

Surely, the last must be the supreme desire of all who profess belief in God and the immortality of the soul. And so little children are taught to lisp at their mothers' knees, "Now I lay me down to sleep. I pray the Lord my soul to keep."

The poet, Tennyson, has the dying King Arthur say:

"I have lived my life, and that which I have done
May He within himself make pure; but thou,
If thou shouldst never see my face again,
Pray for my soul. More things are wrought by prayer than this world dreams of.
Wherefore let thy voice
Rise like a fountain for me night and day.
For what are men better than sheep or goats
That nourish a blind life within the brain
If knowing God, they lift not hands of prayer
Both for themselves and those that call them friend?
For so the whole round earth is everywhere
Bound by gold chains about the feet of God."

We pray for good health, for success in a business venture, for a safe voyage. But some pray only that they may become better men and women. Of this sort is the sublime prayer of St. Francis of Assisi:

"Lord, make me an instrument of your peace; where there is hatred, let me sow love; where there is injury, pardon; where there is doubt, faith; where there is despair, hope; where there is darkness, light, and, where there is sadness, joy. O Divine Master, grant that I may not so much seek to be comforted as to comfort; to be understood, as to understand; to be loved as to love; for it is in giving that we receive; it is in pardoning that we are pardoned, and it is in dying that we are born to eternal life."

The skeptic scoffs at prayer and sneers that prayers are never answered, that the loved one for whose restoration to health we pray, dies; that so many, notwithstanding their prayers, fail to reach the goal in life upon which their hearts are set, but instead are victims of poverty, disease, and the thousand and one ills that flesh is heir to.

But if one who is not a theologian may venture an answer to these men of little faith, it might be said that their objections are based upon a misunderstanding of the Christian's conception of God's relationship to man. We believe in the infinite goodness and wisdom and the omnipotence of God; that he is the creator and we the creatures and hence that his will, not ours, shall be done. Prayer is an act of faith. The inarticulate major premise of every good prayer is submission to the will of God; and the paradox of misery in the world on the one hand and a God of infinite goodness, who created the world, on the other, is resolved by the Christian's faith that obedience to the will of God is the greatest of all good. Indeed, the devout prayer of the Christian, the humble prayer, such as that of the publican who stood afar off and beat his breast and cried out, "Lord be merciful to me a sinner," such a prayer is itself a good, for "Who rises from prayer a better man, his prayer is answered."

The birth of Christ was heralded by the angelic choirs singing of peace to mankind. The word "peace" was frequently on the lips of the Saviour. But there is no peace in the world today and the prayer of the peoples of the world, whether uttered or not, are for peace, for the warding off of the threat of destruction of our civilization that hangs over our heads like a pall.

It was to secure this peace that the United Nations was organized in the fond hope that it would provide a forum in which disputes among the nations would be settled without resort to arms. It is yet to be demonstrated that through this or any other similar machinery peace can be preserved. In the meantime the world stands armed as never before in history, and the peoples of the world spend their substance on weapons of unbelievable destructive power.

The philosopher may say that all of this is the supreme example of the folly of mankind. So perhaps it is. But we are caught in the fell clutch of circumstance, and we must deal with it; and no more fearful responsibility ever rested upon the shoulders of men than the responsibility of statesmen and leaders of peoples to avert the threatened disaster and to set our feet upon the path that leads to peace.

We say that the enemy is Godless, and so indeed are the leaders of the enemy, but can this truthfully be said of their people? We boast that we are followers of Christ, the meek and humble Christ who died on a cross to save mankind, but should we not do a little soul searching to find if our lives match our professions, if our faith is a living thing, a thing of substance, and not mere words. The King in Hamlet knelt down to pray, but could only despairingly exclaim:

"My words fly up, my thoughts stay down below.
Words without thoughts never to heaven go."

And so it is with too many of us. If not sworn enemies of God, we are too often neutralists. We do not believe in our hearts in the providence of God.

Christ said, "Ask and you shall receive." May I suggest, Is not this an acceptable time to storm the gates of heaven with our prayers for peace, or, rather, should I say, for the means of achieving peace? There must be some better way to that goal than arming for war. Christ in the Garden of Gethsemane said to his disciples, "Watch and pray." We are not indeed called upon to bare our breasts to the sword of our enemy. It would be wrong not to prepare to defend ourselves against aggression. But while we watch we can also pray—pray for the turning back of the tide of immorality that tends to corrupt our society, for the increase of understanding and the spirit of charity among us, and, for our leaders, that God may open their hearts and enlighten their minds and strengthen their hands for the stern tasks that lie ahead. So we may hasten the coming of that "one far off divine event to which the whole creation moves."

SENATE

THURSDAY, JUNE 30, 1960

The Senate met at 11 o'clock a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou Shepherd of our souls, who dost neither slumber nor sleep, we come in the grateful remembrance that Thy patience outlasts all our dullness of apprehension and all our stupid choices. In spite of the worst things in us, which we despise, Thou seest that in our highest hours, our deepest desire is to be true servants of Thy will in these troublous times. Teach us the secret of dwelling in a world full of hate, and yet not becoming hateful persons. Giving our best ability to the people's good, may we rise above all bitterness, by an unshakable belief in the shining splendor of humanity. One by one in our weakness we would recharge our puny power from Thine infinite reservoir of grace, that we may be able to stand in an evil day with principles never compromised and with integrity never sullied.

We ask it in the name of Him who is the way, the truth, and the life. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 29, 1960, was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The PRESIDENT pro tempore announced that on today, June 30, 1960, he had signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

H.R. 2584. An act for the relief of Gourgen H. Assaturian;

H.R. 2665. An act for the relief of Briccio Garces de Castro;

H.R. 2671. An act for the relief of Antonia Martinez;

H.R. 2823. An act for the relief of Fumie Yoshioka;

H.R. 3122. An act directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm;

H.R. 3291. An act to amend title 10, United States Code, with respect to certain medals;

H.R. 3534. An act for the relief of Epifanio Trupiano;

H.R. 3789. An act for the relief of Preciolita V. Corliss (nee Preciolita Valera);

H.R. 3805. An act for the relief of Religiosa Luigia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone;

H.R. 3923. An act to provide for the presentation of a medal to persons who have served as members of a U.S. expedition to Antarctica;

H.R. 4346. An act to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge;

H.R. 4670. An act for the relief of Karnail Singh Mahal;

H.R. 5569. An act to amend title 10, United States Code, to authorize the award of certain medals within 2 years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed;

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial in the State of Arkansas;

H.R. 7726. An act to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings;

H.R. 7932. An act for the relief of William E. Dulin;

H.R. 7965. An act to amend section 612 of title 38, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans;

H.R. 8212. An act to amend title 10, United States Code, with respect to the procedure for ordering certain members of the Reserve components to active duty and the requirements for physical examination of members of the Reserve components, and for other purposes;

H.R. 8253. An act for the relief of Pierre R. DeBroux;

H.R. 8740. An act to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas;

H.R. 9142. An act to provide for payment for lands heretofore conveyed to the United States as a basis for lieu selections from the public domain, and for other purposes;

H.R. 9201. An act to validate certain mining claims in California;

H.R. 9541. An act to amend section 109(g) of the Federal Property and Administrative Services Act of 1949;

H.R. 9711. An act for the relief of Robert L. Stoermer;

H.R. 9751. An act for the relief of Mrs. Icile Helen Hinman;

H.R. 10021. An act providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia;

H.R. 10068. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, add transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H.R. 11522. An act to amend the act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes;

H.R. 11787. An act to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964;

H.R. 12052. An act to extend the Defense Production Act of 1950, as amended, for an additional 2 years;

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects; and

H.J. Res. 627. Joint resolution to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H.R. 5040. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 9702. An act to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office; and

H.R. 10500. An act to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H.R. 3375. An act to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes;

H.R. 5098. An act to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado;

H.R. 6179. An act to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr.;

H.R. 8295. An act to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes;

H.R. 11602. An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes; and

H.R. 12200. An act to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1925. An act to extend to fishermen the same treatment accorded farmers in relation to estimated income tax;

H.R. 2397. An act to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947;

H.R. 7903. An act to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years;

H.R. 8576. An act to amend the Tariff Act of 1930 to extend to the residents of the United States who are crew members on

vessels, aircraft, and other conveyances arriving in the United States, within specified limits, the same exemptions from duty on personal and household articles as are granted passengers arriving on such conveyances;

H.R. 8732. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States;

H.R. 9240. An act to amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400;

H.R. 11573. An act to provide for the free entry of an electron microscope for the use of William Marsh Rice University of Houston, Tex., and an electron microscope for the use of the University of Colorado Medical Center, Denver, Colo.;

H.R. 12383. An act to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes;

H.R. 12559. An act to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real estate investment trusts; and

H.R. 12759. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 11001) to provide for the participation of the United States in the International Development Association, and it was signed by the President pro tempore.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 1925. An act to extend to fishermen the same treatment accorded farmers in relation to estimated income tax;

H.R. 2397. An act to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947;

H.R. 8576. An act to amend the Tariff Act of 1930 to extend to the residents of the United States who are crew members on vessels, aircraft, and other conveyances arriving in the United States, within specified limits, the same exemptions from duty on personal and household articles as are granted passengers arriving on such conveyances;

H.R. 8732. An act to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States;

H.R. 9240. An act to amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400;

H.R. 11573. An act to provide for the free entry of an electron microscope for the use of William Marsh Rice University of Houston, Tex., and an electron microscope for the use of the University of Colorado Medical Center, Denver, Colo.; and

H.R. 12559. An act to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real estate investment trusts; to the Committee on Finance.

H.R. 12383. An act to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes; to the Committee on Labor and Public Welfare.

H.R. 12759. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes; to the Committee on Agriculture and Forestry.

DISPOSITION OF EXECUTIVE PAPERS

The PRESIDENT pro tempore laid before the Senate a letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the University of Hawaii Alumni Association, Honolulu, Hawaii, favoring the enactment of legislation to provide adequate appropriations for the establishment of the East-West Cultural Center in Hawaii; ordered to lie on the table.

RESOLUTION OF KANSAS PUBLIC HEALTH ASSOCIATION

Mr. CARLSON. Mr. President, the Kansas Public Health Association at its recent annual meeting adopted a resolution on the prohibition of carcinogenic chemicals in foods and cosmetics.

In Kansas there is great interest in the matter of adding chemicals to foods with possible harmful effects to human beings.

The Kansas Public Health Association has a record of many years of service in behalf of the health of the people of our State. I ask unanimous consent that this resolution be printed in the RECORD, and referred to the Committee on Labor and Public Welfare.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

RESOLUTION ON PROHIBITION OF CARCINOGENIC CHEMICALS IN FOODS AND COSMETICS

Whereas the incidence of cancer has increased until it is predicted that it will cause the death of one person out of each four now alive in the United States; and

Whereas the cause of cancer and the mechanisms of its development are largely unknown; and

Whereas it is known that certain chemical substances are capable of causing a statically significant increased incidence of cancer in tests on laboratory animals; and

Whereas at this time tests on laboratory animals afford the best known indication of possible cancer-causing action in man; and

Whereas it is not possible at this time to state with certainty that any given minimum dosage or application of such chemical substances is devoid of some cancer-promoting effect; and

Whereas certain food, chemical, and cosmetic industries wish to introduce such chemicals into the public food and cosmetic supply: Therefore be it

Resolved, That in the opinion of the Kansas Public Health Association, no amount whatsoever of any chemical known to produce or promote cancer by virtue of its intrinsic properties, as determined by animal and other tests, should be permitted in the public food or cosmetic supply under any circumstances; and be it further

Resolved, That copies of this resolution be forwarded to the Representatives of Kansas in the Congress of the United States to guide them in their consideration of pending legislation on artificial colors, and to such other persons as the executive committee deems appropriate.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, the basic fact about the recess which was announced yesterday is that it will permit consideration of legislation without having the leadership under the perpetual threat of one-man ability to block bills.

By coming back in August, we can proceed in the normal course without having to crowd up against a deadline which all too frequently means a loss of important legislation. Furthermore, it means that the Members of the House and the Members of the Senate who are on the platform committee of the majority party will have a chance to attend the meeting of that committee next Tuesday. That date was set long before any announcement of a recess.

In view of the consideration that has been extended to the Members of the Senate, on both sides of the aisle, it seems to me it is a reasonable request that we make, when we say we think the Members of this body and the Members of the other body who are members of the majority party platform committee should have an opportunity to attend that meeting.

I believe there will be considerably more willingness to go along with basic programs following the conventions. I think it is a healthy thing to have action which will be submitted very soon to the judgment of the electorate, who, after all, are the governing element in this country.

I can well understand why some persons see "deals" in everything that happens, simply because they get involved in so many, themselves.

Mr. President, I should like to give notice that at the appropriate time all Senators will have an opportunity to register their views on the recess resolution.

Several weeks ago the distinguished minority leader, after conferring with me, and after I had had a chance to confer with the President, announced a number of bills that had to be considered, and at that time indicated the probability that we might not be able to conclude prior to the convention.

I would remind every Member of the Senate that last year, when we had no

conventions, and when we had no civil-rights bill, it took us until September 15 to finish our legislative workload.

This year we spent 2 months on civil rights. This year, if our schedule works out, we will conclude the session of Congress at least a week earlier, and perhaps 2 weeks earlier, than we did last year, notwithstanding the fact that time will have to be taken for the conventions.

I am very anxious to work with Members of the Senate on the dates—whether they will be August 1 or August 8 or August 15, or September 1 or September 15. But I remind Senators of this fact: Time and time and time again, Senators on both sides of the aisle have plead with me not to hold evening sessions, not to hold Saturday sessions, not to force the taking of votes, because of other engagements. Now I say to them that, as good Americans and as patriotic Americans and as fair and just Americans, it is only reasonable to assume that they will extend to others the same privilege they have asked for themselves; and when we have a considerable number of our Members on the majority party platform committee which meets next Tuesday—and that meeting was announced, without my knowledge or approval, some months ago—I think we should extend to those Members the same consideration that we extend to Members on election days and at other times when they have obligations.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. Upon my return from Montana yesterday morning I saw in a newspaper a notice to the effect that there was a possibility that we would take a recess soon, and would come back after the conventions were held. I was surprised, and I think I used the word "shocked" in expressing my feeling.

However, in view of the explanation made yesterday by the distinguished majority leader, as well as the explanations made by the distinguished Senator from Rhode Island [Mr. PASTORE], the distinguished Senator from Tennessee [Mr. GORE], and others, I think, despite my own personal misgivings, that what is suggested is the best policy to follow.

My fear is that if we have a reconvening of the Congress between the conventions and the election, the Senate Chamber will become a political cockpit. I would hope that would not occur; but I am afraid that is asking a great deal.

But I believe that if we have to come back—and I am 100 percent behind the majority leader's suggestion—we should return, not prepared to stay for 3 weeks, 4 weeks, or 5 weeks, but prepared to stay for as long as necessary, so we can give the important bills mentioned the consideration they demand and need.

I express the hope that we would not come back for the purpose of considering legislation purely on the basis of issues, but would do so on a basis of responsibility in the field of political merit, and that we will proceed with the idea that we will do a job and that we will stay here until that job is done.

I agree with the majority leader. I think his course is sound, and I shall support him to the limit.

Mr. JOHNSON of Texas. Mr. President, I have talked to the minority leader about this matter. He has had my confidence from the beginning. I have also talked to the administration people and to the Members of the other body, and to the Speaker; and I assume he has talked to the minority over there.

I think some people are trying to make a politcial football over this question. I see that a minority group in the House have decided that they do not want to go through with the recess.

I predict that we cannot pass the appropriation bills and the legislative program of this Congress between now and the conventions. Any person who desires to keep the Members from going to the platform committee meeting on next Tuesday can make that effort. I do not plan to be there; I am not going. I will be here. But I have extended courtesies to many Members of the Senate, on both sides, for lesser reasons than the formulation of the platform for the national convention. Votes have been held up for one individual or two individuals, by Members who were willing to talk quite a bit, to avoid a vote.

I hope that a proper recess resolution will be prepared and will be submitted to the Senate. It will be subject to any amendment we desire to make. But I hope gentlemen will stop trying to propagandize the American people and make them believe that we can pass a minimum-wage bill, a health bill—although there have not even been hearings—a public works bill, a mutual aid bill, a Sugar Act, and all the other important legislation between now and next Thursday or Friday, when we take a recess. I think the position taken by some, that we can do that, is untenable; and, so far as I am concerned, I am not going to try to mislead the American people.

If we follow our schedule and get out of here by Labor Day, notwithstanding 2 months we have spent on civil rights, and notwithstanding the time taken out for the conventions, we will still have completed this session of Congress 2 weeks earlier than we completed the last session. We did not close the session, in an off-election year, until September 15. The reason why we did not get out earlier, first of all, was that we had a long program. We had a lot of conversation, too. The RECORD will show who does all this talking. Some of it is good, and some of it is unnecessary. But I do not think the sins of the few ought to be visited on all the Senators. If I can hold a vote off on Monday for people to get back on Tuesday, and if I am told, "You cannot vote on Thursday and Friday without a live quorum," it comes with very poor grace for people who do those things to come up and say, "We can finish the whole thing in a matter of 5 or 6 days."

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana.

Mr. LONG of Louisiana. I have no quarrel with the Senator's statement, but I submit that it is as important to have debate to defeat bad legislation as it is to pass good legislation. I hope the Senator will agree that Senators have a right to discuss legislation with which they do not agree, and will be tolerant of those who debate against legislation with which they do not agree.

Mr. JOHNSON of Texas. The Senator from Texas is always tolerant. The Senator from Texas does his best to cooperate when he knows where the Senator from Louisiana is, and he usually does. There is no one with whom I desire to cooperate more. I think the Senator from Louisiana, although he has not been absent a great deal, has not occupied a great deal of the Senate's time. So far as I know, the shoe would not fit the Senator from Louisiana. I do not recall that he has asked that votes go over. I do not know that he has asked that votes be held up for several days. I do not know that he has put a pistol to anybody's head and said, "You have got to wait until Tuesday until 3 o'clock" because a certain Senator was absent. I do not know that he has said he is going to have a live quorum on Friday or Saturday so we would not have votes on a controversial bill. But certain Senators have.

Mr. LONG of Louisiana. I only make the point that I believe a Senator is performing a public service just as much by endeavoring to defeat a bad bill as he is by trying to have a good bill passed.

Mr. JOHNSON of Texas. There is no question about it. I am not going to argue with the Senator from Louisiana. I have too much respect for him and too much affection for him, and I do not think there is anything to argue with him about.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Illinois.

Mr. DIRKSEN. As I read the fragment from the ticker which I have in my hand, it would appear there is opposition in the other body, if I may make so bold as to say so, to any recessing of the Congress.

I am afraid some forget that a national convention is a pretty solemn thing, when it is divested of all the hoopla and the banners and the noise. But what the political parties are doing is selecting a man who is to be the Chief Executive of the country, if he gets enough votes, and that is a pretty solemn undertaking, because whoever the candidate is, if he is successful, he is going to guide the destinies and direct the affairs of this country for 4 years, under our Constitution. Everybody is interested, and particularly those who are in public service.

I do not know how many Senators on this side will be delegates to the Republican convention. I shall be a delegate. I apprehend that a good many will be delegates, and they will want to go to the convention. They will want to participate in the proceedings. Some will serve on the credentials committee. Some will serve on the resolutions committee. The distinguished Senator from

Connecticut [Mr. BUSH] served as chairman of the resolutions committee at San Francisco in 1956, and it was my proud privilege to serve under him as chairman of the subcommittee on civil rights that wrote the civil rights plank which went into our national platform, which then became a pledge of our party to the people. So a convention is pretty serious business.

I do not know what the purport of the action is that is indicated on the ticker, whether it is that we forget all about our national conventions. A national convention is an institution that has been insinuated into American political life and proceeds on certain guidelines, and it is not to be taken lightly, when we are dealing with the selection of a candidate to become the leader of 180 million people in what we regard as the greatest free nation on the face of the earth. If that is what it portends, it will be all right with me, but I will not let it be considered all right without at least asserting my interest in the matter and my conviction that at the convention we have a responsibility no less than here.

Now, we start from one premise: It is impossible to finish the legislative program.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield at that point?

Mr. DIRKSEN. Yes.

Mr. JOHNSON of Texas. Did we not hear from one Senator of the minority what I wish the House minority would read? The House has not passed the minimum wage bill yet, and everyone knows we are going to have a minimum wage bill passed before this session of Congress adjourns. Yet one of the ranking minority Members in the Senate—the ranking minority member of the Senate Committee on Labor and Public Welfare—said he had 22 amendments to offer to the bill. I just am not going to come out here, pretend to be a constructive, responsible leader of the U.S. Senate, a deliberative body, and say we expect to jam through here by next Thursday night a bill on which the House has not acted, a bill that was not placed on the calendar until Monday, a bill on which nobody has had a chance to read the report; a health plan bill on which no hearings have yet been held, which affects every American; the extension of the Sugar Act, which affects our international relations, which are in a very serious state just now; and 10 appropriation bills. Anybody who pretends all of that can be done between now and next Thursday is misleading the American people.

Mr. DIRKSEN. If the distinguished majority leader will yield further, after looking at the list of things that have to be done between now and the date of the first of the national conventions, notwithstanding whatever may be said, I proceed on the theory that Members of the Senate are entitled to time to get to their convention and to articulate their functions there. I talked to three Senators on this side who are to be on the platform committee.

Mr. BUSH rose.

Mr. JOHNSON of Texas. Representative BOWLES, from the State of the distinguished Senator from Connecticut [Mr. BUSH], is the chairman of the Democratic platform committee. Mr. Butler set up this convention. His people selected the date for the convention. His supporters are running the convention, and his group have named Mr. BOWLES, and have named the national committeeman from Louisiana, Mr. Gravel, as cochairman of the credentials committee. They are in charge of the proceedings, and they have set the date. I suppose if I had not suggested the recess they would have said, "Well, the congressional Democrats are trying to keep the Members of Congress from going to the convention." But when we do suggest a recess to accommodate them we are told, "Well, let Mr. Butler and a little group of members on the platform committee go on and proceed without the Senators."

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. In a moment I shall yield to the Senator. I can anticipate the Senator, and I shall be glad to have him speak up at the proper time, but I am talking with the minority leader now.

Mr. DIRKSEN. Mr. President, if the Senator will bear with me a moment, to carry this further, I shall try to keep it in perspective. I think that has to be done.

The only question which arises is this: When do we recess and when do we return? There are differences of opinion. We had a meeting of the Republican conference this morning, and everybody freely expressed himself on the subject.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me, before he proceeds? Did not the Senator recommend to me the other day that we not have a July 4 session?

Mr. DIRKSEN. I did.

Mr. JOHNSON of Texas. Does not the record show that we have rarely, since 1789, had a session on July 4?

The Senator from Connecticut asked me about the matter. He said it did not make any difference and that he would make his plans accordingly, but Senators do not want a session on July 4.

Everybody admits that the platform committee is to meet on Tuesday. Most Senators expect to go to their home States for speeches on July 4. Imagine a man going to Idaho, or to Louisiana, or to Montana, or to Texas—I am not going July 4—or to Kansas, and making a speech on Monday, then traveling back to Washington, D.C., on Tuesday to try to vote on some bill Wednesday, and leaving to go to the convention on Thursday.

Mr. DIRKSEN. Mr. President, I should like to complete my thought.

This is a case of keeping the matter in perspective. These conventions are provided for by law. We select delegates to go to the conventions, in accordance with the laws of my own State. Other States do likewise. This procedure has been formalized.

I return to my original query: When are we to recess and when are we to return? There are sharp differences of opinion.

Obviously the political note intrudes itself. If it is said that we ought to return after November, I think if I were to say that it would be because I would hope in so doing we might get a little political advantage out of it. That is being a little selfish, but that is natural in such matters.

So the problem before us is, When do we recess and when do we come back?

When the resolution is offered, it will be debated. It will be amendable. I have urged our Members to freely speak their minds on that subject when the time comes.

I return to my one premise. We cannot finish before the conventions. Therefore, a recess is almost inevitable, and the only question is, When do we leave and when do we come back?

Mr. BUSH. Mr. President, will the Senator yield?

Mr. DIRKSEN. The Senator from Texas has the floor.

Mr. JOHNSON of Texas. Mr. President, I send to the desk a resolution on behalf of myself, and I should like for the minority leader, if he cares to do so, to associate himself with it, in accordance with the understanding I had yesterday, and I ask for its consideration. Then I shall suggest the absence of a quorum, before we vote.

The PRESIDENT pro tempore. The resolution will be stated for the information of the Senate.

The legislative clerk read the concurrent resolution (S. Con. Res. 112) as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses shall adjourn on Saturday, July 2, 1960, and that when they adjourn on said day they stand adjourned until 12 o'clock noon on Monday, August 8, 1960.

Mr. BUSH. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears no objection.

Mr. JOHNSON of Texas. Mr. President, I shall yield to the Senator from Illinois, but first I wish to make a statement.

I am perfectly willing to adjust the date to August 1 or to August 15 or to September 1, if that seems to be the majority opinion of the Senate or of the House, but so that we will know what we are talking about, in order that the Senator from Texas may keep his agreement, so that Senators will know he carries through on his statements, I wish to have the resolution placed before the Senate, in conformity with the plan we made.

I yield to my friend from Illinois.

Mr. DIRKSEN. Mr. President, I have two queries about the resolution. It will be an adjournment and not a recess?

The PRESIDENT pro tempore. The resolution to adjourn to a day certain is not debatable.

Mr. DIRKSEN. The Presiding Officer says the resolution is not debatable?

The PRESIDENT pro tempore. The Parliamentarian informs the Chair that is the precedent.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that we may have 1 hour on each side, pro, and con.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

Mr. DIRKSEN. Mr. President, reserving the right to object——

The PRESIDENT pro tempore. The Chair hears none——

Mr. DIRKSEN. Mr. President, I said, "reserving the right to object."

Mr. JOHNSON of Texas. Mr. President, I modify my request to make it 1½ hours on each side.

The PRESIDENT pro tempore. Is there objection to the unanimous consent request, as modified? The Chair hears none.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

Mr. DIRKSEN. Mr. President, I have not quite finished.

Mr. PROXMIRE. Mr. President, there was an objection.

Reserving the right to object, I should like to make a parliamentary inquiry.

Mr. DIRKSEN. Mr. President, I reserved the right to object, to present two inquiries.

I ask the majority leader when he proposes to have the resolution considered.

Mr. JOHNSON of Texas. I will call it up as soon as we get through with our colloquy.

Mr. DIRKSEN. Now?

Mr. JOHNSON of Texas. As soon as we have a quorum call and notify all Senators.

Mr. DIRKSEN. We shall have a live quorum?

Mr. JOHNSON of Texas. Surely.

Mr. DIRKSEN. Secondly, I ask the majority leader this question: If we adjourn in excess of 30 days, all the nominations which have been submitted by the executive branch would automatically fall under rule XXXVIII, as I understand the parliamentary situation. May I be advised as to that?

The PRESIDENT pro tempore. The Senator is correct.

Mr. DIRKSEN. I think it would be very appropriate for the majority leader to ask unanimous consent that the status of those nominations be preserved, because it would require the mechanical burden of assembling them and sending them to the Congress again.

Mr. JOHNSON of Texas. I should be very happy to attempt to evolve some understanding about that matter before a vote on the resolution.

Mr. BUSH. Mr. President, I desired to have the Senator yield to me, because I wish to associate myself with the sentiments of the majority leader and of the minority leader, and to invite attention to the fact that the coming conventions are legal requirements under our form of government. For the Congress to take the conventions as lightheartedly as some seem to think we should, and to ignore them, seems to me to be absolutely an impossible point of view to sustain.

There will be dozens—probably hundreds—of Members of Congress of both parties who will be delegates to these conventions. It seems to me ridiculous to suggest that the Congress should be in session when we have the quadrennial conventions of the two great legally constituted parties of this country.

So far as returning to Washington, D.C., is concerned, I think the proposed schedule is good. We should return on the 8th of August.

I will say that if we are going to discuss politics and platforms and candidates, I think our side will be prepared to do that as well as the other side.

Mr. JOHNSON of Texas. Mr. President——

Mr. BUSH. I do not believe for a second that we are going to lose any advantage by returning, so far as politics is concerned.

Mr. JOHNSON of Texas. Mr. President, some people extend their low opinion of themselves to all other Members. I do not refer to the Senator from Connecticut, because I have the greatest respect for him.

I have no thought that the Senate cannot work its will and transact the public business in an election year. We have done so this year. We can do so in August. We can do so in September.

This Republic can still function, and it is made up of patriotic men of both parties.

I get a little tired of seeing articles and columns and of hearing Members of Congress questioning whether or not Senators can legislate after a convention.

I know that we have chairmen of the national committees who must perform their functions. The job of the chairman is to play politics. The job is to manage a campaign. We have to have these chairmen. That is a part of our system. We expect them to do that job.

I saw a release last night which someone handed to me, in which it was stated that my beloved friend, the Senator from Kentucky [Mr. MORTON]—and he has reacted to the heat of the campaign already—gave out a statement going into the alleged details of alleged deals I had made with the distinguished Senator from Massachusetts [Mr. KENNEDY]. Now, we have not had any opportunity to make a deal. We have not talked in days—and I might say in weeks. If we had we would not have discussed a deal in front of the Senator from Kentucky.

Mr. BUSH. He is a hard man to get hold of.

Mr. JOHNSON of Texas. He has all he can take care of in North Dakota. He put out this statement to which I have referred.

The comment I made this morning ought to be preserved so that people can know that we are not in a bad humor. Senator MORTON is normally a very prudent man, but his staff employees must grind out mimeographed news releases in order to justify their existence. I am sure Senator MORTON did not make the remark which is attributed to him. I appeared with him in Indiana a few nights ago, and he made one of the finest speeches I have ever heard. It was an address to which every good American could subscribe. It contained none of the connotations this dirty little press release embodies, in which it is reported that I had made the statement that I expected Senator KENNEDY to be nominated, and that I had made a deal with Senator KENNEDY and that I would be appointed to the Cabinet, and that Mr. WILLIAMS was to be a member of the Cabinet. First, Mr. KENNEDY must be nominated and then elected. Then he must select his Cabinet.

I know that whoever is nominated and elected will take great care in selecting the Cabinet.

Returning to Senator MORTON, this is my comment on what he said:

> The silly season is on, and I am afraid it is affecting people who would otherwise talk sense. Of course, there is nothing to it. I can well understand why some people see deals in everything that happens merely because they get involved in so many of them themselves.

I agree with the minority leader that this question is simple. If the Senate wishes to return on Tuesday and be here Wednesday and leave Thursday, that is well and good. I shall be here anyway, unless I change my plans.

I yield to the Senator from Illinois.

Mr. DIRKSEN. I associate myself with the resolution. It will be debatable, and every Senator will have an opportunity to express his views.

Mr. JOHNSON of Texas. I wish to make it abundantly clear to the press gallery, so that all may understand, that this is not a Democratic resolution. This resolution has been discussed with a good many Members on both sides of the aisle for days, and even weeks. The minority leader issued a statement after we visited the White House—after he visited and after I visited—and we talked about the program for the year. Much to my chagrin and irritation, the statement announced that we might not be able to get away in time. I wanted to make as much progress as I could. That was several weeks ago. I came back to the Senate, and Senators started to make announcements on the floor. The Senator from Tennessee [Mr. GORE], who is a great parliamentarian, who religiously follows the custom of notifying the leadership of his plans, although they are not always in accordance with the plans of the leadership, took me into one of the cloakrooms the other day and reminded me——

Mr. GORE. I did not shake my finger.

Mr. JOHNSON of Texas. He reminded me of the days when I visited with Senator Connally. He said to me, "I want to say to the majority leader, in the interest of the Republic, that we should give consideration to this legislation."

A House bill has been sent to the Senate that provides for 10 cents per person to the people of Tennessee, and provides only 11 cents per person to people

in Texas. I thought that Texas was worth more than 11 cents per person, and that we must have hearings to point out those variations.

Furthermore, although I do not think the Senator from Tennessee [Mr. GORE] pointed the period of time, the wage and hour bill has been in committee since February 1959. Through no fault of mine it has not been reported. It was placed on the calendar only this week, and no request has yet been made of me by the Committee on Labor and Public Welfare to bring it up. It has not passed the other body. That bill must be considered.

Ten appropriation bills must be considered. There are bills dealing with mutual aid, the Sugar Act, public works, highway appropriations; and H.R. 10 that must yet be considered.

Any Senator who thinks that such a program can be completed before next Wednesday ought to be enlightened by this discussion.

I do not think the Senator said that, but that is the effect. I think it ought to be considered.

The next morning I saw the movement was gaining. I saw that the Senator from Pennsylvania [Mr. CLARK] rose and agreed with the Senator from Tennessee 100 percent. I came down and talked with some of my colleagues, who represented two viewpoints.

One group said we ought to get out of here, pass the appropriation bills, and junk the rest of the program, do nothing about it, and come back under the new President.

The Senator from Tennessee told me that. I would say that a substantial group of Senators do not want to do anything. They are not in the majority, but after I heard that statement, I said to the clerks, "Go to each Senator and say to him, 'We have this problem,' and try to ascertain their opinion and give it to me."

They went to 65 Senators and asked the question.

I talked with the minority leader. We talked about August 1, September 1, and we even talked about November. The Senator from New York [Mr. KEATING] talked about November.

Then we talked with Members of the House.

After talking with members of the administration and getting their ideas as to measures which they felt ought to be acted upon, such as the Sugar Act and the IBA, we concluded that the majority wished to return August 8.

Some Senator may cross a "t" or dot and "i," and say, "I want to be individualistic. I want to make it tonight." Others will say, "I am different. I want to make it the 10th." Others will say, "I think it should be the 15th."

I do not care about those details.

The Senator from Connecticut [Mr. BUSH] wants to know if we are to have a session on the Fourth of July. The answer is no, if the leadership can prevail. So all Senators can now make their plans accordingly.

Other Senators want to know if they can go to the meeting of the platform committee. A number of them plan to go. The chairman of the platform committee is a Member of the House of Representatives. Members of the House wish to know what to expect.

Mr. GREEN of Philadelphia is a member of the platform committee. He is leaving and plans to be present for the meeting on Tuesday.

Mr. BOWLES is already working in advance getting ready to attend the platform committee meeting.

I do not say that they must remain here. I had nothing to do with setting the date of the convention, but I do not think I would be acting in the national interest if I tried to hold Members of Congress here. If I tried to hold them, some Senator, such as the Senator from Oregon or the Senator from Florida, would rise and say what they have said to me in the past, "We want you to give consideration to the needs and the problems of Senators."

I spent several days here last September because perhaps I acted a little hastily in connection with a decision I made in respect to the Senator from Oregon.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I wish to yield first to the Senator from Kansas [Mr. SCHOEPPEL].

Mr. DIRKSEN. Mr. President, I think there was a reservation of objection, was there not?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. I yield to the Senator from Illinois.

Mr. DIRKSEN. I wish to speak for only one purpose. Under the resolution to adjourn to a day certain the status of all legislation on the committee calendars and on the Senate Calender and all other matters is preserved exactly as it stands at the time when the adjournment becomes effective.

I suggest to the majority leader now, so that the value of this discussion will not be lost, because other Members wish to participate, that there be a quorum call at this time.

Mr. JOHNSON of Texas. I wish to yield to two Senators before suggesting the absence of a quorum, and then the time limitation will apply. I wish to yield first to my friend from Kansas.

Mr. SCHOEPPEL. Mr. President, I wish to say to the distinguished majority leader that I am delighted to hear the discussion this morning, for it indicates that we are facing the realities confronting us with reference to the unfinished legislation that is before the Senate. Whatever has been done or not done, whatever time we have lost and the reasons for it, are matters of yesterday. They are gone. I think we should rise to the occasion, and, even though some of us are in political campaigns for reelection, realize we have unfinished business to transact.

So far as I am concerned, I assure the majority leader, as well as the minority leader, that I will not be a party to obstructing that kind of approach. I think it is a practical approach. I will confine myself to conforming to the suggestion. I wish Senators to know how the senior Senator from Kansas feels. There may come a time, when we finally adjourn after we come back, when the senior Senator from Kansas will be in Kansas looking after his own personal campaign, and on those occasions I am sure the majority leader and the minority leader will be considerate in permitting the senior Senator from Kansas to spend some time back home. I shall go along with the program outlined. I think it is practical. I think it would be unfair to the country to do otherwise.

Mr. MORSE. Mr. President, I enthusiastically support the majority leader in the position he has taken.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous-consent agreement that the adjournment resolution be debatable for not to exceed an hour and a half on each side?

Mr. MORSE. Mr. President, reserving the right to object——

Mr. PROXMIRE. Reserving the right to object——

Mr. JOHNSON of Texas. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, as I have said, I enthusiastically support the majority leader in the position he has taken in this procedural matter. He has demonstrated again that we have no right to leave legislative business unfinished, and that it is our duty to transact the business of Congress. We can set it aside for a few days, if necessary, for the purpose of the political conventions, and to discuss the politics of the country, but we have the job of taking care of our statesmanship responsibilities.

The majority leader has my complete support in this matter.

Mr. PROXMIRE. Mr. President, reserving the right to object, I do not know of any Senator who has said that we should walk off and leave our work undone. I emphatically disagree with the majority leader. It is certainly my feeling that we should stay here, even if we have to stay until Christmas, to do our job. That is the position I have maintained consistently, in spite of the fact that there is now an attempt to erect this strawman and to batter it all over the Senate floor. My position is that we should stay here until the convention, and do the best job we can.

I have pointed out that it was the majority leader who stated on June 20 that we probably could finish our work within 12 days from that time. The Senator from Texas knows that we have passed a tremendous number of bills in recent days. The study I have before me shows that in the last 10 days we have passed two-thirds as many bills as we passed in the previous 5 months. Think of it, in 10 days we have done months of work. Why? Because we were confronted with the discipline of a deadline. We had the work to do, so we did it.

Mr. JOHNSON of Texas. Mr. President, I challenge the accuracy of the statement the Senator has made. I never said anything to him or to anyone else that I was certain we could conclude our legislative program by any date. I do not so state now. I disapprove of others making such statements, because if that is done there is always some

would-be leader who is determined to see that that prediction does not come true. I do not want to be a bad prophet. Mr. Drew Pearson has a record of being 89 percent accurate. Mine is not quite that good. I never predict exactly when we will be able to conclude a program. I have never done so.

Mr. PROXMIRE. I did not say, at least I hope I did not say, and I certainly did not mean to say, that the majority leader predicted that we absolutely would finish by any particular date. I used the verb "could." When I talked to him about it, it was his hope, it was his expectation, that that would be so; and usually the majority leader is very successful in realizing his expectations.

Mr. JOHNSON of Texas. I had hoped to finish by yesterday. I could have done so if I had had more cooperation from some people.

Mr. PROXMIRE. I realize that I have not been slavishly cooperative with the majority leader at all times. However, when I talked to the majority leader on June 20, he thought there was a possibility of our getting through by the 2d of July.

Mr. JOHNSON of Texas. That is not an accurate statement. I did not say that we would be through at any particular time. I did not know that we would spend 2 days on the defense appropriation bill. I did not know that the Senator from Pennsylvania would have us on the conference report on the tax bill for 2 days. I did not know that Mr. BOWLES and other Members of the House would be on the platform committee and would want to attend the convention 1 or 2 days before the convention opened. Mr. BOWLES cannot be in the House and in California at the same time. I did not know about Senator ERVIN, or that Senator PASTORE would be en route by car to the convention, perhaps to get there in time for the convention. We considered all these things. We considered the viewpoint of the Senator from Wisconsin.

Mr. PROXMIRE. If the Senator from Texas will simply let me speak for about 2 minutes, I will sit down, and then we can have a quorum call and the debate.

Mr. JOHNSON of Texas. I will be happy to do so.

Mr. PROXMIRE. I merely wish to say that it was my understanding that the majority leader on June 20 felt there was some prospect or possibility of getting through. Since that time we have disposed of the defense appropriation bill, and we have disposed of the tax bill.

Mr. JOHNSON of Texas. No; we have not. The House has not acted on the conference report. The Senate added $686 million to the defense bill. I am surprised that the Senator believes that we have disposed of the $40 billion defense appropriation bill.

Mr. PROXMIRE. We have disposed of the tax bill. Is that right?

Mr. JOHNSON of Texas. Yes; but of course I do not know whether the President will sign it. It still must be signed by the President.

Mr. PROXMIRE. The debate on the defense appropriation bill has been concluded so far as the initial bill before the Senate is concerned. We now are awaiting the conference report.

Mr. JOHNSON of Texas. No; we have not.

Mr. PROXMIRE. We await the conference report.

Mr. JOHNSON of Texas. The Marines have been cut. I do not know what the Senator from Pennsylvania or the Senator from Illinois will have to say about that. I am sure it will cause some debate. Usually a conference report requires some debate.

Mr. PROXMIRE. Of course, we expect some debate on conference reports. However, as the Senator from Texas knows far better than does the Senator from Wisconsin, conference reports usually are disposed of quite quickly, certainly faster than legislation subject to amendment.

It is true, of course, that there are three Senators on this side who must be in Los Angeles to attend meetings of the Platform Committee. However, we usually attend to the business of the Senate without the presence of some Senators on important yea-and-nay votes. Usually a minimum of 10 Senators are absent, and on the average, I suppose, 12 or 15 Senators. But we can transact the business of the Senate even without these Senators being present.

There are also Members of the House, like Representative BOWLES, who have to be absent. Throughout the session some Senators have had to be absent at various important national and international conferences. Others attended conferences in their States. This did not close down the Senate. We transacted business. We had rollcalls.

Mr. JOHNSON of Texas. When Senators are absent they prevent the Senate from transacting business. They do not necessarily call up the majority leader; they call up their colleagues and say, "Do not allow anything to happen until I get back." What expectation do I have that we will be able to transact any business on Wednesday or Thursday?

Mr. PROXMIRE. I know the Senator from Texas has a very difficult and onerous job. He has been very considerate with other Senators. The fact that we are not ready to adjourn certainly is not his fault. On the basis of what I construed to be the Senator's best judgment on the 20th of June, there was at that time the prospect that we would get through in 12 days.

Mr. JOHNSON of Texas. I am not responsible for the Senator's construction. I do not confirm that statement at all. I am unable to tell or predict when we will get through. I hope we will get through in 2 or 3 weeks when we return, but we may spend 2 or 3 weeks on one bill.

Mr. PROXMIRE. I should like to conclude by saying to my good friend from Texas that this came as a bolt from the blue for most of us. I was approached by the assistant to the majority leader a couple of days ago and asked if I wanted to adjourn with the job undone, or if I wanted to come back in August or September. Those were the alternatives that were offered. We were not given the alternative of staying here and trying to finish the job.

Mr. JOHNSON of Texas. If the Senator from Wisconsin desires to do so, he may offer an amendment to the resolution. I do not know why he wants Senators to miss the meetings of the platform committee and not miss the convention, when one is just as important as the other.

Mr. PROXMIRE. The Senator from Wisconsin does not want any Senator to miss either the convention or the platform committee meetings.

Mr. JOHNSON of Texas. It is not necessary, if the Senator will follow the leadership plan. The Senator can attend both and still do his job here. Why does the Senator wish to stay here until the 5th or 6th or 7th of July?

Mr. PROXMIRE. Yesterday we had a colloquy on the floor before the Senator from Texas announced his decision on this subject. About a half dozen Senators participated in the debate on both sides of the aisle, and they expressed their opinions. The overwhelming consensus was that we should try to finish the job. The position taken by the acting majority leader, the Senator from Montana [Mr. MANSFIELD], was that he felt that that was the better course to follow. He has since then changed his mind. However, yesterday he said that he was shocked to hear of the plan to go over. He said he had had no knowledge that we could not finish the job by July 9.

Of course, we are to some extent at the mercy of the excellent judgment of the distinguished Senator from Texas.

Mr. JOHNSON of Texas. I would not say "mercy"; I should say Senators may have the benefit of my judgment.

Mr. PROXMIRE. Very well; we have the benefit of the Senator's excellent judgment; and, in my opinion, we are at the mercy of his excellent judgment. He is in a position to say we cannot possibly do this work in 7 or 8 days, or that we can easily do it in 7 or 8 days.

Mr. JOHNSON of Texas. Does the Senator honestly think we could do it? Let the Senator be frank, now.

Mr. PROXMIRE. All right. I am delighted to respond to the Senator's question. I think if we stayed in session until midnight tonight, midnight Friday, and midnight Saturday, and came back on Monday and worked hard, then, on the basis of what we have done at the conclusion of every single session, I should say we would have an excellent chance to finish.

In the last 10 days we have passed 180 bills, some of them major bills. With the deadline facing us, and with the great incentive of possibly being able to finish our work, I believe it could be done. Under such circumstances, Senators are much more restrained in their conversation and usually more willing to get the job done.

Mr. JOHNSON of Texas. I am willing to have the Senator's statement stand so that historians can judge his judgment.

If anyone thinks we can pass the wage and hour bill, which has just been reported, and which has not even passed the House of Representatives; a medical plan which affects every person in the country; a social security bill; and the

remaining appropriation bills by next Wednesday, with the Senate not sitting on the 4th of July, then those who want to follow that judgment can do so.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered. The Chair states that time is now running on the resolution.

Mr. JOHNSON of Texas. I yield to the Senator from Oregon.

Mr. MORSE. I desire the attention of the majority leader and the acting minority leader. I completely agree with the observations of the Senator from Texas with respect to the mutual security bill and the minimum wage bill. There will be some very long speeches on both subjects. There is much that some of us will have to say. Action on neither of these bills can be taken in less than several days per bill.

Mr. President, I desire to bring up another matter. Yesterday a unanimous-consent agreement was entered into for the Committee on Foreign Relations to meet today. I was unalterably opposed to that proposal, but I happened not to be here when the request was made. The matter pending before the Committee on Foreign Relations is one as to which I am a major advocate in respect to some amendments.

The committee was unable to meet this morning, not having a quorum when we reached this subject matter. I do not believe there will be an attempt to have another meeting of the Committee on Foreign Relations today. However, I must attend the meeting of another conference committee, and I do not want to be caught flatfooted with respect to the matter before the Committee on Foreign Relations.

In view of the fact that the business will involve my advocacy in respect to the subject matter, I ask unanimous consent that the order of yesterday that the Committee on Foreign Relations be allowed to meet today be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. Mr. President, may I ask the Senator from Oregon if that request is agreeable to the Committee on Foreign Relations?

Mr. MORSE. Oh, I am certain it would not be agreeable to all members of the committee. I think the chairman understands that any attempt to have a meeting today would cause me, as I very emphatically notified the committee this morning, to use all my parliamentary rights. I do not believe the chairman will attempt to hold another meeting today.

Mr. JOHNSON of Texas. Will the Senator from Oregon reserve his request until I have had an opportunity to speak with the chairman of the committee? I appreciate the Senator's courtesy. I will seek to notify the chairman. I am perfectly willing to go along with the Senator from Oregon. I am extremely anxious to be agreeable with the Senator from Oregon.

Mr. MORSE. I shall not go to the meeting of the conference committee until we hear from the chairman of the Committee on Foreign Relations.

Mr. MONRONEY. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. MONRONEY. I find it difficult to disagree with my dear friend and colleague, the distinguished junior Senator from Wisconsin, in this case.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. JOHNSON of Texas. Mr. President, I yield myself as much time as may be necessary.

Mr. MONRONEY. I think the Senator from Wisconsin is wrong, from any reasonable calculation based on experience, in saying that we could have finished our work before the conventions.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield to the Senator from Oklahoma without the time being taken out of my time, because I do not think the unanimous-consent agreement ought to start to run until I have concluded.

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. Mr. President, what was the request?

Mr. JOHNSON of Texas. I asked unanimous consent that I might yield to the Senator from Oklahoma without the time being charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

All Senators will resume their seats and desist from conversation. Business will not be transacted until quiet has been restored.

The Senator from Oklahoma may proceed.

Mr. MONRONEY. Mr. President, I have spent some 10 years in this body and some 12 years in the other body. I think I know the relative speeds at which we can act and carry a heavy legislative load.

I again call attention to the fact that the Subcommittee on State, Justice, and Judiciary Appropriations has reported to the full committee a bill which has not even been acted upon by the full committee.

The civil functions appropriation bill, commonly known as the public works bill, and handled by the distinguished senior Senator from Louisiana [Mr. ELLENDER], was reported yesterday by the full committee. It has not come to the floor for action. That is a very important bill.

The mutual security appropriation bill, which I know intrigues and interests greatly the distinguished junior Senator from Wisconsin, and which is always a most controversial bill, has not even been marked up yet.

A supplemental appropriation bill, on which budget estimates are still being received, has not even come from the House to be considered.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. JOHNSON of Texas. I had two conversations last night with a member of the Cabinet, one with the Secretary of State. This morning I have their new budget estimates. They have just been received. They will require hearings before the bill is acted upon.

Mr. MONRONEY. The Senator is correct.

Mr. JOHNSON of Texas. I have in my pocket a letter from the Director of the Bureau of the Budget, of the Executive Office of the President, explaining the need for these items.

Mr. MONRONEY. There are 10 appropriation bills, which are either still in conference or as to which action has not been fully completed.

The distinguished Senator from Wisconsin strongly supports the health, education, and welfare appropriation bill. That bill is tied up because of a rather difficult problem which has arisen between the House and the Senate concerning amendments which the Senate included in the bill and which add many hundreds of millions of dollars to this appropriation.

In addition, the housing bill has not been completed. The House Committee on Rules has not given a green light for the House to consider the school construction and teachers' salary bill, in the discussion of which the distinguished Senator from Wisconsin took a leading part.

There is also the foreign credit bill.

The highway bill was passed by the Senate last night.

The rivers and harbors authorization bill has not yet come before the Senate.

The social security bill, the Sugar Act renewal, the Small Business Administration loan authorization, and the saline water conservation bills, are bills which must be considered.

I consider the saline water conservation bill to be one of the greatest instruments we have to offer underdeveloped nations to enable them to make a breakthrough in technology. That bill offers great hope for arid areas which lie along the seacoasts.

Also, there is the minimum wage bill to be considered.

To summarize, the distinguished Senator from Wisconsin feels, as I do, that it would be a very grave thing for Congress to adjourn this session even without passing the necessary appropriation bills. It is always very costly to pass temporary extenders. Still, I doubt if all those bills will finally be passed by Saturday night. We shall not be in session on Sunday, and perhaps also on the Fourth of July. That would leave only Tuesday, Wednesday, and Thursday, in anybody's estimate.

The distinguished Senator from Wisconsin and many of the rest of us who sit in the back row, and who used sometimes to be rebels against the leadership on certain occasions, want desperately to have a good minimum wage and hour bill passed. We want desperately to have a good old-age health insurance bill passed. We want desperately to have passed a Federal aid to education bill which will include teachers' salaries.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. JOHNSON of Texas. I should like to speak a moment about the social security bill, the old-age health insurance bill, and the minimum wage bill. Suppose we had a deadline to finish our business by next Wednesday or Thursday. Senators should realize that by speaking 20 minutes or 40 minutes, actions can be delayed, and it would be necessary to accept, sometimes, watered-down proposals which we would not otherwise accept.

These are bills which ought not to be watered down simply to get a bill which some persons want to have watered down, or they ought not to be abandoned, as some persons would like to have them abandoned.

I have just been notified that a White House messenger is waiting now, and that very shortly we shall have a veto on the postal bill. Do not tell me that that is not going to take some discussion.

Mr. MONRONEY. I agree that we do not dare send a bad bill on old age insurance to the President, because if we sent a bad bill there, he would be justified in vetoing it. I want the President able to work his will on a good bill.

Mr. PROXMIRE. Mr. President, will the Senator from Texas yield to me?

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield first to the Senator from Wisconsin, with the understanding that I do not lose the floor; and then I will yield to the Senator from Louisiana.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Will the Senator from Texas yield, so that the Senate may receive a message from the President?

Mr. JOHNSON of Texas. I yield for that purpose.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

LEGISLATIVE PROGRAM

Mr. PROXMIRE. Mr. President, the Senator from Texas has yielded to me.

Mr. JOHNSON of Texas. Yes, I have, but I retain the floor.

Mr. PROXMIRE. Mr. President, there are no two Senators who have had more experience with this matter than the Senator from Texas and the Senator from Oklahoma. Both of them concern themselves with this subject a great deal; and they know how long these bills may take, and their judgment may be right. But I submit that the RECORD is replete with examples of what can be done by the Congress in the last 10 days of a session. During the closing days of a session a tremendous number of bills are generally passed. The RECORD shows that again and again it has not been any trick for the Congress to pass 6, 7, 8, 9 or 10 appropriation bills and a number of other very important bills in the last few days of the session.

The main argument of the Senator from Oklahoma, as I understand it, was that we would not be able to finish, and that therefore this excellent legislation, which both he and I support, might be killed. I have never taken the position that we should walk out on Friday or Saturday of this week or next week, regardless of whether we finish. What I have said is that we should do all we can now; and I say that every day we work next week will be worth many times as much as a day in August. The fact is that we can work during this week and next week, and Senators are now willing to work from early morning until midnight. They are willing to work hard.

Mr. JOHNSON of Texas. Mr. President——

Mr. PROXMIRE. Just a minute, please.

Mr. JOHNSON of Texas. Mr. President, I have the floor.

Mr. PROXMIRE. Then I have no alternative but to yield.

Mr. JOHNSON of Texas. I wish to interject, to say to the Senator that I tried to get Senators to work until 9:30 last night.

I understood there was considerable opposition to House bill 10; and I came on the floor at 8:30, and I came back at 9:30, but I could not get Senators to work later. I asked Senators to make speeches then; but they did not want to work later, last night.

The Senator from Wisconsin may be able to get them to work later than I can get them to work. If so, I will appoint him my deputy; and if he is able to get Senators to work until late in the night, that will be fine.

Mr. PROXMIRE. The Senator from Texas knows perfectly well that he can require Senators to stay and vote if he wants to do it. Last February and March he was successful in keeping Senators on the floor all night for weeks with votes and quorum calls at 2 and 3 in the morning. Of course, we will work after 9:30 at night. All the Senator from Texas has to do is give the Senate a chance to work all out to conclude its business and adjourn sine die on July 8; and then there will be a chance to get the work done, and Senators will get busy.

Mr. JOHNSON of Texas. Mr. President, I cannot agree with that statement. I know that no one can pass these bills that ought to be passed and give them the consideration they should receive and end the session by July 8; and I think every other Senator knows it.

Mr. PROXMIRE. May I simply finish my colloquy with the Senator from Oklahoma by saying that whether we can get out on July 8 or not—and I admit that the preponderance of educated experience is on the other side on this matter—at least we can do a tremendous amount of work next week and can save ourselves weeks of work in August, when the weather is very hot and when Senators have commitments, and when many of them will be able to plead that they have other commitments and that there should not be night sessions, or Saturday sessions, or votes on Mondays or Fridays. So it seems to me that we should meet next week, when we can make the "college try" and can try to get through.

Mr. JOHNSON of Texas. Mr. President, I do not want to turn the Senate into a "college try" club.

The Senator from Wisconsin speaks of all the speedy action that can be taken in the next few days. But I remember when the Senator from Wisconsin told the Senator from Illinois what he would do on the Lake Michigan bill. I see the Senator from Illinois in the Chamber, and he is one of the great men of our generation and of our time.

Certainly the Senator from Arizona [Mr. GOLDWATER] can receive the same consideration, in connection with the amendments he offers and the speeches he makes on the minimum wage bill, that the Senator from Wisconsin received on the Lake Michigan bill—and that was, as I recall, an opportunity to make a full and detailed explanation of all the merits concerning that project and all the demerits; and, as I recall it, it was called an educational procedure. If a bill like the Lake Michigan bill can tie up the Senate for hours and days, and I guess it would have tied up the Senate for weeks, and it did take much too long toward the end of the last session, because of the threats of a filibuster, imagine what would happen if we had a July 8 deadline and if we had to pass the minimum wage bill before then. The result would be that it would not be passed; and every Member of the Senate and all those in the Press Gallery know that.

In that event, a good many Senators who oppose that bill would stay here and would conduct an educational campaign. Even if some Member who is familiar with that situation wished to make the attempt, no one should be naive enough to think that a bill like that one and all the other bills could be passed in time to permit us to end the session on July 8. But even if that were to happen, the Senate would then be depriving the Members of the majority party Platform Committee of the opportunity to discharge their responsibilities; and it is not necessary to do that. Instead of keeping the Senate in session for 3 more days in July, the Senate could meet for 3 days in August. Why are 3 days in July so holy, whereas 3 days in August are so terrible? That is what I cannot understand. It does provide an alternative viewpoint and a choice of leadership and a difference of judgment; and some people thrive on that. But, Mr. President, I submit it is very easy to knock down a barn, but it is a little difficult to build one.

We have tried to build a barn here by consulting all the Members. I predict that when the roll is called, Senators will find that the time we have taken now has largely been wasted, because in my judgment a majority of the Members will follow the proposal originally suggested by the able Senator from Tennessee [Mr. GORE].

Mr. PROXMIRE. Mr. President, will the Senator from Texas yield on that point?

Mr. JOHNSON of Texas. I yield.

Mr. PROXMIRE. Of course they will follow the position of the leadership on procedural motions. I expect to vote against it, but I expect to be one of the few, or perhaps the only Senator to vote against it, because no other Senator has spoken against it, and it is the time-honored custom to follow the leadership on procedural matters. So the die is cast.

But until the majority leader made his decision, virtually every Senator who spoke on the matter was opposed to that suggestion. But now that the decision has been made by the majority leader, we are told that that is it, and any effort we make to change the situation will run into the stone wall of the majority leader's power.

Mr. JOHNSON of Texas. Mr. President, I would say that is a very inaccurate statement.

Mr. PROXMIRE. O, the Senator from Texas knows it is true. Of course it is true.

Mr. JOHNSON of Texas. Just a minute; I am not going to yield now.

I am going to say that the first Senator who spoke on this subject was the desk mate of the Senator from Wisconsin, the Senator who is sitting to his left. Does the Senator from Wisconsin contend that his desk mate spoke against it? He is the one—the Senator from Tennessee [Mr. GORE]—who advocated it. And about two desks farther along is the Senator from Pennsylvania [Mr. CLARK], who confirmed it. I read it in the RECORD. When I read it in the RECORD, I said to myself, "We have a little movement going on now, and I will look into it." I am aware of suggestions, and I take them into consideration.

So then I proceeded to canvass the membership of this entire body, and tried to ascertain in my own humble way what they wanted to do.

I think most of them agree that we could abandon the program, or we could take a recess until after the conventions and then could return and could try to pass the programed legislation. So I believe that a majority of Senators on both sides of the aisle believe that it will be in the national interest for us to take a recess before the conventions, in time for Members to perform their duties at the conventions, and then return, after the conventions, and proceed to pass the bills on the program. And I think that is what we should do.

Mr. BUTLER Mr. President, will the Senator from Texas speak louder, please?

Mr. MONRONEY. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. MONRONEY. Mr. President, the minimum wage bill we pass must be a good bill. We do not want to be required to act in such haste that we have to limit debate, with the result that the debate on each committee amendment might be limited to 5 minutes to a side. Senators have a right to know what they are voting on.

We have an old age insurance bill. I do not know what kind of program I want to see established.

There are many good programs before us, and some bad programs coming from the House side. We cannot pass all these bills in 2 or 3 days. If we passed bad bills, they could commit us to tens of billions of dollars of worthless expenditures. Perhaps the President could save us by means of a veto. But I do not want to give him a bad bill, for him to veto.

Mr. BUTLER. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. Just a minute, please; I have been yielding to everyone.

I want provisions in regard to teachers' salaries included in the aid-to-education bill, along with provisions for the construction of schools. The House passed that bill the other way around, and this subject involves a long struggle in the Congress. We cannot gain by attempting to do everything in a few days.

Many political scientists have advocated legislative rules to the effect that no major bill can be passed within 10 days of adjournment, or perhaps even longer before adjournment than that, because the days close to adjournment are the time when unhealthy, unwise, unsound compromises are made, in order to accommodate to the calendar, but not to accommodate to sound legislative procedure.

I feel that those of us who want to see good legislation enacted—and I know the Senator does—feel that the calendar has outrun us, and that the best thing to do now is to stop until after the conventions.

Mr. LONG of Louisiana. Mr. President, I call for order in the Chamber.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The Senate will be in order. The Senator from Oklahoma will not proceed until the Senate is in order.

Mr. MONRONEY. The best thing to do is stop the session Saturday night, come back with a fresh look and a fresh viewpoint, charged with mingling with thousands of Democrats and party leaders, and write a program so the next candidate for President will have a real platform to run on. I know the distinguished Senator from Wisconsin knows that as well as I do. I think the leadership is wise and sound in its attitude that the Congress should conclude its business now and recess on Saturday night. Even though it will inconvenience us, it will not inconvenience the American people, millions of whom look to us for legislation now under consideration.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I want to say to the Senator from Texas he questioned my assertion when I said yesterday we had on the floor of the Senate a colloquy before the majority leader made the decision that we should adjourn. The senior and junior Senators from New York [Mr. JAVITS and Mr. KEATING] supported my position. The Senator from Alaska [Mr. GRUENING] supported me. The Senator from Alabama [Mr. SPARKMAN] said he thought it would be dismal if we had another session, that the extra session in the 1948 election year was a sad flop. The acting majority leader, the Senator from Montana [Mr. MANSFIELD] said:

> I was under the impression that we could finish our work possibly by the morning of the 3d, or at the very latest on the 8th or 9th of July.

Then he goes on to say:

> I am doubtful about the wisdom of holding a session after the conventions, because I believe there will be a great deal of politics in the air at that time, and that the Senate will become a forum for political candidates who have already been nominated, and who perhaps might be more interested in issues than in results.

As I have said, the Senator from Montana has reversed his position now, but before the decision had been made by the majority leader, many Senators who expressed their positions disagreed with the majority leader and felt we had a conscientious duty to stay here as long as we possibly could before the convention and try to finish our work. Then the ax fell.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana.

Mr. LONG of Louisiana. The Senator from Louisiana is one of those who was anxious to have us conclude our work before the convention started. However, we have to recognize that when we make a decision that we are going to quit as of a certain date, controversial legislation is stopped dead. The Senator from Louisiana knows a controversial measure is not going to be passed, because one Senator can stop the Senate dead. The Senator from Wisconsin knows that one Senator can have his way on such a measure once it is decided Congress is going to quit within a day or two.

The junior Senator from Louisiana thought we could perhaps pass the social security bill——

Mr. JOHNSON of Texas. If the Senator from Louisiana will yield at that point, the Senator is aware that is what happened to the Lake Michigan bill.

Mr. LONG of Louisiana. And I can recall a time when the majority of the Senate had been committed to a bill that I personally thought was unwise. After I opposed it a day or two, the Senate majority decided to drop it.

Mr. JOHNSON of Texas. It could happen to the pending business.

Mr. LONG of Louisiana. If we want to do something substantial for the aged, the needy, people under social security and public welfare, we are not going to be able to do more than give them a little bit of an eyewash if we adjourn for the session now. Even though the House bill does nothing for the aged, it is a long, complicated bill that will require the committee itself a considerable time to understand it. I am a member of that committee. I must say I am amazed at how complicated something can be that does so little for so few. At the same time, we need to study that bill. It should be amended. Amendments will be offered. They should be offered. Measures like the health plan sponsored by the Senator from Michigan [Mr. MCNAMARA] should be considered by the Congress. He has been proposing it for

more than a year, and inviting other Senators to go along as cosponsors. A similar measure offered by the Senator from Tennessee should be considered. If we agree we are going to go home by Wednesday, it means these matters are dead and we are going to drop them and forget them and go on home. In view of the fact that there is some prospect of doing something about these matters, it would be wise to come back and see if we can do something about them.

I know the junior Senator from Louisiana is interested in doing something that amounts to substantial good for persons who need health care and aged persons in that category. He is also anxious to increase welfare payments. If we come back, we might have a chance to do something about it. But I am convinced that if we try to rush for an adjournment date by Wednesday or Thursday and not come back, we are not going to do anything along that line, because one or two Senators can defeat such a measure if he wants to, knowing that Congress is going to adjourn by Wednesday.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Pennsylvania [Mr. CLARK].

Mr. CLARK. Mr. President, I strongly support the decision of the majority leader with respect to the recess and coming back in session in August. I am flattered, and I hope my colleague from Tennessee is flattered, that he should have named us as particeps criminis in this conspiracy to make the Senate stay with its nose to the grindstone until it passes bills which are, in the opinion of many of us, in the national interest.

Mr. PROXMIRE. Mr. President, will the Senator yield at that point?

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Wisconsin with the understanding that I do not lose the floor.

Mr. PROXMIRE. I hope the Senator is not implying that any Senator has argued on the floor that we should adjourn before we finish our work. To my knowledge, no Senator has argued that. My position and the position of the Senators whom I heard speaking out on the floor before the Senator from Texas made the decision on this question is that we should keep our nose to the grindstone right up to convention time and try to do whatever business we could, and if we did not finish we should come back and finish.

Mr. JOHNSON of Texas. If the Senator will permit, I want to say in public what has been said in private. A number of Senators have advocated that we complete action on the appropriation bills and adjourn sine die. I will say a substantial number said that—not a majority, but a substantial number. I would like the RECORD to show that. I am sorry the Senator from Wisconsin was not so informed, because I stated that yesterday in the debate and in the RECORD.

Mr. PROXMIRE. The Senator from Texas says this is a private conversation, but no one——

Mr. JOHNSON of Texas. No. I said I am going to state publicly what was said privately. If the Senator will read the RECORD, I said yesterday a substantial number of Senators thought we ought to finish appropriation bills and go home. Some of them are here in the Senate now, and I am looking at some of them.

Mr. RUSSELL. I plead guilty to that philosophy.

Mr. JOHNSON of Texas. I yield to the Senator from Georgia.

Mr. RUSSELL. I plead guilty to that philosophy.

Mr. JOHNSON of Texas. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I plead guilty to that philosophy also, with the exception of two or three measures, like the road bill and the sugar bill that I felt we could work in; but I think it would have been much to the interest of the country to do that. So far as I am concerned, part of my philosophy was my complete objection to some of the very bills that some of my colleagues think are of importance to the country, but which I think are destructive of the best things in American life, like the atrocious minimum wage bill, which proposes to break down forever the distinction between interstate and intrastate commerce, and to center here at Washington control of every business in the country and control of every person who works in every business in this country. To me, that is an abominable suggestion. Certainly, that bill could not have been passed in the brief time remaining. Since I understand the distinguished leader wanted that measure at least to be debated, and I am always willing that my friends who feel differently from myself have their day on the Senate floor, I say he has made the only decision that was possible. I am one of those who would have much preferred to see it languish and die as we went away to final sine die adjournment, in time to get to Los Angeles without having passed anything but the appropriation bills and two or three other bills of the type I have mentioned.

Mr. JOHNSON of Texas. If the Senator will pardon me a moment, does the Senator from Maryland desire to have me yield?

Mr. BUTLER. I had not asked the Senator to let me speak on this, but the Senator knows how I feel about it.

Mr. JOHNSON of Texas. Does the Senator wish to testify?

Mr. BUTLER. The Senator is perfectly willing to testify.

I agree generally with what the Senator from Florida has said. In addition, I say on the floor of the Senate today what I said yesterday. If we come back, we are going to cost the taxpayers of this country billions of dollars unnecessarily. That is what we are going to do.

Mr. JOHNSON of Texas. Mr. President, I will yield to the Senator from New Hampshire, if the Senator from Pennsylvania will permit.

Mr. CLARK. Yes, indeed.

Mr. COTTON. If we are already on allotted time——

Mr. JOHNSON of Texas. No, we are not.

Mr. BUTLER. The people at the desk, I believe, think we are.

Mr. JOHNSON of Texas. The consent granted was that the time would start when I finished. It will take effect after the quorum call.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

Mr. JOHNSON of Texas. We will ask for additional time, if the Senator wishes to have more.

Mr. COTTON. If we are on allotted time, I was going to make an observation, but I do not wish to take up time. If we are not on allotted time, I would prefer not to interrupt.

Mr. JOHNSON of Texas. I should like to have the Senator's observation, whether it is on allotted time or not on allotted time.

Mr. COTTON. I merely wish to say that I have great respect for the majority leader. I think anyone who faces the facts knows that at this juncture in the session, if decisions are going to be made with respect to all of the bills—some of them of great magnitude—before the Senate, those decisions cannot possibly be made before the political conventions.

I will say also that if we are to recess and to return, to expect any rational, reasonable, cool and careful consideration of these measures—some of which I favor—it should be after the ballot boxes are closed on election day.

I was a Member of the House of Representatives in 1948, when we were recalled into session in the midst of a political campaign. It was a Donnybrook of politics and that session had only one matter to consider—price control.

This will be infinitely worse. There will be more time consumed and more tears shed than in any session we have known. I hate to think of days and nights of pure campaign oratory which will deluge the Senate in the midst of a presidential campaign.

It is needless to lament the time wasted during the months behind us but if we must return let it be after election. If we are going to handle important measures let us take them up when the Senate can act with dignity and decorum and not under the lash of a hot presidential campaign.

Mr. JOHNSON of Texas. Mr. President——

Mr. COTTON. For that reason I am going to be compelled to vote against the particular adjournment resolution before the Senate.

Mr. JOHNSON of Texas. Mr. President, I wish to make a very brief observation, if the Senator from Pennsylvania will indulge me further.

I rather doubt, in the light of what has taken place, that we can conclude action on all the appropriation bills before we leave here on Saturday. I would not think anyone would want to have those bills, even with a continuing resolution, go along until November.

I would think that anything we did after November would be largely wasted, because I think the new President would desire to plan his own program and to have it worked out with his knowledge.

I am an optimistic man. I hope that we shall not repeat the errors of the 80th Congress. I was a Member of that Congress. I was a candidate for the Senate at that time. I had a Republican opponent, and I defeated him. I do not want to appear braggadocio, but I defeated him by several hundred thousand votes. I am sure it was not all the result of the record I had made, but a good deal of it was the result of the record of the 80th Congress, the Republican Congress.

The Congress did do what the Senator from New Hampshire says. I think the public put the Congress under the spotlight and made the Members pay the price. That is one of the reasons why the 80th Congress was held up to scorn throughout the land, and one of the reasons for the remarkable victory of the then President, who took the position that the Congress should do its job and not play politics.

I am going to appeal to my colleagues, when they come back in August, to get on with the work. I think we have to say, in August, "Do it"—in September, "Do it"—in October, "Do it."

I yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, now that various Senators have publicly pleaded guilty to the soft impeachment of wishing to pass the appropriation bills and go home, I reiterate my strong support for the position taken by the majority leader. I think there is important proposed legislation for the country which the Congress has an obligation to debate quietly and sensibly and to vote on.

I am aware that most Members across the aisle, and a few Members of this side of the aisle, are opposed to that proposed legislation. In the past this bipartisan group has frequently constituted a majority of the Senate. I hope it does no longer.

The election of 1958 and the actions of the new Members of the Senate on this side of the aisle make me feel quite confident that the coalition does not any longer control the Senate.

I point out that we are now legislating under the shadow of the House Rules Committee and under the shadow of our own rules, and that these two shadows give undue power to those who are against proposed legislation, in contrast to those who are for the proposed legislation.

I do not wish to stir up a hornet's nest in connection with this matter, and I shall only say to various good friends of mine, whom I see in the Chamber, with whom I have differed in the past, whose friendship I treasure, that this is an occasion in which we must, in good humor, differ again. From where I sit, I think it is very important, first of all to our country but, secondly, to the Democratic Party, that we should make an earnest effort to pass a Federal-aid-to-education bill, a housing bill, a minimum wage bill, and a bill extending medical benefits to our elderly people.

I, too, had planned a vacation for my family in August. I am prepared to shed as many tears as any other Senator over having the vacation go down the drain. I feel in the national interest and in my party's interest we should return and do our job.

I wish to distinguish the comments made by some from those of my good friend the Senator from Wisconsin, who I know desires to do the job, too. He simply wants to do it in a little different manner. That is his privilege.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The Senate will be in order. The Senator from Pennsylvania will suspend until the Senate is in order.

The Chair will state that time is not running, so long as the Senator from Texas has the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania may proceed.

Mr. CLARK. The Senator from Pennsylvania has said everything he thinks pertinent, and yields the floor.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Florida [Mr. SMATHERS].

Mr. SMATHERS. Mr. President, in the light of the discussion as to how long we can take with respect to various legislative proposals—I shall appreciate the majority leader giving me his attention for a moment—before the conventions, I wonder if the majority leader has given any thought to asking for a time limitation with respect to H.R. 10, so that we may at least have a vote on the bill sometime in the near future, perhaps in the next day or two. Has the majority leader given any thought as to whether he will ask for such a time limitation on debate?

Mr. JOHNSON of Texas. Mr. President. I shall be happy to ask for a time limitation. In view of the indication that Members desire to expedite the business, if it would be agreeable I should be willing to suggest for the consideration of the Senate that we have an hour on each side on any amendment and 4 hours on the bill. If that is agreeable to the author of the bill and if it is agreeable to the opponents of the bill, the Senators can consider it, and later in the day, after we have a quorum call, I shall be glad to submit such a unanimous-consent agreement, if that is the desire of both sides.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. McCARTHY. The Senator is not proposing a time limitation now? The Senator wishes to have us think about it?

Mr. JOHNSON of Texas. Has the Senator any suggestions? The very able Senator from Minnesota is a thoughtful man and has always been very helpful. I will be glad to accept any modification which might bring about an agreement.

Mr. McCARTHY. I do not know whether I am in a position to agree on this subject. It is rather a moot question as to who the leader of the opposition to the bill actually is. I should like to find out before I agree to a limitation how many Senators understand what they are considering and what they may commit themselves to. I am somewhat distressed to hear that 70 Senators are committed to vote to pass H.R. 10. It is hard to believe that 70 Senators know what they are doing with respect to H.R. 10 at this time, because H.R. 10, to which they committed themselves, was first changed in the House and then it was changed again in the Senate. It seems to me that if we persuade them that they should vote against it, it should be only after there has been adequate explanation of the implications.

Mr. SMATHERS. The question then is how long it would take the Senator from Minnesota to persuade them. That is the answer we would like to know.

Mr. McCARTHY. I would state to the Senator from Florida that if Senators were in the Chamber to listen to us, I think we could do it within 15 minutes. But we shall probably have to conduct the debate like "My Fair Lady," and have a different house every hour or two during the day, in the hope that by nightfall or by tomorrow sufficient consideration will have been given. I had hoped that the Senator from Florida might be agreeable to setting the bill aside periodically during the day to take up other business; and we had hoped that as the other business was brought up, one issue after another, we would get a different house, and before Senators voted they would understand the provisions of H.R. 10. After five or six other matters had been brought up, we would have covered approximately 70 Members of the Senate, and we would be ready to vote, with the hope that those 70 Members understood the provisions of H.R. 10.

Mr. SMATHERS. I say to my very delightful friend, who is a member of the Finance Committee, that he had an opportunity to convince the members of the committee for about 6 days, when they were virtually locked in the committee room and could hardly leave. He was unsuccessful in convincing the majority of Senators as to the validity of his position.

However, I have no desire to limit his opportunity to try to convince Members of the Senate. I merely suggest that, if at all possible, so that we might expedite our work and get on to other important legislative matters, in which I know the able Senator from Minnesota is interested as are other Senators, we might have some reasonable time limitation and proceed to vote on the bill.

Mr. McCARTHY. I think the amount of time which has been suggested by the majority leader is sufficient. It is merely a question of how the time is distributed; that is what bothers me. I should like to see it distributed, as I said, through the day, with other matters interspersed, which might bring other Senators to the floor so that they could hear our position.

Mr. JOHNSON of Texas. If the Senator from Minnesota would go along with our suggestion, under the rules we could have a quorum call before the vote on each amendment, and there could be a live quorum call before action on the bill. I do not know whether the 4 hours will be used. I would be willing to modify it to 6, or whatever number of hours the

Senator might suggest, if there is any possibility of reaching an agreement.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. CARLSON. I wish to associate myself with the remarks of the distinguished Senator from Florida. I think the subject should be explored on this side of the aisle. I am in no position at this time to grant the request of the majority leader, although I hope we can have action. I am in accord with the views of the Senator from Florida [Mr. SMATHERS].

Mr. JOHNSON of Texas. I have not yet made a request.

Mr. SMATHERS. I should like to ask one further question before we leave the subject. Is it agreeable with the Senator from Minnesota [Mr. McCARTHY] that later this afternoon this question be taken up with the majority leader to see if at a later date we might not perhaps obtain a unanimous-consent agreement which would be related to those who are in opposition to H.R. 10.

Mr. McCARTHY. I do not know that I have the authority to speak for them.

Mr. JOHNSON of Texas. Mr. President, I ask my able friend, the Senator from Florida, as an advocate of the bill, and my able friend, the Senator from Minnesota [Mr. McCARTHY], both of whom serve with distinction on the Finance Committee, to explore with their colleagues the possibility of some kind of agreement that will bring this measure to a vote sometime between now and Saturday night, or, for that matter, if the Senate wishes, to go over to July 7, and see if that can be done. If they will make suggestions to me, I shall be glad to consider them.

It may be that the Senator from Tennessee [Mr. GORE] had H.R. 10 in mind when he indicated that we could not finish all the work before the Senate between now and July 7 or 8.

Mr. GORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. GORE. I hold in my hand H.R. 10. First, every word on every line on the first 32 pages has been stricken out by amendment as the bill was reported from the committee, and substituted therefor are 62 pages, each page of which is full of technical draftsmanship. If I could find any Member of the Senate, other than a member of the Finance Committee, who has read this 94-page document, I should be willing to entertain some suggestions.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Florida.

Mr. SMATHERS. I have always found the able Senator from Tennessee cooperative and very willing to arrive at the point in these matters. I agree that it is a very complicated piece of legislation. There is no question about that. My only hope is that possibly we can begin to be educated on each of these sections as we go along by having some time limitation. Certainly the able Senator from Tennessee knows, as we all understand, that the way to obtain better attendance of Senators on the floor of the Senate is to have some kind of time limitation. Senators then know at the end of an hour, or some other period, they will be required to vote.

My purpose in exploring this question is not to cut off any Senators who may wish to speak, but merely so that we might get on with the job of educating all Members of the Senate on the proposals before the Senate. The fastest way to accomplish that and to have the greatest number of Senators present is to have a time limitation. That is the reason I have made this suggestion.

Mr. JOHNSON of Texas. I yield to the Senator from Connecticut [Mr. DODD], and then I shall yield to the Senator from Kansas [Mr. CARLSON].

Mr. DODD. Mr. President, I wish to make this observation: I think it is important that we point out that there is no real division among us and make it clear, lest we create a false impression for the country.

The issue is not whether we in the Senate should ignore our national conventions.

Our national conventions are an important part of our Government. They are part and parcel of our free democracy. But I am fearful that the people of the country may conclude that when we should be working for the Nation, we are about to go off to attend a political affair. I do not think that is the situation at all. I do not think it was intended to be described as such by any Senator who has spoken so far.

I am reminded as I speak of this subject of the looseness with which people talk these days and the damage that is done, not only to individuals, but to our system of government. What I am thinking about, and what is on my mind is the slur that was cast on our majority leader by Governor Williams, of Michigan, a few days ago. I take this very seriously as an American and as a Member of this great body. I think it does all of us a disservice when a Governor of a great State suggests that our majority leader threatened to block the so-called health program for the aged for political purposes. Our majority leader, the Senator from Texas [Mr. JOHNSON] does not need my defense. All of us who are here know instinctively that the story had no foundation in fact. Everyone who has served in the Senate knows it, as does anyone who has ever been near the Senate or had any contact with it or had any opportunity to observe the majority leader doing his work.

I hope I am not embarrassing the majority leader, because I certainly do not want to do that. He does not know what I am about to say. It is a fact, however, that he has consistently put constructive achievement ahead of all other considerations, frequently including his own personal best interest. I believe this ought to be said, and it ought to be made a matter of record. I am happy that the Williams statement—I call it the Williams slur—was promptly refuted. I should like to point out that it was refuted and denied by a great American, Walter Reuther, the president of the United Automobile Workers, who was supposed to have been the man involved in this alleged threat. Apparently even Governor Williams, according to press reports, is now disowning his own false attack. Yet he owes the United States an explanation as to how this all came about.

The majority leader, with his customary dignity, conducted himself with restraint in denying the charge. Personally, I feel Senator JOHNSON was too restrained. Governor Williams had ample time to check the facts.

There is too much of this going on in this country, these hit and run tactics, these smears, these swipes. It is something more than an unkindness. It is an injustice that is involved. Men should take the time to learn the truth, to ascertain the facts, before they make these statements. If they did so, we would be much better off.

I suppose that over the years we become accustomed or conditioned to the wild stories and smear incidents as we get close to election battles. However, it is a matter of regret to me that these things should happen and it must be a matter of regret to other Americans that this sort of thing should go on, because these slurs sully our Government and our institutions.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. DODD. I shall yield in a moment. I have in my hand three editorials, one from the Washington Post, another from the Evening Star, and the third from the Washington News. I ask unanimous consent to have them printed in the RECORD at this point.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 29, 1960]

EFFECT OF THE HEAT

Governor Williams' very serious charge against Senate Majority Leader LYNDON JOHNSON has been thrown down—and thrown down hard—by Walter Reuther, the man best qualified to judge its validity. The Governor said that Senator JOHNSON had made a threat to Mr. Reuther, president of the United Automobile Workers Union, that he would block the Forand bill for medical aid to the aged if Mr. Williams announced support of Senator KENNEDY's presidential candidacy. In a statement on Monday, Mr. Reuther declared categorically that this allegation "has no basis in fact."

Senator JOHNSON himself has denied the charge with a moderation that does him great credit. "I sometimes think," he said, "it is very unfortunate that political campaigns are carried on in the summer months when the heat affects some people's judgment. * * * As I said last night, the story is untrue, and I think the people will recognize it for what it is—the usual preconvention nonsense." Governor Williams owes the Senator—and the country—an explanation. He may well have suffered some misunderstanding. If so, an acknowledgment and an apology would become him. If he has hard facts still undisclosed, now is the time to produce them. The best antidote to preconvention heat is a touch of humility.

[From the Washington Evening Star, June 29, 1960]

NOT A BLACKMAILER

Senator LYNDON JOHNSON blames the summer heat for Governor "Soapy" Williams' suggestion that the majority leader had resorted to a form of political blackmail in an effort to win the Democratic nomination. This is too charitable an explanation.

Governor Williams, who is backing Senator KENNEDY for the nomination, made his accusation on Sunday in answer to a press conference question. The Governor said one of Walter Reuther's lieutenants told him Senator JOHNSON had threatened to block health benefits for the aged if the Michigan Governor were to announce his support of Senator KENNEDY. This is vicious stuff—especially so since Mr. Reuther, one of the Governor's staunch political allies, says the accusation has no basis in fact.

Furthermore, Governor Williams cannot plead lack of opportunity to find out whether his charge was true. For he said on Sunday, June 26, that he told Senator KENNEDY about this alleged threat prior to June 2. Why didn't he ask Walter Reuther whether it was true before smearing Senator JOHNSON?

This Williams effort is cut from the same political cloth as the insinuation by Franklin D. Roosevelt, Jr., during the West Virginia primary, that Senator HUMPHREY was a slacker in World War II. This is dirty politics, and it is a bit surprising that the liberals seem so undisturbed by it. If Mr. NIXON were the offender their roars of outrage would be heard from Maine to California.

[From the Washington Daily News, June 28, 1960]

BELOW THE BELT

The Williams incident marks the second time that partisans of Senator JOHN F. KENNEDY have hit below the belt in the campaign for the Democratic nomination for President.

The other time was when F. D. Roosevelt, Jr., campaigning for Senator KENNEDY in West Virginia, slandered the wartime record of Senator HUBERT HUMPHREY. This has been smoothed over with apologies. The amount of damage such loose statements did Senator HUMPHREY is hard to tell.

Now Gov. G. Mennen "Soapy" Williams, of Michigan, says, or at least implies, that Senator LYNDON JOHNSON was resorting to political blackmail to delay or prevent the indorsement of Senator KENNEDY by Governor Williams.

Involved is legislation providing medical care for the aged. The implication of Governor Williams was that Senator JOHNSON was threatening to scuttle it in retaliation for a Kennedy indorsement by Governor Williams.

Senator JOHNSON flatly denies sending any such messages to Governor Williams or anyone else and the whole business is far out of character for the Senate majority leader.

If Senator JOHNSON were putting presidential politics above everything else, he would have been out on the stump months ago with the other candidates, who have set records for absence on Senate rollcalls. Instead, he has stuck to his job, refusing even to declare himself formally as a candidate until Congress adjourns.

We trust Senator KENNEDY, whose personal attitude toward his opponents for the nomination has been uniformly courteous and correct, will be prompt to disavow this slur on the record of LYNDON JOHNSON.

Mr. JOHNSON of Texas. I yield to the Senator from Florida.

Mr. SMATHERS. I wish to associate myself with the statement of the able Senator from Connecticut. I read the statement that came from the Governors' conference. I thought it was most unfortunate, most uncalled for, and most unjustified. I am delighted that subsequent developments have established the fact that it actually did not happen as it was first reported.

Mr. JOHNSON of Texas. I should like to say, first, that I realize more than anyone else that I am not worthy of the high tribute the Senator from Connecticut has expressed; nevertheless I am very grateful for it.

Secondly, I should like to say that when I complete this year, I will have been in Washington 30 years. I have been in many political campaigns, from the days of the Hoover-Roosevelt campaigns on down. I understand the heat that is generated at about this time of year.

We had some talk some years ago about a practice which some people labeled "McCarthyism," and about rumors and innuendos and attacks upon men without evidence to support them. However, I believe I have never seen it practiced more diligently and yet, I might say, with greater skill than I have seen in the last month.

Two days before the State convention in Texas people were stationed at all the office buildings in the city of Houston, the largest city in my State. Many people suspect they were employed. Every person who came out of the office building heard these people say: "It is too bad that Senator JOHNSON died this morning on the Senate floor." That was calling attention to the fact that I had suffered a heart attack. That was systemmatically carried on in Dallas and Fort Worth. How low can anyone get?

I was called to the phone when I was on the Senate floor. It was the third speech that I was making that day. I was trying to get an agreement from the Senate. I recalled the words of Mark Twain, when he said, "It may be disappointing to some people, I am sure, but the reports of my death have been greatly exaggerated." I said that I had been on the floor all day and would fly all night, and I would be at the convention the next morning.

A great newspaper reporter in this country was called in and told that I had prevented the Labor Committee from meeting, so as to keep the minimum wage bill from being reported to the Senate, by having the Senate meet at 10 o'clock. He was told that by several people.

The Senator from Montana [Mr. MANSFIELD] will bear me out in this. In my absence on Monday from the floor, a request was made by a very prominent Senator that we come in early the next day so that he could leave early and see the Governor of New Jersey and delegates from New Jersey that afternoon, and still have an opportunity to vote on the area redevelopment bill. The secretary to the majority communicated that request to the Senator from Montana. He is always accommodating. He said he did not mind having 99 Senators coming in at 10 o'clock if it would help matters. That request was granted.

The next morning the request was made for the committee to meet. There was objection to it. Then I got the "business." The sources that had made the request, or people associated with them, said that I was trying to keep the minimum wage bill, which had been in committee since February 1959, from being brought out on the floor.

Mr. President, I understand these things. Then came the Williams statement. I never talked to Mr. Reuther about the presidential race. As a matter of fact, I declined to do so. I was invited to the great State of Michigan, to Detroit, where announced presidential candidates were to speak at a Democratic meeting.

I was unable to go. I was later invited to attend a rally in connection with the Forand bill, where Senator KENNEDY, Senator HUMPHREY, and Senator SYMINGTON were present. I did not go. I was later invited to go to Grand Rapids. I did not go. I felt I had to be in the Senate, and I had to miss that pleasure.

I have never discussed the matter with Mr. Reuther who, to his credit, promptly said that it had no basis in fact. The facts could have been ascertained before this story was spread on the front pages.

It originated under unusual circumstances. A newspaperman asked Governor Williams, and Governor Williams said that he had heard the story. When a person gives circulation to something he has heard, without checking on it, he participates in a practice that some members of the great liberal movement have decried from time to time.

A few days ago one of the most prominent reporters in Washington said that someone had told him I was withdrawing from the race for the Presidency. I have not even announced for it. In a few minutes calls came from several places. Then it was said—by the same source—that I was going to take second place on the ticket.

The delegates will have something to say about who takes first place and who takes second place. Although second place is being dangled around all over the country, East, West, North, and South, I should think that no decision has actually been made by the delegates as to who is to get either first or second place.

The point I wish to make—and I commend the Washington Star and Washington Post and Times Herald, and the Washington Daily News—is that in these critical times, with crises abroad, and difficult problems at home, we must be extremely careful not to cast reflections on the motives of our colleagues or their conduct.

I hope the American people will not be misled by this propaganda. I have found that temporarily they can be swayed. An image or a mirage may be created. Emotions may be somewhat stimulated. But when the people consider the facts, they do what is best for their country, and they do what is best for their State. They are understanding. Somehow the truth gets to them ultimately.

I appreciate the contribution made by the Senator from Connecticut. These actions were taken without my knowledge or consent. I had hoped to forget the matter and dismiss it. I want the Senator to know that I expect to be called out of the Chamber as soon as I finish, and to be given a new rumor. I want all Americans to be aware of what is transpiring.

Mr. DODD. That is precisely why I spoke and why I said what I did. I think it is time that somebody said to the American people: "Look out for such

statements." I think the practice is growing. It is a menace. It ought to be stopped.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Montana. I overlooked some comments published in Newsweek magazine, which the Senator from Montana has before him. I should like the country to judge the role of this magazine, which so many of us read.

Mr. MANSFIELD. Mr. President, the June 27, 1960, issue of Newsweek, on page 36, contains a column, one paragraph of which reads as follows:

Some example of the Johnson-Rayburn techniques:

Representative LEE METCALF, of Montana, winner of a four-way primary race for the Senate seat being vacated by retiring JAMES E. MURRAY, was planning to announce his support of KENNEDY for President. He was summoned to JOHNSON's office and lectured for 2 hours. It was made abundantly clear to him that JOHNSON controlled the purse strings of the Senate Democratic campaign committee. Whether METCALF would persist in his plan to endorse KENNEDY's candidacy was now uncertain.

Mr. President, that, of course, is an unmitigated falsehood. Representative METCALF, on last Sunday, issued a statement which was published in the press of Montana, denying this statement in toto.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Metcalf Keeps Presidential Pick Secret," published in the Great Falls, Mont., Tribune. The article contains the denial by Representative METCALF of the statement I have just read.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

METCALF KEEPS PRESIDENTIAL PICK SECRET

HELENA.—Representative LEE METCALF, Democrat of Montana, in effect Saturday denied he was committed to support any of the candidates seeking the 1960 Democratic presidential nomination.

METCALF declined to announce who he supports for his party's nomination. He strongly denied a story in a current weekly news magazine (Newsweek) which said he supported Senator JOHN F. KENNEDY, Democrat of Massachusetts. The magazine described what it called Senator LYNDON B. JOHNSON'S, Democrat of Texas, "brass tactics" in seeking the presidential nomination.

JOHNSON, KENNEDY and Senator STUART B. SYMINGTON (Missouri) will arrive in Helena in time for the State Democratic convention which begins Monday.

The Newsweek story said:

"Representative LEE METCALF of Montana, winner of a four-way primary race for the Senate seat being vacated by Senator JAMES E. MURRAY, was planning to announce his support for KENNEDY.

"He was summoned to JOHNSON'S office and lectured for 2 hours.

"It was made abundantly clear to him that JOHNSON controlled the purse strings of the Senate Democratic campaign committee.

"Whether METCALF will persist in his plan to endorse KENNEDY'S candidacy was now uncertain."

METCALF said:

"I have never had a personal, political conversation with Senator JOHNSON in the 8 years I have been in Congress."

METCALF refused to amplify his statement, saying it answered Newsweek—"foursquare."

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, I have never discussed the Presidency with Representative METCALF either in the Senate or the House. He has never been in my office. I recall having met him only socially, and then briefly, on one occasion, and in the presence of a number of other persons.

Mr. MANSFIELD. Mr. President, I believe that statement is correct. The majority leader may have met Representative METCALF once or twice before, but certainly in an informal manner. There was, according to both the majority leader and LEE METCALF no such meeting, no such pressure, and no such promise. So far as Representative METCALF is concerned, I do not believe anybody in the State of Montana even yet knows which candidate he will support.

However, I wanted the RECORD to be clear, because this is another unfounded rumor, just like the others published in a responsible magazine. It is just like the statement made by Governor Williams, which was denied, I understand, by Walter Reuther, to whom it was attributed.

Mr. GOLDWATER. Mr. President, will the Senator from Montana read the denial?

Mr. MANSFIELD. I would do so, but I do not have it before me; I have sent for the newspaper which contains the article. I have asked that it be printed in the RECORD.

Mr. JOHNSON of Texas. Mr. President, the article contains two or three more unfounded stories. One reads:

Gov. Herschel Loveless, of Iowa, a Senate candidate with strong KENNEDY leanings, was warned that he would indeed be loveless when committee assignments were passed out if he failed to back JOHNSON.

Mr. President, I have great admiration for Governor Loveless. I do not know how he stands in connection with the matter. He has never communicated with me about it. The statement in that respect is inaccurate. I believe Governor Loveless denounced the article as a lie.

The third paragraph reads:

Abner Larsen, State Democratic chairman of North Dakota, visited JOHNSON'S office to solicit help on legislation and received, instead, a stern dressing down for his support of Senator KENNEDY.

I am not sure I was aware of his support. It may be that I was. I see many persons. Some of them tell me, when they are introduced, whom they support. I have never given the State chairman any dressing down. As a matter of fact, the State chairman assured me that he had respect and regard for me.

THE PROBLEM OF WHEAT

Mr. CARLSON. Mr. President, this session of Congress will not, in my opinion, enact legislation dealing with the problem of wheat. When we return in August to conclude this session, it will be too late in the year to enact wheat legislation that would have an effect on the wheat production in 1961. Planning for wheat production will have been completed and the crop of winter wheat will have been planted in many areas of the Nation.

With no action being taken this year, it means that the problem of wheat will be further aggravated next year by the production of a very large crop this year.

All of us are familiar with the overrapid technical advance which is now going on in agriculture. Farm technological advances are cost-reducing and are largely irreversible. They have made possible our great strides in increased efficiency on the farm. These technological advances are bringing about great changes in the rural communities of this Nation. They are also bringing about economic changes of great importance, not only in the rural areas, but in the Nation as a whole.

As I view the wheat problem, I am becoming more and more convinced that we need a thorough study of the problem from a production, marketing and economic standpoint.

At the present time we have a fine, competent technical staff in the Department of Agriculture, and we have the largest staffs on record in our land grant colleges. These groups individually and collectively can get us this information.

There is one broad phase of the wheat industry, however, concerning which all of us who are concerned with wheat problems need enlightenment. I refer to the relation of wheat to the rest of the economy through all the stages of growing, transporting, storing, distributing, milling, processing, and wholesaling and retailing.

With this thought in mind, I am suggesting to the Department of Agriculture, and have written the Honorable Ezra T. Benson, Secretary of Agriculture, that a research study be made that will dissect out from the national economy for everyone to view, the entire wheat industry in all its ramifications. I feel that this information will be of great value to us as we approach the problem of wheat at the beginning of the next session of Congress.

I ask unanimous consent that the text of the letter to Secretary Benson be made a part of these remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 29, 1960.

The Honorable EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: The controversy over wheat programs and policy seems likely to continue for some time. During this period when national policy is being formulated it is important, as I am sure you agree, that decisions be based on all available facts about wheat now and in the foreseeable future.

I have pointed out several times my belief that agreement could be reached more quickly and easily if the interested parties of all shades of opinion would accept without argument such facts as are indisputable. Perhaps this is to much to expect, but it would help to limit debate to the twin questions of wise public policy and the long-time welfare of wheat farmers.

Most of the facts required for such a rational approach are already available. The Department of Agriculture is to be

commended for its painstaking work through the years in assembling a wealth of facts about wheat, and many of its ramifications in the economy of the United States and of the world.

There is one broad phase of the wheat industry, however, concerning which all of us who are concerned with wheat problems need enlightenment. I refer to the relation of wheat to the rest of the economy through all the stages of growing, transporting, storing, distributing, milling, processing and wholesaling and retailing.

It would help all engaged in the debate about wheat policy to get such a perspective on wheat as an industry. How many jobs depend on wheat, all the way from wheat fields to consumers' tables, and to ocean ports? How many jobs does wheat provide in the firms that manufacture and supply machinery for growing, milling, processing, etc? How many jobs does wheat provide in the farm supply fields such as fertilizers and chemicals? Without being facetious, it would be interesting and perhaps helpful in the wheat debate to know how many Federal, State and county jobs are partly or wholly concerned with wheat.

Department of Agriculture statistics answer the question of the relative importance of wheat to total farm income by States, but we need also to know its importance to Main Street, and to the large cities.

What I am suggesting is a Department of Agriculture research study that will dissect out from the national economy for everyone to view, the entire wheat industry in all its ramifications. I feel that gaining such a broad perspective would be helpful to all of us.

You have expanded marketing research greatly during your administration of the Department of Agriculture. I commend you for this.

I now respectfully request that you consider, with a view to action, a research project on wheat along the rough lines I have indicated above.

Sincerely yours,

FRANK CARLSON.

THE CUBAN TRAGEDY INTENSIFIES

Mr. KEATING. Mr. President, every day the Government of Cuba reveals more clearly its true color—Red. The travesty of a state which Fidel Castro pretends to run is Red through and through.

It is red with the blood of Cubans who have dared to protest its totalitarian methods and to speak out for freedom. It is red with a rage bordering on insanity toward this country, even though the United States has gone out of its way to support the desires of the Cuban people for a better deal politically and economically. And, above all, Cuba today is Red with the infection of communism which is spreading deeper and deeper into the body of the Cuban state.

The seizure by Castro's institute of petroleum of the $26 million oil refinery in Santiago should be clear evidence that Russian influence is already forcing Castro's hand. Because the Texaco Co. refused to refine Soviet oil, because it refused to cut out cold its traditional suppliers in Venezuela, it has been seized, and will no doubt be set into operation on Soviet crude oil.

I am happy to see that this latest outrage of the Cuban Government coincides with a new initiative on the part of the United States. In accordance with views expressed by many of us, including the distinguished Senator from Florida [Mr. SMATHERS], the distinguished Senator from Minnesota [Mr. HUMPHREY], myself, and others, the State Department has now submitted a long memorandum to the Peace Committee of the Organization of American States, protesting Cuba's continual violation of international law and describing the country as "a major contribution to international tensions in the area of the Caribbean and of the hemisphere as a whole."

The Communist infection in Cuba is dangerous to every single state in this hemisphere where representative governments, a free press, and human dignity are respected. Already Cuba's barter agreements with the Soviet bloc are aimed against the economic stability of sister Republics in Latin America.

What the next step will be becomes only too clear in view of reports that the new Soviet Ambassador in Havana will be Sergei Kudryavstev. Kudryavstev was unquestionably a leader of the vast Russian spy network in Canada that broke up with the defection of Igor Gouzenko in 1945, and is an expert at espionage activities all over this hemisphere, and will certainly try to build up his contacts and power in every Latin American Republic.

His appointment, as well as the seizure of the oil refinery, should make it clear that Castro's Communist revolution does not intend to confine itself to the repression and impoverishment of Cuba's own unfortunate people, but would like to seize all of Latin America in its bloodthirsty maw, with the full aid and assistance of Communist Russia.

The Organization of American States should weigh carefully the evidence, that is now before it, of Castro's aims and methods. The United States has no intention of unilateral intervention in Cuba's internal affairs, however distressing they may seem to free peoples everywhere. But, together with the other states of this hemisphere, we will not permit the establishment in our midst of a Russian satellite with its panoply of propaganda, espionage, and free-wheeling fellow travelers.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I desire to suggest the absence of a quorum, with the understanding that the time, under the order, will not begin to run until the conclusion of the quorum call.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 265]

Aiken	Beall	Brunsdale
Allott	Bennett	Bush
Anderson	Bible	Butler
Bartlett	Bridges	Byrd, Va.
Byrd, W. Va.	Hart	Morton
Cannon	Hartke	Moss
Capehart	Hayden	Mundt
Carlson	Hickenlooper	Murray
Carroll	Holland	Muskie
Case, N.J.	Hruska	Pastore
Case, S. Dak.	Jackson	Prouty
Chavez	Javits	Proxmire
Church	Johnson, Tex.	Randolph
Clark	Johnston, S.C.	Robertson
Cotton	Jordan	Russell
Curtis	Keating	Saltonstall
Dirksen	Kennedy	Schoeppel
Dodd	Kerr	Smathers
Douglas	Kuchel	Smith
Dworshak	Lausche	Sparkman
Eastland	Long, Hawaii	Stennis
Ellender	Long, La.	Symington
Engle	Lusk	Talmadge
Ervin	McCarthy	Thurmond
Fong	McClellan	Wiley
Frear	McGee	Williams, Del.
Fulbright	McNamara	Williams, N.J.
Goldwater	Magnuson	Yarborough
Gore	Mansfield	Young, N. Dak.
Green	Monroney	Young, Ohio
Gruening	Morse	

Mr. MANSFIELD. I announce that the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

I further announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I also announce that the Senator from Alabama [Mr. HILL] is absent because of official business.

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

The Senator from Kentucky [Mr. COOPER] is detained on official business.

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, I am informed that the distinguished Senator from Wisconsin, the only Senator of whom I was aware who desired time, does not care to use any time, unless other Senators do. If any minority Members would like to use time, they can do so. If not, I think we should proceed with the call of the roll. We have had a live quorum and have notified every Senator.

Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

Mr. DIRKSEN. Mr. President, I was of the opinion, on the basis of the discussions we had this morning in regard to the matter, that the distinguished Senator from New York might have in mind offering an amendment to the pending resolution. In all justice and fairness to the Senator, I should not like to see final action taken until the Senator has had a chance to be heard. The Senator is momentarily out of the Chamber.

Mr. JOHNSON of Texas. Mr. President, if the Senator will yield, every Senator has had adequate notice. We had a live quorum. I am perfectly will-

ing to proceed. I would not want to hold up the entire Senate while we locate one Senator, who was given notice. I would not make a motion to reconsider, when the Senator comes to the Chamber, but I would support a motion to reconsider.

Mr. President, the Senator from New York is now entering the Chamber.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 2 minutes.

Mr. KUCHEL. Mr. President, there can be no question in the mind of any Member of the Senate or of the House of Representatives that it will be physically impossible for the Congress to discharge its necessary labors in the interest of the people by the time the Democratic National Convention opens in Los Angeles. No one can gainsay that fact.

I recognize, whatever the exigencies of the session of Congress subsequent to the two conventions may be, it still will be necessary for us to return, accepting the atmosphere which will be present here this summer. Nevertheless, as best we can, we need to make the best arrangements possible in order to pass judgment on all those important issues thus far unresolved.

I recognize also that each of us needs to determine how best the problem which is common to all of us may be met. Speaking for myself and a few other Senators, we would prefer to run into next week, but I frankly recognize some of the practical problems that are involved.

Mr. President, there is a dark and ominous cloud, growing in intensity, which hovers over the cause of freedom on this globe, and there is urgent business remaining before us which can help to dispel it. High on the list of responsible activity for the Congress and the Government of the United States are such important measures as the sugar legislation, with its obvious overtones of American security, mutual security legislation and the defense appropriation bill. I have been given to understand in conversation with the majority leadership that the sugar legislation, in the fashion recommended by the administration will be enacted yet this week and that appropriate interim arrangements satisfactory to the administration will be made by the Congress prior to the time that the adjournment resolution now pending would go into effect. Under those circumstances, although, I repeat, I would prefer that Congress remain after Saturday and return here a week before the 8th of August, I recognize the exigencies which face us. Endeavoring to be realistic in all the circumstances, and with the assurances which have been given, I simply say that we have little alternative but to proceed to accept the resolution.

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the distinguished Senator from New York.

Mr. KEATING. Mr. President, it had been my intention to offer an amendment to this resolution to change the date from August 8, 1960, to November 14, 1960. However, I have talked with a sufficient number of Senators to be convinced that such an amendment would not be successful, though it would be supported by a great many Members. There are many here, I know, who share my views that to return in August to complete our work would be dangerous, an invitation to political anarchy, and an open door to legislative chaos.

It should be clear to everyone that an atmosphere of frenzied partisanship, which is bound to exist after the two political parties have had their conventions, is no atmosphere in which to pass on legislation of far-reaching importance. We shall be operating under the politican gun as election day looms in the immediate future, and it is inconceivable to me that in such a politically-riddled atmosphere Congress can do justice to the tasks which remain to be done.

There are many bills which should have received action before this time. There is a mountain of legislation unattended to. But we should not be asked to pass upon those measures in the frenzied rush to finish now or in the hot and humid partisan atmosphere of August.

I was a Member of the Congress in 1948, as were many other Senators, when we returned here after the conventions and before the election. There was virtually nothing accomplished. It was purely a political spectacle. There was politics in every single vote. Many Members were absent campaigning, as is necessary particularly with the Members of the other body.

Mr. President, I believe there is a sound and reasonable alternative to holding a session in the political tinderbox of August. That alternative is simply to have Congress come back in session in November, after the elections and when the political temperature has dropped.

Of course, such an arrangement has its drawbacks also. Some Members will be lameducks. A new President will have been elected and a new administration will be in the process of organization. Members of both bodies and of the executive branch will be entitled to vacations after long months of politicking.

However, the explosiveness which is inevitable in an August session would be removed. The atmosphere of political frenzy would be cooled. Congress would be in a much better position to act judiciously and with a greater degree of statesmanship on the important bills which remain to be considered. It would without question be a much more productive session.

It has been said that if we should wait until November to return, why not then wait until January? The answer to that question is that obviously we are part way down the legislative path now, and any bill which has started on its course can be completed and acted upon in Congress in November, whereas if we should wait until January before we meet again, all of that ground must be replowed and all the work done on bills to date goes down the drain.

I shall vote against the resolution in the form in which it is presented. I shall not at this time offer the proposed amendment to change the date because I recognize the fact that traditionally it has been the prerogative of the majority leadership to determine the date upon which adjournment will be taken, and it is obvious that it is not the disposition of the Senate at this stage, at least, to depart from this tradition. Frankly, however, if I felt that there were majority support for the position which I have asserted, I would offer my amendment.

I can only protest in the most vigorous manner possible to a session in August, which is bound to be political in nature.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Ohio.

Mr. LAUSCHE. Yesterday I stated my position, and what I said yesterday still holds today. I think that having the Congress return prior to the election would lead to political manipulation of the worst type and would not serve the best interests of the country. I think it would be well if there were some permanent prohibition against Congress being in session in election years after July 1. We then would be free to act in accordance with our judgments rather than to have the intimidation that will be practiced upon us.

Based upon what I said yesterday, and the thoughts I have expressed today, I shall vote against the resolution because I do not wish to take any action that might imply an abandonment of my deep-seated conviction that nothing but harm can come if we are going to be here on September 15. The candidates will abandon the thought of the welfare of the people and will be thinking only of their personal election.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I shall vote for the resolution for the reason that we are dealing with a reality. This is a presidential year. A Democratic Convention and a Republican Convention will be held within the next 30 days. We must recess for 10 days for each convention. That means 20 days that we would not be in session.

I am not one who subscribes to the belief that either party will get an advantage or disadvantage in returning on August 8. I think the advantage or disadvantage lies with the individual Senators and with the individual parties as to what they do when we return, what we vote for, what we vote against, and what legislation we pass.

I believe we ought to recess.

Mr. DIRKSEN. Mr. President, I yield to myself 1 minute, and then I shall yield back the remaining time.

I shall support the resolution. I am glad to cosponsor it.

I can only say as an individual Senator that I am subject to the same political temptations as is any other Senator, but I would not wish to confess such weakness that I could not rise above that temptation in dealing with the public business. So I am confident that on that high ground this body, of which I am proud, will pursue the public's business with the same high standard that it has always followed.

Mr. DIRKSEN. I yield 1 minute to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I appreciate the minority leader having given me this opportunity, immediately prior to the vote, to express my personal feeling with reference to the advisability of the Congress recessing this week and returning in August.

I shall be engaged in a campaign for reelection. Naturally, it had been my plan to be in West Virginia during the month of August and into September, and such a schedule had been adopted by me and those who work with me in my candidacy for reelection. I would be at a distinct disadvantage, being unable to wage as effective a campaign as I would prefer to make in West Virginia in a battle which I know will be a vigorous one not only on my part but also by my opposition.

I shall vote with the Senate leadership in this matter, even though realizing that my individual campaign must be curtailed during weeks when, frankly, I had planned on being in West Virginia. But, there are tasks which we have not completed during this 2d session of the 86th Congress. There is important legislation which, in my opinion, is in the public interest and has not been enacted into law.

Therefore, even though it places me at a personal disadvantage, I shall vote in the affirmative.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). All time for debate has expired. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Arizona [Mr. HAYDEN], and the Senator from Alabama [Mr. HILL] are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Tennessee [Mr. KEFAUVER] are necessarily absent.

On this vote, the Senator from Alabama [Mr. HILL] is paired with the Senator from Kentucky [Mr. COOPER]. If present and voting, the Senator from Alabama would vote "yea," and the Senator from Kentucky would vote "nay."

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Pennsylvania would vote "nay."

I further announce that, if present and voting, the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

The Senator from North Dakota [Mr. BRUNSDALE], the Senator from Kentucky [Mr. COOPER], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

On this vote the Senator from Kentucky [Mr. COOPER] is paired with the Senator from Alabama [Mr. HILL]. If present and voting the Senator from Kentucky [Mr. COOPER] would vote "nay" and the Senator from Alabama [Mr. HILL] would vote "yea."

The Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting the Senator from Pennsylvania [Mr. SCOTT] would vote "nay," and the Senator from Minnesota [Mr. HUMPHREY] would vote "yea." If present and voting the Senator from North Dakota [Mr. BRUNSDALE] would vote "nay."

The result was announced—yeas 63, nays 26, as follows:

[No. 266]

YEAS—63

Anderson	Frear	Mansfield
Bartlett	Fulbright	Monroney
Bible	Gore	Morse
Bush	Green	Moss
Byrd, Va.	Hart	Murray
Byrd, W. Va.	Hartke	Muskie
Cannon	Holland	Pastore
Capehart	Jackson	Randolph
Carlson	Johnson, Tex.	Robertson
Carroll	Jordan	Russell
Case, N.J.	Kennedy	Saltonstall
Chavez	Kerr	Schoeppel
Church	Kuchel	Smathers
Clark	Long, Hawaii	Smith
Dirksen	Long, La.	Sparkman
Dodd	Lusk	Stennis
Douglas	McCarthy	Symington
Eastland	McClellan	Williams, N.J.
Ellender	McGee	Yarborough
Engle	McNamara	Young, N. Dak.
Ervin	Magnuson	Young, Ohio

NAYS—26

Aiken	Dworshak	Lausche
Allott	Fong	Morton
Beall	Goldwater	Mundt
Bennett	Gruening	Prouty
Bridges	Hickenlooper	Proxmire
Butler	Hruska	Talmadge
Case, S. Dak.	Javits	Thurmond
Cotton	Johnston, S.C.	Williams, Del.
Curtis	Keating	

NOT VOTING—11

Brunsdale	Hill	O'Mahoney
Cooper	Humphrey	Scott
Hayden	Kefauver	Wiley
Hennings	Martin	

So the concurrent resolution (S. Con. Res. 112) was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the concurrent resolution was agreed to.

Mr. DIRKSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

H.R. 3900. An act to permit the admission to registry and the use in the coastwise trade of certain foreign-built hydrofoil vessels (Rept. No. 1778); and

H.R. 10511. An act to grant an additional benefit to persons receiving cash relief under the Panama Canal Cash Relief Act of July 8, 1937 (Rept. No. 1822).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

H.R. 12533. An act to amend the Migratory Bird Treaty Act to increase the penalties for violation of that act, and for other purposes (Rept. No. 1779).

By Mr. EASTLAND (for Mr. O'MAHONEY) from the Committee on the Judiciary, without amendment:

H.J. Res. 605. Joint resolution providing for the preparation and completion of plans for a comprehensive observance of the 175th anniversary of the formation of the Constitution of the United States (Rept. No. 1780).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2427. A bill for the relief of Wiktoria Stefania Cranak (Rept. No. 1783);

S. 3432. A bill for the relief of Salvatore Briganti (Rept. No. 1784);

H.R. 1422. An act for the relief of Alessandro Maraessa (Rept. No. 1786);

H.R. 1493. An act for the relief of Antonio Mendez Garcia and Palmira Lavin Garcia (Rept. No. 1787);

H.R. 1588. An act for the relief of Julius F. Steinhoff (Rept. No. 1788);

H.R. 1643. An act for the relief of Francesco Carozza (Rept. No. 1789);

H.R. 2117. An act for the relief of Ireneo D. Brodit and Antonio D. Brodit (Rept. No. 1790);

H.R. 2124. An act for the relief of Mrs. Teruko Teri Miyamoto (nee Ikeda) (Rept. No. 1791);

H.R. 2705. An act for the relief of Bernardo Paternostro (Rept. No. 1792);

H.R. 2716. An act for the relief of Miss Elisabeth Hollander (Rept. No. 1793);

H.R. 2944. An act for the relief of Luciano Di Franco (Rept. 1794);

H.R. 3804. An act for the relief of Rosolina Ciuferri (Rept. No. 1795);

H.R. 4555. An act for the relief of Anatolijs Janitis (Rept. No. 1796);

H.R. 4970. An act for the relief of Haralambos Groutas (Rept. No. 1797);

H.R. 5647. An act for the relief of Wong Gee Sing (Rept. No. 1798);

H.R. 6804. An act for the relief of Mary Elizabeth Tighe Crespo (Rept. No. 1799);

H.R. 7367. An act for the relief of Chieko Sakano and her child, Masao Sakano (Rept. No. 1800);

H.R. 7425. An act for the relief of Mrs. Humiko Ross (Rept. No. 1801);

H.R. 7551. An act for the relief of Hubert O. Beskles (Rept. No. 1802);

H.R. 8384. An act for the relief of Otto Small (Rept. No. 1803);

H.R. 9042. An act for the relief of Anna Semechole Marcolina (Rept. No. 1804);

H.R. 9610. An act for the relief of Sister Frances Cabrini (Virginia Bilbao) (Rept. No. 1805);

H.R. 9960. An act for the relief of Dr. Tze I, Chiang (Rept. No. 1806);

H.R. 10002. An act for the relief of Ida Exle (nee Ida Sterio) (Rept. No. 1807); and

H. Con. Res. 660. Concurrent resolution relating to the status of certain aliens (Rept. No. 1810).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 3507. A bill for the relief of Capt. Ernest Mountain (Rept. No. 1785); and

H.J. Res. 722. Joint resolution relating to the entry of certain aliens (Rept. No. 1809).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 708. A bill for the relief of Ante Gulon (Rept. No. 1781);

S. 1377. A bill for the relief of Blagoje Popadich (Rept. No. 1782); and

H.R. 10376. An act for the relief of Adolf B. Jochnick (Rept. No. 1808).

By Mr. DODD, from the Committee on the Judiciary, with amendments:

S. 1689. A bill to create the Freedom Commission for the development of the science of counteraction to the world Communist conspiracy and for the training and development of leaders in a total political war (Rept. No. 1812); and

S. 2652. A bill to strengthen the internal security of the United States (Rept. No. 1811).

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 10548. An act to amend the Helium Act of September 1, 1937, as amended, for the defense, security, and the general welfare of the United States (Rept. No. 1814).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 8860. An act to stabilize the mining of lead and zinc by small domestic producers on public, Indian and other lands, and for other purposes (Rept. No. 1813).

By Mr. HARTKE, from the Committee on the District of Columbia, without amendment:

H.R. 11931. An act to amend the act of March 3, 1901, with respect to the time within which a caveat to a will must be filed in the District of Columbia (Rept. No. 1816); and

H.R. 12584. An act to amend the Uniform Narcotic Drug Act for the District of Columbia (Rept. No. 1817).

By Mr. HARTKE, from the Committee on the District of Columbia, with amendments:

S. 3616. A bill to deny to the District of Columbia, in suits on claims arising out of the negligent operation of vehicles owned or controlled by it and operated by its employees in the performance of their official duties, the defense of governmental immunity, to relieve such employees of liability in such cases to third persons, and for other purposes (Rept. No. 1815).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, with an amendment:

H.R. 4546. An act for the relief of Margaret P. Copin (Rept. No. 1819).

By Mr. MONRONEY, from the Committee on Post Office and Civil Service, with an amendment:

H.R. 7379. An act to amend the act of July 27, 1956, with respect to the detention of mail for temporary periods in the public interest, and for other purposes (Rept. No. 1818).

By Mr. ROBERTSON, from the Committee on Banking and Currency, without amendment:

H.R. 12465. An act to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes (Rept. No. 1821).

By Mr. HAYDEN, from the Committee on Rules and Administration, without amendment:

S. Res. 345. Resolution to print as a Senate document "Exposé of Soviet Espionage."

DISTRIBUTION OF AUTOMOBILES IN INTERSTATE COMMERCE— REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1820)

Mr. MONRONEY. Mr. President, from the Committee on Interstate and Foreign Commerce, I report favorably, with amendments, the bill (S. 2151) relative to the distribution of automobiles in interstate commerce, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the individual views of the Senator from South Carolina [Mr. THURMOND].

The PRESIDING OFFICER (Mr. Moss in the chair). The report will be received and printed, as requested by the Senator from Oklahoma; and the bill will be placed on the calendar.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Jacob Mishler, of New York, to be U.S. district judge for the eastern district of New York.

By Mr. HART, from the Committee on the Judiciary:

Frederick W. Kaess, of Michigan, to be U.S. district judge for the eastern district of Michigan.

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Clare H. Timberlake, of Michigan, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Congo; and

Andrew G. Lynch, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Somali Republic.

By Mr. BIBLE, from the Committee on the District of Columbia:

Thomas C. Scalley, of the District of Columbia, to be associate judge of the municipal court for the District of Columbia; and

Randolph C. Richardson, of the District of Columbia, to be associate judge of the municipal court for the District of Columbia.

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry:

Carl J. Stephens, of Iowa, to be General Counsel of the Department of Agriculture.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

One hundred and seventy postmaster nominations.

By Mr. DIRKSEN, from the Committee on the Judiciary:

Robert S. Rankin, of North Carolina, to be a member of the Commission on Civil Rights.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

William F. Hamm, and sundry other persons, for permanent appointments in the Coast and Geodetic Survey.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 3784. A bill to establish a Federal-State program under which aged individuals with low incomes may secure comprehensive protection against major medical expenses, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN (for himself, Mr. LONG of Louisiana, Mr. HUMPHREY, Mr. MORSE, Mr. BIBLE, Mr. RANDOLPH, Mr. ENGLE, Mr. BARTLETT, Mr. WILLIAMS of New Jersey, and Mr. Moss):

S. 3785. A bill to amend the Small Business Investment Act of 1958, and for other purposes; to the Committee on Banking and Currency.

S. 3786. A bill to amend the provisions of the Internal Revenue Code dealing with small business investment companies, and for other purposes; to the Committee on Finance.

By Mr. HOLLAND:

S. 3787. A bill to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities; to the Committee on Agriculture and Forestry.

By Mr. McCARTHY:

S. 3788. A bill for the relief of In Fil Chung, In Ae Chung, In Sook Chung and In Ja Chung; to the Committee on the Judiciary.

By Mr. FONG:

S. 3789. A bill to authorize the appropriation of $200,000 for use toward the construction of a U.S.S. *Arizona* Memorial; to the Committee on Armed Services.

(See the remarks of Mr. FONG when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER:

S. 3790. A bill for the relief of Harry N. Kouniakis; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 3791. A bill to amend section 205 of title 23 of the United States Code to provide for the system of forest development roads and trails needed for the utilization and protection of lands administered by the Forest Service, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. 3792. A bill for the relief of Bum-Nai Eddie Ham; to the Committee on the Judiciary.

By Mr. McNAMARA (for himself, Mr. RANDOLPH, Mr. CLARK, Mr. McGEE, Mr. LUSK, Mr. HART, Mr. MANSFIELD, Mr. MOSS, Mr. HUMPHREY, Mr. MURRAY, Mr. SYMINGTON, Mr. HOLLAND, Mr. SMATHERS, and Mr. DOUGLAS):

S. 3793. A bill to provide for the establishment of a senior citizens service training program; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. McNAMARA when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. J. Res. 216. Joint resolution to authorize the Secretary of Commerce to construct a modern stern ramp trawler to be used for research purposes and authorizing the appropriation of funds; to the Committee on Interstate and Foreign Commerce.

CONCURRENT RESOLUTION

ADJOURNMENT OF CONGRESS FROM JULY 2 TO AUGUST 8, 1960

Mr. JOHNSON of Texas (for himself and Mr. DIRKSEN) submitted a concurrent resolution (S. Con. Res. 112) providing for the adjournment of Congress

from July 2 to August 8, 1960, which was considered and agreed to.

(See the above concurrent resolution printed in full when submitted by Mr. JOHNSON of Texas, which appears under a separate heading.)

FEDERAL-STATE PROGRAM FOR MEDICAL CARE FOR THE AGED

Mr. SALTONSTALL. Mr. President, I introduce, for appropriate reference, a bill to establish a Federal-State program under which aged individuals with low incomes may secure comprehensive protection against major medical expenses.

This bill contains the administration proposal. The Senate Committee on Finance is currently studying legislation in this field and only yesterday received testimony from Secretary Flemming. In view of the decision for Congress to reconvene in early August, the time for proper consideration is available.

This is a realistic, comprehensive and practical plan. It is voluntary. It requires State matching funds and the participation of the individual and is State administered. It is not placed within the social security mechanism, the Federal share being supplied from general revenues. I urge that Congress give it close attention and thorough consideration.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3784) to establish a Federal-State program under which aged individuals with low incomes may secure comprehensive protection against major medical expenses, and for other purposes, introduced by Mr. SALTONSTALL, was received, read twice by its title, and referred to the Committee on Finance.

U.S.S. "ARIZONA" MEMORIAL

Mr. FONG. Mr. President, I introduce, for appropriate reference, a bill to authorize the appropriation of $200,000 to complete work on the memorial shrine over the tragically rusting hulk of the U.S.S. *Arizona*, where 1,102 of her American crewmen have been entombed since the surprise attack on Pearl Harbor on the morning of December 7, 1941.

Mr. President, I am aware that the congressional hour is late. Yet it is not nearly so late as the establishment of a fitting and proper memorial to the sacrifices of the men entombed these past 18½ years in the wreckage of the battleship *Arizona*. America must never be allowed to forget that of the 3,600 military personnel killed in the sneak attack on Pearl Harbor, 1,102 still lie in a rusting, watery grave in what remains of the once proud *Arizona*. It is indeed saddening to look out at this grave, just off Ford Island in Pearl Harbor, and to know that so many Americans gave their lives and yet have been given no suitable memorial. Meanwhile the *Arizona* itself is visibly eroding from the ravages of time and water.

More than 2 years ago, Congress authorized the Secretary of the Navy to construct a memorial shrine in tribute to these American heroes. This authorization was provided in Public Law 85–344, approved March 15, 1958. Preliminary work has moved forward under the competent direction of the Navy and of the Pacific War Memorial Commission. Of the estimated $500,000 required for construction of the memorial, which has already been approved, almost $300,000 has been raised—approximately $250,000 from public donations over a 10-year period, and $50,000 appropriated by the Hawaii Legislature. Only $200,000 is needed to complete this shrine, a sorely belated memorial to the first dead of World War II. In fact, if all phases of construction can proceed without interruption, it may be possible to save approximately $20,000 in construction costs.

During the nearly 19 years since the *Arizona* went down, her colors still flying, the American flag has continued to wave over the sunken battleship, and ships that pass her in the harbor salute her and the men below.

Public attention was focused anew on the *Arizona* on Memorial Day, 1960, when AMVETS, the American Veterans of World War II and Korea, dedicated a carillon aboard the remaining hulk of the battleship. The chimes now sound out each evening over the lagoon, in perpetual tribute to the men who lie entombed there. The AMVET Memorial Carillon of the Pacific will be moved to the shrine, when it has been completed, for permanent installation.

The U.S.S. *Arizona* Memorial will have dual significance to the United States, for it will not only provide appropriate tribute to the deceased men of the *Arizona* but it will also stand as a national memorial to eternal vigilance against the dangers of surprise attack.

Until now the Congress of the United States has not been asked to appropriate any funds for construction of the U.S.S. *Arizona* Memorial. So that the plans for its construction may now move ahead, it is fitting that the Federal Government provide the $200,000 still needed, particularly as the men entombed in the *Arizona* represent 47 of our 50 States.

Mr. President, completion of this memorial at a cost of only $200,000 in Federal funds is certainly an equitable obligation of a grateful nation to these 1,102 war dead who came from almost every State in the Union.

I therefore urge early and favorable consideration of this measure.

Mr. President, I also ask unanimous consent that the text of this bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3789) to authorize the appropriation of $200,000 for use toward the construction of a U.S.S. *Arizona* Memorial, introduced by Mr. Fong, was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to authorize construction of a United States Ship *Arizona* Memorial at Pearl Harbor", approved March 15, 1958 (Public Law 85–344; 72 Stat. 36), is hereby amended by adding at the end thereof the following:

"SEC. 2. There is hereby authorized to be appropriated to the Secretary of the Navy, for use toward the construction of such memorial and museum the sum of $200,000."

DEVELOPMENT OF FOREST ROADS AND TRAILS

Mr. MAGNUSON. Mr. President, the Committee on Public Works has before it S. 2240 which would both provide an enlarged authorization for forest roads and trails and also grant additional needed authority for forest roads and trails.

Today I introduce, so that it will be before the Public Works Committee, a revised version of that bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3791) to amend section 205 of title 23 of the United States Code to provide for the system of forest development roads and trails needed for the utilization and protection of lands administered by the Forest Service, and for other purposes, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Public Works.

AMENDMENT TO CONSTITUTION RELATIVE TO EQUAL RIGHTS FOR MEN AND WOMEN—AMENDMENT

Mr. HAYDEN submitted an amendment, intended to be proposed by him, to the joint resolution (S.J. Res. 69) proposing an amendment to the Constitution of the United States relative to the equal rights for men and women, which was ordered to lie on the table and to be printed.

AMENDMENT OF COMMUNICATIONS ACT RELATING TO PROCEDURE IN OBTAINING A LICENSE AND A REHEARING

Mr. PASTORE. Mr. President, yesterday the amendments of the House of Representatives to Senate bill 1898, to amend the Communications Act with respect to the procedure in obtaining a license and for rehearing under such act, were referred to the Committee on Interstate and Foreign Commerce.

For the convenience of the committee I ask unanimous consent that Senate bill 1898 be reprinted showing, in appropriate contrasting type, the text of the amendments of the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HARTKE:

Prize-winning essay entitled "What Rural Electrification Means to My Community," written by Johanna Wright, of North Webster High School, Kosciusko County, Ind.

By Mr. MUNDT:

Statement by him relating to Senate bill 1689, relating to Freedom Academy legislation.

By Mr. HUMPHREY:

Address to be delivered by him before the 20th National Convention of the Townsend Clubs of America, Indianapolis, Ind., July 4, 1960.

By Mr. JAVITS:

Statement by him relating to Lassie Leaguers in New York.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 598. An act for the relief of Anthony Di Giovanni;

S. 1409. An act for the relief of Donald B. Thurston and other employees of the Fish and Wildlife Service;

S. 1454. An act for the relief of Keitha L. Baker;

S. 1600. An act for the relief of Grace L. Patton;

S. 2113. An act for the relief of George K. Caldwell;

S. 2277. An act for the relief of the Geo. D. Emery Co.;

S. 2548. An act for the relief of Henry C. Larson;

S. 2689. An act for the relief of Hwachii Lien;

S. 2744. An act to extend the term of design patent No. 21,053, dated September 22, 1891, for a badge, granted to George Brown Goode, and assigned to the National Society, Daughters of the American Revolution;

S. 2817. An act for the relief of Joseph R. Paquette;

S.2855. An act for the relief of Brenda Nicholson Miller;

S. 3105. An act for the relief of William Y. Allen, Jr., Donald Baldwin Quintero, Johann Friedrich Stapelfeld, and Kenneth Gordon Woods; and

S. 3125. An act for the relief of Robert William Neal, Robert J. Naumann, Charles LeRoy Van Slyke, and Franklin Jordan.

The message also announced that the House insisted upon its amendment to the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARMATZ, Mr. BOYKIN, Mr. CLARK, Mr. TOLLEFSON, and Mr. RAY were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7593) to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WILLIAMS, Mr. MOULDER, Mr. JARMAN, Mr. SPRINGER, and Mr. COLLIER were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FALLON, Mr. DAVIS of Tennessee, Mr. BLATNIK, Mr. SCHERER, and Mr. CRAMER were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11998) making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 26, 28, and 58 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 19. An act to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard;

S. 747. An act to provide for the conveyance of certain lands which are part of the Des Plaines Public Hunting and Refuge Area and the Joliet Arsenal Military Reservation, located in Will County, Ill., to the State of Illinois;

S. 1283. An act to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use;

S. 1502. An act to provide for adjustments in the annuities under the Foreign Service retirement and disability system;

S. 1795. An act relating to the promotion and separation of certain officers of the Regular components of the Armed Forces;

S. 1886. An act to amend the Communications Act of 1934 with respect to certain rebroadcasting activities;

S. 2384. An act for the relief of Tommy Tadayoshi Shuto (Tadayoshi Takeda);

S. 2566. An act for the relief of Peter Leo Bahr, John Trevor Jefferies, Charmian Candy Jefferies, and Stephen Reid Jefferies;

S. 2740. An act for the relief of Julia Sukkar;

S. 2941. An act for the relief of Ming-Chen Hsu; and

S. 3179. An act to increase the authorization for appropriations for construction of facilities for the Gorgas Memorial Laboratory.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals.

FEDERAL HEALTH INSURANCE FOR THE AGED

Mr. DODD. Mr. President, since the dawn of history, the greater part of mankind has looked fearfully to that last period of life called old age. Old age has traditionally been dreaded as a time of insecurity, a time of dependence upon others, a time of lost contact with the main stream of life and, above all, a time of failing health, suffering, and helplessness.

And so the final years of life which under ideal circumstances could be happy years of serenity, reflection, and ease, have instead been years of sadness and regret.

So it has gone for untold millenniums. But we in our generation have had an opportunity to change this. We have in some measure risen to that opportunity through the development of our basic social security program. With all its inadequacies, this program has helped to remove many of the fears, the shames, and the indignities endured by the aged for as long as the memory of man records. But we have so far to go, so far.

And now in the final days of this 86th Congress, we have another opportunity to make another fundamental advance toward the realization of man's age-old dream for a secure old age.

We have a chance to write into our basic social security system a program of hospitalization insurance for the aged which will lift the pall of fear and privation that hangs over our invalid aged, a program which will enable every American to face his final years in the confidence that, whatever else may be his difficulties, he will receive adequate medical care.

There are four reasons which make the problem of medical expense for the aged an acute one, a problem that can be solved only by Government action.

First, 8 out of 10 of our aged are the victim of chronic illnesses, including heart disease, arthritis, diabetes, kidney disease, and cancer.

Second, not only are the aged subject to more illnesses than other groups, but their illnesses are more expensive, their periods of hospitalization are longer than those for younger people.

Third, at the time of life when medical bills are a crushing burden, the aged person must get along on an income that is at a bare subsistence level. Thus, the

people most in need of expensive medical care are the people least able to pay even for routine medical treatment.

Fourth, it is almost impossible for the average aged person to purchase comprehensive medical insurance from private sources because the cost of such insurance is almost as prohibitive as the cost of medical care itself.

No one pretends that the answer to this dilemma is easy, but an answer there must be, and we have got to find it. "Determine that the thing can and shall be done," said Lincoln, "and then we shall find the way."

I believe that the American people have determined that this problem shall be solved, and in the proposals of Representative FORAND and Senator McNAMARA, I think we have found the way.

That way is through a national program of Government health insurance for the aged as an integral part of our social security system. Such a program would make the expense of adequate medical care for the aged bearable for all by spreading it among the entire working population. Such a program would enable the individual to pay his fair share over the period of his working life for the medical benefits which he would receive in retirement.

There are a number of arguments against Government health insurance which I would like to discuss.

The first general argument is that the aged by and large are just as able to pay their medical bills as any other group. Their income may be lower, but so are their spending needs and besides, so the argument goes, they have accumulated real estate and liquid assets that younger people do not have, from which they can draw upon to pay their medical expenses.

We know that some of our aged are fortunately situated. Some have adequate incomes and some have extensive property holdings. Some have adequate private health insurance. But these are a distinct minority.

Almost two-thirds of our aged have incomes of less than $20 a week. At least 8 million of our aged citizens are living at what can only be described as a bare subsistence level, and millions more are doing scarcely better.

What about so-called liquid assets; that is, any belongings that can readily be converted into cash.

At least half of our aged have total liquid assets of less than $500. And as for income from stocks and bonds, the 1957 Social Security Beneficiaries Survey points out that 41 percent of the married couples surveyed had no income at all from liquid assets Of those who did have some income, the average was only $180 per year. And remember that couples under social security covered in this survey are in a more favorable financial situation than millions of our aged who are not covered.

Even if we were to accept the principle that the average aged person who is ill should cash in whatever bonds or life insurance or valuables he might have, as an alternative to Federal health insurance, the facts are that by doing so he would not even have enough money to pay the cost of one major illness, let alone the cost of chronic illness over a period of years, to which 8 out of 10 of our aged people are subject.

I could cite other statistics to prove the financial plight of the aged but I don't think it is necessary. All of us in this body know from correspondence, from our contact with our constituents, and from our general observation, that the aged retired person living basically on social security, millions of them without even this, cannot meet the cost of serious illness, whether it be hundreds of dollars or thousands of dollars.

The proof of this is so overwhelming that there are few people left who deny the basic plight of our aged with respect to medical care. It is generally agreed that society cannot longer neglect to give our older people the medical care that science has made possible and there is general agreement that the cost of this care is so expensive that the average aged person cannot pay for it by himself.

But there are many who believe that the answer to this problem is through the rapid extension of voluntary, privately financed health insurance.

I am sensitive indeed to the just claims of the insurance industry. I represent a State which is the insurance center of the world. Many, many thousands of my constituetns draw their livelihood from the insurance industry and I know something about the needs of that industry, the high mindedness of the people who work in it and direct it, the great achievements of private insurance and the great potential in its future.

For this reason I have studied the arguments put forward by spokesmen of the insurance industry with care. I have devoted a great deal of time to studying this matter and I delayed any final decision as to which concept or which bill to support until I had had an opportunity to study the many letters and pamphlets and briefs submitted by insurance spokesmen.

If I were satisfied that private insurance could do this job, I would be the first to insist that it be given a fair opportunity. But I am not.

The fact is that at the present time only about one out of three of our aged people has any private health insurance at all. The fact is that only 1 in 10 has private insurance that is an any way comparable to that proposed by the McNamara bill, which I regard as the minimum adequate program.

I would like to quote some statistics to back up these statements. The Senate Subcommittee on the Problems of the Aged and the Aging tells us that the insurance industry itself is unable to provide any comprehensive statistics on the number of people covered by private health insurance. The most reliable estimate that we have on this subject is that of the Secretary of Health, Education, and Welfare, who says that of more than 16 million people in this country 65 years old or over, only about 6 million have some kind of health insurance and about 10 million have none whatever. Of this minority of aged people covered by private health insurance, only 27 percent had policies that paid for half or more of their medical bills, according to a recent survey by social security analysts. Seventy-three percent of this minority with private coverage had plans which covered less than half of their expenses for the period surveyed.

One typical plan available to aged couples for $13 a month provides $10 a day for hospital board and room for 31 days, not more than $100 for miscellaneous hospital expenses and not more than $200 for surgery. With hospital board and room rates running at $25 to $30 a day, and with skyrocketing miscellaneous hospital expenses it should be clear to all that this plan is completely inadequate despite the fact that the price tag of $13 a month is so high as to entail a real burden upon most of our aged couples.

It is therefore clear that at the present time the private insurance approach has not worked. But what of the future? Insurance spokesmen point to the rapidly growing number of workers covered under group hospitalization plans and they say that this will inevitably lead to a rapid increase in the number of aged persons who will convert their group medical plans to individual plans upon retirement.

Unfortunately the most competent experts in this field, the staff of the Secretary of Health, Education, and Welfare, do not concur in this optimistic assessment. They estimate that by the year 1965, only about half of our aged citizens will have any private coverage and we have already pointed out the glaring inadequacies of most private plans now offered to the aged.

The reasons for the difficulty in extending private coverage to the aged are simple and easy to grasp. In the first place, a worker's group insurance is usually canceled whenever he leaves his employer. During the 50 years of his working life, he may have several employers, some of whom offer no group insurance at all. This is a rather uncertain basis upon which to plan for a person's medical insurance in his old age. And even presuming he retires at the age of 65 from a company which has an adequate group medical insurance plan, the subcommittee has pointed out that a retired person who seeks to convert his group policy must pay rate increases ranging from 80 percent to 300 percent if he seeks to retain the same benefits. The only other choice open to him is to pay slightly higher premiums for severely reduced benefits. This offers no solution.

Other information brought forward by the subcommittee points up the plight of private insurance programs that seek to care for the aged. The experience is cited of the non-profit-making group Blue Cross-Blue Shield plans in three States—Arkansas, New Jersey, and Texas. Each of these plans sustained very heavy losses in their attempt to provide hospital coverage for the aged at reasonable rates. If non-profit-making groups like Blue Cross cannot make a go of medical insurance for older people, how can we expect the great insurance companies to do it, whose existence is dependent upon profits?

There is therefore every reason to feel that in the future the attempts of private insurance companies to solve this problem will run into mounting difficulties. There is just no way for a private, profit-making organization to supply adequate medical insurance coverage to cover the great expenses incurred by the aged at prices which the aged can afford to pay. There is no practical manner in which insurance companies can offer plans by which a person could make payments for a lifetime upon a hospitalization policy which would not become effective until his retirement. You just can't sell insurance on that basis in any significant amount. And there is no workable way that a private insurance company can spread the cost of medical care for the aged among the cost of care for all others, since that requires the younger and healthier persons to bear the burdens of the aged and no private plan which must meet the rate competition of other companies can long succeed on this basis. Try as they might, therefore, I do not see how the insurance companies can handle this problem unless their losses are underwritten by the Government.

Only the social security program, covering all working Americans on a compulsory basis, is set up to handle such a tremendous task. It is the obvious vehicle for medical insurance for the aged.

I believe that the McNamara bill would be helpful to the insurance industry despite its great misgivings. It would remove from the private field only that insurance which is unprofitable on a commercial basis. It would leave open to private insurance supplemental coverage which can be offered at extremely low rates and which can return reasonable profits to the insurance industry, since the great deficit-incurring risks are carried by the Government plan. The field will be completely open to private insurance for such matters as insurance covering doctors' fees, surgical fees, catastrophic illnesses, income insurance for those who are ill, and many other areas. The McNamara bill will be the basis upon which a profitable private insurance system can be erected, just as the basic social security system has been the basis for private life insurance and pension plans.

Another argument offered by opponents of Federal health insurance is the argument that no American is presently denied adequate medical care because of financial problems; that public and private charities are handling the problem, and that there is no real need for massive intervention.

What about this claim?

First of all, no one can tell how many aged people are going without needed medical care for lack of funds. We do know that the number is very large. We all know older people who go without needed medical care because they are unwilling to impose upon their relatives, or they are too timid or too proud to approach private or public charities for needed help. They go without.

The price is thus paid in the currency of pain, suffering, needless illness and premature death. I ask the American people if they are satisfied with this solution.

Related to this practice of going without care is the fact that charity patients in overcrowded wards frequently do not receive adequate medical attention. Preventive medicine and individualized care, approaches that seek to prevent serious illness or persist in its treatment until the illness is cured, are almost impossible on a charity basis.

And so I dispute the assertion that sufficient medical care is now being provided for our aged. But let us look at the manner in which such care as is being received is financed today, and let us judge whether or not this manner is in anyway preferable to Federal insurance.

A portion of the cost of caring for the aged today is met by relatives of the sick. Here again there is the great danger that the aged will go without care rather than seek help from their families. And, however dutifully or generously relatives extend care, it is a burdensome and difficult solution alike for the giver and the receiver. This is not any basis upon which to build an intelligent program of medical care for our aged.

A portion of our present medical expenses for the aged is met by local, State and Federal charity. This approach, with its humiliations, its means tests, its inadequate funds, necessary and beneficent though it has been up to now, offers no real solution. Local and State governments in particular have just about reached the breaking point in their capacity to carry on with this kind of aid.

Another portion of the present cost of caring for the aged is met by the hospitals themselves, institutions which can least afford to carry this burden. The subcommittee hearings cite the typical case of the Massachusetts General Hospital which, in a 6-month period of 1958, reported that one-third of all its ward patients were people 65 or over and that these patients accounted for about one-third of that hospital's $1.5 million operating deficit. Thirty-five percent of the cost of caring for all aged persons in that hospital was borne by the hospital itself. We know that our inadequately financed hospitals cannot continue to shoulder this expense. And we know also that part of the cost of caring for the aged is transferred to other patients in the form of higher charges and to the nurses and other hospital workers in the form of inadequate salaries which hospitals are forced to pay their employees. This again is no way to pay for medical care for the aged.

Nor is the suggestion that the aged invalid sell whatever property or assets he may have—his home or his life insurance, for instance, if he is lucky enough to have either.

And so I answer those who argue that somehow or other adequate medical care is being financed for our aged by saying to them that an inestimable amount of needed medical care is not being received because of lack of money; that too much of the cost is being borne by hospitals, by charities, by public assistance, and by added charges on more fortunate patients. Thus these costs are being met in the most inequitable, inefficient manner imaginable and in no sense can this system be said to constitute any sensible approach toward the problem of medical care for the aged.

We seek an equitable manner of financing comprehensive medical care, a solution fair to all and unduly burdensome for none. And in the social security system we have it.

In the past few months we have seen a sudden and dramatic indication that the American people have faced up to this problem and have decided that it must be resolved in terms of Federal health insurance. Suddenly, almost imperceptibly, those who have successfully opposed this sort of program for years have gone into retreat. From all sides, Republicans and Democrats, the administration and the appropriate committees of the Congress, has come acceptance of the principle that there must be Federal help in this area. The fight has shifted from the ground of "Shall we do something about this?" to the ground of "What kind of program and how extensive a program shall we offer?"

There are four major types of programs now before the Congress.

The first is the bill passed recently by the House of Representatives under a rule permitting no amendment by House Members, which would provide care to a group of about 1 million indigent aged persons. This has been described as a "paupers' bill" by Representative FORAND, the leading figure in the long struggle for medical insurance for the aged. This bill provides no coverage at all for 95 percent of the aged people of America, and thus cannot be considered a serious attempt to deal with so vast a problem.

The second approach is the administration proposal, belated though it may be, a proposal which has yet to be introduced in the form of legislation. In some respects, this was a notable program to come from an administration which up to a few months ago was completely hostile to the idea of direct Government hospital insurance for the aged. But in its attempt to render lip service to its slogans of the past, such as the red herring of socialized medicine, the administration has presented a plan which is in many respects a contradictory self-defeating monstrosity.

It divides the aged American people into three groups; providing free medical care for one group, partially free medical care for the second group, and no medical care at all for a third group.

It is dependent upon adoption by each of the 50 States; it calls for administration by the States, and it is subject to revision by the States. I might add that the States, upon which all depends under the administration proposal, have shown a complete lack of enthusiasm for it.

Should it be passed by Congress, its benefits would become available to the people of some States and would remain unavailable to the people of others and we could have as many as fifty different plans in operation.

The administration program contains many inconsistencies and abnormalities. It would pay all the expenses, within certain limits, for those who are required to make no contributions to it. It would pay only part of the expenses for those who are required to make the $24 contribution annually. And it would pay none of the medical expenses for another large group who are required to support the program through the taxes they pay, though they do not share in its benefits.

Even the person who qualifies under the bill, who meets the means tests, who makes application and pays his $24 annually would still be required in event of illness to pay the first $250 of his medical expenses.

Much has been said by the administration of the need to preserve the voluntary principle in the field of Government medical insurance. But under the administration bill, while the receipt of benefits may be a voluntary matter, the individual contributions which pay for those benefits are compulsory in the form of Federal and State taxes from which few are spared.

Such a plan is too complicated, too riddled with inequities, too filled with deficiencies, too lacking in uniformity to command the support of the American people or to deserve that support.

The third approach to this problem is the original approach, the Forand bill. It provides the basic answer to this problem and it points to the right solution. The Forand bill would add to existing social security coverage a provision for medical care to those retired men over 65 and retired women over 62 years of age. It is the Forand proposal which has borne the brunt of the controversy that has raged about this issue for years. It is the principle of the Forand bill which has, in my judgment, won the overwhelming support of the American people.

In some of its particulars, I believe the Forand bill is deficient. It would not cover those 4 million aged Americans who are not under the social security system and who are the most in need of help. And I feel that in some respects the coverage it would provide is less than adequate. But its deficiencies are technicalities, details which can and will be remedied. The basic program is sound. And the author of this proposal, the great Representative of Rhode Island, AIME FORAND, will be deservedly remembered as the principal figure in the winning of this great battle for humanitarian principles and for practical progress in providing against the scourge of illness in old age.

The fourth approach, the McNamara bill, is the one which I support. It is best explained in what I consider a great and definitive speech made by the distinguished senior Senator from Michigan [Mr. MCNAMARA], on June 2. I wish every Senator would read this brilliant analysis of the whole problem of medical care for the aged, based on years of careful study, before making any final judgment on this question.

The McNamara bill would provide Government hospital insurance for all retired aged except railroad and Federal retirees.

The McNamara bill would cover all people under the social security system and it remedies the major deficiency in the Forand bill by covering the 4 million people who are not presently under the social security system, financing this aid through Federal grants.

It should be remembered that since the social security system has now been extended to virtually all occupational groups in this country, the percentage of aged Americans not included in this system will be a steadily diminishing one. Almost every working person is now under the social security system or under a pension plan for Government and railroad employees, but we have presently this problem of millions of aged who are not covered, which has its origin in the fact that not long ago large numbers of the working force were outside of the social security system.

It should be pointed out that the Federal Government already puts up a large amount of money for medical care for this group through contributions to public assistance programs, and under the McNamara bill those contributions could be diverted into the Federal health insurance program. The McNamara bill, in addition to providing for 90 days a year hospitalization expense, also provides for home care and for care in skilled nursing homes. It provides for such outpatient diagnostic services as laboratory tests and X-rays.

It provides for the person who needs nursing home care after hospitalization. It provides for the person who needs home medical care rather than hospitalization. It provides for the person who needs expensive drugs and medicines. It thereby fits the basic aim of modern medicine which is not alone to provide adequately for people in hospitals, but also to keep people out of hospitals by preventive care and to care for them properly after they leave hospitals so that they need not return.

The McNamara bill contains none of the inequities or inconsistencies of the administration proposal. No one will be taxed for coverage for which he himself is not eligible. No one who is now working will receive benefits upon retirement for which he has made no contribution. There will be no means test, no declaration of financial status, no complicated application system, no annual premium for the aged to pay, no annual $250 deductible provision which they must pay themselves before receiving benefits, no dependence upon the action or inaction by State legislatures, no unwelcome financial burden upon the States.

The cost of the McNamara bill can be met by an increase of one-fourth of 1 percent in the payroll deductions paid by workers and by their employers into the social security fund. And under the McNamara bill, our aged people will receive not minimal charity-type care but full individualized comprehensive medical treatment at home, in nursing homes, and in hospitals.

There will be no interference in the doctor-patient relationship in any way. The hospitals that care for these patients will be paid in full and thus relieved of the staggering burden of operating deficits stemming from free care to the indigent aged which haunt almost all of our hospitals. And our local and State governments would be relieved of the cost of providing charity care for an ever-increasing number of aged persons.

The financial burden upon the individual would be spread over his working lifetime and would thus have a negligible effect on his individual budget.

For 25 cents a week our workers can purchase a full measure of security for their old age; they can remove the specter of medical expense now hanging over their aged parents; they can erase for themselves the future prospect of becoming a burden upon their relatives and their community when they are aged and helpless; and they can lift from the back of their communities and hospitals the crushing expense of charity treatment.

The Social Security System provides the administrative facilities and the means of collecting revenue which makes unnecessary a new, complex, competing, bureaucratic system as envisaged in the administration plan. It can thus handle this program for a minimum of administrative cost while providing a maximum of medical care for each dollar spent. And it satisfies the logical equation that medical care for the aged is, of its nature, an integral and natural part of any social security system.

For social security is just an empty phrase unless it includes adequate medical care and dispels the fear of medical expense for those who are at an age when illness is a frequent visitor.

Some will say that there is a great joker in this plan, which is that today's 15 million aged will be receiving benefits for which they never made any contribution. This, they say, is just the old policy of something for nothing and there is no insurance aspect to it at all; it is merely another giveaway to a powerful pressure group.

But it would be unthinkable to set up a medical insurance program for the aged and leave out the present aged. Including them, regardless of the fact that they have made no contributions for this specific purpose, is in keeping with the 25-year practice we have followed whenever we have increased benefits under social security or added new groups. And there is a justification as old as the Bible for the proposition that there are time and occasions when those who enter the vineyard at the 11th hour are eligible for full benefits along with those who have borne the heat of the day.

Remember that the aged of today are the ones who built this country and the ones who have preserved it. Without their labors, without their sacrifices, there would be no social security system or any other system that means anything. Most of them contributed to the social security program as it evolved over the years. What a mockery would be any medical program which left them out.

The administration plan, the Forand-McNamara-type proposals, and the present hybrid combination of local, State, and private charity all operate to some degree on the basis of charity aid, or

what critics like to call "handouts." Charity cannot be avoided in dealing with the needy, nor should it be avoided.

The unique thing about the Forand-McNamara approach is that under it the dole aspect will in time be ended and the day will come when all those who receive medical benefits will be receiving their just due from a fund to which they have contributed over a lifetime. The answer to those who cry "handouts" and "dole" is that the Forand-McNamara bill will end for all time the use of handouts for medical care, whereas the defenders of the present system would continue the dole in perpetuity.

We have lived in an age of scientific miracles. The dread hand of disease and illness has been in part lifted, in part stayed, by the incredible developments in medical science in the past century. We are confident that we stand on the threshold of even greater discoveries.

Those of us in the Congress must stand in awe and gratitude before the men of medicine who have wrought these wonders, those who have banished so much pain, so much misery, so much needless suffering. But we can do more than this. We have a vital part to perform and that is to make our political system equal to the task of fully exploiting the discoveries of medical science and of translating those discoveries into available medical care for every citizen that needs it.

This is a joint task for the private sphere and the public sphere of our national life. We recognize this when we appropriate hundreds of millions of dollars annually which is given to private agencies for medical research. Now we are asked to recognize it again by voting for a program which will provide our aged and all those who will come after them with a simple and effective means of sharing in the medical miracles of our age, of enjoying adequate medical care with peace of mind, without shame, without fear, without financial ruin.

The Forand-McNamara bill shows us the way to do this. Regardless of the charges that have been made against it, this bill does not endanger our free institutions, does not cripple initiative, does not socialize the medical profession, does not endanger the high standard of care of which American medicine is justly proud.

The opportunity to play a decisive part in a tremendous advance toward social justice does not come often, even to a U.S. Senator.

We have here before us an opportunity to fill a great human need. We have a chance to do something that is morally right as well as practically sound. We have a chance to do something that will make this Congress a Congress to be remembered.

The American people are asking us to take this step. It is my sincere hope that the Congress and the President will answer "yes."

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. DODD. I am happy to yield to my friend and colleague from Illinois.

Mr. DOUGLAS. First I wish to congratulate the Senator from Connecticut for an extraordinarily able and analytical and eloquent speech. In fact, I have heard a good many addresses on this topic, but I have never heard a better one.

Mr. DODD. That is a high compliment, and I am sincerely grateful for it.

Mr. DOUGLAS. It comes with special force because the Senator from Connecticut hails from the private insurance capital of America, Hartford, and knows the problems of that industry, and has been very sympathetic to the legitimate purposes of that industry.

I hope that the popular pressure for some such measure as the Senator advocates may be as strong as he assumes. I have been sitting in the Committee on Finance during the last 2 days, listening to testimony. I would say that the obstacles are greater, perhaps, than we sometimes believe. However, the Senator from Connecticut has made a speech which, if properly popularized, will dispel a great many false fears, and aid immeasurably in the achievement of the goal. I thank the Senator for his very fine address.

Mr. DODD. I am deeply grateful to the Senator from Illinois. I am particularly grateful to receive such a high compliment from such a distinguished Member of the Senate, for whom I have such high regard.

Mr. YOUNG of Ohio. Mr. President, will the Senator yield?

Mr. DODD. I am happy to yield to my friend and colleague from Ohio.

Mr. YOUNG of Ohio. I wish fervently to congratulate the distinguished and able Senator from Connecticut upon a most constructive and statesmanlike address. I am in complete agreement with every statement he has made. I feel he has made a needful contribution to the cause of aid to America's aged, who are very definitely in need of aid from their Federal Government at this time.

Twenty-five years ago next August the social security system was enacted. As the Senator from Connecticut has indicated in his profound address, this is one of the great imprints that Franklin D. Roosevelt has left upon the history of this Nation.

While serving my second term as Representative at Large from Ohio in the other body I was privileged to be able to vote for the social security law.

Years later, when I was serving my final term in the House of Representatives, as Representative at Large from Ohio, along with the Senator from Colorado [Mr. CARROLL], who I am sure is in complete agreement with everything the Senator has said today, we redrafted and liberalized and extended the coverage of the beneficial provisions of the social security law.

Now again the time has come when we in Congress will have an opportunity to say that when an affliction or catastrophe comes into the homes of the underprivileged, particularly when it comes to the aged of our country, overwhelming financial burden should not be the penalty which such persons have to pay in this, the richest and greatest country on earth.

I am very glad and happy to associate myself with the distinguished Senator from Connecticut. Although there are not very many Senators on the floor at this time, I know that those Senators who are busy in committee and elsewhere, will read his address in the CONGRESSIONAL RECORD, and the American people will profit as well.

Mr. DODD. I am exceedingly grateful to my friend and colleague from Ohio. I know well of the struggle that he participated in to help us enact the social security program in the first place. I know of his great interest in this program. I am grateful to him for what he has said about my remarks today.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. DODD. I am happy to yield to my friend and colleague from Minnesota.

Mr. McCARTHY. I wish to express my appreciation to the Senator from Connecticut. I will not say for his courage, because the Senator from Connecticut is always courageous, but for his having worked out this most thorough and thoughtful report and study and analysis with regard to the problems of the aged in this country, and for having brought to us recommendations as to what Congress should do to meet the problem.

Mr. DODD. I am grateful to my friend and colleague from Minnesota. I can only say, as I have said to the Senator from Ohio and to the Senator from Illinois, that his compliment means a great deal to me. I was privileged to serve with the Senator from Minnesota in the House of Representatives. He has worked in behalf of great progressive programs. It is something that will always be remembered by those who served with him and by the people of this country.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

The Senate resumed the consideration of the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals.

Mr. YOUNG of Ohio. Mr. President, consideration of H.R. 10, as substituted in the Committee on Finance, is the pending business before the Senate at the present time.

H.R. 10, in my judgment, should be further amended, or defeated. It occurs to me as noteworthy that at least 6,000 men and women within the State of Ohio have written to me, as their Senator, urging that I support the passage of H.R. 10. Not one constituent, to my recollection, has written, telephoned, or telegraphed me asking me to vote against this legislative proposal.

Those thousands who have written or telegraphed or telephoned me, expressing their support of this proposal, asked it in the name of tax equality. The fact is that they are seeking a special privilege.

The fact is that H.R. 10, which they so strongly favored, was defeated and shelved in the Committee on Finance. Now we are debating an entirely new bill,

containing 62 pages, many of them replete with highly technical language which has been substituted for the 32 pages in H.R. 10 as it was passed in the other body.

I have carefully studied the substitute bill, because it is complicated and very difficult to understand. Either it should be amended in the course of the debate in the Senate, or it should be defeated.

Many of the self-employed professional men who have urgently requested my support of H.R. 10 as introduced in the House of Representatives are personal friends of mine. Some are members of the War Veterans Bar Association, of which I served as president. Naturally, there is a feeling of great friendship on my part toward members of this special sort of bar association, every one of whom served in the Armed Forces of his country in war time.

In addition, hundreds of members of the Ohio State Bar Association, the Cleveland Bar Association and the Cuyahoga County Bar Association have urged me to support this bill. I served as president of the last named bar association, and am regretful that I find myself in complete disagreement with the views they have expressed.

Also, in addition, hundreds, if not several thousand, of Ohio physicians and surgeons have expressed a strong desire to be permitted a tax deduction of 10 percent up to $2,500 per year from their earnings, to be set aside for a pension. Many of these physicians and surgeons have always opposed the social security system which is an old-age and survivors insurance system eminently fair to all those who are employed or self-employed. They alone of all the professional and self-employed are not included in the beneficent coverage of our social security system. This is due entirely to the opposition of the house of delegates of the American Medical Association, which has denounced social security as state socialism. Nevertheless, two-thirds of the physicians and surgeons of my State of Ohio, in a referendum, voiced an affirmative desire to be included under the compulsory coverage of social security.

Mr. President, in addition to the referendum taken in Ohio, referendums among physicians and surgeons were taken in Pennsylvania, New York, and New Jersey. In every instance, from 65 to 68 percent of the doctors so polled voiced their desire to be included under the compulsory coverage of the social security system. Yet, while opposing social security protection for medical men, the backward-looking, reactionary, and nonrepresentative ruling clique of the American Medical Association is spending money lobbying in favor of the passage of H.R. 10, which is an act to encourage the establishment of voluntary pension plans by self-employed individuals.

They desire the special privilege given to self-employed professional men and women, namely, that the individual pays no income tax on the money he sets aside for a retirement or pension plan.

If the provisions of this legislative proposal were extended to all employed and self-employed, as would inevitably be demanded, our Government could lose $3 billion a year in potential income tax revenue which should come from the taxpayers to meet the cost of Government.

H.R. 10 violates the sound principle of just taxation that taxes should be levied according to ability to pay.

The present personal tax exemption is only $600 per person per year. Yet if this substitute proposal should be enacted, there could be a tax deduction of 10 percent of the individual income up to $2,500 a year. Compare this benefit with the benefits to other groups who pay taxes. It would mean that if, after my term as a Senator of the United States, I retired and became a self-employed lawyer in my home city of Cleveland, I would, as a self-employed professional man, be entitled to a tax deduction of $3,100, instead of the $600 exemption which is granted to other persons not in this category. I myself do not want the $3,100 tax exemption. I do not consider it just. I will oppose the passage of the bill unless that provision is drastically amended.

We should realize that if the bill should become law, then the revenue lost must necessarily have to be obtained by imposing higher taxes on those who do not get the relief, or by issuing more Government bonds to make up for the loss of revenue, thereby adding to the national debt. The national debt already has been increased sharply since General Eisenhower became President of the United States in 1953. It is now $293 billion a year, whereas on the day President Harry Truman left office, the national debt was $265 billion.

A major principle of taxation is at stake in the consideration of this complicated and complex bill. The bill should be laid on the table or defeated unless properly amended.

If this bill is passed, without amendment, those who cast an affirmative vote are expressing a desire that more favorable treatment be accorded to self-employed persons than is presently available to employees covered by private pensions plans.

In the Nation, at present, more than 40 million men and women are not covered by any pension plan whatever. The passage of the bill would increase the discrimination against these millions. It would unduly favor self-employed physicians and surgeons, attorneys at law, and other self-employed, giving to them a special tax treatment limited to those who invest their savings in retirement programs.

Many assert that the present income-tax law is inequitable in some particulars, and I am one of those who so assert. The fact is that the enactment of this bill would create additional inequities. It does not apply to all self-employed. It provides benefits arising from financial investments for retirement, from annuities, insurance policies, stocks, and bonds.

Small businessmen and the family farmers of my State are properly interested in further investments in their own businesses and in their farms, with the expectation that such investments will help provide a comfortable living in retirement.

Enactment of this bill would discourage reinvestment in small businesses. It would discourage those who wish to build their small businesses or family farms and increase them in value so that additional income will result in rent or profits, or by sale when the time for retirement has been reached.

Surely, Mr. President, farmers or small businessmen are entitled to as favorable tax consideration as that being sought here by self-employed attorneys at law and physicians and surgeons and other professional men and other self-employed.

Small businessmen, family farmers, and individuals who wish to provide for their old age by investing in the purchase of homes are denied reduction in their taxes. But if this legislative proposal were to be enacted, perhaps 2 million of 7 million self-employed persons would take advantage of its provisions. They would obtain tax deductions estimated to be as much as $250 million a year. Theoretically, that might be a tax deferment; but experience shows conclusively that most tax deferments result in tax reduction or tax avoidance.

Of all professional men and women in this country, self-employed physicians and surgeons are in receipt of the largest incomes. Probably those who are self-employed lawyers rank next in prosperity.

Why give preferential treatment to those self-employed whose earnings are the largest?

The senior Senator from Illinois [Mr. DOUGLAS] has wisely and properly stated that enactment of this proposed legislation would benefit the most favorably situated group in the country, and would lose the Federal Treasury several millions of dollars a year, if the benefits of the bill could be confined only to the self-employed individuals.

Mr. LONG of Louisiana. Mr. President, the Senator from Ohio said "several millions of dollars." He must have meant several hundreds of millions of dollars.

Mr. YOUNG of Ohio. Yes, several hundreds of millions of dollars; and the amount could grow—as the Senator from Louisiana, who is a distinguished member of the Senate Finance Committee, has so wisely stated—to even billions of dollars.

Mr. President at a time when we are properly seeking to close tax loopholes, enactment of this bill would create a new loophole on behalf of the self-employed, for simple justice would require giving the same benefits to others, and then the revenue loss might be as much as $3 billion a year—as the distinguished junior Senator from Louisiana [Mr. LONG] has so wisely stated.

Mr. LONG of Louisiana. Mr. President, will the Senator from Ohio yield?

Mr. YOUNG of Ohio. I yield.

Mr. LONG of Louisiana. Can the Senator from Ohio see how any Member of this body could in good conscience or fairness or justice proceed to vote to give doctors, lawyers, druggists, and other self-employed persons—most of whom are in the high income brackets and are well fixed financially—the benefit of being able to make tax deductions

for all the money they set aside for retirement, up to $2,500, but refuse to do the same thing for the railroad workers, when the railroad workers ask that they receive the same advantage that the doctors, the lawyers, the dentists, and the other self-employed groups would receive?

Mr. YOUNG of Ohio. Mr. President, it is inconceivable that the Senate would do anything of that sort. I completely agree with the views expressed by the able Senator from Louisiana. And with him as one of the great leaders in this body, I assert, as a humble, new Member of this body, that when the final vote on this measure is taken, the substitute bill now before us should be drastically amended or should be defeated. I feel certain that the Senator from Louisiana agrees about that.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. I yield.

Mr. LONG of Louisiana. The Senator from Ohio served on the Ways and Means Committee of the House of Representatives before he came to the Senate; and from his background on social security legislation, he well knows that all the money that a workingman contributes to the social security fund is taxable; for example, if a workingman puts $100 a year into the social security fund, he pays $20 taxes on that $100.

Mr. YOUNG of Ohio. That is correct.

Mr. LONG of Louisiana. Can the Senator from Ohio see how we, in fairness or justice, could vote to take a workingman on the money he puts aside for his retirement, but could vote to leave the doctors, the lawyers, the dentists, and the druggists tax free, so far as the money they put aside for their retirement is concerned? How could we possibly vote in favor of a bill which would enable the people who are relatively well-to-do to receive the tax advantages which, by means of the same bill, the workingman would be denied?

Mr. YOUNG of Ohio. I completely agree with the views the Senator from Louisiana has expressed; and it is a matter of great regret to many of us—and I am sure the Senator from Louisiana feels the same way—that at this time, in the closing hours of this session, this bill would even be brought before us for debate and vote. I know that the Senator from Louisiana is not responsible for its being brought here for debate and vote, because he filed with this body a fine statement in which he expressed his views against the bill.

Mr. LONG of Louisiana. I thank the Senator from Ohio.

The point I am making is that Senators who would vote for this bill could not in good conscience refuse, on proper occasion, to vote to have the same tax advantages allowed persons who are less favored than those who would be favored by this bill.

Mr. YOUNG of Ohio. Certainly that is true; and as surely as day follows night, those persons have a right to come before the congressional committees and request that they be given the same consideration.

Mr. LONG of Louisiana. If Senators pursue and follow through in good conscience, by voting for what many of them have committed themselves to vote for, in connection with House bill 10, by the time they got through voting the same tax advantages for the working people, for those who are covered by Government retirement programs, for those who are covered by railroad retirement programs, for those who are covered by pension plans to which the employees contribute money on which they have paid taxes, and by the time those Senators got through voting in favor of all those tax advantages for everyone covered by social security, the cost of this bill would be $3 billion.

Mr. YOUNG of Ohio. I fully agree with the able Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, will the Senator from Ohio yield for a further question?

Mr. YOUNG of Ohio. I yield.

Mr. LONG of Louisiana. I should like to state that the figures I have just now stated did not originate with me. They are what the Treasury Department itself said would be the cost if we were to apply this principle to all those who have the greatest right to ask for it, because they have the lowest tax incomes and they need such tax benefits the most, because they have to provide their families with the necessities of life, and therefore they need such tax benefits more than do the people who would be the beneficiaries of this bill.

Mr. YOUNG of Ohio. Mr. President, I thoroughly agree with the Senator from Louisiana; and I thank him for his comments.

Mr. LONG of Louisiana. I thank the Senator from Ohio.

Mr. YOUNG of Ohio. Mr. President, I am opposed to giving self-employed persons tax benefits which very few, if any, employees are able to obtain.

All of my adult life, up to the time when I became Senator, I have been self-employed. So I know whereof I speak.

I object to this proposal that would give self-employed individuals a vested, nonforfeitable right to contributions in their own behalf, which few, if any, employees have under the present law. The self-employed person's retirement fund would go with him wherever he went, and, subject only to a modest penalty, would always be available to him to withdraw and use at any time.

For the year 1960, we can only estimate the heights to which the average annual income of physicians and surgeons have risen. In 1955, that annual income was $18,000; and that of family physicians was $15,000. In 1954, the average annual income of lawyers was $10,000. In 1958, the average annual income of senior accountants exceeded $8,000. These averages are much higher this year.

Therefore, why pass this bill which would give a personal exemption of $2,500 plus $600, or a total of $3,100, to these persons who are singularly fortunate?

May I add that long ago, it was written in that Book of all books, "Enter ye in at the strait gate: for wide is the gate, and broad is the way, that leadeth to destruction, and many there be which go in thereat."

The gate is wide and the way is broad that leadeth to the Federal Treasury, but let us not enact this destructive legislative proposal into law, enabling a favored and fortunate group of self-employed to make deductions of many millions of dollars each year that other less fortunately situated taxpayers are not able to claim and deduct.

It is a matter of concern to me that so many hundreds of my constitutents urged me—in personal talks, by all sorts of pressure, and in letters, telegrams, and telephone calls—to support H.R. 10, and to my knowledge, not one constituent urged me to vote against this measure. Not one constituent throughout the State of Ohio, with more than nine million people, has asked me, as Ohio's servant here in Washington to oppose this measure. Yet, upon making a careful study, reading the statements made by distinguished Senators who are members of the Committee on Finance, such as the Senator from Louisiana [Mr. LONG], I could not in good conscience take any other position except to oppose it.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. Yes.

Mr. LONG of Louisiana. I might say to the Senator from Ohio that nobody has asked me to vote against the bill, either. I too have received hundreds and hundreds of letters. I have been importuned by I do not know how many businessmen to vote for it. The only thing that stands in the way of voting for the bill is the conscience of some Senators who look upon this proposal as an outrage. Those who would vote to pass a bill which would tax people for the benefit of the wealthy are those who would not be willing to vote the same thing for the masses of the people. If this is good enough for doctors, druggists, and dentists, why is it not good enough for the working people? But we know the very ones—and they are going to have a chance to vote—who would vote to tax the people for the benefit of the wealthy will refuse to apply the same benefits to the workers of the country, the rank-and-file people across the land.

My theory is that if we want to start by giving a tax advantage, we should start from the bottom and work up, rather than from the top and work down, because the Senator from Ohio and I know how that works. They start at the top, on the theory that the principle should apply to everybody, and they will take care of the top 3 percent and stop there. Then a new program will be started. They will start at the top again, work down a little bit, and stop again. So the only ones who will be paying taxes will be the workingman and the one-horse farmer.

These people never stop working. They organize well-paid lobbies. If we give them this one, they will be before us with another proposal next year.

Does the Senator recall the millionaire's amendment, which was kicked

around here for a long time? That was a proposal to give tax reductions on $11 billion in such a way that 1 percent would get $10 billion, 10 percent would get $1 billion, and the remainder, 89 percent, would not get a red copper cent out of that $11 billion.

The same people who were lobbying the millionaire's amendment, until we defeated that one, are in here now trying to put this one over. I will say to the Senator that the millionaire's amendment was being proposed by the same kind of tactics as are being used on this measure. The only people who knew anything about it were those in favor of it. They went down to the State legislature in Louisiana and pushed it through in a single day. It called for a request to Congress for a national constitutional convention to propose the millionaire's amendment. They got it through by a unanimous vote. I personally wrote a letter to every member of the State legislature telling them what they had done and what the effect of the amendment was. I am pleased to say that, in spite of the fact that the Legislature of the State of Louisiana had voted for it by unanimous vote, 100 to 0 in the house and 39 to nothing in the senate, respectively, they rescinded it by the same vote by which they had passed it, namely, 100 to 0, and 39 to 0, respectively.

Once the rank and file know about this proposal, they will reject it, but the Senator from Ohio and I know it is complicated and difficult to understand. The only ones who are asking us to do anything about it are those who have a special ax to grind.

The Senator is familiar with the hearings. I suppose all of the witnesses who testified before the committee, and the hearings comprise 406 pages, were all special pleaders. They were the folks who would get a special tax advantage, or representatives of insurance companies who expected to handle the business and make more money than the people for whose benefits ostensibly this bill would be for, or the hired professional lobbyists. I shall be interested to see if anyone who testified for it was speaking for the general public interest.

It is not fair that the rank and file, who pay the great majority and the great bulk of the taxes, although they are not in the highest tax brackets, should be completely ignored in legislation intended for the benefit of a relatively small number of people.

I appreciate the fight the Senator is making.

Mr. YOUNG of Ohio. I thank the Senator from Louisiana. I completely concur in the views expressed by the able Senator from Louisiana.

Mr. President, despite the pressures of lobbyists, I accept my duty and responsibility and do oppose this bill, which I consider will result in a raid upon the Public Treasury.

It happens that in the past I served as a member of the Committee on Ways and Means of the House of Representatives and helped draft revenue legislation. It appears to me that I have acquired years of experience and perhaps some little skill in the science of government. Therefore, the junior Senator from Ohio has a foundation for his conclusions about this bill, which I have studied closely, in addition to listening to this debate, reading the hearings before the Senate Committee on Finance, and studying the reports of various Senators who served as members of the Committee on Finance.

If a U.S. Senator permits himself to be governed and guided solely by the opinions, requests, advice, and perhaps demands of his constituents, however devoted he may be to them or they to him, he would be throwing away the rich results of experience, preparation, study, and desire to render real and needful public service.

He would simply become a commonplace exponent of popular sentiment, or the willing victim of pressure appeal—all of which might change within a few months.

Pursuing such a course would dwarf and stifle any man's statesmanship. It would cause the vote of a U.S. Senator to be cast simply on the basis of pressure or simply echoing current opinion—responding to letters, telegrams, and telephone calls he receives from constituents in his home State and from citizens throughout the country.

No one, I am certain, has ever expressed the view that a Senator from a sovereign State should simply be an accountant and then respond as such, in accord with the volume of mail he receives or the power of pressure applied to him, and by his vote echo that, rather than casting a vote following mature deliberation and as a result of his conscientious views.

The liberty of this Nation and its expansion and prosperity will never be secure if its Senators and Representatives become mere servants to do the bidding of constituents who come into their offices in droves, demanding the passage of certain legislation or the defeat of other legislative proposals—or constituents who could not have the means of knowing all the facts, but who, from the distance, claim full knowledge and in letters and telegrams express their strong views and wishes.

In my humble opinion a Senator should be a representative of his constituents and a Senator of the United States in the true sense of the word. His actions should be based only on the future peace and prosperity and interests of the whole country.

Public opinion, while quite often correct, has never been considered a sound principle in the administration of justice since 2,000 years ago the crowd in the marketplace cried, "Crucify Him, crucify Him," and the greatest Judge who ever trod on this earth was crucified between two thieves, as a result of the inflamed public opinion of that time.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. Mr. President, I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I commend the Senator from Ohio for his excellent speech. I cannot say I completely concur in the conclusions the Senator draws, but I wish to say that there is no Senator—from my study of history I know of no Senator historically—who has more quickly become the symbol of one who speaks his mind and speaks his conscience under any circumstances, regardless of the consequences.

Mr. YOUNG of Ohio. I thank the Senator.

INCONSISTENT CRITICISM OF PRESIDENT EISENHOWER

During the delivery of the speech by Mr. YOUNG of Ohio:

Mr. WILEY. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. Mr. President, I yield to the Senator from Wisconsin provided I do not lose the floor, and provided that his remarks will appear elsewhere in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILEY. Mr. President, the courtesy of my distinguished colleague is much appreciated, I assure him. It has been so ever since he came to the Senate. He always was of that type. In spite of our being on opposite sides of the fence politically, we continue to smile at each other.

Mr. President, the Washington Evening Star has today published an article entitled "Eisenhower Critics Inconsistent: Democratic Senators Who Disagree With Handling of U–2 Are Scored," written by David Lawrence. The article begins:

> Has the prestige of the Senate Foreign Relations Committee reached a new low? The Senate has just been given a report on the U–2 affair which in part is concurred in by some of its Members, while others dissent. It lacks coordination and consistency. Ten Senators—all of them Democrats, including Senator KENNEDY—officially put themselves on record as implying that the President should have lied to the world. Six Republicans and one Democrat insist that it was absolutely necessary for the President to tell the truth.

Mr. President, that is a very stimulating column. Tomorrow I shall reply to the chairman of the Committee on Foreign Relations, who spoke the other day when he submitted the report. Some of the ideas contained in this article I shall embody in my speech.

I think the time has come when we must get rid of Machiavellian diplomacy, which has played so big a part in making possible the disagreements among nations. We must return to the lesson taught by the Great Teacher, that the truth will make us free. In this respect, the President spoke the truth.

Mr. President, I ask unanimous consent that the article by Mr. Lawrence be printed at this point in the RECORD. Again, I thank the distinguished Senator from Ohio for his courtesy.

Mr. YOUNG of Ohio. I am pleased to have been able to accommodate the Senator from Wisconsin.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EISENHOWER CRITICS INCONSISTENT—DEMOCRATIC SENATORS WHO DISAGREE WITH HANDLING OF U–2 ARE SCORED

(By David Lawrence)

Has the prestige of the Senate Foreign Relations Committee reached a new low? The Senate has just been given a report on the

U–2 affair which in part is concurred in by some of its Members, while others dissent. It lacks coordination and consistency. Ten Senators—all of them Democrats, including Senator KENNEDY—officially put themselves on record as implying that the President should have lied to the world. Six Republicans and one Democrat insist that it was absolutely necessary for the President to tell the truth.

The same committee's chairman, Senator J. WILLIAM FULBRIGHT, Democrat, of Arkansas, after presenting the report to the Senate, alleges that the administration is lying now about certain aspects of the incident. In a speech to the Senate, he says:

"We are told that this particular flight was in a special category; that it was seeking information of extraordinary importance which might not be available later. However, we are not told, even under conditions of the utmost secrecy, what that information was. In view of the sensitivity of some of the other things we were told, this reticence on the part of the executive branch raises the question of whether the information sought on May 1 was in fact as important as it has been represented. There is ground here for the conclusion that the alleged extraordinary importance of this information is the administration's cover story for its own costly mistake."

To accuse one's own Government of lying to a Senate committee doesn't seem to bother the Senator, who, in the same speech, also declares that President Eisenhower should have refused to take responsibility for the U–2 business and, instead, should somehow have evaded the truth. For, while Mr. Eisenhower did not really know in advance of the particular flight on May 1, he did give general authorization in advance and said so to the American people and the world. Yet Senator FULBRIGHT says to the Senate:

"The gravest mistake was when the President assumed responsibility for the flight."

Senator ALEXANDER WILEY of Wisconsin, ranking Republican on the Foreign Relations Committee, and Senator FRANK LAUSCHE, Democrat, of Ohio, in a separate report concurred in by five Republican Senators, rebutted this same point as follows:

"Conditions following the May 1 flight having developed as they did, it was unavoidable for the President to make a statement with regard to it. If he had to make a statement, he had to state the truth. Moreover, if he had not told the truth by avoiding personal responsibility, the four demands Khrushchev made upon him in Paris would not have been altered."

But what is puzzling are the contradictions in the main report, which frankly says that "the sort of information provided by the U–2 is of enormous value in assessing Soviet capability to mount a surprise attack," and then argues later on as follows:

"In looking back, if one accepts the conclusion that the failure of the mission furnished an excuse for Khrushchev's wrecking of the summit conference, then, in the absence of compelling reasons to the contrary, there is good reason to conclude that the flight should not have gone."

But the Secretary of Defense says the reasons were compelling and the Senate majority report itself concedes the great value of information obtained by the U–2 flights, which were needed to help protect the American people against surprise attack by the missiles of the Soviet Union.

Possibly the prize example of inconsistency and lack of coordination among the Democratic Members is to be found in Senator FULBRIGHT'S own speech, when he says:

"In any event, my argument is not that the President should not have told the truth; my argument is that he should not, as the head of our Nation, have become personally involved in the incident, one way or the other."

This appears to be one of those distinctions without a difference. For the query will be immediately posed as to how a President of the United States can keep himself from becoming personally involved in any official action taken by his own administration. One can hear already the outcries from the Democrats demanding an investigation of why the President, assuming that he did blame someone else, didn't know in advance what was being done and why he has subordinates who do such things, and so on. Indeed, Mr. Khrushchev would not have been satisfied with such a patent evasion of official responsibility and would have continued to demand the removal and punishment of those same subordinates.

There was a time when the Senate Foreign Relations Committee had considerable prestige. Today its report stands as a glaring example of how to furnish arguments to the Soviets for use on the air waves to try to discredit the United States and to help bring it to a new low in prestige—which phrase an American Senator, chairman of the Senate Foreign Relations Committee, uses in an indictment of his own Government.

DOCUMENTATION OF CONNOLE'S GREAT AND LONELY FIGHT FOR THE FULL PUBLIC INTEREST ON THE FEDERAL POWER COMMISSION

Mr. PROXMIRE. Mr. President, the refusal of the President of the United States to reappoint William R. Connole to the Federal Power Commission still rankles. Those of us who are concerned to maintain the integrity of this independent regulatory agency must continue to view with the gravest concern the attitude of the President in defending the decision not to reappoint when he said, "I think I can get a better man, that is all." Better for whom? Here is a classic example of the immense power of the gas and oil industry in American politics. William R. Connole distinguished himself through his years on the Commission as the one man who sought to perform an effective job of regulating this basic industry in the public interest. Though sometimes described as the lone defender of a "consumer's interest," this is an oversimplification. Mr. Connole's main contribution lay in his thoroughly competent comprehension of the questions and issues involved in the production and regulation of natural gas.

Mr. Connole's clear-eyed grasp of the gas regulation problems frequently led him to dissent from his fellow commissioners. But like another "great dissenter" before him, the late Supreme Court Justice Oliver Wendell Holmes, Connole's reputation for insightful thinking and understanding of the law derives from his numerous brilliant dissents.

On more than one occasion Connole's minority view has been implicitly upheld by the Supreme Court. In the precedent-creating Catco case, where the majority of the FFC allowed new field gas sales worth $1 billion without final approval of the rate, the Supreme Court confirmed Connole's dissent, by upholding the contention of the New York State Public Service Commission that the failure to set firm rates did not sufficiently protect the consumer.

Because of the widespread attention focused on Commissioner Connole's numerous dissents, I asked the American Law Division of the Legislative Reference Service in the Library of Congress to prepare brief digests of the Federal Power Commission cases in which there was a dissent entered by Mr. Connole. This has now been completed, and in my opinion constitutes a thorough and accurate summary of his dissents in the period 1955 to 1959. For the record, the Legislative Reference Service states:

Requested brevity of the digests must of necessity present an inadequate statement of the complex factors involved in such cases and at times may fail to give many issues involved in the decision rendered.

The customary modesty of this disclaimer should not detract from the excellence and thoroughness with which this research has been performed.

I will not attempt to further characterize Mr. Connole's dissents, beyond stating, in my opinion, they demonstrate clearly that the recently retired Commissioner understood the gas business, facts and theory, and fought a careful, hard, if frequently losing battle to defend the public interest. If on numerous occasions this put him alone into the camp of the consumer, this is because his fellow Commissioners clustered on the side of the gas industry. Fortune magazine quoted a high official as saying that four out of the five Commissioners did not believe in continued regulation of independent gas producers. The many dissents of William R. Connole lend impressive substance to this charge.

Mr. President, I ask unanimous consent that the brief digests of FPC cases in which Commissioner William R. Connole dissented be printed at this point in the RECORD.

There being no objection, the digests were ordered to be printed in the RECORD, as follows:

In the Matters of American-Louisiana Pipe Line Co. et al. (15 F.P.C.R. 23 (1956))

This case involved applications for the issuance of additional certificates of public convenience and necessity under section 7 of the Natural Gas Act to American Louisiana and Michigan Wisconsin Pipe Line Cos. for the construction and operation of natural gas facilities. One of the lines called for in the application was a tie line between Payne, Ohio, and Bridgman at a cost of nearly $8 million.

Decision of Commission: Certificates issued.

Commissioner Connole: Concurring in part and dissenting in part.

The Commissioner concurred that the public convenience and necessity required in the issuance of the certificates with the exception of the tie line between Payne, Ohio, and Bridgman, Mich. He found it precipitous and unnecessary to authorize this considerable expense when the eventual outcome of the entire consolidated proceeding in the future might affect its design, or even render it unnecessary at all.

In the Matters of Panhandle Eastern Pipe Line Co. et al. (15 F.P.C.R. 46 (1956))

Among other things in this case, the presiding examiner would provide for the issuance of a certificate of public convenience and necessity to Panhandle Eastern Pipe Line Co. authorizing the enlargement of 10 laterals on its system, on the condition that Panhandle take appropriate action to eliminate the discrimination in service found to exist on another lateral, Panhandle's Liberty

lateral. The condition the examiner imposed would require Panhandle to deliver increased volumes of gas to Central West, which would be accomplished by certain additions and improvements on the Liberty lateral.

Decision of the Commission: Affirmed the issuance of the certificate, but reversed the examiner's action imposing the condition on the grounds (1) that the Commission lacks the authority under the Natural Gas Act to condition the certificate to require the enlargement of the lateral even to eliminate discrimination; (2) that Central West has not shown the proposed project for the enlargement of the Liberty lateral whereby the discrimination would be eliminated is economically feasible; and (3) that the condition imposed is not a reasonable one, as section 7(e) of the act requires.

Commissioner Connole: Dissented on all three grounds.

The Commissioner said that the Commission does have the power and authority to prescribe conditions designed to eliminate and prevent undue preference and prejudice, and unreasonable differences in service and facilities. There is no warrant or justification for requiring the party wronged to establish the economic feasibility of a project to eliminate discrimination if it does not make such a showing. The majority's conclusion that the condition the examiner would impose is not reasonable is clearly a makeweight and requires little discussion.

Northern Natural Gas Co. (15 F.P.C.R. 1634 (1956))

This is on reconsideration or order issued March 16, 1956, which denied a certificate of public convenience and necessity to the Northern Natural Gas Co. authorizing the construction and operation of natural gas facilities to serve the Black Dog power-generating station of Northern States Power Co. on an interruptible basis for use as boiler fuel. The order denying the certificate was based upon the finding of the presiding examiner that the Northern Natural Gas Co. had not demonstrated on the record that the construction and operation of the above-described facilities are required by the public convenience and necessity.

Decision of the Commission: Prior order reversed and certificate granted. The Commission found that the facts established for the proposed authorization do satisfy the conventional and basic requirements of public convenience and necessity.

Commissioner Connole: The Commissioner dissented from the order reversing the prior order. He argued that the certificate should not be granted because the Northern Natural Gas Co. failed to sustain the burden of showing that this sale will be at a rate which will recover properly allocated cost. It is clear that in considering the question of issuing a certificate of public convenience and necessity for the construction or operation of facilities for the transportation of natural gas to a new customer, either direct or resale, the Commission is fundamentally concerned, in the exercise of authority under section 7(c) of the Natural Gas Act, with the effect of the issuance of a certificate on the company's present service to existing customers. This certificate should not issue in the best interest of the consumers of its area and in the general public interest.

In the Matter of Houston Texas Gas & Oil Corp. et al. (16 F.P.C.R. 118 (1956))

The question is whether under section 7(e) of the Natural Gas Act, certificates of public convenience and necessity should be issued authorizing the applicants to construct and operate joint pipelines extending from Texas to Florida, for the transportation and sale of gas and the transportation alone of other volumes to Florida markets, thereby making natural gas service available to consumers throughout the State.

Decision of the Commission: Certificates granted.

The Commission found the applicants able and willing properly to do the acts and to perform the service proposed by them and to conform to the provisions of the Natural Gas Act, and the requirements, rules, and regulations of the Commission.

Commissioner Connole: The Commissioner dissented on the ground that the project as approved requires a filing of a rate to the users of 60 percent of the capacity which is unrealistic to expect would ever be accepted and if accepted would be used for a very short period. Considerations of public policy or national defense which might motivate acceptance are beyond the jurisdiction of the Commission to consider or implement.

American Louisiana Pipe Line et al. (16 F.P.C.R. 702 (1956))

The Michigan Pipe Line Co. submitted further filings in the case (15 F.P.C.R. 23) arguing that (1) the Commission should not authorize the 117-mile tie line between Payne, Ohio, and Bridgman, Mich., contending that it is not needed, at least at the present time; and (2) that the case (15 F.P.C.R. 23) improperly authorizes an allocation of gas to Michigan Consolidated on a different basis than to the other 15 present utility customers of Michigan Wisconsin. Rehearing was asked on the case.

Decision of Commission: Rehearing denied on the ground that the further filings of the parties permitted by the order of the Commission do not present any questions of fact or law which either were not fully considered by the Commission when it adopted its opinion.

Commissioner Connole: The Commissioner concurs in the foregoing order except to the extent it is inconsistent with his separate statement in (15 F.P.C.R. 23).

Amere Gas Utilities Co., et al. (16 F.P.C.R. 880 (1956))

This is an application for a rehearing of an order issued June 30, 1956, affirming the decision of the presiding examiner, who concluded that the uniform system of accounts prescribed for natural gas companies subject to the provisions of the Natural Gas Act, as amended by order No. 171 relating to accelerated amortization, should be further amended to make similar provision for liberalized depreciation.

Decision of the Commission: Rehearing denied, the Commission was of the opinion that questions previously considered are merely reargued and no new facts or principles of law not previously urged and considered are brought forth.

Commissioner Connole: The Commissioner dissented. No written reasons given for dissent.

Phillips Petroleum Co. (17 F.P.C.R. 503 (1957))

This proceeding was to determine the correct rate as of June 7, 1954, for the sale of natural gas by Phillips under its FPC gas rate schedule No. 61. This involves four general questions: (1) correct rate for sale of natural gas under the August 16, 1956 order; (2) whether Phillips is to be permitted to revise its billing statement and charge an increase rate therefor; (3) whether Phillips should be required to decrease the charge by reason of certain price adjustment provisions; and (4) whether the record should be reopened to admit evidence of specified lease agreements.

Decision of Commission: Reversed the presiding examiner's initial decision; rejected the revised billing statement; and denied the reopening of the proceeding for additional evidence.

Commissioner Connole: The Commissioner dissented on the ground that fundamental principles of regulation prescribe that the effective rate is the rate actually binding on the parties by virtue of the rate schedule or tariff on file with the appropriate regulatory agency and limits a regulated company to charging this filed rate and no other.

Olin Gas Transmission Corporation (17 F.P.C.R. 695 (1957))

This is a rate case arising under section 4 of the Natural Gas Act on proposed revised tariff filings and involves proposed increases in Olin's gas rates. The presiding examiner determined that the rates should be allowed. The basic question presented is whether the proposed increased rates are just and reasonable.

Decision of the Commission: Allowed the rate increases.

Commissioner Connole: The Commissioner dissented but failed to file a written dissent.

Phillips Petroleum Company (17 F.P.C.R. 779 (1957))

This is a petition for a rehearing of an order issued April 5, 1957 (17 F.P.C.R. 503) which reversed the initial decision of the presiding examiner. In that order the Commission held that, notwithstanding that an increase in rates proposed by Phillips for sales to Panhandle was due to an averred misunderstanding of the contract and a claimed consequent undercharge, Phillips must, in order to increase the rates it was charging, file a change in rates; and that the mere filing of a revised billing statement did not suffice.

Decision of the Commission: Held that the assignments of error and grounds for rehearing, set forth no few facts or principles of law which were not fully considered when the above order was made and the rehearing is denied.

Commissioner Connole: The Commissioner dissented but failed to file a written dissent.

Continental Oil Company et al. (17 F.P.C.R. 880 (1957))

This is a case upon application for a rehearing on the adoption of the initial decision of the presiding examiner with modifications and conditions.

The order of the Commission on May 20, 1957, modified an earlier order issued April 22, 1955, which granted temporary certificates for Catco to sell natural gas to Tennessee Gas from Catco's leases in Louisiana and to authorize the Tennessee Gas to construct and operate additional pipeline. In the certificates there were conditions relating to the rates to be charged depending, etc., upon the passage of a natural gas bill in the Congress.

Decision of the Commission: Order affirmed with certain modifications as regard to the rates.

Commissioner Connole: The Commissioner dissented saying: "The manifest unwillingness of the producers here involved to submit to properly constituted public authority the prices at which they propose to make these significant sales in interstate commerce has precipitated a crisis for consumers and the Commission far out of proportion to the importance of the immediate proceeding.

"This proceeding is another example of the manner in which the skyrocketing demand for natural gas is severely straining the industry's price structure. Demand threatens to elevate price levels beyond the customer tolerance. As a result each proposed sale at new high price levels must be evaluated with particular care."

Southern Natural Gas Comp. et al. (18 F.P.C.R. 38 (1957))

The Southern Natural Gas Co. filed a petition to amend the order of the Commission issued on March 4, 1957, which granted a certificate of public convenience and necessity, authorizing the Southern to change

and not construct certain facilities heretofore authorized, and to construct and operate certain additional but related facilities.

Decision of the Commission: Certificates affirmed and application for reconsideration denied.

Commissioner Connole: The Commissioner dissented saying that on this record it is impossible to determine whether the public convenience and necessity requires the sale of these volumes of natural gas at the proposed price levels.

Continental Oil Comp. et al. (18 F.P.C.R. 169 (1957))

The applicants filed a petition for a rehearing on an order issued June 24, 1957 (17 F.P.C.R. 880). In that order the Commission reversed and set aside previous orders of April 22 and May 20, 1957, and adopted with modifications, the initial decision of the examiner granting certificates of public convenience and necessity for the sale of gas from offshore platforms.

Decision of Commission: Denied applications for rehearing saying that the applications do not set forth any contentions or other matter that was not previously considered except the Long Island Lighting Co. objects to our adopting the findings of fact and conclusion of the presiding examiner in certain respects. Upon consideration of this matter the Commission came to the conclusion that the order properly stands upon the discussion of the facts.

Commissioner Connole: The Commissioner dissented without filing a written statement.

Southern Natural Gas Comp. et al. (18 F.P.C.R. 179 (1957))

The petitioner filed an application for a rehearing of the orders issued on June 20 and July 12, 1957, 18 F.P.C.R. 38. The June order denied the intervention of the petitioner in the proceeding and the July order disposed of the applications involved upon their merits and affirmed the June 20 order by denying the petitioners application for reconsideration.

The intervention was based upon the allegations that the gas proposed to be sold would not be resold or consumed in New York; that the Southern does not sell any gas in the State; and the sale of the gas at the prices proposed could have serious effects upon the future prices of gas in New York.

Decision of Commission: Order denied in part and dismissed in part because all contentions and objections not specifically discussed have been fully considered and found either without basis in law or support in fact.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Kerr-McGee Oil Industries, Inc. (18 F.P.C.R. 593 (1957))

The Kerr-McGee Oil Industries, Inc., filed a motion for reconsideration of an order issued on August 30, 1957, which suspended for 1 day a proposed increased rate applicable to sales of gas to Phillips Petroleum Co. On October 21, 1957, a supplement to the aforesaid motion was filed.

Decision of the Commission: Denied motion for reconsideration on the ground that the motion sets forth no new facts and no principles of law which either were not fully considered by the Commission when it issued its order of August 30, 1957.

Commissioner Connole: The Commissioner dissented. He related that the question in this case is whether the rate filed by Kerr-McGee may be suspended to sales of natural gas made to Phillips. If it is an increase in an effective rate, then clearly it is suspendable. On the other hand, if it operates only to correct the filing already made to show the rates in effect on June 7, 1954, together with all subsequent changes, then it may not be suspended. On the facts and law the Commission should hold for the latter position.

American Louisiana Pipe Line Comp. et al. (18 F.P.C.R. 632 (1957))

This is a motion for clarification and an appeal from the examiner's ruling filed on September 20, 1957.

The appeal from a ruling of the presiding examiner was made with the respect to the admission of evidence in the hearings having a relation to the motion for interpretation.

Decision of the Commission: Motion denied on the ground that no useful purpose could be served by reviewing extensively the details of all applications which are the subjects of the hearing.

Commissioner Connole: The Commissioner dissented but failed to file a written dissent.

Hope Natural Gas Co., et al. (19 F.P.C.R. 405 (1958))

Certificates of public convenience and necessity were sought for the construction and operation of pipelines for the sale and exchange of natural gas. The main question in the case was "What evidence of prices or rates must an independent producer-applicant introduce in order to sustain a finding that the public convenience and necessity requires a sale of gas?"

Decision of Commission: Certificates granted.

The Commission is of the opinion that if the applicant proves there is a market for the gas at the proposed price and that the project is economically feasible at the proposed price that it has sustained its burden of going forward with the evidence, and in the absence of evidence showing that the proposed price or rate adversely affect the public convenience and necessity, the applicant has made out a prima facie case, and a certificate should issue to it.

Commissioner Connole: The Commissioner dissented not only from the ground that the statutory burden has been met, but also from the failure even to consider whether it has been met, as well.

Seaboard Oil Co., et al. (19 F.P.C.R. 416 (1958))

This is an application for certificates of public convenience and necessity. The question before the Commission is "Should there be inserted in the certificates issued to the independent producer-applicants a rate condition that the initial price to be paid for the gas involved be no higher than a certain price?"

Decision of the Commission: Certificates granted without a rate condition. The Commission asserted that this record supports a finding that the public convenience and necessity demands the service as proposed.

Commissioner Connole: The Commissioner dissented, holding that the conclusion of the Commission was not justified without a demonstration by the applicant wherein and how the concept of public convenience and necessity that is concerned with price has been satisfied. The Commission does have authority to impose a condition in this instance. The public convenience and necessity has not been shown to require this sale at this proposed price.

Pan American Petroleum Corp., et al. (19 F.P.C.R. 463 (1958))

These proceedings arose upon the filing of increased rates for the sale of natural gas. The rates were increased and then suspended by the Commission under section 4 of the Natural Gas Act. The Pan American, etc., filed motions to terminate the proceedings, challenging the jurisdiction of the Commission to suspend the increased rates. The Commission by order of June 4, 1956 denied these motions finding that it does possess power and jurisdiction to determine the lawfulness of the increase rates filed.

Decision of the Commission: Increased rates approved and proponents released from refunds of moneys collected since the increase.

Commissioner Connole: The Commissioner dissented on the ground that these rates should not be permitted to become effective, as it were, by default of the respondent to prove its case one way and by default of ourselves to disapprove it by any other. Whatever means are settled upon to demonstrate the reasonableness of rates the starting point must recognize, in some way, the costs, including capital costs, incurred in rendering the service of exploring for, finding, reducing to possession and delivering to a buyer, the mineral resource known as natural gas.

Columbian Fuel Corp. (19 F.P.C.R. 479 (1958))

The presiding examiner issued a decision granting the Columbian a certificate of public convenience and necessity authorizing the sale of natural gas in interstate commerce for resale. This case is an exception to that decision filed by the Commission staff counsel which asked the Commission to certificate the sale only if a rate condition is attacked fixing the rate for the sale.

Decision of the Commission: Certificate issued without rate condition.

Commissioner Connole: The Commissioner dissented on the ground that this record contains insufficient evidence on which to base a finding that the public convenience and necessity has been shown to require the sale for which authority is sought at the proposed price level.

Southern Natural Gas Comp. et al. (19 F.P.C.R. 559 (1958))

This case is for the issuance of certificates of public convenience and necessity for proposed facilities to enable Southern Natural to procure additional supplies of natural gas from the various applicants by the construction of extensions, laterals, and loops.

Decision of the Commission: Certificates granted.

Commissioner Connole: The Commissioner dissented because he claimed that the certificates were issued at an all-time high level for sales of natural gas without testimony or evidence supporting why the public convenience and necessity requires the sale at this price.

Sunray Mid-Continent Oil Comp. et al. (19 F.P.C.R. 618 (1958))

This is an order modifying and affirming an initial decision of the presiding examiner. Involved are applications for certificates of public convenience and necessity to authorize sales of natural gas and the construction of facilities. The presiding examiner held that the requirements had been met and that the certificates should be issued.

Decision of the Commissioner: Decision of the presiding examiner affirmed with certain modifications.

Commissioner Connole: The Commissioner concurred in part and dissented in part on the ground that the prices proposed are too high and that the applicants have failed to show that the public convenience and necessity requires the sale at the high price.

Superior Oil Company et al. (19 F.P.C.R. 637 (1958))

This is a review of an initial decision of the presiding examiner. Involved are applications for certificates of public convenience and necessity seeking authority to sell natural gas and construct facilities. The examiner held that the certificates should be issued substantially as requested.

Decision of the Commission: Decision of the examiner affirmed with modifications.

Commissioner Connole: The Commissioner concurred in part and dissented in part, on the ground that the evidence in the proceeding does not support the certificate at the price proposed. He stated that during this difficult period some workable practical deterrent must be placed on the rate of increase to avoid permitting prices to rise by sheer momentum to unknown altitudes where they may or may not be able to survive the test of reasonableness when it is devised.

Amendment of Uniform System of Accounts Prescribed for Natural Gas Companies Respecting Treatment of Deferred Taxes on Income (19 F.P.C.R. 826 (1958))

The principal purposes of the proposed amendments are (1) to provide the accounts and related instructions whereby natural-gas companies utilizing deferred tax accounting can account for and report tax deferrals related to liberalized depreciation and (2) to harmonize with these changes provisions of present accounts relating to deferred Federal income taxes arising from accelerated amortization provisions of the Internal Revenue Code of 1954.

Decision of the Commission: Amendments adopted.

Commissioner Connole: The Commissioner refused to participate because the order proceeds from an unsound premise. He stated that to dissent would state the position he would take assuming the premise were sound.

Amendment of Uniform System of Accounts Prescribed for Public Utilities and Licensees and Annual Report Form No. 1 Respecting Treatment of Deferred Taxes on Income (19 F.P.C.R. 837 (1958))

The principal purposes of the proposed amendments are (1) to provide the accounts and related instructions whereby public utilities and licensees under the Federal Power Act utilizing deferred tax accounting can account for and report tax deferrals related to liberalized depreciation, as well as account for other tax deferrals and (2) to provide the accounts and related instructions whereby such public utilities and licensees can account for and report tax deferrals related to accelerated amortization.

Decision of the Commission: Amendments adopted.

Commissioner Connole: The Commissioner refused to participate because the order proceeds from an unsound premise. He stated that to dissent would state the position he would take assuming the premise were sound.

Amendment to Rules Prescribing the Form and Filing of Annual Report, F.P.C. Form No. 1, for Electric Utilities and Licensees (Classes A & B) Relating to Deferred Taxes on Income Prescribed by Commission Order No. 204, Issued May 29, 1958, in Docket No. R–159 (19 F.P.C.R. 846 (1958))

Decision of Commission: Amendment adopted.

Commissioner Connole: The Commissioner refused to participate on the ground that the order proceeds from an unsound premise. He stated that to dissent would state the position he would take assuming the premise were sound.

American Louisiana Pipe Line Corp. et al. (19 F.P.C.R. 913 (1958))

The presiding examiner disposed of 5 of 20 applications, holding that it is in the public interest to decide them now and that this could be done without prejudice to the others. Three of these applications involve proposals to import gas with no evidence having been adduced to support these applications, the examiner then decided that they be dismissed and the other two approved.

The staff counsel filed exceptions to defer consideration of the examiner's decision.

Decision of the Commission: Order for stay granted.

Commissioner Connole: The Commissioner dissented stating that he would adopt the presiding examiner's decision as proposed to be modified by Permian's Exception.

Transcontinental Gas Pipe Line Corp. et al. (19 F.P.C.R. 924 (1958))

This is a petition for reconsideration of a previous order of the Commission and for fixing time for filing exceptions.

Decision of the Commission: Denied petitions for reconsideration finding that there were no new facts presented or principles of law set forth which were not fully discussed and considered by the Commission prior to the issuance of the order, or which now having been considered warrant any change or modification of the order.

Commissioner Connole: The Commissioner concurred in part and dissented in part, taking the view that the order for reconsideration should be granted and a certificate of convenience and necessity issued forthwith.

United States Pipe Line Comp. et al. (19 F.P.C.R. 931 (1958))

The presiding examiner issued a decision determining that certificates of public convenience and necessity should be issued for sale of natural gas. The staff of the Commission filed exceptions.

Decision of the Commission: Decision of the presiding examiner was adopted.

Commissioner Connole: The Commissioner dissented holding that this certificate should not issue without consideration of the effect of this particular sale will have on the gas supply picture nationally and because this order, without price condition, certificates a producer sale on the grounds that the public convenience and necessity requires a price higher than any price on file as of October 15, 1957, in the area and more than twice the average vote then being paid by the United Gas Pipe Line Company in the State of Louisiana.

Colorado Interstate Gas Comp. (19 F.P.C.R. 1012 (1958))

These proceedings arose from two filings seeking rate increases under the Natural Gas Act. After suspension of the rate filings, the presiding examiner disallowed the major part of each proposed increase. Upon the filing of exceptions to the presiding examiner's decision and oral argument the matter is before the Commission.

Decision of the Commission: Decision of the presiding examiner is modified.

Commissioner Connole: The Commissioner concurred in part and dissented in part, on the ground that the allocation urged by the majority violates sound principles of cost allocation and regulatory theory without justification, grants an undue preference to its customer, contrary to the expressed provisions of the Natural Gas Act and is unduly discriminatory against interstate commerce.

Southern Natural Gas Co. (20 F.P.C.R. 229 (1958))

Several corporations filed a petition to intervene in a gas rate increase proceeding by Southern Natural Gas Co.

Decision of the Commission: Denied petitions to intervene on the ground that the petitioners have not shown that they have interests in this proceeding which are not otherwise adequately represented and of such nature that their participation is or may be in the public interest.

Commissioner Connole: The Commissioner dissented as to the denial of two of the companies. No written statement of the dissent was filed.

Transcontinental Gas Pipe Line Corporation, et al. (20 F.P.C.R. 264 (1958))

This is a proceeding for certificates of public convenience and necessity for an extensive expansion of its pipeline system capacity, and the development of storage fields. The presiding examiner issued his decision granting certificates and exceptions were filed.

Decision of the Commission: Affirmed the decision of the presiding examiner with certain modifications.

Commissioner Connole: The Commissioner dissented. His position is that the Commission fails in its responsibility when it does not require compliance with a statutory requirement of public convenience and necessity before permitting natural gas to enter interstate commerce at new high prices and that compliance with the standard of public convenience and necessity is a matter of law. The majority's criteria for imposing conditions are deficient in and, even if sufficient, prevent the issuance of an unconditioned certificate here.

Southern Natural Gas Comp. (20 F.P.C.R. 530 (1958))

This was an application for rehearing and reconsideration of an order issued herein on August 22, 1958 (20 F.P.C.R. 229), which denied, among other things, the petition of the Association for leave to intervene in this proceeding. In denying the order the Commission stated that it was not clear who the members of the Association were, their authority to file the petition, from whom they purchase gas, the cost effect of the proposed increased rates, nor why they were not already adequately represented by the Georgia Public Service Commission.

Decision of the Commission: Denied reconsideration of the order.

Commissioner Connole: The Commissioner dissented, but failed to file a written statement.

Transcontinental Gas Pipe Line Corp. et al. (20 F.P.C.R. 571 (1958))

This case is composed of applications for a rehearing of an order issued September 4, 1958 (20 F.P.C.R. 264). In the proceeding new expansion of natural gas facilities was authorized. This rehearing is requested solely on the ground that the Commission improperly refused to attach conditions to the producer's certificates reducing the prices for sales of natural gas.

Decision of Commission: Order for rehearing denied.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Trunkline Gas Co. et al. (20 F.P.C.R. 720 (1958))

The Public Service Commission of New York filed a notice of intervention in consolidated proceedings on November 3, 1958. Examination of the applications filed reveals that the natural gas proposed to be sold, transported and delivered for resale will not be transported, resold or consumed within the State of New York, and that none of the said applicants presently own or operate natural gas facilities within said State.

Decision of Commission: Intervention denied. The Commission stated that good and sufficient cause has not been shown that participation in this proceeding may be in the public interest.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Southern Natural Gas Comp. et al. (20 F.P.C.R. 737 (1958))

This proceeding was for the adoption of a decision by the presiding examiner who determined that a certificate of public convenience and necessity should be issued for

the construction of facilities for natural gas. The Commission's staff excepted to one sentence of the decision to the effect that the applicants "show" that the proposed rate is "fair and reasonable".

Decision of the Commission: Examiner's decision adopted.

Commissioner Connole: The Commissioner dissented because this order authorized a sale of natural gas under the act without making a finding on the crucial issue whether so much of the concept of public convenience and necessity that embraces producer's prices has been met.

Natural Gas Pipe Line Comp. (20 F.P.C.R. 839 (1958))

This is a petition for reconsideration of an order of December 8, 1958, which denied a motion to shorten the suspension period in a proceeding as determined by an August 21, 1958, order suspending proposed revised tariff sheets and deferring their use until January 25, 1959.

Decision of Commission: Granted petition for reconsideration; vacated order denying motion to shorten suspension period; granted a shortened suspension period; and allowed the substitution of revised tariff sheets.

Commissioner Connole: Dissented to the first, second, and third parts, but concurred to the fourth. No written statement of dissent was filed.

Natural Gas Pipe Line Comp., et al. (20 F.P.C.R. 859 (1958))

On December 2, 1958, the Commission issued its "order issuing temporary authority" to the applicants for a certificate of public convenience and necessity for operation of natural gas facilities.

Decision of Commission: Order amended and modified as to some applicants.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Wm. T. Burton Industries (20 F.P.C.R. 863 (1958))

The petitioner filed to amend the certificate of public convenience and necessity granted June 12, 1958. This certificate authorized the sale of natural gas in interstate commerce at a certain rate schedule. He now seeks an amendment reflecting an increase in the rate schedule.

Decision of the Commission: Accepted the rate schedule for filing.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Natural Gas Pipe Line Co., et al. (21 F.P.C.R. 131 (1959))

Oklahoma Natural filed an "application and petition for rehearing, stay of order and other relief" which was amended on January 2, 1959. It claims it was aggrieved by orders of December 2, 1958 (20 F.P.C.R. 776) and December 19, 1958 (20 F.P.C.R. 859) which issued temporary certificates. It requests the Commission to vacate and set aside the temporary certificates. It objects that such authorization should not have been issued and if issued that a rate condition should have been imposed fixing a maximum charge.

Decision of Commission: Request denied. The Commission stated that upon consideration of all the allegations, justification has not been shown for granting the request.

Commissioner Connole: The Commissioner dissented saying that he had concurred in the original decision but when one of the producers refused to accept if it would have required the company to make the sale on terms required by the public convenience and necessity, the entire transaction was cast in a new mold and, therefore, there is insufficient basis for finding an adequate and assured gas supply here and for authorizing this service.

Trunkline Gas Comp. et al. (21 F.P.C.R. 133 (1959))

The Public Service Commission of New York filed a notice of intervention in these consolidated proceedings. On November 14, 1958 (20 F.P.C.R. 720), the Commission issued an order denying intervention. On December 12, 1958, the public service commission filed an application for reconsideration of the order denying intervention. The matter is now on reconsideration.

Decision of the Commission: Permitted the public service commisison to participate for limited purpose insofar as is necessary to enable it to make a showing in support of the allegations.

Commissioner Connole: The Commissioner dissented stating that in his position, the public interest would be better served by denying the intervention of the public service commission and holding firm to a policy which will tend to expedite certificate proceedings rather than to open the floodgates and permit intervention of this kind.

Power Authority of the State of New York (21 F.P.C.R. 146 (1959))

The power authority was issued a license for the Niagara Falls project. It involved some of the lands of the Tuscarora Indian Nation. The Indian nation contended that the license issued would interfere and be inconsistent with the purpose for which such reservation was created or acquired.

Decision of the Commission: The Commission found that the license issued to the power authority insofar as it includes lands of the Tuscarora Indian Nation will interfere and will be inconsistent with the purpose for which such reservation was created or acquired.

Commissioner Connole: The Commissioner dissented. He thought the majority's position failed because it confuses the means to achieving the end for which the reservation was created with the end itself and it too narrowly construes the purpose for which the reservation was created.

American Louisiana Pipe Line Comp. et al. (21 F.P.C.R. 218 (1959))

These matters are before the Commission on numerous applications for rehearing, filed with respect to an order issued December 19, 1958 (20 F.P.C.R. 851), permitting abandonment of service of Panhandle to Michigan Consolidated Gas Co. of a certain amount of natural gas.

Decision of the Commission: Granted a stay of order pending determination of the proper allocation of gas now being delivered, but denied reconsideration.

Commisisoner Connole: The Commissioner dissented to denial of reconsideration. He stated that in his judgment the records should be reopened and other parties supporting the proposed compromise settlement should be permitted an opportunity of justifying the settlement and the final order should reflect careful consideration of the record as so expanded.

Power Authority of State of N.Y. (21 F.P.C.R. 273 (1959))

This is an application for a rehearing by the Power Authority of New York with respect to the opinion issued February 2, 1959 (21 F.P.C.R. 146), in which the Commission found that the license issued to the power authority insofar as it includes lands of the Tuscarora Indian Nation will interfere and will be inconsistent with the purpose for which such reservation was created or acquired.

Decision of the Commisison: The Commission denied the power authority's application for rehearing.

Commissioner Connole: The Commissioner concurred in part and dissented in part. He dissented from so much of the order that filed to reconsider the earlier action of the Commission for reasons set out in the earlier decision.

Texas Illinois Natural Gas Pipe Line Comp. et al. (21 F.P.C.R. 396 (1959))

The Public Service Commission of New York filed a notice of intervention in the proceedings on March 16, 1959. It seeks to intervene upon: (1) applications for certificates of public convenience and necessity under the Natural Gas Act for construction and operations of facilities for natural gas; (2) upon application for an order directing additional services of natural gas; and (3) petitions to intervene in the nature of applications.

Decision of Commission: Permitted limited participation but denied intervention pending further order.

Commissioner Connole: The Commissioner concurred in the order to avoid denial of intervention by operation of law but stated he would have permitted full intervention on the record made by the pleadings.

Middle States Petroleum Corp. (21 F.P.C.R. 49 (1959))

The presiding examiner issued a decision determining that a certificate of public convenience and necessity should be issued to Midstates Oil Corp. The Commission initiated a review of this decision.

Decision of Commission: Upon consideration of the record the Commission adopted the initial decision of the presiding examiner.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Trunkline Gas Comp. et al. (21 F.P.C.R. 704 (1959))

This proceeding involves 15 interrelated applications for certificates of public convenience and necessity under the Natural Gas Act. Trunkline seeks authority to provide natural gas service to Consumers Power Co., other applicants seek authority to sell gas to Trunkline. The presiding examiner in his initial decision denied all of the applications.

Decision of Commission: Presiding examiner overruled and certificates granted.

Commissioner Connole: The Commissioner dissented in part and concurred in part. The Commissioner stated that his difference with the majority comes not in the major premise but rather in the minor premise. The Commissioner did not think that the burden of proof to whether the producer's certificates of meeting the standards of public convenience and necessity which embraced price had been sustained.

American Louisiana Pipe Line Comp. et al. (22 F.P.C.R. 91 (1959))

On May 18, 1959 (21 F.P.C.R. 688) the Commission issued an order denying a petition to intervene filed by Michigan Consolidated Gas Co. On June 17, 1959, Michigan Consolidated filed its application for a rehearing of the above order and also for rehearing of a letter from the Secretary of the Commission rejecting Michigan Consolidated's "motion to cancel designation of presiding examiner," filed May 15, 1959.

Decision of Commission: Rehearing denied. The Commission held that the assignment of errors and grounds for rehearing set forth no new facts or principles of law which were not fully considered by the Commission in

its order of May 18, 1959, or which having now been considered warrant any change or modification of the order.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Trunkline Gas Comp. et al. (22 F.P.C.R. 110 (1959))

On June 22, 1959 the Public Service Commission of New York filed a document "renewal of application for rehearing of opinion and Order No. 321." The public service commission first filed notice of intervention on November 3, 1958. The Commission denied intervention. On December 8, 1958 the public service commission filed an application for reconsideration. Reconsideration was granted and was permitted a limited appearance (21 F.P.C.R. 133). The public service commission made no appearance (21 F.P.C.R. 133). The public service commission made no appearance at the reconvened hearing and the record was closed without its participation. On March 26, 1959 (21 F.P.C.R. 394) the FPC denied an order for reconsideration and rejected its offer of proof as not complying with the provision for limited participation. The presiding examiner then issued his decision on April 1, 1959, denying all applications for certificates of convenience and necessity. Exceptions were filed and 21 F.P.C.R. 704 the Commission granted certificates of public convenience and necessity. This is the New York Commission's renewal for intervention and a rehearing.

Decision of Commission: Denied application for intervention and for rehearing.

Commissioner Connole: The Commissioner dissented on the ground that the New York Public Service Commission is an aggrieved party by virtue of unlawful denial of its statutory right of intervention.

Pacific Northwest Pipe Line Co. et al. (22 F.P.C.R. 117 (1959))

This case is upon exceptions filed to the decision of the presiding examiner which issued certificates of public convenience and necessity under the Natural Gas Act without a condition as to the initial selling price.

Decision of the Commission: Decision of the presiding examiner adopted because in the opinion of the Commission the evidence did not show that a rate condition was required by the public convenience and necessity.

Commissioner Connole: The Commissioner dissented on the ground that the record did not support a finding that the public convenience required a price as high as it charged.

Texas Eastern Transmission Corp. et al. (22 F.P.C.R. 451 (1959))

On July 23, 1959, the Public Service Commission of New York filed an application for rehearing of (21 F.P.C.R. 860) which granted a certificate of public convenience and necessity to Texas Eastern under the Natural Gas Act.

Decision of the Commission: Rehearing denied, holding that the assignments of error and grounds for rehearing present no facts or principles of law which were not considered in the opinion or which having now been considered warrant any change or modification.

Commissioner Connole: The Commissioner dissented on the ground that he did not believe it to be in the public interest to permit the uncomfortable thrust of alleged insatiable demand to goad the Commission into approving a permanent circumvention of the Natural Gas Act.

Landa Oil Co. (22 F.P.C.R. 470 (1959))

The Landa Oil Co. filed a gas rate schedule proposing an increase in rates. The Commission suspended and deferred use of supplement until January 6, 1960, and until such further time as is made effective in the manner described by the Natural Gas Act and ordered a hearing to be held on the lawfulness of the proposed increased rate. On August 6, 1959, Landa offered an offer of settlements which was agreed to by Texas Eastern. The Commission's staff opposes acceptance of the offer of settlement, on the ground that there has not been submitted evidence for finding the suspended rates just and reasonable and lawful.

Decision of the Commission: The Commission approved the offer of settlement on the ground that it would be beneficial to the public and advantageous to all concerned.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Frank W. Michaux et al. (22 F.P.C.R. 558 (1959))

Michaux filed a supplement to its FPC gas rate schedule proposing to increase its rates. The Commission suspended and deferred use of the supplement until such further time as it is made effective and ordered a hearing to be held on the lawfulness of the increased rates.

On August 24, 1959, Michaux tendered an offer of settlement which was agreed to by Texas Eastern.

Decision of the Commission: The offer of settlement was approved holding that the settlement in accordance with the offer of settlement is desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

The Shamrock Oil and Gas Corp. (22 F.P.C.R. 636 (1959))

On September 4, 1959, the Minneapolis Gas Co. filed an application for rehearing of 22 F.P.C.R. 205, terminating proceedings in the above entitled matter. In these proceedings Shamrock seeks a rate increase for natural gas. The Commission found that the rates were just and reasonable and permitted the filed rates to remain in effect.

Decision of Commission: Rehearing denied.

Commissioner Connole: The Commissioner dissented but failed to file a written dissent.

Austral Oil Comp. et al. (22 F.P.C.R. 658 (1959))

The Public Service Commission of New York filed a notice of intervention in the above entitled consolidated proceedings. The subject matter of the applications is not designated for resale and ultimate consumption in New York State but will be largely consumed in Michigan.

Decision of the Commission: Intervention denied holding that the Public Service Commission of New York has not shown good and sufficient cause which would warrant the granting of intervention.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Sinclair Oil & Gas Co., et al. (22 F.P.C.R. 706 (1959))

The Sinclair Oil Co., for itself and for other parties, tendered for filing an offer of settlement of rate suspension proceeding involved in the above-entitled matters. These proceedings concerned jurisdictional sales of gas.

Decision of the Commission: Proceedings were severed and offer of settlement accepted, the Commission finding that the offer was in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Renappi Corporation et al. (22 F.P.C.R. 823 (1959))

Renappi Corp., for itself and others tendered for filing an offer of settlement of the rate suspension proceedings involved in the above entitled matters.

Decision of the Commission: Offer of settlement accepted, the Commission finding that the proposed settlement of these rate proceedings set forth in the offer of settlement is in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented but failed to file a written statement.

Transcontinental Gas Pipe Line Corp. et al. (22 F.P.C.R. 836 (1959))

The presiding examiner issued a decision granting a certificate of public convenience and necessity for construction and operation of gas facilities with certain conditions. Exceptions were filed to the examiner's decision.

Decision of the Commission: Modified and then adopted the examiner's decision.

Commissioner Connole: The Commissioner dissented saying that this record does not support a finding that the public convenience and necessity has been shown to require sales of gas at the high rate allowed.

Austral Oil Co., et al., (22 F.P.C.R. 858 (1959))

An application for rehearing and reconsideration of an order (22 F.P.C.R. 658) was filed by the Public Service Commission of New York. In that order the Commission denied PSC's participation as an intervenor stating that PSC was required "to set forth with specificity its grounds of interest." This PSC had failed to do. The principal contention of PSC in its application for rehearing is that, as a State commission it is entitled to intervene as of right, simply by filing its notice of intervention.

Decision of Commission: Rehearing and reconsideration denied.

Commissioner Connole: The Commissioner dissented but filed no written statement.

General American Oil Co. of Texas et al. (22 F.P.C.R. 860 (1959))

General American Oil Co. filed a supplement to its gas rate schedule proposing increased rates and charges. The Commission suspended and deferred the supplement until further notice and ordered a hearing on the lawfulness of the proposed increased rates. General American tendered an offer of settlement which was agreed to by Texas Eastern.

Decision of the Commission: The Commission accepted the offer of settlement as being desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of the lack of finding of justness and reasonableness.

E. J. Hudson et al. (22 F.P.C.R. 862 (1959))

Hudson Gas and Oil Corp. tendered for filing proposed increased rates and charges for jurisdictional sales of natural gas. On October 6, 1959, offers of settlement were submitted which were concurred in by Texas Eastern.

Decision of Commission: The Commission approved the offers of settlement as being desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of the lack of finding of justness and reasonableness.

Shamrock Oil and Gas Corp. (22 F.P.C.R. 882 (1959))

The Commission in 22 FPCR 636 denied the application of the Minneapolis Gas Co. for rehearing in the above entitled proceeding. The increased rates were suspended but were subsequently permitted to go into effect under corporate undertakings to make refunds.

This case is the opinion on the denial of application for rehearing.

Decision of the Commission: The Commission held that the proposed increased producer rates are just and reasonable because (1) they are below prevailing area prices; (2) the contract provides only one increase in 20 years; (3) there are no other escalation clauses; (4) the producer's costs have been and are increasing. Also the Commission held that it has discretion to terminate a proceeding under the Natural Gas Act, just as it has discretion to initiate such proceedings.

Commissioner Connole: The Commissioner dissented holding that it is contrary to the order of the Commission and the statute to terminate this investigation of proposed rates without a decision on the lawfulness of the rates. The power of a regulatory commission to terminate an investigation which it commenced itself is not an unlimited one.

Robert Mosbacker et al. (22 F.P.C.R. 897 (1959))

Mosbacker filed supplements to his FPC gas rate schedule proposing increased rates and charges for jurisdictional sale of natural gas. Later he filed other supplements and also tendered an offer of settlement in which Texas Eastern concurred.

Decision of the Commission: Offer of settlement approved.

Comimssioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

Paul H. Pewitt (22 F.P.C.R. 977 (1959))

Pewitt tendered for filing a supplement to his FPC gas rate schedule proposing a favored-nation rate increase for jurisdictional sales of gas to Texas Eastern. He requested an effective date for the increased rate. The Commission suspended the increased rate several times and the supplement has never been put into effect. Concurrently with his latest filing, he submitted an offer of settlement in which the Texas Eastern concurred.

Decision of the Commission: The Commission accepted the offer of settlement as being desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

Texas Illinois Natural Gas Pipe Line Co. et al. (22 F.P.C.R. 970 (1959))

The presiding examiner issued a decision authorizing the construction of necessary natural-gas facilities, without the imposition of any conditions. Exceptions were filed by the Commission's staff.

Decision of the Commission: Adopted the decision of the presiding examiner.

Commissioner Connole: The Commissioner dissented in part and concurred in part. He dissented because he contended there had been an inadequate record made on which to conclude that the public convenience and necessity requires the sale at the prices allowed in the area.

Charles T. McCord, Jr., et al. (22 F.P.C.R. 996 (1959))

McCord filed a supplement proposing a rate increase and charge for his jurisdictional sales of natural gas to Texas Eastern. The Commission suspended and deferred the use of the supplement until May 21, 1958. It became effective on October 8, 1958, upon the filing of a satisfactory bond pursuant to the Commission's order on November 5, 1958. In December McCord filed a supplement containing a proposed periodic rate increase. This was suspended until June 17, 1959, to become effective upon the filing of a satisfactory bond pursuant to order issued August 3, 1959. On November 4, 1959, an offer of settlement was filed in which Texas Eastern concurred.

Decision of the Commission: The offer of settlement was accepted by the Commission holding that it was desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

Tom Cook, Jr., et. al. (22 F.P.C.R. 1010 (1959))

Cook tendered for filing supplements to his FPC gas rate schedule proposing a favored-nation rate increase for jurisdictional sales of natural gas to Texas Eastern. The supplements were suspended and none allowed to become effective. Cook submitted an offer of settlement in which Texas Eastern concurred.

Decision of the Commission: The offer of settlement was accepted, the Commission being in agreement that the order of settlement is desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

Shelly Oil Company (22 F.P.C.R. 1033 (1959))

Shelly Oil Co. tendered for filing proposed increased rates and charges for jurisdictional sales of natural gas to Texas Eastern. Later an offer of settlement was submitted which was concurred in by Texas Eastern.

Decision of the Commission: The Commissioner accepted the offer of settlement agreeing that it was desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

C. H. Lyons, Jr., et al. (22 F.P.C.R. 1057 (1959)

Lyons tendered for filing a proposed increased rate and charge for jurisdictional sales of natural gas to Texas Eastern. Later Lyons submitted an offer of settlement which was concurred in by Texas Eastern.

Decision of the Commission: The Commission accepted the offer of settlement being of the opinion that it is desirable in the public interest and appropriate to the effective administration of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

Jones-O'Brien, Inc., et al. (22 F.P.C.R. 1151 (1959)

Gilster tendered proposed changes in his then effective rates and charges for sales of natural gas to Texas Eastern. Later when title was changed to Jones-O'Brien an offer of settlement was submitted which was concurred in by Texas Eastern.

Decision of Commission: Accepted offer of settlement; redesignated proceeding, allowed proposed rates to take effect; and terminated proceedings. The Commission was of the opinion that the settlement was desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

Midwestern Gas Transmission Co. et al. (22 F.P.C.R. 1157 (1959))

This was an application for rehearing of the Commission's opinion (22 F.P.C.R. 775). This opinion directed the sale of natural gas to Michigan Gas.

Decision of the Commission: Rehearing denied but order modified.

Commissioner Connole: The Commissioner dissented to so much of the order which denied reconsideration on service to the Upper Peninsula of Michigan. He concluded that the action taken in the prior opinion makes for unlawful discrimination and should be eliminated.

N. C. Ginther et al. (22 F.P.C.R. 1175 (1959))

Ginther tendered for filing a supplement to his FPC gas rate schedule proposing a favored-nation rate increase for jurisdictional sales to Texas Eastern. He then filed an offer of settlement in which Texas Eastern concurred.

Decision of the Commission: The Commission accepted the offer of settlement being in its judgment that the settlement is desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

Gasoline Production Corp. at al. (22 F.P.C.R. 1189 (1959))

The Gasoline Production Corp. tendered for filing a supplement to its FPC gas rate schedule proposing increased rates and charges for its sales of natural gas to Texas Eastern. Later an offer of settlement was submitted which was concurred in by Texas Eastern.

Decision of the Commission: The Commission accepted the offer of settlement being of the opinion that the offer is desirable in the public interest and appropriate to carry out the provisions of the Natural Gas Act.

Commissioner Connole: The Commissioner dissented because of lack of finding of justness and reasonableness.

DENTIST DEPLORES EFFECT OF ILLNESS ON SENIOR CITIZENS: CALLS FOR MEDICAL CARE

Mr. PROXMIRE. Mr. President, it is not unusual for this Senator to receive letters from doctors and dentists in Wisconsin expressing concern for the plight of elderly who are suffering the combined curse of illness and incomes too low to pay for medical help. One of the best recently came from a dentist who wrote me as follows:

> I, for one, feel that there is a crying need for the protection of elderly people who are in danger of having their modest life's savings entirely wiped away by a moderately long stay in a hospital. As (people) get older they usually require more medical and hospital treatment and it is just too bad that they have to sacrifice every dollar of their life's savings in order to get that very necessary care.

Mr. President, I ask unanimous consent that this letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> You are apt to receive much correspondence for or against the passage of H.R. 4700. I, for one, feel that there is a crying need for the protection of elderly people who are

in danger of having their modest life's savings entirely wiped away by a moderately long stay in a hospital. Hospitalization is appallingly expensive. A large group of older people are not able to buy regular insurance. As they get older they usually require more medical and hospital treatment and it is just too bad that they have to sacrifice every dollar of their life's savings in order to get that very necessary care. I understand that Sweden and some other countries have legislation along this line and that it is quite satisfactory. Hope, and feel sure, that you will do all you can to further such legislation.

Sincerely,

——— ———.

EMERGING AFRICAN NATIONS

Mr. KEATING. Mr. President, these last weeks of June are witnessing a political phenomenon which has never before taken place on this planet and may never take place again. By the Fourth of July, the anniversary of our own independence, eight brandnew nations will have come *into being*. Added to the 2 which have already become independent this year and the 5 which expect independence this fall, there will be 15 more nations on January 1, 1961, than there were on January 1, 1960.

This really staggering occurrence is taking place, of course, on the continent of Africa where more states are emerging from colonial tutelage than anywhere else in the world. Once called "the Dark Continent," Africa will soon be bright with the flags of many nations and busy with the work of many hands.

What does this change—the magnitude of which can hardly be exaggerated—mean for the United States? What are American interests in Africa? What role should the United States seek to play in its relations with new African states?

The answers to these questions are deep and difficult. I should like to take this occasion to discuss some of the most important problems which are going to arise and some of the policies we can adopt to facilitate their solution.

First of all, I think we can all agree that the future of the African Continent is important to us. Remote as Africa may once have been, it is today no more than a day's trip by jet. Its products are in our houses and on our breakfast tables. Its diplomats are, or soon will be, stationed at the United Nations in New York City.

Seventeen million Americans have African ancestry. Although they did not come of their own free will, they have done their share and more in building up this country. Their interest in and sympathies for the new African states are another cause for overall American concern toward that continent.

Moreover, Africa itself, with its 220 million inhabitants, thinly scattered over 11½ million square miles, its vast and largely untapped natural resources, and its strategic location on the periphery of Europe and Asia, may one day come to hold the balance of world power in its hands.

The potential wealth of Africa is staggering to the imagination. Already Africa produces much of the world's uranium, one-sixth of its lead, one-third of its chrome, nearly three-quarters of its cobalt, almost half of its antimony, almost a seventh of its tin, more than one-third of its manganese and phosphates, nearly one-fourth of its copper, almost two-thirds of its gold, and virtually all of its diamonds. African rivers will one day produce the world's cheapest electricity. African oil wells, still in their infancy, are expected to flow generously in the future. And African farming, still in a highly primitive state, may one day harvest enough to feed the hungry continent of Asia as well as its own inhabitants.

Diplomatically, Africa will also be coming into her own in short order and bringing new forces into the international balance. By 1961, if present indications hold true, we can expect that nearly one-fourth of the nations represented in the United Nations General Assembly will be African.

The key to the long-term future of Africa seems to lie in the newly emerging Negro states of central Africa and it is of these new states and their problems that I should like to speak particularly. The way that these states and their leaders face the new status of independence will determine the future of Africa, I firmly believe.

The first point then, that must be made about the new states and the new African citizens within them is that they do not see the world as we do—sharply divided between free nations and Communist dictatorships. For them, the big division is between rich nations and poor nations, between developed nations and undeveloped ones, between industrial nations and agricultural ones. Without exception, the emerging African states are poor, undeveloped, and agricultural.

Their first objective is not prosperity, but survival. Independence is their greatest treasure, but what it has cost in most cases is a substantial reduction in the funds lavished upon them in the last few years by the colonial powers. This is especially true of such countries as Guinea, where the national vote for independence angered the French Government and led to an abrupt stoppage of all financial assistance.

These African states are in a situation very similar to that which faced the Original U.S. Colonies on winning their independence from Britain. They are beset by internal difficulties and areas of great indecision. Economic progress is their first objective. Diplomatically, they feel, as the United States first did, uncertain and inexperienced.

We will not be doing these states a favor nor indeed will we win their good will if our only concern with them is to form a strong alinement against communism. Just as George Washington warned the American States to avoid entangling alliances even with the French Government which had assisted in the struggle for independence, so virtually every new African leader has tried to avoid the ties both of the free world and of the Communists.

We must be satisfied to accept this nonalinement policy of African states for the moment. We can only hope that time will show the African neutralists as it is beginning to show their counterparts in India what the aggressive aims of international communism are. The Communists are bound to reveal their greed and self-interest in time. African nationalists are no more anxious to lose their new freedom to communism than they would be to return to colonial servitude. We can take some comfort from the fact that no African states have turned to the Soviet Union for assistance until they were first rejected by the West. That should reveal both the basic commonsense of the African leaders and the dangers to us of ignoring African requests.

In a realistic appraisal of what sort of stand we can expect from the African states, then, we will probably have to be satisfied with a weaker position against communism than we would like. But I think we will be wise to recognize, as the most moderate and most capable of the African leaders do, that the first important problems for the new states will be internal or in their intercourse with neighboring states rather than on the stage of world diplomacy.

The first and most important internal challenge that must be faced, of course, is the establishment of representative governments acceptable to the peoples of the new states. We of the West naturally hope that these governments can be democracies where the will of the majority can prevail through orderly processes, but where the white minorities will not be oppressed. But we must remember that our own type of government, although well suited to our own needs, may not at first seem so readily adaptable to African conditions.

But I think we should expect, and with the passage of time we should emphasize even more, the need for certain democratic safeguards. The existence of a moderately free press, the right of free speech, toleration of at least some semblance of opposition opinion, protection of private property—these we feel are necessary to any government that claims to have a mandate from its own people. With these outlets for popular opinion and openings for new ideas, a strong one party government can carry on the important work of unifying the country without becoming a totalitarian system like the Communist monstrosity. Within these limits able and ambitious young leaders can pursue the dynamic policies that will eventually transform Africa, persuading rather than persecuting the backward-looking tribesmen of the remoter areas.

Parallel with and necessary to the maturing of democratic institutions in Africa must come the development of sound economic bases within each country. Every African country, with the exception of South Africa, is primarily agricultural. There are few industries and those that do exist are aimed more at export than at domestic markets. Moreover, most African countries, whether poor, like Nigeria, or relatively

rich like the Rhodesia, count on the oversea sale of one or two products for virtually all of their foreign exchange.

To increase the revenues of these states and raise the per capita income of Africans, from its present figure of about $70 per year to a level approaching that of Europe and the United States, tremendous efforts are required. Diversification of production must come first, so that the economies of these countries are not tied to world prices which they cannot control. The greater industrialization must follow, the development of Africa's hydroelectric potential to produce cheap power, also improvement of Africa's incredibily backward methods of farming. In fact, there is not a single facet of African economy where progress is not only desirable but also well nigh imperative if the new states are going to live up to the high expectations of their optimistic inhabitants. These changes cannot take place unless they are underwrtten by the industrial nations of the West. It is certainly to the interest of the West to see that they do take place. For without economic stability even limited forms of democracy will find it hard to survive.

Along with the development of representative institutions and economic viability, there is another trend in African politics that should have the full support of this country. That is the organization of regional groupings to prevent the Balkanization of Africa. We all know what happened in the Balkans when states were set up that were too small to defend themselves economically or politically. The ensuing boundary disputes, tariff wars, and internal rivalries blinded these nations to the threat first of Fascist Germany and then of Communist Russia. As a result, they lost the very independence that had been so precious to them.

A most encouraging development, therefore, is the desire expressed in many places for some form of union, whether political or merely economic, to bind the new entities together for a constructive future. The Mali Federation has already been formed out of the former French territories of Senegal and Soudan. Ghana and Guinea, although geographical separated by the Ivory Coast, have announced plans for cooperation. The Federation of Nigeria, initially forged by the British, will become independent this fall. With a population of 30 million, Nigeria bids fair to become one of the strongest states in Africa. Other federation schemes are under active consideration throughout the continent.

These, then, are a few of the principal problems and trends to be seen on the continent of Africa. That the United States should tactfully and tolerantly support all efforts to develop democratic institutions, to improve economic prospects, and to encourage the federation of small states into larger ones seems nearly self-evident. But how can we do this? What policies should the United States best adopt to serve the interests of the African people and thus, in the long run, of the American people too?

First of all, the United States should take, even more unequivocably than we have to date, a stand supporting the desire of these people to be independent. Toward Britian and France such pressure need not be offensive. The British have long taken the lead in preparing their colonies for self-government. But in the more difficult areas of Kenya, Tanganyika, the Rhodesias and Nyasaland, the British have not faced up as sternly against the demands of the small settler minority as most Africans would wish. The Africans there paradoxically look toward Britain to protect them from the dictatorship of the white settlers. We can play an important role in urging the British Government to move faster in these areas and in showing to the settler communities how isolated they are from the sympathies of the rest of the free world.

General de Gaulle has already permitted all the French territories in Africa, except Algeria, to choose between closer ties with the metropole, local autonomy, or complete independence. Most are moving rapidly toward independence in a French "community." The Algerian question will soon be under direct negotiation between the French and Algerian rebel leaders. Here again we can give our moral support to the moderate French forces seeking a fair solution and make it clear to the extremists in Algeria, who have long been the principal obstacle to agreement, that they stand alone in the world.

A wholehearted United States support for the aspirations of black Africans will do much to create a favorable opinion of the United States in Africa and will make other U.S. policies more welcome. The United States should stress its own tradition as a state which once won independence from colonial rule.

African nationalists should be encouraged to come to the United States for their education, or for visits. Care should be taken that not only visiting African dignitaries, but also American-born Negroes are treated with the respect that is due to fellow humans regardless of color or place of origin.

If the United States can put itself across to Africans as a country unconditionally sympathetic to African independence, then a big step will have been taken in counteracting Communist propaganda efforts. Beyond this, I think we must recognize that politically we have very little direct power in Africa. We cannot intervene in the internal affairs of African nations nor would we wish to. Neither can we dictate to them the policies they should pursue in international relations. Any pressure along these lines would win us enemies rather than friends.

Where we can play a very important role, is economically. Now I am not trying to advocate any great giveaway program to try to buy these countries over to our side. It would not work anyway. Nevertheless there are a great many ways in which we can promote our own interests and at the same time help the Africans to help themselves.

Africa is a wonderful area of U.S. private enterprise. So far its wealth and its markets are virtually untouched. U.S. investments in Africa today are less than $700 million and nearly half of that is invested in the Union of South Africa, the policies of which are anathema to all of Black Africa. Private enterprise can perform a dual function, first in bringing new money and foreign exchange to a country, secondly in making the technical know-how and experience available to local people, many of whom have never even seen a factory, much less worked in one.

There will be difficulties, of course, and probably the immediate financial return will not be as high as in some other parts of the world. But the long-term results will undoubtedly be profitable to us as well as useful to Africa. To encourage private industry to go into the area, the Government should provide tax and other incentives. The African Governments should themselves encourage and deliberately seek a wider foreign investment not only in the extractive industries—where returns are surer but where foreigners are unpopular—but in producing goods for local use.

Private enterprise, by employing as many native Africans as possible, and by practicing a policy of tact and tolerance, can enjoy an inconspicuous position that is frequently difficult for Government agents. By practicing free enterprise in such areas instead of just preaching it we can put our ideas across far more effectively.

There is a role in Africa for American labor to play as well as American management. Up to now the Communists have been allowed virtually a free hand in the organization of African trade unions. As a result, the Communist-dominated World Federation of Trade Unions has already established a school for African unionists in Budapest.

The International Confederation of Free Trade Unions is already well established in Africa with a total membership well over a million. But there is a lot of room for closer cooperation between the U.S. union movement and that in Africa. Africans can benefit much from the experience of U.S. unionists, and I daresay U.S. workers can learn a lot about conditions in Africa. The labor movement is an important channel of communication between peoples. We must not neglect it. Our unions should sponsor more exchanges and educational programs in this field.

Education of all sorts is really the key to the opening of the Dark Continent. Missionaries, institutions, and foundations have already taken a lead in this field. But the need is immeasurably great if 220 million Africans are to participate intelligently both in the government and in the economic life of their countries. They need elementary schools and universities. They also need practical training in techniques of commerce, of farming, of cattle raising, and above all of manufacturing their raw materials into finished goods.

Now, as the colonial powers are packing up to leave, it will be necessary for our Government, by and with the cooperation of private enterprise interested in Africa, to consider what type of educational assistance can best be provided.

The proposal has been made to establish the equivalent of an American land-grant university in eastern Nigeria with U.S. funds. This would call for African, American, and British cooperation. I think this possibility of creating regional universities throughout Africa to teach the technical skills that are most needed in Africa today can be fruitful indeed. It would strengthen the already existing links between the nations and open the way for new coordination on the most practical levels.

What is needed for Africa today, I believe, is a regional forum, perhaps on the order of the British-sponsored Colombo plan for Asia, where the nations that need assistance and the nations that can afford to give it can get together and draw up coordinated schemes. The United States is not the only free world nation that can assist undeveloped Africa. Many other European nations, particularly the former colonial powers, are resolutely budgeting in order to continue help to their former dependencies. Other nations like West Germany, Canada, and Japan have much to offer in the way of both practical and financial assistance. Even little Israel is busily helping the state of Ghana with the resources and know-how acquired during Israel's own recent climb up the ladder of economic progress. A place where all of these nations could come together with the African countries would contribute greatly to the progress of Africa as well as to the mutual understanding of the have and have-not nations.

To summarize, Mr. President, I believe the following five points should constitute the position of the United States as regards encouraging and assisting the emerging nations of Africa:

First. We should demonstrate wholehearted supported for the aspirations of the Africans by taking a firmer stand supporting their desire for independence.

Second. American private enterprise should be encouraged to invest in the new nations, employing native labor wherever possible, and thereby stimulate their economy.

Third. American labor unions should sponsor more exchanges and educational programs with and within the new countries.

Fourth. The United States should assist in creating regional universities, providing the technical knowledge that is so badly needed.

Fifth. We should encourage the establishment of a regional forum, bringing together representatives of the free world and the new African nations.

Mr. President, 1960 is clearly a momentous year for Africa. We can make it even more momentous by inaugurating now the kind of carefully planned policy, combining private enterprise, labor union experience, Government assistance, and international coordination that will speed African nations along. What we wish for them—freedom, economic stability, and responsibility—is nothing other than what they seek for themselves. But by working together the free world can benefit Africa just as Africa can and will benefit the free world.

THE ROLE OF SMALL BUSINESS

Mr. JOHNSON of Texas. Mr. President, it was my great pleasure in 1958 to be a sponsor of the Small Business Act of that year. The measure has proven helpful to the Nation's independent businessmen. It has strengthened their role in the national economy, a role which has always seemed to me to be vital to the well-being of Americans, whether they are small businessmen, big businessmen, farmers, workingmen, or housewives.

In this challenging new decade, I am of the opinion that the small businessman has an even more vital role to play. In an era of changing technology in agriculture and business, the place of the small businessman becomes a rallying point for all segments of the economy. I think it is clear that the place of the small independent businessman in our changing economic picture deserves attention from other segments of the economic household. It deserves this attention, I think, because there lie in this important sector of our economy the answers to some of the problems in other segments of our economy.

In areas where changing agricultural technology has caused difficulties for the farmer, small business often has the answer to a reordering of the economy. Throughout the traditional agricultural sections of the Nation, the small manufacturer and the independent operator of processing and servicing firms are the foundation for a new economic vitality. In the industrial and natural resource areas where changing productive technology is causing problems of unemployment and population migration, small business again is a key to the task of providing new opportunity.

These developments, it seems to me, point up once again the basic strength of our highly complex economic system, the strength of the individual who really believes in the American dream of opportunity for all. Through the years, the small independent businessman has been on the firing line of the economy, sowing the way of opportunity and service. In the changing times in which we find ourselves today, the small businessman is small only in the size of his operation. He is big in his vision, big in his courage, and big in the role he is playing to make the American economic machine work with maximum efficiency and minimum waste. Nothing is more important to our Nation in these times than full use of our potential. I believe the small businessman has rendered a service to all parts of our economy by showing the way to a full realization of potential, by pointing up how the American dream of opportunity for those who will grasp it can be made reality.

For these reasons, I wish to say that small business deserves continued and sympathetic attention by all. Small business has proven it can shoulder the task which faces it.

We here should ever be ready to turn an understanding ear when the small businessman speaks of his problems, or when he offers constructive advice on how Congress can help in the big job of making the economy run at full efficiency. I, for one, will ever be ready to do this, and I am of the opinion that by doing so I will be serving the best interests of the Nation, of its small businessmen, its big corporations, its consumers and workers.

APPROPRIATION FOR CONGRESSIONAL CEMETERY

Mr. GREEN. Mr. President, since 1812 the Washington Parish Burial Ground, popularly known as Congressional Cemetery, has continued under the ownership and control of the rector and vestry of Washington Parish—Christ Church.

Last October the superintendent of Congressional Cemetery, A. R. Johnson, by direction of the owner, notified the Department of the Army by letter that additional funds are needed for the care and maintenance of the 806 Government-owned graves in the Congressional Cemetery.

Under the maintenance service contract—No. 83, July 1, 1959—due to expire today, June 30, 1960, the Department of the Army now pays $750 per annum to the owner of the cemetery for the care and maintenance of these 806 Government-owned graves.

Some years ago I was instrumental in obtaining an increase in funds appropriated for the maintenance and care of these Government-owned graves in which are interred the remains of many former Members of Congress. Other civilian personnel of the Federal Government are also interred there. It is not generally known that the remains of three Presidents, John Quincy Adams, William Henry Harrison, and Zachary Taylor, were temporarily laid to rest in this, our Nation's first national cemetery. No other cemetery in the country has received the last remains of so many high-ranking Government officials. I submit and ask that there be included at the end of these remarks a partial list of official personnel whose remains are interred in Congressional Cemetery. In addition to actual remains there are also about 100 monuments honoring deceased Senators and Representatives whose remains, formerly interred there, are now interred elsewhere.

I am glad to note that the Senate Committee on Appropriations in reporting H.R. 12326, the public works appropriation bill for fiscal 1961, has concurred in the action of the House of Representatives which increased the budget estimate of $750 to $2,100 for maintenance of the Federal graves in the Congressional Cemetery. This action of the House of Representatives and the Senate Committee on Appro-

priations merits favorable consideration by the Senate in keeping with the respect and honor due our predecessors in the Senate and House whose remains or monuments now rest in Congressional Cemetery.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Remains of deceased Senators and Representatives [1] now in Congressional Cemetery, 1959

Sites	Name	State	Senators	Representatives	Died
		Range 24			
1–2	Uriah Tracy	Connecticut	X		May 4, 1800
3–4	Ezra Darby	New Jersey		X	Jan. 27, 1808
		Range 25			
1–2	Francis Malbone	Rhode Island	X		June 4, 1809
7–8	Thomas Blount	North Carolina		X	Feb. 7, 1812
		Range 29			
6	Tilman B. Parks	Arkansas		X	Feb. 12, 1950
9–11	Elbridge Gerry (also Vice President).	Massachusetts		X	Nov. 23, 1814
12–13	Elijah Brigham	do		X	Feb. 22, 1816
14–15	Richard Stanford	North Carolina		X	Apr. 9, 1816
19–20	George Mumford	do		X	Dec. 31, 1818
21–22	David Walker	Kentucky		X	Mar. 1, 1820
28–29	Nathaniel Hazard	Rhode Island		X	Dec. 17, 1820
30–31	Jesse Slocumb	North Carolina		X	Dec. 20, 1820
32–33	James Burrill, Jr	Rhode Island	X		Dec. 25, 1820
34–35	William A. Trimble	Ohio	X		Dec. 13, 1821
36–37	William Pinkney	Maryland	X		Feb. 25, 1822
38–39	William L. Ball	Virginia		X	Feb. 28, 1824
40–41	John Gaillard	South Carolina	X		Feb. 26, 1826
42–43	Christopher Rankin	Mississippi		X	Mar. 14, 1826
44–45	Alexander Smyth	Virginia		X	Apr. 17, 1830
46–47	James Noble	Indiana	X		Feb. 26, 1831
48–49	Charles C. Johnston	Virginia		X	June 17, 1832
54–55	George E. Mitchell	Maryland		X	June 28, 1832
56–58	James Jones	Georgia		X	Jan. 11, 1801
59–61	James Jackson	do	X		Mar. 19, 1806
62–64	Levi Casey	South Carolina		X	Feb. 3, 1807
65–67	Philip Doddridge	Virginia		X	Nov. 19, 1832
		Range 30			
9–10	John Smilie	Pennsylvania		X	Dec. 30, 1812
11–12	John Dawson	Virginia		X	Mar. 31, 1814
13–14	Samuel A. Otis (Secretary of Senate, 1789–1814).	Massachusetts			Apr. 22, 1814
37–38	Thomas T. Tucker	South Carolina		X	May 2, 1828
51–53	Thomas D. Singleton	do		X	Nov. 25, 1833
54–56	Timothy J. Carter	Maine		X	Mar. 14, 1838
66–68	Warren R. Davis	South Carolina		X	Jan. 29, 1835
69–71	Littleton P. Dennis	Maryland		X	Apr. 14, 1834
72–73	James Blair	South Carolina		X	Apr. 1, 1834
		Range 31			
43–44	Joseph Anderson	Tennessee	X		Apr. 17, 1837
47–49	Theodorick Bland	Virginia		X	June 1, 1790
50–52	George Holcombe	New Jersey		X	Jan. 14, 1828
53–55	Joab Lawler	Alabama		X	May 8, 1838
56–58	Narsworthy Hunter (Delegate).	Mississippi			Mar. 11, 1802
62–64	Jeremiah McLene	Ohio		X	Mar. 19, 1837
		Range 50			
49–51	Mountjoy Bayly (Senate Sergeant at Arms).	Maryland			
		Range 54			
104–106	John W. Hornbeck	Pennsylvania		X	Jan. 16, 1848
116–118	Henry Frick	do		X	Mar. 1, 1844
119–121	William Taylor	Virginia		X	Jan. 17, 1846
131–133	Albert G. Harrison	Missouri		X	Sept. 7, 1839
153–155	Benjamin Thompson	Massachusetts		X	Sept. 24, 1852
		Range 55			
101–103	Francis J. Harper	Pennsylvania		X	Mar. 18, 1837
107–109	Edward Bradley	Michigan		X	Aug. 5, 1847
113–115	Felix G. McConnell	Alabama		X	Sept. 10, 1846
140–142	Samuel L. Southard	New Jersey	X		June 26, 1842
162–164	William Upham	Vermont	X		Jan. 14, 1853
		Range 56			
101–103	William A. Burwell	Virginia		X	Feb. 16, 1821
104–106	Daniel Hiester	Pennsylvania		X	Mar. 8, 1834
137–139	Joseph Lawrence	do		X	Apr. 17, 1842
		Range 59			
82–83	John M. Thurston	Nebraska	X		Aug. 9, 1916
84–86	William N. Roach	Maryland	X		Sept. 7, 1902
87–89	—— Davidson (House page).				
		Range 60			
57–59	James Gillespie	North Carolina		X	Jan. 11, 1805
60–62	Lemuel J. Bowden	Virginia	X		Jan. 2, 1864
	Total		14	42	

[1] Includes 1 Secretary and 1 Sergeant at Arms of Senate and 1 Delegate and 1 page in House.

THE PLIGHT OF THE MIGRATORY WORKER

Mr. KENNEDY. Mr. President, a Senator from New Jersey went to Massachusetts recently to talk, to a large degree, about Florida. Complicated as that may sound, it nevertheless makes much sense.

The Senator is HARRISON A. WILLIAMS, JR. He went to the annual meeting of the American Unitarian Association, which was held in Boston on May 21, to describe the work of the Subcommittee on Migratory Labor, of which he is chairman.

To emphasize his basic theme—that all Americans should be concerned about the problems and injustices facing the men, women, and children who help provide this Nation with food for our tables and fiber for our garments—the Senator told the group a great deal about the experiences of the subcommittee during its hearings and a field trip last month in Florida. His account, I believe, gives all citizens much to think about.

He also described the work facing the subcommittee and the bills now before it.

Mr. President, I ask unanimous consent to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS, ENTITLED "THE PLIGHT OF THE MIGRATORY WORKER" BY SENATOR HARRISON A. WILLIAMS, JR., DEMOCRAT, OF NEW JERSEY, AT ANNUAL MEETING OF THE AMERICAN UNITARIAN ASSOCIATION, BOSTON, MASS., MAY 21, 1960

The work on the subcommittee has been particularly rewarding to me, I think, because it comes at a time when we are looking ahead. It comes at the start of a new decade.

Like the man who makes New Year's resolutions, we feel a need for freshness and change. We could not believe it, if someone were to tell us, that the sixties could pass with little or no progress on the problems to be described here in the next 2 days. The fact is, however, that someone has to work hard to make certain that progress is made, and we are part of that force of "someones" who must do the work.

This first year of the sixties is a year of anniversaries. It is the silver jubilee of the great social legislation enacted under the leadership of Franklin D. Roosevelt.

Twenty-five years have passed since Congress enacted laws to reduce the suffering and distresses caused by unemployment.

Americans watched in 1935 as Congress passed the Wagner Act. Here was another historic cornerstone in the structure of laws that express the conscience of our citizens, and their faith in Democratic progress.

The thirties brought us social security, Federal minimum wage legislation, and other bills based on the premise that no man's comfort or profit can be based, even partially, on another man's suffering or exploitation.

All this happened decades ago.

And so, in this great year of 1960, when we are assured that we Americans are living in a happy state of peace and prosperity, when an alltime record of 64 million employed Americans has been established, and when many Americans apparently really believe that this is the best of all possible years in the best of all possible worlds, it certainly behooves us to give special thought to the more than 1 million migrants who help bring food to our tables and fiber for our garments.

WORK OF THE SUBCOMMITTEE

The five-member Senate subcommittee, as you can see, has its work cut out for it. But it did have a head start when it began. It had the good wishes of many citizens who, like you, believe that something should be

done about hardship and injustice. It also had, at its very first hearing, three bills to consider. To these I promptly added one more. Let me describe them to you briefly, and you will see what I mean when I say that the subcommittee has much hard thinking to do:

Take the minimum wage, for instance.

This is a very difficult legislative field, because, in devising such legislation, I think we must give great weight to the fact that the piece-rate system of payment, in many instances, is prized more dearly by the worker than by the employer. In addition, fringe benefits of certain kinds should be considered. It is also desirable that such legislation produce an opportunity for orderly adjustment of the wide regional variation in farm worker wages. And, of course, we must be ever mindful of the general deterioration in national farm income.

Even though there are substantial problems still to be resolved on the minimum wage question, I believe we have made a good beginning in our study of the minimum wage bill introduced last year by Senator McNAMARA of Michigan. Senator McNAMARA's bill, which has considerable merit in my opinion, would apply a minimum wage floor to employees of large farm enterprises.

Under its terms, farm operators employing more than 2,244 man-days of hired farm labor during a calendar year would be required to pay at least 75 cents an hour. This minimum would be adjusted upward to $1 an hour within 3 years.

Reasonable men may disagree as to detail, such as the size of the farm enterprise to which this law should apply. But I believe that the principle proposed in the bill is sound and should be enacted into law.

Two bills before the subcommittee would require registration of crew leaders. You may have heard stories about the families who work all season only to find that, after they have paid their debts to an unscrupulous crew leader, they have earned only a few hundred dollars, even less than the $892 per year which is the average annual income for all migrants.

Senator JAVITS, of New York, introduced the administration bill for crew leader registration; I have introduced a more comprehensive bill calling for greater control of these labor contractors.

The final bill now under consideration asks for child labor protection among migrants. I was startled last week when a magazine interviewer said she had heard from informed sources that it might take 10 years for such a bill to pass. I can't imagine that anyone could stand for such a postponement of the inevitable and the imminent. The day is fast coming for this basic reform.

HOUSING AND EDUCATION

The four bills I described just now are those with which the subcommittee began its work. As we went our way through the Midwest and Eastern States it became obvious, I thought, that we had to do more, too. In January I introduced two bills intended to help improve educational opportunities for migrant youngsters, and I also introduced a bill to help and encourage local government, growers, and nonprofit groups to improve housing for migratory workers.

In Florida this week, at the first public discussion of the housing and education bills, they received almost unanimous support. And it was enthusiastic support, too.

Needless to say I was gratified by the response because I believe that these three bills strike at several of the root problems now facing the migrants.

The education bill, for instance, would do these things:

I. The Federal Government would help bear the additional cost of educating these children during regular school sessions. Funds would be provided to pay 75 percent of the State's cost of educating the child for each day of attendance. The Federal share of 75 percent would be maintained for the first 2 years. Thereafter the Federal share would be 50 percent of the cost.

Another section of the bill would help communities pay the extra expense of educating migrant youngsters in special summer school sessions; $300,000 in grants would be available annually for this purpose over a 5-year period. Institutions of higher education programs would be eligible to sponsor a summer school under this part of the program.

II. Two hundred and fifty thousand dollars annually, for 5 years, would be earmarked for State planning grants to encourage interstate cooperation and fact gathering on educational programs. In other words, if Arizona has a good program, Idaho and New Jersey need to know about it.

Not only would this program encourage fact gathering; it would encourage fact trading.

Our hearings and field trips have convinced me that this could be a very valuable program.

All three programs proposed in this first education bill would, when added together, cost only about $2 million a year.

In terms of missiles or farm surplus storage costs, this is not much money. In terms of positive good to a large number of citizens, it is an impressive sum. Only youngsters of domestic migrant workers would participate in this program. Braceros live bachelor lives, I'm told, and do not have their children with them.

Youngsters aren't the only ones who would benefit from better education. Adult migrants can profit also.

The second bill I introduced on January 20 is the direct result of talks I have had with growers, public health officials, and others.

Perhaps the strongest and most justifiable complaint expressed by growers again and again is the one which I'll paraphrase like this:

"Well, I've done a lot of things to improve the welfare of migrants on my farm. I've built them new housing, put in toilet facilities, new showers, cooking facilities, nice new bedding, plenty of garbage cans, and what happens? They mark up the walls, kick holes in the window screens, stop up the toilets, pull the knobs off the showers and stoves, tear the blankets, and tip over the garbage cans."

The farmer has a right to hurt feelings and his resentment; often he has stretched his thin profits a little thinner so that he could build better quarters. Sometimes the migrant for whom the facilities were built, however, didn't even know what the facilities were for.

The root problem here is a lack of education in fundamentals of modern living. And it is to this problem that the second bill is directed. It would authorize $250,000 annually for 5 years for a program of practical education for the workers themselves, and it would follow the path so successfully blazed by the cooperative extension service, which now combines the efforts of some 11,000 county extension workers and 1.2 million voluntary local leaders to provide information about home economics and agricultural methods to more than 12 million persons.

You know, when you talk about education, you sometimes have a feeling of which came first, the chicken or the egg.

If children receive proper education, won't child-labor legislation be more effective? Or is it the other way—if a child does not have a school to go to, what does it benefit him to be forced from the fields? The same question arises about minimum wages. Unless adults are given some instruction in the benefits of good, healthful living, won't he lose some of the advantages that extra dollars in his pockets could give him?

You here today may know about many of the State schools established to promote migrant education—the $50,000 pilot plant in Oregon, Ohio's $175,000 reimbursement program to school districts, and action in New York, Florida, and in New Jersey. I think that you must be interested in the 3-year study of special educational problems under way in Colorado, with the help of the U.S. Office of Education. Texas and Wisconsin are trying to find a good way to determine the educational needs of each child in the home district of that child and then transmitting that information to another State. Wisconsin could thus, for example, be in a position to give the child the educational program he should have when he arrives.

These and other efforts point up the need all the more, I think, for coordination, exchange of information, and encouragement from Federal levels down to the local school board level. It would be shameful, in this day of massive emphasis on educational improvement, if we were to permit this educational lag to continue among large numbers of these migrant youth. We do know that the lag is there; one study, for example, estimates that more than 50 percent of 100,000 school-age migrants are from 1 to 4 years behind in school by the time they reach the age of 14.

THE HOUSING BILLS

Encouraging as the educational interest is, it is only part of the picture. We need good housing, too, but who is to provide it? To many growers the migrant is a temporary visitor, and the grower frequently believes that the investment in housing should be kept to a minimum, often a very bare minimum. The subcommittee has seen shacks that have been made almost livable by the migrants—in one wooden frame hut not too far from Princeton University, a woman was happy when we met her because her husband had just nailed an orange crate to the wall, thus giving her a new shelf.

And the subcommittee has also seen fairly good buildings which have been almost wrecked within one growing season—another good illustration, I believe, of the need for the education bill I mentioned earlier.

Growers, of course, are at a disadvantage when they try to finance housing for migrants. Lenders generally don't regard such housing as good mortgage security; the farmer might discover that he would have to mortgage his entire farm to provide shelter for his temporary visitors—and it would take many arguments to persuade him that this is a wise thing to do.

To help deal with the housing question I introduced a bill on January 27. The first section would authorize the Secretary of Agriculture to insure loans up to $35 million a year for migrant homes. Another section of the bill would authorize direct loans to farmers associations, and State or county governments.

The direct loans could be used for nonprofit housing of migrants and they would come from a $25 million revolving fund to be established by congressional appropriation.

The bill is intended to help the farmers—and we have seen them—who try to provide good housing despite slim profit margins and no assurance that the competitor will provide equally good housing.

We have inspected, for example, camps in which central dining areas were provided, in which rooms were painted in attractive colors, and in which sanitary facilities were new, well maintained, and adequate. One grower told us that his model camp is a source of pride to him. And he gave one

practical reason for being so proud. He said that his camp helps attract a steady supply of skilled workers to his farm each year, thus cutting down his turnover rate and replacement costs.

Other growers have found that improved educational opportunities have the same effect—workers want to come back year after year because they have found something they want. Sometimes that something is a feeling of growing self-respect and self-understanding.

FLORIDA AND CITIZENS INTEREST

I'd like to tell you more about the individual bills and the reasons for the bills, but right now I'd like to live up to my billing.

It was said in the program that I'll discuss the citizens role in the migrant worker issue. I'm very glad that we decided on that title because our studies in Florida have reinforced my conviction that we are not going to get very much further in improving the migrants' lot until Americans put their imaginations to work and try to visualize what it means to be such a farm worker in many areas of this Nation.

Government programs won't end hardships unless we have citizen interest instead of citizen resistance to progress. The Florida visit has given me fresh evidence on the need for legislation and it has also given me even greater appreciation of the genuine concern felt by most private citizens when they have the facts.

What kind of facts?

In one county of Florida I was told that two youngsters, 6 and 7 years old, had never attended school in any State until they were registered in one community last week. They had always been on the move until this month. Now they may receive a month or two of school training before moving on once more.

One clergyman told us that social workers have found children working in the fields. Some were only 6, 7, and 8 years old. The social workers took them from the fields and sent them home, but they may have wondered as they did so about what the youngsters would do in their cheerless quarters.

We saw workers' camp shacks where entire families lived in 12- by 12-feet rooms—and these were among the best quarters we have seen in the States.

A hospital superintendent told us that the hospital—established for all citizens of the community—may have to shut down eventually because migrants have many illnesses and little money. Most of the time, they simply can't pay their bills, and the hospital faces a growing deficit.

Given these conditions many citizens of Florida are responding in a heartwarming, magnificent manner. Let me tell you about a few I met on Monday, Tuesday, and Wednesday of this week.

There was Julian Griggs, a tall, quiet-spoken, and deep-feeling man. He is a staff worker to the Florida Christian Ministry to Migrants. We met first at a lunch prepared by his volunteer helpers at a work camp auditorium in Belle Glade—about 20 miles or so from Lake Okeechobee. He told us about men and women who launder and dry clothing under conditions "in which your wife or mine would not be caught dead." He told about teenagers who take to darkened streets, to cars, to drive-ins because their one-room family quarters are too crowded. He described mud, mud, mud, everywhere.

And yet, he also told us this: "This year for almost the first time, two migrant parents have talked with me of their desire to send their sons to college. This is a tribute to them and to the education provided these boys in Osceola Elementary and Belle Glade Junior High and High School."

The subcommittee met Prof. George M. Smart, chairman of the Dade County Committee on Migrants. He told us how the citizens there had responded this year during a sudden freeze which left migratory workers without work in quarters that were never meant for a freeze. His words describe what happened there:

"With the excellent cooperation of the Surplus Commodities Division of the Florida State Department of Welfare and the U.S. Department of Agriculture surplus commodities were brought in early in preparation for the unemployment which followed cleanup in the fields. The county welfare department was again authorized by the county commission to administer the program. Interviewing and distribution of commodities were carried out by a staff of that department with the cooperation of the Florida State Welfare Department and volunteers recruited and supervised by the American Red Cross. More than 15 tons of canned food were contributed and approximately $3,500 of voluntary contributions have been used to further supplement commodities.

"This operation has been as efficient as this kind of effort can be. It has revealed the generous concern of the community for the plight of the unemployed migrant workers. However, an emergency voluntary effort such as ours should not be considered a sufficient answer to such a problem. The success of our plan is dependent upon the continued willingness of a number of private organizations and public departments each to provide a portion of the effort needed, and of private citizens to make cash contributions. Failure of any one of these parts at any point would have nullified our whole endeavor. Therefore we believe that administrative and financial responsibility should be fixed somewhere.

"The committee regards the migrant problem primarily as one requiring national and interstate attention. Therefore, it believes that the Federal Government should accept responsibility for planning and development of policy."

As you can see, Professor Smart gave the subcommittee a few additional things to think about. He also gave us a vivid description of citizen reaction to a problem not of their making.

It was a pleasure to meet Rev. Paul M. Cassen, director of the Florida Christian Ministry to Migrants. He is the clergyman who told us that "We take the attitude that any person can change."

In those very few words he summed up much of our Florida experience.

He expressed the faith of a man who feels that no man's problems are his alone. He made us believe, by his words, that a man who turns his back on problems cuts his vision by half.

In Florida, to even a greater degree than we had found in many other States, we found many people who do not believe in limiting their vision. They are concerned. They want to know what was happening in that shack seen from the highway. They are remembering the forgotten people. They believe that "any person can change," and they are working to bring about that change.

While listening to their testimony, or stopping in at their camps, I found myself thinking about a project which I'd like to describe here tonight in hopes of receiving your reaction to it. It involves the establishment of a kind of USO for migratory workers.

Yes, I said USO.

You may remember, from World War II, the transient servicemen who, in the few hours he had away from his training, came to your hometown in search of some touch of his hometown. You may remember how your community responded: How housewives made gallons of punch, how musicians gave up their time, how some citizens became social directors or dancing instructors.

The migrants, in many ways, are like that serviceman of World War II.

They are always moving on. They, however, usually seek no welcome. They are strangers from the work camps. There is a boundary.

But it seems to me that the boundary is there largely because no one has taken the trouble, in many places, to remove it. If the migrants had a center—not even a social center, but a place where they could find lights, comfortable chairs, some laughter, and some cleanliness—if they had such a center, they could take the first step on that road to change. They could break the barriers of silence and of near stupefaction which now is the lot of so many of them.

We heard, for instance, about men who spend 30 or 40 hours each week just "laying around," as they call it. They read no books, they don't listen to radios, or watch television. They "lay around."

A social center, even if it offers only a few basic conveniences, would, I think, do much to help those who want to be helped.

Citizen action is, of course, essential if there is to be any effort of this kind.

In many States we have already seen the beginning of such citizen action, and these beginnings are a source of inspiration and reassurance to us. As a legislator, I believe that we must make laws to help us make social progress. And so we on the subcommittee will work on our legislation, and we will, I think, make definite progress this year.

But there is no one Federal program, or group of Federal programs, that will end the problems affecting the migrants, the growers, and the citizens whose lives are affected in one way or another by the unresolved problems of the migrant work force.

To make the programs work—from Washington, from the State legislatures, from the county and hometown governing bodies—we shall need, too, those citizens who have a capacity for indignation and hard work. When many Americans realize that all Americans have a stake in ending the injustice and hardship of any group in our Nation then, I think, we shall have gone a long way in establishing a moral basis for a social goal. You here are, I am sure, among those who are helping us to take that long forward step, and I am proud to have been with you tonight.

REPEAL OF THE CONNALLY RESERVATION

Mr. JAVITS. Mr. President, I rise to call to the attention of the Senate, as it is about to recess for a month or a little more, to the formation of a committee in New York headed by Judge Learned Hand, one of our most distinguished leaders of the bench, as honorary chairman, and Robert Dechert, who was recently General Counsel of the Defense Department, as chairman, to work to bring about the repeal of the so-called Connally reservation to our adherence to the International Court of Justice.

I know of few more fruitful subjects with respect to foreign policy about which our legislators can think during the recess than this one, which urgently needs attention.

A vestige of isolationism still remains among us, as every Senator knows. What it means is that the United States does not invite the jurisdiction of the International Court of Justice in cases in which it does have jurisdiction, but preserves to itself the authority to refuse that jurisdiction, and by so doing, gives

to everyone who might have a case the same right. It works out very badly, because the rule of law is very important to us as a leader of the free world. It could have helped us enormously in respect to the difficulties about the U–2. It could help us enormously with respect to the brazenness and the tyranny of Mr. Castro, who is seizing American property in Cuba without any expectation of compensating for it, according to international law. That is an issue which could be taken before the International Court of Justice, and yet Premier Castro can frustrate us by himself claiming the very benefit of the reservation which we have established.

With so much to gain and so little to lose in terms of the rule of law against the rule of force to be invoked not only between us and other free world countries but between us and the Communist countries as well, it seems inconceivable that we should maintain this anachronism upon our statutory books.

There is a very distinguished body of opinion in the country working for the repeal of the Connally reservation. It has enormous support from members of the bar and from the organized bar through the American Bar Association. I hope very much that when we return after the recess that this may be one of the high priority items that we undertake.

I ask unanimous consent that there be printed in the RECORD at this point in my remarks an editorial entitled, "The United States and the Court," published in the New York Times of today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE UNITED STATES AND THE COURT

Isolationism is almost dead in the United States, but there are a few vestiges left. One of them is the so-called Connally reservation to our adherence to the International Court of Justice. It is past time to get rid of it.

A committee has just been formed to work for the elimination of this self-judging reservation. The members, headed by Judge Learned Hand as honorary chairman, and Robert Dechert, recently General Counsel of the Defense Department, as chairman, could not be more distinguished. They deserve the support of every thinking American. While it is clearly too late to do anything about this issue before Congress adjourns this summer, the committee is going to work to get both major political parties to put a plank in their convention platforms calling for the repeal of the Connally amendment.

The reservation gives the United States the right to judge when an issue submitted to the International Court comes within the domestic jurisdiction of the United States. Only 8 of the 38 nations which now accept the compulsory jurisdiction of the court have such a reservation. Of these, Mexico is the only other country in the Western Hemisphere. France and India had such a reservation but have dropped it, France because she discovered it had a boomerang effect.

The fact is that in any dispute involving the Court the nation with whom the United States might be contending would have the same right that we have. As the new committee points out in its statement, other countries "can prevent the Court's passing on the validity of their taking of U.S. citizen's property." Yesterday, for instance, Premier Castro seized the Texaco refinery in Cuba because it would not agree to refine Soviet oil. This issue could not now be taken to the International Court because Cuba, even though she has no self-judging reservation, can invoke one because we have such a reservation.

In the broader and much more important field of the rule of law among nations and the example which the United States tries to set for the uncommitted nations of the world, there is a vital reason for repealing the Connally reservation. So long as this reservation exists we are displaying a fundamental distrust of the International Court of Justice. Yet it is a tribunal that has proved its high quality and impartiality over many years. Its composition is truly international; its members are chosen and elected through the United Nations, and there is no reason to fear an abuse of its power.

In any circumstances, matters essentially within the domestic jurisdiction of the United States would still be excluded from the consideration of the Court. The only difference would be that we would accept the judgment of the Court as to whether an issue is domestic or international. This would be evidence that we acknowledge that in international as in national affairs the rule of law must operate and that we will accept it. In some ways this is a small thing for Americans to be asked to do, but the principle is a great one.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

The Senate resumed the consideration of the bill (H.R. 10), to encourage the establishment of voluntary pension plans by self-employed individuals.

MEDICAL INSURANCE PROGRAM FOR THE AGED

Mr. RANDOLPH. Mr. President, the administration's so-called medicare plan for the aged and the inadequate Ways and Means Committee proposal passed by the House fail to meet the most fundamental requirements for financing the minimum health needs of America's senior citizens, and they do not square with the economic facts of life in America today.

If Congress were to adopt either the administration or the House measure without making significant changes and additions, we would be guilty of helping to deceive the people, especially our aged citizens who desperately need financial assistance in order to have the excellent medical care our society is capable of providing. It seems to me that there are at least three basic defects in the White House proposal, some of which also are reflected in the House Ways and Means plan. They are:

First. Direct Government subsidization of the insurance companies would not materially ease the financial-health care plight of the elderly.

Second. The matching formula would make it impossible for many States—already hard pressed to provide adequate schools, roads, and other public services—to participate fully, thus discriminating against their elderly citizens.

Third. The White House proposal rejects the fundamental principle underlying modern medical care, which emphasizes preventive medicine and early, intensive treatment, and provides for speedy rehabilitation to a productive life.

LITTLE HELP UNDER THE DEDUCTIBLE PLAN

Under the deductible arrangement proposed by the administration to accommodate the insurance firms and keep Federal costs down, many of our senior citizens would receive practically no help in meeting their medical expenses—much less be able to seek the quality of medical care they actually need.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. RANDOLPH. I am delighted to yield to my genial friend from Louisiana.

Mr. LONG of Louisiana. Does the Senator know that in Tennessee the House bill would make available 10 cents a year for each aged person? Can the Senator tell us what hope there is for those people for medical care, other than, perhaps, to buy a single package of aspirin tablets?

Mr. RANDOLPH. In replying to the distinguished Senator from Louisiana in the presence of the very diligent and effective Senator from Tennessee [Mr. GORE], I would not reflect upon the sturdy folk who live in Tennessee. However, Tennessee is certainly included in the States I mentioned earlier in my statement which, very frankly, would be discriminated against if the White House proposal, or the bill as passed by the House, after being reported by the Committee on Ways and Means, were to be the so-called answer to this very pressing problem.

Mr. LONG of Louisiana. In Tennessee, all that could be provided with the additional 10 cents per person would be a package of aspirin. It would not provide the cost of a doctor to determine whether the person needed something else besides aspirin.

Mr. RANDOLPH. The Senator from Louisiana has understated the cost of aspirin. Aspirin cannot be purchased for 10 cents, as I understand. However, the Senator from Louisiana has perhaps dramatized the situation very effectually in his statement.

Mr. LONG of Louisiana. In Louisiana, the House bill would make available the generous sum of $1 a year for each aged person. Can the Senator from West Virginia give me any idea of what an aged person could do with the extra $1 a year?

Mr. RANDOLPH. He could purchase a ticket to a motion picture theater for a first-run movie in the afternoon, not at night.

While we are engaging in pleasant colloquy, it is also very important colloquy, because behind those words is the Senator's realization of the problem which he has so often expressed. I know of no other Member of the Senate who has a better knowledge of the underlying philosophy which is necessary in order to provide such assistance to a greater degree than has the Senator from Louisiana.

Mr. LONG of Louisiana. I suppose that today one bottle of patent medicine is the best we could hope to provide—a bottle of Tichenor's antiseptic or Hadacol—with the $1 per person provided in the House bill for the people of Louisiana.

Mr. RANDOLPH. Hadacol at one time was a product which was purchased by West Virginians. I am not certain why any West Virginian should have purchased Hadacol, because it had a certain volatility which moonshine already possessed. However, Hadacol had its beginning in Louisiana, and I presume it was a good product. I do not know what happened to that product, but apparently it went out of existence—at least, on a large scale.

So I shall not say what type of patent medicine, as the Senator from Louisiana suggested, might be purchased, except to remark that absolutely no hope for adequate medical care is provided in the proposal of the White House or in the bill as passed by the other body.

Mr. LONG of Louisiana. So far as Louisiana is concerned the White House bill or the House bill does not provide enough money to pay the expense of calling a doctor to diagnose a person's illness. A dollar a year certainly would not pay the cost of calling in a doctor to make an examination of a sick person.

One dollar, as suggested, might be enough to pay the expense of purchasing a bottle of patent medicine or a bottle of mouth wash or gargle. But if a person were critically ill and needed the advice of a doctor, the $1 provided by the bill would not pay that cost.

The Senator from West Virginia mentioned Hadacol. It is no longer as widely sold as it once was.

Mr. RANDOLPH. It did contain a certain volatility.

Mr. LONG of Louisiana. I believe sherry wine was one of its ingredients.

Mr. RANDOLPH. For medicinal purposes, yes.

Mr. LONG of Louisiana. As the Senator probably knows, the originator of Hadacol was Dudley G. LeBlanc, a public service commissioner of Louisiana and a former State senator of Louisiana. He has created a new product called Carryon. He sold his interest in Hadacol. The new product, Carryon, is supposed to give a person a little uplift.

I suppose an aged person might buy a bottle of Carryon with the $1 which would be made available to him. But so far as providing any real medical care for him is concerned, the $1 per year per aged person, as the Senator well knows, would be of no help at all.

As a matter of fact, I am familiar with the case of an aged person who, fortunately, had some funds available. He was very ill. His family spent hundreds of dollars a year upon him. Yet only a few hundred dollars a year is to be made available for all the aged persons of the whole State.

Mr. RANDOLPH. Mr. President, I had not been informed that the potent Carryon had replaced the once revered Hadacol, and I am not sure what power it possesses; but at least it seems people are having an opportunity to imbibe this medicine, and perhaps in that connection I use the word "imbibe" in its proper sense.

But seriously, the dollar juggling and the fiscal finagling in connection with the proposals I have mentioned will not suffice as we approach a solution to this very serious problem. Does my colleague agree that it is an illusion to think that these measures would provide the real substance which is necessary?

Mr. LONG of Louisiana. Indeed so. If it would appear that I have been somewhat facetious in discussing this House bill, let me say that I do not know of any bill that could be discussed more appropriately in that way, because this House bill is a joke; in terms of providing adequate medical care, it is simply a joke. It is a joke to talk in terms of an additional 10 cents a year a person for people in Tennessee, or an additional $1 a year a person for people in Louisiana. That is just a joke. So why not use those terms in referring to such a proposal?

Mr. RANDOLPH. Yes, and I am sure the Senator from Louisiana has used those terms properly in referring to the program which, as I have indicated, is insufficient in its abortive attempts to provide help in this situation, which is a serious one for the senior citizens of the United States.

Mr. LONG of Louisiana. So far as the House-passed bill is concerned, if it were of benefit only to the State of Louisiana, we still would not have the least interest in it, because if we could not make more provision than that for our people, the bill would not be justified.

I suspect that so far as Louisiana is concerned, the cost of maintaining the program called for by the bill would exceed any benefits the people of Louisiana would receive from it.

Mr. RANDOLPH. I agree with the able Senator.

Mr. GORE. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield to the versatile Senator from Tennessee.

Mr. GORE. The Secretary of Health, Education, and Welfare confirmed, in testimony given on yesterday before the Senate Finance Committee, that by reason of the peculiar formula written into the House-passed bill, it is estimated that four States would receive 60 percent of the benefits, and 44 States would receive benefits approximately equal to the benefits which one State would receive. I wonder whether the able Senator from West Virginia reacts favorably to that.

Mr. RANDOLPH. No, my reaction is negative—a natural reaction, shared by my colleague, the Senator from Tennessee. In other words, not only is there an inadequacy, but a discrimination is built into the House bill. Is that not true? I am sure the Senator from Tennessee and the Senator from Louisiana will agree.

Mr. GORE. Mr. President, will the Senator from West Virginia yield further?

Mr. RANDOLPH. Of course, I gladly yield further to my esteemed colleague.

Mr. GORE. Although Secretary Flemming endorsed the House bill, he also said it was inadequate, and recommended that it be supplemented by a proposal which he said was the proposal of the administration—which, insofar as I am advised, has not yet been introduced. But I am sure it will be introduced, because I offered to introduce it by request, for I think a proposal of the administration, seriously advanced on such a major problem as this one, deserves to be introduced, in order that the committee may give it full and careful consideration and in order that Members may be advised of the contents of the bill. Perhaps Secretary Flemming has in mind having someone else introduce the bill, and therefore I shall not preempt the opportunity to do so. But I have volunteered my services to introduce the bill—not because I support it, but by request, and in order that it be available for consideration.

Mr. RANDOLPH. Mr. President, it is my personal opinion that we could have no public official who, from the standpoint of intense interest in the subject matter at the administrative level, would be better qualified to be objective in this instance than Secretary Flemming. I believe that member of the administration—who, the Senator has indicated, talked over the matter with him—is capable of doing a good job and is desirous of doing a good job. But he is constantly hedged in. We know that. We know it in regard to Federal aid to education, and we know it now in this instance.

I believe I am correct when I say that the proposal which I hope can be considered here—the administration proposal—has a deductible arrangement which, I say very frankly, would accommodate the insurance firms and would keep down the Federal costs; but if those arrangements were in effect, many of our senior citizens would receive practically no help in meeting their medical expenses, much less be able to obtain medical care of the quality they actually need.

Furthermore, I understand the White House proposal would require an aged citizen to pay, each year, the first $250 of medical-care bills, and the first $400 in the case of an aged couple. But almost 30 percent of our senior citizens, I would remind the Members of the Senate, have no ready assets; and more than 45 percent have less than $500 in assets, according to best obtainable information.

MEDICAL CARE AND MEDICATIONS COSTLY

We must remember that the costs of medical care and of expensive drugs—which are not included in the White House proposal—constitute a significant part of the total bills the elderly citizens of our country must pay if they are to remain alive.

Perhaps it will be helpful this afternoon to look at the annual income figures in order to see how the proposed legislation would really affect the people of the Nation; 60 percent of those over 65 years of age have incomes of less than $1,000 a year; 20 percent have incomes between $1,000 and $2,000 a year; and 5 percent have incomes of $5,000 or more a year. Thus, I say to my colleagues, and especially to the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Montana [Mr. MANSFIELD], who now are on the floor, 80 percent of our

senior citizens must live on incomes of less than $2,000 a year—the vast majority of them on considerably less than the figure of $2,000 annually.

For those persons, according to the White House proposal, just paying the $250 deductible expense would consume 12 to 24 percent of their annual income, leaving them a frightfully inadequate sum with which to pay rent and utilities, buy food and clothing, and provide for other necessary expenditures.

For example, suppose an elderly married man incurs a medical bill of $500 in 1960. Under the proposal of which the Senator from Tennessee has spoken—the administration plan—he would be required to pay $444—$400 deductible, $24 membership fee, and 20 percent of the remaining $100, or $20. So the total sum of $56 would actually be contributed toward his health care costs of $500 in 1960.

In terms of his annual income and the actual aid to be given to him, this scheme is worthless, and it needs to be spoken of in such vigorous language.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield again, with pleasure.

Mr. LONG of Louisiana. I am pleased to say that in Louisiana we have a very elaborate system of charity hospitals. We would have dispensed with the name "charity" if it had not been for the fact that it was the Sisters of Charity, a Catholic organization of nurses, who were the early founders of the hospital system in Louisiana more than 100 years ago. But with that elaborate system we provide medical assistance for the indigent and needy who are unable to afford it. We provide almost half of the cost of the hospital days spent at State hospitals—in fact, more than half.

THIRTY YEARS OF LOUISIANA EXPERIENCE

As one who comes from a State which had a program of that sort 30 years ago, it looks downright ridiculous when the administration brings in something like this and talks about health care for the aged, when we in Louisiana are spending probably $20 million to provide health care for indigents, those who are not able to provide for themselves—without Federal aid, I may say. To talk about a Federal program and providing $1 per aged person per year seems quite amusing when it is proposed nowadays, 30 years after we established our program, completely at State expense.

Mr. RANDOLPH. The Senator from Louisiana is correct. That story can be told, at least in degree, in many States throughout the country. In this instance there was pioneering in Louisiana, where, by a bold frontal attack on this problem, a considerable amount of security was brought to the senior citizens of the State of Louisiana.

Mr. President, this is an enormous deception which is being foisted upon the people of the United States. The enormity of the deception is further substantiated by just a glance at the pattern of medical costs incurred by our elderly citizens.

In recent years 67 percent of the couples receiving social security benefits spent from $1 to $399 annually to pay medical bills. Only 7 percent had what is called catastrophic illness—an illness costing $1,000 or more.

This means that the administration's deductible approach would be of practically no benefit to the overwhelming majority of the senior citizens of this Republic. Their small reserves of ready assets would be wiped out immediately in paying their medical expenses, leaving no reserves for other emergencies or for future years.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. LONG of Louisiana. I hope the Senator, in saying this, realizes what a human tragedy it is for such a person. I have seen it happen to people whom I have known very well. Persons who have somehow managed to get by up to the age of 65, 70, 71, or 72, and have a little money saved, who somehow manage to have some little hope of security, but have seen a single sickness wipe out everything they had managed to save in their lifetime. All of their money was gone as a result of a single illness. As the Senator has said, it may not sound like much to have $500 taken away from one, but if that is all one has, it is a human tragedy to have no reserves left after a single illness.

I completely agree with the Senator that situations of that sort should be provided for, if they can be provided for reasonably and adequately, by an insurance protection program.

Mr. RANDOLPH. As the Senator has indicated, there is a certain, understandable fear which possesses a person of inadequate assets as he or she thinks in terms of an illness which could wipe out the total assets of that man or woman with just one period of illness.

Mr. LONG of Louisiana. Will the Senator inform me what the administration proposes to do about a second illness? I take it the administration's program is a deductible program. I have not had a chance to study it. Suppose a person had $500 net savings, and it was all he had on earth, and those savings were wiped out. On the deductible program, the Government would cover the expenses beyond that amount. But what would happen to such a person when he fell ill the second time and did not have the $500?

Mr. RANDOLPH. The probabilities are that his second illness would occur in the following year—in which case he would again have to pay $24 enrollment fee plus $250 for the medical bill, plus 20 percent of the balance. And, as you imply, he just would not have the $500 left in savings to pay any of the required amount.

Mr. LONG of Louisiana. Are we to understand that no aid will be available to them when the second illness befalls them?

Mr. RANDOLPH. That is correct.

Mr LONG of Louisiana. If they do not have the $500, it is too bad?

Mr. RANDOLPH. That is right. It is the beginning and the end. That is exactly what the administration program seems to envisage.

ONLY 7 PERCENT WOULD BE HELPED

Only the 7 percent of these citizens who are victims of extraordinarily expensive illness would be helped by the administration plan, and they also would see their available assets wiped out before they were eligible for even partial assistance.

An equally serious objection to the White House medicare plan is its antiquated approach to the health needs of older persons. Modern medical care emphasizes prevention and rehabilitation. But this proposal and the House-passed bill, too, actually would discourage our elderly citizens from seeking medical attention before they are ill in bed. Why? Because a senior citizen—under the administration's proposal—would have to pay the first $250, or $400 for couples of such expenses, a sum which few can afford to pay in terms of their small annual incomes.

The Commission on Chronic Illness has pointed out that—

> Prevention of chronic disability through early diagnosis, prompt treatment, and rehabilitation might well prove to be the single most important step toward reducing the number of problem families and toward helping those now hemmed in by the interlocking causes and effects of misfortune to emerge from these barriers.

I think that is a prophetic statement, as well as a factual statement.

Moreover, as the Senator from Louisiana well knows, drug therapy, physical therapy, and related rehabilitation techniques, many of which do not require expensive hospitalization, can contribute much toward restoring our elderly citizens to self-care, thus reducing the psychological and economic strains on themselves and members of their families.

Mr. President, there are those of us who are concerned with the medical care needs of our aged citizens who oppose the administration medicare bill, because it discourages—I repeat, discourages—early detection of illness and discourages a more rational and efficient use of the medical care dollar. For the same reasons we consider the House Ways and Means measure unsuitable and inadequate.

M'NAMARA BILL SUPPORT URGED

Instead, I would urge my colleagues, especially members of the Finance Committee, to support the key features of the McNamara bill, of which I am a cosponsor with 23 other Senators. This measure recognizes the importance of preventive and restorative medicine, and rejects the inhumane philosophy that our senior citizens should be helped—and then helped ever so slightly—only after they become patients in bed.

Our proposed legislation would provide for diagnostic services and 240 days of home care, in addition to 90 days of hospital care, or 180 days of nursing home care. And the first two provisions, which emphasize the sound principles of preventive and restorative medicine, do not first require hospitalization in order for a senior citizen to qualify for them.

For these and the other excellent reasons already cited by my colleagues who are supporting the McNamara bill, in-

cluding the able Senator from Connecticut [Mr. DODD], who spoke earlier today, I urge the Congress to adopt the plan which offers our aged and their hard-pressed children—frankly, that is a very true statement these days—who are caring for their parents, the hope of a new dignity and a new lease on life.

Mr. President, we were an agricultural Nation. We are vastly more urbanized today. We now are a Nation of huge populations congested into compact, but sometimes sprawling, cities. The problem has been accentuated because of our industrial pattern. In the South there is an industrial complex which has been growing substantially. Frankly, there has been a dissipation, to a degree, of the strength of the rural economy through the years, at least from the standpoint of productivity of the family farm.

There is a hope for dignity, and frankly I believe, a new lease on life which can be written in legislation such as is provided in the bill which I have indicated. It needs to receive the favorable attention of the Congress.

It was Longfellow who said, many years ago, a truism with which I know we agree today:

For age is opportunity no less
Than youth itself, though in another dress,

This type of approach recognizes that there is still opportunity through preventive and restorative medicine, instead of the requirement that financial aid be provided only when a person literally has had to go to bed. The therapies can be provided for our senior citizens, to give them an opportunity for a relatively active life even though they may be in the bracket of the so-called twilight or declining years.

Now, what about the question of private insurance and medical care for the aged? What would be the impact of our bill, for example, on private insurance? I am sure there are many wild rumors being circulated as so-called answers to these questions.

Mr. President, it seems to me that the time has come when we must come to grips with the No. 1 priority concerning the aged people, and as ascertained by the Senate Subcommittee on Problems of the Aged and Aging, of which I am a member. Also, we should demonstrate clearly that such legislation as is envisioned by the McNamara proposal does not sound the deathknell for private health insurance.

PRIVATE INSURANCE WOULD BENEFIT, TOO

The measure actually opens new possibilities for private insurance because:

First. S. 3503 provides a basic core of health services for the senior citizens of our country.

Just as in the case of cash benefits under our quarter-of-a-century-old system of old age and survivor's insurance, it would establish a foundation upon which great progress through private means could be accomplished.

I cite only a few of the supplemental benefits not covered by S. 3503, but which could be provided through an expanded program of private insurance: the range of major services by physicians; surgical costs; costs of hospital care after 90 days; costs of nursing home care after 180 days; private room in hospitals; psychotherapy and related services, including mental hospitals; dental care.

At least one major insurance company has had the alertness to see this and the courage and wisdom to remark upon it, as witness the recent policy statement of the Nationwide Insurance Co. I quote from that company's pronouncement:

The enactment of a bill providing basic hospital coverage for the aged will, in fact, open up markets for voluntary insurance among our older people. Private insurance companies can design health insurance packages to meet the important supplemental areas of medical need not met by the existing legislative proposals.

Second. Without a widespread floor of basic health protection, private, voluntary insurance programs will soon reach — if they have not already reached—the absolute maximum of covering senior citizens with truly adequate protection at premiums they can realistically afford.

We would still have millions of aged not covered at all through voluntary insurance or covered only with inadequate protection. The reason is clearly stated in a portion of an editorial in Business Week magazine, February 13, 1960, as follows:

If the Government steps in to provide insurance against catastrophic illnesses of the aged, it will not be moving in where private industry can do the job. It will be assuming responsibility in an area where industry has found it cannot offer the protection needed.

Third. As a result of the passage of such a bill as S. 3503, voluntary insurance programs would be able to offer more than supplemental health benefit policies to the elderly.

They would, in fact, be placed in a better position to improve the programs they now offer to the working population of this country. There is absolutely no question about this in the case of those programs, such as Blue Cross in many communities, in which community ratings are used. Under the community rating system the higher costs of meeting the health needs of the aged are spread over all age groups in the program, as opposed to experience ratings, in which high risk groups assume the entire cost of financing their health needs. Our subcommittee knows that in the case of community rating programs premiums have been increased for all age groups; these programs frequently have suffered deficits because of the higher rates of illness and hospitalization among their aged policyholders.

TWOFOLD ADVANTAGES CITED

Such legislation, therefore, would accomplish at least two desirable ends: First, the reduction of premiums or the increase of benefits for the younger and working population; and second, a major alleviation of the losses otherwise experienced by insurance companies.

For these reasons and many other ones, I look forward with real anticipation to the day when, through our well-established pattern of fruitful partnership of Government and private means, the Nation as a whole can acclaim the existence of a national program of positive and dignified medical care for its millions of senior citizens of the United States of America.

THE PLACE OF LATIN AMERICA IN OUR FUTURE

Mr. SMATHERS. Mr. President, recently there came to my attention a speech delivered over half a year ago at the 43d annual meeting of the Florida State Chamber of Commerce by Mr. Richard M. Boesen of Lima, Peru. Despite the elapsed time since the speech was delivered, I am today introducing it into the RECORD, because I believe it is an exceptionally thoughtful and incisive statement of the problems in United States-Latin American relations.

Mr. Boesen is a U.S. citizen who has practiced law in Lima for the past 13 years. Because of his long experience in Latin America, combined with a profound education in the cultures of both North and South America, Mr. Boesen is uniquely qualified to understand the similarities and differences between these cultures and to interpret one to the other. I congratulate him for a superb statement, and I commend it to the attention of the Senate.

I ask unanimous consent that the text of the speech may be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PLACE OF LATIN AMERICA IN OUR FUTURE

Mr. Chairman, members of the Florida State Chamber of Commerce, ladies and gentlemen, when we speak of Latin America we speak of a tremendous region that is the only major area of the world's surface that is connected with our own land mass. Moreover, we speak of a vast segment of the globe that, because of its position and resources, will have an incalculable effect on our future. Yet in so speaking, we refer to a place we hardly know. Latin America is a mystery to most Americans. Its nature, its customs, its way of looking at things are unknown to our people.

Nevertheless, in spite of our national ignorance of it and its inhabitants, this enormous territory has great and crucial present and future importance to our national welfare. This importance is of two kinds, economic and moral.

Latin America's economic importance to our present is great. Its importance to our future is incalculable. At the present time it is our best customer. It absorbs billions of our annual exports, thereby giving employment and livelihood to many of our work force. It plays a major role in supplying us with raw materials. Its dynamically expanding economy buttresses the free world with growing self-sufficiency.

But the economic importance of Latin America to our future will be even more pronounced than to our present. It will not only, as at present, be of great weight; it will be decisive in our affairs. We will not be able to maintain our present standard of living without access to one of the earth's largest untapped supplies of raw materials. Our own formerly boundless national endowments of raw materials are suffering major depletion. We cannot for long maintain our material way of life with the component ingredients we during generations have found beneath our own soil. What was seemingly

a limitless supply has at last run low. In the future that is fast approaching we must supplement it from other sources. The most practical sources for us, for many reasons, are those that lie in the sister continent that is joined to ours.

Latin America's moral importance to us is likewise immeasurable. It is shown by the bolstering she, as an entity, has given our positions before the United Nations and other organizations of worldwide impact. Having had the Latin America nations stand with us before world opinion has given us an enormous advantage in advancing our views. Its support gives us weight in international councils we would otherwise not have. Without Latin America's moral backing, our national road through the problems that afflict the globe would be inestimably more difficult.

It is to our interest in the future to stand with those who stood with us in the past and whose destiny and ours, by virtue of geographical propinquity and identical national goals of maintainance of liberty and the individual's dignity, are interlinked. We must have the help and support of the rapidly awakening vast sister continent that destiny has made to share our hemisphere if we are to have any real hope of sustaining the position in the world that took so much blood, sacrifice and aspiration by our ancestors to create.

Now, in view of the magnitude of their natural role within the realm of our best interests, what is then the present situation between us and our Latin American neighbors? Is it in harmony with the importance of Latin America to our national self-interest? Unfortunately, it is not. Our relations with our closest natural ally are not good. There exists only surface cordiality. Underneath there is almost complete misunderstanding between us. Our Latin neighbors do not know us. We do not know them.

We look at each other with two different mentalities, through two different sets of emotions that reflect two different historical origins, the Latin and the Anglo-Saxon. We do not understand their spiritual and emotional values. Some things are important to them, not to us; and vice versa.

Perhaps we differ most of all from them in the realm of gentleness and sensitivity. The Latin Americans are gentle people. They make a fetish of politeness and courtesy. There are no varying degrees in the politeness they observe among themselves. The lowly receives from the highest the same politeness the latter gives his own kind. Consideration for the feelings of others is deemed a major virtue. The one who does not take time to practice it does not receive the respect of his fellows.

On the other hand, to our Latin neighbors a strangely large proportion of us seem to have the notion that gentleness is softness, that it is unmanly instead of virile. This is not so. Some of the world's most powerful influences have been characterized by their gentleness. We have only to realize that gentleness is not unvirile by thinking of Ghandi's gentle resistance that brought about the departure of a long and mighty domination of his land; of the gentle religion of Buddhism that during centuries has powerfully influenced hundreds of millions; of Albert Schweitzer leaving his name immortalized from the African jungle by gentle ministrations to humble human beings ravaged by pestilence and disease; of Jesus Christ himself who by gentle preaching created the faith that has encompassed a major portion of the earth with vigor and power for 2,000 years.

In contrast with the unfailing gentleness of the Latin American, we are brisk, at times even brusk in our manner. We save time by "getting right to the point." We think that more efficient. It saves time. The Latin Americans realize we come over life's road but once. They get to the point in a conversation by enjoying, and making enjoyed, the trip, not by establishing cold efficiency and speed records. Hence, they make no attempt to save time by bruskness and economy of speech. They habitually use words and time, we would consider unnecessary, in being polite and flowery to make other people, regardless of station, feel better.

There is, therefore, a clash of personalities between their slower gentleness and politeness and our faster bruskness and sharpness. This is one of the major sources of our lack of understanding of our Latin neighbors.

The Government missions we have sent down have not thus far succeeded, on any appreciable scale, in penetrating through the outer surface of Latin American life down to its inner reality. It is this reality that explains how the Latin American thinks. Without reaching through to it, the people remain strangers to us that it is so important for us to know.

Another factor that spiritually separates us from our Latin neighbors is that they don't understand our trying to control them by money. They do not comprehend our attempt to buy their goodwill with money. They say their respect has no price tag on it and therefore is not available for purchase. It cannot be obtained by the coin of the market place spent for the purpose.

They consider our money operations to have an ulterior motive that has nothing to do with any feeling on our part for them as persons and people. They feel also that this ulterior motive to benefit ourselves by crass monetary expenditures for goodwill is not masked by the sanctimonious and empty expressions of concern for their welfare with which we habitually accompany these dubious outlays. They consider such assertions a hypocrisy that poorly fits in with our pious claims of personal interest in their welfare. They feel degraded by our transparent endeavors to buy their inner sympathies instead of winning them by merits and closer spiritual affinity with them.

Another unhappy fact that characterizes our relations with our Latin American neighbors is their lack of respect for us. The reason for this is simple, but basic. They inwardly do not respect us because we do not demand respect for ourselves or the symbols of ourselves. They do not understand why we, supposedly the world's mightiest nation, lick a boot that kicks us. They cannot comprehend why we are timorous and hesitant about upholding our national dignity. They fail to see why we permit humiliating desecration of the symbol of our nationhood, our flag, when it is publicly defiled by irresponsible mobs, as has occurred a number of times recently in Latin America, without any semblance on our part of the reaction of the self respecting man whose honor has been insulted. They cannot see why we won't fight to maintain respect in the eyes of other people when it is callously and crudely belittled. To the Latin American self-respect is next to godliness. It must, therefore, be defended with the same vigor as life itself. Life without honor is not life. The nation, like the man, that does not insist on it arouses contempt. When we fail to react in proportion to the enormity of the insult to us as a nation from the numerous draggings in the dirt and tearing part of our flag that have recently taken place in Latin America, we lose the respect that responsible Latin Americans habitually bestow on those who stand up for themselves and their dignity. We can only recapture that respect by conduct that arouses it. We will not regain it by money payments or other transparent mercenary gesture.

Another reason there is a wide figurative chasm between us and our Latin American neighbors is their feeling that we did them great harm and slowed down their progress toward democratic institutions and liberties by our support of the unprincipled dictators that oppressed them for so many years. They judge us by the company we run with. In the past this company has not been good from their eyes. We are resented by millions of Latin Americans for having openly consorted with the very dictators, who with our acquiescence, if not actual connivance, stole the executive power in their countries by unconstitutional means and then visited every imaginable kind of cruelty and outrage on them while holding aloft their contempt for the equal justice for all that the American people have cherished for generations and that is the cornerstone of their national life. For doing this we are widely despised.

During the years of the dictators' atrocities in Latin America, the Latin American masses cried out to us: "If you believe in the justice that your forefathers made the foundation of your Nation, how can you let these unspeakable inhumanites that are being visited on us go on without a word of protest? Don't you know that by merely condoning them you are making them possible?" It is the legacy from that long policy of encouraging evil by approving of it that accounts for the distrust of us by untold numbers of the Latin American masses.

Our Latin American brethren feel we haven't defended principle unless it was accompanied by expediency. They consider our unbacked-up protestations about liberty and democracy empty claptrap and hypocrisy. They have judged us by our deeds in support of democracy in Latin America, not our words. They remember that we made no effort to distinguish between the good and the evil, that we did not bother to take sides against the barbarities on which they were being wracked, that we lent no support to the government of law and not of men, that they everywhere seek, that we welcomed as comrades on an equal footing with ourselves the dictators, the torturers, the thieves, and the swine by immediate diplomatic recognition of them, decorating them, fraternizing cordially with them, and holding them up in every way as our fellows to the civilized world who had difficulty reconciling this with our sanctimonious and long-asserted pretensions to a superior virtue.

As our brothers of the great Latin American masses see it, we did not stand up for them in their hour of agony. This they now remember, after they by their own efforts have at last in most countries managed, over overwhelming odds and against the very cannon that we furnished their oppressors, to throw the vermin out of their house and gain the liberty and freedom that is the aspiration of the Latin American common people everywhere.

We lost one of the greatest moral opportunities in all human history when we turned a deaf ear to the importunities of the Latin American people during their Gethsemane. We could, by a little common sense and a little standing up for basic Christian principles, have made ourselves everywhere loved and given ourselves an influence and a standing among the Latin American people against which the Russians or anyone else would have been impotent. Just taking a vigorous moral position would have been sufficient to do it. Now that historic opportunity is gone. We muffed it.

There exists the widespread impression in Latin America that we in our relations with their countries are not guided by moral principle. Instead, these countries widely feel that expediency, not morality, is our dominant consideration. They believe that every step we take among them is motivated by callous expediency and nothing else. Hence, they believe the money we have spent by the millions among them has been expended to buy their love in the

same way as that of the harlot is bought, by the monetary route. Consequently, our garguantuan outlays over the years in the pursuit of affection and esteem in these regions have produced no real good will. Our "aid" is taken with inner contempt for our gullibility in giving away our substance for nothing, and without any real supervision over how it is spent. They have no respect for us for doing it, in view of what they consider our motive, and wonder what is the matter with our brains.

Now, sad as is the state of our present relations with our Latin American neighbors, is there any solution for it? I think so. I believe a practical solution exists. The remedy would be made up of several different things that could be done. They would combine to form an overall solution to this problem.

The first thing to do is to change the present adverse moral image of the United States in Latin America. To do this, we have only to follow recognized, old-fashioned moral principles in our conduct and relations with Latin America. We must vigorously—not lukewarmly—encourage democratic movements and institutions within the Latin American countries. We must unmistakably let these countries know that the birth of any institutions within them that tend to wider diffusion of social well-being among their masses will have our most vigorous moral support. We must likewise avoid any future aid, either tacit or active, to anyone within these countries who seeks to get, or has obtained, political domination of them by unconstitutional means. Every support by gesture and deed must be given by us to the widening and strengthening of constitutional processes within these countries. This can be one of our greatest contributions to their attainment of their economic and social potential. Our doing this would constitute a major cornerstone for their erecting a national stability such as we and many European countries know and take for granted.

Consistently following such a policy of constructive moral support to democratic mechanisms of all kinds within these countries would in time correct the present adverse moral image that now exists of us in Latin America and replace it with one in accordance with what the great American people in fact are.

The second thing we could do to improve our present Latin American relations would be to export our most valuable commodity, our Anglo-Saxon regard for the rule of law and the equal treatment for all that it brings. This, our finest heritage, is our greatest asset. We could export our moral support for the rule of law, and thereby give the cause of equal justice for all men within these evolving regions an immeasurable upward boost. For generations, groups within each of these countries have fought a battle against tremendous odds for the establishment of a system of law and justice. We could give them enormous help toward their goal by openly and vigorously showing where we stood by their side. This would not only purge our conduct of its past, but bring us more practical benefit than decorating and otherwise giving the accolade of our open approval to a thousand dictators, whose capacity to bestow favors are fleeting while that of a system of law is never ending.

Yes, export and spreading of our time-honored and time-proven notions of the rule of law and the blessings for all it brings would be one of the most fruitful steps we could take toward gaining the inner confidence of the Latin American masses in us and our views. Our support for the rule of law they have struggled for so long would endear us to them as few things we could do would.

There is another thing that we should do to improve our Latin American relations. We should intensify vigorously the process that has been started of improving our diplomatic corps in these regions. There is urgent need for this. This is due in great part to the actions of embarrassingly large segments of our diplomatic representatives in the past. They established and followed a pattern of conduct that has hurt us. They mixed only with the small wealthy ruling classes. They established no real general contact in depth with the other classes in the countries to which they were accredited. They were embassies to the few and not to the many. It is with the many that our future in these countries lies. It is they who will be ruling them. Present trends clearly show that.

We must therefore take steps to obliterate from the minds of the mass of the population the pattern of conduct our Embassies followed in the past, with which we are still widely identified, of having contact with, and interest in, only the few. Otherwise, we will be left outside the new ruling classes that are everywhere arising in these regions of such economic and moral importance to our future.

We can enormously improve our Latin American relations by sending here practical and earthy diplomatic representatives who keep their feet on the ground, who don't lose their sense of reality and the common touch before the glamor of protocol and who reflect by their everyday conduct here an image of what the ordinary American is, a friendly, courteous, fair, hardworking and moral person who affects no snobbish mannerisms. We could do few things that could help our Latin American relations more mightily than this.

I have one last thought for improving relations with our Latin neighbors. We should do everything possible to encourage visits to Latin America by private groups and organizations of our people. These should, whenever possible, make calls on their opposite numbers in Latin America. They would be received with open arms. There are chambers of commerce, Lions Clubs, Rotary Clubs, and other similar organizations with American counterparts throughout Latin America. They would be delighted to receive friendly visits from their American colleagues. Each sister group would then find out how basically worthwhile the other was. They would find they would get along famously with one another. They would also unconsciously forge a warm new bond of understanding with one another and realize that basically underneath they were the same kind of human beings. This procedure would do much to bring their countries and ours closer together.

If we will do these things, our relations with these rising countries of the dawning tomorrow will right themselves and reach the plane of brotherhood, understanding, and friendship our future welfare requires they occupy.

OUR RELATIONS WITH CUBA

Mr. SMATHERS. Mr. President, I had originally prepared for delivery in the Senate at this time a speech chiding the Department of State rather vigorously for its refusal to face up to and concede the failure of its policy with respect to Cuba.

I am delighted to be able to say that such a speech is no longer necessary.

The Members of this body know that since the beginning of the Cuban affair some 18 months ago I have had steady and substantial differences with the Department of State. I thought the Department had leaped too hurriedly to acknowledge and embrace the Castro revolution. I thought the Department fell into the trap of thinking that because a particular dictatorship is bad whatever supplants it must be improvement.

I so stated many times on the floor of the Senate and elsewhere. The results of these statements in those days was that I was alternately branded as a dupe, a jerk, an alarmist, an extremist, and one newspaper went so far as to say, "This guy does not think clearly, because he is a pal of dictators." Various other uncomplimentary characterizations were made of me at that time.

The events and time have proven that these charges were not anywhere near the truth.

From the beginning, I argued that wish-fulfillment is not an adequate basis for foreign policy.

History is dotted with the wreckage of unwarranted hopes.

However, it soon became apparent in Cuba that Mr. Castro and his friends were not the democrats they declared themselves to be.

The cry for justice soon became a mob clamor for retribution.

The call for restoration of civil liberties soon became, in the name of the revolution, a campaign of suppression.

The promise to restore the right of the Cuban people to elect their leaders freely soon became, in the fashion of dictatorships everywhere, the right of the leader to declare, by some mystical process, the will of the people.

The deep-felt need for land reform soon became the justification for collecting property in the name of the people, but in the hands of the state.

Promises to compensate Americans whose land was seized went unkept. Promises to distribute the farm lands to the people who worked them were quietly dropped from the program of the revolution. Promises to respect and further the rights of the Cuban working man were replaced by the dogma that the welfare of the worker, as embodied in the revolution, were superior to his rights.

As these terrible events took shape, although I am not much of a historian, I began to notice the emergence of a familiar and deadly pattern. As the Mensheviks were forced out and obliterated by the Bolsheviks, the original moderate adherents of Fidel Castro were being forced out and obliterated by a tight little cabal which alone claimed the privilege of speaking for the Revolution.

Death, jail and exile swallowed up the dissident. A revolutionary tribunal was at work and a reign of terror was in progress.

It was in this context that I began to urge some time ago that the Department of State abandon the posture of forbearance which it had assumed.

Some of our disagreements were rather bitter—notably with respect to the return of Ambassador Bonsal to Havana following his informal recall.

The Department urged patience. It did not wish to give the appearance of bullying the Cubans. It wanted to give Castro enough rope to hang himself in the eyes of other Latins.

This is a persuasive argument. It is a matter of opinion, however, at what point patience trails off into weakness. Personally, I thought the point had been reached quite some time ago.

If the purpose of our policy was to allow Castro to identify himself, then it must be added that the last person this well identified was Lady Godiva.

No matter now. The time of patience and forbearance is officially at an end.

And I will be glad to do what I can to support the Department in vigorous pursuit of a new Cuban policy.

I stress the word "vigorous," Mr. President, for I am convinced that there is nothing whatever to be gained from half-measures.

I am not of course suggesting military action or the support of military action. Cuba's domestic policy is her own concern, and we have no cause or reason to intervene.

However, while we cannot and should not interfere in Cuba's domestic affairs, Mr. President, there is no earthly reason why we ought, as a result of our own policies, to support Cuba's Communist government in power.

By Presidential directive, we have cut off a paltry $200,000 in aid to the Cubans but we still grant them a sugar subsidy of $387 million, enabling them, incidentally, to sell sugar to the Soviet Union at below the world market price.

Such inconsistencies are more than self-defeating. They hold this country out for a fool.

The time has obviously come for action.

I do not think we will have any difficulty in persuading our Western Hemisphere neighbors that what is happening in Cuba is as much a threat to their security as it is to ours.

If there were any doubts about the character of the Cuban Government they have now been removed.

Only a week ago, Che Guevara—who earlier said that the Soviet Union is Cuba's only true friend—declared that all the instruments of production in Cuba were to be owned and operated by the government in the name of the people. He said further that under the Cuban revolution the unions of Cuban workingmen were no longer to have any right to strike for higher wages or in enforcement of other grievances. Strikes, he explained, were outmoded—a capitalist absurdity. There could be no strikes against the government of the people.

Surely the governments and the people of Latin America will recognize in this the dictatorship of the proletariat in undiluted form.

This government which has seized power in Cuba, 90 miles from the Florida shore, welcomes Soviet and Red Chinese technicians and engineers; it plans home-and-home visits with Nikita Khrushchev; it sends out missions of its own to spread the gospel of "humanisms" throughout the hemisphere; and on several occasions it has already moved from subversion to armed aggression against its sister states.

Whether or not Fidel Castro actually holds a Communist Party card is an academic question. The evidence is unmistakable that Cuba is now a ready and willing participant in the Soviet scheme of subversion and revolution.

As such, it is direct danger to all the other governments of this hemisphere.

Just the other day, I was privileged to have the Prime Minister of Peru, Dr. Pedro Beltran, appear with me on a television program which I conduct for stations back home. I asked him what he thought we ought to do about the situation in Cuba. His answer was so clear cut and so vivid and eloquent that I want to quote it for you in entirety.

"The first thing," he said, "is to close ranks and to realize and bear in mind that we stand or fall together."

He continued:

> There is no possibility of individual survival in this part of the world. We are just like neighbors who live in the same block of houses. And we cannot possibly see fire breaking out in any of the houses without being concerned about the safety of the others. Therefore, I think that that's the first thing to do—to teach the people at large, to make them realize what not all of them see, that this is a very important question, and we have to pull together and see that no one can drive a wedge that would separate us, because our fundamental interest is to be together and, as I say, we stand or fall together.

Mr. President, the mechanism for united action is already at hand. At the meeting of the Organization of American States in Caracas in 1954, there was adopted a "Declaration of Solidarity for the Preservation of the Political Integrity of the American States Against the Intervention of International Communism." I shall read it for the edification of the Senate.

> THE 10TH INTER-AMERICAN CONFERENCE
>
> I
>
> Condemns the activities of the international Communist movement as constituting intervention in American affairs;
>
> Expresses the determination of the American States to take the necessary measures to protect their political independence against the intervention of international communism, acting in the interests of an alien despotism;
>
> Reiterates the faith of the peoples of America in the effective exercise of representative democracy as the best means to promote their social and political progress; and
>
> Declares that the domination or control of the political institutions of any American State by the international Communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties.

Mr. President, after we examine that language and consider its import obviously there can be no possible excuse for further delay on the part of the State Department to go before the Organization of American States and invoke the particular provisions I have just read to the Senate.

The United States should immediately convoke such a meeting of consultation and lay before it the voluminous evidence which now exists regarding Communist penetration of Cuba.

We ought also to lay before such a meeting the evidence concerning Cuban violation of the civil rights of its citizens for action under resolution 4 of the Fifth Meeting of Consultation of foreign ministers in Santiago de Chile in 1959.

We ought also to lay before the OAS the evidence concerning Cuban efforts to intervene in the domestic affairs of its sister republics with the object of promoting revolution.

The evidence on all three counts is overwhelming and we ought strongly to recommend, not merely a resolution of condemnation, but a program for united action against the menace of Cuban communism and dictatorship.

Mr. President, I have not the slightest doubt that American initiative in this regard would be welcomed by most if not all the Western Hemisphere republics excluding Cuba.

In mid-April I received a cable from President Miguel Ydigoras of Guatemala. His message said:

> From information received from Caracas on April 14 I observed that Adlai Stevenson proposes Latin American disarmament, the same plan you proposed a few months ago. Guatemala is ready to reduce army and institute a constabulary guard sufficient only to conserve order and peace within the country but by reason of constant menace from the present Cuban Government we are unable to do this and on the contrary are forced to increase our tiny army to defend, in the words of our national anthem, "our country and our home."

Mr. President, the efforts of the Government of Cuba to export revolution to the whole of Latin America are weakening the capacity of the hemisphere to deal effectively with the economic, social, and political problems which all of us recognize.

Mr. President, in this connection, I believe the recommendation which I made several years ago for an OAS Police Force is timely. A force made up of trained and skilled soldiers from every country in the Western Hemisphere, acting under the direction of the OAS, could contribute to the peace of the entire area, by stopping incursions of one country against its neighbor, thereby giving to each nation of the Western Hemisphere a feeling of security which its own limited defenses cannot justify, and at the same time, and more importantly, allowing each nation to direct more of its moneys and efforts into the channels of education and development, rather than into armaments that are necessary, but which remain unproductive and debilitating.

Mr. President, in the light of the prospects of possible Communist aggression in that area, I believe that our sister republics are ready to respond to U.S. leadership on these questions. Indeed, they are asking for it, and I believe they would welcome it. I hope the State Department, which several years ago made quite a lot of this proposal, will now, too, have begun to see the wisdom of it; and I hope the State Department will take up this matter before the Organization of American States, and will push it, because I believe that in the

final analysis it will be the one stabilizing factor in the entire Caribbean-Latin-American area on which we can rely to keep the peace and to stop aggression.

Let us, therefore, move to the offensive, and cease bidding others to do our work for us.

Every delay makes it harder on the governments of Latin America who must contend politically with pro-Castro elements at home.

The time has come to unmask this tyrant before the peoples of the hemisphere—to brand him for what he is, an enemy of democracy, who destroys freedom of the press, who destroys free speech, who destroys all the treasured liberties which many who now, confusedly, raise the banner of "Fidelismo" value as deeply as do we.

The United States does not stand alone in the battle against communism. But, like it or not, we are the leaders of the free world. And the responsibility and duty of a leader is to lead.

We must recognize, at the same time, Mr. President, that anticommunism alone is not a sufficient basis for foreign policy.

Even in Europe, among nations whose institutions and moral traditions are most like our own, the policy of containment of communism could not have succeeded as it did without a vast and powerful effort to eliminate the noxious conditions under which communism breeds and prospers.

Certainly no one who remembers the chaotic situation of Western Europe in the immediate postwar period can be foolish enough to believe that the incursions of communism were halted by military strength alone.

Long after our brave stand in Greece and Turkey, long after our refusal to accept defeat in Berlin, Communist power and influence inside Western Europe were still growing, still feeding on the economic, social, and political rot left over from the war.

It was not containment alone which turned the tide in Italy and France. It was containment plus the Marshall plan.

The first heat in the race between democracy and revolution was won by democracy, after a slow start, because we acted with imagination and resolution to rebuild the economic base of Western Europe.

We turned the analytical edge of Marxism against the Marxists. We smothered communism by eliminating its breeding ground—much as one smothers fire by eliminating oxygen.

Mr. President, in most parts of the world, including Latin America, communism still finds a favorable soil. Anti-Communist rhetoric or resolutions, even anti-Communist military alliances, will not wish this fact away.

The temptation, of course, is to believe that if only the Communist agitators can be silenced or evicted, all agitation will cease. It would be easier and cheaper if there were no honest grievances in the world.

But the Cuban revolution, as with most revolutions, was prepared by what came before it. There is a famous passage in Charles Dickens' "Tale of Two Cities":

> It was too much the way of * * * orthodoxy to talk of this terrible revolution as if it were the one only harvest ever known under the skies that had not been sown—as if nothing had ever been done or omitted to be done that had led to it—as if observers of the wretched millions in France, and of the misused and perverted resources that should have made them prosperous, had not seen it inevitably coming, years before, and had not in plain words recorded what they saw.

Mr. President, on this floor and elsewhere, time and again, I have stated my deep belief that the choice does not have to lie between Batista and Castro, between reaction and revolution, between the bloodsuckers of the right and the bloodletters of the left.

But to set and keep the footsteps of Latin America on the center pathway of democracy and reform will require not simply the vigorous pursuit of the anti-Communist policy laid down in the Caracas Resolution; it will require also a broad, affirmative program capable of eliminating the deep-lying sources of discontent in Latin America.

I shall not again detail, as I have on numerous occasions, the long list of affirmative steps which we should be taking in Latin America, but which we are not now taking. It is not my purpose today to make a comprehensive statement on our policy position in Latin America.

My objective is to convince the Department of State and the Congress that we must come to grips with the facts of the Cuban crisis, and have done once and for all with the thumbtwiddling and the pointless hopes.

Yet I would be untrue to my own convictions and dishonest with the American people if I left the impression that I consider it possible to guarantee the security of the Western Hemisphere merely by containing Fidel Castro and embargoing further Communist penetration.

Communism is an idea; and ideas cannot be suppressed by armies or shot down by a bullet.

Anti-Communist solidarity is merely a first step. It must be supported by a broad-scale effort to relieve the economic, social, and political sources of discontent—the absentee landlord system, for example, and the land hunger of the peasants who live like serfs; the festering urban slums which foster disease and beget moral decay.

Over the long term, such conditions undermine and destroy the basis for democracy. We cannot be secure in this hemisphere, or anywhere else, for that matter, while they continue to exist.

Thus, Mr. President, our task is threefold.

First, to unite against the Communist penetrations, in the realization that they threaten the liberties, the beliefs, the lives of us all. As Pedro Baltran has so graphically said,

> To recognize that fire has broken out in the block, and that we must unite to stop it.

Second, to move forward boldly and with vision to combat and eliminate the conditions which lend themselves to easy exploitation by the Communists.

Third, to develop the leadership—and particularly as we need that here at home—to meet the challenges of these critical hours.

HEALTH INSURANCE PLAN FOR THE AGED

Mr. MCNAMARA. Mr. President, I think it is significant that while the Finance Committee was meeting yesterday to discuss the matter of medical care for the aged, the Governors' conference meeting at Glacier National Park approved a resolution, the text of which I should like to make a part of the RECORD. I also wish to insert in the RECORD a telegram to the same effect. It is addressed to me, and is signed by 23 Governors.

By this resolution, the Governors of our States, by a vote of 30 to 13, urged the passage by the Congress of legislation to provide for a health insurance plan for the aged to be financed through the contributory plan under the social insurance approach.

I am sure all of us will agree that this is a decisive vote, since the population of these 30 States represents more than two-thirds of the total population of the United States. Furthermore, the over-65 population of these 30 States represent more than two-thirds of all the aged population of the country.

This vote of 30 to 13, with 2 of the 13 being Samoa and the Virgin Islands, indicates once more that the States cannot meet the problem in the way suggested by the administration's proposal—which still is not a concrete bill in the Congress—or in the way suggested by the bill offered by the Senator from New York [Mr. JAVITS].

By this, I certainly do not mean, nor do the Governors mean, that they thereby abdicate responsibility by the States in the vital area of services to the aged.

What is really meant is that the best way of financing a program of basic health services for the aged is through the social security approach.

Many other services would be and are the proper responsibility of the States—and will be fulfilled more effectively by them.

I might also add that 5 of the 30 Governors approving the Governors' conference resolution are Republicans. By no means should the issue be considered a strictly partisan one.

I hope that this will be the case when we reconvene in August to settle the matter once and for all.

I ask unanimous consent that the telegram and the resolution be printed in the RECORD at this point.

There being no objection, the telegram and resolution were ordered to be printed in the RECORD, as follows:

MANY GLACIER HOTEL, MONT.,
June 29, 1960.

Senator PATRICK V. MCNAMARA,
Senate Office Building, Washington, D.C.:

Following is text of wire sent to Senator HARRY BYRD this morning:

"We the undersigned attending the 52d annual Governors' Conference urge that you

and your committee amend H.R. 12580 to provide health benefits under the provisions of the old-age, survivors, and disability insurance system. Such a program would enable the citizens of our country to contribute small amounts during their working lives and have as a matter of right a paid up health insurance policy to protect them during retirement years when their medical needs are likely to be greatest and income lowest."

Governors signing: James T. Blair, Jr., Governor of Missouri; Edmund G. Brown, Governor of California; John Burroughs, Governor of New Mexico; LeRoy Collins, Governor of Florida; Bert Combs, Governor of Kentucky; Michael V. Di Salle, Governor of Ohio; George Docking, Governor of Kansas; William A. Egan, Governor of Alaska; Buford Ellington, Governor of Tennessee; Orval E. Faubus, Governor of Arkansas; Orville L. Freeman, Governor of Minnesota; Foster Furcolo, Governor of Massachusetts; Ralph Herseth, Governor of South Dakota; Luther H. Hodges, Governor of North Carolina; Herschel C. M. Loveless, Governor of Iowa; Steve McNichols, Governor of Colorado; Robert B. Meyner, Governor of New Jersey; Gaylord A. Nelson, Governor of Wisconsin; John Patterson, Governor of Alabama; Abraham A. Ribicoff, Governor of Connecticut; Albert D. Rosellini, Governor of Washington; Grant Sawyer, Governor of Nevada; G. Mennen Williams, Governor of Michigan.

TEXT OF RESOLUTION APPROVED BY GOVERNORS' CONFERENCE, JUNE 29, 1960, ON THE SUBJECT "PROBLEMS OF THE AGING"

Whereas the Governors' conference for many years has been acutely aware of the growing number and complexity of problems faced by our increasing population of senior citizens, including health and medical care, employment and income maintenance, provision of suitable housing, and enrichment of leisure time activities; and

Whereas the most pressing of these problems is the financing of adequate health and medical care: Now, therefore, be it

Resolved by the 52d annual meeting of the Governors' conference, That Congress be urged to enact legislation providing for a health insurance plan for persons 65 years of age and over to be financed principally through the contributory plan and framework of the old-age survivors and disability insurance system; and be it further

Resolved, That the States support and participate actively in the forthcoming White House Conference on Aging to the end that public and private agencies be stimulated and encouraged to develop approaches to all the problems of the aging.

Voted for (30): Patterson, Alabama; Egan, Alaska; Fannin, Arizona; Faubus, Arkansas; Brown, California; McNichols, Colorado; Ribicoff, Connecticut; Collins, Florida; Docking, Kansas; Combs, Kentucky; Reed, Maine; Furcolo, Massachusetts; Williams, Michigan; Freeman, Minnesota; Blair, Missouri; Aronson, Montana; Brooks, Nebraska; Sawyer, Nevada; Meyner, New Jersey; Burroughs, New Mexico; Rockefeller, New York; DiSalle, Ohio; Edmondson, Oklahoma; Del Sesto, Rhode Island; Herseth, South Dakota; Ellington, Tennessee; Daniel, Texas; Stafford, Vermont, Rossellini, Washington; Nelson, Wisconsin.

Voted against (13): Boggs, Delaware; Vandiver, Georgia; Smylie, Idaho; Stratton, Illinois; Handley, Indiana; Powell, New Hampshire, Hodges, North Carolina; Hollings, South Carolina; Clyde, Utah; Almond, Virginia; Underwood, West Virginia; Coleman, American Samoa; Merwin, Virgin Islands.

Absent or not voting (11): Quinn, Hawaii; Loveless, Iowa; Davis, Louisiana; Tawes, Maryland; Barnett, Mississippi; Davis, North Dakota; Hatfield, Oregon; Lawrence, Pennsylvania; Hickey, Wyoming; Boss (acting Governor), Guam; Muñoz-Marín, Puerto Rico.

SENIOR CITIZENS SERVICE TRAINING ACT

Mr. McNAMARA. Mr. President, on behalf of myself and Senators RANDOLPH, CLARK, MCGEE, LUSK, HART, MANSFIELD, MOSS, HUMPHREY, MURRAY, SYMINGTON, HOLLAND, SMATHERS, and DOUGLAS, I introduce a bill for appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3793) to provide for the establishment of a Senior Citizens Service Training Program, introduced by Mr. MCNAMARA (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. MCNAMARA. Mr. President, while many of the bills in the field of aging have been based on old precedents, such as raising the benefits under social security, or changing the limits on outside earnings, the bill I introduce today is a new departure.

The Subcommittee on Problems of the Aged and Aging found evidence of impressive numbers of older citizens willing and able to contribute to the community life of their localities, especially in health, education, and welfare.

At the same time, the subcommittee recognized the vast shortages of manpower in these fields of community service.

As a result, one of the major recommendations of the subcommittee was the establishment of a program whose objective would be the recruitment, training, and placement of able-bodied senior citizens in these service activities.

With imagination and participation on the part of older Americans, there is no end to the types of occupational roles that could be performed by them, in the interests of progress, in the fields of health, education, recreation, and related programs.

By establishing such an endeavor in our local communities, we would be contributing to the restoration of morale among our older Americans, many of whom otherwise feel unwanted and useless in society, despite their untapped potentials and talents.

Hospitals, senior activity centers, schools, and families in need of home health services would all benefit if otherwise retired men and women could be called upon to render services.

This, of course, requires a program of training that would be set into operation under the Senior Citizens Service Training Act.

The small scale of initial expenditures authorized under the program for the next 3 years constitutes an investment in human productivity and profitable contributions by older men and women to the rest of their fellow citizens, young and old.

Mr. President, I ask consent that the text of the bill and a brief description of its contents be printed in the RECORD.

There being no objection, the bill and description were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Senior Citizens Service Training Program Act."

FINDINGS OF FACT AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds and declares that, within the large number of retired Americans, there are thousands of men and women who are able and willing to make significant contributions to the civic development of their communities and Nation, and who constitute a vast reservoir of manpower capable of being trained or retrained for currently unfilled roles in the broad area of occupations which obtain in the fields of health, education, and welfare; that, by assisting and encouraging retired Americans to perform on a part-time basis occupational roles (whether presently in existence or yet to be created) in such fields, the Federal Government, in cooperation with State and local governments and civic-minded organizations, cannot only greatly contribute to the general civic development of the Nation, but also to the restoration of dignity and of a meaningful life to our otherwise retired population.

(b) It is therefore the purpose of this Act to provide for the training or retraining of retired Americans for part-time occupational roles in the broad area of health, education, and welfare so as to enable them to lead more active and meaningful lives and, at the same time, to alleviate the existing shortage of personnel in this area of community service occupations.

MANPOWER SURVEYS

SEC. 3. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") shall conduct manpower surveys, on a regional basis, within the fields of health, education, and welfare with a view to determining the kind and extent of part-time employment opportunities within such fields which are available to retired individuals. In carrying out such surveys, the Secretary shall cooperate with the Secretary of Labor, and shall have authority to utilize, on a reimbursable basis, such of the personnel and facilities of the Department of Labor, or of any other department or agency of the Government, as he deems necessary or desirable.

(b) On the basis of data collected by or made available to him as a result of such surveys or otherwise, the Secretary shall publish and disseminate among retired individuals and appropriate officials, groups, agencies, and organizations, within each region of the United States, information relating to—

(1) the kinds of positions within the fields of health, education, and welfare which are available within such region to retired individuals;

(2) the number of each kind of such positions which are so available; and

(3) the training required to qualify for such positions.

TRAINING PROGRAMS

SEC. 4. (a) The Secretary shall, from time to time and in cooperation with State and local governments and civic organizations, establish and conduct, within the various regions of the United States, occupational training programs which are designed to qualify retired individuals living within such regions for locally available positions in the fields of health, education, and welfare.

(b) In determining whether to establish and conduct one or more training programs within any particular region of the United States, the Secretary shall be guided by the following considerations:

(1) the number of positions within the fields of health, education, and welfare (within such region) which would be available to retired individuals, if properly qualified;

(2) the number of retired individuals desiring to participate in any such training program; and

(3) the type and extent of training required to qualify such individuals for such positions.

(c) The Secretary shall not conduct, within any region of the United States, any training program if, on the basis of all the data available to him, he finds that the positions for which training of senior citizens is provided can otherwise be filled by full-time job applicants.

GRANTS TO NONPROFIT ORGANIZATIONS

SEC. 5. (a) In carrying out the training programs provided for in section 4, the Secretary shall, to the maximum extent practicable, utilize the services of public and other nonprofit organizations and agencies, which shall be reimbursed for their services through a system of direct grants to be created and administered by the Secretary for such purpose.

(b) The Secretary is further authorized to make direct grants to such organizations for demonstration projects designed to promote the interest of such organizations in undertaking the training and recruitment of retired individuals for employment within the fields of health, education, and welfare.

APPROPRIATION

SEC. 6. For the purpose of carrying out the provisions of this Act, there is hereby authorized to be appropriated, for the fiscal year commencing July 1, 1960, and for each of the two succeeding fiscal years, the sum of $5,000,000.

MEMORANDUM BY SENATOR MCNAMARA

PROVISIONS OF SENIOR CITIZENS SERVICE TRAINING PROGRAM BILL

Sections 1 and 2: These sections present the findings of fact and the purpose of the bill; referring to the thousands of men and women who constitute a vast reservoir of currently unused manpower in health, education, and welfare, and the need to train or retrain these retired persons for part-time employment in such fields.

Section 3: The bill calls for manpower surveys by the Department of Health, Education, and Welfare, in cooperation with the Department of Labor, to determine the kind and extent of part-time employment opportunities in the fields of community services on a regional basis; publication and dissemination of the survey results on the kinds of positions suitable for senior citizens; the number of such positions available; and the training required for these positions.

Section 4: This part of the bill establishes the nature of the training programs required. The Secretary of HEW, in cooperation with State and local governments and civic organizations would conduct training programs for available positions—guided by the number of positions in a given region; the number of retired individuals desiring training, and limited to training for positions which would remain otherwise unfilled by younger, full-time job applicants.

Section 5: The Secretary is authorized to use the services of both public and nonprofit organizations in pursuance of the purposes of the act; and to make direct grants to such organizations for pertinent demonstration projects.

Section 6: The bill authorizes appropriation of $5 million for each of 3 years, starting July 1, 1960, for the purpose of carrying out the above provisions.

Mr. MCNAMARA. I thank the Senator from Florida for yielding to me. We are happy to have him as a cosponsor of the bill.

Mr. SMATHERS. I think his bill is meritorious, and I am glad to be a cosponsor of it.

I now yield to the Senator from Indiana.

FLOODS IN THE WABASH RIVER BASIN

Mr. HARTKE. Mr. President, during the past 2 weeks heavy rains have brought serious flooding in Indiana along the Wabash River and several of its main tributaries. Unfortunately, our people have become used to this annual property loss and the Nation does not hear of it unless the flooding is of such proportions as to claim space in the Nation's newspapers outside of Indiana.

This annual flooding is, to me, the clearest evidence that we in the Wabash River basin need the commission which would be created by the bill I have introduced, S. 3625. The damage suffered by Hoosiers will, I hope, hasten the passage of this bill. The Wabash basin needs an overall, comprehensive, integrated, flood control and water resources development plan—a plan that is the result of coordinated action by both the State and Federal agencies directly involved with the problems of flood control, water pollution abatement, soil conservation, and navigation.

With regard to S. 3625, Mr. President, I ask unanimous consent that page 17, and part of page 18, of "Water Resources Policy: A Report by the Presidential Advisory Committee on Water Resources Policy," 1955, be printed in the RECORD at this point in my remarks.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

ORGANIZATION

To effectuate the foregoing principles and to facilitate proper participation by all of the numerous agencies and groups, some with conflicting interests, in water resources development, it is recommended that an organization plan be adopted substantially as follows:

1. Water resources committees: At the regional or river basin level water resources committees [1] should be established from time to time for such purposes and duration as required. The President should appoint a permanent nonvoting chairman of each committee, giving due consideration to individuals proposed by the Governors of the participating States. The membership of the committees should include one representative of each Federal department having water resource responsibilities, each appointed by the head of his department, and one qualified representative of each affected State, appointed by the Governor, all on an equal basis. Advisory participation by the Federal Power Commission and the Department of Justice from time to time on specific problems may be appropriate. The total number of either Federal or State representatives is regarded as immaterial, since the conflicts should be resolved by cooperation and not by voting strength. In designating members to serve on the water resources committees, Federal departments and States should recognize that the planning task is intricate and time consuming and cannot be carried out effectively by a staff which is constantly changing in membership.

The water resources committees should be the principal and continuing medium through which the various departments, State and Federal, coordinate resources planning and development activities. The committees should serve as the mechanism through which the several agencies would prepare and publish joint plans for water resources development. Action on specific projects of joint plans, however, would be taken by the appropriate agency or agencies. The committee may foster studies of water resource problems not otherwise sponsored by any agency.

Each water resources committee should prepare and keep up to date a comprehensive plan which will best serve the region and the Nation in the development of water and related land resources. Under the general plan, the water resources committee should recommend an annual work schedule to be reflected in the budget requests of each cooperating agency. The work schedule should include estimated funds needed for (1) collection and analysis of basic data; (2) investigation and project planning; (3) program of construction; and (4) maintenance and operations. The committee should also prepare an annual report on progress in the area.

The chairman of the water resources committees should be responsible to the Coordinator of Water Resources and should at all times be guided by the policies and procedures of the President. Each chairman will require a small independent staff and funds for independent use.

In the event of unresolved disagreements the matters should be referred to the Coordinator of Water Resources.

2. Interagency Committee on Water Resources: There should be established a permanent Interagency Committee on Water Resources, advisory in character, and composed of the head (or other designated principal policymaking official of not less than Assistant Secretary rank) of each of the Federal agencies involved, namely, the Departments of Agriculture, Army, Commerce, Health, Education, and Welfare, and Interior, and the Federal Power Commission. The Coordinator of Water Resources should be the permanent Chairman of this Committee. The Interagency Committee should be the medium for coordination of the interrelated functions of the several agencies. It should also be the channel for advice between the President and Federal representatives on the water resources committees. This Committee should be advisory to the President and should have authority by unanimous action to determine finally interagency relationships.

[1] For purposes of this report, the functions of these proposed committees are limited to water resources. Consideration might be given to broadening their scope to include all natural resources.

Mr. HARTKE. Mr. President, this statement from President Eisenhower's Water Resources Committee is the framework upon which S. 3625 is built, and I cannot stress too much the importance of this commission.

I might also point out that similar recommendations can be found in the reports of President Truman's Water Resources Policy Committee and in the reports of the Hoover Commission.

There is no doubt that we must plan for the future water needs of our Nation. We must also, however, carefully conserve our existing resources and utilize

them to the greatest possible extent. This is why I feel that planning cooperation between State, local, and Federal agencies is most necessary and that it has to be done now. This Congress will soon close its session, and I must again express my hope that the urgency of meeting this problem will be realized by the Congress and that S. 3625 will be passed during this session.

MEDICAL CARE FOR ELDERLY CITIZENS

Mr. HARTKE. Mr. President, I should like to comment briefly on the fine work which has been done by the Senator from Michigan [Mr. McNAMARA] in regard to problems of the aged. I have had occasion to sit in the Finance Committee when testimony on certain bills was taken before that committee. The work done on problems of the aged is not only valuable to that committee, but is also a study in depth of a real human problem.

I was delighted, also, that the Secretary of the Department of Health, Education, and Welfare, Mr. Flemming, agreed that this was a present human need which must be met on a national scope now, and that additional studies were not necessary before legislation was enacted. Although he disagreed with the Senator from Michigan as to the method of payment, the need was recognized by both the national administration and members of the appropriate committee, not only in the House but in the Senate.

I would point out, however, the unrealistic approach which this administration has taken toward meeting a present real human need. When he was pressed for a definite answer, the Secretary stated that even though the Congress would embody every one of the benefits needed in legislation—and, frankly, there is no bill by the administration which has been introduced embodying those benefits—and provide for social security or payroll deductions, he would strongly object to such a bill. That in spite of the fact that the Governors' conference adopted a resolution.

This was brought out in the testimony of Secretary Flemming. He said this was a method of the States avoiding their own responsibilities. I pointed out that 35 States today are not fully participating in old age assistance and, under the Secretary's proposal, the States would be required to increase by three times their contributions to this kind of program, and that they did not have the financial resources to meet a very real present human need, which the Secretary himself said must be met. Yet he inferred he would oppose the method Congress has before it, simply because we have not gotten down on our knees and adored the proposal of the administration.

Mr. McNAMARA. Mr. President, I thank the Senator from Indiana for his complimentary remarks. His statement indicates that he has studied the proposal, and I certainly agree with his conclusions.

SUPPLEMENTAL AIR TRANSPORTATION BY CERTAIN AIR CARRIERS

Mr. SMATHERS. Mr. President, I ask the Chair to lay before the Senate a message from the House on the bill, H.R. 7593, to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 7593) to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMATHERS. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Presiding Officer appointed Mr. MONRONEY, Mr. ENGLE, and Mr. COTTON conferees on the part of the Senate.

TERMS OF OFFICE OF MEMBERS OF CERTAIN REGULATORY AGENCIES

Mr. SMATHERS. Mr. President, I ask the Chair to lay before the Senate a message from the House on the bill (S. 1965) to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies, with the amendment of the House thereto.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1965) to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies, which was, to strike out all after the enacting clause and insert:

That the second sentence of the first section of the Federal Power Act (16 U.S.C. 792) is amended to read as follows: "Their successors shall be appointed each for a term of five years from the date of the expiration of the term for which his predecessor was appointed and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office, and except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the unexpired term."

SEC. 2. The first sentence of subsection (c) of section 4 of the Communications Act of 1934 (47 U.S.C. 154(b)) is amended to read as follows: "The Commissioners first appointed under this Act shall continue in office for the terms of one, two, three, four, five, six, and seven years, respectively, from the date of the taking effect of this Act, the term of each to be designated by the President, but their successors shall be appointed for terms of seven years and until their successors are appointed and have qualified, except that they shall not continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office; except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the Commissioner whom he succeeds."

SEC. 3. The fourth sentence of subsection (a) of section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78 (d)) is amended to read as follows: "Each Commissioner shall receive a salary at the rate of $20,000 a year and shall hold office for a term of five years and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office, and except (1) any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the Commissioners first taking office after the enactment of this title shall expire as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years, after the date of the enactment of this title."

Mr. SMATHERS. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

AMENDMENT OF INTERSTATE COMMERCE ACT, RELATING TO "GRANDFATHER" RIGHTS

Mr. SMATHERS. Mr. President, I ask the Chair to lay before the Senate a message from the House on the bill, S. 1509, to amend the Interstate Commerce Act, as amended, to provide "grandfather" rights for certain motor carriers and freight forwarders operating in interstate or foreign commerce within Alaska and between Alaska and the other States of the United States, and for certain water carriers operating within Alaska, and for other purposes, with the amendments of the House thereto.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1509) to amend the Interstate Commerce Act, as amended, to provide "grandfather" rights for certain motor carriers and freight forwarders operating in interstate or foreign commerce, within Alaska and between Alaska and the other States of the United States, and for certain water carriers operating within Alaska, and for other purposes, which were, on page 2, line 1, strike out "amendment" and insert "paragraph"; on page 2, line 7, strike out "May 15," and insert "August 26,"; on page 3, line 6, strike out "1959" and insert "1960"; on page 3, line 16, strike out "May 15," and insert "August 26,"; on page 4, line 5, strike out "1959" and insert "1960"; on page 4, lines 21 and 22, strike out "amendment" and insert "paragraph"; on page 5, line 3, strike out "May 15," and insert "August 26,"; on page 6, line 2, strike

out "1959" and insert "1960"; on page 6, line 11, strike out "May 15," and insert "August 26,"; on page 6, line 24, strike out "1959" and insert "1960"; on page 8, line 1, strike out "May 15," and insert "August 26,"; on page 8, line 15, strike out "1959" and insert "1960"; on page 9, line 4, strike out "May 15," and insert "August 26,"; on page 9, line 16, strike out "1959" and insert "1960"; on page 10, line 3, strike out "paragraph:" and insert "paragraphs:"; on page 10, line 6, strike out "May 15," and insert "August 26,"; on page 10, line 22, strike out "1959" and insert "1960"; on page 11, line 3, strike out "require." " and insert "require."; on page 11, after line 3, insert:

(3) Subject to the provisions of the last sentence of subsection (c) of this section, if any person (or his predecessor in interest) was engaged in service on June 27, 1959, between places in the Territory of Hawaii and places in the United States, and between places in the Territory of Hawaii, which service either would have been subject to this part or which, in conjunction with the services of other carriers, resulted in the transportation of property between such places whether or not all of such transportation would have been service subject to this part, and has so operated since that time (or if engaged in furnishing seasonal service only, was engaged in such operations in the year 1959 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person or his predecessor in interest had no control, a permit shall be issued authorizing such operations without further proceedings if application for such permit is made as provided herein on or before December 31, 1960. Pending the determination of any such application, the continuance of such operations without a permit shall be lawful. Applications for permits under this paragraph shall be filed with the Commission in writing, and in such form, contain such information, and be accompanied by proof of service upon such interested parties as the Commission shall require.

On page 11, line 8, strike out "or"; on page 11, line 10, strike out "States." and insert "States or common carriers by water operating between Hawaiian ports, and between those ports and other ports in the United States."; and to amend the title so as to read: "An act to amend the Interstate Commerce Act, as amended, to provide 'grandfather' rights for certain motor carriers and freight forwarders operating in interstate or foreign commerce within Alaska and between Alaska and the other States of the United States, and for certain water carriers operating within Alaska, to provide 'grandfather' rights for certain freight forwarders operating between Hawaii and the other States of the United States, and for other purposes."

Mr. SMATHERS. Mr. President, I move that the Senate concur in the amendments of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

The Senate resumed the consideration of the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals.

Mr. SMATHERS. Mr. President, I will say, for the information of Senators present, that as soon as the able Senator from Delaware concludes his presentation I shall suggest the absence of a quorum. The majority leader will then come to the Chamber and the Senate will vote on the conference report on the Defense Department appropriations bill.

Mr. WILLIAMS of Delaware. Mr. President, are any amendments pending to H.R. 10?

The PRESIDING OFFICER. There are no amendments pending, other than the committee amendment in the nature of a substitute.

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment designated "6-23-60-C" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 94, following line 2, it is proposed to add the following:

SEC. 9. OTHER INCOME TAX CHANGES.

(a) Section 613(b)(1) of the Internal Revenue Code (relating to percentage depletion rates) is amended by striking out 27½ percent and inserting in lieu thereof 22½ percent, to read "22½ percent—oil and gas wells."

(b) Section 1(c) of the Internal Revenue Code of 1954 (relating to rates of tax on individuals) is amended by striking out in the last sentence 87 percent and inserting in lieu thereof 60 percent, to read, "The tax shall in no event exceed 60 percent of the taxable income for the taxable year."

(c) The amendments made by section 9 of this Act shall apply to taxable years beginning after December 31, 1960.

Mr. WILLIAMS of Delaware. Mr. President, I shall not attempt to discuss the amendment at this time. I know Senators wish to consider the conference report on the Defense Department appropriation bill. A little later I shall discuss the amendment, and I shall ask for a yea-and-nay vote.

Briefly, Mr. President, I wish to point out that the first purpose of the amendment is to reduce the present depletion rates for oil and gas wells from 27½ percent to 22½ percent. Based upon the Treasury Department estimate, this would bring in additional revenue of $140 million.

The second section of the amendment would reduce the present 87-percent ceiling on the effective tax rate of individuals to 60 percent. Based upon the Treasury Department estimate, this would result in a loss of $100 million of revenue.

The net effect of the amendment, if adopted, will be to bring into the Federal Treasury an additional $40 million and to make a long overdue correction in our existing tax rates.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter from Mr. Fred C. Scribner, Jr., Under Secretary of the Treasury, in which he gives estimates as to the amounts of revenue loss and revenue gain involved in changing the 87-percent ceiling on the effective tax rate of individuals down to as low as 50 percent, and in changing the 27½-percent rate on oil and gas depletion to as low as 15 percent, each estimate having various levels.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, D.C., January 18, 1960.

Hon. JOHN J. WILLIAMS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: Rough estimates of the tax proposals specified in your letter dated January 4, 1960, to the Secretary, are shown below:

	Approximate revenue loss (million dollars)
1. Reduce the present 87-percent ceiling on the effective tax rate of individuals to:	
(a) 75 percent	10
(b) 70 percent	20
(c) 65 percent	40
(d) 60 percent	100
(e) 50 percent	400
2. Reduce the ceiling on capital gains rates for individuals from 50 percent to 40 percent (i.e., reduce the alternative tax rate to 20 percent)	200

	Net revenue gain (million dollars)
3. Reduce the present 27½-percent rate on oil and gas depletion to:	
(a) 25 percent	70
(b) 22½ percent	210
(c) 20 percent	210
(d) 17½ percent	280
(e) 15 percent	350

The estimates in item 3 are net of the eventual decrease in individual income tax liabilities because of decreased corporate dividends, and refer to the effect on domestic production only. We feel that any net gain from lower rates on foreign production could be quickly nullified by the foreign governments involved or through foreign tax credits which are at present unused (especially in the Western Hemisphere).

Sincerely yours,

FRED C. SCRIBNER, Jr.,
Under Secretary of the Treasury.

Mr. WILLIAMS of Delaware. Mr. President, later when more Senators are present, I shall ask for a yea-and-nay vote on the amendment.

Mr. SMATHERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

[No. 267]

Aiken	Eastland	McGee
Allott	Fong	McNamara
Anderson	Goldwater	Morse
Beall	Green	Pastore
Bennett	Hartke	Prouty
Bible	Hayden	Saltonstall
Brunsdale	Hickenlooper	Smathers
Bush	Holland	Symington
Chavez	Humphrey	Talmadge
Clark	Jackson	Wiley
Curtis	Johnston, S.C.	Williams, Del.
Dodd	Keating	Yarborough
Douglas	Kuchel	
Dworshak	Lausche	

The PRESIDING OFFICER (Mr. MCGEE in the chair). A quorum is not present.

Mr. BIBLE. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BARTLETT, Mr. BUSH, Mr. BUTLER, Mr. BYRD of Virginia, Mr. BYRD of West Virginia, Mr. CANNON, Mr. CAPEHART, Mr. CARLSON, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHURCH, Mr. COTTON, Mr. DIRKSEN, Mr. ELLENDER, Mr. ENGLE, Mr. ERVIN, Mr. FREAR, Mr. GORE, Mr. GRUENING, Mr. HART, Mr. HILL, Mr. HRUSKA, Mr. JAVITS, Mr. JOHNSON of Texas, Mr. JORDAN, Mr. KERR, Mr. LONG of Hawaii, Mr. LONG of Louisiana, Mr. LUSK, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MORTON, Mr. MOSS, Mr. MUNDT, Mr. MUSKIE, Mr. PROXMIRE, Mr. RANDOLPH, Mr. ROBERTSON, Mr. RUSSELL, Mr. SCHOEPPEL, Mrs. SMITH, Mr. SPARKMAN, Mr. STENNIS, Mr. THURMOND, Mr. WILLIAMS of New Jersey, Mr. YOUNG of North Dakota, and Mr. YOUNG of Ohio, entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1961—CONFERENCE REPORT

Mr. CHAVEZ. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11998) making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today, p. 15172, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CHAVEZ. Mr. President, in order to save a little time, I ask unanimous consent that the remarks I intended to make on the conference report together with a chart showing congressional action on the appropriation bill, be inserted in the RECORD at this time.

There being no objection, the statement and chart were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CHAVEZ

The conference report on H.R. 12998, the Department of Defense appropriation bill for 1961, contains a total of $39,996,608,000. This is $661,608,000 over the budget estimate; $658,741,000 over the amount allowed by the House; and $518,389,000 under the amount allowed by the Senate. Obviously, neither the House conferees nor the Senate conferees were able to secure approval of all items their respective Houses had previously approved. However, generally speaking, I believe that Senators will agree that this is a strong bill and one to which you can lend your support.

Senators have on their desks copies of the conference report containing all of the changes made in the bill.

In title I, dealing with military personnel, the only major change was to accede to the House demand to maintain the Marine Corps at a strength of 175,000 rather than the Senate-approved strength of 200,000. The conferees also agreed to accept the Senate restoration for travel funds needed for oversea movement of troops and other purposes.

In title II of the bill the conferees agreed to most of the actions taken by the Senate in across-the-board cuts made by the House. An additional $5 million was provided for the technicians' program in the Army National Guard and $11,291,000 for the Air National Guard's conversion program.

In title III, "Procurement," the conferees agreed upon $162,102,000 above the budget for Army modernization plus the utilization of an estimated $120 million of MAP reimbursements for shelf items. For the Department of the Navy the conferees agreed upon full funding in the amount of $293 million for the construction of a conventionally powered aircraft carrier, the inclusion of an attack submarine previously provided by the House, and the deletion of two unbudgeted escort vessels added by the House.

For the Department of the Air Force the conferees agreed on an appropriation of $190 million above the budget for the B–70 weapons system and the inclusion of $100 million for F–106 aircraft.

Should this $100 million for fighter aircraft not be required, it was the consensus of the conference that the funds could be shifted to an augmentation of the B–70 program if deemed advisable. A total of $85 million above the budget was approved for the expanded airborne alert capability. The Senate increase for the F–27 aircraft was disallowed.

The conferees agreed upon the inclusion of a new appropriation title, "Airlift Modernization," amounting to $310,788,000 and including $200 million over the budget for airlift aircraft. In regard to the BOMARC program, $244 million was provided in 1961 and prior-year funds.

In one other action the conference agreed to the House-proposed 3-percent overall procurement reduction, with the hope that this will give impetus to better procurement contractual procedures.

In title IV, "Research, Development, Test and Evaluation," the conference committee approved $50 million of the House increase over the budget of $100 million for antisubmarine warfare. For the Department of the Air Force, the conferees agreed upon the actions taken by the Senate in regard to the Minuteman, Discoverer, Midas, and Samos programs, but allotted the $50 million Senate increase for Samos to be spread over the four programs as required by the Department.

A number of language changes were agreed to. Mandatory strength language for the Army National Guard was maintained but that for the Army Reserve was deleted on the assurance by the executive branch that the average strength for the Army Reserve during fiscal year 1961 would be maintained at 300,000.

Amended House limitations on military and civilian personnel in departmental administration were also retained, as was the House limitation on congressional liaison activities, travel expenses and flight pay.

The Senate-sponsored amendment providing for the transfer of $150 million for acceleration of missile or satellite programs as needed was retained.

Before I close, I wish to thank all the members of the conference committee who worked together industriously to fashion what I consider to be a strong defense bill, which will not only provide adequately for the coming fiscal year, but which will also lay a foundation for a strong military posture in the years ahead.

Congressional action on H.R. 11998, the Department of Defense appropriation bill for fiscal year 1961

TITLE I—MILITARY PERSONNEL

Item	Appropriations, 1960	Budget estimates, 1961	House action	Senate action	Conference report	Conference report compared with—		
						Budget estimate	House action	Senate action
Military personnel, Army	[1] $3,233,063,000	[2] $3,261,000,000	[2] $3,244,448,000	[2] $3,247,548,000	[2] $3,247,548,000	−$13,452,000	+$3,100,000	
Military personnel, Navy	[3] 2,476,700,000	[4] 2,528,000,000	[3] 2,507,055,000	[3] 2,508,244,000	[3] 2,508,244,000	−19,756,000	+1,189,000	
Military personnel, Marine Corps	[5] 620,600,000	607,000,000	[6] 604,577,600	[6] 639,646,000	[6] 606,746,000	−254,000	+2,169,000	−$32,900,000
Military personnel, Air Force	[7] 3,918,000,000	[8] 4,030,000,000	[8] 4,013,460,000	[8] 4,019,676,000	[8] 4,019,676,000	−10,324,000	+6,216,000	
Reserve personnel, Army	231,700,000	200,000,000	233,115,000	233,998,000	233,998,000	+33,998,000	+883,000	
Reserve personnel, Navy	88,000,000	88,000,000	87,168,000	87,584,000	87,584,000	−416,000	+416,000	
Reserve personnel, Marine Corps	24,300,000	25,000,000	24,661,000	24,831,000	24,831,000	−169,000	+170,000	
Reserve personnel, Air Force	54,000,000	54,000,000	53,764,000	54,000,000	54,000,000		+236,000	
National Guard personnel, Army	234,961,000	199,000,000	229,903,000	230,277,000	230,277,000	+31,277,000	+374,000	
National Guard personnel, Air Force	48,000,000	46,000,000	45,609,000	46,000,000	46,000,000		+391,000	
Retired pay, Department of Defense	715,000,000	775,000,000	775,000,000	775,000,000	775,000,000			
Total, title I—Military personnel	11,644,324,000	11,813,000,000	11,818,760,000	11,866,804,000	11,833,904,000	+20,904,000	+15,144,000	−32,900,00

[1] In addition, $281,000,000 to be derived by transfer from stock funds.
[2] In addition, $260,000,000 to be derived by transfer from stock funds.
[3] In addition, $75,000,000 to be derived by transfer from stock funds.
[4] In addition, $60,000,000 to be derived by transfer from stock funds.
[5] In addition, $24,000,000 to be derived by transfer from stock funds.
[6] In addition, $500,000 to be derived by transfer from stock funds.
[7] In addition, $50,000,000 to be derived by transfer from stock funds. Also includes $6,000,000 appropriated in the Supplemental Appropriation Act, 1960.
[8] In addition, $30,000,000 to be derived by transfer from stock funds.

Congressional action on H.R. 11998, the Department of Defense appropriation bill for fiscal year 1961—Continued

TITLE II—OPERATION AND MAINTENANCE

Item	Appropriations, 1960	Budget estimates, 1961	House action	Senate action	Conference report	Conference report compared with—		
						Budget estimate	House action	Senate action
Operation and maintenance, Army	$3,075,390,000	$3,112,000,000	$3,116,555,000	$3,132,283,000	$3,120,022,000	+$8,022,000	+$3,467,000	−$12,261,000
Operation and maintenance, Navy	2,611,220,000	2,550,000,000	2,499,388,000	2,525,354,000	2,518,897,000	−31,103,000	+19,509,000	−6,457,000
Operation and maintenance, Marine Corps	175,850,000	176,000,000	174,726,000	180,296,000	174,686,000	−1,314,000	−40,000	−5,610,000
Operation and maintenance, Air Force	4,195,006,000	4,282,000,000	4,172,404,000	4,240,732,000	4,243,398,000	−38,602,000	+70,994,000	+2,666,000
Operation and maintenance, Army National Guard	151,700,000	157,000,000	156,827,000	164,501,000	162,001,000	+5,001,000	+5,174,000	−2,500,000
Operation and maintenance, Air National Guard	169,000,000	176,000,000	175,892,000	187,291,000	187,291,000	+11,291,000	+11,399,000	
National Board for the Promotion of Rifle Practice, Army	300,000	300,000	300,000	501,000	501,000	+201,000	+201,000	
Operation and maintenance, Alaska Communication System, Army	5,676,000	7,000,000	7,000,000	7,000,000	7,000,000			
(Indefinite appropriation of receipts)	(675,000)							
Salaries and expenses, Secretary of Defense	20,500,000	20,000,000	18,000,000	19,300,000	18,975,000	−1,025,000	+975,000	−325,000
Contingencies, Department of Defense	15,000,000	30,000,000	15,000,000	15,000,000	15,000,000	−15,000,000		
Claims, Department of Defense	16,500,000	16,575,000	16,575,000	16,575,000	16,575,000			
Operation and maintenance, Olympic winter games—Department of Defense	800,000							
Salaries and expenses, Court of Military Appeals	425,000	425,000	425,000	425,000	425,000			
Total, title II—Operation and maintenance	10,437,367,000	10,527,300,000	10,353,092,000	10,489,258,000	10,464,771,000	−62,529,000	+111,679,000	−24,487,000

TITLE III—PROCUREMENT

Procurement of equipment and missiles, Army	$1,407,300,000	$1,337,000,000	$1,374,102,000	$1,589,202,000	$1,495,352,000	+$158,352,000	+$121,250,000	−$93,850,000
Aircraft and related procurement, Navy	1,961,644,000							
Procurement of aircraft and missiles, Navy		2,113,000,000	2,141,760,000	2,208,000,000	2,141,760,000	+28,760,000		−66,240,000
Shipbuilding and conversion, Navy	1,330,700,000	2,032,000,000	2,080,650,000	2,331,000,000	2,316,360,000	+284,360,000	+235,710,000	−14,640,000
Other procurement, Navy		434,000,000	420,980,000	434,000,000	420,980,000	−13,020,000		−13,020,000
Procurement of ordnance and ammunition, Navy	567,719,000							
Procurement, Marine Corps	133,850,000	94,000,000	91,180,000	94,000,000	91,180,000	−2,820,000		−2,820,000
Aircraft procurement, Air Force	4,284,600,000	[9] 2,994,000,000	3,225,056,000	3,607,409,000	3,251,449,000	+257,449,000	+26,393,000	−355,960,000
Airlift modernization			359,288,000		310,788,000	+310,788,000	−48,500,000	+310,788,000
Missile procurement, Air Force	2,540,550,000	3,024,000,000	2,378,440,000	2,821,000,000	2,615,120,000	−408,880,000	+236,680,000	−205,880,000
Other procurement, Air Force	1,109,650,000	1,057,000,000	877,171,000	904,300,000	877,171,000	−179,829,000		−27,129,000
Total, title III—Procurement	13,336,013,000	13,085,000,000	12,948,627,000	13,988,911,000	13,520,160,000	+435,160,000	+571,533,000	−468,751,000

TITLE IV—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Research, development, test, and evaluation, Army	$1,035,715,000	$1,041,700,000	$1,041,190,000	$1,041,286,000	$1,041,286,000	−$414,000	+$96,000	
Research, development, test, and evaluation, Navy	1,015,920,000	1,169,000,000	1,268,530,000	1,210,510,000	1,218,624,000	+49,624,000	−49,906,000	+$8,114,000
Research, development, test, and evaluation, Air Force	1,159,900,000	1,334,000,000	1,542,668,000	1,553,228,000	1,552,863,000	+218,863,000	+10,195,000	−365,000
Salaries and expenses, Advanced Research Projects Agency, Department of Defense	455,000,000	215,000,000	215,000,000	215,000,000	215,000,000			
Emergency Fund, Department of Defense	[10] 150,000,000	[10] 150,000,000	[10] 150,000,000	[10] 150,000,000	[10] 150,000,000			
Total, title IV—Research, development, test, and evaluation	3,816,535,000	3,909,700,000	4,217,388,000	4,170,024,000	4,177,773,000	+268,073,000	−39,615,000	+7,749,000
Grand total, titles I, II, III, and IV	39,234,239,000	39,335,000,000	39,337,867,000	40,514,997,000	39,996,608,000	+661,608,000	+658,741,000	−518,389,000

[9] Includes $120,400,000 which House has placed under new appropriation "Airlift modernization."

[10] In addition, $150,000,000 to be derived by transfer from other appropriations available for obligations in the respective fiscal year.

Mr. CHAVEZ. Mr. President, I move that the Senate agree to the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the conference report.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, does the chairman of the subcommittee plan to make a statement?

Mr. CHAVEZ. In order to save time, I have asked unanimous consent that my remarks be printed in place of my own statement.

Mr. JOHNSON of Texas. Mr. President, I want to express my support for the Department of Defense appropriation bill conference report. I express my thanks to the able senior Senator from New Mexico [Mr. CHAVEZ], who has worked so diligently, carefully, and intelligently in handling the biggest appropriation bill which Congress has considered.

I myself did not attend as many of the hearings as I desired to attend. However, I spent all of last Saturday with the committee, and I observed the Senator from New Mexico demonstrate great understanding, patience, and persuasiveness with his colleagues in both the Senate and House. Except for the patience and understanding of the Senator from New Mexico, I seriously doubt that we would have the fine bill which is before the Senate today.

Mr. President, I support the Department of Defense appropriation bill that has been reported by the House and Senate conferees. I believe that the conferees should be complimented for the outstanding job they have done in settling the differences between the House and Senate bills, and in reporting a bill that will go a long way toward remedying the deficiencies of the defense program submitted to the Congress in January.

The distinguished Senator from New Mexico, Senator CHAVEZ, has pointed out that in terms of total appropriations, the defense bill recommended by the conferees involves appropriations that are $658,741,000 over the House bill, $661,608,000 over the budget, but $518,389,000 under the Senate bill. These simple figures, however, do not reveal the positive steps taken by Congress in remedying the deficiencies in the key military programs.

On June 16, when the defense appropriation bill was being discussed on the Senate floor, I reviewed the testimony that had been given to the Preparedness Investigating Subcommittee and other congressional committees concerning

the areas in which our senior military officials considered the defense program to be inadequate. I do not intend to repeat this summary, but I would like to invite the Senators' attention to the fact that it appears on pages 12795 through 12797 of the CONGRESSIONAL RECORD of June 16.

During the floor debate I made the following statement:

I do want to mention, however, that the full story is not told by the simple statistic that the Senate bill would appropriate $1,050 million more than the budget estimate. As a matter of fact, the bill provides $1,581 million above the budget estimates for 12 key programs which our military leaders advised the Preparedness Investigating Committee and other congressional committees are needed for our national security.

The bill now before us involves total appropriations that are $518 million under the Senate bill and $378 million under the bill originally recommended by the Senate Appropriations Committee. Yet, the conferees have done their job with such great skill and care that no reductions have been made in the increases provided for the key programs mentioned in my earlier remarks. As a matter of fact, the bill recommended by the conferees keeps all of these increases and provides additional increases of $155 million for the key programs. The bill will also compel greater efficiency in procurement, through a 3 percent reduction in all procurement appropriations.

I would like to list the increases over the President's budget provided by this bill, so the American people can see clearly exactly what the Congress has done to strengthen America's defenses:

First. Additional Army modernization, $162 million.

Second. Additional airlift capability, $200 million.

Third. Acceleration of the Minuteman ICBM, $27 million.

Fourth. Increase and acceleration of the Polaris program, $394 million.

Fifth. Increase in antisubmarine warfare programs, $107 million. This is an additional $65 million over the amount provided in the Senate bill.

Sixth. Acceleration of the Samos reconnaissance satellite program, $84 million.

Seventh. Acceleration of the Midas ballistic missile detection satellite, $76 million.

Eighth. Increase in the Discoverer satellite program, $35 million.

Ninth. Acceleration of the Atlas ICBM program, $136 million.

Tenth. Acceleration of the ballistic missile early warning system, $35 million.

Eleventh. Development of the B–70 as an operational weapons system, $190 million over the budget has been specifically provided for this program. In addition, $100 million has been made available for additional fighter aircraft or for the B–70. If these funds are used entirely for the B–70, as seems likely, this would provide $290 million above the budget, or $5 million more than was contained in the Senate bill.

Twelfth. Maintenance of the Army National Guard strength at 400,000 and the Army Reserve strength at 300,000, instead of permitting a 10-percent cut, $105 million.

Thirteenth. Airborne alert, $85 million plus blank check authority for the President to spend any amount he considers necessary for an airborne alert.

Mr. President, I believe that the conferees truly deserve the commendation of the American people for their skill and statesmanship. They have come in with a bill which increases the budget by $680 million rather than $1,180 million—yet, they have actually increased the key defense programs by $1,736 million. This is $155 million more for these programs than had been contained in the bill reported by the Senate Appropriations Committee. In addition, the conferees have included funds for a highly important new aircraft carrier.

There is one additional matter that I would like to mention briefly. The Senate bill had contained language which made mandatory the maintenance of the strength of the Army National Guard and Army Reserve. The conference committee deleted the mandatory language pertaining to the Army Reserve, on the basis of assurances received from the White House that the Reserve would be maintained at 300,000 if the mandatory language were deleted.

I do not quarrel with this decision, Mr. President. Frankly, I think it is very unfortunate to find a situation in which the Congress has to insert restrictive and mandatory language in an appropriations bill for fear that the executive branch would disregard congressional intent.

I hope that the executive branch will recognize that the increases provided by the Congress in this appropriation bill represent a careful and conscientious effort to strengthen our most vital programs. I certainly hope that the executive branch will not let some budget clerks willfully disregard the expressed intent of the Congress.

I make these remarks, Mr. President, because I have received some indication that the Department of Defense apparently intends to ignore the will of the Congress. I have in my hand a copy of a memorandum issued on June 9, 1960, by the Office of the Secretary of Defense establishing the guidelines for the fiscal year 1962 budget. This is a truly amazing document, Mr. President, and if time permitted I would read it in its entirety here on the floor. In order to save time, however, I ask unanimous consent that I may insert it in the RECORD, because I feel the American people should be aware of the guidance being issued in the last stages of this administration.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR SECRETARY OF THE ARMY

1. The above subject was presented at the Cabinet meeting held on June 3, 1960. The following is the action statement from that meeting. The President instructed the members of his Cabinet and agency heads to prepare their submissions for his fiscal year 1962 budget in the light of the following:

(a) The criterion must be: what is truly necessary for our country's existence and safety and for meeting those obligations of Government to its citizens which result from their not being able to provide certain things themselves.

(b) Insofar as our watchword is the "risk-taking responsibilities of free, self-confident individuals," we will be true to the principles which have developed our Nation; insofar as the Nation has followed "cradle to the grave security," we have dulled our resistance to unwise Federal spending and to a creeping inflation.

(c) Increase in our population is not per se a valid argument for allowing an equivalent rise in the curve of Federal expenditures; in some cases, indeed they ought to be decreased.

(d) For the fiscal year 1962 submission, the administration will use as a guide fiscal year 1961 in the aggregate, recognizing that there are no hip-pocket formulas or blanket prescriptions to balance need and costs.

(e) Administration leaders must rekindle and militantly restate their philosophy and conviction as conservatives—meaning by this the preserving of what is worth while in our Nation without depending unreasonably upon the Federal Treasury but following policies that permit growth. Actual dollar amounts are in a sense secondary; the important thing is: what are we doing for and to our country?

(f) The fiscal year 1962 budget presents the ideal opportunity for each department and agency head to "clean house" and to blue-pencil programs or activities where their experience indicates the wisdom of doing so.

(g) In the research area, that which seems visionary should be neither accepted nor discarded outright, but rather searched and judged in the light of the principles we hold.

(h) None of these budget decisions is to be made under any hysteria or fear. Neither should they be influenced by the temptation to seek popularity through increased appropriations. We are not to be swayed by the prospect of unpalatable political battles.

(i) A rigidly honest stand on appropriations which are not needed, as well as on those which are, results in increased respect from the Congress as well as heightened internal morale and discipline.

(j) If the Congress makes available more funds for fiscal year 1961, than are requested, and where the law does not require expenditure, agencies should reserve the increases and carry them forward to the maximum practical extent to fiscal year 1962.

(k) Our personnel goal should be to improve the use of our existing personnel resources, to increase efficiency, to heighten productivity, to improvise if necessary rather than accept the easy way of simply increasing the bureaucracy.

(l) Efficiency reports on individual Federal personnel should be forthrightly honest; candor which has been omitted or compliments which are false only end up by saddling the taxpayer and the Executive with employees who are inefficient but undischargeable; funds for inefficient employees should be viewed as "robbing the pocket" of each department's resources for truly needed programs.

(m) The remaining days of fiscal year 1960 give an opportunity to hold down yearend employment, and thereby provide a low base for fiscal year 1961.

(n) No proper means should be overlooked to explain the perspective and principles of the President to senior agency subordinates generally, especially to those inclined to "axe grinding" or "end running."

(o) To a compartmented executive branch we must apply a unity of thinking and better methods of cooperative endeavor.

(p) The President commended to the attention of the Cabinet an article by Dr. Henry Wriston in the Wall Street Journal of June 1 together with the Journal's editorial.

2. This item is transmitted for your information. The Assistant Secretary of Defense (Comptroller) is assigned responsibility on behalf of the Department of Defense for any action which may be necessary.

Mr. JOHNSON of Texas. Mr. President, I should like to read two paragraphs of this document to Senators, since it appears—at least in part—to have been drafted as a campaign document. Thus, paragraph 1(b) reads:

Insofar as our watchword is the "risk-taking responsibilities of free, self-confident individuals," we will be true to the principles which have developed our Nation; insofar as the nation has followed "cradle to the grave security," we have dulled our resistance to unwise Federal spending and to a creeping inflation.

Another paragraph of this document is very pertinent to the question of whether the executive branch will disregard congressional intent. This paragraph states:

If the Congress makes available more funds for fiscal year 1961, than are requested, and where the law does not require expenditure, agencies should reserve the increases and carry them forward to the maximum practical extent to fiscal year 1962.

It should be obvious that this statement is in direct contradiction to the assurances received from the White House that the Army Reserve will be maintained at 300,000 if the mandatory language were removed from the appropriation bill. I would assume, however, that it is intended to make a practical exception in this one instance.

I should like to make one final observation on this curious memorandum. I note that it is signed by Mr. O. M. Gale, who, on June 9, 1960, had the title of Special Assistant to the Secretary of Defense. I have nothing against Mr. Gale personally—frankly, I do not even know him except by reputation as the author of the so-called white paper issued privately some months ago to rationalize the administration's defense program. I am informed that Mr. Gale is no longer with the Department of Defense, since he has transferred his desk to the Republican National Committee where, it is said, he will head a special five-man information unit to prepare background material for the campaign. The only question in my mind is whether this June 9 memorandum, establishing the guidelines for the 1962 budget, was meant to be part of the Republican campaign material. If so, I welcome it because the glib slogans it contains rather clearly betray some of the reasons for the drift and delay that we have experienced in our defense program.

Mr. President, I wish again to express my deep appreciation for the work done by the conferees on the Department of Defense appropriation bill and urge that it be adopted by this body.

Mr. CHAVEZ obtained the floor.

Mr. CLARK. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. CLARK. I have no intention of precipitating a long debate on the conference report. I shall vote against it because I do not believe it adequately provides for the security of the United States of America. I do not think it will take me more than 15 or 20 minutes to state my points.

It is my understanding that the Senator from Missouri [Mr. SYMINGTON] desires to make a statement, too. I simply thought Senators might wish to know that there will be some debate on the conference report.

Mr. CHAVEZ. Mr. President, the Senator from Pennsylvania is not the only patriot in this body. The Committee on Appropriations is composed of American citizens. I think they mean to do just as much the right thing by their country as does the Senator from Pennsylvania.

I may say to my liberal friend from Pennsylvania that I, too, am a liberal. I am one who believes in the right of disagreement. So if the Senator from Pennsylvania wants to disagree, there will be no annoyance whatsoever on my part.

Mr. CLARK. I thank the Senator from New Mexico for his normally gracious comment.

Mr. SYMINGTON. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I am not yielding the floor until I get ready to do so.

Mr. SYMINGTON. I have a statement to make.

Mr. CHAVEZ. The Senator can make it in his own time.

Mr. SYMINGTON. I thank the Senator.

Mr. CHAVEZ. That is all right.

Mr. President, what is the state of the situation at the moment?

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. DOUGLAS. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. DOUGLAS. While I wish that the appropriation for added national defense were at a higher figure than the conference committee has reported, I desire to congratulate the committee of conference for approving the 3-percent cut on procurement features, which the House had passed, which should effect a saving of $400 million a year.

Mr. CHAVEZ. That is correct.

Mr. DOUGLAS. Without impairing in the slightest the military security, and indeed the necessary funds which should, in my judgment, be used for added national defense.

I should like to ask the distinguished Senator from New Mexico if this does not place an obligation upon the Department of Defense to carry out its procurement policy more effectively and more economically.

Mr. CHAVEZ. I believe that by cutting the $400 million about which the Senator speaks, we will be giving the Department of Defense notice that they should follow better practices in making their procurement.

Mr. DOUGLAS. Should it not mean, for example, that there will be fewer negotiated contracts in the Department of Defense? At present, 86 percent of the dollar volume of defense purchases are procured through negotiated contracts.

Mr. CHAVEZ. If the Senator will read the report, he will notice that we call attention to that particular matter about securing bids.

Mr. DOUGLAS. So this is a mandate to the Department of Defense to have more of its goods supplied by competitive bidding.

Mr. CHAVEZ. That is what the conferees had in mind.

Mr. DOUGLAS. Is there not also a mandate upon the Department of Defense to use existing supplies before buying more?

Mr. CHAVEZ. That is correct.

Mr. DOUGLAS. I shall seek recognition tomorrow to indicate that this practice has not been followed by the Department of Defense in the past. Does it not also indicate that there should be a standardization upon items concerning which it has been shown that millions upon millions of dollars can be saved?

Mr. CHAVEZ. I do not believe anyone can deny that.

Mr. DOUGLAS. So this is a mandate for the Defense Department to act?

Mr. CHAVEZ. It is intended to be a mandate.

Mr. DOUGLAS. Is it not also a mandate that they should integrate procurement and disposal?

Mr. CHAVEZ. There is no question about that. I think that practice should apply wherever possible.

Mr. DOUGLAS. In general, should not the Department of Defense carry out an integrated supply system as intended by the O'Mahoney amendment of 1952, in which I had some share, and the McCormack-Curtis amendment to the Defense Reorganization Act of 1958, as is well stated in the conference report?

Mr. CHAVEZ. Yes. I call the attention of the Senator from Illinois to page 41, the procurement and supply amendment:

PROCUREMENT AND SUPPLY MANAGEMENT

The committee notes with grave concern the numerous and admitted examples of waste and duplication in Defense procurement which have been reported to this and other congressional committees. The audit reports of the General Accounting Office show that these are not isolated examples; rather they underscore the urgency of integrating the "supply systems and service activities" or the military departments as repeatedly expressed as the intent of Congress. Such integration is provided for in the O'Mahoney amendment to the 1953 Defense Appropriation Act and the McCormack-Curtis amendment to the Department of Defense Reorganization Act of 1958.

While some progress has been made in this direction, it has been far from satisfactory. The committee calls upon the Department of Defense to take immediate and vigorous steps to integrate its procurement, supply and service activities in order to provide maximum utilization of the defense dollar.

Mr. DOUGLAS. I thank the Senator. Do I understand that the cut of $24,300,000 in the communications service carries with it a mandate to integrate the long-lines communication service, as is stated in the House report?

Mr. CHAVEZ. That was the intention.

Mr. DOUGLAS. I thank the Senator from New Mexico. While I wish we might have increased the strength for the Marine Corps and the Army, and that we might provide other items such as more missiles, submarines and weapons, nevertheless I think the conference committee has done extremely good work in the field of supplies. I congratulate the chairman.

Mr. CHAVEZ. I thank the Senator from Illinois.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SYMINGTON. Mr. President, the defense appropriation conference report is not adequate for our national security. Nothing in the current world situation can possibly justify the United States now appropriating for defense a smaller percentage of its gross national product than in any year since just before the Korean war.

The defense appropriations figure now before us is down to about 7.8 of the country's estimated gross national income for the period covered by this budget.

In this connection, I point out that Mr. Robert Sprague, who refers to himself as a conservative Republican claims to know something about the Nation's economy as chairman of the Federal Reserve bank in Boston, said that every year, for many years, the Soviets have been putting 25 percent of their gross national product into defense. He also pointed out that if we continue to spend $40 billion regardless of the value of the dollar, or the percent which that amount is to our gross national product, we will only end in very serious trouble, indeed. As I said, this appropriations figure represents only 7.8 percent of our gross national product.

During recent years we have continued to adopt policies that have contributed to our relative decline—economically and militarily—as compared with the position of Soviet Russia and the Communist bloc as a whole.

A few years ago, the Soviets had some 175 combat divisions, equipped primarily with World War II weapons. At that time the United States had 20 divisions, also equipped with World War II weapons.

Today the Soviets still have 175 divisions, with modernized equipment; but this country has further reduced its force to 14 divisions, most of which still have obsolescent World War II equipment.

The Soviets have far outdistanced the United States in the production of long-range missiles—the so-called ICBM. We have but a very small quantity of ICBM's; and they are on exposed launching pads.

In the otherwise excellent statement by Governor Rockefeller, of New York, the day before yesterday—and his statement completely supports my position—I noticed that he said we would have approximately 50 operational ICBM's by the end of this year.

Mr. President, Governor Rockefeller generally is accurate. But in that respect he was not, as we will not have anything like 50 operational ICBM's by the end of this year.

The Soviets have a modern fleet of submarines which is at least four times as large as ours, including many more long-range submarines than this country has. They also have more missile launching capacity from undersea and surface vessels.

Despite these facts, the Senate is now being asked to reduce by $518 million the appropriations provided by the bill it previously passed. When the Senate passed the bill, apparently, it thought it was right.

This amount, $518 million, is about one-third of 1 day's gross national income. In fact, it is less than the hundreds of millions of dollars that our people will spend this year on new swimming pools.

Based on the failure of the summit, and Japan, Cuba, Geneva, and all the other places of tension, how can anyone justify placing a lower percentage of our income into national security; this year, as contrasted to the amount last year or the year prior thereto or the year before that?

In a recent article on "National Purpose," published in the New York Times and Life magazine, Albert Wohlstetter stated:

> I doubt that the public of this country was ever less informed on matters directly affecting its life and death. On the contrary at each great crisis the public has been reassured that no further effort is required.

The wisdom of these words speaks for itself.

Our failure to maintain defense is now being clearly reflected in the series of major diplomatic defeats which this country has suffered during recent weeks and months.

Therefore, I cannot vote for this compromise conference report. I have tried year after year to get more adequate defense and they have voted for compromise measures.

I do not believe it wise to further compromise with our security.

I yield the floor.

Mr. GRUENING. Mr. President, will the Senator from Missouri yield for a question?

Mr. SYMINGTON. I yield.

Mr. GRUENING. Is the Senator from Missouri aware of the latest action by the Air Force, coming on top of its action just a few weeks ago when it eliminated the 449th Fighter Interceptor Squadron, the entire fighter strength at Ladd Field in the northern part of Alaska—to which it has now added the total abolition of Ladd Field, our northernmost base, with its entire force of nearly 4,000 men and the airbase under our flag closest to Soviet Russia?

Mr. SYMINGTON. Not only have our fighter squadrons been eliminated, but we are now going to eliminate entirely the base at Ladd Field. These actions are being taken in face of the knowledge that the Soviet Government has made unprecedented developments of air power directly across the Bering Straits from Alaska.

Mr. GRUENING. Does not the Senator from Missouri think it inconceivable, now that our foreign bases are threatened and of uncertain tenure more than ever before by the administration's diplomatic failure, it should now abolish our northernmost airbase which is nearest to Soviet Russia?

Mr. SYMINGTON. I agree without reservation with the Senator from Alaska.

Mr. GRUENING. Mr. President, I heartily applaud the statement which has been made by the junior Senator from Missouri, whom I consider to be more expert in this field than any Member of Congress, and in protest at the failure to provide adequately for Alaska's defense I shall follow him in voting against the conference report.

Mr. SYMINGTON. I thank the Senator from Alaska.

Mr. CLARK. Mr. President, before the Senate votes on the conference report, I think the Senate should understand clearly just what cuts have been made in our national defense funds.

I wish to commend the Senator from Missouri for the courageous and forthright statement he has just made.

He has been kind enough to hand to me some notes, prepared by him, on the Defense Department appropriation bill conference report; and I should like to give the other Members of the Senate information which thus far they have not been provided, as to just what these cuts are.

First, the Senate added $285 million above the budget for the B–70 bomber program. That was cut by $95 million by the conference committee. In other words, the go-ahead on the B–70's, the most modern airplanes on the drawing boards, has been sharply curtailed, thus, in my judgment, imperiling our deterrent power during the years when the missile gap will continue to favor the Soviet Union.

The next cut is in Army modernization. The House had added $37 million. The Senate committee and the Senate, in its action here on the floor, added to that $215 million, as a result of the aggressive action taken by the junior Senator from Washington [Mr. JACKSON]. The conference committee cut out all of the $90 million which the Senator from Washington [Mr. JACKSON] was able to have put into the bill, here on the floor. The end result is that Army modernization funds will be inadequate in the fiscal year 1961. If there is a single area in which we need to recoup our defensive posture, if there is a single area which is more important than any other in that respect, I suggest that it is that of Army modernization.

My good friend, the Senator from Missouri, dwelt adequately on the question of our defense posture vis-a-vis that of Soviet Russia. He did not undertake to discuss our posture with respect to that of Communist China or with respect to our obligation to support our allies in the SEATO Conference, in southeast Asia. I call to the attention of my friend the fact that it is far more

likely, than not, that the next hot war will break out, not in Europe, not against Russia, but against the Communist Chinese.

Already the guns are thundering over Quemoy and Matsu. The belligerent statements from the Communists continue at an increased pace. To fail to provide enough funds to modernize our woefully inadequate Army, by means of this appropriation bill, I suggest is lacking in wisdom and takes an unnecessary risk with the security of the United States. The next point is that the conference committee cut $125 million out of the Bomarc project. Frankly, I do not purport to be an expert on the Bomarc project, and it may well be that that cut is justified. But we were persuaded by our own Subcommittee on Appropriations for the Department of Defense, when it was dealing with this military budget, to make a restoration of $294 million and the addition of $75 million more, for a total increase over the House version of the bill of $369 million for the Bomarc project. We were persuaded by our subcommittee that that was desirable in the interest of our national security. Now I note that the cut goes $50 million below even President Eisenhower's budget estimate. I suggest that this is taking a chance with our national security.

The next item deals with the Marines. The Marine Corps is below strength. It is the arm of our national defense which will be called first into action if a brush war breaks out anywhere in the world, particularly in the Middle East, the Near East, or the Far East.

Mr. SYMINGTON. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I am happy to yield.

Mr. SYMINGTON. The point I wish my colleagues would give consideration to is that it is very easy to say that we have a certain type of all-out strategic deterrent, and that therefore we do not need any more. But when the Soviets have the initiative and a variety of methods of attack—which they do—the question is what we are to do if we are subjected to a surprise attack. We do not want any argument with anyone; but it is hard for me to understand how the Senate can justify each year putting less of its gross national product into our national defense, while the nation which states that it wants to destroy our way of life continues to put more into its military program. One hears the argument that there is no practical justification for our convictions, because there is not any fighting going on. But this is to overlook what is going on in the world today, in the places the Senator has mentioned and I have mentioned. This is to ignore the series of diplomatic defeats the United States and the rest of the free world has suffered. Khrushchev and the people in the Kremlin know the situation. Russia has 175 divisions, 65 of which are mechanized. Their divisions have been modernized once, and in many cases modernized twice, since the end of World War II.

One may try to reassure himself with the thought that, because we have nuclear bombs and long-range bombers, they do not dare to attack us. That may or may not be true. As Mr. Wholstetter pointed out, every time we have a diplomatic crisis in the world, we are reassured.

The truth is, and everybody in the Senate knows it, that day after day, month after month, year after year, the United States has been losing its position in the world. Its relative position has been reduced. The Soviets know they are getting stronger, and that they can continue to become more and more aggressive in their negotiations, just as they did in Paris, as they did more recently in Geneva, and as they do, indirectly, in countries like Japan.

I commend the Senator from Pennsylvania for pointing out in detail why it is and where it is that we go against the advice of our military experts.

So long as we go on with the policy of nickel pinching and reducing our relative defense strength, we are going to pay for it in the future in the diplomatic field, as we have done in the past and are doing now.

Mr. CLARK. I thank the Senator for his helpful interjection in the debate. I return to the Marine Corps and point out that, under an amendment cosponsored by the Senator from Illinois and myself, we provided an extra $40 million to bring the Marine Corps up to strength, so that its three divisions would be ready for action the moment war broke out anywhere in the world. Even that provision was eliminated in conference. I say, in view of the summit, in view of what happened in Japan, in view of the breaking off of the disarmament negotiations, in view of the continuous belligerent statements made by the Chinese Communists, it is unwise indeed—to put it mildly—to cut the strength of the Marine Corps one man below its authorized strength.

The next comment I want to address particularly to the Senator from Alaska. We have heard about Ladd Field and the long runways that are being built across the Bering Strait, in Russia, presumably for a bombing attack on the continental United States, including Alaska. The F–106 is the most modern fighter we have which is capable of halting Russian bombers. The House had provided $215 million for F–106's. At the same time it cut out money for the Bomarc. The Senate cut out the $215 million. The conference replaced $100 million, which is $115 million below the House figure.

I suggest that perhaps one reason why they are closing Ladd Field is that the administration is not too sure we shall have an adequate number of fighters up there to protect the continental United States if Russian bombers took off for this country.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. GRUENING. I am interested in the distinction between the defense of the continental United States and Alaska. After all, Alaska is a part of the United States.

Mr. CLARK. So I stated.

Mr. GRUENING. I should like to state, in listing the various failures under this administration, beginning with the summit, and including the Japanese crisis, we have a situation in Cuba now where the Monroe doctrine is being circumvented and being breached, and is likely to be circumvented still further.

Mr. CLARK. The Senator is correct, I point out that if the Armed Forces were to move into Cuba in the national security—and I hope and pray it never will be necessary—whom would it be but the U.S. marines?

Mr. GRUENING. Of course, it would be, if we had a Marine Corps.

Mr. CLARK. I make no objections to the cuts in procurement, and I make no specific objection to the other changes made in the conference report. I point out, however, two or three more things which should be pointed out. First, the Rockefeller Bros. report, as long ago as 3 years, recommended an addition of $3 billion to our defense budget in order to insure our national security. Those additions have not been made. The Senate raised the President's budget by a mere $1 billion, which to me seemed inadequate. That increase has now been cut almost in half. I point out that many military and naval leaders, as the Senator from Missouri has pointed out, have resigned rather than be faced with controlling our Armed Forces with the inadequate money which is made available to them.

I point out that the chairman of the House Subcommittee on Defense Appropriations, that distinguished American, Mr. Mahon, stated an additional $2 billion over and above the budget would be needed for our defense. I point out that our international situation is far worse today than it was then.

Finally, I should like to call to the attention of my Democratic colleagues a few comments made in a little pamphlet called, "The Decision in 1960: The Need To Elect a Democratic President," published by the Democratic advisory council:

> When Mr. Truman left the Presidency, America was the preeminent power in the world. We now find ourselves outstripped by the Russians in important forms of modern armament.

Can anybody deny that? Is there a Senator on the floor who does not know that we have been outstripped by the Russians in important forms of modern armament?

> According to the administration's own admission on present expectations the next 3 years will give the Russians a superiority of three to one over the United States in intercontinental ballistic missiles. Even with great effort, it will be many years before we can exceed the current huge payloads the Russians have shot into space.

The Senator from Missouri has been telling us that for 3 years. What are we going to do? We are going to agree to a bill below what the Senate thought wise a few days ago.

I continue to read:

> And our capability for defense in limited wars has been seriously reduced.

Can any Senator doubt that? I do not believe he can. I continue to read:

We have been cast into this grave position because the Republicans believe money to be more important than the military security of our country. In 1953, in order to make possible an improvident tax reduction promised by the Republicans in the 1952 campaign, they cut $7 billion from the defense moneys which had been recommended by the Truman administration, most of which cut was taken from funds for the procurement and development of new weapons. The Republicans then decided to concentrate their defense cuts on the Army and the Marine Corps.

While the Republican money managers have been paring vital programs in the defense budget, the Republican managers of public opinion have been assuring the American people that our defense effort is adequate. Information has been censored—

Can anybody deny that?——

books have been banned, misleading statements have been made.

Even proven shortcomings have been glossed over by the assurance that a soldier in the White House would never let us fall behind the Soviets. * * * One has but to read the testimony of distinguished military leaders, such as Gen. Maxwell Taylor, Adm. Arleigh Burke, and Gen. Bernard Schriever, to see the palpable falseness of Republican claims that all is well with our defenses.

Mark this well, Mr. President—

Two Chiefs of Staff, a Director of Research and Development, and the head of the Redstone Arsenal have asked to be retired rather than be charged with responsibilities without the means to execute them.

Mr. President, I shall vote against the conference report. I hope at least a few of my colleagues will do the same.

Mr. STENNIS. Mr. President, I shall not detain the Senate long with reference to a bill which has been pending now for 6 months, and which I think is well understood.

I believe the Senator from Pennsylvania has made a contribution to the thought and the program during the year with reference to the major items in the bill. I commend the Senator for his interest. I agree with the Senator on most of the points he made in the debate during the year, as to the major parts of this great large military program.

I wish to point out to the Senate that the time eventually comes when we must close down and settle on some figures.

I certainly do not wish to have the impression left by the Senator from Pennsylvania or by anyone else that the Senate conferees went to the conference room and surrendered on major programs which we thought were essential, or surrendered any substantial part of major programs.

One man does not write a bill of this kind. These bills must represent a composite judgment.

There are items in the bill which I think are too large. There are items in the bill which, in my judgment, should be larger.

As one Senator who has heard many briefings from the various military departments of Government, both in the Committee on Appropriations and in the Committee on Armed Services this year, I think we have a fine bill before us, which represents a good, strong program.

Some items have been added. I will not go into detail on the figures, but there has been provided $85 million above the budget estimates for an airborne alert. Personally, I would not have added any money for that item, but others thought the money should be provided.

We can go down the line, particularly with reference to Army modernization. That is a very broad term. There is no exact definition. Generally the term means providing more modern weapons to take the place of older ones.

There is now provided, above the budget estimates, $162 million in hard dollars and possibly another $100 million which will come from reimbursements under the MAP sales, which amounts will certainly put any program well on its way toward being rounded out.

The same is true with reference to the airlift program—airlift, not air alert. The airlift program will really take our fighting men quickly to the place of trouble. This program has been debated back and forth. This year we really provided enough money in the bill to carry the program on. I think it is on its way.

There is in the bill now a $293 million aircraft carrier which was not in the House bill. That was gained in the conference.

There is $190 million more for the B–70 program, an essential program, which will be well on its way. There is money for bombsights and all the added features which have been delayed. Now this becomes an executive responsibility. Certainly with what is provided in the bill, there is plenty to do what is necessary, and plenty of strength can be added.

Mr. President, I wish to especially commend the Senator from New Mexico [Mr. CHAVEZ]. At times we may think the Senator is a little "quick on the trigger," but he has as much patience as, and perhaps more than, any other Member of this body. He has presided over the hearings month after month, for almost a year at a time, with patience, with endurance, and with the utmost consideration to the witnesses, with respect to all the problems, carrying the load of the immense bill month by month. We are all indebted to the Senator and we owe him a great debt of gratitude.

Mr. President, I wish to also mention in the same breath the Senator from Massachusetts [Mr. SALTONSTALL], for he has done an enormous amount of work. Many other Senators have worked hard. Not to mention the others is not to discredit them or to leave them out. I simply especially commend those two Senators for the long and difficult work they did.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CHAVEZ. Did we not add $100 million, which could be used for fighter interceptors if the administration sees fit to do so?

Mr. STENNIS. Yes.

Mr. CHAVEZ. Or if desirable, this sum could be used for the B–70 program.

Mr. STENNIS. The Senator is correct. There is another $100 million which can be used for fighter aircraft or can be transferred to the B–70 program should new developments show that is necessary. This illustrates again some of the flexibility of the provisions in the bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. I yield next to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I wish to add my words to what the Senator from New Mexico and the Senator from Mississippi have said. The conferees on this bill met for approximately 9 hours. I believe a balanced bill came from that conference.

There were substantial differences between the House and the Senate and also with some of the recommendations of the administration.

The Army gained in modernization approximately $162 million over the original January budget request. The Navy gained an aircraft carrier, which was in the budget. With respect to the Polaris submarines, the Navy gained what we call the five-by-seven program, instead of the three-by-nine program. In other words, five submarines are fully funded, and seven have the long leadtime items funded under the conference bill compared with a budget request for three fully funded and long leadtime items for nine.

We increased the antisubmarine warfare submarines from one in the revised budget to four, so the Navy benefited in that portion of the modernization program.

As pointed out by the Senator from Mississippi and by the Senator from New Mexico, the Air Force has made progress. There is a great question concerning the B–70 program. We provided a substantial amount of money, which would make it possible to go forward on a full development program of the B–70, as opposed to the prototype B–70 aircraft only.

We put back some Bomarc money, which was requested by the Defense Department, to carry out our agreements with Canada and to carry forward the defense of the Northeastern section of the country.

As the Senator from New Mexico has pointed out, we also provided for $100 million for fighter-interceptor aircraft above the President's budget, and we allowed some flexibility to move from that program into the B–70 program, if that is believed wise. From the Air Force point of view the Bomarc is in and the B–70 program has a substantial amount above the amount recommended in the budget estimates. Airlift modernization also has been provided.

The Senator from Missouri very ably argued the question with respect to the airborne alerts. As the Senator from Mississippi said, I personally did not think the airborne alert money was necessary, because the President has discretion to increase our airborne alert capability even though the necessary funds

for the increase may not be in the appropriate defense accounts. He may then come back to Congress for funds to cover any costs thereby incurred.

Members of the House, led by Mr. MAHON, a very distinguished and well-informed gentleman on this subject, felt very strongly about the airborne alert, so we increased the amount the Senate provided for that item.

From the point of view of modernization as well as procurement for the Army, Navy, and the Air Force, the bill in my opinion is substantially better than even the budget estimates originally recommended.

So far as operation and maintenance and personnel are concerned, I believe we have provided adequate amounts. We left in the mandatory provisions with reference to the increased National Guard personnel strength. The mandatory provisions with reference to strength of the Reserves are not in the conference agreement, but we had assurance from the Executive that the Reserves would be maintained at 300,000.

I join the Senator from Mississippi in congratulating the Senator from New Mexico upon his handling of this bill not only before the bill passed the Senate but also in the conference, where he sat through the entire 9 hours.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the majority leader.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. JOHNSON of Texas. I wish to pay tribute to the patriotism, the effectiveness and the diligence of the Senator from Massachusetts [Mr. SALTONSTALL] in connection with the bill. No Senator is more familiar with the contents of the bill than is he. No man contributed more to what is in the bill. He cooperated with the chairman at all times. I think he should be commended for the very fine work he did.

Mr. SALTONSTALL. I thank the majority leader for what he has said.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Pennsylvania.

Mr. CLARK. I shall not detain the Senate any longer. I have been in the Senate long enough to know that no one can make the Senate debate if the Senate does not wish to debate. I point out that the pages have only now finished placing copies of the conference report on the desks of Senators. I point out that no explanation whatever was given to us of what the items in the conference report provided.

I suggest that the subject involves the security of the United States, which I think we all agree involves hundreds of millions of dollars. I regret that the Senate is ready to act in so precipitate a manner, but I yield to the will of the Senate.

I ask the Senator from Mississippi this question and then I shall have finished. Is it not true, in view of the fact that the Senate earlier today decided to recess on Saturday and to come back on August 8, that the deadline for passing this appropriation bill is not as acute as it otherwise would have been? I recognize the desirability of passing appropriation bills before June 30, but actually if we were to reject the conference report and send our conferees back with instructions to insist upon certain Senate amendments, it could be done without any real damage to our national security, could it not?

Mr. STENNIS. I shall answer the Senator's question in this way. I think it would be better to close out the year by passing the bill, as he suggested. Such action is certainly not absolutely necessary, and it has not always been done that way. A resolution would be required to continue present expenditures. But it would be far better, so far as the programs that have been emphasized here are concerned, and of which the Senator speaks, if they were started as quickly as possible, because there is some question as to whether or not the Defense Department can absorb all the money that is provided in the bill within the 12-month period. I think it is highly desirable that we proceed and get projects started.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. LAUSCHE. Am I correct in my understanding that on the conference committee were 13 Members of the Senate and 5 Members of the House?

Mr. STENNIS. Yes; that was the system that was used.

Mr. LAUSCHE. In examining the list of Senators on the conference committee representing the views of the Senate I find that eight are Democrats and five are Republicans. Is that correct?

Mr. STENNIS. That is correct.

Mr. LAUSCHE. May I ask the Senator to state the proportionate representation from the House? Was it three Democrats and two Republicans?

Mr. STENNIS. From the House there were three Democrats and two Republicans. I do not believe anyone could tell much difference between them during the deliberations.

Mr. LAUSCHE. The fact is that of the 18 members of the committee, 11 were Democrats and 7 Republicans?

Mr. STENNIS. I assume that the Senator's arithmetic is correct.

Mr. LAUSCHE. Does the conference committee of that political complexion recommend to us that the bill now provides adequate moneys for our national defense for the fiscal year of 1961?

Mr. STENNIS. I am certain that not every conferee thinks the money provided is adequate for every individual program, but allowing for the fact that all these projects are contained in the program for the coming year, I personally think it is a balanced program and a very strong program as a whole. I speak only for myself.

Mr. LAUSCHE. I heard the Senator from Mississippi say only a moment ago that in some categories of the bill he would have liked to increase the amount, and in others he would have preferred to decrease it, but on the basis of the entire program, he feels that the sums allotted are well balanced?

Mr. STENNIS. I believe we were fortunate to settle for the figures presented in the report, as I see it, after going through all the hearings and every activity that I have been engaged in this year.

Mr. LAUSCHE. I ask whether the Senator from Mississippi can answer whether in his opinion doubts have been resolved against adequate national defense or in favor of adequate national defense and, if necessary, excessive national defense?

Mr. STENNIS. In my opinion, doubts have been decided in favor of strength rather than against it.

Mr. LAUSCHE. As a citizen of the United States, entrusting my safety to the Congress, would the Senator from Mississippi say that I ought to believe that the conferees had in mind attempting to insure that our defenses would be adequate?

Mr. STENNIS. Certanly that was the general purpose I had, and I think that was the thought of all conferees. We had this responsibility. I do not think there was any regard given, except by very few, if any, to what the total cost would be. We were concerned about whether some of it would be spent in some of the programs.

Mr. LAUSCHE. I constantly hear the argument made that we are deficient as compared with the strength of Soviet Russia. Is it fair to say that the people of the United States should understand that we have accumulated strength that cannot be publicly described and publicly told?

Mr. STENNIS. I could not fully answer that question. I certainly do not share the doubts about our strength that some have. But I think as of now we have tremendous striking power that no nation dare challenge, and if it did, it could not survive.

Mr. LAUSCHE. The statement of the Senator from Mississippi confirms the testimony that I have heard from numerous representatives of the Defense Department. The words of the Senator from Mississippi practically parallel that testimony. May I say from my understanding and from information that I have acquired I know of strength that has never been discussed.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I merely wish to add one sentence to what the Senator from Mississippi has so well said. To the best of our knowledge, based on careful study, we have accumulated the necessary strength today and we are building strength toward 1961, 1962, and 1963.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Louisiana, who has been standing for some time.

Mr. LONG of Louisiana. I thank the Senator from Mississippi. I congratulate the chairman of the Senate conferees, the Senator from New Mexico

[Mr. CHAVEZ], for all the long and arduous work he has done on the bill and also for bringing to the Senate the conference report. He has been diligent. He has shown a great understanding of the need of the defense of this country.

I should like to have seen more funds provided in certain cases. However, I believe that the conference has done everything that could be done to uphold the position of the Senate, and I am impressed by the fact that the members of the conference who have been mentioned are well versed in the defense needs of this country. They are members who, traditionally, do everything they can to provide in all respects for the adequate defense of this country.

The one thing we must keep in mind is that merely because we appropriate money, that does not mean that we can make the Executive spend it. I was in Congress some years ago when we appropriated for the Air Force $500 million, which President Truman was unwilling to spend. Then along came the Korean conflict, and the best planes we had were very small in number, because the President had impounded that money. Only a few of the latest type that were being constructed at that time were built. So when we get down to the real situation, we find that, although we may be going over the President's budget by $594 million——

Mr. STENNIS. It is more than that, I believe.

Mr. LONG of Louisiana. Even if we insist upon appropriating more money, there is no way in which we can compel the President to spend that money, and the probabilities are that he would not do it even if we insisted on giving him vast additional funds.

Mr. STENNIS. The Senator has summed up the question correctly, I believe. The question is whether this money will be spent on the major programs, particularly the augmented programs. The question is not whether it is enough, but whether it will be spent.

Mr. LONG of Louisiana. We will be very fortunate if the administration spends the additional money. I will vote for the conference report in the hope that the President will go at least as far as the conferees went.

Mr. STENNIS. I hope so.

Mr. CHAVEZ. I should like to say to the Senator from Louisiana that the bill is $660 million above the budget. I do not know whether he is going to spend the $660 million.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. SYMINGTON. Mr. President, first I should like to commend my good friend from Mississippi for the diligent work he has done in this field, and also commend the chairman of the subcommittee, the very able senior Senator from New Mexico [Mr. CHAVEZ], for his work on the bill.

Am I to understand that the Senator from Mississippi feels that there is no need of appropriating any more money because the executive branch of the Government will not spend it, or because he believes the amount in the bill is the right figure?

Mr. STENNIS. The Senator from Missouri has asked a very good question and a very fair question. I believe that, generally, the bill contains enough money on these other programs for the succeeding 12 months. I hope that it will be spent, particularly on Army modernization and on the airlift and on the B–70. I know that the Senator from Missouri has very firm ideas about the air alert. It is on only a few items that I have not been able to see exactly as he does with reference to some of these programs. The Senator from Missouri is always out front. He is always pushing for these programs. He is usually right, in my opinion.

Mr. SYMINGTON. I thank my friend from Mississippi. There is no one in the Senate from whom I would rather have that commendation. We have a great many differences of opinion as to whether money should or should not be spent in various fields. We know that our situation around the world is getting increasingly tense. I believe that is a fair statement, and that the Senator will agree with it.

Mr. STENNIS. The Senator is correct, I believe.

Mr. SYMINGTON. Regardless of our differences of opinion as to whether we should have more or less for the Navy or Army or the Air Force, or whether the executive branch will or will not spend the money, what justification is there, with the way the world is, for spending a smaller percentage of our gross national income for defense, than we have any other year since just prior to the Korean war?

I should like to ask the Senator from Mississippi if he does not think there is some logic in that observation.

Mr. STENNIS. I think there is a great deal of logic in what the Senator from Missouri has said. It still leaves room for disagreement as to how much the increase should be. I do not see any hope in the affairs of the world that would give a basis for luring these programs or letting down our guard.

I believe in putting the money on the front weapons, and I share with the Senator from Missouri the idea that a purely defensive program will not do the job. Certainly we must keep these programs moving forward. The Senator from Missouri has contributed greatly to that thought in this bill, regardless of whether it is as much as he wishes it would be.

Mr. SYMINGTON. Does not the Senator from Mississippi agree with me that we can perhaps cut further the percentage of our gross national product we devote to our national defense and still not have a war. But it is known that our Army is much smaller and is not as well equipped, and that we do not have as many submarines as the Russians have, or as great a missile launching capacity as the Russians have. These facts are known to Mr. Khrushchev and his colleagues. Does not the Senator from Mississippi believe that these deficiencies are going to be reflected in the possibility of our success or lack of success in so-called summit conferences or other conferences?

Mr. STENNIS. The Senator is undoubtedly correct. It is a matter now of negotiating from a position of strength, and increasing the strength of modern weapons, rather than lessening it.

Mr. SYMINGTON. I thank the Senator.

Mr. STENNIS. I thank the Senator.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. WILLIAMS of Delaware. When the Senate enacted the defense appropriation bill it approved an amendment providing for mandatory competitive bidding in all cases where it would be feasible to do so. Was that amendment retained in the bill?

Mr. STENNIS. That amendment by the Senator from Delaware was kept in the bill, and it will become law if the conference report is adopted.

Mr. WILLIAMS of Delaware. I thank the Senator. While we may insist upon spending $40 billion for defense, the mere spending of the money is not going to give us defense if we continue the practice of the Defense Department of awarding contracts to other than the lowest responsible bidders. Instead, it will waste money. The Defense Department should pay attention to the fact that it is the intention of Congress to award contracts in all cases where it is practical to do so on a competitive bid basis to the lowest responsible bidder.

Mr. STENNIS. The Senator has correctly stated the situation. The amendment has been retained in the bill, and the words are "when practicable." That is a wide gate itself, and perhaps we will have to write a more modern law on procurement when it comes to covering individual cases.

Mr. WILLIAMS of Delaware. Eventually we will need to enact corrective legislation. Of course I realize that in an appropriation bill we cannot express it exactly. I am thinking of things like missiles and new type vessels, on which bids could not be solicited. However, in the procurement of standard items, it is expected that the provision of the amendment will be carried out.

Mr. STENNIS. Yes.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CASE of South Dakota. As one who has followed the so-called great debate of this year on our defense posture, both in the Committee on Armed Services and in the Appropriations Committee for the defense appropriation bill, I wish to say that a good job has been done. It is not an easy matter to reconcile all the different points of view or various programs that have arisen. I am particularly appreciative of the fact that expression has been given to the things that would increase the capacity of the United States and its strength, on which it could rely.

I have in mind additional funds for the B–70 program, for the Polaris program, for the submarine program, for the aircraft carrier. They are in-

creases in strength which will be under our own control. I have the growing feeling that in the past years too much of our defense put us in the position where it rested upon the availability of bases to which we might not have access in case of need.

I think the several items I have mentioned, as well as the funds for the modernization of the Army, increase our ability to the point where we can rely upon ourselves; where we have control of the materiel and weapons, in case we want to use them.

I think our mobility, our flexibility, and our posture of defense are improved by the features of the bill to which I have referred, and by some others which I shall not take the time to mention.

The preparation of the report required the consistent, intelligent effort of all members of the conference committee. I express my appreciation for the results.

Mr. STENNIS. Mr. President, the Senator from South Dakota, as usual, has made some excellent, cogent points in summary, especially the emphasis, in which I agree, on the positive plans and programs which will be under our control, leaving us in a situation in which we will be more independent of foreign bases.

Mr. CLARK. Mr. President, in view of the comment made by the junior Senator from Louisiana [Mr. LONG] a moment or two ago, I may observe that the next President of the United States will take office in January and will have available to him for the first 6 months of his term, or the last 6 months of the present fiscal year, only the moneys which we appropriate now, unless we pass a supplemental appropriation bill.

I think, in justice to the next President of the United States, whoever he may be—and he may now be a Member of this body—we ought to give him the fullest amount of appropriation available to secure the safety and well-being of the United States.

For that reason, and with deep regret, I shall vote against the conference report.

Mr. HART. Mr. President, I desire only to make an explanation in the RECORD for the action I shall take in not agreeing to the conference report. I do so only for the reasons set forth in the RECORD on the vote on the Jackson amendment on June 16, at page 12830 of the CONGRESSIONAL RECORD. The reason has to do particularly with machine tools.

Mr. GOLDWATER. Mr. President, while I thank the distinguished chairman of the Subcommittee on Defense Appropriations [Mr. CHAVEZ] and all the other Senators who represented this body in what I think is a very excellent piece of work, I have always been a politician who believes it is the duty of the minority and also the duty of the majority to criticize, when criticism or opposition is due.

Nevertheless, I believe there is quite a difference between opposition and downgrading the United States. I am becoming a little sick and tired of hearing the United States referred to as a second-rate power; of hearing the United States referred to as a country which has lost prestige in the world. I am becoming a little tired of reading it in the morning newspapers and the evening newspapers, and listening to it on the Senate floor. I think it is time that we Senators stiffen our backs and try to help our country, instead of taking it downhill.

I refer particularly to one statement, repeated day after day, regarding the so-called failure of the summit conference and the fact that that caused the United States to lose face and lose position.

Have we ever taken the trouble to consider what Russia lost as a result of the admissions of Khrushchev that the U–2 was flying above the heartland of Russia for 4 years? What was that admission? Mr. Khrushchev has admitted to the world that Russia cannot adequately defend herself against air attack. I think that in itself makes of the summit failure one of the great triumphs which the United States and the free world have had against communism since World War II.

Since 1956 our Air Force has had fighter planes which have had the ability to shoot down the U–2, even though it could fly at 60,000 or 70,000 feet. We have aircraft in our inventory today which could attack the U–2 from above. But obviously the Russians have nothing like that. They have no aircraft which could zoom and attack up to 60,000 feet. Obviously, they have no rocket that an aircraft could carry which could be launched from that altitude to shoot down the U–2.

I can picture the complete and utter frustration of the radar operators in Russia as they watched our plane travel across their skies day after day for 4 long years. That, in my opinion, is on the plus side. We Americans should be proud of that.

I do not like to hear American manufacturing ingenuity, which developed the U–2; American courage, which flew the U–2; and American intelligence ingenuity, which conceived of the whole project, being talked down and laughingly referred to as an incident in history which downgraded the United States of America. That ability, to me, is something of which we should be proud; something we should boast about. It is something we should not be ashamed of. I look upon it as a victory for the United States, not as a defeat.

I am one who says that the only summit conference which will ever succeed is the one which we do not hold. So I should be happy over the fact that a summit conference was not held. However, I am extremely happy and proud of the way our President conducted himself during the insulting incident in Paris. I am proud of my country because of its ability to produce men who can produce the U–2 and fly it.

This evening, on the floor, we have heard repeated references to the percentage of our gross national product as compared with Russia's. I do not know what Russia's gross national product is; but it is far below ours. It is normal, then, that a gross national product which is below ours would have a higher percentage figure spent from it for defense purposes. I can recall the days during World War II when the United States spent 42 percent of its gross national product.

I think we should be proud of a country which can have a gross national product, growing at the rate ours is growing, and in which the defense budget represents 7.8 percent of our current gross national product.

I am growing sick and tired of the talk about American inefficiency, American boo-boos, and American failures at summit conferences. I am getting tired of Americans who will not recognize that the Communists are out to win the cold war, and that we can expect more and more Japanese incidents, and more and more Cuban incidents. I think we should steel our backs and make up our minds to do something constructive. Let us not sit back and criticize our country at a time when our country needs our backing.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. JAVITS. Although I may approach this matter from a different point of view, and perhaps we may differ upon many individual details, steps, and positions which ought to be taken, I wonder if the Senator from Arizona would not agree with me in the fundamental thought that we do not want to convey the idea—because I have reacted in the same way the Senator has—that we do not like people to say we are weak and that our prestige is low, because if it is, we will have to admit it and find a way to improve it. However, I think our prestige is not low. Our strength is growing, and our prestige is high. We may differ very seriously about how to keep it there.

All of us know that this particular defense appropriation bill, whatever little inadequacies it may have, whether it is $1 billion or $2 billion—and I voted with the Senator from Washington [Mr. JACKSON], too, just as many other Senators did—fits into the general context of our military preparation. It bespeaks what our people are ready to do and the degree of sacrifice they are willing to undertake.

I agree with the Senator that the idea of writing ourselves down and saying that we are not strong, that we are weak, that we do not have prestige, that our prestige has gone out the window, is hardly calculated to get from the American people that degree of sacrifice and support which I think winning the cold war will require.

I wanted to refine the point, because I have little doubt that the Senator feels as I do.

Mr. GOLDWATER. I could not agree more wholeheartedly with the Senator from New York. I am grateful to him for helping me in the position I have taken. I hope and pray that more Senators will take the same position, namely, that the United States is not weak. The United States militarily, is the strongest country in the history of the world.

The Russian Air Force would not dare attack the United States. Our Strategic Air Command and the whole concept of our Air Force is so vastly superior to Russia's that Russia knows it, and she will not engage us in the air.

Mr. President, I have just been handed some figures. I will enter them in the RECORD. They compare Russia's gross national income with ours.

In 1958, Russia's gross income was $186 billion; ours was $427 billion.

In 1965, Russia's will be $280 billion; ours will be $614 billion.

In 1970, Russia's will be $370 billion; ours will be $765 billion.

Mr. President, there is no weakness in those comparisons.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. BUSH. I believe the Senator is speaking of gross national product; is he not?

Mr. GOLDWATER. Yes; I am.

Mr. LAUSCHE. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. LAUSCHE. Let me point out that the Senator from Arizona has not included in the figure for comparative income or gross national product that of our allies. When that is added to ours, and when we combine the figure for the gross national product of Soviet Russia with that for Communist China and the figures for the gross national products of the other countries in that bloc, the difference is further accentuated.

Mr. GOLDWATER. The Senator from Ohio is correct.

Mr. LAUSCHE. I subscribe to the Senators' remarks—when, in the course of making a point, he stated that we should stop the downgrading of our country—downgrading it militarily and from a diplomatic standpoint—downgrading it to the point where we put a halo of holiness on the head of Khrushchev.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. YARBOROUGH (when his name was called). On this vote, I have a pair with the distinguished junior Senator from Missouri [Mr. SYMINGTON]. If the Senator from Missouri were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The legislative clerk resumed and concluded the call of the roll.

Mr. MANSFIELD. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Montana [Mr. MURRAY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

On this vote, the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from Massachusetts [Mr. KENNEDY].

If present and voting, the Senator from Arkansas would vote "yea" and the Senator from Massachusetts would vote "nay."

I further announce that, if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

The Senator from Kentucky [Mr. COOPER] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 83, nays—3, as follows:

[No. 268]

YEAS—83

Aiken	Engle	McNamara
Allott	Ervin	Magnuson
Anderson	Fong	Mansfield
Bartlett	Frear	Morse
Beall	Goldwater	Morton
Bennett	Gore	Moss
Bible	Green	Mundt
Brunsdale	Hartke	Muskie
Bush	Hayden	Pastore
Butler	Hickenlooper	Prouty
Byrd, Va.	Hill	Proxmire
Byrd, W. Va.	Holland	Randolph
Cannon	Hruska	Robertson
Capehart	Jackson	Russell
Carlson	Javits	Saltonstall
Carroll	Johnson, Tex.	Schoeppel
Case, N.J.	Johnston, S.C.	Smathers
Case, S. Dak.	Jordan	Smith
Chavez	Keating	Sparkman
Church	Kerr	Stennis
Cotton	Kuchel	Talmadge
Curtis	Lausche	Thurmond
Dirksen	Long, Hawaii	Wiley
Dodd	Long, La.	Williams, Del.
Douglas	Lusk	Williams, N.J.
Dworshak	McCarthy	Young, N. Dak.
Eastland	McClellan	Young, Ohio
Ellender	McGee	

NAYS—3

Clark	Gruening	Hart

NOT VOTING—14

Bridges	Kefauver	O'Mahoney
Cooper	Kennedy	Scott
Fulbright	Martin	Symington
Hennings	Monroney	Yarborough
Humphrey	Murray	

So the report was agreed to.

The PRESIDING OFFICER (Mr. Moss in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 11998, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.
June 30, 1960.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 17, 51, and 52 to the bill (H.R. 11998) entitled "An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$174,686,000".

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$4,243,398,000".

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In line 1 of said amendment, strike out "534" and insert "535".

Mr. CHAVEZ. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate Nos. 26, 28, and 58.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

Mr. BARTLETT subsequently said: Mr. President, I voted for the conference report on the Defense Department appropriation bill despite the fact that I am in substantial agreement with the Senator from Missouri [Mr. SYMINGTON] and those who joined with him during the debate on the conference report. I am far from convinced that in the area of defense we are making the effort that these times and these circumstances should demand. We are expending on this proposition of national survival too little of our national product, in my opinion. Quite obviously, it seems to me, our national military strength does not equate with our national commitments. I thought this to be glaringly apparent when in the Far East in 1959. And there, as in other areas, the situation has deteriorated instead of being improved during the intervening months.

We are strong enough, we are rich enough, we are vigorous enough, we are imaginative enough to do whatever requires doing so that no potential aggressor will see fit to tackle us. But in these times—and for the first time in history—there will not be opportunity for us to prepare after the fighting starts if, unhappily, it should start. We must be in an immediate state of readiness.

Mr. President, I voted for the conference report despite the really alarming announcement yesterday that the Air Force has decided to close out one of its three operational bases in Alaska. Not long ago the Air Force disclosed an intention to strengthen the fighter-interceptor squadron at Ladd Air Force Base, near Fairbanks. A few weeks later the decision was completely reversed, and announcement was made that the squadron was to be withdrawn entirely. My Alaska colleagues, the junior Senator

[Mr. GRUENING] and the Representative in the House, Mr. RIVERS, and I protested this decision, but unavailingly. There was no remote hint then when we met with responsible civilian and military officials in the Department of Defense that more of a cut at Ladd than this was being planned. It must have been under most serious consideration then, and for all I know was even made at that time. I think it is shocking, no less, that the elected representatives of the people are not even informed of such impending events. But more serious by far is the fact that this strategic area is now being so substantially weakened in a military way. The lowered guard we shall now offer is dangerous, dangerous not only for Alaska and Alaskans, but for all the other States and their citizens. No matter what is said, Mr. President, and no matter how loudly, I remain unshaken in a belief that the closing of Ladd Air Force Base is essentially budgetary. That is putting too high a value on dollars. Dollars are vital to the purchase of security. Security is more important than dollars.

However, Mr. President, I am quite aware of the fact that the Congress cannot execute laws. The Congress cannot well instruct the Air Force to keep a base here, there, or the next place. And I am very well aware of the additional fact, Mr. President, that the senior Senator from New Mexico [Mr. CHAVEZ] and his colleagues worked hard on this bill over a period of months. I wish there were money in the bill for Ladd—and, indeed, I believe the Air Force could and should take it from the funds we appropriate today. And I believe that our Army units in the Far East should be strengthened and that our capacity to airlift troops should be enlarged. All of this will be expensive. Congress has to have cooperation from the executive department not only in making available needed defense funds but in informing the country of the need. We face a future, Mr. President, when we may have to make heavy sacrifices. None can be too great for us to bear if they mean that we shall preserve for ourselves and our children that which we have. Very sincerely I fear that there is less surety of that than there ought to be when, for example, a great airbase in Alaska, so close to the Russian threat, is abandoned when our relationship with the people so close to Alaska across Bering Strait has deteriorated so alarmingly.

Once again, I wish to express gratitude to the members of the committee for their work, their devotion, and their dedication and to express a wish—that next year they will have before them a military budget completely realistic in terms of the peril we face.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT TO PROVIDE CERTAIN REFUNDS OF CONTRIBUTIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of the amendments of the House of Representatives to S. 2857.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER (Mr. MCGEE in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2857) to amend the Civil Service Retirement Act so as to provide for refunds of contributions in the case of annuitants whose length of service exceeds the amount necessary to provide the maximum annuity allowable under such act, which were, to strike out all after the enacting clause and insert:

That (a) section 11 of the Civil Service Retirement Act (5 U.S.C. 2261) is amended by adding at the end thereof a new subsection as follows:

"(h) Any amounts deducted and withheld from the basic salary of an employee or Member from the first day of the first month which begins after he shall have performed sufficient service (exclusive of any service which the employee or Member elects to eliminate for purposes of annuity computation under section 9) to entitle him to the maximum annuity provided by section 9, together with interest on such amounts at the rate of 3 per centum per annum compounded annually from the date of such deductions to the date of retirement or death, shall be applied toward any deposit due under section 4, and any balance not so required shall be deemed to be a voluntary contribution for the purposes of section 12."

(b) The amendment made by subsection (a) of this section shall be effective only with respect to employees or Members separated from the service after the date of enactment of this Act.

SEC. 2. (a) Section 8(b) of the Civil Service Retirement Act (5 U.S.C. 2258(b)) is amended by adding at the end thereof the following new sentence: "Any Member who is separated from the service after completing twenty or more years of service (including ten or more years of Member service) may be paid a reduced annuity beginning at the age of fifty years, computed as provided in section 9".

(b) Section 9(d) of the Civil Service Retirement Act (5 U.S.C. 2259(d)) is amended by inserting, immediately following "section 6(f)", the following: "or the third sentence of section 8(b)".

SEC. 3. (a) Section 13(b) of the Civil Service Retirement Act (5 U.S.C. 2263(b)) is amended by adding at the end thereof the following sentence: "Any such annuitant whose described employment continues for at least five years may elect, in lieu of the benefit authorized by the proviso herein, to have his rights redetermined under the provisions of this Act upon deposit in the fund of an amount computed under section 4(c) covering such employment."

(b) The third sentence of section 6(f) of the Civil Service Retirement Act (5 U.S.C. 2256(f)) is amended by striking out "and completes twenty years of service" and inserting in lieu thereof "and (1) completes twenty years of service or (2) shall have served in nine Congresses".

SEC. 4. (a) Section 603(d)(1)(B) of the Legislative Reorganization Act of 1946, as amended (5 U.S.C. 724), is hereby amended by striking out "November 4, 1952" and inserting in lieu thereof "February 29, 1948".

(b) No annuity shall be payable by reason of the amendment made by subsection (a) of this section for any period prior to the first day of the month in which this Act is enacted.

SEC. 5. Notwithstanding any other provision of law, benefits under the Civil Service Retirement Act resulting from the enactment of this Act shall be paid from the civil service retirement and disability fund.

And to amend the title so as to read: "An act to amend the Civil Service Retirement Act so as to provide for disposition of contributions in the case of annuitants whose length of service exceeds the amount necessary to provide the maximum annuity allowable under such Act, and for other purposes."

Mr. JOHNSON of Texas. Mr. President, I understand the House has amended the bill. The Senator from Delaware [Mr. WILLIAMS] is an expert in this field. I yield the floor to him.

Mr. WILLIAMS of Delaware. Mr. President, at the time the bill passed the Senate, I opposed it on the basis that it would establish an entirely new principle in the retirement field. The House in amending the bill has improved the situation somewhat, but I still think it embraces the same proposition. For that reason, I shall not support the conference report.

The new principle is one of refunding to the retiree the amount of his contributions which are paid in after he has established his maximum eligibility. The Civil Service Commission also opposed the bill for this reason. If this principle were carried through on the entire civil service retirement systems, it would inevitably bankrupt the retirement fund.

As it is this bill applies only to Members of Congress and legislative employees.

Likewise, if the same principle were extended to social security its cost would be prohibitive, because under both systems the contributors must pay into the retirement fund as long as they work. For instance, under social security it is necessary to establish a minimum number of quarters—6 quarters at a certain age, 20 quarters at another age, 40 quarters at another age; it varies as to what the age might be. But once the person has established that eligibility by paying into the fund for the minimum number of quarters, he is not relieved of the requirement to pay into the system as long as he works.

We establish the same rule for all civil service employees—who are under the civil service retirement fund.

This bill contains a special provision to exempt only Members of Congress and our employees from these payments. I think in principle the provision is wrong. While I know the House has modified the provision somewhat, I desire to have the RECORD show that I still oppose the bill.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate concur in the amendments of the House

The motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which it concurred in the amendments of the House.

Mr. SMATHERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I desire Senators to be on notice that it is intended to call up the conference report on the Department of Defense appropriation bill. Before the conference report is considered, there will be a live quorum.

HEALTH CARE FOR THE AGED

Mr. MORSE. Mr. President, a letter addressed to the entire Democratic Congress was delivered to my office because it came from Portland, Oreg. The writer, Mr. H. D. Smith, has addressed to the Democratic Congress his views on health care for the aged. So that all Senators may have an opportunity to know his views, I ask unanimous consent that his letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *June 24, 1960.*

Democratic Congress.

Gentlemen: Why aren't we doing something about the condition our pensioners and low-income groups are in?

The health bill that is coming up before you is inadequate and a disgrace.

The Government has permitted prices to rise and the hospitals to charge prices far beyond the pocketbooks of the low-income groups, much less the people on pensions.

We have wasted money in China (under Chiang), Rhee in Korea, Batista in Cuba, and not a cent of the money helped the little people as it should have.

That is why we are in trouble now.

We give to those who don't need help but refuse to help those who really need it.

Medical care should not be in the form of charity.

The Government and high prices have robbed the elderly people of their little nest-eggs. Now the least the Government can do is give them medical care to ease their pain while they try to exist on our so-called social security.

Very sincerely,

H. D. SMITH.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT

Mr. MORSE. Mr. President, in addition to the objections which have been raised to House bill 10 by the Senator from Illinois [Mr. DOUGLAS], the Senator from Louisiana [Mr. LONG], and the Senator from Minnesota [Mr. MCCARTHY], in their minority views, a number of communications which I have received from Oregon express opposition to certain sections of the Finance Committee's version of House bill 10, on the ground that they are discriminatory against small business.

I gather that insurance companies are objecting to the requirement that there be a bank trusteeship over any pension plan covering self-employed or corporate owner-employees, but not the big corporations.

In fact, the owner-employee type of corporation is alleged to be discriminated against in several sections of the committee bill.

The objections to H.R. 10 in the minority report boil down to the claim that the bill creates a much bigger loophole than it closes. It permits exclusion from tax of 10 percent of income, up to $2,500 a year, if it is invested in a retirement fund, for the self-employed and for partners.

The tax would be paid when the individual retired and began drawing on the fund.

But, as the Senator from Illinois points out, the individual would be paying tax on a much lower income, and, therefore, at a lower rate. For employees now covered by regular pension systems, he pays a full tax on the amount he himself contributes to the pension fund, but not on the contribution of his employer, also deductible for the employer. He does pay on the latter when he draws his pension; and, of course, it is at a lower rate.

But most blue-collar workers do not stay on one job for the 30 or 40 years necessary to qualify for its retirement plan, whereas most executives do stay longer with one firm, particularly if they are part owners of it.

The Senator from Illinois states that it would be better to tax the individual currently for the contributions to his retirement made by his employers, rather than make the loophole much wider. Once it is widened this way, there will be more demands to make more people eligible for it.

What the bill does is to shift the income-tax base from one of current income to one of income spent. It puts savings in a tax-free position, even though savings of 10 percent of one's income are possible only for the upper-bracket income groups.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the communications to which I have referred.

There being no objection, the telegrams and the letters were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG.

Senator WAYNE MORSE,
U.S. Senate, Washington, D.C.:

Item 4e, H.R. 10, as approved by Senate Finance Committee and which will be reported to Senate this week should be amended before enactment to remove requirement for bank trusteeship of pension plan covering self-employed or corporate-owner employee. Small employers with few employees to be covered have normally used insured plans with individual trustees which arrangement gives absolute guarantees for benefits and keeps administrative cost at minimum. Employers who wish to take advantage of H.R. 10 should have free choice of bank trusteeship or individual trusteeship.

This item to our knowledge did not appear original Treasury alternative H.R. 10. Insurance companies would not have agreed so readily with Treasury approach had this item been known in advance. It discriminates unfairly against small employer who must keep pension costs at minimum and also against life insurance companies whose plans for small employer do not require bank trusteeship to effectively control benefits. Urge prompt action your part to amend bill before enactment to remove the objectionable feature.

Merrifield-Mitchell Agency, Connecticut Mutual Life Insurance Co., Harry B. Merrifield, Ted H. Willhite, George H. Bruse, Robert L. Mitchell, Gordon E. Wilson, Robert A. Elliott, Patrick B. Carr, Carroll P. Williams, Alton F. Chamberland.

MAIER & CHATTERTON,
Portland, Oreg., June 17, 1960.

Hon. Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: I feel that I cannot adequately express my apprehension of the amendments recommended by the Senate Finance Committee on H.R. 10 (see my letter of June 14), but I would like to make a further attempt.

For the first time in the history of tax legislation, special legislation against close corporations appears perilously close to enactment. Such action would set a dangerous precedent for future legislation against close corporations.

Among the recommended amendments are numerous restrictions to the setting up of qualified pension and profit-sharing plans by close corporations. For instance:

1. In the case of qualified plans established by close corporations, a bank must be the trustee. Freedom of choice would be forbidden to close corporations.

2. In the case of close corporations only, profit-sharing plans must provide immediate vested rights for all covered employees and have a definite formula for determining contributions. Large corporations have long reduced costs and increased benefits for loyal employees through the use of forfeitures occasioned by employee turnover and will continue to do so. Close corporations would have to pay the full cost for every eligible employee. Also, what possible justification is there for requiring a definite formula with respect to close corporations only?

3. Aside from a modest minimum permitted, a corporate owner-employee of a close corporation could not have more benefits than are contributed (and vested) in all other employees. This would apply even if the owner had only one low-salaried employee.

4. Stricter rules with respect to prohibited transactions would apply to close corporations.

5. In the case of close corporations only, a plan could exclude employees for 3 years only. Giant corporations can include employees for 5 years.

The question is not whether some of the tax privileges for qualified plans should be altered. The question is whether it is fair and morally right to attack the close corporation without affecting all other corporations.

At the end of 1929, there were but 110 qualified plans in operation, covering an average of 13,200 employees each. Profit-sharing plans established in 1959 cover an average of less than 42 employees.

Small corporations have just recently commenced setting up qualified plans on a large scale. The delay probably has been, to a large extent, their lack of understanding of the law. To some degree, these plans have helped small business compete with big business. Are we now to let a monkey wrench be thrown in the machinery and frighten close corporations away from taking advantage of favorable tax legislation?

Very truly yours,

HAROLD W. CHATTERTON.

MAIER & CHATTERTON,
Portland, Oreg., June 14, 1960.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: The Senate Finance Committee action on H.R. 10 (self-employed individual's retirement bill) is a direct blow against the small businessman, i.e., the individual who operates a business in which the owner himself performs the majority of the services and has a few employees.

Enclosed is a copy of a summary of the Senate Finance Committee's action. The discrimination against the small business-

man is sprinkled throughout as commented upon below. None of these provisions harm the large businessman one iota.

For instance:

4(a). A bank must be trustee (for all retirement plans of small businesses—not necessary for widely owned giant corporations). This is not only discriminatory against small businesses but is special privilege legislation for the banks.

4(f) and 4(g) prescribes special limitations (and added costs) on small businessmen who would be foolish enough to establish a retirement plan if this became law.

5. Small businesses have a special limitation not applicable to executives of large businesses.

12. Likewise, strictly discriminatory against small business.

The Finance Committee is endeavoring to discourage the establishment of retirement plans by small businesses. It will be another hurdle for the small businessman in his attempt to compete with big business.

This bill would protect the favorable tax treatment of retirement plans for large corporations while severely limiting the same privileges to small businesses.

I hope you will be able to do something to prevent this inequity.

Very truly yours,

HAROLD W. CHATTERTON.

STRENGTHENING THE ATLANTIC ALLIANCE

Mr. CHURCH. Mr. President, by passing Senate Joint Resolution 170 the Senate last week took a step toward extending and strengthening the Atlantic alliance. Like many other modest beginnings of important events, this action went largely unnoticed in the Nation's press. One newspaper which recognized the potential importance of Senate Joint Resolution 170 is the Washington Post. In an editorial published last Sunday, June 19, 1960, it expressed hope for the convention proposed by the resolution, and hailed this meeting as an example of the strength which free citizens give to a democratic nation. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COMMISSION FOR NATO

By a 51-to-44 vote, the Senate has taken an important step toward giving NATO greater meaning as an alliance of free peoples. The Senate approved a joint resolution which would assign to private citizens a role in enhancing the scope of NATO. The resolution—warmly endorsed by the State Department—would create a United States Citizens Commission on NATO, consisting of 20 private citizens who would meet with comparable delegations from other NATO countries in order to achieve greater cooperation in nonmilitary matters affecting the alliance. The Commission would not officially represent the U.S. Government—instead, it would be an informal, unofficial channel for contacts between NATO countries.

Some Senators feared the effect of conflicting voices that might result and this apprehension is reflected in the close vote. But a central difference between a free and totalitarian society is the recognition that the state is not a monolith and that a measure of dissonance is a source of strength, not weakness. For this reason, we hope that the House will also approve this modest proposal for giving private citizens a greater stake in a stronger NATO.

INTEREST OF SENATOR MUNDT IN SMALL TOWNS AND RURAL COMMUNITIES

Mr. CURTIS. Mr President, on June 17, 1960, the Beatrice Daily Sun, Beatrice, Nebr., paid tribute to our colleague, Senator KARL MUNDT, for his diligent work in the Senate recognizing the vast contribution made by rural people to the progress of America. His deep appreciation for that quality of character inherent in those who live on our farms and in our smaller towns fully deserves this excellent commendation.

The article reads as follows:

Senator KARL MUNDT, of South Dakota, has a special interest in small towns and rural communities. He has got through the Senate a bill to establish a Commission on the problems of such places. His State doesn't have any big cities; has only a few large towns, and swarms of small towns. Senator MUNDT has served five terms in the House and two terms in the Senate, He is up for reelection this year.

Whether his bill gets approval or not, he will win 6 more years in the Senate. He has the confidence of his people, as shown in election statistics.

South Dakota's smalltown and rural areas have lost population in the past 10 years. He has noted with regret this shrink and expresses his feeling in the CONGRESSIONAL RECORD as follows:

"The force for good which comes from the rural towns and communities is almost immeasurable. Every group dealing with population problems comes to recognize that from the small towns comes a great ground swell of moral responsibility and strength. The support of many of our traditions and institutions comes very often from the training and background which people have acquired in a rural setting.

Character and leadership are the real treasures of the Nation. Nowhere can they be acquired better than in a smalltown or rural environment. I speak of these things to indicate that a program for preservation and advancement of the small town has something more important than an economic argument to support it.

FISCAL POLICIES OF THE CONGRESS

Mr. CURTIS. Mr. President, a little more than a year ago the board of directors of the Fremont (Nebr.) Chamber of Commerce joined to state "a declaration of independence from Federal dependence." This declaration was widely supported and received national recognition. It reflected a public concern over fiscal policies of the Congress which was again reflected in the strong support given President Eisenhower's "economy vetoes" during the last session of the Congress.

Let me quote a portion of the declaration which calls for individual freedom, a free market, and limited government:

To avoid being deluded by glib tongue, trite phrase, and uneconomic thinking with promises of personal and financial security through the bait of Federal aid, there being no Federal aid, since Federal aid is our local money less the high cost of freight for political brokerage on its long trip to Washington and back, returned with the barnacles of Federal restrictions and bureaucratic controls.

As we enter the final days of a session, with its mounting pressures for more spending and expanded authority in Washington, I hope we will take heed again and rededicate ourselves to these principles adopted in the clear and composed atmosphere of a typical Nebraska community.

RESOLUTIONS OF 38TH NATIONAL CONVENTION OF THE IZAAK WALTON LEAGUE

Mr. HUMPHREY. Mr. President, it was a great pleasure and privilege for me to address the 38th National Convention of the Izaak Walton League of America, which met last week in Minneapolis, Minn.

It is also a pleasure and privilege to share with my colleagues the resolutions adopted by the league at the close of this convention.

Mr. President, I ask unanimous consent that these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION 1—NATIONAL WATER POLLUTION CONTROL PROGRAM

Whereas Public Law 660, passed by the 84th Congress in 1956, authorized Federal grants to stimulate the construction of needed municipal sewage treatment facilities; and

Whereas 4 years of operating experience under this act has clearly demonstrated that Federal grants have greatly stimulated such construction; and

Whereas studies and surveys by State and Federal agencies clearly indicate the need for an accelerated program of construction to keep pace with burgeoning populations; and

Whereas the 86th Congress passed H.R. 3610, doubling the amount of Federal grants, and the President in vetoing H.R. 3610 stated that "recommendations" will be submitted to the Congress for strengthening the enforcement provisions of the Federal Water Pollution Control Act; and

Whereas the Secretary of Health, Education, and Welfare, Arthur S. Flemming, in response to President Eisenhower's directive, has announced a National Conference on Water Pollution in Washington, D.C., for December 12–14, 1960: Therefore be it

Resolved, That the Izaak Walton League of America, in national convention assembled this 25th day of June 1960 in Minneapolis, Minn., urges Congress to enact legislation to—

1. Increase to $100 million the annual authorization to assist in the construction of State-approved municipal waste treatment facilities; and

2. Strengthen the enforcement provisions of the Federal Water Pollution Control Act to abate pollution of our Nation's waters; and be it

Resolved further, That the Izaak Walton League of America be fully represented at the National Conference on Water Pollution; and be it

Resolved further, That a copy of this resolution be forwarded to the President, the Director of the Budget, the Secretary of the Department of Health, Education, and Welfare, the Surgeon General, Members of the Congress, and the Governors of the respective States.

RESOLUTION 2—NATIONAL AIR POLLUTION PROGRAM

Whereas the air we breathe is necessary to life, and answers this necessity only when it is in a pure state; and

Whereas the 4 pounds of food and 5 pounds of water we consume each day must pass Government standards while the 30 pounds

of air we breathe is not subject to any such standards and cannot be rejected even if impure by the consumer; and

Whereas the pollution of the air by a variety of harmful substances may constitute a threat to the public health and comfort, and causes serious economic loss, not only adjacent to but also great distances from sources of such pollution; and

Whereas the problem it creates will increase in severity with expansion of population, urbanization, industry, transportation, and other factors of the Nation's accelerating economy; and

Whereas air pollution is often a local problem that must be solved locally with local ordinances and State laws: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, continue its policy of constructive interest in reducing all forms of atmospheric pollution, as adopted by the 1955, 1957, and 1959 national conventions; and be it

Resolved further, That the Izaak Walton League of America endorse the extension and expansion of the Federal Air Pollution Act, specifically by recommending elimination of the expiration date and increasing its appropriation ceiling; and be it

Resolved further, That the U.S. Department of Health, Education, and Welfare be urged to continue and expand its research on (a) existing and potential sources of air pollutants; (b) the health and economic aspects of air contamination by various pollutants that are known, as well as investigation of air pollutants that we breathe over long periods of time in small doses, which may be harmful without any physical evidence to the human senses at the time of exposure; (c) better methods for the detection and elimination of potentially dangerous air pollutants, including radioactive dust fallout hazards; and be it

Resolved further, That there be continued and improved cooperation between Government at all levels, industry, and the public in the dissemination of authentic public information and in the study and solution of air pollution problems by the appropriate authorities, and that the several States be urged to reexamine and strengthen their laws relating to the air pollution problem.

RESOLUTION 3—DISPOSAL OF RADIOACTIVE WASTES

Whereas the Izaak Walton League of America accepts the principle that conservation and wise use of natural resources, including all the waters of the earth, are basic to the survival of man; and

Whereas the seas, covering 70 percent of the earth's surface, comprise an increasingly important source of food; and

Whereas the seas, when conversion processes have been perfected, will provide an unlimited supply of fresh water for human uses; and

Whereas the coastal seas of the continents provide a recreation resource of incalculable value; and

Whereas the capacity of the seas to produce these values in perpetuity must seriously deteriorate if subject to systematic contamination; and

Whereas the seas, in the polar regions, in the deepest valleys of their floors and in the coastal and offshore waters of North America are being suggested as places for continued disposal of radioactive wastes: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, urge the Congress of the United States to take all necessary steps to prevent the disposal of radioactive wastes, or other dangerous materials, in coastal and offshore waters of the United States.

RESOLUTION 4—OIL WELL DRILLING IN PUBLIC WATERS

Whereas oil well drilling facilities have been erected in Lake Erie and Lake Huron which threaten contamination of the water resources essential for municipal consumption, sport and commercial fisheries, and recreation opportunities; and

Whereas similar oil well drilling presenting the same threat of contamination may be anticipated in other of the Great Lakes and inland waters of the United States: Therefore be it

Resolved, That The Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, seek Federal legislation, and through its State divisions seek legislation by the several States, which shall prohibit the drilling of oil wells in public waters, except under regulations which will remove all threat of contamination of the public waters.

RESOLUTION 5—CONSOLIDATION FOR IMPROVED MANAGEMENT OF FEDERAL PUBLIC LANDS

Whereas during the historical process of settlement and development of the Western States the more productive public domain lands were generally transferred to private ownership through operation of the public land laws; and

Whereas this largely uncontrolled system for disposal of the public lands has left in many places in the West an undesirable intermingling of private and public lands; and

Whereas efficient and effective management of the public lands in the public interest requires that Federal ownership be consolidated so as to assure public access, public recreation, watershed and fire protection and scientific management of range, forest, and other renewable natural resources; and

Whereas existing land exchange procedures have proved to be largely ineffective and exchanges-of-use agreements promise only temporary solutions at best: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, urge the Federal land management agencies to improve and expedite their land exchange programs, and further urge the Congress of the United States to appropriate adequate funds to the Federal land management agencies and take such other action as may be necessary to complete essential land exchanges at the earliest possible date; and be it further

Resolved, That the Izaak Walton League of America reiterates its long time policy of opposition to mass transfer of public lands to other ownership.

RESOLUTION 6—1960 SUPPLEMENT TO COLUMBIA RIVER BASIN POLICY ADOPTED AT THE 37TH ANNUAL CONVENTION

The Izaak Walton League of America commends the International Joint Commission for progress in laying the groundwork for agreement between Canada and the United States for mutually beneficial development of the power and flood control resources of the Columbia River system in Canada, and urges all citizens to support, as the league supports, the efforts of the United States team negotiating with a Canadian group on terms of a proposed treaty to implement and fulfill understandings already reached.

The league urges the U.S. negotiators to bear firmly in mind these factors related to the U.S. fishery, both commercial and recreational:

That two dams in Canada at Mica Creek and Arrow Lakes could provide approximately as much usable storage for flood control in the United States as the 13 U.S. projects recommended by the Army Corps of Engineers in its major water plan (1958);

That the Canadian dams could provide at least 1,500,000 kilowatts of firm energy in downstream benefits at existing Federal dams in the U.S. portion of the Columbia River, without any risk to salmon and steelhead, while several of the proposed U.S. dams would certainly deplete the remaining fish runs; and

Therefore, the Izaak Walton League of America prays for the early conclusion of a treaty with Canada providing equitable and mutual advantages to both countries, including the preservation of remaining salmon and steelhead runs.

RESOLUTION 7—NATIONAL AQUARIUM

Whereas the fresh water and marine fishes, shellfish, plants, and animals comprise an increasingly important resource for all the peoples of the world; and

Whereas programs for the conservation, wise use, and management of these resources at the local, State, national, and international levels will depend ultimately upon having an interested and informed public; and

Whereas the United States has obligations and responsibilities to foster public interest in these resources and encourage education of the public concerning them; and

Whereas living exhibits of the world's fish, shellfish, aquatic plants, and animals would excite the interest of the public and provide a focal point for educational programs; and

Whereas the existing national aquarium, located in the basement of the Department of Commerce, while excellent for its size, is wholly inadequate and fails utterly to represent the vast aquatic resources of the world, their importance to civilization and America's fundamental interest and concern in them; and

Whereas the Nation's Capital should provide an aquarium worthy of the United States and comparable to the National Gallery of Art, the Library of Congress, the Smithsonian, and other national institutions which long since have proved their value to all the people; and

Whereas such a facility would serve important scientific purposes and essential educational and cultural purposes for the millions of schoolchildren and others who visit Washington each year: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, urge the Congress of the United States to enact legislation to establish in the city of Washington a national aquarium worthy of the name, with the responsibility for its planning, construction, and operation placed in the Secretary of the Interior, who shall have authority to cooperate with all Federal and State agencies and private interests which are concerned.

RESOLUTION 8—BOATING ON YELLOWSTONE LAKE, YELLOWSTONE NATIONAL PARK

Whereas motorboating on Yellowstone Lake in Yellowstone National Park has reached such magnitude (approximately 6,000 boats during summer of 1959) as to constitute a serious threat to essential park values, including the wilderness character of the upper arms of the lake; and

Whereas it is a basic tenet of the 1916 National Park Act that mass recreation use may not be permitted to develop in such a way as to destroy the natural features or to abridge the enjoyment of the natural features, which the national parks were established to preserve; and

Whereas the National Park Service, after full investigation and careful analysis, has determined that powerboats should be ex-

cluded from the three upper arms of the lake in order to prevent destruction of natural and irreplaceable resources and to assure opportunities for meaningful and contemplated enjoyment of such resources in the best long-range interest of all the people: Therefore be it

Resolved, That the Izaak Walton League of America commend and support the National Park Service for its adherence to the basic principles of its historic mission to protect and preserve the national parks in proposing to zone Yellowstone Lake with respect to the use of powerboats; and be it

Resolved further, That the Secretary of the Interior be urged to support fully the National Park Service in this action.

RESOLUTION 9—SAVE OUR SHORELINES

Whereas investigations by Federal, State, and local agencies and private groups reveal that the natural scenic, scientific, biological, and recreation values of America's shorelines along the Atlantic, Pacific, and gulf coasts and along the Great Lakes and inland waterways are disappearing in a tidal wave of industrialization, development, and urban sprawl, or otherwise are being made unavailable for public access, use, and enjoyment; and

Whereas this trend will inevitably accelerate under the pressures of population increases and an expanding economy even as these same pressures multiply the total public need for high quality shoreline opportunities; and

Whereas this dilemma can be solved only by public action, at Federal, State, and local levels, to implement a coordinated and dynamic national program to save our shorelines to acquire suitable shoreline areas, while that is still possible, for dedication to the public for recreation, scenic, scientific, and biological purposes; and

Whereas most of these areas, though not of national park caliber, are nonetheless urgently required to meet national demands for appropriate and seasonally balanced forms of public recreation, including but not limited to picnicking, fishing, boating, camping, swimming, hiking, nature observation, and the hunting of migratory waterfowl and upland and big game species consistent with applicable State laws and regulations; and

Whereas the growing public awareness of the problem is attested by a considerable number of specific legislative proposals now before the Congress, and by publicly announced programs of action developed by several States and now under consideration by such States: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June, 1960, commend the executive branch of the Federal Government and sponsors of shoreline legislation in the Congress, the Senate, and House Interior and Insular Affairs Committees, and other Members of Congress for their support and assistance in furthering such a national shoreline program; and be it

Resolved further, That the Izaak Walton League of America commend the States and State officials for their assistance in furthering shoreline objectives at the State level; and be it

Resolved further, That the Izaak Walton League of America urge early establishment by Congress of the Cape Cod, Padre Island, Oregon Dunes, and Point Reyes National Shoreline Areas; and urge an expedited program of study by agencies of the executive branch, in coordination with the States, of other suitable shoreline areas for establishment under Federal or State programs; and be it

Resolved further, That the Izaak Walton League of America lend its full support at National, State, and local chapter levels to further save our shorelines objectives through Federal, State, and local programs.

RESOLUTION 10—PESTICIDES COORDINATION ACT

Whereas severe losses of fish, birds, beneficial insects, and other desirable forms of life following large-scale application of chemical poisons in programs participated in by the Federal Government are now a matter of public record; and

Whereas such large-scale poisoning programs have raised serious questions as to their ultimate effects on the health and safety of mankind itself; and

Whereas official hearings, investigations, and other inquiries make it clear that in these programs at the present time little coordination exists among the Federal agencies responsible for agriculture, fish and wildlife, public health, and among such Federal agencies and concerned State agencies: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, urge the Congress to enact a pesticides coordination act that will require the U.S. Department of Agriculture, or any other department, to confer with the U.S. Public Health Service and the U.S. Fish and Wildlife Service, with the appropriate State agencies invited to participate, in advance of any major proposed pesticidal program; that the control agency's request for the program appropriation be accompanied by a joint report of the several affected agencies, which explains the nature and purpose of the proposed program, the hazards involved and recommends formulations, dosages, times, and methods of application of the poisons; and that the affected agencies also be required to have personnel in the field during spraying operations to make such surveys and investigations as are necessary to determine that the public health and fish and wildlife resources are fully protected.

RESOLUTION 11—ESTABLISHMENT OF A TRUE PRAIRIE NATIONAL PARK

Whereas the National Park System has been established, among other purposes, to preserve unimpaired for the scientific, cultural, and recreational benefit of future generations, significant samples of major plant and animal ecological associations native to the United States; and

Whereas no such national park area has yet been established to preserve a sample of the true (tall grass) prairie and its associated fauna that stretched westward from Indiana into Kansas and southward from Minnesota to the Gulf of Mexico; and

Whereas the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments has recommended the establishment of a true prairie national park; and

Whereas careful studies over many years by competent specialists have shown that the best remaining samples of this once vast grassland are in Kansas; and

Whereas the few remaining areas are being lost to the plow, highways, and other development so rapidly that no suitable area will remain a few years hence: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, support establishment of a true prairie national park and urge the National Park Service and the Department of the Interior to make an immediate selection of a suitable area acres for establishment of such true prairie national park; and be it

Resolved further, That the Izaak Walton League of America urge the administration and the Congress to take all necessary steps to establish the true prairie national park at the earliest possible date.

RESOLUTION 12—JOHN DAY DAM PROJECT

Whereas the Columbia and Snake River drainages are primary migration routes for waterfowl and other migratory species of the Pacific flyway; and

Whereas the Federal Government has obligation to the people of the United States and, by international treaty with Canada and Mexico, to protect and sustain the migratory bird resource; and

Whereas thousands of acres of habitat in the Columbia and Snake River Valleys of major importance to waterfowl as feeding, nesting, and wintering areas, and also valuable for public hunting, have been destroyed as a result of the construction of dams by the United States; and

Whereas loss of natural feeding grounds has already contributed to waterfowl depredations on agriculture crops; and

Whereas the John Day project will destroy an additional several thousand acres of habitat of major importance for waterfowl and public recreational hunting; and

Whereas these waterfowl management requirements can be replaced in part by a comprehensive and coordinated program of land acquisition and development in the John Day project area, plans for which are under consideration by the U.S. Army Corps of Engineers and the U.S. Fish and Wildlife Service: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, urge the U.S. Army Corps of Engineers and the U.S. Fish and Wildlife Service to complete their plans at the earliest possible date and take all necessary steps to implement such plans as authorized by the amended Fish and Wildlife Act of 1959; and be it

Resolved further, That the Izaak Walton League of America respectfully urge the Congress of the United States to recognize enhancement of waterfowl resources as a purpose of the John Day project and take such appropriate action as may be necessary for full implementation of the plans.

RESOLUTION 13—ST. JOHNS RIVER BASIN

Whereas the water resources of the upper St. Johns River Basin of Florida are of vital importance to the public welfare, for human consumption and other purposes, and provide in natural condition a highly productive habitat for fish and wildlife, including waterfowl, as well as maintaining an equalizing force against salt water intrusion; and

Whereas current Federal-State proposals for diversion and draining of such water resources would damage such public values and additionally threaten serious damage to fish, wildlife, and other public values in the Indian River and adjacent coastal waters; and

Whereas proposed measures could result at times in reversing natural flow with resultant damage to agriculture and headwater marshes and further compound damages from diversion into the overburdened St. Lucie River via its north fork: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, oppose such drainage and diversion measures as would irreparably damage public values of the St. Johns River Basin water resource, and endorse the impoundment areas for the upper St. Johns as proposed by the U.S. Army Corps of Engineers.

RESOLUTION 14—LAKE OKEECHOBEE FLOOD CONTROL

Whereas unnatural conditions have resulted from improper execution of the original Lake Okeechobee water control concept with irreparable damage to natural resources; and

Whereas the resources of the everglades region south of Lake Okeechobee, including Everglades National Park, suffer damaging

drought during dry years from lack of water normally provided by Lake Okeechobee; and

Whereas floodwaters discharged to the east coast through the St. Lucie River cause extreme damage to fresh-water and coastal fisheries and other public values; and

Whereas proposed constructions diverting excess waters via the Caloosahatchee River to Florida's west coast areas are equally unsound and damaging: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, urge the appropriate Federal authorities to explore and investigate every possible means whereby a third outlet or safety valve canal on the south side of Lake Okeechobee can be constructed so as to prevent loss of life from flood, rehabilitate damaged lands to the south, restore normal and natural waterflows to damaged areas to the east and avoid upsetting the delicate natural resource balance to the west.

RESOLUTION 15

Whereas the Snake River and its tributaries, particularly the Salmon River of Idaho, support a major portion of the remaining anadromous fish runs of the Columbia Basin; and

Whereas the greatest threat to the perpetuation of these runs is a high dam proposed for construction at the Nez Perce site on the Snake River below the mouth of the Salmon River which would block all anadromous fish runs above that point; and

Whereas there is now before the Federal Power Commission an application for license to construct such a high dam at Nez Perce; and

Whereas there is also before the Federal Power Commission an application for license to construct as an alternative to Nez Perce dam the High Mountain Sheep dam at a site above the mouth of the Salmon River but below the mouth of the Imnaha River, which dam would have adverse effects on fish runs into the Imnaha and Upper Snake, but would not affect the far greater and more important runs into the Salmon River: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, reassert its vigorous opposition to the Nez Perce dam or other high dam on the Snake River below the mouth of the Salmon River or on the Salmon River itself, until such time as fisheries experts can develop assured means whereby such structures can be built without adverse effect on anadromous fish; reassert its hearty support of legislation (such as the Church-Neuberger bill, S. 2586 of the 86th Congress) which would create a Salmon River sanctuary; and reluctantly support High Mountain Sheep dam as a highly preferable alternative to Nez Perce, provided the best and most ingenious facilities for the mitigation of anadromous fish losses are incorporated in the project.

RESOLUTION 16—BULKHEAD AND FILL OF SHORELINE AREAS

Whereas bays, inlets, keys, rivers, marshes, mangrove, beaches, and other shoreline areas are of vital necessity to the maintenance of fish, shellfish, shrimp, other wildlife, and bird populations; and

Whereas such shoreline areas provide the resource base upon which many commercial fisheries, and a wide variety of public recreation opportunities wholly depend; and

Whereas such shoreline areas are the principal target of the developer who dredges and fills to create homesites to the destruction of such shorelines and the public values they produce; and

Whereas the long-range values of such shoreline resources will be far greater if they are maintained in a natural, productive condition for all the people rather than dredged and filled for real estate development and an advantage of the few: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, advocate at the national level, and through its State divisions at the State and local level, policies which would establish bulkhead lines at mean high water mark beyond which no filling is permitted, except in those instances when it can be proved that such would be in the long-term public interest.

RESOLUTION 17—PERTAINING TO PUBLIC ROADS INTO THE ROADLESS AREAS OF THE SUPERIOR NATIONAL FOREST OF MINNESOTA

Whereas there has always been opposition to the construction of public roads into boundary waters canoe area of the Superior National Forest; and

Whereas it has not been established that construction or legalization of public roads into the boundary waters canoe area of the Superior National Forest is in the best public interest or need; and

Whereas requests and petitions are presently before the county boards of Cook, Lake, and St. Louis Counties for legalization and construction of such public road: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., this 25th day of June 1960, reiterate its stand in opposing the legalization or construction of public roads into the roadless area of the Superior National Forest of Minnesota, as well as any roads of access to the roadless area, until all private lands which might be served by such points of access be acquired by the Federal Government.

RESOLUTION 18—MEMORIAL RESOLUTION

The Izaak Walton League of America, in 38th annual convention assembled this 25th day of June 1960, in Minneapolis, Minn., expresses its deep and heartfelt sorrow at the untimely death of Richard L. Neuberger.

As a writer and speaker, as a member of the Legislature of the State of Oregon and a Senator of the United States, Dick Neuberger exemplified the highest type of citizenship—interested, concerned, ceaselessly searching for the truth. He was a vigorous member of the Izaak Walton League of America and gave unstintingly of his time and abilities to further the principles and purposes of the League.

His death is a grievous loss to his friends, his State, and to the United States.

RESOLUTION 19—PROSPECTING PERMIT ON JEFFERSON NATIONAL FOREST, VIRGINIA

Whereas application has been made for permit to prospect for iron ore on the Blacksburg Ranger District of the Jefferson National Forest, known as the Dismal-No Business Game Management area, which includes a watershed used by a community as its source of water, and an area used extensively for other multiple uses including recreation, picnicking, timber production, and a cooperative wildlife management area which supports one of the two remaining elk herds in the East; and

Whereas the best scientific information available, the ore contained in this mountain top sandstone deposit is very low grade and a strip mining operation would leave approximately 80 percent waste residue on or near the mountain top; and

Whereas consideration and evaluation of the available facts indicate prospecting would be conducive to the exploitation of our national forest in conflict with the best interest of the greatest number of people using and enjoying this great national forest, a threat to health and welfare by pollution of a water supply source, and destruction of other important surface resources of sizable public value: Therefore be it

Resolved, That the Izaak Walton League of America in regular national convention assembled this 25th day of June 1960, in the city of Minneapolis, Minn., does recommend that the Forest Service not grant a permit for prospecting on the aforesaid area because of the jeopardy to the presently established and recognized multiple use values of the Jefferson National Forest.

RESOLUTION 20—RESOLUTION OF APPRECIATION

Whereas a national convention requires an untold amount of planning, hard work, sweat, and even tears; and

Whereas this convention has been a success in a land of handsome efficient men and beautiful intelligent women: Therefore be it

Resolved, That the Izaak Walton League of America in national convention assembled in Minneapolis, Minn., the 25th day of June 1960, commend and express our deep appreciation to National Convention Chairman T. N. Berquist, Cochairman Mrs. Del Lorice Olson, the Minneapolis-St. Paul chapters, the Minnesota Division chapters, and the so often unmentioned national staff, and the excellent news coverage by the press, especially the Minneapolis Star and Tribune; and be it further

Resolved, That this resolution be reprinted in Outdoor America.

HEALTH CARE FOR THE AGED

Mr. HUMPHREY. Mr. President, I have received a very interesting letter from the daughter of an elderly couple. This letter strengthens my belief that Congress this year must add a program of medical care for the aged to the social security program. We must make health benefits for our elderly citizens a matter of right, not a matter of charity which labels the recipients as paupers or indigent.

We must use the social security mechanism to provide health benefits to our elderly low-income citizens so that savings acquired during a lifetime of earnings will not be wiped out by unexpected illness and hospitalization.

Mr. President, I ask unanimous consent that the letter I have mentioned be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN.,
June 27, 1960.

Hon. HUBERT H. HUMPHREY,
Senate Chambers,
Washington, D.C.

MY DEAR SENATOR HUMPHREY: There is a great deal being said now about health care for the aged, and apparently work is in progress for help for the indigent. I wish something could be done about the many people like my parents, who are trying so hard to keep from being "indigents."

My parents are in their seventies. Their only income is a total of $91 per month social security. I am guessing they have less than $4,000 in savings, and by extremely frugal living, they are trying to make this last to cover all their emergencies and final expenses. I provide them with a house.

They have carried medical insurance for many, many years. The cost of their contract increased 85 percent in 1 year—from $27.30 in 1958 to $50.70 in 1959 for two

single contracts. Now, the benefits have been decreased considerably—they now must pay 20 percent of their hospital bill instead of only the first $25; they also are no longer covered for any hospitalization necessary for diagnostic study.

At their age, they don't dare discontinue their hospitalization. Still, the rates have gone up steadily in the past and we can expect the rates to continue to increase in the future. With an income of only $91 a month, they simply cannot afford to pay a fifth of it for hospitalization and we most certainly can expect that the rates will increase even higher than it is as present.

Recently, on radio station WCCO, they interviewed a sociologist from the University of Minnesota who conducted a research program on the aged. He said their greatest worry was their health and medical expenses. The sociologist also reported that 60 percent of the aged that were interviewed had not made any provisions for their old age.

Every decent American wants to remain independent and wants to keep off the relief rolls. Just as social security is not a relief, can't some health and medical plan be devised for the aged that allows them their independence and is not a relief project? I am so afraid that if a bill is passed giving medical care to the indigent nothing will be done for the low-income people who are trying so desperately to keep from going on relief.

Thank you for your attention.

Very truly yours,

Mrs. —— ————.

Mr. HUMPHREY. Mr. President, in recent years I have received thousands and thousands of letters from private individuals urging enactment of legislation to provide health benefits for our older people through the social security system.

I support such legislation and I hope this Congress will act soon on legislation along the lines of the Forand bill, the McNamara bill, which I joined in sponsoring, and my own proposal, S. 1151, to provide hospital and nursing home care for older people under social security.

I recently received communications in support of my position from the following organizations:

The St. Paul Trades and Labor Assembly; the Minnesota Welfare Conference; the School of Social Work of the University of Minnesota; the Stearns County Welfare Board; the Clearwater County Welfare Board; Local 1160 of the International Union of Electrical, Radio and Machine Workers; Bottlers Local 343 of St. Paul; Ely Local 386 of the American Federation of State, County and Municipal Employees; and St. Paul Printing Pressmen and Assistants Union No. 29.

Mr. President, I ask unanimous consent that the messages from these organizations be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN.

Senator HUBERT HUMPHREY:

The St. Paul Trades and Labor Assembly again renews its request for legislation patterned after the Forand bill. We urge you to use your best efforts to have the Senate pass a bill to provide medical care for our aged citizens.

E. D. MCKINNON,
St. Paul Trades and Labor Assembly.

MINNEAPOLIS, MINN.

Hon. HUBERT HUMPHREY:

The board of directors of the Minnesota Welfare Conference representing 1,900 members in Minnesota favor prepaid medical care coverage of older persons as an extension of the social security benefits.

MINNESOTA WELFARE CONFERENCE,
University of Minnesota.

MINNEAPOLIS, MINN.

Senator HUBERT HUMPHREY:

Urge you to support legislation providing medical coverage to aged persons as an extension of the social security principle.

Mrs. GISELA KONOPKA
Acting Director, School of Social Work, University of Minnesota.

ST. CLOUD, MINN.

Hon. HUBERT HUMPHREY:

The Stearns County Welfare Board, St. Cloud, firmly supports the board of directors of the Minnesota Welfare Conference in endorsing legislation which provides medical coverage to aged persons as an extension of the social security principle of coverage for all persons under OASDI. Our agency serves an area of over 80,000 population.

L. H. DAHM,
Director.

BAGLEY, MINN.

Hon. HUBERT HUMPHREY:

The Clearwater County Welfare Board supports legislation to provide medical coverage to aged persons as an extension of the social security principle.

CLEARMATER COUNTY WELFARE DEPARTMENT.

LOCAL 1160, INTERNATIONAL UNION OF ELECTRICAL, RADIO AND MACHINE WORKERS,
Minneapolis, Minn., June 27, 1960.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: We of Local 1160, IUE AFL–CIO urge you to vote and support the Forand bill. Our retired members are in great need of this type of legislation.

Sincerely,

FRED POLKEY,
Recording Secretary.

BOTTLERS LOCAL UNION NO. 343,
St. Paul, Minn., June 27, 1960.

Mr. HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: On behalf of Bottlers Local No. 343 I wish to urge you to support the Forand-type health-care plan.

With kind regards and best wishes, I remain,

Very truly yours,

JOHN H. WYANT,
Recording Secretary.

AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, A.F.L.–C.I.O.,
Ely, Minn., June 21, 1960.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: Local 386 has gone on record to urge your full support on all Forand-type amendments to H.R. 12580.

Unless Forand-type amendments are adopted, 12 million aged persons will not receive medical benefits unless they are so poor as to be classified as a pauper.

The peace of mind and dignity of the aged will not be safeguarded nor will younger persons be assured that their parents will be adequately protected.

We strongly urge your much needed support for this type of legislation.

Respectfully yours,

ERNEST A. DARGIS,
Financial Secretary.

ST. PAUL PRINTING PRESSMEN AND ASSISTANTS' UNION NO. 29,
St. Paul, Minn., June 21, 1960.

Hon. HUBERT H. HUMPHREY,
Senatorial Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: Needless to say there is an obvious need for the passage of a health care bill that will give our senior citizens the type of protection they are entitled to in their retiring years.

At our regular meeting this month, our members voted unanimously to endorse a Forand-type bill, and instructed me to contact you expressing our desire to have you do your utmost in support of this legislation.

With kindest regards, I am,

Very truly yours,

D. DONALD DALY,
Secretary-Treasurer.

Mr. HUMPHREY. Mr. President, I have received from a group of distinguished physicians a letter in support of legislation which would utilize the social security system to provide medical insurance for the aged.

This letter urges action by Congress on legislation along the lines of the Forand bill, H.R. 4700, my own proposal, S. 1151, and the McNamara bill, S. 3503, which I have joined in sponsoring.

Mr. President, I ask unanimous consent that this letter and the list of signers of the letter be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

AMERICANS FOR DEMOCRATIC ACTION,
Washington, D.C., June 27, 1960.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: We write in support of legislation which would utilize the social security system to provide medical insurance for the aged—the principle contained in H.R. 4700, sponsored by Representative FORAND, and S. 3503, sponsored by Senator MCNAMARA.

As a group of physicians, our support for the Forand bill is dictated by a belief that social insurance against the costs of illness is in the best interests of the patient and the medical profession, as well as the Nation.

The facts about the inadequate income and huge medical needs of older people have been presented in detail to congressional committees and are well enough known not to need repetition here. It is equally clear that private insurance plans are not, and cannot be, sufficient to meet the requirements of older people as a group. We have had enough experience with these plans to know that the poor risk designation of this group leads inevitably to inadequate coverage, exorbitant premiums, cancellation of insurance, or a combination of all three.

The medical and hospital costs of older people can be made self-supporting only if they can be averaged out by level premiums over the adult lives of the insured and the risk distributed as widely as possible. For such a purpose, the OASDI system is uniquely suitable. Use of the social security system is fair and equitable because no person can claim immunity from the need for protection against the infirmities of age, illness, and loss of income.

Legislation proposed by the administration as an alternative to the Forand approach is inadequate and impracticable. These measures would impose a means test as a prerequisite for coverage and would place a large financing burden on States unable to meet it. The difficulties imposed by widely dispersed private administration of the plan and the need to negotiate contracts with a multitude of insurance carriers are overwhelming and unnecessary.

As physicians, we approach this as a problem of health. The prime objective of a health program for any part of the population is to keep people well, out of the hospitals, and to meet their medical needs fully as they arise. Under present conditions of neglect, patients often receive attention only in emergencies when medical treatment may prove least effective and the drain upon the resources of hospitals is a serious threat to the quality and availability of needed services.

In this respect, the hospital coverage provided by the Forand bill, while perhaps a necessary first step, is by no means an adequate solution. If the emphasis is to be upon preventive medicine, a workable program requires the inclusion of outpatient as well as inpatient services, nursing and personal services in the home, and measures for rehabilitation. Senator MCNAMARA's bill, which places more emphasis on preventive medicine, thus is to be preferred. Investment in such a program would be more than repaid in its contribution to the health and human resources of the Nation.

We welcome the Forand-McNamara measures as a useful first step in meeting a paramount problem of our society, and we urge you to work for their passage. We feel confident that Congress will not permit itself to be immobilized by slogans which were outdated when social security became a fact a quarter of a century ago.

LIST OF SIGNERS

Herbert K. Abrams, M.D., medical director, Union Health Service, Inc., Chicago, Ill.

E. M. Bluestone, M.D., New York, N.Y.

Morris Brand, M.D., medical director, Sidney Hillman Health Center, New York, N.Y.

Allan M. Butler, M.D., professor of pediatrics, Harvard Medical School, chief of children's medical service, Massachusetts General Hospital, Boston, Mass.

Martha M. Eliot, M.D., professor of maternal and child health emerita, Harvard School of Public Health, Cambridge, Mass.

Frank F. Furstenberg, M.D., medical director, out patient department, Sinai Hospital of Baltimore, Md.

Palmer H. Futcher, M.D., Baltimore, Md.

Franz Goldmann, M.D., associate professor of medical care emeritus, Harvard School of Public Health, New York, N.Y.

Alan F. Guttmacher, M.D., obstetrician and gynecologist in chief, the Mount Sinai Hospital, New York.

Manfred Guttmacher, M.D., chief psychiatrist, supreme court bench, Baltimore, Md.

Ursula M. Hober, M.D., chief, department of general practice, Woman's Hospital, Philadelphia, Pa.

Philip M. LeCompte, M.D., pathologist, Faulkner Hospital, clinical assistant professor, Harvard Medical School, Boston, Mass.

Louis Leiter, M.D., chief of medicine, Montefiore Hospital, New York, N.Y.

Edward C. Mazique, M.D., president, National Medical Association, Washington, D.C.

Raymond C. McKay, M.D., associate clinical professor of medicine, Western Reserve University, Cleveland, Ohio.

James Howard Means, M.D., professor emeritus, Harvard Medical School, former chief of medical services, Massachusetts General Hospital, Boston, Mass.

Frederick D. Mott, M.D., executive director, Community Health Association, Detroit, Mich.

Milton I. Roemer, M.D., associate professor of administrative medicine, Cornell University, Ithaca, N.Y.

Leonard S. Rosenfeld, M.D., Metropolitan Hospital, Detroit, Mich.

William A. Sawyer, M.D., medical consultant, International Association of Machinists, Washington, D.C.

Alfred S. Schwartz, M.D., Clayton, Mo.

George Silver, M.D., chief of social medicine, Montefiore Hospital, New York, N.Y.

Benjamin Spock, M.D., professor of child development, Western Reserve University, Cleveland, Ohio.

Park J. White, M.D., St. Louis, Mo.

Ernst Wolff, M.D., senior pediatrician, Mount Zion Hospital, San Francisco, Calif.

Harry Zimmerman, M.D., chief of pathology, Montefiore Hospital, New York, N.Y.

Martin Cherkasky, M.D., director, Montefiore Hospital, New York, N.Y.

Richard L. Riley, M.D., Baltimore, Md.

Albert I. Mendeloff, M.D., Baltimore, Md.

ADMINISTRATION FARM POLICY HOLDS BACK GROWTH OF WHOLE NATION

Mr. HUMPHREY. Mr. President, the Minnesota Union Advocate in its Washington Window column of June 2, 1960, draws a convincing picture of the great harm to the economy of all regions and all groups in our Nation which has been done by the costly and ineffectual farm policy of the Republican administration.

The combination of Benson errors, the editorial points out—

cost the farms over $20 billion in net income over the past 7 years. It also cost the workers of the Nation and the whole national economy additional huge hums.

The editorial goes on to point out that the most practical and sensible solution to the farm income crisis has been advanced in the family farm bills proposed in the House by 20 Democratic Representatives and which I myself have offered in the Senate. It is the intent of my Family Farm Development Act and the House bill to lift family farm incomes while cutting the terrific costs of the Benson plan to the American taxpayer. As the Union Advocate points out, present evidence indicates that under my Family Farm Development Act and the House proposal net farm incomes would rise about 20 percent and costs to the taxpayers would be cut by 50 percent or more.

It should be obvious, Mr. President, that these figures are both good farm policy and good general economic policy for the Nation. Further, coupling this domestic farm program with the food-for-peace program I have advocated, as I would remind the administration, since 1953, we would also be advancing our foreign-policy goals.

Mr. President, I ask unanimous consent that the Washington Window of the Minnesota Union Advocate of June 2, 1960, and a newsletter which I prepared analyzing my Family Farm Development Act—which I call a charter of hope for family farmers—be printed in the RECORD.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

[From the Minnesota Union Advocate, June 2, 1960]

WASHINGTON WINDOW

THE PEOPLE AND 1960—ONE OF A SERIES: THE FARM ISSUE

Net income for farmers—their take-home pay—dropped $3.5 billion between 1952 and 1959. Millions of farmers are burned up about a drop of 23 percent at a time when almost everybody else in the Nation has moved uphill a little. In the areas producing surplus products such as wheat, feed grains, cotton, and milk, the dropoff was even more severe.

This decline in net incomes is a political issue since the administration's farm policies have increased the cost of farm help to the taxpayers by $4.5 billion over 1952. This is over four times what it was.

The farm crisis has hit the whole Nation hard. Heavy decreases in net farm incomes mean that farmers are buying less from the factories. In addition, the terrific rise in Government costs to help the farmers has snowed under needed Government investment in depressed areas, schools, and housing.

The farm issue may be considered a regional one. A handful of farm States can decide the presidential election. On the other hand, the costly and ineffectual farm policy has held back national growth affecting every State.

What Secretary of Agriculture Ezra Taft Benson wanted to do was to help the farmers to sell more. Lower prices would increase sales, he said. Then farmers would make more money, and be more free from Government help and would cost the taxpayers less.

With the help of a series of Presidential vetoes, Benson forced Congress to lower the prices at which surplus crops were supported. The support consists of Government purchases and stockpiling of surpluses in order to hold up prices in the commercial markets. There is no direct help to farmers, except in the case of woolgrowers.

This did not work. The increased amounts bought were small, and the price cuts were large. The more prices were cut each year the more the farmers lost. Benson thought that if prices were low, the farmers would produce less of a surplus crop. They would shift to something else. But every other crop was in surplus, too, so they could not shift successfully.

Farmers figured out that at lower prices they would have to produce more to break even. They broke all known production and productivity records on less land and piled up bigger surpluses. In 1960 the Government had $9 billion worth of surpluses stored away, with storage charges running $2 million a day. In 1960 there was enough wheat in storage to feed the whole Nation for 2 years without growing another bushel.

Benson argued that enough farmers would get tired of low prices and leave the farms, cutting down surplus production. In the past 7 years about 1 million farmers and farm laborers did leave the farms and many of them have tried to get factory jobs. It did not help the surplus problem. Their land was sold, usually to more efficient neighbors, and they produced even more on it than before. The surpluses still piled up.

The combination of Benson errors cost the farmers over $20 billion in net income over the past 7 years. It also cost the workers of the Nation and the whole national economy additional huge sums.

A group of 20 Democratic Congressmen, supported by the Farmers Union and the National Grange, have been offering a new

way of lifting the farm economy up to a level with the industrial and service parts of it. They think that they can lift net farm incomes by about 20 percent and cut the costs to the taxpayers by 50 percent or more. Their effort is called the family farm bill of 1960. It is not expected to pass in this session of Congress.

They say that since the various groups of producers of such different things as milk, corn, cotton, and wheat cannot agree on what kind of help would be best for all of them, each group can democratically choose the form it prefers.

If Congress and two-thirds of the producers agree, it goes into effect. Any form of help can be used, including direct payments, but no help must cost the Government more than 10 percent of the total value of the crop. The farmers will all take out of production one-tenth of their cultivated acres, and are free to take out up to 40 percent of them. For doing this they get no money at all.

They will get supplies of crops either for use or sale from the Government stockpile, two-thirds as much as they would have produced otherwise. The Government stockpile is cut down, and no new crops can be put into it. Smaller crops will be offered for sale, prices will rise, and with them farm incomes will go up. It is a hopeful short-term program.

In addition, more and more Senators and Congressmen are coming around to the idea that surpluses for school lunches and for needy areas, both at home and abroad, should be increased. By taking those surpluses off the commercial U.S. markets farm prices would be improved, and with them farm incomes. Senator HUMPHREY and many others have introduced food for peace bills to do this job.

NEWSLETTER FROM THE DESK OF SENATOR HUBERT H. HUMPHREY

A CHARTER OF HOPE

This Nation needs a national food and fiber policy that will:

1. Determine a fair price for farm commodities and a fair income standard for farmers, and achieve these goals through programs designed to ease the tax burden instead of pushing it higher;

2. Establish agricultural production goals that will satisfy the true needs of the American people and the commercial export market; provide necessary reserves for emergencies; and strengthen our foreign policy by the use of food for peace;

3. Establish a positive agricultural resources conservation program that permits land use adjustments designed to meet current goals and at the same time safeguards our agricultural production potential for the expanded needs of future generations; and

4. Establish employment goals for American agriculture which will insure the farm population, especially farm families, of adequate opportunities to be fully and usefully employed. Means to attain these goals would include expanded farm credit facilities and farm and home management guidance services; and, in addition, educational and employment opportunities for those within the farm population who wish to transfer to other occupations.

FAMILY FARM PROGRAM DEVELOPMENT ACT

I spelled out these goals and guidelines for achieving them in the Humphrey Family Farm Program Development Act which I introduced last August. This is a "charter of hope" for family farmers.

In attaining these goals, I believe farmers themselves should have a major voice in deciding what kind of legislation and regulation they need to bring about proper supply adjustments in commodities produced in excess of the amounts needed.

If farmers are enabled by law to work out marketing programs that will provide a fair price, I know they are willing to comply with regulations calling for land retirement, soil and water conservation—and definite ceilings on the total of commodity loans or payments to any one farm producer.

WHO WOULD BENEFIT?

Such programs would benefit the farmer by protecting his income.

They would benefit the consumer, who would know that ample supplies would be available to him at a fair price and that under our traditional efficient family farm system of food production he would not risk the threat of high prices inherent in any system of corporate monopoly in agriculture.

Such programs would benefit both consumers and farmers by reducing the tax burden. The Federal Government would cease to be a major market and warehouse.

And they would benefit the Nation's industries, and those who work in those industries, by keeping farmers' purchasing power at levels that would keep factories running and workers employed.

FARMER THE FORGOTTEN MAN

The American farmer is today's forgotten man.

Dairy farmers are especially aware of this. The deliberate Republican policy of farm deflation hit dairy farmers early and hit them hard on April 1, 1954, when dairy support prices were slashed from 90 percent of parity to 75 percent.

Dairy farmers led the downhill parade. Year by year, the prices and income received by all farmers have gone down the sliding scale. Today, the farmer is getting only 37 cents as his share of the dollar spent for retail food, the least he has received in 20 years.

At the same time, the cost of almost everything a farmer has to buy to keep his farm operating has gone up. Taxes have gone up, interest rates have gone up, and so have cash wage rates. Farm machinery and implements, autos and trucks, building and fencing materials—all of these cost much more today than when the farm deflation started.

The only prices that have gone down are for those items farmers buy from other farmers—feed, and seed, and feeder livestock.

Current farm policies have brought about falling prices, falling parity, falling income—and failing farms. Neither farmers nor the Nation can stand for the continuation of these policies. The disastrous end result would be to push farmers onto the free market, to force farmers to stand alone as the only group in the country unprotected from the harsh economics of supply and demand.

ABUNDANT PRODUCTION

The realistic alternative is the kind of farm program I favor, one that is keyed to efficient and abundant production that will bring a fair price and a fair income to family farmers.

The American mind and the American conscience are not suited to a philosophy of scarcity.

We must plan for the production of food and fiber in the abundance needed to supply all commercial markets, at home and abroad.

We must plan for abundant production that will feed the needy, the unemployed, and those unfortunates among us who do not have the strength to help themselves, and whose claims are based on humanity.

We must plan for abundant production that will be used as part of a definite international economic aid program directed toward attainment of world peace.

We must plan for the abundant production that will be needed to feed our future generations.

Food is too vital to our individual and to our national future to permit any longer haphazard, chance production that fills no need, increases taxes, undermines the welfare of farm families, wastes soil and water resources, and—a needless extravagance we sometimes forget—wastes human labor and will.

WHAT WE CAN ACHIEVE

I believe it is plain everyday common sense to enact a farm program that will achieve the goals of a farsighted food and fiber policy. Undoubtedly, there would be some mistakes made and some difficulties encountered under this kind of program. There is no magic, overnight solution to the tremendous farm policy problems that have been posed by advancing agricultural technology—and by inept manipulation of current farm programs. But such a program, being based upon sound and worthy objectives, would be self-repairing instead of self-defeating.

It would bring supply and demand into balance at the highest possible levels, instead of trying to bring them into balance at depressed levels.

This program is a "charter of hope" for family farmers, but it can be more than that. It can be the foundation of a "charter of hope" for the free world.

RESEARCH AT BOULDER, COLO.

Mr. CARROLL. Mr. President, yesterday the Senate, upon a motion made by the junior Senator from Colorado, passed and sent to the White House for signature an amended bill making it possible for John Trevor Jefferies and his family to reenter the United States as permanent residents.

As I said in a statement on the floor yesterday, Mr. Jefferies is an Australian of remarkable attainments as a physicist. For 3 years ending in 1959 he worked on special problems with the Harvard Observatory; Sacramento Peak Observatory; the Boulder, Colo., Laboratories of the National Bureau of Standards; and the High Altitude Observatory of the University of Colorado.

I was pleased to be able to help with the Jefferies case because men like these are badly needed by our country in research of great value and importance. The need for Mr. Jefferies' admission was eloquently put forth to me by Dr. Fred Brown, director of the Bureau of Standards Laboratories at Boulder, and by Dr. Walter Orr Roberts, director of the University of Colorado High Altitude Observatory.

The Boulder area, during the last few years—and especially during the International Geophysical Year—became internationally renowned as a center of solar and astrophysical research. The work being done in and around that beautiful university city in the foothills of the Rockies holds great and varied implications for man's eventual conquest of the mysteries of space. The practical applications of that knowledge will be manifold.

One major application of this research is in probing the earth's weather, and

why it behaves the way it does. Agriculture, industry, transportation, communications, and many other areas of human pursuit will derive enormous benefit from these findings.

Within the past few days, recognition of the work being done in and near Boulder came in the appointment of Dr. Roberts of the High Altitude Observatory to the directorship of the new National Center of Atmospheric Research. We of Colorado are pleased but not startled. We have been proud of Dr. Roberts for a very long time, and we are happy to know that others are giving his talents the recognition and the outlet which they deserve.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point two articles from the New York Times of June 27 and a commentary from the Rocky Mountain News of Denver published on the same date.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 27, 1960]

UNITED STATES PLANS CENTER TO STUDY WEATHER—ALLOTS FUNDS TO UNIVERSITY GROUP TO HELP ORGANIZE SMALL RESEARCH UNIT

(By John W. Finney)

WASHINGTON, June 26.—The National Science Foundation has taken a preliminary compromise step toward establishing a national center to promote scientific research into the earth's weather.

Instead of establishing a large-scale National Institute of Atmospheric Research, as had been urged by advisory groups, the Foundation announced it was establishing a small center to "stimulate and supplement university research" on the weather.

The National Center of Atmospheric Research will be headed by Dr. Walter Orr Roberts, director of the High Altitude Observatory of the University of Colorado at Boulder, Colo. The Foundation also announced a grant of $50 million to the University Corporation on Atmospheric Research—a group consisting of 14 universities—to assist in establishing the center.

FIELD BELIEVED NEGLECTED

The Foundation's action represents the first substantial step by the Government to bolster what is commonly regarded among scientists as one of the most neglected, unexplored fields of science—that of meteorology. The step, however, was less bold than what scientific advisory groups had proposed and what the Foundation itself had for a time considered taking.

The move to accelerate research in meteorology began 4 years ago when the National Academy of Sciences established a special committee on meteorology, headed by Lloyd V. Berkner, president of Associated Universities, Inc.

In February 1958, this committee urged expanded meteorological research in universities and the creation of a $50 million National Institute of Meteorological Research.

Neither the National Academy of Sciences nor Associated Universities, Inc., is a governmental agency. The latter was formed by several eastern universities to operate the Brookhaven National Laboratory at Upton, Long Island, for the Atomic Energy Commission.

The committee report was turned over to the National Science Foundation for consideration. The Foundation, in turn, asked for a review of the committee's recommendations by the university group, which was established in 1958 to run the proposed institute.

A year ago, the university group came back with a report to the Foundation seconding the recommendation that a large national institute be established.

At one point, the Foundation seemed ready to adopt the recommendation. Included in this year's budget was a $500,000 item for preliminary study and design work and for selection of a site for an institute.

It is this $500,000 that is now being used to establish the center, which, at least at the outset, will be much smaller in size and concept than the proposed institute.

BOARD SPLIT ON PROPOSAL

The shift from a large institute to a small center was said by officials to have stemmed from opposition encountered within the Foundation's policymaking board. Many board members were said to have been reluctant to start immediately building elaborate facilities for a national institute.

Furthermore, there was considerable feeling, reflecting a longstanding debate over national scientific institutes, that the proper place for carrying out such basic research was in the universities.

The counterargument advanced by advocates of an institute is that the atmosphere, by its nature, presents too big a research problem for one university to tackle. A coordinated university effort, centralized in an institute with the necessary elaborate research tools, is essential, according to this argument.

It is still possible that the center, a compromise between the university and institute approach, will evolve into an institute.

CALLS INSTITUTE DESIRABLE

Dr. Henry G. Houghton, of the Massachusetts Institute of Technology, and chairman of the University Corporation on Atmosphere Research, said that his group had "not changed in any way in its conviction" as to the necessity of an institute. He expressed the belief that as the center develops its research program, "the institute will come along later."

In its announcement, the Foundation left the door open for such a possibility by stating that center would "provide facility management for what may become large and widely dispersed research effort."

The Foundation said the new center, whose permanent location has not been established, "will collaborate closely with university scientists, with the aim of stimulating them and assisting them to expand their efforts."

The center "will also plan and carry out large-scale research projects involving several university groups, and will purchase or rent certain specialized atmospheric sciences research facilities that can be most effectively managed on a centralized basis."

For example, Dr. Houghton said it was expected that the center would eventually acquire a small fleet of instrumented airplanes, a high-speed computer, and radar.

[From the New York Times, June 27, 1960]

A KEEN EYE FOR WEATHER—WALTER ORR ROBERTS

Walter Orr Roberts is a scientist who believes in doing something about the weather and he doesn't mind going outdoors to do it.

He believes meteorology to be on the threshold of an enormous revival. He thinks that the new National Center of Atmospheric Research, of which he was named director for yesterday, can be a potent factor in guiding that revival to great advances in man's ability to understand and cope with weather.

Although Dr. Roberts uses the terms "contemplative" in discussing some of his research activities, it is doubtful that he would settle for an ivory tower unless it had a trout stream, a ski run, and possibly a tennis court hard by.

IN IVORY TOWER 7 YEARS

Early in his professional career he did choose such an ivory tower and stayed there 7 years. He took his bride to Fremont Pass more than 11,000 feet up among the peaks of Colorado's Rockies. There he managed the first solar coronograph in the Western Hemisphere.

The coronograph is a telescope with a circular disc that gives the viewer the effect of an artificial eclipse of the sun. It is used to study the sun's outer gaseous envelope, called the corona.

Dr. Roberts was interested then, as he has been since, in the relationship between disturbances on the sun and the course of weather on earth. By training he is an astrophysicist and has written many technical papers on the sun's atmosphere and on solar-terrestrial relationships.

During World War II he regularly reported from Colorado to Washington on solar disturbances that might blank out shortwave radio communications. His warnings of solar disturbances helped the Armed Forces make the best use of their communication facilities

GREW UP ON A FARM

Dr. Roberts was born on August 20, 1915, in West Bridgewater, Mass. Growing up on a farm outside Brockton, he developed a love of the outdoors, which he has retained. He graduated from Amherst College in 1938 and went on to graduate study at Harvard.

Early in his Harvard days he went on a date, which his mother had arranged, and thus met Janet Naomi Smock, a student at Wheaton College. They were married in June 1940 and, a month later, left for the coronograph station at Climax, Colo.

They lived on the edge of a small mining community, where snow was usual from September to early June.

RETAINS OBSERVATORY POST

Though the life was rugged it gave plenty of scope for the Roberts interests in reading, outdoor sports and music. They still open house on Sunday evenings for friends who enjoy listening to their records.

In 1946 the Climax station was reorganized as a nonprofit research institution called the High Altitude Observatory. It is now affiliated with the University of Colorado.

Dr. Roberts will continue as the director of the observatory while he organizes the national atmospheric research group.

A hard worker, he bicycles a half mile to his office daily.

He does his "formal" work between 8:30 a.m. and 5:30 p.m. He likes to save his more creative and contemplative work for the evening. As often as not he will spend part of the evening at his office because, as he says:

"Sometimes it is not very contemplative in the house with our four kids and their friends."

Dr. Roberts, more the individualist than the organization man, hates to do business over the telephone if it can be done face to face. He considers men rather than equipment the crux of the institution that he will organize during the months ahead.

He will consider that the job is going well, he said, if, at the end of the first year, he has gathered a dozen or so creative scientific minds to serve as a nucleus. Those scientists, he believes, will help guide and set the pace for the revolution in meteorology that he sees ahead.

[From the Denver (Colo.) Rocky Mountain News, June 27, 1960]

DR. ROBERTS GOOD MAN FOR THE JOB

(By Robert L. Chase)

Maybe the old line about the neighbors turning their backs on a prophet when they pass out the kudos and the medals is true.

But if the prophet is a solar astronomer, a world famous scientist and a downright

warm and honest human being named Dr. Walter Orr Roberts it's no go.

All the neighbors I know would leave the dishes in the sink or the paper in the typewriter any time for a chance to listen to—or, yes, give honor to—Dr. Roberts.

He is approaching 45—his birthday is in August—but he could pass for a graduate student with an abiding interest in sun gazing, satellites in the sky, the weather, what's happening on and around the sun, and what people are thinking about in Boulder, Colo., and Washington.

The fact that he has just been named director of a newly formed National Center of Atmospheric Research is an indication of how he's ranked in that field.

This center—to which the National Science Foundation made a $500,000 establishment grant—is to stimulate and supplement university research and provide facility management for research effort in the atmospheric sciences.

Dr. Roberts will continue as director of the High Altitude Observatory—an activity he has sparked at Climax and at Boulder for 20 years.

He'll use Boulder as his base of operations for the time being. And everybody around here hopes that a Boulder area site will be chosen for the national center and that he'll be kept right here.

His wife and four children live in Boulder with him and we believe this high altitude country is just exactly right for him to study the sun and the weather.

Dr. Roberts got his Ph. D. at Harvard and he's been an instructor and research associate at Harvard and Radcliffe (as well as at the University of Colorado) and he belongs to a long list of scientific organizations whose names I can't even fathom.

But it isn't enough that he understands about cosmic rays and explosions on the sun and how and why these things affect our weather. That also brings him into the field of flood and drought.

It gives him an interest and understanding of things like sputniks and what they mean. And it gives him an interest in the people and their activities all over the globe.

Yet he can—and the point is he will—explain to an ordinary layman (like a newspaper writer) just what it is the eggheads are up to anyway.

And he can also talk our language in taking a look at education and some of the other things that bother us from time to time.

He has favored an "elite" high school for those who could use it and subsidies for top students to go as far as they can.

He'll do a great job in his new spot, too.

SALUTE TO THE "TYPOS"

Mr. CARROLL. Mr. President, a labor union local that is generally believed to be the oldest in my State of Colorado is celebrating its 100th birthday this month, and I rise to salute its excellent record of progress and stability.

It is Denver Local No. 49 of the International Typographical Union, founded in June of 1860 when Denver was a group of tiny settlements with a population composed chiefly of goldseekers, trappers, and frontier traders.

A brief year or so earlier, the Rocky Mountain News had been founded there by William N. Byers. Six of his employees banded together to form what became local No. 49. The local's membership now numbers 750 skilled craftsmen and women.

Colorado was still a part of Kansas at the time the local was formed. It did not become a territory in its own right until 1861, and did not achieve statehood until 1876.

Organized labor in Colorado has had its periods of trial and trouble, but hard working men and women with faith in their cause have seen it through. The "Typos," as they are affectionately nicknamed by their fellow unionists, have been true and steadfast pioneers of labor in our part of the West.

In recent years, Colorado has been notable for its calm and responsible labor relations, characterized by steady progress and a remarkable absence of bitterness on both sides. Unions like this democratic, mature local have played a great part in building this enviable tradition.

I join with local 49's many other friends in wishing it another century of progress.

EXTENSION FOR 2 YEARS OF VETERANS' GUARANTEED AND DIRECT LOAN PROGRAM

Mr. MANSFIELD. Mr. President, I move that the unfinished business be laid aside temporarily and that the Senate proceed to the consideration of H.R. 7903, to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which was read twice by its title.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Colorado.

AMENDMENT OF THE HELIUM ACT OF MARCH 3, 1925—PRINTING OF REPORT

Mr. CARROLL. Mr. President, earlier today the Interior and Insular Affairs Committee, of which I am a member, reported to the Senate H.R. 10548, a bill to amend the Helium Act of March 3, 1925.

Mr. President, I have been concerned about several provisions in this bill. At my insistence, several substantial changes were made in the bill in committee. Other substantial changes suggested by me were rejected by a majority of the committee. I have considerable interest in the issue. I have been awaiting a draft of the majority report of the committee to determine whether or not the views expressed coincided with my own.

I now learn that the report was filed without being circulated to the committee and no copies are available for other Members to examine.

The only copy of the report, I am told, is in the hands of the printers at the Government Printing Office.

I therefore ask unanimous consent that the printing of this report be held up until I am able to read the only copy of the report and determine whether I desire to concur with the majority or file separate views.

Mr. ALLOTT. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CARROLL. Mr. President, the able Senator from Oregon [Mr. MORSE] has said on many occasions that one of the most important things we must consider in legislative work is constitutional procedures. Normally, when reports come from a committee of either House of Congress, going to the Printing Office to be printed, those reports must be submitted to a majority of the committee. When we have a report on a bill involving some quarter of a billion dollars to half a billion dollars and there are substantial changes in the bill, I should think any committee of the Congress would want its members to see the report before it is submitted. At least this is true in the Senate Judiciary Committee; we always meet in committee and discuss the report and give the minority a chance to submit minority views.

This is a very important bill. It is a bill that originated in the House of Representatives, coming originally from the executive branch—I find no fault with the basic objective of the bill—to conserve helium gas, which is part and parcel of almost all the natural gas that goes to consumers. I think the objective of the bill is laudable. But let me tell the Senate what I found in the bill as it came from the House. There was a provision in the bill which exempted from FPC regulation under the Natural Gas Act all gas that contained helium.

This would mean that all the gas which comes from the Panhandle of Texas, from Oklahoma, from Kansas, and from my own State of Colorado would be exempted from regulation under the Natural Gas Act. This area produces helium-bearing gas. Such was the testimony of Mr. Gatchell, the General Counsel for the Federal Power Commission.

This was not mentioned in the debate in the House of Representatives at all. There was not one word in the House debate about that. The bill passed on a voice vote on the floor of the House of Representatives.

When the bill came to the Senate, the Committee on Interior and Insular Affairs held a 1-day hearing. The junior Senator from Colorado, looking at the record, saw no testimony by the Federal Power Commission. The junior Senator from Colorado asked in executive session of the committee, "Why was not this situation brought before the committee?"

I insisted that Federal Power Commission witnesses be brought before the committee. When the witnesses were brought before the committee, they gave unequivocal and unqualified testimony that if we left the language of the House bill in the bill being considered by the Senate committee, we would exempt from regulation under the Natural Gas Act all the gas which contained helium. This is an issue of immense importance to the consumers of the Nation. This has been one of the great national political issues in recent years.

The FPC witnesses said, "It is very simple. The bill under consideration will

exempt gas containing helium from the jurisdiction of the Federal Power Commission."

Mr. MANSFIELD and Mr. LAUSCHE addressed the Chair.

Mr. CARROLL. I am happy to yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I yielded to the Senator from Colorado so that he may make a unanimous consent request. The request was objected to. I should like to ask the Senator how much time he would like to have, because I believe I still have the floor. I should like to have the Senate proceed with consideration of the bill.

Mr. CARROLL. I will say to my able friend from Montana that this is a very normal request.

Mr. MANSFIELD. I understand.

Mr. CARROLL. I am not aware of any case in legislative history in this body in which a member of a committee has not had an opportunity to read the majority report. It is my understanding, from the Parliamentarian, that I am following the usual procedure. I asked unanimous consent to be permitted to read the report. I wish to read the report before it is printed. The report was sent out to be printed.

I made a further unanimous-consent request that if I desired to submit minority views, I be permitted to do so. It may be that after I read the report, I shall not wish to submit minority views.

Mr. ALLOTT. Mr. President, will the Senator from Montana yield?

Mr. CARROLL. I could answer this point in a short time. I believe I can do it in 3 minutes. I think I can make my position clear.

Mr. MANSFIELD. Mr. President, with the understanding that I shall not lose my right to the floor, I yield to the Senator from Colorado for 15 minutes.

The PRESIDING OFFICER. The Senator from Montana yields to the Senator from Colorado for 15 minutes.

Mr. CARROLL. The senior Senator from Colorado is present in the Chamber. The senior Senator from Colorado filed the report. My information from the committee is that the Senator is the only member of the committee who has seen the report. It was never circularized among the committee members. No other member of the committee ever saw the report.

This has happened in the hurry of the end of the session in the desire to complete action, I am sure. I do not ascribe any evil motives, but the fact remains that not one other member of this important committee has seen the report. The report went to the distinguished senior Senator from Colorado. It went from the Senator to the printer, I know, because I called the committee and asked, "May I see a copy of the report?" I was told, "There are no copies of the report."

All I am asking is unanimous consent that the printing of the report be delayed until I read the report. When I finish reading the report, I may concur in the report. If I do not concur in the report, I ask unanimous consent that I be permitted to file minority views.

Is this contrary to committee procedures?

I now yield to the Senator from Colorado.

Mr. ALLOTT. No, the Senator will not yield to me. I will take my own time in my own right.

Mr. CARROLL. I think I have made a very grave charge. If the senior Senator from Colorado does not desire to answer it, if his tongue cleaves to the roof of his mouth under these circumstances, I say that this violates all legislative procedure. I think it is a violation of one of the most fundamental rules of committee procedure.

I ask members of any committee, can any Member draw upon his memory——

Mr. ALLOTT. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senator from Montana has yielded to the Senator from Colorado for 15 minutes.

Mr. ALLOTT. Mr. President, I ask for the floor, as a matter of personal privilege.

Mr. MANSFIELD. Mr. President, I must object. Unless the Senator wishes to enforce a rule within the parliamentary procedures of this body, I must ask the Presiding Officer to adhere to my request that I be allowed to yield to the Senator from Colorado (Mr. CARROLL) for 15 minutes.

Mr. ALLOTT. The Senator yielded for 3 minutes, he said, and the 3 minutes have now expired.

Mr. MANSFIELD. No; it was for 15 minutes.

The PRESIDING OFFICER. Fifteen minutes have been yielded to the Senator from Colorado. The Senator is within the time limit. To that extent he has a right to the floor.

Mr. CARROLL. Mr. President, I hope this time is not being taken out of my time. I ask, how much time have I remaining?

The PRESIDING OFFICER. There are 10 minutes remaining to the junior Senator from Colorado.

Mr. CARROLL. Mr. President, this is a matter which affects every Senator. Any Senator has a right to file minority views. A Senator who wishes to file minority views is entitled to read the majority report.

We are now talking about a legislative procedure, under the Constitution. I say to Senators, neither the junior Senator from Colorado nor any other member of the committee, within my knowledge, has seen the report. The report is now in the hands of the Government Printing Office. I asked that the printing of the report be delayed until I could come before the Senate and ask for unanimous consent to withhold the printing of that document until I have a chance to read it.

I may approve the report. I have not had an opportunity to see what has been done, nor has any other member of the committee, except the senior Senator from Colorado, who made his own request with respect to the report.

It seems to me that mine is a reasonable request. I had hoped the senior Senator from Colorado would accede to this request, because this could be done within a short time. If the report is delivered to me from the Government Printing Office, perhaps within this very evening I could take a look at the report. Perhaps I would say, "I find nothing objectionable in the report."

Mr. President, this is a question which goes to the very roots of legislative procedure in this body. There is nothing more to be said about it.

In all fairness, when we talked about helium gas, when we mentioned the glaring defect which was pointed out to our committee by Mr. Gatchell, the bill was amended. We strengthened the bill. We removed what may have been a very doubtful issue passed by the House. However, another issue arose which had to do with cost accounting. A very technical issue arose as to whether the helium should be allocated to cost of service on a volume basis or a relative market value basis. In the hearing the FPC representatives said that it involved only some $500,000 per annum, to the Nation's gas consumers but later, in a letter, they changed their testimony to $1½ million per year on a volumetric allocation basis. But if we use a type of cost accounting based on the relative market value of the helium it may be double that amount.

We discussed the bill fairly and I think intelligently in the committee. The point I wish to make is that I have not seen the majority report. No other member of the committee has seen the report. It was sent forthwith to the Government Printing Office. I say this is not a proper legislative procedure.

I do not ascribe to the senior Senator from Colorado or to any other member of the committee any false motive at all. I think this was done under the pressures of adjournment. However, I think it is improper procedure. Based upon my own experiences in the House of Representatives and on the Judiciary Committee of the Senate, it is a procedure with which I am unaccustomed.

I leave it to Senators' judgments as to what happens on the committees on which they serve, and as to whether they would stand for such a thing. In the Committees on Labor and Public Welfare or Banking and Currency, or in any other committee, if a member desires to see a report before it goes to the Government Printing Office, can he see the report? I will tell Senators the procedure of the Committee on the Judiciary. Every time a report is filed by a subcommittee chairman the entire committee passes upon it. The Chairman asks approval to have the report printed. The ranking minority member very often will say, in such an instance—I see the able Senator from New York [Mr. KEATING], a member of the Committee on the Judiciary, is present, and he can correct me if I am wrong—"We desire to read the report. Give us an opportunity. We need 1 week, or perhaps 2 weeks, to determine whether we wish to file minority views."

We are all under terrible pressures. It takes time to read and to analyze these reports.

In the instant case the report has not been presented to a single member of the committee except the senior Senator from Colorado. I think such procedure is highly irregular. For that reason I

have made this unanimous-consent request. I had hoped that the senior Senator from Colorado would understand the reason for the request and would graciously and willingly give me time to read the report and then permit me to determine whether or not I wish to file minority views.

Mr. President, I now ask unanimous consent that I be given the right to read the report before it is printed. In the event that I am granted that permission, within a very short time I may say that the report represents a fair view. However, in the event I desire to file minority views, I ask unanimous consent, in view of the action taken, that I may be permitted to file such views within a reasonable time. The senior Senator from Colorado may set the time. He may set 2 days or 3 days, and maybe even a shorter period than that. It seems to me I have made a reasonable request. I shall let the request for unanimous consent lie, pending the remarks of the senior Senator from Colorado.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the senior Senator from Colorado 15 minutes.

Mr. ALLOTT. Mr. President, I am at a great loss to understand the outburst from my junior colleague. First, I wish to correct the RECORD. The bill we are discussing is not a Senate bill. It is H.R. 10548, a House bill. The RECORD should be corrected to that extent.

I object in this instance only because I think the language of my colleague has been intemperate and because I do not think the senior Senator from Colorado, under any circumstances, should be required to bear the implications of the vilification and abuse that have occurred in the past few minutes. I will not tolerate it; I will not do it.

Mr. CARROLL. Mr. President, may I ask what the senior Senator from Colorado proposes to do about it?

Mr. ALLOTT. Mr. President, I have the floor.

Mr. CARROLL. Will the Senator grant my unanimous consent request?

Mr. ALLOTT. Mr. President, I have the floor. I will not yield. I am very sorry to see a bill of such great national importance involved in such petty bickering.

First of all, the bill has been under consideration by our committee, directly or indirectly, for 15 or 16 months. Many members of the committee, many representatives of the Department of the Interior, and many people from all over the country have devoted a great deal of time toward trying to develop a bill that is fair and equitable to the industry and to the Federal Government. Any Senator is entitled to differ with a particular bill which we have finally evolved. But I do not think personal recriminations are called for.

I should like to point out also, that we had public hearings upon the bill in the Senate Committee on Interior and Insular Affairs. I see the junior Senator from New Mexico on the floor, and he can verify these statements.

The junior Senator from Colorado did not attend those meetings.

I wish to make clear that when we had an executive committee meeting to mark up the helium bill for the full committee, the junior Senator from Colorado attended and raised certain questions which were helpful. If necessary, I shall have the minutes and records of the executive committee placed in the RECORD to verify what I am about to say. The Senator from New Mexico is present, and I am sure he will confirm my statement. It was upon my insistence that the bill was returned to the committee, so that my colleague, who now vituperates so bitterly upon the floor on the Senate, could have an opportunity to offer such amendments as he desired, and could obtain additional information and have an opportunity to study the bill.

If there is any member of the Committee on Interior and Insular Affairs present who wishes to differ with any statement I make, he is welcome to interrupt me at any time he desires with respect to such facts.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. CARROLL. I am a member of that committee. I desire to interrupt the senior Senator from Colorado.

Mr. ALLOTT. Will the junior Senator from Colorado aver that I have stated an untruth?

Mr. CARROLL. I did not say that the senior Senator from Colorado had in the beginning.

Mr. ALLOTT. I said that I would recognize any Senator who wished to point out that I was misquoting the record. Until then, I should like to finish my statement.

Mr. CARROLL. I believe the senior Senator from Colorado is misquoting the record in this respect——

Mr. ALLOTT. Until I complete my statement I desire to retain the floor. Have I the floor, Mr. President?

The PRESIDING OFFICER. The senior Senator from Colorado has the floor.

Mr. CARROLL. The senior Senator from Colorado said that any Senator who is a member of the committee might interrupt. I am a member of the Interior Committee.

Mr. ALLOTT. Does the junior Senator desire to correct a fact?

Mr. MANSFIELD. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The regular order has been called for. The senior Senator from Colorado has the floor.

Mr. ALLOTT. While the bill was not exactly sent back to the subcommittee, by mutual consent we agreed that the committee would meet again. We met all of one afternoon, or for 2 or 3 hours of one afternoon. The junior Senator from New Mexico [Mr. ANDERSON] presided. My colleague was there, and I was present a good portion of the time. We worked on the bill. The Federal Power Commission wished to submit an amendment, which I offered, and at that time I thought both my colleague and the Federal Power Commission were happy.

The bill was then reported. Last week the full committee met in executive session for some two or two and a half hours, at which time this bill was very thoroughly ventilated and discussed.

At that time the junior Senator from Colorado offered a certain amendment, to my recollection. I have not reviewed the minutes, but my recollection is that he offered an amendment, which was voted upon at that time, and he then raised the question of the absence of a quorum and then waived the suggestion. His amendment was defeated.

He made no indication at that committee meeting that he wished to file minority views. I say that only to clear the RECORD. I do not know whether he objected to the reporting of the bill or not, but my recollection is that he did not.

Mr. CARROLL. Mr. President, will the Senator yield for an observation at that point?

Mr. ALLOTT. If the Senator disagrees with my statement and wishes to correct it, I shall be happy to have him do so.

Mr. CARROLL. Does not the senior Senator from Colorado recollect that the junior Senator from Colorado said that unless his amendment were accepted he would vote against reporting the bill?

Mr. ANDERSON. That is correct.

Mr. CARROLL. The Senator from New Mexico is the acting chairman of the Interior Committee at the time and he is present.

Mr. ALLOTT. The Senator from New Mexico has said, "That is correct." I do not think, in the final analysis, that we took a formal vote. Did we?

Mr. ANDERSON. Yes, we did.

Mr. ALLOTT. I would be happy to yield to the Senator from New Mexico.

Mr. ANDERSON. We did not take a rollcall vote on reporting the bill favorably. We did agree to poll each member of the committee on the proposed amendment of the junior Senator from Colorado. We voted to report the bill out by voice vote. The junior Senator from Colorado said that we could report the bill subject to the poll on his amendment. His amendment did not carry in the poll. He wanted to be free to oppose the bill, and said he would oppose it if his proposed amendment was not adopted.

Mr. ALLOTT. I believe that is correct. Then a poll was taken.

Mr. CARROLL. Mr. President, will the Senator yield for a quick observation?

Mr. ALLOTT. No; I reserve my right to the floor. I say very frankly that I do not like to be castigated, and then have my colleague say that because he has the floor my tongue cleaves to my mouth. We might as well clear up this matter now. I raised the objection I did a while ago to his holding up of the printing of the report. I do not recall exactly when the last meeting of the committee was held. It was on Monday or Tuesday of this week, to the best of my recollection. In those 3 days my colleague has not communicated with me once about the bill. He has not indicated to me that he wanted to file minority views. Being a member of the minority party, it was not within my control as to who would report the bill.

The chairman of the committee, knowing that I had done some work on the bill, asked me to report it, and I was happy to do so, and honored to do so. There were three occasions when I have insisted on my colleague having an opportunity to express himself. One occasion was in executive session; later, when we went back to have hearings to bring in the Federal Power Commission; and then in executive session. The record will show that I insisted that we take time to give him an opportunity to express his views. I do not believe the Senator need have any kind of consent to file minority views. However, I would be the last to keep him from filing minority views.

Mr. CARROLL. Mr. President, will the Senator yield on this one point alone?

Mr. ALLOTT. I yield.

Mr. CARROLL. How can I file minority views in the same document unless I have an opportunity to read the report? That is the only point I desire to make.

Mr. ALLOTT. The Senator makes a very good point. I know that the staff was working on the report until very late this afternoon. I have raised that question numerous times in committees on which I have served, and I have been told that if I had different views I could file them simultaneously. That is what I had to do.

Mr. CARROLL. Mr. President, will the Senator yield at that point?

Mr. ALLOTT. I have the floor. I will not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. CARROLL. How can I file my views simultaneously, when I have not read the report?

Mr. ALLOTT. I have not yielded. So far as my junior colleague is concerned, I have always tried and I will always try to treat him with the utmost courtesy and utmost respect for his office. I do not care if he files minority views. If that is his desire, if that is his conscience, that is what he should do. He can file them tomorrow.

I do object, in view of the very great emergency nature of the legislation, to his holding up the printing of the report in order that he may do it at this late date when, as I say again, since we reported the bill he has not spoken one word to me about the bill; nor has he made any request of me or informed me that he wished to do so. I do not have the privilege of granting that right to him, and Senators know it. All he has to do is inform the chairman of the committee, if he wishes to file minority views. He has just as much access to the staff and to the work the staff is doing as I do, and perhaps even more.

Mr. CARROLL. Will the Senator yield on this very important point? I know he wants to be fair. The truth is that yesterday was the first time we knew when the vote was had. Is it not true that the staff of the committee or the Senator's own staff—it does not make any difference which it was—completed the report within the past 24 hours, and that it was never submitted to the full committee?

Mr. ALLOTT. I have been in the Senate for only 6 years, but unless a specific arrangement is made for a report to be referred to the full committee, I have never had a report referred to me unless I had specifically requested it beforehand.

To conclude this matter, I wish to say that I have absolutely no objection to my colleague filing minority views. On at least three occasions in open meeting I insisted that the procedure be slowed down, actually, and that extra hearings be held, so I could be heard. This is going to be my position. When it comes to this particular critical matter, when 3 days have elapsed, that will be my position. I do not recall when the committee was polled. I am pretty sure that the committee met on Monday, and the vote must have been on Tuesday. The vote was available on Tuesday. Today is Thursday. I am sure that my colleague could have shown me the courtesy, if he thought I had the power to control matters—which I do not have the power to do—of telling me what he wanted to do. As always in the past, I would have cooperated with him. I believe this is all that I need to say at this time. I merely wish to add one more thought. If my colleague wishes to file minority views, he is entirely welcome to do so. He can wait until tomorrow, if he wishes. If he wants to take the burden upon himself of holding up the legislation, that is for him to decide. But it seems to me that that is the situation.

The chairman of the committee has been on the floor during at least all of my part of the statement, and I am very happy to have him here.

Mr. CARROLL. Mr. President, I have two unanimous-consent requests at the desk.

Mr. MANSFIELD. I yield to the Senator from Colorado.

The PRESIDING OFFICER. Does the senior Senator from Colorado object to the unanimous-consent requests?

Mr. CARROLL. May we have them stated?

The PRESIDING OFFICER. They were stated. The Chair desired to ascertain whether there was objection.

Mr. CARROLL. Will the Senator from Montana yield to me for 2 minutes?

Mr. MANSFIELD. I yield.

Mr. CARROLL. It is quite obvious that we are not talking to the issue. We will debate the issue later. What we are talking about is a simple proposition. I have not had an opportunity to see the helium bill report. I wish to read the report. After I read the report, I may agree to the report. I do not say I will file minority views. I wish to see the report. If I desire to file minority views, I shall do so, but I have no desire to slow up the legislation.

Furthermore, we are dealing with a constitutional procedure. It could affect the legality of the act if the bill were passed. That is my honest opinion. If the report is not circulated, a lawyer on the other side could attack the law on the ground that this was not a proper constitutional procedure, because I have not been given an opportunity to read the report and to file minority views. Therefore, I renew my unanimous-consent requests that I may have an opportunity to read the full report before it is printed, and that I be given a reasonable time to file minority views, if I desire to do so. In all probability the report will be so good that I may not want to file minority views, although I may wish to resist it on the floor.

I know minority views are not too important, but I think we are dealing with a situation in which members of committees are entitled to read the reports. That is why I posed the question. I now ask the Chair to put the two unanimous-consent requests.

The PRESIDING OFFICER. Is there objection to the requests of the junior Senator from Colorado?

Mr. ALLOTT. Mr. President, will the Chair please state the unanimous-consent requests?

The PRESIDING OFFICER. The junior Senator from Colorado has requested that the printing of the report be delayed until he has had time to read it.

Mr. ALLOTT. I object to that.

The PRESIDING OFFICER. Second, that the junior Senator from Colorado be given the privilege of filing minority views if, after reading the report, he does not concur in the report.

Mr. ALLOTT. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. ALLOTT. I should like to make an inquiry of the Senator from New Mexico [Mr. ANDERSON]. I have not been a member of the majority since I have been in the Senate. I am not quite certain what the situation is. However, am I correct in assuming that leave to file minority views is within the jurisdiction of the chairman of the committee, or is it in the Senate? If it is in the Senate, rather than in the committee, I shall not object to the filing of minority views. I shall object to stopping the printing of the report.

Mr. ANDERSON. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. ANDERSON. I do not assert that I know all the precedents respecting committee reports. I simply said, a moment ago, that as I remember—and my memory is subject to correction—in the case of Hawaii statehood, the Senator from Wyoming [Mr. O'MAHONEY] was chairman of the committee, and Senator Butler, of Nebraska, was the ranking minority member. Senator Butler wanted to file minority views but did not want to do so until he had seen the majority report. The Senator from Wyoming refused to let Senator Butler see the report because, as he said, the Senator from Nebraska would be in the position of starting a debate. The report could be torn down by the minority views, in which case the majority of the committee should have an opportunity to oppose what the minority said. So the matter would be debated back and forth endlessly.

A possible solution to the immediate problem that I might suggest is that the report, as is always done, be filed with the Senate; and that the junior Senator

from Colorado, who has made many valuable contributions to our consideration of the helium bill, be given until midnight tomorrow to file minority views. That procedure would automatically delay action on the bill until the junior Senator from Colorado had had a chance to examine the report and file his own minority views, if he wished. Does not that appeal to the Senator from Colorado?

Mr. CARROLL. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. CARROLL. This is the crux of the whole matter. In the O'Mahoney situation, a report had been made. In this case there has never been a report, because there has never been a meeting of the committee.

The point I make is that such action is contrary to all constitutional procedure.

Mr. ANDERSON. The junior Senator from Colorado is completely mistaken. The committee authorizes a Member of the Committee to file a report. We do not bring proposed reports back to the Committee on Interior and Insular Affairs for full approval by the committee. Several members of the Committee are on the floor, and I think they will say that that is the correct procedure.

Mr. CARROLL. Who authorizes the filing of reports?

Mr. ANDERSON. The committee.

Mr. CARROLL. The committee did not authorize the report.

Mr. ANDERSON. I am very sorry to disagree with the Senator. A meeting was held, and the bill and proposed amendments to it considered. A decision was reached that the committee would report the bill favorably. I requested the senior Senator from Colorado, who is the author of the Senate bill on helium, to file the report. I am certain that if the record were to be brought before the Senate, it will confirm what I have said.

Mr. CARROLL. Will not the Senator from New Mexico, with all his years of experience, admit that there is a difference between favorably reporting a bill and submitting to the Senate a favorable report? All I ask is that Members of Congress have the right to read the report and then express their views.

Mr. ANDERSON. I want to restate what I think is a completely fair proposal. I hope it is entirely fair.

I suggest that the report, which already has been filed, be printed. It will be available to all Members of Congress. I further suggest that the junior Senator from Colorado have until midnight tomorrow to file minority views, if he desires. That means that no action would be taken on the bill until Saturday, at the earliest. I hope that might be a reasonable solution.

Mr. ALLOTT. Mr. President, I desire to make my position clear. I shall not under any circumstances object to my colleague filing minority views. I hope he will show me the same consideration someday. The suggestion made by the Senator from New Mexico seems to me to be a logical one.

I should like to correct, partially, what perhaps was a misstatement made before. I originally said that the junior Senator from Colorado agreed to reporting the bill, and that an objection was raised. I had forgotten the facts. Actually the fact is that the junior Senator from Colorado agreed to the reporting of the bill subject to a poll of the committee upon his amendment.

Mr. ANDERSON. But he did reserve the right to oppose the bill.

Mr. ALLOTT. He reserved the right to oppose the bill on the floor of the Senate. In this case, he is completely correct.

In my opinion, if this is his position, and he assumed it, he retained it. I would help to protect him in that. For that reason, I shall object, as I have done earlier, to delaying the printing of the report. However, I certainly shall not object to any Member of the Senate ever having an opportunity to file minority views.

Mr. CARROLL. Mr. President, will the Senator from Montana yield me a minute or two?

Mr. MANSFIELD. I yield to the Senator from Colorado.

Mr. CARROLL. Let us consider the legislative situation. With tender solicitude, it is admitted that the junior Senator from Colorado has never seen the report. Of course, I voted to report the bill because I did not want to be put in the position of blocking it. I could have blocked it, as the Senator from New Mexico knows, because a quorum was not present. But I said I wanted to be reasonable about the bill and that we might poll the committee, and if they did not agree with my amendment, the bill could be reported. However, at no place does the record show that I ever sought to approve the report. All I am asking for is the right to read it. I am simply asking for the right to read the report. I may agree with it. If I disagree with it, I am simply asking for the right to file minority views.

What is the situation? What is the hurry about the bill? The Senator from New Mexico has been kind enough to propose that I be given until midnight tomorrow to file minority views.

We have considerable pressure on us. We shall be in session until midnight tonight. With all the work I have to attend to, I am now to be given the privilege of having until midnight tomorrow to determine whether I wish to file minority views.

What is the hurry about the bill? What is the great emergency? Helium gas has been escaping for years.

Let me say something about the bill. It is what I brought up in committee. The able Senator from New Mexico was present. He knows what I did in connection with the bill. He commended me for it. This is a very important piece of proposed legislation. That is why I want to read the report. That is why I want to have an opportunity to file minority views, if I decide to do so.

If the senior Senator from Colorado objects to the first part of my request, why does he agree to giving me until tomorrow midnight to file minority views?

We will be back in a month. Helium gas has been escaping for years. Can we not wait for a month? Is there some particular hurry about the bill? Is it to be scheduled and rammed through Congress on Saturday? Is that the plan?

I had hoped I would be given at least a week. I am a delegate to the Los Angeles convention. I am not running for President, but I am a delegate. I would like to go out there. I have many matters to dispose of in my office before I go. Is there any reason why the consideration of this bill cannot be postponed for 30 days?

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CARROLL. I yield.

Mr. MANSFIELD. I may say—and my statement certainly would be with no degree of authority—that it is quite unlikely that the measure would be considered in the next day or so. If the Senate recesses on Saturday, that might afford the delay the Senator desires.

Mr. CARROLL. I thank the able Senator from Montana. Therefore, why impose a time limitation on me? If I cannot agree to the main document, the report itself, at least give me a little time to study it. It is proposed that we shall reconvene on August 8. I give Senators my word—and I do not wish to mislead a soul in the Chamber—that I may not even file minority views. It is possible that the report as drafted will meet the needs of the proposed legislation, and I shall reserve my right to oppose the measure on the floor of the Senate.

Mr. ANDERSON. At the same session in which the helium bill was before the committee, the able junior Senator from Oregon [Mr. LUSK] discussed a bill relating to the Dalles project. Only eight Senators were physically present at the time the vote on reporting the measure was taken. A majority of the committee is nine. Technically, since I was acting as chairman at the request of the senior Senator from Montana [Mr. MURRAY], I could have ruled the Dalles project out of order.

It so happens that I firmly believe that the Dalles project should be adopted. It is an area where pumping is now taking place; but the courts have ruled that the farmers must stop the pumping. If they do, they will lose a tremendous part of the value of their farms and their crops.

The junior Senator from New Mexico carefully counted the number of Senators physically present in the committee room at that time, and determined that the number was 8, but announced that a quorum was present. A quorum was not physically present at the moment, but the Senator from Montana [Mr. MURRAY] and several other Senators on the committee had been there, and had left their proxies. In accordance with the procedure which has regularly been followed since I have been a member of the committee, I announced that a quorum was present; and then the committee proceeded to order the bill reported.

However, I point out that I asked the Senator from Oregon [Mr. LUSK] to report the bill; and I believe he has done so.

Mr. LUSK. That is correct.

Mr. ANDERSON. Did the Senator from Oregon show the report to me?

Mr. LUSK. No, I did not think it necessary to do so, Mr. President.

Mr. ANDERSON. The able Senator from Oregon is completely correct. We turn over to the committee staff the duty of drafting a report and submitting the draft to the Senator whom the committee has designated to report the bill. When the Senator reporting the bill has reviewed the proposed report and is satisfied with it, then the bill as reported and the report itself is filed here in the Senate.

With respect to this helium bill, I have been placed in a most unusual situation. A recent newspaper article charged me with holding up the proposed legislation. There was no justification for that newspaper article. It was asserted that it would have been to my personal financial advantage to hold up the bill, but the committee records show that I was not trying to delay final action in any way.

In the committee—as the present occupant of the chair, the Senator from Utah [Mr. Moss] and the Senator from Oregon [Mr. LUSK] and other committee members who were there will agree—I was trying my best to get the bill reported.

With respect to the need for this helium legislation, I am willing to accept the urgent recommendation of the Secretary of the Interior that it is needed, and needed quickly, to prevent continued waste of this mineral that is becoming so valuable for defense and industrial purposes.

My reason for supporting the endeavor of the senior Senator from Colorado [Mr. ALLOTT] to get the report filed is that I hope Senators will then have an opportunity to examine the report and the bill so that they may understand the urgency of the problem and the committee's proposed solutions to it.

How long it would take the junior Senator from Colorado [Mr. CARROLL] to file minority views, I do not know; but I believe he could file minority views stating, "I do not concur in the recommendations of the majority," and then could bring his statistical information to the attention of the Senate at a later date.

I cannot believe that the junior Senator from Montana would attempt to rush this measure through the Senate, nor can I believe that the Senator from Texas would do so.

Mr. President, on Monday the Interior Committee voted to report favorably H.R. 10548, as amended by substitution of the text of the Allott-Murray bill, as amended.

During the past 2 weeks the Committee on Interior and Insular Affairs has voted to report some 18 or 20 bills, and I do not think a single one of the reports on these bills was seen by a Senator other than the one reporting it until after the reports were filed and printed.

So I am convinced that there is nothing unusual about the procedure in the case of this helium bill. I can see no basis for the suggestion that the committee report was not properly filed, because I could point out that the reports on hundreds of bills have been similarly handled in the Interior Committee.

Let me say that in the 83d Congress, for example, I had a great deal to do with filing the minority views on the tidelands bill, but I did not insist on seeing the majority report before going ahead and helping present the minority views. We lost the tidelands fight, but we did not worry about the filing of the majority report. In opposing the bill to assert title in the States to the submerged lands seaward of their shorelines, I was doing what I thought was in the best interests of the Nation. However, the able Senator from Florida [Mr. HOLLAND] prevailed on the Senate to accept his bill, and I accepted the will of the majority.

In this instance, eight members of the committee felt that the amendment submitted by the junior Senator from Colorado [Mr. CARROLL] should not be adopted. However, those present took the position that each member should be asked to record his views. The poll showed that 11 members were opposed to the amendment of the junior Senator from Colorado, and 3 members were in favor of it. Three members did not vote.

The junior Senator from Colorado [Mr. CARROLL] has a perfect right to oppose the majority report, if he so desires. I hope that the majority report will be printed in accordance with our established procedure, and that such action as the junior Senator from Colorado may choose to take, in connection with filing minority views, will be taken promptly.

Mr. MANSFIELD. Mr. President——

Mr. DOUGLAS. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. DOUGLAS. Mr. President, I have a simple suggestion and a practical suggestion to make, inasmuch as I believe it may help resolve this difficulty: It would take only 15 or 20 minutes to go to the Government Printing Office and obtain the report and have it Thermo-Faxed, and then bring a copy to the Senate. Then the printing of the report could proceed; but in that event the junior Senator from Colorado would have access to the report, and could then prepare his minority views.

In view of the great accumulation of legislative work during the last few days of the session, and in view of the fact that House bill 10, a very important measure, is the pending business, and we wish to have it thoroughly debated and, if possible, acted upon by the Senate, it seems to me that the policy committee would not likely clear this helium bill for action at this time.

So I wish to make the very practical suggestion that the request of the junior Senator from Colorado be complied with, and that the report be Thermo-Faxed, and that a copy of the report then be made available to him. Then he will be able to prepare his minority views; and then the policy committee can decide whether it wishes to schedule the bill for floor action.

Mr. MANSFIELD. But the printing of the report could still be proceeded with, could it not?

Mr. DOUGLAS. Yes.

Let me point out that my suggestion is that of a peacemaker, and of course a peacemaker commonly gets into trouble. [Laughter.]

Mr. ANDERSON. Mr. President, the suggestion of the Senator from Illinois offers a simple solution of the difficulty, and there is no reason why what he has suggested should not be done.

If it is possible to go to the committee files, and there obtain a copy of the report, and supply it to the junior Senator from Colorado, I would be glad to have that done. However, in the event no copy of the final draft as approved and filed is available, then I would be glad to have a copy of the report supplied immediately from the Government Printing Office, for certainly there is nothing secret or sacred about it.

Mr. CARROLL. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. CARROLL. Before I brought up this matter on the floor of the Senate, I was very careful to ascertain from the committee staff whether copies of the report were available. But no copy was available; the only copy already had gone to the Government Printing Office.

That is why I asked to look at the report. If we can get a copy of the report, by having it Thermo-Faxed, I shall be happy to have such a copy given to me. As a member of the committee, I simply wish to read the report; that is my first point.

Second, after I read it, I may wish to file minority views. As a U.S. Senator from Colorado, I have certain rights; and as a member of the committee, I may wish to file minority views. If I choose to exercise that privilege and prerogative of a Senator and of a committee member, I do not wish to be limited to filing minority views by Saturday night. That is all I am asking.

In view of the heavy workload I have—and the workload of members of the Judiciary Committee is extremely heavy—I believe my request is a proper one. In the Judiciary Committee, before any report is made from the committee, it is brought before the committee, and the entire committee passes on it. Many times I have heard the minority leader, the Senator from Illinois [Mr. DIRKSEN], say he wished to have 14 days or a week or some long period of time in which to examine a report before it was filed. I wish to have time to prepare minority views. Why? Because I wish to have the minority views published in the same document with the majority report.

But if that is not possible, then I will accept a Thermo-Fax copy of the report. All I wish to know is what is going on—in other words, what the report contains. Is that too much for a member of the committee to ask?

Of course, I may concur in the majority report. If I do, I say to the able Senator from New Mexico, I will notify him forthwith.

But I hope the Senator from Montana is right—that the bill will not be scheduled by the policy committee for early consideration by the Senate, in view of all the important measures which now are awaiting action by the Senate.

We can take a long look at this question come August 8.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico, as modified by the request of the Senator from Illinois?

Mr. ALLOTT. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. ALLOTT. Let me say that the suggestion made by the Senator from Illinois [Mr. DOUGLAS] seems wholly reasonable to me.

Again I state that I want my colleague to have ample opportunity to file his views.

I have just now been informed by my assistant—and I think the record on this matter should be made clear—that he saw the report, as prepared by the staff, for the first time at 10 o'clock this morning; that he and the staff spent from 10 o'clock until late afternoon revising, rewriting, and editing the report; and that no copy was made of the final draft of the revised and edited report. Much of it, in its revised form, was clipped and pasted together with interlineations in pencil, as reports commonly are prepared under pressure of time.

That is how it happens that no copy is available.

That is the only reason why there is not one. I am perfectly willing to have the report brought up here and let my colleague have access to it. The only thing I object to is holding up the printing of the report.

The PRESIDING OFFICER. Without objection, the request is agreed to.

Mr. MANSFIELD. Mr. President, in order that the record may be clear, it is my understanding what has been agreed to is that a Thermo-Fax copy may be made of the single copy of the report; that it may be furnished to the Senator from Colorado; that the printing will go on.

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. The bill is not on the calendar and is not before the policy committee. What will happen, I do not know.

Mr. President, what is the pending business before the Senate?

EXTENSION FOR 2 YEARS OF VETERANS' GUARANTEED AND DIRECT LOAN PROGRAM

The PRESIDING OFFICER. The business before the Senate is House bill 7903.

The Senate resumed the consideration of the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years.

Mr. MANSFIELD. Mr. President, with the concurrence of the Senator from Alabama [Mr. SPARKMAN], I should like to yield 4 minutes to the Senator from Arizona [Mr. GOLDWATER].

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, the veterans' guaranteed home loan program was authorized by the Servicemen's Readjustment Act of 1944 and provided that veterans of World War II could obtain assistance from the Veterans' Administration in the purchase of a home by obtaining a guarantee on a portion of the loan.

The program was authorized for a period of 10 years after World War II was deemed to have terminated. This 10-year period was extended for 1 year by the enactment of Public Law 898, 84th Congress, and further extended for 2 years by the enactment of Public Law 85–364, 85th Congress.

I am opposed to the passage of H.R. 7903 because I believe that there is no longer sufficient justification for continuing the loan guarantee benefit program for World War II veterans.

Such a benefit program for these veterans can only be justified on the basis of readjustment assistance, on the assumption that the veteran has not yet had sufficient time or opportunity since his discharge from the service to adjust to civilian life. Fifteen years have elapsed since the end of World War II, a period of time more than ample to provide for readjustment to civilian life. These veterans now average more than 40 years of age and it is doubtful that at this stage in their lives and careers the Government continues to have a special obligation to assist them in acquiring homes, businesses, or farms. Moreover, there is evidence that the disadvantages in respect to homeownership which may have resulted from interruption of careers due to military service have in fact been overcome: approximately the same proportion of veterans as of the general population own their own homes.

The number of veterans who have taken advantage of the loan guarantee program, as well as the trends in loans made to World War II veterans, also furnish collateral evidence that genuine readjustment needs have been met. In 13 years since the program began approximately 5 million loans have been guaranteed for World War II veterans. It is significant that 4½ million of them were made during the first 10 years. In the past 3 years less than one-half million loans have been guaranteed, and in 1959 loans totaled somewhat less than 100,000. Projections of demand over the next 5 years indicate that at the most optimistic estimate the 1959 experience would not be exceeded, especially when it is recognized that these veterans are of an age substantially beyond that when the bulk of new homes are purchased.

One of the principal reasons for creation of the guarantee program was the desire to create a special low-cost credit system to assist the veteran, who in most cases was below the usual age of home purchaser, by allowing him special credit terms for the purchase of a home on a budget which would not normally support such purchase. Today this basic reason is no longer valid, and in the interest of creating a simple, self-sustaining home mortgage credit system, this special operation should not be maintained. The terms for FHA-insured mortgages have been sufficiently liberalized to offer an adequate means for meeting the mortgage needs of veterans. FHA financing is available to veterans at reasonable interest rates and with modest downpayments. If the GI loan guarantee program is eliminated and veterans, like other citizens, make use of FHA home financing facilities, the Government will save the duplicative expense of continuing two very similar insurance programs.

Because of variable factors on the long-range supply and demand of mortgage capital, the exact cost to the Veterans' Administration of an extension of this program to July 25, 1962, is not known. But if the general availability of mortgage money for the program is assumed, it is estimated that there would be approximately 250,000 additional GI loans, with an added administrative cost of $10 million.

Even if the cost alone were not a sufficient factor, the program is mechanically unsound. As the program is presently operated, because of the unrealistic ceiling on interest rates which has been set as an inflexible figure to be changed only by act of Congress, very little money is finding its way into the GI loan guarantee program. It is inconsistent to single out this program, assigning to it a rigid interest rate, while at the same time allowing rates to seek the market level on FHA loans. This puts the veteran at a competitive disadvantage when seeking a mortgage to finance his loan.

In summary, I see no reason for continuing this program which was not before Congress when this body determined to discontinue the GI education and training program, which expired on July 25, 1956. I feel that the reasoning governing action on the latter program is equally applicable to this one and it too should be allowed to expire.

I should like to ask the Senator from Alabama [Mr. SPARKMAN] if my information is correct that the House measure is being substituted for the Senate measure.

Mr. SPARKMAN. That is correct.

Mr. GOLDWATER. While I would still be opposed to it, the House bill is far more palatable, because the House extension is for 2 years, and the Senate extension is for 5 years. I think if a bill must be adopted—and I see no reason why it should be—the 2-year extension is sounder, because it will enable us, in 1962, to have an opportunity to see whether it is further necessary.

Mr. SPARKMAN. Mr. President——

Mr. MANSFIELD. Mr. President, I yield the floor.

Mr. SPARKMAN. Mr. President, House bill 7903, as the Senator from Arizona has correctly stated, extends the guaranteed loan program for a period of 2 years, and also extends for a period of 2 years the direct loan program.

Sometime ago the distinguished junior Senator from Texas [Mr. YARBOROUGH] introduced a bill to extend the guarantee program. I introduce a bill to extend the direct loan program. The Committee on Labor and Public Welfare reported the bill that the Senator from Texas [Mr. YARBOROUGH] had introduced.

When the omnibus housing bill was before the Senate, at the request of the junior Senator from Texas, an amendment was offered by the Senator from West Virginia to include the provisions of S. 3275, and that was done. Consequently, the omnibus housing bill contained a 1-year extension of the VA direct loan program and a 4½-year extension of the guarantee loan program. This is the manner in which the bill passed the Senate.

Personally, I would have liked to see both programs extended for a period of 4½ years, making the extension period uniform. I believe there is good reason for such action.

The House has passed a bill extending both programs for a period of 2 years. The desire is for the Senate to agree to the House bill.

Mr. President, there is one thing I wish to point out, for I think it has a bearing upon the statement made by the distinguished Senator from Arizona. I am sure it will be of interest to every Senator. A remarkable record has been made in these two veteran programs over the years. I am not going to burden the RECORD or the Senate with a great many statistics, but during the time the direct-loan program has been in effect—and I say this with a great deal of pride because I was the sponsor of the original measure which established the direct-loan program—there has been a net profit to the Government of $57 million. This profit is after all costs of operating and everything connected with the program have been deducted.

In respect to the guaranteed loan program, which is a much larger program which has been in existence a much longer period, and which has helped millions of veterans during the time that program has been operating—I think this is remarkable also—the total loss has been a net $7 million. If we put the two programs together, we have a net profit of $50 million from these programs. Thus, the programs have not cost the Federal Government any money, and they have done a tremendous amount of good for veterans who served in the interests and for the protection of our country.

These are good programs. I think both programs should be extended. I earnestly hope the Senate will accept the House bill.

Mr. YARBOROUGH. Mr. President, I commend the distinguished Senator from Alabama for his leadership over the years in this field. In respect to the original program of guaranteed home loans for veterans and the direct loan program, the Senator has been an outstanding leader.

Mr. President, recently the home-builders of El Paso, Tex., told me that 25 percent of the homes they built in the past year were veterans' homes built under these veterans' programs.

Mr. President, the House bill which we are considering would extend both the VA guaranteed and direct home loan programs for a period of 2 years.

I believe it is urgent that we consider this measure at this time because the guaranteed home loan program for veterans of World War II will expire on July 25, 1960, and the direct loan program for all veterans will expire on the same date. Since it is now planned that the Congress will adjourn on Saturday until August, it seems imperative that we act upon the extensions now, if it is the intent of the Senate of continue to help veterans of World War II and the Korean conflict to avail themselves of needed housing.

Should we delay taking action on these extensions until we return in August, both programs will have expired. Moreover, even though we do enact extensions upon our return, a tremendous amount of confusion would be caused by the delay. I refer, of course, to such matters as pending applications, outstanding commitments, and other administrative functions of the Veterans' Administration. Also many of those presently employed in the VA could find themselves in the grips of a real dilemma insofar as employment, retirement rights and other civil service matters are concerned.

Frankly, I do not believe it is necessary to go into any lengthy debate of the bill. As many Senators will recall, on March 24, 1960, I introduced a bill, S. 3275, to extend the guaranteed loan program until February 1, 1965. At the same time, the junior Senator from Alabama introduced another bill, S. 3276, to extend the veterans' direct loan program. My bill was referred to the Committee on Labor and Public Welfare, while my colleague's bill was referred to the Committee on Banking and Currency.

Subsequently, the Subcommittee on Veterans' Affairs, of which I am chairman, held hearings on S. 3275. Thereafter, the Committee on Labor and Public Welfare, in executive session on June 10, 1960, favorably reported S. 3275 to the Senate. At about the same time, the Banking and Currency Committee reported S. 3670 as the Housing Act of 1960. Since this measure contained an extension of the VA direct loan program, orderly procedure required that an extension of the guarantee loan program also be included in the housing legislation. This was accomplished at my request by an amendment to extend this veterans' program offered and cosponsored by my good friend, the very able senior Senator from West Virginia [Mr. RANDOLPH].

Thus, the Senate has already considered and passed earlier this session provisions to extend both of these programs.

In advocating the extension of this legislation, I am influenced by two primary considerations. First, present records in the Veterans' Administration indicate that there are still well over 9 million World War II veterans who, because of the lack of mortgage money—attributable to high interest rates and other reasons—have not taken advantage of their eligibility under the guaranteed loan program. In addition, there are some 4.5 million veterans of the Korean conflict who have not had an opportunity to exercise their eligibility under the direct loan program.

There is no doubt, of course, that many veterans applying for guaranteed loans have had their plans disrupted by the lack of mortgage credit.

Second, we all know of the outstanding performance of our veterans in meeting obligations to repay home loans. Only about 1 percent of the 5.5 million home loans have resulted in claims, and the loss on those has been less than one-tenth of 1 percent. The claims paid having amounted to only 8 cents on every $100 of the original principal amount of the loans guaranteed. The loss that the Government has sustained has been infinitesimal. And about 1.5 million of these loans have been fully repaid.

On these facts, the conclusion is inescapable that these programs must be extended. By extending these programs as provided by the pending bill, our veterans will continue to receive recognition for their unselfish service and at an insignificant cost to the taxpayers. In addition, this program is a great benefit to our general economy.

Mr. President, I agree with the distinguished Senator from Alabama. I would prefer to see the programs extended for 5 years. The fact is that these programs are scheduled to expire July 25, 1960, during the period of adjournment and before we shall return in August. H.R. 7903 would extend the programs only 2 years, but rather than see the programs expire on the 25th of July, I am willing to accept the 2-year extension provided in H.R. 7903.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an explanation of the House amendments to H.R. 7903.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF HOUSE AMENDMENTS TO H.R. 7903

The House amendments to H.R. 7903, now contained in sections 5, 6, and 7 of the bill, were requested or approved by the Veterans' Administration. In brief, the provisions of the amendments will:

1. Provide for the issuance of a guarantee of a veteran's home loan by the administration on loans in cases where the veteran did, in fact, occupy the home, but through oversight the occupancy certifications were not completed as required.

2. Require a veteran's deposit or downpayment to be held by the seller in a trust account until the loan is closed, to safeguard such deposit or downpayment from the claims of creditors of the seller.

3. Establish a revolving fund for the Administrator for ease in his operations of the loan guarantee program.

4. Eliminate the 1-year closing authority on loans after the expiration date of the benefit. This is deemed necessary by many lenders and the VA.

No. 1 above is necessary to enable some of the lenders participating in the veterans' home loan program to obtain a guarantee on veterans' loans that were closed without first getting the required certifications of intent

to occupy, as required by law. In numerous cases the lender failed to get the veteran to certify that he intended to occupy the property as his home, before the loan was closed. Under the present law, even if the veteran does occupy the property as his home, but the lender failed to obtain the required certifications of intent to occupy, the loan is not eligible for a VA guarantee. This would make such loans eligible for a VA guarantee if the veteran did in fact occupy the home.

No. 2 will require the veterans' deposit or downpayment on a home to be deposited in a special account where it cannot be attached by the seller's creditors.

No. 3 establishes a special account in the Treasury for the Administrator of Veterans' Affairs. This is desired by the Administrator for ease in administering the veterans' home loan program and has the approval of the Treasury.

No. 4 is more or less a technical provision in that it does not take any benefits from our veterans. It only changes the wording of the present laws, which will assist lenders and title companies. The veteran can still close his loan after the expiration date of the programs provided his application is received by VA prior to the expiration date.

Mr. CARLSON. Mr. President, I commend the distinguished chairman of the committee, the junior Senator from Alabama [Mr. SPARKMAN] for bringing this bill before the Senate at this time. I think it is essential that the bill be passed, in order that the loan program will not expire. This program has rendered great assistance to our veterans. The 2-year extension will give us plenty of time to review the program. I urge that there be early approval of the bill.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CARLSON. I am happy to yield.

Mr. SPARKMAN. Of course, the Senator realizes that direct loans are limited to those veterans living in rural and remote areas. I am sure the Senator is aware of the fact that for many such veterans this program is the only means by which they are able to get decent, safe, and sanitary housing.

Mr. CARLSON. I have personally received several letters from my home State urging that the act be extended so that these particular veterans will be given an opportunity to have decent housing. It is very important.

Mr. SPARKMAN. I do not know how many applications there are pending in the State of Kansas, but there are at least several hundred in my own State. I would estimate that there may be as many as 1,000. There is a national backlog of 29,000 applications for direct loans at present. These applications, of course, cannot be processed unless the program is extended.

PROPOSED AMENDMENTS TO THE SOCIAL SECURITY BILL

Mr. ANDERSON. Mr. President, jointly with the two Senators from Minnesota [Mr. HUMPHREY and Mr. MCCARTHY], I submit an amendment to the social security bill, H.R. 12580, which has been passed by the House of Representatives and is pending before the Senate Finance Committee.

Mr. President, during the past several months, there have been many proposals suggested to meet a pressing national problem—the health care of our Nation's aged citizens. Many of these proposals have similar provisions designed to meet this growing social need. There can be no doubt that the proper care of our older citizens is one of the primary responsibilities of a responsive people. The number of citizens who have reached the age of 65 and older is now estimated to be between 14 million and 16 million.

The ironical thing of the extended life expectancy in our society is that the wonderful medical progress which has helped extend lives is so expensive. Now, in the golden years of a person's life, when the need for medical care is perhaps greatest, the resources of the vast majority of our elderly citizens are not at all adequate to pay for the benefits which they should have. Figures taken from an article in the May 9 issue of Time magazine indicate that almost 80 percent of our people over 65 have incomes of less than $2,000 per year. Fifty-seven percent earn less than $1,000 a year.

In this age of the highest costs of living in our Nation's history, we cannot turn our backs on the aging members of our population who have contributed so much in the past to our present development.

Our amendment does not change the language of title VI of the House bill. The House Committee on Ways and Means labored long and hard on this bill.

In brief, our amendment adds basic health benefits to the old-age, survivors, and disability insurance system, financed by contributions equaling one-fourth of 1 percent each from employers and employees.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of the resolution approved by the Governors' conference, June 29, 1960, which shows that the Governors overwhelmingly approve the use of the old-age, survivors, and disability insurance system for care for the aged. Thirty States voted for the resolution, 13 against, and 11 were absent or not voting. I ask unanimous consent that the tabulation of the States be printed in the RECORD with the text of the resolution.

There being no objection, the resolution and tabulation were ordered to be printed in the RECORD, as follows:

TEXT OF RESOLUTION APPROVED BY GOVERNORS' CONFERENCE, JUNE 29, 1960

PROBLEMS OF THE AGING

Whereas the Governors' conference for many years has been acutely aware of the growing number and complexity of problems faced by our increasing population of senior citizens, including health and medical care, employment and income maintenance, provision of suitable housing, and enrichment of leisure time activities; and

Whereas the most pressing of these problems is the financing of adequate health and medical care: Now, therefore, be it

Resolved by the 52d annual meeting of the Governors' conference, That Congress be urged to enact legislation providing for a health insurance plan for persons 65 years of age and over to be financed principally through the contributory plan and framework of the old-age survivors, and disability insurance system; and be it further

Resolved, That the States support and participate actively in the forthcoming White House Conference on Aging to the end that public and private agencies be stimulated and encouraged to develop approaches to all the problems of the aging.

LIST OF STATES VOTING

Vote for, 30: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Kansas, Kentucky, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, Ohio, Oklahoma, Rhode Island, South Dakota, Tennessee, Texas, Vermont, Washington, Wisconsin.

Vote against, 13: Delaware, Georgia, Idaho, Illinois, Indiana, New Hampshire, North Carolina, South Carolina, Utah, Virginia, West Virginia, American Samoa, Virgin Islands.

Absent or not voting, 11: Hawaii, Iowa, Louisiana, Maryland, Mississippi, North Dakota, Oregon, Pennsylvania, Wyoming, Guam, Puerto Rico.

Mr. ANDERSON. Mr. President, Iowa was one of the States which did not vote. The Governor of Iowa has sent a telegram in favor of the social security approach to the problem. I am informed that the Governor of Pennsylvania has also written in favor of this proposal.

Mr. President, I believe there has seldom been a social program which has worked as well as the social security system of the United States. This wonderful innovation has worked remarkably well during the past quarter of a century to allow our working people to insure against want in their latter years by their own efforts. The trust fund has paid benefits over the years, and now has a $20 billion surplus. This is one of few surpluses of which we can be proud. Therefore, I think it is essential that any real plan for medical care should be based on our social security system, with the employees having paid into a trust fund.

This proposal covers those who now have coverage under social security, including present recipients. The provision included by the House of Representatives is adequate to cover those people in the various States who are without social security coverage. Therefore, the amendment is compatible with the House plan. They are designed to supplement each other.

Under our plan, benefits would be payable as a matter of right on July 1, 1961, to 9 million persons aged 68 or over, and in later years would provide protection to the great majority of aged citizens. We have selected age 68 because that is the average age of retirement in the United States.

No means or income test would be required, nor any contributions after retirement, thus protecting the dignity and the meager incomes of the aged. Social insurance is thus utilized as the first line of defense, in accordance with a quarter of a century of congressional practice. The burden of public assistance and general funds of the States will be diminished and they will be able to provide more generous aid as the last resort of those for whom social insurance is unavailable or insufficient.

Following is an outline of the provisions of the amendment:

1. PERSONS ELIGIBLE

All persons eligible for OASDI benefits who are aged 68 or over would receive paid-up protection for life. Use of age 68, which is the approximate age of retirement would eliminate the need of using a complicated retirement test.

2. EXTENT OF BENEFITS

(a) Hospital care, 365 days with initial deductible of $75, repeated after 24 days.

(b) Skilled nursing home recuperative care, 180 days.

(c) Visiting nurse services, 365 days.

The total cost would not exceed one-half of 1 percent of payroll on a level premium long-term basis.

3. EXPLANATION OF PROVISIONS

(a) A physician's certification of the need for care would be required for all types of benefits, with recertification for extended care.

(b) Hospital care would include not only usual hospital services for bed patients but such special hospital services as laboratory and X-ray, private nurses, and physical restoration.

(c) Skilled nursing home recuperative services are strictly defined and strict administration is anticipated, with a view to holding down costs. The services to be paid for will largely replace hospital care, and must follow hospitalization. Visiting nurse services means professional nursing care in the individual's home provided through a visiting nurse agency.

(d) The initial deductible of $75 would help meet costs and yet not be so large as to work undue hardship on most patients. It would help satisfy those who would otherwise argue that overutilization will result. The second deductible, after 24 days, serves a similar purpose, and helps to justify the extensive amount of care permitted.

4. FINANCING

(a) Contribution rates would be increased in 1961 to meet the estimated cost as follows: one-fourth-percent increase for employers and employees, and three-eights-percent increase for the self-employed, on earnings up to the ceiling of $4,800. These increases would fully meet the costs shown which are based on estimates of the Social Security Administration.

(b) These additional contributions would be set apart in a separate account in the OASI trust fund from which all payments for medical services would be made.

5. ADMINISTRATION

(a) The Secretary of HEW would consult with a representative advisory council before making regulations.

(b) Agreements relating to the provision of services would be made with the hospital, nursing home, or visiting nurse service agency or with its authorized representative. Any qualified provider of services would have the right to participate, and individuals could choose among them. The method of determining the amount of payments would be based on the reasonable cost of rendering the services.

(c) Nothing in the act shall be construed to give the Secretary supervision or control of the practice of medicine or the manner in which medical services are provided.

(d) The Secretary would be authorized to undertake research and demonstration projects relating to the health needs of aged individuals.

Our amendment adds basic health benefits to the old-age, survivors and disability insurance system, financed by contributions equalling one-fourth percent each from employers and employees. Payments would be made for 365 days of hospital care, and subsequent skilled nursing home recuperative care, and for visiting nurse services in the home. These alternative forms of care, together with two separate $75 deductible payments by the beneficiary, will help to provide protection in long continued illnesses without overloading hospitals.

No means or income test would be required, nor any annual contributions after retirement to secure coverage, so that the dignity and the meager incomes of the aged would be protected.

Benefits would be payable as a matter of right on July 1, 1961, to 9 million persons aged 68 or over who are eligible for monthly benefits under the OASDI system. Nearly three out of five persons 65 years or older would automatically be entitled to the new benefits. All the other aged persons would of course potentially be protected by whatever improvements in public assistance are incorporated in the final legislation. Many also have other forms of insurance, including 0.5 million under veterans' compensation and pensions, 0.5 million aged annuitants of the railroad retirement system, and 0.2 million aged annuitants of the Federal civil service retirement system. Much of the voluntary health insurance in existence applies to the people between 65 and 68, especially those still working. The more liberal eligibility requirements of H.R. 12580 will bring 350,000 aged persons under the protection of OASDI.

The addition of health benefits to OASDI would presumably be accompanied by similar benefits under other Government systems. Social insurance would thus be utilized as the first line of defense, in accordance with a quarter-century of congressional practice. The burden of public assistance and general funds of the States would be diminished, and they would be able to provide more generous aid as the last resort of those for whom social insurance is unavailable or insufficient.

For the first 10 or 20 years, the contributions collected will be greater than estimated outlays from the new account, since early year costs are estimated at only about 67 percent of level premium costs, such as would apply after 20 years into the indefinite future.

Mr. President, because of the interest there seems to be in this proposal, I ask unanimous consent that the text of the amendment presented on behalf of the two Senators from Minnesota and myself be printed in the RECORD at this point.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment, submitted by Mr. ANDERSON, for himself, Mr. HUMPHREY, and Mr. MCCARTHY, were referred to the Committee on Finance and ordered to be printed.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 172, after line 18, insert the following:

"AMENDMENTS TO TITLE II

"SEC. 605. (a) Title II of the Social Security Act is amended by adding after section 225 the following new section:

"'*Medical insurance benefits*

"'SEC. 226. (a) (1) Every individual who—

"'(A) (i) has attained the age of 68, and

"'(B) is entitled, or is deemed entitled, to monthly benefits under section 202, and

"'(C) has filed an application under this subsection, shall be eligible to receive medical insurance benefits during his benefit period (as defined in subsection (b)(3)). Any individual who meets the conditions of subparagraphs (A) and (B) shall be deemed to have met the condition of subparagraph (C) upon the filing of an application in accordance with the provisions of subparagraph (A) of subsection (b)(1).

"'(2) For purposes of this subsection—

"'(A) an individual is deemed entitled to monthly benefits under section 202 for a month if in such month such individual is not entitled to monthly benefits under such section, but would be entitled to such benefits (i) had he filed application therefore in such month, and (ii) for purposes of subsections (b) and (c) of such section 202, had such individual's spouse, if such spouse is not entitled to monthly benefits under subsection (a) of such section for such month, been entitled to benefits under such subsection for such month upon the filing of an application in such month;

"'(B) an individual shall be deemed entitled to monthly benefits under section 202 for the month in which he died if he would have been entitled, or deemed to be entitled, to such monthly benefits for such month had he not died in such month;

"'(3) Medical insurance benefits shall mean inpatient hospital services, skilled nursing home recuperative services, and visiting nurse services (as defined in subsection (d)).

"'(4) No application filed pursuant to subparagraph (C) of paragraph (1) prior to the third month preceding the month in which the applicant attains the age of 68, shall be accepted as an application for purposes of such subparagraph.

"'*Payments of medical insurance benefits*

"'(b)(1) Payment of medical insurance benefits which an individual is eligible to receive during his benefit period shall be made in accordance with the provisions of this section, but only if—

"'(A) application is filed for such payment in such form and in such manner and by such person as the Secretary may by regulation prescribe, and such application is filed no earlier than the first day of the third month preceding the month in which his benefit period begins or no later than the last day of the twelfth month succeeding the month in which his benefit period ends, and

"'(B) the inpatient hospital services, skilled nursing home recuperative services, or visiting nurse services, as the case may be, are furnished after referral by a physician, and such physician certifies in writing that such services are or were required for his

medical treatment, except that such referral shall not be required for inpatient hospital services in case of an emergency which makes such referral impracticable; periodic recertification that such services which extend over a period of time are required shall be a condition of the continuing payment of such benefits.

"'(2) Payment of medical insurance benefits which an individual is eligible to receive may be made for the following services if furnished in the United States—

"'(A) inpatient hospital services furnished to such individual during a benefit period on a total of not more than three hundred and sixty-five days: *Provided*, That the payments made with respect to any benefit period of an individual shall be reduced (but not below zero) by an initial deduction equal to $75. In the case of continuous hospitalization in excess of twenty-four days in a benefit period the payments shall be reduced by a further deduction equal to $75.

"'(B) skilled nursing home recuperative services furnished to such individual during a benefit period on a total of not more than one hundred and eighty days; except that this subparagraph shall not apply unless such services are furnished to such individual upon transfer from a hospital to a skilled nursing facility,

"'(C) visiting nurse services furnished to such individual during a benefit period on a total of not more than three hundred and sixty-five visits.

"'(3) For purposes of this section—

"'(A) A benefit period with respect to an individual shall mean a period (i) beginning with the first day in which such individual both is furnished inpatient hospital services, skilled nursing home recuperative services, or visiting nurse services and is eligible to receive medical insurance benefits and (ii) ending with the three hundred and sixty-fourth day following such first day; except that if any of such services are being furnished such individual in a continuous period in which occurs such three hundred and sixty-fourth day and the succeeding day, then, for purposes of determining the beginning of a benefit period, such succeeding day shall be the first day in which such services are furnished.

"'(B) A continuous period during which the services referred to in subparagraph (A) are being furnished to an individual for purposes of such subparagraph shall mean—

"'(i) with respect to inpatient hospital services or skilled nursing home recuperative services, a consecutive number of days in which such services are furnished; and

"'(ii) with respect to visiting nurse services, one or more visits in which such services are furnished, but only if the number of days elapsing between two successive visits in which such services are furnished does not exceed thirty.

"'*Evidence and determinations of eligibility*

"'(c) The provisions of section 205 relating to the making and review of determinations shall be applicable to determinations as to (i) whether an individual is eligible to receive medical insurance benefits, (ii) the number of days of services or visits, as specified in subsection (b)(2), for which an individual is eligibile by reason of the provisions of this section, and (iii) whether, or the extent to which, the cost of the services furnished to an individual may be paid for out of the Medical Insurance Account of the Federal Old-Age and Survivors Insurance Trust Fund, and the amount of such payment.

"'*Description of medical insurance benefits*

"'For the purpose of this section—

"'(1) The term "inpatient hospital services" means the following items furnished to an inpatient by a hospital: (A) bed and board in a hospital, in semiprivate accommodations unless they are unavailable, or unless other accommodations are required for medical reasons; and (B) such medical, nursing, interns', laboratory and X-ray, ambulance, and other services, and such drugs, supplies, and appliances required for his care and treatment in the hospital or provided in connection with surgery which in the opinion of medical authority is medically necessary (whether furnished directly by the hospital or by arrangement through other persons);

"'(2) The term "skilled nursing home recuperative services" means the following items furnished to an inpatient in a skilled nursing facility: (A) skilled nursing care provided by a registered professional nurse or a licensed practical nurse which is prescribed by a physician as required for the recuperative care of the patient; (B) medical and other services required for his treatment in the nursing facility; and (C) bed and board in connection with the furnishing of such skilled nursing care;

"'(3) The term "visiting nurse services" means professional nursing care in a place of residence maintained as an individual's home, prescribed by a physician and provided through a visiting nursing agency;

"'(4) The term "hospital" means an institution which (A) is operated in accordance with the laws of the jurisdiction in which it is located pertaining to hospitals and in accordance with standards established by the authorities responsible for such standards in such jurisdiction; (B) is primarily engaged in providing diagnostic and therapeutic facilities for surgical and medical diagnosis, treatment, and care of injured and sick persons by or under the supervision of staff physicians or surgeons; (C) maintains adequate medical records; and (D) continuously provides twenty-four-hour nursing service by registered graduate nurses. The term "hospital" shall not include a tuberculosis or mental hospital;

"'(5) The term "skilled nursing home" means a facility which (A) is licensed to provide skilled nursing services by the State in which it is located; (B) has beds for the care of patients who require continuing planned medical and nursing care; (C) is under the continuous supervision of a registered nurse or physician; and (D) is operated in connection with a hospital or has medical policies established by one or more physicians (who are responsible for the execution of such policies) to govern the skilled nursing care and related medical care and other services which it provides:

"'(6) The term "visiting nurse agency" means a public or other nonprofit agency operated in accordance with medical policies which are established by one or more physicians (who are responsible for supervising the execution of such policies) and which govern the visiting nurse services it provides;

"'(7) The term "physician" means an individual (including a physician within the meaning of sec. 1101(a)(7) licensed to practice surgery or medicine by the State in which he provides surgical or medical services.

"'*Agreements with providers of services*

"'(e)(1) The Secretary of Health, Education, and Welfare shall, at the request of any hospital, skilled nursing facility, or visiting nurse agency (hereinafter referred to as a "provider of services"), enter into an agreement with such hospital, facility, or agency for the payment of costs of services furnished to individuals eligible to receive medical insurance benefits. Each such agreement shall contain such provision, not inconsistent with the provisions of this section, as may be mutually agreed to by the Secretary and such provider of services.

"'(2) Any agreement entered into pursuant to paragraph (1) shall provide that—

"'(A) the provider of services will not charge any individual eligible to receive medical insurance benefits or any other person for services which are furnished such individual and for which payment may be made under subsection (b), and that if any charge is made, necessary action will be taken to cancel such charge and refund any payment made by such other individual or any other person for such services;

"'(B) the Secretary will pay to any provider of services the reasonable cost of services specified in subparagraph (A), but only if the provider of services furnished such information with respect to such costs on such forms as the Secretary may by regulation require; the Secretary shall determine such reasonable costs and in making such determinations is authorized to use such method or methods of estimating as he may by regulation prescribe;

"'(C) no payment will be made to any provider of services for any inpatient hospital service which such provider is obligated by a law of, or a contract with, the United States to render such service at public expense;

"'(D) where a provider of services furnishes to an individual eligible to receive medical insurance benefits at his request services which are described in subsection (d), but are in excess of the service usually encompassed by the service so described, the Secretary shall pay to such provider of services only the equivalent of the reasonable cost of the service so described and that the provider of services may charge such individual for any additional cost of the service furnished at such request;

"'(E) such agreement may be terminated by (i) the provider of services at such time and upon such notice to the Secretary and to the public as the Secretary may specify by regulations and (ii) the Secretary at such time and upon such notice to the provider of services as may be specified by regulations, but only after the Secretary has determined that such provider of services is not complying substantially with the provisions of such agreement or that such provider no longer substantially meets the provisions of subsection (d) and has notified such provider of such determination.

"'(3) Nothing in this section shall—

"'(A) preclude the Secretary from making payment for the reasonable cost of services furnished to an individual eligible to receive such services by any hospital which is not a party to an agreement under this subsection but only if (i) such services were emergency services and (ii) the Secretary would be authorized to pay for such services had the Secretary and such hospital entered into an agreement under this section;

"'(B) preclude providers of services to be represented by any individual, association, or organization authorized by such provider of services to act on its behalf;

"'(C) be construed to give the Secretary supervision or control over the practice of medicine, the manner in which medical services are provided, or over the administration or operation, the selection, tenure, or compensation of personnel of any hospital, skilled nursing home, or visiting nurse agency which has entered into an agreement under this section.

"'(4) Where an agreement under this section between a provider of services and the Secretary has been terminated, the Secretary may, notwithstanding any other provision of this section, enter into another agreement under this section with such provider but only if such provider conforms to the standards set forth in subsection (c) and the Secretary determines that another agreement with such provider will effectuate the purposes of this section.

"'(5) The Secretary shall from time to time determine the amount to be paid to

each provider of services under an agreement with respect to the services furnished and shall certify such amounts to the Secretary of the Treasury, except that such amount may be reduced or increased, as the case may be, by any sum by which the Secretary finds that the amount paid to such provider of services for any prior period was greater or less than the amount which should have been paid to it for such period. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment from the Medical Insurance Account, at the time or times fixed by the Secretary, in accordance with such certification.

"'Free choice by patient

"'(f) Any individual eligible to receive medical insurance benefits under this section may obtain inpatient hospital services, skilled nursing home services, or visiting nurse services, from any provider of services which has entered into an agreement with the Secretary and which admits such individual or undertake to provide him services.

"'Medical Insurance Benefits Advisory Council

"'(g) For the purpose of advising and assisting the Secretary in the formulation of policy and the promulgation of regulations in connection with the administration of this section, there is hereby created a Medical Insurance Benefits Advisory Council which shall consist of the Commissioner of Social Security, who shall serve as Chairman ex officio, and twelve members to be appointed by the Secretary. Not less than four of the appointed members shall be representatives of the general public, and the remainder of the appointed members shall be persons who are outstanding in the fields pertaining to hospitals and health activities. Each appointed member shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and the terms of office of the member first taking office shall expire, as described by the Secretary at the time of appointment, three at the end of the first year, three at the end of the second year, three at the end of the third year, and three at the end of the fourth year after the date of appointment. An appointed member shall not be eligible to serve continuously for more than two terms but shall be eligible for reappointment if he has not served immediately preceding his reappointment. The Advisory Council is authorized to appoint such special advisory and technical committees as may be useful in carrying out its functions. Appointed members of the Advisory Council and members of its advisory or technical committees, while serving on business of the Advisory Council, shall receive compensation at rates fixed by the Secretary, and shall also be entitled to receive an allowance for actual and necessary travel and for subsistence expenses while so serving away from their places of residence. The Advisory Council shall meet as frequently as the Secretary deems necessary, but not less than once each year. Upon request of four or more members, it shall be the duty of the Secretary to call a meeting of the Advisory Council.

"'Rulemaking powers of the Secretary

"'(h) The Secretary shall have the power and authority to make rules and regulations and to establish procedures, not inconsistent with the provisions of this section, which are necessary or appropriate to carry out such provisions, and shall adopt reasonable rules and regulations to regulate and provide for the nature and extent of the proofs and evidence and the method of taking and furnishing the same in order to establish the right of individuals to medical insurance benefits hereunder.

"'Certifying and disbursing officers

"'(ii)(1) No individual designated by the Secretary pursuant to an agreement under this section as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payments certified by him under this section.

"'(2) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by a certifying officer designated as provided in paragraph (1).'

"MEDICAL INSURANCE ACCOUNT

"(b)(1) Section 201 of the Social Security Act is amended by redesignating subsections (b), (c), (d), (e), (f), (g), and (h) as (c), (d), (e), (f), (g), (i), and (j), respectively.

"(2) Section 201 of such Act is further amended by adding after subsection (a) the following new subsection:

"'(b) There is hereby created in the Federal Old-Age and Survivors Insurance Trust Fund an account to be known as the Medical Insurance Account. For the fiscal year ending June 30, 1961, and for each fiscal year thereafter, out of moneys appropriated to the Trust Fund pursuant to subsection (a), there shall be credited from time to time to the Medical Insurance Account in such Trust Fund, amounts equal to the sum of—

"'(1) the amounts determined by multiplying one-half of 1 per centum by the amounts of wages (as certified to the Secretary of the Treasury for purposes of paragraph (3) of subsection (a)) paid after December 31, 1960, and

"'(2) the amounts determined by multiplying three-eighths of 1 per centum by the amounts of self-employment income (as certified to the Secretary of the Treasury for purposes of paragraph (4) of subsection (a)) for any taxable year beginning after December 31, 1960.'

"(3) Subsection (c) (redesignated as (d) by paragraph (1) of this subsection) of section 201 of such Act is amended by inserting after 'Trust Funds' in paragraph (2) the following: '(including the operation and status of the Medical Insurance Account in the Federal Old-Age and Survivors Insurance Trust Fund)'; by inserting 'or the Medical Insurance Account' after 'Trust Funds' each time it appears in paragraph (3); by inserting 'or such account, as the case may be', after 'Trust Fund' in paragraph (3); and by inserting 'and the Medical Insurance Account' after 'Trust Funds' each time it appears in the sentence immediately preceding the last sentence of such subsection.

"(4) Section 201 of such Act is further amended by adding after subsection (f) (redesignated as (g) by paragraph (1) of this subsection) the following new subsection:

"'(h)(1) After the close of each fiscal year, the Secretary of the Treasury shall determine the average of the amounts in the Medical Insurance Account during such year for purposes of determining the amount of interest that should be credited to such Account from the interest that was credited to the Federal Old-Age and Survivors Insurance Trust Fund during such fiscal year. There shall be credited to the Account from the amounts appropriated to the Federal Old-Age and Survivors Insurance Trust Fund an amount for interest which is in the same ratio to the interest credited to the Federal Old-Age and Survivors Insurance Trust Fund for such fiscal year as the average of the amounts in the Medical Insurance Account during such fiscal year is to the average of the amounts in the Federal Old-Age and Survivors Insurance Trust Fund during such fiscal year.

"'(2) The proper share of the proceeds from the sale or redemption of any obligations in the Federal Old-Age and Survivors Insurance Trust Fund which are credited to such Trust Fund shall be credited to the Medical Insurance Account.'

"(5) Subsection (g) (redesignated as (i) by paragraph (1) of this subsection) of section 201 of such Act is amended by striking out the last two sentences of paragraph (1) and inserting in lieu thereof the following: 'After the close of each fiscal year, the Secretary of Health, Education, and Welfare shall analyze the costs of administration of this title incurred during such fiscal year in order to determine the portion of such costs which should be borne by each of the Trust Funds (including the cost which should be borne by the Medical Insurance Account) and shall certify to the Managing Trustee the amount, if any, which should be transferred from one to the other of such Trust Funds (including the crediting of funds in the Federal Old-Age and Survivors Insurance Trust Fund to the Medical Insurance Fund) in order to insure that each of the Trust Funds (including such Account) has borne its proper share of the costs of administration of this title incurred during such fiscal year. The Managing Trustee is authorized and directed to transfer any such amount from one to the other of such Trust Funds in accordance with any certification so made.'

"(6) Subsection (g) (redesignated as (i) by paragraph (1) of this subsection) of section 201 of such Act is further amended by inserting immediately preceding the period at the end of paragraph (2) the following: '; payment made from the Federal Old-Age and Survivors Insurance Trust Fund shall include moneys credited to the Medical Insurance Account in such amounts as the Managing Trustee determines as necessary for such Account to bear a proper share of such payments.'

"(7) Subsection (h) (redesignated as (j) by paragraph (1) of this subsection) of section 201 of such Act is amended by inserting immediately preceding the period at the end thereof the following: 'and in the case of payments required to be made under section 226, such payments shall be made only from the funds credited to the Medical Insurance Account.'

"Effective date

"(c) Subsection (a) of this section shall become effective on July 1, 1961, on the basis of application filed on or after April 1, 1961, under section 226 of the Social Security Act, as added to such act by such subsection (a); any such application filed prior to July 1, 1961, shall be deemed filed on July 1, 1961. Payments under such section 226 shall be made only with respect to hospital services, skilled nursing home recuperative services, visiting nurse services furnished on or after July 1, 1961. The terms used in this section shall have the meaning assigned to them in title II of the Social Security Act."

AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

CHANGES IN TAX SCHEDULES

Self-employment income tax

SEC. 606. (a) Section 1401 of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income) is amended to read as follows:

"SEC. 1401. RATE OF TAX.

"In addition to other taxes, there shall be imposed for each taxable year, on the self-employment income of every individual, a tax as follows—

"(1) in the case of any taxable year beginning after December 31, 1959, and before January 1, 1961, the tax shall be equal to 4½ percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1960, and before January 1, 1963, the tax shall be equal to 4⅞ percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1962, and before January 1, 1966, the tax shall be equal to 5⅝ percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1965, and before January 1, 1969, the tax shall be equal to 6⅜ percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1968, the tax shall be equal to 7⅛ percent of the amount of the self-employment income for such taxable year."

Tax on employees

(b) Section 3101 of such Code (relating to rate of tax on employees under the Federal Insurance Contributions Act) is amended to read as follows:

"SEC. 3101. RATE OF TAX.

"In addition to other taxes, there is hereby imposed on the income of every individual a tax equal to the following percentages of the wages (as defined in section 3121(a)) received by him with respect to the employment (as defined in section 312(b))—

"(1) with respect to wages received during the calendar year 1960, the rate shall be 3 percent;

"(2) with respect to wages received during the calendar years 1961 and 1962, the rate shall be 3¼ percent;

"(3) with respect to wages received during the calendar years 1963 to 1965, both inclusive, the rate shall be 3¾ percent;

"(4) with respect to wages received during the calendar years 1966 to 1968, both inclusive, the rate shall be 4¼ percent."

"(5) with respect to wages received after December 31, 1968, the rate shall be 4¾ percent."

Tax on employers

(c) Section 3111 of such Code (relating to rate of tax on employers under the Federal Insurance Contributions Act) is amended to read as follows:

"SEC. 3111. RATE OF TAX.

"In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the following percentages of the wages (as defined in section 3121(a)) paid by him with respect to employment (as defined in section 3121(b))—

"(1) with respect to wages paid during the calendar year 1960, the rate shall be 3 percent;

"(2) with respect to wages paid during the calendar years 1961 and 1962, the rate shall be 3¼ percent;

"(3) with respect to wages paid during the calendar years 1963 to 1965, both inclusive, the rate shall be 3¾ percent;

"(4) with respect to wages paid during the calendar years 1966 to 1968, both inclusive, the rate shall be 4¼ percent;

"(5) with respect to wages paid after December 31, 1968, the rate shall be 4¾ percent."

Study of health needs of individuals

SEC. 607. Section 702 of the Social Security Act is amended by inserting "(a)" after "702"; by adding at the end thereof the following new subsection:

"(b) The Secretary shall conduct a continuing study and investigation of the health needs of individuals who have reached retirement age, and the means by which such needs may most effectively and efficiently be met. In connection with such study and investigation, the Secretary shall institute and conduct appropriate demonstration programs relating to the health needs of such individuals and the manner and means by which such needs may be fulfilled. The Secretary is authorized to provide for the carrying on of such research studies pertaining to health care and the advisory council designated pursuant to section 226(g). Such research studies may be carried on directly by the Department of Health, Education, and Welfare, by others under contracts negotiated for, or grants made by the Secretary for, such purpose."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ANDERSON. Mr. President, I yield briefly to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I joined on this particular proposal because I believe that it represents a very worthy and constructive effort in the field of social security as it relates to health protection for a group of our citizens with respect to whom the need is beyond any doubt or any question. I am sure that it is to be recognized that this proposal does not go as far as, let us say, the Forand bill, but it is within the principles of the Forand bill. I am sure that it is recognized that this proposal requires an individual payment up to a point by the recipient. Also, of course, the financing is a cooperative endeavor between employer and employee. It represents to me, as I am sure the Senator from New Mexico could tell better than anyone else, what really happened in the beginning of social security.

We did not go all out on social security when we started the operation of the law, but the late and beloved President Franklin D. Roosevelt, being a true political leader as well as a political realist, with a great sense of idealism for the people, established a social security program for which he could enlist support. In other words, he approached the problem in terms of the willingness of Congress to go along and give its support.

I happen to believe that the proposal of the Senator from New Mexico merits the support of Congress, and that it should be given a fair hearing, which it will be. If we shall but ponder long enough to study its provisions, every Member of this body could support it, because it is not a radical proposal. It is not an extravagant proposal. In fact, it is a basic beginning, a primary proposal. By that statement I mean that it gets at the problem. I think it will offer help to those that need it the most, and I am delighted to have been permitted to join in the proposal.

Mr. ANDERSON. May I say to the Senator from Minnesota that one of the reasons why I was attracted to this approach was that the States seemed unable to raise the amounts of money which the so-called administration proposal would involve. For example, the State of Michigan, which has had financial difficulties, would have to contribute $30 million for 1 year at a time when they are having difficulty. New York and California would have to contribute about $75 million each. It appeared that the States would not be able to meet that requirement. The method proposed is an easy way of solving the problem, and it seems a sensible way to initiate the program.

Mr. HUMPHREY. It is also the fair way, may I add, because it is based on the established principles of social security, which is a cooperative financing relationship between employer and employee. I wish to thank the Senator. I believe he has taken the step that has been required to make the breakthrough in this important area.

EXTENSION FOR 2 YEARS OF VETERANS' GUARANTEED AND DIRECT LOAN PROGRAM

The Senate resumed the consideration of the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading and passage of the bill.

The bill (H.R. 7903) was ordered to a third reading, read the third time, and passed.

Mr. SPARKMAN. Mr. President, Calendar No. 1709, Senate bill 3275, relates to the bill that was just passed. I move that it be indefinitely postponed.

The PRESIDING OFFICER. Without objection, the bill (S. 3275) is indefinitely postponed.

NATIONAL INSTITUTE FOR INTERNATIONAL HEALTH AND MEDICAL RESEARCH

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S.J. Res. 41) to establish a National Institute for International Health and Medical Research, to provide for international cooperation in health research, research training, and research planning, and for other purposes, which was, to strike out all after the resolving clause and insert:

SHORT TITLE

SECTION 1. This joint resolution may be cited as the "International Health Research Act of 1960".

PURPOSE OF RESOLUTION

SEC. 2. It is the purpose of this joint resolution—

(1) to advance the status of the health sciences in the United States and thereby the health of the American people through cooperative endeavors with other countries in health research, and research training; and

(2) to advance the international status of the health sciences through cooperative enterprises in health research, research planning, and research training.

AUTHORITY OF SURGEON GENERAL

SEC. 3. Part A of title III of the Public Health Service Act (42 U.S.C., ch. 6A) is amended by adding immediately after section 307, the following new section:

"INTERNATIONAL COOPERATION

"SEC. 308. (a) To carry out the purposes of clause (1) of section 2 of the International Health Research Act of 1960, the Surgeon General may, in the exercise of his authority under this Act and other provisions of law to conduct and support health research and research training, make such use of health research and research training resources in participating foreign countries as he may deem necessary and desirable.

"(b) In carrying out his responsibilities under this section the Surgeon General may—

"(1) establish and maintain fellowships in the United States and in participating foreign countries;

"(2) make grants to public institutions or agencies and to nonprofit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining fellowships;

"(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by public institutions or agencies, or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

"(4) participate and otherwise cooperate in any international health research or research training meetings, conferences, or other activities;

"(5) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments and programs of research or research training, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently; and

"(6) procure, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at a rate to be fixed by the Secretary, but not in excess of $50 per diem, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"(c) The Surgeon General may not, in the exercise of his authority under this section, assist in the construction of buildings for research or research training in any foreign country.

"(d) For the purposes of this section—

"(1) The term 'health research' shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

"(2) The term 'participating foreign countries' means those foreign countries which cooperate with the United States in carrying out the purposes of this section."

AUTHORITY OF SECRETARY

SEC. 4. (a) To carry out the purposes of clause (1) of section 2 of this Act, the Secretary of Health, Education, and Welfare (hereafter referred to as the "Secretary") may in the exercise of his responsibilities under the Vocational Rehabilitation Act (29 U.S.C., ch. 4) and the Act entitled "An Act to establish in the Department of Commerce and Labor a bureau to be known as the Children's Bureau", approved April 9, 1912, as amended (42 U.S.C., ch. 6), and any other provision of law, to conduct and support health research and research training, including research and research training relating to the rehabilitation of the handicapped, make such use of health research and research training resources in participating foreign countries as he may deem necessary and desirable.

(b) To carry out his responsibilities under this section the Secretary may—

(1) establish and maintain fellowships in the United States and in participating foreign countries;

(2) make grants to public institutions or agencies and to nonprofit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining fellowships;

(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by public institutions or agencies, or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

(4) participate and otherwise cooperate in any international health or medical research or research training meetings, conferences, or other activities;

(5) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments and programs of research or research training, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service intermittently employed; and

(6) procure, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at a rate to be fixed by the Secretary, but not in excess of $50 per diem, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

(c) For the purposes of this section—

(1) The term "health research" shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

(2) The term "participating foreign countries" means those foreign countries which cooperate with the United States in carrying out the purposes of this section.

AUTHORITY OF PRESIDENT

SEC. 5. (a) It is the sense of Congress that the President should use his authority under th Constitution and laws of the United States to accomplish the purposes of section 2 of this joint resolution and in accomplishing such purposes (1) use to the fullest extent practicable foreign currencies or credits available for utilization by the United States, (2) enter into agreements to use foreign currencies and credits available to other nations for use with the agreement of the United States, and (3) use any other foreign currencies and credits which may be made available by participating foreign countries.

(b) To carry out the purposes of section 2 of this joint resolution the President, in cooperation with participating foreign countries, is authorized to encourage, support, and promote the planning and conduct of, and training for, research investigations, experiments, and studies in the United States and in participating foreign countries relating to the causes, diagnosis, treatment, control, and prevention of diseases and impairments of mankind (including nutritional and other health deficiencies) or to the rehabilitation of the handicapped.

(c) To carry out his responsibilities under this joint resolution the President may—

(1) establish and maintain fellowships in participating foreign countries;

(2) make financial grants to establish and maintain fellowships, and for other purposes, to public institutions and agencies and to nonprofit private institutions and agencies, and to individuals in participating foreign countries, or contract with such institutions, agencies, or individuals without regard to sections 3648 and 3709 of the Revised Statutes of the United States;

(3) make grants or loans of equipment, medical, biological, physical, or chemical substances or other materials, for use by such institutions, agencies, or individuals;

(4) furnish technical assistance and advice to such institutions or agencies and in carrying out such purposes may pay the compensation and expenses of scientists and experts from the United States and other participating foreign countries;

(5) facilitate the interchange among participating foreign countries of scientists and experts (including the payment of travel and subsistence for such scientists and experts when away from their places of residence);

(6) cooperate and assist in the planning and conduct of research, research planning, and research training programs and projects by groups engaged in, or concerned with, research or research training endeavors in the health sciences, and, through financial grants or other appropriate means, assist in special research, research planning, or research training projects conducted by or under the auspices of such groups where they can effectively carry out such activities contemplated by this joint resolution;

(7) encourage and support international communication in the sciences relating to health by means of calling or cooperating in the convening, and financing or contributing to the financing of the expenses of, international scientific meetings and conferences; and provide, or arrange for the provision of, translating and other services, and issue or finance publications, leading to a more effective dissemination of relevant scientific information with respect to research conducted in the United States or participating foreign countries.

(d) The activities authorized in this section shall not extend to the support of public health, medical care, or other programs of an operational nature as contrasted with research and research training nor shall any of the grants authorized by this section include grants for the improvement or extension of public health administration in other countries except for necessary research and research training in the science of public health and public health administration.

(e) The President is authorized, to the extent he deems it necessary to carry out the purposes of section 2 of this joint resolution, to employ experts and consultants or organizations thereof, as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), and create a committee or committees to be composed entirely of persons who are citizens of the United States to advise him in the administration of this joint resolution; individuals so employed and members of committees shall be entitled to receive compensation at a rate to be fixed by the President, but not to exceed $50 per diem, including travel time, and while away from their homes or

regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

(f) The President may delegate any authority vested in him by this section to the Secretary of Health, Education, and Welfare. The Secretary may from time to time issue such regulations as may be necessary to carry out any authority which is delegated to him under this section, and may delegate performance of any such authority to the Surgeon General of the Public Health Service, the Director of the Office of Vocational Rehabilitation, the Chief of the Children's Bureau, or other subordinates acting under his direction.

(g) In order to carry out the purposes of section 2 of this joint resolution, and subject to section 1415 of the Supplemental Appropriation Act, 1953, the President may use or enter into agreements with foreign nations or organizations of nations to use the foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, and the Mutual Security Act of 1954, or which are otherwise available for utilization by the United States. The President is authorized to agree to the utilization by foreign nations, for programs designed to carry out the purposes of section 2 of this joint resolution in cooperation with the United States, of amounts deposited in special accounts pursuant to section 142(b) of the Mutual Security Act of 1954, to the extent that the amounts in such accounts exceed the requirements of other programs covered by such section 142(b). Such utilization of amounts in special accounts shall be without regard to the second proviso in clause (iii) of such section 142(b).

(h) The President shall transmit to the Congress at the beginning of each regular session, a report summarizing activities under this section and making such recommendations as he may deem appropriate.

(i) For the purposes of this section—

(1) The term "health research" shall include, but not be limited to, research, investigations, and studies relating to causes and methods of prevention of accidents, including but not limited to highway and aviation accidents.

(2) The term "participating foreign countries" means those foreign countries which cooperate with the United States in carrying out the purposes of this section.

OTHER AUTHORITY

SEC. 6. Nothing in this joint resolution shall be construed to repeal or restrict authority vested in the President, the Secretary of State, the Secretary of Health, Education, and Welfare, the Surgeon General of the Public Health Service, or any other officer or agency of the United States by any other provision of law.

Mr. HILL. Mr. President, the House amendment does not change the basic authority originally outlined in the Senate bill. I have cleared the amendment with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], and I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama.

The motion was agreed to.

COLOR ADDITIVE AMENDMENTS OF 1960

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2197) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on foods, drugs, and cosmetics, in accordance with regulations prescribing the conditions (including maximum tolerances) under which such additives may be safely used, which was, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Color Additive Amendments of 1960."

TITLE I—AMENDMENTS TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

Definitions

SEC. 101. Section 201, as amended, of the Federal Food, Drug, and Cosmetic Act is further amended as follows:

(a) Paragraph (s) of such section (defining the term "food additive") is amended by redesignating clause (3) as clause (4), and by inserting immediately before clause (4), as so redesignated, the following new clause:

"(3) a color additive; or".

(b) Paragraph (t) of such section is redesignated and otherwise amended to read as follows:

"(u) The term 'safe', as used in paragraph (s) of this section and in sections 409 and 706, has reference to the health of man or animal."

(c) There is inserted, immediately after paragraph (s) of such section, the following new paragraph:

"(t) (1) The term 'color additive' means a material which—

"(A) is a dye, pigment, or other substance made by a process of synthesis or similar artifice, or extracted, isolated, or otherwise derived, with or without intermediate or final change of identity, from a vegetable, animal, mineral, or other source, and

"(B) when added or applied to a food, drug, or cosmetic, or to the human body or any part thereof, is capable (alone or through reaction with other substance) of imparting color thereto;

except that such term does not include any material which the Secretary, by regulation, determines is used (or intended to be used) solely for a purpose or purposes other than coloring.

"(2) The term 'color' includes black, white, and intermediate grays.

"(3) Nothing in subparagraph (1) of this paragraph shall be construed to apply to any pesticide chemical, soil or plant nutrient, or other agricultural chemical solely because of its effect in aiding, retarding, or otherwise affecting, directly or indirectly, the growth or other natural physiological processes of produce of the soil and thereby affecting its color, whether before or after harvest."

Colors or colored articles—When deemed to be adulterated or misbranded foods, drugs, or cosmetics

Food

SEC. 102. (a) (1) Clause (2) (A) of section 420(a), as amended, of such Act (relating to food deemed adulterated by reason of unsafe additives) is further amended by striking out the matter within the parentheses and inserting in lieu thereof the following: "other than one which is (i) a pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive".

(2) Section 402(c), as amended, of such Act (relating to food deemed adulterated by reason of uncertified coal-tar color) is amended to read as follows:

"(c) If it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706(a)."

(3) Section 403 of such Act (relating to the circumstances under which food is deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"(m) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706."

Drugs

(b) (1) Clause (4) of section 501(a) of such Act (relating to drugs deemed adulterated by reason of uncertified coal tar color) is amended to read as follows: "(4) if (A) it is a drug which bears or contains, for purposes of coloring only, a color additive which is unsafe within the meaning of section 706 (a), or (B) it is a color additive the intended use of which in or on drugs is for purposes of coloring only and is unsafe within the meaning of section 706 (a)."

(2) Section 502 of such Act (relating to the circumstances under which drugs are deemed misbranded) is amended by adding at the end thereof the following new paragraph:

"(m) If it is a color additive the intended use of which in or on drugs is for the purpose of coloring only, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706."

Cosmetics

(c) (1) Section 601(e) of such Act (relating to cosmetics, other than hair dyes, deemed adulterated by reason of uncertified coal tar color) is amended to read as follows:

"(e) If it is not a hair dye and it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706 (a)."

(2) Section 602 of such Act (relating to the circumstances under which cosmetics shall be deemed to be misbranded) is amended by adding at the end thereof the following new paragraph:

"(e) If it is a color additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such color additive, as may be contained in regulations issued under section 706. This paragraph shall not apply to packages of color additives which, with respect to their use for cosmetics, are marketed and intended for use only in or on hair dyes (as defined in the last sentence of section 601(a))."

Regulations to assure safety of color additives for foods, drugs, and cosmetics

SEC. 103. (a) Such Act is further amended by—

(1) repealing subsection (b) of section 406 and striking out the subsection designation "(a)" after "SEC. 406." in such section;

(2) repealing section 504;

(3) repealing section 604; and

(4) amending section 701(e) by (A) striking out "406 (a) or (b)" and inserting in lieu thereof "406"; (B) striking out "504, or 604,"; and (C) inserting the word "or" after "501(b),".

(b) Section 706 of such Act is amended to read as follows:

"LISTING AND CERTIFICATION OF COLOR ADDITIVES FOR FOODS, DRUGS, AND COSMETICS

"When color additives deemed unsafe

"SEC. 706. (a) A color additive shall, with respect to any particular use (for which it is being used or intended to be used or is represented as suitable) in or on food or drugs or cosmetics, be deemed unsafe for the purposes of the application of section 402(c), section 501(a)(4), or section 601(e), as the case may be, unless—

"(1)(A) there is in effect, and such additive and such use are in conformity with, a regulation issued under subsection (b) of this section listing such additive for such

use, including any provision of such regulation prescribing the conditions under which such additive may be safely used, and (B) such additive either (i) is from a batch certified, in accordance with regulations issued pursuant to subsection (c) for such use, or (ii) has, with respect to such use, been exempted by the Secretary from the requirement of certification; or

"(2) such additive and such use thereof conform to the terms of an exemption which is in effect pursuant to subsection (f) of this section.

While there are in effect regulations under subsections (b) and (c) of this section relating to a color additive or an exemption pursuant to subsection (f) with respect to such additive, an article shall not, by reason of bearing or containing such additive in all respects in accordance with such regulations of such exemption, be considered adulterated within the meaning of clause (1) of section 402(a) if such article is a food, or within the meaning of section 601(a) if such article is a cosmetic other than a hair dye (as defined in the last sentence of section 601(a)).

"Listing of colors

"(b)(1) The Secretary shall, by regulation, provide for separately listing color additives for use in or on food, color additives for use in or on drugs, and color additives for use in or on cosmetics, if and to the extent that such additives are suitable and safe for any such use when employed in accordance with such regulations.

"(2)(A) Such regulations may list any color additive for use generally in or on food, or in or on drugs, or in or on cosmetics, if the Secretary finds that such additive is suitable and may safely be employed for such general use.

"(B) If the data before the Secretary do not establish that the additive satisfies the requirements for listing such additive on the applicable list pursuant to subparagraph (A) of this paragraph, or if the proposal is for listing such additive for a more limited use or uses, such regulations may list such additive only for any more limited use or uses for which it is suitable and may safely be employed.

"(3) Such regulations shall, to the extent deemed necessary by the Secretary to assure the safety of the use or uses for which a particular color additive is listed, prescribe the conditions under which such additive may be safely employed for such use or uses (including, but not limited to specifications, hereafter in this section referred to as tolerance limitations, as to the maximum quantity or quantities which may be used or permitted to remain in or on the article or articles in or on which it is used; specifications as to the manner in which such additive may be added to or used in or on such article or articles; and directions or other labeling or packaging requirements for such additive).

"(4) The Secretary shall not list a color additive under this section for a proposed use unless the data before him establish that such use, under the conditions of use specified in the regulations, will be safe: *Provided, however,* That a color additive shall be deemed to be suitable and safe for the purpose of listing under this subsection for use generally in or on food, while there is in effect a published finding of the Secretary declaring such substance exempt from the term 'food additive' because of its being generally recognized by qualified experts as safe for its intended use, as provided in section 201(s).

"(5)(A) In determining, for the purposes of this section, whether a proposed use of a color additive is safe, the Secretary shall consider, among other relevant factors—

"(i) the probable consumption of, or other relevant exposure from, the additive and of any substance formed in or on food, drugs, or cosmetics because of the use of the additive;

"(ii) the cumulative effect, if any, of such additive in the diet of man or animals, taking into account the same or any chemically or pharmacologically related substance or substances in such diet;

"(iii) safety factors which, in the opinion of experts qualified by scientific training and experience to evaluate the safety of color additives for the use or uses for which the additive is proposed to be listed, are generally recognized as appropriate for the use of animal experimentation data; and

"(iv) the availability of any needed practicable methods of analysis for determining the identity and quantity of (I) the pure dye and all intermediates and other impurities contained in such color additive, (II) such additive in or on any article of food, drug, or cosmetic, and (III) any substance formed in or on such article because of the use of such additive.

"(B) A color additive (i) shall be deemed unsafe, and shall not be listed, for any use which will or may result in ingestion of all or part of such additive, if the additive is found by the Secretary to induce cancer when ingested by man or animal, or if it is found by the Secretary, after tests which are appropriate for the evaluation of the safety of additives for use in food, to induce cancer in man or animal, and (ii) shall be deemed unsafe, and shall not be listed, for any use which will not result in ingestion of any part of such additive, if, after tests which are appropriate for the evaluation of the safety of additives for such use, or after other relevant exposure of man or animal to such additive, it is found by the Secretary to induce cancer in man or animal.

"(C)(i) In any proceeding for the issuance, amendment, or repeal of a regulation listing a color additive, whether commenced by a proposal of the Secretary on his own initiative or by a proposal contained in a petition, the petitioner, or any other person who will be adversely affected by such proposal or by the Secretary's order issued in accordance with paragraph (1) of section 701(e) if placed in effect, may request, within the time specified in this subparagraph, that the petition or order thereon, or the Secretary's proposal, be referred to an advisory committee for a report and recommendations with respect to any matter arising under subparagraph (B) of the paragraph, which is involved in such proposal or order and which requires the exercise of scientific judgment. Upon such request, or if the Secretary within such time deems such a referral necessary, the Secretary shall forthwith appoint an advisory committee under subparagraph (D) of this paragraph and shall refer to it, together with all the data before him, such matter arising under subparagraph (B) for study thereof and for a report and recommendations on such matter. A person who has filed a petition or who has requested the referral of a matter to an advisory committee pursuant to this subparagraph (C), as well as representatives of the Department of Health, Education, and Welfare, shall have the right to consult with such advisory committee in connection with the matter referred to it. The request for referral under this subparagraph, or the Secretary's referral on his own initiative, may be made at any time before, or within thirty days after, publication of an order of the Secretary acting upon the petition or proposal.

"(ii) Within sixty days after the date of such referral, or within an additional thirty days if the committee deems such additional time necessary, the committee shall, after independent study of the data furnished to it by the Secretary and other data before it, certify to the Secretary a report and recommendations, together with all underlying data and a statement of the reasons or basis for the recommendations. A copy of the foregoing shall be promptly supplied by the Secretary to any person who has filed a petition, or who has requested such referral to the advisory committee. Within thirty days after such certification, and after giving due consideration to all data then before him, including such report, recommendations, underlying data, and statement, and to any prior order issued by him in connection with such matter, the Secretary shall by order confirm or modify any order theretofore issued or, if no such prior order has been issued, shall by order act upon the petition or other proposal.

"(iii) Where—

"(I) by reason of subparagraph (B) of this paragraph, the Secretary has initiated a proposal to remove from listing a color additive previously listed pursuant to this section; and

"(II) a request has been made for referral of such proposal to an advisory committee; the Secretary may not act by order on such proposal until the advisory committee has made a report and recommendations to him under clause (ii) of this subparagraph and he has considered such recommendations, unless the Secretary finds that emergency conditions exist necessitating the issuance of an order notwithstanding this clause.

"(D) The advisory committee referred to in subparagraph (C) of this paragraph shall be composed of experts selected by the National Academy of Sciences, qualified in the subject matter referred to the committee and of adequately diversified professional background, except that, in the event of the inability or refusal of the National Academy of Sciences to act, the Secretary shall select the members of the committee. The size of the committee shall be determined by the Secretary. Members of an advisory committee shall receive as compensation for their services a reasonable per diem, which the Secretary shall by rules and regulations prescribe, for time actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and subsistence expenses while so serving away from their places of residence. The members shall not be subject to any other provisions of law regarding the appointment and compensation of employees of the United States. The Secretary shall furnish the committee with adequate clerical and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"(6) The Secretary shall not list a color additive under this subsection for a proposed use if the data before him show that such proposed use would promote deception of the consumer in violation of this Act or would otherwise result in misbranding or adulteration within the meaning of this Act.

"(7) If, in the judgment of the Secretary, a tolerance limitation is required in order to assure that a proposed use of a color additive will be safe, the Secretary—

"(A) shall not list the additive for such use if he finds that the data before him do not establish that such additive, if used within a safe tolerance limitation, would achieve the intended physical or other technical effect; and

"(B) shall not fix such tolerance limitation at a level higher than he finds to be reasonably required to accomplish the intended physical or other technical effect.

"(8) If, having regard to the aggregate quantity of color additive likely to be consumed in the diet or to be applied to the human body, the Secretary finds that the data before him fail to show that it would be safe and otherwise permissible to list a color additive (or pharmacologically related color additives) for all the uses proposed therefor and at the levels of concentration proposed, the Secretary shall, in determining

for which use or uses such additive (or such related additives) shall be or remain listed, or how the aggregate allowable safe tolerance for such additive or additives shall be allocated by him among the uses under consideration, take into account, among other relevant factors (and subject to the paramount criterion of safety), (A) the relative marketability of the articles involved as affected by the proposed uses of the color additive (or of such related additives) in or on such articles, and the relative dependence of the industries concerned on such uses; (B) the relative aggregate amounts of such color additive which he estimates would be consumed in the diet or applied to the human body by reason of the various uses and levels of concentration proposed; and (C) the availability, if any, of other color additives suitable and safe for one or more of the uses proposed.

"Certification of colors

"(c) The Secretary shall further, by regulation, provide (1) for the certification, with safe diluents or without diluents, of batches of color additives listed pursuant to subsection (b) and conforming to the requirements for such additives established by regulations under such subsection and this subsection, and (2) for exemption from the requirement of certification in the case of any such additive, or any listing or use thereof, for which he finds such requirement not to be necessary in the interest of the protection of the public health: *Provided,* That with respect to any use in or on food for which a listed color additive is deemed to be safe by reason of the proviso to paragraph (4) of subsection (b), the requirement of certification shall be deemed not to be necessary in the interest of public health protection.

"Procedure for issuance, amendment, or repeal of regulations

"(d) The provisions of section 701 (e), (f), and (g) of this Act shall, subject to the provisions of subparagraph (C) of subsection (b)(5) of this section, apply to and in all respects govern proceedings for the issuance, amendment, or repeal of regulations under subsection (b) or (c) of this section (including judicial review of the Secretary's action in such proceedings) and the admissibility of transcripts of the record of such proceedings in other proceedings, except that—

"(1) if the proceeding is commenced by the filing of a petition, notice of the proposal made by the petition shall be published in general terms by the Secretary within thirty days after such filing, and the Secretary's order (required by paragraph (1) of section 701(e)) acting upon such proposal shall, in the absence of prior referral (or request for referral) to an advisory committee, be issued within ninety days after the date of such filing, except that the Secretary may (prior to such ninetieth day), by written notice to the petitioner, extend such ninety-day period to such time (not more than one hundred and eighty days after the date of filing of the petition) as the Secretary deems necessary to enable him to study and investigate the petition;

"(2) any report, recommendations, underlying data, and reasons certified to the Secretary by an advisory committee appointed pursuant to subparagraph (D) of subsection (b)(5) of this section shall be made a part of the record of any hearing if relevant and material, subject to the provisions of section 7(c) of the Administrative Procedure Act (5 U.S.C., sec. 1006(c)). The advisory committee shall designate a member to appear and testify at any such hearing with respect to the report and recommendations of such committee upon request of the Secretary, the petitioner, or the officer conducting the hearing, but this shall not preclude any other member of the advisory committee from appearing and testifying at such hearing;

"(3) the Secretary's order after public hearing (acting upon objections filed to an order made prior to hearing) shall be subject to the requirements of section 409(f)(2); and

"(4) the scope of judicial review of such order shall be in accordance with the fourth sentence of paragraph (2), and with the provisions of paragraph (3), of section 409(g).

"Fees

"(e) The admitting to listing and certification of color additives, in accordance with regulations prescribed under this Act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

"Exemptions

"(f) The Secretary shall by regulations (issued without regard to subsection (d)) provide for exempting from the requirements of this section any color additive or any specific type of use thereof, and any article of food, drug, or cosmetic bearing or containing such additive, intended solely for investigational use by qualified experts when in his opinion such exemption is consistent with the public health."

Confidentiality of trade secrets

SEC. 104. Section 301(j), as amended, of such Act, prohibiting disclosure of trade secrets, is amended by striking out "or 704" and inserting in lieu thereof "704, or 706".

CHANGES IN CROSS-REFERENCES AND TERMINOLOGY

SEC. 105. Such Act is further amended by—

(a) striking out, in section 301(l) thereof (relating to forgery or unauthorized use of certain identification devices), "404, 406(b), 504, 506, 507, or 604" and inserting in lieu thereof "404, 506, 507, or 706";

(b)(1) striking out, in clause (3) of section 303(c) (relating to color manufacturer's guarantee), the word "coal-tar" wherever it appears in such clause, and (2) inserting after the word "color", wherever it appears in such clause, the word "additive"; and

(c) striking out "harmless coloring" in section 402(d) (relating to nonnutritive substances in confectionery) and inserting in lieu thereof "authorized coloring".

TITLE II—EFFECTIVE DATE, TRANSITIONAL PROVISIONS, AND EFFECT ON OTHER LAWS

Definitions

SEC. 201. As used in this title, the term "basic Act" means the Federal Food, Drug, and Cosmetic Act; the term "enactment date" means the date of enactment of this Act; and other terms, insofar as also used in the basic Act (whether before or after enactment of this Act) shall have the same meaning as they have, or had when in effect, under the basic Act.

Effective date

SEC. 202. This Act shall, subject to the provisions of section 203, take effect on the enactment date.

Provisional listings of commercially established colors

SEC. 203. (a)(1) The purpose of this section is to make possible, on an interim basis for a reasonable period, through provisional listings, the use of commercially established color additives to the extent consistent with the public health, pending the completion of the scientific investigations needed as a basis for making determinations as to listing of such additives under the basic Act as amended by this Act. A provisional listing (including a deemed provisional listing) of a color additive under this section for any use shall, unless sooner terminated or expiring under the provisions of this section, expire (A) on the closing date (as defined in paragraph (2) of this subsection) or (B) on the effective date of a listing of such additive for such use under section 706 of the basic Act, whichever date first occurs.

(2) For the purposes of this section, the term "closing date" means (A) the last day of the two and one-half year period beginning on the enactment date or (B), with respect to a particular provisional listing (or deemed provisional listing) of a color additive or use thereof, such later closing date as the Secretary may from time to time establish pursuant to the authority of this paragraph. The Secretary may by regulation, upon application of an interested person or on his own initiative, from time to time postpone the original closing date with respect to a provisional listing (or deemed provisional listing) under this section of a specified color additive, or of a specified use or uses of such additive, for such period or periods as he finds necessary to carry out the purpose of this section, if in the Secretary's judgment such action is consistent with the objective of carrying to completion in good faith, as soon as reasonably practicable, the scientific investigations necessary for making a determination as to listing such additive, or such specified use or uses thereof, under section 706 of the basic Act. The Secretary may terminate a postponement of the closing date at any time if he finds that such postponement should not have been granted, or that by reason of a change in circumstances the basis for such postponement no longer exists, or that there has been a failure to comply with a requirement for submission of progress reports or with other conditions attached to such postponement.

(b) Subject to the other provisions of this section—

(1) any color additive which, on the day preceding the enactment date, was listed and certifiable for any use or uses under section 406(b), 504, or 604, or under the third proviso of section 402(c), of the basic Act, and of which a batch or batches had been certified for such use or uses prior to the enactment date, and

(2) any color additive which was commercially used or sold prior to the enactment date for any use or uses in or on any food, drug, or cosmetic, and which either, (A), on the day preceding the enactment date, was not a material within the purview of any of the provisions of the basic Act enumerated in paragraph (1) of this subsection, or (B) is the color additive known as synthetic beta-carotene,

shall, beginning on the enactment date, be deemed to be provisionally listed under this section as a color additive for such use or uses.

(c) Upon request of any person, the Secretary, by regulations issued under subsection (d), shall without delay, if on the basis of the data before him he deems such action consistent with the protection of the public health, provisionally list a material as a color additive for any use for which it was listed, and for which a batch or batches of such material had been certified, under section 406(b), 504, or 604 of the basic Act prior to the enactment date, although such color was no longer listed and certifiable for such use under such sections on the day preceding the enactment date. Such provisional listing shall take effect on the date of publication.

(d)(1) The Secretary shall, by regulations issued or amended from time to time under this section—

(A) insofar as practicable promulgate and keep current a list or lists of the color additives, and of the particular uses thereof, which he finds are deemed provisionally listed under subsection (b), and the presence of a color additive on such a list with respect to a particular use shall, in any

proceeding under the basic Act, be conclusive evidence that such provisional listing is in effect;

(B) provide for the provisional listing of the color additives and particular uses thereof specified in subsection (c);

(C) provide, with respect to particular uses for which color additives are or are deemed to be provisionally listed, such temporary tolerance limitations (including such limitations at zero level) and other conditions of use and labeling or packaging requirements, if any, as in his judgment are necessary to protect the public health pending listing under section 706 of the basic Act;

(D) provide for the certification of batches of such color additives (with or without diluents) for the uses for which they are so listed or deemed to be listed under this section, except that such an additive which is a color additive deemed provisionally listed under subsection (b)(2) of this section shall be deemed exempt from the requirement of such certification while not subject to a tolerance limitation; and

(E) provide for the termination of a provisional listing (or deemed provisional listing) of a color additive or particular use thereof forthwith whenever in his judgment such action is necessary to protect the public health.

(2)(A) Except as provided in subparagraph (C) of this paragraph, regulations under this section shall, from time to time, be issued, amended, or repealed by the Secretary without regard to the requirements of the basic Act, but for the purposes of the application of section 706(e) of the basic Act (relating to fees) and of determining the availability of appropriations of fees (and of advance deposits to cover fees), proceedings, regulations, and certifications under this section shall be deemed to be proceedings, regulations, and certifications under such section 706. Regulations providing for fees (and advance deposits to cover fees), which on the day preceding the enactment date were in effect pursuant to section 706 of the basic Act, shall be deemed to be regulations under such section 706 as amended by this Act, and appropriations of fees (and advance deposits) available for the purposes specified in such section 706 as in effect prior to the enactment date shall be available for the purposes specified in such section 706 as so amended.

(B) If the Secretary, by regulation—

(i) has terminated a provisional listing (or deemed provisional listing) of a color additive or particular use thereof pursuant to paragraph (1)(E) of this subsection; or

(ii) has, pursuant to paragraph (1)(C) or paragraph (3) of this subsection, initially established or rendered more restrictive a tolerance limitation or other restriction or requirement with respect to a provisional listing (or deemed provisional listing) which listing had become effective prior to such action,

any person adversely affected by such action may, prior to the expiration of the period specified in clause (A) of subsection (a)(2) of this section, file with the Secretary a petition for amendment of such regulation so as to revoke or modify such action of the Secretary, but the filing of such petition shall not operate to stay or suspend the effectiveness of such action. Such petition shall, in accordance with regulations, set forth the proposed amendment and shall contain data (or refer to data which are before the Secretary or of which he will take official notice), which show that the revocation or modification proposed is consistent with the protection of the public health. The Secretary shall, after publishing such proposal and affording all interested persons an opportunity to present their views thereon orally or in writing, act upon such proposal by published order.

(C) Any person adversely affected by an order entered under subparagraph (B) of this paragraph may, within thirty days after its publication, file objections thereto with the Secretary, specifying with particularity the provisions of the order deemed objectionable, stating reasonable grounds for such objections, and requesting a public hearing upon such objections. The Secretary shall hold a public hearing on such objections and shall, on the basis of the evidence adduced at such hearing, act on such objections by published order. Such order may reinstate a terminated provisional listing, or increase or dispense with a previously established temporary tolerance limitation, or make less restrictive any other limitation established by him under paragraph (1) or (3) of this subsection, only if in his judgment the evidence so adduced shows that such action will be consistent with the protection of the public health. An order entered under this subparagraph shall be subject to judicial review in accordance with section 701(f) of the basic Act except that the findings and order of the Secretary shall be sustained only if based upon a fair evaluation of the entire record at such hearing. No stay or suspension of such order shall be ordered by the court pending conclusion of such judicial review.

(D) On and after the enactment date, regulations, provisional listings, and certifications (or exemptions from certification) in effect under this section shall, for the purpose of determining whether an article is adulterated or misbranded within the meaning of the basic Act by reason of its being, bearing, or containing, a color additive, have the same effect as would regulations, listings, and certifications (or exemptions from certification) under section 706 of the basic Act. A regulation, provisional listing or termination thereof, tolerance limitation, or certification or exemption therefrom, under this section shall not be the basis for any presumption or inference in any proceeding under section 706 (b) or (c) of the basic Act.

(3) For the purpose of enabling the Secretary to carry out his functions under paragraph (1) (A) and (C) of this subsection with respect to color additives deemed provisionally listed, he shall, as soon as practicable after enactment of this Act, afford by public notice a reasonable opportunity to interested persons to submit data relevant thereto. If the data so submitted or otherwise before him do not, in his judgment, establish a reliable basis for including such a color additive or particular use or uses thereof in a list or lists promulgated under paragraph (1)(A), or for determining the prevailing level or levels of use thereof prior to the enactment date with a view to prescribing a temporary tolerance or tolerances for such use or uses under paragraph (1)(C), the Secretary shall establish a temporary tolerance limitation at zero level for such use or uses until such time as he finds that it would not be inconsistent with the protection of the public health to increase or dispense with such temporary tolerance limitation.

Effect on Meat Inspection and Poultry Products Inspection Acts

SEC. 204. Nothing in this Act shall be construed to exempt any meat or meat food product, poultry or poultry product, or any person from any requirement imposed by or pursuant to the Meat Inspection Act of March 4, 1907, 34 Stat. 1260, as amended or extended (21 U.S.C. 71 and the following) or the Poultry Products Inspection Act (21 U.S.C. 451 and the following).

Mr. HILL. Mr. President, I have discussed the amendment with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN]. I have also cleared it with the secretary of the Department of Health, Education, and Welfare. I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama.

The motion was agreed to.

GOVERNMENT PER DIEM ALLOWANCES FOR EMPLOYEES TRAVELING ON OFFICIAL BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1791, H.R. 5196.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 5196) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, reported from the Committee on Government Operations, with amendments.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, committee amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 1, after line 5, to strike out:

"SEC. 2. Section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by striking out '6 cents' and inserting in lieu thereof '7 cents', and by striking out '10 cents' and inserting in lieu thereof '12 cents'."

At the beginning of line 10, to change the section number from "3" to "2"; on page 2, after line 3, to insert a new section, as follows:

"SEC. 3. The Director of the Administrative Office of the United States Courts shall promulgate, in accordance with section 604 (a)(7) and section 456 of title 28 of the United States Code, such regulations as he may deem necessary to effectuate the increases provided by this Act."

After line 8, to insert a new section, as follows:

"SEC. 4. The seventh paragraph under the heading 'Administrative Provisions' in the Senate section of the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out '$12' and inserting in lieu thereof '$15'."

After line 13, to insert a new section, as follows:

"SEC. 5. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is hereby further amended (1) by striking out the words 'by the Director of the Bureau of the Budget' appearing before the first proviso, and by substituting therefor the following: 'by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government,' and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: *'And provided further,* That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be

much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of $25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus $10, for travel *outside such limits.'*

"(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–2), is hereby further amended (1) by striking out the words 'by the Director of the Bureau of the Budget' appearing before the proviso, and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: *'Provided,* That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of $25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus $10, for travel outside such limits.'

"(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply to the amendments made by this section."

On page 4, after line 10, to insert a new section, as follows:

"SEC. 6. Section 3 of the Act of July 30, 1946 (22 U.S.C. 287o) is amended so that the last proviso will read as follows: *'Provided, however,* That he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b–2).'"

After line 16, to insert a new section, as follows:

"SEC. 7. Section 5 of the Act of July 30, 1946 (22 U.S.C. 287q) is amended so that the sentence relating to transportation and subsistence expenses will read as follows: 'The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b–2), for the period of actual attendance and of necessary travel.'"

And, after line 23, to insert a new section, as follows:

"SEC. 8. Section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471) is amended in subsection (6) so that the portion following the semicolon in the last sentence will read as follows: 'but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–2).'"

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the statement of purpose behind the bill be inserted at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF PURPOSE

Section 1 of the bill proposes to increase the maximum rates of per diem allowance for employees of the Government traveling on official business from $12 to $15 per day.

Section 2 would permit reimbursement for the actual cost of parking fees when incurred by Federal employees in the utilization of privately owned vehicles when engaged on official business.

Sections 3 and 4 of the amended bill were included so as to bring employees of the U.S. courts, and Senators and employees of the U.S. Senate, under the provisions of sections 1 and 2.

Section 5 provides for the transfer of authority from the Bureau of the Budget to the President or his delegate for establishing the per diem rates for civilian employees traveling beyond the limits of the continental United States. Sections 5 through 8 would extend the provisions of sections 1 and 2 to all persons traveling on official business either in the United States or abroad, except in Alaska and Hawaii. Special statutes applying to per diem allowances in Alaska and Hawaii are not affected by the provisions of the bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading and passage of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THE GREAT RIVER ROAD

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to provide assistance to the ten States bordering the Mississippi River in the construction of the Great River Road: Arkansas, Illinois, Iowa, Kentucky, Louisiana, Minnesota, Mississippi, Missouri, Tennessee, and Wisconsin. This road would follow along the banks of the Mississippi River, a river of unequalled length in our land. Running 2,470 miles from Lake Itasca, Minn., to the Gulf of Mexico, this is one of our most beautiful river valleys. This road, cutting through the heartland of our country would join Canada with the Gulf of Mexico at Louisiana and would connect with Florida in the East and Texas in the West.

This road when completed will be one of the most important arteries in the American highway system. It will provide a less difficult and much more historical, scenic, and cultural route by which the American people can travel from Canada to the Gulf, the breadth of our country. This would also be a route which our neighbors will find easily accessible and well worth traveling, thus bringing more visitors from our nearest lands. It is, therefore, a road which will not only benefit our own people, but will provide an opportunity to promote friendship with our neighbors to the North and to the South.

Originally, the Mississippi River Parkway or Great River Road was conceived as a Federal parkway similar to the Blue Ridge and Natchez Trace Parkways. In August 1949, Congress instructed the Bureau of Public Roads and the National Park Service to make a survey and study of the route. A joint report by the Secretary of Commerce and the Secretary of the Interior was presented on November 28, 1951, entitled "Parkway for the Mississippi"; a new idea in interstate highway development emerged, the Federal-aid parkway. Utilization of existing highways which meet the standards of parkway conditions, and new locations under favorable conditions are characteristic. Many of the roads need only widening to be adequate for foreseeable traffic.

The general locations of State highways along the proposed route are such that it is possible to link them all together and to obtain nearly complete control of access without disrupting the local highway patterns. These highways are necessary parts of the highway system in each State. An entirely new highway would in many parts duplicate existing highways which could be made adequate for future use. Many of the most scenic routes are already located on the present highways.

There are, however, many miles of land close to the river on which no highways presently exist. Then, too, recreational use of the parkway will increase as it becomes better known. The need for adequate land and facilities is as necessary as the road itself. It is for locations such as these, that section (b) of my bill would propose an appropriation of $2 million for the fiscal year ending June 30, 1962 and a like sum for the fiscal year ending June 30, 1963. These sums would be used to purchase rights-of-way, to construct roads, recreational facilities, rest areas, parking areas at historical locations, and to reconstruct roads and facilities which with some work can be adequately used.

Section (a) of this bill provides that the 10 States through which the road will pass may use up to 10 percent of the A-B-C funds already allotted to each State for the purchase of rights-of-way, construction, reconstruction, and improvement of the Great River Road.

This bill was drafted in cooperation with the Mississippi River Parkway Planning Commission, a group which has been working very hard to complete plans for the road. In submitting this bill, I realize that it is too late in the session to expect any action to be taken. But, it is my hope that this bill will be widely circulated and sufficient interest in it generated to make possible its passage in the next Congress.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3794) to provide assistance to certain States bordering the Mississippi River in the construction of the Great River Road, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Public Works.

DEPARTMENTS OF STATE, JUSTICE AND THE JUDICIARY APPROPRIATIONS, 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1847, H.R. 11666.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 11666) making appropriations for the Departments of State and Justice, Judiciary, and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which has been reported from the Committee on Government Operations with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Title I—Department of State—Administration of Foreign Affairs—Salaries and Expenses," on page 2, line 18, after the word "exceed", to strike out "nine, of which two shall be for replacement only" and insert "thirteen", and on page 3, line 18, after the word "aids", to strike out "$113,500,000" and insert "$117,377,000".

Under the subhead "Representation Allowances", on page 4, line 8, after "(22 U.S.C. 1131)", to strike out "$835,000" and insert "$875,000".

Under the subhead "Extension and Remodeling, State Department Building", on page 6, line 17, after the word "expended", to strike out "$225,000" and insert "$596,200."

Under the subhead "Missions to International Organizations", on page 7, line 12, after the word "chauffeurs", to strike out "$1,835,000" and insert "$1,865,000".

Under the subhead "International Tariff Negotiations", on page 8, line 12, after the word "including", to insert "purchase of not to exceed one passenger motor vehicle, and"; in line 13, after the word "exceed", to strike out "$1,000" and insert "$5,000", and in line 16, after the word "entertainment", to strike out "$600,000" and insert "$700,000."

The amendment was agreed to.

The next amendment was, under the subhead "Operation and Maintenance", on page 10, at the beginning of line 4, to strike out "$1,840,000" and insert "$1,982,000".

Under the subhead "Construction", on page 10, line 18, after "1944", to strike out "$2,000,000" and insert "$9,000,000", and on page 11, line 6, after the word "State", to insert a colon and *"Provided further,* That $5,000,000 of this appropriation shall be effective only upon the enactment into law of H.R. 12263, Eighty-sixth Congress, second session, or similar legislation."

Under the subhead "Educational Exchange—International Educational Exchange Activities", on page 14, line 4, after the word "amended", to strike out "$23,210,000" and insert "$28,200,000", and in line 7, after the word "exceed", to strike out "$1,437,500" and insert "$1,700,000".

On page 15, after line 17, to insert:

"CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

"To enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate agency of the State of Hawaii, $10,000,000."

At the top of page 16, to insert:

"PRESENTATION OF A STATUE TO URUGUAY

"For expenses necessary to provide for a statue of George Washington, to be presented to the people of Uruguay, as authorized by the Act of September 21, 1959 (Public Law 86-345), $18,000."

On page 16, after line 5, to insert:

"PAN AMERICAN HEALTH ORGANIZATION BUILDING SITE

"For necessary expenses of carrying out the provisions of the Act of March 28, 1960 (Public Law 86-395) authorizing the acquisition of land for conveyance, without consideration, to the Pan American Health Organization for use as a headquarters site, $875,000, to be transferred to the General Services Administration."

On page 16, after line 12, to insert:

"PAYMENT TO THE GOVERNMENT OF JAPAN FOR BONIN ISLANDERS' CLAIMS

"For payment to the Government of Japan for settlement of all claims of displaced residents of the Bonin Islands, as authorized by the Act of June 1, 1960 (Public Law 86-486), $6,000,000."

Under the subhead "General Provisions—Department of State", on page 17, after line 22, to insert a new section, as follows:

"SEC. 107. It is the sense of the Senate that in the administration of section 414 of the Mutual Security Act of 1954, as amended, the Secretary of State should take such action as may be necessary to prevent the importation or reimportation into the United States (other than for use by the Armed Forces of the United States) for resale of firearms manufactured for the armed forces of any country, or parts thereof for reassembly, except those which are curios or antiques or weapons of obsolete ignition incapable of using a fixed cartridge or fixed shotgun shell."

Under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Legal Activities", on page 19, line 2, after "(31 U.S.C. 529)", to strike out "$13,175,000" and insert "$13,375,000".

Under the subhead "Salaries and Expenses, United States Attorneys and Marshals", on page 19, at the beginning of line 13, to strike out "$23,010,180" and insert "$23,310,180", and in line 19, after the word "General", to insert a colon and *"Provided further,* That of the amount herein appropriated not to exceed $200,000 shall be available for payment of compensation and expenses of Commissioners appointed in condemnation cases under Rule 71A(h) of the Federal Rules of Civil Procedure."

Under the subhead "Immigration and Naturalization Services—Salaries and Expenses", on page 22, line 25, after the word "General", to strike out "$57,800,000" and insert "$59,400,000".

Under the subhead "General Provisions—Department of Justice", at the top of page 27, to strike out:

"SEC. 207. None of the funds appropriated by this title may be used for the compensation of Commissioners appointed in lands cases under rule 71A(h) of the Federal Rules of Civil Procedure."

Under the heading "Title III—The Judiciary—Supreme Court of the United States—Miscellaneous Expenses", on page 27, line 20, after the word "approve", to strike out "$69,800" and insert "$87,000".

Under the subhead "Care of the Building and Grounds", on page 28, line 7, after "(41 U.S.C. 5)", to strike out "$287,200" and insert "$290,800".

Under the subhead "Courts of Appeals, District Courts, and Other Judicial Services—Salaries of Supporting Personnel", on page 30, at the beginning of line 4, to strike out "$22,035,520" and insert "$22,235,520".

Under the subhead "Travel and Miscellaneous Expenses", on page 31, line 11, after the word "Columbia", to strike out "$3,665,000" and insert "$3,999,000".

Under the subhead "Administrative Office of the United States Courts", on page 31, line 20, after the word "elsewhere", to strike out "$1,238,400" and insert "$1,470,000".

Under the subhead "Salaries of Referees", on page 31, line 25, after the word "exceed", to strike out "$2,100,000" and insert "$2,150,000".

Under the subhead "Expenses of Referees", on page 32, line 6, after the word "exceed", to strike out "$3,200,000" and insert "$3,400,000".

Under the heading "Title IV—Related Agencies—United States Information Agency—Salaries and Expenses", on page 35, line 14, after the word "organizations", to strike out "$101,557,300" and insert "$103,557,300", and in line 17, after the word "exceed", to strike out "$90,000" and insert "$135,000".

On page 38, after line 14, to insert:

"PHILIPPINE-AMERICAN CULTURAL FOUNDATION

"For expenses necessary to carry out the provisions of section 1011(d) of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442(d)), $1,365,740: *Provided,* That this amount shall be used for purchase of Philippine pesos from the special account for the informational media guarantee program."

Under the subhead "Payment to Informational Media Guarantee Fund", on page 39, line 4, after "(22 U.S.C. 1442)", to strike out "$3,691,680" and insert "$4,691,680".

Under the subhead "Funds Appropriated to the President—President's Special International Program", on page 39, line 10, after "1956", to strike out "$6,935,848" and insert "$7,435,848", and in line 12, after the word "of", to strike out "$25,000" and insert "$70,700".

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the bill as amended be regarded, for purpose of amendment, as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, this measure is noncontroversial.

The bill before us today represents the unanimous judgment of the subcommittee and the full Appropriations Committee as to the prudent amount to provide for the State Department, the Justice Department, the Judiciary and related agencies in the coming fiscal year.

In considering this measure, the committee was deeply conscious of the heavy

responsibilities that are imposed upon these agencies. At the same time, we also took into consideration the necessity for preserving the Nation's fiscal position.

During the course of our hearings, officials of the State Department described their agency as the quarterback in the whole field of foreign policy. And there was probably never a time in our history when a quarterback of the greatest competency was more urgently needed.

In consideration of the current world situation, the committee recommended the restoration of a number—but not all—of the cuts voted by the House. We asked the State Department to justify those items which they considered absolutely essential to maintain the Department at a top peak of efficiency. And where adequate justifications were made, we approved the expenditures.

I would like to point out, however, that the bill is still $15 million under the total estimates that were presented to Congress by the Executive.

The Appropriations Committee does not, of course, have jurisdiction over the field of foreign policy, nor does it intend to assume such jurisdiction. It is our job to determine whether the funds requested to carry out our policies are too high or are insufficient.

Such a determination, however, involves an understanding of the operations of the Department. We went into this matter exhaustively during the course of the hearings. I came to the conclusion that there was a depressing lack of new ideas—and what is even more important, a search for new ideas—in the Department's operations. I think that the Agency would find an even greater willingness on the part of Congress to supply funds if we had the feeling that these funds would be used to pursue new and intelligent approaches which might help us regain the initiative in the struggle against communism.

Certainly we are not going to regain that initiative if our only reaction is to continue the routine administration of programs which may be commendable and worthy and which may have served an excellent purpose at one time, but which are not sufficiently dynamic to meet the challenges of the modern world.

The briefest review of the events of the past few weeks indicates the complex nature of the threat which faces our way of life. All we have to do is to recall the torpedoing of the summit conference; the riots in Tokyo; the shelling of Quemoy and Matsu; the Soviet suspension of arms control negotiations; the threat to West Berlin; and the bitter anti-American campaign that has been launched on our doorstep in Cuba.

We are not going to master such events merely by supplying clerks with the resources to carry out standard operating procedures. Something much more dynamic and much more dramatic is required.

The bill that we recommend totals $718 million. This is an increase of $41½ million over the House bill, but a decrease of $15 million under the total budget estimates.

Details of the changes recommended by the committee are carried in the report, which is on each Member's desk. On behalf of the subcommittee and committee, I recommend approval of this measure.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. CLARK. I should like to ask my good friend from Texas, whom I commend for the fine job he has done in working on this appropriation bill and bringing it to the floor, whether I am correct in my understanding that the committe has restored the $400,000 requested by the administration for disarmament studies.

Mr. JOHNSON of Texas. Yes; that is included in the salaries and expense item, and we restored all that the Department asked for in that respect.

Mr. CLARK. I should like to congratulate the Senator from Texas for that action, and to express the hope that if the bill goes to conference we will be able to maintain that item, because, as the Senator knows, we are devoting more than $40 billion to defense, and it occurs to me that we could devote $400,000 to disarmament studies. I suspect that my good friend from Texas agrees with me on that.

Mr. JOHNSON of Texas. I share the Senator's view. He will observe that this subject is dealt with on page 4 of the report. My good friend, the Senator from Minnesota [Mr. HUMPHREY], has discussed this question with me many times. He wrote a very fine statement which the committee carefully considered. In addition, the Secretary of State talked with me two or three times and expressed his hope that we would deal fairly and equitably with his request in this regard. The Senate committee was quite impressed by the presentation made, and we trust that our conferees and our colleagues in the House will be sympathetic to the position we have taken.

Mr. CLARK. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. CLARK. The Senator will recall that every year during the past 4 years while I have had the privilege of being in the Senate and the Senator from Texas has handled this bill, we have had a little colloquy about representation allowances. I suspect that the Senator from Texas is the greatest protagonist among all the Members of this body of providing adequate allowances to our representatives overseas. In that regard, I have always been happy to support him. I note with approval, on page 4 of the report, the statement:

> The committee recommends an appropriation of $875,000, the budget estimate, for representation allowances in fiscal year 1961. The amount recommended is $50,000 over the 1960 appropriation and $40,000 above the House recommendation.

Again, I commend the Senator from Texas for supporting this very important adjunct to our foreign policy. I express the hope that, come next year, we can do a little better than we did before.

I wonder if the Senator from Texas would comment on that item. I wish to congratulate him on what has been done.

Mr. JOHNSON of Texas. I appreciate the Senator's compliment. I agree with the viewpoint he expresses. I have thought this a very fine investment on the part of the national interest, and I think the sum involved is relatively small.

If it is possible to do so, we shall urge our colleagues in the House to accept our viewpoint. I remember with satisfaction and pleasure the position of the Senator from Pennsylvania. He has been a good influence in getting the committee to take the position it has taken.

While I am not a globetrotter and am not personally familiar with all the operations of our great Foreign Service, I have been abroad three or four times in my life, and I have been in a good many embassies in this hemisphere. I have always observed great efficiency and prudence in regard to the allowances which our Government has permitted those dedicated public servants to use in behalf of the United States of America in an individual matter.

Mr. CLARK. I am certain the Senator from Texas would agree that the richest Nation in the world ought to be able to afford representation allowances at least equal to those of a number of our allies, including the British.

Mr. JOHNSON of Texas. Yes; I think we have been very shortsighted in this regard.

Mr. CLARK. Finally, I should like to ask the Senator what was done with respect to the Office of International Trade Affairs, as to which, as I understand, the House cut $688,500 from the request of the administration. I had hoped the subcommittee could restore these funds in full.

Mr. JOHNSON of Texas. If the Senator from Pennsylvania will turn to page 11 of the report, he will see that the committee recommended an appropriation of $7,435,000 for this program. That is $500,000 over the House allowance.

This increased sum would provide for additional trade fairs, trade missions, economic missions, and cultural presentations during the fiscal year 1961. The committee further recommends the sum of $70,700 for the representation allowance in connection with this program, an increase of $45,700 over the House.

The net effect would be $570,000 above the House figure.

Mr. CLARK. I congratulate the Senator from Texas upon the excellent work he and his committee have done. I wonder if he would object to my asking unanimous consent that a letter I directed to him, dated June 22, 1960, which appears on page 377 of the hearings, be printed at this point in the RECORD?

Mr. JOHNSON of Texas. I would be very proud to have it included.

Mr. CLARK. Mr. President, I ask unanimous consent that the letter may be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,
June 22, 1960.

Hon. LYNDON JOHNSON,
Chairman, Subcommittees on the Departments of State and Justice, the Judiciary and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I welcome this opportunity to submit a brief statement to the subcommittee in connection with its consideration of the 1961 appropriation bill (H.R. 11666) for the Departments of State and Justice, the Judiciary and related agencies.

I will limit my comments to three specific items.

1. Disarmament studies: The action of the House of Representatives in cutting the State Department's request for $400,000 to conduct and contract for general disarmament studies, appears hard to justify. A number of the U.S. proposals put forward by Mr. Frederick Eaton, our chief negotiator at the 10-nation disarmament talks in Geneva, call for studies of a variety of arms control and surprise attack measures, and our lack of knowledge in this area is obvious.

In fact, the Department would appear to be subject to criticism for not having submitted a request for more funds. Discussions with officers in the Office of Disarmament and Atomic Energy at the State Department indicate that three times the sum requested could be used to good advantage by the Department in the coming fiscal year for disarmament studies. It stands to reason that the $400,000 asked is inadequate when one considers that the request was formulated in the fall of 1958 for submission by the President in January of 1959, and that since that time there have been many developments in the field of general disarmament resulting in the present general arms control talks. I hope that the Department's representatives will be questioned closely as to the ability of the Department to use more funds than the $400,000 requested for disarmament studies and that the subcommittee will recommend appropriation of the maximum sum which it feels would be used to good advantage.

2. Representation allowances: The budget estimate called for $875,000 for representation allowances for the Foreign Service in fiscal 1961. The gross inadequacy of this request is apparent when one recalls that a million dollars was asked for representation allowances in fiscal 1952, the last year of the Truman administration, when the Foreign Service had several hundred fewer officers. I am sure that you will recall that the representation allowance study, called for by Report No. 303 of the 81st Congress, 1st session, and submitted by the Department on January 24, 1958, showed that only $800,000 of the $946,000 actually spent by our diplomatic representatives were reimbursed in fiscal 1957. It is a discredit to our Government that our representatives abroad continue to pay out far more for representation expenses than they are reimbursed.

When these facts are considered in conjunction with the action of the House in cutting the Department's request by $40,000 the desirability of restoring the full amount requested becomes evident.

3. Office of International Trade Fairs: The "related agencies" budget estimate for the President's special international program included a request for $4,100,000 for the Office of International Trade Fairs. The House cut the OITF by $688,500, and I urge the subcommittee to restore these funds in full.

The Office of International Trade Fairs has done a remarkably effective job in bringing to millions of people all over the world a challenging and vital demonstration of the American way of life.

Recently the OITF developed a U.S. exhibit for the Casablanca International Trade Fair which showed the effective way in which a great port; namely, the Philadelphia and other Delaware River ports, influenced the economy of a great industrial area and brought about its growth.

This same exhibit is going to be on display at the Izmir, Turkey, International Trade Fair for several weeks, beginning in mid-August. While I have not had the opportunity to see this U.S. exhibit, those who have report that it is a remarkable presentation and should be seen next year by millions of people in many other parts of the world.

The modest increase asked for by the Commerce Department for this program would make possible increased showings of this exhibit as well as similar ones. The exhibits will have a beneficial effect on the commerce and trade of this country and they will improve the knowledge of peoples throughout the world of what life is like in the United States.

Respectfully submitted.

JOSEPH S. CLARK.

Mr. CLARK. I thank the Senator from Texas.

Mr. JOHNSON of Texas. I thank the Senator from Pennsylvania for his constructive suggestion and for his cooperation in connection with the entire subject.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. Mr. President, I commend the Senator from Texas, particularly for the restoration of some funds for trade fairs. Some time ago, in New York, at the Coliseum, I had the privilege of describing the program for enlarging our participation in trade fairs. I hope very much that this program may yet come to fruition. Certainly the favorable attitude indicated by the Committee on Appropriations toward the restoration, even if it is only in part indicates that an auspicious start has been made toward that end.

Mr. President, I would appreciate it if the Senator from Texas would allow me to ask unanimous consent to have printed at this point in the RECORD a statement relating to the trade fair program. I commend it to the attention of the Committee on Appropriations.

Mr. JOHNSON of Texas. I deeply appreciate the Senator's interest in this subject. He is one of the most responsible and cooperative Members of this body. I share his viewpoint in this regard.

Mr. JAVITS. I thank the Senator from Texas.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JAVITS

APPROPRIATIONS FOR U.S.-GOVERNMENT-SPONSORED TRADE FAIRS ABROAD

The United States is faced with a growing challenge by the Soviet Union and other Communist countries in the trade fair exhibits program. Not only are these Communist countries rapidly expanding their own participation in the important trade fairs of the world but they are, spearheaded by the U.S.S.R., conducting large-scale solo exhibits in critical areas in almost every continent of the world.

In the face of these facts, it is of the utmost importance that this country expand now the trade fair program so that additional exhibits of sufficient size and scope can be planned to tell the U.S. story more completely and effectively in the vital areas of the world. The budget request included funds for 17 trade exhibits in fiscal year 1961 to carry out this purpose. Consideration has been given to including these new locations in the program for 1961 within the amount allowed by the House by sacrificing participation in other locations. This could not be done because the loss of impact and prestige in these critical areas would be too great to consider on this basis.

The trade fair program is sponsored by the President and augmented by special congressional appropriations. In view of the overwhelming importance of maintaining the best relations with our Allies, I deplore the proposed cut in appropriations for the trade fairs in 1960 and 1961.

May I describe the background of this problem:

As a result of House action, House Report 1467, appropriations for the President's Special International Program were left at $7,040,500. The budget request made by the President was for $8,600,000. The difference between the request and the sum allowed is $1,559,500. The Senate Committee restored $500,000 of this amount.

The proportion of these figures which are concerned with the program on trade fairs are:

Requested by the President	$4,100,000
Allowed by the House	3,411,500
The reduction, restoration of which was sought in the Senate	688,500

The cut from this request means that four crucial points, where U.S. trade fairs are being planned, will have to be abandoned. These include Cairo, Egypt; Baghdad, Iraq; Rio de Janeiro, Brazil; and Rangoon, Burma.

Czechoslovakia and Poland already have exhibits assembled for the proposed fair in Rio de Janeiro. Russia has expressed keen interest in this fair and is expected to participate and has already sent the big exhibit it presented in New York last summer to two countries in Latin America—Mexico and Cuba.

The Soviet bloc has launched an intensive propaganda campaign, through the medium of trade fairs and exhibitions, to promote trade with Iraq. Baghdad has been the scene of a number of Communist bloc exhibits in the past year and a Soviet Industrial Exhibition was recently opened there by Soviet Deputy Premier Mikoyan.

Cairo is of strategic importance not only as the capital of the United Arab Republic but because it is the focus of efforts by the Soviet bloc to win over the Arab peoples. Consequently, a fair hosted by Egypt in this highly important location would undoubtedly draw participation from most, if not all, of the Communist countries. Cairo's invitation to the United States to participate is an opportunity which our side cannot afford to ignore.

The importance of Rangoon and all of Southeast Asia has vividly been brought to light by the recent visit of Chairman Khrushchev to this area. It is believed that a small industries exhibit by the United States in Burma, based on the remarkable success of these exhibits in India, would help us tremendously in this newly developing country.

A trade exhibit in Bogota, sponsored by the United States, is considered of great

importance in strengthening our good neighbor relations with Colombia and in stimulating effective two-way trade.

The objectives of the trade fair program are to demonstrate our industrial accomplishments and related social and cultural attainments, and the ever-growing strength of our free enterprise system by displaying the products of America's farms and factories, and making this presentation to the largest possible foreign audience, particularly in Communist-dominated and newly-developing or uncommitted areas. In this way the program is a most effective tool in implementing our foreign policy objectives by presenting the American concept in a positive way and thus counteracting the propaganda efforts of the Communist bloc countries and the Sino-Soviet economic offensive.

The trade fair program with its 5-year record of accomplishment today faces the sharp challenge of Sino-Soviet economic expansionism. More aggressive efforts to meet Sino-Soviet competition in the trade field are imperative. More than 10 years ago the Communists began using trade fairs for their own objectives. Since then the United States has successfully demonstrated the use of this technique with a skill that appeals to people everywhere. This country's exhibits have been tremendously effective in creating better understanding of America's objectives, its strengths and its accomplishments. It is a program reaching directly to everybody.

The program presented for 1961 has been carefully planned to continue the impact already experienced in important areas where the United States has exhibited before, to extend the firmly established success of the solo exhibit techniques to South America and southeast Asia and to participate, for the first time, in the highly important trade fairs now being planned for Cairo, Baghdad and Rio de Janeiro. The schedule of fairs presented in the budget justifications is the result of the best possible analysis of the locations where this country can make its greatest impact within reasonable budget limitations and should be authorized by the necessary appropriations.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. AIKEN. Mr. President, on page 4 of the report, I note the following:

U.S. Group, Mexico-United States Interparliamentary Group: The committee recommends the appropriation of an additional $30,000 over the House allowance of $1,835,000 for the appropriation under this head. These funds are for expenses of the U.S. group in parliamentary conferences with Mexico in fiscal 1961, as authorized by Public Law 86-420, approved April 9, 1960.

That means that only $30,000 is appropriated for this purpose, and not the $1,835,000-plus referred to in the report.

Mr. JOHNSON of Texas. The Senator is correct.

Mr. SCHOEPPEL. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield to my beloved friend the distinguished senior Senator from Kansas.

Mr. SCHOEPPEL. On page 8 of the report, I note, with respect to the appropriation of $23,310,180, an increase of $300,000 over the amount in the House bill. The report reads:

The amount recommended permits payment of services performed by court-appointed commissioners in condemnation cases under rule 71A(h) of the Federal Rules of Civil Procedure.

I have received many inquiries with respect to the backlog of condemnation cases because of the lack of funds in order to employ commissioners to reduce the load.

I express appreciation to the distinguished majority leader and to the members of the subcommittee who passed on that question. It is a most constructive approach. Cases of that kind have been lagging for a number of years. Do I correctly understand that the specific amount placed in this appropriation bill is an amendment to cover just such cases as that, within the discretion of the Department?

Mr. JOHNSON of Texas. The Senator from Kansas is correct. The Attorney General wrote a strong letter in support of this position, and a very wise and eloquent Federal judge, Judge Campbell, of the city represented by the disinguished Senator from Illinois, the minority leader [Mr. DIRKSEN], testified at great length. The committee shared the viewpoint of the able Senator from Kansas. We hope the action we have taken will be helpful.

Mr. SCHOEPPEL. It is most helpful. I hope the members of the committee, when they received a communication from me with reference to this item a good many days ago, understood that I wanted to get before them the reflected opinion that has developed in my State with reference to this subject.

Mr. JOHNSON of Texas. We always appreciate the recommendations of the Senator from Kansas. There is no Member of this body who is more highly respected or with whom I enjoy more pleasant relations.

Mr. SCHOEPPEL. I thank the majority leader.

Mr. CASE of South Dakota. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. CASE of South Dakota. During the past year it has come to my attention that our Government has no official residence for the head of our delegation in so important a capital of the world as Geneva, Switzerland. I was advised that the maximum allowance there for the rental of quarters for the head of our delegation was $250 a month. This made it necessary for him personally to rent rooms or parlors at a hotel, in case it was necessary for him to entertain delegations or receive visitors to any extent. For $250, in a city like Geneva, it is impossible to rent an adequate residence to provide for entertainment or reception of official visitors.

I have wondered whether the committees had that fact called to its attention and had allowed funds to meet this situation. I wondered if anything was done to get away from the limitation which I believe was contained in a House report a year or so ago, which prevented the payment of more than $250 per month for the residence of our consul general.

Mr. JOHNSON of Texas. I am always somewhat reluctant to speak from memory when I am discussing any question with the Senator from South Dakota, because, having worked with him so long, and knowing that his recollection is always so fresh, I hesitate to attempt to reconstruct what was in the bill last year.

But as I recall, the Senate attempted to make an approach to that situation last year. But the conferees insisted that it come out. No testimony on it was given this year, so far as I recall. It was not raised.

Mr. CASE of South Dakota. I have looked through the hearings, but have not been able to find anything on it.

Mr. JOHNSON of Texas. If it was raised, it was raised when I was necessarily absent from the chair.

But I remember that we thought there was merit to the position stated by the Senator from South Dakota; and, as I recall, we took the matter to conference. But the House conferees took it out. Is that correct?

Mr. CASE of South Dakota. I think the memory of the Senator from Texas is correct; at least, it conforms to what I have been told about the matter.

But I know that Geneva—of all capitals in the world—is the place where many, many delegations go; and the demands upon our consul general there are extraordinarily heavy. He has to receive all the people we may send there to various international organizations. Geneva is the home of many such groups. It has the headquarters of the Interparliamentary Union. We send many delegates to Geneva in connection with various treaties or proposals for treaties. The occasions for receptions are unusually numerous. We should not be inadequately prepared in Geneva, of all places.

I wondered how the matter might be approached. It occurred to me that if on page 7, in line 13, the committee amendment of $1,865,000 were increased by $3,000 to $1,868,000, and if the House conferees would agree to allow the additional $3,000 for the purpose of providing an additional rental allowance for quarters in Geneva, that might help care for the matter.

Mr. JOHNSON of Texas. Last year the committee recommended an appropriation of $1,959,000, as compared to the House allowance of $1,900,000 and the budget estimate of $1,988,000. The increase of $59,000 over the House allowance would have provided $14,000 for rental and maintenance of suitable quarters for the U.S. representative to the seven international organizations having headquarters in Geneva, Switzerland, and for increased costs of housing for the staff.

That expressed the viewpoint of the Senate committee last year.

The question was not raised this year. The additional amount involved is a very small one.

I have great confidence in the fairness and wisdom of the Senator from South Dakota, and I believe his knowledge in this regard is perhaps superior to mine; and therefore I would be glad to take his amendment to conference, and to try to work out there his suggestion.

Mr. CASE of South Dakota. I appreciate that very much and believe this is in the best interest of the United States.

Therefore, Mr. President, on page 7, in line 3, in the Department of State item for "Administration of Foreign Affairs—Missions to International Organizations"—I suggest that the committee amendment of $1,865,000 be increased to $1,868,000—which is an increase of $3,000.

Mr. JOHNSON of Texas. Mr. President, I think the Senator from South Dakota has made a good suggestion. I am not as familiar with the need as he is. But I wish to accept that amendment, on behalf of the committee; and if the Senator from South Dakota will give me some counsel between now and the time when the conference is held, I shall be glad to become as strong an advocate of his amendment as I can.

Mr. CASE of South Dakota. I shall be very glad to do so, and I appreciate very much the courtesy and the helpful attitude and statement of the Senator from Texas.

Mr. DWORSHAK. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. Yes, although I previously promised to yield to the Senator from Illinois [Mr. DIRKSEN]. Does he wish me to yield to him at this time?

Mr. DIRKSEN. No.

Mr. JOHNSON of Texas. Very well; I am glad to yield to the Senator from Idaho.

Mr. DWORSHAK. As chairman of the subcommittee handling this appropriation bill, the distinguished Senator from Texas is aware of the fact that the State Department has requested an appropriation of $900,000 to take care of the expenses in connection with sending a delegation of 151 persons to spend as long as 6 months in negotiations at Geneva, in an effort to reduce tariffs, so as to embarrass American industries and to cause unemployment in the United States.

Will the Senator from Texas state his views regarding the necessity to make an effort to safeguard American industry at a time when it is being subjected to low-cost competition from foreign countries?

Mr. JOHNSON of Texas. Yes, Mr. President, I heard with great interest the views of the Senator from Idaho and the subcommittee and the full committee, in connection with our international tariff negotiations. I think there is much merit in the position he takes with regard to reciprocity being a two-way street and with regard to the necessity for our sending forth, as representatives of our great Republic, the most competent men we can enlist, who must bear in mind that they are the spokesmen for the United States of America, and who must be able to compete with the best minds of other nations which have assembled there.

I feel that through the years we have been somewhat negligent and too willing to accept mediocre representation, rather than to draft the finest and most competent trade people who are available in our Republic.

The Department requested $200,000 more than the committee was willing to allow—not because we felt that we were desirous of effecting a saving on this particular item, but because we wanted to drive home our belief and our hope that it was necessary for them to reach out and get the best equipped men in this country to carry on our negotiations; and there is quite a difference between a CAF–10 or a CAF–11 and a top-flight negotiator, a business man who has met a payroll and who understands the economic threat that faces us; and there can be little doubt that we are threatened from all corners of the globe.

Mr. DWORSHAK. Mr. President, will the Senator from Texas yield further to me?

Mr. JOHNSON of Texas. I yield to my friend.

Mr. DWORSHAK. I am sure the Senator from Texas is aware of the fact that 4 years ago, when the GATT conference was held at Geneva, only $265,000 was provided for the expenses incurred by that conference. But this time $900,000 was requested.

Mr. JOHNSON of Texas. That is correct.

Mr. DWORSHAK. It is not essentially a matter of dollars; but, rather, it is an indication that GATT—which never has been approved by the Congress as an adjunct of the trade-agreements program—has been defying the Congress, has been ignoring the interests of American business and industry, and constantly has been subjecting our industries to the low-cost competition from foreign countries.

Does the Senator from Texas agree that the time has arrived when it is necessary to insist on a two-way reciprocal agreement, so that it will be recognized that American industries and American workingmen are deserving of equitable consideration by the officials who represent our State Department and the other agencies of our Government in these 6-month negotiations, and that we cannot longer justify making continual concessions to foreign industries which are rapidly and constantly taking business and trade away from our American industries?

Mr. JOHNSON of Texas. Mr. President, with much of the Senator's statement, I am in thorough agreement. I think anything our Government can do to improve the quality of our representation is highly desirable. I think trade is highly essential in the best interests of this country.

I do think we must take a good, long look at the quality of our representation and the effect of our present legislation and the danger that faces this Republic as a result of some of the practices taking place.

Mr. DWORSHAK. Mr. President, will the Senator from Texas yield once more to me?

Mr. JOHNSON of Texas. I am delighted to yield to my friend.

Mr. DWORSHAK. I am sure the Senator from Texas will agree with me that the Congress should be watching the developments which occur at Geneva beginning next September, and that the legislative branch is serving notice upon the State Department that the time has arrived when we will no longer condone this constant erosion of the interests of American industry and American labor, and that we will be extremely critical of any concessions which are made at the conference under the supervision of GATT.

Does the Senator agree with me?

Mr. JOHNSON of Texas. I will agree with most of what the Senator has said. I do not know that I would be extremely critical of something until I knew what it was. But I do know Congress must be watchful and constantly concerned, and, as the committee stated in the report, I think the Department should make every effort to utilize the services and abilities of the very best minds that we have in this country.

Mr. DWORSHAK. I am sure the Senator from Texas has indicated that it is his opinion we can no longer justify the usurpation of the legislative authority by the State Department and other executive agencies and the continuation of these negotiations which, over the years, have proved devastating to the interests of American business and American workingmen.

Mr. JOHNSON of Texas. The committee stated its views as succinctly as possible on page 4 of the report, in which we stated our concern with the fact that no real effort appears to have been made to utilize the services and abilities of highly qualified businessmen at these conferences, and we expressed our very strong feeling that in the use of this appropriation, greater utilization should be made of available outstanding business authorities.

I appreciate very much the very strong and determined and able expression of viewpoint by my friend from Idaho. I always consider his opinions seriously, and I know he has given great thought to this subject, and no member of the committee is more interested in it. I shall, as chairman of the subcommittee, try constantly to remember his admonition in this field.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. DIRKSEN. Mr. President, I have only one comment to make on the pending bill, and that is on the question raised by the Senator from Pennsylvania [Mr. CLARK]. He complimented the committee on an increase in the representation allowances, and I compliment the committee also.

The matter comes to mind rather interestingly enough as we approach Independence Day, because it was exactly 5 years ago that I was in Thailand, whose gracious King and Queen were our guests and visitors only this week. At that time we were represented in Bangkok by a very distinguished American, Jack Peurifoy. He was not only popular on the Hill with the committees, but he had gained a great reputation for candor and knowledge with respect to his business. I was in Bangkok as his guest for about a week. That was a month before he was killed in an automobile accident.

I said, "Jack, this business of representation allowances has given me a lot of concern as I go about, and so I make particular inquiry of all our representatives everywhere in the world." He said, "Well, DIRKSEN, I'll tell you. I think one of the great things I do out here is to have a Fourth of July celebration." He said, "There is a national law in Thailand against fireworks, but we have a compound, and I am outside the national law. So on the 4th day of July I can have a great celebration with all the necessary fireworks to impress all the people here as to what Independence Day means to the American people. But," he said, "I must tell you that that one celebration takes one-third of my entire annual representation allowance."

Mr. President, we have had a great deal of fun with this item in the House on other days. I remember racing up and down the floor. We used to call it the whiskey allowance. So what? A cocktail party cannot be had, whether it is in Turkey or Thailand or Calcutta, or Buenos Aires, or wherever it is, unless there is served a little spiritus frumenti, whether it is in the form of highball or cocktail, bourbon or scotch. It is an accepted thing everywhere in the world. Our representatives must entertain. And the best business is so often achieved when the people are sitting together in sweet fellowship, maybe having a little drink, but representing their country constantly, and getting to an understanding and a knowledgeable basis with representatives of other countries.

I think it is a little distressing, as I go back and read the debate in the House, to learn how our people are demeaned when the consul general of one country in New York—one consul general, and I will not name the country—for himself gets a representation allowance that is equal to 12 percent of the entire amount for that purpose in this bill for the whole wide world.

I hope some time we shall appreciate some of these facts of life. Then maybe our diplomacy will not falter quite so much.

But, Mr. President, that is not the reason I rose. I have an amendment to offer, which I send to the desk.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 39, after line 18, to insert:

OFFICE OF THE SECRETARY

Subscription to the International Development Association

For payment of the first installment of the subscription of the United States to the International Development Association, $73,666,700, to remain available until expended: *Provided*, That this paragraph shall be effective only upon enactment into law of H.R. 11001, Eighty-sixth Congress, or similar legislation.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. Yes.

Mr. HUMPHREY. Mr. President, I wish to express my appreciation to the committee and the chairman of the subcommittee for the amount that was allocated or allowed in this bill for the arms control studies.

I also want to commend the committee for the language in the report which asks for initiative in this matter and practical studies which will lend themselves to a better understanding of the inspection and policing and control problems of a disarmament program.

Also, I am very grateful for the language of the report in reference to the international education exchange program, and I refer to pages 5 and 6 of the report.

I ask unanimous consent that that section of the report be printed in the RECORD at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

INTERNATIONAL EDUCATION EXCHANGE

For this item, the committee recommends the full budget estimate of $28,200,000. This is an increase of $4,999,000 over the House allowance. In addition, the committee recommends that $6,600,000, the same amount as provided in the House bill, for the purchase of foreign currencies which accrue under title I of the Agricultural Trade, Development, and Assistance Act of 1954, as amended, for certain international educational and cultural activities as stipulated in sections 104(j), 104(k), 104(o), and 104(p) of that act. The committee further recommends that the limitation on administrative expense be increased from $1,437,500 to $1,700,000.

The committee strongly recommends that this program be adjusted to provide for a greater exchange of scholarships between the United States and the countries of Eastern Europe, the Far East, and other areas of the world where the need is manifestly the greatest and that exchanges with Western Europe be sharply reduced.

The committee was requested to add $185,000 to the regular appropriation for the exchange program to provide funds for an American-Russian language student exchange to take place in the summer of 1961. If adopted, there would be sent to Russia this summer 75 American college graduates and undergraduates who are proficient in the Russian language to study 2 months of language at Russian universities and 3 weeks of travel in the Soviet Union. In exchange, 75 Russian students and young teachers of the English language would come to the United States for the same type of program. The appropriation request would cover the cost of one-half of the program, with Russia paying the other half. Such a program would implement section 5, paragraph 5, of the agreement between the United States and the Union of Soviet Socialist Republics for cooperation in exchanges in the scientific, technical, educational, and cultural fields in 1960–61.

While the committee has not recommended additional funds for this purpose, it is in complete sympathy with the proposal and recommends that the Department work out such an exchange within the framework of the program, since the funds for such exchanges could be reallocated from the disproportionate share being devoted to exchanges with Western Europe.

Mr. HUMPHREY. Mr. President, I wish to note for the RECORD that the committee recommended the full budget estimate for the international education exchange program, which in my mind is one of the most important programs we have. I believe it has done more to further international understanding than almost any particular project we have undertaken.

Mr. President, I commend the Subcommittee on Appropriations for the Departments of State and Justice, the Judiciary, and Related Agencies for restoring a substantial amount of the original request.

I am in full agreement with the committee decision to restore the $400,000 requested for disarmament studies. In the past 2 years, the United States has participated in four major international conferences dealing with arms control, and we have not been prepared for any of them. I know of no responsible official connected with the conferences who says that we were adequately prepared.

In my appeal to the subcommittee to approve the requested funds for studies by the Department of State on arms control I underlined the fact that such funds are sorely needed for study and preparation in the entire field of disarmament.

Another statesmanlike act of the committee was to approve the full budget estimate of $28,200,000 for international educational exchange. The Soviet Union and China are now making dramatic bids to take away our lead in training the future leaders of foreign countries particularly the underdeveloped countries, and at a time like this, we cannot afford to reduce our effort, while the Communists are multiplying theirs. I hope that the House conference committee members will agree with the Senate recommendation.

I had, in a letter, proposed to the subcommittee that an additional $185,000—above the administration request—be appropriated for a Russian-American language student exchange. If adopted, there would be sent to Russia in the summer of 1961, 75 American college graduate and undergraduate students proficient in the Russian language who would study 2 months of language at Russian universities. In exchange, a like number of Russians would come to this country to undergo a similar program. This program has had the agreement of officials in the State Department, and the Russian authorities have made it clear to our exchange negotiators that they would be glad to pay for their half of the program. Such a program would implement section 5, paragraph 5 of the agreement between the United States and the Soviet Union for cultural exchange. It is more vital than ever to keep the line of communications open with the Russians, particularly in light of the fact that the line of communication seems to have broken down at the top. Further, we are in desperate need for more skilled Russian linguists.

I am pleased that the committee has recommended this program, in light of its strong interest in broadening the exchange of persons with the Soviet Union and Eastern Europe. However, I had hoped that the committee would have granted an additional $185,000, rather than taking it out of existing State Department program plans.

In line with educational exchange, I commend the committee in its appropriation recommendation of $10 million

to establish in Hawaii a center for cultural and technical interchange between the United States and Asia. I strongly support the recommendation.

However, in two items, I am somewhat disappointed in the committee recommendations.

The committee recommended $7,435,848 for the President's Special International Fund, which is for trade fairs, economic missions, and cultural presentations. This is $500,000 more than the House amount, but $1,164,152 under the budget request. Even the request of the administration is a timid one, compared to the great needs in this area—and particularly compared to what the Sino-Soviet bloc is doing in this sphere. Last year, the Sino-Soviet block participated in 200 trade fairs. The United States was in 12. The Soviet Union and Communist China are blanketing the world with cultural presentations—which is one of the most effective tools of propaganda. Our effort is like putting up a penny whistle against 76 trombones. Thus, I would recommend that we grant the full administration request, which is modest indeed.

As we know, the committee approved an appropriation of $103,557,300, which is $2 million over the House allowance, but $2,242,700 under the request. Even if the House agrees to the amount recommended by the Senate the cut from the request will constrict the African program. USIA must open 11 new posts in Africa, necessitated by the many countries reaching independence. In the current period of 2 weeks, there are nine—I repeat, nine—countries in Africa obtaining their independence.

Our Information Agency not only should be active in Africa, it must be active. It is exactly when the new nations are shakily trying to grope their way to democracy, that it is incumbant upon us to share our democratic experience with them and to make available in book and cinema form the great democratic classics.

The committee report states that existing personnel in Western Europe should be shifted to Africa and, further, that we are overstaffed in Europe. Nevertheless, I would cite these figures:

In fiscal 1956, there were 356 Americans and 2,142 locals employed in Western Europe by USIA. The fiscal 1961 request stipulates 238 Americans and 1,397 locals, or a 33-percent cut. Further, the 1956 appropriation for Western Europe was $10,347,000, as compared to the 1961 estimate of $7,800,000. It should also be noted that the 1961 estimate must operate in conditions where there has been a 15–20 percent inflationary increase in costs.

Although I agree with the committee that more emphasis must be put on Africa, I think it should be done by appropriating the requested funds rather than further restricting the European program. We certainly cannot pull out of Western Europe, as there is Berlin, local Communist parties with which to contend, and the need to explain American policy with respect to trade and the expanded economic groupings.

As I said in this body recently, winning the minds of men is the most important business of the 20th century. And one of the main reasons why the country with the worst case is winning the propaganda war and the country with the best case is losing it is that the Soviets spend between 15 and 30 times as much as we do on information activities. It is time for us to wake up to the propaganda challenge and stop giving the information effort the scraps off the budgetary table.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point my statement on the need for funds as printed in the hearings, and my letter to the Senator from Texas, the chairman of the subcommittee, in regard to the appropriation bill.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HUBERT H. HUMPHREY

THE NEED FOR FUNDS FOR ARMS CONTROL AND RELATED MATTERS

Mr. Chairman, I appreciate the opportunity to submit to this subcommitee, in connection with its consideration of the Department of State's appropriation bill for 1961, a statement on the need for $400,000 to enable the Department to conduct the necessary studies and prepare adequately for arms control negotiations. Last year you had a similar request from the Department of State for about $400,000 to undertake various studies pertaining to disarmament. Unfortunately at that time the Department did not present you with a convincing case. In fact, I believe the Department actually said that funds for arms control studies were not in a category of high priority. The committee did not recommend the expenditure of funds for this purpose.

Today, the committee is again asked by the Department for funds for arms control studies. I wish to emphasize, perhaps even more than the Department is willing to do, the urgent need for these studies.

In the past 2 years the United States has participated in four major international conferences dealing with arms control: (1) The Conference of Experts To Study Methods of Detecting Violations of a Possible Agreement on the Suspension of Nuclear Tests; (2) the Conference on the Discontinuance of Nuclear Weapons Tests; (3) the Conference of Experts for the Study of Possible Measures Which Might Be Helpful in Preventing Surprise Attack; and (4) the Conference of the 10 Nation Committee on Disarmament. The U.S. Government has not been prepared for any of these conferences. I know of no responsible individual associated with them who will say we were prepared. In its testimony before the House Appropriations Committee the State Department finally acknowledged the seriousness of its lack of preparation. Mr. Raymond Hare, Deputy Under Secretary of State, said:

"What is lacking is a sustained study effort concerning the effect of various possible arms control agreements on United States, allied, and Soviet capabilities together with future explorations of new possibilities of arms control which might enhance U.S. security." [1]

In appealing for funds for studies by the Department of State on arms control I want to underline the fact that such funds are only a drop in the bucket as to what is needed to cover study and preparation in the entire field of disarmament. Members of the committee may have read where the executive branch has requested over $60 million for next year for research on the detection and identification of nuclear explosions. This request comes 2 years after the United States has been engaged in negotiations regarding an agreement on the cessation of nuclear weapons tests. Should not the United States, at least some of the time, conduct its research before rather than after the negotiations are well along their way to possible conclusion?

If $60 million is needed for research on nuclear weapons test detection, much more will be needed eventually on such problems as: methods to control a cutoff of production of fissionable materials for weapons purposes; methods to determine that armed forces are at levels stated by various countries; measures to guard against surprise attack; and control systems for the elimination of missiles and other delivery systems. There are so many unsolved problems in the field of arms control that I have proposed a special agency be created to deal with them. But we should not wait until such an agency is created. Negotiations are going on now. The Department of State must have the funds with which to start the most important of its studies immediately.

Efforts for arms control must not only keep pace with but must outdistance efforts to advance military technology. There are signs that either through inaction or inability we are permitting the weapons development race to proceed much faster than the race for effective means of control. As we are determining scientific means of detecting and inspecting in one area of arms control, a countermeasure, such as the decoupling theory in hiding underground explosions, is discovered or a newer and more devastating weapon is produced, thus increasing the scope of disarmament problems.

I rather believe that these discouraging facts result from inaction instead of inability. Certainly we have the ability in terms of resources, scientific genius, and drive to amass a vigorous project for arms control.

Before us today is a prime opportunity to make headway against the many technical obstacles and perplexing problems strewn in our path. We have a chance to provide the State Department with the means of erasing the epithets of lack of planning, lack of study, and lack of depth which have become attached—both rightly and wrongly in some instances—to our disarmament efforts. The Secretary of State makes a stirring plea to Congress when he says:

"The rapid increase in the technical problems of arms control makes it essential for us to have access to the services of specialists outside the Government if we are to make effective use of our negotiating opportunities." [2]

I commend to this committee a statement made by one of our eminent scientists at a recent hearing of the Disarmament Subcommittee on the technical problems in the Geneva test ban negotiations. I think the statement of Dr. Wolfgang Panofsky, who was deputy head of the U.S. delegation to Technical Working Group 2 of the Geneva test ban conference last winter, lends great weight to the budget request pending before this committee. He said:

"There does not exist at present an efficient enough mechanism within the Government

[1] Testimony before House Appropriations Subcommittee, Feb. 11, 1960, p. 111.

[2] Testimony by Secretary of State Herter before House Appropriations Subcommittee, Feb. 10, 1960, p. 5.

for carrying out the necessary scientific work to back up the constructive aspects of these problems."

The Disarmament Subcommittee in its 1957 and 1958 reports made, I think a vanguard effort to encourage such studies as those now proposed by the Department of State. In its 1958 report the subcommittee voiced its disappointment "that the State Department has not seen fit to create, as recommended previously by the subcommittee [in its 1957 report], special advisory groups of nongovernmental experts to explore specific aspects of the disarmament problem."

Mr. Chairman, the Congress is restricted in what it can do to affect and guide the foreign policy of the country. One of the main responsibilities it has is to provide the funds with which foreign policy is implemented. Funds for arms control are essential and are needed now.

The Congress can demonstrate a conviction that arms control is important by appropriating a small but significant sum to prepare some of the vital studies that must be made to assure that the United States is proposing sound and workable measures to reduce and control the weapons of war.

Mr. Chairman, I also want to address myself to some other aspects of State Department appropriations request.

It is extremely important that we grant the full request of $2,900,000 for cultural presentations. The House cut $485,000 from that figure.

Cultural attractions play a very significant part in the worldwide ideological war. What they do is build up a sympathetic climate. A reservoir of good will is established when peoples of other countries hear our great artistic offerings like Leonard Bernstein and the New York Philharmonic, Isaac Stern, Van Cliburn, and others.

I am proud to be the author of the act which in 1956 set up our own cultural presentations program. We have made a good start, but when it comes to volume, we are hardly in the same horserace with the Russians. Let me give you an example: Last year, Iraq held a massive festival holiday on the occasion of the first anniversary of the accession to power of Premier Kassem. Conspicuous in the festival were massive, lavish displays and acts by the Soviet Union, Red China, Hungary, Poland, Bulgaria, and Czechoslovakia. The United States was not even represented.

There are 90 countries which are clamoring to see and hear our artists. In most cases, our State Department has to say, "Sorry, not this year." We are able to set up cultural exhibitions at one-fourth of the international festivals to which we are invited. The reason: not enough money. At the same time, the Soviet Union, which has less than half the national income that we do, will never be seen turning down an invitation to participate in an international fair.

Mr. Chairman, I strongly commend to the sympathetic attention of this committee the very modest request for cultural presentations.

One of the most serious cuts that the House of Representatives made was in educational exchange. The request of $28,200,000 was reduced to $23,210,000, which means a cut of 1,814 grants to foreign students. What is particularly disturbing is that most of those students would have come from the underdeveloped countries—and it is in the emerging areas that the Soviet Union is making its greatest incursions. As the members of the committee probably know, the Soviet Union has just established a University of Friendship, which will be for 4,000 students from Asia, Africa, and Latin America. Those students will receive 4 years free tuition, as well as traveling and living expenses and spending money. Thus, just at a time that the Soviet Union is making a dramatic bid for the future leaders of the new nations, we are turning them down. I urge this committee to restore the necessary funds.

Another matter is the urgent need for language training for our foreign service officers. If there is one area in which there is a real gap between the United States and the Soviet Union, it is in the area of language fluency, particularly with respect to some of the languages of Asia and Africa.

I was deeply concerned when I noticed that the House had cut $663,607 from the $5,228,000 request for the Foreign Service Institute. Most of that cut will come out of the urgently needed funds to teach our diplomats the vital languages of the developing nations.

I respectfully urge this subcommittee to act favorably on the proposed amendment which I have presented here today. Permit me to take this opportunity to thank the members of this subcommittee for affording me this opportunity to present my views on this important appropriations measure.

STATEMENT BY SENATOR HUBERT H. HUMPHREY

Mr. Chairman, I appreciate the opportunity of coming before your committee and testifying on behalf of the full appropriations request of the U.S. Information Agency.

As you know, the House has cut $6,804,200 from the USIA request of $123,793,180, and the Agency is asking that $5,851,000 of that be restored. I fully support that request.

Particularly important is the request restoring $4,242,700 for salaries and expenses, which would involve 126 positions. Ten new posts are proposed in Africa, and it is vital that USIA go ahead with this expansion. Right now, within a period of 2 weeks, 10 countries are receiving their independence in Africa, and it is predicted that by 1965, every nation in that continent will be independent. Thus, there is a compelling necessity of establishing a real line of communication with the emerging peoples of Africa. If we default, the Soviets will certainly step into the vacuum.

The House action on salaries and expenses is the same as is allotted this year, and this would mean an actual decrease in the USIA operation because of mandatory increases in costs.

The Agency request also takes into account the need to reach broader segments of the peoples in Latin America. In light of developments in Latin America in the last several years, there can be no doubt about the desirability of this objective.

Further, part of the Agency request would go to expand the overall television program. Since most communications experts agree that television is becoming the world's most effective medium, this is an area which we cannot neglect.

Mr. Chairman, in comparison to what the Soviet Union is spending on propaganda, we are now financing a penny whistle stacked up against Russia's big brass band. The Soviet Union spent more on a single propaganda gimmick—the Moscow Youth Festival—than we do on our yearly appropriation. It has been estimated that Russia spends anywhere between 10 and 30 times as much as we do. Since winning the minds of men seems to be the most important business of the 20th century, it is an area where we cannot come out second best.

There is no reason why the country with the best case should be losing the propaganda war and why the country with the worst case should be winning it. We now spend a sum equal to one-quarter of 1 percent of our defense budget on our information activities. Yet, it may be that the cold war will be won or lost in the propaganda area. It is for this reason that I urge the committee to grant the modest and wholly justified request of the U.S. Information Agency.

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
June 16, 1960.

The Honorable LYNDON JOHNSON,
Chairman, Subcommittee of the Departments of State and Justice, the Judiciary, and Related Agencies, Senate Committee on Appropriations.

DEAR MR. CHAIRMAN: I would like to propose the following amendment to H.R. 11666 which is before your subcommittee. On page 13, line 22, strike out "$23,210,000," and insert "$23,395,000, of which $185,000 shall be available only for implementing section V, paragraph 5 of the 'Agreement Between the United States of America and the Union of Soviet Socialist Republics for Cooperation in Exchanges in the Scientific, Technical, Educational and Cultural Fields in 1960–61,' and."

This amendment would provide funds for an American-Russian language student exchange, to be held in the summer of 1961. Seventy-five American college undergraduate or graduate students who are proficient in the Russian language and young teachers of Russian would spend the summer in the Soviet Union in 2 months of language study at Soviet universities and in 3 weeks of traveling.

In exchange, 75 Russian students and young teachers of the English language would come to the United States for the same type of program. Groups of 25 each would go to the 3 American universities which are specially prepared to give American study programs to foreign students—the Universities of Michigan, Columbia, and Indiana.

The appropriation request covers the cost for half of the program with the Russians paying the other half. An average of $900 per student would cover the round-trip transportation costs of the Americans, and approximately $1,500 per student would take care of the Russians while they were in this country; $5,000 in administrative support is also included in the figure. The Soviet Government would pay for the transportation of their students to this country, and they would take care of all the expenses of the Americans while living in the Soviet Union.

Soviet authorities have made it clear to our negotiators in the educational exchange program that they are enthusiastic about this kind of a plan and that they would be willing to pay their half of the costs.

Members of my staff and I have conferred with Ambassadors William Lacy and Charles Bohlen and other officials in the Department of State and USIA, as well as leaders in the academic community, and this proposal is supported by these persons as a sound, desirable, and worthwhile project.

I want to conclude by suggesting why this program is of particular importance:

The first reason is that with the breakdown of the summit meeting, it is all the more important to keep the lines of communication open at other levels. We fail to do so at our own peril.

The 75 Americans would be selected not only on the basis of language proficiency, but also on the basis of political and social maturity. They would be the finest type of ambassadors. Being able to speak the language, they and the Russians could communicate in the real meaning of that word. There are real urgings for more freedom among the Soviet students today, and we should do all we can to nourish that tendency. All assessments agree that the most notable feature of our Moscow exhibition

last summer was the impact of our Russian-speaking guides. The group that I am proposing would have a similar impact.

Likewise, there is a great deal to be said for having the 75 Russian students here. The great drawback with respect to most visiting Russian delegations is that they have to speak—rather formally and stiffly—through interpreters. The Russian students, however, would all be able to speak English, would be settled in one university community for 2 months, and would be able to talk to Americans on an individual basis. It is in face-to-face situations like this that real communicating is done. Further, this would be a key Russian group to reach. A good percentage of them would return to be English teachers, and there is a very high probability that what they tell their students about America is going to be much kinder than what the students will read in the textbooks.

The second reason is that this country is desperately short of skilled Russian linguists. We've all heard about the missile gap and the industrial growth rate gap, but the widest gap of all is one that we seldom hear about—the language training gap. Last year, it was estimated that for every 10,000 Russians studying English, there was 1 American studying Russian. There are thousands of important Russian documents piling up, simply because we don't have enough skilled people to translate them. In short, we are presently so far behind the Russians in language training that this type of a program is all to our advantage. I might add that there is the assumption that many of our young people in this program would become Russian teachers, so that there would be a multiplied benefit.

There is one final point. We in America pride ourselves on being masters in the realm of free competition. Well, the first rule for a competitor is that he know all he can about his opponent. Frankly, there are still many wide gaps in our knowledge about the Soviet Union. There are still many things we have to learn about Russian attitudes and motivations as well as its economic development. The more Russian specialists we can develop, the better off we are in this cold war marathon race.

The investment is small in view of the significant benefit of this educational exchange program. I respectfully hope that your subcommittee will favorably consider this proposed amendment.

Best wishes.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, I thank the chairman of the subcommittee, because I know the bill represents a substantial improvement over the actions of other years. The distinguished chairman of the subcommittee, the majority leader, has exercised wise and prudent judgment in actions on the items in the bill.

Mr. JOHNSON of Texas. Mr. President, I thank the Senator for his comment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. DIRKSEN. Mr. President, there seems to be a little misunderstanding about the amendment I offered. I shall sketch the background and explain how the misunderstanding developed, and then the Senate can work its will, if it desires.

We had before the Senate a bill to authorize a so-called International Development Association—for short, I call it IDA. It was under some difficulty, because the distinguished Senator from Vermont objected to a proviso in the bill, and likewise did the distinguished Senator from Delaware [Mr. WILLIAMS]. The bill went to the House. The offensive or objectionable language was stricken. The bill was put in order. In the last 2 days the authorization bill was completed.

The Secretary of the Treasury called up to say that the people who will be subscribing to the capital stock from other countries will be coming to this city in August and September. He asked if it will not be possible to get an initial installment of the $320 million subscription of this country put in an appropriation bill before we recessed. I raised the question today.

I thought perhaps the item could be put in what I referred to as a "bobtailed" supplemental appropriation bill; that is, a little supplemental appropriation bill with only a few items.

I was informed by the distinguished chairman of the Appropriations Committee that hearings have not been completed on the pending supplemental appropriation bill and will not be completed until we return after the recess.

I find myself in an awkward position. The distinguished majority leader, who has done an excellent job on the bill, says he does not want to accept the amendment in the State, Justice, Judiciary appropriation bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JOHNSON of Texas. Mr. President, I know nothing about the necessity for or the justification for the amendment. The Secretary of the Treasury earlier today expressed the hope that we could include an appropriation in the supplemental appropriation bill. The distinguished minority leader talked to me about it. I voiced no objection. That is the proper place for the IDA appropriation. It is as foreign to the bill before the Senate as a fish hatchery would be.

I told the Senator I would be glad to support him, relying entirely on the information the Senator had, because the committee has none. The subcommittee had no evidence. The subcommittee is not in a position to pass judgment upon the matter, but I told the Senator I would accept the Senator's word and support the Senator's effort in connection with the supplemental appropriation bill, or a "bobtailed" supplemental appropriation bill which contained only the IDA item and two or three emergency items we might have to consider.

We are wasting the time of the Senate, because this is not the proper place for the IDA appropriation. If we should put the item in the bill, we would carry it through the door and drop it in the conference, because I have no doubt that the distinguished chairman of the committee on the other side will recognize that the IDA appropriation is as foreign to this bill as an agricultural item would be.

I think it would be a poor practice to do so. I think it is not the proper way to legislate. I think it would defeat the purpose of the IDA. I think it would injure the whole movement.

I revert to what I told the Senator earlier in the day. I shall be happy to support the Senator eagerly and enthusiastically in the proper appropriation bill and at the proper time. This is not the proper place. If the House does not see fit to send to the Senate a supplemental appropriation bill, and if we cannot get a "bobtailed" supplemental appropriation bill, I shall ask the Senate—and I am sure if the Senate overrides me the House chairman will refuse to accept it—not to accept the amendment, because this is not the place for it.

Mr. DIRKSEN. Mr. President, I have the floor.

I will say to the majority leader that he is a fine person to talk about wasting the time of the Senate. For 3 hours we had a political tirade today, when we could have used the time for better purpose. This is no waste of time, because the amendment was brought to me. I did not initiate it.

I have before me the supplemental appropriation hearings. In connection with my remarks, Mr. President, I ask unanimous consent that the data on pages 224, 225, 226, and 227 be printed in the RECORD as a part of my remarks.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Mr. Chairman and gentlemen of the committee, I wish to support the appropriation request for $73,666,700 for payment during fiscal 1961 of the first installment of the U.S. subscription to the International Development Association. I urge your favorable consideration of this important item. Funds for four additional annual installments, each of $61,655,825, will be requested in the future. All together, the U.S. subscription to the IDA payable over the 5-year period amounts to $320.29 million.

The President, in a message to the Congress on February 18, 1960, recommended legislation authorizing U.S. membership in the IDA and providing for payment of the subscription obligations. H.R. 11001 and S. 3074, authorizing the President to accept membership for the United States and authorizing to be appropriated, without fiscal year limitation, the payment of the U.S. subscription, are presently being considered by the Congress. Final action on this legislation is expected to be completed in the near future. The requested appropriations item for fiscal year 1961 now before you would not, of course, become effective unless this legislation is enacted.

The IDA is to be an international organization, affiliated with the International Bank, to provide development financing on flexible terms for its less developed member countries. Most of its initial resources will be provided by countries other than the United States. While the U.S. subscription is about $320 million, the other economically stronger member countries would provide about $443 million of the $763 million to be subscribed by the economically stronger countries as a group. The total subscriptions, including those of the less developed countries, are scheduled at $1 billion.

The articles of agreement will enter into force when signed on behalf of governments whose subscriptions comprise not less than 65 percent of the total schedule of subscriptions; the agreement cannot, however, enter into force before September 15, 1960. The U.S. subscription represents about 32 percent

of this total. We are confident that the agreement will enter into force and that the IDA will begin operations this year, if the Congress at this session approves the legislation necessary for U.S. membership. We have been informed that good progress is already being made on legislative action in a number of countries.

The IDA would provide financing in such forms and on such terms as may be appropriate for a particular project in a particular area. It could provide foreign exchange, local currency, or a combination of various currencies. Repayment terms and grace periods may be somewhat longer than under conventional financing. Its loans may be at lower interest or interest free. Repayment may be made in hard currencies or wholly or partly in the currency of the borrower. This flexibility will permit the IDA to operate under circumstances not possible for conventional lending agencies. It will, in this way, help to meet important needs.

To assure appropriate safeguards in connection with such financing, and to assure that the financing provided by the IDA shall be for sound projects of high developmental priority, for which private capital on reasonable terms and conventional loans are not available, the close affiliation with the International Bank is especially significant. The President, the Board of Governors, and the Executive Directors of the International Bank will serve in the same capacity, ex officio, on the IDA. In being able to call upon the experience and competence of the International Bank's staff, the IDA will maintain technical standards in connection with its operations similar to those maintained by the Bank. The IDA is to be, nevertheless, a separate entity, and the funds of the IDA are to be kept separate and apart from those of the Bank.

The proposal for an IDA grew out of consideration in the United States of the pressing financial problems in the less developed areas and the impact of these problems on the entire free world. At the same time, we were convinced that additional efforts, in particular by the other economically stronger countries, were needed to provide more of the essential capital requirements in the less developed areas. It was clear that substantially greater efforts could well be made by these countries. An important contribution to this thinking was made by the U.S. Senate, which on July 23, 1958, adopted a resolution suggesting that prompt study be given to the establishment of an International Development Association as an affiliate of the International Bank. Under the terms of this resolution, the study was undertaken by the National Advisory Council on International Monetary and Financial Problems. Shortly thereafter, with the approval of the President, Secretary Anderson as Chairman of the NAC began a series of informal discussions on the proposal with representatives of other member governments of the International Bank. In October 1959 the Bank's Executive Directors were instructed to formulate articles of agreement of an IDA. This was accomplished, and in January the Directors approved the agreement for submission to member governments.

For the purposes of membership in the IDA, the 68 countries presently members of the International Bank are divided into two groups: Part I and part II of schedule A of the IDA agreement. This schedule of subscriptions, which I have attached to this statement, is based upon subscriptions in the Bank. Among the part I members are those economically stronger countries which are able to provide significant amounts of capital for oversea development financing. The less developed countries, those eligible for IDA financing, comprise part II.

Each member's subscription is divided into a 10-percent portion and a 90-percent portion. The part I members, the economically stronger countries, must pay the 10-percent portion and the 90-percent portion in gold or freely convertible currency to be used in its operations by the IDA without restriction.

The part II members, the less developed countries, pay only the 10-percent portion in gold or freely convertible currency. The 90-percent portion of the part II members is to be paid in their own national currencies. These latter currencies may be used by the IDA in connection with projects within the territory of the subscriber. In addition, these currencies may be used, to the extent agreed by the subscriber and the IDA, for projects located in the territories of other members.

I have prepared, for insertion into the record at this point, a table which shows the breakdown of the subscriptions, to be paid by the part I and part II members, respectively.

IDA initial subscription by membership group and by business

[Data in thousands of dollars]

	Part I countries	Part II countries	Total membership
10 percent portion: Gold or convertible currency	76,307	23,693	100,000
90 percent portion: Gold or convertible currency	686,763		686,763
National currency		213,237	213,237
Total subscriptions: Gold or convertible currency	763,070	23,693	786,763
National currency		213,237	213,237
Total	763,070	236,930	1,000,000

Subscriptions are to be paid in by the membership in five annual installments. The 90-percent portion is payable in equal installments. The payment schedule requires, however, that one-half of the 10-percent portion be paid in the first installment; the remaining half of this portion is to be paid in equal installments over the following 4 years. The IDA may provide financing from these subscribed resources only in the form of loans.

The U.S. subscription obligations will, as I have said, require the payment of about $74 million as the first installment. I should like to emphasize here that this is a fixed amount, established in the articles of agreement as are the subscriptions and the installments on the subscriptions of all members. It is essential that the full amount of our first installment be appropriated to enable us to become a member.

The agreement specifies that the first installment is to be paid within 30 days after the date on which IDA begins operations, or on the date on which the original member becomes a member, whichever shall be later. For the United States, this payment will undoubtedly be timed with the beginning of operations, since there is little likelihood that the IDA could begin operations without U.S. membership. The agreement remains open for signature until December 31, 1960, although if it has not entered into force by that date the Executive Directors of the Bank may extend the period by not more than 6 months.

The agreement permits any member to issue nonnegotiable, non-interest-bearing notes in place of any part of that member's 90-percent subscription portion. These notes are to be payable at par value on demand to the IDA when required for its operations.

Favorable action on the appropriation item now before this committee will complete the legislation necessary for the United States to join the IDA. However, as I have noted earlier, it would then be necessary in the future to request additional funds to be appropriated to be able to complete the payment of the $320.29 million U.S. subscription.

Periodically during the course of IDA's operations, the adequacy of its resources will be reviewed and consideration given to the desirability of general increases in subscriptions, that is, beyond the $1 billion of initial subscriptions. The first such review will be undertaken about 5 years after the beginning of operations. In addition, individual increases in subscriptions may be considered at any time, but only at the request of the member involved. No schedule for future subscriptions or any terms and conditions under which such subscriptions would be paid are established in the agreement. Neither the United States nor any other member of the IDA would be committed to increase its subscription. The agreement expressly requires, however, that in connection with any additional subscriptions, each member shall be given an opportunity to subscribe an amount which will enable it to maintain its relative voting power. Further legislative authority would be required before the United States could make any subscription beyond the $320 million currently to be authorized.

In addition to the schedule of initial subscriptions, there are specific provisions under which IDA may receive "supplementary resources" from one member in the currency of another member. We anticipate that the United States will, under these provisions, make available to the IDA small portions of the foreign currencies accruing from the sales of surplus agricultural commodities under Public Law 480. Separate legislation is now before the Congress for an amendment to Public Law 480 which would make explicit authorization for the transfer of some of these currencies to the IDA.

In urging the favorable consideration of the appropriation request covering the first installment on our subscription to the IDA, I wish to emphasize the importance to the United States and to the free world generally of this new institution. Moreover, I wish to stress the importance of early action by the United States as an evidence of continued leadership in an endeavor so thoroughly and carefully worked out in cooperation with the great majority of the free nations. A significant aspect to the United States is that the IDA will rely upon funds to a great extent provided by the other industrial countries. The IDA will represent the first cooperative approach by the important capital exporting nations to assist the economic development of other nations by providing finance on flexible terms. Dependence for such assistance has up to now been upon the United States alone.

The importance of the objectives of the IDA is well known. As President Eisenhower has said, "The peoples of the world will grow in freedom, toleration, and respect for human dignity as they achieve reasonable economic and social progress under a free system. The further advance of the less-developed areas is of major importance to the nations of the free world and the association provides an international institution through which we may all effectively cooperate toward this end."

INTERNATIONAL DEVELOPMENT ASSOCIATION

Schedule A—Initial subscriptions

[In millions of U.S. dollars [1]]

Pt. I:	
Australia	20.18
Austria	5.04
Belgium	22.70
Canada	37.83
Denmark	8.74
Finland	3.83

[1] In terms of U.S. dollars of the weight and fineness in effect on Jan. 1, 1960.

INTERNATIONAL DEVELOPMENT ASSOCIATION—Continued

Schedule A—Initial subscriptions—Con.

[In millions of U.S. dollars]

Pt. I:—Continued:	
France	52.96
Germany	52.96
Italy	18.16
Japan	33.59
Luxembourg	1.01
Netherlands	27.74
Norway	6.72
Sweden	10.09
Union of South Africa	10.09
United Kingdom	131.14
United States	320.29
Subtotal	763.07
Pt. II:	
Afghanistan	1.01
Argentina	18.83
Bolivia	1.06
Brazil	18.83
Burma	2.02
Ceylon	3.03
Chile	3.53
China	30.26
Colombia	3.53
Costa Rica	0.20
Cuba	4.71
Dominican Republic	0.40
Ecuador	0.65
El Salvador	0.30
Ethiopia	0.50
Ghana	2.36
Greece	2.52
Guatemala	0.40
Haiti	0.76
Honduras	0.30
Iceland	0.10
India	40.35
Indonesia	11.10
Iran	4.54
Iraq	0.76
Ireland	3.03
Israel	1.68
Jordan	0.30
Korea	1.26
Lebanon	0.45
Libya	1.01
Malaya	2.52
Mexico	8.74
Morocco	3.53
Nicaragua	0.30
Pakistan	10.09
Panama	0.02
Paraguay	0.30
Peru	1.77
Philippines	5.04
Saudi Arabia	3.70
Spain	10.09
Sudan	1.01
Thailand	3.03
Tunisia	1.51
Turkey	5.80
United Arab Republic	6.03
Uruguay	1.06
Venezuela	7.06
Vietnam	1.51
Yugoslavia	4.04
Subtotal	236.93
Total	1,000.00

Mr. DIRKSEN. Mr. President, I conferred with the distinguished chairman of the Appropriations Committee before the amendment was offered. I did not draw the language. I did talk to the majority leader in his office this afternoon. I was agreeable to having the item in a "bobtailed" supplemental appropriation bill, provided we could get it passed in time.

The distinguished chairman of the Appropriations Committee [Mr. HAYDEN] has told me, within the last 30 minutes, the committee will not finish hearings on the bill, and there will be no supplemental before we adjourn.

Now I leave it to the majority leader to answer. I came here in good faith. If pride prevents the Senator from accepting the amendment, very well, he can get it voted down. I did not ask for it. A distinguished Texan, the Secretary of the Treasury, asked for it.

Do not talk to me about wasting time, because I was present when all this political flummery was going on on the Senate floor for 3 hours this afternoon. I came to the Chamber in the utmost good faith. I had the word of the chairman of the committee, the Senator from Arizona, that the hearings would not be finished on the supplemental appropriation bill.

The people who are interested in this item, who are subscribers to the capital stock, will be coming to this city while we are in recess.

If pride stands in the way, very well; then vote the amendment down, if that is the desire. I do not care. I have no personal interest in it. I did it for a great citizen, who called me twice today, the Secretary of the Treasury, who is a great citizen in my book. I did it because I thought I was serving a useful purpose.

If Senators want to vote it down and vote it out, that is OK; it will be all right with me; but do not talk to me about wasting time, because I have not taken much of the time on the Senate floor.

All of this was done in good faith. I am going to let it stand there. If the Senate wishes to vote the amendment down, OK, but I ask Senators to reexamine their votes, as to whether they voted to authorize the International Development Association, and whether they wish for Bob Anderson, a great citizen, to function and to do his job, when the people from the subscribing countries come to this city and lay their money on the line, in order to get this international effort started.

I leave it there, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. JOHNSON of Texas. Mr. President——

The PRESIDING OFFICER. The Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I am sorry to have irritated the distinguished minority leader.

Mr. DIRKSEN. The Senator did irritate me.

Mr. JOHNSON of Texas. That is obvious.

Mr. DIRKSEN. Let us be honest about it.

Mr. JOHNSON of Texas. That is obvious. I will yield further, if the Senator wishes.

Mr. DIRKSEN. The Senator does not have to. I have said my piece.

Mr. JOHNSON of Texas. I thank the Senator. May I proceed?

Mr. DIRKSEN. Yes.

Mr. JOHNSON of Texas. Mr. President, notwithstanding what the minority leader has said, I doubt the wisdom of granting the request of even a great man from Texas for the appropriation for an item which the committee has not heard, about which it knows nothing, which does not belong in the bill.

I agreed with the minority leader that I would support in the supplemental appropriation bill, or in a bobtailed supplemental appropriation bill, this item. No one asked that it be included in this bill. I have not conferred with the clerks or the chairman of the Committee on Appropriations, or with the minority leader, about the language of the amendment. I do not know now how much is involved. I know nothing about the details of it, or the purposes for which it would be used.

I agreed cheerfully to go along upon their recommendation if they inserted the provision in the proper place at the proper time. So much for that point. Each Senator can judge for himself. For the 3 hours spent today I have no apologies. We had an understanding that during the recess period I would do the best I could to justify the understanding between the leadership. There are 65 Senators on this side of the aisle. Five do not agree with me. We had some disagreement on the other side. Through no fault of my own, the minority had a conference and raised some serious objections from their point of view. Some of those objections were expressed by Senators on the floor. I had no way of cutting them off. But I do not believe that we are going to make any headway for Mr. Anderson, for the Government, for the country, for IDA, or anyone else by going helter-skelter through an amendment of which the committee has never heard, never considered, upon which no testimony has been taken, but one which the chairman of the subcommittee is willing to support as a supplemental item.

I am willing to transmit to the House tomorrow what I said to the Secretary today. I will support this item, but I am not prepared to accept it in the pending bill. I hope Senators will not insist upon it, because I do not believe the chairman of the House conferees will accept it, and I am not in a position to accept it.

Mr. DIRKSEN. Mr. President, I would like to hear from the chairman of the committee.

Mr. HAYDEN. Mr. President, I talked with the Secretary of the Treasury about the importance of having available our share of funds, which would be a minor part of the funds appropriated available when representatives of other nations appear here. They come to our country and we have no way of cooperating with them. The fund is to serve while we are in recess to take care of any such emergency. The bill is the first possible means we have had to take care of the proposed authorization. If we refer the matter to the House, that is another matter.

Mr. JOHNSON of Texas. I have in my pocket other items that belong in supplemental bills. The chairman of the Appropriations Committee never discussed the item with me until the bill was reported.

I discussed with the chairman of the committee today the possibility of operating with supplemental funds. I discussed it with the minority leader. I do not think that we shall make progress by bolting this item through, and forcing it in a bill on the chairman of the subcommittee, who had never heard about it, because of some private conversation.

I hope the chairman will not insist that his subcommittee accept the item since we know nothing about it. If we have a supplemental appropriation bill, I will be glad to go along with it. If the House will submit a bobtail bill which includes this item tomorrow I will go along with it. The House has not yet agreed to recess. If the subject is of such great importance, it can stand the test of the inquiry that is necessary. Not a member of the subcommittee knows anything about the item.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

On a division, the amendment was rejected.

Mr. KUCHEL. Mr. President, I offer an amendment, which I send to the desk, and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from California will be stated.

The LEGISLATIVE CLERK. On page 11, after line 9, it is proposed to add a new paragraph, as follows:

For an additional amount for "Construction", $256,000, to remain available until expended and to be available for the leasing of land.

Mr. KUCHEL. Mr. President, on May 1, in his message to Congress, the President of the United States recommended for inclusion in the supplemental appropriation the item which is involved in my amendment. In support of the amendment the Director of the Bureau of the Budget said:

This proposed supplemental appropriation is for the construction of facilities to furnish protection for residents of the United States from the effects of inadequately treated sewage originating in Tijuana, Baja California, Mexico. It is essential that remedial action be taken at the earliest possible date to provide relief from critical health hazards and monetary losses in San Diego County, Calif.

I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

I have previously spoken to the distinguished majority leader, who is willing to accept the amendment.

It was previously, in reduced form, approved by the House of Representatives in a supplemental appropriation bill, which will not now be acted upon until August. Meanwhile there is raw sewage coming from Mexico into San Diego County, Calif., creating an international problem. The beaches in the San Diego area are being polluted, and because of the need for immediate Federal action I asked the distinguished majority leader whether what had previously in principle been approved by the House of Representatives, and what had previously been approved completely by the Bureau of the Budget and the President might now be incorporated in the present appropriation bill under the appropriations for the Departments of State, Justice, and the Judiciary, and he most graciously and generously suggested that he would be glad to accept such an amendment.

Mr. President, the Senate will observe that on page 8 of the Departments of State, Justice, and Judiciary appropriation bill, we deal with the International Boundary and Water Commission.

Mr. JOHNSON of Texas. As I understand, the House has previously included in another measure $225,000 for the International Boundary and Water Commission. The Senator from California nows seeks to insert, in lieu of the proposed appropriation of $225,000, the amount of $256,000, or an additional $31,000, which I understand is for land lease.

Mr. KUCHEL. The Senator is correct.

Mr. JOHNSON of Texas. I think it is appropriate that the item be included in the bill. The very able Senator from California discussed the subject with the committee earlier. I think it is desirable and, so far as the chairman of the subcommittee is concerned, I should like to accept the amendment and express the hope that the conferees will agree to it.

The PRESIDING OFFICER. The question is on the amendment of the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I hold in my hand the supplemental appropriation bill passed by the House on June 24. It is not a bill of great magnitude so far as appropriations are concerned. It involved $1,500,000 for the Agricultural Research Service; $500,000 for the entomology laboratory; $150,000 for the Department of Commerce; $185,000 for the Weather Bureau; $2,700,000 for the Metropolitan Area Sanitary Sewage Works Fund; $23,550 for the Department of General Administration of the District of Columbia; $18,650 for the Department of Public Welfare; $20,000 for the Department of Buildings and Grounds; $600,000 for personal services of the Commissioners of the District of Columbia and employees; $545,000 for the District of Columbia debt service; $90,000 for the Department of Highways and Traffic; $25 million for the Dulles International Airport sewer; $1,816,000 for the Public Health Service; $26,700 for the Commission of Fine Arts; $9 million for the Housing and Home Finance Agency; $2,900,000 for the National Park Service; $200,000 for the support of the United States prisoners in the Federal Prison System; $22,500 for payment to the widow of the late Representative Elliott; $5 million for the House Office Building; $720,000 for the Treasury Department; $1,250,000 for the Bureau of Engraving and Printing; and $500,000 for the Bureau of the Mint.

Mr. President, if we add all those items together and consider them in the light of the $40 billion appropriation we made this evening, we find a very small amount to be in the supplemental appropriation bill which is in committee. We are going to be in session at least until late in the evening of Saturday of this week. I am perfectly willing and eager that the Appropriations Committee consider supplemental appropriations for items that have a budget recommendation or the recommendation of the Secretary of the Treasury or the recommendation of anyone else. These items belong in the supplemental bill. That is why the House passed it. It is a supplemental appropriation bill.

However, to lift out of the bill wholesale some items because of someone's telephone call and put them in a bill where they do not belong, when there has been no evidence taken on those items, is not an act of responsibility, and it is not going to be condoned by the Senator from Texas as long as he is managing a bill. He will go before the Appropriations Committee, if it will hold a hearing, and he will familiarize himself with the IDA request, and support the recommendation of the Secretary of the Treasury, regardless of where he resides. As a matter of fact, if the minority leader were up on his Republican Party, he would realize that the Secretary of the Treasury lives in Connecticut. I do not know whether that was a wise decision for him to make, to move from Texas to Connecticut. However, that is where he lives. It does not affect his character or integrity, or the wisdom of his recommendation in the least.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. BUSH. There has been some feeling that he has improved considerably since he has lived in Connecticut.

Mr. JOHNSON of Texas. I would not deny it. There is no one for whom I have more admiration than the Secretary of the Treasury. It is possible that he has improved of late. I do not believe that his residence has had anything to do with it, however.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. ERVIN. I would say that if the Secretary of the Treasury wanted to improve his condition by removal from Texas, the only course open to him would have been to move to North Carolina.

Mr. JOHNSON of Texas. I thank the Senator from North Carolina. I am sure that anyone who has observed the distinguished Senator from North Carolina

would agree with the statement he has made.

I hope that the Appropriations Committee will consider the IDA supplemental appropriation. The moment it does, and a hearing is held on it, I am prepared to motion it up in the Senate and urge its adoption. I thank the majority of the Senate for the confidence they have expressed in me.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. HAYDEN. I should like to advise the Senate that we have about $50 million worth of supplemental estimates that have been received from the Bureau of the Budget which are not in the bill that passed the House of Representatives. There have been no hearings held on any of these items. I do not see how it is possible to hold hearings tomorrow and cover all those items and the items in the bill as it came from the House of Representatives.

Mr. JOHNSON of Texas. I agree with the Senator that it is difficult to hold hearings. The Senator says he cannot act upon the bill because it involves $50 million. A few moments ago we were asked to act on an amendment that involved $73 million, without a hearing. I submit that the argument the Senator is using is just as applicable to the $73 million for IDA, as it is for the $50 million on which no testimony has been heard. We will have to work overtime tomorrow and the next day, but I am willing to do it.

Mr. HAYDEN. The only distinction I make is that so far as these items are concerned, which have been submitted, it would not make much difference whether they became law this week or next week.

Mr. JOHNSON of Texas. There have been no hearings held on the IDA item.

Mr. HAYDEN. I agree.

Mr. JOHNSON of Texas. Does the Senator think it is good to legislate about $73 million without anyone knowing what it is all about?

Mr. AIKEN. Although I agree with the Senator from Texas, the majority leader, that this item properly belongs in a supplemental bill, because it is not a State Department item, yet, it is a fixed commitment of the United States for a definite amount. For that reason I do not believe it would be necessary to have extensive hearings on it, because it is a fixed commitment.

Mr. JOHNSON of Texas. The Senator is usually correct. He never spoke the truth more than he does tonight. It is a $73 million item. Hearings could be held for an hour or two, and that item could be put in the supplemental bill. If these extra estimates do not have hearings held on them, let them go over until August. I told the minority leader that I would advocate that procedure on this supplemental bill or on a bobtailed supplemental bill.

Mr. DWORSHAK. I am sure the distinguished chairman of the Committee on Appropriations realizes that frequently executive agencies disregard the mandate of Congress and exceed their appropriations. Then they come to Congress with requests for supplemental appropriations. In this instance I believe we ought to serve notice on them that they can live within their income at least for another month. If they need additional appropriations, let them come up later.

Mr. HAYDEN. The only difference is that our Government made a definite commitment to match funds of other nations. The time to do the matching is now.

Mr. DWORSHAK. I was not referring to this specific item. As a general matter I realize that they take advantage of the Senate and ignore the other body, where appropriation bills originate.

Mr. DIRKSEN. Mr. President, this item came up in the amount of $73 million. In House Document No. 403 for supplemental appropriations it was deleted by the House because legislation authorizing this item had not been considered in the House. However, there was testimony, as I pointed out, and I shall ask that it be made a part of my remarks. That testimony is in the hearings of the Subcommittee on Appropriations of the House of Representatives, which was released on the 20th day of June. In view of the fact that the distinguished chairman of the Appropriations Committee had advised me that a supplemental bill was not to be reported, and because of the entreaty of the Secretary of the Treasury to him and to me on several occasions, this matter was presented tonight.

Talk about testimony. In the authorizing bill, the House and Senate authorized a subscription to the capital stock of the International Development Association in the amount of $320 million. Other countries will subscribe $443 million. The Secretary of State said their representatives will be here in August. They will be here with their subscriptions. We will have no money with which to subscribe, and therefore cannot do business. If it had not been for the fact that it was stated to me that the supplemental appropriation bill would not be reported before we went into recess, I would not have presented the matter after it had been handed to me. That is the whole story. If it requires anything else by way of testimony, we need only to look at all the pages beginning with page 223 of the House supplemental appropriation hearings. The House had as witnesses T. Graydon Upton, Assistant Secretary; George H. Willis, Director of the Office of International Finance; and Harvey A. Leve, attorney in the Office of the General Counsel. They made a full presentation of the whole matter. Since it is a fixed subscription, I do not care if a thousand pages of testimony are added. Nothing more could be added to the record than what is in it now. I am content to leave it, if that is the way it is desired. But I want the RECORD to show that I was in the corner of Bob Anderson, Secretary of the Treasury, who in a most entreating manner said that this is an emergent situation.

I hope the matter can be consummated before we go into recess or adjournment. I am content to leave the case.

Mr. JOHNSON of Texas. Mr. President, I do not want to ask indulgence, but if the Senator wants to get into somebody's personal corner, like the corner of the Secretary of the Treasury, that is all right with me. All of us would like to be in Secretary Anderson's corner.

The Secretary has never made a request to me that we avoid the regular procedures of the Senate. No human being asked me, until I heard the amendment read. It is an amendment to the State Department appropriation bill, and it has no business there. The Secretary did not ask for it. The minority leader did not ask for it. The clerk of the committee did not know about it. The chairman of the committee did not discuss it with me.

Why all the rush to get this item into the State Department appropriation bill?

Perhaps this proposal might appeal to some persons and impress them. However, I want to read from the budget justification:

> Members must be able to pay the first installment—
>
> We would not be able to pay it—
>
> on the subscription in order to join IDA. The intended period for joining the organization runs from September 15 to December 31, 1960.

We shall be back on August 8. The period runs from September 15 to December 31. I agreed to have the item included in H.R. 12740, which is pending in the Committee on Appropriations. The bill includes a few minor appropriations. All of them together amount to but a few million dollars, not as much as the $72 million for IDA.

If the chairman of the committee will call up the bill in the morning and spend 30 minutes or an hour with the witnesses, and then include a provision for $72 million, that will be all right with me. There will be more money for IDA in the supplemental appropriation bill than for all the other departments of the Government put together.

Mr. President, I ask unanimous consent that it be in order for the Senate to consider H.R. 12740 when the bill is reported.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, those who want to get in somebody's corner can go to the Committee on Appropriations tomorrow morning and ask to be heard for 30 minutes or an hour, so as to follow the orderly procedure of the Senate in justifying the $72 million request.

If the committee reports the bill, I will call it up on motion within the hour. Again, we will save time, and nobody's pride will be hurt. I repeat again that the period for joining IDA does not begin until September 15.

Mr. HAYDEN. Mr. President, I agree with what the Senator from Texas has said; but he forgets that the committee has a large number of other budget estimates which deserve consideration. Are

we to utterly ignore them and ignore the fact that the House has held hearings on them? We could have them adopted now, without approval, but I cannot hold hearings on all of them within an hour.

Mr. JOHNSON of Texas. No; I am talking only about IDA. That is all I understand is proposed here tonight. If it is such an emergency that it must be taken up now, I will call it up on motion by itself in connection with the supplemental appropriation. If any other items can be included, we shall be glad to consider them, too.

Mr. HAYDEN. We might consider all the budget estimates sent up by the department—$70 million—without holding hearings at all.

Mr. JOHNSON of Texas. If the Senator desires to submit the estimates on that basis, it is agreeable to me, provided he puts them in the right bills. I do not want him to bring all the supplemental requests for the Department of Agriculture, the Department of Commerce, and the Department of Defense, and put them in the State Department bill, without any notice whatsoever to the subcommittee chairman.

Whenever I have an amendment to offer to any chairman's bill, I tell him about it, and I try to justify and explain it.

I did not discuss this item with the chairman of the Committee on Appropriations, and he did not discuss it with me. Is not that correct?

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. The chairman knows this item has no business in the State Department bill.

Mr. DIRKSEN. Mr. President, I am determined to round out the RECORD. I talked with the majority leader about this item in his office this afternoon. We sat around in very sweet fellowship. When the majority leader talks about being in somebody's corner, I am always glad to be in the corner of the distinguished Texan who is the majority leader. I am always glad to be in the corner of another distinguished Texan, a great and dedicated citizen, Bob Anderson, the Secretary of the Treasury.

We have discussed the matter. We talked about a bobtailed supplemental bill. But talking about it is one thing, and getting it done is another.

Then when I discovered that there was to be no supplemental appropriation bill, that put the matter in an entirely different light.

That is the whole story. It cannot be denied. I do not care about the other items. If the majority leader thinks that in 1 hour he can have a supplemental appropriation bill reported, containing items for the Panama Canal, the legislative department, the Department of Agriculture, the Department of Defense, the Department of the Interior, the District of Columbia, and everything else, all I say is that the distinguished Senator from Arizona, the chairman of the Committee on Appropriations, will be a miracle worker if he can take testimony and, in 1 hour, draft a bill and report it to the Senate.

I have not served on the Committee on Appropriations for nothing for 17 or 18 years. I know what the business and the techniques are. I am no novice in the business of the committee. I simply want the record to be correct tonight as to where the item was discussed and what the situation was.

Mr. LONG of Hawaii subsequently said: Mr. President, since 1945 this country has spent some $75 billion in other nations. The primary purpose has been to gain friends through helping people to attain a higher standard of living. The success of our efforts is in some doubt. Most of the expenditures were for material things, with the main emphasis on armaments. Most of our attention has been directed at the adult populations of other nations.

Congress has now approved a new approach. I refer to the East-West Cultural and Technical Interchange Center authorized by chapter VII of the Mutual Security Act of 1960. Funds to start this project are included in the pending bill H.R. 11666. As the Appropriations Committee of the Senate states in its report on page 6:

> The committee strongly feels that in the present state of international affairs, such an institution is highly essential and can make an important long-term contribution to the promotion of better relations and understanding between the United States and the nations in the Far East. Such an institution offers a unique opportunity in the battle for men's minds.

The potentialities of the East-West Center are unlimited. It will serve as an international bridge of understanding between the East and West, enabling Asian youths to learn the truth about America and American intentions by studying and living with Americans at the center in Hawaii.

There is no way of measuring the profound effects which the center may have upon the young people who will attend this institution. Many of them will become leaders when they return to their native lands. Recent events in Turkey and Japan underscore the importance of educating the youth of the world about America.

Ignorance and misunderstanding are the major obstacles to world peace. The East-West Center will be an effective instrument in the removal of those obstacles.

The widespread, bipartisan support for the center in Congress has been most gratifying. I want to take this opportunity to point out to the Senate the part which the majority leader, Mr. JOHNSON of Texas, has played in making the center a reality.

The original legislation was introduced last year by Senator JOHNSON and Delegate John Burns. Because of Senator JOHNSON's vision and inspiration, this proposal has moved forward on an effective and substantial basis, and the funds which the bill provides to start the center are largely the result of his leadership.

It is significant, however, that the effort to establish the center has had the active support of many Members of this Congress and of civic leaders in every part of the Nation. It has been widely supported because of a conviction that it is an important step toward the ideal of world peace.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Montana [Mr. MURPHY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Virginia [Mr. BYRD] are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

On this vote, the Senator from Connecticut [Mr. DODD] is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from Georgia would vote "nay."

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Alaska [Mr. GRUENING], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oklahoma [Mr. MONRONEY] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate, on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

The Senator from Kentucky [Mr. COOPER] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES], the Senators from North Dakota [Mr. BRUNSDALE and Mr. YOUNG], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Wisconsin [Mr. WILEY], are detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Pennsylvania [Mr. SCOTT], would each vote "yea."

The result was announced—yeas 70, nays 10, as follows:

[No. 269]

YEAS—70

Aiken	Case, N.J.	Green
Allott	Case, S. Dak.	Hart
Anderson	Church	Hartke
Bartlett	Clark	Hayden
Beall	Cotton	Hickenlooper
Bennett	Curtis	Holland
Bible	Dirksen	Hruska
Bush	Douglas	Humphrey
Butler	Dworshak	Jackson
Byrd, W. Va.	Ellender	Javits
Cannon	Engle	Johnson, Tex.
Capehart	Fong	Keating
Carlson	Goldwater	Kerr
Carroll	Gore	Kuchel

Lausche	Morse	Schoeppel
Long, Hawaii	Morton	Smathers
Long, La.	Moss	Smith
Lusk	Mundt	Symington
McCarthy	Muskie	Williams, Del.
McClellan	Pastore	Williams, N.J.
McGee	Prouty	Yarborough
McNamara	Proxmire	Young, Ohio
Magnuson	Randolph	
Mansfield	Robertson	

NAYS—10

Eastland	Johnston, S.C.	Talmadge
Ervin	Jordan	Thurmond
Frear	Sparkman	
Hill	Stennis	

NOT VOTING—20

Bridges	Gruening	O'Mahoney
Brunsdale	Hennings	Russell
Byrd, Va.	Kefauver	Saltonstall
Chavez	Kennedy	Scott
Cooper	Martin	Wiley
Dodd	Monroney	Young, N. Dak.
Fulbright	Murray	

So the bill (H.R. 11666) was passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. KEATING. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSON of Texas, Mr. ELLENDER, Mr. HAYDEN, Mr. FULBRIGHT, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. HICKENLOOPER conferees on the part of the Senate.

COMMISSION ON NOXIOUS AND OBSCENE MATTERS AND MATERIALS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 1822, Senate bill 3736.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 3736) creating a commission to be known as the Commission on Noxious and Obscene Matters and Materials.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. The able Senator from South Dakota [Mr. MUNDT] is the author of the bill, and will make a statement on it.

Mr. MUNDT. Mr. President, I can explain my bill in a very few moments, because it has been the subject of discussion for a long while. There has now been a complete meeting of the minds on the proper approach toward the problem of obscene materials being sent through the public mails of this country.

The bill before the Senate was unanimously reported from our Senate Committee on Government Operations. It stipulates that there shall be created a 17-member, high-level presidential commission which, in about a year's time, will take testimony and evidence, make a study of this problem as it prevails at the county, State, and national levels, and come back to Congress with recommendations which are acceptable and reasonable.

Nobody in the Senate wants anything to do with censorship. We want to approach this problem in a truly American fashion. Because this bill has the unanimous support of the committee, I think I shall not delay the Senate longer, unless there are questions to be asked. I hope we can approve this legislation yet tonight.

I ask unanimous consent to have printed in the RECORD at this point the excerpts from the report of the committee, which is very brief, so there will be a full explanation of the bill in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

PURPOSE

S. 3736 provides that a commission will be established to explore methods of combating the traffic in obscene and noxious materials and to (1) seek means of improving coordination between various levels of government to suppress such traffic; (2) endeavor, through the cooperation of various information and communication media, to inform the public about the problem and to further the objectives of the Commission; and (3) report its findings and recommendations as to what legislative, administrative, or other forms of action need to be taken to combat the traffic in obscene and noxious materials.

BACKGROUND INFORMATION

This bill, S. 3736, grew out of recommendations made by Senators SCOTT and MUNDT who had introduced legislation dealing with this subject. Both Senators agreed that this new approach was necessary if an effective program were to be initiated in the near future. Twenty-eight additional Senators joined Senators MUNDT and SCOTT as cosponsors of S. 3736.

The parent bills, out of which this present legislation was drawn, had certain weaknesses which this bill corrects. Senator MUNDT's original bill, S. 3325, provided for a scientific study about the casual relationship between the distribution of this obscene literature and materials and juvenile delinquency. It was felt by the committee and sponsors that this was too limited a scope of study for the Commission.

Senator SCOTT's bill, Senate Joint Resolution 160, provided for a national conference of State and community leaders to study the problem. It was agreed by the sponsors and the committee that this would be too large a group to be effective.

This new bill, S. 3736, gives wider and more far-reaching objectives for the Commission, and the Commission system of study is retained since it was the belief of the sponsors and the committee that a smaller group of experts could make recommendations and initiate action more effectively.

The Commission is to be made up of persons from several walks of life who have knowledge of the seriousness of the problem and the many legal problems connected with suppression of the traffic in obscene materials.

The Commission will study the need for any new Federal regulations for controlling such traffic, as well as the general need for State laws or local ordinances for this purpose.

Efforts will be made by the Commission to alert the public, especially parents and school-age children, about the seriousness of this pernicious traffic and give them guidance in suppressing the distribution of such lewd and obscene matters, or in bringing the purveyors of filth into court.

MEMBERSHIP OF THE COMMISSION

The following Government agencies will have representatives on the Commission: The Post Office Department, the Department of Justice (including the Federal Bureau of Investigation), and the Department of Health, Education, and Welfare. There will also be one member from the House of Representatives and one member of the Senate on the Commission.

Public members are selected from groups knowledgeable on this question both from a moral aspect and from a law enforcement aspect. These will include three clergymen, a secondary school official, a State attorney general, a country or city prosecutor, and a county or city law enforcement officer.

Representatives from the information and communications media will sit on the Commission. One member will come from the moving picture industry, one from the radio-television industry, and one from the publishing industry.

This group will represent all segments of the population concerned with the problems resulting from distribution of noxious and obscene matters and materials.

AGENCY COMMENTS

The Post Office Department supports this legislation and has written the following letter to the chairman of the committee:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C., June 24, 1960.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: You have requested the views of this Department with respect to the legislation entitled "Creating a Commission To Be Known as the Commission on Noxious and Obscene Matters and Materials," which combines provisions from Senate Joint Resolution 160 and Senate bill S. 3325.

For the reasons set forth in this Department's report to you, dated May 24, 1960, on Senate Joint Resolution 160, this Department preferred that measure. However, this Department will not object to the enactment of the proposed substitute bill with the understanding that the Commission on Noxious and Obscene Matters and Materials, created by the measure, will recognize the continuing and basic responsibility of the Postmaster General to investigate the use of the mails for the transmission of obscene matters and materials, and his continuing and basic responsibility to purge the mails of such matter and materials.

Due to the urgency of your request this report is being submitted without advice from the Bureau of the Budget.

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HUMPHREY. As I understand, this is the bill which was a compromise between the Scott bill and the Mundt bill. Is that correct?

Mr. MUNDT. That is correct.

Mr. HUMPHREY. There were two separate proposals joined together.

Mr. MUNDT. This bill derives as a result of the suggestion of the Senator from Minnesota, who said he sensed good points and weak points in both bills, and proposed that Senator SCOTT and I get together and eliminate the weak points and merge the good points. That we have done.

Mr. HUMPHREY. Mr. President, I support S. 3736, of which I am a cospon-

sor, and which was approved by the Government Operations Committee, on which it is my privilege to serve.

This bill would provide for a Commission of 17 members—Federal and State officials and representatives of industry, education, and the clergy—to coordinate nationwide efforts to curb the annual profit—conservatively estimated at $500,000—earned by selling obscene periodicals, books, and other material to our young people.

Mr. President, we are aiming in this proposal at the full exercise by Federal authorities of the proper constitutional authority granted them to curb the distribution of obscene matter. We are aiming at appropriate publicity for these Government activities so that parents and young people around the Nation will be aware of existing laws.

We are aiming at enlistment of wide, general cooperation among government, mass media, community and church leaders, and parents in halting the illegal profits being made at the expense of our youth.

A previous proposal, of which I was also cosponsor, called for a Presidential conference to explore means of controlling the traffic in obscene matter. The present proposal is more effective because it would provide for a continuing Commission with a permanent staff.

Cooperation among citizen groups and public officials scattered across the Nation cannot be nurtured overnight. The present proposal will allow time to develop long-range plans to achieve maximum public support. It will permit continuing study of current and proposed legislation. It will permit testing of methods of combating the traffic in obscene matter. It will permit further, deeper scientific investigation of factors such as the relationship between obscene periodicals and psychological disturbances and juvenile delinquency.

Mr. President, even the most responsible parents who interest themselves constantly in directing their children's desire for knowledge into the most positive and genuinely educational channels have found the privacy of their homes violated by dealers in obscenity who have illegally circulated such matter through the mails. Surely, when the American home is not safe from invasion, when a parent is powerless no matter what he does to protect his home from invasion, then greater public efforts are required.

As a means of coordinating and stimulating these efforts to put an end to the traffic in obscenity, I urge my colleagues to adopt this bill, S. 3736, promptly.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the Senator from South Dakota [Mr. MUNDT] for bringing the bill before the Senate. I think it is well worthwhile to bring it before the Senate at this time. For the Senator's information, the Committee on Post Office and Civil Service has been making a study along the same lines. Today the committee ordered a bill reported which takes care of some of the matters proposed to be looked into in the Senator's bill.

Mr. MUNDT. Very good. To that extent it will diminish the job required to be done by the Commission.

Mr. LAUSCHE. Mr. President, I wish to commend the Senator from South Dakota for the presentation of this bill I think it will be the beginning of an attack upon a problem that, from the domestic standpoint, is as grave as any other confronting us.

Mr. MUNDT. I should also like to congratulate the Senator from Ohio [Mr. LAUSCHE] for the brilliant effort he made the other day in connection with an appropriation bill, which called to the attention of the Congress and the country the urgency of this problem. While it did not seem appropriate to the Parliamentarian for that proposal to be attached to that particular bill, I know the Senator advanced the cause by calling the attention of the Congress to some of the pernicious conditions which are apparent throughout the country, and with which he is familiar, having been Governor of the great State of Ohio.

Mr. LAUSCHE. Mr. President, I have in my hand a memorandum in the case of the State of Ohio versus Nico Jacobellis, relating to the trial of a case before a three-judge court, the defendant having waived a jury trial. The defendant was charged with exhibiting a lewd, obscene, and lascivious motion picture film. The moving picture was "The Lovers." I think it is a French-produced picture. It was shown in Cuyahoga County. Charges were brought against the exhibitor, and the trial was had, as I have described. These three judges found the defendant guilty of the charge.

In the mail yesterday I received an excerpt from a column written by Milt Widder in the Cleveland Press. In that column he stated there are reports from Washington, D.C., that the Art Theater there showing "The Lovers" has this sign over the box office: "Children under 12 must have tickets—35 cents each."

The deceit there is that they were telling the children, by that statement, "You can see this picture 'The Lovers.' Buy your ticket for 35 cents."

I do not know whether the picture shown here in Washington is in the same form as the one that was shown in Cleveland; but if it is the same picture—if the three-man court in Cleveland was right—and I would suggest to my colleagues that they read the opinion tomorrow in order to observe the opinion of the court on the picture—there is a challenge facing us to correct what is going on in Washington.

To conclude, a week ago the Senator from West Virginia [Mr. BYRD], who is now in the chair of the Presiding Officer, attended a breakfast meeting addressed by Reverend Graham. Reverend Graham stated that throughout all Africa the word which he received was that the moving pictures and literature that we were shipping into Africa were doing more damage to our esteem than all the esteem our ambassadors could build up for us. The Senator from Vermont [Mr. AIKEN] and the Senator from Oregon [Mr. MORSE] were with me 2 days ago when we heard a monsignor from a South American nation state that Hollywood was bringing our Nation into disrepute by its moving pictures.

Today we had a meeting of the Foreign Relations Committee. An Assistant Secretary testified he has been in the State Department for three decades. When he was through, I said, "I would like to ask you a question which is not germane to the subject of discussion today. Will you tell me if you, in your long career, have formed an opinion about the impact that we are making upon the people around the world with our moving pictures and the literature we are sending to foreign countries?" He said, "Yes, I have an opinion." I asked him, "What is it?" In practically the same words as were spoken a week ago, he said, "All of our Ambassadors, all of our Foreign Service men, cannot build up what Hollywood is doing in the destruction of the esteem that the peoples around the world have for our country."

I want to repeat what I said a week ago. There is no problem as grave as this one confronting the people of our country. I recognize that we do not want censorship. I recognize the significance of free speech. But somewhere there must be a remedy for this problem.

I repeat my commendation of the work of the Senator from South Dakota.

Mr. President, I ask unanimous consent to have a copy of the opinion printed in the RECORD. I ask my colleagues to read it.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

IN THE COURT OF COMMON PLEAS—CASE NO. 72175—STATE OF OHIO, PLAINTIFF *v.* NICO JACOBELLIS, DEFENDANT—MEMORANDUM

Before William J. McDermott, P. J., Roy F. McMahon, J., and John Pincura, J., (Pincura, J., court of common pleas (Lorain County) sitting by designation in Cuyahoga County.)

PER CURIAM

The defendant was indicted on two counts under the provisions of section 2905.34 of the Revised Code in that he (1) unlawfully and knowingly had in his possession and under his control a certain obscene, lewd, and lascivious motion picture film, to wit: "Les Amants" (or "The Lovers"), and (2) unlawfully and knowingly exhibited a certain obscene, lewd, and lascivious motion picture film, to wit: "Les Amants" (or "The Lovers").

At the request of the defendant the case was tried before a court of three judges under section 2945.06 of the Revised Code. Waiver of trial by jury was made in open court, in writing, signed by the defendant, filed in this case and made a part of the record, all in accordance with the provisions of section 2945.05 of the Revised Code.

In the motion picture "Les Amants" (or "The Lovers") the dominant theme of sex is brought into sharp focus early in the film. After the stage has been set and the characters have assumed their relationships to each other, there is evident a calculated, concentrated, and determined effort to portray the sexual theme basely and wantonly. In a tantalizing and increasing tempo, the sexual appetite is whetted, and lascivious thoughts and lustful desires are intensely stimulated. The apex is reached when the wife of the publisher and the itinerant archeologist engage in protracted love play, giving full vent to their emotions, and indulge themselves in sexual activity. Very

little, if anything is left to the imagination. Lurid details are portrayed to the senses of sight and hearing. After the narrative has reached this carefully built up and long anticipated climax, it scurries to a hasty conclusion.

In evaluating this motion picture the court has been ever mindful of the film taken as a whole and its appeal to the average person and has applied contemporary community standards.

It is the unanimous finding of the court that the motion picture film in issue is obscene, lewd, and lascivious within the definition, description, and test set forth in *Roth* v. *United States* (June 24, 1957), 354 U.S. 476, 1 L. ed., 2d 1498, 77 S. Ct. 1304. "Les Amants" (or "The Lovers"), has relation to sexual impurity and has a tendency to excite lustful thoughts. Again, it has a substantial tendency to deprave or corrupt its viewing audience by inciting lascivious thoughts and arousing lustful desires. Finally, the dominant theme of this film, when taken as a whole, to the average person applying contemporary community standards, appeals to prurient interest. It is further found that the defendant acted unlawfully and knowingly in having in his possession and under his control and exhibiting this motion picture film.

Therefore, the Court finds the defendant guilty as charged in both counts of the indictment.

WILLIAM J. MCDERMOTT,
Presiding Judge.
ROY F. MCMAHON,
Associate Judge.
JOHN PINCURA,
Associate Judge.

OBSCENITY

Obscenity is defined as that which appeals to the "prurient interest" (that is, tending to execute lustful thought). A work is obscene if it is determined that it is calculated to appeal to the prurient interest (i.e., to be dirt for dirt's sake), and if this is its dominant theme (i.e., not an incidental passage presumptively obscene if taken out of context).

Whose prurient interest? Not, the Supreme Court says, that of "a particular segment of the community, the young, the immature, or the highly prudish * * * or another segment, the scientific or highly educated or the so-called worldly wise and sophisticated."

The test is "whether to the average person, applying contemporary community standards, the dominant theme of the material appeals to the prurient interest."

The legal yardstick which has existed a long time was enunciated with definiteness in a Supreme Court decision of June 1957, *Roth* v. *United States*, 354 U.S. 476.

Obscenity is therefore a matter of criminality (there are written laws against it in all 48 States, as well as innumerable communities throughout the Nation and certain Federal legislation having to do with the mails, etc.). It is not a matter of a real freedom said Justice Brennan in the Roth case: "Implicit in the history of the first amendment is the rejection of obscenity as utterly without redeeming social importance. There are certain well-defined and narrowly limited classes of speech, the prevention and punishment of which have never thought to raise any constitutional problem. These include the lewd and obscene * * * it has been well observed that such utterances are no essential part of any exposition of ideas, and are of such slight social value as a step to truth that any benefit that may be derived from them is clearly outweighed by the social interest in order and morality."

Obscenity is therefore not a matter of arbitrary listing, or of optional acceptance by a purveyor. Obscenity is illegal, violates criminal law, can be appreciated as such by the average citizen and has no protection under the Bill of Rights.

Mr. LAUSCHE. Mr. President, I wish the chiefs of police and the enforcement officials of the Nation would take a look at this decision. It may be the basis for a vigorous attack upon the problem.

I thank the Senator very much.

Mr. MUNDT. Mr. President, I thank the Senator indeed for his significant, very persuasive, intelligent, and effective contribution.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I commend the comments of my friend the Senator from Ohio. I particularly commend the Senator from South Dakota for bringing up the bill, which deals with a subject I brought to the attention of the Senate some months ago.

I do not know what afflicts the American people, that we can permit upon magazine racks and in our moving picture theaters stories and scenes which could only be described by a consensus of the opinion of our forebears for the last 600 years as salacious and overwhelming to the moral precepts and concepts of our country.

To me the real solution to the problem lies in our willingness as adult Americans, to say that somewhere we are going to draw a line and we are not going to tolerate this sort of literature, these sorts of pictures—sometimes even these sorts of shows—to be distributed and made available to our children. We cannot raise our children in a salacious atmosphere, in an atmosphere of fornication, without expecting the children to accept it as commonplace and the thing everybody does.

At some time those of us who are adults and who should be assuming responsibility have to take action. I congratulate my friend from South Dakota for bringing the bill before the Senate. I hope this will be the first step.

I remind my colleagues in the Senate that they can go to almost any drugstore and see on display literature of all kinds and types, most of which they would not permit to be seen in their own homes. They should remember that we are paying seven-tenths of the cost of the postage for distributing this literature to our children and to the people in this country.

I hope this bill will be the first step, I say to my friend from South Dakota, along the way of stopping this sort of thing.

Mr. MUNDT. I thank the Senator very much, indeed, for his contribution.

One of the great developments which I am sure will flow from the Commission is the creation of public opinion as to the seriousness of the situation and as to the extensiveness of the problem.

The clergymen and various church organizations have been doing a wonderful job, as have some of the leaders of women's clubs and extension clubs, but much more needs to be done to bring about a complete realization that not only is this a business in which people get profits from peddling filth, but it is also a business which in some areas is actually promoted by the Communists, as a part of their conspiracy to break down public morals in this country.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. MUNDT. I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I highly commend the Senator from South Dakota and his colleagues who are sponsoring the bill. In the rush of affairs, frankly, I had overlooked it. I did not know about it until yesterday.

Mr. President, I do not believe anything is more timely or more necessary in our world relations and in respect to our domestic problems than the attention which this Commission would be directed to give to this problem.

I do not like to compare the situation in Russia with the situation in America, but some 18 months ago I spent about 3 weeks in Russia. Among other things, I had a very earnest conversation with an official in Russia about American films. I believe that by distribution of the television and other films people can learn to know each other.

I learned that our films were popular with the people in Russia, as they were shown. The Americans were urging the Russians to use more films and to show more American scenes with American people. I questioned the Russian official as to why the Russians did not use more films, and I was finally told, "Well, the truth is that the sexual morality of the films is too low. We can change the wording, but we cannot clean up the atmosphere, the sexual morality of the films."

I do not know that I have ever publicly stated this before, because I have been ashamed of it, but it is certainly something which stuck in my mind. These words are spoken in all sincerity. I think this typifies the impression some of our films leave throughout the world.

I commend the Senator. I wish there were more debate upon this bill, rather than to have it passed by unanimous consent. I hope Senators will emphasize the importance of it.

Mr. MUNDT. I thank the Senator very much. I appreciate the Senator's comments.

I wish to say, while the majority leader is in the Chamber, I am deeply grateful to the majority leader for his splendid cooperation in scheduling the bill to be considered tonight, in the closing hours as we near adjournment, because there is hope that the House may still act upon the resolution before we leave on recess, and, if not, certainly immediately after we return. It is important that we get on with the business of cleaning up the rackets which are trying to profit from the demoralization of American youth.

Mr. CASE of South Dakota rose.

Mr. MUNDT. I yield to my distinguished colleague from South Dakota.

Mr. CASE of South Dakota. Mr. President, I am sure the good people of South Dakota are 100 percent behind my senior colleague in his efforts in introducing the proposed legislation and

his endeavor to work it out with the Committee on Government Operations, so as to make an attack upon this very grave problem.

I was much interested in the comments of the Senator from Mississippi [Mr. STENNIS] about the observations and experiences he had in Russia, and also in the observations of the Senator from Ohio concerning the films which are distributed abroad and their effect upon the people.

I myself have witnessed in many cities of the world the extent to which American films are being used, and the kinds of films being advertised by the big posters in front of the theaters.

The city where I was the most staggered—not impressed, but staggered—by the attention which a certain class of film received was Madrid, Spain. These were obviously Hollywood or American-produced films.

I was in Madrid on a Sunday last year. Mrs. Case and I had asked the driver at the hotel to take us to some of the historic churches in Madrid. We visited a few of the historic churches on Sunday morning. We were impressed by the people who attended the churches in Madrid, but as we returned to the hotel we observed long queues of people lined up in front of theaters at Sunday noon, waiting to get into the theaters, which were showing a certain type or class of picture which would not be presented with pride by many of the theaters in South Dakota. At theater after theater in Madrid, on that particular Sunday, there were featured films in which one star in particular was the central figure, which typified the type of pictures I am sure the Senator from Ohio had in mind, when he spoke about the impact or influence of those pictures far outbalancing the good we seek to do in creating an honest impression of America abroad.

I hope the Commission which is proposed to be established by the Senator's bill is broad enough in its power, broad enough in its responsibilities, to go into the question of the production and distribution of salacious films as well as salacious literature.

Mr. MUNDT. Indeed the Commission would have the power described, and indeed it should, because pictures have great power and great capacity for good or evil, whether shown abroad or in this country. While we do not propose any new code of censorship or any measure in that direction, the bill will bring together around one table and in one Commission the best brains in this country, focusing on the problem, which I am sure the Senate and the country is determined to solve and to solve it in a truly American manner.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I, too, wish to commend the Senator from South Dakota, first for his initiative in attacking this problem, which is a very grave one indeed, as our colleagues have emphasized tonight. It is essential that we do something about it.

Second, I wish to commend the Senator from South Dakota for the manner in which he has presented this proposal to us, and for the nature of the proposal. I hope very much that there will be no objection to it, either on the floor of the Senate or in any other quarter of American life. I am now thinking of those people who, like the Senator from South Dakota and the Senator from New Jersey are concerned with civil liberties in a deep and important way, because if those of us who have that concern do not at some time recognize that there are evils in such matters as filthy and obscene literature which the people will not tolerate, and do not provide remedies consistent with the preservation of our civil liberties, then the people will insist that remedies which are not consistent perhaps with those liberties be put into effect. We therefore have the great responsibility to see, first, that the job is done; and, second, that it is done in the right way. The recommendation of the Senator from South Dakota toward both of those objectives I think is a truly distinctive one.

Mr. MUNDT. I thank the Senator from New Jersey. He makes a very good point. We are already beginning to hear a clamor for censorship as people throw up their hands in frustration and say, "Something must be done." This is a determined effort, within the boundary lines and concepts of our great American tradition of free speech and free press, to meet the challenge in an effective manner and to meet it without resorting to a cure which might, in fact, be worse than the disease.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. MUNDT. I am glad to yield to the Senator from Iowa.

Mr. HICKENLOOPER. The Senator from South Dakota is to be commended, for something along this line is certainly needed.

I shall not delay the Senate by any lengthy comment, but I wonder what the Senator from North Dakota proposes to do about court decisions in connection with the questioned publications? It seems to me there have been substantial and sincere efforts to clean up some of the pornographic and salacious literature that has been appearing recently, and those who have attempted to make the cleanup have run afoul, from the standpoint of a reasonable approach, of some rather interesting court decisions which have blocked them from making a cleanup. Apparently, in some cases the decisions have opened up the newsstands of the country to pretty free distribution of this material.

We have laws on the statute books at the present time that are pointed along this line. I refer now to one particular book about which there has been much controversy. The questionable book was finally brought to court and was declared to be a high-class piece of literature—a literary gem.

I had heard about the book for many years. Finally, I bought it just to see what it was about. I should not comment upon the entire book because I read only about the first quarter or perhaps the first third of it. It was such putrid, pornographic, salacious literature, with literally unacceptable dialog in description, that I simply did not go any further in my reading of the book. Yet the court said, "That is a great piece of literature. It is art."

I wonder how we shall reach that kind of situation? If any book should have been banned from the reading of the American public, that should be. In my opinion, from my reading of the first third of the book, it is utterly indefensible from any standpoint of moral protection. I do not know about the last two-thirds. Perhaps that should be torn out and given to the public.

Be that as it may, I think we have a problem of the interpretation of these subjects that come under the guise of liberty, freedom, literary license, the promotion of artists and all that sort of thing. A problem exists in addition to the laws which may be passed. However, I commend the Senator for his effort. It is fine, and the Senate will support it, I am sure.

Mr. MUNDT. I know the problem of which the Senator speaks. In the first section of Senate bill 3736, under "Findings of Fact and Declaration of Policy," appears this sentence:

> The Federal Government has a responsibility to find more effective ways of preventing the transmission of such matters and materials through the instrumentalities which, under the Constitution, are subject to Federal regulation.

We recognized that the courts have stepped in and made some decisions. There is a twilight area of indecision, vagary and uncertainty. It is hoped that this high type of Commission, in making an analysis of the problem, will come up with a satisfactory proposal. I am sure its recommendation will not be held to be unconstitutional, a procedure which the Supreme Court will not approve; it will not be censorious in nature, but can be made effective within the limits of our constitutional concepts.

Mr. President, I ask unanimous consent that the six duties of the Commission set forth on page 6 of the bill, section 9, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

DUTIES OF THE COMMISSION

SEC. 9. (a) INVESTIGATION, ANALYSIS, AND RECOMMENDATIONS.—It shall be the duty of the Commission—

(1) to explore methods of combating the traffic in obscene matters and materials at the various levels of governmental responsibility;

(2) to provide for the development of a plan for improved coordination between Federal, State, and local officials in the suppression of such traffic;

(3) to determine ways and means of informing the public as to the origin, scope, and effects of such traffic, and of obtaining public support in its suppression;

(4) to secure the active cooperation of leaders in the field of mass media for the accomplishment of the objectives and purposes of this Act;

(5) to formulate recommendations for such legislative, administrative, or other forms of action as may be deemed necessary to combat such traffic; and

(6) to analyze the laws pertaining to traffic in noxious and obscene matters and materials, and to make such recommendations to the Congress for appropriate revisions of Federal laws as the Commission may deem necessary in order to effectively regulate the flow of such traffic.

(b) REPORT.—The Commission shall report to the President and the Congress its findings and recommendations as soon as practicable and in no event later than January 31, 1962. The Commission shall cease to exist sixty days following the submission of its final report.

Mr. MUNDT. One of those is specifically related to the point brought up by the Senator from Iowa [Mr. HICKENLOOPER].

(2) to provide for the development of a plan for improved coordination between Federal, State, and local officials in the suppression of such traffic;

This is not intended to foist the whole matter over on a patron central government, and saying everything should be done only in Washington. There are local community responsibilities, and the good citizens of America themselves have certain responsibilities in seeing to it that the laws that we now have are properly enforced and interpreted, and that the necessary local ordinances and restrictions be passed in order to safeguard the youth of America.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from South Carolina.

I wish to commend the able and distinguished Senator from South Dakota for his interest in this field of activity. I was pleased to be a cosponsor of the bill. The Senator from South Dakota is a man of high integrity and character. He is an able and outstanding Member of this body, and I feel that the work that he is doing along this line is most important to the future generations of the Nation. Again I wish to congratulate him for his magnificent service.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. I wish to congratulate very strongly the distinguished Senator from South Dakota. I think he has rendered a fine service, and I think that the bill which he has drawn and presented is a much sounder way to approach this problem than was his first effort, which the Senator will recall was discussed. It was in the nature of a rider on an appropriation bill affecting provisions for airports.

Mr. MUNDT. The Senator from Florida is seldom in error, but in this case he is because it was the Senator from Ohio who proposed that rider to an appropriation bill and not the Senator from South Dakota.

Mr. HOLLAND. I believe that is correct. At any rate, the Senator from South Dakota proceeded from that point with the bill as drawn. He has offered a very fine bill now. I was glad to join him as a cosponsor. I think that his effort to proceed along the line of bringing a sound and moral climate into a field that should be educational and uplifting is something that is sadly needed, and while I recognize the point made by the Senator from Iowa, the courts have made some decisions which to me are incomprehensible. I think that is one of the things this Commission should study, because as we have found heretofore, courts sometimes change their directions by appropriate legislation. I hope that the Commission sought to be appointed under the bill will make recommendations, one or several of which no doubt will concern laying down different rules of procedure for our courts.

I again congratulate the Senator from South Dakota.

Mr. MUNDT. I thank the Senator. I appreciate the majority leader's putting the bill on the calendar for prompt action tonight. I am prepared to relinquish the floor and I call for a vote on S. 3736.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3736) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS OF FACT AND DECLARATION OF POLICY

SECTION 1. The Congress finds that traffic in obsence matters and materials is a matter of grave national concern. The problem, however, is not one which can be solved at any one level of Government. The Federal Government has a responsibility to find more effective ways of preventing the transmission of such matters and materials through the instrumentalities which, under the Constitution, are subject to Federal regulation. The State and local governments have perhaps an even greater responsibility in the exercise of their police powers to protect the public, and particularly minors, from the morally corrosive effects of such matters and materials. Governmental action to be effective needs the support and cooperation of an informed public. It is the purpose of this Act to bring about a coordinated effort at the various governmental levels, and by public and private groups to combat by all constitutional means this pernicious traffic.

ESTABLISHMENT OF THE COMMISSION ON NOXIOUS AND OBSCENE MATTERS AND MATERIALS

SEC. 2. (a) For the purpose of carrying out the provisions of this Act, there is hereby created a Commission to be known as the Commission on Noxious and Obscene Matters and Materials (hereinafter referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of seventeen members, appointed by the President, as follows:

(1) One from the Senate;

(2) One from the House of Representatives;

(3) Two from the Post Office Department;

(4) Two from the Department of Justice, one of whom shall be from the Federal Bureau of Investigation;

(5) One from the Department of Health, Education, and Welfare;

(6) Three from the clergy;

(7) One who shall be a prominent educator in the field of secondary education;

(8) One who shall be a prominent representative of the publishing industry;

(9) One who shall be a prominent representative of the motion picture industry;

(10) One who shall be a prominent representative of the radio and television industries;

(11) One from among the attorneys general of the several States;

(12) One who shall be a chief prosecutor of a city or county government; and

(13) One who shall be a chief law enforcing officer of a city or county government.

(b) VANCANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) CONTINUATION OF MEMBERSHIP UPON CHANGE OF STATUS.—A change in the status or employment of any person appointed to the Commission pursuant to subsection (a) of this section shall not affect his membership upon the Commission.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Nine members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

DUTIES OF THE COMMISSION

SEC. 9. (a) INVESTIGATION, ANALYSIS, AND RECOMMENDATIONS.—It shall be the duty of the Commission—

(1) to explore methods of combating the traffic in obscene matter and materials at the various levels of governmental responsibility;

(2) to provide for the development of a plan for improved coordination between Federal, State, and local officials in the suppression of such traffic;

(3) to determine ways and means of informing the public as to the origin, scope, and effects of such traffic, and of obtaining public support in its suppression;

(4) to secure the active cooperation of leaders in the field of mass media for the accomplishment of the objectives and purposes of this Act;

(5) to formulate recommendations for such legislative, administrative, or other forms of action as may be deemed necessary to combat such traffic; and

(6) to analyze the laws pertaining to traffic in noxious and obscene matters and materials, and to make such recommendations to the Congress for appropriate revisions of Federal laws as the Commission may deem necessary in order to effectively regulate the flow of such traffic.

(b) REPORT.—The Commission shall report to the President and the Conigress its findings and recommendations as soon as practicable and in no event later than January 31, 1962. The Commission shall cease to exist sixty days following the submission of its final report.

POWERS OF THE COMMISSION

SEC. 10. (a) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued over the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) ADVISORY COMMITTEES.—In carrying out its duties under this Act, the Commission (1) may constitute such advisory committees within States composed of citizens of that State, and (2) may consult with Governors, attorneys general, and other representatives of State and local governments, and private organizations, as it deems advisable. Any advisory committee constituted pursuant to this subsection shall carry out its duties without expense to the United States.

(c) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MUNDT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to suggest that the Senate give early consideration tomorrow to Calendar 1678, H.R. 10, to encourage the establishment of voluntary pension plans by self-employed individuals. We will continue the debate on that bill, which is the unfinished business before the Senate.

Also we expect to consider Calendar 1739, S. 2587, to require an act of Congress for public land withdrawals in excess of 5,000 acres in the aggregate for any project or facility of any department or agency of the Government.

Calendar 1714, House Joint Resolution 397, to enable the United States to participate in the resettlement of certain refugees.

The President's veto message on the Federal employee pay bill may be acted on by the House. If the House overrides the veto, we will proceed to the consideration of the veto message tomorrow. I hope that all Senators will be on notice, and I hope that the attachés of the Senate will inform all Senators, in case they do not read it in the RECORD, that in the event the House overrides the veto, we expect to motion up the veto message tomorrow. I would like to get a unanimous-consent agreement on it. We may have to sit late into the evening or early morning until we can obtain a vote on the veto message.

Calendar 1679, H.R. 9662, making technical revisions in the income tax provisions of the Internal Revenue Code of 1954, relating to estate trusts, partners, and partnerships, and for other purposes.

Calendar No. 290, Senate Joint Resolution 69, proposing an amendment to the Constitution of the United States relative to the equal rights for men and women.

I have been notified that most of these measures will be ready for discussion tomorrow. I should like to ask Senators to be prepared to present their viewpoint on them, if they care to do so.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

The Senate resumed the consideration of the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals.

Mr. LONG of Louisiana. Mr. President, I send an amendment to the desk and ask unanimous consent that it may be read.

The PRESIDING OFFICER. Is there objection. The Chair hears none, and the clerk will read the amendment.

The LEGISLATIVE CLERK. On page 2, lines 11 and 12, it is proposed to strike out "amounts paid by him within the taxable year as retirement deposits" and insert the following: "an amount equal to one-half of the allowable retirement deposits paid by him within the taxable year".

On page 2, beginning with line 22, strike out all through line 5 on page 3 and insert the following:

(1) ANNUAL LIMIT.—Except as provided in paragraph (2), the amount of allowable retirement deposits for any self-employed individual for any taxable year is so much of the retirement deposits paid by him as does not exceed the lesser of—

"(A) $2,500, or

"(B) 15 per centum of his earned income (as defined in subsection (d)).

On page 6, strike out lines 10 through 20 and insert the following:

(d) EARNED INCOME DEFINED.—

(1) IN GENERAL.—For purposes of this section, the term "earned income" means "the net earnings from self-employment (as defined in section 1402(a)) to the extent that such net earnings constitute earned income (as defined in section 911(b) but determined with the application of paragraph (2) of this subsection), but such net earnings shall be determined—

(A) without regard to paragraphs (4) and (5) of section 1402(c);

(B) in the case of any individual who is treated as an employee under sections 3121 (d)(3) (A), (C), or (D), without regard to paragraph (2) of section 1402(c); and

(C) without regard to items which are not included in gross income for purposes of this chapter, and the deductions properly allocable to or chargeable against such items.

(2) EARNED INCOME WHEN BOTH PERSONAL SERVICES AND CAPITAL ARE MATERIAL INCOME-PRODUCING FACTORS.—In applying section 911 (b) for purposes of paragraph (1), in the case of an individual who is engaged in a trade or business in which both personal services and capital are material income-producing factors and with respect to which the individual actually renders personal services on a full-time, or substantially full-time, basis, so much of his share of the net profits of such trade or business as does not exceed $2,500 shall be considered as earned income. In the case of any such individual who is engaged in more than one trade or business with respect to which he actually renders substantial personal services, if with respect to all such trades or businesses he actually renders personal services on a full-time, or substantially full-time basis, there shall be considered as earned income with respect to the trades or businesses in which both personal services and capital are material income-producing factors—

(A) so much of his share of the net profits of such trades or businesses as does not exceed $2,500, reduced by—

(B) his share of the net profits of any trade or business in which only personal services is a material income producing factor.

The preceding sentences shall not be construed to reduce the share of net profits of any trade or business which under the second sentence of section 911(b) would be considered as earned income of any such individual.

On page 12, line 2, after "shall" insert "(to the extent such amounts constitute income)".

On page 12, lines 19, 20, and 21 strike out "which he reasonably believes will be allowable as a deduction for such contributions" and insert "with respect to which he reasonably believes a deduction under section 217 will be allowable".

On page 13, strike out lines 19 and 20 and insert the following:

(4) ADJUSTMENTS TO BASIS.—Proper adjustment to the basis of an interest in a restricted retirement fund shall be made

for the difference between the amount of the retirement deposits paid to such fund in respect of such interest and the amount of the deductions allowed under section 217 for such retirement deposits.

On page 26, line 2, strike out "deductible by" and insert "with respect to which a deduction is allowed to".

On page 32, line 8, strike out "1958" and insert "1960".

The PRESIDING OFFICER. The Chair will state that the Senator from Delaware [Mr. WILLIAMS] has offered a perfecting amendment, which is the pending amendment.

Mr. LONG of Louisiana. I should like to ask the Chair to consult the Parliamentarian and advise me whether my amendment will take precedence over the Williams amendment.

The PRESIDING OFFICER. The Chair has been advised that the amendment offered by the Senator from Louisiana will not take precedence over the amendment offered by the Senator from Delaware.

Mr. LONG of Louisiana. The amendment I am offering is an amendment to the House bill. The Williams amendment is an amendment to the committee amendment. I ask the Chair to consult with the Parliamentarian and to advise me whether an amendment to the House bill in the nature of a perfecting amendment takes precedence over an amendment to the committee amendment.

I advise the Chair that the committee amendment proceeds to strike the whole House bill, which contains 30 pages, and substitutes 60 pages in lieu thereof. I am proposing to amend page 2, lines 11 and 12.

The PRESIDING OFFICER. If the amendment of the Senator from Louisiana is an amendment to the House text, the Senator from Louisiana is precisely correct.

Mr. LONG of Louisiana. Mr. President, the amendment is offered to place doctors, lawyers, and self-employed persons on the same basis as persons under Government retirement. That is the best that lawyers and doctors will get. That is all they are entitled to expect. It seems to me that on that basis they would be treated most favorably. To go beyond that point would afford exemplary treatment to a very limited group, treatment which could not be justified, unless doctors and lawyers were placed on the basis of owners and managers of corporations. To do that would enable them to take advantage of a tax loophole which has been discovered, and which must be closed if tax uniformity is to be observed in this country.

Doctors and lawyers are entitled to tax treatment as favorable as that which is accorded by Congress with its eyes wide open, to anyone. It is not that the amendment would discriminate against lawyers and doctors; it simply would not afford them the type of preferential treatment which Congress never intended, but which corporate owner-managers have seized upon to do violence to the tax structure, to the benefit of persons in the upper tax brackets.

I believe the amendment should be agreed to. I hope the supporters of H.R. 10 will accept it. If they will, I think there is some possibility for the passage of H.R. 10. If the amendment is not agreed to, it is my firm opinion that the bill will be defeated. Just as in the case of the Morse amendment 2 years ago, when the Senator from Oregon said, "It is this amendment or nothing," the amendment was not accepted, and the doctors and lawyers got nothing.

My amendment is in line with the principle which Congress adopted when it provided a Government retirement program. We should be willing to treat doctors and lawyers as favorably as we treat ourselves and all Government employees, or on an analogous basis. The half which could be attributed to the employer would be tax-free when it was placed in the retirement fund, and the half attributed to the employee would be taxable.

If the amendment were adopted, I would be willing to consider H.R. 10 favorably; otherwise, I submit the bill will be defeated, as it properly should be.

The PRESIDING OFFICER. Does the Senator from Louisiana ask that his amendments be considered en bloc?

Mr. LONG of Louisiana. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is ordered.

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

WIRETAPPING LEGISLATION

Mr. MORSE. Mr. President, the Washington Post this morning carries a correction of its erroneous news accounts of yesterday concerning Senate consideration of wiretapping legislation.

In the carryover from page 1 of the news story, headlined "Congress to Recess for a Month," on page A19, today the news item reads:

> Wiretap, a bill legalizing State wiretapping laws was incorrectly reported to the Washington Post by the Associated Press Tuesday as having passed the Senate. The Senate took no action and its fate is uncertain.

Yesterday morning, many of us, reading the Washington Post before breakfast, while knowing that the Senate of the United States had not considered and therefore had not approved any wiretapping legislation the previous day, found ourselves stunned to read that the Senate had passed such a bill.

I believe I might say, very good-naturedly, that when the Washington Post makes an error, it is a lulu. The completely incorrect news, to the effect that the Senate had passed a wiretapping bill, was carried in four places in yesterday's Washington Post: as an insert in the front-page news story; as a phrase in an otherwise excellent editorial; as a footnote to a splendid letter to the editor from the American Civil Liberties Union; and in the brief summary of congressional activities on the page opposite the editorial page.

As to the proposed legislation itself, S. 3340, sponsored by the junior Senator from New York [Mr. KEATING], I want everyone to be on notice that I am emphatically opposed to that bill, as I am to all wiretapping proposals as unconscionable invasions if individuals' rights of privacy, and as violations of the spirit of the fourth and fifth amendments to the Constitution of the United States.

I ask unanimous consent to have printed at this point in the RECORD the following: (a) the excellent Washington Post editorial referred to above, even though it contains inaccurate reference to Senate consideration of the bill; (b) the ACLU letter referred to above signed by Lawrence E. Speiser, director of the Washington office of the American Civil Liberties Union; and (c) an excellent editorial from the St. Louis Post-Dispatch of June 27, 1960, on the subject.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 29, 1960]

LOCAL EAVESDROPPING

Although it has had bills to permit wiretapping introduced in almost every session for the past 20 years, Congress has never authorized this kind of invasion of privacy by any law enforcement authorities, Federal, State or local. Section 605 of the Federal Communications Act adopted in 1934 still stands as a flat prohibition of any unauthorized interception and divulgence of telephone communications. Now, however, in the closing days of the 86th Congress, the Senate has approved a new-fangled way of circumventing section 605—a bill by Senator KEATING which would grant Federal statutory permission for wiretapping by State and local officers in compliance with State law.

Six States have statutes authorizing their police to tap telephones in defiance of the congressional statute forbidding the practice. New York, where most wiretapping takes place, permits the practice on order of a State judge. Embarrassment over the conflict with Federal law has led several New York judges to announce recently, however, that they will no longer grant police wiretapping requests. This, in turn, has produced pressure from New York police and prosecutors for congressional passage of the Keating bill.

The Keating bill would allow State law enforcement authorities to do what is forbidden to Federal law enforcement authorities. It would, in consequence, create a completely confused as well as completely anomalous situation. Telephone lines are no respecters of State boundaries. Eavesdropping would become indiscriminate not only for all local users of a tapped telephone but for all persons at the other end of the line in another State which did not authorize the eavesdropping. The right to privacy—the right which Justice Brandeis called "the most comprehensive of rights and the right most valued by civilized men"—would be diminished all over the country.

This newspaper has favored limited use of wiretapping by Federal authorities in espionage, treason and kidnaping cases, under strict judicial safeguards. Certainly no more lenient policy should be applied to the States. The Keating bill to permit local wiretapping was drafted in haste and has been reported by the Judiciary Committee without hearings and, we think, without adequate consideration. It would change the atmosphere of American life far too dras-

tically to be jammed through in its closing days by a Congress impatient to get out of Washington.

[From the Washington Post, June 29, 1960]

WIRETAPPING: TAKE A SECOND LOOK

One of the recurrent criticisms of Congress is that in its headlong rush to adjourn by a fixed date, often much legislation is adopted without adequate consideration and study.

A prime example is the Keating wiretap bill, S. 3340, which would authorize the admission in State courts of evidence obtained by wiretapping pursuant to a State court order. This would change the Federal law which we have had on our books since 1934 which prohibits the interception and divulgence of telephonic communications.

Last Friday the Senate Judiciary Committee reported out the Keating wiretap bill, even though no hearings had been held on it. The suggestion of wiretapping pursuant to a court order is at first blush an attractive one. New York and four other States have laws of this kind. Yet the experience of New York under its law has not been a happy one.

In 1955, Justice Hofstadter of the Supreme Court of New York County, in announcing his intention to grant no further applications by law enforcement officials to wiretap, said:

"A tapped wire is the greatest invasion of privacy possible * * * A telephone interception is a far more devastating measure than any search warrant. A search warrant is confined to a definite place and to specific items, or, at least to items of a stated class or description. Those in possession of the searched premises know the search is going on, and when the officer has completed his search, whether successfully or not, he departs.

"Not so in the case of telephone interception. The interception order is obtained ex parte, and the person whose line is to be tapped is, of course, in ignorance of the fact. The tap is maintained continuously, day and night. Everything said over the line is heard, however foreign to the stated objective of the law enforcement officers. The most intimate conversations, personal, social, professional, business, or even confidential, of an unlimited number of persons may be laid bare.

"In effect, the line of everyone who is called from or makes a call to the tapped line at any time is being tapped during the maintenance of the tap. When a line in a public telephone booth is tapped, as has on occasion been done, the conversations of people having no relation of any kind to the operator of the place in which the booth is situated or the person whose line is tapped are overheard."

The American Civil Liberties Union also objects to wiretapping on the ground that the results are so inadequate that when balanced against the enormous invasion of the right to privacy, the former appears minute in comparison. Here again it is pertinent to quote Justice Hofstadter:

"The application now made follows the general pattern of like applications heretofore made to me, which also, in the main, had as their objective the detection of gambling in some forms. * * * Some years ago I instituted the requirement that * * * written reports of the results obtained from any interception ordered be thereafter submitted to me. * * * These showed some arrests and fewer convictions and then rarely, if ever, for a heinous offense.

"It is melancholy to behold (our city) rife with violence, an admittedly lawless community, its inhabitants no longer safe by night or day, in their persons or their homes. To be redeemed as part of the great American community, its police department needs external aid, i.e., a larger force, with more pay for the men, and a renewed spirit from within . . . but not more wiretaps."

We have too long witnessed the flagrant violation of a Federal statute, not only by State officers but by Federal officers as well. Nonetheless, during the entire history of section 605, there is no reported case of any law enforcement official having been prosecuted for violating that section notwithstanding the common knowledge that wiretapping is an everyday practice of police departments throughout the country.

In considering this bill, Congress will be confronted with the clear choice of deciding whether to sanction invasion of the right to privacy of citizens who rely on their telephones to communicate with their friends and associates with the same confidence with which they would communicate with these people in the privacy of their own homes.

The mere fact that the District Attorneys of New York have demanded the passage of the Keating bill does not mean that these demands alone can ever replace the necessity for careful and considerate study by Congress.

We recognize that such a procedure may mean the death of the bill in this session because of lack of time. However, it hardly seems likely that such pressing demands have arisen in the past few months since the bill was introduced, which warrant making a major change in our law which has stood for 24 years, and that such demands could not possibly wait until the next session of Congress to consider and determine.

LAWRENCE SPEISER,
Director Office American Civil Liberties Union.

[From the St. Louis Post-Dispatch, June 27, 1960]

AN ODIOUS WIRETAP BILL

Congress would sadly diminish "the right of the people to be secure in their persons, houses, papers, and effects" if it adopted the bill, introduced by Republican Senator KEATING, of New York, to legalize wiretapping where authorized by State law. Only six States now permit this "dirty business." Many of the others, including Missouri, forbid interceptions, and so does section 605 of the Federal Communications Act.

The Federal courts have flatly refused to admit evidence so obtained. Several judges have ruled it out in State proceedings. And a number of judges in New York, where police may tap wires if authorized by a court, have refused to grant such authorization on the ground that it violates Federal law.

Yet New York police and prosecutors want unquestioned freedom to tap wires. They are broadly supported by the prosecuting officials of the Nation, although Circuit Attorney Eagleton, happily, opposes such legislation. His opposition is firmly based on the opinions of distinguished Supreme Court Justices and outstanding legal authorities.

The Constitution, of course, does not specifically forbid wiretapping. Such eavesdropping hardly could have been anticipated by Congress in 1789 when it submitted the Bill of Rights to the States. Yet the insistence that the people be secure in their papers and effects, together with the rigid restrictions placed on search and seizure, clearly suggest that wiretaps violate the spirit of the Constitution.

Senator KEATING and the Senate Judiciary Committee, which sent the bill to the floor, showed scant respect for the right of privacy. Even if wiretapping is not specifically outlawed by the Constitution, Congress between 1912 and 1934 passed five laws against interception of messages. Since then it has rejected all proposals to legalize such eavesdropping. It is to be hoped that it will continue to respect the spirit of the Constitution by denying the color of legality to a practice which decent men find reprehensible.

[From the Washington Post, June 29, 1960]

CONGRESS MAY QUIT FRIDAY FOR A MONTH—LOCAL EAVESDROPPING

Although it has had bills to permit wiretapping introduced in almost every session for the past 20 years, Congress has never authorized this kind of invasion of privacy by any law enforcement authorities, Federal, State, or local. Section 605 of the Federal Communications Act adopted in 1934 still stands as a flat prohibition of any unauthorized interception and divulgence of telephone communications. Now, however, in the closing days of the 86th Congress, the Senate has approved a newfangled way of circumventing section 605—a bill by Senator KEATING which would grant Federal statutory permission for wiretapping by State and local officers in compliance with State law.

Six States have statutes authorizing their police to tap telephones in defiance of the congressional statute forbiding the practice. New York, where most wiretapping takes place, permits the practice on order of a State judge. Embarrassment over the conflict with Federal law has led several New York judges to announce recently, however, that they will no longer grant police wiretapping requests. This, in turn, has produced pressure from New York police and prosecutors for congressional passage of the Keating bill.

The Keating bill would allow State law enforcement authorities to do what is forbidden to Federal law enforcement authorities. It would, in consequence, create a completely confused as well as completely anomalous situation. Telephone lines are no respecters of State boundaries. Eavesdropping would become indiscriminate not only for all local users of a tapped telephone but for all persons at the other end of the line in another State which did not authorize the eavesdropping. The right to privacy—the right which Justice Brandeis called "the most comprehensive of rights and the right most valued by civilized men"—would be diminished all over the country.

This newspaper has favored limited use of wiretapping by Federal authorities in espionage, treason, and kidnaping cases, under strict judicial safeguards. Certainly no more lenient policy should be applied to the States. The Keating bill to permit local wiretapping was drafted in haste and has been reported by the Judiciary Committee without hearings and, we think, without adequate consideration. It would change the atmosphere of American life far too drastically to be jammed through in its closing days by a Congress impatient to get out of Washintgon.

[From the Washington Post, June 29, 1960]

RULES UNIT SNAG SEEN FORCING AUGUST SESSION

(By Richard L. Lyons)

Democratic leaders at the Capitol said yesterday it now appears probable that Congress can't finish its work next week and will have to come back in August for a post-convention session.

They based this gloomy outlook on the fact that two key bills—school construction and housing—are stuck in the House Rules Committee, and that medical aid to the aged, another "must," may take more time than remains before the presidential conventions begin July 11.

The House Rules Committee pigeonholed the housing bill yesterday while clearing minimum wage for floor action Thursday.

An August session has been talked about for weeks, but has been regarded chiefly as a prod to get Congress moving. It may still be that, but it was louder yesterday than ever before. Leaders will take a reading on Friday and if they can't see the end in sight may

recess this weekend until August. If they should come back and the candidates run true to present form, the Senate would be treated to an unheard-of confrontation of the two presidential candidates facing each other across the chamber.

There were these major actions as Congress struggled with the big bills remaining:

Wiretapping: The Senate passed a bill to permit evidence thus obtained to be used in criminal prosecutions in State courts if State law authorizes wiretapping by police acting under a court order. It now goes to the House.

[From the Evening Star, June 29, 1960]

DON'T LIMIT IT TO STATES

The Senate has approved a bill to legalize the use of wiretap evidence in State courts. We heartily indorse this proposal, as far as it goes. But it does not go far enough. Why should the privilege of using the valuable wiretap technique be restricted to State authorities? The benefits of properly controlled wiretapping ought to be fully available to Federal law enforcement agencies, too.

The Senate bill, sponsored by Senator KEATING of New York, was designed to meet what New York police described as an emergency growing out of a Federal court ruling outlawing wiretap evidence in State prosecutions. The effect of the decision was to nullify a New York State law permitting police to listen in on wire communications, with court permission. The U.S. Court of Appeals held that the State act was in conflict with the 1934 Federal Communications Act forbidding "interception and divulgence" of telephone or telegraph messages.

Congress certainly should make it clear that police in the States are not to be shackled by an absurd wiretap restriction in their war on major criminals. And Congress also should give similar wiretapping privileges to the FBI and other intelligence agencies, under court safeguards—with the right to use any evidence thus obtained in prosecuting spies, kidnapers and other "public enemies."

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

The Senate resumed the consideration of the bill (H.R. 10) to encourage the establishment of voluntary pension plans by self-employed individuals.

Mr. DOUGLAS. Mr. President, may we have action on the amendments of the Senator from Louisiana?

The PRESIDING OFFICER (Mr. MORSE in the chair). The Chair did not understand the Senator.

Mr. DOUGLAS. Will not the Chair put to the Senate the question on the amendment of the Senator from Louisiana?

Mr. COTTON. Mr. President, if that request is pressed, I shall be compelled to suggest the absence of a quorum.

Mr. DOUGLAS. Mr. President, I hope the Chair will put the question on the amendment, so that we will not have any dilatory tactics. We can proceed to act at once. The Senator from Illinois is ready to vote on the amendment.

PROPOSED AMENDMENT OF SOCIAL SECURITY ACT

Mr. BYRD of West Virginia. Mr. President, yesterday I appeared before the Committee on Finance on behalf of my amendment to H.R. 12580. My amendment would amend the Social Security Act to permit men to receive reduced benefits at age 62 in exactly the same manner and under the same conditions as reduced benefits are provided for women at age 62 under existing law.

Mr. President, I ask unanimous consent that my statement before the committee may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ROBERT C. BYRD OF WEST VIRGINIA

Mr. Chairman, I am grateful for this opportunity to appear before your distinguished committee in behalf of an amendment which I have offered to H.R. 12580. My amendment, which is cosponsored by 18 other Senators, would amend the Social Security Act so as to permit men to receive reduced benefits at age 62 in exactly the same manner and under the same conditions as reduced benefits are provided for women at age 62 under existing law. Under existing law, a female worker, or wife, who is otherwise qualified may elect to receive actuarially reduced benefits at age 62, and any widow or female parent who is otherwise qualified may receive full benefits at age 62. My amendment would treat men workers, husbands, widowers, and male parents in exactly the same way as their counterparts of the opposite sex are treated under existing law.

I have been advised by the Chief Actuary of the Social Security Administration, Mr. Robert Myers, that the adoption of my amendment would involve no appreciable additional cost. As a matter of fact, I was advised by Mr. Myers that the net additional cost to the social security system would be about one-twentieth of 1 percent. No additional payroll tax would be involved. The amount of additional cost is small enough that it could be borne within the current financing of the system, according to Mr. Myers.

Under my proposal, a man who decides to apply on his 62d birthday can draw social security benefits equal to eighty percent of the amount he would receive were he to wait until he reached his 65th birthday. He would have the option of receiving a proportionate increase—five-ninths of 1 percent—for each month he delays retirement after age 62. For example, a man entitled to a benefit of $100 per month at age 65 would receive $80 month if he chose to retire at age 62, under my amendment. If he decides to wait until he is 63 to apply, the benefit he would receive for life would be increased to $86.67 monthly. If he applied at age 64, his monthly benefit would be $93.34.

It is my understanding, Mr. Chairman, that the provisions which were adopted into law with respect to reduced benefits for women have occasioned no administrative difficulties. In the light of the experience gained from the years in which the lowered eligibility age for women has been in effect, I think one could be confident that the adoption of my amendment would prove to be similarly beneficial and advisable. In other words, the 1956 amendment has worked out all right in the case of women, and it should prove to be the same for men. At the time the 1956 amendment was adopted, there was some skepticism about how well it would work. It was charged that the lower retirement age would encourage employers to lower the compulsory retirement age for women employees. Opponents maintained that it would discourage the continued employment of older women workers whose potential work life would thus be shortened. Experience, however, has failed to bear out these skeptical fears and the average age of retirement for women has not been lowered by the reduced annuity.

I realize that there is some question as to whether it is desirable policy for the Government to encourage early retirement when the science of geriatrics is lengthening the lifespan of men. Yet, it is my understanding that only about half of the women eligible for retirement at age 62 elected to retire when the 1956 amendment was adopted. I think we can properly assume that not so great a percentage of men would elect to retire at 62. Many of the women who took benefits in 1956 had been working during the war years and had not been working immediately before the adoption of Senator KERR'S amendment. Most men will continue to work until age 65 or somewhat thereafter as long as they are physically able or as long as there is employment. Moreover, Mr. Chairman, automation is here to stay and it constitutes a growing problem with which our society is going to have to deal more and more in terms of unemployment. A recent study of automation prepared by the National Planning Association points out that, according to Census Bureau estimates, the average annual increase in the labor force is presently 700,000 to 800,000 and that, by the year 1965, it will reach the figure of 1 million or more. It is necessary then that we find new job opportunities for these younger workers who are annually entering the work force.

Additionally, the problem of changing markets poses itself in the question of whether or not the needed job opportunities will appear at the right place and at the right time. The rate of increase in employment in some of the industries now being automatized does not begin to match the increase in productivity made possible by new processes. For instance, in the chemical industry, productivity rose 53 percent between 1947 and 1954, but employment rose only 11 percent. In oil refining, output increased 22 percent since 1947, but total employment fell by 10,000. Automation has made itself felt in the mining areas of my State. Whereas only a few years ago, 135,000 miners were employed in West Virginia, today less than 40,000 are employed. A continuous mining machine operated by 6 workers will load the coal originally requiring the time and labor of 40 men. The problem is not peculiar to West Virginia. The textile and shoe workers in the New England States have experienced the same sudden shift in an employment pattern which had existed for over 100 years. Further changes will create catastrophic dislocations of workers.

The distinguished senior Senator from Oklahoma, Mr. KERR, who is a member of your committee, pointed out in presenting the 1956 amendment which brought about the same change for women workers, that the privilege of electing earlier retirement with proportionately reduced benefits is one that has demonstrated its effectiveness in the civil service retirement system, the railroad retirement system, and in many private pension plans. The principle is one which makes possible an added flexibility to the retirement program without excessively increasing the cost to the contributor.

Mr. Chairman, I would like to refer to my amendment in the same words as those which were spoken by Senator KERR in 1956, and I will only take the liberty to substitute the masculine gender for the feminine. An important consideration in connection with my amendment is the fact that the choice of the date of retirement is voluntary. No man will be required to retire at age 62.

The choice will be his. If he does not elect to take a slightly lower benefit to qualify before age 65 and instead decides to wait until he is 65 years of age to apply, he will still be entitled to his full benefit.

Mr. Chairman, there are approximately 1.8 million men who potentially would be eligible to retire at age 62 immediately if this amendment were to be adopted. They would not be forced to retire. The choice would be an optional one, and it would be up to the individual. There are many—in fact, a majority, I would assume—of these men who would prefer to continue to work. Yet, on the other hand, there are some who would want to retire and who should retire. There are many individuals who are not physically able to continue working after they reach the age of 62; yet they are not disabled to the extent that they can qualify for disability benefits. This amendment would permit these individuals to retire and make room for younger workers.

Mr. Chairman, certainly at this late date in the session I would be very reluctant to ask your committee to accept an amendment of a controversial nature. However, the amendment which I am presenting to you here today, if I may summarize its purpose and effect, merely accords to men the same privilege of earlier retirement on an actuarially reduced basis that has been available to women since 1956. This amendment would involve no appreciable increase in cost to the social security insurance system. Furthermore, it is not envisioned that any great percentage of eligible men will wish to avail themselves of the election which it offers. Still this amendment is of great importance to that relatively small number of men who, because of ill health, unemployment, underemployment or other personal reasons, find it impossible or ill-advised to continue working until they attain the age of 65. Moreover, it should be pointed out that the benefits provided by the social security system are not gifts of charity or handouts from the Federal Government, but are payments actually earned and paid for by the worker and his employer. Why not then make it possible for those who, perhaps for adverse reasons beyond their control, wish to receive at an earlier age that which is justly theirs and for which they themselves have paid?

You gentlemen know, as a practical matter, that there will not be another good opportunity to present an amendment of this nature for approximately 2 or even 4 more years, until such time as a social security bill again comes over from the House, and whenever a social security bill does come from the House, it customarily reaches the Senate at a late date in the session. The situation here today is no different from what it has been in the past and probably will be in the future. Therefore, Mr. Chairman, I respectfully urge that consideration be given to the adoption of my amendment at this time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 4386) to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 8229) to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. FORAND, Mr. KING of California, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

RESOLUTION OF DEPARTMENT OF NEW YORK ITALIAN-AMERICAN WAR VETERANS OF THE UNITED STATES, INC.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Department of New York Italian-American War Veterans of the United States, Inc., relating to the acceptance of Red China in the United Nations, and so forth.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE DEPARTMENT OF NEW YORK, ITALIAN AMERICAN WAR VETERANS OF THE UNITED STATES, INC.

We, the Department of New York, Italian American War Veterans of the United States, Inc., in convention assembled at the city of Rochester, N.Y., June 17, 18, and 19, 1960, after careful and serious deliberation, do hereby adopt the following resolutions:

1. That the United States oppose to its fullest measure the acceptance of Red China to membership in the United Nations.

2. That President Dwight D. Eisenhower and Secretary of State Christian A. Herter be commended on the manner in which our foreign policy is being maintained, and we express confidence in the President's leadership with especial praise for his exemplary conduct during the recent summit conference breakdown.

3. That Soviet Premier Khrushchev be condemned for his vituperative and animalistic behavior, and for his knowingly and solely having caused the summit conference to be butchered before it even had a chance to begin.

4. That a program of public education be endorsed which will include complete support financially to full-time parochial schools.

5. That the Department of New York is grateful to Gov. Nelson A. Rockefeller, the State senate and assembly, for the recognition of laws which have been beneficial to our department and in particular for the favorable action on our 1960 national convention bill.

6. That the injection of religion into politics as a qualification for any political office, high or low, elective or appointive, is contrary to the ideals and spirit of true Americanism.

7. That a rigorous and dynamic campaign be initiated to stamp out the sources of smut and obscene literature of all types.

8. That suitable legislation be enacted which aims to study all facets of juvenile delinquency and then adopting appropriate laws which will eradicate the roots giving it birth.

The foregoing resolutions are presented and attested to by the chairman of the resolutions committee of this convention.

Respectfully submitted.

ANTHONY P. CIOFFI,
Chairman.

ADDITIONAL REPORTS OF COMMITTEES

The following additional reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

S. 3324. A bill to authorize and direct the Secretary of the Army to convey part of lock and dam numbered 10, Kentucky River, Madison County, Ky., to the Pioneer National Monument Association for use as part of an historic site; (Rept. No. 1823).

By Mr. HILL, from the Committee on Labor and Public Welfare, with an amendment:

H.R. 6871. An act to amend title III of the Public Health Service Act to authorize project grants for graduate training in public health, and for other purposes.

ADDITIONAL EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following additional favorable reports of nominations were submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Col. Frank W. Berlin, and sundry other officers for appointment as Reserve commissioned officers in the U.S. Air Force, with the rank of brigadier general; and

Brig. Gen. Eugene Gilbert Cushing, and sundry other officers for promotion as Reserve commissioned officers of the Army.

ADDITIONAL BILL INTRODUCED

An additional bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HUMPHREY:

S. 3794. A bill to provide assistance to certain States bordering the Mississippi River in the construction of the Great River Road; to the Committee on Public Works.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

NAME OF PROPOSED DISTRICT OF COLUMBIA STADIUM

Mr. CASE of South Dakota (for himself, Mr. DIRKSEN, Mr. GOLDWATER, Mr. BEALL, and Mr. PROUTY) submitted the following resolution (S. Res. 347); which was referred to the Committee on the District of Columbia:

Resolved, That the Senate hereby requests the Commissioners of the District of Columbia to give consideration to the naming of the stadium to be constructed pursuant to the District of Columbia Stadium Act of 1957 the "John A. Reilly Stadium."

VOLUNTARY PENSION PLANS BY SELF-EMPLOYED INDIVIDUALS—AMENDMENTS

Mr. HUMPHREY submitted amendments, intended to be proposed by him, to the bill (H.R. 10) to encourage the establishment of voluntary pension plans

by self-employed individuals, which were ordered to lie on the table and to be printed.

SOCIAL SECURITY AMENDMENTS OF 1960—AMENDMENTS

Mr. ANDERSON (for himself, Mr. HUMPHREY, and Mr. MCCARTHY) submitted amendments intended to be proposed by them, jointly, to the bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such Act; and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 30, 1960, he presented to the President of the United States the following enrolled bills:

S. 19. An act to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard;

S. 1283. An act to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use;

S. 1502. An act to provide for adjustments in the annuities under the Foreign Service retirement and disability system;

S. 1795. An act relating to the promotion and separation of certain officers of the regular components of the Armed Forces;

S. 1886. An act to amend the Communications Act of 1934 with respect to certain rebroadcasting activities;

S. 2384. An act for the relief of Tommy Tadayoshi Shuto (Tadayoshi Takeda);

S. 2566. An act for the relief of Peter Leo Bahr, John Travor Jefferies, Charmian Candy Jefferies, and Stephen Reid Jefferies;

S. 2740. An act for the relief of Julia Sukkar;

S. 2941. An act for the relief of Ming-Chen Hsu; and

S. 3179. An act to increase the authorization for appropriations for construction of facilities for the Gorgas Memorial Laboratory.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, in accordance with the order previously entered, I move that the Senate adjourn until 10:30 o'clock tomorrow morning.

The motion was agreed to; and (at 10 o'clock and 54 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Friday, July 1, 1960, at 10:30 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 30, 1960:

U.S. AIR FORCE

Col. Maurice C. Harlan, 18858A, Regular Air Force, dental, for appointment to the temporary grade of brigadier general in the U.S. Air Force, under the provisions of chapter 839, title 10 of the United States Code.

The following persons for appointment in the Regular Air Force in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be major, USAF (dental)

Loy L. Julius, AO689060.

To be captain, USAF (nurse)

June H. Geringer, AN792128.

To be first lieutenants, USAF (nurse)

Jane E. Andrews, AN2232692.
Paula Frances-Cotto, AN3089471.
Joanne P. Smith, AN3076216.

To be first lieuteuant, USAF (medical specialist)

Lillian E. White, AJ3078070.

Subject to medical qualification and subject to designation as distinguished military graduates, the following distinguished military students of the Air Force Reserve Officers' Training Corps for appointment in the Regular Air Force, in the grade of second lieutenant, under section 8284 of title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Howard P. Denn
George R. Offen
Leon R. Schumacher

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 30, 1960

The House met at 10:30 o'clock a.m.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Acts 9: 6: *Lord, what wilt Thou have me to do?*

Almighty and eternal God, may all our aspirations and longings during this day blend into one supreme endeavor to live up to the dictates and demands of Thy holy will.

We humbly confess our failure to confirm by our daily life that we are seriously striving to bring our minds and hearts under Thy wise and beneficent sovereignty.

Grant that we may appreciate more fully that it is the very wonder and inspiration of our life that we have been called to be partners with Thee in the accomplishment of Thy will here upon earth as it is in heaven.

May Thy hand of high commission be laid upon all the Members of this legislative body and may they find their true vocation in doing Thy will in the spirit of loyal dedication and devotion.

Hear us in the name of Him who said, "I came not to do My own will but the will of Him that sent Me." Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on June 29, 1960, the President approved and signed bills and joint resolutions of the House of the following titles:

H.R. 1543. An act for the relief of Angela D'Agata Nicolosi;

H.R. 2007. An act for the relief of May Hourani;

H.R. 3242. An act for the relief of Mrs. Virginia Lee Sage;

H.R. 5530. An act for the relief of Leila Bernstorff Grauert;

H.R. 5738. An act to authorize the Secretary of the Army to transfer to the Waukegan Port District the commitment of the city of Waukegan, Ill., to maintain a public wharf in Waukegan Harbor on land conveyed to the city in 1914, and for other purposes;

H.R. 5850. An act for the relief of the borough of Ford City, Pa.;

H.R. 6149. An act for the relief of Wesley C. Newcomb;

H.R. 6456. An act concerning payment of debts out of compensation for trust land on the Lower Brule Sioux Reservation taken by the United States;

H.R. 6479. An act to provide for the conveyance of certain real property of the United States to the village of Highland Falls, N.Y.;

H.R. 6498. An act concerning payment of debts out of compensation for trust land on the Standing Rock Sioux Reservation taken by the United States;

H.R. 6529. An act concerning payment of debts out of compensation for trust land on the Crow Creek Sioux Reservation taken by the United States;

H.R. 7480. An act to amend the Federal Food, Drug, and Cosmetic Act, with respect to label declaration of the use of pesticide chemicals on raw agricultural commodities which are the produce of the soil;

H.R. 7847. An act to make the uniform law relating to the record on review of agency orders (Public Law 85–791) applicable to the judicial review of orders issued under the Federal Aviation Act of 1958 and the food additives amendment of 1958;

H.R. 9028. An act to provide that certain funds shall be paid to the Kickapoo Tribal Council of Oklahoma;

H.R. 10639. An act to amend section 3(b) of the act of May 9, 1958 (72 Stat. 105), relating to the preparation of a roll of the members of the Otoe and Missouria Tribe and to per capita distribution of judgment funds;

H.R. 10840. An act to amend Public Law 85–626 relating to dual rate contract agreements;

H.R. 11161. An act to donate to the pueblos of Zia and Jemez a tract of land in the Ojo del Espiritu Santo grant, New Mexico;

H.R. 11615. An act to amend section 4 of the Watershed Protection and Flood Prevention Act;

H.R. 11706. An act to authorize an extension of time for final proof under the desert land laws under certain conditions;

H.R. 11952. An act to repeal the act of May 29, 1958, which authorized and directed the Administrator of General Services to provide for the release of restrictions and reservations contained in an instrument conveying certain land by the United States to the State of Wisconsin;

H.R. 11985. An act to make American nationals eligible for scholarships and fellowships authorized by the National Science Foundation Act of 1950;

H.R. 12117. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1961, and for other purposes;

H.R. 12705. An act to delay for 60 days in limited cases the applicability of certain provisions of law relating to humane slaughter of livestock;

H.J. Res. 696. Joint resolution to provide for the designation of the month of September 1960, as "National Wool Month"; and

H.J. Res. 765. Joint resolution making a supplemental appropriation for the Department of Labor for the fiscal year ending June 30, 1960, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3313. An act to amend section 200 of the Soldiers and Sailors Civil Relief Act of 1940 to permit the establishments of certain facts by a declaration under penalty of perjury in lieu of an affidavit.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10495. An act to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McNAMARA, Mr. CHAVEZ, Mr. KERR, Mr. RANDOLPH, Mr. CASE of South Dakota, Mr. COOPER, and Mr. SCOTT to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4826) entitled "An act for the relief of Arthur E. Collins," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. EASTLAND, Mr. HART, and Mr. HRUSKA to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1502. An act to provide for adjustments in the annuities under the Foreign Service retirement and disability system;

S. 2384. An act for the relief of Tommy Tadayoshi Shuto (Tadayoshi Takeda);

S. 2566. An act for the relief of Peter Leo Bahr;

S. 2740. An act for the relief of Julia Sukkar; and

S. 2941. An act for the relief of Mrs. Ming-Chen Hsu (nee Nai-Fu Mo).

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

Mr. McCORMACK. Mr. Speaker, I offer a resolution and ask unanimous consent for its immediate consideration.

The Clerk read the resolution (H. Res. 589), as follows:

Resolved, That a special committee of five Members be appointed by the Speaker of the House of Representatives to investigate and report to the House not later than January 3, 1961, with respect to the following matters:

(1) The extent and nature of expenditures made by all candidates for the House of Representatives in connection with their campaign for nomination and election to such office.

(2) The amounts subscribed, contributed, or expended, and the value of services rendered, and facilities made available (including personal services, use of advertising space, radio and television time, office space, moving-picture films, and automobile and any other transportation facilities) by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, to or on behalf of each such candidate in connection with any such campaign or for the purpose of influencing the votes cast or to be cast at any convention or election held in 1960 to which a candidate for the House of Representatives is to be nominated or elected.

(3) The use of any other means or influence (including the promise or use of patronage) for the purpose of aiding or influencing the nomination or election of any such candidates.

(4) The amounts, if any, raised, contributed, and expended by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, including any political committee thereof, in connection with any such election, and the amounts received by any political committee from any corporation, labor union, individual, individuals, or group of individuals, committee, or partnership.

(5) The violations, if any, of the following statutes of the United States:

(a) The Federal Corrupt Practices Act.

(b) The Act of August 2, 1939, as amended, relating to pernicious political activities, commonly referred to as the Hatch Act.

(c) The provisions of section 304, Public Law 101, Eightieth Congress, chapter 120, first session, referred to as the Labor Management Relations Act, 1947.

(d) Any statute or legislative Act of the United States or of the State within which a candidate is seeking nomination or reelection to the House of Rpresentatives, the violation of which Federal or State statute, or statutes, would affect the qualification of a Member of the House of Representatives within the meaning of article I, section 5, of the Constitution of the United States.

(6) Such other matters relating to the election of Members of the House of Representatives in 1960, and the campaigns of candidates in connection therewith, as the committee deems to be of public interest, and which in its opinion will aid the House of Representatives in enacting remedial legislation, or in deciding contests that may be instituted involving the right to a seat in the House of Representatives.

(7) The committee is authorized to act upon its own motion and upon such information as in its judgment may be reasonable or reliable. Upon complaint being made to the committee under oath, by any person, candidate, or political committee, setting forth allegations as to facts which, under this resolution, it would be the duty of said committee to investigate, the committee shall investigate such charges as fully as though it were acting upon its own motion, unless, after a hearing upon such complaint, the committee shall find that the allegations in such complaint are immaterial or untrue. All hearings before the committee, and before any duly authorized subcommittee thereof, shall be public, and all orders and decisions of the committee, and of any such subcommittee shall be public.

For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such public hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eighty-sixth Congress, to employ such attorneys, experts, clerical, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. Subpenas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by such chairman and may be served by any person designated by any such chairman or member.

(8) The committee is authorized and directed to report promptly any and all violations of any Federal or State statutes in connection with the matters and things mentioned herein to the Attorney General of the United States in order that he may take such official action as may be proper.

(9) Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties prescribed by law.

That said committee is authorized and directed to file interim reports whenever in the judgment of the majority of the committee, or of a subcommittee conducting portions of said investigation, the public interest will be best served by the filing of said interim reports, and in no event shall the final report of said committee be filed later than January 3, 1961, as hereinabove provided.

Mr. GROSS. Mr. Speaker, is this subject to a reservation of the right to object?

The SPEAKER. It is.

Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, I reserve the right to object.

Mr. McCORMACK. If it had not been, I would have yielded to the gentleman.

Mr. GROSS. This is the ordinary resolution that is used in each election year? Is that correct?

Mr. McCORMACK. That is correct.

Mr. GROSS. I wonder if this resolution is going to be necessary this year. If we are going to come back and stay into September and perhaps through October, will we have an opportunity to spend any money?

Mr. McCORMACK. Of course I am unable to answer that question, except to say that this is the ordinary resolution that is adopted and as majority leader I am the conduit through which the resolution is offered. I think it would be wise for us to agree to the resolution.

Mr. GROSS. I am going to withdraw my reservation of objection.

Mr. McCORMACK. I am unable to answer the gentleman's question.

Mr. GROSS. Yes; I understand. I withdraw my reservation of objection, Mr. Speaker.

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, is this resolution the same in its terms and purposes as the ones we have had in previous Congresses?

Mr. McCORMACK. That is correct.

Mr. HOFFMAN of Michigan. Nothing else in it?

Mr. McCORMACK. That is correct. It is the regular resolution that is offered every 2 years.

Mr. HOFFMAN of Michigan. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from committee:

JUNE 29, 1960.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: It is with regret that I submit herewith my resignation as a member of the Committee on Banking and Currency.

It has been a privilege and honor to work with the many fine members of this committee during the 83d, 84th, 85th, and 86th Congresses, during which time it formulated historic legislation.

My association with this committee will remain a pleasant and enlightening experience.

Sincerely yours,

EDGAR W. HIESTAND,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION TO STANDING COMMITTEE

Mr. HALLECK. Mr. Speaker, I offer a privileged resolution (H. Res. 590).

The Clerk read as follows:

Resolved, That HERMAN T. SCHNEEBELI, Pennsylvania, be, and he is hereby, elected a member of the following standing committees of the House of Representatives: Committee on Banking and Currency, and Committee on Public Works.

The resolution was agreed to.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first bill on the calendar.

JOHN A. SKENANDORE

The Clerk called the bill (S. 285) for the relief of John A. Skenandore.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John A. Skenandore, the sum of $5,000, in full satisfaction of his claim against the United States for compensation for permanent personal injuries which he sustained (loss of his hand) while he was working in a United States Government laundry at the Oneida Indian School, Oneida, Wis.: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. ROBERTS. Mr. Speaker, I offer amendments to the bill.

The Clerk read as follows:

Amendments offered by Mr. ROBERTS: On page 1, line 5, after the word "to" insert the following language: "the Estate of".

On page 1, line 6, strike out the word "his" and insert the word "the", and after the word "claim" insert the following language: "of the decedent".

On page 1, at the end of line 7, strike out the word "he" and insert "the decedent".

The amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the Estate of John A. Skenandore."

KEITHA L. BAKER

The Clerk called the bill (S. 1454) for the relief of Keitha L. Baker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Keitha L. Baker, of Portland, Oregon, an employee of the Corps of Engineers, Department of the Army, is hereby relieved of all liability for repayment to the United States of the sum of $474.56, representing the amount of overpayments of salary which she received during the period from November 12, 1950, to February 12, 1955, such overpayments having been made as a result of an administrative error in granting Keitha L. Baker a longevity step increase before she became eligible for longevity pay.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Keitha L. Baker, the sum of any amounts received or withheld from her on account of the overpayments referred to in the first section of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE K. CALDWELL

The Clerk called the bill (S. 2113) for the relief of George K. Caldwell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (1) the Postmaster General is authorized and directed to pay, out of any money available for the payment of salaries of employees in the postal field service, to George K. Caldwell, of 10421 West Coldwater Road, Flushing, Michigan, a sum equal to the amount he would have received as compensation had he continued in his employment at the same rate of compensation, less any amounts received by him through other employment, as a career substitute carrier in the postal field service from April 2, 1957, the date of his suspension from such employment pursuant to order of the Seventh United States Civil Service Region, to November 13, 1958, the date on which he was restored to such employment as a result of action by the Civil Service Commission reversing such order, and (2) the said George K. Caldwell shall be considered for all purposes, except the accumulation of leave, to have performed service during such period.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEO. D. EMERY CO.

The Clerk called the bill (S. 2277) for the relief of the Geo. D. Emery Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Geo. D. Emery Company, of New York, New York, the sum of $20,000. The payment of such sum shall be in full satisfaction of all claims of such company against the United States for reimbursement and compensation due for services performed by such company between 1950 and 1953 in cooperation with the Reconstruction Finance Corporation and other Government agencies in connection with a project to establish for the United States an eight-thousand-acre abaca plantation in Ecuador.

(b) The sum appropriated by this section is the amount found by the Court of Claims, acting pursuant to S. Res. 102, Eighty-fourth Congress, to be equitably due the Geo. D. Emery Company as a result of the performance by such company of the services referred to in subsection (a) of this section.

SEC. 2. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH R. PAQUETTE

The Clerk called the bill (S. 2817) for the relief of Joseph R. Paquette.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Joseph R. Paquette of Homer, Alaska, is hereby relieved of all liability to repay to the United States the sum of $1,394.20, representing travel and transportation expenses incurred by the said Joseph R. Paquette in traveling with his dependents from Annette, Alaska, to Mexico City, Mexico, pursuant to travel order numbered 558-6801, issued by the Department of Commerce on June 25, 1957, authorizing such travel in accordance with the home leave provisions of the Act entitled "An Act to amend section 7 of the Administrative Expenses Act of 1946, as amended", approved August 31, 1954 (68 Stat. 1008), such travel order having been erroneously issued by reason of an administrative error.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Joseph R. Paquette, the sum of any amounts received or withheld from him on account of the administrative error referred to in the first section of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. P. LAMBERT CO., INC., AND SOUTHEASTERN DRILLING CORP.

The Clerk called the bill (H.R. 7618) for the relief of H. P. Lambert Co., Inc., and Southeastern Drilling Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. P. Lambert Company, Incorporated, of New Orleans, Louisiana, and Southeastern Drilling Corporation of Dallas, Texas, the sum of $3,690.46. The payment of such sum shall be in full settlement of all the claims of H. P. Lambert Company, Incorporated, and Southeastern Drilling Corporation against the United States for refund of duties collected upon certain articles covered by consumption entry numbered 2892, dated November 10, 1955, at New Orleans, Louisiana. All of such articles were of American origin and not subject to duty but owing to difficulties in collecting documentary evidence, proof of American origin was not made until after liquidation of the entry had become final: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract of the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause, and insert: "That, notwithstanding final liquidation of entry or the limitations of time set forth in section 514 of the Tariff Act of 1930, H. P. Lambert Company, Incorporated, of New Orleans, Louisiana, and Southeastern Drilling Corporation of Dallas, Texas, may, jointly or severally in behalf of each other, file, within ninety days from date of enactment of this legislation, such claim or protest with the collector of customs of New Orleans, or do such other acts as will enable them to submit evidence of entitlement to refund of duties collected from them upon certain articles covered by consumption entry numbered 2892, dated November 10, 1955, at New Orleans, Louisiana: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN A. MASTANDREA

The Clerk called the bill (H.R. 7792) for the relief of Martin A. Mastandrea.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Martin A. Mastandrea, of Dedham, Mass., the sum of $309.58. Such sum represents reimbursement to said Martin A. Mastandrea for paying out of his own funds a judgment rendered against him in the courts of Massachusetts, arising out of an accident occurring on June 16, 1951, when the said Martin A. Mastandrea was operating a Government vehicle in the course of his duties as an employee of the Post Office Department: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM L. BERRYMAN

The Clerk called the bill (H.R. 8885) for the relief of William L. Berryman.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

OTIS DRINKARD

The Clerk called the bill (H.R. 9715) for the relief of Otis Drinkard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Otis Drinkard, California, the sum of $10,000. The payment of such sum shall be in full settlement of all claims of Otis Drinkard against the United States on account of the loss of his right arm approximately three inches below the shoulder joint as a result of injuries sustained by him on April 8, 1959, while he was operating an extractor in the institutional laundry at the Federal Prison Camp, Tucson, Arizona: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike "to Otis Drinkard, California," and following the figure "$10,000" insert "to a trustee for the benefit of Otis Drinkard, of California, and said trustee shall be appointed by a court of competent jurisdiction to supervise the expenditure of that amount in the best interests of the said Otis Drinkard."

Page 2, line 1, following "That" insert ", except for the fees approved by the court relative to the administration of the trust contemplated by this Act,".

Page 2, line 2, strike "in excess of 10 per centum thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS MARIE E. MARK

The Clerk called the bill (H.R. 10152) for the relief of Miss Marie E. Mark.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,838.81 in full settlement of her claim against the United States, in addition to the amount payable under section 2732 of title 10, of the United States Code, to Miss Marie E. Mark of 1230 Clayton Street, San Francisco, California, based upon the loss she sustained when her personal property, stored by the Army in a warehouse of the Allen's Moving and Storage Co., San Leandro, California, was destroyed by fire: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$5,838.81" and insert "$1,439.04".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERDINAND HOFACKER

The Clerk called the bill (H.R. 11420) for the relief of Ferdinand Hofacker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $700 to Ferdinand Hofacker, route 7, Newark, Ohio, in full settlement of his claims against the United States for injuries and expenses resulting from an accident

which occurred on October 17, 1952, when a team of horses driven by the said Ferdinand Hofacker were frightened by a Government radiosonde device, serial numbered 50022, which descended by parachute and fell directly in front of the team of horses causing them to bolt and run with the result that the said Ferdinand Hofacker fell across the harrow pulled by the horses. This claim does not fall within the class of claims cognizable under the Federal tort claims provisions of title 28 of the United States Code since it has been ruled that it is subject to the exception contained in section 2680(a) of that title concerning the performance of a discretionary function on the part of the Government: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARITIME MUSEUM ASSOCIATION OF SAN DIEGO

The Clerk called the bill (H.R. 11562) for the relief of the Maritime Museum Association of San Diego.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $23,000 to the Maritime Museum Association of San Diego. Such sum represents the cost of rerigging the vessel *Star of India,* and payment of such sum shall be in full settlement of all claims against the United States arising out of damage done by the United States Navy to the masts and riggings of the *Star of India* during World War II: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL BERNSTEIN

The Clerk called the bill (H.R. 11791) to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claim of Paul Bernstein against the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That jurisdiction is hereby conferred on the United States Court of Claims to hear, determine, and render judgment on the claim of Paul Bernstein, of Brooklyn, New York, against the United States for sick leave and annual leave earned but not taken by him as an employee of the Federal Works Agency, Works Projects Administration, New York City, between June 30, 1936, and November 1, 1939, before his retroactive transfer to an agency under a different leave system.

SEC. 2. Suit upon the claim referred to in the first section of this Act may be instituted at any time within the 1-year period beginning on the date of enactment of this Act, notwithstanding the lapse of time, any statute of limitations, or any other provision of law. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgments thereon, shall be in the same manner as in cases over which such court has jurisdiction under section 1491 of title 28, United States Code. Nothing in this Act shall be construed as an admission of liability on the part of the United States.

With the following committee amendment:

Page 1, line 6, strike the words "sick leave and".

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAUDE L. WIMBERLY

The Clerk called the bill (H.R. 12475) for the relief of Claude L. Wimberly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Claude L. Wimberly, the sum of $130, in full satisfaction of his claim against the United States, for the loss of certain of his personal property in Baghdad, Iraq, on or about August 21, 1958, while he was detailed to duty there by the United States Information Agency: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN H. ESTERLINE

The Clerk called the bill (H.R. 12476) for the relief of John H. Esterline.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John H. Esterline, the sum of $1,461.05 in full satisfaction of his claim against the United States, for the loss through damage to certain of his personal property occurring either sometime between June 1956 and October 1956 while such property was being packed and crated in Colombo, Ceylon, or sometime between October and December 1956 during shipment therefrom to the United States, pursuant to authorization by the United States Information Agency of which he is an employee: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTHONY DI GIOVANNI

The Clerk called the bill (S. 598) for the relief of Anthony Di Giovanni.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of paragraph (9) of section 212(a) of the Immigration and Nationality Act, Anthony Di Giovanni may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DONALD B. THURSTON AND OTHER EMPLOYEES OF THE FISH AND WILDLIFE SERVICE

The Clerk called the bill (S. 1409) for the relief of Donald B. Thurston and other employees of the Fish and Wildlife Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the person enumerated below the sums specified, in full settlement of all claims against the Government of the United States as reimbursement for personal effects lost as a result of a boating accident on July 23, 1957, on the Yukon River, Alaska, while on official business of the Fish and Wildlife Service, Department of the Interior; Donald B. Thurston, $376; Stuart L. Murrell, $644; Jack W. Lentfer, $330; and James A. Reeher, Junior, $371.50: *Provided,* That no part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this

Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed a motion to reconsider was laid on the table.

GRACE L. PATTON

The Clerk called the bill (S. 1600) for the relief of Grace L. Patton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Grace L. Patton, the sum of $3,595.16, in full satisfaction of her claim against the United States for reimbursement (1) for expenses incurred as a result of wrongful removal from her position as a civilian employee of the Department of the Army, to which position she was subsequently restored after the charges against her were disproved, including expenses incurred in contesting such wrongful removal, and (2) for loss of increases in the salary of her position during the period of such wrongful removal for which she was not compensated upon restoration to such position.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY C. LARSON

The Clerk called the bill (S. 2548) for the relief of Henry C. Larson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Director of the National Science Foundation is authorized and directed to pay, out of any money appropriated to carry out the purposes of the National Science Foundation Act of 1950, as amended, to Henry C. Larson, of Cloquet, Minnesota, the sum provided for in section 2 of this Act. Such sum shall be in full satisfaction of all claims of the said Henry C. Larson against the United States for reimbursement of expenses incurred by him incidental to the death of his son, David C. Larson, who died in Paris, France, while studying at the Ecole Normale Superieure in Paris, France, under a predoctoral fellowship granted pursuant to section 10 of the National Science Foundation Act of 1950, as amended.

SEC. 2. The sum payable under the first section of this Act shall be equal to the amount of the expenses which would have been payable by the United States incidental to the death of the said David C. Larson, in accordance with section 3(e) of Public Law 885 of the Eighty-fourth Congress, second session (70 Stat. 890), which authorizes the Secretary of State to pay the actual expenses of preparing and transporting to their former homes, the remains of persons, not United States Government employees, who may die away from their homes while participating in international educational exchange activities under the jurisdiction of the Department of State.

The bill was ordered to be read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

JOSEPH LUE FAN AND AURA JOAN LUE FAN

The Clerk called the bill (S. 2585) for the relief of Josephine Lue Fan (also known as Josephine Fook-Lau), Joseph Lue Fan (also known as Joseph Lew-Fan), and Aura Joan Lue Fan.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Josephine Lue Fan (also known as Josephine Fook Lau), Joseph Lue Fan (also known as Joseph Lew Fan), and Aura Joan Lue Fan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof, the following: "That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Joseph Lue Fan and Aura Joan Fan, shall be held and considered to be the minor alien children of King Lue Fan, a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Joseph Lue Fan and Aura Joan Lue Fan."

A motion to reconsider was laid on the table.

HWACHII LIEN

The Clerk called the bill (S. 2689) for the relief of Hwachii Lien.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Hwachii Lien shall be held and considered to have been lawfully admitted to the United States for permanent residence as of November 17, 1954, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRENDA NICHOLSON MILLER

The Clerk called the bill (S. 2855) for the relief of Brenda Nicholson Miller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (3) of section 212(a) of the Immigration and Nationality Act, Brenda Nicholson Miller may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That if the said Brenda Nicholson Miller is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. This Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM Y. ALLEN, JR., ET AL.

The Clerk called the bill (S. 3105) for the relief of William Y. Allen, Jr., Donald Baldwin Quintero, Johann Friedrich Stapelfeld, and Kenneth Gordon Woods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized and directed to pay, out of current appropriations available for the payment of severance pay, to William Y. Allen, Junior, Donald Baldwin Quintero, Johann Friedrich Stapelfeld, and Kenneth Gordon Woods, who were discharged from the United States Navy on June 30, 1959, amounts equal to the difference between (a) the amount of severance pay which would have been paid to them upon their discharge from the United States Navy if the computation of such severance pay had been based upon their actual commissioned service in the United States Navy, and (b) the amount of severance pay actually paid to them.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT WILLIAM NEAL ET AL.

The Clerk called the bill (S. 3125) for the relief of Robert William Neal, Robert J. Naumann, Charles LeRoy Van Slyke, and Franklin Jordan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the persons enumerated below the sums specified, in full settlement of all claims against the Government of the United States as reimbursement for personal effects damaged or lost as the result of a fire on August 11, 1959, aboard the motor vessel Ranger VIII,

at Auke Bay, Alaska, while on official business with the Bureau of Public Roads, Department of Commerce: Robert William Neal, $13.98; Robert J. Naumann, $26.04; Charles LeRoy Van Slyke, $56.53; and Franklin Jordan, $6: *Provided*, That no part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTINE FAHRENBRUCH

The Clerk called the bill (H.R. 5284) for the relief of Christine Fahrenbruch, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Christine Fahrenbruch, a minor, of Saint Louis, Missouri, the sum of $33,000, in full settlement of all claims against the United States for the injury of said Christine Fahrenbruch and her parents, Mr. and Mrs. Raymond Fahrenbruch, for permanent loss of hearing suffered by the said Christine Fahrenbruch while a patient in the United States Army Hospital in Nürnberg, Germany, on and about April 28, 1950, and for special educational expenses necessitated as a result of such loss of hearing: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAYMOND BAURKOT

The Clerk called the bill (H.R. 6767) for the relief of Raymond Baurkot.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the limitations contained in section 208 of Public Law 85-859 of the Eighty-fifth Congress (72 Stat. 1432) or any other provision of law, Raymond Baurkot, of Easton, Pennsylvania, may file a claim with the Secretary of the Treasury for a refund of taxes on a quantity of beer condemned and destroyed as a result of a flood on August 19, 1955, within six months of the effective date of this Act, and that claim shall be considered in accordance with the balance of the provisions of said section 208 and shall be paid if the claim is found to qualify under those provisions.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HATTIE AND JOSEPH PATRICK, SR.: THE LEGAL GUARDIAN OF BETTY ANN SMITH, THE LEGAL GUARDIAN OF STANLEY SMITH, AND THE LEGAL GUARDIAN OF JAMES E. HARRIS, JR.

The Clerk called the bill (H.R. 7035) for the relief of Hattie and Joseph Patrick, Sr., and for the legal guardian of Betty Ann Smith and the legal guardian of Stanley Smith, and for the legal guardian of James E. Harris, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Hattie and Joseph Patrick, Senior, of Fort Pierce, Florida, as the mother and father of Joseph Patrick, Junior, deceased, in full and final settlement of their claims against the United States, based on the death of the said Joseph Patrick, Junior, instantly killed in the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to the legal guardian of Betty Ann Smith, of Avon Park, Florida, in full and final settlement of the claim of the said Betty Ann Smith, against the United States, for compensation for the permanent injuries she sustained as the result of the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

SEC. 3. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to the legal guardian of Stanley Smith, of Avon Park, Florida, in full and final settlement of the claim of the said Stanley Smith, against the United States, for compensation for the permanent injuries he sustained as the result of the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

SEC. 4. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to the legal guardian of James E. Harris, Junior, of Brooklyn, New York, in full and final settlement of the said James E. Harris, Junior, against the United States, for compensation for the permanent injuries he sustained as the result of the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

SEC. 5. No part of the amounts appropriated in this Act shall be delivered to or received by any agent or attorney on account of services rendered in connection with the claims covered by this Act, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike all after the enacting clause and insert: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $7,500 to Hattie and Joseph Patrick, Senior, of Fort Pierce, Florida, as the mother and father of Joseph Patrick, Junior, deceased, in full and final settlement of their claims against the United States, based on the death of Joseph Patrick, Junior, instantly killed in the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

"SEC. 2. The Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, the sum of $3,129.77 to the legal guardian of Betty Ann Smith, of Avon Park, Florida, in full and final settlement of the claim of the said Betty Ann Smith, against the United States, as compensation for the permanent injuries she sustained as the result of the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

"SEC. 3. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,606.60 to the legal guardian of Stanley Smith, of Avon Park, Florida, in full and final settlement of the claim of the said Stanley Smith, against the United States, as compensation for the permanent injuries he sustained as the result of the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

"SEC. 4. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $543.50 to the legal guardian of James E. Harris, Junior, of Brooklyn, New York, in full and final settlement of the claim of the said James E. Harris, Junior, against the United States, as compensation for the medical expenses and pain and suffering he sustained as the result of the explosion of a United States Army nose fuse on November 9, 1946, in Avon Park, Florida. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code.

"SEC. 5. No part of the amounts appropriated in this Act shall be delivered to or received by any agent or attorney on account of services rendered in connection with the claims covered by this Act, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT FINLEY DELANEY

The Clerk called the bill (H.R. 12617) for the relief of Robert Finley Delaney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert Finley Delaney the sum of $3,000. Such sum shall be in full settlement of all claims against the United States of said Robert Finley Delaney for personal property lost in an accident involving the crash of an Italian Airlines plane on which he was traveling in a duty status for the State Department, from Paris to Rome, under travel authorization 1-23032, dated November 17, 1950, purchased by the State Department's travel section at the BOAC, Washington, District of Columbia: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING THE SUSPENSION OF DEPORTATION IN THE CASES OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 108) favoring the suspension of deportation in the cases of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(5) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254(c)):

A-4337830, Balian, Hetoum.
A-3796156, Cocchiara, Francesco.
A-5805886, Diachuk, Anton.
A-3217992, Donati, Dante Joseph.
A-5957256, Friesen, Jacob T.
A-10367234, Goethals, David.
A-6683188, Gustafson, Elmer Knute.
A-5398546, Hing, Lee.
A-3753202, Kirsch, Helen Ann Hudson.
A-4678924, Knaisky, Alex.
A-2916574, Krasinski, Felix Frank.
A-1843781, Kulesza, Stanley.
A-5062680, Lebel, Morris.
A-4084621, Leto, Gaetano.
A-3479810, Loeb, Harry.
A-2278968, Matusiak, Walter.
A-5958294, Morten, William Richard.
A-3399434, Padilla, Joe.
A-5164925, Parsin, Nicholas.
A-5761121, Reyes-Perez, Manuel.
A-6953945, Rosen, Reuben.
A-2833184, Ventrera, Rocco.
A-4535016, Vlahos, Anastasio.
A-6948450, Zarate, Lorenzo.
A-3785377, Vitagliano, Feleciano.
A-10949520, Cicchetti, Biaggio John.
A-6782673, Vielkind, Joseph Rudolph.
A-6401740, Willumeit, Otto Albert.
A-10087628, Cheung, Pat Kwock.
A-1853197, Ignotis, Leonas Louis.
A-5070555, Kulakowski, James.
A-5751283, Lara, Lupe Rincon.
A-4454891, Nestroy, Joseph.
A-3207150, Plevinsky, John J.
A-10845906, Woon, Huey Gim.
A-1291890, Andrade-Marrero, Francisco.
A-2950893, Bigras, Norman John Leonard.
A-8874149, Hurtado, Raymond.
A-5206377, Ketzenzis, Basilios Demos.
A-5175516, McKay, Julia Elizabeth.
A-3028956, Moy, Yee.
A-8190474, Nadzam, John Andrew.
A-2561599, De Hernandez, Angelina Diaz.
A-3183469, Pagnozzi, Joseph Pepe.
A-5652064, Bagliore, Frank.
A-5731475, Folkers, Herman Richard.
A-11166168, Guillen Porras, Marcos.
A-3173438, Herskovitz, Lajos.
A-1734315, Yeargle, Roy A.
A-5750516, Deutsch, Frank.
A-2079872, Glasser, Charles.
A-5480212, Hiracheta-Rodriguez, Anacelto.
A-10198028, Losa, Primitivo.
A-4682905, Russo, Guy Thomas.
A-10432443, Walter, George.
A-2323922, Phiskunoff, Peter.
A-2753700, Lopez, Manuel.
A-4963677, Andrews, Michael.
A-5938328, Hollander, Per Erik Gunnar.
A-5206147, Stern, Herman.
A-2610759, Alvanos, Blias.
A-10392830, Leppa, Michael.
A-1090977, Velasquez-Refugio, Francisco.
A-2539330, Mikkelsen, Hans Christian Gunnar.

With the following committee amendments:

On page 2, strike out line 16.
On page 2, strike out line 24.
On page 3, strike out line 5.
On page 3, strike out line 17.
On page 4, strike out line 9.

The committee amendments were agreed to.

The concurrent resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES H. PRESLEY

The Clerk called the bill (H.R. 2069) for the relief of James H. Presley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,633.34 to James H. Presley, of Jonesboro, Arkansas, in full settlement of all claims against the United States for additional retired military pay erroneously withheld by the United States Army because of incorrect interpretation of the dual compensation statute; the claim for which was denied by reason of the running of the applicable statute of limitation: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdeameanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIKE H. KOSTELAC

The Clerk called the bill (H.R. 6709) for the relief of Mike H. Kostelac.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $24,774.47 to Mike H. Kostelac, of Millstadt, Illinois, in full settlement of his claims against the United States based on losses he incurred in good faith, including expenses connected with legal action held by the Federal Court of Appeals to have been caused solely by erroneous and untrue representations of fact by responsible Government personnel in connection with his bidding on a contract for removing kitchen waste at Fort Lewis, Washington, in 1946: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike "$24,774.47" and insert "$4,165.00".

Page 1, lines 8 and 9, strike "including expenses connected with legal action held by the Federal Court of Appeals to have been".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARMELO SPAGNOLETTI

The Clerk called the bill (H.R. 10532) for the relief of Carmelo Spagnoletti.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

DR. HANS J. V. TIEDEMANN AND FAMILY

The Clerk called the bill (H.R. 11128) for the relief of Dr. Hans J. V. Tiedemann and family.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Attorney General and the Assistant Attorney General and Director, Office of Alien Property, Department of Justice, be and they hereby are authorized and directed to return to Doctor Hans J. V. Tiedemann all funds vested by Vesting Order Numbered 5296 (11 Federal Register 2202, February 15, 1946), the principal amount of such funds having been deposited in 1940 pursuant to the advice of the American Embassy in Japan by Doctor Hans J. V. Tiedemann on behalf of himself, his wife, Erica Tiedemann,

and his son, Peter Tiedemann, before he and his family were interned in prison camps by the Japanese Government, as proof that he and his family would not become public charges after they had emigrated from Japan to the United States to become permanent residents.

With the following committee amendment:

Page 1, line 7, strike out "5296" and insert "5926".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHAUNCEY A. AHALT

The Clerk called the bill (H.R. 11327) for the relief of Chauncey A. Ahalt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Chauncey A. Ahalt, Dayton, Ohio, is hereby relieved of all liability to repay to the United States a sum of $1,097.11, which was erroneously paid to him by the Department of the Air Force as salary between September 26, 1954, and January 23, 1959. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

With the following committee amendment:

Page 1, line 7, strike "1959" and insert "1960".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES DELBERT HODGES

The Clerk called the bill (H.R. 11354) for the relief of James Delbert Hodges.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 15 through 20, inclusive, of the Federal Employees Compensation Act are hereby waived in favor of James Delbert Hodges of Woodville, Alabama; and his claim for compensation and disability benefits arising out of injuries alleged to have been received by him as a result of contact with mustard gas in March 1943, while he was employed at the Huntsville Arsenal, shall be acted upon under the remaining provisions of such Act if he files such claim with the Bureau of Employees' Compensation, Department of Labor, within the six-month period which begins on the date of enactment of this Act.

With the following committee amendment:

On page 2, line 2, after "Act:" insert the following: "*Provided,* That no benefits shall accrue by reason of the enactment of this Act for any period prior to its enactment, except in the case of such medical or hospitalization expenditures as may be deemed reimbursable."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDOUARD E. PERRET

The Clerk called the bill (H.R. 11460) for the relief of Edouard E. Perret.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Edouard E. Perret, Dayton Ohio, is hereby relieved of all liability to repay to the United States a sum of $544.12 which was erroneously paid to him by the Department of the Air Force as a salary increase in 1958. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

With the following committee amendment:

Page 1, line 4, strike "$544.12" and insert "539.12".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERWIN P. MILSPAUGH

The Clerk called the bill (H.R. 12398) for the relief of Erwin P. Milspaugh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Postal Field Service Compensation Act of 1955, as amended, Erwin P. Milspaugh, a clerk in the postal transportation service, shall be placed, effective as of September 6, 1958, the date of his reinstatement as a postal transportation clerk from the status of disability retirement, in that step of the salary level of his position which is less than one full step above his previous highest basic salary as a postal transportation clerk immediately prior to such disability retirement, augmented by statutory pay increases applicable to his position.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. LUCIEN B. CLARK, MEDICAL SERVICE CORPS, U.S. ARMY

The Clerk called the bill (H.R. 12471) for the relief of Capt. Lucien B. Clark, O2051623, MSC, U.S. Army.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Lucien B. Clark, O2051623, United States Army, the sum of $162.72, in full payment for travel performed by Captain Clark and members of his family for travel between Fort Lewis, Washington, and Fort Mason, California, on November 30, and December 1, 1957: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this payment, any contract to the contrary notwithstanding. Any person violating any of the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, strike "Fort Lewis" and insert "Fort Lawton."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOR THE RELIEF OF CATALINA PROPERTIES, INC.

The Clerk called House Resolution 235.

There being no objection, the Clerk read the House resolution, as follows:

Resolved, That the bill (H.R. 6226) entitled "A bill for the relief of Catalina Properties, Incorporated", together with all accompanying papers, is hereby referred to the United States Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the House of Representatives, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable against the United States, and the amount of damages, if any, legally or equitably due from the United States to the claimant.

With the following committee amendment:

Page 1, strike out all after the word "Claims" on line 4 and insert the following: "pursuant to sections 1492 and 2509 of title 28, United States Code; and the court shall proceed expeditiously with the same and report to the House, at the earliest practicable date, such findings of fact, including facts relating to delay or laches, facts bearing upon the question whether the bar of any statute of limitation should be removed, or facts claimed excuse the claimant for not having resorted to any established legal remedy, and conclusions based on such facts as shall be sufficient to inform Congress whether the demand is a legal or equitable claim or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF PATENT ASSIGNED TO THE NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

The Clerk called the bill (S. 2744) to extend the term of design patent numbered 21,053, dated September 22, 1891, for a badge, granted to George

Brown Goode, and assigned to the National Society, Daughters of the American Revolution.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office, dated September 22, 1891, being patent numbered 21,053, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as the badge of the Daughters of the American Revolution.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERIC AND IDA MAE HJERPE

The Clerk called the bill (H.R. 2074) for the relief of Eric and Ida Mae Hjerpe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eric Hjerpe and Ida Mae Hjerpe, of Sunnyvale, California, the sum of $1,096.48. Such sum shall be in full settlement of all their claims against the United States for refund of income taxes erroneously paid for the calendar year 1952, such erroneous payment, and the failure to make timely application for the refund thereof, both being solely attributable to the serious physical disability of Eric Hjerpe: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. BUTLER HYDE

The Clerk called the bill (H.R. 6084) for the relief of J. Butler Hyde.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. Butler Hyde, Lowell, Massachusetts, United States mail carrier, the sum of $1,283.50. Such sum represents the aggregate amount of a judgment (consisting of $900 for personal injury and $383.50 for property damage) rendered against the said J. Butler Hyde in favor of Arthur W. Gendreau on account of an accident involving the said J. Butler Hyde and Arthur W. Gendreau on April 30, 1955, at the intersection of Westford and Chelmsford Streets, Lowell, Massachusetts. Such sum of $1,283.50 shall be paid to the said J. Butler Hyde only on condition that the said J. Butler Hyde shall use such sum, or such part thereof as may be necessary, to pay in full the amount of his indebtedness to the said Arthur W. Gendreau on account of such judgment: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 8, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY KALOIAN

The Clerk called the bill (H.R. 9417) for the relief of Harry Kaloian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry Kaloian, of Detroit, Michigan, the sum of $624.84. The payment of such sum shall be in full settlement of all the claims of Harry Kaloian against the United States arising out of damage to his automobile as a result of an accident which occurred while he was operating it on official business on February 21, 1956. This claim is not cognizable under the Federal Tort Claims Procedure: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike out "in excess of 10 per centum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATO BROS., INC.

The Clerk called the bill (H.R. 11756) for the relief of Cato Bros., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the defendants in the case of United States of America against Cato Brothers, Incorporated, and others, tried in the United States District Court for the Eastern District of Virginia, Richmond Division, are hereby relieved of all liability to the United States, arising out of any judgment with respect to such case, in excess of $20,000, the amount which was awarded to the United States against such defendants in such court's judgment dated July 24, 1959 (Civil Action Numbered 1841).

With the following committee amendment:

Strike out all after the enacting clause, and insert the following: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cato Brothers, Inc., and others, the sum of $40,000, as remission of that amount in excess of $20,000 arising out of a judgment recovered by the United States in the case of United States of America against Cato Brothers, Incorporated, and others, tried in the United States District Court for the Eastern District of Virginia, Richmond Division."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that further call of the bills on the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

CARMELO SPAGNOLETTI

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent to return to Calendar No. 639 and for the consideration of the bill (H.R. 10532) for the relief of Carmelo Spagnoletti.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, to Carmelo Spagnoletti of St. Clair Shores, Michigan, in full settlement of all claims against the United States. Such sum represents the amount of departure bond posted by Carmelo Spagnoletti for Domenico Spagnoletti on or about November 29, 1954, and to relieve said Carmelo Spagnoletti of all liability and responsibility to the United States based upon assuring against Domenico Spagnoletti becoming a public charge, and that the said bond is canceled as of the date of its execution: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection

with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments.

Page 1, line 10, change the semicolon to a colon and strike out all after "1954" on lines 10 and 11.

Page 2, lines 1 and 2, strike out lines 1 and 2.

Page 2, line 3, strike out the words "of its execution".

The committeee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1961

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 11998) making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. KYL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 164]

Alford	Coad	Mason
Anderson, Mont.	Coffin	Metcalf
	Davis, Ga.	Mitchell
Barry	Edmondson	Morris, Okla.
Bentley	Forrester	Powell
Blitch	Hagen	Steed
Brewster	Harmon	Taber
Buckley	Hébert	Vanik
Burdick	Johnson, Colo.	Vinson
Carnahan	Keogh	Withrow
Celler	Lindsay	Younger

The SPEAKER pro tempore. Three hundred and ninety-eight Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1961

The SPEAKER pro tempore. The Clerk will read the statement of the managers on the part of the House.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2040)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11998) making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 6, 7, 9, 11, 29, 32, 37, 38, 40, 41, 43, 46, 53, 59, and 60.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 8, 10, 12, 13, 14, 15, 16, 18, 19, 22, 23, 33, 34, 47, and 56, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$606,746,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,120,022,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided*, That not to exceed $92,219,000 of this amount shall be available for departmental administration"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,518,897,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided*, That not to exceed $107,085,000 of the funds provided in this appropriation shall be available for departmental administration"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided*, That not to exceed $7,955,000 of this amount shall be available for departmental administration"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided*, That not to exceed $91,379,000 of the funds appropriated in this Act for the Air Force shall be available for departmental administration"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$162,001,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$18,975,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,495,352,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,316,360,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,251,449,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"AIRLIFT MODERNIZATION

"For development, construction, procurement, production, and modification of transport aircraft, including spare parts and accessories therefor; and procurement and installation of equipment, appliances, and machine tools in public or private plants; $310,788,000, to remain available until expended: Provided, That no part of the funds provided in this paragraph shall be available for the procurement of aircraft for assignment to scheduled passenger service."

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,615,120,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,218,624,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,552,863,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$275"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$950,000"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"SEC. 533. Not to exceed $677,854,000 of the funds made available in this Act shall be

available for travel expenses in connection with temporary duty and permanent change of station of civilian and military personnel of the Department of Defense."

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: "In line one of the matter proposed by said amendment strike out "533" and insert "534", and in line 5 of the said amendment strike out "99,362" and insert "99,046"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment insert "536"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 17, 26, 28, 51, 52 and 58.

GEORGE MAHON,
HARRY R. SHEPPARD,
CLARENCE CANNON,
GERALD R. FORD, Jr.,
(Except as to amendment No. 17.)
Managers on the Part of the House.

JOHN TABER,
DENNIS CHAVEZ,
RICHARD B. RUSSELL,
LISTER HILL,
JOHN L. MCCLELLAN,
ALLEN J. ELLENDER,
A. WILLIS ROBERTSON,
JOHN C. STENNIS,
LYNDON B. JOHNSON,
LEVERETT SALTONSTALL,
STYLES BRIDGES,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
HARRY F. BYRD,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11998) making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF DEFENSE

Title I—Military personnel

Amendment No. 1—Military personnel, Army: Appropriates $3,247,548,000 as proposed by the Senate instead of $3,244,448,000 as proposed by the House. This amendment, as well as amendments numbered 3, 5, 8, 10, 13, 14, 15, 16, 19, 20, 24, 26, 31, 33, 47, and 49, reflect agreement with the general reduction in travel funds proposed by the Senate. In addition, amendment No. 55 restores the general provision proposed by the House, establishing an overall limitation on travel.

Amendment No. 2—Military personnel, Army: Restores language deleted by the Senate regarding departmental administration. See also amendments numbered 4, 6, 9, 21, 25, 27, and 30. It is the intent of the committee of conference that amounts as reduced by the House, plus 75 percent of the restorations proposed by the Senate, shall be available for departmental administration as defined in House Report No. 1561 (86th Cong.). It is agreed that the reductions in force imposed by these limitations shall be accomplished by December 31, 1960, and shall be computed from the numbers of employees on the payrolls as of December 31, 1959.

Amendment No. 3—Military personnel, Navy: Appropriates $2,508,244,000 as proposed by the Senate instead of $2,507,055,000 as proposed by the House.

Amendment No. 4—Military personnel, Navy: Restores language deleted by the Senate.

Amendment No. 5—Military personnel, Marine Corps: Appropriates $606,746,000 instead of $604,577,000 as proposed by the House and $639,646,000 as proposed by the Senate.

Amendment No. 6—Military personnel, Marine Corps: Restores language deleted by the Senate.

Amendment No. 7—Military personnel, Marine Corps: Deletes language proposed by the Senate.

Amendment No. 8—Military personnel, Air Force: Appropriates $4,019,676,000 as proposed by the Senate instead of $4,013,460,000 as proposed by the House.

Amendment No. 9—Military personnel, Air Force: Restores language deleted by the Senate.

Amendment No. 10—Reserve personnel, Army: Appropriates $233,998,000 as proposed by the Senate instead of $233,115,000 as proposed by the House.

Amendment No. 11—Reserve personnel, Army: Deletes language proposed by the Senate. It is the intent of the committee of conference that the Army Reserve shall be maintained at an average strength of 300,000 during fiscal year 1961, and that the $35,000,000 of additional funds provided by this appropriation item shall not be available for any other purpose. In deleting the strength floor proposed by the Senate, the committee of conference is relying on the assurance of the executive branch that the strength of the Army Reserve will be maintained at an average strength of 300,000 during the fiscal year 1961.

Amendment No. 12—Reserve personnel, Army: Inserts language proposed by the Senate.

Amendment No. 13—Reserve personnel, Navy: Appropriates $87,584,000 as proposed by the Senate instead of $87,168,000 as proposed by the House.

Amendment No. 14—Reserve personnel, Marine Corps: Appropriates $24,831,000 as proposed by the Senate instead of $24,661,000 as proposed by the House.

Amendment No. 15—Reserve personnel, Air Force: Appropriates $54,000,000 as proposed by the Senate instead of $53,764,000 as proposed by the House.

Amendment No. 16—National Guard personnel, Army: Appropriates $230,277,000 as proposed by the Senate instead of $229,903,000 as proposed by the House.

Amendment No. 17—National Guard personnel, Army: Reported in disagreement.

Amendment No. 18—National Guard personnel, Army: Inserts language proposed by the Senate.

Amendment No. 19—National Guard personnel, Air Force: Appropriates $46,000,000 as proposed by the Senate instead of $45,609,000 as proposed by the House.

Title II—Operation and maintenance

Amendment No. 20—Operation and maintenance, Army: Appropriates $3,120,022,000 instead of $3,116,555,000 as proposed by the House and $3,132,283,000 as proposed by the Senate. This amendment and amendments numbered 24 and 28 are affected by general reductions in communications, administrative use of aircraft, rated officers (proficiency flying), motor vehicle hire, maintenance of Wherry-Capehart housing, and dependents' education. The committee of conference is in agreement that reductions in communications expenses totaling $24,300,000 are not to affect the construction of, or installation of equipment for, the Sage, Dewline, and BMEWS systems. Reductions as indicated in Senate Report No. 1550 are agreed to with respect to rated officers (proficiency flying), motor vehicle hire, and maintenance of family housing. Reductions associated with dependents' education are governed by action on amendment No. 50.

Amendment No. 21—Operation and maintenance, Army: Restores language proposed by the House but provides a limitation of $92,219,000 instead of $89,084,000 as proposed by the House.

Amendments Nos. 22 and 23—Operation and maintenance, Army: Insert language as proposed by the Senate.

Amendment No. 24—Operation and maintenance, Navy: Appropriates $2,518,897,000 instead of $2,499,388,000 as proposed by the House and $2,525,354,000 as proposed by the Senate.

Amendment No. 25—Operation and maintenance, Navy: Restores language proposed by the House but provides a limitation of $107,085,000 instead of $102,690,000 as proposed by the House.

Amendment No. 26—Operation and maintenance, Marine Corps: Reported in disagreement. It is the intention of the managers on the part of the House to offer a motion to recede and concur with an amendment appropriating the sum of $174,686,000 instead of $174,726,000 as proposed by the House and $180,296,000 as proposed by the Senate.

Amendment No. 27—Operation and maintenance, Marine Corps: Restores language proposed by the House but provides a limitation of $7,955,000 instead of $7,625,000 as proposed by the House.

Amendment No. 28—Operation and maintenance, Air Force: Reported in disagreement. It is the intention of the managers on the part of the House to offer a motion to recede and concur with an amendment appropriating $4,243,398,000 instead of $4,172,404,000 as proposed by the House and $4,240,732,000 as proposed by the Senate.

Amendment No. 29—Operation and maintenance, Air Force: Deletes language proposed by the Senate.

Amendment No. 30—Operation and maintenance, Air Force: Restores language proposed by the House but provides a limitation of $91,379,000 instead of $85,214,000 as proposed by the House.

Amendment No. 31—Operation and maintenance, Army National Guard: Appropriates $162,001,000 instead of $156,827,000 as proposed by the House and $164,501,000 as proposed by the Senate.

Amendment No. 32—Operation and maintenance, Army National Guard: Deletes language proposed by the Senate.

Amendment No. 33—Operation and maintenance, Air National Guard: Appropriates $187,291,000 as proposed by the Senate instead of $175,892,000 as proposed by the House.

Amendment No. 34—National Board for the Promotion of Rifle Practice, Army: Appropriates $501,000 as proposed by the Senate instead of $300,000 as proposed by the House. It is the understanding of the committee of conference that nothing in the lease, of facilities from the State of Ohio, shall be construed as creating an obligation on the part of the lessor to construct additional buildings, build additional roads, lay additional water mains or pipes; provide additional sewers, utility lines, or facilities other than those now in existence. Further, the appropriation of $501,000 for fiscal year 1961 is not to be construed as a commitment for the entire rehabilitation program at Camp Perry, Ohio.

Amendment No. 35—Salaries and expenses, Secretary of Defense: Appropriates $18,975,000 instead of $18,000,000 as proposed by the House and $19,300,000 as proposed by the Senate.

Title III—Procurement

Amendment No. 36—Procurement of equipment and missiles, Army: Appropriates $1,495,352,000 instead of $1,374,102,000 as proposed by the House and $1,589,202,000 as proposed by the Senate. The conferees are

in agreement that the funds derived from so-called shelf sales to the Military Assistance Program of items now in the inventory of the Army which will not require replacement in kind shall be made available for the Army modernization program. The conferees have approved a reduction of 3 percent in each procurement appropriation as proposed by the House.

Amendment No. 37—Procurement of equipment and missiles, Army: Deletes language proposed by the Senate.

Amendment No. 38—Procurement of aircraft and missiles, Navy: Appropriates $2,141,760,000 as proposed by the House instead of $2,208,000,000 as proposed by the Senate.

Amendment No. 39—Shipbuilding and conversion, Navy: Appropriates $2,316,360,000 instead of $2,080,650,000 as proposed by the House and $2,331,000,000 as proposed by the Senate. The conferees have approved the construction of the conventionally powered aircraft carrier as proposed by the Senate, the nuclear powered attack submarine as proposed by the House and eliminated the two destroyer escorts as proposed by the Senate.

Amendment No. 40—Other procurement, Navy: Appropriates $420,980,000 as proposed by the House instead of $434,000,000 as proposed by the Senate.

Amendment No. 41—Procurement, Marine Corps: Appropriates $91,180,000 as proposed by the House instead of $94,000,000 as proposed by the Senate.

Amendment No. 42—Aircraft procurement, Air Force: Appropriates $3,251,449,000 instead of $3,225,056,000 as proposed by the House and $3,607,409,000 as proposed by the Senate. The conferees have approved $265,000,000 for the B–70 aircraft instead of $360,000,000 as proposed by Senate, and $100,000,000 for additional fighter aircraft instead of $215,000,000 as proposed by the House for the F–106. The conferees are in agreement that if developments in air defense demonstrate that the additional funds made available for the fighter aircraft are not required they shall be available only for the B–70 aircraft program. The conferees have approved $130,000,000 for the airborne alert instead of $160,000,000 as proposed by the House and $60,000,000 as proposed by the Senate. Funds proposed by the Senate in the amount of $10,000,000 for the F–27 aircraft are not approved.

Amendment No. 43—Aircraft procurement, Air Force: Deletes language proposal by the Senate.

Amendment No. 44—Airlift modernization: Restores House language proposed to be deleted by the Senate and appropriates $310,788,000 instead of $359,288,000 as proposed by the House. House proviso prohibiting assignment of aircraft purchased under this authority to passenger service is modified to read "scheduled passenger service." It is the intent of the committee of conference that the funds made available for modern long-range cargo aircraft be applied to the procurement of a readily available turboprop or turbofan aircraft for assignment in support of wartime missions of the Strategic Air Command and/or the Strategic Army Corps, and training related thereto.

To further advise and inform the Congress, the Department is directed to report to the Committees on Appropriations of the Senate and the House of Representatives the initial programing of funds under this paragraph as well as the customary reporting of reprograming actions subsequently taken.

Amendment No. 45—Missile procurement, Air Force: Appropriates $2,615,120,000 instead of $2,378,440,000 as proposed by the House and $2,821,000,000 as proposed by the Senate. The conferees have approved $244,000,000 for the Bomarc air defense missile instead of $369,000,000 as proposed by the Senate.

Amendment No. 46—Other procurement, Air Force: Appropriates $877,171,000 as proposed by the House instead of $904,300,000 as proposed by the Senate.

Title IV—Research, development, test, and evaluation

Amendment No. 47—Research, development, test, and evaluation, Army: Appropriates $1,041,286,000 as proposed by the Senate instead of $1,041,190,000 as proposed by the House.

Amendment No. 48—Research, development, test, and evaluation, Navy: Appropriates $1,218,624,000 instead of $1,268,530,000 as proposed by the House and $1,210,510,000 as proposed by the Senate. The amount agreed on includes $50,000,000 above the budget request for antisubmarine warfare and reflects a reduction of $376,000 in travel.

Amendment No. 49—Research, development, test, and evaluation, Air Force: Appropriates $1,552,863,000 instead of $1,542,668,000 as proposed by the House and $1,553,228,000 as proposed by the Senate. The committee of conference is in agreement that funds for departmental administration provided by the Senate shall be reduced by $365,000. The $50,000,000 recommended by the Senate for the acceleration of the Samos reconnaissance satellite program shall also be available for the acceleration of the Discoverer and Midas satellite programs and for the Minuteman mobility program.

Title V—General provisions

Amendment No. 50—Section 505: Provides limitation of $275 instead of $270 as proposed by the House and $280 as proposed by the Senate.

Amendment No. 51—Section 511: Reported in disagreement. It is the intention of the managers on the part of the House to offer a motion to recede and concur in the language of the Senate amendment which provides that current operation and maintenance appropriations may be reimbursed from sales proceeds for the costs of production of lumber or timber products.

Amendment No. 52—Section 523: Reported in disagreement.

Amendment No. 53—Section 530: Restores language proposed by the House and deletes language proposed by the Senate.

Amendment No. 54—Section 530: Provides limitation of $950,000 instead of $900,000 as proposed by the House and $2,650,000 as proposed by the Senate.

Amendment No. 55—Section 533: Restores language proposed to be deleted by the Senate, and changes the limitation therein from $660,000,000 to $677,854,000.

Amendment No. 56—Section 534: Deletes language proposed by the House.

Amendment No. 57—Section 533: Inserts language proposed by the Senate, changes the figure therein from 99,362 to 99,046, and changes section number to 534.

Amendment No. 58: Reported in disagreement.

Amendment No. 59—Section 535: Deletes language proposed by the Senate.

Amendment No. 60—Section 536: Deletes language proposed by the Senate.

Amendment No. 61: Changes section number.

GEORGE MAHON,
HARRY R. SHEPPARD,
CLARENCE CANNON,
GERALD R. FORD, Jr.,
(Except as to amendment No. 17.)
JOHN TABER,
Managers on the Part of the House.

Mr. MAHON. Mr. Speaker, this is the conference report on the defense appropriation bill.

It could be argued that the Communist threat is actually no greater nor more dangerous today than it was on January 18, when the President submitted his $39,335 million defense budget. Of course, in a sense the development of modern weaponry makes the world an increasingly more dangerous place month by month. Admittedly, since January the atmosphere has changed but in my judgment the objectives of the Communists have not been altered. The menace of communism was no less real when the Soviet spokesmen used honeyed phrases a few months ago than now when they use vituperation and invective.

We all know that for several years we have been living in a period of difficulty and danger. We cannot now foresee an end to or a major change in this situation. Of course, there is a greater concern today by the people generally about our world position militarily and otherwise than existed last January when the defense budget was submitted.

It would be difficult to establish that the precise degree of our military strength was in any way responsible for the failure of the summit conference in Paris or the loss of prestige which has resulted from the withdrawal of the invitation to the President to visit Japan. Had we been twice as strong militarily, these situations would probably still have arisen in Paris and Japan. To a very great extent, the causes of the trouble were other than military.

At times such as the present, when the latent danger to our security is dramatized, we naturally tend to look carefully at our military capabilities and seek to make sure we are doing enough in the area of defense.

Assuredly it is the business of Congress to keep a careful and constant watch at all times, lest we relax our efforts or let down our guard.

The defense budget as submitted by the President was a minimum defense budget. The defense appropriations bill, which passed the House on May 5, was an improvement but was still a minimal bill for the defense of the country. There were several areas where additional funds not included in the bill were seriously considered for inclusion in the House measure. In one major instance a considerable addition to the House bill in committee was defeated by a single vote.

By and large, the Members of the House Committee on Appropriations took the position that the defense bill, while not extravagant or overly fulsome, was reasonably adequate to maintain a military program designed to deter war and, failing in this, to destroy any opponent who might dare attack the United States. That was my position.

The total dollars provided in the original House bill were approximately the same as the budget figure. But, within the framework of the total dollars, the House made significant and important changes from the budget which have contributed tremendously to the strength and timeliness of the final version of the defense measure. Reference is made to

page 5 of the House report and to the CONGRESSIONAL RECORD of May 3.

Members of the House can take pride in the original House bill and in the present version of the defense bill. Most of the program changes hereafter outlined in this statement originated in the House.

When the bill went to the other body a number of changes were made. It added the sum of $1,177,130,000 above the House figure, and made some modifications which were incorporated in whole or in part in the final version of the bill which is being presented to the House today in the conference report.

The other body approached the problem of modifying the House bill with considerable restraint. It did not go overboard in a reckless effort to drastically increase defense spending. It approached its task in the same serious way in which the House approached its responsibility. I believe Congress has done a reasonably good and workmanlike job for defense.

We, of course, took the President's budget and the programs submitted to us by Defense officials as the basis for our consideration. At the moment I shall not undertake to detail the contents of the President's defense budget. It would be more desirable in view of time limitations simply to give the highlights of the changes and improvements which were made by Congress in the program which was submitted to Congress by the executive branch.

We have made some very significant and important changes in the defense program, and I would like to make reference to some of them in connection with the presentation of this conference report.

I shall list at this point some of the changes made in the program as submitted by the Department of Defense. I shall not undertake to list the changes in the order of their importance. Some of the figures which I am about to give will need to be readjusted somewhat because after the bill had been agreed upon an overall 3-percent economy reduction was made in all procurement funds. Reasons for these reductions are carried in the original House report which was submitted to the House under date of April 29. Revelations of wasteful contracting and mismanagement were largely responsible for the 3-percent cut in procurement money. We were using the best means available to us to compel greater care in the expenditure of defense dollars.

ARMY

First. We increased the President's program for Army modernization in the sum of $162,102,000. In addition to this, the conferees have directed that $120 million in anticipated reimbursements from off-the-shelf sales be used for Army modernization.

Second. We rejected the budget request for a reduced program for the Army National Guard and the Army Reserve and provided for strengths of 400,000 and 300,000 respectively, rather than the 360,000 and 270,000 as recommended in the budget.

We took very significant actions with respect to airlift for the Army, but these funds were actually provided to the Air Force for procurement and will be referred to later.

Third. We provided additional funds in the amount of $5 million for Army National Guard technicians.

NAVY

Fourth. The final version of the bill provides $293 million for a conventionally powered aircraft carrier as recommended in the budget. The request had been made last year for such a carrier, but instead Congress provided $35 million for long lead-time items for a nuclear-powered carrier. These funds were withheld from expenditure. Provision for the aircraft carrier in the pending measure was not a unanimous action on the part of the conference committee.

Fifth. The bill increases the fleet ballistic missile program—the Polaris submarine program—by $241 million above the budget, to provide for five fully funded and seven partially funded submarines instead of three fully funded and nine partially funded as requested by the Department of Defense in an unofficial budget revision.

Sixth. The bill provides for a total of four nuclear attack submarines. This is one such submarine in addition to those provided in the budget submitted in January and three more than were included in the amended program which was submitted by the Secretary of Defense to Congress in April.

Seventh. The bill provides $50 million above the budget for antisubmarine warfare activity in the area of research and development. In view of the submarine menace, this is extremely significant.

AIR FORCE

Eighth. The President's budget provided $75 million for the construction of two prototype B–70 aircraft. These funds were not adequate to provide for the development of a complete weapons system program. The pending bill provides for $190 million above the budget for the B–70 program, making a total of $265 million available.

Ninth. One hundred million dollars was added above the budget for the procurement of fighter aircraft. If these aircraft are not procured, then the funds become available for the further funding of the B–70 program.

Tenth. Two hundred million dollars above the budget is provided for airlift modernization. Our airlift capability for limited war and for general war is regarded by the Congress as inadequate. The additional funds are designed to make it possible for substantial segments of our fighting forces and their equipment to be transported promptly to danger areas.

Eleventh. Final action with respect to the Bomarc air defense missile is as follows: The revised request of the Secretary of Defense was for a nine-squadron Bomarc B program. The House had eliminated $294 million programed for Bomarc B, as modified by the Department in April. The other body added $369 million for the Bomarc program above the House amount. The final version of the bill restores $244 million above the House, or a reduction of $50 million in the revised request made by the Secretary of Defense for the Bomarc system in April. This is $125 million less than the figure in the bill as passed by the other body.

The House conferees reluctantly agreed to the continuation of the Bomarc B program. The program had been practically eliminated by the House action. The Department of Defense felt so strongly about the matter, following a further review of the program, that a determined appeal was made to the other body and funds for the Bomarc B program were included in its version of the bill. It is impossible to establish conclusively that the Bomarc B will work. The House had felt that the procurement of additional fighter aircraft would represent a safer and better action to take; but by reason of the insistence of the executive branch and the action of the other body, a compromise of the Bomarc B program was agreed upon. It is to be hoped that this program will be successful. If it does not succeed, or should be abandoned after additional tests of the missile, the $100 million heretofore referred to will be available for the procurement of fighter aircraft as a partial substitute for the Bomarc B program. Among other arguments submitted in the consideration of the Bomarc problem was the fact that recent tests which have been made of the Bomarc B since House action have been much more encouraging than earlier tests, most of which had resulted in failure.

Twelfth. The budget figure of $85 million for the preparation necessary to achieve a limited airborne alert for B–52 aircraft was doubled, and the bill contains $85 million above the budget for airborne alert. This is in addition to the language which was initiated in the House bill last year and enacted into law, and reenacted in the bill this year. This language gives the President the authority to incur a deficit, if necessary, to provide airborne alert capability.

The purpose of the language and the purpose of the additional funds provided for airborne alert capability is to give us greater security against surprise attack. This is especially important during the period when adequate warning is not available.

Thirteenth. The bill contains $145,700,000 above the budget for Air Force space programs, including the reconnaissance satellite, Samos, the early warning satellite, Midas, and the exploratory satellite program known as Discoverer. These funds would also be available in part for application to the program for the acceleration of mobility capability for the Minuteman solid propellant intercontinental ballistic missile.

As stated earlier, all procurement programs were subjected to a 3-percent dollar cut, and this cut would have to be applied to the procurement funds referred to above.

The original budget request as heretofore stated was $39,335 million. The final version of the bill provides for $39,996,608,000. This is an increase above the January budget in the sum of $661,608,000. This is $658,741,000 above the House bill and $518,389,000 below the bill as passed by the other body.

Mr. Speaker, prior to the adjournment of the Congress, I shall insert in the RECORD a more extensive statement in regard to the conference report and in regard to the actions of the Congress on Defense appropriations for both the 1st and 2d sessions of the 86th Congress. At the moment, I shall insert only a table of comparisons by title of the bill and by military service.

Congressional action on fiscal year 1961 Defense appropriation bill

[Amounts in thousands]

	Appropriations, 1960	Budget estimates, 1961	Recommended in House bill, 1961	House bill compared with estimates, 1961	Recommended in Senate bill, 1961	Increase (+) or decrease (−), Senate bill compared with—		Conference bill	Increase (+) or decrease (−), conference bill compared with—			
						Estimates, 1961	House bill, 1961		Appropriations, 1960	Estimates, 1961	House bill, 1961	Senate bill, 1961
Title I, military personnel	$11,644,324	$11,813,000	$11,818,760	+$5,760	$11,866,804	+$53,804	+$48,044	$11,833,904	+$189,580	+$20,904	+$15,144	−$32,900
Title II, operation and maintenance	10,437,367	10,527,300	10,353,092	−174,208	10,489,258	−38,042	+136,166	10,464,771	+27,404	−62,529	+111,679	−24,487
Title III, procurement	13,336,013	13,085,000	12,948,627	−136,373	13,988,911	+903,911	+1,040,284	13,520,160	+184,147	+435,160	+571,533	−468,751
Title IV, research, development, test, and evaluation	3,816,535	3,909,700	4,217,388	+307,688	4,170,024	+260,324	−47,364	4,177,773	+361,238	+268,073	−39,615	+7,749
Total, titles I, II, III, and IV	39,234,239	39,335,000	39,337,867	+2,867	40,514,997	+1,179,997	+1,177,130	39,996,608	+762,369	+661,608	+658,741	−518,389
Distribution of appropriations by organizational components:												
Army	9,375,805	9,315,000	9,403,440	+88,440	9,646,596	+331,596	+243,156	9,537,985	+162,180	+222,985	+134,545	−108,611
Navy	11,006,503	11,816,000	11,900,675	+84,675	12,243,465	+427,465	+342,790	12,109,892	+1,103,389	+293,892	+209,217	−133,573
Air Force	17,478,706	16,997,000	16,843,752	−153,248	17,433,636	+436,636	+589,884	17,157,756	−320,950	+160,756	+314,004	−275,880
Office of the Secretary of Defense	1,373,225	1,207,000	1,190,000	−17,000	1,191,300	−15,700	+1,300	1,190,975	−182,250	−16,025	+475	−325
Total, Department of Defense	39,234,239	39,335,000	39,337,867	+2,867	40,514,997	+1,179,997	+1,177,130	39,996,608	+762,369	+661,608	+658,741	−518,389

Mr. WOLF. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. WOLF. Can the gentleman tell me what the funds are for the Nike-Zeus program?

Mr. MAHON. The bill as it passed the House and as passed by the Senate contained the original budget request for the Nike-Zeus program of $287 million. The 3-percent economy cut in procurement will affect that to some degree but a very limited degree. There was no disposition either to reduce or to increase the funds for the Nike-Zeus program; the Nike-Zeus program, of course, is the program to develop a weapons system to combat the intercontinental ballistic missile.

Mr. WOLF. I noted in your mimeographed statement some comment on the Bomarc program. The gentleman knows that I have not been enthusiastic about this program, and I wonder if you might want to develop that a little bit on the floor.

Mr. MAHON. Insofar as I know, no one in the House is very enthusiastic about the Bomarc program. The program has been very expensive. It has not been on schedule. It is a program designed to enable us to combat an attack made upon us by manned aircraft. It is of no value in the event of an ICBM attack on this country. This weapons system is becoming increasingly less important as we proceed toward the missile age. So we drastically reduced the funds for the Bomarc in the House. We cut $294 million from the Bomarc program. After we cut out these funds the Department of Defense had a series of meetings. The whole program of the Bomarc was reconsidered by the Joint Chiefs of Staff, and the Secretary of Defense, in view of the advice and the determination of the Joint Chiefs of Staff, went to the other body and insisted that that body restore the money which had been deleted for the Bomarc program. The other body did restore the House cut and provided an additional $75 million not requested by the Defense Department. When we went to conference with the other body we had to arrive at a resolution of this situation. The House was able to reduce the funds voted by the other body for the Bomarc by a total of $125 million. That was the compromise arrangement that was made.

The conferees also included in the bill an appropriation of $100 million for the procurement of fighter aircraft in the event this should become desirable. Another reason why the House was compelled to yield somewhat on the Bomarc was that since the House passed the bill the Bomarc missile has been further tested. Seven of the first eight tests of the Bomarc B missile resulted in failure. Two recent tests, however, have been successful, and that was another reason that brought about the compromise which I have explained.

Mr. ANDERSEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I believe the conference committee has done a splendid job on the Defense appropriations bill and I personally commend our distinguished colleagues for their work under the able leadership of the gentleman from Texas [Mr. MAHON].

I am especially pleased with their action restoring the funds for an additional aircraft carrier. In the first place, we urgently need the mobile bases which only aircraft carriers can provide. As we enter the missile age we are compelled to look beyond the fixed-base concept which has guided our defense effort in recent years, and I believe the carrier provides the answer.

Although you may take with a grain of salt the boastful claims of the Kremlin, we can ill afford to deny that they do have the capacity and the ability to zero their missiles in on many of our bases on their periphery. But they cannot zero in a missile on an aircraft carrier. First, they have to locate it and in their process of doing that they will have to conduct overflights across other nations and I am sure the Navy and incidentally the rest of the world, will know what they are doing; second, the sophisticated guidance system of current missiles is such that the time lapse between locating a carrier and aiming a missile at it will be such that the carrier will be someplace else when the missile is ready for launching.

The mission of a modern carrier is so broad that I believe the funds provided in this bill to build an additional carrier might very well be the best investment in peace we make this year. In addition, consideration must be given to the fact that many of our carriers are relatively old and as relatively obsolete. If for no other reason, we need the new carrier as a replacement for an old carrier due for retirement. In this era of leapfrog technological development it is not enough to merely maintain what we have in being, and we must be prepared as we are in this bill to expend the funds for new construction of the vital defense instruments needed to insure world peace.

Mr. MAHON. Mr. Speaker, with respect to the carrier, I might say that the Congress deferred for 2 or 3 years funds for an additional carrier. Last

year we apprporiated $35 million for long lead time items for a nuclear-powered carrier. These funds were not used for a carrier. This year the Department of Defense again requested a conventionally powered carrier. The carrier is provided in the conference report. This decision was not a unanimous decision of the conferees.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. ARENDS. Mr. Speaker, I would like to say to the gentleman from Texas that the gentleman from Michigan and I heartily approve the action taken under very difficult conditions, particularly with relation to the matter of the carrier. I am pleased we have that incorporated in the appropriation bill. I think in the long run it will be one of the best things we have done in the matter of national defense.

Mr. MAHON. I thank the gentleman.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. BROOKS of Louisiana. Mr. Speaker, I want to join the gentleman who just spoke in complimenting the conferees on doing an excellent job in working out some very difficult problems. I should like the chairman to say a few words with reference to the B–70 program. I note in your report you have made an addition of funds. I want to express the hope that this increase in funds will permit the Air Force to proceed with the B–70 program at reasonably high speed.

Mr. MAHON. The development portion of the B–70 program was rather well funded in the Defense appropriation bill of last year. Those funds were not utilized. They were withheld from expenditure and obligation and no request was made this year for funding of a complete development program for the B–70 weapons system. Seventy-five million dollars was requested for two prototypes of the B–70. In the final agreement in the conference we provided $190 million above the budget, which is not all the money that the Air Force Chief of Staff, General White, has stated might be most desirable. But we provided these additional funds to enable the Air Force to go forward with this proposed 2,000-mile-per-hour bomber as a fighting weapon.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from North Carolina.

Mr. BONNER. Mr. Speaker, the gentleman will recall that in early April, on behalf of the Committee on Merchant Marine and Fisheries, I appeared, with other members of the Committee on Merchant Marine and Fisheries, before the gentleman's committee with respect to rumors at that time that the Department of Defense contemplated a discontinuance of utilization of commercial U.S.-flag passenger ships in the transportation of armed services personnel. The gentleman's committee paid a great deal of attention to what we were saying and in their report they said this:

> The maintenance of a strong merchant marine is an established national policy, and, in fact, major movements of military troops and hardware cannot be accomplished now or in the foreseeable future without basic reliance on sealift capacity. The committee urges that the Secretary of Defense give serious consideration to the problem and that he assure that U.S.-flag carriers are utilized to the fullest practicable extent.

Since the committee wrote that report, the Department of Defense has issued a directive that they will completely cease using our commercial passenger ships to transport military personnel and dependents effective September 1, 1960.

Now may I ask the gentleman, Is this decision in keeping with the Appropriation Committee's report and with the desire of the Congress that this field of American merchant shipping, a large segment of which is subsidized, that is, private industry subsidized by the Congress for national defense purposes, be wholly discontinued for utilization by the armed services?

Mr. MAHON. The action to which the gentleman from North Carolina has made reference is certainly not in keeping with the language in the report nor with the views of a majority of the members of the Appropriation Committee who deal in this field. This matter will have the further attention of the Subcommittee on Defense Appropriations.

Mr. BONNER. I want to advise the gentleman that since this directive was issued the Committee on Merchant Marine and Fisheries has held hearings and had the Assistant Secretary of Defense—Logistics—and others from the Department of Defense there. They still say that the American Merchant Marine is necessary, is essential, to the transportation of the armed services, yet they give all their transportation of personnel and dependents not entirely to the scheduled airlines but to nonscheduled lines. An instance arose where the scheduled and nonscheduled commercial air carriers withdrew from an area during the Egyptian-Israeli conflict. The Secretary of Defense and the Maritime Administration had to divert an American Export Lines passenger vessel in there to move out American citizens. The air carriers had no choice, for the airport was under bombardment. The only escape was by sea.

Where the Department of Defense allocates all the oversea transportation funds in this bill, which they do, to air transportation, the American passenger shipping industry is going to suffer and as in past wars we will be heavily dependent on foreign-flag ships for service to our armed services and their dependents, and we will just simply be caught with our pants down.

Mr. Speaker, in early April, on behalf of the Committee on Merchant Marine and Fisheries, I appeared before the House Armed Services Appropriation Subcommittee to inform them of the Department of Defense attitude concerning our merchant fleet.

I found great sympathy and understanding on the part of the members of this subcommittee and concern was expressed about the possibility of destroying our balanced forces concept if the Defense Department policies continued. I pointed out that we subsidize our merchant fleet primarily because of its value to national defense and that if the Department of Defense fails to permit our passenger ships to participate in Department of Defense traffic this destroys our subsidy concept and costs the Government more rather than less.

Based on the understanding of this problem by the House Armed Services Appropriations Committee, the committee report contained the following language:

> The maintenance of a strong merchant marine is an established national policy, and, in fact, major movements of military troops and hardware cannot be accomplished now or in the foreseeable future without basic reliance on sealift capacity. The committee urges that the Secretary of Defense give serious consideration to the problem and that he assure that U.S.-flag carriers are utilized to the fullest practicable extent.

We have had hearings before the Merchant Marine Committee for 2 days during which we learned from the Department of Defense that they will completely cease using our commercial passenger ships to transport military personnel and dependents effective September 1, 1960.

Is this decision in keeping with the wishes of the Appropriations Committee report?

This decision is in defiance of our merchant marine policy and this Department of Defense decision completely ignores the lessons we learned in World War I, World War II, and Korea when we learned the value of having a merchant fleet in readiness to serve during emergencies. Through our subsidy policy, we have several passenger ships which meet or exceed the 25-knot speed requirements of our military. Not a single Military Sea Transportation Service ship approaches this speed. Some of these ships must be replaced and the companies have contracts with the Federal Maritime Board for their replacement. Unless the Department of Defense continues to use these ships it may become economically unfeasible for this replacement as Department of Defense passenger revenues amount to about 10 percent of the total revenue of these companies.

When we tried to get answers to these and other problems at our hearings we were given double talk and assured that Department of Defense policy recognizes the importance of our merchant marine, yet their practices are contrary to their policy expressions.

Unless action is taken immediately to change this Department of Defense policy directive, severe harm will be done to our passenger merchant fleet. This privately owned industry is part of our economic and military strength and is fully justified in planning on Government agencies as customers as do other industries less vital to our national defense.

Mr. MAHON, I wanted to briefly call these facts to your attention as it seems to me that your directive in your report is being flagrantly ignored.

You, and the Congress, may rest assured that I will continue to support a strong and adequate merchant marine to serve our economy and our defense.

Mr. MAHON. This problem will have the further attention of the committee.

Mr. BONNER. Yes; but I want to say to the gentleman that this matter becomes effective September 1.

Mr. MAHON. Of course nothing can be done in the conference report. We have to vote it either up or down. There is no language in the bill itself that is pertinent to this matter, but the committee will be glad to give consideration to the matter immediately.

Mr. BONNER. The language in the bill provides that funds for transportation be used for air transportation.

Mr. MAHON. The funds can be used for air transportation or for sea transport.

Mr. BONNER. It does not say that.

Mr. MAHON. There is over $600 million in this bill for both air and sea transportation.

Mr. BONNER. There is $80 million specifically for air.

Mr. MAHON. We have earmarked certain funds to be utilized by commercial air carriers.

Mr. BONNER. In view of this order from the Defense Department, it looks as if none of the transportation will be by surface carrier.

Mr. MAHON. I hope the gentleman's fears are not well founded. I hope something can be done to rectify the situation.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. FORD. I should like to give an answer to the question being discussed by the gentleman from North Carolina and the gentleman from Texas. In the bill there is over $670 million for travel by passengers, of which only $80 million is actually set aside for air transportation, the implication, of course, being that the remainder may be used for any other kind of transportation.

Mr. MAHON. The $670 million could be used for travel by MATS or by ships or otherwise.

Mr. HIESTAND. Mr. Speaker, I wish to congratulate the gentleman from Texas and the committee for the manner in which they have handled this conference by which they have balanced the needs of the Nation rather than putting all the eggs in one basket. The committee has confirmed the previous judgment of the House and the Senate in restoring the B–70 to that extent. I wish to compliment them for making the measure somewhat flexible and emphasizing the fact that although missiles are tremendously important, bombers and interceptors will be with us for many years to come and we must have a balanced defense.

I appreciate very much what the gentleman from Texas and the committee has done.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. BOW. I am a member of the Subcommittee on Appropriations for the American Merchant Marine. I am quite concerned about this word we have received, and I am glad the gentleman from Texas has made the statement he has. I hope the House will look into this matter further very carefully.

Mr. Speaker, I would like to associate myself with the remarks of the gentleman from North Carolina, the chairman of the Committee on Merchant Marine and Fisheries, voicing his grave concern about the recent action of the Department of Defense which will mean discontinuance of the use of American-flag passenger liners for the oversea transportation of military personnel and their dependents.

The House Appropriations Committee, of which I am a member, understandably has a great interest in any matter bearing upon our national transportation policy. When we appropriate funds for transportation, we naturally expect that they will be used by the agencies receiving them to support all of the forms of transportation deemed necessary to support our normal peacetime economy and adequate as a wartime potential.

It is most surprising to me that the Department of Defense, which has repeatedly described the merchant marine as our fourth arm of defense, should now deny the American-flag passenger lines the relatively insignificant degree of support they are seeking in the oversea carriage of military personnel. This not only violates the letter and spirit of the declaration of national policy embodied in the Merchant Marine Act of 1936 and of section 212 of that act, their action is also in complete disregard of the recommendation appearing in the report of the Committee on Appropriations which accompanied the Department of Defense appropriation bill, 1961, dated April 29, 1960. A significant extract from that recommendation reads:

> The committee urges that the Secretary of Defense give serious consideration to assure that U.S.-flag carriers are utilized to the fullest practicable extent.

It is inconceivable to me that such a clear admonition of a congressional committee should be so flagrantly flouted by any Government agency. This is the more inexplicable when it is realized that no branch of our Government is more dependent upon the merchant marine than is the Department of Defense in times of national emergency.

With the exception of the Matson Line, which is engaged in domestic transportation but which relies heavily upon military traffic, all of our American-flag passenger lines are subsidized by the Government. They operate on routes determined by the Government to be essential for the development of our foreign commerce and to our national security. All of these companies are under contractual obligations to the Government to replace their ships at the end of their statutory life, which will entail an eventual outlay of hundreds of millions of dollars.

Disregarding all of these considerations, however, the Department of Defense has, in the name of economy, embarked on a dangerous course of heavy reliance upon obsolescent aircraft purchased or leased by operators who have no plans for their replacement. Dependence upon this course now, in the interest of short-ranged, so-called economy, at the expense of the established transportation systems will find us wanting not only on the sea but in the air as well, as these secondhand planes wear out.

Mr. Speaker, as a member of the Commerce Appropriations Subcommittee, I intend to urge that we examine with the closest scrutiny this shortsighted and wasteful development which the chairman of the Merchant Marine and Fisheries Committee has brought to light today.

Mr. MAHON. Mr. Speaker, it is not possible to go into all the facets of this bill at this time. I shall submit further information for the RECORD.

I now yield 10 minutes to the gentleman from Michigan [Mr. FORD] whose able leadership and cooperation have contributed much to the success of this bill and to the cause of defense generally.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would like to state I have had the privilege of serving with the gentleman from Texas [Mr. MAHON] and the gentleman from Michigan [Mr. FORD] on the Defense Appropriation Subcommittee for several years. The job that has been done by the chairman of our subcommittee, the gentleman from Texas [Mr. MAHON], is indeed outstanding. We consider him as a principal authority in the area of defense matters in the House of Representatives. He has gone into detail in budget matters of the three services. It has been a real pleasure, as a younger Member of Congress, to have an opportunity to serve with a man like GEORGE MAHON. I hasten to add that it is a genuine pleasure also to serve with our very able and distinguished ranking minority Member, the gentleman from Michigan [Mr. FORD]. These two fine citizens have labored many long hours for many days each and every year in their study and analysis of defense matters. In view of recent public statements to the effect that defense spending should be increased three or four billions of dollars, I think this House is wise to pay heed to the counsel of the gentlemen from Texas and Michigan. Certainly the opinions of these gentlemen, compounded of serious study, exhaustive analysis, and long years of legislative experience, are more significant than the headlinemaking pronouncements of civilian, nonlegislative self-styled experts.

Mr. MAHON. I thank the gentleman.

Mr. FORD. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. LAIRD]

and I heartily agree with his remarks with reference to our chairman, the gentleman from Texas [Mr. MAHON].

When this bill came to the House we had added $2,867,000 to the defense budget submitted by the President in January. This was an increase of seven one-thousandths of 1 percent The Senate added $1,177,130,000 to the House figure. This conference version which we have before us today provides a figure of $658,741,000 above the House version. It is $518,389,000 below the Senate bill. The increase over the President's January budget in percentages is 1.12 percent.

The principal changes from the House version are, first, inclusion of the conventionally powered aircraft carrier for $293 million; and second, the inclusion of the Bomarc air defense missile to the extent of $244 million. Those two principal items total $537 million out of a total of $658,741,000, which is the increase over the House version. So that in two items we have increased the House figure very substantially.

I should say, however, that both those items were in the President's January budget. The carrier to the extent of $293 million and the Bomarc at $294 million, for which we now include $244 million, or a reduction of $50 million.

As our chairman indicated—and I will wholeheartedly agree with him—this is a good conference report. It will provide fully adequate funds for the continuation of a sound and constructive military program. I wholeheartedly endorsed it.

Among the fine House conferees there were differences of opinion. Several of our conferees, although they did not agree to all the individual items, have signed the conference report. In my judgment we owe a debt of gratitude to these Members who disagreed with some of these very crucial items but who in the spirit of unanimity have swallowed their pride, so to speak, and have concurred with the judgment of the majority.

I particularly wish to compliment our distinguished chairman of the House Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], and the distinguished ranking minority member, the gentleman from New York [Mr. TABER]. They deserve a tremendous amount of credit for working out these difficult problems.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield.

Mr. CURTIS of Missouri. I want to join the gentleman and the others in expressions of appreciation to the conferees for a very splendid job. I have some specific points I want to try to pin down on the record in regard to the integration of the defense long-line communications which are referred to in the House report on page 43. I understand you put back $60 million and left out the $24.3 million that you originally cut.

Mr. FORD. That is correct.

Mr. CURTIS of Missouri. The House, of course, was trying to bring about an integration of these long-line communication systems, but, as I say, in here you state that you recognize that the House action really went beyond that. By putting back $60 million you do not intend to lessen the movement toward this integration, do you?

Mr. FORD. At the time the House took action on this bill there was a proposal on the desk of the Secretary of Defense for the integration of the long-line type of communications systems of all three services. We made some reductions in order to precipitate action in that regard. Since the House action on this bill, the Secretary of Defense has signed the necessary documents to bring about this integration. We believe that our action in reducing funds has been helpful in accomplishing that result.

Mr. CURTIS of Missouri. I thank the gentleman and agree with him that I think it has.

The next point—and this is something I wish to congratulate our own Appropriations Committee and the conferees on—is the preserving of this 3-percent cut on the procurement funds, which amounts to about $400 million.

Am I correct in assuming that it is the intent of the committee and the conferees that this cut is to be absorbed through better supply management in the four military services?

Mr. FORD. That was our intent when we made the reduction. It is still our intent based on the action of the House and Senate conferees. We think there have been improvements in procurement, but we also feel that this 3-percent reduction will be a further stimulus to better procurement practices.

Mr. CURTIS of Missouri. I take it that positive steps will be taken to integrate duplicative services, that inventories will be taken of common items which will be made available for all agencies to use before more purchases are made, integration of supply systems, merging of overlapping depots and facilities, engaging in more competitive and less negotiated bidding and other long-recommended reforms in supply management.

I congratulate the committee and the conferees on this action. Does the committee intend to ride herd on this matter to see that this is accomplished?

Mr. FORD. It is certainly our intent to pursue our investigations which we have made in the past. I think they have been helpful and we expect to have similar ones in the future.

Mr. CURTIS of Missouri. In the conferees' view there is ample authority in existing law, namely, the O'Mahoney amendment of 1952 and the McCormack-Curtis amendment to the Department of Defense Reorganization Act of 1958 to accomplish these purposes.

Mr. FORD. Those particular provisions, I think, do provide the necessary tools to accomplish most if not all of the purposes which the gentleman has in mind.

Mr. CURTIS of Missouri. I want to say at this time that I appreciate the deep interest of the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK] in this subject. He and I have worked together for some time on it.

One final point. I was happy to see in the Senate report, even though it did not have the 3-percent cut, on page 41 they did refer to the problem of supply management. It is stated:

> While some progress has been made in this direction, it has been far from satisfactory. The committee calls upon the Department of Defense to take immediate and vigorous steps to integrate its procurement, supply, and reserve activities in order to provide maximum utilization of the defense dollar.

Although they did not use the cut formula, they went on record to try to accomplish the same purpose. I believe when their conferees acceded to the House action they definitely put their stamp of approval on this method of trying to bring about better procurement procedure.

Mr. FORD. That is correct.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. MAHON. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. CURTIS of Missouri asked and was given permission to revise and extend his remarks.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from California.

Mr. HOSMER. Mr. Speaker, I congratulate the conferees on their action in reference to the carrier. I should like to ask the gentleman from Michigan regarding the $310 million for air transport aircraft. That mission assigned to the Air Force has in the past been very severely neglected. I feel that perhaps this amount of money could be so utilized in the Pentagon primarily to beef up some of the Strategic Air Command equipment rather than actually being used for airlift to serve the requirements of the Army and other services for the airlift that is so badly needed in these times to make them effective fighting units.

Is there going to be some kind of control on that, some kind of enforcement on the Air Force to discipline them so they actually go out and use this money to buy airlift type of aircraft that is needed to carry their roles and mission in service to the other branches of the service?

Mr. FORD. In my opinion—and I believe this is shared by the House conferees unanimously—the procedure we have used in the airlift area will accomplish precisely what the gentleman from California desires. We have set up a separate paragraph and we have added $200 million to the budget proposal. We have said that these plans are to be used for SAC and for the Strategic Army Corps. We certainly intend they should be utilized by the Marine Corps. These planes that are anticipated will be the extended range C–130–B's, and in addition turboprop or turbofan aircraft for cargo carrying or troop carrying utilization. This is a new approach which I think will accomplish precisely what the gentleman from California has in mind.

Mr. HOSMER. I thank the gentleman.

Mr. OSTERTAG. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from New York, a member of the Subcommittee on Defense Appropriations.

Mr. OSTERTAG. Mr. Speaker, although I have served on this defense subcommittee for many years, it was not my privilege to serve as a conferee. But, I do want to take this opportunity to pay tribute to the conferees on the part of the House for the excellent job they have done in resolving a very important program which is so vital to our national security.

I think we can be proud of the program as it has come back to us, and I do want to take this opportunity to pay tribute to the able leadership and great work that our chairman, the gentleman from Texas [Mr. MAHON], has done and also the outstanding contribution that has been made by the gentleman from Michigan [Mr. FORD].

Mr. Speaker, we have every reason to believe that the Congress has provided adequate funds to maintain a strong and powerful Military Establishment and one that is capable of retaliating decisively if need be. Certainly, it is composed of military might sufficient to deter attack.

I concur in the statement of the chairman, the gentleman from Texas [Mr. MAHON], that our military strength or capability is in no way responsible for the failure of the summit conference or the loss of prestige resulting from the withdrawal of the invitation to the President to visit Japan. As has been stated, these difficulties would have arisen even if we had twice the strength or size or capability that we possess today.

Let me state, Mr. Speaker, that the military program as reflected in the Defense appropriation bill for fiscal year 1961, has been measurably improved by virtue of the considerations of our subcommittee and subsequently approved by the House. And I consider the changes and the agreements reached in conference add improvement and strength. New weapons, modernization and research and development call for such considerations and I am confident that the action on the part of Congress will do much to improve our defense posture.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Wisconsin.

Mr. LAIRD. In this conference report, the mandatory strength floor which was placed on the National Guard by the Senate is continued, but the mandatory floor which was included in the Senate bill on the Army Reserve was deleted. I wish the gentleman from Michigan would explain to me the differences and the reasons why this different approach was taken on the bill.

Mr. FORD. As the gentleman from Wisconsin has indicated, we do have in this conference report a floor of 400,000 for the Army National Guard but no floor for the Army Reserves. The Senate had included a floor of 300,000 for the Army Reserves. The difference is that in the case of the guard it is a State organization whereas the Army Reserve is a part of the Federal military organization. I think, personally, it is a distinction without a difference. I did not agree with this differentiation, but an argument can be made that the guard is in a different category than the Army Reserve. It seems to me all minimum strength floors are bad. That is why I reserved on this item.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I would like to inquire about amendment No. 42, and specifically the F–106 program. The House bill had $215 million for this program, and $100 million is in the conference report for additional fighter aircraft instead of the $215 million contained in the original House bill. I would like to know if this $100 million will be used to continue the F–106 program.

Mr. FORD. The $100 million which is included in the Air Force for procurement of fighter interceptors could be used for the procurement of any fighter interceptor, the F–106, the F–102, or others such as are now in the inventory. We did not want to make a firm determination ouselves. We put the money in the bill and we have given the Pentagon the leeway to make the choice if they so desire.

Mr. CHENOWETH. This money can be used, then, for the continuation of the F–106 program?

Mr. FORD. That money can be used for the continuation of the F–106 program.

Mr. CHENOWETH. I thank the gentleman.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Now, Mr. Speaker, I do not like to be the skunk at the lawn party, but this is not satisfactory to me. I am a member of this subcommittee. All the compliments that have been paid by my friend, the gentleman from Wisconsin [Mr. LAIRD], and my friend, the gentleman from Michigan [Mr. FORD], to the gentleman from Texas [Mr. MAHON], I am in accord with. However, there is much in this bill that I do not like, and there is a great deal that I would like to see in it that is not in it.

Mr. Speaker, I am appalled that this conference report breathes life into this dead pigeon Bomarc. This is going to amount to a waste of the taxpayers' money, when this one-wing bird is operated, to the extent of about $3 billion. How in the world they ever made a deal to put Bomarc back into this I will never know. I can guess, but let us not go into that now. However, I do want you to know, if you are interested, that there is no new money in this bill for Bomarc.

The President asked for $421.5 million in January. Then one day, out of the clear blue sky, the Department of Defense came up to our committee, without submitting it through the President, simply because the Bureau of the Budget is running the whole defense show, that eight-star general who directs the Budget—now, get this—the Defense Department voluntarily cut back the Bomarc program $381 million from $421.5 million, leaving only $40.4 million in the Bomarc program. That is how much they thought of it.

Well, we cut the old money that was around—there is a lot of old money lying around down there—$253.6 million. So the total of the House cut was $294 million.

The Senate restored that. The Senate put that back. They put back all we cut plus $75 million that they probably had under the rug somewhere, so they came to a figure of $369 million for Bomarc, believe it or not.

The conferees cut that $125 million, just to show that they looked at it. So there is $244 million. But this is old money, if you know what I mean. It is not fresh appropriated money. At least you should know that much. But I will bet you one-half—the right side of my mustache—and that is going pretty far—this is a sham, this is a fake; it has never worked yet, and it never will work. And if by a miracle it ever does, on the day it does, 3 years from now, it will be obsolete anyhow. And how do you like that?

Well, it is in the bill now. There is something else I do not like. I did not introduce an amendment in the House when this bill was before the House to restore 25,000 marines to the Marine Corps because I understood the Senate would put it in. The Senate did. You have only 175,000 marines. Actually you need 225,000. That is what you should have. So the Senate put back 25,000 marines. The conference report struck it out. This I do not agree with. I would also restore the Army to 1 million men with full modernization. So much for a bill which is far from perfect.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. FLOOD] has expired.

Mr. MAHON. Mr. Speaker, I yield such time as he may require to the gentleman from Massachusetts [Mr. BOLAND].

Mr. MAHON. Mr. Speaker, I yield such time as he may require to the gentleman from Massachusetts [Mr. BURKE].

Mr. BURKE of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, I arise to support the conferees report on the part of the House and to commend the Honorable CLARENCE CANNON, of Missouri, chairman of the House Appropriations Committee, the Honorable GEORGE MAHON, of Texas, for the part they played in the restoration of the nuclear-powered attack submarine in this Department of Defense appropriations bill for 1961.

I also commend the other members of the conference committee on the part of the House who aided in the restoration of the nuclear-powered attack submarine.

The development of the nuclear-powered submarine and the Polaris missile is one of the most effective steps this

Nation has taken in recent years. We should be building more. Soviet Russia with a submarine force of 450 subs, almost 10 times the sub force Hitler had at the beginning of World War II, presents a threat in the Atlantic and Pacific Oceans and in the other areas of the world. We must be ready to meet the challenge.

It is well that Members of Congress paid heed to the advice of men like Adm. Arleigh Burke and Adm. Hyman C. Rickover. These great leaders recognize the importance of a strong Navy.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. FLOOD. Mr. Speaker, will the gentleman yield for a brief statement?

Mr. RIVERS of South Carolina. I should be glad to yield.

Mr. FLOOD. The opening line, Mr. Speaker, of the report we have today is:

> It is doubtful that the Communist threat is any greater or more dangerous today than it was on January 18.

Of course I do not subscribe to that statement. Obviously, in my opinion at least, the Communist threat has been magnified many times since January 1.

Mr. RIVERS of South Carolina. Mr. Speaker, I am impelled to make some comments on the language in the conference report relating to the procurement of presently available aircraft for the interim modernization of the Military Air Transport Service.

Earlier this year I had the honor to serve as chairman of a special subcommittee of the House Armed Services Committee to investigate the adequacy, or inadequacy, of the national military airlift. This included the total military capability as well as the total civil air capability to provide strategic airlift to meet the wartime requirements approved by the Joint Chiefs of Staff.

From January 29 until May 10, when the subcommittee issued its report, my subcommittee worked constantly and diligently to determine the nature of the problems and develop a course of action which would be calculated to overcome any deficiencies which we could discover. Our deliberations were encompassed in more than 2,000 pages of testimony, much of which was classified because it involved members of the Joint Chiefs of Staff and the wartime plans which they had approved.

I mention these things in order that the Members will understand the importance of this matter. Having gone through such a comprehensive and exhausting experience on this subject, I trust it is not unseemly for me to say that I can speak to the subject with more than passing knowledge.

Now let me direct your attention to the language in the conference report which deals with the procurement of available aircraft for the interim modernization of our strategic military airlift. The conference report says that the funds made available for this purpose are to be applied "to the procurement of readily available turboprop or turbofan aircraft."

I find no disagreement with that expression of intent. As a matter of fact, it is almost exactly what I recommended to the subcommittee of the distinguished chairman, the gentleman from Texas [Mr. MAHON], on March 28, 1960. In my recommendation on the procurement of jet aircraft, I recommended the C–135 type of aircraft. I did so because that was the military recommendation. I did so because it is the cheapest jet airplane currently available that would meet the military mission, and it would be the quickest available from a production standpoint. Since the age of the current MATS fleet, particularly the C–124's which are the backbone of that fleet, now varies from 8 to 10 years of age and have an expected useful service of only about 5 more years, I was convinced that time was important and we ought to get the most readily available airplane. According to the best information I could get from the Air Force, the addition of a turbofan engine will cost about $400,000 more for each airplane. Admittedly, a turbofan engine will increase the capability of the airplane about 15 percent in economy of operation, lift capability, and the length of runway takeoffs.

I do not intend to quarrel with the Conference Committee for their action in requiring a turbofan. But I think it pertinent to point out exactly what the requirement produces in the way of increased cost as against increased capability.

Now, I want to turn to the remainder of the language in the conference report on this procurement. After stating the type of available aircraft to be procured, the conference report contains additional language which relates to the assignment of these aircraft to military missions. The language says:

> For assignment in support of wartime missions of the Strategic Air Command and/or Strategic Army Corps, and training related thereto.

I take the position that unless this language is clarified and explained on the floor today that it is most harmful. In explanation of that statement. I want to point out to the Members that the only justification for a strategic airlift capability is to meet the wartime requirements approved by the Joint Chiefs of Staff.

Since this subject involved war plans, the presentation to my subcommittee was top secret. But it is proper to say that elements of all of our military services are involved in those requirements. In addition, General White and General Lemnitzer have had under discussion for many weeks the inclusion of additional requirements on the part of the Army. But these requirements remain to be officially approved by the Joint Chiefs of Staff.

The thing that disturbs me about the conference report is the knowledge that all of the services are involved in the JCS-approved plans for strategic military airlift; but the conference report indicates that these new airplanes which are to be bought for interim modernization must be assigned only to the Strategic Air Command and/or the Strategic Army Corps. There can be no question but that SAC and Strac must and will be supported with strategic military airlift. But what about the Marine Corps, and the Navy, and the Tactical Air Command? The conference report is silent as to these important elements. And I want to particularly point out that the Tactical Air Command has a most important strategic airlift mission to perform, which has nothing to do with the movement of Army troops or the support of SAC.

I believe, and I sincerely hope, that in the use of the language to which I have referred, the conference committee was simply emphasizing the importance of strategic airlift in support of the Strategic Air Command and the Strategic Army Corps. It is my further belief and sincere hope that the conference committee did not intend to exclude the airlift requirements of the Navy, Marine Corps, and the Tactical Air Command. In order that we may fully understand the intent of the conference committee I would now like to ask the distinguished chairman, Mr. Mahon, who has both my gratitude and respect, as to his interpretation of this language.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Texas.

Mr. MAHON. I should like to say to the gentleman from South Carolina that I think our objective here is to secure airlift. Our airlift presently does not have the capability to support either limited or general war. Airlift has had low priority with the Air Force and with the Army, and consequently it has suffered. So we put $200 million in a separate appropriation account in the bill in order to get airlift that will effectively serve us instantly in the event of major war or limited war. We do not want these planes to be used just in the routine traffic of MATS across the seas, because that would not give us the instantaneous airlift which is desired. On the other hand, these planes no doubt would be assigned through MATS to the operation of the hard-core mission of the Department of Defense and they would be available and should be available to the Marines and the Navy and the Air Force and the Army.

This is airlift for the United States in time of emergency, and I want it understood that while the language in the report is somewhat limited it nevertheless was intended to cover all emergency airlift requirements.

Mr. RIVERS of South Carolina. I did not want any language to make it impossible for the hard-core mission, as delineated and defined by the Joint Chiefs, to be barred for these aircraft. This is vital.

Mr. MAHON. The gentleman has been very much interested in this, and he has made a tremendous contribution. I thank him for that contribution.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Michigan.

Mr. FORD. I do not think MATS should get the impression that these aircraft are for the kind of missions they have been performing for years on a routine basis. These are not for this purpose. They are for the hard-core mission of SAC, the Army and the Marines; primarily having general and limited war troop responsibilities.

Mr. RIVERS of South Carolina. And training them in peacetime for the capabilities which are responsive to those vital missions. You know that I know what is meant by hard-core missions.

The SPEAKER. The time of the gentleman from South Carolina has again expired.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Speaker, all through the report there is reference to the appropriation of funds for the space program. I cannot overemphasize the need of those funds. This provides for the military application for the space program. This morning the Committee on Science and Astronautics approved a report which is about 60 printed pages, showing the practical value and the practical application generally of the overall space program. Those manuals will be for the information of the Members. I commend this report to the Members to take home and study. It deals with practical space application in medicine, economics, industry, labor, agriculture, and education. It shows the practical application of research and development in space to daily living and working conditions of America. We hope to have 8,000 copies available and I hope that our membership makes use of this document.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I should like to express my intense gratitude to the committee that has brought in this great national defense appropriation bill for their work on it, especially for making available the money for the building of the great new carrier, which is so necessary for our national defense. My deep feeling for our national defense is well known to each and every one of the Members of this House. I am especially grateful to Mr. MAHON, Mr. CANNON, Mr. TABER, Mr. SHEPPARD, Mr. FORD, and all those that helped.

Mr. CANFIELD. Mr. Speaker, in presenting the conference report on the defense appropriation bill, my good friend and able colleague, the distinguished gentleman from Texas [Mr. MAHON], began with these words:

"It is doubtful that the Communist threat is any greater or more dangerous today than it was on January 18 when the President submitted his $39,335 million defense budget."

Since January 18, Mr. Khrushchev has wrecked the summit conference and insulted our President, Red China has engaged in new military threats, Communists in Japan have caused their government to postpone our President's good will trip, the Castro government in Cuba has moved closer to the Kremlin and furthered anti-American moves, and there have been newly shown weaknesses in the governments of friendly nations elsewhere.

I believe with the distinguished gentleman from Pennsylvania [Mr. FLOOD], that the Communist threat has increased in the last 5 months and every possible effort must be made to make certain our military strength is not even shaded by the Soviets in any defense category.

The House was in a cutting mood 3 years ago when billions were cut from the Defense appropriation bill. In a few months when the Russian sputnik hit the skies there were reappraisals and reappraisals. While in no like mood today, June 30, 1960, the bill before us gives us no reason to feel cocksure. The time calls for constant reappraisal and immediate closure of any gaps that develop.

Mr. MAHON. Mr. Speaker, before moving the previous question on the conference report, I ask unanimous consent that the conferees on the bill (H.R. 11776) have until midnight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. FORD. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 402, nays 5, not voting 24, as follows:

[Roll No. 165]

YEAS—402

Abbitt	Bosch	Curtis, Mass.
Abernethy	Bow	Curtis, Mo.
Adair	Bowles	Daddario
Addonizio	Boykin	Dague
Albert	Brademas	Daniels
Alexander	Bray	Davis, Tenn.
Alger	Breeding	Dawson
Allen	Brewster	Delaney
Andersen, Minn.	Brock	Dent
Andrews	Brooks, La.	Denton
Anfuso	Brooks, Tex.	Derounian
Arends	Broomfield	Derwinski
Ashley	Brown, Ga.	Devine
Ashmore	Brown, Mo.	Diggs
Aspinall	Brown, Ohio	Dingell
Auchincloss	Broyhill	Dixon
Avery	Budge	Donohue
Ayres	Burke, Ky.	Dooley
Bailey	Burke, Mass.	Dorn, N.Y.
Baker	Burleson	Dorn, S.C.
Baldwin	Byrne, Pa.	Dowdy
Barden	Byrnes, Wis.	Downing
Baring	Cahill	Doyle
Barr	Canfield	Dulski
Barrett	Cannon	Dwyer
Barry	Casey	Elliott
Bass, N.H.	Cederberg	Everett
Bass, Tenn.	Celler	Evins
Bates	Chamberlain	Fallon
Baumhart	Chelf	Farbstein
Becker	Chenoweth	Fascell
Beckworth	Chiperfield	Feighan
Belcher	Church	Fenton
Bennett, Fla.	Clark	Fino
Bennett, Mich.	Coffin	Fisher
Bentley	Cohelan	Flood
Berry	Collier	Flynn
Betts	Colmer	Flynt
Blatnik	Conte	Fogarty
Boggs	Cook	Foley
Boland	Cooley	Forand
Bolling	Corbett	Ford
Bolton	Cramer	Forrester
Bonner	Cunningham	Fountain
	Curtin	Frazier
Frelinghuysen	Lesinski	Riley
Friedel	Levering	Rivers, Alaska
Fulton	Libonati	Rivers, S.C.
Gallagher	Lindsay	Roberts
Garmatz	Lipscomb	Robison
Gary	Loser	Rodino
Gathings	McCormack	Rogers, Colo.
Gavin	McCulloch	Rogers, Fla.
George	McDonough	Rogers, Mass.
Giaimo	McDowell	Rogers, Tex.
Gilbert	McFall	Rooney
Glenn	McGovern	Roosevelt
Goodell	McIntire	Rostenkowski
Granahan	McMillan	Roush
Grant	McSween	Rutherford
Gray	Macdonald	St. George
Green, Oreg.	Machrowicz	Santangelo
Green, Pa.	Mack	Saund
Griffin	Madden	Saylor
Griffiths	Magnuson	Schenck
Gross	Mahon	Scherer
Gubser	Mailliard	Schneebeli
Hagen	Martin	Schwengel
Haley	Matthews	Scott
Halleck	May	Selden
Halpern	Meader	Shelley
Hardy	Merrow	Sheppard
Hargis	Michel	Shipley
Harris	Miller, Clem	Short
Harrison	Miller, George P.	Sikes
Hays	Milliken	Siler
Healey	Mills	Simpso
Hechler	Minshall	Sisk
Hemphill	Mitchell	Slack
Henderson	Moeller	Smith, Calif.
Herlong	Monagan	Smith, Iowa
Hess	Montoya	Smith, Kans.
Hiestand	Moore	Smith, Miss.
Hoeven	Moorhead	Smith, Va.
Hoffman, Ill.	Morgan	Spence
Hoffman, Mich.	Morris, N. Mex.	Springer
Hogan	Morrison	Staggers
Holifield	Moss	Stratton
Holland	Moulder	Stubblefield
Holt	Multer	Sullivan
Holtzman	Mumma	Taber
Horan	Murphy	Taylor
Hosmer	Murray	Teague, Calif.
Huddleston	Natcher	Teague, Tex.
Hull	Nelsen	Teller
Ikard	Nix	Thomas
Inouye	Norblad	Thompson, La.
Irwin	Norrell	Thompson, N.J.
Jarman	O'Brien, Ill.	Thompson, Tex.
Jennings	O'Brien, N.Y.	Thomson, Wyo.
Jensen	O'Hara, Ill.	Thornberry
Johansen	O'Neill	Toll
Johnson, Calif.	Oliver	Tollefson
Johnson, Md.	Osmers	Trimble
Johnson, Wis.	Ostertag	Tuck
Jonas	Passman	Udall
Jones, Ala.	Patman	Ullman
Jones, Mo.	Pelly	Utt
Judd	Perkins	Van Pelt
Karsten	Pfost	Van Zandt
Karth	Philbin	Wainwright
Kastenmeier	Pilcher	Wallhauser
Kearns	Pillion	Walter
Kee	Pirnie	Wampler
Keith	Poage	Watts
Kelly	Poff	Weaver
Kilburn	Porter	Weis
Kilday	Powell	Westland
Kilgore	Preston	Wharton
King, Calif.	Price	Whitener
King, Utah	Prokop	Whitten
Kirwan	Pucinski	Widnall
Kitchin	Quie	Wier
Kluczynski	Quigley	Williams
Knox	Rabaut	Willis
Kowalski	Rains	Wilson
Kyl	Randall	Winstead
Lafore	Ray	Withrow
Laird	Reece, Tenn.	Wolf
Landrum	Rees, Kans.	Wright
Lane	Reuss	Yates
Langen	Rhodes, Ariz.	Young
Lankford	Rhodes, Pa.	Zablocki
Latta	Riehlman	Zelenko
Lennon		

NAYS—5

Harmon	Marshall	O'Konski
Johnson, Colo.	Meyer	

NOT VOTING—24

Alford	Durham	Miller, N.Y.
Anderson, Mont.	Edmondson	Morris, Okla.
Blitch	Hébert	O'Hara, Mich.
Buckley	Jackson	Steed
Burdick	Kasem	Vanik
Carnahan	Keogh	Vinson
Coad	McGinley	Younger
Davis, Ga.	Mason	
	Metcalf	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Keogh with Mr. Jackson.
Mr. Hébert with Mr. Mason.
Mr. Buckley with Mr. Miller of New York.
Mr. Alford with Mr. Younger.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 17: Page 6, line 15, insert ": *Provided further*, That the Army National Guard shall be maintained at an average strength of not less than 400,000 for the fiscal year 1961".

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 26: Page 12, line 25, strike out "$174,726,000" and insert "$180,296,000".

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 26, and concur in the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$174,686,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 28: Page 14, line 24, strike out "$4,172,404,000" and insert "$4,240,-732,000".

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,243,398,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: Page 36, line 5, after "materiel," insert "and for all expenses of production of lumber or timber products pursuant to section 2665 of title 10, United States Code,".

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: Page 43, line 11, insert "*Provided however*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a competitive basis to the lowest responsible bidder."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 58: Page 47, line 13, insert:

"SEC. 534. During the current fiscal year, the Secretary of Defense, should he deem it advantageous to the national defense to accelerate any strategic or tactical missile or satellite program, may transfer under the authority and terms of the Emergency Fund, an additional $150,000,000 for the acceleration of such missile or satellite program or programs: *Provided*, That the transfer authority made available under the terms of the Emergency Fund appropriation contained in this Act is hereby broadened to meet the requirements of this section: *Provided further*, That the Secretary of Defense shall notify the Appropriations Committees of the Congress promptly of all transfers made pursuant to this authority."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate No. 58, and agree to the same with an amendment, as follows: In line 1 of said amendment, strike out "534" and insert "535".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. MAHON. Mr. Speaker, I ask that all Members speaking on the conference report be permitted to revise and extend their remarks, and that all Members be permitted to extend their remarks in the RECORD on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HIGHWAY CONSTRUCTION

Mr. FALLON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. FALLON, DAVIS of Tennessee, BLATNIK, SCHERER, and CRAMER.

SALARIES OF FEDERAL EMPLOYEES—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 442)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H.R. 9883, a bill to increase the salaries of Federal employees.

Whenever I have been presented with legislation providing for increases in Federal salaries that were justified and warranted, I have unhesitatingly given my approval to such legislation—and I would gladly do so again.

H.R. 9883, however, is indefensible by any light. This hastily drawn bill violates every concept of fairness, every rule of reason and logic. Were this measure to become law, the already conspicuous unfairness and discrimination in our antiquated Federal pay system would be greatly intensified. Instead of making progress—by improving the Federal pay structure—we would actually be taking a long step backward.

The money cost of all this retrogression—not to mention its intangible costs—would impose an annual burden on the American taxpayer of three quarters of a billion dollars, and the money would not be wisely spent. Such fiscal and legislative irresponsibility, and particularly the bill's basic unfairness and the discrimination it would perpetuate, offend all thinking citizens, Federal employees among them, and make this legislation entirely unacceptable.

More specifically, H.R. 9883 is defective in the following respects:

1. The bill totally ignores the recognized precept that the only sound basis for setting Federal salaries is reasonable comparability to rates paid for similar work in private industry. Judged by this standard there is reason to believe, from such information as is now available, that a number of Federal salaries already exceed private rates of pay for similar work and, conversely, that other Federal salaries are below corresponding private compensation. H.R. 9883 in no respect addresses itself to these disparities and, in fact, actually perpetuates and intensifies them.

Furthermore, in the haste to pass some kind of pay legislation in this particular year, the national salary survey currently being made by the Department of Labor to ascertain the comparability of Federal salaries, grade-by-grade, with those paid in private business was completely ignored—notwithstanding that the Congress itself appropriated $500,000 to finance it. This survey, which will be completed in September, was intended to provide a sound and defensible basis for adjustments in the Federal pay structure—and it still will. To that end, such recommendations as are indicated by the survey and other relevant evidence will be made to the Congress in January.

2. The inequities already present in our Federal pay structure would be sharply accentuated by H.R. 9883. It increases by the largest percentages

those salaries which are already apparently in excess of compensation rates for similar work in private industry. On the other hand, the lowest percentage increases are accorded those who appear to be underpaid in relation to their counterparts in private business. To thus heighten the present distortion would be grossly unfair and highly discriminatory.

3. Even within itself H.R. 9883 is manifestly unjust. For a large number of employees it would increase salaries by nearly 9 percent, but for others performing exactly the same work the increase would be only slightly over 7½ percent. Further, employees in the postal field service would, in general, be given larger percentage increases than those provided for nearly twice as many persons who are compensated under the Classification Act and other statutory pay schedules.

4. The claim by proponents of the bill that the pay increases it would provide are justified by a rise in the cost of living is utterly without foundation in fact. Since June of 1958, when a 10 percent pay increase for Federal employees was approved, the cost of living as measured by the Consumers' Price Index has advanced 2.1 percent. More importantly, since the beginning of this administration in January of 1953, Federal civilian employees have received two general pay adjustments, increasing average salaries 17½ to 20 percent in the aggregate, while during the same period the Consumers' Price Index has advanced less than 11 percent.

5. By not providing offsetting revenues for the $248 million a year it would add to Post Office Department costs, the bill stands in complete disregard of the policy which the Congress itself established in 1958 that postal revenues should approximately equal postal costs less those costs deemed attributable to the performance of public services. The consequences of this disregard, were H.R. 9883 to become law, would be to increase the postal deficit, which must be met by the American taxpayer, to $851 million a year.

6. The bill would unwarrantedly extend Federal retirement and life and health insurance benefits to employees of locally elected county stabilization and conservation committees who are not Federal employees because not appointed or supervised by Government officers. The Federal system should apply only to Federal employees. The legitimate needs of these people for such retirement and insurance opportunities should be met and the Department of Agriculture, accordingly, has for some months now been exploring means by which the Government might appropriately act. I have asked the Secretary of Agriculture to expedite these efforts.

Looking to the future, I urge the Congress, in accordance with my recommendation of last January, promptly to enact legislation which will make permanent the 2½ percent temporary salary increase accorded postal field service employees 2 years ago in 1958. That increase is now scheduled to expire in January of next year, so action prior to adjournment of the current session is advisable.

With regard to general pay legislation, I am convinced, as I have indicated, that it is not presently required and should not be enacted until we can at the same time intelligently modernize our pay system. Evidently, however, this view is not shared by the Congress. In an effort to resolve the difference, therefore, I would be willing at this time to approve a modest increase reasonably commensurate with the percentage rise in the Consumers' Price Index since the last general pay increase became effective. This is the only increase that could possibly be justified under present circumstances. In fairness to the American taxpayer, however, new postal revenues should be provided sufficient not only to offset the cost of any such increase to the Post Office Department, but also to eliminate the current postal deficit.

I must preface my following remarks on another aspect of this legislation by emphasizing that I have an abiding admiration and respect for the great mass of those who work in the Government service. It has been my privilege to have lived and worked with them, in Washington and throughout the world, for half a century. They deserve and rightfully expect fair and enlightened treatment, in personnel matters, on the part of the Government. At the same time, with regard to their remuneration, they desire only that the accepted principles of reward for merit, length of service, and especial competence be followed. I bear all of this in mind in what I am about to say and I wish to make it clear that the remarks which follow are directed only to a small minority, and in particular their leadership, of what are in the main a fine and outstanding group of public servants.

The other aspect of this legislation to which I refer is unrelated to its merits and is to me deeply disturbing. I am informed that the enactment of H.R. 9883 was attended by intensive and unconcealed political pressure exerted flagrantly and in concert on Members of Congress by a number of postal field service employees, particularly their leadership.

I fully respect the legal right of every Federal employee—indeed of all our citizens—to petition the Government. But the activity of which I have been advised so far exceeds a proper exercise of that right, and so grossly abuses it, as to make of it a mockery.

I am further informed that, in anticipation of my disapproval of this bill, it is planned to resume these deplorable tactics, to an even greater degree.

That public servants might be so unmindful of the national good as to even entertain thoughts of forcing the Congress to bow to their will would be cause for serious alarm. To have evidence that a number of them in the postal field service, led by a few, have actually sought to do so is, to say the least, shocking. Were the pressure tactics surrounding the passage of this bill, and apparently further intended in the event of its veto, widely known to the American people, their indignation and outrage in all its power would be quickly felt—and rightly so.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 30, 1960.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of the message of the President be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I earnestly commend to the attention of my colleagues the following informative, factual statement regarding H.R. 9883 made by the U.S. Civil Service Commission:

The Civil Service Commission today said that it greatly regretted numerous inaccurate statements that have been made about the effect of the 7½ percent pay bill on Classification Act salaries. In stating the Commission's views that the legislation will have many inequitable results, Chairman Roger W. Jones said:

"1. Legislation now pending at the White House is not a flat 7½ percent increase for all grades and steps within grade under the Classification Act. The raises actually range from 8.3 percent for the top longevity step in grade GC–1 to 5.7 percent for grade GS–18. Furthermore, within all grades through grade GS–10, the average increase is 7.7 percent, with the range running from 7.5 percent to 8 percent or over. The greatest increases, in many cases, will be given in jobs where Government pay already is comparable to that in business and industry.

"2. Not only is the effect of the new schedule unequal, but it also further increases the lack of consistency among the different pay systems of the Government. At the same time discrimination is increased in numerous types of positions in which the Government under one of its salary systems already pays salaries in excess of those paid in private industry. A typical example of this result may be found in the case of general stenographers. Data thus far collected by the Bureau of Labor Statistics in 30 areas show a national average annual salary today for general stenographers of $3,849. Differences already existing are illustrated by comparing this figure with the Classification Act and postal stenographers whose average salary is at the fourth steps in Grade GS–3 ($3,780) and level 4 of the Postal Field Service ($4,455). Under the salary bill now pending the GS–3 rate will advance to $4,075 and the Postal Field Service rate to $4,825, thus compounding existing discrepancies.

"3. A precedent for further imbalance and inequity under the Classification Act is set in connection with the application of increases in the salary system of Department of Medicine and Surgery of the Veterans' Administration. A 7½-percent increase is granted in the top salary for a Chief Medical Director, thus setting that salary above

the statutory salaries of the Administrator of Veterans' Affairs and the Deputy Administrator of Veterans' affairs.

"4. The Commission also is deeply concerned about the dangerous precedent set by a provision in the bill which not only increases the pay of, but gives to some 15,000 employees of Agricultural Stabilization and Conservation County Committees the benefits of the Civil Service Retirement Act, the Federal Employees Group Life Insurance Act, and the Federal Employees Health Benefits Act of 1959. These county committee employees are not Federal employees in any sense. They are hired and supervised by committees of farmers, elected by other farmers, who are not Federal employees. These employees are not under Federal appointment, they take no oath of office, they are not supervised by a Federal officer, they are not subject to any of the laws relating to tenure, hours of work, salary and conditions of work which regulate the conduct of Federal employees. It is not fair to almost 1 million Classification Act employees to select this group of private citizens for this highly preferential treatment because the Federal Government has some connection with their work. It opens the door for claims of vast numbers of other citizens whose work is also of concern to the Government."

EXEMPTION FROM INSPECTION FOR SMALL VESSELS CARRYING FREIGHT IN INLAND WATERS OF ALASKA

The SPEAKER. The Chair recognizes the gentleman from North Carolina.

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2669) to extend the period of exemption from inspection under provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. GARMATZ, BOYKIN, CLARK, TOLLEFSON, and RAY.

GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1961

Mr. ANDREWS. Mr. Speaker, I call up the conference report on the bill (H. R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies, for the fiscal year ending June 30, 1961, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the conference report.

Mr. GROSS. Mr. Speaker, reserving the right to object——

The SPEAKER. Does the gentleman object to the statement being read in lieu of the report?

Mr. GROSS. Reserving the right to object, Mr. Speaker, and I shall not, I assume the gentleman will give us an explanation of what happened in conference.

Mr. ANDREWS. Mr. Speaker, this bill appropriates funds to the Executive Office of the President and sundry Government agencies for the fiscal year 1961.

The bill as agreed to in conference provides total appropriations of $14,207,500; this amount is above the House bill by $420,000, but it is $395,000 less than the Senate bill. The increase over the House bill includes $195,000 for supplemental estimates which were submitted to the Senate after the House had acted. The total amount appropriated is $420,000 less than the total amount of the budget estimates.

Mr. GROSS. Can the gentleman state briefly where the increase went above the figures in the House bill?

Mr. ANDREWS. One agency was the Bureau of the Budget, another the Foreign Claims Settlement Commission, another the fund for expenses of management improvement, and another the Advisory Committee on Intergovernmental Relations.

Mr. GROSS. By "management improvement" is the gentleman talking about the hiring of consultants and that sort of thing?

Mr. ANDREWS. This is an item that the President is very much interested in.

Mr. GROSS. May I ask the gentlemen, was the pay of these consultants increased from the $50 a day in the House bill?

Mr. ANDREWS. No, the Senate bill provided for an increase to $75 but the House bill provided for a maximum of $50 and the conferees accepted the House figures.

Mr. GROSS. I thank the gentleman. I am glad the conferees held to the $50 figure.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. GARY. While it is true the $50 maximum is in the bill, apparently the maximum that the Congress fixes in this respect has absolutely no effect whatever because the Comptroller General, after the enactment of a general law on this subject back in 1946, issued a ruling that it did not apply to a contract entered into by a Department with a firm of consultants. In other words, a Department or Agency of the Government if it employs a consultant is limited by the general law or by specific provisions in its appropriation act, but now, apparently, those consultants are not employed individually by the Department. The Department enters into a contract with a firm of consultants. The ruling of the Comptroller General seemingly is that under such an arrangement there is absolutely no limit whatever to the amount that can be paid for these consultants.

Just a few days ago it was brought to the attention of the Treasury Post Office Subcommittee of the Appropriations Committee that in one contract the Post Office Department had been billed for $400 a day for consultants. Our subcommittee held a hearing with respect to this contract, and we found out that not only did the Post Office Department have a number of these contracts—only one, however, that provided for the $400 per day, but several of them paying more than the maximum fixed by law. We also found out, however, that was true of practically every department of Government. We felt there should be a general investigation of this entire matter. Our subcommittee, being limited in its jurisdiction to the Treasury and Post Office Department, decided that the investigation should be turned over to some other subcommittee, with general jurisdiction, and so recommended to the chairman of the full committee.

It is my understanding it has now been referred to the General Government Matters Subcommittee, which is going to inquire into the matter and has scheduled a hearing for tomorrow afternoon.

We have also written to the Comptroller General asking for a clarification of the previous opinion and whether or not in his opinion the ruling issued by his predecessor in 1946 applies to the contracts that are being entered into today.

Mr. GROSS. I will say to the gentleman I am well aware of the contract which he mentions—the unbelievable contract that he mentions—and it was because of that and because of this wild hiring of consultants throughout the Government that I asked the question.

Mr. GARY. I assumed that was the reason the gentleman made the inquiry, and that is the reason that I am undertaking to answer it and to tell him why the limit has little if any effect now, and that if the Comptroller General says that this opinion still applies, we must adopt some other legislation to limit the payments under these contracts.

Mr. GROSS. It is almost unbelievable that a department of Government, any department or agency of Government, would hire consultants at the rate of $400 a day for approximately 7 hours a day. That is simply out of this world and ought to be stopped.

Mr. GARY. It was a revelation to our committee, and that is the reason we are going into it. Certainly, if the interpretation of the law made by the Comptroller General back in 1946 is correct, then it is legal for the departments to pay any amount under these contracts, but it is certainly, in my judgment, circumventing the intent of the Congress, if not the law passed by the Congress.

Mr. GROSS. I agree.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2039)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree

to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$165,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$115,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$340,000"; and the Senate agree to the same.

GEORGE ANDREWS,
HARRY R. SHEPPARD,
CLARENCE CANNON,
IVOR D. FENTON,
JOHN TABER,
Managers on the Part of the House.

WARREN MAGNUSON,
LISTER HILL,
ALLEN J. ELLENDER,
A. WILLIS ROBERTSON,
GORDON ALLOTT,
LEVERETT SALTONSTALL,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I

Executive Office of the President

Bureau of the Budget

Salaries and expenses

Amendment No. 1: Provides a limitation of $50 per diem for consultants as proposed by the House instead of $75 as proposed by the Senate.

Amendment No. 2: Appropriates $5,000,000 instead of $4,900,000 as proposed by the House and $5,100,000 as proposed by the Senate.

Funds Appropriated to the President

Expenses of management improvement

Amendment No. 3: Appropriates $165,000 instead of $40,000 as proposed by the House and $350,000 as proposed by the Senate.

Advisory Commission on Intergovernmental Relations

Salaries and expenses

Amendment No. 4: Appropriates $115,000 instead of $175,000 as proposed by the Senate.

Foreign Claims Settlement Commission

Salaries and expenses

Amendment No. 5: Appropriates $34,000 instead of $260,000 as proposed by the House and $360,000 as proposed by the Senate.

GEORGE ANDREWS,
HARRY R. SHEPPARD,
CLARENCE CANNON,
IVOR D. FENTON,
JOHN TABER,
Managers on the Part of the House.

Mr. FOUNTAIN. Mr. Speaker, I want to express my disappointment and regret that the conferees have reduced the appropriation for the Advisory Commission on Intergovernmental Relations from the $175,000 recommended by the President and the Senate to $115,000. Unfortunately, this appropriation was handled in an unusual way which did not permit a hearing on this matter before the House Appropriations Committee. As a consequence, the House conferees did not have the benefit of full information on the Commission's program and budget requirements. I am appreciative, however, that the House conferees, on the basis of the information which I furnished the distinguished chairman, supported an amount sufficient to enable the Commission to function effectively until the Congress can act further in this matter.

In the interest of expediting the work of the House prior to recess, I shall not oppose the conference report. However, I want to call attention to the fact that when Public Law 380 establishing the Commission was overwhelmingly supported and passed last year, I had prepared a minimum budget estimate for the guidance of the House. That estimate was $179,850 for fiscal 1961, substantially in agreement with the amount recommended by the President.

The fundamental purpose of this Commission is to encourage the strengthening of State and local government and to facilitate economical and efficient working relations between the Federal Government and State and local governments.

Even a small amount of accomplishment toward these objectives will be worth many times the modest amount requested. The budget for this important agency should be viewed as an investment, not an expense. To impair the work of the Commission by a $60,000 cut is not only shortsighted economy but is unfair to the Governors, mayors, county officials and Members of Congress who are actively devoting their time to the Commission without compensation. I submit that it will be most unfair to the members of the Commission to expect them to serve without adequate staff assistance. I sincerely hope that it will be possible to restore the $60,000 by a supplemental appropriation when the Congress returns after the recess.

Mrs. DWYER. Mr. Speaker, I want to join with the distinguished gentleman from North Carolina [Mr. FOUNTAIN], in expressing regrets that the conferees have recommended a reduction from $175,000 to $115,000 in the administration request for the Advisory Commission on Intergovernmental Relations.

It is especially disturbing because I know of no item in the entire budget where the return per dollar in terms of research and recommendations in major areas of Federal-State-local relations is so high. As a nonpaid member of the Commission, I can testify to the fact that its budget was prepared on the most conservative possible basis. If the reduction is permitted to go into effect, the work of the Commission will be seriously handicapped.

Unfortunately, Mr. Speaker, neither the House Appropriations Committee nor the Whole House has had an opportunity to consider this budget item. For this reason, I hope the committee will agree to consider a supplemental request for restoration of the $60,000.

The House has found, year after year, plenty of cases of budgetary extravagance. I cannot imagine, however, any item less extravagant than this one. This Commission is now in a position, I believe, to make a major contribution to improved intergovernmental procedures. The cost to taxpayers is remarkably small.

Mr. ANDREWS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FAIR LABOR STANDARDS AMENDMENTS OF 1960

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 581 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12677) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the Act to $1.25 an hour, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed two hours, to be equally divided and controlled by the chairman of the Committee on Education and Labor and the ranking minority member thereof, the bill shall be considered as having been read and open at any point for amendment under the five-minute rule. It shall be in order to consider, without the intervention of any point of order, the text of the bill, H.R. 12853, as introduced under date of June 28, 1960, as an amendment to the bill, H.R. 12677. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as shall have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

CALL OF THE HOUSE

Mr. KEARNS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. THOMPSON of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 166]

Alford	Blitch	Coad
Anderson, Mont.	Brown, Mo.	Davis, Ga.
Auchincloss	Buckley	Durham
Bentley	Burdick	Edmondson
	Carnahan	Fulton

Hébert	Miller, N.Y.	Steed
Keogh	Morris, N. Mex.	Vinson
King, Calif.	Morris, Okla.	Widnall
Kirwan	Pillion	Willis
Mailliard	Powell	Younger
Mason	Scherer	
Metcalf	Smith, Calif.	

The SPEAKER. Three hundred and ninety-eight Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SUPPLEMENTAL AIR TRANSPORTATION BY CERTAIN AIR CARRIERS

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7593) to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. WILLIAMS, MOULDER, JARMAN, SPRINGER, and COLLIER.

FAIR LABOR STANDARDS AMENDMENTS OF 1960

The SPEAKER. The gentleman from Virginia [Mr. SMITH] is recognized.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself 20 minutes.

Mr. Speaker, the rule which you have before you today is one reported by the Committee on Rules day before yesterday. It provides for the consideration of the so-called amendments to the Fair Labor Standards Act, otherwise known as the wage and hour bill. It makes in order the bill reported by the Committee on Education and Labor, and also makes in order as an amendment or substitute, the bill reported by the gentleman from North Carolina [Mr. KITCHIN], known as H.R. 12853, as an amendment.

Under the rule, when the debate of 2 hours is concluded, then the committee bill is considered as read and, likewise, under the rule, as soon as that is done it will be in order to offer the Kitchin bill as an amendment or substitute to the committee bill. You will note, therefore, that this rule gives every type of opinion on this subject an opportunity to be heard and to be voted on. Those who like the committee bill can vote for that; those who like the substitute can vote for that. Then when you get through everybody can vote for or against whatever is adopted, as they see fit. I know of nothing that could be more democratic or fairer, and I hope the rule will be adopted.

Mr. Speaker, I want to talk a little about the Committee on Rules. It seems to have gotten to be sort of a national pastime, certainly a pastime here in the House, to talk about that committee. A good many things are said from time to time about the Committee on Rules. You will note I very rarely say anything about the committee of which I happen to be at the moment chairman. But the time does come, I think, when Members of this body begin to criticize the committee in a severe manner without reference to the facts involved in a situation, for someone to mention certain of the facts and some of the hardships under which the Committee on Rules operates. A great many Members who have been here a long time understand the situation. There are some who come here and in their first year quite naturally get impatient with the Rules Committee, and impatient to get their objectives accomplished. Sometimes they are prone to make statements that perhaps on second thought they would not have made. I am going to refer to some of the statements that have been recently made.

First, let me say to you that the chief complaint is that the Rules Committee does not function or did not function or does not function as fast as some people would like it to function. So I have had the record of that committee for this year checked into.

Well, here is the performance of that committee. The committee has had 140 requests for rules on bills. Of those, 8 were passed under suspension and the committee held hearings on 121 bills. They granted rules on 107 of those 121. You never hear anything about that. They denied five rules and laid four bills on the table. Nine bills did not get rules out of the 107. That is a record of over 90 percent. And, if there is any other committee of this House that has a record of 90 percent favorable reports on bills referred to it, I have not heard about it yet. As I say, sometimes people get impatient and they make up stories.

I remember last year I got a letter from out West, away out in the Mountain States, from a gentleman who sent me a weekly letter of a certain Member of Congress who had been interested in a wheat bill. And, you know wheat bills do not move very fast around here, and Members interested in their constituents who are raising wheat get impatient, and the easiest thing to do is to say that "the old Committee on Rules did not give us any rule, and they tie everything up in the House Committee on Rules, and they do not function." So, this man writes a letter to his constituents in which he says that he had exerted his influence; he had worked day and night to get this wheat bill through, and this old Rules Committee would not give him a rule.

Now, what are the facts? The fact is that the bill was never before the House any great length of time. The facts were that when the gentleman wrote his letter, according to its date, the Committee on Rules had already given notice to the Committee on Agriculture of a date in the very near future on which their bill would be considered, and it was considered and a rule was granted. Now, the gentleman himself had never evinced any interest in it. I do not know if he was interested in wheat, but I was the chairman of that committee, and yet he goes along with a long complaint about this Rules Committee refusing to act on the wheat bill when, as a matter of fact, it had already acted on it, and he did not even know it.

Well, that was one. There was another wheat bill around here this year, and I happened to hear a Member on the floor here complain that the wheat bill was being held up in the Rules Committee and this old Rules Committee would not give him a rule. The facts were that the bill was referred to the Rules Committee; they asked for a hearing; we gave them a prompt hearing. We did not complete it. We issued notice for another hearing. The Committee on Agriculture could not come that day. The Committee on Agriculture was so very much engrossed in the sugar legislation they could not get there. But, as soon as they got there, the committee gave them a rule. It happened to be defeated, but that was not the fault of the Rules Committee. Once in a while somebody goes a little too far.

Now I am going to read to you from a transcript. And I notified the gentleman that I was going to reply to these threats, and that relates to this bill that we have here today. It is a transcript of a portion of Congressman GERALD T. FLYNN'S remarks on the Steve Allison radio show Monday night, June 27. And please bear in mind the date. This took place on Monday night. If the gentleman had known what was going on around here, I do not think he would have made the statement. I am going to read it to you, because I do not think Members ought to make this kind of statement, and I am sure the gentleman from Wisconsin, if he had given it some mature thought, would not have made such a statement.

I think the House will agree with me that he would not have made such a statement, after they hear it read; and I am going to take the time of this House to read it to you. He says, in this radio broadcast:

I am a member of the study group—

Whatever that is—

I come from the Midwest. In the Midwest we are sound, we are practical, we are not radical, but we are progressive. We will accept a new idea and try it. We don't turn something down just because it's new. I served in the State senate and I was recognized there as one of the most conservative Democrats, or the most conservative Democrat there. But you know the Republicans who served in our State senate back in Wisconsin were radicals compared with the Dixiecrats here in Congress. You know, the combination of the Dixiecrats and Republicans to stop progressive legislation in the interests of the people—forward-looking legislation—that's wrong and it is this combination in the Rules Committee that is blocking new ideas, blocking programs, blocking legislation in the interests of the people—the small people—the people out in the hinterland—the people who need these things done, and they are doing so because of an archaic system of rules formulated many years ago and carried on where the chairman and a few people on the Rules Committee can stifle this legislation and can hold it back. So many Members of Congress are fearful. They are afraid to stand up in a battle with leadership and demand a change. Those who have been here 6 or 8 years do not want to irritate leadership.

I did not know anybody around here wanted to irritate the leadership.

They are afraid of their committee appointments, their advancements, and so forth, but the people who elected me sent me down here to fight. I am only one and I can't do it in 1 year, but they sent me down here to see in 10 or 20 years. They sent me down here to join with others and I am going to see that those rules are changed. And the members of that committee don't have to answer to we in Congress, they have to answer to the American people.

We have to do what the American people—the American voters—sent us here to do, and they are sick and tired and they are fed up with the Rules Committee and the powers they have of stifling the forward-looking, progressive legislation that they are stifling.

Here is the reason I am reading this to you:

For instance, in not giving a hearing to the minimum wage bill. We are going to have a Calendar Wednesday this week to try to take care of the minimum wage bill. They won't give those millions of people throughout the country who are trying to get $1.25 an hour for their services a chance to have a hearing. Now what are they afraid of?

Why don't they bring it out on the floor of the greatest deliberative body in the world and leave us debate it and leave us argue it? Why bring it up in the final days and hours of this session with an inadequate amount of time to consider a matter of that great importance to so many people? I am definitely opposed to it and I don't care how many leaders or how powerful they may be or whether they get mad at me for saying that.

Now the concluding sentence to which I ask your particular attention:

The day is coming when those rules will be changed and I am ashamed of our leadership in both parties who have been and still are opposing a change in the rules and I'll fight right down the line until the last dog is hung to get those rules changed.

I did not know about this study group. I do not belong to it. A lot of these things around here I do not get to know about. I am a good joiner, but nobody has invited me. I do not know, but I do not like this expression here, "Until the last dog is hung." He has been talking about the leadership. If we hung the ledaership of both parties in this House we would be in a pretty bad fix, I can tell you that. But I am sure the good people of the great State of Wisconsin did not send the gentleman from Wisconsin down here to start a lynching bee. I do not believe the people of Wisconsin favor lynching bees, just like the people of my district do not favor lynching bees. But I am quite apprehensive as to who is going to get hung as a result of this dire threat.

Now, sometimes it is a good thing to have some facts. They are very useful at times. I find them useful at this time in the light of these charges that are about to get me or somebody hung. I find it is necessary in my defense to state the facts, the facts about how this bill known as the fair labor standards bill gets here under a rule.

The gentleman's broadcast which I have just read to you—if the Members enjoyed it, I am glad to have the opportunity to give you some pleasure—was delivered on the evening of Monday, of this last week. What were the facts? He said that this horrible Rules Committee was not going to give them any rule on the bill, and we have held it up, and so forth. The facts were that last Friday afternoon late there came to the office of the Rules Committee—and I have gotten this from the records of the Rules Committee—to the clerk of our committee there came a request in writing from the chairman of the Committee on Education and Labor for an early hearing on this bill that the gentleman complains about. That was Friday. That was at the end of the week. We do not normally have hearings on the weekend. But we did have hearing set on an important bill from the Committee on Banking and Currency on Tuesday morning, so that the first available day was Wednesday. On Monday morning a notice was sent to the members of the Committee on Education and Labor that that bill would be heard on Wednesday morning. If the gentleman had known what was going on up here around the House of Representatives he would have known that the committee had been notified and that a time had been set to hold the committee hearing.

There seemed to be a good deal of hurry about that. As the committee finished on Tuesday, we made a hurried call to the Committee on Education and Labor and, instead of taking it up on Wednesday, we took it up on Tuesday afternoon late, in a special session. Everything was peaceful and harmonious. Nobody accused the Rules Committee of holding the thing up, nobody threatened to hang the Rules Committee or the leadership of the House. Everything was lovely. Within an hour that rule was granted without any particular objection that I can recall, and that night I reported that rule in under special leave to have until midnight to report. That was Tuesday evening. And on Thursday morning, here we are considering the bill.

As far as the Rules Committee is concerned, I just want to say this in conclusion, that there is one thing about this House of Representatives that nobody should ever forget and nobody should ever let it be done away with, and that is that notwithstanding the leadership on either side or both sides, notwithstanding the Rules Committee or anybody else, if the majority of this House want to vote on a bill the rules of this body give them that opportunity.

There are three ways of doing it. One is under suspension of the rules, where they must have a two-thirds vote. That is sometimes more expedient, but it requires a two-thirds vote. You have a right to walk down to this desk and sign a petition to discharge not only the Rules Committee but any committee in this House. If a bill languishes in committee and the majority of this House wants to vote on it, all they have to do is to come down and sign the petition and it becomes a privileged matter. If you do not want to pursue that course, every Wednesday, under the rules of this House is Calendar Wednesday, and this cannot be done away with except by unanimous consent or by a two-thirds vote. If a bill languishes in the Rules Committee or in any other committee, on that day the committee can bring that bill up and have it considered in the House. If a majority of the House wants to consider it, they can consider it.

So do not let anybody ever tell you that the House of Representatives is ever governed by a minority group.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself 2 additional minutes.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Ohio. I have asked the gentleman to yield because I happen to be the member of the Rules Committee that listened personally to the broadcast to which the chairman alluded a few minutes ago. I was so incensed by it that I called it to the attention of the Rules Committee the next morning and we obtained the full text of the radio statement. I know what the chairman of the Rules Committee has just stated is absolutely factual.

I would like to make a confession to this House, if I may at this time. At one time I did participate in some sort of legislative legerdemain to block the reporting of a rule for consideration of a bill from the Rules Committee. It was either 2 or 4 years ago. A Member of the House came to me and said he had a very difficult primary confronting him; and that if this particular bill was reported out, and he had to vote upon it before the primary, that whichever way he voted he would be defeated for renomination. So, trying to be helpful, I said I would endeavor to get the Rules Committee to defer action until after his primary.

A short time later I received a letter from a lady in the gentleman's district, just giving me "holy hades." She said, "I know you are blocking consideration of H.R. so-and-so. I can prove it by the enclosed letter I have just received from my own Congressman." It was written and dated 2 days after he had asked me to hold up the bill, it read, "Dear Madam. Your letter in support of H.R. so-and-so has been received. It will be a pleasure for me to vote for this bill were it not for the fact that the damnable Rules Committee has been blocking consideration of the bill." Thank God he was renominated.

Mr. SMITH of Virginia. Let me say the way I got a copy of this broadcast was that the gentleman from Wisconsin, when I called for it, very courteously had his secretary take it off of the tape and copy it, and sent me a copy. I appreciated it and I wanted to state that in justice to him.

The SPEAKER. The time of the gentleman from Virginia has again expired.

Mr. ALLEN of Illinois. Mr. Speaker, I think that a great majority of the membership of this body certainly concurs in the remarks of the gentleman from Virginia [Mr. SMITH].

I have served on the Rules Committee for 24 years, and irrespective of what the left-wing newspapers, particularly the Washington left-wing newspapers, say about the Rules Committee and the chairman, I say here and now that no

greater American, no greater legislator is in this body than the gentleman from Virginia, and I think every Member of this body knows that.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, of course, we can all find fault with the Rules Committee when it does not do what we want it to do; but if it were not for the Rules Committee to direct the membership, we would be swamped with bills which lack merit. As the gentleman from Virginia said, we have two ways of getting a bill to the floor other than through the Rules Committee.

But let us get back to this present situation dealing with Federal wage-and-hour legislation. It is my understanding it grew out of the desire to protect the health and welfare of workers—to protect employees from exacting employers—from sweatshops. What we are doing, of course, in all these bills—it has been my privilege to serve on that committee since 1940—is to try to give beneficial legislation first to one group and then another, sometimes forgetting the welfare of all. We are trying to protect the weak from the more powerful. This present bill—although I have not attended all of the meetings of the committee—as I understand, the committee bill and the substitute, is to exempt first one group and then another in order to get support for some bill which is made in order by the rule. Apparently the bill reported out did not get quite enough support to insure passage, so the Rules Committee permitted a vote on a substitute which includes more exemptions, covers less employees.

I cannot willingly go along with the principle of wage-and-hour legislation of this type, because, in my judgment, it does not answer the problem. It may be we are slack with legislation of this type, but there is danger to all when we create special benefits to the members of a single segment of our population. Employment cannot exist unless the employer has hope of a profit; hence, price fixing naturally follows, and that, history tells us, is the end of a free people. If we could do away with natural laws, if we could get out from under the law of supply and demand, this kind of legislation might work.

As I listened to supporters of this kind of legislation, I noticed that most of them are champions of some union organization whose members almost invariably draw two or three times the amount of the minimum wage fixed by the bill. The thing that appeals to me is this: Letters come in from people who want to work, and yet today in our competitive system cannot earn the minimum wage, but they can earn something. For example, take my own case. Suppose I did not have anything except this job, and my constituents—wisely, let us say—said I could not come back, yet there is some work I can do where I can earn a wage less than the minimum wage—which I would be delighted to do. The gentleman from California the other day called attention to the fact that his wife went out and picked strawberries. Well, in our country we grow cherries. Maybe I can earn something picking cherries, maybe I could make more than the minimum wage, and I am satisfied I could, now that they pay by the pound; but if I could not, am I to be deprived of an opportunity to earn a little something, no matter what it may be?

Maybe I could mow lawns, maybe I could get 50 cents an hour, maybe I could improve my health in doing that. At least, I could assert my independence. I could insist upon my opportunity to contribute to my own support. Oh, you say, this does not apply to that kind of work. No; it does not. But as the years go on and these various groups which because of their political power today get exemption from the law, will be brought under it and ultimately we will have everyone under wages and hour legislation. Then what is the answer? There is only one answer to that situation. If we intend to fix wages, we will have to fix prices. Who wants that?

That is my reason why I do not favor efforts toward Government control of activities which in the end are controlled by natural law—by supply and demand. It may be that we are stuck with legislation of this kind—we should at all cost protect those needing protection from exploitation—from the more powerful—but we should—we must guard against legislation which but tends to lessen, employment. We should move to hold down the cost of living—that cannot be done by just raising the minimum wage. Less spending by the Government will help.

Mr. SMITH of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. FLYNN].

Mr. FLYNN. Mr. Speaker, I appear before you this morning as a freshman Member, fully cognizant of the rules of the House, the high dignity of this body, its past history and the glory of what I consider to be the greatest deliberative body in the world. Certainly as a freshman, I do not rise in a rash manner, to impose my views on my senior colleagues and on the older Members of this House. I am willing to wait and bide my time and perform years of service before I attempt to tell anybody in an official capacity what shall be done. You will not hear me down in the well of the House or talking intemperately or irrationally. However, the people of my district elected me, and they are entitled to representation.

One of the issues in my recent campaign in Wisconsin was the question of what can be done with the Rules Committee of the House, which is all-powerful and which has been granted powers that the American public believes are far beyond those which any committee of Congress should have. The power not only to stifle legislation, but to kill legislation, the power of life and death over bills, bills which have a great effect on the lives and the future of American citizens, the younger generation, and the people of the country as a whole.

Yet, it may be that only 7 to 10 percent of the bills coming before the Rules Committee that are denied a hearing on the floor of the House of Representatives, but it is in this 10 percent area that the important bills affecting the public and the people of this country lie.

I yesterday wrote a letter to the chairman of the Rules Committee, a man of great ability and distinction, and I told him that I had said nothing derogatory on the Steve Allison radio program, I did not refer to any member of the Rules Committee nor did I use the name of any member of the Rules Committee.

In this letter I stated:

> In my radio transcript there is nothing personally derogatory of any member of the Rules Committee. In fact, I believe all the members of this committee are men of great integrity and ability and they are, for the most part, leaders of this Congress. The mere fact that I or any other Congressman may differ with them as to what the function of their committee is or as to changes which should be made in the powers of this committee does not mean we do not respect individual members. They are all men of honor and some of them are close personal friends.

Mr. Speaker, I reiterate that statement.

I feel that in my campaign and in the campaigns of many of you gentlemen, particularly those from the Midwest and West, an issue in the last campaign and an issue in the coming campaign is: What are you going to do to curb powers that a committee has that are in excess of which they should have? What are you going to do to curb two Southern Democrats and four Republicans on the Rules Committee for combining, to thwart the will of the entire House of Representatives and Senate of the United States, by holding the bill enabling the Federal Government to aid in building classrooms for the schoolchildren of our Nation, after such a bill has been passed in both the House and Senate. Should I apologize for stating that these six men on the Rules Committee have too much power. I think they should voluntarily make a change in the rules that they have. I say that there are two Democratic members on the committee who have consistently been voting with four Republican members of the committee to stifle the type of legislation, the forward-looking legislation, about which I speak. I refer to the school construction bill, a bill of vital importance to millions of Americans, to communities all over this country, who believe that in this 20th century, with the exploding population and the ever-growing amount of students in schools, that we should have some Federal aid to build classrooms for these schools. And, I do not apologize to any Member of this body when I say that the Rules Committee has too much power when they and they alone can say that this bill shall not have a full hearing and shall not go to conference. That is too much power for any six men to be able to wield when it affects the entire population of the United States.

Now, what has happened to the housing bill? Why did they hold up the housing bill in committee, a bill of equal importance to the American people, and refuse to let it come down to the floor of the House? Yes, I have a lot of

druggists in my district who have written me hundreds of letters about the fair trade bill. What can I tell them? And what can you tell your druggists when you go home as to why this bill did not come out on the floor, so that the affected people could be heard, so that they could at least have a hearing, as to whether or not there is merit to this bill? Yes, I am a freshman. And, I am as humble as one can be, but I do say that I am not elected to keep quiet when six men on a committee combine to defeat action, and the will, of both the House and Senate. Should we agree to go home without doing something about it? I say "No." When I talk on a radio program I have every right and every duty to talk of these things that exist and the abuses that exist and to recommend constructive changes that are being demanded by the American public.

Yes, and how about the depressed area bill. Why is the Rules Committee holding it and denying you elected Representatives an opportunity to discuss it and vote on it?

Now, the Committee on Rules are not answerable to me or to any Member of this House. They are answerable to the American public, and the American public, which elected all of us, are demanding—and I say this without fear that I can be successfully contradicted—they are demanding that there shall be changes made in the power of the Rules Committee, and I do intend to join with any group such as the Democratic study group that will fight openly, cleanly, sincerely, and honestly to amend and to change and to curb these powers so that this 7 percent or 10 percent of the legislation that the Rules Committee appears annually to be defeating without debate on this floor has a chance for debate and possible passage.

I picked up this morning's Washington Daily News and I read an article by Peter Edson. I will read but one column:

> One principal reason for the failure of Congress to quit on time is the aforementioned Representative SMITH of Virginia. As head of the House Rules Committee, he has been able to bottle up school construction bills, new funds for housing programs, medical care for the aged and other high priority measures which already have been approved by other Senate or House committees.

What are you going to tell the public when you go home, when you tell them that Congress will come back to Washington in August? What reason can we give why unpassed important legislation has not had final action in these 7 months that the Congress has been in session? Many editorials throughout the country have been critical of the Rules Committee and its chairman for a long time, and it is a cry that has been made, that this Congress before long will have to heed. I care not for the moment that I possibly am in the minority. All fights start with a minority and grow to majority, reaching the period when the minority becomes the majority, and I say that this minority in the not too far distant future will be the majority. And, I do not apologize for any remarks that were made in this radio broadcast. There were no disparaging personal remarks made about any Member of the Congress, other than the forthright statement that now is the time for a change in the Rules Committee so that these six men in the Nation do not have plenary power to bottle up, kill, and stifle legislation that is vital to the American people. When I talked about the minimum wage bill, the Rules Committee had not voted it out. I admit they only had it a few days, but it was common talk in Congress that it was not coming out. The Rules Committee was reported to be marshaled against it. Its proponents did considerable work to bring it up on Calendar Wednesday, and the morning after my speech the Rules Committee decided to bring it out, but that does not change the situation that existed the night before over the radio.

I said that the little people of this country are interested in knowing whether they are going to get $1 or $1.25 an hour as a minimum wage. They want us as their Representatives to be given the opportunity to debate that issue. And when I spoke I said nothing but the facts. The fact that the Rules Committee did vote it out does not change the fact that it was generally conceded here, around the Halls of Congress, on the preceding day that it was not coming out, that it was going to meet the same fate as did the housing bill and the other bills that I mentioned.

I thank you very much and appreciate the time that has been given me to answer the charges of Hon. HOWARD SMITH of Virginia, chairman of the House Rules Committee.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. BARDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12677) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12677, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BARDEN. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. LANDRUM].

Mr. LANDRUM. Mr. Chairman, I believe it is about time we got down to talking about the business of the day, which is the question whether we shall increase the amount of the Federal minimum wage and whether we shall extend the coverage into many areas of businesses not now covered.

There are two issues, and two issues only, presented in this proposed legislation. First, Shall we increase the minimum wage? And, second, Shall we extend the coverage into presently exempted areas?

On the matter of a wage increase, let us set the record straight quickly. By virtue of increases in the cost of living, to deny the validity of a wage increase would amount to an untenable position. The Labor Department has stated on numerous occasions that a moderate increase in the wage is justifiable and can be economically sustained. There is, therefore, little basis for the argument by anyone that a reasonable wage increase is not appropriate.

Further, I think we should set the record straight on one other thing that is involved here, and that is, that we have minimum wage legislation. We have a Fair Labor Standards Act. We have had it for 22 years, and whether I, or any other Member of this body, approve of that legislation or not, we may as well recognize the fact that today we have it, and are going to continue to have it; and within the lifetime of the membership of this body I doubt that we are going to see the Fair Labor Standards Act stricken from the statutes of this country. The problem here is how best to amend it, if we are going to amend it at all; see how best to amend this law so that it will support the general welfare of all the people of this country. The arguments here, involve a reasonable rate increase and the manner in which we extend the wage-hour coverage under these proposed bills. Traditionally, wage-hour coverage has been on an employee basis. The committee bill would add another test of coverage based on the volume of business done by the enterprise, a complete departure from the principles upon which the original Fair Labor Standards Act was found constitutional. Whereas, now it rests on the principle of an employee's being engaged in the production of goods for interstate commerce or engaged in interstate commerce, the committee bill proposes to extend the coverage on an enterprise basis, on whether or not it does a large or small volume of business.

A reading of the definition of the term "enterprise" indicates clearly the extent to which coverage may be extended. The committee bill proposes under the definition of "enterprise" and the named tests, to scoop up the corner drugstore, the corner grocery, and all other local businesses on the Main Streets of the small towns of America.

It seems to me that, instead of doing it in that direction, if we are going to do it, we ought to extend the coverage in such a way that it would be reasonably connected with the original principal of interstate commerce.

There is, I understand, to be offered today a substitute bill by the gentleman from North Carolina [Mr. KITCHIN] which proposes to extend coverage on that basis alone, not on the basis of the size of an enterprise. The substitute bill seeks to accomplish this, by covering

those employers engaged in commerce, or the production of goods in commerce, who have five or more retail establishments, operating in two or more States.

Traditionally also, the wage and hour division in the Department of Labor has made a distinction between retail and service establishments. Retail establishments, as distinguished from service establishments, are the only establishments sought to be covered by this proposed substitute.

In the committee bill, as well as in the proposed substitute, there are also two specific amendments, about which I would like to speak briefly.

The first in each of the bills is an amendment to the definition of "agriculture," which would encompass within that definition the shade-grown tobacco for use as cigar wrapper tobacco, by agricultural employees in the growing, harvesting, and processing of such tobacco, prior to the stemming process. The purpose of this amendment is to restore the agricultural exemption relating to the processing, prior to the manufacturing process, of shade grown cigar wrapper tobacco. The exemption is limited to shade-grown tobacco, handled by agricultural employees employed in the growing and harvesting of such grade tobacco prior to this stemming process, the actual beginning of the manufacturing process. This amendment was necessary in order to correct a decision by our courts, known as the Mitchell against Budd decision, 350 U.S. 473. That decision has been construed as denying the exemption in the processing of such tobacco. Although in the vicinity where the tobacco was grown. The amendment would restore the exemption.

The second amendment, which I would like to discuss, is that relating to employees of radio and television stations, the major studio of which is located in a city or town of less than 100,000 population. The purpose of this amendment is to give some relief to the small radio and television station from the many problems which they have had in trying to adjust their unusual operating circumstances to the overtime provisions of the law.

Many radio and television stations have studios located in towns of less than 100,000 population. However, all competitors in the same market shall be treated, under the same rules, as a station located in a city or town of less than 100,000 within the boundaries of the larger metropolitan areas shown to be covered by this exemption. This applies to section 7 of the law.

Now let us go back for a moment to the present law. There are 12 general exemptions written into the basic law. Among the 12 are retail establishments. The committee bill proposes to remove most of those 12, or parts, of most of the 12 general exemptions.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANDRUM] has expired.

Mr. BARDEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. LANDRUM. The committee bill proposes to extend coverage first by bringing in all retail and service enterprises doing business of $1 million or more per year. That means stores, restaurants, service stations, hotels, laundries, farm-equipment businesses, and many, many hundreds of others. Can you imagine what a ridiculous situation we can find ourselves in, when we have a staff going about the country to determine what enterprise has done a million dollars worth of business and which has not, and to tell the employer this year you met the test and you are covered, and next year you do not meet the test and you are not covered. Or if the employer on one side of the street is part of an enterprise doing a million dollars or more, and one on the opposite side of the street, under exactly the same circumstances, is part of an enterprise doing $999,000, and therefore not covered.

Moreover, if I can use an illustration in this immediate locality to show the ridiculousness of that, I would call your attention to the 14th Street Bridge across the Potomac River, and the restaurant just across the bridge. Under the committee bill, that restaurant would not be covered unless it did a million dollars worth of business, and I am told it does not; yet 100 yards away on the same road, but on the opposite side, is an establishment performing the same kind of service, a motel, which does more than a million dollars a year and which would be covered. That is a quick illustration, if you will permit me, of how ridiculous this thing can be.

All the substitute bill proposes to do is to increase, first, the amount of the minimum from $1 to $1.15, and extend coverage only to those retail establishments having five or more outlets in two or more States, clearly keeping it within the interstate commerce principle. To show you how this committee must have realized what the impact would be on newly covered business, they have provided an escalator clause for bringing the wage increase first to $1 an hour, then to $1.15 an hour, then $1.20, and then $1.25. Moreover, the overtime provision will be brought into effect by an escalator down. For instance, the newly covered business will not have to pay overtime the first year under 48 hours, the second year under 46 hours, and the third year under 44 hours, and it will be 5 years before it will have to pay overtime over 40 hours, a clear recognition of what a terrific impact this would have by bringing this legislation to the main street of the small towns of America.

So I say to you that it is imperative that we give clear and careful thought today in our deliberations as to whether we are going to abandon the principle upon which this law was made constitutional, and go into another area entirely. That would create chaos throughout the economic and business establishments of this country. It simply is not fair to call on the corner grocery store in a small town wherever it may be to go on a 40-hour week basis. It simply is not possible to think that we can put the retail and the service establishments in this country on a factory assembly-line production method. Let us keep this thing on the interstate commerce principle. Let the substitute be adopted to stay within constitutional principles and not go wandering off into an area that will create in this country economic conditions which could cause great harm.

It is difficult to speak of legislation of this complicated design in such a short time. It is a very sensitive area, but I hope you will give it your careful consideration.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. KEARNS. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. AYRES], the ranking member of the subcommittee.

Mr. AYRES. Mr. Chairman, it has been my privilege to serve on the so-called Minimum Wage Subcommittee for nearly 4 years. Three years ago last January when I went on the subcommittee, the late Mr. Kelly was chairman. On his death the gentleman from Georgia [Mr. LANDRUM] became chairman. I know of no experience in my 10 years in the Congress where committee hearings have had the impact, at least, I speak for myself, that these hearings have had.

We have not only conducted extensive hearings here in Washington, but we have gone around the country and carried the committee to the grassroots. We heard hundreds and hundreds of witnesses.

In going through the hearings I find that up until January of 1960, 80 percent of all witnesses appearing before the committee presented some definite problem they would have if we started expanding the coverage and increasing the hourly rate under the present law. Since January of 1960, 90 percent of the witnesses have come before the committee presenting problems they would be confronted with if we were to adopt what was then known as the Roosevelt bill. And I want to pay my respects to the gentleman from California. He has worked long and hard on his bill and, in my judgment, has done a good job in presenting what his basic philosophy is in this field. However, from my own point of view the longer the hearings went on the more I became convinced that there was absolutely no chance for the first Roosevelt bill to become law or to receive the favorable approval of our subcommittee or, for that matter, the full committee.

What caused these changes of opinion to be brought about? The first thing that was called to my attention by witnesses was the fact that in two major service industries, in the restaurant field and in the hotel field, dozens of contracts had been negotiated between labor and management which are less than even the $1 minimum that we have at the present time. The reason, of course, is that those industries have not been covered. Union organizers went in and were able to have an election and negotiate a contract with management. The figures are as low as 70 cents on up to 85 cents, and some more than a dollar. We also found even in the hotel field, as the gentleman from Georgia pointed out, a

small percentage of those people are now making less than $1.15 an hour. There are those making less than $1. They are not covered up until now. However, under the substitute bill those working for employers operating five or more establishments in two or more States would come under the act in the retail field.

It is interesting to note the testimony of Max Greenberg, president, Retail, Wholesale & Department Store Union. When he was being questioned before the committee, he brought in two witnesses, one a lady who worked in Indiana, and another lady who worked in Gadsden, Ala.

During the course of the questioning he admitted that he had negotiated a contract in Alabama for one figure and a contract in Indiana for another figure. When asked why he did not do better, he said he just could not get any more; in other words, that was all that the economy in that area would stand. This is an exact quote from the record. Mr. Greenberg testified, and the two ladies were there. Mr. LANDRUM asked this question.

Mr. LANDRUM. I would ask one question if members of the committee would indulge me for one moment. Do I understand the minimum wage in your store in Indiana to be above $1.25?

Mrs. BAMMERLIN. No. There are some at 75, 80, and 85 cents; and $1, $1.25, and $1.50.

Mr. LANDRUM. Your wage is above that?

Mrs. BAMMERLIN. Yes.

Mr. LANDRUM. Did I understand your wage to be $1.56?

Mrs. BAMMERLIN. Yes.

Mr. LANDRUM. Your minimum wage from Alabama is what?

Miss TWILLEY. Seventy cents.

Now, here is the same union negotiating the same type of contract, and Mr. Greenberg was very sensible, apparently, in saying that 70 cents was all he could have gotten in Alabama, because that was all the traffic would bear. And, Mr. Greenberg is a fine gentleman and, I may add, a very good union negotiator. So this confusion arose at that point. And then it became apparent that the subcommittee was going to cut down considerably on the Roosevelt bill which originally would have covered an estimated 7 million or 8 million people. So, in the final analysis we left ourselves with sort of a hodgepodge bill. We were going to exempt certain employees in the service industries who were eligible for tips; we were going to cover other employees. Then we cut down on the laundries, but the committee bill still would cover approximately 128,000 people in the laundry field, operating strictly intrastate, and so on down the line, so that the committee bill as it was approved by the committee would cover approximately 3,513,000 people, whereas the substitute bill would cover approximately 1,400,000 in the retail trade field who would be interpreted as being in interstate commerce.

Now, what is the basic principle that we are deviating from if we adopt the committee bill? As a small businessman, I have always felt that we should encourage expansion. You cannot have employees if you do not have employers. And, what makes this country great is the expansion of small business where the employer is able to hire more employees.

Under the committee bill, Mr. Chairman, we are putting a penalty on expansion. We are saying to the business people of this country that if you reach $1 million in gross sales, even though you are operating, as the gentleman from Georgia said, on Main Street, the big arm of the Federal Government is going to reach in and tell you how much you will pay your employees, what type of a contract you will negotiate with them as far as the Federal Government is concerned. We here in Washington are going to tell the man who does $1 million worth of business that we are going to cover you under the Wage and Hour Act and you will do it the way we tell you. Now, I know how a lot of businessmen in this country feel. They do not want the Federal Government to intervene any more than they are. When they see that their gross sales are reaching perhaps the figure of $950,000, they will say, "We will fix that; we will not have any work for a couple of weeks; we will just slow up a little bit." And, I do not think that that is at all basic as far as what the intent of the original act was. We were going to, under the original act, cover those engaged in commerce, in interstate commerce. Under the committee bill that whole concept would be changed and we would be saying, You will be covered on the basis of your gross sales rather than on the fact that you are engaged in interstate commerce.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Pennsylvania.

Mr. DENT. Is it not true that under the bill any business operating four stores is exempt, but if they operate five, they will be covered?

Mr. AYRES. Not at all. If they are operating in two or more States and have five or more units, and that covers 98 percent of the chain operations in this country, they have still to operate on the interstate basis or they are not covered under the substitute bill.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. AVERY. I have been following the gentleman closely. As I understand the criterion is there must be at least five outlets in two or more States.

Mr. AYRES. In the retail field.

Mr. AVERY. That was my next question. Are we no longer making a distinction between services and a retail outlet or are we confining the substitute bill strictly to a retail store?

Mr. AYRES. The substitute bill is confined strictly to retail; the service industries would enjoy the same exemption they now enjoy. During the course of the hearings it became quite apparent that we could not cover the service industries under the same type of act as the present law.

Mr. LOSER. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield.

Mr. LOSER. I notice in the gentleman's bill on page 2 beginning with line 15, it provides for an increase from $1 to $1.15 per hour in those businesses covered under the present law.

Mr. AYRES. That is correct.

Mr. LOSER. And the additional coverage provided in the gentleman's bill has to do with five or more retail establishments doing business in two or more States.

Mr. AYRES. That is included in Mr. KITCHIN's bill.

Mr. LOSER. The question I want to ask is this. In the gentleman's bill and in the Kitchin bill, both bills being identical, the provision that any employee employed by any retail or service establishment, more than 50 percent of which establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located, is an exemption on retail or service establishments, is it not?

Mr. AYRES. Based on the 50 percent figure.

Mr. LOSER. Annual gross sales. My question is: Service stations that retail petroleum products, are they exempt under the provisions of the gentleman's bill?

Mr AYRES. Yes. They are classified and listed as a service industry. We are not covering any of the service industries. This is confined to the retail trade operation.

Mr. LOSER. One further question, if the gentleman will yield. Clause (2) of section 13(a) is the exemption section of the Fair Labor Standards Act; is it not?

Mr. AYRES. That is correct.

Mr. LOSER. And the language in your bill and in the Kitchin bill with reference to clause (2) of section 13(a) are identical with the present law?

Mr. AYRES. That is right.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. KEARNS. Does not the gentleman feel, as I think the gentleman from California [Mr. HIESTAND], and the gentleman on the majority side do, that we could spend much time in going over these classifications and studying this bill further for consideration before we take this drastic move?

Mr. AYRES. I think we can handle the situation by adopting the substitute that will be offered. However, I will say to the gentleman that I do not think extended hearings would ever change the basic principle on which we are operating; that is, if we are going to deal with amending the Fair Labor Standards Act, we should confine it to those areas engaged in interstate commerce and leave the intrastate commerce out of Federal Government control.

Mr. KEARNS. That is a very good statement; I thank the gentleman.

Mr. BARDEN. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, may I at the outset pay my tribute also to members of the subcommittee, and particularly to our chairman, the gentleman from Georgia [Mr. LANDRUM], and

I include in that both the minority and the majority members. I believe they did labor long and hard on a very difficult subject, one that is very technical and that has, therefore, given great cause for misunderstanding as to what is in this bill. I trust that those misunderstandings will be cleared up during the course of the general debate and when we go into the consideration of the bill under the 5-minute rule.

May I first in discussing the bill say to the gentleman from Georgia [Mr. LANDRUM] that I think he made an excellent statement when he said that we must all recognize that the time has come to know beyond any question that it is inhuman to try to live on less than a dollar an hour, but then he would turn right around and ask you to support a bill which would continue asking many American citizens to do exactly that under the pretense of some legality. How can we truthfully say that we know that it is right to raise the amount from a dollar to $1.15 for those who are presently covered and then turn around in the next breath and say that you would ask those people who do not have today the protection of this minimum wage law to struggle along as best they can under what the gentleman from Georgia clearly stated was an unmorally low wage.

I think, too, that we should get to the question—and I want to answer it directly before it is passed by—of why there is a cutoff in this bill of $1 million and I should say that it was originally in my bill $500,000. We raised it for very specific reasons in order to give to the small-business community a greater opportunity to become adjusted to the changes which are required under the bill.

Why, I would ask the gentleman from Georgia, if he thinks it is so unfair to have a cutoff point, why, then, in the Landrum-Griffin bill last year did we turn around and vote under his leadership to say that companies that do $500,000 worth of business may have the protection of the National Labor Relations Board in labor disputes, but if they do not do that amount they will be denied the protection of that law?

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Michigan.

Mr. GRIFFIN. Would the gentleman agree with me that the labor law enacted last year did not draw an arbitrary dollar line, but rather the Congress said that if the National Labor Relations Board declines to assume jurisdiction over any labor dispute, there will not be a no man's land—the States will take jurisdiction? Is that not a proper statement?

Mr. ROOSEVELT. I do not agree with the gentleman. I think we explicitly approved the practice of the NLRB in having that $500,000 cutoff. Then we said that if they still do not do anything about it we leave it to the States to do it. As the gentleman knows, I have disagreed on that point for a long time.

It is absolutely true that the original bill introduced by Senator KENNEDY in the other body and by myself in this body, H.R. 4488, went a lot further in covering Americans who need coverage under the Fair Labor Standards Act. We proposed that 8 million, approximately, have this protection. But as the result of a hearing, and yes, very frankly in order to try to answer those who said that we should not take all of this jump at the same time, we whittled down little by little, trying to help those who seemed to have the best case at this time. They said, "Leave us alone at least for the time being." We granted them continued exemption. We even went so far as to give further exemptions in one or two instances, where they were able to show in a relatively small manner, but to them important, that it was necessary to give them more time to reach a minimum wage level.

Mr. METCALF. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and seven Members are present, a quorum.

The gentleman from California [Mr. ROOSEVELT] will proceed.

Mr. ROOSEVELT. As I was saying when the point of order was made, it seems to me unrealistic not to recognize that in many of the laws of this land we place a cutoff, and that it might appear to be arbitrary. But it is the only way to make it practical. We also do it in our income tax laws. We have a graduated scale. We set an arbitrary figure at which the graduation takes effect. It may be claimed that is not fair in every instance, but nevertheless it is the only way to make the law work in practice. I think we can also say that it does not have very many instances where it produces an unfair situation.

Now, I think you will see, if you examine the bill, that we have retained many exemptions which were particularly asked for by some of those Members who are now coming here asking that you support a substitute which would in effect deny all coverage to everybody that is not presently covered by the Fair Labor Standards Act. I think it should be made clear that we have tried to be realistic in certain instances, such as the case of people who work for a commission. We well know the difficulty of applying the law to a man who earns his money under a commission basis. So at the suggestion of the gentleman from Pennsylvania [Mr. DENT] we adopted a provision which would exempt from the overtime provision anybody who makes one and one-half times his base pay and who at the same is earning at least 50 percent of this total increment from commissions. This will definitely take care of the situation of the automobile salesman. It will take care of the mechanic working in the automobile dealer's shop who, as you know in many instances is working on the basis of so much per job or so much percentage of what he may sell in the way of goods. I would point out to the gentleman on the left that their administration came before the committee, that the President of the United States has, time after time, asked for legislation extending the coverage, and in the administration bill the amount is 3 million persons. But in the substitute of the gentleman from Ohio, if you take it at face value, he has reduced it to 1,400,000.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Ohio.

Mr. AYRES. The administration saw the same kind of light that you did when you cut your bill down.

Mr. ROOSEVELT. I have not heard the administration endorse the gentleman's bill, or back down from their bill. I do not think you can quote any administration spokesman as saying so.

Mr. AYRES. I can tell you that the President and the Vice President do not object to the substitute bill.

Mr. ROOSEVELT. I think the President and the Vice President should speak for themselves once in a while.

I now particularly address my friends on the right who perhaps have been a part of what sometimes is known as a coalition.

I think it is significant that the bill which is made in order as a substitute, a bill introduced by the gentleman from North Carolina, is really the bill of the gentleman from Ohio on the Republican side of the aisle. It is exactly the same bill, word for word; it is not changed at all, but it was considered expedient to try to get a Democrat to also introduce it in order to re-create the longtime coalition.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ROOSEVELT. Can the gentleman from North Carolina yield me some more time?

Mr. BARDEN. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. AYRES. Mr. Chairman, I yield the gentleman 1 additional minute.

The CHAIRMAN. The gentleman from California is recognized for 4 additional minutes.

Mr. ROOSEVELT. I thank the gentlemen for their courtesy.

Mr. Chairman, I want to plead with my friends on the Democratic side who come from the South to realize that we are members of the same political party. Our party has become known throughout the Nation as the party that stood for the rights and the welfare particularly of the little man. In this bill we have protected the little man, the small businessman. We have given him an exemption, an exemption which will insure that none of the little stores, the little drugstores, for instance, will be disturbed in their operation. At the same time we have done what the gentleman from Georgia so clearly said must be done, recognized that the little people of this country who are not making even a dollar an hour could not possibly live under any kind of a decent way of life. I say to my good friend I hope and pray that he will not send out to the country word that they have joined the opposition in this move to cut down this coverage. And I would ask my Republican friends on the other side, do you honestly

feel that you want to go into this election period when in essence you are denying coverage, particularly overtime coverage to the little people who work for 48 hours a week without any extra compensation. Do you really want to go into this campaign with that kind of issue to defend on your side? I hope and believe you do not.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. AYRES. This will not be the last session of Congress. It may be the last session for some.

Mr. ROOSEVELT. I think it probably will be if the gentleman insists on his amendment.

Mr. AYRES. I am going through with it. Congress will be in session again, and after we see the impact the legislation makes we can certainly pass additional legislation. No one is closing the door.

Mr. ROOSEVELT. I would say to the gentleman that we do not have to leave a door open forever to feel a draft coming through it, and this draft has been existing for a long, long time, and something needs to be done about it.

Mr. LOSER. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. LOSER. I would like to ask about the exemption section of the bill H.R. 12677, page 15. I notice there in clause 2 an exemption for a retail or service establishment which is not, or is not part of, an enterprise engaged in an activity affecting commerce, and more than 50 per centum of such establishment's annual dollar volume of sales, and so on and so forth. Do you understand that to exempt service stations where petroleum products are sold at retail?

Mr. ROOSEVELT. No, sir. If you will read farther in the bill you will find the section which deals with franchises. Under that section an independent dealer that is not under control of his supplier is specifically exempted; and I may say to the gentleman that I have agreed to accept an amendment by the gentleman from Tennessee [Mr. BASS] to exempt specifically gasoline retail dealers in order that that may be clear.

Mr. LOSER. I thank the gentleman very much. I have one further question. Under the present law these retail service stations selling gasoline and whatnot have been exempt over the years since 1938?

Mr. ROOSEVELT. Yes.

Mr. LOSER. The provision the gentleman refers to in his bill covers these, but he has very courteously agreed to an amendment.

Mr. ROOSEVELT. The gentleman is correct. It will continue.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. DINGELL. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and two Members are present, a quorum.

Mr. BOW. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Chairman, this morning I received a breakdown of the differences between the so-called Roosevelt bill, H.R. 12677, reported by the House Committee on Education and Labor, and the so-called Kitchin bill, H.R. 12853. I have asked the gentleman from Ohio [Mr. AYRES], who introduced an identical bill to the Kitchin bill, H.R. 12822, to give me an explanation on the breakdown given to me by Mr. Jacob Clayman:

1. The committee bill provides for employees presently covered a minimum of $1.15 an hour the first year, $1.20 an hour the second year, and $1.25 an hour the third year, effective November 1, 1960, 1961, 1962.

The Ayres-Kitchin bill provides only a flat $1.15 minimum for presently covered, with no subsequent stepups, effective January 1, 1961.

AYRES' reply to me:

The analysis is correct. However, if the Congress deems it advisable, the minimum could be raised to $1.25 in 1961. We must see what the impact will be and not attempt to predict what the economy will be in 1962.

The Clayman breakdown:

2. The committee bill provides a minimum wage for newly covered employees as follows: $1 the first year, $1.10 the second year, $1.20 the third year, and $1.25 the fourth year.

The Ayres-Kitchin bill provides only a $1 minimum for newly covered employees, with no future stepups to eventually bring them up to par with others.

AYRES' reply to me:

The substitute bill provides for the $1 minimum for newly covered employees. Again, the Congress can bring them up after seeing what effect the new minimum has.

The Clayman breakdown:

3. The committee bill provides overtime for newly covered employees as follows: first year, after 48 hours; second year, after 46 hours; third year, after 44 hours; fourth year, after 42 hours; fifth year, after 40 hours. Thus, the Committee bill would provide a delay of 5 years before newly covered employees would receive the same overtime protection as presently covered employees.

The Ayres-Kitchin bill gives even the few newly covered employees no overtime protection whatsoever.

AYRES' reply:

This isn't the last session of Congress. The next Congress can consider bringing the newly covered employees under the overtime provisions of the act.

The Clayman breakdown:

4. Puerto Rico, Virgin Islands, and American Samoa: The committee bill provides a 15 percent minimum wage increase the first year and additional 5 percent increase in each of the next 2 years, subject to review by industry committees in hardship cases.

The Ayres-Kitchin bill provides no minimum wage increases whatsoever for presently covered employees in Puerto Rico, the Virgin Islands and American Samoa.

AYRES' reply:

Puerto Rico, the Virgin Islands, and America Samoa have entirely different problems than do the States. There is nothing to prevent those areas from handling their problems locally. Moreover, the present act already provides industry committees which study the facts and make wage determinations for Puerto Rico.

The Clayman breakdown:

5. The committee bill extends the coverage of the Fair Labor Standards Act to about 3,513,000 employees as follows:

(a) Enterprises having retail or service establishments whose annual aggregate volume of sales, excise taxes excluded, is $1 million or more. (However, motion picture theaters; restaurants and lunch counters which are not in hotels, department, drug or variety stores, etc.; employees of hotels and motels whose earnings consist in substantial part of tips; and amusements and recreational establishments operated on a seasonal basis, are not covered. Employees 50 percent of whose earnings come from commissions, and whose regular rate of pay is at least 1½ times the minimum, are not covered by the overtime provisions.)

(b) Laundering, cleaning, and repairing enterprises having annual sales volume of $1 million or more (excise taxes excluded).

(c) Transit enterprises having annual sales volume of $1 million or more (excise taxes excluded).

(d) Telephone operators (except those employed by companies having fewer than 750 telephone stations).

The Ayres-Kitchin bill extends coverage to only about 1,400,000 additional workers—those retail chains with five or more stores operating in two or more States. (Even a chain retailer could escape this coverage by incorporating local units separately in different States.)

AYRES' reply:

It is the intent of the substitute bill to confine the extended coverage to the retail chains who are operating in interstate commerce. The Federal Government has no business becoming involved under the wage-hour law in strictly intrastate operations.

Mr. AYRES. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HIESTAND].

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I ask the gentleman from California: Ultimately you hope to bring everyone under this type of legislation, do you not?

Mr. ROOSEVELT. I will say to the gentleman that of course I do not hope to do it under this legislation.

Mr. HOFFMAN of Michigan. By similar legislation?

Mr. ROOSEVELT. I hope the day will come when no American will have to live on less than a living wage.

Mr. HOFFMAN of Michigan. That is nothing new. It is the desire of everyone. Does not the gentleman think it will also be necessary to fix prices to bring that about?

Mr. ROOSEVELT. No. The reason I do not believe that is that in the case of prices you have the workings of the law of supply and demand under our system. They do not apply to this kind of labor. There is no way in which most of these employees, as the gentleman knows, even when they can negotiate at times, can get a living wage.

Mr. HOFFMAN of Michigan. I thank the gentleman. I had always assumed that the price of an article was, in some degree, determined by the wage paid in its production.

Mr. HIESTAND. Mr. Chairman, this subcommittee upon which I happen to have the honor of serving has been as conscientious and as faithful and as hard working as any committee or subcommittee of which I ever knew. We worked hard and long, and we considered every phase of a bill which we thought at first would be quite simple. We found it to be very complicated in its ramifications. Literally hundreds of witnesses came in to depict the plight of their businesses, not so much on behalf of their businesses as their employees. That, Mr. Chairman, is the theme upon which I shall dwell.

Mr. Chairman, the enactment of this bill, in my judgment, would defeat the purported objectives of the bill, namely, to help the lower income and marginal workers. It would in my judgment, severely hurt them.

First, by being highly inflationary, raising the cost of production and hence the cost of living, most cruel to the marginal workers. Everyone knows that when the cost of production goes up the lower income people, being the most numerous, get hurt the worst, and they pay this cost at the store cash register rather than to the tax collector. The bill, according to the testimony of numerous witnesses, including a unanimity of union witnesses, would raise the scale of other workers all the way up the line by the same amount that the basic wage was raised. That would put on a considerably added cost of production and would raise the cost of living, because it has to be passed on to the consumer.

Second, it has this built-in escalator clause which guarantees a continued inflationary impact, increasing over the years, and with each lift in the original minimum will go added lifts all the way up the line.

Third, it would force increased production costs, thus taking us farther out of worldwide competition. Now, we have had a lot of discussion on this floor recently about competition from abroad and we had a lot of testimony before the committee. Even members of the union, who were discussing the matter are concerned, because we are in effect importing unemployment just as well as we are importing the makings of a depression and the trend is steeply, even tragically upward. If we force ourselves further out of that competition, be it only by a little, and a little bit more later, this is a very serious thing, and it can cause a lot of unemployment. This unemployment, I may say, hurts the marginal workers the most.

Now, this bill is discriminatory in many ways. This cutoff that has been discussed, in effect, penalizes success. It penalizes the man who works extra hard and extra hours to build a business and he gets it up over the million-dollar basis. He and his associates become penalized. Do we want, as a matter of principle, to penalize success and the expansion and the creation of new jobs? Every Member of this House knows that in the 1960's, the decade coming up, we are going to need hundreds of thousands, yes, millions of new jobs. Are you going to get them by penalizing success, keeping down employment, crimping expansion and the creation of new jobs? I do not think so. Certainly this is a wrong principle. This whole principle of penalizing success or penalizing initiative, energy, and ambition is un-American in every sense and it will hurt, again, the marginal worker.

More importantly than all of these others, it will, in my opinion, cause severe unemployment among many low-income, marginal workers, many of whom are older workers. Our evidence showed us that. There are many students, of course, that cannot get other jobs, trainees, semihandicapped workers, some even partly blind. These people need work desperately. But, Mr. Chairman, these people are hurt the worst because they can get no other jobs. If we want to help the marginal worker, the low-income worker, this is the worst way to do it. This bill, in my judgment, should be defeated. It is a bad bill in every way.

The substitute measure, I would like to invite to the attention of the committee, is based upon an entirely different principle, a principle upon which we have a right to legislate, namely, interstate commerce. And there and only there I think we, since we have already a minimum wage law, can well legislate. I would like to tell the committee, Mr. Chairman, that each of the provisions of the substitute bill was carefully considered in the testimony and in the hearings and in executive sessions of the committee bill. They were offered as amendments. They were voted down, but we still feel that the House as a whole would like to work its will. Most of the witnesses, Mr. Chairman, appearing before us were fairly frantic. They saw ruin for their business and their employees.

That is why this is such a serious matter and one to which I think we should pay a great deal of attention, that we should consider very carefully before we do a broadcast job such as raising wages all the way across the board without regard to merit, and without regard to disastrous consequences.

I think the committee bill should be defeated.

Mr. BARDEN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DENT].

Mr. DENT. Mr. Chairman, I think it is about time we talked about some of the features of this bill instead of getting into the heat of philosophy. I do not believe we could ever agree, not all of us at least, that this or any other piece of legislation that comes before us is the kind we all want. However, there was some question raised as to the automobile retailing industry. After many conferences with representatives of the retail industry an amendment was worked out that has been accepted by both the automobile dealers as well as those who work for them. This amendment goes beyond the automobile shop. It is an amendment conceived in the simple basic philosophy that if a man happens to be in a type of employment where his hours are uncontrollable, so far as his earnings are concerned, he should not be put, therefore, under a maximum hours law. It is based upon facts that were brought before this committee.

For instance, if an individual works in a dry goods store and happens to be in a department selling draperies, he works on the basis of a flat workweek salary plus commissions. An enterprising clerk will stop at a new house that is being built, go in and try to get the prospective owners to let him submit a bid for the work to be done. Or a furniture salesman will go to someone who is going to buy new furniture and say, "Will you let me give you a bid?" They might do that on Saturday, they might do that after hours, they might do it on Sunday or any time they find convenient as between themselves and the prospective customer.

So we worked out some simple language that any person could understand who wants to understand. We say that if an individual earns a wage on a basis of 1 month of 1½ times the legal minimum wage and 50 percent or more of that income comes from commissions in the sale of goods or services, then that person is exempt from the hours feature of this law.

What did we do with the maximum hours features of this law? We started with a 48-hour period. How many in this room know of any basic employment today in America where there are more than six 8-hour days demanded of a worker? And so we start on the premise that those 48 hours shall remain in for 1 year. Then we come down to the 40-hour week in 4 years. We do the same in the increase in the wage scale. We start out with $1.15 and we work into $1.25 in a 3-year period. Under new coverage we do it in 4 years.

In this legislation as in all legislation there must be compromise. Those of us who started out wanting a lot more than is contained in this bill have compromised at every turn of the road, but those who started out wanting less than is contained in this bill have not compromised one iota. Compromise is a two-way street. Every person in this room knows that the gentleman from California [Mr. ROOSEVELT] in all of the work he has done on this bill has listened to every person who had a complaint, and where the complaint was justified on the facts received by the committee the issue was resolved in favor of the complainant.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I should like to pay tribute to the gentleman as the former speaker of the senate in Pennsylvania and also majority leader there, but does the gentleman realize that many of the ramifications of this bill may put the Commonwealth of Pennsylvania out of business if we cannot compete? How are you going to answer your constituents when you go home when you price us out of the labor market?

Mr. DENT. I have been answering my constituents for 26 years, and they evidently like the answer. I am still in

office. However, do not worry too much about the competition from the 49 other States. Pennsylvania will take care of itself. It has a minimum wage law. You worry about the competition from foreign shores.

H.R. 12822 and H.R. 12853 have been offered as a substitute for the bill recommended by the majority of the Committee on Education and Labor. The substitute bill is shockingly inadequate.

We are considering the first congressional action on minimum wages in 5 years. This is no longer the time for minor or token adjustment.

The substitute bill is a transparent effort to head off needed and warranted minimum wage improvements by offering minor adjustments in the hope that they may mistakenly be accepted as adequate. It is designed to give the appearance of positive action on minimum wage needs while in fact providing for very little substantial improvement. I urge you to reject this effort to water down the sound recommendations of the Labor Committee majority.

Let us consider each of the separate major features of this substitute. The principal provision is for an increase in the minimum to $1.15 in place of the three-step increase to $1.25 provided by the committee's recommended bill.

The justification for limiting the increase to $1.15 is that $1.15 would affect approximately as many low-paid workers as did the last adjustment when the minimum was raised to $1. But even if we are to accept as a guide the idea that the increase in the minimum should be limited to about the same impact as the last increase in the minimum, the $1.15 is too little.

The sponsors of the substitute neglect to point out that the raises provided workers affected by $1.15 would be much smaller than the raises provided by the $1 minimum. Specifically, an increase to $1.15 will provide an average increase of 9 cents as compared to 15 cents when the minimum was raised to $1.

The most direct and appropriate comparison is the impact on payrolls. The $1.15 would require an increase of only four-tenths of 1 percent of payrolls of covered workers. This is only half the impact of the $1 minimum for the $1 required an increase of eight-tenths of 1 percent.

In other words, if we want to provide an increase now having roughly the same impact on industry as the $1 minimum had in 1956, an impact which was readily taken in stride by industry, the minimum would have to be increased, not to $1.15, but to $1.20 immediately in one step, for $1.20 would require an increase of eight-tenths of 1 percent of payrolls, the same impact required by the $1 minimum.

On extension of coverage, the substitute bill would take only one exceedingly limited step. It would cover only multistate retail chains with five or more outlets, and even for them it would provide a minimum of only $1 and no hours protection whatever. Such chains could of course act to escape even this token coverage by reorganizing to reestablish themselves as separate smaller chains of four or fewer outlets or as separate corporate chains in separate States.

The substitute bill would ignore all other areas in which protection of the act is needed. It would do nothing whatever on coverage of large department stores and other sectors of retail trade. It would do nothing whatever on service establishments. It would do nothing whatever on coverage of laundry and cleaning enterprises. It would do nothing whatever on coverage of transit enterprises. It would do nothing whatever on coverage of excluded telephone operators. Even the modest administration measures recognized the need for extension of coverage in each of these areas.

Finally, the provision of the substitute bill on minimum wages for Puerto Rico provides for no adjustment whatever in Puerto Rican minimums. This would give a further competitive advantage to certain Puerto Rican industries over competing employers on the mainland, as in the case of the garment industry, for example. This encouragement of a further widening of the gap between wages of Puerto Rican workers and workers on the mainland is unsound and should be rejected.

ESCALATION PROVISION OF H.R. 12677

The bill before us, H.R. 12677, would increase the minimum wage to $1.25, but would do it in three steps a year apart. Only $1.15 would be made effective the first year. The minimum would go to $1.20 a year later and to the $1.25 the year after that.

This step-up arrangement is a compromise which has been accepted by many of our colleagues who would prefer to have the entire $1.25 made effective immediately.

Some other Members of the House, however, have criticized this spreading of the increase over several years. Because the bill provides for future effective dates, they have called it "anticipatory legislation" and oppose it on that ground.

I want to make it clear why the bill is not anticipatory. The criticism is based on a misconception of the bill's purpose and approach. It should not be allowed to mislead anyone as to what is actually involved.

What the members of the Committee on Education and Labor found, when they examined the bases for adjusting the minimum wage, was that an increase to $1.25 was warranted at this time.

In the 5 years since the minimum wage was last adjusted by Congress, the cost of living had increased by 10 percent, the economy's productivity advanced by some 15 percent, and most of the Nation's workers had received quite substantial wage increases. A reasonable updating of the old $1 minimum wage to take account of these basic charges requires at least $1.25 today.

However, some Members and the administration have contended that this may be too large an increase for some industries to adjust to in one step. Therefore, in an effort to ease industry adjustment, the bill provides that the increase to $1.25 shall be in several steps rather than all at once.

The provision for several steps is not anticipatory. The step-up to $1.25 is not based on speculation or anticipation of future economic trends. It is based wholly on past economic movements which now justify a $1.25 minimum.

Let me repeat this in other words: The minimum wage has not been tied to any index which would require automatic adjustments in the future.

The bill's provision for progression to $1.25 in several specific steps is simply a delaying of part of a currently justified increase.

This approach—the spreading of an increase in the minimum over several steps—is hardly unusual. Indeed, this approach is the very basis on which Congress first proceeded on minimum-wage legislation.

When the Fair Labor Standards Act was adopted in 1938, it provided for gradual increases in the minimum at specific dates in just the manner which H.R. 12677 is now following.

You will recall that the original act provided for a minimum of 25 cents, with an increase of 5 cents to be effective a year later—note that, although only 5 cents, this was a percentage increase of fully 20 percent. In addition, provision was made for a further increase of 10 cents 6 years later, but to be reached as soon as possible on an individual industry basis as determined by review committees. This step-up pattern of the original act was, of course, not anticipatory legislation, but rather a successful effort to apply warranted increases on a gradual basis. This is the example being followed by the bill before us.

We have found that updating of the $1 minimum requires an increase to $1.25. If we provide for less, we will be short-changing the Nation's less fortunate workers. Still, the increase should not be greater than can be absorbed by industry without undue difficulty. That is why the bill provided for the increase on a gradual basis.

In simple justice to the low-paid workers, we cannot make the postponement of the $1.25 indefinite. Putting off the $1.25 minimum deprives low-paid workers of protection they deserve now. But the 2-year, 3-step schedule is not an unreasonably long delay. The disadvantage of delay for workers is offset somewhat by assurance that the $1.25 will become effective at a fixed and not too remote date.

This compromise is reasonable and desirable in another vital respect as well. It has the advantage of certainty. Employers and workers alike know just where they stand under this gradual but definite approach to the $1.25.

The 2-year time allowance, the fixed dates, plus the fact that each step-up is relatively small, all encourage and enable employers to plan in advance for adjustment to the upcoming increases.

Through this gradual step approach, the bill achieves equitably the basic objectives both of justice to workers and

avoidance of too large an adjustment burden at one time for industry.

The bill applies the same principle of gradual adjustment to newly covered workers. For them, however, the increase to $1.25 is spread over a longer period, inasmuch as some of them are now paid even less than $1.

To ease the transition to new coverage, the minimum for the newly covered workers is set initially at $1, with the $1.25 postponed for 4 years under a step-up schedule specifying $1.10 in the second year after the bill's effective date, $1.20 in the third year, and $1.25 in the fourth year.

On overtime pay protection too, application of the act's 40-hour workweek standard to newly covered workers will be spread over a period of several years. The maximum workweek for them will be set initially at 48 hours, with 2-hour reductions at yearly intervals until the 40-hour standard is reached after 4 years.

PROPOSAL TO LIMIT COVERAGE TO RETAIL AND SERVICE ENTERPRISES THAT OPERATE IN MORE THAN ONE STATE

H.R. 12677, the committee-reported bill to raise the minimum wage and extend coverage under the Fair Labor Standards Act of 1938, would extend coverage of the act to employees of retail or service enterprises that have one or more retail establishments whose aggregate annual sales volume (exclusive of excise taxes) is $1 million or more. The proposed amendment would add to this sales test of coverage an additional test, requiring retail or service enterprises to operate in more than one State.

The proposed amendment is objectionable for these reasons:

First. The amendment would exclude from coverage many of the largest retail and service enterprises, most notably department stores, which typically operate on a one-State basis. These enterprises are no different in character or size than similar enterprises which may have units in more than one State.

Second. Under this amendment, employees of single-unit retail companies, such as most large department stores, and employees in retail or service chains with outlets concentrated in one State, would be unfairly and discriminatorily deprived of the protection of the act, while employees doing identical work in other retail or service enterprises having as few as one unit in another State would be covered by the act.

Third. The amendment would encourage and enable easy evasion of coverage through reorganization of multistate enterprises into separate corporate enterprises functioning in separate States.

1. MINIMUM WAGE FOR PRESENTLY COVERED EMPLOYEES

The Fair Labor Standards Act now extends minimum wage protection to 23,700,000 employees employed in the following industries:

Manufacturing	14,238,000
Mining	626,000
Wholesale trade	1,784,000
Construction	1,273,000
Finance, insurance, etc	1,413,000
Transportation, communication, and utilities	3,166,000
Other	1,223,000

The minimum wage for these employees was increased from 40 to 75 cents an hour in 1949 and, in 1955, from 75 cents to $1 an hour effective on March 1, 1956. In the 5 years since Congress acted, there have been substantial increases in the level of wages in the economy reflecting gains in productivity and increases in the cost of living. Workers at the lower end of the pay scale who are paid at or near the minimum wage have not participated in this upward movement of wages. Of the 23.7 million protected workers, 1.3 milion, or 5.4 percent, were earning less than $1.05 an hour in June 1959.

The number and proportion of employees being paid at the statutory minimum wage of $1 an hour, or within 5 cents of it, are more than double the number and proportion in 1955 who were being paid at the then statutory rate of 75 cents, or within 5 cents of that. At that time, about 550,000 workers, or 2.3 percent, were being paid less than 80 cents an hour.

Thus a very large number of workers whose wages were increased to $1 an hour by the 1955 enactment have not increased their hourly earnings in the intervening years. The result has been a deterioration in the standard of living of millions of workers. The conditions of the workers in the low wage industries are even worse.

A survey by the Department of Labor showed that in June 1959, 17 percent of the covered workers in 13 low wage industries were paid less than $1.05 an hour, 30 percent were paid less than $1.15, and 41 percent were paid less than $1.25.

During this same period when the earnings of these several millions of workers remained virtually static, consumer prices have risen by 10 percent and as a consequence real income of these workers has declined drastically. Nor did these workers share the benefits resulting from the increases in productivity which amounted to 15 percent between 1955 and 1959.

The average hourly earnings in the industries in which these workers were employed, however, increased markedly during this same period, reflecting the success of organized labor in protecting the earnings of the union workers. Thus, the average hourly earnings in manufacturing increased by 22 percent from $1.88 in 1955, to $2.29 in March 1960. In construction the increase was 25 percent and in wholesale trade it was 20 percent.

There has thus been an ever-widening gap between the prevailing wages in industry generally and the wages of those workers who must rely on the statutory minimum under the Fair Labor Standards Act for the protection of their rates of pay. In 1955, when the minimum wage was increased to $1 an hour, there was a gap of 88 cents between that minimum and the average hourly earnings in manufacturing. Today this gap has increased to $1.29.

In summary, it appears clear that the dollar an hour minimum wage of 1955 has fallen far behind the upward movement of wages, the increase in productivity, and the rise in the cost of living.

2. MINIMUM WAGE LEVEL

In recommending the increase in the $1 an hour minimum wage for presently covered employees, the committee has considered (a) the effects on these workers of the increase, since 1955, in the cost of living, and in productivity, and in prevailing wages in the industries in which they are employed; (b) the present day requirements, as estimated by suggested budgets, to maintain the minimum standard of living necessary for health, efficiency, and general well-being of workers; (c) the cost impact on affected industries of the proposed increase in the minimum wage; and (4) the estimated effects on employment and earnings of the proposed increase.

After due deliberation and weighing of all of these factors, and in view of practical considerations, the committee recommends that the minimum wage for employees now covered by the act be increased by 15 cents an hour during the first year after enactment and by an additional 5 cents in each of the following 2 years, to raise the level of the present minimum wage of $1 an hour to $1.25 an hour by 1963.

In the committee's judgment there is a sound basis for these minimum wage levels even if only the following two factors are considered: First, the adjustment to the 10-percent increase in the cost of living, which would require a minimum of $1.10 merely to provide the same real wages as the dollar minimum did at the time it went into effect; and, second, adjustment to reflect the 15-percent increase in productivity, which requires that the $1.10 be raised to $1.265.

Thus, the changes in the cost of living and changes in productivity alone would justify a Federal minimum wage of at least $1.25 immediately. The committee's recommendations of a 15-cent increase in the minimum wage on the effective date and a 5-cent increase in each of the following 2 years is necessarily on the conservative side in the light of practical considerations. This is indeed a "modest" increase in the minimum wage. It is difficult for the committee to perceive any basis for opposition to the 15-cent increase immediately; the additional 5-cent increase in each of the following 2 years will barely keep pace with the ordinarily expected changes in the cost of living and productivity during each year.

The average annual increase in productivity is about 3 percent and the average increase in the cost of living, excluding the periods of high inflationary change, is about 1½ percent a year. In the last few months, the cost of living has continued to increase and the Department of Labor has forecast a continuation in the months ahead. Based on past experience there is little reason

to believe, unfortunately, that this trend will not continue. Thus, in April 1960, the cost-of-living index climbed to 126.2, a 0.4-percent increase over March. When these figures are applied to the $1.15 minimum that will be prevailing after the effective date of these amendments and to the $1.20 minimum that will be prevailing the following year, they yield a figure in excess of the proposed increase of 5 cents each year.

The above factors are sufficient justification for increasing the present minimum wage in accordance with the committee's recommendations. It should be noted that these same factors were used as the basis for establishing the level of the minimum wage in 1949 at 75 cents an hour and in 1955 at $1 an hour. And these same factors were specifically singled out by the Congress for the Secretary to consider in evaluating the statutory minimum wage level and in making recommendations with respect to minimum wage legislation. Thus, section 4(d) of the act states in part as follows:

> In making such evaluation and appraisal, the Secretary shall take into consideration any changes which may have occurred in the cost of living and in the productivity and the level of wages in manufacturing, the ability of employers to absorb wage increases, and such other factors as he may deem pertinent.

But reliance need not be placed on these factors alone. Further justification for the increases the committee recommends can be found in a comparison of the proposed minimum wage with estimated budgets needed at the present time to provide the "standard of living necessary for health, efficiency, and general well-being of workers" which is the objective sought by the act.

A review of various budgets to provide the barest of subsistence leads to the incontrovertible conclusion that many workers, including those now covered by the $1 minimum under the act, live in want of the bare necessities of life. Such workers and their families must therefore be provided with public relief and private charity to supplement their meager earnings. This is true not only in those sections of our country traditionally associated with low wage standards; it is true also in our greatest cities and our most prosperous States.

In a recent report to the City Council of the City of New York, it is stated that—

> At the present time 44.3 percent of the families to whom relief in the city of New York is extended include wage earners whose incomes are being supplemented by the Department of Welfare.

These payments represent a subsidy by the taxpayer and by the whole community. The burden falls on the community and its relief rolls and the community also bears the incalculable cost of the waste of human resources, the loss of human dignity, and the intolerable social and economic evils that prey upon the underpaid workers, upon his children and upon his neighborhood.

Even if an employee received $1.25 an hour and worked a full 40-hour week every week throughout the year, his income of $50 a week, $216 a month, and $2,600 a year, would still be below the barest budgets set for relief clients by many States and substantially below the statutory objective of maintaining "a minimum standard of living necessary for health, efficiency, and general well-being."

For example, the Social Security Act provides for Federal grants-in-aid to States for assistance to the needy aged, the blind, the disabled and the children deprived of parental support and care. The level of living that is recognized in determining an individual's eligibility for assistance under this program is defined by each State. In July 1958, the States published such minimum subsistence budgets for a family of an incapacitated father and mother and a boy of 11 and a girl of 7. This minimum subsistence budget was higher or within 10 percent of the full year's wages of the worker in the most favorable case cited above, in 20 States of our Union.

The barest minimum budget for health and safety which is used by the New York City Department of Welfare in determining eligibility for free school lunch is $52 a week for a family of two, $62 a week for a family of three, and $74 a week for a family of four. All of these budgets are in excess of a $1.25 minimum wage that a worker would receive for a full workweek of 40 hours.

Even when we examine the budget for a single woman, we find that in a number of States a $1.25 wage is insufficient to provide the minimum essentials for her maintenance assuming that she received not less than $1.25 an hour for 40 hours a week, in every week of the year. In a number of other States, she would just about make it. For example, in Pennsylvania the estimated annual cost of a budget for an employed woman in May 1957, was $2,942 a year and in Arizona in February 1954, over 6 years ago, the estimated budget was $2,527. In Colorado in September 1955, it was $2,380 and the budget was substantially higher in such States as New York, New Jersey, and Washington.

Needless to say, for a family breadwinner a $1.25 minimum at the present time would still be below a subsistence wage. In October 1959, the Community Council of Greater New York set a budget for a family of four at $93.12 a week. A family breadwinner on that basis would have to earn well over $2 an hour.

The committee's recommendations for an increase in the minimum wage is prompted by the knowledge that 3,600,000 Americans in industries protected by the act are earning less than these minimum subsistence budgets. The committee's action in recommending an extension of the coverage of the act is prompted by the knowledge that the situation is even worse among the over 20 million American workers who have no protection at all under the Fair Labor Standards Act. Thus, more than half of the workers in the retail trades earned less than $1.25 an hour in October 1956; more than 1 out of 4 earned less than a dollar an hour; and more than 1 out of 10 earned less than 75 cents an hour.

These wages do not provide even minimum food, clothing, housing, and medical care. When wages reach the depths of 75 cents an hour and even 50 cents an hour, as brought out in testimony before the committee, the entire community is paying too high a price for cheap labor. The first victims are those who through dire necessity must accept such pitiful wages. But ultimately, the community must pay the price through higher welfare services, and the costs associated with slum conditions and the evils attendant upon them.

It is apparent that someone must pay the difference to maintain these people. The question is whether industry which employs these workers can meet the costs of an increase in the minimum wage and whether, assuming they have to pass all the costs on to the consumer in higher prices, it will result in inflation. These questions are examined below.

In considering these questions the committee, although in full accord with the sentiments, has chosen not to address itself to the persuasive arguments of many thoughtful persons that the fear of the possibility of some increase in prices is not a sound argument against an increase in the minimum wage and the extension of coverage and that the American consumer is willing to pay fair prices for his goods and services and does not want to be subsidized by underpaid workers. Rather, the committee has chosen to analyze the cost impact of the proposed increase in the minimum wage in dispassionate economic logic.

3. COST IMPACT OF THE PROPOSED INCREASE IN THE MINIMUM WAGE

The committee has weighed the cost of increasing the minimum wage to the recommended level and is satisfied that the economy can safely absorb these increases without "curtailing employment or earning power" and without a perceptible increase in prices. In this respect the committee feels that a comparison of the proposed increases with the increase from 75 cents to the easily absorbed $1 an hour in 1955 is very instructive.

Table 1 shows a comparison of the impact of the increase in 1955 to $1 and the increases proposed in the bill. As will be noted from this table, the 15 cents increase proposed by the bill would mean an increase of $452 million or four-tenths of 1 percent of the annual wage bill of the presently covered employees. In contrast, the 25 cents increase in 1955, from 75 cents to $1, was twice as high, eight-tenths of 1 percent of the total wage bill of the covered employees. The 15-cent increase would, however, benefit 2.4 million workers who are now earning less than $1.15 an hour and who would receive an increase of 9 cents an hour on the average. The 25 cents increase, in 1955, affected 2.1 million employees but required an average increase of 15 cents an hour per worker, or almost twice as much.

TABLE 1.—*Impact of minimum wage increase to $1.15, $1.20, and $1.25 and comparison with increase in 1955*

	$1.15 on effective date of 1960 amendments	$1.20 1 year later [1]	$1.25 2 years later [1]	Total impact 1960 amendments $1 to $1.25 [1]	Compared with 1955 increase 75 cents to $1
(a) Amount of increase	$0.15	$0.05	$0.05	$0.25	$0.25
(b) Increase as a percent of statutory minimum	15	4.4	4	25	33⅓
(c) Number of employees receiving direct wage increase millions	2.4	0.6	0.6	3.6	2.1
(d) Average hourly increase per employee	$0.09	$0.03	$0.03	$0.15	$0.15
(e) Annual wage bill increase to raise employees to specified level millions	$452	$300	$300	$1,065	$560
(f) Wage bill increase as a percent of total wages of all covered employees	0.4	0.3	0.3	1.0	0.8
(g) Average hourly earnings in manufacturing	[2] $2.29			[2] $2.29	$1.88
(h) Spread between minimum and average hourly earnings	$1.14			[2] $1.04	$0.88
(i) Minimum as a percent of average hourly earnings	50			[2] 54.5	53

[1] These estimates are based on June 1959 wage rates, thus the impact in this table is overstated since it does not reflect the general upward movement of wages in the past 8 months nor does it attempt to project wage increases through 1960–61.

[2] January 1960 figure.

Source: U.S. Department of Labor.

The committee believes that the small increases of 5 cents in each of the following 2 years is so eminently justifiable that it need not be belabored. As has been pointed out above, these increases are barely sufficient to keep pace with the ordinarily expected annual increments in the cost of living and in productivity. The table of comparisons with the 1955 increase further illustrates that the cost impact of these additional increases are virtually negligible.

It should be kept in mind, moreover, in making these comparisons, that the impact of the proposed increases are overstated because the table is based on 1959 data and does not reflect the general upward movement of wages in the past year, nor does it attempt to project the wage changes through 1961 and 1962, after which the proposed additional increases will go into effect. For example, it does not reflect recent wage increases which have been particularly significant in textiles, one of the major low-wage industries.

But even if we consider the comparisons as shown by the 1959 data in the table, it must be concluded that the proposed increases will be easily absorbed since studies have shown that the much larger increase in 1955 was easily absorbed by the economy "without substantially curtailing employment or earning power" and without any perceptible increase in prices.

The Labor Department undertook a 3-year program of studies to determine the economic effects of the $1 minimum wage and its conclusions as well as the studies are available to the Congress. Some of the highlights and conclusions of these studies are particularly significant in evaluating the probable effects of the increases proposed by the committee. These are taken directly from the studies and the reports as follows:

First. Two general conclusions can now be drawn as to effects that the minimum wage did not have. First, the minimum wage increases had not, by December 1956, resulted in any substantial changes in the economic situation of the Nation as a whole, as measured in terms of trends in employment, unemployment, price levels, and other economic indicators. Second, it had not resulted in an increase in hourly earnings of high-paid employees proportionate to the increase in earnings of workers previously paid less than $1 an hour—"Studies of the Economic Effects of the $1 Minimum Wage," March 1957, page 4.

Second. None of the basic series summarized above—"The Economic Indicators, 1954–56," including trends in hours, earnings, employment, consumer prices, and so forth—appears to have been affected substantially by the increased minimum wage. This does not mean that the minimum wage did not have any effect on trends in the various economic factors which are reflected in this series; rather, these effects were of too small a magnitude relative to overall economic activity to be discernible in the statistical series.

Third. Total nonagricultural employment increased between the time of the enactment of the dollar minimum wage and the first part of 1957—"Studies of the Economic Effects of the $1 Minimum Wage," 1959, page 2.

Fourth. The effects of the minimum wage on unemployment "were not sufficiently large to be descernible in the overall estimates of unemployment."

Fifth. In 15 low-wage industries included in the study, the data revealed that between 1955 and 1957, the first impact period of the dollar minimum, employment increased in some of the industries and decreased in others. Overall, there was a decline of 62,000 workers or 3 percent of the 2 million workers included in the survey. It is speculative how much of this small decline was due to the minimum wage or to other economic factors. Moreover, following a subsequent decline in employment during the 1958 recession, the work force in these industries increased by 119,000 in 1959, thus bringing total employment back to the preminimum level. It is particularly significant that average weekly hours in these 15 low-wage industries remained virtually stable throughout the period of the impact of the dollar minimum wage.

Sixth. The Department's study delved even deeper into the effects of the dollar minimum by selecting 12 low-wage industry segments which employed 400,000 workers, 60 percent of whom were being paid less than $1 an hour before the effective date of the dollar minimum wage. Yet even here, the change in total employment between the preminimum period and the first postminimum period was only 4 percent. As noted above, it is not certain how much of this decline was due to the effects of the dollar minimum wage.

Seventh. A community study provides a broader view of the impact than the study of companies directly affected. The Department studied six small localities including both industries subject to the act and noncovered industries. The Department found that during the 2 months immediately following the mandatory wage increase, employment in the covered industries declined in two communities, rose in one, and remained virtually unchanged in the others. But by June 1959, 3 years later, employment in these six localities had increased by 20 percent in the group of industries covered by the act and by 14 percent in the noncovered group. It is particularly significant that the increase in employment, though large for both groups, was substantially larger for the covered industries which had to absorb the increase in the minimum wage.

4. INDIRECT IMPACT

The committee frequently heard comments during its consideration of the bill regarding the indirect effects of an increase in the minimum on the wages of employees receiving in excess of the minimum. Some opposed the increase in the present minimum wage and the extension of the act's coverage, on the ground that any statutory increase in the wages of the low-paid employees will require an increase in the wages of all employees even those now earning well in excess of any proposed minimum. The committee frequently heard the comment that "wages would have to be raised all along the line."

While the committee believes that this argument, even if correct, cannot in good conscience be accepted as a reason for depriving the lowest paid workers in our economy of a decent minimum wage, the fact is that there is widespread misunderstanding of the extent of the indirect effects of a statutory minimum wage and there is a tendency to exaggerate its import.

In commenting on this question, Secretary Mitchell stated as follows:

> The 4(d) report ("Studies of the Economic Effects of the $1 Minimum Wage"), Mr. Chairman, would indicate as to the allegation that there is an upward, forward movement immediately corresponding to the wage increase, that experience has shown that this does not happen. For example, the last increase in the minimum wage was 33⅓ percent effective March 1, 1956, from 75 cents to $1. Yet, within the next 2 years following 1956, the average hourly earnings in all manufacturing industries combined had increased by only 17 cents or 9 percent, as compared to the 33 percent increase in the minimum wage, and the average annual increase during these years was about the same as the average annual increase during the past 10 years.

Even in the low-wage industries, workers paid $1 or more prior to March of 1956 did not receive increases proportional to those received by workers paid less than $1, so that I do not think it is true that an increase in the minimum wage is immediately reflected in an increase of the same kind in all other levels in our wage scales. (Testimony before the Subcommittee on Labor Standards, Committee on Education and Labor, House of Representatives, April 21, 1960.)

The Secretary's conclusions are further implemented by the report on the study of the six small localities which found that the extent of concentration of employees who were being paid at the minimum wage level was more than two times greater in June 1959 than in February 1956. This means that the increase in the minimum wage to $1 did not result in a comparable increase in the wages of the workers whose earnings were above $1 an hour. There was instead a greater clustering of workers at or near the statutory minimum—"Studies of the Economic Effects of the $1 Minimum Wage," 1959, pages 22–26.

The same study also demonstrates that the outward effects of the $1 minimum on the earnings of workers in the noncovered industries were quite limited. Thus, in February 1956, before the $1 minimum became effective, 48 percent of the workers in the nonsubject industries were paid less than 80 cents an hour. Of course, the increase in the minimum resulted in raising the rates in the covered industries to $1 an hour. However, as late as June 1959, 36 percent of the workers in the noncovered industries were still being paid less than 80 cents an hour.

Further comments regarding the indirect impact on the wages of higher paid workers from the Department's studies are as follows:

The Division's studies of the effects of the $1 minimum wage indicate that higher paid workers did not on the average receive as large an increase in earnings as did low paid workers. Thus, there was a compression of earnings differentials.

In the high impact plants [those with a high number of below minimum wage employees] an immediate effect of the increase in the minimum wage to $1 an hour was to bring the average wage of workers in the lowest wage group closer to the average wage of the higher wage group. In subsequent years, the average wage of workers in the lowest wage group of occupations tended to increase less than the average wage for the highest wage group.

Independent studies of the effects of the $1 minimum wage generally arrive at the same conclusions. Of particular interest is the study by Prof. Paul A. Brinker, chairman, department of economics, University of Oklahoma. Professor Brinker studied the impact of the $1 minimum in 15 Oklahoma industries, including companies which had to raise wages because of the statutory increase in the minimum and companies in the same industry which were already above the minimum. His study found that—

The firms paying below $1 an hour [ended up with] a better record of employment than the firms already paying all employees over $1. The firms paying below $1 an hour were stimulated to increase production more, add more machinery, and increase efficiency. Because these companies had to raise their wages, Professor Brinker states that they became a more dynamic group of entrepreneurs who were able to expand business even in the face of increased wages (Monthly Labor Review, September 1957, p. 1093).

5. CONCLUSION

The committee is confident that no serious adverse effects will follow the adoption of the minimum wage proposed in the bill. Whatever doubts existed on this matter should be dissipated by the bill's gradual approach in reaching the $1.25 minimum over a 3-year period. Rather, it seems to the committee that the consequences should be beneficial to the entire economy by providing needed purchasing power to millions of additional workers who will be directly affected by the bill, thereby relieving the burden on the community and its relief rolls and restoring a measure of self-sufficiency and dignity to these workers now employed at substandard wages. The enactment, by eliminating competition based on subminimum wages, should also be of assistance to the fair-minded employers who desire to pay a higher minimum wage without incurring competitive disadvantages.

NEW COVERAGE—RETAIL TRADES

Section 3(t)(1) of the bill will cover employees in retail or service enterprises which have annual gross volume of sales of $1 million or more–exclusive of excise taxes at the retail level which are separately stated. Retail and service enterprises with less than $1 million in annual sales will continue to be exempt from the provisions of the act.

The Fair Labor Standards Act at the present time exempts from the minimum wage and overtime provisions retail and service establishments more than 50 percent of whose annual dollar volume of sales is made within the State in which the establishment is located. A "retail or service establishment" is defined in section 13(a)(2) as an establishment "75 percent of whose annual dollar volume of sales of goods or services (or both) is not for resale and is recognized as retail sales or services in the particular industry."

Section 13(a)(4) of the act further provides for the exemption, under certain specified conditions, of employees employed in such retail establishments who make or process goods for sale at the establishment. In addition, section 13(a)(13) provides an exemption for certain employees operating small telegraphic agencies in such establishments.

As a result of the narrow scope of coverage and these exemptions, the present act covers only about 250,000 out of the 7¼ million employees employed in the retail trades. Those covered are employed in mail-order houses and in central offices and warehouses of retail chains. Somewhat over 7 million employees are not covered or are specifically exempt from the minimum wage and overtime provisions.

When the law was enacted in 1938, the sponsors of the legislation supported the exemption for retail establishments as one which would exclude local retail merchants, such as the small corner grocer, small drugstore, barbershop, beauty parlor, and the like. The broad language of the exemption has enabled large mercantile establishments and national systems of chainstores to find immunity from the minimum fair labor standards of the law. Their claim to be regarded as local retail merchants rests solely on the fact that they distribute and sell goods at retail although they commonly buy at wholesale and operate in many States throughout the Nation. The bill would cover such large retail enterprises. It would, however, continue to exempt the small retail enterprises in accordance with the intent of the original sponsors of the legislation.

The present exemption for retail and service establishments in section 13(a)(2) of the act is retained by the bill, limited, however, to those establishments which are not in enterprises with $1 million or more in annual sales. Thus, the bill will continue to exempt over 97 percent of all retail enterprises and about 4 million employees employed in about 900,000 retail establishments. This is in addition to the 600,000 retail establishments which have no employees and which are therefore also not affected by the act.

The bill also retains the existing exemption in 13(a)(4) for the employees of exempt retail establishments who make or process on the premises the goods sold at the retail establishment, as well as the exemption in section 13(a)(13) for employees and proprietors in such establishments operating small telegraphic agencies.

The underlying rationale for excluding retail trade from the Fair Labor Standards Act rests on the concept that retailing is purely local in nature. This belief is contrary to the structure of present-day retail trade in the United States and is based on a nostalgia for the simple agrarian economy of our early days as a Nation, when the general store was a social center as well as a place to purchase goods. Retailing is now dominated by giant chains with outlets spread throughout the 50 States. In food retailing the neighboring store is fast disappearing. When the Fair Labor Standards Act was adopted in 1938, supermarkets accounted for less than a fifth of the total food retail sales; at present more than half of the dollar volume of food is sold by supermarkets.

Retailing can be considered as local in character only if it is viewed from a narrow technical approach limited to the fact that sales of an individual store are generally restricted to a given locality. But a realistic approach must also consider the origin of the goods and the structure of retailing used to sell the goods. There is nothing local about retailing which purchases goods from various States of the Union and from foreign markets. One of the chainstores is the world's largest purchaser of coffee, fresh fruits, and vegetables. Further, management is centralized; prices are set uniformly on a national basis, regardless of local conditions; mail orders are solicited from the same catalogs all over

the Nation, and even local advertising is frequently directed by out-of-State sources.

The committee recommends the test of annual gross sales volume of $1 million as the basis for determining coverage in the retail trade industry, as well as in the retail service industry and in the laundry industry. Proposals for coverage in other bills have been based on the receipt of merchandise directly across State lines of $1 million or more a year, or the employment of 100 or more employees in the enterprise or on both.

In considering the merits of a volume-of-business test or an employment-size test, it is to be noted that the size of establishments in the retail industry varies greatly in different kinds of retail businesses, whether measured by number of employees or by annual dollar volume of business.

It is to be noted also that the Secretary of Labor has recognized the serious difficulties with the proposals which base coverage on the volume of merchandise received directly across State lines. Thus, in his testimony on April 21, 1960, before the Subcommittee on Labor Standards of the Committee on Education and Labor of the House of Representatives, the Secretary stated, with respect to such a test in H.R. 7490—the companion bill to S. 1967:

> You are bringing to light one of the difficult administrative problems in this proposal. It has been alleged that enterprises which might be covered by our proposal (direct receipts across State lines of $1 million or more a year) could get out from under coverage by establishing warehouses in a State which they then would use for supplies. This is possible under a strict interpretation of our proposal.
>
> I think the time has come when, as I said in my statement, the Congress might well consider all of these proposals and arrive at something that is feasible and practical.

The million-dollar-sales standard which the bill establishes as the test for coverage in the retail trades is based on precedent followed in other Federal labor legislation, and the committee believes it is both feasible and practical.

Thus, $500,000 in annual sales is the standard established by the National Labor Relations Board for taking jurisdiction over labor disputes in retailing—*Carolina Supplies and Cement Co.* ((1958, 112 NLRB 17, 43 LRRM 1060); *Siemons Mailing Service* (1958, 122 NLRB 13, 43 LRRM 1056); see also *Amalgamated Meat Cutters et al.* v. *Fairlawn Meats, Inc.* (1957, 353 U.S. 22, 39 LRRM 2571)). Congress expressly sanctioned the Board's standards for interstate jurisdiction, including those for retailing, in the so-called no-man's land provision in the Labor-Management Reporting and Disclosure Act of 1959 (Public Law 86–257, 73 Stat. 519, sec. 701(A)). Congress has already recognized that retail firms doing business of more than one-half million dollars a year have a substantial impact on interstate commerce.

Wage rates for newly covered employees in retailing: Because wages in the retail and service industries are relatively low and the working hours are relatively long, the bill proposes to cushion the effect in these industries by a gradual application of minimum wage and maximum hours standards. Under the bill, the minimum wage for newly covered employees will be $1 an hour during the first year after the effective date of the 1960 amendments and no overtime requirements will apply to such employees during that year. Beginning the second year after the effective date, the rate will be $1.05 an hour and overtime rates will be required for work in excess of 44 hours a week. During the third such year, the minimum rate will be $1.15 an hour and overtime will be required after 42 hours a week. Not until the fourth year after enactment, beginning January 1, 1964, will the statutory level of $1.25 an hour and the 40-hour week be reached for such employees.

This gradual approach should permit industry to adjust without substantial impact on labor costs or prices and without curtailing employment or earnings.

Of the 3.5 million employees in the retail trades who will be covered by the bill, 600,000 are receiving less than $1 an hour. It is estimated that, to bring these workers up to the dollar minimum will require an increase of 2.2 percent in the annual wage bill of all newly covered employees in this industry. It is the committee's belief that this increase can be absorbed by these large enterprises and chains without any increase in prices. But even if all the direct costs of this increase were passed on in higher prices, it would only come to about one-fourth of a cent on ever dollar of sales.

It is recognized that this estimate is based on average figures and that the impact will vary in different trades. The labor cost ratio varies in different lines of business in the retail trades from 7 percent for food stores to 21 percent for eating and drinking places. But even in the latter case, however, the direct impact of the increase to $1 an hour would on the average amount to less than one-half of a cent on every dollar of sales.

On the other hand, the increase in the minimum to a dollar an hour will mean an average increase of 18 cents an hour to approxmately 600,000 workers who will provide a market for the goods of these as well as other retail and service establishments. The small cost, even if all the direct increases are passed on in higher prices, appears to be a good investment in the well-being of the American worker and indeed in the well-being of the entire economy.

Hours: As pointed out above, the overtime requirements for retailing will not be imposed during the first year after the enactment of the bill. This is done in consideration of the relatively long hours prevailing in this industry. However, it should be noted that the smaller stores, which are not affected by this bill, generally tend to work the longer hours and, because such stores employ a small number of employees, they cannot as readily as large establishments employ part-time help to reduce the number of working hours of individual employees. The large firms, however, have in many cases already demonstrated the ability to adjust to a shorter workweek. The views of the Secretary of Labor on this subject are particularly significant because of his experience in the retail industry. In his testimony before the House Subcommittee on Labor Standards, on April 21, 1960, the Secretary stated as follows:

> It is true that many of the larger department stores particularly in metropolitan cities have come to a 40-hour week and still maintain the store opening hours of 6 days and opening at night, and so on. This has been done in large measure by the employment or the tapping of employee markets in those areas of part-time workers, students and housewives and others, teachers, who do not want to work more than perhaps 3 or 4 hours a day 5 days a week.
>
> Perhaps this could be approached on a graduated scale for the future but certainly an increase in the minimum for these workers in covered employment and at the same time in retailing, an imposition of a 40-hour week, I think, would be too great an economic shock for the industry to bear at this time.
>
> Mr. ROOSEVELT. So that actually the coming of the 40-hour week into retailing instead of hurting the so-called part-time worker has actually helped him, has it not?
>
> SECRETARY MITCHELL. Well, it has opened up employment opportunities for many people who choose voluntarily to work part time. For example, as I recall the figures in the larger department stores of the country, about one-third of total employees are part-time workers.

In postponing the imposition of the overtime requirements until 1 year after enactment of the bill, and thereafter approaching the 40-hour week on a graduated scale over the following 3 years, the committee has adopted the Secretary's suggestion in this respect. The committee believes that with the gradual approach to this problem, the adjustment to a standard workweek should be possible without serious economic or managerial impact.

CONSTITUTIONALITY OF COVERAGE OF RETAIL AND SERVICE ENTERPRISES

The committee has no doubt about the constitutionality or the propriety of this basis of coverage. Adequate precedents for this exist in other laws enacted by the Congress, such as the National Labor Relations Act of 1935 (29 U.S.C. 151 et seq.); the Labor-Management Relations Act of 1947 (29 U.S.C. 101 et seq.); and the Labor-Management Reporting and Disclosure Act of 1959, Public Law 86–257, 82d Congress, 1st session. In all these cases the Congress chose similar statutory language as the basis for coverage to assure the equal application of the law in the area in which it sought to legislate.

The Fair Labor Standards Act of 1938, as amended, covers only those employees who are "engaged in commerce or in the production of goods for commerce." Under this provision an employer is required to pay an employee in accordance with the act's requirements only if the individual employee himself is engaged in an activity which is commerce or which constitutes production of goods for commerce. Thus, the fact that the establishment, business, or industry, in which the employee is employed, is engaged in interstate activities, is not a consideration in determining coverage

under existing act. Rather, the question of coverage turns on the activities of each individual employee.

This narrow concept of coverage results in wage and hour protection for some employees while their fellow employees working in the same establishment or enterprise are not covered. This concept of coverage is far short of the full reach of the commerce clause of the Constitution which has been consistently applied in comparable Federal statutes in the field of labor-management relations.

Despite this, the present act attains substantially complete coverage in some fields, such as producing, manufacturing, mining, transportation, transmission, and communication in commerce. However, in other fields such as the distributive and service industries, coverage is negligible although the goods being distributed have been produced for commerce or have moved in commerce or the activities affect commerce.

The inequities inherent in this differentiation would only be intensified by the elimination from the act of some of the existing exemptions for certain retail and service establishments and others. Thus, the coverage under the existing narrow definition in the act would still leave the vast majority of employees in these enterprises and establishments outside of the act's protection, unless a different basis of coverage is provided, such as is provided by the bill.

Only broader coverage language than contained in the present act would serve to correct these inequities. In this respect the bill which bases coverage on "an activity affecting commerce," adopts the concept of coverage employed in other labor-management legislation. Thus, section 2(7) of the National Labor Relations Act, as amended, defines "affecting commerce" as meaning "in commerce, or burdening or obstructing commerce or the free flow of commerce, or having led or tending to lead to a labor dispute burdening or obstructing commerce or the free flow of commerce" (29 U.S.C. 152(7)).

Section 501(1) of the Taft-Hartley Act defines "industry affecting commerce" as meaning "any industry or activity in commerce or in which a labor dispute would burden or obstruct commerce or tend to burden or obstruct commerce or the free flow of commerce" (29 U.S.C. 501(1)).

Section 3(c) of the Labor-Management Reporting and Disclosure Act of 1959 defines "industry affecting commerce" as meaning "any activity, business, or industry in commerce, or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce" and as including "any activity or industry 'affecting commerce' within the meaning of the Labor-Management Relations Act, 1947, as amended, or the Railway Labor Act, as amended"—Public Law 86–257, 86th Congress, 1st session, section 3(c).

The definition in section 3(s), will thus assure that all employees engaged in the "related activities" comprising the "enterprise" defined in section 3(r) will be covered by the act if such an enterprise falls within one of the specific categories in section 3(t).

Employees employed by such an "enterprise" will be covered if the enterprise engages in any activity in commerce or necessary to commerce or necessary to the production of goods for, or the distribution of goods in, commerce. They will also be covered if the enterprise constitutes a business, or is within an industry, in commerce or necessary to commerce or to the production of goods for, or the distribution of goods in, commerce.

The distribution of goods in commerce includes the receipt, purchase, shipment, transportation, handling, sale, or in any other manner working on goods which move, or have moved, in commerce.

The impact of the bill on the areas marked out by section 3(t) may be measured in terms of experience under the NLRA, and the other statutes which have a substantial body of interpretative case law.

NEW COVERAGE—RETAIL SERVICE TRADES—HOTELS

Retail service trades: The test for coverage of the retail service enterprises is the same as for retail sales enterprises. The bill brings under the coverage of the act only those retail service enterprises which have annual gross volume of sales of $1 million or more, exclusive of excise taxes at the retail level which are separately stated.

In the retail service trade there are approximately 2½ million workers—exclusive of laundries—nearly all of whom are either not covered or exempt under the present law. Only about 230,000 of these workers are now protected by the pay provisions of the act.

Because the establishments in the retail service trades are relatively smaller and not ordinarily chain operated, the bill would bring in only an estimated 242,000 of these workers employed in 2,684, or 1.5 percent, of the total establishments in these trades. The newly covered workers are employed primarily in hotels which account for about two-thirds of the total. Thus, 2¼ million workers and 98.5 percent of the establishments in the retail service trades will not be covered by the bill and will continue to be specifically exempt.

The bill also exempts motion picture theaters, and employees in hotels and restaurants who are employed in occupations in which tips customarily constitute a substantial part of the compensation for employment.

Hotels and motels: Hotels and motels are now exempt from the act's pay provisions if they meet the test for exemption as retail and service establishments in section 13(a)(2) of the act. The bill will bring under the act hotel and motel enterprises with $1 million or more in annual sales. Hotel and motel enterprises with less than $1 million in annual receipts will continue to be exempt. The bill also specifically exempts certain employees who receive tips.

It is estimated that the bill will bring under the act 167,000 employees in about 2 percent of all the establishments in the hotel and motel industry. Almost all of the newly covered employees are employed in hotels. The bill would affect only approximately 1,000 out of the estimated 29,000 hotels in the industry in 1958, almost all of which are in chain systems.

Moreover, even most of the hotel chains will not be affected by the bill since the bill brings under the act only about 3½ percent of all hotels, whereas 9 percent of all hotels were operated by chain systems in 1954.

Hours and earnings in hotels: The bill establishes minimum wages and hours for newly covered employees in the hotel and motel industry, on the same schedule as for other retail trades, as follows:

	Minimum wage	Overtime after—
1st year after enactment	$1.00	No overtime requirements.
2d year after enactment	1.10	48 hours a week.
3d year after enactment	1.20	44 hours a week.
4th year and thereafter	1.25	40 hours a week.

Under the bill, the reasonable cost of meals and lodging furnished employees by their employer may be counted as wages toward meeting the minimum wage requirements.

According to the Bureau of Labor Statistics of the U.S. Department of Labor, average weekly earnings—exclusive of tips, meals, lodging, and other perquisites—for nonsupervisory employees of year-round hotels were $45.77 in October 1958, average weekly hours were 39.8 and average hourly earnings were $1.15. No difficulties are seen in the ability of the large hotel enterprises to adjust to the statutory standards. In 13 States, both large and small hotels are already covered by a $1 minimum wage.

NOTES ON COVERAGE OF LAUNDRIES

First. The bill recommended by the House Labor Committee majority—H.R. 12677—would extend coverage, not to all of the laundry and drycleaning industries, but only to the largest launderers and cleaners, those which do $1 million or more annual business.

Second. The $1 million test of coverage would effectively exempt well over 95 percent of all laundry and drycleaning establishments. The small local home laundries and the neighborhood drycleaners would not be covered, for they do far, far less than $1 million annual business.

Third. About 10 percent of laundry workers are already covered by the act. These are the workers employed by industrial launderers servicing interstate businesses. What the Roosevelt bill—H.R. 12677—would do is extend coverage to other large commercial and industrial laundries and cleaners, those who meet the $1 million sales test.

NEW COVERAGE—LAUNDRIES AND DRYCLEANING ENTERPRISES

Home laundries and most linen supply companies are now exempt from the pay provisions of the Fair Labor Standards Act provided that 50 percent or more of their receipts are derived from sales made within the State and not more than

25 percent of their annual receipts are derived from sales to customers engaged in a mining, manufacturing, transportation, or communications business. Cleaning and dyeing establishments are exempt under the same provision. Approximately 48,000 employees in industrial laundries and some linen supply firms are now covered by the minimum wage and overtime provisions. Cleaning plants generally meet the exemption tests and are therefore generally excluded from the pay provisions of the act.

Section 3(t)(2) of the bill will bring under the act employees in laundries and drycleaning enterprises with gross annual sales of $1 million or more (exclusive of excise taxes at the retail level which are stated separately), on the same wage and overtime scale as retail and service enterprises.

Of the total 448,000 workers in approximately 64,000 plants in the industry, the bill brings under the act an additional 150,000 workers employed in 1,800 plants in enterprises with $1 million or more in annual gross receipts. This represents approximately 25 percent of the employees and 2.8 percent of the establishments. The remainder, 300,000 employees and 62,000 plants, about 97 percent of the total, will continue to be specifically exempt. Because cleaning plants are predominantly single unit, small plants, the bill will affect relatively few establishments in that industry.

Wage levels in laundries: Average hourly earnings in December 1959 were only $1.19 in laundries and $1.39 in cleaning and dyeing plants. National average prevailing wages in 1959 in the laundry industry vary from 86 cents an hour for the lowest skilled workers to $1.45 an hour for the highest skilled.

State laws have not provided reasonable protection for these workers. Twenty-one States have no minimum wage standards for laundry or drycleaning workers. Ten States provide for rates as low as 16 cents to 75 cents an hour. Most of these laws apply only to women and minors. It is notable, however, that nine States require a minimum of $1 an hour, demonstrating that the industry can adjust to reasonable standards.

Keeping in mind that the bill is limited to the large enterprises with $1 million or more in annual sales, and that the bill takes a gradual approach to the statutory minimum wage and hour standards of the act, the committee believes that this is an essential step in providing a measure of protection to an additional 150,000 laundry workers.

This bill also adds a specific provision dealing with a situation where a presently exempt laundry or drycleaning establishment, with $250,000 or more in annual sales, competes substantially in the same metropolitan area with another laundry or drycleaning establishment which is not exempt under section 13(a)(3) of the act because it derives less than 50 percent of its annual receipts from sales made within the State, one of the requirements for exemption under that section.

The amendment, contained in a proviso added to section 13(a)(3) of the act, would treat both of these competing laundries or drycleaning establishments alike and neither would be exempt.

Whether the establishments are in "substantial competition" with one another will depend upon all of the facts; however, they will be considered to be in "substantial competition" where they both bid or seek to obtain the same business from the same customers within the same metropolitan area where such business would constitute a substantial part of their annual receipts.

EFFECT OF ROOSEVELT BILL ON H.R. 12677—WORKERS ON PAYROLL IN PENNSYLVANIA

Improvement of the wage-hour law would benefit significant numbers of low-paid citizens in virtually every State.

In Pennsylvania, an increase in the minimum wage to $1.15 for workers now covered and extension at a $1 minimum of coverage to unprotected workers, as provided by the Roosevelt bill reported by the House Labor Committee, would require raises for an estimated 160,000 low-paid workers.

The required increase in total wage and salary payrolls in Pennsylvania would be slightly over two-tenths of 1 percent.

Although small as a proportion of total payroll, the increase would be a considerable addition to the purchasing power of the State's lower-income families. In dollar terms, the increase in purchasing power for Pennsylvania's low-income workers would be an estimated $24 million a year.

Mr. KEARNS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, although I am not a member of the subcommittee I should like to pay tribute to the chairman of the subcommittee [Mr. LANDRUM], and his colleagues on both sides of the aisle who have worked so hard and so diligently for so many months on this complex and difficult legislation.

Having said that, I should like to comment briefly on a remark made by the gentleman from California [Mr. ROOSEVELT] when he referred to the labor law passed last year and stated that Congress adopted a $500,000 cutoff in that legislation.

Mr. QUIE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-four Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer their names:

[Roll No. 167]

Alford	Baker	Buckley
Anderson, Mont.	Bentley	Burdick
Auchincloss	Blitch	Carnahan
	Bowles	Casey
Celler	Jackson	Mitchell
Clark	Judd	Morris, Okla.
Cramer	Keogh	Pillion
Daniels	Kilburn	Powell
Davis, Ga.	King, Utah	Preston
Dawson	Laird	Prokop
Dixon	Latta	Spence
Edmondson	McDowell	Steed
Gavin	Macdonald	Taber
Henderson	Mason	Thompson, N.J.
Horan	Metcalf	Younger
Irwin	Minshall	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 12677, and finding itself without a quorum, he had directed the roll to be called, when 385 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, before the quorum call I made reference to a remark by the gentleman from California, Mr. ROOSEVELT. In effect, he stated that in the labor law last year we drew a coverage line of $500,000. The Congress did not draw such a dollar line. In fact, we made it clear that while NLRB could not retreat from such jurisdiction as it has occupied, the Board is free to expand its jurisdiction and handle any and all labor disputes which affect interstate commerce. We wrote into the law the principle that States may assume jurisdictions over labor disputes which the NLRB does not handle; we made it clear that there would no longer exist a no man's land.

The gentleman from California [Mr. ROOSEVELT] also indicated his opinion that those who support the administration position should support his bill because it comes close to the administration views. I should like to take issue with him on that point.

The Roosevelt or committee bill differs in two very material respects which make it very different from the administration approach.

First of all, the administration, speaking through Secretary of Labor Mitchell, indicated that only a moderate increase in the minimum wage, from $1 to $1.10 or $1.15, could be justified at this time without a serious impact upon the economy.

Also, another important difference between the committee bill and the administration position is the fact that the committee bill applies the overtime provisions to newly covered employees. The administration view is that Congress, at this time, should extend minimum wage, but not overtime, coverage into the retail and service field.

The committee bill provides for an increase in the minimum wage of 15 cents on November 1, and further contains an escalator clause under which the minimum wage would go up automatically 5 cents a year thereafter, and another 5 cents a year thereafter to $1.25.

The House should keep in mind that section 4(d) of the present act requires the Department of Labor each year to

[1] The estimates presented here are rough approximations calculated by the AFL–CIO Department of Research on the basis of national and regional data applied to Pennsylvania employment and payrolls.

reevaluate and report to the Congress concerning the impact and effect of the wage-hour law to provide a basis for congressional consideration of any changes which might be appropriate.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Is it not a fact that the original Fair Labor Standards Act passed in 1938 had just this type of escalator provision in it?

Mr. GRIFFIN. I would agree with the gentleman that the original act did have an escalator provision.

Mr. PUCINSKI. I thank the gentleman.

Mr. GRIFFIN. The question we have before us now is whether or not an escalator is wise, and to what extent we can legislate an increase in the minimum wage at this time. The Congress that acted before may have had different facts and circumstances before it which in their judgment justified the action taken.

I should like to quote from a Department of Labor report analyzing the committee bill before us now:

> Unless economic conditions are very favorable, the substantial increases in rates provided by the (committee) bill might well result in substantial curtailment of employment. This danger would be especially germane to newly covered industries.

Mr. PUCINSKI. Is the gentleman suggesting then that we cannot look to the economic future of America with any degree of confidence?

Mr. GRIFFIN. I would say to the gentleman that this should not be a matter for speculation. As long as we provide in the law that the Department of Labor shall report to the Congress each year on the effect of the act. I believe we should take advantage of its evaluation and report and review the law periodically.

In a year or two, Congress should take another look at the economy and see whether it is possible and reasonable to increase the minimum wage still further to $1.25.

One who reviews the philosophy of the act as originally enacted will find good reason to be cautious about extending coverage beyond the presently covered industries. In the original act Congress wisely limited the application to industries which are engaged in commerce or producing goods for commerce.

I should like to call particular attention to a statement by former Senator Black, now Mr. Justice Black of the U.S. Supreme Court, who was one of the sponsors of Federal wage-hour legislation. In 1937, he said on the floor of the other body:

> I believe it was the prevailing sentiment of the committee, if not the unanimous sentiment of the committee, that businesses of a purely local type which serve a particular local community, and which do not send their products into the stream of interstate commerce, can better be regulated by the laws of the communities and of the States in which the business units operate.

It should be kept in mind that the primary purpose of the wage-hour legislation was, and is, to regulate the production of goods which compete in interstate commerce. In Michigan, for example, a State which has much manufacturing, we are concerned about the wage level in manufacturing establishments in other States, particularly in the South, because the products manufactured in southern plants compete with the products produced in our Michigan factories. Accordingly, there is good reason for Federal minimum wage regulation of industries which compete in interstate commerce. But the same reasoning does not apply to a local drugstore. Is it reasonable to have the Federal Government regulate a local drugstore when it is competing with the drugstore a block down Main Street. The operator of a local drugstore is not in competition with a drugstore in Minnesota or Mississippi or California?

I should like to refer briefly to some of the consequence of applying the overtime provisions to retail or service establishments.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. GRIFFIN] has expired.

Mr. KEARNS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GRIFFIN. Unless one is a lawyer who has practiced in this field, or is otherwise an expert concerning this legislation, it is difficult to understand how technical is the terminology, "time and a half the regular rate." If the law called for "time and a half the minimum rate," everybody would know what the law meant, but use of the phrase "time and a half the regular rate" opens up a great many problems. For example, in the retail field, what about bonuses that are paid at the end of a month or at the end of a year? Are bonuses included in the "regular rate" on which time and one-half should be paid? The answer is "Yes" and "No." Bonuses would be included unless they meet certain regulations laid down by the Department of Labor. What about commissions that are paid? Are they included in computing time and a half? Yes; they are. What about the value of insurance premiums which are paid by the employer for the benefit of the employee? In some cases such premiums would be included and in others they would not be included. What about profit-sharing arrangements which are made, whereby the employer agrees to share profits with his employees? Does he include such payments in the "regular rate" on which overtime is based? In some cases, yes. The overtime provisions of the legislation can be a "straitjacket." We would do well to consider very carefully before applying the overtime provisions to retail and service establishments.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. BARDEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, if I may proceed for one brief moment out of order, I would congratulate the gentleman from North Dakota [Mr. BURDICK], who has just entered the House, for his success in the primaries yesterday. I am sure all Members of the House, especially the Democrats, are most proud of him.

But to come to the bill under consideration and the problem before us, many of my colleagues have asked why we are so insistent on extending the Fair Labor Standards Act beyond the scope of those now covered. I think we in Congress ought to take cognizance of the tremendous change that has occurred in recent years in the employment complex in this country. In 1938, when the original bill was written, Congress most wisely and properly excluded the retail and service trades from this legislation, because in those years when the act was originally adopted, 60 percent of the American labor force was employed in production and 40 percent was employed in services. In 1949 the figure had changed, and 57 percent of the American labor force was employed in production, and 43 percent in services. Today, according to figures from the Labor Department, 40 percent of the American labor force is employed in production and 60 percent of the American labor force is employed in services. We have completely reversed the complex of our American labor. Therefore it is certainly logical that this Congress must take cognizance of this industrial revolution we have undergone in the last 20 years and make some effort at least to extend the Fair Labor Standards Act to this vast segment of Americans today, most of whom are employed in retail and service trades, and bring them under the act's coverage.

I should like to point out that we now have 24 million people covered by the existing act out of a 65 million work force in America. Forty-one million Americans, therefore, do not get any coverage. Of that 41 million, 8 million are today earning less than $1 an hour. The bill H.R. 12677, the bill reported by my committee, would extend coverage to less than 10 percent of those now uncovered.

Let us make one thing clear: while the committee bill would cover 3,500,000 additional people, actually it would affect immediately less than 800,000.

I submit, Mr. Chairman, that this change which has occurred in our labor force may be one of the reasons why we are not registering sufficient economic growth in this country. We are adding people to the labor force, but we are not letting them share sufficiently in the remuneration that should be theirs for their labors.

There has been a great deal of talk during the consideration of the bill thus far about the little businessman, the little gas station owner, the little retailer. I hope every Member of this House will realize that we have made tremendous concessions in our committee when we wrote this bill, and we have come up with a formula that will exclude from this legislation 97 percent of all retail and service institutions and establishments in this country. So when they state that we are hitting the little man, the man who is making under a million dollars, we are not. We have excluded them from total coverage of this bill. We have actually affected only

3 percent of the retailers in this country, but this is the figure that you want to keep in mind, for the 3 percent we have covered does 70 percent of the retail business in this country. So if you really have a concern for the little businessman, if you really are concerned about Mr. Main Street himself, you should vote to support H.R. 12677, because this is the bill that is going to give him the greatest degree of protection.

There has also been a great deal of talk that we want to penalize success. No one in this country wants to penalize success, but I think every one of my colleagues will recognize that with success goes responsibility, and no American wants to condone success that is built on the exploitation of the American worker.

We had before my committee testimony showing that in some parts of the country there are people earning as little as 28 cents an hour, 40 cents an hour, and 50 cents an hour.

The bill we are considering would increase the minimum wage for those now covered from $1 an hour to $1.15 an hour. It would also extend coverage to an additional three and a half million people not now covered and assure them a minimum wage of $1 the first year. This legislation excludes all those retail and service enterprises which, according to testimony of their spokesmen before our committee, would suffer hardships under this legislation. I believe the bill my committee has recommended to the House represents a sincere and honest effort to raise the standard of living in this country for at least a small segment of those now working for deplorably low wages. I hope the bill will be adopted. I am certain we can resolve any differences which may exist through amendments, but I believe as you study the measure, you will find the committee has given careful consideration to all testimony and has presented you with a measure worthy of your support.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KEARNS. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, let nobody doubt that the bill which we consider today has a tremendous impact not only on small business, not only on the laboring man, but also on the entire economy of this country. This legislation began back in 1938. The first minimum wage was 25 cents an hour. There was an escalator clause to bring the minimum wage up to 40 cents an hour by 1945. In 1938 when the first minimum wage of 25 cents an hour went into effect, the cost of living index was 60.3. Today the cost of living index has gone up to 126.3, or a raise of 109.5 percent.

What has happened, though, to the minimum wage? It does not take much figuring to show that if you take 25 cents, the 1938 minimum wage, and compare that with the minimum wage today of $1, minimum wages have gone up 400 percent. In that time the cost of living index has gone up 109.5 percent.

If you compare this with $1.15, which would be the immediate result of the passage of this bill, the raise is 460 percent. If you compare it to $1.25, which is the ultimate effect of this bill, the raise is 500 percent during a time in which the cost of living index has gone up 109.5 percent.

If you compare the present $1 with the 40 cents minimum wage which, after all, was the ultimate to be enacted in 1938, you would get an increase of 150 percent, $1.15 is a 187.5-percent increase and $1.25 would be 212 percent increase.

So sometimes we wonder exactly where we are going; in other words, we wonder if we have departed from the philosophy of the original bill.

What was the philosophy of the original bill? I refer you to page 19 of the committee report. Section 2(a) of the bill states:

> The Congress hereby finds that the existence, in industries engaged in commerce or in the production of goods for commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers—

So the original idea, when this fair labor standards bill was enacted, was to take care of the minimum standards for health, efficiency, and general well-being.

Have we gone beyond this? I respectfully submit that perhaps we have. If the minimum wage of 30 cents an hour in 1938 accomplished that result, then a comparison of the cost-of-living indexes of 1938 and 1960 certainly indicates that the minimum wage even of today does more than that. Here we are seeking to do still more.

It is well known that an increase of the minimum wage usually breeds general wage increases. Thus, the level of the minimum wage is important to the process of collective bargaining. In fact it is being used as an adjunct and an aid to higher wage efforts throughout the economy.

I believe in collective bargaining. I believe in wage increases where they are justified by increased production. But I submit that artificial wage increases are detrimental to the economy, to labor, to management, to the consumer, and benefit no one. We should not be guilty of legislating in such a way as to provide or stimulate such artificial increases. In the opinion of many, the minimum wage is being used as such a stimulant. I share this opinion.

I certainly would not try to indicate that I think the minimum standards which prevailed in this country in 1938 are the ultimate as far as desirability is concerned; neither do I intend to indicate that persons making $1 an hour are living the way I would like to see them live. However, the cold facts are that this bill, along with many other pieces of legislation which we consider, is nothing more than an attempt to either repeal or modify the law of supply and demand. In passing legislation of this kind, we do tinker with the economy, so we are affecting everybody that is affected by the American economy, and that is everybody in the world today.

One of the reasons we have difficulty with this particular piece of legislation has nothing to do with the figure which we put in the law as far as the minimum wage is concerned. The overtime provisions, melded with the minimum wage provision, have created a situation where many businessmen find it very difficult to get along or even to survive. Many of them pay wages far in excess of the minimum. Their businesses are of a nature in which overtime work must be performed. Yet, increased rates for overtime will cause these people to increase prices because of necessity and perhaps price their products or services out of the market. This may cause serious and, I submit, unnecessary unemployment.

I feel that the Education and Labor Committee should conduct a full-dress study of the unfavorable impact the overtime provisions of this law has in many instances on the general economy, the public, the employees, and the employers.

Mr. BARDEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Chairman, I rise in support of H.R. 12677, the Roosevelt bill to grant 3,509,000 additional employees minimum wage coverage and to eventually raise to $1.25 the minimum wage for all covered workers. Mr. Chairman, this legislation is badly needed and is long overdue. We have millions of Americans working today who are not receiving adequate wages to support themselves and their families. They should have come under the Minimum Wage Act a long time ago.

Mr. Chairman, we have heard arguments here today that this bill will force a hardship on small business. Let me say that a business doing a million dollars' worth of business a year isn't very small. I believe the exemptions provided for in the bill before us take care of any hardship cases that might exist. We will also hear the argument from the President and others that to grant workers a meager increase is inflationary. I believe it will have the opposite effect because the person who doesn't make but $1 per hour will spend any increase on consumer goods and services he needs in his everyday living. This will help the worker, the small businessman who sells the goods, and the manufacturer who makes the product. This will mean more taxes for the Federal Government and will put more money into circulation, in addition to raising the standard of living for millions of Americans. Mr. Chairman, to me this makes sense, both cents and sense. I urge the committee to pass this bill and give new hope to millions who earn a living by the sweat of their brows.

Mr. BARDEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TELLER].

Mr. TELLER. Mr. Chairman, some question has been raised about the constitutionality of the proposed wage-hour law because of the fact that insofar as concerns the new industries covered in the bill which are now exempt, the definition of coverage is rated to the concept of "affecting commerce" as distinguished from the original definition of coverage in the Fair Labor Standards Act, that is to say, "in commerce or in the production of goods for commerce." Now, I think we ought to understand that insofar as those industries or employees now covered by the act are concerned, the definition remains the same. Only those industries or employees are covered which are in commerce or produce goods for commerce. It is only as to these newly covered industries, retail, and service establishments, that the new concept of "affecting commerce" is introduced.

This concept of "affecting commerce" is not new in our law but has been implemented by scores, if not hundreds, of decisions by the Supreme Court of the United States under the Wagner labor relations law. We all have a good idea what it means. It applies, in general, to intrastate businesses which either ship goods in interstate commerce or receive goods from interstate commerce, and businesses of like character. I do not think there is any question about the constitutionality of this now-accustomed language as used in the Wagner Act of 1935 and carried forward in the Taft-Hartley Act and the Landrum-Griffin Act.

Substituting "affecting commerce" for "in commerce or the production of goods for commerce" would, under the full definition of these terms, mean that all employees of the covered industry would be entitled to the benefits of the act, not simply those who work on the goods in preparation for their shipment into commerce. Why, indeed, should this not be so? Why should some but not other employees of a covered industry be entitled to the benefits of the act? If differences there are, they do not turn on the question of commerce.

Another question that has been raised that I think we ought to clarify has to do with the definition of the word "enterprise." In section 3(q) of the bill, "enterprise" under the bill is defined as follows:

(q) "Enterprise" means the related activities performed (either directly or indirectly through unified operation or common control or otherwise) by any person for a common business purpose of providing goods or services, or the products thereof, or a combination of them, to others, and includes all such activities whether performed in one or more establishments or by one or more corporate or other organizational units.

It has been contended that the purpose of those who favor this bill is to regulate the corner drugstore. That is not my purpose, and I do not think it is the purpose, now or ultimately, of those who favor the bill. But when you have a large business enterprise entering into so-called franchises or lease agreements which conceal the fact that the so-called lessee or franchise holder is really an agent or servant of the large business enterprise, then I think there is rational ground for holding that all these franchise holders or leaseholders, or whatever device is used, should be held to be part of a single business enterprise, at least for some purposes. There is nothing new about this. The courts have considered this problem for many years, and in the majority of the decisions which have dealt with this problem, where people who have been injured have tried to hold the large business enterprise liable on the common law theory of respondeat superior or vicarious liability, that in the majority of these decisions throughout this country the courts have held that the large enterprise, such as an oil company, is responsible for accidents which occur on the premises of a so-called leaseholder; the leaseholder is held in reality to be a servant of the oil company.

So that on both these scores the bill is rational, it is constitutional, and it is sound.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. TELLER. I yield.

Mr. GRIFFIN. Is the gentleman saying that the committee bill is intended to cover service stations, locally owned service stations, which operate under a franchise?

Mr. TELLER. It would depend upon the contract the service station has. If under the contract the service station does not own its own trucks, has to sell merchandise at a certain price, has to keep accounts in a certain way in trust for the oil company, does not have title to the oil which it gets and otherwise shows such a complete subservience to the oil company as in fact to constitute itself a servant, although called an independent contractor, then the greater number of courts hold and this bill properly says he should be regarded as part of the main business organization of which the dominant creature is the oil company.

The CHAIRMAN. The time of the gentleman from New York [Mr. TELLER] has expired.

Mr. KEARNS. Mr. Chairman, I yield the gentleman from New York 3 minutes.

Mr. TELLER. I thank the gentleman from Pennsylvania.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield further?

Mr. TELLER. I yield.

Mr. GRIFFIN. For the most part, the gentleman has been telling us how the courts apply the common law and interpret existing statutes; but, of course, we are going to be faced in this particular statute with new language. This bill provides that:

"Enterprise" means the related activities performed (either directly or indirectly through unified operation or common control or otherwise).

Unless service stations, or locally owned businesses are saved by the proviso in section 3(q), the "otherwise" can be a very, very important word. Anyone who is particularly concerned about the effect of the committee bill on small locally owned businesses operating under franchises should look very carefully at pages 6 and 7 of the report. The committee report quotes from a memorandum provided to the chairman by the Department of Labor.

For example, the report reads in part as follows:

Most exclusive distributorships, for example, require the dealer to sell no product competing with the manufacturers' product. This type of control, accompanied, for example, by any restrictions as to labor policy or such other control of his method of operation as substantially to limit his independence of judgment, would tend to indicate that the dealer is in fact part of his franchisor's enterprise.

I might ask the gentleman this question. What about a situation where a manufacturer utilizes a fair trade law, in a State where such a law is constitutional, to require a local Rexall drugstore or a local retail store to abide by a minimum price? As I read the interpretation by the Department of Labor, a local retail store might not be exempt regardless of its annual volume of business.

Mr. TELLER. I will say to the gentleman from Michigan, whom I highly respect, particularly in this field, that if he has concern over the survival of the small businessman then he ought to be for this bill. It will compel some of these large business companies, like oil companies, to give the people who sell their merchandise a greater measure of independence so as to get out from under because of this provision. But I wish to say further in response to the gentleman that I see no authority here for the Secretary of Labor to adopt any regulations under this provision; and I would like to emphasize that so we have no legislative interpretation giving the Secretary of Labor authority to issue regulations. This is a matter for the courts under the bill. The proviso here is very narrow. I do not think there is very much in the proviso to help the situation and the language is broad.

I concede that this will require a large measure of judicial interpretation over a period of years, but I think it is the only way to deal with a problem as complicated as this, to express a concept that unless you are dealing independently you should not be regarded as an independent business for the purpose of social legislation like this but as part of a larger business.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. TELLER. I yield to the gentleman from Georgia.

Mr. LANDRUM. I conclude under the argument presented by the able gentleman from New York that the holder of the franchise is going to be covered under this committee bill whether or not he does $1 million worth of business. Is that not correct?

Mr. TELLER. If the enterprise as a whole does more than $1 million worth of business it does not matter how much business the holder of the franchise does if in reality under the contract his so-called franchise is nothing but a sham and he is nothing but an employee of the oil company or other company.

Mr. LANDRUM. Likewise, to hold out to him that he would be exempt with the $1 million cutoff is a sham, is it not?

Mr. TELLER. It is a sham to hold out to him that he is exempt from this act if his so-called business is a sham, a cloak to conceal what is in reality an employer-employee relationship.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. TELLER. I yield to the gentleman from California.

Mr. HIESTAND. I want to congratulate the gentleman on establishing a very effective point of legislative history. I think he has effectively established it.

Mr. TELLER. I do not know what point the gentleman refers to, but I thank the gentleman.

Mr. KEARNS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, assuming that the minimum wage law should be extended, I think the greatest concern to all of us today is just how far we are extending it inside the States. Once a principle is breached there is no defense thereafter. Today I think we have to consider what principles we are going to extend or breach in the enactment of this legislation.

The original Fair Labor Standards Act in 1938 required that any business that was to be covered, any wages that were to be required to meet a minimum under a Federal standard, had to be engaged in interstate commerce or producing goods that would be engaged in interstate commerce. Since that time that principle has been retained.

Today we are asked to accept a new concept, a new organization that is called an enterprise. "Enterprise" is defined in the Roosevelt bill as any activity which "affects commerce."

As the gentleman from New York [Mr. TELLER] so very eloquently and thoroughly pointed out, "affecting commerce" is a phrase which has been interpreted by the courts. When we discussed this in the committee somebody asked the qeustion, "What is an activity affecting commerce? Just how far does this go?" They further asked, "Suppose we have a man getting on a bus, a local transit bus, down in Atlanta, Ga. How does this affect interstate commerce? How does it affect commerce?"

The answer that was given to this question was, "Well, if the man is getting on in Atlanta," and this is paraphrasing it, "and he lives there, perhaps it does not affect commerce, but if somebody flies into Atlanta and gets on that bus with a suitcase, this affects interstate commerce. Therefore, because one man from interstate commerce may board the bus, the entire local transit activity affects commerce and is under Federal jurisdiction."

By the same extension of thinking, virtually every activity, the shoeshine man in your town, the corner drugstore, the grocery store, every one of these activities affects commerce. This is very well established under the law.

But we temporarily get around that impact. We put a $1 million exemption in. If we are going to start now by accepting the allegation that Federal Government has not only the right but the responsibility to move into a local situation, purely intrastate, and regulate the wages, we are going to destroy the diversity which is the basis of our Federal system in this country. You can start with a million dollars and then play a new numbers game. In a few years it will be a question of a new amount again, until we reduce it to $900,000 and then $500,000, and ultimately it will be eliminated. Every one of the local enterprises will be included and wages regulated by the Federal Government.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Kentucky.

Mr. PERKINS. I think the gentleman, insofar as the million-dollar exemption for service establishments is concerned, has got that phase of the bill mixed with the definition of "enterprise," because they are in two separate categories. I concede that the definition of "enterprise" is not as clear as it should be in the bill, and I think the gentleman from California [Mr. ROOSEVELT] will accept an amendment that will be offered by the gentleman from Tennessee [Mr. BASS], to make it very clear and broaden the definition of "enterprise" and make it clear that filling stations are not covered, as has been insinuated by Members this afternoon. There is some doubt under the present language.

Mr. GOODELL. I thank the gentleman. But the gentleman is in error. We are accepting here a definition of "enterprise" which includes a $1 million gross business provision. The phrase "affecting commerce" clearly includes virtually everything in our country. Then we add the million-dollar exemption. Next we add other exemptions for specific purposes to make the whole thing more palatable. But in the process we abandon the strong principle that a person has to engage in interstate commerce to be subject to Federal wage control. Under this bill you do not have to be substantially or directly involved in interstate commerce, as under the administration bill or the Kitchin substitute. Everyone is first covered and then temporarily given a reprieve. I favor increasing coverage and raising the minimum, but not for the price of shattering such a vital principle.

The CHAIRMAN. The time of the gentleman from New York [Mr. GOODELL] has expired.

Mr. AYRES. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, we have heard from a number of speakers who have really stressed the main objections to this bill. I hope that all of you were here when the gentleman from Georgia [Mr. LANDRUM], and the gentleman from Ohio [Mr. AYRES], spoke and pointed out specifically what was wrong with the committee bill and why the substitute bill which will be offered by the gentleman from North Carolina [Mr. KITCHIN], will be a far superior piece of legislation.

The two major objections are: First, it is unwise to legislate for future Congresses. The decision was reached by the committee in their thorough studies that $1.15 minimum is acceptable this year. We can make the decision to increase the minimum wage to $1.15, as the Department of Labor and the committee have agreed our economy can absorb, but we should look at the situation a year from now and 2 years from now, to see then, whether $1.20 and $1.25 can then be established.

The second objection to the committee bill is a philosophical difference, but it is important. We are not just extending the coverage. We are making a change in the philosophic concept of Federal wage and hour law if we pass the committee bill. The use of a dollar volume of business to determine whether an enterprise is in interstate commerce or not would surely in many cases be a Federal infringement on strictly intrastate business. Some strictly intrastate enterprises in my district do a million dollars worth of business. One, for instance, sells automobiles and farm equipment, and services that equipment. He does over a million dollars worth of business, and he does most of his business within a radius of 25 miles around him. He definitely is not in interstate commerce. He is strictly intrastate.

It is the responsibility of the States to pass minimum wage laws affecting the businesses in the States which businesses are strictly intrastate in character. We do that in Minnesota, and it is the responsibility of the other 49 States to do likewise. We should not let Federal legislation intrude in this field, for that is contrary to my philosophy as it must be to the philosophy of your party, the party of Jefferson, which stresses this so strongly.

Mr. Chairman, I yield back the balance of my time.

I believe the minority views in the committee report very effectively show the need for the Kitchin substitute, as reading them as follows shows:

MAJOR OBJECTIONS TO THE BILL

More specifically, the bill is defective for the following principal reasons:

1. The bill's fundamental concept, its very basis for extension of the Fair Labor Standards Act to retail and service industries, namely, engagement of enterprises in an activity affecting commerce represents a sharp and, we believe, an undesirable departure from the interstate commerce principle upon which the original act was based. Coupled with the bill's dependence upon an annual dollar volume of business as a criterion for coverage or exemption, the bill, in many instances, would be harmful.

2. The bill's so-called escalator provisions, applying to the proposed increase in the minimum rate both for existing coverage and for newly covered industries, are unwise. Furthermore, we believe it would be bad legislative policy for the Congress to enact anticipatory legislation of this sort—2 to 4 years ahead—before getting the facts about the economic consequences of such action.

EFFECTS OF THE BILL

The coverage in the bill of any activity, business, or industry necessary to commerce or to the production of goods for, or the distribution of goods in, commerce would include an extremely wide range of activities.

For example, it would include, among other things, activities in which employees are engaged or employed in selling, processing, handling, using as materials, or otherwise working on goods that have been moved in or produced for commerce by any person, or in providing or furnishing services or facilities in aid of the travel of persons or the transportation of things or the communication of information across State lines or other services or facilities for commerce or the production of goods for commerce.

It would appear that if an enterprise is engaged in an activity affecting commerce within the meaning of section 3(r) and has one or more retail or service establishments which meet the test prescribed in section 3(s)(1), all other establishments which are a part of the enterprise would come under the new coverage provisions of the act. Thus, if a manufacturer sells his products through his own retail outlets, both the employees in the retail outlets and the employees in the factory would appear covered, including those employees who might not be engaged in commerce or producing goods for commerce, if the aggregate annual dollar volume of sales of the retail outlets is $1 million or more.

With respect to laundries, if an enterprise has one or more laundries and the enterprise as a whole meets the receipts test, then all of the employees of that enterprise would come under the expanded coverage provisions. For example, if a hotel operates a laundry or cleaning establishment that furnishes services to the hotel and the hotel enterprise as a whole has $1 million or more in annual receipts, then all of its employees would be covered.

As another example of the effects of the bill, the retail establishment or laundry with an annual volume of $1 million is brought under the law while a competitive retailer or laundry with $900,000 or $700,000 remains exempt. This is contrary to the basic congressional intent and purpose underlying Federal wage-and-hour regulation, as well as the intent of the law's original sponsors to exclude local business from the act. Originally, Congress felt that the matter of regulating the minimum wages and maximum hours of local retail and services establishments should be left to the States, particularly in view of the extremely wide variation, all over the Nation, in the operating practices of such establishments (81 CONGRESSIONAL RECORD 7648. See also H. Doc. 225, 75th Cong., 1st sess.). Moreover, the States have been making progress in this connection. For example, during the past year Maine, North Carolina, and Washington enacted minimum-wage laws. Alaska and Vermont raised their minimum. In all, some 27 States and the District of Columbia have wage-and-hour laws regulating the retail industry.

The dollar volume test for determining coverage of the retail and service industries raises many troublesome questions. Employees of a local business, which does an annual volume of $1 million are likely to have the same working conditions as employees of a local business which does a smaller annual volume, so that there is no real basis upon which to discriminate between the two. But under the bill, the independent establishment doing an annual volume under $1 million will find itself exempt, while another one in the same business across the street, which does an annual volume of $1 million will find itself not exempt and subject not only to a $1.25 minimum but also to the overtime provisions of the bill and all the bookkeeping and paperwork that goes along with it.

The bill would have many other consequences with respect to retail and service enterprises. Thus, the new coverage concepts apply only to those employees of the enterprise who are presently exempt. As for employees who are not presently exempt, central warehouse and office employees, for example, they would be treated like any other presently covered workers and, under section 5(a) of the bill, get $1.15 per hour immediately, $1.20 per hour a year later, and $1.25 2 years later and immediately be entitled to overtime after 40 hours of work in a week. This would be true whether the enterprise did more or less than $1 million business annually. Hence, the bill would give rise to the peculiar and discriminating situation under which some of an establishment's employees would be entitled to a higher minimum wage than others in the same establishment.

Still other effects should be noted. A retail enterprise, for example, doing an annual volume of $1 million ostensibly is brought under the law on a sliding-scale basis for newly covered employees. This means it has its minimum wages gradually increased from $1 to $1.25 and its maximum hours gradually reduced from 48 to 40. On the other hand, the retail enterprise, which does just under $1 million of business annually, and which several years later has its volume increased to $1 million, will find itself subjected to a $1.25 minimum and a 40-hour week immediately and not gradually.

IMPACT OF THE ESCALATOR PROVISIONS

The bill's provision for mandatory increases in the minimum rate from $1 per hour in the newly covered industries, and from $1.15 under existing coverage, to $1.25 through annual progression, almost certainly would result in considerable unemployment and extensive economic dislocation. It would work harm on many marginal employees, workers trying to supplement family incomes, and the physically handicapped. The consequences would be particularly felt in the industries being subjected to the impact of the wage-hour law for the first time.

In 1955 when the minimum wage was increased from 75 cents to $1 with no extension of coverage, 2.1 million workers, or 8.4 percent of all the then covered workers, were paid less than $1 and received wage increases.

In contrast, the reported bill would, of course, both extend coverage and increase the minimum wage. With relation to the 24 million workers now covered by the act, the bill would require wage increases in the first year for 2,420,000 workers, or 10.2 percent. A year later the wages of these 2,420,000 workers and of an additional 583,000 workers paid between $1.15 and $1.20 would be increased to $1.20. At the end of 2 years the wages of these 3,003,000 workers would be raised to $1.25 as would the wages of an additional 597,000 workers paid between $1.20 and $1.25. The total number, 3,600,000, whose wages would be raised represent 15.2 percent of all workers now under the act.

Department of Labor reports, submitted to the Congress in accordance with the requirements of section 4(d) of the act, show that it took over 3 years to make a reasonably complete adjustment to the increase in the minimum wage from 75 cents to $1. Even after 3 years, the extent of concentration of workers at the $1 level was much greater than it had been when that rate was enacted, although only 8.4 percent of the covered workers had been affected. Obviously an increase affecting 152 percent of the workers, nearly twice the percentage affected by the 1956 increase, would result in extensive economic dislocation, causing unemployment.

With relation to those workers who would be covered for the first time, the escalator clause is even less defensible. For example, of the 3 million workers in retail trade who would be brought under the act by this bill, 600,000, or 20 percent, would receive increases to $1. The wages of these 600,000 workers and of an additional 171,000 would be raised to $1.10 a year later. After 2 years these 771,000 workers and an additional 316,000 would be raised to $1.20. At the end of 3 years a total of 1,351,000 workers in retail trade—45 percent of the number brought under the act for the first time—would receive increases to $1.25.

Just to raise to $1.15 per hour the wages of the 2,420,000 presently covered employees who are now paid less than $1.15 would require a direct increase in wage costs of $452 million annually. To raise to $1 the wages of the 700,000 workers who are now paid less than that amount, and who would be covered for the first time by the bill's provisions, would require a direct increase in wage costs of $240 million annually. Together this amounts to nearly $700 million per year, without any escalation. This is a serious impact on the segments of the economy most directly affected. To effectuate the bill's "escalators," together with the overtime provision on the newly covered industries, would, in our judgment, cause widespread hardship not in keeping with either the intent of the act or sound public policy.

Accordingly, it is apparent to us that the Congress should not now set the minimum rates in excess of $1 for the newly covered nor at more than $1.15 for the presently covered—levels which appear to be economically feasible at present—and rely on the procedures contemplated under section 4(d) of the act if and when any further increases might be contemplated.

Section 4(d) provides an effective method of adjusting minimum wage rates as economic conditions warrant. In contrast, the proposed escalator provisions would become effective at a predetermined time, without regard to economic conditions at that time, or to changes which have occurred in wage levels, in the cost of living, or in ability of employers to adjust to higher minimum wages. Instead, these escalator provisions would negate the basic intent of the Congress in adopting section 4(d) of the act.

CONCLUSION

In light of the foregoing, we intend to support on the floor of the House a substitute proposal which avoids effects such as outlined above and which, at the same time, would provide for new extension of minimum wage coverage to the truly interstate retail chain enterprises.

The proposal would distinguish between the interstate chains and the truly local retail enterprises, thus effectuating the underlying purpose of Federal minimum wage legislation to regulate "industries engaged in commerce or in the production of goods for commerce" and, at the same time, avoiding the possible constitutional infirmities inherent in a dollar volume test.

Only in this way, we believe, can we enact legislation to extend the benefits of the act to additional employees in the retail industry and, at the same time, avoid wide departure from the basic interstate concept of the act and minimize adverse economic consequences.

Mr. KEARNS. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, first I want to commend the subcommittee and the committee for a very good study and also thank them publicly for permitting me to testify on the economic aspects of this minimum wage-hour legislation.

The minimum-wage feature is an economic tool to try to achieve certain economic results. I was very sorry to hear the gentleman from California [Mr. ROOSEVELT] take it away from the kind of tool that it really is and try to present it as though it were a different kind of tool.

This is not an argument of one side being for the little man and the other side against him as is so often attempted to be presented; this is an issue as to how do we best achieve economic advancement for our people. A lot of economic implications are involved in this legislation. In my testimony I sought to set out some of the guidelines that I think will always have to guide us if we are going to use this economic device in proper fashion. I happen to feel that it is a good economic tool and has served us well.

Let me point out a statement I quoted on page 1247 of the hearings of Mr. N. Arnold Toles, a Cornell University economist:

> When we come to assess the results of these minimum-wage laws and regulations, we need to remind ourselves, once more, of their very special objectives. In the United States (and in Great Britain), legal minimum-wage regulation has, by and large, been devoted to the limited purpose of raising the wages of the lowest-paid workers, constituting a small minority of the whole body of employees.

In other words, the theory is that of what I would call a rippling effect. The intention has never been to have a complete coverage. We would have to change the tool or the philosophy. The philosophy is to cover a large or substantial group of employees and from that we gain the rippling effect, because it indeed does ripple out and affect the whole economy to an extent. We are talking about minimum wages in industry where the average industrial wage was $2.22 an hour in the year 1959.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. KEARNS. What does the gentleman feel about the inflationary ramifications this step will mean to this Nation in 4 or 5 years?

Mr. CURTIS of Missouri. There is no question I think it will have such an effect, if we were to extend it beyond $1.15; however, in my judgment, $1.15, if our calculations are not wrong, should not do real damage in this area. Otherwise we might do damage to the very people we are talking about helping. There has been real advancement in the United States in the past decade in the standard of living of our people.

Table C–8 prepared by the Council of Economic Advisers in the Economic Report of the President, 1959, shows the percentage of families earning under $2,000 per year and those over $2,000. In 1947, 17 percent of the families were under $2,000. In 1958, it was reduced to 14 percent.

Then, to move to another area, 47 percent of American families were under $4,000, in 1948, 38 percent. In other words, not only was the wealth of this country increasing but we were also getting a better spread among our people.

I think the minimum wage law has had its influence through this rippling effect. Therefore, I urge the Committee in its consideration—and I happen to think that the substitute is by far the better of these bills—to remember this is an economic tool. Do not let yourselves be put in the position of thinking it does not have an effect throughout all our wage scales.

But these things have to be balanced, and I believe they can be balanced.

One final point that is very disturbing to me is this figure in the bill which tries to put a million-dollar limitation on the basis of gross income in the retail or service field. Depending on what kind of business you are in you could have a million dollars, and another one have only $200,000, and yet be quite similar. For example, in the automobile industry, your gross is going to be large while, in some other selling game where your product is a smaller unit cost, you will have a less amount.

I suggest this is an unconstitutional provision of classification because it is based upon a purely arbitrary and meaningless money figure.

Mr. KEARNS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, we have had a most intelligent debate here today. Members on both sides of the aisle have presented their views in an eloquent manner. They have debated the issues in good faith according to their convictions.

Mr. Chairman, as the ranking member on my committee, I expect to support the substitute. However, I want to serve notice that in the event the Roosevelt bill does prevail, I will offer a motion to recommit, with instructions to substitute my bill, H.R. 12847.

The provisions of this bill are that on January 1, 1961, we will increase the minimum wage from $1 to $1.15. The problem of coverage will be studied by the committee and a report and recommendations made to the House no later than January 3, 1962. When a thorough study has been made by an authoritative committee of the House, and a staff of economic experts, of the far-reaching ramifications, and possible effects on our national economy, of extended coverage, then I shall be most happy to support the committee's recommendations and rest the decision of whom should or should not begin to pay the minimum wage rate with the good judgment of this great body.

Gentlemen, I hope the substitute prevails; if not, that you will support my motion to recommit and substitute my bill, H.R. 12847.

Mr. BARDEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I rise in support of H.R. 12677, the committee bill which is generally known and spoken of here as the Roosevelt bill.

This bill would raise the minimum wage from the present $1 an hour to $1.25 an hour.

This bill would extend the coverage of the wage-hour law to 3½ million more American workers.

This bill is a compassionate approach to the problems it seeks to solve. It takes into consideration the fact that businesses that are newly covered by the bill will reasonably need some time to make the necessary arrangements and adjustments. This is as it should be.

This bill covers employees who work in stores that sell a million dollars worth of merchandise a year.

This bill covers employees who labor in laundries that wash or clean a million dollars worth of wearing apparel a year.

This bill covers employees of those hotels that do a million dollars' worth of business a year.

It covers other service establishments that do a million dollars' worth of business a year, but does not include restaurants. The committee felt that there were special problems connected with restaurants at this time and voted not to cover them.

The bill makes many specific exemptions all of which are set out in the bill. It exempts the fruit and vegetable canning industry, the logging and pulpwood gathering industries, the taxicab industry and several more.

Mr. Chairman, a business that does a million-dollar volume a year is not a small business. Generally speaking, I feel that the larger businesses, with perhaps a few exceptions should be covered by the law.

I get tired of hearing the South promoted as a low-wage section. Southern workers are as good, efficient, and productive as they are anywhere. The new southern industries, and the old ones for that matter, are generally doing well. They are doing well at least in part because their employees are good.

When I see a worker in my home town being paid, let us say, 70 cents an hour for doing the same job that a worker in a northern or midwestern city is being paid $1.25 an hour to do, I do not like it. This is especially true if both people work for the same company.

The minimum wage law has been good for the South.

The raise in the minimum provided by this bill will be good for the South.

Southern workers will benefit by it; southern stores and shops will benefit by it because the increased wages will move right into the channels of trade and help to build a stronger market.

Mr. Chairman, I have great faith in the South and in its people. I have faith in the southern worker. I have faith in the southern businessman. The genius of our people who believe in giving a good day's work for a day's pay, the God-given advantages of raw materials and climate that we enjoy all combine to assure the continued growth of the South. Our real shortage now is one of capital. That has been true for a long time. I do not believe we can develop our southern market, I am sure we cannot develop southern capital without reasonably good wages. I support the committee bill, and congratulate its author, the

gentleman from California [Mr. ROOSEVELT] for bringing a reasonable bill to the floor.

Mr. GRIFFIN. Mr. Chairman, the substitute bill offered by the gentleman from North Carolina [Mr. KITCHIN] would extend minimum wage coverage to certain retail establishments, but not to service establishments.

The statements made by the gentleman from North Carolina and the gentleman from Ohio [Mr. AYRES], who introduced an identical bill, H.R. 12822, concerning the scope and meaning of the word "retail," as used in their legislation, will be very important as legislative history.

I should like to state that their expressed intent accords with my interpretation. Such businesses as restaurants, hotels, and service stations are understood to be service establishments, rather than retail establishments, within the meaning of the substitute. Such an interpretation is both reasonable and supportable by authorities already established. For example, in a leading case involving the wage-hour law, *Consolidated Timber Co.* v. *Womack* (132 F. (2d) 101, 106), the Court said:

> We think it quite generally understood by both lawyer and layman that an ordinary restaurant or eating place "renders a service" rather than "makes a sale," and that a restaurant is a "service" rather than a "retail" establishment.

The above rule is well established in the common law and under the Uniform Sales Act, on the ground that service is the predominant element of the transaction and the transfer of title to the food consumed is merely an incidental feature thereof—*Pappanastos* v. *State Tax Commission* (177 So. 158, 235 Ala. 50); *Child's Dining Hall Co.* v. *Swingler* (197 A. 105, 112, 173 Md. 490); *West* v. *Katsafanas* (162 A. 685, 107 Pa. Super. 118); *O'Connor* v. *Smith* (49 S.E. 2d 310, 188 Va. 214); *Albrecht* v. *Rubinstein* (63 A. 2d 158, 135 Conn. 243); *Merrill* v. *Hodson* (91 A. 533, 534, 88 Conn. 314).

It might also be observed that under its original interpretative bulletin dealing with the retail exemption the Department of Labor listed as examples of service establishments the following: restaurants, hotels, laundries, garages, barberships, and beauty parlors.

Mr. ROBISON. Mr. Chairman, Congress is given the power, under the third clause of section 8 of our Constitution, to "regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

Now I am not one to consider the Constitution as a dead hand of the past laid upon our proper concern to deal effectively with the necessary problems of today. Nor do I think that we should seek to interpret it in a totally inelastic manner, for it is obvious that the vision of the men who drafted this unique and wonderful document was necessarily limited by the scope of the times in which they lived. Nevertheless, I do believe, with utmost conviction, that the passage of time has firmly established and proven the wisdom of the principles with which they dealt, and that for us of this generation to depart farther from those principles than we already have would be most unwise and detrimental to the generations of free Americans who may follow us.

For so long as we are mere humans, unable to communicate with one another except through the medium of the spoken and written word, there will always be dispute and dissension over the true meaning behind those words. It has been ever so with respect to the interpretation of this so-called commerce clause of our Constitution. This is a most important clause, serving a twofold purpose. It is the direct source of the most important powers which the Federal Government exercises in time of peace, and except for the due-process-of-law clause of the 14th amendment, it is the most important limitation imposed by the Constitution on the exercise of State power. For one to follow the attempts of the Supreme Court, through the years, to lay down guidelines for constitutional legislative action within the framework of the principle expressed by those simple 15 words of the "commerce" clause is a fascinating experience. From it, one can gain an insight into the manner in which the function as well as the powers of the Federal Government have gradually been expanded and enlarged into the sphere of influence it enjoys today.

If you will follow that process, you will note that, through judicial interpretation, the problem of applying this clause has slowly shifted from the point of view of its operation as a curb on State power to its operation as a source of national power. Thus, in the some 1,400 applicable cases to reach the Supreme Court prior to 1900, the overwhelming proportion of those cases had only to do with protecting commerce against State interference and stemmed from State laws. The importance of the word "regulate" remained in the background. However, the balance began to incline the other way with the enactment of the Interstate Commerce Act of 1887, and since then, paralleling the development of the idea that the Federal Constitution is only an enabling document that we, as citizens, can stretch even in principle as well as in specifics to meet the needs of the changing times, have come in rapid succession: Federal invasions into the highway, railway, and hydroelectric power regulatory fields and such broader laws as the Sherman Act, the Securities Exchange Act, National Industrial Recovery Act, Agricultural Adjustment Act and so on.

While there are many other more recent examples of the exercise of congressional power to broaden, perhaps far beyond the intent of the Founders of this Republic, the powers of the Federal Government to "regulate commerce among the several States," the one we are most concerned here with today would be the Fair Labor Standards Act of 1938. The idea of minimum wage legislation originated with the States, Massachusetts being the first to pass, in 1912, a minimum wage law. Eight more States followed suit in 1913, and six more by 1923, in which year the Supreme Court held that a District of Columbia minimum wage law enacted in 1918 was unconstitutional. From then on, until Congress acted in 1938, most such State laws were unenforced. Coinciding with Federal action, the Supreme Court upheld, in 1937, a State of Washington minimum wage law, and, to date, there are some 33 States with some form or other of legislation of this type, affecting some 4 million workers not presently covered by the act of 1938. My own State of New York this year passed its first statewide minimum wage law, to become effective on October 1 of this year, adopting a $1 per hour minimum. All of this is indicative, I think, of progress on the State level, in that the majority of our several States have acknowledged their own responsibilities in this field where, in my opinion, their own knowledge of their own peculiar economic problems serves to make their action more appropriate to their locale and therefore more effective.

I think it is accurate to say that through the years we, as a people, have moved away from the original constitutional principle of a limited Central Government. Since one cannot turn back the legislative clock, I would suppose that it is useless to try to explore now the question of whether or not this trend has been a wise one. Suffice it to say that it is a fact.

This does not mean, however, that all of us must now subscribe to the idea that, having fallen so far off a standing wagon without too much of a bump, we can safely now, and with justification, try an even more spectacular leap from the moving wagon of a guardianship form of government, no matter how some of our partisan supporters might applaud.

Those who urge us to do so, in promoting what they obviously think is a wholly inadequate measure—H.R. 12677—as "watered down" by the committee in an effort to find an acceptable compromise, speak to us from a strong humanitarian point of view, echoing the declared purpose of the 1938 act itself. That act stated that its intent was to correct and eliminate "conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers." Its other purposes, as developed by debate on that act and by administration statements at the time, included such aims as spreading employment through the penalty overtime pay provisions, increasing mass purchasing power and eliminating unfair competition based on substandard wages.

These are certainly all laudable aims, as are the aims expressed by the sponsors of the legislation presently before us. For instance, I quote from a pamphlet issued last year by the joint minimum wage committee, AFL–CIO, out of its Washington office, that:

> The Nation has largely lost sight of this—minimum wage—problem. It has been glossed over by surface prosperity and the continuing gains by organized workers. * * * As long as millions of Americans earn less than enough to cover food and

shelter, the most impressive apparent prosperity rests on a rotting foundation. The expanding economy essential to full employment requires that all wage earners, not just a bare majority, must be guaranteed a minimum standard of living in keeping with American standards. * * * We are democracy's showcase (and) the grim drabness of American life for those who earn $1 an hour, and millions more who earn even less * * * lays us open to the charge that in the United States, as well as in the Soviet Union, there is a class society in which the lowest are condemned to grinding poverty.

Now that is strong and compelling language, but I happen to think that there are equally strong and compelling reasons why, in the interests of these very people, and their children and their children's children, we here, today, must seek to preserve the constitutional principle of limited Government and the States rights bulwark against the further encroachment of individual freedom by big government, which bulwark, in the words of Senator GOLDWATER, has been "fast disappearing under the piling sands of absolutism."

I am not prepared to argue the wisdom of the original enactment of the Fair Labor Standards Act of 1938, nor of the subsequent amendments thereto which have caused the minimum Federal wage to climb from 25 cents an hour to $1 an hour in slightly less than 18 years, while the maximum work week has dropped from 44 to 40 hours. I will leave it to others, better qualified than I, to argue the effect as well as the effectiveness of this attempt to have wage rates and hours set by an all-wise government instead of by the competitive forces at play in a free economy. I am even willing to concede, despite some question as to the eventual inflationary result, that there is sufficient justification for now raising the present $1 an hour Federal minimum to $1.15. But, at the same time, I am utterly opposed to any legislation that will destroy the interstate commerce principle upon which the 1938 act was based.

Such would surely be the effect of H.R. 12677's enterprise coverage approach, as a shift from the present employee-by-employee coverage basis, coupled with the completely unrealistic annual dollar volume test. Both are symbolic of the thinking of the proponents of a planned economy which, in my judgment, could as surely, though more slowly, destroy our way of life than the nuclear bombs we now seek to prepare a defense against.

The substitute to the committee bill which will be offered by the gentleman from North Carolina [Mr. KITCHIN] under the title of H.R. 12853, raises the present Federal minimum wage on workers now covered under the 1938 act, as amended, from $1 an hour to $1.15 an hour. As I have said, I believe there is justification for this. In addition, it avoids the unsound escalator provisions of H.R. 12677, which would set additional raises at predetermined times without regard to what economic conditions might then prevail. I can see no justification for such escalators whatsoever. Congress will be in session next year, and the next, and if further increases can then be justified we can then act. Also, by that time, we should have the benefit of such studies as will be made as to the economic effect of the presently contemplated jump to weigh against the inflationary dangers inherent in any further increase.

The substitute also junks the unworkable and unsound changes proposed by H.R. 12677 in the criteria for coverage under the Federal act which, in time, would engulf virtually every enterprise in our economy, from the corner grocery store to the family pharmacy, in the tangled web of Federal bureaucracy. In fact, judging from the unhappy reception given H.R. 12677 in its present form, both by its original sponsors and its ardent supporters outside of Congress, it would almost seem that that very result is their eventual aim, and that should H.R. 12677 become law it would serve as their means to that end. In such a project, I will not play a part. As a member of the Select Committee on Small Business, I am already aware of the difficulty that the small business community now faces merely to survive in this era of bigness, whether we are talking about big business or big government. I believe it to be vitally important that we not add to their problems.

The Kitchin substitute, on the other hand, would extend new coverage to some 1.4 million employees in the truly interstate retail chain enterprises which operate 5 or more retail establishments in 2 or more States. Thus it preserves the interstate principle on which we have previously acted, as well as the constitutional concept of States rights and a limited central government. It would provide a new minimum of only $1 an hour for these newly covered employees, but would not yet subject them to the overtime provisions of existing law. It would, at the same time, preserve the existing minimum wage exemptions enjoyed by hotels, restaurants, motion-picture theaters, amusement parks, laundries, and other establishments engaged in retail servicing as distinguished from retail selling.

It is a reasonable and justifiable extension, and it represents a responsible legislative action in the face of strong election year pressures. I urge my colleagues to join in support of the substitute, but, should it fail, I also urge them to vote down the committee bill which, in my judgment, is not in the national interest.

Mr. LINDSAY. Mr. Chairman, I support a $1.25 minimum wage. I, therefore, support the committee bill.

We have learned much since 1938, and many of the ghosts which haunted our house of economic order have disappeared in these last 22 years. This, however, has not dispelled the controversy.

Voluminous statistics are available, and each industry presents shadings to the question. Obviously, no one universal solution is applicable to all industries. There is also the omnipresent question of the basis for Federal intervention.

There was a time when wage regulations were designed primarily to establish and maintain socioeconomic status. Each wage earner fitted into a class strata commensurate with the social acceptance and need for his occupation or trade. The industrial revolution, coupled with the emergence of new products and new methods, produced great change. The status factor diminished, and laissez faire preempted all the theories of economic welfare. A free market with unrestricted methods of competition became the mode of regulation. The position and welfare of low-wage earners were established by the demands on industry. Government did not interfere. The free market determined labor demand and the availability of labor determined wages.

In the United States we soon discovered that this would not and could not work. A cheap labor market composed largely of untrained and unskilled immigrants would take any wages available. Competition for employment was based solely on the willingness of the labor force to work for lower wages. The availability of such a force became a detriment to the entire wage structure. Economic deterioration prevailed.

Without minimum standards, either self-imposed or governmentally established, an atmosphere of cut-throat competition prevailed. One industry could literally destroy another by utilization of the lowest wage earners to gain competitive advantage. This could cast out the employer attempting to provide his employees with a means for a minimum standard of living and commensurate with the services rendered. The premise that minimum wages provoked by market demands would seek their own level and provide improved wage scales did not work. Government action followed, which was proper and right.

Minimum wage laws should not be thought of as a method for government regulation of industry. It is not a vehicle for such intervention nor should it be. The goal of any minimum wage legislation should be to afford a minimum standard of living and a healthy atmosphere for competitive industry without turning loose the long tentacles of government that could strangle the efforts and ingenuity of a free economy.

I support the committee bill which provides for a step increase to $1.25. Few can deny the existence of low-wage areas—cheap labor—that make for unfair competitive advantage. Not only this, but it creates an unhealthy atmosphere in the area itself.

My own city of New York provides a significant case in point. There was a time when the largest concentration of the so-called "sweatshop industries" existed in New York City. These industries have been notorious for low wages, tenement housing, unfair competition and great turnover. Still today much of the work is seasonal and the demand for the goods produced in unpredictable. In New York City the highly seasonal apparel industry accounts for more than one-third of the employment in nondurable goods manufactured in New York City. This industry employs more workers than all the durable goods industries combined.

In December 1959, the apparel industry alone in New York City employed over 275,000 people. In that same month the average weekly wage of this group was $71.97 per week. In the same period new hires in this industry were 2.9 per 100 employees while the number of separations per hundred was 7.9; 4.5 were layoffs.

To this industry and the others in New York, minimum wage is vital. The garment industry is most competitive. Competition dictates the working conditions. Unfair competition has been the rule and not the exception. Such unfairness takes place in terms of wage levels. This is an industry which requires low capitalization. The usual factory employs between 25 and 50 employees depending on seasonal market demands. The employer works on a contract basis and it is no great loss to him to close down and move away to start anew. When cheaper labor is available elsewhere he may readily do so because his competitive posture is based on cheap labor. What occurs to the employees so stranded? Certainly they are affected, the industry suffers, and lastly but most importantly the community suffers. Much of the loss of income is absorbed by welfare funds—a drain on the community. Purchasing power diminishes and all of the consequential social maladies spring forth. In New York City in December of 1959 more than 167,000 people claimed unemployment benefits.

A realistic Federal minimum wage can be of great help. Competition based on substandard wages will be reduced. Less efficient businesses will seek to offset labor costs by improvment of production methods. Greater productivity will increase purchasing power, relieve localities of unemployment claims and go a long way toward enabling the low level wage earner to gain a reasonable standard of living.

It does not hold water to argue that the impact of a minimum wage increase will create havoc in our economic structure. The history of the Fair Labor Standards Act does not bear out such a contention. The increased labor costs to the employers have been adequately offset by other internal improvements geared to greater production. This benefits the employer and the employee. Higher minimums in the past have not increased unemployment.

In the last 10 years the average hourly pay for industrial workers has gone up by more than 80 cents but the minimum has been frozen at $1. We are long overdue for a minimum wage level consonant with 1960 and not 1938.

A realistic minimum wage will help reduce runaway industry. This is serious in New York and it is equally serious in many sectors of the Nation. We cannot continue to provide a climate that produces less than minimum standards of living, reduced purchasing power, runaway industry, unfair competitive advantage and heavy drains on local communities for welfare assistance. We can go a long way toward improving these conditions by enactment of a sound minimum wage bill.

The time to check the malignancy is now and the prescription has been written. Let us resolve our differences on coverage extensions and provide the ingredients for a healthier economic atmosphere by enacting this bill.

Mr. PELLY. Mr. Chairman, in the House report on H.R. 12677, on page 12, the committee states that section 13(a)(5), being the seafood catching and processing exemption in the Act, was amended to specifically spell out the inclusion of employees necessary to the conduct of the stated operations.

According to the committee report the reason for this amendment is to reaffirm congressional intent in the original seafood exemption of including all employees involved in the operations, whether physically essential or not.

The committee report states that the case of *Mitchell* v. *Stinson* (217 F. 2d 210), which case attempted to distinguish between various categories of work, did not correctly reflect the original or present intent of Congress in this matter.

The case of *McComb* v. *Consolidated Fisheries Co.* (174 F. 2d 74) interpreted the seafood exemptions as including all employees employed in the operations even though the employee in question did not participate directly in any one of the operations particularly mentioned, if in fact their services are nonetheless "necessary to the conduct of those operations."

It is this language taken from that decision which is incorporated in the committee's amendment to section 13(a)(5).

Through an oversight, I am informed the language was not included in the seafood canning exemption of 13(b)(4) in H.R. 12677, although the two exemptions have always been uniformally interpreted. In fact the Mitchell against Stinson decision disapproved in the House report, involved fish canning under 13(b)(4) although its impact would be equally applicable to processing under 13(a)(5).

A correcting amendment is necessary to correct the committee oversight and continue the uniformity of the seafood exemption.

However, Mr. Chairman, if the substitute offered by the gentleman from North Carolina [Mr. KITCHIN] succeeds and the language of the committee bill is changed by action of the House so as to include the language of H.R. 12853 no correcting amendment, as I have been informed, will be necessary. The provisions of the Kitchin substitute would leave the law with uniform exemptions of any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, and so forth, and if any employee employed in the canning of any kind of fish, shellfish, or other aquatic forms of animal or vegetable life, and so forth.

In other words, under the Kitchin amendment the law would follow the past and present intent of Congress, as spelled clearly in the House committee report on H.R. 12677 on page 12, and reaffirmed therein to say that all employees involved in the operations, whether physically essential or not in seafood catching and likewise in seafood canning, are exempt.

Mr. LANE. Mr. Speaker, it is difficult to believe that Federal legislation in the form of the Fair Labor Standards Act of 1938 was required to establish a 25-cent minimum hourly rate, or $11 a week on the basis of a 5½ day week. The point was that many employers were paying less, and would continue to exploit their employees but for the conscience and good sense of the American people who, through their representatives in Congress insisted upon the establishment of a minimum wage that would not be too far below subsistence levels.

The minimum wage has been increased in piecemeal fashion several times since 1938, although its effective application has been diluted by the large number of occupations exempted from its coverage. Since the 1955 adjustment to $1 per hour, the cost of living has increased by more than 10 percent. If we had an escalator clause attached to the present minimum wage, it would have gone up automatically some time ago.

But to get back to $40 a week, how can a single person possibly pay for the simple necessities of food, clothing and shelter on this economical wage? Excuse me. I made a mistake. It is not $40 a week, but $40 minus income taxes, social security taxes, Blue Cross-Blue Shield deductions, and so forth. Thirty-odd dollars a week is not a very attractive advertisement for the American way of life.

And the millions not covered by the minimum wage who get less show that something is wrong with our method of distributing the fruits of production. Even though they work, these people are hardly in a position through severely curtailed purchasing power to swell the tide of customers upon whom the whole American economy depends.

Failure to raise the wages of those at the bottom, while all other groups are sharing in our national progress, would inhibit the growth which is essential to the security of a free society.

It is, in part, to correct this drag on our development, that we propose an extension of coverage, and an increase in the minimum wage. To neglect human resources in the world of today, is to invite other and expensive programs to make up the deficit.

H.R. 12677, by providing for a gradual increase in the minimum wage by three easy stages until it reaches $1.25 per hour in the third year, will enable industry to adjust itself smoothly to these inevitable changes, while the extension of coverage to several million more workers will strengthen the foundation of fair labor standards.

Too many Americans suffer from the deflationary effects of a less-than-living wage in a country that must produce and sell more goods and services. This bill is in step with the realities of 1960. It reflects the increase in the productivity of our economy, and is recognition of the fact that all workers, and especially those in underpaid jobs, are worthy of a more substantial return for their labors.

Mr. HALPERN. Mr. Chairman, I rise in support of H.R. 12677. Anything less than the minimums proposed in this bill and the extension of coverage would be unfortunate. It is a reasonable bill and although I would have liked to have seen the extended coverage made broader as in the legislation which was offered of which I was a cosponsor, its passage will be of great benefit to some 500,000 low-paid wage earners who are included within its provisions—almost a million workers will get increases and at least 3,500,000 more will now be covered by its provisions.

The step-up wage increase formula is another moderate feature of the bill which deserves commendation. Such provisions are an attempt to reconcile the problems confronted by small businessmen with the public policy of providing decent wage standards for the American workingman.

In 1959 there were some 20 million American workers not protected by minimum wage standards. Many of these have incomes far below the $2.20 national average in industry and below the $1.25 figure in the bill. As a consequence their standards of living are necessarily depreciated. At the same time their lack of income restricts their consuming power which in turn acts as a check on the American economy. An increase in their take-home pay, even if not great, will yet create a market of considerably expanded proportions.

Mr. Chairman, the arguments on behalf of minimum wage legislation have been advanced time and again. They relate to national economic growth, national economic self-interest, basic humanitarian considerations, and national advancement toward the objectives of the American ideal. They are exceedingly appropriate and relative in our deliberations on this bill. I fervently plead that this House approve the bill overwhelmingly and defeat any attempt to weaken or emasculate it.

Mr. ALGER. Mr. Chairman, I believe that the Federal Government has no constitutional authority to set wages. Therefore I oppose minimum wage laws.

Mr. DONOHUE. Mr. Chairman, I rise to urge unanimous approval of this bill to amend the Fair Labor Standards Act by increasing the minimum wage to $1.25 per hour, extending such coverage to millions not now included and otherwise providing progressive changes in the present act. Although this measure does not provide the wage benefits as quickly or extensively as some of us may desire it is a step forward in national economic progress and it appears to be about all that can be legislatively accomplished under the present circumstances.

Primarily I urge approval of this bill because it is clearly another advance toward fulfillment of the declared policy of the original Fair Labor Standards Act, "to correct, and as rapidly as practicable, to eliminate labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency and general well-being of workers."

According to a study made by the Bureau of Labor Statistics among 34 cities in the country, the basic budget required for a minimum standard of living, for a family of 4, varied from $3,812 to $4,454. Even with these admittedly low budget figures and estimates it would require a minimum wage of $1.91 per hour to earn enough to meet the barest needs for a decent standard of living as defined by this study. It is quite apparent then that the raise proposed in this measure, while it is a progressive step, may too soon prove inadequate for the national economic growth that these competitive times and challenges demand.

In dwelling upon this problem let us not forget the most impressive lesson of the unfortunate depression of the early 1930's, that lack of purchasing power in the hands of our lowest income families, who necessarily spend the most, brings about widespread unemployment hardships and economic stagnation. It profits us nothing to possess the greatest industrial production potential in the world if low wages and low consumer income prevent millions of Americans from buying these products.

I am also intensely concerned about another aspect of this minimum wage problem so disastrously affecting a great many distressed industries in my home area of Massachusetts and New England. An increase in the minimum wage would tend to revitalize these industries, discriminated against as they are by the operation of our so-called reciprocal trade agreements, not only in the establishment of a decent wage structure but also in market stability, as well as being a just and timely rebuke to unfair competition. It would discourage the seducement of industry to cheap labor localities by subsidies. It would further serve to place a little more hindrance upon unscrupulous employers moving their businesses into other areas and there setting up plants with the clear purpose of openly exploiting the local labor market, thus escaping their moral and economic responsibilities of providing decent wages and working conditions for American employees. Of course a clear distinction must be kept in mind between legitimate expansion of industry into new areas and the purposeful relocation of industrial operations for the sole objective of avoiding the normal working standards of our American society. It is this latter situation that must be discouraged if we are to encourage increasingly higher standards of living in keeping with the Christian policy of our original Fair Labor Standards Act.

Mr. Chairman, we are here obligated to enact laws designed to assist, not hinder, all those who are patriotically and conscientiously trying to be fair, honest and decent in their employment obligations and industrial operations. We are here obligated to enact laws primarily designed to advance the general welfare. In compliance with and in the spirit of that high duty I urge you all to approve this minimum wage raise legislation now, while we, at the same time, pledge ourselves to be continuously and conscientiously concerned with the further advancement of American living standards and national economic progress.

Mr. MACK. Mr. Chairman, I am a great advocate of minimum wage legislation and I am pleased that the Committee on Education and Labor has reported a bill during this session of Congress.

My late father advocated a national minimum wage law for many years before it was enacted.

I believe in the future as in the past that fair labor standards will raise our standard of living and contribute to the health and welfare of our society.

Mr. Chairman, I want to take this opportunity to commend the author of this bill, the gentleman from California [Mr. ROOSEVELT] and the other members of the Education and Labor Committee who worked so hard in drafting this bill and arranging consideration in the House of Representatives. They tried to write a good bill which would not place an undue hardship on any of our citizens. They have indicated they would not oppose amendments which would further protect the small businessmen and correct any inequities existing in this proposal.

While I agree in principal with the provisions of this bill I find it necessary to offer an amendment which would provide equal treatment for hotels under the provision of this act.

Under the provisions of this bill any hotel or retail establishment would come under the provisions of the Fair Labor Standards Act of 1938, as amended, if the aggregate annual dollar volume of sales of such establishments were more than $1 million. This provision, I am sure, was not intended to include those businesses who had an annual dollar volume from hotel revenues of less than $1 million, but which exceeded this amount when revenues from restaurants were included.

It is my intention to offer an amendment to correct this inequity and the sponsor of this bill has indicated that he would accept my amendment.

My amendment would provide that in determining the aggregate annual dollar volume of a hotel, sales by restaurants and other eating places operating in connection with such hotel should not be considered.

Mr. Chairman, there are approximately five hotels in downstate Illinois which would be affected by this amendment. It would have the effect of eliminating most of the hotels in communities of less than 100,000 population. It would provide equal treatment for all of the hotels in these small communities.

Without this amendment we would find that small hotels with large restaurants would come under the provisions of the Fair Labor Standards Act while larger hotels with small restaurants would be exempt.

In fairness, I believe everyone will agree that all hotels of similar size should receive the same treatment. I am certain this was an oversight on the part of the members of the committee and I am pleased to know that they are willing to accept my amendment.

Mr. BARDEN. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, I have been working with this problem of wage and hour legislation for many years. From its very beginning much of the law we wrote back there has stood unscathed, much has been done to it by interpretation and administrative rulings and court rulings but, in my opinion, it has done some good. Much of it has stood.

Something has been said about the origin of this bill. When the original matter was up, I said at that time—and this was said before the committee this year and I am sure the gentleman from California recalls it—that in view of the short term and in view of the tremendous problem involved, when you begin to try to spread coverage into various fields which requires so much knowledge about the operation of the many businesses involved, it was my hope that the committee would at this time come out with a reasonable raise of the minimum wage and then confine the coverage to something that we were very sure of and that the House would approve. So, if you want to put the onus, or whatever it is, on me, OK. That was my statement.

Now, something has been said about a Republican bill and a Democratic bill. So far as I am concerned, I am legislating for all of the people and I do not think we ought to begin to separate people on this. I have sense enough not to make a political issue out of labor and labor problems. I have seen it tried many times, and I have seen many fingers burned. As far as that is concerned, there are two things we ought to lay off of in politics. One is labor and the other is education. The minute we try to throw those, either one or both, into politics, someone is in for a lot of grief.

Mr. Chairman, I think the substitute bill is timely. I think it is the best bill for the situation we now confront. I think it extends coverage to a group that needs it worse than anybody I know, because I have had some experience in observing it. There is not any question about it in my mind. My sympathies have been with these people who work for the chains, the five and dime stores and such as that, because I know what they pay them in my section of the country and I know what they pay them farther north. I know what they charge for the goods in the North and I know what they charge down my way; exactly the same. Now, my sympathies go then to them.

I might say this, the substitute bill extends this coverage and preserves the traditional concept of interstate commerce that started out to be a part of the original wage-hour bill and has remained, even though there have been many attempts to chip it away.

Now, I know there is already a rumor circulating that they are going to see if they cannot get an amendment to knock out the cafes, to knock out the hotels, and to knock out the filling stations, and I do not know what else they are going to try to knock out before they get out of this scramble. If they keep on, I hope they will wind up just exactly where the substitute bill is. There are millions of people involved, and unquestionably, when you take five places of business in two or more States, there is not much defense you can put up on the interstate commerce question there. So, that does not offend my sense of law or my ideas of the Constitution.

But, I want to say this to you, and I can read you one line and a half in this committee bill that will cause you to ponder. In the definitions, "Secretary" means the Secretary of Labor. We all know that. Now, in this wholesale expansion movement they have found a new word—"enterprise."

"Enterprise" means the related activities performed either directly or indirectly through unified operation or common control or otherwise.

I brought that to the attention of the committee and there was not a living soul on the committee who would even attempt to define it. So I called on the Secretary of Labor. He, I understand, drew that definition and wrote the law pertaining to it. He came back with about four pages and went all around the mulberry bush and wound up in effect saying, "It will mean what I decide and the courts approve." And that is about all anybody can tell you right now.

I do not like that kind of legislating; that is all there is to it. What it will mean is this. It will mean 25 times or, I would say 100 times, the trouble to go all over this country checking your cafes, your hotels, and everything else.

Not only that it will be 25 times as much trouble to the business people.

You and I know that when you get into the big hotels, the bell captain makes more money than any one of us in this Hall. We know that. And if a bellboy did not make over $1.25 an hour, he would not come back to work the next day. Because now it costs about 50 cents to 75 cents if he takes your suitcase to the room, and the same price to bring it down. Then the doorman carries it to the door, and he gets the same price, and the cab driver puts it in the cab and he gets paid for that, too.

So I cannot see at this time, when we are not so sure about our economy, why we should do this. It is easier to raise the price of these things than it is for the businessman to absorb the raise and provide in his business increased income to take care of the increased cost.

I think the prevailing opinion in this House right now is that at the present time 15 cents is all our economy can take. I have not found anybody who disagrees with that opinion; and I have talked to a lot of people.

Increase your coverage to these operations that are five or more in number in two or more States; that is a lot of coverage, and "don't you think it isn't." Then pass the bill. This Congress will be in session next year and it will be in session the year after and the year after that, I hope.

When you get to the point where you are writing into law an escalator clause that says $1.15 next year, $1.20 the following year, and $1.25 the year after, suppose we find ourselves along about the time you hit the second year from now with our economy going in one direction and our cost of operation going in another, by law. Then your economy bumps into that statute law and what happens? It is a case of an irresistible force coming down against an immovable object, because that statute is there.

The next Congress will assume its responsibility if it feels as I think the overwhelming number of people of this country now feel, that 15 cents is enough, or, if it is made 20 cents, they will go for 20. I remember the first bill that was passed. We have gradually taken it up with a minimum amount of trouble, I think, and I hope a minimum amount of damage. This extra coverage that we bring in is fixed at $1 That is what our economy has been going on. You might say, "Why don t you make it $1.25."

To do so we would have to disregard our economic condition, we would have to disregard the fact that we have made no investigation along that line, we would have to disregard those things that a Member of Congress ought not to disregard. When we are legislating for every section of this country, every State in the Union and every part thereof, show me the Member of Congress who will tell me that he knows what the economic situation will be 2 or 3 years from now and that he knows that that raise would be justified, and I will tell you that I am listening to a Member of Congress that I think is pretty irresponsible.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from California.

Mr. ROOSEVELT. May I ask the chairman, is there very much difference between the right of the Congress at any time to change a law and the necessity of having to come back even though the economic conditions do justify $1.20 or $1.25, and then having affirmatively to go over it, whereas the other way if the economic conditions did not justify it we could come back and change it then and there? I cannot see the difference.

Mr. BARDEN. On the gentleman's theory there is no sense in the Congress meeting but once in 3 years. Why not have Congress meet just once in 3 years, then?

Mr. ROOSEVELT. We do act on this bill only about once in an average of about every 7 years.

Mr. BARDEN. I have worked on it and it has worked on me every year since I have been in Congress, and I have been around here a long time. Every Congress it comes up in one form or another.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I should like to say at this point I think the Eighty-sixth Congress and the preceding Congresses have had the advantage of the services

of the gentleman from North Carolina [Mr. BARDEN], which I think cannot be measured in dollars and cents. But I would say that when we take this particular step today, if we do not pass the substitute, we are going into fields and into industries and saying, "You can do this and you cannot do that." I do not think we as Members of Congress have the right to go in and say, "You can do this, but you cannot do that." I compliment my chairman.

Mr. BARDEN. I thank the gentleman very much. I am willing to go in and do what I think the condition justifies. It is not always pleasant, but I think the Congress just ordinarily and normally has to confront those things.

I know this is a campaign year. As far as that is concerned, I know the demands of the different minority groups. I know the urge. But you know you will be looking at your people all next year, and you see these special-interest boys only when Congress is in session. They can give you a lot of advice and tell you a lot of things to do as long as the responsibility rests on you and not on them. If it does not work out they say, "The nut ought to have had better sense than to do that."

I am thoroughly convinced that the real wish of the majority of the men and women of this House is that we raise the wage to $1.15 and then give the coverage that I admit is due and can be justified legally, constitutionally, and otherwise. I will tell you another thing, if this bill is adopted I intend to vote for it. That is sure, because I think it will do good. I think it will do a minimum amount of harm. But I am not going to vote for that committee bill with such monkey business in it as this provision and then just spread it wide open so that the Secretary of Labor can have control over anything in this country. I do not like that.

I have never like to give him authority to make decisions and write these laws. That is our business. That is our responsibility. What is the use of hammering away and trying to shape up and make a good bill out of one that is impossible to begin with? I just do not think you can do it. I think the substitute bill does exactly what this House wants to do and exactly what we know will not hurt our Congress; exactly what I believe my people can live with, and I believe it will not be harmful to anybody.

Mr. GIAIMO. Is it not true that there are various features in the committee bill, such as restaurant provisions and hotels, such as automobile industries, and some of those where there has been considerable discussion in the committee—is it not the gentleman's feeling that we should bring those up before the House so that the House could determine whether or not they should be amended and changed? If they were, then would the chairman be for the committee bill?

Mr. BARDEN. I will tell the gentleman about that committee bill with such a definition of "enterprise." It is like the farmer who drove his Ford up to the filling station and he said, "What can I do to improve this car?" The attendant said, "The only thing I know would be to jack up the radiator cap and run a new car under it."

This word "enterprise" is written into virtually every paragraph. This floor is not the place to do that kind of work. The place to do that is in committee.

Mr. GIAIMO. Will the gentleman yield for another question?

Mr. BARDEN. I yield to the gentleman from Connecticut.

Mr. GIAIMO. What I am trying to find out is if the committee bill became a bill in Committee of the Whole would the gentleman then vote for it?

Mr. BARDEN. In its present shape?

Mr. GIAIMO. No; with certain changes.

Mr. BARDEN. If you will let me provide the changes, I will vote for it, but if you do not I certainly will not vote for it.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

All time has expired.

Under the rule, the bill is considered as read and open for amendment at any point. It is in order to consider an amendment to strike out all after the enacting clause and insert the text of the bill H.R. 12853.

The bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Labor Standards Amendments of 1960."

FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) Section 2 of the Fair Labor Standards Act of 1938, as amended (hereinafter referred to as the "Act"), is amended by inserting after subsection (a) a new subsection (b), to read as follows:

"(b) The Congress further finds that the existence, in retail trade or service and other industries engaged in activities affecting commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers, has the effects set forth in subsection (a)."

(b) Section 2 of such Act is further amended by relettering subsection (b) as subsection (c).

DEFINITIONS

SEC. 3. (a) Paragraph (f) of section 3 of such Act is amended by inserting after "Agricultural Marketing Act, as amended)," the following: "the processing of shade-grown tobacco for use as cigar wrapper tobacco by agricultural employees employed in the growing and harvesting of such tobacco, which processing shall include, but shall not be limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling, prior to the stemming process,".

(b) Paragraph (m) of section 3 of such Act, defining the term "wage," is amended to read as follows:

"(m) 'Wage' paid to any employee includes the reasonable cost, as determined by the Secretary, to the employer, of furnishing such employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such employer to his employees: *Provided,* That the cost of board, lodging, or other facilities shall not be included as a part of the wage paid to any employee to the extent it is excluded therefrom under the terms of a bona fide collective bargaining agreement applicable to the particular employee: *Provided further,* That the Secretary is authorized to determine the fair value of such facilities for defined classes of employees and in defined areas, based on average cost to the employer or to groups of employers similarly situated, or average value to groups of employees, or other appropriate measures of fair value. Such evaluations, where applicable and pertinent, shall be used in lieu of actual measure of cost in determining the wage paid to any employee, except that where an employer and an employee agree upon a reasonable valuation of the facilities so furnished, such agreed upon valuation shall be used in determining the wage paid any employee, in lieu of either the valuation so determined by the Secretary or the actual measure of cost."

(c) Section 3 of such Act is further amended by adding at the end thereof the following new paragraphs:

"(p) 'Secretary' means the Secretary of Labor;

"(q) 'Enterprise' means the related activities performed (either directly or indirectly through unified operation or common control or otherwise) by any person for a common business purpose of providing goods or services, or the products thereof, or a combination of them, to others, and includes all such activities whether performed in one or more establishments or by one or more corporate or other organizational units: *Provided,* That within the meaning of this paragraph a locally owned and controlled retail or service establishment shall not be deemed to be other than a separate and distinct enterprise solely by reason of an agreement (1) that it will not sell any goods competing with the goods specified by a particular manufacturer, distributor, or advertiser, or (2) that it will join with other locally owned and controlled concerns in the same industry for the purpose of collective purchasing;

"(r) 'Activity affecting commerce' includes any activity, business, or industry in commerce or necessary to commerce or to the production of goods for, or the distribution of goods in, commerce;

"(s) 'Enterprise engaged in an activity affecting commerce' means an enterprise engaged in an activity affecting commerce which—

"(1) has one or more retail or service establishments (as defined in section 13(a)(2), if the aggregate annual dollar volume of sales of such establishments (exclusive of excise taxes at the retail level which are separately stated) is not less than $1,000,000;

"(2) has one or more establishments engaged in laundering, cleaning, or repairing clothes or fabrics if the aggregate annual dollar volume of sales of such enterprise (exclusive of excise taxes at the retail level which are separately stated) is not less than $1,000,000; or

"(3) is engaged in the business of operating a street, suburban, or interurban electric railway, or local trolley or motor bus carrier, if the annual dollar volume of sales of such business (exclusive of excise taxes at the retail level which are separately stated) is not less than $1,000,000:

Provided, That such term shall not include any retail or service enterprise in which the only employees are the owner of such enterprise and persons standing in the relationship of parent, spouse, or child of such owner: *Provided further,* That the term 'annual', as used in this subsection, means the four preceding calendar quarters, except that the Secretary may prescribe a shorter period (which may not be less than one calendar quarter) in the case of a new enterprise or one which results from a merger."

SPECIAL INDUSTRY COMMITTEES FOR PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 4. Subsection (a) of section 5 of such Act is amended by inserting after the words

"production of goods for commerce", wherever they appear, the following: "or employed in an enterprise engaged in an activity affecting commerce".

MINIMUM WAGES

SEC. 5. (a) Paragraph (1) of subsection (a) of section 6 of such Act is amended to read as follows:

"(1) (A) during the first year from the effective date of the Fair Labor Standards Amendments of 1960 not less than $1.15 an hour, (B) during the second year from such date not less than $1.20 an hour, and (C) after the expiration of two years from such date not less than $1.25 an hour;"

(b) Subsection (b) of section 6 of such Act is amended to read as follows:

"(b) (1) Every employer shall pay wages at the rates provided in paragraph (2) to each of his employees who—

"(A) is employed in an enterprise engaged in an activity affecting commerce, and is not an employee to whom subsection (a) applies, or

"(B) is an employee to whom subsection (a) applies solely by reason of the amendments to section 13 made by the Fair Labor Standards Amendments of 1960.

"(2) The rate of wages for employees described in paragraph (1) shall be—

"(A) not less than $1 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1960;

"(B) not less than $1.10 an hour during the second year from such date;

"(C) not less than $1.20 an hour during the third year from such date; and

"(D) not less than the rate effective under paragraph (1) of subsection (a) after the expiration of three years from such date."

(c) Subsection (c) of section 6 of such Act is amended to read as follows:

"(c) Except as herein provided, subsections (a) and (b) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands or American Samoa engaged in commerce or in the production of goods for commerce or employed in an enterprise engaged in an activity affecting commerce only for so long as and insofar as such employee is covered by a wage order heretofore or hereafter issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5: *Provided*, That—

"(1) in the case of any such employee to whom subsection (a) would otherwise apply, beginning sixty days after the effective date of the Fair Labor Standards Amendments of 1960 or one year from the effective date of the most recent wage order applicable to such employee theretofore issued by the Secretary pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later, every such employee shall be paid not less than the minimum wage rate applicable to such employee under such wage order increased by the percentage by which the rate effective under clause (A) of paragraph (1) of subsection (a), as amended by such amendments, exceeds the rate prescribed by such paragraph prior to such amendments; and, beginning one year after such later date, not less than the minimum wage rate applicable to such employee under such wage order increased by the percentage by which the rate prescribed under clause (B) of paragraph (1) of subsection (a), as amended by such amendments, exceeds the rate prescribed by such paragraph prior to such amendments and, beginning two years after such later date, not less than the minimum wage rate applicable to such employee under such wage order increased by the percentage by which the rate prescribed under clause (C) of paragraph (1) of subsection (a), as amended by such amendments, exceeds the rate prescribed by such paragraph prior to such amendments;

"(2) in the case of any such employee to whom subsection (b) would otherwise apply, beginning sixty days after the effective date of the Fair Labor Standards Amendments of 1960, every such employee shall be paid not less than the minimum wage rate or rates applicable to such employee under a wage order issued by the Secretary pursuant to the recommendations of a special industry committee which he shall appoint to investigate conditions in any industry or industries to which subsection (b) applies and to recommend to him the highest minimum wage rate or rates for any such industry (not in excess of the applicable rate prescribed in subsection (b)) which it determines, having due regard to economic and competitive conditions, complies with the standards prescribed in section 8;

"(3) the minimum wage rates prescribed in clause (1) of this subsection may be superseded effective on the dates such rates would otherwise apply by the minimum wage rate or rates prescribed in a wage order issued by the Secretary pursuant to recommendations made in conformity with section 8 by a special industry committee which he may appoint pursuant to section 5, but only if he has reasonable cause to believe, on the basis of financial and other information contained in a written application for appointment of such a committee filed with him within sixty days after the date of enactment of the Fair Labor Standards Amendments of 1960 by any industry or group of employers employing a majority of the employees employed in such industry, that compliance with clause (1) of this subsection will substantially curtail employment in such industry;

"(4) in the event a special industry committee, appointed pursuant to the foregoing clause, has not made any recommendations for minimum wage rates to supersede the percentage increases in minimum wage rates authorized by this subsection prior to the effective date under clause (1) of the first such percentage increase, such percentage increase shall be effective unless there has been filed with the Secretary an undertaking by each employer signing such application with a surety or sureties satisfactory to the Secretary for payment to his employees of an amount sufficient to compensate such employees for the difference between the wages they actually receive and the wages to which they are entitled under this subsection. The Secretary shall be empowered to enforce such undertaking and any sums recovered by him shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to the employee or employees affected. Any such sum not paid to an employee because of inability to do so within a period of three years shall be returned to the employer.

The appointment of a special industry committee pursuant to this subsection shall be in addition to and shall not take the place of any special industry committee required to be appointed pursuant to the provisions of subsection (a) of section 8, except that no special industry committee appointed for any industry pursuant to the provisions of subsection (a) of section 8 shall hold any hearing within one year after a minimum wage rate or rates for such industry shall have been fixed pursuant to the recommendations of a special industry committee appointed pursuant to clause (3) of this subsection. The minimum wage rate or rates prescribed by this subsection shall be in effect only for so long as and insofar as such minimum wage rate or rates have not been superseded by a wage order fixing a higher minimum wage rate or rates (but not in excess of the applicable rate prescribed in paragraph (1) of subsection (a) or subsection (b)) hereafter issued by the Secretary pursuant to the recommendations of a special industry committee appointed under section 5."

MAXIMUM HOURS

SEC. 6. (a) Subsection (a) of section 7 of such Act is amended by designating such subsection as subsection (a) (1) and by adding at the end thereof a new subsection (a) (2), to read as follows:

"(2) No employer shall employ any of his employees who (A) is employed in an enterprise engaged in an activity affecting commerce, and is not an employee to whom paragraph (1) applies, or (B) is an employee to whom this section applies solely by reason of the amendments to section 13 made by the Fair Labor Standards Amendments of 1960—

"(i) during the first year from the effective date of the Fair Labor Standards Amendments of 1960, for a workweek longer than forty-eight hours;

"(ii) during the second year from such date, for a workweek longer than forty-six hours;

"(iii) during the third year from such date, for a workweek longer than forty-four hours;

"(iv) during the fourth year from such date for a workweek longer than forty-two hours; or

"(v) after the expiration of four years from such date, for a workweek longer than forty hours, unless such employee receives compensation for his employment in excess of the hours specified above at a rate not less than one and one-half the regular rate at which he is employed."

(b) Paragraph (5) of subsection (d) of section 7 of such Act is amended by striking out "forty in a workweek" and inserting in lieu thereof the following: "in excess of the maximum workweek applicable to such employee under subsection (a)".

(c) Paragraph (7) of subsection (d) of section 7 of such Act is amended by striking out "forty hours" and inserting in lieu thereof the following: "the maximum workweek applicable to such employee under subsection (a))".

(d) Subsection (e) of section 7 of such Act is amended (1) by striking out "forty hours" and inserting in lieu thereof "the maximum workweek applicable to such employee under subsection (a)", (2) by striking out "section 6(a)" and inserting in lieu thereof "subsection (a) or (b) of section 6 (whichever may be applicable)", and (3) by striking out "forty in any" and inserting in lieu thereof "such maximum".

(e) Subsection (f) of section 7 of such Act is amended by striking out "forty hours" both times it appears therein and inserting in lieu thereof the following: "the maximum workweek applicable to such employee under such subsection".

(f) Section 7 of such Act is further amended by adding at the end thereof the following new subsection:

"(h) No employer shall be deemed to have violated paragraph (2) of subsection (a) by employing any employee described in such paragraph for a workweek in excess of the applicable workweek specified therein, if (1) the regular rate of pay of such employee is in excess of one and a half times the minimum hourly rate applicable to him under section 6(b) (2), and (2) more than half this compensation for a representative period (not less than one month) represents commissions on goods or services."

WAGE ORDERS IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 7. Subsection (a) of section 8 of such Act is amended by inserting after the words "production of goods for commerce" wherever they appear the words "or in an activity affecting commerce".

CHILD LABOR PROVISIONS

SEC. 8. Subsection (c) of section 12 of such Act is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "or in any enterprise engaged in an activity affecting commerce."

EXEMPTIONS

SEC. 9. (a) Section 13 of such Act is amended by inserting at the beginning thereof the following center heading: "EXEMPTION", and by amending subsections (a) and (b) to read as follows:

"(a) The provisions of sections 6 and 7 shall not apply with respect to—

"(1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Secretary): *Provided*, That insofar as this clause (1) pertains to employees employed in a local retailing capacity, such clause shall not apply to any employee employed in an enterprise engaged in an activity affecting commerce; or

"(2) any employee employed by any retail or service establishment which is not, or is not part of, an enterprise engaged in an activity affecting commerce, and more than 50 per centum of such establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located. A 'retail or service establishment' shall mean, for the purposes of this subsection and section 3(t)(1), an establishment 75 per centum of whose annual dollar volume of sales of goods or services (or of both) is not for resale and is recognized as retail sales or services in the particular industry; or

"(3) any employee employed by an establishment engaged in laundering, cleaning, or repairing clothing or fabrics, if such establishment is not, or is not part of, an enterprise engaged in an industry affecting commerce and more than 50 per centum of the annual dollar volume of sales of services by such establishment is made within the State in which the establishment is located: *Provided*, That 75 per centum of such establishment's annual dollar volume of sales of such services is made to customers who are not engaged in a mining, manufacturing, transportation, or communications business; or

"(4) any employee employed by an establishment which qualifies as an exempt retail establishment under clause (2) of this subsection and is recognized as a retail establishment in the particular industry notwithstanding that such establishment makes or processes at the retail establishment the goods that it sells: *Provided*, That more than 85 per centum of such establishment's annual dollar volume of sales of goods so made or processed is made within the State in which the establishment is located; or

"(5) any employee employed in or necessary to the conduct of the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in or necessary to the conduct of the loading, unloading, or packing of such products for shipment or in propagating, processing (other than canning), marketing, freezing, curing, storing, or distributing the above products or byproducts thereof; or

"(6) any employee employed in agriculture or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, or operated on a share-crop basis, and which are used exclusively for supply and storing of water for agricultural purposes; or

"(7) any employee to the extent that such employee is exempted by regulations or orders of the Secretary issued under section 14; or

"(8) any employee employed in connection with the publication of any weekly, semiweekly, or daily newspaper with a circulation of less than four thousand the major part of which circulation is within the county where printed and published or counties contiguous thereto; or

"(9) any employee employed in a motion picture theater; or

"(10) any individual employed within the area of production (as defined by the Secretary), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products; or

"(11) a telephone switchboard operator employed in a public telephone exchange owned, operated, or controlled, through stockownership or otherwise, by an individual, group, association, partnership, corporation, or holding company, having a combined total of less than 750 telephone stations in the one or more exchanges thus owned, operated, or controlled; or

"(12) any employee of an employer engaged in the business of operating taxicabs; or

"(13) any employee or proprietor in a retail or service establishment as defined in clause (2) of this subsection with respect to whom the provisions of sections 6 and 7 would not otherwise apply, engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month; or

"(14) any employee employed as a seaman; or

"(15) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs, or other forestry products to the mill, processing plant, railroad, or other transportation terminal if the number of employees employed by his employer in such forestry or lumbering operations does not exceed twelve; or

"(16) any employee of an establishment primarily engaged in the preparation or offering of food or beverages for human consumption who is employed in connection with the preparation or offering of food or beverages for human consumption either on the premises of the establishment where such employee is employed or by such services as catering, banquet, box lunch, or curb or counter service to the public, or to employees or to members or guests of members of clubs; or

"(17) any employee described in section 6(b)(1) who is employed in a hotel or motel in which tips regularly received are recognized in the industry as constituting a substantial part of the compensation for employment as defined and delimited by the secretary; or

"(18) any employee employed in an amusement or recreational establishment that operates on a seasonal basis.

"(b) The provisions of section 7 shall not apply with respect to—

"(1) any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or

"(2) any employee of an employer subject to the provisions of part I of the Interstate Commerce Act; or

"(3) any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act; or

"(4) any employee employed in the canning of any kind of fish, shellfish, or other aquatic forms of animal or vegetable life, or any byproduct thereof; or

"(5) any individual employed as an outside buyer of poultry, eggs, cream, or milk, in their raw or natural state; or

"(6) any employee employed by a radio or television station the major studio of which is located in a city or town of less than one hundred thousand people, according to the latest available decennial census figures as compiled by the United States Bureau of Census, except where such city or town is part of a standard metropolitan area as defined and designated by the Bureau of Census."

EFFECTIVE DATE

SEC. 10. (a) This Act shall take effect on November 1, 1960.

(b) Where the application of an amendment made by this Act to section 7(a) of the Fair Labor Standards Act of 1938 would result in a conflict with the terms of a bona fide individual contract or an agreement made as a result of collective bargaining by representatives of employees, which is in writing and was entered into more than thirty days before the date of enactment of this Act, such amendment shall not be effective until the expiration of the contract or agreement.

Mr. KITCHIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KITCHIN: Strike out all after the enacting clause and insert the provisions of H.R. 12853, as follows: "That this Act may be cited as the 'Fair Labor Standards Amendments of 1960.'

"DEFINITIONS

"SEC. 2. (a) Paragraph (f) of section 3 of the Fair Labor Standards Act of 1938, as amended (hereinafter referred to as the 'Act'), is amended by inserting after 'Agricultural Marketing Act, as amended),' the following: 'the processing of shade-grown tobacco for use as cigar wrapper tobacco by agricultural employees employed in the growing and harvesting of such tobacco, which processing shall include, but shall not be limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling, prior to the stemming process'.

"SPECIAL INDUSTRY COMMITTEES FOR PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 3. Subsection (a) of section 5 of such Act is amended by inserting after the words 'production of goods for commerce', wherever they appear, the following: 'or employed by any employer engaged in commerce or in the production of goods for commerce described in section 6(b)'.

"MINIMUM WAGES

"SEC. 4. (a) Paragraph (1) of subsection (a) of section 6 of such Act is amended by striking out '$1' and inserting in lieu thereof '$1.15'.

"(b) Subsection (b) of section 6 of such Act is amended to read as follows:

"'(b) Every employer engaged in commerce or in the production of goods for commerce who has five or more retail establishments (as defined in section 13(a)(2)) and who operates such establishments in two or more States shall pay each employee employed by any such establishment at the rate of not less than $1 an hour. The minimum wage rate so specified shall apply in lieu of the minimum wage rate specified in paragraph (1) of subsection (a) with respect to an employee described in section 13(a)(1) or (2) of this Act, prior to the effective date of the Fair Labor Standards Amendments of 1960, and not included in any exemption provided by section 13(a) as amended by such amendments.'

"(c) Subsection (c) of section 6 of such Act is amended by inserting the words 'or American Samoa' after 'Virgin Islands' wherever they appear, changing the period at the end thereof to a colon, and adding the following: '*Provided further*, That in the case of any employee in Puerto Rico or the Virgin Islands or American Samoa to whom subsection (b) would otherwise apply, beginning sixty days after the effective date of the Fair Labor Standards Amendments of 1960, every such employee shall be paid not less than the minimum wage rate or rates applicable to such employee under a wage order issued by the Secretary pursuant to the recommendations of a special industry committee which he shall appoint to investigate conditions in any industry or industries to which subsection (b) applies and to recommend to him the highest minimum wage rate or rates for any such industry (not in excess of the applicable rate prescribed in subsection (b)) which it determines, having due regard to economic and competitive conditions, complies with the standards prescribed in section 8.'

"WAGE ORDERS IN PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 5. Section 8 of such Act is amended by inserting after 'section 6(a)' wherever such words appear the following: 'or in section 6(b), whichever may be applicable,'.

"EXEMPTIONS

"SEC. 6. (a) Clause (1) of section 13(a) of such Act is amended to read as follows: '(1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Secretary): *Provided*, That insofar as this clause (1) pertains to employees employed in a local retailing capacity, such clause shall not apply to any employee employed by an establishment to which the exemption provided in clause (2) of this subsection is inapplicable.'

"(b) Clause (2) of section 13(a) of such Act is amended to read as follows: '(2) any employee employed by any retail or service establishment, more than 50 per centum of which establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located: *Provided*, That the exemption provided by this clause (2) shall be inapplicable to any retail establishment if such establishment is operated by an employer who (A) has five or more retail establishments and (B) operates such retail establishments in two or more States. A "retail or service establishment", as used in this Act, shall mean an establishment 75 per centum of whose annual dollar volume of sales of goods or services (or of both) is not for resale and is recognized as retail sales or services in the particular industry.'

"(c) Clause (5) of section 13(a) of such Act is amended by inserting the words 'or necessary to the conduct of' both after the words 'employed in' and after the words 'employment in'.

"(d) Subsection (b) of section 13 of such Act is amended by inserting before the period at the end thereof the following: '; or (6) any employee employed by a radio or television station the major studio of which is located in a city or town of less than one hundred thousand people, according to the latest available decennial census figures as compiled by the United States Bureau of the Census, except where such city or town is part of a standard metropolitan area with a total population of one hundred thousand or more as compiled by the Bureau of the Census; or (7) any employee employed by any retail establishment as defined in clause (2) of subsection (a) of this section, more than 50 per centum of which establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located'.

"EFFECTIVE DATE

"SEC. 7. This Act shall take effect on January 1, 1961, except that where the application of an amendment made by this Act to section 6(b) or 6(c) of the Fair Labor Standards Act of 1938 would result in a conflict with the terms of a bona fide individual contract or an agreement made as a result of collective bargaining by representatives of employees, which is in writing and was entered into more than thirty days before the date of enactment of this Act, such amendment shall not take effect until the date of the expiration of the contract or agreement or January 1, 1962, whichever date first occurs."

Mr. KITCHIN (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the substitute be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. KITCHIN. Mr. Chairman, I trust I will not take all the 5 minutes allotted to me at this time.

In presenting this particular amendment which is proposed as a substitute, I am not professing to be an expert in the line of wage legislation or rate legislation or hour legislation or any legislation that is going to be of a technical nature. I am not a member of the committee. I accepted this particular duty on my own, after premeditation and consultation with no one as to the possibilities, but I did it because basically and philosophically I believe it is what is right for the constitutional form of government of this United States.

There has been a lot of discussion this afternoon in general debate.

You have heard the explanation of the substitute. You have heard a very logical explanation of both sides of the matter we are presenting to you today. You have heard a discussion of the committee bill and all the ramifications that will be involved in this piece of legislation should it become the law. You have heard a very fine and explicit discussion of all that is contained in the substitute that I have offered here today.

Let me say this, and I would like to get it into the RECORD at the first opportunity, that the substitute bill in its essential elements only does one or two main things: It extends to $1.15 those industries now covered under the law and those that are being newly brought in under the constitutional principle of interstate commerce, that is in two or more States having five or more outlets brings it into the rule of the $1 minimum, and that simply is what the substitute does. It does not change the present law as to overtime for those retail establishments brought under the law. It does not attempt to define a "retail establishment."

But I want to get into the RECORD exactly what the intent of this particular substitute is, the intent of the author of the bill, and the intent of its proponents. It is the positive intent on the part of the proponents of this substitute that all of the businesses heretofore exempted from the operation of the act—service establishments as distinguished from a retail establishment, such as hotels, restaurants, service stations, laundries, and so forth—shall continue to be exempt under this substitute.

Mr. LOSER. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield.

Mr. LOSER. I have listened very carefully to the gentleman's statement and I am wondering if he understands that service establishments retaining petroleum products are exempt under the present law, and is it the intention of the proponents of this bill that they shall remain exempt under the substitute if it becomes law?

Mr. KITCHIN. I will answer the gentleman to the effect that I understand service stations have been exempted under the initial law and it is the intention of the proponents of this legislation that they remain so classified as service establishments.

Mr. LOSER. And your substitute.

Mr. KITCHIN. And my substitute.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield.

Mr. ROOSEVELT. Is it not the fact, however, that there is no such ruling at the present time and that the Labor Department considers a gasoline station to be a retail station because of the fact that it sells many, many other items comonly known as TBA items at retail and that what is known as a retail gasoline station could not possibly be exempt under the terms of the gentleman's bill?

Mr. KITCHIN. Let me say to the gentleman that I cannot answer his question specifically since I am not familiar with the decisions of the Labor Department in that regard. But I do say that if they have changed their interpretation of service establishments under the provisions of the substitute the intent is for them to be exempt and the Department will have to go against such intent. No one can tell exactly what a service establishment is at the present time, especially in a lot of these areas.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina [Mr. KITCHIN] may be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KITCHIN. Mr. Chairman, I do not intend to use the additional 5 minutes in trying to answer technical questions on this particular law.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman might consult the gentleman from Ohio [Mr. AYRES] if he has any doubts.

Mr. KITCHIN. If the gentleman will allow, I will certainly choose a representative of this body to whom I would refer these questions and use my own prerogative on that point.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Ohio.

Mr. AYRES. Certainly it was my intention that the gentleman's substitute is the main bill. I might say to the gentleman from North Carolina that service stations, restaurants, hotels, laundries and other operations that have been exempt in the past will be exempt under the provisions of the substitute.

Mr. KITCHIN. I thank the gentleman. That is certainly the position of all those who are proposing this substitute.

Mr. Chairman, there have been many discussions here today, and reference is made to probable difference in party alinement, difference in political philosophy and so forth. The gentleman from California raises the question that the gentleman from North Carolina who introduced this substitute is perhaps joining the opposition as a coalition. Let me say after the gentleman's colloquy with the gentleman from Michigan [Mr. HOFFMAN] wherein he says that it is his philosophy that all wage earners eventually, not by this legislation but eventually, shall be brought under a minimum wage control by the Federal Government, that I do disagree with the gentleman in political philosophy.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from California.

Mr. ROOSEVELT. I did not say that. What I said was it was my hope that because of this type of legislation the day would come when everybody in America would receive at least a minimum wage; whether it was done by the States or done by the Federal Government or done voluntarily was not my point. The point was that in order to get any recognition of any minimum wage, both the Federal Government and the States have had to act in the past. We hope we would not have to do that in the future and that eventually by voluntary method every employer in America would pay at least a minimum wage.

Mr. KITCHIN. Up to a certain point I certainly agree with the gentleman. I have been favoring a State minimum wage for a long time. My State of North Carolina enacted a minimum wage law. But I think the gentleman should agree with me, and this may be the difference in philosophy, all of the elements taken in by the committee bill on the slim excuse of affecting interstate commerce, under the definition of what constitutes an enterprise, is definitely a State prerogative, and we get into the intrastate feature. The States have the responsibility in this regard. Every State in the Union should have a realistic minimum wage law so that the wage earners will be getting at least a minimum wage.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Georgia.

Mr. LANDRUM. With reference to what the gentleman from California has said in his exchange with the gentleman from North Carolina, what the committee does actually is to destroy the minimum wage now existing in the various States. For instance, in the State of Pennsylvania, which has a minimum wage law, the State minimum wage law there provides a different wage scale for cities such as Philadelphia and Pittsburgh; but as the size of the cities and towns decrease and go down the size of that minimum wage goes down, which is a recognition on the part of the local legislators, the State people, that their economy in these small towns will not stand the sort of legislation that is being crammed down our throats by this committee bill.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. I would like to clarify one point. The gentleman has discussed the interstate aspects of the business to be regulated and his own personal dislike for regulation of any business that is not actually operating in interstate commerce. The gentleman did not imply that this body is without power to regulate businesses that are properly intrastate as long as they affect interstate commerce, is that correct?

Mr. KITCHIN. It would depend entirely on how you interpret "affecting interstate commerce."

Let me say this to the gentleman. The illustration that the gentleman from New York [Mr. GOODELL] drew about the man getting on the local bus, if he is going home from his office, is not in interstate commerce.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KITCHIN. Under that illustration I think the gentleman said it was discussed in the committee that should a man get off of an airplane and take a local bus, that that would be affecting interstate commerce. Now, how far are you going to take such an illustration? You, in your own office, as an attorney, receive correspondence through the U.S. mail every day, and it is just as ridiculous to take the illustration drawn about the bus driver as it is a housewife receiving a communication from the mailman, in interstate commerce, and going to the mailbox to get that mail. It would be just as ridiculous that that housewife can be controlled in the wages she pays to her domestic maid or cook as under the illustration given.

Mr. O'HARA of Michigan. Whatever our private views may be as to the proper scope of the commerce power under the Constitution, are we not in agreement that under the existing doctrine of the Supreme Court that regulation in the form contained in the Roosevelt bill is within the power of this Congress to enact?

Mr. KITCHIN. As to the original concept introduced by the gentleman from California [Mr. ROOSEVELT], or the concept in the committee bill, if it reached the Supreme Court, I agree with you it would be held to be constitutional.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from California.

Mr. ROOSEVELT. Just to substantiate that the courts have passed on the legality of this, in the committee report, page 52, I drew attention to the case of J. L. Hudson Co., NLRB against J. L. Hudson Co., and the citation is put there in full. The Hudson Co. is a large retail department store in Detroit and almost all of its business is with customers in Michigan. But, it buys very large quantities of goods in other States. The court rejected the argument that Congress either could not or did not cover this retail store under Federal law. Then, again, in the Akron vicinity: The Meat Cutters against Fairlawn Meats, Inc., in Akron, Ohio. Fairlawn ran three meat markets in the Akron vicinity. The Meat Cutters tried to organize Fairlawn, and the Ohio courts enjoined picketing and other organizational efforts, because the business was purely local in character. The Supreme Court of the United States, however, held that Ohio had no business enjoining the Meat Cutters, because Fairlawn's volume of business was large enough to affect interstate commerce substantially. And, I think, that is exactly the point here.

Mr. KITCHIN. May I ask the gentlemen the date of that decision?

Mr. ROOSEVELT. 1957.

Mr. KITCHIN. I thought so. It goes back to the proposition, as I said a moment ago, the Supreme Court would probably go along under the premise of the committee bill.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Georgia.

Mr. LANDRUM. In regard to what the gentleman from California has said in reading the decision from the committee report, in justifying the size of a business as it affects interstate commerce, this is a case which has absolutely nothing to do with wages and hours. It is a case in which the Wage and Hour Administrator has never had an opportunity or even the obligation to justify anything on. This decision which the gentleman from California is quoting is a decision arising under the Labor-Management Relations Act, commonly known as the Taft-Hartley Act, and relating to labor-management relations and not to wages and hours or not to overtime or not to the amount of wages paid.

Mr. ROOSEVELT. Mr. Chairman, if the gentleman will yield, obviously the point that was argued here was the right

of the Federal Government to have jurisdiction because of the size of business done by a local concern in the sense that it was not doing business outside any State line. In this particular case I think the course is very clear.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. MOULDER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MOULDER. Mr. Chairman, acaccording to Horwath & Horwath, accountants for the hotel industry, the earnings of the Nation's hotels declined last year for the third consecutive year. Earnings, before taxes, for the year of 1959 were equal to only 5.59 percent of the "fair value" of hotel properties. The ratio of earnings to property value was the lowest since 1941. The downward trend in room occupancy has persisted for the third consecutive year. Average occupancies were the lowest reported since before World War II.

The gentleman from North Carolina assures us that the provisions of his substitute bill, H.R. 12853, will have the effect of excluding hotels, motels, and certain category of merchants.

It is my understanding that the committee bill, H.R. 12677, does exclude restaurants but not hotels and motels. The committee bill exempts all food service workers in restaurants; however, these same employees are included by both the wage and hour provisions of the bill if they work at the same kind of employment in hotels or motels. This certainly is inequitable and discriminatory.

Mr. Chairman, coverage of hotel and motel employees under the proposed minimum wage and hour laws would require hotel owners and operators to increase menu prices and room rates by more than one-third. It should be obvious that no hotel or motel could remain in business if it were forced to increase its rates by one-third, unless all of its competitors faced this same wage-cost increase. Hotels and restaurants compete with each other on a strict price basis in the sale of group luncheons, banquets, and even conventions. This is not fair to hotels.

Between 30 and 40 percent of the sales price of food in hotels and restaurants is paid out in wages. In addition, the employees receive free meals and tips. I am sure the employees do not want to exchange or sacrifice their meals and tips for $1.15 per hour.

Mr. Chairman, there are many other provisions of the committee bill which are unfair to retail business enterprises, such as automobile dealers, merchants, and filling station operators. In fact, many provisions of the bill will be harmful to the working people and does not include many that should be included if the bill is to be enacted into law.

Mr. Chairman, if the substitute bill offered by the gentleman from North Carolina [Mr. KITCHIN] is not adopted, then I have several amendments to the committee bill which I will offer to eliminate the unfair and discriminating provisions pertaining to hotels, motels, filling stations, and merchants.

Mr. ROOSEVELT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the committee is faced with a rather unusual situation. We have before us now a substitute, a substitute that would eliminate any of the escalator clauses, that would simply, in effect, raise those presently covered under the Minimum Wage or Fair Standards Act from $1 to $1.15. It is very doubtful whether it would bring anybody else under coverage because it says that you must have five or more stores and you must operate in two or more States. I know of specified instances where department stores have specifically gone out and established in each State a local State corporation. And you can see that every chainstore would immediately go out and operate in each State, with its own separate corporation and there would be nobody covered under further extended coverage.

I do not think the ladies and gentlemen of the committee want to see that happen because it has been admitted, not only by my subcommittee chairman, that very distinguished gentleman, but by many others here today that there is a need to help these people. I am, therefore, faced with the problem or with the need of trying to explain some of the problems which individual Members have brought forth.

One of them has to do with the so-called automobile dealers. Are automobile dealers going to be hurt because we are going to force their salesmen and the people who are doing repair work in their shops into a situation of being paid overtime for their work? The answer to that is "no." Under Mr. DENT's amendment, if they work on a commission basis and 50 percent of their entire income comes from commissions, they are specifically eliminated from the overtime provisions of the Act. So I think there can be no question that the automobile dealers' problem has been solved.

The next question which has come up is this:

Mr. LANDRUM. Mr. Chairman, will the gentleman yield briefly?

Mr. ROOSEVELT. I yield to the gentleman.

Mr. LANDRUM. With regard to the amendment which the gentleman labeled as Mr. DENT'S amendment, he said that if he earned commissions of a certain amount he would be exempt from the overtime. I call your attention to the language in the bill which provides two conditions before he may be exempt from the overtime. As I interpret it those two conditions are these, that the employee must be paid first the regular rate in excess of 1½ times the minimum hourly rate; that is, if he is employed now he must be paid at least $60 a week at the rate of $1 per hour.

Mr. ROOSEVELT. The gentleman is correct. And I think he knows that every automobile salesman gets far more than that.

Mr. LANDRUM. But you go further and say, "and"—not "or"—"and more than half of his compensation for a representative period—not less than 1 month—represents commissions on goods and services." As I interpret that the salesman must meet both of those conditions, not one of them, before he is exempt.

Mr. ROOSEVELT. What the gentleman says is true. He must be getting at least $60 a week and out of that he must be earning at least $30 on commissions.

Mr. LANDRUM. That is not the question which I asked the gentleman to agree to. The question is, He must be earning $60 a week under the present minimum and he must also earn more than half of his compensation for 1 month by commissions. For example, he earns $60 a week; that is $240 a month. He must earn more than half of his compensation from commissions.

Mr. ROOSEVELT. One hundred and twenty dollars or more.

Mr. LANDRUM. One hundred and twenty dollars?

Mr. ROOSEVELT. The gentleman's mathematics are correct.

Mr. LANDRUM. That makes him have to earn $361.

Mr. ROOSEVELT. No.

Mr. LANDRUM. When he earns $361 he has to earn more than half of that in commissions.

Mr. ROOSEVELT. No, the gentleman is wrong. I will accept any amendment the gentleman wants to write, though, if he thinks he can take care of that problem. If the man makes $240 a month total salary, if half of that or $120 plus 1 comes from commissions, he is exempt from the overtime provisions.

Mr. LANDRUM. He must be paid at the regular rate one and one-half times what the minimum is. That gives him his $240. If he is paid one and a half times the minimum he is paid $240.

Mr. ROOSEVELT. It says if he earns half of that in commissions.

Mr. LANDRUM. No.

Mr. ROOSEVELT. The gentleman and I obviously cannot read the English language the same way and get anything out of it. But it is my intention and I am sure it would be the intention of the gentleman that one-half of the $240 or $120 he would be paid he would have to earn in commissions to be exempted from the provisions of the Act.

Mr. LANDRUM. I am certain that is what the gentleman from California desires and I am sure that is what I want, but I am equally certain the wage-hour administrator would not look at it that way.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, at the request of Mr. CHELF, Mr. ROOSEVELT was permitted to proceed for 5 additional minutes.)

Mr. ROOSEVELT. There are two or three other things about which some of the Members seem to be quite concerned. One is in connection with the restaurant business of hotels. It was our intention to try to clear this up in the best possible way we could by exempting the tipped employees of hotels. We did this

in order that they might be put on a fair competitive basis with other restaurants that are exempted under the bill.

There is some feeling that this bill has not gone far enough and that an amendment will be offered which would go somewhat further in this line. While I would not ordinarily be happy about this amendment, rather than take this so-called substitute if the gentleman is going to offer it I will not resist it too extensively because I believe that it might make it possible for some of the Members here to answer the problems which are clear to them or problems in their districts.

I have already indicated also, of course, that we will take care of the problem of the retail gasoline dealer, although again in this instance I think we have done it, because we have said that any franchise dealer shall be exempt; in other words, the individual who is running the risk of gain or loss in his business shall be exempt from the bill. That would take in all of the gasoline retailers with the exception of those dealers who are actually working for the big owner-operated oil company stations. They come up to about 2 percent of all of the stations. In order to be clear on what we mean, I would be willing to accept the amendment, provided the substitute is not accepted, to be offered by the gentleman from Tennessee [Mr. BASS] to exempt all of the retail gasoline stations. I think it would be proper to do so.

The other great problem seems to be with the escalator clauses, the $1.15 and then two jumps to $1.25, and then the $1.15 and up to $1.25 for those new people. I think a fair compromise should be worked out on this. I must submit that if you are going to raise it to $1.15 you certainly over a period of years should also provide that the newly covered people should get that same $1.15. If an amendment is offered on that basis I would seriously consider accepting it because I think it is a reasonable compromise under the circumstances. So we have tried, then, to meet the honest efforts here. I think we have tried. I think we have proven this is a constitutional bill. I think the questions of economics have been answered, and I hope with all my heart that the substitute will be defeated.

The CHAIRMAN. The time of the gentleman from California [Mr. ROOSEVELT] has expired.

Mr. BARDEN. Mr. Chairman, I would like to see if we cannot come to some agreement about closing debate on this.

I ask unanimous consent, Mr. Chairman, that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. SMITH of Mississippi. Mr. Chairman, I object.

Mr. BARDEN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 25 minutes.

The CHAIRMAN. The question is on the motion.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to H.R. 12853.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield.

Mr. WOLF. I am opposed to the Kitchin amendment, and I ask unanimous consent, Mr. Speaker, that my time may be yielded to the gentleman from Illinois [Mr. PUCINSKI].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. PUCINSKI. Mr. Chairman, I simply point out that if anybody in this Chamber is interested in the small businessmen of America, he will reject this substitute measure, H.R. 12853, which never saw daylight in our committee. This bill was not printed until the day after the Rules Committee acted. It was hurriedly drawn up to scuttle the committee bill. If you really want to help the small retail dealers of America survive, you should vote this substitute measure down. This substitute measure will not stop these big supermerchandising syndicates that are moving into your town and my town and all these areas and smothering the little businessman. Nothing will stop those syndicates from having only four stores instead of five, and setting up a phony corporation for the fifth store to evade coverage under this act. If you want to help the little businessman, I suggest that you support the committee bill and reject this substitute.

The committee bill has been thoroughly considered, carefully considered. We have set a $1 million gross maximum and anyone doing less would be excluded. In the original bill we started at $500,000, but the businessmen came in and said: "Look, this is not going to help us any." We accepted $1 million.

This committee bill is designed to protect the little businessman, but if you accept the substitute, what you are really doing is saying that you want to encourage the tremendous growth of big chains in this country that are driving every one of these small businessmen out of business. Testimony before our committee has demonstrated that the little businessman who really builds his success on personal service is already paying his employees substantially more than chainstore competitors.

I hope the substitute bill will be defeated.

Mr. WOLF. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WOLF. Mr. Chairman, in order for me to give my full support to this bill, I feel that I must offer the three following amendments:

SERVICE STATION OPERATORS

On page 18, line 2, delete the word "or" and add the following "and any enterprise primarily engaged in the retail sale of gasoline and lubricating oils."

HOTELS

On page 19, strike out lines 11 through 19 up to the semicolon on line 19, and insert the following:

"(16) any employee of an employer engaged primarily in the preparation and offering of food or beverages for human consumption either on the premises of the establishment where such employee is employed or by such services as catering, banquet, box lunch or curb or counter service, to the public, to employees or to members or guests of members of clubs; and services in connection therewith; or any employee of a hotel employed in connection with the preparation or offering of food or beverages for human consumption and services in connection therewith."

RESTAURANTS

On page 5, line 23, after "merger" insert the following:

": *Provided further,* That in determining the aggregate annual dollar volume of sales of a hotel for the purposes of this definition, sales by restaurants and other eating places operated in connection with such hotel shall not be considered."

In private discussions with the gentleman from California, Congressman ROOSEVELT, the author of the bill, I have his assurance that we will accept these three amendments. I will state further that if some other Member gets recognition ahead of me and offers amendments similar to these, I shall support them. The gentleman from California, Congressman ROOSEVELT, substantiated my discussions with him when he stated on the floor:

There are two or three other things about which some of the Members seem to be quite concerned. One is in connection with the restaurant business of hotels. It was our intention to try to clear this up in the best possible way we could by exempting the tipped employees of hotels. We did this in order that they might be put on a fair competitive basis with other restaurants that are exempted under the bill.

There is some feeling that this bill has not gone far enough and that an amendment will be offered which would go somewhat further in this line. While I would not ordinarily be happy about this amendment, rather than take this so-called substitute if the gentleman is going to offer it I will not resist it too extensively because I believe that it might make it possible for some of the Members here to answer the problems which are clear to them or problems in their districts.

I have already indicated also, of course, that we will take care of the problem of the retail gasoline dealer, although again in this instance I think we have done it, because we have said that any franchise dealer shall be exempt; in other words, the individual who is running the risk of gain or loss in his business shall be exempt from the bill. That would take in all of the gasoline retailers with the exception of those dealers who are actually working for the big owner-operated oil company stations. They come up to about 2 percent of all stations. In order to be clear on what we mean, I would be willing to accept the amendment. I think it would be proper to do so.

The other great problem seems to be with the escalator clauses, the $1.15 and then two jumps to $1.25, and then the $1.15 and up to $1.25 for those new people. I think a fair compromise should be worked out on this. I must submit that if you are going to raise it to $1.15 you certainly over a period of years should also provide that the newly covered people should get that same $1.15.

If an amendment is offered on that basis I would seriously consider accepting it because I think it is a reasonable compromise under the circumstances. So we have tried, then, to meet the honest efforts here. I think we have tried. I think we have proven this is a constitutional bill. I think the questions of economics have been answered, and I hope with all my heart that the substitute will be defeated.

The CHAIRMAN. The gentleman from Michigan [Mr. GRIFFIN] is recognized.

(By unanimous consent, Mr. HOFFMAN of Michigan, and Mr. AYRES yielded their time to Mr. GRIFFIN.)

The CHAIRMAN. The gentleman from Michigan [Mr. GRIFFIN] is recognized for 3 minutes.

Mr. GRIFFIN. Mr. Chairman, the gentleman from California [Mr. ROOSEVELT] made the argument that a chainstore employer might evade application of the substitute bill by organizing a number of new corporations. I do not agree that the law, if amended by the substitute, could be so easily avoided. The substitute bill bases coverage on the word "employer." Section 3(d) defines the term "employer" as including "any person acting directly or indirectly in the interest of an employer in relation to an employee." This definition has been very broadly construed by the courts and by the Department of Labor. For example, it has been held that a company which controls a subsidiary's board of directors, manages its internal affairs, and fixes wage rates and directs the work of the subsidiary's employees is the employer—along with the subsidiary—of the subsidiary's employees—*Dolan* v. *Day and Zimmerman* (65 F. Supp. 923 (D. Mass.)).

It might also be noted that the U.S. Supreme Court has said that decisions which define the coverage of the employer-employee relationship under the Taft-Hartley Act are persuasive in the consideration of a similar coverage under the Fair Labor Standards Act—*Rutherford Food Corp.* v. *McComb* (331 U.S. 722). In this connection, the Supreme Court decided a case in February of this year under the Taft-Hartley Act, entitled *NLRB* v. *Deena Artware, Inc.* (45 LRRM 2697), holding that even though an employer sets up separate corporations, the corporations together may nonetheless constitute one employer within the meaning of the legislation.

It should be kept in mind that under the substitute bill, coverage is based and turns on the meaning of the word "employer," which has long been defined in the act and has been interpreted many times. Coverage under the committee bill would turn on the meaning of a new term: "enterprise".

Each member should satisfy himself concerning the answer to this question: Would a locally-owned Frigidaire dealer be exempt under the committee bill even though he grossed less than a million dollars? Would the local Rexall drugstore be exempt under the committee bill even though it does less than a million dollars worth of business a year? Would a local ice cream store that has a franchise to handle one particular kind of ice cream, and is required under the franchise agreement to paint its store a certain color, and to engage in a cooperative advertising program, be exempt under the committee bill if he does less than a million dollars business?

Each member should read page 7 of the committee report very carefully. The report quotes an interpretative memorandum by the Department of Labor which reads as follows:

> In our opinion * * * most of the kinds of arrangements which are considered to be franchised operations would fall within the definition (of "enterprise") unless they are excluded by virtue of the proviso.

At another point, on page 7, the report reads:

> If the franchisor also controls the personnel policies of the local dealer, (or) determines the sales prices of goods the dealer sells, (or) retains title to the goods until sold, or otherwise limits the independence of judgment or operation of the dealer, it would appear likely that the courts would hold that the franchisor rather than the dealer controlled the operations and that they were part of the same enterprise.

Each member should study this question carefully. There is grave doubt whether the local Rexall drugstore would be exempt under the committee bill.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The gentleman from California [Mr. HIESTAND] is recognized for 1 minute.

Mr. HIESTAND. Mr. Chairman, most of the people who were appealing before our committee frantically for the existence of their businesses, small businesses, yes, were appealing in behalf of their employees.

I wish the committee could consider for a minute the plight of the marginal worker. The marginal workers, many thousands of them would be put out of work under the committee bill. There is no doubt about that. Because of the raising of the minimum, regardless of the appeal for small businessmen, and so forth, many employees would be put out of jobs. The tragedy is, Mr. Chairman, those marginal workers cannot get other jobs.

It was said that the great chainstores would organize separate corporations in various cities. They have never done that in the past. History has not shown that to be so. They did not do it, and they will not do it.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. DENT].

Mr. DENT. Mr. Chairman, a great deal has been said as to what would happen under this bill, that grocery stores are not in it, that ice cream parlors are not in it. Anybody who would try to make the House believe that they are covered is not telling the truth in any way you spell "truth."

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. HOLLAND].

Mr. HOLLAND. Mr. Chairman, I would like every Member of this House in the next session of the Congress to work for 80 cents an hour, and find out how the underpaid workers live as compared to the way and the standard lived by the Members of the House. There is a big difference

We spent in this House last year 141 days. We were paid $159.60 a day. We spent 528 hours in this House, therefore we received $42.88 an hour.

There is an awful lot of difference between what we are getting and those workers who are asking us to give them $1.15 per hour.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ZELENKO].

Mr. ZELENKO. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from Massachusetts [Mr. MCCORMACK]

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from Massachusetts [Mr. MCCORMACK].

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Chairman, in the time allotted me I would like to address a question to the gentleman from California [Mr. ROOSEVELT] and my colleague from North Carolina [Mr. KITCHIN].

On page 3 of the report we see the words:

> In addition, premium pay for overtime is not required for employees of certain railroads, certain employees of motor carriers.

We also see above that a reference to transit company employees. I am wondering how these two proposals would affect the present law on those subjects.

Mr. ROOSEVELT. I believe under the amendment offered by the gentleman from North Carolina they would maintain their present exemption.

Mr. KITCHIN. Yes; that is so.

Mr. ROOSEVELT. Under my bill those over-the-road transit operations that are presently under the supervision of the Interstate Comemrce Commission would be exempt.

Mr. WHITENER. Certain employees of that type of carrier would be exempt as they are today?

Mr. ROOSEVELT. They are already exempt, as they are today. The local transit companies would only be exempt if their volume of business was a million dollars or less.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, the administration proposal would give new coverage to about 3.5 million people. Interestingly enough, it would have extended coverage just to activities which substantially and directly affect those engaged in interstate commerce, and it

still would have reached 3.5 million people more than are presently covered.

Now, the gentlemen on the other side, the gentleman from California [Mr. ROOSEVELT] and the others that have been so enthusiastic for this bill, have been very, very reasonable in making concessions and adding exemptions. They want to get the bill through. I must say I suspect that the reason they are doing it, is that their bill for the first time establishes in this Congress the responsibility of the Federal Government to move into any enterprise which is engaged in an activity affecting commerce. That is so important to them that they are willing to concede almost anything to get it. It would establish that we have a right and a responsibility—I repeat, a responsibility—to control wages. Then we go back and give them a million dollar exemption to reduce the immediate impact. But, if we break that principle right here, and say that Congress has such a responsibility to invade purely local situations, we will have no defense from Federal invasions in this field hereafter.

The CHAIRMAN. The Chair recognizes the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, I would like to direct a question to the author of the bill, the gentleman from North Carolina [Mr. KITCHIN]. It is my understanding that Marshall Field in Chicago does not have five branches under the same corporation operating in two States. Would it be covered by your bill?

Mr. KITCHIN. No.

Mrs. GREEN of Oregon. I am told Macy's does not have five branches in the same corporation operating in two States. Would it be covered under your bill?

Mr. KITCHIN. No.

Mrs. GREEN of Oregon. Gimbel's, would they be covered? That is one of the largest stores in the country. Would they be covered by your bill?

Mr. KITCHIN. No.

Mrs. GREEN of Oregon. There is a large store in my city of Portland that does over a million dollars worth of business. It does not have five branches operating in two States. Under your bill, it is entirely free of coverage. Nieman-Marcus of Texas would not be covered. If I ever saw anything that is unfair, it is this kind of a bill. One Republican said he didn't want the committee bill because it would affect the little store. It is obvious he does not want a bill that will cover the big stores. Under the substitute bill, a corporation with 20 retail outlets in one State would not be covered. I say this is a fraud on the American people.

Mr. O'HARA of Michigan. Mr. Chairman, if the gentlewoman will yield, I would like to give one type of example of a department store not covered, in the State of California. The Emporium Capwell department store does a gross business of $108 million a year with 4,500 employees.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. DANIELS].

Mr. DANIELS. Mr. Chairman, I ask unanimous consent to yield the time allotted me to the gentleman from Massachusetts [Mr. MCCORMACK].

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BRADEMAS].

Mr. BRADEMAS. Mr. Chairman, I rise in support of the bill reported by the Committee on Education and Labor to increase the minimum wage to $1.25 an hour and extend coverage to many workers not now covered by the Fair Labor Standards Act.

I believe there is strong support by the American people for such an improvement in the minimum wage law and I should like to call to the attention of Members the results of a poll taken in the Third District of Indiana in which the questions of increasing the amount and extension of coverage were raised.

In April of this year I mailed questionnaires to some 160,000 registered voters in my district, a farm-factory district in northern Indiana which is often described as a representative, cross-section district. I received and had tabulated 23,485 replies and I would like to report the replies to the questions concerning the bill we are now discussing on the floor.

The first question was, "Do you favor raising the minimum wage to $1.25 an hour?"

Seventy percent of the replies said "Yes," 25 percent said "No" and 5 percent gave "no answer."

A substantial majority of every voter group, Democrats, Republicans, and Independents said they favored raising the minimum wage to $1.25 an hour. Here is the breakdown on this question: Democrats: 7,801, "yes;" 1,145, "no;" 397, "no answer."

Republicans voted to raise the minimum wage to $1.25 an hour as follows: 3,126, "yes;" 2,171, "no;" 331, "no answer."

Independents voted to raise the minimum wage to $1.25 an hour as follows: 5,451, "yes;" 2,515, "no"; 548, "no answer."

Of the 23,485 replies in all, the vote for $1.25 an hour minimum wage was as follows: "Yes," 16,378; "no," 5,831; "no answer," 1,276; and to repeat, the respective percentage figures were 70 percent "yes"; 25 percent "no"; and 5 percent "no answer."

Mr. Chairman, an even higher percentage of these 23,485 voters favored extending the coverage of the minimum wage law to workers not now covered. The question put to them on the questionnaire was: "Do you favor extending coverage to workers not now covered?" The replies were as follows: "Yes," 16,620 or 71 percent; "no," 4,011 or 17 percent; and "no answer," 2,844 or 12 percent.

Mr. Chairman, finally I would like to point out that a majority of all voters, Democrats, Republicans and Independents, indicated they favored extension of the law to workers not now covered.

Democrats favored extension of coverage as follows: "Yes," 7,533; "no," 832; "no answer," 968.

Republicans called for extension of coverage as follows: "Yes," 3,449; "no," 1,507; "no answer," 672.

Independents favored extension of coverage as follows: "Yes," 5,638; "no," 1,672; "no answer," 1,204.

Mr. Chairman, I hope the committee bill on this issue of such vital importance to millions of American working men and women is adopted.

Mr. BRADEMAS. Mr. Chairman, I ask unanimous consent to yield the remainder of the time allotted me to the gentleman from Massachusetts [Mr. MCCORMACK].

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I ask unanimous consent to yield the time allotted me to the gentleman from California [Mr. ROOSEVELT].

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I want to call to the attention of my colleagues today that you are facing a legislative coup, and word is spelled "c-o-u-p," similar to the one used less than a year ago on the labor legislation, and we got the Landrum-Griffin bill as the result of it. I want every one of my colleagues to know the Kitchin bill as introduced by the gentleman from North Carolina is the Ayres bill introduced several days earlier, but they did not want to approach it under a Republican trademark. I would like to express the hope that this suggested substitute be voted down, because I do not think the Democrats would have any advantage whatever in following a Republican proposal on minimum wages.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Mississippi: On page 6 add a new paragraph to read as follows:

"Section 13, paragraph 10, of the Fair Labor Standards Act of 1938 is amended to read as follows:

"Any individual employed within the area of production, which shall include all of each county in which an agricultural or horticultural commodity, including livestock and poultry, is produced in commercial quantities, except that it shall not include the corporate limits of a city or municipality having a population in excess of two hundred and fifty thousand as reported in the 1960 census."

Mr. SMITH of Mississippi. Mr. Chairman, I regret that I do not have the opportunity to discuss this amendment adequately, for it is an attempt to

correct an inequity in the present law. I shall offer it to the substitute, and to the committee bill, if the committee bill is considered.

Under the present growth of population in the small towns, the original intent of the exemption of these agricultural processing industries has been lost, because a great many establishments, such as cotton gins in my area, are now within 1 mile of a town that has a population of 2,500 or more. If the gin is 1 mile and a quarter away it is exempt. If it is within a mile, it is not exempt. If the population is 2,450 it is covered; if it is 2,449, it is not covered.

I hope the amendment will be approved.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman.

Mr. LANDRUM. What the gentleman's amendment does is this. It really points up what the Wage-Hour Administrator can do in interpreting the law to go against the intent of Congress.

Mr. SMITH of Mississippi. I hope this amendment will be adopted regardless of which bill is approved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. SMITH].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ARENDS].

Mr. KEARNS. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Illinois [Mr. ARENDS].

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ARENDS. Mr. Chairman, it is my privilege to represent one of the finest agricultural districts in the country.

I want, therefore, to address myself particularly to you who also represent a farm constituency. This measure before us—to increase the prescribed minimum wage rate and to extend the coverage will have to very serious effect on our farmers.

Surely we all recognize that we have been, and continue to be, confronted with a grave farm problem. The farmer has been, and continues to be, caught in a price squeeze. The passage of the committee bill, as reported, would further increase this price squeeze.

The Congress has ignored the President's appeal for reasonable farm legislation. Notwithstanding that our major domestic problem is with respect to agriculture, it appears that those in control have no intention of bringing before us a comprehensive, constructive farm program. And so, surpluses continue to accumulate and commodity prices continue to be depressed in relation to the prices the farmers must pay for his farming needs and the necessities of life.

I repeat, we now have before us a bill which will result in making the price squeeze on the farmer still tighter. By this measure we will be adding to the cost of the things the farmer must buy. While nothing is done to help the farmer with what he has to sell, it is here proposed that we increase the prices of the things he must buy. There is no question but that if we increase wages, as provided by this bill, with yearly advances under the escalator clause of the committee bill, the manufacturer and retailer will pass the cost on to the consumer.

There is no question that this measure will have a very great impact on the small businesses on Main Street throughout the country.

I am endeavoring to speak for the small towns, for the small businesses, for the little merchant, and for the farmers. Those of us who represent agriculture districts certainly cannot support this measure.

Vote for this substitute; otherwise, vote against the committee bill.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, may I first point out that under the substitute that has been proposed it would be possible for anyone to have 10 or 12 stores within one State and escape coverage under this bill. In my own State of California there are several such; for instance, the Pep Stores, and various others that would escape with no coverage whatsoever. And the gentleman's figure of 1,400,000 would shrink to practically nothing.

May I also point out, in response to what somebody else said about the franchise agreement that on page 8 of the report we state without any question that, "The test is to be, rather, whether the business is 'locally owned and controlled,' which means that the local individual or organization is standing the risk of loss and has the opportunity for gain from the operation of the establishment."

So that any locally owned Rexall store or locally owned business of any kind at all with a national name, as long as it is standing the risk itself of the gain or loss, will be definitely exempt.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from California.

Mr. HIESTAND. I want to correct the RECORD. It was stated here a short time ago, naming a lot of national department stores, that they would not be covered under the substitute bill. They will all be covered under the substitute bill by reason of their incorporation and their variety of outlets.

Mr. ROOSEVELT. They are all in one State, therefore they would not be covered.

Mr. HIESTAND. The gentleman is completely mistaken. Those named are in several States.

Mr. ROOSEVELT. The gentleman is not mistaken. The gentleman says they must be in two or more States. They are all in one State. If you can show me in the bill where any group of stores in one State will be covered I will be glad to vote for the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, it is very evident that the substitute bill as far as coverage is concerned is a legislative mockery. The coverage of course will affect very few.

It is also very evident that the bill was introduced by the Republican Member after the Committee on Education and Labor had wrestled for many weeks with this problem and after it had brought out a bill, when those who opposed the legislation were hopeful that they would not be able to bring a bill out of committee. The only reason the substitute is here as far as the $1.15 an hour is concerned is that they were unable to defeat the bill in committee, and to prevent any bill coming out.

My friend from Illinois [Mr. ARENDS] for whom I have a very strong regard, made an appeal which I hoped I would never hear in the Congress of the United States. He made a direct appeal to those representing farm districts. In other words, he was arraying you and me as representatives of the American people along economic lines. That is the Benson plea that I have referred to on several occasions during the past several years.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. Having mentioned my friend's name, I will be glad to yield to him.

Mr. ARENDS. Is there anything wrong with pleading the case of the American farmer today? He is an American, too.

Mr. MCCORMACK. Yes; but when the gentleman makes the plea he did he separates the farmer from the rest of the American people. He tries to make a vote along economic lines. He is trying to make an appeal that will bring division along economic lines.

Let me say to my friend from Illinois that I place my record on agriculture against his. I have a better voting record on agricultural legislation than the gentleman from Illinois, and I will place my voting record, coming from a district where there is not a farm located therein, against anybody on either side of the aisle representing an agricultural district. I view this country nationally. I am with the farmers when I think they are right. I am not responding to sectional appeals. I voted for the Colorado River project, the Trinity River project, the Tennessee Valley Authority, and I voted for the Bankhead Cotton Act years ago; in fact, I spoke for it.

I am down here in the well speaking for legislation that from a political angle I would be better off voting against. But because I consider legislation from the viewpoint of the best interests of the 50 States of the Union, I do not think I should vote strictly along sectional lines.

Let us look at the substitute. The substitute does only one thing, increase the wage to $1.15, when they did not want to do it, and they did it only after the bill was reported out of committee, when they were forced to do it.

Now let us look at the committee bill. Even my friend from Georgia [Mr. LANDRUM], whom I respect, I am sure——

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I had not gotten to you yet.

Mr. LANDRUM. You just did. The gentleman said we were forced to report the bill out. We were no such thing.

We reported the bill out in changed form.

Mr. McCORMACK. Wait a minute. I said the substitute bill was forced as a result of the action of the committee. Now let me say further to my friend the gentleman from Georgia [Mr. LANDRUM], whom I respect very deeply, a man who has honest views and I think he will agree to this—the subcommittee with diverse views approached it from a constructive angle. The gentleman from Georgia [Mr. LANDRUM] will agree that there were understanding minds dealing with the subject. I think the gentleman from Georgia [Mr. LANDRUM], who opposes the committee bill, will agree that there were honest attempts to make reasonable compromises. The committee bill represents a compromise, a compromise reached on reasonable terms. I think the committee bill does not go as far as some would like it to go, and it goes further than others would like to see it go, but I think in the light of the circumstances the subcommittee, no matter how they considered the legislation and the provisions, approached it from a constructive angle and brought forth a reasonable and justifiable program.

I hope the substitute will be defeated and the committee bill adopted.

The CHAIRMAN. The gentleman from North Carolina [Mr. BARDEN], is recognized to close the debate.

Mr. BARDEN. Mr. Chairman, if the substitute wins—and I hope it does—we will be through and we will then be in a position to get some supper. If the other bill is adopted with all the amendments I hear are going to be offered to it, we will be here until after the convention.

I am sorry there have been any politics in the debate. I do not parade my politics. I have been a Democrat all my life and I was beating my heart out working for Democrats for President when the rest of you were talking up for something else. Let us keep politics out of this thing.

This is for the American people. It is going to affect Republicans and Democrats, Socialists and what have you, affect them alike. I have been working on this bill with that thought in mind.

The CHAIRMAN. The time of the gentleman from North Carolina has expired, all time has expired.

The question is on the substitute amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

Mr. KEARNS. Mr. Chairman, I ask for tellers.

Tellers were ordered and the Chair appointed as tellers Mr. KITCHIN and Mr. ROOSEVELT.

The Committee divided, and the tellers reported that there were—ayes 197, noes 141.

So the amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12677) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to $1.25 an hour and for other purposes, pursuant to House Resolution 581, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

Mr. ROOSEVELT. Mr. Speaker, on that I demand the yeas and nays.

Mr. KITCHIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KITCHIN. Is the vote which has just been ordered by the Chair a vote on the Smith amendment to the amendment offered by the gentleman from North Carolina, or is it on the substitute?

The SPEAKER. It is on the amendment offered by the gentleman from North Carolina as amended.

Mr. ROOSEVELT. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ROOSEVELT. If this substitute is defeated, is it then in order for a motion to recommit to be made?

The SPEAKER. A motion to recommit is provided for under the rule.

Mr. ROOSEVELT. And following that, if that should be defeated, then the vote would recur on the original committee bill; is that correct?

The SPEAKER. That is correct.

Mr. HALLECK. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. If the amendment is adopted, then the vote occurs on the bill as amended?

The SPEAKER. That is correct.

The yeas and nays were ordered.

The question was taken; and there were—yeas 211, nays 203, not voting 17, as follows:

[Roll No. 168]

YEAS—211

Abbitt	Barden	Bray
Abernethy	Barry	Brock
Adair	Bass, N.H.	Brooks, La.
Alexander	Baumhart	Broomfield
Alger	Becker	Brown, Ga.
Allen	Beckworth	Brown, Ohio
Andersen, Minn.	Belcher	Broyhill
Andrews	Bennett, Fla.	Budge
Arends	Berry	Burleson
Ashmore	Betts	Byrnes, Wis.
Auchincloss	Bolton	Casey
Avery	Bonner	Cederberg
Ayres	Bosch	Chamberlain
Baker	Bow	Chelf
	Boykin	Chenoweth
Chiperfield	Jackson	Preston
Church	Jarman	Quie
Colmer	Jennings	Ray
Cooley	Jensen	Reece, Tenn.
Cramer	Johansen	Rees, Kans.
Curtin	Jonas	Rhodes, Ariz.
Curtis, Mass.	Jones, Mo.	Riehlman
Curtis, Mo.	Judd	Riley
Dague	Kearns	Rivers, S.C.
Davis, Tenn.	Kilburn	Robison
Derounian	Kilday	Rogers, Fla.
Derwinski	Kilgore	Rogers, Tex.
Devine	Kitchin	Rutherford
Dixon	Knox	St. George
Dooley	Kyl	Saylor
Dorn, S.C.	Lafore	Schenck
Dowdy	Laird	Scherer
Downing	Landrum	Schneebeli
Durham	Langen	Schwengel
Everett	Latta	Scott
Evins	Lennon	Selden
Fenton	Lipscomb	Short
Fisher	Loser	Sikes
Flynt	McCulloch	Siler
Ford	McDonough	Simpson
Forrester	McGinley	Smith, Calif.
Fountain	McIntire	Smith, Kans.
Frazier	McMillan	Smith, Miss.
Frelinghuysen	McSween	Smith, Va.
Gary	Mahon	Springer
Gathings	Marshall	Stubblefield
Gavin	Martin	Taber
Goodell	Matthews	Teague, Calif.
Grant	May	Teague, Tex.
Griffin	Meader	Thompson, Tex.
Gross	Michel	Thomson, Wyo.
Gubser	Miller, N.Y.	Thornberry
Haley	Milliken	Tuck
Halleck	Mills	Utt
Hardy	Minshall	Van Pelt
Harris	Moore	Van Zandt
Harrison	Morris, N. Mex.	Wainwright
Hébert	Mumma	Watts
Hemphill	Murray	Weaver
Henderson	Nelsen	Weis
Herlong	Norblad	Westland
Hess	Norrell	Wharton
Hiestand	Ostertag	Whitener
Hoeven	Passman	Whitten
Hoffman, Ill.	Patman	Williams
Hoffman, Mich.	Pelly	Willis
Horan	Pilcher	Wilson
Hosmer	Pillion	Winstead
Huddleston	Pirnie	Wright
Hull	Poage	Young
Ikard	Poff	

NAYS—203

Addonizio	Dingell	Johnson, Md.
Albert	Donohue	Johnson, Wis.
Anfuso	Dorn, N.Y.	Jones, Ala.
Ashley	Doyle	Karsten
Aspinall	Dulski	Karth
Bailey	Dwyer	Kasem
Baldwin	Elliott	Kastenmeier
Baring	Fallon	Kee
Barr	Farbstein	Keith
Barrett	Fascell	Kelly
Bass, Tenn.	Feighan	King, Calif.
Bates	Fino	King, Utah
Bennett, Mich.	Flood	Kirwan
Blatnik	Flynn	Kluczynski
Boggs	Fogarty	Kowalski
Boland	Foley	Lane
Bolling	Forand	Lankford
Brademas	Friedel	Lesinski
Breeding	Fulton	Levering
Brewster	Gallagher	Libonati
Brooks, Tex.	Garmatz	Lindsay
Brown, Mo.	George	McCormack
Burdick	Giaimo	McDowell
Burke, Ky.	Gilbert	McFall
Burke, Mass.	Glenn	McGovern
Byrne, Pa.	Granahan	Macdonald
Cahill	Gray	Machrowicz
Canfield	Green, Oreg.	Mack
Cannon	Green, Pa.	Madden
Celler	Griffiths	Magnuson
Clark	Hagen	Mailliard
Coad	Halpern	Merrow
Coffin	Hargis	Metcalf
Cohelan	Harmon	Meyer
Collier	Hays	Miller, Clem
Conte	Healey	Miller, George P.
Cook	Hechler	Mitchell
Corbett	Hogan	Moeller
Cunningham	Holifield	Monagan
Daddario	Holland	Montoya
Daniels	Holt	Moorhead
Dawson	Holtzman	Morgan
Delaney	Inouye	Morrison
Dent	Irwin	Moss
Denton	Johnson, Calif.	Moulder
Diggs	Johnson, Colo.	

Multer	Rains	Stratton
Murphy	Randall	Sullivan
Natcher	Reuss	Taylor
Nix	Rhodes, Pa.	Teller
O'Brien, Ill.	Rivers, Alaska	Thomas
O'Brien, N.Y.	Roberts	Thompson, La.
O'Hara, Ill.	Rodino	Thompson, N.J.
O'Hara, Mich.	Rogers, Colo.	Toll
O'Konski	Rogers, Mass.	Tollefson
O'Neill	Rooney	Trimble
Oliver	Roosevelt	Udall
Osmers	Rostenkowski	Ullman
Perkins	Roush	Vanik
Pfost	Santangelo	Wallhauser
Philbin	Saund	Walter
Porter	Shelley	Wampler
Powell	Shipley	Widnall
Price	Sisk	Wier
Prokop	Slack	Wolf
Pucinski	Smith, Iowa	Yates
Quigley	Spence	Zablocki
Rabaut	Staggers	Zelenko

NOT VOTING—17

Alford	Buckley	Morris, Okla.
Anderson, Mont.	Carnahan	Sheppard
Bentley	Davis, Ga.	Steed
Blitch	Edmondson	Vinson
Bowles	Keogh	Withrow
	Mason	Younger

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Bentley for, with Mr. Sheppard against.

Mrs. Blitch for, with Mr. Keogh against.

Mr. Davis of Georgia for, with Mr. Buckley against.

Mr. Mason for, with Mr. Bowles against.

Mr. Younger for, with Mr. Edmondson against.

Until further notice:

Mr. Alford with Mr. Withrow.

Mr. SCHWENGEL changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. HIESTAND. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HIESTAND. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HIESTAND moves to recommit the bill (H.R. 12677) to the Committee on Education.

Mr. BARDEN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 341, nays 72, answered "present" 1, not voting 17, as follows:

[Roll No. 169]

YEAS—341

Adair	Alexander	Aspinall
Addonizio	Anfuso	Auchincloss
Albert	Ashley	Avery
Ayres	Friedel	Miller, Clem
Bailey	Fulton	Miller, George P.
Baker	Gallagher	Miller, N.Y.
Baldwin	Garmatz	Milliken
Barden	Gary	Mills
Baring	Gathings	Mitchell
Barr	Gavin	Moeller
Barrett	George	Monagan
Barry	Giaimo	Montoya
Bass, N.H.	Gilbert	Moore
Bass, Tenn.	Glenn	Moorhead
Bates	Goodell	Morgan
Baumhart	Granahan	Morris, N. Mex.
Becker	Gray	Morrison
Beckworth	Green, Oreg.	Moss
Bennett, Fla.	Green, Pa.	Moulder
Bennett, Mich.	Griffin	Multer
Blatnik	Griffiths	Mumma
Boggs	Gross	Murphy
Boland	Gubser	Natcher
Bolling	Hagen	Nelsen
Bolton	Haley	Nix
Bonner	Halleck	Norblad
Bosch	Halpern	Norrell
Bow	Hardy	O'Brien, Ill.
Boykin	Hargis	O'Brien, N.Y.
Brademas	Harris	O'Hara, Ill.
Bray	Harrison	O'Hara, Mich.
Breeding	Hays	O'Konski
Brewster	Healey	O'Neill
Brooks, La.	Hechler	Oliver
Brooks, Tex.	Hemphill	Osmers
Broomfield	Herlong	Ostertag
Brown, Mo.	Hoeven	Passman
Brown, Ohio	Hogan	Patman
Burdick	Holifield	Pelly
Burke, Ky.	Holland	Perkins
Burke, Mass.	Holt	Pfost
Byrne, Pa.	Holtzman	Philbin
Byrnes, Wis.	Horan	Pillion
Cahill	Hosmer	Pirnie
Canfield	Huddleston	Porter
Cannon	Hull	Price
Cederberg	Inouye	Prokop
Celler	Irwin	Pucinski
Chamberlain	Jennings	Quie
Chelf	Johnson, Calif.	Quigley
Chenoweth	Johnson, Colo.	Rabaut
Church	Johnson, Md.	Rains
Clark	Johnson, Wis.	Randall
Coad	Jonas	Ray
Coffin	Jones, Ala.	Rees, Kans.
Cohelan	Jones, Mo.	Reuss
Collier	Judd	Rhodes, Pa.
Conte	Karsten	Riehlman
Cook	Karth	Rivers, Alaska
Cooley	Kasem	Roberts
Corbett	Kastenmeier	Robison
Cramer	Kearns	Rodino
Cunningham	Kee	Rogers, Colo.
Curtin	Keith	Rogers, Fla.
Curtis, Mass.	Kelly	Rogers, Mass.
Curtis, Mo.	Kilday	Rooney
Daddario	King, Calif.	Roosevelt
Dague	King, Utah	Rostenkowski
Daniels	Kirwan	Roush
Davis, Tenn.	Kitchin	Rutherford
Delaney	Kluczynski	St. George
Dent	Knox	Santangelo
Denton	Kowalski	Saund
Derounian	Kyl	Saylor
Derwinski	Laird	Schenck
Devine	Landrum	Schneebeli
Diggs	Lane	Schwengel
Dingell	Lankford	Selden
Dixon	Latta	Shelley
Donohue	Lennon	Shipley
Dooley	Lesinski	Sikes
Dorn, N.Y.	Levering	Siler
Dowdy	Libonati	Simpson
Downing	Lindsay	Sisk
Doyle	Lipscomb	Slack
Dulski	Loser	Smith, Iowa
Durham	McCormack	Spence
Dwyer	McCulloch	Springer
Elliott	McDonough	Staggers
Everett	McDowell	Stratton
Evins	McFall	Stubblefield
Fallon	McIntire	Sullivan
Farbstein	Macdonald	Taylor
Fascell	Machrowicz	Teague, Calif.
Feighan	Mack	Teller
Fenton	Madden	Thomas
Fino	Magnuson	Thompson, La.
Flood	Mailliard	Thompson, N.J.
Flynn	Marshall	Thornberry
Flynt	Martin	Toll
Fogarty	Matthews	Tollefson
Foley	May	Trimble
Forand	Meader	Udall
Ford	Merrow	Ullman
Fountain	Metcalf	Vanik
Frazier	Meyer	Van Pelt
Frelinghuysen	Michel	Van Zandt
		Wainwright
		Wallhauser
		Walter
		Wampler
		Watts
		Weaver
		Weis
		Westland
		Wharton
		Whitener
		Widnall
		Wier
		Willis
		Wilson
		Wolf
		Wright
		Yates
		Young
		Zablocki
		Zelenko

NAYS—72

Abbitt	Harmon	Poff
Abernethy	Hébert	Preston
Alger	Henderson	Reece, Tenn.
Allen	Hess	Rhodes, Ariz.
Andersen, Minn.	Hiestand	Riley
Andrews	Hoffman, Ill.	Rivers, S.C.
Arends	Hoffman, Mich.	Rogers, Tex.
Ashmore	Ikard	Scherer
Belcher	Jackson	Scott
Berry	Jarman	Short
Betts	Jensen	Smith, Calif.
Brock	Johansen	Smith, Kans.
Brown, Ga.	Kilburn	Smith, Miss.
Broyhill	Kilgore	Smith, Va.
Budge	Lafore	Taber
Burleson	Langen	Teague, Tex.
Casey	McGinley	Thompson, Tex.
Chiperfield	McGovern	Thomson, Wyo.
Colmer	McMillan	Tuck
Dawson	McSween	Utt
Dorn, S.C.	Mahon	Whitten
Fisher	Minshall	Williams
Forrester	Murray	Winstead
Grant	Pilcher	
	Poage	

ANSWERED "PRESENT"—1

Powell

NOT VOTING—17

Alford	Buckley	Morris, Okla.
Anderson, Mont.	Carnahan	Sheppard
Bentley	Davis, Ga.	Steed
Blitch	Edmondson	Vinson
Bowles	Keogh	Withrow
	Mason	Younger

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Davis of Georgia for, with Mr. Vinson against.

Mr. Keogh for, with Mr. Mason against.

Mr. Buckley for, with Mr. Bentley against.

Until further notice:

Mr. Carnahan with Mr. Withrow.

Mr. BAILEY and Mr. HOEVEN changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The title of the bill was amended to read: "An act to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of interstate retail enterprises, to increase the minimum wage under the act to $1.15 an hour, and for other purposes."

GENERAL LEAVE TO EXTEND

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. GILBERT. Mr. Speaker, I am grievously disappointed in the final results of minimum wage legislation. The Ayres-Kitchin substitute for the committee-approved Roosevelt bill, which passed the House, is completely inadequate and, in my opinion, has been correctly labeled a "political fraud."

The House had before it for consideration H.R. 12677, the Roosevelt bill entitled the "Fair Labor Standards Amendments of 1960." This protected the little man, the small businessman. I favored its passage, free from crippling amendments, maintaining that anything less than the bill as reported by the House Labor Committee would be completely unacceptable to me and to the many millions who depend upon us for meaningful wage-hour legislation this year. Futile political gestures and pretenses of relief are a betrayal of the millions of workers of our nation who are not only deserving of, but entitled to, the benefits proposed in the Roosevelt bill.

After lengthy hearings and thorough consideration, the House Committee on Education and Labor reported a sharply scaled down Roosevelt bill. It represented a compromise but was fair and reasonable. Although it did not provide as much protection to as many low-income workers as quickly as I had hoped for, it did provide greatly needed improvements in the present law. I introduced a bill for a direct increase in the minimum wage to $1.25 per hour, H.R. 11080. The committee bill provided for an increase in the minimum wage to $1.25 an hour over a 2-year period for employees already covered by the law and over a 3-year period for newly covered workers. Also, the bill extended coverage to some 3.5 million low-wage workers in large businesses. These millions have been in dire need of protection for many years; their sad plight can no longer be ignored; it was the duty of this House to take cognizance of the hardships suffered by our underpaid workers and to give them the relief provided in the committee bill.

Consider the high percentage of our Nation's workers who receive as little as 60 cents an hour. Consider the new high we have reached in living costs; increases in food prices, medical and dental care, necessities such as medicines, household needs, clothing. How can a worker take care of his own needs, much less the needs of a family or family obligations on a wage of 60 cents per hour? He barely exists; substandard living is his portion. The minimum wage for wage earners now covered by the Fair Labor Standards Act is inadequate and detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers.

I hoped that this body would come to the rescue of those who cannot help themselves, who look to us for fair action in their behalf and assistance in their present desperate state.

I consider the tactics involved in bringing the substitute measure before the House deplorable and the entire procedure highly objectionable. During the debate on the substitute bill, a member of the House Committee on Education and Labor stated: "This substitute measure never saw daylight in our committee. The bill was not printed until the day after the Rules Committee acted. It was hurriedly drawn up to scuttle the committee bill." Members of the House had insufficient time to study it before being called upon to vote. It is apparent that the President and Vice President favored the substitute measure and that the administration did not object to the killing of the moderate Roosevelt bill as approved by the committee.

I voted against substitution of the Ayres-Kitchin measure for the Roosevelt bill. I regretted the necessity of finally having to vote for the substitute measure, which provides for a flat increase to only $1.15 per hour, and which greatly cuts down the coverage as proposed in the committee bill and contains other objectionable features. I voted for the substitute bill only because I had no other choice and because, in the light of the great hardships now suffered by our underpaid workers, a tenth of a loaf was better than none.

Those of us who have the welfare of our workers at heart, can only hope that the Senate will vote out a bill at least as fair as the House committee bill. I look forward, with confidence, to the day when the Congress of the United States will take the bull by the horns and pass a minimum wage bill providing for an increase in minimum wage to at least $1.25 per hour, and adequate coverage for the many millions of workers not now covered by the Fair Labor Standards Act, as amended.

MILITARY CONSTRUCTION APPROPRIATION ACT, 1961

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill H.R. 12231, the Military Construction Appropriation Act, 1961.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZATION TO CONSIDER CONTINUING RESOLUTION MAKING TEMPORARY APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow to consider a House joint resolution making temporary appropriations. This is the continuing resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RIVER AND HARBOR AND FLOOD CONTROL PROJECTS

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a conference report on the bill, H.R. 7634, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

HOUSE MEETS AT 11 A.M. ON FRIDAY, JULY 1

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 10 o'clock.

Mr. GROSS. Mr. Speaker, reserving the right to object, will the gentleman tell us what the program is for tomorrow?

Mr. McCORMACK. Tomorrow there will be the veto message and following consideration of the veto message there will be several bills. There is a Theodore Roosevelt memorial bill and the Chantilly Airport reimbursement bill.

Mr. GROSS. What was the second bill?

Mr. McCORMACK. The Chantilly Airport reimbursement bill.

Mr. GROSS. Would the gentleman say that is "must" legislation?

Mr. McCORMACK. No.

Mr. GROSS. I suggest to the gentleman that we——

Mr. McCORMACK. Is the gentleman going to object?

Mr. GROSS. Yes, I would have to object if that is what we are going to come in early for.

Mr. McCORMACK. Mr. Speaker, I withdraw my request and ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUGAR ACT OF 1948

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 588 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12311) to extend for one year the Sugar Act of 1948, as amended, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Agriculture, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Agriculture may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such

amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Iowa [Mr. BUDGE], and at this time I yield such time as I may use.

Mr. Speaker, this resolution makes in order a bill from the Committee on Agriculture for treatment of the expiring Sugar Act. The resolution you will find, when it is presented, is rather simple, but in view of certain conditions it was considered advisable that this bill come to the floor under a closed rule. That is what has happened.

The resolution provides for 1 hour of debate, and under the closed rule, as is usual, the bill will be subject to committees amendments only. Those, in turn, will not be subject to amendment.

It will carry the usual right to offer a motion to recommit with or without instructions.

Mr. BUDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to commend the Committee on Agriculture for its unanimous report on this bill. I am happy that the act is being extended at this time, and I hope that the other body can take action on the bill prior to leaving Washington.

By a peculiar quirk of law Mr. Castro would be rewarded with an additional quota of 150,000 tons of sugar consumed in this country if the act is not extended prior to the time we get away from Washington.

I know of no opposition to the rule.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MILLS). The question is on the resolution.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12311, with Mr. ANFUSO in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS of South Carolina. Mr. Chairman, on Saturday last in a special order which I had at that time I addressed my respects to the government of one Castro and his domination and enslaving of Cuba under Communist rule.

I have received so many letters on this subject I have been unable to answer them. This is today's quantity.

I would like to put in the RECORD one of the letters which I received from a professor at the University of Florida. In my special order the other day, among other things I said that we should impose immediate strong sanctions on Castro.

This sugar bill today may be the beginning—God knows the American people hope so—our people hope for action, not protests—they want leadership, not fellowship. Let us begin today—let us rebuild the image and respect for America.

We should issue a proclamation telling him what this Nation proposes to do if he keeps on blackmailing and vilifying our President and our people and taking property without due process of law. We should reassert the Monroe Doctrine. We should threaten Castro with blockade. We should, if necessary, and, if conditions demand it, occupy Cuba. My colleagues, there seems to be no other course. The responses I have received from the American people on this subject have been enormous. In the colloquy between me and the gentleman from Ohio, which occurred with my speech, I mentioned the various things that were happening down in that island—the press associations carried the story. Here are the responses I received. Hundreds of letters from Americans begging for action.

Now, here is a letter dealing with a conversation between the writer and a dentist in Honduras. Here is what the Honduran says:

> You people as a whole are stupid. I'll give you two reasons why I say this: No. 1, you tax your citizens heavily so as to have money for your so-called foreign aid when we both know much of it is wasted and that most loans are really gifts. My income runs between $25,000 and $50,000 per year. The maximum rate I pay is 10 percent and that is only on what I earn over $25,000. Why should we tax ourselves heavily when all we have to do is to have our Ambassador in Washington put up a poor-mouth story and you people fall over backward to hand us a gift? No. 2, an even more important reason for saying you people are stupid is the attitude of your State Department with regard to your nationals and U.S. properties in our countries. I am older than you and can remember when Mr. Coolidge was your President. During his time we made sure nothing happened to any of your citizens or U.S. properties in the event of troubles in our countries. We knew Mr. Coolidge would land marines and pin our ears back if trouble did occur. Then Mr. Roosevelt and his good neighbor policy came along. What has happened to your standing in our countries since then? You and I both know it has deteriorated. Suppose several of your nationals are thrown in jail or get killed, what happens? Your State Department protests. Who is afraid of protests? It is bullets we are afraid of when the men behind them have the guts to back them up. We may not have loved you in Mr. Coolidge's day but at least we respected you. Today we neither love nor respect you.

I say to you, this is one time when you, my colleagues, can write news to Castro that he will understand. Let us take this step today. Let us revise our sugar quota and take the next step tomorrow, and probably the ultimate step will be to occupy that island to save those people. Let us take that step. Our stature is dwindling. Let us build it up while time remains.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Ohio.

Mr. BOW. Does not the gentleman feel it is inconceivable that today and yesterday we heard of American property being confiscated because they would not refine the crude oil from Communist Russia?

Mr. RIVERS of South Carolina. Think of such a thing. Think of what is happening—Castro's communism—both must be destroyed.

Mr. BOW. And we are not doing anything about it. Our State Department as of this date has not yet said what they are going to do.

Mr. RIVERS of South Carolina. Of course not.

Mr. BOW. And it is high time we tell them.

Mr. RIVERS of South Carolina. Let us take a little of the Rivers' venom and stiffen up their backbone. That may help. They need to know what the people of this Nation think. The policymakers are out of step with the people of America. American feeling has nobody to tell Castro how we feel. God save America.

Mr. HOEVEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this may be the only opportunity the House will have to express itself on the Cuban sugar situation, and it might be well to have a record rollcall.

Mr. Chairman, I rise in support of H.R. 12311, the committee sugar bill.

The Committee on Agriculture has worked long and hard to work out a bill. The bill before the House today is the unanimous result of that effort.

The committee bill is in many respects similar to my substitute, H.R. 12624, which I introduced on June 14. Like my substitute this bill extends the act for 1 year, grants Presidential authority, and contains several similar minor provisions. The chief difference between the committee bill and my substitute is on the windfall to Cuba. My bill would have automatically prevented Cuba from receiving any further increases. My bill would have required this Cuban windfall to go to domestic growers. The committee bill allows that windfall go to domestic growers. In addition my bill would have authorized the Secretary of Agriculture pretty much in his own discretion to obtain elsewhere in the world the necessary amounts of sugar. The committee bills delegates this power to the President and sets forth in detail where any such redistribution is to go. My bill gave the President authority to act only when the 86th Congress was not in session. The committee bill authorizes the President to act whether Congress is in session or not up to December 31, 1961.

The committee bill is by and large a compromise, but it is a good one. The President will have authority to deal with Mr. Castro as is necessary in our national interest. At the same time Congress retains its historic control over sugar quota allocations.

The most important aspect of this legislation now is the time element involved. Mr. Chairman, time is of the essence. Congress must give the Presi-

dent the authority to deal with Mr. Castro before either recessing or adjourning for two vital reasons.

The first is that unless Congress gives the President the authority to cut Cuban quotas soon, any such authority will be meaningless. Cuba has a 1960 quota of approximately 3,120,000 tons under the act. So for this year she has sent us 2,245,000 tons. That leaves 875,000 tons which can still be brought into the United States from Cuba. Unless we act rapidly, Castro will have shipped his entire quota to us before the President can act. We have received a report from the Department of Agriculture that in the 48 hours following the action of our committee on Monday of this week, Cuban authorities have chartered ship space for 75,000 tons of sugar to be sent to the United States. This clearly shows that Castro is acting as quickly as he can to get his sugar up here. Needless to say, these shipments will tend to depress east coast sugar prices simply because a year's supply of Cuban sugar will be dumped into the United States during an 8-month period.

The second reason that time is of the essence is that to keep the smooth and effective administration of the act, the Department must soon allocate the Puerto Rican and Hawaiian deficits. Under present law, 156,000 tons would go to Cuba as a windfall and the balance of some 263,000 tons would go to U.S. beet-growers and some 81,000 tons would go to mainland cane producers. The Department faces a legal dilemma under present law. It cannot allocate the deficits to U.S. farmers without giving Castro 156,000 tons and it cannot postpone indefinitely the allocation of this deficit without disrupting domestic marketing patterns. This bill must be passed if the serious situation facing our country is to be met.

In addition, Mr. Chairman, this legislation is necessary in order to safeguard consumers in the United States from possible interruptions in the supply and fluctuations in the price of sugar. It would be extremely irresponsible to let the act expire. If the act were allowed to expire on December 31 of this year, Castro would not only receive this year's windfall but he would line up his ships and dump sugar into the United States from January 1, 1961, until the time Congress comes back and acts on the bill. In the meantime, our domestic growers would be bankrupt.

The committee bill is a sound bill and should be enacted.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman.

Mr. BECKER. Mr. Chairman, the gentleman has said in his explanation of the bill that time is of the essence. But we have waited until a very late hour to receive a bill from the committee. Now Castro is in a position to choke us with tens of thousands of tons of sugar.

Mr. HOEVEN. I would say to the gentleman that this bill has been before the committee some time. This is a compromise which has been worked out after giving due attention to many proposals.

Mr. BECKER. All I had in mind was the President asked for this months ago. Here it is on the very last day of June when we get a bill and the gentleman tells us here tonight that they have already arranged to ship something more than 75,000 tons of their backlog and that we will have to take it if they ship it.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. HOEVEN] has expired.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, I want to congratulate the able chairman and members of the Agriculture Committee for their action on the sugar bill. The considerations involved are obviously most complex. Not only do the issues involve the foreign policy of the United States but at the same time involve a compromise of many of the legitimate interests concerned with sugar. I favor the provisions in the bill conferring authority upon the President to determine the Cuban quota during this year and next. When permanent legislation is enacted it should resolve important questions which necessarily could not be concluded in the time available to get this bill before the House. I think we must face up to the problem raised by Castro in Cuba. The present situation is intolerable. In the next bill I feel strongly that opportunity should be taken to improve the relations between the United States and some of its good friends in Latin America who are not now given a sugar quota. I think domestic consumption also should be expanded.

Let me point to the fact that five good Latin American friends of the United States who are not presently included in the U.S. sugar program have requested that they now be included for a quota. These countries are Brazil, Colombia, Ecuador, El Salvador and Guatemala. While I am sympathetic to the needs of the countries presently coming under the quota system, I am convinced that it is important and equitable to consider the needs of these five countries whose interests are likewise legitimate and likewise essential to the best interests of the United States and to the Western Hemisphere. Possibly there are others.

The great State of Florida can tremendously expand its sugar production and so can other States. This can be very important to our domestic economy and should be permitted.

Surely, the interests of our own States and of the major Latin American friends of the United States are too important not to be considered. In this bill this is not done. None of the good friends of the United States are mentioned by name. I think it would be in the best interests of the United States and of the entire Western Hemisphere if our own States and some of our good friends were designated for a specific quota under any sugar legislation which is to be enacted in this Congress. However I recognize the problem of time which now governs our actions.

It is essential that we demonstrate no favoritism among our friends by considering the legitimate needs of some and excluding the legitimate needs of others. It may not be possible to fulfill the total requests of the new countries in the complicated fabric of sugar compromise, but at least as a minimum their needs should be met in part. In this way they can be assured that they are not the forgotten friends and allies of the United States.

I favor this legislation but I urgently hope that the changes I have suggested will be incorporated by the other body or in later legislation. It is essential that legislation on this subject be enacted and that the present intolerable situation be corrected as rapidly as possible.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I rise in support of this legislation. I think it is past time for us to do something on the Cuban situation.

Mr. Chairman, this bill is one of the most important pieces of legislation to be considered by the 86th Congress.

Not only is it important to our domestic sugar industry but the rapidly deteriorating state of our relations with the Communist-studded Castro government has resulted in sugar becoming a political pawn in the hemispheric waiting game we have been playing. When sugar is mentioned, we no longer think in terms of a common household commodity but rather our thoughts turn to Cuba, Castro and communism.

Cuba is the world's largest producer of sugar and the United States is the largest consumer. For many years now, Cuba has occupied a preferred position in the American sugar importation structure. This has resulted from a sincere desire on our part to secure the bonds of friendship between our two countries by aiding in stabilizing Cuba's one-crop economy. With each succeeding extension of the Sugar Act, the Cuban sugar industry has fared very well, more so, on occasion, than our own sugar industry.

Now that the time has come to again consider extension of the act, we find that the political complexion of Cuba has experienced violent change. The friendly attitude which has prevailed down through the years has been supplanted by one featuring the Communist "big lie" technique. Castro and his henchmen have accused us of everything from "economic imperialism" to actually plotting an armed invasion of Cuba, evidently hoping to focus the attention of the world away from their apparent objective of communizing Latin America.

The seizures of American investments in Cuba—the indignities and insults heaped on the United States by spokesmen of the revolutionary government of Cuba are public knowledge and need not be recounted here. Suffice it to say that our attempts to cope with the rapidly developing crises in Cuba through a policy based on patience and forbearance have resulted in sad failure.

It is in this atmosphere of tension, discord and hostility that we are considering this legislation today. Castro warns

that any cut in the Cuban sugar quota will result in wholesale confiscation of American-owned business and property in Cuba. To this threat we might logically answer that almost $500 million in American investments have already been confiscated with no hint of repayment. It would seem, then, to be only a matter of time before all American properties in Cuba will be seized, sugar quota or not.

This bill, described by Castro as "immoral, stupid and criminal," would provide an effective answer to Castro's insolent challenge. We have seen by now, I am sure, that things are not going to get any better. We have been patient and forbearing far beyond what might be expected of reasonable men. In truth, we have backed up just about as far as we can go. We do not have any more cheeks to turn, consequently we have no alternative left but to take a positive stand.

Since sugar has become such an important instrument of our foreign policy, control over its importation is properly within the province of the executive branch. Should the President determine that a sugar quota can be allotted to Cuba without endangering our national interest, this legislation gives him that prerogative. Should the President set the Cuban quota at less than is provided for in the present law, this reduction under the bill would be apportioned to domestic areas, the five nations with quotas of less than 10,000 tons, the Philippines, to full-duty nations which have quotas under the Sugar Act and to foreign nations without regard to allocation, in that order.

Under present law, any nation against whom a deficit has been declared, may ship into the United States its full quota notwithstanding the declared deficit. This bill would permit the Secretary to reduce the quota of any nation or area unwilling or unable to supply its quota by the amount of the declared deficit.

Other than these changes and one or two technical amendments, this bill would simply extend the present Sugar Act to December 31, 1961.

Mr. Chairman, for obvious reasons, it is difficult to tell at this time what effect this bill will have on our domestic beet and cane sugar industry. A simple 1-year extension of the present act under the conditions imposed by this bill, while it may not lend certainty nor permit long-range planning, is nevertheless necessary at this time.

I would like to have seen a provision added which would allow for the expansion of our domestic sugar industry by providing quotas for new domestic areas much the same as provided in the sugar bill proposed by the junior Senator from Florida. Some provision is made for new producers under this bill but, in my opinion it is not sufficient to establish a foundation on which to base a successful operation.

I would like to have seen a provision added to this bill to grant to domestic producers a fixed amount of the traditional Puerto Rican deficit. Under present law, domestic areas share in this deficit in an amount dependent on the size of the deficit. I feel that it is not unreasonable for the domestic sugar industry to request a fixed amount of this deficit in view of the certainty and stability such provision would lend to its operations.

Mr. Chairman, I hope that the committee will give every consideration to expanding and enlarging our domestic sugar industry when it considers the sugar bill next year. I hope that the conditions and tensions which exist now and which have given rise to this legislation in its present form will have eased somewhat by that time. We have seen what can happen when we permit any one nation a virtual monopoly on U.S. imports of a commodity and I feel sure that the committee will give careful consideration to this fact in the future.

Mr. Chairman, I sincerely believe that enactment of this legislation is in the national interest. In my opinion, the national interest dictates that the Cuban quota should be cut and I hope that the President will exercise the authority which he requested and which is provided in this bill. If we are leaders of the free world, we cannot sit idly by exercising patience and forbearance in the face of threats made by a Communist puppet. Castro has delivered the challenge—I say, let us call his bluff.

Let us be prompt to take whatever positive steps as are necessary whether they be economic sanctions or actions through the Organization of American States such as I have proposed by resolution. Let us be quick to meet Castro's challenge as leaders should.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. HALEY].

Mr. HALEY. Mr. Chairman, I rise in support of this legislation. I think it is long overdue. I think this is a step we should have taken months ago.

Mr. Chairman, a few years ago, foreign policy was of little concern to the average American. It was left to a few specialists. But two World Wars, Korea, a continuing cold war, and our multibillion dollar programs to rebuild the world have changed that.

I think foreign policy now has become too important to be left in the hands of the experts. The American citizen who votes for his officials needs to know about foreign policy, as he does about domestic issues, and every official must speak out on both.

I am concerned today by matters of foreign policy which may seem small potatoes to an administration wrapped up in global and superterrestrial policies of the nuclear space age, but which, it seems to me, are of utmost immediate importance.

It would be false to say that I am not concerned by long-range problems of foreign and space policy. But I do not think that in concern for the distant future, we can afford to forget the immediate future. It is for that reason that I am alarmed about our policies with regard to Cuba.

My mail indicates that the people of my district are rightfully concerned about this proposal, which has been advanced in legislation introduced in both the House and the Senate.

I also am concerned about it. It seems to me that the Congress should take this step.

As to Cuba: I do not like to disagree with able colleagues in the House of Representatives, but I emphatically believe we must act now to show Castro we will not be imposed upon. We must use hard economic sanctions—and in the sugar field they are powerful—to show we will not be clobbered by a tiny nation made free by us, its freedom guaranteed by us in the Monroe Doctrine.

Our kid-glove approach to Castro's seizure of American property has cost us prestige all over the world, but particularly in Latin America. I think we must make the Monroe Doctrine apply to today's technique of cold war enemy infiltration, as much as it originally did to armed enemy invasion of our neighbors, and that we must stop the enemy in Cuba, not by bullets, but by hitting Castro where it hurts—in the pocketbook.

If we fail, we are in danger. Already, the Republic of Panama is showing its muscles against us. A few days ago, the House acted to keep the Panamanian flag from flying from our flagpoles in the Canal Zone. The Republic was indignant at this mistreatment.

There was no mistreatment, of course. The move to fly the Panamanian flag in our Canal Zone is nothing more than the first step in an effort to nationalize the canal and create another Suez crisis, and perhaps another Nasser. I pray that the Senate will stand firm beside the House in this issue, despite diplomatic and other pressures from within and without.

Mr. Chairman, I am glad that the Congress has finally decided to do something effective, or at least lay the groundwork for effective action, about Fidel Castro's Cuba. I said a few weeks ago that I thought the time had come to deal with Castro by hitting him where it hurts: In the pocketbook. The President's proposal that he control sugar quotas would open the door to doing that.

I am frank to say that I do not think the White House request for discretionary control over sugar quotas goes quite far enough in letting Castro know that this country means business. But even the moderate plan suggested has run into some opposition, and it is unlikely that any more than the President asked could be approved.

For myself, I would like some assurances that the President would, if granted discretionary authority over quotas, use that authority to make drastic reductions in the Cuban sugar quota whenever U.S. investments in Cuba are seized. If that course should be followed, then we really would be hitting Castro where it hurts.

In my own personal opinion, we would be doing more than that. We would be stopping Castro cold in his tracks, I believe.

I think this little Cuban dictator must be stopped with certainty, and the sooner the better. U.S. citizens, I am told, have $3 billion invested in Cuba, and many of these investors, inciden-

tally, are Floridians. I certainly would not have this country take any rash and abrupt action, but the time comes when a nation must have the courage to protect its own people and its own equity.

If the time has not yet come when this country must display that courage, the day when it must do so certainly is fast approaching. Approval of the President's request for discretionary authority would, it seems to me, put our Government in a position to protect our people and our equities.

Some will object that such a program might endanger this country's sugar supply—that the United States cannot deal harshly with Castro, even to protect its own interests, because we must have assurance of Cuban sugar in event of war. I think this argument is, in the main, nonsense. In the first place, I do not think Castro would even think of losing the U.S. sugar market—tough action would call his bluff. But in the second place, there is no reason the Government could not set up a trading corporation to buy sugar on the world market, at less than we now pay for Cuban sugar.

I am told by some experts on this matter that such a corporation not only could acquire all the sugar we need, even in emergency, but could make a profit of $125 million a year. This profit, incidentally, could be used to reimburse American citizens who lose properties in Cuba. I think such a plan is deserving of consideration.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from New Jersey [Mr. GALLAGHER].

Mr. GALLAGHER. Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, on March 14, 1960, I introduced a bill, H.R. 11138, to extend the Sugar Act of 1948 and to authorize the President to reduce the sugar quota to Cuba where necesasry to protect the national interest. Two days later the administration requested a similar measure.

As I stated then and feel more strongly now that the plan proposed in my bill was the product of my concern with the folly of automatically renewing the present Sugar Act in view of Castro's charges that this act was enslaving the Cuban people. I was also concerned that in eliminating Cuba from the Sugar Act we may be creating additional hardships for the Cuban people, which is not the desire of anyone in the United States.

I feel that the flexibility of permitting the President to adjust or eliminate the Cuban sugar quota at any time during the life of the bill if he deemed it necessary to protect the national interest is a vital necessity. We must adopt a realistic attitude in view of the new challenges presented to us by the irresponsible conduct and policies of Castro.

Cuba, because of its natural advantages as a sugar producer, has a large excess capacity and must therefore regulate its own production. In addition to providing an assured market for over half of its annual production, the U.S. quota for Cuban sugar also allows Cuba to benefit from the highest U.S. price on the commodity. As a matter of fact, a disproportionate share of the U.S. quota is in the hands of Cuba, and has enabled her to use the premium paid by U.S. consumers to subsidize sales to the Soviet Union and other Iron Curtain countries at prices beneath the world market price.

I believe that we have demonstrated great patience toward the outrageous accusations made by Castro against the United States. We have acted with dignity and maturity in this very difficult situation. I believe, however, that we must show our friends and those not so friendly that we can act with dignity, and patience, but at the same time with firmness.

I do not feel that merely because we are strong and powerful we must constantly assume a bovine posture when some irresponsible leader of a small nation challenges our national integrity. Because we are a great freedom loving nation we have greater responsibilties and obligations in the exercise of understanding toward the less fortunate.

This, however, should not be allowed to become the basic premise of every hostile planner seeking to undermine the prestige or power of the United States for they interpret this as a hole in our armor rather than a virtue in our national character. We should not allow our enmity to become a greater advantage than our friendship. The opinion of our enemies whether voiced directly or indirectly should never outweigh our own good sense of doing what we think is right. Dependent on our sense of right is the real hope for freedom everywhere.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Louisiana [Mr. McSWEEN].

Mr. McSWEEN. Mr. Chairman, I rise in support of H.R. 12311. We in the Agriculture Committee have worked on this legislation for several months. When the committee first reported a bill several weeks ago I supported the proposal to give the President certain authority to protect the best interests of this Nation. I am happy that the bill now before us contains this Presidential authority, as reported this week by the committee.

Under the circumstances and considering the demagogic and insulting and defiant conduct of Fidel Castro, this is a proper bill to pass. The 1-year extension is not wholly satisfactory. Producers are thereby handicapped, because you cannot plan sugar production ahead on the basis of a 1-year law. However, perhaps the air will be cleared by next year, when it is hoped that a new sugar act with the traditional 4-year term can be enacted.

Today, this is the best solution to this most difficult problem. I urge its passage.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, it is to me a matter of regret that both in Cuba and in our own country provocative words of anger that make no contribution to mutual respect and understanding have been too frequent. They do not add, whether spoken here in this Chamber or in the beautiful island so close to our shores and historically imbedded in our affection, to the spirit of hemispheric solidarity. Nor do they reflect the friendship that has existed in all the years of the past, that is evident today and that will endure forever between the people of the United States and the people of Cuba. That is a friendship I confess very dear to me because of the circumstances of my youth and my association with both American and Cuban soldiers in the common cause of freedom.

We are living in a world of change with peoples everywhere reaching for higher plateaus of dignity, human welfare, and spiritual contentment. These cannot be gained, and the higher plateaus once ascended thereafter held as the bases for ascent to still higher plateaus, unless there are orderly governments, sound and expanding economies and the working together of nations of goodwill.

I hope and pray that in this world of change, even though sometimes accompanied with a violence we would not wish, something as eruptions of a volcano, our country will continue in tolerance, understanding, and true friendship to fulfill its mission as the exemplar of government under God and of, for, and by the people. It is not for us to interfere in the internal affairs of another nation. It is inevitable that we will lose good will even by the appearance of interference with that which is in the sole determination of the people of another nation. Good neighbors do not invade their neighbors' homes to set things right according to their concepts and their own standards. Rather they content themselves with setting a good example, knowing that one well-ordered and happy home can change the entire tone of a community far beyond the possibility of scoldings and angry words.

I would have wished that the matter of the sugar quotas, with their repercussions upon the economies of a number of countries, including Cuba as well as that of our own, but sugar areas, could have been marked out by the able Committee on Agriculture in a less emotional climate. I trust that the power the President has asked will be administered without punitive design and in sole consideration of what in his judgment is just, wise, and necessary for the nations of the American hemisphere, including our own.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Delaware [Mr. McDOWELL].

Mr. McDOWELL. Mr. Chairman, the U.S. Government has begun facing up to the failure of its policy of patience and forbearance where the Government of Cuba is concerned. The State Department has submitted a memorandum to the Inter-American Peace Committee, an organ of the Organization of American States, accusing the Government of Cuba of a systematic campaign of slander and hostile propaganda against the Government of the United States.

Prime Minister Fidel Castro seized one of the two American-owned oil refineries in Cuba after telling a mass meeting that he was ready to take over the property of all Americans in Cuba.

The seizure order against the Texaco Oil Co.'s plant in Cuba followed its refusal to handle crude oil imported by the Government of Cuba from the U.S.S.R. in exchange for sugar.

The Cuban Prime Minister accused Texaco, in a formal resolution, of violating a 1938 law that directs all refineries in Cuba to refine state-owned oil at the orders of the government.

The Associated Press, in a report from Havana dated June 29, said:

Hoarse with anger, Castro told his followers the United States was decadent and called the new Sugar Act, being deliberated by Congress, immoral, stupid, and criminal.

In his anti-American attack last night, Castro warned that for every pound cut by the United States from Cuba's sugar quotas, his government will take one of the 36 American-owned sugar mills here. The American mills, which produce a third of Cuba's sugar, are valued at from $100 million to $200 million.

American citizens are no longer secure in their persons in Cuba, just as American property is no longer safe from seizure.

One of the most recent instances was the case of two American women whose husbands were attached to the American Embassy in Havana.

According to the United Press International report of June 28 their diplomatic status made little difference to the agents who brandished rifles and tommy-guns in attempting to arrest them.

The UPI report said:

The men from Premier Fidel Castro's intelligence (DIER) organization tried to arrest them for snapping souvenir photographs of a clock tower and of a heavily carved wooden door in the suburban Miramar section of Havana.

Certainly the increasing aggressions in Cuba have not been provoked by the U.S. Government, or the citizens of the United States.

Our relations with Cuba have been of the friendliest kind through many decades.

But one thing is clear, it seems to me. The Cuban economy is based on sugar. Without the continuing purchase of the 3 million tons which is taken up by the American market, the Cuban economy will founder.

It is high time that the bluff of the Cuban Prime Minister and his colleagues was called.

The Soviet Union now takes a million tons of Cuban sugar.

The United States would be better off if we cut down on our sugar consumption, and it is high time—in any event—to cut down on our consumption of Cuban sugar.

Let the Cuban Government find another customer or an entire group of customers who can buy sugar in the vast amounts which the United States consumes.

The Cuban Prime Minister is addicted to long speeches.

Let us give him a short answer, one that both he and his colleagues can understand, an answer that is direct and to the point.

I have today introduced a House Resolution which is in sum the only kind of an answer that the inflated leaders of Cuba today can understand.

My House Resolution states that it is the sense of the House of Representatives of the United States, as the directly elected representatives of all citizens of the United States, that serious consideration should be given by the President and his advisers to the withdrawal of diplomatic recognition of the present Government of the Republic of Cuba.

Perhaps the new found friends of Cuba in the Soviet Union can buy the Cuban sugar which the United States has purchased for so long.

But, my belief is that they will not find Cuban sugar sufficiently important to them or to their economy to take the place of the United States as the largest consumer of Cuban sugar in the world.

If Cuba's splendid people understand that they must sell their sugar or their economy will be destroyed they will themselves find the way to deal with the present misleaders and fomenters of hatred who have seized the Government of this proud young Republic by force of arms and revolution.

Mr. COOLEY. Mr. Chairman, I yield such time as he may require to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I have heard a lot of statements here about Cuba and Castro and a lot about the extension of the act, but will the gentleman be good enough to tell me what this bill does?

Mr. COOLEY. I am going to do that in just a minute.

Mr. PUCINSKI. I thought we were getting ready to vote on this.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, I congratulate the committee on having brought what I consider to be a very satisfactory bill under the circumstances before the House. I am glad to support it. I shall vote for this legislation to extend the Sugar Act for 1 year and to give the President the authority to fix Cuban sugar quotas.

As all of the Members know, the present Sugar Act legislation expires December 31, 1960. As we consider this legislation today, the only alternative to extension of the Sugar Act is for the Congress to take no action, which would result in utter chaos in this very important domestic industry, not to mention the disruptive effect such a course would have on the world market.

Given these alternatives, a Member has little choice but to support this legislation as reported, with amendments, by the Committee on Agriculture. I appreciate the fact that in considering this legislation the committee has had to face extremely complex problems affecting our relations with the volatile Government of Cuba, and I appreciate the work the committee has done in bringing this legislation to the floor.

It is regrettable, however, that it could not have been brought to the floor earlier, when more time would have been available to give to these problems the careful consideration that is necessary.

It is also regrettable, in my opinion, that the committee has seen fit to recommend only a 1-year extension of the act. I think this would have been a much better bill if the committee had recommended a 2-year extension of the act, rather than a 1-year extension.

I am sure that the members of the committee in charge of this legislation would be the first to agree that the problems involved are complex and controversial. It is time for a thorough review of the Sugar Act legislation and its related problems. In its report on the bill the committee itself, I am pleased to note, recognizes this. The committee report says, in part:

The fact that the act is by this bill extended for only 1 calendar year (through Dec. 31, 1961) is to be taken as an indication of congressional policy that this is not an appropriate time for another 4-year extension but that the whole act should be reviewed and reconsidered next year in the light of conditions in sugar-producing areas at that time.

It would have been much more logical, in my opinion, for the committee to recommend a 2-year extension, so that a thorough study could be made in the first session of the 87th Congress and legislative action based on that study could be taken in the second session of the 87th Congress.

I am afraid that with a 1-year extension we are going to come up to the closing days of the first session of the 87th Congress and be faced with much the same situation we have here today. Again, we will have to consider this legislation on a rush basis. Anyone would have a difficult time convincing me that in the first session of a new Congress it is going to be any other way. There simply will not be enough time next year to give this program, and its related problems, the thorough study that is needed and then come up with legislation based on such a study.

Mr. Chairman, the Committee on Agriculture itself in a committee report on legislation to extend an existing program, the farm labor program, argued most persuasively for a 2-year extension. I find it difficult to understand why the committee has chosen not to apply its own highly logical reasoning to the legislation we are considering today, so that the Congress would have a full term in which to give careful consideration to revision of the basic legislation rather than being forced, once more, to act hastily in the closing days of a session.

I should like to add that, in my opinion, a 1-year extension rather than 2 years is not in the best interests of the farmers who grow sugar beets or sugar cane. Farmers need to be able to plan their operations for the ensuing year with some degree of certainty as to what the situation may be, and a 1-year extension of the Sugar Act does not meet that need.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all Members desiring to do so may be permitted to extend their remarks in the RECORD at this point on the bill now under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McINTIRE. Mr. Chairman, I am in support of this bill. It is a compromise, and long overdue, in that for too long a time have we been giving economic assistance to Cuba under the provisions of the present Sugar Act. The authority this bill gives to the President is very much needed due to the present situation in Cuba.

I believe that early consideration to this act in the next Congress, and careful thought must be given to the importance of our east coast refining industry as the legislation is revised. Careful attention must be given to the domestic sugar industry. There must be an appropriate balance between the east and west parts of the country as to price and supply.

The Committee on Agriculture has a very heavy responsibility as it considers sugar legislation in the next Congress.

Mrs. ST. GEORGE. Mr. Chairman, and Members of the Committee, the present bill has been given deep and searching thought by the great Committee on Agriculture. Unfortunately, they have come up with a piece of legislation which once more does something that we in the Congress, of late, are far too prone to resort to, namely, we are passing the whole problem on to the Executive, without very many guidelines of any kind, and merely shifting responsibility that we should assume ourselves to the shoulders of the President of the United States.

I have introduced, and would like to present as an amendment, H.R. 9376. This bill would merely prohibit the United States from paying a bonus to Cuba for its sugar.

I am fully aware that there are interests in this country, namely sugar producers, who themselves favor this agreement because it boosts the price of their own commodity by paying a bonus to Cuba for their sugar. I do not feel that under the present conditions this should be considered a valid reason to subsidize the enemies of our country.

I have received a bulletin sent out through the Cuban Embassy, which is highly critical, not to say inimical, to the United States and all its policies. Here is a quotation from the bulletin:

> Cuba has already sold 65 percent of its world market sugar quota of which 1,340,000 tons were sold before February 5. Reports from the Sugar Stabilization Institute show that 75 percent of the quota for sale or release, amounting to 995,143 tons, has also been sold. After the announcements that the U.S.S.R. has bought 575,000 tons, the United Arab Republics 76,000, and Poland and Socialist China 50,000 tons, the Minister of Commerce, Dr. Cepero Bonilla, stated that "this year the sugar warehouses will be cleaned up."

Therefore, the Republic of Cuba is really in no need to send any more sugar to the United States. As we all know, the United States is well able to get the necessary sugar for its own use without paying any bonus to Cuba or any other country.

Mr. Chairman, we of course are always jealous of the rights of others, particularly if they are revolutionists or if they are more or less affiliated with the Soviet Republic. I should like to call your attention to a fact which is noted in many newspapers, notably the Wall Street Journal, which on its front page carried this item:

> Cubans are enslaved by the 3 million tons of sugar the United States buys annually from the island at prices well above the world market. Ernesto Guebara, Castro's chief economic adviser, made this charge in a television address at Havana. These purchases, he said, had made Cuba dependent on sugar and kept the country in a semi-colonial state until Castro's revolution. He made clear, however, the Castro regime is not ready to give up the $150 million a year bonus the United States pays for Cuban sugar.

I personally would like to introduce as an amendment my bill, H.R. 9376, which merely prohibits the paying of a bonus on Cuban sugar and would force its importation simply at the world market price. According to the fulminations of the Cubans themselves, this would be entirely acceptable to them. They claim we have made them a one-crop economy. They also claim very great delight at doing business with the U.S.S.R., the latter paying simply the world market price for their sugar and apparently, in some instances, buying it through a barter system.

I wish to reiterate that the bill that I propose to offer as an amendment would in no way curtail or prohibit the importation of Cuban sugar.

Mr. ALGER. Mr. Chairman, it seems to me that action against Cuba is long overdue. Why subsidize your enemy? Why delay responsible action as we have done up to this point? Why has the House Democrat leadership delayed so long in programing this bill before committee and Congress. As we face a recess adjournment instead of adjournment sine die, I am reminded once again of the failure of Democrat leadership to provide leadership. As for Cuba and Castro, I do not believe that the House should relinquish its traditional jurisdiction over this trade policy. Obviously something must be done and done now to stop this expensive subsidy to Cuba. Meanwhile, we can release our domestic producers to provide this sugar and also buy from friendly allies.

Mr. COFFIN. Mr. Chairman, I want to express my agreement with my distinguished colleague, the gentleman from Florida [Mr. SIKES]. I think it is important that we demonstrate here that we are sensitive to the importance of our relations with our good frends in Latin America, not only with the countries listed in the Committee report but with the other sugar-producing countries of Brazil, Colombia, Guatemala, Ecuador, and El Salvador. I recognize the inevitable complexities of legislation which in effect exercises economic sanctions as an instrument of foreign policy. As has been pointed out it is essential to consider the legitimate needs of Latin American countries and to weigh their interests most carefully. Brazil is as large as the United States and is the third largest sugar-producing country. She is prepared to supply substantial tonnage if given the opportunity. Guatemala, as we know, has dramatically thrown off the threat of Communist domination and is prepared to supply quantities of sugar. Even though her contribution may be relatively modest, this is of great economic importance to her and her participation should therefore be of importance to us. The other three countries I have named can make modest contributions, as well. It will take consideration and restraint to insure that a proper balance is maintained in this measure to place curbs on those whose actions are inimical to the United States and to see at the same time that our friends are not in any way damaged or endangered.

Mr. COOLEY. Mr. Chairman, I yield myself 8 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOFFMAN of Michigan. Why can we not vote now?

Mr. COOLEY. One Member asked me about that a moment ago, but I want to make a statement about this bill now.

Mr. HOFFMAN of Michigan. He can read it in the RECORD tomorrow.

Mr. COOLEY. Mr. Chairman, this is a very simple proposition, and I assume most Members know what we are voting on, a 1-year extension of the sugar program, which has been one of the most successfully operated programs we have had for agriculture at any time during the time I have served in Congress.

I have served on the committee for 26 years and have participated in the preparation and passage of all the sugar legislation which has been enacted during the time I have served on the committee.

No one rushed us to open up the quota provisions of this complicated sugar legislation during the entire first session of this Congress and no one has rushed us to open it up during this session, so we have not had any hearings.

However, I commend to your attention this very fine and comprehensive report which we have filed, which contains some very good, factual information concerning the program and how it has operated and what it has meant to the people of America, both producers and consumers. It is vital to the welfare not only of our producers but also to our consumers in this country. Without this program all of the producers of this country would be facing financial difficulties.

The committee did take it upon itself to revise the quota provisions applicable to the small countries like Haiti, Panama, Costa Rica, Formosa, and maybe one other country. There are other countries that should be included.

I should like very much to see some of the other smaller countries like Ecuador, Guatemala, Colombia, and El Salvador included in this program. When we open the hearings in the next session of Congress and go into the quota provisions, I want to assure everyone interested in the sugar legislation that they will be given an opportunity to be heard. We know that it is a difficult thing. We had hearings in 1956. We held exhaustive hearings. The bill passed the House at that time without opposition. Fortunately we are presenting a bill here that has the unanimous support of all the members of the Committee on Agriculture.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Virginia.

Mr. GARY. Is it true that we are paying Cuba approximately 2 cents more per pound for sugar than Russia is paying them for the same kind of sugar?

Mr. COOLEY. I am quite certain that the gentleman is approximately correct in his statement.

Mr. GARY. Is it also true that we are paying them approximately a cent and a half more than the world market on sugar?

Mr. COOLEY. I do not know just what the difference is between the world market and what we are paying, but we are paying Cuba something more than the world market.

I want to say this: This bill was not enacted for the protection of any offshore producing area, it was enacted primarily for the purpose of protecting the American producers of sugar, including the Hawaiian Islands and Puerto Rico. It has accomplished that purpose. We have protected our producers.

Unfortunately, our producers do not compete in price with other sugar-producing areas of the world. The gentleman talks about Russia getting Cuban sugar more cheaply than we get Cuban sugar, but that does not mean anything to the housewife in Russia because the Russian housewife is not paying what the American housewife is paying, she is paying 30 cents a pound for sugar.

Mr. GARY. It means a lot to Castro. I for one am not willing to pay Cuba any more for sugar than they are charging Russia as long as Castro is at the head of the government. I will go along with this legislation, but I hope that somebody will offer a motion to recommit to fix the price at not to exceed that being paid by Russia.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENNINGS. Mr. Chairman, I want to agree that this legislation should be extended. Under the emotional strain that exists today between the United States and Cuba this is no time to revise the Sugar Act. However, I would ask the gentleman from North Carolina if he does not feel that we should have a study in depth by a special subcommittee or by the Committee on Agriculture itself pertaining to the entire Sugar Act.

Mr. COOLEY. I can assure my friend that the sugar legislation should be carefully considered and studied either by a special subcommittee set up for that purpose or by one of the regular standard subcommittees of the Committee on Agriculture.

Mr. JENNINGS. Will the gentleman agree that anything in this act will not be considered as a precedent in the future?

Mr. COOLEY. No; we have set no precedent here at all except I think we have given consideration to the little countries. I doubt that we will ever be willing to take away what we have given them here. As I said a moment ago I would like to have included some other small producing countries.

Mr. JENNINGS. I quite agree with the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GROSS. What would be the situation if this bill were not to be adopted?

Mr. COOLEY. The Sugar Act would expire on December 31 and chaos would ensue in the sugar markets of America. Our producers, Hawaii, the Philippines, Puerto Rico could face bankruptcy. Then if Cuban sugar were to come in, the market would be absolutely demoralized, and it would ruin all phases of the sugar industry. So far I have not discussed the bill to any extent, but I shall go more into detail.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. If this bill does not pass, it will enable the Castro regime to manipulate sugar and sugar prices at our expense. He could hold back sugar, he could manipulate prices, and in the light of the circumstances of the last few months, it seems that this is the most satisfactory way to approach the present situation.

Mr. COOLEY. As the gentleman says, by withholding sugar he could force prices up; by bringing sugar into the market he could force prices down.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. COHELAN. The gentleman in his remarks stated that no hearings were held. It seems to me I recall the Secretary of State being before the committee.

Mr. COOLEY. He did appear at the hearings to talk about the policy phases of it, not about the allocation of sugar.

Mr. COHELAN. This is my concern. It would seem to me that this all will and could affect sugar policy, but I am wondering whether we are confusing sugar policy with foreign policy.

Mr. COOLEY. I have said all along through the years, that I thought it would be very unfortunate to use a farm bill for political purposes, as this might be used. But in the legislation we trust the President to fix the foreign policy of the country. He cannot give Castro a ton of sugar unless he affirmatively finds that it is in the public interest or national interest to do so.

Mr. COHELAN. If the gentleman will yield further, is there any coordination, can the gentleman tell me, between this committee in matters of this kind and the Foreign Affairs Committee of the House.

Mr. COOLEY. There has been no collaboration between the two committees. We called Mr. Herter in to tell us what the policy of the State Department was.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HAYS. Will the gentleman tell me if there is anything in this act about Castro's withholding sugar? A lot has been said about what might happen if he withheld sugar. Is there anything in this act which would keep him from withholding sugar if he wanted to?

Mr. COOLEY. No.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENSEN. I understand we pay Cuba about 150 or 155 percent of parity for sugar. Is that about right, that percentage of their parity?

Mr. COOLEY. I do not know anything about Cuban parity.

Mr. JENSEN. You will find that is about right.

Mr. COOLEY. We support sugar prices above parity in this country, that is true.

Mr. JENSEN. We pay Cuba at least 150 percent of her parity for sugar we buy from her but we refuse to pay our own farmers 90 percent of parity for the things the Government buys from our farmers, or to help them get a better market for their products.

Mr. COOLEY. I agree with the gentleman that Cuba receives favored treatment in the price of sugar.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. WILLIS. It is correct, is it not, that under this bill which extends the Sugar Act for 1 year, standby powers are specifically granted to the President whereby if Castro—we all have quite mutual feelings about him—should fail or refuse to honor commitments, or in an emergency the President may act, and we do have this economic big stick in the bill. That is one of its magnificent provisions, in my opinion. That is correct, is it not?

Mr. COOLEY. The gentleman is right.

Mr. WILLIS. I would like to know about Castro withholding Cuban sugar from this country.

Mr. COOLEY. He can do that now, but under the bill if he does withhold it we can cut his quota down.

Mr. HAYS. That is all for the good. The point I am trying to make is, there is nothing to prevent him from withholding. He is the boss about that.

Mr. COOLEY. Right now that is true, but if we pass the bill the President can go anywhere to get the sugar.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. If Castro withholds the sale of sugar, the President can buy from friendly governments in South America and elsewhere; is that right?

Mr. COOLEY. That is right. If he withholds it from us the President can exercise the authority given to him under this bill.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I am puzzled as to why we are spending $65 million in sugar subsidies for the producers in this country.

Mr. COOLEY. I do not know where the gentleman gets the $65 million. This bill has been operating for over 20 years. We have received and we are holding in the Treasury of the United States $400 million plus over and above the amount of payments that have gone out to producers, $480 million profit, if you want to call it that, to the Treasury of the United States.

The gentleman says it is a subsidy. Perhaps it is a subsidy but it is a subsidy to the producers of American sugarcane and sugar beets all the way from Hawaii to Puerto Rico.

Mr. Chairman, I present a brief summary of the bill and amendment before us, along with a detailed discussion of the sugar program, including statistical data.

The bill now before the House contains the following provisions:

First. A 1-year extension of the act to December 31, 1961.

Second. Presidential authority—whether Congress is in session or not—to establish the sugar quota for Cuba for the balance of 1960 and for 1961 at such level as the President shall find from time to time to be in the national interest, but in no event in excess of the Cuban quota under present law. If the President sets the Cuban quota at less than present law, the reduction would be reapportioned as follows: (a) An amount equivalent to Cuba's share in the domestic deficit may be assigned exclusively to the domestic area; and then (b) to five nations whose quota is presently between 3,000 and 10,000 tons a sufficient quantity of sugar to bring each of them up to 10,000 tons. These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then, (c) to the Philippine Islands 15 percent of the remainder; and then, (d) to the full duty nations having quotas under the act—except those five nations mentioned in (b) above—the remaining 85 percent in amounts prorated according to the quotas established by the act; and then, (e) to any other foreign nations without regard to allocations.

The President also would have authority to obtain refined sugar if raw sugar was unavailable.

Third. A technical amendment recognizing Hawaii's full status as a State.

Fourth. A permanent change in the law which gives the Secretary of Agriculture the authority to reduce for the then current calendar year the quota of a foreign nation or an area, if that nation or area is unwilling or unable to meet its quota. The Secretary could reduce the nation's or area's quota by the amount of the deficit declared against it. This provision would prevent a country or area which had failed to fill its quota from disorganizing the U.S. market by shipping its full quota after a deficit had been declared against it.

Fifth. A provision applicable to the 1961 crop only which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits.

Mr. Chairman, the bill before us is relatively simple. It extends for 1 calendar year—through 1961—the Sugar Act of 1948.

The committee amendment also is quite simple. It authorizes the President to establish the Sugar quota for Cuba for the balance of this calendar year, and for the calendar year 1961, at any level he finds to be in the national interest that is not in excess of the quota Cuba would have received under the regular operations of the provisions of the Sugar Act.

The committee amendment also stipulates the sources to which the President is to turn for sugar which he may decide not to obtain from Cuba. To the extent that the Cuban quota consists of deficits in domestic area quotas which have been reallocated to that country, any cut in the Cuban quota would be reallocated to domestic producing areas. It is generally understood that this would amount to approximately 156,000 tons during the current calendar year.

Any amount above this would be allocated to foreign countries. There would first be allocated to five of our smaller foreign suppliers enough sugar to bring their quotas up to 10,000 tons each. These countries are Haiti, Netherlands, Formosa, Panama, and Costa Rica. The remainder will then be apportioned to other foreign countries now participating in our sugar program, with 15 percent being allocated to the Republic of the Philippines, and the balance divided pro rata among the other foreign countries which have sugar quotas.

If any of these countries are unable to fill this augmented quota, and let me say that I have no doubt some of them will not be able to do so if the allocations are of any substantial size, the President may then go outside our quota system and obtain sugar from any country in the world that has it to sell.

The powers that the committee amendment authorizes the President to exercise are very broad. It is not necessary, for example, that he should assign Cuba all of its quota at one time. The bill authorizes him to make these determinations "from time to time" and it would be entirely within his authority to assign Cuba only a relatively small quota at the start of 1961, for example, and then increase that quota from time to time, as conditions might warrant.

Nor, is it necessary for him to assign for reallocation to other areas under the formula provided in the amendment, at any one time, all of the difference between the quota he has established for Cuba and the quota which Cuba would have under the regular operation of the Sugar Act. This quantity too, may be made available for allocation to other countries from time to time and in such overall quantities as the President deems desirable.

I believe, Mr. Chairman, that we have in this bill and the committee amendment a real instrument for peace and stability in this hemisphere. Under the authority of this legislation, the President can, if he chooses, negotiate with the Government of Cuba about its share in our sugar market. Any agreement that is reached would be reached on the basis of a clear understanding of the privileges and obligations of both parties to the contract. There is no requirement in this legislation that one single pound of sugar be cut from Cuba's quota. Nor, on the other hand, is there any requirement that we should accept delivery of one single pound except that for which certificates of entry have been issued at the time this bill becomes law.

I would hope that it would not be necessary to cut the Cuban quota—that negotiators for our Government would sit down with negotiators for the Cuban Government and reach a sensible agreement as to the responsibilities of both contracting parties which would permit delivery of the entire Cuban quota.

Mr. Chairman, our sugar program has been, up to this time, one of our most successful agricultural programs—both for producers and consumers of the United States and for our neighboring countries. I fervently hope that it will continue to be this kind of a program. Because this is such an important program, Mr. Chairman, and because there is such wide interest in it at this time, under unanimous consent I extend my remarks at this point by including an explanation, including some statistical material, of our sugar program and how it works.

Now, Mr. Chairman, I shall insert at this point a detailed discussion of the sugar program:

NATIONAL POLICY

For many years it has been the policy of the U.S. Government—for defense and strategic reasons—to preserve within the United States the ability to produce a substantial portion of our sugar requirements. This has been done because sugar is an essential and vital food product needed by American consumers, the supply of which on a worldwide scale has been marked by periods of alternating scarcity and surplus.

A large portion of the world's sugar is grown in tropical countries where cheap labor is abundantly available. An additional large portion of world production is in countries which, like the United States, provide protection or subsidy to their sugar producers.

It is unlikely that a significant amount of sugar would be grown in the continental United States if American producers had to compete on the open world market with sugar produced with cheap tropical labor or under subsidy in other countries.

For years, protection was afforded to our sugar producers solely through the tariff. Although the tariff did assist domestic producers, it still left them exposed to the price fluctuations of the world sugar market. It also increased the price of sugar to consumers in the United States without assuring them of adequate foreign sources of supply.

A quota system which prorated domestic consumption among producers in the United States and a number of foreign countries was developed and enacted as law in 1934. The quota system was revised in 1937 and again in the present act which became effective in 1948. Since initiation of the quota system, the tariff on sugar has been reduced 75 percent and now represents only supplementary protection to the sugar industry.

TABLE 1.—*Entries and marketings of sugar in continental United States from all areas, 1900 to date*

[1,000 short tons, raw value]

Year [1]	Total	Continental United States [2]		Hawaii	Puerto Rico	Virgin Islands	Philippines	Cuba [2]	Other foreign countries
		Beet	Mainland cane						
1900	2,413	92	312	252	36	(1)	25	353	1,343
1901	2,963	198	364	345	69	(1)	2	550	1,435
1902	2,574	233	373	360	92	(1)	6	492	1,018
1903	3,143	258	278	387	113	(1)	9	1,198	900
1904	3,023	259	415	368	130	(1)	31	1,410	410
1905	3,118	335	390	416	136	(1)	39	1,029	773
1906	3,359	518	273	373	205	(1)	35	1,391	564
1907	3,701	496	394	411	204	(1)	13	1,618	565
1908	3,331	456	415	539	235	(1)	19	1,155	512
1909	3,730	548	332	511	244	(1)	42	1,431	622
1910	3,789	546	355	555	285	(1)	88	1,755	205
1911	3,801	642	361	506	323	(1)	115	1,674	180
1912	3,927	742	163	603	367	(1)	218	1,593	241
1913	4,382	784	301	543	383	(1)	102	2,156	113
1914	4,431	773	247	557	321	(1)	58	2,463	12
1915	4,718	935	139	640	294	(1)	163	2,392	155
1916	5,000	878	311	569	425	(1)	109	2,575	133
1917	4,808	819	246	581	489	6	134	2,335	198
1918	4,430	814	285	540	336	4	87	2,280	84
1919	5,352	777	122	579	364	10	88	3,343	69
1920	6,337	1,165	176	550	413	13	146	2,881	993
1921	5,412	1,091	327	541	469	6	165	2,590	223
1922	6,807	722	296	568	360	6	275	4,527	53
1923	5,831	943	172	519	342	2	238	3,426	189
1924	6,463	1,166	90	677	393	2	339	3,692	104
1925	6,934	977	142	755	600	11	493	3,923	33
1926	7,024	960	48	747	559	6	380	4,280	44
1927	6,809	1,170	72	777	574	6	531	3,650	29
1928	6,691	1,135	136	878	674	11	575	3,249	33
1929	7,587	1,089	218	882	507	3	711	4,149	28
1930	6,683	1,293	215	868	809	6	794	2,645	53
1931	6,727	1,343	206	998	796	2	872	2,482	28
1932	6,303	1,319	160	1,048	940	5	1,028	1,791	12
1933	6,331	1,366	315	990	793	5	1,249	1,573	40
1934	6,574	1,562	268	948	807	5	1,088	1,866	30
1935	6,277	1,478	319	927	793	2	917	1,830	11
1936	6,833	1,364	409	1,033	907	4	985	2,102	29
1937	6,860	1,245	491	985	896	8	991	2,155	89
1938	6,619	1,448	449	906	815	4	981	1,941	75
1939	7,466	1,809	587	966	1,126	6	980	1,930	62
1940	6,443	1,550	406	941	798	0	981	1,750	17
1941	8,009	1,952	411	903	993	5	855	2,700	190
1942	5,555	1,703	407	751	836	0	23	1,796	39
1943	6,466	1,524	460	866	642	3	0	2,857	114
1944	6,942	1,155	515	802	743	3	0	3,618	106
1945	5,997	1,043	417	740	903	4	0	2,803	87
1946	5,657	1,379	445	633	867	5	0	2,282	46
1947	7,759	1,574	383	842	969	3	0	3,943	45
1948	7,084	1,656	456	714	1,013	4	252	2,927	62
1949	7,588	1,487	557	769	1,091	4	525	3,103	52
1950	8,279	1,749	522	1,145	1,053	11	474	3,264	61
1951	7,758	1,730	457	941	959	6	706	2,946	13
1952	7,991	1,560	579	972	983	6	860	2,980	51
1953	8,282	1,749	513	1,087	1,118	12	932	2,760	111
1954	8,240	1,802	501	1,040	1,082	10	974	2,718	113
1955	8,396	1,797	500	1,052	1,080	10	977	2,862	118
1956	8,992	1,955	601	1,091	1,135	13	982	3,089	126
1957	8,916	2,066	636	1,037	912	15	906	3,127	217
1958	9,076	2,240	680	630	823	6	980	3,438	279
1959	9,240	2,241	578	977	958	12	980	3,215	279

[1] Data on fiscal year basis 1900–18; calendar year basis 1919 to date.
[2] Crop year production 1900–30.
[3] Excludes sugar imported for foreign claimants as follows: 1942, 144,000 tons; 1943, 446,000 tons; 1944, 262,000 tons; 1945, 337,000 tons; 1946, 368,000 tons; 1947, 230,000 tons.

TABLE 2.—*Basic and adjusted sugar quotas, 1954–59*

[Short tons, raw value]

Area	Basic quotas—Final						Adjusted quotas—Final					
	1954	1955	1956	1957	1958	1959 [1]	1954	1955	1956	1957	1958	1959 [1]
Domestic:												
Domestic beet	1,800,000	1,800,000	1,953,952	1,948,357	1,998,717	2,021,098	1,803,099	1,800,000	1,955,401	2,070,694	2,292,488	2,225,264
Mainland cane	500,000	500,000	601,250	599,528	615,024	621,912	500,861	500,000	601,696	637,172	720,805	684,735
Hawaii	1,052,000	1,052,000	1,090,496	1,087,373	1,115,479	1,127,970	1,043,000	1,052,000	1,091,305	1,060,000	700,000	977,970
Puerto Rico	1,080,000	1,080,000	1,140,253	1,136,987	1,166,375	1,179,437	1,081,859	1,080,000	1,141,098	920,000	815,000	969,875
Virgin Islands	12,000	12,000	15,549	15,505	15,905	16,083	10,500	12,000	12,000	14,753	6,100	12,405
Total, domestic areas	4,444,000	4,444,000	4,801,500	4,787,750	4,911,500	4,966,500	4,439,319	4,444,000	4,801,500	4,702,619	4,534,393	4,870,249
Foreign:												
Philippines	974,000	977,000	980,000	980,000	980,000	980,000	974,000	977,000	980,000	930,000	980,000	980,000
Cuba	2,718,720	2,859,840	3,089,760	2,993,897	3,060,475	3,090,065	2,723,401	2,859,840	3,089,760	3,127,028	3,437,582	3,186,316
Other foreign	113,280	119,160	128,740	213,353	248,025	263,435	113,280	119,160	128,740	215,353	[2] 279,304	263,435
Total, foreign areas	3,806,000	3,956,000	4,198,500	4,187,250	4,288,500	4,333,500	3,810,681	3,956,000	4,198,500	4,272,381	[2] 4,696,886	4,429,751
Grand total	8,250,000	8,400,000	9,000,000	8,975,000	9,200,000	9,300,000	8,250,000	8,400,000	9,000,000	8,975,000	[2] 9,231,279	9,300,000

[1] As announced Sept. 3, 1959.
[2] This is 31,279 tons larger than "basic," above, because Peru acceded to the International Sugar Agreement in November 1958. This entitled Peru to enter its full basic proration for the year even though the difference between her basic proration and the nonmember limit pursuant to the agreement had been prorated to other full duty countries before her accession occurred.

TABLE 2(a).—*Status of 1959 sugar quotas as of Dec. 31, 1959*

Area	Quota	Credit for drawback of duty	Charge to quota and offset to drawback of duty [1]		Unfilled balance	
			Total	Direct consumption [2]	Total	Direct consumption
	Short tons, raw value					
Domestic beet	2,267,665		2,242,000		25,665	
Mainland cane	697,783		600,000		97,783	
Hawaii [3]	977,970		976,852	21,574	1,118	1,118
Puerto Rico [3]	969,875		[4] 957,580	138,919	12,295	242
Virgin Islands [3]	12,405		12,302		103	
Republic of the Philippines	980,000	0	980,000	31,464	0	[5] 0
Cuba	3,215,457	3,266	3,218,723	375,771	0	[5] 0
Other foreign countries	278,845	2,144	280,812	65,748	177	177
Total	9,400,000	5,410	9,268,269	633,476	137,141	1,537
Details of other foreign countries:						
Peru	95,527	1,107	96,634	10,094	0	0
Dominican Republic	81,457	903	82,360	8,983	0	0
Mexico	64,809	83	64,892	16,341	0	0
Nicaragua	14,027	0	14,027	10,778	0	0

See footnotes at end of table.

TABLE 2(a).—*Status of 1959 sugar quotas as of Dec. 31, 1959*—Continued

Area	Quota	Credit for drawback of duty	Charge to quota and offset to drawback of duty [1]		Unfilled balance	
			Total	Direct consumption [2]	Total	Direct consumption
Details of other foreign countries—Continued						
Haiti	7,014	11	6,862	3,515	163	163
Netherlands	3,731	0	3,730	3,730	1	[5] 1
China	3,624	0	3,611	3,611	13	[5] 13
Panama	3,624	40	3,664	3,664	0	0
Costa Rica	3,616	0	3,616	3,616	0	0
Canada	631	0	631	631	0	[5] 0
United Kingdom	516	0	516	516	0	0
Belgium	182	0	182	182	0	0
British Guiana	84	0	84	84	0	0
Hong Kong	3	0	3	3	0	[5] 0
Total	278,845	2,144	280,812	[6] 65,748	177	177
	Wine gallons of 72 percent total sugar content					
Liquid sugar: [7]						
Cuba	7,970,558		7,970,558		[5] 0	
Dominican Republic	830,894		830,894		0	
British West Indies	300,000		0		300,000	

[1] These data include the following: (*a*) Domestic beet and mainland cane sugar partly estimated; and (*b*) all other sugar entered as of Dec. 11, 1959.
[2] Includes raw sugar for direct consumption from Cuba, 16,236; Hawaii, 62; Republic of the Philippines, 6,792; Puerto Rico, 16; Haiti, 3,515; Peru, 43; total, 26,664.
[3] Despite deficit declared, full quotas remained available as follows: Hawaii 1,140,462; Puerto Rico, 1,192,498; Virgin Islands, 16,261.
[4] In addition, 117 tons of raw sugar were imported for processing and return to Puerto Rico.
[5] Sugar held in Customs custody pending availability of quota: Cuba, 5,551; Netherlands, 3,462; Canada, 641; Hong Kong, 42; China, 214; Philippines, 8,936; Cuban liquid, 87,092 gallons.
[6] Under sec. 212(1) charges to quotas exclude the 1st 10 tons entered from West Germany, Guatemala, Japan, and from each country listed.
[7] Under sec. 212(3) 13,072 gallons were entered from the United Kingdom and 900 gallons from Australia.

A tax of 0.5 cent per pound is imposed on all sugar manufactured or imported into the United States. Payments are made to domestic producers of sugarcane or sugar beets at a rate which ranges from 80 cents per hundredweight of recoverable sugar produced on small farms to as little as 30 cents per hundredweight of production in excess of 30,000 tons of sugar on large farms. To qualify for payments under the program, producers must comply with production restrictions, pay fair wages to workers, and not employ child labor and, if they are also processors, pay fair prices for sugarcane or sugar beets.

Income to the Government from the tax on sugar has been very substantially in excess of the amount disbursed as payments to domestic growers during each of the years under the program. In recent years the income from the tax has approximated $90 million annually, while payments to growers have approximated $65 million.

Since 1937 there has been a net return to the Treasury of over $400 million in the difference between collections on the sugar excise tax and the actual cost of the stabilization program.

BASIC PURPOSES OF THE SUGAR ACT

Basically, the Sugar Act is intended to do three things: (1) Make it possible, as a matter of national security, to produce a substantial part of our sugar requirements within continental United States and to do this without the consumer-penalizing device of a high protective tariff; (2) assure U.S. consumers of a plentiful and stable supply of sugar at reasonable prices; and (3) permit nearby friendly foreign countries to participate equitably in supplying the U.S. sugar market for the double purpose of expanding international trade and assuring a stable and adequate supply of sugar.

The Sugar Act has been notably successful in attaining all three of these major objectives. Under its protection, approximately one-third of our total consumption of sugar is produced by growers within the continental limits of the United States and total domestic production (including Hawaii, Puerto Rico, and the Virgin Islands) fills 53 percent of our sugar quota. The Sugar Act has given us this security in supplies and at the same time has done so at a minimum cost to the consumer and taxpayer. Retail sugar prices in the United States have been remarkably stable since the enactment of the Sugar Act. Up to the present, our Sugar Act has been nearly as successful in attaining its third objective—the sharing of part of our market equitably among nearby friendly nations. Cuba furnishes about one-third of our needs and the Philippines about 11 percent. About 3 percent is imported from other foreign countries.

TABLE 3.—*Sugar Act tax collection, 1938 to date*

Fiscal year	Sugar tax collections [1]		
	Excise tax [2]	Import tax [3]	Total
1938	$30,569,130	$2,680,298	$33,249,428
1939	65,414,058	3,494,627	68,908,685
1940	68,145,358	5,456,207	73,601,565
1941	74,834,839	4,859,760	79,694,599
1942	68,229,803	4,088,963	72,318,766
1943	53,551,777	3,520,064	57,071,841
1944	68,788,910	5,097,940	73,886,850
1945	73,293,966	3,522,414	76,816,380
1946	56,731,986	3,231,592	59,963,578
1947	59,151,922	5,115,447	64,267,369
1948	71,246,834	3,284,502	74,531,336
1949	76,174,356	4,698,867	80,873,223
1950	71,188,029	4,091,155	75,279,184
1951	80,191,884	3,613,479	83,805,363
1952	78,473,191	3,621,210	82,094,401
1953	78,129,860	5,005,959	83,135,819
1954	73,885,000	4,498,368	78,383,368
1955	78,512,000	4,177,097	82,689,097
1956	82,894,000	4,806,321	87,700,321
1957	86,091,000	4,305,501	90,396,501
1958	85,911,000	4,957,798	90,868,798
1959	86,378,000	5,683,187	92,061,187
1960			

[1] Imposed at a rate of 0.465 cent per pound on sugar testing 92 sugar degrees and for each additional sugar degree 0.00875 cent per pound additional (equivalent to 0.50 and 0.535 cent per pound on sugar testing 96 and 100 sugar degrees, respectively). On sugar testing less than 92 sugar degrees the rate is 0.5144 cent per pound of the total sugar content.
[2] Collected by the Internal Revenue Service on all sugar processed or refined in the United States.
[3] Collected by the collector of customs on direct consumption sugar imported into the United States.

SUPPLY

Table 1 shows how the various supplying areas have participated in the U.S. sugar market from 1900 through 1959. It will be noted that since 1948, all areas have shared equitably in the expanding sugar market in the United States. The lower figures for some areas in the past 2 or 3 years have resulted from production difficulties.

Table 2 shows the manner in which quotas have been distributed among the various producing areas in the past 6 years. Table 2(a) shows the final quotas for 1959 and unfilled balances, if any. Final quotas of Hawaii, Puerto Rico, and the Virgin Islands reflect adjustments for deficits.

COST

As has been pointed out, the objectives of the Sugar Act have been attained at a minimum of cost to the consumer and the taxpayer. The program is financed by a tax of one-half cent per pound raw value on all sugar processed in the United States and on all imported refined sugar. This tax has been offset by more than $400 million, the total of all payments to domestic producers plus the cost incurred by the Department of Agriculture in administering the Sugar Act. Table 3 shows the total of such collections by years since the enactment of the Sugar Act in 1937. It is to be noted that the collections do not include tariff duties, which amount to approximately $37.5 million per year, but only collections from the tax above referred to. Table 4 shows the payments which have been made under the act to the various domestic areas.

PRICES

An outstanding feature of the U.S. sugar program is the price stability it has brought to our domestic sugar market. Although there are fluctuations, they are within a rather narrow range—reducing uncertainties and inventory problems for consumers. Industrial users of sugar are not compelled to carry excessive sugar stocks as a hedge against a sudden large price rise, nor do they fear that the value of the working stocks they have on hand will suddenly shrink. Similarly, the American housewife can reach for sugar on her grocer's shelf with confidence not only that it will be there but also that the cost will continue to be a negligible item in the family food budget. Both the industrial user and the homewife know that the price of sugar in the United States is not only stable, but it is also reasonable by any fair standard of measurement.

This has not always been the case, as is demonstrated by table 5, which shows the retail price of refined sugar from 1913 until shortly after the effective date of the 1937 Sugar Act. In June 1920, sugar reached a price of 26.7 cents per pound, and the whole

period 1913–20 was marked by steady increases in sugar prices, combined with violent fluctuations. Fluctuations continued during the 1920's with a generally descending trend in prices but with prices for the first 7 years substantially above a reasonable level, as compared to the general price structure and the price of other foods. It will be noted also that even in the depression years of the early 1930's, sugar prices did not respond downward along with all other prices and the price of sugar was relatively high compared both to the general price level and consumer income.

Table 6 shows the price behavior of sugar since the effective date of the 1937 Sugar Act. Prices shown here are wholesale prices for refined sugar in New York. Column 1 shows the actual cash price of refined sugar which increased from 4.48 cents per pound in 1938 to 9.14 cents per pound in 1959. Columns 2 and 3 show the index of prices of all foods and of per capita disposable income, respectively, and it will be noted that both of these categories have increased substantially more than the price of sugar. Column 4 shows that in comparison to the

TABLE 4.—*Sugar Act payments, by areas, 1937 to date* [1]

Crop year	Sugar beet	Mainland cane	Hawaii	Puerto Rico	Virgin Islands	Total
1937	$17,136,667	$5,355,774	$4,174,800	$9,502,122	----------	$36,169,363
1938	22,073,345	6,311,779	8,594,431	8,871,084	----------	45,850,639
1939	21,371,789	5,448,583	8,975,615	10,617,743	----------	46,413,730
1940	23,262,539	3,887,750	8,851,542	9,566,735	----------	45,568,566
1941	18,991,929	4,561,504	8,594,533	11,231,588	----------	43,379,554
1942	29,770,909	6,955,080	8,147,494	13,122,990	$26,320	58,022,793
1943	17,602,914	7,392,119	8,250,816	12,214,038	56,362	45,516,249
1944	18,632,477	6,646,061	8,210,656	13,061,033	41,380	46,591,607
1945	22,911,916	6,839,763	8,065,079	13,271,249	56,027	51,144,034
1946	27,735,230	6,536,104	6,574,448	15,060,552	66,758	55,973,092
1947	32,259,930	6,260,340	8,109,124	15,492,292	43,684	62,165,370
1948	23,206,938	7,202,755	7,628,611	17,667,677	64,142	55,770,123
1949	26,581,945	7,087,424	8,437,619	17,531,629	65,586	59,704,203
1950	33,744,012	7,826,663	8,471,294	17,148,914	138,510	67,329,393
1951	25,899,661	6,467,908	9,143,041	18,928,168	97,776	60,536,554
1952	24,735,741	7,977,490	9,398,138	16,960,951	145,120	59,217,440
1953	29,974,245	8,607,186	10,155,590	16,698,919	170,844	65,606,784
1954	33,224,656	8,051,294	9,932,469	16,220,824	127,750	67,556,993
1955	29,101,754	7,607,634	10,535,921	15,953,468	135,758	63,334,535
1956	31,287,969	7,330,693	10,179,146	14,683,659	167,144	63,648,611
1957	36,355,435	7,258,246	10,052,121	13,516,077	193,311	67,375,190
1958	[2] 36,309,000	7,397,473	7,430,239	14,873,728	124,999	66,135,439
1959	----------	----------	----------	----------	163,872	----------

[1] Includes abandonment and deficiency payments.
[2] Estimate.

TABLE 5.—*Refined sugar, retail price per pound, by months, 1913–40*

[Cents per pound]

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual average
1913	5.8	5.5	5.4	5.4	5.4	5.3	5.5	5.6	5.7	5.5	5.4	5.4	5.5
1914	5.2	5.2	5.1	5.0	5.0	5.1	5.2	7.9	8.0	7.2	6.2	6.1	5.9
1915	6.0	6.5	6.6	6.7	6.8	6.9	7.0	6.7	6.5	6.1	6.6	6.8	6.6
1916	6.7	6.9	7.5	8.0	8.6	8.7	8.8	8.5	7.7	8.2	8.6	8.3	8.0
1917	8.0	8.1	8.8	9.6	10.1	9.4	9.2	10.0	9.9	9.8	9.6	9.5	9.3
1918	9.5	10.6	9.2	9.1	9.1	9.1	9.2	9.3	9.6	10.6	10.8	10.8	9.7
1919	10.8	10.7	10.6	10.6	10.6	10.6	10.9	11.1	11.0	11.4	12.5	14.5	11.3
1920	17.8	18.8	18.7	20.2	25.4	26.7	26.5	22.9	18.3	13.9	12.8	10.5	19.4
1921	9.7	8.9	9.7	9.7	8.4	7.8	7.1	7.5	7.3	6.9	6.7	6.5	8.0
1922	6.2	6.4	6.5	6.7	6.6	7.1	7.6	8.1	7.9	7.9	8.1	8.3	7.3
1923	8.1	8.5	10.0	10.3	10.9	10.9	10.3	9.4	9.4	10.4	10.0	10.2	9.9
1924	10.0	10.1	10.2	9.7	9.0	8.1	8.2	8.0	8.4	8.6	8.6	8.5	9.0
1925	7.9	7.5	7.4	7.3	7.0	6.9	6.8	6.8	6.8	6.6	6.4	6.6	7.0
1926	6.5	6.6	6.5	6.5	6.6	6.8	6.8	6.8	6.8	7.0	7.0	7.1	6.8
1927	7.4	7.3	7.3	7.1	7.1	7.2	7.2	7.1	7.1	7.1	7.0	7.0	7.2
1928	7.0	7.0	7.0	7.0	7.1	7.1	7.1	6.9	6.9	6.8	6.7	6.6	6.9
1929	6.6	6.5	6.3	6.3	6.3	6.2	6.3	6.5	6.6	6.6	6.6	6.5	6.4
1930	6.5	6.4	6.3	6.2	6.2	6.0	6.0	5.9	5.8	5.7	5.8	5.8	6.1
1931	5.8	5.8	5.7	5.6	5.5	5.4	5.5	5.6	5.6	5.5	5.5	5.4	5.6
1932	5.3	5.3	5.2	5.0	4.9	4.8	4.9	5.0	5.0	5.1	5.0	5.0	5.0
1933	5.0	4.9	5.0	5.0	5.2	5.3	5.4	5.6	5.6	5.6	5.6	5.5	5.3
1934	5.4	5.4	5.4	5.4	5.4	5.4	5.7	5.7	5.7	5.7	5.6	5.5	5.5
1935	5.4	5.4	5.4	5.4	5.6	5.7	5.8	5.8	5.8	5.8	5.9	5.8	5.7
1936	5.7	5.6	5.5	5.5	5.6	5.6	5.7	5.7	5.6	5.6	5.5	5.5	5.6
1937	5.6	5.7	5.7	5.7	5.7	5.6	5.5	5.5	5.7	5.8	5.6	5.6	5.6
1938	5.5	5.6	5.5	5.4	5.4	5.3	5.3	5.2	5.1	5.1	5.2	5.2	5.3
1939	5.2	5.1	5.1	5.1	5.1	5.2	5.2	5.2	6.4	6.2	5.8	5.6	5.4
1940	5.4	5.3	5.3	5.3	5.2	5.2	5.2	5.1	5.1	5.1	5.1	5.1	5.2

TABLE 6.—*Wholesale prices of sugar (actual and adjusted), prices of all goods, per capita disposable income, and sugar distribution*

Year	(1) Sugar price, net cash, New York (cents per pound)	(2) Prices of all foods (wholesale) (index numbers, 1935–39=100)	(3) Per capita disposable income (index numbers, 1935–39=100)	(4) Sugar prices adjusted for change in— Prices of all foods (cents per pound)	(4) Per capita disposable income (cents per pound)	(5) Sugar distribution Total (1,000 short tons, raw value)	(5) Per capita (pounds, raw value)
1938	4.48	93	98	4.82	4.57	6,643	102
1939	4.58	89	105	5.15	4.36	6,868	105
1940	4.33	90	112	4.81	3.87	6,891	104
1941	4.92	105	136	4.69	3.62	8,069	[1] 121
1942	5.45	126	169	4.33	3.22	5,466	[1] 81
1943	5.49	135	190	4.07	2.89	6,335	93
1944	5.46	133	206	4.11	2.65	7,147	103
1945	5.39	134	209	4.02	2.58	6,041	86
1946	6.34	165	221	3.84	2.87	5,621	80
1947	8.12	206	230	3.94	3.53	7,448	103
1948	7.60	222	251	3.42	3.03	7,343	100
1949	7.81	202	247	3.87	3.16	7,580	102
1950	7.84	207	266	3.79	2.95	8,279	109
1951	8.21	232	287	3.54	2.86	7,737	100
1952	8.45	229	296	3.69	2.85	8,104	103
1953	8.55	219	308	3.90	2.78	8,485	106
1954	8.55	218	308	3.92	2.78	8,207	101
1955	8.42	212	323	3.97	2.61	8,399	102
1956	8.59	212	339	4.05	2.53	8,904	106
1957	8.97	218	350	4.11	2.56	8,734	102
1958	9.08	230	354	3.95	2.56	9,030	104
1959	9.14	219	368	4.17	2.48	9,182	103

[1] Unusually large distribution during 1941 resulted in building up of the "invisible" supply carried over in 1942 and a considerable amount of sugar distributed during 1941 was actually consumed during 1942.

price of all foods, and of disposable income, sugar is substantially cheaper today than it was at the start of the sugar quota program. Related to the price of all foods, sugar was 4.82 cents per pound in 1939 and only 4.17 cents per pound in 1959. Related to disposable personal income, sugar was 4.57 cents per pound in 1938 and is down to 2.48 cents per pound in 1959.

A comparison of current retail prices in the United States with those in other countries points up the fairness of sugar prices to American consumers and the effectiveness of our program under the Sugar Act. Such a comparison of prices is included in a study recently published by the Food and Agriculture Organization of the United Nations in its Monthly Bulletin of Agricultural Economics and Statistics for January 1960. This report shows that the average retail price of sugar in the United States—11 cents a pound in 1957, when the study was begun—is nearly 5 cents below the median price in 121 nations around the globe.

Measuring the retail price of sugar on the basis of wage rates, sugar prices in the United States are the lowest in the world. Two independent studies, one by the National Industrial Conference Board and one by the FAO, referred to above, show that an American workman needs to spend less time at his job, than a workman in any other nation in order to earn enough money to buy a pound of sugar. Table 7 is from the study conducted by the FAO. It shows that in 1946, a bricklayer in the United States needed to work only 4 minutes to buy 1 kilogram (2.2 pounds) of sugar. In contrast, a kilo of sugar took 20 minutes' work in the United Kingdom, 24 minutes in France, 34 minutes of work in the Netherlands, and 82 minutes of work in Italy. Not shown on the table is the U.S.S.R., where it takes an estimated 324 minutes of work to buy a kilogram of sugar.

THE WORLD MARKET AND WORLD PRICE OF SUGAR

With the recent interest that has focused on the Sugar Act, there is obviously a widespread and unfortunate misunderstanding about the price paid for Cuban sugar and domestic sugar on the U.S. market, and the price of sugar on the so-called world market. The very use of the terms "world price" and

TABLE 7.—*Sugar—Worktime cost of sugar and order of consumption, worktime cost and money cost, in specified countries, 1956*

Countries	Currency	October 1956		Worktime cost (minutes)	Consumption order [1]	Worktime cost order	Money cost order (U.S. dollars)	Countries	Currency	October 1956		Worktime cost (minutes)	Consumption order [1]	Worktime cost order	Money cost order (U.S. dollars)
		Hourly wage for bricklayers	Retail price of sugar in national currency							Hourly wage for bricklayers	Retail price of sugar to national currency				
United States	Dollars	3.65	0.233	4	53	1	38	Netherlands	florin	1.37	.78	34	46	30	24
Canada	do	2.26	.205	5	50	2	27	Finland	markka	164.00	100.40	37	44	31	57
Sweden	Krona	9.74	1.18	7	49	3	40	Grenada	Cent	50.00	32.00	38	32	32	20
Union of South Africa	Pence	88.50	11.02	8	42	4	8	Lebanon	Piaster	100.00	65.00	39	18	33	29
								Guatemala	Centavo	25.00	17.40	42	23	34	15
Denmark	Øre	678.00	106.50	9	56	5	13	Mauritius	Cent	66.00	46.00	42	41	35	4
Norway	Krone	7.20	1.18	10	51	6	17	Tunisia	Franc	116.20	92.00	47	20	36	42
Iceland	do	21.89	3.59	10	57	7	33	Austria	Schilling	7.45	5.96	48	39	37	36
Australia	Pence	113.00	20.13	11	54	8	21	Taiwan	Dollar	5.50	4.50	49	12	38	25
Israel	Prutot	1,178.00	270.00	13	30	9	11	Hong Kong	do	1.10	.97	53	24	39	14
Malta	Pence	22.00	5.04	13	38	10	1	French West Africa	Franc	59.40	53.50	54	9	40	48
New Caledonia	Franc	75.00	16.00	13	45	11	41								
Netherlands Antilles	Florins	1.50	.40	16	36	12	26	Spain	Peseta	12.00	11.00	55	13	41	45
								Portugal	Escudo	5.44	5.30	58	16	42	18
Uruguay	Peso	2.15	.56	15	40	13	10	St. Lucia	Cent	27.50	26.50	58	22	43	12
New Zealand	Pence	72.20	19.47	16	52	14	35	Paraguay	Guarani	13.80	14.00	60	15	44	9
Switzerland	Franc	3.17	.94	18	47	15	43	Nigeria	Pence	18.00	18.74	62	1	45	31
Ireland	Pence	51.50	15.43	18	48	16	16	Sierra Leone	do	18.30	19.86	65	6	46	37
British Guiana	cent	49.00	16.53	20	43	17	3	Japan	Yen [3]	125.00	137.33	66	14	47	52
United Kingdom	shilling	4.29	1.43	20	55	18	28	Italy	Lire	193.00	263.00	82	17	48	55
								Vietnam	piaster	9.87	14.50	88	5	49	54
Chile	peso	120.00	43.60	22	29	19	2	Madagascar	franc	41.00	60.00	88	7	50	51
Argentina	do	10.00	4.00	24	33	20	6	Cameroons (French administration)	do	38.00	60.00	95	2	51	50
France	franc [3]	252.00	100.60	24	26	21	46								
Fiji	pence	23.00	9.92	26	35	22	5								
Belgium	franc	23.58	10.85	27	28	23	30	Belgian Congo	do	6.60	11.00	100	3	52	32
Cyprus	piaster	28.30	13.04	28	21	24	23	Pakistan	rupee [3]	.69	1.21	105	10	53	44
Trinidad	cent [3]	44.00	21.40	29	37	25	7	Greece	drachma	6.42	11.56	108	11	54	53
Malaya	do	113.00	58.00	31	25	26	22	French Equatorial Africa	franc	35.00	74.00	127	4	55	56
Germany, West	mark	2.31	1.24	32	27	27	47								
Morocco	franc	175.00	94.00	32	34	28	43	Thailand	baht	2.15	4.63	129	8	56	39
Jamaica	shilling [3]	2.41	1.33	33	31	29	19	Ceylon	rupee [4]	.57	1.48	156	19	57	49

[1] Including noncentrifugal sugar at 60 percent of the actual weight for Malaya, Guatemala, Taiwan, Japan, Vietnam, Pakistan, and Thailand.
[2] Carpenters.
[3] Transport drivers.
[4] The relation of bricklayers' wages to other wages in Ceylon seems to be different from those in almost all other countries; this makes the data questionable.

TABLE 8.—*Stocks of centrifugal sugar, beginning of new grind, in selected countries, seasons 1950–51 to 1959–60*

[1,000 short tons, raw value]

Country	Date [1]	Sugarmaking season									
		1950–51	1951–52	1952–53	1953–54	1954–55	1955–56	1956–57	1957–58	1958–59	1959–60 [2]
Indonesia	May 1				0	38	40	39	29	25	50
Union of South Africa	May 1	29	20	54	64	46	46	50	34	74	116
Argentina	June 1				23	142	219	107	62	24	368
Brazil	June 1	150	160	184	286	256	255	180	441	424	622
Australia	July 1	107	119	104	132	188	135	158	195	157	189
Belgium	Oct. 1	51	29	55	38	39	21	24	15	24	41
Denmark	Oct. 1	7	8	14	18	74	14	21	25	33	130
France	Oct. 1	51	63	126	54	256	225	103	78	88	147
Netherlands	Oct. 1	59	89	45	33	49	24	34	91	80	160
Philippines	Oct. 1	35	36	30	46	85	173	148	82	98	232
Dominican Republic	Nov. 1	11	30	38	40	147	103	158	20	93	209
India	Nov. 1	105	219	604	235	69	689	663	550	403	150
Mexico	Nov. 1	63	161	217	266	268	347	150	295	337	506
Taiwan	Nov. 1	[3] 66	[3] 36	66	76	53	71	176	116	83	154
Cuba	Jan. 1	327	322	2,322	[4] 1,671	2,142	1,786	[4] 727	[4] 852	[4] 777	[4] 1,555
Haiti	Jan. 1	1	1	2	3	1	5	3	1	3	8
Peru	Jan. 1	70	108	98	112	117	87	143	95	129	99
Total		1,132	1,401	3,959	3,097	3,970	4,240	2,884	2,981	2,852	4,736

[1] All stock carryover dates, except for Jan. 1, apply to the 1st year mentioned at the head of each column.
[2] Preliminary.
[3] Probably Oct. 1.
[4] Cuba stocks include prior shipments under bond in the United States for quota charge in the following calendar years as follows: 1953–54, 31,000 tons; 1956–57, 24,000 tons; 1957–58, 102,000 tons; 1958–59, 174,000 tons; 1959–60, 206,000 tons.

Source: Foreign Agricultural Service—prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. agricultural attachés and Foreign Service officers, results of office research and related information.

TABLE 9.—*Quota premiums and discounts: Comparison of Cuban price, per pound, of sugar for shipment to United States and world market, annual average, 1934–47*

[Cents]

Year and month	U.S. price, c.i.f. basis, New York	Freight and insurance, Cuba to New York	Price for shipment to—		Difference, U.S. price from world price	Year and month	U.S. price, c.i.f. basis, New York	Freight and insurance, Cuba to New York	Price for shipment to—		Difference, U.S. price from world price
			United States	World market					United States	World market	
1934	1.50	0.13	1.37	0.91	0.46	1941	2.48	0.39	2.09	1.46	.63
1935	2.33	.12	2.21	.88	1.33	1942	2.99	.51	2.48	2.69	−.21
1936	2.69	.13	2.56	.88	1.68	1943	2.99	.53	2.46	2.69	−.23
1937	2.54	.19	2.35	1.13	1.22	1944	2.99	.40	2.59	2.69	−.10
1938	2.04	.14	1.90	1.00	.90	1945	3.00	.35	2.65	3.14	−.49
1939	1.91	.17	1.74	1.43	.31	1946	3.86	.44	3.42	4.24	−.82
1940	1.89	.22	1.67	1.11	.56	1947	5.46	.49	4.97	5.03	−.06

"world market" is a misleading use of words. Only about 12 percent of the world's sugar production is traded on the misnamed "world market." This is essentially unwanted sugar and the trading in this small part of the world's sugar supply cannot and does not establish a true world price or reflect the actual value of sugar.

World consumption of sugar now amounts to about 52 million tons a year. Of this amount, some 38 million tons are consumed in the countries where it is produced. In nearly all instances, as in the United States, because of the essentiality of the product it is produced under some kind of national control, bounty, or subsidy system. This leaves 14 million tons to be consumed outside the countries of production. Of this 14 million tons, 8 million tons are traded under the terms and provisions of special systems, including the British Commonwealth sugar system, the French sugar program, and the U.S. sugar program. This leaves only 6 million tons for trading in the so-called world market.

In the truest sense of the word, this sugar is homeless sugar; it has no specific place to go. It is traded on a "residual market." Since it is a residual market, and since world production usually tends to exceed world consumption, it is also normally a very depressed market. However, because of the very character of this so-called world market it is an extremely volatile market reacting violently to international tensions or to changes in supply and demand. For example, during the disturbed situation brought on by the Suez crisis and the events in Hungary 3 years ago, the price on this market nearly doubled in 60 days. Throughout the latter half of 1950 and almost all of 1951 this so-called world price was higher than the U.S. price, reaching a differential above the U.S. price of 1.85 cents per pound in June 1951. A similar situation prevailed in the 1957 period, above referred to, when the world price went from $2.07 per hundred pounds below the U.S. price in October 1956 to $1.34 above the U.S. price in April 1957.

The assumption, therefore, that the United States could buy its sugar cheaper on the world market than it is obtaining it under the Sugar Act is not necessarily valid. Not only would American consumers be the victims of the wild price fluctuations and supply uncertainties of the world sugar market, that market might very well be higher than the existing American price under our quota system for two reasons: (1) Our domestic sugar production would drop substantially (possibly even disappear) without the protection and benefit of the Sugar Act; and (2) our annual consumption of sugar is greater than the normal residual in the so-called world market and the competition of the United States in this world market would almost inevitably result in a very sharp increase in the so-called world price.

TABLE 10.—*Quota premiums and discounts—Comparison of Cuban price of raw sugar for shipment to United States and to world markets, f.a.s., Cuba, cents per pound*

Year	January	February	March	April	May	June	July	August	September	October	November	December	Monthly average
	For shipment to United States												
1948	4.68	4.57	4.50	4.45	4.25	4.44	4.79	4.87	4.78	4.77	4.80	4.75	4.64
1949	4.78	4.72	4.77	4.73	4.89	4.97	4.96	5.05	5.20	5.21	5.12	4.94	4.94
1950	4.91	4.75	4.70	4.68	4.87	4.95	5.22	5.39	5.40	5.41	5.38	5.39	5.09
1951	5.12	4.95	4.92	4.86	5.38	5.56	5.29	5.03	5.02	4.94	4.98	4.78	5.07
1952	4.82	4.79	5.18	5.33	5.29	5.53	5.61	5.58	5.67	5.72	5.55	5.17	5.35
1953	5.19	5.31	5.45	5.45	5.46	5.52	5.56	5.55	5.59	5.57	5.29	5.15	5.43
1954	5.15	5.18	5.29	5.28	5.22	5.28	5.32	5.23	5.14	5.11	5.25	5.02	5.21
1955	5.01	5.00	4.91	4.91	5.04	5.10	5.08	5.06	5.02	5.03	4.94	4.87	5.00
1956	4.93	4.94	5.01	5.01	5.01	5.01	5.10	5.10	5.11	5.31	5.34	5.34	5.10
1957	5.31	5.07	5.15	5.12	5.41	5.59	5.52	5.24	5.30	5.36	5.27	5.30	5.30
1958	5.31	5.31	5.18	5.35	5.41	5.41	5.43	5.42	5.52	5.59	5.46	5.55	5.41
1959	5.27	5.13	4.97	5.01	5.38	5.41	5.41	5.51	5.65	[1] 5.66			
	For shipment to world												
1948	3.96	4.24	4.26	4.43	4.27	4.06	4.10	4.41	4.39	4.32	4.27	4.03	4.23
1949	4.00	3.95	4.17	4.09	4.04	4.08	4.13	4.20	4.19	4.33	4.33	4.39	4.16
1950	4.62	4.47	4.44	4.37	4.21	4.21	4.89	5.83	5.88	5.84	5.58	5.36	4.98
1951	5.22	4.96	5.48	5.57	6.62	7.41	6.75	5.61	5.52	5.28	4.83	4.84	5.67
1952	4.54	4.38	4.30	4.30	4.24	4.17	4.16	4.05	4.00	4.01	4.00	3.84	4.17
1953	3.55	3.52	3.27	3.38	3.65	3.62	3.60	3.53	3.29	3.15	3.10	3.27	3.41
1954	3.30	3.39	3.28	3.36	3.32	3.27	3.13	3.18	3.21	3.25	3.26	3.19	3.26
1955	3.17	3.17	3.22	3.31	3.38	3.26	3.22	3.22	3.27	3.28	3.19	3.16	3.24
1956	3.26	3.28	3.34	3.31	3.36	3.36	3.40	3.34	3.24	3.24	3.92	4.77	3.48
1957	5.83	5.80	6.17	6.46	6.02	6.12	5.27	4.13	4.55	4.03	3.63	3.87	5.16
1958	3.74	3.55	3.42	3.45	3.47	3.42	3.50	3.46	3.48	3.41	3.42	3.64	3.59
1959	3.27	3.11	3.05	2.88	2.94	2.81	2.66	2.78	3.09	[1] 3.14			
	Difference—U.S. price from world price												
1948	+.72	+.33	+.24	+.02	−.02	+.38	+.69	+.46	+.39	+.45	+.53	+.72	+.41
1949	+.78	+.77	+.60	+.64	+.85	+.89	+.83	+.85	+1.01	+.88	+.79	+.55	+.78
1950	+.29	+.28	+.26	+.31	+.66	+.74	+.33	−.44	−.48	−.43	−.20	+.03	+.11
1951	−.10	−.01	−.56	−.71	−1.24	−1.85	−1.46	−.58	−.50	−.34	+.15	−.06	−.60
1952	+.28	+.41	+.88	+1.03	+1.05	+1.36	+1.45	+1.53	+1.67	+1.71	+1.55	+1.33	+1.18
1953	+1.64	+1.79	+2.18	+2.07	+1.81	+1.90	+1.96	+2.02	+2.30	+2.42	+2.19	+1.88	+2.02
1954	+1.85	+1.79	+2.01	+1.92	+1.90	+2.01	+2.19	+2.05	+1.93	+1.86	+1.99	+1.83	+1.95
1955	+1.84	+1.83	+1.69	+1.60	+1.66	+1.84	+1.86	+1.84	+1.75	+1.75	+1.75	+1.71	+1.76
1956	+1.67	+1.66	+1.67	+1.70	+1.65	+1.65	+1.70	+1.76	+1.87	+2.07	+1.42	+.57	+1.62
1957	−.52	−.73	−1.02	−1.34	−.61	−.53	+.25	+1.11	+.75	+1.33	+1.64	+1.43	+.14
1958	+1.57	+1.76	+1.76	+1.90	+1.94	+1.99	+1.93	+1.96	+2.04	+2.18	+2.04	+1.91	+1.91
1959	+2.00	+2.02	+1.92	+2.13	+2.44	+2.60	+2.75	+2.73	+2.56	[1] +2.52			

[1] 1st 15 days.

Table 8 shows how thin this so-called world market is. It shows the total carryover of sugar in all major producing areas from one crop to the next for the past 10 years.

THE "QUOTA PREMIUM"

The difference between the so-called world price and the U.S. price has on occasions been called the quota premium, or more popularly the subsidy in our sugar program. This approach is carried even further to say that the amount of protection or subsidy involved in the American sugar program is the amount of the difference between the two prices, multiplied by the amount of sugar purchased. This is an exaggerated statement of the protection afforded by the Sugar Act and is such an oversimplification of a basically complicated economic situation as to be misleading. It is obvious that the amount of quota premium or subsidy, if one exists, is not the difference between the U.S. price and the so-called world price with the Sugar Act in effect, it is the difference between the price received by supplying areas for their sugar now and the price they would receive if we had no sugar program.

Even under the orderly marketing system brought about by our Sugar Act, it is obvious that this so-called quota premium has not been a one-way street. The U.S. price has not always been above the so-called world price for Cuban sugar but our supplies have continued uninterrupted. Table 9 shows this relationship on a yearly average basis from 1934 through 1947. Table 10 shows the same relationship, in slightly different form, by months for the year 1948–59.

During the war and immediate postwar years of the 1940's, the United States purchased virtually the entire Cuban sugar production. As is indicated by the last column on table 9, we obtained this sugar (and also the sugar purchased from domestic producing areas) at substantially less than the world price. Table 10 shows the months during the Korean conflict and during the Suez incident when the world price was higher than the U.S. price.

BENEFITS TO DOMESTIC PRODUCERS

Table 11 shows the details of the manner in which the Sugar Act has achieved one of its three basic objectives—that of assuring, as a matter of national security, the production of a substantial portion of our sugar requirements in domestic areas. This table shows, by areas, for the years 1955 through 1959 the acreage, production, and deliveries of sugar, the extent to which the various areas have filled their assigned quotas, and the rate of Sugar Act payments to producers in those areas.

TABLE 11.—*Selected data for domestic sugar producing areas, on acreage, production, quotas, and payments, 1955–60*

[All tons are raw value]

Domestic area and crop year	Acreage [1] harvested for sugar	Yields sugar per acre harvested	Production of sugar	Quota charges	Unfilled quota		Jan. 1 effective inventory	Rate of Sugar Act payments per ton of sugar
					Basic	Adjusted		
	Thousands of acres	*Tons*	*Thousands of tons*	*Tons*	*Tons*	*Tons*	*Thousands of tons*	*Dollars*
Sugar beet:								
1955	744	2.33	1,730	1,797,327	2,673	2,673	1,628	$16.82
1956	789	2.50	1,971	1,955,252	0	149	1,547	15.87
1957	882	2.51	2,213	2,065,687	0	5,007	1,529	16.43
1958	895	2.47	2,214	2,239,852	0	[2] 102,636	1,669	16.42
1959	901	2.57	2,313	2,242,188	0	25,477	1,640	16.36
1960 estimate	950	2.53	2,400				1,709	16.36
Mainland sugar cane:								
1955	267	2.14	572	499,623	377	377	396	13.30
1956	233	2.39	557	601,369	0	327	465	13.16
1957	259	2.05	531	635,685	0	1,487	346	13.67
1958	253	2.28	578	680,552	0	40,253	244	12.78
1959	290	2.11	612	578,217	50,582	119,566	140	13.40
1960 estimate	310	2.26	700				175	13.40
Puerto Rico:								
1954–55	361	3.23	[3] 1,165	1,079,562	438	438	163	13.92
1955–56	353	3.26	[3] 1,152	1,134,769	5,484	6,329	138	13.85
1956–57	362	2.73	990	912,571	224,416	7,429	44	14.83
1957–58	333	2.80	934	823,034	343,341	0	6	14.47
1958–59	364	2.98	1,087	957,580	234,918	12,295	7	13.68
1959–60 estimate	354	2.97	1,050				8	14.14
Hawaii:								
1955	106	10.75	1,140	1,052,004	0	0	6	9.24
1956	107	10.28	1,100	1,091,282	0	23	49	9.25
1957	107	10.17	1,085	1,036,763	50,610	23,237	14	9.26
1958	84	9.10	765	630,175	536,200	69,825	18	9.71
1959	110	8.86	975	976,852	215,646	1,118	114	9.25
1960	110	8.86	975				80	9.25
Virgin Islands:								
1955	5	2.14	10	9,942	2,058	2,058		13.28
1956	5	2.69	13	12,535	3,014	0		12.97
1957	5	3.02	15	14,753	752	0		12.80
1958	4	1.36	6	6,093	9,812	7		20.16
1959	4	2.98	12	12,302	3,959	103		13.11
1960 estimate	4	1.90	8					13.05
All domestic areas:								
1955	1,483	3.11	4,617	4,438,458	5,542	5,542	2,193	13.77
1956	1,487	3.22	4,793	4,795,207	6,293	6,293	2,199	13.54
1957	1,615	2.99	4,834	4,665,459	122,291	37,160	1,933	14.18
1958	1,569	2.87	4,497	4,379,706	531,794	[2] 204,687	1,937	14.41
1959	1,669	3.00	4,999	4,767,139	254,361	158,559	1,901	14.02
1960 estimate	1,728	2.97	5,133				1,972	14.15

[1] National acreage allocations in years when production was restricted with acreages planted in parentheses were as follows: Domestic beet sugar area: 1955, 850 (793); 1956, 850 (823); 1957, 950 (912); 1958, 935 (927); 1959, 925 (921); 1960, 985. Mainland cane sugar area (for sugar and seed) 1955, 299 (285); 1956, 259 (253); 1957, 296 (284); 1958, 292 (276); 1959, 314 (314); 1960, 336 (336).

[2] 50,000 tons reallotted to Cuba, Nov. 13, 1958, but included in this figure.

[3] Individual farm proportionate share established in hundredweight of sugar totaled 1,214,000 tons for 1954–55 crop and 1,222,000 tons for 1955–56 crop.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Utah.

Mr. DIXON. There is one point I think the gentleman should clear up. With Cuba selling a million tons to Russia for less than 3 cents, and possibly a half-million tons to Red China, and other sales, with the possibility of Cuba having a reduced production of about a million tons, is not our concern a question of getting more sugar for our own consumption here?

Mr. COOLEY. Why, certainly. This bill would adequately protect the consumers of America and we can be assured of an adequate supply of sugar at all times if this bill passes, and at reasonable prices.

Mr. DIXON. It would permit us to buy sugar from other neighbors who are very kind to us?

Mr. COOLEY. Yes; and I would like to see us buy some from the other countries, but we gave preference to the countries named in the bill.

Mr. DIXON. It would enable us to produce more domestically to protect ourselves?

Mr. COOLEY. Yes.

Mr. DIXON. Mr. Chairman, as you are very much aware, the present 4-year Sugar Act expires at the end of this year and so action must be taken immediately to extend the act. One of my major objectives in this Congress has been getting the Sugar Act extended. Sugar legislation this year is clouded by the unfortunate events occurring in Cuba. The kind of law enacted in this Congress must reflect our considered judgment as to what is best for the interests of the United States in the international field, as well as in domestic affairs.

Any discussion of our sugar program must give recognition to the world sugar

situation. Probably no other commodity is produced and marketed under such widespread national and international controls as is sugar. The reason is that this vital commodity is of such deep concern to the economic and physical well-being of nations throughout the world.

Our own system was devised with three main objectives in mind:

First. To assure American consumers an adequate supply of sugar at reasonable prices.

Second. To encourage foreign trade.

Third. To provide a healthy economic climate for a competitive domestic sugar industry.

These fundamental purposes have been kept in mind by the Congress through all the changes which have been made in the mechanics of the law to fit the changing needs of changing times during the last quarter century. During all this time the U.S. sugar program has indeed fulfilled these objectives.

Never once have American housewives or the great industrial users of sugar had to fear that there would be no sugar available for them or that prices would suddenly skyrocket out of reach. These factors have contributed immeasurably to the stability of the sugar-consuming industries which now require approximately 65 percent of all the sugar used in the United States.

The U.S. sugar program has been administered with the interests of consumers a prime consideration. At the retail level the price of sugar has trailed behind the average rise in the prices of all foods occurring in our expanding economy during the last quarter century.

Our foreign trade has been enhanced by provisions in the Sugar Act which reserve more than 40 percent of our huge annual sugar market for foreign suppliers. There is no other legislation, to my knowledge, which specifically reserves such a huge American market for foreign countries. Obviously the nations which sell sugar to us obtain dollars which help to make those countries prime markets for our own exporting industries.

In marked contrast to the successive eras of feast and famine, of prosperity and depression, of profit and loss, which plagued the domestic sugar industry before 1934, the stability maintained by the Sugar Act has helped to provide a satisfactory climate for a healthy, competitive U.S. sugar industry. The Sugar Act has encouraged efficiency of production. Certain segments of domestic producers have no peer elsewhere in the world in the amount of sugar produced per man-hour of human labor or per unit of land resources—acre or hectare—used for growing the crop. The domestic beet sugar industry, with which I am most familiar, last year produced more than 2,300,000 tons of sugar from sugar beets harvested on 906,000 acres of land. In 1933, the year before the sugar program was first initiated, 983,000 harvested acres were required to produce 1,700,000 tons of sugar. Thus, during the course of the act, we have learned to produce 35 percent more sugar from 8 percent fewer acres of land.

During the last 10 years, sugar beet growers have on the average reduced by more than 25 percent the amount of human labor required in the beet fields to produce the raw material for a ton of sugar. In our scientific laboratories, in our experimental plots of ground, and in our research greenhouses, are new developments which will result in still further gains in production efficiency. I refer to such advancements as new strains of monogerm seeds which contain the potential of a further 15 to 20 percent gain in production efficiency above present high levels. These seeds are now coming into widespread commercial planting for the first time this year.

Coincidental with such outstanding developments in the fields of genetics are similar advancements in the fields of mechanical engineering and chemistry. Together they will result in a further reduction of labor required to produce a crop and eventually complete mechanization of sugar beet production. Ingenious mechanical thinners with revolving blades now do much of the spring and summer work which human hands formerly had to perform. The sugar beet harvest, another operation formerly performed by hand, now is 100 percent mechanized.

Remarkably well though the sugar program has worked, Castroism has deliberately sought to disturb American public opinion about it. Not only has Castro arrogantly issued slanted propaganda, which he has had the effrontery to distribute to all the Members of Congress, but he has entered into sugar deals with his comrades in Russia which will result in exploiting the Cuban people for Russia's benefit.

It should be realized that there is virtually no such thing as a true free market for sugar anywhere in the world. The current rate of sugar production in the world today is about 55 million tons a year. Of this amount approximately 38 million tons are consumed or stored in the countries of production. Another 11 million tons are exported under preferential marketing arrangements such as the British Commonwealth system, the French community system, and the U.S. sugar program. Marketing of nearly all of the remaining 6 million tons is affected by the International Sugar Agreement, to which the 35 major exporting and importing nations in the world adhere.

The sugar which finds its way to the so-called world market is in reality homeless sugar. Since sugar production in the world normally exceeds sugar consumption, the so-called world market is usually a depressed market. The so-called world price, therefore, is in reality a dumping-ground price and cannot truthfully be said to reflect the true value of sugar. When Mikoyan completed his deal with Castro at the so-called world market price, some months ago, he was therefore taking advantage of the Cuban people, buying sugar at less than the cost of production.

The price at which raw sugar is produced or purchased has little relationship, in many countries of the world, to the retail price of sugar to the housewife. According to information I have recently obtained, the Russian housewife is not receiving any of the benefit of Mikoyan's raw sugar deal with Castro. In Moscow and other major cities of the U.S.S.R., the retail price of sugar averages about 4.27 rubles per pound. At the official rate of exchange, four rubles for $1, this would put the price of sugar to the Russian housewife at $1.06, American money, per pound. At the more generous 10 to 1 tourist rate of exchange, the price of sugar to the Russian housewife is 42.7 American cents, nearly 43 American cents per pound. This contrasts with the current price to the American housewife of about 11 cents a pound at her neighborhood supermarket.

This contrast, of course, is evidence of two things; one is the way the lords of the Kremlin administer prices of consumer goods to the disadvantage of the Russian people. The other is the demonstration of the efficiency of the American producing, refining, and marketing system. The Russian Government bought sugar from Cuba at less than 3 cents a pound, f.o.b. Cuba. Currently our American refineries pay about 5 cents a pound, f.o.b. Cuba. Yet the Russian housewife pays 42 cents to $1.06 a pound while the American housewife pays only about 11 cents a pound.

In terms of wages, of course, sugar is a still greater bargain for the American than it is for the Russian. An American workman need labor at his land for only about 3 minutes to earn enough to buy a pound of sugar while a Russian workman must work for nearly 2½ hours to buy a pound of sugar.

It would seem that our responsibilities should be to continue the demonstrated benefits of the U.S. sugar program, while instituting such important changes as these uncertain times require.

The committee bill was developed after long consultation with members of both political parties in the Congress, with representatives of the leading domestic sugar producing groups and with the civil servants in the Government who have made the study of sugar their life work. Differences among committee members were reconciled and we voted for the sugar bill unanimously. Therefore, I submit that the basic principles of this legislation are sound.

An important feature of the committee bill is that it would permit the President to prorate Hawaiian and Puerto Rican deficits among domestic growers insofar as they are able to supply this deficit sugar.

Under the present deficit procedures Cuba would gain a windfall of approximately 156 tons of sugar beyond her regular quota. This would amount to a contribution of something of a general magnitude of $16 million to the Cuban economy.

It is important that we give the President the authority to deny Cuba this windfall.

Another important feature of this bill is the provision which would permit the President of the United States to reduce Cuba's sugar quota if he should find that such action is necessary to protect our

national interests or to protect sugar supplies for American consumers. Obviously this provision is essential because of the unpredictable dangerous intentions of Fidel Castro.

The reason why such action might be necessary in the national interest is almost self-evident. It would provide the President with an economic tool which he could use in case Castro's rantings were followed by still more vicious overt actions against the United States. There have already been examples of such overt actions. A Cuban gunboat has fired upon an American submarine in neutral waters on the high seas. American property has been seized without due process of law, even Cuban law, in utter disregard of international law, without pretense of adequate compensation and in flagrant violation of human rights. Diplomatic notes and protests of our official representatives in Cuba have served only to stir up still more anti-American harangues and actions. Short of calling out our Armed Forces the President is powerless to take effective action now. The Presidential power authorized in this bill would arm him with a minimum tool which he so obviously needs.

The recent scuttling of the summit conference by the Russian Communist leaders should serve as a warning to us concerning Cuba. It ever becomes plainer that the Castro government follows the Communist Party line—in deed as in word. The Communist Party line is anti-American. The world could take as an endorsement of or at least as an acquiescence to communism any action by the Congress which would continue to give today's Cuba, without any reservations, not only her present huge share in the American sugar market but also an automatic increase in successive years. Yet that is what the Congress would be giving to Castro's Cuba if we extend the Sugar Act without change. Even a 1-year extension of the present act without change would give to Castro's Cuba the privilege of marketing nearly 50,000 tons more sugar in the American market in 1961—her share, under the present law, of anticipated growth in the market next year—added to her present huge quota of more than 3,100,000 tons.

Mr. Chairman, I am not urging punitive action against a friendly neighbor nation. In the first place, Castro's Cuba plainly is not friendly. In the second place, the action I urge Congress to take is not punitive. I am asking merely that the Chief Executive of the United States be equipped with a nonmilitary tool that he could use—if the urgent need to do so should arise—to protect us against a Communist menace at our very door.

Mr. HOLT. Is it not true that Mexico and the Philippine Islands have enough sugar to make up the deficit?

Mr. COOLEY. No. There is not so much raw sugar around the world as I thought. I had been led to believe that Mexico had approximately a million tons. Actually we were told they had not over 50,000 tons of raw sugar and 500,000 tons of refined sugar.

Mr. HOLT. You cannot use the refined sugar?

Mr. COOLEY. You can use it, but our refineries want to buy raw sugar rather than refined sugar.

Mr. HOLT. Are we not giving Castro a half a loaf?

Mr. COOLEY. No. We are leaving it in the President's hands. He asked for flexibility. Mr. Herter came before our committee and asked for this power. I might say that we rather reluctantly gave it to him, but I think this power must be used carefully and cautiously because we are dealing with something that is of far-reaching import.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. HOEVEN. The committee did not give it to him reluctantly. That was the purpose of the bill I introduced.

Mr. COOLEY. May I say, I gave it to him reluctantly, because I thought it should be carefully used. This could precipitate trouble far beyond anything related to sugar. I do not know that anyone condones what is going on in Cuba, but this is not the instrumentality we must use.

Mr. HOEVEN. To clear up the matter, so far as the administration is concerned, I can assure the House that the administration and the Department of State are in accord with the bill. Time is of the essence, and this bill should be passed without delay.

Mr. COOLEY. I do not know of anybody who is against the bill.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, in my 3 years on the Committee on Agriculture I have never seen them work more diligently together on a matter where they completely gave up their personal interest for the best interests of the country. There was a great divergence of views to begin with, but we came out of there with agreement, and we worked hard and deliberated deeply to make certain we could get a good bill. We have got a good bill out of that committee. If we could do the same thing working the same way with wheat legislation, I think the Congress could go back home with a proud record.

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield, there was no member of that committee, Republican or Democrat, that was soft on Castro, was there?

Mr. QUIE. There was not one.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. ANDERSEN].

Mr. ANDERSEN of Minnesota. Mr. Chairman, I would like to ask the chairman of the committee a question. Would it not be possible to put title II onto this very meritorious bill and put the green acres in that title? Would that be possible?

Mr. COOLEY. I would be very glad to take green acres out.

Mr. HOEVEN. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I wish to join with other Members on my side in commending the Committee on Agriculture for passing such well worked out and sound legislation at a time when it is so badly needed.

Mr. Chairman, that the Sugar Act is an ideal example of an effective and desirable Government program, there can be no dispute. Twice since World War II the Sugar Act has saved the American housewife and industrial user from sugar shortages and excessive prices. Following the outbreak of fighting in Korea in the summer of 1950, and again following the uprising in Hungary in the fall of 1956, demand and prices rose in the world market. Thanks to the powers given to the Secretary of Agriculture in the Sugar Act and to the cooperation of the Cuban Government on both occasions, supplies for our market were safeguarded. The American consumers were kept from getting into a price war with consumers in other countries which would have put more push behind the inflationary forces that were then operating in the world market.

The present Sugar Act terminates on December 31 of this year. Termination of the act would be disastrous to our domestic sugar industry and to domestic consumers as well. Certainly no one interested in American agriculture would wish to destroy this important segment of our agricultural economy.

Today we are again in a period of world tension, with any accurate forecast of international developments impossible. We are all aware of the whims of Dr. Fidel Castro of Cuba and it is not necessary to go into detail over his verbal and unwarranted attacks against the United States at this time.

I wish to commend the Committee on Agriculture for realistically recognizing the need for a number of adjustments in the Sugar Act in view of the uncertainties in the world sugar situation.

First. Under the terms of H.R. 12311 as reported by the committee, the executive branch of Government will have the ability to deal with emergencies. Presidential authority to act in the national interest in adjusting downward the Cuban quota is spelled out in the legislation before us.

Second. If the President sets the Cuban quota at less than present law, the method of reapportionment of the deficit is also defined.

Third. Hawaii is recognized as a State, rather than a territory.

Fourth. A provision in the bill grants the Secretary of Agriculture the authority to reduce for the current year the quota of a foreign nation or any area, if that nation or area does not meet its quota. This reduction could be by the amount of the deficit declared against the nation or area, and would prevent a country or area which had failed to fill its quota from disorganizing our U.S. market by shipping its full quota after a deficit had been declared against it.

Fifth. The bill contains a provision applicable to the 1961 crop which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits.

I wish to say, Mr. Speaker, that I am highly gratified that the committee bill

recognizes the needs of our domestic growers, and particularly, our new producers who have long expressed a desire to participate in the provisions of the Sugar Act.

While the committee bill is but a 1-year extension, rather than the usual 4-year extension of the act, this shorter extension period is another recognition of the present world tensions and the particular uncertainties in the sugar situation.

I believe it is most urgent that this legislation be adopted by the Congress and enacted as soon as possible.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, it is essential that we take action on the Sugar Act as soon as possible. There has already been too much delay. Although this bill is not all I think it should be, it is obviously the best that we can obtain at this time, and I urge its immediate passage.

This is essential for two reasons—first, to cope with the current situation of the Castro government in Cuba, and second, to discharge our responsibilities to the domestic producers and refiners, who cannot make any plans with an Act that expires December 31, 1960. It is my hope that the Senate will improve upon this bill, as it is submitted to us under a procedure which does not permit amendment in the House.

I repeat that there has already been too much delay and it has been contrary to the best interests of our country. On October 29, 1959, I wrote to the Secretary of State, with a copy to the Secretary of Agriculture, as follows:

CHEYENNE, WYO., *October 29, 1959.*

The Honorable CHRISTIAN A. HERTER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: As both your predecessor and other people in the Department know, I am extremely interested in the sugar legislation. My interest stems not merely from the importance of the crop to Wyoming, which I represent in the Congress, but equally because of what I consider to be basically right and wrong as far as American foreign policy and trade policy is concerned.

For every good reason, the Sugar Act should have been extended last year. However, when the Cuban situation developed we who represent sugar producing States in the Congress consulted with the industry. I am proud to say that the industry are Americans first, and sugar producers second. Because of your problems, they voluntarily asked us to defer pushing the legislation. When this was done we well realized that we must have action in January or February of the next Congress, due to the expiration of the law and the planting season in some of our milder climates.

I have read and listened with disgust to the recent statements of Fidel Castro. Obviously, a bad situation is deteriorating. Who is this individual who speaks with scorn and vile words of our country and calls us liars? I need not remind you that Cuba lives off our sugar purchases. With this situation, I am convinced, and I speak only for myself, that it is time to apply Teddy Roosevelt's policy of "speak softly but carry a big stick". It is again my own opinion that we should say to Mr. Castro that we do not propose to take anything away from him; that we will let him continue to sell, until we see which direction he is going, sugar at the level of the 1959 purchases; but that until we do see how things are going, Cuba's share of the increased consumption will be allotted to the domestic producers.

This is fair in another way, in that it will permit our domestic farmers to regain some small share of the market which they lost to Cuba while they and their sons were absent from the farms, fighting the dictators of the last decade. As you know, during this period Cuba stayed home and produced sugar.

I do not know whether this would get through to Fidel Castro or not, but I think it might get through to the Cuban people, who I think are basically our friends, and will continue to be so unless we permit Castro to woo them the other direction.

I have thought this over carefully, and am therefore releasing the proposal to the press. As a combat veteran of World War II, who saw a lot of fine American boys left in Europe, I cannot stand idly by and just listen to Mr. Castro. I hope you will give the suggestion serious consideration.

At this point, it is only a suggestion because I am very much pleased with the fine way in which you have been conducting our foreign affairs, and this is in no way to be interpreted as a lack of confidence in you or in our great President.

Very truly yours,

KEITH THOMSON.

On January 13, 1960, immediately following the convening of this session of Congress, I introduced H.R. 9595, to carry out the proposal made in the letter. On January 14, I directed a letter to the chairman of the committee, requesting him to "schedule the bill for consideration and action by the Committee on Agriculture at an early date."

Because of further deterioration in the Cuban situation, on January 25, 1960, I introduced a second sugar bill, H.R. 9901, which would have reduced the Cuban sugar quota by 500,000 tons. This was based upon the amount of sugar which I was informed domestic producers could produce and domestic refiners could refine, without requiring new plant investment, and the additional 500,000 tons would have been allocated to the domestic sugar producing areas. This legislation further carried the authority for the President to make further adjustments in quotas between foreign producers as he determined necessary in the best interests and in furtherance of the diplomatic and foreign policies of this country and the general public interest.

Both of these bills would have extended the act indefinitely, with it of course being expected that Congress would take further action on the Cuban quota as the situation indicated.

I was advised by the chairman of the committee on January 29 that "as soon as possible, hearings will be held on all of the sugar bills, and, of course, yours will be considered at that time."

I think it is most unfortunate that such a course of action was not followed. I firmly believe that if we had taken early action to limit Cuba's imports to their 1959 quota of approximately 3 million tons, that it would have had a marked effect to prevent subsequent unfortunate developments in Cuba.

Mr. Chairman, irrespective of the current situation in Cuba, I think that the domestic producers should be allowed a greater portion of the market and, in any event, of the increased consumption. After what we have just been through, I need not remind anyone that we have a serious agricultural situation. That situation is one of overproduction. Sugar is one of the few agricultural crops of which we produce much less than we consume.

The situation is not as simple as it might seem, however. There is the question of marketing areas, refinery investment, the type of sugar existing plants are equipped to process, the question of maintaining price to the grower the need of giving a quota to new producers, the necessity for additional acreage by present growers, and many other complicated questions involved. Hearings should be held to determine these questions. After the answers are obtained, additional quotas should be allocated to the domestic producers.

If things should straighten out in Cuba, which I sincerely hope they will, not only in the best interests of ourselves, but in the best interests of the people of Cuba, additional domestic quotas could be obtained from the increased consumption. In the event that there are any cuts in the Cuban quota by reason of the actions of the Castro regime, then our domestic producers should be the first ones to be considered. The bill under consideration fails to do this and should be amended to so provide.

Wyoming is not one of our largest sugar producing States. To give you an idea, however, of how important this crop is to the agricultural economy and the general economy, I cite some facts with respect to the industry in Wyoming with which I am familiar.

The farmer in Wyoming received approximately $7,500,000 for his crop in 1958. For other contributions of sugar beets to our economy, we need only to look to the fact that the payrolls of sugar factories in Wyoming were up to about $2,700,000, and freight payments in Wyoming were up to about $2,200,000. A total of $3,599,000 is the estimate the industry has provided me for sugar refinery purchases for coal and other industrial supplies. Thus, the total value of these considerations alone is $15,900,000. Some of these figures are necessarily based on estimates of past crop-year activity. There is every indication that the actual total will be increased.

One fact worth noting here is that according to the sugar refining industry in Wyoming, 14 percent of the irrigated acreage on the North Platte River project is used for beet cultivation and this returns about 41 percent of the gross income from irrigated crops in that area. This would apply generally to reclamation crops in the State, I am informed, which points up the product's extreme importance.

Mr. Chairman, I think it is most unfortunate that earlier action has not been taken to limit Cuba's quota in the manner provided in the bill which I introduced at the beginning of this session. I think it is unfortunate that

hearings were not held. I think it is unfortunate that the extension is for only 1 year, and that the many basic problems confronting us are not adequately taken care of.

I sincerely hope that at the very first of the next session, general hearings will be called on sugar legislation. Until this can be done, to take care of the intervening situation I urge the passage of this bill as a minimum measure.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I rise in support of this bill. This is a very important bill for the economy of our Nation.

Mr. Chairman, this bill extends the Sugar Act of 1948, which will expire on December 31 of this year. It is imperative that the present law be continued, and I commend the Committee on Agriculture on bringing in this bill at this time. I think everyone has been agreed that the law must be extended, and the proposed extension was urged last year by the domestic sugar industry, both cane and beet.

Except for the injection of the Castro element I believe the act would have been extended for a longer period than 1 year. However, under the circumstances I feel that the 1-year extension will be satisfactory.

I am interested particularly in the beet sugar industry, which is so essential to the economy of Colorado, and other sugar beet States. This act has been satisfactory to all elements of our sugar industry, and has operated most successfully.

I am in favor of giving the President the authority to determine the quota for Cuba, as provided in this bill. No one can predict what Castro is going to do next, but it is obvious he is no friend of the United States. We are going to have to take the steps necessary to protect our interests, and this bill gives the President authority to take what action is necessary in the national interest.

Mr. Chairman, representing a district intensely interested in the raising of sugar beets, I am indeed happy to see this legislation before us today. This bill should have the unanimous support of the House.

Mr. LANGEN. Mr. Chairman, I rise in support of the legislation, a piece of legislation that is unusually important to a large segment of agriculture throughout not only the State of Minnesota but the Nation as a whole. I think it is unfortunate that this legislation has to be discussed and considered in the light of scrutiny by such an unscrupulous person as Mr. Castro. I hope in another year we will be able to give the time and consideration to the establishment of a Sugar Agreement Act that will offer to American sugar producers a just opportunity to participate in the sugar program.

Mr. Chairman, renewal of the Sugar Act now is one of the "must" pieces of legislation still facing this session of Congress. It is needed not only because of the fact that the present act expires on December 31 of this year, but also because of its meaning to the many agricultural areas of this Nation. I have emphasized before the importance of its renewal to my congressional district, and I know the same is true of all the other sugar-producing areas. We cannot stress enough the fact that, in view of the present agricultural problem existing in the Nation, there is not any measure which offers the opportunity for improvement to the extent that does the production of sugar beets and cane.

While our desire would have been that a more permanent and more definite reallocation of quotas might have been achieved, it is possible that, in the light of the international situation, the bill which has been written is the best which could be accomplished at this time.

With regard to the actual provisions of the bill, the fact that it gives to the President the authority to establish the Cuban quota in the national interest is noteworthy, in that it fills the need, caused by the instability and uncertainty in Cuba, for flexibility in the Sugar Act.

The provision which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits will be welcomed by the many applicants for allotments who have been making requests for many years without success.

For these reasons, it would be my hope that Congress will speedily approve the extension.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, I rise in favor of the committee bill. I believe it is high time that we increase the sugar quotas of our friends such as Mexico, the Philippines, Costa Rico, and some of the other sugar producing countries and decrease the quotas from Castro and the rest of his henchmen in Cuba.

Mr. Chairman, in the wake of the ever-increasing insinuations against the integrity of the United States, perpetrated by the Castro regime in Cuba, I feel it necessary to express my revulsion and to suggest that certain action has, at last, become feasible.

The United States has been very patient and understanding toward Castro, his movement and government. We extended our good will when he assumed power. Indeed, we have consistently tried every gesture of diplomacy and restraint to assure that the traditional ties of friendship between the Cuban people and our Nation would not be broken. However, in the light of what has happened in the past year, it is plainly evident that we seem to have made little, if any, headway. The situation, rather, has grown worse.

I do not believe that we should be coerced by the use of the commodity of sugar into a position where we must compromise our honor and continue to accept undiplomatic insults. American investments have been confiscated indiscriminately by the use of tactics which cannot be said to be in the interest of honest or sane business ethics. Not only this, but the attacks have grown to a vilification of our Chief Executive and other members of the Government and now, the integrity of these United States is being impugned by accusations of sabotage and alleged attempted murder.

Our friendship with Latin America has been amicable. I respect the Cuban people in their desire for social and economic progress. Moreover, I am not a vindictive man nor do I believe that we should base our policy toward Cuba on a spirit of revenge.

But I cannot fail to note that Castro has employed strategems which indicate that he is not interested in doing business with us in the normal manner expected of mature nations engaged in international trade. He has gone even so far as to conclude a trade agreement with the Soviet Union using the very same commodity, sugar, which he accuses us of employing as a lever for so-called domestic interference.

This agreement not only does not call for the payment by the Soviets of the premium which Castro so blandly charges the United States, but, what is even more humiliating, it allows them to purchase sugar for less than the world price.

Mr. Chairman, I am a patient man, but I am also an American. I cannot allow my country to continue to suffer the constant humiliations and opprobrium heaped upon her in an irresponsible manner. What is more important, under the present sugar quota and system of premium payments we are, in effect, supporting the rapid growth of international communism at our very doorstep.

It has always been my contention that friends are more important than enemies, and it is to them that we should turn for our sugar needs. I believe that we should give greater consideration to our domestic producers, and also to those countries that we count as friends such as Costa Rica, the Philippines and our own Puerto Rico.

Therefore, Mr. Chairman, I earnestly believe that this bill should be passed.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, the island of Cuba is only 90 miles from U.S. territory. My own State of Louisiana lies opposite the island of Cuba, both being shored in the Gulf of Mexico. Conditions in the island of Cuba are going from bad to worse.

All doubt that Cuba has gone Communist has now disappeared. It is now moving into advanced phases of the communistic type of state where the government means everything and the people mean nothing, save for the benefit of the government. Rights of American citizens are daily being violated by the Castro government. Over $300 million in American property has already been seized and this dictator says he is going to seize all the remainder of American property in Cuba. American citizens have been arrested for no sufficient reason and they are being rapidly and completely driven from this island.

These things are normally bad enough. More than this, Mr. Speaker, it fills me with great apprehension to read of the Soviet activities in this area. Arms are

being purchased by the Castro government, airports are being built by the Soviets and I have read of submarine activities unloading arms and munitions of war in the Caribbean area. These things are all directed against this country and against democratic types of government.

Economic measures are in order. Favored treaty arrangements with this island should be abandoned. Our subsidy of $150 million per year on the Cuban sugar crop should be withdrawn and the Cuban people should realize the gravity of the transgressions of Fidel Castro. These things, in fact, should have been done a year ago.

With the coming of arms and munitions of war in the Caribbean area, it is time that our Government become alert. Sufficient patrols in the international waters of the gulf should be in operation to give us full intelligence on Soviet submarine activities. Moving in arms under such circumstances is certainly a violation of the security of this country.

By treaty, a number of years ago, the Monroe Doctrine was apparently abandoned by this country. It should be reinstated and a firmness against aggression in the Western Hemisphere by European and Asiatic powers should be shown. Unless some action is taken soon, serious developments which may occur almost within sight of our gulf coast ports may lead to actual fighting.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Chairman, I want to commend the chairman of the Committee on Agriculture and the members of that committee for the fine work that they have done.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the distinguished majority leader.

Mr. McCORMACK. Mr. Chairman, I notice the bill says there shall be allocated to other foreign countries and so forth. Can the gentleman give the House an idea what the other foreign countries are?

Mr. COOLEY. If the President is unable to obtain adequate sugar from the countries named in the bill, he is then free to go to other places, such as Brazil or other countries that are not named in the bill.

Mr. McCORMACK. I assume it is intended that he should not go to unfriendly foreign countries.

Mr. COOLEY. Oh, no.

Mr. McCORMACK. While I am on my feet, may I say, Mr. Chairman, that the rule on this bill came out, as I remember, yesterday; is that correct?

Mr. COOLEY. That is right.

Mr. McCORMACK. And the bill is up today. The Democratic leadership was requested through the State Department and later by a message from the White House to try to get this bill up today because of the urgency of the situation. And, that is the reason why the Democratic leadership was very anxious to get the bill up, in order to cooperate with the President and the State Department.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. HOEVEN. Has the distinguished majority leader any idea what may happen in the Senate? Will they act on this legislation before we recess?

Mr. McCORMACK. I have no knowledge of that, but we wanted to get this through today rather than wait until tomorrow because of the hope and expectation that it would be acted upon. And I assume that the White House and the State Department will zealously pursue efforts in the other body, as they did here. So I am sure, with the understanding minds of the leadership of the other body there will be that cooperation.

Mr. Chairman, may I make this further observation? I do not attribute this to my Republican friends, but the gentleman from New York [Mr. MILLER], who is chairman of the Republican congressional committee, made a very intemperate statement the other day, and one of the other Republican members, in response to my question, made a very courteous and gentlemanly answer. I do not want to provoke anything, but when we start talking about Americans, whether Democrats or Republicans, being soft on this or that, we should be very careful. I think that upon reflection the gentleman from New York [Mr. MILLER], if he wanted to do the proper and decent thing, would make an apology or retract the statement that he made with reference to the Democratic members of the House Committee on Agriculture.

Mr. COOLEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I want to agree with the statement made by the majority leader; not that I have a very thin skin not that I am offended or injured in any way. But now we have the President of the United States to whom we have delegated plenary power over sugar and sugar quotas so far as Cuba is concerned. Certainly no one would suggest that Mr. Eisenhower would be soft on communism if he restored the entire quota immediately upon signing this bill. It is left entirely in his discretion. I think it is very unfortunate that the statements were made which reflected upon the members of the committee who voted for the original committee bill.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENSEN. Does the President under the provisions of this bill have authority to allocate more sugar to our Territory of the Virgin Islands than they are now getting? If the Virgin Islands, which cost the taxpayers of the mainland money every year could have an additional 10,000 tons of sugar allocation, or some amount in that neighborhood, under the Sugar Act, that Territory would be self-supporting.

I hope the President of the United States will look into that matter and allocate more sugar to the Virgin Islands.

Mr. COOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, not that I have any particular pride of authorship in the language, subsection (1) of section 5 of the bill that will be before us, when the committee amendment is offered, was presented by my colleague from Missouri [Mr. JONES] and myself. It was adopted in the committee by a vote of 33 to 0. This section is the heart and backbone of the bill.

I know how the Members of the House on both sides of the aisle feel in this critical hour toward Castro. However, this in my judgment is not the place for us to establish policy between our Government and Castro. That will be established by authorities at the executive level of our Government. Our part is to provide that which may be an appropriate tool in establishing policy.

On the other hand, I want to say to you that this bill is not designed to do anything for Mr. Castro. It is not the desire of any of us to aid him in any shape, manner, or form. In listening to the debate there seems to be some who have a feeling that this legislation might be a contribution in some manner, shape, or form, to the Castro Government. As one who assisted in preparing the draft and who is very materially concerned about the Castro Government and the situation in Cuba, I want to assure every Member of the House that the object of the bill is certainly anything but to make a contribution to the Castro Government. It makes none at all.

I might go further and say that in reality it takes away, for the present at least, that which his government now enjoys most at the hands of our Government. Of course, I have reference to the Cuban sugar quota. When and if this bill is passed and signed by the President, Cuba has no sugar quota, neither for the remainder of this year nor for all of next year. We do, however—and I think this should be stated very clearly for the record so that we all may understand, so that the Cuban Government will understand and that our President and others will understand—we do, however, give the President the authority to authorize the importation of sugar from Cuba at such times and in such amounts as the President deems in the national interest, but not to exceed the total amount now authorized by title II of the act. In other words, the Cuban sugar quota will be completely suspended and restorable in such amounts and at such times as the President shall decree.

Mr. Chairman, I think these points should have been placed in the record. They are important. They will leave no doubt in the minds of anyone, including Castro, of the contents of this legislation. It deserves your unanimous support.

As we take this step, Mr. Chairman, let us do so with full appreciation of the fact that for scores of years the peoples of the United States and Cuba have been the warmest of friends. We deplore the fact that some Cubans have been misled and fired to a state of hard feelings against us. We know the time will come

when these feelings will be completely dispelled and that nothing but the best of relationships will again exist. May God speed the day.

Mr. COOLEY. I have no further requests for time, Mr. Chairman.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments offered by direction of the Committee on Agriculture.

Mr. COOLEY. Mr. Chairman, pursuant to the rule, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 2, after line 3, insert the following:

"SEC. 3. Section 204(c) of the Sugar Act of 1948, as amended (relating to proration of deficits), is amended by striking out 'shall not be reduced' and inserting 'may be reduced'.

"SEC. 4. Section 302(b) of the Sugar Act of 1948, as amended (relating to the establishment of proportionate shares for farms), is amended by striking out the period at the end of the first sentence and inserting a colon and the following: *Provided*, That 75 per centum of any increase in proportionate shares in any area where restrictions are in effect for the 1961 crop year over the total of restricted proportionate shares established for such area in the preceding year, less any shares arising from the 1960 growth factor, shall be reserved for new producers.

"SEC. 5. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection '(a)'; and to add a new subsection '(b)' as follows:

"'(b) Notwithstanding the provisions of title II of this Act, for the period ending December 31, 1961:

"'(1) The President shall determine notwithstanding any other provisions of title II, the quota for Cuba for the balance of calendar year 1960 and for calendar year 1961 in such amount or amounts as he shall find from time to time to be in the national interest: *Provided, however*, That in no event shall such quota at any time exceed such amount as would be provided for Cuba under the terms of title II in the absence of the amendments made herein, and such determinations shall become effective immediately upon publication in the Federal Register of the President's proclamation thereof;

"'(2) For the purposes of meeting the requirements of consumers in the United States, the President is thereafter authorized to cause or permit to be brought or imported into or marketed in the United States, at such times and from such sources, including any country whose quota has been so reduced, and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection: *Provided, however*, That any part of such quantity equivalent to the proration of domestic deficits to the country whose quota has been reduced may be allocated to domestic areas and the remainder of such quantity (plus any part of such allocation that domestic areas are unable to fill) shall be apportioned in raw sugar as follows:

"'(i) There shall first be allocated to other foreign countries for which quotas or prorations thereof of not less than three thousand or more than ten thousand short tons, raw value, are provided in section 202 (c), such quantities of raw sugar as are required to permit importation in such calendar year of a total of ten thousand short tons, raw value, from such country;

"'(ii) There shall next be apportioned to the Republic of the Philippines 15 per centum of the remainder of such importation;

"'(iii) The balance, including any unfilled balances from allocations already provided, shall be allocated to or purchased from foreign countries having quotas under section 202(c), other than those provided for in the preceding subparagraph (i), in amounts prorated according to the quotas established under section 202(c): *Provided*, That if additional amounts of sugar are required the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation;

"'(3) If the President finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity of sugar in the form of direct-consumption sugar as may be required.'

"SEC. 6. Sections 101(j), 203, 205(a), 209 (a), 209(c), and 307 of the Sugar Act of 1948, as amended, are each amended by striking out the words 'the Territory of' in each place where they appear therein."

Mr. COOLEY (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with. It has been thoroughly discussed, and I think everybody understands it.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MILLS) having resumed the chair, Mr. ANFUSO, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. HOEVEN. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 396, nays 0, answered "present" 0, not voting 36, as follows:

[No. 170]

YEAS—396

Abbitt	Ashmore	Becker
Abernethy	Aspinall	Beckworth
Adair	Auchincloss	Belcher
Addonizio	Avery	Bennett, Fla.
Albert	Ayres	Bennett, Mich.
Alexander	Baldwin	Berry
Alger	Baring	Betts
Allen	Barr	Boggs
Andersen, Minn.	Barry	Boland
Andrews	Bass, N.H.	Bolling
Anfuso	Bass, Tenn.	Bolton
Arends	Bates	Bonner
Bow	Baumhart	Bosch
Boykin	Gross	Miller, N.Y.
Brademas	Gubser	Milliken
Bray	Hagen	Mills
Breeding	Haley	Minshall
Brewster	Halleck	Mitchell
Brock	Halpern	Moeller
Brooks, La.	Hardy	Monagan
Brooks, Tex.	Hargis	Montoya
Broomfield	Harmon	Moore
Brown, Ga.	Harris	Moorhead
Brown, Ohio	Harrison	Morgan
Broyhill	Hays	Morris, N. Mex.
Budge	Healey	Morrison
Burdick	Hébert	Moss
Burke, Ky.	Hechler	Moulder
Burke, Mass.	Hemphill	Multer
Burleson	Henderson	Mumma
Byrne, Pa.	Herlong	Murphy
Byrnes, Wis.	Hess	Murray
Cahill	Hiestand	Natcher
Canfield	Hoeven	Nelsen
Cannon	Hoffman, Ill.	Nix
Casey	Hoffman, Mich.	Norblad
Cederberg	Hogan	Norrell
Celler	Holifield	O'Brien, Ill.
Chamberlain	Holland	O'Brien, N.Y.
Chelf	Holt	O'Hara, Ill.
Chenoweth	Holtzman	O'Hara, Mich.
Church	Horan	O'Konski
Clark	Hosmer	O'Neill
Coad	Huddleston	Oliver
Coffin	Hull	Osmers
Cohelan	Ikard	Ostertag
Collier	Inouye	Passman
Colmer	Irwin	Patman
Conte	Jennings	Pelly
Cook	Jensen	Perkins
Cooley	Johansen	Pfost
Corbett	Johnson, Calif.	Philbin
Cramer	Johnson, Colo.	Pilcher
Cunningham	Johnson, Md.	Pillion
Curtin	Johnson, Wis.	Pirnie
Curtis, Mass.	Jonas	Poage
Curtis, Mo.	Jones, Ala.	Poff
Daddario	Jones, Mo.	Porter
Dague	Judd	Powell
Daniels	Karsten	Preston
Davis, Tenn.	Karth	Price
Delaney	Kasem	Prokop
Denton	Kastenmeier	Pucinski
Dent	Kearns	Quie
Derounian	Keith	Quigley
Derwinski	Kelly	Rabaut
Devine	Kilburn	Rains
Diggs	Kilday	Randall
Dingell	Kilgore	Ray
Dixon	King, Calif.	Reece, Tenn.
Donohue	King, Utah	Rees, Kans.
Dooley	Kirwan	Reuss
Dorn, N.Y.	Kitchin	Rhodes, Ariz.
Dorn, S.C.	Kluczynski	Rhodes, Pa.
Dowdy	Knox	Riehlman
Downing	Kowalski	Riley
Doyle	Kyl	Rivers, Alaska
Dulski	Lafore	Rivers, S. C.
Durham	Laird	Roberts
Dwyer	Landrum	Robison
Elliott	Lane	Rodino
Everett	Langen	Rogers, Colo.
Evins	Lankford	Rogers, Fla.
Fallon	Latta	Rogers, Mass.
Farbstein	Lennon	Rogers, Tex.
Fascell	Lesinski	Rooney
Feighan	Levering	Roosevelt
Fenton	Libonati	Rostenkowski
Fino	Lindsay	Roush
Fisher	Lipscomb	Rutherford
Flood	Loser	St. George
Flynn	McCormack	Santangelo
Flynt	McCulloch	Saund
Fogarty	McDonough	Saylor
Foley	McDowell	Schenck
Forand	McFall	Scherer
Ford	McGinley	Schneebeli
Forrester	McGovern	Schwengel
Fountain	McIntire	Scott
Frazier	McMillan	Selden
Frelinghuysen	McSween	Shelley
Friedel	Macdonald	Shipley
Fulton	Machrowicz	Short
Gallagher	Mack	Sikes
Garmatz	Madden	Siler
Gary	Magnuson	Simpson
Gathings	Mahon	Sisk
Gavin	Mailliard	Slack
George	Marshall	Smith, Calif.
Giaimo	Matthews	Smith, Iowa
Gilbert	May	Smith, Kans.
Goodell	Meader	Smith, Miss.
Granahan	Merrow	Smith, Va.
Grant	Metcalf	Springer
Green, Oreg.	Meyer	Staggers
Green, Pa.	Michel	Stratton
Griffin	Miller, Clem	Stubblefield
Griffiths	Miller, George P.	Sullivan
		Taber

Taylor	Ullman	Whitener
Teague, Calif.	Utt	Whitten
Teague, Tex.	Vanik	Widnall
Teller	Van Pelt	Williams
Thomas	Van Zandt	Willis
Thompson, La.	Wainwright	Wilson
Thompson, Tex	Wallhauser	Winstead
Thomson, Wyo.	Walter	Wolf
Thornberry	Wampler	Wright
Toll	Watts	Yates
Tollefson	Weaver	Young
Trimble	Weis	Zablocki
Tuck	Westland	Zelenko
Udall	Wharton	

NAYS—0

ANSWERED "PRESENT"—0

NOT VOTING—36

Alford	Brown, Mo.	Keogh
Anderson, Mont.	Buckley	Martin
Ashley	Carnahan	Mason
Bailey	Chiperfield	Morris, Okla.
Baker	Davis, Ga.	Sheppard
Barden	Dawson	Spence
Barrett	Edmondson	Steed
Bentley	Glenn	Thompson, N.J.
Blatnik	Gray	Vinson
Blitch	Jackson	Wier
Bowles	Jarman	Withrow
	Kee	Younger

So the bill was passed.

The Clerk announced the following pairs:

Mr. Alford with Mr. Martin.

Mr. Bowles with Mr. Baker.

Mr. Carnahan with Mr. Chiperfield.

Mr. Edmondson with Mr. Glenn.

Mr. Anderson of Montana with Mr. Mason.

Mr. Thompson of New Jersey with Mr. Withrow.

Mr. Vinson with Mr. Jackson.

Mr. Dent with Mr. Younger.

Mr. Barrett with Mr. Bentley.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDING CERTAIN LAWS OF THE UNITED STATES IN LIGHT OF THE ADMISSION OF THE STATE OF HAWAII INTO THE UNION

Mr. ASPINALL. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 706) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 11602) entitled "An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes," the Clerk of the House be, and he is hereby, authorized and directed to make the following corrections in the House engrossed bill: On page 9, line 7, strike out "1960," and insert "1950,"; on page 15, line 15, strike "1960" and insert "1950"; on page 31, line 2, strike out "15(a)" and insert "14(a)"; on page 31, line 3, strike out "24(a)," and insert "23(a),"; on page 31, line 4, strike out "3 of section 30(d)," and insert "(3) of section 29(d),"; on page 31, line 5, strike out "section 31," and insert "section 30,"; on page 31, line 6, strike out "section 21(b)" and insert "section 20(b)"; on page 31, line 12, strike out "31(a)" and insert "30(a)"; on page 31, line 24, strike out "section 15" and insert "section 14"; on page 32, line 2, strike out "section 15(a)" and insert "section 14(a)"; on page 32, line 8, strike out "section 15(a)" and insert "section 14(a)"; on page 32, line 10, strike out "section 31(c)(1)" and insert "section 30(c)(1)"; on page 32, line 15, strike out "section 15, by section 21(a)," and insert "section 14, by section 20(a),"; on page 32, line 16, strike out "24(b)," and insert "23(b),"; on page 32, line 17, strike out "section 30," and insert "section 29,"; and on page 32, line 18, strike out "section 31" and insert "section 30."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INTERNAL REVENUE CODE OF 1954

Mr. FORAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8229) to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island? The Chair hears none, and appoints the following conferees: Messrs. MILLS, FORAND, KING of California, MASON, and BYRNES of Wisconsin.

BOUNDARY MARKERS ON INDIAN RESERVATIONS

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4386) to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 14, after "fishing" insert "thereon".

Page 2, line 15, after "fish" insert "therefrom".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

COORDINATED SYSTEM OF TRANSPORTATION FOR THE NATION'S CAPITAL

Mr. McMILLAN submitted a conference report and statement on the bill (H.R. 11135) to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes.

SALARIES AND EXPENSES, SPECIAL AND SELECT COMMITTEES, FISCAL YEAR 1960

Mr. BURLESON. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution as follows:

HOUSE RESOLUTION 582

Resolved, That, to the extent necessary, authorized salaries and expenses of special and select committees, fiscal year 1960, may be paid from the item "Miscellaneous items," contingent fund of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. GROSS. Mr. Speaker, will the gentleman explain briefly what this is all about?

Mr. BURLESON. This is simply a bookkeeping matter. It has precedent. We have done it a number of times in the past. It permits the disbursing office to pay salaries and expenses of special and select committees out of the miscellaneous fund, when the contingent fund for that specific purpose is exhausted.

The legislative committee, just a few days ago, provided that because of the deficit in that fund right at the end of the fiscal year, these expenses may be paid out of the miscellaneous fund for the current fiscal year. It takes about 10 days to do it and this is the last day of the fiscal year.

As I said, it simply permits these expenses for these special and select committees, including salaries and expenses, to be paid out of the miscellaneous fund. It is actually a bookkeeping transaction.

Mr. GROSS. Strictly a bookkeeping transaction?

Mr. BURLESON. That is right.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

Mr. HALLECK. Mr. Speaker, if the gentleman will yield, I should like to say that this matter was cleared with me and members of the committee on our side by the gentleman from Texas. I think it is something that needs to be done.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GRAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Speaker, I was in the Chamber when the last rollcall vote was started, but was called out and was not able to get back until after the rollcall was completed. Had I been present, I would have voted "yea" on the sugar bill.

PERSONAL EXPLANATION

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I was called out of the Chamber when the roll-call vote on the sugar bill was being had. Had I been present, I would have voted "yea."

DRESDEN, ILL., ATOMIC POWER-PLANT AT FULL POWER

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, at 8 p.m., central daylight saving time, on Wednesday, July 29, 1960, America's largest atomic powerplant, the Dresden nuclear power station, located 47 miles southwest of Chicago, demonstrated full power operation for the first time.

Almost 18 years after the atomic age dawned in Illinois under the stands of Stagg Field at the University of Chicago on December 2, 1942, Dresden is sending 180,000 kilowatts of electricity over transmission lines of the Commonwealth Edison Co. into homes, farms, and factories in Chicago and the northern part of the State.

This plant, which was under construction 3 years—and completed within the original schedule, will be one of the prime sources of information on the operation of large nuclear electric plants for the next 4 years, as it will hold the distinction of being the Nation's largest operating nuclear power reactor for at least that long.

At full power Dresden produces enough electricity to supply the needs of a city of more than 200,000 population.

The General Electric Co. designed and built Dresden for the Commonwealth Edison Co. and the Nuclear Power Group, Inc., which contributed funds for research and development expense.

The Nuclear Power Group consists of Commonwealth Edison, American Electric Power Service Corp., Central Illinois Light Co., Illinois Power Co., Union Electric Co. of Missouri, and the Bechtel Corp., engineer-constructor of the plant.

Congratulations are in order to those who have made Dresden a reality today. It is a symbol of accomplishment and industrial atomic leadership of which Illinois and the Nation can be proud.

DRESDEN REACTOR

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I should like to congratulate the gentleman, because I know he means to speak on behalf of the Dresden reactor, and I wish to express my own pride that this honor has come to Illinois.

Mr. PUCINSKI. The gentlewoman is correct.

I wanted merely to commend the gentleman from Illinois [Mr. PRICE] on calling our attention to this magnificent project that was started yesterday just 45 miles south of Chicago. We in Illinois are extremely proud of this Dresden plant.

I think the House should know that the gentleman from Illinois [Mr. PRICE] as a member of the Joint Committee on Atomic Energy has in many ways been extremely helpful in making this project possible, because the committee has encouraged those who for many years worked on this project. I think the gratitude of all the people of Illinois should go to the gentleman from Illinois [Mr. PRICE] for his cooperation and guidance.

NATIONAL SERVICE LIFE INSURANCE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, when legislation to amend section 704 of title 38, United States Code, with Senate amendments, was considered, the chairman of the House Committee on Veterans' Affairs asked unanimous consent to take this bill, H.R. 11405, from the Speaker's table and consider it with certain Senate amendments which permits the application of any person originally eligible to apply for national service life insurance.

One would make a new application within 1 year after January 1, 1961, upon submission of evidence of good health at the time of such application, and the payment of the required premiums, and thereupon be granted such insurance.

An objection was heard from the gentleman from California [Mr. SMITH], a member of our subcommittee. During the colloquy with the chairman of the Committee on Veterans' Affairs, this gentleman stated that the subcommittee studied the legislation at great length, and unanimously turned it down. He asked if this was correct, and the chairman of the committee answered in the affirmative.

To my knowledge, there was only one meeting of this subcommittee. All members were present, along with staff counsel. There was a short discussion on the reopening of national service life insurance. It was brought out by the staff counsel that Senator LONG from Louisiana, would again attach an amendment onto a Senate bill which would provide for this reopening. It was then agreed unanimously to defer further action at that time since the Senate amendment was forthcoming.

I am in favor of reopening national service life insurance privileges because: First, it does not provide a new right; second, it does not expand an old right; third, it is not a Government subsidy; fourth, it will not jeopardize private carriers; fifth, it will not unduly inconvenience the Veterans' Administration; and, sixth, it does not violate government-in-business principle.

MAINE DESPERATELY NEEDS QUODDY

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. OLIVER. Mr. Speaker, Maine and, in fact, all six States in the New England region have traditionally resisted multipurpose river basin development projects such as those which have processed into beneficial use the valuable resources of the Tennessee, Columbia, and other great rivers of America.

The basic reason for this resistance can only be explained in terms of the self-serving greed and the misguided judgment of the electric power interests of the region. They have not been able to see the forest of public interest because of the trees of their selfish interests.

The long-considered and completely surveyed Passamaquoddy-Rankin Rapids power project can be and eventually will be the one effective solution for the industrial stagnation of Maine and to a substantial degree, a stimulus for the entire northern New England area.

Nevertheless, we find the same old worn-out records of resistance being replayed. This time, it is a weekly newspaper, published in Lisbon Falls, Maine, ironically called the Enterprise. I use the word "ironically" Mr. Speaker, because the basic policy of this publication is far from that of enterprise.

The special column devoted to an attack on the Quoddy project and a conclusive reply to the same, adequately tell the story of what is wrong with Maine.

AFFAIRS OF STATE

(By Preston Gurney)

Not long ago, in the remoter area served by the Maine Public Service Co. of Aroostook County a significant engineering device was installed, known simply as a power plant, but to be designated by engineers in various technical terms. Its purpose was to give the power service that last extra wallop known as peak of load. The event drew some local interest. Possibly you never heard of it.

Well, an electric power company is the only public utility that ever attempted to be ready in rush hours. If everybody in town turns all his appliances on at once, the power company is expected to send enough juice over its wires to keep the stoves cooking supper, the lights on, the milking machine going, and every refrigerator cool. The telephone company doesn't do it—if everybody in town tries to dial at

once (as occasionally happens) the busy signals ring loud and clear. The railroads never did it—if 500 people show up for one Buddliner there is trouble. Steamboats can leave people on wharves. But the power companies capitalize their total installations so they can accommodate the peaks and the surges.

This is why the town of Rangeley is getting power from Rumford. Last year, with the water down in Kennebago Stream and the diesel auxiliaries acting up, there were times the power company there couldn't give to everybody. They divided the area into sections, and gave power to one section at a time so freezers could be charged. Come night, light dimmed, voltage dropped off. So, they drove a line down through to Rumford, plugged into the Central Maine system, and Rangeley this summer will have all the power it needs. The telephone operator may tell you, however, that her circuits are busy, or you may have trouble finding a bus. So it goes.

The reason for this primer-like explanation is by way of showing the basic fault in the Passamaquoddy Tidal project—which altogether too few people understand at this late date. The tide, which ebbs and flows twice in 24 hours, does not keep time with the hands on the clock. The cycle is referred to by the Quoddy engineers as a 24.85-hours matter. The varying pool levels and the varying tide changes would bother no end in any program of continuous power.

From this situation, in all directions, stem the reasons why Quoddy is anything but the feasible project it has been called. For one thing, the "swings" in generation would give a firm output of 95,000 kilowatts from an installation of 345,000 kilowatts of generators. To use the water available, they'd have to put in all that equipment, but they couldn't get that load out of it. This minimum generation would occur periodically at the time they needed peak, and conversely, the peak would occur at periodical times when they had no use for it. The output would match the demand only at those times when the tide coincided with man's customary habits.

It's as simple as that. The Quoddy tidal project, if built, would occasionally be meeting the demand, but all the rest of the time it would be making less than was needed, or more than they could sell. This led to the next step in the engineer's plans—an auxiliary hydroelectric plant somewhere else which could take up the slack. The favorite turned out to be the Rankin Rapids dam, which would have an installed capacity of 460,000 kw. (more than Quoddy) and would run full blast when the tide was out, and slack off when the tide was propitious. An ordinary person, feeling his way in the mountainous total of the Quoddy plan, might well ask why Quoddy needs to be built if Rankin Rapids can supply more power in the first place.

What an ordinary person, at this point, neglects to assess in the pioneering spirit of those engineers who would like to try and see if they can make the thing go. Quoddy is such a tremendous idea that it inspires the imagination and beguiles the normal judgments. These engineers did a good job in their international report, and actually brought their inspired enthusiasms into the shadow. They said it was "feasible," and left us to chew on that word, without emphasis on the numerous other things they said about it. They referred to novel and untried problems, the challenge of huge land-moving jobs, the question of successfully closing a gap in the tidal surges, the electrochemical problems with salt water—all of which are vast conundrums which an engineer would like to play with, to see if he could do it. They plainly said that the scope of the job intrigued them, and spoke of scale models to try out first—before the true feasibility could be determined.

However, no amount of their bright enthusiasm could overrate the plain economics. The low "head" of their water, the depth of the bays, the huge gates and locks, everything made the cost of Quoddy power excessive. Arithmetic went crazy. The Cousins Island steam plant of the CMP rates a cost of $210 per kw; Quoddy would go to $5,600. Rankin Rapids would cost $338 per kw—but the entire cost of Quoddy would have to be applied since Rankin Rapids would not be built except to firm up Quoddy. How would you compute it? Rankin Rapids is slated to produce 83 percent of the firm capacity of Quoddy—but the numerous millions would be spent on Quoddy instead of Rankin Rapids. All of which says, in a complicated way, exactly what was said at Rangeley when the lights dimmed, and what was said in the Maine Public Service conference room when they decided to put in an auxiliary plant. The only difference being that electric light companies operate within their capitalization. They do not have free tax money to doodle around with, and they have to be reasonable. They can not make thousand-dollar watts and sell them for 2 cents apiece. Quoddy, because it would be made with free tax money, and because it is so all-fired complicated it enflames the imagination, could and did propose such absurd arithmetic and still seemed wise to some people. There are those who can read all this and say, "We knew that." But a great many people do not yet realize these things, and at the risk of being elementary, we have dared to explain.

Mr. Speaker, the following letter from a longtime fighter for Quoddy, Mr. Roscoe Emery, of Eastport, Maine, conclusively answers the uninformed and prejudiced attack of the so-called Enterprise:

EASTPORT, MAINE, *June 28, 1960.*

EDITOR, THE ENTERPRISE,
Lisbon Falls, Maine.

DEAR MR. EDITOR: While your editorial attitude to the Quoddy-Rankin project will probably not be changed much by any presentation, however valid, in view of your various connections you may feel that ordinary fairness demands that the following reply to the article in your issue of June 16 under the byline of Mr. Preston Gurney should be allowed space in your publication.

The essence of Mr. Gurney's case seems to be that the Quoddy project by itself is not economic, and that the comparatively low-cost Rankin Rapids project was tied in with it solely to justify the favorable report on the combined projects by the International Passamaquoddy Engineering Board. He also threw in figures on comparative costs of power installations, and a suggestion or two that the engineers were just after something to experiment with and wanted to play around with Government funds without regard to getting value therefor.

The report he calls into question was made after 3 years of intensive study by engineers of distinguished ability, long experience, and established integrity, many of them members of the U.S. Army Corps of Engineers, whose record with public works in this country speaks for itself. We asked that the survey be comprehensive, impartial, and authoritative. That is the kind of a survey they made, and we believe it represents the truth about the combined projects as nearly as it can be established in advance by any human agency. Mr. Gurney has taken on quite a responsibility in urging his personal judgment against theirs.

In the first place, there is no present or immediate prospect that any Maine utility could or would develop the Rankin Rapids power, no matter how cheap it may be per kilowatt. It would cost $146 million to build; it has no visible local market for its power; and it is essentially an international project, probably under the jurisdiction of the International Joint Commission, since after leaving Maine it swings off into New Brunswick, where its power potential would be multiplied sevenfold by the Rankin storage.

In the second place not only would Rankin firm up Quoddy but Quoddy would firm up Rankin, where the power, like all of that on rivers, is variable. It is not as variable as tidal power but it is still definitely variable—witness the scanty flow of Maine rivers in 1947, and the loss of power on the Columbia River in the drought of 1950–51.

In the third place, both Quoddy and Rankin are worth more in combination than the sum of their benefits if developed separately, and neither will probably be built without the other. There is no evidence that those who propose separate development for Rankin have the slightest intention or desire to bring about its construction. On the other hand, judging from the somewhat phony campaign to "Save the Allagash" there is some reason to believe they don't want it ever, built with, or without Quoddy. Canadians would of course want it for the downstream benefits it would make available to them. For Americans, its desirability is apparently limited to its connection with Quoddy.

Those who argue that Rankin with a benefit-to-cost ratio of 1.75 would be wasted if combined with Quoddy "to make a project look good" ignore the fact that Quoddy-Rankin would produce 3.1 billion kilowatt-hours as compared with 1.2 billion or less for Rankin alone. Quoddy supplying 1.9 billion as its contribution. The total kilowatt-hour cost of Quoddy-Rankin power is 7.2 mills, which is less than that of steam-produced power on this side of the border, and very close to the average American-Canadian steampower cost. Although Canadian coal is subsidized by the government, the cost per kilowatt-hour is the thing to consider. Does Mr. Gurney question that, or the desirability of 3.1 billion kilowatt-hours, available to meet our rapidly increasing need of, and demand for, power?

In the fourth place, Quoddy-Rankin wouldn't cost the Government a penny in the long run. Its benefit-to-cost ratio on a 50-year basis of amortization is 1.31 which means that it would pay for itself completely in that time, just as TVA is paying for itself, besides raising the standard of living in its area, producing hundreds of millions of dollars in income taxes, increased recreational, industrial, and commercial activity, and constituting a growing asset to the Nation at large. Why should Maine look askance at a gift like this?

There is another and deeply disturbing side to this whole situation. How can any Maine resident, sincerely interested in the prosperity and growth of his State, oppose the expenditure of $687 million in Maine to produce an ample supply of power, which we do not now have and which would release power which must now be committed to other purposes, to the industrial development we so urgently need?

How can he reject the booming uplift it would give our economy, and the thousands of new jobs it would create? What possible justification can there be for such an act of civic masochism? In any other State, wreckers, and objectors of such projects would be ostracized or driven "underground" where they belong, especially if like most of the kind we have here, they have opposed Federal expenditures no where else but in their home area. Billions of Federal funds have been spent in the south, southwest, and northwest, without a word of protest from

them, for irrigation, flood control, navigation, and power, all contributing massively to the economy of the areas concerned; and not by any means all self-liquidating as the Quoddy-Rankin project would be. Is this their advice to the Federal Government, "Spend what you will elsewhere in this country and abroad for public works, but not here?"

The Maine State Chamber of Commerce has adopted as a slogan "Keep Maine growing." Should that be changed to "Keep Maine from growing"?

In this connection, attention may well be directed to the fact that in the past 10 years, Maine has gained only 55,000 in population, most of which can be credited to various military installations. Seven of our sixteen counties lost population in that decade, and of the others, only Penobscot, Aroostook and Cumberland made anything like significant gains, which would probably be greatly reduced or eliminated altogether if the military installations referred to were discontinued. Maine has not been progressing. A Bowdoin professor of economics, in addressing recently the Industrial Development Council of Maine, pointed out that Maine's economic growth has not kept pace with the national average growth, and that the personal per capita income in Maine is $350 below the national average. The Portland Press Herald in a recent editorial said unemployment in this State is well above the national average, and is costing the State $45 million annually in wage losses; and that candidates for public office might well concentrate on finding a remedy for it.

The only remedy in sight thus far, and by far the best and most effective one, is the Quoddy-Rankin project. Mr. Editor, isn't your true policy, as a professed booster of Maine, to promote Maine prosperity by promoting Quoddy-Rankin, rather than to join with wreckers and objectors in opposing it?

Yours very truly,

R. C. EMERY.

PROTECTION FOR LIVESTOCK PRODUCERS

Mr. THOMSON of Wyoming. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. THOMSON of Wyoming. Mr. Speaker, I have introduced legislation to amend the Trade Agreements Extension Act of 1951, as amended, which is most essential to provide protection for producers and feeders of livestock when they show that the increased import of meat or meat products causes or threatens serious injury to their industry.

My bill, H.R. 12878, has been referred to the House Ways and Means Committee and it is my hope, Mr. Speaker, that the various responsible agencies and departments of the executive branch of our Government will be asked to expidite their reports so that action can be taken on the bill in this session if there is a recess as appears will be the fact or at least very soon after the new Congress convenes next January.

It is extremely vital that we deal with this problem in light of a 4-to-2 decision on June 1 of the majority of the U.S. Tariff Commission. The Commission held that producers and feeders of sheep and lambs were not entitled to relief under the escape clause, even if they could show serious injury or threat of injury from increased imports of carcass lamb and mutton. The four members of the Commission held that for producers or feeders to be entitled to relief, they must show increased import of live sheep and lambs in such quantities as to cause or threaten serious injury to their industry. The Commission held, in effect, that any objection and showing of injury as far as imports of carcass or frozen meat products, would have to come, not from producers and feeders, but from the packers.

The impact of this decision, Mr. Speaker, upon the entire livestock industry and, for that matter, agriculture in general, is apparent.

The finding of the majority of the Commission that the rapid increase in imports did not cause or threaten serious injury to our domestic industry was most disturbing to the producers and feeders and to those of us who had joined in working hard on the presentation before the committee. The impact of their decision that producers still would not be entitled to relief even if, in the future, they made a satisfactory showing of injury from imports, is devastating.

It must be corrected.

The bill which I have introduced will overturn such an interpretation in the future and provide that the producers and the feeders of the live animals shall be considered interested parties under any escape clause investigation, and are included within the definition of "domestic industry producing like or directly competitive products."

As I said, Mr. Speaker, the finding by the Tariff Commission in this escape clause proceeding was a 4-to-2 decision. The two minority Commissioners, with whom I am in complete accord, stated:

> We can think of no valid reason why the Commission should not now recognize producers of lambs and sheep as an interested party in an escape clause proceeding to restrict imports of lamb and mutton.

These two Commissioners also found a threat of serious injury and recommended that relief be extended. They very clearly pointed up the necessity for the type of legislation which I have introduced when, in their statement, they said:

> As for the enigmatic view that raisers of sheep and lambs are not part of the industry that produces lamb and mutton and hence are not even an interested party for the major purposes of this investigation, we observe only grim paradox: those who have demonstrated the most interest and have the most at stake (the raisers of sheep and lambs) do not qualify as an interested party; but those who have shown virtually no interest and have little at stake (the slaughterers of sheep and lambs) do so qualify—despite the fact that the Commission would not find it practicable to identify those slaughterers as constituting a separate industry eligible for escape clause relief under any circumstances.

Mr. Speaker, the issue at stake is quite clear.

I trust my bill can be given thorough and favorable consideration by the Ways and Means Committee and that it can be enacted into law to correct this serious inequity.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may be permitted to sit tomorrow during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PUBLIC BUILDINGS ACT OF 1959 ACCOMPLISHMENTS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BUCKLEY] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BUCKLEY. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues of the House the splendid accomplishments of the Public Buildings Act of 1959 (Public Law 86–249). This act is also known as the Jones Act since it was authored and championed by my good friend and colleague on the House Public Works Committee, the gentleman from Alabama [Mr. JONES].

During the first year of operation under the Jones Public Buildings Act of 1959, the Public Works Committees of the U.S. Senate and the House of Representatives have approved proposals for the construction of 76 new buildings in 40 States and the District of Columbia. The committees have also approved major alterations to 28 existing Federal facilities.

Basically the Jones Act established a uniform method for the orderly meeting of Federal space requirements by purchasing existing buildings, altering and modernizing Government-owned buildings, and constructing new buildings. It places in the General Services Administration the responsibility for maintaining a continuing survey of Federal space requirements throughout all the States.

From its surveys, GSA selects projects based upon the comparative need for each building with due consideration given to the equitable distribution of projects throughout the United States. The projects are then submitted to the Bureau of the Budget for advice as to conformity of the required expenditures with the program of the President.

Thereafter GSA submits a detailed prospectus on each project to the Committee on Public Works of the Senate and House of Representatives, respectively, for consideration. The approval of both committees is GSA's authority to request appropriations and proceed with the projects.

To permit advance planning and orderly programing, GSA requests funds

for the acquisition of sites and the design of buildings in advance of funds for construction. This assures prompt construction of the project as soon as funds are provided for this purpose.

Buildings are located on sites which will contribute to the economy and efficiency of Government operations. If a suitable Government-owned site is not available for an approved project, GSA is authorized to acquire lands for use as sites or as additions to sites by purchase, condemnation, donation, or exchange.

Generally, the projects are designed by private architects and engineers from the general locality of the project, with professional competence the basis of selection.

In awarding construction contracts, GSA encourages the widest possible competition through the use of publicly opened sealed bids. Awards go to the lowest responsible bidder in conformity with GSA's plans and specifications.

The Jones Act, therefore, has provided workable legislative authority which will go far toward assuring the development of well-balanced construction programs necessary to reduce the huge backlog of Federal space requirements and has established the basis on which coordinated programs can be considered by the Congress in the light of national space requirements and existing budgetary conditions.

A list of the projects approved by both committees as of June 28 follows:

STATE, CITY, AND PROJECT

Alabama, Decatur, post office and Federal office building.

Alaska, Juneau, post office and courthouse.

Arizona, Nogales, border station (extension).

Arkansas, Camden, post office, etc.

California, Bakersfield, Federal office building; Los Angeles, customhouse and Federal office building; San Francisco, courthouse and Federal office building.

Colorado, Denver, courthouse and Federal office building, GSA stores depot.

Connecticut, Hartford, Federal office building; Wallingford, U.S. post office, etc.

Delaware, Wilmington, courthouse, customhouse, and Federal office building.

Washington, D.C., Federal office building No. 8; Federal office building No. 9; Federal office building No. 10; Government Printing Office field plant; Court of Claims, Court of Customs and Patent Appeals (and possibly the Tax Court of the United States).

Florida, Gainesville, post office and courthouse; Miami, Federal office building; Tampa, Federal office building.

Georgia, Statesboro, post office, etc.; Thomasville, post office and courthouse; Winder, U.S. post office, etc.

Hawaii, Honolulu, post office and courthouse; quarantine station and clinic.

Idaho, Boise, courthouse and Federal office building.

Illinois, Chicago, courthouse and Federal office building; Federal office building.

Indiana, Seymour, post office, etc.

Maine, Augusta, post office and Federal office building; Jackman, border station; Van Buren, border station; Vanceboro, border station.

Maryland, Baltimore, Federal office building.

Massachusetts, Boston, Federal office building; Webster, post office.

Michigan, Detroit, Immigration and Naturalization Service Center (extension); Wyandotte, post office, etc. (extension).

Mississippi, Clarksdale, post office and courthouse; Tupelo, U.S. post office, etc.

Missouri, Kansas City, Federal office building.

Montana, Billings, courthouse and Federal office building; Sweetgrass, border station.

Nebraska, North Platte, post office and courthouse.

Nevada, Reno, courthouse and Federal office building.

New Mexico, Albuquerque, GSA stores depot annex, courthouse, and Federal office building; Santa Fe, post office and Federal office building.

New York, N.Y., customs court and Federal office building.

North Carolina, Bryson City, post office and courthouse; Hickory, post office, etc (extension); Thomasville, post office.

North Dakota, Bismarck, post office and courthouse; Pembina, border station.

Ohio, Cincinnati, Federal office building; Cleveland, Federal office building; Toledo, Federal office building.

Oklahoma, Tulsa, post office and Federal office building.

Oregon, Medford, post office, etc.

Pennsylvania, Johnstown, U.S. post office, etc. (extension); Lebanon, U.S. post office, etc.; Philadelphia, post office and courthouse (extension); Pittsburgh, Federal office building.

Rhode Island, Westerly, post office, etc.

South Carolina, Charleston, Federal office building.

South Dakota, Pierre, post office and courthouse; Sioux Falls, post office, etc.

Tennessee, Dyersburg, post office, etc.; Memphis, courthouse and Federal office building.

Texas, Austin, post office and Federal office building; El Paso (Cordova Island), border station.

Utah, Ogden, courthouse and Federal office building.

Vermont, Derby Line, border station No. 2; Montpelier, post office and courthouse.

Washington, Dayton, post office, etc.; Richland, post office and Federal office building.

Wyoming, Cheyenne, post office and courthouse.

PORTLAND REGIONAL POST OFFICE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, today I was informed by the Postmaster General of his plan to arbitrarily move the regional operations office of his Department from Portland, Oreg., to Seattle, Wash. I am shocked at the abruptness of the decision, dismayed at its consequences for the people of my State and congressional district, and determined that the Congress shall, at the very least, have an explanation and an opportunity to give this decision more careful thought than has been evidenced by the Postmaster General's announcement.

In his letter to me on June 28, Mr. Summerfield concludes by saying:

> Your support of this program * * * is greatly appreciated.

Mr. Speaker, the Postmaster General's appreciation is somewhat premature. Without being shown further justification for this decision, I shall not only find it impossible to support it, but I shall be constrained to oppose the transfer with all my energy.

The Postmaster General, in his letter, offers the usual explanation for the transfer of a Post Office Department office from one city to another—"Efficiency." The explanation certainly begs the question. What is inherently more efficient, Mr. Speaker, about operating a regional post office in Seattle than in Portland? One hundred and eighty families of career employees of the regional office have made their homes in Portland. These people will join the long list of "displaced persons" who have been put in the dilemma of choosing between leaving their homes or leaving their jobs because of the arbitrary decisions of the Postmaster General to "increase efficiency" by transferring or abolishing departmental offices. An excellent case in point was the abolition of several district transportation offices 2 years ago. At that time, in spite of the strongest representations by Members of Congress, by postal employees and by the general public, some of these offices were abolished. Many postal employees involved were first assured that their jobs and their hopes of remaining in the communities where they had made their homes would both be safeguarded. In the end, of course, neither could be assured.

What is involved in this move, Mr. Speaker? First, we would all agree, is the actual—not speculative—efficiency of the postal service. The Postmaster General's letter asserts, without supporting evidence, that the move would make the service more efficient. It is difficult, if not impossible, to see how this would be accomplished. Certainly, the Postmaster General's announcement does not even attempt to discuss, much less prove, this point. It is a point in which the Members of Congress are involved, and the appropriate committees of the Congress would certainly be interested. It is my hope that the Postmaster General can find the time to explain the overriding reasons which compel this move to the Members and the committees. I have some information on the question of efficiency which seems to me to be pertinent. The Portland regional office now has the use of some 30,000 square feet of space, furnished to it rent-free by GSA. The move to Seattle would involve the cost of rental of 30,000 square feet at an estimated rental of $4 to $8 per square foot. The cost of moving the equipment, the files, and the employees and their families, is conservatively estimated at $500,000. These obvious expenses, it seems to me, detract from the alleged "efficiency" of this proposed move. I shall not attempt to estimate the real costs of the delays, the confusion, and the slowdown of service which inevitably accompany the transfer of a regional office from one city to another. Nor have I included the costs of the IBM equipment which the Postmaster General suggests will be used in the Seattle location.

What else is involved in this transfer, Mr. Speaker? One hundred and eighty career postal employees and their families. These people are good citizens of Portland. They are taxpayers

and parents. A majority of them are homeowners. These people will be expected to sell their homes, or, as an alternative, to leave the jobs to which they have given years of faithful and underpaid service. The estimates I have at hand are that the Post Office Department will lose 50 percent of these 180 career people. They will not sell their homes and move. That does not add up to "increased efficiency" to me, Mr. Speaker.

A payroll estimated at a million dollars will be removed from Portland. And I might add that the city of Portland and the State of Oregon have had just about enough payrolls vanish in recent years from Republican administration policies and decisions.

In the Postmaster General's letter there is, absolutely no justification for this move, beyond the unsupported contention that greater efficiency would result. In oral conversations, I understand one of the reasons which will be brought forth to justify this transfer is the admission of Alaska as a State and hence the need for a regional office in Seattle. Mr. Speaker, Alaska existed as a territory and we did not increase the number of post offices, or postal patrons, when it became a State. I should think, Mr. Speaker, that our able and distinguished colleague, the gentleman from Alaska, would be getting a little tired of having the onus for every rash administration decision placed on the fact that we have made a change in the status—not the location, just the status—of Alaska.

I am further told that the transfer rests on the contention that Seattle already has several regional offices of other departments. I had not realized that the administration's pet motto—"Them that has, gets", had been made a part of the operating code of the Post Office Department.

There may be other reasons for this decision, Mr. Speaker. I am most certainly unaware of them; the people of my District and State have not been made aware of them. The employees of the regional office have not been told of them.

I hope, Mr. Speaker, that the distinguished chairman of the Committee on Post Office and Civil Service will see fit to immediately schedule hearings on this proposed transfer. I hope that the Postmaster General will see fit to give his reasons.

Many employees of the regional office, and several other leading citizens of that city, have wired me, indicating their distress at this decision. I want to associate myself completely with their comments on the transfer, and I ask unanimous consent that their wires be printed in full at the conclusion of these remarks.

PORTLAND, OREG., *June 29, 1960.*
Congresswoman EDITH GREEN,
Washington, D.C.:

Am shocked at Postmaster General's announcement to move Post Office Department's Regional Operation's Office from Portland to Seattle. Many disadvantages with no apparent benefits. Portland more centrally located for most offices in Idaho, Montana, Oregon and eastern Washington. Seattle space costs higher; Portland office Government owned. Many trained people owning homes not moving to Seattle. Availability trained people not as good. Seattle would involve uprooting families, create chaotic postal service. Urgently protest this unwise and costly move. Urge reconsideration.

JOSEPH C. LANDRUD,
Certified Public Accountant.

PORTLAND, OREG., *June 29, 1960.*
Hon. EDITH GREEN,
House Office Building, Washington, D.C.:

Postmaster General Summerfield's order to relocate the Regional Operation Director's Office in Seattle is a severe setback to Oregon. Please do all you can in preventing this order from becoming effective. The transfer appears to be unnecessary and will inconvenience over 170 persons, many of whom have families and homes established in the Portland area. Any help you can give will be appreciated.

DOROTHY E. GOSNELL.

PORTLAND, OREG., *June 29, 1960.*
Hon. EDITH GREEN,
House Office Building, Washington, D.C.:

Would appreciate anything you can do to prevent the moving of the Post Office Department's Regional Office from Portland to Seattle. This move would work a hardship on me and my co-workers and will mean a loss to Oregon of a $1½ million annual payroll.

GLADYS CLEMENS.

PORTLAND, OREG., *June 28, 1960.*
Hon. EDITH GREEN,
House Office Building, Washington, D.C.:

Please help us fight to keep the Regional Controller's Office of the Post Office Department in Portland. Protest exorbitant cost to Government and hardship imposed on 235 families.

JOE HEISEL.

PORTLAND, OREG., *June 29, 1960.*
Hon. EDITH GREEN,
House Office Building, Washington, D.C.:

Please use your influence to stop move of Portland Regional Office, Post Office Department, to Seattle. Commonsense will not require 170 postal employees to quit their jobs or sell their Oregon homes and move to Seattle when no good purpose other than political will be served.

DONALD TRINKLEIN.
MILWAUKIE, OREG.

PORTLAND, OREG., *June 29, 1960.*
Representative EDITH GREEN,
House of Representatives, Washington, D.C:

As an employee, and homeowner I protest moving of Portland regional office of Post Office Department to Seattle. Urgently request you use your influence to rescind this move.

A. J. TONSING.

PORTLAND, OREG., *June 28, 1960.*
Representative EDITH GREEN,
House Office Building, Washington, D.C.:

Protest Post Office regional office move from Portland to Seattle. Please exert influence to rescind Postmaster General's order.

R. SWARTZ.

PORTLAND, OREG., *June 29, 1960.*
EDITH GREEN,
U.S. Representative, Washington, D.C.:

Employees all vitally concerned over proposed move to Seattle of Post Office regional office as it would result in loss of jobs for many. Move also would cause disruption in operations and be wasteful of tax money. Urgently request your assistance in preventing it.

LORNE RESTAU.

PORTLAND, OREG., *June 28, 1960.*
Congresswoman EDITH GREEN,
House of Representatives, Washington, D.C:

I protest moving regional office POD to Seattle.

MARGARET M. INGLESBY.

PORTLAND, OREG., *June 28, 1960.*
Representative EDITH GREEN,
House Office Building, Washington, D.C.:

As an employee of the regional office, Post Office Department, family man, and homeowner I hereby render a protest to moving this office to Seattle, Wash.

A. M. WELLENS.
PORTLAND, OREG.

PORTLAND, OREG., *June 28, 1960.*
Hon. EDITH GREEN,
House Office Building, Washington, D.C.:

Urge all possible effort to keep Post Office regional office in Portland.

BURTON K. NELSEN.
PORTLAND, OREG.

PORTLAND, OREG., *June 28, 1960.*
Hon. EDITH GREEN,
House Office Building,
Washington, D.C.:

Your assistance vitally needed to cancel order to move Portland regional headquarters of the Post Office Department to Seattle. The Post Office Department will lose its centrally located headquarters. Hundreds of loyal employees will lose their jobs or move to Seattle and Oregon will lose a multi-million-dollar payroll.

DONALD H. ACTON.

PORTLAND, OREG., *June 28, 1960.*
Representative EDITH GREEN,
House Office Building,
Washington, D.C.:

As an employee, taxpayer, homeowner I urgently protest move of Portland regional office, Post Office Department, to Seattle. Please use your influence to rescind.

N. J. BLYDENSTEIN.

PORTLAND, OREG., *June 28, 1960.*
Hon. EDITH GREEN,
House of Representatives,
Washington, D.C.:

As a taxpayer and registered voter I protest moving regional post office from Portland to Seattle. This will not only mean increased Government expense but will involve financial loss to the employees concerned and to the city of Portland. Please use your influence to rescind.

M. BARNHART.

PORTLAND, OREG., *June 28, 1960.*
Congresswoman EDITH GREEN,
House Office Building,
Washington, D.C.:

Urgently protest move of Portland regional office, Post Office Department, to Seattle. Many families needlessly uprooted. Protect the interest of Oregon, and mine as homeowner and taxpayer.

RICHARD HEROLD.

PORTLAND, OREG., *June 28, 1960.*
Congresswoman EDITH GREEN,
House Office Building,
Washington, D.C.:

I protest move of regional office, Post Office Department, from Portland to Seattle. Please exert your influence to cancel Postmaster General's order dated June 28.

LESLIE E. NELSON.

PORTLAND, OREG., *June 28, 1960.*
Representative EDITH GREEN,
House Office Building,
Washington, D.C:

Protest move of regional post office from Portland to Seattle. As employee and taxpayer I request your assistance in rescinding this order.

M. E. CARSTENS.

PORTLAND, OREG., *June 28, 1960.*
Representative EDITH GREEN,
Washington, D.C.:

Protest order to move regional post office from Portland to Seattle. Ask your assistance in rescinding order.

LOUISE I. HARPER,
Postal employee.

PORTLAND, OREG., *June 29, 1960.*
Congresswoman EDITH GREEN,
House Office Building,
Washington, D.C.:

Your district will lose payroll of $1¼ million unless immediate action is taken to reverse Postmaster General's order moving regional postal headquarters to Seattle. As regional cost officer I know the move will be very costly for the taxpayers and seriously inconvenience almost 200 loyal workers.

DALE HILTS.

ANNOUNCEMENT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. BOWLES] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOWLES. Mr. Speaker, the wedding of my son, taking place several hundred miles from Washington, will prevent me from casting my vote tomorrow to override the President's veto of the Federal pay raise.

I supported and voted for the original pay bill before it was trimmed to 7.5 percent. While I am deeply disappointed that I cannot be present, I am heartened by the wide bipartisan support for this bill—so great that I have been unable to arrange a pair to record my vote to override the veto.

I would like the RECORD to show that if I could be present here tomorrow I would vote to override.

I feel that the bill is a modest and reasonable one, and that the President's veto message fails completely to deal with the crucial problem of effective Government administration.

To attract and to keep the best possible people in Government service it is absolutely necessary that salaries be comparable with those in private industry.

Government salaries today are not comparable, and this veto, which I am confident we will override, is a senseless and unjust one.

THE ANSWER TO AN EDITORIAL QUESTION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. RABAUT] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RABAUT. Mr. Speaker, as you will recall, the House last Monday passed by a record vote of 348 to 35 the bill, H.R. 8697, to amend the District of Columbia Redevelopment Land Act of 1945. There appeared in the Washington Post of yesterday, June 29, 1960, an editorial concerning that action by the House on Monday. This editorial alleges that the 348 Members of the House who voted "aye" on the bill did not know what they were doing. I have taken issue with this editorial in the form of a letter to the Washington Post. I consider this to be a matter of sufficient importance to be brought to the attention of the House. Therefore, I am taking this opportunity to introduce the text of my letter for the information of my colleagues and for inclusion in the RECORD. I would also like to use this opportunity to express my sincere appreciation and thanks to all of my colleagues who supported the bill and to assure them that I am firmly convinced that they knew well what they were doing.

The letter follows:

JUNE 30, 1960.

Mr. ROBERT H. ESTABROOK,
Editor, Editorial Page, Washington Post,
Washington, D.C.

DEAR SIR: I have just seen your editorial of June 29 entitled, "348 Votes for What?" Now, I am, of course, aware that your paper has been opposed to my bill changing the urban renewal setup in the District since I first introduced it. I have always considered your opposition to be an honest difference of opinion and sincerely taken. I think I am right. You think I am wrong. That is fine, as opposition always breeds greater interest and that is what the people of the District have not had enough of concerning urban renewal in this city. Public apathy paves the way for abuses of power and of personal rights.

For these reasons I was not surprised to see your editorial. However, because of the reportorial integrity of which your paper is so proud and in fairness to your reading public, I would like to offer some comments on your editorial. To me, the editorial is more notable for what it does not say than for what it says. There are evidently some facts concerning the city's urban renewal operation of which your paper is unaware. First, though, let me say that I have many times been told editorially by your paper that I didn't know what I was doing. That is one thing, but for you to say that 347 of my colleagues in the House don't know what they are doing is absurd. Consider that the vote of 348 to 35 in favor of my bill is only 2 votes short of being 10 to 1. Not many pieces of legislation pass by a 10 to 1 margin.

I must say that the bulk of your editorial shows more than anything else that the writer did not take the time to read the committee report on the bill or the General Accounting Office report to the Congress on its audit of the Redevelopment Land Agency or perhaps even the bill itself.

Concerning the halting of any new projects until 50 percent of the Southwest is completed, you neglect to point out that the delay in Southwest has now stretched out to 8 years. And did you know that Mr. Searles, of RLA, in testifying on my bill, stated that it would be another 4 years before 70 percent of the Southwest would be finished and that it would probably be another 4 years after that before the whole project would be finished. That all adds up to 16 years to rebuild one section. I see no reason to doubt that this same monstrous delay could very well characterize any new projects. So why not require a good percentage of completion in Southwest before moving into other areas?

Concerning the transfer of planning responsibility to the District Commissioners, there is a point which does not appear in your piece although I and my office have tried from the beginning to make it clear to your representatives. Furthermore, this point was explained carefully to one of your editors no later than Tuesday, June 28. Did you know that the provision transferring this planning responsibility specifically permits delegation of the preparation of the plans to any Federal or District employee? And did you know that the committee report on the bill explicitly states that we envision that the whole thing will be delegated to the National Capital Planning Commission "in view of the experience of that body"? (I quote from the committee report.)

I am glad that you concede the need for more public housing. But did you know that National Capital Housing Authority—which is responsible for building public housing here—had a backlog of 4,795 applications at the end of April from people waiting for such housing? And did you know that no more public housing units are contemplated or planned for in Southwest? With National Capital Housing continually between the devil and the zoning commission, what would become of the people who would be displaced by new urban renewal projects?

I am also glad to note your agreement that a new approach to middle-income housing is needed. To this I can only say: What middle-income housing? Where? As far as I can see, the final product in the Southwest project will be a composite of Hades and Olympus, with low-rent public housing at one end and luxury apartments at the other and nothing in between. There is no middle ground. The one apartment that has been completed is of the high-rise, luxury type. The apartments that are planned or are under construction are also luxury types with rentals in the luxury class. All of these are, as you know, termed "low-density" housing. But, as you also know, what this means in practical terms is no families. People who have, perhaps lived, and made their homes in the Southwest all their lives, only to be uprooted, most certainly cannot afford to move back into these places, places where accommodations suitable for moderate to large families will cost up to $265 per month.

Your statement that concentration of authority in the District Commissioners will cause more "buckpassing" and bureaucratic delay puzzles me. Since when has the centralization of all authority and responsibility in one place led to greater inefficiency?

Perhaps the most wondrous aspect of your editorial is that you take issue with me for paying attention to the property owners who have been affected by the Southwest project. Certainly I am interested in the property owners and what they have to say. Historically, humanely, and constitutionally the property right has been one of the most basic and sacred of human personal rights. It has always been protected by the courts with the greatest care and circumspection. A man's right to own property and to do with it as he wishes has been eternally recognized on all quarters. But many of the situations in the pursuance of the Southwest redevelopment project seem to me to have involved the most unbelievable and flagrant abuse of the power of eminent domain that I have ever heard of.

Lastly, you mention the opposition to my bill by the public agencies concerned and by certain "knowledgeable private groups." I only wish you could see the multitude of letters from private citizens and resolutions of support from citizens and civic organizations that have come to me on my bill. Nowhere in the country do citizens have less recourse in grievances of such a local nature than they have in this city. Practically the only way the local citizenry has to voice their opinions and objections over matters affecting them, their homes and their property is through the citizens organizations and civic organizations that they have formed here. Would you have me turn a deaf ear? Turn them away from my office?

Well, I happen to think they deserve to be heard, and helped, if possible. This is not a political thing with me. Not one of these people can cast a vote in Detroit for me. I feel this way and I am doing these things because I believe in people and the dignity of man. And when this dignity is sacrificed to the abuse of governmental power, it is well nigh time that somebody does something about it.

Sincerely yours,

LOUIS C. RABAUT,
Member of Congress.

GOLDEN WEDDING ANNIVERSARY OF MR. AND MRS. A. C. ULLMAN

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. ULLMAN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ULLMAN. Mr. Speaker, it is always a thrill to congratulate a couple on their golden wedding anniversary. It is a special thrill for me to congratulate my parents in Salem, Oreg., Mr. and Mrs. A. C. Ullman, who are celebrating today the 50th anniversary of their marriage. For them and my colleagues, I insert the following verse from a lovely poem by James Whitcomb Riley in the RECORD:

A GOLDEN WEDDING

Your golden wedding!—Fifty years
Of comradeship, through smiles and tears!
Through summer sun, and winter sleet,
You walked the ways with willing feet;
For, journeying together thus,
Each path held something glorious.
No winter wind could blow so chill
But found you even warmer still
In fervor of affection—blest
In knowing all was for the best;
And so, content, you faced the storm
And fared on, smiling, arm in arm.

THE REPUBLICAN FOREIGN POLICY RECORD—SWEEPING INTERNATIONAL ISSUES UNDER THE RUG

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. WOLF] may extend his remarks at this point in the RECORD and may include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WOLF. Mr. Speaker, a most penetrating analysis was made by Mr. Drew Pearson in his column which appeared in the Washington Post this morning of the continuously superb camouflage job which has been carried forward by the Republican administration to cover up its failures in the field of international politics for the past 8 years. I agree with Mr. Pearson that it is time the American people removed the rose-colored glasses which the administration has placed before their eyes and that they look at the world situation in the black and white perspective in which it really exists. I commend Mr. Pearson's article to the attention of all thoughtful citizens:

OPPONENTS TREAT PRESIDENT GENTLY

(By Drew Pearson)

It was significant that the Senate Foreign Relations Committee carefully refrained from a single word of criticism of President Eisenhower regarding the summit failure though vigorously criticizing the moves of his administration which led to that failure.

It was also significant that Gov. Nelson Rockefeller in issuing his unprecedented criticism of our defense and foreign policies, carefully omitted any criticism of the man responsible for those policies.

Furthermore, during the past 7 years, the Democratic leadership of Congress, expressly Senator LYNDON JOHNSON and Speaker SAM RAYBURN, have treated the President with kid gloves while simultaneously lampooning his policies, his execution of those policies, and almost everything he does.

In past administrations this was never the case. In the past, Harry Truman, Franklin D. Roosevelt, Herbert Hoover, Woodrow Wilson were held responsible for their policies, and neither the press nor the politicians ever dealt lightly with them. This custom of holding the President of the United States responsible has been generally true of our entire history, from George Washington down—with the notable exception of Mr. Eisenhower.

DEFEATS ARE VICTORIES

As far as criticism is concerned he has led an almost charmed life. This is due in part to the extraordinary genius of Jim Hagerty and the Madison Avenue techniques he has used to set the President apart from his policies; in part, to the watchful eye of the B.D. & O. advertising agency which has been retained for 7 years to glorify Ike; in part, to the overwhelming financial—and political, contribution of the TV network executives to Eisenhower.

For the moment, however, we are not so much concerned with the reasons for President Eisenhower's sacrosanct position, but rather its effect on our eroded foreign policy.

That effect has been that when there occurred a serious error in foreign policy the error was hailed as a victory. And the administration's propaganda techniques have been so skillful that until recently the American public generally believed that each defeat was a victory.

It is only now when a lot of sick chickens have been coming home to roost that the public is beginning to realize that black clouds on the foreign affairs horizon were really black after all, not the rosy sunrises White House statements made them out to be. Only recently has it been possible to criticize the President without being denounced as unpatriotic and un-American. Even last month, Adlai Stevenson and Sen. Stuart Symington materially hurt their chances of being nominated for the Presidency by pinning the blame for the summit failure on President Eisenhower.

SWEEPING UNDER RUG

The real fact is, however, that the proposed summit conference and the proposed visit to Japan were sweeping-under-the-rug operations. They would have passed on to Ike's successor a lot of difficult problems. They would not have solved anything. And the unfortunate fact is that the Eisenhower foreign policy has been chiefly one of sweeping difficult problems under the rug.

Now that the rug has been pulled back by Khrushchev and the U–2 incident and by Japanese riots in Tokyo, a lot of these problems have been found that the American public didn't know were there.

The sweeping-under-the-rug operation began with the Korean truce 6 months after Ike took office. Everyone in the White House and the State Department knew that the Korean truce didn't solve anything. Korea was still divided. The North Korean Communists were fully armed and belligerent on the opposite side of the 38th parallel. They are still there.

The President, campaigning for election in 1952 on a platform of "communism, corruption, and Korea," had promised to go to Korea and settle the war. He did go—for a few hours only. Then he came back and refused to let the truce talks really worry him. Certainly it did not interfere with his golf.

On one spring day in 1953, the President was summoned from the Burning Tree golf course by a phone call that an important decision had to be made in the Korean truce talks. He finished the ninth hole, drove back to his office. On hearing the proposal he slammed a book across the room, exclaimed: "This — — Korean war has been with us 2 years. It's going to be with us for a long time. I don't want to be bothered with these details."

Finally it was settled—on terms which President Truman says were offered him but rejected as meaningless. Immediately this rugsweeping operation led to more problems in the Far East. For the Red Chinese, relieved of pressures in the north, shifted part of their troops to French Indochina. And in Indochina we took another defeat which again was hailed as a victory.

CAPTIVE NATIONS WEEK

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CONTE. Mr. Speaker, throughout America this forthcoming July 17 to 23, Captive Nations Week will be observed.

It is right that we set aside a time, during the year, to remind the world and, especially the enslavers, that we have not forgotten those nations held captive.

We are witnessing the birth of new states almost daily, and we welcome them into the great family of nations. Yet, it is strange that there are nations which must remain anonymous on our maps because, against their wills and desires, they are held in a bondage which prevents them from asserting self-determination and national identity.

The Communists would have the world believe that the captive peoples are, really, voluntarily joined to the Soviet Union. This stratagem of deceit must not go unnoticed.

If we ever forget or fail to proclaim before the world the obvious fact of the captive nations, then we will destroy the last thread of hope those oppressed peoples possess. That is why I felt it imperative that I address this distinguished body about this observance.

As long as we of the free world remain conscious that certain nations are being held captive, involuntarily, then the hope remains that someday we shall be able to assist and witness the fruition of their right to, once again, be elevated to the dignity of nationhood. I am certain that

those enslaved peoples are keeping alive the spirit of freedom and independence against overwhelming pressure to destroy it. Our gesture of recognition reasserts their inherent rights and gives them the boost in morale which will be of incalculable benefit in their magnificent yet silent struggle.

Our tribute to those courageous people who are suffering untold horrors by the Red-stained hands of those whose perverted desire is to exterminate them. I assure the captive nations that America shall not forget them and that we will never waver from our determined course to see that all men are entitled to the inalienable rights endowed them by the Creator.

JEDNOTA

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. MUMMA] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MUMMA. Mr. Speaker, the Eastern District of the First Catholic Slovak Union held their annual picnic on Sunday, June 26, 1960, at the Jednota grounds in Middletown, Pa. They had a wonderful turnout.

Having been invited to be their speaker, my talk was all prepared but I came down with an infection and could not personally be there. Leonard Pliska of my office made arrangements, at my request, to be there and represent me last Sunday.

My talk follows herewith, preceded by the introductory remarks Mr. Pliska made on the occasion:

Dr. Pauco, honored guests, ladies and gentlemen. Congressman MUMMA was to be your speaker today but he is unable to be here because of a slight kidney infection. He had his talk all prepared and he said: "Leonard, how about you going to Jednota on Sunday and reading my message to them."

However, before going on any further, being of Polish extraction myself, permit me to extend the day's greetings—and I know you will understand me—in the native language of my folks—"Dzien Dobry Panstwo."

Now here is what Congressman MUMMA wanted to tell you today:

"In my official capacity as Congressman for the 16th Pennsylvania District, I am most happy to be here and personally extend best wishes to all of you from the Eastern District of the First Catholic Slovak Union. Not all of you are from my district—as I understand there are guests here from the area that takes in as far as Bethlehem.

"My talk will be in two parts—first, I wish to make some remarks to you as Slovaks, and then I will tell you something about this area from my recollection of boyhood days here.

"It is wonderful that you have kept in existence traditions and customs brought to this country from Slovakia. Your newspaper here on these grounds plays an important part in your culture and in Philip Hrobak you have a good man. My impression of him is that he is a dedicated man, well informed, and a hard worker. The Jednota and the grounds here are a testimonial to that fact. Whenever I have any thoughts of you people, however, I feel a trifle envious—most of you picked up your knowledge of the Slovak language through family usage and helped it along or maintained it with something like the Jednota here—now on the other hand, for me to learn your language, I would have myself a chore. I do not need to impress upon you how nice it is to be good at more than one language—especially in this day and age when the world has grown smaller than all expectations.

"It is unfortunate though that the country containing your deep family roots from where you brought your Slovak traditions, is at the present time under the heel of communistic oppression. It is quite natural for all Americans of Slovakian extraction to pray earnestly for the day that oppression of Slovakia will cease to exist and a free Slovakia could rise in rightful glory.

"Communism thrives on the unwary. Vice President NIXON, I thought, sized up this communistic threat and the way to deal with it quite thoroughly. This statement he made shortly after the collapse of the summit conference during an interview on his personal reaction.

"The Vice President stated—and I quote him: 'We recognize that concessions do not lead to peace when dealing with a dictator, but they pave the way to war. They only whet his appetite. They never satisfy it.'

"Then, he stated further: 'While we are firm in our principle we must be nonbelligerent in our attitude. It is this kind of leadership America must have in these critical years ahead.'

"I don't know how many of you have living blood relatives still in Slovakia. Dr. Pauco, I believe, is one of our most recent acquisitions of the United States as I understand he came to us in the 1950's. His is a name known to the Committee on Un-American Activities for the service he has rendered to that committee as a private individual and of the giving of his time and his knowledge so that we all as Americans may better understand Communist designs and operations in Slovakia. He, like so many interested in keeping America free and strong, is active at it.

"There is no question but that the enslaved people of Slovakia look upon a free and strong America as the light of the world and their only hope for a new and free Slovakia.

"Then when that day is reached, Slovakia will not only rejoice but call upon some of you for material help—just as Slovakia gave America the Reverend Stephen Furdek—Americans of Slovakian extraction will, I predict, repay in kind or in services—like the old country gave to the new, the new shall do likewise in return.

"Before I go on to a discussion of early Middletown in my boyhood days, I would like to conclude this part of my talk with a wonderful quotation of what President Eisenhower had to say when he recently addressed the graduates of Notre Dame. It is a quotation that is so appropriate to the thinking of every Slovak in our Nation. We, here in Pennsylvania, have a good share of Slovak people and I believe, more than any other State of the Union. In fact, the eastern part of our State has a large concentration of people of Slovak extraction.

"Not only should the moral of the President's statement be uppermost in the minds of every Slovakian, but since we are all bound by a common cause in the United States—that common ground being the love of freedom—we can all take stock of ourselves and every one of us should remember what the President so eloquently stated—

" 'Human progress in freedom,' said the President, 'is not something inscribed upon a tablet—not a matter to be shrugged off as a worry to others. Progress in freedom demands from each citizen a daily exercise of the will and spirit, and a fierce faith; it must not be stagnated by a philosophy of collectivity that vainly seeks personal security as a prime objective.'

"Now to give you my personal recollections of this area from my boyhood days:

"You know, these days there is very little mention, even with that big military installation at Middletown, that the grounds now occupied by the Air Force Base, the Odd Fellows Home and Jednota, were more or less all included in a camp that was established at Middletown for the Spanish-American War. It was called Camp Meade.

"It was entirely a tent camp—none of the improvements like you find at Indiantown Gap—barracks—each equipped with toilets, hot and cold running water, etc. We had things in those days called real latrines. They were mostly cold-air jobs. There were occasional hydrants at different points and I don't remember ever seeing anything that bordered on a bath or shower. The camp rose from the pike along which the trolley ran up over the hill and the parade ground was down by the river. These troops never saw any actual service, according to my recollection, in the Spanish-American War, but the camp was there.

"And it does seem strange—the transition from that somewhat primitive camp—about the only thing I can remember about it, being around 8 years old at the time, was that it was a Sunday afternoon diversion on the part of my mother and father, to take the three of us boys down to Middletown with a basket of cookies for the soldier boys. This was not only done by the Mumma family, but Sunday afternoon was a big day down there. The families in the surrounding territory, of course, participated, and each one seemed to have a soldier for his very own. I don't remember what this soldier's name was, or his buddies that we used to take these cakes to, but I do remember one word for the rest of my life, the word 'artificer'—a skilled worker—a mechanic or craftsman plying a specialized trade, etc. It has never meant anything to me but did make a deep impression on my mind.

"Another thing that made a deep impression on my mind was that in those days they had dirt roads through the camp. When it rained, they were awful muddy and when it didn't rain, they were dusty. Compare that with the completely paved streets they have in the modern camps of today.

"After the war, Camp Meade disappeared and the area was given back to farming mostly, but in the flats which now make up the depot, I remember that Heinz grew a lot of tomatoes.

"Along about 1916, there was a project developed to build a huge State fair and the ground at Middletown, now Olmsted Field, was acquired for that purpose. There was quite a campaign to sell stock. To show progress, they awarded a contract for the race track and a friend of mine from Lebanon, Bill Randall, secured the contract, was working along on it, when all at once the money ran out, and, by the way, the State fair committee blew up, and my friend, Bill Randall, was left holding the bag.

"There was one thing that in light of present day developments seemed very funny. Bill, in his fight to get paid for the work he did down there, was offered that whole tract of ground which they had acquired for $14,000. Now he was a bright young businessman and was quite interested in such projects as a stock market. But Bill, despite his good judgment, made the mistake by saying 'no' to this $14,000 deal for that stretch of land.

"Then when World War I came along, the Army acquired this tract at—I don't know what price—and they started to build. At that time, I was in the cement business and still remember that I had sold them—a contracting firm from St. Louis—the first carload of cement that they used down there

and many of the others that followed. I don't think the Government paid a million dollars for the land but I believe a million dollars for that tract of ground today would be very low priced.

"I would certainly like to have had some of it for the sand and gravel alone that ran underground. The coming years are going to see more development around Jednota in the housing and highway construction. Presently their plans down at the main gate of Middletown, take in developing a bridge across the railroad and a cloverleaf, taking in the road to Harrisburg and Lancaster and also connecting with the Pennsylvania Turnpike. This will be more or less of a project especially valuable if there should be another world conflict. In that event, of course, the turnpike running practically across the country would become invaluable.

"So then, here we are today in the midst of all the tremendous development that has occurred all around us since the 'good old days,' and as we visit here with our friends today, we will know a little more about its background to the early days of Camp Meade."

NICARAGUA CANAL

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, I have this day introduced a bill calling for the construction, maintenance, and operation of an interoceanic canal at Nicaragua.

For some time I have been concerned with the untenable political situation in Panama and the violent anti-American tone of many officials of the Republic of Panama. This taken with the rapid deterioration of our position in the Caribbean area and the shocking conduct of the Communist dominated Castro government in Cuba make it essential in the best interests of the United States and world commerce, security, and peace that a second canal bring the Atlantic and Pacific Oceans together at some other point closer to the United States than Panama.

The increase in sea traffic in our part of the world has created grave concern on the limitation of canal service between the Atlantic and Pacific Oceans. Keeping in mind the ultimate potential of the Panama Canal, it is imperative that another site for a second canal be determined. All of the field engineering done recently was done for the Panama Canal Company or by the company's own staff—no independent study has been made of the several Nicaragua sites—this, of course, should be done at once—there should be presented to the Congress all of the facts up to date relating to the design, construction, and operation of a canal at Nicaragua together with all basic engineering data used in connection with said study.

A series of studies have been made, one report filed June 1, 1960, with reference to improving the Panama Canal in various ways and mentioning certain other sites including Nicaragua. Of vital importance and not mentioned is the recent history of instability and violent anti-American mob action in Panama. Revival of totally unfounded claims by Panama of sovereignty over the Canal Zone would make it utterly undesirable to attempt any work on the Panama Canal which would entail diplomatic negotiations with Panama—such discussions would inevitably mean revision of the existing treaty, outrageous demand on the United States, and blatant and violent attacks on the United States—and any government in Panama which would not lend itself to this blackmail would be overthrown by violence—mob rule in Panama is the custom now if the canal is an issue.

Clearly, the fact that a second canal at Nicaragua may cost even twice as much as one at Panama, the Panama site is out of the question in the best interest of the United States.

The economic, geological, and engineering advantages of the Nicaraguan route, plus the close friendship of the Government and the people of Nicaragua for the United States of America taken together dictate the second canal be over Nicaragua territory.

The Nicaragua Canal, the historic rival of the Panama Canal, is the canal at another location most likely to receive strong political and technical support.

In approaching this problem it should first be noted that the original decision for the construction of the Panama Canal was arrived at only after an animated congressional debate in 1902, the Panama Revolution of 1903, the negotiation of the Hay-Bunau-Varilla Treaty, and the 1906 controversy as to type of canal. Though the ramifications of this history are highly complicated, they show that the decision to construct the Panama Canal instead of the Nicaragua Canal was based on many curious circumstances.

Today, many technical limitations of earlier days do not apply. Engineering questions of construction have, in the main, been solved, and marine operational problems are better understood.

The advantage of the Nicaragua Canal most frequently propounded by its advocates, is its more favorable location for intercoastal sailing distance via a Nicaragua Canal would be 4,741 nautical miles as compared to 5,219 via Panama, a saving of 478. Allowing 23 hours for the transit of the Nicaragua Canal and 8 for the Panama Canal, this would according to the 1931 Sultan report—House Document No. 139, 72d Congress—reduce the voyage time for 10 knot vessels via the Nicaragua route by 2¼ days between New Orleans and San Francisco.

First unsuccessful efforts made to find a strait connecting the Atlantic and Pacific Oceans in the 16th century gave rise to the idea of a ship canal across some part of the Central American Isthmus. Since that time, many potential routes have been investigated including one across the Isthmus of Tehuantepec in Mexico, and Mexico is now seriously studying a canal at this point, eight various routes across Nicaragua and Costa Rica, six across Panama, and others across Darien and Colombia.

Hasty and incomplete investigations led to strange claims for each of the various routes. However, by the end of the 19th century, sufficient information had been developed to permit narrowing the probable routes of a transisthmian route to two. These were the routes now occupied by the Panama Canal and another traversing Nicaragua via the San Juan River and Lake Nicaragua from the vicinity of Greytown on the Caribbean to Brito on the Pacific. The latter appears to have been one of the earliest to be advanced and since its first emergence as a proposed route for a canal in 1522 various companies, governments, and individuals, have from time to time interested themselves in constructing such a canal. The United States first became interested in 1826 when it entered into negotiations with the new Republic of Central America. No tangible results followed, but interest of the United States in this route has persisted to this day.

A private company, the American Atlantic & Pacific Ship Canal Co., secured a contract from the Republic of Nicaragua for construction of a canal and carried out the first instrument survey of the route in 1850 to 1852. No construction was undertaken, and the contract was terminated by the Nicaraguan Government.

The Interoceanic Canal Commission was authorized by the U.S. Congress in March 1872 to make a thorough study of canal possibilities in Central America.

The report—Senate Executive Document No. 57, 43d Congress, 1st session—contained a detailed survey of the Nicaragua route.

The route was again examined in 1874 by the Corps of Engineers, which made a favorable report, published in Senate Executive Document No. 46, 52d Congress, 2d session. At the same time, surveys were made of canal routes across the isthmus at Tehuantepec, Panama, and Darien. After consideration of all these reports the Interoceanic Canal Commission concluded, in 1876, that the Nicaragua route was the most advantageous of any of the routes considered. The report of the Commission was published as Senate Executive Document No. 15, 46th Congress, 1st session, following its presentation to the Congress in April 1879.

During 1885, a civil engineer, acting on behalf of the U.S. Navy, surveyed a part of the Nicaragua route not previously investigated—Senate Executive Document No. 99, 49th Congress, 1st session. The same engineer, A. S. Menocal, acting as engineer of the Maritime Canal Co., started an unsuccessful attempt to construct a Nicaragua Canal.

A number of detailed surveys were made and a few miles of canal were actually excavated near Greytown, but the entire venture was soon abandoned. A final report of the Maritime Canal Co. was transmitted to the Congress in December 1890 and was published as Senate Executive Document No. 5, 51st Congress, 2d session.

An act of Congress established the Nicaragua Canal Board in 1895 for the purpose of examining the route proposed by the Maritime Canal Co., or any modification it deemed advisable. The report of this Commission of the survey made by the Corps of Engineers was made in November 1895 and was published as House Document No. 279, 54th Congress,

1st session. In it was the statement that the proposed canal was feasible, and further investigations were recommended. Pursuant to the recommendations Congress authorized, in 1897, the Nicaragua Canal Commission, and the President appointed Adm. John G. Walker, U.S. Navy, as president, to report on the proper route for a canal across Nicaragua, its feasibility and cost. The work of the Commission was completed and its report was submitted to the President on May 9, 1899. It was not printed.

During the same year, in accordance with an act of Congress, the Isthmian Canal Commission was organized to investigate any feasible Isthmian Canal route. After extensive surveys, this Commission reported in November 1901 and recommended the Nicaragua route. During its investigations, the Commission had been approached by the French interests then engaged in construction of a canal across the Isthmus of Panama, with the idea of selling its rights to the United States. Admiral Walker and the other members of the Commission considered the price too high and recommended the Nicaragua route. However, the French Canal Co., reduced its price and its rights and properties were purchased by the United States and the Panama Canal was completed by the United States.

In 1912, when the Panama Canal was nearing completion, the Government of Nicaragua indicated its desire to give the United States the right to construct a canal across Nicarauga territory. Accordingly, the Bryan-Chamooro Treaty—or convention—was signed on August 5, 1914, and ratified in 1916. By this treaty, for the payment of $3 million, the United States gained the following rights: First, exclusive proprietary rights in perpetuity, necessary and convenient to the construction and maintenance of an interoceanic canal; and second, a 99-year, renewable lease on the islands known as Great Corn and Little Corn in the Caribbean; and the renewable right, for a like period, to establish, operate, and maintain a naval base at such place on the territory of Nicaragua bordering the Gulf of Fonseca as the United States may select.

Completion of the Panama Canal and the rapid growth of commerce utilizing it led Congress to authorize an investigation and survey for the purpose of determining the practicability of construction and maintaining additional locks and other facilities at the Panama Canal, and also to investigate the practicability and probable cost of constructing an interoceanic canal across the Republic of Nicaragua. An interoceanic canal board was appointed and undertook the survey of Nicaragua while the expansion of Panama Canal facilities was explored by the Governor of the Panama Canal. The final report was transmitted to the Congress on December 10, 1931, and was published as House Document No. 139, 72d Congress, 1st session.

There now is strong sentiment for construction of a transisthmian canal by way of Nicaragua. It is realized, of course, that the limitations of the present Panama Canal prevent the passage of some of the Nation's largest ships and that it is vulnerable to attack from the sea and from the air. However, the last study made of the problem in 1947 revealed some doubt as to the security of a third set of locks at Panama.

The outstanding geographic feature of Nicaragua is the chain of two freshwater lakes, Lake Nicaragua and Lake Managua, situated only a few miles from the Pacific coast in the southwestern portion of the country, and draining into the Caribbean by way of the San Juan River. Lake Nicaragua, with a water surface generally about 104 feet above sea level has a length of about 100 miles and a width of about 45 miles and is of vital importance to any proposed canal route through Nicaragua. Its water area of about 3,000 square miles and its total drainage area of about 12,400 square miles provides a dependable source of water for canal operation. It also would provide many miles of open water navigation, requiring little excavation. Lake Managua, to the north, and in the same watershed would augment the water supply but not be utilized by the most preferred canal route.

The San Juan River and its valley form a natural route for a canal from Lake Nicaragua to the Caribbean, a direct line distance of 80 miles. The larger tributaries of the San Juan, the San Carlos, and Araquipi, rise in Costa Rica and flow into the San Juan from the south. A number of smaller tributaries enter the river from the south. Below the confluence of the Saraquipi, the San Juan enters a coastal plain filled with extensive swamps and lagoons, and divides into two branches, the lower San Juan and the Colorado, to finally enter the Caribbean.

Important to construction of a canal in this area is the height of the Continental Divide. The main Continental Divide lies in the narrow strip of land separating Lake Nicaragua from the Pacific. The lowest gap in this divide is east of Brito near the headwaters of the Grande River, at a height of 153 feet above sea level. On the east side of Lake Nicaragua the divide is broken by the San Juan River. In order to follow a more direct line to the coast down the valley of the Deseado River a possible canal route would diverge from the San Juan to the northeast and cross the divide at a height of 400 feet above sea level. The total length of the most preferred route is somewhat over 170 miles.

It has been estimated that the proposed Nicaragua Canal would have an average of 430 nautical miles between Gulf-Atlantic and Pacific ports. About the same savings could be made between Gulf-Atlantic ports and the Orient. This would amount to about 1½ days' sailing time for a 10-knot vessel.

Among those closest to the problem, it is felt that now is the time for a full evaluation of the effect of the atomic bomb on the future of such structures as interoceanic canals and the use of modern nuclear science in expediting the excavation of a canal.

I am indebted for much of the above information to C. Frank Keyser, analyst in conservation and natural resources, Economics Division, Library of Congress, Legislative Reference Service.

I intend to press for this canal with every resource at my command and will have much more to say on the subject from time to time. Nothing will ever be attempted if all possible objections must first be removed.

THE SAVINGS AND LOAN INDUSTRY OF MARYLAND

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Maryland [Mr. JOHNSON], is recognized for 10 minutes.

Mr. JOHNSON of Maryland. Mr. Speaker, on the 27th of May there appeared in the financial section of the Washington Star an article by one Donald B. Hadley with the shocking black headines: "Savings and Loans Urged To Warn Public of Maryland Phonies."

This article, published under the guise of "news," virtuously identifies the "Savings and Loans" in the headlines as the members of the District Federal Savings & Loan League, assembled at that time in convention at Hot Springs, Va. The "Maryland phonies" so broadly referred to are the 427 independent savings and loan associations chartered in the Free State of Maryland.

Such headlines are shocking because of the categorical smear of the entire independent savings and loan industry of my State. And even more shocking is the fact that a great newspaper such as the Washington Star should publish this unwarranted generalized slander.

Mr. Speaker, for nearly 100 years Maryland's independent savings and loan associations have served tens of thousands of small investors. They have encouraged home ownership with many millions of dollars of loans to Maryland citizens. And at the end of 1959 their combined assets amounted to more than $1,300 million.

In these headlined charges, however, there was no editorial qualification of any kind. Only in the body of the news story itself was a feeble attempt made at justifying the malicious phony characterization by quoting the District Federal Savings and Loan League's principal speaker, who declared that several Maryland associations had been prosecuted for mail fraud and misrepresentation in the last year.

What are the true facts? Let me point out again that there are over 400 independent savings and loan associations doing business in Maryland, and exactly three of them have been indicted and none convicted.

I personally do not know any of these indicted institutions, nor any of the circumstances leading to their respective indictments. I hold no brief for any of them one way or another. But I do submit that under our democratic processes of justice an indictment is one thing, conviction another; and guilt is not implied by indictment.

Nevertheless, in spite of this fact that only a fraction of 1 percent of the total is in jeopardy, over 99 percent of the industry is held up to public suspicion.

Mr. Speaker, a special subcommittee of this House under the chairmanship of our distinguished colleague, the gentleman from California [Mr. Moss], is now conducting a hearing, which began nearly 4 weeks ago, on the activities and management of the Federal Home Loan Bank Board, and the Federal Savings and Loan Insurance Corporation which it supervises. It is from these agencies that the Federal savings and loan associations derive their labels as "Federal" and "federally insured." It is from these Government instrumentalities, created by the Congress 26 years ago in an emergency, that savings and loan associations which have chosen to do so, are granted this so-called insurance of their depositors' savings up to $10,000 for each account. The Federal associations, in turn, advertise to the public that such savings are "insured by a permanent instrumentality of the U.S. Government." Of course, that is a good merchandising technique; and, most certainly, the impression has been created in the public mind that such savings accounts are actually guaranteed by the U.S. Government itself. This, I am told, is not a fact by statute or by any other legal provision.

It is not my intention, however, to analyze at this time the legislation, regulations, or lack of them pertaining to the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation. But since this newspaper article to which I am addressing myself does emphasize the factor of "Federal insurance" as further justification for an attack on the independent institutions of Maryland which are not "federally insured," I am constrained to deal with the subject. I present, therefore, the following statements for the record.

First, let us hear what this Washington Star article reports the District Federal Savings & Loan League's principal speaker has to say on the subject of insurance. He says, and I quote:

> During the past few months all of us have received or have been advised of mailing pieces sent out by these Maryland associations which purport to be commercially insured and which advertise comparatively high rates of dividends.

And a little further down in the story he declares:

> I believe one of our primary responsibilities to the public is to inform them by every means available of the significance of the Federal Savings and Loan Insurance Corporation and what it represents.

That is what the spokesman for this trade association of the District Federal savings and loan associations had to say in behalf of their own advantages of "Federal insurance" in this article in the Star.

Now let us hear a portion of what our distinguished colleague, the gentleman from California [Mr. KING], had to say on this subject in a speech to this body on the 19th of May under the heading "False Confidence in Federal Savings and Loan Insurance Corporation," and I quote:

> Over its 25 years of operation, the Federal Savings and Loan Insurance Corporation has only about $305 million reserves to insure over $50 billion of savings. Of this $305 million, the Insurance Corporation has committed over 25 percent to cover a false emergency created by its own unwarranted acts, leaving three-quarters of its assets to protect the remaining nearly 4,000 savings and loan associations. Its own reserves at the most are less than three-quarters of 1 percent of the amounts insured.

I might add, Mr. Speaker, that not one single line of Mr. KING's remarks was published in the Washington Star, or, for that matter, in any District newspaper.

I believe, Mr. Speaker, that at this point we may reveal the real theme of the story behind most of these vicious attacks on Maryland's independent savings and loan industry. The remarks of the Federal League's speaker which I have quoted spell out the word "competition" in letters even larger than the Star's misleading headlines. For example, he uses the phrase, and I quote, "these Maryland associations which purport to be commercially insured and which advertise comparatively high rates of dividends." And next he extols the virtues of so-called Federal insurance. He says, in effect, and I quote: "In spite of the fact that we pay our depositors less dividends than some Maryland independents, we are federally insured, and they only claim to be insured, and commercially insured at that. That's bad. Look out."

It is difficult to believe that this trade association advocate of Federal insurance does not know that some of these Maryland associations which purport to be commercially insured are, indeed, commercially insured.

Furthermore, what is wrong with paying citizens as much return on their invested savings as good management can pay? What is wrong with commercial insurance? It has been with us for a long time. The inference, of course, is that Maryland's independent savings and loan associations are shady operators instead of well-managed small businesses, and that commercial insurance, devised and underwritten by free enterprise, is less attractive than this so-called Federal insurance.

I ask at this point, Mr. Speaker, under what imaginable circumstances in any State of this Union would any kind of a commercial insurance company be permitted to operate for a single day if its reserves were less than three-quarters of 1 percent of the amounts insured? And yet this spokesman for the Savings & Loan League holds up to public suspicion the integrity and bona fides of commercial insurance.

On June 2, the gentleman from California [Mr. KING], who has studied savings and loan and other governmental financial operations for many years, and whose committee investigations have brought about legislation correcting abuses and mismanagement in certain of these executive branches of Government, made another statement on this floor on the conduct of this "Federal insurance" business, and I quote:

> How any savings and loan association manager can face the public and assure the investor that the conduct of the management of the Federal Savings and Loan Insurance Corporation is a safeguard to their savings is beyond my comprehension.

At last, then, we have still another chapter in this curious story of competition between the large Federal associations in the city of Washington and the small independents doing business for the most part in 67 small towns throughout Maryland.

In order that there be no misunderstanding of this terminology of insurance as it has been used here, however, let me point out that whereas the Federal type represents that it insures literally the savings of depositors—the liquidity of an association, in other words—the commercial insurance referred to is designed to protect an association's mortgage portfolio as to principal, interest, and foreclosure costs.

Thus we have a situation of competition, pure and simple. Competition between big business and small business. And today there is greater competition in the money market throughout the Nation and the world than ever before.

I submit that the healthy effects of honest competition are no less today than they were some 100 years ago. But I decry the tactics of federally nurtured big business which are calculated to stifle competition and to destroy ultimately hundreds of small businesses, and to confuse small investors in my district and in my State of Maryland.

Unfortunately for the public, few of the facts of this deplorable situation upon which I have touched so briefly are ever publicized. I have been told that most Washington daily newspapers will not even accept paid advertising from a Maryland independent savings and loan association. And this, I further understand, extends to the major radio and television stations as well.

Mr. Speaker, I have sought in these remarks to be entirely objective with respect to the pros and cons of this situation. In this defense of a basic and honorable industry of my district and my State I have endeavored to present facts and figures.

It is my sincere hope that on the basis of these facts the newspapers of the Nation's Capital will have a care before participating again in any such irresponsible effort to create public doubt as to the integrity and honesty of so many good neighbors, business establishments and citizens alike.

I have the honor to represent Maryland's First District, and it was in this district that the Free State was first settled in 1631. Maryland is the seventh of the Original 13 Colonies to form these United States. We are proud of our heritage of fair play and tolerance in Maryland. We expect no more in return from anyone. We can settle for no less.

D.C. TRANSIT

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Texas [Mr. ROGERS], is recognized for 30 minutes.

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous material and tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ROGERS of Texas. Mr. Speaker, the issue which I will treat today is whether or not the holder of a highly subsidized, tax exempt, legal monopoly, to wit, the D.C. Transit, shall be allowed to continue practices and procedures in the operation of the transit system that are effectively destroying legal, taxpaying, competitors and overburdening and encroaching upon the rights of the users of the mass transit system through unjustified fares.

I have sought to develop this matter through information from the Public Utilities Commission of the District. The replies that I have received from that body in answer to my inquiries of the past 8 or 9 months would indicate to me very loose, lax, and irregular practices and administration. I have not undertaken to determine whether or not there has been any deliberate wrongdoing, but I might say that the evidence gathered so far would indicate that taxpaying competitive businesses and transit riders are being victimized by the practices and procedures that have been followed.

Discrepancies between the information furnished me and with information filed by the D.C. Transit officials before our committee and the Congress indicate a lack of knowledge on the part of PUC officials that is inexcusable in the proper protection of the rights of small business and the transit riders.

My purpose today is to explain the situation as briefly as possible, but to include as many specific documentations as time will permit.

H.R. 4815 will confine the use of D.C. Transit's assets and personnel to the field in which the Congress intended the company to concentrate: mass transportation.

Public Law 757 is legislation resulting from a crisis, caused by a prolonged strike which had shut down the operations of streetcars and buses in the District of Columbia. Negotiations between the Capital Transit Co. and its employees were stalemated, and the adjournment of the 84th Congress was imminent. Mr. O. Roy Chalk submitted a proposal to create the D.C. Transit Systems, Inc., if special privileges were granted to him in the way of tax concessions. The Congress did not have sufficient time to consider the possible damaging effect that those benefits could have on numerous small businesses rendering charter, sightseeing, limousine, and Government contract services. Nor could the Congress foresee D.C. Transit's misuse of such benefits for invasion of other industries.

Unquestionably, when the Members of Congress voted out the franchise, they believed that the privileges they bestowed upon D.C. Transit System would be used for the betterment of the District of Columbia mass transportation system under private enterprise and certainly not for the creation of a corporation that would project itself from a tax subsidized monopoly in mass transit into competition with taxpaying businesses.

This legislation is necessary because:

There are indications that D.C. Transit, with its large resources and its special monopoly mass transportation position, may well destroy competition in the local sightseeing, charter, and limousine fields, as well as other fields, if appropriate remedial legislation is not passed.

In August 1956, the Congress granted D.C. Transit a legal monopoly in mass transportation in the District of Columbia, plus special privileges which include exemption from certain District of Columbia taxes amounting to about $1 million annually.

Hence, for almost 4 years, D.C. Transit by use of these special privileges has made tremendous inroads into the charter, sightseeing, and limousine industries in the Washington metropolitan area. This has been accomplished, in part, through cut rates, some as much as 40 percent below those of competitors, raiding personnel of competitors, huge advertising expenditures, excessive commissions to hotels, motels, and other agents, and otherwise using the large resources of its mass transportation system to promote and develop its sightseeing, charter, and limousine business.

For example, during the fiscal year ended August 31, 1957, D.C. Transit had charter, sightseeing, and limousine revenue totaling $452,000, and it spent $235,000 for advertising and promotion, or over 50 percent. Of course, each year, D.C. Transit has sustained losses averaging from $133,000 to $200,000 on its charter, sightseeing, limousine, and Government contract services.

D.C. Transit, in engaging in competitive fields, has unfair advantages which it can and does use in competing for business. The advantages are largely two-fold:

First. The tax exemptions granted to the company by the Franchise Act.

Second. The large resources of its monopoly mass-transportation system which are available to it for carrying on sideline operations.

There is no question but that the large resources, which D.C. Transit has available to it by virtue of its monopoly mass-transportation system, are used by it for carrying on unfair competition in competitive fields.

Numerous witnesses have testified as to the active competition which D.C. Transit has been giving them since D.C. Transit took over the franchise in 1956. Many asserted that such competition has resulted in lost business to them.

In calendar year 1959, D.C. Transit's revenue from charter, sightseeing, limousine, and Government contract services totaled $1,089,525. Capital Transit's revenue from charter and sightseeing services was about $250,000 annually.

There is no authority in section 6 of the Franchise Act for D.C. Transit to engage in limousine service, airport service, taxicab service, or other sidelines which the company has entered into or has proposed.

Yet, D.C. Transit has interpreted its franchise to mean that it could enter any field it chooses to enter, from its privileged monopoly base.

D.C. Transit already competes in charter and sightseeing, limousines, Government contract services, suburban routes, office space rental, and printing; it has rendered service, at cut rates, between Washington and Friendship Airport in competition with other operators; it seeks authority to render service between Washington and Dulles International Airport; it has used its assets and personnel in a road-construction venture in competition with road-construction firms; it seeks authority to operate a daily limousine service, at cut rates, between Washington and New York in competition with existing common carriers, such as bus operators, the railroads, and airlines; it seeks authority to operate a helicopter service in the Washington metropolitan area in competition with existing companies; it seeks authority to operate a limousine service in the District of Columbia in competition with the taxicabs; it has proposed truck-leasing services; it plans a terminal office building which will compete with similar enterprises; it has proposed a hotel-motel and a shopping center; and a sister company, T.C. Broadcasting Corp., has sought a radio station in College Park, Md.

As regards the application of T.C.A. Broadcasting for a radio station, if that company were to enter the radio field and the pattern of the past is followed, the company would, no doubt, be completely intermingled with D.C. Transit, with expenses of personnel and other operating expenses being charged to D.C. Transit.

Obviously, no independent small businessman in competitive fields can compete with D.C. Transit's indiscriminate use of its monopoly resources and tax exemption.

Unless the Congress enacts this legislation, D.C. Transit will knock out numerous small businessmen in competitive fields, and will, in due course, achieve monopolies therein.

It is the height of irony that D.C. Transit System, by invading competitive fields, has done exactly what we objected to in the proposed Public Authority back in 1956. The majority of the members of the Interstate and Foreign Commerce Committee objected to the "sweeping jurisdiction and powers of the proposed Authority." House Report No. 2034, 84th Congress, 2d session, states as follows on page 6:

> 3. Sweeping jurisdiction and powers of the proposed Authority: The autocratic position the new Authority would have in the ratemaking field is further enhanced when considered in the light of the sweeping jurisdiction over transportation facilities given to it in other portions of the bill. In the event the Authority should operate in such fashion as to produce substantial net revenues, there is no provision to insure that the riding

public, would reap the advantage of this operation through lower fares. Indeed, the scope of the Authority's powers would be such that, without further ado, it could acquire or build, and could operate, toll bridges, airports, helicopter service, turnpikes, wharves and harbor facilities, or any facility whatsoever used in the transportation of passengers for hire (with the exception of taxicabs and sightseeing).

Testimony before the House Commerce Committee indicates that D.C. Transit's activities have already caused hardship and that eventually widespread hardship will result. We must face up to the fact that the somber realities of rate cutting, huge advertising and promotion expenditures resulting from tax exemptions, and monopoly power advantages will eventually kill off many of D.C. Transit's competitors. One of the complainants testified that his company had lost about $500,000 in business to D.C. Transit and named the accounts that were lost. A number of other concerns have also been hard hit. One of them lost 85 percent of his total business to D.C. Transit at the very time our hearings were being held—record, pages 401–402.

Certainly, the public interest is not served if we wait until the patient is dead before providing relief. Surely, we have the responsibility to anticipate the obvious results of D.C. Transit's competitive activities before allowing them to happen. For, it will be too late when D.C. Transit's competitors are out of business.

The question arises as to whether it is the plan of the D.C. Transit System to harass those competitors, who will not join the company or sell, until they are forced to join or sell out to D.C. Transit.

Another complainant has written me that, after 27 years as an independent sightseeing guide in the District of Columbia, he had to seek employment with D.C. Transit in 1958. He says he had to do this because his business suffered when D.C. Transit slashed rates and placed its sightseeing guide salesmen on the streets to compete with him and hundreds of others, who earn their living in the same way.

Said complainant asserts that he resigned from D.C. Transit in 1959, and resumed work as an independent sightseeing guide. He alleges that "D.C. Transit has since been applying pressure" to prevent him from working as a guide in an area adjacent to one of D.C. Transit's sightseeing stands, and states, in part, as follows:

> I am not a disgruntled former D.C. Transit employee. I merely want to be able to earn a living in the field I know best. I left D.C. Transit because I have been an independent sightseeing guide for 27 years and wasn't happy working for a large company.
>
> Officials of D.C. Transit have complained to congressional committees that other sightseeing operators have most of the hotel stands in the District of Columbia, and that this is unfair. Yet, D.C. Transit has been responsible for the ousting of small operators in certain hotels and motels through offering greater inducements to those establishments. It has not offered to share those stands with those operators. I will be glad to set up shop at any hotel or motel where D.C. Transit has a charter, sightseeing and limousine stand.

This complainant is now back working for D.C. Transit.

This alleged pressure resembles the allegations made by independent sightseeing guides before the House Select Committee on Small Business in May 1958. Mr. Paul A. Swan, president, Washington Sightseeing Operators Association, and a partner in Federal Sightseeing Tours, accused D.C. Transit of using "goon squad" tactics—record, page 5. On May 19, 1958, he submitted an affidavit to the committee, which charged that, following his testimony before the committee on May 12, 1958, D.C. Transit stationed guide-salesmen in front of his sightseeing stand at the Commodore Hotel in order to divert potential customers—record, page 118. The sightseeing stand at the Commodore Hotel was subsequently acquired by D.C. Transit. This forced Mr. Swan out of business. He had previously lost the Stratford Hotel to D.C. Transit—record, pages 4–6.

In September 1959, one of D.C. Transit's suburban and charter competitors, Inter-County Transit Corp.—formerly Suburban Transit Co.—a wholly owned subsidary of W.M.A. Transit Co., capitulated to D.C. Transit. Mr. D. Jay Hyman, counsel for W.M.A. Transit Co., testified before the House Interstate and Foreign Commerce Committee on June 2, 1959, in support of H.R. 4815.

The following tells the story from newspaper accounts:

> July 30, 1958, Washington Post: "James H. Flanagan, vice president, D.C. Transit, denies plan to grab suburban buslines."
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> August 7, 1958, Washington Post: "Mr. Chalk offers to finance the $50,000–$100,000 study of suburban Maryland's transit needs, provided a single company is permitted to supply the area's transit requirements, if the survey shows such a need."
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> August 20, 1958, Washington Star: "Mr. Lester E. Pierce, president, W.M.A. Transit Co., assails Chalk on transit study offer. Mr. Pierce described Mr. Chalk's offer as a reversion to the law of the jungle where the stronger prevail * * * In this case, the analogy being that a superfinanced, superpublicized transit operation would be allowed to squash less wealthy public ultities."
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> October 17, 1958, Washington Post: "The Maryland Public Service Commission granted D.C. Transit's request 'for extension of bus service to Wheaton and Kensington. Both requests were opposed by the Suburban Transit Co. an independent Montgomery County line, on grounds that it would compete with its own service.' "
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> January 10, 1959, Washington Star: "Inter-County Transit Corp., a wholly owned subsidiary of W.M.A. Transit Co. buys Suburban Transit Co."
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> January 14, 1959, Washington News: "Mr. Chalk announced that 'he is filing an application with the Maryland Public Service Commission to operate all of the routes now operated by the Suburban Transit Co.' "
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> January 15, 1959, CONGRESSIONAL RECORD: "Messrs. D. Jay Hyman and Earl M. Foreman, counsel, W.M.A. Transit Co., addressed a letter to Congressman WRIGHT PATMAN assailing D.C. Transit's monopolistic practices. They pointed out that suburban carriers are being hurt by D.C. Transit's expansion into suburban areas, and the State of Maryland is losing revenue. 'Assuming that D.C. Transit Co. would purchase its gasoline within the District of Columbia where it is exempt from the payment of gasoline taxes, the State of Maryland could be deprived of approximately $70,000 per year of revenue obtained from said taxes. By losing this revenue, the road programs of construction and repair of the State of Maryland would have to suffer unless the general taxpaying public were to make up the difference.' "
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> March 26, 1959, Washington Post: "The Maryland Public Service Commission holds hearings on Inter-County Transit Corp.'s purchase of the Suburban Transit Co. The D.C. Transit System bitterly opposes Inter-County's application."
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> May 2, 1959, Washington Star: "A joint board of the ICC filed a report recommending denial of D.C. Transit's application for new routes in Maryland. 'The routes sought are those formerly operated in Montgomery County and from there into the District by the Suburban Transit Co.' "
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> June 2, 1959: Mr. D. Jay Hyman, counsel, W.M.A. Transit Co., appeared before the House Interstate and Foreign Commerce Committee in support of H.R. 4815. Mr. Hyman testified that many small companies in the area, including W.M.A. Transit Co. and Suburban Transit Corp. (now Inter-County Transit Co.), have been "adversely affected" by D.C. Transit's use of its monopolistic power and the tax advantages." (See hearings, pp. 199–202.)
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> September 25, 1959, Washington Star: "The Maryland Public Service Commission approved the sale of Suburban Transit Co. to Inter-County Transit Corp., a wholly owned subsidiary of W.M.A. Transit Co. 'The action was taken after D.C. Transit withdrew its opposition to Inter-County's petition.' "
>
> September 30, 1959, Washington Post: "Mr. Chalk announced that he has completed negotiations to purchase assets of Inter-County Transit Corp."

Regarding unfair competition, the record of the Select Committee on Small Business contains a reference to a May 6, 1958, letter of complaint to the Civil Aeronautics Board from Mr. O. Roy Chalk, president, Trans Caribbean Airways, Inc. At that time, Mr. Chalk complained about the fares of Pan American and Eastern Airlines between New York and San Juan, P.R. He charged that Pan American and Eastern had a pricing policy of high fares on some routes and low fares on their runs between New York and San Juan, P.R., in competition with Trans Caribbean Airways. Mr. Chalk described the pricing practices of Pan American and Eastern as unfair competition and contrary to the spirit of the antitrust laws. The following portions of Mr. Chalk's letter of May 6, 1958, to the CAB express his views on rate cutting—record, pages 152–154:

> It appears only too clear from the sequence of the filings and actions taken by Pan American and Eastern that the increase in the upper class fares, followed by a recently filed reduced fare in the third class, after the increase was approved, together constitutes undue discrimination and unfair competition contrary to the Civil Aeronautics Act and, at least, the spirit of the antitrust laws; that Pan American and Eastern are seeking, through discriminating against the patrons of the upper classes of service, to subsidize their combined competition against and with Trans Caribbean in the third class.
>
> A fair analysis of the circumstances must lead to the conclusion that, whether or not the antitrust laws have been literally violated as a matter of law, the fare and pricing practices of Pan American and Eastern above discussed are unfair competition and represent the type of competitive evil which has been banned by the antitrust laws.

It has been held that in order to prohibit discrimination it is enough that it may injure competition.

A pricing policy which calls for reduced fares directed against one competitor in one class of service only, by discriminating through higher prices in other classes of service, not only violates the ratemaking standards of sections 404 and 1002(e) of the Civil Aeronautics Act, but also does violence to established principles of fair competition under section 411 of the act. Such a policy represents at least the type of evil in competition to which the Sherman and Clayton Acts have been directed.

There is a striking similarity between Mr. Chalk's complaint of unfair competition against Pan American and Eastern Airlines and the complaints of businessmen against D.C. Transit.

The policy of the D.C. Transit management seems to be to make its money in the District of Columbia and spend it elsewhere. The Washington Star of December 17, 1959, indicates that D.C. Transit is banking almost $1.5 million cash, without interest, in New York City banks. During calendar year 1958, the corporation paid $242,206.82 for insurance to Daniel Cole & Co., New York City. Further, the company uses a New York advertising agency, Leonard Wolf Associates, which received $139,524.65 from D.C. Transit in calendar year 1958. Mr. Wolf is also employed as sales director of D.C. Transit at $15,000 per year.

According to the Washington Star of March 3, 1960, the PUC has not only given D.C. Transit a 25-percent—5-cent—fare increase but it has granted the company's repeated request for a change in its profit formula. In determining the new schedule, the PUC said it had used a gross operating revenue base, rather than a tangible property valuation.

This means that beginning this year, the PUC has figured the 6½-percent return on D.C. Transit's gross operating revenue, which is about $27 million. The return earned is after including the motor fuel tax as an operating expense. Thus, it would seem that the D.C. Transit System will need a net operating income of $1.75 million before being liable for motor fuel tax. It now seems unlikely that D.C. Transit will pay a motor fuel tax in the foreseeable future.

The motor fuel tax exemption averaged $360,000 to $375,000 annually during 1957 and 1958. Moreover, D.C. Transit enjoys the use of the money for a full year, free of interest, even if it should have sufficient earnings to require payment of the tax. If D.C. Transit's competitors, however, need money for the conduct of their businesses, they must borrow and pay going rates of interest.

Additionally, D.C. Transit has protested the payment of the motor fuel tax of $381,719 due for the 12 months ended August 13, 1959. Although the corporation paid the tax, plus penalty and interest, it did so under protest and has taken the matter into the district court.—Washington Post, February 2, 1960.

The penalty for late filing was forgiven by PUC. The amount was approximately $81,000.

For calendar year 1959, D.C. Transit has reported net income of $575,906, a gain of 29.3 percent over 1958—Washington Star, February 16, 1960. This profit is now greater because the corporation has recently been refunded an $80,924 penalty by the PUC, for not paying the motor fuel tax on schedule.

Dividends paid by D.C. Transit in 1959 amounted to $450,000, making a total of $1,265,000 paid for the period of August 15, 1956 to April 1, 1960. Mr. Chalk's total cash investment in D.C. Transit is $500,000.

D.C. Transit's management has stated that the company needs sideline enterprises in order to keep fares down. During almost 4 years of operations, D.C. Transit has engaged in sideline ventures without restriction, and, despite this, it has recently received its second fare increase since August 15, 1956. And, according to the Washington Post of March 14, 1960, the company has suggested a third fare increase for 1961. The fare is now 25 cents. The highest fare in the Nation is Pittsburgh's fare of 27 cents.

It is difficult to reconcile the need for sideline ventures and fare increases with D.C. Transit's practice of banking $1.5 million in cash, without interest, in New York City banks—Washington Star, December 17, 1959.

Moreover, it is hard to understand how D.C. Transit's loss enterprises in charter, sightseeing, limousine and Government contract services can produce lower fares.

The PUC takes the position that the present situation with respect to the sightseeing, charter, and limousine operations of the D.C. Transit System, Inc., should be permitted to remain unchanged.

The Interstate and Foreign Commerce Committee does not agree with this position.

There is every indication that the Public Utilities Commission has not acted effectively with respect to tightening and policing D.C. Transit's accounting methods and procedures.

The Commission has a resident accountant at D.C. Transit's office, and the company is required to use subaccount or job sheets. Yet, after 3½ years and four congressional hearings, the Commission has difficulty furnishing breakdowns of revenue, expenses, and other items that are pertinent to the charges and countercharges, so that Members of Congress can form sound conclusions.

Beginning October 9, 1959, I have directed numerous inquiries to the PUC, in an effort to arrive at the facts regarding D.C. Transit's operations. It took the Commission 5 to 6 months to answer most of them.

Correspondence between D.C. Transit and the Commission indicates that it took the Commission 3 years to issue directives to D.C. Transit with respect to the intermingling of the company and its affiliates. Despite the several congressional hearings, the Commission did not act on D.C. Transit's operations until June 1959.

At present, we can only speculate as to whether D.C. Transit is adhering to the directives of the Commission.

The company keeps pleading for higher fares and more subsidies. Yet, there has been such a thorough intermingling of D.C. Transit and its affiliates that D.C. Transit has been bearing much, if not all, of the expenses in certain instances. Unquestionably, the company could garner considerable additional revenue by making proper charges to the affiliates for services, rent, et cetera.

The elimination of waste and extravagance would also improve D.C. Transit's profit picture. For example, the PUC has consistently allowed D.C. Transit to charge the bus and trolley riders with over $3,000 annually for "identifiable" expenses connected with Mr. Chalk's limousine and chauffeur. Mr. Chalk's Cadillac limousines, which have cost $8,000 to $11,000, are included as company investments in automotive equipment, when the PUC determines D.C. Transit's motor fuel tax liability and fare increases. The chauffeur and limousines seem to spend a good deal of time in Florida and New York.

Furthermore, when the PUC has issued directives to D.C. Transit, which ordered the company to charge the affiliates for services, rent, et cetera, such directives, if they were made retroactive at all, were only retroactive to January 1, 1959 or for even shorter periods.

I shall give you a few examples of the "free rides" that the company's affiliates are getting, at the expense of D.C. Transit.

On October 30, 1959, the PUC wrote D.C. Transit as follows:

Your proposal for settlement of intercompany accounts on a quarterly basis is acceptable, provided that settlement is made for the net balance as of September 30, 1959, in all intercompany accounts, and further provided that current settlement is made at the end of any month during any quarter when the net amount due from an affiliated company exceeds $20,000.

An examination of the monthly balance sheets, which D.C. Transit submits to the PUC discloses that three Chalk companies—Transportation Corp. of America, formerly Trans Caribbean Airways, Inc.—D.C. Transit System, Inc., of Delaware, and T.C.A. Corp., construction division—have owed D.C. Transit substantial amounts of money for long periods of time. From February 1958 to November 1959, none of these companies had settled up their debts to D.C. Transit. The debts were as follows:

Transportation Corp. of America (as of Oct. 31, 1959) (formerly Trans Caribbean Airways, Inc.)	$42,086.37
D.C. Transit System, Inc. of Delaware (as of Oct. 31, 1959)	7,228.70
T.C.A. Corp., construction, division (as of Oct. 31, 1959)	14,046.21

On March 28, 1960, I wrote the PUC as follows:

Please submit names of affiliated companies and the amounts that each of them owed D.C. Transit at the end of each month beginning August 1959 through February 1960. What payments of debts to D.C. Transit were made by affiliated companies during calendar year 1959? Names of companies? Dates of payments? Amount of payments?

On April 19, 1960, the PUC sent me the list of debts. An examination of the debts shows that, despite the PUC directive of October 30, 1959, the T.C.A. Corp., construction division, owed D.C. Transit $22,567 on January 31, 1960, and $23,861.78 on February 29, 1960.

Correspondence between the PUC and D.C. Transit discloses that the company was being charged for expenses of affiliates as far back as 1957. On May 8, 1957, Mr. J. W. Falk, chief accountant of the PUC, wrote Mr. J. H. Flanagan, vice president, D.C. Transit, as follows:

> There is every indication that printing and duplicating work is being performed for the parent companies and charged to the account of D.C. Transit System, Inc. You are requested to initiate the necessary procedure to see that all labor and material costs incurred for the benefit of the parent companies are billed to these companies and to make necessary adjustments for such work performed in the past.

It was not until March 1958 that names of debtor affiliates and amounts they owed began to appear in the monthly balance sheets which D.C. Transit submits to the PUC. Such names and amounts were shown in D.C. Transit's balance sheets from March 1958 through July 1959. Beginning August 1959, the balance sheets no longer list names of debtor affiliates and amounts they owe D.C. Transit. The debts are merely identified as "Accounts receivable—affiliated companies." And, of course, it was not until October 30, 1959, that the PUC issued a directive to D.C. Transit regarding payment of debts by the affiliated companies.

Moreover, the PUC has expressed ignorance of the financial condition of the affiliated companies. In fact, the Commission advised me on April 19 that it does not have the addresses of these affiliates; it cannot furnish their profit-and-loss statements and balance sheets; it does not know what types of products are sold by White Motor Sales; nor can it inform me as to what companies own the affiliates.

Yet, on June 29, 1959, the PUC queried D.C. Transit regarding the company's high inventories of White Motor Sales bus parts.

The T.C.A. Corp., construction division—formerly Transportation Corporation of America—is another example of thorough intermingling with D.C. Transit. According to the 1959 Annual Report of Transportation Corporation of America, the construction division of T.C.A. Corp. engages in road construction and paving. Contract awards for 1959 totaled $2,784,290. Of this, projects amounting to $756,329 were completed.

Aside from owing substantial sums to D.C. Transit, the T.C.A. Corp., construction division, has utilized D.C. Transit's equipment, personnel, and assets in its road-paving activities. In fact, T.C.A. Corp., construction division, and D.C. Transit are so intermingled that the PUC finally issued a directive on August 11, 1959, as follows:

> Transportation Corp. of America shall hereafter be billed for a proportionate share of the salaries of officers and supervisory employees of D.C. Transit System, Inc., who perform services direct for Transportation Corp. of America and do not receive a salary from the said company for such services.

The PUC's directive was made retroactive to September 1, 1959. However, the retroactivity to September 1, 1959 did not affect the proportionate part of the salaries of officers and supervisory employees of D.C. Transit, who had been performing services for Transportation Corp. of America on the repaving of New York Avenue and other District of Columbia streets since early 1959. The repaving of New York Avenue was completed on December 22, 1959.

The letter of May 8, 1957 also reveals that D.C. Transit's accounting practices were somewhat irregular as far back as 1957. The following is an extract from said letter:

> Bank statements covering deposits and disbursements of funds in the New York bank accounts in some instances have not been available for audit purposes. There is also indication that funds are disbursed from the New York bank accounts without entries being recorded at the same time in the records at the general office. You are requested to have bank statements with supporting canceled checks or charge slips available for examination in the general office promptly after receipt from the banks, and to initiate the necessary procedure in order that disbursements of funds from the New York bank accounts are recorded in the records of the company as such disbursements are made in order that the records will disclose the true amount of cash assets at any given time.

Another example of a "free ride" at the expense of D.C. Transit revolves around the rental of the company's old northeastern carhouse.

D.C. Transit rents out 33,380 square feet of floorspace, including improved office space, in its old northeastern carhouse for $14,916 a year.

The company rents out 72,470 square feet in its old central bus garage for $97,786 a year.

It rents the former to another O. Roy Chalk company, the T.C.A. Corp.

It rents the latter to the U.S. Government.

A striking comparison can be made between the rental of the old northeastern carhouse and the central bus garage.

The garage, at Georgia Avenue and V Street N.W., brings in $1.35 per square foot from the U.S. Government.

The northeastern carhouse, at Fourth and T Streets NE., brings in about 45 cents per square foot from the T.C.A. Corp. for the floorspace.

This low rental to T.C.A. Corp. has the same effect as if D.C. Transit loaned money to the T.C.A. group.

Last year, the PUC reprimanded Mr. Chalk for allowing D.C. Transit to make $450,000 of "upstream loans" to the parent company. At the time, everyone agreed that this was a bad policy for a regulated utility, and it was pointed out that some States have laws against it.

The PUC apparently feels that there is a distinction between "upstream loans" and "upstream rentals."

When Mr. Chalk was protesting the forced conversion from streetcars to buses, he complained that the retirement of usable streetcars would cause the "operating system" a heavy loss.

Is not the old northeastern carhouse also a property that was forced out of "operating service" by the conversion?

Since D.C. Transit has been allowed to take losses on the retired streetcars, should not it be required to get as much profit as possible out of the carhouse?

Moreover, the T.C.A. Corp. has built a cement mixing plant on the carhouse property, but the PUC advises me that it does not know when it was installed or the cost of construction.

Apparently the PUC is not concerned with matters such as D.C. Transit's renting of property. This is hardly sound reasoning, since the franchise obligates D.C. Transit to convert to an all-bus system by 1963, if possible. This means that D.C. Transit must buy additional buses; hence, it can put to good use more revenue from rental of the carbarn property. This does not eliminate taxpaying businessmen. And, needless to say, General Motors will gladly accept nonoperating dollars as payment for buses.

In this connection, District officials have been urging D.C. Transit to accelerate its bus conversion program. They have maintained that buses are cheaper to operate and do not hinder traffic as much as streetcars do. On February 2, 1958, Commissioner McLaughlin said:

> Our position on streetcars is forged on a very definite basis. I don't think the District Government is interested in subsidizing streetcars. (Washington Post, Feb. 3, 1958).

Although the Interstate and Foreign Commerce Committee record discloses that Mr. Chalk had employed $450,000 of D.C. Transit funds for "upstream loans" to affiliated companies in 1958, the PUC has advised me that profit and loss statements, balance sheets and other information regarding the affiliates are not available to the Commission.

Trans Caribbean Airways, Inc., has a sales office at D.C. Transit's sightseeing terminal at 1125 Pennsylvania Avenue NW. D.C. Transit's employees sell Trans Caribbean tickets there. Yet, Trans Caribbean has not been charged any rent for the use of the terminal.

Trans Caribbean Airways has been using the inside and outside of D.C. Transit's buses and streetcars for advertising. Such advertising is valued at many thousands of dollars annually. Yet, Trans Caribbean has not paid for this advertising at any time since August 15, 1956.

On April 5, the PUC wrote me that D.C. Transit had received no revenues from Trans Caribbean or other Chalk enterprises for advertising in D.C. Transit's streetcars, buses, terminals, or other facilities since the company began operations in August 1956. The Commission also stated as follows:

> By letter to the Commission, dated January 29, 1960, the company advised that all such advertising has been discontinued in the streetcars and buses. We believe this to be true based on observations of the staff since January 1, 1960. It is not proposed to require any retroactive billing for the use of space in the vehicles during prior periods.

The Commission's directive of August 6, 1959, did not specify that Trans Caribbean was to be charged for advertising its name on the outside of D.C. Transit's vehicles. Hence, the name "Trans Caribbean Airways, Inc.," still appears on the outside of the vehicles, at no charge. The number of exposures on these moving vehicles are countless.

Among the complaints received by me is that D.C. Transit has been charging charter and sightseeing busdrivers' overtime wages to the mass transit operation. One complainant says, "This reduces the loss on charter and sightseeing, and increases the operating expenses of the mass transit operation, thus enabling D.C. Transit to plead increased operating expenses as justification for fare increases."

With respect to allegations that D.C. Transit has been inflating the operating costs of its mass transit operation by charging it with charter and sightseeing expenses, it would appear from the following testimony by Commissioner McLaughlin, on May 20, 1959, that even he suspected this was going on:

Mr. McLaughlin. If there are incidental advantages in connection with the D.C. Transit System operation, that advantage is to such an extent that it can gradually advertise more and do a lot of things. For instance * * * these independent companies certainly have to pay for their own repair bills on their business, and so forth. Now, maybe that is getting charged over to the mass transportation operation here, and not equitably charged against the other operation. And the net result of it all may be that D.C. Transit may gradually, by more advertising and all these things, tend to monopolize the business by drawing the business in. (Interstate and Foreign Commerce Committee record, p. 98.)

The foregoing allegation seems to have a kinship with other unsound practices of D.C. Transit. Correspondence between D.C. Transit and the PUC divulges that, sometime during 1958, D.C. Transit began to charge the mass transit operation with expenses of charter busdrivers' "layover time." It was not until April 23, 1959, that the PUC issued a directive to D.C. Transit to prohibit this practice.

On April 5, 1960, the PUC advised me that "charter hours for the period January 1959 to April 1959 should be 33,634 hours, as revised, instead of 6,264 hours," as reported by D.C. Transit in its March 1959 statement to the Commission. Hence, it would appear that D.C. Transit had charged 27,370 hours—the difference between the two figures—of charter bus "layovertime" to the mass transit operation. This would mean that, based on D.C. Transit's lowest 1959 wage of $2.14 per hour, the company had charged no less than $58,000 in charter bus wages to the mass transit operation during January 1959 through March 1959.

As the PUC pointed out in its letter of April 23, 1959, to D.C. Transit:

Charter hours are the basis for certain allocations to charter operations in rate proceedings, and possibly in other determinations.

Under D.C. Transit's method of shifting wages to mass transit, the wage allocations to charter operations would be substantially reduced.

In the past, D.C. Transit's requests for higher fares have been based, to a large degree, on increased labor costs. Thus, the wages that D.C. Transit claims it pays to its busdrivers have a very real effect on busfares.

By letter dated December 17, 1959, I asked the PUC to "submit breakdowns of straight-time and overtime wages paid to D.C. Transit's busdrivers and the number of hours involved" for each class of bus and limousine service during calendar year 1958, 12 months ended August 31, 1959, and each month of 1959. The breakdowns requested were to cover D.C. Transit's charter and sightseeing service, regular route bus service, interstate express service, Government contract service and limousine rental service.

At long last, on April 12, 1960, the PUC furnished me with breakdowns for the periods requested, except that the month of December 1959 was omitted.

A comparison of the wages and hours submitted to me by the PUC on April 12, and the wages and hours, which PUC and D.C. Transit have presented at other times, discloses some startling differences. For example:

Regular route and interstate express bus drivers' hours and wages

For 12 months ended Aug. 31, 1959	Hours	Wages
Total hours and wages submitted to me by the PUC on Apr. 12, 1960	3,708,369	$8,749,857
Total hours and wages which appear in D.C. Transit's monthly reports to the PUC	2,124,128	6,802,703
Total wages which appear in the PUC gas tax findings of Nov. 13, 1959		6,838,349
Total wages which appear in the PUC's forecast of D.C. Transit's future bus-operating expenses, submitted to me on Apr. 19, 1960 ($6,828,539 less $568,103 for September 1959)		6,260,436

Here, we have two different figures on hours and four different figures on wages for the 12 months ended August 31, 1959, which have been presented by the PUC and D.C. Transit at various times. The blank spaces re hours indicate that those figures are not on hand.

For the 12 months ended August 31, 1959, the hours and wages, which the PUC submitted to me on April 12, show that D.C. Transit's regular route and interstate express bus drivers worked 3,708,369 hours and were paid $8,749,857 in wages.

On the other hand, the monthly hours and wages reported to the PUC by D.C. Transit show that the company's regular route and interstate express bus drivers worked 2,124,128 hours and were paid $6,802,703 in wages during the 12 months ended August 31, 1959.

Thus, the regular route and interstate express bus drivers' hours and wages, which the PUC sent me on April 12, are greater than those in D.C. Transit's monthly reports to the PUC by 1,584,241 hours and $1,947,154 in wages for the 12 months ended August 31, 1959.

Another set of figures was presented by the PUC on November 13, 1959, when it issued its findings regarding D.C. Transit's gas tax liability for 12 months ended August 31, 1959. In these findings, the PUC lists regular route and interstate express bus drivers' wages of $6,838,349 for the 12 months ended August 31, 1959.

Still other figures were presented by the PUC on April 19, 1960, when it sent me its forecast of D.C. Transit's future bus operating expenses for calendar year 1960. Those figures indicate that $6,260,436 was the total amount of wages paid to D.C. Transit's regular route and interstate express busdrivers during the 12 months ended August 31, 1959.

It is difficult to understand how these figures were arrived at. According to the monthly hours and wages reported to the PUC by D.C. Transit, 2,124,128 hours cost the company $6,802,703 in wages to regular route and interstate express busdrivers during the 12 months ended August 31, 1959.

D.C. Transit's lowest wage for busdrivers was $2.09 per hour during 1958–59. Hence, how could an additional 1,584,241 hours—the difference between 3,708,369 hours and 2,124,128 hours—cost the company only $1,947,154—the difference between $8,749,757 and $6,802,703—more in wages during the 12 months ended August 31, 1959? This would mean that the additional 1,584,241 hours had cost the company about $1.23 per hour.

Charter and sightseeing bus drivers' hours and wages

For 12 months ended Aug. 31, 1959	Hours	Wages
Total hours and wages submitted to me by the PUC on Apr. 12, 1960	111,602	$316,097
Total hours and wages which appear in D.C. Transit's monthly reports to the PUC	90,735	301,711
Total wages which appear in the PUC gas tax findings of Nov. 13, 1959		301,711
Total wages which appear in the PUC allocations, submitted to me on Nov. 16, 1959		301,711
Total wages which appear in the PUC's forecast of D.C. Transit's future bus operating expenses, submitted to me on Apr. 19, 1960 ($304,146 less $11,579 for September 1959)		292,567

Here, we have two different figures on hours and three different figures on wages for the 12 months ended August 31, 1959, which have been presented by the PUC and D.C. Transit at various times. The blank spaces re hours indicate that those figures are not on hand.

For the 12 months ended August 31, 1959, the hours and wages, which the PUC submitted to me on April 12, show that D.C. Transit's charter and sightseeing bus drivers worked 11,602 hours and were paid $316,097 in wages.

On the other hand, the monthly hours and wages reported to the PUC by D.C. Transit show that the company's charter and sightseeing bus drivers worked 90,735 hours and were paid $301,711 in wages during the 12 months ended August 31, 1959.

The PUC used this same figure, $301,711, in its gas tax findings on November 13, 1959 and in the allocations it submitted to me on November 16, 1959.

Thus, the charter and sightseeing bus drivers' hours and wages, which the PUC sent me on April 12, are greater

than those in D.C. Transit's monthly reports to the PUC by 20,867 hours and $14,386 in wages for the 12 months ended August 31, 1959.

Still other figures were presented by the PUC on April 19, 1960, when it sent me its forecast of D.C. Transit's future bus operating expenses for calendar year 1960. These figures indicate that $292,567 was the total amount of wages paid to D.C. Transit's charter and sightseeing busdrivers during the 12 months ended August 31, 1959.

It is difficult to understand how these figures were arrived at. According to the monthly hours and wages reported to the PUC by D.C. Transit, 90,735 hours cost the company $301,711 in wages to charter and sightseeing busdrivers during the 12 months ended August 31, 1959.

D.C. Transit's lowest wage for charter and sightseeing busdrivers was $2.54 per hour during 1958–1959. Hence, how could an additional 20,867 hours—the difference between 111,602 hours and 90,735 hours—cost the company only $14,386—the difference between $316,097 and $301,711—more in wages during the 12 months ended August 31, 1959? This would mean that the additional 20,867 hours had cost the company about 69 cents per hour.

The limousine drivers' hours and wages, which the PUC submitted to me on April 12, show no overtime for such drivers. People in the industry maintain that it is impossible to avoid overtime for a full year in limousine service, since the drivers work as directed by the customer.

In limousine service, we have two different figures on hours and three different figures on wages for the 12 months ended August 31, 1959, which have been presented by the PUC and D.C. Transit at various times.

The limousine drivers' hours, which the PUC sent me on April 12, are greater than those in D.C. Transit's monthly reports to the PUC by 2,448 hours. Yet, the limousine drivers' wages, which the PUC sent to me on April 12, are smaller than those in D.C. Transit's monthly reports to the PUC by $2,678.

In the Government contract bus drivers' hours and wages, we have two different figures on hours and three different figures on wages for the 12 months ended August 31, 1959, which have been presented by the PUC and D.C. Transit at various times.

The Government contract bus drivers' hours, which the PUC sent me on April 12, are greater than those in D.C. Transit's monthly reports to the PUC by 3,768 hours. Yet, the Government contract bus drivers' wages, which the PUC sent me on April 12, are smaller than those in D.C. Transit's monthly reports to the PUC by $6,682. Overtime is not a factor in this differential, because overtime wages in the Government contract service only amounted to $518 during the 12 months ended August 31, 1959.

Judging from stories in the Washington Post of March 20, 1960, and the Washington Star of the same date, the PUC had informed the press that the Commission's accountants had "turned down Chalk's request to allow his D.C. Transit System to pay $20,619 toward the $68,000 costs of redecorating his suite of offices in New York City"—Washington Post, March 20, 1960. Also, the PUC seems to have told the newspapers that the Commission had refused to permit D.C. Transit to pay $376.41 of the New York office's $2,625 rent per month.

Apparently, the PUC failed to tell the newspapers that the Commission's directive of February 25, 1960, was effective January 1, 1960, and that the directive did not prohibit D.C. Transit from reimbursing Transportation Corp. of America in the amount of $1,129.23 for 3 months rent covering the period of October 1959 through December 1959, and in the amount of $20,620.63 for redecorating Mr. Chalk's New York suite of offices.

The Commission pointed out in its letter of April 19, 1960, to me that—

> Adjustment will be made in any future rate proceedings or tax determinations to disallow the amounts shown as improper charges to operating expenses. Under the directive no similar charges shall be recorded on the books subsequent to January 1, 1960.

This means that, even though these expenses may be charged "below the line" at some future rate proceeding or gas tax determination, the D.C. Transit System has $21,749.85 less in its bank account with which to buy buses so it can meet the bus conversion obligation of its franchise.

Nor did the PUC inform the press that it had issued the following directive on August 6, 1959:

> No portion of the costs incident to equipping, operating or maintaining the office of Trans Caribbean Airways, Inc., in New York shall be charged to the operating expense or fixed capital accounts of D.C. Transit System, Inc., provided, however, that D.C. Transit System, Inc., may be charged for rent of space and equipment or for services rendered, upon proper showing of the reasonableness of such charges.

Moreover, the PUC has still not replied to my request of February 16, 1960, for a breakdown of expenses charged to D.C. Transit for equipping and operating said New York office during calendar year 1958, 12 months ended August 31, 1959, and calendar year 1959.

I cannot see how these conveniences for Mr. Chalk in New York will help improve the transit system in the District of Columbia and maintain reasonable fares. I am opposed to having taxpaying transit riders pay for items from which they derive no benefit.

On March 28, 1960, I asked the PUC to submit the following:

First. Copies of D.C. Transit's monthly financial and statistical statements for each month of 1957 and January 1958 through August 1958.

Second. Copies of D.C. Transit's monthly statement of income and surplus and balance sheets for each month of 1957, 1958, and 1959, certified by an officer of D.C. Transit.

On April 11, 1960, Mr. George E. C. Hayes, Chairman, PUC, replied to me as follows:

> I am forwarding under separate cover copies of the company's monthly financial and statistical statement for each month of 1957 and January through August 1958.
>
> The statements * * * include statements of income and surplus and balance sheets for each of the stated periods * * *. We do not require that these monthly financial reports be certified by an officer of the company. The cumulative figures for each calendar year set forth in the report for the month of December are the same as calendar year figures included in annual reports filed with the Commission which are certified by an officer of the company. These annual reports are available in our offices but we do not have copies for distribution.

Yet, the certified balance sheets, as of December 31, 1958, and December 31, 1959, which D.C. Transit submitted to Hon. SAM RAYBURN and Hon. RICHARD M. NIXON, differ from those which appear in the company's December 1958, and December 1959, monthly reports to the Public Utilities Commission.

For example, the certified balance sheet submitted to the Congress shows total assets which are higher than those in the report to the PUC by $144,070.39 as of December 31, 1958.

As of December 31, 1959, the certified balance sheet shows total assets greater than those in the report to the PUC by $156,913.54. Total current liabilities shown in the same certified balance sheet are higher than those in the report to the PUC by $76,332.82.

D.C. TRANSIT'S RATE CUTTING

The PUC and D.C. Transit officials testified before our committee that D.C. Transit was adhering to its rates, which have been on file at the PUC since January 1959—hearings, pages 88, 91, and 232. Nevertheless, there is ample evidence that D.C. Transit has substantially reduced such published rates. One source is D.C. Transit's financial statement for December 1959, submitted to the PUC. This statement shows charter-bus revenue of $864,469 for calendar year 1959. According to the same statement, there were 97,604 hours of charter-bus work during that period. This is an average of $8.86 per hour. Yet the group sightseeing rate on file at the PUC is $14.30 per hour plus tax. During our hearing, some of the complainants repeatedly stated that D.C. Transit did not charge its published rates.

D.C. Transit's financial statement of April 1960, which was submitted to the PUC, shows charter-bus revenue of $244,353 for the first 4 months of 1960. The same statement shows 32,354 hours of charter-bus work during that period. This is an average of $7 per hour.

For the 12 months ended August 31, 1959, based on allocations prescribed by the PUC, D.C. Transit's net operating loss before income taxes was $133,965 on limousine, charter and sightseeing, and Government contract operations.

The D.C. Transit System, Inc—District of Columbia—joined with Trans Caribbean Airways, Inc., and other affiliated companies in filing consolidated Federal income tax returns for the years 1956, 1957, and 1958.

On September 8, 1959, and again on October 28, 1959, the PUC asked D.C. Transit to make available to the Commission's staff copies of the consolidated Federal income tax returns for the years

1956, 1957, and 1958. The PUC stated that D.C. Transit had only permitted the Commission's staff to examine copies of income tax returns prepared by the company on a separate basis, and that "access to the consolidated income tax returns of Transportation Corp. of America—formerly Trans Caribbean Airways, Inc.—for the years 1957 and 1958 will be necessary for a proper determination of whether or not, and to what extent, D.C. Transit System, Inc., is entitled to share in any savings from filing a consolidated income tax return."

On October 2, 1959, D.C. Transit wrote the PUC as follows:

The taxable income of D.C. Transit System, Inc., on a separate company basis, as included in the consolidated tax returns for the years 1956, 1957, and 1958, was $116,632.44, $1,095,022.30, and $733,280.41, respectively. Such amounts are identical to the amounts reported to the parent company and computed on a separate company basis.

The income tax return of D.C. Transit System, Inc., for the years 1956, 1957, and 1958 have not been examined by the Internal Revenue Service to the date of this letter.

On November 30, 1959, D.C. Transit informed the Commission that the company's "top parent company, Transportation Corp. of America, will not consent to submitting its tax returns for the years requested."

On January 6, 1960, four citizens' groups opposing a D.C. Transit fare increase petitioned the PUC to subpena the company's consolidated Federal income tax returns. The citizens' groups were: D.C. Federation of Civic Associations, Friendship Citizens' Association, Council of Defense Lodges, and American Federation of Government Employees.

Nevertheless, the Commission did not issue a subpena for the tax returns; on March 2 it ordered a fare increase to take effect on March 6, 1960.

On February 2, 1960, and March 28, 1960, I queried the PUC regarding the consolidated income tax matter. The following are some of the questions I raised in letters, and the answers sent to me by the Commission on April 5 and April 11, 1960:

My question—February 2, 1960:

Does the Commission plan to subpena said tax returns?

The PUC answer—April 5, 1960:

The Commission has made arrangements with the Commissioner of Internal Revenue to inspect the consolidated income tax returns of Trans Caribbean Airways, Inc., and affiliates for the years 1956, 1957, and 1958. At the present time we have no plans for issuing a subpena on the company for these records.

My question—March 28, 1960:

Did the Commission request access to the consolidated income tax returns of Transportation Corp. of America at any time during the years 1957 and 1958? If so, what was D.C. Transit's response?

The PUC answer—April 11, 1960:

No formal request was made. The returns were requested by the staff of the Commission and the matter was the subject of consideration by the Commission. D.C. Transit took the position that the jurisdiction of this Commission extended only over the operations of D.C. Transit System, Inc., and that we were accordingly not entitled to examine the consolidated returns. This matter will be the subject of further consideration by the Commisison.

My question—March 28, 1960:

How much income tax did D.C. Transit System, Inc. (District of Columbia) pay to the Federal Government for each of the years 1957, 1958, and 1959? On what dates did D.C. Transit make income taxpayments to the Federal Government for each of those years?

The PUC answer—April 11, 1960:

Payments of income taxes to the Federal Government for the years 1957, 1958, and 1959 were made on the dates and in the amounts shown below:

Year 1957:	
Mar. 6, 1958	$312,500.00
June 10, 1958	251,411.60
Total	563,911.60
Year 1958:	
Dec. 2, 1958	85,400.00
Mar. 9, 1959	100,000.00
Aug. 31, 1959	190,405.81
Total	375,805.81
Year 1959 estimated tax:	
Sept. 14, 1959	207,000.00
Dec. 15, 1959	207,000.00
Total to date	414,000.00

All checks were made payable to the District Director of Internal Revenue and carry the proper endorsement thereon. The payments shown for 1959 are on an estimated basis, as an extension of time has been granted for filing the final return for this year.

To date, the PUC has not advised me as to whether or not its examination of the consolidated income tax returns has indicated that D.C. Transit is entitled to share in any savings from filing such a return.

On April 25, 1960, I asked the PUC to submit D.C. Transit's monthly billing to Transportation Corp. of America—D.C. Transit's parent company—for the use of space, equipment, and supervisory services at D.C. Transit's general office in Washington, D.C., during January 1959 through January 1960.

On May 2, 1960, the PUC sent me the following summary of such billings:

Month	Direct labor charge	10 percent added
1959—Feb. 16–28 [1]	$823.00	
March	3,591.59	
April	3,727.52	
May	3,209.62	
June	3,374.23	
July	3,342.33	
August	[1] 7,752.63	[2] $2,582.09
September	4,168.87	416.89
October	4,087.33	408.75
November	4,093.83	409.38
December	4,859.41	485.95
1960—January	4,513.41	451.36
February	4,340.67	434.07
Total	51,884.44	5,188.49

[1] Includes retroactive billing to Feb. 16 for supervisory services of Donald E. Lewis in the amount of $3,525.

[2] Includes $1,806.83 representing retroactive billing of 10 percent on direct labor charges for the months February through July.

On May 4, 1960, asked the PUC to submit the dates on which D.C. Transit billed Transportation Corp. of America for the above amounts, and the dates on which Transportation Corp. of America paid said amounts.

On May 10, 1960, the PUC advised me that—

Charges to Transportation Corp. of America for supervisory services, space and equipment, were billed as follows:

Period covered	Month billed	Amount
February–August 1959.	August 1959	$2,582.09
September 1959	September 1959	416.89
October 1959	November 1959	408.75
November 1959	December 1959	409.38
December 1959	do	485.95
January 1960	February 1960	451.36
February 1960	March 1960	434.07

There appears to be a considerable difference between the figures submitted on May 2 and those submitted on May 10. Also, the Commission's letter of May 10 does not indicate the specific dates on which Transportation Corp. of America paid the charges.

On November 16, 1959, the PUC submitted breakdowns of the following D.C. transit operations to me, based on allocations prescribed by the Commission for the 12 months ended August 31, 1959: Limousine operations, charter and sightseeing operations, and Government contract operations.

Said allocations show net operating income as follows:

Loss before income taxes	
Limousine operations	$40,852
Charter and sightseeing operations	65,545
Government contract operations	27,568

Some of the allocations are totally unrealistic and others have simply been omitted by the Commission. For example:

LIMOUSINE OPERATIONS

First. There is no allocation for superintendence of plant and equipment.

Second. There is no allocation for garage, and so forth, rent. I understand that a fair estimate of such expense would be $25 to $30 per vehicle per month. Hence, rent for 12 or 13 limousines would run at least $3,600 per year.

Third. There is no allocation for tires and tubes.

Fourth. Parts, body and mechanical repairs, mechanics services, gas, and washing attendants are all a necessity. The total allocation for these appears to be $5,011. I understand that a conservative estimate of such expenses would be $12,000 to $15,000 annually—1 mechanic, 1 gas attendant, 1 washer, plus parts and repair.

Fifth. There is no allocation for superintendance of operations.

Sixth. The $560 allocated to salaries of "general officers" is totally unrealistic.

CHARTER AND SIGHTSEEING OPERATIONS

First. One of the fanciful allocations here is the $2,403 allocation to salaries of general officers, when considered in the light of the fact that the revenue from charter bus operations was $787,070.

THE ARGUMENT THAT H.R. 4815 IS UNCONSTITUTIONAL

The answer to this allegation is clearly stated in the report of the Interstate

and Foreign Commerce Committee re H.R. 4815, as follows:

It has been alleged that this proposed legislation would so impair rights granted to D.C. Transit by the 1956 act that it would be unconstitutional. Those who make this contention apparently assume that section 6 of the 1956 act gave to D.C. Transit a vested right to engage in sightseeing and charter operations under conditions and upon terms wholly unchanged by subsequent legislation—even legislation that Congress might find to be necessary or appropriate from the standpoint of public policy. Such a contention is unconvincing in the face of the clear and specific language of section 6. It is not reasonable to interpret the reference to applicable laws of the District of Columbia, in section 6, as meaning only those laws which were in effect at the time of the enactment of the 1956 act. There is no evidence that Congress relinquished or renounced its power to legislate when it enacted the 1956 act.

During the hearings of the Interstate and Foreign Commerce Committee in June 1959, the opposition of the PUC to H.R. 4815 was based, in part, on the opinion of the Commission that—

Enactment of the bill would constitute discriminatory legislation and would result in the taking of private property in violation of constitutional safeguards. (Hearings, p. 146.)

One must assume that the Commission made a thorough study of the bill before rendering an opinion as to its constitutionality. Yet, by letter dated October 5, 1959, the PUC queried the complainants as to the purposes of H.R. 4815, and the most appropriate means and methods for accomplishing these purposes. This would appear to be an inconsistency.

The purpose of H.R. 4815 is stated clearly in the heading of the bill: "To insure effective regulation of D.C. Transit System, Inc., and fair and equal competition between D.C. Transit System, Inc., and its competitors."

An example of the ineffectiveness of PUC regulation is contained in D.C. Transit's monthly financial statements to the PUC for the 12 months ending August 31, 1959. The corporation's passenger revenue for this fiscal year shows an increase of $1,324,944. The significant fact is that the PUC granted the D.C. Transit System a fare increase, effective September 1, 1958, in order to produce an increase in gross revenues of $791,486 from systemwide mass transportation operations—see PUC Order No. 4480, page 8, paragraph 6, and page 9, paragraph 1 and paragraph 4. Instead of $791,486, the corporation has come up with $1,324,944, a difference of $533,458 as shown by the following figures. This has not resulted in lower fares for the riding public. Indeed, a second fare increase has already been granted.

D.C. Transit total passenger revenue for 12 months ended Aug. 31, 1959	$26,543,381
D.C. Transit total passenger revenue for 12 months ended Aug. 31, 1958	25,218,437
Total	1,324,944
PUC estimate of additional gross revenue to be derived from higher fares for 12 months ending Aug. 31, 1959	791,486
Total	533,458

Another example of the PUC's ineffective control of D.C. Transit revolves around the company's removal of records from the District of Columbia to New York.

It seems that the public utilities law of the District of Columbia requires D.C. Transit to give the PUC advance notice of removal of company records from the District of Columbia.

Nevertheless, on December 2, 1959, D.C. Transit's general ledger and certain supporting records of original entry for the period of August 15 through December 31, 1956, were removed to New York City, without any advance notice to the PUC, in connection with an examination of D.C. Transit's Federal income tax return. The Commission discovered this about February 1, 1960. Said records had not been returned to the District of Columbia, as of April 14, 1960.

Judging from testimony at the Interstate and Foreign Commerce Committee and from correspondence between myself and the PUC, both the PUC and Price, Waterhouse & Co., D.C. Transit's auditors, only make test checks of D.C. Transit's records, despite efforts of Messrs. Chalk and Flanagan to convey impressions to the contrary.

The following is colloquy between the late Congressman Alvin R. Bush, Republican, of Pennsylvania, and Mr. Barnie DeVos, partner in Price, Waterhouse & Co., at the House Commerce Committee hearings on June 2, 1959—record, page 223:

Congressman BUSH. Do you make annual audits or do you make monthly audits of the D.C. System?

Mr. DEVOS. We audit the accounts anually.

Congressman BUSH. Therefore, you take the figures that are furnished to you by the D.C. Transit System and audit those figures and their books?

Mr. DEVOS. That's right; we audit their financial statements.

Congressman BUSH. And you have no part in supervising the bookkeeping setup of the D.C. System's operations during the year?

Mr. DEVOS. You are quite right.

But Mr. J. H. Flanagan, vice president and comptroller of D.C. Transit, testified as follows at the House Commerce Committee hearing on June 2, 1959:

And speaking of auditing, the Public Utilities Commission has an auditor in my quarters in the offices there every day, just as many hours as I spend there, and every voucher, every cash entry one way or the other, every journal entry, is scrutinized.

It isn't auditing. It goes far beyond the regular audit, and it is done by the representative of the regulatory commission.

At the same hearing, on June 11, 1959, Congressman TORBERT MACDONALD, Democrat, of Massachusetts, expressed concern to Mr. Chalk over "the possibility that in certain charges that you might have as operating expenses for one company, that the bookkeeping, et cetera, would get so involved that no one, including our Public Utilities Commission here, would be capable of dealing with it without expending a good deal of the taxpayers' money"—record, page 332.

Mr. Chalk answered as follows—record, page 332:

Mr. MACDONALD, let me allay your fears on that subject. We have the most dilligent representative of the District of Columbia in our place supervising and auditing every voucher that is issued.

I would say he, or his predecessors, have been doing that for maybe 100 years in the District of Columbia. This has been the way the Public Utilities Commission has policed the operations of the transit system. It is well policed. I could not do as well a job if I were sitting there myself.

It is policed, not only by the direct representative of the Public Utilities Commission in there, but the entire legal department of the Public Utilities Commission. And Mr. Harrison is right in the room right now, the directing man of that legal department. He even questions the legality of every single expenditure. He makes certain, and this is not intended as a reflection on what we are doing, but this is the way it has always been done, and it is their duty, and properly so, to watch every expenditure. The point I am trying to make is we are well watched right now. There is nothing that could be added to it to make it more effective.

And incidently, Price, Waterhouse, who are our independent auditors, also police us, because they are a very responsible organization and they place their signature on our statement every year.

Then the following colloquy ensued:

Mr. MACDONALD. Is that the company that had a representative testify?

Mr. CHALK. That is correct, that was Price, Waterhouse.

Mr. MACDONALD. And who did not understand, on a direct inquiry from me, anything about your tax structure? He, although supposedly responsible for it, had to turn to Mr. Flanagan to find out how much was being paid on this gasoline tax. So I take it with a little grain of salt, how diligently Price, Waterhouse is protecting the public interest.

Another example of misleading testimony revolves around H.R. 2322 which was passed by the House on May 11, 1959. H.R. 2322 exempts "certain common carriers of passengers" from the District of Columbia mileage tax and from certain other taxes. The latter are: The gross sales tax, the compensating use tax, the excise tax upon the issuance of titles to motor vehicles and trailers, and the tax on tangible personal property. Said carriers, numbering a half dozen or so, are already exempt from all of these but the mileage tax.

Yet, Commissioner Kertz informed the Senate Subcommittee on Health, Education, Welfare, and Safety that H.R. 2322 "would give the competitors in the sightseeing and the charter field the same tax benefits as D.C. Transit now enjoys—record, page 62.

Other opponents of H.R. 4815 have also tried to create the impression that H.R. 2322 gives the sightseeing companies the same tax benefits as D.C. Transit has. They have failed to point out that H.R. 2322 does not include exemption from the motor fuel tax and from real estate taxes. For the 12 months ended August 31, 1958, D.C.

Transit's exemption from motor fuel tax amounted to over $361,000.

They have also failed to point out that H.R. 2322 only applies to common carriers whom the District of Columbia licenses under subparagraph (b) of paragraph (31) of section 7 of the act approved July 1, 1902, as amended—District of Columbia Code 47–2331(b). Such common carriers are fixed route carriers, principally W.V. & M. Coach Co., A.B. & W. Transit Co. and W.M.A. Transit Co. The exemptions would amount to $6,000 to $8,000 annually for each of those companies.

The sightseeing companies and individuals, who do not operate on fixed routes, are licensed under subparagraph (c) of paragraph (31) of section 7 of the act approved July 1, 1902. Hence, they will not benefit from H.R. 2322.

The following is information which the PUC has not as yet submitted to me, despite the fact that all of it was requested months ago:

First. Detailed breakdowns of D.C. Transit's revenue and expenses re charter and sightseeing, limousine and Government contract services, during calendar years 1958 and 1959. I asked for this on October 9, 1959.

Second. Detailed breakdowns of D.C. Transit's advertising and promotion expenses re charter and sightseeing, limousine and mass transit services, during calendar year 1958, 12 months ended August 31, 1959, and calendar year 1959. Also, similar breakdowns for each month of September 1959 through December 1959. I asked for this on November 10, 1959.

Third. Breakdown of D.C. Transit's charter bus revenue—charter, sightseeing, racetrack, and so forth—for calendar years 1958 and 1959. I asked for this on November 10, 1959.

Fourth. Breakdown of D.C. Transit's charter bus hours—charter, sightseeing, racetrack, and so forth—for calendar year 1958, 12 months ended August 31, 1959, and calendar year 1959. I asked for this on February 16, 1960.

Fifth. Breakdown of number of miles and hours operated in Maryland and Virginia by each class of D.C. Transit bus and limousine service—regular route, interstate express, charter and sightseeing, limousine and Government contract—during the 12 months ended August 31, 1959. I asked for this on February 1, 1960.

Sixth. List of hotels and motels at which D.C. Transit sells its charter, sightseeing and limousine services, and amount of rent, commission percentage, or other remuneration received by each establishment from D.C. Transit. I asked for this on February 16, 1960.

Seventh. Commissions paid to D.C. Transit by Trans Caribbean Airways for selling of Trans Caribbean tickets, during calendar year 1958, 12 months ended August 31, 1959, and calendar year 1959. I asked for this on February 1, 1960.

Eighth. Names of officers and supervisory employees of D.C. Transit, who have performed services for affiliated companies since September 1, 1959, and portions of their salaries charged to D.C. Transit and to the affiliated companies. I asked for this on February 1, 1960.

On April 5, 1960, the PUC advised me that it had asked D.C. Transit for this information by letter dated March 22, 1960.

Ninth. The dollar value of White, General Motors, Mack, and other types of bus parts, which D.C. Transit purchased from Transportation Corp. of America, White Motor Division, during each of the years 1958 and 1959. I asked for this on March 28, 1960.

Tenth. The dollar value of D.C. Transit's inventory of White, General Motors, Mack, and other types of bus parts as of February 1958, January 1, 1959, May 1, 1959, and January 1, 1960. I asked for this on March 28, 1960.

Eleventh. Breakdown of expenses charged to D.C. Transit for equipping and operating the New York office of Transportation Corp. of America, during calendar year 1958, 12 months ended August 31, 1959, and calendar year 1959. I asked for this on February 16, 1960.

Twelfth. Breakdown of straight-time and overtime wages paid to D.C. Transit's busdrivers and the number of hours involved during December 1959. I asked for this on February 1, 1960.

Thirteenth. Breakdown of commissions paid to hotel agents, motel agents, travel agents and others re charter, sightseeing and limousine services during the last 4 months of 1959. I asked for this on February 1, 1960.

The PUC has advised me that the following information, which I had requested, is not available to the Commission:

First. Names, addresses and State of incorporation of all companies owned by Transportation Corp. of America (D.C. Transit's parent company); the amount of stock and the percentage of total stock that Transportation Corp. of America owns in each of them.

Second. Names, addresses, and State of incorporation of all companies owned by Trans Caribbean Airways, Inc.; the amount of stock and the percentage of total stock that Trans Caribbean Airways, Inc., owns in each of them.

Third. Names, address, and State of incorporation of all companies owned by D.C. Transit System, Inc.—Delaware; the amount of stock and the percentage of total stock that D.C. Transit System, Inc.—Delaware—owns in each of them.

Fourth. Names, addresses, and State of incorporation of all companies owned by T.C.A. Corp.; the amount of stock and percentage of total stock that T.C.A. Corp. owns in each of them.

Fifth. Names, addresses, and State of incorporation of all companies owned by T.C.A. Broadcasting Corp.; the amount of stock and the percentage of total stock that T.C.A. Broadcasting Corp. owns in each of them.

Sixth. Names, addresses, and State of incorporation of the company that owns White Motor Sales; the amount of stock and the percentage of total stock that said company owns in White Motor Sales; the types of products that are sold by White Motor Sales.

Seventh. Name, address, and State of incorporation of the company which was once known as "Transportation Corp. of America, construction division"; name, address, and State of incorporation of the company that owns the firm which was once known as "Transportation Corp. of America, construction division," and the amount of stock and the percentage of total stock that said company owns in the firm which was once known as "Transportation Corp. of America, construction division."

Eighth. Date on which the top holding company of the Chalk Enterprises became known as Transportation Corp. of America—formerly Trans Caribbean Airways, Inc.

Ninth. Statements of income, retained earnings and capital surplus, and balance sheets of the following companies for the year ended December 31, 1959: Transportation Corp. of America, Trans Caribbean Airways, Inc., D.C. Transit System, Inc.—Delaware, T.C.A. Broadcasting Corp., T.C.A. Corp., White Motor Sales.

Tenth. Names of the borowers, names of the lending institutions, dates and amounts re any notes of Chalk Enterprises which have been guaranteed by D.C. Transit System, Inc.—Delaware—or its predecessor, T.C.A. Investing Corp.

Eleventh. Profit and loss statement and balance sheet for the Construction Division of Transportation Corp., of America.

Twelfth. Names, salaries and other remuneration of officers, directors, and special consultants of affiliates of D.C. Transit.

Thirteenth. Information as to whether any of the officers, directors and special consultants of the affiliates are connected with Chalk enterprises other than the affiliates.

Fourteenth. Information as to whether or not Leonard Wolf, sales director of D.C. Transit, has rendered any services to Chalk enterprises other than D.C. Transit during calendar year 1958, fiscal year ended August 31, 1959, and calendar year 1959. If he rendered services to such companies, what was his salary and other remuneration for such services?

Fifteenth. Information as to when the T.C.A. Corp., built the cement mixing plant on D.C. Transit property at the Northeastern Carhouse, 4th and T Streets, NE., and what the cost of construction was.

Sixteenth. Copies of D.C. Transit's monthly statements of income and surplus and balance sheets for each month of 1957, 1958, and 1959, certified by an officer of the company.

The following is information which Commissioner McLaughlin has not as yet submitted to me:

First. The amount of penalty that the District Government imposed upon Transportation Corp. of America, because the company was 2 months behind schedule in completing the repaving of New York Avenue. I asked for this information on February 1, 1960.

The repaving of New York Avenue was finished on December 22, 1959, whereas the contract called for completion on

October 19, 1959. According to the Washington Post of December 17, 1959:

> Under the penalty clause in the firm's $663,912 contract with the District, TCA could be billed $150 for every calendar day past the October 19 deadline. This would total approximately $8,500.

Second. A detailed explanation of the $80,924 refund to D.C. Transit, which had been assessed for late payment of the motor fuel tax. I asked for this on June 7, 1960. On June 8, Commissioner McLaughlin wrote me that a detailed reply would be sent to me with in 48 hours. On June 14, he informed me that such detailed reply will not be completed prior to the early part of next week.

THE ARGUMENT THAT H.R. 4815 SEEKS TO TAKE AWAY D.C. TRANSIT'S RIGHT TO OPERATE CHARTER AND SIGHTSEEING SERVICES

The Prospectus of the D.C. Transit System, Inc., of Delaware, dated April 16, 1959, states as follows on page 13 under "Pending Legislation":

> The bills, if passed, would not prevent D.C. Transit from engaging in the charter, sightseeing, and related services but would only require a separation of assets and personnel used therefor.

This is quite different from statements made by opponents of H.R. 4815 to the effect that the bill deprives D.C. Transit of the right to engage in such services.

THE ARGUMENT THAT THE USE OF D.C. TRANSIT'S EQUIPMENT AND PERSONNEL IN COMPETITIVE ACTIVITIES IS CONFINED MAINLY TO OFF-PEAK HOURS

D.C. Transit sightseeing tours operate throughout the day—during rush hours as well as during nonrush hours.

In fact, I would like to read a news item from the Washington Post of April 30, 1960. It is titled "Old Buses Stir Criticism of Transit Group," and reads as follows:

> The Citizens' Transit Improvement Association last night expressed dissatisfaction with seeing wornout buses on regular transit runs while shiny, new ones serve sightseers.
>
> The group resolved to ask the Public Utilities Commission and D.C. Transit System "to assure no new equipment be used for charter runs while overage buses are in transit service".

At 8 a.m. on May 11, there were 12 D.C. Transit new buses waiting for a sightseeing group in front of the Meridian Hill Hotel at 16th Street, NW. and Kalorama Road.

A subsequent press report—Washington Post, June 5, 1960—states that—

> The PUC is examining D.C. Transit System's assignment of air-conditioned buses to sightseeing and charter service.

The transit company has supplied data from a PUC-chosen test week, Monday, March 28, through Friday, April 1.

It discloses that between 7 and 12 of the 267 air-conditioned coaches were diverted from mass transit during the morning rush. The range during the evening rush was between 7 and 15.

Certainly, the Commissioners, who chose the test week of March 28–April 1, should know that the busiest weeks of the year in charter and sightseeing are from April 1 to May 1, not before. Hence, more equipment would be in use subsequent to April 1. In fact, there were several days during April 1960 when D.C. Transit used as many as 250 buses, including most of the new equipment, for sightseeing throughout the day, beginning 7:30 a.m.

THE ARGUMENT THAT D.C. TRANSIT IS JUSTIFIED IN RENDERING CHARTER AND SIGHTSEEING SERVICES BECAUSE CAPITAL TRANSIT, THE PREDECESSOR COMPANY, DID SO

D.C. Transit officials have tried to make much of the fact that Capital Transit, the predecessor company, also engaged in charter business throughout its history. But, these officials have failed to point out that Capital Transit did not enjoy D.C. Transit's tax exemption and other privileges. Moreover, Capital Transit only engaged in the group tour business; it did not sell sightseeing on an individual basis; nor did Capital Transit engage in rate slashing. Nor did Capital Transit compete in limousine services, routes to the airports, Government contract services, the printing business and other competitive fields, as D.C. Transit is doing. Capital Transit's average annual revenue from its charter business was only about $250,000, which is substantially less than D.C. Transit's $864,469 for 1959. Yet, Capital Transit showed substantial profits without tax exemptions. From 1951 through 1955, Capital Transit's tax payments to the District of Columbia, on taxes from which D.C. Transit is exempt, were as follows: 1951, $790,251, excluding real estate taxes of $126,035; 1952, $934,137, excluding real estate taxes of $127,751; 1953, $994,843, excluding real estate taxes of $125,697; 1954, $1,020,487, excluding real estate taxes of $125,458; 1955, $999,782, excluding real estate taxes of $127,388.

Moreover, as Mr. Chalk stated before the New York Society of Security Analysts on July 15, 1959, his company enjoys the unique position of being the only company in the annals of business in the United States that has been assured by public act of Congress that it should be afforded the opportunity of earning such return as to make the corporation an attractive investment to private investors, the opportunity to earn a return of at least 6½-percent net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on either the system rate base or on gross operating revenues.

THE ARGUMENT THAT D.C. TRANSIT'S CHARTER AND SIGHTSEEING SERVICES ARE JUSTIFIED BECAUSE FOUR LOCAL TRANSIT COMPANIES ALSO ENGAGE IN CHARTER AND SIGHTSEEING

This is not a fair comparison. D.C. Transit has monopoly in mass transportation in the District of Columbia, while the four companies referred to are common carriers holding no monopoly whatsoever. The latter are common carriers, who merely hold certificates of public convenience and necessity. Nor do the four companies have D.C. Transit's tax exemption or sell individually ticketed sightseeing tours.

THE ARGUMENT THAT D.C. TRANSIT IS JUSTIFIED IN RENDERING CHARTER AND SIGHTSEEING SERVICES BECAUSE TRANSIT COMPANIES IN OTHER CITIES DO THE SAME

There are few, if any, comparable situations throughout the country. The situation in the District of Columbia is unique. In the District of Columbia, tourism is a major industry. Thus, the lack of restraints on D.C. Transit can affect the welfare of numerous companies and thousands of employees. Identical regulation may not be required in other communities.

As for the alleged practice of mass transportation companies in other cities using their assets and personnel in sightseeing and charter operations or other sideline enterprises, the main question that arises is whether such companies enjoy D.C. Transit's privileged position, with a legal monopoly in mass transportation and large tax exemption.

In June 1959, the District of Columbia Public Utilities Commission prepared a questionnaire for the Senate Subcommittee on Public Health, Education, Welfare, and Safety to be sent to a group of public utilities commissions that were selected by the PUC. However, said questionnaire which was mailed out by the subcommittee, lacked pertinent questions relating to tax exemption, legal monopoly, volume of sideline businesses, et cetera.

Therefore, in January 1960, the Senate subcommittee sent out a second questionnaire containing such questions. Seven out of nine commissions answered the subcommittee's second questionnaire, at least in part.

The replies indicate as follows:

First. Only two of the seven carriers enjoy a legal monopoly in mass transportation, as well as some tax exemption.

The two carriers both render charter services, but only one of them renders scheduled sightseeing services as well as charter services.

The 1958 combined charter and sightseeing revenue of the two carriers was $309,393, or about 1.2 percent of their combined total operating revenue of $25,326,149.

By way of comparison, D.C. Transit's 1959 charter, sightseeing, limousine, and Government contract services produced revenue of $1,089,525, or about 4 percent of its total revenue of $27,853,557. According to the PUC, all of these services have been rendered at a substantial loss, ranging from $133,000 to $200,000 annually.

Second. None of the seven carriers renders limousine services.

Third. Only one of the seven carriers renders service to airports.

Fourth. Only two of the seven carriers render scheduled sightseeing service, as well as charter service.

THE ARGUMENT THAT THE COMPETITIVE SITUATION WOULD BE EQUALIZED IF TAX EXEMPTION WERE GRANTED TO D.C. TRANSIT'S COMPETITORS

Do the opponents of H.R. 4815 mean that each time D.C. Transit enters a competitive field, its competitors be granted exemption from District of Columbia taxes? That would include the Greyhound Corp., Pennsylvania Railroad and a dozen or so others with whom D.C. Transit would be competing in its proposed limousine service to New York. Also, D.C. Transit has an application before the PUC to provide a type of limousine service within the District of Columbia which would be in competition with taxicabs. If the PUC approves

D.C. Transit's application, will the Commission then recommend tax exemption for the District of Columbia taxicab industry?

The PUC suggests that tax relief can be used as a partial remedy to offset the inequities. Yet, Mr. Robert E. McLaughlin, president, District of Columbia Board of Commissioners, testified before the House Select Committee on Small Business that—

He was sure the Board of Commissioners would not be in favor of the extension of tax exemption to other sightseeing businesses. (Record, pp. 195–160.)

THE ARGUMENT THAT D.C. TRANSIT'S AGREEMENT TO PAY MOTOR FUEL TAX ON CHARTER, SIGHTSEEING AND GOVERNMENT CONTRACT SERVICES WILL EQUALIZE THE COMPETITIVE SITUATION IN THE DISTRICT OF COLUMBIA

This is a red herring which only diverts attention from the main problem. James M. Flanagan, comptroller of the D.C. Transit, testified before the House Commerce Committee that this concession on the part of D.C. Transit would only cost it about $4,000 to $5,000 annually—its total gasoline tax exemption in 1958 was over $361,000. The testimony before the committee revealed that D.C. Transit's management is even opposed to having Congress make this small amount of $4,000 to $5,000 compulsory. Furthermore, this so-called concession does not affect D.C. Transit's ability to use the revenue and assets of its mass transportation monopoly to enter competitive fields.

D.C. Transit's tax exemption of $1 million annually and fare hikes to match each wage increase are decided advantages.

On the other hand, D.C. Transit's competitors pay taxes from which D.C. Transit is exempt.

The following is part of a colloquy between Congressman William M. McCulloch and Marvin E. Walsh, vice president, Safeway Trails, Inc., regarding D.C. Transit's proposed cutrate limousine service between Washington and New York, in competition with bus carriers, airlines, and railroads—House Select Committee on Small Business:

Mr. McCULLOCH. And the proposed route is over interstate highways from here to the destination in or about New York?

Mr. WALSH. Yes, sir. It parallels the Safeway Trails, Inc., operations every foot of the way.

Mr. McCULLOCH. Would I be proper in concluding from the testimony that has already been submitted here that there would be no gasoline tax payable by the District Transit Co. on that kind of an operation if their gasoline was all bought in the District of Columbia?

Mr. WALSH. Up until this time, on cross-examination by Mr. Kahn to Mr. Chalk, he stated that he was not planning to have a separate corporation. So, in my experience it would be paid out of the D.C. Transit system, Inc., funds." (Record, p. 73.)

Mr. McCULLOCH. Of course, Mr. Chairman, one of the reasons I am interested in the questions that I have just been asking, you will recall that we passed a highway bill within the last year or two and levied certain taxes which take on sizable proportions, the taxes which go into a trust fund to pay for the cost of these interstate systems.

Mr. WALSH. Yes, sir.

Mr. McCULLOCH. As I recall, the theory was that the taxes were borne in accordance with the use, and I am interested in seeing that the user pay those taxes.

Mr. WALSH. Yes, sir. My company will operate approximately 10 million miles this year, and that cost on a highway bill, that money to earmark or to put in trust, amounts to almost 2 cents a mile for my company, and we are paying it. (Record, p. 74.)

On May 13, 1958, Mr. J. William Falk, chief accountant of the PUC, wrote the House Small Business Committee that gasoline purchased by D.C. Transit in the District of Columbia would be tax exempt even though it was used in interstate charter bus service—record, page 23.

MR. FRIEDEL'S ARGUMENT THAT THE COMMITTEE'S INTERIM REPORT STATED THAT "NO CHANGE IN THE STATUTE IS NEEDED"

This quote has been taken out of context. As can be seen on pages 11—last paragraph—and 12—first paragraph—of the report, the committee was referring to the request of the District of Columbia Commissioners that Congress "clarify its intent with respect to the tax status of the special charter and sightseeing activities of D.C. Transit System, Inc."

Clarification of the tax status of D.C. Transit's charter and sightseeing services would not equalize competition between D.C. Transit and the independent businessmen. Mr. J. William Falk, chief accountant, Public Utilities Commission, testified before the Select Committee on Small Business that subjecting D.C. Transit's charter and sightseeing operations to the gas tax, the mileage tax, and title-issuance fee would cost the company only $12,748 per year, a small part of its total tax exemption of approximately $1 million annually.

The views Mr. FRIEDEL expresses in his minority report differ greatly from the views he expressed during the hearing of the Interstate and Foreign Commerce Committee. The following indicate Mr. FRIEDEL's sentiments at the hearing:

Mr. FRIEDEL. Did you mean it was the intent of Congress that they could go into the sightseeing business and limousine service, get all the benefits they are allowed under the Mass Transportation Act, and then drive the independent man out of business?

Commissioner McLAUGHLIN. Do you say that do I think that was the intent of Congress?

Mr. FRIEDEL. Yes.

Commissioner McLAUGHLIN. I don't personally think that was the intent of Congress.

Mr. FRIEDEL. I don't think so either. (Record, p. 84.)

Commissioner McLAUGHLIN. What I mean to say was I don't think it was the intent of Congress that they should have this vast advantage.

However, the bare wording of the statute, as we say in our report here, leaves it open to interpretation or perhaps lends a great deal of color to that interpretation.

Mr. FRIEDEL. You were to set up rules and regulations and evidently you didn't. It doesn't seem right that the Capital Transit Co. can run sightseeing buses at a reduced rate because of the tax advantage under the mass transportation bill, and compete with the independent sightseeing drivers or the limousine services.

I thought that under the rules and regulations you had enforced the intent of Congress and told the Capital Transit Co. (Record, p. 85.)

Mr. FRIEDEL. What I am trying to bring out is the advantages that DC Transit Co. has over the other sightseeing operators and limousine services. (Record, p. 222.)

Mr. FRIEDEL. I am not against big business and I like to see it expand, but I don't want to see it expand by driving little business out of business. There ought to be some way to separate those two systems. I think it is far from the intent of Congress for the D.C. Transit System to expand in other fields under the charter it was granted by Congress. (Record, p. 223.)

* * * * *

Mr. FRIEDEL. You have a great advantage of buying sightseeing buses and limousines, out of the capital of the D.C. Transit Co.

Mr. CHALK. I don't consider that an advantage, sir.

Mr. FRIEDEL. If your company, for the sightseeing and limousine buses, was separate and distinct from mass transportation, that would be one thing, but it is not so you have advantages in buying equipment.

Mr. FRIEDEL. I am saying that you have the advantage, better advantages than the small man has. I would like to see him have the same advantages so that he could buy new equipment and have some other company pay for it, but I can't do that. (Record, p. 227.)

Mr. FRIEDEL. Your charter is for mass transportation and does not authorize you to go into these sidelines and run the little man out of business. That is the point that I am making. (Record, p. 228.)

Mr. FRIEDEL. You say you are not undercutting the little businessman, and yet you advertise a $2 charge to the (Friendship) airport, when such a price is not practical. Then the cost of advertising your limousine service is charged off to the D.C. Transit Co. (Record, p. 260.)

Mr. FRIEDEL. Do you think it is fair for the assets of the Capital Transit System to be invested in real estate and helicopter service and I heard a rumor as to taxicabs? I don't know whether they are going into that line or not. I know that the D.C. Transit System would oppose anyone wanting to come in on their franchise, and they are trying to do the same thing by going in where other people have a franchise at Baltimore's Friendship Airport and Washington National Airport.

They are advertising at the expense of the riding public, making it unfair competition. (Record, p. 298.)

Mr. FRIEDEL. How do you feel about these airports where someone else has a franchise? The point is this. Can they offer the service at the rates that they have been advertising or is this low rate just to run out competition and then later on increase their rates? Is it fair for them to come in and use the assets of D.C. Transit System, then take away the franchise by underbidding or whatever is being done?

Mr. NATHAN. I think that is perfectly legitimate. Now if, Mr. Chairman, there is any evidence that this company seeks to utilize its resources, its profits, to undercut, drive somebody out and then put the prices up higher, that clearly is contrary to principle. (Record, p. 298.)

Mr. FRIEDEL. But we can't tell until after they drive them out of business and then they have the advantage * * * I think we can see the handwriting on the wall and we want to prevent this.

* * * * *

I wouldn't object if Mr. Chalk himself wanted to go into the sightseeing business, but not at the expense of the District of Co-

lumbia, not with the assets of the D.C. Transit System. That is my objection. (Record, p. 299.)

The following are views expressed by Commissioner McLaughlin and Mr. Kertz before the Interstate and Foreign Commerce Committee and the Select Committee on Small Business. Yet, they oppose enactment of H.R. 4815.

Commissioner McLaughlin stated as follows before the House Interstate and Foreign Commerce Committee:

I have never felt that it was the intent of Congress by this provision in section 6, to give this company, or put it in a position, rather, to attain a monopoly in the sightseeing business. (Record, p. 94.)

I feel that there should be a rather extensive investigation into what are the fringe benefits that this sightseeing service of the D.C. Transit System enjoys, because those fringe benefits can break the back of the competitors, possibly. (Record, p. 99.)

They are building up something very big here, and something that the Congress didn't contemplate, I am sure, at the time the Franchise Act was passed. (Record, p. 100, par. 2.)

They [D.C. Transit] don't have to run it economically; they can lose $150,000 a year. (Record, p. 102.)

On May 20, 1959, Commissioner Kertz told the House Interstate and Foreign Commerce Committee:

In other words, under section 9, the benefits they (D.C. Transit) derive under section 9, compensate for the losses they have suffered in their sightseeing operation.

The following is testimony of Commissioner McLaughlin and Representative CHARLES H. BROWN, at the hearings of the Select Committee on Small Business in May 1958:

Mr. MCLAUGHLIN. Well, sir, I think that they (D.C. Transit) are not likely to have any very strong competition from new companies, and I would even go so far as to say that I think this quite monopolistic. I think this situation that exists will eventually certainly drive competition out of the field. (Record, p. 27.)

Mr. MCLAUGHLIN. Apparently while any allocations—proper allocations—in a rate case might be made and certainly would be made by the Public Utilities Commission, there is such a great difference between the volume of business done by the mass transit system and the sightseeing business that it probably would not affect rights legitimately arrived at by the computations of the rate making process on mass transit. It seems to me as though unless there is some sort of rather rigid regulation of the sightseeing business in the District of Columbia, that a monopoly would result from this legislation (Public Law 757, the franchise). (Record, p. 28.)

Mr. BROWN. It appears to me as if in this instance we have a regulated public utility competing with privately owned sightseeing tour business, is that right?

Mr. MCLAUGHLIN. Yes, sir, that is true.

Mr. BROWN. What I am driving at is as long as that part of the business stays out from under any regulation of any kind here is a monopoly, a legalized monopoly that can almost at will under certain circumstances engage in discriminatory pricing, and the Congress is on record historically as being against any discriminatory price attempt that has the effect or tends to eliminate competition. Now, these people, these small operators are being hurt almost to the point of elimination by a regulated monopoly that is not being regulated. Am I right on that?

Mr. MCLAUGHLIN. Yes, sir. (Record, p. 50.)

* * * * *

Under paragraph 4 of the Public Utilities Commission Act, the Public Utilities Commission may and is charged with requiring public utilities to comply with the laws of the United States applicable to them.

Now it seems to me as though since the Public Utilities Commission Act is expressly supposed to be construed in accordance with the provisions of the Constitution and sections of law pursuant to the Constitution as relating to interstate commerce, which, of course, the antitrust laws are, it seems to me as though the PUC has the jurisdiction there to issue orders of the nature of antitrust court orders. I mean issuing orders which would have the effect of restraining D.C. Transit System from actions which are monopolistic in nature. (Record, p. 160.)

Mr. MCLAUGHLIN. The members of the drafting group realized that there was discrimination present in this provision (sec. 6). * * * I feel there is discrimination here. We have recognized that all the time. But we have had a statute to administer. (Record, pp. 18–19.)

I note that the District Commissioners have proposed a $8.3 million tax increase for next year. It is difficult to reconcile tax increases with the District government's recent refund of $80,924 in penalties to D.C. Transit. This penalty had been assessed because of the company's late payment of the motor fuel tax.—Washington Star, June 3, 1960.

In view of the need for additional revenue by the District of Columbia and in view of the fact that D.C. Transit enjoys a tax subsidy, it seems to me that we should not only enact this legislation, but we should request the assistance of experts and aids of the General Accounting Office in a sincere effort to investigate and study D.C. Transit's operation. Such an investigation would lay bare any instances of waste and mismanagement in the D.C. Transit System, and would determine the things that are wrong with the operational structure and administration of the PUC. Twice, in 1959, the Comptroller General's office has criticised severely the accounting system of various departments of the District of Columbia government.

Unquestionably, the D.C. Transit System could increase its earnings and, hence, its tax payments to the District of Columbia if it had a more acute awareness of costs and economy.

This is only the surface story of the loose manner in which the D.C. Transit is being watched. The transit rider and the D.C. taxpayer are entitled to much more.

LONG ISLAND'S AIRWAYS NOISE PROBLEM

The SPEAKER pro tempore. Under the previous order of the House the gentleman from New York [Mr. HALPERN], is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, in his incomparable "Paradise Lost," John Milton appreciatively acknowledges that, "midnight brought on the dusky hour, friendliest to sleep and silence."

Milton's ecstatic tribute to sleep and silence at night, unshattered by tumult and thunderous din, is an objective that has been the fervent hope of millions of residents of Long Island, New York, for many years.

Night and day, the great commercial airliners that arrive and depart from La Guardia and Idlewild Airports, shatter, with their jet-screams, the sleep and peace of mind of the millions who live near these airfields.

For years, window panes have rattled and children have awakened in tears in "jet alley," that part of central Queens County over which the roaring luxury liners sweep in flight.

Promises from regulatory agencies, proposed plans, studies and investigations have all been made and offered and yet the situation remains unaltered.

Recently the FAA has proposed regulations to reduce the noise but they fall far short of the need. We have waited a long time for the report. We have all made strong representations to the Agency about the problem. We have anticipated the proposal of really constructive remedies. Now what do we have? A series of rules on flying heights and patterns that do not solve the problem.

Congress has been urged to adopt legislation aimed at ameliorating the conditions giving rise to the ear-splitting din from the skies but it thus far has taken no action to assure that the noise over the distant cities will be reduced. How different it was when the sound of steam hammers, employed to assist in the erection of the extension of the east front of the Capitol, disturbed the deliberations of the House last year.

Our distinguished colleague from Queens [Mr. BOSCH], has been seeking adoption of his reasonable bills on airplane flying heights and noise reduction for several years, but the only perceptible silence has been that of the Interstate and Foreign Commerce Committee where the bills have been referred.

A year ago, the gentleman from New York, Congressman BOSCH, supported by the Members of the Long Island delegation to Congress, appealed to the Rules Committee for a rule on his resolution to establish a select committee in the House to look into the matter and recommend a solution to the unrewarding and barren jurisdictional controversy between the FAA and the New York Port Authority about the question. The granting of a rule was deferred pending action by the Interstate and Foreign Commerce Committee on the Congressman's bills. A year has gone by and the continuing silence in this regard is the only answer that has been received.

There is yet time in these closing days of the 86th Congress for legislation to be reported out and enacted, for the benefit not only of those in the New York area, but for all who live adjacent to huge metropolitan airports.

Why is such legislation needed? Because thus far administrative remedies have fallen far short of achieving a solution to the problem.

One reason for this is the fact that no clear delineation of jurisdictional authority has been determined as between the Federal agency, the FAA, and the local agencies. Until and unless this is done, measures taken by any agency at either level of government promise less than full relief to the suffering residents of the area.

In the New York area, both the FAA and the New York Port Authority have adopted a series of regulations aimed at reducing the noise problem—those of the FAA are subject to reexamination shortly—but the condition still remains.

Until the jurisdictional question is settled, half measures are all that can be hoped for.

In addition to the jurisdictional question, there is a difference in the standards to be adopted to govern administrative regulations.

The FAA has premised its regulations on flying heights, flying patterns, and preferential use of runways. This is good, but not good enough since it does not take into account such factors as noise tolerances over neighboring communities, night takeoffs, and jet engine warmup sessions. There is also some question about the efficacy of the runway use proposals.

The port authority's regulations attempt to conform noise at the airports to accepted tolerances and they limit jet flights at night to the two runways at Idlewild that head out over the waters of Jamaica Bay. They also attempt to restrict jet takeoff noises to standards of perceived noise decibels that will not be exceeded as measured on the ground in the communities neighboring the airport.

These measures constitute forward steps but unfortunately are insufficient.

What then can be done? First, the problem of jurisdiction can and should be solved so that every aspect that might help in noise abatement can be utilized by both the FAA and the port authority.

Secondly, stiffer penalties for violations of noise reduction regulations should be enacted. These might include stiffer fines, or suspension of flights, perhaps on a point system, and could be authorized by Congress. I have introduced legislation in this respect.

As for the noise itself, it is educational to look at measures that other nations have adopted in this regard. For instance, the following are controls that have been put in force at the London Airport:

First. Scheduled services are permitted only between the hours of 7 a.m. and 10 p.m.

Second. It is the practice to agree operational procedures for takeoff and landing with each airline before permission for scheduled services is given.

Third. All jet operations are monitored to check the adherence of operators to the restrictions applied and cases of noncompliance with the agreed procedures are taken up at once with the airline concerned.

Fourth. Jet aircraft are required to use a specified height and to reduce power before crossing over the nearest major built-up area in line with the particular runway in use and this height can be adjusted to suit the differing amounts of noise created by different aircraft. At the moment, this "fence" is set at a height of 1,000 feet for the majority of jet aircraft since they have very similar takeoff performances.

Fifth. Control has been placed on ground running. London Airport is a major maintenance base and as such an appreciable amount of ground running of engines is essential. Except where it is operationally necessary, no ground running of any engine is permitted at night and jet engines can be run at full power, even in daylight, only when fitted with mufflers. Operators with maintenance areas at London Airport are being required to build noise barriers in the form of walls, earthbanks or buildings to shield the main residential areas from the noise inseparable from maintenance areas.

These precautions could be adopted at the Queens airports in deference to the millions of weary, red-eyed, suffering citizens whose slumbers are disturbed every night of the year.

In particular, after the jurisdictional problem has been determined, a lowering of the noise level ceilings, the banning of jet takeoffs at night, the banning of jet warmups at night unless absolutely necessary, and the mandatory construction of noise-abating jet warmup facilities would all contribute immeasurably to easing the sufferings of the residents.

In addition, noise baffles such as the planting of thick groves of trees along the outskirts of the airports could also be undertaken to help lessen the sound.

Mr. Speaker, the studies and promises have been made and given. It is time now that both Congress and the regulatory agencies took action and effected measures such as those suggested, to reduce the unhealthy din that has disturbed the residents of Long Island for far too long.

Positive, constructive suggestions have been made by many sources. They need only be put into effect to protect the health, the lives and property of those who live within a wide radius of modern airports. I fervently urge the respective committees of Congress to report the legislation that is so vitally needed, and plead most earnestly to the FAA to revise its regulations and add the recommendations offered so as to remedy the situation once and for all. I believe that such action will provide immeasurable relief to the long suffering residents of Long Island and other areas. Only then will they be able to enjoy, in the words of the English poet Wordsworth, "The silence that is in the starry sky."

COMMEMORATIVE STAMP FOR GEN. JOHN J. PERSHING

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Missouri [Mr. RANDALL] is recognized for 5 minutes.

Mr. RANDALL. Mr. Speaker, I ask today for a few minutes to call the attention of the Congress and, in particular, the Postmaster General of the United States to a few pertinent facts relating to Gen. John Joseph Pershing, one of the greatest soldiers of modern times.

One hundred years ago on next September 13, this great man was born in Linn County, Mo., in the little town of Laclede, where he grew up and where his boyhood home may still be seen.

Pursuant to the good work of our colleague, the gentlemen from Missouri [Mr. HULL], House Joint Resolution 640 was passed and became Public Law 86–483, which has as its purpose to "authorize and request the President to issue a proclamation in connection with the centennial of the birth of the General of the Armies, John J. Pershing." This was approved by the President on June 1, 1960. The birthplace of General Pershing is in the Sixth Missouri District and our colleague, the gentleman from Missouri [Mr. HULL], is to be commended for his timely action.

Today at the previous request of the commander of the American Legion, Department of Missouri, who is a constituent of the Fourth Missouri District, and at the further instance of the national chief of staff of the Veterans of World War I of the U.S.A., Inc., under the direction of its national commander, I rise to call the attention of the Congress and all others interested in the commemoration of this centennial to what, up to this time, seems to be an omission in the proper and complete commemoration of the birth of General Pershing. I say today that it is appropriate and fitting that September 13, the centennial of the birth of General Pershing, be further honored by the issuance of a commemorative postage stamp. Going back to the proclamation which states:

> All Americans should pay honor and respect to the General of the Armies, John J. Pershing.

Surely this should include the Post Office Department, but if that is not plain enough, in section 2 it states:

> All departments and agencies of the Government are hereby authorized to cooperate with any civic and patriotic organization which may be conducting ceremonies in commemoration.

There cannot possibly be any doubt about the American Legion and the Veterans of World War I of the U.S.A., Inc., as such patriotic organizations. It seems to me that the wording of section 2, "all departments and agencies," should certainly include the Post Office Department and influence its decision to issue a commemorative stamp.

It is my understanding that the Assistant Secretary of Defense has issued a memorandum containing instructions for the coordination of plans and arrangements for all branches of the military service to honor this great man next September 13. The Department of Defense will work in coordination with various civic and veterans' organizations both in this country and overseas. I would like to take a moment to call your attention to the fact that at the convention of the Veterans of World War I of

the U.S.A., Inc., in Louisville, Ky., in September 1959, a mandate was passed directing the officers of this organization to endeavor to have a commemorative stamp issued by the Post Office Department honoring these World War I veterans' commanding general and leader.

Mr. Speaker, I have a letter in my files over the signature of the present national chief of staff and by direction of the national commander of the Veterans of World War I of the U.S.A., Inc., that on Saturday, June 25, 1960, in conversation with the Postmaster General, that it had been decided not to issue such a stamp as it was not considered to be warranted. According to this letter, the national chief of staff of this organization was unable to obtain any concession or statement regarding this decision not to issue such a stamp. I, for one, deplore this decision and respectfully urge its reconsideration for more reasons than one. First, because I think the spirit of Public Law 86-483, and the President's proclamation which followed, warranted and justified the issuance of such a commemorative stamp, and, second, I see in this decision to omit such an issuance, unless it is reconsidered, the same pattern of the apathetic attitude existing in the various agencies of our Government toward the aging veterans of World War I and their dependents. I have no choice but to mention in this connection the wording of Report No. 237 dated May 3, 1960, and addressed to the House Committee on Veterans' Affairs, of which I am a member, and signed by Sumner G. Whittier, Administrator, in which the Administrator and the Veterans' Administration objected to H.R. 9336, when that report stated categorically:

> In my opinion, it [pension for World War I veterans] goes beyond the Government's pension obligation for these veterans.

Today I say whether a pension for World War I veterans is to be $100 per month or in whatever amount the Congress works its will, all of us should well remember that the average age of these men, according to estimates of the Veterans' Administration, is past 66 and they are today departing this life at a rate of over 500 a day, many of them without adequate medical attention and in some cases without adequate nutrition to provide for their bodies. In my opinion, these men could not be greatly criticized if they were to become completely disillusioned and maybe even somewhat bitter when they see such strong evidence to convince them that they are the forgotten veterans of the armed services of this country.

As I said heretofore, the only reason I mention this again is to show that the omission of a commemorative stamp is but another evidence of the apathetic attitude by all branches of our Government toward these aging veterans.

We all realize our Nation today faces great problems, externally and internally. Notwithstanding, World War I veterans are men who were good soldiers, sailors, and marines, and do not wish to create a great issue during the closing days of this session of Congress. If my interpretation is accurate, they are willing once more to patiently accept the facts as they are in the sincere hope and confidence that the next Congress and the next administration will have a different attitude toward their pension legislation. Certainly they have demonstrated great patience and admirable restraint time and time again when their legislation has been passed over year after year.

In the meantime, however, they do make one reasonable request—do not overlook our general. They all say collectively and in the strong voice of complete unison, "At least honor General Pershing by a commemorative postage stamp." And, my colleagues, here is something else all of us should consider and well remember: It is conceivable that within some 30 years from now, this precedent—if there is no stamp issued now—may be repeated in the case of General Eisenhower. I am sure the men who served under him in both wars will want to see him so honored. I am sure all of us want to see him commemorated as the General of the Armies of World War II, which he led so brilliantly.

But now, this very year is the time to honor the great victorious general of 1917-18. At the close of that war, a grateful Government created a rank never before held by any soldier, General of the Armies of the United States. Mr. Postmaster General, I respectfully implore you, please reconsider your previous decision—issue a stamp for September 13, 1960, to honor not only one of the greatest soldiers of modern times, but also to honor all his now aging comrades in arms—Veterans of World War I.

SMALL BUSINESS IN SIGHTSEEING IN DISTRICT OF COLUMBIA BEING DESTROYED IN FAVOR OF MONOPOLY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Public Utilities Commission's replies to Mr. WALTER ROGERS' numerous inquiries, regarding regulations of the D.C. Transit System, Inc., disclose weak administration, if not worse, in the Commission..

Regardless of whether or not there has been any wrongdoing in the PUC, we can assume that, if the Commission's methods are careless in one direction, the same carelessness exists in other directions.

The Commission's answers to some of Mr. ROGERS' inquiries, its delaying tactics, and general lack of cooperation suggest inferior accounting methods, irregularities in accounting, and tailoring of PUC inquiries to D.C. Transit in order to mislead the public and the Members of Congress.

There is buckpassing within the Commission; there is neglect, or worse, in oversight duties; and top officials express ignorance of what is going on.

In the name of creating additional work for D.C. Transit busdrivers, the PUC, the District Commissioners and D.C. Transit seek to dismember, weaken and ultimately eliminate taxpaying small businessmen.

D.C. Transit's competitors in charter, sightseeing and limousine services are in quite a fix. D.C. Transit gets business by rate cutting and huge advertising expenditures, and by offering outsize commissions or rent to hotels, motels, and so forth, in order to acquire the sources of sightseeing business. Hence, D.C. Transit's competitors are caught in a two-way squeeze. If they meet D.C. Transit's cut rates, they lose money and will be headed for bankruptcy; if they have to raise their commissions or rent to hotels, motels, and so forth, they increase their operating costs, and must raise sightseeing rates, thus running the risk of pricing themselves out of business. I understand that D.C. Transit has offered certain hotels 33⅓ percent more for sightseeing stand leases than the hotels are receiving from other operators.

It is difficult to understand the position of the Board of Commissioners and the Public Utilities Commission. At the Select Committee on Small Business hearing, in May 1958, Commissioner McLaughlin stated that D.C. Transit would ultimately drive out competition and that section 6 of the franchise was discriminatory—record, page 27, and pages 18-19.

Yet, on May 20, 1959, Commissioner McLaughlin testified before the House Interstate and Foreign Commerce Committee that the Commissioners were opposed to the legislation—record, page 82. He suggested that section 6 of the franchise be amended so that D.C. Transit would not be exempt from taxes on charter and sightseeing—record, pages 83-84. He did not mention, however, that according to the testimony of Mr. J. William Falk, chief accountant of the PUC, before the Select Committee on Small Business, this would cost D.C. Transit only $12,748 annually out of its $1 million tax exemption—record, pages 22-23.

The following are extracts from colloquy between Commissioner McLaughlin, and Everette MacIntyre, counsel, Select Committee on Small Business, at the hearings of the Select Committee on Small Business in May 1958:

> Mr. MCLAUGHLIN. Well, sir, I think that they (D.C. Transit) are not likely to have any very strong competition from new companies, and I would even go so far as to say that I think this quite monopolistic. I think this situation that exists will eventually certainly drive competition out of the field (record, p. 27).
>
> Mr. MACINTYRE. Commissioner McLaughlin, you stated your view that this was monopolistic. Is that based on the advantage that D.C. Transit is having in the form of tax exemptions and other benefits?
>
> Mr. MCLAUGHLIN. Yes, sir.
>
> Mr. MACINTYRE. Part of that would be stemming from the fact that it is able to use the vast resources of the D.C. Transit System, wouldn't it?
>
> Mr. MCLAUGHLIN. Yes, sir.

At the same hearing, Mr. J. W. Falk, chief accountant, Public Utilities Commission of the District of Columbia, testified that he knew of no other public utility in the District of Columbia that spends 50 percent of its annual revenue for advertising and promotion—record, page 85.

The D.C. Transit System is exempt from the payment of some seven District of Columbia taxes. During calendar year 1958, the gross receipts tax exemption was $501,000 and for 12 months ended August 31, 1958, the motor fuel tax exemption was $361,962.18. Hence, D.C. Transit's exemptions on only these two taxes total $862,962.18.

In addition, the corporation will be exempt from real estate taxes, to take effect at such time, as in the opinion of the PUC, the D.C. Transit System has substantially completed its bus conversion program. Testimony submitted by PUC and D.C. Transit officials at the school fare subsidy hearings of the House District Committee indicates that this exemption will become effective in 1960 or 1961. See House District Committee transcript, dated March 12, 1959, pages 192–194. In 1958, D.C. Transit's real estate tax totaled $130,296.53.

Testimony submitted to the Interstate and Foreign Commerce Committee on June 2, 1959, states:

D.C. Transit is leasing out office space and garages in competition with similar enterprises in those fields.

It was also pointed out that—

The corporation will not be required to pay real estate taxes on a terminal-office building even though it leases out space to outside tenants (record, p. 31.)

As PUC officials have pointed out, D.C. Transit's charter, sightseeing limousine, and Government contract services have consistently sustained large losses—Record, pages 96, 97, Interstate and Foreign Commerce Committee.

In 1957 and 1958, D.C. Transit's advertising, promotion expenses and busdrivers' wages in charter bus operations were considerably in excess of its gross charter bus operating revenue. At the hearing of the Select Committee on Small Business in May 1958, Mr. J. William Falk, chief accountant of the PUC, testified that D.C. Transit was losing $189,000 annually on charter, sightseeing, and limousine services—record, page 84.

Because of its huge tax exemptions, D.C. Transit's charter and sightseeing advertising and promotion expenses have run as high as 60–70 percent of its annual charter and sightseeing revenue. In fact, the company's advertising and promotion expenditure during the year 1958 was about $390,000, or 78 percent of the $500,000 original equity investment of Mr. Chalk.

The PUC and the District Commissioners fail to recognize the rights of D.C. Transit's competitors. The attitude of the PUC and the Commissioners appears to be that the problems of those competitors will, as a matter of course, melt away automatically and disappear.

Commissioner Kertz has even suggested that consideration should be given to exempting the D.C. Transit System from Federal income tax—House District Committee hearing on school fare subsidy, March 10, 1959, pages 45–46.

Thus, the PUC and the Commissioners leave the Congress no choice but to enact H.R. 4815.

DEPARTMENT OF DEFENSE MILITARY CONSTRUCTION APPROPRIATIONS—CONFERENCE REPORT

Mr. SHEPPARD submitted a conference report and statement on the bill (H.R. 12231) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes.

INDEPENDENT OFFICES, ETC., APPROPRIATION BILL—CONFERENCE REPORT

Mr. THOMAS submitted a conference report and statement on the bill (H.R. 11776) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for this fiscal year ending June 30, 1961, and for other purposes.

RIVERS AND HARBORS AND FLOOD CONTROL ACT

Mr. DAVIS of Tennessee submitted a conference report and statement on the bill (H.R. 7634) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HALPERN, for 15 minutes, today.

Mr. RANDALL, for 5 minutes, today.

Mrs. ROGERS of Massachusetts, for 10 minutes, tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PHILBIN in two instances.

Mr. MCSWEEN and to include an address.

Mr. QUIE, to include extraneous matter in his remarks on the minimum wage bill.

(At the request of Mr. DEVINE, and to include extraneous matter, the following:)

Mr. DAGUE.

(At the request of Mr. ALBERT and to include extraneous matter, the following:)

Mr. WALTER.

Mr. WAMPLER.

Mr. MORRIS of New Mexico.

Mr. IKARD.

Mr. DENTON.

Mr. MURPHY.

Mr. MULTER in two instances.

Mr. ANFUSO.

Mr. RODINO.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3714. An act to authorize adjustments in accounts of outstanding old series currency, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 11001. An act to provide for the participation of the United States in the International Development Association.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 19. An act to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard;

S. 747. An act to provide for the conveyance of certain lands which are part of the Des Plaines Public Hunting and Refuge Area and the Joliet Arsenal Military Reservation, located in Will County, Ill., to the State of Illinois;

S. 1283. An act to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use;

S. 1502. An act to provide for adjustments in the annuities under the Foreign Service retirement and disability system;

S. 1795. An act relating to the promotion and separation of certain officers of the regular components of the Armed Forces;

S. 1886. An act to amend the Communications Act of 1934 with respect to certain rebroadcasting activities;

S. 2384. An act for the relief of Tommy Tadayoshi Shuto (Tadayoshi Takeda);

S. 2566. An act for the relief of Peter Leo Bahr, John Trevor Jefferies, Charmian Candy Jefferies, and Stephen Reid Jefferies;

S. 2740. An act for the relief of Julia Sukkar;

S. 2941. An act for the relief of Ming-Chen Hsu; and

S. 3179. An act to increase the authorization for appropriations for construction of facilities for the Gorgas Memorial Laboratory.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 2584. An act for the relief of Gourgen H. Assaturian;

H.R. 2665. An act for the relief of Briccio Garces de Castro;

H.R. 2671. An act for the relief of Antonia Martinez;

H.R. 2823. An act for the relief of Fumie Yoshioka;

H.R. 3122. An act directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm;

H.R. 3291. An act to amend title 10, United States Code, with respect to certain medals;

H.R. 3534. An act for the relief of Epifanio Trupiano;

H.R. 3789. An act for the relief of Preciolita V. Corliss (nee Preciolita Valera);

H.R. 3805. An act for the relief of Religiosa Liugia Frizzo, Religiosa Vittoria Garzoni, Religiosa Marie Ramus, Religiosa Ines Ferrardio, and Religiosa Roberta Ciccone;

H.R. 3923. An act to provide for the presentation of medal to persons who have served as members of the U.S. expedition to Antarctica;

H.R. 4346. An act to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge;

H.R. 4670. An act for the relief of Karnail Singh Mahal;

H.R. 5569. An act to amend title 10, United States Code, to authorize the award of certain medals within 2 years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed;

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial in the State of Arkansas;

H.R. 7726. An act to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings;

H.R. 7932. An act for the relief of William E. Dulin;

H.R. 7965. An act to amend section 612 of title 38, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans;

H.R. 8212. An act to amend title 10, United States Code, with respect to the procedure for ordering certain members of the reserve components to active duty and the requirements for physical examination of members of the reserve components, and for other purposes;

H.R. 8253. An act for the relief of Pierre R. DeBroux;

H.R. 8740. An act to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas;

H.R. 9142. An act to provide for payment for lands heretofore conveyed to the United States as a basis for lieu selections from the public domain, and for other purposes;

H.R. 9201. An act to validate certain mining claims in California;

H.R. 9541. An act to amend section 109(g) of the Federal Property and Administrative Services Act of 1949;

H.R. 9711. An act for the relief of Robert L. Stoermer;

H.R. 9751. An act for the relief of Mrs. Icile Helen Hinman;

H.R. 10021. An act providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia;

H.R. 10068. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H.R. 11001. An act to provide for the participation of the United States in the International Development Association;

H.R. 11522. An act to amend the act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes;

H.R. 11787. An act to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964;

H.R. 12052. An act to extend the Defense Production Act of 1950, as amended, for an additional 2 years;

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects; and

H.J. Res. 627. Joint resolution to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property.

ADJOURNMENT

Mr. RANDALL. Mr. Speaker, I move

The motion was agreed to.

Accordingly (at 8 o'clock and 14 minutes p.m.), the House, pursuant to its previous order, adjourned until tomorrow, Friday, July 1, 1960, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2311. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

2312. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 16, 1960, submitting a report, together with accompanying papers and illustrations, on an interim report on Farmington River Basin, Conn. and Mass., requested by resolution of the Committee on Public Works, U.S. Senate, adopted on September 14, 1955. It is also in final response to resolution of the Committee on Public Works, House of Representatives, adopted on June 13, 1956 (H. Doc. No. 443); to the Committee on Public Works and ordered to be printed with two illustrations.

2313. A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting reports on Army, Navy, and Air Force prime contract awards to small and other business firms completed during the month of April 1960, pursuant to section 10(d) of the Small Business Act; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. Report on supersonic air transports (Rept. No. 2041). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Nineteenth report on military supply management (Rept. No. 2042). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. H.R. 11539. A bill to authorize the Administrator of General Services to release the recapture provisions contained in the conveyance of certain real property to the city of Little Rock, Ark., and for other purposes; without amendment (Rept. No. 2043). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. S. 3053. An act for the relief of the State of Connecticut; without amendment (Rept. No. 2054). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. S. 68. An act to provide for continued delivery of water under the Federal reclamation laws to lands held by husband and wife upon the death of either; without amendment (Rept. No. 2055). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARDEN: Committee on Education and Labor. H.R. 12699. A bill to cancel a deed of trust to the United States from the predecessor in name of Gallaudet College and any evidences of indebtedness related to the same transaction, to quiet the college's title to property belonging to it, and for other purposes; without amendment (Rept. No. 2056). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARDEN: Committee on Education and Labor. H.R. 12458. A bill to increase the amount authorized to be appropriated for the work of the President's Committee on Employment of the Physically Handicapped; without amendment (Rept. No. 2057). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H.R. 12208. A bill to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody; with amendment (Rept. No. 2058). Referred to the House Calendar.

Mr. WILLIS: Committee on the Judiciary. H.R. 9523. A bill to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements; without amendment (Rept. No. 2060). Referred to the Commitee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee of conference. H.R. 11135. A bill to aid in the development of a unified and integrated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize creation of a National Capital Transportation Corporation; to authorize negotiation to create an interstate transportation agency; and for other purposes. (Rept. No. 2061). Ordered to be printed.

Mr. SHEPPARD: Committee of conference. H.R. 12231. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes. (Rept. No. 2062). Ordered to be printed.

Mr. THOMAS: Committee of conference. H.R. 11776. A bill making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1961, and for other purposes. (Rept. No. 2063). Ordered to be printed.

Mr. DAVIS of Tennessee: Committee of conference. H.R. 7634. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes. (Rept. No. 2064). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H.R. 9041. A bill for the relief of Joseph Starker; with amendment (Rept. No. 2044). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 10627. A bill for the relief of Naman Louis; with amendment (Rept. No. 2045). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 11380. A bill for the relief of Mr. Joe J. Farmer; without amendment (Rept. No. 2046). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 11757. A bill for the relief of Mary A. Combs; with amendment (Rept. No. 2047). Referred to the Committee of the Whole House.

Mr. KASEM: Committee on the Judiciary. H.R. 8166. A bill for the relief of the Crum-McKinnon Building Co., Billings, Mont.; with amendment (Rept. No. 2048). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 585. Resolution providing for sending the bill, H.R. 11905, with accompanying papers, to the Court of Claims; without amendment (Rept. No. 2049). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2369. An act for the relief of Sachiko Kato; without amendment (Rept. No. 2050). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 2388. An act relating to the separation and retirement of John R. Barker; without amendment (Rept. No. 2051). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 2353. An act for the relief of Col. John A. Ryan, Jr.; without amendment (Rept. No. 2052). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 2770. An act for the relief of Borinquen Home Corp.; without amendment (Rept. No. 2053). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 1464. A bill for the relief of Dr. Josephine L. Go and Dr. Welles P. Go; with amendment (Rept. No. 2059). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HALPERN:

H.R. 12894. A bill to amend section 601(a) and section 901 of the Federal Aviation Act of 1958 to provide for the issuance of rules and regulations pertaining to the elimination or minimization of aircraft noise nuisance and hazards to persons or property on the ground, and to provide for penalties for the violation thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. KOWALSKI:

H.R. 12895. A bill to amend the National Labor Relations Act to provide that under certain circumstances it shall be an unfair labor practice for an employer who moves his operations to a new location to refuse employment to his former employees who are qualified to perform work done at such new location; to the Committee on Education and Labor.

By Mr. BAILEY:

H.R. 12896. A bill to amend the National School Lunch Act to provide for a more equitable distribution of the funds available under such act, and for other purposes; to the Committee on Education and Labor.

By Mr. ANFUSO:

H.R. 12897. A bill to prohibit the transfer to the General Services Administration of custodial employees in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. FLOOD:

H.R. 12898. A bill relating to the construction, maintenance, and operation of an interoceanic canal over Nicaraguan territory; to the Committee on Merchant Marine and Fisheries.

By Mr. HALPERN:

H.R. 12899. A bill for the establishment of the U.S. Commission on the Aging and Aged; to the Committee on Education and Labor.

H.R. 12900. A bill to amend the Civil Service Retirement Act to authorize the retirement of employees after 30 years of service without reduction in annuity; to the Committee on Post Office and Civil Service.

H.R. 12901. A bill to amend the Internal Revenue Code of 1954 to provide that the cost of all medicine and drugs for the taxpayer and his spouse, rather than only the excess over 1 percent of adjusted gross income as otherwise provided, may be included in computing the medical expense deduction where such taxpayer or spouse is 65 or over; to the Committee on Ways and Means.

By Mr. McDOWELL:

H.R. 12902. A bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit; to the Committee on Banking and Currency.

By Mr. SHORT:

H.R. 12903. A bill to adjust the rates of compensation of employees in the postal field service, to establish a temporary Commission on Federal Civilian Employees Compensation Policy, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REES of Kansas:

H.J. Res. 775. Joint resolution authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th anniversary of the admission of the State of Kansas into the Union; to the Committee on the Judiciary.

By Mr. AVERY:

H.J. Res. 776. Joint resolution authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th anniversary of the admission of the State of Kansas into the Union; to the Committee on the Judiciary.

By Mr. HALPERN:

H.J. Res. 777. Joint resolution to provide for a conference consisting of Federal, State, and local officials, and members of public and private groups or organizations to consider and propose methods of, and to coordinate action for, combating the traffic in obscene matters and materials; to the Committee on the Judiciary.

By Mr. McDOWELL:

H. Res. 591. Resolution expressing the sense of the House of Representatives that the Government of the United States should seriously consider the withdrawal of diplomatic recognition of the present Government of Cuba; to the Committee on Foreign Affairs.

By Mr. PHILBIN:

H. Res. 592. Resolution extending greetings and felicitations of the House of Representatives to the people of Gardner, Mass., on the occasion of the 175th anniversary of their community; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Hawaii, memorializing the President and the Congress of the United States relative to requesting an appropriation to implement the Federal Flood Insurance Act of 1956 (ch. 1025, Public Law 1016, 84th Cong.), which was referred to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 12904. A bill authorizing the President of the United States of America to present a gold medal to Robert Frost, a New England poet; to the Committee on Banking and Currency.

By Mr. BURKE of Massachusetts:

H.R. 12905. A bill authorizing the President of the United States of America to present a gold medal to Robert Frost, a New England poet; to the Committee on Banking and Currency.

By Mr. DENT:

H.R. 12906. A bill for the relief of Domenico Antonelli; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 12907. A bill for the relief of Dr. Perkins Peng Keng Chang; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 12908. A bill for the relief of Irene Kemeny; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H.R. 12909. A bill for the relief of Edvige Cianciulli; to the Committee on the Judiciary.

By Mr. RABAUT:

H.R. 12910. A bill for the relief of Vinicio Ferretti; his wife, Vivete Ferretti; and their minor child, Maria Ferretti; to the Committee on the Judiciary.

By Mr. RAY:

H.R. 12911. A bill for the relief of Juan Antonio Oominguez-Aboroa; to the Committee on the Judiciary.

By Mr. ZELENKO:

H.R. 12912. A bill for the relief of Maddalen Haas; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

518. By Mr. GEORGE P. MILLER: Petition of 309 persons urging the withdrawal of the congressional mandate of the House Un-American Activities Committee to the Committee on Rules.

519. By Mr. VANIK: Resolution adopted by the City Council of the City of Cleveland, Ohio, memorializing the President and the Congress of the United States to take appropriate action to designate the first Monday in November of each year, commencing with the year 1960, as "Woman's Right to Vote Day" and to establish said day as a national legal holiday; to the Committee on the Judiciary.

520. By The SPEAKER: Petition of Harold Elsten, New York, N.Y., relative to the case of *Harold Elstein, Petitioner* v. *the United States of America and Federal Communications Commission;* to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Veterans of World War I of the United States of America, Inc.: Its Legislative Goal and Progress

EXTENSION OF REMARKS
OF
HON. FRED WAMPLER
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. WAMPLER. Mr. Speaker, on July 15 and 16, 1960, it will be my extreme pleasure to attend the annual convention of the officers and membership of the Veterans of World War I of the United States of America, Inc., Department of Indiana, where I will be honored to participate as a principal speaker before this exceptionally praiseworthy organization, an organization dedicated to the welfare of the Nation's veterans of the First World War.

At that time it is my full intention to convey to the Department of Indiana membership of the Veterans of World War I of the United States of America, the legislative progress made thus far with regard to the major legislative goal of the organization, namely: proposals which would provide World War I Veterans with what I consider to be a very justifiable monthly pension of $100.

I shall also endeavor to predict, within the framework of reasonably anticipated legislative procedures, prospects for final enactment of the legislation.

As I stated on January 19, 1960, the date of the introduction of my bill in the U.S. House of Representatives, H.R. 9746, I am sharply aware of the glorious deeds and humbly grateful for the heroic sacrifices of our World War I Veterans, to whom all America points with reverence and pride.

My measure, H.R. 9746, provides for the payment of pensions of $100 per month to each veteran of World War I who served for 90 days or more, or who was discharged or released from service for a service-connected disability, or who served for a period of 90 consecutive days or more and that service ended during World War I.

My bill calls for $100 monthly pension payments without regard to the veteran's annual income, whether derived from social security or railroad retirement benefits, or other annuities or pensions.

I have introduced this legislation realizing fully that in order to maintain individual social and economic status and dignity, this Nation's World War I veteran warriors must have, and, indeed, richly deserve and merit supplemental monthly funds.

When it became apparent that my bill, and similar measures, would receive scant, if any, congressional attention during the 2d session of the 86th Congress, a parliamentary procedure, known as a discharge petition, was initiated in the U.S. House of Representatives. Ultimately, this parliamentary procedure would discharge the House Committee on Veterans' Affairs from the further consideration of the legislation, after a majority of 219 Members of the House of Representatives have affixed their names to the petition.

On the very day, June 2, 1960, that the discharge petition—No. 7—was filed in the House, it was my privilege to be one of the very first to sign. Since that time, because of my publicly stated and well-known keen interest in the welfare of our country's World War I veterans, I have worked diligently to generate among other Members of Congress an interest sufficient to activate their support for the $100 per month pension legislation to the extent that they, also, would find it justifiable and reasonable to add their names to the discharge petition.

I most assuredly shall continue to strive in the U.S. Congress to promote the economic and social betterment of the veterans of World War I of the United States of America, a cause which I consider to be fully just and meritorious.

Justice for United States in Cuba

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. PHILBIN. Mr. Speaker, now that expropriation of American property in Cuba has become a reality, this Nation, in my opinion, cannot afford further delay, in its own interest and in the interest of freedom and justice in the Western Hemisphere, in taking prompt action. I have felt and said that we should have taken action long ago.

Nothing is ever gained by compromising with Marxists or waiting for them to change their tactics. The fact that we have temporized with Marxism over a period of time is responsible for much of the trouble that exists in the world today. However, that is a different story, and a long story, and I will not go into it now. It constitutes a sad, pathetic chapter as history will attest.

The Congress has been beside itself passing measures to expedite and accelerate foreign investment. What good will this do, I inquire, if American investments overseas and American property in foreign countries face ruthless, illegal, confiscation and expropriation?

The sanctity of human rights, property rights and contractual rights lie at the very basis of Western civilization and, indeed, should be a necessary part of any civilization. No worthwhile government can operate successfully, domestically or externally, that does not recognize contractual rights and is not willing to protect valid, legitimate property rights. No self-respecting, decent government will repudiate its solemn treaties and legal commitments.

By its harsh, arbitrary action, the Cuban Government has indicated that it intends to pursue expropriation of American property, and perhaps other property as a national policy. That being so, this Nation has no choice but to protect itself against this kind of brigandage and theft, and if we do not do so, we will become the laughing stock of the world.

I again respectfully suggest to the President and Secretary of State that the Organization of American States be immediately convened to discuss not only expropriation of property by Cuba, but also the existence of a dangerous, aggressive Communist conspiracy in the Western Hemisphere that constitutes a present danger and dire threat to the peace, security, and liberty of our Western World.

This action should be taken immediately, and without further delay. It should have been taken long ago.

Furthermore, the Congress and the Government should move immediately to apply such economic sanctions as we have available to us—and they are very persuasive—designed to mitigate, if that be possible which I doubt, the severity of the vicious anti-American campaign in Cuba and the ruthless expropriation of American property in that land.

And, Mr. Speaker, if these measures should fail, we should boldly map out and adopt other more extreme measures that will definitely insure the protection of American interests and rights in Cuba and keep our great country and this hemisphere from being infected with the malignant virus of communism.

Lassie Leaguers in New York

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Thursday, June 30, 1960

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement, by me, relating to Lassie Leaguers in New York.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In these times of intense work, it is both refreshing and rewarding to take note of an organization devoted simply to recreation—the Lassie Leagues. Lassieball is similar to baseball, indeed it is a part of baseball. It gives girls aged 10–15 a chance to play a game organized on the national level. Nearly 10,000 girls are now playing the game across the country. In Albany, N.Y., alone, 500 girls are playing. One hundred and fifty girls play in the two leagues at Rochester, and new leagues undoubtedly will be formed. New York is proud to see such great interest in Lassie Leagues within the State. Opportunity for physical training is important to

a young person's education, and the Lassie League provides just this opportunity. Fitness has always been a desirable goal for the men of this country, but it is equally vital for women as well. In playing Lassieball, girls can work toward fitness while gaining a sense of the excitement of winning and the acceptance of being a good loser. I think we need to recognize more the value of athletics in recreation and to salute the Lassie Leagues for helping our youth to do so.

Rearview Brinkmanship

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. DAGUE. Mr. Speaker, the critics of the late, great John Foster Dulles constantly belabored him for his "brinkmanship" without ever coming up with an alternate plan that would keep the Communists on the defensive, as his unyielding stand unquestionably did. Today we are seeing a display of another type of "brinkmanship" by some of Mr. Dulles' former censors who are walking to the very edge of criticizing the President for the U–2 incident, the collapse of the summit meeting, and the Japanese fiasco, but refrain from an all-out attack upon Ike for the simple reason that they sense that the American people are in no mood to tolerate open assault on their beloved President. Indeed, there is much evidence that the people resent domestic, partisan attacks on Mr. Eisenhower even more than they do the rantings of Mr. K. or the Japanese commies, since they feel that the latter are outside the family and are following an expected pattern.

It is recognized, of course, that there are certain highly placed partisans who conveniently forget that it has been only a few short months since they were urging Ike to do the very things in which they now find so much to criticize. They are now saying—looking into their rearview mirrors—that we should have suspended the U–2 flights prior to the Paris conferences. But they wholly ignore the fact that as soon as Mr. K. would have become aware of our having called off our aerial surveillance for the duration of the talks he would have strung out the conference interminably, all the while preparing his nuclear weapons for attack. And they forget, too, that diplomatic negotiation was the very device that Japan used to cover up her plans for the assault on Pearl Harbor. In other words, it is illogical that we should have let down our guard for a single moment and I can only hope that steps are being taken to come up with an adequate substitute for our suspended flights.

As for the charge that Mr. Eisenhower should have ignored or denied our aerial reconnaissance after it became evident that the Russians had one of our planes is simply to say that Ike should have maintained a lie. And recognizing that innuendo and untruth are the traditional tools of diplomacy is still no reason that Americans—and especially their President—should depart from our time-honored trait of "telling the truth and shaming the devil." Yes, we have come to a pretty pass when Members of the Congress of the United States are given to criticizing the President simply because he refused to be branded a liar.

The President in his report to the people on his Far Eastern tour has, I think, put things in their proper perspective. He emphasized that his trip was a good will journey and not a diplomatic mission. He also underscored the fact that he was invited to visit several countries and was royally received in all but one. That the invitation in the case of Japan was withdrawn was definitely a slap at the United States but certainly not at the prospective guest. And there is ample evidence that the overwhelming majority of the Japanese people are now mortified to an extent greater than that which they experienced when they lost the war.

There is ever-increasing evidence that the one thing the Communists fear more than anything else is the winning personality of our great American President and the way of life he represents and personifies. Indeed, their violent demonstrations are ample testimony to that fact.

In my opinion, Mr. Speaker, we have never been stronger than in this hour when we have proved that, in balance, we are superior in deterrant power to the strongest potential aggressor and that, also in balance, due to the peaceful missions of our President we have more admiring friends around the world than ever before in our history.

Tribute to the Honorable Aime J. Forand

EXTENSION OF REMARKS
OF
HON. FRANK IKARD
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. IKARD. Mr. Speaker, one of our most beloved and able colleagues, AIME J. FORAND, of Rhode Island, has announced his retirement at the end of this session of the 86th Congress. After serving with great honor and distinction for more than 22 years, a total of 11 Congresses, as Representative of the First District of the State of Rhode Island, AIME has decided for personal reasons that he will not be a candidate for reelection.

Mr. Speaker, I deeply regret that my good friend AIME has reached this decision. I wish him the very best, of course, and a happy and a well-deserved rest. However, AIME will be greatly missed on the Committee on Ways and Means and in this House.

AIME FORAND and I have served together on the Committee on Ways and Means for 6 years. He, of course, was a senior member of the committee when I was first elected to the committee. He was generous with his advice and counsel to new Members who sought it from him and I may say that he, through the years, has assisted me in this regard on many occasions. His service on the committee has been marked by great accomplishments in the area of the jurisdiction of the committee, resulting from bills which he introduced and his great contribution to the other legislative matters before the committee. I know of no member of the committee, past or present, who has had a more intense interest in the area of social security than AIME FORAND, and I know of no one who has devoted more time, effort, and full capacity to accomplishments in this field than has AIME. We have not always agreed on particular legislative matters, but our area of disagreement has been much smaller than our area of agreement. Much of the legislation in the area of social security is due to his diligent and conscientious efforts on the committee and on the floor of this body.

Another facet of our jurisdiction to which AIME has made great contribution is that of Federal excise taxes. As Members of this House will recall, the Committee on Ways and Means in 1956 established, for the first time in several years, three subcommittees to pursue special areas of jurisdiction—namely, excise taxes, income taxes and tariffs and trade matters. AIME FORAND as a senior member of the committee was made the chairman of the Subcommittee on Excise Tax Technical and Administrative Problems. He applied himself with great energy and diligence to the task before the subcommittee and as a result of his efforts during the 84th Congress, and in subsequent Congresses as chairman of a subcommittee on the same subject, the first revision of the excise tax structure in 30 years took place. The Excise Tax Technical and Administrative Act of 1958 will serve for many years as a monument to the able, efficient and energetic efforts of AIME FORAND. Members of this House appreciate, and may I say particularly members of the Committee on Ways and Means appreciate, the difficult and complex problems which always attend any effort to revise any substantial part of our tax structure. To have accomplished the first technical revision in over 30 years in the excise tax area is indeed a distinct honor.

AIME FORAND, of course, brought to the Committee on Ways and Means and to this House a vast amount of experience. When he first became a Member of the House, he had served for many years in the Rhode Island Legislature and in administrative and other public capacities in his own State. His prior services included not only the foregoing but also service here as a secretary of the man whom he succeeded as Representative of the First District of the State of Rhode Island.

Mr. Speaker, I have mentioned briefly some of the accomplishments of AIME FORAND since he has been a Member of this body, but I could not close these remarks without expressing my deep feeling about the personal qualities of our admired and beloved colleague. AIME is one of those individuals who stand out from the crowd because of the

many personal traits which we all admire and indeed envy. He is a kindly man, a man of the highest integrity, a man devoted to his country, family, church and friends. He is one who has always sought to be helpful to others. I have noticed that he was a man who is always thoughtful of his colleagues on the committee and of members of the staff of the committee.

Mr. Speaker, I regret that AIME FORAND has decided for reasons of his own that he will not be a candidate for reelection and therefore will not be a Member of this body next year. We will sorely miss him as a fellow Member, but we all hope that he will see fit to visit with us often during his well-deserved years of retirement. I wish him the very best.

Hon. Ray J. Madden To Head Indiana Delegates to National Convention at Los Angeles

EXTENSION OF REMARKS
OF
HON. WINFIELD K. DENTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. DENTON. Mr. Speaker, our colleague, RAY J. MADDEN, of Indiana, First District, has been twice honored by Indiana Democrats during the month.

On June 21, he served as permanent chairman of the Indiana State Democratic Convention and on June 26, he was elected to head the Indiana delegates to the National Convention at Los Angeles.

Mr. Speaker, I hereby submit an article from the Gary (Ind.) Post Tribune reporting the caucus of the Indiana delegates last Sunday.

I also include a paragraph from Congressman MADDEN's speech as permanent chairman at the Democratic State Convention. This excerpt from his speech should be followed in every State during the coming election. The State organizations too often overlook the importance of building their campaign strategy around the congressional and State legislative candidates in the various congressional districts.

MADDEN TO LEAD DEMO DELEGATION—PICKED TO HEAD 68-MEMBER STATE GROUP AT NATIONAL PARLEY

INDIANAPOLIS.—Representative RAY J. MADDEN, of Gary, veteran First District Congressman, will serve as chairman of Indiana's 68-member delegation to the Democratic national convention starting in Los Angeles July 11.

MADDEN was elected by a 37–26 margin over Third District Chairman Marshall F. Kizer, Plymouth, at the delegation's organizing session Sunday. The vote was then made unanimous on Kizer's motion.

Kizer is cochairman of KENNEDY's Indiana campaign. But MADDEN, who was in Washington, comes from a district where the organization also is considered pro-Kennedy.

MADDEN was nominated by his district chairman, Mayor Walter M. Jeorse of East Chicago. Kizer was nominated by Fourth District Chairman James L. Koons, Avilla.

Here is the list of officers and representatives on national convention committees chosen at the organizational meeting in the Claypool Hotel:

Chairman: Representative RAY J. MADDEN, Gary.

Vice Chairman: Margaret Afflis Johnston, Indianapolis.

Secretary: Richard Inskeep, Fort Wayne.

Platform and resolutions committee: MADDEN and Mrs. Kenneth J. Luckett, English.

Credentials committee: D. Emmett Ferguson, Lafayette, and Mrs. Johnston.

Committee on permanent organization: Mayor Frank McDonald, Evansville, and Mrs. Lawrence Arnsman, Lebanon, State vice chairman.

Committee on rules and order of business: Eugene B. Crowe, Bedford, State committee treasurer, and Fannie Mae Hummer, Kokomo.

Committee on notification of presidential nominee: Mayor Edward F. Voorde, South Bend.

Committee on notification of vice presidential nominee: Sheriff Gresham Grimm, Evansville.

Honorary vice president of convention: State Auditor Albert A. Steinwedel, Seymour.

LAUDS MADDEN

Mayor George Chacharis, of Gary, said today that Lake County Democrats are happy because Representative RAY MADDEN, of Gary, has been chosen as chief of the Indiana delegation to the National Democratic Convention.

"We feel—like the rest of the State delegates—that MADDEN can do more to unify and solidify the Indiana delegation at the national convention," said Chacharis. "He is well liked by delegates throughout the State and this was indicated by his selection yesterday."

NINETEEN HUNDRED SIXTY CAMPAIGN IN CONGRESSIONAL DISTRICTS

The Indiana Democrats won a great victory 2 years ago in the election of six new Democratic Congressmen and Senator VANCE HARTKE by a majority of almost a quarter of a million votes. We Democratic candidates have barren campaign funds but we are rich in issues and accomplishments for the people. Our record of public service must serve instead of dollars. This great victory was accomplished because of the concentrated work in the various congressional districts throughout the State. The voters realized the necessity of enacting legislation that will improve our economy, increase employment, and bring more security for the American home. We did not have the prestige of a National Presidential or Governor's contest to aid us in the 1958 campaign. Victory in 1958 was accomplished by emphasizing national legislative issues and also the necessity of electing Democratic Congressmen, State representatives, and State senators in order to implement laws that would be beneficial for the prosperity and security of farm, labor, and small business.

It is time that the Democratic Party in Indiana realizes that the Republicans have concentrated in the past by educating the voters in the various congressional districts on the necessity of electing Representatives and Senators both National and State, because these officials play such an important part in the economic welfare of the millions of average Americans. It is time for Democratic State, district, county, and city chairmen, including all Democratic precinct committeemen, to know that the average voter can only be enthused and become an active worker in the campaign if he knows a candidate or a party has a platform or a program that will aid the Nation's economy and help his business, job or future security for his family. Historically, the Democratic Party has been the only instrument through which the millions of working men and women, farmers and small business could make an appeal for aid and cooperation. Their requests for just recognition in the operation of our Government can only come through the halls of Congress and the State legislatures of our Nation. After the various programs are acted upon legislatively in our National Capitol or in the statehouses, it is highly important that we must have a Democratic President, Democratic Governor and State officials to carry out the legislative programs which a Democratic Congress and State legislature enacts.

Independence of the Belgian Congo

EXTENSION OF REMARKS
OF
HON. WILLIAM T. MURPHY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. MURPHY. Mr. Speaker, today, June 30, the Congo gains its independence from Belgium. This is an event of enormous importance in the lightning changes which are sweeping across the face of Africa.

But a short 15 years ago—at the end of the Second World War—only four nations, Liberia, Egypt, Ethiopia, and the Union of South Africa, on the entire continent of Africa were independent. Independence for other countries of Africa was considered a problem for the far, far distant future. But 3 years ago the first of the sub-Sahara countries, Ghana, gained its independence from Great Britain. In the last 3 years Africa has been literally transformed until today it is the remaining dependent countries which are in the minority, with independent or near-independent nations dominant on the continent.

This emergence of an independent Africa will be a factor of ever-increasing importance in our foreign relations. We have felt but the first tremors of the new eruptions in Africa. For long our friendly relations with the "mother" countries in Europe have largely sufficed for the conduct of our relations with Africa, but they will not suffice for long in the future. We are going to feel a pressing need to build a new structure of friendly relations with the new nations of Africa, whose interests and inclinations in some degree and part are quite different from those of the European "mother" countries. Not the least important, the membership of the United Nations will be transformed as numbers of independent African nations join together with us in that organization.

The future for independent Africa holds both exceptional promise and exceptionally difficult problems. Hardly anywhere in Africa is this combination of promise and problem so sharply present as in the Congo.

The Congo is blessed with both the resources and the beginnings of industry. Its economic future is bright and it should not be plagued by the continuing and almost insoluble economic difficulties which beset many a Nation emerging to independence under less favorable conditions. The Congo will need new

capital and new skills from the world but it needs these to fully develop and use its potentialities, not in desperation to meet acute economic problems. It now provides an attractive setting for private investment and there is no reason why this will not become even more attractive in the future.

One of the Congo's most serious problems is its acute shortage of skills and experience. Few Congolese are ready to take over the business of running an independent economy. And even fewer Congolese have any experience in the highly complicated affair of running a government. The Congo has not had the benefit of a long period of transition during which rule was gradually shifted from the representatives of the "mother" country to those who will soon govern the new nation. Instead, in the Congo, independence has burst suddenly upon the scene.

The Belgians, in my mind, are to be congratulated upon moving rapidly to Congo independence once the signs became clear. But for the independent Congo, finding both skilled men to do the day-to-day work of government and the exceptionally wise and experienced leadership which transforms a multitude of tribes into a great nation will remain among the foremost concerns.

In differing degree, these promises and problems confront the whole continent of Africa. There are many bright spots for the future of the economies of these nations. Brightest of all is the future when Africans will be the masters of their own destinies, able to stand in complete equality and dignity among the peoples of the world. At the same time Africans must find solutions to some exceptionally difficult problems, which range from building true nations out of disparate elements tied together only by the common experience of a colonial past, to selecting a course for their nation's role in the wider world, ever more complex and beset by pressing problems. These are African problems and promises. The United States can do little to solve them. But it can help Africans in their solutions by extending wise and sympathetic understanding.

The National Convention of the Polish Falcons of America

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1960

Mr. RODINO. Mr. Speaker, I should like to direct the attention of my colleagues to the fact that the Polish Falcons of America have chosen to hold this year's national convention in the congressional district which I am proud to represent.

This is a great tribute to the vitality and achievement of Nest 104, our local chapter of Falcons, and an honor for all of the people of Newark and, indeed, of the State of New Jersey.

I understand that this is the first time in 88 years that the national convention has taken place in Newark, N.J. Some 4,000 delegates have gathered here for a weeklong schedule of tournaments and other events which will culminate in a banquet at the Polish Falcon Hall on Sunday.

I should like to take this opportunity to bid them a warm welcome, and to express the hope that they have had such a successful week that they will come back to us again in the very near future.

The activities of the Polish Falcons are well-known and highly regarded throughout the country. The very name "Falcon" suggests vigor, strength, vitality of mind, and soundness of body. It is these goals which the Polish Falcons have pursued for almost a century.

A large part of the Falcon program is focused on youth activities and on physical development. This emphasis on youth, and on diverting youthful energies to sound and wholesome purposes is of the utmost importance. We appreciate its significance today, as we become more and more concerned with the frightening statistics on juvenile delinquency and with the general aimlessness of many of our youngsters who do not seem to be able to find their way.

These are problems which do not worry mothers of young Falcons, or Falconettes. They know that their youngsters are engaged in worthwhile pursuits and are building their characters and bodies for a bright and happy future.

The importance of physical fitness is too often forgotten in this country. President Eisenhower himself expressed distress at this fact in a recent press conference. The problem began to receive increased attention with the onset of the draft, as we realized what a large proportion of our young men have been unable to meet the physical requirements of the armed services.

And yet, physical fitness is vital to our strength as a Nation. We cannot permit ourselves to grow soft in any regard, if we are to remain the vigorous and energetic people we have always been in the past. By its activities the Polish Falcons are doing a service not only to Falcon members, but to the entire country. There is no greater patriotism than helping to build up the strength and human resources of this Nation.

The Falcon program, it is important to note, is based in the context of Polish tradition and culture. Their young people grow up learning of their national origins and taking pride in their heritage. They thus become fine, outstanding American citizens, enriching the American scene by their unique contribution and adding to that great diversity of culture of which America is justly proud.

There is a similar Falcon organization which exists in Poland today. I do not know how much contact there is, or is permitted to be, between the Polish Sokolstwo and the Polish Falcons of America. But I do know that the very existence of this flourishing organization in this country cannot but give heart and courage to the members in Poland who have suffered, and continue to suffer, under the yoke of Communist oppression. We all know that the hope of the Polish people for eventual liberation has never been extinguished. I am confident that that hope is nurtured and inspired by the example of the American Falcons who live in liberty and freedom.

The Falcons have always concerned themselves with the trials and the sufferings of the Polish people. They have focused attention on the cause of Poland, and, by so doing, have furthered the cause of freedom everywhere.

I should like to pay special tribute to Nest 104, the Falcon chapter in Newark, and to John Byk as well as to the other officers and leaders, many of whom I have come to know personally. The fact that Nest 104 has been selected as the hosts of the Falcon convention is eloquent testimony of the effectiveness of Nest 104's thriving and successful program.

Immigration of Orientals

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1960

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

JUNE 14, 1960.

Hon. HIRAM FONG,
U.S. Senate, Washington, D.C.

DEAR SENATOR FONG: You were kind enough to favor me with a copy of your article which appeared in the Honolulu Advertiser, and which you inserted in the CONGRESSIONAL RECORD of June 1, 1960. Your article discusses, in the main, what you refer to as discriminatory features of our immigration laws affecting orientials.

Assuming that your purpose in inviting my attention to your article was to elicit my comments thereon, I am willing to oblige in the spirit of frankness and fairness.

Your article contains several errors as to facts. This is said not for the purpose of embarrassing you personally. I believe that you have been misled by those who supplied you with information dealing with matters of considerable complexity and a wide legal and historical background.

The following is submitted for the purpose of correction and clarification:

1. Soon after the cessation of hostilities—in 1946, to be exact—a few of us in the House of Representatives originated an effort to repeal the exclusion clauses based on race then effective under the 1917, 1924, and 1940 immigration and nationality laws. Our efforts were partially successful when, in 1948, we succeeded in removing from our "suspension of deportation" statute the racial restrictions applicable to orientals.

Further attempts to delete from our immigration and nationality laws the main oriental exclusion clauses resulted, in 1949, in the passage by the House of a bill which, unfortunately, encountered delays in the Senate.

2. Having enlisted the support of the late Senator McCarran of Nevada, I succeeded in

providing for the final and definitive repeal of the oriental exclusion clauses by the Walter-McCarran Act, enacted in 1952.

For the first time in the history of the United States an immigration and nationality law contained a sentence which was unanimously praised as the "Magna Carta" for oriental immigrants and their descendants. The sentence reads as follows: "The right of a person to become a naturalized citizen of the United States shall not be denied or abridged because of race or sex * * *" etc. (sec. 311 of the Immigration and Nationality Act). By virtue of the same law, ineligibility to naturalization because of race was abrogated as a bar to immigration. All countries of Asia and the Far East have been assigned immigration quotas pursuant to the Walter-McCarran Act.

3. The late Senator McCarran and myself have been rather lavishly praised and awarded honors which I do not intend to list, by several countries of the Far East and by organizations of American citizens of oriental descent. My personal files and records are replete with the most touching expressions of gratitude and appreciation for what the Walter-McCarran Act has done with respect to immigration and naturalization of orientals.

4. The results of the repeal of the oriental exclusion clauses are clearly indicated in the statistical reports published annually by the Department of Justice. While in the last prewar decade, 1931–40, the total immigration from Asia amounted to 15,344 persons, there were 42,385 Asians admitted into the United States as immigrants in the first 5 years following the enactment of the Walter-McCarran Act. (This figure is, of course, inordinately large due to the fact that during those years there occurred a sizable influx of "war brides" and "GI fiances.")

However, the long-range effects of the Walter-McCarran Act on immigration from the Orient remains readily ascertainable in the statistical figures published annually by the Attorney General of the United States.

Here are some abstracts from the Department of Justice reports for the years 1956–59, pertinent to the erroneous assertions of your article.

Immigrants admitted:

Natives of—	1956	1957	1958	1959
China	4,460	5,425	3,213	5,722
Japan	5,586	6,354	6,543	5,851
Korea	703	648	1,604	1,720
Philippines	1,873	1,996	2,236	2,633

Since the enactment of the Walter-McCarran Act, total admissions of immigrants from Asia were as follows:

1953	8,029
1954	11,751
1955	12,131
1956	17,538
1957	23,102
1958	19,867
1959	24,312

5. You have devoted a considerable portion of your article to deploring the fact that the United States does not admit a sufficient number of immigrants from such countries as Burma, Cambodia, Malaya, Laos, Nepal, Vietnam, and Thailand.

I wish to invite your attention to a report of the Department of State dated April 1, 1960, in which it is stated that the immigration quotas for all the above-listed countries are open and immigrant visas thereunder are immediately available for qualified applicants.

Sincerely yours,

FRANCIS E. WALTER,
Chairman.

Freedom Academy Legislation

EXTENSION OF REMARKS
OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Thursday, June 30, 1960

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement, prepared by me, relating to Senate bill 1689, to create a Freedom Commission and Freedom Academy charged with undertaking a development and training program aimed at developing an integrated cold war operational science and training Government personnel, private citizens and foreign students in this science.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MUNDT

Senate Judiciary Committee approval of the Freedom Academy bill may well be historically marked as the turning point upon which this Nation's fight for freedom in the cold war struggle against communism began to yield the returns of victory through the erosion and eventual demise of the Red conspiracy's drive for world domination.

While those who have carried on the campaign for the Academy would have preferred to have such a program of counteraction in operation long before now, nevertheless, the committee action comes at a most propitious time, for the echoes of Communist success in fomenting the riotous acts of a minority of Japanese still ring in our ears.

The riots in Japan, unfortunately, are an excellent demonstration of Communist techniques—developed in the hard schools of political warfare over a period of 40 years—which have led to the conquest and subjugation of nearly a billion people.

There is no question in my mind that with final enactment of this legislation establishing the Freedom Academy as a permanent weapon in our cold war arsenal, our Nation, as leader of the free world, can sustain a systematic, coordinated economic, political and psychological campaign which can perhaps be one of the most important factors for attaining permanent world peace. The Freedom Academy can be of substantial force in bringing to an end despotic, tyrannical oppression by the architects and practitioners of an ideology that is a disease of the mind in building false hopes of materialistic success when at the same time it destroys the fruits of such success by wiping out the fundamental, moral foundation of dignity and freedom of the individual.

The two broad objectives of this bill, I believe, provide this Nation with the organizational means to meet our cold war development training needs in such manner as to bring the full strength of our tremendous moral, spiritual, intellectual, and physical capacity to bear in this struggle for survival.

These objectives as outlined in the committee report are:

1. To develop an integrated operational science for our side which will meet the entire Soviet political-economic attack and work toward our national objectives in a systematic manner, utilizing all potential means in the public and private sectors which are in accord with the ethics of free men faced with a Soviet-type challenge.

2. To train Government personnel, private citizens, and foreign students in this science.

The cold war in which we are engaged has been clearly defined in an editorial by Life magazine (February 18, 1959) when it said, in presenting arguments for establishment of a Freedom Academy:

"The gap (in the range of weapons with which we are fighting the cold war) lies between our military preparedness at one end and our conventional diplomacy at the other. On this wide and surging central front we presently deploy a few smidgens of propaganda, economic aid and covert intelligence activities. To the Communists, on the other hand, this is the most important front of all. Throughout it, and in depth, they deploy all those techniques of political warfare, both overt and covert, which are the day-and-night work of the world's Communist Parties and which were known to Lenin, their inventor, as the organizational weapon.

"The weapon with and without the help of military threats, is chiefly responsible for all the gains the Communists have made since World War II. It becomes more potent with their rising capacity for economic and technical and cultural exports. Neither the Red Army nor straight Marxist propaganda, with all their power, could alone have created student riots * * * frustrated the parliamentary system of Italy, won an election in the most literate State of India * * * retained key footholds in the British and American labor movements * * * dazzled the opening mind of Africa, or poisoned strategic corners of press and university opinion from Paris to Tokyo. These are organizational successes, the fruit of long and rigorous training of dedicated individuals in a conspiratorial technique."

Life's editors said: "Given the will, the Communist political war can be countered by open and ethical methods which will uphold the values as well as the institutions of freedom." I think these methods can be found in a program such as is contemplated in the Freedom Academy legislation.

America has learned the lessons of hot war. Today we have a Defense Establishment in a state of such combat readiness that it prompts Russian Premier Khrushchev to say that his Moscow comrades would put him in a straitjacket if he thought of waging war.

But it took generations of experience—some of it bitter—to reach the position of military readiness which now exists and to complete a system of hot war training schools such as our military academies, or the National War College, for example.

The cold war which confronts us is as deadly, if not more so, than a hot war. While we are prepared to meet and defeat any enemy on any front in a hot war, we have yet to develop a coordinated program to attain similar success in the cold war. This, of course, is not difficult to understand, for until the cold war was thrust upon us after World War II, never had we been faced with the type of conflict in which we are now engaged.

The crash of the summit, the riots in Japan, and the monstrous propaganda attacks coming from behind the Iron and Bamboo Curtains leave little room for misunderstanding the determination of communism to capture the world. With any lingering doubts removed as to the intentions of the Communists, it seems to me the opportunity is at hand, as the committee points out, to implement this program to develop an integrated, operational science for our side which will meet the entire Communist attack and work toward our long-range national objectives in a coordinated manner, utilizing every area of potential strength.

To those who question the wisdom of looking to new methods and new approaches in the struggle against communism, I call attention to the report of the Senate Internal Security Subcommittee. While the portion

I cite is brief, I think the report developed in part from Central Intelligence Agency testimony reveals the extent and depth to which the enemies of the free world have gone to undermine and destroy the institutions of freedom.

In substance, the report outlines the fact that the Soviets are operating an extensive system of political warfare training schools and development centers at Moscow, Leningrad, Tashkent, Prague, and elsewhere on both sides of the Iron Curtain. Some of these schools, like the Lenin Institute of Political Warfare, began operating in the mid-twenties. The center at Prague specializes in training Latin Americans and Africans, while the school at Tashkent trains Communists from the Islamic countries. The top schools in Russia, China, and Czechoslovakia are not narrow trade schools, but comprehensive training centers giving detailed instruction in the vast field of political warfare and supporting subjects, with courses often running 2 or 3 years in length.

Significantly, the training of Latin Americans was stepped up in 1956 and in that year Red China began operating a parallel system of schools for Latin American Communists. And with the harangues of the Cuban Red Dictator Fidel Castro slapping us in the face nearly every morning as we pick up our newspaper, the committee comment that "one lone Freedom Academy, costing a fraction of the Cuban sugar subsidy, can lay the foundation for a major breakthrough" is even more revealing as we consider what can be a positive, direct, forceful step toward launching an offensive that can strengthen the free world alliance, raise anew the hopes of mankind everywhere, and dash forever the ambitions of power-mad rulers who threaten to bury us.

I am hopeful that despite the few remaining days in this session of Congress, the leadership of the Senate will bring this important, vital legislation to a vote.

World Refugee Year—Success or Failure?

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1960

Mr. MULTER. Mr. Speaker, it is just a matter of hours until World Refugee Year becomes history. This year—dedicated to alleviating the plight of the earth's uprooted peoples—is due to end on midnight, June 30.

Some 70 nations of the free world joined in proclaiming World Refugee Year under the auspices of a United Nation's General Assembly resolution adopted in December 1958.

According to the United Nation's resolution the World Refugee Year was to have the following aims: "To focus interest on the refugee problem; to encourage additional financial contributions from governments, voluntary agencies and the general public; to encourage additional opportunities for permanent refugee solutions through voluntary repatriation, resettlement or integration on a purely humanitarian basis."

It is too early to assay the general impact of World Refugee Year upon the total problem toward which it was directed. Indeed, it is hoped that this impact will not cease to be felt with the passing of World Refugee Year, but that the increased efforts and the solutions that were found during the year will continue to be applied as long as world refugee problems remain to be overcome.

There is no single world refugee problem. There are many of them. Someone has said that the refugees are not a stagnant pool but a running stream of humanity. New peoples are constantly joining their ranks, others gradually leaving them.

It is not an easy task to ascertain the nature and extent of the refugee problems throughout the world. A complex of economic, social, political and humanitarian considerations are involved. These considerations vary with each group of refugees and with each individual within a group. They do not all need, nor do they want, the same type of assistance. They do not all wish, for example, to be moved once more and resettled in a strange and foreign land. Some do. Most, at one time or another, are in need of food, shelter, clothing, and medical care. Others need rehabilitation and training to make them self-sufficient in the environment of their asylum. An unfortunate few will never be totally self-sufficient again.

I believe that a great deal has been accomplished during World Refugee Year that is worthwhile. At the same, the high expectations for this event were to a large extent unfulfilled. No one, of course, expected that all of the problems would be cleared away within the year. But there were many things that might have been done that were not.

There has certainly been a quickening of the public awareness in the United States of the nature and extent of the refugee problems. This was brought about by the publications of the United Nations and through the use of mass media by private organizations such as the U.S. Committee for Refugees.

There have been increased contributions for refugees by private individuals, both in money and the basic necessities, such as food and clothing. Here again the private voluntary refugee agencies are to be credited with having provided the stimulus that sparked these drives. Substantial contributions were made in this field by other private organizations such as the fraternal and benevolent societies, church groups, and the like, that are not normally engaged in refugee activities.

The U.S. Government increased its contribution to the various activities benefiting refugees. Over $70 million was spent on these programs by the United States. This included approximately $40 million for the regular refugee programs, $25 million in surplus foods distributed under Public Law 480, and over $5 million of the $10 million fund specially earmarked for World Refugee Year activities.

The one area, in my opinion, in which we in this country failed to live up to our capabilities is refugee legislation. The Congress alone is responsible for this. What better occasion could we have had to enact a substantial refugee bill, or even to revise our basic immigration law so that more of the world's refugees could be accommodated within its framework?

I, for one, am sadly disappointed with what we shall have to settle for as our legislative contribution to World Refugee Year. This, as it turns out, is House Joint Resolution 397, which at best can be expected to allow about 5,000 refugee-escapees to enter the United States in each of the next 2 years. This joint resolution passed the House in April and was amended and reported out of committee in the Senate last week. I hope it will clear both Houses before adjournment.

The Senate committee's amendments to the joint resolution, I believe, improved it in several particulars but did not broaden it very much in scope. These amendments added a provision committing us to accept up to 500 "difficult to resettle" refugee-escapees. In doing this we will join Australia, New Zealand, Canada, and a number of other countries that have already taken in hardcore refugees, whose needs are the most urgent of all. The Senate committee also amended House Joint Resolution 397 by tacking onto it the provisions of H.R. 10419 which had already passed this House. These provisions extend the alien orphan adoption program under section 4 of the act of September 11, 1957, for 1 year until June 30, 1961, and the Azores and Dutch Indonesian refugee programs for 2 years until June 30, 1962.

One of the shortcomings in the general provisions of House Joint Resolution 397 is that they apply only to refugees under the mandate of the United Nations High Commissioner for refugees. That is, only European refugees can come in under them. Refugees in the Near and Far East are completely excluded from these provisions.

Another shortcoming is that the legislation provides that the United States shall accept only 25 percent of the number of refugees resettled outside the United States. The United States, the free world's wealthiest and most powerful nation, is thus put in the position of being a follower rather than a leader in resettling refugees.

There would, of course, be less need for this country to enact special refugee legislation if its basic immigration laws were not tied to the national origins quota system. The best way to provide permanent refugee relief would be to replace this antiquated and discriminatory system with one that would determine immigration on the basis of need.

Congress has had before it a bill for such a system since 1955. This is the Celler bill first introduced in 1955 and reintroduced in each Congress since that time. Along with a dozen or so of my colleagues I introduced in the present Congress a companion bill to that of the distinguished chairman of the Judiciary Committee.

This bill is a comprehensive omnibus proposal which would completely rewrite the Immigration and Nationality Act. In addition to abolishing the national origins quota system it would enact other needed reforms in our immigration and

nationality laws. These include granting increased due process protections in deportation and exclusion procedures; eliminating second-class citizenship provisions for naturalized citizens; and providing greater efficiency in administering the law by an independent commission in place of the dual administration by the Justice Department and the State Department that the present law requires.

I shall not attempt to explain all the details of the substitute provided for in the bill in place of the national origins quota system. The substitute system would be a unified quota system with certain percentages going to five different classes of immigrants from any country in the world.

These classes are:

First. Family reunification, which would include close family relatives of residents of the United States.

Second. Aliens whose skills are urgently needed in the United States.

Third. Those whose admission would help solve economic problems of friendly nations. The Dutch Indonesian refugees are a good example.

Fourth. Those fleeing religious or political persecution.

Fifth. A fifth class would include those who do not fit into any of the four preference groups.

No one nation would receive a preponderant share of immigrant visas, as a percentage limitation would apply within each of the five classes of immigrants.

The United States can be justly proud of its efforts to assist the millions of displaced persons and refugees resulting from World War II and ensuing events. During the past 15 years our Government has spent well over a billion dollars for these purposes. The big intergovernmental agencies—the Intergovernmental Committee for European Migration, the United Nations High Commissioner for Refugees and the United Nations Relief and Works Agency—would hardly be able to operate without this country's financial support. More than 700,000 displaced persons and refugees were settled in this country since World War II.

This proud record only adds to my disappointment over our lack of greater accomplishments during World Refugee Year.

Greetings to Townsend Clubs of America 20th National Convention

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Thursday, June 30, 1960

Mr. HUMPHREY. Mr. President, the 20th National Convention of the Townsend Clubs of America will begin on Monday in Indianapolis, Ind. I have been at several of these national meetings and I regret I cannot join these fine people for this meeting.

I would like to share with my colleagues a message which I sent to the Townsend Clubs convention outlining my plan for a broad program to achieve social justice for America's 16 million senior citizens. This is a practical plan which we in this body ought to adopt now not because of political considerations but because we have a moral obligation as a nation to see that justice is done for all our citizens.

I ask unanimous consent that my message to the 20th National Convention of the Townsend Clubs of America be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HON. HUBERT H. HUMPHREY—MESSAGE TO TOWNSEND CLUBS OF AMERICA, INDIANAPOLIS, IND., JULY 4, 1960

Dr. Townsend, delegates, and visitors to the 20th national convention of the Townsend Clubs of America, I deeply regret that I cannot be with you at this convention as I have been at several of your national meetings. I have many good friends among you and know your organization well. It is a fine patriotic organization of good, God-loving people. I like it. I have considered it a privilege to work side by side with you in the effort to win a place of respect for the elderly men and women of America.

I want to pay tribute to Dr. Townsend and his son, Robert, for their farsighted leadership and to your Washington legislative representative, Mrs. Ford, for her hard working day-in and day-out devotion to the needs of elderly Americans. It is an honor to pay tribute to them and to every member of the Townsend Clubs of America for your unswerving defense of the rights and best interests of our senior citizens and the cause of social justice for all Americans.

You and I believe that when any American is a second-class citizen—when any American cannot walk in dignity and self-respect—we all are hurt and our country is hurt. As a full measure of dignity and self-respect for our senior citizens is achieved, our whole Nation is better.

In the record of achievement for older men and women in America, the Townsend Clubs have a special place. You have earned an immense share of the credit for keeping the goal of social justice for all in the public eye and awakening sympathy for this goal in the hearts of millions of Americans. Your determined spirit made possible many of the past achievements under our social security program.

There may be no Federal law that bears the name, Townsend plan, but your goals, because you convinced so many, became national goals; and many were written into law. Do you know why they became national goals? Because you worked constantly in all the communities of America to show your fellow citizens that your objectives were actually theirs. You did not speak only through a large corps of Washington lobbyists. You relied on the good sense of the American people and took your plea directly to them. This is why social security and all kinds of legislation which maintains the dignity of older Americans is one of the best known and best understood issues today.

Even the present administration, which sometimes has a difficult time hearing because its closest friends are shouting too loud for special interests, has heard the demands of the American people of all ages for justice for more than 16 million senior citizens. But the administration has its own idea of what justice is—what dignity is—for these 16 million. Justice, as close as I can figure it out, from the plan for medical care presented by this administration is not total destruction of the specter of unexpected and costly illness. Justice instead is just that amount of medical care and other social security benefits wrapped up in a soothing explanation and a clever label that the administration hopes the voters will not check up on before November.

But you and I know—because we have talked to the American people about their hopes and fears for their later years that if they are told honestly that the administration package is really a limited, ineffective pauper's oath plan of medical and hospital care, they will demand real, honest justice, not administration self-justification.

That goal of real justice, real security, real dignity is what I am going to be thinking of every minute that Congress may meet this year—just as I have thought about it every day of my 12 years in the Senate.

And I am not going to stop at thinking—but I am going to continue to do everything I can to put my action program for senior citizens into law.

My program has six major points:

First, America's older men and women want, need, and ought to have health insurance benefits that give adequate protection against the heavy costs of illness and provide necessary medical, hospital, and nursing home care through the social-security system.

Second, our senior citizens need and ought to have an increase in retirement and pension benefits to meet the rising cost of living now and in the future. I have recommended that the minimum social security benefit payment be increased by 30 percent.

Third, we need a realistic limit on the amount older workers may earn for themselves before they lose social security benefits. Older men and women have valuable skills which can help our Nation, but they cannot be asked to give up benefits that they have earned over the years because of a maximum-earnings formula designed for another era.

We need more opportunities for employment of older workers. I have proposed a tax credit for employers who hire older workers as a means of encouraging employers to use this wonderful fund of skill, knowledge, and experience, if the elderly want to work.

My fifth proposal would put an end to the inequities and injustices of old-age assistance programs. It would make individual people, not statistics, the overriding concern of assistance programs. It would set minimum Federal standards for State assistance programs and abolish public shame lists.

Finally, my six-point program calls for effective Federal assistance in a broad program of housing for the elderly. This proposal was adopted recently by the Senate.

But action on social security law improvements and on medical and hospital care is up to the Senate. The House sent the Senate a long, long bill which would revise some aspects of present legislation. The House sent us a great many words, some technical improvements, and not very much else.

One Townsendite proposal—payment of disability benefits regardless of age is in the bill. Beyond that there is little to indicate that social security is a program adapted to meet the 1960's.

Our social security program, splendid in intent and as a framework for meeting some of the needs of retired and disabled men and women must be constantly and courageously reevaluated. We cannot rest with provisions designed for the thirties, forties or even the fifties—however excellent they were. We must meet the challenge of the 1960's and future decades—the challenge of assuring all Americans a retirement income for their retirement needs. We cannot tie the dignity of human beings to an out-dated, rigid formula.

I shall continue to press for six amendments to the 1960 social security bill. Four are part of my six-point program—a medical

and hospital care plan through social security; an increase in the maximum earnings limit to at least $1,800 a year; removal of inequities in public assistance and a tax credit to employers hiring older workers.

I shall continue to press for two other amendments. First, I want to transfer the responsibility for distribution of our food abundance from the Secretary of Agriculture—who refuses to believe that there are Americans who are going hungry—to the Secretary of Health, Education, and Welfare. Many of our elderly citizens are without adequate diets—which is outrageous in our generally prospering economy. I want to see that the elderly and the needy get the food that is available and will be wasted if not used.

Finally, full disability payments for the blind are a must. I do not see how we can justify discrimination against the blind when it comes to these benefits.

That is my program for 16 million senior citizens. It is a practical program which can and ought to be adopted now. I assure you that I will keep on doing everything I can to see that it is adopted. I look to you Townsendites for the same wonderful cooperation in achieving this program which would be a major step toward a realistic, just retirement program for all Americans—a universal retirement and pension program. I know you have always given wonderful cooperation to all programs which will really benefit America's senior citizens.

I myself pledge to you that I will continue to work side by side with you for justice for senior citizens and all Americans.

Keep the Bookmobiles Rolling

EXTENSION OF REMARKS
OF

HON. THOMAS G. MORRIS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1960

Mr. MORRIS of New Mexico. Mr. Speaker, the Committee on Education and Labor has considered and favorably reported H.R. 12125 to amend the Library Services Act in order to extend for 5 years the authorization for appropriations under the act. The bill was reported unanimously by the committee without amendment.

There are but a few remaining days for this 86th Congress, yet the question of the extension of the Library Services Act has not been resolved by this body. In view of the time in which we must act, and the very positive need for the enactment of H.R. 12125, I believe that this bill should be considered under suspension of the rules.

As I have said, H.R. 12125 would extend for 5 additional years the provisions of Public Law 597, the Library Services Act, passed in 1956. The primary purpose of the Library Services Act, you will recall, was to stimulate the States in providing better public library services for rural areas. The act was designed to assist in eliminating a serious deficiency in the educational program of the Nation, the lack of adequate public library services in towns, villages, farming communities, and other nonurban areas. Federal funds under the act could be used for books, library materials and equipment, salaries and other operating expenses, but not for construction.

This program of Federal assistance proved to be just the spark needed to stimulate State efforts, and there is today an abundance of evidence supporting its success. We know, for example, that the Subcommittee on Special Education held extensive hearings on more than 50 bills which provide for the extension of the Rural Library Services Act. According to a report submitted by the Committee on Education and Labor, testimony from persons representing every section of the country, was, without exception, in favor of the expansion of the Library Services Act. Favorable testimony indicating progress under the library services program was presented by the U.S. Commissioner of Education. Moreover, the U.S. Office of Education presented clear evidence of the value of continuing the program The Office of Education summed up this need for extension of the act in its report which stated in part:

> We recommend that the act be extended for an additional 5 years, to June 30, 1966. An excellent investment has been made in building State programs for rural public library development to maximum effectiveness. An extension of the act will enable many more rural areas still without library service or with inadequate services to experience new or improved service and to benefit directly by a cooperative State-local-Federal library development project.

We can hardly read the pages of the high-caliber newspapers of this country; or pick up one of our well-known, widely circulated magazines; or listen to an address by learned authorities in the field of education; or listen to the statements of our colleagues in this Chamber, without hearing again and again—a plea on behalf of intellectual pursuits and the development of a more highly informed and more learned society. Moreover, we know that through books freemen may expose their minds to the progress of the past, to the teachings of great men, to the prophecy of modern philosophers, and to pertinent explanations of the phenomenal technology of this fascinating and complex era. To insure that all citizens enjoy the same opportunity for the intellectual challenge of good books, we must continue to assist those rural areas in need of assistance in the expansion of their library programs.

Mrs. F. L. Bull, legislative chairman, the National Congress of Parents and Teachers, spoke to this general point when she testified before the House Education and Labor Committee in support of an extension of the Library Services Act. Mrs. Bull said, in part:

> At the end of each school year we receive reports from all the 52 State congresses. The most recent of these indicates, almost without exception, that the Federal aid received from the Library Services Act has been a tremendous stimulant and incentive for expanding and improving good library service in rural areas. The reports indicate the changing attitude of the general public toward library development is most encouraging and wholesome, as they have learned what good library service is and what it means to the economic as well as the cultural welfare of the community.
>
> Studies of the effect of the Library Services Act upon children are emphasizing what book-loving parents have always urged—that the surest way, the most effective way, to build up in children the sound values which are a defense against trash and obscenity is to steep the children in good reading.
>
> Our PTA's recognize libraries of an essential factor in education. We no longer think of education and learning in terms of years in school, but as something that continues and must be made available to everyone, and particularly to those in the more remote areas.

Under the Library Services Act more than 5 million books have been purchased; large-scale buying and cataloging systems have been made possible which have cut costs of operation and opened new plans for operations; and the movement toward larger administrative units for efficiency and economy of State library operation has been greatly stimulated.

Of particular significance to me, is the fact that 200 new bookmobiles have been added to those already serving people. These bookmobiles are in actuality—taking the written word to the people—a task of importance in library service to rural communities where families are sparsely settled.

There are almost 25 million people in the United States without access to local public libraries. More than 250 counties do not have a single public library. In 1961, it is estimated that there will be 22 million rural Americans without access to public library services, 18 million more with inadequate service, and 150 counties without any service. Moreover, the costs of books, periodicals, and bookmobiles have increased significantly. For example, one study reports:

> That from 1947 to 1958 the price increase [of books in 13 different subject fields] ranged from 47 to 58 percent.
>
> In the area of U.S. periodical prices, the average cost of periodicals in the field of agriculture in 1947–49 was $1.77, and in 1958 the average cost was $2.48.
>
> Before 1946 few bookmobiles were being manufactured. Converted buses and trailers were in use in some areas. In 1947 a bookmobile carrying 1,000 to 1,400 books cost about $2,900. In 1959 a bookmobile carrying 1,600 books cost about $7,500 [and this is for the smallest standard model available today]. Other models and sizes show ever greater increases in costs.
>
> According to information obtained from a leading library supply house, there has been a 38-percent overall increase in all items since 1950.

Unquestionably, States have a continuing need for the assistance which an extension of the Library Services Act will afford. And this need is not because State efforts in this area are lacking. On the contrary, such efforts have been commendable. Again turning to the House report, we learn that "* * * over the 4-year period the act has been in operation less than two-thirds of the amount authorized by the act has been appropriated. Over the same 4-year period State and local matching funds have increased over 300 percent—from $4,373,826 in 1957 to $13,176,916 in 1960. State appropriations for rural library service have increased 54 percent between fiscal 1956 and fiscal 1960 and local library funds have increased 45 percent during

this time." I agree with the committee that this is an outstanding example of the response of State and local efforts to the stimulation of Federal aid.

It was further pointed out that—

Although State and local support has increased remarkably since the beginning of the act, the financial assistance they are able to provide is still inadequate.

I share the belief that since State and local communities have seen what adequate library service means to their cultural and informational life, they will provide even more support. We must not let these people down at this time when such encouraging efforts are everywhere evident.

In conclusion, we might well take our guide to favorable action on the bill to extend the Rural Library Services Act from these famous words by Milton—

A good book is the precious lifeblood of a master spirit, imbalmed and treasured up on purpose to life beyond life.

Catholics on the Fourth of July

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. ANFUSO. Mr. Speaker, under leave to extend my remarks, I wish to insert into the RECORD the text of an address which I delivered recently at an Independence Day celebration of the Long Island general assembly of the Knights of Columbus at Prospect Park, Brooklyn, N.Y.:

ADDRESS BY CONGRESSMAN VICTOR L. ANFUSO, INDEPENDENCE DAY CELEBRATION, LONG ISLAND GENERAL ASSEMBLY, KNIGHTS OF COLUMBUS, PROSPECT PARK, BROOKLYN, N.Y.

Mr. Chairman, reverend clergy, my fellow members of the Knights of Columbus, ladies and gentlemen, it is indeed a real pleasure for me to be here today and to participate in this celebration. At a time when our Nation is on the defensive in many areas of the world, it is good to see proud and patriotic citizens get together on this occasion to celebrate our Nation's Independence Day.

May I first express my appreciation to the Knights of Columbus and to its capable and patriotic leaders for sponsoring this annual celebration. I am proud to be associated with such an organization. I wish many others would follow your fine example on this day.

From its earliest beginnings, America has been a land of immigrants of various national origins and religious faiths. All of us take pride in the fact that these people brought with them to this country the rich heritage of their national culture and religious beliefs, along with their passionate love for freedom and human dignity. They have helped build America, physically and spiritually, to its present greatness.

For Catholics, this Independence Day should be an occasion for joy and celebration. Up until the time of the Revolution of 1776, Catholics were prohibited from voting and holding office in every one of the Thirteen Colonies. They were forbidden to worship publicly, except in Pennsylvania. They were often the target of the most insulting epithets hurled in their direction. And yet, when the struggle for America's independence began, they were not only loyal to the cause of freedom, but were among the first to rally almost as a unit to the patriotic cause.

The names of many Catholics associated with that struggle are too numerous to mention at this time. Let me but add that, according to authentic records, about 38 percent of the men in Washington's armies were of the Catholic faith. Furthermore, Catholic France came to the aid of the patriots by sending money, supplies and arms, as well as a substantial part of her military and naval forces under the leadership of LaFayette, Rochambeau, and De Grasse. From Catholic Poland came two great military leaders: Pulaski and Kosciusko, while from Catholic Spain came money and arms. Without all this aid, victory would have been impossible and freedom would have been delayed in this country perhaps for many decades.

Let us remember these facts on this great day. Let us recall the role played by Catholics in helping to win our independence, in founding our Nation, and in defending its unity.

George Washington was aware of this aid throughout the Revolution. In fact, in years later as President Washington, he wrote to American Catholics:

"I presume that your fellow citizens of all denominations will not forget the patriotic part which you took in the accomplishment of our Revolution and the establishment of our Government, or the important assistance which they received from a Nation in which the Roman Catholic faith is professed."

One of the cherished historic relics of those historic days is the Liberty Bell, which can still be seen in Independence Hall in Philadelphia. It was that bell that proclaimed the Declaration of Independence on July 4, 1776—just 184 years ago today. On that bell is inscribed a very famous passage from the Holy Scriptures, which is still very clear and readable today: "Proclaim liberty throughout all the land unto all the inhabitants thereof."

That inscription shows the close relationship that existed in those days between freedom and moral responsibility, and the concern they had then for religious duty and public virtue. They understood that God gave them their freedom, and they cherished this freedom.

There is no incompatibility between the teachings of the Catholic Church and the concepts of liberty and responsibility as expressed in the Declaration of Independence, or the Constitution of the United States. In our catechism, which is used as the basis for religious instruction of Catholic children in this country, we find this statement:

"A citizen must love his country, be sincerely interested in its welfare, and respect and obey its lawful authority."

In this way, the church expresses its views on the obligations of citizenship, the concern for the country's welfare, and the citizen's obedience of lawful authority which comes from God—the source of all authority.

As we look upon America today, we see that its face is that of a land which enjoys vast material blessings, a land of plenty, of tremendous agricultural and industrial productivity, of great scientific achievements. It is a land which has reached the greatest peak not only in economic progress, but also in political liberty and religious freedom. In the long and turbulent history of mankind there has been no equal to it.

But the face of America, as we know it today, was made possible only by its people, by its own human resources, by the labor they put into it, by their sweat, toil, and tears, by their confidence in themselves—but, most important of all, by their confidence in America and in its future. We and our children do not want the face of America marred or overshadowed by any other concepts or foreign ideologies.

There is a very interesting story told about Leonardo da Vinci, the famous Italian painter, sculptor, and scientist of the 15th and early 16th century. When Da Vinci decided to paint the "Last Supper," he threw all his energies into the work. He labored day and night. He studied the pages of the New Testament where the sacramental feast is described, in order to fully grasp and reproduce the memorable scene. At last his work was finished and Da Vinci invited a few close friends to see it. They gazed attentively at the painting, and then one of them spoke up with great admiration of a golden chalice shown on the table where the Lord and his disciples sat.

"The shape, the color, and the size of this chalice are perfect," he said. "It is the most beautiful object in the picture."

When Leonardo da Vinci heard what he said, he took a brush, dipped it in black paint, and smeared it over the whole canvas. He then said to his astonished friend:

"If what you tell me is true, that the chalice is the most beautiful object, then my painting is a failure. I meant my Master's face to be the chief and most beautiful object.

In a way, each of us is painting a picture of life, sometimes good and sometimes not so good. In painting this picture of our life, some of us will often make the trifles, the petty things, the most conspicuous objects on the canvas. The great majority of the people, however, are able to distinguish between the trifles and the important things in life.

If our country is richer and stronger today, if the face of America is that of a land enjoying many blessings, it is due in great measure to the efforts and the hard labor on the part of all these people who preceded us. It is due also to the infusion of their ideals, their culture, and their religious traditions. All of these have been blended with American democratic life, to give it greater substance, harmony, and unity of purpose.

America owes a great debt of gratitude to these religious groups, who have joined their destinies with those of America in order to make it truly a land of freedom and a leader among nations. I ask you, my friends, where but in a land such as ours could people of various national origins and religious beliefs get together at a public meeting like this?

The Scriptures tell us that "as a man thinketh in his heart, so is he." This Biblical admonition reminds us that we cannot think in terms of failure, and then hope to succeed; we cannot think in terms of weakness, and hope to be strong—any more than we can think in terms of doubt, and then have faith. We must think in terms of faith in God, faith in our fellow men, and faith in America. We must think in terms of a strong America, an America that has succeeded in the past and will succeed also in the future.

This is a time of responsibility which finds us at the crossroads of human affairs—where one road leads to higher destiny, the other to horrible destruction. This is also an heroic period in the annals of human history which requires heroic efforts, just as July 4, 1776, was in the early days of our Republic. We have the opportunity to help lift the impoverished and undernourished nations to a better life. But, in addition to the great hunger for food and sustenance, there is an even greater hunger in the world today for freedom and equality.

Here, in the United States, we fought a revolution to attain freedom and independence. Yet, we cannot understand the surge for freedom in other nations. We call it Communist-inspired. We are wrong. It may be encouraged by the Communists, but the

inspiration and surge for freedom and independence exists in all peoples—whether black, yellow, or white. When we understand this, we will have these peoples as our friends and prevent the influence of communism—and only then.

Let the world learn from the Catholic faith because it has been this faith, more than anything else, which has thwarted the efforts of Communist leaders to gain world domination.

May God give us the strength of faith to carry on our crusade for peace and religious freedom throughout the world.

One Hundred and Seventy-fifth Anniversary of Gardner, Mass.

EXTENSION OF REMARKS
OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1960

Mr. PHILBIN. Mr. Speaker, I am privileged and honored to bring to the attention of the House that the city of Gardner, Mass., in my district is celebrating this week its 175th anniversary with an impressive program of activities to commemorate this outstanding event. In recognition of this anniversary, I am introducing an appropriate resolution for the consideration of the House which extends greetings and congratulations to the community on the occasion of the 175th anniversary of the incorporation as a town of Gardner, Mass.

It was on June 27, 1785, that the General Court of the Commonwealth of Massachusetts, approved the petition of some 30 citizens to incorporate the township of Gardner, named after the great hero of Bunker Hill, Col. Thomas Gardner, from portions of the surrounding towns of Winchendon, Ashburnham, Westminster, and Templeton. At the time of incorporation, Gardner had a population of about 375, made up of some 60 families, mostly engaged in farming.

Located in an area of Massachusetts which was settled by pioneer colonists in the early days of American history, Gardner has grown from this small beginning into a thriving and active community of some 20,000 people. Today, Gardner is a busy manufacturing center known as the Chair City of the World, symbolic of its fame as a furniture making center. The manufacture of fine furniture in Gardner goes back to 1805 and the community takes pride in the fact that its artisans and craftsmen have made the name of Gardner synonymous with that of quality furniture.

Furniture making is Gardner's chief industry with some 100 factories, big and small, making home furnishings of all kinds. Among the largest furniture makers is the well-known Heywood-Wakefield plant, one of the oldest furniture manufacturers in America. It remains under the active management of direct descendants of the five Heywood brothers, who founded the company in 1826. There are other outstanding concerns too numerous to recite here.

In these brief remarks, Mr. Speaker, it is not possible for me to recount in full the story of this historic Massachusetts community, but I would like to pay richly deserved tribute to the early settlers of Gardner who helped to build this great country of ours with their magnificent sacrifices, struggles, and accomplishments. The record of their superb work and contributions lives to this day, and Gardner can take justifiable pride in the remarkable legacy it now possesses.

Efforts to form the separate township of Gardner first began in 1781. With the help of neighboring towns, this became a reality on June 27, 1785, when Gardner was incorporated as a town from parts of four neighboring towns. Gardner took about 6,000 acres from Westminster, 2,800 acres from Ashburnham, 4,500 acres from Winchendon, and 700 acres from Templeton.

For some 50 years, farming was the main occupation and those few first industries were those which met the needs of farmers. Chairmaking had its start in 1805 when James M. Comee began the manufacture of chairs in his home. This work was done by hand except for the legs which were turned by a lathe. His product was well received in such cities as Worcester, Springfield, and Boston and it soon became necessary for him to hire workmen to meet the demand.

From this small enterprise grew the great Gardner furniture industry of today and diversified manufacturing enterprises from baby and doll carriages to industrial time recorders.

I am prompted on this occasion to say a word about the leadership and the people of Gardner with special emphasis on this generation.

Like most New England communities, Gardner originated in travail, painstaking work and bitter sacrifice. The early founders meant business. They were not confounded by the grandiose, economic schemes and social ventures that confront us. They were a devout and patriotic people. They placed their faith in their God and their reliance in the developing strength of their free institutions and their courageous fellow countrymen.

First of all, they established places of worship, meeting houses, schools and libraries. The rows of stone walls which cover so much of the New England countryside are silent, but impressive testimony to their industry and laborious work. They zealously pursued the arts of agriculture and husbandry and wrung out of the stubborn, rock-strewn soil and rugged hills of colonial lands a meager, hard-earned living for themselves and their families that nurtured a wholesome, loyal family life.

They encouraged learning, the arts and sciences, and diligently embraced education as a means of securing better leadership and developing their resources, and lifting the levels of knowledge, intelligence and know-how.

Their patriotism was not only a watchword; it was an all-embracing, constantly felt resolution to defend and develop their sacred birthright.

Present-day Gardner has many outstanding leaders imbued with this devotion to basic values and fundamental institutions. I know of no other American community that can boast of better leadership in its industrial, civic, and political activities. Labor and management, banking and manufacturing, artisan and professional man, banker and religious leader, worker and teacher, every class and group of Gardner's society, work hand in hand to promote the common interest of the city.

Thus, an enviable esprit de corps has been built, animated by strong, capable, public-spirited leaders, drawing sustenance from the enthusiastic support of the people, who are quick to recognize not only what is in the interests of the city, but what squares with the rules of humanity and justice.

I am exceedingly proud of this great city with its superb leaders and loyal people. It is without question one of the cleanest and most beautiful of all American cities, and it could never be excelled in its civic spirit and patriotic fervor.

Gardner is indeed a queen and a gem among the cities of the Nation, and on its 175th anniversary, I am highly privileged to hail, salute, and heartily congratulate the leaders and the people of this hard-working, warm-hearted, dignified, and charming city.

Gardner marches into the future with the vibrant confidence born of its illustrious heritage and past successes, inspired by a most able and vigorous leadership, and sustained by a loyal and devoted people.

Gardner, working harmoniously for the advancement of the community, will move ahead in growth and progress in these years, and in the years to come, ever growing stronger in a material sense and ever preserving and enhancing that quality of spiritual dedication for which it is noted and which will continue to engender in its citizenry those close ties of loyalty, respect, and affection which are so essential to American community life and so valuable in safeguarding the fountainhead of American enterprise and freedom.

Mr. Speaker, in observance of its 175th anniversary, Gardner has arranged a varied program of events extending from June 27 to July 4 which should long be remembered by northern Worcester County. Among the highlights will be a general reunion of all Gardner High School classes, which promises to be the largest class reunion ever held at the school, a huge civic parade, reportedly the biggest since Gardner celebrated its 150th anniversary 25 years ago, an outstanding NEAAU swimming meet, and finally on July 4 as the grand finale, an old-fashioned mammoth fireworks display with every indication it will be the most spectacular in central New England on that date.

In addition, a Founder's Day program will be held on July 2 under the direction of the Honorable M. Alan Moore, district court judge, which will review Gardner's history and growth. Representatives of neighboring towns from which Gardner was formed will participate in the program.

Also on July 2, there will be held a general class reunion at Gardner High School, the largest gathering ever of alumni of this outstanding school, which will furnish dramatic and convincing proof of this school's contributions to the growth and welfare of the community. Several thousand will attend the special program planned at Stone Field.

Gardner's 175th anniversary celebration program opened on Monday of this week with a special proclamation by Mayor Cyrille P. Landry. This proclamation so fittingly sets the general character of the Gardner observance that under unanimous consent I insert the text at this point in the RECORD:

[From the Gardner (Mass.) News, June 27, 1960]

PROCLAMATION

Gardner's 175th anniversary celebration gets underway today with a proclamation by Mayor Cyrille P. Landry officially setting aside the week of June 27–July 4 for the citywide observance. The proclamation follows:

CITY OF GARDNER BY HIS HONOR, CYRILLE P. LANDRY, MAYOR, A PROCLAMATION, 1960

In the "History of the Town of Gardner" written by the Reverend William D. Herrick and others (November 1877–July 1878) the following statement appears: "According to the most accurate information, which we are able to obtain, regarding the initiatory steps, taken for the incorporation of this town, Mr. John Glazier, then a citizen of Westminster, in May 1785, presented a petition to the Massachusetts Legislature, bearing about 30 signatures, praying that body to erect certain portions of Winchendon, Ashburnham, Westminster, and Templeton, into a township, called Gardner."

Acting on the above petition the general court of Massachusetts on June 27, 1785, created the town of Gardner, securing the necessary land from the westerly part of Westminster, the southwesterly part of Ashburnham, the southeasterly part of Winchendon, and the easterly part of Templeton, in the county of Worcester.

The history referred to above tells us that, as far as is known, Gardner had, at its incorporation as a town, "a population of only about 375, embraced in about 60 families." The principal occupation of the inhabitants, during the first 20 years following the incorporation, was farming. At the present time Gardner—having become a city January 1, 1923—has a population of approximately 20,000 and has become a manufacturing center whose products are known throughout the world.

It is only fitting that we celebrate the 175th birthday of our fair city and pay tribute to those who helped to make it a reality. Now, therefore, I, Cyrille P. Landry, mayor of the city of Gardner, do hereby proclaim the period from Monday, June 27, 1960, through Monday, July 4, 1960, for the 175th anniversary celebration and request that these days be observed by appropriate events, exercises, and ceremonies throughout our city in commemoration of Gardner's incorporation as a town and her rich heritage since that time.

Given at the office of the mayor, this 15th day of June, in the year of Our Lord 1960.

CYRILLE P. LANDRY.

By His Honor the Mayor.

GENIA J. PACOCHA,
City Clerk.

Through the effective help and kind cooperation of Rear Adm. Edwin J. Roland, commander of the First U.S. Coast Guard District with headquarters at Boston, Gardner has been fortunate in obtaining the renowned U.S. Coast Guard Academy Band, which will be featured at three celebration events: the 175th anniversary ball at the National Guard Armory, a band concert on July 3 at Greenwood Pool during the NEAAU swim meet, and participation in the July 4 parade.

The anniversary program of events follows:

June 27: Proclamation by the mayor opening anniversary week.

June 28: Coast Guard tour for leading citizens, 10:30 a.m., aboard Coast Guard cutter in Boston Harbor.

June 29: Gardner Junior Olympic Day, track and field competition for city youth, 1 p.m.

June 30: Rotary luncheon, address by Coast Guard official, 12:15 p.m., Colonial Hotel; Gardner High School Band concert, 8 p.m. Bickford Playground.

July 1: Softball game between Coast Guard Academy and Napoleon Club, 5:30 p.m., Ovila Case Playground.

July 2: NEAAU swimming meet, 10 a.m., Greenwood Memorial Pool: Founders' Day program, 2 p.m., Pearson Auditorium; Gardner High School general class reunion, 4:45 p.m., Stone Field; comedy safety boating exhibition, 5:30 p.m., swimming meet finals, 6 p.m., Greenwood Memorial Pool; 175th Anniversary Ball, music by U.S. Coast Guard Academy Recruiting Band, 8:30 p.m., National Guard Armory.

July 3: Anniversary church services, morning, city churches; NEAAU swimming meet, 12:15 p.m., Greenwood Pool; car exhibition, sports, classic, antique, and vintage divisions, 2 p.m., Industrial Foundation Building; U.S. Coast Guard Academy band concert, 5 p.m., Greenwood Pool; swimming meet finals, 6:15 p.m., Greenwood Pool.

July 4: Little League exhibition game, 10 a.m., Little League Field; anniversary parade, 3 p.m., streets of Gardner; band concert, 8 p.m., fireworks display, 9:45 p.m., Gardner Airport.

This well rounded program of anniversary activities is being met with the enthused and wholehearted cooperation of the entire Gardner community. In addition, Gardner will be host to thousands of visitors over the holiday weekend since the celebration is one of the main attractions in central New England during the July Fourth holiday period.

Especially noteworthy is the Founders' Day program planned for this Saturday at Pearson Auditorium which will signal an unusually busy weekend of anniversary activities. Chairman of this event is the Honorable M. Alan Moore, learned and distinguished Massachusetts jurist who presides over the Gardner district court. Judge Moore directed the Founders' Day program during Gardner's 150th anniversary in 1935. The 100th anniversary of Gardner in 1885 was presided over by his grandfather, the Honorable John M. Moore.

Under Judge Moore's direction, a simple but eloquent ceremony will set the theme of the Gardner anniversary celebration—the development of the community from a small settlement of some 60 farming families to the busy industrial and trade center the city is today for northern Worcester County. The exercises will be opened by greetings extended by Gardner's mayor, the Honorable Cyrille P. Landry. In turn, greetings and best wishes to Gardner will be extended by visiting selectmen and other town officials from the four neighboring towns from which Gardner was formed.

The Honorable George C. Sweeney, a native of Gardner and former mayor, now chief judge of the U.S. District Court at Boston, will address the group.

The exercises will also feature three historical sketches by Dr. Marie Gearan, Mary I. Burch and Esther Gilman Moore.

Mr. Speaker, I am very much pleased to introduce today in the House a special resolution bringing attention to the 175th anniversary of Gardner, which I have the honor to represent in the Congress, and extending the congratulations of the House to the people of this community. Under leave to extend my remarks, I ask that the text of my resolution be printed in the RECORD.

The material follows:

Whereas the year 1960 marks the 175th anniversary of the incorporation of the city of Gardner, Mass., as a town on June 27, 1785; and

Whereas from the time of its settlement in 1740 the people of Gardner have figured conspicuously in the founding, growth, and defense of this Nation; and

Whereas the observance of the 175th anniversary of Gardner is being celebrated June 27 through July 4, 1960, with impressive community ceremonies, large public gatherings and widespread participation of Massachusetts citizens and visitors from other States and places; and

Whereas Gardner is a beautiful community rich in historic interest, well known for its patriotic contributions, noted for its many famous sons and daughters who distinguished themselves in many fields of endeavor and many facets of American civilization: Now, therefore, be it

Resolved, That the House of Representatives extends its greetings and felicitations to the people of Gardner, Mass., on the occasion of the 175th anniversary of this community and the House of Representatives further expresses its appreciation for the splendid services rendered to the Nation by the citizens of Gardner during the past 175 years.

Annual Meeting of Valley Electric Membership Cooperative, Natchitoches, La., June 25, 1960

EXTENSION OF REMARKS
OF
HON. HAROLD B. McSWEEN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1960

Mr. McSWEEN. Mr. Speaker, it was my privilege on Saturday, June 25, 1960, to address the members of the Valley Electric Membership Cooperative at Natchitoches, La. I appreciate the privilege of inserting this speech in the RECORD:

Ladies and gentlemen, I am grateful for the invitation to be on your program today at the annual meeting of Valley Electric Membership Cooperative. I am particularly glad to be able to have a role in celebrating the silver anniversary of the REA loan program, 1935 to 1960.

Notwithstanding the popularity of this great program which has done so much for rural America in the last 25 years I find that many persons would like to know more about it.

The Rural Electrification Administration is a lending agency of the U.S. Department of Agriculture. It makes loans to finance electric systems and telephone service in rural areas. Congress annually determines the amount of funds that REA may lend. In this regard I am happy to report that there will be a carryover from the current fiscal year to next fiscal year which begins next month of $110 million which has not been needed for REA loan applications during the past fiscal year. We in Congress have appropriated an additional $190 million plus a contingency fund of an additional $120 million, if needed, to meet loan applications during next fiscal year, 1961.

REA ESTABLISHED IN 1935

Established in 1935 by Executive order of the President, Congress gave REA permanent status in 1936 as an independent agency. The program was extended indefinitely in 1944. REA has been an agency of the Department of Agriculture since 1939, when Congress made this change.

WHAT REA DOES

For rural electrification REA may make loans to qualified borrowers. Loans cover the full cost of constructing powerlines and other facilities to serve persons in rural areas. These loans bear 2-percent interest and are repaid over a maximum period of 35 years.

The REA telephone loan program is operated much in the same way.

REA itself operates no electric facilities. Its main functions are to lend money and assure repayment through appropriate loan-supporting activities. Loans are repaid from operating revenues of the locally owned, locally managed systems it finances. Part of each consumer's monthly payments for electricity goes to pay off the Government loans. In short, your Federal Government, through the REA agency, operates as a bank to assist rural electric power facilities.

GROWTH OF FARM ELECTRIFICATION

The first central electric generating system in America went into service in 1882. When REA was created in 1935 only 11 percent of all farms had electric service. Now 96 percent of all farms are electrified; 98 percent in Louisiana. More than half of these farms get power from REA-financed systems.

About 93 percent of REA's electrification loans have been to cooperatives. These cooperatives, such as the Valley Electric Membership Cooperative, are local, independent, private enterprises. It should be made clear to all that this is not public power; this is not socialism, although some misinformed persons confuse cooperatives with public power. In fact, some of the National Rural Electric Cooperative Association's officials often confuse the public by using the cooperatives' money to support public power and fight private power. In my humble judgment this is a mistake which hurts the cause of the co-ops and of rural consumers. I know full well that co-op members and rural electric consumers in Louisiana are believers in private enterprise and that they are opposed to socialism.

As of January 1 of this year, REA had approved over $4 billion in loans to 1,085 borrowers. They included 984 cooperatives, 50 public districts, 27 other public bodies, and 24 electric companies. These borrowers are serving over 4.7 million consumers in 46 States, the Virgin Islands, and Puerto Rico.

The monthly average power consumption per farm is now 350 kilowatt-hours, more than double that of 1950. Electricity is a production tool for farmers. There are now more than 400 farm uses for electricity.

RECORD OF REPAYMENTS

As of January 1 of this year electric borrowers had paid to the Government a total of more than $1.2 billion on their loans. This includes $669 million repaid on principal, $397 million paid in interest, and $154 million paid ahead of schedule. One borrower was overdue in payments amounting to $97,600.

You can thus see that the record of REA and of REA's borrowers, such as VEMCO, is an impressive one. It is a record to build on, and I am sure that the next 25 years of the REA program will be even more outstanding.

AGRICULTURE COMMITTEE

I am proud to be a member of the Committee on Agriculture of the U.S. House of Representatives, which has legislative jurisdiction over farm credit programs, such as the Farm Home Administration, Federal Land Bank, and REA. The members of the Agriculture Committee have the best interests of farmers at heart. I was interested to learn that I am the first Louisianian to be a member of the Agriculture Committee since the late Congressman James B. Aswell.

HUMPHREY-PRICE BILL

During the last session of Congress there was before us a legislative proposal dealing with REA, known as the Humphrey-Price bill. It was introduced in the House by Congressman MELVIN PRICE, of Illinois, and in the Senate by Senator HUBERT HUMPHREY, of Minnesota. It was a reorganization bill. It proposed to leave REA in the Department of Agriculture but clip the wings of the Secretary of Agriculture by not permitting him to have the authority to review the loan applications. This proposal would have created a hybrid situation, leaving REA half in the Department of Agriculture and half out. It would be best either to leave REA like it is and has been since 1939 or take it completely out of the Department of Agriculture and make it an independent agency as it was before 1939.

I voted against this Humphrey-Price bill. The fact that only four of us in the Democratic Party voted against it suggests that it was a party-line issue. It was a political slap at the Secretary of Agriculture which I personally did not feel justified in supporting. My party had not been able to beat the Secretary of Agriculture on farm commodity questions. Because of the popularity of the REA program it was felt that an REA bill could gather the number of votes sufficient to embarrass him. I felt that it was a shame to carry the farm fight to the REA battleground and a shame to get REA into politics.

When the President vetoed this bill I voted to sustain his veto for the same reason. (Later last session I voted to override the President's veto of the public works appropriations bill, which had in it money for all of our flood control and drainage projects.)

Because of my vote on this bogus issue, I received both praise and criticism. I was disappointed to receive criticism from the hands of the LECA newspaper (which you help support), which said that my vote was a vote against REA. But I was proud to receive commendation for this vote from many rural electric consumers, who appreciate the fact that I was willing to use my judgment and not follow the mob. If my vote was a vote against REA, how can it be explained that the REA program has had its greatest success and growth under its present organizational structure—in the Department of Agriculture and under the Secretary of Agriculture—which was recommended by President Roosevelt and passed by Congress in 1939?

STATES RIGHTS

Individuals are often right, while associations and pressure groups are often wrong. I am sure that all of you are for States rights and believe that it should be the law of the land. I certainly believe in States rights and shall fight for it as long as I have the honor and privilege of representing you in Congress. Let me tell you about another bill we had before us last session. It was a States rights bill, called H.R. 3. It was for the purpose of curbing the power of the U.S. Supreme Court by overruling a decision which gives Federal laws the preemption over State laws. Under this Supreme Court decision it was impossible for States to try seditionists under State laws. I was a strong and active supporter of H.R. 3. It passed the House, but did you know that Mr. Clyde Ellis, the manager of your parent cooperative organization, NRECA, opposed this States rights bill? This illustrates the fact that associations and pressure groups can be wrong.

Before I close I should like to mention briefly several other important legislative matters and serious problems facing our Nation.

It seems as if the entire world is in a state of turmoil. The riots in Japan, Turkey, Korea, and in Africa have been most serious. And there are revolutionary causes and plots brewing in many other nations at this very minute.

BLASTS CASTRO

The most serious question facing the United States at the present time, however, is just off the coast of Florida on the island of Cuba, where a young dictator has ridden to power dishonestly on the cause of freedom and liberty. Fidel Castro is nothing but another Latin American demagog. I take that back. He is more than a demagog. He is also a Communist, who has tossed aside over 60 years of friendship and good relations between the peoples of Cuba and the United States. He is now making alliances with Soviet Premier Khrushchev that are detrimental to the best interests of the United States and of the American Hemisphere. In fact the prospect of the possibility ity of Russian missile bases located in Cuba is the most serious threat to the security of this Nation in all our history. It is high time that we take off our gloves and deal with this despicable Communist dictator in any way that may be necessary.

OPPOSES FOREIGN AID

Speaking of trouble in the world, we do not seem to be accomplishing much with our extravagant foreign aid program. As you know, I have opposed foreign aid at every turn; the authorization bills as well as the appropriation bills. In opposing foreign aid I have advocated that our foreign policy be recast in the light of disappointing results of this costly program for over 10 years. Western Europe and Japan have recovered, and they are beating us over the head with their cheap imports. Nevertheless, Congress has just appropriated almost $4 billion again for foreign aid, but not without a fight from many of us who do not believe in it. We shall continue to fight this outdated program, and our ranks are increasing every year.

TOLEDO DAM

Let me say a word to you about the Toledo Bend Dam project on the Sabine River. As one of the Louisiana and Texas Congressmen bordering on the Sabine River who was contacted in Washington last by the Sabine River Authority and members of the Louisiana Legislature I have cooperated in having the Federal Government step up its study of the Sabine River in the event the assistance of the Federal Government is desired in the development of this project. Moneys have been provided as requested.

Several weeks ago I mailed a newsletter to the residents of Vernon and Sabine Parishes giving complete facts on this project in an effort to answer the many inquiries about

the scope of this project that I have recently received. In this newsletter I pointed out the great value that this project could have for western Louisiana.

Sponsors of this project have been reluctant to have the Federal Government build it for several reasons, such as the ownership of the shoreline, use of the water rights, control of the electric power project by the Federal Government, and the loss of water to Texas if the project should be built by the Bureau of Reclamation.

Because of the excellent progress being made during this session of the Louisiana Legislature it appears that the Toledo Dam project is now nearer to reality than ever before. The members of the Sabine and Vernon Parish delegations to the legislature are to be commended for their excellent work as is Governor Davis and the State administration for supporting it.

I note that certain political candidates are now embracing this popular project, although they have never before now ever lifted a finger themselves to do anything about it.

I thank you again for this privilege of being with you today. I extend to all of you my very best wishes for another successful year.

H.R. 870, To Abolish Capital Punishment

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1960

Mr. MULTER. Mr. Speaker, it was my privilege on May 25, 1960, to appear before a special subcommittee of the House Judiciary Committee in support of my bill, H.R. 870, to abolish capital punishment.

My testimony was as follows:

STATEMENT OF THE HONORABLE ABRAHAM J. MULTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. MULTER. Mr. Chairman, I thank you for that very kind introduction. It is always a pleasure for me to be able to appear before you and your distinguished colleagues and present my views. Even though sometimes we are in disagreement it is always an agreeable disagreement and looking toward getting the best legislation on the subject presented.

I am happy to have the privilege of appearing before you in presenting my bill, H.R. 870, which would abolish the death penalty under all laws of the United States enacted by the Congress except the Uniform Code of Military Justice.

My bill does not touch the Atomic Energy Act. I thought it did not touch any of the espionage acts. It certainly was not intended to do so. If it does, I have no objection to the committee's amending it in that respect or in any other respect, for that matter, to meet with the will and intent of the Congress.

If H.R. 870 is enacted, then the extreme punishment under our Federal laws would be life imprisonment instead of death.

It should be emphasized that this bill does not seek to invade States rights and it will not in any degree affect or change either the statutory or common law of any one of the 50 States. Every one of these 50 States will continue to have the sovereign right to determine the basic question for itself.

It is generally agreed, I believe, that there are three basic purposes of punishment in our society today. These three basic purposes are to prevent crime, to mete out justice, and to rehabilitate the criminal. We automatically preclude rehabilitation of the criminal when we impose the irrevocable punishment of death.

That leaves for our consideration the other two basic purposes for capital punishment. It is around those two alone, then, that the strongest arguments for the retention or abolition of capital punishment revolve.

Mr. Chairman, the most important question here, it seems to me, is whether we can justify the death penalty on the ground that it prevents or deters crime. For if this unique deterrent of death, as it is sometimes called, does not clearly serve this purpose of prevention, then we are left with only the purpose of meting out justice or retribution. Some say that is merely demanding an eye for an eye, a life for a life. But in some cases we demand a life for an injury, for of the 31 executions carried out under Federal laws since 1930, only 15 were for murder. Two were for rape, one was for armed robbery, five were for kidnaping and eight for espionage.

Let us look at the deterrent purpose of the death penalty. Is the death penalty necessary for the purpose of preventing crime.

There have been studies made to determine whether the death penalty clearly deters crime. One of the most authoritative of such studies was conductd by Great Britain's Royal Commission on Capital Punishment. This commission made an exhaustive study of capital punishment in many countries, including the United States. Their report, issued in 1953, concluded "that there is no clear evidence in any of the figures which we have examined that the abolition of capital punishment has led to an increase in the homicide rate, or that its reintroduction has led to a fall."

Sir Ernest Gowers, chairman of the Royal Commission on Capital Punishment, later wrote a book entitled "A Life for a Life," and began his book by writing, "Before serving on the Royal Commission, I, like most other people, had given no great thought to this problem. If I had been asked for my opinion, I should probably have said that I was in favor of the death penalty, and disposed to regard abolitionists as people whose hearts were bigger than their heads. Four years of close study of the subject gradually dispelled that feeling. In the end I became convinced that the abolitionists were right in their conclusions."

In the light of the conclusions of this Royal Commission, one very interesting point was made by a participant in the debate in Great Britain when he questioned where the burden of proof should lie—with those who would retain the death penalty or with those who would abolish the death penalty. In answer to the argument that it should be clearly established that an alternative to the death penalty offered a deterrent to crime and satisfied the public conscience before we abolish the death penalty, this witness answered, "Is not that really putting the onus in the wrong place? If we start from the assumption that there is a practice that is inherently barbaric, and which everybody, deeply and profoundly, feels ought to be dispensed with if it possibly can be, is not the only justification for its retention convincing and irrefutable proof that without it society would be seriously harmed?"

Mr. Chairman, one of the most comprehensive studies of capital punishment and the value of the death penalty in the United States was published in the "1952 Annals of the American Academy of Political and Social Science." The conclusion of this study of the death penalty as a deterrent to homicide in the United States was summarized as follows: "Statistical findings and case studies converge to disprove the claim that the death penalty has any special deterrent value. The belief in the death penalty as a deterrent is repudiated by statistical studies, since they consistently demonstrate that differences in homicide rates are in no way correlated with differences in the use of the death penalty. Case studies consistently reveal that the murderer seldom considers the possible consequences of his action, and if he does, he evidently is not deterred by the death penalty. The fact that men continue to argue in favor of the death penalty on deterrence grounds may only demonstrate man's ability to confuse tradition with proof, and his related ability to justify his established way of behaving."

I think also that we need only to look at the murder and nonnegligent manslaughter rate here in the District of Columbia which imposes a mandatory death sentence for first degree murder to see the weakness of the argument that the penalty of death deters crime. The most recent report of the Federal Bureau of Investigation shows that in 1958, Washington, D.C., had a rate of murder and nonnegligent manslaughter per 100,000 that was as high or higher than most other standard metropolitan areas of comparable size. Washington, D.C., with a rate of 6.1 murders and nonnegligent manslaughters per 100,000 population had an even higher rate than Chicago, Ill., with a rate of 5.9, or the New York-Northeastern New Jersey area with a rate of 3.3.

It seems to me, then, that we are not justified in speaking of the necessity of the death penalty. There is no valid case for the death penalty as the most effective deterrent of crime. On the contrary, the invalidity of this argument is upheld by each murder committed.

We must then defend the other purpose of punishment as it applies to the death penalty; i.e., to mete out justice.

I believe, Mr. Chairman, that it has often been pointed out that it is not so much the threat of the death penalty itself which has served as a deterrent, but rather the certainty of its being carried out. The U.S. attorney for the District of Columbia recently testified before a House District Subcommittee that the mandatory death sentence here in the District of Columbia actually hinders the administration of justice. He pointed out that there have been only 12 first degree convictions in 104 indictments over the past 7 years and only 1 of these convictions has resulted in execution. Abolishing the death penalty in the District would improve rather than hinder the administration of justice.

That hearing was held this very month. This is the most current testimony that is available on the subject. At that time the District of Columbia Committee was considering a bill which would make the death penalty instead of mandatory, discretionary with the jury.

I believe, also, Mr. Chairman, that there is a moral question involved in the justice of capital punishment. This is especially pertinent to this punishment because the death penalty is absolute and final. It permits no correction of error. We know that innocent men have been executed. How can we impose a penalty as absolute as death when our knowledge cannot be absolute in imposing it? Juries do make mistakes.

If we hold that life is sacred, then what moral right does society have to demand a life for a life? One of the best answers to this question was given by a man who had intimate knowledge of the judicial process, Evelle J. Younger, judge of the Municipal Court of Los Angeles, when he wrote that "no human instrumentality is fit to pronounce and execute an irrevocable judgment. Only God with His infinite wisdom and charity should wield that awful power."

These are some of the reasons why I hope this committee will see fit to report favorably on my bill, for, as Albert Camus, the Nobel Prize winner wrote, "The death penalty is to the body politic what cancer is to the individual body, with perhaps the single difference that no one has ever spoken of the necessity of cancer." I hope that we will remove the cancer of capital punishment from the laws of the United States.

I am sure you will hear much more from other witnesses in support of this measure. May I conclude my comments by directing your attention to the wealth of data which I have accumulated from time to time in support of my position and which I have placed in the CONGRESSIONAL RECORD. They are not so much in the order of importance but rather in the order in which they appear in the RECORD. They are as follows: With your permission I would like to have these items made part of your record.

(The information referred to follows:)

"June 2, 1959, article from the New Jersey State Bar Journal by Daniel M. Berman entitled 'The Case Against Capital Punishment.'

"June 3, 1959, statement of New York Board of Rabbis entitled 'Capital Punishment.'

"March 4, 1960, article from New York Herald Tribune by Victor Wilson entitled 'Capital Punishment in the United States.'

"March 7, 1960, testimony of Dean Donal E. J. MacNamara before the Legislature of the State of Virginia.

"March 7, 1960, article from Vassar Alumnae magazine by Prof. C. Gordon Post entitled 'On Capital Punishment.'

"March 8, 1960, article from New Republic magazine by Gerald W. Johnson entitled 'Chessman's Challenge.'

"April 12, 1960, article by J. A. H. Hopkins entitled 'Capital Punishment.'

"April 13, 1960, article from United Synagogue Review entitled 'A Shameful Blot on Society.'

"May 2, 1960, editorial from the Washington Post entitled 'When the State Takes a Life.'

"May 2, 1960, article by Dr. William F. Graves entitled 'A Doctor's Ordeal Along Death Row.'

"May 3, 1960, editorial from the Washington Post entitled "The Sanctity of Life.'

"May 10, 1960, news story from the New York Herald Tribune by Robert J. Donovan entitled 'Governors Against Death Penalty—Oppose It 17–8 in Poll; Others Are Noncommittal.'

"May 12, 1960, article from Reader's Digest by Ernest Havemann entitled 'Capital Punishment Is Not the Answer.'

"May 18, 1960, editorial from Bulletin of the East Midwood Jewish Center entitled 'From Where I Stand.'

"May 24, 1960, article from the Progressive magazine by Daniel M. Berman entitled 'Capital Punishment Is on the Way Out.'

Mr. MULTER. I will also leave with the committee a pamphlet entitled "Issues of Conscience—Man's Right to Life" written by Ruth Leigh for the Commission on Social Action of Reform Judaism and published by the Union of American Hebrew Congregations, a national organization representing reform jews. I understand you will hear Miss Leigh later.

Thank you, Mr. Chairman.

Mr. LANE. Would you be kind enough to take that list which I presented you?

Mr. MULTER. I have it here, sir.

Mr. LANE. Would you take up separately each of the items on that list and tell us whether or not it is the intention of your bill to remove the death penalty in those various statutes outlined there by counsel of the committee?

Mr. MULTER. I wonder if it would serve your purpose if, instead of taking this section by section, and your staff has done a careful job on it, there are what appear to be some 18 to 20 different items of reference, if I said to you without trying to take the time to refer to them item by item, that it is not my intent to include—my bill was prepared for me by a congressional draftsman—if the draftsman included any reference to an Espionage Act, Atomic Energy Act, or to the U.S. Code of Military Justice, it should be deleted.

I did not intend by my bill to cover any of those items or to eliminate the death penalty in any of those cases.

You might ask why. I am opposed in principle to imposition of capital punishment in any case. I have been here long enough to be a practical legislator, however. I do not believe that in the atmosphere that prevails today that the country would approve repealing the death penalty in courts martial proceedings or in espionage cases. Therefore I would like to amend the law as to each of the other crimes. There I think the country is ready for the abolition of capital punishment.

If it is agreeable to you I will review each of these items as against the sections and submit to you a supplementary statement to indicate which of these sections should be deleted from the bill.

Mr. LANE. That will be most helpful to the committee if you do that.

What would you say about treason?

Mr. MULTER. I did not say treason specifically. I believe it comes within the same category as espionage and should be treated the same way and excluded from my bill.

Mr. LANE. If you prefer to go into it further and report to the committee that will be agreeable.

What would you say in a case such as this, where a man has committed murder and is serving a life sentence in Alcatraz, and while he is there serving in Alcatraz he plans and plots the murder of one of the guards for some particular reason and does murder the guard while he is there as a prisoner? How will you take care of such a case? You cannot give him any more imprisonment. He already has life imprisonment.

What do you think in such a case?

Mr. MULTER. In that case we must direct ourselves to the fact that the criminal has been enabled to commit a murder or a second murder for which he can get no greater punishment than that already imposed. We should address ourselves to the administration of that prison. If this man is in prison for life there is something radically faulty with the management and operation of that prison if that person can be put in a position where he can commit murder on an inmate or a guard. The principle still remains the same in my mind. The fact that such a man might be faced with the death penalty will not deter him from committing that crime. It never has.

Mr. LANE. It would make no difference in the world if you had the best warden in the world in those institutions. Some of the prisoners always are scheming or plotting to do damage to somebody else or to get out. It is one of those things they cannot easily detect. We may have the best administrators in those institutions.

Mr. MULTER. The violent prisoner should be confined so he cannot be violent. Certainly every prisoner before he enters the prison is stripped of everything, everything he might use to commit a crime, even taking away his shoe laces.

If despite all that kind of care a prisoner still will commit murder upon an inmate or upon a guard, capital punishment will not deter that man from doing it. We need better administration to prevent that possibility.

Mr. LANE. That has been said and done.

Mr. MULTER. I have not had too much experience with the administration of prisons. It seems to me the man who is violent should not be in jail but in the psychiatric ward and should be getting treatment there.

What do we do in the psychiatric wards where we have violent patients who are confined because it is believed that these people have murderous tendencies? We hold to a very minimum commitment of murder on the part of a potentially violent patient.

If that can be done in a hospital why can it not be done in a prison?

Mr. HENDERSON. The argument you make concerning abolition of mandatory death penalty in the District of Columbia appears to be an excellent one. However, it does not quite follow that that is an argument for the abolition of the death penalty universally, it seems to me.

Mr. MULTER. Is life worth any more or any less in the District of Columbia than it is anywhere else in the world?

Mr. HENDERSON. I refer to the mandatory death penalty. That is what you are faced with in the District of Columbia. According to your argument and according to the argument of many it has in itself interfered with the administration of justice in the District of Columbia.

However, that argument does not necessarily follow, that the discretionary use of the death penalty would hamper the administration of justice.

Mr. MULTER. I cannot argue with you. I must concede that in those cases where the death penalty is discretionary with the jury or with the court there is more likelihood of the jury to convict where the sentence might be the death penalty, while in those States, and New York is one of them, where in certain crimes if the jury brings in a verdict of guilty in the first degree the death penalty is mandatory. There is no choice with the court. The only relief then is to seek a commutation or pardon from the Governor.

In those cases New York, as the District of Columbia, where the jury is confronted with no choice, either murder in the first degree and the automatic imposition of the death penalty, or acquittal, they have too many times acquitted. Many times a man has gone free where certainly the least that should have been done with him was to imprison him for a number of years.

In that respect, you might write into this bill a provision as to what you mean by life imprisonment, so as to provide that nobody convicted of one of these heinous offenses, who is sentenced to life imprisonment, can be released until he has served a minimum of 20 years.

Mr. HENDERSON. That is all I have.

Mr. LANE. I have before me a report from the government of the District of Columbia signed by the President of the Board of Commissioners, Mr. Robert McLaughlin.

In that report he makes this statement:

"While the Commissioners express no opinion on the provisions of H.R. 870, not directly related to the District of Columbia, it is the belief of the Commissioners that sections 13 and 14 of the bill abolishing the death penalty in the District of Columbia are not desirable at the present time and, accordingly, the Commissioners do not favor their enactment.

"Instead the Commissioners prefer the Congress to enact S. 2083 of the 86th Congress or H.R. 11263 of the 86th Congress, each of which would abolish the mandatory death penalty for murder in the first degree in the District of Columbia and vest discretion in the trial court and jury to impose either death penalty or life imprisonment."

Mr. MULTER. I commend the Commissioners for the attitude they take in going as far as they do, but I must disagree with them and urge they do not go far enough.

They are addressing themselves there to the administration of justice in the District in the hope there will be more convictions of criminals indicted for these heinous offenses; criminals now go free because the only choice with the jury is death or acquittal.

They imply, in taking their position that a jury should have discretion in imposing the death penalty, that the death penalty is a proper punishment. That is the basic difference between us.

Mr. LANE. Further questions?

Mr. KASTENMEIER. I would like to ask this: I understand, then, you regard this primarily as a practical political problem rather than a moral problem?

Mr. MULTER. Oh, no. I say this is basically a moral problem. I take the position that governments are mere aggregations of men, and the morality we require of men must be required of nations if the nation is to be moral, and this is definitely a moral problem.

If I as an individual have no right to take the life of another, the Government, which I, together with my fellow men, have set up, has no right to do as a nation or as a state that which I have no right to do.

Mr. KASTENMEIER. Then it is a rather divisible morality. For example, you preclude capital punishment in courts-martial cases. In other words, if a soldier falls asleep while on guard duty or deserts you would permit execution in those cases. Apparently you do not oppose capital punishment in those cases.

Mr. MULTER. I do oppose it in principle. It is not included within the terms of this bill because I am afraid we could not get a bill enacted which also affected courts-martial proceedings and treason cases. I oppose it even in those cases, but, as I said before, I am a practical enough legislator to believe that a bill that would try to abolish it in all those spheres would not today have public acceptance in our country.

Mr. LANE. You say there have been only 31 of these cases in the last 30 years?

Mr. MULTER. Yes. That is the information given to me by the Library of Congress after some very exhaustive research of the matter. Eight were for espionage.

Mr. LINDSAY. I should like to commend our distinguished colleague for the excellence of his testimony and presentation on a very important subject.

I was interested in the Congressman's answer to Mr. KASTENMEIER's question. I take it you do not make any distinction in principle to the death penalty with respect to espionage and other crimes.

Mr. MULTER. I do not, sir.

Mr. LINDSAY. If your principle is good for one it is good for all. Is that true?

Mr. MULTER. That is my feeling.

Mr. LINDSAY. I press this because I have debated this question at great length with my friend, Mr. James Bennett, Director of the Federal Bureau of Prisons. I know he will not mind my putting this in the record because it is generally known that he makes exception to his general disapproval of the death penalty in the case of espionage and the killing of Federal officers in the course of duty. He is thinking, of course, of personnel in the Federal Bureau of Prisons.

I consider Mr. Bennett one of the world's experts on this subject. I have never quite been able to rationalize in my own mind the reason for the difference. If the argument is good in one it is good in the other.

If you accept the fact there is no real deterrent value any longer, if there ever was, in the death penalty, then it should extend across the board.

Mr. MULTER. I agree.

Mr. LINDSAY. I think you are absolutely correct in not trying to include in your bill the armed services. In the first place I am afraid that subject matter would have to come before the Armed Services Committee.

Second, it is complex. There is no distinction, however. The Army continues to carry out death penalties whereas the Navy and Air Force have not executed a man in something like 30 or 40 years. There is no reason for the Army to continue.

Mr. MULTER. I agree.

Mr. LINDSAY. You have done a good job.

Mr. MULTER. I am aware of Mr. Bennett's opinions and I respect them and him. Without trying to evaluate who is the man who is more to be respected or the greater expert in the field, I am sure you are familiar with the opinions of our own former Warden Lawes of the Sing Sing Prison in New York who takes the opposite position to Mr. Bennett.

He says capital punishment accomplishes no purpose and should be abolished.

Certainly he is and was rated as a foremost penologist.

Mr. LINDSAY. There is no doubt but what the mandatory death penalty at times makes bad law. We had a terrible battle in the Congress over the subject of the so-called Mallory bill. There are those who argue that if the death penalty in the District were not mandatory the conviction never would have been reversed.

In other words, the courts find ways to avoid convictions where there is a mandatory death penalty. As Congressman HENDERSON pointed out there are clear grounds for removing the mandatory aspect, at least. If Congress takes action on nothing else, it should do this much.

How many Federal laws are there where the death penalty is in nature mandatory?

Mr. MULTER. Murder in the first degree is one, of course. Murder in the course of——

Mr. LINDSAY. Is there a Federal crime of murder in the first degree?

Mr. MULTER. They may not call it murder in the first degree, but premeditated murder carries the death penalty under Federal statutes.

Rape carries with it the death penalty under the Federal statutes.

Kidnapping carries the death penalty under Federal statutes.

Unintentional killing during the course of the commission of a felony, such as armed robbery, carries the death penalty.

Mr. LINDSAY. All of these crimes are crimes which occur on Federal property, I suppose?

Mr. MULTER. Yes.

Mr. LINDSAY. In each of those cases is the penalty of death mandatory or are there discretionary powers within the jury, within the judge, or both?

Mr. MULTER. On the Federal level?

Mr. LINDSAY. Yes.

Mr. MULTER. I believe it is the same as it is in New York State. It is mandatory. The jury determines merely the guilt or innocence. It cannot find the defendant guilty of a lesser crime. If it finds the defendant guilty of that crime, the court must impose the death penalty.

Mr. LINDSAY. It is required to do so?

Mr. MULTER. Yes, sir.

Mr. LINDSAY. In those statutes does the jury have the power to recommend a penalty less than death?

Mr. MULTER. On the Federal level, I think not. I am not certain.

Mr. LINDSAY. Counsel has pointed out in title 18, section 108(2), the crime of murder, the statute reads: "Whoever is guilty of murder in the first degree shall suffer death unless the jury qualifies its verdict by adding thereto 'without capital punishment,' in which event he shall be sentenced to imprisonment for life."

I suppose there would be an improvement on that language, in your mind, if the judge also had the power to make an adjustment in the event the jury did not recommend life imprisonment.

Mr. MULTER. I very strongly believe that the imposition of the punishment should always rest with the court, and in every case the court should have discretion as to the punishment to be imposed. It should not be left to the jury. Every member of the committee is a lawyer and has practiced law before coming here, and some of us are still practicing law. We know how a jury can become emotional about some of these problems. When it comes to imposing the death sentence, or any other sentence, for that matter, I think if there is a lapse of time between the bringing in of the verdict by the jury and the court has the probation report before it and has time to consider the matter and then imposes the sentence, there may be less emotion involved and more adherence to justice and right.

Mr. LINDSAY. Did you submit figures as to the number of Federal executions which have taken place in the past decade or so? Do we have that in the record?

Mr. LANE. Thirty-one.

Mr. MULTER. Thirty-one by Federal courts.

Mr. LINDSAY. Can you bring that down to date a little more? Do you have the figures for the last 10 years of the number of Federal executions for nonmilitary crimes?

Mr. MULTER. I shall try to get that information for you. I think I can get it very readily, although I do not have it at the moment. These 31 cases were since 1930, a 30-year period. Of course it would be considerably less if we take the last 10-year period.

Mr. LINDSAY. I would suspect, without knowing, that it is a declining scale; that the graph goes down; that within the past 10 years there have been very few. Has counsel that information?

Mr. MULTER. I will get that information for you, sir. I think you are quite right in what you say. I am looking at the statement with reference to the District of Columbia alone, where of course the rate has been going down, too. In the last 7 years there have been only 12 first-degree convictions in the District of Columbia out of 104 indictments. In other words, here we have approximately 92 defendants who went free. I do not say all of them were guilty or that all of them should have been convicted, but I venture to guess that of the 92 who went free—Mallory is a typical incident which comes to mind—many should have been convicted of some crime. They should have been imprisoned. Again without trying to pass judgment on Mallory, I think from what we know about the Mallory case, that is a typical instance of where there should have been a conviction for some crime.

Mr. LANE. Any further questions, gentlemen?

Mr. HENDERSON. One further question.

In your opinion, Mr. MULTER, does society have the provision for capital punishment as a deterrent to crime, as a method of punishment for the guilty offender, as a part of the provision of the principle of an eye for an eye, or a carryover of the barbaric principle of revenge?

Mr. MULTER. I think, sir, it is defended on the basis of all three. I say not one of the three reasons for it are logical or reasonable or should be followed any longer. The best illustration of the eye for an eye idea and the emotionalism involved is the action of a lynch mob. A mob carrying out a lynching is doing what they think is enjoined by the Old Testament, an eye for an eye, but their emotions are running away with them. It is an emotional reaction which causes them to take the law into their own hands and to speed the imposition of the punishment, which should be done only by a court. They justify it on the ground that a court would do it anyway. The court should not do it anyway. The court should not do it at all.

May I refer to the Old Testament reference to an eye for an eye. In those days it was usually a rabbinic court. A rabbinic court

which once in 70 years condemned a defendant to death was referred to as a murderous court. We are inclined to overlook the fact that even in those days the eye for an eye injunction was circumscribed by so many if's, and's and but's that it was rarely, if ever, imposed. It came to be known not literally as an eye for an eye, but a theory of compensation for the injury done.

Mr. CAHILL. May I ask one more question. Under your thoughts, Congressman MULTER, would a person who is convicted of a major crime and is sentenced to life imprisonment ever have the possibility of being released from prison?

Mr. MULTER. My bill does not touch the subject.

Mr. CAHILL. What is your thought on that?

Mr. MULTER. I think if the bill is enacted, it should have a provision in it defining what we mean by life imprisonment, with a minimum number of years that the defendant must serve before his sentence can be commuted or he may be released.

Mr. CAHILL. Do you feel that there should be the possibility of commutation and release where a person is sentenced to life imprisonment?

Mr. MULTER. After a minimum of, say, 20 years of service. If you recall, I think here, too, we have the famous Loeb-Leopold case.

Mr. CAHILL. That is what I am thinking of.

Mr. MULTER. The court said these boys must remain in prison for the rest of their natural lives and should never again be released to society. One of them died as a result of a murder in jail, and the other was more recently released. Those who have followed that case I think will all agree that this man has been rehabilitated and he deserves another chance. He is making good. The chances of this man ever committing another crime of any kind are nil.

Mr. CAHILL. That is my question, along with the chairman's question. Let us assume a person is sentenced to life imprisonment and, on the basis of prison conduct, is released, and then immediately upon release commits a major crime. What would be the punishment?

Mr. MULTER. The punishment upon conviction again would be life imprisonment. If you write into it a minimum of 20 years, it would be a minimum of 20 years. No case comes to mind. I do not say they have not happened, because I am sure they have, but I can recall no case of a man having been convicted and sentenced to life imprisonment who, upon release, committed another crime for which he could have been convicted and sent to jail for life again or upon whom the capital punishment could have been imposed. There may be such cases, but I have not come across them.

Mr. LANE. I think, Mr. MULTER, I could cite you a case where a man had life in an institution and murdered one of the guards in the institution while he was there.

Mr. MULTER. There have been such cases, yes, sir.

Mr. LANE. I know of one particular State where a life sentence for murder means only that at the end of 13 years he may apply for his parole and may be released.

Mr. MULTER. I think this committee, if it looks upon this bill with favor, should write into the bill the minimum of what it believes a life sentence should be—15, 20, 25 years. It should be written into the bill.

Mr. LANE. Any further questions, gentlemen?

Mr. LINDSAY. There is one point which is interesting, raised by Mr. CAHILL. When you get to the question of whether or not a Federal court can impose a life sentence not subject to commutation, you run into tricky questions as to the power of the Executive. It is the same question whether or not the Executive can commute a death sentence to life imprisonment on the condition that there be no later commutation or lessening of the sentence. There you have the question whether the Executive has power to bind his successor.

Mr. MULTER. It is a nice question whether or not you can take from the Executive his right to pardon.

Mr. LINDSAY. Right.

Mr. LANE. If there are no further questions, Congressman MULTER, we again thank you for your appearance here this morning. You are always so helpful to our committee.